

Board of Directors Report

For the Financial Year Ending on 31 December 2015G



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Board of Directors Report

Esteemed ladies and gentlemen shareholders at Eemar, the Economic City,

May the peace, mercy, and blessings of Allah be with you,

The Board of Directors of Eemar, the Economic City is pleased to present the Board of Directors' annual report for the financial year ending on 31 December 2015G for discussion and approval by the shareholder's plenary session according to the by-law. The report includes a foreword by the Chairman of the Board as highlights the company's performance and achievements during the past year. It further provides financial statements and their clarifications, and the authorised auditor's report for the financial year ending on 31/12/2015.

The report contains a detailed summary of the company's governance mechanisms as well as declarations relating to the Board of Directors, its committees, high level executives, contracts and transactions with concerned parties, and the Board's decisions.

Based on the Board's dedication to transparency and continuous disclosure according to regulations issued by concerned entities and local and international practices, this report conforms with the Corporate Governance Regulations issued by the Capital Market Authority in November 2006. It also complies with the disclosure and transparency requirements mentioned in Article 27 of the registration and listing regulations and Board's report guide drafted by the Capital Market Authority.

Foreword by the Chairman of the Board of Directors:

My respected brothers and sisters, shareholders at Eemar, the Economic City,

May the peace, mercy, and blessings of Allah be with you:

I am pleased to be addressing you again through the detailed annual report of Eemar, the Economic City , where I will be sharing KAEC's most important developments and achievements as well as the company's financial results in 2015.

I would first like to personally, and on behalf of all those affiliated with KAEC, congratulate the Saudi people for the one-year anniversary of the coronation of the Custodian of the Two Holy Mosques King Salman bin Abdul Aziz Al Saud, may Allah protect his reign and grant him success in achieving the interests of the country, and the Muslim and Arab nations. We would like to thank the Custodian of the Two Holy Mosques and his wise government for their care and interest in important projects for our beloved country, and for their unlimited support to KAEC. This support was made clear through the appointment of HH Prince Mohamed bin Salman as Chairman of the Economic Cities Authority, and through the extension of the due date of the loan the company received from the Ministry of Finance in 2011. The company's properties inside KAEC have also been confirmed; a station was build inside KAEC as part of the Haramain High Speed Rail Project; and construction on the bridge linking the King Abdullah Sea Port and the Jeddah-Yanbu highway has started. We wish them constant success and prosperity and they continuously develop and give to this country.

We thank Allah for all the financial results the company was able to achieve during the past year. These results are the translation of KAEC development strategy, which focuses on developing the City's two key development drivers: the maritime port and the Industrial Valley. The company has sought to invest in infrastructure projects in the City and to attract local and global companies and investors to invest in and launch industrial and commercial projects, provide job opportunities in the City, and develop a promising residence environment through housing solutions that accommodate various incomes. Such projects would also provide educational facilities, health care facilities, security and safety services, and attractive entertainment and tourism projects.

In 2015, we delivered many housing units and properties as part of various projects and today KAEC is alive and completely equipped to receive and attract more residents. It benefits from world class infrastructure and a perfect residence environment where complete quality facilities and modern services are available. This has positively affected the company's financial results: new revenues were registered despite the challenges facing the market due to the drop in oil prices. The company was therefore able to compensate the losses that had accumulated over the past

years. Furthermore, the company has been awarded new construction and establishment contracts worth SAR 800 million and we will continue to launch excellent housing projects in the Al Shurooq and Al Waha suburbs, both benefiting from attracting housing and entertainment designs at suitable prices for a wide segment of society, and will also continue with the Al Murooj Villas and Al Talah Gardens villas. At the end of 2015, 4,280 units of services properties and housing units had been completed for various income groups.

The company has also had important achievements in projects that have impacted the economic cycle of the Economic City specifically and the national economy in general. We have new international and local companies in the Industrial Valley working in strategic sectors such as pharmaceuticals, food, consumer goods, logistical services, and construction materials. The number of companies that have acquired industrial properties is now 110.

In this regard, the company has continued to provide financial and moral support to the King Abdullah Sea Port project considering it to be a key driver of the City's economic cycle. It has obtained an approval from its extraordinary general assembly to transform the SAR 1 billion loan to shares in the Port Development Company. The Port's capacities have expanded as four piers have been completed. Since it went into operation, the Port has had more than 1,015 commercial ships and over 1.8 million containers. Import and export activities have started smoothly and we are looking to change the map of local and international logistical services through the port.

In addition, the company has succeeded in establishing KAEC as a new global investment destination and a national driver for economic and social development. These efforts were highlighted through the hosting of the City Quest forum for the third time under the slogan "Providing Added Value to New Cities". The event is considered to be the most important and the biggest event among global modern cities, with more than 200 speakers and participants and 24 new cities. It has helped reinforce the Kingdom's leading role in shaping the international and economic dialogue in the development of new cities.

In conclusion, I would like to, personally and on behalf of the Board's esteemed members, thank you for your trust and support. We wish you and your company success and prosperity.

Mohamed bin Ali Alabbar
Chairman of the Board

First: Overview of the Company's Activities and History

Eemar, the Economic City was established as a public Saudi joint-stock company by virtue of Ministerial Decree No. 2533 dated 3 Ramadan 1427 AH corresponding with 26 September 2016 AD. It was listed in the Saudi stock market on 7 October 2006 with a registered capital of SAR 8.5 billion distributed over 850 million shares, each valued at SAR 10. The company went public with 30% of its overall shares sold to a record number of shareholders that exceeded 10 million. The company works on land and property development in specialized economic zones or other zones, including infrastructure development, constructing buildings and housing units, constructing facilities on third party land, developing economic zones and maritime ports, and any other activity necessary to achieve its objectives. The company is responsible for developing and executing the King Abdullah Economic City located 90 km north of Jeddah on the Red Sea coast. The Economic Cities Authority, established by virtue of Royal Decree No. A/19 dated 10 Rabi Al Awwal 1431 H, is responsible for the overall supervision of economic cities to ensure that they meet their goals of nationalizing national capital, attracting foreign investment, and meeting the objectives of the Kingdom's development plans.

The KAEC project is considered to be one of the biggest and most important economic projects to be managed by the private sector in the Middle East. The company's headquarters are located at KAEC business centre.

Second: Most Important KAEC Achievements in 2015

Eemar, the Economic City is working on developing the King Abdullah Economic City according to the strategic plan based on its first phase on extensive investment in infrastructure and basic services, mainly the Port and the industrial zone, with the aim of attracting investor companies, factories, and commercial and service establishments. This would in turn encourage people to move to the City, consequently increasing demand for the company's real estate products and various services. This strategic plan is currently focused on the following:

- 1) Continue development and construction work at KAEC, with a focus on the Port and the Industrial Valley as the dominant elements of attracting investors to the City and key drivers for construction.
- 2) Continue working on attracting companies, factories, and commercial and service establishments, which will in turn create new job opportunities inside the City and increase the demand for real estate products and services.
- 3) Provide a number of housing products that meet the needs of various social segments and income groups, including medium to limited income, by resorting to direct investment by the company or development through real estate investors.
- 4) Diversify the real estate products provided by the company by offering industrial and housing properties for sale or rent specifically to drive the economic cycle in the City and provide the additional liquidity needed to develop the City.
- 5) Enter into strategic partnerships with the private and public sectors concerning some necessary large projects to support and speed-up the development of the economic city.
- 6) Follow best practices in managing and operating KAEC, and provide affordable services to investors and residents.

As a result of this strategy, we have been able to move forward in developing KAEC, which now has an international port operating 24/7, international factories working in key fields such as pharmaceuticals, housing projects that serve various social segments, excellent educational projects, an integrated infrastructure, and excellent entertainment and hospitality services for residents and visitors. During the past year, the company was able to propose several new housing projects and started the delivery of completed housing units in Al Waha, Marina towers and Bay La Sun Beach in addition to housing properties as part of the Tala and beach plans. The company also signed contracts concerning large industrial lands with several leading companies in the industrial and logistical fields. It was awarded construction contracts valued at around SAR 800 million. All of the above has helped increase the confidence of Saudi banks in the company as seen through the SAR 1 billion funding the company received this year from the Banque Saudi Fransi and the SAR 1.25 billion funding it received from Alinma Bank. The company signed an agreement with the Ministry of Finance to extend then due date of its loan for five additional years.

This report sheds a light on the latest projects in KAEC achieved according to the adopted development strategy. The following is a summary of the most important and latest achievements up until the end of 2015:

First: Development of Residential Areas and Living Services

Coastal neighbourhoods are unique to KAEC and were designed in a way to get the optimal benefit of their seaside location. In 2015, the company continued to provide diverse housing units, which increased buyers and investors in the City and made five housing compounds available in the City, including necessary services such as education, health services and shops. Work on the housing zones varies according to the following projects:

Al Murooj Coastal Residential Area

Al Murooj is considered to be one of the most luxurious areas in KAEC in terms of coastal areas. It benefits from views on the Red Sea, amazing beaches, green spaces, a golf course, and a sports centre. The company has launched several services in the area from properties with seaside views to others with a view on the golf course, luxurious villas close to entertainment facilities, a shopping centre, and a world academy. Below are details of development work in the area:

- Work is ongoing to construct the golf course, which will become the centre of Al Murooj. It is designed according to international golf course standards with 18 holes and an excellent view of the sea. The project is valued at SAR 91 million and is being executed by Cityscape Ltd. It is expected to start operating during the second quarter of 2016.
- Construction work is ongoing at the Royal Gardens golf club in Al Murooj, a luxurious club serving members and visitors of the golf course. It was designed by the European Institute of Design and is valued at SAR 67 million. It is being executed by Zuhair Ahmed Zahran & Co. and is expected to start operating during the third quarter of 2016.
- Construction work is ongoing at the sports centre in the Al Murooj suburbs, a health and family club that provides entertainment to residents of the City. It will contain swimming pools dedicated men and others to women, as well as a basketball court, a football field, tennis courts, a bowling alley and other modern facilities. It is valued at SAR 140 million. It is being executed by Yasser Yaghmour Contracting and Maintenance and is expected to start operating during the third quarter of 2016.
- Concerning the Al Murooj residential units, finishing work was executed by Saudi company Al Marasem for 147 villas in the Pradera area (GC2) with the value of SAR 174 million.
- The construction of a commercial centre in Al Murooj was completed. The centre includes a hypermarket, a medical centre, and a number of retail stores. It was executed by Rafic A. Kreidie Engineers & Contractors and is valued at SAR 30.5 million.

- Work is ongoing to complete the infrastructure of the beach area (BC2). The project focuses on equipping the area with lighting, irrigation water, a communication network, a wastewater system, and a road side rainwater drainage system. Eemar, the Economic City had signed a contract with Nesma Ltd. valued at SAR 73 million to execute this project.
- Work is ongoing to complete the infrastructure of the Beach area (BC3). The project focuses on equipping the area with lighting, irrigation water, a communication network, a wastewater system, and a road side rainwater drainage system. Eemar, the Economic City had signed a contract with Salem Al Hareth Est. valued at SAR 42 million to execute this project.
- Work is ongoing to complete the infrastructure of the GC3 and GC4 projects, which include a network of residential properties of various sizes. Work focuses on equipping the area with lighting, irrigation water, a communication network, a wastewater system, a road side rainwater drainage system, and the planting of trees. Eemar, the Economic City had signed a contract with Rezaïq Abdullah Saeed Al Gedrawi Al Thebaiti & Co. valued at SAR 79.30 million to execute this project.
- Work was completed for the infrastructure of the golf area (GC1C). The project focuses on equipping the area with lighting, irrigation water, a communication network, a wastewater system, and a road side rainwater drainage system. The project was executed by Semco Construction and is valued at SAR 48.56 million.

Bay La Sun Coastal Residential Area

Bay La Sun is considered to be one of the most diverse areas in KAEC in terms of luxurious residence, commercial, educational and entertainment facilities. It includes a marina with water canals from where boats and yachts can set sail, as well as several coastal projects.

Below are details of development work in the area:

- The company is continuing to deliver housing units to investors and tenants at the marina 1, 2 and 4 buildings after the completion of quality and safety checks.
- The company is continuing to deliver housing units to investors and tenants at the beach 1 and 2 buildings after the completion of quality and safety checks.
- The afforestation and decoration of public spaces at the business centre was completed. The company had signed a contract of an overall value of SAR 35 million with Zaid Alhussain & Brothers Group to execute the project.
- Work was completed on building a bicycle lane 7.2 km long for the Bay La Sun area, including all guidance signs necessary for public safety.

Al Waha Residential Area

Al Waha was constructed to provide modern choices for households. The area is made-up of several villages linked with pathways and roads, and 1,700 varied housing units from apartments to Town House villas, duplex houses and independent villas.

Below are details of development work in the area:

- Work was completed on the first and second parts of the first phase of the Al Waha residential neighbourhood project. The project includes 650 varied housing units from apartments to connected villas and independent villas, as well as infrastructure work. The company has started delivering units to residents and work is ongoing to complete the third and fourth parts to be delivered in 2016. The company had signed a contract with Rezaig Abdullah Saeed Al Gedrawi Al Thebaiti & Co. valued at SAR 313 million.

