



الأندلس العقارية
Alandalus Property

2023

Annual Report

Steady Rising



**Esteemed Shareholders of Alandalus Property Company
May peace, mercy and blessings of Allah be upon you.**

The Chairman and members of the Board of Directors of Alandalus Property Company are pleased to present to the esteemed shareholders the annual report for the fiscal year ending on December 31, 2023, prepared in accordance with the governance regulations issued by the Capital Market Authority, the Companies Law, and the company's Articles of Association.

This report provides comprehensive information about the company's activities, financial results, performance, achievements, as well as its future plans for the fiscal year ending on December 31, 2023.

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Introduction

- Chairman Statement
- CEO Statement

01

Statement of the Chairman of the Board of Directors



Dear Valued Shareholders,

May peace, mercy and blessings of Allah be upon you.

As we conclude another fruitful year, Alandalus Property stands proud, adorned with yet more milestones in our journey of success across all fronts. On behalf of the Board of Directors, I am delighted to reflect on the accomplishments of 2023, underpinned by tangible evidence promising the sustained development and expansion of our Company.

In light of the rapid development witnessed by the Kingdom of Saudi Arabia at all levels, Alandalus Property Company reaffirms its role as a vital partner in achieving the objectives of Vision 2030 regarding the real estate sector, thanks to its long experience and expertise in investment and real estate development, and its status as a leading company in the field.

We have diligently continued to implement our expansion strategy by adding more quality projects to our investment portfolio, providing the best financing options, and applying the best global practices in owning, managing, and operating commercial centers. This ensures exceptional occupancy rates for these projects and, consequently, generating rewarding investment returns for shareholders and achieving the Company's goals alike.

We are pleased to announce the outstanding operational performance of our major projects for the year 2023. "The Village Mall" project, which opened in the first half of the year in Jeddah, the bride of the Red Sea, on an area estimated at 200,000 sqm, recorded occupancy rates exceeding expectations, reaching 71% at the end of the year.

In our office sector activities, Alandalus Property Company has completed a strategic purchase deal to acquire Yasmin Alandalus Office Tower, strategically located in the capital Riyadh, with a leasing area of nearly 10,000 square meters. Yasmin Alandalus shone with an occupancy rate of 100% by the end of the year.

As you have known us, Alandalus Property Company is committed to applying the highest comprehensive governance standards to enhance its organizational structure and improve the efficiency of its investment and operational businesses and their quality. The company strives to minimize waste and unify efforts. By joining the (MSCI) index, Alandalus reaffirms its commitment to the highest standards of disclosure and transparency with the best environmental, social, and corporate governance practices in all financial transactions and reports issued to investors.

In conclusion, I extend my deepest gratitude and appreciation to our dear shareholders for their continuous support, to the board members for their wise guidance, and to Alandalus Property Company team for their sincere efforts in achieving the Company's vision and goals. Together, we steadily ascend to new heights, and Allah is the guardian of success.

Mr. Abdulsalam bin Abdul Rahman Al-Aqeel
Chairman

Statement of the Chief Executive Officer

Respected shareholders and esteemed partners,

I am pleased to renew our meeting to review together our annual report for the year 2023, highlighting the significant achievements accomplished by the Company, which would not have been possible without your valuable trust, forming the core of our performance, contribution, and continuity. I am grateful for your ongoing support, which represents the main motivation to continue the journey of Alandalus Property Company.

The Company has managed to implement its business strategy and execute the policies outlined by the Board of Directors amid major and growing transformations in the commercial markets' requirements, encompassing entertainment, commercial, and comprehensive service concepts. Additionally, the company's success in applying an ambitious investment methodology has enabled it to expand its project portfolio, adding a new asset after purchasing an office tower in Riyadh with a rental area of 9,834 square meters. The company has also worked on studying a group of targeted investment projects that ensure more profitable returns and sustainability for all shareholders alike. Operations have also commenced for "The Village" mall in Jeddah, alongside completing all operational requirements for Dr. Sulaiman Al Habib Hospital in Jeddah, preparing to launch its operational activities in the first quarter of the next year 2024, God willing.

Alandalus Property has continued to develop its performance in managing and operating its commercial complexes and distinguished neighborhood shopping centers, achieving the highest levels of satisfaction among all trademark owners by supporting them with more services, marketing, and promotional programs to increase shopper and visitor turnout. This includes entertainment facilities like cinemas, children's games, and the dining area, which we will continue to develop and support with the best services, aiming to attract more of them and reach the highest occupancy levels for rental spaces at Alandalus Mall in Jeddah and the opening of the qualitative Boulevard area in the region.

Meanwhile, the Company has committed to establishing solid foundations from which to achieve our future aspirations, according to our strategic vision aimed at enhancing and diversifying our real estate investments within new sectors, markets, and instruments, moving steadily towards progress, prosperity, and growth, armed with managerial and operational work standards based on transparency, credibility, and sustainability.

On another note, the Company continued to develop its human capital, one of its most vital assets, by supporting and empowering them with development and qualification programs, enhancing their capabilities, honing their talents, attracting the best Saudi male and female youths, and retaining them in a competitive business environment that encourages giving, self-development, and a passion for innovation, thereby improving their efficiency at all their diverse job levels.

I am also pleased to extend my highest gratitude and appreciation to all our esteemed shareholders for their trust and substantial support for our business journey, and to all members of the Board of Directors for their wise leadership in all strategic and operational work paths. My thanks also go to all company employees for their significantly advanced performance, contributing to achieving all company targets and enhancing the Company's leading position and presence in the market. May Allah grant us success.

Eng. Faisal bin Abdul Rahman Al-Nasser

Chief Executive Officer



Executive Summary

- Executive Summary
- Strategic Objectives
- Achievements 2023
- Existing Projects
- Future Projects
- Certifications and Accreditations

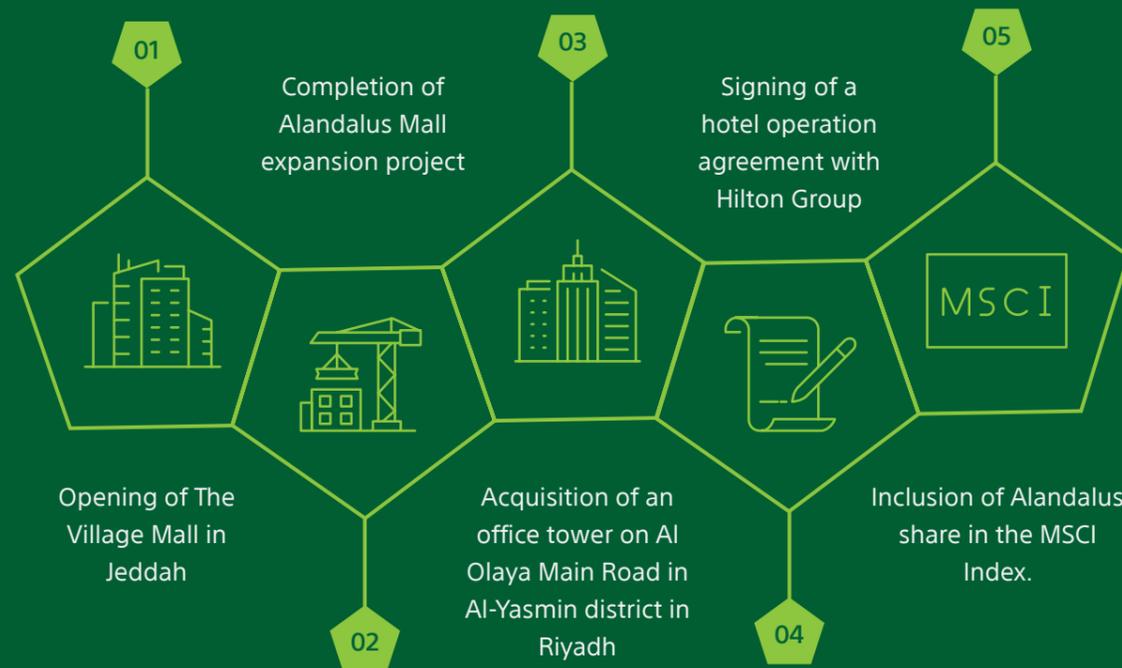
02

Executive Summary

The annual report for the year 2023 highlights the outstanding financial and operational performance of Alandalus Property Company, focusing on the key achievements, diverse activities, and future projects. Our commercial centers have witnessed substantial improvements in management and operations, achieving

exceptional occupancy rates. Additionally, we have successfully concluded numerous investment deals and made significant progress in the construction field across various sectors. We also initiated a wide range of development projects aimed at elevating the service offerings and operational facilities at our commercial centers.

Company's Achievements in 2023



Strategic Objectives

01



Optimize Operations: We continuously refine mall development, management, and leasing to achieve optimal occupancy rates and a well-balanced tenant mix.

Expand Portfolio: We focus on developing new malls, hospitality projects, and multi-use facilities to meet evolving customer needs.



02

03



Acquire High-Performing Assets: We actively seek full or partial acquisitions of high-performing projects that align with our vision and drive growth.

Forge Strategic Partnerships: We aim to establish partnerships with like-minded investors to co-develop projects within our core areas of expertise.



04

Existing Projects



Retail Real Estate Sector

- Malls

Alandalus Mall

Located in Jeddah, wholly owned by AlAhli REIT Fund (1), of which Alandalus owns 68.73%.



Hayat Mall

Located in Riyadh, wholly owned by Al-Hayat Property Company, of which Alandalus Property owns 25%.



Dareen Mall

Located in Dammam, wholly owned by Advanced Markets Company, of which Alandalus Property owns 50%.



The Village Mall

Located in Jeddah, wholly owned by Al Jawhara Al Kubra Company, of which Alandalus Property owns 25%.



- Strip Malls



Al-Sahafa Center

Sahafa district, Riyadh



Tilal Center

Malqa district, Riyadh



Al-Yarmouk Center

Yarmouk district, Riyadh



Al-Marwa Center

Marwa district, Jeddah



Office Sector

Salama Office Tower

Located in Jeddah, wholly owned by AlAhli REIT Fund (1), of which Alandalus Property owns 68.73%.



Qbic Plaza Office Complex

Located in Riyadh, wholly owned by AlAhli REIT Fund (1), of which Alandalus Property owns 68.73%.



Yasmin Alandalus Office Tower

Located in Riyadh, wholly owned by Alandalus Property 100%.



Hospitality Sector

Alandalus Mall Hotel

Located in Jeddah, Wholly owned by AlAhli REIT Fund (1), of which Alandalus Property owns 68.73%.



Future Projects

The Company employs a strategic approach to financing upcoming projects, utilizing various project financing models. Each investment opportunity undergoes thorough analysis, and a financing structure is tailored to prioritize the maximum benefit for the Company's shareholders.

01

Hospital project in partnership with the Dr. Sulaiman Al Habib Medical Services Group Holding at the King Abdulaziz Square, at the intersection of King Abdullah Road and Prince Majid Road in Jeddah. This project spans an area of 21,415.35 square meters and is expected to commence operations in 2024.

02

Umm Jerfan District project, led by Massat Property Company, to establish a commercial center (Mecca Park) over a total area of 127,434.10 square meters, located in the Um Jerfan district of Mecca. This project is anticipated to commence operations at the start of the year 2027.

Hospital Project

21,415.35 sqm

Umm Jerfan District Project

127,434.10 sqm

Certificates and Accreditations



2009

Cityscape International
Alandalus Mall was honored with the Best Commercial and Retail Project in the Kingdom Award.



2017

Recon | Middle East Shopping Centers Council
The restaurant area at Hayat Mall was recognized as the best design and development in the MENA region.



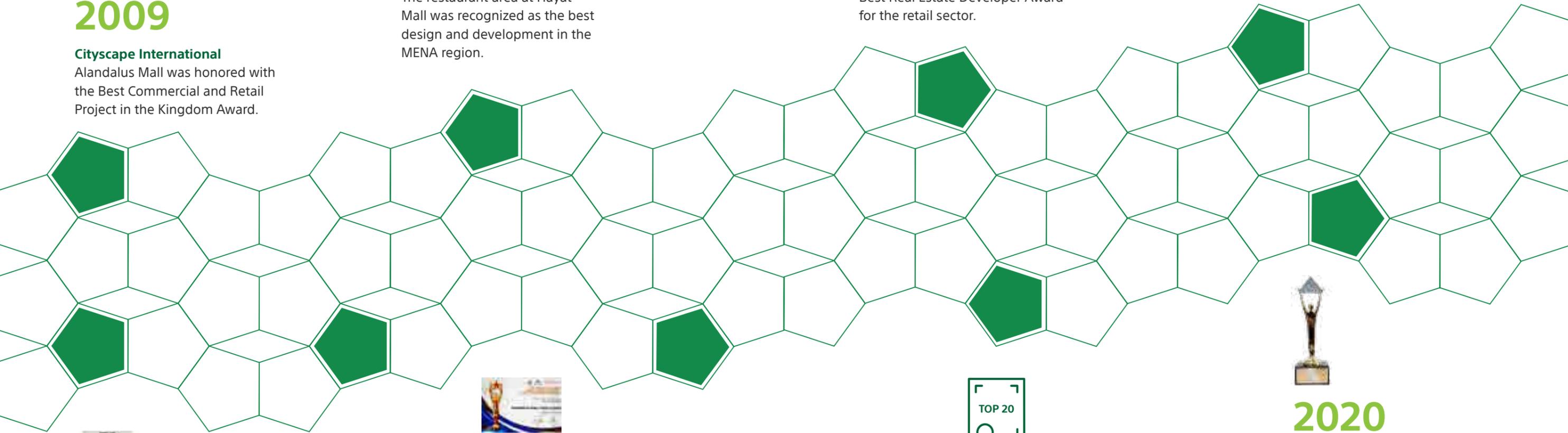
2019

Forbes Middle East
Alandalus Property crowned the Best Real Estate Developer Award for the retail sector.



2019

Recon Middle East Shopping Centers Council
Hayat Mall was honored with the Performance Improvement Excellence Award for its Digital Transformation Initiative.



2010

Cityscape International
Hayat Mall was honored with the Best Commercial and Retail Project in the Kingdom Award



2018

Recon | Middle East Shopping Centers Council
Alandalus Mall was awarded a certificate of achievement for its successful redesign and renovation of the food court.



2019

Corporate Governance | Al-Faisal University
Alandalus Property was recognized among the top 20 companies for its implementation of corporate governance principles.



2020

Corporate Governance | Al-Faisal University
Alandalus Mall was awarded the Innovation Award for Entertainment Events in the Live Shows and Events category by the Stevie Awards in MENA.

Certificates and Accreditations



2020

Corporate Governance | Al-Faisal University

Alandalus Property was ranked among the top 30 listed companies for its implementation of corporate governance principles.



2021

Guinness | Guinness Book of Records

Andalus Mall has set the Guinness World Record for the highest number of greeting cards.



2023

Alandalus Property has been awarded the Excellence Prize in Real Estate Investment Strategies presented by Gazet International Global.



2023

Alandalus Property is awarded the Best Luxury Real Estate Developer by Luxury Lifestyle.



2023

Alandalus Property wins the Best Corporate Social Responsibility Initiative award presented by Global Business and Finance Magazine.



2023

Hayat Mall is awarded the Best Commercial Project by the Saudi Building and Infrastructure Summit.



2021

Alandalus Property

was recognized among the most influential real estate companies for the year 2021, ranking among the top 50 real estate companies according to Forbes MENA.



2021

MECSC | Council of Shopping Centers in MENA

Alandalus Mall was honored with the Excellence Award for Operations.



2023

Alandalus Property receives the Best Real Estate Company in the Kingdom award from the International Business Magazine.



2023

Alandalus Property wins the Best Leading Hospitality Industry in the Kingdom for the real estate sector, presented by International Business Magazine.



2023

Alandalus Property is crowned the Best Real Estate Company in the Kingdom by World Business Outlook Magazine.

About Alandalus

- Establishment
- Key Objectives
- Business and Investments
- Vision, Mission and Values
- Members of Board of Directors
- Organizational Structure

03

Establishment

Alandalus Property Company ("The Company") is a Saudi joint-stock company registered under Commercial Register No. 1010224110 dated 17/09/1427H (corresponding to 10/10/2006G) and Ministerial Resolution No. 2509 dated 03/09/1427H (corresponding to 26/09/2006G).

The Company was initially established as a Saudi closed joint-stock company with a capital of two hundred and thirty-eight million and nine hundred thousand (238,900,000) Saudi Riyals, divided into twenty-three million and eight hundred and ninety thousand (23,890,000) ordinary shares, with a nominal value of ten (10) Saudi Riyals per share, fully paid.

At The Extraordinary General Assembly on 15/10/1428 AH (corresponding to 27/10/2007 AD), the shareholders decided to increase the Company's capital from two hundred and thirty-eight million and nine hundred thousand (238,900,000) Saudi Riyals to three hundred and forty-three million (343,000,000) Saudi Riyals, divided into thirty-four million and three hundred thousand (34,300,000) ordinary shares. The increase, totaling one hundred and four million and one hundred thousand (104,100,000) Saudi Riyals, was covered by the issuance of new shares, which were paid for in cash by the shareholders.

At the Extraordinary General Assembly of 19/05/1436H (corresponding to 10/03/2015), the shareholders decided to once again increase the Company's capital from three hundred and forty-three million (343,000,000) Saudi Riyals to seven hundred million (700,000,000) Saudi Riyals, divided into seventy million (70,000,000) ordinary shares. This increase in the capital, amounting to three hundred and fifty-seven million (357,000,000) Saudi Riyals, was covered through the retained earnings account. In December 2015, following the approval of the Capital Market Authority, the Company offered 30% of its shares for public subscription, with the number of shares offered being twenty-one million (21,000,000) ordinary shares, each fully paid with a nominal value of ten Saudi Riyals (10 SAR) per share.

At the Extraordinary General Assembly of 17/01/1442 H (corresponding to 25/08/2021), the shareholders of Alandalus Property Company decided to increase the Company's capital from seven hundred million (700,000,000) Saudi Riyals to nine hundred and thirty-three million three hundred and thirty-three thousand three hundred and thirty (933,333,330) Saudi Riyals. This increase was achieved by dividing the capital into ninety-three million three hundred and thirty-three thousand three hundred and thirty-three (93,333,333) ordinary shares. This capital increase, totaling two hundred and thirty-three million three hundred and thirty-three thousand three hundred and thirty (233,333,330) Saudi Riyals, was covered from the statutory reserve account and retained earnings. This was done by granting one share for every three shares held by the Company's shareholders.

With this increase, the current capital of the Company reaches nine hundred and thirty-three million, three hundred and thirty-three thousand, three hundred and thirty (933,333,330) Saudi Riyals, divided into ninety-three million, three hundred and thirty-three thousand, three hundred and thirty-three (93,333,333) shares.



