

EMPOWERING HEALTH
THROUGH INNOVATION

ANNUAL REPORT 2024



بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ

In The Name of Allah
The Most Merciful, The Most Gracious



King Salman Bin Abdulaziz Al Saud
The Custodian of the Two Holy Mosques



Prince Muhammad Bin Salman Bin Abdulaziz Al Saud
His Royal Highness, Crown Prince and Prime Minister
of the Kingdom of Saudi Arabia



INTRODUCTION

VISION 2030: ENVISIONING A HEALTHIER KINGDOM

Avalon Pharma stands as a dedicated partner in helping realise Saudi Arabia's Vision 2030. Aligned with the national vision's goal of advancing the healthcare sector, Avalon is committed to contributing significantly to the well-being of the nation through continuous innovation, expansion, and adherence to the highest quality standards, playing a pivotal role in providing accessible and cutting-edge healthcare solutions.

Avalon's mission is to enhance patient care and well-being by providing effective pharmacological treatments and compassionate healthcare solutions. As a key player in advancing Saudi Arabia's Vision 2030, Avalon is committed to expanding its portfolio of prescription medicines, ensuring access to high-quality treatments that improve patient outcomes. Sustainability remains at the core of its operations, with a long-standing commitment to eco-friendly formulas and rigorously tested pharmaceutical and beauty products. By prioritising innovation and quality, Avalon continues to be a trusted name in healthcare, delivering solutions that meet the highest industry standards.





TABLE OF CONTENT

AVALON'S PROFILE

• About us	12
• Key Competencies	14
• Where we Operate	16
• Shareholders Relations	18
• Board of Directors	22
• Executive Management	23

STRATEGIC & BUSINESS OVERVIEW

• Chairman Message	26
• Managing Director & CEO Message	28
• Milestones in the Success Journey	30
• Year in Review	32
• Macro Overview	36
• Strategy Overview	43
• Business Model & Operating Review	48
• Products	50
• Manufacturing	59
• Business Development	63
• Sustainability	68

• CORPORATE GOVERNANCE	82
-------------------------------------	----



AVALON'S
PROFILE

About Us

Referred to as the "Company" OR "Avalon" herein, Middle East Pharmaceutical Industries Company, trading as Avalon Pharma, was founded and established in Riyadh, Saudi Arabia, on 2 Rabea Althani, corresponding to 26 July 1998, under Commercial Registration N°1010150538 as a limited liability Company. The Company converted to a joint stock Company on 13 Ramadan 1443, corresponding to 14 April 2022, and subsequently listed on the Saudi Stock Exchange (Tadawul) on 16 Shaaban 1445, corresponding to 26 February 2024 with Ticker No. 4016. As of 31st December 2024, Avalon's paid-up capital amounted to ﷲ 200million, consisting of 20million fully paid and issued shares of ﷲ 10 each.



Vision

Striving to emerge as the foremost health, beauty, and wellness company in our markets, we are committed to establishing our presence as a dynamic, customer-centered organization, leaving a lasting impact on the global communities that we serve.



Mission

Our mission is to effectively develop, manufacture, and successfully market a diverse range of high-quality health and beauty brands, as well as generic prescription medicines across the Kingdom of Saudi Arabia, the MENA region, Eastern Europe, Asia, and Africa.



Values



Valuing

We deeply appreciate and safeguard the trust bestowed upon us by our customers, patients, stakeholders, and authorities.



Nurturing

By supporting and encouraging one another, we safeguard the health and wellness of our patients and customers. Simultaneously, we nurture the ever-changing needs of our stakeholders and markets.



Agile

Vibrant, swift, and seamlessly coordinated in all facets of our operations.



Learning

Through continuous training and development of our behaviour and professional expertise, we strive to implement best practices across our organization and within our communities every day.



Ambitious

In our pursuit of market leadership in the pharmaceutical industry, we are dedicated to maintaining the highest standard of products that align with our dynamic environment.



Optimistic

Dedicated to achieving a positive patient outcome for the communities that we serve in the world, we actively pursue excellence in health and wellbeing of all.

KEY COMPETENCIES



Sustainable Operation

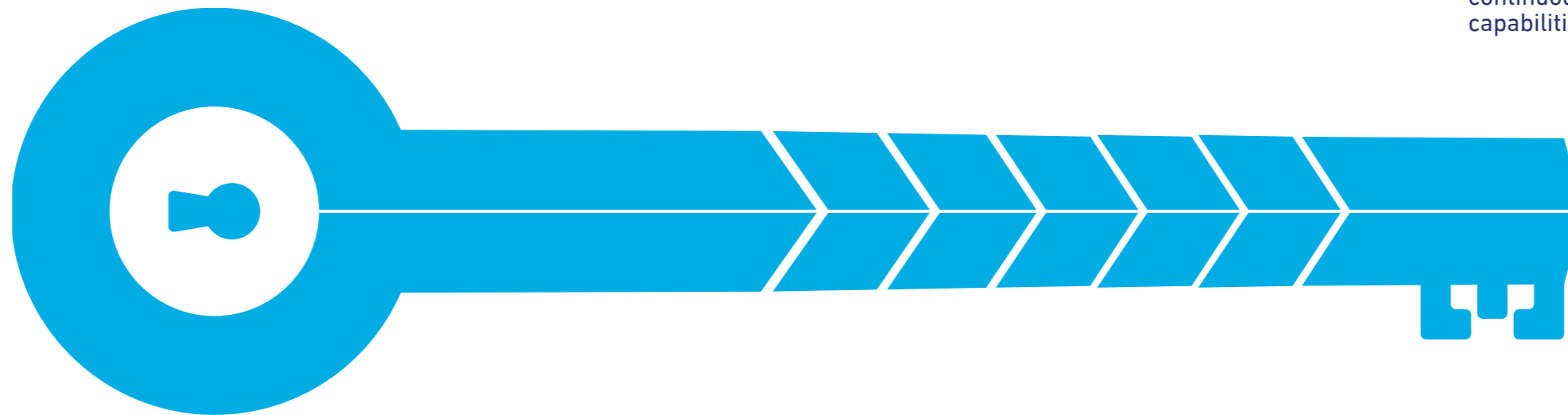
We achieve sustainable operation by crafting a resilient strategy that prioritizes longer-term, transformative solutions.

Commercial Excellence

Our emphasis on commercial excellence centers around demand generation and ensuring customer satisfaction.

Innovative Talents

We strive to cultivate the right business model by harnessing the potential of internal and external talents, fostering continuous development of capabilities and skills.



Strategic Partnership


Our commitment to being the preferred strategic partner is affirmed by our agile approach, offering diverse collaboration models that align with the needs of our partners and the broader community.


Geographical Expansion

We aim to expand strategically in the right markets, utilizing the appropriate business model and portfolio.

WHERE WE OPERATE




+300
REGISTERED SKUS IN KSA


+500
STAFF


+15
EXPORT COUNTRIES

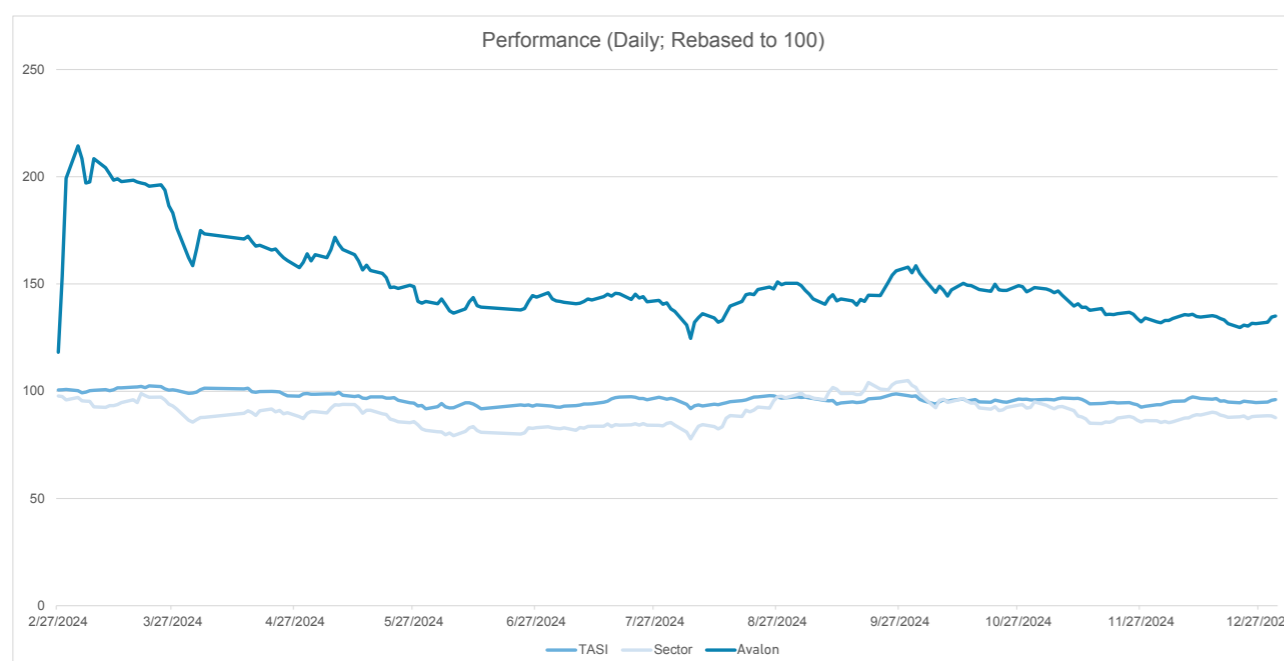

+120
REGISTERED SKUS

Shareholder Relations



SHAREHOLDER INFORMATION

Avalon Share Information		
Listing Date	27/02/2024	
Exchange	Saudi Stock Exchange, Tadawul – Main Market	
Symbol	4016	
ISIN Code	SA160G51U010	
Number of Shares Issued	20,000,000	
Market Cap at listing, as 27th February 2024	₪ million	1,640
	USD million	437.3
Market Cap as of 31st December 2024	₪ million	2,448
	USD million	652.8



MAJOR SHAREHOLDERS

At the end of 2024, Avalon had 152,159 shareholders, made up of 0.06% institutional investors owning 47.0% of shares, 99.4% individual investors, with 2 major shareholder, Tabbaa National Holding Company owning 42.175% of shares, and Talal Yousef Mahmoud Zahid, owning 14.7%. There are 2 investors who own more than 1 million shares, representing 56.9% of the issued shares, with a foreign shareholding of 3.6%. The following tables provide a further breakdown.

31st December 2024			
Nature of Investors	Percentage of Ownership	Number of Investors	Number of Shares
Institutional Investors	47.0%	92	9,395,734
Individual Investors	53%	152,067	10,604,266
TOTAL:	100%	152,159	20,000,000

31st December 2024			
Investors according to Nationality	Percentage of Ownership	Number of Investors	Number of Shares
Saudi Arabian	96.4%	144,734	19,288,523
Other Nationalities	3.6%	7,425	711,477
TOTAL:	100%	152,159	20,000,000

Shareholder Relations



OWNERSHIP NOTIFICATION

In line with the Capital Markets Authority regulations, article 68, on the Offer of Securities and Continuing Obligations, Avalon received no new notifications of new ownership of over 5% in 2024 of the shares issued to the company, with only two shareholders owning a percentage equal to or greater.

31 st December 2024				
	Beginning of the Year		End of the Year	
	Number of Shares	Percentage of Ownership	Number of Shares	Percentage of Ownership
Tabbaa National Holding Company	12,050,000	60.25%	8,435,000	42.175%
Talal Yousef Mahmoud Zahid	4,200,000	21%	2,940,000	14.7%
Ali Shafer Al-Tabbaa	1,320,000	6.6%	(-)	(-)
Faisal Shafer Al-Tabbaa	1,280,000	6.4%	(-)	(-)
TOTAL:	18,850,000	94.25%	11,375,000	56.875%

INVESTOR RELATIONS

Post listing, and over the course of 2024, the Company looked to engage and interact with the investor community. Through its transition period, Avalon posted strong performance figures, and moving into 2025 is looking to activate an institutionalised Investor Relations department to better serve its stakeholders.

CONFERENCES ATTENDED:

6

WITH 25 MEETINGS HELD AT THE CONFERENCES

INVESTOR MEETINGS HELD (EXC CONFERENCES):

9

NUMBER OF ANALYSTS COVERING AVALON:

3

BOARD OF DIRECTORS



Ahmad Tabbaa
Chairman



Hisham Attar
Vice Chairman



Faisal Al Jamaan
Board Member



Omar Al Jaroudi
Board Member



Mohamed Maher Al Ghannam
Board Member

EXECUTIVE MANAGEMENT



Mohamed Maher Al Ghannam
Managing Director & CEO



Mohamed Metwally
Chief Commercial Officer



Fayez Awadeh
Chief Marketing Officer



Moazam A. Shah
Chief Financial Officer



Rasheed Alrasheed
Chief Operations Officer



Hamoud Alanazi
Chief Administrative Officer



Mohammed Al-Moaiteq
Compliance Manger



Wael Madbouly
Internal Audit Manger

Mr Al-Moaiteq resigned on 7th November 2024, with a replacement scheduled to join in February 2025.



**STRATEGIC &
BUSINESS OVERVIEW**



Chairman Message

Ahmad Shafer Al-Tabbaa
Chairman



HONOURABLE SHAREHOLDERS AND PARTNERS,

As we reflect on our performance over 2024, I am proud to report that Avalon Pharma has achieved remarkable progress on multiple fronts. This year marked significant milestones in our journey to becoming a national champion and a regional leader, led by our successful listing on the Saudi Stock Exchange, all while remaining steadfast in our commitment to delivering quality, innovation, and sustainability.

Overview of the Year

2024 was a transformative year for Avalon Pharma. The first major milestone for this was the offering of 30% of our shares on the Saudi Stock exchange in February. Our IPO was truly a historic milestone in the growth of Avalon, reflecting strong market confidence in our strategic direction and growth potential. This was complemented by some significant achievements, which included the successful launch of several new products, most notably the groundbreaking Copan, the first Saudi FDA-approved cough syrup, which very quickly secured a leading position in the market. In addition, we registered a record-breaking 39 products with the FDA, spanning medicine, cosmetics, and healthcare, all of which is testament to our relentless drive for innovation and securing our market-leading position.

Operationally, we maintained an impressive utilisation rate of 85% across our facilities, ensuring seamless delivery to meet market demands, even as we navigated capacity challenges. To help ensure the continued growth and development of Avalon, we established our Strategy Management Office (SMO) and accelerated the development of our new ACE strategy roadmap, which focuses on Accelerating growth, Capitalizing on opportunities, and Expanding our reach to further develop the Company going forward whilst underscoring our commitment to structured, sustainable development.

Vision and Strategic Outlook

At the core of Avalon Pharma's strategy is our alignment with Saudi Arabia's Vision 2030. We continue to support the Kingdom's goals by localising production, advancing healthcare innovation, and driving economic growth. Our vision is to be the foremost health, beauty, and wellness Company across the region, and 2024 brought us closer to this aspiration.

Governance and Sustainability

Avalon Pharma remains deeply committed to ethical governance and sustainable practices. This year, we advanced our environmental goals by securing ISO 14001 certification, transitioning to Saudi electric power for our new facilities, and reducing paper waste through digitalisation efforts. Our Corporate Social

Responsibility initiatives spanned healthcare, environmental conservation, and community support, exemplifying our role as a responsible corporate entity.

Looking Ahead

Looking ahead, Avalon Pharma is focused on geographical expansion, advancing our prescription medicine portfolio, and strengthening our operational infrastructure. The upcoming construction of a fourth factory dedicated to oncology, ophthalmic and injectables is a cornerstone of this plan, ensuring we meet the growing demands of the market while reinforcing our commitment to excellence.

As we enter 2025, we are filled with optimism and determination to build on this year's successes. With a clear strategic roadmap, a commitment to innovation, and the unwavering support of our stakeholders, Avalon Pharma is well-positioned to achieve sustained growth and create lasting value for all.

Stakeholder Appreciation

Finally, I must note that these accomplishments would not have been possible without the unwavering support and dedication of our stakeholders. I extend my deepest gratitude to our shareholders, whose confidence and belief in our vision helps to propel us forward. To our employees, your talent, ambition, and resilience form the backbone of Avalon Pharma and our success story. And of course, to our customers and partners, we must thank you for your continuous trust and collaboration, all of which inspires us to strive for the best and achieve new heights.

Thank you for your continued trust and partnership.

Ahmad Shafer Al-Tabbaa
Chairman of the Board
Avalon Pharma



Managing Director & Chief Executive Officer Message

Mohamed Maher Al Ghannam
Chief Executive Officer
Avalon Pharma



DEAR SHAREHOLDERS

2024 has been a year of significant progress and exceptional performance for Avalon Pharma. I am proud to share the highlights of what we have achieved together and how we are building a future aligned with our vision and strategic goals.

Operational Excellence and Achievements

This year, Avalon Pharma set new benchmarks in performance. Our successful IPO was a historic milestone, reflecting market confidence in our strategic direction and growth potential. Operationally, we achieved 16.4% year-on-year growth, launched innovative products like Copan, and registered 39 new products, a record in our history. These accomplishments underline our commitment to innovation and market leadership.

Our ability to maintain an impressive 85% utilization rate across facilities, even amid capacity challenges, demonstrates the resilience and efficiency of our operations. Additionally, our partnerships with major stakeholders have strengthened, supporting our goal of delivering value to our customers and shareholders.

Executing Our Strategy

The development of our ACE framework—Accelerate, Catalyse, Expand—remains central to our operations and sustainable growth. This year, we continued to align with Saudi Arabia's Vision 2030 by enhancing our local manufacturing capabilities and expanding into new markets across the GCC and MENA regions.

Empowering People and Community

At Avalon, our people are our greatest asset. Through initiatives like the Avalon Academy, we have enhanced training and development, nurturing talent and ensuring our workforce is equipped for all future challenges. Beyond our internal efforts, we remain deeply committed to corporate social responsibility. This year, we launched impactful CSR initiatives addressing healthcare, environmental sustainability, and community development, reinforcing our role as a responsible leading corporate.

A Clear Path Forward

Looking ahead, we are preparing for transformative growth with the upcoming launch of our Strategy Management Office (SMO) in early 2025. This will drive the execution of our strategic roadmap, ensuring focus and alignment across all levels of the organisation.

As we move into 2025, we are focused on innovation, operational excellence, and strategic investments. Key priorities include the construction of our fourth manufacturing facility, specialising in oncology, ophthalmic and injectables, and the implementation of a multi-year business plan to guide our long-term growth. These efforts will not only strengthen our position in the market but also ensure we continue to deliver value to all stakeholders.

Gratitude and Commitment

None of this would be possible without the dedication and support of our employees, partners, and shareholders. Your trust inspires us to reach new heights and fulfill our mission to become a national champion and regional leader in health, beauty, and wellness.

Thank you for your continued confidence in Avalon Pharma. Together, we will achieve even greater success in the coming years.

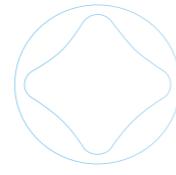
Warm regards,

Mohamed Maher Al Ghannam
Chief Executive Officer
Avalon Pharma



MILESTONES IN THE SUCCESS JOURNEY

Milestones in the Success Journey



1998

Avalon Pharma is founded along with the inaugural manufacturing facility, "Avalon 1," under the banner of the Middle East Factory For Chemical Products, marking the commencement of operations.

2002

Medico is established and initiates distribution operations. Medico is established and initiates distribution operations.

2006

Avalon Pharma obtains the Ministry of Health (MOH) license to manufacture medicines.

2015

Avalon inaugurates its R&D facility, "Avalon 2," and launches its second manufacturing facility, "Avalon 3," signalling the commencement of operations.

2022

Avalon completes the expansion of Avalon 2 manufacturing capacity, initiating operations in Q2 2024. Additionally, the Company undergoes significant transformation, converting from a Limited Liability Company (LTD) to a Joint Stock Company (JSC).

2024

Successfully launches an IPO with 6,000,000 shares at SAR 82 per share.

Registers 36 new products in 2024, achieving an annual record.

Embraces the ACE Strategy (Accelerate, Capitalize, Expand)

2000

Avalon makes its debut in the Saudi retail market.

2004

Commencement of exports to GCC countries.

2010

Avalon expands its presence, reaching Bahrain, Egypt, Iraq, Jordan, Kuwait, Lebanon, Libya, Oman, Palestine, Sudan, Yemen, and the UAE.

2021

Avalon introduces "Avalon 4," a new centralized warehouse to enhance logistics and distribution capabilities.

2023

Avalon Pharma announces its intention to offer 30% of its capital through an IPO and list its shares on the main Saudi Stock Exchange (TASI).



YEAR IN REVIEW

A Year of Strategic Execution and Excellence

2024 marked a transformative year for Avalon Pharmaceutical, underscored by significant growth, operational advancements, and strategic initiatives. The Company capitalised on its IPO success, embraced the ACE (Accelerate, Catalyse, Expand) strategy, and took significant strides toward achieving Vision 2030 objectives. These efforts reinforced Avalon's position as a national champion and a leading regional player in consumer health and high-tech pharmaceuticals.

