شور
SURE
SURE GLOBAL TECH
شور العالمية للتقنية



Annual Report of the Board of Directors

For the fiscal year ended December 31, 2023


بسم الله الرحمن الرحيم



Custodian of the Two Holy

King Salman bin Abdulaziz Al Saud

May Allah Protect him



His Royal Highness the Prince

Mohammed bin Salman bin Abdulaziz Al Saud

Crown Prince, Prime Minister, and Minister of Economic Affairs and Development

Table of Contents

01 Leadership Message 07

02 Company Strategy 13

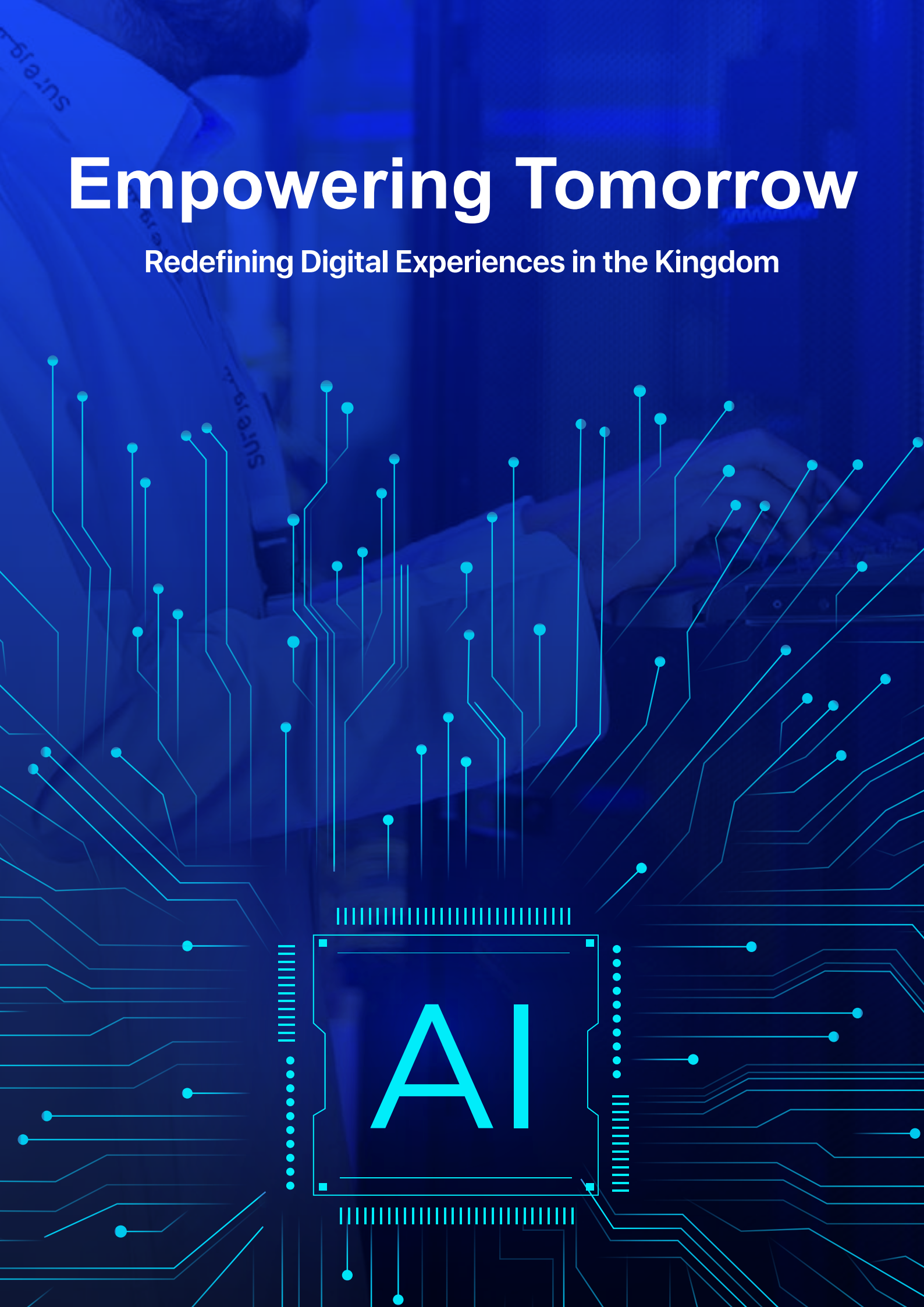
03 Corporate Governance 30

04 Financial Performance 47

05 Risk Management 52

Empowering Tomorrow

Redefining Digital Experiences in the Kingdom





شـور
SURE
SURE GLOBAL TECH
شور العالمية للتقنية

01
Leaders' Message

1.1 Board of Directors



Nawaf Abdullah Ali Al-Fawzan
Chairman of the Board of Directors



Abdullah Iyad Abdul Mohsen Al-Fares
Vice Chairman of the Board of Directors



Muhammad Saud Muhammad Al-Issa
Board Member
Managing Director
Chief Executive Officer



Bassem Abdullah Abdul Karim Al-Saloum
Member of the Board of Directors



Yasser Zouman Saad Al Zouman
Member of the Board of Directors

2.1 Chairman's Message

Dear shareholders of Sure Global Technology,

May God's peace, mercy, and blessings be upon you

On behalf of myself, and on behalf of my fellow members of the Board of Directors, I would like to welcome you to the annual report of the Board of Directors of Sure International Technology for the year ending December 31, 2023, which summarizes the most prominent achievements. Which we achieved during the year 2023, which contributed significantly to our successes and sustainable growth.

During the past year, the company succeeded in achieving a growing growth in net profit by 19.09% compared to the previous year. This increase in profits came as a result of the efforts made to expand our customer base and attract new customers. We were also able to introduce new technologies such as artificial intelligence and cloud computing in all our operational activities, which strengthened our position in the technology market and made us advance with steady steps towards achieving our vision and goals. Strategy.

I am also pleased to express my deep gratitude to our distinguished employees who have contributed greatly to these successes, and are undoubtedly a fundamental pillar in our journey towards excellence and innovation.

Dear shareholders, we promise you that we will continue to work hard and diligently to achieve what you aspire to, and we will do our utmost to ensure the continued growth and prosperity of the company and achieve satisfactory returns for all shareholders, benefiting from the rapid development witnessed by the Kingdom of Saudi Arabia, which is evident in Vision 2030 for digital transformation.



Nawaf bin Abdullah Al-Fawzan

Chairman of the Board of Directors

2.1 Chairman's Message

Dear shareholders of Sure Global Technology,

May God's peace, mercy, and blessings be upon you

On behalf of myself, and on behalf of my fellow members of the Board of Directors, I would like to welcome you to the annual report of the Board of Directors of Sure International Technology for the year ending December 31, 2023, which summarizes the most prominent achievements. Which we achieved during the year 2023, which contributed significantly to our successes and sustainable growth.

During the past year, the company succeeded in achieving a growing growth in net profit by 19.09% compared to the previous year. This increase in profits came as a result of the efforts made to expand our customer base and attract new customers. We were also able to introduce new technologies such as artificial intelligence and cloud computing in all our operational activities, which strengthened our position in the technology market and made us advance with steady steps towards achieving our vision and goals. Strategy.

I am also pleased to express my deep gratitude to our distinguished employees who have contributed greatly to these successes, and are undoubtedly a fundamental pillar in our journey towards excellence and innovation.

Dear shareholders, we promise you that we will continue to work hard and diligently to achieve what you aspire to, and we will do our utmost to ensure the continued growth and prosperity of the company and achieve satisfactory returns for all shareholders, benefiting from the rapid development witnessed by the Kingdom of Saudi Arabia, which is evident in Vision 2030 for digital transformation.



Mohammed bin Saud Mohammed Al-Essa

Managing Director and CEO

4.1 Overview of the Annual Report



Sure Global Tech, a leading provider of integrated technology solutions, is pleased to announce the release of its 2023 Annual Report, which provides a comprehensive review of the company's performance and achievements during the fiscal year ending December 31, 2023.

The report is a comprehensive reference for all aspects of Shure Global Tech's business, providing a detailed analysis of the financial results, highlighting the company's most important achievements during the past year, a comprehensive review of operational performance, and an overview of the company's strategy and future objectives.

The report covers the period from 1 January 2023 to 31 December 2023, and has been prepared in accordance with the highest standards of transparency and governance.

Sure Global Tech welcomes any inquiries regarding the annual report through the following email: investors@sure.com.sa

Summary of the year 2023

Sure global Tech succeeded during the year 2023 in achieving many important achievements and great successes and was able, thanks to God Almighty, to face all difficulties and overcome them and established the culture of teamwork within the company at the highest levels

Revenues

194,294,143
Million Riyals

Assets

155,560,157
Million Riyals

Total profit

56,460,772
Million Riyals

Projects

124

Awards

2

Events

5

New clients

40

New Partners

13



01

Company Strategy

2.1 About Sure Global Technology

Sure International Technology is a Saudi company founded in 2006 in Riyadh. The company operates in the field of information technology and provides a wide range of innovative and professional digital solutions in line with global transformations in the information technology sector. One of the most important areas in which the company works is digital transformation solutions and services and the development of electronic services. Shore Global Technology has worked with a large number of public and private sectors in the Kingdom of Saudi Arabia and contributed to the establishment and development of many projects that included software development services, infrastructure and information security, support and operation in addition to digital transformation consulting and a number of products directed to small and medium businesses.

Company branch				
Registration number	**Commercial name**	**City**	**Registration date**	**Activity**
1010691076	Sure Company for Commercial Services	Riyadh	7 Rajab 1442 AH	Installation and extension of television and satellite networks, computer and communications networks

Vision

To be a pioneer in the field of communications and information technology in the Kingdom by improving and developing various activities and raising the effectiveness and performance of digital transformation.

Message

Developing capabilities in the field of communications and information technology, and investing them in an optimal way in the growth of the company›s future projects in a way that achieves the Kingdom›s Vision 2030, serves the community, and keeps pace with national requirements and global developments.

Values

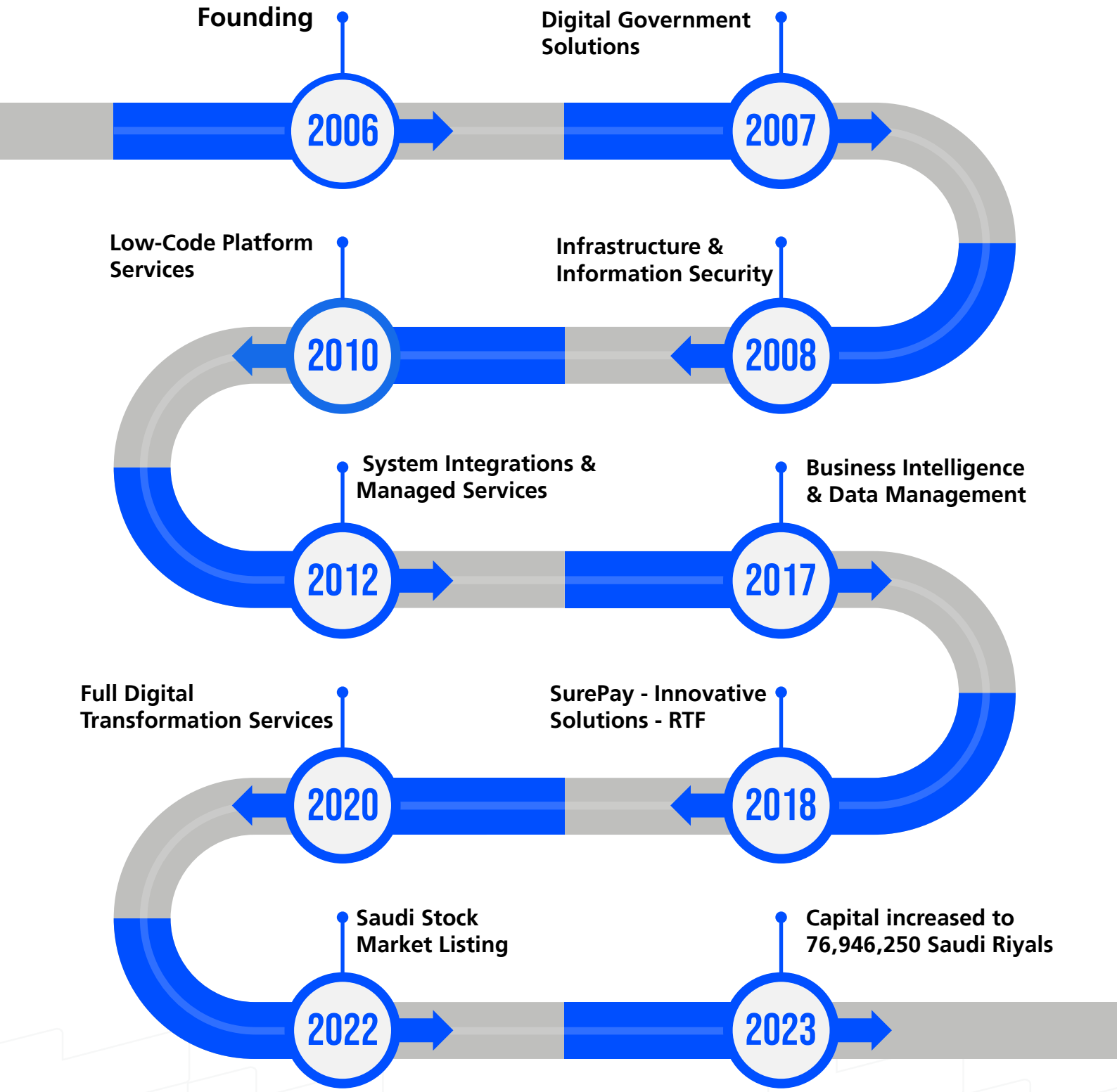
Trust - Quality - Passion - Innovation - Collective Investments

