



Leading Public Impact

# Annual Report

For the Board of Directors of  
TAM Development Company

**Listed Joint-Stock Company**

**2024**





In the name of Allah  
the Most Gracious  
the Most Merciful



## 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

My first objective is for our country to be a pioneering  
and successful global model of excellence, on all fronts  
and I will work with you to achieve that.



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

**Crown Prince and Prime Minister,**  
may God protect him

“ The future of the Kingdom, my dear brothers and sisters,  
is one of huge promise and great potential, God willing.  
Our precious country deserves the best. Therefore, we will  
expand and further develop our talents and capacity.

“

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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, 2024. Through this report, we aim to offer a concise yet comprehensive review, covering our performance, activities, and governance throughout the fiscal year 2024. 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, 2024 to December 31, 2024, 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 ending on December 31, 2024, 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 2024 annual report via email at [ir@tamhub.com](mailto:ir@tamhub.com)



◆ General Achievements for 2024

Financial Achievements



Total Equity

₪ 136,725,609



Company Revenues

₪ 273,353,008



Company Net Profit

₪ 30,137,082



Earnings Before Interest, Taxes, Depreciation,  
and Amortization (EBITDA)

₪ 34,506,658



Earnings Per Share (EPS)

%9.15 Per share

◆ General Achievements for 2024

Customers and Projects



Remaining and New Contracts (Backlog)\*

₪ 249,000,000

\*Covers the outstanding amounts under framework agreements



Number of Projects Executed Throughout the Year

25



An Increase in New Clients by

42%



Number of New Consulting Service Offers

5



Number of Digital Products by TAM

10



Winning Prestigious Awards at the Middle East-level

3



Number of Strategic Partnerships

4

◆ General Achievements for 2024

Organizational Development Achievements



Establishing the  
**Internal Audit Team**



Total number of Job Applicants

**766,81**



Recorded Training Hours

**2336**



Professional Development and Growth Reports

**138**

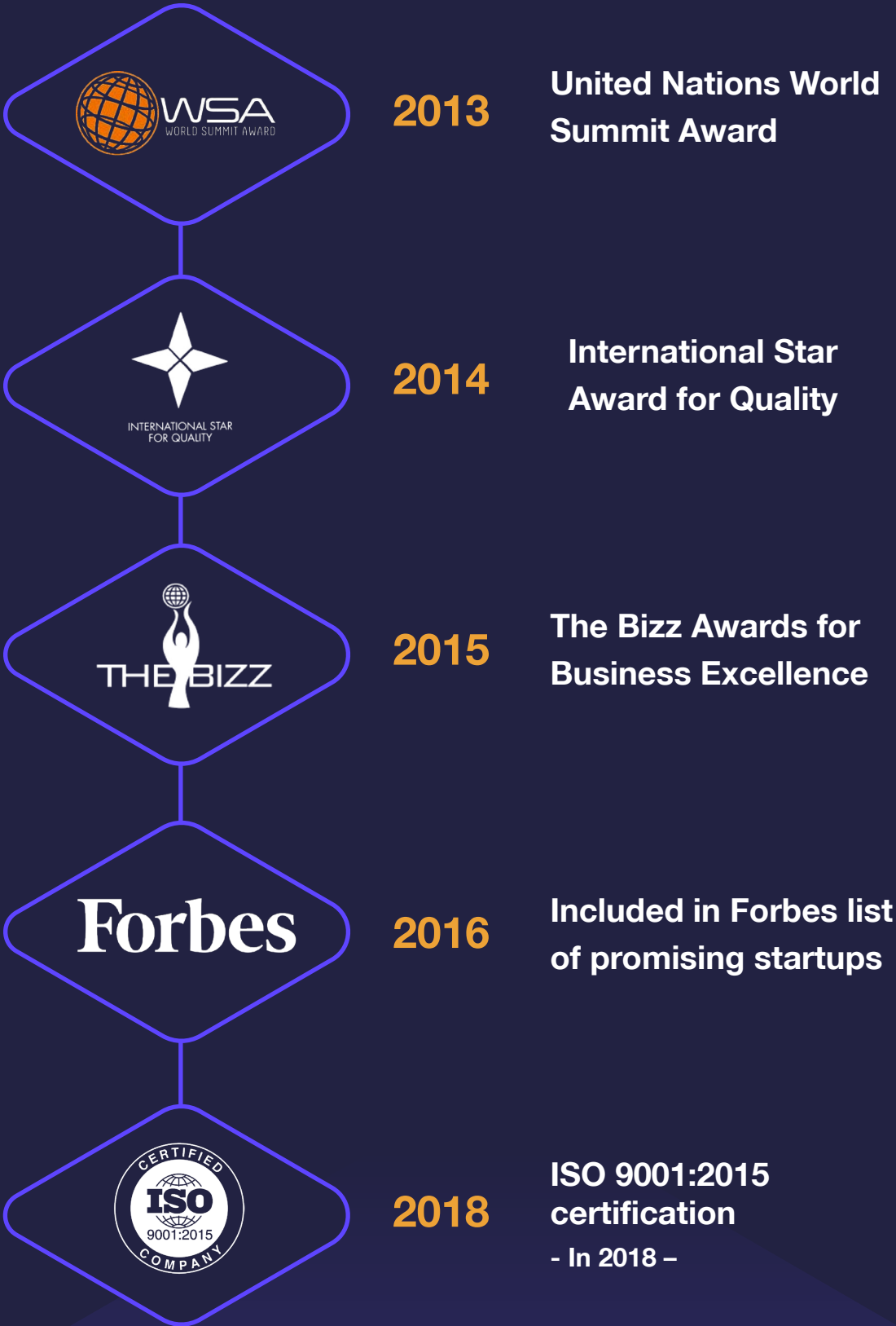


Monthly Project Pulse Check Response Rate

**80%**

◆ Awards

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





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



2024

Best in Digital Solutions and Advisory Services in MENA



2024

Leading Public Transformations Provider in MENA



2024

Middle East Management Excellence Awards (Employee Engagement Category)

# **Vision of the Leaders of TAM Development Company**

## ◆ Statement from the Chairman of the Board of Directors



**Omar Aljeraisy**  
Chairman

Dear Shareholders and Partners,

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 2024. In this report, we delve into the company's performance throughout a powerful year of development and growth, yet a challenging one, reflecting the company's resilience and ability to adapt to market dynamics and leverage promising opportunities.

Since inception, TAM has always been keen on positioning itself as a leader in digital and consulting solutions, inspired by the Kingdom's digital transformation aspirations and objectives. Today, TAM continues to build on its valuable legacy of achievements and milestones, ultimately fostering its position as a local highly influential business in the sectors it serves. The year 2024 continued this trajectory, as we achieved significant revenue growth, expanded our customer base, and fostered our market presence through strategic investments generating major advancements and developments in the digital solutions and services we offer.

Of course, our journey through 2024 wasn't without bumps. We navigated some headwinds caused by market fluctuations and government budget cycles, which did impact some of our performance indicators. However, our agile strategy, our laser focus on boosting operational efficiency, and our strategic investments in high-potential sectors empowered us to steer through these challenges and set the stage for a more sustainable and thriving future for the company.

Looking ahead, we're entering the next chapter with strong confidence and optimism, fueled by the surging demand for digital solutions and a clear market pivot towards embracing local providers, trends that perfectly position TAM to seize significant opportunities. Our strategy remains focused on continuous investment in cutting-edge technologies, strengthening our governance framework, and relentlessly pursuing peak operational efficiency. This commitment ensures we deliver lasting value for our shareholders and partners.

Finally, I want to express my deepest thanks to my colleagues on the Board of Directors, our exceptional executive team, and every dedicated member of TAM's family for their unwavering dedication and tireless efforts. Their contributions have been the very foundation of our achievements and our ability to navigate every obstacle. My sincere appreciation also goes to our valued shareholders and partners for their continued trust and steadfast support. We firmly believe that the best is yet to come, and that TAM will continue its trajectory of excellence, making a meaningful impact on our community, all while aligning with the ambitious goals of Saudi Vision 2030.

## ◆ Statement from the Chief Executive Officer



**Abdullah Yousef**  
Founder and Managing Director

Dear Valued Investors,

Before delving into the performance review of TAM Development Company during the fiscal year 2024, I'm delighted to share that we've continued our strong trajectory of significant revenue growth and successfully achieved key strategic targets, even amidst internal and external challenges. This success underscores our unwavering commitment to our strategy and our adaptable approach to bringing it to life.

Our strategic investments have firmly established a robust foundation for future growth, with our digital solutions gaining significant traction, a testament to TAM's forward-thinking approach to investment, innovation, and technology. Moreover, our proactive strategies to broaden and diversify our customer portfolio have substantially amplified our market footprint. By also investing in the evolution of our internal methodologies, environment, and knowledge base, we are strategically charting a course towards long-term sustainability and enduring resilience.

This past year presented us with a number of hurdles, most significantly the delays in awarding new projects during the first half of the year due to budget review processes across various entities, and an increase in market pressures focused on cost efficiency, which impacted net income despite the positive performance in revenues.

Fully aware of the critical role of operational efficiency, we proactively implemented measures to streamline our cost structure. Our goal is to sharpen our competitive edge and boost profitability through a more agile management framework. Furthermore, we've meticulously aligned our workforce with the precise needs of our ongoing projects, enhancing our overall efficiency and positioning us to seize future opportunities with maximum impact.

We see a continuing positive evolution in the market that perfectly complements our company's strengths and strategic vision. This is fueled by a rising appetite for high-value, locally-sourced, and specialized solutions – a sweet spot that aligns perfectly with TAM's strategic focus and expanding capabilities, offering us significant avenues to capture greater market share.

Moving forward, our commitment remains steadfast to continuous investment in cutting-edge technologies and digital innovation, alongside our proven strategy of expanding our customer reach. At the same time, we are relentlessly focused on boosting operational efficiency to ensure TAM remains agile, highly responsive, and fiercely competitive.

We deeply appreciate your ongoing trust and collaboration. Hand in hand, we will steer TAM towards even greater milestones and lasting achievements.