Key Achievements



1. IPO Success and Financial Performance:

Avalon's IPO was a hallmark achievement, representing resilience and strong market positioning despite economic uncertainties. The Company achieved robust top-line (16.4%) and bottom-line (21.3%) growth, restructuring functions to enhance efficiency and align with ACE strategy priorities. This included the implementation of advanced ERP systems to support scalable growth.



2. Record Product Registrations:

Avalon registered 39 new products, the highest in its history, spanning medicines, cosmetics, and healthcare. Notable launches included Copan, the first FDA-approved cough syrup in Saudi Arabia, which rapidly gained traction, securing fourth place in the market within its first year.



3. Strategic Partnerships and Localisation:

Avalon expanded partnerships with major stakeholders such as Nahdi and Al-Dawaa, moving from a supplier to a manufacturer of private-label products. These collaborations facilitated localised production and enhanced Avalon's regional export capabilities, particularly in Kuwait and the United Arab Emirates.



4. Sustainability Initiatives:

The Company advanced its environmental stewardship by transitioning to Saudi electric power in new facilities, adopting digital workflows to reduce paper waste, and regularly monitoring air and water quality. Avalon also launched impactful CSR programs, including Ramadan meal distributions and support for medical charities.



5. Cyber Resilience

Avalon is committed to safeguarding its critical infrastructure and customer data through robust cyber resilience policies. This includes a structured incident response plan, ongoing employee training, and a secure data backup and recovery system. By proactively enhancing cybersecurity measures, Avalon ensures business continuity and protection against evolving digital threats.



Operational Highlights



1. Operational Excellence

Avalon's production facilities operated at 85% capacity utilisation, a benchmark in the pharmaceutical industry. The Company also maintained 24/7 operations to meet market demands without compromising product quality, receiving no FDA recalls or complaints throughout the year.



2. Strategy Implementation through SMO:

The newly established Strategy Management Office (SMO) became a key driver of the ACE framework. Tasked with aligning all teams towards its shared goals, the SMO enabled a unified and agile approach to strategy execution, setting the stage for Avalon's 2030 vision.

Looking Ahead

Avalon is poised to make 2025 a year of focus, with plans to:

Construct a third factory for oncology, ophthalmic and injectable products.

Launch innovative pharmaceutical solutions supported by a substantial increase in the R&D budget.

Expand into new markets while maintaining a commitment to sustainability and societal impact.

This year's achievements epitomise Avalon's dedication to innovation, operational excellence, and societal contributions, solidifying its role as a leader in the health and beauty sector and a key player in Saudi Arabia's Vision 2030.



MACRO OVERVIEW



VISION 2030
(INTRO)



Saudi Arabia's Vision 2030 serves as a transformative framework to diversify the economy and reduce dependency on oil, with healthcare identified as a critical sector for development.

Under this vision, significant investments are being made to modernize the healthcare system, improve access to medical services, and localize pharmaceutical production. Key initiatives, such as the National Transformation Program (NTP), aim to enhance healthcare infrastructure, promote public-private partnerships, and foster innovation in the pharmaceutical industry.

The government has introduced various policies to incentivise local manufacturing, streamline regulatory approvals, and attract foreign investment in the healthcare and pharmaceutical sectors. Programs encouraging the adoption of advanced technologies, such as biotechnology and personalized medicine, align with global trends and position Saudi Arabia as a regional leader in healthcare innovation. These policies not only create opportunities for growth but also emphasize the importance of compliance and alignment with regulatory standards for market players.



MACROECONOMIC KSA

Saudi Arabia's economy grew moderately in 2024, with GDP increasing by 2.8% after stagnation in 2023 (MOF). The non-oil sector expanded by 3.5% (IMF), driven by strong private consumption and diversification efforts, particularly in wholesale, retail, and hospitality, which grew 5.9%, and transport and communication, up 5.0% (MoI).

The oil sector contracted by 4.6% due to voluntary OPEC+ production cuts (IMF), affecting overall growth but supporting global market stability. Expansionary fiscal policies led to a 2.9% fiscal deficit (MOF), with a 43% rise in capital spending focused on Vision 2030 projects. Inflation remained low at 1.9% (IMF), supported by effective policies and a credible dollar peg.

The current account shifted to a deficit due to lower oil revenues, higher investment imports, and a 38% rise in tourism income (IMF). Unemployment hit historic lows, with female participation surpassing the Vision 2030 target of 30% (IMF), highlighting successful workforce policies. These developments underscore Saudi Arabia's progress in economic transformation under Vision 2030.

FISCAL DEFICIT (MOF)

2.9%

GDP increasing by 2.8%



HEALTHCARE MARKET OVERVIEW



+36 million
population

Saudi Arabia's healthcare sector is one of the region's fastest-growing markets, fuelled by demographic, economic, and policy factors. In 2024, the Health Sector Transformation Programme (HSTP) and the National Biotechnology Strategy, both central to Vision 2030, drove significant reforms. The government pledged \$66 billion for healthcare infrastructure (2021–2030), with 65% expected from private sector investment.

The focus is on expanding hospitals, improving facilities, and advancing digital health services like telemedicine. Initiatives such as the Seha Virtual Hospital aim to promote virtual healthcare and innovation. The transformation prioritizes disease prevention, health awareness, and international standards to deliver world-class care. The establishment of the Health Holding Company (HHC) further enhances service administration, including digital and virtual healthcare. All of this aligns with Avalon's strive to deliver market leading products and services to support this expansion.

HEALTHCARE INFRASTRUCTURE

In 2024, Saudi Arabia advanced its healthcare infrastructure under Vision 2030, allocating **ﷲ 214 billion** to health and social development. Key initiatives include constructing new hospitals, expanding health services, and automating ambulance connectivity. Plans to open five hospitals by 2025 will add 963 beds in key provinces, supported by a broader **ﷲ 260 billion** budget for health and social sectors.

Over **ﷲ 244 billion** is designated for infrastructure development, encompassing new projects and upgrades. Digital health initiatives, such as mobile apps, virtual clinics, and robotics, are enhancing service delivery and efficiency, reflecting the Kingdom's commitment to world-class healthcare.

DEMOGRAPHIC AND POPULATION INSIGHTS

With a population exceeding 36 million, nearly 70% under 40, and rising life expectancy, Saudi Arabia faces growing demand for healthcare services and pharmaceuticals. Lifestyle diseases like diabetes, cardiovascular issues, and obesity are increasing due to urbanization and diet. Government efforts to improve access in rural and underserved areas are expected to drive demand for medicines and healthcare services, making demographics a key driver of the pharmaceutical market.



+244 BILLION
designated for
infrastructure



ALLOCATING **ﷲ 214 BILLION**
TO HEALTH AND SOCIAL
DEVELOPMENT



70%
under 40



ﷲ 260
billion

BUDGET FOR HEALTH
AND SOCIAL SECTORS



SAUDI ARABIA'S
PHARMACEUTICAL SECTOR
IS REGULATED BY THE SAUDI
FOOD AND DRUG AUTHORITY
(SFDA)



The government pledged
\$66 billion
for healthcare infrastructure
(2021–2030)



MARKET OPPORTUNITIES

Saudi Arabia's pharmaceutical sector is regulated by the Saudi Food and Drug Authority (SFDA), ensuring safety, efficacy, and quality through strict approval and compliance processes. The pharmaceutical market is expanding due to localisation, innovation, and government support for biopharmaceuticals, including biosimilars and precision medicine. Private sector investments in advanced manufacturing and partnerships address local and regional demands. The rise of telemedicine and e-prescriptions creates new distribution channels, while the high prevalence of chronic diseases and emphasis on preventive care drive growth in patented and generic drugs. The Kingdom's strategic location further strengthens its market potential for domestic and international players.

PHARMACEUTICAL IMPORTS AND EXPORTS

Saudi Arabia remains the largest pharmaceutical importer in the GCC, with imports dominating the market, particularly for patented drugs. Localisation efforts are gradually reducing reliance on imports, fostering domestic production. On the export side, the Kingdom's strategic location and adherence to global standards enable it to expand into GCC and MENA markets, both of which Avalon is perfectly placed to capitalise on. Investments in biopharmaceuticals and international partnerships are expected to boost exports in the near future.

STRATEGIC IMPLICATIONS

Saudi Arabia offers a dynamic environment for pharmaceutical growth, driven by Vision 2030, a growing population, and rising healthcare demand. However, economic fluctuations, regulatory compliance, and competition pose challenges. Companies should prioritize local production, embrace digital health solutions, and form strategic partnerships to align with the Kingdom's economic and healthcare objectives, ensuring sustainable growth in a lucrative market.



STRATEGY
OVERVIEW

Avalon's ACE Strategy

Driving Growth Towards 2030 and Beyond

Avalon is committed to its strategic plan, ACE, which is pivotal in achieving the Company's ambitious goal of becoming a \$1 billion pharmaceutical leader by 2030. Developed in 2024, the strategy is centered on three pillars: **Accelerate**, **Catalyse**, and **Expand**, with clear objectives and initiatives outlined for each, coupled with departmental transformations having digitisation as a key common enabler.

Comprehensive market research went into developing the new strategy, which underpins Avalon's transformation into a leader in the pharmaceutical sector, ensuring sustained growth, market leadership, and a positive impact on the communities it serves. This included external market analysis with third-party firms, internal needs assessment, and expert consultation from leading firms like IQVIA and Strathaus.

This strategic decision (ACE strategy) will position Avalon as a leading player in multiple pharmaceutical segments. The company will strengthen its portfolio across over-the-counter business, and prescription medicines, including specialised areas like oncology. Through technology transfer agreements, Avalon will localise production of key brands, which will support expansion beyond Saudi Arabia into GCC markets, Africa, the Middle East, and Southeast Asia.

As the Company looks to continue on its growth trajectory, it has identified certain areas with room to enhance. Whilst certain segments place Avalon at the forefront, such as over-the-counter, the Company wants to move towards prescription medicines to complement the other lines of business. Additionally, and as part of Vision 2030's drive, is for the company to have independence in manufacturing and to be autonomous in having access with its own technology and manufacturing plants.

Responsible for executing the new strategy, and to ensure its success, the Company's latest division, the Strategy Management Office (SMO), which is due to officially launch in 2025, will spearhead the implementation of all initiatives, and is led by subject matter experts who will accelerate progress and ensure coordination and scrutinised implementation of the Company's strategic growth. Its key focus areas are to firstly align all internal teams on its objectives by creating a matrix environment so all stakeholders are aligned, secondly to be the custodian of Avalon's long-term strategy with its many key performance indicators and objectives, keeping focus on these, and finally to deliver all other objectives such as digitisation and departmental transformations.



ACCELERATE

Strategic and tactical execution to maximise revenue from existing portfolio and newly launched OTC compounds in KSA and the region.



CATALYSE

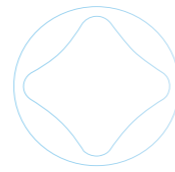
Diversify current portfolio with a focus to launch molecules in attractive fast-growing areas with limited competition.



EXPAND

Extend presence beyond domestic Saudi market.

OVERVIEW OF EACH PILLAR



ACCELERATE: Driving Growth in Existing Business Areas

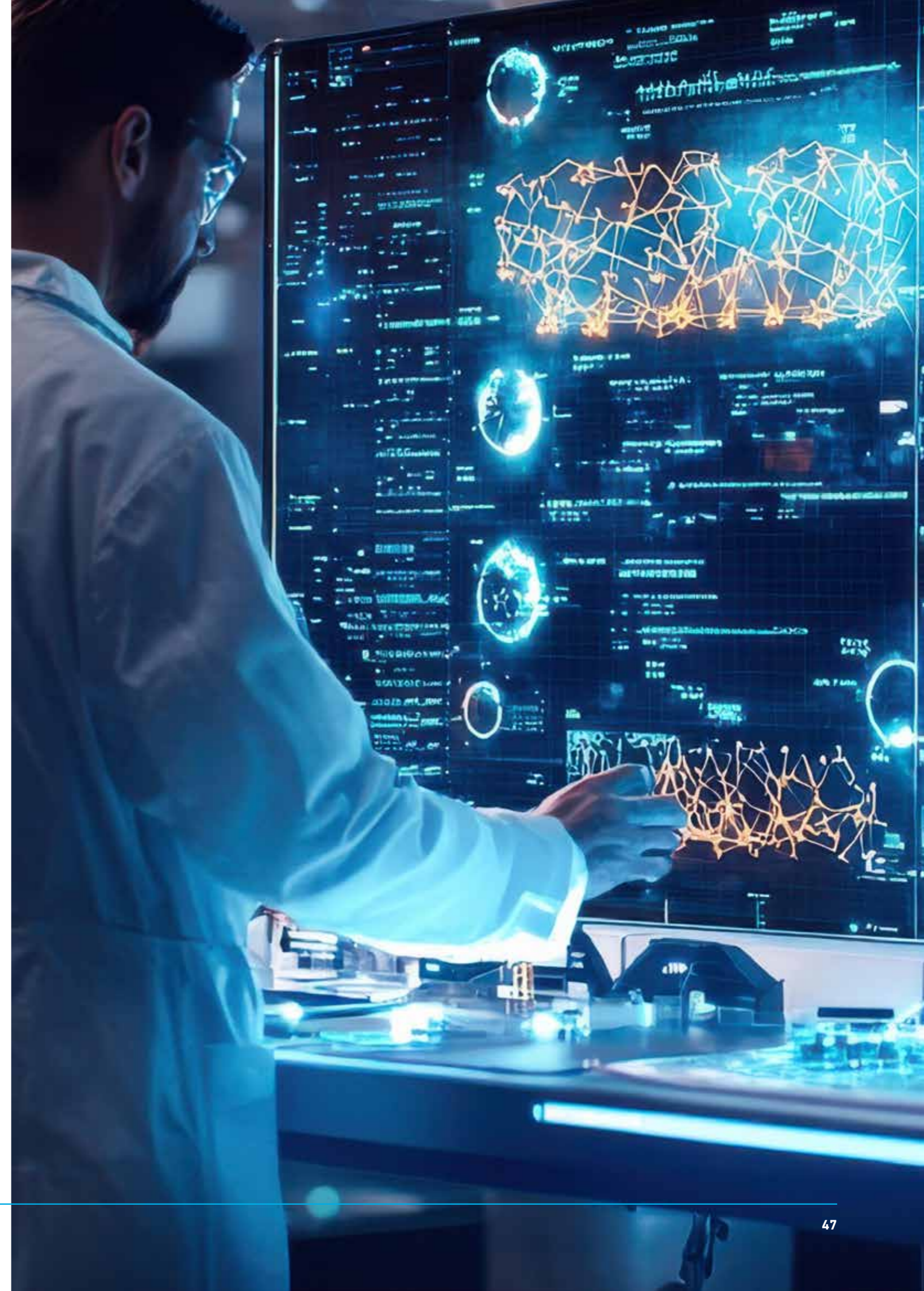
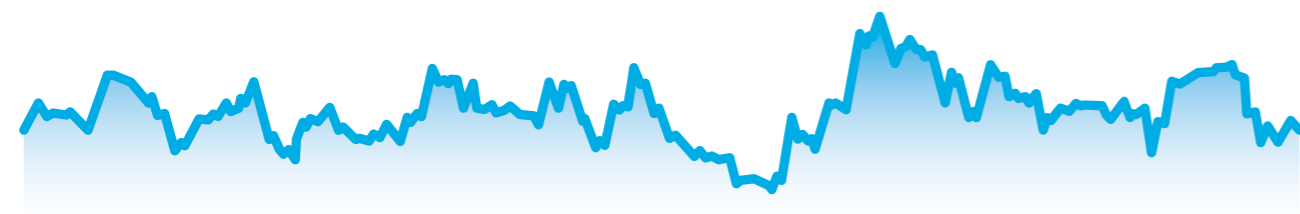
The “Accelerate” pillar focuses on enhancing operational efficiency and leveraging its core strengths in OTC to drive revenue growth. This includes expanding the Company’s product portfolio by introducing new products in OTC and variations across therapeutic categories, optimising the lifecycle of existing brands, and strengthening market penetration. By forging strategic partnerships with key distributors and pharmacies, Avalon ensures seamless distribution and captures market opportunities. Additionally, the Company emphasizes aligning its production capabilities with rising demand to maintain its leading position in the Saudi healthcare market. This holistic approach ensures sustained growth and a strong foundation for future expansions.

2. CATALYSE: Expanding Portfolio and Launching Brands

“Catalyse” is a pillar designed to diversify Avalon’s product offerings and drive innovation by leveraging local and global opportunities. This includes introducing groundbreaking pharmaceutical molecules annually (Injectables, Oncology and Ophthalmic), expanding over-the-counter (OTC) products in high-demand areas, and developing specialised products in alignment with Saudi Vision 2030’s localization goals. Avalon’s partnerships with global leaders like STADA and Adragos Pharma strengthen its capabilities in manufacturing and innovation. By investing in research, new therapeutic solutions, and strategic collaborations, Avalon aims to meet evolving healthcare needs while solidifying its reputation as a pioneer in the pharmaceutical industry across local and international markets.

3. EXPAND: Geographic Growth and Market Penetration

“Expand” underlines Avalon’s commitment to geographical growth by targeting new regional and international markets. This strategy involves strengthening export operations in core markets such as GCC countries and establishing a presence in untapped regions across Asia and Africa. Avalon leverages its expertise and partnerships to introduce exclusive, high-quality products that cater to diverse healthcare demands. By investing in state-of-the-art manufacturing facilities and aligning with governmental export incentives, the Company ensures competitive positioning and scalability. The “Expand” pillar reflects Avalon’s ambition to become a global leader in the pharmaceutical industry while contributing to Saudi Arabia’s Vision 2030 objectives.



Business Model & Operational Review



Avalon Pharma's business model is built on a robust framework that integrates innovation, operational excellence, and strategic growth. By combining a diverse product portfolio, state-of-the-art manufacturing capabilities, and dynamic business development strategies, the Company ensures sustainable success while meeting the evolving needs of its stakeholders.

The model reflects Avalon's commitment to quality, agility, and customer-centric solutions. Each element is meticulously aligned with its mission to develop and deliver high-quality healthcare products and its vision of being a leader in the health, beauty, and wellness sectors. Through continuous investment in research, technology, and strategic alliances, Avalon remains at the forefront of the pharmaceutical and healthcare industries.



The following sections delve into the key pillars of Avalon's business model:

- Products – Showcasing a broad portfolio spanning critical therapeutic areas and consumer-focused solutions.
- Manufacturing – Highlighting world-class facilities, sustainability initiatives, and a relentless focus on quality.
- Business Development – Exploring strategies for partnerships, licensing, and market expansion to drive long-term growth.



PRODUCTS

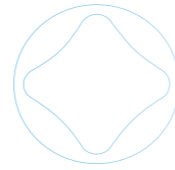
Avalon Pharma has established itself as a leading innovator in the pharmaceutical and healthcare industry with a diverse portfolio of over 70 brands. These products span a wide range of therapeutic categories, ensuring Avalon's ability to address a broad spectrum of medical needs. The Company's commitment to quality, innovation, and consumer-centric solutions is reflected in its extensive and carefully curated offerings

KEY THERAPEUTIC CATEGORIES

Avalon Pharma's products are designed to cater to critical health sectors, including:

- **Dermatology:** Topical antifungals, wound-healing agents, hair loss products, anti-acne preparations, topical corticosteroids, brightening, emollients & protectives, anti-hyperpigmentation, topical antibacterials, antiseptics and disinfectants.
- **Respiratory:** Cough and cold preparations, nasal decongestants/anti-infectives, anti-asthma products, antihistamines systemic.
- **Cardiovascular:** Anti-hypertensive drugs, anti-varicose/anti-haemorrhoids
- **Alimentary & Anti-infectives:** stomatological, antidiabetic agents, dietary supplements, systemic antibacterials.
- **Musculoskeletal:** Systemic analgesics, antirheumatics.
- **CNS (Central Nervous System):** Local anaesthetics, anti-epileptics.
- **Genitourinary Systems:** Gynaecological anti-infectives, lubricants, and treatments for erectile dysfunction.

PRODUCTS



HIGHLIGHTED BRANDS

Avalon Pharma takes pride in its flagship products that combine efficacy, safety, and consumer trust:

Alpha Plus A comprehensive brightening solution.

Avogain Effective in hair loss treatment.

EZ Clean A range of sanitizers and hand soaps for hygiene needs.

Broncast Providing effective asthma control.

Co-pan The first SFDA-approved herbal cough syrup for children aged two years and above.

Avomeb: Ensuring fast and effective wound healing.

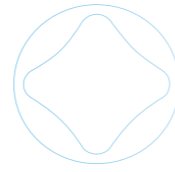


COMMERCIAL & MARKETING

As Avalon Pharma continues to solidify its position as a leading pharmaceutical company, the Commercial pillar plays a critical role in enhancing sales performance, market access, and operational efficiency. This strategy aligns with our commitment to profitable growth, portfolio expansion, and digital transformation, ensuring long-term value creation.



COMMERCIAL



1. Strengthening Revenue Growth & Market Positioning

In 2024, Avalon Pharma achieved total revenue of $\text{AED } 394$ million, marking a 16.4% year-on-year increase. This performance reflects robust market expansion, strong private sector partnerships, and increased institutional sales.

