



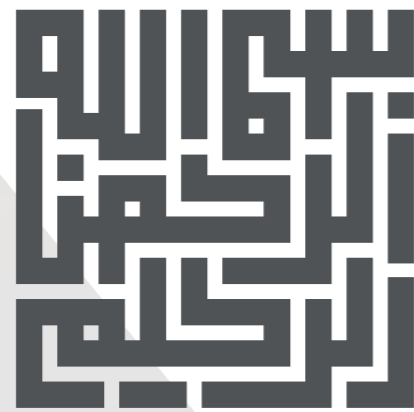
الشركة الوطنية لتصنيع وسبك المعادن
National Metal Manufacturing & Casting Co.

BOARD OF DIRECTORS REPORT OF

2025



www.maadaniyah.com



Custodian of the Two Holy Mosques

King Salman bin Abdulaziz Al Saud

May Allah protect him



His Royal Highness

Prince Mohammed bin Salman bin Abdulaziz Al Saud

Crown Prince, Prime Minister

May Allah protect him



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Introduction

To the esteem shareholders of the National Metal Manufacturing and Casting Company (Maadaniyah), Peace, mercy, and blessings of God be upon you.

The Board of Directors of the National Metal Manufacturing and Casting Company is pleased to present to the company's shareholders its annual report on the company's operations and performance for the fiscal year ending 31 December 2025, along with the audited financial statements, accompanying notes, and the auditors' report for the fiscal year ending 31 December 2025.

35,4 million shares **divided into**

354 million SAR **Company capital**

Company Vision:

To be leaders in our industry, achieving competitive efficiency, continuous growth, and leadership in the local market, as well as a presence in global markets.

Company Mission:

Commitment to best professional practices, providing integrated products and services that meet the satisfaction of our clients, and achieving the targeted outcomes for stakeholders.

Company Value:

Implementing best professional practices, adhering to good governance, working to protect the interests of all partners, including shareholders, regulators, and employees, and maintaining a suitable work environment.



Chairman Message

Dear shareholders, valued customers, our partners in success:

On behalf of the Board of Directors, I welcome you and present the 2025 annual report. This year, we faced significant challenges, as anticipated, but also proved our resilience, adaptability, and ability to keep production lines running at full capacity.

Acknowledgments

We sincerely thank the government institutions for their initiatives and facilities in elevating the standards of Saudi products. We also deeply appreciate our valued shareholders for their ongoing trust and support, as well as our customers for their confidence in our products.

Financial Performance (2025)

As expected, the company encountered tough market conditions in 2025. However, quick corrective actions taken by management to improve operational efficiency helped us offset these losses. As a result, losses decreased compared to the previous year, demonstrating the robustness of our operational fundamentals.

Looking Forward to 2026: A Plan for Regaining Profitability

Despite our expectation that 2026 will present challenges in both the domestic and export markets, the Board of Directors reaffirms its unwavering commitment to eliminating losses and achieving profitability.

To this end, the Board has adopted a strategic plan for 2026 based on:

1. Restructuring the company, which commenced in mid-2025.
2. Improving operational efficiency by reducing unnecessary administrative and operational expenses.
3. Increasing revenue through the operation of announced projects.
4. Recruiting highly qualified and professional personnel.

In conclusion, we are confident that the actions taken will set the company on a path to eliminate losses, boost profitability, and achieve sustainable growth. We look forward to the coming years with optimism, certain that we can deliver rewarding returns to our shareholders.

**Sincerely,
Board Chairman**



Eng. Mutlag Bin Hamad Al Moreshid
Chairman of Board of Directors



Vice Chairman / CEO Statement

To valued shareholders and clients,

With full transparency and accountability, I am pleased to present our 2025 Annual Report. It covers detailed financial data, company insights, and information about the board members, committees, and executive leadership.

We extend our deepest gratitude to the wise government for its unwavering support of the stability of the national economy. We also value our clients' loyalty and are grateful to our esteemed shareholders for their confidence in our long-term vision.

Our 2025 results showed financial losses impacted by market challenges. However, our significant achievement lies in the success of our plan to mitigate these losses, reducing them substantially compared to last year, demonstrating the resilience of our business model and its ability to adapt to market conditions.

We approach 2026 with a realistic outlook, fully aware of the anticipated economic challenges and changes. Despite these pressures, our strategy to offset losses and achieve profitability will continue through the programs the company has adopted.

We also aim to achieve profitability by operating our valve manufacturing plant, which is expected to start in 2026, and by pursuing partnership opportunities in new projects to diversify our revenue streams and boost profitability.

We have a prudent management team that prioritizes protecting shareholder rights and ensuring the company's sustainability. We affirm our commitment to successfully navigating 2026, a crucial stepping stone towards a more stable future, through the company's strategic plans and the government's support for national companies.

With sincere regards,

Vice Board Chairman & CEO of the company



Eng. Shaker Al Otaibi
Vice Chairman/CEO



01. Company Activity

National Metal Manufacturing and Casting Company (Maadaniyah) was established by Ministerial Resolution No. (253) dated 13 Rabi' al-Awwal 1411H, corresponding to 2 October 1990, and registered as a Saudi joint-stock company under Commercial Registration No. (2055002251) dated 16 Jumada al-Awwal 1411 H, corresponding to 3 December 1990, issued in Jubail City.

The company's activity consists of producing and marketing stranded wires for prestressed concrete, spring wires, cable reinforcement wires, twisted reinforcing wires for carrying electrical conductors, welding wires, various bolts and nuts, hardened steel screws, and screws of various shapes, through the Wire Drawing and Related Products Factory (ASLAK) in Jubail Industrial City, under Industrial License No. (412) issued on 4/11/1405 H.

The company also has two other factories in the Dammam 2nd Industrial City, under industrial license number (360) issued on 10/29/1403 H, in the name of the Axles, Foundries & Spare Parts Factory - the first factory specializes in the production and marketing of axles and spare parts for trailers and trucks, and the second factory specializes in the production of all metal castings.

The following table shows the impact of each activity on the company's business volume and sales:

Value in Thousand Riyals

Activity	2025	Percentage	2024	Percentage
Drawn Wires & Their Products	171,784	72%	153,549	63%
Axles, Foundries & Spare Parts	68,214	28%	90,949	37%
Total	239,998	100%	244,498	100%



02. Future Plans and Risks

a. Plans and Milestones:

1. The company achieved sales of SAR 240 million, a decrease of about 2% compared to the sales of the previous year, due to the decrease in metal castings, trailer axles and their spare parts, as sales in this sector decreased by 25%. In contrast, sales of drawn wires increased by 12% due to stronger demand in the local and export markets. Details of sales achieved by the market are in the revenue geographical analysis.

