



Annual Report

For the Board of Directors of
TAM Development Company

Listed Joint-Stock Company

2023



The logo consists of the letters 'TAM' in a bold, white, sans-serif font. The letter 'A' is stylized with a diagonal line passing through it from the top-left to the bottom-right. The logo is centered within a dark blue diamond shape that has a subtle gradient and is set against a dark blue background with faint, light blue wavy lines.

Leading Public Impact



In the name of Allah
the Most Gracious
the Most Merciful



TAM

Leading Public Impact

We aim to become a partner of both the public and private sectors to spearhead regional developmental transformations through digital solutions and comprehensive consulting services.





The Custodian of the Two Holy Mosques,
King Salman bin Abdulaziz Al Saud,
may God protect him

”

We shall work continually towards integrated, balanced, and comprehensive development in all regions of the Kingdom, ensuring the provision of opportunities for all to achieve their legitimate aspirations and wishes in accordance with the state's regulations and procedures.



**His Royal Highness Prince Mohammed
bin Salman bin Abdulaziz Al Saud,**

Crown Prince and Prime Minister,
may God protect him

”

**We are confident about the Kingdom's future.
With all the blessings Allah has bestowed on our
nation, we cannot help but be optimistic about
the decades ahead.**

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| Overview

Overview



About This Report

The annual report of TAM Development Company provides a clear picture of the company's performance and achievements within the limits of disclosure for the fiscal year ending on December 31, 2023. Through this report, we aim to offer a concise yet comprehensive review, covering our performance, activities, and governance throughout the fiscal year 2023. Additionally, the report contains the consolidated annual financial statements.



Scope of the Report

This report encompasses the financial data, performance, achievements, and governance of TAM Development Company, referred to for the purposes of this report as "TAM Development," "TAM," or "The Company."



Reporting Period

This annual report covers the 12-month period from January 1, 2023, to December 31, 2023, in accordance with the annual financial reporting cycle adopted by TAM Development Company.



Compliance

The annual report for the Board of Directors of TAM Development Company has been prepared in accordance with the regulations and laws in force in the Kingdom of Saudi Arabia. The financial statements for the year ended December 31, 2023, comply with the International Financial Reporting Standards (IFRS) adopted in the Kingdom of Saudi Arabia, as well as the standards issued by the Saudi Organization for Certified Public Accountants (SOCPA) and the regulations governing corporate operations in the Kingdom of Saudi Arabia, in addition to the company's Articles of Association.



For Inquiries

We welcome your comments and inquiries about the company's 2023 annual report via email at ir@tamhub.com



◆ General Achievements for 2023

Financial Achievements



Total Equity

109,759,126Compared to 2022,
the growth rate reached **53%**

Company Revenues

188,403,128Compared to 2022,
the growth rate reached **28%**

Company Net Profit

40,601,961Compared to 2022,
the growth rate reached **45%**Earnings Before Interest, Taxes, Depreciation,
and Amortization (EBITDA)**48,948,580**Compared to 2022,
the growth rate reached **49%**

Earnings Per Share (EPS)

12.33Compared to 2022,
the growth rate reached **58%**

◆ General Achievements for 2023

Customers and Projects



Sales (New Contracts)

316,298,658

Compared to 2022,
the growth rate reached **161%**



Number of Projects Executed Throughout the Year

47



Number of New Consulting
Service Offers

4



Number of Digital Products
by TAM

8



Winning Prestigious Awards
at Middle East-level

3



Customer Satisfaction
Index NPS

68

◆ General Achievements for 2023

Organizational Development Achievements



Establishment of Key Committees

2



Total number of Job Applicants

141,327



Recorded Training Hours

1105



Professional Development and Growth Reports

118

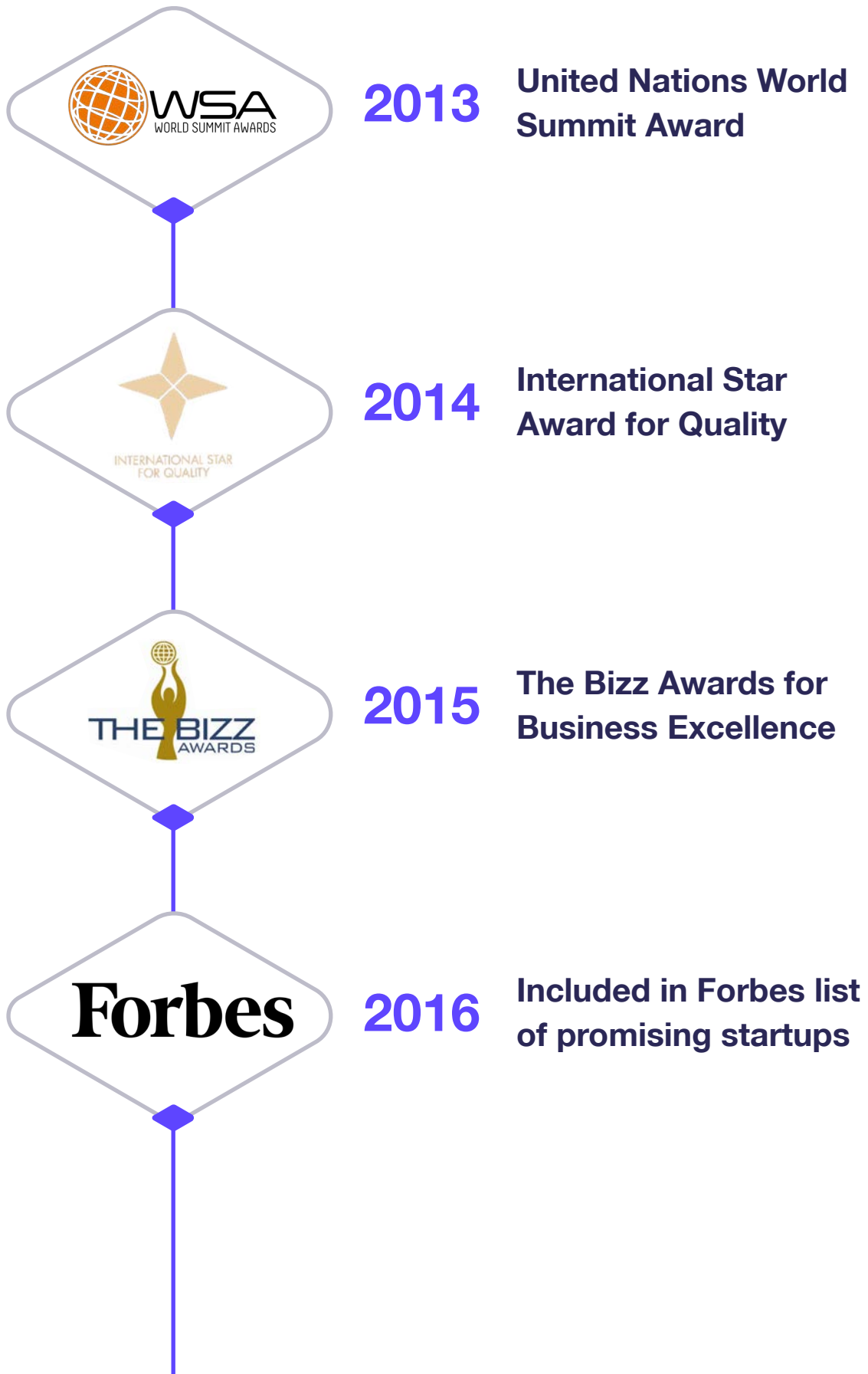


Monthly Project Pulse Check Response Rate

80%

◆ Awards

TAM has been honored with prestigious international awards within the business sector, recognizing excellence in strategy formulation and implementation, effective human resource engagement, and the establishment of a positive and diverse work environment.



**2018**

ISO 9001:2015 certification
- In 2018 -

**2020**

**Among the most innovative
medium-sized companies**

**2022**

**Great Place to
Work Award**

**2022**

**Stevie Award for
Achievement in Managing
a Remote Workforce**

**2023**

**Top Consulting Firms
in the Middle East**

Vision of the Leaders of TAM Development Company

◆ Statement from the Chairman of the Board of Directors



Omar Aljeraisy

Chairman

It is my sincere pleasure, speaking on behalf of myself and my colleagues on the Board of Directors, to introduce the annual report of TAM Development Company for the fiscal year 2023. This year has been truly exceptional as we celebrate eleven years of remarkable successes, achievements, and impactful contributions. In this report, we delve into the performance of TAM Development, highlighting its significant achievements in the financial, technological, and community sectors.

Our journey began in 2012 as a Saudi company, focusing on consulting and digital solutions, with a mission to drive meaningful change in people's lives by delivering outstanding solutions in consulting, business, and technology. In mid-2023, we reached a significant milestone by becoming a listed company on the parallel market (Nomu), marking a pivotal moment in our growth trajectory.

In the span of 11 years, we've reached numerous historic milestones, a testament to our journey, particularly amidst the significant advancements in technology, buoyed by the guidance of our wise leadership. This success is attributed to the grace of Allah and the unwavering dedication of our employees at TAM Development Company. We remain steadfast in our commitment to fostering a journey that is sustainable, adaptable, and in harmony with our ambitions as well as the objectives of Saudi Vision 2030 initiatives. Our aim is to emerge as the foremost technological and advisory partner, supporting all sectors in their endeavors.

I'm delighted to seize this moment to extend my heartfelt appreciation to my esteemed colleagues on the Board of Directors, the executive management team, and all the dedicated employees across the company's various departments. I also extend my gratitude to our valued shareholders and partners for their unwavering trust, support, and commitment to propelling TAM Development towards the realization of its aspirations.

◆ Statement from the Chief Executive Officer



Abdullah Yousef

Founder and Managing Director

After a year marked by both challenges and triumphs, it is with great pleasure that I unveil to our esteemed shareholders and partners our annual report for the year 2023. Thanks to the steadfast support of our Board members and the exceptional TAM team, we've persevered in our quest to foster impact and excellence across diverse domains through TAM's consulting and technological arms.

In the year 2023, TAM's accomplishments have painted a vibrant success narrative, underscored by promising statistics and figures, indicative of growth and prosperity in both business services and digital solutions. TAM has solidified its position in a dynamic and growing market, anchored on customer confidence, the delivery of top-tier projects, and the pioneering of cutting-edge technological solutions. Our team has demonstrated its capacity to generate lasting impact through its steadfast commitment.

Driven by our boundless ambitions and relentless pursuit of progress and prosperity, we embarked on a transformative journey by listing the company on the parallel market (Nomu) in mid-2023. Through the grace of Allah, we garnered substantial trust from shareholders, attributed to the transparency of our practices and operations, which in turn propelled a steady increase in the company's stock value during the initial months of listing.

At TAM, we are strongly committed to aligning with Saudi Vision 2030 as we actively contribute to making a positive impact on our community through extensive partnerships with government, semi-government, and private entities. In these collaborations, we leverage our expertise in consulting and technology to deliver innovative solutions aimed at enhancing the quality of life and supporting our beloved country in its pursuit of progress on the global stage. One of our foremost objectives is to cultivate a distinguished and inspiring work environment for the heroes of TAM, making it a magnet for top talent.

To fuel our relentless efforts in the business and technology sectors, we focus our strategy on increasing investment in digital solutions and emerging technologies such as artificial intelligence. Additionally, we are committed to broadening our customer base and diversifying the sectors targeted for transformation. At the same time, we strive to attract and invest in top-tier talents, recognizing their pivotal role in driving the desired developmental impact forward.

At TAM, our commitment to sustainability and strategic leadership development is unwavering. Throughout 2023, we prioritized the qualification and training of our second-tier heroes, nurturing them to become the future leaders of our organization and empowering them to drive impactful change.

In conclusion, I thank Allah for His continued guidance, and I pray for success and blessings in all our endeavors. I must also express my gratitude to our valued shareholders and partners for their trust at all stages of our journey, to the company's Board of Directors for their consistent support and assistance, and to all the heroes of TAM in every department for their loyalty and dedication in achieving exceptional accomplishments that exceed expectations.



The Company's Strategy

◆ Historical Overview of the Company Transformation

TAM Development Company was established in 2012 as a limited liability company, registered under Commercial Register No. (4030225576) dated 02/05/1433 AH (corresponding to 25/03/2012 AD).

TAM Development Company was created with the aim of providing specialized consulting and innovative digital solutions for projects with developmental impact. The company aspires to be the partner of choice for its customers, contribute to a thriving economy for the Kingdom, and play a fundamental role in building a vibrant society and an ambitious nation, by focusing on high-impact quality projects executed with efficiency and flexibility.



◆ Milestones in TAM's Development


2012

Founding

A decade ago, TAM Development Company was founded with the goal of developing digital products and innovative consulting services that serve both the public and private sectors, through the development of an electronic platform to engage and activate community members.


**2013
2015**

Reaching Customers

The company successfully attracted customers from both the public and private sectors in the Kingdom to its services. Additionally, it expanded its reach into the GCC region by integrating comprehensive services that combined digital solutions with project management consulting.


**2016
2018**

Investment and Innovation

The company successfully attracted customers from both the public and private sectors in the Kingdom to its services. Additionally, it expanded its reach into the GCC region by integrating comprehensive services that combined digital solutions with project management consulting.


**2019
2020**

Expansion and Navigating the COVID-19 Pandemic

Thanks to prior investments in digital products, consulting services, and the automation of internal processes, the company experienced remarkable growth in revenue in 2019, nearly quadrupling compared to previous years, accompanied by a significant rise in profit margins. Despite the challenges posed by the COVID-19 pandemic, TAM managed to sustain and even accelerate its profit growth rate by leveraging digital solutions more extensively.


**2020
2022**

Growth and Planning for IPO

TAM's revenues and profits increased by more than threefold. Its digital product portfolio expanded to include eight offerings, while its consulting services extended to four distinct fields. Furthermore, TAM recruited over six executive leaders, boasting a blend of global and local expertise. Notably, the company obtained approval from the Capital Market Authority to be listed on the Nomu Market, marking a significant milestone in its journey towards growth and market recognition.


2023

IPO Success

After a decade of experience collaborating with over 50 customers, including major government and private entities, and effectively executing more than 150 national and local projects, reaching millions of beneficiaries, TAM successfully listed the company on the parallel market (Nomu). The IPO garnered remarkable interest, with a coverage of 140.7% at the upper limit within the price range of SAR 130 per share. This resounding success is a testament to TAM's exceptional consulting services and innovative digital solutions, cementing its position as a leader in the industry.

◆ Strategy and Implementation Pillars

TAM has refined its internal strategy to encompass a clearer definition of its vision, strategic priorities, and associated objectives. By harnessing its capabilities and expertise, the company aims to craft a series of high-quality initiatives that directly contribute to the realization of its aspirations and targets.