- **Private Market Contribution:** $\text{AED } 268$ million (68% of total sales), supported by strategic agreements with major pharmacy chains (Nahdi, Al-Dawaa) and hospitals.
- **Institutional Market (Public Sector):** $\text{AED } 75$ million (19% of total sales), driven by tender wins and increased Wasfaty participation.
- **Export Sales Expansion:** $\text{AED } 50$ million (13% of total sales), reflecting strong growth in the UAE, Kuwait, and other key markets.

Avalon's commercial strategy prioritises pricing optimisation, channel expansion, and targeted trade activation initiatives to enhance its market position while maintaining healthy margins.



2. Optimising Profitability & Gross Margin Performance

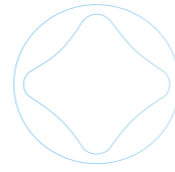
Avalon Pharma remains committed to sustainable profitability by focusing on portfolio optimisation and cost efficiency. In 2024, the company reported a gross profit of $\text{AED } 243$ million, with an overall gross profit margin (GP%) of 61.8%.

- **Private Market GP%:** 71.3%, reflecting strong pricing discipline and margin expansion.
- **Institutional Market GP%:** 36.7%, marking a 10.06 ppt improvement compared to the previous year.
- **Export GP%:** 48.7%, with efforts to strengthen local partnerships and distribution efficiency.

By refining pricing strategies and streamlining cost structures, Avalon Pharma has demonstrated resilience in achieving improved profitability while maintaining market competitiveness.



COMMERCIAL



3. Expansion into New Markets & Growth Opportunities

The Commercial strategy has enabled Avalon to accelerate market expansion across key territories.

- **Domestic Growth Initiatives:** Expansion of private-label partnerships, increased penetration in Wasfaty tenders, and hospital supply agreements.
- **International Expansion:**
 - o UAE & Kuwait: Strong regulatory approvals and B2B collaborations.
 - o New Market Entry Strategy: Focus on Egypt, Indonesia, Malaysia, and Morocco, with localized partnerships to accelerate market access.
 - o Strategic Licensing & Distribution Agreements to enhance regional footprint and long-term export revenues.



4. Enhancing Commercial Execution & Operational Efficiency

Avalon Pharma is committed to maximising sales effectiveness and leveraging digital transformation to drive operational efficiencies.

- **Sales Force Optimisation:** Implementation of structured territory management, enabling target market coverage and improved conversion rates.
- **Digital & E-Commerce Growth:** Expansion of direct-to-consumer (DTC) strategies, including e-commerce platforms and Project Matrix (influencer-led brand engagement).
- **Demand Forecasting:** Enhanced market intelligence capabilities to optimise inventory planning and mitigate supply chain risks.

These efforts ensure that Avalon Pharma remains a high-performing, customer-centric organisation, positioning the company for sustained long-term growth.



COMMERCIAL

Commitment to Quality

Each product in Avalon's portfolio reflects the Company's dedication to improving healthcare outcomes and addressing the evolving needs of its consumers. By blending science, technology, and innovation, Avalon Pharma continues to create solutions that elevate the standard of care across its markets.

Operational Review

In 2024, Avalon demonstrated significant progress in product enhancement and market leadership across multiple therapeutic categories. Despite the usual production issues and capacity challenges, Avalon maintained 24/7 utilisation with no order delays. As such, the company registered 39 new products, a record achievement for a single year, encompassing medicines, cosmetics, and healthcare solutions. The flagship product launches, such as the SFDA-approved herbal cough syrup, Copan, and other additions like Avocream and Avialis, reinforced Avalon's stronghold in the market

Avalon's strategic focus on high-quality, innovative products has positioned it as a trusted name in health, beauty, and wellness. Notable brands like Avomeb, a topical cream to help heal wounds, Avogain for hair loss, and Broncast for asthma control continue to showcase Avalon's commitment to addressing diverse consumer and medical needs. These launches and consistent, notable product performance reflect the Company's mission to provide accessible, cutting-edge healthcare solutions aligned with Saudi Arabia's Vision 2030

Operational synergy between R&D, marketing, and manufacturing was pivotal in achieving this success. Robust private-label collaborations with leading retailers like Nahdi and Al-Dawaa further emphasised Avalon's ability to tailor high-standard products to specific market needs.

As the Company heads into 2025, the product team will continue innovating to ensure the release of new products to continue with the trend from 2024. Avalon are currently heavily invested in finalising a study for a new anti-coagulant product being developed to show that the drug is as effective as international products, and are also looking to kick-off the manufacture of 2 new products including an anti-depressant. In addition, Avalon agreed a deal with Glatt for the conceptualisation and design of a new plant to produce solid oncology, ophthalmic and injectables. As part of the approval process for new products, multiple batches must be produced and tested over a defined period to secure regulatory approval. In alignment with the manufacturing department, Avalon is preparing for the construction of its latest facility, scheduled for completion in 2027. Looking ahead, this new facility will enable the Company to transfer high-demand products, easing the burden on existing manufacturing sites. This strategic move will not only streamline regulatory approval processes but also enhance Avalon's production capacity, positioning the Company to expand its portfolio and strengthen its market share.

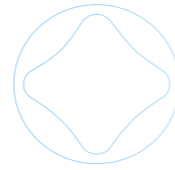
MANUFACTURING

Driving Sustainable Growth & Market Leadership

Avalon Pharma's manufacturing capabilities are a cornerstone of its commitment to delivering high-quality pharmaceutical products. With state-of-the-art facilities, robust production capacities, and adherence to the highest standards, Avalon ensures it meets the growing demands of healthcare providers and consumers.



MANUFACTURING



Comprehensive Manufacturing Capabilities

Avalon Pharma excels in producing over 300 SKUs, supported by a robust pipeline of more than 40 molecules under development. This expansive output underscores the Company's role as a key player in the pharmaceutical industry, ensuring its ability to deliver innovative solutions across a wide range of therapeutic areas.

- o Creams 44.16 million units
- o Antiseptics 14.68 million units
- o Oral Solids 35.3 million units
- o Liquids 29.52 million units

Specialised Manufacturing Facilities

Avalon Pharma operates a network of cutting-edge facilities, each tailored to specific healthcare needs:

- Avalon Pharma 1: Focused on producing pharmaceutical tablets, capsules, nasal sprays, creams, lotions, topical solutions, and cosmetic products.
- Avalon Pharma 2: Equipped with an advanced R&D centre and analytical development laboratory, this facility produces 270 million tablets and capsules annually, alongside semi-solids with a capacity of 22 million units.
- Avalon Pharma 3: The largest producer of sanitisers in Saudi Arabia, also manufacturing disinfectants, mouthwashes, and large-volume hygiene products.
- Avalon Pharma 4 (2026): A future facility designed to manufacture injectables, oncology, and ophthalmological expanding Avalon's capabilities into specialised healthcare solutions.

Commitment to Sustainability and Compliance

Avalon Pharma upholds strict environmental and regulatory standards, reinforcing its dedication to responsible manufacturing:

- Certified under ISO 14001 for Environmental Management Systems.
- Adherence to Good Manufacturing Practices (GMP) for safe and effective production.
- Transition from diesel generators to Saudi electric power, reducing environmental impact.
- Implementation of water and energy conservation strategies, alongside safe disposal and recycling of medical products. Additionally, measures are in place to monitor and reduce emissions, ensuring compliance with environmental regulations and sustainability goals.

Private Label Expertise

As a trusted private label manufacturer, Avalon Pharma collaborates with customers to deliver high-quality products tailored to their specifications. Rigorous testing, certification, and approval processes ensure these products meet the highest safety and quality standards.

Advancing Through Research and Development

Innovation drives Avalon's manufacturing success. Its R&D centre fosters a culture of exploration, supporting product development through analytical expertise and cutting-edge technologies. This focus on continuous improvement positions Avalon Pharma as a leader in healthcare manufacturing.

Avalon's manufacturing excellence not only ensures the consistent supply of high-quality products but also reinforces its commitment to innovation, sustainability, and meeting the needs of its regional markets.

+300
SKUS

AVALON PHARMA
EXCELS IN
PRODUCING

+40

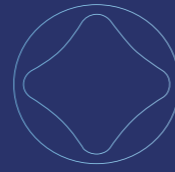
MOLECULES
UNDER
DEVELOPMENT

+270

TABLETS AND
CAPSULES
ANNUALLY



MANUFACTURING



Operational Review

Avalon Pharma's manufacturing operations in 2024 were marked by record-breaking performance, underpinned by robust processes and a commitment to excellence. The company successfully maintained 24/7 production across 80% of its manufacturing lines, ensuring market demands were met without delays. The utilisation rate across lines reached an impressive 85%, a benchmark achievement in the pharmaceutical sector.

Key developments included the completion of the design phase for a new oncology, ophthalmic and injectables facility in collaboration with Glatt, with construction scheduled to begin in 2025. This facility will further enhance Avalon's capabilities in producing high-demand products such as injectables and ophthalmological treatments, with commercialisation expected by 2027.

The company's adherence to environmental and quality standards remains a cornerstone of its operations. It obtained ISO 14001 certification and complied with Good Manufacturing Practices (GMP), alongside implementing sustainable practices like transitioning to Saudi electric power for its facilities from diesel generators, and enhancing water and energy conservation strategies. These efforts align with Avalon's dedication to environmental stewardship and operational sustainability.

Avalon's private-label manufacturing partnerships with leading retailers solidified its reputation as a trusted supplier, producing tailored products of the highest quality. This, combined with expanding production capacities and streamlining supply chain logistics, positioned Avalon as a key player in the Saudi and regional markets.

As Avalon looks towards 2025 and beyond, the manufacturing team will continue to push forward with its expansion plans to accommodate the increased demand, whilst adhering to the latest in industry trends and standards. This important segment is pivotal in helping Avalon in its growth to ensure the Company is best placed to capture maximum market share, not just across Saudi Arabia but the wider region, in line with its strategy.

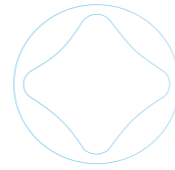
BUSINESS DEVELOPMENT

Avalon's business development initiatives are pivotal to its strategic growth and long-term success. Through innovative partnerships, in-licensing and out-licensing opportunities, and an agile approach to market expansion, Avalon continues to strengthen its position as a trusted leader in the pharmaceutical and healthcare industry.



<p>24/7 production across 80% of its manufacturing lines</p>	<p>ISO 14001 certification</p>	<p>High-demand products such as injectables and ophthalmological treatments, with commercialization expected by 2027</p>
-----------------------------------------------------------------------------	-----------------------------------------------	-----------------------------------------------------------------------------------------------------------------------------------------------------

BUSINESS DEVELOPMENT



In-Licensing for Portfolio Expansion

The Company leverages in-licensing agreements to access cutting-edge technologies and expand its product portfolio. By collaborating with global partners, Avalon integrates advanced technical processes into its state-of-the-art manufacturing facilities. This approach allows the Company to deliver innovative products that cater to diverse therapeutic needs, enhancing its market competitiveness.

Out-Licensing Trusted Formulations

Avalon's well-established formulations attract licensees seeking to mitigate risks and accelerate time-to-market. The Company's expertise in production and regulatory affairs enables partners to bring Avalon's trusted products to new markets efficiently. Private labelling of selected brands further supports its partners' growth while maintaining high standards of quality and safety.

Contract Manufacturing Excellence

The Company has expanded its manufacturing capabilities to serve as a reliable contract manufacturing partner. Its scalable and flexible production capacity supports both pilot-scale development and large-scale commercial production. Avalon also collaborates with other contract manufacturers for products outside its production lines, ensuring all collaborations meet its rigorous standards of quality and compliance.

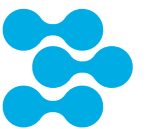
Strategic Alliances for Long-Term Growth

Avalon's synergetic and collaborative approach to business is embodied in its strategic alliances. The Company actively seeks long-term partnerships founded on mutual trust, transparency, and shared objectives. By pooling resources and fostering win-win relationships, Avalon creates value for its partners while driving innovation and competitiveness both locally and regionally.

A Systematic Partnership Process

Avalon Pharma's partnership strategy is structured to ensure successful collaborations:

1. Search: Detailed evaluations are conducted to find partners with complementary expertise and goals.
2. Identify: Potential partners are carefully vetted to align with Avalon's values and objectives.
3. Start: Collaborative initiatives are launched with a clear focus on mutual growth.
4. Ensure: Ongoing measures are implemented to maintain the partnership's integrity and effectiveness.



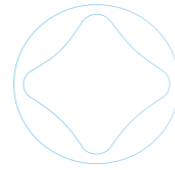
Vision for Growth

Avalon's business development efforts align closely with its ACE strategy (**Accelerate, Catalyse, Expand**). These initiatives prioritise:

- Expanding market reach through strategic alliances and licensing agreements.
- Enhancing manufacturing capabilities to meet global healthcare demands.
- Strengthening Avalon's leadership position in key therapeutic categories.

Through its dynamic and forward-thinking business development strategy, the Company continues to set new benchmarks in delivering innovative healthcare solutions while fostering sustainable growth for its partners and stakeholders.

BUSINESS DEVELOPMENT



Operational Review

Avalon's Business Development efforts in 2024 were pivotal in driving the Company's strategic roadmap and aligning with its ambitious goals under the ACE framework—Accelerate, Catalyse, and Expand. With a focus on innovation, strategic alliances, and market expansion, the department significantly contributed to Avalon's growth trajectory.

Key achievements included:

1. **Strategic Alliances and In-Licensing:** Avalon enhanced its partnerships with prominent retailers like Nahdi and Al-Dawaa by transitioning from supplier to manufacturer, producing private-label products under their brands. These collaborations bolstered Avalon's presence in the Saudi market and underscored its ability to cater to tailored needs.
2. **Market Expansion:** Significant growth was achieved in export markets, with successful relaunches in Kuwait and the UAE. These initiatives helped Avalon establish itself as a strong regional player, leveraging support from the Saudi Export Authority to tap into new markets.
3. **Innovation-Driven Pipeline:** Avalon's R&D efforts resulted in robust product innovation, supported by strategic technology transfer agreements. These collaborations are set to drive the localization of market leading products and strengthen Avalon's foothold in specialised areas like solid oncology, injectables and ophthalmology..

Despite challenges, including a mid-year management reshuffle, Avalon sustained its momentum by cultivating a culture of strategic focus and operational agility. The newly appointed head of the department is expected to further enhance business development operations, ensuring seamless alignment with the Company's long-term objectives.

Moving forward, Avalon's Business Development team is prepared to capitalise on its achievements by focusing on exclusive product launches, regional partnerships, and aligning with Saudi Vision 2030. This includes fostering partnerships with local players to localise production and exploring high-value therapeutic segments to meet growing healthcare demands.



STRATEGIC ALLIANCES AND IN-LICENSING:
Avalon enhanced its partnerships with prominent retailers like Nahdi and Al-Dawaa

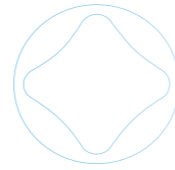


MARKET EXPANSION:
Significant growth was achieved in export markets, with successful relaunches in Kuwait and the UAE



INNOVATION-DRIVEN PIPELINE:
Avalon's R&D efforts resulted in robust product innovation, supported by strategic technology transfer agreements

SUSTAINABILITY



Sustainability – A Stepping Stone to ESG

In line with Saudi Arabia's Vision 2030, Avalon is fully committed to a sustainable future for all. The Company continues to look into more sustainable ways to conduct business, moving towards more environmentally friendly practices, nurturing its talent and social responsibility, and having robust governance procedures in place that solidify the Company's position at the forefront of the market. This not only harmonises the workplace, but helps to build a better, healthier and happier wider community.

Encouraging Sustainable Practices

Whilst in its infancy, the Avalon is dedicated to doing more for the environment in all its activities.

2024 was a transformational year for the Company, with its successful listing putting the Company more in the spotlight.

Avalon is always looking to digitise its activities where possible, significantly reducing the more conventional paper-based way of working. One notable example is the transition to a fully digital accounts payable system, eliminating paper-based processes and significantly reducing the Company's paper consumption.

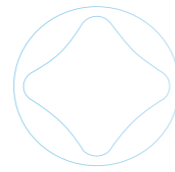
The most substantial environmental impact, however, is seen in manufacturing, where Avalon is licensed and registered with the Saudi Environmental Authority. As part of this compliance, the Company submits quarterly performance reports, covering key environmental factors such as air and water quality, as well as the surrounding environmental conditions.


Additionally, Avalon has engaged external consultants to assess its operations and provide recommendations for minimizing environmental impact.

2024 also marked a significant step for the Company, where it moved away from the older, diesel-powered generators to power its factories, instead sourcing electricity from the Saudi Electricity Company.



AVALON SITE GO GREEN PROJECT




REDUCE POWER CONSUMPTION


REDUCE WATER CONSUMPTION


REDUCE GENERATED WASTE




USING RENEWABLE ENERGY


SAFE DISCARDING / USE OF WASTE

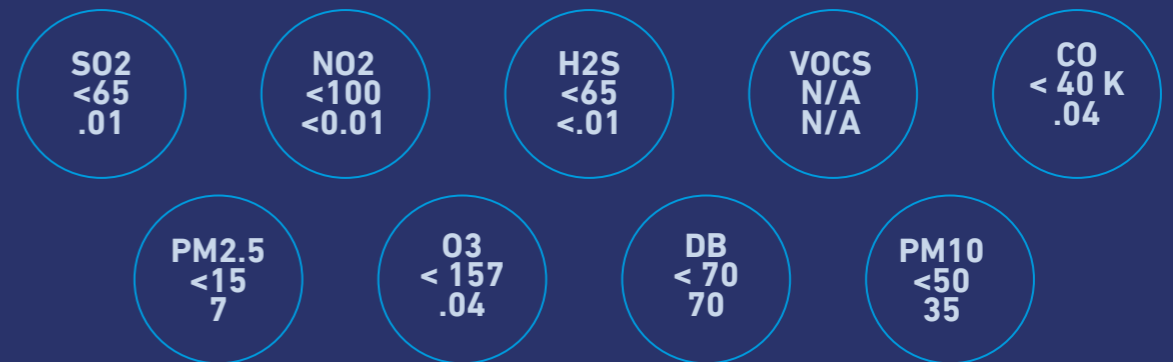

GO GREEN LRP ROAD FOLLOW

Avalon Site Go Green LRP (6 Years) LRP Long Road Plan

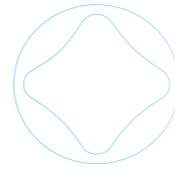
	2025	2026	2027	2028	2029	2030
Using Renewable Energy	Phase 1			Phase 2	Phase 3	Phase 4
Utilities Source Monitoring Program		Phase 1	Phase 2	Phase 3	Phase 4	
HVAC System Power Saving	Phase 1	Phase 2	Phase 3	Phase 4	Phase 5	Phase 6
WTP Reject Water Reuse for Domestic		Site2		Site1		
LED lighting System Upgrade	Phase 1		Phase 2		Phase 3	
Power Saving Upgrades				Phase 1		Phase 2

AVALON SITE MONITORING PROGRAM

Annual Monitoring System By Authorized Safety Consultant for Sites Emissions & Environmental Impact



SUSTAINABILITY



Human Capital

The key to Avalon's success has been its Human Capital, with 2024 showing a significant increase in headcount of Avalon's staff. The Company is anchored by a vision to ensure a happy, healthy and productive workforce by nurturing its talent through a continuous professional development program.

Grade	Male		Female	
	2024	2023	2024	2023
Senior management	13	15	1	5
Middle management	76	55	10	6
Other	470	100	76	4
Total	559	170	87	15



Department Review

Despite the challenges of Saudisation, and market salaries, Avalon successfully overcame these, highlighted by the growth in its workforce. The launch of the "Journey through Avalon" as designed to foster interdepartmental engagement and collaboration through training sessions provided by various departments to all, allowing for the exchange of knowledge and ideas to create a cohesive environment for all. An leading example of this can be seen between the collaboration of Human Capital and Legal Affairs; Legal Affairs oversees all employee contract matters and manages the Company's commercial relationships with external stakeholders, while Human Capital is responsible for staff management. Additionally, government relations saw significant improvements, driven by an enhanced Saudisation rate and a strengthened partnership with the General Organisation for Social Insurance (GOSI). The company complied fully with all GOSI and Ministry of Labour regulations over 2024, and consistently monitors regulatory updates to maintain its position.

A partnership agreement with KABI, a global HR technology powerhouse specialising in AI powered talent solutions, was signed, with Avalon looking to implement its market leading solution to enhance and digitise the acquisition process, streamlining candidate sourcing, interview scheduling and applicant evaluations in early 2025. These efforts were aimed at enhancing the candidate experience, strengthening Avalon's employer brand, and attracting top-tier talent.

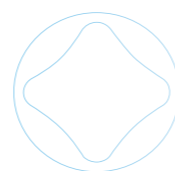
In 2024, Avalon reached a milestone agreement with King Saud University, becoming the first pharmaceutical company to establish such a partnership. Under this agreement, Avalon will fund the development of a state-of-the-art learning facility on campus, making it the first pharma company to undertake such an initiative. This facility will be equipped with the latest technology to enhance students' learning experience. The agreement has been finalized, with construction set to commence in 2025.