# The Company's Strategy

◆ **Historical Overview of the Company's 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 a 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

Twelve years ago, TAM Development Company was established with the aim of developing digital products and innovative consulting services that serve both the public and private sectors — through the creation of an electronic platform that engages and activates 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

In parallel with the launch of Vision 2030, the company attracted investors to support the development of its digital products and the expansion of its advisory services.



2019  
2020

Expansion and Navigating the COVID-19 Pandemic

Thanks to prior investments in digital products and consulting services, and the automation of internal processes, the company experienced remarkable growth in revenue in 2019, nearly quadrupling its revenue 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.



2022  
2023

A Successful Listing

TAM Development Company reached a pivotal moment in its ambitious trajectory with the successful listing of its shares on Nomu, the parallel market in the Kingdom of Saudi Arabia. This landmark achievement underscores investor confidence in our company's strategic vision and potential. This listing is the culmination of a consistent journey of robust growth and our proven ability to generate lasting value for our shareholders, further cementing our standing as a key player in the field of consulting services and digital solutions. Since the listing, TAM has delivered outstanding financial and operational results, propelled by a clear vision for the future and carefully crafted expansion plans. This pivotal achievement has empowered us to accelerate investments in strategic innovations and digital solutions, significantly boosting our market competitiveness and further cementing our position as a leader among ambitious national companies.



2024  
2025

Future Prospects

Leveraging 13 years of deep-rooted experience, during which we successfully delivered over 250 projects spanning 30 diverse sectors, collaborating with more than 70 customers, and securing contracts exceeding a total value of SAR 1.3 billion, TAM managed to navigate some headwinds in the first half of 2024 due to market shifts. However, our strategic investments and proactive cost optimization initiatives are poised to fuel increasing profitability in 2025 and beyond. We will continue to capitalize on our competitive pricing and established solutions to meet the evolving needs of our customers and amplify our market footprint. As we press forward with our diversification strategy, we are poised to seize emerging opportunities and continue spearheading transformation through innovation and strategic implementation.

## ◆ 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

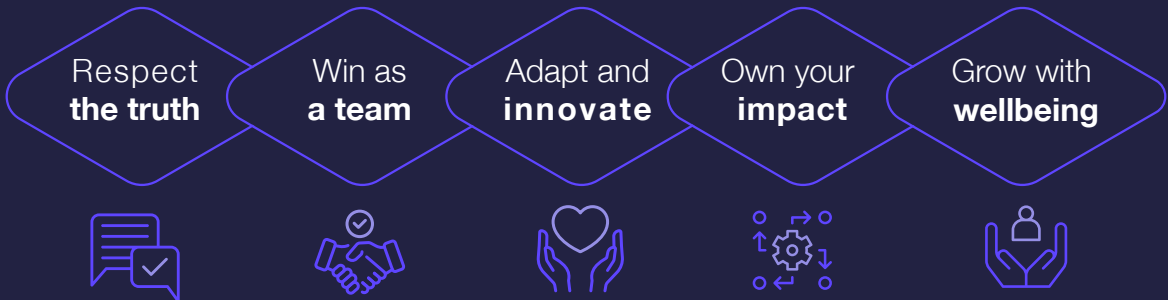
**Leading public impact by striving to successfully solve the most impactful public challenges in our communities.**



### Our Vision

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

## ◆ Our Values



## 💡 Our Capabilities and Strengths

TAM Development Company's strategic foundation is built on a number of key pillars that place it at the cutting edge of specialized firms offering consulting services and digital solutions in the Kingdom. Its core strengths include:

- ◆ **Leading Position in the Local Market:** TAM has a strong presence in the Saudi Market, with more than 13 years of experience across 30 different sectors, in partnership with more than 30 customers. This robust presence uniquely positions us to leverage the accelerating wave of digital transformation and the surging demand for cutting-edge solutions.
- ◆ **Extensive Experience in National Project Delivery:** Backed by a proven track record in managing and executing strategic initiatives, TAM has consistently delivered high-quality, operationally efficient, and integrated solutions across more than 250 projects with a total value exceeding SAR 1.3 billion.
- ◆ **Smart Investments in Digital Transformation:** TAM has focused on devising advanced digital solutions, fueling significant growth in our digital sector. This proactive approach strengthens our capacity to deliver specialized services that precisely address the market's evolving demands.
- ◆ **Growing and Diverse Customer Base:** Our expansion strategy has yielded a remarkable 42% surge in new customers, a clear indicator of the compelling nature of TAM's solutions and our ability to effectively address the diverse needs of multiple sectors.

◆ 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        | Space             | Education | Media   |
| Tourism        | Hajj              | Logistics | Finance |
| Communications | Youth Development |           |         |



## ◆ 2024 Highlights

2024 further solidified TAM Development Company's journey of growth and expansion, marked by significant achievements, most notably:

- ◆ A remarkable revenue surge of over 45% year-over-year, demonstrating the success of our expansion strategies and our growing market share.
- ◆ A compelling compound annual growth rate (CAGR) of 60.1% sustained over the last four years, powerfully underscoring the enduring nature of our robust growth.
- ◆ An impressive 79% surge in digital revenues, underscoring the triumph of our strategic investments in cutting-edge digital solutions and technological transformation.
- ◆ A substantial 42% expansion of our customer base, marked by the acquisition of new brands and a growing vote of confidence in TAM's services.
- ◆ An expanding portfolio of digital products and solutions driving a growing volume of business, painting a promising picture for sustained future growth.
- ◆ Effective corrective actions implemented to optimize administrative expenses and enhance resource efficiency, safeguarding our strong financial performance for the long term.

## ◆ Key Strategic Priorities and Targets for 2025

Guided by our ambitious vision for sustained growth and enhanced shareholder value, our strategic priorities for 2025 are anchored in several key areas:

- ◆ Accelerating digital transformation by investing in smart solutions, cutting-edge technologies, and artificial intelligence, in order to boost the digital sector's contribution to our overall revenues.
- ◆ Enhancing operational efficiency by relentlessly pursuing the implementation of plans designed to optimize operational costs.
- ◆ Expanding the customer base and target sectors, with a strong focus on sectors undergoing significant transformations, unlocking exciting new avenues for growth.
- ◆ Capitalizing on market opportunities in light of the growing preference for local solutions and local vendors, further amplifying our competitive edge.
- ◆ Driving sustainable and balanced growth that ensures strong shareholder returns, while maintaining our leadership position within the Saudi market.

Fueled by these strategies, TAM is steadfastly advancing towards leadership in delivering cutting-edge digital solutions and expert consulting services. We are further cementing our role as a trusted partner in the Kingdom's transformation journey, poised for a new era of expansion and sustainable growth in 2025 and beyond.

◆ Key Strategic Partnerships in 2024



TAM forged a strategic partnership with **Axelos Global** as an accredited consultant, granting us access to an elite network dedicated to empowering organizations in realizing their strategic ambitions. Through this partnership, we provide organizational maturity assessment services using the P3M3 framework, enabling enterprises to optimize their portfolio, program, and project management. Moreover, we conduct certified diagnostic assessments to help enterprises achieve organizational excellence and drive sustainable growth.



TAM signed a memorandum of understanding with **Qantara Sports**, a leading global company with over 25 years of experience in developing sports and delivering innovative solutions. This partnership aims to execute impactful national projects within the Kingdom's sports sector, with a focus on sustainable development and the promotion of sports innovation.



TAM has strategically joined forces with the **Saudi Innovation Club**, becoming its knowledge partner. This partnership is geared towards supporting and empowering innovators by organizing events and meetings with industry leaders, ultimately fostering creativity and contributing to the development of the Saudi innovation ecosystem.



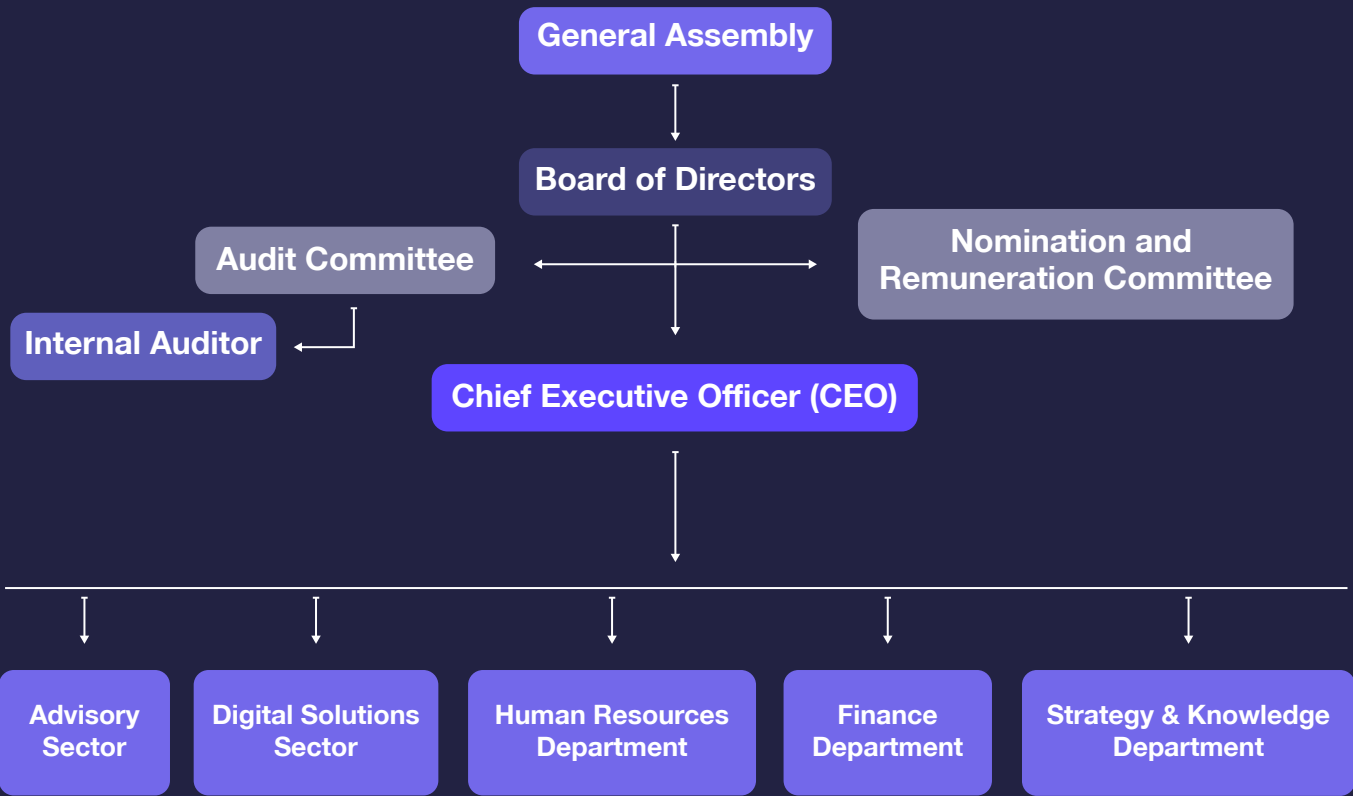
TAM has strategically partnered with **AHHIL Mustashar Consulting Fellowship Program**. This program is designed to connect students with the world of consulting and equip them to excel as professional consultants. This partnership, in collaboration with King Saud University, involves us delivering specialized training and workshops aimed at developing consulting skills and enhancing professional readiness.



