Saudi Industrial Development Company (SIDC) invites all its valued shareholders to attend The Ordinary General Assembly No. ٣٥ (First Meeting) by Means of Modern technology.

Element List	Explanation
Introduction	The Board of Directors of Saudi Industrial Development Company "SIDC" is pleased to invite the valued shareholders to participate and vote in the General Assembly Meeting No.٣٥ to be held by Means of Modern Technology at ١٩:٠٠ p.m. on Thursday ١٧/١١/١٤٤٣H (Umm Al-Qura Calendar) corresponding to ١٦/٠٦/٢٠٢٢ AD.
City and Location of the General Assembly's Meeting	SIDC Head Office – Jeddah, Alfaisalia, Altahlia St. (by Means of Modern technology)
URL for the Meeting Location	https://www.tadawulaty.com.sa
Date of the General Assembly's Meeting	١٧/١١/١٤٤٣H. corresponding to ١٦/٠٦/٢٠٢٢AD
Time of the General Assembly's Meeting	١٩:٠٠
Attendance Eligibility	Shareholders registered in the Issuer's Shareholders Registry in the Depository Centre at the end of the Trading Session preceding the General Assembly's Meeting as per Laws and Regulations
Quorum for Convening the General Assembly's Meeting	The Ordinary General Assembly Meeting shall be valid if attended by shareholders representing at least ٢٥٪ of the Company's capital. In the absence of a quorum required for holding this meeting, a second meeting will be held one hour after the end of the period specified for the first meeting. The second meeting shall be valid regardless of the number of shares represented.
General Assembly Meeting Agenda	**(Attached)**
Proxy Form	**(Attached)**
E-Vote	Shareholders registered in Tadawulaty will be able to vote electronically on Assembly Agenda. Electronic voting will start from ١٠:٠٠ a.m. of Tuesday ١٥/١١/١٤٤٣H. corresponding to ١٤/٠٦/٢٠٢٢ AD and will last until the end of the Assembly time. Registration and voting will be available free of charge to all shareholders using the following link: (www.tadawulaty.com.sa)
Eligibility for Attendance Registration and Voting	Eligibility for registering for the attendance of the General Assembly's Meeting ends upon the convenience of the General Assembly's Meeting. Eligibility for voting on the business of the Meeting Agenda ends upon the Counting Committee concludes counting of the votes.
Method of Communication	In the event of an inquiry, you may contact on Tel. No. ٠١٢-٦١٠٢٢٢٢ or mobile (٠٥٠٤٦٦٠٤٠٠) during company office hours from Sunday until Thursday from ٠٨,٠٠ a.m. to ٠٥,٠٠ p.m. Inquiries about Assembly Agenda may also be sent through email: info@sidc.com.sa
Attached Documents	

Agenda of the ٣٥th, Meeting (First Meeting) of the Normal General Assembly scheduled to be held at ١٩:٠٠ on Thursday ١٧/١١/١٤٤٣ H. corresponding to ١٦/٠٦/٢٠٢٢AD.

SL	Business
١	Voting on the Board of Directors' Report for the year ended on ٣١/١٢/٢٠٢١
٢	Voting on company External Auditor's report for the year ended on ٣١/١٢/٢٠٢١
٣	Voting on the financial statements for the year ended on ٣١/١٢/٢٠٢١
٤	Voting on absolving members of the Board of Director from their responsibilities for the year ٢٠٢١
٥	Voting on the business and contracts that are concluded between the company (the Global Company for Marketing Sleeping Products - Sleep High - a subsidiary company) and Emdad Logistic Services Company Ltd., one of its subsidiary companies, in which two members of the Board of Directors, Mr. Ahmed bin Abdullah Al Kanhal (Non-Executive Member) and Mr. Ibrahim bin Abdullah AlHomaidhi (Non-Executive Member) own shares for the transfer, handling and storage of "Sleep High" products based on the number of trips executed and the amount of products and leased storage spaces (contract for providing transportation, handling and storage services), at an expected annual amount of (١٢,٦٦٥,٠٠٠) riyals, noting that the contract starts on ٠١/٠٧/٢٠٢٢ and ends on ٣٠/٠٦/٢٠٢٥ and the terms of the contract are according to the prevailing commercial prices and terms (attached).
٦	Voting on the business and contracts that are concluded between the company (the SIDC Ceramics plant "CASAVIA" a subsidiary company) and the Emdad Logistic Services Company Ltd., one of its subsidiary companies, in which two members of the Board of Directors, Mr. Ahmed bin Abdullah Al Kanhal (Non-Executive Member) and Mr. Ibrahim bin Abdullah AlHomaidhi (Non-Executive Member) own shares for the transfer, handling and storage of CASAVIA" products based on the number of trips executed and the amount of products and leased storage spaces (contract for providing transportation, handling and storage services), at an expected annual amount of (١,٠٠٤,٠٠٠) riyals, noting that the contract starts on ٠١/٠٧/٢٠٢٢ and ends on ٣٠/٠٦/٢٠٢٥ and the terms of the contract are according to the prevailing commercial prices and terms (attached).

