



Development Works  
FOOD COMPANY

شركة الاعمال التطويرية الغذائية

# Development Works Food Company

## BOARD REPORT

2025



## ANNUAL REPORT

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Development Works  
FOOD COMPANY  
شركة الاعمال التطويرية الغذائية

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## Introduction

Dears,  
Development Works Food Company Shareholders,

The Board of Directors of the Development Works Food Company is pleased to present the annual report of the Board of Directors to the General Assembly for discussion, review, and subsequent approval. The report includes a summary of the Company's activities and business developments for the year 2025. It also reviews the Company's operational and financial performance, financial statements and their explanations, and the Company's auditor's report for the fiscal year ending December 31, 2025. This report also includes a detailed description of the members of the Board of Directors and the members of the Board's committees, in addition to the Company's governance policies during the year 2025. It is worth noting that this report has been prepared in accordance with the regulatory requirements contained in the Companies Law issued by the Ministry of Commerce, the Corporate Governance Regulations issued by the Capital Market Authority Board, and the Company's Articles of Association. A high degree of transparency and disclosure has been taken into account in its preparation, ensuring that shareholders, investors, and stakeholders in the Development Works Food Company are provided with everything they need to help them make their decisions, and to qualify the Company for growth and competition to reach the ranks of major food companies locally and internationally.

تداول  
Tadawul

Development Works  
FOOD COMPANY  
شركة الأعمال التطويرية الغذاء



## 1- About Company

Development Works Food Company is a Saudi joint stock company registered under Commercial Registration No. (1010290779) dated 07/16/1431 AH corresponding to 06/28/2010 AD issued in the city of Riyadh, with a capital of thirty million (30,000,000) Saudi riyals, divided into three million shares..

The company was established in 2010 with a capital of 100,000 (one hundred thousand riyals) under Name "Qout Food and Restaurant Development Corporation". In 2013, the company's name was changed to "Development Works Food Company".

In 2016, the company's entity was changed to a closed joint-stock company with a capital of 12,500,000, and in 2017, the company was offered on the parallel market, Nomu, under number 9501, with a capital of 12,500,000.

In 2019, the capital was increased from 12,500,000 to 25,000,000 by issuing shares "one share for each share".

In 2021, the company's capital was increased from 25,000,000 to 30,000,000 by issuing shares of "one share for every 5 shares".

In November 2021, the company moved from the parallel market (Nomu) to the main market, with number 6013.

The company has established a number of brands, of which it currently owns::

Juice Time - The company also owns the franchise for the "Quiznos Sub" brand.

As of 01/07/2025, the management of the brand 'Beef Shots' was transferred to Sharee Al Amaal Company', in which Development Works Food Company owns 82%



وقت العصير  
JUICE TIME

كويزنوز  
QUIZNOS



BEEF SHOTS

## 2- highlights

The most important developments, activities, and achievements made by the company during 2025.

1- The total number of the company's branches, brands, and points of sale at the end of the year amounted to 75 branches.

2- Continuing growth in the restaurant sector.

Two main branches of Juice Time have been opened in the Eastern Province, along with a cloud kitchen for Quiznos in the same region. Additionally, two main branches and four cloud kitchens for Beef Shots have been launched in Riyadh.

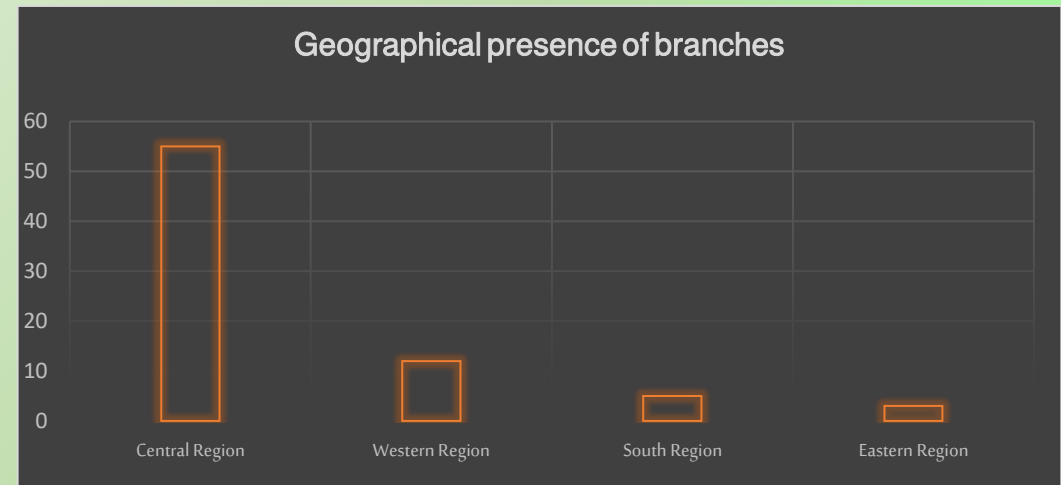
## 4- Where are we located

The company's branches are spread throughout the Kingdom, including the central, western, eastern, and southern regions.

## 3- Vision and Mission

Vision: To become the leading food development company in creating and investing in brands locally, regionally and globally.

Mission: To provide exceptional food products and distinctive, high-quality brands, understanding consumer behavior, meeting their needs, excelling in service, and fulfilling their aspirations



# Chapter One

## 1- Chairman Message

Dear Shareholders of Development Works Food Company,  
We would like to express our appreciation and respect to all the contributors of our esteemed company. We pray to Allah that you are all in good health and well-being.  
The company is working to continue supporting its operations and existing projects in light of the company's strategy that is in line with the Kingdom's Vision 2030. The company has launched its strategy for the coming years, and we are striving to develop in accordance with modern economic data and what the wise leadership seeks under the patronage of the Custodian of the Two Holy Mosques, King Salman bin Abdulaziz, and his loyal Crown Prince, His Royal Highness Prince Mohammed bin Salman bin Abdulaziz, may God protect them.  
The company has been able to leverage market developments and operational changes to deliver the best products and services that satisfy customer tastes. These factors, which have contributed to strengthening the business environment in the Kingdom, would not have been possible without the grace of God Almighty, followed by the wise policies and vision adopted by the government of the Custodian of the Two Holy Mosques and its continuous support, the results of which were evident in the annual report on Saudi Vision 2030 for the year 2025. The company is committed to continuing to provide a unique customer experience and enhancing operational performance across its various sectors. Despite the unfavorable market conditions that have cast a shadow over the global fruit market, including supply chain disruptions, which have impacted fruit prices, increased operating costs, and changes in the application of international standards, which have led to the current results, the company expects to enhance its financial performance in the coming years, God willing.  
We are confident, based on the company's experience, that it will continue its path of success in the coming years by developing its products and activities. This is achieved through the determination of the company's management and employees, who have acquired accumulated skills and experience in facing challenges and devising the best solutions.  
In conclusion, we express our gratitude and pride in the confidence our customers place in our products. On behalf of the Board of Directors, I am pleased to extend my sincere thanks and appreciation to all the company's shareholders for their confidence in the Board and to all the company's employees, praying to God Almighty to grant us and you success.

**Chairman of the Board of Directors  
Sulaiman Bin Mohammed al-Ghumaiz**

## 2- Executive Management's Message

Dear Shareholders of Development Works Food Company,  
Over the past years, the company has faced a number of challenges that have affected the company's results and have not been in line with shareholders' aspirations. Therefore, during these years, the company has made many changes in terms of administration, operations, organization, and technical systems. The company also launched its new strategy during the year and The company has worked on developing several products and brands, including "London Strawberry," which is currently available across branches. Furthermore, the company opened several new locations for the brands "Juice Time," "Quiznos," and "Beef Shots." This expansion led to a 7% increase in sales, positively impacting profits before recording provisions for certain accounts receivable for the year 2025. The period also bore the pre-operating costs for some "Beef Shots" branches. We look forward to launching additional brands in the coming years, which we anticipate will have a positive impact on the company's results, God willing. As the company's management, we extend our sincere gratitude to our shareholders for their continued support, as well as to the Board of Directors and all employees. We look forward to achieving positive results during the next year and the years to follow.

**Chief executive officer  
Hisham Abdulrahman Bin Muqrin**

## 3- Organizational structure

Development Works Food Company has an organizational structure that defines the division of departments, the distribution of authorities, and the allocation of responsibilities among its divisions. The main administrative structure of the company consists of the Board of Directors, its affiliated committees, and a team of executive managers (the executive management). The structure is led by the Board of Directors and its affiliated committees in collaboration with the executive management.

The Board of Directors is responsible for providing guidance, general supervision, and oversight of the company. The executive management in the company is responsible for implementing strategic plans and managing day-to-day operations under the leadership of the CEO. They are directly involved in setting policies and necessary procedures to ensure the efficiency and effectiveness of the company's management and internal control system.

The company has committees that assist the Board of Directors in its work, including the Compensation and Nomination Committee and the Audit Committee. The powers of the Chairman of the Board, Vice Chairman, Managing Director, and Secretary of the company are defined in Article 22 of the company's bylaws.