## ◆ 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 the 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 members, 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 TAM Development Company is illustrated below.



## ◆ Subsidiaries of the Company

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

◆ Key Achievements of Sectors & 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:

- ◆ Developing integrated ecosystems to enhance the pilgrimage experience, by deploying advanced project management strategies, monitoring on-the-ground challenges, and launching enhancement programs that contributed to improving the operational efficiency during the Hajj Season, in collaboration with more than **67** government entities.
- ◆ Fostering a vibrant innovation and entrepreneurship ecosystem by cultivating specialized communities of over **250** innovators, as well as organizing events aimed at supporting startups. This proactive approach has led to the incubation of **20** startups from **nine** countries, the integration of **nine** international companies into the Saudi market, in partnership with **six** strategic entities, contributing to the establishment of **15** startups now operating in the Kingdom.
- ◆ Improving the corporate work environment within a specific sector by developing comprehensive strategies to enhance corporate values. This involved refreshing **five** key values and launching **16** enhancement projects designed to elevate corporate efficiency and promote a collaborative work culture, resulting in a tangible boost to the organizational performance of participating entities.
- ◆ Empowering the education sector by developing and executing impactful initiatives. This included the training of **13,000** male and female teachers, the qualification of **180** male and female leaders, and the engagement of **7,000** male and female students, in a strategic move to bolster the role of schools and advance the targets of Saudi Vision 2030. Additionally, more than **400,000** male and female students were involved in competitions aimed at discovering and developing talents in various fields.
- ◆ Contributing to the development and evolution of the sports sector by assessing the digital ecosystem of one of the sectors and analyzing customer journeys. This led to the creation of innovative strategies designed to identify gaps and opportunities to foster interaction with the target audience. We also delivered specialized workshops and redesigned customer journey maps in accordance with the needs and requirements of each target segment and international best practices, to guarantee a seamless and exceptional experience.



## Digital Solutions Sector

### Dr. Mazen Melibari - Chief Technology Officer

In 2024, TAM's digital solutions sector strategically concentrated on three pivotal domains: data, artificial intelligence, and cybersecurity. This year saw us significantly elevate the capabilities of our TAM Verse product suite, enabling it to address a comprehensive spectrum of our government sector customers' requirements. Our initiatives included the rapid deployment of digital platforms and the use of sophisticated systems for tracking beneficiary requests, managing grants, and delivering a host of other services, all powered by an integrated technical solution. We've also enriched our product suite with (Bayan), a dedicated system for data management and performance indicators visualization. Leveraging the power of Generative AI and Large Language Models (LLM), we've embedded intelligent capabilities to automate intricate tasks, such as the creation of dashboards. Parallel to this technological leap, our operations team relentlessly focused on elevating service delivery efficiency for our customers, prioritizing exceptional customer experiences across a significant portfolio of projects, delivered with remarkable speed and impressive customer satisfaction levels.



## Key Achievements:

- ◆ Developing an integrated system, known as (Bayan), for data management and data indicators visualization.
- ◆ Enriching TAM Verse product suite with other complementary products, fostering a seamless and integrated user experience.
- ◆ TAM proudly presents Razeen, a product that allows customers to receive and evaluate colossal volumes of requests, demonstrating exceptional efficacy even with millions of requests. This year, we further enriched the Razeen experience with the launch of the "Razeen Cast" mobile app, providing our customers with an intuitive and convenient way to monitor their requests.
- ◆ Analyzing data through AI-powered tools, by architecting bespoke software models and embedding them within our digital offerings. This enabled the launch of talent discovery programs within the cultural sector, leading to the sophisticated classification of more than half a million talents using technical mechanisms developed in collaboration with more than **100** experts.
- ◆ TAM played a pivotal role in forging an integrated innovation ecosystem within the non-profit sector by architecting a comprehensive virtual world experience in collaboration with a leading global company. This immersive environment has empowered the training and cultivation of entrepreneurs and innovators, providing a dynamic digital space for collaboration that elevates the caliber of outcomes while maintaining rapid execution.
- ◆ Activating bespoke technological solutions within the tourism ecosystem, in partnership with premier global leaders in GIS and Location Intelligence. This initiative delivers a seamless experience for users – a first of its kind nationwide – and incorporates community engagement endeavors to enrich the diversity of local tourism offerings.
- ◆ Designing an integrated system for grant and support programs, informed by studies and benchmarks, to guarantee a seamless beneficiary experience. This involves the automation of all beneficiary-related operational, legal, and financial processes within a single integrated system, featuring direct bank connectivity and diverse digital services for documentation, contract execution, and cash flow monitoring.
- ◆ For the fifth year in a row, we continue to power the unified digital environment model within the cultural ecosystem, playing a key role in the launch of numerous impactful initiatives. This is achieved through the provision of specialized digital product licenses, complemented by dedicated management, operations, and user support teams.



Human Resources

Eman Serafi – Chief Human Resources 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 that nurtures innovation and excellence.



Key Achievements:

- ◆ Developing and adopting several new employee reward policies, tied to performance assessments, in collaboration with the Nomination and Remuneration Committee.
- ◆ Launching employee skill and competency assessment tests, to identify team strengths and design personalized development programs that empower individual growth.
- ◆ Developing the Project Health Check Tool, a dynamic instrument for monitoring employee engagement. This solution helps identify at-risk projects while simultaneously recognizing those where employee engagement is thriving.
- ◆ Enhancing flagship training programs that empower employees with on-the-go learning through a comprehensive training curriculum boasting over **7,000** courses. This significant investment in our people has resulted in a remarkable **108%** surge in employee training hours compared to last year.
- ◆ Instilling and fostering our organizational culture by providing more than **1,500** program hours and launching more than **13** initiatives aimed at reinforcing the organizational values.



Strategy & Knowledge

Ahmed Youssef - Chief Strategy Officer

Driven by our enduring commitment to refining our strategic vision and proactively navigating the ever-shifting global and local landscapes, our unwavering focus remains on creating a tangible and sustainable footprint. This footprint not only propels our company's growth but also actively contributes to societal progress, all within the framework of Saudi Vision 2030. We are committed to keeping abreast of global and local trends, including artificial intelligence and digital transformation, to pioneer innovative and integrated solutions that empower all stakeholders and significantly amplify the value of our advisory services.



Key Achievements:

Serving New Customers in New Sectors

- Driven by strategic expansion plans to incorporate new consulting services that seamlessly complement our digital offerings, TAM has successfully broadened its reach to serve new customers across previously untapped sectors.
- We are providing novel consulting services that reinforce TAM's vision as a premier local advisory firm, delivering exceptional consulting services, covering the entire process from strategy development to implementation.

Enhancing Governance Model and Strategic Leadership

- Launching innovative decision-support models, leveraging regular reports that provide clear insights into both our present and future performance trajectory.
- Applying flexible standards to measure performance and enhance operational efficiency.

Investing in Digital Transformation and AI-powered Solutions

- Integrating bespoke AI-powered solutions across our product and service portfolio to align with our future vision.
- Forging strategic alliances focused on artificial intelligence to amplify our capacity for delivering cutting-edge, innovative solutions.

Fostering Knowledge Management

- Enhancing the Knowledge Management Platform with more interactive tools designed to empower collaborative teamwork.
- Documenting the largest possible number of services within the internal Knowledge Platform, to enhance business continuity and the company's ability to provide sustainable consulting services.

Empowering Teams and Cultivating Expertise

- Empowering the consulting and technology teams by attracting new talents with extensive experience in various strategic and executive fields.
- Organizing specialized training programs aimed at enhancing team abilities and competencies in line with the latest trends in consulting, governance, and digital transformation.



Finance

Abid Rehmat Sheikh – Chief 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 by 45.1% year-on-year, from SAR 188 million in 2023 to SAR 273.4 million in 2024, marking the fourth consecutive year of double-digit growth, with a compound annual growth rate of 60.3% during that period.
- ◆ The company's consulting sector recorded an increase of 40.4%, reaching SAR 231.1 million, while the digital solutions sector achieved a significant increase of 78.5%, reaching SAR 41.2 million.
- ◆ In 2024, the gross profit margin reached 34.3%, with a value of SAR 30 million.
- ◆ In 2024, new customers increased by 42%.

As we move into 2025, TAM boasts a robust project backlog under execution, valued at a substantial SAR 249 million, encompassing framework agreements. Furthermore, our promising bid pipeline holds opportunities worth SAR 401 million, with an anticipated conversion rate for these projects of around 40% throughout 2025, excluding any new sales secured during the year.

Financial Details | Fostering Banking Relationships

- ◆ We signed agreements with various local banks, totaling SAR 45 million.
- ◆ The company's bank deposits amounted to SAR 21 million in 2024.