Al Shurooq Residencial Area

Al Shurooq is considered to be a perfect location for young families and is ideal for limited to medium income facilities. It is located at a short distance from the Industrial Valley and the King Abdullah Port. The first residents will move into the area in mid-2016 while work is ongoing to construct the first phase of the plan, which includes 1,340 housing units and complete infrastructure. The company had signed a contract with Rezaig Abdullah Saeed Al Gedrawi Al Thebaiti & Co. valued at SAR 399.99 million.

Al Talah Garden Residencial Area

Al Talah Gardens benefits from open green spaces and has offers all services necessary for everyday comfort and needs. It includes several choices of housing units and properties with units being villas of Andalusian and Arab designs.

Below are details of development work in the area:

- Work is ongoing to build 179 villas in Al Talah Gardens (1.3). The company had signed a contract with Al Arrab Contracting Company valued at SAR 191.69.
- Amendments and construction work are being made for the infrastructure project at Al Talah Gardens, phase 2, which includes housing properties of various sizes. The work focuses on equipping the area with lighting, irrigation water, a communication network, a wastewater system, and a road side rainwater drainage system. It is being executed by Al Rajhi Infrastructure and its value was reduced to SAR 80 million.
- The handing of ownership documents to investors is ongoing for the Al Talah 1 project after infrastructure work is completed.
- Work is ongoing for the infrastructure of Al Talah Gardens 3, which includes housing properties of various sizes. The work focuses on equipping the area with lighting, irrigation water, a communication network, a wastewater system, and a road side rainwater drainage system. It is being executed by Rezaig

Abdullah Saeed Al Gedrawi Al Thebaiti & Co. and is valued at SAR 148.37 million.

- Work is ongoing for the infrastructure of Al Talah Gardens 4 and 5, which includes housing properties of various sizes. The work focuses on equipping the area with lighting, irrigation water, a communication network, a wastewater system, and a road side rainwater drainage system. It is being executed by Rezaïq Abdullah Saeed Al Gedrawi Al Thebaiti & Co. and is valued at SAR 234.5 million.
- The company signed a contract with Salem Al-Hareth Est. valued at SAR 33 million to complete connecting the main roads and infrastructure of the Al Talah plan to the rest of the City. The project includes equipping the area with lighting, irrigation water, a communication network, a wastewater system, and a road side rainwater drainage system.

Third: The Port and the Industrial Valley

The King Abdullah Sea Port is considered one of the biggest port projects currently being developed locally and internationally. The Industrial Valley highlights the fast growth KAEC has witnessed with investments from local and international companies exceeding SAR 11 billion.

After the parallel launch of the Port and the Industrial Valley, KAEC was turned into a global hub for industry and logistical services. In terms of development, construction and operation work for the four piers of the King Abdullah Sea Port has been completed. The pier's operational length is now 1,470 m and development work is ongoing inside the port: 94% of land construction was completed and 99% of maritime construction was completed. Huta Marine Works Ltd. is continuing digging and expansion work at the southern part of the Port to develop piers for commercial shops: 40% of pier work was completed and 53% of digging work was completed. Digging and development works will continue for the bulk material pier and the vehicles pier with a completion rate of 49%.

Al Harbi Trading and Contracting Co. continues its construction work on the Ministry of Transport project aimed at linking the King Abdullah Sea Port to the Jeddah Yanbu highway. The project is valued at SAR 123 million and seeks to accommodate traffic from and to the Port expected to be the biggest in the Kingdom when completed.

In terms of operations, the number of commercial ships arriving to the King Abdullah Sea Port reached more than 1,015 ships and more than 1.8 million containers were handled since operations started. The Port started receiving ships from UASC and the largest global companies Maersk and MSC. The Port was able to double the number of handled containers during the past year to reach 1.3 million containers and a maximum capacity of 3 million containers. In order to accommodate investors in the vehicles sector in the Industrial Valley at KAEC, another partnership was concluded between the Port and the company NYK, a global leader in the land shipment of cars and logistical services, to implement the first phase of the Port's offloading station.

Concerning the Industrial Valley, its vision is based on making it the preferred regional hub for value added manufacturing industries and global logistical services, as well as effectively contributing to creating job opportunities and reinforcing economic development in the Kingdom. The number of companies with which contracts have been concluded has reached 110 national and global companies in various sectors, from pharmaceuticals to food, consumer goods, logistical services, plastic manufacturing, construction materials, and vehicles. Production has started in 17 factories while 30 factories are still under construction. The overall size of developed and serviced properties in the Industrial Valley is now 3.7 million m². Developments and achievements in this sector are as follows:

Industrial Valley - Phase One

- The execution of the first phase of building the workers' residential village was completed and work is ongoing to execute the second phase in the first industrial zone. The company had signed a contract with the international contracting company Crete Ltd. and Dar Design Contracting Ltd. valued at SAR 106 million to execute the project. The project allows 5,000 workers to live in KAEC.
- The company signed a contract with Mikati Contracting valued at SAR 26.6 million to execute the project to construct storage units and prefabricated factories in the Industrial Valley.

Industrial Valley - Phase Two

- Land cutting and filling work in the industrial zone, second phase (2.2 and 2.3) was completed with an overall space of 8 million m². The company had signed a company with Salem Al Hareth Est. valued at SAR 49.8 million to execute this project.
- Work is ongoing to complete the infrastructure of the industrial zone, second phase (2.1 and 2.5). The project focuses on equipping the area with lighting, irrigation water, a communication network, drinking water networks, a wastewater system, a road side rainwater drainage system, an electricity network and a communication network. The company had signed a contract with Nesma Ltd. valued at SAR 310.80 million to execute this project expanding over the size of 8 million m².
- Work is ongoing to execute the main road project (no. 2) as part of the second phase of work in the industrial zone to link the latter to the main entrances of the City. The company had signed a contract with the Binladin Group valued at SAR 157 million to execute this project.
- The company signed an agreement with Namariq Arabian Services Co. Ltd. valued at SAR 150 million to develop a residence complex for workers in the construction services area. The complex will cover an area of 104,000 m² and will have the capacity of 4,000 workers.

- Work is ongoing to execute the project to link water pipes from the pumping station to the industrial zone, phase 1. The company had signed an agreement with ICCU valued at SAR 7.5 million to execute this project.

Industrial Valley - Phase Three

Considering the popularity of the first and second the industrial zones, the company launched a third zone. The plan for this zone was completed and it covers 7.5 million m² close to the port. The company has started construction work in the zone as follows:

- Land cutting and filling work in the industrial zone, third phase (E and F sections) is ongoing in collaboration with Saud Brik Al Sobhi Ltd. through a contract valued at SAR 44 million. The first and second sections of the project have been completed.
- Land cutting and filling work in the industrial zone, third phase (B and C sections) is ongoing in collaboration with the Saudi Binladin Group through a contract valued at SAR 42 million.
- Land cutting and filling work in the industrial zone, third phase (D section) is ongoing in collaboration with Salem Al Hareth Est. through a contract valued at SAR 56 million.

Industrial Valley - Phase Four

Work on the general plan for this phase was completed covering an area of 6.4 million m². The company had hired the consultant Buro Happold to execute the plan and the infrastructure's architectural designs for SAR 6 million. The company will begin construction work in this zone in 2016.

Re-Export Zone

Considering that the Port has begun its commercial operations, it has become necessary to provide comprehensive logistical services so that KAEC would become a regional centre for shipping and distribution services. The company has therefore launched a re-export zone next to the Port to provide lands and facilities dedicated to logistical services for the port's customs related work. The company has completed the final design of the zone after signing a contract with Pivotal International for project execution valued at SAR 4 million. Work is currently ongoing with the concerned entities to put in place the zone's systems in order to start construction work in 2016.

Third: Infrastructure Projects

The company has given great importance to linking various projects within KAEC through main roads and an infrastructure system. In addition to what was completed over the past years, the company has started to sign contracts for the construction of two main roads inside the City: the first to link the Haramain High Speed Rail to the main road and the second to link the second industrial zone to the internal roads network. The most important projects are:

- Work is ongoing to execute infrastructure and tarmacking work for the road linking the Haramain High Speed Rail station to the main street inside the City.

The work includes equipping the area with lighting, irrigation water, a communication network, a wastewater system, a road side rainwater drainage system, and a pavement. The company had signed a contract with Al Harbi Trading and Contracting Co. valued at SAR 77 million to execute this project.

- Land cutting and filling work for the first phase of the Al Hijaz area near the main road has been completed. The company had signed a contract with Salem Saleh Al Hareth Est. valued at SAR 14.6 million to execute this project.
- The final design of the natural gas distribution network inside the City has been completed. The company had signed a contract with Mustang-HDP valued at SAR 3.6 million to execute this project.

Fourth: Electrical Connection Projects

- The project to expand a 380 kV station by adding 500 mW generators dedicated by the Electricity Company to KAEC has been completed. Eemar Economic City had been allocated SAR 175 million as its share of the project cost while the Saudi Electricity Company, which is supervising the entire project, concluded a contract with the company ABB to execute the project.
- Work on a secondary station inside the industrial zone in KAEC was completed. The station has a capacity of 110 V and Eemar had concluded a contract with ABB valued at SAR 85 million to execute this project.
- The connection of electricity lines with a capacity of 110 V/Amps between the 380 kV station and the secondary station inside the industrial zone has been completed. Eemar had concluded a contract with Al Sharif Group valued at SAR 42.9 million to execute this project.
- The company concluded a contract with the ICCU group valued at SAR 23.9 million to link industrial zones A1 and B1 and the second industrial zone to the national electricity grid.

Fifth: Telecommunications and Technology Projects

The Etihad-Etisalat consortium (Mobill) is continuing to link the communications network inside KAEC to the fibre optic communications network. The Bay La Sun neighbourhood as well as the Industrial Valley, phase 1 a and b, have been completely equipped with FTTH. The project to link the Al Waha residential neighbourhood to the FTTH network has been executed using a main 4 km long cable. Work is ongoing to set a plan to link the Al Shuruq residence area to the FTTH network. A total of 22 electricity towers have been erected in all of the city's regions.

Sixth: Tourism and Business Services

The KAEC was a popular destination for citizens and residents in 2015. The City's first hotel (the Bay La Sun Marina and Hotel) was able to attract large companies and government entities that held annual meetings and workshops in KAEC. It offers a unique environment and services that compete with the best hotels. Achievements and developments in this sector are as follows:

- The Bay La Sun Marina and Hotel received the award of most booked hotel in the Kingdom on the website "Booking" for 2015.
- Eemar Economic City signed an agreement with Abdulmohsen Abdulaziz Al Hokair for Operations and Maintenance to develop a four-star hotel in the Bay La Sun neighbourhood in KAEC through a SAR 100 million investment, including the value of a 10,323 m² land for the project. The agreement includes the establishment of a company dedicated to the project using an initial capital of SAR 1 million. The share of Eemar Economic City would be 40% and the company would be funded by Eemar. The share of Al Hokair would be 60% of the capital.
- Eemar Economic City signed a contract with the company Real Estate Projects Management & Development to develop a housing complex containing 288 housing units in the Bay La Sun neighbourhood in KAEC through a SAR 200 million investment, including the value of a 119,530 m² land for the project (SAR 47,812,000). The agreement includes the establishment of a company dedicated to the project using an initial capital of SAR 1 million. The share of Eemar Economic City would be 20% and the company would be funded by Eemar. The share of Real Estate Projects Management & Development would be 80% of the capital. This agreement will positively affect the pace of development in the City, will attract investments and will provide revenues for Eemar.
- The execution and operation of sports facilities in the Bay La Sun area have been completed. The facilities include a basketball court, a volleyball court and tennis courts.
- A Kart circuit has been completed in the Bay La Sun rea.
- Afforestation, decoration and sports facilities equipment works have been completed at the Juman Park. The company had signed a contract with the Al Jadid Work Est. valued at SAR 44.4 to execute this project.
- A new customer service centre was opened in KAEC on the ground floor of Building 1 at the business centre in Bay La Sun.
- The company signed a contract with Zuhair Ahmed Zahran and Partners Contracting and Trading valued at SAR 99.3 million to execute and equip furnished housing units at the business centre in the Bay La Sun area in KAEC.
- Work was completed on the development of the office business bay area, which will reach 120,000 m². The company has started to operate a number of buildings in the area, which now include the offices of Eemar Economic City and the Economic Cities Authority building. The company has also rented office and commercial spaces in the bay for a number of service providers.
- The company has signed a number of rent contracts with commercial shops, including restaurants, cafes, and retails shops in various areas of the City.
- The presence of a Haramain High Speed Rail station will help the movement of tourists around the City. Construction work has been completed on the station inside KAEC executed by the Ministry of Transport. The Haramain High Speed Rail will link Mecca to Medina going through Jeddah and KAEC. The rail will play a role in incentivising urban development and commerce in KAEC by better linking it to Mecca and Medina, considered to be the two most populous

residential areas in the Kingdom and the Arab gulf in general (more than 12 million people). The rail will also significantly reduce the length of the journey between KAEC and Jeddah. It currently takes 25 minutes to reach the King Abdul Aziz International Airport. In addition, the rail will help reinforce KAEC's status as an important tourist and entertainment attraction on the Red Sea near the Two Holy Mosques, and as able to accommodate visitors and pilgrims for Hajj and Umrah.