### Operation Management

The operations team works passionately to improve the efficiency of operational processes across all company-owned brands. They achieve this by optimizing the operational cycle, ensuring production quality, reducing production costs, and increasing productivity. Additionally, the team is dedicated to the continuous development of the operational system in all branches throughout the kingdom's regions.

### Human Resources Management

The Human Resources team utilizes the latest technologies and best practices to provide support to the company's human capital. They develop strategic plans for human resources to attract and recruit talented individuals. They also oversee the processes of planning, organizing, directing, and controlling human resources to create a suitable work environment that aligns with the organization's goals.

The Human Resources team also has a responsibility towards the community, aiming to enhance the efficiency of the Saudi workforce and support the achievement of Saudization targets. As of 2025, the Saudization rate reached 20%. The company looks forward to further progress in the future.

### Financial management

Financial management in Development Works Food Company has worked on innovating new financial models for analyzing financial figures and measuring the necessary financial indicators. These models facilitate the executive management in making financial decisions and contribute to safeguarding the interests of shareholders and stakeholders, including customers, employees, and suppliers. The financial management team continues to contribute and excel in their role.

### Purchasing Management

The procurement team works on processing all purchase requests from various departments and contributes to ensuring transparency, efficiency, and adherence to ethical standards in business transactions. They strive to obtain the best possible value for the company's money.

### **Information Systems Management**

The Information Systems team contributes to improving the company's internal systems and supports its complete digital transformation in all operations. They continue to develop internal technological systems and are fully prepared to address any sudden technical issues. They are the leaders in the company's complete electronic transformation.

### **Warehouse Management**

The Warehouse Management team strives to achieve the best warehousing practices and safe transportation procedures. They contribute to fulfilling their mission at an acceptable cost while ensuring a continuous focus on improving warehouse management and transportation procedures.

### **Quality Management**

The Quality Management is directly linked to the CEO, and the management exercises its supervisory roles over production processes, monitors branches and employees. The management continuously provides reports on its activities.

### **B2B Management**

B2B sales team strives diligently and efficiently towards external sales and supplying all company products. The team also provides provisions to hotels, exhibitions, companies, and restaurants, catering to their needs. They also participate in and provide services for external events.

### **Maintenance and Project Management**

The Maintenance and Projects team strives to utilize the latest technologies in handling urgent maintenance requests and organizing regular maintenance activities. They also contribute to all construction projects undertaken by the company, including design, construction, monitoring, and overseeing the handover process of branches.

### **Franchise Management**

The Franchise Development team provides support to franchise partners who have the rights to the company's brand. They adhere to the best available business practices and standards. The team oversees franchise units, monitors compliance, and works towards achieving maximum benefit for both the customer and the company. They also contribute to implementing the company's strategy of expanding into all regions of the kingdom.

### **Marketing Management**

The marketing specialists work on showcasing the company's brand and all its products in a manner that aligns with its brand identity. They also contribute to engaging the community through social media programs and achieving the best results according to the highest marketing standards and advanced marketing practices.

## 4- Social Responsibility

The company has shown special interest in charitable, social, and humanitarian activities alongside its economic and developmental role. The company is committed to building a culture of social responsibility among its employees. The company has contributed to a number of social and charitable activities during the year.

## 5- Strategy

- 1- Increase the company's capital to achieve the company's goals.
- 2- Creating brands in the most important food sectors.
- 3- Creating food products with high quality and nutritional value.
- 4- Geographic expansion through strategic positioning with main and cloud branches, expanding points of sale with external parties, and franchise unit branches in all cities of the Kingdom of Saudi Arabia and the Gulf States.
- 5- Building an integrated system for the company's activities and enabling it in industry and operation to contribute to the development of the food sector.
- 6- Expanding automated production processes, which will help save costs and increase product shelf life.
- 7- Acquiring successful brands that have the potential to grow.
- 8- Reducing production costs and achieving high profit margins.

## Chapter Two

### 1- Business model

The Food Development Works Food Company has worked on building and developing its business model to enhance its ability to achieve its vision and strategy, while aligning with its commitment to continuous improvement. The business model serves as a guiding tool for the company's operations at all levels and an effective means to empower its management and employees to carry out their tasks according to the defined operational framework. It facilitates the practical application of corporate culture principles and the work environment, which are primarily based on efficiency factors and effective process management.

### 2- Outputs

1- Providing healthy products towards a “healthy society”

2- Providing luxury food products.

3- Achieving consumer satisfaction by providing food products that meet their desires at a reasonable value.

Brands	Raw materials	Work team
First in fresh juices Burger Competitor Competitor in fast-food sandwiches	Spending 40 million SAR on raw materials	445 Employees



### 3- Market Overview

In its Tenth year since its launch, Saudi Vision 2030 is approaching its goal. Its strategic objectives, highlighting its progress in various fields. This vision has contributed to boosting economic growth and reducing the unemployment rate to 7%, achieving the 2030 target ahead of schedule. The rate of household home ownership has also risen to 65.4%, approaching the 2030 target of 70%.

Non-oil fiscal revenues have seen significant growth, exceeding USD 135 billion, reflecting the Kingdom's economic transformation. Despite declining oil exports, the Kingdom is expected to maintain a GDP exceeding USD 1 trillion in 2026. Economic forecasts indicate moderate growth, with inflation expected to hover around 2%.

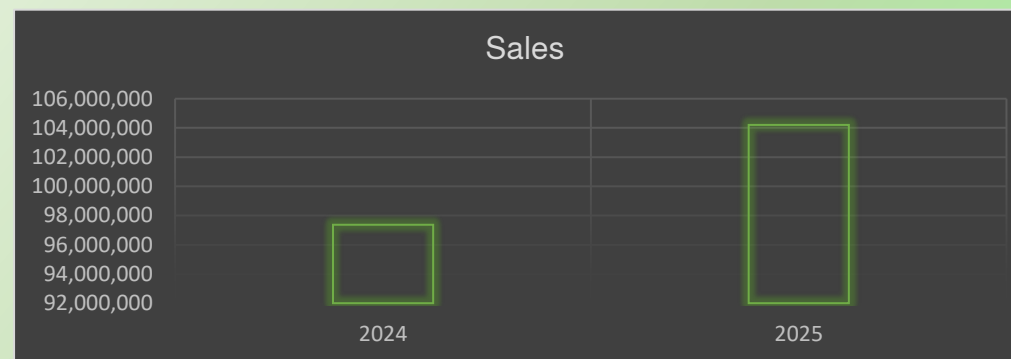
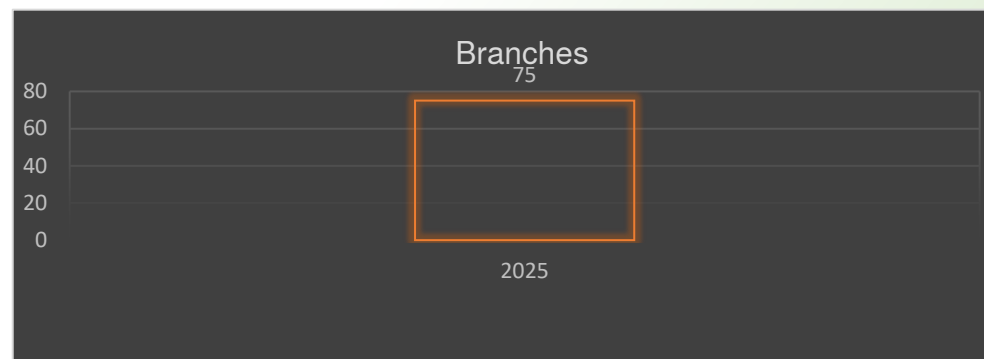
The food sector in the Kingdom is also witnessing significant growth and expansion, thanks to numerous initiatives and programs spearheaded by Saudi Vision 2030. One of the most prominent of these initiatives is the Quality of Life Program, which aims to diversify cultural and entertainment opportunities. The restaurant sector, particularly fine dining experiences with a casual atmosphere, is at the forefront of the scene, and this sector is considered a fast-growing sector. The competitive spirit in this sector has led to the opening of a variety of food delivery options, including traditional restaurants, food trucks, and delivery apps.

The food production market in Saudi Arabia is valued at \$50 billion, making it the most dynamic in the Middle East. This sector is witnessing rapid investment growth, driven by the fastest-growing café sector and the emergence of cloud kitchens. Technological advancements and the advantages of cloud kitchens, such as high profit margins and operational flexibility, are key factors contributing to the sector's growth.

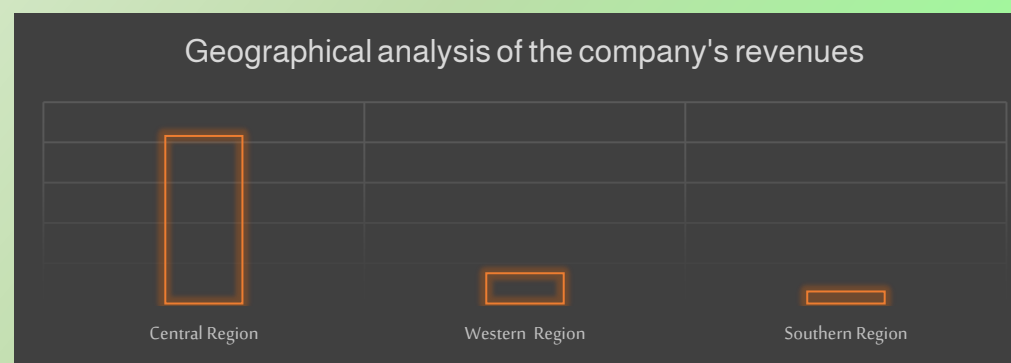
## 4- Sales

The company started its actual activity at the beginning of 2012 and until now it continues to provide its products according to its targets. The value of the company's sales amounted to (104,214,706) SAR for the year 2025 compared to (97,358,918) SAR for the year 2024, an increase of 7%. These sales are represented by the following:

The statement below shows the geographical analysis of the company's revenue.