Investment

We invest in promising projects

فندقة Fandaqah | حصيل | Sure pay شركة مدفوعات شور | MajlesTech مجلس تك | Sure Connects | MAKTABI مكتبي

2.1 About Sure Global Technology



2.3 Business solutions and services

Infrastructure and Information Security Solutions

- Information Security and Cyber Security Solutions and Services
- Network Systems Solutions
- Artificial Intelligence
- Virtualization
- Cloud Computing
- Microsoft Infrastructure Services
- Business Continuity Solutions

Digital Business Solutions & Services

- Content Management
- Document Management & Archiving
- Data Management & Business Intelligence
- Digital Experience Management
- E-Applications
- Robotic Process Automation
- Intelligent Chatbots
- Technical Consulting Services

Managed Services Solutions

- Outsourcing and Operation
- Sourcing services based on project scope

Innovative professional products

MajlesTech مجلس تك

MAKTABI مكتبي

sure Connects

2.4 Prominent Clients:

وزارة الاستثمار
Ministry of Investment

وزارة الاتصالات وتقنية المعلومات
Ministry of Communications and Information Technology

وزارة المالية
Ministry of Finance

وزارة السياحة
Ministry of Tourism

وزارة الصحة
Ministry of Health

وزارة العدل
Ministry of Justice

أوقاف

هيئة الحكومة الرقمية
Digital Government Authority

نيوم
NEOM

CITC
هيئة الاتصالات وتقنية المعلومات
Communications & Information Technology Commission

وزارة الدفاع

وزارة التجارة
Ministry of Commerce

2.5 The most prominent achievements of the year 2023 AD



"Achievements that shape the path of the future"

During the year 2023, thanks to our strategic vision and commitment to excellence and innovation, and through our continuous efforts and the dedication of our work team, we achieved tangible results that contribute to supporting the Kingdom's Vision 2030 and enhance our position as a leading company in this field.

As we enter 2024, the company looks forward to achieving more accomplishments and enhancing its pioneering role in the field of technology, by continuing to work hard, developing its innovative solutions, and expanding the scope of its services.

In the following pages, we will review the most prominent achievements we have made during the year 2023, which in turn reflects Shore Global Technology's constant commitment to providing the best technical solutions to its customers, and its continuous pursuit of excellence and innovation.

2.5.1 Honors and Awards



"Business Excellence" Award

Under the generous patronage of His Excellency the Deputy Minister of Communications and Information Technology, Eng. Haitham Al-Ohali, we received the **«Excellence in Risk Management and Business Continuity Management»** award at the level of a selected group of information technology companies, presented by the Ministry of Communications and Information Technology.

nintex

Best Partner "Business Excellence" 2023

With our excellence in providing pioneering projects and solutions in the field of business intelligence and automation in the Kingdom. We received the **"Business Excellence"** award presented by the strategic partner Nintex.





outsystems

Best New Partner 2023

We have created solutions and developed many projects using the latest technologies in the field of Low-Code Applications and received the "Best New Partner" award presented by the strategic partner OutSystems

2.5.2 Events

Sure International Technology is always keen to participate in various events and activities locally and internationally, and during the year 2023 we participated in several events and conferences that strengthened our position in the market, including:

LEAP 2023

Our participation in **LEAP 23** Conference Exhibition came as a gold sponsor for the largest technical conference specialized in future technologies and their role in prosperity.





GITEX Technology Exhibition

We participated in the GITEX Technology Exhibition, both versions of GITEX Global, which is held annually in Dubai in the United Arab Emirates, as well as GITEX Africa in Morocco.

GITEX AFRICA Morocco

GITEX GLOBAL

2.5.3 Partnerships

A strategic partnership with Infoblox to leverage the power of its solutions across the AWS platform with the aim of advancing infrastructure and network management.

A strategic partnership with WSO2 aims to help our customers build interconnection platforms with high efficiency and lower

A strategic partnership with HPE to enhance innovation in technical solutions and develop digital transformation activities.

A strategic partnership with Classera to build and develop modern services and systems in the field of e-learning.

A strategic partnership with ContentSquare aims to enhance the user experience and improve the customer journey with the contribution of artificial intelligence, and innovative solutions will be provided to analyze and improve users' interaction with digital platforms.

A strategic partnership with OutSystems to build and develop modern services and systems using Low-Code technology.

The Global Technology Shore has also signed a set of partnerships and strategic conventions that contribute to improving and accelerating the company's performance in various projects. The importance of these partnerships is our ongoing commitment to provide the highest quality and innovation in our services to support the Kingdom's development and contribute to the achievement of Vision 2030 by achieving the following objectives:

- Promote innovation and development by adopting AI technologies.
- Use cloud computing to improve process efficiency and save time and resources.
- Achieving integrated digital transformation to promote sustainable economic development and support the digital economy.



2.5.4 Certificates

As part of the ongoing development of the preservation of our leadership position as a provider of information technology solutions in the region, we have successfully obtained the ISOs for business continuity management and ISOs, thereby enhancing their operational continuity and infrastructure development Business and risk reduction.

22301:2019
ISO Business Continuity Management Certificate

27001:2013
ISO Certificate for Information Security Management Systems





2.5.5 Maktabi

We launched our latest product, “Maktabi”, during the activities of the LEAP 2023 conference. It is a virtual assistant designed to facilitate and organize all meetings, visits, and tasks related to the offices of high-ranking officials and senior executives. It was developed based on the latest governance standards and is built using the latest technologies and security protocols.



Preparation of His Majesty's calendar

Communicate with all relevant authorities and work to proactively identify events and meetings related to Al-Hay.

minutes of meetings

Prepare, approve and participate in the minutes of the meeting and the points of the meeting and send them to the stakeholders

Scheduling and managing

Receiving requests for appointments from different authorities, determining the priority and importance of appointments, preparing and adopting the daily, weekly and monthly schedule.

Projects management

Establish UNOPS projects and follow up on their implementation and review everything related to the project to the Executive Office.

Guest Relations Management

Ensure that all matters relating to His Excellency›s meetings are ready before the start of the meeting and ensure that the meeting proceeds fully from its beginning to its conclusion..

Periodic reports and many more

Preparation and presentation to His Excellency of reports indicating the status of tasks and directives, their completion rates and their closure

2.6 Human Capital

The Human Resources Section of the Global Shore Technology Company (WTC) is a key pillar to support the company's strategic objectives by focusing on the development and enhancement of human capital. Global Technology Shore is proud to provide a supportive working environment for staff. The role of the Global Technology Shore in enhancing its position as the best place to work in the information technology sector is made by staff members who make good services and products and those here.

Staff Statistics	
Number of males of all nationalities	**164**
Number of Saudi males	**45**
Male Saudi Ratio	**27.44%**
Number of females of all nationalities	**40**
Number of Saudi females	**33**
Percentage of Saudi Women	**82.50%**
Total number of staff	**204**
Total number of Saudis	**78**
Total Percentage of Saudis	**38.24%**

Top achievements of human resources management in the year: 2023

Team development

- Attracting outstanding competencies in various technical fields.
- Promote the diversity of the team through the recruitment of people from diverse backgrounds and experiences

Skills Development:

- Implementation of training programmes to develop staff's skills in modern technical areas.
- Support staff participation in specialized conferences and workshops.
- Provide career exchanges with leading IT companies

Building a positive working culture

- Promote the company's values through awareness-raising programmes and interactive initiatives.
- Effective communication channels between staff and management to ensure a transparent working environment.





Attention to occupational health and safety:

- Apply high standards for occupational safety and health in the working environment.
- Comprehensive health insurance programs for employees and their families.
- Awareness-raising campaigns on the importance of occupational safety and risk prevention.
-

Future plans for human capital:

- Continue to attract outstanding competencies and develop their skills to keep abreast of accelerated technical developments.
- Promote a culture of innovation and creativity among employees through motivational programmes and support for new ideas.
- Expand corporate social responsibility programmes and support targeted community-based initiatives.



A strategic partnership with FlySure that aims to improve the experience of travel and business trips for employees.

Women’s empowerment:

In line with the vision of the Kingdom, Global Technology Shore 2030 worked on a profile of women’s empowerment in the labor market through numerous initiatives and possibilities that successfully elevated feminization to 19.32% of the total number of staffes.23

The dossier of women’s empowerment actions included the following pillars:

- Provide the necessary training courses.
- Gender equality of employees’ right to work and wage items.
- The development and recruitment of female staff in all administrative and technical departments and departments..



The Human Resources Section recognizes the importance of human capital in achieving the Company's strategic objectives. We are committed to providing a catalytic and supportive working environment for our staff to enable them to create their best and achieve the desired successes.

2.7 Company Goals for 2024

Sure global Technology is working on refining its business strategy to develop clear future plans that guide the company toward greater achievements and reaffirm its leadership in the field of information technology. Below is a list of the key goals the company aims to achieve in 2024:

- Expand further and enter new markets.
- Develop and enhance existing services and products.
- Work on creating new services and products.
- Achieve higher levels of customer and employee satisfaction.
- Strive for sustainability across all operations.

The company aspires to achieve sustainable growth and diversify income streams by implementing the following plans and strategies:

Cybersecurity Enhancement | **Technological Innovation** | **Geographic Expansion**

Professional Development | **Strategic Partnerships**

Establishing the Artificial Intelligence and Cloud Computing Division

The company has established an Artificial Intelligence and Cloud Computing Division, aiming to deliver and develop advanced technological solutions that enhance digital transformation processes and support business sustainability and innovation.



Strategy:

- Develop innovative AI solutions to improve operational efficiency and decision-making processes.
- Expand the utilization of cloud computing technologies to enable a seamless transition to a flexible and reliable tech environment.
- Enhance analytical and predictive capabilities using AI to support strategic decision-making.
- Strengthen security and protection in the cloud computing environment by adopting the latest technologies and practices.
- Provide continuous training and skill development for employees in AI and cloud computing fields.

Objectives:

- Achieve a recognized adoption rate of AI applications in the company's critical operations by 2025.
- Increase the efficiency of cloud computing resource utilization by 50% within the coming year.
- Develop an integrated data management platform in the cloud that supports strategic analytics and smart decision-making by 2025.
- Enhance system security and data protection levels, exceeding industry standards within the next two years.
- Expand the knowledge base and expertise in AI and cloud computing through training programs and strategic partnerships.

2.8 Company Plans, Future Outlook, and Risks

Company Plans, Future Outlook:

In an ever-changing and fast-paced business environment that constantly presents new challenges, it is crucial for Shor International for Technology to adopt integrated strategies aimed at achieving sustainable growth and development. The company is committed to adapting to evolving market demands, meeting diverse customer needs, and capitalizing on emerging opportunities. These efforts go beyond short-term profitability, focusing on building lasting customer relationships, ensuring employee satisfaction, and developing products and services aligned with modern requirements.

