



Annual Report 2020



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Company overview

Seera is the leading provider of diverse travel services in the Middle East and North Africa region. With its balanced portfolio of brands across five verticals, Seera is regarded as the most knowledgeable and accomplished travel service provider from KSA.

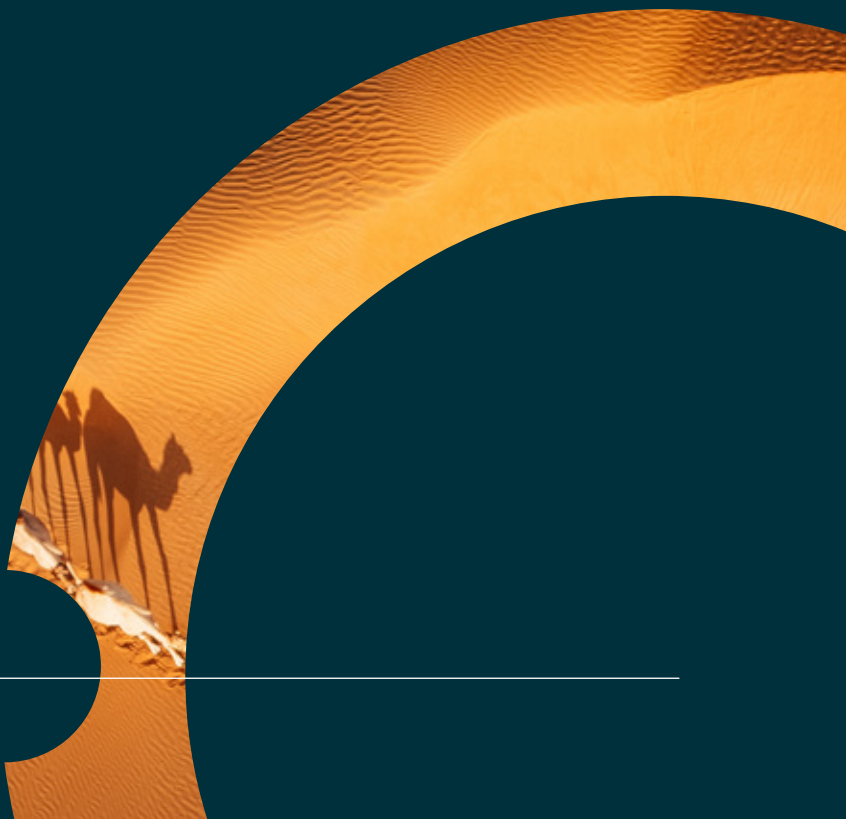
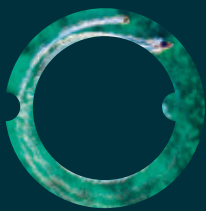
The Group is a significant contributor to the growth of the domestic, inbound and outbound tourism economies of the Kingdom of Saudi Arabia and a best-in-class business partner in unlocking the opportunities in the region.

Our vision

To continue leading in the field of travel and tourism services through a robust portfolio of trusted, reputable brands and to provide outstanding service that unfailingly exceeds our customers' expectations.

Chairman's Statement

Mohammed Bin Saleh Al-Khalil
Chairman



Seera's strong liquidity position in addition to several actions undertaken to pivot our strategies, leverage new opportunities and invest in technology have set us up to emerge stronger from the crisis.

Introduction

During 2020, the COVID-19 pandemic has severely restricted mobility around the world and created an unprecedented impact on the global travel and tourism industry. The various government-imposed travel restrictions and lockdowns implemented to combat the spread of the virus have had an adverse effect on Seera's travel bookings and led to a massive number of cancellations throughout the year.

While many countries have started vaccination programs, these are logistically challenging and the timeline required for global vaccination may hinder economic recovery. The path forward is unpredictable, however, we are firm in our commitment to drive the Kingdom's ambitious Vision 2030's travel and tourism agenda and will continue to be one of the major leaders in this sector's transformation.

Financial & business performance

The COVID-19 pandemic had a major impact on our overall business in 2020. Our Group-wide Gross Book Value (GBV) dropped by approximately 64% from SAR 10.8 billion in 2019 to SAR 3.9 billion in 2020. However, Seera's strong liquidity position in addition to several actions undertaken to pivot our strategies, leverage new opportunities and invest in technology have set us up to emerge stronger from the crisis.

With the closure of international travel and Umrah restrictions, we have shifted our focus to domestic opportunities and accelerated our efforts in this area, including a collaboration between our destination management company (Discover Saudi) and our consumer travel (Almosafer) unit to develop domestic offerings and create a leading marketplace for domestic activities across KSA, one of which was the kingdom's first Red Sea Cruise package.

While GBV dropped across all business lines, our car rental (Lumi) unit's GBV has grown 27%, primarily driven by operating lease services provided to corporate & government clients in addition to the sale of underutilised rental fleet at a higher vehicle sale price compared to last year in spite of challenging circumstances.

The group has also worked intensively on the development of our products and services for when travel recovers. Our projects included the opening of Almosafer's WhatsApp channel for real-time travel and safety advisory for customers, launch of an advanced travel management platform to cater to the sophisticated and operationally complex travel needs of our corporate & government partners and the integration of our distribution platforms with the Maqam portal to reach global travel agents and tour organisers for access to our Hajj & Umrah services.

We have also allocated resources in the pursuit of new digital opportunities including a C2C alternative accommodation platform, KSA's leading activities marketplace for local tours, events, attractions and experiences, prepaid Almosafer card payment solution for travellers, a revamp of Lumi's rental channel for a seamless and customer centric booking experience, the development of a used car sales solution, and the development of an online distribution platform to position Seera as an intermediary for Saudi travel content within the online landscape.

Leadership & vision

We are grateful for our wise leadership embodied in the honourable Custodian of the Two Holy Mosques and His Highness the Crown Prince during this very challenging year for our industry and for the Kingdom. The leadership of the government throughout the pandemic, especially in terms of the SANED programme, has been instrumental in our ability to ensure continuous employment for Saudi colleagues.

On behalf of my colleagues on the board, I would like to express my deepest thanks and appreciation to our Executive Management team and employees for their resilience and commitment to the business throughout 2020. I would also like to thank our esteemed shareholders and strategic partners for their support and continuing to work closely together as we emerge stronger out of this crisis.

Mohammed Bin Saleh Al-Khalil
Chairman

CEO's Statement

Abdullah Bin Nasser Al Dawood
Chief Executive Officer



We have worked on a lot of our legacy technologies and brought them up to speed, as well as tech projects focused on improving efficiencies across the group.

Introduction

2020 has been an extraordinary year for us all, as the global community was faced with the all-encompassing COVID-19 pandemic. Given the primary way to curb the spread of the virus has been to minimize the movement of people domestically and internationally, precautionary restrictions have severely impacted worldwide economic activity and in particular, created an unprecedented contraction in the global travel and tourism industry.

Seera, as with all organizations operating in the travel sector, has been impacted by government-imposed travel restrictions and lockdowns which have had an adverse effect on travel bookings and led to an unprecedented number of cancellations throughout the year.

While many countries have started their vaccination drives, these programs are logistically challenging, their long-term effectiveness is still unproven, and it will take time to achieve global immunization, as future conditions are unpredictable. There is light at the end of the tunnel but clearly we still have to navigate this uncertain situation.

Financial performance

COVID-19 has had a major impact on our overall business in 2020, however, Seera's strong liquidity position in addition to several actions undertaken to mitigate the impact of the virus has helped us overcome these challenges and has set us up to emerge stronger as the travel sector recovers.

Our Group-wide Gross Book Value (GBV) dropped by approximately 64% from SAR 10.8 billion in 2019 to SAR 3.9 billion in 2020, while our Car Rental (Lumi) business has actually grown by 27% during this period. The overall drop in revenue has been offset by a strong balance sheet and liquidity position which has been further supplemented by Seera's SAR 1.78 billion exit from Careem in Q1 2020 in connection with its acquisition by Uber.

We have worked hard to enhance our operational leverage in order to scale effectively as travel volumes start to return. This has been done through a rationalization of our costs and the utilization of government subsidies including the SANED program which supplemented employee wages.

Business performance

The pandemic has significantly impacted the Group, however, we have pivoted our strategies and positioned ourselves favorably for the rebound in travel over the coming years. Throughout the pandemic we have been working with government officials and airlines to coordinate repatriation flights as well as providing quarantine services to the Ministry of Health through our hospitality portfolio. We are also continuing to grow our supplier base by signing agreements with global hotel and resort brands such as Shangri-La, Atlantis, One & Only, Hyatt and Hilton.

COVID-19 has also pushed us to pivot our immediate focus from international, to domestic travel, and 2020 served to accelerate our plans around assets, infrastructure, partnerships and service quality, to cater to a burgeoning domestic market.

We also invested our time and effort into further developing our technology products across business units, making our platforms more robust, launching a whole new Corporate & Government travel solution, as well as major improvements across consumer travel products and services.

**Strong balance
sheet and liquidity
position**

Exit from Careem

SAR1.78bn

Lumi Growth

27%

We seized the downtime to re-evaluate our roadmaps as an opportunity for the intensive development of products and services that will be crucial for when travel recovers.

We have worked on a lot of our legacy technologies and brought them up to speed, as well as tech projects focused on improving efficiencies across the group. Automation of processes played a major role in preparation to handle a potential second wave or another crisis of this magnitude.

Looking at the specific details on the impacts and actions across our business units:

Consumer Travel - Almosafer and tajawal

As a consumer driven business, our Almosafer and tajawal brands have been hit hard by the pandemic with GBV dropping from SAR 3.9 billion to SAR 1.2 billion, a 69% decrease relative to 2019. Despite this drop in bookings, we have continued to invest for the future in our technology, products and customer service.

Two comprehensive customer sentiment studies were undertaken, to fully grasp the change in travel behaviour during and post-pandemic and to develop products and services that cater to the needs of travellers in the new normal. These studies, conducted with over 3,000 respondents each, have largely influenced Almosafer's business and marketing strategy. 2020 initiatives have included:

The launch of WhatsApp channel

Opening WhatsApp channel to travellers across the region has been a critical step in Almosafer's continued expansion and transformation from an online travel agency to an omnichannel service provider.

It is the communication channel through which customers receive travel advisory, make bookings or change requests and more, and has quickly become an integral part of Almosafer's omnichannel offering.

The development of real-time COVID-19 travel safety & regulation advisory platform to boost the public's confidence in travel

As part of its ongoing efforts to restore confidence in travel and boost tourism in Saudi Arabia post the pandemic, Almosafer is undergoing extensive efforts and agent training to provide customers with an enhanced travel advisory offering which allows them to stay informed about the latest safety guidelines. To serve this purpose, Almosafer has launched a dedicated safety guidelines platform that will feed into the travel booking funnel providing up-to-date information about the guidelines of the country of departure and the requirements at the destination country.

With international travel restrictions in place, a pivot to domestic supported the tourism growth in Saudi Arabia

Almosafer has shifted its focus to domestic tourism opportunities within KSA including the distribution of the Kingdom's first Red Sea cruise offering and the development of packages, tours & activities featuring prominent destinations in Saudi, in an effort to become the leading domestic tourism marketplace in the Kingdom.

The continued development of our online platforms including the introduction of Almosafer wallet functionality

The Almosafer Wallet has been released as a way for customers to earn rewards and pay for travel bookings with ease, in an attempt to increase the customer lifetime value, build retention and loyalty.

Almosafer has also continued to invest in the development of Almosafer travel advisors to shape the next generation of travel consultants through the Almosafer Academy. Since its launch, Almosafer Academy has delivered close to 20,000 hours of training to over 800 Saudi Nationals training them on a diverse set of skills ranging from sales and customer experience to operations and leadership.

Travel Management - elaa

While travel had halted for most of our corporate and government clients, resulting in a drop in GBV of about 50%, from SAR 2.9 billion in 2019 to SAR 1.5 billion in 2020, the government health travel sector had continued operating primarily due to its efforts in combating the virus.

Travel was being primarily driven by services provided to the Ministry of Health in support of a Chinese delegation and the Beijing Genomics group to aid the Saudi government in COVID-19 testing efforts.

Elaa made the most of the downtime caused by travel restrictions during the pandemic by digitising and simplifying travel processes and enabling continuous improvement and innovation for its partner companies. With the launch of an advanced travel management solution, elaa is equipped to provide more complex services and boost operational capacity for our clients in the corporate and government sectors.

Making travel management self-sufficient, the new improved platform can digitally connect everything for customers whilst supporting them in the new normal, as travel management policies, structures and strategies have changed following the COVID-19 pandemic. Users can customize the solution to their specific needs, using it to monitor compliance to travel policies, generate travel insights and fulfil duty of care for their travellers.

CEO's Statement Continued

Hajj & Umrah - Mawasim

Due to the closure of Hajj & Umrah and government-imposed travel bans for the majority of 2020, GBV has fallen 92% from SAR 170 million to SAR 14 million.

Nonetheless the Hajj and Umrah sector remains extremely promising, with massive growth potential in the coming years. The Kingdom's Vision 2030 strategy includes the goal of increasing the number of visitors to 30 million by 2030.

In 2020, Mawasim completed a major milestone of integrating our booking platforms with the Maqam global distribution system. Mawasim is now an officially integrated licensed provider of Maqam services, the Ministry of Hajj & Umrah e-portal, as a gateway to getting the Booking Reference Numbers required for Umrah visa processing for 157 nationalities. This will allow Mawasim to deliver its products and services to global travel agents and tour organizers in key markets once restrictions are lifted.

Mawasim also completed the development of a B2B online distribution portal that will allow travel agencies from around the world to access all travel products online which include hotels, transportation and activities.

Destination Management Company (DMC) - Discover Saudi

Our DMC business unit was established in 2019 to maximize opportunities for inbound tourism in line with the Vision 2030 and tourism agenda as the Kingdom opened its doors to international leisure tourists for the first time. The Kingdom has allocated large-scale resources for building tourism and leisure infrastructure and tourists are interested in discovering the cultural sites of Saudi Arabia, however, during 2020 travel restrictions have limited activities within this business.

Nonetheless, Discover Saudi, provided transport and accommodation services to organisers and competitors of the 2021 Dakkar Rally that was held in KSA in January and established partnerships with global luxury travel consortia including XO Private, Connections and Traveller Made, to get preferred access and exposure to travel agents abroad, in preparation for international travel rebound.

As a close ally to the Ministry of Tourism, Discover Saudi has participated in various initiatives and campaigns run by the tourism authority, including roadshows and webinars, to promote domestic and future inbound tourism.

Discover Saudi is also working in partnership with Almosafer to develop and operate in-house adventure activities, nature trips and culture tours across the Kingdom in its efforts to grow its offerings of domestic activities within KSA.

Car Rental - Lumi

Our Car Rental unit, Lumi, has surpassed expectations in 2020, while revenues have dropped across most of the group, Lumi's GBV has grown 27% from SAR 343 million in 2019 to SAR 434 million in 2020.

As rentals through our hubs at major Saudi airports have dropped due to limited travel, despite corporate rental partners holding strong. We have also pushed the sale of 3,000 vehicles to minimise depreciation costs on our balance sheet and limit the expenses incurred from an underutilised fleet. Even with the high number of vehicles sold and an increase in the VAT to 15%, Lumi was able to increase the vehicle sale price compared to last year.

Lumi further mitigated revenue drop by providing operating lease services to corporate and government sectors through the delivery of more than 3000 new vehicles in 2020, raising our remaining contract value to invoice more than SAR 500 Million. The company benefited from the government's policies of abandoning the purchase of vehicles in favour of long-term rental contracts.

Hospitality

The GBV in the Hospitality business unit dropped 64% to SAR 54 million in 2020 due to the closure of commercial operations. Occupancy in 2020 was primarily driven by the Movenpick City Star Hotel (Jeddah) which was fully booked by the Ministry of Health to utilise for COVID-19 quarantine efforts.

The Hospitality business unit owns and operates five hotels including Sheraton Jabal Al Kaaba (Makkah) and Movenpick City Star (Jeddah) in addition to three other properties in Makkah with a total of 1,880 rooms. Properties in Makkah were severely impacted by COVID-19 travel restrictions and the closure of Umrah during 2020.

Nevertheless, we continue to invest in our hotel business to support the development of tourism infrastructure in the region through the ownership of a master franchise with Choice Hotels. We have completed the development of three hotels in Riyadh and Jeddah on land owned by the Group, and we will evaluate the commercial viability of the continued construction of three more hotels depending on business circumstances.

Corporate Ventures

We continue to consolidate all non-strategic subsidiary companies and businesses under the umbrella of the Corporate Ventures unit to achieve maximum gain from them in terms of value and revenue. We pursue certain strategies based on the nature of the investment including immediate exit from an investment or increasing the short-term to middle-term value for a future exit with higher returns.