Key Objectives

The Company's primary focus is on real estate development and investment. However, the key objectives of the Company, as outlined in its Articles of Association, include:

- 01 Establishing, owning, and managing real estate properties including malls, commercial and residential centers, and complexes
- 02 Implementing general contracting projects for residential and commercial buildings, educational, recreational, and health facilities, as well as roads, dams, water and sanitation projects, and electrical and mechanical works.
- 03 Maintenance and operation of real estate facilities and commercial buildings.
- 04 Owning, developing and investing in lands and real estate properties within the Company's objectives.
- 05 Establishing, owning, investing in, maintaining and operating medical facilities, hotels, tourist and recreational centers and complexes
- 06 Importing materials, devices, furniture, tools and equipment for use in its projects.
- 07 Investing the Company's funds in stocks and other securities subject to the Shariah and regulatory controls, ensuring to obtain the necessary licenses from the competent authorities, if required.

Business and Investments



Retail Real Estate

Alandalus Property focuses on investing in real estate businesses related to the retail sector, including shopping centers and strip malls.

Strip Malls

In addition to the malls mentioned above, the Company has developed four strip malls with ownership percentages varying between 70% and 100%. These strip malls are located on leased lands and include Al-Yarmouk Center, Tilal Center, Al-Sahafa Center, and Al-Marwa Center).

Malls

The Company is a co-owner of four (4) commercial centers with varying ownership percentages, including:

- ◊ Alandalus Mall, Jeddah, wholly owned by AlAhli REIT Fund (1), in which the Company owns 68.73%.
- ◊ "Hayat Mall", Riyadh, in which the Company owns 25%.
- ◊ "Dareen Mall", Dammam, in which the Company owns 50%.
- ◊ "The Village Mall", Jeddah, in which the Company owns 25%.



Hospitality

Alandalus Mall Hotel in Jeddah, wholly owned by AlAhli REIT Fund (1), with the Company owning 68.73%. The hotel tower adjacent to Alandalus Mall covers a total area of 28,225 sq.m and was opened and operational in the second quarter of 2017. It consists of 164 suites, leisure facilities, meeting rooms, international restaurants, and a health club.



Offices

- ◊ Salama Office Tower, wholly owned by AlAhli REIT Fund (1), of which the Company owns 68.73%
- ◊ Qbic Plaza Office Complex, wholly owned by AlAhli REIT Fund (1), of which the Company owns 68.73%
- ◊ Yasmin Alandalus Office Tower is wholly owned by Alandalus Property Company.

Vision, Mission and Values



Vision

To become the most prominent real estate developer in the Kingdom of Saudi Arabia, specializing in transformative construction projects and iconic destinations. We aim to create vibrant spaces that serve as hubs for shopping, business, and community interaction, fostering connectivity and communication among people.



Mission

To develop and operate a unique and distinguished portfolio of destinations that cultivate a strong sense of community and engagement among guests, clients, and society as a whole. By providing unparalleled experiences that drive loyalty, enhance visitation frequency, and deliver sustainable value, our aim is to achieve unparalleled growth and solidify our position as a leading real estate developer.



Values

At Alandalus Property, we are distinguished by our core values which shape and guide our decision-making, actions, and overall pursuit of success including:

01

Ambition

02

Passion

03

Determination

04

Confidence

05

Participation



Members of the Board of Directors



Mr. Abdulsalam bin Abdul Rahman Al-Aqeel

Chairman of the Board of Directors
Member of the Executive Committee
Member of the Nomination and Remuneration Committee



Eng. Saleh bin Mohammad Al-Habib

Vice Chairman of the Board
Chairman of the Executive Committee
Member of the Nomination and Remuneration Committee



Dr. Abdul Rahman bin Mohammad Al-Barrak

Chairman of the Audit Committee
Board Member



Dr. Sulaiman bin Ali Al-Hudhaif

Chairman of the Nomination and Remuneration Committee
Board Member



Mr. Ahmad bin Abdul Rahman Al-Mousa

Member of the Executive Committee
Board Member



Mr. Mohammad bin Abdul Mohsen Al-Zakari

Member of the Executive Committee
Board Member



Mr. Emad bin Hamoud Al-Otaibi (Representative of GOSI)

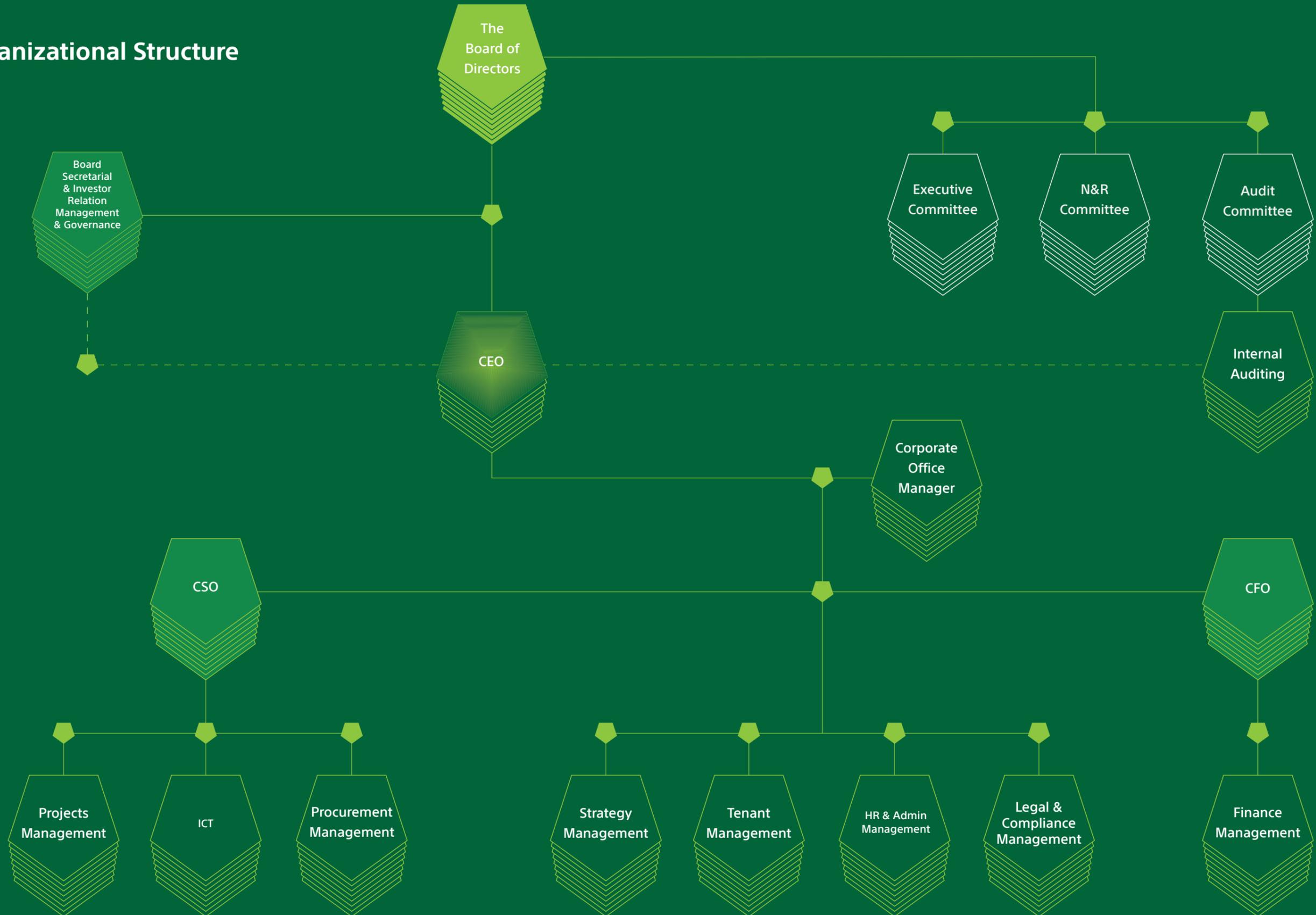
Board Member



Mr. Abdallah Abdelaziz Al-Mashal

Member of the Board of Directors
Board Member

Organizational Structure



Company Activities and Investments

- Business Sectors
- Investment in Subsidiaries,
Affiliates and Sister Companies
- Future Projects

04



Business Sectors

The Company's main business is currently focused on real estate development and investment as follows:



First: Retail Real Estate Sector

1. Malls
2. Strip malls



Second: Hospitality

1. Alandalus Mall Hotel



Third: Offices

1. Salama Office Tower
2. Qbic Plaza Office Complex
3. Yasmin Alandalus Office Tower



Retail Real Estate

01.Malls

1.1 Andalus Mall

Opened in 2007, Alandalus Mall is situated in Jeddah on King Abdullah Road, opposite King Abdulaziz Square, in the new city center. Spanning a total area of 148,481 sq.m, including built-up areas and parking facilities, the mall is a prominent retail destination.

Alandalus Mall houses 358 stores that are leased to 323 tenants, with a total rental area of 88,863 sqm spread across two floors. The mall is wholly owned by AIAhli REIT Fund 1, with the Company holding a majority stake of 68.73%.

Known for its diversified leasing concept, Alandalus Mall hosts several renowned international brands such as H&M, Mothercare, Guess, Starbucks, Terranova, Calliope, Center Point, American Eagle, Max, Kiabi, and many others. The mall also features a luxurious restaurant area offering some of the finest dining options in Jeddah, such as La Casa Pasta Restaurant, AlBaik, McDonald's, and I'M Hungry Restaurant. Additionally, the entertainment area provides a variety of activities for visitors of different age groups, such as Red Sea and

GOAL, FUNTURA, SPARY'S. Adding to its offerings, Alandalus Mall houses Empire Cinemas, boasting 15 screens, a VIP section and a dedicated area for kids.

Furthermore, leasing has begun for the Boulevard area, covering 10,133.60 square meters with 40 shops, four of which have been leased. Alandalus Mall achieved an impressive occupancy rate of 95%, with over 7 million visitors in 2023.

Strategically located overlooking King Abdulaziz Square, just 800 meters away, and at the intersection of King Abdullah Road and Prince Majed Road, Alandalus Mall benefits from high population density in the surrounding areas, enhancing its prominence.

With exceptional services, Alandalus Mall has become the premier destination in the region, attracting numerous companies seeking rental spaces. The Mall's selection of top-tier brands as tenants further enhances its appeal, driving leasing activity and pricing.

Andalus Mall Events 2023

- Roaming Bands
- Foundation Day
- Flag Day
- Mother's Day
- Ramadan
- Eid Al-Fitr Celebration
- Long Vacation Celebration
- Successful Students' Celebration
- Eid Al-Adha Celebration
- Saudi National Day
- Children's Arts
- Challenge Games
- Puppet Theater

Project Components



City: Jeddah



358
Stores



7 million
Visitors



323
Tenants



Total Area
148,481 sqm



Rental Area
88,863 sqm



Occupancy Rate
%95



Wholly owned by AIAhli REIT Fund (1), managed and developed by Alandalus Property



owned by the Company
68.73 %



Cinema Area
5,757 sqm



1.2 Hayat Mall

Hayat Mall, situated in Riyadh on King Abdulaziz Road, covers a total area of 226,108 sqm, including both built-up and parking areas. The mall features 355 stores leased to over 297 tenants, with a rental area of 82,302 sqm, making it a leading shopping destination in the Kingdom. Moreover, the mall hosts a variety of high-profile tenants including Jarir Bookstore, Swarovski, Victoria's Secret, Marks and Spencer, Max, Riva, Zara, and Paul Cafe, along with many other leading brands. The mall also offers a developed restaurant area which has earned it the Excellence and Development Award from RECON MENA 2017. It includes several distinguished restaurants, such as Applebee's, Pizza Company

Restaurant, and AlBaik, in addition to cinema halls (Muvi Cinemas).

Hayat Mall is owned by Hayat Property Company, of which Alandalus Property owns 25%.

In 2023, the mall achieved a significant accomplishment by maintaining exceptional operational standards, boasting occupancy rates of 91%, with visitor statistics reaching over 6 million.

Hayat Mall Events 2023

- Roaming Bands
- Foundation Day
- Flag Day
- Mother's Day
- Ramadan
- Eid Al-Fitr Celebration
- Long Vacation Celebration
- Successful Students' Celebration
- Eid Al-Adha Celebration
- Saudi National Day
- Music Melodies
- Visual Arts Exhibition
- Giant Games
- Children's Carnival

Project Components



City: Riyadh



355
Stores



6 million
Visitors



297
Tenants



Total Area
226,108 sqm



Rental Area
82,302 sqm



Occupancy Rate
%91



Owned by Hayat Property Company,
managed and operated by Alandalus
Property



Owned by the Company
25 %



1.3 Dareen Mall

Dareen Mall, inaugurated in 2009, occupies a strategic location on Dammam Corniche. It spans a total area of 59,000 sqm, with 51,550 sqm designated as built-up space. The parking area covers 20,700 sqm, and the land area measures 59,050.79 sqm. The Advanced Markets Company owns Dareen Mall, in which Alandalus holds a 50% ownership.

Dareen Mall comprises 199 stores leased to over 138 tenants, with a rental area of 47,594 sqm spread across two floors. It features a diverse range of facilities such as a supermarket, entertainment centers, anchor tenants,

small stores, gaming areas and restaurants overlooking the sea. Further, the mall hosts several renowned brands including Hyper Panda, Center Point, R&B Mothercare, SACO, GAP, H&M, Adidas, and many others.

Dareen Mall enjoys exceptional tenant demand, boasting a remarkable 90% occupancy rate. This strong performance is further underscored by the impressive foot traffic of over 3 million visitors in 2023. These figures solidify Dareen Mall's position as a leading retail destination.

Dareen Mall 2023 Events:

- Mother's Day
- Eid al-Adha Celebration
- Graduation Ceremony
- Men's Day
- Sports Live Match Streaming



Project Components:



City: Dammam



199
Stores



3 million
Visitors



138
Tenants



Total Area
59,000 sqm



Rental Area
47,594 sqm



Occupancy rate
%90



Owned entirely by Advanced Markets Company



Owned by the Company
50 %

1.4 The Village Mall

“The Village” Mall, a welcome addition to Jeddah’s landscape, opened its doors to the public in the first half of 2023, beckoning visitors with its prime location in the north of the city on Prince Talal bin Mansour Road, in close proximity to AlJawhara Stadium. Boasting an expansive land area exceeding 200 thousand square meters, with over 80 thousand square meters dedicated to rental spaces including buildings and parking facilities, the Village Mall stands out as a prominent destination for shoppers and leisure seekers alike.

Distinguished by its cutting-edge construction and design, the Village Mall incorporates state-of-the-art technologies to enhance visitor experience. A sophisticated smart building management system regulates and monitors all aspects of the mall’s operations, and a smart temperature sensing system ensures optimal comfort for patrons, dynamically adjusting to fluctuating visitor numbers. Notably, the mall features a captivating smart interactive dancing fountain system, choreographed to dance in synchrony with the mall’s sound and light systems, charming audiences in the Central Park area.

The commitment to sustainability is evident

throughout The Village Mall, with the integration of natural plants both inside and outside the premises to mitigate carbon emissions. Natural lighting floods the corridors through UV-resistant domes and planetariums, ensuring a well-lit environment throughout the day. The mall further demonstrates its environmental consciousness by harnessing solar cell technology to generate approximately 1,000 kilowatts of energy and implementing a greywater recycling system for irrigation and facility maintenance.

Situated in a rapidly growing and expanding area in the north of Jeddah, The Village Mall serves as a beacon of luxury shopping experiences, boasting an impressive array of internationally renowned brands. Its modern architecture sets a benchmark for commercial center design, providing an inviting atmosphere and a distinct shopping experience for visitors of all ages. Spread across three floors, the mall offers diverse entertainment options including retail outlets, a cinema complex with 14 halls accommodating 1,200 people, an amusement park, cafes, and fine dining restaurants, catering to the preferences of every family member. It also includes ample parking for 2,000 cars, ensuring convenience for visitors.

Among the notable brands housed within The Village Mall are Jarir Bookstore, Danube Hypermarket, R&B, Max, Centrepont, Nike, Clarks, Calvin Klein, Sephora, Al Majed for Oud, and many others. The outdoor dining area overlooks a mesmerizing dancing fountain adorned with captivating lighting and a stellar sound system, offering a delightful ambiance for visitors. Noteworthy cafes include Café 95 Celsius, EL&N Café, Bernie’s Café, Tim Hortons, and various other distinguished cafes.

The Village Mall is owned by Al-Jawhara Al-Kubra Company, in which the Company holds a significant stake of 25%, cementing its status as a premier destination in Jeddah’s retail and entertainment landscape.



Project Components



City: Jeddah



432
Stores



6 million
Visitors



198
Tenants



Total Area
208,000 sqm



Rental Area
85,244 sqm



Leased Area
60,552 sqm



Occupancy Rate
%71



Wholly owned by Al-Jawhara Al-Kubra Company for Real Estate Investment



Owned by the Company
25 %



Cinema Area
6,275 sqm

Retail Real Estate

2.Strip Malls

2.1 Al-Sahafa Center

Al-Sahafa Center is situated on a land parcel leased by the Company, positioned at the intersection of King Abdulaziz Road and Prince Nasser Bin Saud Street, in Al-Sahafa District, north of Riyadh. Spanning a total area of 12,395 square meters, encompassing both built-up space and parking facilities, the center stands as a prominent landmark in the region.

The development of Al-Sahafa Center reached completion in the fourth quarter of 2014, marking its operational debut in the first quarter of 2015. Its design was meticulously crafted to harness the strategic advantage of Al-Sahafa's location in Riyadh, nestled amidst a densely populated area teeming with numerous service firms. Al-Sahafa

center was meticulously planned to align with the rapid urbanization within its vicinity.

With 28 commercial units, Al-Sahafa Center hosts over 20 tenants, offering a diverse array of rental options ranging from commercial showrooms to administrative offices. Al Mazraa Markets occupies one of the Center's most prominent showrooms, along with other brands such as Starbucks, Bread & Nawashif, Abdul Samad Al Qurashi, and Shormeh.

Al-Sahafa Center achieved a 100% occupancy rate in 2023, solidifying its position as a thriving hub of commercial activity in the region, managed and operated by Alandalus Property Company.