Our Mission

Leading public impact by striving to successfully solve for the most impactful public challenges in our communities.

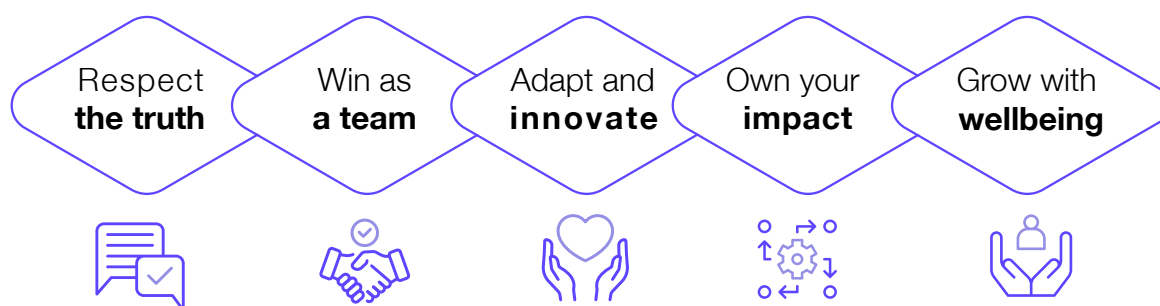


Our Vision

Growing to be the regional leader and partner of choice in leading public transformations in MENA.



Our Values



Our Capabilities and Strengths

- ◆ We have seen growing financial performance since the company's establishment.
- ◆ We have built a broad, stable, and diverse customer base, especially in the public sector.
- ◆ We have attracted the best talents and exceptional leaders across various sectors.
- ◆ We have cultivated technological capabilities and developed products, alongside knowledge methodologies, that streamline the formulation and effective execution of projects.

◆ Services and Business Areas

The company's activities, as recorded in its commercial register, include public relations and communication, providing senior management consulting services, advertising agencies and firms, market research and opinion polls, and activities of business incubators and accelerators. With a strategic focus, the company channels the majority of its efforts into two key areas: consulting services, which make up 87% of the business volume, and digital solutions, constituting the remaining 13%.

◆ Consulting Services

They include providing management consulting services, from strategy development to implementation, and encompass:

- 1- Designing strategies and policies for transformational initiatives.
- 2- Managing the execution of projects and initiatives.

◆ Digital Solutions

We integrate comprehensive digital business solutions into the strategic and execution activities we lead, including:

- 1- Developing digital products.
- 2- Operating digital solutions.



◆ Diversified Project Sectors

The work spans across a variety of sectors, including:

| | | | |
|---------|-------------------|-----------|---------|
| Culture | Ecotourism | Education | Media |
| Tourism | Communications | Logistics | Finance |
| Space | Youth Development | Hajj | |

♦ Strategic Priorities and Targets for the Year 2024

TAM Development's strategy is centered on aligning with future visions, harnessing available capabilities, and capitalizing on market opportunities. **This is pursued through three strategic priorities that will be the focus during the fiscal year 2024.**



Investing in expanding the business areas of digital solutions and products to include emerging technologies, and increasing opportunities for their integration with consulting services to create a compounded impact that contributes to achieving sustainable development goals. This direction has been identified as one of its priorities for the year 2024, aiming to deliver integrated solutions that efficiently and effectively meet the needs of customers.



Expanding its customer base to cover new transformative sectors by sourcing additional contracts with healthy profit margins.



Amidst rapid digital transformations and the drive towards achieving sustainable development, TAM is laying out its strategic plans to enhance operating models and service delivery quality. The journey of transformation within TAM has commenced steadily, achieving tangible milestones in 2023 and aiming to continue this trajectory in the coming years, with a focus on developing knowledge and human capabilities as primary priorities.

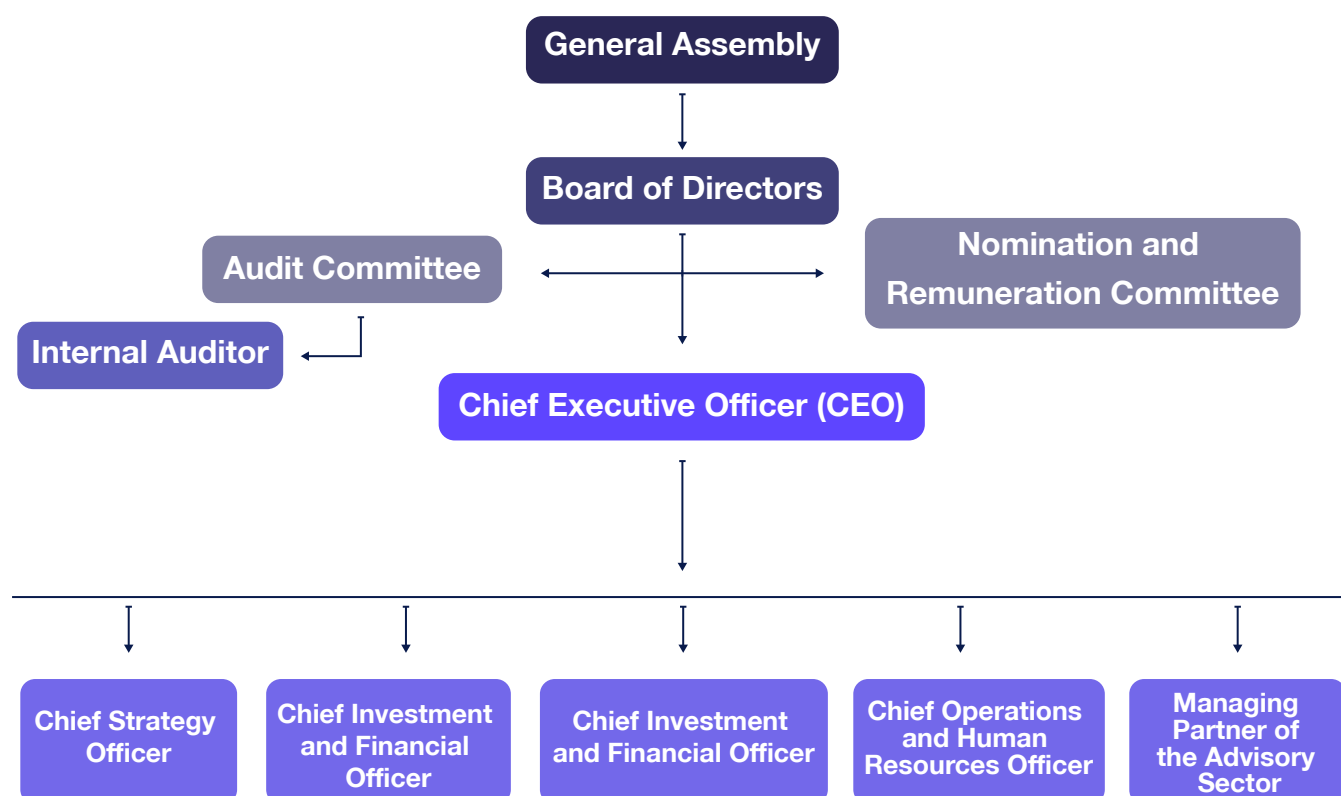
Key targets for these strategic priorities have been identified, a clear implementation plan has been developed with detailed paths and initiatives, and the requisite governance has been established to ensure implementation quality and monitor timelines, ensuring the company's objectives are achieved according to plan.



◆ The Organizational Structure of the Company

TAM Development's organizational structure delineates the division of departments and the allocation of authorities and responsibilities across its sections. It comprises the Board of Directors and its subcommittees, along with a cadre of executive officers (the executive management). The administrative organizational structure is headed by the Board of Directors and its subcommittees, with the executive management providing support. The executive management is responsible for overseeing the company's daily activities, while the Board of Directors holds ultimate responsibility for general direction, supervision, and oversight of the company. The Board has entrusted the execution of strategic plans and the day-to-day management of operations to the executive management, led by the Managing Director and Chief Executive Officer. He directly oversees the formulation of policies and procedures to ensure the efficacy and efficiency of company management, internal control mechanisms, and risk mitigation strategies, endeavoring to minimize their occurrence to the fullest extent possible.

Two committees, the Audit Committee and the Nomination and Remuneration Committee, have been formed from the company's Board of Directors to support its tasks and functions. Oversight of daily operations is vested in the CEO and other senior executive team, delegated by the Board with specific executive authority. The delineation of powers for the Chairman, Deputy Chairman, Secretary, Managing Director, and CEO are specified in Article (20) of the Articles of Association. The organizational structure of the Development Company is illustrated below.



◆ Subsidiaries of the Company

Community Experts Company is 100% owned by TAM Development Company.

◆ Key Achievements of the Sectors and Departments



Advisory Sector

Abdullah Taha - Managing Partner

We take pride in being at the forefront of leading Saudi companies, providing comprehensive consulting solutions that include strategy and design, innovation, community engagement, and the implementation and management of major projects and programs. We strive to achieve the desired sustainability impact in our work. Our team is distinguished by its precise understanding of local requirements and extensive experience in developing and implementing strategies, programs, initiatives, and projects related to Vision 2030, adhering to the highest standards of quality and global professionalism. This is aimed at achieving the developmental impact we and our customers aspire to, and creating an attractive and motivating work environment.



Key Achievements:

In Community Impact Leadership:

- ◆ Developing an innovative general model that integrates the best global practices in establishing and operating public policy laboratories.
- ◆ Accelerating the development of the tourism sector by engaging more than **18** entities and developing several tourism initiatives to increase the number of visitors to the Kingdom. This is achieved through the development of human capacities and investment preparation via the Tourism Destinations Challenge project.
- ◆ Facilitating government transactions and relationships to address challenges in tourist destinations through the Strategic Partnerships Activation project in the tourism ecosystem.
- ◆ Engaging over **50,000** citizens in environmental sector initiatives based on innovative and sustainable practices that contribute to achieving Vision 2030 goals.
- ◆ Designing and implementing specialized programs nationwide in the cultural and educational sectors, where over **100,000** talents have been discovered and their skills developed in various tracks.
- ◆ Designing and implementing training programs that include training **100,000** trainees, delivering a total of **500,000** hours of educational content.
- ◆ Implementing strategies and projects that promote a culture of innovation across various government sectors such as finance, IT, communications, and space. We have supported the launch of creative ideas and products in these sectors.

In Enhancing the Positive Image of TAM:



TAM successfully earned the Platinum Medal as the best consulting company in the government sector after evaluating more than **800** consulting companies across **40** sectors in the Middle East.



TAM published strategic reports in partnership with renowned companies like the Harvard Business Review, cementing its leadership in consulting services.



TAM held a workshop about Generation's Aspirations for the Future of Real Estate, attended by the Deputy Minister of Municipal and Rural Affairs and Housing. It is led by senior TAM officials with around **30** young participants.



Digital Solutions Sector

Dr. Mazen Melibari - Chief Technology Officer

TAM provides its customers with integrated digital solutions leveraging cutting-edge global technologies, prioritizing cybersecurity, big data management, and artificial intelligence across our digital solutions. Additionally, TAM places special emphasis on customer and user experience in its digital solutions through professional teams specializing in these areas. All digital solutions, including products and services, are delivered comprehensively from design, development, and hosting to launch, operation, and technological support.



Key Achievements:

Digital Solutions Sector Achievements at a Glance:

- ◆ Activated **six** new digital products covering a wide range of technological fields, bringing the total number of TAM's technological products to **eight**, integrated into a software package under the name "TAM Verse". These include:
 - ◆ Content Management System
 - ◆ Filtration System
 - ◆ Learning Management System
 - ◆ Event Management System
 - ◆ Fund Management System
 - ◆ Omnichannel System
 - ◆ Rewarding System
 - ◆ Low-Code Platform
- ◆ The number of visitors and users of the platforms launched and operated by TAM surpassed **46 million** visitors in 2023. The number of registered users across TAM's various systems exceeded **750,000** and our systems processed over **1.5 million** forms.
- ◆ TAM's digital solutions and products were present in all projects implemented by TAM in 2023, providing integrated solutions across TAM's consulting and digital solutions sectors.
- ◆ Continuing our customers' trust in our digital services, contracts for the management and operation of digital platforms were renewed for multiple entities, extending over several years.
- ◆ TAM's products were present in vital and exceptional local and global projects, most notably TAM's Event Management product was used in UNESCO's global platform, where the system was utilized to organize attendance for the extended session of UNESCO's World Heritage Committee.
- ◆ The Digital Solutions sector successfully secured three global strategic contracts to improve the technologies of the digital solutions offered in our services and products.



Operations and Human Resources

Albaraa Taibah - Chief Operating Officer

Human Resources Management is one of the primary tools for enabling and supporting other departments by striving to meet their needs in line with TAM's strategic objectives. The department also works to attract and develop exceptional talents and competencies, creating distinctive career experiences for impactful tasks and projects, and providing learning and development opportunities for employees across all company departments. Additionally, the department aims to build a unique organizational culture.



Key Achievements:

In Human Resources:

- ◆ Established the Nomination and Remuneration Committee, focusing on TAM's human resources strategy.
- ◆ Launched a semi-annual growth assessment model, allowing performance evaluation and identification of growth areas for each employee.
- ◆ Implemented the Project Health Check tool, which monitors employee engagement and helps identify at-risk projects while recognizing projects with optimal employee engagement.
- ◆ Launched pioneering training programs, empowering employees to learn on the go with a curriculum offering over **7,000** training courses.
- ◆ Strengthened organizational culture by offering more than **1,500** hours of programs and over **13** initiatives to reinforce core values.



Strategy and Knowledge Management

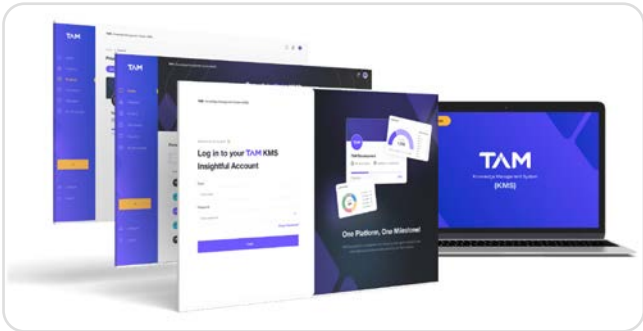
Ahmed Youssef - Chief Strategy Officer

Clarity in strategic direction and vision, along with the ability to update targets and mechanisms to keep pace with rapidly changing dynamics, is a priority to achieve sustainable impact and success in the future. For this reason, we consistently work to build a deep understanding of market, technological, and societal trends, and enhance the company's knowledge and technological capabilities to create a competitive advantage that contributes to the growth of both the company and society.



