



Agenda of the General Assembly Meeting (First Meeting)

The company's headquarters in Riyadh City (Through Modern Technology),

Monday evening at 7:30 PM, 18/10/1444H - Corresponding to 08/05/2023AD.

1. Reviewing and discussing the board of directors report for the fiscal year ending on 12/31/2022 AD.
2. Reviewing and discussing the financial statements for the fiscal year ending on 12/31/2022 AD.
3. Voting and discussing on External Auditors Report for the financial year ending on 12/31/2022 AD.
4. Voting on discharging the Board members from any liabilities for the fiscal year ended 12/31/2022 AD.
5. Voting on paying an amount of (1,500,000) SAR as remuneration to the Board members for the fiscal year ending on 12/31/2022 AD.
6. Voting on the recommendation of the Board of Directors to distribute interim cash dividends to shareholders for the second half of the fiscal year ending on 12/31/2022 AD, amounting to (60,000,000 SAR) sixty million Saudi Riyals, at 1 SAR per share; which represents of 10% of per value, Eligibility for dividends to the shareholders registered in Depository Center (Edaa) at the end of the second trading day following the eligibility date, which will be announced at a later date.
7. Voting on the appointment of the external auditors of the company among the candidates based on the Audit Committee's recommendation. The appointed auditors shall examine, review and audit the second, third quarters of the fiscal year 2023, and the annual financial statements of the fiscal year ended on 31/12/2023 and the first quarter of 2024 with determining his fees.
8. Voting on delegating the Board of Directors to distribute interim dividends on a biannual / quarterly basis for the fiscal year 2023.

9. Voting on the business and contracts that was done between the company and France Poultry , in which the members of the Board of Directors, Mr. Saleh bin Abdullah Al-Munajem, Mr. Fahad bin Abdul Mohsen Al-fadley and Mr. Abdullah Omar Bawazir, have indirect interest in it, which is the business of procurement of foodstuffs from France Poultry Company, The value of these works during the year 2022 AD amounted to (571,576,751 SAR) five hundred and seventy-one million five hundred and seventy-six thousand seven hundred and fifty-one Saudi Riyals, noting that there are no preferential conditions in these works. (attached)
10. Voting on the business and contracts that was done between the company and the Shawaya House Company, in which the members of the Board of Directors Mr. Saleh bin Abdullah Al-Munajem, Mr. Fahad bin Abdul Mohsen Al-fadley and Mr. Abdullah Omar Bawazir have indirect interest in it, which is the business of selling foodstuffs to the Shawaya House Company. The value of these works during the year 2022 AD amounted to (26,181,815 SAR) twenty-six million one hundred and eighty-one thousand eight hundred and fifteen Saudi Riyals, noting that there are no preferential conditions in these works. (attached)
11. Voting on the business and contracts that was done between the company and Shawaya House Company, in which the members of the Board of Directors Mr. Saleh bin Abdullah Al-Munajem, Mr. Fahad bin Abdul Mohsen Al-fadley and Mr. Abdullah Omar Bawazir have indirect interest in it, which are transactions related to expenses of joint services and purchases of meals for workers From the Shawaya House Company, and the value of these transactions during the year 2022 AD amounted to (121,592 SAR) one hundred and twenty-one thousand five hundred and ninety-two Saudi Riyals, noting that there are no preferential conditions in these works. (attached)

12. Voting on the business and contracts that was done between the company and Shawaya House Company, in which the members of the Board of Directors, Mr. Saleh bin Abdullah Al-Munajem, Mr. Fahad bin Abdul Mohsen Al-fadley, and Mr. Abdullah Omar Bawazir have indirect interest in it, which is the business of selling foodstuffs to the Gulf Catering Company, The value of these works during the year 2022 AD amounted to (12,847,705 SAR) twelve million eight hundred and forty-seven thousand seven hundred and five Saudi Riyals, noting that there are no preferential conditions in these works. (attached)
13. Voting on the business and contracts that was done between the company and Shawaya House Company, in which the members of the Board of Directors Mr. Saleh bin Abdullah Al-Munajem, Mr. Fahad bin Abdul Mohsen Al-fadley and Mr. Abdullah Omar Bawazir have indirect interest in it, which are transactions related to expenses of joint services and purchases of meals for workers From the Gulf Catering Company, and the value of these works during the year 2022 AD amounted to (663,317 SAR) six hundred and sixty-three thousand, three hundred and seventeen Saudi Riyals, noting that there are no preferential conditions in these works. (attached)
14. Voting on the business and contracts that was done between the company and the Diet Center Company, in which the members of the Board of Directors Mr. Saleh bin Abdullah Al-Munajem, Mr. Fahad bin Abdul Mohsen Al-fadley and Mr. Abdullah Omar Bawazir have indirect interest in it, which is the business of selling foodstuffs to the Diet Center Company The value of these works during the year 2022 AD amounted to (5,882,477 SAR) five million eight hundred and eighty-two thousand four hundred and seventy-seven Saudi Riyals, noting that there are no preferential conditions in these works. (attached)