Avalon also implemented a full performance management system (PMP) to streamline its workflows, enhance accessibility and improve data tracking and analysis, and digitised its employee archiving system to improve confidentiality and facilitate a more streamlined retrieval of documents when required.

A key improvement in Human Capital activities is the successful deployment of the SAP Success Factors system, which enhanced core daily operations, including success planning, further developing the continuous professional development programs to create clear career development paths, performance evaluations and learning opportunities for the workforce, all ensuring the provision of a seamless, integrated HR experience.



SUSTAINABILITY



Grade	Male		Female	
	2024	2023	2024	2023
Senior management	13	15	1	5
Middle management	76	55	10	6
Other	470	100	76	4
Total	559	170	87	15

Workforce analysis

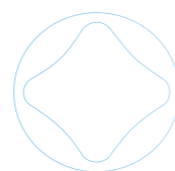
	2024	2023	2022	2021	2020
Total number of employees	646	541	533	504	457
% of female employees	13.5%	10.2%	7.5%	3.6%	2.2%
% of Saudi employees	28.8%	29.4%	29.8%	28.4%	25.8%

Age group	Male	Female	Total
	2024	2024	2024
18-30 years	109	55	164
31-40 years	279	26	305
41-50 years	141	6	147
Over 51 years	30	0	30
Total	559	87	646

Employees by age and gender:

Age group	Male			Female			Total		
	2022	2023	2024	2022	2023	2024	2022	2023	2024
18-30 years	45	55	109	13	10	55	58	65	165
31-40 years	65	60	279	0	4	26	65	64	277
41-50 years	55	40	141	0	0	6	55	40	171
Over 51 years	0	0	30	1	1	0	1	1	33

SUSTAINABILITY



Service analysis of workforce

Number of years of service	Male			Female		
	2024	2023	2022	2024	2023	2022
0-5 years	330	245	245	75	15	15
6-10 years	98	40	40	12	5	5
11-15 years	109	10	10	0	0	0
15-20 years	17	5	5	0	0	0
Over 20 years	5	2	2	0	0	0

Number of years of service	Male	Female	Total
	2024	2024	2024
0-5 years	330	75	405
6-10 years	98	12	110
11-15 years	109	0	109
16-20 years	17	0	17
Over 20 years	5	0	5
Total	559	87	646

Employees by region/grade

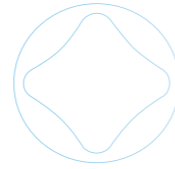
Region	Senior Management	Middle management	Other	Total
Central	12	57	433	502
Eastern	0	5	30	35
Western	0	13	65	78
UAE	2	11	18	31
Total	14	86	546	646

Corporate Social Responsibility

CSR is managed internally by the Social Responsibility Committee. This is headed by the Managing Director, and supported by a number of core senior management members including the Chief Administrative Officer, Human Capital Director, Chief Commercial Officer and Chief Marketing Officer.



SUSTAINABILITY



Woman Empowerment

At Avalon Pharma, women empowerment is a key focus, ensuring that female employees have the resources, opportunities, and support to thrive in the workplace. The company believes that empowering women not only enhances their personal growth but also contributes significantly to the overall success of the organisation.

Key aspects of Avalon Pharma's women empowerment and employee programs:

Leadership Development: Avalon Pharma offers leadership training and development programs specifically designed for women. These programs help women build the skills and confidence needed to take on leadership roles within the company. By fostering a pipeline of women leaders, Avalon Pharma ensures diverse perspectives at the decision-making level.

Mentorship Opportunities: The company provides mentorship programs, pairing women with senior leaders to guide them through career development and professional challenges. This enables women to gain valuable insights and build strong networks that support their career advancement.

Work-Life Balance Initiatives: Avalon Pharma is committed to supporting its employees' well-being by offering flexible work schedules, remote working options, and family-friendly policies such as maternity leave and childcare support. These initiatives allow women to balance their professional and personal responsibilities effectively.

Equal Pay and Advancement: Avalon Pharma ensures equal pay for equal work, promoting fairness and transparency in compensation and career progression. The company encourages a merit-based culture where employees, regardless of gender, are rewarded based on their skills, performance, and contributions.

Inclusive Work Environment: Avalon Pharma fosters a culture of inclusion and diversity, where all employees are encouraged to voice their opinions and contribute to decision-making processes. Women at Avalon Pharma have equal access to career opportunities, promotions, and professional development, ensuring that they can thrive and grow within the company.

Avalon highly values its talent and is committed to providing equal opportunities in the workplace, regardless of gender. Aligned with Saudi Vision 2030, the company has intensified its efforts to empower women in the workforce. This commitment is reflected in the substantial rise in the number of female employees, growing from 15 in 2023 to 87, now representing 13.5% of the total workforce.



Employee Programs

Avalon is dedicated to ensuring its workforce feels valued and recognises the vital role they play in the company's success. In 2024, several initiatives were launched to foster an inclusive, dynamic, and positive work environment. A monthly recognition program was implemented through internal communication channels to highlight employee achievements and contributions. Additionally, programs promoting mental and physical well-being were introduced, including wellness workshops, fitness challenges, and awareness sessions in collaboration with UFC Gym. To enhance transparency and engagement, Avalon also introduced periodic internal emails to keep employees informed about company progress, share updates, and celebrate achievements.

Health And Safety

To highlight the importance of Health and Safety, the company continues to invest heavily in ensuring it raised awareness of staff health and safety on the job. The Company ensure that every location, from factories to offices, has at least 1 health and safety specialist, whose job it is to ensure a safe, secure and healthy environment for all visitors.

CSR Initiatives

Corporate Social Responsibility Initiatives

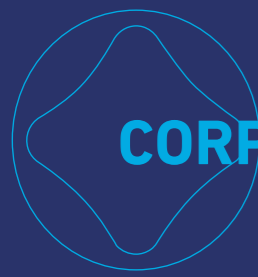
Avalon's CSR initiatives focused on societal and environmental impact, encompassing health campaigns, community support, and sustainability programs. Highlights included:

- Distribution of Iftar Meals during Ramadan, in collaboration with Alhada Ber charity
- Distribution of Eid clothes during Ramadan through Sanabel Madinah Charity
- Planting trees in Al Najma gardens, together with Riyadh Municipality
- Distribution of Avalon products through Ajwad for Community Services, Vitiligo Charity Foundation, Zahra Association, Social Care House, Liajlehum Association and Enayah Health Society
- Distribution of Avalon products in Yemen through the King Salman Humanitarian Aid and Relief Centre
- The renovation of a lecture room, and partial reforestation of grounds at King Saud University





**CORPORATE
GOVERNANCE**



CORPORATE GOVERNANCE

Avalon Pharma is committed to applying the highest standards and best professional practices in governance, adopting, and disseminating a culture of commitment to the highest levels of integrity and honesty in all its professional practices. The Company is also working to integrate the concepts of disclosure and transparency into all its events and activities in various main streams of work. The Company emphasizes its compliance with all laws, regulations and instructions issued by the competent authorities related to its business, a matter that preserves its reputation and credibility, and enhances the confidence of shareholders and partners in its successful approach in accordance with the standards of efficiency, quality, and mastery. We note here that a report has been prepared and published in accordance with the Corporate Governance Regulations issued by the Capital Market Authority, in its latest amended version.

Governance practices framework

Avalon Pharma endeavors to implement the principle of governance within an integrated professional framework, in accordance with the best practices followed by listed companies and based on a general framework for comprehensive governance as follows:

- 01-** Protecting the rights of the Company's shareholders in a way that ensures their and the Company's best interests.
- 02-** Protecting the rights of stakeholders and providing stability and functional sustainability through the Company's good financial performance.
- 03-** Providing accurate and comprehensive timely disclosures to the Company's shareholders, related parties, and relevant regulatory authorities.
- 04-** Identifying, reporting, disclosing, and dealing with cases of conflict of interest that may arise between the Company and its stakeholders, which may negatively affect the interests of the Company and its shareholders.
- 05-** Enabling employees to report any concerns or incorrect behavior observed within the Company by providing an objective, confidential and independent reporting and investigation mechanism until appropriate corrective action is taken.
- 06-** Regulating transactions with related parties, whether between the Company and its employees, or between the Company and members of its Board of Directors, executive management, subsidiaries, or other related parties.
- 07-** Aligning the Company's values and strategy with social and economic needs, by ensuring that responsible and ethical practices are applied in all company activities while continuing to provide the necessary support to the community.
- 08-** Establishing reliable communication channels with investors to enhance the Company's position in the market and attract shareholders and investments.



Pillars of governance implementation

Transparency

The Board of Directors must explain to shareholders the reasons for making key decisions

Responsibility

Each member of the Board of Directors is responsible for carrying out his duties with the highest professionalism.

Accountability

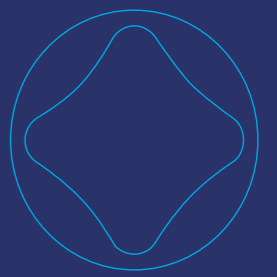
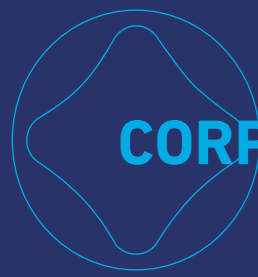
Board members must be accountable to shareholders for mistakes committed (if any).

Justice

All shareholders are equal before members of the Board of Directors and senior management.

Implemented and non-implemented provisions of these Regulations, and justifications therefor:

The company also applies all the provisions of the Corporate Governance Regulations issued by the Capital Market Authority, with the exception of the provisions set out below.



Article/ paragraph number	Paragraph Status	Article text Provision	Reasons for non-application
Article Seven/ Paragraph D	Guiding	The company is to appoints an officer responsible for tasks related to shareholders' relations in the company in order to achieve effective and fair communication between the company and shareholders.	This has not been approved and is still under study
Article Thirty Nine	Guiding	Evaluation / Assessment	This has not been approved and is still under study
Article Sixty Seven	Guiding	Formation of a risk management committee	This has not been approved and is still under study
Article Eighty Three	Guiding	Motivating employees	This has not been approved and is still under study
Article Eighty Four	Guiding	Social Responsibility	This has not been approved and is still under study
Article Eighty five	Guiding	Social work initiatives	This has not been approved and is still under study
Article Ninety Two	Guiding	Formation of the Corporate Governance Committee	This has not been approved and is still under study

Names, qualifications, and experience of the Board and committees' members and Executive Management;

The Board of Directors is appointed by the shareholders. The Board has the broadest powers to manage the Company, direct its business to achieve its objectives, and set plans, policies, strategies, and main objectives for the Company, taking into account long-term interest of shareholders.

Responsibilities and Competencies of the Board of Directors

With due consideration of the powers assigned to the General Assembly, the Board of Directors shall have the broadest powers necessary to manage the Company in a manner that achieves its objectives, establish its policies, determine its investments, supervise its business and finances, and manage its affairs inside and outside the Kingdom. The Board also has - but is not limited to - the right to sign all types of contracts, documents, instruments, and agreements, including but not limited to the contracts of incorporation of companies in which the Company participates, with all their amendments, annexes, and amendment decisions, and to sign the agreements and instruments before the Notary and official bodies. The tasks and specializations of the Board of Directors include the following:

01- The duties and powers of the Council stipulated in the Companies Law and the Company's Bylaws.

02- Developing plans, policies, strategies, and main objectives of the Company and supervising their implementation and reviewing them periodically through:

- Developing, reviewing, and directing the Company's comprehensive strategy, main business plans, and risk management policies and procedures.
- Determining the Company's optimal capital structure, strategies, and financial objectives, and approving all types of estimated budgets.
- Supervising the Company's main capital expenditures and owning and disposing of assets.
- Setting performance goals and monitoring implementation and overall performance in the Company.
- Periodically reviewing and approving the Company's organizational and functional structures.
- Verifying the availability of human and financial resources necessary to achieve the Company's goals and main plans.

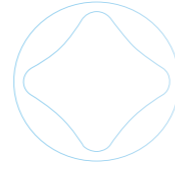
03- Establishing systems and controls for internal control and general supervision thereof, through:

- Developing a written policy to address cases of actual and potential conflicts of interest for members of the Board of Directors, Executive Management, and shareholders, including misuse of the Company's assets and facilities, and misconduct resulting from dealings with related parties.
- Ensuring the soundness of financial and accounting systems, including systems related to preparing financial reports.
- Ensuring the implementation of appropriate control systems to measure and manage risks, by developing a general vision of the risks that the Company may face, creating an environment familiar with the culture of risk management at the Company level, and presenting it transparently with stakeholders and parties related to the Company, to annually review the effectiveness of the Company's internal control procedures
- Annually reviewing the effectiveness of the company's internal control procedures.

- 04-** Preparing clear and specific policies, standards, and procedures for membership in the Board of Directors that do not conflict with the mandatory provisions in the organizational regulations and putting them into effect after their approval by the General Assembly.
- 05-** Establishing policies and procedures that ensure the Company's compliance with laws and regulations and its commitment to disclosing essential information to shareholders and stakeholders and verifying the executive management's compliance with them.
- 06-** Supervising the Company's financial management, its cash flows, and its financial and credit relationships with others.
- 07-** Proposing to the extraordinary general assembly what it deems appropriate regarding increasing or reducing the Company's capital, or in the event of the Company's dissolution before the period specified in the Company's bylaws or deciding its continuation
- 08-** Propose to the Ordinary General Assembly what it deems appropriate regarding the use of the Company's reserves if they are not allocated for a specific purpose in the Company's bylaws or in the event of the formation of additional financial reserves or provisions for the Company.
- 09-** Preparing the Company's initial and annual financial statements and approving them before their publication.
- 10-** Preparing the Board of Directors' report.
- 11-** Ensuring the accuracy and integrity of the data and information that must be disclosed in accordance with applicable disclosure and transparency policies and systems.
- 12-** Establishing effective communication channels that allow shareholders to review aspects of the Company's various activities and any fundamental developments continuously and periodically.
- 13-** Forming specialized committees emanating from it through decisions specifying the duration of the committee, its powers and responsibilities, and how the Board will monitor it, provided that the formation decision includes naming the members and specifying their tasks, rights and duties, along with an evaluation of the performance and work of these committees and their members.
- 14-** Determining the types of remunerations granted to the Company's employees, such as fixed remunerations, performance-related remunerations, and remunerations in the form of shares, in a manner that does not conflict with the implementing regulations of the Companies' Law for listed joint-stock companies.
- 15-** Establishing the values and standards that govern work in the Company.

BOARD OF DIRECTORS

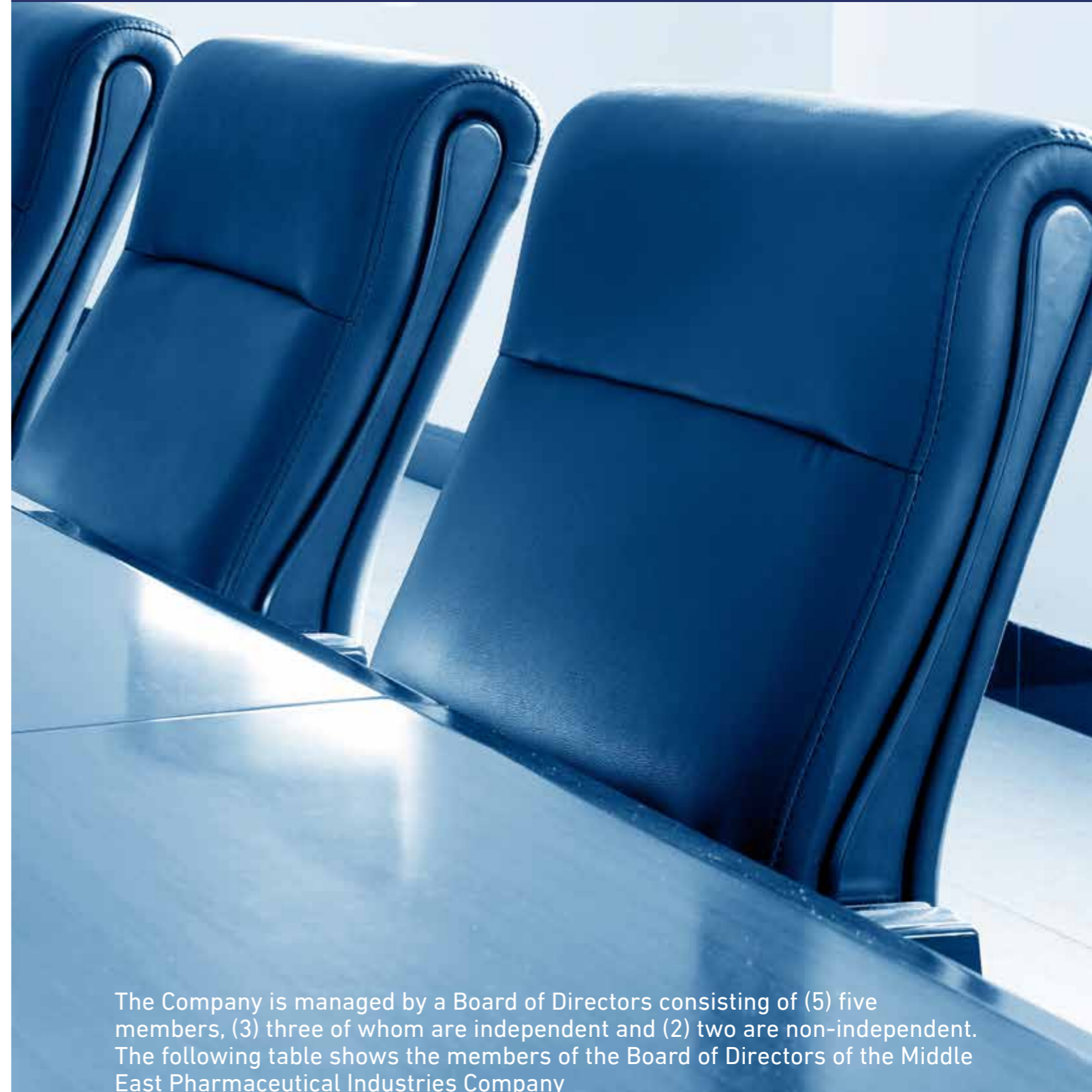
COMPOSITION OF THE BOARD OF DIRECTORS



The Middle East Pharmaceutical Industries Company is managed by a Board of Directors consisting of (5) five members elected by the Ordinary General Assembly of Shareholders for a period not exceeding (4) four years. Board members may be re-elected. With the exception of this, the transformational general assembly held on 09/09/1443H (corresponding to 10/04/2022G) appointed the first Board of Directors for a period of (4) four years from the date of issuance of the Ministerial Resolution announcing the Company's transformation into a joint stock company. The Board of Directors holds (4) meetings at least annually.



MEMBERS OF THE BOARD OF DIRECTORS



The Company is managed by a Board of Directors consisting of (5) five members, (3) three of whom are independent and (2) two are non-independent. The following table shows the members of the Board of Directors of the Middle East Pharmaceutical Industries Company

MEMBERS OF THE BOARD OF DIRECTORS



The Company is managed by a Board of Directors consisting of (5) five members, (3) three of whom are independent and (2) two are non-independent.

BIOGRAPHIES OF MEMBERS OF THE BOARD OF DIRECTORS



Ahmad Shaher Al-Tabbaa
Chairman of the Board of Directors of Directors

Academic qualifications

- A bachelor's degree in economics from the American University in Washington DC, USA, in 1994.

Current Positions

- Chairman of the Board of Directors of Avalon Pharma since 2022G.

Previous Positions and Practical Experience

- Chairman of the Board of Directors of the Riyadh Renewable Energy Company in the city of Riyadh from 2017G to 2021G, which is a limited liability company working in the field of providing renewable energy.
- Founder and Chairman of the Board of Directors of the Middle East Distribution Company in Riyadh from 2000G to 2018G, which is a limited liability company working in the field of distributing health products and medicines.
- Founder and Chairman of the Board of Directors of the First Pharmaceutical Company in Riyadh from 2003G to 2005G, which is a limited liability company working in the field of investing in and operating pharmacies.
- Founder and Chairman of the Board of Directors of the Middle East Machinery Company in Riyadh from 1998G to 2000G, which is a limited liability company working in the field of manufacturing and packaging of the pharmaceutical, food and water industries.



Hisham Mohammed Attar
Vice Chairman of the Board

Academic qualifications

- He holds a bachelor's degree in business economics and public and private sector organizations from Brown University in Rhode Island, USA, in 2004G.

