

Vision for the future
and international expertise

Annual Report

20 22

Board of Directors of/
Al Khaleej Training and Education Company



Of the Board of Directors

Al Khaleej Training and Education Company

For the company's business in the fiscal year
ending on 31/12/2022G



Abdulaziz bin Rashid Al-Rashed
Chairman of the Board of Directors

Chairman's Statement

The valued shareholders of Al Khaleej Training and Education Company

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

It gives me immense pleasure to present to you personally and on behalf of the members of the Board of Directors of Al Khaleej Training and Education members, the annual report of the Board of Directors of Al Khaleej Training and Education Company for the fiscal year ending on 31/12/2022G, which reports to the company's valuable shareholders the company's business and results during the year 2022G. The report highlights the company's most important achievements during that period in terms of training, education and call centers. The report also sheds light on the company's performance, the audited annual financial statements and their accompanying notes, and the auditor's report for that period. The report also includes an adequate summary of the implementation of the Corporate Governance Regulations, information about the members of the board of directors and the committees emanating from the board, in addition to the goals and future plans for all segments of the company.

The company's management is striving hard to improve the company's performance to reach the desired goals through the company's plans and strategy, which aim at continuous growth and achieving good and satisfactory results for all of the company's shareholders. We also give our utmost attention to the development of systems and control procedures to improve performance, and developing the work environment by keeping pace with modern administrative and technical methods, in addition to strengthening the culture of institutional work and benefiting from investment-related initiatives in various sectors, especially the training and education sector, as provided by Vision 2030.

The year 2022 witnessed many challenges in the segments of personnel training, met by a remarkable growth in the education sector (schools), which led to overcoming these challenges and achieving satisfactory results. Thanks to the Almighty and then the continuous support of the company's shareholders and its board of directors.

This report has been prepared in accordance with the requirements of the Corporate Governance Regulations, Registration and Listing Rules issued by the Capital Market Authority, Saudi Companies Law, the company's articles of association, and the regulatory controls and procedures issued in implementation of the Companies Law for Listed Joint Stock Companies.

I would like to take this opportunity to thank all competent authorities who licensed the company's activities represented by the General Organization for Technical and Vocational Training, Ministry of Education, Ministry of Commerce and Industry, Capital Market Authority, the Stock Exchange Company (Tadawul) and all relevant stakeholders for their cooperation and constant encouragement to us.

Thanks are due to all our valued customers and shareholders for their precious trust and continuous support for us and their constructive role in supporting the company's journey to make more effort and giving to reach the company's goals and achieve its vision.

In conclusion, I extend my sincere thanks and appreciation to the company's management and employees at all levels for their active role in overcoming challenges, their tireless work and sincere efforts to achieve more successes to consolidate the company's leadership, progress and prosperity.

We invoke the Almighty to protect our dear country, safely and securely.

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Applied Non-applied provisions of the Governance Regulations issued by the CMA, and reasons for non-compliance.

Al Khaleej Training and Education Company applies all the mandatory provisions stipulated in the Corporate Governance Regulations issued by the CMA on 16/05/1438H, corresponding to 13/02/2017G, based on the Companies Law issued by Royal Decree No. M/3 dated 28/01/1437H, amended by CMA Board Resolution No. 8-5-2023, dated 25/06/1444H corresponding to 18/01/2023H, based on the Companies Law issued by Royal Decree No. M/132 dated 01/12/1443H, except for some of the guiding provisions, as shown below.

Article No.	Paragraph No.	Text of Article / Paragraph	Reasons for non-Compliance
Article 37	Paragraph 1:2	<p>Training:</p> <p>The Company shall pay adequate attention to the training and preparation of the Board members and the Executive Management, and shall develop the necessary programs required for the same, taking the following into account:</p> <ol style="list-style-type: none"> Preparing programs for the recently-appointed Board members and Executive Management to familiarize them with the progress of the Company's business and activities, particularly the following: <ol style="list-style-type: none"> the strategy and objectives of the Company; the financial and operational aspects of the Company's activities; the obligations of the Board members and their duties, responsibilities and rights; the duties and competencies of the committees of the Board. Developing the necessary mechanisms for Board members and the Executive Management to continuously enroll in training programs and courses..... 	This clause has not been applied since it is for guiding purposes only, but it will be considered in the future.
Article 39	Paragraph e & f	<p>The Assessment:</p> <ol style="list-style-type: none"> The Board shall carry out the necessary arrangements to obtain an assessment of its performance from a competent third party every three years. Non-Executive Directors shall carry out a periodic assessment of the performance of the chairman of the Board after getting the opinions of the Executive Directors, without the presence of the chairman of the Board in the discussion on this matter, provided that weaknesses and strengths shall be identified and a solution shall be proposed for the same in the best interests of the Company. 	This clause has not been applied since it is for guiding purposes only, but it will be considered in the future.
Article 67	0	<p>Composition of the Risk Management Committee:</p> <p>The Company's Board shall, by resolution therefrom, form a committee to be named the "risk management committee". Chairman and majority of its members shall be Non-Executive Directors. The members of that committee shall possess an adequate level of knowledge in risk management and finance.</p>	This clause has not been applied since it is for guiding purposes only, but it will be considered in the future.
Article 68	Paragraph 1:12	<p>Competencies of the Risk Management Committee:</p> <p>The competencies of the risk management committee shall include the following:</p> <ol style="list-style-type: none"> Developing a strategy and comprehensive policies for risk management that are consistent with the nature and volume of the Company's activities; Determining and maintaining an acceptable level of risk that may be faced by the Company and ensuring that the Company does not go beyond such level; Ensuring the feasibility of the Company continuation, the successful continuity of its activities and determining the risks that threaten its existence during the following twelve months; Overseeing the Company's risk management system and assessing the effectiveness of the systems and mechanisms for determining and monitoring the risks that threaten the Company..... Regularly reassessing the Company's ability to take risks and be exposed to such risks (through stress tests as an example); Preparing detailed reports on the exposure to risks and the recommended measures to manage such risks, and presenting them to the Board; Providing recommendations to the Board on matters related to risk management; Ensuring the availability of adequate resources and systems for risk management; Reviewing the organizational structure for risk management and providing recommendations regarding the same before approval by the Board; Verifying the independence of the risk management employees from activities that may expose the Company to risk; Ensuring that the risk management employees understand the risks threatening the Company and seeking to raise awareness of the culture of risk; and Reviewing any issues raised by the audit committee that may affect the Company's risk management. 	This clause has not been applied since it is for guiding purposes only, but it will be considered in the future.

Article No.	Paragraph No.	Text of Article / Paragraph	Reasons for non-Compliance
Article 69	0	<p>Meetings of the Risk Management Committee:</p> <p>The risk management committee shall convene periodically at least once every six months, and as may be necessary.</p>	This clause has not been applied since it is for guiding purposes only, but it will be considered in the future.
Article 82	Paragraph 1:3	<p>Employee Incentives:</p> <p>The Company shall establish programs for developing and encouraging the participation and performance of the Company's employees. The programs shall particularly include the following:</p> <ol style="list-style-type: none"> Forming committees or holding specialized workshops to hear the opinions of the Company's employees and discuss the issues and topics that are subject to important decisions; Establishing a scheme for granting Company shares or a percentage of the Company profits and pension programs for employees, and setting up an independent fund for such program; and Establishing social organizations for the benefit of the Company's employees. 	This clause has not been applied since it is for guiding purposes only, but it will be considered in the future.

Company's Compliance with Governance Regulations

The Company has been careful to adhere fully to the rules of corporate governance. The board has set up a corporate governance system for the company, in line with the provisions of the Corporate Governance Regulations issued by the CMA, dated 16/05/1438H, corresponding to 13/02/2017G. The system includes the rules and standards governing the management of the company and ensures the protection of the rights of the shareholders and stakeholders. The company, therefore, has approved its own governance regulations and policies through the board and the general assembly of shareholders, in accordance with the Companies Law and the CMA's regulations and instructions. Upon the issuance of the CMA's decision No. 3-57-2019, dated 15/09/1440H, corresponding to 20/05/2019G, amending some articles of the Corporate Governance Regulations, the company has updated its own corporate governance regulations to comply with the amended Corporate Governance Regulations.

Based on the above-mentioned, the board has established policies and procedures that ensure the company's compliance with the rules and regulations and commitment to the disclosure of the material information to the shareholders, creditors, and other stakeholders. In accordance with the Corporate Governance Regulations and the text of Article 94 of the Corporate Governance Regulations issued by the CMA, the company has complied with the all the paragraphs and clauses of the binding articles of the Governance Regulations as follows:

Rights of Shareholders and General Assembly

The Company has been keen to allow all shareholders to exercise their regulatory rights to obtain dividends or a share of the company's assets, in the event of liquidation. They have been allowed to attend shareholders' assemblies, participate in their deliberations, vote on their decisions, dispose of shares, monitor the work of the board, file liability lawsuits against board directors, and inquire and request information that does not harm the company or contravene with the capital market system and its implementing regulations.

Shareholders' access to information:

The Company makes all information fully accessible to all shareholders, without discrimination, in accordance with the policies of disclosure of major developments, financial data, and performance reports, in accordance with the legal requirements, applicable regulations, and instructions received from the competent authorities, to enable the shareholders to fully exercise their rights. Such information has always been complete, accurate, and regularly updated on the specified dates on the Saudi Stock Exchange's (Tadawul) website, the company's website, and daily newspapers.

Risk Management

The Company regards risk management as part and parcel of the activities and decision-making process. The company realizes the importance of the effective role of risk management in achieving its current and future success. The company is seeking to strike an acceptable balance between risks and profits, while striving to achieve its vision. Risk management is a vital part of the company's internal control functions and its governance arrangements. One of the benefits of risk management is that it has a logical, systematic method to contextualize, identify, analyze, evaluate, address, monitor, and report risks in a manner that allows the company to make appropriate decisions and respond in a timely manner to risks as they arise.



Policies and procedures related to disclosure and transparency:

Disclosure and transparency policies are part and parcel of the company's Corporate Governance Regulation. The board has established written policies and procedures regarding disclosure and transparency, which ensure fairness while providing the appropriate information at the appropriate time to investors to help them make investment decisions based on correct, complete information. Such policies also ensure that the information is not leaked to some investors while not reaching others. The company is committed to the policies and procedures established by the board, based on the relevant systems, the instructions received from the CMA, and the competent authorities, in order to enhance the level of disclosure and transparency.

Al Khaleej Training and Education Company posts the quarterly and annual financial results on the Saudi Stock Exchange's (Tadawul) website during the statutory periods of publication and on the company's website. The company also publishes all the information related to the statutory disclosures or major developments in a timely manner. The company is always working to enhance the level of disclosure through the nature, type, and timing of information disclosed, while continuing to enrich the company's website with all the information that might help all stakeholders acquaint with the company's activities and the developments of its works, to make successful investment decisions.

