

**RED SEA INTERNATIONAL
COMPANY
ANNUAL REPORT 2020**



RED SEA
International



Chairman Message to Shareholders

Dear Respected Red Sea International Shareholders,

Greetings.

On behalf of myself and our Board of Directors, I am delighted to share with you the company's 2020 Annual Report. Included in the report are key operations and decisions made throughout the year, as well as key financial reports, announcements, and business forecasts.

As for Year 2020 results, RSI as part of business sector has been impacted by COVID-19 pandemic due to cancellation or postponement of the large projects awarded to RSI or in pipeline in KSA and UAE. It is worth mentioning that RSI was able to sign some contracts for the design, installation and construction of accommodation and office units as well as FMCO for the labor camp in NEOM City and other contract for FMCO with The Red Sea Development Co. The company will generate sustainable income throughout contracts terms, God willing.

As part of the Red Sea International Company Board endeavors to maintain the leading position of the company goes for more the forty years in the area of manufacturing and installing prefabricated buildings and providing quick construction solutions in the region as well as offering the facility management and maintenance services to large scale camps and residential complexes, the Company finalized its five years business plan 2021-2025 which will fulfill the aspirations of board to enhance overall business performance and preserve the pioneering position.

The outcome of the 5Y plan concluded to carrying out restructuring plan for the Group and its subsidiary companies through closing branches and subsidiary companies with low performance or reducing the company's share in them, while enhancing the capabilities of the company in KSA to continue its leading existence in the field of manufacturing and supplying modular building and providing facilities management and maintenance services for labor camps and residential complexes.

The restructure plan outlined the need to transfer shared services from Dubai branches and international subsidiaries to a centralize unit within the Group HQ in KSA which will help in contributing effectively to projects and initiatives emanating from the ambitious vision of the Kingdom of Saudi Arabia 2030 and to benefit from its outputs in the sectors of affordable housing, real estate and asset management services.

The Company managed to recruit an experienced task force led by specialized executives to lead the restructure plan which we expect to realize its targeted results starting from this year, God willing.

Finally, I would like to extend my gratitude to all RSI board members, executive management team, and all of the Group's family for their dedication and valuable efforts that lead to augmenting the company's competitive value. Similarly, I'd like to acknowledge and appreciate our valued clients for their trust as well as our shareholders for their continuous support.

Yours Sincerely,
Amr A Al-Dabbagh
Chairman

Delivering Spaces for Today, Creating Places for Tomorrow

Headquartered in Jeddah, Kingdom of Saudi Arabia, Red Sea International Company is a horizontally and vertically integrated building technology, real estate and facility management company focused on both mass volume and bespoke product.

Recognized as a leader in offsite modular production and assembly, RSI's focus is the transformation of building design and construction through digital technology, future-focused methods and optimized supply chains.

With an established footprint in over 65 countries worldwide, the company's experience stretches back over 40 years.

In real estate, RSI is focused on creating better ways of living via vibrant, mixed-use communities in high-performing environments that positively impact people's lives and contribute to safe-guarding the future of the planet.

The technology and practices behind the company's offsite volumetric and mass modular solutions for the built environment support and enable Net Zero and Circular Economy initiatives.

As the premier designer and manufacturer of modular buildings of choice in the Middle East region, the innovative and diverse product portfolio comprises high-quality, fast, reliable, and durable "instant" modular buildings for remote life support and facilities as well as fast-track bespoke solutions for any building class or type.

RSI has vast experience of and is a recognized leader in delivering housing solutions and residential complexes for employees of local and international companies and in community management, support services and operation.

With a long history of delivering and operating in remote locations, RSI's production and logistics capability and product base can be leveraged at short notice for global and regional emergencies, disaster relief and support internationally.

The company employs 2,000+ highly talented staff.

The company's executive management comprises highly capable industry leaders in landed and built asset development, modular technologies, production and execution and facility and asset management.

It is backed by a high-powered Board.



RED SEA
International

www.redseainternational.com

TADAWUL: 4230

Year Listed: 2006

Number of employees: 2,000+

Market capitalization:

SAR 1.6Bn.

**The production capacity
of RSI's plants exceeds 1
million square feet per
year.**

**RSI companies have
housed tens of thousands
of people.**

Operations and Differentiators

One of Red Sea International's strategic strengths is its' capability and experience in multiple sectors and its' extensive geographical footprint.

RSI has over 70 acres of manufacturing and operational facilities in the Kingdom of Saudi Arabia, UAE, Malaysia and Ghana which allows us to support major clients and projects across the Middle East, Central and Southeast Asia, and Africa.

This global capability has allowed the company to deliver and complete challenging projects in remote locations in over 65 countries around the world.

Module production and assembly takes place in an off-site, ~~in~~ factory-controlled environment, allowing for a more sustainable building process with waste avoidance upstream, high standards of quality control and testing and reduced site disruption and disturbance.

Reduced construction times ensure at least 50% faster occupancy and thereby faster ROI than can be achieved by conventional methods.

Red Sea International uses products that are manufactured in its own factories, including wastewater treatment, reverse osmosis plants and sewage and fuel tanks for remote locations.

RSI's research and development team is at the forefront of product development, leveraging technology to create future-focused products.

In 2013, the company established its Building Materials Trade Division which is focused on the production and distribution of architectural, industrial and marine paints.

Sectors served by RSI across its business units of real estate, modular technologies and facility management include:

- Plug-and-Play City Districts
- Landed Developments
- Municipal
- Commercial
- Residential
- Retail & Hospitality
- Education
- Health
- Sports
- Events
- Industrial / Manufacturing
- Oil & Gas/ Mining
- Government & Military
- Community and Facility Management and On-site Support Services
- Rapid Deployment for Global Emergency and Disaster Relief

Commercial models for modular products include Sale, Lease, Build, Own and Operate (BOO), Build and Operate (BO) and rental.

The company is specialized in turn-key solutions, delivery and operation.

The company has an unwavering commitment to quality. It is certified to ISO 9001:2015 and ISO22000 and is an approved supplier of Saudi Aramco. It is one of the few companies to hold the coveted “9com” certification.

RSI is proud to count some of the world’s leading organizations as clients. These include Saudi Aramco, Fluor, Bechtel, KBR, Halliburton, Hyundai Heavy Industries, SABIC, Ma’aden, SANAD and the US Government.

Vision 2030

The Kingdom of Saudi Arabia’s Vision 2030 initiative and its related programs, including the Economic Transformation Program and the Housing Program, heralds a focus on the future of a nation and its’ people that is unparalleled.

The Kingdom is investing many billions of dollars in ensuring these initiatives and programs, which require high quality, mass volume buildings, will succeed.

RSI has a role to play contributing to the success of this national program, leveraging its’ in-country capabilities and position as supplier of choice for mass volume modular construction projects and the company is focused and engaged - directly and through exciting partnerships - on being a key facilitator and enabler to support these transformational programs.

Names of Members of the Board, Committees, Executive Management, and their current roles, qualifications and previous experience

Board of Directors

HE Mr. Amr Abdullah Al Dabbagh - Chairman

His Excellency Amr Al-Dabbagh is the CEO and Chairman of Al-Dabbagh Group (ADG), a family conglomerate headquartered in Jeddah, Saudi Arabia. ADG was founded in 1962 by his father, His Excellency Sheikh Abdullah Al-Dabbagh, the former Minister of Agriculture of the Kingdom. ADG employs 15,000 employees globally through its portfolio of 62 companies. It has a manufacturing presence in 35 countries and sales, services, and projects in over 60 countries. ADG has six strategic business portfolios with a flagship company for each. These are Food, Auto, Housing, Packaging, Retail and EduTech.

Over the course of a thirty-year career, His Excellency has served in public office for two four-year terms as Governor (with a rank of Minister) of the Saudi Arabian General Investment Authority (SAGIA). He was elected for two terms to the Jeddah Chamber of Commerce and appointed for two terms to the Makkah Regional Council.

Mr. Jamal Abdullah Al Dabbagh – Vice Chairman

Earned his Bachelor's and Master's Degrees in Business Administration.

Served as a Member of the Agricultural Committee in Riyadh Chamber of Commerce.

Currently, he is serving as the General Manager of Al Dabbagh Group Holding Company, and the Chairman of the Board of Gulf General Cooperative Insurance Company. In addition, he serves as a Board member of National Scientific Company, Advance Petroleum Services Co, Agricultural Development Company, and International Project Development Company.

Mr. Saleh Mohammed Binladen

Earned a degree in Business Administration from Bournemouth International College. Mr. Binladen has extensive experience that exceeds 35 years in the field of project management and driving companies' performance, which he has gained through the different managerial and executive roles he occupied throughout his working career. In addition to being the General Manager of Project Management & Development Company, he serves as a Board Member in a number of distinguished companies, Makkah Construction and Development Company, Knowledge Economic City, and Ports Development Company.

Mr. Sami Ahmed BinMahfooz

Acquired his Bachelor in Finance from Ohio State University, and excelled the Executive Program in Darden School University in the United States. He possesses solid experience that exceeds 30 years in Banking Operations, credit instruments and policies. He served in different leading positions in National Commercial Bank until becoming the Chief Risk Officer.

Mr. Taher Agueel

Earned Master & Bachelor of Science Degrees in Industrial Engineering from the University of Texas, at Arlington (U.S.A.), trained at The Chase Manhattan Bank (NY), and attended development programs at world-class institutions like Harvard, Oxford, and Insead. Mr. Agueel has distinguished background and experience in the finance, investment, real estate, and corporate arena in Saudi Arabia gained through working for leading financial institutions in the Kingdom in the field of investment banking (Deutsche Alazizia Financial Services, CEO and the National Commercial Bank, Head, Structured Finance) as well as serving on the Boards of several private and listed companies including the Kingdom Holding Company, Gulf General Cooperative Insurance Company, Bank of America's Merrill Lynch Kingdom of Saudi Arabia, and Bidaya Home Finance Company.

Mr. Brian Lash

Earned his Bachelor's Degree from Brandeis University, where he now serves on the Board of Overseers of the International Business School. In his 40-year career, Mr. Lash has become a renowned leader in disaster relief, workforce housing, and the travel industry. In 2013, Mr. Lash was awarded the Asper Award for Global Entrepreneurship. He is a member of the Waterville Valley Academy Board of Trustees, the T2 Foundation and the Clay Soper Memorial Foundation and the founder of Target Logistics, now known as Target Hospitality and traded on Nasdaq (TH). Mr. Lash has served on the Governor's Entrepreneurial Advisory Council in Massachusetts and presently sits on the Board of Directors of Youth Enrichment Services (YES) in Boston.