Current Positions and practical Experience

- Vice Chairman of the Board of Directors of Avalon Pharma since 2022G
- Vice Chairman of the Board of Directors of the Jordanian Saudi E-Commerce Company in Jordan since 2006G, a limited liability company working in online retail.
- Founder and partner in Thara Al-Mustaqbal Investment Company in Riyadh since 2022G, which works in the field of chemical materials and waste management.
- General partner and member of the Executive Committee of KC AGRO in Romania since 2013G, which works in the field of agriculture and agricultural land operation.
- Founder and partner of Arena Group Company in Jeddah since 2012G, which works in the field of fitness centers.
- Founder and partner of Al-Farabi Medical Company in Riyadh since 2010G, which works in the field of providing medical services.
- Member of the Investment Committee of the Saudi Technical Development and Investment Company «Taqlia» in the city of Riyadh since 2022G, and it works in the field of information technology.
- Member of the Compliance Committee at the Arab Bank in Jordan since 2018G.
- Member of the Strategy Committee at the Arab Bank in Jordan since 2018G.
- Chairman of the Nominations and Remuneration Committee at the Saudi Jordanian Investment Fund Company in Jordan since 2017G.
- Managing Director of the Saudi Technical Development and Investment Company «Taqlia» in the city of Riyadh since 2022G,

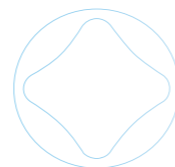
which is a limited liability company working in the field of information technology.

- Member of the Board of Directors of Tejoori Company in Riyadh since 2022G, which is a closed joint stock company working in the field of providing information management and digital archiving services.
- Member of the Board of Directors of the Arab Bank in Jordan since 2018G, which is a joint stock company working in the field of providing financial and banking services.
- Chairman of the Board of Directors of the Saudi Jordanian Investment Fund Company in Jordan since 2017G, which is a joint stock company working in the field of multiple investments.
- Member of the Board of Directors of KC AGRO in Romania since 2013G, which is a limited liability company working in the field of agriculture and agricultural land operation.

Previous Positions

- Senior advisor to the Deputy Governor and Head of the Identity Department in the Middle East and North Africa region at the Public Investment Fund in Riyadh from 2021G to 2022G, and he works in the field of multiple investments.
- Senior Executive Director in the Local Partnership Department at the Public Investment Fund in Riyadh from 2019G to 2021G, and he works in the field of multiple investments.
- Senior Vice President of the Saudi Equity Department at the Public Investment Fund in Riyadh from 2016G to 2019G, and he works in the field of multiple investments.
- President of Amwal Al-Khaleej Investment Company in Riyadh during the year 2016G, which works in the field of providing financial services.
- Vice President at Amwal Al Khaleej Investment Company in Riyadh during 2015G, which works in the field of providing financial services.
- Executive Vice President of the Sports Clubs Company in Riyadh from 2013G to 2015G, which works in the field of sports and sports equipment.
- Vice President at Amwal Al Khaleej Investment Company in Riyadh from 2008G to 2013G, which works in the field of providing financial services.
- Senior deputy in Assets and Liabilities Management at the National Saudi Bank in Jeddah from 2006G to 2008G, and it works in the field of providing financial and banking services.
- Marketing Officer for Investments and Derivatives Sales at the National Bank of Saudi Arabia in Jeddah from 2004G to 2006G. It works in the field of providing financial and banking services.

MEMBERS OF THE BOARD OF DIRECTORS



BIOGRAPHIES OF MEMBERS OF THE BOARD OF DIRECTORS



Mohammed Maher Al-Ghannam
Managing Director and Chief Executive Officer

Academic qualifications

- He holds a master's degree in business administration from Central California University in California, USA, in 2018G.
- He holds a bachelor's degree in business administration from Damascus University in Syria in 2009G.

Current Positions

- Managing Director and CEO of the Middle East Pharmaceutical Industries Company in Riyadh since 2022G.
- Board Member in Power Busbar since 2024G
- Board Member at anb Capital – Alfayhaa fund since 2024G.

Previous Positions and practical Experience

- CEO of the Middle East Pharmaceutical Industries Company in Riyadh from 2018G to 2022G.
- Director of Operations at the Middle East Pharmaceutical Industries Company in Riyadh from 2016G to 2018G.
- Director of Human Resources and Logistics Services at the Middle East Pharmaceutical Industries Company in Riyadh from 2006G to 2015G.
- Director of Purchasing and Logistics Services at the Middle East Pharmaceutical Industries Company in Riyadh from 2000G to 2006G.



Faisal Suleiman Al-Jamaan
Member of the Board of Directors

Academic Qualifications

- He holds a bachelor's degree in computer technology from Brunel University in the United Kingdom in 1978G

Current Positions

- Member of the Board of Directors at the Middle East Pharmaceutical Industries Company in Riyadh since 2022G.
- Member of the Board of Directors of Al-Esayi Motors Company in Riyadh since 2020G, which is a closed joint stock company.
- Chairman of the Audit Committee at Al-Esayi Motors Company in Riyadh since 2020G
- Chairman of the Audit Committee at the Arab Tile Company in Riyadh since 2019G.
- Member of the Board of Directors of the Arab Tile Company in Riyadh since 2019G, which is a closed joint stock company working in the field of manufacturing tiles and building supplies
- CEO of Tawkelat Financing Company in Riyadh since 2017G.
- Chairman of the Board of Directors of the Comprehensive Marketing Company in Riyadh since 2007G, which is a limited liability company working in the field of marketing services for health products and medicines

Previous Positions and Practical Experience

- CEO of United Motors Company in Riyadh from 2000G to 2017G.
- General Manager at Al-Ahlia Advanced Systems Company Limited in Riyadh from 1999 to 2000G.
- General Manager at the United Arab Motors Company in Riyadh from 1996 to 1999G.
- General Manager at Integrated Systems Company in Riyadh from 1993 to 1996G.
- General Manager at the Saudi Electronic Systems Company in Riyadh from 1979G to 1993G.
- Programming analyst at Grand Metropolitan Systems in the United Kingdom from 1978G to 1979G.
- Research assistant at the University of London in the United Kingdom in 1976
- Programmer at ABC Business Press in the United Kingdom in 1974G

MEMBERS OF THE BOARD OF DIRECTORS



Omar Mohammed Al-Jaroudi
Member of the Board of Directors

Academic qualifications

- He holds a master's degree in economics from Syracuse University in New York State, USA, in 1984G.
- He holds a Bachelor's degree in Business Administration from the American University of Beirut in Lebanon in 1983G.
- He holds a Certificate in Securities Dealing (CME1) from the Financial Academy in Riyadh in 2013G.

Current Positions

- Member of the Board of Directors, Chairman of NRC Committee, & Audit Committee Member at the Middle East Pharmaceutical Industries Company, a Listed Joint Stock Company, since 2022G.
- Member of the Board of Directors at Wadi Hanifa Real Estate Development Company (WaHa)
- Member of the Board of Directors and Chairman of Audit Committee at Blink Experience (Saudi Arabia)
- Owner of Greenhouse Foodstuff Trading LLC
- Owner of Le Chocolat LLC (UAE)
- Owner of Procurio General Trading
- Member of the Board of Directors at Home House (London)
- Member of the Board of Directors at Home Grown Club (London)
- Member of the Board of Directors at Actionnaires Unis (BLOM Bank)
- Member of the Board of Directors of Al Bani Real Estate Development Company since 2013G.

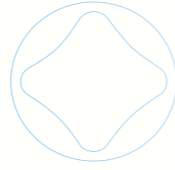
Previous Positions and practical Experience

- Member of the Board of Directors of Shuaa Capital Saudi Arabia, a Closed Joint Stock Company, from 2007G to 2023G
- Director of the Investment Banking Department at Audi Saradar Investment Bank from 2005G to 2007G.
- Senior Manager, Business Development at Banque Audi SAL | 2000 – 2005
- Senior Director of Business Development at Lebanon Invest from 1995G to 2000G.
- Manager, Investment Advisory & Brokerage at Banque Saudi Fransi from 1984 to 1995
- Chairman SHUAA Capital Hospitality at SHUAA Hospitality Fund
- Board Member at Jeddah Centro Fund & Dammam Rayhaan Fund
- Board Member at RYMCO
- Board Member at ADMIC (BHV-Monoprix Franchise)
- Board Member at Ashrafieh 5223 (Lebanon)

BOARD OF DIRECTORS COMMITTEES



AUDIT COMMITTEE



MEMBERS OF THE AUDIT COMMITTEE

The Audit Committee consists of (3) three members as shown below:



Faisal Suleiman Al-Jamaan
Chairman of the Audit Committee



Omar Mohammed Al-Jaroudi
Member of the Audit Committee



Yanal Muwaffaq Saudi
Member of the Audit Committee from outside the board Independent

Please review the biographies of Board members above

Please review the biographies of Board members above

Academic qualifications

- Bachelor's degree in business administration from the University of Oklahoma in Oklahoma, USA, in 1985G.
- He holds a Certified Public Accountant (CPA) certificate from the Board of Accountants in the State of Alaska, USA, in 1992G.
- Harvard Business School – Strategic Management Course – USA, in 2014G.
- Northwestern University – Leadership Development Program – USA, in 2008G.



Yanal Muwaffaq Saudi
Member of the Audit Committee from outside the board Independent

Current Positions

- Member of Nomination & Remuneration Committee and Audit Committee at Avalon Pharma (Pharmaceuticals / Joint Listed Stock Company).
- Chairman of the Audit Committee at Rafal Real Estate Development Company in Riyadh since 2022G.
- Member of the Audit Committee of the Saudi Reinsurance Company in Riyadh since 2023G.
- Chairman of the Audit Committee of Wataniya Financing Company (Financing / SAMA Regulated) since 2023G.

Previous Positions and Practical experiences:

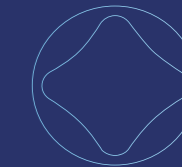
- Transaction Advisory Services Leader at Ernst & Young & Partners in Riyadh from 2002G to 2022G.
- Assurance Leader - Riyadh at Ernst & Young & Partners in Riyadh from 2013G to 2017G.
- Member of the Partners Advisory Board - Europe and the Middle East region at Ernst & Young & Partners in Riyadh from 2014G to 2018G.
- Director responsible for the Independence Department (Risk Management) - Middle East and North Africa region at Ernst & Young & Partners in Riyadh from 2013G to 2016G.

Membership on other boards

- Member of the Board of Directors and Chairman of the Governance Committee of the Jordanian Government Investment Company (government-owned investments) since 2023



NOMINATION AND REMUNERATION COMMITTEE



The Audit Committee consists of (3) three members as shown below:

BIOGRAPHIES OF MEMBERS OF THE NOMINATION AND REMUNERATION COMMITTEE



Omar Mohammed Al-Jaroudi
Chairman of the Nominations and Remuneration Committee Independent

Please review the biographies of Board members above



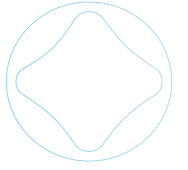
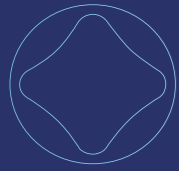
Ahmad Shafer Al-Tabbaa
Member of the Nominations and Remuneration Committee Non-Executive

Please review the biographies of Board members above



Yanal Muwaffaq Al-Saudi
Member of the Nominations and Remuneration Committee from outside the board Independent

Please review the biographies of Audit committee members above



EXECUTIVE COMMITTEE

The Executive Committee consists of (4) four members as shown below



Hisham Attar
Chairman of Executive Committee



Ahmad S Tabbaa
Executive Committee Member



Mohamed Maher AlGhannam
Executive Committee Member



Taghreed AlShunnar
Executive Committee Member

BIOGRAPHIES OF MEMBERS OF THE EXECUTIVE COMMITTEE

Hisham Attar
Chairman of Executive Committee

Ahmad S Tabbaa
Executive Committee Member

Mohamed Maher AlGhannam
Executive Committee Member

Please review the biographies of the Board members above.

Please review the biographies of the Board members above.

Please review the biographies of the Board members above.



Taghreed AlShunnar
Executive Committee Member

Academic qualifications

2010- 2013 - INSEAD

Master's degree in Consulting and Coaching for Change (CCC)- Fontainebleau, France

2006-2007 INSEAD

Executive Master's degree in business administration Fontainebleau, France & Singapore

- Selected by 58 peers as "Best CEO to work for "
- Selected as one profile to promote the INSEAD EMBA program of the Abu Dhabi and Asia campuses.

1982-1988 Jordan University

BSC Pharmacy – Dean's Honor List Amman, Jordan

Current Positions

- Executive Committee Member

Previous Position and Practical Experience

(2023- Current) Dar Aldawa (DAD) Amman, Jordan - Position Held Board Member

(1/2022- Current) Pharmaceutical Research Unit (PRU) Amman, Jordan - Position Held Chairperson of the Board

(9/2018- 12/ 2021)Advanced Marketing Statistics (AMS) Amman, Jordan - Position Held Non-Executive Chairperson

(7/2018- Current) Medis Tunisie Pharmaceutical Laboratories Tunis, Tunisia - Position Held Board Member

(2/2016- Current) NewBridge Pharmaceuticals Limited Dubai, UAE - Position Held Independent At Large Director

PROFESSIONAL EXPERIENCE

(4/2011) - Curent Professional Effective Solutions Amman, Jordan - Position Held Founder & CEO - Key Achievements Managerial, Operational and Strategic Skills

(1/2016 - 12/ 2016) First Energy Bank Abu Dhabi, UAE - Position Held Strategic Healthcare Advisor

(1/2010- 3/ 2011) Hikma Pharmaceuticals

Amman, Jordan - Position Held Executive VP, Strategic Business Development working directly with Hikma CEO. Key Achievements Managerial, Operational, and Strategic Skills

(2005-2009) Hikma Pharmaceuticals Amman, Jordan Position Held Corporate Vice President of Branded Pharmaceuticals MENA

Key Achievements Managerial, Operational, and Strategic Skills

(1988 -2005) Hikma Pharmaceuticals Amman, Jordan - Positions Held Various including Marketing Planning Director, General Manager of Hikma Pharmaceuticals Ltd. Jordan

- Member of the Partners Advisory Board - Europe and the Middle East region at Ernst & Young & Partners in Riyadh from 2014G to 2018G.

- Director responsible for the Independence Department (Risk Management) - Middle East and North Africa region at Ernst & Young & Partners in Riyadh from 2013G to 2016G.

- Chief auditor at Arthur Anderson & Partners in Jordan from 1996G to 2001G.

- Auditor at Arthur Anderson & Co. in Jordan from 1989G to 1995G.

NAME OF COMPANIES INSIDE AND OUTSIDE THE KINGDOM IN WHICH A BOARD MEMBER IS A MEMBER OF THEIR CURRENT, OR PREVIOUS BOARD OR MANAGEMENT

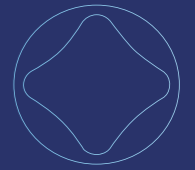
Board Member Name	Names of Companies in which a Board member is a member of their current Board or a Manager	Inside/ Outside the Kingdom	Legal entity (Listed Joint Stock/Non-Listed \Joint Stock/ Limited Liability)		Names of Companies in which a Board Member is a member of their previous Board or Manager	Inside/ Outside the Kingdom	Legal entity (Listed Joint Stock/ Non-Listed \Joint Stock/ Limited Liability)
Ahmad Shaher Al-Tabbaa - Chairman of the Board of Directors	1- Chairman of the Board of Directors of Avalon Pharma since 2022G.	Inside the Kingdom	Listed Joint Stock Company		1- Chairman of the Board of Directors of the Riyadh Renewable Energy Company in the city of Riyadh from 2017G to 2021G	Inside the Kingdom	Limited Liability company
					2- Founder and Chairman of the Board of Directors of the Middle East Distribution Company in Riyadh from 2000G to 2018G	Inside the Kingdom	Limited Liability company
	2- Vice Chairman of the Board of Directors of the Jordanian Saudi E-Commerce Company since 2006G	Outside the Kingdom (Jordan)	Limited Liability company		3- Founder and Chairman of the Board of Directors of the First Pharmaceutical Company in Riyadh from 2003G to 2005G	Inside the Kingdom	Limited Liability company
					4- Founder and Chairman of the Board of Directors of the Middle East Machinery Company in Riyadh from 1998G to 2000G	Inside the Kingdom	Limited Liability company

Board Member Name	Names of Companies in which a Board member is a member of their current Board or a Manager	Inside/ Outside the Kingdom	Legal entity (Listed Joint Stock/Non-Listed \Joint Stock/ Limited Liability)		Names of Companies in which a Board Member is a member of their previous Board or Manager	Inside/ Outside the Kingdom	Legal entity (Listed Joint Stock/ Non-Listed \Joint Stock/ Limited Liability)
Hisham Mohammed Attar – Vice Chairman of the Board	1- Vice Chairman of the Board of Directors of Avalon Pharma since 2022G	Inside the Kingdom	Listed Joint Stock Company		1- Senior advisor to the Deputy Governor and Head of the Identity Department in the Middle East and North Africa region at the Public Investment Fund from 2021G to 2022G	Inside the Kingdom	
	2- Vice Chairman of the Board of Directors of the Jordanian Saudi E-Commerce Company since 2006G	Outside the Kingdom (Jordan)	Limited Liability company		2- Senior Executive Director in the Local Partnership Department at the Public Investment Fund from 2019G to 2021G	Inside the Kingdom	
	3- Founder and partner in Thara Al-Mustaqbal Investment Company since 2022G	Inside the Kingdom			3- Senior Vice President of the Saudi Equity Department at the Public Investment Fund from 2016G to 2019G	Inside the Kingdom	
	4- General partner and member of the Executive Committee of KC AGRO since 2013G	Outside the Kingdom (Romania)			4- President of Amwal Al-Khaleej Investment Company during the year 2016G	Inside the Kingdom	
	5- Founder and partner of Arena Group Company since 2012G	Inside the Kingdom			5- Vice President at Amwal Al Khaleej Investment Company during 2015G	Inside the Kingdom	
	6- Founder and partner of Al-Farabi Medical Company since 2010G	Inside the Kingdom			6- Executive Vice President of the Sports Clubs Company from 2013G to 2015G	Inside the Kingdom	
	7- Member of the Investment Committee of the Saudi Technical Development and Investment Company «Taqnia» since 2022G,	Inside the Kingdom	Limited liability company		7- Vice President at Amwal Al Khaleej Investment Company from 2008G to 2013G	Inside the Kingdom	
	8- Member of the Compliance Committee at the Arab Bank since 2018G.	Outside the Kingdom (Jordan)	Joint stock company		8- Senior deputy in Assets and Liabilities Management at the National Saudi Bank in Jeddah from 2006G to 2008G	Inside the Kingdom	
	9- Member of the Strategy Committee at the Arab Bank since 2018G.	Outside the Kingdom (Jordan)	Joint stock company		9- Marketing Officer for Investments and Derivatives Sales at the National Bank of Saudi Arabia in Jeddah from 2004G to 2006G.	Inside the Kingdom	
	10- Chairman of the Nominations and Remuneration Committee at the Saudi Jordanian Investment Fund Company since 2017G.	Outside the Kingdom (Jordan)					
	11- Managing Director of the Saudi Technical Development and Investment Company «Taqnia» since 2022G	Inside the Kingdom	Limited liability company				
	12- Member of the Board of Directors of Tejoori Company since 2022G	Inside the Kingdom	Closed joint stock company				
	13- Member of the Board of Directors of the Arab Bank since 2018G	Outside the Kingdom (Jordan)	Joint stock company				
	14- Chairman of the Board of Directors of the Saudi Jordanian Investment Fund Company since 2017G	Outside the Kingdom (Jordan)	Joint stock company				
	15- Member of the Board of Directors of KC AGRO since 2013G	Outside the Kingdom (Romania)	Limited liability company				

Board Member Name	Names of Companies in which a Board member is a member of their current Board or a Manager	Inside/ Outside the Kingdom	Legal entity (Listed Joint Stock/Non-Listed \Joint Stock/ Limited Liability)		Names of Companies in which a Board Member is a member of their previous Board or Manager	Inside/ Outside the Kingdom	Legal entity (Listed Joint Stock/ Non-Listed \Joint Stock/ Limited Liability)	
Mohammed Maher Al-Ghannam - Managing Director and CEO	1- Managing Director and CEO of the Middle East Pharmaceutical Industries Company in Riyadh since 2022G.	Inside the Kingdom	Listed Joint Stock Company		1- CEO of the Middle East Pharmaceutical Industries Company from 2018G to 2022G.	Inside the Kingdom	Listed Joint Stock Company	
					2- Director of Operations at the Middle East Pharmaceutical Industries Company from 2016G to 2018G.	Inside the Kingdom	Listed Joint Stock Company	
	2- Board member at anb Capital – Alfayhaa fund since 2024G.	Inside the Kingdom				3- Director of Human Resources and Logistics Services at the Middle East Pharmaceutical Industries Company from 2006G to 2015G.	Inside the Kingdom	Listed Joint Stock Company
						4- Director of Purchasing and Logistics Services at the Middle East Pharmaceutical Industries Company from 2000G to 2006G.	Inside the Kingdom	Listed Joint Stock Company
	3- Board Member in Power Busbar since 30 December 2024	Inside the Kingdom		Limited liability company				