First: Strategic Plans

To achieve sustainable growth and strengthen its market position, the company has outlined comprehensive strategic plans that include:

1. Geographical Expansion: The company aims to expand its operations into regional and international markets by forming strategic alliances to enter new markets. This expansion will increase market share and achieve broader outreach.
2. Digital Transformation: Shor International seeks to adopt innovative digital solutions to improve operational efficiency and enhance customer experience. Key initiatives include developing a digital infrastructure based on artificial intelligence and big data analytics, which will help improve service quality and effectiveness.
3. Investment in Research and Development: The Company will continue to invest in R&D to innovate new products and services that align with changing market needs, enabling it to provide added value to customers and maintain its competitive edge.
4. Enhancing Social and Environmental Responsibility: The Company is committed to sustainability by adopting environmentally friendly practices and participating in community initiatives to support local society, in alignment with its corporate social responsibility.

The Company confirms that none of its operations will be halted during 2023.

Second: Future Outlook

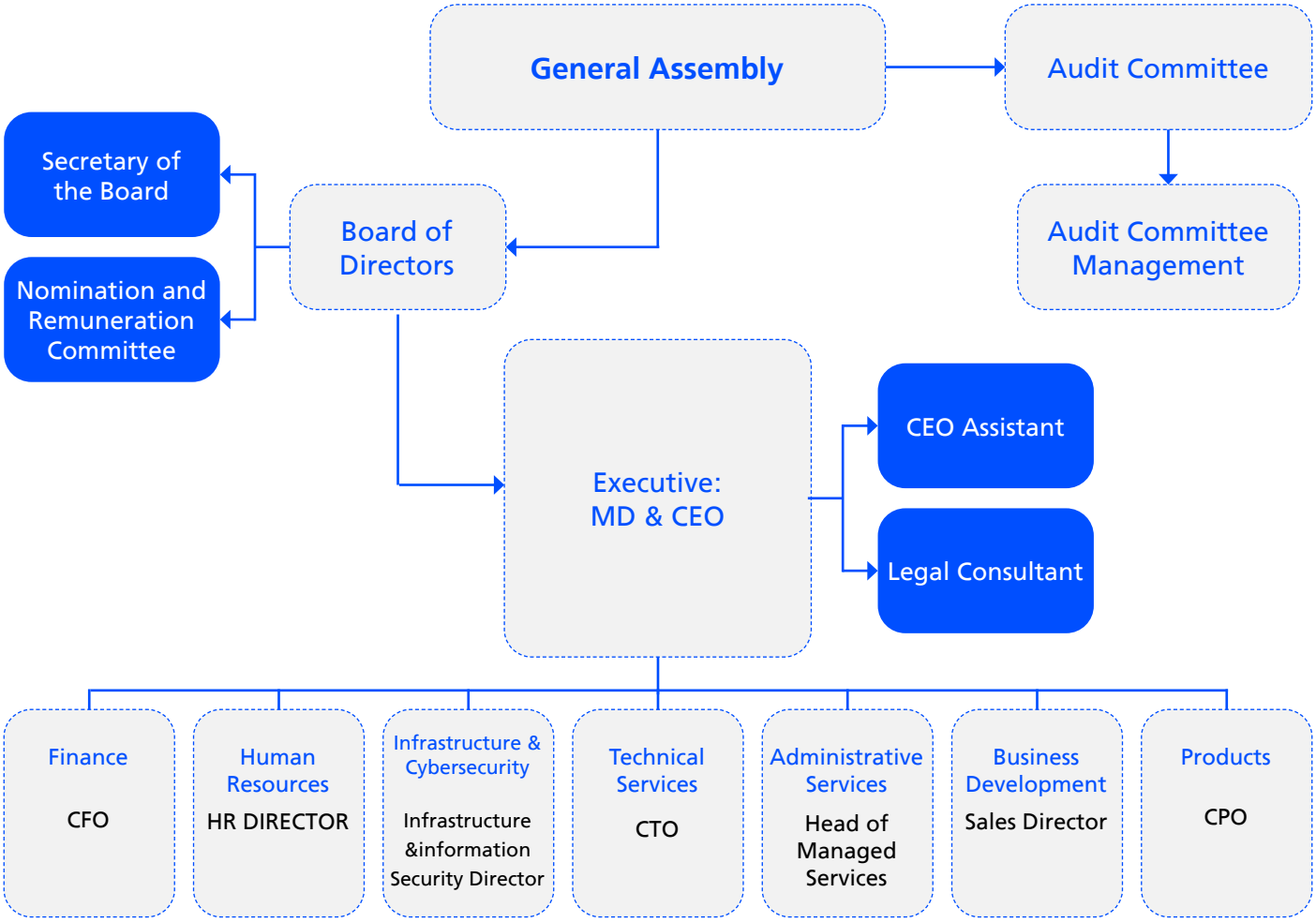
1. Increased Growth in the Local Market: With the implementation of expansion strategies and new partnerships, the company anticipates an increase in market share in both existing and new markets. This growth will boost the company's revenues and deliver positive returns to shareholders.
2. Expansion of Digital Services: The Company will continue investing in digital transformation and developing innovative solutions aligned with modern technological trends, enhancing customer experiences and operational efficiency.
3. Potential Challenges and Their Management: The Company acknowledges that global economic conditions and challenges may impact its performance. As a proactive measure, the company has developed precautionary strategies to mitigate potential economic fluctuations or future challenges, ensuring the continued achievement of its strategic goals effectively.

4. Enhancing Operational Efficiency: The company is committed to boosting operational efficiency and fostering innovation within internal processes. These efforts aim to improve financial performance, increase profitability, and strengthen its competitive edge in the market.

Key Decisions in 2023

During 2023, the company made several significant decisions that will directly shape its future path, including:

1. The company undertook a comprehensive restructuring of certain departments in the second quarter of 2023. This initiative was aimed at enhancing operational efficiency and improving internal communication among various teams to align with the upcoming phase›s requirements.



2. Launch of an Innovative Product: The Company introduced a groundbreaking product, «Maktabi», which reflects its commitment to providing advanced solutions that meet customer aspirations and expand its market share in the IT sector.

3. Cash Dividend Distribution: Sure global Technology›s Board of Directors recommended distributing cash dividends for the fiscal year 2023, amounting to SAR 11,541,937.50, equating to SAR 1.50 per share, as returns for the company's shareholders.

4. Capital Increase: The Company raised its capital to SAR 76.946 million, aimed at supporting future expansion and investment plans. This increase provides financial flexibility to meet its objectives and support its strategic initiatives.

Through these decisions, the company continues to strengthen its competitive position and capitalize on emerging opportunities to achieve greater success and long-term growth.

Sure global Technology recognizes that navigating the challenges of a dynamic market requires a clear vision, flexible strategies, and effective execution. By focusing on: Geographic expansion, Digital transformation, Research and development investment, Environmental and social sustainability, The company strives to deliver value to its clients, create an inspiring work environment for its employees, and generate positive returns for its shareholders. With its forward-looking approach, Sure global Technology remains steadfast in its commitment to sustainable growth. By anticipating potential challenges and adapting to evolving market demands, the company positions itself as a leader, ensuring continued success in achieving its strategic goals and making a meaningful impact on all stakeholders.



شـور
SURE
SURE GLOBAL TECH
شـور العالمية للتقنية

03

Corporate Governance

3.1 Implementation of Corporate Governance Regulations and Non-Implemented Provisions with Reasons

The company complies with all the provisions outlined in the Corporate Governance Regulations issued by the Capital Market Authority, except for the following provisions:

Article Number in the Regulations	Clause	Reason for Non-Implementation	Article/Clause Text
Thirty-Seven		(Training)	The article is advisory and has not been implemented.
Thirty-Nine		(Evaluation)	The article is advisory and has not been implemented.
Sixty-Seven (Formation of the Risk Management Committee)		A decision by the Board of Directors is required to form a Risk Management Committee chaired by a non-executive board member, with the majority of its members also being non-executive board members. The members must possess an adequate level of knowledge in risk management and financial affairs.	The article is advisory and has not been implemented
Sixty-Eighth (Duties of the Risk Management Committee):		The Risk Management Committee is tasked with the following: 1. Developing a comprehensive strategy and policies for risk management in line with the nature and scale of the company›s activities, ensuring their implementation, review, and updating in response to internal and external changes affecting the company. 2. Establishing an acceptable risk level for the company, maintaining it, and ensuring it is not exceeded. 3. Verifying the feasibility of the company›s continuity and its ability to successfully maintain operations while identifying risks that may threaten its continuity over the next twelve months. 4. Overseeing the company›s risk management system, evaluating the effectiveness of mechanisms for identifying, measuring, and monitoring potential risks, and identifying areas for improvement. 5. Reassessing the company›s risk tolerance and exposure periodically (e.g., by conducting stress tests). 6. Preparing detailed reports on risk exposures and proposing steps to manage these risks, which are submitted to the Board of Directors. 7. Providing recommendations to the Board on matters related to risk management. 8. Ensuring the availability of sufficient resources and systems for effective risk management. 9. Reviewing the organizational structure of the risk management department and providing recommendations before its approval by the Board of Directors.	The article is advisory and has not been implemented

		10. Ensuring the independence of risk management employees from activities that may expose the company to risks. 11. Verifying that risk management employees comprehend the risks surrounding the company and promoting awareness of a risk-conscious culture. 12. Reviewing issues raised by the Audit Committee that may affect the company›s risk management.	
Sixty-Ninth (Meetings of the Risk Management Committee):		The Risk Management Committee meets periodically at least every six months or as needed.	The article is advisory and has not been implemented.
Eighty-Two (Incentivizing Employees)	(2)	2. Granting employees shares or profit-sharing programs, retirement programs, and establishing an independent fund to finance these initiatives.	The article is advisory and has not been implemented.
Eighty-Two (Incentivizing Employees)	(3)	3. Establishing social institutions for company employees.	The article is advisory and has not been implemented.
Eighty-Four(Social Responsibility)		The Ordinary General Assembly, based on the Board of Directors' proposal, shall develop a policy to balance the company's objectives with the goals the community aspires to achieve, aiming to improve social and economic conditions.	The article is advisory and has not been implemented.
Eighty-Five (Social Work Initiatives)		The Board of Directors shall establish programs and determine the necessary means to launch the company's initiatives in the field of social work.	The article is advisory and has not been implemented.
Ninety-second (Formation of Corporate Governance Committee)		If the Board of Directors forms a specialized Corporate Governance Committee, it must delegate to it the responsibilities stipulated under Article 91 of these regulations. This committee shall oversee governance applications, address any related matters, and provide the Board of Directors with reports and recommendations at least annually.	The article is advisory and has not been implemented due to the presence of corporate governance specialists within the company's management. Therefore, the company believes there is no current necessity to form this committee.

3.2 The names of the Board of Directors members, committee members, executive management, their current and previous positions, qualifications, and experiences:

A) Members of the Board of Directors:

N	Name	Current Positions	Previous Positions	Qualifications	Experiences
1	Mr. Nawaf Abdullah Al-Fawzan	• Chairman of the Board of Directors at Shore International Technology Company • Managing Director at Food Essentials Company	Head of Investment Services Group at Falcom Financial Services	• Bachelor›s Degree in Accounting • Master's Degree in Business Administration	Over 25 years of experience in the fields of finance, investment, financial technology, and retail, as well as holding positions on various Boards of Directors and experience in real estate development and food manufacturing.
2	Mr. Aziz Abdullah Al-Sufyan	• Director in Corporate Investment Banking at Riyad Capital	Financial Consultant	Bachelor›s Degree in Financial Management	Over 15 years of experience in investment banking services.
3	Mr. Basel Abdullah Al-Salloum	• Board Member at Shore International Technology Company • Chief Executive Officer at Wadi Solutions Company	Chief Executive Officer at Shore Payments Information Technology Company	• Bachelor›s Degree in Languages and Translation • Master›s Degree in Information Technology Consulting	Over 15 years of experience in management and business development.
4	Mr. Yasser Zouman Al-Zouman	• Board Member at Shore International Technology Company • General Manager at Al-Saleh, Al-Zouman, and Al-Fahd Certified Accountants and Auditors	Chief Financial Officer at Watan Steel Manufacturing Company	• Bachelor›s Degree in Accounting • Master›s Degree in Business Administration	Over 16 years of experience in finance, auditing, and management.
5	Mr. Mohammed Saud Al-Eissa	• CEO and Managing Director at Shore International Technology Company	Deputy Chief Executive Officer at Shore International Technology Company	• Bachelor›s Degree in Languages and Translation • Master›s Degree in Occupational Safety Management	Over 13 years of experience in management, project management, and business development.
6	Mr. Abdullah Iyad Al-Fares	• Board Member at Shore International Technology Company • Chief Financial Officer at Riyad Capital	Director of Policies and Financial Control at Riyad Bank	• Bachelor›s Degree in Accounting • Master›s Degree in Business Administration	Over 15 years of experience in the public and private sectors in finance, external and internal auditing, and financial risk management.

