Agenda for the Extraordinary General Assembly of Shareholders of Al-Seef Stores for Development and Investment Company

(first meeting) scheduled to be held via modern technology, God willing

on June 30, 2025 AD, corresponding to January 5, 1447 AH

1. Review and discuss the Board of Directors' report for the fiscal year ending December 31, 2024.
2. Review and discuss the financial statements for the fiscal year ending December 31, 2024.
3. Vote on the company's auditors' report for the fiscal year ending December 31, 2024, after discussion.
4. Vote on the payment of a bonus to the Board of Directors in the amount of (1,217,000) riyals for the fiscal year ending December 31, 2024 .
5. Vote on authorizing the Board of Directors to distribute interim dividends on a semi-annual or quarterly basis for the fiscal year 2025 .
6. Vote on the appointment of the company's auditor from among the nominees, based on the Audit Committee's recommendation, to examine, review, and audit the financial statements for the second, third, and annual quarters of fiscal year 2025, and the first quarter of fiscal year 2026, and determine their fees.
7. Vote on the business and contracts concluded between the company and Nawah Real Estate Investment Company, in which Board members Sulaiman bin Mohammed Al Saif, Ahmed Sulaiman Al Saif, Mohammed Sulaiman Al Saif, Haitham Sulaiman Al Saif, and Muhannad Sulaiman Al Saif have a direct interest. These contracts cover the rental of offices and branches. The value of the transactions was SAR 27,766,817 for 2024. All transactions were conducted on a commercial basis and without preferential benefits. (Attached).
8. Vote on the business and contracts concluded between the company and Al Saif Commercial Agencies Company, in which Board member Sulaiman bin Mohammed Al Saif has a direct interest. These contracts cover the supply of goods. The value of the transactions was SAR 4,238,532 for 2024. All transactions were conducted on a commercial basis and without preferential benefits. (Attached)
9. Voting on transactions between the company and Sulaiman bin Mohammed Al Saif, in which board member Sulaiman bin Mohammed Al Saif has a direct interest, which is expenses paid on behalf of a shareholder. The value of the transactions was SAR 96,276 for the year 2024 (Attached)

10. Voting on transactions between the company and Sulaiman bin Mohammed Al Saif, in which board member Sulaiman bin Mohammed Al Saif has a direct interest, which is the sale of land and a building. The value of the transactions was SAR 97,000,000 for the year 2024 (Attached)
11. Voting on transactions between the company and Sulaiman bin Mohammed Al Saif, in which board member Sulaiman bin Mohammed Al Saif has a direct interest, which is the financing received. The value of the transactions was SAR 20,000,000 for the year 2024 (Attached)
12. Voting on the business and contracts concluded between the company and Al Saif Coffee Trading Company, in which board member Ahmed bin Sulaiman Al Saif has a direct interest, which is the supply of goods. The value of the transactions was SAR 20,000,000 1,485,576 Saudi Riyals for the year 2024, and that all transactions were conducted on a commercial basis and without any preferential benefits or conditions. (Attached)
13. Voting on the transactions and contracts concluded between the company and Al Saif Plus Trading Company, in which board member Ahmed bin Sulaiman Al Saif has a direct interest, which is expenses paid on behalf of a shareholder. The value of the transactions was 1,598,412 Saudi Riyals for the year 2024. (Attached)
14. Voting on the transactions and contracts concluded between the company and Mohammed Al Saif, in which board member Mohammed bin Sulaiman Al Saif has a direct interest, which is financing received. The value of the transactions was 15,000,000 Saudi Riyals for the year 2024. (Attached)
15. Voting on the transactions and contracts concluded between the company and Haitham Al Saif, in which board member Haitham bin Sulaiman Al Saif has a direct interest, which is sales transactions amounting to 156,043 Saudi Riyals for the year 2024. (Attached)
16. Voting on the transactions and contracts concluded between the company and Muhannad Al-Saif, in which Board Member Muhannad bin Sulaiman Al-Saif has a direct interest, consisting of sales transactions totaling SAR 40,458 for the year 2024. (Attached)
17. Voting on the transactions and contracts concluded between the company and Ahmed Al-Saif, in which Board Member Ahmed bin Sulaiman Al-Saif has a direct interest, consisting of sales transactions totaling SAR 44,299 for the year 2024. (Attached)
18. Voting on authorizing the Board of Directors to exercise the authority of the Ordinary General Assembly to authorize the Board of Directors under Paragraph (1) of Article Twenty-Seven of the Companies Law, for a period of one year from the date of approval by the General Assembly or until the end of the term of the authorized Board of Directors, whichever comes

first, in accordance with the conditions stipulated in the Executive Regulations of the Companies Law for listed joint-stock companies

19. Voting on the involvement of Board Member Ahmed bin Sulaiman Al-Saif in a business that competes with the Company's business. (Attached)
20. Voting on the involvement of Board Member Haitham bin Sulaiman Al-Saif in a business that competes with the Company's business. (Attached)
21. Voting on amending Article (3) of the Articles of Association relating to the Company's Objectives (Attached)

Description of the licensed business of a board member

Member's relationship with the competing business	Competitive working capital	Nature of the competing business	Competing business name	Member name
Owner and Chairman of the Board of Directors	Riyals 10,000	Practicing an activity similar or identical to the activities of Al Saif Gallery Company	Al Saif Plus Trading Company	Ahmed bin Sulaiman Al Saif
partner %50	Riyals10,000	Practicing an activity similar to the activities of Al Saif Gallery Company	Today's Intelligence Medical Company (WIXSANA)	Haitham bin Sulaiman Al Saif

Al-SAIF STORES FOR DEVELOPMENT AND INVESTMENT COMPANY
(A Saudi Closed Joint Stock Company - Refer Note1)

CONSOLIDATED FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022

Al-SAIF STORES FOR DEVELOPMENT AND INVESTMENT COMPANY
(A Saudi Closed Joint Stock Company)

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OPINION

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Al Saif Stores for Development and Investment Company (the "Group") as at 31 December 2022, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by Saudi Organization for Chartered and Professional Accountants (SOCPA).

We have audited the consolidated financial statements of the Group, which comprise of the following:

- The consolidated statement of financial position as at 31 December 2022;
- The consolidated statement of comprehensive income for the year then ended;
- The consolidated statement of changes in equity for the year then ended;
- The consolidated statement of cash flows for the year then ended, and;
- The notes to the consolidated financial statements, including a summary of significant accounting policies.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent from the Group in accordance with the professional code of conduct and ethics that are endorsed in the Kingdom of Saudi Arabia that are relevant to our audit of the Group's consolidated financial statements and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

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

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF AL SAIF STORES FOR DEVELOPMENT AND INVESTMENT COMPANY
REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

KEY AUDIT MATTERS

Key Audit Matters	How our audit addressed the key audit matter
Revenue Recognition	
With reference to the accounting policy relating to the revenue recognition, the Group's revenues for the year ended 31 December 2022 amounted to SR 739.1 million (2021: 825.3 million) (Refer Note 23). Revenue is a key indicator of performance measurement, resulting in inherent risks in the revenue recognition process through revenue overstatements. Revenue is recognized when performance obligation is satisfied as per the contract with customer. Due to the inherent risks in the revenue recognition process and the significance of revenue value, revenue recognition was considered as a key audit matter.	We have performed the following procedures: - Obtained understanding of the process for recognition of revenue and considered the appropriateness of the Group's revenue recognition accounting policies as per applicable financial reporting framework; - Tested the design, implementation and operating effectiveness of key controls in relation to the recognition of revenue; - Performed test of details on revenue recognized during the year, on a sample basis, through inspecting supporting documents; - Inquired from the management representatives regarding fraud awareness and the existence of any actual fraud cases and - Assessing the appropriateness of the disclosures made in the consolidated financial statements.

OTHER INFORMATION

Other information consists of the information included in the Group's 2022 annual report, other than the consolidated financial statements and our auditor's report thereon. Management is responsible for the other information in its annual report.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

OTHER MATTER

The financial statements of the Company for the year ended 31 December 2021 were audited by another auditor, who expressed an unmodified opinion dated 31 May 2022.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by the SOCPA and Regulations for Companies and the Group's articles of association and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

As part of an audit in accordance with the International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF AL SAIF STORES FOR DEVELOPMENT AND INVESTMENT COMPANY

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group's to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

For Al-Bassam & Co.

Ahmed A. Mohandis
Certified Public Accountant
License No. 477
Riyadh: 04 Ramadan 1444H
Corresponding to: 26 March 2023

البسام وشركاؤه
محاسبون قانونيون
رقم الترخيص ٥٢٠/١١/٣٢٣
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Al-SAIF STORES FOR DEVELOPMENT AND INVESTMENT COMPANY
(A SAUDI CLOSED JOINT STOCK COMPANY)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022
(All amounts in Saudi Riyals unless otherwise stated)

	Note	31 December 2022	31 December 2021
ASSETS			
Non-current assets			
Property and equipment, net	6	**161,546,131**	142,208,919
Right-of-use assets, net	7	**127,882,760**	121,441,834
Intangible, net	8	**1,609,397**	--
Total non-current assets		**291,038,288**	263,650,753
Current assets			
Inventory, net	9	**239,069,305**	258,253,489
Trade receivables, net	10	**5,927,366**	5,308,710
Prepayments and other receivables	11	**34,653,762**	37,087,347
Due from related parties	5	**35,000,000**	--
Cash and cash equivalents	12	**46,891,478**	46,704,370
Total current assets		**361,541,911**	347,353,916
Total assets		**652,580,199**	611,004,669
Equity			
Share capital	13	**350,000,000**	42,000,000
Additional capital contribution		**156,431**	156,431
Statutory reserve	14	**25,579,456**	12,600,000
Retained earnings		**35,370,082**	326,382,208
Total equity		**411,105,969**	381,138,639
Liabilities			
Non-current liabilities			
Long-term lease liabilities	7	**112,169,873**	107,106,583
Provision for employees' benefits	15	**8,391,000**	7,513,000
Total non-current liabilities		**120,560,873**	114,619,583
Current liabilities			
Short-term lease liabilities	7	**18,227,306**	14,775,225
Short term loan	16	**53,652**	52,626,976
Trade payables	17	**19,649,447**	21,239,533
Due to related parties	5	**24,905,711**	--
Revenue received in advance		--	1,505,563
Accruals and other payables	18	**15,331,166**	19,092,070
Dividends payable	19	**35,000,000**	--
Zakat provision	20	**7,746,075**	6,007,080
Total current liabilities		**120,913,357**	115,246,447
Total liabilities		**241,474,230**	229,866,030
Total equity and liabilities		**652,580,199**	611,004,669
Contingencies and Commitments	21		

The accompanying notes 1 to 35 form an integral part of these consolidated financial statements.

Muhammad Suleiman Alsaif
CEO

Abdulelah Almofeez
CFO

Al-SAIF STORES FOR DEVELOPMENT AND INVESTMENT COMPANY
(A SAUDI CLOSED JOINT STOCK COMPANY)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2022
(All amounts in Saudi Riyals unless otherwise stated)

	Note	31 December 2022	31 December 2021
Revenue	22	**739,107,713**	825,288,695
Cost of revenue		**(532,849,991)**	(549,760,669)
Gross profit		**206,257,722**	275,528,026
Selling and distribution expenses	23	**(47,128,924)**	(58,128,379)
General and administrative expenses	24	**(28,086,166)**	(24,015,325)
Finance costs	25	**(8,032,487)**	(7,075,757)
Depreciation on right-of-use assets	7	**(18,435,450)**	(18,876,596)
Operating profit		**104,574,695**	167,431,969
Other income	26	**34,547,977**	19,714,755
(Loss) / gain on sale of financial assets at FVTPL	27	**(1,610,865)**	4,288,989
Net profit for the year before zakat		**137,511,807**	191,435,713
Zakat expense	20	**(7,746,075)**	(6,551,301)
Net profit for the year		**129,765,732**	184,884,412
Other comprehensive income			
Items that will not be reclassified to profit or loss in subsequent periods			
Actuarial gain / (loss) on re-measurement of employees' benefits obligations	15	**201,598**	(1,583,359)
		201,598	(1,583,359)
Total comprehensive income for the year		**129,967,330**	183,301,053
Basic and diluted earnings per share (Saudi Riyals)	28	**4.96**	44.02

The accompanying notes 1 to 35 form an integral part of these consolidated financial statements.

Muhammad Suleiman Alsaif	**Abdulelah Almofeez**
CEO	**CFO**

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Al-SAIF STORES FOR DEVELOPMENT AND INVESTMENT COMPANY
(A SAUDI CLOSED JOINT STOCK COMPANY)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2022
(All amounts in Saudi Riyals unless otherwise stated)

	Note	Share capital	Additional capital contribution	Statutory reserve	Retained earnings	Total
Balance as of 1 January 2021		42,000,000	156,431	12,600,000	293,081,155	347,837,586
Net profit for the year		-	-	-	184,884,412	184,884,412
Other comprehensive income		-	-	-	(1,583,359)	(1,583,359)
Total Comprehensive income		-	-	-	183,301,053	183,301,053
Dividends		-	-	-	(150,000,000)	(150,000,000)
Balance as at 31 December 2021		42,000,000	156,431	12,600,000	326,382,208	381,138,639
Balance as of 1 January 2022		**42,000,000**	**156,431**	**12,600,000**	**326,382,208**	**381,138,639**
Net profit for the year		-	-	-	**129,765,732**	**129,765,732**
Other comprehensive income		-	-	-	**201,598**	**201,598**
Total Comprehensive income		-	-	-	**129,967,330**	**129,967,330**
Addition in share capital		**308,000,000**	-		**(308,000,000)**	-
Statutory Reserve				**12,979,456**	**(12,979,456)**	-
Dividends	20	-	-	-	**(100,000,000)**	**(100,000,000)**
Balance as at 31 December 2022		**350,000,000**	**156,431**	**25,579,456**	**35,370,082**	**411,105,969**

The accompanying notes 1 to 35 form an integral part of these consolidated financial statements.