# 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:



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



**Tailored Career**  
Offering opportunities for vertical and horizontal growth.



**Meaningful Work**  
Offering the chance to contribute to making a public impact.



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



**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.





## Rewarding and Investing in Minds

TAM is deeply committed to empowering our people through robust skill development initiatives and the cultivation of a lifelong learning culture. We offer a diverse array of training programs designed to elevate proficiency, support career advancement, and empower employees to achieve excellence in their respective fields.

### ◆ Semi-Annual Training Programs

These programs are designed for university students and other high-potential individuals, with a focus on honing their technical and leadership skills and equipping them for the professional arena through a comprehensive training journey.



### ◆ Internal Training Programs

These programs are meticulously crafted to develop the professional and leadership skills of our employees, supported by a dedicated annual training budget that enables them to select the programs aligned with their career paths, in accordance with the company's policy.

These programs include:

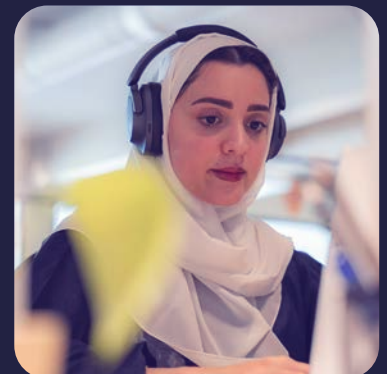
- o Consulting Toolkit Training, a training program delivered by Mkeen's consulting team.
- o High Impact Presentation Skills, a training program delivered under the supervision of Ertyad.
- o Engagement Management Bootcamp.

### ◆ Knowledge Sessions

TAM spearheaded over 18 diverse knowledge sessions, with the aim of enriching employee knowledge and fostering their continuous development. These sessions were tailored to employees' individual needs and professional roles, and were delivered by internal and external experts. They explored a wide array of topics, including:

- o Building policy labs.
- o The art of influencing through compelling storytelling.
- o Design of project management offices for lasting impact.
- o Harnessing the power of artificial intelligence.
- o Data-driven decision-making and problem-solving tools.
- o Crafting consulting presentations with automation tools.

And other sessions that powerfully underscore TAM's commitment to nurturing and empowering national talents.



### ◆ Mental Health Support

At TAM Development Company, we firmly believe that mental health is foundational to the stability and well-being of our employees. Recognizing this, we proudly introduced "Labyh", a dedicated service that offers a safe space for employees to connect with mental health professionals. This initiative aims to empower our team members to achieve a harmonious balance between their personal and professional lives, underscoring TAM's unwavering commitment to employee mental health as a cornerstone of a thriving and productive workplace culture.

# | Sustainability

◆ Sustainability and Risk Management

Risk Factors in the Company

TAM Development 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 the 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  |
|---|--|---|
| <b>Strategic Risk:</b><br>Rapid Development in the Digital Solutions Sector | The digital solutions sector is marked by swift technological advancements. This rapid pace of change propels continuous innovation and encompasses the introduction of new products and services to customers, potentially diminishing the efficacy of existing products and solutions and shortening their lifespan. | TAM is keen on staying abreast of the latest technologies, staying informed about emerging trends across various IT fields, in particular amidst the emergence of AI tools. TAM is continuously exploring innovative solutions, and forming strategic partnerships with leading technology service providers to remain constantly updated on industry trends in an ever-evolving digital landscape. |
| <b>Strategic Risk:</b><br>Adapting to Evolving Customer Requirements        | The consulting and digital solutions sector is sensitive to shifts in customer preferences and market dynamics. Any changes in customer preferences and requirements, technological advancements, and industry trends could affect the relevance and demand for the company's products and services.                   | TAM excels in project management, prioritizing customer satisfaction as one of its core values. Leveraging agile and flexible methodologies, TAM adapts seamlessly to evolving customer requirements and unexpected challenges. This dynamic approach enables the company to offer high-quality solutions while upholding efficiency, responsiveness, and strong focus on customers.                |
| <b>Strategic Risk:</b><br>Customer Concentration                            | TAM has several high-profile customers with whom the relationship is grounded in robust contractual principles. The majority of its income is derived from these strategic partnerships, underscoring the critical importance of maintaining long-term partnerships and delivering exceptional value to its customers. | TAM is actively broadening its customer base, as evident from the acquisition of past and ongoing projects with new customers. TAM aims to deepen these relationships and explore more significant project opportunities, underscoring its commitment to long-term growth and significant market penetration.   |

| Type of Risk  | Details   | Response  |
|---|---|---|
| <b>Operational Risk:</b><br>Dependence on Key Employees   | TAM's success is intrinsically linked to the skills and expertise of its key employees. Consequently, a significant risk lies in the company's ability to retain top-tier talents and attract individuals with exceptional competencies and skills. Any challenges in workforce retention, talent acquisition, or the existence of skill gaps could negatively impact the company's ability to realize its strategic objectives and preserve its competitive edge in this industry.   | 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, ensuring a seamless transition of leadership. Moreover, TAM institutes various programs aimed at retaining employees and attracting outstanding talent from the market, including an employee stock plan and comprehensive benefits and services. Furthermore, TAM endeavors to enhance its management processes to facilitate knowledge transfer across all management levels, ensuring that invaluable expertise is shared and leveraged across the company, thereby fostering long-term success. |
| <b>Financial Risk:</b><br>Competition among Consulting Services and Digital Solutions Providers   | Customers may seek reduced prices for TAM's services, placing pressure on the company's pricing strategy. 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 growing competition could drive down the prices of TAM's products and services. Lowering prices for any of these reasons would inevitably diminish the company's profit margins, ultimately impacting the gross profitability derived from its customer services. | TAM strives to maintain low operating costs and employs an array of international best practices 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, ensuring that even amidst intense competition, the company maintains robust financial performance and minimizes potential risks to its net profits.  |
| <b>Financial Risk:</b><br>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 TAM's cash liquidity, ultimately impacting cash flows and financial stability.  | TAM proactively handles billing and collection operations to ensure timely revenue recognition. Its project management methodologies take into account the risk of work delays and provide safeguards based on the project's nature. This proactive approach minimizes potential disruptions, streamlines cash flows, and reduces financial risks.  |

| Type of Risk                             | Details  | Response  |
|--|--|---|
| <b>Financial Risk:</b><br>Liquidity Risk | Liquidity risks represent the challenges TAM might face in gathering sufficient liquidity to meet its financial obligations. Liquidity risks may arise from the inability to collect invoices promptly and at fair value, potentially impacting the company's ability to meet its financial obligations on time and maintain smooth operations.  | Liquidity risks are proactively managed through regular monitoring to ensure there is sufficient liquidity available to meet the company's financial 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, ensuring financial stability and compliance. |
| <b>Legal Risk:</b><br>Compliance Risk    | TAM faces potential risks associated with the fact that it is subject to various laws and regulations, such as the Companies Law, the Capital Market Law, and the regulations and circulars issued by the Capital Market Authority. The company is also subject to the Wage Protection System and Labor Law. Any deviations from, or failure to maintain compliance with, these legal frameworks could expose the company to significant legal, financial, and reputational liabilities, potentially disrupting the company's operations and jeopardizing its business continuity. | TAM actively endeavors to mitigate non-compliance risks by rigorously adhering to all applicable laws and regulations. It is also keen on avoiding potential legal and regulatory risks arising from non-compliance. To this end, TAM reviews its internal processes and practices to ensure full compliance with all the legislative requirements, thus minimizing the potential for fines, penalties, or any negative impact on 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 the 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.

◆ TAM's Commitment to Environmental Sustainability

TAM is deeply committed to embedding sustainability into its operations and practices, driven by a profound dedication to fostering environmental consciousness and championing sustainable solutions. To this end, we prioritize the use of eco-friendly materials and cutting-edge technologies that minimize our environmental footprint, while actively encouraging our teams to embrace and implement sustainable practices. Moreover, TAM seeks to integrate sustainability into its daily operations, exemplified by our commitment to utilizing recycled materials. These initiatives reinforce TAM's steadfast dedication to creating a positive and enduring environmental legacy, aligning with our vision of embracing responsible and sustainable practices.

# A SPECIAL GIVE-AWAY JUST FOR YOU





These laptop sleeves are crafted from **recycled cement packing** paper, turning **what was once waste** into something both beautiful and functional.

BRAND SQUAD

## ◆ 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 Development

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 its 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 a 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

Enhancing knowledge and participation in initiatives and workshops

TAM is committed to empowering individuals and sectors by sharing its expertise and organizing specialized workshops aimed at developing skills and expanding knowledge. The company offers training programs focused on capacity building across various domains, including project management, innovation, and real estate development. TAM participates in several initiatives and workshops, including:

**Innovation for Impact Initiative at Misk Global Forum:** As part of its knowledge partnership with MISK Foundation, TAM delivered an interactive session titled "Innovation for Leadership" at Misk Global Forum 2024. This session sought to ignite creative thinking among participants and foster a culture of innovation and forward-thinking leadership, ultimately driving the development of practical solutions for sustainable impact.



**Sponsorship of the Entrepreneurship Workshop Hosted by the Saudi Innovation Club:** In support of innovation and entrepreneurship, TAM sponsored the workshop "How Innovators Translate their Ideas into Billion-Dollar Companies", delivered to the members of the Saudi Innovation Club at the Center of Digital Entrepreneurship. TAM's team collaborated with leading global innovation experts to deliver discussion and dialogue panels on the transformation of ideas into innovative companies, reflecting the company's commitment to empowering national talents and nurturing a vibrant innovation ecosystem.



**Discussion Panel on the Future of Tourism and Artificial Intelligence:** A representative of TAM took part in a discussion panel on the future of tourism in the Kingdom of Saudi Arabia. The panel discussed the opportunities for employing technology and artificial intelligence for the development of the tourism sector, as well as ways for creating innovative experiences that unlock new investment and development opportunities.



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

**Riyadh Marathon**

TAM's team actively engages in the Riyadh Marathon and diverse wellness initiatives to raise awareness of the significance of physical activity and the upkeep of fitness levels.



◆ **Supporting 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 its 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.