Key Achievements:

- ◆ The company's strategic plan for 2024 has been updated to focus on six strategic initiatives that enhance achieving targets and customer satisfaction:
 - Knowledge Management System Update:**
Implement an advanced system for documenting, sharing, and managing organizational knowledge.
 - Investment in Digital Solutions:**
Develop digital solutions enabled by AI and integrated with consulting services to meet evolving customer needs.
 - Customer Diversification Program:**
Expand the customer portfolio to ensure balance and diversified revenue sources.
 - Talent Retention Program Design:**
Develop a program aimed at retaining key talents.
 - Upgrade of Operating Model and Governance:**
Enhance the operating model to support effective decision making and governance.
 - Digital Consulting Establishment:**
Create a specialized unit to provide strategic guidance on digital transformation initiatives.
- ◆ An internal platform called the Knowledge Management Platform has been developed and launched. This platform acts as a knowledge portal composed of "linked" databases that allow retrieval of valuable information for employees.
- ◆ Regular events are launched to foster a culture of knowledge sharing through holding workshops on various topics, consistently conducted by TAM's internal experts.





Investment and Finance

Eyad Ramlawi - Chief Investment and Financial Officer

In managing investment and finance at TAM Company, we rely on a strategic vision that fosters sustainable success and added value for shareholders and stakeholders alike. Our focus is on achieving the company's sustainable growth and delivering the highest return on investment through meticulous financial and investment planning. This approach enables us to realize both the company's financial and strategic objectives.



Key Achievements:

General Financial Details:

- ◆ Revenue increased from SAR **41.4** million to SAR **188.4** million between the fiscal year 2020 and 2023, with a compound annual growth rate (CAGR) of approximately **66%**.
- ◆ The company's net profit rose from SAR **9.4** million in the fiscal year 2020 to SAR **40.6** million in 2023, reflecting an impressive CAGR of around **63%**.
- ◆ Successfully offered and listed the company on the parallel market (Nomu), where the subscription coverage reached **140%** at the upper limit within the price range of SAR **130** per share.

Financial Details | Agreements with Companies:

- ◆ We signed over **15** agreements with hotels, car rental companies, gyms, and healthy restaurants.

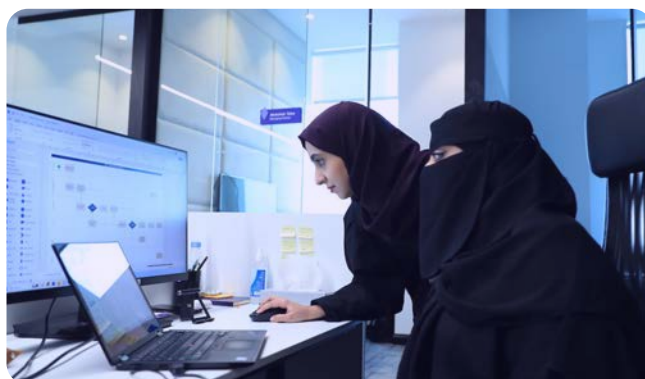
Financial Details | Strengthening Banking Relationships

- ◆ Agreements with various local banks were signed, amounting to SAR **45,858,000**.
- ◆ The company's bank deposits increased to SAR **21 million** in 2023 compared to SAR **5 million** in 2022.

| Human
Capital

◆ Human Capital

At TAM Development, we strive to attract exceptional talents, skills, and minds. We aim to recruit high-caliber professionals and provide a work environment that supports development and learning, and encourages innovation and creative thinking.



Attracting Exceptional Talents and Competencies

Attracting top-tier talents and competencies and maintaining the development of their capabilities and skills in a competitive market present a significant challenge facing companies. At TAM, this is achieved through the Employee Value Proposition (EVP), which includes:



01

Ambitious Career

Providing opportunities for growth into leadership roles through an organized career path and continuous promotions.



02

Tailored Career

Offering opportunities for vertical and horizontal growth.



03

Meaningful Work

Offering the chance to contribute to making a public impact.



04

Living the Values

Providing the opportunity to work with colleagues who share the same values.



05

Reward and Recognition

Offering rewards and recognition based on effort and impact.



Empowerment and Training

Training and development concepts are integral parts of TAM's employee development strategy. These endeavors encompass a range of activities and strategies aimed at enhancing employee competencies and skills and increasing their ability to effectively contribute to achieving the company's goals:



Training and Development Programs

TAM offers countless training programs, including semi-annual training programs that focus on developing employees' technical and leadership skills. Additionally, an annual training budget is available for employees to utilize in accordance with TAM's policies.



Leveraging Online Training Platforms

The partnership between Coursera and TAM makes Coursera's entire library accessible to all TAM employees.



Growth Assessment

Employees receive a growth report twice a year, measuring their progress and development, identifying areas of success, and recommending a development plan for continuous performance improvement.



TAM Values

All TAM employees are required to complete a program on TAM Values. This program helps foster a shared understanding among all employees about TAM's values, which is crucial for the company's success, productivity, and future growth as a unified entity.





Rewards and Benefits

TAM offers many benefits and reward opportunities for its employees, including:



A guaranteed fixed **compensation** based on the competitive market, reviewed annually to align with market trends and career progression.



An annual **remuneration** tied to performance evaluation results.



Health **insurance** with a leading insurance company.



Stock ownership **options** for senior employees.



Flexible remote work **options** and flexible hours.





| Sustainability

◆ Sustainability and Risk Management

Risk Factors in the Company

TAM Company encounters a variety of risks. The executive management and Audit Committee identify, evaluate, and hedge these risks, considering their likelihood and potential impacts. Subsequently, the executive management takes necessary measures to mitigate, avoid, or contain these risks as much as possible, aiming to prevent any potential damages from their occurrence.

Below is a list of risks that the company may face while conducting its business, along with the corresponding responses from the company:

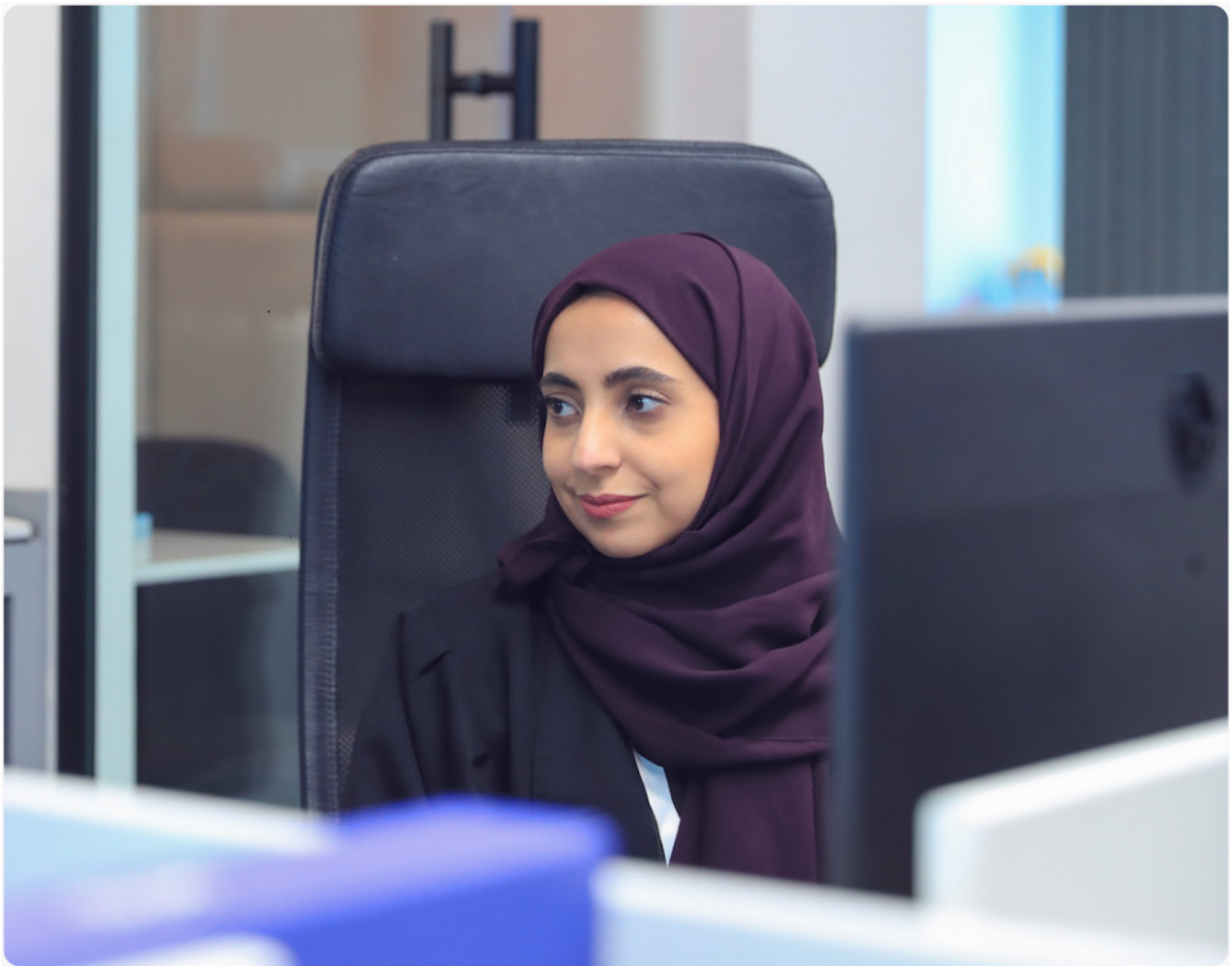
| Type of Risk | Details | Response |
|---|--|---|
| Strategic Risk: Rapid Development in the Digital Solutions Sector | The digital solutions sector is marked by swift technological advancements. This rapid pace of change encompasses the introduction of new products and services to customers, potentially diminishing the efficacy of existing products and shortening their lifespan. | TAM is keen on staying abreast of the latest technologies, staying informed about emerging tech across various IT fields, and forming partnerships with leading technology service providers to remain constantly updated on industry trends. |
| Strategic Risk: Adapting to Customer Requirements | The consulting and digital solutions sector is sensitive to shifts in customer preferences and market trends. Any changes in customer preferences and requirements could affect the company's products and services. | TAM excels in project management, prioritizing customer satisfaction as one of its core values. Agile and flexible methodologies are adopted in project development, allowing the company to adapt to customer requirements and unexpected changes. |
| Strategic Risk: Customer Concentration | TAM has several high-profile customers with whom the relationship is grounded in contractual principles. The majority of its income is derived from the interactions it has with these customers. | TAM is actively broadening its customer base, as evident from the recent contracts signed with new customers. TAM aims to deepen these relationships and explore more significant project opportunities. |

| Type of Risk | Details | Response |
|---|---|---|
| Operational Risk: Dependence on Key Employees | TAM relies on the skills and expertise of its key employees, so its success in achieving its goals depends on retaining its workforce and attracting and employing qualified and skilled professionals. | TAM launches continuous development and training programs, particularly targeting second-tier leaders and new hires, to ensure the acquisition of the necessary skills when applying for leadership positions. TAM has also implemented succession planning policies that ensure intensive training and prepare employees for leadership positions in the event of vacancies. Moreover, TAM institutes various programs aimed at retaining employees and attracting talent from the market, including an employee stock plan and comprehensive benefits and services. Moreover, TAM endeavors to govern its management processes to facilitate knowledge transfer across all management levels. |
| Financial Risk: Competition among Consulting and Digital Solutions Providers | Customers may seek reduced prices for TAM's services. Additionally, the emergence of new firms and suppliers in the consulting and digital solutions sectors, or the expansion, growth, or consolidation of existing competitors, could augment the pool of service providers. Consequently, this could drive down the prices of TAM's products and services. Lowering prices for any of these reasons would inevitably diminish the profit margin percentage derived from its customer services. | TAM strives to maintain low operating costs and employs various global methodologies to manage its projects efficiently, reducing the likelihood of this risk occurring. The executive management sets a minimum profit margin for all its projects to maintain financial stability. |
| Financial Risk: Revenue Fluctuations Due to Work Scope Termination, Delay, or Reduction | The contracts and purchase orders concluded between TAM and its customers include terms and conditions related to the termination, delay, or reduction of the project's scope according to the customers' preferences. In case a customer terminates, delays, or reduces the scope of work of the project, this will negatively affect the project's revenues and its cash liquidity. | TAM actively handles billing and collection operations. Its project management methodologies take into account the risk of work delays and provide safeguards based on the project's nature. |

| Type of Risk | Details | Response |
|--|--|---|
| Financial Risk: Liquidity Risk | Liquidity risks represent the challenges TAM might face in gathering sufficient liquidity to meet obligations related to financial instruments. Liquidity risks may arise from the inability to collect invoices promptly and at fair value. | Liquidity risks are managed through regular monitoring to ensure there is sufficient liquidity available to meet future obligations. The Board of Directors closely and consistently monitors liquidity risks by conducting regular reviews of available liquidity, current and future obligations, and operating and capital expenditures. Additionally, the company monitors actual cash flows and endeavors to align the due dates of its assets and financial liabilities. TAM also aims to fulfill its legal obligations, including any commitments related to financing agreements. |
| Compliance Risk | TAM is subject to various laws and regulations, such as the Companies Law and Capital Market Law, and the regulations and circulars issued by the Capital Market Authority. It is also subject to the Wage Protection System and Labor Law. | To ensure compliance with all laws and regulations, TAM is keen on avoiding risks arising from non-compliance with legislative and regulatory requirements and ensures the implementation of all applicable laws and legislation. It also continuously updates its internal procedures to avoid fines or penalties that could negatively impact its reputation and status. |

Business Sustainability

In pursuit of upholding top-tier levels of work and resilience in the labor market, TAM Development is committed to maintaining its operational readiness. To achieve this, it is crafting a comprehensive framework aimed at establishing and bolstering organizational flexibility and fortifying the responsiveness of its various departments to potential incidents or risks that may impact business operations. These efforts are aimed at ensuring the company can achieve its strategy and objectives. The executive management is keen on conducting regular assessments, followed by updating procedures and implementing necessary safeguards to mitigate risks, considering potential disruptions in business, technology, or organizational processes. They support the Board of Directors by analyzing the potential impact of risks on operations as part of their plan to establish an integrated framework for business continuity. TAM implements the Business Sustainability/Disaster Recovery plan into its technical projects to ensure seamless service delivery for customers without interruptions or data loss.



◆ Our Contributions to the Community

TAM Development is committed to fulfilling its social responsibilities diligently. Therefore, the company strives to cultivate robust and enduring relationships with the communities in which it operates. Furthermore, TAM is dedicated to ensuring that its innovative social responsibility programs yield tangible and positive economic and social benefits.

