

**TANMIAH FOOD COMPANY.
Ordinary General Assembly Meeting
(First Meeting)**



Riyadh – via modern technology means.



Monday, 10- 06- 2024



18:30 P.M.

Agenda of the Ordinary General Assembly Meeting

Tanmiah Food Company (Via Modern Technology), Monday, 10\06\2024, at (18:30 PM)

1. Viewing and discussing the Board of Directors' report for the fiscal year ending on 31-12-2023G.
2. Voting on the Company's Auditor's Report for the fiscal year ending on 31/12/2023.
3. Viewing and discussing the financial statements for the fiscal year ending on 31-12-2023G.
4. Voting on agreeing to absolve the members of the Board of Directors from liability for the fiscal year ending on 31/12/2023.
5. Voting on the distribution of dividends to shareholders with a total amount of (38) million Saudi Riyals for the fiscal year ending on December 31, 2023, with (SAR 1.9) dividend per share and (19% Share Par Value) as the percentage of dividend, provided that the dividends eligibility is for the shareholders who own the Company's shares at the end of the trading day on the day of the general assembly and registered in the Company's register at the Securities Depository Center Company (Edaa) by the end of the second trading day following the eligibility date. The distribution date will be announced later.
6. Voting on disbursing the amount of (2,151,000 SAR) as remuneration for the board of directors for the fiscal year ending on 31/12/2023.
7. Voting on the appointing of the Company's Auditor from among the recommended candidates by the Audit Committee to examine, review, and audit the financial statements for Q2 and Q3 annual statements for the fiscal year 2024 and Q1 of year 2025 and determine its fees.
8. Voting on delegating the Board of Directors by the Extraordinary Assembly of its authorization power referred to in Paragraph (1) of Article (27) of the Companies Law, for a year from the date of the Extraordinary General Assembly's approval to the delegation or until the end of the current term of the Board of Directors, whichever is earlier. Such delegation shall be in accordance with the requirements stipulated in the implementing regulations of the companies' law for listed joint stock companies.

Audit Committee Report



Audit Committee Resolution
No. (24001) Dated (08/05/2024)

The Audit Committee of Tanmiah food Company, and based on the powers granted to us, in accordance with the provisions of the Companies Law, the Corporate Governance Regulations, and their equivalents in the Company's Articles of Association and Audit committee charter regarding the appointment of external auditor, the committee examined and evaluated the proposals received from external. auditors financially and technically considering the independence and quality of the auditor and the techniques used for auditing purposes, **and therefore**, the committee decided to recommend to the board of directors and the general assembly the following auditors:

Auditor	Fees الأتعاب	المراجع
Deloitte & Touche (M.E.).	1,748,000 SAR	شركة ديلويت وتوشيه، محاسبون قانونيون
Ibrahim Ahmed Al-Bassam & Co.	1,910,500 SAR	إبراهيم أحمد البسام وشركاؤه

To review and audit the financial statements for the second, third and fourth quarters of the fiscal year 2024 and the first quarter of the fiscal year 2025 and the annual review for the fiscal year 2024.

وذلك لمراجعة وفحص القوائم المالية للربع الثاني والثالث والرابع من العام المالي 2024 والربع الأول من العام المالي 2025 ولمراجعة القوائم المالية السنوية لعام 2024.

God is the grantor of success

رئيس اللجنة| Chairman

Mr. Kamel Al Munajjed| الأستاذ كامل المنجد
Member| عضو

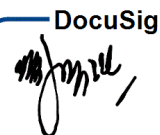
Mr. Vincent Carton| الأستاذ فينسنت كارتون

والله الموفق،

عضو| Member

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الأستاذ جمال الدباغ | Mr. Jamal Al-Dabbagh
Member| عضو

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الأستاذ محمد حسني جزيل | Mr. Mohamed Husnee Jazeel

Board of Directors' report for the fiscal year ending on 31-12-2023G

Link:

[2202_0_2024-03-28_12-07-19_En.pdf \(saudiexchange.sa\)](#)



Auditor's Report for
the fiscal year ending
on 31/12/2023.



