

## 2022 Business Segment IKTVA Estimates

The table below shows the business segments and their estimate IKTVA ratios. Please read description carefully.

| Segment                                                  | Description & Examples                                                                                                                                                                                                                                             | 2022        |
|----------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|
| <b>Air Conditioning Manufacturing</b>                    | Local manufacturing of air conditioning material and related equipment such as air conditioning unit, compressor, fans, motors, coils, coppers pipes for air conditioning, etc.                                                                                    | <b>40%</b>  |
| <b>Car Agency</b>                                        | Local Agents of Automotive and heavy equipment's/ Spare parts are excluded.                                                                                                                                                                                        | <b>20%</b>  |
| <b>Car/Truck/Equipment rental</b>                        | Rental agencies of Vehicles, trucks, equipment, tools and other similar items.                                                                                                                                                                                     | <b>35%</b>  |
| <b>Cement/Concrete Manufacturing</b>                     | Local Manufacturers of cement, concrete, brick, precast, and similar materials                                                                                                                                                                                     | <b>70%</b>  |
| <b>Chemical Blending Plants</b>                          | Local crushers, and chemical manufacturers of imported raw materials, including paint manufacturers.                                                                                                                                                               | <b>30%</b>  |
| <b>Chemical Manufacturing</b>                            | Local chemical, oil, and gas manufacturers of locally sourced raw materials (Crushers and manufacturers of imported chemicals excluded)                                                                                                                            | <b>60%</b>  |
| <b>Civil Construction</b>                                | Local service providers of civil construction such as pipeline construction works, excavation and asphalt work, scaffolding erection and installation, other related services,                                                                                     | <b>55%</b>  |
| <b>Electrical Materials Manufacturing</b>                | Local manufacturers of switchgear, junction boxes, trays, conduits, lighting fixtures, and circuit breaker, Panel Board etc.                                                                                                                                       | <b>40%</b>  |
| <b>Facility Rental</b>                                   | Office buildings, compounds, hotels, warehouses, store, lot rental etc.                                                                                                                                                                                            | <b>60%</b>  |
| <b>Food Industry &amp; Catering</b>                      | Local food producers and catering services. Resellers of locally produced food, and drinking water manufacturers. Resellers of imported food are excluded (to be classified are Trading company)                                                                   | <b>60%</b>  |
| <b>Fuel Services/Gas stations</b>                        | Local Fuel providers                                                                                                                                                                                                                                               | <b>60%</b>  |
| <b>Government Fees</b>                                   | Taxes, Zakat, withholding taxes, custom duties, port charges and visa payments, iqama and dependent fees. Excludes VAT.                                                                                                                                            | <b>100%</b> |
| <b>Government Relations</b>                              | Custom clearance services, passport and iqama services, visa services etc. (excluding government fees)                                                                                                                                                             | <b>70%</b>  |
| <b>Industrial Services</b>                               | Test & Inspection, certification, calibration, preventive maintenance, blasting & painting, coating & galvanizing, and scaffolding rental.                                                                                                                         | <b>50%</b>  |
| <b>Instrumentation Manufacturing</b>                     | Local manufacturers of measurement equipment and other instrumentation materials (e.g. pressure & temperature gauges, flow meters, etc.)                                                                                                                           | <b>35%</b>  |
| <b>Insurance/Banks</b>                                   | Insurance for Medical, property, car and equipment. Also, other G&A Expense and finance cost. Excludes principal payments on debt.                                                                                                                                 | <b>70%</b>  |
| <b>IT / Communication Services</b>                       | Local providers of Installation and maintenance of computer and telecommunication equipment, website design and maintenance, hosting and app development, Internet, support services, CCTV installation services, software licenses and other related IT services. | <b>50%</b>  |
| <b>IT, Communication &amp; Electronics Manufacturing</b> | Manufacturing of computer and electronic components and communication equipment. (agents/resellers are excluded)                                                                                                                                                   | <b>15%</b>  |
| <b>Logistics &amp; Transportation</b>                    | All shipping, transportation and cargo service providers, Saudi-based airlines                                                                                                                                                                                     | <b>55%</b>  |
| <b>Machining Services</b>                                | Machining, threading, drilling, fabrication works and welding                                                                                                                                                                                                      | <b>40%</b>  |
| <b>Manpower Suppliers</b>                                | Excluding recruitment agencies                                                                                                                                                                                                                                     | <b>55%</b>  |
| <b>Medical Services</b>                                  | Hospitals/pharmacies, etc.                                                                                                                                                                                                                                         | <b>50%</b>  |
| <b>National Companies</b>                                | -In-Kingdom national companies such as Aramco, SABIC, SADARA, Saptco, Modon, Royal Commission, MA'ADEN, Marafiq, PetroRabigh, SEC, SWCC, National Water Co., and telecommunications entities e.g. STC, ZAIN, Mobily                                                | <b>80%</b>  |
| <b>Offshore Drilling</b>                                 |                                                                                                                                                                                                                                                                    | <b>40%</b>  |
| <b>Onshore Drilling</b>                                  |                                                                                                                                                                                                                                                                    | <b>55%</b>  |
| <b>Other Services</b>                                    | Non-core business services (advertising services, print shops, packing services, janitorial services, pest control, material disposal)                                                                                                                             | <b>55%</b>  |
| <b>Pipe Manufacturing (ERW/Spiral)</b>                   | Pipe using locally sourced materials, excluding non-metallic                                                                                                                                                                                                       | <b>65%</b>  |
| <b>Pipe Manufacturing (Seamless/LSAW)</b>                | Pipe using imported raw materials, excluding non-metallic                                                                                                                                                                                                          | <b>35%</b>  |
| <b>Plastic &amp; Non-Metal Manufacturing</b>             | Gaskets, PVC pipes and fittings, non-metallic pipe, and other materials where raw material is sourced locally                                                                                                                                                      | <b>55%</b>  |
| <b>Power Distribution Manufacturing</b>                  | Electrical cables, distribution equipment, etc.                                                                                                                                                                                                                    | <b>35%</b>  |