Muhammad Suleiman Alsaif
CEO

Abdulelah Almofeez
CFO

Al-SAIF STORES FOR DEVELOPMENT AND INVESTMENT COMPANY
(A SAUDI CLOSED JOINT STOCK COMPANY)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022
(All amounts in Saudi Riyals unless otherwise stated)

	Note	For the year ended 31 December 2022	For the year ended 31 December 2021
CASH FLOW FROM OPERATING ACTIVITIES			
Net profit for the year before zakat		**137,511,807**	191,435,713
Adjustments for:			
Depreciation of property and equipment	6	**14,913,279**	12,781,854
Depreciation of right-of-use assets	7	**18,435,450**	18,876,596
Amortization of intangible	8	**68,464**	--
Loss / (gain) on sale of financial assets at FVTPL		**1,610,865**	(4,288,989)
Provision for end-of-service benefits	15	**1,280,000**	1,156,000
(Gain) / loss on disposal of property and equipment	26	**(16,575,982)**	339
Finance costs	25	**8,032,487**	7,075,757
Provision on inventory	9	**--**	1,240,270
Reversal of provision on inventory	9	**--**	(2,402,969)
Prior year adjustment of zakat	20	**520,999**	--
		165,797,369	225,874,571
Changes in operating assets and liabilities:			
Trade receivables, net		**(618,656)**	(1,630,674)
Inventories, net		**19,184,184**	(68,096,044)
Prepayments and other receivables		**2,433,585**	8,058,280
Due from related parties		**(35,000,000)**	--
Trade payables		**(1,590,086)**	5,204,099
Due to related parties		**24,905,711**	--
Advance from customers		**(1,505,563)**	(212,978)
Accruals and other payables		**(3,760,904)**	(1,703,777)
		169,845,640	167,493,477
Employees' benefits paid	15	**(440,402)**	(409,359)
Zakat paid	20	**(6,528,079)**	(5,715,238)
Net cash flows generated from operating activities		**162,877,159**	161,368,880
Cash flow from investing activities			
Proceeds from disposal of property and equipment		**35,000,000**	58,960
Addition of property and equipment	6	**(52,674,509)**	(31,387,967)
Addition of intangible	8	**(1,677,861)**	--
Purchase of financial assets at FVPL	27	**(248,051,797)**	(537,454,120)
Proceeds from sale of financial assets FVTPL	27	**246,440,932**	556,655,563
Net cash flows used in investing activities		**(20,963,235)**	(12,127,564)
Cash flows from financing activities			
Dividends paid	19	**(65,000,000)**	(150,000,000)
Finance cost paid		**(1,803,447)**	(727,004)
Proceeds from short term loans	16	**103,054,896**	142,444,617
Repayments of short-term loans	16	**(155,628,220)**	(137,953,911)
Lease liabilities paid	7	**(22,350,045)**	(22,467,491)
Net cash flows used in financing activities		**(141,726,816)**	(168,703,789)
Net change in cash and cash equivalents		**187,108**	(19,462,473)
Cash and cash equivalents at beginning of year	12	**46,704,370**	66,166,843
Cash and cash equivalents at end of the year	12	**46,891,478**	46,704,370
<u>**The non-cash transactions:**</u>			
Transferred from retained earnings to share capital		**308,000,000**	--

The accompanying notes 1 to 35 form an integral part of these consolidated financial statements

(All amounts in Saudi Riyals unless otherwise stated)

1. THE COMPANY, ITS SUBSIDIARIES AND ITS BUSINESS ACTIVITIES

Al Saif Stores for Development and Investment Company ("the Company") and its subsidiaries (together "the Group") is a Saudi Closed Joint-Stock Company which was established in accordance with the Companies Law in the Kingdom of Saudi Arabia under Commercial Registration no. ١٠١٠١١١١٩٣ issued in Riyadh on 18 Dhu al-Hijjah 1413H corresponding to 09 September 1993. The Company was converted from a limited liability company to a closed joint stock company on 23 Muharram 1436H corresponding to 16 November 2014 as per the approval of the Ministry of Commerce and Industry No. 322 /s.

During the year, the Capital Market Authority (CMA) approved the Company's request to offer 10.5 million shares, representing 30% of the share capital, on Main Market and the shares of the Company were listed on Saudi Exchange on 27 December 2022, however, as per the Commercial Registration and Articles of Association of the Company, the legal status is still a closed joint stock company. The Company is in the process of updating the Commercial Registration and Articles of Association.

The principle activity of the Group is the sale and import of household utensils, wholesale and retail trade in household utensils, electrical appliances, cleaning supplies, general contracting activity, construction, repair, restoration and demolition of buildings and public construction of road works, water and sewage works, dams, drilling wells, maintenance and operation of electrical, mechanical and electronic installations, landscaping and blacksmithing, carpentry, aluminum, decoration, gypsum, decoration, maintenance and cleaning works, management and operation of cities, utilities, buildings and public and private facilities, buying and owning real estate and lands to construct buildings on them.

Based on the approval of the Company's Extraordinary General Assembly held on 9 November 2017, corresponding to 20 Safar 1439H, It was approved to amend the Company's articles of association to conform to the system of the Ministry of Trade and Investment. Accordingly, the name of the Company was modified from Al Saif Stores Development and Investment Holding Company to become Al Saif Stores Development and Investment Company.

During the year dated 1٦ April 2022, the board of directors of the Group had resolved to increase the share capital of the Group to SR 350 million by transferring the amount from retained earnings.

Subsidiaries
Subsidiaries are entities controlled by the Group. Control exists when the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable are taken into account. Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Company obtains control, and continue to be consolidated until the date that such control ceases. .

Name of subsidiaries	**Location**	**% of shareholding**	
		31 December 2022	**31 December 2021**
Al Saif Gallery Trading	Abu Dhabi – UAE	100%	--
Al Saif Gallery Kuwait	Kuwait City - Kuwait	100%	--

The head office of the Group is located at P.O. Box 10448, Riyadh 11626, Kingdom of Saudi Arabia.
The following are the branches of the Group:

C.R. Name	**C.R No.**	**City**
Al-Saif Stores Development and Investment Company	١٠١٠١١١١٩٣	Riyadh
Branch of Al-Saif Stores Development and Investment Company	١٠١٠٢١٤٤٨١	Riyadh
Branch of Al-Saif Stores Development and Investment Company	2511020642	Hafar Al-Batin
Branch of Al-Saif Stores Development and Investment Company	3400017715	Skaka
Al-Saif Household Utensils, Branch of Al-Saif Stores Development and Investment Company	5855064177	Khamis Mushait
Branch of Al-Saif Stores Development and Investment Company	5950028436	Najran
Branch of Al-Saif Stores Development and Investment Company	2052002131	Dhahran
Al-Saif Gallery Trading, Branch of Al-Saif Stores Development and Investment Company	5900029071	Jazan
Al-Saif Gallery for Household Utensils, Branch of Al-Saif Stores Development and Investment Company	4031088383	Makkah
Branch of Al-Saif Stores Development and Investment Company	3350038998	Hail

(All amounts in Saudi Riyals unless otherwise stated)

1 THE COMPANY, ITS SUBSIDIARIES AND ITS BUSINESS ACTIVITIES (Continued)

The following are the branches of the Group (Continued):

Al-Saif Gallery Trading, Branch of Al-Saif Stores Development and Investment Company	5851008216	Bisha
Branch of Al-Saif Stores Development and Investment Company	2050089147	Dammam
Branch of Al-Saif Stores Development and Investment Company	2251051049	Hofuf
Branch of Al-Saif Stores Development and Investment Company	3550035969	Tabuk
Branch of Al-Saif Stores Development and Investment Company	1011023345	Kharj
Al-Saif Gallery Trading, Branch of Al-Saif Stores Development and Investment Company	4032047578	Taif
Al-Saif Gallery Trading CO., Branch of Al-Saif Stores Development and Investment Company	4650078386	Medina
Branch of Al-Saif Stores Development and Investment Company	1131050364	Buraydah
Al-Saif Gallery Trading, Branch of Al-Saif Stores Development and Investment Company	4030280833	Jedda
Branch of Al-Saif Stores Development and Investment Company	5850069251	Abha
Branch of Al-Saif Stores Development and Investment Company	٢٠٥٧٠٠٩١٦٢	Khafji
Al-Saif Gallery Trading, Branch of Al-Saif Stores Development and Investment Company	٤٧٠٠٠٢٠١٧٦	yanbu
Al-Saif Hall for household utensils, Branch of Al-Saif Stores Development and Investment Company	١٠١٠٢٤٥٩٨٣	Riyadh
Al-Saif Gallery Trading, Branch of Al-Saif Stores Development and Investment Company	١١٣٢٠١١١٢٨	Alrass
Al-Saif Gallery Trading, Branch of Al-Saif Stores Development and Investment Company	٢٠٥٥١٢٢٨٩٥	Jubail
Branch of Al-Saif Stores Development and Investment Company	١٠١٠١٨٣٧٨٨	Riyadh
Branch of Al-Saif Stores Development and Investment Company	١١٢٨١٨١٦٣٦	Unaizah
Branch of Al-Saif Stores Development and Investment Company	٥٨٠٠١٠٣٨٠٩	Albaha
Al-Saif Stores Development and Investment Company	1116623206	Dawadmi
Al-Saif Gallery Trading	5860612372	Mahayel Aseer
Branch of Al-Saif Stores Development and Investment Company	1010283196	Riyadh
Branch of Al-Saif Stores Development and Investment Company	1010664452	Riyadh
Branch of Al-Saif Stores Development and Investment Company	1010672622	Riyadh
Branch of Al-Saif Stores Development and Investment Company	2051232518	khobar
Suleiman Mohammad Al-Saif Gallery for household utensils, branch of Al-Saif Stores Company for Development and Investment	4031088373	Makkah
Branch of Al-Saif Stores Development and Investment Company	٣٤٥٠١٧٨٦١٤	Arar
Al Saif Gallery Trading -UAE	4605329	Abu Dhabi
Al Saif Gallery Kuwait	468654	Kuwait

2. BASIS OF PREPARATION

2.1 STATEMENT OF COMPLIANCE

These consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards ("IFRS") that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements that are endorsed by the Saudi Organization for Chartered and Professional Accountants ("SOCPA").

2.2 BASIS OF MASUREMENT

These consolidated financial statements are prepared under the historical cost method except for the following:

a) Investments that are measured at fair value; and
b) Employees' post-employment benefits recognized at the present value of future obligations using the Projected Unit Credit Method.

2 BASIS OF PREPARATION (Continued)

2.3 FUNCTIONAL AND PRESENTATION CURRENCY

These consolidated financial statements are presented in Saudi Riyals (SR) which is the functional and presentation currency.

2.4 BASIS OF CONSOLIDATION

These consolidated financial statements include the financial statements of the Company and subsidiaries controlled by the Group as of 31 December 2022. Control is achieved where the Group has the power to govern the financial and operating policies of the investee company so as to obtain benefits from its activities.

Income and expenses of subsidiaries incorporated during the year, if any, are included in the consolidated statement of other comprehensive income from the effective date of incorporation and up to the effective date of disposal, as appropriate. Total income of subsidiaries is attributed to the shareholders of the Group and to the non-controlling interests, if any, even if this results in the non-controlling interests having a deficit balance. All significant inter-group transactions and balances between group enterprises have been eliminated in preparing the consolidated financial statements.

2.5 NEW STANDARDS, AMENDED STANDARDS AND INTERPRETATIONS

Amendments

A number of new amendments to standards, enlisted below, are effective this year but they do not have a material effect on the Group's Consolidated Financial Statements, except for where referenced below.

New amendments to standards issued and applied effective in the year 2022

Amendments to standard	Description	Effective for annual years beginning on or after	Summary of the amendment
IAS 37	Onerous Contracts – Cost of Fulfilling a Contract	January 1, 2022	The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract. These amendments apply to contracts for which the entity has not yet fulfilled all its obligations at the beginning of the annual reporting period in which the entity first applies the amendments.
IFRS 16, IFRS 9, IAS 41 and IFRS 1	Annual Improvements to IFRS Standards 2018–2020	January 1, 2022	IFRS 16: The amendment removes the illustration of the reimbursement of leasehold improvements. IFRS 9: The amendment clarifies that in applying the '10 percent' test to assess whether to derecognize a financial liability, an entity includes only fees paid or received between the entity (the borrower) and the lender. The amendment is to be applied prospectively to modifications and exchanges that occur on or after the date the entity first applies the amendment. IAS 41: The amendment removes the requirement in IAS 41 for entities to exclude cash flows for taxation when measuring fair value. IFRS 1: The amendment provides additional relief to a subsidiary that becomes a first-time adopter later than its parent in respect of accounting for cumulative translation difference.

(All amounts in Saudi Riyals unless otherwise stated)

2 BASIS OF PREPARATION (Continued)

2.5 NEW STANDARDS, AMENDED STANDARDS AND INTERPRETATIONS (Continued)

New amendments to standards issued and applied effective in the year 2022 (Continued)

Amendments to standard	Description	Effective for annual years beginning on or after	Summary of the amendment
IAS 16	Property, Plant, and Equipment: Proceeds before Intended Use	January 1, 2022	The amendments prohibit deducting from the cost of an item of property, plant, and equipment any proceeds from selling items produced before that asset is available for use. Additionally, the amendments also clarify the meaning of 'testing whether an asset is functioning properly'.
IFRS 3	Reference to the Conceptual Framework	January 1, 2022	The amendment as a whole updated IFRS 3 so that it refers to the 2018 Conceptual Framework instead of the 1989 Framework.

New standards, amendments, and revised IFRS issued but not yet effective

The Group has not applied the following new and revised IFRSs and amendments to IFRS that have been issued but are not yet effective.

IFRS 17	Insurance Contracts	January 1, 2023	This is a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation, and disclosure. Once effective, IFRS 17 (along with its subsequent amendments) will replace IFRS 4 Insurance Contracts (IFRS 4) which was issued in 2005.
IAS 1	Classification of Liabilities as Current or Non-current	January 1, 2023	The amendment has clarified what is meant by a right to defer settlement, that a right to defer must exist at the end of the reporting period, that classification is unaffected by the likelihood that an entity will exercise its deferral right, and that only if an embedded derivative in a convertible liability is itself an equity instrument the terms of liability would not impact its classification.
IAS 1 and IFRS Practice Statement 2	Disclosure of accounting policies	January 1, 2023	This amendment deals with assisting entities to decide which accounting policies to disclose in their financial statements.
IAS 8	Amendment to the definition of accounting estimate	January 1, 2023	These amendments regarding the definition of accounting estimates help entities to distinguish between accounting policies and accounting estimates.
IAS 12	Income taxes	January 1, 2023	This amendment deals with clarification regarding the accounting of deferred tax on transactions such as leases and decommissioning obligations.
Amendment to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	N/A	The amendments to IFRS 10 and IAS 28 deal with situations where there is a sale or contribution of assets between an investor and its associate or joint venture. Specifically, the amendments state that gains or losses result from the loss of control of a subsidiary.