One of our largest investments is in Portman Travel Group Ltd. which is currently one of the biggest specialized travel groups in the UK. Portman falls under the second investment strategy, where we pursue organic growth in addition to the acquisition of leading UK companies in the travel sector to benefit from sustainable economies of scale, then exit with a higher value.

Additionally, we manage and operate Riyadh Front Exhibition & Conference Centre, the largest hub in KSA for organising exhibitions and conferences. With an area of 200k+ square meters, this center offers great opportunities for hosting international and regional conferences, events and exhibits. Some prominent events that were held at Riyadh Front prior to COVID-19 restrictions include Riyadh Season, Cirque du Soleil Bazaar and the Saudi Falcons & Hunting Exhibition.

As the economy recovers, Riyadh Front will continue to host events including LEAP, a global tech event sponsored by the Ministry of Communication and Information Technology happening in late 2021 among others.

Digital projects & initiatives

We continue to invest in digital and technology driven solutions which are essential to future growth and competitive positioning. Some of the most exciting projects include the following:

C2C Alternative Accommodation

Almosafer is developing a digital marketplace for alternative accommodation in KSA to leverage new trends in travel including domestic tourism and a growing appetite for prolonged vacation accommodations, daytime escapes and weekend staycations.

A Host portal will be developed to enable istirahat and chalet owners to upload 3D virtual tours and photos of their properties, set prices, manage bookings and guests, and sync reservations with employees. Guests will be able to use the Almosafer platform to search for accommodations, review properties, ask previous guests and book/ pay for accommodation. The application will also enable mutual ratings between hosts and guests.

Tourist Activities

Our flagship consumer travel brand Almosafer is working on a potential partnership to expand its activities marketplace for KSA and beyond to become a globally available offering for inbound, domestic and outbound tourism opportunities.

Financial Solutions

Leveraging our expertise in online payment excellence, Almosafer is exploring opportunities in FinTech to develop innovative payment solutions for our customers. As a leading digital-first brand, Almosafer will be offering prepaid cards for customers to leverage awards and discounts with our global partners during their travels, whilst at the same time earning Almosafer points and cashback rewards.

This payment method will also provide access to more travel data and preferences, so we can continue to personalize and elevate the travel experience for our customers.

Car Rental

Lumi is set to upgrade the car rental experience in KSA with a variety of initiatives around digital-first omnichannel solutions including a complete overhaul of the online booking platforms on app & web. These booking platforms will enable customers to complete the selection, registration and payment process in a few simple clicks which will result in drastically reduced waiting times at pickup points across airports and retail branches around the Kingdom.

Furthermore, part of Lumi's value proposition is the commitment to providing a state-of-the-art fleet to its B2B and B2C customers, with vehicles that are no older than 2 years. This not only elevates the customer experience, but is also cost-effective when it comes to maintenance and service. In order to mitigate losses upon 'ageing' of cars, Lumi is currently selling used vehicles to B2B partners. For 2021 and 2022, we are planning to develop a fully-fledged used car sales marketplace that will allow for B2C customers to buy used cars from a trusted provider.

Additionally, Lumi is working on expanding its mobile workshop offering (which has proven successful in supporting leasing partners) to B2C customers with a dedicated app platform in the works.

Online Distribution

In order to monetize our sourcing capabilities and robust supplier base, we are developing an online distribution platform to make local hotel, transportation and activities content globally available through API integrations with international travel partners. This will position Seera as the leading intermediary for distributing Saudi travel content on online channels including OTAs, tour operators, travel agents, bed-banks, etc.

There is a strong interest in travel to Saudi Arabia, especially given the Kingdom's investments in developing attractions and heritage sites, and Seera will be at the helm of making these products available to travellers all over the world, showing them all that KSA has to offer.

Conclusion & future outlook

Clearly, the spread of COVID-19 will continue to have a negative impact on the travel and tourism industry, but its extent is unpredictable at the present time and will be mitigated by global vaccination waves. Seera is robust with strong liquidity to maintain the funding of our operations and we will take the necessary steps to manage the ongoing situation with prudence and caution.

As the name of our Group implies, we will continue in our journey into the future. We have already come a long way by restructuring our business portfolio and embracing a start-up agile methodology in order to compete in bigger markets and take advantage of better opportunities. There are definitely still headwinds in our journey, but we continue to be optimistic about the future and we are committed to investing in our technology platforms and talent, as we position Seera to capture all the new opportunities that will emerge from this crisis.

Abdullah Bin Nasser Al Dawood
Chief Executive Officer

Board of Directors



Engineer Mohammed Bin Saleh Al Khalil

Board Chairman



Ahmed Samer Bin Mohammed Hamdi Al Zaim

Vice Chairman



Dr. Sulaiman Ali Alhudaif

Board Member



Abdullah Abdulrahman Al Ayadhi

Board Member



Majed Bin Ayed AlNefaie

Board Member



Mazen Bin Ahmed Al Jubeir

Board Member



Yazeed Khalid Al Muhaizaa

Board Member



Ibrahim Bin Abdulaziz Alrashed

Board Member



Abdullah Bin Nasser Al Dawood

Board Member

Group CEO

Executive management



Abdullah Bin Nasser Al Dawood

Board Member
Group CEO



Abdulrahman Bin Abdulaziz Al Ali

Executive Vice President
Group CTO



Yousef Mousa Yousef

Executive Vice President
Group CFO



Muzzammil Ahussain

Executive Vice President
Consumer Travel



Tarek Khateri

Executive Vice President
Center Of Excellence



Redmond Walsh

Executive Vice President
Portman Travel Group



Syed Mohammed Azfar Shakeel

Vice President
Car Rental



Saeed Bin Hussain Al Furaih

Vice President
Corporate & Government Travel



Fahad Bin Mohamed Alubailan

Vice President Consumer travel – Retail

Executive management



Louise Blake
Vice President Data Center



Ross McCauley
Vice President Marketing
& Communications



Mohamed Khaled
Vice President Finance Division



Maher Bin Fahad Alqufi
Vice President Procurement
& Facilities Management



**Alwaleed Bin Abdulaziz
Al Nasser**
Vice President Legal



Moataz Mohammed Safwat
Senior Director Internal Audit

Organizational structure and Core Brands

Central units provide a unified platform for resource management, commercial contracts, data, technical solutions and support services that serve all strategic business units



A diverse portfolio of business units geared towards providing specialized services to different customer sectors

Core Brands



Section 01

**Historical growth,
Financial performance and
Group subsidiaries**





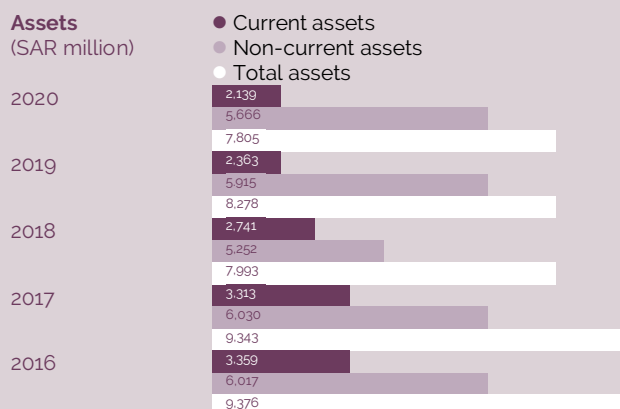
Historical Growth of key financial indicators over 5 years

Assets (SAR million)	2020	2019	2018	2017	2016
Current Assets	2,139	2,363	2,741	3,313	3,359
Non-Current Assets	5,666	5,915	5,252	6,030	6,017
Total Assets	7,805	8,278	7,993	9,343	9,376

Liabilities (SAR million)	2020	2019	2018	2017	2016
Current Liabilities	1,367	1,775	1,763	2,368	2,776
Non-Current Liabilities	561	658	596	983	966
Total Liabilities	1,928	2,433	2,359	3,351	3,742

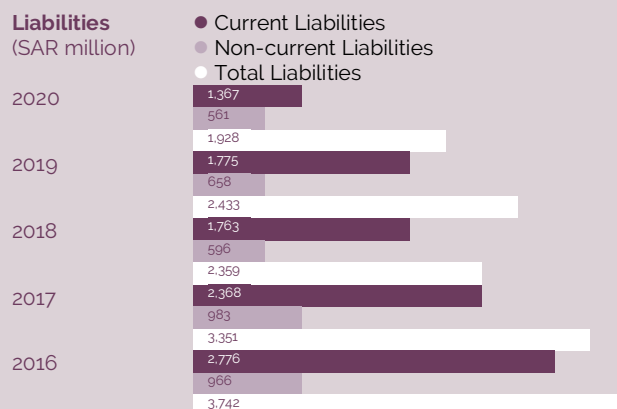
Assets

(SAR million)



Liabilities

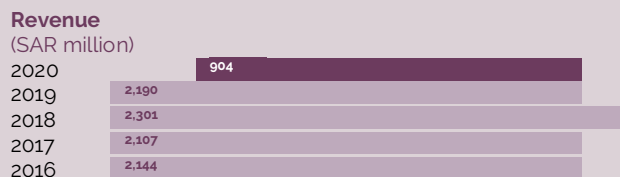
(SAR million)



	2020	2019	2018	2017	2016
Revenue (SAR million)	904	2,190	2,301	2,107	2,144
Operating (loss) / profit (SAR million)	(533)	339	613	808	905
Profit for the year (SAR million)	11	189	(142)	489	816
Total equity (SAR million)	5,877	5,844	5,635	5,991	5,633

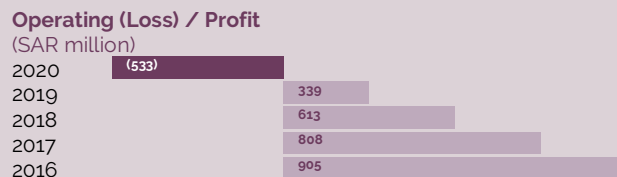
Revenue

(SAR million)



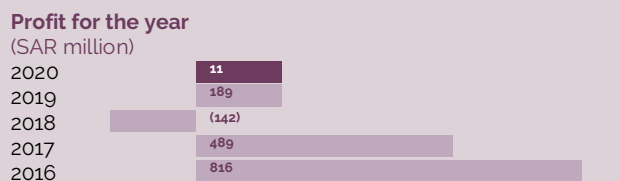
Operating (Loss) / Profit

(SAR million)



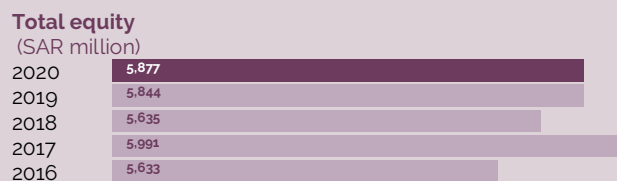
Profit for the year

(SAR million)



Total equity

(SAR million)

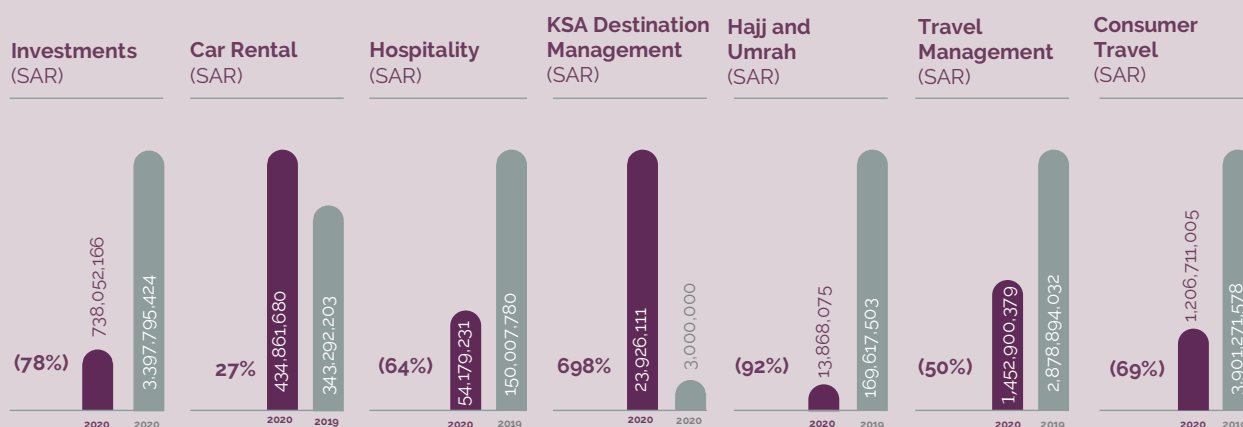


Financial performance during 2020

1. The gross booking value to strategic business units

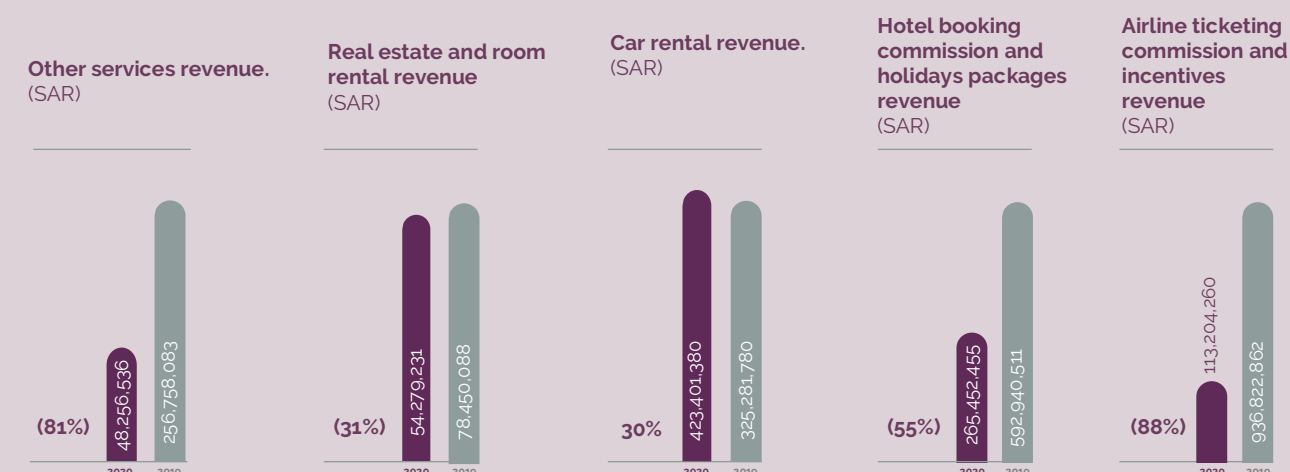
The Covid-19 pandemic negatively impacted our business in general in 2020. The gross booking value (GBV) for the Group has decreased by approximately 64% down from SAR 10.8 billion in 2019 to SAR 3.9 billion in 2020, except for the car rental business unit that achieved a significant increase during 2020 as follows:

Statement	2020	2019	%
Consumer Travel	1,206,711,005	3,901,271,578	(69%)
Travel Management	1,452,900,379	2,878,894,032	(50%)
Hajj and Umrah	13,868,075	169,617,503	(92%)
KSA Destination Management	23,926,111	3,000,000	698%
Hospitality	54,179,231	150,005,780	(64%)
Car Rental	434,861,680	343,292,203	27%
Investments	738,052,166	3,397,795,424	(78%)
Total	3,924,498,647	10,843,876,520	(64%)



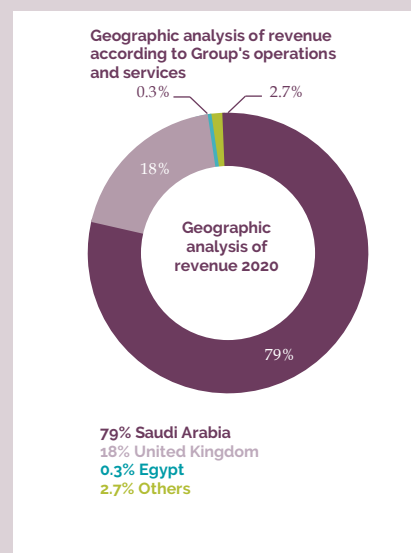
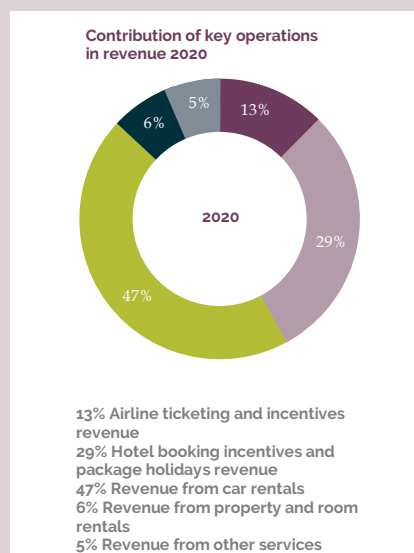
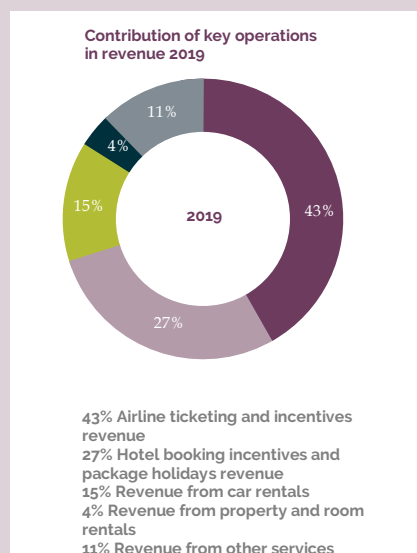
2. Revenue based on the Group's main activities

Statement	2020	2019	%
Airline ticketing commission and incentives revenue	113,204,260	936,822,862	(88%)
Hotel booking commission and holidays packages revenue	265,452,455	592,940,511	(55%)
Car rental revenue.	423,401,380	325,281,780	30%
Real estate and room rental revenue	54,279,231	78,450,088	(31%)
Other services revenue.	48,256,536	256,758,083	(81%)
Total	904,593,862	2,190,253,324	(59%)



3. Geographic analysis of revenue according to the Group's operations and services

Statement	2020	%
Saudi Arabia	713,417,301	79%
United Kingdom	162,238,350	18%
Egypt	3,072,069	0.3%
Others	25,866,142	2.7%
Total	904,593,862	100%



4. Key changes in the operation results

The key changes in the operation results for the year ended 31 December 2020 reflect economic and market changes as well as the decrease in strategic business unit due to the Covid-19 pandemic. The pandemic has significantly affected the travel and tourism industry and caused the announcement of worldwide travel bans as of mid-first quarter in 2020. Here are the key differences of the revenue and the gross profit.