Project Components



City: Riyadh



28
Stores



20
Tenants



Total Area
12,395 sqm



Rental Area
2,137 sqm



Occupancy Rate
%100



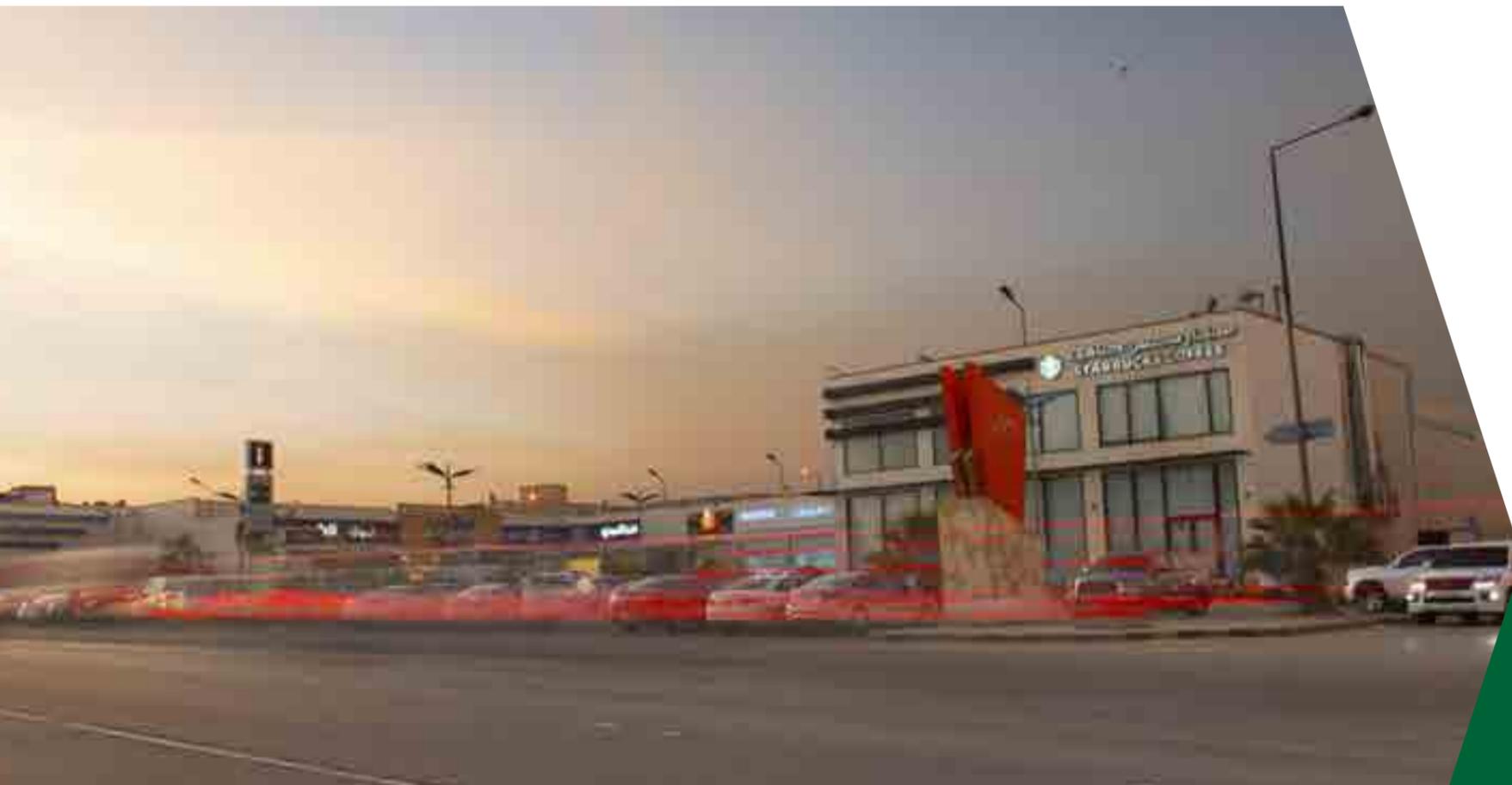
Managed and operated by
Alandalus Property Company.

2.2 Tilal Center

Tilal Center, located in Al-Malqa district of Riyadh, is a prestigious development by Alandalus Property. Situated on land leased by the Company, the center’s development was completed in the fourth quarter of 2014, and it commenced operations in the third quarter of 2015.

Covering a total area of 9,021 sqm, including both built-up area and parking facilities, Tilal Center comprises 19 commercial units leased to 14 tenants. The center offers a diverse mix of establishments, including large markets “Danube”, major tenants, and other stores such as Starbucks, Whites Pharmacies, Elite Oud, Arabian Oud, and Wicht.

Tilal Center is strategically positioned on Anas Bin Malik Road, north of Riyadh, making it easily accessible to residents and visitors alike. The center’s success is evident in its achievement of high occupancy rates, reaching an impressive 100% in 2023. This accomplishment underscores Tilal Center’s status as a premier commercial destination in Riyadh, offering a vibrant mix of retail and dining experiences.



Project Components



City: Riyadh



19
Stores



14
Tenants



Total Area
9,021 sqm



Leased Area
5,064 sqm



Occupancy Rate
%100



**Managed and operated by
Alandalus Property Company.**

2.3 Al-Yarmouk Center

Al-Yarmouk Center stands as a testament to Alandalus Property Company’s commitment to urban development and innovation in the real estate industry. Strategically located in Al-Yarmouk district on Al-Dammam Road, northeast of Riyadh, the center was designed to cater to the specialized needs of the eastern districts of Riyadh and its surroundings.

Occupying a land parcel leased by the Company, Al-Yarmouk Center boasts a total area of 10,822 sqm, comprising both built-up and parking areas. The center’s development was completed in the fourth quarter of 2014, and it became operational in the second quarter of 2015.

Al-Yarmouk Center offers 25 commercial units leased to over 21 tenants, including a large market “Panda”, major tenants, and other smaller stores. Among the popular brands present at the center are Baskin Robbins, Saad Edin Sweets, Al Tazaj Restaurant, Wicht, and Crisps, to name a few.

In 2023, Al-Yarmouk Center achieved an impressive occupancy rate of 94%, underscoring its appeal as a thriving commercial hub in Riyadh. The center’s success is a testament to Alandalus Property Company’s dedication to providing high-quality retail spaces that cater to the diverse needs of its tenants and customers.



Project Components



City: Riyadh



25
Stores



21
Tenants



Total Area
10,822 sqm



Rental Area
5,137 sqm



Occupancy Rate
%94



Managed and operated by
Alandalus Property Company

2.4 Al-Marwa Center

Al-Marwa Center, situated in the heart of the Al-Marwaneighborhood on PrinceMajed Road,north of Jeddah, exemplifies Alandalus Property Company’s strategic approach to real estate development and investment. The Center spans a total area of 17,030 square meters, encompassing building surfaces, parking lots, and offices. Completed in the last quarter of 2018, Al-Marwa center commenced operations in the first quarter of 2019, boasting 77 commercial units, including 45 stores and 31 offices. Among its tenants are renowned brands such as “Al Mazraa Markets,” McDonald’s, Chuck E. Cheese, Futoor Faris, Starbucks, Kims Coffee House, and others.

The center is 70% owned by Manafea Alandalus Real Estate Development and Investment Company, managed and developed by Alandalus Property Company , and 30% by the Saudi Tourism Development Company, which owns the land on which the center stands, leased to Manafea Alandalus Company.

With a remarkable occupancy rate of 99% for its stores in 2023, Al Marwa Center is efficiently managed and operated by the Alandalus Property, solidifying its reputation as a thriving commercial hub in Jeddah.



Project Components



City: Jeddah



45
Stores



77
Commercial Units



Total area
17,030 sqm



Rental Area
9,688 sqm



Occupancy Rate
%99



31
Offices



Managed and operated by
Alandalus Property Company

Hospitality

Alandalus Mall Hotel, Jeddah

In continuation of Alandalus Company's efforts to develop its activities and projects, and striving for continuous progress and steady growth through diversifying its sectors, the Company has undertaken the development and construction of a hotel tower adjacent to Alandalus Mall (Andalus Mall Hotel - Jeddah). The total area of the tower is 28,255 square meters (building areas and parking). It is fully owned by Al Ahli REIT Fund 1, with the Company's ownership in the fund being 68.73%.

Alandalus Mall Hotel was inaugurated and operationalized in the second quarter of 2017. The hotel tower consists of 164 hotel rooms, in addition to recreational facilities, meeting rooms, international restaurants, and a health club. The hotel occupancy rate during the year 2023 reached 61%, with an average room revenue of 201 Saudi Riyals.



Project Components



City: Jeddah



164
Hotel Units



Wholly owned by AlAhli REIT Fund (1) and operated under a management contract with Hilton Worldwide Inc.



Total Area
28,255 sqm



Owned by the Company
68.73 %



Occupancy Rate
%61



Average Room Revenue
201 Saudi Riyals

Offices

Salama Office Tower

Salama Office Tower is strategically located in the Salama area on Al-Madina Road, near the intersection of Hira Street. The tower is approximately 25 minutes away from the city center and less than 10 minutes from the new King Abdulaziz International Airport in Jeddah. It comprises 13 above-ground floors, in addition to a basement floor and a mezzanine floor, accommodating 84 offices, 4 halls, and 4 warehouses. Salama Tower hosts a range of prominent brand names, including

Samsung Gulf Electronics, Al Rajhi Cooperative Insurance Company, Takaful AlRajhi Insurance Company, Tim Hortons, Ejara Group, the national airlines, and Salama Company (Islamic Arab Insurance Company).

The tower is fully owned by Al Ahli REIT Fund 1, in which the Company holds a 68.73% ownership stake



Project Components



City: Jeddah



Annual Rent Value
23 Million SAR



Lease Period
5 years starting from August 2019



Built-up Area
58,919.3 sqm



Leased Area
31,420 sqm



Land Area
7,682 sqm



Wholly owned by AlAhli REIT Fund (1)



The Company' Ownership
%68.73

Qbic Plaza Office Complex - Riyadh

Qbic Plaza is strategically located in Al-Ghadeer district of Riyadh city, situated on King Abdulaziz Road near the Northern Ring Road intersection. Its prime location places it approximately 2 kilometers from the King Abdullah Financial Center and 20 kilometers from King Khalid International Airport, offering convenience and accessibility for businesses and visitors.

The complex comprises three interconnected buildings that have been meticulously designed and developed to offer state-of-the-art multi-use office space. Currently, the entire complex is leased

to the Ministry of Housing, showcasing the high demand for its modern and well-equipped office facilities.

Qbic Plaza Office Complex is wholly owned by AlAhli REIT Fund (1), which the Company holding a majority stake of 68.73%. Its strategic location, modern amenities, and prestigious tenant highlight its status as a premier office complex in Riyadh.



Project Components



City: Riyadh



Annual Rent Value
21.6 M Sar



Lease period
3 years starting from June 2023



Built up area
42,145.31 sqm



Leased areas
21,253 sqm



Land area
17,444 sqm



Fully owned by AlAhli REIT
Fund (1)



Company Ownership
68.73 %

Yasmin Alandalus Tower - Riyadh

Yasmin Alandalus Tower in Riyadh is located in AlYasmin district on AlOlaya main road parallel to King Fahd Road. It is approximately 12 kilometers away from King Abdullah Financial Center and 24 kilometers from King Khalid International Airport. The building consists of 14 floors with a leasable area of 9,838 square meters and a total built-up area of 25,006 square meters. It accommodates 380 parking spaces, and the land area measures

3,480 square meters.

Yasmin Alandalus Tower is fully leased and enjoys a strategic location in Riyadh. The entire tower is owned by Alandalus Property Company.



Project Components



City: Riyadh



Purchase Value
190 M Sar



Built up area
25,006 sqm



Leased areas
9,838 sqm



Land area
3,480 sqm



Fully owned by Alandalus
Property Company (1)



Company Ownership
100 %

Investment in subsidiaries, affiliates and sister companies

Subsidiaries and Affiliates

Company's ownership percentage in Manafea Alandalus Company, and AIAhli REIT Fund (1) and its main activity as of December 31, 2023:

Investment	Main Activity	Fund Size and Capital	Country of Establishment & Activity	Company Ownership %
Manafea Alandalus Company	Management and leasing of owned or leased residential properties, as well as non-residential properties., property management activities for a fee, and real estate development and investment activities on behalf of the company.	500,000	Saudi Arabia	70%
AIAhli REIT Fund (1)	Primarily investing in income-generating, structurally developed real estate assets	1,350,000,000	Saudi Arabia	68.73%

Sister Companies

Alandalus Property Company's investments include owning stakes in several affiliate companies, where the company holds ownership percentages ranging from 25% to 50% of the capital of those companies, as of December 31, 2023:

Sister Company	Main Business	Capital	Country of Establishment & Activity	Company Ownership %
Advanced Markets Company	Procuring, selling, and subdividing lands and properties, conducting off-plan sales activities, managing and leasing non-residential properties, providing property management services for a fee, undertaking general construction projects for non-residential buildings such as schools, hospitals, hotels, etc., and operating fixed cinema theaters.	25,000,000	Saudi Arabia	50%
West Jeddah Hospital Company	Establishing and managing hospitals, medical centers, and both government and private clinics.	179,424,000	Saudi Arabia	50%
Hayat Property Company	General construction of owned or leased residential buildings, as well as non-residential buildings including schools, hospitals, hotels, etc., renovation of both residential and non-residential properties, management and leasing of residential properties, as well as non-residential properties.	5,000,000	Saudi Arabia	25%
Sorouh El Marakez Company	Buying, selling, and subdividing lands and properties, conducting off-plan sales activities, managing and leasing residential and non-residential properties, managing and operating hotel apartments, real estate brokerage services, property management services for a fee.	500,000	Saudi Arabia	25%
Al-Jawhara Al-Kubra Real Estate Development and Investment Company	Management and leasing of owned or leased residential properties, as well as non-residential properties.	271,838,224	Saudi Arabia	25%
Massat Property Company	Management and leasing of owned or leased residential properties, as well as non-residential properties.	174,100,000	Saudi Arabia	25%



Future Projects

First: Establishing a hospital in partnership with Dr. Sulaiman Al Habib Medical Services Holding Group

The project is located at King Abdulaziz Square, at the intersection of King Abdullah Road and Prince Majed Road in Jeddah, adjacent to Alandalus Mall and Alandalus Mall Hotel in Jeddah. The project aims to build a comprehensive hospital to provide healthcare services under the name "Dr. Sulaiman Al Habib Hospital."

The hospital is currently in its final stages of operation. According to the latest report received from the development partner (Dr. Sulaiman Al Habib Medical Services Group), the construction is expected to be completed during the first quarter of 2024, with the total estimated at 1.6 billion Saudi Riyals. The project's completion rate as of this report is 99%. Construction works, electrical and mechanical works for operational requirements, water and electricity services connections, and the air conditioning system operation have been completed.

Additionally, procurement of operational requirements for the project including medical equipment, medical and non-medical furniture, and completion of the recruitment of medical and nursing staff for the initial operational requirements of the project have been completed. It is expected that the trial operational testing of project elements and furnishing works will continue during the first quarter of the fiscal year 2024, in preparation for obtaining licenses and then operating the project during the first quarter of the fiscal year 2024, following obtaining relevant regulatory approvals and licenses. Delays are due to the trial operational testing phase of the initial operational requirements of project elements including air conditioning systems, electrical and mechanical works, safety systems, in accordance with relevant standards, taking into account the scale and magnitude of the project works, which commenced during the fourth quarter of the fiscal year 2023 and will continue during the first quarter of the fiscal year 2024. This project will be primarily funded through bank loans in addition to the partners' own-resources. It is worth mentioning that the hospital consists of 330 beds and 245 clinics, and the ownership of this project belongs entirely to the West Jeddah Hospital Company, in which Alandalus Property owns a 50% capital share of the project.



Second: Al Sawari District Land Project, Jeddah

Alandalus Property owns a 25% stake in the land located in Jeddah's Sawari District on Madinah Road, spanning an area of 130,477 square meters. The land was designated for the construction of a commercial center (Panorama Jeddah Mall) through Sorouh El Marakez Company, established by partners for project ownership.

On November 4, 2018, Alandalus Property, in agreement with the other partners, decided to halt progress on this joint project after reassessing its feasibility, in consideration of the partners' interests. Sorouh El Marakez Company board of directors was tasked with determining the best investment use for the shared land, aligning with its location and characteristics. It is important to note that ownership of the land has not yet been transferred to Sorouh El Marakez Company, as the partners (related parties) retain direct ownership of their shares in the aforementioned land.



Third: Massat Property Company's Land Project in Mecca's Um Jurfan Area (Mecca Park)

Massat Property Company, a sister company of Alandalus Property Company established in late 2021, with a 25% ownership share by Alandalus Property and 75% by Brooge International, purchased land located in Um Jurfan neighborhood (Al-Nuqaa Al-Jadid), southwest of Mecca, on the Fourth Ring Road (Ra'fa Plan), covering a total area of 127,434.10 square meters.

According to the latest reports from the development partner, development of the land has commenced, and it is planned to establish a high-quality commercial center in Mecca named "Mecca Park." The total built-up area for the entire project is approximately 109,000 square meters, with the center's area being around 84,000 square meters and an estimated leasable area of 49,000 square meters. The center will consist of two floors.

The detailed design package for the project has been submitted, and final architectural designs have been selected by leading design offices, presented by Ramoz Engineering Consultancy Office. Necessary licenses for the project construction have been obtained from the Municipality, and rock-breaking works at the project site have commenced. Excavation works are in progress, along with the initiation of construction and structural works.

According to reports from the development partner, the project is expected to be completed by late fourth quarter of 2026, with gradual operational commencement starting from the first quarter of 2027, Allah willing. Any forthcoming developments will be disclosed as they become available.



Corporate Communication

- Human Capital
- Saudization and Employment and Training
- Sustainability in Alandalus
- Social Responsibility

05



Human Capital

At Alandalus Company, we recognize the pivotal role our staff plays in the Company's development. Human resources are crucial to our success, forming the backbone of our organization's production process. As such, we prioritize attracting top talent and fostering an environment that enhances performance, ensuring our production reaches the highest levels of efficiency, quality, and effectiveness. Training and development are key priorities for us, with a focus on providing employees with tailored programs that meet both company and individual needs, delivered by suitable training providers.

The Company's training programs are comprehensive, catering to employees at all levels. These programs are meticulously planned and overseen by the Human Resources Department, ensuring they align with employee needs and job requirements. The training initiatives include:

1. In-house training: Conducted by Company professionals or external experts, these sessions are designed to enhance employees' skills and knowledge within the organization's specific context.
2. International Training (outside the Kingdom): Employees have the opportunity to participate in courses and programs offered by specialized centers and institutes abroad. These programs are carefully selected to meet the specific needs of employees, helping them excel in their professional roles.

As a testament to its commitment to employee development, which is paramount for enhancing work across all levels, the Company convened its annual ceremony this year, attended by all employees.

On another note, the company has given significant attention to the health care of its employees, contracting with major insurance companies in the Kingdom to ensure the provision of excellent health care for the employees and their families.

Saudization, Employment, and Training

Alandalus Company has achieved the platinum (excellent) level of Saudization, with Saudis holding the highest managerial positions. The strategy of localizing jobs remains a top priority for the Company, aiming to build a national workforce capable of continuous improvement in line with current developments.

Job localization in the Company is not just a requirement to meet the Ministry of Labor's regulations; it is a national obligation with positive implications for the Saudi economy. By investing in qualified national talent that meets the demands of the labor market, the Company contributes to the country's economic growth.

Alandalus Property Company paid attention to its cadres by providing training programs and courses for all job levels.