- Mr. Aziz Abdullah Al-Sufyan submitted his resignation from the Board of Directors on 05-07-2023, and the Board of Directors approved his resignation on the same date, 05-07-2023.
- The Board of Directors appointed Mr. Abdullah Iyad Al-Fares as a (Non-Executive) Member of the Board starting from his appointment date, 06-07-2023, to complete the board›s term until the current term ends on 10-09-2025, succeeding the previous member, Mr. Aziz Abdullah Al-Sufyan

B) Members of the Committees

N	Name	Current Positions	Previous Positions	Qualifications	Experiences
1	Mr. Nawaf Abdullah Al-Fawzan	• Chairman of the Board of Directors at Shore International Technology Company • Managing Director at Food Essentials Company	Head of Investment Services Group at Falcom Financial Services	• Bachelor›s Degree in Accounting • Master's Degree in Business Administration	Over 25 years of experience in the fields of finance, investment, financial technology, and retail, as well as holding positions on various Boards of Directors and experience in real estate development and food manufacturing.
2	*Mr. Aziz Abdullah Al-Sufyan	• Director in Corporate Investment Banking at Riyad Capital	Financial Consultant	Bachelor›s Degree in Financial Management	Over 15 years of experience in investment banking services.
3	Mr. Basel Abdullah Al-Salloum	• Board Member at Shore International Technology Company • Chief Executive Officer at Wadi Solutions Company	Chief Executive Officer at Shore Payments Information Technology Company	• Bachelor›s Degree in Languages and Translation • Master›s Degree in Information Technology Consulting	Over 15 years of experience in management and business development.
4	Mr. Yasser Zouman Al-Zouman	• Board Member at Shore International Technology Company • General Manager at Al-Saleh, Al-Zouman, and Al-Fahd Certified Accountants and Auditors	Chief Financial Officer at Watan Steel Manufacturing Company	• Bachelor›s Degree in Accounting • Master›s Degree in Business Administration	Over 16 years of experience in finance, auditing, and management.
5	Mr. Mohammed Saud Al-Eissa	• CEO and Managing Director at Shore International Technology Company	Deputy Chief Executive Officer at Shore International Technology Company	• Bachelor›s Degree in Languages and Translation • Master›s Degree in Occupational Safety Management	Over 13 years of experience in management, project management, and business development.
6	**Mr. Abdullah Iyad Al-Fares	• Board Member at Shore International Technology Company • Chief Financial Officer at Riyad Capital	Director of Policies and Financial Control at Riyad Bank	• Bachelor›s Degree in Accounting • Master›s Degree in Business Administration	Over 15 years of experience in the public and private sectors in finance, external and internal auditing, and financial risk management.
7	***Mr. Faisal Mohammed Al-Obaid	• Chairman of the Audit Committee at Shore International Technology Company • Deputy CEO for Investment, Strategy, and Excellence at Saudi Public Transport Company (SAPTCO)	Chief Investment Officer at Miras Holding Company	• Bachelor›s Degree in Accounting • Master›s Degree in Business Administration (MBA)	• Financial Analyst at Saudi Telecom Company • Director of Investment Management at Al Rajhi Ventures Capital • Chief Investment Officer at Miras Holding Company
8	****Mr. Abdulaziz Saleh Al-Saleh	• Member of the Audit Committee at Shore International Technology Company	Head of Accounting and Reporting Department at Bahri Company	Bachelor›s Degree in Accounting Master›s Degree in Business Administration ((MBA	General Manager at Al Saleh, Al Zouman, and Al Fahd Certified Public Accountants and Auditors Extensive experience in accounting and auditing

*Mr. Aziz Abdullah Al-Sufyan submitted his resignation from the Board of Directors and the Nomination and Remuneration Committee on 05-07-2023, and the Board of Directors approved his resignation on the same date, 05-07-2023.

**The Board of Directors appointed Mr. Abdullah Iyad Al-Fares as a (Non-Executive) Member of the Board and Chairman of the Nomination and Remuneration Committee, starting from his appointment date, 06-07-2023, to complete the board's term until the current term ends on 10-09-2025, succeeding the previous member, Mr. Aziz Abdullah Al-Sufyan.

***The Board of Directors appointed Mr. Faisal Mohammed Al-Obaid as an (Independent) Member from outside the Board to the Audit Committee, starting from his appointment date, 27-12-2023, to complete the committee's term until the current term ends on 10-09-2025, succeeding the late member, Mr. Abdulaziz Saleh Al-Saleh.

****The Board of Directors announced the passing of the Independent Audit Committee Member from outside the Board, Mr. Abdulaziz Saleh Al-Saleh, on 08-10-2023.

C) Executive Management

Name	Current Positions	Previous Positions	Qualifications	Experiences
Mr. Mohammed Saud Al-Eissa	CEO and Managing Director at Shore International Technology Company	Deputy Chief Executive Officer at Shore International Technology Company	Bachelor›s Degree in Languages and Translation Master›s Degree in Occupational Safety Management	Over 13 years of experience in management, project management, and business development.
Mr. Essam Osman Al-Muqayed	Chief Financial Officer	Audit Manager at Al-Rashed Certified Public Accountants and Auditors	Bachelor›s Degree in Administrative Sciences, specializing in Accounting	Over 30 years of experience in accounting and auditing

3.3 Names of companies inside or outside the Kingdom in which the company's board member is currently or has previously served as a board member or has been one of its managers.

Member›s Name	Names of the companies in which the board member is currently a member of the board of directors or has been one of its managers.	Inside the Kingdom / Outside the Kingdom	Legal Entity (Listed Joint Stock / Unlisted Joint Stock / Limited Liability Company)	Names of the companies in which the board member has been a member of the board of directors or has been one of its managers in the past.	Inside the Kingdom / Outside the Kingdom	Legal Entity (Listed Joint Stock / Unlisted Joint Stock / Limited Liability Company)
Mr. Nawaf Abdullah Al-Fawzan	Food Essentials Company	Inside the Kingdom	Closed Joint Stock Company	Al-Nayifat Financing Company	nside the Kingdom	Closed Joint Stock Company
	Shore Payments for Information Technology Company	Inside the Kingdom	Limited Liability Company	Al-Makhazen Logistics Services Company	nside the Kingdom	Closed Joint Stock Company
	Al-Amsal Financing Company	Inside the Kingdom	Closed Joint Stock Company			
Mr. Abdullah Iyad Al-Fares	Riyadh REIT	Inside the Kingdom	Listed Joint Stock	None		
Mr. Basel Abdullah Al-Salloum	Dal 360 Digital Bank	Inside the Kingdom	Closed Joint Stock Company	Al-Falih Sports House Company	Inside the Kingdom	Closed Joint Stock Company
	Bas Investment Company	Inside the Kingdom	Closed Joint Stock Compan	Saudi Export Development Authority	Inside the Kingdom	Government Sector
	Iwaa Al-Arab Travel and Tourism Company	Inside the Kingdom	Closed Joint Stock Company	Saudi General Investment Authority	Inside the Kingdom	Government Sector
	Shore International Technology Company	Inside the Kingdom	Listed Joint Stock	Nabataati Retail Company	Inside the Kingdom	Limited Liability Company
	Basamat Advertising and Public Relations Company	Inside the Kingdom	Closed Joint Stock Company	Mohammed Bin Yala Exchange Company	Inside the Kingdom	
	Growth House Financial Company	Inside the Kingdom	Closed Joint Stock Company	Fawaz Al-Hokair & Partners Company	Inside the Kingdom	Partnership Company
				Malath Cooperative Insurance Company		Public Joint Stock Company
Mr. Yasser Zouman Al-Zouman	Al-Saleh, Al-Zouman, and Al-Fahd Certified Public Accountants and Auditors	Inside the Kingdom	Closed Joint Stock Company	Watani Steel and Iron Company Ltd.	Inside the Kingdom	Limited Liability Company

	Watani Steel and Iron Company	Inside the Kingdom	Listed Joint Stock			
	Al-Majed for Oud Company	Inside the Kingdom	Closed Joint Stock Company			
Mr. Mohammed Saud Al-Eissa	Shore International Technology Company	Inside the Kingdom	Listed Joint Stock	None		
	Growth House Company	Inside the Kingdom	Closed Joint Stock Company			
	Arab Knowledge Trading Company	Inside the Kingdom	Limited Liability Company			

None of the board members is currently or has previously been a member of the board of directors or a manager of a company outside the Kingdom.

3.4 Composition of the Board of Directors and Classification of its Members as Follows:

Executive Board Member – Non-Executive Board Member – Independent Board Member.

Member's Name	Membership Classification (Executive - Non-Executive - Independent)
Mr. Nawaf Abdullah Al-Fawzan	Independent
Mr. Abdullah Iyad Al-Fares	Non-Executive
Mr. Basel Abdullah Abdulkarim Al-Salloum	Non-Executive
Mr. Mohammed Saud Mohammed Al-Eissa	Executive
Mr. Yasser Zouman Saad Al-Zouman	Independent

3.5 The procedures taken by the Board of Directors to inform its members, especially the non-executive members, of the shareholders› proposals and their remarks regarding the company and its performance.

The Board confirms that during the year 2023, it did not receive any remarks or proposals from shareholders regarding the company and its performance. If the company receives any proposals or remarks from shareholders in the future, the Board will take the necessary actions to directly inform the non-executive members and discuss them with all Board members. Shareholders may submit their proposals or remarks regarding the company and its performance through the communication mechanism outlined below: In line with the company›s commitment to protecting the rights of its shareholders, the company has a designated officer responsible for handling shareholder affairs. This officer maintains continuous communication with shareholders, responds to inquiries, and follows up on any potential issues regarding dividend distribution and other matters. Shareholders can contact the Shareholder Affairs Officer directly via the following email: investors@sure.com.sa

3.6 A brief description of the responsibilities and duties of the committees, such as the Audit Committee, the Nomination Committee, and the Remuneration Committee, including the names of the committees, their chairs, members, the number of meetings, dates of meetings, and attendance details for each meeting.

Board Committees:

The company has two sub-committees of the Board of Directors, and these committees perform their duties and responsibilities based on the relevant governance documents, policies, and regulations approved by the Board or the General Assembly, which define their powers and operational procedures. Below are the current members of the committees and a summary of their duties and responsibilities:

The committee

chaired by Mr. Mohammed Azam Al-Shuwaier (a member from outside the Board), with the membership of Mr. Yasser Zouman Al-Zouman (Board member), and Mr. Faisal Mohammed Al-Obaid (a member from outside the Board).

The committee is responsible for assisting the Board in fulfilling its responsibilities, particularly in ensuring the adequacy and effective implementation of the internal control system, and providing any recommendations to the Board that may activate and develop the system to achieve the company's objectives and protect the interests of shareholders and investors efficiently and at a reasonable cost. From this perspective, the committee›s duties do not include performing any executive tasks or making decisions, but are limited to providing recommendations to the Board for appropriate action.

The committee held (4) meetings during the fiscal year 2023, as detailed below:

م	Name	Nature of Membership	First meeting 21/02/2023	Second meeting 2/03/2023	Third meeting 2/06/2023	Fourth meeting 21/08/2023	Number of meetings attended by the member
1	Mohammed Azam Al-Shuwaier	Committee Chair	✓	✓	✓	✓	4
2	Yasser Zouman Al-Zouman	Member	✓	✓	✓	✓	4
3	*Abdulaziz Saleh Al-Saleh	Member	✓	✓	✓	✓	4
4	*Faisal Mohammed Al-Obaid	Member	✗	✗	✗	✗	0

✓ Attendance in Person ✗ Absence

* قام مجلس الإدارة بالإعلان عن وفاة عضو لجنة المراجعة (مستقل) من خارج المجلس الأستاذ/ عبد العزيز صالح الصالح بتاريخ 08-10-2023م.
** قام مجلس الإدارة بتعيين الأستاذ/ فيصل محمد العبيد عضواً (مستقل) من خارج مجلس الإدارة عضواً في لجنة المراجعة ابتداءً من تاريخ تعيينه في 27-12-2023م لإكمال دورة اللجنة حتى تاريخ انتهاء الدورة الحالية في 10-09-2025م خلفاً للعضو المتوفي الأستاذ / عبد العزيز صالح الصالح.