Our community contributions are based on several pillars, including:

1 **Customer-Centric Impact**

TAM strives to meet customer needs and desires by providing solutions and services that fulfill societal expectations and create opportunities for development and improvement. By understanding customer needs and focusing efforts on addressing them, TAM achieves a positive and effective impact on community contributions.

2 **Growth and Innovations**

TAM encourages growth and innovation in community contributions. The company aims to provide innovative and sustainable solutions to complex social challenges. It relies on new ideas and innovative technologies to make a positive impact on society, promoting collaboration with partners, local communities, and government entities to exchange expertise and generate new solutions.

3 **Sustainable Impact**

TAM focuses on creating a sustainable and lasting impact through community contributions. It is based on the principles of sustainable development and is concerned with achieving a balance between current and future needs.

The Core Principles of Social Responsibility at TAM Company

TAM adheres to a set of principles in its community contributions, including:

◆ **Collaboration and Partnership**

TAM believes in the importance of collaboration and partnership with individuals, organizations, and stakeholders in the community. It aims to build strong and sustainable partnerships to achieve its developmental goals and enhance positive impact.

◆ **Innovation and Development**

TAM strives to provide new and innovative solutions to complex social challenges. The company relies on new technologies and ideas to achieve sustainable developmental impact.

◆ **Transparency and Accountability**

TAM recognizes the importance of transparency and accountability in all aspects of its community contributions.

◆ **Corporate Responsibility**

TAM is committed to its corporate responsibility towards society and the environment, ensuring the application of ethical and responsible conduct standards in all aspects of its operations.

Key Social Contributions

1- Participation in several workshops based on the importance of building human capacities and skills, including:

Knowledge Hour Initiative

TAM led a workshop focused on Project Management Professional (PMP) certification for customers from the Ministry of Hajj and Umrah, as part of the "Knowledge Hour" initiative. This initiative was in collaboration with the "Project Management Office" and the "Joint Services Agency." The workshop emphasized enhancing project management skills and improving the performance of leadership teams.



Participation in the FIABCI Global Leadership Summit

TAM participates in the FIABCI Global Leadership Summit to help empower youth and strengthen the real estate sector. It shares the expertise of its employees in real estate and exchanges ideas and knowledge using the latest technologies.



Misk Global Forum

As part of the 2022 Misk Global Forum, TAM organized a workshop titled "Impact-Driven Innovation," focusing on the fundamentals of design-based innovation. The workshop aimed to empower participants to apply concepts of design and innovation to create initiatives that positively impact society.

2- Participation in national celebrations and other events with the team to bolster patriotism and foster unity, including:

Annual Celebrations of Saudi National Day and Founding Day

TAM annually hosts celebrations for Saudi National Day and Founding Day, arranging festivities and engaging in cultural events and artistic practices to demonstrate its deep pride and loyalty to the Kingdom of Saudi Arabia and its illustrious history.



Children's Day Celebration with Employees' Children

TAM holds a special Children's Day celebration for employees' children to foster a sense of belonging and cohesion within the company.



3-Participation in various practices to support health and fitness, which is our core value, including:

Riyadh Marathon

TAM's team participated in the Riyadh Marathon to raise awareness of the significance of physical activity and the upkeep of fitness levels.



4- Collaboration as a knowledge partner to support youth initiatives for community development, including:

Knowledge Partner for the Shapeathon Initiative

Believing in the potential of young men and women to develop innovative solutions that bring about positive social impact, TAM is proud to share knowledge as a knowledge partner supporting the Shapeathon initiative. This initiative, organized by the Global Shapers Community affiliated with the World Economic Forum, represents a social entrepreneurship hackathon.



5- Enhancing communication between companies and universities

TAM took part in several activities and initiatives with prestigious educational institutions. It made a notable contribution to the TEDxKFUPM event and organized an entrepreneurship competition in collaboration with Dar al-Hekma University to promote a culture of innovation and entrepreneurship among students.



In guiding and employing students, TAM engaged in job fairs and career days across several universities, including Al Yamamah University, Effat University, and King Fahd University of Petroleum and Minerals. TAM offered invaluable advice to students on building successful career paths and achieving professional excellence. It hosted interactive workshops and advisory sessions to help them develop their skills and choose suitable career paths.





Governance Report

Governance Report

First: Shareholders

TAM Development Company, represented by its Board of Directors and executive management, is dedicated to safeguarding and preserving the rights of its shareholders, ensuring fairness, parity, and non-discrimination among them. The company fosters open lines of communication with shareholders, keeping them abreast of developments and modifications. Operating under a policy of complete transparency, the company respects and upholds all shareholder rights without exception. This encompasses the right to attend both general and special assembly meetings, engage in discussions, cast votes on resolutions, and manage their shares in compliance with relevant Companies Law and Financial Market Law and their implementing regulations. Shareholders are also entitled to inquire and request access to all company records and documents, including all data and information about the company's activities, and operational and investment strategies, provided that this does not compromise the company's interests or contravene the Companies Law and Financial Market Law and their implementing regulations.

Second: General Assemblies of Shareholders

The General Assembly of Shareholders is considered the highest authority in the company. A General Assembly, convened according to statutory procedures, represents all shareholders in exercising their powers related to the company. The General Assemblies of Shareholders are responsible for all matters concerning the company and emphasize enhancing effective participation among shareholders, the Board of Directors, and the executive management. They perform their roles according to the provisions of the Companies Law, its implementing regulations, and the company's by laws. TAM is committed to selecting a time and place that allows full participation of shareholders to discuss the topics on the agenda of the assembly and open the floor for questions and proposals.

The General Assembly of Shareholders held two meetings in 2023. Below, we provide a statement of the dates of these meetings and the names of attending Board of Directors members:

| Member | Ordinary General Assembly Meeting on May 21, 2023 | Extraordinary General Assembly Meeting on August 27, 2023 |
|--|--|--|
| Professor Omar Abdulrahman Aljeraisay | ✓ Attended | ✓ Attended |
| Professor Ali Mohamed Saady Sheneamer | ✓ Attended | ✓ Attended |
| Professor Samer Saeed Jundi | ✓ Attended | ✓ Attended |
| Dr. Abdullah Nadeem Mohammed Elyas | ✓ Attended | ✓ Attended |
| Professor Abdullah Anwar Mohammed Yousef | ✓ Attended | ✓ Attended |

Third: Number of Requests for the Shareholder Register

During the fiscal year 2023, TAM Development Company requested the shareholder register from the Securities Depository Center Company (Edaa) five times for the following purposes:

| Date of request for shareholder register | Justifications for the request |
|--|--------------------------------|
| 14/6/2023 | Company procedures |
| 27/8/2023 | General Assembly |
| 29/8/2023 | Dividend distribution |
| 4/12/2023 | Company procedures |
| 31/12/2023 | Company procedures |

Fourth: Investor Relations Activities

Through its investor relations, TAM Development facilitates ongoing communication with shareholders and investors throughout the year, serving as a link between the investors and both the company's Board of Directors and executive management. The Board of Directors regularly receives shareholders' opinions, suggestions, and comments about the company and its performance, aiming to enhance dialogue with stakeholders and achieve a balance in their participation.

Fifth: Communication Methods with Shareholders

The Board of Directors of TAM Development Company is committed to maintaining consistent and ongoing communication with all shareholders, ensuring transparency in the disclosure processes published on the company's page on the Saudi Tadawul website. We encourage all shareholders to actively participate in both general and special assembly meetings. The Board of Directors of TAM Development Company welcomes receiving your suggestions, comments, and opinions through Investor Relations via email at IR@tamhub.com.

The Board of Directors of TAM Development Company emphasizes the significance of shareholder participation in the general and special assemblies' meetings, either through physical attendance and voting, in person or by proxy. This participation is facilitated by:



Choosing an appropriate time and place that allows full participation of shareholders.



Allocating sufficient time for shareholders during the General Assembly to discuss agenda items and present questions and suggestions.



Enabling electronic voting on agenda items through the Tadawulaty services portal.



Sixth: Distribution of Dividends

The Board of Directors has established a clear policy on dividend distributions to serve the interests of both shareholders and the company, aligning with the company's Articles of Association and adhering to paragraph (b) of Article 9 of the Corporate Governance Regulations issued by the Saudi Capital Market Authority under decision number (8-16-2017) dated 16/05/1438 AH, corresponding to 13/02/2017 AD. This policy is based on the Companies Law issued by Royal Decree No. (M/3) dated 28/01/1437 AH, amended by the Capital Market Authority Resolution No. (8-5-2023) dated 25/06/1444 AH, corresponding to 18/01/2023 AD, based on the Companies Law issued by Royal Decree No. (M/132) dated 01/12/1443 AH, as follows:

Authority to Determine Distributed Dividends

The Board of Directors presents its proposals for dividend distributions to the Ordinary General Assembly, which has the authority to decide on these proposals. The assembly determines the percentage of net profits to be distributed to shareholders after deducting the reserves, if any.

Reports and Disclosures

(1) The Board of Directors must, at the end of the company's fiscal year, prepare the company's financial statements as well as a report on its activities and financial position for the ending fiscal year. Said report shall include a proposal on the manner of distributing dividends. The Board shall make such documents available to the auditor, if any, at least 45 days prior to the date set for the annual ordinary General Assembly meeting.

(2) The documents referred to in paragraph (1) of this Article must be signed by the chairman of the company's Board of Directors and its chief executive officer as well as by its chief financial officer. Copies of such documents are maintained at the company's headquarters and made available to shareholders.

Entitlement to Dividends

A shareholder is entitled to their share of the profits pursuant to a decision issued by the General Assembly in this regard. Such decision determines the eligibility and distribution dates. Shareholders registered in the Shareholder Register at the Depository Center (Edaa) at the end of the entitlement date specified shall be entitled to receive dividends.

Timing of Payment of Dividends

The Board must implement the General Assembly resolution with respect to dividend distribution to the Registered Shareholders within fifteen business days from the date they become entitled to such dividends as determined in such resolution, or the Board's resolution for the distribution of interim dividends.

Formation of Reserves

The Ordinary General Assembly, based on a proposal from the Board of Directors, may set aside 10% of net profits to form a consensual reserve designated for a specific purpose(s).

Additionally, the Ordinary General Assembly, when determining the share of stocks in the net profits, may decide to form other reserves to the extent that it serves the company's interest or ensures the distribution of constant dividends to shareholders as much as possible. It may also deduct amounts from the net profit for establishing social schemes for the company's employees or to support existing ones.

Distributable Profits Amount

The amount the Company will pay to buy-back its shares must not exceed the amount of distributable profits, whether the buy-back will be made through its own cash accounts or external sources of financing.

Distributable Profits and Share Premium Account

a. The distributable profits consist of the net income of the fiscal year minus all amounts that are set aside for the reserve allocated for specific purposes in the company's Articles of Association, if any, or the amounts that must be set aside for the reserves created by the General Assembly plus the retained earnings and the distributable reserves formed out of profits

b. The company's share premium account that is within shareholders equity shall not be used to distribute cash dividends to shareholders.

Requirements for Distributing Interim Dividends

A company may, if so provided and permitted in its bylaws, distribute interim dividends to its shareholders on a biannual or quarterly basis after fulfilling the following requirements:

- (1) The Ordinary General Assembly must delegate the authority to the Board to distribute interim dividends by a resolution that is renewed annually.
- (2) The company must enjoy regular positive profitability.
- (3) The company must enjoy reasonable liquidity, and be able to reasonably foresee the scale of its profits.
- (4) The company must have distributable profits - according to the latest audited financial statements - sufficient to cover the proposed dividend distribution, after deducting the amounts distributed and capitalizing the profits after the date of those financial statements.

Controls for Distributing Interim Dividends

A company may, if so provided and permitted in its Articles of Association, distribute interim dividends to its shareholders on a biannual or quarterly basis, based on the following controls:

- a. Dividend distributions must be recorded to the cumulative retained earnings account of preceding years or to the distributable reserves formed out of profits or both. The company must take into account having a sequential and consistent approach in determining the manner and percentages of dividend distributions in light of the company's capabilities and available liquidity. The Board of Directors must disclose and announce the percentages of regular interim dividends approved for distribution to the shareholders on the specified dates.
- b. The company must, upon resolving to distribute interim dividends, disclose to the Authority and the public immediately and without delay such resolution.

Seventh: Statement of Profits Distributed to Shareholders During the Year 2023

In its meeting held on Sunday 11/02/1445 AH, corresponding to 27/08/2023 AD, and based on a proposal from the Board of Directors of TAM Company, the Extraordinary General Assembly approved the distribution of cash dividends amounting to SAR **2,799,900** (two million seven hundred ninety-nine thousand nine hundred Saudi Riyals) to shareholders for the financial period ending 31/12/2022, at a rate of 85 halalas (SAR 0.85) per share, equivalent to **8.5%** of the share value. This distribution was for shareholders owning shares at the end of the trading day when the assembly was convened and registered in the company's shareholder register at the Securities Depository Center Company (Edaa) at the end of the second trading day following the entitlement date. The company distributed the dividends to the entitled recipients on 7/9/2023.



◆ Company Board of Directors

The company is managed by a Board of Directors consisting of five natural persons who were elected by the Ordinary General Assembly of shareholders for a term of three years starting from December 2, 2021, as follows:



| | |
|---------------------------|--------------------------------|
| Name | Mr. Omar Abdulrahman Aljeraisy |
| Position on the Board | Chairman of the Board |
| Membership Classification | Non-Executive |
| Appointment Date | 2/12/2021 |



| | |
|---------------------------|----------------------------------|
| Name | Mr. Ali Mohammed Saadi Sheneamer |
| Position on the Board | Vice Chairman of the Board |
| Membership Classification | Independent |
| Appointment Date | 2/12/2021 |



| | |
|---------------------------|--|
| Name | Dr. Abdullah Nadeem Mohammed Elyas |
| Position on the Board | Board Member and Chairman of the Nomination and Remuneration Committee |
| Membership Classification | Independent |
| Appointment Date | 20/11/2022 |



| | |
|---------------------------|----------------------|
| Name | Mr. Samer Said Jundi |
| Position on the Board | Board Member |
| Membership Classification | Non-Executive |
| Appointment Date | 20/11/2022 |



| | |
|---------------------------|------------------------------------|
| Name | Mr. Abdullah Anwar Mohammed Yousef |
| Position on the Board | Board Member/Managing Director |
| Membership Classification | Executive |
| Appointment Date | 2/12/2021 |

◆ Biography of Board Members



(1) Omar Abdulrahman Aljeraisy

Chairman of the Board

Current Positions

- ◆ Board Member of Thmanyah Company, from 2021 till present.
- ◆ CEO of Ain Developmental Investment Company, from 2016 till present.
- ◆ Chairman of the Board of TAM Development Company, from 2017 till present.
- ◆ Board Member of Rehab Najd Real Estate, from 2019 till present.
- ◆ Board Member, Myrkott Animation Studio (Al-Khald Al-Dhahabi), from 2019 till present.
- ◆ Chairman of the Board of Directors at Saudi Paper Manufacturing Co., from 2018 till present.
- ◆ Board Member of Al Jeraisy Group, a closed joint-stock company, from 2012 to present.
- ◆ Board Member at Gulf Insurance Group (GIG), from 2018 till present.