SL	Business
٧	Voting to authorize the Board of Directors with the authority of the Ordinary General Assembly based on the authorization mentioned in paragraph (١) of Article ٧١ of the Companies Law for a period of one year from the date of approval of the Ordinary General Assembly or until the end of the term of the authorized Board of Directors, whichever is earlier, in accordance conditions set forth in the regulatory controls and procedures issued in implementation of the Companies Law for listed joint stock companies.
٨	Voting to appoint the company's auditor from among the candidates, based on the recommendation of the Audit Committee, to examine, review and audit the financial statements for the second, third, annual quarters of the year ٢٠٢٢, and the first quarter of the year ٢٠٢٣, and determine their fees.

Clarification on Proxy form	إيضاح حول نموذج التوكيل
Dear Esteemed Shareholders As the Ordinary General Shareholders Assembly No. (٣٥) will only be held remotely via modern technology means, to ensure everyone’s safety, and of supporting preventive and precautionary efforts and measures by the competent and relevant authorities to address the emerging Corona Virus (COVID-١٩). Thus, there is no need to complete the proxy form, as the attendance will be virtually, and voting will be online (e-voting). We invite all shareholders of the Saudi Industrial Development Company "SIDC" to use remote electronic voting via the website of Tadawulaty Service: www.tadawulaty.com.sa We hope that the shareholders register in Tadawulaty service and the voting will be available free of charge to all shareholders before the date of the assembly according to the statutory period.	السادة المساهمين الكرام في ضوء الإعلان المنشور على موقع تداول بتاريخه سيتم الاكتفاء بعقد الجمعية العامة العادية رقم (٣٥) للشركة السعودية للتنمية الصناعية "صدق" عبر وسائل التقنية الحديثة (عن بعد) وذلك حرصاً على سلامة الجميع ودعماً للجهود والإجراءات الوقائية والاحترازية من قبل الجهات المختصة للتصدي لفيروس كورونا المستجد (COVID-١٩). عليه، فإنه لا توجد حاجة لتعبئة نموذج التوكيل، حيث أن الحضور سيكون عن بعد والتصويت إلكترونياً. وعليه ندعو جميع مساهمي الشركة السعودية للتنمية الصناعية "صدق" إلى استخدام التصويت الإلكتروني عن بعد وذلك عبر الموقع الإلكتروني الخاص بخدمة تداولاتي: www.tadawulaty.com.sa عليه نأمل من السادة المساهمين التسجيل في خدمة تداولاتي وسوف يكون التصويت متاحاً مجاناً لجميع المساهمين قبل موعد الجمعية حسب المدة النظامية.