The following is a statement of the company's disclosures on the Saudi Stock Exchange's (Tadawul) website and the company's website in 2022G



- 18/01/2022G > Al Khaleej Training and Education Company announces the awarding and signing of a project contract with the Zakat, Tax and Customs Authority
- 29/03/2022G > Al Khaleej Training and Education Company announces the recommendation of the Board of Directors to the General Assembly of Shareholders not to distribute cash dividends to shareholders for the fiscal year 2021G
- 31/03/2022G > Al Khaleej Training and Education Company announces the annual financial results for the period ending on 31/12/2021G
- 06/04/2022G > Al-Khaleej Training and Education Company announces the latest developments regarding a memorandum of understanding (non-binding) signed with the owners of Al-Faisaliah National Schools Company Limited
- 08/05/2022G > Al-Khaleej Training and Education Company announces the death of the Chairman of the Board of Directors, Mr. Abdulaziz bin Hammad Nasser Al-Bleihad - may Allah have mercy on him
- 09/05/2022G > Al-Khaleej Training and Education Company announces the appointment of a Chairman of the Board of Directors and a Vice-Chairman of the Board
- 12/05/2022G > Al-Khaleej Training and Education Company invites its valued shareholders to participate and vote in the Extraordinary General Assembly meeting through modern technology means (the first meeting)
- 24/05/2022G > Al Khaleej Training and Education Company announces its interim financial results for the period ending on 31-03-2022G (Three Months)
- 07/06/2022G > Al-Khaleej Training and Education Company announces to its shareholders the start date of electronic voting on the items of the Extraordinary General Assembly meeting (the first meeting) by means of modern technology
- 15/06/2022G > Al-Khaleej Training and Education Company announces its intention to buy a number of its shares

- 15/06/2022G > Al Khaleej Training and Education Company announces the results of the Extraordinary General Assembly Meeting (Second Meeting)
- 03/07/2022G > Al-Khaleej Training and Education Company announces the signing of a memorandum of understanding with the owners of Al-Minhaj National Schools Company (a Saudi limited liability company)
- 05/07/2022G > Al-Khaleej Training and Education Company announces that it has signed a sale and purchase agreement to acquire 60% of the ownership shares of Al-Faisaliah National Schools Company
- 03/08/2022G > Al-Khaleej Training and Education Company announces the signing of a memorandum of understanding (non-binding) with Al-Awael Gulf Holding Company (a Saudi limited liability company) and Al-Awael National Schools Company Limited (a Saudi limited liability company)
- 23/08/2022G > Al Khaleej Training and Education Company announces its interim financial results for the period ending on 30/06/2022G (Six Months)
- 01/09/2022G > Al Khaleej Training and Education Company announced addendum announcement regarding the company's previous announcement of the Board of Directors' approval to separate one of its subsidiaries (call centers) as an independent subsidiary (closed joint stock company) owned 100%
- 25/10/2022G > Al-Khaleej Training and Education Company announces the latest developments regarding a memorandum of understanding (non-binding) signed with the owners of Al-Minhaj National Schools Company Limited
- 10/11/2022G > Al Khaleej Training and Education Company announces its interim financial results for the period ending on 30/09/2022G (Nine Months)
- 01/12/2022G > Al-Khaleej Training and Education Company announces the latest developments regarding a memorandum of understanding (non-binding) signed with Al-Awael Gulf Holding Company (a Saudi limited liability company) and Al-Awael National Schools Company Limited (a Saudi limited liability company)

02

Names of members of board directors, committees, and executive management and their current and previous positions, qualifications, and experience



1. Board Members



Mr. Abdulaziz bin Rashid Abdul Rahman Al-Rashed

Current position

- Chairman Al-khaleej Training & Education ,
- Board Chairman Al-Rashed & Sons Group

Previous position

- Member of the Board of Directors Banque Saudi Fransi

Qualifications

- Bachelor of Business Administration Warner Pacific University-USA

Experience

- 49 years of experience in investment management



Mr. Ahmed bin Ali Ahmed Al-Shadwi

Current position

- Chairman and CEO of Al-Falak Electronic Equipment and Supplies Company

Previous position

- Head of the Chamber of Commerce and Industry in Al-Baha

Qualifications

- Diploma in Presidential Senior Management Harvard University

Experience

- 49 years of experience in the field of information and communication systems and the establishment and management of companies



Dr. Ali bin Abdul-Khaleq Abdul Rahman Al-Qarni

Current position

- General manager For the Arab Bureau of Education for the Gulf States

Previous position

- General Supervisor of the Kingdom Private Schools Company and Secretary General of the Supreme Committee for Education Policy

Qualifications

- Ph.D. in Educational Psychology from the British University of Kent

Experience

- 49 years of experience in the field of education, educational development and educational research



Dr. Abdullah bin Saghir Muhammad Al-Husseini

Current position

- Dean of Student Affairs and Professor of Accounting and Auditing at Prince Sultan Al-Ahliyya University in Riyadh

Previous position

- Professor of Accounting and Auditing at Prince Sultan Private University, Riyadh

Qualifications

- Ph.D. in Financial Accounting and Auditing from the British University of Kent,

Experience

- 31 years of experience in the field of financial accounting, auditing, financial and tax consultancy



Mr. Abdul Malik bin Abdul Rahman Abdullah Al Sheikh

Current position

- Advisor

Previous position

- Senior advisor at the Saudi Monetary Agency

Qualifications

- Bachelor of Computer Engineering from King Saud University

Experience

- 31years of experience in software and network development, project management, and systems development for the Saudi Payment Systems Network



Mr. Abdullah bin Muhammad Suleiman Jibreen

Current position

- CEO ABANA Group for Projects

Previous position

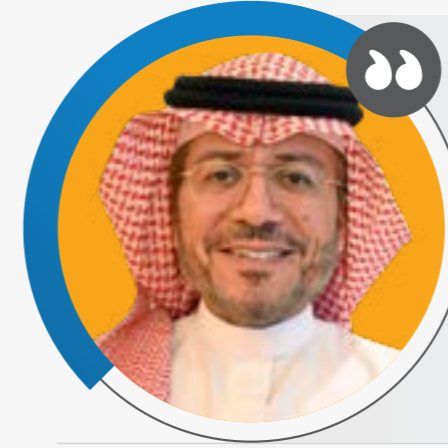
- Manager in the private office of the governor of the Riyadh region

Qualifications

- MBA in business administration from the University of White worth, USA

Experience

- 37 years of experience in business administration



Eng. Al-Walid bin Abdul Razzaq Aldryaan

Current position

- CEO and Managing Director of the Board Al Khaleej Training and Education

Previous position

- Manager at Alkhaleej Computer and Electronic Equipment Company

Qualifications

- Masters of electrical engineering Wisconsin University-USA

Experience

- 38 years of experience in the field of business administration, training, education, and IT

2. Members of committees

Nominations & Remuneration Committee

S/N	Name of Member	Current position	Previous position	Qualifications	Experience
1	Mr. Abdul Malik bin Abdul Rahman Abdullah Al Sheikh	<ul style="list-style-type: none"> Advisor 	<ul style="list-style-type: none"> Senior advisor at the Saudi Monetary Agency 	<ul style="list-style-type: none"> Bachelor of Computer Engineering King Saud University 	<ul style="list-style-type: none"> 31 years of experience in software and network development, project management, and systems development for the Saudi Payment Systems Network
2	Mr. Abdulaziz bin Rashid Abdul Rahman Al-Rashed	<ul style="list-style-type: none"> Board Chairman of AlKhaleej Training and Education Company Board Chairman Al-Rashed & Sons Group 	<ul style="list-style-type: none"> Member of the Board of Directors Banque Saudi Fransi 	<ul style="list-style-type: none"> Bachelor of Business Administration Warner Pacific University-USA 	<ul style="list-style-type: none"> 49 years of experience in investment management
3	Mr. Abdullah bin Muhammad Suleiman Jibreen	<ul style="list-style-type: none"> CEO ABANA Group for Projects 	<ul style="list-style-type: none"> Manager at the private office of the Governor of the Riyadh region 	<ul style="list-style-type: none"> MBA of business administration from the University of White worth, USA 	<ul style="list-style-type: none"> 37 years of experience in business administration

Governance & Social Responsibility Committee

S/N	Name of Member	Current position	Previous position	Qualifications	Experience
1	Dr. Ali bin Abdul-Khaleq Abdul Rahman Al-Qarni	<ul style="list-style-type: none"> general manager For the Arab Bureau of Education for the Gulf States 	<ul style="list-style-type: none"> General Supervisor of the Kingdom Private Schools Company and Secretary General of the Supreme Committee for Education Policy 	<ul style="list-style-type: none"> Ph.D. in Educational Psychology from the University of Wisconsin, USA 	<ul style="list-style-type: none"> 49 years of experience in the field of education, educational development and educational research
2	Mr. / Abdulaziz bin Rashid Abdul Rahman Al-Rashed	<ul style="list-style-type: none"> Board Chairman of AlKhaleej Training and Education Company Board Chairman Al-Rashed & Sons Group 	<ul style="list-style-type: none"> Member of the Board of Directors Banque Saudi Fransi 	<ul style="list-style-type: none"> Bachelor of Business Administration Warner Pacific University-USA 	<ul style="list-style-type: none"> 49 years of experience in investment management
3	Dr. Abdullah bin Saghir Muhammad Al-Husseini	<ul style="list-style-type: none"> Dean of Student Affairs and Professor of Accounting and Auditing at Prince Sultan private University in Riyadh 	<ul style="list-style-type: none"> Professor of Accounting and Auditing at Prince Sultan Private University, Riyadh 	<ul style="list-style-type: none"> Ph.D. in Financial Accounting and Auditing from the University of Kent, UK 	<ul style="list-style-type: none"> 31 years of experience in the field of financial accounting, auditing, financial and tax consultancy

Audit Committee

S/N	Name of Member	Current position	Previous position	Qualifications	Experience
1	Dr. Abdullah bin Saghir Muhammad Al-Husseini	<ul style="list-style-type: none"> Dean of Student Affairs and Professor of Accounting and Auditing at Prince Sultan Private University in Riyadh 	<ul style="list-style-type: none"> Professor of Accounting and Auditing at Prince Sultan Private University, Riyadh 	<ul style="list-style-type: none"> PhD in Financial Accounting and Auditing from the University of Kent, UK 	<ul style="list-style-type: none"> 31 years of experience in the field of financial accounting, auditing, financial and tax consultancy
2	Mr. / Ahmed bin Ali Ahmed Al-Shadwi	<ul style="list-style-type: none"> President and CEO Al-Falak Electronic Equipment and Supplies Company 	<ul style="list-style-type: none"> President of the Chamber of Commerce and Industry in Al-Baha 	<ul style="list-style-type: none"> Diploma in Presidential Senior Management from Harvard University 	<ul style="list-style-type: none"> 49 years of experience in the field of information and communication systems and the establishment and management of companies
3	Mr. Omar bin Abdulaziz Hammad Al-Blaihed	<ul style="list-style-type: none"> CEO of Jura Holding Company 	<ul style="list-style-type: none"> Corporate Finance Assistant at the Saudi Hollandi (Alawwal Bank) Bank 	<ul style="list-style-type: none"> Bachelor's degree in Finance from King Fahd University of Petroleum Minerals 	<ul style="list-style-type: none"> 16 years of experience in business administration, finance and finance
4	Mr./ Lotfi Qassem Ahmed Shehadeh	<ul style="list-style-type: none"> Audit Manager. Audit and financial consulting 	<ul style="list-style-type: none"> Audit manager Auditing and financial consulting 	<ul style="list-style-type: none"> Bachelor of accounting and business administration 	<ul style="list-style-type: none"> 49 years of experience in the field of financial accounting and auditing

