

Strictly Private And Confidential

PROPOSAL FOR AUDIT SERVICES

Submitted To:

Fad International Company

Jeddah, Kingdom of Saudi Arabia

April 2024



Assurance • Advisory • Tax

Now, for tomorrow



April 18, 2024

To the Shareholders
Fad International Company
Jeddah, Saudi Arabia

Subject: Proposal to provide audit services for the year ending December 31, 2024

With reference to your request to provide audit services for **Fad International Company (the “Company”)** and its subsidiary (the “Group”) for the financial year ending 31 December 2024, we thank you for your request and are pleased to present our proposal to provide the Group with the requested services. We are confident that this proposal will show that our Firm is the best placed to meet and exceed your expectations on this assignment.

Our proposal will illustrate our experience and qualifications and introduce to you the members of the team that we have formed for this assignment. We will demonstrate the experience of our team in serving similar operations and the substantial experience of our team in similar industry.

We trust that with this proposal we have demonstrated a thorough understanding of your requirements and our professional approach to meet those requirements. We are delighted to have been given the opportunity to prepare this proposal and look forward to receiving your approval to begin this engagement.

If you have any questions or require further information in respect of our response to your Request for Proposal (“RFP”), please do not hesitate to contact the undersigned at +966 12 663 4777.

Yours faithfully,

Baker Tilly MKM & Co.

Bader Hatim Al Tamimi
Partner



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Executive Summary

This section provides a high-level overview of your agenda, our methodology and time frame to achieve the desired objectives.

Executive Summary



Your Requirements

- An external audit of the annual separate and consolidated financial statements of the Company for the year ending December 31, 2024.
 - A review of the interim condensed consolidated financial statements of the Company for Q3 2024 and Q1 of 2025.
 - A review of the interim condensed consolidated financial statements of the Company for the first half of 2024 (30 June 2024).
 - An external audit of the annual financial statements of the subsidiary for the year ending December 31, 2024.
 - You also require a limited assurance report in compliance with article 71 of the Companies' Regulation
-

Team Combination

- A highly experienced team that provides an optimal mix of expertise;
 - Access to regional and international network of management, financial, economic and market experts.
-

Methodology

- A concise and focused approach based on the vast experience of our Assurance Team and Baker Tilly International Guidelines.
-

Proposed Compensation

- Our fees are based on time occupied and expenses incurred, having regard to the degree of responsibility and skills involved, and we have given priority to strengthen relationship on a long-term basis.
-

Scope Of Work

This section covers an overview of our detailed scope of Work.



Audit of Financial Statements

The objective of our audit of the entity's financial statements is to express an opinion on the fair presentation of the entity's financial position, financial performance and cash flows, as a whole, for the financial year in accordance with the International Financial Reporting Standards (IFRS) as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by the Saudi Organization for Chartered and Professional Accountants.

We will conduct our audit in accordance with International Standards on Auditing (ISAs) as endorsed in the Kingdom of Saudi Arabia. Those Standards require that we comply with ethical requirements, plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

Our audit will include examinations, on a test basis, of the documents, vouchers and books of accounts. It will include examination of the proper recording of transactions and the compliance of the entity with the Saudi laws governing the preparation and filing of the statutory financial statements. Our audit will include the full set of financial documents and we preserve the right to inspect any document or record that can help us in the completion of our engagement. We also retain the right of direct contact with all employees when necessary. Our audit will include other tests and audit procedures that we determine to be necessary in the circumstances.

As part of our work, we will provide you with management letter of our findings and observations on deficiencies of your internal control system that we identify during our audit and recommendations to overcome those deficiencies.

We expect that your employees will provide the necessary help including the preparation of schedules and analyses necessary for the audit.

As per the requirements of the Ministry of Commerce, our scope of work includes filing your audited financial statements **Qawaem Portal**.

Scope Of Work



Review of interim condensed financial statements

The objective of our review of the entity's interim condensed financial statements is to conclude whether anything has come to our attention that causes us to believe that the financial statements are not prepared, in all material respects, in accordance with IAS 34 *“Interim Financial Reporting”* as endorsed in the Kingdom of Saudi Arabia.

Our review of interim financial information will be conducted in accordance with ISRE 2410 *“Review of Interim Financial Information Performed by the Independent Auditor of the Entity”* as endorsed in the Kingdom of Saudi Arabia.

A review of the interim financial statements consists of making inquiries, primarily to persons responsible for financial and accounting matters, and applying analytical and other review procedures.

A review is substantially less in scope than an audit conducted in accordance with the International Standards on Auditing as adopted in the Kingdom of Saudi Arabia, and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified through audit procedures. Accordingly, we will not express an audit opinion.

We expect that your employees will provide the necessary help including the preparation of schedules and analyses necessary for the review.

Scope Of Work

Baker Tilly Profile

This section represents our proposition in providing quality services by applying the right combination of experience, approach and team. It also highlights our capability statement and our Services Sectors.



The mission of Baker Tilly is to deliver, with integrity and objectivity, superior independent accounting, assurance, tax and specialist business advice to clients through best resources and relationships.

Mission



Vision

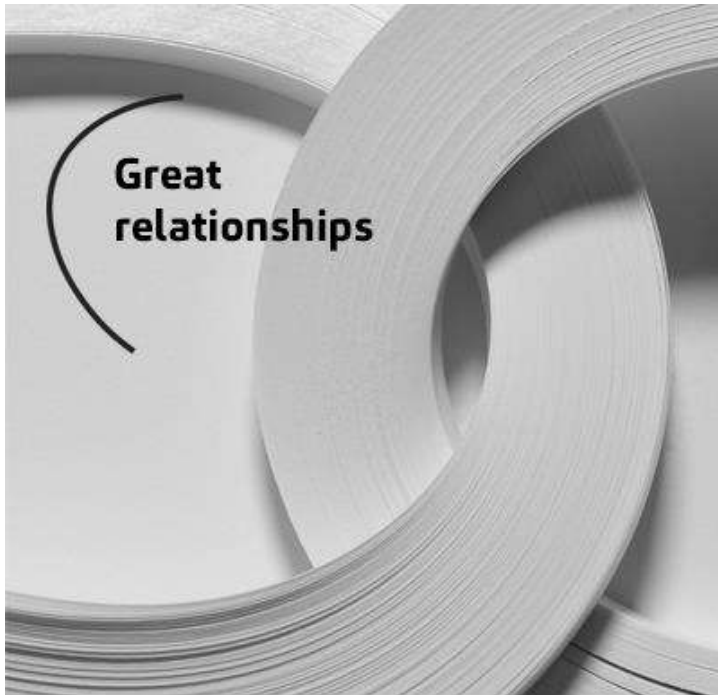
To be widely recognized as independent accounting firm serving leading national organizations.

This recognition will reflect the quality, broad intellectual capabilities, depth of talent, specialized industry expertise, integrity and stature of our firm.

Collaboration will enable our firm to prosper with a unique, sustainable competitive advantage in our market.



**Now,
for tomorrow**



Now,
for tomorrow

For our clients



We create meaningful experiences with our clients to solve their most pressing problems and seize new opportunities.

Our relationships with clients are genuine. We understand their world today and provide insights that shape their tomorrow.

Network members collaborate seamlessly to serve our clients across the globe.



**Now,
for tomorrow**

**For our
people**



Our profession is dynamic and our network and firms are innovative and growing. This gives team members rewarding opportunities at every stage of their career.

Now,
for tomorrow

For our communities



We are vested in the communities where we live and work, making a difference for future generations.

Now,
for tomorrow

For our profession



We share our profession through leadership roles in key organisations.

Our network's global influence makes us outstanding advocates for our profession.



Now, for tomorrow

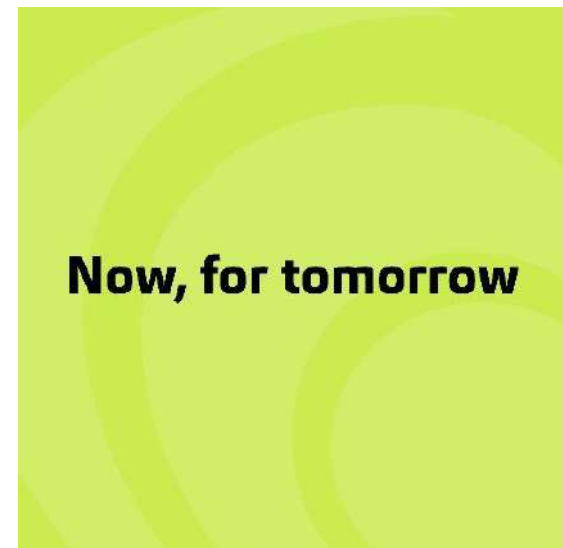
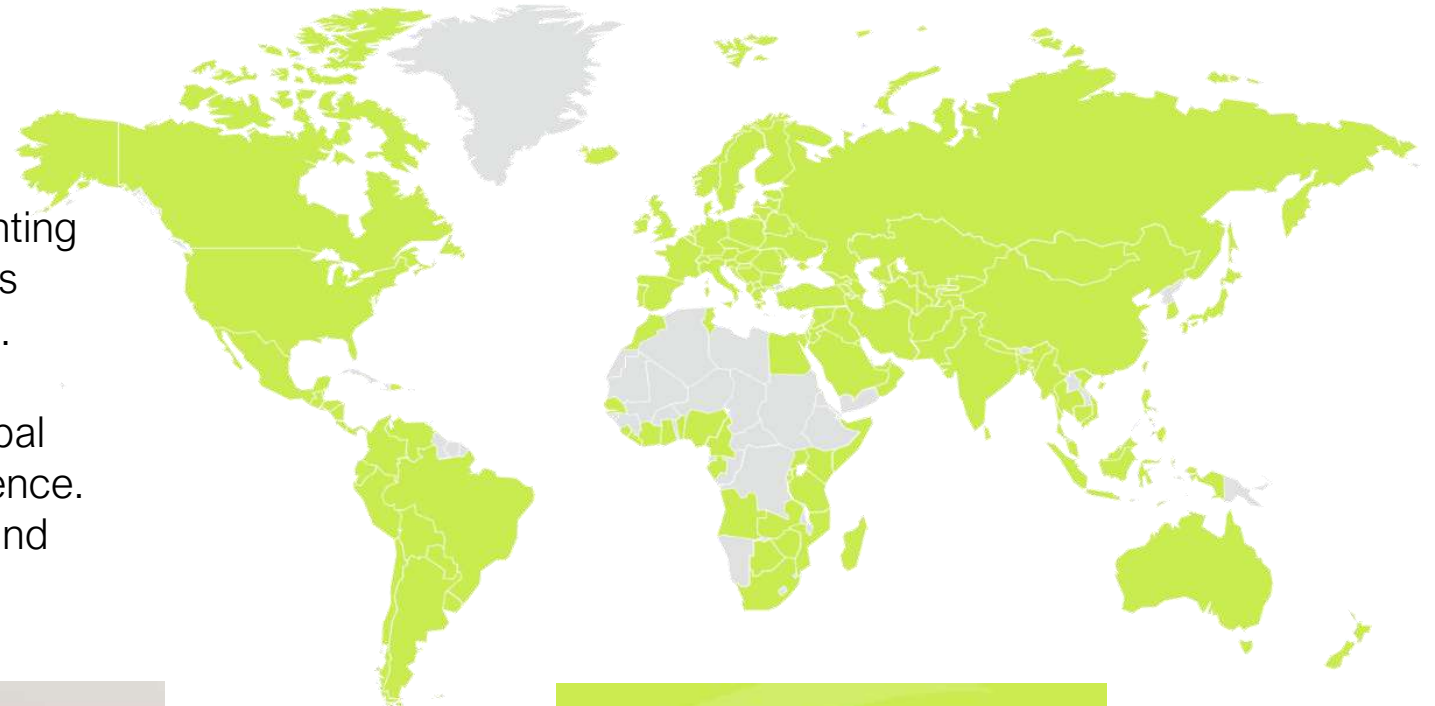
An introduction to
Baker Tilly International



Baker Tilly International

We are proud to be a member of the Baker Tilly network, a global network of independent accounting and business advisory firms, whose member firms share our dedication to exceptional client service.

The international network gives us significant global reach in addition to our substantial national presence. We collaborate to leverage our skills, resources and local expertise to help our clients grow locally, nationally and globally.





Translating your ambitions into new markets

- **Global reach** and **local knowledge**
 - Language skills
 - Large enough to meet your needs and able to maintain personal relationships
- **Single point of contact**
- Hands on approach with effective **project management, transparency** and **accountability**



Why choose us?

- A **team** approach with **strong relationships**
 - Help us to overcome time and cross border complexities to deliver a quality service to you
 - We operate globally as one team
- Not just **technical expertise**
 - We apply your knowledge to the benefit of your business
- **Tailored solutions** to a diverse range of international challenges



Baker Tilly in Saudi Arabia

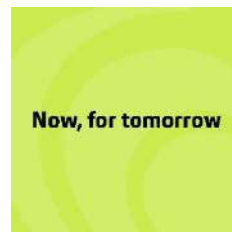
- Baker Tilly Saudi Arabia is headquartered in Riyadh and operates through three offices in the Kingdom; Riyadh, Jeddah and Al-Khobar, that are served by multicultural partners and senior directors who have extensive experience in Saudi Arabia.
- A strong foundation, a dream to grow, a commitment to quality, exceptional client service, technical expertise and above all an international perspective has brought us where we are today.
- The firm has grown multifold in the last 5 years under a clear strategic vision.
- Our team of over 200 professionals through their widespread knowledge and professional qualifications fosters an enthusiasm for success and have widespread experience of providing professional services in the Kingdom of Saudi Arabia.
- Baker Tilly has a strong presence in niche sectors of practice which include Education, Hospitality, Healthcare, Logistics & Supply Chain Management and Industrial Projects.



| | | | |
|--|--|---|--|
|  3 OFFICES |  17 PARTNERS AND DIRECTORS |  RIYADH JEDDAH KHOBAR |  >200 PROFESSIONALS |
|--|--|---|--|




**13% Growth
in revenues
in 2023**




Baker Tilly - Saudi Arabia




| |
|--|
|  Riyadh Office |
| Level 3 7533 Uthman Ibn Affan Branch Rd, At Taawun, Riyadh 12476 - 4287, |
| PO Box 300467, Riyadh 11372, Kingdom of Saudi Arabia |
| T: +966 11 835 1600 |
| Email: info@bakertillyjfc.sa |
| Google Maps |



| |
|---|
|  Jeddah Office |
| Office B610, Bin Hamran Centre 4568 Prince Mohammed Bin Abdulaziz Branch Rd, Ar Rawda District |
| Jeddah 23432, Kingdom of Saudi Arabia |
| T: +966 12 663 9777 |
| Email: info@bakertillyjfc.sa |
| Google Maps |



| |
|--|
|  Khobar Office |
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| Khobar 34423 Kingdom of Saudi Arabia |
| T: +966 13 830 0906 |
| Email: info@bakertillyjfc.sa |
| Google Maps |

| | |
|-----------------|------------------------------|
| Email: | info@bakertillyjfc.sa |
| Website: | bakertillymkm.com |

Our Services



Audit and Assurance

- Audit & Reviews.
- Agreed Upon Procedures (AUP)
- Other assurance services



Taxation

- Zakat & Tax Compliance and Consultancy
- Appeal Assistance
- Tax Planning and Transaction Structuring
- Transfer Pricing Compliance and Consultancy
- VAT Compliance and Consultancy



Risk Advisory

- Internal Audit.
- Risk Assessment and Management.
- Fraud Investigations.
- Governance, Risk & Control.
- Technology Risk



Local Content Certification

- Certification of Saudi Aramco "In-Kingdom Total Value Add Program (IKTVA)".
- Local Content Certification for Government Procurement Authority



Accounting & Business Advisory

- IFRS and Financial Reporting Advisory.
- Management Accounting and Bookkeeping.
- Payroll.
- GOSI assistance.
- Policies and Procedures



Restructuring & Recovery

- Corporate Restructuring.
- Formal Insolvency.
- Special Investigation.



Business Improvement

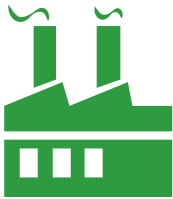
- Governance Advisory
- Policies and Procedures.