P.o.Box 12105 Jeddah
21473 Saudi Arabia
Tel:+966 2 6102222
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Date: ٢١/٠٨/١٤٤٣H.
Corresp. to: ٢٤/٠٣/٢٠٢٢

Annual Report of the Audit Committee
For the year ended ٣١/١٢/٢٠٢١AD

All Shareholders of the Saudi Industrial Development Company "SIDC"

Greetingsو

The Audit Committee of SIDC is pleased to present to the esteemed shareholders its Annual Report for the year ended ٣١/١٢/٢٠٢AD with the details o all activities carried out within the scope of its authority in accordance with Article (١٠٤) of the Companies Law and article (٠٨) of the Audit Committee Regulation as approved by the Third Extraordinary General Assembly of Shareholders held on ٢٢/١٠/١٤٣٨H corresponding to ١٦/٠٧/٢٠١٧AD. During the year ٢٠٢١, Audit Committee met for (٥) times and discussed preliminary and annual financial statements, internal audit, External Auditor's work and review degree of compliance with regulatory requirements.
Following is a summary of the most important tasks and responsibilities of the Audit Committee during year ٢٠٢١ AD.

First: **Financial Reports:**

- Examine Preliminary and annual financial statements before submitting them to the Board of Directors for approval and give recommendations regarding their integrity, fairness, integrity, transparency.
- Give technical opinion – as requested by the Board – to ensure that Board Report and company financial statements are fair, balanced, understandable and is inclusive of all information to enable shareholders to assess company financial position, performance, business model, and strategies.
- Examine any important or unfamiliar issue in the financial report.
- Carefully examine any issue raised by the Financial Manager or External Auditor.
- Examine and review accounting/ financial estimates especially in essential matters reported in the Financial Reports.
- Examine financial policy implemented by the company and give recommendation thereof to the Board of Directors

Second: Internal Audit

- Control and supervise Internal Audit Department of the company to ensure availability and efficiency of necessary resources to perform assigned tasks and maintain its independence.

- Examine, review, and approve the Annual Work Plan of the Internal Audit Department.
- Examine and review Internal Audit systems of the company.
- Examine and review the Internal Audit report and follow-up implementation of corrective procedure for all issues reported and notify the Board of Directors of substantive points (If any).

Third: **External Audit:**

The Committee presented a recommendation to the Thirty-Three Ordinary General Assembly of the company shareholders in the meeting held ٢٠/١١/١٤٤٢H corresponding to ٣٠/٠٦/٢٠٢١AD to appoint one of the followings in sequential order and in accordance with the quoted fees to undertake examination and audit of the preliminary and annual financial statements for the following periods:

١. ٢nd, and ٣rd, quarter for the year ٢٠٢١AD
٢. Annual Financial Statements for the year ٢٠٢١
٣. ١st, Quarter of the year ٢٠٢٢ AD

Sl. #.	External Auditor	Fees (S.Riyal)
١	Ibrahim AlBassam & Company, Certified Accountants (AlBassam & Company)	١٦٠,٠٠٠
٢	Md. AlAmri & Company (Certified Accountants	٢٢٠,٠٠٠

- Examine External Auditor's scope of work, terms of contract and verify his independence, objectivity, fairness, and effectiveness of the audit work taking into consideration all relevant rules and criteria.
- Examine Audit Plan and Audit work to ensure that no technical and/or administrative tasks outside the designated scope of work are included and give opinion thereof.
- Examine and review External Auditor Report and observations related to financial statements and follow up action taken to rectify and reply to his queries.

Fourth: **Obligations & Compliance:**

- Examine and review contracts, and business transactions concluded with related parties and submit recommendations thereof to the Board of Directors and review the Limited Inspection Report or related parties that is prepared by the External Auditor which includes Chairman report on the business transactions concluded with the related parties during the year and submit recommendations (If any).
- Examine and review company compliance with law, regulations, policies requirements and instructions by competent authority.

Results of Annual Examination of the Effectiveness and Procedures of the Internal Audit System

Based on the result of the internal and external audit procedures as reflected in reports submitted to the committee over the year and in addition to the information submitted by the internal audit department related to Audit System. The committee hereby confirms that internal audit procedures implemented satisfy company objectives and safeguard its interests, and that all observations and recommendations raised by the Internal Audit Department to the Audit Committee has been investigated and rectified. Therefore, Committee found no fundamental deficiencies in the internal audit system, moreover, found no conflict of recommendations between Audit Committee and Board of Directors.