Board Member Name	Names of Companies in which a Board member is a member of their current Board or a Manager	Inside/ Outside the Kingdom	Legal entity (Listed Joint Stock/Non-Listed \Joint Stock/ Limited Liability)	Names of Companies in which a Board Member is a member of their previous Board or Manager	Inside/ Outside the Kingdom	Legal entity (Listed Joint Stock/ Non-Listed \Joint Stock/ Limited Liability)
Omar Mohammed Al-Jaroudi - Member of the Board of Directors	1- Independent Board Member, Chairman of NRC Committee, & Audit Committee Member at the Middle East Pharmaceutical Industries Company since 2022G.	Inside the Kingdom	Listed Joint Stock Company	1- Member of the Board of Directors of Shuaa Capital Saudi Arabia from 2007G to 2023G	Inside the Kingdom	Closed joint stock company
	2- Independent Board Member at Wadi Hanifa Real Estate Development Company (WaHa)	Inside the Kingdom		2- Director of the Investment Banking Department at Audi Saradar Investment Bank from 2005G to 2007G.	Outside the Kingdom (Lebanon)	
	3- Independent Board Member Chairman of Audit Committee at Blink Experience (Saudi Arabia)	Inside the Kingdom		3- Senior Manager, Business Development at Banque Audi SAL 2000 – 2005	Outside the Kingdom (Beirut, Paris, Geneva)	
	4- Owner of Greenhouse Foodstuff Trading LLC	Inside and outside the Kingdom (UAE & Saudi Arabia)		4- Senior Director of Business Development at Lebanon Invest from 1995G to 2000G.	Outside the Kingdom (Beirut, Paris, Geneva)	
	5- Owner of Le Chocolat LLC (UAE)	Outside the Kingdom (UAE)		5- Manager, Investment Advisory & Brokerage at Banque Saudi Fransi from 1984 to 1995	Inside the Kingdom	Joint stock company
	6- Owner of Procurio General Trading	Inside and outside the Kingdom (UAE & Saudi Arabia)		6- Chairman SHUAA Capital Hospitality at SHUAA Hospitality Fund	Inside the Kingdom	closed joint stock company
	7- Board Member at Home House (London)	Outside the Kingdom (London)		7- Board Member at Jeddah Centro Fund & Dammam Rayhaan Fund	Inside the Kingdom	
	8- Board Member at Home Grown Club (London)	Outside the Kingdom (London)		8- Board Member at RYMCO	Outside the Kingdom (Lebanon)	
	9- Board Member at Actionnaires Unis (BLOM Bank) a	Outside the Kingdom (London)		9- Board Member at ADMIC (BHV-Monoprix Franchise)	Outside the Kingdom	
	10- Member of the Board of Directors of Al Bani Real Estate Development Company since 2013G	Inside the Kingdom		10- Board Member at Ashrafieh 5223 (Lebanon)	Outside the Kingdom (Lebanon)	

Board Member Name	Names of Companies in which a Board member is a member of their current Board or a Manager	Inside/ Outside the Kingdom	Legal entity (Listed Joint Stock/Non-Listed \Joint Stock/ Limited Liability)	Names of Companies in which a Board Member is a member of their previous Board or Manager	Inside/ Outside the Kingdom	Legal entity (Listed Joint Stock/ Non-Listed \Joint Stock/ Limited Liability)
Faisal Suleiman Al-Jamaan - Member of the Board of Directors	1- Member of the Board of Directors at the Middle East Pharmaceutical Industries Company since 2022G.	Inside the Kingdom	Listed Joint Stock Company	1- CEO of United Motors Company from 2000G to 2017G.	Inside the Kingdom	
				2- General Manager at Al-Ahlia Advanced Systems Company from 1999 to 2000G.	Inside the Kingdom	Limited liability company
	2- Member of the Board of Directors of Al-Esayi Motors Company since 2020G	Inside the Kingdom	Closed joint stock company	3- General Manager at the United Arab Motors Company from 1996 to 1999G.	Inside the Kingdom	
	3- Chairman of the Audit Committee at Al-Esayi Motors Company since 2020G	Inside the Kingdom	Closed joint stock company	4- General Manager at Integrated Systems Company from 1993 to 1996G.	Inside the Kingdom	
	4- Chairman of the Audit Committee at the Arab Tile Company since 2019G.	Inside the Kingdom	Closed joint stock company	5- General Manager at the Saudi Electronic Systems Company from 1979G to 1993G.	Inside the Kingdom	
	5- Member of the Board of Directors of the Arab Tile Company since 2019G	Inside the Kingdom	Closed joint stock company	6- Programming analyst at Grand Metropolitan Systems from 1978G to 1979G.	Outside the Kingdom (UK)	
	6- CEO of Tawkelat Financing Company since 2017G.	Inside the Kingdom	Closed joint stock company	7- Research assistant at the University of London in 1976	Outside the Kingdom (UK)	
	7- Chairman of the Board of Directors of the Comprehensive Marketing Company since 2007G	Inside the Kingdom	Limited liability company	8- Programmer at ABC Business Press in 1974G	Outside the Kingdom (UK)	



The Middle East Pharmaceutical Industries Company has several main departments that work to manage and develop the Company's business, each according to its role. Each department must implement the duties and tasks that fall under its responsibility to activate the Company's overall performance and achieve the Company's vision, mission, goals, and strategies in the short and long term.

MEMBERS OF THE EXECUTIVE MANAGEMENT



Mohamed Maher AlGhannam
CEO and Managing Director



Moazam Ali Shah
Chief Financial Officer- CFO



Rasheed Abdulaziz Al Rasheed
Chief Operating Officer- COO



Hamoud Desan Al-Anazi
Chief Administrative Officer – CAO



Fayez Basem Awadeh
Chief Marketing Officer - CMO



Mohammed Ibrahim Salama
Chief Commercial Officer



Wael Madbouly Hassanein
Manager of Internal Audit



Mohammed Al-Moaiteq
Compliance Manger

Mr Al-Moaiteq resigned on 7th November 2024, with a replacement scheduled to join in February 2025.

BIOGRAPHY OF THE EXECUTIVE MANAGEMENT

Academic Qualifications

- Master's degree in business administration from Central California University in California, USA, in 2018G.
- Bachelor's degree in business administration from Damascus University in Syria in 2009G.

Current Positions

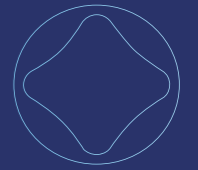
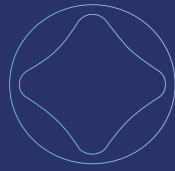
- Managing Director and CEO of the Middle East Pharmaceutical Industries Company in Riyadh since 2022G.
- Board Member in Power Busbar since 2024G
- Board Member at anb Capital – Alfayhaa fund since 2024G.

Previous Position and Practical Experience

- CEO of the Middle East Pharmaceutical Industries Company in Riyadh from 2018G to 2022G.
- Director of Operations at the Middle East Pharmaceutical Industries Company in Riyadh from 2016G to 2018G.
- Director of Human Resources and Logistics Services at the Middle East Pharmaceutical Industries Company in Riyadh from 2006G to 2015G.



Mohammed Maher Al-Ghannam
CEO and Managing Director



BIOGRAPHY OF THE EXECUTIVE MANAGEMENT



Moazam Ali Shah
Chief Financial Officer- CFO

Academic Qualifications

- Member of the Institute (MAICD) 2019 Australian Institute of Company Directors
- Fellow Chartered Accountant (FCA) 2013 Chartered Accountants Australia & New Zealand
- Chartered Global Management Accountant (CGMA) 2012
- Chartered Institute of Management Accountants
- Fellow Chartered Certified Accountant (FCCA) 2009
- Association of Chartered Certified Accountants, UK.
- Certified Public Accountant (CPA) 2008 American Institute of Certified Public Accountants, USA
- Certified Internal Auditor (CIA) 2006 The Institute of Internal Auditors, USA
- BSc (Hons) in Applied Accounting 2003 Oxford Brookes University, Oxford, UK.

Current Positions

Chief Financial Officer- CFO

Previous Position and Practical Experience

- Anglicare NSW South, NSW West, ACT Non-Executive Director April 2024 /Present
- Aspen Medical Indonesia PTY Ltd. Chair of the Finance, Audit & Risk Committee 2024 /Present

Chartered Accountants Australia & New Zealand. Regional Councilor - ACT & Chair of Corporate Advisory Panel. Jan 2021 /Present

Aspen Medical PTY Ltd. Member of the Investment Committee. 2022 /Present

- Healthcare Fiji Pte. Non-Executive Director & Chair of the Finance, Audit & Risk Committee. Oct 2019 /Present
- Therapeutic Engagement Support Services Inc. Non-Executive Director & Treasurer April 2019 /Feb 2021
- Aspen Medical UAE. Chair of Finance, Audit & Risk Committee April 2019 /Feb 2021

Executive career summary

Group Chief Financial Officer, Aspen Medical PTY Ltd. Aug 2019 /Present

Chief Financial Officer, Zamil for Industry, Trade & Transport. Mar 2015 /Dec 2018

Chief Financial Officer, Zamil for Industry, Trade & Transport. Mar 2015 /Dec 2018

Chief Financial Officer, Gulf Union Foods Company Oct 2012 /Feb 2015

\Group Senior Finance Manager, Supreme Foods Group, Riyadh, KSA Sept 2009/ Sep 2012

Senior Analyst (Audit) Deloitte & Touché, Perth, Australia Oct 2008/ Feb 2009

Audit Senior KPMG LLP, New York, USA. July 2007/ Aug 2008

Senior Associate (Audit) PricewaterhouseCoopers LLP, New York, USA Dec 2005/ July 2007

Audit Senior Hamsun & Hogate, London, UK. Jan 2004/ Aug 2005

Internal Audit Manager Mitchells Fruit Farms Ltd, Lahore, Pakistan Sept 2002/ Aug 2003

Audit Trainee/ Senior PricewaterhouseCoopers, Karachi, Pakistan Mar 1998/ Feb 2002

Academic Qualifications

- Bachelor's degree in Pharmacy from King Saud University

Current Positions

- Chief Operating Officer

Previous Position and Practical Experience

- MSD Medical Representative (August 2001 - March 2003)
- Technical Director and Government Sales Manager (April 2003 - January 2011)
- Technical Executive Director (January 2011 - January 2016)
- Technical and Manufacturing Executive Director, (January 2016 - June 2023)

Academic Qualifications

- Master's degree in business administration from BUCKINGHAMSHIRE NEW UNIVERSITY

Current Positions

- Chief Administrative Officer

Previous Position and Practical Experience

- Board Member of Siraj Al Middle Trading Company from 1-1-2012 to 1-1-2017
- Public Relations Manager at Avalon Pharma from 2011 until 2014
- Admin. Manager at Avalon Pharma from 2011 until 2019
- Director of Human Resources and Administrative Affairs at Avalon Pharma from 2019 until 2023
- Board Member of Reem Al Wasat Commercial Services Company from 15-3-2015 to 10-06-2023

Academic Qualifications

- MBA In Business Administration - Marketing And Finance

Current Positions

- Chief Marketing Officer

Previous Position and Practical Experience

- Regional Marketing Manager : Novartis consumer Health
- Regional Category manager : Novartis consumer health
- Regional marketing head : GSK
- Regional marketing head MENAP : Johnson & Johnson



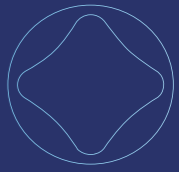
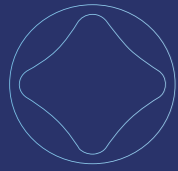
Rasheed Abdulaziz Al Rasheed
Chief Operating Officer



Hamoud Desan Al-Anazi
Chief Administrative Officer



Fayez Basem Awadeh
Chief Marketing Officer



BIOGRAPHY OF THE EXECUTIVE MANAGEMENT



Mohammed Ibrahim Salama
Chief Commercial Officer

Academic Qualifications

- Executive Master of Business Administration from Harriot Watt University - United Kingdom 2018
- Master of Business Administration from the American University – AUC - Cairo 2011
- Bachelor of Dental Medicine and Surgery from Ain Shams University 2006

Current Positions

- Chief Commercial Officer

Previous Position and Practical Experience

- Director of Abbott Global Sales from 2007 to 2011



Wael Madbouly Hassanein
Manager of Internal Audit

Academic Qualifications

- Bachelor's degree in accounting from Cairo University in Egypt in 2005.
- Certified Internal Auditor "CIA" certificate from the Institute of Internal Auditors in the United States of America, 2020.
- Certified Management Accountant (CMA) certificate from the Institute of Management Accountants in the United States of America in 2013.

Current Positions

- Manager of Internal Audit at the Middle East Pharmaceutical Industries Company since 2023G.

Previous Position and Practical Experience

- Director of Internal Audit at the Saudi Manpower Solutions Company in Riyadh from 2022G to 2023G.
- Director of Internal Audit at Al-Jazeera Support Services Company in Al-Khobar from 2019G to 2022G.
- Supervisor of the internal audit sector at Al-Kifah Holding Company in Al-Khobar from 2014G to 2018G.
- Senior Manager of Auditors at Mazars Accounting Auditing Office in Cairo, Egypt from 2009G to 2014G.
- Auditor at Dr. Raouf Auditing and Tax Company in Cairo, Egypt from 2007G to 200G.
- Auditor at IBSF, Orascom Group in Cairo, Egypt, from 2005 to 2007.

Academic Qualifications

- Post-bachelor high diploma, governance and internal audit specialist, King Saud University
- Bachelor's degree from King Abdulaziz University

Current Positions

- Compliance Manager

Previous Position and Practical Experience

- Conformity and Compliance Manager at Alinma Investment Company from 2014 to May 2023
 - International Brokerage at Al Rajhi Capital from 2013 to 2014
 - Investment operations at Fransab Capital from 2008 to 2013
- *Mr Al-Moaiteq resigned on 7th November 2024, with a replacement scheduled to join in February 2025



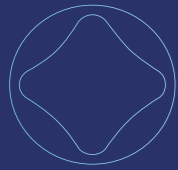
Mohammed Marzouq Al-Moiateq*
Compliance Manager

Composition of the Board and classification of its members, as follows: Executive Directors, Non-Executive Director, or Independent Director;

Board Member Name	Clarification of the board member	Position as a BOD Member
Ahmad Shafer Ahmad Al Tabbaa	Non-executive - Non-independent	Chairman of the Board
Hisham Mohammed Mahmoud Attar	Non-Executive - Independent	Vice Chairman of the Board
Mohamed Maher Mohamed Lutfi AlGhannam	Executive - Non-independent	Managing Director & CEO
Faisal Suleiman Al-Jamaan	Non-Executive - Independent	Member of the Board of Directors
Omar Mohammed Al-Jaroudi	Non-Executive - Independent	Member of the Board of Directors

Procedure taken to the Board to inform its members, Non-Executive Directors in particular, of the shareholders' suggestions and remarks on the Company and its performance.

The Investor Relations Unit, is considered the link between the Board of Directors and the shareholders. The Company's governance regulations also included the work procedures of the Board of Directors, which gave special attention to hearing and responding to shareholders' proposals and inquiries through the email (investor.relations@avalon.com.sa)



A brief description of the competencies and duties of the committees, such as the audit committee, the nomination committee and the remuneration committee indicating their names, names of their chairmen, names of their members, the number of their respective meetings, dates of those meetings and the members' attendance details of each meeting;

BOARD OF DIRECTORS:

The Middle East Pharmaceutical Industries Company is managed by a Board of Directors consisting of (5) five members elected by the Ordinary General Assembly of Shareholders for a period not exceeding (4) four years. Board members may be re-elected. with the exception of this, the transformational general assembly held on 09/09/1443H (corresponding to 10/04/2022G) appointed the first Board of Directors for a period of (4) four years from the date of issuance of the Ministerial Resolution announcing the Company's transformation into a joint stock company. The Board of Directors holds (4) meetings at least annually. The Company is managed by a Board of Directors consisting of (5) five members, (3) three of whom are independent and (2) two are non-independent. The following table shows the members of the Board of Directors of the Middle East Pharmaceutical Industries Company:

MEMBERS OF THE BOARD OF DIRECTORS:



Ahmad Shaher AlTabbaa
Chairman of the Board of Directors – Non-executive - Non-independent



Hisham Mohammed Attar
Vice Chairman of the Board – Non-Executive - Independent



Mohamed Maher AlGhannam
Member of the board directors & Managing Director and CEO- Executive - Non-independent



Faisal Suleiman Al-Jamaan
Member of the board directors - Non-Executive - Independent



Omar Mohammed Al-Jaroudi
Member of the board directors – Non-Executive – Independent

Name	Position	21 Mar 2024	9 May 2024	22 Aug 2024	07 Nov 2024
Ahmad Shaher AlTabbaa	Chairman of the Board of Directors	Yes	Yes	Yes	Yes
Hisham Mohammed Attar	Vice Chairman of the Board	Yes	Yes	Yes	Yes
Mohamed Maher AlGhannam	Member of the board directors & Managing Director	Yes	Yes	Yes	Yes
Faisal Suleiman Al-Jamaan	Member of the board directors	Yes	Yes	Yes	Yes
Omar Mohammed Al-Jaroudi	Member of the board directors	Yes	Yes	Yes	Yes

Executive committee

The Executive Committee was created on 22\08\2024G . The Committee is appointed by the Board to act on behalf of the Board in cases where proactive decisions are required to facilitate and support the Company's activities, also, the Committee may exercise such powers and authority delegated by the Board, subject to such limitations as the Board, the Company's articles of association and/or applicable laws and regulations may impose. In addition, the Committee shall perform additional functions from time to time assigned by the Board or as may otherwise be required to comply with applicable laws and regulations, it must focus on providing strategic leadership, management, and direction, and ensure that the Company's functions are managed according to its priorities, also approved its updated work its updated charter, which defines its tasks, procedures, and members' compensation.

Responsibilities of the Committee

- recommend the development of policies and strategies at their discretion.
- Guarantee a cohesive vision for any project/ business that aligns with Company goals.
- Ensure expected projects deadlines are being met.
- Recommend to the Board possible budget adjustments/variation of budget or amounts unbudgeted.
- Review and provide counsel regarding material issues prior to submission to the Board.
- Retain and terminate consultants to be assigned for various matters, and to negotiate and approve consultant fees.
- Evaluate quotes and bids received from vendors in tender cases that fall within budget and recommend to the Board the awarded vendor.
- Report to the Board no later than the next regular Board meeting, all decisions made, and actions taken by the Committee.
- Review and recommend any strategic investment transaction raised by the Company's management, be it an acquisition, merger, or sale of any company or an incorporation of a new venture.
- Review and recommend the ESG strategy, policies, reports, corporate social responsibility initiatives, and ESG targets.
- Report to the Board on critical issues related to the Company, such as banks related information and ensure that the Board is continuously updated with the latest topics commensurate to the business of the Company.
- Holding regular meetings with the executive management of the Company to explore the progress of work and any obstacles and problems related to that, and to review and discuss important information related to the Company's business.
- Ensure that the executive management of the Company operates according to the policies approved by the Board.
- Review, evaluate, and make recommendations to the Board on approving annual budget of the Company.
- Review the performance of current business of the Company compared to the set objectives.
- Take immediate action and recommend proper decisions and steps to deal with urgent business.
- Recommend the general strategy for approval by the Board.
- Review any proposal submitted to the Board for approval that falls under the authority of the Committee in accordance with the delegation of authority approved by the Board.
- Holding meetings before each Board meeting to discuss the agenda of the Board meeting and any other related matters that the Committee may deem necessary or appropriate.
- Refer to the Board regarding any related matters that are of great importance.
- In performing their responsibilities, the Committee members shall exercise their business judgment to act in a manner that is in the best interest of the Company and its shareholders. The Committee may request any of the Company's employee(s), advisor(s) or auditor(s) to attend any meeting of the Committee if deemed by the Committee to be appropriate and necessary.
- The Committee charter shall be administered by the Committee's chairman and remain flexible to best react to changing conditions and regulatory requirements. The Committee may not delegate its duties to any other sub-committee.

MEMBERS OF THE EXECUTIVE COMMITTEE

The Executive Committee consists of (4) four members as shown below:



Hisham Attar
Chairman
of Executive
Committee



Ahmad S Tabbaa
Executive
Committee Member



**Mohamed Maher
AlGhannam**
Executive
Committee Member



Taghreed AlShunnar
Executive Committee
Member

EXCOM MEETINGS

Name	Position	31 Jul 2024	27 Aug 2024	29 Sep 2024	27 Oct 2024	5 Nov 2024	14 Nov 2024
Hisham Attar	Chairman of Executive Committee	Yes	Yes	Yes	Yes	Yes	Yes
Ahmad S Tabbaa	Executive Committee Member	Yes	Yes	Yes	Yes	Yes	Yes
Mohamed Maher AlGhannam	Executive Committee Member	Yes	Yes	Yes	Yes	Yes	Yes
Taghreed AlShunnar	Executive Committee Member	No	No	Yes	Yes	Yes	Yes

AUDIT COMMITTEE

The Audit Committee was formed in accordance with Article (51) Fifty-One of the Corporate Governance Regulations issued by the Capital Market Authority. The Ordinary General Assembly approved in its meeting held on 15/11/1443H (corresponding to 14/06/2022G) the formation of the Audit Committee. The term of the Audit Committee begins from the beginning of the Board of Directors' session and ends with the end of the Board of Directors' Term. The Extraordinary General Assembly, in its meeting held on 26/11/1444H (corresponding to 15/06/2023G), also approved its updated work its updated charter, which defines its tasks, procedures, and members' compensation

RESPONSIBILITIES OF THE AUDIT COMMITTEE

The Audit Committee is responsible for monitoring and ensuring the integrity and accuracy of the company's financial reports, statements, and internal control systems.