Seventh: Educational and Health Services

The KAEC adopts an approach that makes education, in all phases, a cornerstone for the future and a basis for future plans. It therefore pays great attention to the quality and diversity of the services it provides. The City's direction in this regard is highlighted through the following achievements:

- Work is ongoing to construct the faculty of business in the Bay La Sun area inside the City. The company had signed a contract with Hisham Nabil Ali Reda Trading Co. valued at SAR 54 million to execute the project. The company has also established the Eemar Knowledge Company to supervise the execution of the university to be built in KAEC starting with the business faculty to open in collaboration with Babson University. The project is an initiative in partnership with the American company Lockheed Martin and forms part of the economic balance program.
- The number of students enrolled at the World Academy has reached 454 students during the third academic year. The school is run by the global company GEMS through a permit issued by the Ministry of Education.
- Work is ongoing to finalise the design of the global school complex to be built by Al Khaleej Training and Education on a 20,445 m² plot in the Tala residential neighbourhood at KAEC. The complex will include international schools with a capacity of 2,500 students. The company had signed a contract with Al Khaleej Training and Education to rent this plot to execute the project.
- The equipment of the first general medical centre has been completed. The company had signed a contract with IHCC valued at SAR 21.7 million to finalise civil and construction work, and provide the necessary medical equipment and their installation throughout the building.
- The company signed a contract with IHCC valued at SAR 1,300,000 to execute and equip a medical clinic in the Industrial Valley.
- Work is ongoing to execute and operate a civil defence centre at KAEC. The company had signed a contract with the company Baher Ghazawi valued at SAR 2.5 million to execute this project.

Eighth: International Events and Conferences

- The KAEC hosted the City Quest forum 2015 for the third time under the slogan "Providing Added Value to New Cities" in collaboration with the New Cities Foundation and the participation of the heads of 24 new cities from around the

world, as well as a number of officials and experts in the field of sustainable development and economic cities.

- The KAEC hosted in 2015 the "Port" business youth event, which included many sports, cultural and social activities for youths with a large presence of all segments of society.
- The KAEC hosted in 2015 a delegation of ambassadors and consuls from Arab countries in the Kingdom as well as their families for three days based on coordination and collaboration work with the Arab Tourism Organisation.
- The company, in collaboration with the Tamer Group, organised in 2015 an exhibition for the Spanish surrealist artist Salvador Dali who painted The Persistence of Memory. The exhibition lasted for three weeks and 35 art pieces were shown.
- The KAEC hosted in 2015 the professional car drift competition.
- The company organised in 2015 the Gulf Indian Investment Forum in collaboration with the Council of Saudi Chambers and the Economic Cities Authority in Riyadh.
- The company participated in a conference organised by the Chamber of Commerce in Dammam for industrial entrepreneurs in the Eastern Region. It aimed at introducing investment opportunities in KAEC.
- The company held two festivals in 2015 for Eid Al Fitr and Eid Al Adha, which included entertainment and cultural activities with the participation of around 10,000 people.

Ninth: Social Responsibility Program

In accordance with the company's commitment to its vital role in incentivising sustainable social development, and in continuation of its initiative "Tomouh" launched three years ago, Eemar, the Economic City signed a contract with the King Abdullah bin Abdulaziz University in Jeddah to train 1,000 young men and women from Rabegh and its affiliated regions to develop the skills of high school graduates and prepare them for the job market. The company has worked with 700 students since the launch of the initiative.

Tenth: Other Decisions and Developments

- a) Eemar, the Economic City held its ordinary general assembly on Monday 30 March 2015 and the following decisions were adopted:
 1. The Board of Directors report for the financial year ending on 31 December 2014 was approved.
 2. The company's financial statements and the auditor's report for the financial year ending on 31 December 2014 was approved.
 3. The choice of auditor from a number of candidates was approved by the review committee. The auditor is to review the financial statements of FY 2015. The auditor's fees were also set.
 4. Members of the Board were released of their liability for the financial year ending on 31 December 2014.

5. Contracts and transactions with concerned parties were approved:
 - 5.1 The sale a 11,609,000 m² land to the Ports Development Company Ltd. was approved for SAR 760 million. Board member Eng. Khalid Al Molhem, CEO and Board member Mr Fahad Al Rasheed, and Executive Vice President Mr Ahmed Linjawy hold positions in the company.
 - 5.2 The sale of raw material from the Ports Development Company Ltd. was approved for SAR 79,237,000. Eng. Khalid Al Molhem, CEO and Board member Mr Fahad Al Rasheed, and Executive Vice President Mr Ahmed Linjawy hold positions as board members in the company.
 - 5.3 The sale of a 358,300 m² industrial land to the Mohamed Yousif Naghi Group was approved for SAR 133,659,310. Board member Mr Mohamed Yousif Naghi holds 20% of the company's shares.
 - 5.4 The sale of a 2,847 m² residential land to Board member Mr Fahad bin Abdul Mohsen Al Rasheed was approved for SAR 14,229,888 as part of the BC2 plan and the employee ownership program at Eemar, the Economic City.
 - 5.5 The rent with option to buy of a 106,109 m² industrial land in the industrial zone to Dallah Trading was approved for the rental value of SAR 10 and the purchase value of SAR 300 for one meter or SAR 270 for one meter in case developed by Dallah Trading within two years of receipt when the land's mortgage is paid to the Ministry of Finance in exchange for the loan provided to Eemar, the Economic City. Mr Abdullah Kamel and Eng. Abdul Rahman Al Rowaita are board members.
- b) Eemar, the Economic City held its extraordinary general assembly on Monday 30 March 2015 and the following decisions were adopted:
 1. It was approved to transfer without exchange a 300,000 m² plot located inside the LAED to the Technical and Vocational Training Corporation to build the first phase of a technical and vocational faculty's complex with all equipment and accessories.
 2. The transfer of a SAR 1 billion loan approved by the general assembly in 31/3/2012 was agree don. It was granted to the Ports Development Company for the purpose of developing the Port as shares in the Ports Development Company. This helped increase the share of Eemar, the Economic City to 50%.

The company used the electronic voting system to allow shareholders to vote using the Tadawul services provided by the Saudi Stock Market. Voting was open for more than 10 days before the general assembly's meeting.

- c) Eemar, the Economic City received a message from the Economic Cities Authority stating that instructions have been issued by the Royal Court for government entities to take the necessary measures to check the procedures taken for the establishment of Eemar, the Economic City when on a number of properties inside KAEC in Rabegh. These instructions reflect the High court's desire to protect investors at the company and for public good. The instructions

included the need to confirm that the company owns the lands it has in KAEC with a deed of ownership issued by concerned authorities.

- d) The company signed an agreement with the Saudi Ministry of Finance for a SAR 5 billion loan it obtained from the Ministry in 2011. The agreement extends the due date of the loan for five additional years with the first payment now due in 2020. The remaining payments are due over a period of seven years ending in 2026.

Eleventh: Future Expectations

During the first 10 years after its establishment, the company was able to build solid economic foundations through infrastructure work, the port, the Industrial Valley and through the attraction of companies and residents and the provision of services for them. A financial model was also establishment for the development of KAEC and the company's financial solvency was reinforced and its monetary flows increased. The company was also able to provide its role in participating in the wise government's privatisation efforts for development projects and its direction to conclude partnerships with the private sectors in various vital sectors.

The next phase consists of expansion and harvesting the fruit of our labour. The company is setting new plans for expanding in sectors prioritised by national development plans and where the company now has experience: ports, logistical services, land, industrial services, and housing projects. The company also seeks to develop new sectors where the government wants to further engage the private sector and facilitate funding (tourism, health, education, urban planning), and to look into other sectors that benefit from the economic movement inside the City (building management, provisions, security, etc.).

Third: The Company's Financial Results

A) Annual Income Statements for the Years 2011-2015

	For 12 months ending on 31 December 2011 (audited) Thousand SAR	For 12 months ending on 31 December 2012 (audited) Thousand SAR	For 12 months ending on 31 December 2013(audited) Thousand SAR	For 12 months ending on 31 December 2014 (audited) Thousand SAR	For 12 months ending on 31 December 2015 (audited) Thousand SAR
Revenues	407,724	545,182	833,452	1,064,342	1,022,957
Revenue cost	(96,108)	(66,728)	(128,786)	(336,626)	(456,184)
Total losses/profits	311,616	478,454	704,666	727,716	566,773
Marketing, general and administrative expenses	(186,833)	(259,056)	(422,765)	(301,660)	(248,426)
Commission realised fro bank deposits and murabaha based deposits	19,576	53,788	37,144	13,873	21,868
Financing burdens	(60,855)	(88,883)	(83,066)	(54,951)	(46,417)
Other revenues	5,060	6,913	**68,439	20,444	36,088
Zakat	(6,011)	(5,073)	(31,112)	(26,600)	(28,584)
Net income prior to non-controlling equity	82,553	186,143	273,306	378,822	301,302
Net non-controlling equity share	1	(21)	(247)	856	1,415
Net (loss)/income	82,554	186,122	273,059	379,678	302,717
Profit per share (SAR)	0.10	0.22	0.32	0.45	0.36

** Includes SAR 58,635 in profits made from the elimination of investment properties

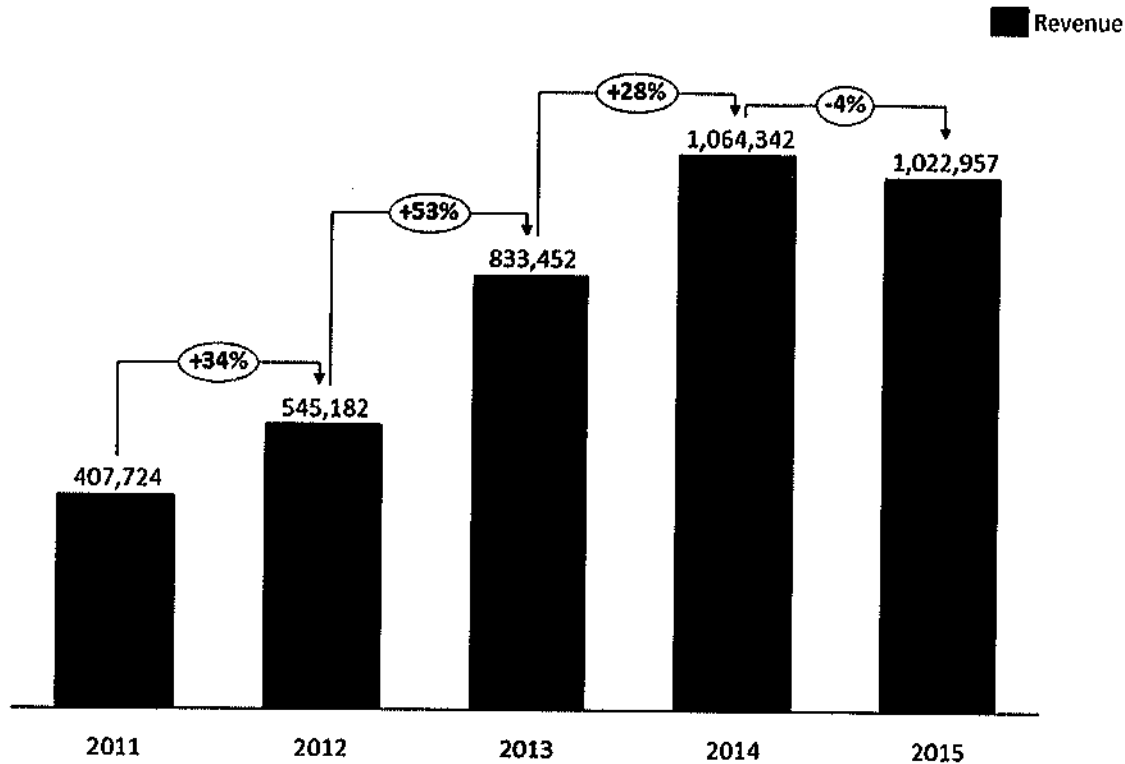


Table clarifying accumulated revenues for the company over the last five years

B) Transitional Balance Sheet as on 31 December for the Years from 2011 to 2015

	2011 Thousand SAR	2012 Thousand SAR	2013 Thousand SAR	2014 Thousand SAR	2015 Thousand SAR
Circulating assets	6,005,132	4,822,003	4,443,358	4,382,678	4,848,119
Employed assets	7,741,207	9,055,839	9,903,093	11,823,454	13,189,541
Total assets	13,746,340	13,877,842	14,346,451	16,206,132	18,037,660
Circulating liabilities	1,120,696	863,954	685,665	1,636,953	889,962
Non-circulating liabilities	5,245,244	5,450,628	5,824,220	6,353,786	8,631,003
Total shareholders' rights	7,380,400	7,563,260	7,836,566	8,215,393	8,516,695
Total liabilities and shareholders' rights	13,746,340	13,877,842	14,346,451	16,206,132	18,037,660

C) Operating Results for the Year Ending on 31 December 2015 Compared with 2014

	2014 Thousand SAR	2015 Thousand SAR	Changes Thousand SAR	% of change
Revenue	1,064,342	1,022,957	(41,385)	(4%)
Revenue cost	(336,626)	(546,184)	119,558	36%
Total operating Profit/ Loss	727,716 (301,660)	566,773 (248,426)	(160,943) (53,234)	(22%) (18%)
Major business expenses	426,056	318,347	(107,709)	(25%)
Profit/Loss on main operations	1,064,342	1,022,957	(41,385)	(4%)

Revenues reached SAR 1,022,957 in 2015 according to the company's revenue accounting standards and policy compared with SAR 1,064,342 in 2014. This 4% decline is due to the larger number of housing projects for medium and low income segments with a lower margin compared with the previous year when the Port land was completely sold to the Ports Development Company.