3. Executive management

S/N	Name of Member	Current position	Previous position	Qualifications	Experience
1	Eng./ Al-Walid bin Abdul-Razzaq Aldryaan	<ul style="list-style-type: none"> Managing Director Of the Board Al Khaleej Training and Education 	<ul style="list-style-type: none"> Manager Al-Khaleej Computer and Electronic Systems 	<ul style="list-style-type: none"> Master of Electrical Engineering Wisconsin University - USA 	<ul style="list-style-type: none"> 38 years of experience in the field of business administration, training, education and IT.
2	Dr./ Hatem bin Abdul-Razzaq Aldryaan	<ul style="list-style-type: none"> Deputy CEO 	<ul style="list-style-type: none"> Senior Vice President training sector 	<ul style="list-style-type: none"> Ph.D. in Business Administration 	<ul style="list-style-type: none"> 35 years of experience in the field of training and technology.
3	Dr./ khalid bin Saeed Jaari Al-Ghamdi	<ul style="list-style-type: none"> Senior Vice President Education sector 	<ul style="list-style-type: none"> General Manager National and foreign education Ministry of Education 	<ul style="list-style-type: none"> Ph.D. in educational administration 	<ul style="list-style-type: none"> 34 years of experience in the field of national, foreign and university education
4	Mr./ Ismail Ahmed Al-Hussein	<ul style="list-style-type: none"> Senior Vice President Training Sector 	<ul style="list-style-type: none"> Vice President Training Sector 	<ul style="list-style-type: none"> Bachelor of Computing 	<ul style="list-style-type: none"> 25 years of experience in the field training
5	Mr./ Sherif Esmat Abdel-Samee Hussein	<ul style="list-style-type: none"> CFO 	<ul style="list-style-type: none"> Chief Financial Officer for Eid Medical Company 	<ul style="list-style-type: none"> Bachelor of Commerce Accounting major 	<ul style="list-style-type: none"> 31 years of experience in the field financial accounting and auditing

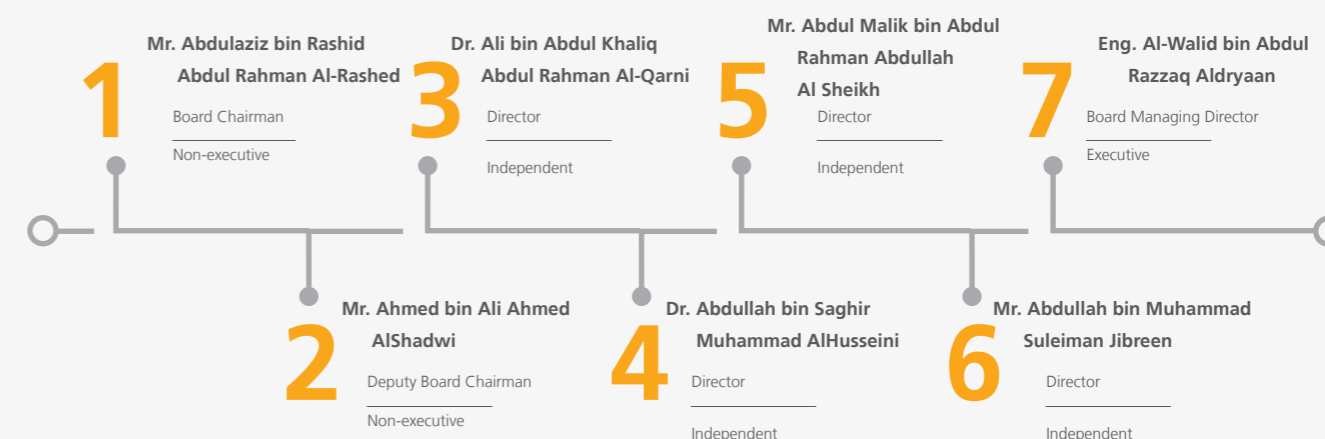
03

Names of companies inside or outside the KSA, in which a director or a manager of the company are members of their board, currently or previously

S/N	Name of member	Names of companies in which a director is a current board member or a manager	Inside/ outside KSA	Legal entity	Names of companies in which a director is a current board member or a manager	Inside/ outside KSA	Legal entity
1	Mr. Abdulaziz bin Rashid Abdul Rahman Al-Rashed	AL-ENAYAH MEDICAL EST for TRADE	Inside	Not listed	Al-Khaleej Computers and Electronic Systems	Inside	Listed
		Al-Falak Electronic Equipment and Supplies Company	Inside	Not listed	Alshifa Medical Syringe Manufacturing Company	Inside	Not listed
2	Mr. Ahmed bin Ali Ahmed AlShadwi	Al-Falak Electronic Equipment and Supplies Company	Inside	Not listed	Al-Khaleej Computers and Electronic Systems	Inside	Not listed
		AlFalak Manpower Services Company	Inside	Not listed			
		AL-ENAYAH MEDICAL EST for TRADE	Inside	Not listed	Manpower Services Company	Inside	L.L.C
		Saudi Consolidated Contracting Company (SCCC)	Inside	Not listed	Gulf Union Cooperative Insurance Company.	Inside	Listed
		Dhahran Emaar Company	Inside	Not listed			
Al-Baha Development Company	Inside	Not listed					
3	Dr. Ali bin Abdul Khaliq Abdul Rahman Al-Qarni	N/A	--	--	N/A	-	-
4	Dr. Abdullah bin Saghir Muhammad AlHusseini	Al-Babtain Power and Telecom Company	Inside	Listed	N/A	-	-
		Allianz Saudi Fransi Insurance Company	Inside	Listed			
		Prince Sultan University	Inside	Ahlia University			
5	Mr. Abdul Malik bin Abdul Rahman Abdullah Al Sheikh	N/A	-	-	N/A	-	-
6	Mr. Abdullah bin Muhammad Suleiman Jibreen	Abana Group Company for Projects	Inside	Not listed	N/A	-	-
		Wassum Investment Company	Inside	L.L.C			
		Al-Ard Company for Investment and Real Estate Development	Inside	Not listed			
7	Eng. Al-Walid bin Abdul Razzaq Aldryaan	Arabian Cement Company	Inside	Listed	N/A	-	-
		Allianz Saudi Fransi Insurance Company	Inside	Listed			
		Malaz Capital Company	Inside	Not listed			
		Al-Enaya Medical EST for Trade	Inside	Not listed			
		Saudi Telecom Services Company	Inside	L.L.C			

04

Board's composition and classification of directors:



05

Procedures & Actions taken by the Board to inform its members (especially the non-executives) of the shareholders' proposals and comments regarding the company and its performance

The board of directors has not received any remarks from the shareholders regarding the company and its performance. The board always makes sure that the majority of the directors, especially non-executives, attend the general assembly meetings to listen to the shareholders' questions, inquiries, and recommendations regarding the company and its performance, respond to them, and document them in the minutes of the assemblies.

06

**Brief description
of the Main Board
Committees' Functions
& responsibilities**



First | Nomination and Remuneration Committee

Brief description of the competencies and tasks of the committee:

1. Proposing clear policies and criteria for membership in the Board of Directors and the Executive Management.
2. Recommending the Board of Directors to nominate and re-nominate members in accordance with the approved policies and standards, taking into account not to nominate any person previously convicted of a breach of trust.
3. Preparing a description of the capabilities and qualifications required for membership of the Board of Directors and occupying executive management positions.
4. Annually reviewing of the necessary needs for skills or appropriate expertise for membership of the Board of Directors and executive management functions.
5. Reviewing the structure of the Board of Directors and the Executive Management and make recommendations regarding changes that can be made.
6. Establishing special procedures in the event of a vacancy in the position of a member of the Board of Directors or senior executives.
7. Determining the weaknesses and strengths in the Board of Directors, and proposing solutions to address them in line with the company's interest.
8. Preparing a clear policy for the remuneration of the members of the Board of Directors and the committees emanating from the Board and the executive management, and submitting it to the Board of Directors for consideration in preparation for its approval by the General Assembly.
9. Clarifying the relationship between the rewards granted and the applicable rewards policy, and indicate any material deviation from this policy.
10. Periodically reviewing the rewards policy, and evaluating its effectiveness in achieving its intended goals.
11. Recommending to the board of directors the remuneration of the members of the Board of Directors, its committees and senior executives of the company in accordance with the approved policy.

S/N	Names of Nomination and Remuneration Committee members	Type of membership	Number of meetings, their dates, and attendance record		
			By presence		Decisions by passing
			First	Second	
			28/03/2022	28/09/2022	
1	Mr. Abdul Malik bin Abdul Rahman Abdullah Al Sheikh	Committee Chairman	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	0
2	Mr. Abdulaziz bin Rashid Abdul Rahman Al-Rashed	Member	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	0
3	Mr. Abdullah bin Muhammad Suleiman Jibreen	Member	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	0

Attended in person
 Attended by delegating another board director
 Attended by phone/means of modern technology
 Did not attend
 Passed decisions

Second | Governance and Social Responsibility Committee

Brief description of the competencies and tasks of the committee:

1. Ensuring the company's implementation and compliance with the corporate governance instructions issued by the Capital Markets Authority, and verifying the company's compliance with the rules, regulations and laws issued by the Ministry of Commerce and the Capital Market Authority.
2. Monitor the effective implementation of the Information Disclosure Framework. In addition to the process of monitoring the procedures followed in cases of conflict of interest and transactions with related parties.
3. Coordination with the company's corporate governance officer to make an annual evaluation of the Board of Directors and its committees, and to ensure annually the independence of the independent members and the absence of any conflict of interest
4. Developing the foundations and criteria of social contribution and developing programs that contribute to deepening the sense of the company's social responsibility, and proposing and adopting programs that serve the community and the company's employees.
5. Activating the company's role in adopting social responsibility policies, initiatives and programs towards its shareholders, customers, suppliers, the environment and society as a whole in order to support and enhance the company's reputation.
6. Supervising the supported programs, and evaluating the effectiveness and seriousness of those programs and the working team involved.
7. Recommend to continue or stop the support after the end of the program.
8. Submitting recommendations to the company's board of directors regarding the company's annual social contribution budget.
9. Disclosing plans to achieve social responsibility in periodic reports related to the company's activities.
10. Study the issues referred to the committee by the board of directors and take appropriate decisions in respect of them if the board delegates them to do so.

S/N	Names of Governance and Social Responsibility Committee members	Type of membership	Number of meetings, their dates, and attendance record		
			An presence		Passed decisions
			First	Second	
			28/03/2022	28/09/2022	
1	Dr. Ali bin Abdul Khaliq Abdul Rahman Al-Qarni	Committee Chairman	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	0
2	Mr. / Abdulaziz bin Rashid Abdul Rahman Al-Rashed	Member	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	0
3	Dr. Abdullah bin Saghir Muhammad Al-Husseini	Member	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	0

Attended in person
 Attended by delegating another board director
 Attended by phone/means of modern technology
 Did not attend
 Passed decisions

Third | Audit Committee

Brief description of the competencies and tasks of the committee:

1. Supervising the Internal Audit Department of the company.
2. Reviewing the internal control system and submitting a written report reflecting the committee’s opinion and recommendations.
3. Reviewing the internal audit reports.
4. Following up on the works of the chartered accountants.
5. Reviewing the audit plan with the chartered accountant.
6. Reviewing the adopted accounting policies and submitting the committee’s opinion and recommendations regarding them.
7. Reviewing the interim and annual financial statements before submitting them to the board of directors and submitting the committee’s opinion and recommendation regarding them.
8. Reviewing the remarks of the chartered accountant regarding the financial statements and following up on what has been done about them.

S/N	Names of Audit Committee members	Type of membership	Number of meetings, their dates, and attendance record							Passed decisions
			First	Second	Third	Fourth	Fifth	Sixth		
			14/02/2022G	28/03/2022G	22/05/2022G	06/07/2022G	22/08/2022G	09/11/2022G	30/03/2022G	
1	Dr. Abdullah bin Saghir Muhammad Al-Husseini	Committee Chairman	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
2	Mr. / Ahmed bin Ali Ahmed AlShadwi	Member	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
3	Mr./ Lotfi Qassem Ahmed Shehadeh	Member	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
4	M./ Omar bin Abdulaziz Hammad Al-Blaihed	Member	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

Attended in person
 Attended by delegating another board director
 Attended by phone/means of modern technology
 Did not attend
 Passed decisions



07

Methods used by the board of directors to evaluate its performance, the performance of its committees , directors and the third party that carried out the evaluation.