Mr. Peter Walichnowski

He holds a Bachelor's degree in Architecture from the University of New South Wales Australia and a number of management and governance training courses from Harvard University in America and INSEAD in Switzerland. Peter has more than 40 years of experience, most of which spent in leadership positions within the region, such as the CEO of Majid Al Futtaim Properties in Dubai where he was responsible for developing a number of real estate mega projects that include hotels and commercial complexes, including the Mall of the Emirates, and the CEO of Al Ghurair Investment. He also held leadership positions in Australia, United Kingdom, Korea and China.

Mr. Tareq Mohammad Telmesani – Board Member, MD/CEO

Holds a Bachelor's degree in Industrial Engineering from King Fahd University of Petroleum and Minerals in 1978 and an Executive Diploma in Administrative Development from the School of Administrative Sciences, Thunderbird, Arizona, USA in 1980. He also received a number of courses and training in executive and financial management. He has long experience in the field of project development, real estate development and business development as he held a number of leadership executive positions for number of business sets starting from 1979 when he joined Aramco Company subsequently, assumed a number of executive positions in leading companies including Saudi Automotive Services Company (SASCO) and the Savola Group.

He also became the CEO of Jeddah Development & Urban Regeneration Company, the CEO of Knowledge Economic City Company and the CEO of Akhumasia International Real Estate Development Company, in addition to founding and managing the Arabian Development and Industrial Investment Group Company.

Mr. Mohamed Husnee Jazeel – Ex Board Member

Earned his Certificate from the Chartered Institute of Management Accountants in the UK. He acquired a solid experience in the field of accounting that surpasses 25 years.

He served in several managerial roles in PriceWaterhouseCoopers (PWC) in different offices around the world. In 1992, he joined Al Dabbagh Group and was appointed as the Chief Financial Officer. He has attended development programs at world-class institutions like Harvard, Wharton, Kellogg, IMD and LBS. He also serves as a Board Member of Gulf General Cooperative Insurance Company, Tanmiah Food Group.

Dr. Muhammad Ali Ikhwan – Ex Board Member

Obtained his Bachelor's Degrees in General Engineering and System Engineering from King Fahd University for Petroleum and Minerals (KFUPM). Then he earned his Master's Degree in Operations Research, and his PhD in Engineering Economic Systems (EES), both from Stanford University, USA. He served as the Chairman of Industrial Engineering Department in King Abdulaziz University. He was appointed in numerous high-ranking posts in SAVOLA including General Manager of the Packaging Division, CFO, Head of Business Development, and Head of Mergers and Acquisitions.

He served as a Board Member for several companies including Gulf General Cooperative Insurance Company, Fitaihi Group and GASCO.

Executive Management

Mr. Tareq Mohammad Telmesani - MD/CEO

Mentioned as part of Board Members Information.

Mr. Stephan Ashford

Has over 35 years' experience in international real estate development, construction and project management across Europe, Asia and the Middle East. He worked for international real estate development organizations including the Canary Wharf Group, TishmanSpeyer and governmental development corporations with a focus on large-scale strategic master plan, urban regeneration, landmark and signature-built asset specialism. He is a member of the Royal Institution of Chartered Surveyors Chartership MRICS, 1989, German Association of Project Managers (DVP) and European Association of Chartered Surveyors.

Mr. Tanveer Ghayur - CFO

Earned his Bachelor's Degree in Business/ Commerce in 1993. Tanveer started his career as business consultant at a Chartered Accountants company then moved to number of companies where he served as Finance Manager and through a fast track career progression he became the CFO for a large company specialized in residential property development.

Clinton Genty-Nott - Group Chief Legal Officer

Earned his Bachelor's Degree with Honor from Buckingham University then advanced certificates in Law area from UK. He has over 20 years of experience in practicing commercial law and investment at international finance firms and sovereign funds in UK, Oman and UAE.

Mr. Anjan Mitra - Ex - CFO

Bachelor of Commerce (Honors) and a member of the Institute of Chartered Accountants of India, with 34 years' post qualification experience in the Middle East & India as Director, CEO, & CFO of large publicly listed companies in the financial services and oil & gas sectors. Earlier key positions held in the Middle East were as CEO of Topaz Energy & Marine SAOG and as Group CFO of Byrne Investments.

Mr. William Ali Mills - Ex- CEO-IHD

Earned his bachelor's degree in Economics from the University of Wyoming in USA. Mr. Mills has a solid and versatile experience of over 24 years in the modular building sector within the GCC. Prior to joining Red Sea International Company, he held the position of Managing Director of Spacemaker Emirates L.L.C, and Byrne Technical Service LLC which specialized in the manufacturing of modular structures catering to the oil & gas, defense and industrial sector markets. He held numerous senior executive positions during his career including COO of Topaz Energy, CEO of Shanfari Group, and COO of Mammut Group.

Names of companies inside or outside the Kingdom of which the Board Member is a member in (currently or previously) or companies he manages

Name	Current Companies	Local/ International	Legal Form
Mr. Amr Abdulla Al Dabbagh	Petromin Corporation	Local	Closed Joint Stock
	SAED International for Istigdam	Local	Closed Joint Stock
Mr. Jamal Abdullah Al Dabbagh	Gulf General Cooperative Insurance Company	Local	Public Joint Stock
	Premier Paint Company Limited	Local	Mixed Limited Liability
	Red Sea Building Materials & Equipment Trading	Local	Limited Liability
Mr. Mohamed H. Jazeel	Gulf General Cooperative Insurance Company	Local	Public Joint Stock
	Global Textiles Company	Local	Mixed Limited Liability
	Premier Paint Company Limited	Local	Mixed Limited Liability
	SAED International for Istigdam	Local	Closed Joint Stock
	Tanniah Food Group	Local	Closed Joint Stock
	Gulf Cooperation Insurance Company (Bahrain)	International	Closed Joint Stock
	Saudi Egyptian Logistics and Electronics Co	International	Limited Liability
	Stars Foundation	International	Limited Liability
	Greif Flexibles Trading Holding B.V, Netherlands	International	Limited Liability
	Greif Flexibles Asset Holding B.V, Netherlands	International	Limited Liability
	Premier Aviation Limited	International	Limited Liability
	Omnipreneurship Foundation Limited	International	Limited Liability
	Gulf Packaging Industries (Gibraltar) Limited	International	Limited Liability
	Philanthropy U, Inc	International	Limited Liability
Club 32 Ltd	International	Limited Liability	
Dr. Muhammad Ali Ikhwan	-	-	-
Mr. Saleh Binladen	Knowledge Economic City Company	Local	Public Joint Stock
	Mekkah Construction & Development Company	Local	Public Joint Stock
	Ports Development Company	Local	Closed Joint Stock
	HUTA Group Company	Local	Closed Joint Stock
	Arabian Roots Group Company	Local	Closed Joint Stock
Mr. Sami BinMahfooz	Itqan Capital [Itqan Fund]	Local	Closed Joint Stock
	United Pipes Co	Local	Limited Liability
Mr. Taher Agueel	Kingdom Holding	Local	Public Joint Stock
	Gulf General Cooperative Insurance Company	Local	Public Joint Stock
	Merril Lynch Saudi Arabia	Local	Closed Joint Stock
	Bidaya Home Finance	Local	Closed Joint Stock
	Alansija International Co	Local	Limited Liability
	Global Textiles Co	Local	Mixed Limited Liability
Mr. Brian Lash	Waterville Valley Academy	NH, USA	Nonprofit Limited Liability

Name	Current Companies	Local / International	Legal Form
	T2 Foundation	MA, USA	Nonprofit Limited Liability
	CSMF	MA, USA	Nonprofit Limited Liability
	YES	MA, USA	Nonprofit Limited Liability
	Brandeis International Business School	MA, USA	Nonprofit Limited Liability
	Magnacoustics	NY, USA	LLC
Mr. Peter Walichnowski	-	-	-
Mr. Tareq Telmesani	-	-	-

Previous Companies

Name	Previous Companies	Local / International	Legal Form
Mr. Amr Al Dabbagh	-	-	-
Mr. Jamal Al Dabbagh	Tanmiah Food Trading Company	Local	Limited Liability
	Petromin Corporation	Local	Closed Joint Stock
	SAED International for Istigdam	Local	Closed Joint Stock
	Tanmiah Food Group	Local	Closed Joint Stock
	Tanmiah Commercial Group	Local	Limited Liability
	Marketing and Commercial Agencies Co	Local	Limited Liability
	Maha Al-Hejaz Petroleum Service Co	Local	Limited Liability
	Gulf Packaging Industries Co	Local	Limited Liability
	Red Sea Specialized Investment Co	Local	Limited Liability
	Global Textiles Co	Local	Mixed Limited Liability
Mr. Mohamed H. Jazeel	Petromin Corporation	Local	Closed Joint Stock
Dr. Muhammad Ali Ikhwan	Fetaihi Group Company	Local	Public Joint Stock
	Gulf General Cooperative Insurance Co	Local	Public Joint Stock
	National Gas & Industrial Co	Local	Public Joint Stock
Mr. Sami BinMahfooz	-	-	-
Mr. Saleh Binladen	Al Khabeer Capital	Local	Closed Joint Stock
	Dar Al Tamleek Company	Local	Closed Joint Stock
	Saudi Binladen Group	Local	Closed Joint Stock
	Kinan International Real Estate Development Company	Local	Closed Joint Stock
	Construction Products Holding Company	Local	Closed Joint Stock
Mr. Taher Agueel	-	-	-
Mr. Brian Lash	Target Logistics Management	MA, USA	Limited Liability
Mr. Peter Walichnowski	-	-	-
Mr. Tareq Telmesani	-	-	-

Classification of Members of the Board: Executive, Non-Executive, Independent

The table below summarizes the composition of the Board and classification of its members as of 31/12/2020

No.	Member Name	Membership Classification
1	HE Mr. Amr Abdullah Al Dabbagh (Chairman of the Board)	Non-Executive Board Member
2	Mr. Jamal Abdullah Al Dabbagh (Vice Chairman)	Non-Executive Board Member
3	Mr. Saleh Mohammed Binladen	Non-Executive Board Member
4	Mr. Taher Agueel	Non-Executive Board Member
5	Mr. Brian Lash	Independent Board Member
6	Mr. Sami Ahmed BinMahfooz	Independent Board Member
7	Mr. Peter Walichnowski	Independent Board Member
8	Mr. Tareq Mohammad Telmesani	Executive Member
-	Dr. Muhammad Ali Ikhwan Ex-Member	Independent Board Member
-	Mr. Mr. Mohamed Husnee Jazeel Ex-Member	Non-Executive Board Member

Measures taken by the Board, especially Non-Executives, with recommendations received from shareholders pertaining to the Company and its performance.