Net profit reached SAR 302,717 in 2015 compared with SAR 379,678 in 2014. This 20% decline is to several factors, including the sale of a larger number of projects to medium and low income segments with a lower margin. A reduction provision was set for properties, equipment and assets labelled as assets kept for elimination and provision for bad debts balanced with reversed provisions, the 2013 entry for a land granted for free to a government entity, and other rises in revenues.

D) Due Payments for the 12 Months Ending on 31 December 2015 Compared with 2014

	2014 Thousand SAR	2015 Thousand SAR
Zakat	5,269	55,612
Tax on foreign employment contracts	-	-
Social Security	6,909	8,942
Government charges (visas, exit and re-entry, work permits)	586	867
Economic Cities Authority fees	7.5	7.5
Government fees paid to the Economic Cities Authority, including permits	-	338

Fourth: Profit Distribution Policy

The Company is committed to development by the Board of Directors of a clear policy on distribution of dividends to serve the interests of shareholders and apprise them of this policy at the General Assembly's meeting. The General Assembly, in turn, approves the dividends proposed for distribution, the date of distribution and entitlement to dividends, whether cash or share grants awarded to owners of shares registered in the registers of the securities deposit center at the close of trading on the day the General Assembly was convened. The Company's articles of association stipulate that annual net profits shall be distributed after deduction of all general expenditures and other costs in the following manner:

- 10% of net profits shall be set aside towards formation of a statutory reserve. The General Assembly may stop this setting aside whenever reserve reaches half of the capital.
- Based on the proposal of the board, the ordinary General Assembly may set aside a given percentage of net profits towards formation of a non-statutory reserve to be allocated to a given purpose or given purposes.
- From the remaining amount, a first installment equivalent to at least 5% of paid-up capital shall be distributed to shareholders.
- A percentage not exceeding 10% of the remaining amount shall be allocated to the board of directors' remunerations, subject to the regulations and instructions issued by the Ministry of Commerce and Industry in this regard. The remaining amount shall be distributed as an additional share in profits.

It is noteworthy that the Company is not anticipating distribution of profits in the short and medium terms due to the project size and the time schedule expected for the processes of development and construction of KAEC. This process will require mega investments which may limit the possibility of distributing profits to shareholders in the short and medium terms.

Fifth: Loans

Overall loans for the year ending on 31 December 2015 reached SAR 7,100,000,000 as the company signed the below mentioned funding agreements on the dates shown in the budget:

- In 2011, Eemar, the Economic City received a SAR 5 billion direct loan from the Ministry of Finance to fund key projects required in the City. The loan will be paid during the 10 coming years with a waiver period of three years through seven payments starting on 1 July 2015. It was agreed with the Ministry of Finance in September 2015 to extend the grace period to five years. Consequently, the main amount shall be paid over seven annual instalments starting June 2020 with an annually paid commission. The company provided guarantees for the loan in the form of mortgaging a number of lands with the overall size of 24,715,423 m².
- In 2014, the company signed an Islamic funding agreement with SABB Bank for SAR 2 billion (Morabaha funding) with a commercial rate of return. Based on the agreement, the funding will be paid in eight semi-annual instalments between 30 June 2018 and 3 December 2021. The company provided guarantees for the funding in the form of mortgaging Eemar shares at the Ports Development Company and an order paper valued at SAR 2.5 million.
- During the year ending on 31 December 2015, the company signed an Islamic funding agreement with Banque Fransi for SAR 1 billion with a commercial rate of return. Based on the agreement, the funding will be paid in eight semi-annual instalments between 20 October 2019 and 20 April 2023. The company provided guarantees for the funding in the form of mortgaging land owned by the company in KAEC and an order paper valued at SAR 1.2 million.
- In 2014 and the period ending with 31 December 2015, the company signed two facilities agreements with Al Inma Bank for SAR 1 billion for each facility with a commercial rate of return. According to the agreements, the overall loan term is eight years with a three-year grace period starting the dates of the agreements. An additional facility was arranged with the same bank for SAR 250 million linked to the first facility (payment and withdrawal) where the main amount is made available for the first three years of the loan term. The company provided guarantees for the funding in the form of mortgaging land owned by the company in KAEC and an order paper valued at SAR 1.250 million for each agreement.

Sixth: Board of Directors

A) Composition of the Board of Directors on 31 December 2015

According to Article 16 of the company's by-law, the number of Board members shall be nine in compliance with Item (a) of Article 12 of the Corporate Governance Regulations issued by the Capital Market Authority¹. Accordingly, a board of directors was elected for a new three-year² round starting 26/9/2014. All members are non-executive independent members (except for the position of delegated member, which is an executive position). Below are the Board's members and their position according to the Corporate Governance Regulations issued by the Capital Market Authority, as well as contributing companies they are members of.

Board of Directors Member	Independent/executive/ non-executive	Members of Contributing Companies	Other Saudis
Mr Mohamed Alabbar Chairman of the Board	Non-executive	None	
Mr Abdullah Kamel Deputy Chairman of the Board	Non-executive	Asir Commerce, Tourism, Industry, Agriculture, Real Estate and Contracting - * Amlak Finance & Real Estate Investment - * Umm Al Qura for Development & Construction	
Eng. Khalid Al Molhem Board Member	Independent	Saudi British Bank - * Riyadh Cement - * Alessa Industrial Company - Extra - Knowledge City - * Ports Development Company	
Eng. Abdul Rahman Al Rowaita Board Member	Non-executive	Asir Commerce, Tourism, Industry, Agriculture, Real Estate and Contracting- Halwani Brothers - * Al Khozama Management - * Jadwa Investment - * Amlak Finance & Real Estate Investment - * Alessa Industrial Company	
Mr Ahmed bin Jamal Jawa Board Member	Non-executive	None	
Mr Mohamed bin Yousuf Naghi Board Member	Non-executive	None	
Mr Fahad bin Abdul Mohsen Al Rasheed Delegate Board Member	Executive	*Ports Development Company- Saudi Airlines Catering - *Petromin Oils	

¹ Article 12a: the company's by-laws shall determine the number of members in its board of directors so that it is no less than three and no more than 10.

² Article 16a from the company's by-laws states that the board's term shall be three years.

Dr. Faisal Al Mubarak Board Member	Independent	* Eemar Knowledge
Eng. Abdullah Taibah Board Member	Independent	None

* Companies not listed in the Saudi stock market

B) Meetings of the Board of Directors as on 31 December 2015

The Board of Directors held three meetings during FY 2015 as follows:

	29/4/1436 AH 18/2/2015	10/6/1436 AH 30/3/2015	27/7/1436 AH 16/5/2015
Mr Mohamed Alabbar	✓	X	✓
Mr Abdullah Kamel	✓	✓	✓
Eng. Khalid Al Molhem	✓	✓	✓
Eng. Abdul Rahman Al Rowaita	✓	X	✓
Mr Ahmed bin Jamal Jawa	X	X	✓
Mr Mohamed bin Yousuf Naghi	✓	✓	✓
Mr Fahad bin Abdul Mohsen Al Rasheed	✓	✓	✓
Dr. Faisal Al Mubarak	✓	✓	✓
Eng. Abdullah Taibah	✓	X	✓

C) Committees of the Board of Directors

As part of the company's governance, the Board of Directors is composed of three key committees: The Executive Committee, the Review Committee, and the Candidature and Rewards Committee.

1. The Executive Committee:

The Executive Committee is made-up of four members and is granted its prerogatives by the Board of Directors, which has assigned it various responsibilities: supervising the execution of the company's overall strategy, setting the company's budget, monitoring the company's operational and financial performance, and reporting to the Board about financial, strategic and relevant affairs. The committee includes the following members:

Name	Position
Eng. Abdul Rahman Al Rowaita	Chairman
Eng. Khalid Al Molhem	Member
Mr Fahad Al Rasheed	Member
Eng. Abdullah Taibah	Member

The committee held four meetings in FY 2015 as follows:

	Abdul Rahman Al Rowaita	Khalid Al Molhem	Fahad Al Rasheed	Abdullah Taibah
29/4/1436 AH 18/2/2015	✓	✓	✓	✓
10/6/1436 AH 30/3/2015	X	✓	✓	✓
5/1/1436 AH 18/10/2015	✓	✓	✓	✓
26/2/1436 AH 8/12/2015	✓	✓	✓	✓

2. The Audit Committee:

The **Audit Committee** is made-up of three members, including two non-executive Board members and a third members from outside the Board specialised in financial and accounting affairs. This committee's tasks include: studying internal review reports and follow-up on the execution of measures to remedy the comments mentioned in these reports, recommending the hiring and dismissal of certified accountants to the general assembly, setting the accountant's fees, guaranteeing his/her independence, following-up on his/her work, considering the review plan with the certified reviewer, study the reviewer's notes for the company's financial statements and follow-up on relevant issues, study initial and annual financial statements before submitting them to the Board of Directors, providing its opinions and recommendations concerning these statements, study the adopted accounting policies and provide relevant opinions and recommendations to the Board, and assess the company's efficiency in foreseeing significant risks and the steps taken to monitor and face these risks. The committee included the following members as on 31 December 20115:

Name	Position
Eng. Khalid Al Molhem	Chairman
Dr. Faisal Al Mubarak	Member
Mr Alaa Al Jabri	Member

The committee held four meetings in FY 2015 as follows:

	Khalid Al Molhem	Faisal Al Mubarak	Alaa Al Jabri
28/4/1436 AH 17/2/2015	✓	✓	✓
27/9/1436 AH 14/7/2015	✓	✓	✓
5/1/1436 AH 18/10/2015	✓	✓	✓
26/2/1436 AH 8/12/2015	✓	✓	✓

Declaration: The committee states that it reviewed and approved the quarterly and closing statements for 2015 before submitting them to the Board of Directors.

Plan to Implement International Accounting standards

At the start of 2012, the Saudi Organization for Certified Public Accountants (SOCPA) decided to implement the International Accounting Standards (IAS) and instructed all joint stock companies registered in the Saudi market, except bank and insurance companies, to implement the IAS starting the beginning of 2017.

In line with the requirements of this transformation in preparing financial statements according to the IAS, and considering the need for the IAS to conform with Islamic Sharia requirements for some transactions, SOCPA categorized these standards according to 14 linked groups. It has so far issued seven groups of standards after its technical committee reviewed them. The remaining groups will be issued after their study is completed.

Eemar is committed to implement the requirements of SOCPA and the Capital Market Authority, and to comply with the laws and regulations in force. It has therefore taken the necessary steps to start implementing the IAS.

In 2015, the company's finance administration, in partnership with a financial consultant, analysed the potential impact this might have on the company's financial statements and the possible changes that might affect some accounts and submitted the results to the Audit Committee. It also submitted an analysis of the most important differences between the Saudi accounting standards according to SOCPA and the IAS.

In line with the Review Committee's directions and recommendations, the company's finance administration, starting the first quarter of 2016, will prepare an amended version of the financial statements based on the IAS, the best estimates and known financial principles. These amended statements will then be submitted to the Audit Committee to study financial impacts and changes. The finance administration will take any new clarifications or measures expected to be adopted by SCOPA into consideration when preparing the reserve amended statements.

The finance administration's plan includes the following:

1. Establishing and developing the company's accounting policies to comply with IAS reporting standards.
2. Training the employees of the company and its affiliates to practically implement the IAS reporting standards according to the accounting policies developed and amended to align with these standards.
3. Prepare opening, quarterly and closing balances for FY 2016 to have them ready to be compared with FY 2017 according to the IAS. Complete the transformation project after amending the electronic system as necessary.

3. The Nomination and Remunerations Committee:

The Nomination and Remunerations Committee was established in 2010 and includes two non-executive members and an independent member.

The tasks and responsibilities of the Nomination and Remunerations Committee include: recommend candidates for Board membership according to adopted policies and standards taking into consideration not to recommend anyone who has been charged with a crime undermining his/her honour or trust; conducting an annual review of the required skills for Board members; and preparing a description of the abilities and qualifications necessary for Board members, including the time a member should dedicate to Board business.