Signed
Nasser Bin Mishari Alfurhood
Chairman, Audit Committee

Ref. ٠٣/T/٢٢
Date: ٢٠/٠٨/١٤٤٣H
Corresp.: ٢٣/٠٣/٢٠٢٢

Recommendation of the Audit Committee of the Saudi Industrial Development Company "SIDC"

to the Ordinary General Assembly of Company Shareholders

regarding Nomination of an External Auditor to the company

The Audit Committee of the company following deliberations in its ٢nd, meeting for the year ٢٠٢٢ dated ٢٠/٠٨/١٤٤٣ H. corresponding to ٢٣/٠٣/٢٠٢٢ AD and with the authority given in its internal regulations as approved by the Ordinary General Assembly of the company invited several Audit bureaus to submit quotations to examine and audit the preliminary and annual financial statements of the company effective ٢nd, quarter of the year ٢٠٢٢ through to the ١st, quarter of the year ٢٠٢٣

The Recommendation:

After careful study, and technical as well as professional evaluation of the bidding audit bureaus, Committee recommends to the Ordinary General Assembly of the company shareholders to appoint one of the names mentioned in sequential order according to the amount of fees corresponding to each of them to examine and audit the financial statements of the company as follows:

١. Preliminary Financial Statements for the ٢nd and ٣rd, quarter of the year ٢٠٢٢.
٢. Annual Financial Statement for the year ٢٠٢٢
٣. Preliminary financial statements or the ١st, quarter of the year ٢٠٢٣

SL. #.	External Auditor	Fees (S.Riyal)
١	Ibrahim AlBassam & Company, Certified Accountants (AlBassam & Company)	١٦٠,٠٠٠
٢	Md. AlAmri & Company (Certified Accountants	٣١٠,٠٠٠

Signed
Nasser Bin Mishari Alfurhood
Chairman, Audit Committee

PKF

Ibrahim Ahmed Al-Bassam & Co
Certified Public Accountants - Al-Bassam & Co.
(member firm of PKF International)

Independent Limited Assurance Report

To the Shareholders of Saudi Industrial Development Company "SIDC"
A Saudi Joint Stock Company

Upon request of the management of **Saudi Industrial Development Company "SIDC"** ("the Company"), we have carried out a limited assurance engagement in order to state whether anything has come to our attention that causes us to believe that the subject matter detailed below ("Subject Matter"), has not been prepared, in all material respects, in accordance with the applicable criteria ("Applicable Criteria") below.

Subject matter

The Subject Matter for our limited assurance engagement is related to the Chairman and board members' declaration enclosed in the attached Appendix 1 (the "Declaration") prepared in accordance with the requirements of Article 71 of Saudi Companies' Law and presented by the Chairman of **Saudi Industrial Development Company "SIDC"** ("the Company"). The declaration consists of the transactions that were executed by the Company and its subsidiary ("the Group") during the year ended 31 December 2021, along with balances as of 31 December 2021, in which any of the members of the Company's Board of Directors had an interest, either directly or indirectly.

Applicable criteria

We have used the following as the Applicable Criteria:

1. Article 71 of the Saudi Companies' Law issued by MOCI (1437H -2015).

Management responsibility

The management and the BOD of the Company is responsible for the preparation and appropriate presentation of the Subject Matter in accordance with the Applicable Criteria. Further, the Company's management is responsible for establishing and maintaining internal controls relevant to the preparation and presentation of the Subject Matter that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate criteria; maintaining adequate records and making estimates that are reasonable in the circumstances.

Our responsibility

Our responsibility is to express a limited assurance conclusion on the Subject Matter based on our limited assurance engagement conducted in accordance with the International Standard on Assurance Engagements (ISAE) 3000, "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" endorsed in the Kingdom of Saudi Arabia and the terms and conditions for this engagement as agreed with the Company's management.

Our procedures were designed to obtain a limited level of assurance on which to base our conclusion, and, as such, do not provide all of the evidence that would be required to provide a reasonable level of assurance. The procedures performed depend on the assurance practitioner's judgment including the risk of material misstatement of the Subject Matter, whether due to fraud or error. While we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls.