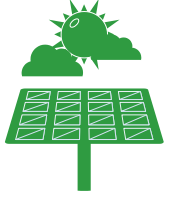
Corporate Finance

- Financial Modelling.
- Business Valuation
- Financial Due Diligence

Sectors Served



Industrial Manufacturing



Energy & Natural Resources



Education



Financial Services



Food & Beverage



Leisure & Hospitality



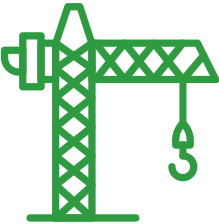
Business Support & Services



Media & Technology



Transport & Logistics



Real Estate & Construction



Retail



Public Sector

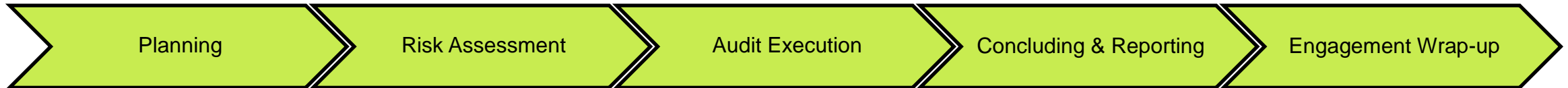
Proposed Methodology

This section covers an overview of our detailed methodology devised for this engagement. Our methodology is based on our understanding of your nature of business, operations and information provided to us.

Proposed Methodology



Overview



Objectives of the audit

The objectives of the audit engagement are as follows:

- To act as auditor of the entity and to express an opinion on the financial statements.
- To highlight key issues that have been of relevance in the forming of our audit opinion.

In addition to the above formal objectives, we aim to achieve the following:

- Provide a high-quality audit and client service;
- Provide timely warning of issues requiring management's attention;

Proposed Methodology



Planning

Terms of Engagement, mobilization and information gathering

- Enter into our formal engagement contract.
- Mobilization of engagement team.
- Meetings to gain an understanding of the business objectives and related risks and controls, and your needs and expectations.
- Agreeing on audit timetable with management.
- Agreement of audit logistics.
- Preparation of staff plan and budget.
- Calculating overall materiality and performance materiality
- Design audit strategy
- Prepare risk assessment procedures

Proposed Methodology



Risk Assessment

Risk assessment, and audit program

- Understand the entity
- Understand significant business processes
- Understand accounting estimates
- Performing preliminary analytical review procedures.
- Assessing the control environment.
- Gathering information about the systems and IT environment.
- Evaluate the assumptions and estimates used by the management for the preparation and presentation of financial statements.
- Assess the need for engaging experts or consultants
- Identify financial statement assertions
- Identify risks of material misstatement
- Test design and implementation of controls on significant risks
- Plan the audit response
- Communicate audit strategy and initial findings to TGWG

Proposed Methodology



Audit Execution

Audit execution

- Perform tests of controls
- Perform general audit procedures
- Perform substantive audit procedures
- Engage IT experts
- Engage other experts and consultants
- Documenting audit procedures performed
- Meet management and the TCWG, whenever necessary, to discuss critical issues.
- Frequent and informal feedback on key issues, results and opportunities for improvement

Proposed Methodology



Concluding & Reporting

Reviewing audit evidence and issuing our audit report

- Assess the sufficiency of audit evidence obtained
- Ensure that the financial statements prepared by management conform with the applicable financial reporting framework
- Discuss any disclosure issues
- Discuss the audit conclusions at a clearance meeting with the upper management
- Obtain representations from management
- Communicate audit findings to TCWG
- Issue audit report
- Attend governance meetings as required

Proposed Methodology



Engagement Wrap-up

Wrapping-up

- Review and assessment on how we met the entity's expectations
- Assess efficiency of audit, use of technology
- Evaluation of individual team member performance
- Take notes for next year audit



Other Matters

Group Audit & component auditors

- We may request written representation from the component auditors with respect to their independence and compliance to the Code of Ethics.
- We may provide written audit instructions to the component auditors
- We shall be granted unlimited access to component auditors' work papers and engagement staff.
- The entity's management shall arrange and facilitate access to the component auditors work papers and staff.
- We shall perform direct audit procedures on the subsidiaries' financial statements, if deemed necessary.



Quality

- At the engagement level, our Audit Quality Assurance Manual specifies the criteria for an Engagement Quality Review (EQR) to be performed by an independent technical partner before issuing our audit report;
- At the Firm level, completed engagements are subject to annual internal quality review as well as periodic quality reviews by Baker Tilly International, the Capital Market Authority and SOCPA;

The acceptance of this assignment is subject to our completion of the pre-engagement procedures in accordance with International Standard on Quality Management No. 1 (ISQM1). In this regard,

- We confirm our independence in accordance with the International Code of Ethics for Professional Accountants that is endorsed in the Kingdom of Saudi Arabia, and we confirm that we shall fulfill the other ethical requirements relevant to our audit in accordance with this code.

ISQM (1)
ISQM (2)
International Standard on
Quality Management

IAASB

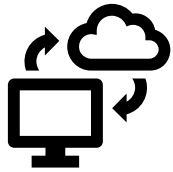
SOC PA
الهيئة السعودية
للمحاسبين القانونيين



Use of IT



Intelligent software: Using a globally-recognised, leading audit software platform, Global Focus incorporates efficient documentation tools. The software assists the auditor to align the documentation of risk assessments throughout the audit to automate compliance with audit requirements.



Remote access to audit files in real time: Software tools enable audit team members to work on one live version of the audit file, allowing teams to work on the audit wherever they are in the world and have access to the same information.



Easily understood visual presentation: Visual diagrams can be generated from the audit planning documentation to show material financial statement areas, the associated risks and the mitigating controls or control deficiencies.



Data Analytics: Our audit methodology is further enhanced by the application of advance data analytics relevant to your business, providing further audit evidence and insights into your business.

Project Schedule

Project Schedule



PROJECT SCHEDULE

We are prepared to commence work on this engagement within two weeks from your formal acceptance of our proposal, subject to executing a letter of engagement, which would form the basis of our contractual relationship. We have estimated the project schedule as follows:

| Tasks / Duration | Week 1 | Week 2 | Week 3 | Week 4 | Week 5 | Week 6 | Week 7 | Week 8 | Week 9 | Week 10 |
|---------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|---------|
| Planning | | | | | | | | | | |
| Risk assessment & Interim Audit | | | | | | | | | | |
| Final Audit | | | | | | | | | | |
| Reporting | | | | | | | | | | |

- To be confirmed with management.
- For review of interim financial statements, we need 10 working days to issue our review reports from the date we receive final management accounts and other review requirements

Professional Fees

Professional Fees



PROFESSIONAL FEE

Our professional fees are computed on the basis of the scope of work, degree of responsibility and skill involved, the deliverables to be given under the engagement, the level of experience required of the staff concerned, and the time necessarily spent on the engagement by our Partners, Directors, Managers, Senior & Junior staff according to their level of skill and responsibility. Our fee for the engagement is proposed as follows allocated to the scope of our work:

| Scope and deliverables | Fees (SAR) |
|--|----------------|
| Audit of the consolidated financial statements of Fad International Company for the year ending 31 December 2024 | 240,000 |
| Audit of the separate financial statements of Fad International Company for the year ending 31 December 2024 | 40,000 |
| Review of the interim condensed consolidated financial statements of the Group for Q3 of 2024 and Q1 2025 (SR 50k per quarter) | 100,000 |
| Review of the interim condensed consolidated financial statements of the Group for the first half of 2024 | 50,000 |
| Audit of the financial statements of Think Contemporary Marketing Trading company for the year ending 31 December 2024 | 175,000 |
| Limited assurance reports on related party transactions (article 71 report) | 45,000 |
| Total | 650,000 |

Our fees above are net of VAT. Our fees do not include the professional fees for professional experts such as appraisers, valuers, and actuaries whose fees will be billed directly to you if any. Out-of-pocket expenses, if any, such as travel, hotel, courier, and per diems, will be billed separately to you on an actual basis.

Mode of Payment

50% of the proposed fee would be payable as an advance fee on the confirmation of the engagement. The remaining 50% of the fee would be payable upon submitting our draft report for each deliverable.

Team Profile

This section contains the team structure and profile of key team members.



Team Leadership

A well-established approach for leading teams



Continuing Professional Education

POLICY

Baker Tilly has established its Continuance Professional Education Policy as part of its Quality Assurance Guidelines.

A minimum of 50 credit points per year is targeted for all professional staff through the in-house training courses, the Saudi Organization for Certified Public Accountants (SOCPA) training courses and the Baker Tilly International training courses and webinars.

A tremendous number of training courses and webinars are available for all staff on the Firm's intranet.

On-the-job training is given a high attention and is being monitored by a designated senior director.



SOCPA, CPA (USA)

Over 11 Years specialized experience in

- Auditing
- IKTVA and Local Content

Professional Experience

- Mr. Al Tamimi is a partner in our Firm. In 2011, he was awarded his Master of Science degree in Financial Analysis from Portland State University (PSU) in Portland, OR – USA. In 2007, he was awarded his bachelor degree in Accounting from King Fahd University of Petroleum & Minerals (KFUPM), Dhahran - Saudi Arabia.
- He is a Certified Public Accountant in Saudi Arabia and USA.
- IKTVA and local content KSA leader, more than 6 years of experience in IKTVA and Local Content.
- Mr. Al Tamimi has over seven years of consulting and auditing experience. His earlier experience at one of the big four international accounting firms in Saudi Arabia and at Saudi Aramco have given him vast expertise in auditing, financial and accounting systems development, internal control systems and other financial and management consulting services.
- In the course of his work, Mr. Al Tamimi has been exposed to a wide range of clients in different industries including Manufacturing, Investments, Trading, Insurance, Hospitals, Construction, Hotels, ISP and Not-for Profit Organizations.



Khaled Barahmeh

Senior Director- Baker Tilly KSA

MSc., CPA, CIA, CMA

Over 15 Years professional experience in

- Audit
- IFRS

Professional Experience

- Khaled Barahmeh is a Senior Director in Baker Tilly KSA based in Jeddah, Kingdom of Saudi Arabia.
- He is a Certified Public Accountant (CPA) in the state of New Hampshire, USA.
- He is a Certified Internal Auditor (CIA) from the Institute of Internal Auditors.
- He is also a Certified Management Accountant (CMA) from the Institute of Certified Management Accountants in New Jersey, USA.
- Barahmeh holds a masters degree in accounting from the University of Essex in the United Kingdom.
- His earlier experience at one of the big four international accounting firms in the Middle East, EY, has given him vast expertise in auditing, IFRS, Risk services and other consulting services.
- Mr. Barahmeh, in the course of his work, has been exposed to a wide range of clients in different industries including Holdings, Petrochemicals, Manufacturing, Contracting, Trading, Services, Real Estate and others.



Ehsan Alajlouni

Senior Manager - Baker Tilly KSA

CPA, CFE

Over 12 Years professional experience in

- Audit
- IFRS
- Accounting services
- IKTV and Local content services

Professional Experience

- Ehsan Al Ajlouni is a senior manager at Baker Tilly based in Jeddah, Kingdom of Saudi Arabia.
- He is a Certified Public Accountant (CPA) in the state of New Hampshire, USA.
- He is certified in IFRS since Nov 2016.
- He is a CFE since 2012.
- His earlier experience at one of the big four audit firms in the Middle East, Deloitte, has given him vast expertise in audit, IFRS and agreed upon procedures services.
- Mr. Al Ajlouni, in the course of his work, has been exposed to a wide range of clients in different industries including ,Trading, Telecom, Manufacturing, Contracting, Insurance, Services, Real Estate and others.



Ameer Shakhshir

Assistant Manager- Baker Tilly KSA

Over 6 Years professional experience in

- Audit
- IFRS

Professional Experience

- Ameer Shakhshir is an audit supervisor at Baker Tilly based in Jeddah, Kingdom of Saudi Arabia.
- He has over 6 years of auditing and assurance experience.
- Mr. Shakhshir, in the course of his work, has been exposed to a wide range of clients in different industries including Manufacturing, Contracting, Trading, Services, Real Estate and others.



M. Hamza Mushtaq

Audit Senior 2

SOCPA, FIPA (Australia), CA (Finalist), ACCA (09/13)

Over 6 Years specialized experience in

- Auditing & Assurance
- Financial reporting and analysis
- IKTVA and Local Content team lead
- Financial Advisory

Professional Experience

- Mr. Mohammad Hamza Mushtaq is a audit senior 2 in our Firm. In 2022, he was awarded his Fellow Membership of Institute of Public Accountants (Australia) and is also pursuing CA (Pakistan) and ACCA (UK).
- He is a fellow member of Institute of Public Accountant (Australia).
- IKTVA and local content KSA team leader, 1 years of experience in IKTVA and Local Content.
- Mr. Mohammad Hamza Mushtaq has over six years of consulting and auditing experience. His earlier experience at Deloitte & EY among the big four international accounting firms in Saudi Arabia have given him vast expertise in auditing, financial reporting and analysis, internal control systems and other financial and management consulting services.
- In the course of his work, Mr. Mohammad Hamza Mushtaq has been exposed to a wide range of clients in different industries including Manufacturing, Investments, Trading, Services Sector, Independent Power Producers, Oil & Gas, Banking, Construction, Hotels, Not-for Profit Organizations, Textile and Entertainment Sector.



Amro Alghamdi

Associate 2

Over 2 Year experience in

- Auditing
- IFRS

Professional Experience

- Amro Alghamdi is an Associate 2 Auditor in our firm. He was awarded his bachelor degree in Accounting from University of Business & Technology (UBT), Jeddah - Saudi Arabia.
- He has completed a six-months coop program in Salmah Insurance company.
- Mr. Amro, has been exposed to a wide range of clients in different industries including Trading, Manufacturing, Services and others.
- He has over 2 years of auditing, assurance, banking and finance experience.



Professional Experience

- Osama Masad is an Associate Auditor in our firm. He was awarded his bachelor degree in Accounting from King Fahd University of Petroleum & Minerals (KFUPM), Dhahran - Saudi Arabia.
- Mr. Masad, has been exposed to a wide range of clients in different industries including Trading, Manufacturing, Services and others.

One year professional experience in

- Audit
- IFRS

Credentials

This section contains some of our key clients

OUR CLIENTS



Thank you



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Partner
Baker Tilly – Khobar

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Majid Alnemer
Partner
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Abdulrahman Yazqi
Partner
Baker Tilly - Jeddah

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Email: info@bakertillyjfc.sa

Website: bakertillyjfc.sa

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bakertilly

now, for tomorrow.

Experience |
Responsiveness |
Exceptional Value |
Digital Innovation

Our proposal to provide
external audit services to
FAD International Group

Confidential





The EY Digital Audit: High-quality audit now available to FAD International Group

By harnessing the connectivity and insight enhanced by technology, your management and finance teams can experience an audit that is more effective, and the Audit Committee can benefit from new perspectives and greater risk insights.



[Click here or scan QR Code to watch our video on Digital Audit](#)

Connecting

EY Canvas: The first totally online platform in the profession. Hosted on the EY private cloud, it connects our audit professionals together and with you, wherever the audit occurs.



[Click here or scan QR Code to watch video on EY Canvas](#)

Automating

EY Smart Automation is our global suite of automation solutions deployed through the EY Canvas Automation hub. It maximizes the use of robotics and advanced automation techniques to automate administrative and repetitive tasks.



[Click here or scan QR Code to watch video on EY Smart Automation](#)

Analyzing

EY Helix: Our global audit analytics platform. It allows analytics to be embedded into every significant aspect of the audit.



[Click here or scan QR Code to watch video on EY Helix](#)

Our technology positions EY at the forefront of innovation

EY has harnessed the use of advanced digital technology across the end-to-end delivery of our audits and have developed a digital roadmap that continues to evolve our audit ahead of the market. Our recent recognition by the UAE Securities & Commodities Authority (SCA) and Institute of Chartered Accountants in England & Wales (ICAEW) in MENA evidences the fact.



- ▶ EY has recently been awarded 'Private Sector Employer of Choice' Award 2022 by the Abu Dhabi Global Market Academy
- ▶ EY has been recognized as the #1 global IPO auditor in 2021. EY maintained the position as the number one global IPO auditor by deal numbers for the 10th year in a row
- ▶ EY has been positioned as a leader in the Verdantix Green Quadrant in ESG and Sustainability Consulting 2022.
- ▶ EY MENA Assurance won the ICAEW 2019 MENA Excellence Award for Innovation for its EY Digital Audit. This award demonstrates how EY MENA has combined best in class audit professionals with strong data analyzers, powerful bots and integrated digital audit platforms
- ▶ EY has been awarded the first SCA Financial Markets Innovation Award in its 2018 edition in the UAE. Our Innovation & Digital Audit projects were ranked #1 by the Innovation Committee of SCA
- ▶ EY has been named the Universum's World's Most Attractive Professional Services Employer for the fourth consecutive year (2019)



Our industry leading digital audit platforms incorporate the latest advances in technology. These platforms are used by every EY audit professional in every location.

Value to FAD International Group:

- ▶ Quality through the enhanced way we can look at your risk
- ▶ Insight and perspectives for your business strategy
- ▶ Better project management, communication and elimination of surprises
- ▶ Operational benefits and significantly reduced burden on your teams when supporting the audit
- ▶ OneEY



**Building a better
working world**

Private and confidential

FAD International Group
6622 Mohammad Albakri, Alandalus, 3955
Jeddah
Kingdom of Saudi Arabia

Proposal to provide External Audit Services to FAD International Group

Dear Mr. Shazam,

On behalf of EY and our team, we would like to thank you for inviting us to present our proposal to provide external audit services to FAD International Company and its subsidiary (hereafter referred to as the "Group") for the year ending 31 December 2024.