Management anticipates that these new standards interpretations and amendments will be adopted in the Group's consolidated financial statements as and when they are applicable and adoption of these interpretations and amendments may have no material impact on the consolidated financial statements of the Group in the period of initial application.

(All amounts in Saudi Riyals unless otherwise stated)

2 BASIS OF PREPARATION (Continued)

2.6 CHANGE IN ACCOUNTING POLICY

With effect from January 01, 2022, the Company has change its accounting policy in respect of valuation of inventory from first in first out (FIFO) to weighted average cost method. The management believes that the new policy provides more reliable and relevant information to the users of the consolidated financial statements.

The management has made a detailed assessment of such change in accounting policy and determined the impact of such change on the inventory, cost of goods sold and profit before zakat for the financial year ended 31 December 2021 and 31 December 2020.

This change in accounting policy required to be accounted for retrospectively as referred under International Accounting Standard - 8 'Accounting policies, Changes in Accounting Estimates and Errors', and the comparative consolidated financial statements required to be re-stated, however the impact of such change in policy is not material to the consolidated financial statements, therefore the comparative number has not been restated.

Effect of the retrospective application of change in accounting policy is as follows:

	As at 31 December 2021			As at 31 December 2020		
	As previously reported	Restatement	Effect of change in policy	As previously reported	Restatement	Effect of change in policy
Effect on Consolidated Statement of financial position						
Inventory	257,519,973	255,838,442	(1,681,531)	168,366,364	168,502,370	136,006
Retained Earning	326,382,208	328,063,739	1,681,531	293,081,155	292,945,149	(136,006)

	For the year ended 31 December 2021		
	As previously reported	Restatement	Effect of change in policy
Effect on Consolidated Statement of Comprehensive income			
Cost of goods sold	444,410,225	446,091,756	1,681,531
Profit before zakat	191,435,713	189,754,182	(1,681,531)
Effect on earnings per share			
Basic and diluted	44.02	43.62	(0.40)

The change did not have any impact on other comprehensive income for the year and the Company's operating, investing and financing cash flows.

3. USE OF ESTIMATES AND JUDGMENTS

The preparation of consolidated financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses stated in the consolidated financial statements and the accompanying notes. Although these estimates are based on the best information available to management, final actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in future periods affected.

The areas involving a higher degree of judgments or complexity or areas where assumptions and estimates are significant to the consolidated financial statements are as follows:

Provision for obsolete and slow-moving inventories
The management makes a provision for slow moving and obsolete inventory items. Estimates of net recoverable value of inventories are based on the most reliable evidence at the time the estimates are made. These estimates take into consideration fluctuations of price or cost directly related to events occurring on or subsequent to the consolidated statement of financial position date to the extent that such events confirm conditions existing at the end of year.

3. USE OF ESTIMATES AND JUDGMENTS (Continued)

Provision for zakat

Management has assessed the zakat position having regard to the local zakat legislation, decrees issued periodically and conventions. Interpretation of such legislation decrees and conventions are not always clear and entail completion of assessment by the Zakat, Tax and Customs Authority ("ZATCA").

Useful lives of property and equipment and intangibles

As described in note 4, the Group estimates the useful lives of property and equipment and intangibles at the end of each annual reporting period. This estimate is determined after considering expected usage of the assets or physical wear and tear. Management reviews the residual value and useful lives annually and future depreciation charges are adjusted where management believes the useful lives differ from previous estimates.

Actuarial valuation of employees' post-employment benefits

The cost of the post-employment benefits ("employee benefits") under the defined benefit plan is determined using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and rate of employee turnover. Due to the complexity of the valuation and its long-term nature, a defined benefit obligation is sensitive to changes in these assumptions. All assumptions are reviewed on an annual basis or more frequently, if required.

4. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in the consolidated financial statements except for Inventory (Refer Note 2.6).

4.1 PROPERTY AND EQUIPMENT

Property and equipment are measured at cost, less accumulated depreciation and accumulated impairment loss, if any. Cost includes expenditure that is directly attributable to the acquisition of an asset. Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the item of property and equipment. All other expenditures are recognized in profit or loss when incurred.

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of individual item of property and equipment. The estimated useful lives of assets will be depreciated as follows:

	Depreciation rate
Buildings	3-7%
Leasehold improvements	5-10% / or contract term, whichever is shorter
Vehicles	25%
Furniture and office equipment	10%
Decorations	5-50%
Computers and office equipment	20%

Depreciation methods, useful lives and residual values are reviewed at each reporting period and are adjusted whenever appropriate as changes in accounting estimate in the year where the change take place and the following years.

Projects in progress

Projects in progress are recognized at cost. This cost includes all direct expenses and other costs attributable to bringing the assets to working condition for their intended use. Projects in progress are transferred to property and equipment when completed and ready for their intended use.

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4.2 INTANGIBLES

Items of intangibles are measured at cost less accumulated amortization and any accumulated impairment losses. If significant parts of an item of intangibles have different useful lives, then they are accounted for as separate items (major components) of intangibles. Any gain or loss on disposal of an item of intangibles is recognized in profit or loss. Subsequent expenditure is capitalized only when it is probable that the future economic benefits associated with the expenditure will flow to the Group.

Amortization is calculated to write off the cost of items of intangible less their estimated residual values using the straight line method over the estimated useful lives, and is recognized in profit and loss. The estimated useful lives are as follows:

Assets	Life (years)
Software	5

Amortization methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

4.3 IMPAIRMENT OF NON-FINANCIAL ASSETS

At each reporting date, the Group reviews the carrying amounts of its non-financial assets to determine whether there is any indication of impairment. If any such indication exists, asset’s recoverable amount is estimated.

For impairment testing, assets are combined together into the smallest group of assets that generates cash inflows from continuing use, namely CGU, that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using discount rate that reflects current market assessments of the time value of cash and the risks specific to the asset or CGU. An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. The impairment losses are recognized in profit or loss.

4.4 LEASES

IFRS 16 “Leases” supersedes the following standards and interpretations:
- International Accounting Standards (“IAS”) 17 “Leases”
- IFRIC 4 ‘Determining whether an Arrangement contains a lease’.
- SIC 15 “Operating Leases-Incentives”.
- SIC 27 ‘Evaluating the Substance of Transactions Involving the Legal Form of a Lease’.

The standard determines the principles of recognition, measurement, presentation and disclosure of leases and requires lessees to recognize leases in accordance with a accounting framework in the consolidated statement of financial position.

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset,

4 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4.4 LEASES (Continued)

As a lessee (Continued)

At the commencement date, the Group shall assess whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for a consideration. To assess whether a contract conveys the right to control the use of an identified asset for a period of time, the Group shall assess whether, throughout the period of use, the customer has both of the following:

(a) the right to obtain substantially all of the economic benefits from use of the identified asset; and
(b) the right to direct the use of the identified asset.

The Group shall recognize a right-of-use asset at the commencement date (i.e. the date on which the underlying asset is available for use) and a lease liability at the commencement date. The right-of-use asset is initially measured at cost less accumulated depreciation and impairment and is settled for any remeasurement of a lease liability. The cost of right-of-use asset includes the initial amount of a lease liability adjusted by lease payments made on or before the commencement date, and any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, less any lease incentives received. The estimated useful life for right-of-use asset based on the lease term.

At the commencement date, a lessee shall measure the lease liability at the present value of the lease payments that are not paid at that date. The Group shall discount lease payments using the interest rate implicit in the lease if that rate can be readily determined. If that rate cannot be easily determined, the Group should use the incremental borrowing rate.

After the commencement date, a lessee shall measure the lease liability by:

(a) Increasing the carrying amount to reflect interest rate on the lease liability;
(b) Reducing the carrying amount to reflect the lease payments made; and
(c) remeasuring the carrying amount to reflect any reassessment or lease modifications, or to reflect revised in-substance fixed lease payments that are remeasured when there is a change in future lease payments arising from a change in index or a rate, or if there was a change in the Group’s estimate of the amount expected to be payable by the lessee under residual value guarantees, or if the Group changed its assessment whether if it will choose the purchase, extension or termination. Any remeasurement is settled in the lease liability against the carrying amount of right-of-use asset or charged to the consolidated statement of profit or loss if the carrying amount of the related asset is Zero.

Short term lease contracts

The Group elected not to recognize right-of-use assets and lease liabilities for the short-term leases for which their terms are 12 months or less or leases of low-value assets. The Group recognizes lease payments associated with those leases as expenses on a straight-line basis over the lease term.

Extension options

In case of leases that provide extension options, the Group assesses whether if it is reasonably certain, at commencement date, that the extension options will be exercised. The Group reassesses whether it is reasonably certain to exercise the options if there was a significant event or major change in the circumstances that fall under its control.

As a lessor

When the Group is a lessor, it determines, at the commencement of the lease, whether the lease is a finance lease or operating lease.

To classify each lease, the Group perform overall assessment whether lease transfers all substantially all the risks and rewards incidental to ownership of an underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers specific indicators such as whether the lease term is for a major part of the economic life of the underlying asset.

4 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4.4 LEASES (Continued)

As a lessor (continued)

The initial measurement in case of finance leases: the lessor shall use the interest rate implicit in the lease to measure the net investment in the lease.

At the commencement date, the lease payments included in the measurement of the net investment in the lease comprise the following payments for the right to use the underlying asset during the lease term that are not received at the commencement date:

(a) Fixed payments;
(b) Variable lease payments that depend on an index or a rate;
(c) Any residual value guarantees provided to the lessor by the lessee, a party related to the lessee or a third party unrelated to the lessor that is financially capable of discharging the obligations under the guarantee; and
(d) the exercise price of a purchase option if the lessee is reasonably certain to exercise that option.

Upon subsequent measurement, a lessor shall recognize finance income over the lease term, based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease.

The initial measurement in case of operating leases: A lessor shall recognize lease payments from operating leases as income on either a straight-line basis or another systematic basis. The lessor shall apply another systematic basis if that basis is more representative of the pattern in which benefit from the use of the underlying asset is diminished.

Upon subsequent measurement, a lessor shall apply IAS 36 to determine whether an underlying asset subject to an operating lease is impaired and to account for any impairment loss identified.

When the Group is an intermediate lessor, it calculates its interest in the head lease and sublease separately. Classification of the sublease is assessed by reference to the right-of-use asset arising from the head lease, rather than by reference to the underlying asset. If the head lease is a short-term lease, the Group applies exemption, the sublease shall be classified as an operating lease.

If the arrangement includes lease and non-lease components, the Group shall allocate the consideration in the contract by applying IFRS 15 for allocation the consideration in the contract.

4.5 INVENTORIES

Inventories are measured at the lower of cost or net realizable value. Cost is determined using the weighted average method. Cost includes expenditure incurred in acquiring the inventories, goods costs and other costs incurred in bringing them to their existing location and condition.

Net realizable value comprises selling price in the ordinary form of business, less costs related to completing the sale. Provision is made, where necessary, for obsolete, slow moving and defective stocks.

4.6 CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash on hand and cash in current accounts with banks and other short-term highly liquid investments with maturities of three months or less (if any), which are available to the Group without any restrictions.

4.7 FINANCIAL INSTRUMENTS

Classification and measurement of financial assets and financial liabilities

On initial recognition, a financial asset is classified as measured at: amortized cost; FVOCI – debt investment; FVOCI – equity investment; or FVTPL.

4 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4.7 FINANCIAL INSTRUMENTS (Continued)

Classification and measurement of financial assets and financial liabilities

A financial asset is measured at amortized cost if it meets both of the following conditions and is not classified at FVTPL.
- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument is measured at FVOCI only if it meets both of the following conditions and is not designated as at FVTPL:
- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets.

On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets (unless they are trade receivables without a significant financing component that is initially measured at the transaction price) are initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition.

The following accounting policies apply to the subsequent measurement of financial assets.

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.
Financial assets at amortized cost	These assets are subsequently measured at amortized cost using the effective interest method. Amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are never reclassified to profit or loss.

The financial assets at amortized cost consist of trade receivables and cash and cash equivalents.

Loss provisions are measured on the bases of ECLs over lifetime of a financial instrument: these are ECLs that result from all possible default events over the expected life of a financial instrument. 'The Group measures loss provisions at an amount equal to lifetime ECLs.

4 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4.7 FINANCIAL INSTRUMENTS (Continued)

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

Measurement of ECLs
ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all value shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

For receivables, the Group applies the simplified approach to estimate ECLs.

Impaired financial assets
At each reporting date, the Group assesses whether financial assets carried at amortized cost and debt securities at FVOCI are impaired. A financial asset is impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Presentation of impairment
Loss provisions for financial assets are deducted from the gross carrying amount of the assets.
Impairment losses related to trade receivables, if any, are presented in the consolidated statement of profit or loss under a separate item.

Financial liabilities:
Financial liabilities are classified as measured at amortized cost or FVTPL. The financial liabilities are classified at FVTPL if they are classified as held-for-trading, they are derivative, or they are designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

Derecognition of financial assets
A financial asset (or part of a group of similar financial assets) is primarily derecognized (i.e., excluded from the Group's consolidated statement of financial position) in the following cases:

-The rights to receive cash flows from the asset have been expired.
-The Group has transferred its rights to receive cash flows from the asset or assumed an obligation to pay cash flows received in full without delay to a third party under a "pass" arrangement; (a) substantially transferred all the risks and rewards of the asset; or (b) transferred control over the asset and the Group has neither transferred nor retained substantially the risks and rewards of the financial asset.

Hedge accounting
IFRS 9 hedge accounting requirements do not apply to the Group since it does not have any hedging contracts.
The adoption of IFRS 9 as at 1 January 2020 did not have any material impact on the Group's consolidated financial statements.

4.8 OFFSETTING
Financial assets and financial liabilities are offset, and the net amount presented in the consolidated statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

4 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4.9 PROVISION FOR EMPLOYEE BENEFIT'S

The Company operates a defined benefit plan for employees in accordance with applicable Labor Laws. The cost of providing the benefits under the defined benefit plan is determined using the projected credit unit method.