2. The company expects improved results during 2026 as a result of the expected improvement in demand for the company's products in the local market and export markets based on the announced projects of Saudi Arabia to host Expo 2030 and the World Cup in 2034, as well as indicators of growth in demand in the targeted export markets.

3. Iron wire coils represent the primary raw material for the main products and constitute a significant portion of the cost. The company works to mitigate the effects of iron price fluctuations by closely monitoring prices, issuing purchase orders, and stabilizing prices at appropriate times. It also implements effective programs and plans to reduce other costs.

4. A factory producing specialized valves for the oil, gas, and petrochemical sectors, wholly owned by the company, is in King Salman Energy Park in the Eastern Province. All initial procedures for establishing the factory have been completed, and commercial registration for the project has been issued under the name Bas Gulf Industry Company.

A construction contractor has been contracted, and purchase orders for machinery and equipment have been issued. During 2025, a banking facilities agreement was signed with a commercial bank to finance part of the project's capital requirements.

The project is in its final stages of construction and installation of machinery and equipment. The company expects to begin production and sales during the third quarter of 2026.

It should be noted that the company has established a maintenance centre at the BAS Gulf Industry Factory in the Dammam 2nd Industrial City. Marketing of the factory's products has commenced, and the company has received price quotes from potential clients in the local and export markets. If purchase orders are received, the products will be supplied by Valvo Spain under the name BAS Gulf Industry Company, in accordance with the technology transfer agreement signed between the two parties.

The cost of the BAS Gulf Industry Company project is approximately SAR 105 million. Currently, financing is being provided through internal company resources and commercial banks. The Industrial Development Fund will be approached at a later stage. The specialized valves represent a vertical expansion of the company's product portfolio, as they are compatible with the company's existing products and are characterized by the following:

A) Products with high profit margins compared to those of drawn wire products.

B) Difficulty entering this market reduces the potential impact of local competitors.

C) Vertical and horizontal expansion is possible by adding other types of valves as needed in the market.

D) The factory will supply products to the local market as an alternative to imports.

5. Work is still underway to establish the Saudi Automotive Company, which specialises in the manufacture of cars and their parts. The establishment contract was signed with the Saudi National Automotive Manufacturing Company (SNAM), and land was allocated for the project in Jubail Industrial City. The company contributed 10% of the capital, and construction work and installation of production lines have begun. The project is in advanced stages of implementation.

6. A commercial registration was obtained for a factory specializing in

aluminum casting under the name (National Fair Metal Casting Company). The project is a partnership with the IGL group, under which land was allocated for its establishment in the Dammam 2nd Industrial City. Work on implementing the project was temporarily halted due to insufficient funding.

7. The company will continue working to increase its market share in its core products by leveraging available production capacity, maintaining quality, and enhancing after-sales services.

8. The company will continue its plans to seek viable industrial investment opportunities and explore the possibility of increasing production capacity for its existing products.

9. The company is committed to recruiting and training young Saudi nationals, strengthening Saudization programs, and providing a suitable work environment to promote job stability.



02. Risks:

1. Raw Material Risks :

Raw materials account for a substantial share of the company's product costs, making it vulnerable to price fluctuations and volatility in key raw materials. To reduce these risks, the company actively monitors changes in iron prices in both local and international markets.

2. Utilities Risks :

Electricity and water are part of production costs, and increases in energy prices are among the factors affecting the company's ability to compete in foreign markets.

3. Marketing Risks :

The company markets its products in the local and neighboring markets. Due to global economic conditions and low demand in some major countries, the targeted markets are expected to witness tough competition from global producers. The company works to mitigate the impact of these risks by:

- a- Focusing on product quality.
- b- Providing after-sales services.
- c- Retaining customers by offering competitive prices and service.

4. Credit Risk :

This is the risk of financial loss to the Group if a client or counterparty to a financial instrument fails to meet its contractual obligations, primarily arising from the Group's customer receivables. The Company has implemented procedures to manage credit risk, including credit eligibility assessments, formal credit approvals, setting credit limits, monitoring outstanding accounts receivable, maintaining a detailed receivables debt ageing statement, and ensuring close follow-up. The Group measures the provision for losses on trade receivables at the expected credit loss over the lifetime of the receivables. Expected credit losses are estimated collectively for trade receivables using a provision matrix that references historical loss rates, is adjusted for general economic conditions in the industry in which the debtors operate, and is based on management's best judgment of current and expected conditions at the reporting date. For details, refer to Note 43 regarding the consolidated financial statements.

5. Risks from Other Financial Assets :

This point primarily includes bank deposits and other receivables. The credit risk arising from these financial assets is limited. Banks and recognized financial institutions have high credit ratings from international credit rating agencies.

6. Liquidity Risks :

These are the difficulties the Group may encounter in providing cash to meet its obligations related to financial requirements settled by the delivery of cash or another financial asset. The Company's approach to liquidity management is to ensure, as far as possible, that it always has sufficient liquidity to meet its obligations as they fall due, in both normal and difficult circumstances, without incurring unacceptable losses or risking damage to the Company's reputation. The Company confirms that it has sufficient cash on demand to cover expected operating expenses, including serving financial obligations, except for the possible impact of extremely difficult and reasonably unpredictable circumstances and force majeure events such as natural disasters.

7. Market Risk :

Market risk is the risk associated with changes in market prices, such as interest rates and foreign exchange rates, which can affect the Group's income or the value of its financial instruments. The objective of market risk management is to control exposure to market risk through acceptable transactions while optimizing returns.

8. Currency Risk :

The Company's exposure to currency risk is immaterial because most transactions are denominated in US dollars, which have historically been pegged to the Saudi Riyal. Regarding other cash assets and liabilities denominated in foreign currencies, the Company confirms that its net exposure will remain at an acceptable level by buying or selling foreign currencies at spot rates when necessary to address short-term imbalances.

9. Interest Rate Risk :

Interest rate risk is the risk that the fair value of financial instruments or their associated cash flows will fluctuate due to changes in market commission rates. The Group had no significant commission-bearing assets as of 31 December 2025. Fixed-rate time deposits are therefore not subject to interest rate risk. However, the Group's liabilities are subject to commission/interest rate risk, and the Group continues to monitor its exposure to such risks.

10. Capital Management :

The company's objectives in managing capital are to protect the Group's ability to continue delivering returns to shareholders and benefits to other beneficiaries, and to maintain an optimal capital structure to minimize the cost of capital. To maintain or modify the capital structure, the Group may adjust the amount of dividends paid to shareholders, issue new shares, or obtain/repay financing from/to financial institutions. In line with industry practices, the Group manages capital risk by monitoring debt levels and liquid assets, taking into account future investment requirements and shareholder expectations.