We believe that the combination of our strong local presence and our industry experience, along with our global and regional resources, represents a winning combination that will enable us to deliver world-class services to the Group. We are confident that you will find EY is the right choice for the following reasons:

- ▶ **Approach:** Our approach will be tailored to your needs, proactive, objective and challenging, whilst providing a fresh approach and insights during the audit using the latest technologies in data analytics and robotics. It has been an exciting journey for us to support your organization in the past as an auditor and we will leverage this knowledge to provide you a seamless audit experience
- ▶ **You will be served by an experienced team who understands your issues and challenges:** We have a proven track record of providing quality, proactive and timely audit services to retail and wholesale organizations in Kingdom of Saudi Arabia, across MENA and globally. Your team has been hand-picked for their industry experience, technical excellence and knowledge of IFRS and will bring added value and insight, for the benefit of your people and business
- ▶ **Quality service with adherence to timelines:** We will have a predefined audit timeline and clear communication lines through the year, as opposed end of the year surprises and conversations to identify ways to continuously improve the business

Our support during the pandemic is focused on realigning client's digital strategies to a largely virtual model. We have successfully integrated our audit approach leveraging our strategic alliances to tap the full value of digital at work, thus enabling the client targets as well.

We continue to support our clients in many industries around the world and across the region by following the Government guidelines like facility sanitization, updating workplace policies, employee travel guideline and also keeping everyone safe.

We look forward to developing a solid and mutually beneficial relationship with FAD International Group, and we are confident in our ability to serve you.

Yours sincerely,

DRAFT

Ahmed Ibrahim Reda

Certified Public Accountant

License No. 356



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Section 1

Executive Summary



Executive summary



At EY, we are committed to building a better working world – with increased trust and confidence in business, sustainable growth, development of talent in all its forms, and greater collaboration.

We want to build a better working world through our own actions and by engaging with like-minded organizations and individuals. This is our purpose – and why we exist as an organization.

We want to use our global reach and scale to facilitate the conversation on the challenges facing economies and the capital markets.

Our research and insights provide broad and robust perspective, helping you stay informed and up-to-date on important current and emerging issues affecting your business and industry.

To harness the value of a working in a virtual environment, we have a number of different tools and platforms, ensuring delivering robust through a suite of virtual collaboration tools, picking the right tool for the right job.

What we promise to deliver ...

Deep Retail and Wholesale insight locally and globally



Our extensive experience in auditing other major global Retail and Wholesale companies has given us knowledge of issues unique to your industry – experience that is both valuable to the Group and provides assurance to the markets and regulators.

Our local team is linked in, and works closely with, our global practice and will work with our colleagues who audit existing markets to bring our firm's experience to you. This allows us to call in experts, as and when the need arises.



Executive summary (cont'd)

Exceeding the expectation

Digitally driven and globally consistent audit



- ▶ EY's industry leading digital audit platforms incorporate the latest advances in technology.
- ▶ EY delivers a true analytics driven audit with EY Helix applications available across the end-to-end operating cycle of a business and fully embedded into our Global Audit Methodology
- ▶ Our core platforms, EY Canvas and EY Helix, deliver full global connectivity and interoperability. Through the use of Robotics Process Automation, EY serves to further drive innovation in the way our audits are delivered.
- ▶ A consistent audit globally, performed to International Standards.
- ▶ At EY in MENA, we have applied Data Analytics (DA) to approximately 89% of our eligible audit engagements

Value to FAD International Group

- ▶ Consistency of approach, co-developed with you, decision making in the hands of the team, and regular interaction with Management and the Audit Committee giving you confidence that there will be no surprises at year-end.
- ▶ You will have access to 'EY Canvas' which drives a centrally-led audit with real-time information and it differentiates from other audit platforms as it is used internally by all EY audit professionals; and externally with your FAD International Group team to communicate and coordinate all activities with you.
- ▶ Data analytics enable focusing on the right risk, revealing hidden patterns, identifying anomalies and providing greater business insights
- ▶ We have significantly reduced the burden on your teams when supporting the audit through our use of Robotics Process Automation (RPA). We implement RPA to run manual and routine activities, as well as labour intensive work.

Robust audit with unmatched sector expertise

- ▶ We will tackle issues upfront; pragmatically discussing the judgements you are making whilst remaining robust in our viewpoint on areas that really matter.
- ▶ Our use of data analytics in key areas means perform substantive procedures using 100% of a population of data supporting an account balance or process and focus attention on anomalies, not relying on random sample testing
- ▶ Our exposure with leading companies in the sector means that we understand the dynamics of the sector and the underlying drivers, issues, challenges of the leading players in the industry.



Value to FAD International Group

- ▶ No surprises and timely conclusion on key audit matters with decision making in the hands of the Engagement Partner and the team.
- ▶ Better assurance from data analytics with greater coverage and risk focus.
- ▶ Unrivalled transition experience meaning no surprises, minimal disruption and confidence in your reporting timetable.

Value for money



- ▶ With central control and a single point of contact, we will keep our teams focused in their approach.
- ▶ A clear commitment and process to keep fees fair and at a competitive level.
- ▶ Multiple tools at every location, empowering simultaneous visibility and management of the audit

Value to FAD International Group

- ▶ Qaiser Malik's commitment to transparent fee discussions gives you confidence that we will be fair in all our fee quotes.
- ▶ Bring you value in excess of the fee we charge.
- ▶ Connecting you with our knowledge and experience in the market can help deliver real growth



Executive summary (cont'd)

Exceeding the expectation

Team



- ▶ We have selected our key team members for their industry knowledge, technical competency and service excellence. They are energetic and enthusiastic at the prospect of working with you.
- ▶ We recognize that our strength is our people, and the continuity of engagement resources is crucial to delivering quality services. We strive to maintain this continuity as a matter of policy. To that end, EY has employed key techniques to address staff retention.
- ▶ Our issue resolution process focuses on timely, proactive communication and a collaborative, efficient approach.

Value to FAD International Group

- ▶ You have partners and managers that have 'been there and done it' with clear roles meaning nothing is left to chance. You will have a team that works closely with you throughout the year and avoids surprises.
- ▶ Team stability is fostered by our commitment to maintaining a work environment that attracts and retains top professionals.
- ▶ Our presence at your local office means you have real time access to our subject matter and sector experts to ensure you receive immediate attention to your business agenda. EY's 'one team, one solution' approach means our Audit is consistent and we will mobilize and deploy the right people, with the right skills, at the right time at your doorstep

Insightful



- ▶ We will tell you what we think based on what we see and hear across the business.
- ▶ You will have access to specialists as part of our audit service in areas of the business important to your strategy and risk management.
- ▶ While all major accounting firms state that they have an integrated audit, at EY we know we raise the bar. We started from scratch several years ago, anticipating where the accounting and auditing standards-setters were heading, and designed a single platform for our audit.
- ▶ We analyze much more than just the financial statements, internal control, and information technology processes. We also scan the risks of the industry and the effort required in critical areas.

Value to FAD International Group

- ▶ We will bring a fresh perspective on your data with a focus on opportunities for improved control and increased efficiencies.
- ▶ Our Engagement Partner will give you a point of view on what they see in completing the audit work across the Group; we will give direct feedback on people, processes and systems to allow you to make the most of these valuable assets.
- ▶ Our methodology covers the key effort areas, allowing the appropriate team members to focus on the appropriate pieces of the audit.
- ▶ Data Analyzer reports are produced with deeper insights.
- ▶ Access to EY Atlas – cloud-based platform for accessing accounting and auditing content including external standards, EY interpretations and thought leadership.

COVID-19 and flexible working



- ▶ In response to the COVID-19 pandemic, governments have launched public health measures to curb the spread of the virus. Such measures have led to:
 - ▶ Reduction in domestic and international business travel
 - ▶ Work-from-home policies for some workers and physical-distancing-at-work measures for others
 - ▶ EY teams are already prepared to continue delivering on client service commitments despite these measures

Value to FAD International Group

- ▶ You will have an audit team with strong culture of flexible and remote working.
- ▶ Information will remain secure – even when working remotely – because all team members have encrypted laptops
- ▶ Our teams will be connected with you daily via video-conferencing platforms (Go- To-Meeting, Microsoft Teams, etc.)



Executive summary (cont'd)

Smart digital audit

Connected, Automated, Smart ...

Performing a smart digital audit requires the shift from traditional methods of auditing and, at EY, we are instilling digital at our core – our people – across all levels and functions.



At EY in MENA, We have applied Data Analytics (DA) to approximately 98% of our eligible audit engagements

Embracing data analysis to transform your audit

- ▶ Analytics at EY is not about tools looking for issues. It's about our auditors considering what the analyzed data means and assessing its implication to the audit
- ▶ Data analytics enables focusing on the right risk, revealing hidden patterns, identifying anomalies and providing greater business insights
- ▶ Future audit is available today with EY's integration of data analysis into multiple aspects of the audit

Bringing in unparalleled Auditing excellence with Robotics

- ▶ EY continues to invest in leading technology world over, to bring you the highest quality audit
- ▶ We are the first in the region to use Robotic Process Automation (RPA or 'BOTS') to support our audit for repetitive, high-volume tasks such as:
 - ▶ Data transformation
 - ▶ Automatic comparison of different data sources
 - ▶ Handling confirmation processes
 - ▶ Sampling

In 2023, our RPAs were used more than 65,000 times in engagements in MENA

Next generation of digital technologies

- ▶ Also internally EY has invested remarkably in automation to drive speed, quality and accuracy

Staying connected with our communities...virtually

EY is driving "Flexibility of Workplace"

- ▶ EY has worked on creating a Rapid Response kit that aims to drive productivity and collaboration in an engaging way to support employees when working remotely and how best to upskill our employees on leveraging available tools to make the transition to remote ways of working as seamless as possible



Section 2

Background and Scope



Background and scope

We understand your business strategy, your risks, your challenges and are keen to demonstrate to you that we provide a quality audit service that is fully aligned with your business.

“The single most important aspect of working with FAD International Group will be frequent, timely and transparent communication.”

Background

FAD International Group (“Group”) is owned by the Mashat family and is ultimately owned and controlled by Mr. Eyad Abdullah Mashat, the majority shareholder (the “Ultimate shareholder”).

The Group is engaged in retail and wholesale trading of clothes, fabrics, bags, suitcases, shoes and their accessories, leather products, artificial and natural perfumes, cosmetics, makeup and lotions, sun-glasses for men, women and children.

Currently, the Group is engaged in retail and wholesale of women dresses and related accessories under the brand names “Vivid Flair London” and “Femi9”.

Scope

- ▶ Audit of FAD International Group - Consolidated and stand alone financial statements - for year ending 31 December 2024
- ▶ Audit of Think Contemporary Marketing Trading Company’s financial statements - for year ending 31 December 2024
- ▶ Review of FAD International Group’s Interim condensed consolidated financial statements - for the period ending 30 June 2024





Section 3

Why EY?



The EY private client audit experience specific for your needs

To meet the unique requirements of private companies, EY teams have developed a customized audit experience for private companies – the EY Private Client Audit Experience. This experience:

- Utilizes enhanced tools, technologies and guidance specifically formulated for private companies
- Embraces the benefits of leading-edge technology
- Facilitates a deeper dive into your business

By seeing the broader picture, these teams are able to understand your business better, provide a quality audit and make recommendations that can help you improve and achieve your organization’s goals.

EY Private Client Audit Experience



| Programs to support your growth | Description |
|--|--|
| Understanding your business EY 7 Drivers of Growth | The EY Private Client Audit Experience begins with understanding your business and your service expectations. The EY 7 Drivers of Growth framework helps you to think beyond the typical approaches to growth. It is an interactive experience that helps you to assess your business against leading practices and gain a greater understanding of how each function can contribute to customer value and accelerated growth. |
| Connecting EY Canvas Client Portal | EY Canvas, the profession’s first totally online auditing platform, drives a highly integrated and consistent audit across the globe. The EY Canvas Client Portal connects you securely and directly to your EY audit team and provides a real-time view of the audit progress. |
| Automating Data capture and standardization | Integrated in EY Canvas, an automation hub – EY Smart Automation – uses robotics and advanced automation techniques to automate audit procedures and processes. This enhances the experience for you, reduces administrative burden and frees up your audit team to focus on areas requiring judgment. |
| Analyzing EY Helix data analyzers | Data analytics is integral to the EY Digital Audit. It helps to analyze data, using advanced and emerging technologies, and to help build audit evidence to support conclusions. A library of EY Helix data analyzers digitally supports EY audit professionals to drill down across your business’s broad operating cycles, and identify trends and anomalies in processes and controls. |
| Providing business insights Recommendations and benchmarking | To complement the audit findings and share additional insights, EY audit teams use a technology-enabled toolkit that has access to a proprietary database of high-quality business recommendations. Additional tools such as EY Benchmarking Analysis, can help assess your organization’s current level of maturity against that of market-leading companies |



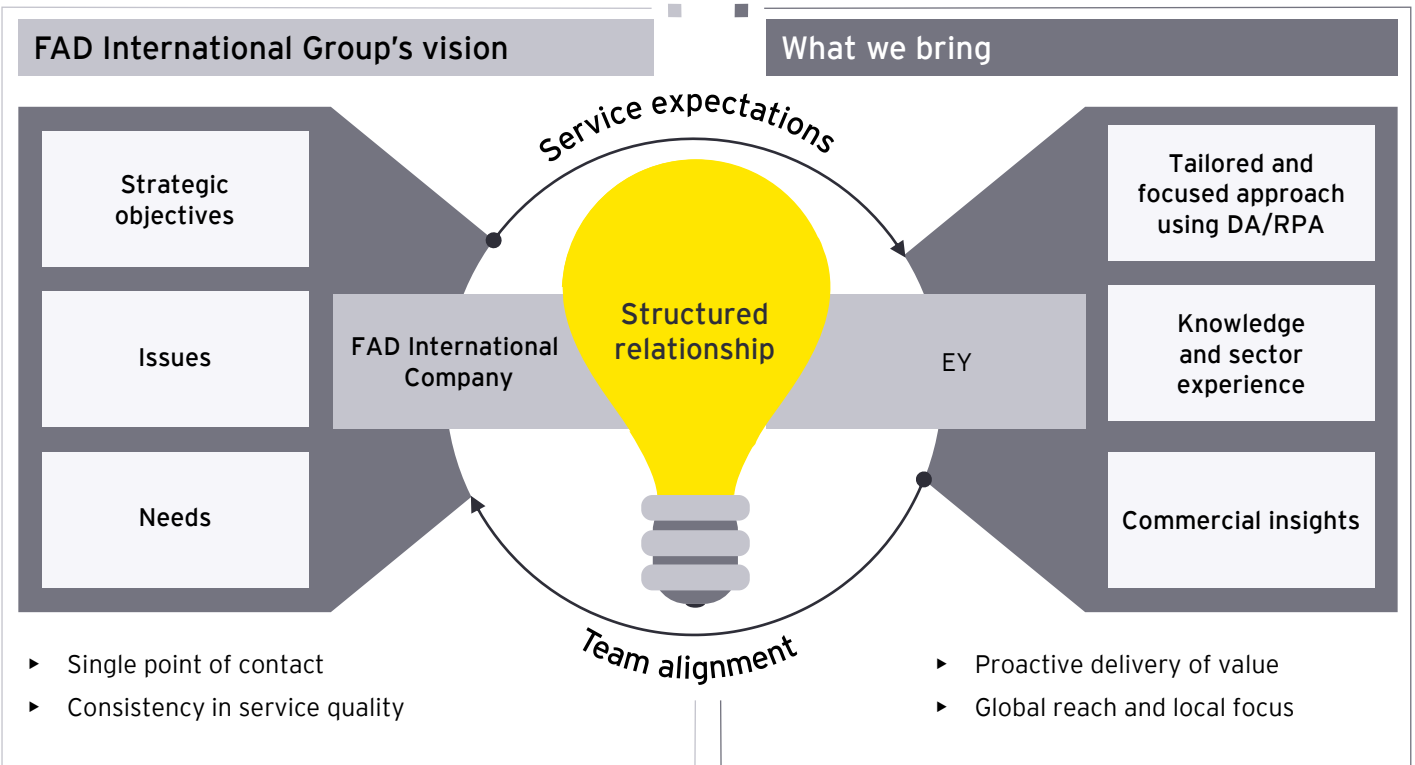
Why EY?

Our commitment to serve FAD International Group

The enhanced value that your business gets by working with us paves the way to the success of projects.