15. Voting on the business and contracts that was done between the company and the Diet Center Company, in which the members of the Board of Directors Mr. Saleh bin Abdullah Al-Munajem, Mr. Fahad bin Abdul Mohsen Al-fadley and Mr. Abdullah Omar Bawazir have indirect interest in it, which is a business of procurement of foodstuffs from the Diet Center company, and the value of these works during the year 2022 AD amounted to (3,866,113 SAR) three million eight hundred and sixty-six thousand one hundred and thirteen Saudi Riyals, noting that there are no preferential conditions in these works. (attached)
16. Voting on the business and contracts that was done between the company and the Diet Center Company, in which the members of the Board of Directors, Mr. Saleh bin Abdullah Al-Munajem, Mr. Fahad bin Abdul Mohsen Al-fadley, and Mr. Abdullah Omar Bawazir have indirect interest in it, which are transactions related to expenses of joint services, and The value of these works during the year 2022 AD amounted to (1,323,651 SAR) one million three hundred and twenty-three thousand six hundred and fifty-one Saudi Riyals, noting that there are no preferential conditions in these works. (attached)
17. Voting on the business and contracts that was done between the company and the Saudi Zad Company, in which the members of the Board of Directors, Mr. Saleh bin Abdullah Al-Munajem, Mr. Fahad bin Abdul Mohsen Al-fadley, and Mr. Abdullah Omar Bawazir, have indirect interest in it, which is the business of selling foodstuffs to the Saudi Zad Company. and The value of these works during the year 2022 AD amounted to (533,522 SAR) five hundred and thirty-three thousand five hundred and twenty-two Saudi Riyals, noting that there are no preferential conditions in these works. (attached)

18. Voting on the business and contracts that was done between the company and the Saudi Zad Company, in which the members of the Board of Directors, Mr. Saleh bin Abdullah Al-Munajem, Mr. Fahad bin Abdul Mohsen Al-fadley, and Mr. Abdullah Omar Bawazir have indirect interest in it, which are transactions related to expenses of joint services, and purchases of food meals For the employees of Al-Zad Company, and the value of these works during the year 2022 AD amounted to (15,718 SAR) fifteen thousand seven hundred and eighteen Saudi Riyals, noting that there are no preferential conditions in these works. (attached)
19. Voting on the business and contracts that was done between the company and Thati Limited Company, in which the members of the Board of Directors Mr. Saleh bin Abdullah Al-Munajem, Mr. Fahad bin Abdul Mohsen Al-fadley and Mr. Abdullah Omar Bawazir have indirect interest in it, which is the business of selling foodstuffs for Thati Limited Company, and The value of these works during the year 2022 AD is the amounted to (265,563 SAR) two hundred and sixty-five thousand five hundred and sixty-three Saudi Riyals, noting that there are no preferential conditions in these works. (attached)
20. Voting on the business and contracts that was done between the company and Thati Limited Company, in which the members of the Board of Directors, Mr. Saleh bin Abdullah Al-Munajem, Mr. Fahad bin Abdul Mohsen Al-fadley, and Mr. Abdullah Omar Bawazir have indirect interest in it, which are business related to expenses of joint services, and the value of these works during the year 2022 AD amounted to (39,714 SAR) thirty-nine thousand seven hundred and fourteen Saudi Riyals, noting that there are no preferential conditions in these works. (attached)

21. Voting on the business and contracts that was done between the company and Buraidah Trading and Refrigeration Company, in which the members of the Board of Directors Mr. Saleh bin Abdullah Al-Munajem, Mr. Fahad bin Abdul Mohsen Al-fadley and Mr. Abdullah Omar Bawazir have indirect interest in it, which is a business during the fiscal year 2022 AD, which is about The business of purchasing equipment and boxes for cooling and freezing from Buraidah Trading and Refrigeration Company, and the value of these works during the year 2022 AD amounted to (2,340,700 SAR) two million, three hundred and forty thousand and seven hundred Saudi Riyals, noting that there are no preferential conditions in this works. (attached)
22. Voting on the business and contracts that was done between the company and Buraidah Trading and Refrigeration Company, in which the members of the Board of Directors Mr. Saleh bin Abdullah Al-Munajem, Mr. Fahad bin Abdul Mohsen Al-fadley and Mr. Abdullah Omar Bawazir have indirect interest in it, which are works related to expenses of joint services and purchasing equipment and boxes for cooling and freezing is from Buraidah Trading Refrigeration Company, and the value of these works during the year 2022 AD amounted to (243,956 SAR) two hundred and forty-three thousand nine hundred and fifty-six Saudi Riyals, noting that there are no preferential conditions in these works. (attached)
23. Voting on the business and contracts that was done between the company and Al-Kafaa Real Estate Company, in which the members of the Board of Directors, Mr. Saleh bin Abdullah Al-Munajem, Mr. Fahad bin Abdul Mohsen Al-fadley, and Mr. Abdullah Omar Bawazir have indirect interest in it, related to the company's renting of work and housing sites from Al-Kafaa Real Estate Company. and the value of these works during the year 2022 AD amounted to (728,509 SAR) seven hundred and twenty-eight thousand five hundred and nine Saudi Riyals, noting that there are no preferential conditions in these works. (attached)