Completely not applicable. The process of evaluating the performance of the board of directors, its committees, and directors is carried out according to the evaluation form proposed by the Nomination and Remuneration Committee and approved by the board of directors of the company. The form came into effect starting from 2018G. The directors of the board take part in the evaluation process by expressing their opinions on the performance of the board and its committees. The results are then analyzed by the Governance Department, under the supervision of the Nomination and Remuneration Committee. The evaluation results are submitted to the board of directors for perusal. No third party has been hired for the evaluation process up to this moment.

Disclosure of the remunerations of board directors and senior executives for the year 2022G

- a. The remunerations of the board directors and executive management of the company are defined based on the policies of remuneration for the board, its committees, and executive management approved by the general assembly of shareholders on 22/11/2017G. The policies have been set up in accordance with the provisions of the Companies Regulations, CMA Regulations, and the company's articles of association. The remuneration policies take into account being fair and proportionate to the competencies, works, and responsibilities of the directors. The remuneration policies also consider the company's activity, size, and the required skills to manage it and the experience of the directors. The remunerations are also consistent with the company's strategy and objectives and are reasonably sufficient to attract, motivate, and retain board directors with appropriate competence and experience. The remunerations are also offered with the purpose of encouraging the board directors and the executive management to make the company successful and develop it on the long run, taking into consideration the practices of other companies and the prevalent practices in the labor market in defining the remunerations.
- b. Disclosure regarding the remunerations of the board directors and executive management is made accurately, transparently, and in details, directly or indirectly, without cover up or deception. This includes sums, benefits, or advantages, whatever their nature or name is. According to the text of Article 21 of the articles of association of the company, the board report to the ordinary general assembly should include a comprehensive statement of all remunerations, expenses, allowances, and other benefits the board directors obtain during the fiscal year and any other benefits, regardless of their nature.
- c. The remunerations of the board directors and executive management are defined according to the applicable remuneration policies of the company, to ensure that there is no material deviation from the terms and conditions of annual entitlements stipulated in those policies while defining such remunerations. The Board defines the remunerations of the directors based on the recommendation of the Nomination and Remuneration Committee, which takes into account while defining the remuneration, all regulations and circulars issued by the competent authorities in this regard, in a manner that does not contravene with the applicable remuneration policies of the company. Such recommendation is subject to the approval of the general assembly of shareholders.
- d. All details of remunerations and compensations paid to each of the members of the board of directors, five senior executives and members of the committees during the fiscal year ending on 31/12/2022G, are indicated in the following tables.

The following tables detail all the remunerations disbursed to: Directors of the board-Senior executives - Members of the committees



First | Board directors' remunerations

Members Names	Fixed Remuneration						Variable Remuneration						End of Service	Grand Total	Expense Allowance
	Annual Remuneration(Specific Amount)	Board session attendance allowance	Total allowance for attending committee sessions	In-Kind Benefits	Remuneration for Technical, Managerial, and Consulting work	Remuneration of the chairman, managing director or secretary if he is a member	Total	Periodic remuneration	Periodic remuneration	Short incentive plan	Long incentive plan	granted shares (Enter amount)			

Independent Directors Names

Name	SAR'000	SAR'000					SAR'000							SAR'000	SAR'000
Dr. Ali Abdul Khaliq Abdul Rahman Al-Qarni	100	6	-	-	-	-	106	-	-	-	-	-	-	106	
Dr. Abdullah Saghir Muhammad AlHusseini	100	12	--	-	-	-	112	-	-	-	-	-	-	112	
Mr. Abdul Malik bin Abdul Rahman Abdullah Al Sheikh	100	12	-	-	-	-	112	-	-	-	-	-	-	112	
Mr. Abdullah bin Muhammad Suleiman Jibreen	100	12	-	-	-	-	112	-	-	-	-	-	-	112	
Total	400	42					442							442	

Non-Executive Directors Names

Name	SAR'000	SAR'000					SAR'000							SAR'000	SAR'000
Mr. Abdulaziz bin Rashid Abdul Rahman Al-Rashed	200	12	-	-	-	-	212	-	-	-	-	-	-	212	
Mr. Ahmed bin Ali Ahmed AlShadwi	100	9	-	-	-	-	109	-	-	-	-	-	-	109	
Total	300	21					321							321	

Executive Directors Names

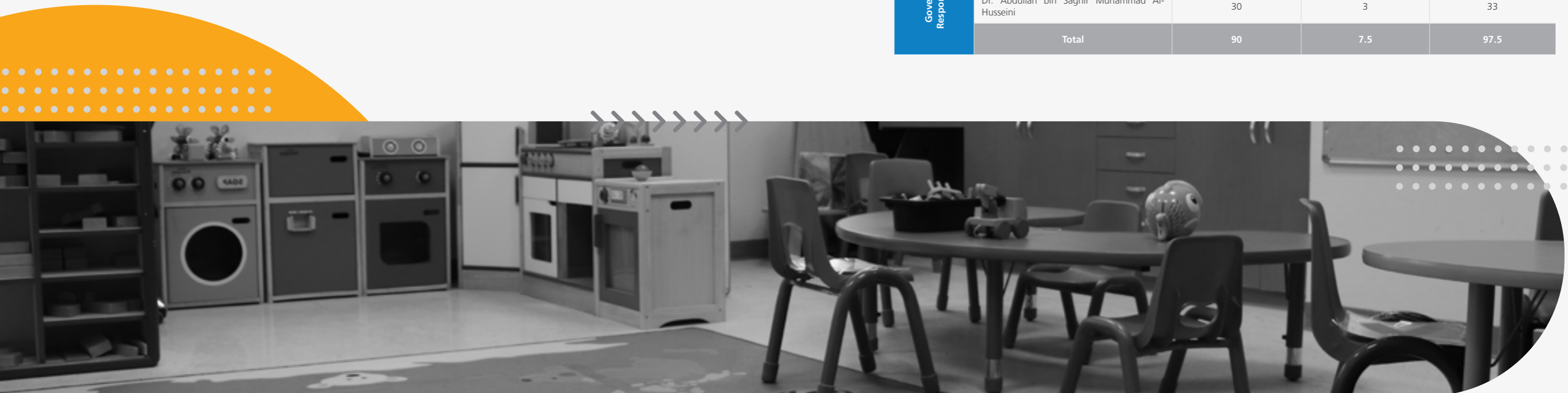
Name	SAR'000	SAR'000					SAR'000							SAR'000	SAR'000
Eng. Al-Walid bin Abdul Razzaq Aldryaan	100	12	-	-	-	-	112	-	-	-	-	-	-	112	
Total	100	12					112							112	

Second | Senior executives' remunerations

Senior Executives Jobs	Fixed Remuneration				Variable Remuneration						End of Service	Total executive remuneration for the board, if any	Grand Total
	Salaries	Allowances	In-Kind Benefits	Total	Periodic Remunerations	Profits	Short Term Incentive Plans	Long Term Incentive Plans	Granted Shares (enter amount)	Total			
Name	SAR'000	SAR'000		SAR'000	SAR'000								SAR'000
Senior Executives	5400	1462	-	6862	-	1081	-	-	-	-	-	-	7943
Total	5400	1462	-	6862	-	1081	-	-	-	-	-	-	7943

Third | Committee members' remunerations

Committee	Name of members	Fixed remunerations (Excluding allowance for attending board meetings)	Attending board meeting allowance	Total
	Name	Thousand Riyals	Thousand Riyals	Thousand Riyals
Members of Audit Committee	Dr. Abdullah bin Saghir Muhammad Al-Husseini	60	9	69
	Mr. Ahmed bin Ali Ahmed Al-Shadwi	60	9	69
	Mr. Omar bin Abdulaziz Hammad Al-Blaihed	30	9	39
	Mr. Lotfi Qassem Ahmed Shehadeh	70	18	88
	Total	220	45	265
Nomination and Remuneration Committee members	Name	Thousand Riyals	Thousand Riyals	Thousand Riyals
	Mr. Abdul Malik bin Abdul Rahman Abdullah Al Sheikh	30	3	33
	Mr. Abdulaziz bin Rashid Abdul Rahman Al-Rashed	30	3	33
	Mr. Abdullah bin Muhammad Suleiman Jibreen	30	3	33
Total	90	9	99	
Governance and Social Responsibility Committee	Name	Thousand Riyals	Thousand Riyals	Thousand Riyals
	Dr. Ali bin Abdul-Khaleq Abdul Rahman Al-Qarni	30	1.5	31.5
	Mr. Abdulaziz bin Rashid Abdul Rahman Al-Rashed	30	3	33
	Dr. Abdullah bin Saghir Muhammad Al-Husseini	30	3	33
Total	90	7.5	97.5	



09

Penalties and fines imposed on the company

There is no penalty, sanction, precautionary measure or precautionary restriction imposed on the company by the Authority or by any other supervisory, regulatory or judicial authority.

10

Results of the annual review of the effectiveness of the internal control procedures of the company and opinion of the Audit Committee on the efficiency of the internal control system

Due to the importance of internal control procedures of the company, the board validates their effectiveness and efficiency on annual basis through reviewing them by the Audit Committee. The review includes an assessment of the efficiency and effectiveness of all policies, practices, and procedures of all the company's departments and the effectiveness of governance, risk management, and internal control, which enables the company to achieve its objectives and protect its assets.

The Audit Committee also looks into the effectiveness of the internal control procedures by reviewing the work of the external auditor of the company and internal auditing works of the company, concluding relevant recommendations to enhance them, and submitting such recommendations periodically to the board to ensure the efficiency and effectiveness of the internal control system in general.

The board stresses after conducting the annual review of the effectiveness of the internal control system of the company that there are no material results that have a major impact regarding the soundness of the financial and accounting systems and internal control related to the preparation of financial statements that need to be disclosed.

The Audit Committee also believes that the internal control procedures applied in the company during the fiscal year 2022G has been highly effective and efficient. The committee further believes that in light of its work, it has no material remarks and has not found any deficiency in the procedures of internal control that needs to be highlighted or disclosed.



11

The committee's recommendation regarding the appointment of an internal auditor in the company.

There is no recommendation from the Audit Committee to this effect since there is an internal auditor in the company already.

12

Recommendations of the Audit Committee contravening with the resolutions of the Board, or which the board has refused to consider regarding the appointment and dismissal of an internal auditor in the company, defining the fees, and assessment of performance thereof, or the appointment of an internal auditor, the reasons for such recommendations, and the reasons for not considering them.

There is no contradiction or rejection between the recommendations of the Audit Committee and the decisions of the Board of Directors.

13

Details of the company's social contributions.

The company believes in the importance of social contributions and providing help in the process of social development. The company adopts a social mission that aims at enriching its contributions to community services because it realizes that the community has rights over its members, whether individuals or companies. An annual budget has been allocated for social responsibility and a strategic plan has been devised to define the social responsibility programs that help in developing the community and are consistent with the vision and goals of the company and its activities. Social responsibility programs that the company has been interested in supporting during the upcoming phase include special education programs for schools, such as autism and learning difficulties, training programs for people with minor disabilities, and training programs for those who have social security. The company continues its efforts in adopting and implementing many community service programs that are consistent with its mission and values and reflects its absolute commitment to improving the social and living conditions of needy groups and providing their needs.