Our strengths include:

- ▶ Enhanced audit quality through full transactional audit and deeper audit findings
- ▶ Greater insights delivered based on advanced Analytics and Digital Audit Tools
- ▶ Exceptional client service through a global integrated firm and efficient project management structures
- ▶ An agile audit team with strong culture of flexible working, and the right technology enablement to remain connected in remote-working scenarios while your information remains secure



Our commitment

- ▶ Consistency of quality service – methodology, technology, industry knowledge and global reach
- ▶ Performance and satisfaction – measured against predetermined expectations and real-time communication
- ▶ A relationship based on trust and transparency
- ▶ Highest performing teams and leverage our industry leadership
- ▶ We can assure you that:
 - ▶ EY is committed to working with you and continuing to deliver high-quality client service
 - ▶ We will work in a way that protects the health and wellbeing of your employees, EY people and our wider communities
 - ▶ We can minimize disruption and we have wide-ranging measures in place to do so
 - ▶ We will continue to monitor the impact of evolving policies on our service delivery



Why EY?

Our commitment to serve FAD International Group (cont'd)

How you will benefit

- ▶ Robust audit plan which is responsive to FAD International Group and management team's needs
- ▶ Local team in Saudi Arabia with relevant industry specialization focused on FAD International Group and added global and area specialists to bring you business insights, ideas and industry developments proactively
- ▶ Proven collaborative approach, starting with co-development all the way through to measuring your satisfaction with our service delivery
- ▶ We are able to provide a better service to FAD International Group by leveraging our EMEA single structure to bring together the best teams and drawing on all our expertise across services and geographies. What a globally integrated firm will mean to FAD International Group :
 - ▶ Providing a seamless response and a consistent audit approach
 - ▶ Providing access to the most specialized, experienced teams
 - ▶ Offering global capabilities to better support your management

Responsiveness

- ▶ Efficiencies and effectiveness are critical to business success. We have developed a well-designed audit plan that is responsive to FAD International Group's business risk and management needs
- ▶ Our objective is to have open lines of communication so that we can easily co-develop solutions that benefit FAD International Group and your needs

The right experience to meet your needs

- ▶ Our commitment to FAD International Group is to apply our office's top industry and technical resources as we construct our team. They will ensure that you receive the highest quality service from our firm and they will make sure the right resources are used in the process. In addition, EY has a substantial base of clients, and a deep pool of talent to support the needs of FAD International Group. The combination of our industry experience with the unparalleled account coordination residing in our team leadership will result in a very successful and tightly coordinated audit process.

Effective, timely communication with management

The underpinning foundation of our audit process is the development of transparent, direct and timely communication protocols with FAD International Group's team. These protocols emphasize the following:

- ▶ Regularly scheduled communications and meetings with management throughout the year (i.e., relationship meetings, interim planning, audit results and observations, and closing meetings), supplemented with timely, proactive insight and knowledge on emerging issues
- ▶ Timely executive involvement to assist management in anticipating potential accounting and industry issues before they emerge. When FAD International Group does approach EY with an issue, we will be immediately responsive and thorough
- ▶ Ongoing dialogue and technical updates regarding proposed changes in accounting and other matters that may affect FAD International Group
- ▶ These co-developed communication and decision-making protocols are at the core of our firm's working style. We open our doors to discussion with our clients at all levels within the firm. We know that you know your business best and can best explain your issues to our people. Qaiser Malik will be your primary contact and will facilitate all aspects of communication with FAD International Group throughout the EY organization

Competitive and sustainable fee

- ▶ We want to make sure you get a fair and transparent fee. Through our enhanced audit approach, we are able to demonstrate significant savings while having no impact on either the quality of our service or our robust audit approach
- ▶ Our fees are based on knowing your industry today and where you want to go in the future. This means we are ideally placed to adapt our approach accordingly



Why EY?

Our commitment to serve FAD International Group (cont'd)

A collaborative approach

- ▶ From co-developing new approaches and cost-saving ideas to measuring client satisfaction on our service delivery. Collaboration is the foundation of any good relationship. Our team is committed to FAD International Group. Our objective is to continually provide you with knowledge sharing and consistent, high-quality service. We want to affirm our commitment to be your trusted business advisor so that FAD International Group achieves its potential

Strong local presence

- ▶ EY has been in Saudi Arabia since 1991, making it the oldest and most prominent professional service firms operating in the country for a period of more than 30 years. We offer highly specialized services in the areas of Assurance, Advisory, Tax and Transactions. We employ over 500 enthusiastic people
- ▶ We are fully integrated with our global firm in terms of methodology, training and quality control. Given our strong local presence and global team of specialists, we do not need the support of third party experts to support the audit work

Dependable service you can trust

- ▶ We value and respect our clients' deadlines and give them the highest priority. Therefore, all of our work is carried out with a strict adherence to agreed deadlines. Once a deadline has been agreed upon between FAD International Group and EY, you can depend on us to deliver on time. In the extraordinary event that we are unable to do so, we will proactively communicate with FAD International Group 's team regarding any changes

Practical business advice

- ▶ A key component of our client service approach goes far beyond the audit requirements. We understand that no two companies are alike, even within a specific industry. We invest a great deal of time and energy with each client, understanding their businesses and unique industry issues
- ▶ Our goal in our relationship with FAD International Group is to share knowledge and serve as a business advisor, providing significant value beyond the core audit. Throughout the year, we will have meetings with FAD International Group to share leading practices. These events will address business developments at FAD International Group, significant accounting and auditing issues impacting your financial statements, and service protocols. Beyond these direct meetings, we will also share with you a wealth of proprietary information prepared by subject matter resources within our firm. This information will come in a variety of formats, including newsletters, technical update and webcasts
- ▶ In summary, EY's team is strongly committed to providing FAD International Group with open and proactive communication, clear and collaborative decision-making protocols, an efficient and effective audit, adherence to deadlines, and proactive information about the issues that mean the most to FAD International Group. You will be an important and valued client of our MENA practice and will get the attention and high quality service you deserve



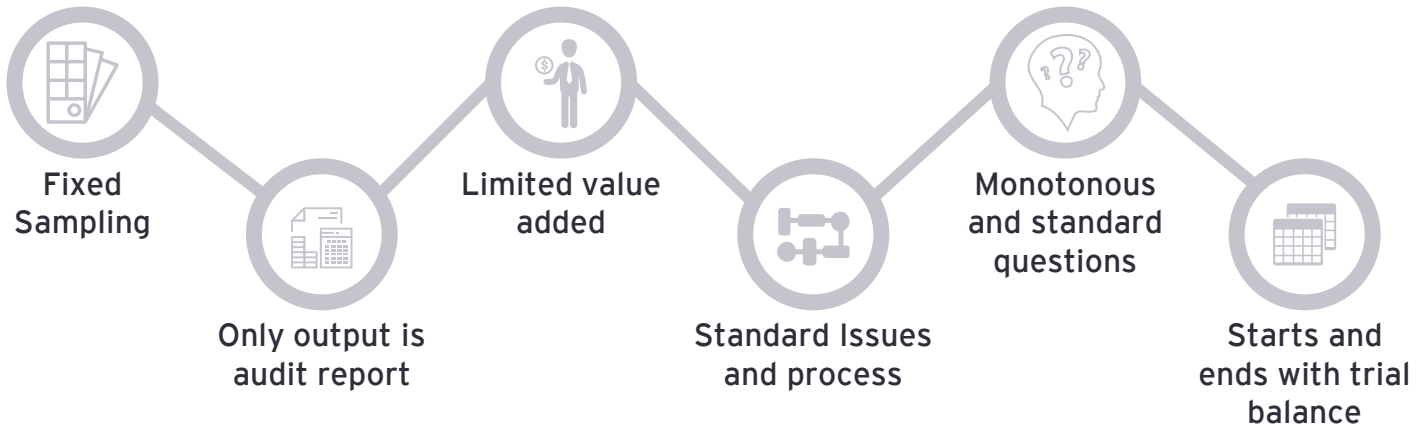
The Conventional Audit vs the EY Digital Audit



What can go wrong



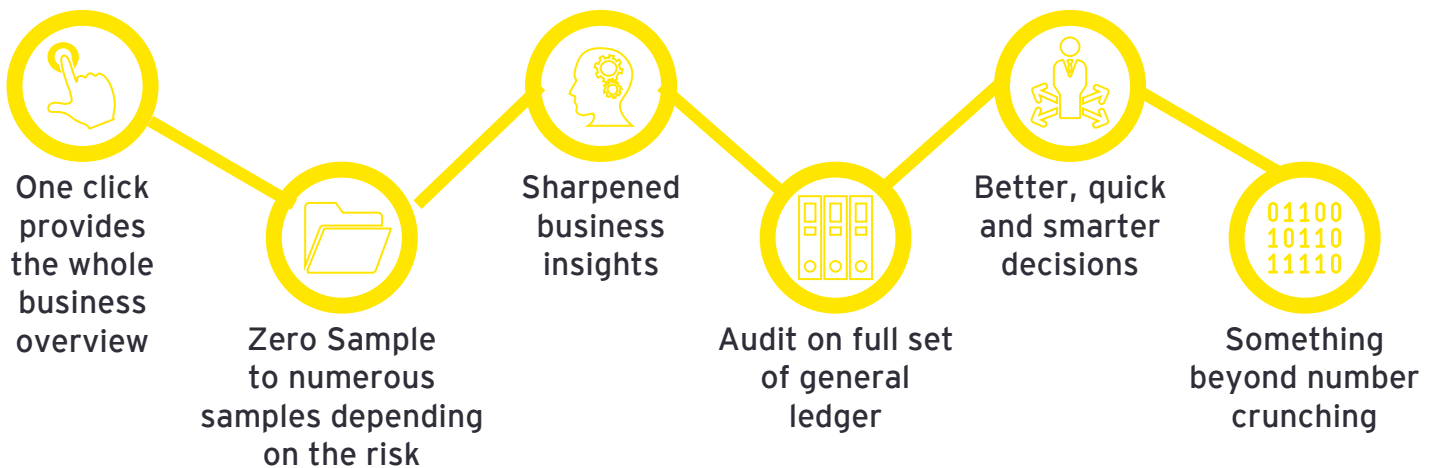
Conventional Audit



What has gone wrong



EY Digital Audit



Click here or scan QR Code to watch our video on Digital Audit



Digitally driven and globally consistent audit

Innovative audit approach – Data analytics

In today's global economy, clients are facing and responding to new risks and issues such as disruptive innovation, increasing competition and regulatory pressures. We recognize the need to stay ahead of this changing landscape.

At EY we are embracing the benefits of the latest technologies and integrating them with our audit processes to respond to the evolving needs of business, regulators and investors.



Greater confidence in financial reporting by revealing hidden patterns and trends in our clients' financial data

Analysis of larger populations of audit-relevant data to present a **fuller picture of the business activities** and to identify the risks that matter

Clear identification of trends and anomalies in the business processes and controls to help direct our investigative effort in the right areas

Relevant feedback and insights provided during the audit to help our clients improve their business processes and controls

On-demand visibility into the status of audit requests, improving project management



Click here or scan QR Code to watch video on EY Canvas



Click here or scan QR Code to watch video on EY Helix



Why EY?

Innovative audit approach - EY Smart Automation Solutions

The 'other' connected resource in the FAD International Group audit

1

Available Now



EY intelligent checklists



Canvas receivables confirmations



Canvas payables confirmations



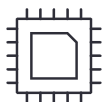
Document intelligence for transactions



Document intelligence for contract review



Smart sampling



EY Canvas AI

2

NEXT



Smart workpapers



General confirmations

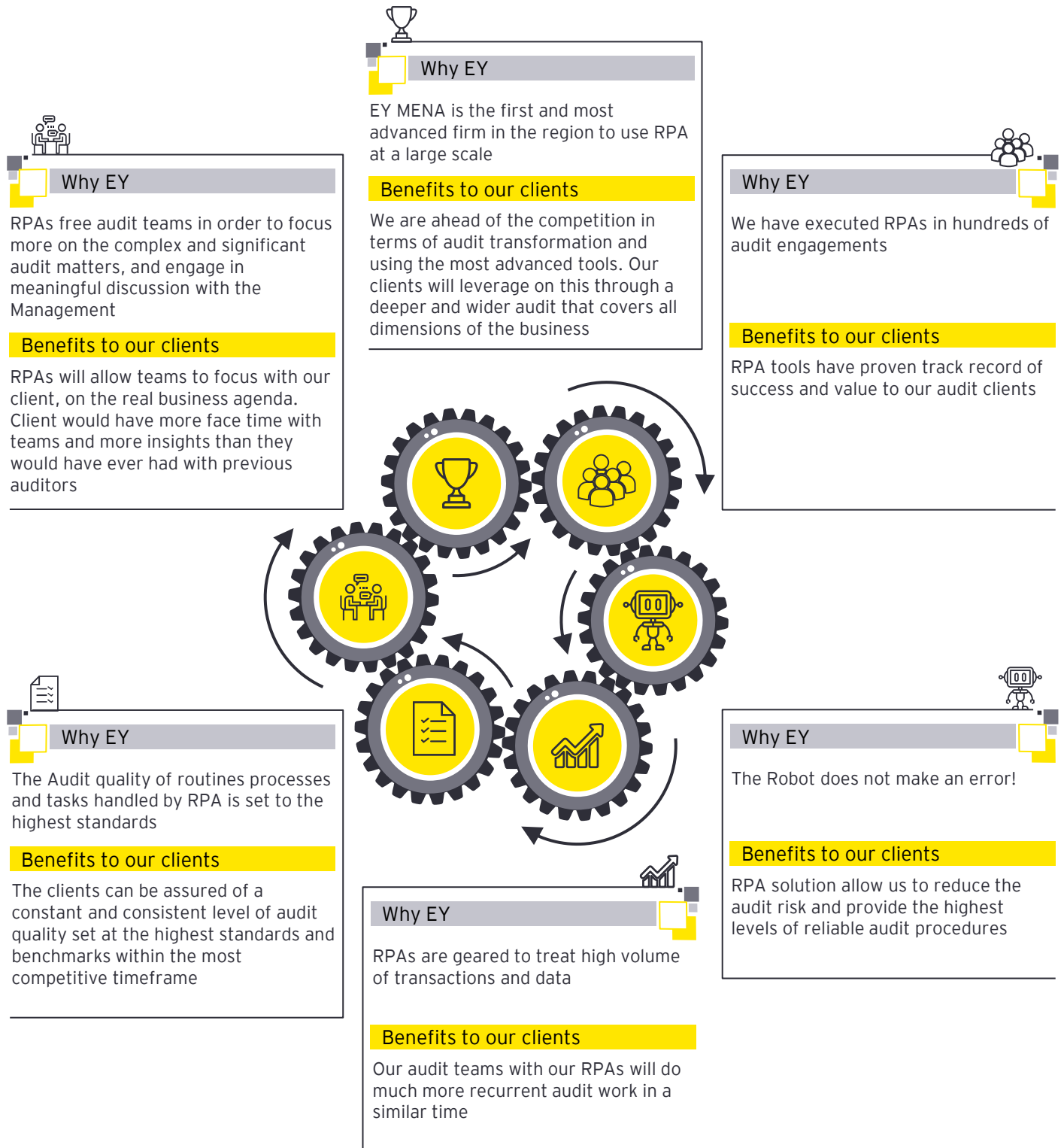


[Click here or scan QR Code to watch video on EY Smart Automation](#)



Why EY?




Innovative audit approach – Robotics Process Automation





Why EY?

EY Digital Audit – Value for FAD International Group

| | Benefits for Client Name? | What makes it innovative |
|---|--|--|
|  <p>Our Data Analytics Powerful suite of Analyzers:</p> <p>EY HELIX</p> | <ul style="list-style-type: none"> ▶ Full transactional audit based on full picture and larger population ▶ Audit procedures and programs enabled with data analytics ▶ Reveals hidden patterns & unusual trends ▶ Direct our investigative effort in the right areas ▶ Relevant feedback and insights on processes and controls to the FAD International Group Audit Committee and those charged with Governance | <ul style="list-style-type: none"> ▶ Fully embed analytics into our audit approach ▶ We can handle data of virtually any size including FAD International Group volume ▶ Our substantive audit programs embed the analytic audit approach into our methodology ▶ Better audit quality and wider insights |
|  <p>Our fully integrated Digital Audit Platform:</p> <p>EY CANVAS & EY CANVAS CLIENT PORTAL</p> | <ul style="list-style-type: none"> ▶ All teams linked through one global methodology and one global audit platform ▶ Better risk identification and response, allowing findings to be reported promptly between teams and client ▶ Centralized planning and monitoring of the audit ▶ Real-time monitoring of the audit progress ▶ Streamlined client communications via its integrated online portal ▶ Improved project management and ability to monitor key milestones in the audit ▶ On-demand visibility into the status of audit requests, improving project management | <ul style="list-style-type: none"> ▶ EY is the only organization that has a fully connected online platform providing real-time status of the global audit and enabling one global audit. ▶ Management is part of our audit platform and share the audit project management milestones |
|  <p>Using Robotic Process Automation (RPA) in our audits: The processing Power of RPAs coupled with the relevance of Data Analytics</p> | <ul style="list-style-type: none"> ▶ A large scale automation approach that maximizes the use of our technology and procedures to generate audit ready work papers at scale ▶ During 2023, RPAs have been used more than 65,000 times in our MENA audits, doing confirmations, sampling, analysis and data extraction ▶ Coupling RPA with Data Analytics is multiplying the processing power of DA ▶ Efficiency, quality, no error, execution 24/7 | <ul style="list-style-type: none"> ▶ We are the pioneers in using RPAs in MENA audits ▶ Using RPAs with Data Analytics to enhance the data mining and processing |

Why EY?