The Chairman of the Board and the Senior Management of the company periodically inform the Board of Directors of the views, proposals or comments received from the shareholders regarding the Company and its performance and outcomes of any discussions held with the shareholders. The Chairman of the Board also briefs and communicates the views of shareholders to the Board of Directors during the meetings of the Board without the presence of any members from the Senior Management if needed.

A brief of the Committees' roles and responsibilities

The company has (3) committees that emerge from the Board of Directors. The Executive Committee and the Nomination and Compensation Committee were elected by the Board, while the Audit Committee were appointed by the shareholders during the General Assembly Meeting that was held on 10/05/2018. These committees have a crucial role in assisting the Board to carry out its entrusted duties to achieve the optimal performance and to benefit from the expertise of their members. The committees are also responsible for developing policies and plans; enforce the regulations issued by the authorities; and make their recommendations to the Board as requested.

Executive Committee

All members of the Committee are Non-Executive members in the Board. The committee takes the responsibility of reviewing and proposing major executive and strategic decisions to the Board of Directors in accordance with the specified authorities, and then recommends them to the Board for approval. The following table details the meetings of the Executive Committee that were held in 2020:

	Name	Membership	Classification	Attendance Record for Meetings Held in 2020
				1 st Meeting
				27 Feb
1	HE Mr. Amr Al Dabbagh	Committee Chairman	Non-Exec Member	Present
2	Mr. Jamal Al Dabbagh	Committee Member	Non-Exec Member	Present
3	Mr. Brain Lash	Committee Member	Independent Member	Present
4	Mr. Mohamed H. Jazeel	Committee Member	Non-Exec Member	Present

Audit Committee

The Audit Committee consists of (4) non-executive members. It is chaired by Mr. Sami BinMahfooz (Independent) and membership of Mr. Jamal Al Dabbagh (Non-Executive) and Mr. Mohamed Husnee Jazeel (Non-Executive) and Dr. Muhammad Ali Ikhwan (Independent, then became an External Member). The Committee is responsible for ensuring the accuracy, integrity, transparency, and independence of the business and operations performed by the company and its subsidiaries, in accordance with the requirements of the rules and regulations of Ministry of Commerce (MC), the Capital Market Authority (CMA), and other relevant authorities, in addition to the requirements of the international professional standards in that regard, in a way to enable the Board to perform its entrusted responsibilities and protect the interests of the shareholders. The following table details the meetings of the Audit Committee that were held in 2020:

	Name	Membership	Attendance Record for Meetings Held in 2020				
			1 st Meeting	2 nd Meeting	3 rd Meeting	4 th Meeting	5 th Meeting
			26 Feb	16 March	3 Jun	16 Aug	8 Nov
1	Mr. Sami BinMahfooz	Chairman	Present	Present	Present	Present	Present
2	Mr. Jamal Al Dabbagh	Member	Present	Present	Present	Present	Present
3	Mr. Mohamed H. Jazeel	Member	Present	Present	Present	Present	Present
4	Dr. Muhammad Ikhwan	Member	Present	Apologized	Apologized	Present	Present

Nomination and Compensation Committee

The Nomination and Compensation Committee consists of (4) members from the Board. It is chaired by Mr. Sami BinMahfouz (Independent) and membership of Mr. Jamal Al Dabbagh (Non-Executive), Mr. Saleh Binladen (Non-Executive) and Mr. Mohamed Husnee Jazeel (Non-Executive). The committee is responsible for reviewing all actions and policies, programs and requirements related to the Members of the Board and their membership. It is also responsible for developing clear policies for the remuneration and compensation of Board Members and Senior Executives and recommends them to the Board for approval. The following table details the meetings of the Nomination and Compensation Committee that were held in 2020:

	Name	Membership	Attendance Record for Meetings Held in 2020	
			1 st Meeting	2 nd Meeting
			1 Jun	4 Oct
1	Mr. Sami BinMahfouz*	Committee Chairman	Not A Member	Not A Member
2	Mr. Saleh Binladen	Committee Chairman	Present	Present
3	Mr. Jamal Al Dabbagh	Committee Member	Present	Present
4	Mr. Mohamed H. Jazeel**	Committee Member	Present	Present

* From 1st Nov 2020

** Until 1st Nov 2020

The means of which the Board of Directors have used to evaluate the performance of the Board, its Members, and Committees.

The Board has developed an evaluation mechanism which relies on the feedback received from Members of the Board through the self-evaluation surveys that are circulated among Board Members on annual basis to assess the performance of the Board, its members and committees. The evaluation mechanism uses key performance indicators linked to the extent to which the strategic objectives of the Company have been achieved, effectiveness of the Board,

understanding the roles and responsibilities of the Board to identify weaknesses and strengths and accordingly propose the corrective action plans that are in the best interests of the Company.

Disclosure of the remunerations of Board Members and Senior Executives in accordance with Article (93) of Corporate Governance Rules

According to the policies and charters of Red Sea International Company, each Board Member receives an annual remuneration of SAR 200,000 which is paid quarterly and subsequently approved by the General Assembly. The Board may also review these remunerations whenever the needed, in a manner that does not conflict with the Company's Articles of Association and other regulations. The remuneration shall be paid to the resigning or newly joined member based on the number of days he served as a member of the Board of Directors during the period. In respect of these remunerations, the Board shall follow all the regulations and laws mentioned in the Listing and Registration Rules approved by the Capital Market Authority.

Based on the recommendations of the Nomination and Compensation Committee, the Board has approved the following annual remunerations:

- a) The Chairman of the Board receives additional annual remuneration of SAR 200,000
- b) The Vice Chairman of the Board receives additional annual remuneration of SAR 200,000
- c) The Managing Director receives an additional annual remuneration of SAR 100,000
- d) Each Audit Committee Member receives an additional remuneration of SAR 100,000
- e) Each Executive Committee Member receives an additional remuneration of SAR 175,000
- f) The Secretary of the Board receives an annual remuneration of SAR 30,000

Nomination Compensation Committee members don't receive any type of remuneration or compensation.

Executive management compensation comprises of: (a) a fixed element which includes base salary, allowances, and benefits; and (b) a bonus component that is linked to performance and is variable. The compensation package is approved by the Nomination and Compensation Committee based upon comparative packages for similar positions within the sector and region and is designed to attract and retain management talent.

The following table shows the remuneration and compensation paid to Board Members and Senior Executives during FY2020 (Amount in SAR '000):

Name and Designation	Fixed remuneration SAR'000							Variable remunerations SAR'000						End of service award	Aggregate Amount	Expenses Allowance
	Specific amount	Allowance for attending Board Meetings	Total Allowance for attending committee	In -kind benefits	Remunerations for technical managerial and consultative work	Remunerations of the chairman, vice chairman, managing director or secretary, if a member	Total	Percentage of the profits	Periodic remunerations	Short term incentive plans	Long term incentive plans	Granted shares Value	Total			
Independent Directors																
Mr. Sami BinMahfooz	200	-	100	-	-	-	300	-	-	-	-	-	-	-	-	-
Mr. Brian Scott Lash	200	-	175	-	-	-	375	-	-	-	-	-	-	-	-	-
Dr. Muhammad Ali Ikhwan*	50	-	100	-	-	-	150	-	-	-	-	-	-	-	-	-
Mr. Peter Walichnowski**	150	-	-	-	-	-	150	-	-	-	-	-	-	-	-	-
Total	600	-	375	-	-	-	975	-	-	-	-	-	-	-	-	-
Non-Executive Directors																
HE Mr. Amr Al Dabbagh	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mr. Jamal Al Dabbagh	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mr. Mohamed Jazeel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mr. Saleh Binladen	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mr. Taher Mohammed Augeel	200	-	-	-	-	-	200	-	-	-	-	-	-	-	-	-
Total	200	-	-	-	-	-	200	-	-	-	-	-	-	-	-	-
Executive Directors																
Mr. Tareq Telmesani***	27	-	-	-	-	14	41	-	-	-	-	-	-	-	-	-
Total	27	-	-	-	-	14	41	-	-	-	-	-	-	-	-	-

* Remuneration up to 1 Apr '2020 for Board membership. .

** Remuneration from date of joining (1 Apr '2020)

*** Remuneration from date of joining (12 Nov '2020)

The below table details the remunerations received by members of the committees in 2020:

Amounts in SAR '000	Fixed Remunerations	Remunerations per Meeting	Total
Audit Committee Members			
Mr. Sami Ahmed BinMahfooz (Chairman)	100	-	100
Mr. Jamal Abdullah Al Dabbagh	-	-	-
Mr. Mohammed Husnee Jazeel	-	-	-
Dr. Muhammad Ali Ikhwan	100	-	100
Total	200	-	200
N&C Committee Members			
Mr. Sami BinMahfouz (Chairman)	-	-	-
Mr. Jamal Abdullah Al Dabbagh	-	-	-
Mr. Mohamed Husnee Jazeel	-	-	-
Mr. Saleh Binladen	-	-	-
Total	-	-	-
Executive Committee Members			
H.E. Mr. Amr Abdullah Al Dabbagh (Chairman)	-	-	-
Mr. Jamal Abdullah Al Dabbagh	-	-	-
Mr. Mohamed Husnee Jazeel	-	-	-
Mr. Brian Scott Lash	175	-	175
Total	175	-	175

The following table shows the detailed remunerations and compensations paid to 5 Senior Executives during FY2020 who have received the highest remuneration (CEO and CFO are among them):

Remuneration and Compensation paid to 5 Senior Executives In SAR '000	Fixed Remunerations				Variable Remunerations						End of Service Benefits	Total Remunerations from Board Membership, if Applicable	Grand Total
	Salaries	Allowances	Other Benefits	Total	Periodical Remunerations	Share of the Profits	Short-Term Incentive Plans	Long-Term Incentive Plans	Granted Shares (Value)	Total			
CEO	4,062	1,460		5,522								41	5,563
Group COO	754	-		754									754
Ex- IHC Sector -CEO	900	260		1,160							42		1,202
Group Ex-CFO	463	265		728							23		751
Group Current CFO	600	25		625									625
Legal Counsellor	607	332		939									939
Total	7,386	2,342	-	9,728	-	-	-	-	-	-	65	41	9,834

Any sanctions, penalties, or precautionary measures imposed on the Company by CMA, supervisory, regulatory, or legal authority; and its reasons and the measures considered to preventive reoccurrence

There was no Sanctions or Penalties Imposed on Red Sea International Company during FY2020.

Results of Annual Review of the Effectiveness of Internal Controls applied by the Company, in addition to the opinion of the Audit Committee on the adequacy of the Company's internal controls

The company's operations in 2020 were subjected to periodic reviews by Internal Audit Department to ensure the effectiveness of internal control procedures in protecting the assets of the company, assess operational risks and measure efficiency of overall performance. The External Auditors have also evaluated the effectiveness of systems and procedures as part of their review of the consolidated financial statements.