A. Key changes in the revenue and the gross profit

Table (1): **Core changes in revenue and gross profit:**

Statement	2020	2019	Change	
			Amount	%
Revenue	904,593,862	2,190,253,324	(1,285,659,462)	(59%)
Cost of revenues	(597,635,874)	(917,250,495)	(319,614,621)	(35%)
Gross profit	306,957,988	1,273,002,829	966,044,841	(76%)

Net Revenues in 2020 were SAR 904 million against SAR 2.1 billion in 2019 with a significant decrease of SAR 1.2 billion or 59% mainly due to the decrease in total bookings by 64% during the year ended 2020 compared to 2019, except in the car rental unit. Travel and tourism sectors in all regions of Saudi Arabia as well as all other countries were directly affected by the Covid-19 pandemic.

The Company's branches were closed during this period for precautionary procedures as per the instructions issued by the governmental authorities. On the other hand, the total car rental bookings increased during the current year by 27%, compared to the previous year due to the increase in rental contracts with companies and governmental entities. The sector is enjoying accelerated growth from the Group's strategy to focus on the car rental sector.

B. Key changes in operating profit / (loss)Table (2): **Key changes in operating profit/(loss)**

Statement	2020	2019	Change	
			Amount	%
Gross profit	306,957,988	1,273,002,829	(966,044,841)	(76%)
Selling expenses	(317,861,677)	(411,046,931)	93,185,254	(23%)
Administrative expenses	(509,984,341)	(511,011,804)	1,027,463	0.2%
Provision for expected credit loss on trade receivable	(25,049,050)	(25,345,879)	296,829	1%
Net gain on investment	1,461,835	1,861,472	(399,637)	(21%)
Other income	10,932,998	14,062,752	(3,129,754)	(22%)
Other expenses	(66,375)	(2,040,497)	1,974,122	97%
Operating (loss) / profit	(533,608,622)	339,481,942	(194,126,680)	(57%)

The Group recognized an operating loss in 2020 of SAR (534) million, with a decline of 57% in comparison to operating profit of SAR 339 million recognized in 2019. This is due to the significant impact of the Covid-19 pandemic to the travel and tourism sector discussed previously, which has negatively affected the Group operations. This requires the Group management to start reducing and rationalizing initiative for all selling and administrative expense items:

- Rationalize and reduce all selling and advertising expenses in conformity with the total bookings for 2020, compared to 2019.
- Rationalize and reduce employee expenses by reorganizing work hours according to work requirements and use the governmental support "SANED initiative" to preserve Saudi employees.
- Rationalize all work travel and communication expenses, insurance, rents, etc. according to work priorities.
- Rationalize information technology expenses as well as maintenance expenditure related to online sales and supporting system platforms to maintain continuity of the Group's business requirements.
- Charge impairment loss in trade receivable outstanding balance according to International Reports Standards regarding estimated credit loss calculation. Accordingly, impairment loss of trade receivable was charged by SAR 25 million.

C. Key changes in net profit for the yearTable (3): **Net profit for the year:**

Statement	2020	2019	Change	
			Amount	%
Operating (loss) / profit	(533,608,622)	339,481,942	(194,126,680)	(57%)
Finance income	1,461,532	2,565,358	(1,103,826)	(43%)
Finance costs	(46,546,654)	(69,522,159)	22,975,505	(33%)
Loss on disposal of equity-accounted associate	-	(16,634,316)	(16,634,316)	0%
foreign currency loss recognized impairment of goodwill.	(13,334,763)	-	(13,334,763)	(100%)
Gain on disposal of assets held for sale.	1,572,593,275	-	1,572,593,275	100%
Impairment losses	(955,555,642)	(32,649,887)	(922,905,755)	2827%
Share of (loss)/profit from equity-accounted associates, net of tax	11,408,223	(7,185,213)	4,223,010	(59%)
Zakat and income tax	(26,659,360)	(32,806,652)	6,147,292	(19%)
(Loss) /income from discontinued operations	(7,113,747)	235,793	(6,877,954)	(2917%)
Gain on disposal from discontinued operations.	8,201,146	16,660,616	(8,459,470)	(51%)
Recognized foreign currency gain / (loss) from discontinued operations	478	(11,273,269)	(11,272,791)	100%
Profit of the year	10,845,866	188,872,213	(178,026,347)	(94%)

The profit of the Group for the year 2020 amounted to SAR 11 million compared to SR 189 million for the year 2019, which includes the impact of the gain on disposal of assets held for sales received from the Group's investment in Careem after Uber completed the acquisition in January 2020, by SAR 1.5 billion.

The decrease in the recoverable amount of hotel assets as well as the re-evaluation of all intangible and fixed assets, and equity-accounted investments of companies were brought by the Covid-19 pandemic according to the requirements of International Accounting and Reports Standards , which were estimated at SAR 955 million. On the other hand, the Group recognized gain on sales and disposals of subsidiaries in Saudi Arabia and Lebanon at SAR 8 million.

The financial costs of Murabaha and short-term financing in accordance with Islamic law decreased by (33%).

This is due to an increase in the proceeds from the Group's divestment from Careem after the acquisition by Uber Technologies Inc. and the Group's use of the cash generated in working capital for the settlement of obligations and short-term Murabaha. This entailed a decrease in finance costs.

The decrease in expenses for the provision of Zakat due to the decrease of revenue and net profit of the year, impacted the calculation of Zakat base items.

5. Basic earnings per share

Table (4): **Basic earnings per share:**

Statement	2020	2019	Change	
			Amount	%
Basic and diluted earnings per share	0,06	0,62	(0,56)	(90%)

The Group had a share profit of 0.06 at the end of the year ended on December 31, 2020. Most of the changes were reflected in the income statement.

6. Islamic Murabaha

A. Short-term Murabaha

Table (5): **Short-term Murabaha:**

No.	Bank	Value	Timeframe	Paid during the year	Balance	Guarantees
1	Financial institutions (1)	SAR 325 million	6 months	SAR 185 million	SAR 140 million	Promissory notes
2	Financial institutions (2)	SAR 680 million	6 months	SAR 580 million	SAR 100 million	Promissory notes
3	Financial institutions (3)	SAR 665 million	6 months	SAR 568 million	SAR 97 million	Promissory notes
4	Financial institutions (4)	SAR 100 million	6 months	-	SAR 100 million	Promissory notes

Murabaha fundamentally represents the value of banking agreements in accordance with Islamic Sharia. They are short-term for one year and are used to finance working capital requirements of the Group. This is carried out through Islamic Murabaha and Tawarruq contracts in accordance with the requirements of Islamic Sharia, and all bank commissions are agreed upon according to the announced rates by all banks in the Kingdom or other banks related to our international subsidiaries.

B. Long-term Murabaha

Table (6): **Long-term Murabaha:**

No.	Bank	Value	Timeframe	Paid during the year	Balance
1	Financial institutions (1)	SAR 471,4 million	7 years	SAR 78,5 million	SAR 392,9 million
2	Financial institutions (2)	SAR 98,8 million	5 years	SAR 23,2 million	SAR 75,6 million

In 2018, long-term funding (Tawarruq) was acquired from a local bank. This was to finance the expansion of the Sheraton Jabal Al Kaaba Hotel in Makkah. The Murabaha was based on an agreed-upon rate based on the established bank rates (SAIBOR), in addition to a profit margin specified in the Murabaha agreement.

C. Other types of Islamic Murabaha

The nature of Islamic Murabaha (Tawarruq) is that it is used to fund working capital requirements. This is primarily obtained from local items in subsidiaries countries according to agreed rates. The value was SAR 1 million against SAR 5 million.

7. Changes in cash flows

The Group recorded a net change in cash and cash equivalents amounting to SAR (98) million due to cash flow changes as follows:

Table (7): **Changes in cash flow:**

Statement	2020	2019
Net cash (used in) / generated from operating activities	(233)	103
Net cash generated from (used in) investing activities	387	(408)
Net cash (used in) generated from financing activities	(252)	404

The most prominent changes in cash flows from operating activities are mainly due to:

- Net changes in cash paid to trade and non- trade service suppliers at SAR (219) million.
- Net payments at SAR (47) million and financial costs against Murabaha borrowing.
- Net changes in contract liabilities at SAR (45) million.
- Cash paid to Zakat and income tax paid SAR (45) million.

Key changes in cash flow related to financing activities were mainly due to:

- Net cash changes to reflect total receipts from financing contracts concluded in accordance with Islamic Sharia in SAR 1.1 billion, and payment of SAR (1.4) billion to financial institutions.

Key changes in cash flow related to investing activities were mainly due to:

- SAR 1.3 million cash proceeds from Uber against the acquisition of Group's share investments in Careem.
- SAR 97 million cash proceeds from car sales disposed from Group's fleet to renew the fleet according to Group's sale policy in addition to car sold during the Covid-19 and achieved gains.
- SAR (362) million as payments against purchasing cars to support the Group's strategic business unit - "Lumi" Car Rental.
- SAR (541) million as payments against investment
- SAR (128) million as payments for project in progress items related to Group's investing projects.

Group subsidiaries

Countries & Group subsidiaries in each country

United Kingdom
6 Companies

Spain
2 Companies

Lebanon
2 Companies

Egypt
6 Companies

Kingdom of Saudi Arabia
23 Companies

Kuwait
1 Company

The United Arab Emirates
2 Companies

Current status of subsidiary companies and most important changes related to mergers and acquisitions

No.	Country		Number of subsidiaries
1	Kingdom of Saudi Arabia		23
2	United Kingdom		6
3	Egypt		6
4	The United Arab Emirates		2
5	Kuwait		1
6	Lebanon*		2
7	Spain		2
	Total		42

Subsidiaries in Kingdom of Saudi Arabia

No.	Company	Activities	%
1	The National Co. for Tourism and Travel Ltd.	Travel and tourism	100%
2	Al Sarh Co. for Travel and Tourism Ltd.	Travel and tourism	80%
3	Elaa Agency for Air Transport Ltd. (formerly Al Tayyar International Agency for Air Transport)	Travel and tourism	100%
4	Serra Holidays for Travel and Tourism Ltd. (formerly Al Tayyar Holidays for Travel and Tourism Ltd.)	Travel and tourism	100%
5	Elaa for Travel, Tourism and Shipping Ltd. (formerly Al Tayyar for Travel, Tourism and Shipping Ltd.)	Travel and tourism	100%
6	Taqniyatek for IT	IT Services	100%
7	Seera Hospitality Ltd. (formerly Al Tayyar for Development and Investment Ltd.)	Hotels and property	100%
8	Lumi Rentals (formerly Al Tayyar Car Rental)	Car rentals	100%
9	High Speed Company for Transportation Co. Ltd	Transport	100%
10	Tajawal for Travel and Tourism Ltd.	Travel and tourism	100%
11	Al Mawasim Co. for Travel and Tourism Ltd.	Travel and tourism	100%
12	* Jawlah Co. for Tour Planning Ltd.	Tourism services	51%
13	Mawasim for Tourism, Hajj and Umrah Services	Tourism services	51%
14	Fly IT	SMS and multimedia	60%
15	Muthmera Property Investment	Property rentals	100%
16	Al Nukhba for Private Airplanes	Airplane ownership and rental	100%
17	Fayfa Travel & Tourism Agency	Travel and tourism	100%
18	The Saudi Arabia Co. for Conference and Event Tourism	Event organization	100%
19	High Co. for Trade **	Car rentals	80%
20	Almosafer for Travel and Tourism	Tourism services	100%
21	Discover Saudi for Travel and Tourism	Travel and tourism	100%
22	Seera Hospitality	Hotels	100%
23	Sheraton Makkah	Hotels	100%

*Sold during 2020

Subsidiary companies

Subsidiaries in United Kingdom

No.	Company	Activities	%
1	Portman International Group	Travel and tourism	100%
2	Elegant Resorts Ltd. And its subsidiaries	Tourism services	100%
3	Ian Allan Ltd.	Travel and tourism	100%
4	Mawasim Ltd. (Formerly: Co-op Travel Ltd.)	Transport services	100%
5	If Only Holidays Ltd.	Tourism services	100%
6	Mawasim for Travel and Tourism	Travel and tourism services	100%

Subsidiaries in the United Arab Emirates

No.	Company	Activities	%
1	Seera Holidays for Travel and Tourism (formerly Al Tayyar Travel and Tourism LLC)	Tourism services	100%
2	Tajawal General Trading LLC	Travel and tourism	100%

Subsidiaries in Kuwait

No.	Company	Activities	%
1	Almosafer for Travel and Tourism	Travel and tourism	100%

Subsidiaries in Egypt

No.	Company	Activities	%
1	Hanouf Co. for Tourism and Services	Tourism services	70%
2	Al Tayyar Travel Group Holidays	Travel and tourism	100%
3	Al Tayyar Shipping and Customs Clearance	Tourism services	100%
4	Seera Holidays for Travel and Tourism (formerly Nile Holiday Tourism)	Travel and tourism	100%
5	E Al Tayyar Tourism	Car rental	-
6	Al Tayyar Car Rentals	Car rental	100%

Subsidiaries in Lebanon

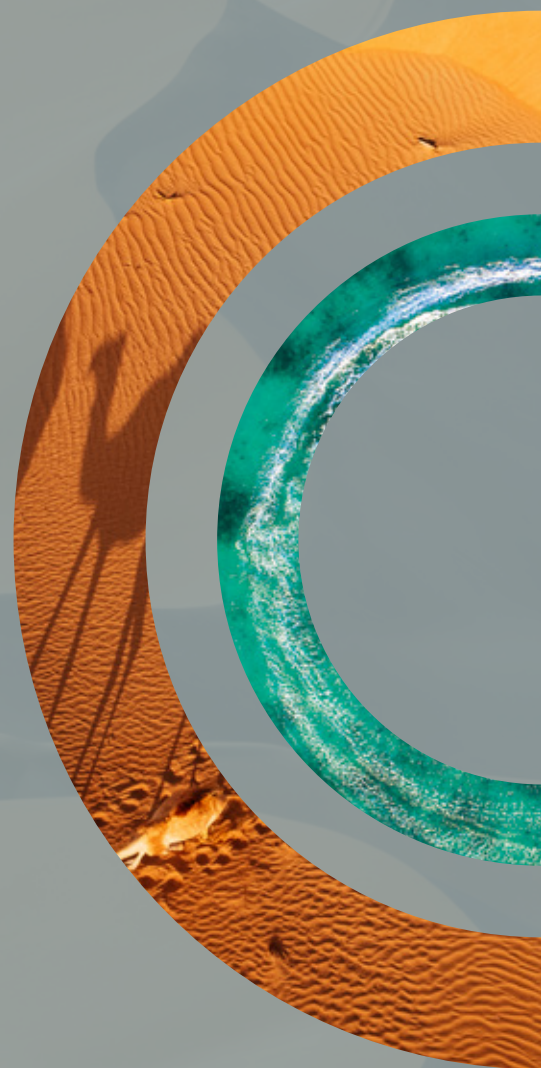
No.	Company	Activities	%
1	Connecting for Trade and Services*	Travel and tourism	51%
2	Lina Tourism and Travel*	Travel and tourism	100%

Subsidiaries in Spain

No.	Company	Activities	%
1	Seera Group Travel IT Spain (B2B Travel Group)	Travel and tourism	100%
2	Seera Sports S.LU	Sports	100%

Section 02

Board of Directors and Governance





Board of Directors and Governance

1. The Board of Directors, Committees and Executive Management

a. Board

Seera Holding Group is managed by the Board of Directors comprising of (9) board members, who shall be appointed by the Ordinary General Assembly "AGM" every 3 years. Currently, 9 board members were appointed by the AGM convened on 28th March 2018. The Board shall have all the necessary powers and authorities to manage the Group. The Board of Directors' responsibilities are clearly defined in the Company's by-laws.