Saudi Aramco: Company General Use

Note: This list is subject to change and update without prior notice.

|                                                                  |                                                                                                                                                                                                                                                                 |            |
|------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|
| <b>Professional Services</b>                                     | Consulting, engineering, accounting, training and legal services.                                                                                                                                                                                               | <b>40%</b> |
| <b>Real Estate Development</b>                                   | Commercial, industrial and residential development                                                                                                                                                                                                              | <b>50%</b> |
| <b>Recyclers</b>                                                 | Metal scrap, paper, plastic, rubber, steel, aluminum etc.                                                                                                                                                                                                       | <b>80%</b> |
| <b>Rotating Equipment Manufacturing</b>                          | Pumps, compressors, gas turbines, mechanical seals, control valves, Hydraulic cylinder, Oil separator and filters etc.                                                                                                                                          | <b>35%</b> |
| <b>Safety Materials Manufacturing</b>                            | Local manufacturing of safety and protective materials e.g. safety shoes, hard hats, safety glasses/goggles, fire equipment manufacturing                                                                                                                       | <b>35%</b> |
| <b>Security Services</b>                                         | Guard, patrol, and armored vehicle services                                                                                                                                                                                                                     | <b>70%</b> |
| <b>Static Equipment Manufacturing</b>                            | Tanks, pressure vessels, valves ( <b>control valves excluded</b> ), flanges, fittings, Impeller, Bearing Bracket, Bearing Cover, Joint Ring and steel fabricators/manufacturers                                                                                 | <b>40%</b> |
| <b>Steel Rebar Manufacturing</b>                                 | Includes rebar only.                                                                                                                                                                                                                                            | <b>70%</b> |
| <b>Tire Agency</b>                                               | Resellers and service providers of tires                                                                                                                                                                                                                        | <b>10%</b> |
| <b>Trading (Local industries)</b>                                | Agents of locally produced materials – score is 10 points less than manufacturing. Example: local food producer is assigned 40%, then agent of local producer is 30%                                                                                            |            |
| <b>Trading Company</b>                                           | Agents/Resellers of imported materials                                                                                                                                                                                                                          | <b>0%</b>  |
| <b>Trading of Local Building Materials</b>                       | Agents of building materials where materials are produced locally (steel rebar, sand, bricks).<br><b>Excluding building tools</b>                                                                                                                               | <b>60%</b> |
| <b>Travel Agencies</b>                                           | Ticket booking, tours, trip planning                                                                                                                                                                                                                            | <b>45%</b> |
| <b>Wooden Products Manufacturing</b>                             | Such as furniture manufacturing                                                                                                                                                                                                                                 | <b>20%</b> |
| <b>In-Kingdom Based Companies with Out-of-Kingdom Operations</b> | Out of kingdom spend with Saudi based companies (SABIC, Saudi Aramco, Saudi Airlines, etc.). The iktva score is half of the selected business segment. For example, if the spend is with SABIC's international operations, the score would be 40% (half of 80%) |            |