Independence and quality controls

We are independent of the Company in accordance with professional code of conduct and ethics that are endorsed in the Kingdom of Saudi Arabia that are relevant to our assurance engagement and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Ibrahim Ahmed Al-Bassam & Co
Certified Public Accountants - Al-Bassam & Co.
(member firm of PKF International)

Independent Limited Assurance Report "continued"

To the Shareholders of Saudi Industrial Development Company "SIDC"
A Saudi Joint Stock Company

Independence and quality controls "continued"
Our firm applies International Standard on Quality Control (1) and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Summary of procedures
The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

As part of this engagement, we have not performed any procedures by way of audit, review or verification of the Subject matter, nor of the underlying records or other sources from which the Subject matter was extracted. Accordingly, we do not express such an opinion.

Our procedures included, but are not limited to:
- Discussing with the management the process of obtaining business and contracts by any of the members of the Board of Directors ("BOD");
- Obtaining the BOD chairman's list that includes all kind of business and contracts performed by any of the BOD members of the Company either directly or indirectly in the favor of the Company during the year; (Appendix 1);
- Obtaining confirmation from the concerned BOD member on the business and contracts performed by the member during the year; and
- Ensuring the total transactions amounts and balances included in the list prepared by the BOD chairman agrees to the total transactions amounts as of 31 December 2021.

Limited assurance conclusion
Based on our limited assurance procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the Subject Matter has not been prepared, in all material respects, in accordance with the Applicable Criteria.

Restriction of use of our report
Our report is prepared upon the request of the Company's management to be presented to the shareholders in their General Assembly Meeting in accordance with the requirements of Article (71) of the Saudi Companies' law and should not be used for any other purpose.

For Al Bassam & Co.

Ibrahim A. Al Bassam
License No. 337

البسام وشركاؤه
محاسبون قانونيون
رقم الترخيص ٥٢٠/١١/٣٢٣
C.R. 1010385804
License 520/11/323
Al-Bassam & Co.
Certified Public Accountants

Jeddah, Kingdom of Saudi Arabia
12 Ramadan 1443H
13 April 2022G

Ref No: LE-22-2050-027
Date: 11/04/2022 AD
Corresponding to 10/09/1443 H

Gentlemen Shareholders of the Saudi Industrial Development Company "SIDC"

The 35th Ordinary General Assembly Meeting

Greetings

In accordance with the provisions of Article (71) of the Companies Law, I would like to inform you of the business and contracts that were carried out for the company during the fiscal year 2021 AD, and the members of the Board of Directors had an indirect interest in them:

Agreement	Related Parties	Nature and criteria of relation	Amount in Saudi Riyals 2021 AD	Duration of agreement
Contract to provide transportation, handling, and storage services	Emdad logistic Services Co. in which the two members of the Board of Directors Mr. Ahmed bin Abdullah Al-Kanhal and Mr. Ibrahim bin Abdullah Al-Humaidhi indirectly own shares in it.	The Global Marketing Co. for Sleeping system Ltd “Sleep High” (a subsidiary company) has entered into an agreement with Emdad logistic Services Co. to transport, handle, and store “Sleep High” products according to the number of trips executed, the quantity of products and the leased storage spaces.	10,943,182	3 Years from 1/7/2019 AD until 30/6/2022 AD
Contract to provide transportation, handling, and storage services	Emdad logistic Services Co. in which the two members of the Board of Directors Mr. Ahmed bin Abdullah Al-Kanhal and Mr. Ibrahim bin Abdullah Al-Humaidhi indirectly own shares in it.	Saudi Industrial Development Company “CASAVIA” (the company's branch) has entered into an agreement with Emdad logistic Services Co. to transport, handle, and store “Sleep High” products according to the number of trips executed, the quantity of products and the leased storage spaces.	862,635	3 Years from 1/7/2019 AD until 30/6/2022 AD
Total Intercompany transaction amount during 2021 AD			**11,805,817 SR**	

The company’s auditor has been appointed to submit a report on these works and contracts according to the statutory requirements, bearing in mind that the vote was preceded in the 31st Ordinary General Assembly, which was held on 20/08/1440 AH corresponding to 25/04/2019 AD as follows:

1- Approval of the works and contracts that will be carried out between (The Global Marketing Co. for Sleeping system Ltd. - Sleep High - a subsidiary company) and (Emdad Logistic Services Co. - a subsidiary company), wherein Emdad Logistic Services Co. will undertake transporting, handling, and storing Sleep High products according to the number of trips executed, the quantity Leased products and storage spaces at an expected annual amount of (12,394,800) Saudi Riyals, for the contract period from 07/01/2019 to 30/06/2022 AD.
2- Approval of the works and contracts that will be carried out between (Saudi Industrial Development Company “CASAVIA” (the company's branch) and (Emdad logistic Services Co. - a subsidiary company), wherein Emdad will undertake transporting, handling and storing the products of “CASAVIA” according to the number of trips executed, the quantity of products and the spaces The leased storage space is expected at an annual amount of (854,175) Saudi Riyals, for the contract period from 07/01/2019 to 30/06/2022 AD.

Kindly accept my sincere greetings and appreciation,

Abdul Ilah bin Muhammad Al-Asaker

Chairman

Ref. No.: LE-22-2050-39
Date: 24/10/1443 H.
Corresponding to 25/05/2022

Respected Shareholders of the Saudi Industrial Development Company "SIDC
The 35th, Ordinary General Assembly Meeting

Greetings,

I would like to inform you of the businesses and contract that would be carried out in which Members of the Board of Directors have an indirect interest:

Agreement	Related Parties	Nature and criteria of relation	Total Annual Amount/Saudi Riyals	Duration of Agreement
Contract to provide transportation, handling, and storage services	Emdad Logistic Services Co. in which the two members of the Board of Directors Mr. Ahmed bin Abdullah Al-Kanhal and Mr. Ibrahim bin Abdullah Alhomaidhi indirectly own shares.	An Agreement between The Global Marketing Co. for Sleeping System Ltd. "Sleep High" (a subsidiary Company) and Emdad Logistic Services Co. to transport, handle, and store "Sleep High" products based on the number of trips executed, quantity of product and the leased storage space	12,665,000	3 Years starting from 01/07/2022 AD until 30/06/2025 AD
Contract to provide transportation, handling, and storage services	Emdad Logistic Services Co. in which the two members of the Board of Directors Mr. Ahmed bin Abdullah Al-Kanhal and Mr. Ibrahim bin Abdullah Alhomaidhi indirectly own shares.	An Agreement between SIDC Ceramic Factory (The Company Branch) and Emdad Logistic Services Co. to transport, handle, and store "CASAVIA" products based on the number of trips executed, quantity of product and the leased storage space	1,004,000	3 Years starting from 01/07/2022 AD until 30/06/2025 AD
Annual Total				13,669,000

The Board of Directors suggests a vote on the followings:

1. The businesses and contracts to be concluded between The Global Marketing Co. for Sleeping System Ltd. "Sleep High- A subsidiary Company" and Emdad Logistic Services Co. in which the two members of the Board of Directors Mr. Ahmed bin Abdullah Al-Kanhal and Mr. Ibrahim bin Abdullah Alhomaidhi indirectly own shares to transport, handle, and store "Sleep High" products based on the number of trips executed, quantity of product and the leased storage space for an annual amount of Approximately SAR (12,665,000) starting from 01/07/2022 knowing that the contract is in accordance with the prevailing market price and trade conditions.
2. The businesses and contracts to be concluded between SIDC Ceramic Factory "CASAVI" The Company Brand) and Emdad Logistic Services Co.(A Subsidiary Company) in which the two members of the Board of Directors Mr. Ahmed bin Abdullah Al-Kanhal and Mr. Ibrahim bin Abdullah Alhomaidhi indirectly own shares to transport, handle, and store "CASAVIA" products based on the number of trips executed, quantity of product and the leased storage space for an annual amount of Approximately SAR (1,004,000) starting from 01/07/2022 knowing that the contract is in accordance with the prevailing market price and trade conditions.

Abdul Ilah bin Muhmammad Al-Asaker

Chairman of The Board

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