Table (8): **Board members' names for the current term expiring on 28 March 2021:**

No.	Name	Current positions	Former positions	Qualification	Experiences
1	Eng. Mohammed Bin Saleh Al Khalil	- Chairman of the Board of Directors of Seera Holding Group - Chairman of the Board of Directors of Alujain Corp	- Board Member of Riyadh Chamber of Commerce, and Committees Member at Riyadh Chamber of Commerce and Council of Saudi Chambers	- Bachelor of Engineering - MBA	- Long experience in areas of investment, real estate, travel, tourism, petrochemicals and industrial sector. He acted as Chairman and Board Member at several companies in the areas of tourism, travel, petrochemicals and real estate.
2	Mr. Ahmed Bin Samer Al-Zaim	- Deputy Chairman of the Board of Directors of Seera Holding Group Partner and Chairman of the Board of Directors-Gulf International Company for Contracting Real Estate Investment - Chairman of the Board of Directors of Saudi Modern Company for Minerals, Cables and Plastics	- Committee Member at Riyadh Chamber of Commerce and Council of Saudi Chambers	- Bachelor of Economics - Bachelor of Business Administration	- Board Member in a number of companies and board committees and their subsidiaries. - Committee Member at Riyadh Chamber of Commerce and Council of Saudi Chambers
3	Dr. Sulaiman Ali AlHudaif	- Deputy Chief of Strategy and Business Excellence Group-Alinma Bank	- Executive Manager Human Resources and Development – Al Rajhi Bank - CEO of Elite World for Administrative and Organizational Consulting Co.	- BA in Business Administration - Master in International Relations - Master in Business Administration - DBA	- A well-known HR Executive in KSA, he has more than 30 years of experience within Corporate and Executive Governance, which includes – inter alia-Competitive HR Business Modeling & Processes, Corporate Communication, Change Management & Reengineering, Business Development Cooperation, Strategic Human Resources Planning & Design, Organizational Development, Executive Training, Assessment & Competency Development, Top Management Talent Selection, Acquisition & Succession and Project Consultation. In addition, he has also led the development of various HR initiatives.
4	Mr. Majed Bin Ayed Al Nefaie	- GM of Mawasim Company "MWT"	- Deputy Head of Revenue Department at Makka Construction & Development Co.	- Bachelor of Accounting - Advanced Diploma in Hotels Management	- Board Member in the Al-Hanove Travel Company - Hotel Manager at the Hilton Towers Makkah from 1999 to 2004 - Board member of companies working in tourism sector and hotel services.
5	Mr. Mazen bin Ahmed AL-Jubeir	- Managing Director at Jawaris Ltd - Chairman of the National Agricultural Development	- Executive Vice President for the Amwal AlKhaleej Company - Advisor at the McKinsey & Company	- BA in Economics from Harvard College with a fellow degree from John Harvard and Harvard's	- Executive Vice President – Amwal AlKhaleej Company - Consultancy for the McKinsey & Company - Board Memberships at several companies including outstanding government organizations, private companies and social projects

		Company (NADEC) - Chairman of Fund of Funds Company (Jada)		Academic Excellence - Master in Business Administration	- An active investor in SMEs and fast-growing companies in the KSA and USA
6	Mr. Abdullah Bin Abdulrahman Al Ayadi	- Head of Legal Affairs Department at the Prince Mohammed bin Salman bin Abdulaziz Foundation (MiSK).	- Legal Counsel at several companies - A member of the Executive Team at a leading company in KSA (Al Faisaliah Group (AFG)) - CEO (Acting) at the King Abdullah Foundation	- Bachelor's degree in Law - Master's degree in International Business Law	- Legal Counsel at several companies - More than 20 years of legal and administrative experience in top-ranked institutions - A key player in negotiations in one of the fastest growing companies in the Gulf Region (ACWA).
7	Mr. Ibrahim Bin Abdulaziz Al-Rashed	Co-founder –of Colliers International–	- Legal Counsel at several companies	- Bachelor of Accounting - Master in Business Administration Initial fellowship of the Saudi Organization for Certified Public Accountants (SOCPA) Secondary fellowship of the Saudi Organization for Certified Public Accountants (SOCPA)	- An inspiring and motivational executive director with first-rate interpersonal skills at Colliers International – Saudi Operations, where he was a co-founder. - He is equipped with more than 15 years of experience in various fields. He has also worked as a Senior Manager in the auditing department of Ernst and Young Riyadh.
8	Mr. Yazeed Khalid Al Muhaizaa	- Assistant General Manager and Director General Global Markets – at Hassana Investment Company	- Director of Global Markets General – Hassana Company Investment	- Master in Financial Management BA in Financial Management	- Representative of the General Organization for Social Insurance - Assistant General Manager and Head of Department International Markets at Hassana Investment Company since 2014. - Investment Analyst in the Portfolio Management Department at The General Organization for Social Insurance in the Kingdom Saudi Arabia from 2007 to 2014.
9	Mr. Abdullah Bin Nasser Al Dawood	- CEO of Seera Holding Group - Chairman of the Saudi Entertainment Projects Company - Chairman of the Alraedah Finance Company	- Vice President of Investment Banking at Deutsche Bank in the Middle East and North Africa	- Master in Business Administration with honors - Master in Business Administration with honors - Master in Political Science and International Relations	- A more than 11 years of experience in investment banking services. Several executive positions. - Vice President of Investment Banking at –Deutsche Bank in the Middle East and North Africa - Former member of the Board of Directors of the Saudi Stock Exchange (Tadawul). - Member of the Board of Directors of Rua AlMadinah Holding Company. - Member of the Board of Directors of many prominent companies, such as Careem. - Chief Executive Officer, Seera Holding Group

A.1. Composition of the Board of Directors:

Table (9): **Composition of Board of Directors and Classification of its Members:**

No.	Name	Title:	Classification
1	Eng. Mohammed Bin Saleh Al Khalil	Chairman of the Board of Directors	Independent
2	Mr. Ahmed Bin Samer Al-Zaim	Deputy Chairman of the Board of Directors	Non-Executive
3	Dr. Sulaiman Ali AlHudaif	Board member	Independent
4	Mr. Majed Bin Ayed Al Nefaie	Board member	Non-Executive
5	Mr. Mazen bin Ahmed Al-Jubeir	Board member	Non-Executive
6	Mr. Abdullah Bin Abdulrahman Al Ayadi	Board member	Independent
7	Mr. Ibrahim Bin Abdulaziz Al-Rashed	Board member	Independent
8	Mr. Yazeed Khalid Al Muhaizaa	Board member	Independent
9	Mr. Abdullah Bin Nasser Al Dawood	Board member CEO of the Group	Executive

A.2. Board of Directors meetings

The Board members dedicated sufficient time for undertaking their responsibilities and well preparation for the board meetings and were very keen to attend the meetings. None of the board members submitted any written request for convening emergency board meetings

during the financial year ended on 31 December 2020. Also, none of the board members rejected the board agendas and resolutions.

The Board was keen to schedule its meetings at specific dates, regularly prepare for the board meetings before convention, ensure adherence by all board members to attend the meetings and discuss all agenda items introduced to the meeting, record the results of the meeting in minutes by the Company Secretary, and follow up execution of contents of the minutes with the Company's Executive management.

Furthermore, the Board paid due attention to follow up the functions entrusted to each board member, ensure execution of the functions in accordance with the decisions taken by the board during its meetings, follow up the board sub-committees and its periodic meetings, make sure that the members performed their duties and responsibilities, and execute the contents of the minutes of the meetings. In order to streamline the workflow, the Company's by-laws authorized the Board to take resolutions by circulation which shall be presented to the Board in its first following meeting for final approval. During 2019, number of resolutions taken by circulation were issued after prior deliberation thereon and were presented to the Board of Directors pursuant to paragraph (4) under Article (18) of the Company's by-laws.

Table (10): **2020 Attendance register of Board meetings; total number of meetings (6):**

No.	Name	Number of Meetings (6)						Total	Attendance %
		First 02/03/20	Second 07/04/20	Third 14/07/20	Fourth 24/09/20	Fifth 16/11/20	Sixth 20/12/20		
1	Eng. Mohammed Bin Saleh Al Khalil	⊙	⊙	⊙	⊙	⊙	⊙	6	100%
2	Mr. Ahmed Bin Samer Al-Zaim	⊙	⊙	⊙	⊙	⊙	⊙	6	100%
3	Dr. Sulaiman Ali AlHudaif	⊙	⊙	⊙	⊙	⊙	⊙	6	100%
4	Mr. Mazen bin Ahmed Al-Jubeir	⊙	⊙	⊙	⊙	⊙	⊙	6	100%
5	Mr. Majed Bin Ayed Al Nefaie	⊙	⊙	⊙	⊙	⊙	⊙	6	100%
6	Mr. Abdullah Bin Abdulrahman Al Ayadi	⊙	⊙	⊙	⊙	⊙	⊙	6	100%
7	Mr. Ibrahim Bin Abdulaziz Al Rashed	⊙	⊙	⊙	⊙	⊙	⊙	6	100%
8	Mr. Yazeed Khalid Al Muhaizaa	⊙	⊙	⊙	⊙	⊙	⊙	6	100%
9	Mr. Abdullah Bin Nasser Al Dawood	⊙	⊙	⊙	⊙	⊙	⊙	6	100%

⊙ Attended

○ Not attended

A.3. The Board's key strategic resolutions during 2020

1. Approve the 2019 annual financial statements.
2. Approve the 2020 initial financial statements.
3. Approve the 2020 modified budget.
4. Approve signing a memorandum of understanding with Tourism Development Fund.
5. Approve the 2021 proposed budget.
6. Approve investment in Saudi governmental sukuk in SAR.

A.4. Board members' shares ownership

Table (11): **The shares owned by board members in the Group at the beginning and end of 2020 and their percentage out of the total number of the Group's shares inclusive of the board membership shares:**

No.	Board Member Name	Owned Shares				Note
		No. of Shares at the beginning of 2020	% out of the total no. of shares	No. of Shares at the end of 2020	% out of the total no. of shares	
1	Eng. Mohammed Bin Saleh Al Khalil	842,622	0.28%	842,622	0.28%	Personal ownership
2	Mr. Ahmed Bin Samer Al-Zaim	4,083	0.0013%	4,083	0.0013%	Personal ownership
		1,056,616	0.35%	1,056,616	0.35%	The shares are owned by Gulf International Contracting Co. managed by him and in which he owns shares
3	Dr. Sulaiman Ali AlHudaif	102,964	0.034%	102,964	0.034%	Personal ownership
4	Mr. Majed Bin Ayed Al Nefae	9,800	0.003%	9,800	0.003%	Personal ownership
5	Mr. Mazen bin Ahmed AL-Jubeir	1,866	0.0006%	1,866	0.0006%	Personal ownership
6	Mr. Abdullah Bin Abdulrahman Al Ayadi	-	-	-	-	-
7	Mr. Ibrahim Bin Abdulaziz Al Rashed	1,400	0.0004%	1,400	0.0004%	Personal ownership
8	Mr. Abdullah Bin Nasser Al Dawood	2,332	0.0007%	2,332	0.0007%	Personal ownership
9	Mr. Yazeed Khalid Al Muhaizaa	-	-	-	-	A representative of GOSI which owns 11,523,864 shares representing 3.84% out of the total number of the Group's shares

A.5. The methods on which the Board of Directors used in the assessment of performance of the Board, Committees, Members and Executive management
The Board of Directors followed diverse methods to enable it to evaluate the performance of the Board and its members and committees based on the KPIs approved in "Board and Sub committees members and Executive management Performance Evaluation Policy and Procedures" proposed by Remuneration and Nomination committee. The Board observes, while defining thereof, its fairness, suitability and consistency with the Group's activity, strategies and objectives, in addition to the extent of interaction by board members and his ability to offer creative and innovative ideas. The Policy consisted of several elements; the most important of which are:

A. Board and Sub-committees KPIs

1. Remuneration for the board is in cash sums and compensation for meeting attendance and transportation according to the sums specified by the board and the recommendations of the remuneration committee, and in accordance with the Companies Law, or any other laws decisions, instructions or regulations from related bodies.
The board's report must be presented to the General assembly and contain a comprehensive statement of all financial remunerations, compensation for meeting attendance, transportation and any other benefits received by the board during the financial year. The report must also contain a list of all sums received by board members as employees or administrators, or sums received against the Group's technical, administrative or consulting works, which were previously approved by the board. It must also contain a list of the board's meetings and number of meetings attended by each member as of the date of last General assembly meeting.

2. Effectiveness of discussions of board and committee members to achieve the Group's objectives and strategy plan, and its reflection on the matters introduced during the year.
3. Compliance by board and committee members with the procedures to be applied in the meetings.
4. Compliance by the board committees with the functions entrusted thereto by the Board of Directors.
5. Having clear and open communication channels during the board and committees' meetings to introduce constructive participation and decisions.
6. Receiving a written agenda in advance by board members and a briefed notification about the meeting's matters and time in a sufficient period before the meeting.
7. Accuracy of board members in reviewing the annual financial statements and monitoring the cash flows, profitability, revenues and other financial indicators to ensure that the Group operates within the achievement of its approved objectives.
8. Efficiency of board members in monitoring the Group's performance and comparing information and data relevant to the industry in which the Group operates.
9. Effectiveness of board members in discussing the matters which affect the Group in the long term.
10. Recognize the difference between the board's role in preparing policies and the CEO's role in managing the Group.
11. The role played by board members in assisting the CEO in developing a clear and understandable policy.
12. The Board's effectiveness in developing the Executive management succession plan, in case of vacancy.

B. Board and Committees members KPIs

1. Dedicate time for the matters and needs of the Group to be able to make proper decisions. Understand the technical matters by the board and committee members.
2. Spend sufficient time with the CEO to understand the long-term plans. Ability of board and committee member to communicate with the Chairman of the Board of Directors, if necessary; and understanding and assimilation by members of the company's industry and field operating therein.
3. The ability of board members to offer opinions on the Group's strategy and approach, where necessary.
4. The objectivity of board members in confronting difficult decisions and their ability to express their own opinion during the meeting, even if their point of view is different than other board members.
5. Ability of board members to gather the necessary information in order to have enough knowledge, in case they don't attend a meeting.
6. The initiative taken by board and committee members, when being appropriate, in order to obtain relevant information about the company.
7. Reaction and acceptance of board members for the participation of other board and committee members; their ability to introduce creative and innovative ideas; their reservation on confidential information received.
8. Sufficient experience to evaluate strategies and policies and market developments, and all specific factors related to the Group's long-term operations.

C. Executive management (CEO and Senior executive) KPIs.

The performance of CEO and senior executives are assessed for reviewing the Group's strategic objectives and operational objectives to be in alignment with job objectives to be accomplished and for defining objectives that must be developed periodically and as per the following criteria:

1. Strategic planning: work to ensure the development of a long-term strategy, set up objectives and plans which fulfill the needs of the shareholders, clients, employees and every stakeholder. Ensure consistent, appropriate and timely progress towards achievement of the strategic objectives. Get and allocate resources in a way that aligns with the strategic objectives; submit regular reports to CEO and Board of Directors on progress which is achieving the milestones of the strategic plan.
2. Leadership: develop and propose a clear and coherent view about the Group's values and objectives and ensure they are completely understood and obtain wide support and effective implementation across the Group. Enhance a culture across the Group that works to encourage and remunerate for leadership, excellency and creativity. Ensure the concepts that promote the ethical norms, individual integrity and collaboration which build values.
3. Financial results: set and achieve appropriate long-term and annual financial performance objectives. Ensure the development and maintenance of appropriate systems to safeguard the Group's assets, and make sure that effective control over operations is in place.
4. Operations management: ensure the Group has high-level management with appropriate budget to conduct daily business of the Group. Encourage continuous improvement of quality, value and comparativeness of the Group's products and business systems. Encourage and remunerate innovative solutions introduced to the business and administrative challenges faced by the Group.
5. Management development and executives succession planning: develop, attract, retain and motivate a group of senior executives and ensure their efficiency and unity. Ensure that management development schemes and executives succession plans have required

resources and directives so that future leadership can grow.