Reviews preliminary and annual financial statements before submitting them to the Board of Directors, providing opinions and guidance. The Audit Committee (AC) also examines the external auditors' observations on the statements and reviews the audit plan, offering its feedback. Additionally, the AC conducts periodic assessments to evaluate the efficiency and effectiveness of control activities and ensure compliance. The committee's specific tasks include:

1. Internal Audit
2. Compliance assurance
3. External Auditors
4. Oversees the Compliance Department

MEMBERS OF THE AUDIT COMMITTEE

The Audit Committee consists of (3) three members as shown below:



Faisal Suleiman Al-Jamaan
Chairman of the Audit
Committee Independent



Omar Mohammed Al-Jaroudi
Member of the Audit Committee
Independent



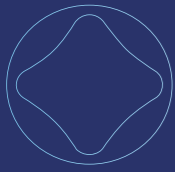
Yanal Muwaffaq Al-Saudi
Member of the Audit
Committee from outside
the board Independent

AUDIT COMMITTEE MEETINGS

Name	Position	21 Mar 2024	18 Mar 2024	08 May 2024	28 Jul 2024	05 Sep 2024	03 Nov 2024
Faisal Suleiman Al-Jamaan	Chairman of the Audit Committee	Yes	Yes	Yes	Yes	Yes	Yes
Omar Mohammed Al-Jaroudi	Member of the Audit Committee	Yes	Yes	Yes	Yes	Yes	Yes
Yanal Muwaffaq Al-Saudi*	Member of the Audit Committee	Yes	Yes	Yes	Yes	Yes	Yes

Nominations and Remuneration Committee (NRC Committee):

- 1- Recommending to the Board of Directors to nominate and re-nominate members in accordance with approved policies and standards.
- 2- Proposing clear policies and standards for membership in the Board of Directors and executive management.
- 3- Preparing a clear policy for the remuneration of members of the Board of Directors and the committees emanating from the Board and Executive Management and submitting it to the Board of Directors for consideration in preparation for its approval by the General Assembly, provided that this policy takes into account following standards related to performance, disclosing them, and verifying their implementation.
- 4- Periodically reviewing the remunerations policy and evaluating its effectiveness in achieving the desired goals.
- 5- Recommending to the Board of Directors the remuneration of members of the Board of Directors, its committees, and the Company's senior executives in accordance with the approved policy.
- 6- Preparing a description of the capabilities and qualifications required for membership in the Board of Directors and filling executive management positions.
- 7- Determining the time that a member must devote to the work of the Board of Directors.
- 8- Annual review of the necessary skills or experience needed for membership in the Board of Directors and executive management functions.
- 9- Reviewing the structure of the Board of Directors and Executive Management and making recommendations regarding changes that can be made.
- 10- Verifying on an annual basis the independence of the independent members, and the absence of any conflict of interest if the member holds a membership in the board of directors of another company.
- 11- Develop job descriptions for executive members, non-executive members, independent members and senior executives.



MEMBERS OF THE NOMINATIONS AND REMUNERATION COMMITTEE

The Nominations and Remuneration Committee consists of (3) three members as shown below:



Omar Mohammed Al- Jaroudi
Chairman of the Nominations and Remuneration Committee



Ahmad Shafer Al-Tabbaa
Member of the Nominations and Remuneration Committee



Yanal Muwaffaq Al-Saudi
Member of the Nominations and Remuneration Committee

NOMINATIONS AND REMUNERATION COMMITTEE MEETINGS

Name	Position	15 Jan 2024	22 Jan 2024	09 Mar 2024	20 Mar 2024	13 May 2024	01 July 2024	26 Sep 2024
Omar Mohammed Al- Jaroudi	Chairman of the Nominations and Remuneration Committee	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Ahmad Shafer Al-Tabbaa	Member of the Nominations and Remuneration Committee	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Yanal Muwaffaq Al-Saudi	Member of the Nominations and Remuneration Committee	Yes	Yes	Yes	Yes	Yes	Yes	Yes

Where applicable, the means used by the Board to assess its performance, the performance of its committees and members and the external body which conducted the assessment and its relationship with the Company, if any;

Methods relied upon by the Board of Directors to evaluate its performance and the performance of its committees and members, and the external party that carried out the assessment and its relationship with the Company.

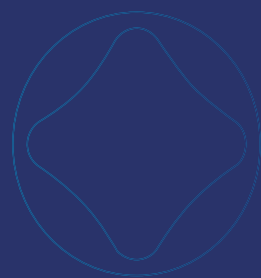
The Board of Directors conducts an assessment for its overall performance and the performance of the Company's committees through a questionnaire submitted to the Nominations and Remuneration Committee. The Company will appoint an external party to carry out assessment tasks in the future whenever the need arises.

Disclose the remuneration of the Board members and Executive Management as stated in Article (90) of these Regulations

Remuneration for members of the Board of Directors, Committees, and Executive Management

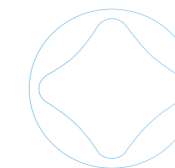
Based on the stipulation of Article (90) of the Corporate Governance Regulations, the Company's Board of Directors is committed to the following:

- 1- The remuneration must be fair and proportionate to the member's skills and specializations and the work and responsibilities that he performs. It may vary from one member to another based on the member's experience, tasks assigned to him by the Board, the number of sessions he attends, and any other considerations that are in the interest of the Company.
- 2- The remuneration may be a specific amount, an attendance allowance for sessions, or in-kind benefits. Two or more of these benefits may be combined. In all cases, the total of the financial or in-kind remuneration and benefits received by a member of the Board of Directors shall not exceed (500,000) five hundred thousand Riyal annually in accordance with the controls set by the competent regulatory authorities.
- 3- The remuneration must be consistent with the Company's strategy and objectives.
- 4- The remuneration should be provided for the purpose of urging Board members to make the Company successful and develop it in the long term, such as linking the variable part of the remuneration to long term performance.
- 5- The remuneration must be consistent with the size, nature of work and profitability of the Company, taking into account the level of risks surrounding the Company.
- 6- The practices of other companies shall be considered in determining remuneration, while avoiding what may result in an unjustified increase in remuneration and compensation.
- 7- The remuneration must aim to attract professional competencies and maintain their motivation, without exaggerating the amount of the remuneration.
- 8- The remuneration for independent Board members should not be a percentage of the profits achieved by the Company or be based directly or indirectly on the Company's profitability.
- 9- The remuneration is due to a member of the Board of Directors or a member of the committee at the end of each fiscal year.
- 10- A member of the Board of Directors may be granted a remuneration in exchange for his membership in the Audit Committee, or in exchange for any work or additional executive, technical, administrative, or advisory positions assigned to him by the Company, in addition to the remuneration he receives in his capacity as a member of the Board of Directors and any other committees.
- 11- The remuneration is calculated until the date of membership expiration, and if it is decided to terminate the member's directorship due to his failure to attend three consecutive meetings without a legitimate excuse or for emergency reasons, the member's remuneration is calculated based on the last meeting the member attended before terminating his membership



REMUNERATION POLICY FOR MEMBERS OF THE BOARD OF DIRECTORS, COMMITTEES, AND EXECUTIVE MANAGEMENT

BOARD MEMBERS\ REMUNERATION



1- Remuneration for members of the Board of Directors (non-independent):

Remuneration for executive and non-executive members of the Board of Directors is paid based on the Company's annual net profit, excluding capital gains and profits resulting from financial operations, according to the following:

A due remuneration of (250,000) ₪ will be paid to the Chairman of the Board of Directors and (200,000) ₪ to the remaining members of the Board.

2- Allowances:

- An attendance allowance for meetings in the amount of (₪ 5,000) is paid as an attendance allowance to a member of the Board who is not an employee of the Company for each meeting.
- In the event of the resignation or appointment of a member during the fiscal year, the amount of the remuneration is calculated in proportion to the period of his work in the Board. Remuneration and allowances for members of committees affiliated with the Board of Directors

Remuneration and allowances for members of board committees

Remuneration and allowances are paid to members of board committees based on criteria similar to those applied to members of the board of directors, with specific limitations depending on the nature of the committee and its responsibilities.

1- Audit Committee Remuneration:

Disbursement of (₪ 100,000) as an annual basic remuneration to the Chairman of the Committee, (₪ 100,000) to a member of the Committee who is not a member of the Board of Directors.

An attendance allowance for meetings in the amount of (₪ 5000) is paid to a committee member who is not an employee of the Company for each meeting

2- Remuneration and Nominations Committee remuneration:

Disbursement of (₪ 100,000) as an annual basic remuneration to a committee member.

An attendance allowance for meetings in the amount of (₪ 5000) is paid to a committee member who is not an employee of the Company for each meeting.

3- Executive Committee Remuneration:

Executive Committee Remuneration Disbursement of ₪ 100,000 as a basic bonus for committee members.

An attendance allowance for meetings in the amount of (₪ 5000) is paid to a committee member who is not an employee of the Company for each meeting.

4- In the event of a member resigning or being appointed during the fiscal year, the amount of the remuneration is calculated in proportion to his period of work on the committee.

COMPANY'S MANAGEMENT REMUNERATION

An annual remuneration is paid to the Company's management based on criteria linked to achieving performance indicators, annual evaluation results, and the results of achieving goals.

COMPANY'S MANAGEMENT REMUNERATION

Relationship between the Remuneration granted and the applicable Remuneration Policy

The remuneration granted is consistent with the approved remuneration policies. The principles and standards related to calculating and entitlement to remunerations have been taken into account.

Statement of what the Board members received in their capacity as workers or managers, or what they received in exchange for technical, administrative, or consulting work:

	Fixed Compensation									Varied Compensation										
	Annual remuneration	Specific amount	Total allowance for attending Board meetings	Total allowance for attending committee meetings	Total allowance for attending General Assemblies	Remunerations for technical, managerial and consultative work	Remuneration for technical, managerial and consultative work	Remuneration of the Chairman, Managing Director or Secretary, if a member	In-kind benefits	Total	Percentage of the profits	Periodic remunerations	Short-term incentive plans	Long-term incentive plans	Granted shares	Expenses*	Total	End of service reward	Aggregate amount	Expenses allowance
Board members																				
Non-executive/Non-independent Member																				
Ahmad Shafer AlTabbaa	250,000		20,000							270,000										
TOTAL:	250,000		20,000							270,000										
Non-Executive/Independent Members																				
Hisham Mohammed Attar	200,000		20,000							220,000										
Faisal Suleiman Al-Jamaan	200,000		20,000							220,000										
Omar Mohammed Al-Jaroudi	200,000		20,000							220,000										
TOTAL:	600,000		60,000							660,000										
Executive/Non-independent Member																				
Mohamed Maher Alghannam	200,000		20,000							220,000										
TOTAL:	200,000		20,000							220,000										
GRAND TOTAL:	1,050,000		100,000							1,150,000										

Statement of Remuneration for Senior Executives:

Item	Fixed Compensation			Varied Compensation				End of service reward	Remuneration for Board Memberships	Total	
	Salaries	Allowances	In-kind benefits	Periodic Remunerations	Profits	Short-term incentive plans	Long-term incentive plans				Granted Shares (value)
Total	4,951,819	2,124,602	7,076,421			4,277,732		760,741	4,277,732	220,000	12,334,893

Statement of Remuneration for Members of Board Committees:

Member Name	Fixed Remuneration Except attendance allowance	Attendance of Meetings Allowance	Total
Members of the audit committee			
Faisal Suleiman Al-Jamaan	100,000	30,000	130,000
Omar Mohammed Al-Jaroudi	100,000	30,000	130,000
Yanal Muwaffaq Al-Saudi	100,000	30,000	130,000
Total	300,000	90,000	390,000
Members of the Nominations and Remuneration Committee			
Omar Mohammed Al-Jaroudi	100,000	35,000	135,000
Ahmad Shaher Al-Tabbaa	100,000	35,000	135,000
Yanal Muwaffaq Al-Saudi	100,000	35,000	135,000
Total	300,000	105,000	405,000
Executive Committee Members			
Ahmad Shaher Tabbaa	100,000	35,000	135,000
Hisham Attar	100,000	35,000	135,000
Mohammed Maher Alghannam	100,000	35,000	135,000
Taghreed Alshunnar	100,000	25,000	125,000
Total	400,000	130,000	530,000

Any punishment, penalty, precautionary procedure or preventive measure imposed on the Company by the Authority or any other supervisory, regulatory, or judiciary authority, describing the reasons for non-compliance, the imposing authority and the measures undertaken to remedy and avoid such non-compliance in the future;

Report on the cases of the Middle East Pharmaceutical Industries Listed Company					
#	Plaintiff	Defendant	Jurisdiction	Case Subject and daim Amount	Case Status
1	Middle East Pharmaceutical Industries	Al-Rajhi Medicill Pharmacy	Commercial Com:	Sale and supply, claim amount (74,456.71 SAR), 1*2*11 fees (7,401 SAR)	Next session or 11/11/25
2	Mohamed Ma. tilfa Mahmood Zighlcul	Middle East Pharmaceutical Industries	Labor Court	daim fur contract termination rights, amol6lt (109,377 SAR)	Next session Ori 27/00/W25
3	Middle East Pharmaceutical Industries	Masarat Al-Jamia Advax:ed Medical Company	Commercial Com:	Sale and supply, daim amount (147,059 SAR), legal fees (14,500 SAR)	Next session Ori 17/00/W25
4	Middle East Pharmaceutical Industries	Asghar Ali Shah Mirrilar Shah	General Court	Compensation daim for accident damages (13,499.62 SAR)	Enforcement Court
5	Middle East Pharmaceutical Industries	Amina Hazan Ali Sobiani Phaimades	General Court	Sale and supply, daim amount (14,345.23 SAR)	Enforcement Court
6	Middle East Pharmaceutical Industries	Mcxlern Tayyiba h\5:itutioo	General Court	Sale and supply, daim amount (18,318.97 SAR)	Enforcement Court
7	Middle East Pharmaceutical Industries	Dawaa Al-Mamlaka Pharmaceutica:k	Commercial Com:	sale and supply, claim amount (8,119.54 SAR), legal fees (1,000 SAR)	Enforcement Court
8	Middle East Pharmaceutical Industries	AHafi H05pi1al Linrted Company	Commercial Com:	Sale and supply, daim amount (195,458.33 SAR)	Enforcement Court
9	Middle East Pharmaceutical Industries	ZMCTrading Comparry	Commercial Com:	Sale and supply, daim amount (63,666.76 SAR)	Enforcement Court
10	Middle East Pharmaceutical Industries	AHrum,p,IS)edalized Mediral Ccompany	Commercial Com:	Sale and supply, daim amount (29,552.03 SAR)	Enforcement Court
11	Middle East Pharmaceutical Industries	th>hamed Ab., Bab- Nasser Ph*****T@dng	Commercial Com:	Sale and supply, daim amount (17,970 SAR)	Enforcement Court
12	Middle East Pharmaceutical Industries	Beauty Oasis; Medical Con`4)ar JV	Commercial Com:	Sale and supply, daim amount (65,900 SAR)	Enforcement Court
13	Middle East Pharmaceutical Industries	Ismail Bin Mohamed Bir1 Ismail Sarour	Commercial Com:	Sale and supply, daim amount (78,392 SAR)	Enforcement Court
14	Middle East Pharmaceutical Industries	Mousa lbratlim Hobar1i PharJNcy Trading	Commercial Com:	Sale and supply, daim amount (26,750 SAR)	Enforcement Court
15	Middle East Pharmaceutical Industries	Modem Treatment Commercial nv	Commercial Com:	Sale and supply, daim amount (134,617 SAR)	Enforcement Court
16	Middle East Pharmaceutical Industries	Hassan Saleh Hassan Al-Mohser1	Commercial Com:	Sale and supply, daim amount (570,029.75 SAR)	Enforcement Court
17	Middle East Distribution Company JV	Al-Fajr Pharmacy (Brand 1)	Commercial Com:	Sale and supply, daim amount (444,140.93 SAR)	Enforcement Court
18	Middle East Distribution Company JV	Al-med Abwrahman Al-Kanari Establishment (Kired<ffl of Treatment Pharmacy)	Commercial Com:	Sale and supply, claim amount (1,109,859.445 SAR)	Enforcement Court
19	Middle East Distribution Company JV	Eshraqa Lirrited Medical Pharmacies	Commercial Com:	Sale and supply, daim amount (222,849.18 SAR)	Enforcement Court
20	Middle East Distribution Company	Tadawi Saudi Healthcare nv	Commercial Com:	Sale and supply, claim amount (1,895,980.18 SAR)	Enforcement Court
21	Middle East Distribution Company JV	Amjad Jizan Medical Pharmacies Group	Commercial Com:	Sale and supply, daim amount (7,753.74 SAR)	Enforcement Court

Results of the annual review of the effectiveness of the internal control procedures of the Company and the opinion of the audit committee with respect to the adequacy of the Company's internal control system;

The Audit Committee periodically supervises the company's internal audit work to ensure the adequacy and effectiveness of the internal control system in general, and with regards to the fairness of the financial statements in particular. This includes providing a continuous assessment of the internal control system and addressing any observations identified.

This is part of the Board of Directors' objective to obtain reasonable assurance regarding the soundness and effectiveness of the company's internal control, financial control, and risk management systems. Based on the results of the annual review of the effectiveness of internal control procedures, the Audit Committee has not identified any material deficiencies that warrant disclosure.

This provides the Audit Committee with acceptable satisfaction regarding the effectiveness and adequacy of the internal control system. Given that no party can express an absolute opinion on any internal control system, the company, under the supervision of the Audit Committee, continues to periodically evaluate and review the control system to ensure the achievement of internal control objectives, improve operational efficiency and effectiveness, and comply with applicable laws and regulations.

the audit committee's recommendation on appointing an internal auditor for the Company, if it has made such a recommendation in the last financial year.

(There were no internal audit hires in 2024. However, the committee has recommended appointing a new Compliance Manager, who is set to begin in February 2025.)

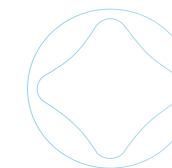
The audit committee's recommendation with conflict with Board resolution or those which the Board disregards relating to the appointment, dismissal, assessment or determining the remuneration of an external auditor, as well as justifications for those recommendations and reasons for disregarding them.

(There is no conflict between the decisions and recommendations of the Audit Committee and those of the Board of Directors)

Details of the Company's social contributions, if any;

For further details, please refer to page 79 of this report.

A list of the dates of the General Assembly meetings held during the last fiscal year and the names of the Board members who attended them.



GA 2024 DATE : 30-6-2024



Ahmam Al Tabbaa
Chairman



Hisham Attar
Vice Chairman



Faisal Al Jamaan
Board Member



Omar Al Jaroudi
Board Member



Mohamed Maher Alghannam
CEO & Managing Director

A description of the main scope of business of the Company and its affiliates. If there are two or more, a statement showing each activity and how it affects the Company's businesses and results shall be attached.

- Avalon Pharma launched its business in 1998G in the city of Riyadh, as a Saudi joint stock Company active in developing, manufacturing, and marketing a wide range of generic medicines and pharmaceutical preparations to consumers, in addition to prescription medicines (dispensed under a prescription). The Company has managed to develop its work processes based on research, study, and direct and constant access to the latest findings in the global pharmaceutical industries, especially personal care products.
- Avalon Pharma has a product range of more than (250) products falling under more than (70) brands within several diverse therapeutic categories and focuses specifically on medicines and preparations used in the treatment of skin diseases, and medicines for the respiratory system, nervous system, and musculoskeletal system.
- Avalon Pharma is committed to innovation and excellence as a methodology and way of working through its research and development efforts. Its advanced research and development center is a nucleus of creativity and promotes a culture of continuous discovery, with the minds, supervision, and participation of an elite group of researchers, scientists, and experts to constantly innovate advanced pharmaceutical solutions by conducting a wide range of experiments and precise analyzes in the analytical development laboratory, which is fully equipped according to the highest standards of advanced technical efficiency. Meanwhile, the Company is working to expand the horizons of innovation and develop knowledge and technical capabilities in the field of health care in a way that gives Avalon Pharma several competitive advantages that establish a leadership position for it in this vital and important sector, ensuring that all the needs and requirements of its customers are met, and even exceed their expectations.
- On parallel, the Company achieved comprehensive institutional maturity, through which it was able to develop its organizational and financial structure based on a comprehensive governance framework. It was also able to obtain approval of the Saudi Capital Market Authority on offering its shares on an initial public offering as a preliminary step to listing it in Tadawul as a Saudi joint stock company, in an ambitious qualitative shift toward sustainable growth and strategic development. Avalon Pharma is characterized by a stimulating, competitive work environment, managed by a group of the best competencies and administrative, technical and investment expertise, through which it attracts the best talents of Saudi youth from fresh university and educational center graduates. The company endeavors to provide all means of training, qualification, support and hone their talents, to enable them to develop their career path, raising their capabilities and developing their knowledge, as a contribution to achieving the nationalization program and supporting local content, one of the most prominent goals of the Kingdom's Vision 2030.