Tasks and scope of work of the Audit Committee:

The Audit Committee is responsible for monitoring the company's business and verifying the integrity and honesty of the company's reports, financial statements, and internal control systems, including:

1. Verifying the adequacy and sufficiency of internal audit work by reviewing the effectiveness of the arrangements for the internal audit department and the extent of their adequacy and sufficiency.
2. Verifying the full response of the company›s management to the issues identified and monitored through the activities and work of the Audit Committee, especially internal and external audit work and verifying its independence.
3. Verifying the company›s acceptance and understanding of the role, work and value of internal audit through available means. .
4. Measuring and evaluating the level of effectiveness of the company›s internal control system.
5. Verifying compliance with the regulations, laws, standards and policies related to the committee›s work system, tasks and responsibilities

Financial reports:

1. Studying the company's initial and annual financial statements before presenting them to the Board of Directors, expressing an opinion on them, and making recommendations regarding them, in order to ensure the integrity, fairness, and transparency of the financial statements.
2. Upon the request of the Board of Directors, the Audit Committee shall express its technical opinion on whether the Board of Directors' report and the company's financial statements are fair, balanced, understandable, and include information that enables shareholders and investors to evaluate the company's financial position, performance, business model, and strategy.
3. Study any important or abnormal issues contained in the financial reports.
4. Carefully investigate any issues raised by the company's financial manager, or whoever assumes the duties of the financial manager, or the company's compliance officer, or the auditor.
5. Verifying accounting estimates in the material matters included in the financial reports.
6. Studying the accounting policies applied in the company and expressing an opinion and recommendation to the Board of Directors in this regard.

Auditors:

1. Recommending to the Board of Directors the nomination of auditors, their dismissal, determining their fees, and evaluating their performance, after verifying their independence and reviewing the scope of their work and the terms of contracting with them.
2. Verifying the independence, objectivity, and fairness of the auditor, and the effectiveness of the audit work, taking into account the relevant rules and standards.
3. Review the company auditor›s plan and work and verify that he does not provide technical or administrative work that is outside the scope of the audit work, and express its views on that.
4. Answer the inquiries of the company›s auditor.
5. Study the auditor›s report and his comments on the financial statements and follow up on what has been taken regarding them.

The most prominent tasks, powers and responsibilities of the Audit Committee:

- The Committee has the right to investigate any matter that falls within its duties, or any subject specifically requested by the Board of Directors.
- The Committee has the right to request any clarifications or statements from the members of the Board of Directors, the Executive Management, or the Company's employees for the purpose of investigation and inquiry about any information.

- The Committee has the right to seek legal and technical advice from any external party or any other independent consultancy whenever necessary to assist the Committee in performing its duties.
- Ensuring the identification of any issues related to risk management and internal audit oversight.
- Informing the executive management and the Chairman of the Audit Committee about any irregularities, fraud, or violations based on their severity.
- Requesting the Board of Directors to convene the General Assembly of the company if the Board obstructs its operations or if the company faces significant damages or losses.

(2) Nomination and Remuneration Committee:

It is chaired by Mr. Abdullah Eyad Al-Fares, Vice Chairman of the Board, with the membership of Mr. Nawaf Abdullah Al-Fawzan, Chairman of the Board, and Mr. Basem Abdullah Al-Salloum, Board Member. The committee held two meetings during the financial year 2023, as detailed below:

م	Name	Membership Nature	The First Meeting 13/04/2023	The First Meeting 06/11/2023	The Number of Meetings Attended by the Member
1	Abdullah Eyad Al-Fares	Chairman of the Committee	✗	✓	
2	Nawaf Abdullah Al-Fawzan	Member	✓	✓	
3	Basem Abdullah Al-Salloum	Member	✓	✓	
4	*Aziz Abdullah Al-Sufyan	Member	✓	✗	

✓ Attendance in Person ✗ Absence

*Mr. Aziz Abdullah Al-Sufyan submitted his resignation from the Board of Directors and the Nomination and Remuneration Committee on 05072023/. The Board of Directors approved the members resignation on 052023/07/.

* Duties and Responsibilities of the Nomination and Remuneration Committee:

Regarding Remuneration:

1. Develop a clear policy for the remuneration of Board members, sub-committees, and executive management of the company. This policy should be submitted to the Board of Directors for review and approval, with a view to its adoption by the General Assembly. The policy should align with performance criteria, transparency, and effective implementation.
2. Conduct regular reviews of the remuneration policy and assess its effectiveness in achieving the desired objectives.
3. Recommend to the Board of Directors the remuneration of Board members, sub-committees, and senior executives in accordance with the approved policy.
4. Review the principles for distributing the annual remuneration set by the Board of Directors and provide recommendations to the Board regarding it.
5. Regarding Nominations:
    - Propose clear policies and criteria for membership on the Board of Directors and executive management.
    - Prepare descriptions of the required skills and qualifications for Board membership and executive managementpositions.
    - Conduct an annual review of the skills and expertise required for membership on the Board of Directors and for executive management roles.

3.7 Methods Used by the Board of Directors to Evaluate Its Performance, the Performance of Its Committees, and Its Members, and the External Entity Conducting the Evaluation, if Any:

During the year 2023, no methods were implemented by the Board of Directors to evaluate its performance, the performance of its committees, or its members. Additionally, no external entity conducted an evaluation of the Board, its committees, or its members.

3.8 Disclosure of the Remuneration of Board Members and Executive Management as Stipulated in Article 90 of the Corporate Governance Regulations:

The remuneration policy for the Board members, sub-committees, and executive management of Shor International Technology was prepared in compliance with Article 58 of the Corporate Governance Regulations issued by the Capital Market Authority (CMA) under Resolution No. 8-16-2017, dated 16/5/1438H, based on the Companies Law issued by Royal Decree No. M/3, dated 28/01/1437H, amended by CMA Resolution No. 8-5-2023, dated 1/12/1443H, corresponding to 18/01/2023, in accordance with the Companies Law issued by Royal Decree No. M/132, dated 1/12/1443H.

How the Remuneration of Board Members, Committees, and Executive Management for 2023 Was Determined:

Board Remuneration for 2023:

The remuneration for Board members and sub-committees for the year 2023 was determined through a recommendation from the Nomination and Remuneration Committee to the Board on 24/04/2024. It was approved by the Extraordinary General Assembly (Fifth Meeting) on 25/06/2024.

Committee Members› Remuneration for 2023:

The remuneration for committee members for the year 2023 was determined through a recommendation from the Nomination and Remuneration Committee to the Board on 24/04/2024. It was approved by the Extraordinary General Assembly (Fifth Meeting) on 25/06/2024.

Executive Management Remuneration for 2023:

The remuneration for executive management for the year 2023 was determined through the evaluation and approval of the Nomination and Remuneration Committee on 24/04/2024.

- The Nomination and Remuneration Committee continuously reviews the annual remuneration for senior executives, along with incentive programs and plans, which are approved by the Board based on the recommendation from executive management.
- The executive management remuneration is granted based on the recommendation of the Nomination and Remuneration Committee and approved by the Board.
- The Nomination and Remuneration Committee recommends to the Board the remuneration for executive management, taking into consideration the annual budget and company performance.

Senior executives receive the following benefits: base salary, housing allowance, transportation allowance, medical insurance for the employee and their family, and any other allowances approved by the Board, as well as any other benefits or advantages provided under their employment contract. Additionally, end-of-service benefits are granted if applicable.

The company confirms that the remuneration was granted according to the approved remuneration policy for the Board members, sub-committees, and executive management, and there has been no significant deviation from it. Below is the policy for the remuneration of the Board members, sub-committees, and executive management:

Remuneration Policy for Board Members, Sub-committees, and Executive Management:

Remuneration Criteria:

The remuneration for members of the Board of Directors, its committees, and the executive management are subject to the following criteria:

1. Alignment with the company›s strategy and objectives.
2. Remuneration is provided to motivate Board members and executives to contribute to the long-term success and growth of the company.
3. Remuneration is determined based on the level of the role, responsibilities, qualifications, experience, skills, and performance.
4. Consistency with the company's risk size and nature.
5. Consideration of practices in other companies when determining remuneration, avoiding unjustified increases in compensation.
6. Aiming to attract, retain, and motivate skilled professionals without overcompensating.
7. Remuneration should be coordinated with the Nomination, Remuneration, and Human Resources Committee when making new appointments.
8. Organizing the issuance of shares in the company to Board members and executives, whether through new issuance or repurchased shares.
9. Remuneration must be fair and proportionate to the member's duties and responsibilities, and the goals they are expected to achieve during the financial year.
10. Remuneration should be based on recommendations from the Nomination, Remuneration, and Human Resources Committee.
11. Remuneration should align with the company›s activity and the skills needed for its management.
12. Taking into account the sector in which the company operates, its size, and the experience of the Board members.
13. The remuneration should be reasonable enough to attract suitably qualified and experienced Board members, motivate them, and retain them.
14. A Board member may receive compensation for their role in the audit committee appointed by the General Assembly or for any additional executive, technical, administrative, or advisory positions they hold, in addition to their remuneration as a Board member or for their role in any committees created by the Board, in accordance with company regulations and the Articles of Association.
15. Board members› remuneration may vary in amount, reflecting their expertise, role, independence, and attendance at meetings, among other factors.
16. If the Audit Committee or the Authority discovers that remuneration granted to Board members or executives was based on incorrect or misleading information presented to the General Assembly or included in the annual Board report, the amounts must be returned to the company, which has the right to demand repayment.

Remuneration for Board Members and Its Subcommittees:

1. The remuneration of a Board member and all benefits received — if any — shall be as approved by the General Assembly, in accordance with official decisions and instructions issued in this regard, and within the limits prescribed by the company›s regulations and its Articles of Association.
2. The remuneration of a Board member may be a fixed amount, attendance fees for meetings, in-kind benefits, or a certain percentage of the company›s net profits. It is permissible to combine two or more of these benefits.
3. If the remuneration is a percentage of the company›s profits, this percentage should not exceed

10% of the net profits, after deducting the reserves decided by the General Assembly in accordance with the provisions of the Companies Law and the company›s Articles of Association. Additionally, it should be after distributing at least 5% of the company's paid-up capital to shareholders. The entitlement to this remuneration should be proportionate to the number of meetings attended by the member, and any arrangement contradicting this will be considered void.

4. In all cases, the total amount of remuneration and financial or in-kind benefits received by a Board member shall not exceed (500,000) five hundred thousand riyals annually, in accordance with the regulations set by the competent authority.
5. The remuneration of independent Board members should not be a percentage of the profits earned by the company, nor should it be directly or indirectly based on the company›s profitability.
6. The remuneration for Board members and the subcommittees is detailed as follows:

Table of Remuneration and Benefits for Board Members and Subcommittees:	
Type of Remuneration	Recommended
Annual Remuneration for the Chairman of the Board	An annual remuneration of (80,000) Saudi riyals only is allocated to the Chairman of the Board.
Attendance Fee for Audit Committee Meetings	An attendance fee of (5,000) Saudi riyals is granted to each committee member for every meeting attended.
Annual Remuneration for the Chairman of the Audit Committee	An annual remuneration of (20,000) Saudi riyals only is allocated to the Chairman of the Audit Committee.
Attendance Fee for Remuneration and Nomination Committee Meetings	An attendance fee of (5,000) Saudi riyals is granted to each committee member for every meeting attended.
Schedule for Payment of Annual Remuneration for Board Membership	Annual remuneration for Board membership is paid to members on an annual basis.
Effective Date of the Compensation and Benefits Policy for Board Members and Its Committees	The compensation and benefits policy for Board members and its committees applies starting from the financial year 2021.

Executive Management Remuneration:

The company grants its senior executives — in accordance with the procedures and criteria approved by the Board of Directors — specific financial benefits based on the salary scale and the approved policies in this regard. Executive management remuneration includes the following:

1. Basic salary
2. Health insurance
3. Transportation allowance
4. Housing allowance
5. Annual bonus
6. Long-term incentive bonus, if applicable
7. Any other bonuses or allowances approved by the company›s Board of Directors.

Disclosure

1. The Board of Directors› report, presented to the General Assembly, must include a comprehensive statement of all the remuneration, allowances, and other benefits received by Board members during the financial year. This should also detail what was received by Board members in their capacity as employees, administrators, or for any technical, administrative, or consulting services provided. Additionally, it must include information on the number of Board meetings held and the number of meetings attended by each member since the last General Assembly meeting.
2. Without prejudice to what is mentioned in paragraph (1) of this article, the company shall disclose the remuneration of the Board members and executive management in accordance with the regulatory requirements specified in the Governance Regulations.

Payment of Remuneration:

Remuneration is paid in Saudi Riyals or its equivalent in any other currency. Payments are made through direct deposits into the designated bank accounts specified by the concerned individual.