The Audit Committee has been closely and continuously monitoring and evaluating the performance of the Internal Audit Department and has recommended introducing a number of measures, such as new systems and reporting methods, to further enhance the efficiency of the Internal Audit Department. The results of the continuous review performed on the internal controls established that no material weaknesses were found in the Internal Control system of the company that require disclosure.

The Audit Committee formally initiated a risk assessment and controls self-assessment project during the year. A comprehensive process level risk assessment was carried out across all functions of the company in order to develop a risk based Internal Audit plan that was duly approved by the Audit Committee.

The recommendations of the Audit Committee, which are in conflict with Board's resolutions, or those of which the Board has refused to take a decision for the appointment, removal, or remunerations of the Company's External Auditor; and the reason for the refusal
There was no conflict between the Audit Committee's recommendations and the resolutions issued by the Board in 2020.

Dates of the AGMs held in the latest financial year and names of Members of the Board who attended

	Name	Attendance Record
		1 st General Assembly Meeting 22/04/2020
1	HE Mr. Amr Abdullah Al Dabbagh	Present
2	Mr. Jamal Abdullah Al Dabbagh	Apologized
3	Mr. Saleh Mohammed Binladen	Present
4	Mr. Taher Mohammad Agueel	Present
5	Mr. Mohamed Husnee Jazeel	Present
6	Mr. Sami Ahmed BinMahfooz	Present
7	Mr. Brian Lash	Present
8	Mr. Peter Walichnowski	Present
-	Dr. Muhammad Ikhwan (Ex Board Member)	Present
-	Mr. Tareq Telmesani (as CEO)	Present

Description of the main activities of the Company and its Subsidiaries, and in case of stating more than one activity, full disclosure of these activities needs to be included together with the impact on the financial results

Red Sea International Company is a Saudi Public Joint Stock Company that was founded in accordance with the Ministerial Decree No. 2532 dated 09/02/1427 corresponding to 25/09/2006. Before becoming a joint stock company, it was a Limited Liability Company registered in the Kingdom of Saudi Arabia. The company's headquarter is currently located in

Jeddah, Saudi Arabia. The company derives its revenues from the seamless synergy of its Industrial Housing Division and Building Materials Divisions. The Affordable Housing Division has been recently downsized for restructuring purposes and shall commence its activities once the suitable opportunity arises.

The Industrial Housing Division provides housing facilities and related infrastructure in remote areas for local and international clients within Mining, Oil & Gas, Manufacturing, Government, Building & Construction, Infrastructure, Defense, Health and Education Sectors which includes rental of properties and sale of modular units; and enable them to relocate their workforce to designated sites as required. The company uses products manufactured in its state-of-the-art manufacturing facilities to reach the quality aspired by its customers. The company also specializes in the production of Water Treatment Plants, Sewage Treatment Plants, and Power Generation Plants in addition to Fuel/Water Storage Tanks, Chiller/Freezer, Fire Suppression Systems, and Incineration Units, to ensure availability of all elements to deliver projects according to client specifications, free of defects and within the set timelines.

During 2013, the company ventured to add its Building Materials division, extending its activities and engaging in the production and distribution of paint and coating products, which include architectural paint, and industrial and marine coating, by entering into a shareholder's agreement with Sherwin-Williams when it acquired 81% share of Premier Paint Company. The division also has a trained team of professional painters capable of providing reliable paint application services for medium and large-scale projects in the housing, commercial and industrial sectors.

During 2016, the company developed an innovative modular building system to construct multi-level steel frame buildings for hotels, apartments, schools and other building types. The Vertical Modular system features structural steel frames that can be stacked to 12 levels with concrete floors, and fire rated walls, in compliance with all relevant building codes. This new Vertical Modular system enables clients to take advantage of the significant time and cost savings that modular construction can deliver.

The company's largest manufacturing facility is located in the city of Jubail, Saudi Arabia. In addition, the company has three manufacturing facilities strategically located in Jebel Ali – Dubai, Accra – Ghana, and Johor – Malaysia. The company also has a manufacturing facility in Libya, which has not yet commenced operations. The operating facilities have a total production capacity that exceeds 1,000,000 square meters per year. The company's products and services spread over more than 65 countries has helped in taking advantage of the available housing opportunities and the ability to deliver housing solutions in numerous targeted areas. The ability of the company to coordinate between the different manufacturing facilities, shipping services and construction sites has made the company a leader in the field of providing comprehensive modular solutions in remote areas around the world.

Red Sea International Company currently employs more than 2,140 skilled employees. The management has a very high level of expertise in the field of manufacturing and modular solutions, in addition to possessing competent workforce, which is well specialized in local and International markets. The adoption of the company's extensive knowledge in the fields of

designing, planning, production and execution of projects are some of the elements that enable the company to provide high quality and trustworthy products and services.

The company also generates revenue from Camp Operations and Facility Management, and Hospitality and Catering services

Camp Operations and Facilities Management falls into two main categories:

- 1) Fixed Compound Accommodations such as the Desert Palms Compounds located in Yanbu and Jubail, Saudi Arabia and Hassi Messaoud, Algeria. These are designed to be semi-permanent facilities. These compounds are built, owned and operated by Red Sea International Services Company for the purpose of accommodating senior and junior staff in districts where quality accommodations are in short supply. In addition, to supplying residential and office needs, our compounds include restaurants, laundry, recreation facilities, security services, entertainment and dependable communications facilities.
- 2) Remote site accommodation solutions that are leased to customers for a specific period of time. It can be fully managed by Red Sea International Company if requested by its clients. These are generally purpose-built facilities with all services provided by professional workforce. The company operates and maintains the facility over the course of the lease, and upon expiration of the contract all the buildings and infrastructure are removed – salvaging whatever can be relocated and utilized in other sites. The buildings and equipment are refurbished and sold or held in inventory until a new lease is secured to restart the cycle.

The below table summarizes the company's revenues from the main activities it performs:

Total revenues from main activities	Revenue SAR '000	%
Building Sales Revenue	319,405	59.87%
Rental Revenue	189,639	35.54%
Paint Revenue	24,476	4.59%
Total	533,520	100%

The following table summarizes the company's revenues from the main activities generated from operations in the Kingdom of Saudi Arabia:

Total revenues from main activities in KSA	Revenue SAR '000	%
Building Sales Revenue	188,584	47.82%
Rental Revenue	181,338	45.98%
Paint Revenue	24,476	6.21%
Total	394,398	100%

The following table summarizes the company's revenues from the main activities generated from operations of its subsidiaries:

Total revenues from main activities in UAE	Revenue SAR '000	%
Building Sales Revenue	105,775	98.17%
Rental Revenue	1,969	1.83%
Paint Revenue	-	-
Total	107,744	100%

Total revenues from main activities in Ghana	Revenue SAR '000	%
Building Sales Revenue	22,549	99.59
Rental Revenue	93	0.41%
Paint Revenue	-	-
Total	22,642	100%

Total revenues from main activities in Algeria	Revenue SAR '000	%
Building Sales Revenue	-	-
Rental Revenue	5,850	100%
Paint Revenue	-	-
Total	5,850	100%

Total revenues from main activities in Oman	Revenue SAR '000	%
Building Sales Revenue	2,497	86.52%
Rental Revenue	389	13.48%
Paint Revenue	-	-
Total	2,886	100%

Description of the Company's important plans and decisions (including changes in the organization structure, expansions or suspension of operations) and expectations of the Company's future business.

The Company will be directly influenced by energy price stability. Thus, the stabilization of energy prices over the last 12 months bodes well for our industry and as a result, we are confident that spending in this sector will result in new orders for the company's products and services in our core markets. Coupled with our expansion into the short-term rental market for modular buildings we are confident in expanding our footprint throughout the region. Our Facility Management division will benefit from the increased activity within the oil & gas sector and as such, the company will continue to look at opportunities to increase its footprint in this sector in the Kingdom.

In addition to our core oil & gas markets, our strategy into developing modular buildings for the commercial market continues to gain momentum with new awards in the UAE and Saudi Arabia as well as new inquires in other markets we operate in. Our emphasis on R&D places Red Sea International at the top tier of modular building manufacturers in the world and as these products become more accepted in the region, we expect to see increased interest and opportunities to place our products into the market. With positive traction within this sector in 2020, we expect the momentum to accelerate, particularly in Saudi Arabia where the drive within the entertainment sector is expected to increase.

In Oct 2020 the company has signed an engineering, procurement and construction contract at SR78M for the design, build and install of accommodation units, offices and all supporting building amenities for the employees of NEOM; the Public Investment Fund backed giga project which will include hyperconnected towns and cities, ports and enterprise zones, research centers, sports and entertainment venues, and tourist destinations.

Another contract has been signed with NEOM to provide facility management, operations and maintenance services and all supporting building amenities for the senior employees of NOEM Industrial City Project at the accommodation and business units to be executed by the Company. Contract value was SR53M.

In December 2020 the company has signed a contract to provide facility management, operations and maintenance services as well as other life support services to the worker accommodation facilities owned by The Red Sea Development Company (TRSDC) within their project located along the coast of Saudi Arabia approximately 500KM north of Jeddah serving as a luxury leisure, tourism and residential destination. Contract duration is 3 years for total cost of SR210M. The signing of the operation, maintenance and services contract comes as part of complementing the leading role of the Company for more the forty years in the area of manufacturing and installing prefabricated buildings and providing quick construction solutions in the region, through offering the services of catering, housekeeping, laundry maintenance, medical, security and recreational services.

More emphasis will be placed in our core markets of the GCC in the coming period with planned entries into Kuwait later this year and further expanding within the UAE and Oman as well. Where possible, we will seek new partnerships in our other markets to provide greater local knowledge and support to grow our businesses in these countries.

Details of the risks facing the Company, whether Operational Risk, Financial Risk, or Market Risk) and the Company's applied policies to mitigate and control these risks

The company's business and financial condition or results of operations could be materially affected by any of the following risks. Whilst the list is not exhaustive, it indicates some of the major risks encountered by the company.

COVID-19 Impact

The Covid-19 pandemic posed major challenges to the business, with some large projects got rescheduled and new awards delayed which has negatively impacted company particularly in Q3 2020. This has resulted in lower sales and as compared with previous year. The management undertaken some measures such as cost reduction and control to absorb the pandemic effect.

Cost and Availability of Raw Materials

Prices and availability of raw materials to manufacture the company's products can change significantly due to fluctuations in supply and demand. The company has historically been able to have an adequate supply of raw materials by maintaining good relations with its vendors and stock piling high volume materials. In addition, increased prices have historically been passed on to customers by raising the prices. There is no certainty that the company will be able to pass on future price increases and maintain adequate supply of raw materials. The inability to raise the price of its products and to maintain a proper supply of materials could have a negative impact on sales, operating results and cash flows.