The committee's responsibilities also include reviewing the structure and formation of the Board; issuing recommendations concerning possible changes; identifying weaknesses and strengths in the Board as well as recommending remedies in line with the company's interests; annually confirming the resignation of resigned members; confirming that there is no conflict of interest for a member to hold a position in the board of another company; establishing clear policies for compensations and rewards for Board members and senior executives taking into consideration performance standards; and preparing regular and annual reports on the committee's work as well as an annual declaration drafted according to regulations and submitted to the Board. The committee included the following members as on 31 December 20115:

Name	Position
Mr Ahmed Jawa	Chairman
Mr Mohamed Naghi	Member
Mr Abdullah Taibah	Member

The committee held one meeting in FY 2015 as follows:

	Ahmed Jawa	Mohamed Naghi	Abdullah Taibah
28/4/1436 AH 17/2/2015	✓	✓	✓

D) Description of the interests of Board members, their spouses and their minor children in the company's shares:

Member	Shares held on 1/1/2015	Shares held on 31/12/2015	Ownership of first degree relatives	Change from 1/1/2015 until 31/12/2015
Mr Mohamed Alabbar	10,000,000	10,000,000	None	zero
Mr Abdullah Kamel	1	1	None	zero
Eng. Khalid Al Molhem	10,135	10,135	None	zero

Eng. Abdul Rahman Al Rowaita	125	125	None	zero
Mr Ahmed bin Jamal Jawa	1	1	None	zero
Mr Mohamed bin Yousuf Naghi	5,781,915	5,781,915	None	zero
Mr Fahad bin Abdul Mohsen Al Rasheed	94	204	None	110
Dr. Faisal Al Mubarak	3	3	None	zero
Eng. Abdullah Taibah	1	1	None	zero

Mr Abdullah Saleh Abdullah Kamel (Deputy Chairman of the Board) has an interest (voting rights) in: Dayem Modern Company for Real Estate Management; Asir Commerce, Tourism, Industry, Agriculture, Real Estate and Contracting; Al Samaha Trading; and Al Khawatem Trading and Contracting. They are companies that hold various shares in Eemar Economic City. He also has completed control over the following companies: Kawamel Trading and Contracting; Al Qawafel International; Al Omran Real Estate Development; and Namariq Trading. They are companies that hold various shares in Eemar Economic City.

A) Description of the interests of senior executives, their spouses and their minor children in the company's shares:

Name	Position	Shares held on 1/1/2015	Shares held on 31/12/2015	Ownership of first degree relatives	Change from 1/1/2015 until 31/12/2015
Mr Fahad Al Rasheed	Managing Director and Chief Executive Officer	94,000	204,000	None	110,000
Mr Ahmed Linjawi	Executive Vice President	None	7,000	None	7,000
Mr Rayan Qotb	CEO of Industrial Zone Operations	None	None	None	zero
Mr Ramzi Al Solh	CEO of Operating Trade Development	None	None	None	Zero
Mr Faisal Faruqi	CFO	None	None	None	Zero
Mr Charles Biele	CEO of residential real-estate Development	None	None	None	Zero
Dr. Essam Sembawa	Board Secretary	None	None	None	zero

E) Ownership of the company's largest contributors

Shareholder	Shares	Percentage
Dayem Modern Company for Real Estate Management	15,000,000	17.65%
ME Royal Capital	80,000,000	9.40%
Eemar Middle East	50,000,000	5.90%
ME Holding	50,000,000	5.90%
ME Strategic Investment	50,000,000	5.90%
ME Partners	46,000,000	5.40%

F) Annual Assessment of the Board of Directors

In line with governance principles, the company conducted in 2015 an evaluation of the performance of the Board of Directors. The Board's secretary conducted the evaluation to identify the strengths and weaknesses of the Board according to governance requirements. The evaluation was done through a survey that included several questions relating to the Board's performance and the performance of each of its members. All members participated in the survey and the analysis results were submitted to the Candidature and Rewards Committee. In view of developing governance practices at the company in line with the best international practices, and based on these results, members of the Board participated in a governance training session.

Seventh: Dealings with Concerned Parties

Transactions with concerned parties reached SAR 12,510,000. The company signed no contracts where a member of its Board, its CEO, CFO, or any other concerned person has a key interest.

Relevant transactions	Concerned Parties	Item	2015 (thousands)
Services to a sister company	Ports Development Company	Services throughout the year	2,321
Procurements from a sister company	Ports Development Company	Procurements throughout the year	4,921
Transactions with a sister company	Eemar Real Estate	Expenses for a visit made by a consultant from Eemar Real Estate during the year	180
Transactions with a sister company	Turner	Consultancy services	5,088
Total			12.51

Eighth: Remunerations of the Board of Directors' Members

The company's by-law regulate rewards granted to members of the Board. The company has paid SAR 290,000.2 as salaries and rewards to members of the Board.

The company also paid SAR 28,806,026 as salaries and rewards to senior executives, including the CEO and Finance Director. The below table clarifies in detail the rewards granted to members of the Board and the salaries of six senior executives, including the CEO, Executive Vice President, Finance Director, and heads of affiliated companies.

Item	Non-executive Board members	Executive Board members	* Six executives who received the highest rewards and compensations
Salaries and compensations	1,600,000	4,699,448	15,560,152
Allowances	--	--	--
Annual periodical bonuses	430	10,223,198	13,155,874
Stimulus plans	--	--	--
Any compensation or other benefits paid in kind on a monthly or yearly basis	--	--	--
Total	2,030,000	14,922,646	28,806,026

Ninth: The Company's Administrative Structure

Considering the company's expansion of its work and the launching of activities with the affiliated companies mentioned in this report, the company restructured itself and a CEO and Finance Director were appointed for each affiliated company tasked with developing or operating various sectors in the City. The group of companies is independently run under the umbrella of Eemar Economic City in line with the company's direction and the interests of the City's development.

The group has attracted a large number of excellent international and local cadres who will contribute to work according to the requirements of the coming phases, especially after KAEC becomes operational and development operations multiply. The Company organised many training sessions and workshops in 2015 targeting its personnel.

In order to reinforce the company's strategic direction aimed at nationalising human cadres, and with the aim of qualifying directors and preparing a new generation of future leaders, the company hired in 2014/2015 25 Saudi graduate interns to work in the company's general administration. They underwent intense and specialised training and qualification (according to the nature of their job) for up to 24 months as part of the Management Trainee Program. In addition, the Board agreed to expand programs dedicated to supporting employees in obtaining residential lands and homes in KAEC through instalments that can be aid up to 20 years without interest. The programs seed to help employees and their families settled in the City.

Tenth: Subsidiary Companies

The company owns shares in seven subsidiary companies:

- 1) The Ports Development Company: A closed joint stock company based in KAEC, Kingdom of Saudi Arabia executing contracts regarding the management, development, maintenance, operation, funding and investment in the King Abdullah Sea Port as well as providing all necessary services to operate the Port and its facilities. The Ports Development Company's capital is SAR 5,210,000,000 divided into 521 million shares, 260.5 million of which belong to Eemar Economic City, the equivalent of SAR 2,605,000,000 or 50% of the Ports Development Company's capital.
- 2) Economic Cities Investment Holding Co., commercial register No. 4602003130: Eemar Economic Cities owns 99% of its shares while the remaining share belongs to a partner. The company's capital is SAR 500,000 and it's based in KAEC, Kingdom of Saudi Arabia. It contributes to the establishment of companies or the buying of shares in existing companies.
- 3) Industrial Zone Development Company Ltd., commercial register No. 4602211995: Eemar, the Economic City owns 1% of its shares while 98% belong to Economic Cities Investment Holding Co. and the remaining share belongs to a partner. The company's capital is SAR 500,000 and it's based in KAEC, Kingdom of Saudi Arabia. It contributes to the establishment, management and operation of industrial cities and zones, and areas for warehouses and storage spaces as well as providing services for them.
- 4) The Economic Cities Real Estate Management and Operation Company Ltd., commercial register No. 4602004969: It's a limited liability company based in KAEC, Kingdom of Saudi Arabia with a capital of SAR 500,000. Eemar, the Economic City owns 1% of its shares while 98% belong to Economic Cities Investment Holding Co. and the remaining share belongs to a partner. It is dedicated to owning, purchasing, investing in, selling, developing, marketing, renting and leasing land, real estate, hospitals, schools, health facilities, sports centres and training stations, including land, for the Eemar Economic City.
- 5) Economic Cities Real Estate Management Co., commercial register No. 4602004970: It's a limited liability company based in KAEC, Kingdom of Saudi Arabia with a capital of SAR 500,000. Eemar Economic Cities owns 1% of its shares while 98% belong to Economic Cities Investment Holding Co. and the remaining share belongs to a partner. It is dedicated to establishing, managing, developing, operating, renting, leasing and providing various services for various types of real estate and commercial, residential and administrative complexes in economic cities.
- 6) Economic Cities Real Estate Management and Operation, commercial register No. 4602004968: It's a limited liability company based in KAEC, Kingdom of Saudi Arabia with a capital of SAR 500,000. Eemar Economic Cities owns 1% of its shares while 98% belong to Economic Cities Investment Holding Co. and the remaining share belongs to a partner. It is dedicated to owning, purchasing, investing in, selling, developing, marketing, renting and leasing land and real estate for residential or commercial purposes in economic cities for Eemar

Economic City. It is also dedicated to establishing and providing services for various real estates, including hotels, resorts, facilities, schools, hospitals, and sports centres in economic cities.

- 7) Eemar Knowledge Ltd, commercial register No. 4602006620: It's a limited liability company based in KAEC, Kingdom of Saudi Arabia with a capital of SAR 10 million. Eemar Economic Cities owns 96% of its shares while remaining shares belong to affiliated companies. It is dedicated to managing and operating a faculty specialised in granting BA and MA degrees in business administration. It is also dedicated to establishing faculty buildings, institutes, student centres and dorms, centres for teachers, schools, and affiliated sports centres.

Eleventh: Corporate Governance

The administration of Eemar Economic City is committed to implementing the principles and rules of good governance, and to choosing the best practices that serve the interests of its shareholders and protects their rights. The company's general assembly adopted in an ordinary general assembly in 2010 the company's governance regulation based on the Corporate Governance Regulations in the Kingdom of Saudi Arabia issued by the Capital Market Authority by virtue of decision No. 1-212-2006 dated 12 November 2006 based on the market system issued by Royal Decree No. M/30 dated 2-6-1424 AH amended by Decision No. 1-10-2010 issued by the Capital Market Authority on 30/3/1431 AH corresponding with 16/3/2010. The company is committed to all the provisions of its government's regulations but was unable to execute some provisions from the Corporate Governance Regulations in the Kingdom of Saudi Arabia as follows:

- 1) Paragraph (b) of Article 6, Section 2 (Rights of Shareholders and the General Assembly) states that cumulative voting should be followed to choose members of the Board in the general assembly. However, the company didn't add this provision to its regulation seeing as how its ordinary general assembly always takes into consideration the rights of shareholders and opens the door of candidature to everyone. It always makes sure to choose a Board member who receives the trust of the majority. Furthermore, the company's by-law doesn't mention cumulative voting. However, the company's by-law will be amended and cumulative voting will be imposed when choosing members of the Board after the new corporate system issued by the Ministry of Commerce enters into force.
- 2) Paragraph (d) of Article 6, Section 2 (Voting Rights) states that investors who are legal persons with representatives acting on behalf of others must disclose their voting policies and actual votes in their annual reports as well as how they deal with any conflict of interests that could affect the practice of their basic rights as relevant to their investments. The company couldn't implement this provision seeing as how no legal persons notified the company of their annual reports or voting policy.
- 3) Paragraph (h) of Article 12, Section 4 (Forming the Board of Directors) states that a legal person who may, according to the company's by-law, appoint representatives to the Board of Directors may also vote to choose other members of the Board. The provision doesn't apply to the company because its Board has no legal persons or representatives of any entity.
- 4) Paragraph (d) of Article 12, Section 4 (Forming the Board of Directors), states that the position of chairman of the board, and those of delegate member, CEO and director general may not be combined. The company didn't include this provision in its governance regulation as it sees that it doesn't need to. It believes that the best for the company and its shareholders is for this choice to be left up to the Board based on the needs of the company at any time. Despite this fact, the current Board is separating and not combining the position of chairman of the Board with those of delegate member, CEO and director general.

Based on the company's commitment to the provisions of Article 43 of Establishment and Registration Rules, the company commits to disclosing the content of this article in its annual report to the Board of Directors while the Board decides what doesn't apply or makes other decisions requested by Paragraph (22) of the same article concerning a registered joint stock company. Therefore, the Board has decided the following:

- The company affirms the non-provision of monetary loans of any type, or guarantees to acquire loans from third parties, to the directors.
- The company's Directors, senior executives, their spouses and minor children, have no right of option or subscription rights to the shares or debt instruments of the company or any other company affiliated to Eemar, the Economic City.
- The company did not issue debt instruments convertible to shares, rights of option, subscription right warrants, or similar rights, during the FY 2015.
- The company affirms that it did not conclude any agreement with shareholders, executives, or employees, by virtue of which one ceded their rights to earnings.
- The company affirms that no substantial amendments to its account books were made, and that it abides by the accounting standards issued by the Saudi Organization for Certified Public Accountants. Moreover, no substantial remarks were made by the certified accountant in relation to the company's activities, its account books, or financial statements for 2015. The certified accountant had no reservations on these statements whatsoever.
- The company's Audit Committee examines and evaluates the efficiency of the internal control systems through:
 - Studying and discussing the financial statements that include the adopted accounting-related policies with the company's management and the certified accountant.
 - Studying the periodic reports and remarks lodged by the company's internal auditor based on the annual auditing plan, and following up on the corrective measures taken by the company to address the remarks.
 - Studying the reports and remarks lodged by the accounts auditor and following up on the corrective measures taken by the company to address the remarks.
 - Studying the different reports that the committee asks the management to provide, and which the committee reviews and discusses during periodic meetings.

The above mentioned reports on auditing processes showed no substantial weakness in the internal control system of the company. The majority of remarks relate mainly to improvement of performance, development and capacity building of the different

departments and divisions, continued documentation of procedures to strengthen the control system, and the efficient use of available resources.