Stemming from the company's belief in the importance of community contributions and its adoption of many community service programs that are consistent with the company's mission, values and 2030G Vision, the company has participated during 2022G in many community contributions, including, but not limited to:

1. Contribution and continuous financial and in-kind support to many charitable and civic associations and institutions that adopt the poor, orphans and people with special needs to rehabilitate them and ensure their right to education.
2. Providing several free training programs for the company's employees to develop them, raise their efficiency and skills, and provide a safe and stable work environment for them to provide for job stability and achieve justice, equal opportunities, and to facilitate provision of the company's products and services to employees and their children.
3. The community contribution through the company's training sector by conducting free training courses in many fields to the children of charitable associations and institutions across the Kingdom.
4. Diverse and effective community contributions of the school sector for male and female students in all Rowad Al-Khaleej schools in the Kingdom in all community forums and in partnerships with charitable and private societies, in addition to teaching the Holy Qur'an to male and female students at schools for free.

14 A statement of the dates of the shareholders general assemblies held during the last fiscal year and names of directors attending them.

During the fiscal year 2022, the Board of Directors held one (1) extraordinary general assembly of shareholders, as follows:

S/N	Names of Board Directors	Type of assembly	Extraordinary General Assembly
		Date of assembly	14/06/2022G
Attendance Record			
1	Mr. / Abdulaziz bin Rashid Abdul Rahman Al-Rashed	<input checked="" type="checkbox"/>	
2	Mr. / Ahmed bin Ali Ahmed Al-Shadwi	<input checked="" type="checkbox"/>	
3	Dr. Ali bin Abdul-Khaleq Abdul Rahman Al-Qarni	<input type="checkbox"/>	
4	Dr. Abdullah bin Saghir Muhammad Al-Husseini	<input checked="" type="checkbox"/>	
5	Mr. Abdul Malik bin Abdul Rahman Abdullah Al Sheikh	<input checked="" type="checkbox"/>	
6	Mr. Abdullah bin Muhammad Suleiman Jibreen	<input checked="" type="checkbox"/>	
7	Eng. Al-Walid bin Abdul Razzaq Aldryaan		

Attended in person Attended by delegating another board director Did not attend



15

A description of the company's main types of activities and subsidiaries

The company exercises its main activities through several segments, i.e., training segment, education segment, and the call center segment



The first activity | Training Segment

The training segment is divided into:

- Project management (university, governmental and semi-governmental).
- Managing training centers for individuals and companies.

First | Project management (university, governmental and semi-governmental)

This segment includes projects (university, governmental and semi-governmental) that are submitted through government competitions and tenders.

With regard to university projects, we work within six universities for the preparatory year through seven contracts during the year 2022G, the number of their employees is about a thousand, and they are constantly increasing, Allah willing, and work in these projects is focused on providing academic staff for the preparatory years according to standards and scientific foundations set by universities, and the company manages the human resources for the universities.

With regard to governmental and semi-governmental projects, the segment continued during the year 2022G to implement several projects with ministries and government institutions, focusing on information technology projects. There was a decrease in the income of this section compared to 2021G due to the nature of tenders and competition.

Second: Managing training centers for individuals and companies

- The year 2022G witnessed many challenges in the individual segment, the most important of which was that the full return of the permitted numbers inside the halls took place in the middle of the year, which negatively affected the results of the segment.
- The company (training segment) has put in place the necessary plans for all training centers in various cities to return to what they were before the pandemic.
- The other part of the training segment is the training contracts for companies and government agencies, which depend on tenders and bids that are offered, and in this regard, performance continued at a similar good level as in 2021G.
- In order to increase income in the segment, the company applied for the necessary licenses to provide training for various long and short programs through integrated training, which includes distance training.



The second activity | Education Segment

Schools and Kindergartens:

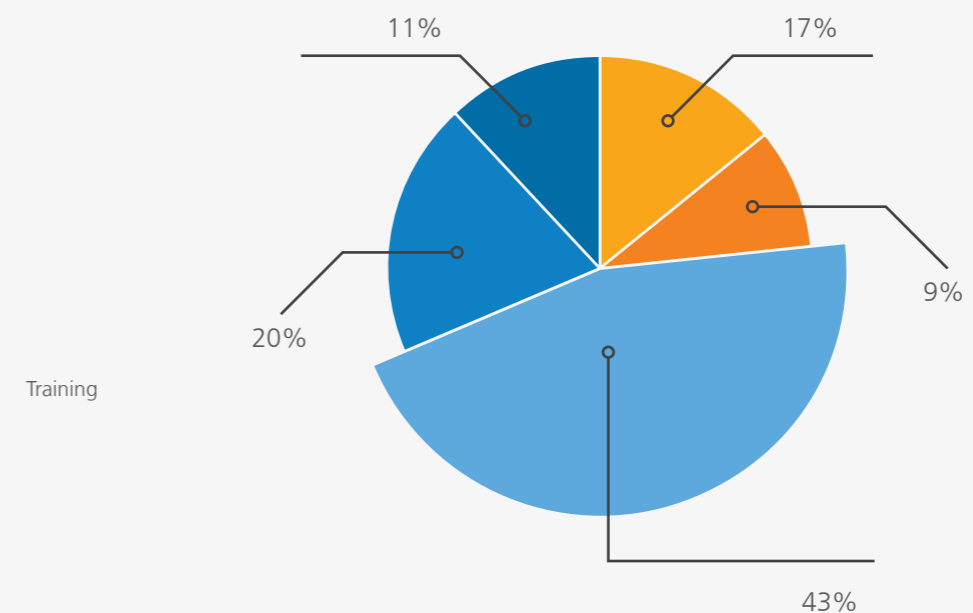
- Dammam schools operate with a capacity of 90% and have been expanded to reach about 2,000 students. This property was sold to the Al-Rajhi REIT Fund and leased back.
- Riyadh Schools, Al Mugharazat District, opened in September 2017G, with a capacity of 3,500 students. This property was sold to Al-Rajhi REIT Fund and leased back.
- Schools in Jeddah that were opened in early September 2018G, with a capacity of 2,500 students.
- The company has an independent kindergarten in Riyadh, and this property was sold to Al-Rajhi REIT Fund and leased back. Another independent kindergarten building was rehabilitated in the city of Dhahran and was commissioned in September 2016G.
- A school was received in the Hittin district of Riyadh and started operating in September 2021G.
- The contractor will complete the construction works at Al-Khobar School, which is an educational complex with a capacity of 2,500 male and female students. The educational complex is expected to be operational in September 2023G.
- A government land with an area of 19,712 was leased in Al-Jazirah district in Riyadh for a period of 28 years, at an amount of 700,000 riyals annually, and construction permit procedures were started. The educational complex is expected to be operational in September 2024G.
- The company has leased Rowad Al-Khaleej Private Schools for a period of 20 years, and it has 500 students and a capacity of 700 students.
- The procedures for acquiring 60% of Al-Roqi private schools in Al-Suwaidi neighborhood in Riyadh have been completed, with a value of (12,817,128) Saudi riyals,
- The acquisition of 60% of Al-Faisaliah Private Schools in the city of Jeddah was completed, at a value of (60,000,000) sixty million riyals.
- Procedures are currently under way to acquire a majority stake in Al-Minhaj Private Schools and Al-Awael Private Schools, both of which are in Riyadh.
- The company is currently suspended from finalizing the necessary licenses to build schools in King Abdullah Economic City in Rabigh, with a capacity of 2000 students, until the vision becomes clear about King Abdullah Economic City.
- The number of students reached during the year 2022G, with the schools of which the acquisition was completed, to 9000 students

The third activity | Call Centers Segment

- This segment has grown remarkably over the past years, thanks to Allah and then thanks to the efforts of the work team, which was able during the past period and since the company's inception to have a distinct strategy and an integrated understanding of the needs of the labor market, taking advantage of the distinction of its human experiences, which helped in the company's acquisition of most of the market share culminated in contracting with many government and private agencies. This department works to provide trained and qualified Saudi cadres to play different roles according to the contractual need, which falls within the work of outsourcing and operating on behalf by carrying out the work either at the client's headquarters or within the company's facilities. The company is distinguished by its state-of-the-art technical equipment, which is constantly updated to ensure the provision of all the latest technologies in terms of customer services and customer experience.
- Smart Link services include providing solutions and support services for business on behalf and operation by providing human cadres in various disciplines (information technology, sales and marketing, various departments, customer services and call centers)
- Smart Link provides comprehensive solutions for integrated call center services (including call center in-house services or out-source services on behalf of the client), and solutions for establishing, supplying, installing, operating, managing, monitoring and controlling the performance of call centers for technical support, assistance and modern customer services according to the latest international standards and modern technologies.
- The total capacity of Smart Link operations headquarters is 3,800 customer service representative seats supported by cadres of team leaders, supervisors and support business units to keep pace with the rapid growth in the size of the company's projects and operations, which enables Smart Link to operate various projects with a total call exchange volume of more than 400,000 calls per day within various operations segments.
- Smart Link operations headquarters are distributed in the main cities (Riyadh, Jeddah) in addition to an additional regional location in the Arab Republic of Egypt – Cairo.
- In August 2022G, Al-Khaleej Training and Education Company separated the call center segment (Smart Link) into an independent company named (Advanced Communications Systems and Solutions Company) in preparation for offering it in the parallel market after obtaining the necessary licenses for that from the regulatory and licensing authorities.
- In the last quarter of the year 2022G, the company made a complete modernization of the technical infrastructure of the segment in order to be a safe environment and provide various services to its customers in an efficient and quality manner, keeping pace with the latest requirements of call centers.



Activity Revenues



Universities Training Call Centers Schools Management Projects

Impact of those main activities on the size of the company's business and contribution to the results are as follows:


No.	Type of activity	Activity Revenues	Percentage %
		Thousands of Saudi Riyals	
1	Management Projects	98,435	11%
2	Training	80,394	9%
3	Call Centers (Smart Link)	374,658	43%
4	Universities	148,084	17%
5	Schools	179,324	20%
	Total	880,895	%100

01


Description of the Main Activities of Subsidiaries:

First activity >  Computers

02

Second activity >  English Language

03

Third activity >  Administrative Training

Impact of those main activities of the subsidiaries on the size of the company's business and contribution to the results are as follows:

No.	Type of activity	Activity Revenues	Percentage %
		Thousands of Saudi Riyals	
1	Computers	6,290	1%
2	English Language	6,010	1%
3	Administrative Training	51,268	6%
	Total	63,568	%8

16 Company's important Plans and Decisions, and Business Prospects

First | In the Training Segment

- As for university projects and governmental and semi-governmental projects, they continue to focus on competitive factors to win bids and increase income.
- With regard to training centers for individuals, the focus is on programs that qualify for employment, which were determined by Vision 2030G, and work with licensing and supporting agencies to provide this in all training centers for individuals in various cities of the Kingdom.

The growth in the training segment with its different sections is expected in 2023G by (10%)

Second | In the Education Segment

In order for the company to fulfill its expansion plans in the education segment, it was decided to do so through: -

1. Continuing the policy of acquiring majority stakes in existing schools that achieve operating profits and have appropriate expansion plans.
2. Continuing to activate distance education to benefit from it in providing additional lessons and during times when studies are interrupted due to weather conditions.

It is expected that the number of students will grow during the year 2023G to 14,000 students.