Our value to clients

US\$10b investment over the next three years focused on audit quality, innovation, technology and people

1 trillion lines of data analyzed using technology-based solutions

80% of EY businesses on cloud

More than **60,000** technologists in EY



Sustainability leader for outstanding work helping companies achieve sustainability goals, according to **Verdantix**

On track to meet target of **100%** renewable energy in EY offices by **2025**

81m+ lives positively impacted since EY Ripples launched and on track to meet 1b target by 2030

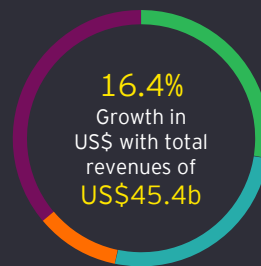
Growth within EY services Compared FY22 v/s FY21

Assurance

Revenue: **US\$14.4b**
Growth: **8.9%**

SaT

Revenue: **US\$5.9b**
Growth: **25.4%**



Consulting

Revenue: **US\$13.8b**
Growth: **27.1%**

Highest growth rate in nearly two decades

Tax

Revenue: **US\$11.3b**
Growth: **10.5%**

Growth within geographic areas Compared FY22 v/s FY21

Americas

19.3% growth
Revenues of US\$21.1b

EMEIA

14.4% growth
Revenues of US\$17.1b

Asia-Pacific

13.1% growth
Revenues of US\$7.2b

8.4%
8-year revenue CAGR

At EY, our purpose is **building a better working world**

365,000+ EY people

In FY22 **1033** people promoted to partner
32% women in partner promotions

100 wellbeing programs, including mental health

Improving gender balance
48% women in workforce

280,000 EY Badges awarded

20m hours invested in learning

Only Big Four

organization on the Fortune 100 Best Companies to Work For® list every year for the last 24 years

MENA facts
2023

Over **7,500** People

260+ Partners

26 Offices

13 Sectors



Why EY?

Our market leadership



EY audits

- ▶ 25% of Forbes Global 2000
- ▶ 26% of the Russell 3000
- ▶ 30% of the Fortune's 1000 Largest US Corporations

Developing people

We attract talented people from diverse backgrounds. Our emphasis on inclusiveness matters more than ever today. As business challenges become more complex, we need to call upon the widest spectrum of views and opinions to address them. Our open culture offers continuous personal and professional development. When our people grow and succeed, your Company benefits.

Strengthening communities

We have an aggressive agenda to strengthen our culture around quality throughout our organization to ensure we continue to deliver the work products of the highest quality. Delivering quality is the foundation of our profession. Our clients look to us to get the right information, make the right judgments and take the right actions. At the end of the day, this is what we are in business to do.

Services

We provide global services in four main areas: Assurance, Consulting, Tax and Strategy & Transactions. Through these services, we can help you retain the confidence of investors, manage your risk, strengthen your controls and achieve your potential.

EY MENA

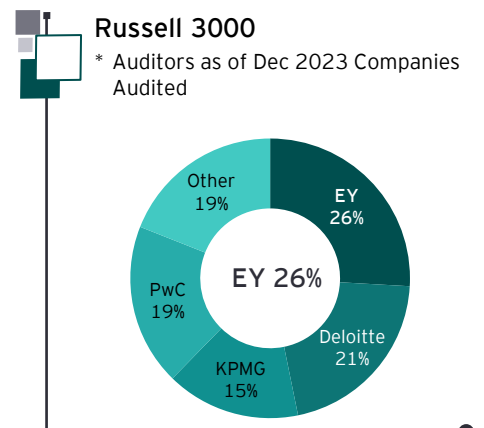
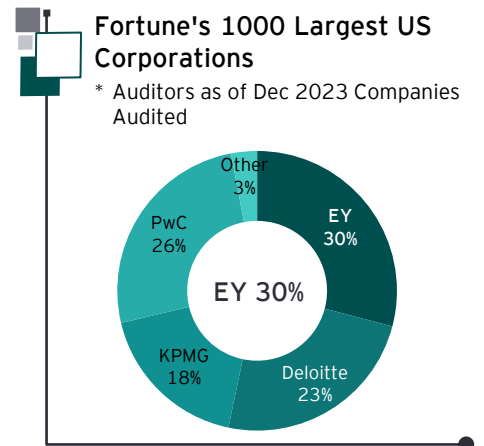
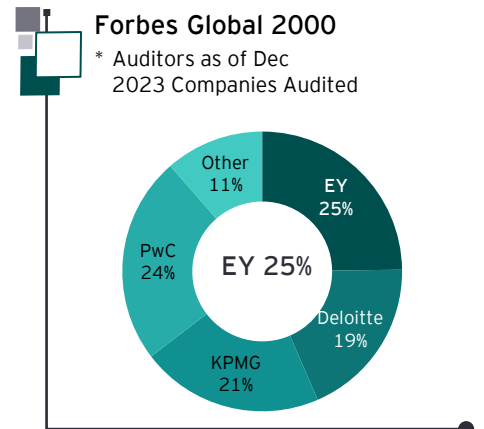
The MENA practice of EY has been operating in the region since 1923. For over 98 years, we have grown to over 7,500 people united across 26 offices and 15 countries, sharing the same values and an unwavering commitment to quality. As an organization, we continue to develop outstanding leaders who deliver exceptional services to our clients and who contribute to our communities.

We are proud of our accomplishments over the years, reaffirming our position as the largest and most established professional services organization in the region.

Audit leadership

EY has maintained the position as the world's leading IPO auditor, having audited 350 IPOs in 2021, more than any other accounting firm. Of the global top 20 IPOs, we audited 30% and served 95% of these companies, and achieved the #1 IPO auditor position across EMEIA, Asia Pacific & Americas. We were also the #1 IPO auditor in various sectors, including Life Sciences, Consumer Products, Retail, Banking and Capital Markets, Technology, Power & Utilities, Mining & Metals, Government & Public Sector, Media and Entertainment and Telecommunications.

The unique way in which we have integrated our global firm provides the consistency, simplicity and agility that our global clients expect.





Why EY?

Global Industry qualifications – Consumer Product & Retail



Consumer Product & Retail

EY in Consumer Product & Retail

Forbes Global 2000

EY is the #1 auditor with 25% in Consumer Product & Retail Market value audited on the Forbes Global 2000.

Fortune 1000

EY is the #1 auditor with 28% in Consumer Product & Retail Market value audited on the Fortune 1000

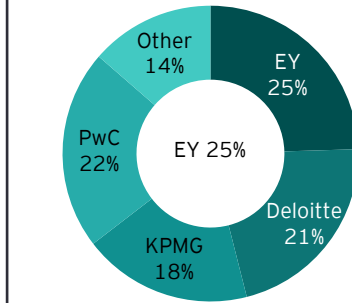
Russell 3000

EY is the #1 auditor with 50% in Consumer Product & Retail Market value audited on the Russell 3000

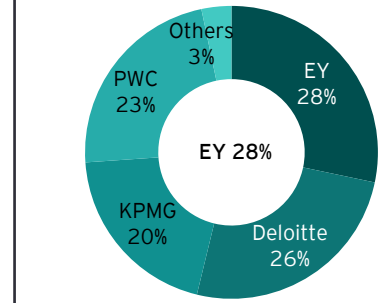
MENA Market share

EY holds 100% in Consumer Product & Retail Market value audited on the Forbes Global 2000

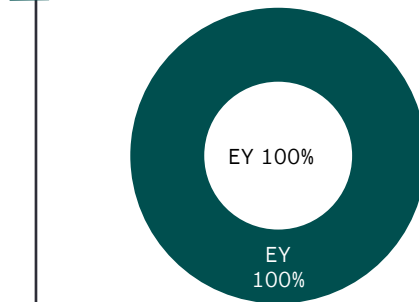
Forbes Global 2000
* Auditors as of Dec 2023



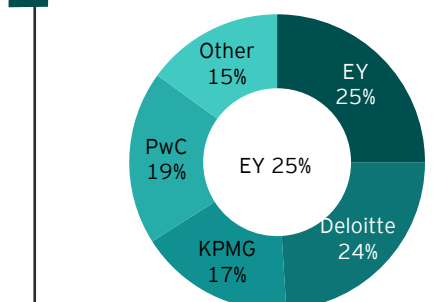
Fortune 1000
* Auditors as of Dec 2023



Forbes Global 2000 - MENA
* Auditors as of Dec 2023



Russell 3000
* Auditors as of Dec 2023



Global Consumer Product & Retail

As consumer demands evolve, consumer products and retail companies must find the right balance between success today and growth tomorrow.

Disruptive technologies, new business models and agile market entrants are revolutionizing the way people shop, what they buy and how they live. In this complex environment, consumer products and retail companies must shift their focus from protecting what they have to creating what they need to become.

Consumer must rethink how and where to serve the smart consumer. They must build the capabilities to put data at the heart of the organization and create the agility to respond to market change. Their supply chain must evolve into a transparent demand-response network.



Section 4

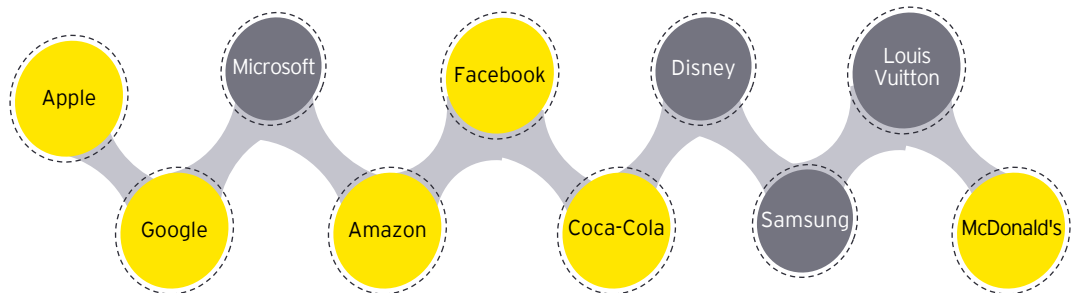
EY credentials –
proven delivery experience



EY global credentials

EY audits 6 out of the world's 10 most valuable brands

Source: Forbes 2020 Ranking



Forbes Global 2000 companies audited by EY (Auditors as of Dec 2023)

- ▶ China Construction Bank Corp
- ▶ Amazon.com
- ▶ Apple Inc
- ▶ Alphabet Inc
- ▶ Shell plc
- ▶ Ping An Insurance (Group) of China Ltd.
- ▶ Verizon Communications Inc
- ▶ AT&T Inc
- ▶ Walmart Inc
- ▶ Volkswagen AG
- ▶ TotalEnergies SE
- ▶ Meta Platforms Inc.
- ▶ BNP Paribas
- ▶ CVS Health Corp
- ▶ Nestle SA
- ▶ AXA SA
- ▶ Intel Corporation
- ▶ Toronto Dominion Bank (aka TD Bank)
- ▶ AbbVie Inc.
- ▶ General Motors Co.
- ▶ Equinor ASA
- ▶ BHP Group Ltd
- ▶ Siemens AG
- ▶ Stellantis NV
- ▶ Zurich Insurance Group
- ▶ Anthem Inc
- ▶ Sanofi SA
- ▶ UBS Group AG
- ▶ Capital One Financial
- ▶ Coca-Cola Co (The)
- ▶ Oracle Corporation
- ▶ Airbus Group SE
- ▶ ConocoPhillips
- ▶ Intesa Sanpaolo
- ▶ Manulife Financial Corp.
- ▶ US Bancorp
- ▶ CNOOC Ltd
- ▶ Paccar Inc
- ▶ Abbott Laboratories
- ▶ Hitachi Ltd
- ▶ Target Corp
- ▶ Banco Bilbao Vizcaya Argentaria (BBVA)
- ▶ Munich RE Group
- ▶ Danaher Corp
- ▶ FedEx Corp
- ▶ Engie SA
- ▶ Lockheed Martin Corporation
- ▶ America Movil SA de CV
- ▶ Mizuho Financial Group Inc
- ▶ ArcelorMittal SA
- ▶ Canadian Imperial Bank of Commerce (CIBC)
- ▶ HCA Holdings Inc
- ▶ National Australia Bank Ltd (NAB)
- ▶ L'Oreal SA
- ▶ China Everbright Bank Co Ltd
- ▶ Gilead Sciences, Inc.
- ▶ China Pacific Insurance
- ▶ Amgen Inc
- ▶ China Resources Land Limited
- ▶ Eli Lilly and Co.
- ▶ McDonald's Corp.
- ▶ Societe Generale SA
- ▶ Deutsche Bank AG
- ▶ PTT PCL
- ▶ Archer Daniels Midland Company
- ▶ Netflix Inc
- ▶ China Communications Construction Co. Ltd. (CCCC)
- ▶ NatWest Group plc
- ▶ HP Inc
- ▶ Salesforce.com inc
- ▶ China State Construction Engineering Corp Ltd
- ▶ Mediatek Incorporated
- ▶ Housing Development Finance Corp Ltd (HDFC)
- ▶ Freeport-McMoran Inc.
- ▶ Baoshan Iron & Steel
- ▶ Ecopetrol SA
- ▶ AmerisourceBergen
- ▶ Inditex SA (Industria de Diseno Textil)
- ▶ IntercontinentalExchange Inc.
- ▶ Marubeni Corp
- ▶ Phillips 66
- ▶ Holcim Ltd
- ▶ Zijin Mining Group Co. Ltd.
- ▶ Saudi National Bank
- ▶ Danone SA
- ▶ Hua Xia Bank (aka Huaxia Bank)
- ▶ Becton, Dickinson & Co.
- ▶ Texas Instruments, Inc.
- ▶ Bank Rakyat Indonesia
- ▶ Standard Chartered plc
- ▶ Dollar General Corporation
- ▶ Wilmar International Limited
- ▶ Hewlett Packard Enterprise Co
- ▶ United Overseas Bank
- ▶ CSX Corporation
- ▶ Moderna, Inc.
- ▶ State Street Corp.
- ▶ Al Rajhi Bank
- ▶ Shin-Etsu Chemical Co Ltd
- ▶ ENEOS Holdings Inc
- ▶ Sampo Holdings Inc
- ▶ OMV AG (aka OMV Group)
- ▶ Pioneer Natural Resources Co.
- ▶ Eaton Corporation
- ▶ SK Inc
- ▶ Saudi Telecommunications Co (aka Saudi Telecom Co) STC
- ▶ Stryker Corp
- ▶ Nissan Motor Co Ltd
- ▶ Aegon N.V.



EY MENA credentials

EY has unparalleled experience of auditing clients in your sectors worldwide. Our global networks prides itself on providing rapid solutions to clients through sharing best practice globally.