03. Company Assets & Liabilities, & Results of Operations for Last Five Years

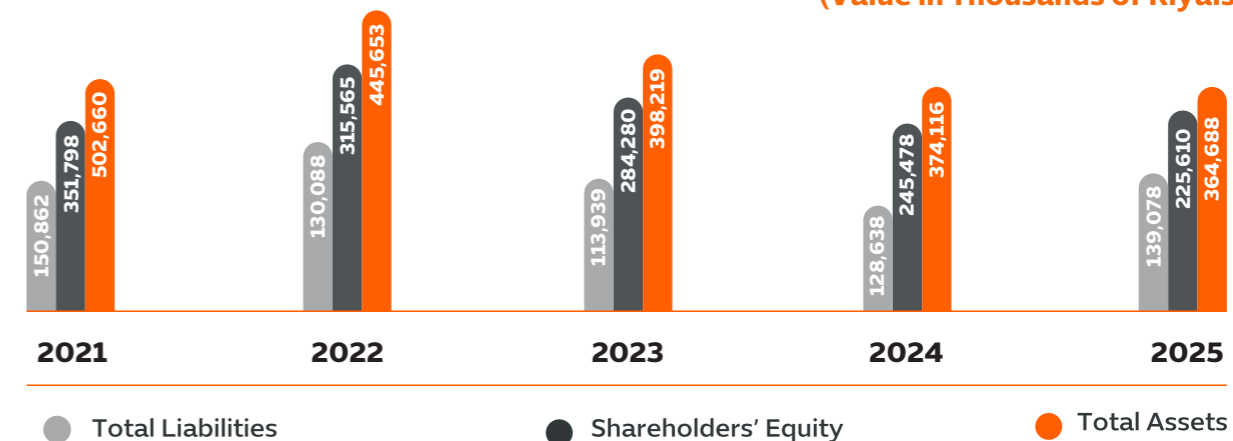
A.Assets, Liabilities, and Shareholders' Equity:

(Value in Thousands of Riyals)

Statement	2025	2024	2023	2022	2021
Fixed Assets	173,092	159,112	161,790	156,252	167,357
Other Long-Term Assets	41,960	33,901	33,136	18,743	8,010
Current Assets	149,636	181,103	203,293	270,658	327,293
Total Assets	364,688	374,116	398,219	445,653	502,660
Paid-Up Capital	354,000	354,000	354,000	354,000	354,000
Reserves	0	0	27,173	27,173	27,173
Accumulated Profits (Losses)	(128,390)	(108,522)	(96,893)	(65,608)	(29,375)
Shareholders' Equity	225,610	245,478	284,280	315,565	351,798
Long-term Loans	0	0	4,522	11,619	16,815
Other Liabilities	41,387	36,640	41,293	33,846	37,079
Current Liabilities	97,691	91,998	68,124	84,632	96,968
Total Liabilities	139,078	128,638	113,939	130,088	150,862
Total Liabilities & Shareholders' Equity	364,688	374,116	398,219	445,635	502,660

A graph showing total assets, shareholders' equity, and liabilities: (Value in Thousands of Riyals)

(Value in Thousands of Riyals)



B. Income Statement Items

(Value in Thousands of Riyals)

Description	2025	2024	2023	2022	2021
Sales	239,998	244,498	217,270	257,631	227,018
Cost of Sales	(223,172)	(234,027)	(207,755)	(258,507)	(213,786)
Gross Profit (Loss)	16,826	10,471	9,515	(876)	13,232
Administrative & Marketing Expenses	38,555	34,966	29,374	35,222	31,078
Other Income (Expenses) – Net	3,476	709	878	5,172	(9,637)
Discontinued Operations Losses*	(411)	(12,944)	(7,119)	—	—
Zakat	1,204	2,072	5,185	5,307	4,323
Net Profit (Loss)	(19,868)	(38,802)	(31,285)	(36,233)	(31,806)

04. Geographical Analysis of Total Company Revenues

The company generates its revenue through marketing its products in the local market and exporting. The following table shows the geographical distribution percentages of the company's sales for 2025 compared to sales for 2024:

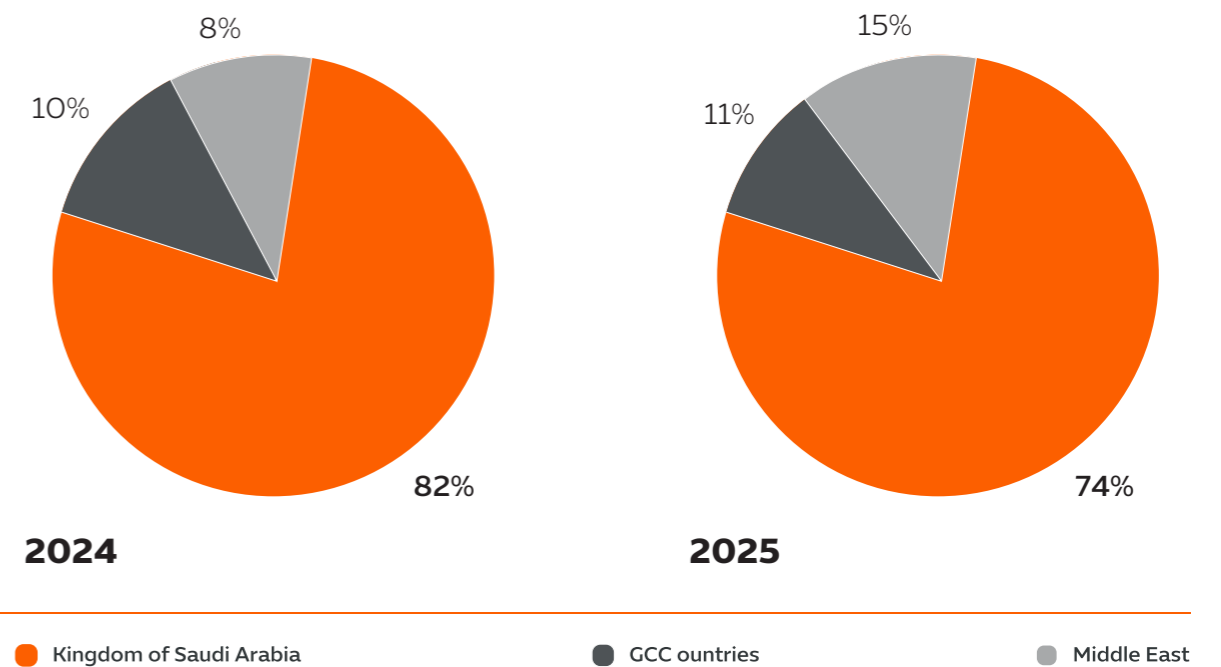
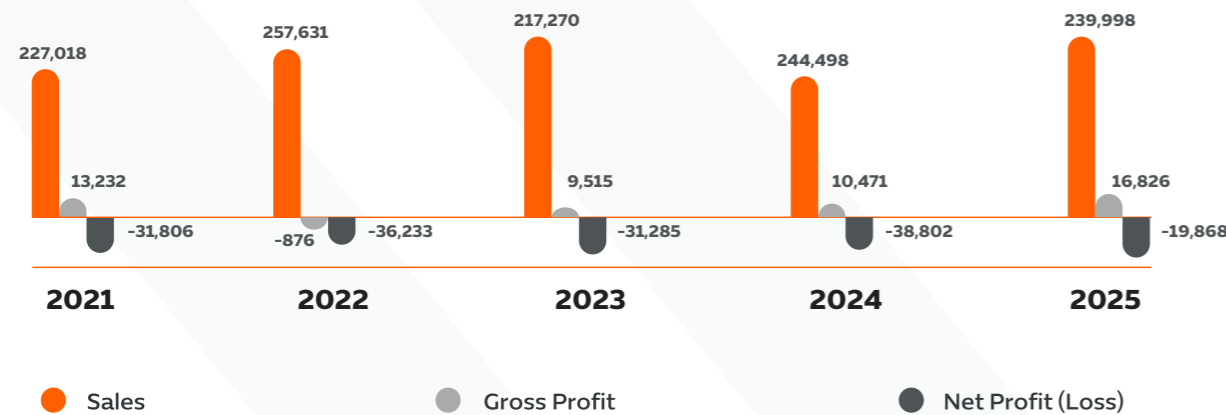
(Value in Thousands of Riyals)