Previous Positions

- ◆ Deputy General Manager of Al Jeraisy Group Company, from 2017 to 2019.
- ◆ Assistant General Manager of Al Jeraisy Group Company, from 2014 to 2017.
- ◆ Chairman of the Board of Naba Educational Company, from 2012 to 2017.

Qualifications

- ◆ Bachelor of Business Administration from Prince Sultan University, 2012.

**(2) Ali Mohammed Saadi Sheneamer****Vice Chairman of the Board**

Current Positions

- ◆ Chief Business Development Officer at Bupa Arabia (a public joint-stock company in the insurance sector), from 2013 till present.
- ◆ Vice Chairman of the Board and Member of the Nomination and Remuneration Committee at TAM Development Company (a public joint-stock company), from 2021 till present.
- ◆ Board Member at Arabian Lamaa for Digital Aggregation (a limited liability company in the information technology sector), from 2023 till present.
- ◆ Board Member at the Saudi Federation of Sports Medicine, from 2022 till present.
- ◆ Board Member at Mango Jazan Trading Company (a limited liability company in the e-commerce sector), from 2020 till present.
- ◆ Chairman of the Board of Directors at 1PASS (Interactive Clubs for Information Technology Company) (a limited liability company working in the field of health technologies and fitness), from 2019 till present.

Previous Positions

- ◆ Board Member at Ahmed Mohammed Saleh Baeshen & Co. (a closed joint-stock company in the food and beverages industry), from 2019 to 2022.
- ◆ Board Member at Vezeeta Company (a limited liability company in the MENA region, specializing in healthcare technologies), from 2018 to 2022.
- ◆ Board Member at Baazeem Trading Company (a public joint-stock company engaged in the import and distribution of various consumer products), from 2017 to 2022.
- ◆ Board Member at Bupa Egypt Insurance Company (an Egyptian joint-stock company specializing in medical insurance), from 2013 to 2016.
- ◆ Deputy Governor and Chief Operating Officer at the General Authority for Investment (currently the Ministry of Investment), (a government ministry focused on enhancing business competitiveness), from 2008 to 2012.
- ◆ Chief Commercial Executive at Malak Arabia (a limited liability company in the real estate development sector), from 2006 to 2007.

Qualifications

- ◆ Bachelor's Degree in Computer Engineering from King Abdulaziz University, Saudi Arabia, 1997.

**(3) Abdullah Nadeem Mohammed Elyas****Board Member**

Current Positions

- ◆ Co-founder of Careem, from 2014 till present.
- ◆ Board Member of TAM Development Company, from 2022 till present.
- ◆ Advisory Board Member of Raed VC, from 2020 till present.
- ◆ Board Member of Noon Edu, from 2020 till present.
- ◆ Board Member of Bupa Arabia, from 2019 till present.

Previous Positions

- ◆ Board Member at Endeavor (2022-2024).
- ◆ Board Member at Monsha'at (2016-2023).
- ◆ Co-founder of Enwani (2011-2014).
- ◆ Management Consultant at IDS Scheer Consulting, Germany, (2008-2011).
- ◆ Research Partner at SAP, Germany, (2004-2008).

Qualifications

- ◆ Doctorate in Business Administration from RWTH Aachen University, 2008.
- ◆ Master of Science in Computer Science from RWTH Aachen University, 2002.

**(4) Samer Said Jundi****Board Member**

Current Positions

- ◆ Chief Executive Officer of Mohammed Abdulaziz Al Habib & Sons Holding – a closed joint-stock company (2019–present).
- ◆ Board Member of TAM Development Company – a listed joint-stock company (2022–present).
- ◆ Board Member of Hamat Holding – a closed joint-stock company (2017–present).
- ◆ Audit Committee Member at Al Hayat Real Estate – a closed joint-stock company (2017–present).
- ◆ Audit Committee Member at the Global Healthcare Company – a limited liability company (2015–present).
- ◆ Board Member of Mohammed Al Habib Real Estate (2023–present).

Previous Positions

- ◆ Chief Financial Officer at Dr. Sulaiman Al Habib Medical Group (2009–2019).
- ◆ Board Member of Dr. Sulaiman Al Habib Medical Group (2017–2020).
- ◆ Audit Committee Member at Dr. Sulaiman Al Habib Medical Group (2017–2020).
- ◆ Audit Committee Member at Hamat Holding (2014–2023).

Qualifications

- ◆ Bachelor's degree in Accounting from the University of Jordan, 1999.



(5) Abdullah Anwar Mohammed Yousef
Board Member / Managing Director
& CEO

Current Positions

- ♦ Managing Director, CEO, and Founder of TAM Development Company.

Previous Positions

- ♦ Independent Consultant - Innovation and Digitization Committee at Abdul Latif Jameel Business.
- ♦ Executive Founder of TAM Development Company.
- ♦ Oversaw the management and design of more than 75 development projects and initiatives benefiting over 10 million people.
- ♦ Planned and managed national communication campaigns for more than 30 governmental and private entities, successfully engaging millions of Saudis.
- ♦ Managed more than 40 projects and programs in community activation at TAM Development Company.

Qualifications

- ♦ Bachelor's degree in Commerce and Marketing with Honors from McMaster University, Canada.
- ♦ Minor in Economics from McMaster University, Canada.
- ♦ Leadership development certifications from Harvard University in Corporate Growth Leadership, Disruptive Strategies, and Negotiations.
- ♦ Leadership development certifications from the Massachusetts Institute of Technology in Digital Transformation Strategies, Artificial Intelligence Application Strategies, and Systems Thinking Strategies.

◆ Names of Companies Where the Board Member Currently Serves or Has Previously Served on the Board of Directors, or as One of Their Managers

| (1) Omar Abdulrahman Aljeraisyy | | Chairman of the Board | |
|---------------------------------|-----------------------------------|-----------------------|----------------------------|
| No. | Company Name | Headquarters | Legal Entity |
| 01 | Thmanyah Company | Inside the Kingdom | Limited Liability Company |
| 02 | Ain Developmental Investment | Inside the Kingdom | Limited Liability Company |
| 03 | Rehab Najd Real Estate | Inside the Kingdom | Limited Liability Company |
| 04 | Myrkott Animation Studio | Inside the Kingdom | Limited Liability Company |
| 05 | Jeraisyy Group Cardtec Factory | Inside the Kingdom | Closed Joint Stock Company |
| 06 | Computer Paper Production Company | Inside the Kingdom | Limited Liability Company |
| 07 | Gulf Cooperative Insurance Group | Inside the Kingdom | Limited Liability Company |
| 08 | Al Jeraisyy Group | Inside the Kingdom | Closed Joint Stock Company |
| 09 | Nabaa Educational Company | Inside the Kingdom | Limited Liability Company |

Names of Companies Where the Board Member Currently Serves or Has Previously Served on the Board of Directors, or as One of Their Managers

(2) Ali Mohammed Saadi Sheneamer Vice Chairman of the Board

| No. | Company Name | Headquarters | Legal Entity |
|-----|---|---------------------|----------------------------|
| 01 | Bupa Arabia Insurance Company | Inside the Kingdom | Public Joint Stock Company |
| 02 | Arabian Lamaa For Digital Aggregation Company | Inside the Kingdom | Limited Liability Company |
| 03 | Mango Jazan Trading Company | Inside the Kingdom | Limited Liability Company |
| 04 | 1PASS | Inside the Kingdom | Limited Liability Company |
| 05 | Ahmad Mohammed Saleh Baeshen & Co. | Inside the Kingdom | Closed Joint Stock Company |
| 06 | Vezeeta Company | Outside the Kingdom | Limited Liability Company |
| 07 | Baazeem Trading Company | Inside the Kingdom | Public Joint Stock Company |
| 08 | Bupa Egypt Insurance Company | Outside the Kingdom | Public Joint Stock Company |
| 09 | Malak Arabia Company | Inside the Kingdom | Limited Liability Company |
| 10 | National Commercial Bank | Inside the Kingdom | Public Joint Stock Company |
| 11 | Procter & Gamble Company | Outside the Kingdom | Global Joint Stock Company |

◆ Names of Companies Where the Board Member Currently Serves or Has Previously Served on the Board of Directors, or as One of Their Managers

| (3) Abdullah Nadeem Mohammed Elyas | | | Board Member |
|------------------------------------|--|---------------------|----------------------------|
| No. | Company Name | Headquarters | Legal Entity |
| 01 | Careem Transportation for Information Technology Company | Inside the Kingdom | Limited Liability Company |
| 02 | Raed Ventures Company | Inside the Kingdom | Limited Liability Company |
| 03 | Enwani Company | Inside the Kingdom | Limited Liability Company |
| 04 | Bupa Arabia Company | Inside the Kingdom | Public Joint Stock Company |
| 05 | Endeavor Company | Inside the Kingdom | Public Joint Stock Company |
| 06 | Raed VC Company | Inside the Kingdom | Limited Liability Company |
| 07 | Noon Edu Company | Inside the Kingdom | Limited Liability Company |
| 08 | IDS Scheer Consulting, Germany | Outside the Kingdom | Public Joint Stock Company |
| 09 | SAP, Germany | Outside the Kingdom | Public Joint Stock Company |

◆ Names of Companies Where the Board Member Currently Serves or Has Previously Served on the Board of Directors, or as One of Their Managers

| (4) Samer Said Jundi | | Board Member | |
|----------------------|--|--------------------|----------------------------|
| No. | Company Name | Headquarters | Legal Entity |
| 01 | Mohammed Abdulaziz Al Habib & Sons Holding Company | Inside the Kingdom | Closed Joint Stock Company |
| 02 | Al Hayat Real Estate Company | Inside the Kingdom | Closed Joint Stock Company |
| 03 | Global Healthcare Company | Inside the Kingdom | Limited Liability Company |
| 04 | Hamat Holding Company | Inside the Kingdom | Closed Joint Stock Company |
| 05 | Dr. Sulaiman Al Habib Medical Services Group | Inside the Kingdom | Public Joint Stock Company |
| 06 | Mohammed Al Habib Real Estate Company | Inside the Kingdom | Limited Liability Company |

| (5) Abdullah Yousef | | Board Member & Managing Director | |
|---------------------|--|----------------------------------|---------------------------|
| No. | Company Name | Headquarters | Legal Entity |
| 01 | Three Dimensions and Value Added Company | Inside the Kingdom | Limited Liability Company |

Ownership of Shares and Debt Instruments in the Company by Board Members and Their Relatives

| Name | At the beginning of the fiscal year 2023 | | At the end of the fiscal year 2023 | | (%) Percentage of change |
|------------------------------------|--|------------------|------------------------------------|------------------|-----------------------------|
| | Type of Ownership | Number of Shares | Type of Ownership | Number of Shares | |
| Mr. Omar Abdulrahman Aljeraisy | *Indirect | 604,151 | Indirect | 604,151 | 0% |
| Mr. Ali Mohammed Saadi Sheneamer | - | - | - | - | - |
| Mr. Samer Said Jundi | - | - | - | - | - |
| Dr. Abdullah Nadeem Mohammed Elyas | - | - | - | - | - |
| Mr. Abdullah Anwar Mohammed Yousef | Direct | 732,381 | Direct | 732,381 | 0% |

* The indirect ownership of Mr. Omar Abdulrahman Ali Aljeraisy results from his direct ownership of (100%) in Ain Development for Investment.

◆ The Measures Taken by the Board of Directors to Inform the Members

The Board of Directors of TAM Development Company ensures continuous communication with shareholders by establishing an Investor Relations unit. This unit acts as a link between investors and both the company's Board of Directors and executive management. The Board regularly receives feedback, suggestions, and comments from shareholders about the company and its performance through a comprehensive report on company and shareholder updates. This approach aims to enhance dialogue with stakeholders and achieve balance in their participation.

◆ Board of Directors Meetings in 2023

| ◆ Name of the member | ◆ Position | 1 30/1/2023 | 2 28/3/2023 | 3 4/5/2023 | 4 28/8/2023 | 5 4/12/2023 | ◆ Total |
|------------------------------------|----------------------------|----------------|----------------|---------------|----------------|----------------|------------|
| Mr. Omar Abdulrahman Aljeraisy | Chairman of the Board | ✓ | ✓ | ✓ | ✓ | ✓ | 5 |
| Mr. Ali Mohammed Saadi Sheneamer | Vice Chairman of the Board | ✓ | ✓ | ✓ | ✓ | ✓ | 5 |
| Mr. Samer Said Jundi | Board Member | ✓ | ✓ | ✓ | ✓ | ✓ | 5 |
| Dr. Abdullah Nadeem Mohammed Elyas | Board Member | ✓ | ✓ | ✓ | ✓ | ✓ | 5 |
| Mr. Abdullah Anwar Mohamed Yousef | Board Member | ✓ | ✓ | ✓ | ✓ | ✓ | 5 |



◆ Board of Directors Acknowledgements

The Board of Directors of TAM Development Company acknowledges the following:

- ◆ The accounting records have been properly prepared.
- ◆ The internal control system was established on sound bases and implemented effectively.
- ◆ There is no doubt concerning the company's ability to continue its operations.
- ◆ All information published by the company, whether directly or indirectly, provides accurate and correct data about material facts or statements of opinion and does not aim to influence the stock price.
- ◆ There have been no significant events affecting the financial position of the company that required disclosure, apart from the information already available and announced.
- ◆ The company's consolidated financial statements for the fiscal year ending 31/12/2023 were prepared in accordance with standards approved by the Saudi Organization for Certified Public Accountants.
- ◆ There are no deviations from the accounting standards approved and applied in the Kingdom of Saudi Arabia during the fiscal year 31/12/2023.
- ◆ There are no reservations in the auditor's report on the annual financial statements during the fiscal year ending 31/12/2023.
- ◆ There is no recommendation from the Board of Directors to change the auditors before the end of the designated period during the fiscal year ending 31/12/2023.
- ◆ The company has not received a request from the auditors to convene the General Assembly during the fiscal year ending 31/12/2023.
- ◆ The company has not received a request from shareholders owning 5% or more of the company's capital to convene the General Assembly during the fiscal year ending 31/12/2023.
- ◆ There are no actions that could obstruct shareholders' rights to vote.
- ◆ There are no significant conflicts of interest during the fiscal year ending 31/12/2023, other than those disclosed.
- ◆ There were no transactions, other than those mentioned in this report, involving the company where a material interest, either direct or indirect, of any members of the Board of Directors, executive management, or any related person existed.
- ◆ No arrangements or agreements were made by any shareholders, Board members, or executive management of the company to waive their right to dividends.
- ◆ No rights to convert or subscribe under convertible debt instruments, cash securities, subscription rights warrants, or similar rights were issued or granted by the company during the fiscal year ending 31/12/2023.
- ◆ The company did not redeem, purchase, or cancel any redeemable debt instruments during the fiscal year ending 31/12/2023.
- ◆ The company did not receive any notices concerning the voting rights attached to any class of shares that belong to persons (other than Board members, senior executives, and their relatives) under Article 85 of the Rules on the Offer of Securities and Continuing Obligations, and there were no changes in those rights during the fiscal year 2023.
- ◆ There were no penalties, sanctions, or precautionary restrictions imposed on the company by the Capital Market Authority or any supervisory, regulatory, or judicial body, other than what has been mentioned in this report.
- ◆ There were no recommendations from the Audit Committee that were in conflict with the decisions of the Board of Directors, or any recommendations that the Board refused to accept.
- ◆ The company did not provide loans or credit facilities to any members of the Board of Directors or executive management.
- ◆ The company did not receive any comments from shareholders during the fiscal year ending 31/12/2023.