Remeasurements for actuarial gains and losses are recognized in the consolidated statement of financial position with a corresponding credit to retained earnings through other comprehensive income in the period in which they occur.
Remeasurements are not reclassified to profit or loss in subsequent periods. Costs are expenses related to the defined benefit obligations are recognized in profit or loss.

4.10 SEGMENT REPORTING

An operating segment is a part of the Group's business activities from which revenue can be recognized and expenses are incurred and includes income and expenses relating to transactions with any of the other components of the Group. All operational results of the operating segments are reviewed by the Group's operating decision makers to make decisions about the resources to be allocated to the segment and to assess its performance, which have separate financial information.

4.11 EARNING PER SHARE

The Group presents basic and diluted earnings per share data for its ordinary shares. Earnings per share from operating profit and net profit is calculated by dividing the profit or loss attributable to the Group's ordinary shareholders by the weighted average number of shares outstanding during the period. Diluted earnings per share is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares, which comprise convertible notes and share options granted to employees, if any.

4.12 CONTINGENT ASSET AND LIABILITIES

A contingent liability is disclosed where the existence of the obligation will only be confirmed by future events or where the amount of obligations cannot be measured with reasonable reliability. Contingent assets are not recognized, but are disclosed where an inflow of economic benefits is probable

4.13 BORROWINGS

Borrowings are recognized at the proceeds received less transaction costs incurred net of interests and upfront fee and presented netting of the principle amount of the loan, and such interest and commission are amortized over the life of the loan using the effective interest rate method. Borrowing costs that are directly attributable to the construction of a qualifying asset are capitalized up to stage when substantially all the activities necessary to prepare the qualifying asset for its intended use are completed and, otherwise, such costs are charged to the consolidated statement of profit or loss.

4.14 PROVISIONS

A provision is recognized if, as a result of a past event, the Group has a present (legal or constructive) obligation that can be estimated reliably, and it is probable that an out flow of economic benefits will be required to settle the obligation.

4.15 TRADE PAYABLES AND ACCRUALS

Liabilities are recognized for amounts due and to be paid in the future for goods or services received, whether billed by the supplier or not.

4.16 UNEARNED REVENUE

Revenue received from costumers and related to the next period is recorded as a liability (advanced revenue) which are recognized in the consolidated statement of profit or loss as revenue when matured.

4.17 ZAKAT

The Company is subject to Zakat as per the regulations of Zakat, Tax and Customs Authority (ZATCA). Accrued Zakat is recognized and charged to profit or loss for the current year. Additional Zakat liabilities, if any, related to prior years' assessments are calculated by the Company in the period in which the final assessments are finalized.

4 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4.18 REVENUE RECOGNITION

The Group recognizes revenue under IFRS 15 using the following five- steps model:

Step 1: Identify the contract with the customer	A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.
Step 2: Identify the performance obligations	A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.
Step 3: Determine the transaction price.	The transaction price is the amount of consideration the Group expects to be entitled to in exchange for transferring the promised goods or services to a customer, excluding amounts collected on behalf of third parties.
Step 4: Allocation of transaction price.	For a contract that has more than one performance obligation, the Group allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Group expects to be entitled in exchange for satisfying each performance obligation.
Step 5: Revenue recognition	The Group recognizes revenue (or as) it satisfies a performance obligation by transferring a promised good or service to the customer under a contract.

Identify the contract with the customer.
The Group carefully evaluates the terms and conditions of the contracts with its customers because revenue is recognized only when performance obligations in contracts with customers are satisfied. A change in the scope or price (or both) of a contract is considered as a contract modification and the Group determines whether this creates a new contract or whether it will be accounted for as part of the existing contract.

Identifying performance obligations
Once the Group has identified the contract with a customer, it evaluates the contractual terms and its customary business practices to identify all the promised services within the contract and determine which of those promised services (or bundles of promised services) will be treated as separate performance obligations.

Identify the transaction price
The Group determines transaction price as the amount which it expects to be entitled. It includes an estimate of any variable consideration, the effect of a significant financing component (i.e., the time value of money), the fair value of any non-cash consideration and the effect of any consideration paid or payable to a customer (if any). Variable considerations are limited to the amount for which it is highly probable that a significant reversal will not occur when the uncertainties related to the variability are resolved.

Allocation of transaction price
Once the performance obligations have been identified and the transaction price has been determined, transaction price is allocated to the performance obligations, generally in proportion to their stand-alone selling prices (i.e., on a relative stand-alone selling price basis). When determining stand-alone selling prices, the Group is required to use observable information, if any. If stand-alone selling prices are not directly observable, the Group makes estimates based on information that is reasonably available.

Revenue is recognized only when the Group satisfies a performance obligation by transferring control to the customer. Control may be transferred over time or at a point in time. Where a performance obligation is satisfied overtime, the Group identifies the progress under the contract based on either of an input or output method which best measures the performance completed to date. The method selected is applied consistently to similar performance obligations and in similar circumstances.

The Group believes that it fulfills its performance obligations in its contracts with customers at a point in time, and hence it recognizes revenue as and when it fulfills its obligations under contracts with customers. The Company is engaged in the sale and import of household utensils and wholesale and retail trade in household utensils through its various outlets located in different regions of the Kingdom of Saudi Arabia, United Arab Emirates and Kuwait. Revenue from the sale of goods is recognized when the Group sells a product to the customer.

Other revenue is recorded in consolidated statement of profit or loss when matured.

4 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4.19 COST OF REVENUE

The cost of revenue incurred during the year comprises the costs of purchasing goods that are ready for sale, wages and salaries of galleries staff, depreciation of property and equipment, warehouse and galleries rental expenses, packing and packaging expenses, and good shipping and unloading expenses.

4.20 EXPENSES

Selling and distribution expenses are those arising from the Group's efforts underlying the selling and distribution functions. All other expenses, excluding cost of sales and financial costs, are classified as general and administrative expenses. Allocations of common expenses between cost of sales and selling and distribution, and general and administrative expenses, when required, are made on a consistent basis.

4.21 FOREIGN CURRENCY TRANSACTIONS

Transactions denominated in foreign currencies are translated to Saudi Riyals at the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the financial position date are translated to Saudi Riyals at the foreign exchange rate ruling at that date. Gains or losses arising on exchanges are recognized in profit or loss.

4.22 DIVIDENDS

Dividends are recorded in the period in which they are approved by the shareholders.

4.23 CURRENT VS NON-CURRENT CLASSIFICATION

The Group presents assets and liabilities in the consolidated statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realized or intended to be sold or consumed in the normal operating cycle;
- It is held primarily for the purpose of trading.
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle.
- It is held primarily for the purpose of trading.
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.
- The Group classifies all other liabilities as non-current.

(All amounts in Saudi Riyals unless otherwise stated)

5. RELATED PARTIES

The related parties are the Shareholders of the Group and the Companies owned by the shareholders (associated companies). The terms of these transactions are approved by the Group's management.

The following are the most important transactions with related parties and the balances resulting from them:

Description	Relationship	Nature of transactions	31 December 2022	31 December 2021
Nawat Real Estate Investment Company	Associate	Rent expense	**7,360,213**	9,671,443
		Sale of land and building in Tabuk	**35,000,000**	--
Suleiman Muhammad Salih Al-Saif	Shareholder	Expenses paid on behalf of the shareholder	**١٣,542,802**	٨,٢٧٥,٢٦٩
Al-Saif Coffee Trading Company	Associate	Purchases	**٢,196,883**	3,585,978
Al-Saif Commercial Agencies Company	Associate	Purchases	**٥٩,718,833**	73,353,956

Balances as at

Due from related parties	**31 December 2022**	**31 December 2021**
Nawat Real Estate Investment Company	٣٥,000,000	-
	35,000,000	**-**

Due to related parties	**31 December 2022**	**31 December 2021**
Al-Saif Commercial Agencies Company	24,905,711	-
	24,905,711	**-**

Remunerations of the Group's key management personnel

Key management personnel are those persons, including the Board of Directors, Managing Director, Chief Financial Officer and top executives having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly.

The total remunerations of Group's key management personnel for the year ended 31 December 2022 amounted to SR 3,677,631 (31 December 2021: SR 3,493,245). Such remunerations include fees, basic salaries, bonuses and other benefits as per the Group's policies.

Al-SAIF STORES FOR DEVELOPMENT AND INVESTMENT COMPANY
(A SAUDI CLOSED JOINT STOCK COMPANY)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022
(All amounts in Saudi Riyals unless otherwise stated)

6. PROPERTY AND EQUIPMENT, NET

	Land	Buildings	Leasehold improvements	Vehicles	Furniture and office equipment	Decorations	Computers and office equipment	Projects in progress (*)	Total
Cost:									
Balance as at 01 January 2022	٣٦,٥٢٠,٧٦١	٢٧,٩٧٥,٧٢٤	٢٩,٢٧٢,٧٢٦	٦,١٨٣,٨٩٩	٣,٧٠٦,٧٢٩	٧٩,٦٤٢,٠١٦	٨,٦٨٣,٣١٣	٣,٤٠٨,١١٧	١٩٥,٣٩٣,٢٨٥
Additions during the year	٣٣,٤٦٥,٤٠٦	١٩٨,٦٦٦	٩٣٠,٨٣٣	١,٣٨٣,٢٩٥	١٦٠,٩٣٥	٧,٣٢٥,٨٠١	834,162	٨,٣٧٥,٤١١	52,674,509
Transferred from CWIP		٢,٥٨٢,١١١	٢,٤٤٣,٢٥٧	-	١٥٣,٤١٥	٥,٤٢٦,١٦٩	255,879	(١٠,٨٦٠,٨٣١)	-
Disposals during the year **	(١٤,٤٥٩,٦٥٠)	(٥,٢٨١,٥١١)	-	-	-	-	-	-	(١٩,٧٤١,١٦١)
Balance as at 31 December 2022	٥٥,٥٢٦,٥١٧	٢٥,٤٧٤,٩٩٠	٣٢,٦٤٦,٨١٦	٧,٥٦٧,١٩٤	٤,٠٢١,٠٧٩	٩٢,٣٩٣,٩٨٦	9,773,354	922,697	228,326,633
Balance as at 01 January 2021	23,554,400	27,854,129	24,967,730	6,148,086	3,180,745	65,259,087	7,280,709	5,833,780	١٦٤,٠٧٨,٦٦٦
Additions during the year	12,966,361	121,595	904,437	109,161	376,934	5,218,441	895,065	10,795,973	٣١,٣٨٧,٩٦٧
Transferred from CWIP	-	-	3,400,559	-	149,050	9,164,488	507,539	(13,221,636)	-
Disposals during the year	-	-	-	(73,348)	-	-	-	-	(٧٣,٣٤٨)
Balance as at 31 December 2021	٣٦,٥٢٠,٧٦١	٢٧,٩٧٥,٧٢٤	٢٩,٢٧٢,٧٢٦	٦,١٨٣,٨٩٩	٣,٧٠٦,٧٢٩	٧٩,٦٤٢,٠١٦	٨,٦٨٣,٣١٣	٣,٤٠٨,١١٧	١٩٥,٣٩٣,٢٨٥
Accumulated depreciation:									
Balance as at 01 January 2022	-	٧,٠٨٥,٧٣٢	١١,٣٢٧,١٩٣	٤,٥٧٧,٧٩٦	١,٥٩٢,٣١٠	٢٤,٦٦٧,٣٤١	٣,٩٣٣,٩٩٤	-	٥٣,١٨٤,٣٦٦
Depreciation for the year	-	١,٥٣٣,٠٨٤	٢,٧٥٨,٨٢٩	١,٠٣٧,٢٤٣	٣٦٨,٤٠٩	٨,٣١٨,٩٦٤	896,750	-	14,913,279
Disposals during the year	-	(١,٣١٧,١٤٣)	-	-	-	-	-	-	(١,٣١٧,١٤٣)
Balance as at 31 December 2022	-	7,301,673	١٤,٠٨٦,٠٢٢	٥,٦١٥,٠٣٩	١,٩٦٠,٧١٩	٣٢,٩٨٦,٣٠٥	4,830,744	-	66,780,502
Balance as at 01 January 2021	-	٥,٦٢٠,٨٥٠	٩,٠٠١,٣٨٣	٣,٨١٢,٨١٦	١,٢٦٠,٨٦٢	١٧,٥٥٣,٠٥٧	٣,١٦٧,٥٩٣	-	٤٠,٤١٦,٥٦١
Depreciation for the year	-	١,٤٦٤,٨٨٢	٢,٣٢٥,٨١٠	٧٧٩,٠٢٩	٣٣١,٤٤٨	٧,١١٤,٢٨٤	٧٦٦,٤٠١	-	١٢,٧٨١,٨٥٤
Disposals during the year	-	-	-	(١٤,٠٤٩)	-	-	-	-	(١٤,٠٤٩)
Balance as at 31 December 2021	-	٧,٠٨٥,٧٣٢	١١,٣٢٧,١٩٣	٤,٥٧٧,٧٩٦	١,٥٩٢,٣١٠	٢٤,٦٦٧,٣٤١	٣,٩٣٣,٩٩٤	-	٥٣,١٨٤,٣٦٦
Net book value as at:									
31 December 2022	٥٥,٥٢٦,٥١٧	18,173,317	١٨,٥٦٠,٧٩٤	1,952,155	٢,٠٦٠,٣٦٠	٥٩,٤٠٧,٦٨١	4,942,610	922,697	161,546,131
31 December 2021	٣٦,٥٢٠,٧٦١	٢٠,٨٨٩,٩٩٢	١٧,٩٤٥,٥٣٣	١,٦٠٦,١٠٣	٢,١١٤,٤١٩	٥٤,٩٧٤,٦٧٥	٤,٧٤٩,٣١٩	٣,٤٠٨,١١٧	١٤٢,٢٠٨,٩١٩

(*) Projects in progress represents the value of the construction of buildings and branches of the Group. During 2022, portion of Projects in progress have been transferred to building / lease hold improvements etc. The remaining projects are expected to be completed during 2023.
(**) Disposals relates to disposal of land and building at Tabuk to Nawat Real Estate Investment Company (A Related Party) – Refer Note 5 for details

(All amounts in Saudi Riyals unless otherwise stated)

6. PROPERTY AND EQUIPMENT (CONTINUED)

The following table shows the breakdown of depreciation expense if allocated to expenses items for the year ended 31 December:

	Note	31 December 2022	31 December 2021
Cost of sales	24	**14,400,164**	12,411,657
General and administrative expenses	26	**513,115**	370,197
Total		**14,913,279**	12,781,854

7 RIGHT OF USE ASSET AND LEASE LIABILITIES

a) Right-of-use assets, net

	31 December 2022	31 December 2021
Balance as at 01 January	**121,441,834**	99,268,791
Additions during the year*	**24,876,376**	41,049,639
Depreciation for the year	**(18,435,450)**	(18,876,596)
Balance as at 31 December	**127,882,760**	121,441,834

*Addition relates to new branches opened during the year.

b) Lease liability:

- The movement is as follows:

Lease liabilities	31 December 2022	31 December 2021
Balance as at 01 January	**121,881,808**	97,828,134
Additions during the year	**24,876,376**	41,049,639
Interest expense	**5,989,040**	5,471,526
Paid during the year	**(22,350,045)**	(22,467,491)
Balance as at 31 December	**130,397,179**	121,881,808

Lease liabilities are stated in the consolidated statement of financial position as at 31 December as follows:

	31 December 2022	31 December 2021
Current portion	**18,227,306**	14,775,225
Non-current portion	**112,169,873**	107,106,583
Total lease liabilities	**130,397,179**	121,881,808

	Note	31 December 2022	31 December 2021
Depreciation expense for right of use assets		**18,435,450**	18,876,596
Lease financial cost (included in finance cost)	27	**5,989,040**	5,471,526
Expense related to short term leases	24,25 & 26	**34,018,463**	25,734,631
Total amounts recognized in consolidated profit or loss		**58,442,953**	50,082,753

A discount rate ranging from 3.91% to 5.64% (2021: 2.91% to 6.19%) has been used. Various depreciation rates have been used over the life of each contract.