INDEPENDENT AUDITOR'S REPORT

To the shareholders
Tanmiah Food Company (A Saudi Joint Stock Company)
Riyadh, Kingdom of Saudi Arabia

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Tanmiah Food Company, a Saudi Joint Stock Company (the "Company") and its subsidiaries (together "the Group"), which comprise the consolidated statement of financial position as at December 31, 2023, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Group as of December 31, 2023, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRSs") that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by the Saudi Organisation for Chartered and Professional Accountants ("SOCPA").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing 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 professional code of conduct and ethics that are endorsed in the Kingdom of Saudi Arabia that are relevant to our audit of the consolidated financial statements and we have fulfilled our ethical responsibilities in accordance with these 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 judgement, were of most significance in our audit of the consolidated financial statements of the current period. The matter was addressed in the context of our audit of the consolidated financial statements as whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF TANMIAH FOOD COMPANY (CONTINUED)

Key Audit Matters (continued)

Key Audit Matter	How our audit addressed the Key Audit Matter
<p><u>Measurement and existence of biological assets</u></p> <p>As at December 31, 2023, the Group had biological assets, comprising breeder birds, hatchery eggs and broiler birds (the "biological assets") with a carrying amount of SR 143.4 million.</p> <p>IAS 41 Agriculture requires biological assets to be measured at fair value less costs to sell. IAS 41 allows entities not to measure biological assets at fair value less costs to sell where quoted market prices are not available and alternative fair value measurements are determined to be clearly unreliable.</p> <p>Management measures the carrying amount of breeder birds by amortising the total costs incurred during the rearing phase over the anticipated productive cycle due to the short rearing phase. There is no active market for breeder birds and no reliable fair value measurements have been identified.</p> <p>Hatchery eggs and broiler birds are valued at their fair value less cost to sell after considering various estimates relating to market prices of poultry at various points, estimated costs until the date of slaughter of birds, mortality rates, hatchability rates and processing loss.</p> <p>The assessment of the quantity of breeder and broiler birds at the reporting date requires management to make estimations based on the size of each broiler house and the average density per square meter.</p> <p>We considered this to be a key audit matter because of the significance of the carrying value of biological assets as at December 31, 2023 in the context of the consolidated financial statements and the significant management estimates made and judgments applied in assessing the carrying amount of biological assets.</p> <p>Refer to note 3 of the consolidated financial statements for the accounting policy, note 4 for the disclosure of critical accounting estimates and judgements and note 14 for disclosures of other matters related to biological assets.</p>	<p>Our audit procedures included, but were not limited to, the following:</p> <ul style="list-style-type: none"> • Obtained an understanding of the biological assets life cycle and processes followed. • Assessed the controls over the measurement and existence of biological assets to determine if they had been appropriately designed and implemented. • Tested the methodology used by the Group to determine the carrying amounts of broiler birds and assessed the inputs/assumption/estimates used by the Group including the production cycle, mortality rates, hatchability rates, process loss and market prices of poultry at various points by comparing them with actual historical outcomes and past trends of such inputs, assumptions and/or estimates. • Agreed the costs incurred related to breeder birds during the rearing phase to supporting documentation on a sample basis. • Assessed both the method of amortisation and the period of amortisation of the costs capitalised to breeder birds. • Agreed the results of management's determination of the carrying amounts of the biological assets to the amounts reported in the consolidated financial statements. • Reperformed the mathematical accuracy of the calculations used to determine the carrying amounts of the biological assets. • With respect to the quantities of hatchery eggs, we visited a sample of hatchery and observed and physically counted the number of eggs. • With respect to the quantities of breeder and boiler birds we visited a sample of poultry farms and assessed the key assumptions and methodology used to determine the number of birds on hand at the reporting date. • Assessed the disclosures in the consolidated financial statements relating to this matter against the requirements of IFRSs.

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF TANMIAH FOOD COMPANY (CONTINUED)**Other Information**

Management is responsible for the other information. The other information comprises information included in the Group's 2023 Board of Directors' report, (but does not include the consolidated financial statements and our auditor's report thereon), which 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 the 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.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRSs that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by SOCPA and Regulations for Companies and the Company's By-laws and for such internal control as management 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, management 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 management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

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

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 auditors' 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 International Standards on Auditing 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 the 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 International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia, we exercise professional judgement and maintain professional scepticism 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 the one resulting from error, as fraud may involve collusion, forgery, intentional omission, 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 management.

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF TANMIAH FOOD COMPANY (CONTINUED)**Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (continued)**

- Conclude on the appropriateness of management's 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 auditors' report to the related disclosures in the consolidated financial statements or, if such disclosure are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' 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, related safeguards.

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 matter. 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 the matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest of such communication.

Deloitte and Touche & Co.
Chartered Accountants



Mazen A. Al-Omari
License No. 480
5 Sha'ban, 1445H
February 15, 2024



Financial Statements for the fiscal year ending on 31-12-2023G.

[2202_0_2024-02-15_17-06-55_En.pdf \(saudiexchange.sa\)](#)