As of December 31, 2023, the company had the following number of employees, Saudization ratios, training hours and training percentages:

 Total Employees	 Saudis
108	57
 Non-Saudis	 Saudization ratio
51	53.64%
 Females ratio	 Range
19.50%	High Green
 Training percentage	 Training hours
32.40%	1145 training hours

Sustainability in Alandalus

In congruence with the national agenda in the Kingdom of Saudi Arabia and the international Sustainable Development Goals (SDGs), Alandalus Property embraces sustainability as a foundational principle. Aligned with the strategic vision of Saudi Vision 2030, our commitment to sustainable practices is deeply ingrained in our operational core, reflecting not only a response to local imperatives but also a global conscientious approach in line with the United Nations' SDGs.

Alandalus Property is deeply aware of the global imperative for heightened sustainability standards within the real estate sector. Our primary focus on retail properties, including commercial and community shopping centers, as well as hospitality, underscores the acknowledgment of the substantial environmental and social impact inherent in our activities. Recognizing the need for decisive action, Alandalus has undertaken significant initiatives to develop robust ESG (Environmental, Social, and Governance) policies. These policies serve as the bedrock for promoting sustainable development and inclusive growth, marking a transformative journey in the past few years.

As we envision the future, one characterized by an elevated commitment to ESG principles, Alandalus Property aspires to go beyond the status quo. This journey isn't just about meeting the evolving demands of the real estate industry; it's a holistic approach aimed at attracting a broader customer base, fostering employee loyalty, and fostering unparalleled growth. Our dedication to sustainability permeates every facet of our operations, ensuring a positive and enduring impact on both the environment and society at large. This commitment is not just a strategic move; it's a genuine pledge to contribute meaningfully to a more sustainable and inclusive future.

Our Sustainability Framework

Governance, Community, and Environmental Strategy

Alandalus Property Company is dedicated to an inclusive sustainability strategy aimed at reducing our environmental impact, strengthening social responsibility, and elevating corporate governance standards. In our efforts to reduce the environmental footprint, we actively invest in enhancing energy efficiency to minimize energy consumption and reduce carbon emissions. Emphasizing waste recycling initiatives is another priority, contributing to a circular economy and diminishing our ecological impact.

On the social front, our commitment extends to Saudization initiatives, promoting local workforce growth and fostering economic inclusivity. Simultaneously, we are expanding our Corporate Social Responsibility (CSR) initiatives to address societal needs and make positive contributions to the communities where we operate.

Additionally, our commitment to upscaling corporate governance involves a meticulous review and enhancement of policies and procedures. Through the implementation of new and improved governance frameworks, our aim is to ensure transparency, accountability, and ethical practices across all components of Alandalus Property operations.



Our Material Topics

At Alandalus Property, our success in the realm of sustainability hinges on the effective communication and engagement with our stakeholders, encompassing understanding and fulfilling their needs. We place paramount importance on sustainability subjects that are deemed essential and significant for our stakeholders, directing these efforts in a manner consistent with our foundational strategy to maximize impact.

We are dedicated to initiating our sustainability journey on solid ground. This commitment is reflected through a rigorous assessment of core subjects, focusing on two main aspects: assessing the impact of each subject on our company and identifying the significance of these subjects to our stakeholders. This thorough evaluation has pinpointed the critical main subjects pivotal to our success, steering us towards the fulfillment of our objectives. The subsequent figure presents the outcome of this objective evaluation, along with the results obtained.



Assessment Results

Assessment of Relative Importance

- A** Environmental management of suppliers
- B** Greenhouse gas emissions
- C** Energy consumption
- D** Fuel consumption
- E** Water consumption
- F** Waste disposal
- G** Products and services
- H** Customer satisfaction and retention
- I** Non-discrimination
- J** Women’s empowerment
- K** Risk management
- L** Local community
- M** Diversity and equal opportunities
- N** Human rights assessment
- O** Training and education
- P** Governance
- Q** Economic performance
- R** Socio-economic compliance
- S** Anti-corruption
- T** Data privacy
- U** Public policy
- V** Market presence
- W** Diversity & Equal Opportunity
- X** Customer privacy
- Y** Occupational health and safety



Our Environmental, Social, and Governance Performances

This comprehensive approach highlights our constant dedication to sustainable development, aiming for a positive influence on the environment, society, and corporate governance. In order to measure and track our ESG performance, identify areas for improvement, and demonstrate our commitment to the broader community, we have identified major KPIs in the following manner:

Environmental Performance

Our set KPIs offer quantifiable metrics for assessing resource efficiency, emissions reduction, and sustainable practices, guiding organizations in their pursuit of environmentally responsible objectives such as:

8,441,822

kilowatt-hours reduction in energy consumption at Hayat Mall.

17,485

tonCO2e reduction in our overall carbon footprint by 2023.

Social Performance

Our set KPIs act as tangible standards, assessing an organization's influence on societal well-being, diversity, inclusion, and community engagement such as:

43%

Percentage of increase in Saudi employees who have been trained.

13

students added for summer training employment.

Governance Performance

Our set KPIs act as measurable reference to evaluate how well an organization adheres to ethical standards, maintains transparency, and executes effective decision-making processes, such as:

100%

Percentage retention of operations evaluated for corruption.

100%

Percentage retention of employees trained in work ethics and code of conduct.

Social Responsibility & Sustainability

Alandalus Property is dedicated to its social responsibility strategy, actively supporting various social programs. Through partnerships with government agencies, awareness and charitable associations, the Company's commercial centers sponsor numerous initiatives aimed at benefiting the community. This commitment reflects the Company's mission to contribute positively to society, a responsibility it takes great pride in fulfilling.

In 2023, Alandalus Property, through its commercial centers, hosted a variety of social and humanitarian activities, reaffirming its commitment to society. Among the most notable events were:

- ◆ Polio vaccination campaign in cooperation with the Ministry of Health.
- ◆ Diabetes awareness campaign in cooperation with King Abdulaziz University.
- ◆ Women's health awareness campaign in cooperation with Hayat Doctors.
- ◆ World Breast Cancer Early Detection Day campaign in cooperation with the Ministry of Health.
- ◆ Skin cancer awareness campaign in cooperation with King Abdulaziz University.
- ◆ Drug dangers and harms awareness campaign in cooperation with Enough Association.
- ◆ Scabies awareness campaign in cooperation with the Ministry of Health.
- ◆ Oral and dental health awareness campaign in cooperation with the Saudi Dental Association.
- ◆ Your Medicine awareness campaign in cooperation with the Riyadh Health Assembly.
- ◆ Scoliosis disease awareness campaign in cooperation with King Saud University.
- ◆ World Asthma Prevention Day campaign in cooperation with King Saud University.
- ◆ Joint pain awareness campaign in cooperation with Imam Muhammad bin Saud University.
- ◆ World Hepatitis Awareness Day campaign in cooperation with King Saud University.
- ◆ Hernia disease awareness campaign in cooperation with Imam Muhammad bin Saud University.

To view ESG report, please click here.



Transactions with Related Parties

- Transactions with Related Parties

06

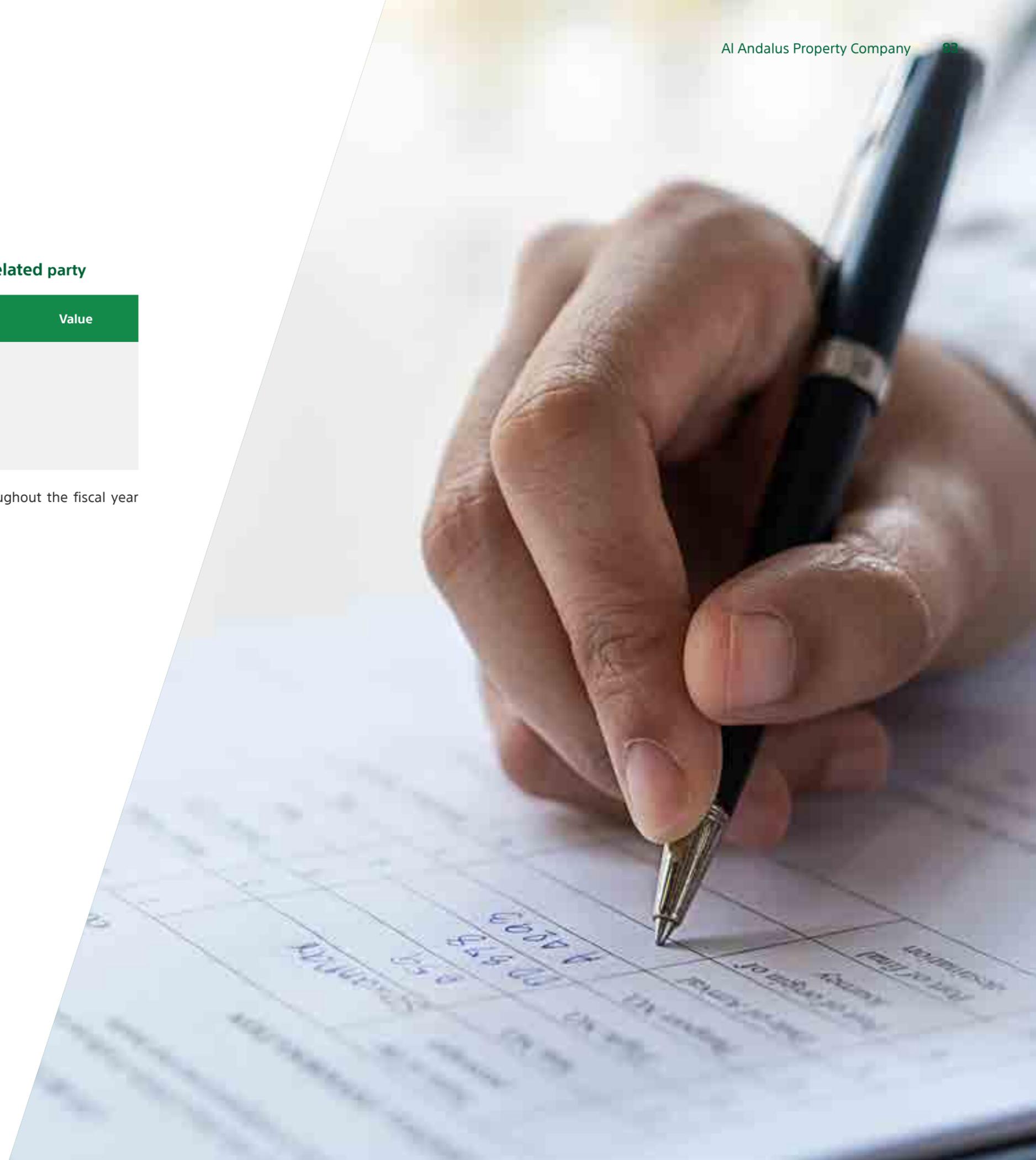


Transactions with related parties:

A. Description of all transactions between the Company and any related party

Related Party	Relationship with the Company	Type of transaction	Duration	Value

Alandalus Property did not engage in any transactions with related parties throughout the fiscal year ending on December 31, 2023.



B.Information pertaining to any business transactions or contracts involving the Company, in which a member of the Company's Board of Directors, its Senior Executives, or any person related to them, has or had an interest.

Nature of Work or Contract	Related Party	Subject of Work or Contract	Duration of Work or Contract	Annual amount in SR (during FY 2023)
A contract for the development, expansion, and construction of parking lots at Alandalus Mall in Jeddah.	AlAhli REIT Fund 1, a subsidiary entity, does not involve any interest from members of the Board of Directors who also serve on the Fund's Board of Directors (Mr. Ahmad Al-Mousa and Mr. Fawaz Bin Huwail), given its status as a subsidiary facility.	Under the terms of the development contract, the Company is responsible for overseeing the expansion and construction of parking lots at Al-Andalus Mall in Jeddah. This includes contracting qualified professionals to carry out the work. In return, the Company is entitled to receive a fee equal to 10% of the total development cost, as specified in the contract.	The expected completion period for the development work is 130 weeks from the date of signing the contract, which occurred on 14/12/2021 AD.	The estimated cost of developing the project is 131 million Saudi riyals. The fees owed to the company amount to 10% of the development cost, not exceeding 11.5 million riyals.
A management, operation, and leasing services contract between the company's with Hayat Property Company for Hayat Mall in Riyadh.	Hayat Property, a sister company, of which the Company holds a 25% ownership stake. This arrangement creates an indirect interest for Engineer Saleh AlHabib, Vice Chairman of the Board of Directors, as he is a member of the Board of Directors of Hayat Property	As per the contract, Alandalus Property shall manage, operate, and lease the company's commercial center in Riyadh, known as «Hayat Mall,» in return for fees outlined in the contract.	The contract is valid for one year, commencing on January 1, 2021 AD, and will automatically renew for subsequent one-year terms unless otherwise specified.	The specific percentages of the center's total income and the amounts collected from tenants were not provided. The total amount owed to Alandalus Property for management, operation, and leasing services in 2023 amounted to 6,027,531 SR.
Transactions between Alandalus Property Company and its corporate sibling, AlHayat Property Company. (sister company)	AlHayat Property Company, a sister company in which the Company owns 25% of its shares. This arrangement creates an indirect interest for Eng. Saleh AlHabib, Vice Chairman of the Board of Directors of Alandalus Property Company, as he is also a member of the Board of Directors of Al-Hayat Real Estate Company.	Alandalus Property Company is responsible for allocating AlHayat Property Company portion of General direct and administrative expenses	Five years Starting from 2/8/2020 AD	The total amounts charged to AlHayat Real Property Company during the fiscal year 2023 amounted to 3,858,755 Saudi riyals.
A lease contract for a real estate unit in Alandalus Mall was entered into with Imtiaz Arabia Company	Imtiaz Arabia Company has an indirect interest from Mr. Abdulsalam AlAqeel, the Chairman of the BoD, who also serves as the Chairman of the Board of Directors at Imtiaz International Company.	A contract was established whereby Imtiaz Arabia Company Limited leased Unit G041, covering an area of 105 square meters, within Andalus Mall.	The lease term is three years, commencing on 01/02/2022 AD and concluding on 31/01/2025 AD. Renewal is contingent upon a written agreement and may not be automatic.	The rental value is 220,500
A lease contract for a real estate unit in the Andalus Mall was entered into with Imtiaz Arabia Company	Imtiaz Arabia Company has an indirect interest from Mr. Abdulsalam AlAqeel, the Chairman of the BoD, who also serves as the Chairman of the Board of Directors at Imtiaz International Company.	A contract has been established wherein Imtiaz Arabia Company leases Unit G095 – G096, spanning an area of 218 square meters, from Alandalus Mall.	The lease term is one year, commencing on 15/04/2023 and concluding on 14/04/2024 AD. Renewal is subject to a written agreement and may not occur automatically.	The rental value is 436,000
A lease contract for a real estate unit in the Andalus Mall was entered into with Imtiaz Arabia Company	Imtiaz Arabia Company has an indirect interest from Mr. Abdulsalam AlAqeel, the Chairman of the Board of Directors, who also serves as the Chairman of the Board of Directors at Imtiaz International Company.	A contract has been established wherein Imtiaz Arabia Company Ltd. leases Unit G008, covering an area of 321 square meters, from Al-Andalus Mall.	The lease term is for three years, commencing on January 15, 2022 AD, and concluding on January 14, 2025 AD. Renewal is subject to a written agreement and may not occur automatically.	The rental value is 545,700
A lease contract for a real estate unit in the Andalus Mall entered into with Imtiaz Arabia Company	Imtiaz Arabia Company has an indirect interest from Mr. Abdulsalam AlAqeel, the Chairman of the Board of Directors, who also serves as the Chairman of the Board of Directors at Imtiaz International Company.	A contract under which Imtiaz Arabia Company Ltd. rents Unit G102, with an area of 135 square meters, from Al-Andalus Mall.	3 years, starting on 15/03/2021 AD and ending on 14/03/2024 AD, and it may not be renewed except by written agreement.	The rental value is 297,000
A lease agreement was concluded for a real estate unit in Alandalus Mall, owned by the Company, with the International Health and Beauty Co. Eng. Saleh bin Mohammad AlHabib, Vice Chairman of the Board of Directors, serves as a member of the Board of Directors at the International Health and Beauty Company.	The International Health and Beauty Company has an indirect interest from Mr. Saleh AlHabib, the Vice Chairman of the Board of Directors, who also serves as a member of the Board of Directors of the International Health and Beauty Company.	A contract under which the International Health and Beauty Company rents Unit GX01, with an area of 206 square meters, at Alandalus Mall.	A Gregorian year commencing on May 1, 2023 AD and concluding on April 30, 2024 AD, which may only be extended through written agreement.	The rental value is 515,000
A lease agreement was concluded for a real estate unit in Tilal Center, owned by the Company, with the International Pharmacies Company. Eng. Saleh bin Mohammad Al Habib, Vice Chairman of the Board of Directors, serves as a member of the Board of Directors.	The International Pharmacies Company has an indirect interest from Mr. Saleh AlHabib, the Vice Chairman of the Board of Directors, who also serves as a member of the Board of Directors of the International Pharmacies Company.	A contract under which International Pharmacies Company leases units G14 – G15 with a total area of 350 square meters to be used as a pharmacy under the trade name "Whites" in Tilal Center in Riyadh.	A calendar year starting from 01/04/2023 and ending on 31/03/2024 AD, which may only be extended through written agreement.	The rental value is 385,000

Financial results and business data

- Income Statement
- Revenue Analysis
- Statement of financial position
- Accounting Standards
- Islamic Securitization (Tawarruq) Facilities
- Regulatory Payments