We present below a selection of our key MENA audit credentials (Auditors as of 31st Dec 2023)

- ▶ Hitachi Energy Limited Company
- ▶ Shalina Healthcare Limited
- ▶ Al Rajhi Banking And Investment Corporation
- ▶ Consolidated Contractors Group S.A.L - Offshore -Ccc
- ▶ Alinma Bank
- ▶ Standard Chartered Bank
- ▶ Azadea Holding Company DIFC Limited
- ▶ Malabar Gold Llc
- ▶ Nissan Saudi Arabia Company Limited
- ▶ Bank Al Bilad
- ▶ Geidea Technology Company
- ▶ International Holdings Company P.J.S.C.
- ▶ Aspen Healthcare Fz Llc
- ▶ Burjeel Holdings Plc
- ▶ STAHL Cranesystems FZE
- ▶ Arabian Waterproofing Industries Co. (Awazel)
- ▶ Dr. Sulaiman Al Habib Medical Services Group Holding Company
- ▶ Mohamed Hamoud Al Shaya Company WLL
- ▶ ADNOC Murban RSC Ltd
- ▶ Icici Bank Limited
- ▶ Siemens Energy Company
- ▶ National Gas And Industrialization Co
- ▶ Luna Space Financials (Fintec)
- ▶ Arab Bank Plc.
- ▶ The Saudi Investment Bank
- ▶ Jacobs, Zamel And Turbag Consulting Engineers
- ▶ Bank Of Palestine
- ▶ Zurich International Life Limited (Dubai Branch)
- ▶ Tasluja Cement Company Limited
- ▶ Qatar Distribution Company
- ▶ Kuwait Finance House K.S.C P
- ▶ Larsen & Toubro Saudi Arabia Llc
- ▶ Saudi Gulf Environmental Protection
- ▶ Multiply Group PJSC
- ▶ Amanat Holdings PJSC
- ▶ The Saudi National Bank
- ▶ Abdul Mohsen Abdulaziz Al Babbain Company Wll
- ▶ Ibtikar Fund
- ▶ Hdfc International Life And Re Company Limited
- ▶ Hitachi Construction Machinery Middle East Corporation Fze
- ▶ Nissan Motor Egypt S.A.E
- ▶ AL KIFAH PAPER PRODUCTS Company
- ▶ Jordan Phosphate Mines Co. Ltd.
- ▶ Perma Pipe Saudi Arabia Limited
- ▶ Fedex Express Saudi Arabia Transportation Company
- ▶ Deutsche Bank Ag - Riyadh Branch
- ▶ Pure Health Medical Supplies LLC
- ▶ Quds Bank
- ▶ Kuwait Reinsurance Company
- ▶ Retail Global Fashion W.L.L
- ▶ Gulf International Bank B.S.C.
- ▶ L&t Electrical & Automation Saudi Arabia Co. Ltd
- ▶ Oman Telecommunications Company Saog
- ▶ Mitsubishi Motors Middle East and Africa FZE
- ▶ El Sewedy Cables Company Limited



EY MENA Consumer products and retail credentials

EY has unparalleled experience of auditing clients in your sectors worldwide. Our global networks prides itself on providing rapid solutions to clients through sharing best practice globally.

We present below a selection of our key MENA Consumer products and retail audit credentials (Auditors as of 31st December 2023)

- ▶ Malabar Gold Llc
- ▶ International Holdings Company P.J.S.C.
- ▶ Apex Holding Llc
- ▶ Ghitha Holding PJSC
- ▶ United Foods Company (Psc)
- ▶ National Central Cooling Company Pjsc
- ▶ Farm Fresh Llc
- ▶ Malabar Investments Plc
- ▶ Tate & Lyle (DMCC)
- ▶ Hitachi Plant Engineering & Constructionco - Ltd (Dubai Br)
- ▶ Vitamed
- ▶ Mesc Rak
- ▶ Azadea Platform DFZ FZCO
- ▶ Daxar Multimedia LTD
- ▶ Beta Partners Investement LLC
- ▶ Esri Global Inc - Dubai Branch
- ▶ Univar Middle East-africa Fze
- ▶ Globus EMEA FZE
- ▶ Red Bull Fze
- ▶ Beiersdorf Middle East
- ▶ Arc Middle East Llc
- ▶ Polymed Distribution Fze
- ▶ Polymed Trading Fze
- ▶ Jotun Abu Dhabi LLC
- ▶ Al Naghi Medical Co. (L.L.C.)
- ▶ Country Hill International
- ▶ Retail Global Fashion LLC
- ▶ GMG Holding Limited
- ▶ Sun And Sand Sports Llc
- ▶ GMG SEA Holding Limited
- ▶ Azadea Holding Company DIFC Limited
- ▶ Azadea Family Holding Company Limited
- ▶ Mcdonalds Middle East Development Company (Dubai Branch)
- ▶ McCormick Kutas Middle East FZE
- ▶ Agrozan Commodities Dmcc
- ▶ La Maison Nordique Foodstuff Trading Llc
- ▶ B M A International Fze
- ▶ Emirates Snack Foods (L.L.C.)
- ▶ Danube Bath Solutions (L.L.C) Branch
- ▶ Al Danube Building Materials Trading Co. Llc
- ▶ Danube Home LLC
- ▶ Alucopanel Middle East L.L.C
- ▶ Bekaert Emirates Llc
- ▶ Galadari International Technical Services L.L.C.
- ▶ Hili Coffee House Llc
- ▶ Bateel Holdings Ltd
- ▶ Nahdi Investment CO LLC
- ▶ Abdul Latif Jameel International Company Limited
- ▶ Asia Trade DMCC
- ▶ Ingie Etoile Ready Made Garments (L.L.C.)
- ▶ Chalhoub Group Limited
- ▶ Allied Enterprises Llc
- ▶ Al Ajban Poultry LLC
- ▶ The Central Tents - Sole Proprietorship LLC
- ▶ Dubai Duty Free
- ▶ Aujan Group Holding Limited.
- ▶ Aujan Coca Cola Beverages Company Limited
- ▶ Overseas Foodstuff Trading - Sole Proprietorship LLC
- ▶ Aujan Industries L.L.C

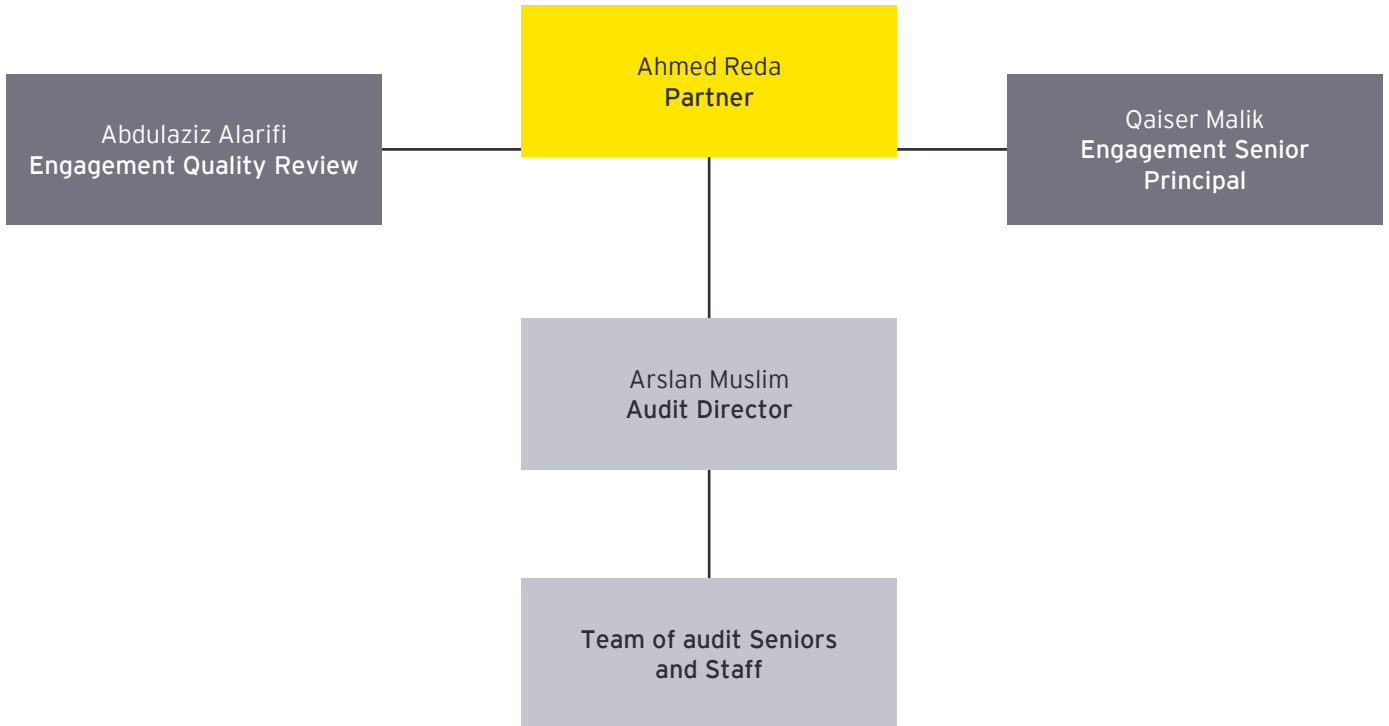


Section 5

The team you can trust



Working together with you as one team



*Refer to appendix for detailed CVs



Section 6

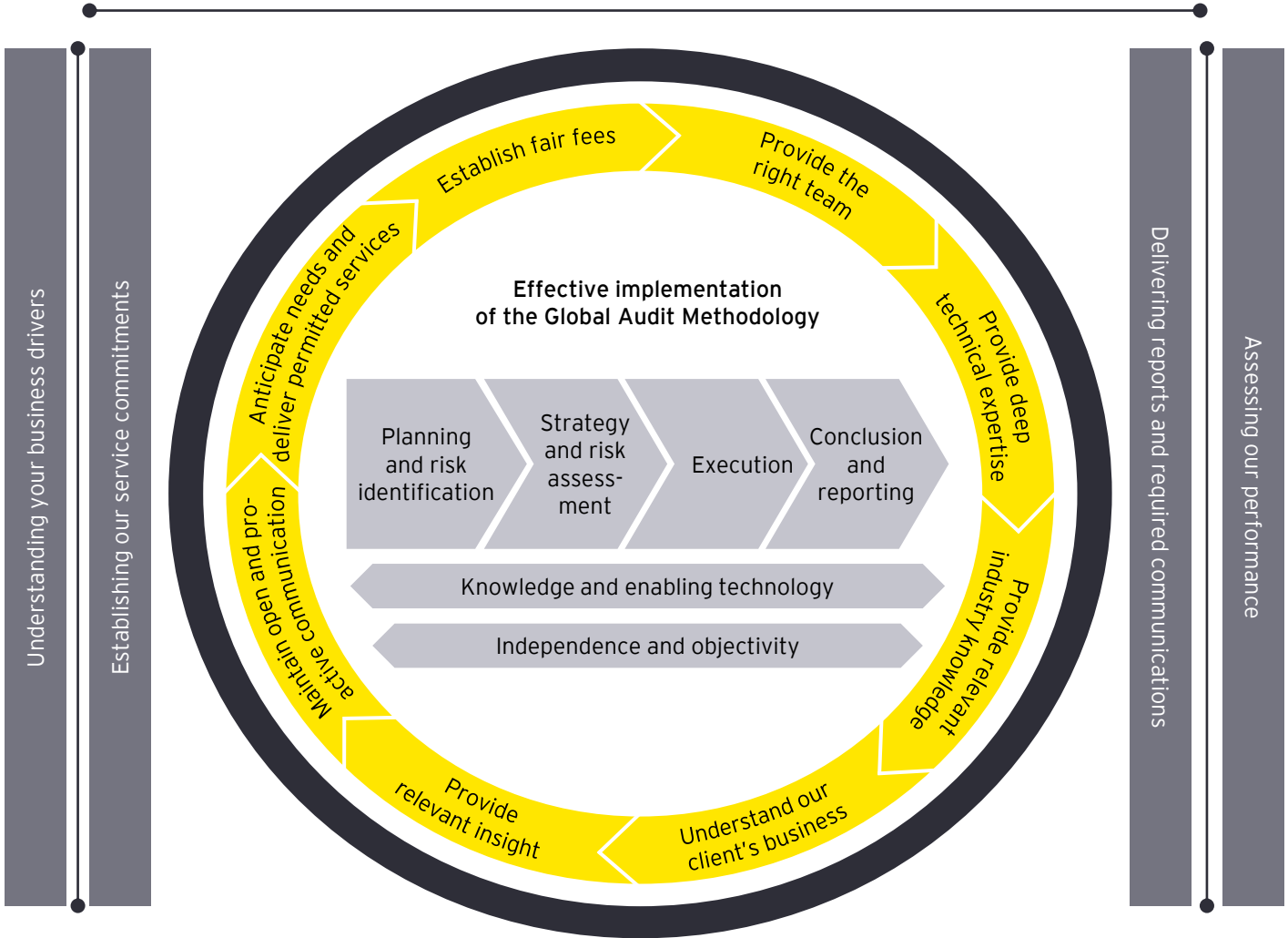
Our audit approach



Our service approach (cont'd)

Market leading audit approach (cont'd)

Executing our audit and service delivery approach



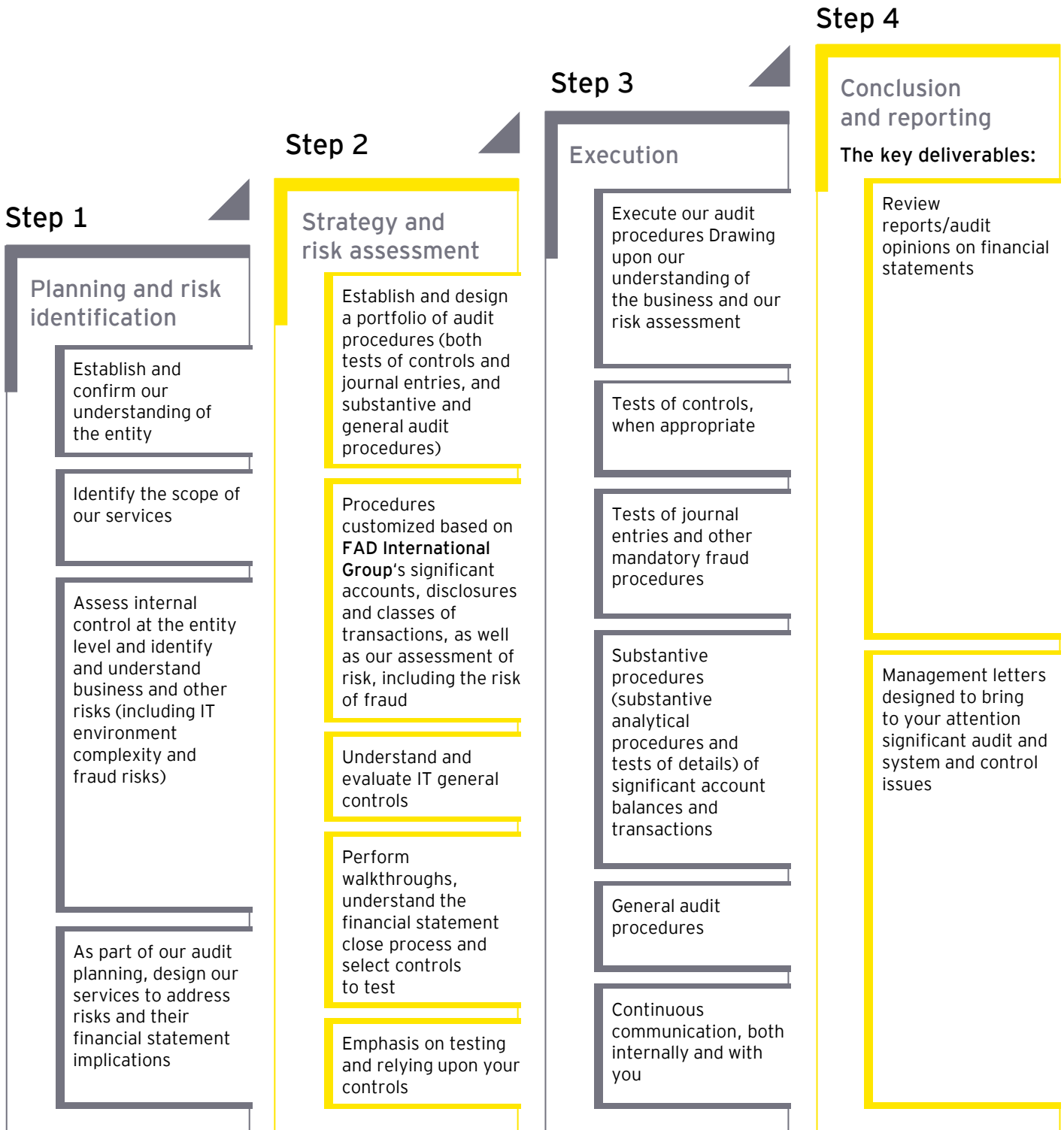
Delivering on our commitments to Management, the Audit Committee/Board of Directors, investors and other stakeholders

Clearly established and applied relationship protocols throughout the process



Our service approach (cont'd)

