

The Audit Committee Report to General Assembly of Bahri for Fiscal Year 2021

The Committee carried out its duties during 2021 as the following:

- Examining the consolidated interim and annual financial statements and making necessary recommendations and examining the external auditor notes and following up to close all the notes.
- verifying the adequacy of the internal control systems of the Company, the applied rules and procedures, tasks and reports of internal audit department. In addition to implementing the corrective action to the notes that protect the company objectives and protect the shareholders interests.
- Reviewing the results of the regulators reports and verifying the actions taken from the management to proceed it.
- Recommending to the board of directors the appointment of external auditor, determining their fees and assessing their performance, independence , scope of work and terms of engagement.
- Reviewing the tasks and activities of risk management

Having reviewed the internal control and auditing procedures and discussed the preliminary, annual and final business results with the external auditor and executive management, the Audit Committee can give assurances regarding the Company's internal control systems within the scope of its limited and planned tasks and work assigned by the internal audit department. The committee did not discover any substantial issues that need to be highlighted or are believed to result in weakness or major flaw in the Company's internal control systems. However, any internal control system, regardless of its design, integrity and effectiveness of implementation, cannot provide absolute affirmation.