Based on the aforementioned, and taking into consideration that the goals of the internal control system are:

- Ensuring that account books were appropriately produced, adding another layer of accuracy and transparency to the accounting data.
- Protecting assets and properties.
- Maintaining transaction integrity.
- Improving the company performance and the efficient use of available capacities.
- Abiding by the rules, regulations, and contracts.

Therefore, the Audit Committee considers the goals of the internal control system as specified by Eemar, the Economic City to be largely realized. The committee believes the stand of the company's management toward internal control to be positive in general, whereby the majority of activities are governed by written policies and procedures. The management reacts positively to the recommended policies.

In addition to this, the company set up various internal committees for the different departments, each according to their relative competencies, to improve operations, implementation of policies, and the abidance by laws governing all public joint stock companies listed on the Saudi Stock Exchange.

- The company affirms that the Board of Directors has a written policy in place regulating conflicts of interest and settling potential conflicts that all directors, executive management members, and shareholders might face, including the misuse of assets and premises, and misdemeanour resulting from dealings with relevant individuals.
- The company affirms that it did not receive any statement of interest in voting shares from individuals other than (directors, senior executives, their spouses, or their minor children).
- The company affirms that it did not there recover, buy, or annul any recoverable debt instruments.
- The company affirms that there has not been any issuance of transferable or subscription rights for any debt instruments convertible to shares or any option rights or subscription right warrants.
- The company affirms that contracts generating substantial interest to directors were concluded. The contracts are as follows:
 1. A contract concluded between the company and Turner Engineering. Eemar Properties owns a big share of the Turner Engineering's capital and its CEO Mr Mohamed Alabbar is the chairman of the Board of Directors of Eemar Properties.
 2. A lease contract of a 146 m² commercial shop in the Sahel building (1) was concluded on 1February 2015 with Lena Snacks, a company fully

- owned by the director Mr Khalid Al Molhem. The contract term is 5 years, free of charge for the first one, and with a rent fee of SAR 800 for the second and third years, and SAR 1,000 for the fourth and fifth years.
3. A construction and electricity services contract in Bay La Sun Marina with Naghi Marine Co., a company owned by the brother of Mr Yousuf Naghi, director. The contract was concluded on 10 November 2015 and is worth SAR 2,400,000.
 4. A contract amended on 6 December 2015 to lease an industrial 106,100 m² land for Dallah Albaraka Holding Co., managed by Mr Abdullah Saleh Kamel, deputy chairman of the Board of Directors. The land is to be used as warehouses to stock and distribute air conditioning devices. The contract term is 25 years, worth SAR 10 for each square meter. It is important to note that the main contract was concluded on 18 December 2014. The amendments thereof touched on: (1) allowing Dallah Albaraka Holding Co to sub-lease the land to any affiliated company instead of dedicating it to Hulul Co., (2) changing the commencement date of implementation of substantial improvements, so that they begin when the amended contract enters into force.
 - The company affirms that no other investments were made or reserves established in favour of the company's employees.
 - The company affirms that no corporate body with the right to assign representatives in the Board of Directors by virtue of the company's by-law has voted on choosing the other Directors.

A table showing the extent of compliance to the Corporate Governance Regulations, as enforced or not enforced in 2015:

No. of the article in the Corporate Governance Regulations	No. of clauses	Clauses not enforced	Comments
Third: General rights of shareholders	1		Enforced
Fourth: Facilitating the shareholder's exercise of rights and access to information	2		Enforced
Fifth: Shareholder rights related to general assembly meetings	10		Enforced
Sixth: Voting rights	4	(b), (d)	Previously explained
Seventh: Rights of shareholders to share earnings	2	(b)	Previously explained
Eighth: Policies and procedures of disclosure	1		Enforced
Ninth: Disclosure in the report of the Board of Directors	7		Enforced
Tenth: Main functions of the Board of Directors	17		Enforced
Eleventh: Responsibilities of the Board of Directors	8		Enforced

Twelfth: Composition of the Board of Directors	9	12 (i)	Previously explained
Thirteenth: Committees of the Board of Directors and their independence	3		Enforced
Fourteenth: Audit Committee	11		Enforced
Fifteenth: Nomination and Remuneration Committee	8		Enforced
Sixteenth: Meetings of the Board of Directors and agenda items	4		Enforced
Seventeenth: Remuneration of Directors	1		Enforced
Eighteenth: Conflicts of interest within the Board of Directors	3		Enforced

Twelfth: Zakat and Government Payments

Eemar, the Economic City presented its Zakat declarations until 2014 and acquired the Zakat certificates of payment.

The Department of Zakat issued the Zakat assessments for the years 2006-2008 and demanded additional Zakat and retention taxes worth SAR 90.4 million in addition to a late-payment fine. This case was being looked into by the Supreme Appeal Committee, which issued a decision in favour of the Zakat and Income Department. The company appealed against the Supreme Appeal Committee before the Board of Grievances. The company believes that amid a fair review of the Zakat assessment, the decision will be in its favour. No allocation for the additional Zakat and retention tax was mentioned in the unified preliminary financial statements.

The Department of Zakat issued the Zakat assessments for the years 2009-2011 and demanded additional Zakat and retention taxes worth SAR 64.7 million in addition to a late-payment fine. The company objected this demand and presented supporting documents. The Department issued an adjusted assessment for the years 2009-2011, decreasing the amount by SAR 30.2 million. The company agreed to the new assessment, and the Zakat, retention taxes, and late-payment fine, worth SAR 34.6 million, were settled.

The Industrial Cities Development and Operating Co. settled its Zakat dues until 2011. It presented its Zakat declarations until 2014 and acquired a certificate of payment.

The Economic Cities Investment Holding Co. settled its Zakat dues until 2011. It presented its Zakat declarations until 2014 and acquired a certificate of payment.

The Economic Cities Property Development company, the Leading Economic Cities Real Estate Management Co., and Economic Cities Real Estate Operation and Management Ltd. presented their Zakat declaration until 2014 and acquired a certificate of payment.

Declaration:

The company abides by the Zakat regulations of the Zakat and Income Department in Saudi Arabia. It lists the annual due Zakat allocations on the income list, and registers

the amendments made when effectuating the final Zakat assessment- if any- during the relevant period of assessment.

Thirteenth: Shareholders' Rights and the General Assembly, and Facilitation of Exercise of their Rights and Access to Information

The company's by-law and governance regulation included the needed procedures and precautions to ensure that all shareholders exercise their statutory rights, among which are the following:

1. The right to receive dividend payments.
2. The right to receive a share of the company's assets upon liquidation.
3. The right to attend General Assemblies, participate in deliberations and vote on decisions.
4. The right to share disposal.
5. The right to monitor the work of the Board of Directors and file responsibility law suits against the Directors.
6. The right of inquiry and information request in such a way that does not compromise the interests of the company or contradicts the Capital Market Law and its executive regulations.

The company provided all the information that enabled shareholders to exercise their rights to the fullest, ensuring the provision of complete, accurate and up to date information in a systematic way manner and timely fashion through annual reports, the company's website, Tadawul website, and media news. This was done in application of the information dissemination to shareholders without discrimination. (Appendix 1: Announcements that were published on the Tadawul website during 2015).

For its part, the company held during the financial year of 2015 an ordinary and extraordinary meeting for the general assembly on Monday 10 Jumada II 1436 AH corresponding with 30 March 2015. We affirm that the company had not received from the certified accountant (KPMG) any request to convene the general assembly during the financial year ending in 2014, and that such meeting was not held. We also affirm that we did not receive from shareholders owning 5% or more of the capital request to convene the general assembly during the financial year ending in 2014, and that such a meeting was not held.

The company had announced the date, place, and agenda of the ordinary and extraordinary general assembly meeting, twenty-five days in advance, and had published a call for a meeting on Tadawul website, in the city's newspaper, and in the official newspaper of Umm Al Qura. The announcement explained the rules governing the general assembly meetings, and the voting procedures. Shareholders had the opportunity to effectively participate and vote on the agenda items, were able to discuss the topics included in the agenda and addressing questions to the directors and certified accountant, to which they received answers. It is worth noting that no shareholder owning 5% or more of the company's shares requested to add an item or more the general assembly's agenda when it was being prepared.

The company affirms that it has avoided putting in place any action that might have impeded the exercise of the shareholders right to vote, and that it has verified the authorization of non-members of the Board of Directors and non-staff who attended the meeting. Being aware of the importance of communication with shareholders, the company continued to:

- 1) Publish the quarterly and final financial statements for the financial year 2015 on the Tadawul website according to the deadlines set by the by-law.
- 2) Publish the quarterly reports on the latest developments of projects in the King Abdullah Economic City on the Tadawul website.
- 3) Be committed to the announcement formulation set by the Capital Market Authority and the required core information to be contained, and the dates of publication.
- 4) Produce the Board of Directors report in accordance with the disclosure requirements and the pilot model created by the Capital Market Authority.
- 5) Update the company's website (www.kaec.net) and regularly upload the necessary information on the company's activities, news, and financial results.

All shareholders had the opportunity to effectively participate and vote on the agenda items, especially since the company has continued to use the electronic voting system via the Saudi Stock Exchange (Tadawul).

Fourteenth: Future Risks

As is the case for other sizable strategic projects, the construction of a comprehensive city may involve many risks. Therefore, the company consults experts from time to time to ensure the accuracy of assumptions and studies, and to rely on the best practices in carrying out the activities of the company.

The company specified a general vision of the risks that the company may face, including challenges that the company may encounter, and which can impact the performance or the city's development programs, including:

- Risks related to the security and safety of the city.
- Increase in project implementation costs.
- Decrease in sales due to economic slowdown in the Kingdom as a result of falling oil prices.
- Availability of funds for some projects.
- Availability of qualified staff to manage and maintain the project.
- The ability of contractors to carry out construction work on schedule.
- Abidance by regulations as stipulated by the Economic Cities Authority.

In addition to the abovementioned risks, the Company's management monitors and closely follows up the risks of financial nature mentioned in Paragraph 29 of the accompanying explanations annexed to the financial statements.

The company monitors and evaluates these risks and deal with them on an ongoing basis through regular follow up and report submission on risks to the Board of Directors.

Fifteenth: Penalties

The Capital Market Authority imposed on the company a SAR 100,000 fine in 2015 for violating Paragraph (c) of Article 45 of the Capital Market Law, disclosing confidential information related to the company's intention to collect SAR 1 billion from banks until 2016 to fund a part of the investments in KAEC, and its intention to pump investments of about SAR 13 billion over the next three years, before providing the information to the authority and making it public.

Sixteenth: Declarations

Eemar, the Economic City affirms that:

- 1) The accounts book was properly produced.
- 2) The internal control system was set up on sound basis, and effectively implemented.
- 3) There is no doubt in the ability of Eemar, the Economic City to maintain its activities.

May Allah grant you success,

Board of Directors of Eemar, the Economic City.

Annex 1
Announcements published on Tadawul's website in 2015

Subject	Date	Announcement text
<p>EEC announces its interim financial results for the period ending on 31/12/2014 (twelve months)</p>	<p>1/4/1436 AH. or 21/1/2015</p> <p>At 08:31</p>	<p>http://www.tadawul.com.sa/wps/portal!/ut/p/c1/lc1N/DolwEAXgs3CCGcqfLLEhpUgKWkooG9OFGqKA/MUavb90piRozy_e-edCBvdHc-oO59tNoTtBCF24F0mbDfYJIVi6Qr9JQIaR2mfRtrl9yViUBcr-QRFa5h5z8pVEG-NRNTQvmleKbZm7sWi3XsSIJwTya6dl3Gv3YluYC/lpuGHWjooo87ywBq0NSW9NfSeVCqvYv9MXGcB5Rc_PA1/dl2/d1/L2dJQSEvUUt3QS9ZQnB3LzZFTjBDVIJJNDIwt0hPODBJS0U2VU5BVDFHUzQI/?x=1&ANNOUNCEMENT_NO=36842</p>
<p>EEC announces the latest developments of projects in the King Abdullah Economic City</p>	<p>13/4/1436 AH. or 2/2/2015</p>	<p>Further to previous announcements posted by the EEC on the developments of projects in King Abdullah Economic City, from the announcement published on 3 November 2012 to the last announcement on 9 November 2014, this report highlights the latest of those achievements until the end of the fourth quarter of 2014. As mentioned earlier, most of the investments are currently focused on the necessary infrastructure and basic services, notably in King Abdullah Sea Port and industrial zone to attract investors from companies, factories, and commercial and service facilities. This will encourage the people to move into the economic city and will thus lead to an increase in demand on the products of the real estate and service company. It is worthy to note that the project development plan is being implemented as planned without major deviations. For more details, kindly consult the attached.</p> <p>http://www.tadawul.com.sa/wps/portal!/ut/p/c1/lc1N/DolwEAXgs3CCGcqfLLEhpUgKWkooG9OFGqKA/MUavb90piRozy_e-edCBvdHc-oO59tNoTtBCF24F0mbDfYJIVi6Qr9JQIaR2mfRtrl9yViUBcr-QRFa5h5z8pVEG-NRNTQvmleKbZm7sWi3XsSIJwTya6dl3Gv3YluYC/lpuGHWjooo87ywBq0NSW9NfSeVCqvYv9MXGcB5Rc_PA1/dl2/d1/L2dJQSEvUUt3QS9ZQnB3LzZFTjBDVIJJNDIwt0hPODBJS0U2VU5BVDFHUzQI/?x</p>

general assembly meeting and may delegate other shareholders to attend the meeting (other than members of the Board of Directors and staff of the company) by virtue of a proxy (text below) to be sent to Eemar, the Economic City , care of Shareholder Relations Management: 2338 – Bay La Sun – Juman Street – King Abdullah Economic City 6992-23964 or by fax to 012-5106903 at least one week before the date of the meeting. Shareholders attending the meeting must bring their ID cards as well as ownership deeds of the shares. The quorum is reached in the presence of a number of shareholders representing 50% of the capital. We ask shareholders to arrive one hour at least prior to the meeting in order to end the registration procedures, and assure them that all documents pertaining to the report of the Board of Directors or the regulations that will be voted are available on the company's website, in addition to its headquarters in King Abdullah Economic City.
http://www.tadawul.com.sa/wps/portal/!ut/p/c1/lc1B/DolwEAXQs3CCmRYKssSGICIBtJTQbgwLYkqEXBj9vnWnJGrMLP9_88GCu7m_jaf-Oi5zf4YObHqskbcHGVCssmqDcpeGukwalITgcvOSi7plKINCUVXnPkr6l0bF8KnbhfhCR8Q3LUhMnFb7WNOEYh6t9Oo7j35sI9kyDWDARh83tgwaMBzUMLui-Vq8TFp3dxKzxPMeTGlgTA!!/dI2/d1/L0IHSkovd0RNQU5rQUVnQSEhL1ICWncvYXII/?x=1&ANNOUNCEMENT_NO=37478