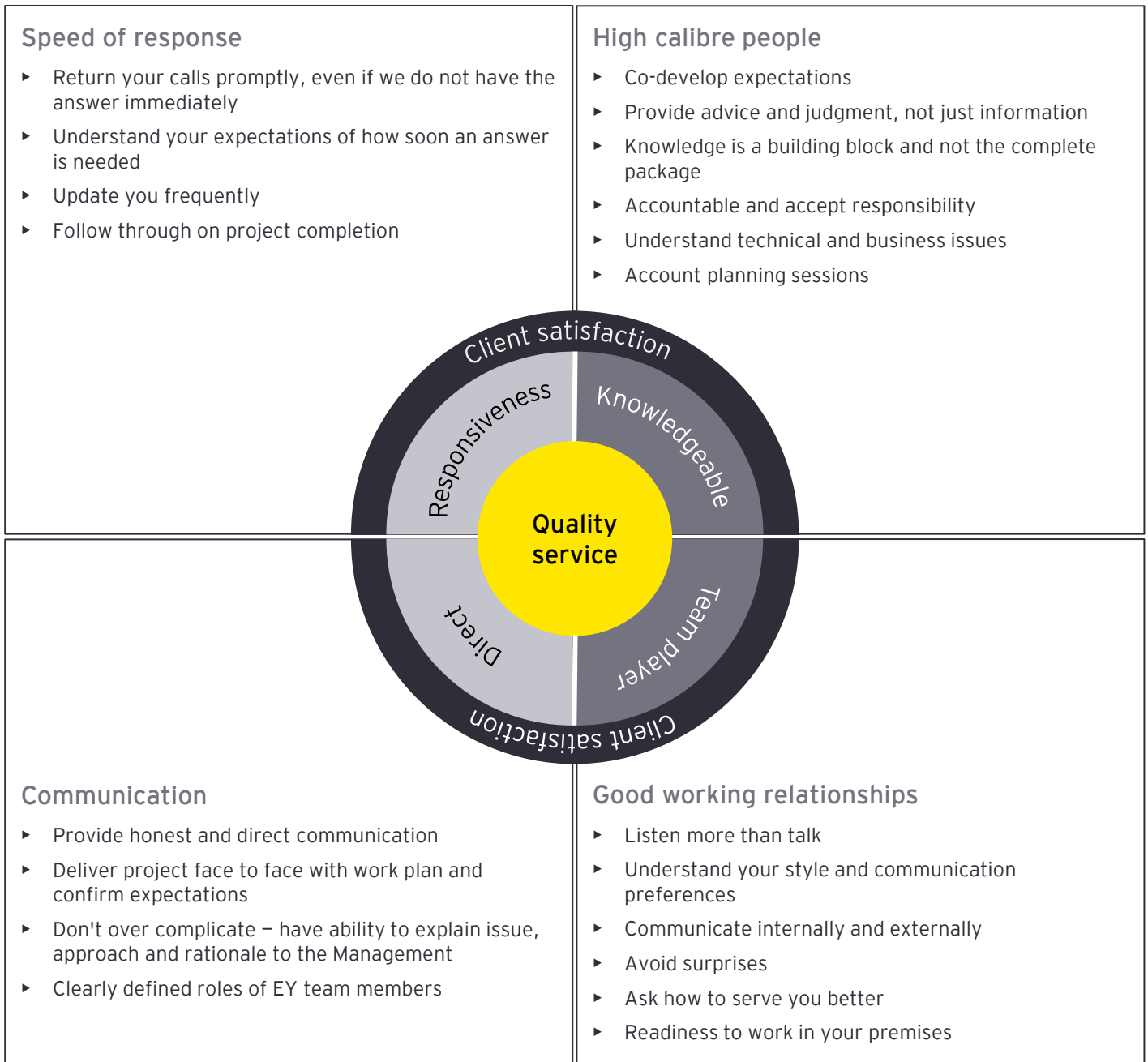
Global Audit Methodology





Our service approach (cont'd)

Our quality client service approach





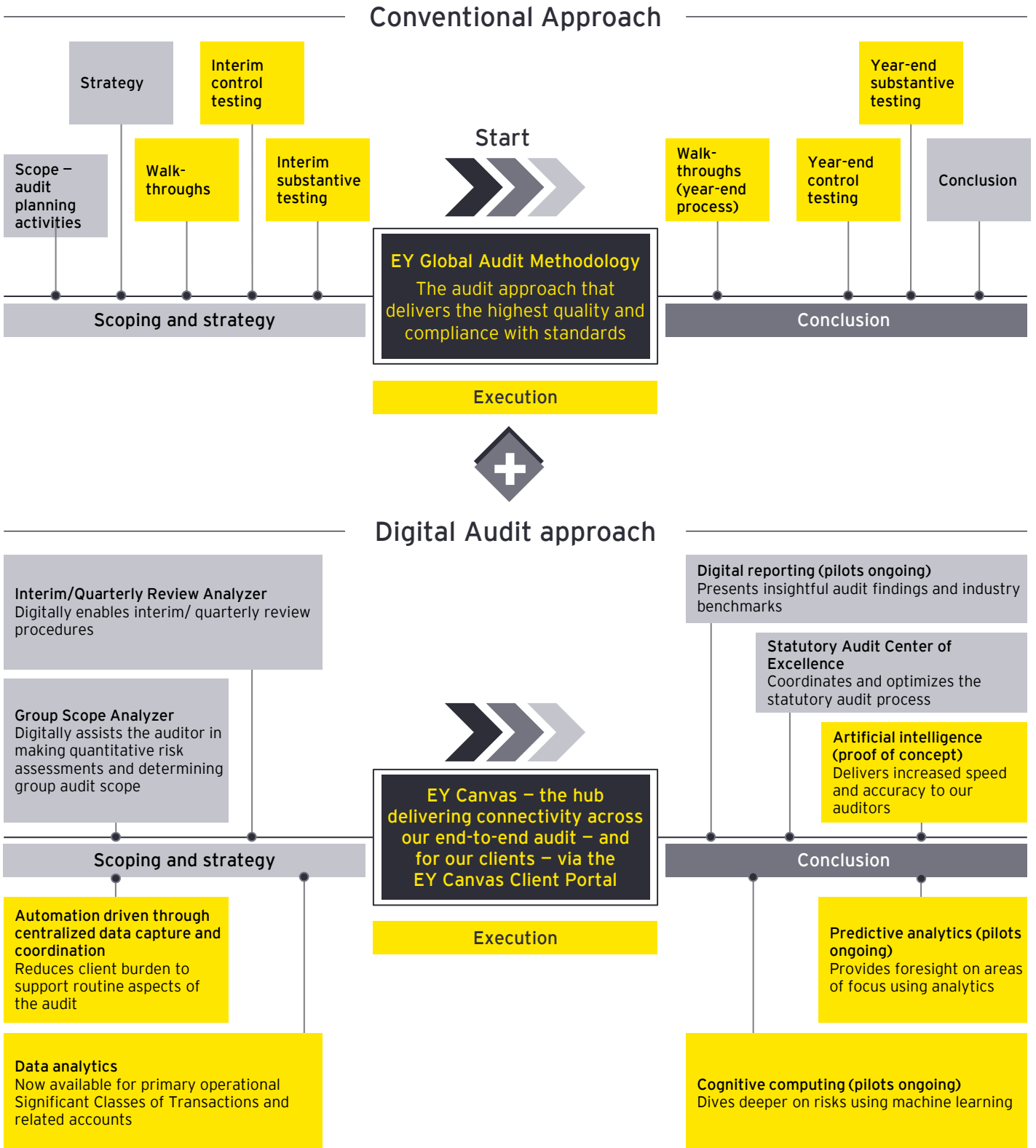
Section 7

EY Digital Audit:
The audit of the future



EY digital audit


Conventional + Digital audit = best audit quality, insights and project management





EY Digital Audit

Robotics Process Automation (RPA)



Enhanced automation has been a key component in the development of EY Canvas and EY Helix, which now allow us to further improve audit quality and accuracy through the incorporation of Robotics Process Automation (RPA) in our Audit execution. EY has formed a centralized Automation Center of Excellence, a dedicated team of highly qualified Automation engineers and Process consultants, to enhance the RPA opportunity across the organization.

We are currently using RPAs across various platforms.
Our pilots include:

Innovation workshops on our largest clients to identify routine audit procedures that can be automated

Developing discrete RPA objects to help automate routine, non complex and non-judgemental audit procedures such as loading client data to our analytical tools and sampling



Transforming our audits of funds in the financial services sector through automation

Automating the production of audit-ready work papers across the portfolio of statutory audits of our largest clients

We have been running an RPA in MENA since 6 years for more than **176,800** executions

RPA

EY has pioneered new tools and ways of working:

The differentiators that EY Canvas and EY Helix provide allows EY to drive further advances in technology to the audit unlike any other firm.

- ▶ As all audit coordination and execution flow through our single way of working and single technology, we are able to maximize our use of new technology including Robotics Process Automation and Artificial Intelligence.
- ▶ This enables our audit to deliver more quality and greater insights to FAD International Group



Section 8

Fair and transparent fees



Fair and transparent fees

We are committed to providing you with the maximum value for your business at a fee that is competitive in the market place. We intend to continue to be a long-term partner for you and therefore seek a fee that is mutually acceptable over the long-term

Fair and transparent fees

- ▶ FAD International Group is a Priority Account for EY. Our philosophy throughout our service relationship with you will be to provide quality services for a fair and competitive fee. We strive to keep our fees at a reasonable level, consistent with professional standards and market trends. The intent of our fee structure is to demonstrate our capabilities and commitment to establishing a long-term relationship with FAD International Group
- ▶ Billings will be made based on a mutually agreed schedule of billing
- ▶ We will define our expectations in terms of the cooperation required from you

Value dimension

- ▶ We understand that you take your relationship with your independent audit provider very seriously and are looking for a firm that has the ability and desire to form a long-lasting business relationship
- ▶ Successful relationships link value received to fees paid. While we realize fees are a component in your decision, we anticipate you will, first and foremost, select the firm that is most qualified to serve you, and offers the greatest quality and audit service
- ▶ A fair fee arrangement should help you achieve your expectations. This requires an understanding of how fees and value correlate and the resultant impact on risk, as well as a clear articulation of how value is defined, tracked, measured and communicated

Audit of Financial Statements

Data Analytics Insights

Management Letter

Access to Knowledge Portal

Fair Value Fees



Fees - Audit and assurance services

Our fees are charged on the basis of time occupied and expenses incurred having regard to the degree of responsibility involved and the experience and skill required for the audit of the financial statements of the Companies. The fee estimate assumes we will receive appropriate assistance from your staff in preparation of schedules and other matters, and that this assistance is on a timely basis.

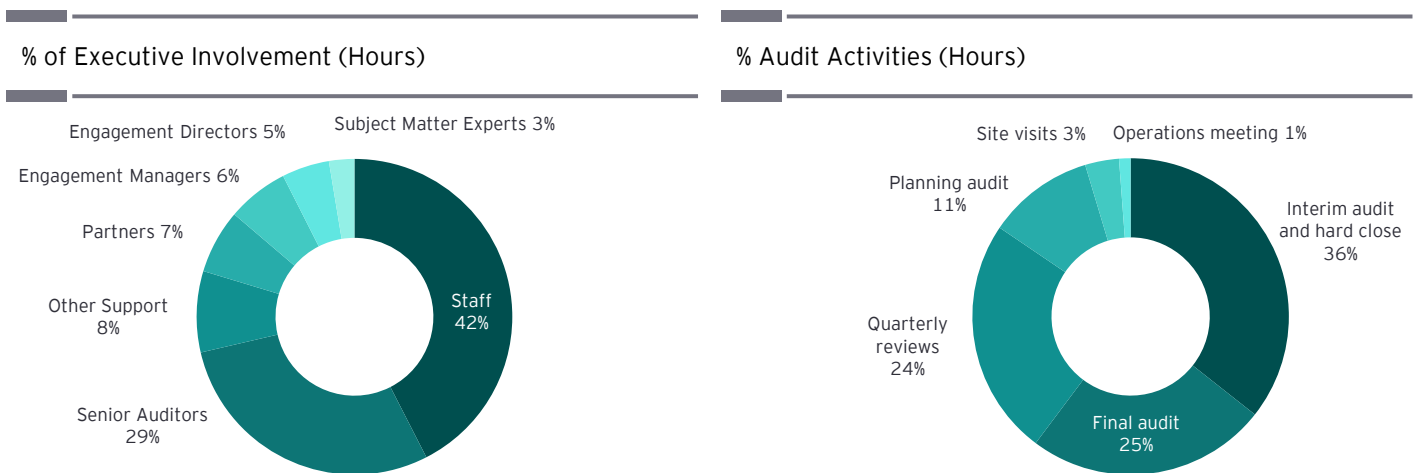
| | SAR |
|---|---------|
| Audit of FAD International Company - Consolidated Financial statements - for year ending 31 December 2024 | 75,000 |
| Audit of FAD International Company - Standalone financial statements - for year ending 31 December 2024 | 175,000 |
| Audit of Think Contemporary Marketing Trading Company - for year ending 31 December 2024 | 165,000 |
| Review of FAD International Company - Interim condensed consolidated financial statements - for the period ending 30 June 2024, 30 September 2024 and 31 March 2025 (including the fee for performing direct review procedures on Think Company) * - SR 75,000 each | 225,000 |

Note: The above fees exclude VAT, other applicable taxes and out of pocket expenses which will be billed separately.

Kindly note that our proposal is subject to our detailed engagement acceptance procedures and we may require some additional information to complete our assessment.

* We understand that interim review for the half year ended 30 June 2023 has been reviewed and unqualified review conclusion was issued by the existing auditors.

Team structure mix





Appendix A

Detailed CVs

Ahmad I. Reda

KSA Assurance Leader,
Telecommunications, Media and Technology (TMT) Leader

Tel : +966 12 221 8400
Mobile : +966 56 922 4220
Email : Ahmad.Red@sa.ey.com



Background

- ▶ Ahmed joined EY in 1996 as a trainee upon graduation from King Abdul Aziz University and has worked in all 3 offices in Saudi Arabia.
- ▶ Ahmed was seconded to EY UK for two years (2004 to 2006). During which, Ahmed was in charge of various significant projects/assignments.

Qualifications and professional affiliations

- ▶ CPA from Colorado Board of Accountancy
- ▶ Membership of SOCPA (Saudi Organization for Certified Public Accountants)

Professional experience

- ▶ In 2007, Ahmed was promoted as a Partner in the firm where he had a large portfolio of major projects.
- ▶ Currently Ahmed is leading two fast growing sectors in MENA, Consumer Products & Retail (CPR), and Telecommunications, Media & Technology (TMT). Responsibilities include:
 - ▶ Build the right structure;
 - ▶ Ensure Global knowledge and connectivity;
 - ▶ Assess the market needs in terms of the best needed solutions;
 - ▶ Manage Mega Projects in terms of Strategy, Digital, Transformation, Performance Improvement, Financial Advisory related, opening new markets at regional and Global level.
- ▶ In addition to his current role, in 2009, Ahmed was promoted as the Managing Partner of Jeddah Office with the responsibility of whole EY operations in the Western Region of Saudi Arabia

Professional experience

- ▶ In 2007, Ahmed was promoted as a Partner in the firm where he had a large portfolio of major projects.
- ▶ Currently Ahmed is leading two fast growing sectors in MENA, Consumer Products & Retail (CPR), and Telecommunications, Media & Technology (TMT). Responsibilities include:
 - ▶ Build the right structure;
 - ▶ Ensure Global knowledge and connectivity;
 - ▶ Assess the market needs in terms of the best needed solutions;
 - ▶ Manage Mega Projects in terms of Strategy, Digital, Transformation, Performance Improvement, Financial Advisory related, opening new markets at regional and Global level.
- ▶ In addition to his current role, in 2009, Ahmed was promoted as the Managing Partner of Jeddah Office with the responsibility of whole EY operations in the Western Region of Saudi Arabia

Qaiser Malik

Senior Principal – Assurance

Tel : +966 12 221 8520
Mobile : +966 56 330 68787
Email : Qaiser.malik@sa.ey.com



Background

- ▶ Qaiser is a Senior Principal in EY - Assurance. He joined EY in 2007 and is based in Jeddah Office since then. He has 17 years of post-qualification experience

Qualifications and professional affiliations

- ▶ Qaiser is a fellow member of Institute of Chartered Accountants of Pakistan (ICAP) and also holds Masters degree in Commerce from University of Punjab - Pakistan
- ▶ Conducted audits of various high profile clients including financial institutions, banks, energy and oil sector clients. He is also a member of IFRS MENA Desk, where he regularly advises the teams on IFRS related technical matters
- ▶ Qaiser is also leading the Jeddah office audit practice as an assurance leader as well as the Office Technical Executive ("OTE").

Professional experience

- ▶ Qaiser's career in the public accounting and financial advisory services extends over 16 years across the Middle East and Pakistan
- ▶ He was involved in auditing one of the largest banking client in Saudi Arabia for several years
- ▶ He was also involved in the audit of the financial statements of the groups and the companies where the IFRS is first time implemented
- ▶ Qaiser has extensive knowledge of IFRS and industry specific issues and in ensuring the technical quality of all client deliverables and compliance with the reporting standards and interpretations such as IFRS
- ▶ His experience in the areas of auditing assignments have proven to be of significant advantage to multinational as well as local clients seeking strategies to improve their business, streamline their operations, managing their risks and exposures, and enhancing profitability
- ▶ At EY, he has been involved in the audit of diversified industry sectors such as :
 - ▶ Consumer Products and retail
 - ▶ Banking and Asset Management
 - ▶ Construction and contracting
 - ▶ Energy and utilities
 - ▶ Manufacturing and trading
 - ▶ Hospitality and leisure
 - ▶ Electronics

Abdulaziz Alarifi

Partner
Audit, Saudi Arabia

Tel : +966 12 221 8400
Mobile : +966 55 815 1060
Email : Abdulaziz.alarifi@sa.ey.com



Background

- ▶ Abdulaziz is Audit Partner in the Assurance practice within Ernst & Young.
- ▶ Abdulaziz has a BS. Degree in Accounting from King Saud University, Riyadh, Saudi Arabia. 2007.
- ▶ Abdulaziz Also has Master of Accounting and Finance, Bangor University, Wales, United Kingdom. 2010.
- ▶ Abdulaziz is Certified Public Accountants and member of the American Institute of Certified Public Accountants (AICPA). 2015.
- ▶ Abdulaziz is a Saudi Certified Public Accountant and a member of SOCPA.