24. Voting on the business and contracts that was done between the company and Abdullah Al-Ali Al-Munajem Sons Company, in which the members of the Board of Directors Mr. Saleh bin Abdullah Al-Munajem, Mr. Fahad bin Abdul Mohsen Al-fadley and Mr. Abdullah Omar Bawazir have indirect interest in it, related to the company's renting of work sites from Abdullah Al-Ali Al-munajem Sons Company and joint service expenses, and the value of these works during the year 2022 AD amounted to (1,167,951 SAR) one million one hundred and sixty-seven thousand nine hundred and fifty-one Saudi Riyals, noting that there are no preferential conditions in these works. (attached)
25. Voting on the business and contracts that was done between the company and the Four Steps Marketing Corporation, in which a member of the Board of Directors, Mr. Muhammad bin Ibrahim Al-rowettw, has a direct interest in it. It is an agreement to provide marketing consultancy to the company for a period of one year. and the value of these works during the year 2022 AD amounted to (98,500 SAR) Ninety-eight thousand five hundred Saudi Riyals, bearing in mind that there are no preferential conditions in this works. (attached)
26. Voting on the business and contracts that was done between the company and Mr. Abdulaziz bin Abdullah Al-Munajem, in which the Chairman of the Board of Directors, Mr. Saleh bin Abdullah Al-Munajem, has indirect interest in it. and the value of these works during the year 2022 AD (46,600 SAR) is forty-six thousand six hundred Saudi Riyals, bearing in mind that there are no preferential conditions in this works. (attached)



KPMG Professional Services

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Kingdom of Saudi Arabia
Commercial Registration No. 1010425494

Headquarters in Riyadh

كي بي إم جي للاستشارات المهنية

واجهة الرياض، طريق المطار
صندوق بريد ٩٢٨٧٦
الرياض ١١٦٦٣
المملكة العربية السعودية
سجل تجاري رقم ١٠١٠٤٢٥٤٩٤

المركز الرئيسي في الرياض

Independent Auditor's Report

To the Shareholders of Almunajem Foods Company

(A Saudi Joint Stock Company)

Opinion

We have audited the financial statements of **Almunajem Foods Company** (A Saudi Joint Stock Company) ("the Company"), which comprise the statement of financial position as at 31 December 2022, the statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes to the financial statements, comprising significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2022, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by Saudi Organization for Certified Public 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 Financial Statements section of our report. We are independent of the Company in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards), that is endorsed in the Kingdom of Saudi Arabia that are relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with the Code's 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 financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a 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 Almunajem Foods Company (continued)

Key Audit Matters (continued)

To the Shareholders of Almunajem Foods Company (continued)

Revenue recognition

With reference to Note (4) of the accounting policy related to revenue from contracts with customers, as well as Note (14) related to disclosure of contracts with customers.

Key audit matter	How the matter was addressed in our audit
<p>The Company's revenue for the year ended 31 December 2022 is SR 2,978 million (2021: SR 2,577 million).</p> <p>Revenue is recognized in accordance with International Financial Reporting Standard 15 – Revenue from Contracts with Customers ("IFRS 15") which requires taking into account rebates and discounts given to customers on the Company's sales.</p> <p>The recognition of promotions and customer rebates depends on the performance criteria under each commercial contract. This area is key to our audit as the estimates of recognized allowances and discounts involve judgment and have an impact on reported revenue and accordingly, revenue recognition has been considered a key audit matter.</p>	<p>Our audit procedures performed included, among other audit procedures, the following:</p> <ul style="list-style-type: none">- Assessed the Company's revenue recognition accounting policies for compliance with the requirements of IFRS 15.- Evaluated key contractual, returns, and rebates arrangements by considering relevant documentation and agreements with the customers.- Recalculated discounts and rebates for a sample of customers according to their agreements.- Evaluated the design and implementation and tested the operating effectiveness of relevant controls (including relevant IT general and application controls) over the revenue cycle.- Selected a sample of sales transactions taking place during the year and inspected the supporting documents to ensure they were recognized at the correct amounts.- Inspected a sample of sales transactions recorded before and after the year-end to assess whether revenue was recorded in the correct accounting period.- Performed variance analysis by comparing the current year's revenue with the historical trend, and discussed material variances, if any.- Assessed the adequacy of the relevant disclosures in accordance with the requirements of IFRS 15 included in the financial statements.