Year	Saudi Arabia	GCC Countries	Middle East	Total
2025	178,236	25,116	36,646	239,998
2024	182,866	34,647	26,985	244,498

Sales Ratios by Geographical Analysis :

Chart showing sales, gross profit, and net profit (loss):

(Value in Thousands of Riyals)



05. Operational Results:

The company achieved sales of SAR 239 million during 2025, a decrease of approximately (2%) compared to the sales achieved during the previous year. The following table shows the most important items that led to differences in the results of the year 2025 compared to the results of the year 2024:

(Value in Thousands of Riyals)

Description	Year 2025	Year 2024	Changes + / (-)	Changes Percentage + / (-)
Sales	239,998	244,498	(4,500)	(2%)
Cost of Sales	223,172	234,027	(10,855)	(5%)
Total Profit (Loss)	16,826	10,471	6,355	16%
Main Operating Expenses	38,555	34,966	3,589	10%
Other Revenues (Expenses)	4,312	1,089	3,223	296%
Operating Profit (Loss)	(17,417)	(23,406)	(5,989)	(26%)
Profits from Deposits & Murabaha	80	864	(784)	(91%)
Financial Expenses	3,343	2,738	605	22%
Zakat	1,204	2,072	(868)	(42%)
Net Loss after Zakat from Continuing Operations	(21,884)	(27,352)	(5,468)	(20%)
Losses from Discontinued Operations	411	12,944	(12,533)	(97%)
Actuarial Valuation Profits	2,426	1,494	932	62%
(Loss) Comprehensive income	(19,868)	(38,802)	(19,073)	(49%)

Main Reasons for Deviations & Changes:

The company's sales decreased by approximately 2% compared to the previous year, driven by a 25% decline in sales of metal castings, trailer axles, and spare parts, while sales of drawn wire products increased by 12%. This increase in sales of drawn wire products was attributed to improved demand in the domestic market and some export markets compared to the previous year.

The cost of sales decreased due to lower sales of metal castings, trailer axles, and spare parts, and lower steel wire coil costs, the primary raw material for drawn wire products.

Selling, marketing, general, and administrative expenses increased by 10%, primarily due to higher costs for transporting goods sold to domestic and international customers under the terms of sale, as well as higher fees for professional and consulting offices.

Other income increased due to a reversal of the expected credit losses provision and higher scrap sales.

Losses from discontinued operations represent net losses from the sale of inventory from a production line at one of the company's factories that was discontinued in 2024 due to a lack of economic viability. These losses decreased in 2025 because of lower sales and an estimated impairment of 4.7 million in the value of assets associated with the aforementioned production line during 2024.

The decrease in zakat expenses resulted from a lower zakat base for 2025.

The increase in the actuarial valuation resulted from the payment of end-of-service benefits to several employees during the year.

06. Accounting Standards :

The quarterly condensed financial statements and the financial statements for the fiscal year ending on 31/12/2025 were prepared in accordance with the International Accounting Standards adopted by the Board of the Saudi Organization for Chartered and Professional Accountants.

07. Subsidiaries :

Maadaniyah has a subsidiary in the Kingdom of Bahrain, registered under Commercial Registration No. 149926 in Bahrain, named PC Strand Bahrain W.L.L. The company's issued capital is BD20,000 (equivalent to SAR 200,000), which was paid in the fourth quarter of 2022. The company's activities will be in the manufacturing/trading of stranded wire products for prestressed concrete. As of 31 December 2025, the company had not yet commenced operations and had no assets or liabilities other than its capital and bank balance. The company will establish a specialized stranded-wire manufacturing plant at an estimated cost of SAR 28.5 million.

08. The Company's Dividend Distribution Policy:

Dividend distribution is based on several considerations, most importantly achieving net profits or having sufficient retained earnings, cash flows, future projections, and the Board of Directors' vision based on an analysis of investment opportunities and the cash needs for capital expansions and the company's core activities. The distribution process is carried out upon the recommendation of the Board of Directors and submitted to the General Assembly for approval. If approved, the distribution will take place on the dates determined by the Board of Directors in accordance with the instructions and regulations issued by the competent authorities.

According to Article 40 of the Company's Articles of Association, the Company may allocate a specified percentage of net profits to a reserve. The General Assembly may also allocate any amount of the company's funds available for cash distributions as a general reserve, or to fulfill social obligations for the company's employees or its subsidiaries, or for other company-related purposes as the Board of Directors deems to be in the company's best interest. The reserve – if any – allocated for specific purposes in the company's Articles of Association, or for unspecified purposes, may not be used except by a resolution of the General Assembly.

The Board of Directors, based on the recommendation of the Nominations and Remuneration Committee, determines the percentage of dividends for shareholders and the remuneration of board members, executive management and employees in accordance with the regulatory controls approved by the Board of Directors and the General Assembly of the company, and there is no deviation in the policy in force from the approved policies.

09. Distribution of Profits to Shareholders & Payment of Remuneration to Board Members:

1- The Board did not recommend to the General Assembly the distribution of profits to the company's shareholders for the fiscal year ending on 12/31/2025, in order to spend on the announced projects included in the company's plans and to improve and develop the existing production lines to raise their production efficiency.