◆ **Forging strategic partnerships between companies and universities, including:**

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.



◆ Participation in national and community celebrations with the team:

TAM endeavors to foster national pride and reinforce team cohesion by engaging in national and community events, such as:

Annual Celebrations of Saudi National Day and Founding Day

TAM 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.





 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 the 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 the 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 2024. 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 20/10/2024 | Extraordinary General Assembly Meeting on 11/06/2024 |
|------------------------------------|---|--|
| Omar Abdulrahman Aljeraisy         | ✓ Attended                                      | ✓ Attended   |
| Eng. Ali Mohamed Saady Sheneamer   | ✓ Attended                                      | ✓ Attended   |
| Samer Saeed Jundi                  | ✓ Attended                                      | ✓ Attended   |
| Dr. Abdullah Nadeem Mohammed Elyas | ✓ Attended                                      | Did not attend                                       |
| Abdullah Anwar Mohammed Yousef     | ✓ Attended                                      | ✓ Attended   |

Third: Number of Requests for the Shareholder Register

During the fiscal year 2024, 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 | Ownership File Date | Justifications for the request |
|--|---------------------|--------------------------------|
| 28/01/2024                               | 28/01/2024          | Company Procedures             |
| 05/03/2024                               | 31/12/2023          | Company Procedures             |
| 18/03/2024                               | 18/03/2024          | Company Procedures             |
| 23/05/2024                               | 23/05/2024          | Company Procedures             |
| 11/06/2024                               | 11/06/2024          | General Assembly               |
| 25/07/2024                               | 30/06/2024          | Company Procedures             |
| 05/09/2024                               | 05/09/2024          | Other                          |
| 17/10/2024                               | 17/10/2024          | Company Procedures             |
| 20/10/2024                               | 20/10/2024          | General Assembly               |
| 14/11/2024                               | 31/10/2024          | Other                          |
| 19/12/2024                               | 18/12/2024          | Other                          |

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 your suggestions, comments, and opinions through Investor Relations via email at [IR@tamhub.com](mailto:IR@tamhub.com).

The Board of Directors of TAM Development Company emphasizes the significance of shareholder participation in the general and special assemblies' meetings, 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, in line with the company's Articles of Association and in compliance with 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. This 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 net profits, may decide to form other reserves to the extent that this 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 through 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 2024

In its meeting held on Tuesday 05/12/1445 AH, corresponding to 11/06/2024 AD, and based on a proposal from the Board of Directors of TAM Development Company, the Extraordinary General Assembly approved the distribution of cash dividends amounting to SAR 4,051,620 (four million fifty-one thousand six hundred twenty Saudi Riyals) to shareholders for the fiscal year ending on 31/12/2023, at a rate of SAR 1.23 (one Saudi Riyal and twenty-three halalas) per share, equivalent to 12.3% of the nominal 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 27/06/2024.



◆ 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 four years, starting from 30/10/2024, as follows:

|   |   |  |
|---|---|--|
|    | <div>Name</div> <div>Position on the Board</div> <div>Membership Classification</div> <div>Appointment Date</div> | <div>Mr. Omar Abdulrahman Aljeraisy</div> <div>Chairman of the Board</div> <div>Non-Executive</div> <div>30/10/2024</div>  |
|   | <div>Name</div> <div>Position on the Board</div> <div>Membership Classification</div> <div>Appointment Date</div> | <div>Eng. Ali Mohammed Saadi Sheneamer</div> <div>Vice Chairman of the Board</div> <div>Independent</div> <div>30/10/2024</div>  |
|  | <div>Name</div> <div>Position on the Board</div> <div>Membership Classification</div> <div>Appointment Date</div> | <div>Dr. Abdullah Nadeem Mohammed Elyas</div> <div>Board Member and Chairman of the Nomination and Remuneration Committee</div> <div>Independent</div> <div>30/10/2024</div> |
|  | <div>Name</div> <div>Position on the Board</div> <div>Membership Classification</div> <div>Appointment Date</div> | <div>Mr. Samer Said Jundi</div> <div>Board Member</div> <div>Non-Executive</div> <div>30/10/2024</div>   |
|  | <div>Name</div> <div>Position on the Board</div> <div>Membership Classification</div> <div>Appointment Date</div> | <div>Mr. Abdullah Anwar Mohammed Yousef</div> <div>Board Member/Managing Director</div> <div>Executive</div> <div>30/10/2024</div>   |

## ◆ 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.
- ◆ Board Member of Al Jeraisy Group, a closed joint-stock company, from 2012 to 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 the Saudi Federation of Sports Medicine, from 2022 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.

**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 Saeed Jundi  
Board Member

Previous Positions

- ◆ Chief Executive Officer of Mohammed Abdulaziz Al Habib & Sons Holding – a closed joint-stock company (2019–present).
- ◆ Board Member of Hamat Holding – a closed joint-stock company (2017–present).
- ◆ Board Member of Mohammed Al Habib Real Estate (2023–present).
- ◆ Executive Committee Member of Saudi Manpower Solutions Company (SMASCO) (2023–present).
- ◆ Board Member of Global Healthcare Company (2023–present).
- ◆ Board Member of Ghras United (2023–present).
- ◆ 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 Hamat Holding (2014–2023).
- ◆ Audit Committee Member at Al Hayat Real Estate – a closed joint-stock company (2017–2023).
- ◆ Audit Committee Member at the Global Healthcare Company – a limited liability company (2015–2023).

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    | Public Joint Stock 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 |

◆ 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 | Closed Joint Stock 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  |
| 07                   | Ghras United Company                               | Inside the Kingdom | Closed Joint Stock 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 2024 |                  | At the end of the fiscal year 2024 |                  | (%)<br>Percentage of change |
|------------------------------------|--|------------------|------------------------------------|------------------|-----------------------------|
|                                    | Type of Ownership                        | Number of Shares | Type of Ownership                  | Number of Shares |                             |
| Mr. Omar Abdulrahman Aljeraisy     | *Indirect                                | 604,151          | Indirect                           | 575,175          | - 4.8 %                     |
| Mr. Ali Mohammed Saadi Sheneamer   | -  | -                | -                                  | -                | -                           |
| Mr. Samer Said Jundi               | -  | -                | -                                  | -                | -                           |
| Dr. Abdullah Nadeem Mohammed Elyas | -  | -                | -                                  | -                | -                           |
| Mr. Abdullah Anwar Mohammed Yousef | Direct                                   | 732,381          | Direct                             | 697,739          | - 4.73 %                    |

\* 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 2024

| Name of the member                 | Position                   | 1         | 2         | 3         | 4         | 5         | 6         | 7          | Total |
|------------------------------------|----------------------------|-----------|-----------|-----------|-----------|-----------|-----------|------------|-------|
|                                    |                            | 22/1/2024 | 21/3/2024 | 22/3/2024 | 21/5/2024 | 27/8/2024 | 6/11/2024 | 25/12/2024 |       |
| Mr. Omar Abdulrahman Aljeraisy     | Chairman of the Board      | ✓         | ✓         | ✓         | ✓         | ✓         | ✓         | ✓          | 7     |
| Mr. Ali Mohammed Saadi Sheneamer   | Vice Chairman of the Board | ✓         | ✓         | ✓         | ✓         | ✓         | ✓         | ✓          | 7     |
| Mr. Samer Said Jundi               | Board Member               | ✓         | ✓         | ✓         | ✓         | ✓         | ✓         | ✓          | 7     |
| Dr. Abdullah Nadeem Mohammed Elyas | Board Member               | ✓         | ✓         | ✓         | ✓         | ✓         | ✓         | ✓          | 7     |
| Mr. Abdullah Anwar Mohamed Yusef   | Board Member               | ✓         | ✓         | ✓         | ✓         | ✓         | ✓         | ✓          | 7     |

## ◆ 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 require disclosure, apart from the information already available and announced.
- ◆ The company's consolidated financial statements for the fiscal year ending on 31/12/2024 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 ending on 31/12/2024.
- ◆ There are no reservations in the auditor's report on the annual financial statements during the fiscal year ending on 31/12/2024.
- ◆ 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 on 31/12/2024.
- ◆ The company has not received a request from the auditors to convene the General Assembly during the fiscal year ending on 31/12/2024.
- ◆ 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 on 31/12/2024.
- ◆ There are no actions that could obstruct shareholders' rights to vote.
- ◆ There are no significant conflicts of interest during the fiscal year ending on 31/12/2024, 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 on 31/12/2024.
- ◆ The company did not redeem, purchase, or cancel any redeemable debt instruments during the fiscal year ending on 31/12/2024.
- ◆ 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 2024.
- ◆ 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 31/12/2024.

## Executive management

TAM Development 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.



**Abid Rehmat Sheikh**

**Chief Financial Officer**

- ◆ He has held leadership positions in finance, and has over 15 years of experience in finance and auditing across the Middle East, UK and Pakistan.
- ◆ Holds a Master's Degree from the University of London.
- ◆ Associate member of the institute of Chartered Accountants in England and Wales (ICAEW).
- ◆ Fellow Member of the Association of Chartered Certified Accountants (ACCA) (UK).



**Eman Serafi**

**Chief Human Resources Officer**

- ◆ Over 18 years of experience across human resources.
- ◆ Board Member of GCS and Head of its Nomination and Remuneration Committee.
- ◆ Served as the Chief Human Resources Officer at Cool Inc since 2020.
- ◆ Recipient of the Best Performance Award from Nazer Holding Company for three consecutive years, and the International Finance Magazine Award in 2019.



**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. Their terms concluded upon the Board's expiration on October 29, 2024. Subsequent to the election of the new Board, a resolution was passed on October 30, 2024, to appoint a new Audit Committee, with member profiles detailed in the following pages of this report.

### **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 detailed in the next page.

**First: Internal Audit**

1. Supervise the audit management unit, approve its plan, and ensure its independence.
2. Recommend to the Board the adoption of any 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 unit, 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, and 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 auditors' 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 the measures put in place to protect against legal claims and risks of non-compliance with relevant 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, and Their Current and Previous Positions, Qualifications, and Experiences

### ◆ (1) Ahmed Abdulrahman Mohammed Jaber

Chairman of the Audit Committee from 10/10/2020, until the conclusion of the Board's prior term, and subsequently reappointed for the current term, as per the Board of Directors' resolution dated 30/10/2024.