Competition

The company operates in competitive markets. There are a number of companies which compete directly with Red Sea International Company and such competition may put pressure on the margins for the company's products. In addition, the company's future performance might be

adversely impacted by new entrants to its markets. The company sustains its edge over other competitors by continuously providing high quality products, reliable solutions, and unparalleled customer service.

Cyclical Nature of Business

Although the economies of the Middle East and parts of Africa continue to pursue a policy of diversification to enhance the contribution of non-oil sectors to their GDPs, oil related revenues continue to play a dominant role in those economies. The downturn in the price of oil could suddenly turn market conditions unfavorable to new investments which could reduce the demand for remote camps and employee accommodations. In the event such a situation materializes, it may influence the company's performance and financial results.

Business Interruption

The company's business is dependent on the ongoing efficient operations of its manufacturing facilities in Saudi Arabia, UAE, Ghana and Malaysia. Inherent risks include natural disasters, war, accidents to key personnel, power, water supply, and computer equipment failure. Although the company maintains insurance policies consistent with industry norms and has put in place safety and protective measures to minimize the effects of such risks such measures may not adequately compensate the company for losses that may occur, and any losses or damages incurred could have a material adverse effect on revenues.

Governmental Regulations

The company and its subsidiaries are subject to various governmental regulations. Implementation of new regulations or amendments to existing regulations could significantly increase the cost of the company's products. In addition, failure to comply with present or future regulations could result in fines or potential civil or criminal liability. Both scenarios could negatively impact sales, operating results and cash flows.

Dependence on Executive Officers and Other Key Personnel

The company depends on the efforts of its executive officers and certain key employees. The loss of the service of one or more of these individuals could have an adverse effect on the sales, operating results and cash flows of the company. The company therefore strives to creating a suitable working environment to attract and retain qualified and talented personnel who can drive the company's performance to higher levels.

Currency Exchange

The company's expenses and revenues involve several currencies due to procuring the raw materials from different markets, having the manufacturing facilities located in more than one country, and sales being generated from a number of different markets. A significant movement of exchange rate between the Saudi Arabian Riyal and the other currencies in which the company might do any trade may have a material adverse effect on the company's profitability. The company examines foreign exchange risk management tools and apply hedging strategies when needed, however, it still affects the company's profitability due to the added cost of employing such tools.

Political Risk

The company has executed contracts in more than 65 countries around the world. Its activities are concentrated within the Middle East, Africa and East Asia. The major customers of the

company are Mining, Oil & Gas Companies having drilling and refining sites within these regions. Some of the countries catered for by the company have instable political and economic environments, which could substantially affect the performance of the company.

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and will cause the other party to incur a financial loss. As of 31 December 2020, approximately 62% of accounts receivable were due from 4 customers (2019: 7 customers accounting for 58%). Management believes that this concentration of credit risk is mitigated as such proportion of balances are outstanding mainly from customers with whom there has been a sound relationship and an established track record of payments. Cash and short-term deposit balances are placed with banks of sound credit ratings. Accounts receivable are carried net of provision for doubtful debts.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The cash flows, funding requirements and liquidity of Group companies are monitored on a centralized basis, under the control of the Group Treasury. The objective of this centralized system is to optimize the efficiency and effectiveness of the management of the Group's capital resources. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts and bank borrowings. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and borrowing facilities, by continuously monitoring forecasted and actual cash flows and matching the maturity profiles of financial assets and liabilities. The Group currently has sufficient cash on demand to meet expected operational expenses including the servicing of financial obligations.

Oil Price Volatility Risk

Crude oil price is arguably one of the single most important driving forces of the global economy, and its fluctuations have significant effects on the economic growth. The plummeting of the crude oil prices results in Oil & Gas companies calling off and/or putting on hold huge projects, which significantly affects the Company's business since most of our customers fall under this segment. The key step the company has taken to help manage the risk of the volatile oil price is to diversify to other segments and to other geographies that are not major Oil producers. Although diversification can marginally offset the abrupt revenue fluctuations and subside the risk caused by dependence on a single sector, oil price volatility will always be a risk to our business revenue and profits.

Cross Border Risk

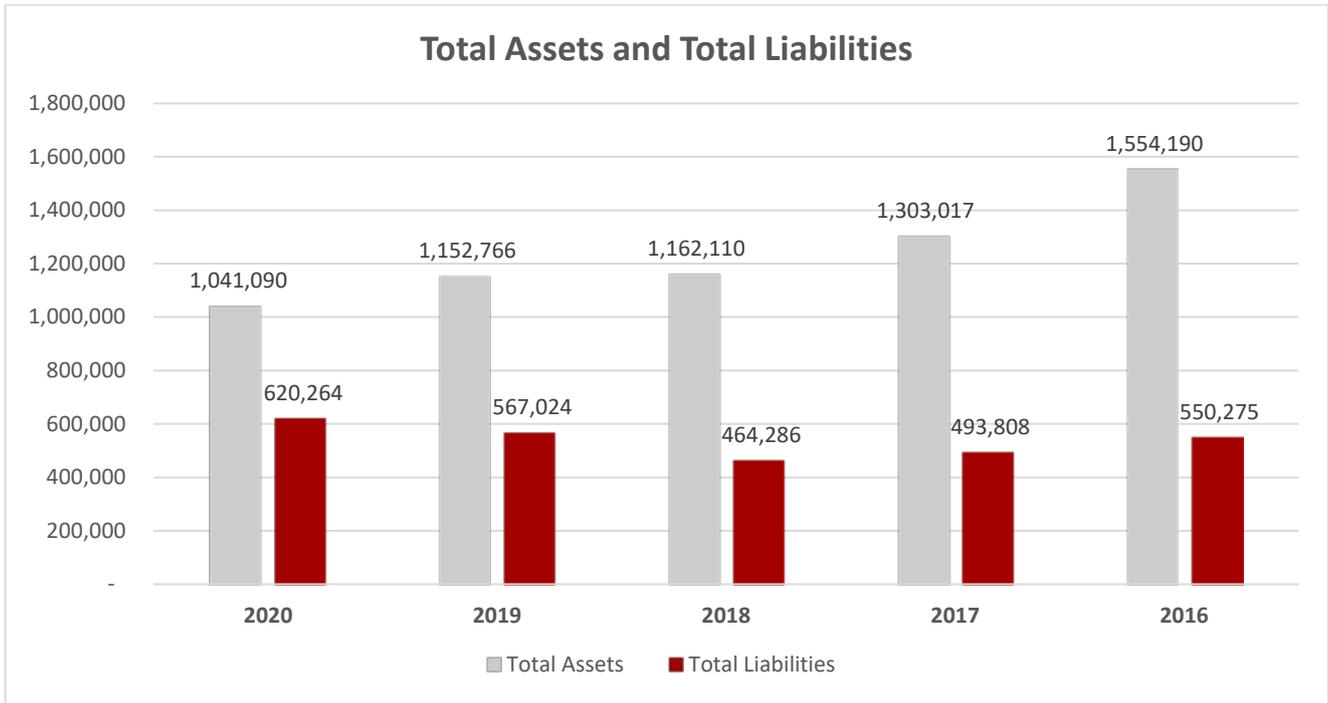
These are risks associated with investment outside the country of domicile due to conditions prevailing in the country the company invests in. Within that context comes the country risk which is the risk that a foreign government will significantly alter its policies or other regulations so that it negatively impacts the business climate in that country or the returns on a particular industry, company, or project. Macro-country risk deals with policy changes that harm, say, exporters or foreign-owned businesses in general, while micro-country risk implies that a government will deliberately target a particular foreign company due to political conflicts.

A summary in the form of table or chart for the Company's Assets, Liabilities, Financial Results for the past five years

The following table summarize the financial performance of the company over the past five years.

Year Amounts in SAR '000	2020 (IFRS)	2019 (IFRS)	2018 (IFRS)	2017 (IFRS)	2016 (IFRS)
Revenues	533,520	606,066	658,616	773,120	1,030,417
Cost of Revenues	(561,868)	(565,360)	(578,882)	(697,967)	(767,076)
Gross profit	(28,348)	40,706	79,734	75,153	263,341
Gross profit %	-5.31%	6.72%	12.11%	9.72%	25.56%
Selling and Marketing	(29,363)	(32,087)	(33,198)	(43,380)	(47,058)
General & Administrative	(72,606)	(59,608)	(73,033)	(79,280)	(95,274)
Impairment of Intangible Assets	(8,234)	(4,962)	(6,417)		
Impairment of Investment Properties	-	-	(5,386)		
Income from Operations	(138,551)	(55,951)	(38,300)	(47,507)	121,009
Other income / (expense)- Net	855	4,153	3,617	1,993	(6,177)
Share in result of investment in associates	(2,454)	-	-	-	-
Financial Income	350	1,688	1,057	304	1,580
Financial charges Net	(13,662)	(14,700)	(11,206)	(12,025)	(15,724)
Income before foreign income taxes, zakat and minority interest	(153,462)	(64,810)	(44,832)	(57,235)	100,688
Foreign income taxes	-	958	(969)	(6,009)	(5,882)
Zakat	(8,664)	(5,500)	(10,850)	(6,493)	(2,577)
Net loss from continuing operation	(162,126)	(69,352)	(56,651)	(69,737)	92,229
Loss from Discontinued Operations	180	(9,609)	(34,041)	-	-
Net loss for the year	(161,946)	(78,961)	(90,692)	(69,737)	92,229
Minority Interest	3,623	4,110	4,950	4,433	(1,885)
Net Income for the year	(158,323)	(74,851)	(85,742)	(65,304)	90,344
Net Income/Sales (%)	-29.68%	-12.35%	-13.02%	-8.45%	8.77%

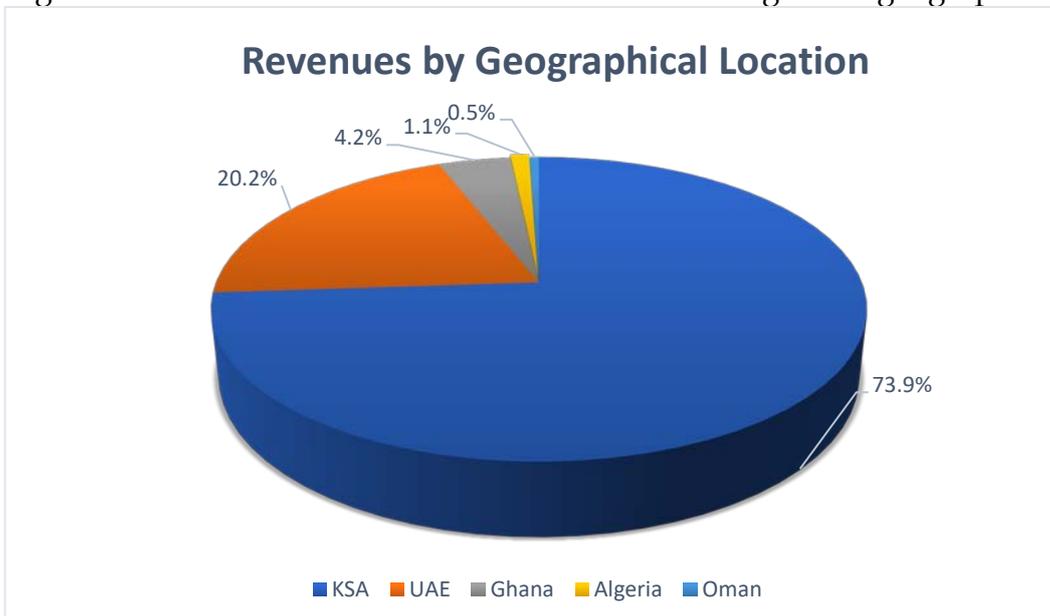
The following tables and charts summarize the assets and liabilities for the past five years (SAR'000).