Region	
Central Region	83,226,517
Western Region	15,004,632
Southern region	5,983,557
<b>Total</b>	<b>104,214,706</b>



## 5- Risks

The company is working on establishing an approach to risk management by clarifying the roles and responsibilities of the board of directors, its committees, executive management, and other employees. The company's board of directors acknowledges, to the best of their knowledge and belief, that there are no other significant risks beyond those mentioned in this report that could affect the company's position and its management's decisions.

The risks and uncertainties listed below are provided in no particular order of importance, and additional risks and uncertainties, including those not currently known or considered immaterial, may have the aforementioned effects.

### Risks related to operating systems and information technology

Depends Company on Systems Technique the information To manage Her works and its facilities, Then Displays Company For risks Breakdown This is amazing Systems . Like a collapse the system or to fail Systems Protection or breakthrough Systems Company or Viruses e or Disasters Natural or Fires or mistakes Connection or non-Availability Employment Skilled Necessary to turn on This is amazing Systems And its management . If Failed Company in Preservation on Systems Technique the information And develop it or in Status Existence any Malfunctions in Its functions or happening Damage big or failure frequent, It will affect that In a way negative on Business Company And its results Finance And operational.

### Operational risks and unexpected business interruptions

The company's revenues primarily depend on the continuity of its operational activities, and the company is exposed to significant operational risks due to several factors, including natural disasters, the issuance or changes in relevant government regulations, sudden system failures, or disruptions in power and electricity supply. These risks can cause significant damage to the company's facilities or workforce and can disrupt the operation process and the company's ability to deliver its products, resulting in financial losses. Consequently, these risks have a negative and fundamental impact on the company's operations, financial results, and future expectations.

### Risks related to the market and the sector in which the company operates

The company is subject to the supervision of several government entities in the kingdom, making it exposed to risks associated with changes in regulations, laws, directives, and policies within the country. The legislative and regulatory environment in the kingdom witnesses the issuance of numerous systems and regulations, which are continuously developed and improved. Compliance costs for these regulations are high. Any changes in the existing systems or regulations, or the introduction of new laws and regulations, may result in unexpected additional financial expenses for the company to comply with these regulations and meet the requirements of the laws. Failure to comply with these regulations on a continuous basis may subject the company to penalties and fines imposed by the relevant supervisory authorities, negatively and significantly impacting its operations, financial position, and future expectations.

### Liquidity risks

Liquidity risks refer to the company's inability to meet its obligations related to current financial claims upon their maturity. The company's financial claims consist of trade payables and accrued expenses, and there is no guarantee of the company's ability to fulfill its obligations on schedule. Unexpected or unforeseen events may require immediate liquidity. This negatively and fundamentally affects the company's operations, financial results, and future expectations. However, the company does not believe that it is exposed to substantial risks related to liquidity.

## **Credit risks**

Credit risk arises when one party fails to fulfill a financial obligation to another. However, the company may face credit risk in a number of temporary or permanent situations, including receivables from customers and the failure of other debtors to meet their obligations to the company. Any provision for expected credit losses is established when there is objective evidence that the company will not be able to collect all amounts due. Furthermore, there are no credit sales for which management has not identified significant concentrations of credit risk.

## **The risks of relying on delivery apps and company apps**

A significant portion of the company's sales are generated by delivery apps and corporate apps. The profitability ratios differ between delivery app customers, corporate app customers, and direct sales customers, and direct sales and sales through delivery apps are higher than sales through corporate apps. This negatively impacts the company's profit margins and will consequently negatively impact the company's business, financial position, results of operations, and future prospects.

## **Competitive environment risks**

The company operates in a highly competitive market, and the risk is represented by the qualitative and numerical increase in competitors, which could affect the company's market share. The company is working to continuously develop and diversify its products while maintaining the highest levels of quality and customer service in order to reduce and confront these risks.

## **Risks Related With commitments potential**

The company may incur potential liabilities, such as costs related to zakat, taxes, and lawsuits, in addition to any other liabilities or costs related to the company's operations, such as employee end-of-service benefits. If these liabilities materialize and the company is unable to meet them, they will have a material adverse impact on the company's financial position, operating results, and future prospects.

## **Risks related to lawsuits**

The Company is exposed to lawsuits, whether as a plaintiff or defendant, and cannot accurately predict the cost of lawsuits or legal proceedings that may be filed by it or filed against it, or the final results of such lawsuits or the judgments issued therein, including the compensation and penalties they may include, and the negative impact they may have on the Company's reputation. These lawsuits may include, but are not limited to: zakat and tax issues, labor law, and other damages resulting from negligence or fraud by individuals or institutions. Therefore, any negative results of such lawsuits may have a negative and material impact on the Company, its results of operations, financial position, and future prospects.

## **Risks of relying on key employees**

The company relies on the expertise of key employees, which means that the company's success in achieving its goals depends on these employees, retaining them, and attracting and hiring qualified and experienced people to work for it.

### **Risks of epidemics and disasters**

Epidemics and disasters are among the risks that impact the economy in general, and the company's operations in particular. The global pandemic has seen a similar impact, including the one witnessed after the outbreak of the coronavirus pandemic, which negatively impacted the company's productivity and sales due to the precautions and precautionary measures that may be issued by the relevant authority, such as what happened during the 2021 fiscal year.

### **Exchange rate risks**

It is the risk of change in the value of financial instruments due to changes in foreign exchange rates. Management monitors fluctuations in foreign exchange rates and believes that the company is not exposed to significant exchange rate risk, given that the company's official currency is the Saudi riyal, which is the primary currency in which the company deals, and its price is currently fixed with a small margin against the US dollar.

### **Risks of high raw materials used**

The company faces risks of rising and fluctuating fruit prices, as most of the fruits used by the company are fresh and imported. The company faced the risk of rising fruit prices due to the unavailability of fruits in the local market, the suspension of imports from a number of fruit-exporting countries, and the difference in production seasons depending on the type of fruit. This risk affects the company's cost of sales, as this rise in imported fruits is reflected in an increase in the company's cost of sales, which may put pressure on profit margins.

## **Results of the annual review of the effectiveness of the company's internal control procedures**

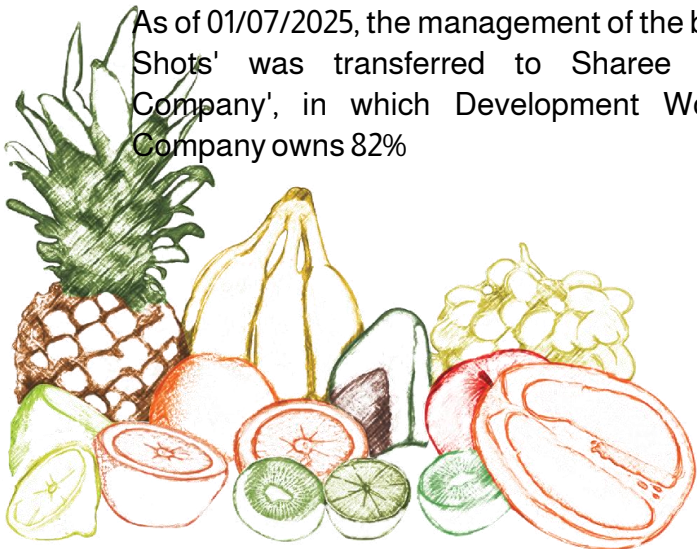
The Board of Directors seeks to develop and support the internal control and oversight systems, and to prepare an annual plan for the audit process, which aims to evaluate the internal control and oversight system through an internal audit unit that carries out internal audit work and submits periodic reports to the Audit Committee on operational, administrative and financial audits that are carried out on an ongoing basis. These audits aim to reasonably verify the achievement of the company's objectives, which are represented in protecting the company's assets, the accuracy and completeness of accounting records, and adherence to the systems and policies adopted by management to achieve the company's objectives, which are continuously monitored by the Audit Committee, and recommendations are made regarding them. The audits and internal control and oversight procedures did not reveal any fundamental weakness in the company's internal control and oversight system, which indicates, to a reasonable degree, assurance of the effectiveness and efficiency of the internal control system procedures.



## Beef Shots

Beef shots is a burger spot serving the best Australian black angus beef along with a unique dining experience in a trendy location north of Riyadh. The grand opening took place in November 2023

As of 01/07/2025, the management of the brand 'Beef Shots' was transferred to Sharee Al Amaal Company', in which Development Works Food Company owns 82%



## Quiznos

The first Quiznos restaurant opened in 1981 in Denver, Colorado. The small sub shop that started more than 30 years ago in the kitchen of an old Italian restaurant has evolved into one of the world's leading quick-service restaurant chains.