Independent Auditor's Report

To the Shareholders of Almunajem Foods Company (continued)

Key Audit Matters (continued)

Provision for expected credit losses in respect of trade receivables

With reference to Note (4) of the accounting policy related to the recognition of expected credit loss, as well as Note (11) related to the disclosure of the expected credit loss.

Key audit matter	How the matter was addressed in our audit
<p>As of 31 December 2022, the Company's gross trade receivables amounted to SR 260.16 million against which a provision for expected credit losses of SR 13.8 million is maintained.</p> <p>The Company applies a simplified approach in calculating the expected credit losses (ECL) as required by International Financial Reporting Standard 9 – Financial Instruments ("IFRS 9") to calculate the provision for expected credit losses in respect of trade receivables.</p> <p>We considered this as a key audit matter as it involves complex calculations and the use of assumptions by management in addition to the materiality of the amounts involved.</p> <p>Refer to notes 4 and 5 for the accounting policy and estimates related to the provision for expected credit losses and notes 11 and 26.3 for the related disclosures.</p>	<p>Our audit procedures performed included, among other audit procedures, the following:</p> <ul style="list-style-type: none">- Assessed the design, implementation, and operating effectiveness of the key controls over the following:<ul style="list-style-type: none">- Recording of trade receivables- Trade receivables aging report- Assessed significant assumptions, including loss rates and those relating to future economic events that are used to calculate the expected credit loss.- Tested the mathematical accuracy of the ECL model.- Assessed the adequacy of the relevant disclosures included in the financial statements.- Engaged our specialists to review the approach used in the expected credit loss model, to assess its suitability for the Company's activity.

Other Matter

The financial statements of the Company as at and for the year ended 31 December 2021 were audited by another auditor who expressed an unmodified opinion on those financial statements on 24 Sha'ban 1443H (corresponding to 27 March 2022).

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the 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 financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, when made available to us, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.



Independent Auditor's Report

To the Shareholders of Almunajem Foods Company (continued)

Responsibilities of Management and those charged with governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by SOCPA, the applicable requirements of the Regulations for Companies, the Company's By-Laws and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company'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 Company 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 Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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 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 judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, then we are required to draw attention in our auditor's report to the related disclosures in the 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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosure, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



Independent Auditor's Report

To the Shareholders of Almunajem Foods Company (continued)

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

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 of Almunajem Foods Company ("the Company").

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and 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 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.

KPMG Professional Services

Fahad Mubark Aldossari
License No. 469

Riyadh on 1 Ramadan 1444H
Corresponding to: 23 March 2023





Date: 16 Mar. 2023

Audit Committee Report 2022

To the shareholders,
Almunajem Foods Company
Riyadh - Saudi Arabia

Introduction:

Committee formation	The Audit Committee (Committee) of Almunajem Foods Company (Company) was formed by the General Assembly Meeting held on 11 Mar. 2021 to assume the responsibility for independent supervision and control of the Company's business, and to verify the adequacy and integrity of the Company's financial statements and reports, internal control system, and accounting policies. The Committee will also supervise the Internal Audit function and the work performed by the external auditors in accordance with the Company's bylaws and relevant government regulations.
Committee members	Mr. Suliman Abdulrahman Al-Gwaiz - Chairman of the Committee (Independent Member) Mr. Hassan Shakib Al-Jabri - Member of the Committee (Independent Member) Mr. Abdullah Omar Abdullah Bawazir - Member of the Committee (Non-Executive Member)

The Committee accomplishments:

During the year 2022, the Audit Committee held 5 meetings as follows:

Meeting No.	Meeting date	Place
Meeting No. 1	18 Jan. 2022	Remotely through modern communication technologies
Meeting No. 2	15 Mar. 2022	Remotely through modern communication technologies
Meeting No. 3	16 May 2022	Remotely through modern communication technologies
Meeting No. 4	17 Aug. 2022	Remotely through modern communication technologies
Meeting No. 5	02 Nov. 2022	Remotely through modern communication technologies

During the year 2022, the Committee performed the following primary tasks which fall within the scope of its competence:

- ✓ In the presence of the Committee's members, the external auditor - Ernst & Young (EY) - and the management of the Company, the Committee discussed EY's audit plan for the auditing of the Company's financial statements for the fiscal year ending 31 Dec. 2022 and obtained sufficient understanding about EY's audit plan, and, after reflecting the Committee's comments, the Committee approved the final draft of the EY's audit plan.