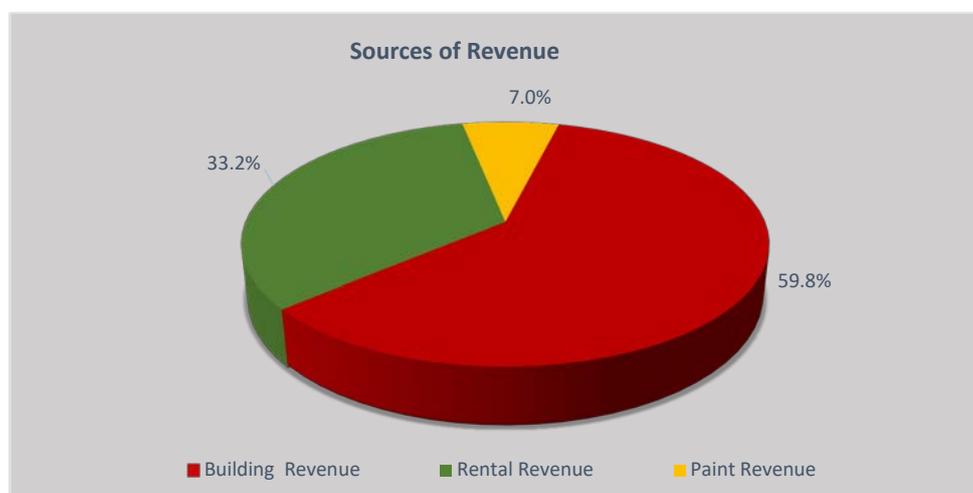
Amounts in SAR '000	2020	2019	2018	2017	2016
Current Assets	489,966	538,080	508,179	531,073	665,537
Non-Current Assets	551,127	614,686	623,606	771,944	888,653
Total Assets	1,041,093	1,152,766	1,131,785	1,303,017	1,554,190
Current Liabilities	482,078	419,227	324,463	299,374	360,679
Non-Current Liabilities	138,189	147,797	140,100	194,434	189,596
Total Liabilities	620,267	567,024	464,563	493,808	550,275

Revenue by Geographical Areas for the Company and its Subsidiaries

The following chart illustrates the revenues for FY2020 according to the geographical location.



The following chart illustrates revenues for FY2020 according to the source of revenues.



The following tables summarizes the revenues of the company and its subsidiaries by geographical location: all in SAR '000

Amounts in SAR '000

Year	Red Sea International, KSA (Consolidated) in SAR '000											
	Total Revenues	KSA	UAE	Kuwait	Iraq	Bahrain	Guinea	Oman	Nigeria	Burkina Faso	Ghana	Algeria
2020	533,520	371,349	95,380	26,952	1,419	505	808	9,120	8,953	2,448	10,736	5,850

Year	Red Sea International, KSA in SAR '000											
	Total Revenues	KSA	UAE	Kuwait	Iraq	Bahrain	Guinea	Oman	Nigeria	Burkina Faso	Ghana	Algeria
2020	394,398	367,480	-	26,918	-	-	-	-	-	-	-	-

Year	Red Sea Housing Services Company FZE, UAE in SAR '000											
	Total Revenues	KSA	UAE	Kuwait	Iraq	Bahrain	Guinea	Oman	Nigeria	Burkina Faso	Ghana	Algeria
2020	107,744	3,869	95,380	34	1,419	505	-	6,234	-	-	303	-

Year	Red Sea Housing Services Ghana Limited, Ghana in SAR '000											
	Total Revenues	KSA	UAE	Kuwait	Iraq	Bahrain	Guinea	Oman	Nigeria	Burkina Faso	Ghana	Algeria
2020	22,642	-	-	-	-	-	808	-	8,953	2,448	10,433	-

Year	SARL Red Sea Housing Services Algeria Limited Algeria in SAR '000											
	Total Revenues	KSA	UAE	Kuwait	Iraq	Bahrain	Guinea	Oman	Nigeria	Burkina Faso	Ghana	Algeria
2020	5,850	-	-	-	-	-	-	-	-	-	-	5,850

Year	Red Sea Housing Services Oman LLC, Oman in SAR '000											
	Total Revenues	KSA	UAE	Kuwait	Iraq	Bahrain	Guinea	Oman	Nigeria	Burkina Faso	Ghana	Algeria
2020	2,886	-	-	-	-	-	-	2,886	-	-	-	-

Details of material variances in operating results between the last Financial Results and previous year.

The following table summarizes the material variances in operating results between the last Financial Results and previous year.

Amounts in SAR '000	2020	2019	Difference	Difference %
Revenues	533,520	606,066	(72,546)	-13.60%
Cost of Goods Sold	(561,868)	(565,360)	(3,492)	-0.62%
Gross Profits	(28,348)	40,706	(69,054)	-243.59%
Operating Expense - Others	(110,203)	(96,657)	13,546	-12.29%
Operating Income	(138,551)	(55,951)	82,600	-59.62%

Details of any variances in the implemented accounting policies from those approved by SOCPA

The Financial Statements for the year ending 31/12/2020, have been prepared in accordance with International Financial Reporting Standards ("IFRS") as endorsed in the KSA.

Details of each Subsidiary, its capital, percentage ownership of the Company, main activity and country of establishment

Red Sea International Company (the "company") holds a group of companies located in different locations throughout the world (the "Group"). Below are the details of the company's subsidiaries as of 31/12/2020.

1. Red Sea Housing Services (Ghana) Limited

- Incorporation Country: Accra, Ghana
- Incorporation Date: 2005
- Main Activities: Manufacturing of Site master 25, Steel Roughneck and Seaway Series buildings. This facility predominantly serves our customers located in North and West Africa.
- Main Country of Operations: Ghana
- 100% owned by Red Sea International Company.

2. SARL Red Sea Housing Services Algeria Limited (Algeria)

- Incorporation Country: Algiers, Algeria
- Incorporation Date: 2006
- Main Activities: Importing of the company's products for local sales and rentals and to support the parent company by way of executing the local installation of prefabricated buildings and general contracting works. It also manages and operates Desert Palm Hotel located in Hassi Masoud.
- Main Country of Operations: Algeria
- 98% owned by Red Sea International Company, while Mr. Jamal Al Dabbagh (Board Member) owns the remaining 2%.

3. Red Sea Housing Services Company Nigeria Limited

- Incorporation Country: Nigeria
- Incorporation Date: 2008
- Main Activities: General contracting, construction, and general maintenance, construction of utilities and civil work and subcontracting.
- Main Country of Operations:
- 97% owned by Red Sea International Company.
- As of 31 December 2020, the subsidiary has not generated any revenues.

4. Red Sea Housing Services Company FZE, Dubai

- Incorporation Country: UAE, Dubai, Jebel Ali Free Zone
- Incorporation Date: 2009
- Main Activities: Manufacturing of prefabricated housing units, in addition to general contracting, construction, and general maintenance, construction of utilities and civil work and subcontracting.
- Main Country of Operations: UAE, Saudi Arabia, Oman, Kuwait
- 100% owned by Red Sea International Company

5. Red Sea Housing Services Company (Libya)

- Incorporation Country: Libya
- Incorporation Date: 2009
- Main Activities: Manufacturing of prefabricated housing units, in addition to general contracting, construction, and general maintenance, construction of utilities and civil work and subcontracting.
- 90% owned by Red Sea International Company.
- Due to the deterioration of the security situation in the region, which resulted in the deferral of numerous anticipated projects in the Oil & Gas sector the company announced that it was unable to finalize the maintenance and preparation process for the factory. The company shall commence the operations once the security situation stabilizes and business conditions improve in the region. As of 31 December 2020, the subsidiary has not generated any revenues.

6. Red Sea Building Materials and Equipment Trading Company

- Incorporation Country: Jeddah, Saudi Arabia
- Incorporation Date: 2012
- Main Activities: Wholesale and retail trading of sanitary and electrical equipment, in addition to all types of paints and coating. It also specializes in buildings' machineries and equipment.
- Main Country of Operations: Saudi Arabia
- 100% owned by Red Sea International Company

7. Premier Paints Company

- Incorporation Country: Jeddah, Saudi Arabia
- Incorporation Date: 2012
- Main Activities: The production and distribution of architectural paints, and industrial and marine coating.

- Main Country of Operations: Saudi Arabia
- 81% owned by Red Sea International Company

8. Red Sea Specialized Investments

- Incorporation Country: Jeddah, Saudi Arabia
- Incorporation Date: 2013
- Main Activities: Investing in industrial, commercial, agricultural, services & real estate.
- 100% owned by Red Sea International Company
- As of 31 December 2020, the subsidiary has not generated any revenues.

9. Red Sea Housing Services (Mozambique) LDA

- Incorporation Country: Maputo, Mozambique
- Incorporation Date: 2013
- Main Activities: The construction of industrial camps, import, sell, lease, install & maintain prefab buildings and related equipment.
- Main Country of Operations: Mozambique
- 100% owned by Red Sea International Company

10. Red Sea Housing Services (Oman) LLC

- Incorporation Country: Masqat, Oman
- Incorporation Date: 2013
- Main Activities: The Subsidiary specializes in the construction of industrial camps, import, sell, lease, install & maintain prefab buildings and related equipment.
- Main Country of Operations: Oman
- 100% owned by Red Sea International Company

11. Red Sea Affordable Housing Company

- Incorporation Country: Jeddah, Saudi Arabia
- Incorporation Date: 2014
- Main Activities: The Subsidiary specializes in the investment and development of real estate, including the purchase, lease, development and sale of properties, and investments through the sale of such properties or lease to the company, and the construction of buildings, and the execution of Affordable Housing projects, and other relevant real estate development projects.
- 100% owned by Red Sea International Company.
- As of 31 December 2020, the subsidiary has not generated any revenues

12. Red Sea Residential City Company

- Incorporation Country: Jeddah, Saudi Arabia
- Incorporation Date: 2014
- Main Activities: General contracting, investment and real estate development, including the purchase and lease of buildings and properties, and the construction of buildings and housing projects and other real estate development projects
- 100% owned by Red Sea International Company
- As of 31 December 2020, the subsidiary has not generated any revenues

13. Red Sea Housing Projects Company (RSHP)

- The company was formerly named Red Sea Real Estate Development Company
- Incorporation Country: Jeddah, Saudi Arabia
- Incorporation Date: 2014
- Main Activities: construct, manage and operate the integrated residential complexes and other real estate development projects, and general contracting for buildings, residential and commercial constructions.
- 100% owned by Red Sea International Company.
- As of 31 December 2020, the subsidiary has not generated any revenues.