2- Based on the recommendation of the Nominations and Remuneration Committee at its 30th meeting held on 31 December 2025, to disburse a financial reward of SAR 200,000 to each member of the Board of Directors for the fiscal year 2025 in recognition of their management of the company, and to disburse a financial reward of SAR 50,000 to each member of the Audit Committee for the fiscal year 2025, the Board approved the recommendation at its 177th meeting held on 31 December 2025, and issued its resolution approving the recommendation and submitting it to the General Assembly for a vote.

It should be noted that the reward granted and implemented by the company does not conflict with the company's Articles of Association.



10. Equity and Debt Instrument Activities:

As per disclosure requirements, the following table shows the shares owned by board members, their spouses, and minor children, as well as the shares owned by the company or entity represented by the board member, as of 31/12/2025:

(Value in Thousands of Riyals)

Board of Directors Members	Representing	Number of Shares Owned								
		Beginning of the Year			End of the Year			Percentage Change %		
		For Board of Directors Member	For the Company the Member Represents	Member's Spouse & Minor Children	For Board of Directors Member	For the Company the Member Represents	Member's Spouse & Minor Children	For Board of Directors Member	For the Company the Member Represents	Member's Spouse & Minor Children
Mutlaq bin Hamad Al-Morished	National Manufacturing Company	-	12,367,124	-	12,367,124	-	-	-	-	-
Omar bin Khalid Al-Balali	National Worldwide Industrial Advancement Company	-	1,430	-	1,430	-	-	-	-	-
Omar bin Khalid Al-Balali	Himself	83	-	-	83	-	-	-	-	-
Mansour Bin Abdulrahman Al Ghurairi	National Industrialization Company	-	1,430	-	1,430	-	-	-	-	-
Rayan bin Wadhah Tarabzoni	Himself	83	-	-	83	-	-	-	-	-
Shaker bin Nafel Al-Otaibi	Himself	-	-	-	10	-	-	100%	-	-

11. Loans:

The company has loans from commercial banks under an Islamic credit facility agreement that includes financing expenses based on SAIBOR rates plus a profit margin. These facilities are secured by promissory notes. The following table shows the source and movement of loans during 2025. For further details, please refer to Notes (15 and 18) in the financial statements.

(Value in Thousands of Riyals)

Source	Classification	Loan Principal Amount	Loan Tenor	Balance as of 1/1/2025	Additions During 2025	Repayments During 2025	Balance as of 31/12/2025
Saudi Industrial Development Fund	Long-term loans	26,500	7 years	4,550	—	4,550	0
Saudi Awwal Bank	Short-term loans	30,000 Revolving facilities	3-6 months	7,282	37,465	35,650	9,097
Saudi National Bank	Short-term loans	18,000 Revolving facilities	3-6 months	0	26,500	17,500	9,000
Bank AlJazira	Short & long-term loans	67,000 Revolving facilities	3 months 5 years	7,500	63,105	44,900	25,705
Total		—	—	19,332	127,070	102,600	43,802

The following table shows the due dates for outstanding loans as of 31 December 2025:

(Value in Thousands of Riyals)

Description	2025	2024
Less than a year	21,797	19,332
From 1-2 years	11,100	0
From 2-5 years	10,905	0
More than five years	0	0

12. Board, Committees & Senior Executives

The company's Board of Directors, as stipulated in the company's Articles of Association, consists of (6) members. The Audit Committee consists of (3) members, following the approval of the Ordinary General Assembly at its twenty-seventh meeting held on 23 May 2023. The Nominations and Remuneration Committee also consists of (3) members, pursuant to Board Resolution No. 2/M/2023/166 issued at its 166th meeting held on 15 June 2023. The number of senior executives is (5), and they are as follows:

Board Members	Audit Committee	Nominations and Remuneration Committee	Senior Executives
Eng. Mutlaq Hamad Al-Morished Chairman	Mansour Bin Abdulrahman Al Ghurairi Committee Head	Asim bin Abdulwahab Al-Issa Committee Head	Eng. Shaker bin Nafel Al Otaibi Chief Executive
Eng. Shaker bin Nafel Al Otaibi Vice Chairman	Eng. Rayan bin Wadhah Tarabzoni Committee Member	Omar bin Khalid Al-Balali Committee Member	Fath Al-Rahman Abdullah Othman Chief Financial Officer
Asim bin Abdulwahab Al-Issa Board Member	Waheed bin Hussein Khurais Committee member	Mansour Bin Abdulrahman Al Ghurairi Committee member	Faisal bin Dakhil Al-Dakhil General Manager of the Axles, Foundries & Spare Parts Factory (MASABIK)
Mansour Bin Abdulrahman Al Ghurairi Board Member			Eng. Diaa El-Din Mohamed Sati Acting General Manager of Axes Arabia Company for Metal Casting
Eng. Rayan bin Wadhah Tarabzoni Board Member			Abdullah Hassan Suleiman Assistant General Manager of Wire Drawing & Related Products Factory (ASLAK)
Omar bin Khalid Al-Balali Board Member			



A. Board Directors:



Eng. Mutlaq Hamad Al-Morished

Membership Classification	Non-Executive
Qualifications	Master of Business Administration (MBA) Bachelor of Engineering
Previous Posts/ Expertise	<ul style="list-style-type: none"> (2015-2024) CEO of National Industrialization Company (1982-2015) Worked for SABIC subsidiaries for several years, serving as Chairman of the Maaden Group and Chairman of both Hadeed and SADAF, before assuming the position of Executive Vice President of Finance at SABIC.
Member of Other Companies	Non-Executive Board Member (Citi Arabia Group - Closed Joint Stock Company) within Saudi Arabia Independent Board Member (SME- Closed Joint Stock Company) within Saudi Arabia



Eng. Shaker bin Nafel Al Otaibi

Membership Classification	Executive
Qualifications	Bachelor of Architecture
Previous Posts/ Expertise	<ul style="list-style-type: none"> (2004-2014) Deputy General Manager at a company. (2002-2004) Engineer at Shaiban Contracting Company. (2000-2002) Engineer at the Gulf Salt Factory. (1996-2000) Engineer at ALICO Aluminum Company. (1994-1996) Engineer at SECCO. (1993-1994) Engineer at the Saudi Industrial Development Fund.