A description of the company's significant plans and decisions (including changes to the structure, expanding the Company's operations or halting them) and the future expectations.

- To enhance its leading position in the Saudi market, Avalon Pharma is implementing its development strategy with the aim of maximizing its revenues from its current portfolio of projects, in addition to diversifying it and launching new brands in attractive and fast-growing sectors with limited competition in the market, while the Company aims to expand its footprint and geographical presence by entering new markets outside the Kingdom of Saudi Arabia.

Information on any risks facing the Company (operational, financial or market related) and the policy of managing and monitoring these risks.

Risk Management

The Board of Directors of Avalon Pharma is adopting deliberate procedures to address various risks that could hinder the Company's operational and production performance. The Board endeavors to enhance the culture of awareness of the responsibilities of all relevant parties in the Company, so that they become fully informed and aware of their responsibilities. Meanwhile, the Company continues to work on enhancing the effectiveness of internal control and implementing corporate governance controls in accordance with the highest standards of transparency. The Company's risk management policy is based on each of the following aspects:

- 1- Effective self-monitoring
- 2- Sense of responsibility
- 3- Accuracy and transparency
- 4- Initiative

In an effort to achieve the highest possible efficiency in addressing risks, striking a balance between achieving objectives and preserving value and sustainability, The company adopts the following mechanism:

- 1- Defining and identifying the potential risks that the Company may face, including all types of risks, such as financial, operational, and environmental risks, and others.
- 2- Risk assessment by measuring the impact of risks and the probability of their occurrence. The risks are then classified according to the priority level into high, medium, or low.
- 3- Developing and implementing risk management strategies, which include determining appropriate control procedures to mitigate the impact of risks and reduce likelihood of their occurrence and allocating the necessary resources to implement these strategies

Risk Factors

- Risks related to the Company's activity and operations
- Risks related to non-compliance with the Companies Law and the Company's bylaws
- Risks related to the issuance of the new Companies Law
- Risks related to the lack of experience in managing listed joint stock companies
- Risks related to non-compliance with the Capital Market Law and its Implementing Regulations
- Risks of management decisions
- Risks related to employee errors or misconduct
- Risks of difficulty in recruiting people with experience in the health sector
- Credit-related risks
- Risks related to credit facilities and financing agreements
- Risks related to Liquidity
- Risks related to the availability of financing in the future
- Risks related to the Company's reliance on its shareholders to obtain financing
- Risks related to the Company's payables
- Risks related to the occurrence of natural disasters
- Risks related to operation and unexpected business cessation
- Risks related to inventory ology
- Risks related to Saudization requirements
- Risks related to storage
- Risks related to the breakdown of machinery and equipment, the mechanism of use, and manufacturing defects
- Risks of rising energy and water prices
- Risks related to health and safety policies
- Risks related to non-issuance or non-renewal of licenses, permits and regulatory certificates

Risks related to the market and sector in which the Company operates

- Risks related to the Kingdom's economic performance
- Risks related to political and economic instability in the Middle East region
- Risks related to the competitive environment
- Risks of growth opportunities
- Risks related to non-compliance with current regulations and laws and/or the issuance of new regulations and laws
- Risks related to value added tax Risks related to fluctuations in supply and demand
- Risks related to withdrawing licenses
- Risks related to interest rate fluctuations
- Risks related to changing the mechanism for calculating Zakat and income tax
- Risks related to the imposition of new fees or taxes

- Risks related to adapting to customer requirements
- Risks related to keeping pace with developments in the health sector
- Risks related to potential legal Zakat entitlements and additional claims
- Risks related to reliance on major suppliers
- Risks related to relying on distributors outside the Kingdom
- Risks related to standardizing the purchase of medicines, devices and medical supplies
- Risks related to the volume of Government spending on the health sector
- Risks related to non-compliance with the standards of the Food and Drug Authority and other regulatory bodies
- Risks related to the withdrawal of the Company's products from the market
- Risks related to the pricing policy of pharmaceutical products
- Risks related to currency exchange rate fluctuations
- Risks related to the concentration of the Company's revenues
- Risks related to Customer concentration
- Risks related to protecting trademarks and property rights
- Risks related to lawsuits and fines
- Risks related to the adequacy of insurance coverage
- Risks related to transactions with related parties
- Risks related to the inability to implement the Company's strategic plan
- Risks related to business expansion outside the Kingdom
- Risks related to operational costs and expenses
- Risks related to operating systems and information technology

Risks related to the Offering Shares

Risks related to actual control by selling shareholders

- Risks related to the liquidity of the Offering Shares
- Risks related to the lack of a previous market for the Company's shares and the fluctuation of the share price
- Risks related to non-distribution of dividends
- Risks related to selling or offering additional shares in the future
- Risks related to selling a large number of shares in the market after the Offering process
- Risks related to the inability of non-qualified foreign investors to acquire shares directly
- Risks related to fluctuations in the price of shares after the Offering

A summary in the form of table or graph showing the company's assets, liabilities and results of the last five fiscal year or since the incorporation date, whichever is shorter.

STATEMENT OF ASSETS, LIABILITIES, AND SHAREHOLDERS' EQUITY FOR THE LAST FIVE FISCAL YEARS (S MILLION)						
	2024	2023	2022	2021	2020	Change between 2024-2023
Current assets	355.424	285.491	292.515	269.366	225.199	69.933
Non-current assets	171.357	167.254	150.736	147.562	145.434	4.103
Total assets	526.781	452.745	443.251	416.928	370.633	74.036
Current liabilities	134.035	121.081	132.391	117.390	84.765	12.954
Non-current liabilities	24.536	25.264	30.587	32.456	33.439	(0.728)
Total liabilities	158.572	146.345	162.978	149.847	118.204	12.227
Paid-up capital	200.000	200.000	200.000	60.000	60.000	-
Statutory reserves and retained earnings	168.209	106.400	80.274	207.081	192.429	61.810
Total equity	368.209	306.400	280.274	267.081	252.429	61.810

STATEMENT OF INCOME FOR THE LAST FIVE FISCAL YEARS (S MILLION)						
	2024	2023	2022	2021	2020	Change between 2024-2023
Net Revenue	394.001	338.440	302.662	287.222	301.660	55.561
Cost of Sales	(150.638)	(134.416)	(118.371)	(112.644)	(125.282)	(16.223)
Gross Profit	243.362	204.024	184.291	174.578	176.378	39.338
Net Profit	79.849	65.827	59.452	66.283	72.813	14.022
Earnings per share (EPS)	3.99	3.29	2.97	3.31	3.64	

Geographical analysis of the company's and its affiliates' revenues.

REVENUE BASED ON GEOGRAPHICAL AREA (₹ MILLION)						
	2024	% over total revenue	2023	% over total revenue	Change between 2024-2023	% Change 2024-2023
SAUDI ARABIA	343.974	87.3%	301.222	89.0%	42.751	14.2%
UAE	18.058	4.6%	12.934	3.8%	5.124	39.6%
KUWAIT	10.937	2.8%	9.346	2.8%	1.591	17.0%
IRAQ	4.390	1.1%	3.604	1.1%	0.786	21.8%
YEMEN	3.887	1.0%	3.449	1.0%	0.438	12.7%
LIBYA	3.409	0.9%	1.832	0.5%	1.577	86.1%
BAHRAIN	2.664	0.7%	2.558	0.8%	0.106	4.1%
JORDAN	2.650	0.7%	1.215	0.4%	1.435	118.2%
OTHERS	4.032	1.0%	2.280	0.7%	1.752	76.9%
TOTAL	394.001	100%	338.440	100%	55.561	16.4%

REVENUE BASED ON OPERATING SEGMENT (₹ MILLION)						
	2024	% over total revenue	2023	% over total revenue	Change between 2024-2023	% Change 2024-2023
Private customers	268.292	68.1%	245.316	72.5%	22.975	9.4%
Public customers	75.682	19.2%	55.906	16.5%	19.776	35.4%
Export customers	50.027	12.7%	37.217	11.0%	12.809	34.4%
Total	394.001	100.0%	338.440	100.0%	55.561	16.4%

any material differences in the operational results compared to the preceding year's results, along with any expectations announced by the company.

Material differences in operating results from the results of the previous year (₹ Million)

₹ mn	2024	%	2023	%	Change between 2024-2023	% Change 2024-2023
Net Revenue	394.001	100.0%	338.440	100.0%	55.561	16.4%
Cost of Sales	(150.638)	-38%	(134.416)	-39.7%	(16.223)	12.1%
Gross Profit	243.362	61.8%	204.024	60.3%	39.338	19.3%
Selling and distribution expenses	(96.190)	-24.4%	(80.622)	-23.8%	(15.569)	19.3%
General and administrative expenses	(53.757)	-13.6%	(46.227)	-13.7%	(7.529)	16.3%
Total SG&A Expenses	(149.947)	-38.1%	(126.849)	-37.5%	(23.098)	18.2%
Reversal/ (impairment) loss on trade receivable	(3.537)	-0.9%	1.506	0.4%	(5.043)	-334.9%
Other income/ (expenses)	1.155	0.3%	(0.432)	-0.1%	1.587	-367.7%
Operating Profit	91.034	23.1%	78.250	23.1%	12.784	16.3%
Finance costs	(4.685)	-1.2%	(6.811)	-2.0%	2.127	-31.2%
Profit before zakat	86.349	21.9%	71.438	21.1%	14.911	20.9%
Zakat expense	(6.500)	-1.6%	(5.611)	-1.7%	(0.889)	15.8%
Profit for the year	79.849	20.3%	65.827	19.5%	14.022	21.3%
Net Profit Margin	20.3%		19.5%			

any inconsistency with the standards approved by the Saudi Organization for Chartered and Professional Accountants

There is no any inconsistency with the standards approved by the Saudi Organization for Chartered and Professional Accountants. Our consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements that are issued by Saudi Organization for Chartered and Professional Accountants ("SOCPA") (hereinafter refer to as "IFRS as endorsed in KSA").

a description of any interest, contractual securities or rights issue of the Board members, Senior Executives and their relatives on shares or debt instruments of the Company or its affiliates, and any change on these interest or rights during the last fiscal year.

Not Applicable

Information on any loans (payable upon request or not), a statement of the total indebtedness of the Company and its affiliates, any amounts paid by the Company in repayments of loans during the year, the amount of the principal debts, the creditor name, the loan term and remaining amount. In case there is no debts, a declaration thereof shall be presented.

Creditor	Loan Term	Total facility Amount	Original Loan Amount	Balance beginning 1-Jan- 2024	Additions during the year	Repayments during the year	Ending Balance 31-December- 2024
Arab National Bank	Short term (1Year)	30,000,000		15,609,000	20,968,000	18,750,000	17,827,000
Banque Saudi Fransi	Short term (1Year)	77,000,000		17,417,000	33,737,000	24,851,000	26,303,000
	Short term (3Years)	6,337,936	20,598,000	9,507,000	0	6,338,000	3,169,000
The Saudi Investment Bank"	Short term (1Year)	57,231,000		7,247,000	20,379,000	21,667,000	5,959,000
Saudi National Bank"	Short term (1Year)	30,000,000		10,000,000	10,000,000	10,000,000	10,000,000
Emirates NBD	Short term (1Year)	70,000,000		2,110,000	2,110,000	2,110,000	0
Total		270,568,936	20,598,000	59,780,000	87,194,000	83,716,000	63,258,000

name of each affiliate company, its capital, the company's ownership percentage, the main scope of business, country of operation and country of incorporation. Is the percentage requested related to the shareholders of Avalon or the related companie

Name	Registered office	Cost of investment (In GBP*)	Number of shares	Percentage of ownership	
				Direct	Indirect
Avalon Pharma UK Holdings Limited	UK	1	1	100	-
Avalon Cosmetics Limited	UK	1	1	-	100
Avalon Pharma Limited	UK	1	1	-	100
Avalon Nutrition Limited	UK	1	1	-	100

*GBP – Great Britain Pound

details of shares and debt instruments issued for each affiliate company.

• There are no shares and debt instruments issued for each subsidiary.

A description of the dividends distribution policy.

The Company's annual net profits are distributed as follows:

1. The Ordinary General Assembly may, based on the proposal of the Board of Directors, set aside a percentage of the net profits to form a consensual reserve and allocate it to the purposes determined by the Assembly. Making Board members, Board committees Chairmen, executive management, and auditors available to shareholders in the General Assembly.
2. The Ordinary General Assembly may decide to form other reserves, to the extent that serves the interest of the Company or ensures the distribution of fixed profits as much as possible to shareholders. The assembly may deduct amounts from the net profits to establish social institutions for the Company's employees or to assist existing ones.
3. The Company's cash position and capital adequacy ratio rates are reviewed, and if they are adequate; from the remainder, a first payment is then distributed to shareholders, up to a maximum of 5% of the paid-up capital.
4. The Board of Directors distributes interim dividends during the year, according to the Company's results, the balance of retained earnings, the liquidity position and the requirements of future cash flows, after obtaining the authorization of the General Assembly annually.
5. Shareholders approve the dividends distributed in accordance with Paragraph (4) of the Article of Association after presenting them to the assembly by the Board of Directors at the General Assembly meeting.
6. The distribution of retained earnings accumulated from previous years or distributable reserves consisting of profits, or both, shall be restricted. The company must take into account the sequence and regularity in the method and proportions of distributing profits according to the capabilities and liquidity available to the company. The board of directors must disclose and announce the proportions of regular periodic profits that are decided to be distributed to shareholders on their due dates.

Percentages of profits distributed to shareholders during the various periods of the fiscal year, in addition to the percentage of profits proposed to be distributed at the end of the fiscal year and total of these profits.

	"Fiscal year ending on 31-Dec-21"	"Fiscal year ending on 31-Dec-22"	"Fiscal year ending on 31-Dec-23"	"Fiscal year ending on 31-Dec-24"
Net profit for the year/period	66,283,077	59,451,749	65,827,349	79,848,920
Earnings per share	3.31	2.97	3.29	3.99
Declared dividends	37,200,000	36,347,454	36,000,000	15,000,000
Dividends paid	37,200,000	36,347,454	36,000,000	15,000,000
Total retained earnings	202,220,693	79,379,813	107,813,903	154,707,576
Percentage of declared profits to net profit for the year/period	56.12%	61.14%	54.69%	18.79%

A description of any interest in a class of voting shares held by persons (other than the company's directors, Senior Executives and their relatives) who have notified the Company of their holdings pursuant to Article 85 of the Rules on the Offer of Securities and Continuing Obligations, together with any change to such interests during the last fiscal year;

The Company has no interest in the class of shares with the right to vote belonging to persons (except members of the Company's Board of Directors, senior executives and their relatives) who informed the Company of those rights in accordance with Article Eighty-Five of the Rules on the Offer of Securities and Continuing Obligations and any change in those rights during the last fiscal year.

A description of the class and number of any convertible debt instruments, contractual securities, preemptive right or similar rights issued or granted by the Company during the fiscal year, as well as stating any compensation obtained by the Company in this regard.

The Company does not have any categories or numbers of any transferable debt instruments, any contractual securities, subscription rights memorandums, or similar rights issued or granted by the Company during the fiscal year, along with an explanation of any compensation the Company received in return for that.

A description of any conversion or subscription rights under any convertible debt instruments, contractually based securities, warrants or similar rights issued or granted by the company.

The Company does not have any transfer or subscription rights under transferable debt instruments, contractual securities, subscription rights memorandums, or similar rights issued or granted by the Company.

Description of any redemption, purchase or cancellation by the Company of any redeemable debt instruments and the value of such securities outstanding, distinguishing between those listed securities purchased by the Company and those purchased by its affiliates.

There are no recoveries, purchases, or cancellations by the Company or the subsidiary of any redeemable debt instruments.

The number of Board meetings held during the last financial year, their dates and the attendance record of each meeting listing the names of the attendees.

Name	Position	21 Mar 2024	9 May 2024	22 Aug 2024	07 Nov 2024
Ahmad Shaher AlTabbaa	Chairman of the Board of Directors	Yes	Yes	Yes	Yes
Hisham Mohammed Attar	Vice Chairman of the Board	Yes	Yes	Yes	Yes
Mohamed Maher ALGhannam	Member of the board directors & Managing Director	Yes	Yes	Yes	Yes
Faisal Suleiman Al-Jamaan	Member of the board directors	Yes	Yes	Yes	Yes
Omar Mohammed Al-Jaroudi	Member of the Board of Directors	Yes	Yes	Yes	Yes

Numbers of company's requests of shareholders records, dates and reasons thereof.

Number	Request date	Request reasons
1	05/01/2024	External auditor's request
2	07/11/2024	External auditor's request/ Dividend distribution

A description of any transaction between the Company and any Related Party

Legal Services with a legal Counsel, Mr. Faisal AlTabbaa

Information relating to any business or contract to which the Company is a party and in which a director of the Company, a Senior Executive or any person related to any of them is or was interested, including the names of persons in relation, the nature, conditions, durations and the amount of the business or contract. If there are no such businesses or contracts, the Company must submit a statement thereof.

Related Party	Type of relationship	Related party	Relationship status	Transaction amount	Transaction period
Faisal Shafer AlTabbaa	Legal Services	Mr. Faisal Shafer AlTabbaa	Kinship of a Board Member	360,000 SR	One Year

A description of any arrangement or agreement under which a director or a Senior Executive of the Company has waived any remuneration.

- There are no arrangements or agreements under which a member of the Board of Directors or a senior executive waives any salaries or remuneration.

A description of any arrangement or agreement under which a shareholder of the Company has waived any rights to dividends.

There are no arrangements or agreements under which any of the Company's shareholders waived their rights to profits.

A statement of the value of any paid and outstanding statutory payment on account of any zakat, taxes, fees or any other charges that have not been paid until the end of the annual financial period with a brief description and the reasons therefor.

All paid except for 2024

A statement as to the value of any investments made or any reserves set up for the benefit of the employees of the company.

Not Applicable

Declarations

a. declarations that: a. proper books of account have been maintained;

The Board declares that the Company's records of accounts have been prepared correctly.

b. the system of internal control is sound in design and has been effectively implemented; and the report will be issued in March 2025 after the Year End Financial Statement.

c. there are no significant doubts concerning the company's ability to continue its activity.

The Board declares that there is no doubt about the Company's ability to continue as a going concern.

If the external auditor's report contains reservations on the annual financial statements, the Board report shall highlight this mentioning the reasons and any relevant information

In 2023 and the first three quarters of 2024, there were no reservations; however, the year-end 2024 report has not yet been issued.

If the Board recommended replacing the external auditor before the end of its term, the report shall indicate this mentioning the reasons for the replacement recommendation.

There were no requests for replacement during the year.

Information relating to any competing business with the Company or any of its activities that any member of the Board is engaging in or was engaging in such competing businesses, including the names of people in relation, the nature, conditions of such competing businesses. If there are no such competing businesses, the Company must submit a statement thereof.

The Company declares that there are no competing businesses for the Company or any of the branches of activity that it practices and which any member of the Board of Directors practices.

Board Declarations

- 1-The Board declares that the Company's records of accounts have been prepared correctly.
- 2-The Board declares that the internal control system was prepared on sound foundations and implemented effectively.
- 3-The Board declares that there is no doubt about the Company's ability to continue as a going concern.
- 4-There is no conflict between the recommendations of the Audit Committee and the decisions of the Board of Directors, which include appointing the Company's auditor and determining his fees for the fiscal year of 2024G.
- 5-The Company's consolidated financial statements were prepared during the fiscal year of 2024G in accordance with the standards approved by SOCPA..
- 6-There are no shares and debt instruments issued for each subsidiary.
- 7-The Company has no interest in the class of shares with the right to vote belonging to persons (except members of the Company's Board of Directors, senior executives and their relatives) who informed the Company of those rights in accordance with Article Eighty-Five of the Rules on the Offer of Securities and Continuing Obligations and any change in those rights during the last fiscal year.
- 8-The Company does not have any categories or numbers of any transferable debt instruments, any contractual securities, subscription rights memorandums, or similar rights issued or granted by the Company during the fiscal year, along with an explanation of any compensation the Company received in return for that.
- 9-The Company does not have any transfer or subscription rights under transferable debt instruments, contractual securities, subscription rights memorandums, or similar rights issued or granted by the Company.
- 10-There are no recoveries, purchases, or cancellations by the Company or the subsidiary of any redeemable debt instruments
- 11-There are no arrangements or agreements under which a member of the Board of Directors or a senior executive waived any salaries or remuneration.
- 12-There are no arrangements or agreements under which any of the Company's shareholders waived their rights to profits
- 13-There are no investments or reserves established for the benefit of the Company's employees
- 14-The Board of Directors did not issue any recommendation to change the auditor before the end of his appointed term.
- 15-The Company declares that there are no competing businesses for the Company or any of the branches of activity that it practices and which any member of the Board of Directors practices.
- 16-The Company declares that there are no treasury shares held
- 17- information relating to any competing business with the Company or any of its activities that any member of the Board is engaging in or was engaging in such competing businesses, including the names of persons in relation, the nature, conditions of such competing businesses. If there are no such competing businesses, the Company must submit a statement thereof.