14. Red Sea Housing Services - Singapore Pte. Ltd

- Incorporation Country: Singapore
- Incorporation Date: 2015
- Main Activities: General contracting, construction, installation, construction of utilities and civil work and subcontracting
- 100% owned by Red Sea International Company
- As of 31 December 2020, the subsidiary has not generated any revenues.

15. Red Sea Housing Services - Malaysia Sdn. Bhd.

- Incorporation Country: Kuala Lumpur, Malaysia
- Incorporation Date: 2016
- Main Activities: General contracting, construction, installation, construction of utilities and civil work and subcontracting.
- 100% owned by Red Sea International Company
- As of 31 December 2020, the subsidiary has not generated any revenues

16. Red Sea Modular Rentals LLC, Dubai

- Incorporation Country: Dubai, UAE
- Incorporation Date: 2018
- Main Activities: Trading and Rental activities of Pre-Fabricated Houses.
- Main Country of Operation: UAE
- 49% owned by Red Sea Housing Services Company FZE, Dubai

17. Red Sea Modular Rentals (Kuwait) WLL, Kuwait

- Incorporation Country: Kuwait.
- Incorporation Date: 2019
- Main Activities: Construction and leasing of Modular Houses.
- Main Country of Operation: Kuwait
- 100% owned by Red Sea Housing Services Company FZE, Dubai
- As of 31 December 2020, the subsidiary has not generated any revenues

18. Red Sea Construction LLC Dubai

- Incorporation Country: Dubai, UAE
- Incorporation Date: 2018
- Main Activities: Building Contracting, Implementation, Steel Construction contracting
- Main Country of Operation: UAE
- 100% owned

19. Red Sea Housing Malaysia Sdn. Bhd. ("RSHM")

- Incorporation Country: Kuala Lumpur, Malaysia
- Incorporation Date: 2016
- Main Activities: General contracting, construction, installation
- Main Country of Operation: Malaysia
- Ownership 49%

20. Red Sea Housing Company PNG Limited (Papua New Guinea)

- Incorporation Country: Papua New Guinea
- Incorporation Date: 2017
- Main Activities: General contracting, construction, installation, construction of utilities and civil work and subcontracting.
- Main Country of Operation: Papua New Guinea
- 20% owned by Red Sea International Company, Saudi Arabia.

Details of shares and debt instruments issued for each subsidiary.

The following table provides details of the shares which represents the share capital of each of the company's subsidiaries. None of the company's subsidiaries has issued any classes of shares or debt instruments during the period ending 31/12/2020.

	NAME	PAID-UP CAPITAL	NUMBER OF SHARES
(1)	Red Sea Housing Services (Ghana) Limited ("RSG")	USD 50,000	450,000
(2)	SARL Red Sea Housing Services Algeria Limited ("RSA")	DZD 20,000,000	20,000
(3)	Red Sea Housing Services Company Nigeria Limited	NGN 2,000,000	2,000,000
(4)	Red Sea Housing Services Company Dubai FZE ("RSD")	AED 1,000,000	1
(5)	Red Sea Housing Services Company Libya ("RSL")	LYD 300,000	10,000
(6)	Red Sea Building Materials and Equipment Trading Company ("RSBM&ET")	SAR 50,000	500
(7)	Premier Paints Company ("PPC")	SAR 10,000,000	10,000
(8)	Red Sea Specialized Investments ("RSSI")	SAR 50,000	500
(9)	Red Sea Housing Services (Mozambique), LDA ("RSM")	MT 15,000,000	-
(10)	Red Sea Housing Services LLC, ("RSO")	OMR 250,000	250,000
(11)	Red Sea Affordable Housing Company ("RSAH")	SAR 50,000	500
(12)	Red Sea Residential City ("RSRCC")	SAR 50,000	500
(13)	Red Sea Housing Projects Company ("RSHP")	SAR 50,000	500
(14)	Red Sea Housing Services Singapore Pte. Ltd. ("RSHS")	USD 100	100
(15)	Red Sea Housing Services Malaysia Sdn. Bhd. ("RSSM")	RM 600,000	600,000
(16)	Red Sea Modular Rentals LLC (RSMR)	AED 300,000	300
(17)	Red Sea Modular Rentals (Kuwait) WLL, Kuwait	KD.1,000	100
(18)	Red Sea Construction LLC ("RSC")	AED 300,000	300
(19)	Red Sea Housing Malaysia Sdn. Bhd. ("RSHM")	MYR. 6,122,450	6,122,450
(20)	Red Sea Housing Company PNG Limited	Kina. 1,500,000	1,500,000

1. Red Sea Housing Services Company PNG and Red Sea International Company, Abu Dhabi are branches fully owned by Red Sea International Company and is considered as a subsidiary.

Description of the Company's dividend distribution policy

The Company's annual cash dividends are distributed after deducting all general and other expenses as follows.

- a) Annually, the Corporation shall set aside ten percent (10%) of the net profits to form the statutory reserve. The Ordinary General Meeting may decide to stop this deduction whenever the said reserve amounts reach thirty percent (30%) of the capital of the Company. If in any year, the reserve falls below thirty percent (30%) of the capital, the Company shall again set aside until the reserve reaches thirty percent (30%) of the capital. The Ordinary General Meeting has the authority to decide other kinds of reserves.
- b) The Ordinary General Assembly may, based on a recommendation by the Board of Directors, set aside a certain percentage of the Annual Net Profits to form a Conventional Reserve allocated to support the Company's Financial Position.
- c) The Ordinary General Assembly may resolve to form other reserves in such an amount as to ensure the Company's best interest or ensure distribution of as steady Dividends as possible to the Shareholders. That same Assembly may also withhold amounts from the Net Profits for the creation of Social Organizations for the Company's Employees and Workers or for supporting such Organizations as may already be in existence.
- d) Out of the remaining amounts thereafter shall be distributed to the Shareholders, in a percentage not less than (5%) of the Company's Paid-up Capital.
- e) Subject to the Provisions prescribed in the Article (22) of the Company's Bylaws and Article (76) of the Companies Law, and following the aforementioned, a percentage not exceeding (10%) out of the remaining shall be allocated to the remunerations of the Board of Directors, provided that, the entitlement to the remunerations shall be proportional to the number of Meetings (Sessions) attended by the Member.

Description of any interest in the class of shares with voting rights belong to persons (other than the Members of the Board, Senior Executives and their relatives)

The following table includes the list of major shareholders, other than Board Members and Senior Executives of the company or any of their relatives, who have previously disclosed their interests of shares in the company and own 5% or more of the total number of issued shares as of 31/12/2020.

	Name	Number of Shares at the start of the year	Number of Shares at the end of the year	Difference	Percentage Change
1	Al Dabbagh Group Holding Company	30,600,000	30,600,000	-	-
2	Supreme Foods Company Limited	3,000,000	3,000,000	-	-
3	National Scientific Company Limited	3,000,000	3,000,000	-	-
4	Marketing and Commercial Agencies Limited	3,000,000	3,000,000	-	-
5	Tanmiah Group Limited	5,400,000	5,400,000	-	-

A description of any interest or contractual financial paper or subscription rights pertaining to Members of the Board, Senior Executives, or their relatives in the Company's or its Subsidiaries shares or debt instruments or any changes in these interests or rights in the past financial year

With respect to the company and its subsidiaries, none of the Board Members or Senior Executives or any of their spouses and minor children were entitled for share options or rights during FY2020.

The interests of Board Members, their wives and minor children in the company's shares, debt instruments or any of its subsidiaries, in addition to the changes of ownership during 2020 are shown in the following table.

Description of Board Members' Interests in the Company's and its Subsidiaries in the Form of Shares or Debt Instruments							
Board Member Name		Start of Year		End of Year		Net Change	Percentage Change
		No. of shares	Debt Instruments	No. of shares	Debt Instruments		
1	Mr. Amr Al Dabbagh	-	-	-	-	-	-
2	Mr. Jamal Al Dabbagh	1,999	-	1,999	-	-	-
3	Mr. Saleh Binladen	-	-	-	-	-	-
4	Mr. Sami Binmahfooz	2,334	-	2,334	-	-	-
5	Mr. Taher Agueel	-	-	-	-	-	-
6	Mr. Brian Lash	-	-	-	-	-	-
7	Mr. Peter Walichnowski	-	-	-	-	-	-
8	Mr. Tareq Telmesani	-	-	-	-	-	-
-	Mr. Mohamed Jazeel	1,999	-	1,999	-	-	-
-	Dr. Muhammad Ikhwan	15,000	-	15,000	-	-	-

The interest of Mr. Jamal Al Dabbagh in SARL Red Sea Housing Service Company (Algeria) as of 31/12/2020 is shown in the table below.