- ✓ In the presence of the Committee's members, the external auditors - Ernst & Young (EY) for Q1 of 2022 – and KPMG for Q2 & Q3 of 2022, and the management of the Company, the Committee discussed the financial performance of the Company for Q1, Q2 and Q3 of 2022 and obtained a sufficient understanding of the changes in financial results from the management of the Company. Furthermore, the Committee discussed and reviewed the Company's Financial Statements for Q1, Q2 and Q3 of 2022 with the external auditors, and oversaw the review reports submitted by the external auditors. The Committee, and after it has ensured the adequacy and integrity of the accounting policies and disclosures, recommended adopting the Company's Financial Statements for Q1, Q2 and Q3 of 2022.
- ✓ The Committee sent the management of the Company a document with the important risks related to the Company's activities and requested the management to put an action plan to mitigate and minimize the impact of these risks. The Committee asked the management of the Company to regularly update the action plan with what has been completed and present these risks and the updated action plan during the regular Company's Board of Directors meetings to stand up on the completion status in this regard.
- ✓ Discussed Internal Audit reports issued during the year 2022 and enquired with Internal Audit Department on the follow up status of the implementation of the recommendations and corrective actions related to the Company's internal controls and provide advice when deemed necessary.
- ✓ Oversaw Internal Audit activities' quarterly results during the year 2022, stood up on the Internal Audit plan's percentage of completion, and provide advice when deemed necessary.
- ✓ Reviewed related party contracts and transactions executed with the Company and provided the Committee's views in this regard to the Company's Board of Directors.
- ✓ Discussed the Company's Internal Audit plan for the years 2023 and 2024, obtained sufficient understanding about the plan, and, after reflecting the Committee's comments and obtaining the management of the Company's endorsement, the Committee approved the final draft of the Internal Audit plan for the years 2023 and 2024.
- ✓ On 15 Mar. 2023, and in the presence of the Committee's members and the management of the Company, reviewed the proposals submitted by the audit firms Ernst & Young (EY) and KPMG, recommended the Company's Board of Directors the nomination of the external auditors KPMG and Ernst & Young (EY), and to submit the nominated external auditors to the General Assembly for selection of one of them to carry out the audit engagement for the fiscal year ended 31 Dec. 2023, and to carry out the review engagements for Q2 and Q3 of 2023 and Q1 of 2024 with preference to KPMG because it is the current external auditor of the Company since Q2 of 2022. The below schedule depicts audit and review fees as per the received proposals:



Description	Current External Auditor (SAR)	The Fees for the Year 2023 as per the Received Proposals (SAR)		
	KPMG	EY	KPMG (Consolidated) *	KPMG
Audit Fees for the Financial Statements for the fiscal year 2022	315,000			
Audit Fees for the Financial Statements for the fiscal year 2023		500,000	490,000	365,000
Review Fees of the Financial Statements ending 30 Jun. 2022 and 30 Sep. 2022 and 31 Mar. 2023	135,000 45,000 per Quarter			
Review Fees of the Financial Statements ending 30 Jun. 2023 and 30 Sep. 2023 and 31 Mar. 2024		225,000 75,000 per Quarter	195,000 65,000 per Quarter	165,000 55,000 per Quarter
Total	450,000	725,000	685,000	530,000

* If the company concludes a final agreement with Alwashim Poultry Company to acquire 51% of its ownership before 31 Dec. 31, 2023.

- ✓ On 15 Mar. 2023, and in the presence of the Committee's members, the external auditor - KPMG - and the management of the Company, the Committee reviewed and discussed the Company's draft audited Financial Statements for the Year Ended 31 Dec. 2022 and the auditor's report. After ensuring adequacy and integrity of the accounting policies and disclosures, the Committee informed the Board of Directors to recommend to the General Assembly the adoption of the audited Financial Statements for the Year Ended 31 Dec. 2022.

Internal and financial control system and the Committee's opinion:

Controls and their effectiveness are critical to achieving the Company's objectives, and the management of the Company is responsible for developing a comprehensive and effective internal control system. The internal control system is based on the Company's management's vision and discretion to establish a control system commensurate with the relative importance of financial and other inherent risks in the Company's activities. Therefore, the internal control system is designed to give reasonable assurance to avoid substantial errors and related losses.

Based on the tasks carried out during the Committee's meetings in 2022, the Committee did not find substantial observations regarding the effectiveness of the Company's internal control system and procedures with a significant impact requiring disclosure. The Committee believes that the Company has an internal control system that is reasonably effective in terms of design and application.

Chairman of the Audit Committee

Suliman Abdul-Rahman Al-Gwaiz

27/03/2023



A notification submitted by the Chairman of the Board of Directors of Almunajem Foods Company of transactions and contracts in which members of the Board have a direct or indirect interest in the fiscal year ended on 31/12/2022 AD

To the honorable Shareholders of Almunajem Foods Company,

In compliance with the requirements of Article (71) of the Companies Law, which stipulates that:

“A board member may not have any direct or indirect interest in the transactions and contracts that are made for the company, except with a prior authorization from the ordinary general assembly and subject to rules set by the competent authority. The board member shall notify the board of directors of any direct or indirect interest he may have in any transaction or contract made for the company.”

We would like to inform you of the transactions and contracts in which the members of the Board of Directors had a direct or indirect interest during the year ended on December 31, 2022, AD.