	As at 31 December 2022
Less than 1 year	**23,623,590**
More than 1 year less than 5 years	**77,005,402**
5 years onwards	**57,544,855**
Total undiscounted lease liabilities	**158,173,847**
Less: finance cost	**(27,776,668)**
	130,397,179

(All amounts in Saudi Riyals unless otherwise stated)

8 INTANGIBLE ASSETS, NET

Intangibles assets relate to computer software purchased during the year.

	31 December 2022	31 December 2021
Cost:		
Balance as at 01 January	-	--
Additions	1,677,861	--
Balance as at 31 December	1,677,861	--
Accumulated amortization:		
Balance as at 01 January	-	--
Charge for the year	68,464	--
Balance as at 31 December	68,464	--
Net book value	1,609,397	--

The amortization expense is charge of general and administrative expense.

9 INVENTORIES

	31 December 2022	31 December 2021
Finished goods	227,536,592	257,519,973
Goods in transit	13,938,093	3,138,896
Provision for damaged and slow-moving goods	(2,405,380)	(2,405,380)
	239,069,305	258,253,489

The movement of the provision for damaged and slow-moving goods is as follows:

	31 December 2022	31 December 2021
Balance at beginning of the year	2,405,380	3,568,079
Charge for the year	--	1,240,270
Reversal	--	(2,402,969)
Balance at end of the year	2,405,380	2,405,380

10 TRADE RECEIVABLES

	31 December 2022	31 December 2021
Trade receivables	5,979,228	5,360,572
Allowance for doubtful debt	(51,862)	(51,862)
	5,927,366	5,308,710

A summary of movements in provisions for doubtful debts is as follows:

	31 December 2022	31 December 2021
Balance at the beginning of the year	51,862	82,145
Write off	--	(30,283)
Balance at end of the year	51,862	51,862

(All amounts in Saudi Riyals unless otherwise stated)

11 PREPAYMENTS AND OTHER RECEIVABLES

	31 December 2022	31 December 2021
Prepaid expenses	**9,504,275**	10,376,597
Prepaid rent	**11,902,956**	14,971,245
Advances to suppliers	**5,011,792**	3,144,539
Employee custodies and advances	**2,463,435**	2,945,160
Letters of credit margin	**720,118**	1,544,780
Other	**5,051,186**	4,105,026
	34,653,762	37,087,347

12 CASH AND CASH EQUIVALENTS

	31 December 2022	31 December 2021
Cash on hand	**1,257,709**	1,775,044
Cash at banks - current accounts	**45,633,769**	32,036,993
Cash in the portfolios of mutual funds*	**-**	12,892,333
	46,891,478	46,704,370

* The amount was cash deposited with mutual fund portfolios that had not been used to purchase units.

13 SHARE CAPITAL

During the year dated 1٦ April 2022, the board of directors of the Group had resolved to increase the share capital of the Group to SR 350 million from 42 million (SR 10 per share) by transferring the amount from retained earnings.

14 STATUTORY RESERVE

In accordance with the Group's By-Laws and the new Saudi Arabian Regulations for Companies, the Group sets aside 10% of its net income each year as statutory reserve until such reserve equals to 30% of the share capital.

15 PROVISION FOR EMPLOYEES' BENEFITS

During the year the actuarial valuations of the defined benefit obligations were carried out under the Projected Unit Credit Method.

Provision for employees' end of service benefits recognized in the consolidated statement of financial position:

	31 December 2022	31 December 2021
The present value of the defined benefit obligation	**8,391,000**	7,513,000

	31 December 2022	31 December 2021
Balance at beginning of the year	**7,513,000**	5,010,000
Current service cost	**1,280,000**	1,156,000
Interests on current service cost	**240,000**	173,000
Paid during the year	**(440,402)**	(409,359)
(Gain) / loss from re-measurement of employees' benefits obligations	**(201,598)**	1,583,359
Balance at the end of the year	**8,391,000**	7,513,000

(All amounts in Saudi Riyals unless otherwise stated)

15 PROVISION FOR EMPLOYEES' BENEFITS (Continued)

Amount recognized in the consolidated statement of profit or loss for the year ended

Service cost	**1,280,000**	1,156,000
Net interest on Net Defined Benefit Liability	**240,000**	173,000
	1,520,000	1,329,000

Amount recognized in the consolidated statement of the other comprehensive income for the year ended

Actuarial gain due to change in financial assumption	**1,003,000**	861,000
Actuarial gain due to change in demographic assumption	**-**	223,019
Actuarial loss due to change in experience assumptions	**(801,402)**	(2,667,378)
	201,598	(1,583,359)

Following are the major assumptions used:

- Number of employees	**989**	961
- Rate of change in salary (% per annum)	**1.00%**	1.00%
- Average age of employees (years)	**34.00**	33.40
- Discount rate	**4.40%**	2.80%
- Employee turnover (withdrawal) rates	**Moderate**	Moderate

The duration of the defined benefit obligation is 7 years.

Sensitivity analysis of significant actuarial assumptions:

	Change in assumption	**Increase / (decrease) in present value of employee's post-employment benefit liability**	
- Discount rate	**+1%**	**7,872,000**	**6.19%**
- Discount rate	**-1%**	**8,991,000**	**(7.15%)**
- Long term salary	**+1%**	**9,007,000**	**(7.34%)**
- Long term salary	**-1%**	**7,851,000**	**6.44%**
- Employee turnover rate	**+1%**	**8,469,000**	**(0.93%)**
- Employee turnover rate	**-1%**	**8,294,000**	**1.16%**

16 SHORT TERM LOAN

Murabaha entered with local banks at the SIBOR interest rate in addition to the agreed interest represented in agreements to buy goods and Murabaha contracts against the following guarantees:

- Signing on a promissory note
- A letter and facilities and Murabaha agreements.
- A joint guarantee, a fine, a performance guarantee, and a personal guarantee from one of the shareholders.

Movement of short term loan during the year

	31 December 2022	31 December 2021
Balance as at the beginning of the year	**52,626,976**	48,136,270
borrowings collected during the year	**103,054,896**	142,444,617
Less: borrowing payments during the year	**(155,628,220)**	(137,953,911)
Balance as at end of the year	**53,652**	52,626,976

17 TRADE PAYABLES

Account payable includes amount payable to supplier for goods and services received during the year.

(All amounts in Saudi Riyals unless otherwise stated)

18 ACCRUALS AND OTHER PAYABLES

	31 December 2022	31 December 2021
VAT payable	**6,922,763**	11,557,806
Employees vacation accrual	**3,436,485**	2,815,904
Accrued commission to employees	**2,073,800**	1,180,980
Other accruals	**1,141,213**	275,476
Ticket accrual	**778,934**	1,155,865
Accrued rent	--	587,666
Accrued interest	--	704,227
Other payables	**977,971**	814,146
	15,331,166	19,092,070

19 DIVIDENDS

On June 27, 2022 the General Assembly approved the interim dividends of SAR 65 million and paid during the year.

On December 21, 2022 the Board of Directors of the Group declared, for shareholder, dividend of SR 35 million, which is unpaid at year end. The dividend is paid subsequent to year end dated January 10, 2023.

20 ZAKAT PROVISION

a) Movement in zakat provision for the year ended:

	31 December 2022	31 December 2021
Balance at beginning of the year	**6,007,080**	5,171,017
Zakat charge for the year	**7,746,075**	6,551,301
Paid during the year	**(6,528,079)**	(5,715,238)
Prior year adjustment	**520,999**	--
Balance at the end of the year	**7,746,075**	6,007,080

b) Status of zakat assessment

Zakat return for the year ended 31 December 2021 has been filed and are under review with the Zakat, Tax and Customs Authority ("ZATCA"). The Group has obtained a certificate from the ZATCA valid 10 Shawwal 1444H corresponding to 30 April 2023. The Group has closed all zakat assessments up to 2018. The Group has no open assessment orders to the date of issuance of consolidated financial statements.

21 COMMITMENTS AND CONTINGENCIES

a) Contingencies

Contingencies represent open letters of credit for purchasing goods of SR 54.1 million from local banks at 31 December 2022 (2021: SR 53.4 million).

b) Commitments

There are no capital commitments made by the Group at 31 December 2022 and 31 December 2021.

(All amounts in Saudi Riyals unless otherwise stated)

22 REVENUE

	for the year ended 31 December 2022	for the year ended 31 December 2021
Revenue	**739,107,713**	825,288,695

The following table sets out the Group's revenue disaggregated by type:

	for the year ended 31 December 2022	for the year ended 31 December 2021
Retail branches	**665,030,847**	757,892,754
E-commerce	**66,274,819**	61,433,667
Wholesale	**7,802,047**	5,962,274
	739,107,713	825,288,695

Revenue relates to Kingdom of Saudi Arabia. The following table sets out the Group's revenue disaggregated by geographical market:

	for the year ended 31 December 2022	for the year ended 31 December 2021
Eastern	**120,459,528**	125,878,424
Northern	**46,217,819**	47,519,493
Southern	**80,579,143**	90,697,300
Western	**187,253,357**	226,937,680
Central	**230,521,001**	266,859,857
Others related to e-commerce and wholesale	**74,076,865**	67,395,941
	739,107,713	825,288,695

*All revenues are recognized at point in time.

23 SELLING AND DISTRIBUTION EXPENSES

	for the year ended 31 December 2022	for the year ended 31 December 2021
Advertisement expense	**24,979,245**	36,053,555
Utilities	**8,097,433**	6,397,785
Bank charges	**3,143,880**	3,678,563
Government related expenses	**2,169,164**	2,713,552
Rent expenses	**1,217,502**	1,004,589
Repair and maintenance expenses	**819,737**	831,901
Travel and accommodation expense	**468,746**	454,787
Others	**6,233,217**	6,993,647
	47,128,924	58,128,379

24 GENERAL AND ADMINISTRATIVE EXPENSES

	for the year ended 31 December 2022	for the year ended 31 December 2021
Wages and salaries	**16,632,076**	16,371,134
Rent expense	**3,956,008**	1,393,411
Legal and professional	**705,813**	834,913
Temporary labor wages	**673,145**	692,368
Computer, office equipment and publications	**652,818**	613,673
Travel and accommodation expense	**552,747**	416,662
Depreciation of property and equipment (note 6)	**513,115**	370,197
Telecommunication	**398,745**	573,840
Utilities	**205,155**	157,964
Amortization on intangible (note 8)	**68,464**	--
Others	**3,728,080**	2,591,163
	28,086,166	24,015,325

(All amounts in Saudi Riyals unless otherwise stated)

25 FINANCE COSTS

	for the year ended 31 December 2022	for the year ended 31 December 2021
Interest on the lease liabilities (note 7)	**5,989,040**	5,471,526
Finance cost on short term loan	**1,803,447**	1,431,231
Interest on the service cost for employees' benefits (note 16)	**240,000**	173,000
	8,032,487	7,075,757

26 OTHER INCOME

	for the year ended 31 December 2021	for the year ended 31 December 2020
Gain / (loss) on disposal of property and equipment	**16,575,982**	(339)
Marketing support and exhibition spaces income	**10,500,863**	10,718,291
Rental income	**4,333,137**	4,489,503
Others	**3,137,995**	4,507,300
	34,547,977	19,714,755

27 (LOSS) / GAIN ON SALE OF FINANCIAL ASSETS AT FVTPL

	31 December 2022	31 December 2021
Balance as at 1 January	**-**	14,912,454
Additions during the year	**248,051,797**	537,454,120
Disposals during the year	**(246,440,932)**	(556,655,563)
(Loss) / gain on sale of financial assets at FVTPL	**(1,610,865)**	4,288,989
Balance as at 31 December	**--**	--

28 BASIC AND DILUTED EARNINGS PER SHARE

Basic and diluted earnings per share:
Basic earnings per share is calculated by dividing the profit for the year attributable to shareholders of the Group by the weighted average number of common shares outstanding during the year. Diluted earnings per share is the same as basic earnings per share since the Company does not have any diluted instruments. During the year, the share capital of the Group has been increased from 4.2 million shares to 35 million shares.

Number of shares has been calculated using the weighted average number of shares outstanding during the year as follows:

	31 December 2022	31 December 2021
Net profit for the year	**129,765,732**	184,884,412
Weighted average number of shares	**26,139,726**	4,200,000
Earnings per share (SR)	**4.96**	44.02

29 FINANCIAL RISK MANAGEMENT

The Group's principal financial liabilities consist of trade payables, lease liabilities, loans and other payables.

The main purpose of these financial liabilities is to raise finance for the Group's operations. The Group has various financial assets such as cash and cash equivalents, trade receivables and accrued revenues which arise directly from its operations, and employees' loans and advances.