	Start of Year		End of Year		Net Change	Percentage Change
	Shares	Debt Instruments	Shares	Debt Instruments		
Mr. Jamal Al Dabbagh	200	0	200	0	-	-

Description of Senior Executives' Interests in the Company's and its Subsidiaries in the Form of Shares or Debt Instruments								
No.	Name of the Senior Executive	Position	Start of Year		End of Year		Net Change	% Change
			No. of Shares	Debt Instrument	No. of Shares	Debt Instrument		
1	Mr. Tareq Telmesani	CEO	-	-	-	-	-	-
2	Mr. Stephan Ashford	COO	-	-	-	-	-	-
3	Mr. Tanveer Ghayur	CFO	-	-	-	-	-	-
4	Clinton Genty-Nott	CLO	-	-	-	-	-	-
	Mr. Anjan Mitra	Ex-CFO	-	-	-	-	-	-
	Mr. William Ali Mills	Ex-CEO-IHD	-	-	-	-	-	-

Details pertaining to credit facilities loans taken by the Company,

The below table provides details of the availed loans according to banks. (in SAR '000)

	Lending Party Amounts in SAR '000	Original Loan Amount	Duration	Amounts Paid in 2020	Remainin g Amount	Total Debt for the Company and its Subsidiarie s
1	National Commercial Bank (Medium Term Loan)	80,000	5.5 Yrs	14,315	5,079	-
2	Riyad Bank (Medium Term Loan)	20,000	4 Yrs	2,317	5,183	-
3	Riyad Bank (Medium Term Loan)	30,000	5 years	3,003	11,997	-
4	Al Rajhi Bank (Medium Term Loan)	20,000	5.5 Yrs	7,035	-	-
5	Al Rajhi Bank (Medium Term Loan)	15,000	4.5 Yrs	1,700	-	-
6	Banque Saudi Fransi (Medium Term)	60,000	5.8 Yrs	10,286	25,714	-
7	Riyad Bank (Short Term Loan)	20,000	180 days	-	-	-
8	National Commercial Bank (Short Term Loan)	50,000	180 days	15,000	25,000	-
9	SABB (Short Term Loan)	30,000	180 days	5,000	15,000	-
10	Banque Saudi Fransi (Short Term)	50,000	360 days	5,000	45,000	-
11	Saudi Hollandi Bank (Short Term)	12,000	180 days	1,650	9,273	-
12	Al Rajhi Bank (Short Term Loan)	20,000	180 days	-	-	-
	Total	-	-	65,306	142,246	142,246

A description of the classes and numbers of any convertible debt instruments and any contractual securities, notes, rights issued or granted by the Company during the financial year

The company, including all of its subsidiaries did not grant, nor issue, nor convert, any convertible debt instruments, options, warrants or similar rights issues during and prior to FY2020.

Description of any rights of transfer or subscription under convertible debt instruments or securities Contractual or subscription rights, or similar rights issued or granted by the Company

The company, including all of its subsidiaries did not issue or grant any conversion or subscription rights under any convertible debt instruments, contractually based securities, warrants or similar rights during and prior FY2020

Description of any refund, purchase or cancellation by the Company for any redeemable debt instruments

The Company or its subsidiaries have not redeemed, purchased, or cancelled any redeemable debt instruments, whether listed or unlisted, during FY2020

Number of Board Meetings held during the year, convention dates, and attendance record

	Name	Number of Board Meetings Held in 2020			
		1 st Meeting 27/02/2020	2 nd Meeting 4/06/2020	3 rd Meeting 17/08/2020	4 th Meeting 9/11/2020
1	Mr. Amr Al Dabbagh –Chairman	Present	Present	Present	Present
2	Mr. Jamal Al Dabbagh	Present	Present	Present	Present
3	Mr. Sami BinMahfooz	Present	Present	Present	Present
4	Mr. Saleh Binladen	Apologized	Present	Apologized	Apologized
5	Mr. Brian Lash	Present	Present	Present	Present
6	Mr. Taher Agueel	Present	Present	Present	Present
7	Mr. Peter Walichnowski	Not A Member	Present	Present	Present
8	Tareq Telmesani	Not A Member	Not A Member	Not A Member	Not a Member
-	Mr. Mohamed H. Jazeel	Present	Present	Present	Not a Member
-	Dr. Muhammad Ali Ikhwan	Present	Not A Member	Not A Member	Not a Member

Last General Assembly Meeting was held on: 22/04/2020

Number reports of Shareholders' Records requested, dates and reasons.

No.	Date	Reason
1	19/01/2020	Company Procedures
2	22/04/2020	AGM
3	17/10/2020	Company Procedures
4	22/11/2020	Company Procedures

Details of any transaction between the Company and a Related Party.

The below tables summarize the transactions between Red Sea International and the Related Parties during FY2020:

The Related Party	Nature of Relation	Nature of the Transaction	Duration	Value SAR
Al Dabbagh Group Co.	Major shareholder in Red Sea International Company, with 70% ownership	Purchase of air tickets, hotel booking and travel expenses	Multiple-Periods	784,160

Information relating to any business or contracts to which the Company is a party in, whereby there is an interest for a Member of the Board or one of the Senior Executives or a person related to any of them.

During FY2020, the Company continued engaging in numerous contracts, whereby a number of Board Members have direct or indirect interests in. These contracts have been concluded during the previous years and considered extensions of ongoing relationships that started prior to FY2020. These contracts are summarized in the table below.

Nature of the Transaction	Value SAR	Duration	Special Terms	Name of the Board Member
Purchase of air tickets, hotel booking and travel expenses from Al Dabbagh Group Company.	784,160	Multiple-Periods	Nil	
Red Sea International Company leased a plot of land in Rabigh Province from Mr. Saleh Binladen to construct a labor camp for the employees of the companies operating in the area.	883,391	Annual	Nil	Mr. Saleh Binladen

Details of any arrangement whereby a Member of the Board or a Senior Executive has waived his right to receive any of the entitled remunerations.

Below is the list of Board Members who have waived their right to compensation during FY2020.

No.	Name	Position	Details of waived Compensation	Amount Waived SAR
1	HE Mr. Amr Al Dabbagh	Chairman of the Board	Chairman Remuneration	200,000
			Membership Remuneration	200,000
			Executive Committee Remuneration	175,000
2	Mr. Jamal Abdullah Al Dabbagh	Vice Chairman	Vice Chairman Remuneration	200,000
			Membership Remuneration	200,000
			Audit Committee Remuneration	100,000
			Executive Committee Remuneration	175,000
3	Mr. Mohamed Husnee Jazeel	Member of the Board	Board Membership Remuneration	171,000
			Audit Committee Remuneration	100,000
			Executive Committee Remuneration	175,000
4	Mr. Saleh Binladen	Board Member	Board Membership Remuneration	200,000

Details of any arrangement whereby a shareholder has waived his right to receive any of the entitled dividends

There was no arrangement whereby a shareholder has waived his right to receive any of the entitled dividends in 2020.

Details of the Statutory Obligations paid or entitled for payment to GAZT, Customs, or any other fees or payables for the year, with a brief description of these obligations and their reasons

The Company and its KSA subsidiaries are subject to zakat in accordance with the regulations of the General Authority of Zakat and Tax ("GAZT"). Zakat, for the Company and its Saudi Arabian subsidiaries, is calculated based on the higher of approximate zakat base and adjusted profit. Foreign shareholders in the Company and its Saudi Arabian subsidiaries are subject to income taxes. Zakat and income tax is charged to the consolidated statement of profit or loss. Additional amounts, if any, are accounted for when determined to be required for payment.

The Company also settles all statutory payments due for the payment of any Zakat, Taxes, Fees or any other entitlements according to the regulations issued by the relevant authorities.

Statutory Obligations paid or entitled for payment to GAZT, Customs, or any other fees or payables for the year, with a brief description of these obligations and their reasons:

In SAR	2020		Description	Reasons
	Settled Amounts	Unsettled for 2020		
Zakat	6,732,667	20,649,793	Amounts settled or carried for the year in accordance with the regulations of GAZT.	Additional amounts will be settled in 2021 in accordance with the allowed timeline.
Income Tax	48,371	3,318,750	Amounts settled or carried for the year in accordance with the regulations of GAZT.	Additional amounts will be settled in 2021 in accordance with the allowed timeline.
GOSI	3,082,061.92	337,390.39	Amounts settled or carried for the year in accordance with the regulations of GOSI.	Additional amounts will be settled in 2021 in accordance with the allowed timeline.
Visas and Passport Services	11,096,500	-	Amounts settled or carried for the year in accordance with the regulations of Passport General Department.	

Corporate Social Responsibility

Red Sea International is committed to meeting its corporate responsibilities for the sake of future generations. We are committed to the communities across the countries that we have our presence in. We believe that integrating sustainable development & community engagement into our long-term strategy is the key to sustainable outcomes both for ourselves as well as our customers.

We practice pre-cycling which is eliminating the very creation of waste by our modular construction methodology. Modular construction helps reduce some of the significant waste streams in traditional construction, effectively we are able to achieve up to 90% reduction in wastes by using this off-site manufacturing building technology.

Shifting to solar power in camps and company offices, adopting recycling program for all used oils (Cooking Oil & Generator Oil), going green promoting energy efficient containerized solutions by moving to LED lights in place of conventional lighting. Introducing a dedicated Environmental Management Plan and work closely with clients to ensure compliance to standards and to create a balance with the local community's environmental economic needs. Enhancing Worker Welfare and Safety Culture through engaging the worker in many training programs, business culture and ethics.

Red Sea International is proud to be able to work and reach out to people in the most remote locations especially when supporting governments - focusing on local employment and promoting and contributing to betterment of life for future generations. It has supplied essential materials required by non-profitable organization, equip children with the essential stationaries to pursue their education, provide assistance to needy, help teams conduct investigation on the methods to tackle global housing shortage, educate the teams on what it would entail to either convert containers into living quarters or build structures using modular building techniques. We take inspiration from our shareholders global vision in social responsibilities.

Details of investments or reserves made for the Company's Employees.

The below table illustrates the End-of-Service Benefits allocated to the company's staff in accordance with rules and regulations of the Labor Offices in Saudi Arabia and United Arab Emirates for the periods ending 31/12/2019 and 31/12/2020. Amounts in '000

End of Service Benefits	2020 SAR '000	2019 SAR '000
Start of the Year	34,495	38,025
Net benefit expense	5,108	4,006
Benefits paid	(8,000)	(11,906)
Remeasurement loss on employees' defined benefit liabilities	1,394	4,370
End of the Year	32,997	34,495

Any reservations mentioned in the External Auditor's Report

The External Auditor's Report for 2020 did not include any reservations.

In case the Board has recommended changing the External Auditor before the agreed auditing term

The Board did not make any recommendations in 2020 to change the External Auditor before the expiry of the agreed auditing term.

Disclosure of details of Treasury shares held by the Company & details of the uses of such shares

The Company has not acquired and does not hold any treasury shares.

General Disclosures as Per CMA's Charters

- Company's records were prepared in an accurate manner.
- The internal control system has been prepared on a sound basis and implemented effectively.
- That there is no doubt in the Company's ability to continue its activity.

List of implemented and non-implemented provisions of CMA Corporate Governance Regulations, and justifications therefor

Red Sea International Company ensures the adherence to the rules and regulations related to corporate governance that are stated in the Companies Laws stipulated by the Ministry of Commerce and Investment, and the relevant CMA Charters with respect to the rights of shareholders and obligations towards continuous transparency. Below is a table stating the rules that have not been implemented and shall be rectified in the near future.

No.	Article No.	Article	Comments
1	70	Composition of the Risk Management Committee "optional item"	Risk management and governance functions are well managed by trained staff under supervision of the board and its respected committees, also the board continuously evaluates the need to form the committees in the future.
2	95	Formation of a Corporate Governance Committee "optional item"	

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