06

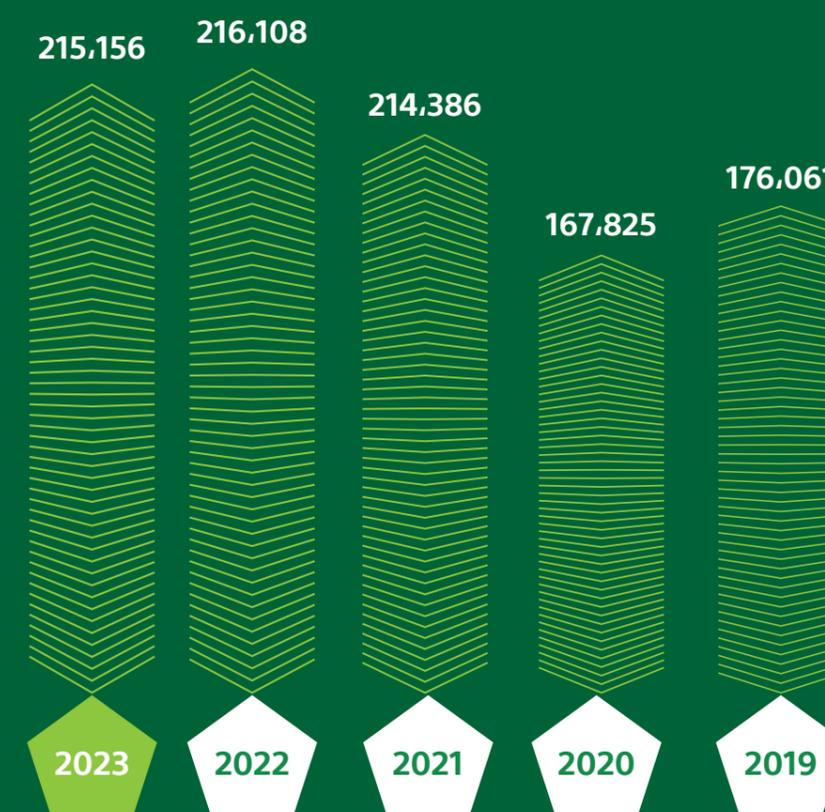


Income Statement

The table shows the actual income statements for the company in the years: 2019, 2020, 2021, 2022, and 2023:

in thousands Saudi riyals	(2019)	(2020)	(2021)	(2022)	(2023)
Revenues	176,061	167,825	214,386	216,108	215,156
Cost of revenue	(73,659)	(72,170)	(69,360)	(73,700)	(77,451)
Gross profit	102,402	95,655	145,026	142,408	137,705
General and administrative expenses	(33,044)	(39,444)	(41,242)	(41,617)	(48,170)
Marketing expenses	(2,423)	(2,118)	(1,805)	(1,640)	(3,132)
Share in profit of in Equity-Accounted Investees	37,020	26,148	27,247	25,803	24,051
Impairment in receivables for operating lease contracts	(5,607)	(1,000)	(7,240)	(4,863)	(11,000)
Impairment loss on property, equipment and investment properties	-	(31,829)	-	-	-
Reversal of impairment/loss in the value of property, equipment and investment properties	-	-	1,949	1,840	-
Other income	5,846	919	1,204	5,335	7,335
Operating profit	104,194	48,331	125,140	127,266	106,789
Interest expense on lease obligations	(11,735)	(12,548)	(12,264)	(11,955)	(11,618)
Finance cost	(4,470)	(12,673)	(14,057)	(20,850)	(40,559)
Profit before Zakat	87,989	23,110	98,818	94,461	54,612
Zakat	(4,435)	(6,120)	(7,169)	(7,167)	(5,953)
Profit of the year	83,554	16,990	91,650	87,294	48,659
Return on:					
Company shareholders	64,821	14,341	67,976	66,774	36,417
Non-controlling interests	18,733	2,649	23,674	20,520	12,242
Other comprehensive income:					
Remeasurement of employee benefits - defined benefit obligations	(254)	(244)	236	(706)	(298)
Total comprehensive income	83,300	16,746	91,886	86,588	42,551
Return on:					
Company shareholders	64,567	14,097	68,212	66,068	36,119
Non-controlling interests	18,733	2,649	23,674	20,520	12,242
Earnings per share	83,300	16,746	91,886	86,588	48,361
Basic and diluted earnings per share of net profit for the year	0.93	0.15	0.73	0.72	0.39

Rent Revenues (in thousand Saudi riyals)



The table shows the changes in operational results between 2022 and 2023:

One thousand Saudi riyals	(2022)	(2023)	Change	Percentage of change
Revenues	216,108	215,156	(952)	-0.4%
Cost of revenue	(73,700)	(77,451)	(3,751)	5.1%
Gross profit	142,408	137,705	(4,703)	-3.3%
General and administrative expenses	(41,617)	(48,170)	(6,553)	15.8%
Marketing expenses	(1,640)	(3,132)	(1,492)	91.0%
Share of income from associates	25,803	24,051	(1,752)	-6.8%
Impairment in receivables for operating lease contracts	(4,863)	(11,000)	(6,137)	126.2%
Reversal of impairment/loss in the value of property, equipment and investment properties	1,840	-	(1,840)	-100.0%
Other income	5,335	7,335	2,000	37.5%
Operating income	127,266	106,789	(20,477)	-16.1%
Interest expense on lease obligations	(11,955)	(11,618)	337	-2.8%
Financing cost	(20,850)	(40,559)	(19,709)	94.5%
Profit before Zakat	94,461	54,612	(39,849)	-42.2%
Zakat	(7,167)	(5,953)	1,214	-16.9%
Profit of the year	87,294	48,659	(38,635)	-44.3%
Return on:				
Company owners	66,774	36,417	(30,357)	-45.5%
Non-controlling interests	20,520	12,242	(8,278)	-40.3%
Other comprehensive income:				
Remeasurement of employee benefits - defined benefit obligations	(706)	(298)	408	-57.8%
Total comprehensive income	86,588	48,361	(38,227)	-44.2%
Return on:				
Company shareholders	66,068	36,119	(29,949)	-45.3%
Non-controlling interests	20,520	12,242	(8,278)	-40.3%

Revenue Analysis

By Company's activities:

	in thousands Saudi riyals	City	2018	2019	2020	2021	2022	2023	
Revenues	Alandalus Mall	Jeddah	124,232	125,376	101,712	126,525	125,266	121,944	
	Sahafa Center	Riyadh	5,620	5,326	4,901	4,769	5,860	5,697	
	Yarmouk Center	Riyadh	5,320	4,869	4,500	4,551	5,007	5,072	
	Hills Centre	Riyadh	4,126	4,675	4,468	4,820	4,996	4,808	
	Head Office Building	Riyadh	1,006	1,027	513	433	433	433	
	Andalus Mall Hotel in Jeddah	Jeddah	24,376	16,890	8,547	11,459	14,384	15,589	
	Marwa Center	Jeddah		8,468	7,650	10,276	10,019	10,201	
	Salama Tower	Jeddah		9,430	19,250	23,100	23,100	23,100	
	Quebec Building	Riyadh			11,783	22,285	22,285	22,285	
	Operating commercial centers	Riyadh			3,781	4,734	4,273	5,026	
	Renting commercial centers	Riyadh			720	1,434	485	1,001	
	Total revenue			164,680	176,061	167,825	214,386	216,108	215,156

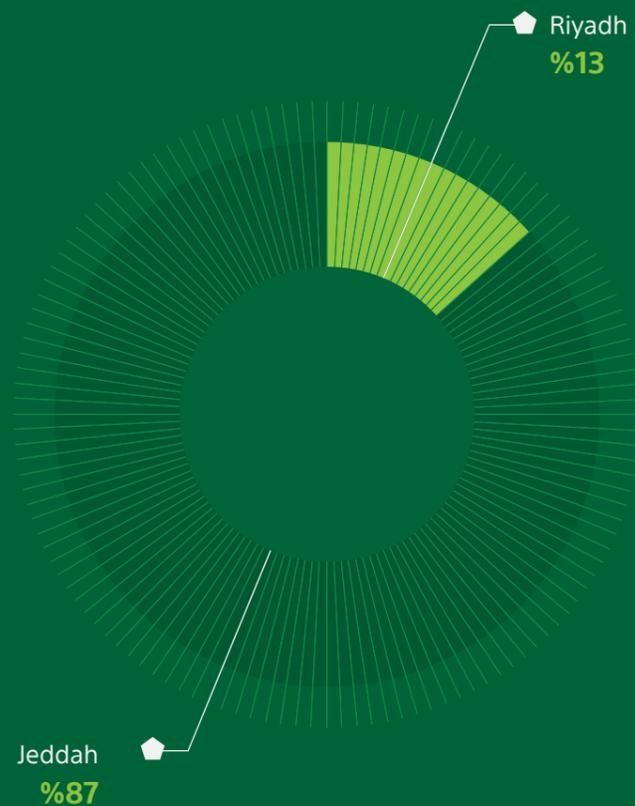
	in thousands Saudi riyals	City	2018	2019	2020	2021	2022	2023	
Revenues	Andalus Mall	Jeddah	%75.5	%71.2	60.6%	59%	58%	56.6%	
	Sahafa Center	Riyadh	%3.2	%3.0	3%	2.2%	2.7%	2.7%	
	Yarmouk Center	Riyadh	%0.6	%2.8	2.7%	2.1%	2.3%	2.5%	
	Hills Centre	Riyadh	%2.5	%2.7	2.7%	2.2%	2.3%	2.2%	
	Head Office Building	Riyadh	%3.4	%0.6	0.3%	0.2%	0.2%	0.2%	
	Andalus Mall Hotel in Jeddah	Jeddah	%14.7	%9.6	5%	5.3%	6.7%	7.2%	
	Marwa Center	Jeddah		%4.8	4.5%	4.8%	4.6%	4.7%	
	Salama Tower	Jeddah		%5.4	11.5%	10.8%	10.7%	10.7%	
	Quebec Building	Riyadh			7%	10.4%	10.3%	10.3%	
	Operating commercial centers	Riyadh			2.2%	2.2%	2%	2.3%	
	Renting commercial centers	Riyadh			0.5%	0.7%	0.2%	0.5%	
	Total Revenues			100%	100%	100.00%	100%	100%	100%

The Company's consolidated revenues amounted to 215.2 million Saudi riyals in 2023 compared to 216.1 million Saudi riyals in 2022, reflecting a slight decrease of 0.4%. This decline is attributed to the decrease in revenues from the retail sector, which amounted to 153.75 million Saudi riyals in 2023 compared to 155.91 million Saudi riyals in 2022, due to reduced operations at Alandalus Mall. Despite this decrease, revenues from the hospitality sector, particularly from Alandalus Mall Hotel, increased by 8%, while revenues from the office sector remained stable.

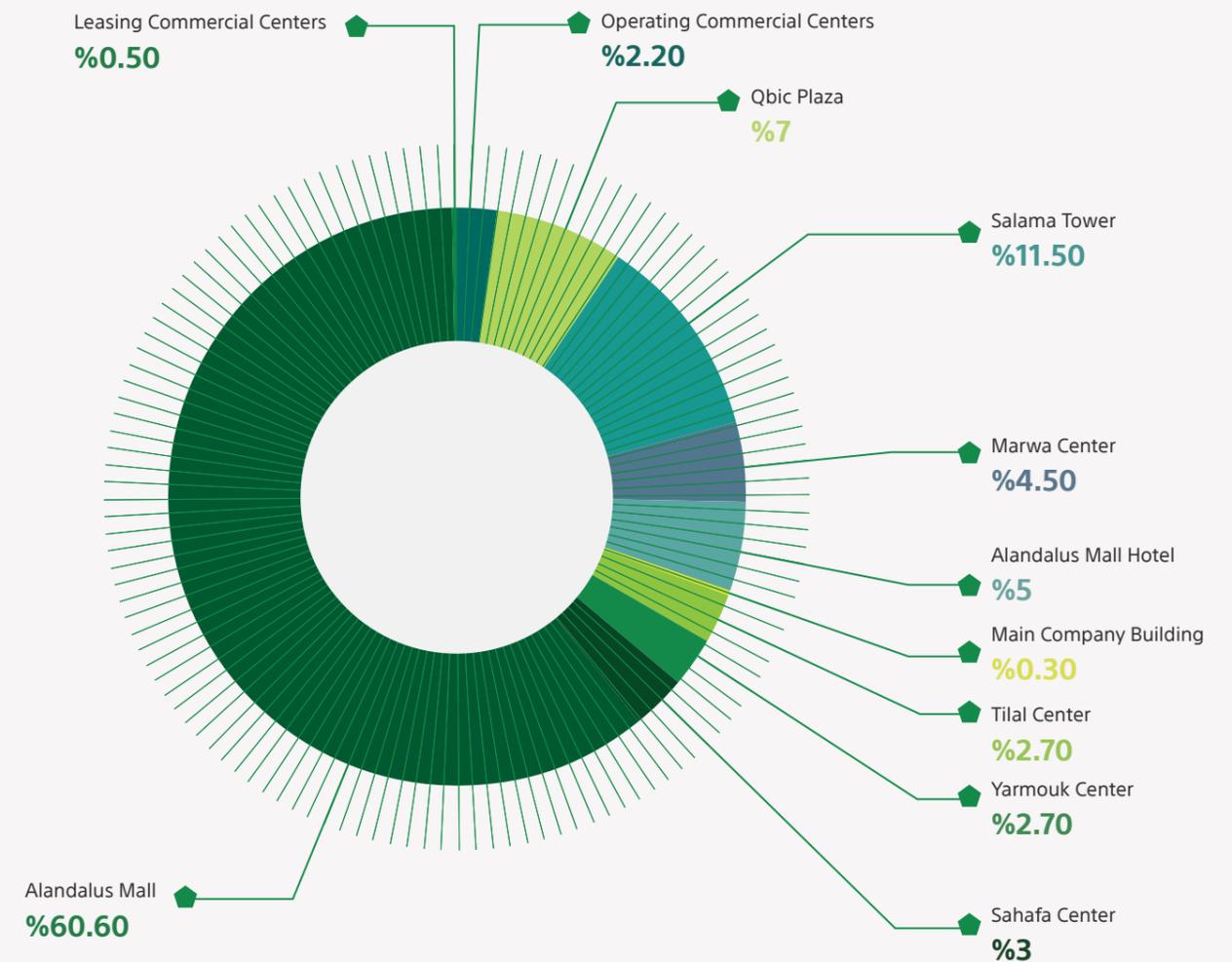
Gross profit also experienced a decline of approximately 3.3%, totaling 137.7 million Saudi riyals in 2023 compared to 142.4 million riyals in 2022. This decrease can be attributed to the increased cost of revenues in the retail sectors, represented in services and maintenance for shopping centers, and the hospitality sector due to higher occupancy rates, as well as the office sector represented in the depreciation item.

The Company's operating profit decreased by approximately 16.1% to 106.8 million Saudi riyals in 2023, compared to 127.3 million Saudi riyals in 2022. This decrease is primarily due to higher general and marketing expenses, as well as lower profits from sister companies. Despite this, other revenues increased, partially offsetting the overall decline in operating profit.

Geographical Analysis of the Company Revenues



Revenue Analysis of the Company 2023



Statement of financial position

The table shows the Company's financial position statements for the years: 2019, 2020, 2021, 2022, and 2023:

in thousands Saudi riyals	2019	2020	2021	2022	2023
Assets					
Non-current assets:					
Property and equipment	188,383	155,822	149,939	144,947	141,952
Investment Properties (*)	756,941	990,386	976,765	1,003,439	1,253,363
Right-of-use assets	95,260	89,109	82,957	76,806	70,654
Investments in Equity-Accounted Investees	464,835	481,483	521,004	515,034	527,086
Total non-current assets	1,505,419	1,716,800	1,730,665	1,740,226	1,993,055
Current assets:					
Receivable from operating leases	38,640	50,999	59,542	81,213	72,266
Prepayments and other debit balances	26,698	15,192	8,085	10,817	15,212
Due from related parties	37,946	14,847	1,345	2,509	1,972
Financial instruments at fair value through profit or loss	42,263	0	40,031	81,104	0
Cash and cash equivalents	148,233	182,483	200,761	139,138	176,941
Total current assets	293,780	263,521	309,764	314,781	266,391
Total assets	1,799,200	1,980,321	2,040,429	2,055,007	2,259,446
Equity and liabilities					
Capital					
Statutory reserve	95,382	96,841	90,306	96,983	100,625
Retained earnings	313,698	256,336	39,416	52,140	37,950
Equity attributable to shareholders of the Company	1,109,080	1,053,177	1,063,055	1,082,456	1,071,908
Non-controlling interests	199,658	182,939	177,588	168,008	156,602
Total shareholder equity	1,308,738	1,236,116	1,240,643	1,250,464	1,228,510
Non-current liabilities					
Employee Benefits – Defined Benefit Obligations	5,772	8,491	9,460	8,968	10,874
Islamic finance facilities	253,049	514,995	558,728	589,203	798,367
Lease liability on right-of-use assets	123,722	117,730	114,294	103,844	98,159
Rents payable under operating leases	-	-	-	-	-
Total non-current liabilities	382,545	641,216	682,482	702,015	907,400

thousands Saudi riyals	2019	2020	2021	2022	2023
Current liabilities:					
Advances from leases	38,307	36,047	45,931	45,780	49,936
Lease liability on right-of-use assets – current portion	15,700	15,700	15,700	16,193	17,303
Current portion of Islamic finance facilities	-	-	-	-	5,443
Due to related parties	15,971	16,396	14,487	5,180	16,020
Zakat provision	11,631	6,508	8,390	8,784	7,010
Accruals and other credit balances	26,305	28,338	32,796	26,591	27,824
Total current liabilities	107,916	102,989	117,304	102,528	123,536
Total liabilities	490,461	744,205	799,786	804,543	1,030,936
Total equity and liabilities	1,799,200	1,980,321	2,040,429	2,055,007	2,259,446



As of December 31, 2023, the fair value of the group's investment properties stood at 2.2 billion riyals. Additionally, the Company's share in the fair value of properties held by associate companies amounted to 903 million riyals, bringing the total fair value of the Company's real estate investments to 2.9 billion riyals. These properties underwent evaluation by external valuers accredited by the Saudi Authority for Accredited Valuers (Taqeem).

Total Assets, Equity and Liabilities (in thousand Saudi riyals)



Accounting standards

The Company's financial statements for the year ending December 31, 2023 AD, were prepared in accordance with the International Financial Reporting Standards (IFRS) approved in the Kingdom of Saudi Arabia, as well as other standards and regulations issued by the Saudi Organization for Chartered and Professional Accountants.

Islamic Tawarruq Facilities:

During the year, the Company obtained an Islamic financing facility from First Saudi Bank in the amount of 143.1 million riyals to finance the acquisition of Yasmin Alandalus Tower in the AlYasmin District in Riyadh.

Additionally, during the year 2023 AD, the Company withdrew an amount of 71.5 million riyals from one of its subsidiaries, specifically for the expansion and construction of the Andalus Center parking lots.

Loan Granting Entity	Principal Loan amount	Loan Term	Amounts paid in settlement of the loan in FY ended 31/12/2023	Outstanding portion of the loan	Total indebtedness of the Company and its subsidiaries
1 National Commercial Bank*	660,709,841	15 years	37,579,709	791,047,682	791,047,682
2 First Saudi Bank	143,100,000	7 years	2,609,187	202,705,177	202,705,177

*For AlAhli REIT Fund 1

Regular payments

Regular payments due during the year ending December 31, 2023:

Description	Paid Amount	Due at the end of the financial year but not paid
Zakat	7,727,359	7,010,047
Tax	2,172,611	95,421
GOSI	1,981,353	173,417
Visa and passport expenses	250,016	-
Labor office fees	412,450	-

Employee Related Provisions

End of service benefits provisions - as of December 31, 2023:

in thousands Saudi riyals	
Balance at the beginning of the year	8,968
Provision during the year	1,859
Payments made during the year	(251)
Actuarial losses from re-measurement	298
Balance as of December 31	10,874

Board of Directors

- Board of Directors, Committees and Executive Management
- Procedures for Notifying Board Members of Shareholders' Proposals and Comments
- Directors' Remunerations
- Senior Executives' Remunerations
- Major Shareholders and Change in Ownership Shares
- Shareholders' Meetings



Board of Directors:

A.Names of the members, their current and previous positions, qualifications and experiences.