EEC convenes shareholders to extraordinary general assembly (first meeting)	12/5/1436 AH	The Board of EEC invites shareholders who own 20 shares or more to attend the extraordinary general assembly to be held at Bay La Sun Hotel - King Abdullah Economic City at 4:00 PM on 10/6/1436 AH corresponding with 30/3/2015 in order to discuss the following items on the agenda:
	3/3/2015	
	At 4:43 PM	1) To approve the waiver at no charge of a plot of

land within the boundaries of the economic city to the General Organization for Technical and Vocational Training, with an area of up to 300,000 (three hundred thousand) square meters for the construction of the first phase of the technical training colleges complex with its facilities and annexes.

2) To convert the SAR 1,000,000,000 loan that was approved by the general assembly on 18/5/1433 AH corresponding with 31/3/2012 and submitted to the Ports Development Company for the purpose of developing the port, into shares in the Ports Development Company, thus contributing to raise EEC's share to 50%.

Note that this Assembly may only be convened in the presence of a number of shareholders representing 50% of the capital, and each shareholder owning 20 shares is entitled to attend the general assembly meeting. Shareholders who cannot be present on the specified date and who wish to delegate other shareholders entitled to attend the meeting (other than members of the Board of Directors and staff of the company), must send the necessary proxies certified by the Chamber of Commerce, a bank, or the employer, to the following address, care of Shareholder Relations Management: PO Box 7082 King Abdallah City 23964-2522 at least three days before the date of the meeting. Shareholders attending the meeting (in person or by proxy) must bring their ID cards. For any inquiries, please contact 012-5106903.

EEC announces the start of electronic voting for 11th ordinary general assembly meeting and 4th extraordinary

27/5/1436
AH

18/3/2015

EEC is pleased to notify its esteemed shareholders that they will be able to vote remotely on the agenda items of the 11th ordinary general assembly meeting and 4th extraordinary general assembly meeting that will be held on Monday, 10/6/1436 AH corresponding with 30/3/2015, at the Bay La Sun Hotel, King Abdullah Economic City.

<p>general assembly meeting</p>	<p>3:51 PM</p>	<p>Shareholders registered in the Tadawulaty service will be able to vote remotely from 10:00 AM on Thursday 28/5/1436 AH corresponding with 19/3/2015 until 5:00 PM on Sunday 9/6/1436 AH corresponding with 29/3/2015. We ask the shareholders to note that they can participate and vote remotely in the event of their inability to attend the meeting by visiting the Tadawulaty website, noting that registration and voting via Tadawulaty is available free of charge to all shareholders</p> <p>http://tadawulaty.tadawul.com.sa</p>
<p>Eemar, the Economic City convenes shareholders to the ordinary general assembly meeting (first announcement) (reminder)</p>	<p>9/6/1436 AH 29/3/2015 4:21PM</p>	<p>The Board of EEC is pleased to convene shareholders to the 11th ordinary general assembly meeting that will be held on Monday 10 Jumada II 1436H corresponding with 30/3/2015, at the Bay La Sun Hotel, King Abdullah Economic City, which lies 90 km north of Jeddah, at 4:00 PM in order to discuss the following items on the agenda:</p> <ol style="list-style-type: none"> 6) Approval of the Board of Directors report for the financial year ending on 31 December 2014. 7) Approval of the Company's financial statements and the auditor's report for the financial year ending on 31 December 2014. 8) Approval of the selection of an auditor from among the candidates by the Audit Committee to audit the financial statements for the financial year 2015, and determining its remuneration. 9) Discharge of the members of the Board of Directors for the financial year ending on 31 December 2014. 10) Approval of contracts and transactions with relevant parties: Contracts and transactions may be consulted in the attached documents. Kindly note that each shareholder owning 20 shares is entitled to attend the aforementioned general assembly meeting

		<p>and may delegate other shareholders to attend the meeting (other than members of the Board of Directors and staff of the company) by virtue of a proxy (text below) to be sent to Eemar, the Economic City , care of Shareholder Relations Management: 2338 – Bay La Sun – Juman Street – King Abdullah Economic City 6992-23964 or by fax to 012-5106903 at least one week before the date of the meeting. Shareholders attending the meeting must bring their ID cards as well as ownership deeds of the shares. The quorum is reached in the presence of a number of shareholders representing 50% of the capital. We ask shareholders to arrive one hour at least prior to the meeting in order to end the registration procedures, and assure them that all documents pertaining to the report of the Board of Directors or the regulations that will be voted are available on the company's website, in addition to its headquarters in King Abdullah Economic City.</p>
<p>EMAAR Economic City convenes shareholders to extraordinary general assembly (first meeting) (reminder)</p>	<p>9/6/1436A H 29/3/2015 At 3:59 PM</p>	<p>The Board of Eemar, the Economic City convenes shareholders who own 20 shares or more to attend the extraordinary general assembly to be held at Bay La Sun Hotel - King Abdullah Economic City at 4:00 PM on 10/6/1436 AH corresponding with 30/3/2015 in order to discuss the following items on the agenda:</p> <ol style="list-style-type: none"> 1) To approve the waiver at no charge of a plot of land within the boundaries of the economic city to the General Organization for Technical and Vocational Training, with an area of up to 300,000 m² for the construction of the first phase of the technical training colleges complex with its facilities and annexes. 2) To convert the SAR 1 billion loan that was approved by the General Assembly on 18/5/1433

		<p>AH corresponding with 31/3/2012 and submitted to the Ports Development Company for the purpose of developing the port, into shares in the Ports Development Company, thus contributing to raise EEC's share to 50%.</p> <p>Note that this assembly may only be convened in the presence of a number of shareholders representing 50% of the capital, and each shareholder owning 20 shares is entitled to attend the general assembly meeting. Shareholders who cannot be present on the specified date and who wish to delegate other shareholders entitled to attend the meeting (other than members of the Board of Directors and staff of the company), must send the necessary proxies certified by the Chamber of Commerce, a bank, or the employer, to the following address, care of Shareholder Relations Management: PO Box 7082 King Abdallah City 23964-2522 at least three days before the date of the meeting. Shareholders attending the meeting (in person or by proxy) must bring their ID cards. For any inquiries, please contact 012-5106903.</p>
<p>Eemar, the Economic City announces outcome of 4th extraordinary general assembly</p>	<p>11/6/1436 AH 31/3/2015 8:42 AM</p>	<p>EEC announced the outcome of the 4th extraordinary general assembly meeting, which was held at 4:00 PM on 10/6/1436 AH corresponding with 30/3/2015 at Bay La Sun Hotel, King Abdullah Economic City, after the quorum was reached. Voting results on the assembly's agenda were as follows:</p> <ol style="list-style-type: none"> 1) Approval of the waiver at no charge of a plot of land within the boundaries of the economic city to the General Organization for Technical and Vocational Training, with an area of up to 300,000 m² for the construction of the first phase of the technical training colleges complex with its facilities and annexes. 2) Approval of the conversion of the SAR 1 billion

		loan that was approved by the general assembly on 18/5/1433 AH corresponding with 31/3/2012 and submitted to the Ports Development Company for the purpose of developing the port, into shares in the Ports Development Company, thus contributing to raise EEC share to 50%.
Eemar, the Economic City announces outcome of 11th ordinary general assembly	11/6/1436 AH 31/3/2015 8:50 AM	<p>EEC announced the outcome of the 11th ordinary general assembly meeting, which was held at 4 PM on 10/6/1436 AH corresponding with 30/3/2015 at Bay La Sun Hotel, King Abdullah Economic City, after the quorum was reached. Voting results on the Assembly's agenda were as follows:</p> <ol style="list-style-type: none"> 1) Approval of the Board of Directors' Report for the financial year ending on 31 December 2014. 2) Approval of the Company's financial statements and the auditor's report for the financial year ending on 31 December 2014. 3) Approval of the selection of an auditor, KPMG Al Fozan & Partners, from among the candidates, by the Reviewing Committee to review the financial statements for the financial year 2015, and determining its remuneration. 4) Discharge of the members of the Board of Directors for the financial year ending on 31 December 2014. 5) Approval of contracts and transactions with relevant parties: Contracts and transactions may be consulted in the attached documents. 5.1) Approval of the sale of a plot of land to the Ports Development Company, Ltd. valued at SAR 760 million with a total area of 11.609 million m², which includes each of the Group's Board members Eng. Khaled Melhem, CEO and Managing Director Mr Fahad Al Rashid, and Executive Vice President, Mr Ahmed Linjawi.

		<p>5.2) Approval of the purchase of raw materials from the Ports Development Company, Ltd. valued at SAR 79.237 million, which includes each of the Group's Board members Eng. Khaled Melhem, CEO and Managing Director Mr Fahad Al Rashid, and Executive Vice President, Mr\ Ahmed Linjawi.</p> <p>5.3) Approval of the sale of industrial land with an area of 300,358 m² for the Mohamed Yousuf Naghi Group, in which member of the Board of Directors Mr Mohamed Yousuf Naghi owns 20% of the shares, at a value of SAR 133,659,310.</p> <p>5.4) Approval of the sale of residential land to a member of the Board of Directors, Mr Fahad Bin Abdul Mohsen Al Rashid, valued at SAR 14,229,888 with an area of 2,847 m² in the BC2 scheme under the staff ownership program at EEC.</p> <p>5.5) Approval of the lease with the promise to sell of industrial land in the second industrial zone with an area of 106,109 m², to Dallah Trading, at a rental value of SAR 10 and sales value of SAR 300 per meter, or SAR 270 per meter in case of development by Dallah within two years of receipt, upon the release of the land from the mortgage to the Finance Ministry in exchange for the loan given to Eemar, the Economic City , whose board of directors includes Mr Abdullah Kamel and Abdul Rahman Rwaita.</p>
<p>Corrective statement from Eemar, the Economic City</p>		<p>Corrective statement from Eemar, the Economic City regarding the announcement of the outcome of the extraordinary general assembly, which was announced on the Tadawul website on 30/3/2015,</p>

<p>regarding the announcement of the outcome of the extraordinary general assembly</p>	<p>11/6/1436 AH 31/3/2015 9.19 AM</p>	<p>and as stated in item 2) of the previous announcement: Approval of the conversion of the SAR 1 billion loan that was approved by the general assembly on 18/5/1433 AH corresponding with 31/3/2012 and submitted to the Ports Development Company for the purpose of developing the port, into shares in the Ports Development Company, thus contributing to raise EEC share to 50%. In fact, the general assembly that approved the loan was convened on 8/5/1433 AH and not on 18/5/1433 AH.</p>
<p>Eemar, the Economic City announces preliminary financial outcomes of the period ending on 31/3/2015 (three months)</p>	<p>2/7/1436A H 21/4/2015 8.14 AM</p>	<p>http://www.tadawul.com.sa/wps/portal/ut/p/c1/lc1N/DolwEAXgs3CCGcqfLLEhpUgKWkooG9OFGqKA/MUavb90piRozy_e-edCBvdHc-oO59tNoTtBCF24F0mbDfYJVi6Qr9JQiaR2mfRtri9yVjUBcr-QRFa5h5z8pVEG-NRNTQvmleKbZm7sWi3XsSIJwTya6dI3Gv3YluYC/IpUGHWjooo87ywBq0NSW9NfSeVCqvYv9MXGcB5Rc_PAI/dI2/d1/L2dJQSEvUUt3QS9ZQnB3LzZfTjBDVIJJNDIwT0hPODBJS0U2VU5BVDFHUzQI/?x=1&ANNOUNCEMENT_NO=38324</p>
<p>Eemar, the Economic City announces latest developments of projects in King Abdullah Economic City</p>	<p>25/7/1436 AH 14/5/2015</p>	<p>Further to previous announcements posted by EEC on the developments of projects in King Abdullah Economic City, starting from the announcement published on 3 November 2012 and until the last announcement on 2 February 2015, this report highlights the last of those achievements until the end of the first quarter of 2015. As mentioned earlier, most of the investments are currently focused on the necessary infrastructure and basic services, the most important being the King Abdullah Sea Port and industrial zone to attract investors from commercial and service companies, factories and facilities in the economic city. This will encourage people to move to the economic city and therefore to a growth in the demand for the company's various real estate and service-related</p>