The Group is exposed to market risk, credit risk, liquidity risk and operational risk. The Group's senior management oversees the management of these risks. The Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with Group's policies and risk appetite. The management reviews and agrees policies for managing each of these risks which are summarized below.

29 FINANCIAL RISK MANAGEMENT (Continued)

a) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise of four types of risk: interest rate risk, currency risk, profit rate risk and price risk such as equity price risk.

- ***Interest rate risk***

Interest rate risks are the exposures to various risks associated with the effect of fluctuations in the prevailing interest rates on the Group's financial position and cash flows. Management monitors the changes in interest rates risks i.e. SIBOR and believes that interest rate risks to the Group are not significant as all such facilities are on short term basis.

- ***Currency risk***

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. The Group is subject to currency risk on purchases. The majority of the Group’s transactions are denominated in Saudi Riyals and US Dollars which have a fixed exchange rate. Therefore, they are not considered to represent a significant risk to the Group. The Group exposure to foreign currency risk is primarily limited to transactions in Arab Emirates Dirham (“AED”) and Kuwaiti Dinar (KWD). The Group is not exposed to foreign currency fluctuation risk arising from the AED as this is pegged to USD.

Sensitivity analysis relating to currency risk is not presented as the currency risk relating to Kuwaiti Dinar is not significant to the Group.

- ***Profit rate risk***

The Group’s financial assets and liabilities subject to profit rate risk are not considered to represent a significant risk to the Group.

- ***Equity price risk***

Equity price risk is the risk of changes in the fair value of equity securities as the result of changes in value of individual shares. During the year, The Group has quoted investments carried at FVTPL where the impact of changes in equity prices will be reflected due to fair value changes, on disposal or when they are deemed to be impaired. Changes in fair value and impairment losses or losses arising on disposal are recognized in profit or loss. As at 31 December 2022, the Group has no investment in equity securities subject to equity price risk.

b) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to financial loss. The Company is not exposed to credit risk from its operating activities (primarily for trade receivables). The Group has no significant concentration of credit risk. Cash is placed with local banks having sound credit ratings.

All financial assets of the Group are categorized at amortized cost. The maximum exposure to credit risk at year end is the carrying amount of the financial assets as set out below:

	As at 31 December 2022	As at 31 December 2021
Trade receivables	**5,927,366**	5,308,710
Due from related parties	**35,000,000**	--
Cash at Bank	**45,533,769**	32,036,993
Other receivables	**3,183,553**	4,489,940
	98,063,962	41,835,643

As at 31 December 2022 and 31 December 2021, trade receivables have neither past due nor impaired and accordingly no expected credit losses have been recognized.

(All amounts in Saudi Riyals unless otherwise stated)

29 FINANCIAL RISK MANAGEMENT (Continued)

Credit risk (Continue)

The aging analysis of these trade receivables is as follows:

	As at 31 December 2022	As at 31 December 2021
1-30 days	**1,290,016**	5,360,572
30-90 days	**2,031,684**	--
90-180 days	**2,657,528**	--
	5,979,228	5,360,572

c) Liquidity risk

Liquidity risk is the risk that a Company has difficulties in obtaining the financing necessary to meet obligations associated with financial instruments. Liquidity risk may result from the inability to sell a financial asset quickly and at a value close to its fair value. Liquidity risk is managed by regularly monitoring the adequacy of available liquidity through committed credit facilities and the Group's shareholders to meet the Group's obligations and commitments when due. The Company aims to maintain a balance between continuity of funding and flexibility. The Company also has short-term banking facilities from local banks that are renewed annually and used as needed.

All financial liabilities of the Group are categorized at amortized cost. The following are the contractual maturities of financial liabilities:

			I-------------Contractual cash flows---------I		
31 December 2022	**Carrying amount**	**Total**	**Less than 1 year**	**More than 1 year but less than 5 years**	**More than 5 years**
			SAR		
Non-derivative financial liabilities					
Lease liabilities	**130,397,179**	**158,173,847**	**23,623,590**	**77,005,402**	**57,544,855**
Short term loan	**53,652**	**53,652**	**53,652**	--	--
Trade payables	**19,542,678**	**19,542,678**	**19,542,678**	--	--
Due to related party	**24,905,711**	**24,905,711**	**24,905,711**	--	--
Accruals and other payables	**10,137,776**	**10,137,776**	**10,137,776**	--	--
Dividend payable	**35,000,000**	**35,000,000**	**35,000,000**	--	--
	220,036,996	**247,813,664**	**113,263,407**	**77,005,402**	**57,544,855**

			I-----------Contractual cash flows-- -----------I		
31 December 2021	Carrying amount	Total	Less than 1 year	1 – 5 years	More than 5 years
			SAR		
Non-derivative financial liabilities					
Lease liabilities	121,881,808	158,999,938	21,301,091	72,888,770	64,810,077
Short term loan	52,626,976	52,626,976	52,626,976	--	--
Trade payables	21,239,533	21,239,533	21,239,533		--
Accruals and other payables	19,092,070	19,092,070	19,092,070	--	
	214,840,387	251,958,517	114,259,670	72,888,770	64,810,077

(All amounts in Saudi Riyals unless otherwise stated)

29 FINANCIAL RISK MANAGEMENT (Continued)

d) Capital risk management.

The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Group monitors its capital base using a ratio of net debt to equity. Net debt is calculated as short term loan less cash and cash equivalents.

The Board's policy is to maintain an efficient capital base so as to maintain investor, creditor and market confidence and to sustain the future development of its business. The Board of Directors monitor the return on capital employed and the level of dividends to shareholders.

The Group's objectives when managing capital are:

1) to safeguard the entity's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, and
2) to provide an adequate return to shareholders

The Group manages the capital structure in the context of economic conditions and risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group adjust the amount of dividends paid to shareholders. The Group mainly relies on its operations to meet its capital expenditures.

The Group's gearing ratio at year end is as follows:

	As at 31 December 2022	As at 31 December 2021
Short term loans	**53,652**	52,626,976
Less: Cash and cash equivalents	**(46,891,478)**	(46,704,370)
Net debt	**(46,837,826)**	5,922,606
Equity	**411,105,969**	381,138,639
Gearing ratio (%)	**(11.39)**	1.55

30 FAIR VALUE MEASUREMENT

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized within the fair value hierarchy. This is described as follows based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the consolidated financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. The Group determines the policies and procedures for both recurring fair value measurement, and for non-recurring measurement.

30 FAIR VALUE MEASUREMENT (Continued)

At each reporting date, the Group analyses the changes in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Group's accounting policies. For this analysis, the Group verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents. The Group also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

The carrying values of all financial instruments reflected in these consolidated financial statements approximate their fair values except for investment in subsidiary which are reflected at cost less impairment losses, if any.

31 OPERATING SEGMENT

IFRS 8 - Operating Segments requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the Chief operating decision maker in order to allocate resources to segments and to assess their performance.

The Group operates on one segment of selling and importing of household utensils and electrical appliances therefore operating segment information is not applicable to the Group.

32 SEASONAL CHANGES

The operations and revenues of the Group are affected by seasonal factors based on the variation of consumption and demand between the seasons. The management of the Group seeks to minimize the seasonal impact by managing inventories to meet demand during the year.

33 RECLASSIFICATION FOR PRIOR YEARS FIGURES

Certain comparative information has been reclassified to conform to the current year presentation.

34 SUBSEQUENT EVENTS

Following are significant subsequent events since the year-end:

1. On 6 March 2023, the Group has purchase of a commercial land in the Tuwaiq district in Riyadh, with a total area of 4,095.5 square meters, at a value of SR 13.5 million.
2. On 19 March 2023, the Group has announced distribution of cash dividend of SR 1 per share.

There are no further significant subsequent events since the year-end that require disclosure or adjustment in the consolidated financial statements.

35 BOARD OF DIRECTORS APPROVAL

The Group's consolidated financial statements for the year 2022 have been approved by the Board of Directors on 16 March 2023 (corresponding to 24 Shaban 1444H).

تقرير لجنة المراجعة في شركة متاجر السيف للتنمية والإستثمار إلى الجمعية العامة عن العام المالي المنتهي في ٢٠٢٤/١٢/٣١م

Report of the Audit Committee in Alsaif Stores for Development and Investment co. to the General Assembly For the fiscal year ending on 31/12/2024

المقدمة:

تعمل لجنة المراجعة في شركة متاجر السيف للتنمية والإستثمار وفقاً لمتطلبات المادة (٥٥) من لائحة حوكمة الشركات الصادرة عن مجلس هيئة السوق المالية والمادة (٥) من لائحة عمل لجنة المراجعة بالشركة والتي حددت مهامها، واختصاصاتها، وصلاحياتها، ومسؤولياتها.

إن نظام الرقابة الداخلية يلعب دوراً رئيسياً في عملية التقييم والمتابعة وتصحيح الأداء والكشف عن الانحرافات وتحديد الفرص وإدارة العوائق من أجل تحقيق الأهداف للشركة والتحقق من سلامة ونزاهة التقارير والقوائم المالية وأنظمة الرقابة الداخلية فيها.

Introduction:

The Audit Committee of Alsaif Stores for Development and Investment operates in accordance with the requirements of Article (55) of the Corporate Governance Regulations issued by the Board of the Capital Market Authority and Article (5) of the Audit Committee's bylaws, which defined its tasks, specializations, Authorities, and responsibilities.

The internal control system plays a major role in the process of evaluation, follow-up, correcting performance, detecting deviations, identifying opportunities, and managing obstacles to achieve the goals of the company and verify the integrity and integrity of reports, financial statements, and internal control systems.

تشكيل لجنة المراجعة:

تتألف لجنة المراجعة الحالية من (٣) أعضاء مستقلين من بينهم مختصين في الشئون المالية والمحاسبية تم تشكيلهم بتاريخ ٢٢ أكتوبر ٢٠٢٢م كما يلي:

١) **الأستاذ / عبد المجيد بن سليمان محمد الدخيل**
(رئيس اللجنة – عضو مجلس الإدارة - مستقل)

٢) **الأستاذ / مهند بن سليمان السيف**
(عضو اللجنة – عضو مجلس الإدارة – غير تنفيذي)

٣) **الأستاذ / محمد بن سعود الزامل**
(عضو اللجنة – عضو مجلس الإدارة – مستقل)

خلال عام ٢٠٢٤م عقدت اللجنة (٩) اجتماعات حيث تم قامت بالمهام والمسؤوليات التالية:

- دراسة القوائم المالية الأولية والسنوية للشركة المتعلقة بأدائها المالي قبل عرضها على مجلس الإدارة، لضمان نزاهتها وعدالتها وشفافيتها، وإبداء رأيها.
- إبداء الرأي الفني بناء على طلب مجلس الإدارة فيما إذا كان تقرير المجلس والقوائم المالية للشركة عادلة ومتوازنة ومفهومة وتتضمن المعلومات التي تتيح للمساهمين والمستثمرين تقييم المركز أو الوضع المالي للشركة، وأدائها، ونموذج عملها، واستراتيجيتها .
- دراسة أية مسائل مهمّة أو غير مألوفة تتضمنها التقارير المالية

Formation of the audit committee:

The current Audit Committee consists of (3) independent members specialized in financial and accounting affairs who were formed on Oct. 22, 2022, as follows:

1) **Mr. Abdul Majeed Sulaiman Mohammed Aldukhail**
(Chairman of the Committee - Independent Board Member)

2) **Mr. Mohaned Sulaiman Alsaif**
(member of the committee – Non executive Board Member)

3) **Mr. Mohammed Saud Elzamil**
(Committee Member - Independent Board Member)

During the year 2024 AD, the committee held (9) meetings where it carried out the following tasks and responsibilities:

- Studying the initial and annual financial statements of the company related to its financial performance before submitting to the Board of Directors, to ensure its integrity, fairness and transparency, and express its opinion.
- Providing a technical opinion upon the request of the Board of Directors on whether the report of the board and the financial statements of the company are fair, balanced and understandable, and include information that allows shareholders and investors to evaluate the financial position of the company, its performance, business model and strategy.
- Studying any important or unusual issues included in the financial reports.

- Carefully researching any issues raised by the company's financial director, whoever assumes his duties, the company's compliance officer, or the auditor.
- Verifying the accounting estimates in the material issues mentioned in the financial reports.
- Studying the accounting policies applied in the company and express opinion and recommendation to the Board of Directors in this regard.
- Studying and reviewing the company's internal and financial control and risk management systems, and preparing a written report that includes its recommendations and opinion on the adequacy of these systems and the work they have performed within the scope of its competence, provided that the Board of Directors deposits sufficient copies of this report in the company's headquarters (twenty one) days before the date of the General Assembly to provide the shareholders a copy thereof. The report shall be read during the assembly.
- Approval of internal audit plan Studying the internal audit reports and follow up the implementation of corrective measures for the notes contained therein.
- Monitoring and supervising the performance and activities of the internal audit department in the company, to ensure its effectiveness in performing the work and tasks entrusted to it and to ensure its independence.
- Recommending to the Board of Directors to appoint a director of an internal audit unit or department or the internal auditor and suggesting his remuneration.
- Recommending to the Board of Directors to nominate and dismiss external auditors, determine their fees, and evaluate their performance, after verifying their independence and reviewing the scope of their work and the terms of contracting with them.
- Verifying the auditor's independence, objectivity and fairness, and the effectiveness of the audit work, taking into account the relevant rules and standards.
- Reviewing the company's external auditor plan and his work, verifying that he has not submitted technical or administrative works outside the scope of the audit work, and expressing its views on that.
- Responding to the inquiries of the companies' auditor.
- Studying the auditor's report and his notes on the financial statements and follow up on what has been taken in their regard.
- Verifying the company's compliance with the relevant laws, regulations, policies, and instructions. Raising the issues, it deems

- البحث بدقة في أية مسائل يثيرها المدير المالي للشركة أو من يتولى مهامه أو مسؤول الالتزام في الشركة أو مراجع الحسابات.
- التحقق من التقديرات المحاسبية في المسائل الجوهرية الواردة في التقارير المالية.
- دراسة السياسات المحاسبية المتبعة في الشركة وإبداء الرأي والتوصية لمجلس الإدارة في شأنها.
- دراسة ومراجعة نظم الرقابة الداخلية والمالية وإدارة المخاطر في الشركة، وإعداد تقرير مكتوب يتضمن توصياتها ورأيها في مدى كفاية هذه النظم وما أدته من أعمال تدخل في نطاق اختصاصها، على أن يودع مجلس الإدارة نسخاً كافية من هذا التقرير في مركز الشركة الرئيسي قبل موعد انعقاد الجمعية العامة بـ (واحد وعشرين) يوماً لتزويد من يرغب من المساهمين بنسخة منه. ويتلى التقرير في أثناء انعقاد الجمعية.
- اعتماد خطة المراجعة الداخلية.
- دراسة تقارير المراجعة الداخلية ومتابعة تنفيذ الإجراءات التصحيحية للملاحظات الواردة فيها.
- الرقابة والإشراف على أداء وأنشطة إدارة المراجعة الداخلية في الشركة، لتأكد من فعاليتها في أداء الأعمال والمهام المناطة بها وضمان استقلالها.
- التوصية لمجلس الإدارة بترشيح المراجع الخارجي وعزلهم وتحديد أتعابهم وتقييم أدائهم، بعد التحقق من استقلالهم ومراجعة نطاق عملهم وشروط التعاقد معهم.
- التحقق من مدى فعالية أعمال المراجعة، مع الأخذ في الاعتبار القواعد والمعايير ذات الصلة.
- مراجعة خطة المراجع الخارجي للشركة وأعماله، والتحقق من عدم تقديمه أعمالاً فنية أو إدارية تخرج عن نطاق أعمال المراجعة، وإبداء مرئياتها حيال ذلك.
- الإجابة عن استفسارات المراجع الخارجي للشركة.
- دراسة تقرير المراجع الخارجي وملاحظاته على القوائم المالية ومتابعة ما اتخذ بشأنها.
- التحقق من التزام الشركة بالأنظمة واللوائح والسياسات والتعليمات ذات العلاقة.
- رفع ما تراه من مسائل ترى ضرورة اتخاذ إجراء بشأنها إلى مجلس الإدارة، وإبداء توصياتها بالإجراءات التي يتعين اتخاذها .

necessary to take action in their regard to the Board of Directors and make recommendations on the measures to be taken.