General Conditions

1. Members of the Board of Directors are not permitted to vote on the item related to the remuneration of the Board members during the General Assembly meeting.
2. This policy is effective from the date of approval by the General Assembly and can only be amended with the General Assembly›s consent on those amendments.
3. This policy complements the company›s Articles of Association, its Corporate Governance system, and the Governance Regulations.
4. Any matters not explicitly addressed in this policy will be subject to the relevant regulations and bylaws issued by the competent authorities.
5. This policy cancels and supersedes any procedures, decisions, or internal regulations of the company that conflict with it.

A. Remuneration of Board Members:

Board Members	Fixed Remuneration							Variable Remuneration						End-of-service gratuity	Gross total	Expense allowance
	Specific Amount	Attendance Allowance for Board Meetings	Total Attendance Allowance for Committee	In-Kind Benefits	Statement of amounts received by board members in their capacity as employees or executives, or for technical, administrative, or consultancy work	Remuneration for the Chairman, the Managing Director, or the Secretary if they are members	Total	A percentage of the profits.	Periodic remuneration	Short-term incentive plans.	Long-term incentive plans	Granted shares (value to be entered)	Total			
First: Independent, non-executive members																
Nawaf Abdullah Al-Fawzan	80,000	8,000	10,000	0	0	0	98,000	0	0	0	0	0	98,000	0	0	0
Yasser Zuman Al-Zuman	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	80,000	8,000	10,000	0	0	0	98,000	0	0	0	0	0	98,000	0	0	0

Second: Non-independent, non-executive members																
Abdullah Eyad Al Fares	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Third: Executive members																
Basem Abdullah Al-Salloum	0	0	10,000	0	0	180,000	190,000	0	0	0	0	0	190,000	0	0	0
Muhammad Saud Al-Issa	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	0	0	10,000	0	0	180,000	190,000	0	0	0	0	0	190,000	0	0	0

B. Remuneration of Senior Executives

	Fixed Remuneration					Variable Remuneration							
	Salaries	Allowances	In-kind Benefits	Total	Periodic Remuneration	Profits	Short-Term Incentive Plans	Long-Term Incentive Plans	Granted Shares (Enter Value)	Total	End-of-service gratuity	Gross total	Expense allowance
Chief Executive Officer (CEO)	606,660	212,340	0	819,000	1,792,604	0	0	0	0	2,611,604	476,992	3,088,596	0
Chief Financial Officer (CFO)	366,102	128,134	0	494,236	123,912	0	0	0	0	618,148	496,844	1,114,992	0
Human Resources Manager	175,996	61,604	0	237,600	29,866	0	0	0	0	267,466	52,752	320,218	0
Total	1,148,758	402,078	0	1,550,836	1,946,382	0	0	0	0	3,497,218	1,026,588	4,523,806	0

C. Remuneration for Committee Members

	Fixed Remunerations (excluding attendance allowances for meetings)	Attendance Allowance for Meetings	Total
Audit Committee Members			
***Mohamed Azam Al-Shuwaiyer	20.000	20,000	40,000
Yasser Zuman Saad Al Zuman	0	20,000	20,000
Abdulaziz Saleh Al-Saleh	0	20,000	20,000
****Faisal Mohammed Al-Obaid	0	0	0
Total:	20,000	60,000	80,000

Nomination and Remuneration Committee Members			
Abdullah Eyad Al-Fares	0	0	0
Nawaf Abdullah Al-Fawzan	0	10,000	10,000
Bassam Abdullah Al-Salloum	0	10,000	10,000
Aziz Abdullah Al-Sufyan	0	0	0
Total	0	20,000	20,000

*The Board of Directors announced the passing of the independent Audit Committee member, Mr. Abdulaziz Saleh Al-Saleh, on 08/10/2023.
**The Board of Directors appointed Mr. Faisal Mohammed Al-Obaid as an independent member from outside the Board to the Audit Committee, effective from 27/12/2023, to complete the Committee's term until 10/09/2025, succeeding the late Mr. Abdulaziz Saleh Al-Saleh.
***The Board of Directors appointed Mr. Abdullah Eyad Al-Faris as a non-executive member of the Board of Directors and Chairman of the Nominations and Remunerations Committee, effective from 06/07/2023, to complete the Board's term until 10/09/2025, succeeding the previous member Mr. Aziz Abdullah Al-Sufyan.
****Mr. Aziz Abdullah Al-Sufyan submitted his resignation from the Board of Directors and the Nominations and Remunerations Committee on 05/07/2023, and the Board of Directors approved his resignation on 05/07/2023.

3.9 Any penalty, sanction, precautionary measure, or precautionary restriction imposed on the company by the authority or any supervisory, regulatory, or judicial entity, along with the reasons for the violation, the entity imposing it, and the methods for addressing and preventing it in the future:

There are no penalties, sanctions, precautionary measures, or precautionary restrictions imposed on the company by the authority or any supervisory, regulatory, or judicial entity.

3.10 Results of the annual review of the effectiveness of internal control procedures:

The company's Audit Committee, composed of three members, is primarily concerned with studying periodic reports related to internal control procedures provided by the internal auditor.
Saad Saleh Al-Subaiti & Partners Chartered Accountants and Auditors were appointed as the company›s internal auditors for 2023 to conduct internal audits and assess the effectiveness of internal controls within the company. This is part of the company's effort to ensure accuracy and effectiveness in performance and quality. Additionally, the committee contributed to reviewing the preliminary and final financial statements and made recommendations to the Board of Directors.
The committee also coordinates with external regulatory bodies. The Audit Committee reviewed the reports submitted regarding the company's activities.

The Audit Committee›s opinion on the evaluation of internal control systems:

The committee finds the internal control system in the company to be adequate and urges the executive management to quickly implement the internal audit plan and issue audit reports for departments as per the approved plan. The committee also stresses the importance of continuously improving internal control procedures by addressing the issues identified in the audit results. The committee will continue to monitor the internal control system periodically.

3.11 The Audit Committee's recommendation regarding the need to appoint an internal auditor in the company in case one is not already appointed:

The company's management has appointed Saad Saleh Al-Subaiti & Partners Chartered Accountants and Auditors as the company's internal auditors for 2023, based on the recommendation of the Audit Committee.

3.12 Recommendations from the Audit Committee that conflict with the Board of Directors› decisions, or that the Board has rejected, regarding the appointment, dismissal, determination of fees, and performance evaluation of the company›s external auditor or the appointment of an internal auditor, along with the reasons for these recommendations and the reasons for not accepting them:

There are no recommendations from the Audit Committee that conflict with the Board of Directors› decisions or have been rejected by the Board.

3.13 The company's social contributions:

There were no social contributions made by the company during the year 2023.

3.14 Statement of the dates of the General Assemblies of shareholders held during the last financial year and the names of the Board of Directors members who attended these meetings:

Sl.	Name	Attendance record	
		Extraordinary General Assembly Meeting (Third) 12/06/2023	Extraordinary General Assembly Meeting (Fourth) 13/11/2023
1	Nawaf Abdullah Al-Fawzan	✓	✓
2	*Aziz Abdullah Al-Sufyan	✓	✗
3	Bassem Abdullah Al-Salloum	✓	✓
4	Mohammad Saud Al-Essa	✓	✓
5	Yasser Zuman Al-Zuman	✓	✓
6	**Abdullah Eyad Al-Fares	✗	✓

✓ Attendance in Person ✗ Absence

* Mr. Aziz Abdullah Al-Sufyan submitted his resignation from the Board of Directors and the Nominations and Remuneration Committee on 05/07/2023, and the Board of Directors approved the resignation on 05/07/2023.

** The Board of Directors appointed Mr. Abdullah Eyad Al-Fares as a non-executive member of the Board of Directors and as the Chairman of the Nominations and Remuneration Committee starting from 06/07/2023, to complete the current term of the board until 10/09/2025, succeeding the previous member, Mr. Aziz Abdullah Al-Sufyan.

3.15 Shares and Debt Instruments Issued for Each Subsidiary Company:

There are no shares or debt instruments issued for subsidiary companies.

3.16 Company Policy on Dividend Distribution:

As stated in Article (39) of the company's Articles of Association: "Profits shall be distributed as follows:"

1. The General Assembly shall determine the percentage to be distributed to shareholders from the net profits after deducting reserves, if any.
2. A shareholder is entitled to their share of profits according to the decision of the General Assembly in this regard, which specifies the entitlement date and distribution date. Dividends are entitled to

shareholders whose names appear in the shareholder register at the end of the entitlement day. The bylaws specify the maximum period within which the Board of Directors must implement the General Assembly's decision regarding profit distribution.

3. After the approval of the General Assembly, a certain percentage of net profits may be set aside to form a reserve for the company to strengthen its financial position.
4. The Ordinary General Assembly may, when determining the share of profits for shareholders, decide to form other reserves as deemed necessary to achieve the company's interests or ensure stable dividend distribution to shareholders. The mentioned assembly may also deduct from the net profits amounts for social purposes for the company's employees.
5. The reserved fund designated for specific purposes in the company's Articles of Association may not be used without a decision from an Extraordinary General Assembly. If this reserve is not designated for a specific purpose, the Ordinary General Assembly, based on a proposal from the Board of Directors, may decide to allocate it in a way that benefits the company or its shareholders.
6. The Ordinary General Assembly may use retained earnings and distributable reserves to pay off the remaining value of the share or part of it, provided that this does not violate the fairness between shareholders according to the provisions of the Articles of Association.

Dividends Distributed During the Financial year and Proposed Dividends for the End of the Financial year 2024:

Description	The profit distribution percentages to shareholders during the different periods of the financial year ending on 31/12/2023	The proposed profit distribution percentage for the financial year ending on 31/12/2023 and the total amount of these profits	
Announcement Date	202302/04/	202404/04/	
Due Date	202312/06/	202425/06/	
Distribution Date	202306/07/	202416/07/	
Dividend Ratio to Nominal Value of Shares	20%	15%	**35%**
Profit Amount	10,259,500	11,541,937.50	**21,801,437.50**

3.17 Description of any interest in the class of shares with voting rights held by individuals other than the company's board members, senior executives, and their relatives who have notified the company of these rights under Article 85 of the Securities Offering Rules and Continuous Obligations, and any changes in these rights during the last financial year.

There were no interests in the voting rights shares held by individuals other than the company›s board members, senior executives, and their relatives, who notified the company of these rights under Article 85 of the Securities Offering Rules and Continuous Obligations, nor were there any changes in these rights during the financial year ending 31/12/2023.

3.18 Description of any interests, contractual securities, and subscription rights

held by the company›s board members, senior executives, and their relatives in the company›s shares or debt instruments, or those of any of its subsidiaries, as well as any changes in these interests or rights during the last financial year.

The shares held by the company's board members, senior executives, their spouses, and their minor children from 01/01/2023 to 31/12/2023.

Description of any interests held by the company›s board members, senior executives, their spouses, and their minor children in the company›s shares or debt instruments, or those of any of its subsidiaries.

Sl.	Name of the individual holding the interest	On 01/01/2023		On 31/12/2023		Net change	Percentage change	Shares of relatives as of 31/12/2023
		No. of Shares	Debt instruments	No. of Shares	Debt instruments			
١	Nawaf Abdullah Al-Fawzan	0	None	0	None	None	00%	0
٢	Abdullah Eyad Al-Fares	0	None	0	None	None	00%	0
٣	Basim Abdullah Al-Salloum	128,520	None	192,780	Exists	Capital Increase	50%	15
٤	Yasser Zouman Al-Zouman	0	None	0	None	None	00%	0
٥	Mohammad Saud Al-Eissa	1,746	None	2,619	None	50% increase in capital	50%	15
٦	Issam Othman Al-Muqayyad	0	None	0	None	None	00%	0

It is noted that the remaining family members of the board members (their spouses and minor children) do not own any shares in Shour Global Technology Company.

3.19 Description of convertible debt instruments and any contractual securities or subscription notes:

There are no convertible debt instruments, options, subscription rights, or similar rights issued or granted by the company during the financial year ending 31/12/2023.

3.20 Description of conversion, subscription rights, and any contractual securities:

There are no conversion or subscription rights, convertible debt instruments, options, or similar certificates of rights issued or granted by the company during the financial year ending 31/12/2023.

3.21 Description of redeemable debt instruments:

There are no redemptions, purchases, or cancellations by the company of any redeemable debt instruments.