Quiznos was founded by chefs who created their own blends using homemade ingredients , Becoming a pioneer in the field of toasted sandwiches, Quiznos uses high -quality meat Natural cheeses, signature sauces designed by chefs and toasted breads to create delicious sandwich combinations, takes care Quiznos With busy customers during the day who are looking for a delicious and fresh alternative to traditional fast food restaurants.



## juice time

Through its chain of branches spread through out the Kingdom, "Juice Time" provides fresh and healthy juices and fruit salads. "Juice Time" seeks to be the first choice in the Middle East for lovers of fresh juices and fruits, those seeking health and fitness, and those interested in healthy food



BY JUICE TIME

# Chapter Three

## 1- Board of Directors

Board of Directors 30/10/2024 to 29/10/2027

M	Name	Current Jobs	Previous jobs	Qualifications	Experiences
1	Sulaiman Muhammad Abdullah Al-Ghumaiz	Chairman of the Board of Directors  Director of Organizational Development and Workforce Planning - Royal Commission for AIUla	Board Operations Lead - Royal Commission for AIUla. Senior Board Operations Specialist - Royal Commission for AIUla. Board Operations Specialist - Royal Commission for AIUla. Senior Performance Management Officer - Al Rajhi Bank. Senior HR, Governance & Transformation Officer - Al Rajhi Bank. HR & Governance Officer - Al Rajhi Bank. Payroll Clerk - Al Homaizi Wholesale.	bachelor of science	More than 17 years in the field of management and business
2	Thanyan Abdullah Abdul Latif Al-Thunayan	Vice Chairman of the Board of Directors, Branch Manager - Social Development Bank	Branch Manager - Saudi Investment Bank. Supervisor - Branch Manager - Alinma Bank.	Bachelor of Accounting	More than 10 years in the field of financial and administrative business
3	Mohammed Abdel Aziz Ibrahim Al-Eid	Advisor - Saudi Fund for Development	Director General of Information Technology Department - Saudi Fund for Development Director of Information Technology Department - Saudi Fund for Development Database Specialist - Saudi Fund for Development Computer Programmer - Saudi Fund for Development	Bachelor of Computer Science	More than 30 years in the field of management and computers
4	Abdul Majeed Khaled Abdul Rahman Al-Masfar	General Authority for Statistics	Kafaat Business Solutions Company, Etihad Etisalat Company, Virgin Mobile, Communications, Technology and Space Commission	Master of Commercial Law	Over 18 years
5	Faisal Abdul Rahman Abdullah Al-Abdul Karim	Marketing Specialist	Financial Analyst - Asset Management - Gulf International Bank. Marketing Specialist - Adwati Company	Bachelor of Finance	More than 5 years in financial and corporate analysis in the capital markets
6	Saud Abdul Rahman Abdullah Al-Abdul Karim	financial analyst	Working as an editor-in-chief at a publishing company for marketing and working at Watheeq Capital	Bachelor of Finance	More than a year in administrative work

# Chapter Three

## 2- Executive Management

### Executive Management

M	Name	Job	qualification	Previous jobs	Experiences
1	Hisham Abdul Rahman Muhammad bin Muqrin	chief executive officer	Master of Accounting	CEO of Al-Mostathmer Securities, CEO of Tharawat Securities, CFO of Al-Bilad Capital	More than 20 years in the field of finance and business
2	Fayed Reda Badir Arfa	Financial Director	Bachelor's degree in Commerce, Accounting Department	Financial Director of the Company STSElectrical - Financial Advisor to Kasb Holding Company	More than 13 years in the field of financial management, budgeting and auditing
3	Abdul Karim Mohammed Al-Ghazi	Human Resources Manager	Master of Human Resources (Executive) - Higher Diploma in Audit and Governance	Human Resources Specialist at Al Omair Trading Company - Operations Administrator at Al Torouk Al Mithalia Contracting Company	More than 5 years in the field of human resources
4	Adel Mohammed Al-Nahza	Purchasing Manager	Master'sMBA Bachelor of Financial Management	Purchasing Manager at Beit Al Shawarma Company, Director of Beneficiaries Department at the General Pension Authority	More than 5 years in procurement and more than 25 years in administration and finance
5	Omar Ali	Operations Manager	Bachelor of Business Administration	Operations Manager - Wasl Al Khair Company Operations Manager - Coffee Root Area Manager - Union Foods Trading	More than 13 years
6	Ahmed Ali Al-Muhajir	IT Manager	Bachelor of Science in Computer Engineering	IT Manager at Amajed Factory Company	More than 10 years in systems and information technology
7	Mohammed Adnan Ahmed Al-Aliwi	Maintenance and Construction Manager	Bachelor of Industrial	Maintenance and Projects Supervisor at Al-Najma Al-Nahhasiya Company / Maintenance Officer at Hassan Misfer Al-Zahrani Holding Company	More than 10 years in maintenance and projects

# Chapter Three

## 3- Advertisements

The number	the date	Ad Type	Announce
1	2025-03-27	Financial Results	<b>Development Works Food Company Announces</b> the inability to publish the annual financial results for the period ending 31-12-2024
2	2025-04-03	Correction of Financial Results Announcement	<b>Development Works Food Company Announces</b> a correction regarding the previous announcement about the inability to publish the annual financial results for the period ending 31-12-2024
3	2025-05-01	Financial Results	<b>Development Works Food Company Announces</b> the annual financial results for the period ending 31-12-2024
4	2025-04-05	Shareholder Notice	<b>Development Works Food Company Announces</b> that accumulated losses reached approximately 27% of the company's capital
5	2025-05-15	Financial Results	<b>Development Works Food Company Announces</b> the preliminary financial results for the period ending 31-03-2025 (three months)
6	2025-06-02	Invitation to Ordinary General Assembly	<b>Development Works Food Company Announces</b> the Board of Directors' invitation to shareholders to attend the Ordinary General Assembly (first meeting)
7	2025-06-26	Shareholder Notice	<b>Development Works Food Company Announces</b> the results of the Ordinary General Assembly meeting
8	2025-06-29	Invitation to Ordinary General Assembly	<b>Development Works Food Company Announces</b> the Board of Directors' invitation to shareholders to attend the Ordinary General Assembly (first meeting)
9	2025-07-17	Electronic Voting for General Assembly	<b>Development Works Food Company Announces</b> the start of electronic voting on the agenda of the Ordinary General Assembly (reminder announcement)
10	2025-07-22	Shareholder Notice	<b>Development Works Food Company Announces</b> the results of the Ordinary General Assembly meeting (second meeting)
11	2025-08-04	Financial Results	<b>Development Works Food Company Announces</b> the interim financial results for the period ending 30-06-2025 (six months)
12	2025-08-06	Shareholder Notice	<b>Development Works Food Company Announces</b> that accumulated losses have decreased to approximately 19.13% of the company's capital
13	2025-09-03	Invitation to Extraordinary General Assembly	<b>Development Works Food Company Announces</b> the Board of Directors' invitation to shareholders to attend the Extraordinary General Assembly (first meeting)
14	2025-09-18	Electronic Voting for Extraordinary Assembly	<b>Development Works Food Company Announces</b> the start of electronic voting for the Extraordinary General Assembly agenda (reminder announcement)
15	2025-09-25	Shareholder Notice	<b>Development Works Food Company Announces</b> the results of the Extraordinary General Assembly meeting
16	2025-09-29	Invitation to Extraordinary General Assembly	<b>Development Works Food Company Announces</b> the Board of Directors' invitation to shareholders to attend the Extraordinary General Assembly (third meeting)
17	2025-10-02	Supplementary Announcement	<b>Development Works Food Company Announces</b> an additional announcement regarding the invitation to the Extraordinary General Assembly
18	2025-10-16	Electronic Voting	<b>Development Works Food Company Announces</b> the start of electronic voting for the Extraordinary General Assembly
19	2025-10-21	Shareholder Notice	<b>Development Works Food Company Announces</b> the results of the Extraordinary General Assembly (third meeting)
20	2025-11-04	Financial Results	<b>Development Works Food Company Announces</b> the preliminary financial results for the period ending 30-09-2025 (nine months)
21	2025-12-07	Shareholder Notice	<b>Development Works Food Company Announces</b> the submission of a capital reduction request file to the Capital Market Authority

## Chapter Three

### 4 -General Assemblies

- 1 The company held its Ordinary General Assembly meeting on 25-06-2025
- 2 The company held its Ordinary General Assembly meeting on 21-07-2025
- 3 The company held the Extraordinary General Assembly meeting on 20-10-2025

\*All members of the Board of Directors and committee heads attended the meetings.

### 5- Subsidiary companies

M	Subsidiary company name	Commercial register	capital	Company ownership percentage	main activity	The country of establishment and Main location of its operations	Remarks
1	Development Works Contracting Company	1010947344	10,000	%100	Public construction	Kingdom of Saudi Arabia	Not engaged in any commercial activity.
2	Daerat Al Imtiyaz Restaurants Company	1009089777	10,000	%100	Restaurant activities	Kingdom of Saudi Arabia	Not engaged in any Commercial activity - The company has been liquidated
3	Sharee Al Amaal Company	1009214048	10,000	%82	Restaurant activities	Kingdom of Saudi Arabia	-

## Chapter Three

### 6- Preparing financial statements

The condensed interim consolidated financial statements, on which a review report is issued, and the annual consolidated financial statements, on which an audit report is issued, are prepared by the independent external auditor.

These consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by the Saudi Organization for Certified Public Accountants.

The General Assembly held on 21-07-2025 appointed Al-Zoman, Al-Fahd and Al-Hajjaj Company as legal auditors. As an independent auditor, based on the Audit Committee's recommendation submitted to the Board of Directors, to conduct audits of the Company's accounts for the fiscal year 2025 and the first quarter of 2026.

### 8- statutory payments

Regulatory authority	The amount
Zakat	(44,808)

### 7- Dividend distribution policy

According to Articles (49) and (50) of the Company's Articles of Association, the Company's profits shall be distributed as follows:

The company's annual net profits, after deducting all general expenses and other costs, shall be distributed as follows:

- 5% of the net profits shall be set aside to form a statutory reserve. The Ordinary General Assembly may stop this setting aside when the aforementioned reserve reaches half the capital.

The Ordinary General Assembly may, upon the recommendation of the Board of Directors, set aside a percentage of net profits to form contractual reserves and allocate them for a specific purpose or purposes. The remainder shall then be distributed to shareholders as an initial payment equivalent to at least 5% of the paid-up capital.

- After the above, a percentage not exceeding 5 %of the remainder shall be allocated to reward the Board of Directors, taking into account the regulations and instructions issued by the Ministry of Commerce and Industry in this regard. The remainder shall then be distributed to shareholders as an additional share in the profits.

- Dividends to be distributed to shareholders shall be paid at the place and on the dates determined by the Board of Directors in accordance with the instructions issued by the Ministry of Commerce and Industry.

The company did not distribute dividends during 2025

# Chapter Three

## 9- Governance rules

The purpose of these rules is to outline Development Works Food Company approach to corporate governance. We are committed to applying high standards of corporate governance. Sound governance is an essential tool for maximizing long-term shareholder value, consistent with the company's commitment to quality across all its operations and products. The company's governance rules are binding on all directors and employees and may only be amended by a resolution of the board of directors. Corporate governance rules are defined as "the system by which companies are directed and controlled." Corporate governance rules determine the distribution of powers and responsibilities among various stakeholders, such as the board of directors, executive management, shareholders, and others. They also define the rules and procedures for making decisions related to corporate affairs. Corporate governance provides the structure for establishing the company's objectives, the means of achieving these objectives, and performance measurement criteria. The board of directors is responsible for Development Works Food Company governance rules. Shareholders' role in governance includes appointing board members, forming the audit committee, and appointing the independent auditor, as well as ensuring the efficiency and effectiveness of the governance rules. The responsibilities of the Board of Directors include setting the company's strategic objectives, providing leadership to achieve them, overseeing the company's business management, and reporting to shareholders on their management of the company. The Board's work is subject to the rules and regulations and is accountable at the general assembly meetings of shareholders. The governance rules of the Development Works Food Company were prepared in accordance with the Companies Law, the regulations, rules, and instructions of the Capital Market, related regulations, and the company's articles of association. The Board of Directors is responsible for preparing the company's governance rules in accordance with the terms of those regulations, monitoring their implementation, verifying their effectiveness, and amending them as necessary. The company has also committed to implementing all provisions of the Corporate Governance Regulations issued by the Capital Market Authority Board, except for those mentioned in the table below, which have not been implemented:

THE ARTICLE	TEXT OF THE ARTICLE	THE REASON
37	The company shall pay sufficient attention to training board members, committee members, and executive management, and develop the necessary programs for this purpose.	Guidance, and work is underway to prepare a training program for members of the Board of Directors, committee members, and executive management.
67	Formation of the Risk Management Committee	Guidance
80	How to compensate stakeholders when their rights stipulated by regulations or protected by contracts are violated.	The company has a written policy to regulate the relationship with stakeholders, but it did not include the aforementioned paragraph. Work is underway to include it.
84	The Ordinary General Assembly, based on the proposal of the Board of Directors, shall establish a policy that ensures a balance between its objectives and the objectives that society aspires to achieve, with the aim of developing the social and economic conditions of society.	Guidance
85	The Board of Directors sets the programs and determines the necessary means to launch the company's initiatives in the field of social work.	Guidance
86	(3)The company's website must include all the information that must be disclosed, and the method of classifying it in terms of its nature or the frequency of its disclosure.	Guidance

## Chapter Three

### 10- Shareholders' rights

The Company's Articles of Association and the Corporate Governance Rules of the Development Works Food Company guarantee shareholders all rights related to shares, particularly the right to receive a share of the company's dividends, and the right to receive a share of the company's assets upon liquidation. Shareholders also have the right to attend General Assembly meetings, participate in their deliberations, vote on their decisions, dispose of shares, monitor the Board of Directors' activities, file liability lawsuits against Board members, and investigate and request information that does not harm the company's interests or conflict with the regulations, rules, and instructions issued by the Capital Market Authority. The Development Works Food Company also allows the largest possible number of shareholders to participate in General Assembly meetings and ensures that the meeting is held at an appropriate time and place, enabling everyone to attend. The company has also adopted a remote electronic voting system to facilitate shareholders exercising their voting rights if they are unable to attend. The Company's Articles of Association and Corporate Governance Rules also stipulate provisions related to the General Assembly of Shareholders, which include the procedures and precautions necessary to ensure that all shareholders exercise their statutory rights. The General Assembly of Shareholders is the highest authority in the company, with exclusive powers, including the appointment and dismissal of members of the Board of Directors, approval of the consolidated financial statements, appointment of the Audit Committee and the external auditor, determination of their remuneration, and approval of the Audit Committee's bylaws, which must include its procedures, duties, rules for selecting its members, the method of their nomination, their term of membership, their remuneration, and the mechanism for appointing temporary members in the event of a vacancy on the committee. It also has the power to approve the bylaws of the Remuneration and Nominations Committee, including its procedures, duties, rules for selecting its members, their term of membership, and their remuneration. It also has the power to approve the distribution of profits based on the Board of Directors' recommendation, increase or decrease the company's capital, and amend the company's articles of association. The company provides its shareholders with adequate access to the minutes of the General Assembly meetings and provides the Capital Market Authority with copies of these minutes within 10 days of the meeting. The company also pays great attention to shareholders' concerns, which it submits through appropriate channels to the Board of Directors for review and appropriate action.

Information that has a material impact on the company or its financial position shall be disclosed promptly and immediately through the Tadawul market and the company's website.

## Chapter Three

### 11- Formation of the Board of Directors

The company is managed by a board of directors consisting of (6) Members, and members are classified according to the definitions contained in Article One of the Corporate Governance Regulations issued by the Capital Market Authority. The number of Board of Directors meetings held during the year 2025 amounted to (4) Meetings, during which a package of decisions and recommendations were taken, included in the agenda of the meetings for the current session.

\*The composition of the Board of Directors and the classification of its members as follows: Executive Board Member - Non-Executive Board Member - Independent Board Member.

### Board of Directors

M	Member name	Membership classification (executive/non-executive/independent)
1	Sulaiman Muhammad Abdullah Al-Ghumaiz	independent
2	Thonyan Abdullah Abdul Latif Al-Thunayan	independent
3	Mohammed Abdel Aziz Ibrahim Al-Eid	independent
4	Abdul Majeed Khaled Abdul Rahman Al-Masfar	independent
5	Faisal Abdul Rahman Abdullah Al-Abdul Karim	Not independent
6	Saud Abdul Rahman Abdullah Al-Abdul Karim	Not independent

Names of companies inside or outside the Kingdom in which a member of the company's board of directors is a member of their current or previous boards of directors or one of their managers

M	name	Names of companies whose board member is a member of their current board of directors or a director	Names of companies in which the board member was a member of their previous boards of directors or a director		Legal entity (listed/unlisted)/Limited Liability Company(....)
			Inside the Kingdom	Outside the Kingdom	
1	Sulaiman Muhammad Abdullah Al-Ghumaiz	nothing	Inside the Kingdom	-	-
2	Thonyan Abdullah Abdul Latif Al-Thunayan	nothing	Inside the Kingdom	-	-
3	Mohammed Abdel Aziz Ibrahim Al-Eid	nothing	Inside the Kingdom	-	-
4	Abdul Majeed Khaled Abdul Rahman Al-Masfar	nothing	Inside the Kingdom	-	-
5	Faisal Abdul Rahman Abdullah Al-Abdul Karim	nothing	Inside the Kingdom	-	-
6	Saud Abdul Rahman Abdullah Al-Abdul Karim	nothing	Inside the Kingdom	-	-

# Chapter Three

## 12- Periodic meetings for the year 2025

.Number of Board of Directors meetings held during the year 2025 (4) meetings

### Meetings of Current Board of Directors 2025

Name	ρ2025-02-17	ρ2025-02-26	ρ2025-09-09	ρ2025-12-27
Sulaiman Muhammad Abdullah Al-Ghumaiz	✓	✓	✓	✓
Thonyan Abdullah Abdul Latif Al-Thunayan	✓	✓	✓	✓
Mohammed Abdel Aziz Ibrahim Al-Eid	✓	✓	✓	✓
Abdul Majeed Khaled Abdul Rahman Al-Masfar	✓	✓	✓	✓
Faisal Abdul Rahman Abdullah Al-Abdul Karim	✓	✓	✓	✓
Saud Abdul Rahman Abdullah Al-Abdul Karim	✓	✓	✓	✓

## 13- Ownership of the Board of Directors and Executive Management

### 13-1 Interest and rights of the Board of Directors members:

M	Name of the person to whom the interest belongs	On 01/01/2025		On 31/12/2025		Net change	rate of change
		Number of shares	ratio	Number of shares	ratio		
1	Mohammed Abdel Aziz Ibrahim Al-Eid	17,040	%0.5680000	18,065	%0.6021667	1,025	%6
2	Thonyan Abdullah Abdul Latif Al-Thunayan	80	%0.0026667	80	%0.0026667	-	-

- There is no interest for the members of the Board of Directors.