#### Current positions

- ◆ Director General of Internal Audit at the Royal Commission for Makkah City and Holy Sites.
- ◆ Secretary of the Audit and Risk Committee at the Royal Commission for Makkah City and Holy Sites.

#### Previous Positions and Experiences

- ◆ Member of the Audit and Risk Committee at Ahmed Mohamed Saleh Baeshen & Co.
- ◆ Senior General Manager of Risk at Bupa Arabia for Cooperative Insurance.
- ◆ Member of the Audit Committee of SNB Capital.
- ◆ Head of Fraud Investigation and Prevention at the National Commercial Bank.
- ◆ Chief of Operational Risks at the National Commercial Bank.
- ◆ Western Region Credit 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.
- ◆ Executive Certificate from IMD Business School.
- ◆ Bachelor's Degree in Industrial Engineering from King Fahd University of Petroleum and Minerals.
- ◆ 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 Certification, Certified Fraud Examiner (CFE), Certified Risk Analyst (CRA), Certified Operational Risk Manager (CORM), Project and Contract Risk Manager Certification, and Certified Compliance Officer (CCO).

◆ **Names of the Members of the Audit Committee, and 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**

Finance Director – Al Andalus Property Company – 2024 to 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 the 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, and Their Current and Previous Positions, Qualifications, and Experiences

### ◆ (3) Bandar Abdul Halim Tashkandi

His tenure on the Audit Committee concluded upon the expiration of the preceding Board of Directors' term on 29/10/2024. A new member subsequently joined the Audit Committee. Notably, this member also serves on TAM's Board of Directors, as detailed in the earlier profiles of the Board's members.

#### 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)<br>19/3/2024 | Meeting (2)<br>31/3/2024 | Meeting (3)<br>17/4/2024 | Meeting (4)<br>26/8/2024 | 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. Their terms concluded upon the Board's expiration on 29/10/2024. Subsequent to the election of the new Board, a resolution was passed on 30/10/2024 to appoint a new Nomination and Remuneration Committee, with member profiles detailed in the following pages of this report.

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 the 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 and disclosure, and verifying its implementation.
- ◆ Periodically review the remuneration policy and assess its effectiveness in achieving the intended objectives.
- ◆ Recommend to the Board the remuneration of 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, and 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 53)



**(2) Ali Mohammed Saadi Sheneamer**

Member of the Nomination and Remuneration Committee

Previously introduced among the names and information of the Board members (page 52)

**(3) Yara Mohammed Taher Antabawi****Member of the Nomination and Remuneration Committee**

## Board Memberships

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

## 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.

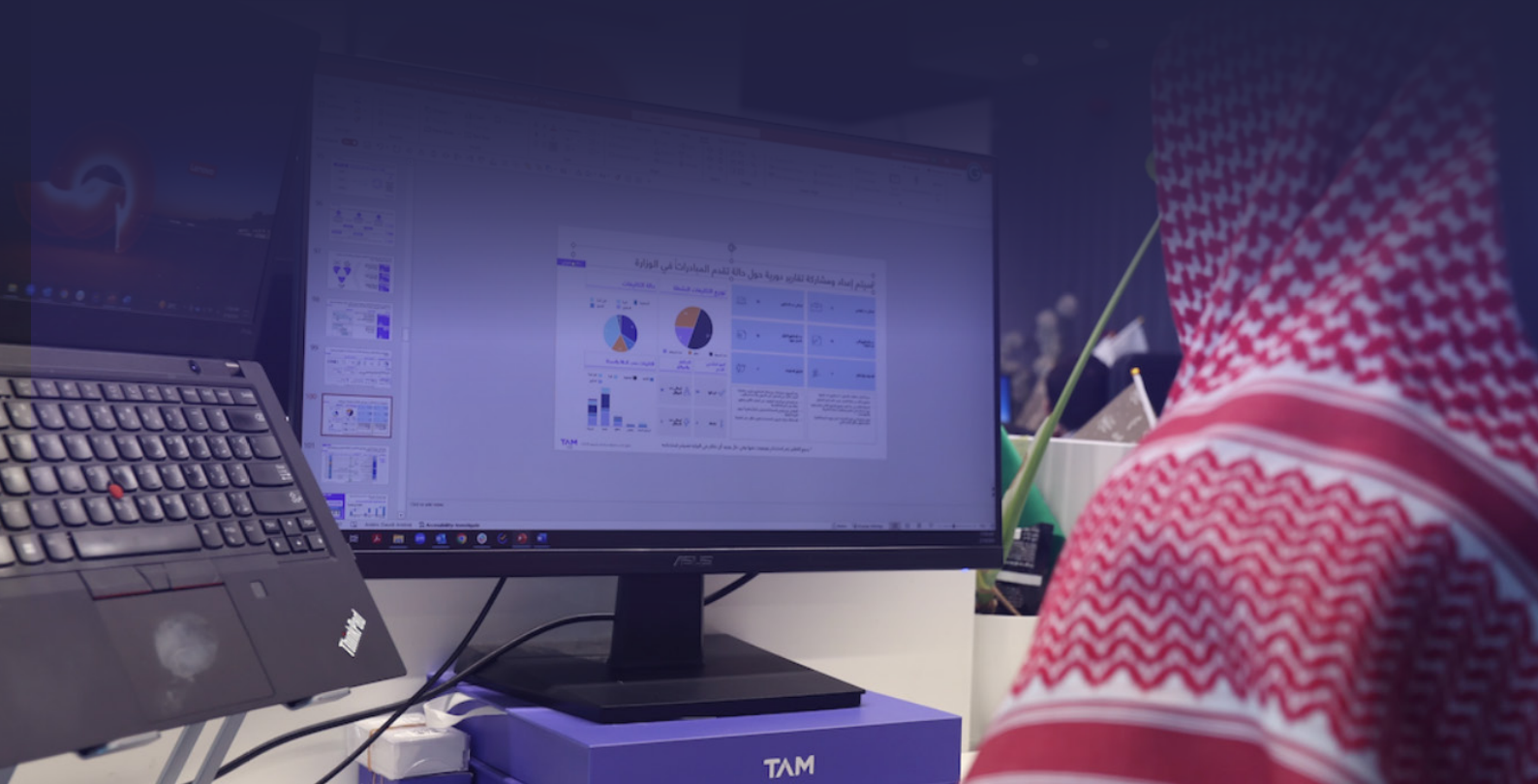
## Qualifications

- ◆ 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)<br>15/2/2024 | Meeting (2)<br>2/7/2024 | Meeting (3)<br>26/8/2024 | Meeting (4)<br>24/11/2024 | Meeting (5)<br>1/12/2024 | Total meetings |
|-----------------------|---------------------------|--------------------------|-------------------------|--------------------------|---------------------------|--------------------------|----------------|
| Abdullah Elyas        | Chairman of the committee | ✓                        | ✓                       | ✓                        | ✓                         | ✓                        | 5              |
| Ali Sheneamer         | Committee member          | ✓                        | ✓                       | ✓                        | ✓                         | ✓                        | 5              |
| Yara Antabawi         | Committee member          | ✓                        | ✓                       | ✓                        | ✓                         | ✓                        | 5              |



## ◆ 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 in 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 the job 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 Articles 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 2024

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 on December 31, 2024, 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 27/08/2023. The details are as per the table below:

| Name                               | Position                   | Fixed remuneration | Statement                                   |
|------------------------------------|----------------------------|--------------------|---|
| Mr. Omar Abdulrahman Aljeraisy     | Chairman of the Board      | ﷲ 180000           | Remuneration for the entire FY 2024         |
| Mr. Ali Mohammed Saadi Sheneamer   | Vice Chairman of the Board | ﷲ 120000           | Remuneration for the entire FY 2024         |
| Mr. Samer Said Jundi               | Board Member               | ﷲ 120000           | Remuneration for the entire FY 2024         |
| Dr. Abdullah Nadeem Mohammed Elyas | Board Member               | ﷲ 120000           | Remuneration for the entire FY 2024         |
| Total                              |                            | ﷲ 540000           | Five hundred and forty thousand riyals only |

Committee members' remuneration for 2024

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 40,000 (forty thousand Saudi Riyals only) as a remuneration to the members of the Nomination and Remuneration Committee for the fiscal year ending on 31/12/2024. 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                            | ﷲ 40000            | Remuneration for the entire FY 2024            |
| Moaz Khaled Ibrahim Al Hajri     | Audit Committee member                                     | ﷲ 35000            | Remuneration for the entire FY 2024            |
| Bandar Abdul Halim Tashkandi     | Audit Committee member<br>(Membership ended on 29/10/2024) | ﷲ 26250            | Remuneration for three quarters of FY 2024     |
| Samer Saeed Jundi                | Audit Committee member<br>(Membership began on 30/10/2024) | ﷲ 8750             | Remuneration for the fourth quarter of FY 2024 |
| Total                            |  | ﷲ 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 | ﷲ 20000            | Remuneration for the entire FY 2024 |
| Ali Mohamed Saadi Sheneamer                          | Committee member   | ﷲ 10000            | Remuneration for the entire FY 2024 |
| Yara Mohammed Taher Antabawi                         | Committee member   | ﷲ 10000            | Remuneration for the entire FY 2024 |
| Total  |                    | ﷲ 40000            | Forty thousand riyals only          |

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 2024:

| 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 | ﷲ 2,439,380                | One year                | No preferential terms | Ali Mohamed Saadi Sheneamer<br><br>Abdullah Nadeem Mohammed Elyas | To be presented at the next General Assembly meeting for approval |
| Careem Transportation for Information Technology | Transportation service    | ﷲ 437,081                  | 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:

- ◆ **Regulatory Compliance:** Reviewing and maintaining compliance with relevant provisions of the Capital Market Authority's Corporate Governance Regulations regarding the Audit Committee and the role of internal auditing.
- ◆ **Internal Auditor Appointment:** Conducting several interviews to identify the ideal candidate for the Internal Auditing Manager role, followed by the recommendation and completion of the appointment process.
- ◆ **Enhancement of the Internal Audit Framework:** In a pivotal move to establish a robust internal audit function, the committee directed the development and approval of the internal audit mandate and related policies. Furthermore, the committee reviewed and approved the internal audit plan for the period 2025-2027.