Eng. Omar bin Khalid Al-Balali

Membership Classification Non-Executive

Qualifications Bachelor of Science in Management Information Systems & Master in Law

Previous Posts/ Expertise

- About 19 years of experience and the latest:
- (2015-2019) General Manager of Business Consulting Solutions at National Industrialization Company
- (2012-2015) Planning and Control Manager at National Industrialization Company



Mr. Asim bin Abdulwahab Al-Issa

Membership Classification Independent

Qualifications Bachelor of Laws -Licensed lawyer and certified arbitrator

Previous Posts/ Expertise

- (2006-2012) Director of the Legal Department at the National Industrialization Company and SAKB
- (2000-2006) Legal Advisor at the Council of Ministers' Experts Authority
- (1991-2002) Legal Advisor at the Banking Disputes Committee of the Saudi Arabian Monetary Agency



Mr. Mansour Bin Abdulrahman Al Ghurairi

Membership Classification Non-Executive

Qualifications Master of Business Administration in Finance
Bachelor of Science in Finance

Previous Posts/ Expertise

- (2022-2024) Cash Manager – Treasury Manager (National Industrialization Company)
- (2019-2022) Group Finance Manager at Telecommunications Company
- (2014-2019) Financial Analyst at SABIC



Eng. Rayan bin Wadhah Tarabzoni

Membership Classification Independent

Qualifications Bachelor of Science in Electrical Engineering
Harvard Business School Diploma in Management Excellence

Previous Posts/ Expertise

- (2022-2024) CEO of Supply Chain - Panda
- (2021-2022) CEO - Jeddah Airports Company
- (2017-2021) CEO of Air Navigation
- (2014-2019) General Manager of Tasnee
- (2001-2014) Gradually promoted at Procter & Gamble from Operations Manager to Regional Director of Supply and Logistics
- (1997- 2001) Electrical and Loss Prevention Engineer at Saudi Aramco

Member of Other Companies Independent Board Member of Al-Amjad Trading and Industry Company- Closed Joint Stock Company within Saudi Arabia



Mr. Waheed bin Hussein Khurais

Membership Classification	Audit Committee Member & Not a Board Member-Advisor in the Education Ministry
Qualifications	Bachelor of Accounting
Previous Posts/ Expertise	<ul style="list-style-type: none">• (2022-2025) Preparer and Auditor of Financial Statements (National Industrialization Company)• (2014-2022) Worked in the field of financial statement preparation, budget management, and governance at SABIC



The total number of Board of Directors meetings during the year 2025 was (5) meetings, as per the following table:

Name	1st Meeting 23/03/2025	2nd Meeting 11/05/2025	3rd Meeting 24/09/2025	4th Meeting 01/12/2025	5th Meeting 31/12/2025	Total Attendees in All Meetings
Eng. Mutlaq Hamad Al-Morished	Attended	Attended	Attended	Attended	Attended	5
Eng. Shaker bin Nafel Al Otai	Attended	Attended	Attended	Attended	Attended	5
Eng. Rayan bin Wadhah Tarabzoni	Attended	Attended	Attended	Attended	Attended	5
Mansour Bin Abdulrahman Al Ghurairi	Attended	Attended	Attended	Attended	Attended	5
Asim bin Abdulwahab Al-Issa	Attended	Attended	Attended	Attended	Attended	5
Omar bin Khalid Al-Balali	Attended	Attended	Attended	Attended	Attended	5

B. Audit Committee:

The Audit Committee was formed by a resolution of the General Assembly held on 23/5/2025, and its members are as follows:

Name	Nature of Membership type
Mr Mansour Bin Abdulrahman Al Ghurairi	(Chairman)
Eng. Rayan bin Wadhah Tarabzon	(Member)
Mr Waheed bin Hussein Khurais	(Member)

The Audit Committee's main responsibilities include ensuring the adequacy and effectiveness of internal control procedures and systems, verifying the accuracy and validity of the financial statements, recommending the selection of an external auditor according to specific criteria, and reviewing reports, observations, and suggestions submitted by both the external auditor and the internal audit department.

The committee held (4) meetings during 2025, as per the following table:

Name	1st Meeting 20/03/2025	2nd Meeting 08/05/2025	3rd Meeting 06/08/2024 Meeting Resumed 14/08/2025	4th Meeting 03/11/2025	Total Attendees in All Sessions
Mansour Bin Abdulrahman Al Ghurairi	Attended	Attended	Attended	Attended	4
Eng. Rayan bin Wadhah Tarabzoni	Attended	Attended	Attended	Attended	4
Waheed bin Hussein Khurais	Attended	Attended	Attended	Attended	4

Results of the Annual Review of the Effectiveness of Internal Control Procedures:

Since 2020, Baker Tilly (an independent auditor) has been contracted to conduct the company's internal audit. This audit verifies the internal control system and procedures in protecting the company's assets and property, assesses business risks, and measures the adequacy of performance efficiency. This is in addition to the external auditor's evaluation of the system through their review of the financial statements. The audit results for 2025 did not reveal any material weaknesses in the internal control system and procedures. This confirms the Audit Committee's confidence in the effectiveness of the company's internal control system and procedures.

No recommendation from the Audit Committee contradicts the Board of Directors' decisions for 2025.

The Audit Committee reviewed the company's preliminary and annual financial results for 2025 and recommended them to the Board of Directors for approval.

C. Nominations and Remuneration Committee:

The Nominations and Remuneration Committee was formed from the Board of Directors (detailed in paragraph (A) of this section) pursuant to Board Resolution No. 2/M/166/2023 issued at its 166th meeting on 15 June 2023, and consists of the following members:

Name	Nature of Membership type
Mr Asim bin Abdulwahab Al-Issa	(Head)
Eng. Omar bin Khalid Al-Balali	(Member)
Mr Mansour Bin Abdulrahman Al Ghurairi	(Member)

The main tasks and responsibilities of the Nominations and Remuneration Committee include:

1. Recommending nominations for board membership to the Board of Directors in accordance with approved policies and criteria.
2. Reviewing the required skills for Board membership.
3. Reviewing the Board's structure and recommending potential changes.
4. Identifying the Board's strengths and weaknesses and proposing solutions that align with the company's best interests.
5. Ensuring the annual independence of independent members and the absence of any conflicts of interest.
6. Establishing clear policies for the compensation and remuneration of Board members and senior executives.

The number of committee meetings during the year was (1) meeting on 31/12/2025, with the attendance of all committee members.

D. Senior Executives :



Eng. Shaker bin Nafel Al Otaibi

Membership Classification Chief Executive Officer

Qualifications Bachelor of Architecture

- Previous Posts/ Expertise**
- (2004-2014) Deputy General Manager at a company.
 - (2002-2004) Engineer at Shaiban Contracting Company.
 - (2000-2002) Engineer at the Gulf Salt Factory.
 - (1996-2000) Engineer at ALICO Aluminum Company.
 - (1994-1996) Engineer at SECCO.
 - (1993-1994) Engineer at the Saudi Industrial Development Fund.



Mr. Fath Al-Rahman Abdullah Othman

Membership Classification Chief Financial Officer

Qualifications Bachelor of Economics and Administrative Sciences, specializing in Accounting

Previous Posts/ Expertise With over 25 years of experience, having worked as an accountant in banks outside Saudi Arabia, an auditor in auditing firms, and an accounts manager in a mining company.