Executive management

TAM Company boasts an executive team comprising individuals with both global and local expertise garnered from leading institutions in the fields of business, management, and technical consulting. They possess extensive experience in spearheading, designing, and implementing numerous transformative initiatives and programs aimed at creating developmental impact.



Eng. Abdullah Taha
Managing Partner

- ◆ Held the position of Head of the Executive Office for His Excellency the Minister and Secretary of the Supreme Committee for Digital Transformation at the Ministry of Municipal and Rural Affairs and Housing.
- ◆ Served as the Head of the Executive Office for His Excellency the Minister at the Ministry of Finance.
- ◆ Held an executive leadership position at McKinsey.



Eyad Ramlawi
Chief Investment and Financial Officer

- ◆ Served as Vice President and Chief Strategy and Investment Officer at Alturki Group Holding.
- ◆ Served as Vice President and Head of Business Development for North Africa at National Holding.
- ◆ Worked at Deloitte in the Middle East and North America for several years.



Al Baraa Taibah
Chief Operating Officer

- ◆ Served as the General Manager at the Education and Training Evaluation Commission.
- ◆ Held the position of Operations Director at Waad Holding.
- ◆ Led the design and implementation of over 100 developmental and social projects.
- ◆ Worked as a Project Engineer at Turner Construction during the establishment of King Abdullah University of Science and Technology.



Dr. Mazen Melibari
Partner and Chief Technology Officer

- ◆ Holds a Ph.D. in Computer Science.
- ◆ Recognized by MIT Review as one of the top 15 emerging technology leaders.
- ◆ Held the position of Senior Engineer of Research and Innovation at SITE.
- ◆ The first Saudi to be selected for a Google program in machine learning.
- ◆ Served as an advisor for artificial intelligence at the MiSK Foundation.



Ahmed Youssef
Senior Partner and Chief Strategy Officer

- ◆ Held the position of Head of Strategy and Executive Vice President at Abdullah Al Othaim Markets.
- ◆ Held an executive leadership position at McKinsey.
- ◆ Former advisor to the Minister of Youth in the Arab Republic of Egypt.
- ◆ Led over 80 transformative initiatives in both the public and private sectors.

◆ Subcommittees of the Board of Directors

Two committees have been established under the company's Board of Directors: the Audit Committee and the Nomination and Remuneration Committee. These have been formed in accordance with the provisions of the Corporate Governance Regulations issued by the Capital Market Authority to support the Board of Directors. The tasks and responsibilities of the committees have been defined in the internal regulations of each committee's work, ensuring that each committee consists of no less than three members. The committees submit their recommendations and views to the Board of Directors.

First: Audit Committee

The Audit Committee consists of three non-executive members of the Board, whether shareholders or others, appointed by the resolution of the Ordinary General Assembly dated December 16, 2021.

Formation and Role of the Audit Committee

The committee is formed by a resolution from the company's Board of Directors, consisting of shareholders or others, ensuring no executive Board members are included. The committee must have no fewer than three and no more than five members, including at least one independent member. The chairman of the Board of Directors may not be a member of the Audit Committee. It is not permissible for anyone who works or has been working during the past two years in the executive or financial management of the company, or with the company's auditor, to be a member of the committee.



Among the committee members, there must be a member specialized in financial and accounting affairs. The committee member must possess the expertise and qualifications suitable for the committee's operations and tasks. The member must adhere to the principles of honesty, loyalty, diligence, and prioritize the interests of the company and shareholders over personal interests. Additionally, the member must adhere to regulatory requirements and the company's policies and regulations regarding conflict of interest and disclosure.

Responsibilities and tasks of the Audit Committee

The Audit Committee is responsible for monitoring the company's operations and ensuring the accuracy and integrity of reports, financial statements, and internal control systems. Specifically, the committee's tasks include the following points in the next page.

First: Internal Audit

1. Supervise the audit management, approve its plan, and ensure its independence.
2. Recommend to the Board the adoption of necessary policies for internal audits within the company.
3. Recommend to the Board the appointment, dismissal, or replacement of the internal audit manager, and determine their remuneration.
4. Review the company's internal, financial, and disclosure control systems, and information technology systems to ensure their adequacy.

Third: Financial Statements and Reports

1. Study the company's preliminary and annual financial statements before submitting them to the Board and expressing their opinion to ensure their integrity, fairness, and transparency.
2. Provide a technical opinion, upon the Board's request, on whether the Board's report and the company's financial statements are fair, balanced, clear, and include information that allows shareholders and investors to evaluate the company's financial position, performance, prospects, and strategy.
3. Verify accounting estimates on significant matters included in the financial reports, and thoroughly investigate any issues raised by the company's CFO, compliance manager, or auditor.
4. Study the accounting policies followed by the company and express opinions and recommendations to the Board concerning them.
5. Submit an annual report to the Board, which includes the Audit Committee's views on the adequacy of the internal financial control system and the company's risk management system.
6. Review reports from the internal audit management, external auditors, and other reports issued by the company that fall under the Audit Committee's responsibilities, and follow up on the implementation of corrective measures for any noted issues.

Second: External Auditor

1. Recommend to the Board the appointment and dismissal of auditors, determine their fees, and evaluate their performance, ensuring their independence, reviewing their scope of work, and the terms of their engagement.
2. Verify the independence, impartiality, and fairness of the auditors, and the effectiveness of their work, taking into account relevant rules and standards.
3. Review the auditor's plan and work, defining their scope, and ensuring that they do not provide technical, managerial, or consultancy services that exceed the scope of their audit activities, and provide opinions regarding this.
4. Study the auditor's report and observations on the financial statements and follow up on actions taken in response.

Fourth: Risk Management and Compliance Assurance

1. Ensure the company and its employees comply with relevant regulations and policies, recommending appropriate actions in cases of non-compliance.
2. Determine the company's risk tolerance and ensure the effectiveness of measures in place to protect against legal claims and risks of non-compliance with related laws and regulations.
3. Study any potential conflicts of interest that may arise among Board members and committees, including reviewing the company's proposed contracts and transactions with related parties, and express opinions thereon to the Board of Directors.
4. Raise issues that are deemed necessary to address to the Board of Directors and provide recommendations on the actions that should be taken.

◆ Names of the Members of the Audit Committee, Their Current and Previous Positions, Qualifications, and Experiences

◆ (1) Ahmed Abdulrahman Mohammed Jaber

Chairman of the Audit Committee from 10/10/2022 till present

Current positions

- ◆ Senior General Manager of Risk at Bupa Arabia for Cooperative Insurance.
- ◆ Member of the Audit and Risk Committee at Ahmed Mohamed Saleh Baeshen & Co.

Previous Positions and Experiences

- ◆ Head of Fraud Investigation and Prevention at the National Commercial Bank.
- ◆ Chief of Operational Risks at the National Commercial Bank.
- ◆ Western Region Risk Management Director at Samba Bank.
- ◆ Field Manager at Schlumberger Middle East.

Qualifications

- ◆ Executive MBA – currently a student at Prince Mohammed Bin Salman College of Business and Entrepreneurship.
- ◆ Bachelor's in Industrial Engineering from King Fahd University of Petroleum and Minerals.
- ◆ Executive Certificate from IMD Business School.
- ◆ International Diploma in Risk Management from the American Academy of Financial Management.
- ◆ Executive Certificate, London Business School.
- ◆ Other certificates include: Professional GRC Certification, GRC Auditor, Certified Fraud Analyst, Risk Expert, Operational Risk Manager, Project and Contract Risk Manager, and Compliance Officer Certificate.

◆ Names of the Members of the Audit Committee, Their Current and Previous Positions, Qualifications, and Experiences

◆ (2) Moaz Bin Khaled Bin Ibrahim Al Hajri

Chairman of the Audit Committee from 10/10/2022 till present

Current positions

General Manager of Finance at Takamul Business Services (2021-present).

Previous Positions and Experiences

- ◆ Extensive experience in auditing, financial management, and accounting in the public, private, and non-profit sectors. He has contributed to the sustainability and development of financial resources, real estate projects, technological products, and enhancement of financial efficiency in project implementation.
- ◆ Chief Auditor at Deloitte & Touche (2011-2014).
- ◆ Manager of Financial and Administrative Affairs at Al Anoud Charitable Foundation and Al Anoud Investment Foundation (2014-2019).
- ◆ Financial Manager at Sawaeed Business Services (2019-2020).
- ◆ Financial Manager at the Petroleum Demand Sustainability Program (2021).

Qualifications

- ◆ Bachelor's degree in Accounting from Imam Mohammad Ibn Saud Islamic University
- ◆ Fellow of the Saudi Organization for Certified Public Accountants (SOCPA).
- ◆ Obtained a fellowship from the Arab-European Academy on Non-Profit Organization Management at the University of Granada.

◆ Names of the Members of the Audit Committee, Their Current and Previous Positions, Qualifications, and Experiences

◆ (3) Bandar Abdul Halim Tashkandi

Member of the Audit Committee from 16/12/2016 till present.

Current positions

- ◆ Director of Real Estate Development at Soudah Development Company.
- ◆ Board member at the Saudi Egyptian Construction Company.

Previous Positions and Experiences

- ◆ Financial Analyst in the Finance Department at Saudi Aramco.
- ◆ Portfolio Manager of Strategic Projects at the Zakat, Tax, and Customs Authority.

Qualifications

- ◆ Bachelor's degree in Accounting from King Saud University.
- ◆ Master's degree in Finance from Suffolk University in Boston, USA.
- ◆ Chartered Financial Analyst (CFA) certification.
- ◆ Leadership Development Program from Harvard University in Boston, USA.
- ◆ Certified Management Accountant (CMA) certification.

Audit Committee Meetings

The Audit Committee convenes periodically or as required to oversee its tasks and review financial statements along with other pertinent matters. Below is the attendance log:

| Committee Member Name | Position | Meeting (1) 19/3/2023 | Meeting (2) 15/8/2023 | Meeting (3) 21/8/2023 | Meeting (4) 19/12/2023 | Total |
|-------------------------------------|---------------------------|--------------------------|--------------------------|--------------------------|---------------------------|-------|
| Ahmed Abdulrahman Jaber | Chairman of the committee | ✓ | ✓ | ✓ | ✓ | 4 |
| Bandar Abdul Halim Tashkandi | Committee member | ✓ | ✓ | ✓ | ✓ | 4 |
| Moaz Khaled Ibrahim Al Hajri | Committee member | ✓ | ✓ | ✓ | ✓ | 4 |

Second: The Nomination and Remuneration Committee

The Nomination and Remuneration Committee consists of three non-executive Board members, whether shareholders or others, appointed by a Board resolution dated 11/7/2023

Formation and Role of the Nomination and Remuneration Committee

The committee is formed by a decision of the company's Board of Directors and consists of three non-executive Board members, with at least one independent member among them. The Board of Directors appoints one of its members, who must be an independent member, as the chairman of the committee. The Nomination and Remuneration Committee aims to assist the Board of Directors by overseeing and monitoring the implementation of the remuneration plan and the nomination process for Board and committee membership and executive management of the company, ensuring they are linked to performance, in accordance with applicable regulatory controls and procedures.

Responsibilities of the Nomination and Remuneration Committee

The committee is responsible for tasks and responsibilities related to two important subjects: remunerations and nominations. Additionally, it is responsible for periodically reporting its activities to the Board. Below are the tasks and responsibilities of the committee:



First: Regarding remunerations

- ◆ Establish a clear policy for the remuneration of Board members, Board committees, executive management, and the CEO. Review and recommend it to the Board of Directors for adoption by the General Assembly, ensuring adherence to performance-related standards, disclosure, and verification of its implementation.
- ◆ Periodically review the remuneration policy and assess its effectiveness in achieving the intended objectives.
- ◆ Recommend to the Board the remuneration for Board members, committee members, the CEO, executive management, and employees in accordance with related laws, and submit recommendations to the Board regarding them.
- ◆ Review compensation and retirement plans, as well as related incentive schemes and policies for employees.



Secondly: Regarding nominations

- ◆ Propose clear policies and standards for Board and executive management membership.
- ◆ Recommend to the Board the nomination and re-nomination of members according to approved policies and standards, ensuring that individuals with a prior conviction for a crime involving breach of trust are not nominated.
- ◆ Prepare a description of the capabilities and qualifications required for Board membership and executive positions.
- ◆ Determine the time commitment required from members for Board duties.
- ◆ Conduct an annual review of the necessary skills and experience required for membership on the Board of Directors and in executive management positions.
- ◆ Review the structure of the Board and executive management and recommend changes that could be made.
- ◆ Annually verify the independence of independent members and ensure there are no conflicts of interest if a member also serves on the Board of another company.
- ◆ Develop job descriptions for executive members, non-executive members, independent members, and senior executives.
- ◆ Establish procedures for filling vacancies in the Board or senior executive positions.
- ◆ Identify strengths and weaknesses within the Board and propose solutions consistent with the company's best interest.