### 13-3 Interest and rights of senior executives:

The shares owned by the company's senior executives.

M	Name of the person to whom the interest belongs	On 01/01/2025		On 31/12/2025		Net change	rate of change
		Number of shares	ratio	Number of shares	ratio		
1	Hisham Abdul Rahman Muhammad bin Muqrin	10	%0.0003333	10	%0.0003333	-	-

### 13-2 Rights of those related to the Council members:

M	Name of the person to whom the interest belongs	kinship	beginning of the year		End of the year		Net change	rate of change
			Number of shares	ratio	Number of shares	ratio		
-	-	-	-	-	-	-	-	-

There is no interest or right for any of the relatives of the Board members.

### 13-4 Rights of those related to senior executives:

M	Name of the person to whom the interest belongs	kinship	beginning of the year		End of the year		Net change	rate of change
			Number of shares	ratio	Number of shares	ratio		
-	-	-	-	-	-	-	-	-

There is no ownership or interest of any relatives of the senior executives.

# Chapter Three

## 14- Board of Directors' Remuneration

The following is the policy for remuneration of members of the Board of Directors, Board Committees and Executive Management. These policies aim to establish clear standards, controls and procedures for compensation and remuneration of members of the Board of Directors and members of its committees:

### First: Board of Directors 'remuneration:

Remuneration includes amounts, allowances, profits, and the like, periodic or annual bonuses linked to performance, short- or long-term incentive plans, and any other in-kind benefits, excluding reasonable actual expenses and costs incurred by the company for a member of the Board of Directors. This remuneration may be an amount, an attendance allowance for meetings, in-kind benefits, or a certain percentage of net profits. Two or more of these benefits may be combined. If the remuneration is a certain percentage of the company's profits, this percentage may not exceed (5%) (of net profits, after deducting the reserves decided by the General Assembly in application of the provisions of the system and the company's bylaws, and after distributing a profit to shareholders of no less than ( eht dna ,snoitalugeR ecranrevoG etaroproC eht ,waL seinapmoc eht ni detalupits stimil eht nihtiw ,latipac s'ynapmoc eht fo (5% .swalyb s'ynapmoc

### Second: Standards, controls and procedures for remunerating members of the Board of Directors and Board of Directors committees:

- 1- Remuneration must be fair and proportionate to the member's expertise, business activities, and responsibilities undertaken by Board members, in addition to the specific objectives set by the Board to be achieved during the
- 2- Remuneration shall be based on the recommendation of the Nomination and Remuneration Committee..
- 3- Remuneration must be consistent with the company's activities, the skills required for its management, its size, and the experience of the Board and committee members in business related to the company.
- 4- Remuneration must be reasonably sufficient to attract, motivate, and retain Board members with appropriate competence and experience, taking into account a maximum limit of **SAR 500,000**.
- 5- A Board member may receive remuneration for membership in Board committees, or for any additional executive, technical, administrative, or advisory roles—under a professional license—assigned within the company. This is in addition to the remuneration received as a member of the Board and its committees, in accordance with the Companies Law and the Company's Bylaws, provided that the total remuneration received by the member does not exceed the maximum limit specified in paragraph (4) above..
- 6- Board members' remuneration may vary in amount to reflect the member's experience, specialization, assigned tasks, independence, number of meetings attended, and other considerations.
- 7- The remuneration of independent Board members must not be a percentage of the company's profits, nor based directly or indirectly on the company's profitability, to ensure that their independence is not affected by the company's performance or any other factors.

## Chapter Three

- 8- Board members **may not** vote on the Board remuneration item during the General Assembly meeting, in order to ensure the independence of the General Assembly's decision regarding the Board remuneration item.
- 9- If the General Assembly decides to terminate the membership of a Board member for failing to attend three consecutive Board meetings without a legitimate excuse, such member shall not be entitled to any remuneration for the period following the last meeting attended. Furthermore, the member must return all remuneration paid for that period.
- 10- If the General Assembly decides to terminate the membership of a member of the Board of Directors who is absent due to his failure to attend three consecutive Board meetings without a legitimate excuse, this member shall not be entitled to any bonuses for the period following the last meeting he attended, and he must return all bonuses paid to him for that period.
- 11- If it is revealed to the Audit Committee or the Capital Market Authority (CMA) that the remuneration paid to any Board member was based on incorrect or misleading information presented to the General Assembly or included in the Board's annual report, the member must return it to the company. The company reserves the right to demand its refund. This does not exempt the Board member from any liability for damages incurred by the company, its shareholders, or any other related parties as a result.
- 12- The Board of Directors must disclose in its annual report the details of remuneration policies, the mechanisms for determining them, and the amounts and financial or in-kind benefits paid to each Board member for any executive, technical, administrative, or advisory roles or positions.

### **Third: Remuneration and fees of members of the Board of Directors and Board of Directors committees:**

According to the above, the Board of Directors' remuneration and fees are calculated as follows:

- 1- Annual bonus for board membership of 110,000 SAR
- 2- Annual bonus for membership in committees emanating from the Board of Directors:
  - 2-1 Audit Committee 40,000 SAR
  - 2-2 Other committees 25,000 SAR
- 3- Allowance for attending Board of Directors and committee meetings  
The Board of Directors pays all members 2,000 riyals for each session.
- 4- The Board of Directors shall determine, in accordance with its discretion and by a decision issued by it, the special remuneration that the Chairman of the Board, his Deputy, and the Managing Director - if any - shall receive for each of them, in addition to the remuneration stipulated for the members of the Board of Directors.

## Chapter Three

### **Fourth: Rewards for senior executives:**

The Board of Directors, based on the recommendation of the Nominations and Remuneration Committee, determines the remuneration of senior executives, in accordance with the following principles:

1- Rewards and compensations must be consistent with the company's strategic objectives and serve as a motivating factor for senior executives to achieve those objectives, enhance the company's capabilities, and develop its business.

2- It must be appropriate to the nature of the company's business, activity, size, and required skills and experience.

3- To enable the company to attract senior executives with the necessary capabilities, skills and qualifications to enable the company to achieve its goals.

4- Not to cause any conflict of interest that would negatively affect the company's interests and its ability to achieve its goals. Executive management rewards include the following:

A. Basic salary and allowances according to the contract, paid at the end of each calendar month on a continuous basis, health insurance for him and his family members, an annual bonus linked to the annual evaluation, and an end-of-service bonus according to the labor system.

B. The CEO shall implement the remuneration policy for employees and senior executives in light of the plans, programs, and general guidelines approved by the Nominations and Remuneration Committee.

## Remuneration of Current board members

	Fixed rewards							Variable rewards						End of service gratuity	Total	Expense allowance	comments
	a certain amount	Instead of attending council sessions	Total allowance for attending committee sessions	In-kind benefits	Technical, administrative and consulting work rewards	Chairman's Reward	the total	percentage of profits	periodic rewards	short-term incentive plans	Long-term incentive plans	Granted shares	the total				
First: Independent members																	
Sulaiman Muhammad Abdullah Al-Ghumaiz	110,000	8,000	0	0	0	0	118,000	0	0	0	0	0	0	0	118,000	0	
Thonyan Abdullah Abdul Latif Al-Thunayan	135,000	8,000	10,000	0	0	0	153,000	0	0	0	0	0	0	0	153,000	0	
Mohammed Abdel Aziz Ibrahim Al-Eid	150,000	8,000	16,000	0	0	0	174,000	0	0	0	0	0	0	0	174,000	0	
Abdul Majeed Khaled Abdul Rahman Al-Masfar	135,000	8,000	10,000	0	0	0	153,000	0	0	0	0	0	0	0	153,000	0	
the total	530,000	32,000	36,000				598,000								598,000	0	
Second: Non-independent members																	
Faisal Abdul Rahman Abdullah Al-Abdul Karim	135,000	8,000	10,000	0	0	0	153,000	0	0	0	0	0	0	0	153,000	0	
Saud Abdul Rahman Abdullah Al-Abdul Karim	110,000	8,000	0	0	0	0	118,000	0	0	0	0	0	0	0	118,000	0	
Third: Executive members																	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

\*The company also confirms that there is no material deviation from the rewards policy.