3.22 Board of Directors Meetings - 10th Session:

The board of directors held four (4) meetings during the financial year 2023, and the attendance of the members was as follows:

م	Name	Nature of Membership	First meeting 03/30/2023	The second meeting 09/07/2023	The third meeting 09/07/2023	Fourth meeting 09/17/2023	Number of meetings attended by the member
1	Nawaf Abdullah Ali Al-Fawzan	Chairman of the Board of Directors	✓	✓	✓	✓	4
2	*Abdullah Iyad Al-Fares	Vice President of the Council	✓	✓	✓	✓	4
3	Abdullah Abdul Karim Al-Saloum	Board Member	✓	✓	✓	✓	4
4	Mohammed Saud Mohammed Al-Essa	Managing Director	✓	✓	✓	✓	4
5	Yasser Zuman Saad Al-Zouman	Board Member	✓	✓	✓	✓	4
6	**Aziz Abdullah Hassan Al-Safyan	Vice President of the Council	✗	✗	✗	✗	1

✓ Attendance in Person ✗ Absence

* The Board of Directors appointed Mr. Abdullah Iyad Al-Fares as a (non-executive) member of the Board of Directors and Chairman of the Nominations and Remuneration Committee, starting from the date of his appointment on 06-07-2023 AD to complete the Board's term until the date of his appointment. The current session ends on September 10, 2025, succeeding the previous member, Mr. Aziz Abdullah Al-Safyan.

** Mr. Aziz Abdullah Al-Safyan submitted his resignation from the Board of Directors and from the Nominations and Remuneration Committee on 07/05/2023 AD, and the Board of Directors approved the member's resignation on 07/05/2023 AD.

3.23 The number of company requests for the shareholders' register and the dates and reasons for those requests

Number of company requests for shareholder register	Order date	Reasons for request
1	03/01/2023	Other
2	09/01/2023	Other
3	22/05/2023	Other
4	12/06/2023	General Assembly
5	14/06/2023	Other
6	14/06/2023	Profits File
7	22/08/2023	Corporate Procedures
8	13/11/2023	General Assembly
9	31/12/2023	Corporate Procedures

3.24 Description of any transactions between the company and a related party:

The Board of Directors and the company confirm that there are no contracts in which the company has a material or non-material interest involving any member of the Board of Directors, senior executives of the company, or any person related to them.

3.25 Information related to any businesses or contracts involving the company or in which a member of the company's Board of Directors, senior executives, or a related party has an interest, including the names of the individuals involved, the nature of these businesses or contracts, their terms, duration, and amounts. If no such businesses or contracts exist, the company must submit a statement to that effect:

The Board of Directors and the company confirm that during the year 2023, there were no contracts in which the company was a party or in which members of the Board of Directors, the Chief Executive Officer, the Chief Financial Officer, or any person related to them had an interest.

3.26 Waivers of salaries, compensations, and profits:

There are no arrangements or agreements under which any member of the company's Board of Directors or senior executives waived any rewards, salaries, or compensations.

3.27 Shareholder's waivers of profit rights:

During the year 2023, there were no arrangements or agreements under which any shareholder waived their rights to profits.

3.28 Declarations of the Board of Directors:

The Board of Directors declares the following:

- That the accounting records have been properly prepared.
- That the internal control system has been appropriately designed and effectively implemented.
- That there is no significant doubt regarding the company's ability to continue its operations.

3.29 Information regarding any competitive activities of the company or any of its business segments engaged in or previously engaged in by any member of the Board of Directors, including the names of the individuals involved, the nature of these activities, and their terms. If no such activities exist, the company must submit a statement to that effect:

The Board of Directors and the company confirm that there are no competitive activities involving the company or any of its business segments that are or were engaged in by any member of the Board of Directors.



شـور
SURE
SURE GLOBAL TECH
شور العالمية للتقنية

04
Financial Performance

4.1 Main Activities of the Company:

Engaging in and providing technical and managerial consulting, human resources services, project management, computer services, application systems, databases, website and internet development, system analysis, development, and installation, offering integrated solutions for systems and information technology, network security and protection, computer trading, accessories, maintenance, and spare parts.

The activities of the subsidiaries of "Shor International Technology" are described as not including any major activities that significantly impact the company's operations.

Subsidiary company name	Its capital	The company's ownership percentage	The country is the main place of its operations	Country of establishment	Activity
Sure Innovative Information Technology Company * - (Saudi Arabia)	Ten thousand Saudi riyals (10,000)	100%	Saudi Arabia	Saudi Arabia	Computer consulting and facilities management activities
Sure Global Technology Egypt (SGT Digital Solutions) ** - (Egypt)	One hundred thousand Egyptian pounds (100,000)	100%	Arab Republic of Egypt	Arab Republic of Egypt	Description, analysis and design work for software, databases and applications of various types.

*Sure Innovative Information Technology Company has not engaged in any activities since its establishment.

**The company's branch in the Arab Republic of Egypt has been converted from a representative office to a limited liability company (LLC).

4.2 Business Results for the Last Five Financial Years:

- Business results for the past five financial years:

Statement	2023	2022	2021	2020	2019
Revenue	194,294,143	207,673,435	185,433,299	134,800,540	107,226,520
Cost of revenue	(137.833.371)	(156,260281)	(144,275,377)	(96,961,980)	(77,101,852)
Gross profit	56,460,772	51,413,154	41,157,922	37,838,560	30,124,668
Net profit	**28,668,069**	**24,650,443**	**18,212,175**	**14,891,278**	**8,974,100**

- Statement of the company's assets and liabilities for the last five financial years:

Current Assets	2023	2022	2021	2020	2019
Current Assets	135,437,658	114,398,829	92,603,209	86,687,947	96,649,180
Non-Current Assets	20,122,499	17,416,210	19,401,245	19,638,580	8,725,430
Total Assets	155,560,157	131,815,039	112,004,454	106,326,527	105,374,610
Current Liabilities	34,133,605	29,975,651	24,259,240	32,617,280	46,703,740
Non-Current Liabilities	6,956,951	5,778,356	6,075,125	5,234,758	21,111,292
Total Liabilities	**41,090,556**	**35,754,007**	**30,334,365**	**37,852,038**	**67,815,032**

4.3 Geographical analysis of the company's total revenues and its subsidiaries:

Geographical analysis of total company revenue			
Year	Local Markets	External markets	Total Revenue
2023	194,294,143	0	194,294,143

4.4 Clarification of material differences in operating results:

Statement	2023	2022	(-) Changes (+) or	rate of change
Sales / Revenue	194,294,143	207,673,435	13,379,292	**6%**
Cost of Sales / Revenue	(137,833,371)	(156,260,281)	(18,426,910)	**12%**
Gross Profit	56,460,772	51,413,154	5,047,618	**10%**
Operating Revenue	1,243,195	15,000	1,228,195	**8188%**
Operating Expenses	(26,382,828)	(24,608,410)	(1,774,415)	**7%**
Operating Profit ((Loss	31,321,139	26,819,744	4,501,395	**17%**

Sector	Infrastructure sector	Managed Services Sector	Digital Services Sector	Products Sector	Total
Revenue	33,882,082	83,091,041	66,932,123	10,388,897	194,294,143
Cost of Revenue	(28,162,335)	(58,369,490)	(42,792,476)	(8,509,070)	(137,833,371)
Gross Profit	5,719,747	24,721,551	24,139,647	1,879,827	56,460,772

Based on the aforementioned, the company achieved a net profit of SAR 28.6 million in 2023 compared to a net profit of SAR 24.6 million in 2022. The operating profit increased by 17% during the current period compared to the same period of the previous year. This increase is mainly attributed to the reduction in the cost of revenues and an increase in other income, despite a 0.6% decrease in total revenues for the current period compared to the same period of the previous year.

4.5 Explanation of Variations from Accounting Standards:

The financial statements for the fiscal year ending on 31/12/2023 have been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted in the Kingdom of Saudi Arabia, issued by the Saudi Organization for Auditors and Accountants.

4.6 Subsidiary companies:

Subsidiary company name	Its capital	The company›s ownership percentage in it	The country is the main place of its operations	Country of establishment	Activity
Sure Innovative Information Technology Company * - (Saudi Arabia)	Ten thousand Saudi riyals (10,000)	100%	Saudi Arabia	Saudi Arabia	Computer consulting and facilities management activities
Sure Global Technology Egypt (SGT Digital Solutions ** - (Egypt)	One hundred thousand Egyptian pounds (100,000)	100%	Arab Republic of Egypt	Arab Republic of Egypt	Description, analysis and design work for software, databases and applications of various types.

*Sure Innovative Information Technology Company has not engaged in any activities since its establishment.
**The company's branch in the Arab Republic of Egypt has been converted from a representative office to a limited liability company (LLC).

4.7 Total Loans on the Company and Its Subsidiaries:

There were no loans on the company during the year 2023, and this is confirmed by the company's statement.

4.8 Statement of Regulatory Payments Paid and Outstanding:

A statement of the value of regulatory payments paid and due, including zakat, taxes, fees, or other outstanding dues not paid as of the end of the fiscal year, with a brief description of their nature and reasons:

statement	2023		Brief description of it	Statement of reasons
	The payer	Due until the end of the annual financial period and not paid		
Zakat	2,490,880	2,719,705	Zakat due on the company for the year 2023	Payment will be made in the subsequent period after the financial statements are approved and the zakat return for the year 2023 is submitted
Tax	22,507,383	3,291,636	VAT and Income Tax Due on the Company for the Month of December 2023	It was paid in the subsequent period during the month of January 2024 according to the applicable regulations
General Organization for Social Insurance	3,374,114	267,004	Social insurance entitlement for December 2023	It was paid in the subsequent period during January 2024 according to the regulations followed in that regard.
Visa and Passport Costs	379,692	None	Visa and Passport Fees and Costs for Employees	According to the requirements of the rules and regulations
Labor office fees	1,196,875	None	Labor office fees	According to the requirements of the rules and regulations

4.9 Statement of Investments or Reserves Established for the Benefit of Company Employees:

During the year 2023, there were no investments, reserves, or incentive programs established for the benefit of company employees.

4.10 Auditor's Report on the Company and Any Reservations (if applicable):

The Extraordinary General Assembly (Third) of the company, held on 12/06/2023, approved the appointment of the auditor (RSM Saudi Arabia Certified Public Accountants for Professional Consultations) for the fiscal year 2023. The auditor's report did not include any reservations regarding the financial statements for the fiscal year ending 31/12/2023.

4.11 Recommendation of the Board of Directors Regarding Changing the Auditor Before the End of Their Term (if applicable):

The Board of Directors did not issue any recommendation to replace the auditor.

4.12 Treasury Shares Held by the Company and Their Usage Details:

During the year 2023, the company did not hold any treasury shares.

4.13 Board of Directors' Confirmations:

- The auditor did not request the Board to convene the General Assembly during the fiscal year ending 31/12/2023.
- The Chairman of the Board did not receive any written requests from two or more members to hold urgent meetings during the fiscal year ending 31/12/2023.
- The company did not receive any requests from shareholders owning at least 5% of the company's capital to convene the General Assembly during the fiscal year ending 31/12/2023.
- Shareholders owning at least 5% of the company's shares did not request to add topics to the General Assembly agenda during its preparation in the fiscal year ending 31/12/2023.
- The Board of Directors did not discharge any debtors from their obligations toward the company during the fiscal year ending 31/12/2023.
- The company has not imposed any procedures or restrictions that could hinder shareholders from exercising their rights as guaranteed by laws and regulations.
- The auditor did not provide any consultancy services to the company nor receive any fees for such services during the fiscal year ending 31/12/2023.
- The company does not have preferred shares or shares with special voting privileges. All shares are ordinary, equal in nominal value, voting rights, and other rights as per regulations.
- The company did not grant cash loans or guarantees to any Board members for loans with third parties.
- There are no significant obstacles that could impact the company's ability to prepare its financial statements in accordance with international standards.
- The Board confirms there are no competitive activities undertaken by the company or its subsidiaries that are also undertaken by any Board member.

شـور
SURE
SURE GLOBAL TECH
شـور العالمية للتقنية

05

Risk Management

5.1 Risks Facing the Company and Its Risk Management and Monitoring Policies:

Risks and Challenges the Company May Face:

The company's senior management is responsible for risk management, analyzing, assessing, and implementing preventive measures to address risks effectively. This is done through close collaboration among various departments within the company, evaluating the likelihood of risks and their potential impacts. Based on these evaluations, necessary actions are taken to minimize and address the risks, focusing on containing them as much as possible to avoid adverse effects on the company.