	4:34 PM	<p>products, noting that the project development scheme is going according to plan without any major deviations... For more details, kindly review the link:</p> <p>http://www.tadawul.com.sa/wps/portal/!ut/p/c1/lc1N/DolwEAXgs3CCGcqlLEhpUgkWKooG9OFGqKAMUavb90piRozy_e-edCBvdHc-oO59tNoTiBCF24F0mbDfYJIVi6Qr9JQiaR2mfRtl9yVIUBcr-QRFa5h5z8pVEG-NRNTQvmlKbZm7sWi3XsSIJwTya6dl3Gv3YluYCipuGHWjoo087ywBq0NSW9NfSeVCqvYv9MXGcB5Rc_PA/dl2/d1/L2dJQSEvUUt3QS9ZQnB3LzZFTjBDVIJJNDIwT0hPODBJS0U2VU5BVDFHUzQI/?x=1&ANNOUNCEMENT_NO=38709</p>
<p>Eemar, the Economic City announces it obtained a Murabaha with the Banque Saudi Fransi</p>	<p>1/8/1436A H 19/5/2015 3:43 PM</p>	<p>Eemar, the Economic City announces it signed a Murabaha with the Banque Saudi Fransi as follows:</p> <ol style="list-style-type: none"> 1. The funding contract was signed on 19/5/2015 2. The funding amounted to SAR 1 million 3. The funding period runs from 19/5/2015 to 20/4/2023 4. The company aims with the funding to develop the land within King Abdullah Economic City 5. The funding was obtained through a guarantee consisting of the mortgage of land within King Abdullah Economic City
<p>Eemar, the Economic City announces one of its affiliates obtained a Murabaha</p>	<p>15/8/1436 AH 20/6/2015 8:32 AM</p>	<p>Eemar, the Economic City announces its affiliate the Port Development Company signed a Murabaha with the Arab National Bank and the Saudi British Bank as follows:</p> <ol style="list-style-type: none"> 1. The funding contract was signed on 31/5/2015 2. The funding amounted to SAR 1 million 3. The funding period runs from 31/5/2015 to 31/12/2015 4. The company aims with the funding to

		<p>provide liquidity for the capital expenses needed to develop the King Abdullah Port</p> <p>5. The funding was obtained through the mortgage of the port premises and payment guarantees were given by Eemar, the Economic City and Huta Group, which are the company's owners</p>
<p>Eemar, the Economic City announces it obtained a Murabaha with Alinma Bank</p>	<p>6/8/1436A H 3/6/2015 8:11 AM</p>	<p>Eemar, the Economic City announces it signed a Murabaha with Alinma bank as follows:</p> <p>1. The funding contract was signed on 3/6/2015</p> <p>2. The funding amounted to SAR 1,250</p> <p>3. The funding period runs from 3/6/2015 to 31/5/2023</p> <p>4. The company aims with the funding to provide funds for the capital expenses and infrastructure pertaining to developing the Industrial Valley projects (northern part), King Abdullah Economic City</p> <p>5. The funding was obtained through a guarantee consisting of the mortgage of land within King Abdullah Economic City</p>
<p>Eemar, the Economic City announces the signature of an agreement with the Real Estate Management and Development Company</p>	<p>6/8/1436A H 3/6/2015 8:54 AM</p>	<p>Eemar, the Economic City signed on Wednesday 16 Shaaban 1436 AH, corresponding with 3 June 2015, an agreement with the Real Estate Management and Development Company in view of developing a residential complex with 288 housing units in Bay La Sun district of King Abdullah Economic City, with an investment of SAR 250 million, including the value of land for the project of an area of 119,530 m² valued at SAR 47,812,000. The agreement includes the establishment of a company for this project with an initial capital of SAR 1 million, of which 20% is owned by EEC and will be self-funded, while the Real Estate Management and Development Company will own 80% of the capital. This</p>

		agreement will have a positive impact on the city's pace of development and will attract investments and financial payoff for Eemar through the sale of this land for the project. It will be reflected in its financial statements in the future, and Eemar will make any future announcements regarding any developments on this agreement.
Eemar, the Economic City announces the signature of an agreement with the Abdulmohsen Abdulaziz Al Hokair for Operations and Maintenance	6/8/1436A H 3/6/2015 9:03 AM	Eemar, the Economic City signed on Wednesday 16 Shaaban 1436 AH, corresponding with 3 June 2015, an agreement with the Abdulmohsen Abdulaziz Al Hokair for Operations and Maintenance for the development of a four-star hotel in Bay La Sun district of King Abdullah Economic City, with an investment of SAR 100 million, including the value of land for the project of an area of 10,323 m ² valued at SAR 15,484,500. The agreement includes the establishment of a company for this project with an initial capital of SAR 1 million, of which 40% is owned by EEC and will be self-funded, while the Al Hokair Group will own 60% of the capital. This agreement will have a positive impact on the city's pace of development and will attract investments and financial payoff for Eemar through the sale of this land for the project. It will be reflected in its financial statements in the future, and Eemar will make any future announcements regarding any developments on this agreement.
Eemar, the Economic City announces preliminary financial outcomes of the period ending on 30/6/2015 (six months)	10/10/1436 AH 26/7/2015 4:10 PM	http://www.tadawul.com.sa/wps/portal/!ut/p/c1/lc3L_DolwEAXQb-ELZiqvWWWJjSpHwsJRQNoZFNSQCLqz4-dadkqgxs7z3zIUWzI3d3J-7Wz-N3QUaaP1jhrQ-cJdgHucb5PudL7OosplwTa5eclbUHnI3FUQUIYOcKVRpJjUdUVT5iDim2Z2aBstyICSiGASrPTqOw1-bGfxNGhQ0AYfN7YeNHOf6hAURB6NHX1tX4dpGyW-0mXivUAoLadkw!!/dl2/d1/L0IHSkovd0RNQU5rQUVnQSEhL1ICWncvYXII/?ANNOUNCEMENT_NO=39333&isAll=false

<p>Eemar, the Economic City announces latest developments of projects in the King Abdullah Economic City</p>	<p>3/11/1436 AH 18/8/2015 8:28 AM</p>	<p>Further to previous announcements posted by EEC on the developments of projects in King Abdullah Economic City, starting from the announcement published on 3 November 2012 and until the last announcement on 14 May 2015, this report highlights the last of those achievements until the end of the second quarter of 2015. As mentioned earlier, most of the investments are currently focused on the necessary infrastructure and basic services, the most important being the King Abdullah Sea Port and industrial zone to attract investors from commercial and service companies, factories and facilities in the economic city. This will encourage people to move to the economic city and therefore to a growth in the demand for the company's various real estate and service-related products, noting that the project development scheme is going according to plan without any major deviations... For more details, kindly review the link:</p> <p>http://www.tadawul.com.sa/wps/portal/lut/p/c1/YuxDolwGAYf6f8oVMloDFgkDfpDQ7uYDmqIAsYYfX3r5qLG3Hh35Cqw-ftw9LdhnvyZenKLnUZhtioRKKMslrzJuvEUqBKg7fvvjESKqZcFPFUOKvGyzxuk1b1GUM4MfN_kp6NY97suTSj2UuqSWbh8h-jS5j1z_04fQEqZ6fFA!!/dl2/d1/L2dJQSEvUUt3QS9ZQnB3LzZfTjBDVlJJNDlwT0hPODBJS0U2VU5BVDFHUzQ!/?ANNOUNCEMENT_NO=39553&isAll=false</p>
<p>Follow-up statement from Eemar, the Economic City Company on the five-year extension</p>	<p>4/12/1436 AH 17/9/2015</p>	<p>Further to the EEC announcement published on Tadawul website on 22/6/1432 AH corresponding with 25/5/2011, the Company announces that it signed an agreement on 3 Dhu al-Hijjah 1436H, corresponding with 16 September 2015, with the Saudi Ministry of Finance regarding the SAR 5 billion loan it obtained from the ministry in 2011. The Agreement provides for an additional five-year</p>

<p>of the payment deadline of the Ministry of Finance loan</p>	<p>8:15 AM</p>	<p>payment extension period so that the first payment is due in 2020, with the rest of the payments being made during a seven-year period ending in 2026.</p> <p>This Agreement is in furtherance of the funding that the company obtained recently from local banks, as was previously announced, in addition to income from sales. This is in view of providing cash to keep pace with the development of the third phase of the development program of King Abdullah Economic City 2016-2020, whose details will be announced by the company at a later stage. The company is nearing successful completion of the 2011-2015 second phase and its objectives, the most important being the operation of the port, the industrial development of the valley, the completion of the necessary infrastructure, the development of various residential projects, educational, health, hospitality, and commercial services.</p> <p>The Agreement was signed by Dr. Ibrahim Al Assaf, Saudi Minister of Finance and Mr Fahad Al Rashid, Managing Director and CEO of Eemar, the Economic City.</p>
<p>Announcement of preliminary financial outcomes of the period ending on 30/9/2015 (nine months)</p>	<p>7/1/1437A H 20/10/2010 4:30 PM</p>	<p>http://www.tadawul.com.sa/wps/portal/!ut/p/c1/04_SB8K8xLLM9MSSzPy8xBz9CP0os3g_A-ewIE8TIwN_D38LA09vV7NQP8cQQ_dgE6B8JG55Z3OSdLsHhJkaeJr4BBsFB3gZG3gaEdAdnFik7-eRn5uqH6kfZY5TpZGZfoh-pLMzUFUKXIUfuaER5X5p2QAJ5mu2/dl2/d1/L2dJQSEvUUt3QS9ZQnB3LzZfTjBDVIJJNDlwT0hPODBJS0U2VU5BVDFHUzQ/?x=1&ANNOUNCEMENT_NO=40036</p>
<p>Follow-up announcement of preliminary financial outcomes of the period ending on 30/092015 (nine</p>	<p>8/1/1437A H 21/10/2015 8:00 AM</p>	<p>http://www.tadawul.com.sa/wps/portal/!ut/p/c1/04_SB8K8xLLM9MSSzPy8xBz9CP0os3g_A-ewIE8TIwN_D38LA09vV7NQP8cQQ_dgE6B8JG55Z3OSdLsHhJkaeJr4BBsFB3gZG3gaEdAdnFik7-eRn5uqH6kfZY5TpZGZfoh-plszUFUKXIUfuaER5X5p2QCplGG4/dl2/d1/L2dJQSEvUUt3QS9ZQnB3LzZfTjBDVIJJNDlwT0hPODB</p>

months)		JSOU2VU5BVDFHUzQI/?x=1&ANNOUNCEMENT NO=40051
<p>Eemar, the Economic City announces latest developments of projects in the King Abdullah Economic City</p>	<p>20/1/1437 AH 2/11/2015 8:30 AM</p>	<p>Further to previous announcements posted by EEC on the developments of projects in King Abdullah Economic City, starting from the announcement published on 3 November 2012 and until the last announcement on 18 August 2015, this report highlights the last of those achievements until the end of the third quarter of 2015. As mentioned earlier, most of the investments are currently focused on the necessary infrastructure and basic services, the most important being the King Abdullah Sea Port and Industrial Zone to attract investors from commercial and service companies, factories and facilities in the economic city. This will encourage people to move to the economic city and therefore to a growth in the demand for the company's various real estate and service-related products, noting that the project development scheme is going according to plan without any major deviations... For more details, kindly review the link:</p> <p>http://www.tadawul.com.sa/wps/portal/lut/p/c1/04_SB8K8xLLM9MSSzPy8xBz9CP0os3g_A-ewlE8TIwN3Q0tDA0_v4EDLUCNHIwMvc6B8JJK8QbCpgYGniU9YiLOPu7GBgQFJut0DwkbUoONGgO8jA08jQjoDk4s0vfzyM9N1S_IDY0od1RUBABhBt-/di2/d1/L2dJQSEvUUt3QS9ZQnB3LzZfTjBDVIJNDiwT0hPODBJS0U2VU5BVDFHUzQI/?ANNOUNCEMENT_NO=40155&isAll=false</p>
<p>Eemar, the Economic City announces the issuance of directives from the Royal Court to confirm the company's</p>	<p>10/2/1437 AH 22/11/2015 8:30 AM</p>	<p>Eemar, the Economic City announced that it had received from the Economic Cities Authority directives issued from the esteemed Royal Court to a number of government agencies to take the necessary measures and investigate the actions that took place at the founding of Eemar, the Economic City on a number of lands located within the boundaries of King Abdullah Economic City in</p>

<p>ownership of the land in its possession and guidance to investigate the actions that took place on a number of lands at the founding of the company</p>		<p>the governorate of Rabigh. In order to avoid harming the investors in the company and in the public interest, the gracious guidance confirmed the company's ownership of the land in its possession, which has a title deed from the competent authority. The company is thankful to the Royal Court for its attention and care it gives to the important projects in our beloved country and its protection of the interests of the companies involved in these projects as well as the rights of investors. The company also thanks the Economic Cities Authority and the Capital Market Authority for their efforts to support those companies.</p>
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**Annex 2
Auditors Report**