In view of the above, you will find below all the transactions and contracts for which the company seeks to obtain the general assembly's approval.

1. Transactions with related parties carried out by the company during the financial year ended on 31/12/2022 AD:

Name of related party (SAR)	Sales (SAR)	Purchases (SAR)	Expenses (SAR)	Purchase of property /machinery and equipment (SAR)	Clarifications about
France Poultry Co.		571.576.751			A simplified joint stock company established in France and wholly owned by Abdullah A. Almunajem sons Co. The major shareholder in almunajem Foods co. The Chairman of the Board of Directors, Mr. Saleh bin Abdullah Al Munajem, and the members of the Board of Directors, Mr. Fahad bin Abdulmohsen Al Fadley and Mr. Abdullah Omar Bawazir, have an indirect interest in it.
Akkafa'a Real state Company.			728.509		A closed joint stock company established in the Kingdom of Saudi Arabia and owns shares in Almunajem Foods Company. The Chairman of the Board of Directors, Mr. Saleh bin Abdullah Al Munajem, and the members of the Board of Directors, Mr. Fahad bin Abdulmohsen Al Fadley and Mr. Abdullah Omar Bawazir, have an indirect interest in it.

27/03/2023

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ALMUNAJEM
للأغذية Foods



Abdullah A. Almunajem sons Co.			1.167.951		A closed joint stock company established in the Kingdom of Saudi Arabia, and is the major shareholder in Al Munajem Foods Company. The Chairman of the Board of Directors, Mr. Saleh bin Abdullah Al Munajem, and the members of the Board of Directors, Mr. Fahad bin Abdulmohsen Al Fadley and Mr. Abdullah Omar Bawazir, have an indirect interest in it.
Four Steps.			98.500		An establishment in the Saudi Arabia which provides the company with marketing and advisory services; and owned by Mr. Muhammad Ibrahim Al Rowette, member of the Board of Directors of the company, And he has a direct interest in it.
Gulf Catering Company.	12.847.705		663.317		A limited liability company established in the Kingdom of Saudi Arabia and wholly owned by Abdullah Al Ali Al Munajem Sons Company. The Chairman of the Board of Directors, Mr. Saleh bin Abdullah Al Munajem, and the members of the Board of Directors, Mr. Fahad bin Abdulmohsen Al Fadley and Mr. Abdullah Omar Bawazir, have an indirect interest in it.
Shawaya house Company	26.181.815		121.592		A limited liability company established in the Kingdom of Saudi Arabia and wholly owned by Abdullah Al Ali Al Munajem Sons Company. The Chairman of the Board of Directors, Mr. Saleh bin Abdullah Al Munajem, and the members of the Board of Directors, Mr. Fahad bin Abdulmohsen Al Fadley and Mr. Abdullah Omar Bawazir, have an indirect interest in it.
Diet Food Center Company.	5.882.477	3.866.113	1.323.651		A limited liability company established in the Kingdom of Saudi Arabia and wholly owned by Abdullah Al Ali Al Munajem Sons Company. The Chairman of the Board of Directors, Mr. Saleh bin Abdullah Al-Munajem, and the members of the Board of Directors, Mr. Fahad bin Abdulmohsen Al Fadley and Mr.

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					Abdullah Omar Bawazir, have an indirect interest in it.
Saudi Zad Company.	533.522sr		15.718		A limited liability company established in the Kingdom of Saudi Arabia and wholly owned by Abdullah Al Ali Al Munajem Sons Company. The Chairman of the Board of Directors, Mr. Saleh bin Abdullah Al Munajem, and the members of the Board of Directors, Mr. Fahad bin Abdulmohsen Al Fadley and Mr. Abdullah Omar Bawazir, have an indirect interest in it.
Laventa Company.	265.563		39.714		A limited liability company established in the Kingdom of Saudi Arabia and wholly owned by Abdullah Al Ali Al Munajem Sons Company. The Chairman of the Board of Directors, Mr. Saleh bin Abdullah Al Munajem, and the members of the Board of Directors, Mr. Fahad bin Abdulmohsen Al Fadley and Mr. Abdullah Omar Bawazir, have an indirect interest in it.
Buraidah Trading and Refrigeration Company			243.956	2.340.700	A limited liability company established in the Kingdom of Saudi Arabia and wholly owned by Abdullah Al Ali Al Munajem Sons Company. The Chairman of the Board of Directors, Mr. Saleh bin Abdullah Al-Munajem, and the members of the Board of Directors, Mr. Fahad bin Abdulmohsen Al Fadley and Mr. Abdullah Omar Bawazir, have an indirect interest in it.
Abdulaziz Bin Abdullah Al Munajem			46.600		Chairman of the Board of Directors of Abdullah Al-Ali Al Munajem Sons Company, A closed joint stock company established in the Kingdom of Saudi Arabia, and it is the major shareholder in Al- Munajem Foods. The Chairman of the Board of Directors, Mr. Saleh bin Abdullah Al Munajem, have an indirect interest in it.