The committee reaffirms its commitment to ensuring the effectiveness and independence of the internal audit function, and to enhancing its role in strengthening corporate governance, risk management, and the internal control framework.

## ◆ Risk Management and Compliance Assurance

The Audit Committee upholds its commitment to applying the best practices in governance, risk management, and compliance. In pursuit of this objective, the committee has implemented a series of key measures, including:

- ◆ **Overseeing Policies and Governance:** Reviewing policies, processes, and the authority matrix, while advocating for enhancements to align with evolving regulatory and operational requirements.
- ◆ **Process Automation and Supervision:** Overseeing the automation of operations through the continuous monitoring of the implementation status of the Enterprise Resource Planning (ERP) system, with the objective of optimizing efficiency and strengthening controls.
- ◆ **Regulatory and Ethical Compliance:** Monitoring compliance with relevant regulations, codes of conduct, and professional ethics.
- ◆ **Compliance with the Requirements of Transactions with Related Parties:** Ensuring compliance with corporate governance standards related to transactions with related parties and relevant disclosures.

The committee continues its effective role in enhancing risk management and ensuring that the company's compliance framework supports sustainable growth and operational integrity.

**The committee has issued several key recommendations to enhance the company's compliance, governance, and risk management framework, including:**

- ◆ **Policy Development:** Completing the development of the company's policies and regulations, with a special focus on financial policies related to revenue recognition, expected credit losses, processes, and procurement.
- ◆ **Enhancing Compliance and Risk Leadership:** Appointing and training compliance and risk management officers to oversee organizational compliance and risk mitigation measures.

- ◆ **Specialized Expertise:** Engaging a specialized firm to establish and enhance the compliance and risk management function.
- ◆ **Regulatory Compliance:** Emphasizing the importance of strict compliance with relevant regulations and governance standards.
- ◆ **Process Automation:** Completing the automation of operational processes by ensuring the successful implementation of the Enterprise Resource Planning (ERP) system.

The committee reiterates its commitment to closely monitoring the implementation of these recommendations, ensuring the continuous enhancement of compliance, governance, and risk management.

## ◆ Assessment of Company's Internal Auditing Systems

The company's executive management is responsible for designing, implementing, and maintaining an effective and comprehensive internal control system, ensuring strict compliance with established policies and procedures to facilitate the realization of the company's strategic objectives and protect its assets.

Based on the discussions and regular reviews of the reports presented to the Audit Committee throughout the fiscal year ending December 31, 2024, the committee found no material observations in the company's internal control system that could materially and adversely affect the integrity and fairness of the company's financial statements or the efficiency and effectiveness of its financial and operational controls and procedures.

While the committee believes that the company's current internal control system provides a reasonable level of assurance regarding the achievement of the company's objectives, it acknowledges that no system, regardless of its robustness, can provide absolute assurance of its effectiveness.

## ◆ The committee underscores the importance of adopting the following recommendations:

- ◆ **Enhancing Internal Controls:** Ensuring that the executive management fulfills its responsibility in designing and implementing effective internal control systems that appropriately balance cost and benefit, and support the company's strategic objectives, while reducing risks.
- ◆ **Enhancing Governance and Compliance:** Implementing the committee's recommendations regarding the internal auditing, compliance, and risk management to enhance compliance, control, and transparency.
- ◆ **Enhancing Control Measures:** Implementing developmental measures to enhance the control system, thereby strengthening the internal control framework.
- ◆ **Periodic Follow-up and Reporting:** Conducting regular follow-ups on the implementation of these recommendations and providing periodic reports to the Board of Directors on the progress made.
- ◆ **Completing the Policy Framework:** Finalizing and approving the financial and regulatory policy framework to ensure enhanced compliance with best practices.

Finally, the committee reaffirms its commitment to performing its duties to the best of its ability, to enhance governance, transparency, and accountability, as well as to protect the interests of the company's shareholders.



# 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 |
| 2024   | 229,385,715 | 92,660,106  | 30,137,082 |
| 2023   | 188,777,516 | 79,018,390  | 40,601,961 |
| 2022   | 39,266,445  | 39,266,445  | 27,927,936 |
| 2021   | 43,755,222  | 39,266,445  | 39,266,445 |

◆ Geographical Analysis of Total Company Revenue

Riyadh = SAR 273,353,008 Total Revenue

◆ Statement of Registered Statutory Payments

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

|                       |            |
|-----------------------|------------|
| Government Fees       | 893,482    |
| Social Security       | 1,089,881  |
| Value Added Tax (VAT) | 10,988,378 |
| Withholding Tax       | 2,661,468  |
| Zakat                 | 3,417,234  |
| Total                 | 19,050,443 |

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

The company registered an item worth SAR 5,635,015 as an end-of-service reserve for employees.

◆ **Treasury Shares Held by the Company**

365,997 shares

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 10/10/2022.

◆ **Existing Loans on the Company During the Fiscal Year Ending on December 31/12/2024**

﷼ 4,983,597

## 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 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, are 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.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes 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 Company

**Hani Bin Hamzah Bin Ahmed Bedairi**  
License No.: 460



Riyadh, 26 March 2025  
Corresponding to: 26 Ramadan 1446H

## ◆ Consolidated Statement of Financial Position as of December 31, 2024

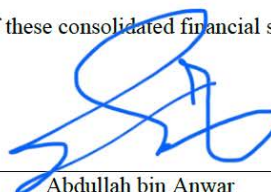
**TAM DEVELOPMENT COMPANY**  
(A Saudi Joint Stock Company)  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**As at 31 December 2024**  
(Saudi Riyal)

|   | <u>Notes</u> | <u>31 December<br/>2024</u> | <u>31 December<br/>2023</u> |
|---|--------------|-----------------------------|-----------------------------|
| <b><u>ASSETS</u></b>                              |              |                             |                             |
| <b>Non-current assets</b>                         |              |                             |                             |
| Property, plant and equipment                     | 4            | 3,332,790                   | 1,602,417                   |
| Intangible assets                                 | 5            | 12,156,592                  | 9,925,260                   |
| Right-of-use assets                               | 6-1          | 14,394,101                  | 496,964                     |
| Bank deposit                                      | 7            | -                           | 5,000,000                   |
| <b>Total non-current assets</b>                   |              | <b>29,883,483</b>           | <b>17,024,641</b>           |
| <b>Current assets</b>                             |              |                             |                             |
| Trade receivables                                 | 8            | 118,586,031                 | 66,914,511                  |
| Prepayments and other current assets              | 9            | 6,773,674                   | 11,314,189                  |
| Contract assets                                   | 10           | 27,993,739                  | 41,156,844                  |
| Bank deposit                                      | 7            | 5,000,000                   | 6,000,000                   |
| Cash and cash equivalents                         | 11           | 41,148,788                  | 46,367,331                  |
| <b>Total current assets</b>                       |              | <b>199,502,232</b>          | <b>171,752,875</b>          |
| <b>Total assets</b>                               |              | <b>229,385,715</b>          | <b>188,777,516</b>          |
| <b><u>SHAREHOLDERS EQUITY AND LIABILITIES</u></b> |              |                             |                             |
| <b>Shareholders' Equity</b>                       |              |                             |                             |
| Share capital                                     | 12           | 36,599,970                  | 36,599,970                  |
| Statutory reserve                                 | 15           | -                           | 6,320,238                   |
| Treasury shares                                   | 13           | (3,659,970)                 | (3,659,970)                 |
| Other reserve                                     | 15           | -                           | 3,078,000                   |
| Additional shareholders contribution              |              | 3,905,218                   | 3,905,218                   |
| Retained earnings                                 |              | 99,880,391                  | 63,515,670                  |
| <b>Total shareholders' equity</b>                 |              | <b>136,725,609</b>          | <b>109,759,126</b>          |
| <b>Liabilities</b>                                |              |                             |                             |
| <b>Non-current liabilities</b>                    |              |                             |                             |
| Employees' benefits obligations                   | 16           | 5,635,015                   | 5,423,128                   |
| Long term loan                                    | 20           | 5,028,735                   | -                           |
| Lease liabilities                                 | 6-2          | 11,548,467                  | -                           |
| <b>Total non-current liabilities</b>              |              | <b>22,212,217</b>           | <b>5,423,128</b>            |
| <b>Current liabilities</b>                        |              |                             |                             |
| Trade payables and other current liabilities      | 17           | 53,067,250                  | 29,925,882                  |
| Contract liabilities                              | 18           | 11,285,559                  | 40,213,322                  |
| Lease liabilities – current portion               | 6-2          | 2,677,847                   | -                           |
| Zakat provision                                   | 21           | 3,417,233                   | 3,456,058                   |
| <b>Total current liabilities</b>                  |              | <b>70,447,889</b>           | <b>73,595,262</b>           |
| <b>Total liabilities</b>                          |              | <b>92,660,106</b>           | <b>79,018,390</b>           |
| <b>Total shareholders' equity and liabilities</b> |              | <b>229,385,715</b>          | <b>188,777,516</b>          |

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



Abid Rehmat  
Rehmatullah Sheikh  
Chief Financial Officer



Abdullah bin Anwar  
bin Mohammad Yousef Andijani  
Managing Director – Chief Executive Officer