#	Member	Current Position	Previous Position	Qualifications	Experience
1	Mr. Abdulsalam bin Abdul Rahman Al-Aqeel	Chairman of Board of Directors Alandalus Property Company	Vice Chairman of the Board Alandalus Property Company	BA. Industrial Management, King Fahd University of Petroleum and Minerals, 1990	Board Member for numerous companies, entities, and charities. Additionally, serving as a Member of the Audit and Risk Committee. Fulfilling the role of General Manager for various real estate and commercial enterprises, along with the position of Managing Director at Jarir Commercial Investments Company.
2	Eng. Saleh bin Mohammad Al-Habib	Vice Chairman of the Board, and Chairman of the Executive Committee of Alandalus Property Company	Managing Director, Mohammad Al-Habib Company for real estate investment	B.Sc, Architecture, King Saud University, 2000	Board Member of Dr. Sulaiman Al Habib Medical Group, and serving as Managing Director for Mohammad AlHabib and Sons Holding Company, Hamat Holding Company, International Healthcare Company, and Mohammad AlHabib Real Estate Investment Company. Additionally, a Member of the Board of Directors for AlHayat Property Company.
3	Mr. Ahmad bin Abdul Rahman Al-Mousa	Board Member, Alandalus Property Company	Board Member, Al-Jazirah Markets Company	B.A, Business Administration from the London College of Economics, 1999	Board Member for Abdul Rahman Abdullah Al-Mousa and Sons Company, Abdul Rahman Al-Mousa Holding Company, Real Estate and Tourism Development Company, and AlJazirah Markets Company.
4	Mr. Muhammad bin Abdulmohsen Al-Zakari	Board Member, Alandalus Property Company	Executive Director, Al-Zakari Industry and Trading Co.	MA, Financial Management, from University of La Verne, 2011	Practical experience in financial management, operational management, business development management, and executive management

#	Member	Current Position	Previous Position	Qualifications	Experience
5	Dr. Sulaiman bin Ali Al-Hudaif	Board Member, and Chairman of the Nominations and Remuneration Committee, Alandalus Property Company	General Manager of the Human Capital Sector at Inmaa Bank	PhD, Business Administration from Northeastern University, 2006	General Manager of the Human Capital Sector at Inmaa Bank, CEO of Elite World Management and Organizational Consulting, and the Executive General Manager of Human Resources and Development at Al-Rajhi Bank.
6	Dr. Abdul Rahman bin Muhammad Al-Barrak	Board Member, and Chairman of the Audit Committee Alandalus Property Company	Vice Chairman of the Board of Directors of the Capital Market Authority	PhD, Finance, Newcastle University, UK. MA, Finance, University of Colorado, USA. BA, Accounting, King Faisal University, Kingdom of Saudi Arabia.	Chairman Of Tharaa Consulting Co., Vice Chairman of the Board of Directors of the Capital Market Authority, Head of Finance Department, Associate Professor and Dean at King Faisal University, Saudi Arabia.
7	Mr. Imad bin Hamoud Al-Otaibi	Board Member, Alandalus Property Company	Risk Management Director (Public Pension Agency)	MA, Risk Management, University of Glasgow, Caldonia (UK), 2015	Director General of Governance, Risk and Compliance at the GOSI - Retirement Affairs - Member of numerous internal committees such as human capital, policies, procedures. Managed several projects aimed at development, such as establishing regulations for the Board of Directors and committees, implementing risk management methodology, and others.
8	Mr. Abdullah bin Abdulaziz Al-Mishal	Board Member, Alandalus Property Company	Board Member of the Saudi Industrial Export Company	BA, Sharia from Imam Muhammad Ibn Saud Islamic University, 1415 AH	Experience in restructuring troubled companies, completing acquisitions, merging and marketing solutions.

B.Names of companies, within and outside the Kingdom, where a current or former Board member or Director of the Company has served:

#	Member Name	Companies at which the director currently serves as board member or executive officer	Inside/Outside the Kingdom	Legal status (listed/ unlisted joint stock, limited liability /)	Companies at which the director served as a board member or executive officer	Inside/ Outside the Kingdom	Legal status (listed/ unlisted joint stock, limited liability /)
1	Mr. Abdulsalam bin Abdul Rahman Al-Aqeel	Riyadh Najd Schools Company	Inside KSA	Unlisted Joint Stock	General Investment Authority	Inside KSA	Government entity
		Kinan International Real Estate Development Company	Inside KSA	Unlisted Joint Stock	Eta'am Association	Inside KSA	Charity Organization
		Harma National Co.	Inside KSA	Limited liability	Asala Holding Company	Inside KSA	Unlisted Joint Stock
		Hamat Holding Company	Inside KSA	Unlisted Joint Stock			
		Sorouh Centers Company	Inside KSA	Limited liability			
		Jarir Commercial Investments Company	Inside KSA	Unlisted Joint Stock			
		Jarir Commercial Development Company	Inside KSA	Limited liability			
		Imtiaz Arabia Company	Inside KSA	Unlisted Joint Stock			
		Borouj International Company	Inside KSA	Limited liability			
		Borouj Acquisition Company Limited	Inside KSA	Limited liability			
		Future Markets Company Limited	Inside KSA	Limited liability			
		Advanced Markets Company	Inside KSA	Limited liability			
		Afras Arabia Company Limited	Inside KSA	Limited liability			
		Etihad Jarir Union Company	Inside KSA	Limited liability			

#	Member Name	Companies at which the director currently serves as board member or executive officer	Inside/Outside the Kingdom	Legal status (listed/ unlisted joint stock, limited liability /)	Companies at which the director served as a board member or executive officer	Inside/ Outside the Kingdom	Legal status (listed/ unlisted joint stock, limited liability /)
		Imtiaz International Company Limited	Inside KSA	Limited liability			
		Future Home Company	Inside KSA	Limited liability			
		Khomasia Taba Company	Inside KSA	Limited liability			
		Khomasia Tiba Co.	Inside KSA	Limited liability			
		Robin Arabia Company	Inside KSA	Limited liability			
		Ideal Suburbs Company for Real Estate Development and Investment	Inside KSA	Limited liability			
		Cady Allanoub Company Limited (a one person company)	Inside KSA	Limited liability			
		Eastern Health Medical Company	Inside KSA	Limited liability			
		Al Wusta Medical Company	Inside KSA	Limited liability			
2	Eng. Saleh bin Mohammad Al-Habib	Global Health Care Co.	Inside KSA	Limited liability	Nitaq Capital Company	Inside KSA	Limited liability
		Dr. Sulaiman Al-Habib Medical Group	Inside KSA	Listed Joint Stock	Qawaem Real Estate Development Company	Inside KSA	Limited liability
		Mohammad Abdulaziz Al-Habib & Sons Holding Co.	Inside KSA	Unlisted Joint Stock	AlAhli REIT Fund 1	Inside KSA	Traded real estate fund
		Massat Property Company	Inside KSA	Limited liability	Alnakhla Residences Company	Inside KSA	Limited liability
		International Real Estate Investment Company	Inside KSA	Limited liability	Ebdaa Taiba Real Estate Development Company	Inside KSA	Limited liability

#	Member Name	Companies at which the director currently serves as board member or executive officer	Inside/Outside the Kingdom	Legal status (listed/unlisted joint stock, limited liability /)	Companies at which the director served as a board member or executive officer	Inside/Outside the Kingdom	Legal status (listed/unlisted joint stock, limited liability /)
		Al-Hayat Property Company	Inside KSA	Unlisted Joint Stock	Modern Technology Bases Company for Information Technology	Inside KSA	Limited liability
		Mohammad Al-Habib Real Estate Company	Inside KSA	Unlisted Joint Stock	Jawharat AlBahr Investment Company	Inside KSA	Limited liability
		Advanced Markets Company	Inside KSA	Limited liability	First Solutions Energy Company	Inside KSA	Limited liability
		AlJawhara AlKubra Company	Inside KSA	Limited liability	Green Diamond Company	Inside KSA	Limited liability
		Sorouh Centers Company	Inside KSA	Limited liability	High Stars Company	Inside KSA	Limited liability
		West Jeddah Hospital Company	Inside KSA	Limited liability			
		Hamat Holding Company	Inside KSA	Unlisted Joint Stock			
		Manafea Alandalus Company	Inside KSA	Limited liability			
		Borouj International Company	Inside KSA	Limited liability			
		Iraq Centers Company	Inside KSA	Limited liability			
		Asala Centers Company	Inside KSA	Limited liability			
		Maalem Development Real Estate Company	Inside KSA	Limited liability			
		Ghiras Alakhlaq Schools Co.	Inside KSA	Limited liability			
3	Mr. Ahmad bin Abdulahman Al-Mousa	Al Jazirah Markets Co.	Inside KSA	Unlisted Joint Stock			
		Real Estate and Tourism Development Co.	Inside KSA	Unlisted Joint Stock			
		Abdul Rahman Abdullah Al-Mousa and Sons Co.	Inside KSA	Unlisted Joint Stock			
		Abdul Rahman Al-Mousa Holding Company	Inside KSA	Unlisted Joint Stock			
		AlAhli REIT Fund 1	Inside KSA	Traded real estate fund			

#	Member Name	Companies at which the director currently serves as board member or executive officer	Inside/Outside the Kingdom	Legal status (listed/unlisted joint stock, limited liability /)	Companies at which the director served as a board member or executive officer	Inside/Outside the Kingdom	Legal status (listed/unlisted joint stock, limited liability /)
4	Mr. Muhammad bin Abdul Mohsen Al-Zakari	Al Zakari Holding Co.	Inside KSA	Unlisted Joint Stock			
		Azm Holding Investments Co.	Inside KSA	Limited liability			
		Mi'ar Capital Co.	Inside KSA	Limited liability			
		Daman Projects Real Estate Co.	Inside KSA	Limited liability			
5	Dr. Abdul Rahman bin Muhammad Al-Barrak	Simah Saudi Credit Bureau	Inside KSA	Unlisted Joint Stock	Tharaa Investment Company	Inside KSA	Limited liability
		BinDawood Holding Co.	Inside KSA	Unlisted Joint Stock	Lejam Sport Company	Inside KSA	Listed Joint Stock
		Gulf Systems Company	Inside KSA	Unlisted Joint Stock	Medgulf Insurance Company	Inside KSA	Listed Joint Stock
		Thiqa Business Services Company	Inside KSA	Limited liability	Transport General Authority	Inside KSA	Government entity
		National Poultry Co.	Inside KSA	Limited liability	Simple Financial Solutions Co."SIFI"	Inside KSA	Unlisted Joint Stock
		Qarar Consultancy Co.	Inside KSA	Limited liability			
		Almajedeyah Property Co.	Inside KSA	Unlisted Joint Stock			
		Saudi National Bank	Inside KSA	Listed Joint Stock			
		Simple Financial Solutions Company	Inside KSA	Unlisted Joint Stock			
		Saudi Company for AI	Inside KSA	Unlisted Joint Stock			
		Bada'el Co.	Inside KSA	Unlisted Joint Stock			
		Health Water Bottling Co.	Inside KSA	Unlisted Joint Stock			

#	Member Name	Companies at which the director currently serves as board member or executive officer	Inside/Outside the Kingdom	Legal status (listed/ unlisted joint stock, limited liability /)	Companies at which the director served as a board member or executive officer	Inside/ Outside the Kingdom	Legal status (listed/ unlisted joint stock, limited liability /)
		Elm Information Security Company	Inside KSA	Listed Joint Stock			
		Health Holding Co.	Inside KSA	Unlisted Joint Stock			
6	Mr. Abdullah bin Abdulaziz Al-Mishal	Doom International Investment Company	Inside KSA	Listed Joint Stock	Saudi Industrial Export Co.	Inside KSA	Unlisted Joint Stock
		Arabian Shield Insurance Company	Inside KSA	Unlisted Joint Stock	Saudi Security Services Co. (AMNCO)	Inside KSA	Listed Joint Stock

C.Board of Directors Composition and Membership Classification as follows:

- Executive Board Member
- Non-executive Board Member
- Independent Board Member

Member Name	Membership Classification (Executive/Non-Executive/Independent)
Mr. Abdulsalam bin Abdul Rahman Al-Aqeel	Non-executive
Engineer/ Saleh bin Mohammad Al-Habib	Non-executive
Mr. Ahmad bin Abdul Rahman Al-Mousa	Non-executive
Mr. Muhammad bin Abdul Mohsen Al-Zakari	Non-executive
Dr. Sulaiman bin Ali Al-Hudaif	Independent
Dr. Abdul Rahman bin Muhammad Al-Barrak	Independent
Mr. Imad bin Hamoud Al-Otaibi* *Representative of the General Organization for Social Insurance * Mr. Al-Otaibi's membership status was changed to independent board member on 12/05/2022. The ownership of The Public Pension Agency ("the Agency") in Alandalus Property Company ("the Company") has decreased to less than 5%.	Independent
Mr. Abdullah bin Abdulaziz Al-Mishal	Independent

D.Number of Board Meetings in 2023, their Dates, and Attendance Record for Each Meeting:

Member Name	Number of meetings: (4) meetings			
	First meeting 2023-03-09	Second meeting 2023-07-31	Third meeting 2023-10-09	Fourth meeting 2023-12-26
1 Mr. Abdulsalam bin Abdul Rahman Al-Aqeel	✓	✓	✓	✓
2 Engineer/ Saleh bin Mohammad Al-Habib	✓		✓	✓
3 Mr. Ahmad bin Abdul Rahman Al-Mousa	✓	✓	✓	✓
4 Mr. Muhammad bin Abdul Mohsen Al-Zakari	✓	✓	✓	✓
5 Dr. Sulaiman bin Ali Al-Hudaif	✓	✓	✓	✓
6 Dr. Abdul Rahman bin Muhammad Al-Barrak	✓	✓	✓	✓
7 Mr. Imad bin Hamoud Al-Otaibi *Representative of GOSI	✓	✓	✓	✓
8 Mr. Abdullah bin Abdulaziz Al-Mishal	✓	✓	✓	✓

Executive Committee

1-Terms of reference and functions of the Executive Committee:

The Executive Committee holds significant authority and responsibilities within the Company. It convenes to deliberate on any matter falling within the purview of the Board of Directors, providing recommendations and submitting them for the Board's consideration. Moreover, the Executive Committee is empowered to make decisions on topics delegated to it by the Board, as well as to advise on investment policies, strategies, work plans, and the annual budget proposed by the executive management. Additionally, the Executive Committee plays a pivotal role in organizational and functional structure, company policies, and approving regulations and systems governing the Company's workflow. Notably, it discusses joint projects, mergers, and acquisitions aligned with the Company's objectives, oversees the sale of lands and real estate, and determines dividend distributions. Furthermore, the Executive Committee monitors operational developments and the Company's overall performance, while approving investments in new projects, amendments to budget items, and capital purchases. The Executive Committee is also tasked with assessing the Company's assets, receiving reports on major projects and expansion plans, assessing risks, and addressing significant business-related matters and obstacles. It operates within the framework of approved powers, ensuring adherence to the Company's investment plan and financial parameters.

2-Members' Names, current and previous positions, qualifications and experience:

	the name	Current jobs	previous jobs	Qualifications	Of experience
1	Engineer/ Saleh bin Mohammad Al-Habib	Vice Chairman of the Board, and Chairman of the Executive Committee, Alandalus Property Co.	Managing Director of Mohammad Al-Habib Real Estate Investment Co.	Bachelor of Architecture, King Saud University in 2000	Board Member of Dr. Sulaiman Al Habib Medical Group, Managing Director of Mohammad Al Habib and Sons Holding, Managing Director of Hamat Property Co, Managing Director of Global Healthcare Co, Managing Director of Muhammad AL-Habib Real Estate Investment Co, Member of the Board of Directors of Hayat Property Co.
2	Mr. Abdulsalam bin Abdul Rahman Al-Aqeel	Chairman of the Board of Directors, Alandalus Property Co.	Vice Chairman of the Board, Member	BA. Industrial Management, King Fahd University of Petroleum and Minerals, 1990	Board Member of several companies and charities, member of the board of directors and audit and risk committee. General Manager of a number of real estate and trade companies. Managing Director of Jarir Commercial Investment.
3	Mr. Ahmad bin Abdul Rahman Al-Mousa	Board Member, Alandalus Property Co.	Board Member, Aljazirah Markets Co.	BA., Business Administration, London School of Economic Science 1999	Board Member of Abdul Rahman Abdullah Al-Mousa and Sons Co., Board Member of Abdul Rahman Al-Mousa Holding Company, Board Member of the Real Estate and Tourism Development Co., and Board Member of Aljazirah Markets Co.
4	Mr. Muhammad bin Abdul Mohsen Al-Zakari	Board Member, Alandalus Property Co.	Executive Director Al-Zakari Holding Company	MA, Financial Management, University of Lafrin, 2011	Practical experience in financial management, operational management, business development management, and executive management

C. Number, dates and attendance record of the Executive Committee meetings held in 2023:

#	Member	Nature of membership	Number of meetings: (4) meetings			
			First meeting 2023-04-04	Second meeting 2023-06-21	Third meeting 2023-10-03	Fourth Meeting 2023-12-05
1	Eng. Saleh bin Mohammad Al-Habib	Chairman	✓	✓	✓	✓
2	Mr. Abdulsalam bin Abdul Rahman Al-Aqeel	Member	✓	✓	✓	✓
3	Mr. Ahmad bin Abdul Rahman Al-Mousa	Member	✓	✓	✓	✓
4	Mr. Muhammad bin Abdul Mohsen Al-Zakari	Member	✓	✓		✓

Nominations and Remuneration Committee

1-Terms of Reference and Responsibilities

The Nominations and Remuneration Committee is crucial for ensuring effective governance within a Company. Its responsibilities related to nominations include:

- Proposing clear policies and criteria of membership of the Board of Directors and the Executive Committee.
- Recommending nominations and renominations to the Board of Directors in accordance with the approved policies and standards taking into account that nomination shall not include any person who was previously convicted of any crime of dishonesty.
- Developing descriptions of the qualifications and capacities required to join the Board or hold an executive management position.
- Determining the time commitment expected from Board members.
- Conducting an annual review of skill and experience requirements for Board membership and executive management positions.
- Reviewing the structure of the Board and the Executive Management and recommending possible changes; On an annual basis, ensuring independence of the independent members and the absence of any conflict of interest in case a board member also acts as a member of the board of directors of another company.
- Developing job descriptions for the executive and non-executive members, independent members and senior executives.
- Developing procedures to fill in any vacant position in the Board or the executive management; Identifying and addressing the strengths and weaknesses of the Board, proposing solutions that align with the company's interests.