6. Human resources: ensure creating and developing effective programs for employment, training, compensation, continuity and motivation of employees. Ensure the provision of necessary human resources to achieve the Group's objectives; set up and monitor workplace diversity programs and give appropriate recognition and appreciation for achievements made by individuals and groups.
7. Communication: serve as an official speaker of the Group and effectively communicate with shareholders, investors, employees, clients and vendors. Effectively represent the company in business relations among the company, government agencies and financial institutions.
8. Board of Directors relations: work closely with board members to ensure that members are aware of the Group's status, its business and relevant key matters, and are aware of the Group's progress towards achievement of the operating plan and milestones of the strategic plan.

This is done in light of the core values of Seera Group Holding:

1. Promotion of the spirit of cooperation
2. Customer first
3. Efficient decision-making process
4. Focus on the actual value
5. Increase work environment efficiency and strengthen the sense of responsibility
6. Strategic thinking
7. Effective Leadership

A.6. Board and its Sub-committees members remuneration.

The Board of Directors determined remunerations of the board and committees' members and Executive management. The Board considers that the remunerations should be consistent with the Group's strategy and objectives, taking into account the industry in which the Group operates and the experience of board and sub-committees members, and also should be in light of the applicable laws and regulations. The remuneration policy is divided into three parts as follows:

A. Board members remuneration

1. The board members' remuneration includes a certain amount of meeting attendance allowance, travel expenses allowance, in-kind benefits or a certain percentage of net profits. Two or more of these benefits may be given together.
2. In all circumstances, the total amount received by the board member including remuneration, financial or in-kind benefits must not exceed SAR 500,000 per annum in accordance with Companies Law and controls placed by the competent authorities.
3. The annual Board of Directors Report presented to the AGM must include a comprehensive statement showing every amount received by the board member during the financial year including remuneration, travel expenses allowance and other benefits. It should also include a statement showing the amounts paid to the board members as employees or executives or the amounts paid in consideration for technical, administrative or consulting business (if any). Furthermore, the report should include the number of board meetings and the number of meetings attended by each member from the date of the last AGM.

<u>B. Committee members, Company secretary and Committees remuneration</u>		3	Audit committee members' remuneration is approved by the AGM based upon the recommendation of the Board of Directors.
1.	The Board of Directors approves the sub-committees' remuneration (except Audit committee), attendance allowance and other entitlements based upon the recommendation of the Remuneration and Nomination committee.	4	On composition of the committees, the number of memberships that a board member can assume should be considered, provided that the total payment received by a member including remuneration for board and committee members should not exceed the maximum payment provided for in Companies Law applicable in the Kingdom of Saudi Arabia.
2	The board sub-committees membership remuneration consists of annual remuneration and meeting attendance allowance.		

The Board and Sub-committees' meetings remunerations and attendance allowance is detailed as follows:

Table (12): **Board and its Sub-committees remuneration:**

No.	Statement	Remuneration
Annual remuneration		
1.	Chairman of the board	SAR 400,000
2	Board members	SAR 300,000
3	Sub-committees excluding audit committee	SAR 50,000
Remuneration for meeting attendance		
4	Board meeting attendance	SAR 5,000
5	Committee meetings	SAR 4,000

- Remuneration for the members of the audit committee was decided by the general assembly, which met on March 28, 2018.
- Remuneration for Executive management has been decided in accordance with the Group's human resources policy and performance evaluation methods based on the standards mentioned earlier.

A.7. Executive management remuneration

- | | |
|--|---|
| <p>1. According to the Remuneration and Nomination committee's recommendation, the Board of Directors (Body) approves the types of remunerations granted for the senior executives of the Company, as for instance: fixed bonuses, performance-related bonuses, incentive bonuses, so as to not interfere with regulations and regulated procedures issued for joint-stock companies.</p> <p>2. Remunerations of senior executives shall be consistent with the strategic objectives of the Group and consistent with its activity and the required skills to manage it, taking into consideration the sector and volume of the Group.</p> <p>3. The Remuneration and Nomination committee shall continuously review the incentive plans of the senior executives and submit a recommendation to the Board of Directors to approve it.</p> <p>4. Remunerations aim to offer the competitive environment required to attract and retain qualified and competent staff and assure a high level of skills needed by the Company.</p> <p>5. The Chief Executive Officer (CEO) shall implement the remuneration policy for staff and senior executives in light of the plans and programs the Remuneration and Nomination committee recommends.</p> | <p>determined and approved according to internal incentives regulations.</p> <p>4. Annual performance-related bonuses shall be determined by the Remuneration and Nomination committee based in the recommendations and reports of the CEO and in the light of performance evaluation as well as the KPIs.</p> <p>5. Plans, incentive programs, salaries adjustment and other benefits of senior executives shall be approved by the Remuneration and Nomination committee.</p> <p>6. Some allowances are determined as a percentage of the basic salary, such as housing allowance at 25% of the basic salary and transportation allowance at 10% maximum.</p> <p>7. Some employees of the Company, based on the nature of their work, receive in-kind benefits such as providing a car in accordance with the conditions and standards set by the management of the Company in this regard; and the CEO shall approve this. In case any of the executive employees receives a car, he/she does not deserve a transportation allowance.</p> <p>8. Some other allowances such as fuel and telephone allowances could be provided, according to a clear internal policy set by the human resources department.</p> <p>9. Non-Saudi employees and their families (one wife and two children maximum) shall be granted airline tickets once a year.</p> <p>10. Achieving financial results and profits for strategic departments and units.</p> <p>11. Accomplishing the results of the strategic transformation programs.</p> <p>12. Achieving annual results of the management in operations assigned according to the tasks of the concerned department.</p> <p>13. Assessment of departments for each other regarding common tasks and level of cooperation.</p> <p>14. The quality of the results of the concerned department.</p> <p>15. The contribution share in developing the Company in general aside from the tasks of the concerned department.</p> |
|--|---|

While the remunerations of the employees of the Company are determined according to the following criteria:

1. Abilities, professional performance and history of the employee of the company; in addition to his serving period in the Company shall be taken into consideration when determining and adjusting his/her basic salary.
2. Salaries of newly/recently hired executives of the Company shall be determined by a decision taken by the CEO of the Company, according to the policy of the Company and the salary structure adopted in accordance with the functional grades.
3. Concerning fixed bonuses, whether they are a lump sum or certain commission from sales, they shall be

A.8. Remunerations of the Board of Directors

Table (13): Remunerations of the members of the Board of Directors in 2020:

Board Member	Fixed Bonuses								Variable Bonuses						Indemnity	Grand Total	Expense Allowance
	Board Members Bonus	Total Attendance Allowance	Total Attendance Allowance	Total Attendance Allowance for	In-Kind Benefits	Technical and Administrative Works Bonus	Remuneration of the Chairman	Total	Profit Share	Periodic Remunerations	Short-term Incentive Plans	Long-term Incentive Plans	Granted Shares (value to be entered)	Total			
First: Independent Members																	
Eng. Mohammed Bin Saleh Al Khalil	400,000	30,000	50,000	20,000	-	-	-	500,000	-	-	-	-	-	-	-	500,000	-
Dr. Sulaiman Ali AlHudaif	300,000	30,000	50,000	12,000	-	-	-	392,000	-	-	-	-	-	-	-	392,000	-
Mr. Abdullah Bin Abdulrahman Al Ayadi	300,000	30,000	100,000	20,000	-	-	-	450,000	-	-	-	-	-	-	-	450,000	-
Mr. Ibrahim Bin Abdulaziz Al Rashed	300,000	30,000	100,000	40,000	-	-	-	470,000	-	-	-	-	-	-	-	470,000	-
Mr. Yazeed Khalid Al Muhaizaa	300,000	30,000	50,000	28,000	-	-	-	408,000	-	-	-	-	-	-	-	408,000	-
Second: Non-Executive Members																	
Mr. Ahmed Bin Samer Al-Zaim	300,000	30,000	100,000	20,000	-	-	-	450,000	-	-	-	-	-	-	-	450,000	-
Mr. Mazen bin Ahmed Al-Jubeir	300,000	30,000	50,000	28,000	-	-	-	408,000	-	-	-	-	-	-	-	408,000	-
Mr. Majed Bin Ayed Al Nefae	300,000	30,000	50,000	8,000	-	-	-	388,000	-	-	-	-	-	-	-	388,000	-
Third: Executive Members																	
Mr. Abdullah Bin Nasser Al Dawood	300,000	30,000	50,000	28,000	-	-	-	408,000	-	-	-	-	-	-	-	408,000	-
Grand Total	2,800,000	270,000	600,000	204,000	-	-	-	3,874,000	-	-	-	-	-	-	-	3,874,000	-

A.g. Membership of the Board of Directors in other companies

Table (14): Membership of the BoD members in other companies according to the presentations submitted in 2020:

No.	Name	Name of companies where BoD member is a member in their existing BoD or manager	In/outside the KSA	Legal Status:	Name of companies where BoD member is a member in their former BoD or manager	In/outside the KSA	Legal Status:
1	Eng. Mohammed Bin Saleh Al Khalil	Alujain Holding	inside the KSA	Listed joint-stock company	Thakher Investment and Real Estate Development Co.Ltd	inside the KSA	Limited Liability Company
		Cannoli Food Industries	inside the KSA	Limited Liability Company	Tatweer Education Holding Co.	inside the KSA	Limited Liability Company
		Cementa Cement	outside the KSA	Private joint-stock company	Manafea Holding Co.	inside the KSA	Closed joint-stock company
		Akwaan Real Estate	inside the KSA	Closed joint-stock company	-	-	-
		Tatweer Buildings Co.	inside the KSA	Limited Liability Company.	-	-	-
		Fad International Company for Investment & Development	inside the KSA	Limited Liability Company.	-	-	-
		Enwan Al Makan for Investment and Real Estate Development	inside the KSA	Limited Liability Company.	-	-	-
		Elite Doctors Medical Company	inside the KSA	Limited Liability Company.	-	-	-
		Arkan Steel Company	inside the KSA	Limited Liability Company	-	-	-
		Unaizah Investment Company	inside the KSA	Closed joint-stock Company	-	-	-
		Unaizah Endowment Company	inside the KSA	Limited Liability Company.	-	-	-
		Al Tahaluf Real Estate Company	inside the KSA	Limited Liability Company	-	-	-
		Al Wedyan Saudi Real Estate Company Saudi	inside the KSA	Closed joint-stock company	-	-	-
2	Mr. Ahmed Bin Samer Al-Zaim	Al-Rajhi Takaful Insurance Co.	inside the KSA	Listed joint-stock company	-	-	-
		Riyadh Cables Group of Companies	inside the KSA	Closed joint-stock company	-	-	-
		Saudi Modern Company for Metals and Plastic industry	inside the KSA	Closed joint-stock company	-	-	-
		Saudi Modern Company for Specialized Cables & Wires Industry	inside the KSA	Closed joint-stock company	-	-	-
		Modern Company for Cables Ltd.	inside the KSA	Limited Liability Company.	-	-	-
		Gulf International Company for Contracting Real Estate Investment	inside the KSA	Limited Liability Company.	-	-	-
		International Ceramic and Building Materials Trading Co	inside the KSA	Limited Liability Company.	-	-	-
		Gulf Int'l For Home Furnishings	inside the KSA	Limited Liability Company.	-	-	-
		Lighting Technology Co., Ltd.	inside the KSA	Limited Liability Company.	-	-	-
		Silver Crown Trading Co.	inside the KSA	Limited Liability Company.	-	-	-
3		Al Andalus Property Company	inside the KSA	Listed joint-stock company	-	-	-

	Dr. Sulaiman Ali AlHudaif	Alinma Investment	inside the KSA	Closed joint-stock company	-	-	-
		Hamat Co.	inside the KSA	Closed joint-stock company	-	-	-
4	Mr. Majed Bin Ayed Al Nefaie	Mawasim for Tourism, Hajj and Umrah Services	inside the KSA	Limited Liability Company.	Seera Travel Group Holidays Company	inside the KSA	Limited Liability Company.
		Mawasim Investment	inside the KSA	Limited Liability Company.	-	-	-
		Mawasim Sports	inside the KSA	Limited Liability Company.	-	-	-
		Hanouf Co. for Tourism and Services	Outside the KSA	Limited Liability Company.	-	-	-
		Al Takamul Group International Company	inside the KSA	Limited Liability Company.	-	-	-
		Sheraton Makkah	inside the KSA	Limited Liability Company.	-	-	-
		Madad Al-Baraka Hotel Company	inside the KSA	Limited Liability Company.	-	-	-
		KARIZMA "Al Sharq" Trading Company Ltd.	inside the KSA	Limited Liability Company.	-	-	-
		Mawasim Tourism Investment Group Ltd.	inside the KSA	Limited Liability Company.	-	-	-
		Saudi Conference & Incentive Tours Company	inside the KSA	Limited Liability Company.	-	-	-
		Beige for Decor Company	inside the KSA	Limited Liability Company.	-	-	-
		Mawasim Al Sriyah Company Ltd.	inside the KSA	Limited Liability Company.	-	-	-
		Darat Al Asryah for Real Estate Development	inside the KSA	Limited Liability Company.	-	-	-
		Naqla Company for Audiovisual Media Production	inside the KSA	Limited Liability Company.	-	-	-
5	Mr. Mazen bin Ahmed Al-Jubeir	Diyar AlKhozama	inside the KSA	Closed joint-stock company	National Metal Manufacturing and Casting Company (MAADANIYAH)	inside the KSA	Listed joint-stock company
		National Agricultural Development Company (NADEC)	inside the KSA	Listed joint-stock company	Al Sagr Insurance	inside the KSA	Listed joint-stock company
		Public Pension Agency	inside the KSA	Government Entity	National Medical Care Company	inside the KSA	Listed joint-stock company
		Maxis Communications Bhd. (Malaysia)	Outside the KSA	Closed joint-stock company	SaudiMed Investment Company (SaudiMed)	inside the KSA	Closed joint-stock company
		Mohammed I. Alsubeaei & Sons Investment Company	inside the KSA	Closed joint-stock company	Capital Bank	Outside the KSA	Listed joint-stock company
		Riyadh Airports Co.	inside the KSA	Limited Liability Company.	Derayah Financial Company	inside the KSA	Closed joint-stock company
		Fund of Funds	inside the KSA	Closed joint-stock company	Buan	inside the KSA	Listed joint-stock company
		Al Ra'idah Investment Company	inside the KSA	Closed joint-stock company	Lafana Holding Company	inside the KSA	Closed joint-stock company
		SABIC Investment and Local Content Development Company	inside the KSA	Closed joint-stock company	Northern Trust Company of Saudi Arabia	inside the KSA	Closed joint-stock company
		Al Mehbaaj Al Shamiah Company	inside the KSA	-	Careem Incorporation	Outside the KSA	Closed joint-stock company
6	Mr. Abdullah Bin Abdulrahman Al Ayadi	Aptec Saudi Arabia	inside the KSA	-	-	-	-
		Aujan Industrial Services and Supplies	-	-	-	-	-
7	Mr. Ibrahim Bin Abdulaziz Al Rashed	-	-	-	-	-	-
		Sleep High Company	inside the KSA	Limited Liability Company.	-	-	-
		Saudi Entertainment Ventures	inside the KSA	Closed joint-stock company	-	-	-
		Alraedah Finance Company	inside the KSA	Closed joint-stock company	-	-	-
		Mowakaba Investment Co.	inside the KSA	Limited Liability Company.	-	-	-
		Gheras Al-Khairat and its Subsidiaries	inside the KSA	Limited Liability Company.	-	-	-
8	Mr. Yazeed Khalid Al Muhaizaa	NBR Property Developers	inside the KSA	Limited Liability Company.	-	-	-
		-	-	-	-	-	-
9	Mr. Abdullah Bin Nasser Al Dawood	-	-	-	-	-	-
		Saudi Entertainment Ventures	inside the KSA	Closed joint-stock company	Thakher Investment and Real Estate Development Co.Ltd	inside the KSA	Closed joint-stock company
		Alraedah Finance Company	inside the KSA	Closed joint-stock company	Muthmerah Real Estate Investment Company (MREIC)	inside the KSA	Closed joint-stock company
		Rou'a Al Madinah	inside the KSA	Closed joint-stock company	Hanay Trading Company	inside the KSA	Closed joint-stock company
		MBC Group	Outside the KSA	Closed joint-stock company	Saudi Stock Exchange (Tadawul)	inside the KSA	Closed joint-stock company
		Almosafer Co.	inside the KSA	Closed joint-stock company	-	-	-
		Al Ola Development Company	inside the KSA	Closed joint-stock company	-	-	-
		E-Commerce Council	inside the KSA	Government Council	-	-	-
		Hotel Management Company	inside the KSA	Closed joint-stock company	-	-	-
		Careem Incorporation	Outside the KSA	Closed joint-stock company	-	-	-

b. Board of Directors Committees

1. Committees

In compliance with the Company by-laws, its corporate governance and optimal management of Company affairs, the Board of Directors, in its meeting held on 28th March 2018, restructured the committees as follows:

a. A. Executive Committee

Table (15): Executive committee head and members:

No.	Name	Current positions	Former positions	Qualification	Experiences
1	Eng. / Mohammed Bin Saleh Al Khalil	- Chairman of the Board of Directors of Seera Holding Group - Chairman of the Board of Directors of Alujain Corp	- Board Member of Riyadh Chamber of Commerce, and Committees Member at Riyadh Chamber of Commerce and Council of Saudi Chambers	- Bachelor of Engineering - MBA	- A long experience in investments, real estate, travel, tourism, petrochemicals and industrial sector. He assumed many positions as chairman and board member in several tourism and travel, petrochemicals and real estate companies.
2	Mr. / Mazen bin Ahmed Al-Jubeir	- Managing Director – Jawaris Ltd - Chairman of the National Agricultural Development Company (NADEC) - Chairman of Fund of Funds Company (Jada)	- Executive Vice President – Amwal AlKhaleej Co. - Advisor at the McKinsey & Company	- BA in Economics from Harvard College with a fellow degree from John Harvard and Harvard's Academic Excellence - Master in Business Administration	- Executive Vice President – Amwal AlKhaleej Company - Consultancy for the McKinsey & Company - Board Memberships at several companies including outstanding government organizations, private companies and social projects - An active investor in SMEs and fast-growing companies in the KSA and USA.
3	Mr. / Ibrahim Bin Abdulaziz Al Rashed /	Chief Director –of Colliers International–	- Legal Counsel at several companies	- Bachelor of Accounting - Master in Business Administration - Initial fellowship of the Saudi Organization for Certified Public Accountants (SOCPA) - Secondary fellowship of the Saudi Organization for Certified Public Accountants (SOCPA)	- An inspiring and motivational executive director with first-rate interpersonal skills at "Colliers International" – Saudi Operations, where he was a co-founder. - He is equipped with more than 15 years of experience in various fields. He has also worked as a "Senior Manager" in the auditing department of "Ernst and Young" - Riyadh
4	Mr. / Yazeed Khalid Al Mahaizaa	- Assistant General Manager and Director General Global Markets - Hassana Investment Company	- Director of Global Markets General – Hassana Company Investment	- Master in Financial Management - Bachelor of Financial Administration	- Representative of the General Organization for Social Insurance - Assistant General Manager and Head of Department International Markets at Hassana Investment Company since 2014. - Investment Analyst in the Portfolio Management Department at The General Organization for Social Insurance in the Kingdom Saudi Arabia from 2007 to 2014.
5	Mr. Abdullah Bin Nasser Al Dawood	- CEO of Seera Holding Group - Chairman of the Saudi Entertainment Ventures Company - Chairman of the Alraedah Finance Company	- Vice President of Investment Banking at Deutsche Bank in the Middle East and North Africa	- Bachelor in Business Administration with first class honors - MBA - Master in Political Science and International Relations	- Over 11 years of experience in investment banking, during which he held several executive positions - Vice President of Corporate Investment Banking in the Middle East and North Africa, Deutsche Bank - Former member of the Board of Directors of the Saudi Stock Exchange (Tadawul) - Member of the Board of Directors of Rua AlMadinah Holding Company. - Member of the Board of Directors of many prominent companies, such as Careem. - Chief Executive Officer, Seera Holding Group

B. Remuneration and Nomination committee

Table (16): Remuneration and Nomination committee head and members:

No.	Name	Current positions	Former positions	Qualification	Experience
1	Dr. Sulaiman Ali AlHudaif	- Deputy Chief of Strategy and Business Excellence Group, Alinma Bank	Executive Manager Human Resources and Development - Al Rajhi Bank - CEO of Elite World for Administrative and Organizational Consulting Co.	- BA in Business Administration - Master in International Relations - Master in Management - DBA	- A well-known HR Executive in KSA, Dr. Sulaiman Ali Al-Hudaif has more than 30 years of experience within Corporate and Executive Governance, which includes Competitive HR Business Modeling & Processes, Corporate Communication, Change Management & Reengineering, Business Development Cooperation, Strategic Human Resources Planning & Design, Organizational Development, Executive Training, Assessment & Competency Development, Top Management Talent Selection, Acquisition & Succession and Project Consultation. In addition, he has also led the development of various HR initiatives.
2	Mr. Majed Bin Ayed Al Nefae	- GM of Mawasim Company "MWT"	- Deputy Head of Revenue Department at Makka Construction & Development Co.	- Bachelor of Accounting - Advanced Diploma in Hotels Management	- Board member in the Al-Hanove Travel Company - Hotel Manager at the Hilton Towers from 1999 to 2004 - Board member of companies working in tourism sector and hotel services.
3	Mr. Ibrahim Bin Abdulaziz Al-Rashed	Co-founder –of Colliers International–	- Legal Counsel at several companies	- Bachelor of Accounting - Master in Business Administration Initial fellowship of the Saudi Organization for Certified Public Accountants (SOCPA) Secondary fellowship of the Saudi Organization for Certified Public Accountants (SOCPA)	- An inspiring and motivational executive director with first-rate interpersonal skills at "Colliers International" – Saudi Operations, where he was a co-founder. - He is equipped with more than 15 years of experience in various fields. He has also worked as a "Senior Manager" in the auditing department of "Ernst and Young" Riyadh.

C. Audit committee

Table (17): Audit committee head and members:

No.	Name	Current positions	Former positions	Qualification	Experience
1	Mr. Abdullah Bin Abdulrahman Al Ayadi	- Head of Legal Affairs Department at the Prince Mohammed bin Salman bin Abdulaziz Foundation (MISK).	- Legal Counsel at several companies - A member of the Executive Team at a leading company in KSA (Al Faisliah Group (AFG)) - CEO (Acting) at the King Abdullah Foundation	- Bachelor's degree in Law - Master's degree in International Business Law	- Legal Counsel at several companies - More than 20 years of legal and administrative experience in top-ranked institutions - A key player in negotiations in one of the fastest growing companies in the Gulf Region (ACWA).
2	Mr. Ahmed Bin Samer Al-Zaim	- Deputy Chairman of the Board of Directors of Seera Holding Group - Partner and chairman of the Board of Directors - Gulf International Trading & Real Estate Investment Limited Company - Chairman of the Board of Directors of Saudi Modern Company for Minerals, Cables and Plastics	- Committee Member at Riyadh Chamber of Commerce and Council of Saudi Chambers	- Bachelor of Economics - Bachelor of Business Administration	- Board Member in a number of companies and board committees and their subsidiaries. - Committee Member at Riyadh Chamber of Commerce and Council of Saudi Chambers
3	Dr. Saleh Hamad Al-Shenefy	Associate Professor – Faculty of Business Administration – King Saud University	Assistant Professor – Faculty of Business Administration – King Saud University	PhD in Business Administration, major Accounting – University of Florida Atlantic	Membership of the Audit committee in several companies and BoD member of the Saudi Organization for Certified Public Accountants (SOCPA)
4	Mr. Abdullah S. Alanizi	Chief Internal Audit – Saudi Telecom Company	General Manager, Network & IS Audit – Saudi Telecom Company	Master of Business Administration – King Fahd University of Petroleum & Minerals	He held several positions in the Auditing and Accounting fields in Samba Financial Group and Saudi Telecom Company

2. Tasks of committees and attending meetings

A. Executive committee

The Executive committee is comprised of five members according to the statement shown in Table 18 of this report. During 2020, the committee held seven meetings. The committee performs its functions through the authority granted to it by the Board of Directors, which includes the following points:

- Submitting recommendations to the BoD to set and approve the financial and strategic objectives of the Group.
- Recommending the approval of the annual budget of the Group.
- Approval of investing in projects or acquisition of companies in which the Group or any of its subsidiaries is a party and which does not exceed a value of SAR 100m.
- Approval of the contracts of establishing and acquisition of companies, purchasing stocks and shares inside the Kingdom of Saudi Arabia (KSA), and selling stocks and shares owned by the Group inside the KSA.
- Giving approval on participation in investment projects, new partnerships or projects aiming to enhance and develop the existing activities of the Group, buying assets and selling or buying property in favor of the Group according to the granted authorities at no more than SAR 500m.
- Approval of investing in bank deposits and bonds.

Table (18): **Executive committee member names and committee meetings attendance rate:**

No.	Name	Designation	Number of Meetings (7)							Attendance %
			27/2/2020	30/4/2020	23/6/2020	21/7/2020	21/7/2020	10/9/2020	28/12/2020	
1	Eng. Mohammed Bin Saleh Al Khalil	Committee president	⊙	⊙	⊙	⊙	⊙	⊙	6	100%
2	Mr. Mazen bin Ahmed Al-Jubeir	Committee member	⊙	⊙	⊙	⊙	⊙	⊙	6	100%
3	Mr. Ibrahim Bin Abdulaziz Al-Rashed	Committee member	⊙	⊙	⊙	⊙	⊙	⊙	6	100%
4	Mr. Yazeed Khalid Al Muhaizaa	Committee member	⊙	⊙	⊙	⊙	⊙	⊙	6	100%
5	Mr. Abdullah Bin Nasser Al Dawood	Committee member/CEO	⊙	⊙	⊙	⊙	⊙	⊙	6	100%

⊙ Attended

○ Not attended

B. Remuneration and Nomination committee

The Remuneration and Nomination committee is comprised of three members, two independent members and one non-executive member, according to the statement indicated in Table 19 of this report, and the committee held three meetings during 2020. The Remuneration and Nomination committee issued numerous decisions by passing them to members. The committee fulfills its role and authority through the regulations of the Remuneration and Nomination and Governance committees. Functions and responsibilities of the committee include the following:

- Submitting a recommendation to the BoD to nominate for the membership of the BoD, according to approved policies and procedures; taking into consideration not to nominate any person previously convicted with a crime of dishonor or dishonesty.
- Annual review of required needs of convenient skills for the BoD membership and preparation of a description of the capabilities and qualifications required for its membership including determination of the time a member would need to devote to the BoD affairs.
- Review the structure of the BoD and Executive management and submit recommendations on possible changes and determine weaknesses and strengths in the BoD while proposing solutions for them, according to the benefit of the Group.
- Annually assuring the autonomy of independent members.
- Assuring that there is no conflict of interest since the member is in the BoD of another company.
- Setting clear policies with regards to the compensations and remunerations of the BoD members and senior executives, taking into consideration using performance-related standards when setting these policies.

Table (19): **Remuneration and Nomination committee members names and committee meetings attendance rate:**

No.	Name	Designation	Number of Meetings (3)			Attendance %
			12/1/2020	2/2/2020	5/3/2020	
1	Dr. Sulaiman Ali AlHudaif	Committee president	⊙	⊙	⊙	100%
2	Mr. Majed Bin Ayed Al Nefaie	Committee member	⊙	○	⊙	66%
3	Mr. Ibrahim Bin Abdulaziz Al-Rashed	Committee member	⊙	⊙	⊙	100%

⊙ Attended

○ Not attended

C. Audit committee

The Audit committee is comprised of four members, as mentioned in Table 20 of this report, two members from the BoD and two independent members out of the BoD; they are Dr. Saleh Hamad Al-Shenefy, Financial and Accounting Specialist, and Mr. Abdullah S. Alanizi, Internal Audit and Technical Risk Specialist. The committee held five meetings in 2020; and it performs its duties according to its authority approved by the Audit committee, which is approved by the Extraordinary General Meeting (EGM) of the Group held on 28th March 2018, and the functions and responsibilities of the committee include the following:

Table (20): **Names of the members of the Audit committee and the committee meetings attendance rate:**

No.	Name	Designation	Number of Meetings (5)					Attendance %
			2/3/2020	17/6/2020	24/8/2020	7/10/2020	29/10/2020	
1	Mr. Abdullah Bin Abdulrahman Al Ayadi	Committee president	⊙	⊙	⊙	⊙	⊙	100%
2	Mr. Ahmed Bin Samer Al-Zaim	Committee member	⊙	⊙	⊙	⊙	⊙	100%
3	Dr. Saleh Hamad Al-Shenefy	Committee member	⊙	⊙	⊙	⊙	⊙	100%
4	Mr. Abdullah S. Alanizi	Committee member	⊙	⊙	⊙	⊙	⊙	100%

1. Initial and annual financial statements

- Considering the initial and annual financial statements of the Group before submitting them to the BoD and giving their opinions on them; and recommending them to ensure their integrity, fairness and transparency.
- Giving technical opinion on whether the report of the BoD and the financial statements are fair, balanced and clear; and includes data that allows shareholders and investors to assess the Group's financial position, performance, business model and strategy.
- Considering any significant or unusual issues included in the financial reports.
- Considering any issues raised by the Financial Manager (or who covers him/her), Compliance Officer, or External Auditor of the Group.
- Reviewing accounting estimates of significant issues included in the financial reports.
- Overseeing accounting policies and principles followed in the Group and its subsidiaries; depending on the nature of their work; and submitting opinion and recommendation to the BoD on them.

2. Internal audit

- Monitor and supervise the performance and activities of the Internal Audit Department to ensure availability of the necessary resources and their effectiveness in performing the tasks and functions assigned to them.
- Oversee Internal Audit reports and following up the implementation of the corrective measures of the notes included therein.
- Study and review the internal control systems.
- Activate the reporting policy mechanism for the employees to confidentially provide their comments on any violation in the financial reports or elsewhere.
- Approve the Internal Audit regulations, policies, and procedures.
- Approve the annual internal audit plan proposed by the Internal Audit Manager.
- Ensure the independence of the Internal Audit Department and its effectiveness, according to the relevant standards
- Review the results of the reports of the supervisory authorities and ensure taking the required actions thereon.

3. External review

- Reviewing the work plan of the Group's auditor and its works, making sure that the auditor does not carry out technical or administrative works outside the scope of the audit work, and giving its views thereon.
- Ascertaining the independence, objectivity and fairness of the auditor and the effectiveness of the audit works, taking into account the relevant rules and standards.
- Examining the auditor's report and its observations on the financial statements and following up on what has been taken in this regard.

4. Compliance review

- Reviewing the contracts and transactions proposed to be entered by the Group with the related parties and presenting its views thereon to the Board of Directors.
- Checking the Group's compliance with the relevant regulations, instructions and policies.
- Raising such matters as it considers necessary for action to the Board of Directors and making recommendations on the actions to be taken.

5. Findings of the internal review and evaluation of the effectiveness of the internal control system

5.1. Organizational structure and scope of operations

The Seera Group's Board of Directors is committed to use the Internal Audit Department as a key tool to control, improve and monitor the performance across the Group, and to develop the Group's business, governance and oversight practices. The Internal Audit Department is the group's "third line of defense," which means that it does not replace the role of the senior executives at the strategic business units and the joint central service units. Simply, they represent the Group's "first lines of defense", as they are required to minimize the risks and verify the effectiveness of the controls approved by the Board of Directors.

The Internal Audit Department submits a quarterly report to the Audit Committee, appointed by the General Assembly, and reports directly to the Group's CEO. The Internal Audit Department conforms to the IIA's International Professional Practices Framework (IPPF), which sets the definition, international professional standards and key principles of internal auditing.

The Internal Audit Department follows an approach based on risk management and focuses on the sectors and operations that comprise potential risks to the Group, if any. Accordingly, the mission of the Internal Audit Department is to support and protect organizational value, through verification and providing the stakeholders with independent and objective consultation that is based on risk management.

The key achievements of the Internal Audit Department in 2020:

5.2. Internal audit and evaluating the effectiveness of internal auditing

The Internal Audit Department has focused on several tasks within its purview in accordance with the IIA's International Professional Practices Framework (IPPF) and the approved Internal Audit Activity Charter. These have helped enhance the audit controls, improve risk management, and achieve the desired goals including:

- Execution of the full internal audit plan for 2020, which covered nearly 22 key audit and consultancy tasks carried out upon the board and Audit Committee's request. The operations and activities mentioned earlier were audited during this process. This was to ensure the effectiveness of the auditing of these operations and to limit any risks involved.
- The execution of follow-up procedures with strategic sector managers and senior manager for all results listed in internal audit report for 2020 and earlier reports, in the light of the recommendations of the Internal Audit Department to ensure timely execution of the proposed corrective measures.
- A comprehensive update for the evaluation of risks for 2020 for all departments within the Group according to the challenges of Covid-19. This is to update the internal audit operational and strategic plans for 2021 and 2022. During this process, discussions were held with the main related bodies, such as the Audit Committee, operational units' managers, and senior management. All the key issues identified through these discussions were reflected in the operational review plan.
- The participation in investigation and the follow-up on issues related to violations in cooperation with concerned units, and study of the results of the investigation to enhance the controls.
- An internal audit was carried out in 2020 to evaluate the quality of internal auditing practices and measure the Internal Audit Department's compliance with the IIA's International Professional Practices Framework (IPPF). The methodological evaluation revealed that the department conforms to the IPPF.
- Continue the ongoing the Internal Audit Department's workforce restructure according to the recommendations of the IIA Global Internal Audit Competency Framework. This process involves supporting the Department and hiring of new qualified, competent and experienced auditors to handle all the required tasks and duties.
- The Group and the Internal Audit Department invested in internal auditing technological solutions. For example, the department used "Teammate" system to digitally document its works.
- The internal audit team has attended some visual training courses and specialized seminars on internal audit in 2020 to keep the team updated about the latest scientific and practical developments in this field.
- The Internal Audit Department submits a quarterly report to the Audit Committee, outlining the results of the internal auditing activities in the light of the approved KPIs. The report is discussed in meetings with the Audit Committee with the head of the Group's Internal Audit Department.