Mr. Faisal bin Dakhil Al-Dakhil

Membership Classification General Manager of Axles, Foundries & Spare Parts Factory - MASABIK

Qualifications Bachelor of Engineering

Previous Posts/ Expertise Worked for over 10 years as a consultant in the local sales department at Saudi Aramco and as a regional sales manager at Nalco. Worked as a technical customer service engineer and progressed to head of the scheduling and production planning department at SABIC.



Eng. Diaa El-Din Mohamed Sati

Membership Classification Acting General Manager of Axes Arabia Company for Metal Casting

Qualifications Master of Business Administration

Previous Posts/ Expertise He worked at Arab Axles Industrial Company (Maadaniyah branch) after joining in 1999 in the Sales Department, where he advanced to the position of Sales Manager.
2015: General Manager of the Axles Factory
2021: Business Development Manager at Maadaniyah Company
2025: Business Development and Transformation Manager, and Acting General Manager of Arab Axles Industrial Company



Mr. Abdullah Hassan Suleiman

Membership Classification Assistant General Manager of Wire Drawing & Related Products Factory (ASLAK)

Qualifications Diplomas in English and Accounting - USA

- Previous Posts/ Expertise**
- (1997-2021) Sales Manager – ASLAK Factory, a branch of Maadaniyah
 - (1993-1997) Sales Executive – Saudi Xerox
 - (1991-1993) Manager - Multipurpose Cooperative Society
 - (1986- 1990) Production Supervisor – Several printing companies in the USA
 - (1980- 1984) Payroll Officer – SABIC Metals
 - (1979- 1980) Fire Technician – Saudi Aramco

Procedures by the Board of Directors to Inform Members of Shareholders' Proposals & Comments:

The Board of Directors takes several measures to inform its members of shareholders' proposals and comments, including periodic meetings of the Board of Directors, where inquiries and proposals are received during discussions at the General Assembly meeting. This is in addition to the Investor Relations Officer receiving inquiries and proposals from shareholders and presenting them to the Board through Executive Management.

The company did not engage an external entity to evaluate the performance of its board of directors and committees. The Nominations and Remuneration Committee is responsible for evaluating the board's performance by reviewing its structure, recommending changes, identifying strengths and weaknesses, and addressing them in the best interests of the company.

13. Financial Payments & Remuneration to Board Members, Board Committee Members, and Senior Executives:

The total remuneration and compensation paid during 2025 to members of the Board of Directors, Board Committees, and senior executives, including the Chief Executive Officer and Chief Financial Officer, was as follows:



Board Members' Remunerations:

(Value in Thousands of Riyals)

	Fixed Remunerations						End-of-Service Remuneration	Expense allowance	Total
	Certain Amount	For Attending Board Meetings	For Attending Committee Meetings	Amount Received by Board Members as Employees, Administrators, or for Technical, Administrative, or Consulting Services	Remuneration of Chairman, Managing Director, Board Members, or the Secretary (if a Member).	Total			
Independent Members									
Eng. Rayan bin Wadhah Tarabzoni	--	12	15	--	200	--	--	--	227
Asim bin Abdulwahab Al-Issa	--	12	3	--	200	--	--	--	215
Total	--	24	18	--	400	--	--	--	442
Non-Executive Members									
Eng. Mutlaq Hamad Al-Morished	--	12	--	--	200	--	--	--	212
Eng. Omar bin Khalid Al-Balali	--	12	3	--	200	--	--	--	215
Mansour Bin Abdulrahman Al Ghurairi	--	12	12	--	200	--	--	--	224
Total	--	36	15	--	600	--	--	--	651
Executive Member									
Eng. Shaker bin Nafel Al Otai	--	12	--	--	200	--	--	--	212

* The remuneration for the previous session of the Board of Directors is represented by the attendance numbers

Senior Executive Remuneration :**(Value in Thousands of Riyals)**

	Fix Remuneration				Changed Remuneration						End-of-Service*	Total Executive Remuneration for the Board If applicable	Total
	Salaries	Allowances	In-Kind Advantages	Total	Periodic Remuneration	Profits	Short-Term Incentive Plans	Long-Term Incentive Plans	Granted Shares	Total			
Chief Executive Officer	1,260	582	-	1,842	-	-	-	-	-	-	142	212	2,296
Chief Financial Officer	546	279	-	825	-	-	-	-	-	-	61	-	886
General Manager of MASABIK Factory	540	342	-	882	-	-	-	-	-	-	61	-	943
Acting General Manager of Axes Arabia Company for Metal Casting	300	176	-	476	-	-	-	-	-	-	34	-	510
Assistant General Manager of ASLAK	624	318	-	942	-	-	-	-	-	-	70	-	1,012
Total	3,270	1,697	-	4,967	-	-	-	-	-	-	368	2112	5,547

Remuneration of Committee Members :**(Value in Thousands of Riyals)**

	Fixed Remuneration	Meeting Attendance Allowance and Other Expenses	Total
Audit Committee			
Mansour Bin Abdulrahman Al Ghurairi	50	12	62
Rayan bin Wadhah Tarabzoni	50	12	62
Waheed bin Hussein Khurais	50	12	62
	Fixed Remuneration	Meeting Attendance Allowance and Other Expenses	Total
Nominations and Remuneration Committee			
Asim bin Abdulwahab Al-Issa	00	3	3
Asim bin Abdulwahab Al-Issa	00	3	3
Omar bin Khalid Al-Balali	00	3	3

14. Contracts Involving Interests of Board Members, Senior Executives, & Their Relatives, and Violations of the Corporate Governance Regulations:

·With reference to the Registration and Listing Rules and the Corporate Governance Regulations, the Board of Directors wishes to clarify the following:

The company has no contracts involving an interest of any Board member, the General Manager, the Chief Financial Officer, or their first-degree relatives.

·The Board members were notified by the Capital Market Authority through a written warning due to a violation of Paragraph (9) of Article (11) and Paragraph (b) of Article (30) of the Corporate Governance Regulations. No financial penalties were imposed as a result.

·During 2025, a violation was recorded by the Royal Commission for Jubail against one of the company's plants due to the commission's safety requirements.

15. Regular Payments:

Zakat: The company is subject to the regulations of the Zakat, Tax and Customs Authority in the Kingdom of Saudi Arabia, where zakat is recorded according to the accrual basis.

During 2025, the company submitted its 2024 zakat return, paid the zakat due as per the return, and received the zakat certificate. Subsequently, the Authority requested additional information to clarify certain items in the return, and all requirements were fulfilled. After reviewing the return and the submitted data, the company received the final zakat assessment for 2024, reflecting a difference of SAR 100,027 due to adjustments to certain return items. Following review, the assessment was approved, the aforementioned difference was paid, and the company's zakat status for 2024 was finalized.