2-Names of members, their current and previous jobs, qualifications and experience:

The name	Current jobs	Previous jobs	Qualifications	Of experience
1 Dr. Sulaiman bin Ali Al-Hudaif	Member of the Board of Directors, and Chairman of the Nominations and Remuneration Committee, Alandalus Property	Director General of Human Capital Sector, Alinma Bank	PhD. Business Administration, Northwest Eastern University, 2006	Extensive Leadership Experience: The candidate brings a wealth of leadership experience across diverse industries, having held senior positions such as Vice President and Head of Strategy & Business Excellence at Alinma Bank, CEO of Elite World Management & Organizational Consulting, and Executive Director of Human Resources & Development at AlRajhi Bank.
2 Mr. Abdulsalam bin Abdul Rahman Al-Aqeel	Chairman of Board of Directors Alandalus Property	Deputy Chairman of the Board Alandalus Property Company	Bachelor degree, Management Sciences in Industry from King Fahd University of Petroleum and Minerals, 1990	Board member of many several companies and charities, member of the board of directors and audit and risks committee. Director general of a number of real estate and trade companies. Managing Director of Jarir Commercial Investment
3 Engineer/ Saleh bin Mohammad Al Habib	Vice Chairman of the Board, and Chairman of the Executive Committee, Alandalus Property	Managing Director For Mohammad Al-Habib Co. Real Estate Investment	Bachelor, degree, Architecture, King Saud University, 2000	Board Member of Dr. Sulaiman AL-Habib Medical Group, Managing Director of Mohammad Al-Habib and Sons Holding Co, Managing Director of Hamat Property Co. Managing Director of Global Healthcare Co, Managing Director of Muhammad AL-Habib Real Estate Investment Co, and Member of the Board of Directors of Hayat Property.

C- Number, dates, and attendance of the Nomination and Remuneration Committee meetings held in year 2023:

#	member name	Nature of membership	Number of meetings: (3) meetings		
			First meeting 2023-01-31	Second meeting 2023-06-21	Third meeting 2023-12-19
1	Dr. Sulaiman bin Ali Al-Hudhaif	Chairman	✓	✓	✓
2	Mr. Abdulsalam bin Abdul Rahman Al-Aqeel	Member	✓	✓	✓
3	Engineer. Saleh bin Mohammad Al-Habib	Member			✓

Audit Committee

1-Terms of Reference and Responsibilities of the Audit Committee

The Audit Committee is responsible for overseeing the company's operations and ensuring the integrity and accuracy of financial reports and internal control systems. Its main duties regarding financial reporting include reviewing the company's preliminary and annual financial statements before presenting them to the board of directors, expressing opinions, and making recommendations to ensure their integrity, fairness, and transparency. The committee provides a technical opinion, upon the board's request, on whether the board's report and the company's financial statements are fair, balanced, comprehensible, and contain information that enables shareholders and investors to assess the company's financial position, performance, business model, and strategy. It also examines any significant or unusual items in the financial reports, meticulously investigates any issues raised by the company's financial director, compliance officer, or auditor, verifies accounting estimates on significant matters in the financial reports, and reviews the accounting policies adopted by the company, expressing opinions and making recommendations to the board of directors regarding them.

Regarding its internal audit responsibilities, the Audit Committee reviews and evaluates the company's internal and financial control systems, examines internal audit reports, and follows up on corrective actions for noted observations. It supervises the performance and activities of the internal auditor and the internal audit department (if present) to ensure the availability and effectiveness of the resources necessary for their tasks. If the company does not have an internal auditor, the committee recommends whether one should be appointed to the board and develops a mechanism and policy that allows employees to report illegal or unethical practices within the company. It also recommends appointing the head of the internal audit unit or the internal auditor to the board and suggests their compensation.

In relation to the external auditor, the Audit Committee recommends the nomination, dismissal, remuneration, and evaluation of the auditors after verifying their independence and reviewing the scope of their work and contractual terms. It ensures the independence and objectivity of the external auditor and the effectiveness of the audit work, considering relevant rules and standards, reviews the external auditor's plan and work, ensures they do not provide technical or managerial services beyond their audit scope, responds to their inquiries, studies their report and observations on the financial statements, and follows up on actions taken.

The committee is also tasked with ensuring compliance by reviewing the results of regulatory bodies' reports, ensuring the company takes necessary actions regarding them, verifying the company's compliance with relevant regulations, laws, policies, and instructions, reviewing proposed contracts and transactions with related parties, and providing its opinion to the board of directors. It raises issues it deems necessary for action to the board of directors and makes recommendations on measures to be taken.

In carrying out its duties, the Audit Committee expresses its views on the financial statements, if found, and also prepares a report on its opinion regarding the adequacy of the internal control system in the company and other tasks within its scope. The committee discusses and reviews its performance at least once a year to determine its effectiveness and agrees on measures to improve and increase its efficiency. A report on the committee's performance must be raised to the board of directors.

A.The Audit Committee members, their current and former positions, qualifications, and experiences:

Member	Current Position	Former Position	Qualifications	Experience
1 Dr. Abdul Rahman bin Muhammad Al-Barrak	Member of The Board of Directors and Chairman of the Audit Committee – Al Andalus Property	Vice Chairman of the CMA Council	PhD, Finance, Newcastle University, UK. Master's degree, Finance, University of Colorado, USA. Bachelor degree, Accounting, King Faisal University, Kingdom of Saudi Arabia.	Chairman of Thara'a Consulting Company. Deputy Chairman of Capital Market Authority of Saudi Arabia. Chairman, Associate Professor and Dean of Finance at King Faisal University, KSA
2 Mr. Alaa bin Abdullah Al-Fadda	Audit Committee Member, Al Andalus Property	Audit committee member Eastern Province Cement Company	Master degree, Finance, Newcastle University, 2009	Member of the audit committee at King Saud University Endowments, Executive Consultant of financial planning and budget, Ministry of Finance, Member of the audit committee, Eastern Province Cement Company.
3 Mr. Saleh bin Abdullah Al-Yahya	Audit Committee Member, Al Andalus Property	Senior manager, Ernst & Young, USA	Bachelor degree, Accounting, King Saud University, 2002	Partner, Alluhaid & Alyahya Chartered Accountants. Partner Ernst & Young, KSA. Senior Manager, USA

B.The number of Audit Committee meetings held in 2023, their dates, and the attendance record for each meeting:

Number of meetings: (6) meetings								
#	Member	Membership Type	First meeting 2023-03-07	Second meeting 2023-05-18	Third meeting 2023-07-16	Fourth meeting 2023-08-10	Fifth meeting 2023-11-08	Sixth meeting 2023-12-24
1	Dr. Abdul Rahman bin Muhammad Al-Barrak (Chairman of the Committee)	Chairman	✓	✓	✓	✓	✓	✓
2	Mr. Alaa bin Abdullah Al-Fadda	Member	✓	✓	✓	✓	✓	✓
3	Mr. Saleh bin Abdullah Al-Yahya	Member	✓	✓	✓	✓	✓	✓

Chief Executive Officer

Name	Current Position	Former Position	Qualifications	Experience
1 Eng. Mishal bin Ibrahim Abu Naif *appointed as Acting CEO on 01/09/2022 AD until 31/01/2023 AD	Interim CEO of Alandalus Property Company	Project Management Director	Bachelor's degree in Architecture, College of Architecture and Planning, King Saud University, in 2008.	Seasoned Real Estate Development Expert: Leveraging over 13 years of experience in real estate development, the candidate currently serves as Project Management Director at Alandalus Property Company.
2 Eng. Faisal bin Abdul Rahman Al-Nasser *Appointed as CEO on 01/02/2023	Chief Executive Officer Alandalus Property Company	Interim CEO Bedaya Finance Company	Bachelor's degree in Computer Engineering, King Saud University, 2000.	Strong Leadership & Extensive Experience: With over 21 years in administrative roles, the candidate boasts a proven track record of leadership across diverse positions within prominent Saudi Arabian companies and banks.



Procedures for Notifying the Board of Shareholders' Proposals and Comments

The Board of Directors briefed the members in 2023, non-executives in particular, on all the inquiries and suggestions received from the shareholders that need to be considered and discussed. They discussed these inputs and adopted those that conform to the Company's policies and the applicable rules and regulations.

Remuneration Policy:

The Company's remuneration policy was approved by the Shareholders General Assembly. The policy takes into account, in determining and paying remunerations to each member of the Board, committee, or the Executive Management of the Company, all relevant provisions of the Companies Law and its implementing regulations related to listed joint-stock companies, and the Corporate Governance Regulations issued by the Capital Market Authority, in addition to the following criteria:

1. The policy must be in conformity with the Company's strategy, objectives and risk profile;
2. The remuneration must be based on a recommendation from the Nominations and Remuneration Committee.
3. The remuneration must be fairly sufficient to attract, motivate and retain competent board members with proper experience.
4. Remuneration must be provided to motivate the Board members and the Executive Management to ensure long term success and advancement of the Company, taking into account linking the variable portion of the remuneration with long-term performance.
5. The remuneration must be fair and commensurate with the members' role and responsibilities, with due consideration to the targets set by the Board to be achieved during the fiscal year.
6. For new appointments, remuneration must be determined in coordination with the Nominations and Remuneration Committee.
7. Market remuneration practices must be taken into account, while avoiding any unjustifiable increase in remuneration and compensation.
8. Any plan to grant shares in the Company to the board members, Executive Management and employees, either by issuing new shares or purchasing shares

by the Company, must be coordinated with the Nominations and Remuneration Committee subject to relevant applicable regulations.

9. The remuneration will be stopped or recovered if not approved by the General Assembly.

Remunerations and compensations of the Board of Directors and its committees are determined as follows: :

Board Members and Committee Members are entitled to the following rewards:

1. The Chairman receives an annual bonus of 200,000 SR.
2. Each board member receives an annual bonus of 200,000 SR.
3. The chairman of any committee receives an annual bonus of SR 100,000.
4. Each committee member receives an annual bonus of 50,000 SR.

Board and committee members are entitled to the following attendance allowances:

1. Any member of the Board, including the Chairman, receives an attendance fee of 3,000 SAR for each session attended.
2. Any member of any committee, including the Chairman, receives an attendance fee of 3,000 SAR for each session attended.
3. Members of the Executive Committee, including the Chairman, receive an attendance fee of 5,000 SAR for each session attended.
 - Remunerations are paid at the beginning of each calendar year, and the attendance allowances shall be paid every six months of the calendar year.
 - Entitlement to the annual bonus is qualified by attending -at least-two-thirds of the meetings held during the year.
 - The amount of the annual bonus is estimated based on the date of joining and leaving the respective committee or the board, taking into consideration the minimum attendance of two-thirds of the meetings held within that period.
 - Any member of both the board and any committee is entitled to receive remuneration for board membership and the chairmanship or membership of a board committee or the Audit Committee.
 - The fixed annual remuneration is exclusive of travel and other related expenses. These will be reimbursed as follows:
 - Travel expenses and airline tickets (business class).
 - Hotel accommodation and business related costs.
 - Expenses mentioned are reimbursed upon receiving the actual invoices.



Executive Management Remunerations:

The Nominations and Remunerations Committee regularly reviews the benefits of the Executive Management and incentive programs and plans. Upon receiving the executive management recommendations, the Committee shall review such recommendations and submit its final recommendation to the Board of Directors for approval, taking into account the annual budget, the Company's capabilities and available liquidity. The Executive Management remunerations include:

1. Basic salary (paid at the end of each calendar month).
2. Housing allowance, transportation allowance, and any other allowances approved by the Board of Directors.
3. Medical Insurance for the employee and his/her family.
4. The annual bonus, if approved by the Board of Directors (based on performance appraisal, and measurement matrix).
5. End of service benefit.

Other provisions related to the remuneration policy:

The Board members may not vote on their remuneration at the General Assembly meeting.

1. If the General Assembly decides to terminate the membership of absent board members due to failure to attend three consecutive meetings without valid justification, such member will not be entitled to any bonuses for the period following the last meeting attended, and must return all the bonuses he might have received for that period.
2. The Board shall disclose in its report the details of remuneration policies, mechanism of determination, and the financial and in-kind benefits paid to each Board member for any executive, technical, managerial or advisory roles.



Senior Executives Remuneration

A breakdown of remuneration of the top five senior executives, including the CEO and CFO, during the fiscal year 2023.

Fixed Remuneration	
Salaries	2,395,839
Allowances	1,290,064
In-kind Benefits	-
Total	3,685,903
Variable Remuneration	
Regular bonuses	1,050,000
Profits	
Short-term incentive plans	
Long-term incentive plans	
Granted shares	
End of service benefit	1,610,400
Total remuneration for the Board executive members	2,660,400
Grand Total	6,346,303

Senior executive roles	Fixed Remunerations				Variable Remunerations					Total remuneration for the Board Executive members	Grand Total	
	Salaries	Allowance	In-kind benefits	Total	Regular bonuses	Profit	Short-term incentive plans	Long-term incentive plans	Bonus shares			Total

Alandalus Property adheres to regulatory requirements for disclosing senior executive compensation in accordance with Subparagraph (4/B) of Paragraph (A) of Article No. (90) of the Corporate Governance Regulations. However, to safeguard the Company's competitive advantage and talent stability, we refrain from disclosing specific compensation details.

Key shareholders and changes in Equity Ownership

Changes in ownership and interests of shareholders, excluding board members, senior executives, and their close relatives.

Shareholder Name	Number of shares at Offering	Number of shares as of 01/01/2023	Number of shares as of 31/12/2023	Change in Number of Shares	Percentage of change
Borouj International Limited Company	19,354,020	25,805,360	25,805,360	0	0%
Al-Zakari Company for Industry and Trade	12,096,262	16,128,349	16,128,349	0	0%
Abdul Rahman Abdullah Al-Mousa and Partners Company	4,838,506	6,451,341	6,451,341	0	0%

*The percentage change in shareholder ownership is represented in the table above to increase the Company's capital to 933,333,330 riyals

Changes in Ownership and Interests of Board Members, Senior Executives and their relatives:

Changes in Ownership and Interests of Board Members, Senior Executives and their relatives:

Shareholder Name	Number of shares upon offering	Number of shares as of 01/01/2023	Number of shares as of 31/12/2023	Change in number of shares	Percentage of change
Dr. Sulaiman bin Ali Al-Hudaif	-	62,400	62,400	0	%0

Shareholders' Assembly

Assemblies held during 2023:

Member Name	Board Members General Meeting Attendance Rec-ord The 16th Ordinary General Meeting on 07/05/2021 AD
1 Mr. Abdulsalam bin Abdul Rahman Al-Aqeel	✓
2 Eng. Saleh bin Mohammad Al-Habib	✓
3 Mr. Ahmad bin Abdul Rahman Al-Mousa	✓
4 Mr. Muhammad bin Abdul Mohsen Al-Zakari	✓
5 Dr. Sulaiman bin Ali Al-Hudaif	✓
6 Dr. Abdul Rahman bin Mohammad Al-Barrak	✓
7 Mr. Imad bin Hamoud Al-Otaibi* (representative of GOSI)	✓
8 Mr. Abdullah bin Abdulaziz Al-Mishal	✓

Shareholders Registry Requests during the year 2023:

Request Date	Reason
02/01/2023	Corporate Action
02/05/2023	Company's General Assem-bly
11/06/2023	Corporate Action
17/08/2023	Corporate Action
31/10/2023	Corporate Action
13/12/2023	Corporate Action
31/12/2023	Corporate Action



Governance and Risks

- Governance
- Risks
- Conclusion



Governance

Demonstrating a commitment to best-in-class governance, the Company ranked among the top 30 in applying these principles according to a December 22, 2021 study by Alfaisal University's Corporate Governance Center. This independent evaluation employed rigorous standards to assess governance quality.

In accordance with Article Eighty-Seven, Paragraph 1, of the Corporate Governance Regulations issued by the Capital Market Authority on January 18, 2023, a table outlining the company's implementation status for each provision is provided (not shown here). The table details both applied and unapplied regulations, along with justifications for any non-implementation during the fiscal year ending December 31, 2023.

The Company represents that all provisions of all provisions of the Corporate Governance Regulations issued by the Capital Market Authority on 2/13/2017 AD, as amended under CMA Board Resolution issued on 01/18/2023 AD, have been implemented except for the provisions listed below:

Article/ Paragraph Number	Article/ Paragraph Text	Notes on Implementation
Article 36 Secretary terms and conditions	The Board of Directors must establish the qualifications required for the Secretary of the Board of Directors. These qualifications should include any of the following criteria: <ol style="list-style-type: none"> Holding a Bachelor degree in law, finance, accounting, management, or an equivalent field, along with relevant practical experience of at least three years. Possessing a minimum of five years of relevant practical experience. 	This paragraph is still indicative, the Company's Governance Regulations and the Board of Directors' Work Regulations did not specifically address this provision. However, the Company has implemented it, as the Secretary of the Company's Board of Directors during the year 2023 holds a Bachelor degree, and also has relevant practical experience for a period of more than five years, the company will include this paragraph in the Company's internal governance regulations and the Board of Directors' work regulations once it becomes obligatory.
Article 37 Training	The Company is required to pay adequate attention to training and qualifying members of the Board and the Executive Management, and develop all necessary programs for this purpose, taking the following into account: 1. Preparing programs for the newly appointed members of the Board and Executive Management in order to familiarize them with the status of the Company's business and activities, particularly in terms of: a. The Company's strategy and objectives; b. The financial and operational aspects of the Company's activities; c. The Board members' obligations, duties, responsibilities and rights; d. The committees' responsibilities and terms of reference 2. Developing the necessary mechanisms for Board members and the Executive Management to regularly attend training programs and courses in order to develop their skills and knowledge in the fields related to the Company's activities.	This Article is still indicative and will be complied with by the Company once it becomes obligatory
Article 39 Assessment	A. Based on the Nomination Committee's recommendation, the Board will develop the necessary procedures to assess the performance of the Board, its members and committees and the Executive Management annually using efficient key performance indicators (KPIs) based on the achievement by the Company of its strategic objectives, the effectiveness of risk management and the efficiency of the internal control and other systems, provided that weaknesses and strengths are identified and addressed, and a solution is proposed based on the Company's interest. B. The performance assessment procedure must be in writing and clearly stated and disclosed to the Board members and the persons concerned with the assessment. C. The performance assessment shall cover the skills and experiences of the Board, identify their weaknesses and strengths, and suggest methods to address weaknesses, such as nominating competent professional personnel capable of improving the performance of the Board. The performance assessment will also include mechanisms of assessment of the Board's activities in general. D. The individual assessment of the Board members will take into account the extent of participation of the member and his/her commitment to performing his/her duties and responsibilities, including attending the Board and committees' meetings and dedicating adequate time thereto. The Board will make the necessary arrangements to obtain an assessment of its performance from a competent third party every three years.	This Article is still indicative and will be complied with by the Company once it becomes obligatory.