Results of Internal Audit, Evaluation of Internal Control Effectiveness and Audit Committee Opinion

The company follows an internal control framework based on the three defense lines. (Different business sectors, internal control departments, internal audit department), where the different business sectors, the company's first line of defense, align their activities in accordance with the company's rules and regulations, while the internal control departments, the second line of defense, assess, measure and control the different levels of risk at the operational and business levels and the extent to which they conform to the controls and procedures adopted to ensure that the company meets the statutory requirements .

The Audit Committee shall verify the adequacy of the company's internal control by monitoring and studying the reports issued by the Internal Auditor and External Auditor and ensuring their independence. The executive management is responsible for providing internal control procedures that reasonably assurance the effectiveness and efficiency of the company's operations and control procedures, including the credibility and integrity of financial reports, and compliance with the company's regulations, laws and policies. The company's internal audit department implements the annual audit plan approved by the Audit Committee to assess the applicable internal control status, focusing on the assess of the control environment, organizational structure, risks, policies and procedures and the Segregation of duties and the efficiency of information systems, through random sampling of activities planned for review with a view to verifying the effectiveness and efficiency of the internal control systems applied and obtaining reasonable assurance of the effectiveness and efficiency of internal control procedures during the year. The Audit Committee shall ensure that the External Auditor carries out his responsibilities to the company by following up the plans and carrying out the audit work in order to obtain a reasonable assurance of conviction that the international accounting standards (IFRS) adopted in Saudi Arabia have been applied. Based on the work of the Audit Committee during the year, a number of observations have been found and most of them have been addressed, the Committee maintains continuous liaison with the Executive Directorate to follow up on the implementation of the recommendations contained in the internal audit reports .

It is also not absolutely possible to emphasize the comprehensiveness of the verification and assessment, as the audit process is essentially based on random sampling of the audits, noting that the development

نتائج المراجعة الداخلية وتقييم فاعلية الرقابة الداخلية ورأي لجنة المراجعة

تنتهج الشركة إطار رقابة داخلي مبني على خطوط الدفاع الثلاثة (قطاعات الأعمال المختلفة، إدارات الرقابة الداخلية، إدارة المراجعة الداخلية)، حيث تقوم قطاعات الأعمال المختلفة وهي خط الدفاع الأول بالشركة بموائمة أنشطتها بما يتفق مع النظم واللوائح المعتمدة في الشركة، في حين تقوم إدارات الرقابة الداخلية وهي خط الدفاع الثاني بتقييم وقياس ومراقبة مستويات المخاطر المختلفة على صعيد العمليات والأعمال ومدى تماشيها مع الضوابط والإجراءات المعتمدة لضمان استيفاء الشركة المتطلبات النظامية، وتقوم إدارة المراجعة الداخلية بمهمة خط الدفاع الثالث والمعني بإجراء الفحص والمراجعات اللازمة للتحقق من التزام الشركة بسياسات أدلة العمل الإجرائية بناءً على أعمال المراجعة الداخلية المنفذة خال السنة للأقسام المختلفة في الشركة.

وتقوم لجنة المراجعة بالتأكد من مدى كفاية الرقابة الداخلية بالشركة وذلك من خال متابعة ودراسة التقارير الصادرة من المراجع الداخلي والمراجع الخارجي والتأكد من استقلاليتهما. حيث تقوم الإدارة التنفيذية للشركة بحكم مسؤوليتها في توفير إجراءات رقابة داخلية تضمن بشكل معقول فاعلية وكفاءة عمليات الشركة وإجراءات الرقابة المطبقة فيها، بما في ذلك مدى مصداقية التقارير المالية ونزاهتها، ومدى الالتزام بالأنظمة والقوانين والسياسات الخاصة بالشركة. وتقوم إدارة المراجعة الداخلية للشركة بتنفيذ خطة المراجعة السنوية المعتمدة من قبل لجنة المراجعة لتقييم وضع الرقابة الداخلية المطبقة مع التركيز على تقييم البيئة الرقابية والهيكل التنظيمي والمخاطر والسياسات والإجراءات وفصل المهام و كفاءة نظم المعلومات، وذلك من خال أخذ عينات عشوائية للأنشطة المخطط مراجعتها بهدف فحصها للتأكد من مدى فاعلية وكفاءة أنظمة الرقابة الداخلية المطبقة والحصول على تأكيدات معقولة عن فاعلية وكفاءة إجراءات الرقابة الداخلية خال العام. وتقوم لجنة المراجعة بالتأكد من قيام المراجع الخارجي بمسؤولياته تجاه الشركة وذلك من خال متابعة خطط وتنفيذ أعمال المراجعة للحصول على درجة معقولة من القناعة بأن معايير المحاسبة الدولية المعتمدة في السعودية قد تم تطبيقها .

وبناء على أعمال لجنة المراجعة خلال العام تبين وجود عدد من الملاحظات وتم معالجة معظمها؛ واللجنة على تواصل مستمر مع الإدارة التنفيذية لمتابعة تنفيذ التوصيات الواردة في تقارير المراجعة الداخلية.

وحيث أنه لا يمكن التأكيد بشكل مطلق على شمولية عمليات الفحص والتقييم حيث إن عملية المراجعة في جوهرها تستند إلى أخذ عينات عشوائية لمراجعتها مع الإشارة الى أن عمليات التطوير مستمرة للحصول على فاعلية وكفاءة للنظام الرقابي للشركة.

processes are ongoing to obtain the effectiveness and efficiency of the company's internal control.

Based on the work of the Audit Committee during the year, a number of observations have been found and most of them have been addressed, the Committee maintains continuous liaison with the Executive Directorate to follow up on the implementation of the recommendations contained in the internal audit reports.

It is also not absolutely possible to emphasize the comprehensiveness of the verification and assessment, as the audit process is essentially based on random sampling of the audits, noting that the development processes are ongoing to obtain the effectiveness and efficiency of the company's internal control.

والله الموفق،،،

رئيس لجنة المراجعة

عبدالمجيد سليمان الدخيل

توصية لجنة المراجعة للجمعية العامة لشركة متاجر السيف للتنمية والإستثمار بتعيين المراجع الخارجي

Recommendation of the audit committee to the general assembly of Alsaif Stores for Development and Investment Company to appoint the external auditor.

بناء على الدعوة الموجهة لعدد من مكاتب مراجعي الحسابات للتقدم بعروضها لمراجعة القوائم المالية لشركة متاجر السيف للتنمية والإستثمار للربع الثاني والثالث والسنوي لعام ٢٠٢٥م والربع الأول لعام ٢٠٢٦م وذلك حسب ما تقتضيه لائحة لجنة المراجعة ولوائح هيئة السوق المالية.

وبعد اطلاع ودراسة : توصي لجنة المراجعة للجمعية العامة باختيار شركة البسام وشركاؤه، نظراً لما يتمتع به المكتب من خبرة واسعة في قطاع التجزئة عموماً، وخبرة خاصة في التعامل مع شركة السيف غاليري خلال السنوات الثلاث الماضية، بالإضافة إلى التزامهم بمواعيد تسليم المخرجات(القوائم المالية للشركة وغيرها) مع مجلس الإدارة ولجنة المراجعة، وتقديمهم لملاحظات تطويرية بناءة.

According to the invitation addressed to a number of auditor's offices to submit their bids to review the financial statements of Alsaif Stores for Development and Investment for the second, third quarter and final statements of 2025 and the first quarter of 2026, as required by the audit committee regulations and the Capital Market Authority Regulations Accordingly, the offers sent by these offices were reviewed.

After review and study: The Audit Committee recommends to the General Assembly the selection of Al Bassam & Partners Company, due to the office's extensive experience in the retail sector in general, and its particular experience in dealing with Al Seif Gallery Company during the past three years, in addition to their commitment to the deadlines for submitting deliverables (the company's financial statements and others) to the Board of Directors and the Audit Committee, their provision of constructive development comments.

ملاحظة العروض غير شاملة ضريبة القيمة المضافة ومصاريف السفر والإقامة

رقم	المراجع الخارجي	الأتعاب
١	شركة إبراهيم أحمد البسام وشركاؤه محاسبون قانونيون (البسام وشركاؤه)	٤٦٥,٠٠٠ ريال
٢	شركة المحاسبون المتحدون RSM	٤٥٠,٠٠٠ريال
٣	شركة بيكرتيلي محاسبون قانونيون	٦٤٠,٠٠٠ ريال
٤	شركة الزومان والفهد والحجاج للاستشارات المهنية	٤١٥,٠٠٠ ريال

Note The offers are exclusive of VAT, travel, and accommodation expenses

No.	External Auditor	Fees
1	Ibrahim Ahmed Albassam & Co. (Albassam & Co.)	465,000 SR
2	RSM Allied Accountants Professional Services	450,000 SR
٣	Baker Tilly MKM & Co. Certified Public Accountants	640,000 SR
٤	Alzoman, Alfahad & Alhajjaj Professional Services	415,000 SR

والله الموفق،،،

رئيس لجنة المراجعة

عبدالمجيد بن سليمان الدخيل

التاريخ:٠٤/٠٦/٢٠٢٥م

PKF Al Bassam
Chartered Accountants

INDEPENDENT LIMITED ASSURANCE REPORT

TO THE SHAREHOLDERS OF AL SAIF STORES FOR DEVELOPMENT AND INVESTMENT COMPANY
A SAUDI JOINT STOCK COMPANY
RIYADH, KINGDOM OF SAUDI ARABIA

INTRODUCTION

According to the request of the management of Al Saif Stores for Development and Investment Company ("the Company") and its subsidiaries (together "the Group"), we have been engaged to perform a limited assurance engagement in order to state whether anything has come to our attention that causes us to believe that the subject matter detailed below ("Subject Matter"), has not been reported and presented fairly, in all material respects, in accordance with the applicable criteria mentioned below "applicable criteria".

SUBJECT MATTER

The scope of the engagement relates to the limited assurance engagement to the information submitted by the Chairman of the Board of Directors attached in Appendix No. (1) ("The Notification") prepared in accordance with the requirements of Article (71) of the Regulation of Companies and presented by the Chairman of the Board of Directors of the Group. It consists of the transactions that were carried out by the Group during the year ended 31 December 2024 in which any of the members of the Group's Board of Directors had a personal interest in it, whether directly or indirectly.

APPLICABLE CRITERIA

Article (71) of the Saudi Regulation of Companies issued by the Ministry of Commerce (1443 H - 2022 G).

MANAGEMENT RESPONSIBILITY

The management and the chairman of the Group's Board of Directors are responsible for preparing the subject matter of assurance and presenting it as appropriate in accordance with applicable criteria. The Group's management is also responsible for establishing and maintaining an adequate internal control system for the preparation and presentation of the subject matter of assurance that are free of material misstatements, whether arising from fraud or error, choosing and applying appropriate controls, maintaining adequate records, and making reasonable estimates according to the circumstances.

OUR RESPONSIBILITY

It is our responsibility to express the conclusion of a limited assurance on the subject matter of assurance based on the limited assurance engagement that we have performed in accordance with the International Standard for Assurance Engagements 3000 (Revised) "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" that is endorsed in the Kingdom of Saudi Arabia and the terms and conditions of this engagement as agreed with the Group's management.

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JEDDAH
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Fax +966 12 652 2894 | Jeddah 21454

AL KHOBAR
Tel. +966 13 893 3378 | P.O Box 4636
Fax +966 13 893 3349 | Al Khobar 31952

INDEPENDENT LIMITED ASSURANCE REPORT

TO THE SHAREHOLDERS OF AL SAIF STORES FOR DEVELOPMENT AND INVESTMENT COMPANY
A SAUDI JOINT STOCK COMPANY
RIYADH, KINGDOM OF SAUDI ARABIA

OUR RESPONSIBILITY (Continued)

Our procedures were designed to obtain a limited level of assurance on which to base our conclusion, and as such do not provide all of the evidence that would require to provide a reasonable assurance. The procedures performed depend on our professional judgment, including the risk of material misstatement of the subject matter, whether due to fraud or error. While, we considered the effectiveness of management's internal control when determining the nature and extent of our procedure, our engagement was not designed to provide assurance on the effectiveness of internal control system.

INDEPENDENCE AND QUALITY CONTROL

We have complied with the independence requirements in accordance with the Code of Professional Conduct and Ethics for Professional Accountants, issued by the International Ethics Standard Board for Accountants, that is endorsed in the Kingdom of Saudi Arabia by the Saudi Organization for Chartered and Professional Accountants ("SOCPA").