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2. All amounts mentioned above are in Saudi Riyals.
3. We assure the shareholders that all these transactions have been recorded in the company's financial statements for the year ended on 31/12/2022 AD. Moreover, only essential information was disclosed in those financial statements in accordance with the requirements of financial standards approved in the Kingdom of Saudi Arabia.
4. We assure the shareholders that the calculations for the transactions described above are accurate, bearing in mind that there are no preferential terms in these transactions and they were made at the prevailing prices.

Saleh Bin Abdullah Almunajem

Chairman



KPMG Professional Services

Riyadh Front, Airport Road
P. O. Box 92876
Riyadh 11663
Kingdom of Saudi Arabia
Commercial Registration No 1010425494

Headquarters In Riyadh

كي بي ام جي للاستشارات المهنية

راجحة الرياض، طريق المطار
صندوق بريد ٩٢٨٧٦
الرياض ١١٦٦٣
المملكة العربية السعودية
سجل تجاري رقم ١٠١٠٤٢٥٤٩٤
المركز الرئيسي في الرياض

independent limited assurance report to Al Munajeem Foods Company on the chairman's declaration on the requirements of article 71 of the Companies Law

To the Shareholders of Al Munajeem Foods Company

We were engaged by the management of Al Munajeem Foods Company (the "Company") to report on Chairman's declaration prepared by the Management in accordance with the requirements of Article 71 of the Companies Law, which comprises the transactions carried out by the Company during the year ended 31 December 2022 in which any of the members of Board of Directors of the Company had direct or indirect personal interest as detailed below ("Subject Matter") and the accompanying management's statement thereon as set out in Appendix 1, in the form of an independent limited assurance conclusion that based on our work performed and evidence obtained, nothing has come to our attention that causes us to believe that the Subject Matter is not properly prepared, in all material respects, based on the applicable criteria ("Applicable Criteria") below.

Subject Matter

The Subject Matter for our limited assurance engagement is related to the Chairman's declaration enclosed in the attached Appendix 1 (the "Declaration") prepared by the Management in accordance with the requirements of Article 71 of the Companies Law, presented by the Chairman of Al Munajeem foods Company (the "Company"), which comprises the transactions carried out by the Company during the year ended 31 December 2022 in which any of the members of Board of Directors of the Company had direct or indirect personal interest.

Applicable Criteria

We have used the following as the Applicable Criteria:

1. Article 71 of the Companies Law issued by Ministry of Commerce "MOC".

Al Munajeem foods Company's Responsibility

The management of the Company is responsible for preparing the Subject Matter information that is free from material misstatement in accordance with the Applicable Criteria and for the information contained therein. The management of the Company is also responsible for preparing the Subject Matter information (i.e. Appendix 1).

This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and presentation of the Subject Matter that information is free from material misstatement, whether due to fraud or error. It also includes selecting the Applicable Criteria and ensuring that the Company complies with the Companies Law designing, implementing and effectively operating controls to achieve the stated control objectives; selecting and applying policies; making judgments and estimates that are reasonable in the circumstances; and maintaining adequate records in relation to the Subject Matter information.

The management of the Company is also responsible for preventing and detecting fraud and for identifying and ensuring that the Company complies with laws and regulations applicable to its activities. The management of the Company is responsible for ensuring that staff involved with the preparation of the Subject Matter Information are properly trained, systems are properly updated and that any changes in reporting encompass all significant business units.



Independent Limited Assurance Report to Al Munajeem Foods Company on the Chairman's Declaration on the Requirements of Article 71 the Companies law

To the Shareholders of Al Munajeem Foods Company (continued)

Our Responsibility

Our responsibility is to examine the Subject Matter information prepared by the Company and to report thereon in the form of an Independent limited assurance conclusion based on the evidence obtained. We conducted our engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000, "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" endorsed in the Kingdom of Saudi Arabia and the terms and conditions for this engagement as agreed with the Company's management. That standard requires that we plan and perform our procedures to obtain a meaningful level of assurance about whether the Subject Matter information is properly prepared, in all material respects, as the basis for our limited assurance conclusion.

The firm applies International Standard on Quality Management 1 which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) that is endorsed in the Kingdom of Saudi Arabia, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

The procedures selected depend on our understanding of the Subject Matter and other engagement circumstances, and our consideration of areas where material misstatements are likely to arise.

In obtaining an understanding of the Subject Matter and other engagement circumstances, we have considered the process used to prepare the Subject Matter information in order to design assurance procedures that are appropriate in the circumstances, but not for the purposes of expressing a conclusion as to the effectiveness of the Company's process or internal control over the preparation and presentation of the Subject Matter information.