Names of the Members of the Audit Committee, Their Current and Previous Positions, Qualifications, and Experiences



(1) Abdullah Nadeem Mohammed Elyas

Chairman of the Nomination and Remuneration Committee

Previously introduced among the names and information of the Board members (page 51)



(2) Ali Mohammed Saadi Sheneamer

Member of the Nomination and Remuneration Committee

Previously introduced among the names and information of the Board members (page 50)



(3) Yara Mohammed Taher Antabawi

Member of the Nomination and Remuneration Committee

Board Memberships

- ◆ Central Electricity Generating Company (CEGCO), Jordan. Board Member, member of the Executive Committee for Social Responsibility at CEGCO, and chair of the Social Responsibility Committee of the Board.
- ◆ Higher Institute for Water and Power Technologies, Kingdom of Saudi Arabia. Board Member and Chair of the Executive Committee (EXCOM).
- ◆ Hassyan Energy (2,400 MW power plant under construction), Dubai. Member of the Social Responsibility Committee.
- ◆ Benban PV IPP (120 MW solar power plant). Chairperson of the Board of Directors.
- ◆ SAVVY Gaming Group, Riyadh. Member of the Nomination and Remuneration Committee.
- ◆ Monsha'at, Riyadh. Member of the Nomination and Remuneration Committee.
- ◆ TAM Development Company. Member of the Nomination and Remuneration Committee.
- ◆ KAFD, Riyadh. Member of the Nomination and Remuneration Committee.

Previous positions and experiences

- ◆ Head of Human Resources, Culture, and Communications at ACWA Power International in Riyadh, Kingdom of Saudi Arabia.
- ◆ Head of Transformation at ACWA Power International in Riyadh, Kingdom of Saudi Arabia.
- ◆ Executive Director of Operational Planning and Strategy at ACWA Power International in Riyadh, Kingdom of Saudi Arabia.
- ◆ Managing Partner and CEO of BMG Financial Group in Jeddah, Kingdom of Saudi Arabia.
- ◆ Executive Director at WorldCare for Special Education in the Kingdom of Saudi Arabia.
- ◆ President of MENAxis LLC in Salt Lake City, Utah, USA.
- ◆ Executive Vice President at PARISii Holding LLC in Newport, Rhode Island, USA.

Qualifications

- ◆ Executive Certificate in International Business from Thunderbird University, Arizona, USA.
- ◆ Master's degree in Business Administration and Systems from Florida Institute of Technology, Florida, USA.
- ◆ Postgraduate Certificate in Education (PGCE) from the University of Sunderland, Sunderland, United Kingdom.
- ◆ Bachelor's degree in Management Information Systems from Brigham Young University, Utah, USA.

Meetings of the Nomination and Remuneration Committee

The Nomination and Remuneration Committee convenes periodically or as required to oversee its tasks and review financial statements along with other pertinent matters. Below is the attendance log:

| Committee Member Name | Position | Meeting (1) 17/8/2023 | Meeting (2) 30/10/2023 | Total meetings held |
|-----------------------|---------------------------|--------------------------|---------------------------|---------------------|
| Abdullah Elyas | Chairman of the committee | ✓ | ✓ | 2 |
| Ali Sheneamer | Committee member | ✓ | ✓ | 2 |
| Yara Antabawi | Committee member | ✓ | ✓ | 2 |



◆ Governance and Compliance

Governance aims to establish rules, foundations, and adopt concepts, policies, and controls that achieve specific objectives for professional work, ensuring efficiency and effectiveness of performance, enabling continuous monitoring, and regulating relationships among stakeholders. At TAM Development, we ensure the implementation of governance according to the highest applied standards and practices and compliance with all regulations and laws issued by the competent entities in the Kingdom of Saudi Arabia. We adopt fundamental principles such as justice, transparency, and equality, which help prevent misconduct, protect shareholders' rights, and ensure business sustainability.



◆ Remuneration

Remuneration Policy

A remuneration policy has been established for the Board of Directors, its committees, and the executive management. It aims to define clear criteria for the remuneration of members of the Board of Directors of TAM Development Company, the members of the Board's committees, and senior executives, in accordance with the requirements of the Companies Law and the regulations of the Capital Market Authority, as follows:

General Criteria for Remuneration

Formed without prejudice to regulatory requirements, the company's articles of association, and the requirements of the governance regulation, the remunerations for the members of the Board of Directors, its committees, and the executive management are subject to the following criteria:

- 1 Aligning with the company's strategy and objectives.
- 2 Providing remunerations to encourage members of the Board of Directors and the executive management to succeed and develop the company in the long term.
- 3 Determining remunerations based on job level, the tasks and responsibilities assigned to its holder, their academic qualifications, practical experience, skills, and level of performance.
- 4 Aligning with the size, nature, and risk level of the company.
- 5 Considering practices of other companies in determining remunerations to avoid unjustified increases in remunerations and compensations.
- 6 Aiming to attract, retain, and motivate professional talents without exaggeration.
- 7 Coordinating with the Nomination and Remuneration Committee and Human Resources is required for new appointments.

- 8 Organizing the issuance of company shares to members of the Board of Directors and executive management, whether as new issues or shares purchased by the company.
- 9 Remuneration should be fair and commensurate with the member's competencies, as well as the duties and responsibilities assumed by the Board of Directors throughout the fiscal year.
- 10 Remuneration should be proportional to the company's activity and the skills necessary to manage it.
- 11 The sector in which the company operates, its size, and the experience of its Board members should be considered.
- 12 The remuneration should be reasonably sufficient to attract, motivate, and retain Board members with suitable expertise and efficiency.
- 13 A Board member may receive remuneration for their membership in the Audit Committee formed by the General Assembly, or for any executive, technical, administrative, or consulting roles—under a professional license—additionally assigned to them in the company. This is in addition to any remuneration they may receive as a member of the Board and committees formed by the Board in accordance with the Companies Law and the article of association.
- 14 Remuneration for Board members may vary in amount to reflect their individual experience, competencies, assigned tasks, independence, attendance at sessions, and other relevant considerations.
- 15 If the Audit Committee or the authority determines that the remuneration paid to any member of the Board of Directors or executive management was based on incorrect or misleading information presented at the General Assembly or included in the annual Board report, it must be returned to the company, which is entitled to demand repayment.



Policy on Remuneration of Board Members and its Committees

- 1 Remuneration of a Board member and all their benefits, if any, shall be specified by a resolution of the Ordinary General Assembly in accordance with official decisions and instructions issued in this regard and within the limits of the provisions of the Companies Law and Regulations.
- 2 Remuneration of the Board members may consist of a specified sum or meeting attendance fee, material benefits, a percentage of the net profits or a combination of two or more of these benefits.
- 3 If the remuneration is a specific percentage of the company's profits, this percentage may not exceed (10%) of the net profits, after deducting the reserves decided by the General Assembly in implementation of the provisions of the Companies Law and the company's Articles of Association, provided that the entitlement to this remuneration is proportional to the number of meetings attended by the Board member, and any estimate to the contrary is considered null and void.
- 4 The remuneration of independent Board members should not be a percentage of the company's profits or be directly or indirectly based on the company's profitability.

Executive Management Remuneration Policy

The company provides its senior executives with specific financial benefits in accordance with the procedures and standards adopted by the Board of Directors.

These benefits are based on the company's approved salary scale and policy.

The remunerations of the executive management include the following:

- ♦ A monthly base salary paid at the end of each calendar month.
- ♦ Medical insurance.
- ♦ Allowances including, but not limited to, housing, transportation, and phone allowances.
- ♦ An annual remuneration linked to performance indicators according to the annual evaluation conducted in this regard.
- ♦ Any other remunerations or allowances approved by the company's Board of Directors.



Remunerations of the Members of the Board of Directors for 2023

An amount of SAR 540,000 (five hundred and forty thousand Saudi Riyals only) was disbursed as a remuneration to the members of the Board of Directors for the fiscal year ending December 31, 2023, under the remuneration policy for the members of the Board of Directors and its committees and the executive management – version 2, which was approved by the General Assembly in its meeting held on 27/8/2023. The details are as per the table below:

| Name | Position | Fixed remuneration | Statement |
|---|----------------------------|--------------------|--|
| Mr. Omar Abdulrahman Aljeraisy | Chairman of the Board | 180000 | Remuneration for the entire 2023 |
| Mr. Ali Mohammed Saadi Sheneamer | Vice Chairman of the Board | 120000 | Remuneration for the entire 2023 |
| Mr. Samer Said Jundi | Board Member | 120000 | Remuneration for the entire 2023 |
| Dr. Abdullah Nadeem Mohammed Elyas | Board Member | 120000 | Remuneration for the entire 2023 |
| Total | | 540000 | Five hundred and forty thousand riyals only |

Committee members' remuneration for 2023

A total of SAR 110,000 (one hundred and ten thousand Saudi Riyals only) was disbursed as a remuneration to the members of the Audit Committee, and SAR 20,000 (twenty thousand Saudi Riyals only) as a remuneration to the members of the Nomination and Remuneration Committee for the fiscal year ending 31/12/2023. This was in accordance with the remuneration policy for the members of the Board of Directors and its committees and the executive management – version 2, approved by the General Assembly in its meeting held on 27/8/2023, according to the following statement:

| Audit Committee members | | | |
|----------------------------------|---------------------------------|--------------------|--|
| Name | Position | Fixed remuneration | Statement |
| Ahmad Abdurrahman Mohammed Jaber | Chairman of the Audit Committee | 40000 | Remuneration for the entire 2023 |
| Moaz Khaled Ibrahim Al Hajri | Audit Committee member | 35000 | Remuneration for the entire 2023 |
| Bandar Abdul Halim Tashkandi | Audit Committee member | 35000 | Remuneration for the entire 2023 |
| Total | | 110000 | One hundred and ten thousand Saudi riyals only |

| Members of the Nomination and Remuneration Committee | | | |
|--|--------------------|--------------------|---|
| Name | Position | Fixed remuneration | Statement |
| Abdullah Nadeem Mohammed Elyas | Committee chairman | 10000 | Remuneration for the second half of 2023* |
| Ali Mohamed Saadi Sheneamer | Committee member | 5000 | Remuneration for the second half of 2023 |
| Yara Mohammed Taher Antabawi | Committee member | 5000 | Remuneration for the second half of 2023 |
| Total | | 20000 | Twenty thousand riyals only |

(*) The Nomination and Remuneration Committee was formed by a decision of the Board of Directors on 11/7/2023.

Statement on Transactions with Stakeholders

TAM Development Company is committed to ensuring that its contracts and dealings with stakeholders are conducted on a purely commercial and competitive basis, thereby safeguarding shareholders' rights. The table below outlines the key stipulations of the company's contracts concluded with related parties during the fiscal year 2023:

| Stakeholder | Nature of relationship | Transaction Value for 2023 | Duration of transaction | Terms of Transaction | Name of member/senior executives/or anyone related to any of them | Status |
|--|---------------------------|----------------------------|-------------------------|-----------------------|---|---|
| Bupa Arabia Company | Health insurance contract | 1,857,505 | One year | No preferential terms | Ali Mohamed Saadi Sheneamer Abdullah Nadeem Mohammed Elyas Ahmed Abdulrahman Mohammed Jaber | To be presented at the next General Assembly meeting for approval |
| Careem Transportation for Information Technology | Transportation service | 305,171 | One year | No preferential terms | Abdullah Nadeem Mohammed Elyas | To be presented at the next General Assembly meeting for approval |

Competitive Business Activities

None of the members of the Board of Directors, its committees, or the executive management are engaged in any business activities that compete with the company.



Implemented and Unimplemented Provisions of Corporate Governance Regulations and Reasons

A governance policy guide has been prepared for the company, including regulations and systems related to shareholders' rights, the Board of Directors and its committees, disclosure and transparency, conflict of interest, and the company's internal regulations, in accordance with the laws of the Capital Market Authority, the Companies Law, and the company's Articles of Association.

The company applies all the provisions contained in the Corporate Governance Regulations issued by the Capital Market Authority, with the exception of certain advisory provisions pertaining to the establishment of additional non-mandatory committees, such as the Risk Management Committee and the Governance Committee, and updating their competencies, due to the current lack of need within the company.

TAM Development Company emphasizes its commitment to complying with all advisory articles in the regulations in the future, whenever the need arises, recognizing the importance of governance and its effective role in achieving sustainable development.

Sanctions and Penalties

The members of the Board of Directors, its committees, or the executive management are not involved in any business competing with the company.

◆ Internal Auditing

The Audit Committee places significant importance on the role of internal auditing as a third line of defense to enhance internal control and mitigate risks. Key actions taken by the committee in this regard include:

- ◆ **Reviewing the Corporate Governance Regulations issued by the Capital Market Authority regarding internal auditing.**
- ◆ **Issuing several recommendations to activate the role of internal auditing within the company.**

After reviewing the current situation, the committee issued the following recommendations:

- ◆ **Appointing a full-time or part-time internal auditor (with an internal coordinator within the company).**
- ◆ **Requesting management to submit a plan to meet the requirements of internal auditing.**
- ◆ **Emphasizing the importance of consulting the committee when selecting a candidate for the internal audit position.**

The committee reaffirms its commitment to monitoring these recommendations to ensure the effectiveness of the internal audit function as a third line of defense in enhancing the company's internal control.

The results of the internal audit of the effectiveness of the internal control procedures in the company and the Audit Committee's opinion on the adequacy of the internal control system in the company are as follows:

The responsibility for preparing, designing, and implementing effective and comprehensive control systems and risk management mechanisms falls on the executive management of the company. These systems and mechanisms, which must consider cost and benefit, are designed to achieve the company's objectives and mitigate risks associated with its activities. This includes emphasizing the completion of automating operational processes and implementing the Enterprise Resource Planning (ERP) system, which has not yet been completed.

Based on meetings, discussions, reviews of the company's operations and financial results, and insights from the external auditor's observations, the committee believes that the company's internal control environment requires ongoing development and improvement. This is particularly true regarding the work culture under the approved policies. The activation of an internal control system in the company can generally provide reasonable assurance about the company's capability to achieve its objectives. However, it should be noted that no internal control system, no matter how well designed and implemented, can provide absolute assurance about the effectiveness of the existing internal control systems.

The committee also sees the necessity of adopting the following recommendations:

- ◆ The importance of the executive management fulfilling its duties in designing and implementing cost-effective control systems that achieve the company's objectives and mitigate the risks associated with its activities.
- ◆ The importance of implementing the committee's recommendations regarding internal auditing, compliance, and risk management, to enhance the governance, control, and transparency environment within the company.
- ◆ The need to address the control gaps that have been previously highlighted.
- ◆ The committee commits to regularly following up on the implementation of these recommendations and to providing periodic reports to the Board of Directors regarding the progress made in implementing them.
- ◆ Completion of the project on financial and organizational policies for operations and their adoption.
- ◆ Appointment of an independent consultant to evaluate and establish the principles for recognizing revenue according to IFRS15.