## Remuneration of members of the Board of Directors ' committees:

### Audit Committee

Audit Committee Members	Fixed rewards (except session attendance allowance)	Instead of attending sessions	the total
Mohammed Abdel Aziz Ibrahim Al-Eid	40,000	16,000	56,000
Faisal Sultan bin Muslim Al-Subaie	40,000	16,000	56,000
Abdul Mohsen Ibrahim Abdul Rahman Al-Essa	40,000	16,000	56,000

### Nominations and Remuneration Committee

Members of the Nominations and Remuneration Committee	Fixed rewards (except session attendance allowance)	Instead of attending sessions	the total
Abdul Majeed Khaled Al-Masfar	25,000	10,000	35,000
Faisal Abdulrahman Al-Abdulkarim	25,000	10,000	35,000
Thanyan Abdullah Al-Thunayan	25,000	10,000	35,000

### Total company payments to senior executives, including the CEO and CFO

Senior Executive Jobs	Fixed rewards				Variable rewards						End of service gratuity	Total executive remuneration for the Board, if any	Total
	Salaries	Allowances	In-kind benefits	the total	periodic rewards	earnings	short-term incentive plans	Long-term incentive plans	Granted shares (enter value)	the total			
	757,579	444,608		1,202,187							80,521		1,282,708

## Board of Directors Committees

### 1- Audit Committee

The Audit Committee consists of three members. The General Assembly approved the rules for selecting the Committee members, their term of membership, and the Committee's working method. The Audit Committee consists of the following:

#### Current Audit Committee Members

Name	Classification	Membership status	qualification	Current Jobs	Previous jobs	Experiences
Mohammed Abdel Aziz Ibrahim Al-Eid	President	independent	Bachelor of Computer Science	Advisor - Saudi Fund for Development	Director General of Information Technology Department - Saudi Fund for Development Director of Information Technology Department - Saudi Fund for Development Database Specialist - Saudi Fund for Development Computer Programmer - Saudi Fund for Development	More than 30 years in the field of management and computers
Faisal Sultan bin Muslim Al-Subaie	member	From outside the council	Bachelor of Accounting	Internal Audit Department at the Saudi Authority for Accredited Valuers	Internal Audit Department in several listed companies	Diverse experience in internal auditing and accounting and membership in committees of a number of listed companies
Abdul Mohsen Ibrahim Abdul Rahman Al-Essa	member	From outside the council	Bachelor of Accounting	Director General of Financial Affairs, General Authority for Statistics	Financial Director of Rafid Company	More than 15 years in the field of financial management



## Board of Directors Committees

### 2- Nominations and Remuneration Committee:

The Nominations and Remuneration Committee consists of three members. The General Assembly approved the rules for selecting committee members, their term of membership, and the committee's working method. The Nominations and Remuneration Committee consists of the following:

#### Current Nominations and Remuneration Members

Name	Classification	Membership status	qualification	Current Jobs	Previous jobs	Experiences
Abdul Majeed Khaled Al-Masfar	President	independent	Master of Commercial Law	General Authority for Statistics	Kafaat Business Solutions Company, Etihad Etisalat Company, Virgin Mobile, Communications, Technology and Space Commission	Over 18 years
Faisal Abdulrahman Al-Abdulkarim	member	Not independent	Bachelor of Finance	Marketing Specialist	Financial Analyst - Asset Management - Gulf International Bank Marketing Specialist - Adwati Company	More than 5 years in financial and corporate analysis in the capital markets
Thonyan Abdullah Al-Thunayan	member	independent	Bachelor of Accounting	Branch Manager - Social Development Bank	Branch Manager - Saudi Investment Bank Supervisor - Branch Manager - Alinma Bank	More than 10 years in the field of financial and administrative business

## Tasks and responsibilities of the Nominations and Remuneration Committee

- 1- Recommending to the Board of Directors the nomination for membership in the Board in accordance with the approved policies and standards, taking into account not to nominate any person who has previously been convicted of a crime that violates honor and integrity.
  - 2- Annual review of the skills required for Council membership and preparation of a description of the capabilities and qualifications required for Council membership, including determining the time that the member must devote to Council work.
  - 3- Reviewing the Council's structure and making recommendations regarding any changes that may be made.
  - 4- Identify the board's strengths and weaknesses, and propose ways to address them in a manner consistent with the company's interests.
  - 5- Annually ensuring the independence of independent members and the absence of any conflict of interest if the member is a member of the board of directors of another company.
  - 6- Preparing the policy for granting bonuses, benefits, incentives and salaries in the company and reviewing it annually.
  - 7- Establishing clear policies for compensation and rewards for board members and senior executives, taking into account the use of performance-related criteria when establishing these policies.
  - 8- Establish a rewards policy for the company that ensures that rewards and salaries are sufficient to attract and retain qualified individuals to work in the company, in a manner consistent with the salaries granted by similar companies in the market. Determine the company's needs for competencies at the level of senior executive management and employees and the basis for their selection.
  - 9- Preparing the company's human resources and training policy and reviewing it annually.
- The number of meetings of the Nominations and Remuneration Committee held during the year 2025 reached (5) meeting.

### Statement of attendance at the Nominations and Remuneration meetings for the year 2025:

#### Meetings of Current Nominations and Remuneration Committee

Name	ρ2025-01-12	ρ2025-03-18	ρ2025-05-12	ρ2025-07-26	ρ2025-11-18
Abdul Majeed Khaled Al-Masfar	✓	✓	✓	✓	✓
Faisal Abdulrahman Al-Abdulkarim	✓	✓	✓	✓	✓
Thanyan Abdullah Al-Thunayan	✓	✓	✓	✓	✓

## Board of Directors' Declarations

The Board of Directors confirms that:

- No loan was granted to any of the Board members or senior executives.
- The Company has not entered into any transactions relating to the Company's shares with any of the Board of Directors or any of their direct relatives.
- The Company's financial statements were prepared in accordance with the accounting standards issued by the Saudi Organization for Certified Public Accountants.
- There are no voting shares held by persons who notified the Company of such rights during 2025.
- There is no arrangement or agreement between the company and any shareholder to waive his share of profits.
- No reserves or savings have been created for the benefit of the Company's employees other than the end-of-service gratuity provision.
- There are no convertible debt instruments, and there are no redeemable debt instruments, of the Company and its subsidiaries.
- There are no purchases or contracts in which a member of the Board of Directors or executives has an interest.
- There are no arrangements or agreements under which a member of the Board of Directors or a senior executive of the Company waived any salary or compensation that has not been disclosed.
- That the accounting records were prepared correctly.
- The internal control system was prepared on sound foundations and implemented effectively.
- There is little doubt about the company's ability to continue its business.
- There are no businesses or contracts concluded by the company in which any member of the Board of Directors, senior executives, or any person related to any of them has an interest.
- The company has no treasury shares.

## Related transactions

- There are no transactions with related parties.

## Disclosure and Transparency Policy

The company is committed to continuously disclosing material events and developments of interest to stakeholders with complete transparency, in accordance with the requirements of relevant laws and regulations. The company supports this approach and implements it in all its dealings and activities, considering it a permanent commitment.

The CEO shall be responsible for implementing the rules relating to disclosure and shall be accountable to the Board for this. The Chairman of the Board shall follow up on the implementation of the Board's decisions in this regard.

The company is committed to not announcing any information unless it has verified its accuracy and that it has been prepared in accordance with the controls and standards approved by the competent authorities if the nature of that information so requires.

The company shall keep confidential information that is expected to affect the share price until it is officially announced in accordance with the relevant regulatory requirements, from all employees of the company and others, except for persons directly concerned with that matter. Confidential information includes information related to financial results (preliminary and annual), events affecting the financial results, decisions that have an impact on the financial results, and the like.

In all cases, the company shall disclose any information it has in a manner that does not harm its interests or pose a threat to its competitive position. If the company's disclosure might cause this, the company shall submit a statement to the Capital Market Authority containing the required information and the reasons supporting the non-disclosure at that time.

## Shareholder records

The company has requested the shareholders' register from the Securities Depository Center "Edaa" (6) times during the year 2024 for the following purposes:

Justifications for the request	Order date
Company procedures	2025-02-04
For the purpose of holding the General Assembly	2025-06-25
For the purpose of holding the General Assembly	2025-07-21
For the purpose of holding the General Assembly	2025-09-24
For the purpose of holding the General Assembly	2025-10-20
Company procedures	2025-11-23

## Financing

### •Existing financing:

The Development Business Company has maintained a strong credit rating with a number of financing institutions. Thanks to this credit rating, the company has succeeded in achieving positive operating cash flow in line with expectations. The financing value at the end of the year amounted to 2025 (5,170,964) It came in the form of bank facilities and financing instruments, and all the financing obtained by the company is compatible with the provisions of Islamic Sharia.