Third | In the Call Centers Segment

In order for the company to fulfill its expansion plans in the telecommunications segment, it was decided to do so through: -

1. Completing the procedures for obtaining the International Quality Certificate for Call Centers (COPC)
2. Completing the procedures for obtaining the International Quality Certificate for Call Centers (ISO 9001)
3. Completing the procedures for obtaining International Quality Certificates for technical standards and information security for call centers (ISO 27001 certificate).
4. Activating the latest artificial intelligence (AI) methodologies in call center applications and systems and develop ways and methodologies to activate them in the company's projects.
5. Applying and approving the approved standards for information security and obtaining conformity certificates from the relevant authorities (certificate of conformity to the standards of the National Cybersecurity Authority, a certificate of conformity to the standards of the Saudi Arabian Monetary Agency, and a certificate of conformity to Aramco standards).
6. Activating and applying the work of the necessary human cadres in call centers to work from home, as the company saw this as an appropriate solution to ensure the continuity of providing services to the segment in crises and pandemics, Allah forbids.

In the year 2023G, the company seeks to focus on developing profits and improving profit margins by adopting the items mentioned above.

17

Risks faced by the company.

Following are the risks the company may face:

1. Governmental competition represented by universities, technical colleges, and governmental and semi-governmental companies that offer competing programs similar to what the company offers.
2. Frequent changes in work and labor regulations and long procedures for obtaining work visas that enable the company to compete in government tenders.
3. Universities tend to self-employ for preparatory years, which may lead to lower revenues in the education segment.
4. High levels of competition in the communication segment in terms of price reduction in the competitions for which it is submitted.
5. Increasing financing and administrative expenses.

The company's policy regarding the management and control of these risks is to search for alternative solutions and develop strategies and plans that aim to expand in many other areas, covering the consequent shortage of some of the revenues of those activities because of those risks. The company always strives to limit and control those risks. There are also other types of potential risks related to the company's activities. The most important of them are:

**Liquidity risks:**

They are the risks resulting from the inability to provide the funds necessary to meet the obligations related to the financial instruments. Liquidity risk is managed by monitoring it regularly to ensure the availability of sufficient liquidity by carefully following up on the collection process to fulfill any obligations of the company on their due dates.

**Credit risks:**

Credit risks are the inability of one party to fulfill its obligations, which may lead to the other party incurring a financial loss. The company believes that its exposure to credit risk is not significant, especially since the company is depositing cash balances into national financial institutions that are highly credible and maintaining good credit rating.

**Risks of fluctuating foreign exchange rates:**

It is the risk of change in the value of financial instruments due to changes in the foreign exchange rates. The company's management is closely monitoring the fluctuations in the foreign exchange rate. The company believes that the possibility of its exposure to the risk of changing exchange rates is not significant because the official currency of the company is the Saudi riyal, which is the main currency the company is dealing with. The price of Saudi riyal is fixed currently, with slight margin, against the US dollar, although there are some transactions in foreign currencies made by the company's branches outside the KSA. These risks are managed and monitored on a regular basis.

**Risks of Compliance with Government Legislation and Regulations:**

They are the risks arising from non-compliance with government legislations and regulations issued by official bodies or government agencies. This includes, but not limited to, CMA instructions regarding compliance, disclosure, and application of accounting standards, the instructions of the Ministry of Commerce and Industry, the Ministry of Labor, the Zakat and Income Authority, etc. The company is continuously monitoring these risks by reviewing all the obligations and requirements and submitting the necessary ones to the concerned authorities within the specified time.

18

The company's assets, liabilities and business results in the last five financial years.

S/N	Statement	2022	2021	2020	2019	2018
	Income Statement (in Thousands)	SAR '000	SAR '000	SAR '000	SAR '000	SAR '000
1	Activity revenues	880,898	842,797	787,328	864,191	802,517
2	Activity costs	723,712	695,903	663,219	685,518	644,717
3	Gross profit	157,186	146,895	1,241,091	178,673	157,800
4	General and administrative expenses	179,206	202,723	166,054	144,783	127,654
5	Other revenue - net	38,710	33,992	23,221	33,055	5,519
6	Zakat	12,673	11,483	1,984	2,675	1,318
7	Minority interest	6,854	2,528	320	4,804	1,989
8	Net profit	-2,837	-35,848	-21,028	59,465	32,358

Comparative figures for the year 2020G have been reclassified to conform to the presentation of the 2021G figures.

Comparing Assets and Liabilities: -

S/N	Statement	2022	2021	2020	2019	2018
	Balance Sheet (in thousands)	SAR '000	SAR '000	SAR '000	SAR '000	SAR '000
1	Current assets	552,569	595,534	462,262	1,155,435	466,482
2	Current liabilities	565,057	590,306	374,754	499,250	529,119
3	Operating capital	(12,488)	5,228	87,507	656,185	62,637
4	Other long term assets	805,667	779,282	716,947	718,571	150,859
5	Fixed assets	564,785	475,916	459,350	436,864	807,085
6	Total assets	1,923,021	1,850,732	1,638,559	1,738,667	1,424,426
7	Current assets	565,057	590,306	374,754	499,250	529,119
8	long term loans	98,845	-	161,157	98,545	136,828
9	Other liabilities	532,573	520,038	518,454	506,034	202,854
10	Total Liabilities	1,196,475	1,110,344	1,054,365	1,103,829	868,801
11	Paid-up capital	650,000	650,000	450,000	450,000	450,000
12	Reserves and retained earnings	46,622	86,871	131,322	178,923	97,154
13	Shareholders' equity	696,622	736,871	581,322	628,923	547,154
14	Minority equity	29,924	3,517	2,872	5,915	8,471
15	Total equity	726,545	740,388	584,194	634,838	555,625
16	Total liabilities and shareholders' equity	1,923,021	1,850,732	1,638,559	1,738,667	1,424,426

The comparative figures for the year 2021G have been reclassified to conform to the way the figures for the year 2022G are presented

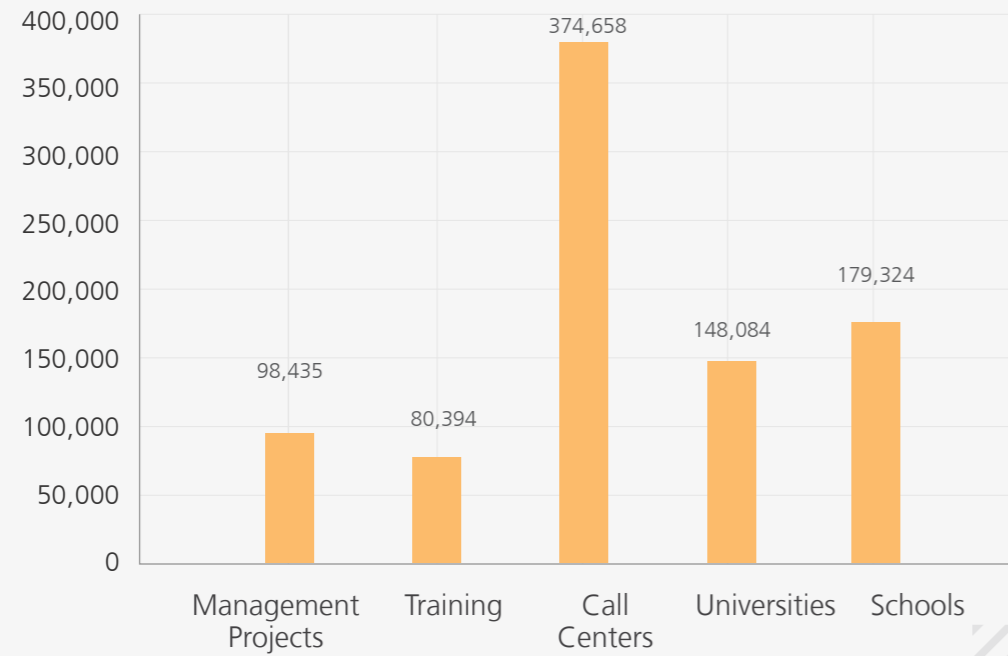
19

Geographical analysis of the company's total revenues, and the total revenues of subsidiaries.

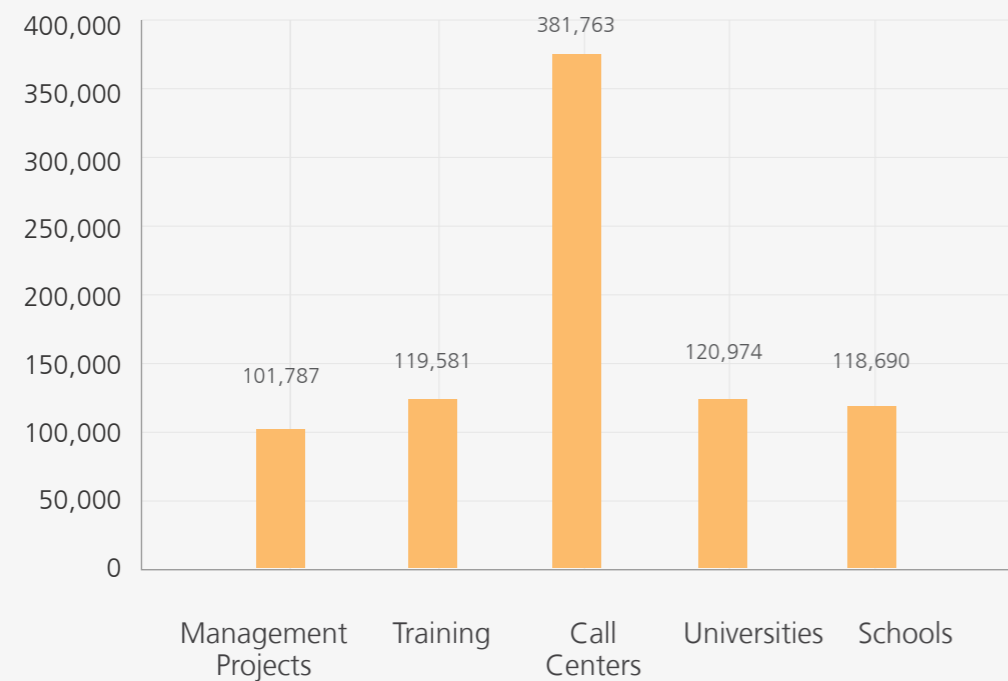
Geographical analysis of the company's total revenues:

KSA

2022



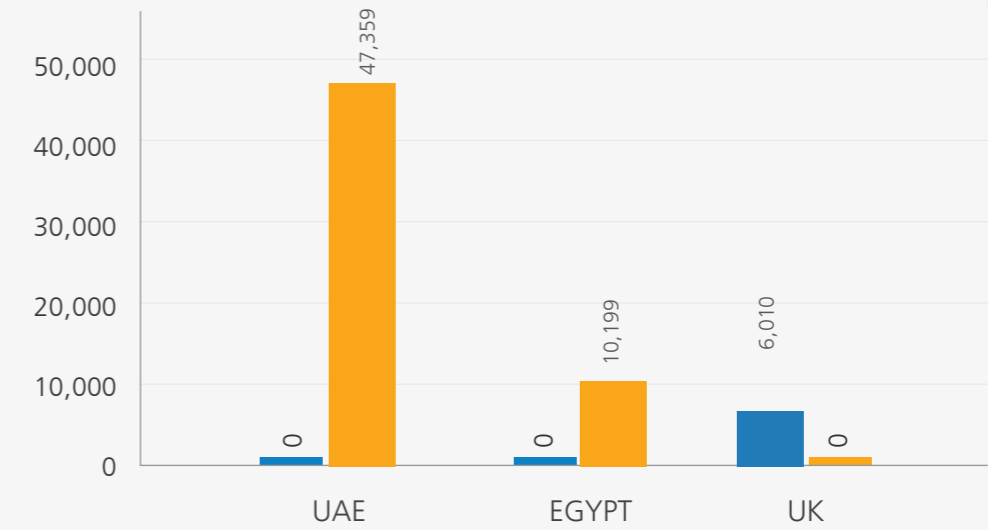
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Geographical analysis of total revenues of subsidiaries:

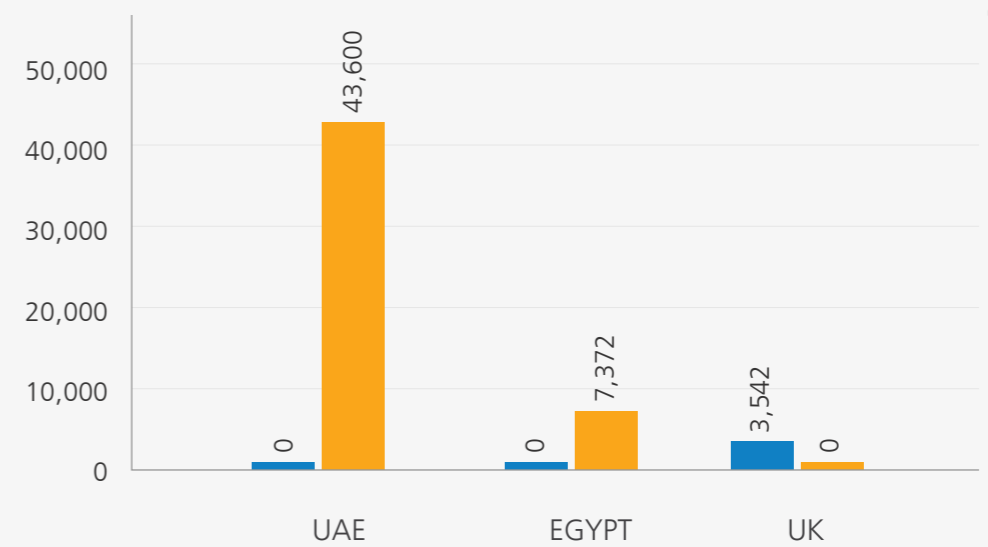
subsidiaries

2022



English Language Administrative Training

2021

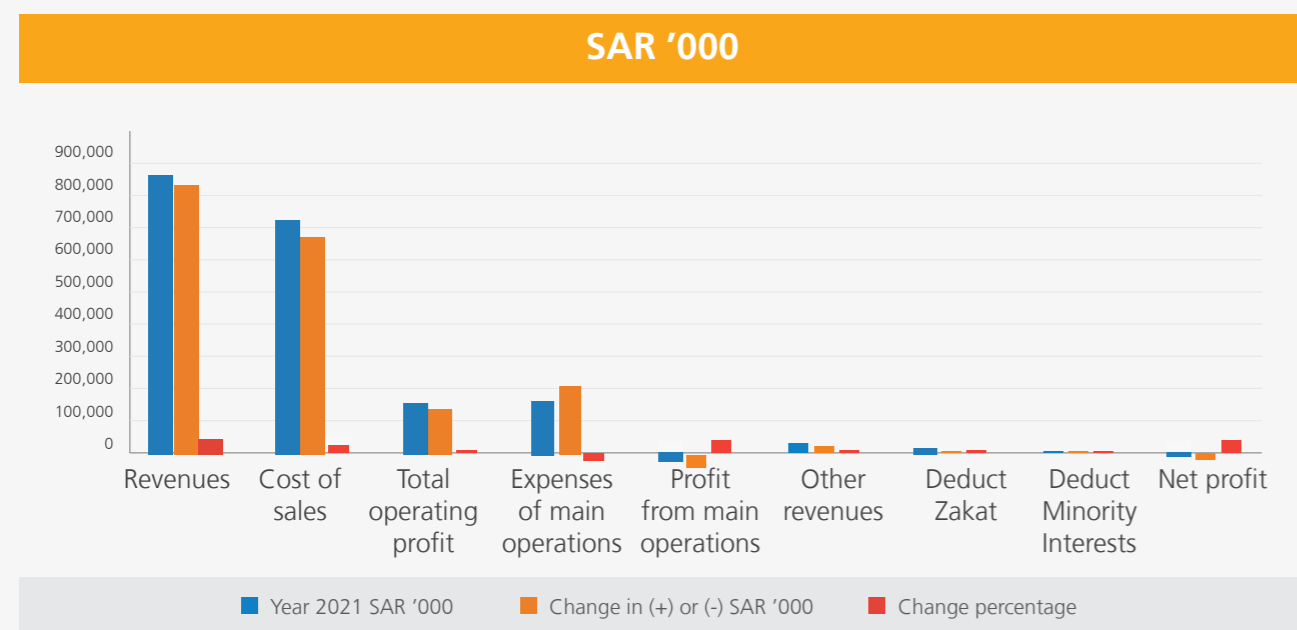


English Language Administrative Training

20 An explanation of any material differences in the operating results from the results of the previous year or expectations announced by the company.

S/N	Statement	Year 2022	Year 2021	Change in (+) or (-)	Change percentage
		SAR '000	SAR '000	SAR '000	%
1	Revenues	880,898	842,797	38,101	5
2	Sales cost	723,712	695,903	27,809	4
3	Total operating profit	157,186	146,894	10,292	7
4	Major works expenses	179,206	202,723	-23,517	(12)
5	Major operations profits	-22,020	-55,829	33,809	(61)
6	Other revenues	38,710	33,992	4,718	14
7	Zakat deduction	12,673	11,483	1,190	10
8	Minority interest deduction	6,854	2,528	4,326	171
9	Net profit	-2,837	-35,848	33,011	(92)

Comparative figures for the year 2021G have been reclassified to conform to the presentation of the 2022G figures



21 Clarification of any deviation from the accounting standards approved by the Saudi Organization for Certified Public Accountants (SOCPA).

There are no variations or differences from the applicable accounting standards issued by the Saudi Organization for Certified Public Accountants that require disclosure. The company's records have been properly prepared according to the accounting standards issued by the

22 A detailed list of subsidiaries, their capital, ownership percentage, main activities, country of main operations, and country of incorporation.

S/N	Name of Subsidiary	Capital	Ownership percentage	Main activity	Country of main operations	Country of incorporation
1	Land Express Group Company (Fast Lane)	50,000 Dirhams	80%	Training	UAE	UAE
2	Al-Khaleej Training and Information Technology	4,500,000 Pounds	57%	Training	Egypt	Egypt
3	Online Trading Academy	1,000,000 Dirhams	100%	Training	UAE	UAE
4	Franklin Covey Middle East Company	2,500,000 Dirhams	61%	Training	UAE	UAE
5	Lingyophone Company Ltd	£ 1,606,639	100%	Training	UK	UK
6	Jobzella Company	250,000 Pounds	60%	Software	Egypt	UAE

23 Details of shares and debt instruments issued for each subsidiary.

There are no shares or debt instruments issued by the subsidiaries of the company



24 The Company's Dividends Distributing Policy

The company's policy of distributing net annual profits is based on Article forty-seven of the company's articles of association, after deducting all general expenses and other costs as follows:

1. 10% of the net profits is set aside to create the statutory reserve of the company. The general assembly may decide to suspend such provision if the said reserve reaches (30%) of the paid capital.
2. The ordinary general assembly may, based on a board's proposal, provision a certain percentage of the net profits to create a consensus reserve to be dedicated for a certain purpose or purposes, to be defined by the board.
3. The ordinary general assembly may decide to create other reserves to the extent that serves the interest of the company or ensures that fixed dividends, as much as possible, are distributed to the shareholders. The aforementioned assembly may also deduct amounts from the net profits to establish social institutions for the company's employees or to assist such existing institutions.
4. From the remainder, a percentage of (5%) of the paid capital of the company shall be distributed to the shareholders, or as decided by the ordinary general assembly in this regard.
5. Subject to the provisions of Article twenty of the articles of association and Article seventy-six of the Companies Law, an amount from the remainder of the aforementioned shall be allocated to disburse the remuneration of the board, provided that the remuneration entitlement is proportional to the number of meetings attended by the board director.
6. The company may distribute interim dividends to the shareholders in a semi-annual or quarterly manner, after fulfilling the controls and requirements set by the competent authorities in this regard.
7. The Board of Directors of Alkhaleej Training and Education Company, in its meeting held on Thursday 07/10/1444H corresponding to 27/04/2023G, recommended to the General Assembly of Shareholders not to distribute cash dividends to shareholders for the fiscal year ending on 31/12/2022G in order to focus on acquisitions and expansions in the education sector and provide the necessary funding for them and in support of the company's financial position.

	Percentage of dividends distributed during the year			Percentage of dividends to be distributed at the end of the year	Total of dividends
	00/00/2022	00/00/2022	00/00/2022		
Percentage	%	%	%	%	In Saudi riyal
Total	0	0	0	00	0000000

25

A description of any interest in the category of voting-eligible shares belonging to persons (other than the company's board directors, senior executives, and their relatives), who informed the company of those rights under Article 85 of the Rules on the Offer of Securities and Continuing Obligations, and any change to those rights during the last fiscal year.

There is no interest in the voting-eligible shares category belonging to persons other than the company's board directors, senior executives, and their relatives, who informed the company of those rights or any change to those rights during the last fiscal year.



26

A description of any interest, contractual securities, and subscription rights belonging to board directors, senior executives, and their relatives in the shares or debt instruments of the company or any of its subsidiaries and any change to that interest or those rights during the last fiscal year.



A description any interest, contractual securities, and subscription rights belonging to board directors and their relatives in the shares or debt instruments of the company							
S/N	Name of the interest holder	No. of shares Beginning of year	Ownership percentage Beginning of the year	No. of shares End of year	Ownership percentage End of the year	Net change	Change percentage
1	Mr. Abdulaziz bin Rashid Abdul Rahman Al-Rashed	2.926.854	4.50	3.186.184	4.90	+259.330	+0.09%
2	Mr. Ahmed bin Ali Ahmed Al-Shadwi	123.595	0.190	123595	0.190	00	00
3	Eng. Al-Walid bin Abdul Razzaq Aldryaan	4.638.357	7.13	4.750.357	7.31	+112000	+0.02%
4	Dr. Ali bin Abdul Khaliq Abdul Rahman Al-Qarni	100	0.00015	100	0.00015	00	00
5	Dr. Abdullah bin Saghir Muhammad Al-Husseini	1	0.0000001.5	1	0.0000001.5	00	00
6	Mr. Abdul Malik bin Abdul Rahman Abdullah Al Sheikh	100	0.00015	100	0.00015	00	00
7	Mr. Abdullah bin Muhammad Suleiman Jibreen	1444	0.0022	1444	0.0022	00	00
8	Al khaleej Holding Company	3856	0.0059	3856	0.0059	00	00
9	Jaoudeh bin Abdul Rahman Masood	1	0.0000001.5	1	0.0000001.5	00	00

A description any interest, contractual securities, and subscription rights belonging to senior executives and their relatives in the shares or debt instruments of the company							
S/N	Name of the interest holder	No. of shares Beginning of year	Ownership percentage Beginning of year	No. of shares End of year	Ownership percentage End of year	Net change	Change percentage
1	Sherif Esmat Abdel Samee Hussein	7889	0.0121	13003	0.0200	+5114	+0.65%

A description any interest, contractual securities, and subscription rights belonging to board of directors, senior executives, and their relatives in the shares or debt instruments of the company.							
S/N	Name of the interest holder	No. of shares Beginning of year	Ownership percentage Beginning of year	No. of shares End of year	Ownership percentage End of year	Net change	Change percentage
1	Not available	0	0	0	0	0	0

27 Information regarding the company's loans in SAR '000

First | short-term loans

S/N	Name of creditor and number of loan	Amount of loan principal	Loan term	Due date	Debt at the beginning of 2022	Loan movement during the year		Debt at the end of 2022
		SAR '000				SAR '000	SAR '000	
1	Arab Bank	99,000	1 Year	27/06/2022G	99,000	129,000	95,000	65,000
2	Saudi British Bank	14,500	1 Year	17/07/2022G	14,500	42,000	45,500	18,000
3	Saudi Fransi Bank - 1	12,500	1 Year	22/12/2022G	12,500	31,500	33,500	14,500
4	Saudi Fransi Bank - 2	10,932	6 Months	Bills finance	10,932	15,685	4,753	0
5	Alinma Bank	52,000	1 Year	22/12/2021G	0	49,000	80,000	31,000
6	Bank Aljazira - 1	8,000	1 Year	26/11/2022G	8,000	16,000	23,000	15,000
7	Bank Aljazira - 2	7,239	6 Months	Bills finance	7,239	22,515	18,088	2,812
8	Bank Aljazira - 3	10,000	6 Months	Bills finance	10,000	30,000	20,000	0
Total					162,171	422,774	323,931	146,312

Second | long-term loans

S/N	Name of creditor and number of loan	Amount of loan principal	Loan term	Due date	Debt at the beginning of 2022	Loan movement during the year		Debt at the end of 2022
		SAR '000				SAR '000	SAR '000	
1	Saudi Fransi Bank - 3	42,080	10 Years	0	42,080	0	55,473	97,553
2	Riyadh Bank	176,802	5 Years	0	176,802	3,536	0	173,266
Total		218,883			218,883	3,536	55,473	270,819
Grand total		381,053			381,053	274,235	310,313	417,132



28

A description of classes and number of any convertible debt instruments and any contractual securities, subscription right notes, or similar rights issued or granted by the company during the fiscal year, with an explanation of any consideration the company obtained in return.