The company faces several types of risks, which are identified and assessed by the internal audit department and the Audit Committee. They evaluate the likelihood of occurrence, estimate potential consequences, and ensure that the executive management takes the necessary measures to minimize, avoid, or contain these risks to mitigate damages. Below are the main risks the company may encounter during its operations:

1. Risks Related to the Company›s Activities and Operations:

- **Dependence on Government Contracts:**

The company relies heavily on contracts with government entities, making it vulnerable to changes in governmental priorities and policies. Any sudden shifts in government strategies, such as budget reductions for technical projects, could negatively impact the company's revenues. Additionally, government contracts may sometimes experience delays in implementation or suspension due to changes in governmental administration, potentially leading to instability in the company's cash flows. Overdependence on this type of contract undermines the company's flexibility in diversifying income sources.

- **Technical Failures and System Downtime:**

Since the company provides advanced technical solutions, any system failure or infrastructure malfunction could disrupt services for clients, affecting customer satisfaction and potentially leading them to seek alternatives. Even brief system downtimes may result in adverse impacts, ranging from financial losses to reputational damage. In cases where these systems manage critical services for governmental clients, there could be legal repercussions. Preventive maintenance and swift responses to technical issues are critical to mitigating this risk.

- **Dependency on Imported Components:**

The company relies on imported technological components and software to meet diverse project requirements. Disruptions in global supply chains, such as trade restrictions or customs delays, could adversely affect this dependency. Shortages of certain equipment or software may delay project execution, impacting contracts and profits. Additionally, reliance on proprietary foreign technologies could pose challenges if suppliers face difficulties in fulfilling demands amid changing global trade policies.

- **Information Security:**

Given the company's involvement with sensitive government data, it is exposed to cybersecurity threats, such as data breaches or unauthorized access to information. Any security breach could result in significant financial and legal losses, harm the company's reputation, and erode client trust. Handling sensitive data places the company under strict scrutiny from clients and regulatory bodies, necessitating stringent data protection measures and continuous security updates to counter evolving threats.

- **Shortage of Technical Expertise:**

The company faces challenges in attracting and retaining specialized talent due to the growing demand for advanced technical skills. The competitive nature of the technical field, involving both private and public sector players, further complicates talent retention. A lack of skilled professionals could delay project execution or degrade work quality, affecting client relationships and the company's ability to meet large contract requirements.

2. Financial Risks:

- **Debt-Related Risks:**

The company relies on bank facilities to fund its projects and expansions, exposing it to risks associated with fluctuating interest rates that may increase borrowing costs. Technology companies often depend on bank financing to support their operations, and rising interest rates can pose challenges in managing financing costs. If the company encounters repayment difficulties, it could harm its credit reputation and reduce its chances of securing additional funding when needed.

- **Delayed collection from government contracts:**

Government contracts often result in delays in payment compared to commercial contracts, as financial review and approval procedures can take longer. This can put significant pressure on a company's cash flow, especially since most of its revenues come from government contracts. The company may have to resort to borrowing to cover its operational and financial obligations, increasing costs and weakening financial flexibility.

- **Cash Flow Risks:**

Companies that rely on large contracts suffer from fluctuations in cash flows due to the nature of scheduled payments, which may not coincide with ongoing operating expenses. This fluctuation affects their ability to effectively finance day-to-day operations and forces them to seek short-term loans, facilities or increase capital, which negatively affects their financial position. The company may find itself forced to reduce operating expenses or seek austerity measures to balance cash flows

3. Market Risks

- **Changes in Government Policies:**

The Company relies heavily on government contracts, so any change in government policies, such as redirecting priorities or adjusting budgets allocated to technology projects, may affect the size of available contracts. The government may develop new strategies that exclude certain areas of work, which may reduce government customers' demand for some of the Company's services. Therefore, it is important for the Company to be able to adapt to these changes by diversifying its services or expanding its customer base.

- **High Competition:**

The technology market in Saudi Arabia is witnessing strong competition, as local and international technology companies enter to meet the growing needs of the market. This competition may lead to pressure on prices and reduce the company›s profit margins. If the company cannot provide competitive offers in terms of quality and cost, it may lose some customers to competitors who provide similar services at better prices or additional services with added value

- **Changing customer preferences:**

Customers in the technology market are constantly expecting updates and innovations. Customer preferences or required technology may change rapidly, requiring the company to invest heavily to keep up with these changes. If the company is unable to meet changing customer requirements or new technologies, it may result in losing customers who are looking for more advanced solutions.

- **Economic changes:**

Technology companies are greatly affected by economic conditions, as a recession or economic slowdown may prompt the government to reduce spending on non-essential projects. This change directly affects the size of contracts awarded to the company, especially if the projects are not legally binding or if their implementation is postponed due to budget constraints.

4 - Legal and Regulatory Risks

- **Changes in laws and regulations:**

Regulatory authorities may impose continuous updates to legislation related to data protection and cybersecurity, which impose additional obligations on technology companies to comply with these regulations. For example, laws requiring periodic security updates and specific methods of data storage may add operational and financial burdens to the company

- **Exposure to Government Contracting Risks:**

Government contracts are inherently stringent in nature and may include requirements for high quality and timely execution. The Company may find it difficult to terminate contracts before completion of work even in the event of circumstances beyond its control. In addition, government contracts may be conditional on performance evaluation, and if expectations are not met, the Company may face the risk of the contract being reduced or even terminated.

- **Risks related to non-compliance with the Capital Market Law and its implementing regulations:**

The Company is subject to the Capital Market Law and the regulations, rules and circulars issued by the Capital Market Authority. If the Company is unable to comply with any of the regulations and systems to which it is subject, it will bear the costs, fines and penalties stipulated in Article (59) of the Capital Market Law. The Authority may suspend trading in shares or cancel their listing at any time as it deems appropriate if the Company fails, in a manner that the Authority deems to be material, to comply with the Capital Market Law, its implementing regulations or the market rules. If any of the above penalties or financial fines are imposed, they will have a material negative impact on the Company's business, financial position, results of operations and future prospects.

- **Risks of non-compliance with the requirements of the Companies Law and its implementing regulations:**

The new Companies Law imposes more stringent regulatory requirements than the previous law that the company must comply with. This will require the company to take the necessary measures to comply with such requirements, which may affect its business plan or take a long time to implement. The new Companies Law also imposes penalties of up to three years in prison and a fine ranging between 500 thousand riyals and five million Saudi riyals for violating its provisions and mandatory rules. Accordingly, the company may be exposed to such penalties in the event of non-compliance with these rules and provisions, which would negatively and materially affect the company›s business, financial position, results of operations and future prospects.

5 - Environmental, Social and Governance (ESG) Risks

- **Environmental Risks:**

New environmental laws may impose environmental requirements on companies, such as the use of clean energy, which may require additional costs for the company. Even if the company is technical and not industrial, taking into account environmental sustainability requirements may be necessary to ensure the continuity of contracts

Shore Global Technology Company also recognizes the operational, strategic, financial and potential stakeholder risks associated with incidents that could cause business disruption; it also recognizes the importance of organizational flexibility in order to minimize the impact of the incident and continue to provide its critical services at an acceptable and agreed upon level. Shore Company has implemented two initiatives with the Ministry of Communications and Information Technology related to (promoting adoption and raising maturity levels in the communications and information technology sector)

1. Risk Management
2. Business Continuity Management

Sure Global Technology Company has prepared and implemented policies to achieve the initiative›s objectives. The company›s risk management and business continuity program has been designed in line with the strategic objectives to ensure safety, security, and continuity of services and business.

These objectives are as follows:

- Ensuring the health and safety of the company›s employees in emergency situations.
- Building a strong framework for the effective implementation of the business continuity management system.
- Ensuring the continuity of critical business services, operations, and activities to the acceptable and agreed upon extent
- Ensuring the availability of IT services, such as data, networks, applications; and other resources in order to provide essential services and support functions without interruption.
- Minimizing operational disruptions that may result in financial impacts so that the company can continue to generate revenue.
- Ensuring compliance with applicable legal and regulatory requirements.
- Ensuring effective engagement on business continuity with relevant internal and external stakeholders i.e. interested parties.
- Protecting the company's reputation through effective emergency management.
- Enable recognition of the company's capabilities internationally and third parties.
- Developing and supporting a business continuity culture within the company

5.2 Risk Assessment Strategy

The Risk Management Department identifies, assesses and prioritizes risks followed by a coordinated and economical use of resources to reduce the likelihood or impact of adverse events, monitor or control them or maximize opportunities.

A. Financial risks These risks relate to threats of potential losses to the company, as they are classified as:	
"Risks with a very low level of impact"	The financial impact does not exceed 10,000 riyals after the maximum or the deviation rate does not exceed 1% of the budget.
"Risks with a low level of impact"	"Financial impact ranges from 10,000 riyals to 50,000 riyals and deviation from 1% of the budget"
"Risks with a medium level of impact"	The financial impact ranges from 50,000 riyals to 150,000 riyals and the deviation ranges from 1% to 3% from the budget.
"High impact risks"	The financial impact ranges from 150,000 riyals to 500,000 riyals and the deviation ranges from 3% to 5% from the budget.
"Very High impact risks"	Financial impact exceeding SAR 200,000 and deviation of 5% or more from budget

B. Legal risks These are risks that may expose the company or one of its employees to legal liability and have been classified as	
"Risks with a very low level of impact"	Negligible impact on domestic legal matters
"Risks with a low level of impact"	Minor impact on legal issues (which can be resolved without imposing financial penalties/fines).
"Risks with a medium level of impact"	Limited impact on legal matters (which may, for example, result in such incidents being reported to law enforcement
"High impact risks"	Major impact on legal matters (which may, for example, result in legal proceedings relating to non-compliance and, for example, in the imposition of minor legal penalties.)
"Very High impact risks"	A major impact on legal matters (which may result in significant legal penalties, for example)

C. Risks to reputation and public image Reputation risks are directly through the actions of the company or indirectly through the actions of employees, or incidentally through third parties with whom it contracts. They mean any actions that distort the brand name or lose the status of the organization. They have been classified	
"Risks with a very low level of impact"	little or no effect
"Risks with a low level of impact"	Negative media coverage by individuals/persons and/or negative feedback or complaints from customers and stakeholders
"Risks with a medium level of impact"	Negative media coverage by local media and/or loss of customer and stakeholder confidence
"High impact risks"	Extensive negative media coverage by local media and/or loss of customer and stakeholder confidence
"Very High impact risks"	Extensive negative media coverage by national media and/or loss of customer and stakeholder confidence

D. Human Resources Risks Risks caused by employees to a business. Inadequate employee management, employee behavior, or delays in the recruitment and retention process. Several areas of impact include reduced profits, lost time, and even negative impacts on customers and vital employees. They have been classified as:	
"Risks with a very low level of impact"	Unexpected absence of one employee
"Risks with a low level of impact"	Unexpected absence of senior staff
"Risks with a medium level of impact"	Unexpected absence of key/senior staff who are integral to operations with specialized knowledge or expertise
"High impact risks"	Unexpected absence of key/senior staff who are an integral part of operations with specialized knowledge or expertise due to injuries, serious accidents or incidents requiring medical attention.
"Very High impact risks"	Unexpected absences of key personnel with specialized knowledge or expertise due to injuries or serious accidents, and the flow of the process will be affected by this incident

E. Risks related to the company›s strategic and operational objectives Operational risks are major risks that a company may be exposed to, which may lead to the cessation of business continuity. They are either due to natural disasters beyond its control, such as fires or natural disasters. Or they are due to risks arising from individuals, such as employees committing some mistakes that hinder work and cause loss of time, effort and money. They have been classified as:	
"Risks with a very low level of impact"	Slight possibility of not achieving the company's operational objectives
"Risks with a low level of impact"	The possibility of not achieving the company's operational objectives
"Risks with a medium level of impact"	Adverse impact on the company's ability to achieve operational objectives
"High impact risks"	High negative impact on the company's ability to achieve operational objectives
"Very High impact risks"	High negative impact on the company's ability to achieve strategic objectives and implement strategic projects

In conclusion

the Board of Directors extends its thanks and appreciation to the honorable shareholders for their support and precious trust, and to the company›s employees for their distinguished and fruitful efforts. The company will continue to achieve its future goals that it seeks, through which we aim to meet the expectations and aspirations of the company›s shareholders.

شـور
sure
SURE GLOBAL TECH
شور العالمية للتقنية

Sure Global Technology
Imam Saud bin Abdulaziz bin Mohammed Branch Road - Al Murooj - Hayat Center Building
Website: www.sure.com.sa
Email: investors@sure.com.sa
Phone: 0112050043