Professional experience

- ▶ Abdulaziz has assimilated a wide and diversified experience with multinational and local industries, which include Oil and Gas services, retail, investments, medical , governmental entities, non-for-profit organizations, and others.
- ▶ Handle the tasks of preparing statutory financial statements in accordance with the auditing standards and procedures.
- ▶ Perform the tasks of scrutinizing audit results and highlighting points that need attention.
- ▶ Handle responsibilities of analyzing internal control system of the organization.
- ▶ Prepare reports and communicate findings and recommendations to the senior management.

Skills

- ▶ An excellent understanding of auditing techniques.
- ▶ Thorough knowledge of SOCPA, IFRS.
- ▶ Experience within an Internal and External audit environment.
- ▶ Able to motivate and lead others in a project team environment.
- ▶ Analytical and methodical when approaching problems.
- ▶ A comprehensive knowledge of professional auditing and accounting standards and guidelines.
- ▶ A proactive approach and the ability to work autonomously and as part of a team.

Arslan Muslim

Director – Audit

Tel : +966 12 221 8468
Mobile : +966 59 397 0888
Email : arslan.muslim@sa.ey.com



Background

- ▶ After working for Ernst & Young EY Pakistan for 4 years, Arslan joined Ernst & Young Jeddah office in 2012 and has over 12 years experience of providing assurance services to various client

Qualifications

- ▶ Arslan is a Member of the Institute of Chartered Accountants of Pakistan (ICAP)

Professional experience

- ▶ During this period, Arslan has gained extensive experience in auditing large clients
- ▶ Arslan has sound knowledge of International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), and International Standards on Auditing
- ▶ Arslan is primarily responsible for financial services clients. Some of the clients handled by Arslan in Jeddah include the following:
 - ▶ Abdul Latif Jameel Group
 - ▶ SEDCO Group
 - ▶ The Saudi National Bank
 - ▶ Islamic Development Bank Group
 - ▶ Bank AlJazira
 - ▶ AJIL Financial Services Company
 - ▶ SNB Capital Company and its Funds
 - ▶ Al Khabeer Capital Company and its Funds

Jawad Shaikh

Executive Director – IT Risk

Tel : +966 2 221 8528
Mobile : +966 12 221 8528
Email : jawad.shaikh@sa.ey.com



Background

- ▶ Jawad is a Director in EY's Advisory Services based in Saudi Arabia, providing Cyber Security and IT Risk Assurance services to clients in various sectors
- ▶ With over 20+ years of professional experience, Jawad have been working with EY based in Jeddah since April 2001
- ▶ Before joining E&Y, he worked at PwC in Pakistan (1996-2001), where he mainly worked on Business Process Reengineering projects
- ▶ He is mainly coordinating the FAIT activities across MENA and am the cluster lead for 3 offices in KSA and office in Bahrain

Qualifications and professional affiliations

- ▶ He have an MBA in International Business, Bachelor in Computer Sciences, CISA, ISO27001 Lead Auditor, ITIL Foundation and Oracle Certified Developer (OCP)

Professional experience

- ▶ Conducted Information Systems Audits including application integrity audits on systems ranging from Oracle 11i, SAP, JD Edwards, BaaN, MS Dynamics, PeopleSoft, ACCPAC, etc. at clients in diverse industry sectors
- ▶ Project Management of the SAP GRC implementation at a leading University. The scope of the engagement was to implement SAP GRC Access Controls for all University Processes along with their SAP implementation partner. The project involved risk analysis, rule design, risk remediation, and risk mitigation activities
- ▶ Managed the development of IT Roadmap at a leading Hospital in KSA, following a detailed Network Architecture Review, Business Applications Review and Security Configuration Review. IT Roadmap provided a set of initiatives related to IT Governance, Cyber Security, IT Infrastructure and Business Applications domains. Each Initiative was detailed to include purpose, scope, approach, timeframe, resources, benefits and budget estimates
- ▶ Managed Quality Assurance of JD Edwards 8.12 at a leading Contracting Company in Jeddah, KSA. The modules covered relate to Finance, Projects, Distribution and HCM
- ▶ Managed the development of functional requirements and technical specification of an eMemo application for a leading bank in KSA. As part of the engagement, defined the business communication rules, conducted gap analysis of current and future processes and also performed a change impact analysis for organizational roles affected by the implementation of the new system
- ▶ Developed an IT Shared Services Governance Model for a leading Group of Industries in KSA
- ▶ Managed and developed the IT organization structure, roles, responsibilities, IT Policies and associated procedures for a leading Water & Electricity Company in the KSA



Appendix **B**

Quality assurance and independence



Independence practices

Independence practices

The goal is to help our people understand both their personal and EY's obligations to be free from interests that might be regarded as being incompatible with objectivity, integrity and impartiality in serving an audit client.

The Global Vice Chair of Independence leads and oversees the Global Independence function, a component of our Global Q&RM group. The GMP – Q&RM oversees the Global Vice Chair of Independence. The Global Independence function coordinates a network of member firm independence leaders and is responsible for establishing independence policies, procedures, compliance, monitoring, training, consultation and communication to guide member firms in applying, interpreting and complying with applicable auditor independence rules.

Professionals working in the Global Independence function also have responsibility for developing the tools, technology and programs that enable member firms to monitor compliance with independence rules and policies.

EY policies and processes are designed to enable member firms and professionals to comply with the independence standards applicable to specific engagements, including, for example, independence standards under the International Federation of Accountants (IFAC) Code of Ethics and local independence standard setting bodies. All professionals and certain other employees are required to participate in annual independence learning, to help maintain EY's independence when performing services for audit clients.

The goal is to help our people understand both their personal and EY's obligations to be free from interests that might be regarded as being incompatible with objectivity, integrity and impartiality in serving an audit client.

We consider and evaluate independence from several relevant perspectives including the financial relationships of both member firms and covered persons (as defined by applicable professional standards), employment relationships, business relationships, the potential non-audit services that are provided to audit clients, partner rotation, fee arrangements, Audit Committee pre-approval where applicable and partner remuneration and compensation.

A professional's failure to comply with applicable professional independence requirements will generally factor into promotion and compensation decisions, and may lead to other disciplinary measures.

Global Independence has deployed several global applications, tools and processes to support member firms, professionals and other employees in complying with independence policies.

Global Independence Policy

EY has a Global Independence Policy that contains the independence requirements for member firms, professionals and other employees. It is a robust policy predicated on IFAC independence rules, with more stringent requirements where prescribed by a given regulator. The Global Independence Policy also contains helpful supplementary guidance on a wide range of topics to aid professionals and other employees in applying the complex independence rules. The Global Independence Policy is readily accessible around the world through our intranet.

Global Independence System

The Global Independence System (GIS) is an intranet-based tool that helps member firms, professionals and other employees determine the listed entities from which independence is required and the independence restrictions that apply to each one. Most often these are listed audit clients and their affiliates, but they can be other types of attest or assurance clients. The tool includes family tree data relating to affiliates of the listed audit client and is updated by our client-serving engagement teams. The entity data includes notations that indicate the independence rules which apply to each entity so our professionals can readily see both the entity and the independence notations. GIS is frequently used by our professionals to determine the type of services that can be provided to the client based on the independence notations.



Independence practices (cont'd)

Global Monitoring System

The Global Monitoring System (GMS) is another important global tool that assists member firms and professionals in identifying proscribed securities and other financial interests that are not permissible for them to own. GMS requires professionals with certain seniority to report all securities held by them or their immediate families. It also permits annual and quarterly confirmation of compliance with EY independence policies.

Global Internal Audit (GIA) Team

Global Internal Audit (GIA) Team conducts an array of testing and member firm visits to assess compliance with several independence matters, including reviewing for non-audit services, business relationships with audit clients, and financial relationships of member firms.

Service Offering Reference Tool

We assess and monitor member firms' portfolio of services on an ongoing basis, confirming that they are permitted by law and professional standards, are supported by the right methodologies, procedures and processes and are consistent with our global strategy. When appropriate, member firms will exit or restrict services that could present independence or other risks. During 2008, we deployed the Service Offering Reference Tool (SORT) which provides our people with information about all EY services worldwide. SORT includes guidance around which services can be delivered to audit and non-audit clients, and independence and other risk management issues.

Business relationship evaluation tools

Member firms oversee compliance with business relationships independence requirements through their business relationships evaluation tools. Member firms, professionals and other employees are required to evaluate and obtain approval of potential business relationships with an audit client of a member firm in advance so that their business relationships are consistent with applicable independence professional standards.





Internal quality control systems

Internal quality control systems

EY's reputation for providing high-quality professional audit services independently, objectively and ethically is fundamental to our success as independent auditors. EY teams deliver high-quality audits, using a data-driven approach, with independence, integrity, objectivity and professional skepticism. These are fundamental attributes of a high-quality audit.

At EY, our role as auditors is to provide assurance on the fair presentation of the financial statements of the companies we audit. We bring together qualified teams to provide our services, drawing on our proven experience across industry sectors and services. We continually strive to improve our quality and risk management processes so that the quality of our service is at a consistently high level.

We recognize that in today's environment – characterized by continuing globalization and the rapid movement of capital – the quality of our audit services has never been more important.

While the market and stakeholders continue to demand high-quality audits, they also demand increasingly efficient and effective delivery of audit services. In addition to the investment mentioned, EY continues to seek ways to improve the effectiveness and efficiency of its audit methodology and processes, while improving audit quality.

We work to understand where our audit quality may not be up to our own expectations and those of stakeholders, including external audit firm regulators. We seek to learn from external and internal inspection activities and to identify root causes of adverse quality occurrences to enable us continually to improve audit quality, and we believe that taking effective and appropriate actions to improve quality is important.

Engagement quality reviews

Engagement quality reviews are performed by audit partners in compliance with professional standards for audits of all listed companies and those considered higher risk. Engagement quality reviewers are experienced professionals with significant subject matter knowledge. They are independent of the engagement team and able to provide objective evaluation of significant accounting, auditing and reporting matters. In no circumstances may the responsibility of the engagement quality reviewer be delegated to another individual.

The engagement quality review spans the entire engagement cycle, including planning, risk assessment, audit strategy and execution. Policies and procedures for

the performance and documentation of engagement quality reviews provide specific guidelines on the nature, timing and extent of the procedures to be performed, and the required documentation evidencing their completion. Our Regional PPD approves all engagement quality review assignments for listed companies and those considered higher risk.

Effectiveness of quality control system

EY has designed and implemented a comprehensive set of global audit quality control policies and practices, as described herein. These policies and practices meet the requirements of the International Standards on Quality Control issued by the International Auditing and Assurance Standards Board (IAASB). Each member firm is individually responsible to its clients and is required to adopt these global policies and procedures, supplementing them as necessary to comply with local laws and professional guidelines and to address specific business needs. Each member firm is also required to execute the EY global Audit Quality Review (AQR) program and annually evaluates whether its system of audit quality control has operated effectively in a manner so as to provide reasonable assurance that the member firm and its personnel comply with applicable professional and EY standards and regulatory requirements.

All member firms have executed the AQR program. The results of each member firm's AQR program and external inspections are evaluated and communicated within EY to provide the basis for continuous improvement in audit quality, consistent with the highest standards in the profession.

System of quality management

International Auditing and Assurance Standards Board (IAASB) issued ISQM 1, a revised standard that moves towards a risk-based approach. ISQM 1 requires audit firms to design, implement, monitor, and assess the overall system of quality management (SQM) that provides reasonable assurance quality objectives.

EY organization's approach is to implement SQM that is consistently applied across the entire network of member firms. A globally consistent SQM helps to facilitate audit quality and consistent execution.



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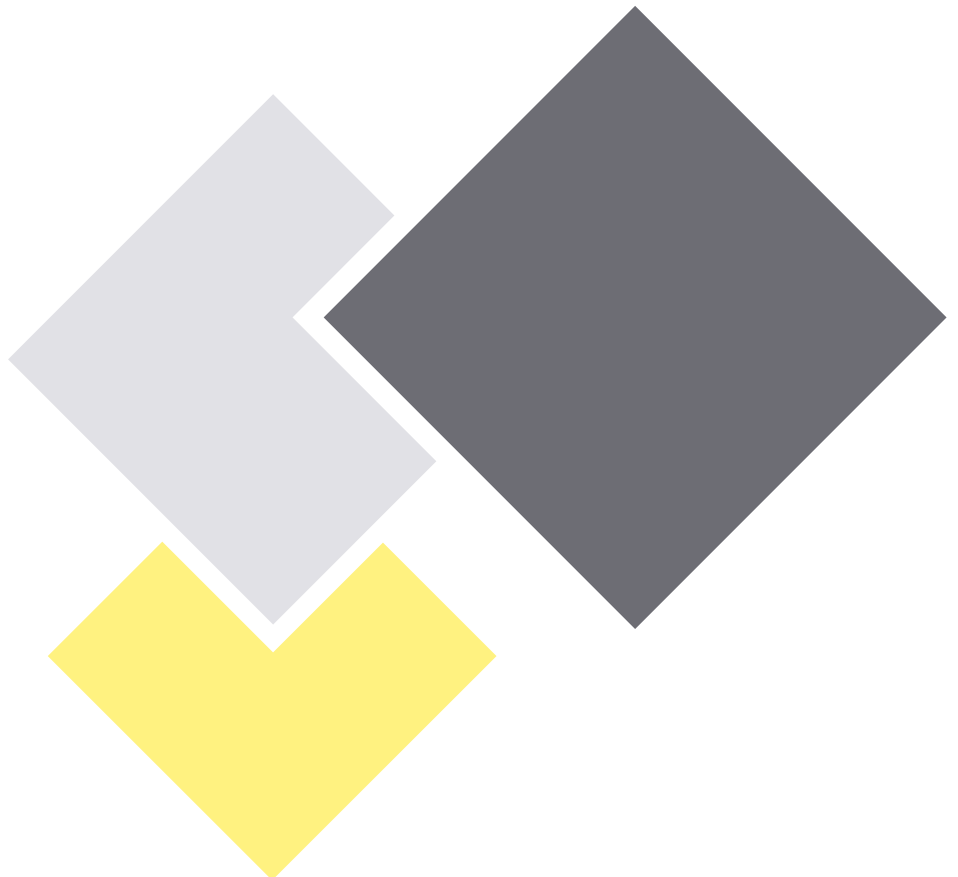
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توصية لجنة المراجعة في شركة فاد العالمية بتعيين مراجع حسابات خارجي

لنصف الأول 2024 وللعام المالي 2024م

قامت شركة فاد العالمية بطلب عروض سعر مراجعة من عدد (5) من مكاتب المحاسبة المسجلة والمحاسبين القانونيين المسجلين لدى هيئة السوق المالية لممارسة عمليات المراجعة للشركات المدرجة، ولم يصل منها للجنة المراجعة بتاريخ اجتماعها إلا ثلاث عروض تضمنت مراجعة قوائم الشركة وكانت قيمة الاتعاب بالريال السعودي كما يلي:

| اسم مكتب المراجعة | اتعاب تقرير النصف الأول 2024 | اتعاب تقرير العام 2024 | تقديم الإقرار الزكوي للعام 2024 | اجمالي الاتعاب |
|-------------------------|------------------------------|------------------------|---------------------------------|----------------|
| إرنست ويونغ (E&Y) | 145,000 | 415,000 | لا | 560,000 |
| كي بي أم جي (KPMG) | 50,000 | 505,000 | لا | 555,000 |
| بيكر تيللي (BakerTilly) | 50,000 | 430,000 | لا | 480,000 |

ووفقاً لما ذكر أعلاه توصي لجنة المراجعة باختيار شركة إرنست ويونغ (E&Y) مراجعاً لشركة فاد العالمية عن النصف الأول من العام 2024م والعام المالي الحالي 2024م وذلك للأسباب التالية:

- 1- حجم أعمال الشركة ضمن مجال الشركات أعلاه وتقدمت لنا بعرض هو الأنسب.
- 2- لديهم كادر مدققين يعتبر الأعلى ما بين الشركات أعلاه.

شركة فاد العالمية
س.ت ٤٠٣٠١٩٣٩١٥
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