The Audit Committee affirms its dedication to fulfilling its responsibilities fully to enhance governance, transparency, and accountability, and to protect the interests of the company's shareholders.

The Audit Committee's opinion on the financial statements for the fiscal year ending on December 31, 2023:

The committee convened with the external auditor, reviewed the report issued thereby, and discussed it. Subsequently, no significant observations were made affecting the accuracy and integrity of the financial statements.

Financial Performance Report

Financial Performance Report

Overview of the company's assets, liabilities, and results of operations over recent years.
[Assets/Liabilities/Net Profit]

| Company's assets, liabilities, and results of operations | | | |
|--|----------------|---------------|---------------|
| Year | Assets | Liabilities | Net profit |
| 2020 | 43,755,222.00 | 14,120,033.00 | 9,438,507.00 |
| 2021 | 84,104,602.00 | 39,266,445.00 | 16,127,627.00 |
| 2022 | 132,177,633.00 | 60,556,609.00 | 27,927,936.00 |
| 2023 | 188,777,516.00 | 79,018,390.00 | 40,601,961.00 |

Geographical Analysis of Total Company Revenue

Riyadh = SAR 188,403,128 Total Revenue

Statement of Registered Statutory Payments

[Government Fees/ Social Security/ Value Added Tax (VAT)/Withholding Tax/ Zakat/ Total]

| | |
|-----------------------|------------|
| Government Fees | 789,042 |
| Social Security | 549,912 |
| Value Added Tax (VAT) | 19,623,136 |
| Withholding Tax | 1,448,365 |
| Zakat | 3,490,158 |
| Total | 25,900,613 |

◆ Statement of Investments or Reserves for the Benefit of TAM Company Employees

The company registered an item worth SAR **5,423,128** as an end-of-service reserve for employees.

◆ Treasury Shares Held by the Company

365,997

representing approximately 10% of the total number of company shares.

These shares are retained for allocation to the employee stock program, which was approved by the General Assembly in its meeting held on October 10, 2022.

◆ Existing Loans on the Company During the Fiscal Year Ending December 31, 2023

None.



Independent Auditor's Report

To the Shareholders of Tam Development Company (A Saudi Joint Stock Company) (continued)

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report but does not include the consolidated financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, when made available to us, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by SOCPA, the applicable requirements of the Regulations for Companies, Company's By-law's and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, the Board of Directors, is responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



Independent Auditor's Report

To the Shareholders of Tam Development Company (A Saudi Joint Stock Company) (continued)

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (continued)

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, then we are required to draw attention in our auditor report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit of **TAM Development Company ("the Company")** and its subsidiary ("**the Group**").

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

KPMG Professional Services

Hani Bin Hamzah Bin Ahmed Bedair
License No.: 460



Riyadh, 27 March 2024


Corresponding to: 17 Ramadan 1445H

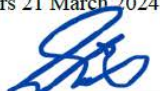
Consolidated Statement of Financial Position as at December 31, 2023

TAM DEVELOPMENT COMPANY
(A Saudi Joint Stock Company)
Consolidated Statement of Financial Position
As at 31 December 2023
(Saudi Riyal)

| | Note | 31 December 2023 | 31 December 2022 (Restated – note 29) |
|--|------|---------------------|--|
| ASSETS | | | |
| Non-current assets | | | |
| Property and equipment | (4) | 1,602,417 | 1,700,914 |
| Intangible assets | (5) | 9,925,260 | 4,273,341 |
| Right-of-use assets | (6) | 496,964 | 1,373,014 |
| Bank deposit | (7) | 5,000,000 | 5,000,000 |
| Total non-current assets | | 17,024,641 | 12,347,269 |
| Current assets | | | |
| Trade receivables | (8) | 66,914,511 | 16,951,207 |
| Other current asset | (9) | 11,314,189 | 14,289,829 |
| Contract assets | (10) | 41,156,844 | 27,201,483 |
| Bank deposit | (7) | 6,000,000 | - |
| Cash and cash equivalents | (11) | 46,367,331 | 61,387,845 |
| Total current assets | | 171,752,875 | 119,830,364 |
| Total assets | | 188,777,516 | 132,177,633 |
| SHAREHOLDERS EQUITY AND LIABILITIES | | | |
| SHAREHOLDERS Equity | | | |
| Share capital | (12) | 36,599,970 | 36,599,970 |
| Statutory reserve | | 6,320,238 | 6,320,238 |
| Treasury shares | (13) | (3,659,970) | (3,659,970) |
| Other reserve | | 3,078,000 | 3,078,000 |
| Additional shareholders contribution | | 3,905,218 | 3,659,970 |
| Retained earnings | | 63,515,670 | 25,622,816 |
| Total shareholders equity | | 109,759,126 | 71,621,024 |
| Liabilities | | | |
| Non-current liabilities | | | |
| Employees' benefits obligations | (15) | 5,423,128 | 4,188,585 |
| Total Non-current liabilities | | 5,423,128 | 4,188,585 |
| Current liabilities | | | |
| Trade payables and other current liabilities | (16) | 29,925,882 | 25,947,877 |
| Contract liabilities | (17) | 40,213,322 | 24,573,185 |
| Credit facilities | (18) | - | 2,848,643 |
| Lease liabilities | (6) | - | 906,661 |
| Zakat provision | (20) | 3,456,058 | 2,091,658 |
| Total current liabilities | | 73,595,262 | 56,368,024 |
| Total liabilities | | 79,018,390 | 60,556,609 |
| Total shareholders equity and liabilities | | 188,777,516 | 132,177,633 |

The financial statements appearing have been approved by the board of directors 21 March 2024 and signed on their behalf by:


Eyad Nimran Musbah Alramlawi
Chief investment and financial officer


Abdullah bin Anwar bin Mohammad Yousef Andijani
Managing Director – Chief executive officer

The accompanying notes (1) to (32) form an integral part of these consolidated financial statements.

Consolidated Statement of Profit or Loss and Other Comprehensive Income for the Year Ended December 31, 2023

TAM DEVELOPMENT COMPANY

(A Saudi Joint Stock Company)


Consolidated statement of profit or loss and other comprehensive income

For the year ended 31 December 2023

(Saudi Riyal)

| | Note | 31 December 2023 | 31 December 2022 (Restated- Notes 29) |
|---|------|---------------------|--|
| Revenue | (21) | 188,403,128 | 147,073,483 |
| Cost of revenue | (22) | (98,641,100) | (92,249,074) |
| Gross profit | | 89,762,028 | 54,824,409 |
| General and administrative expenses | (23) | (43,495,474) | (24,878,033) |
| Impairment (loss) / reversal of trade receivables | (8) | (371,183) | 141,516 |
| Impairment loss of other current assets | (9) | (375,750) | - |
| Impairment loss of contract assets | (10) | (2,214,677) | (36,844) |
| Other income | | 833,577 | - |
| Operating profit | | 44,138,521 | 30,051,048 |
| Finance income | | 503,466 | 103,819 |
| Finance costs | | (549,868) | (135,273) |
| Net profit for the year before Zakat | | 44,092,119 | 30,019,594 |
| Zakat | (20) | (3,490,158) | (2,091,658) |
| Net profit for the year | | 40,601,961 | 27,927,936 |
| Other comprehensive income | | | |
| Item that will not be reclassified to profit or loss | | | |
| Actuarial gains from re-measurement of employees' end of service benefits | (15) | 90,793 | 467,694 |
| Total other comprehensive income | | 90,793 | 467,694 |
| Total comprehensive income | | 40,692,754 | 28,395,630 |
| Earnings per share - (Restated- Notes 29): | | | |
| Basic and diluted earnings per share | (25) | 12.33 | 7.80 |

The financial statements appearing have been approved by the board of directors 21 March 2024 and signed on their behalf by:


Eyad Nimran Musbah Alramlawi
Chief investment and financial officer


Abdullah bin Anwar bin Mohammad Yousef Andijani
Managing Director – Chief executive officer

The accompanying notes (1) to (32) form an integral part of these consolidated financial statements.

Consolidated Statement of Changes in Equity for the Year Ended December 31, 2023

TAM DEVELOPMENT COMPANY

(A Saudi Joint Stock Company)

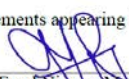
Consolidated statement of changes in shareholders equity

For the year ended 31 December 2023

(Saudi Riyal)

| | Share capital | Statutory reserve | Treasury shares | Other reserve | Additional shareholders contribution | Retained earnings | Total equity |
|---|-------------------|-------------------|--------------------|------------------|--------------------------------------|-------------------|--------------------|
| Balance as at 1 January 2023 | 36,599,970 | 6,320,238 | (3,659,970) | 3,078,000 | 3,659,970 | 25,622,816 | 71,621,024 |
| Net profit for the year | - | - | - | - | - | 40,601,961 | 40,601,961 |
| Other comprehensive income for the year | - | - | - | - | - | 90,793 | 90,793 |
| Total comprehensive income for the year | - | - | - | - | - | 40,692,754 | 40,692,754 |
| Dividends (Note 14) | - | - | - | - | - | (2,799,900) | (2,799,900) |
| Additional shareholders contribution | - | - | - | - | 245,248 | - | 245,248 |
| Balance as at 31 December 2023 | 36,599,970 | 6,320,238 | (3,659,970) | 3,078,000 | 3,905,218 | 63,515,670 | 109,759,126 |
| Balance as at 1 January 2022 | 36,599,970 | 3,480,675 | - | - | - | 4,757,512 | 44,838,157 |
| Net profit for the year | - | - | - | - | - | 27,927,936 | 27,927,936 |
| Other comprehensive income for the year | - | - | - | - | - | 467,694 | 467,694 |
| Total comprehensive income for the year | - | - | - | - | - | 28,395,630 | 28,395,630 |
| Dividends (Note 14) | - | - | - | - | - | (1,612,763) | (1,612,763) |
| Treasury shares (Restated- note 29) | - | - | (3,659,970) | - | - | - | (3,659,970) |
| Additional shareholders contribution (Restated- note 29) | - | - | - | - | 3,659,970 | - | 3,659,970 |
| Transferred to other reserve | - | - | - | 3,078,000 | - | (3,078,000) | - |
| Transferred to statutory reserve | - | 2,839,563 | - | - | - | (2,839,563) | - |
| Balance as at 31 December 2022 (Restated- Note 29) | 36,599,970 | 6,320,238 | (3,659,970) | 3,078,000 | 3,659,970 | 25,622,816 | 71,621,024 |

The financial statements appearing have been approved by the board of directors 21 March 2024 and signed on their behalf by:


Eyad Nizaran Mubali Alamlawi
Chief investment and financial officer


Abdullah bin Anwar bin Mohammad Yousef Andijani
Managing Director – Chief executive officer

The accompanying notes (1) to (32) form an integral part of these consolidated financial statements.

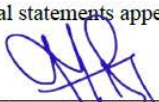


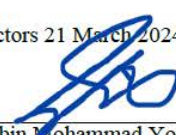
Consolidated Statement of Cash Flows for the Year Ended December 31, 2023

TAM DEVELOPMENT COMPANY
(A Saudi Joint Stock Company)
Consolidated statement of cash flows
For the year ended 31 December 2023
(Saudi Riyal)

| | 31 December 2023 | 31 December 2022 |
|--|---------------------|---------------------|
| Cash flows from operating activities: | | |
| Net profit for the year before Zakat | 44,092,119 | 30,019,594 |
| Adjustments to reconcile net profit for the year to cash flows generated from operating activities: | | |
| Depreciation of Property and Equipment | 1,122,060 | 287,193 |
| Amortization of intangible assets | 2,308,482 | 1,816,178 |
| Impairment loss /(reversal) of trade receivables | 371,183 | (141,516) |
| Impairment loss of other current assets | 375,750 | - |
| Impairment loss of contract assets | 2,214,677 | 36,844 |
| Employees' benefits obligations | 1,640,576 | 1,371,431 |
| Depreciation on right-of-use assets | 876,050 | 564,706 |
| Finance cost | 287,098 | 135,273 |
| Finance income | (503,466) | (103,819) |
| | 52,784,529 | 33,985,884 |
| Change in operating assets and liabilities: | | |
| Trade receivables | (50,334,487) | (1,330,656) |
| Other current assets | 2,718,740 | 5,355,977 |
| Contract assets | (16,170,038) | (20,998,372) |
| Trade payables and other current liabilities | 3,977,535 | 3,674,561 |
| Contract liabilities | 15,640,137 | 16,827,130 |
| Employees' benefits paid | (557,317) | (451,248) |
| Zakat paid | (2,125,758) | (1,311,748) |
| Net cash flows generated from operating activities | 5,933,341 | 35,751,528 |
| Cash flows from investing activities | | |
| Payments to purchase property and equipment | (1,023,563) | (1,350,387) |
| Payments to purchase and develop intangible assets | (7,960,401) | (2,260,460) |
| Bank deposits | (6,000,000) | (5,000,000) |
| Finance income | 384,616 | 74,111 |
| Net cash flows used in investing activities | (14,599,348) | (8,536,736) |
| Cash flows from financing activities | | |
| Payments of Credit facilities | (2,848,643) | (1,393,822) |
| Additional shareholders contribution | 245,248 | - |
| Dividends paid | (2,799,430) | (1,612,763) |
| Payment of lease liabilities | (951,682) | (1,010,482) |
| Net cash flows used in financing activities | (6,354,507) | (4,017,067) |
| Net change in cash and cash equivalents | (15,020,514) | 23,197,725 |
| Cash and cash equivalents at the beginning of the year | 61,387,845 | 38,190,120 |
| Cash and cash equivalents at the end of the year | 46,367,331 | 61,387,845 |
| Non-cash transactions | | |
| Transferred to other reserve | - | 3,078,000 |
| Transferred to statutory reserve | - | 2,839,563 |
| Actuarial (gains) from re-measurement of employees' end of service benefits | (90,793) | (467,694) |
| Transferred from intangible assets under construction to intangible assets | 7,032,058 | - |
| Right-of-use assets and lease liabilities | - | (1,825,105) |

The financial statements appearing have been approved by the board of directors 21 March 2024 and signed on their behalf by:


Eyad Nimran Musbah Alramlawi
Chief investment and financial officer


Abdullah bin Anwar bin Mohammad Yousef Andijani
Managing Director – Chief executive officer

The accompanying notes (1) to (32) form an integral part of these consolidated financial statements.



TAM

TAM Development Company | Listed Saudi Joint Stock Company
Main Office: 8428 King Fahd Road, Riyadh, Kingdom of Saudi Arabia
Postal Code: 12363 | Unit Number: 11119 | Additional Number: 4250