5.3 Initial & Annual Financial Statements

- The Internal Audit Department pays special attention to the financial statements and reports for the Seera Group. Therefore, it has allocated adequate hours for this task as part of its operation plan. In this respect, the Internal Audit Department reviews these financial reports and statements before submitting them to the Audit Committee along with the necessary recommendations to ensure their integrity, fairness, and transparency.
- Check the key risks associated with the financial statements, for example, important accounting estimates – changes in accounting policies and their financial effects on the statements – the compliance with the IFRS disclosure standards.
- Revision of key issues and accounting reports regularly.

5.4 Governance operations

The Internal Audit Department has undertaken tasks related to governance, which in turn has confirmed the efficiency and adherence to the internal auditing procedures according to the IIA's 2110 performance standard, which stipulates that the internal audit activity must assess and make appropriate recommendations to improve the governance processes. In this context, the Internal Audit Department has reviewed the following:

- The decisions and minutes of the Board of Directors to ensure consistent decision-making and consistent strategy procedures.
- Procedures for effective performance and the evaluation of the strategic business units to affirm that they are suitably structured.
- Disclosure of risk-related information to the related bodies in the Group in a regular manner.
- A fair program has been activated in 2020 report violations that may raise suspicion of financial and non-financial violations related to the Group.

6. The findings of the Audit committee

The committee has been made aware of the findings, through regular internal audit reports, as well as meeting with the external auditor and the report submitted by him. The committee regularly follows up on the efforts of the executive committee to ensure that its observations have been addressed and that sufficient controls have been put in place to remedy the issues. However, it should be clear that any internal audit system can only provide reasonable, but not absolute, assurances regarding integrity and effectiveness of the internal control system. Also, there is no conflict between the recommendations and decisions of the Audit Committee and that of the Board of Directors.

7. External audit

At its meeting held on 20 April 2020, the Ordinary General Assembly of the Group approved the appointment of the Dr. Mohamed Al Amri & Co., from other candidates, as the Group's auditor for the financial year ended on 31 December 2020 in consideration of remuneration of SAR 950,000.

Various proposals were obtained from major audit firms for auditing the Group's accounting records for the financial year 2019. Having been presented to the Audit committee and after discussion, the committee decided on the list of nominations which was reviewed by the Board of Directors and the General Assembly. Accordingly, the Group's auditor for the financial year 2020 was appointed.

3. Remuneration and allowances of the Board committees

Table (21): **Remuneration and allowances of the Board committees during 2020:**

No.	Name	Fixed remuneration (except attendance allowance)	Attendance allowance	Total
Executive committee				
1	Eng. Mohammed Bin Saleh Al Khalil	50,000	20,000	70,000
2	Mr. Mazen bin Ahmed Al-Jubeir	50,000	28,000	78,000
3	Mr. Ibrahim Bin Abdulaziz Al-Rashed	50,000	28,000	78,000
4	Mr. Yazeed Khalid Al Muhaizaa	50,000	28,000	78,000
5	Mr. Abdullah Bin Nasser Al Dawood	50,000	28,000	78,000
	Total	250,000	132,000	382,000
Nominations and Remuneration committee				
1	Dr. Sulaiman Bin Ali Al Hudaif	50,000	12,000	62,000
2	Mr. Majed Bin Ayed Al Nefaie	50,000	8,000	58,000
3	Mr. Ibrahim Bin Abdulaziz Al-Rashed	50,000	12,000	62,000
	Total	150,000	32,000	182,000
Audit committee				
1	Mr. Abdullah Bin Abdulrahman Al Ayadi	100,000	20,000	120,000
2	Mr. Ahmed Bin Samer Al-Zaim	100,000	20,000	120,000
3	Dr. Saleh Hamad Al-Shenefy	200,000	20,000	220,000
4	Mr. Abdullah S. Alanizi	200,000	20,000	220,000
	Total	600,000	80,000	680,000
	Total	1,000,000	244,000	1,244,000

C. Executive management

1. Positions, qualification and experience of the senior executives

Table (22): Positions, qualification and experience of the senior executives:

No.	Name	Current positions	Former positions	Qualifications	Experience
1	Mr. Abdullah Bin Nasser Al Dawood	<ul style="list-style-type: none"> - CEO of Seera Holding Group - Chairman of the Saudi Entertainment Projects Company - Chairman of the Alraedah Finance Company 	<ul style="list-style-type: none"> - Vice President of Investment Banking at - Deutsche Bank in the Middle East and North Africa 	<ul style="list-style-type: none"> - Bachelor in Business Administration with first class honors - Master in Business Administration with honors - Master in Political Science and International Relations 	<ul style="list-style-type: none"> Over 11 years of experience in investment banking, during which he held several executive positions Vice President of Investment Banking at Deutsche Bank in the Middle East and North Africa. - Former member of the Board of Directors of the Saudi Stock Exchange (Tadawul). - Member of the Board of Directors of Rua AlMadinah Holding Company. - Member of the Board of Directors of many prominent companies, such as Careem.

					- Chief Executive Officer, Seera Holding Group
2	Mr. Yousef Mousa Yousef	- Executive Vice President, Finance	- Audit Manager, Al Rashed Chartered Accountants Office - Internal Audit Supervisor, Verizon Communications, Virginia, USA	- Certified Public Accountants (CPA) - The Membership of Virginia Society of Certified Public Accountants, Virginia, USA	- Audit Manager, Al Rashed Chartered Accountants Office Riyadh 1995 – 2000 - Deputy Controller, Marriott Group, Virginia, USA 2000-2003
3	Mr. Abdulrahman Al Ali	- Executive Vice President – Travel Department (Elaa) and Chairman of CTO - Member of the Board of Directors, Almosafer - Member of the Board of Directors, other companies	- Technical advisor, Atheeb Group - Founder of Atheeb Telecommunications - Member of the Board of Directors, Intergraph Saudi Company	Bachelor of Computer Science, American University, Washington DC - Diploma of Financial Management, IRR Institute, London - Diploma of Information Systems from King Saud University	Experience of more than 28 years in the field of Information technology, technical transformation, communications, and investment in information technology
4	Mr. Tareq Khatri	Executive Vice President - Centre of Excellence	Vice-Chairman - Centre of Excellence	Diploma of Hotel Management and Catering Technology Rizvi College of Hotel Management and Catering Technology - Mumbai	More than 20 years of experience in travel industry, where he built his experience in leading customer experiences, business development and new market initiatives to push commercial success. He played vital roles in multi-national travel companies, such as: Cleartrip and Kuoni, as part of the founding team. He also led the platform expansion in the Middle East and created different jobs for suppliers and distributors.
5	Mr. Muzzammil Ahussain	- Executive Vice President, Consumer travel	- Senior manager, Accenture Co.	- MBA with distinction from INSEAD - Bachelor's degree in Economics from the University of California, Irvine.	- International consultant in online travel

2. Remuneration and rewards paid to the senior executives

The total disbursements paid to the senior executives are 4.30 million Saudi Riyals for the year 2020 including, salaries, allowances, periodic and annual compensation and travel and accommodation allowances until 31 December 2020 as follows:
Table (23): **Remuneration of the senior executives:**

Fixed Remunerations from January - December 2020				Variable Remunerations						End of service gratuity	Total remuneration of the Board's Executives, if any	Grand Total
Salaries	Allowances	In-kind benefits	Total	Regular bonuses	Profits	Short-term Incentive Plans	Long-term Incentive Plans	Granted Shares (value to be entered)	Total			
4,379,008	1,725,799	-	6,104,807	800,000	-	18,500,000	-	4,098,933	23,398,933	583,240	408,000	30,494,980

3. Shares held by the senior executives:

Shares held by the senior executives and percentage to total shares in the Group by the end of 2020 comparing with their shares at the beginning of 2020:

Table (24): **Shares held by the senior executives:**

No.	Names of senior executives:	Owned Shares			
		No. of shares at beginning of 2020	% out of the total no. of shares	No. of Shares at the end of 2020	% out of the total no. of shares
1	Mr. Abdullah Bin Nasser Al Dawood	2332	0.007%	2332	0.007%
2	Mr. Yousef Mousa Yousef	Nil	-	Nil.	-
3	Mr. Abdulrahman Abdulaziz Al Ali	18925	0.0063%	Nil.	-
4	Mr. Tareq Khatri	Nil	-	Nil.	-
5	Mr. Muzzammil Ahussain	Nil	-	Nil.	-

Disclosure: According to the declarations submitted by senior executives, there are no shares owned by any wives or children of the senior executives during 2020.

2. The Group's compliance with the Corporate Governance Regulations

The management of Seera Holding Group is committed to implementing all the provisions of the Corporate Governance Regulations issued by the Capital Market Authority (CMA) on 14th January 2021, except for the guidance articles as described below:

Table (25): **The Group's compliance with the Corporate Governance Regulations**

No.	Article/Clause no.	Status	Article/Clause text	Reasons for non-application
1	70/71/72	Guidance	- Formation of risk management committee - Competences of risk management committee - Meetings of risk management committee	The Group is currently applying tasks and competences related to this committee through the Board of Directors and Audit Committee
2	95	Guidance	- Formation of Corporate Governance Committee	The Group is currently applying tasks and competences related to this committee through the Board of Directors and sub-committees by performing the assigned tasks and achieving their goals

3. Rights of shareholders and General Assembly

A. Shareholders' rights

The Group is keen in enabling all shareholders to exercise their own lawful rights so that they receive their share of the distributed profits and a share of the Group's assets in case of liquidation, attend shareholders' assembly meetings, participate in its discussions, vote on its resolutions, dispose of the shares, monitor the work of the Board of Directors, file a liability case against a member of the Board of Directors, and request information, provided that it may not prejudice the interest of the Group or conflict with the Capital Market Law and its executive regulations and that it shall be in line with the provisions of the Corporate Governance Regulations approved by the Board.

B. Information to shareholders

The Group shall make all information available to all shareholders in accordance with the policies of disclosure of significant developments, financial statements and performance report in accordance with the applicable legal requirements and regulations and the instructions received from the competent authorities without discrimination amongst the shareholders, to enable them to exercise their rights to the fullest extent. Such information is required to be accurate, complete and updated in a regular and timely manner on the website of the Capital Market Authority (Tadawul), the Group's website and daily newspapers.

C. Dividend policy

The Group's policy to distributing the net annual profits is based on Article (38/M) of the Group's Articles of Association after deducting all general expenses and other costs as follows:

1. 10% of the net profit shall be set aside to form a statutory reserve. The Ordinary General Assembly may cease such withholding once the said reserve reaches 30% of the paid-up capital.
2. The Ordinary General Assembly, based on the Board of Directors' proposal, may set aside a percentage of the net profits no more than (50%) to form a consensual reserve to be allocated for a certain purpose(s).
3. The Company may distribute interim dividends to the shareholders on a semi-annual or quarterly basis after fulfilling the following requirements:
 - The General Assembly shall authorize the Board to distribute interim dividends under a resolution to be renewed annually.
 - The Company shall maintain good and regular profits.
 - The Company shall have reasonable cash flow and can reasonably predict its level of profitability.
 - The Company shall have available sufficient distributable profits according to the latest audited financial statements to cover the proposed dividends, after deducting the distributed and capitalized part of such profits after the date of these financial statements.

The Board of Directors shall implement the General Assembly's resolution regarding the distribution of profits to the registered shareholders within 15 days from the date whereon such profits become due as specified in the General Assembly's resolution.

4. The General Assembly may withhold 10% of the net profit for establishing social institutions for the Company's employees or for granting reward shares in the Company to the employees of the Company.
 - The profits to be distributed to shareholders shall be paid in such time and place as may be determined by the Board of Directors in accordance with the instructions issued by the Ministry of Commerce and Industry or any competent authority.
 - During its meeting of 14 April 2019, the Extraordinary General Assembly agreed to allot 6,490,000 shares for the establishment of a program for the Groups employees (long-term incentives plan).

Table (26): Details of treasury stocks maintained by the Group

Number of treasury stocks maintained by the Group	Value	Date	Usage details
6,490,000	SAR 64,900,000*	14 April 2019	Group's employees share's program (Long-term incentives plan)

* share book value.

E. Group's applications for shareholders' register

Table (27): Group's applications for shareholders' register

No. of applications	Application date	Application reason
1	19/1/2020	Corporate procedures
2	20/4/2020	General Assembly
3	14/7/2020	Updating the shareholder's register
4	16/7/2020	General Assembly
5	8/10/2020	Updating the shareholder's register
6	2/12/2020	Updating the shareholder's register
7	31/12/2020	Updating the shareholder's register

F - Actions taken by the Board of Directors to inform its members of the shareholders' proposals and their comments on the Group and its performance. The Group took a number of measures to inform members of the Board of Directors, particularly the non-executive directors, of shareholders' proposals as follows:

1. The Group appointed a competent department to receive Shareholders' proposals, namely, the Investor Relations Department. These proposals are then submitted to the Board of Directors during the Board meetings to take and send the appropriate decision to (investors@seera.sa).
2. For years, the Group has been providing the shareholders with opinion and proposal cards at the General Assembly, so that each shareholder can record their observations on the Group and its performance as well as their own proposals.
3. The Group also allowed its shareholders to question the members of the Board of Directors about the performance of the Group during the AGM.

9. General Assembly

The Company's shareholders were convened to the General Assembly on 20 April 2020 and 16 July 2020. The quorum was present, and the members of the Board of Directors were present according to the following table:

Table (28): **Statement of the General Assembly Meeting attended by the members of the Board of Directors:**

No.	Name	Attendance Record of the General Assembly meeting held on 20 April 2020	Attendance Record of the General Assembly meeting held on 16 July 2020
1	Eng. Mohammed Bin Saleh Al Khalil	⊙	⊙
2	Mr. Ahmed Bin Samer Hamdi Al-Zaim	⊙	⊙
3	Dr. Sulaiman Bin Ali Al Hudaif	⊙	⊙
4	Mr. Majed Bin Ayed Al Nefaie	⊙	⊙
5	Mr. Mazen bin Ahmed Al-Jubeir	⊙	⊙
6	Mr. Abdullah Bin Abdulrahman Al Ayadi	⊙	⊙
7	Mr. Ibrahim Bin Abdulaziz Al-Rashed	⊙	⊙
8	Mr. Yazeed Khalid Al Muhaizaa	⊙	⊙
9	Mr. Abdullah Bin Nasser Al Dawood	⊙	⊙

⊙ Attended

○ Not attended

G - Disclosure policies and procedures

The Board of Directors has developed written disclosure and transparency policies and procedures to ensure the fair provision of appropriate information in a timely manner to assist investors in making investment decisions based on correct and adequate information and to ensure no information is disclosed to some investors and not to the others.

The Company is committed to complying with the policies and procedures developed by the Board of Directors based on the relevant regulations and the instructions issued by the Capital Market Authority and the competent authorities in order to enhance the level of transparency and disclosure.