Our engagement also included: assessing the appropriateness of the Subject Matter, the suitability of the criteria used by the Company in preparing the Subject Matter information in the circumstances of the engagement, evaluating the appropriateness of the procedures used in the preparation of the Subject Matter information and the reasonableness of estimates made by the Company.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. We did not perform procedures to identify additional procedures that would have been performed if this were a reasonable assurance engagement.

As part of this engagement, we have not performed any procedures by way of audit, review or verification of the Subject Matter information nor of the underlying records or other sources from which the Subject Matter information was extracted.



Independent Limited Assurance Report to Al Munajeem Foods Company on the Chairman's Declaration on the Requirements of Article 71 the Companies law

To the Shareholders of Al Munajeem Foods Company (continued)

Procedures Performed

Our procedures performed are as follows:

- Obtained the declaration that includes the transactions and/or contracts performed in which any of the BOD members of the Company has either direct or indirect interest during the year ended 2022 ;
- Reviewed the minutes of meetings of the BoD that indicate notifications to the BoD by certain directors of actual or potential conflicts of direct or indirect interest in relation to transactions and/or contracts involving the BoD member;
- Checked that the minutes of meetings of the BOD that the relevant director who notified the BoD of actual or potential conflicts of direct or indirect interest did not vote on the resolution to recommend the related transaction and/or contract;
- On a sample basis, obtained the required approvals along with supporting documents in respect of the transactions and/or contracts included in the declaration; and
- Checked the transaction amounts included in the Declaration agree, where applicable, to the transaction amounts disclosed in note 13 to the audited financial statements of the Company for the year ended 31 December 2022.

Conclusion

Our conclusion has been formed on the basis of, and is subject to, the matters outlined in this report.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Based on the procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the Subject Matter information is not prepared, in all material respects, in accordance with the Applicable Criteria.

Restriction of Use of Our report

Our report should not be regarded as suitable to be used or relied on by any party wishing to acquire rights against us other than the Company and MOC for any purpose or in any context. Any party other than the Company and MOC who obtains access to our report or a copy thereof and chooses to rely on our report (or any part thereof) will do so at its own risk. To the fullest extent permitted by law, we accept or assume no responsibility and deny any liability to any party other than the Company and MOC for our work, for this independent limited assurance report, or for the conclusions we have reached.

Our report is released to the Company and MOC on the basis that it shall not be copied, referred to or disclosed, in whole (save for the Company's own internal purposes) or in part, without our prior written consent.

KPMG Professional Services

Fahad Mubark Al Dossari
License No.: 469



Date: 20 Ramadan 1444H
Corresponding to: 11 April 2023

27/03/2023



A notification submitted by the Chairman of the Board of Directors of Almunajem Foods Company of transactions and contracts in which members of the Board have a direct or indirect interest in the fiscal year ended on 31/12/2022 AD

To the honorable Shareholders of Almunajem Foods Company,

In compliance with the requirements of Article (71) of the Companies Law, which stipulates that:

“A board member may not have any direct or indirect interest in the transactions and contracts that are made for the company, except with a prior authorization from the ordinary general assembly and subject to rules set by the competent authority. The board member shall notify the board of directors of any direct or indirect interest he may have in any transaction or contract made for the company.”

We would like to inform you of the transactions and contracts in which the members of the Board of Directors had a direct or indirect interest during the year ended on December 31, 2022, AD.

In view of the above, you will find below all the transactions and contracts for which the company seeks to obtain the general assembly's approval.

1. Transactions with related parties carried out by the company during the financial year ended on 31/12/2022 AD:

Name of related party (SAR)	Sales (SAR)	Purchases (SAR)	Expenses (SAR)	Purchase of property /machinery and equipment (SAR)	Clarifications about
France Poultry Co.		571.576.751			A simplified joint stock company established in France and wholly owned by Abdullah A. Almunajem sons Co. The major shareholder in almunajem Foods co. The Chairman of the Board of Directors, Mr. Saleh bin Abdullah Al Munajem, and the members of the Board of Directors, Mr. Fahad bin Abdulmohsen Al Fadley and Mr. Abdullah Omar Bawazir, have an indirect interest in it.
Akkafa'a Real state Company.			728.509		A closed joint stock company established in the Kingdom of Saudi Arabia and owns shares in Almunajem Foods Company. The Chairman of the Board of Directors, Mr. Saleh bin Abdullah Al Munajem, and the members of the Board of Directors, Mr. Fahad bin Abdulmohsen Al Fadley and Mr. Abdullah Omar Bawazir, have an indirect interest in it.

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Abdulaziz Bin Abdullah Al Munajem			46.600		Chairman of the Board of Directors of Abdullah Al-Ali Al Munajem Sons Company, A closed joint stock company established in the Kingdom of Saudi Arabia, and it is the major shareholder in Al- Munajem Foods. The Chairman of the Board of Directors, Mr. Saleh bin Abdullah Al Munajem, have an indirect interest in it.

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Saleh Bin Abdullah Almunajem

Chairman