Article/ Paragraph Number	Article/ Paragraph Text	Notes on Implementation
Article 51 Formation of the Audit Committee	A.The Chairman of the Audit Committee must be an independent member B.Half of the members of the Audit Committee must be independent members or those to whom independence applies, as outlined in Article Nineteen of these regulations.	As these paragraphs are still indicative, the Company's internal governance regulations and the Audit Committee's work regulations did not include a text on these paragraphs. However, the Company implemented them during the year 2023 AD, as the head of the Company's Audit Committee is an independent member in addition to the rest of the members. The Company will include these paragraphs once they become obligatory.
Article (52) The Committee's powers, authority, and responsibilities	Terms of reference of the audit committee	This article is still indicative, as the Company has included this article in the Audit Committee's work regulations. The Company will include this article in the Company's internal governance regulations once it becomes obligatory.
Article 67 Formation of the Risk Committee	A committee called (Risk Management Committee) shall be formed by decision of the Company's Board, with the Chairman of which and the majority of its members being non-executive members. Its members shall have an appropriate level of knowledge of risk management and financial affairs.	The Company has not implemented this article (forming a special risk management committee) as this article is still indicative, and it will adhere to once it becomes obligatory, noting that the Company has a risk management policy approved by the Board of Directors.
Article 68 Terms of reference of the Risk Management Committee	Matters within the jurisdiction of the Risk Management Committee	This Article is still indicative and will be complied with by the Company once it becomes obligatory.
Article 69 Risk Management Committee meetings	The Risk Management Committee meets regularly, at least every (six months), and whenever necessary.	This Article is still indicative and will be complied with by the Company once it becomes obligatory.
Article 82 Motivating employees	1. Forming committees or holding specialized workshops to gather input from the Company's employees and engage them in discussions on matters of importance. 2. Implementing programs that offer employees Company shares, a share of the profits, or end-of-service benefits. 3. Establishing social institutions for the Company's employees.	This Article is still indicative and will be complied with by the Company once it becomes obligatory.
Article 84 Social Responsibility	The General Assembly, upon recommendation from the Board of Directors, shall establish a policy to ensure a balance between the Company's objectives and those that the community aims to achieve, in order to enhance the social and economic conditions of the community.	This Article is still indicative and will be complied with by the Company once it becomes obligatory.

Article/ Paragraph Number	Article/ Paragraph Text	Notes on Implementation
Article 85 Social work initiatives	The Board of Directors sets programs and determines the necessary means to showcase the Company's initiatives in the social work, including the following: 1. Establishing measurement indicators that link the Company's performance to the initiatives, and comparing this with other companies in similar industries. 2. Communicating the social responsibility objectives adopted by the Company to its employees and ensuring their awareness and education about them. 3. Disclosing plans to achieve social responsibility in periodic reports related to the company's activities. 4. Develop community awareness programs to introduce the company's social responsibility	The Company's internal governance regulations did not include a stipulation of this article, even though the Company made many social contributions in serving the community during the year 2023 AD, through its sponsorship - through its commercial centers - of many purposeful events and programs held by awareness and charitable societies. This Article is still indicative and will be complied with by the Company once it becomes obligatory.
Article 86 Disclosure policies and procedures	The Company's website must include all the information required to be disclosed, as well as any data or information published through other means of disclosure.	This Article is still indicative and will be complied with by the Company once it becomes obligatory. It's worth noting that the Company has already made available all mandatory information on its website, including the Assembly invitation, nomination announcement, and other required information. Additionally, most policies arising from the governance regulations have been published on the Company's website.
Article 92 Formation of a corporate governance committee	If the Board of Directors forms a committee specialized in corporate governance, it must delegate to it the powers stipulated in accordance with Article Ninety-Four of these regulations. This committee must follow up on any issues related to governance applications and provide the Board of Directors with the reports and recommendations at least annually.	This article is still indicative, and the company will implement it as soon as it is required.

Risks

The Company is committed to effectively managing the risks inherent in its operations, with the goal of safeguarding its assets, ensuring business continuity, and achieving its strategic objectives while avoiding potential losses. To this end, the Company has adopted a proactive approach to identify, assess, and mitigate risks. It continuously identifies, analyzes, evaluates, and treats its risks, establishing acceptable risk levels for all its activities. The Company also assigns responsibility for risk management, defines the tasks and responsibilities of those involved, and monitors their performance.

The Company's primary goals in the context of risk management include:

- Establishing a risk-aware culture within the Company and integrating risk management principles into its operations, systems, and employee mindset.
- Aligning the core elements of risk management with the Company's vision, mission, objectives, and strategy.
- Enhancing risk management capabilities and implementing the risk management process with high efficiency.
- Improving the use of capital and cost performance, and promoting proactive risk management.
- Facilitating risk-based decision-making processes.
- Improving risk governance and accountability, and establishing a clear structure for risk management governance, specifying related tasks and responsibilities.
- Safeguarding the Company's assets, achieving its objectives, and ensuring its continuity.
- Enhancing credibility with a broad range of stakeholders.

Alandalus Property employs a robust risk management framework encompassing several key stages:

Identifying the context, risks, analyzing, evaluating, addressing, monitoring, and reporting them in a manner that allows the company to make decisions and respond timely to risks as they arise.

Due to its diverse activities, the Company is exposed to a range of risks such as operational, financial, and market risks. It's important to note that the risks highlighted here do not cover all potential risks the Company might encounter. There could be other risks that are currently unidentified or deemed non-significant by the Company.

01

General real estate risks:

Fluctuations in real estate asset values and property prices can affect the value of the Company's owned or invested properties due to changes in the real estate market conditions. Additionally, there are potential risks related to expropriation by authoritative entities or governmental actions for public benefit. Furthermore, the execution of certain government projects and constructions might hinder access to the Company's centers, affecting visitor numbers and thereby impacting the Company's operations and results.

02

Real estate projects:

The real estate projects undertaken by the company are susceptible to potential risks, such as delays in obtaining necessary government approvals and permits for land division and other required governmental approvals and permits, leading to delays in completing work on time. Additionally, there is the possibility of exceeding the initially expected costs. The company takes precautions against this by conducting feasibility studies and estimating expected costs.

03

Impact on the Company's Profitability by the Retail Sector:

The company's results are significantly linked to the performance level of the retail sector, directly reflecting on the tenants' performance and their ability to continue renting stores within the company's shopping centers and fulfill their financial obligations as tenants. Any downturn in the retail sector could negatively and materially affect the company's operations and results.

04

Risks of leasing activity:

The Company may face challenges in renewing lease contracts or re-renting units at the same terms upon contract expiration, posing a significant risk. To mitigate this risk and minimize its impact, the Company focuses on continuously improving its services, meeting customer expectations, maintaining an optimal mix of tenants, and constantly enhancing rental conditions.



05

Competition in projects:

Real estate development companies continually compete to create attractive destinations and innovative projects that surpass the features and services offered by the Company's commercial centers. This competition may negatively impact the number of visitors to the Company's centers, leading to reduced tenant revenues, lower occupancy rates, or tenant demands for rent reductions. To mitigate these risks, the Company focuses on developing and updating its existing projects while creating new, unique destinations that attract customers and visitors.

06

Risks of increased operating and maintenance expenses:

The Company's complexes and centers require ongoing maintenance to ensure they remain operational and attractive to tenants and visitors. Any unexpected increase in these expenses could have a significant negative impact on the Company's business and operational results. To mitigate this risk, the Company focuses on balancing cost reduction efforts with maintaining the quality and level of services offered in its centers.

07

Litigation and Penalties:

The Company is exposed to the risk of litigation from many counterparties, including tenants, customers, visitors to the Company's commercial centers, guests, partners, suppliers, employees, regulators, operators, owners of lands leased by the Company to establish its projects, or real estate brokers. Additionally, the Company may need to initiate legal action against tenants who delay rent payments, resulting in litigation expenses.

Adverse rulings in these cases can impact the Company's operations, financial condition, and future prospects. To manage these risks, the Company relies on internal legal advisors and external lawyers to address legal challenges and safeguard its rights and interests.

08

Financial Liquidity Risk:

The Company may encounter temporary challenges in maintaining sufficient cash liquidity to fulfill its obligations. These risks can arise from difficulties in quickly selling financial assets at or near their fair value. To mitigate these risks, the Company ensures it has access to necessary financing when required.

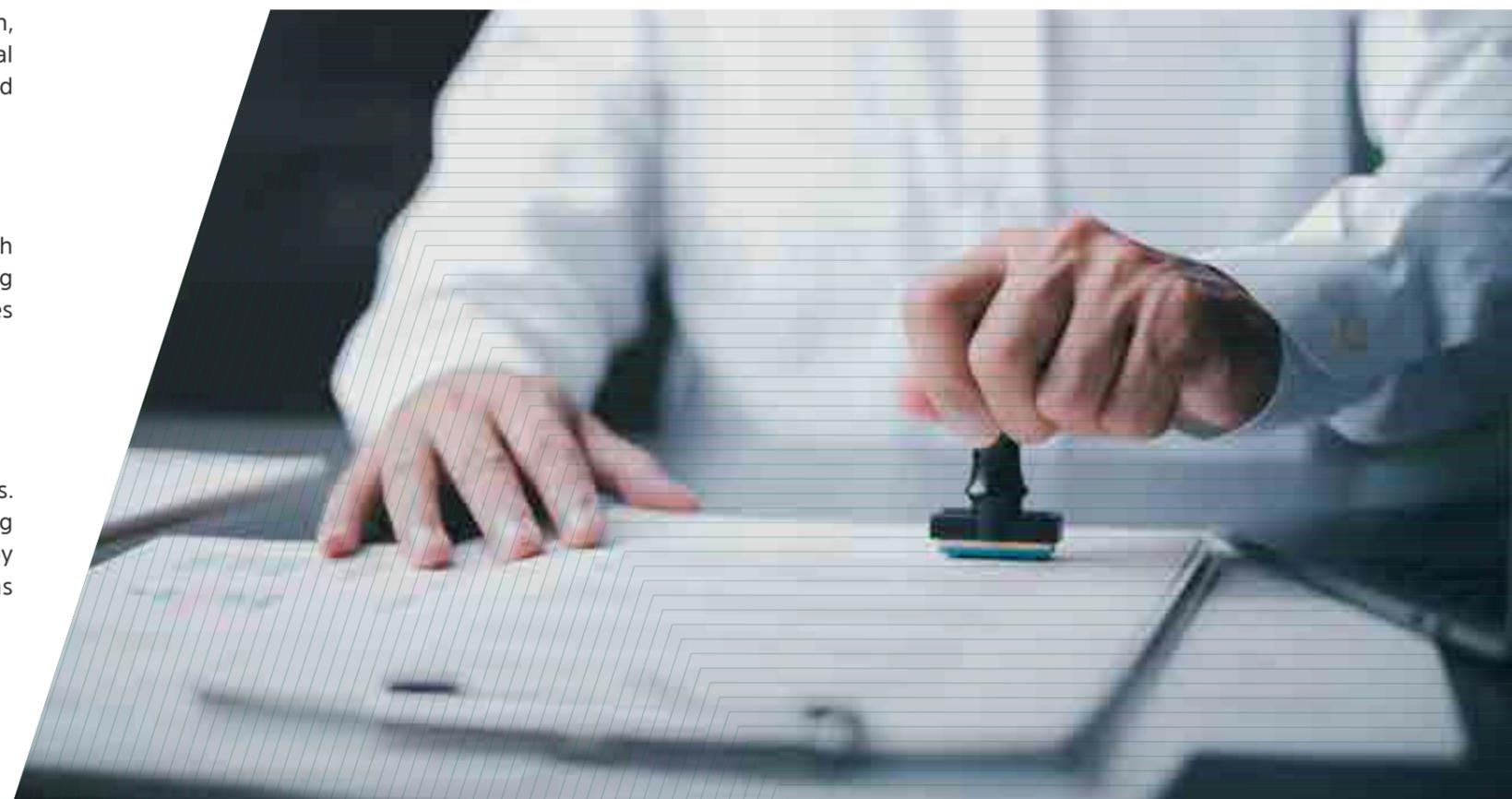
09

Rising Financing Costs:

The Company may need to secure financing for its current and upcoming projects. Elevated interest rates on such financing can elevate the overall cost, impacting profitability and cash flows adversely. The Company aims to mitigate this impact by adopting a prudent financing policy that includes selecting favorable financing terms and ensuring that its debt levels remain within reasonable limits.

General disclosures during the year 2023:

Disclosure Title	Date of Publication	Link
Alandalus Property Co. announces its Annual Consolidated Financial Results for the Period Ending on 31/12/2023	12/03/2023	Click here
Alandalus Property Co. announces the BOD's recommendation to distribute dividends to shareholders for Second half of 2022	12/03/2023	Click here
Alandalus Property Co. announces its FY2022 Earnings Conference Call with financial analysts and investors.	19/03/2023	Click here
Alandalus Property Company announces the lat-est developments related to Al-Jawhara Al-Kobra in Jeddah (The Village), of which 25% is owned by the Company.	03/04/2023	Click here
Al-Andalus Property Company calls its share-holders to attend the 17th Ordinary General As-sembly (First Meeting) Via modern technology	12/04/2023	Click here
Alandalus Property Company Announces the Results of the 17th Ordinary General Assembly Meeting, (First Meeting)	08/05/2023	Click here
Alandalus Property Co. announces its Interim Financial Results for the Period Ending on 31/03/2023 (Three Months)	21/05/2023	Click here
Alandalus Property Company announces the lat-est developments related to AlJawhara AlKubra project in Jeddah (The Village), of which the Company owns 25%.	22/06/2023	Click here
Alandalus Property Co. announces its Interim Financial Results for the Period Ending on 30/06/2023 (Six Months)	13/08/2023	Click here
Al-Andalus Property Co. announces the BOD's recommendation to distribute dividends to shareholders for first half of 2023	13/08/2023	Click here
Alandalus Property Co. Announces obtaining a long-term Tawaruq Bank Facility (Shari'ah Com-pliant) from Saudi Awwal Bank (SAB), Value of 143,100,000 Saudi Riyals	31/08/2023	Click here
Alandalus Property Co. Announces Purchasing an Offices Tower in Riyadh City, value of 190 Million Saudi Riyals	03/09/2023	Click here



Results of the annual review of the effectiveness of internal control procedures:

The Company conducted a review of its operations for the fiscal year ending on December 31, 2023, under the supervision of the Audit Committee formed by the Board of Directors. The purpose was to verify the effectiveness of the internal control system and procedures, review and evaluate financial and administrative policies and procedures, and the financial reporting processes and their outputs.

Based on the results achieved from the implementation of the audit plan, the Committee reached the following conclusions:

There are no significant deficiencies in the internal control systems, and they are effective in preventing and detecting errors. There were no major breaches in the internal control systems during the year. However, necessary measures have been taken to address the observations contained in the internal audit reports and ensure that corrective actions have been implemented.

The Company is continuously and regularly making efforts to develop its system and policies to improve its business operations and enhance methods of administrative control.

These endeavors are geared towards optimizing the efficiency and efficacy of supervisory activities and risk management within the company. They are closely aligned with the strategic directives set forth by the Board of Directors and are subject to the oversight of the Audit Committee.

Profit Distribution Policy:

A -Profits will be distributed according to the Company's Articles of Association as follows:

1. (10%) of net profits shall be set aside to form the Company's statutory reserve. The Ordinary General Assembly (OGA) may decide to discontinue deduction when the said reserve reaches (30%) of the Company's paid-up capital.
2. The Ordinary General Assembly, based on the proposal of the Board of Directors, may set aside (10%) of the net profits to form an additional general reserve.
3. The OGA may decide to establish other reserves to the extent that would serve the Company's interest or ensure distribution of fixed dividends to shareholders. It may also deduct amounts from net profits to establish social entities for the Company's employees or to support existing ones.
4. From the balance, an amount representing (5%) of the paid-up capital shall be distributed to the shareholders.
5. Subject to the provisions stipulated in Article (20) of Alandalus Articles of Association and Article (76) of the Companies Law, after the foregoing, up to (5%) of the balance will be allocated to the Board of Directors, provided that in all cases, such distribution shall not exceed the maximum limits allowed by the Companies Law and its regulations, and shall be in accordance with the rules, decisions and official instructions issued by relevant authorities in this regard. However, the entitlement to such remuneration must be based on the number of meetings attended by the member.

B. Details of Company's Dividend Distribution Policy:

1. The shareholder shall be entitled to his share of the profits in accordance with the General Assembly resolution on the distribution of dividends to shareholders or the resolution of the Board of Directors to distribute interim dividends. The resolution shall specify the due date and distribution date. The shareholders registered in the Shareholders Register at the end of the due date shall be entitled to receive dividends.
2. The Board of Directors shall implement the General Assembly resolution regarding the distribution of profits to the shareholders registered within 15 days of the dividend due date specified in the General Assembly or Board resolution to distribute interim dividends.
3. The Board may decide to distribute interim dividends to shareholders semiannually or quarterly, subject to fulfilling the following requirements:
 - The Ordinary General Assembly will authorize the Board to distribute interim dividends under a resolution to be taken annually.
 - The Company's profitability must be healthy and stable.
 - The Company must have reasonable liquidity and can reasonably predict its level of profit.
 - The Company must have distributable profits, according to the latest audited financial statements, that are sufficient to pay the proposed dividends, after deducting the amount distributed and capitalized from such profits following the date of these financial statements.
 - The Company intends to distribute 60% of the annual net profits for the years 2021, 2022, and 2023, distributed semi-annually.
 - Dividend distribution generally depends on several factors, including:
 - The Company's profits (the Company achieves sufficient profits to allow statutory distribution) and its financial condition.
 - Cash flows, new capital investments, and future expectations for the volume of external financing, taking into account the importance of maintaining a strong monetary policy to meet any emergency changes.
 - Any restrictions on distribution under any financing loans that the Company intends to enter into.
 - Any other legal or regulatory considerations.

Profits distributed in the year 2023 encompass the Second half of 2022 and the First half of 2023.

Percentages of dividends distributed during the fiscal year 2023			The percentages of dividends proposed to be distributed at the end of the financial year 2023	Total Profit
Interim dividends for the second half of the fiscal year 2022	Interim dividends for the first half of the fiscal year 2023			
12/03/2023	13/08/2023		23,333,333.25	
Percentage	2.5%	2.5%	2.5%	7.5 %
Total	23,333,333.25	23,333,333.25	23,333,333.25	69,999,999.75

Acknowledgments

The Board of Directors of Alandalus Property Company acknowledges the following:

- Neither the Company nor any of its associates has previously issued any debt instruments, nor has it approved the issuance of such instruments.
- The accounting records have been prepared in an appropriate manner.
- The Company's internal control system has been prepared on sound foundations and implemented effectively.
- There is no significant doubt about the Company's ability to continue its business.

Ambitions and aspirations

Despite the enormous challenges and the dynamic changes in the Saudi market, we are well positioned to achieve further major successes. We are distinguished by unique capabilities for the growth and expansion of our business in the coming years, through the implementation of the company's newly developed strategy and doubling efforts to meet the requirements of this phase.

Conclusion

In conclusion, we would like to extend our deep gratitude to the members of the Board of Directors of Alandalus Property Company, all its staff, investors, and partners for their relentless efforts and continued support. We look forward to moving forward hand in hand towards another milestone in the company's success journey, promising more significant achievements, strong performance, and sustainable growth.





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Alandalus Property