4. The interests of the Board of Directors

Table (29): **List of Interests of some members of the Company's Board of Directors:**

No.	Statement	Nature of relationship	Nature of contract	Value of the Contract	Contract terms and conditions	Contract term
1	Gulf International Trading & Real Estate Investment Limited Company	Mr. Ahmed Samer Al Zaim, Board Member, holds 36.66% of its shares	Provision of travel services	SAR 20,000 per month	No specific conditions	Annual contract, automatically renewed
2	Riyadh Cables Company	Mr. Ahmed Samer Al Zaim, Board Member, holds 0.001% of its shares	Provision of travel services	SAR 50,000 per month	No specific conditions	Annual contract, automatically renewed
3	National Agricultural Development Company (NADEC) Riyadh Airports Co.	Mr. Mazen bin Ahmed Al Jubeir, Board Member, holds 0.001% of its shares	Provision of travel services	On demand and according to the market value	No specific conditions	Annual contract, automatically renewed
4	Riyadh Airports Co.	Mr. Mazen bin Ahmed Al Jubeir, Board Member - related party	Renting a space to provide car rental services and practice this activity	SAR 520.000	No specific conditions	Three years
5	Riyadh Airports Co.	Mr. Mazen bin Ahmed Al Jubeir, Board Member - related party	Renting a location to provide car rental services	SAR 5182620	No specific conditions	One year, renewable
6	Riyadh Airports Co.	Mr. Mazen bin Ahmed Al Jubeir, Board Member - related party	A lease contract to practice the activity of travel agencies office	SAR 496263	No specific conditions	Year
7	Riyadh Airports Co.	Mr. Mazen bin Ahmed Al Jubeir, Board Member - related party	A lease contract to practice the activity of travel services	SAR 2890000	No specific conditions	Three years
8	Riyadh Airports Co.	Mr. Mazen bin Ahmed Al Jubeir, Board Member - related party	Luxury Car rental	SAR 546977.81	No specific conditions	Five years, renewable

9	Riyadh Airports Co.	Mr. Mazen bin Ahmed Al Jubeir, Board Member - related party	Renting a location to receive and deliver shipments	SAR 1501050	No specific conditions	25 years
10	SABIC company	Mr. Mazen bin Ahmed Al Jubeir, Board Member at SABIC Investment and Local Content Development company, one of the subsidiaries of SABIC	Car rental services	on demand and according to the market value	No specific conditions	Five years
11	Saudi Entertainment Projects Company	Board member and CEO, Mr/ Abdullah Al Dawood - related party	Travel and tourism services	SAR 2 million	No specific conditions	Year

5- Undertakings of the Board of Directors

The Board of Directors affirms and acknowledges that:

1. The consolidated financial statements were prepared in accordance with the conceptual framework of the International Accounting Standards Board (IASB).
2. The accounting records were prepared correctly.
3. The internal audit system was duly developed and effectively implemented.
4. There is no doubt about the Company's ability to continue its activities.
- 5- The company always complies with the requirements of the Corporate Governance Regulations, including all disclosure and transparency policies and procedures.
6. The General Assembly did not convene during the last fiscal year and the Company received no request from the legal auditor to this effect.
7. The General Assembly did not convene during the last fiscal year and the Company received no request from the legal auditor to this effect.
8. None of the shareholders holding 5% or more of the company's capital requested to add an item or more to the agenda of the General Assembly upon its preparation.
9. No penalty, sanction or conservatory constraint has been imposed on the Company by CMA or any other supervisory, regulatory or judicial body.
10. Except as disclosed in this report, the company has no loans with over 3-year maturity, none of the Company's properties were sold or mortgaged, and the Company's debtors were not discharged from any obligations towards the Company during 2020.
11. No action has been taken that may hinder a shareholder's ability to exercise his voting rights.
12. Except as disclosed in this report, the Company is not a party to any contract, which involves or involved a substantial interest for a member of the Board of Directors, the Chief Executive Officer, the Chief Financial Officer or any person related to any of them during the fiscal year 2020.
13. There is no waiver agreement or arrangement under which any of the shareholders of the company has waived rights in profits during the fiscal year 2020.
14. The audit report on the annual financial statements for the fiscal year 2020 included no substantive reservations or observations.
15. There is no recommendation from the Board of Directors to replace the auditor before three consecutive fiscal years.
16. Except as disclosed in this report, none of the members of the Board of Directors, senior executives, their wives or minor children has interests, contractual securities or subscription rights in the Company's shares, debt instruments or subsidiaries.
17. Except as disclosed in this report, no convertible or redeemable debentures, option rights, warrants or similar rights were issued or granted by the Company or its subsidiaries during 2020.
18. The company did not redeem, purchase or cancel any redeemable debt instrument.
19. There is no waiver agreement or arrangement whereby a board member or a senior executive waived any salary or remuneration.
20. The Company's subsidiaries issued no shares or debt instruments.
21. There are no rights of transfer or subscription under convertible debt instruments, option rights, warrants or similar rights issued or granted by the Company.
22. The Company did not offer any cash loan of any kind to members of its Board of Directors, nor did it guarantee any loan made by any of them with a third party.
23. None of the members of the Company's Board of Directors owns any share in the capital of the Company's subsidiaries; and the Company has not entered into any business or contract that involves any interest for any of its Board members, senior executives or any person related to any of them or the Company's employees, except as disclosed in this report. The Company does not have preferred shares or shares of special interest in voting (for shareholders, directors or any of their employees) and all shares of the Company are ordinary shares of equal nominal value and have equal voting rights and other rights according to the by-law.
24. The Company is subject to zakat in accordance with the regulations of the General Authority of Zakat and Tax. A provision for zakat is charged to the consolidated statement of income. Differences, if any, at the finalization of final assessments are accounted for when such amounts are determined.
25. The Company's external auditor provided no advisory services to the Company during the fiscal year 2020 and received no fees related thereto.

6. Lawsuits against the company

1. The Board of Directors assures that no cases were filed during the fiscal year 2020 by or against the Company exceeding 5% of the net assets of the Company.
2. The Board of Directors assures that no cases were filed during the fiscal year 2020 against a member of the Board of Directors or a partner in our subsidiaries or against any of the Company's senior executives.

Table (30): **Fines and penalties imposed on the Group in 2020:**

No.	Penalty	The violation causes	The authority that imposed the penalty	Measures to avoid the violation in the future	Financial Impact
1	Financial	Practicing an activity without obtaining license	Public Transport Authority	License is obtained and corrective actions are activated to ensure no repetition in the future.	Low
2	Financial	Not renewing the store license	Ministry of Municipal and Rural Affairs - Madinah Municipality	License is renewed and corrective actions are activated to ensure no repetition in the future.	Low
3	Financial	Leaving cars and machines idle in the public places	Jeddah Municipality	Corrective actions are activated to ensure no repetition in the future.	Low
4	Financial	Failure to open establishment file for the branch at the labor office - hiring in Saudized jobs	Ministry of Labor	Corrective actions are activated to ensure no repetition in the future.	Low

7. Related party transactions and balances for the fiscal year 2020Table (31): **Related party transactions and balances for the fiscal year 2020:**

No.	Related Party	Relationship with the Company	Nature of the transaction	Transaction / Contract value					Contract term
				Sales	Purchases	Receipts	Payments	Other costs/ income	
1	Voyage Amr Tourism	Associate	Provision of travel services	-	-	-	-	-	Automatically renewable annual contract
2	Al Wadi Middle East company	Associate	Provision of travel services	-	-	-	-	-	Automatically renewable annual contract
3	CHMI CO.	Associate	Provision of travel services	-	-	-	-	-	Automatically renewable annual contract
4	Riyadh Front Exhibition & Convention Co.	Associate	Provision of travel services	618,043	-	-	5,712,923	458,717	Automatically renewable annual contract
5	Majed Al Nefae	Minority shareholder of MWT	Provision of travel services	-	-	-	-	324,966	No contract
6	Riyadh Cables Group of Companies	Common directorship	Provision of travel services	4,500	2,778	-	-	-	Automatically renewable annual contract
7	Gulf International Trading & Real Estate Investment Limited Company	Common directorship	Provision of travel services	19,146	-	21,000	-	(24,476)	Automatically renewable annual contract
8	National Agricultural Development Company (NADEC)	Common directorship	Provision of travel services	1,709,427	-	2,944,109	-	-	Automatically renewable annual contract
9	Saudi Entertainment Projects Company	Common directorship	Provision of travel services	1,604,581	-	3,959,071	-	-	Automatically renewable annual contract
10	Saudi Basic Industries Corporation (SABIC)	Common directorship	Provision of travel services	2,600,664	-	2,097,347	-	(503,169)	Automatically renewable annual contract
11	2share United Communications	Ownership interest by majority	Provision of travel services	-	-	-	-	(27,930)	Automatically renewable annual contract

		shareholder of Seera							
12	Forbes Middle East	Ownership interest by majority shareholder of Seera	Provision of travel services	-	-	-	-	-	Automatically renewable annual contract
13	Nile Air	Ownership interest by majority shareholder of Seera	Provision of travel services	-	10,455,535	200,000	1,672,842	1,407,207	Automatically renewable annual contract
14	Riyadh Airports Co.	Common directorship Ownership interest by	Transport services	-	-	-	-	(281,065)	Automatically renewable annual contract
15	Saudi Batal Design Company	Ownership interest by majority shareholder of Seera	Provision of travel services	152,660	-	170,000	-	(41,807)	Automatically renewable annual contract
16	Muhaidib Ali Muhaidib	Minority shareholder of ASTT	Minority shareholder	-	-	-	-	81,361	There is no contract
17	Abdullah Al Ajlani	Minority shareholder of HTCL	Minority shareholder	-	-	-	-	-	There is no contract

8. Related party transactions and balances for the fiscal year 2019

Table (32) Related party transactions and balances for the fiscal year 2019

No.	Related Party	Relationship with the Company	Nature of the transaction	Transaction / Contract value					Contract term
				Sales	Purchases	Receipts	Payments	Other costs / income	
1	Shamel International Holding Co.	Associate	Provision of travel services	-	-	-	-	254,273	Automatically renewable annual contract
2	National Agricultural Development Company	The Company's Member of the Board of Directors/Mazen Al-Jubeir is a Member of its Board of Directors	Provision of travel services	7,242,042	-	8,813,946	-	-	Automatically renewable annual contract
3	Mr. Majed Bin Ayed Al Nefaie	Board Member (Non-controlling interest)*	Non-controlling interest	-	-	-	-	14,133,940	Automatically renewable annual contract
4	Nile Air	Ownership interest by a majority shareholder	Provision of travel services - Agent	-	3,143,529	4,915,944	12,809,990	(4,074,842)	Automatically renewable annual contract
5	Saudi Batal Design Company	Ownership interest by a majority shareholder	Provision of travel services	440,800	-	423,000	-	-	Automatically renewable annual contract
6	Riyadh Cables Group	The Company's Member of the Board of Directors/Ahmed Samer Al Zaeem is a Member of its Board of Directors	Provision of travel services	53,938	-	62,405	-	-	Automatically renewable annual contract
7	Muhaidib Ali Muhaidib	Non-controlling interest	Non-controlling interest	-	-	-	-	(119,250)	Automatically renewable annual contract

8	Abdullah Al Ajlani	Non-controlling interest	Non-controlling interest	-	-	-	4,500,366	-	Automatically renewable annual contract
9	CHMI	Associate	Provision of travel services	-	-	-	-	6,751	Automatically renewable annual contract
10	Gulf International Trading Co	The Company's Member of the Board of Directors/ Ahmed Samer Al Zaeem is a Member of its Board of Directors	Provision of travel services	191,317	-	177,000	-	-	Automatically renewable annual contract
11	Riyadh Front	Associate	Provision of travel services	-	-	-	5,000,000	-	Automatically renewable annual contract
12	Saudi Entertainment Ventures	Common directorship	Provision of travel services	-	4,475,208	-	-	(318,648)	Automatically renewable annual contract

Section 03

Social responsibility and Risk management





Social responsibility

1. Social solidarity fund

Seera Holding Group provides special care for its employees and human resources based on its social responsibility. The Group established a social solidarity fund in which it offers humanitarian aid and financial support for employees with marriage, death or emergency situations. The Fund is also provided for cultural, social and sports activities, as well as establishing a social club for the employees. The social solidarity fund's balance amounted to SAR 96 million by the end of 2020.

2. The Group's obligations toward society

Based on the Group's national commitment to serve the community's needs, it continued its efforts to implement several community service programs in the fiscal year 2019. This is registered within the Group's missions and values, through a special social responsibility committee that looks to establish a relationship with the community. The Group contributed SAR 1.8 million to the social responsibility programs, resulting in a balance of SAR 8.2 million by the end of 2020.

3. Almosafer Academy

In accordance with the Group's interest in developing human resources, it has launched an intensive 10-week employment program aimed at attracting multi-talented Saudi youth and the development of a new generation of travel advisors. The aim of the program is:

- a. Enhancing the Group's social responsibility role by investing in the development of local initiatives in line with the Saudi 2030 Vision.
- b. To strengthen the Group's position in travel and tourism services.
- c. Attracting outstanding young talent and enhancing the Group's image as a stand-out business environment.

Risk management

Risk management is an integral part of the Group's activity. Risks are managed through a framework for identifying and evaluating the risks and activating the controls necessary for addressing them. Within this framework, the relevant response actions are determined, and risk information are documented and then reported in a timely manner to enable the Board of Directors and Executive management carry out their tasks and responsibilities.

In general, the Group management classifies risks into external and internal, whether they are related to the strategic, operational, financial or compliance considerations:

1. External factors: They include technical developments, changes in customer needs and behaviors, competition, new legislations/regulations, economic changes and natural disasters.
2. Internal factors: They include all risks related to the Group's business, data processing systems, staff efficiency, changes in management responsibilities, and effectiveness of the governance structure.

The most critical strategic and operational risks

Strategic risks

These are the risks that affect the Group's strategic goals. The Group's management has developed an effective system for the management of these risks, to enable the Group to achieve its objectives, while addressing such risks.

Innovation and digital transformation risks

These are risks resulting from failure to keep pace with innovation and digital transformation related to online sales platforms and information technology, which develop at a fast pace. This could lead to both challenges and opportunities. The Group has developed an innovative strategy for the digital transformation of the Group as a whole, which is part of its 5-year strategy. This plan is executed over several phases, taking into consideration technical, organizational and economic changes.

Cyber-attacks and cloud computing risks

Cyber-attacks and cloud computing risks mainly target the digital platform sales sector and the IT sector. The Group continues to strengthen its cyber security function and protocols. Also, we developed the relevant systems and internal policies, and improved the security measures.

Data governance risks

The global risks resulting from the fast-growing data production and use represent real threats to the travel and IT sectors, as well as digital transformation projects. This may increase operational and organizational risks that compromise personal, business and operations data. The Group implements comprehensive governance policies to handle all types of data according to the relevant privacy requirements. It also adopts unified standards for data classification, storage, use, categorization and protection.

Service provider procedure risks

These are represented by key changes in service provision procedures, as the Group deals with a large number of service providers and the need to avoid dependence on one supplier. The Group has developed a network of certified service providers to avoid dependence on one provider. Its contracts stress that all systems be in agreement despite changes in suppliers.

The Group reviews the status of companies it has contracted with on a regular basis to ensure their financial stability and the soundness of their operational plans and technical systems.

External risks

Covid-19 risks

The risks of the spread of the virus and its effects on travel and tourism affected countries.

The management has taken sensible precautions and the situation is being closely and continuously monitored, with reasonable steps and measures have been taken to reduce the pandemic impact.

Financial risks

Credit risks

This is the inability of a certain party to fulfil its commitments, which leads to financial loss for the other party. There is no significant concentration on credit risks within the Group. All cash and its equivalents were deposited in local and international banks with high credit ratings. Account receivables are mainly due from local customers – Government sectors and related companies and parties – and have been shown at their recoverable estimated value.

Fair value risks and commission rates cash flow

This is the exposure to multiple risks as a result of the changes in the prevalent market commission rates and the Group's cash flows. Such risks are mainly related to short term bank deposits and loans. All deposits and loans are subject to regular re-pricing. The

Management monitors changes in commission rates and believes that the impact of fair value and the commission rates' cash flow on the Group is insubstantial.

Liquidity risk

This is the inability of the Group to provide the necessary funds to meet its financial obligations. Liquidity risk arises from the incapability to sell a financial asset quickly and at an approximate fair value. Liquidity risk is monitored to ensure there are sufficient funds available to meet the Group's future obligations.

Currency risks

Represent risks arising from the fluctuations in the financial instruments' value due to changes in foreign exchange rates. The Group's transactions are carried out mainly in Saudi Riyals and US Dollars. Hence, other foreign currency transactions are not substantial. Currency risks are managed on a regular basis.

VAT risks

VAT has been in place in Saudi Arabia. It is imposed on most of the company's services with some exceptions. Therefore, the risk of applying VAT exists, particularly in the services sector, such as, in aviation, hospitality and car rental services within the Kingdom. In turn, VAT risks impact the customers' demand and consequently the Group's sales volume.

Compliance risks

Compliance with government legislation and regulations risk

Risks arising from non-compliance with the government legislation and regulations issued by official bodies or government agencies to the Capital Market Authority instructions regarding the obligation, disclosure and application of accounting standards issued by the Saudi Organization for Certified Public Accountants, Ministry of Commerce and Industry, Ministry of Labor, General Authority of Civil Aviation, General Authority of Zakat and Income, and etc. The Group reviews all obligations and requirements to provide the necessary for the concerned parties.

Zakat and statutory payments

The following are the regular payments made during the financial year ended on 31 December 2020.

Table (32): Zakat and regular payments:

Statements	2020		Description	Reasons
	Paid	Outstanding until the end of 2020 (not paid)		
Zakat and VAT	45,246,211	66,047,440	Zakat provision	Based on the legislation requirements and existing regulations
The General Organization for Social Insurance	15,916,705	1,961,545	Social insurance for the Group's employees	Based on the legislation requirements and existing regulations
Visa Fees and Office Fees	13,692,930	0	None	Based on the legislation requirements and existing regulations



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