Our firm applies International Standard on Quality Management (ISQM 1), "Quality Management for firms that perform audits or reviews of financial statements, or other assurance or related services engagements, that is endorsed in the Kingdom of Saudi Arabia. Accordingly, ISQM 1 maintains a comprehensive system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

SUMMARY OF PROCEDURES PERFORMED

Our procedures regarding systems and controls relating to the preparation of the Notification in accordance with the requirements of Article 71 of the Regulation of Companies, are subject to inherent limitations and, accordingly, errors or irregularities may occur and not be detected. Furthermore, such procedures may not be relied upon as evidence of the effectiveness of the systems and controls against fraudulent collusion, especially on the part of those holding positions of authority or trust.

The procedures performed in the limited assurance engagement differ in nature and timing and are less in scope than the reasonable assurance engagement. Consequently, the level of assurance obtained in the limited assurance engagement is much less than the assurance that would have been obtained had we performed the reasonable assurance engagement. As part of this engagement, we have not performed any procedures of reviewing, examining, or verifying the subject matter of assurance, nor of the records or other sources from which the subject in question was extracted. Accordingly, we will not express reasonable assurance opinion.

PKF Al Bassam
Chartered Accountants

INDEPENDENT LIMITED ASSURANCE REPORT

TO THE SHAREHOLDERS OF AL SAIF STORES FOR DEVELOPMENT AND INVESTMENT COMPANY
A SAUDI JOINT STOCK COMPANY
RIYADH, KINGDOM OF SAUDI ARABIA

SUMMARY OF PROCEDURES PERFORMED (Continued)

Our assurance procedure are as follows:

- Obtaining a statement that includes a notification from the Chairman of the Board of Directors specifying all transactions and contracts executed during the year ended 31 December 2024 by any member of the Group's Board of Directors, whether directly or indirectly, for the benefit of the Group during the year, Appendix No. (1);
- Reviewing the minutes of Board meetings that indicate that a Board member has communicated the Board of Directors of the transactions and contracts executed by the member of the Board of Directors;
- Obtaining confirmation from the members of the Board of Directors of the transactions made during the year.
- Ensure that the transactions executed during the year ended 31 December 2024 are included in the statement prepared by the Chairman of the Board of Directors and are matching with the transactions included in Note No. (5) of the audited consolidated financial statements.

CONCLUSION

Based on the procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the Chairman's notification has not complied, in all material respects, with the Article (71) requirement of the Saudi Regulation of Companies.

RESTRICTIONS ON THE USE OF OUR REPORT

Our report has been solely prepared upon the request of the Group's management to be presented to the shareholders in their meeting in the Ordinary General Assembly in accordance with the requirements of Article (71) of the Saudi Regulation of Companies, and it should not be used for any other purpose.

For PKF Al-Bassam
Chartered Accountants

شركة بي كي اف البسام
محاسبون ومراجعون قانونيون
C. R. 1010385804
PKF Al Bassam
chartered accountants

Ahmed A. Mohandis
Certified Public Accountant
License No. 477
Riyadh, Kingdom of Saudi Arabia
14 Dhul-Qadah, 1446
Corresponding to: 12 May 2025

TO: SHAREHOLDERS OF **AlSaif Stores for Development and Investment Co**

Dears,

Based on the provisions of Article (71) paragraph (1) of the Companies Law and Article (21) paragraph (15) of the Corporate Governance Regulations issued by the Capital Market Authority, which requires the Board of Directors to inform the General Assembly of shareholders when it convenes about the business and contracts in which one of the members of the Board of Directors has a direct or indirect interest, we would like to inform your esteemed assembly of the notifications received about the business and contracts to the Board of Directors, and it has been voted on and submitting to your esteemed assembly to obtain your approval on those businesses and contracts during the fiscal year ending on 31-12-2024, according to the following details:

Member Name	Terms of the contract	Transaction amounts during 2024	Contract Description	Contract Party
Suleiman Bin Muhammad Alsaif Ahmed Bin Suleiman Alsaif Muhammad Bin Suleiman Alsaif Haitham Bin Suleiman Alsaif Muhannad Bin Suleiman Alsaif	There are no preferential benefits or conditions	**27,766,817**	Rent of offices and branches	Nawah Real Estate Investment Company
Suleiman Bin Muhammad Alsaif	There are no preferential benefits or conditions	**4,238,532**	Supply of goods	Al Saif Trading Agencies Company
Suleiman Bin Muhammad Alsaif	-	**96,276**	Expenses paid on behalf of a shareholder.	Suleiman Muhammad Alsif
Suleiman Bin Muhammad Alsaif	-	**97,000,000**	salas building	Suleiman Muhammad Alsif
Suleiman Bin Muhammad Alsaif	-	**20,000,000**	Financing received	Suleiman Muhammad Alsif
Ahmed Bin Suleiman Alsaif	There are no preferential benefits or conditions	**1,485,576**	Supply of goods	Al Saif Coffee Trading Company
Ahmed Bin Suleiman Alsaif	There are no preferential benefits or conditions	**15,816,422**	Supply of goods	Al-Saif Plus Trading Company
Muhammad Bin Suleiman Alsaif	-	**1,598,412**	Expenses paid on behalf of a shareholder.	Muhammad Bin Suleiman Alsaif
Muhammad Bin Suleiman Alsaif	-	**15,000,000**	Financing received	Muhammad Bin Suleiman Alsaif
Haitham Bin Suleiman Alsaif	-	**156,043**	Sales transactions	Haitham Bin Suleiman Alsaif
Muhannad Bin Suleiman Alsaif	-	**40,458**	Sales transactions	Muhannad Bin Suleiman Alsaif
Ahmed Bin Suleiman Alsaif	-	**44,299**	Sales transactions	Ahmed Bin Suleiman Alsaif

The Board of Directors took the necessary procedures and made sure that there is no preference for those with an interest in the business and contacts, and the Board of Directors has voted to approve the submitted notification.

Chairman of the Board
Suleiman Bin Muhammad Alsaif

السادة المساهمين الكرام،

نفيدكم بأن الأنشطة الواردة في النظام الأساسي نص المادة (3) أغراض الشركة قد تم توضيح التعديلات المراد إدخالها على النحو التالي:

- **النشاط المراد تعديله تم تمييزه باللون الأصفر.**
- **النشاط المراد إلغاؤه تم تمييزه باللون الأحمر.**
- **النشاط المراد إضافته تم تمييزه باللون الأخضر.**
- **وفي حال ترك أي نشاط دون تمييز، فإن ذلك يدل على عدم وجود تعديل عليه.**

الأنشطة الحالية	الانشطة المقترحة
شراء وتملك العقارات والأراضي لإقامة مباني عليها واستثمارها بالبيع او الايجار لصالح الشركة	شراء وبيع الأراضي والعقارات وتقسيمها وأنشطة البيع على الخارطة 681010 إدارة وتاجير العقارات المملوكة أو المؤجرة (سكنية) 681021 إدارة وتاجير العقارات المملوكة او المؤجرة(غير سكنية) 681022
تطوير وصيانة وإدارة الأراضي والعقارات لحساب الشركة	إدارة عمليات الصيانة والتشغيل في المباني والمرافق التابعة لها 811005 التطوير العقاري للمباني التجارية بأساليب البناء الحديثة 681042 الإنشاءات العامة للمباني السكنية 410010

الأنشطة الحالية	الانشطة المقترحة
إقامة وتملك الفنادق المفروشة والحدائق و الأسواق والمطاعم والمتنزهات العامة والمجمعات السياحية والتجارية والمرافق الصحية والترفيهية والسياحية والصناعية والسكنية والزراعية والرياضية و التعليمية ومحطات والاستراحات والمطاعم والخابز و المخازن و المستودعات و مغاسل الملابس الاتوماتيكية و استثمارها بالبيع او الايجار وتطويرها وادارتها وتشغيلها وصيانتها	(الغاء كامل النشاط)

الأنشطة الحالية	الانشطة المقترحة
اعمال الصيانة و النظافة و الإدارة والتشغيل للمدن والمرافق والمباني والمنشآت العامة والخاصة والمرافق السكنية و التجارية والصناعية والترفهية والطبية والزراعية والتعليمية والطرق والسدود والانفاق والجسور و اعمال المياة والصرف الصحي ومحطات الوقود والمطارات والمصانع ومحطات الكهرباء و انابيب وصهاريج البترول والزيت والغاز	أنشطة خدمات التنظيف العام للمباني 811002 إدارة عمليات الصيانة والتشغيل في المباني والمرافق التابعة لها811005

مقاولات عامة (انشاء ،اصلاح ، ترميم ، هدم) للمباني والانشاءات العامة من اعمال الطرق واعمال المياة والصرف الصحي واعمال الري وشبكاته والاعمال الكهربائية والميكانيكية والصناعية والالكترونية والاعمال البحرية والسدود وحفر الابار وتحلية وضخ وتنقية المياة والغاز وشبكات الهاتف والمستشفيات والمراكز الطبية ومحططات الوقود والطاقة والمطارات والمصانع ومحطات الكهرباء	إنشاءات المباني الجاهزة في المواقع 410030 ترميمات المباني السكنية والغير سكنية 410040 تشطيب المباني 433010 هدم وإزالة المباني وغيرها 431101 أنشطة خدمات صيانة المباني 811003

الأنشطة الحالية	الانشطة المقترحة
خدمات الاستيراد والتصدير والتسويق للغير والوكالات التجارية وخدمات الدعاية والاعلان	تقديم خدمات تسويقية نيابةً عن الغير 731013 وكلاء البيع للأثاث والسلع المنزلية 461018
المقاولات المعمارية والمدنية والميكانيكية والكهربائية والزراعية والحيوانية	(الغاء كامل النشاط)
خدمات التسويق للغير والوكالات التجارية	تقديم خدمات تسويقية نيابةً عن الغير 731013
صناعة معدنية أساسية (الحديد و الصلب و المعادن غير الحديدية)	صنع أنابيب ومواسير وأشكال مجوفة ووصلات أنابيب أو مواسير 243120 صناعة الأسلاك والكابلات المعزولة المصنوعة من الصلب 273201 مصنوعات معدنية عادية غير حديدية ، يشمل ((أسلاك ، مواسير ، أنابيب ، مساحيق ، أوراق ، صفائح ...الخ) 242060
تجارة الجملة والتجزئة في الاواني المنزلية والأدوات الكهربائية	البيع بالجملة للاواني المنزلية وملحقات الموائد 464940 البيع بالتجزئة للأجهزة الالكترونية والكهربائية المنزلية 475921 البيع بالتجزئة للمنتجات الخشبية والفلينية والبلاستيكية475924 البيع بالتجزئة للادوات المنزلية والمشغولات اليدوية المتنوعة ، يشمل (أدوات القطع،والخزفيات، والأواني الزجاجيه والفخارية .. الخ) 475930 البيع بالجملة للأجهزة الالكترونية والكهربائية المنزلية 464921

الأنشطة الحالية	الانشطة المقترحة
شراء وبيع العقارات والأراضي واستثمارها بالبيع او الايجار لصالح الشركة	(الغاء كامل النشاط)
تجارة الجملة والتجزئة في الأثاث المنزلي والمكتبي والتحف والهدايا والأدوات البلاستيكية والأجهزة والاثاث الطبي	البيع بالتجزئة للأثاث المنزلي 475910 البيع بالتجزئة للمنتجات الخشبية والفلينية والبلاستيكية 475924 البيع بالجملة للمنتجات الخشبية والفلينية والبلاستيكية 464991 بيع الأدوات والمواد البلاستيكية (بما فيها الأكياس) 477394

الأنشطة الحالية	الانشطة المقترحة
تجارة الجملة والتجزئة في أدوات التنظيف والعطورات وأدوات التجميل والاكسسوارات النسائية والاحزمة والشنط والجلديات الأخرى وأجهزة المطاعم والفنادق والمستشفيات والساعات ومداخن التدفئة وأدوات وأجهزة التجميل والاكسسوارات المنزلية ومواد النظافة	البيع بالتجزئة لمواد التنظيف 477392 البيع بالجملة للعطور 464958 البيع بالجملة للعطور ومستحضرات التجميل وصابون التجميل464952 البيع بالجملة لأدوات التجميل

تجارة الجملة والتجزئة في الاواني المنزلية وتذهيبها	صناعة الأواني المعدنية المجوفة وما يماثلها من أدوات المطبخ والمائدة وأدوات الشوي والقلي **259951** **صناعة الثلاجات والمجمدات 275011**

صناعة المبردات الخاصة بالمياه	275012
صناعة غسالات الأطباق	275013
صناعة غسالات ومجففات الملابس الكهربائية	275014
صناعة المراوح الكهربائية	275015
صناعة المكانس	275021
صناعة الدفايات	275022
صناعة السخانات الكهربائية	275023
أجهزة كهربائية لتلميع الأرضيات	275024
صناعة الخلاطات الكهربائية	275031
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صناعة مجففات كهربائية وأمشاط وفرش وبكرات تجعيد الشعر	275043
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صناعة المايكرويف	275052
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الأنشطة الحالية	الانشطة المقترحة
	صناعة المعدات المنزلية غير الكهربائية للطبخ والتسخين 275060
إقامة وتنظيم الاحتفالات والمهرجانات	(الغاء كامل النشاط)
أنشطة البريد الأخرى	(الغاء كامل النشاط)
أنشطة شركات نقل البريد الخاصة	نقل الطرود محلي532011 نقل الطرود محلي ودولي532012 تقديم خدمات التوصيل عبر المنصات الالكترونية 532013
البيع بالتجزئة عن طريق الانترنت	
التجارة عن طريق الانترنت	
المخازن العامة التي تضم مجموعة متنوعة من السلع 521093	
تشغيل مرافق التخزين لجميع أنواع البضائع 521011	

الأنشطة الحالية	الانشطة المقترحة
خدمات شحن وتفريق السلع بصفة عامة 521012	
أنشطة أخرى للتخزين	المخازن العامة التي تضم مجموعة متنوعة من السلع 521093
(إضافة) أنشطة الخدمات الأخرى	إصلاح الأجهزة المنزلية والمعدات المنزلية ومعدات الحدائق 952200 تأجير الأجهزة والمعدات الكهربائية والإلكترونية للإستخدام المنزلي والموسيقية 772906
إضافة	النقل البري للبضائع 492300 البيع بالتجزئة للمكسرات والبن والتوابل والعطارة 472170