## ◆ Consolidated Statement of Profit or Loss and Other Comprehensive Income for the Year Ended December 31, 2024

| <b>TAM DEVELOPMENT COMPANY</b><br>(A Saudi Joint Stock Company)<br><b>CONSOLIDATED STATEMENT OF PROFIT OR LOSS</b><br><b>AND OTHER COMPREHENSIVE INCOME</b><br><b>For the year ended 31 December 2024</b><br>(Saudi Riyal) |              |                             |                             |
|--|--------------|-----------------------------|-----------------------------|
|  | <i>Notes</i> | <b>31 December<br/>2024</b> | <b>31 December<br/>2023</b> |
| Revenue  | 22           | <b>273,353,008</b>          | 188,403,128                 |
| Cost of revenue  | 23           | <b>(179,615,555)</b>        | (98,641,100)                |
| <b>Gross profit</b>  |              | <b>93,737,453</b>           | 89,762,028                  |
| General and administrative expenses  | 24           | <b>(60,298,836)</b>         | (43,495,474)                |
| Impairment loss of trade receivables   | 8            | <b>(624,491)</b>            | (371,183)                   |
| Impairment loss of other current assets  | 9            | <b>(187,925)</b>            | (375,750)                   |
| Impairment reversal / (loss) of contract assets  | 10           | <b>818,465</b>              | (2,214,677)                 |
| Other income   |              | <b>256,341</b>              | 833,577                     |
| <b>Operating profit</b>  |              | <b>33,701,007</b>           | 44,138,521                  |
| Finance income   | 7 & 11       | <b>907,833</b>              | 503,466                     |
| Finance costs  | 25           | <b>(1,717,279)</b>          | (549,868)                   |
| <b>Net profit for the year before Zakat</b>  |              | <b>32,891,561</b>           | 44,092,119                  |
| Zakat  | 21           | <b>(2,754,479)</b>          | (3,490,158)                 |
| <b>Net profit for the year</b>   |              | <b>30,137,082</b>           | 40,601,961                  |
| <b>Other comprehensive income</b>  |              |                             |                             |
| <b><u>Item that will not be reclassified to profit or loss</u></b>   |              |                             |                             |
| Actuarial gains from re-measurement of employees' end of service benefits  | 16           | <b>881,021</b>              | 90,793                      |
| <b>Total other comprehensive income</b>  |              | <b>881,021</b>              | 90,793                      |
| <b>Total comprehensive income</b>  |              | <b>31,018,103</b>           | 40,692,754                  |
| <b>Earnings per share:</b>   |              |                             |                             |
| Basic and diluted earnings per share   | 27           | <b>9.15</b>                 | 12.33                       |

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



Abid Rehmat  
Rehmatullah Sheikh  
Chief Financial Officer



Abdullah bin Anwar  
bin Mohammad Yousef Andijani  
Managing Director – Chief Executive Officer

## ◆ Consolidated Statement of Changes in Shareholders' Equity for the year ended December 31, 2024

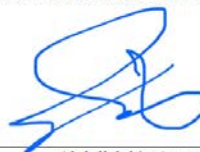
**TAM DEVELOPMENT COMPANY**  
(A Saudi Joint Stock Company)  
**CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS EQUITY**  
**For the year ended 31 December 2024**  
(Saudi Riyal)

|   | Share capital     | Statutory reserve | Treasury shares    | Other reserve    | Additional shareholders contribution | Retained earnings | Total equity       |
|---|-------------------|-------------------|--------------------|------------------|--------------------------------------|-------------------|--------------------|
| Balance as at 1 January 2024                                      | 36,599,970        | 6,320,238         | (3,659,970)        | 3,078,000        | 3,905,218                            | 63,515,670        | 109,759,126        |
| Net profit for the year   | -                 | -                 | -                  | -                | -                                    | 30,137,082        | 30,137,082         |
| Other comprehensive income for the year                           | -                 | -                 | -                  | -                | -                                    | 881,021           | 881,021            |
| <b>Total comprehensive income for the year</b>                    | -                 | -                 | -                  | -                | -                                    | 31,018,103        | 31,018,103         |
| Dividends (Note 14)   | -                 | -                 | -                  | -                | -                                    | (4,051,620)       | (4,051,620)        |
| Transferred from statutory reserve to retained earnings (Note 15) | -                 | (6,320,238)       | -                  | -                | -                                    | 6,320,238         | -                  |
| Transferred from other reserve to retained earnings (Note 15)     | -                 | -                 | -                  | (3,078,000)      | -                                    | 3,078,000         | -                  |
| <b>Balance as at 31 December 2024</b>                             | <b>36,599,970</b> | <b>-</b>          | <b>(3,659,970)</b> | <b>-</b>         | <b>3,905,218</b>                     | <b>99,880,391</b> | <b>136,725,609</b> |
| 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             |
| <b>Total comprehensive income for the year</b>                    | -                 | -                 | -                  | -                | -                                    | 40,692,754        | 40,692,754         |
| Dividends (Note 14)   | -                 | -                 | -                  | -                | -                                    | (2,799,900)       | (2,799,900)        |
| Additional shareholders contribution                              | -                 | -                 | -                  | -                | 245,248                              | -                 | 245,248            |
| <b>Balance as at 31 December 2023</b>                             | <b>36,599,970</b> | <b>6,320,238</b>  | <b>(3,659,970)</b> | <b>3,078,000</b> | <b>3,905,218</b>                     | <b>63,515,670</b> | <b>109,759,126</b> |

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



Abid Rehmat  
Rehmatullah Sheikh  
Chief Financial Officer



Abdullah bin Anwar  
bin Mohammad Yousef Andijani  
Managing Director – Chief Executive Officer

## ◆ Consolidated Statement of Cash Flows for the Year Ended December 31, 2024

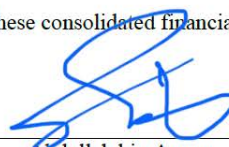
**TAM DEVELOPMENT COMPANY**  
(A Saudi Joint Stock Company)  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**For the year ended 31 December 2024**  
(Saudi Riyal)

|  | <u>Notes</u> | <b>31 December<br/>2024</b> | 31 December<br>2023 |
|--|--------------|-----------------------------|---------------------|
| <b>Cash flows from operating activities</b>  |              |                             |                     |
| Net profit for the year before Zakat   |              | <b>32,891,561</b>           | 44,092,119          |
| <b>Adjustments to reconcile net profit for the year to cash flows generated from operating activities:</b> |              |                             |                     |
| Depreciation of property and equipment   | 4            | <b>805,198</b>              | 1,122,060           |
| Amortization of intangible assets  | 5            | <b>2,793,035</b>            | 2,308,482           |
| Impairment loss of trade receivables   | 8            | <b>624,491</b>              | 371,183             |
| Impairment loss of other current assets  | 9            | <b>187,925</b>              | 375,750             |
| Impairment (reversal) / loss of contract assets  | 10           | <b>(818,465)</b>            | 2,214,677           |
| Employees' benefits obligations  | 16           | <b>1,793,344</b>            | 1,640,576           |
| Depreciation on right-of-use assets  | 6-1          | <b>2,866,892</b>            | 876,050             |
| Finance cost   |              | <b>1,197,042</b>            | 287,098             |
| Finance income   | 7 & 11       | <b>(907,833)</b>            | (503,466)           |
|  |              | <b>41,433,190</b>           | 52,784,529          |
| <b>Change in operating assets and liabilities:</b>   |              |                             |                     |
| Trade receivables  |              | <b>(52,296,011)</b>         | (50,334,487)        |
| Other current assets   |              | <b>4,381,748</b>            | 2,718,740           |
| Contract assets  |              | <b>13,981,570</b>           | (16,170,038)        |
| Trade payables and other current liabilities   |              | <b>23,141,368</b>           | 3,977,535           |
| Contract liabilities   |              | <b>(28,927,763)</b>         | 15,640,137          |
| Employees' benefits paid   | 16           | <b>(915,593)</b>            | (557,317)           |
| Zakat paid   | 21           | <b>(2,793,304)</b>          | (2,125,758)         |
| <b>Net cash flows (used in)/ generated from operating activities</b>                                       |              | <b>(1,994,795)</b>          | 5,933,341           |
| <b>Cash flows from investing activities</b>  |              |                             |                     |
| Additions to property, plant and equipment   | 4            | <b>(2,535,571)</b>          | (1,023,563)         |
| Additions of development cost in intangible assets   | 5            | <b>(5,024,367)</b>          | (7,960,401)         |
| Bank deposits  |              | <b>6,000,000</b>            | (6,000,000)         |
| Finance income received  |              | <b>878,675</b>              | 384,616             |
| <b>Net cash flows used in investing activities</b>   |              | <b>(681,263)</b>            | (14,599,348)        |
| <b>Cash flows from financing activities</b>  |              |                             |                     |
| Payments of credit facilities  |              | -                           | (2,848,643)         |
| Additional shareholders contribution   |              | -                           | 245,248             |
| Dividends paid   | 14           | <b>(4,051,620)</b>          | (2,799,430)         |
| Long term loan obtained  | 20           | <b>5,028,735</b>            | -                   |
| Payment of lease liabilities   | 6-2          | <b>(3,519,600)</b>          | (951,682)           |
| <b>Net cash flows used in financing activities</b>   |              | <b>(2,542,485)</b>          | (6,354,507)         |
| <b>Net change in cash and cash equivalents</b>   |              | <b>(5,218,543)</b>          | (15,020,514)        |
| Cash and cash equivalents at the beginning of the year   |              | <b>46,367,331</b>           | 61,387,845          |
| <b>Cash and cash equivalents at the end of the year</b>  |              | <b>41,148,788</b>           | 46,367,331          |
| <b>Non-cash transactions</b>   |              |                             |                     |
| Transferred from statutory reserve to retained earnings  |              | <b>6,320,238</b>            | -                   |
| Transferred from other reserve to retained earnings  |              | <b>3,078,000</b>            | -                   |
| Actuarial gains from re-measurement of employees' end of service benefits                                  |              | <b>881,021</b>              | 90,793              |
| Right-of-use assets and lease liabilities  |              | <b>16,764,029</b>           | -                   |
| Accrued interest income  |              | <b>29,158</b>               | -                   |

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



Abid Rehmat  
Rehmatullah Sheikh  
Chief Financial Officer



Abdullah bin Anwar  
bin Mohammad Yousef Andijani  
Managing Director – Chief Executive Officer



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Postal Code: 12363 | Unit Number: 11119 | Additional Number: 4250