There is no convertible debt instruments or any contractual securities, subscription right notes, or similar rights issued or granted by the company during the fiscal year 2022 and the company has not received any compensation.

29

A description of any convertible or subscription rights by virtue of convertible debt instruments, any subscription right notes, or similar rights issued or granted by the company.

There are no transfer or subscription rights under transferable debt instruments, contractual securities, subscription right notes, or similar rights issued or granted by the company during the fiscal year 2022G.

30

A description of any of the company's redemption, purchase, or cancellation of any redeemable debt instruments and the value of the remaining securities, with a distinction between listed securities the company purchased and those a subsidiary purchased.

The company has not redeemed, purchased, or cancelled any redeemable debt instruments and the value of the remaining securities, while distinguishing between listed securities the company has purchased and those a subsidiary has purchased.

31

Number of meetings held by the board during the last fiscal year (2022G)

The board has held (4) meetings during 2022G, by attending in person / by phone / by means of modern technology and has passed (5) decisions, according to following

S/N	Name	Date of meeting and attendance record										At-attendance per-centage
		In person / by phone / by means of modern technology				Passed decisions						
		1	2	3	4	1	2	3	4	5		
		28/3/2022	14/06/2022	28/09/2022	21/12/2022	31/03/2022	08/05/2022	23/05/2022	22/08/2022	09/11/2022		
1	Mr. Abdulaziz bin Rashid Abdul Rahman Al-Rashed	☑	☑	☑	☑	☑	☑	☑	☑	☑	100	
2	Mr. Ahmed bin Ali Ahmed AlShadwi	☑	☑	☑	☑	☑	☑	☑	☑	☑	90	
3	Dr. Ali bin Abdul Khaliq Abdul Rahman Al-Qarn	☑	☑	☑	☑	☑	☑	☑	☑	☑	80	
4	Dr. Abdullah bin Saghir Muhammad Al-Husseini	☑	☑	☑	☑	☑	☑	☑	☑	☑	100	
5	Mr. Abdul Malik bin Abdul Rahman Abdullah Al Sheikh	☑	☑	☑	☑	☑	☑	☑	☑	☑	100	
6	Mr. Abdullah bin Muhammad Suleiman Jibreen	☑	☑	☑	☑	☑	☑	☑	☑	☑	100	
7	Eng. Al-Walid bin Abdul Razzaq Saleh Aldryaan	☑	☑	☑	☑	☑	☑	☑	☑	☑	100	

- ☑ Attended in person
- ☑ Attended by delegating another board director
- ☑ Attended by phone/means of modern technology
- ☒ Did not attend
- ☑ Passed decisions

32

Number of company's applications submitted to shareholders' register during the last fiscal year (2022G)

Application No.	Application date	Reasons for application
1	21/04/2022	Companies' procedures
2	31/05/2022	Companies' procedures
3	12/6/2022	General Assembly
4	06/7/2022	Companies' procedures
5	24/08/2022	General Assembly
6	09/10/2022	Companies' procedures
7	30/09/2022	Companies' procedures
8	17/11/2022	Companies' procedures

33

A description of any transaction between the company and a relevant party.

There is no transaction between the company and a relevant party.



34

Business or contracts to which the company is a party, or in which there is an interest of a member of the board of directors of the company or its senior executives or any person related to any of them

The company has contracts with companies owned by some members of the board of directors and they have a direct or indirect interest in them, as follows:

The first contract: A contract for renting a building for the company from Al-Falak Company for Electronic Equipment and Supplies.

No	Name of the member with interest	terms of the contract	duration of the contract	amount of the contract	Nature of the work or the contract
1	Abdulaziz bin Rashid Al-Rashed	Ordinary business without any preferential conditions or benefits	7 years	SAR 900,000 Annually	Lease contract for a building from Al-Falak Company for Electronic Equipment and Supplies owned by stakeholders and members of the board of directors of Al-Khaleej Training and Education Company, with an area of (4000) square meters for a project with Aramco in Al-Khobar
	Ahmed bin Ali Al- AlShadwi				

The second contract: An agreement to purchase the company's equipment and electronic products from Al-Falak Company for Electronic Equipment and Supplies

No	Name of the member with interest	terms of the contract	duration of the contract	amount of the contract	Nature of the work or the contract
2	Abdulaziz bin Rashid Al-Rashed	Ordinary business without any preferential conditions or benefits	One year	SAR 1,000,000	An agreement to purchase electronic equipment and products needed by Al-Khaleej Company for Training and Education from Al-Falak Company for Electronic Equipment and Supplies owned by stakeholders and members of the board of directors.
	Ahmed bin Ali Al- AlShadwi				

35

A statement of any arrangements or agreement under which a board director or a senior executive of the company has waived any remuneration

There are no arrangements or agreement, under which a board of director or a senior executive has waived a remuneration.

36

A statement of any arrangements or agreement under which a shareholder of the company waives any rights to dividends

There are no arrangements or agreement, under which a shareholder of the company has waived any rights to dividends.



A statement of the value of statutory payments made and due for Zakat, taxes, fees, or any other dues that have not been paid until the end of the annual fiscal period, with a brief description of them and their reasons.

S/N	Statement	2022		Brief description	Reasons
		Paid	Due until the end of annual fiscal period and has not been paid		
		Thousand Riyals	SAR '000		
1	Zakat	10,475	12,893		
2	General Organization for Social Insurance	26,863	326		
3	Costs of visas, passports, and government relation	20,831	-		
Total		58,169	13,219		

38

A statement of the value of any investments or reserves created for the interest of the company's employees.

There are no other investments or reserves created for the interest of the company's employees



39



The board declares that:

- 1 The company's accounting records have been prepared properly.
- 2 The internal control system has been prepared based on sound foundations and have been implemented effectively.
- 3 There is no doubt about the company's ability to continue its activity .

40 A statement of the reservations (qualifications) in the auditor's report on the annual financial statements, their reasons, and any information related thereto.

The auditor's report has not included any qualifications or material observations on the annual financial statements for the fiscal year 2022G.

41 The Board's recommendation to change the auditor before the end of the auditor's mandate, with the reasons for recommending such change.

There is no recommendation from the board of directors to change the auditor before the end of the auditor's mandate.

42 Competitive businesses for the activity of company or any of the branches, in which any member of the board of directors is or was engaged. The statement shall it include the names of those involved in the competing business, and nature and conditions of this business.

There are no businesses that compete with the activity of the company or any of its branches in which any member of the board of directors is or was engaged.

43 Details of the treasury shares held by the company and details of the uses of these shares.

There are no treasury shares held by the company.

44 Company's Lawsuits:

- The board confirms that no lawsuits have been instituted by or against the company during the fiscal year 2022G with a value exceeding 5% of the company's net assets.
- The board confirms that there were no lawsuits filed during the fiscal year 2022G against any Company's director, partner in subsidiary, or any company's senior executive.

45

The Board confirms that:




1. The company is careful not to violate the regulations and to implement the Corporate Governance Regulations and all policies and procedures related to disclosure and transparency.
2. The company has not received any request from the certified auditor to convene the general assembly during the fiscal year ending in (2022G).
3. The Chairman has not received any written request from two directors or more to hold emergency meetings during the fiscal year ending in (2022G).
4. The company has not received from the shareholders owning at least (5%) of the company's capital a request to convene the general assembly during the fiscal year ending in (2022G).
5. The shareholders owning at least (5%) of the company's capital has not requested adding one item or more to the agenda of the general assembly when preparing it.
6. The Board has not absolved any of the company's debtors from their liabilities towards the company during the fiscal year ending in (2022G).
7. The company has not placed any restrictions or policies that may impede a shareholder from using the rights guaranteed to the shareholders, according to the laws and regulations.
8. There are no material obstacles that may affect the company's ability to prepare its financial statements, according to the international standards.
9. The company has not provided any cash loan of any kind to the board directors. It also has not guaranteed any loan anyone of them has entered into with others.
10. The company does not have concession shares or shares that enjoy special priority in voting (whether for the shareholders, board directors, or its employees). All the shares of the company are ordinary shares of equal nominal value, equal voting rights, and other rights, according to the regulations.
11. The external auditor of the company has not provided any services of consulting nature to the company and has not received any fees in this regard during the fiscal year ending in (2022G).

46

Mechanism of communication with the company's shareholders.

Stemmed from keenness of Al Khaleej Training and Education Company and its board to care for the rights of the company's honorable shareholders and open various, constant communication channels with them, the company has established a dedicated department to follow up on the affairs of the shareholders and stakeholders. The department also continuously communicates with them, responds to their questions and inquiries, and follows up on any potential issues they may face regarding the distribution of dividends, operations, or others.

The Shareholders' Affairs Department at Al Khaleej Training and Education Company may be communicated with through the following channels:

-  adel-amin@alkhaleej.com.sa
-  **0114623260 - EXT 1593**
-  www.alkhaleej.com.sa

The honorable shareholders may also follow our news and major events through the company's website:

47

Closing statement

Finally, the board of Al Khaleej Training and Education would like to sincerely thank all the company's shareholders for their valuable trust, constant cooperation, and continuing support to the company and its leadership. We would like also to thank the company's management and employees for their fruitful and distinguished efforts. Thanks are also extended to our partners of success for their constant support. We would not have achieved that success except for Allah Almighty's guidance and then your support, understanding, and loyalty to the company and its general strategy. We invoke the Almighty to have a prosperous year in 2023G. The company will continue, Allah willing, to exert more effort to achieve its future goals and plans, and meet the expectation of our valued shareholders.

We hope that the information presented to you in this annual report by the board of Al Khaleej Training and Education Company on the results of the company's works in the fiscal year ending on 31 December 2022G has been satisfactory to you. Thanks to Allah, we have achieved the results stated in the report through hard, continuous work of the board, executive team of the company and the cooperation its employees. We will continue to maintain the level of growth and prosperity for all the company's activities. Allah willing

God bless you all

Chairman of the Board of Directors
Abdulaziz bin Rashid Al-Rashed





20
22

Annual Report

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