Social Insurance: The company is subject to the social insurance system, and social insurance contributions are recorded according to the accrual basis. Social insurance contributions are paid monthly based on the amount due for the previous month.

Customs Duties: The customs duty exemption on the company's main raw materials (iron wire coils) has been renewed for five years, starting in 2021 and ending in April 2026.

The following table shows the amounts paid to regulatory authorities during 2025, as well as the outstanding balances as of 31 December 2025:

(Value in Thousands of Riyals)

Description	2025	
	Paid	Due at Year End & Not Paid
Zakat, Tax and Customs Authority	24,322	3,323
General Organization for Social Insurance	3,557	350
Work Permit & Residency Renewal Fees	1,375	0
Total	29,254	3,673

Value Added Tax (VAT):

In accordance with the regulations and executive bylaws of the Zakat, Tax and Customs Authority, the company is registered in the VAT system under number 300461302600003.

The company is compliant with the system's executive bylaws and, accordingly, submits its VAT return monthly and has paid all tax dues up to November, as per the company's submitted returns. The following table details the VAT for 2025.

Points	Amount (in Thousands of Riyals)
December 2024 Return	2,102
Resident Value Added Tax on Sales	27,294
Value Added Tax on Purchases	8,760
Value Added Tax (Paid)	18,814
December 2025 Return	1,822

Regarding the value-added tax situation, during 2025, the company received some comments on the declarations that were submitted in the General System of Zakat, Tax and Customs for the months of 2024, which resulted in differences that were reviewed and a total amount of SAR 50,000 was paid as a settlement for the value-added tax for 2024.

16. Dealing with Related Entities:

The company follows a unified policy in its dealings without any preference for related entities, and there are no transactions with related parties during 2025.

17. General Assembly Meetings:

During 2025, the company held (1) Ordinary General Assembly meeting for shareholders on 26/6/2025, chaired by the Board Chairman, Eng. Mutlaq Hamad Al-Morished. The meeting was also attended by members of the Board and the chairmen of both the Audit Committee and the Nominations and Remuneration Committee:

1. Eng. Shaker bin Nafel Al Otai.
2. Eng. Rayan bin Wadhah Tarabzoni.
3. Asim bin Abdulwahab Al-Issa.
4. Omar bin Khalid Al-Balali.
5. Mansour Bin Abdulrahman Al Ghurairi.

The audit committee's report was read by its chairman during the meeting.

18. Shareholder register requests:

The company received eight requests for its shareholder register during 2025, as follows:

- 1- One (1) request on 30 February 2025, for company procedures.
- 2- One (1) request on 22 June 2025, for the General Assembly procedures.
- 3- Three (3) requests on 30 June 2025, for company procedures.
- 4- Three (3) requests on 30 July 30 for company procedures.

19. Application of the Corporate Governance Regulations:

The company complies with all mandatory provisions set forth in the Corporate Governance Regulations issued by the Board of the Capital Market Authority pursuant to Resolution No. (2017-16-8) dated 16/5/1438 H, corresponding to 13/2/2017, based on the Companies Law issued by Royal Decree No. M/3 dated 28/1/1437 H, as amended on 18/1/2023, in accordance with the company's Articles of Association, except for some guiding provisions as in the following table:

	Paragraph	Reasons for Non-Implementation
21	Paragraph 9: Preparing and approving the company's preliminary financial statements before publication	The violation pertained to 2023, but the Board of Directors was notified of it in 2025. It should be noted that the Board relied on paragraph (b) of Article 34 of the Corporate Governance Regulations, which authorized the Vice Chairman to approve the financial statements, provided they were presented to the Board at its meeting. This authorization became invalid immediately upon the Board receiving notification from the Capital Market Authority.
30	Paragraph (b): The Board of Directors shall hold at least four meetings per year, with no less than one meeting every three months.	The violation pertained to 2023, but the Board of Directors was notified of it in 2025. The Board held four meetings but failed to convene at least one meeting every three months because the Board and company management decided to postpone the second-quarter meeting to the third quarter.
37, 39	Training, Assessment	The articles are for guidance only. Board members are required to attend workshops with the Capital Market Authority or other relevant authorities as needed. Evaluation: The Nominations and Remuneration Committee is responsible for reviewing the board structure, identifying strengths and weaknesses, and proposing solutions.
67, 68, 69	Formation, responsibilities, and meetings of the Risk Committee	Articles are for guidance only, and the board has not yet formed a risk committee. The audit committee performs most of these tasks, and the company has procedures and policies in place to mitigate risks or reduce their impact.
92	Forming a Corporate Governance Committee	This article is for guidance only; governance requirements are covered by the Office of the Chief Executive Officer, the Finance Department, and Shareholder Relations.

20. Social Contributions:

The company believes in the importance of social responsibility and community service initiatives. Therefore, the company has partnered with non-profit organizations through volunteer work, with some of its employees contributing to these organizations. The total compensation paid to these employees, including salaries and allowances, amounted to SAR 151,000.

21. Board of Directors' Declarations:

Based on the information available to us, the auditor's unqualified report, current market data, and future indicators, we declare the following:

- 1- The accounting records have been properly prepared.
- 2- The internal control system has been established on sound principles and is being implemented effectively.
- 3- There is no doubt whatsoever about the company's ability to continue operating.

Conclusion

The Board of Directors expresses its deepest gratitude and appreciation to the Custodian of the Two Holy Mosques King Salman bin Abdulaziz Al Saud, and to His Royal Highness Prince Mohammed bin Salman bin Abdulaziz Al Saud, Crown Prince and Prime Minister, in recognition of the generous support and qualitative facilities provided to the national economy, and the generous initiatives that enabled the business sector to overcome all economic challenges.

The Board also extends its gratitude to all government entities and contributing sectors that have played a pivotal role in sustaining the Saudi economy, supporting national industry, and enhancing its competitiveness in line with the objectives of Vision 2030. It commends all initiatives that have contributed to empowering the private sector to manage its cash flow and ensure the continuity of its operations with high efficiency.

The Board expresses its deepest thanks and appreciation to the company's shareholders and values customers for their continued trust. It also values the sincere and tireless efforts of the company's employees in developing performance and achieving strategic goals.

We pledge to strive tirelessly to ensure that 2026 and the years to come will see us continue our efforts to curb losses and achieve positive results, while remaining committed to implementing global best practices in our industries.

We pray to God Almighty to grant our country continued security and prosperity.

Sincerely

Board of Directors of the National Metal Manufacturing and Casting Company (Maadaniyah)



الشركة الوطنية لتصنيع وسبك المعادن
National Metal Manufacturing & Casting Co.





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