Total payments made during the year 2025 amounted to SAR (9,975,539) SAR

Source of funding	Primary financing amount	Additions during the year	Amount paid during the year	31 December 2025
Al Rajhi Bank	4,511,381	4,385,121	(7,725,539)	1,170,964
Dinar bonds	5,250,000	1,000,000	(2,250,000)	4,000,000
Total	9,761,382	5,385,121	(9,975,539)	5,170,964

## Chapter Four

### Independent Auditor's Report

#### **To the Shareholders of Development Works Food Company**

A Saudi Joint Stock Company

#### **Opinion**

We have audited consolidated financial statements of Development Works Food Company ("the Company") and its subsidiaries (collectively "the Group") which comprise the consolidated statement of financial position as of December 31, 2025, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity, and the consolidated statement of cash flows for the year then ended, and the notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2025, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements that are endorsed by the Saudi Organization for Chartered and Professional Accountants.

#### **Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs) that are endorsed in the Kingdom of Saudi Arabia. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the consolidated Financial Statements section of our report. We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards), endorsed in the Kingdom of Saudi Arabia (the "Code") that is relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with Code requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters.

**Below is a description of each key audit matter and how it was addressed:**

# Independent Auditor's Report to the Company's Shareholders

Key audit matters	How our audit addressed the matter	Key audit matters	How our audit addressed the matter
Revenue Recognition		Right-of-Use Assets and Lease Liabilities	
<p>The Group's revenue for the year ended December 31, 2025, amounted to SR 104,214,706. The Group recognizes its sales revenue at a specific point in time in accordance with the requirements of International Financial Reporting Standard No. (15) Revenue from Contracts with Customers.</p> <p>We considered revenue a key audit matter due to it being a significant item in the consolidated financial statements and represents one of the key indicators that lead to inherent risks related to revenue recognition.</p> <p>Refer to the material accounting policies for the revenue recognition policy included in note (4-23) and note (19) for further details related to revenue.</p>	<p>We performed the following audit procedures:</p> <ol style="list-style-type: none"> <li>1. Obtained an understanding and evaluated the design and implementation of the Group's key internal controls related to revenue.</li> <li>2. Evaluated the adequacy of the Group's revenue recognition policies and their compliance with International Financial Reporting Standard No. (15).</li> <li>3. Reviewed a sample of daily and monthly sales reconciliations prepared by management at the branch level and their consistency with revenue records.</li> <li>4. Reviewed a sample of daily cash deposits from each point of sale through bank statements and compared them with the sales recorded in the accounting records.</li> <li>5. Reviewed a sample of contracts signed with corporate customers and issued invoices to verify their occurrence and the Group's right to recognize revenue therefrom.</li> <li>6. Reviewed a sample of revenue discounts and verified that they were recorded in accordance with the Group's policies and procedures.</li> <li>7. Implemented revenue cutoff procedures to ensure revenue was recorded in the correct financial period.</li> <li>8. Conducted a detailed analytical review of revenue, including identifying and inquiring about any significant or unexpected trends or fluctuations.</li> <li>9. Assessed the adequacy and appropriateness of the disclosures in the consolidated financial statements in accordance with the financial reporting framework.</li> </ol>	<p>Right-of-use assets as of December 31, 2025, amounted to SR 30,838,262, and lease liabilities as of December 31, 2025, amounted to SR 27,850,784, of which SR 9,266,106 is due within one year.</p> <p>The measurement of right-of-use assets and lease liabilities was considered a key audit matter due to the complexity and significant judgment involved in determining the appropriate lease term, discount rates, contract modifications, and accounting for asset disposals, in addition to the large number of leases, as separate agreements are entered into for each branch of the Group. This aspect requires significant management judgment, as it can have a material impact on the consolidated financial statements.</p> <p>Refer to the significant accounting policies for the policy related to leases contained in Note (4-7) and Note (8) for further details related to right-of-use assets and lease liabilities.</p>	<p>We performed the following audit procedures:</p> <ol style="list-style-type: none"> <li>1. Tested the completeness of contracts considered as leases under International Financial Reporting Standard No. (16).</li> <li>2. Reviewed management's assessment of the discount rate used to discount lease liabilities, as determined by management, to ensure its appropriateness.</li> <li>3. Reviewed the accuracy of lease data inputs for a sample of lease contracts included in the calculation of lease liabilities and right-of-use assets.</li> <li>4. Recalculated the related interest and depreciation expenses for right-of-use assets and lease liabilities.</li> <li>5. Reviewed lease payments with appropriate supporting documentation.</li> <li>6. Reviewed management's judgments regarding the appropriateness of extensions or termination options.</li> <li>7. Assessed the adequacy and appropriateness of the disclosures in the consolidated financial statements in accordance with the financial reporting framework.</li> </ol>

## Independent Auditor's Report to the Company's Shareholders

### **Other information**

Other information consists of the information included in the Group's annual report for the year 2025, other than the consolidated financial statements and auditor's report thereon. The Board of Directors is responsible for the other information in the annual report. The Group's annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover other information and we do not express any form of assurance conclusion thereon.

Our opinion on the consolidated financial statements does not cover other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement in this other information, we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

The Board of Directors is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements endorsed by the Saudi Organization for Chartered and Professional Accountants and the provisions of Companies' Law and Company's By-laws, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, the Board of Directors, are responsible for overseeing the Group's financial reporting process.

# Independent Auditor's Report to the Company's Shareholders

## **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs that are endorsed in the Kingdom of Saudi Arabia will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs that are endorsed in the Kingdom of Saudi Arabia, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Alzoman, Alfahad & Alhajjaj Professional Services

Zaher Abdullah Al-Hajjaj  
Certified Public Accountant  
License No. (562)  
Riyadh, Kingdom of Saudi Arabia

## Financial Center List

### •Consolidated statement of financial position: (SAR)

Statement	2025	2024	2023	2022	2021
Current assets	15,218,308	21,343,924	21,515,850	24,889,304	31,776,423
Right to use assets	30,838,262	24,002,658	36,028,779	30,831,979	28,531,660
Investments in affiliated companies	-	-	-	-	176,578
Non-current assets	23,544,690	25,094,800	30,092,162	33,019,152	38,510,241
<b>Total assets</b>	<b>69,601,260</b>	<b>70,441,382</b>	<b>87,636,791</b>	<b>88,740,435</b>	<b>98,994,902</b>
Current liabilities	30,181,868	30,518,154	38,966,561	33,297,727	37,546,706
Non-current liabilities	22,776,530	17,652,935	27,519,891	29,046,025	28,382,243
long-term loans	1,250,000	3,000,000	3,311,382	7,397,857	14,734,897
<b>Total liabilities</b>	<b>52,958,398</b>	<b>48,171,089</b>	<b>66,486,452</b>	<b>62,343,752</b>	<b>65,928,949</b>
Paid-up capital	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000
Reserves and retained earnings	(12,564,570)	(8,248,823)	(9,418,168)	(4,249,757)	2,199,428
shareholders' rights	17,051,558	22,270,293	21,150,339	26,396,683	33,065,953
<b>Total liabilities and shareholders' equity</b>	<b>69,601,260</b>	<b>70,441,382</b>	<b>87,636,791</b>	<b>88,740,435</b>	<b>98,994,902</b>

## Profit and Loss Statement

• Consolidated statement of profit or loss and comprehensive income: (SAR)

Statement	2025	2024	2023	2022	2021
Revenue from Operations	104,214,706	97,358,918	89,114,130	98,650,440	100,858,743
Operating Costs	(98,195,335)	(90,945,984)	(86,444,470)	(94,261,416)	(91,373,944)
<b>Total operating profit</b>	<b>6,019,371</b>	<b>6,412,934</b>	<b>2,669,660</b>	<b>4,389,024</b>	<b>9,484,799</b>
Administrative, general and financing expenses	(12,399,890)	(10,051,774)	(11,489,943)	(12,354,064)	(10,694,534)
Other income - net	4,400,211	3,944,558	4,515,991	5,198,983	4,581,247
Zakat	(44,808)	(265,577)	(294,403)	(301,835)	(348,155)
Non-continuous operations	-	-	-	-	-
<b>Net comprehensive income profit (loss)</b>	<b>(5,627,431)</b>	<b>1,346,883</b>	<b>(5,046,350)</b>	<b>(3,135,580)</b>	<b>2,372,825</b>

• Differences in operating results: Comparison table

Statement	2025	2024	rate of change
Sales/Revenue	104,214,706	97,358,918	7.0 %
cost of sales	(98,195,335)	(90,945,984)	8.0 %
Gross profit	6,019,371	6,412,934	- 6.1 %
General and administrative expenses	(9,474,009)	(7,410,697)	27.8 %
operating profit (loss)	(2,607,612)	2,560,926	- 201.8 %

## Conclusion

In conclusion, the Board of Directors of Development Works Food Company extends its sincere thanks to the shareholders for the trust they have placed in the Board, which it appreciates and values. The Board of Directors expresses its appreciation and gratitude to the government of the Custodian of the Two Holy Mosques, King Salman bin Abdulaziz, and his loyal Crown Prince, His Royal Highness Prince Mohammed bin Salman bin Abdulaziz, may God protect them, the Capital Market Authority, and all supervisory and regulatory bodies for their cooperation and continuous support to the Company. The Board also extends its thanks and appreciation to all employees of the Company for their loyalty, dedication, and continuous support to the Company.

**Thanks and Best Regards,**