



**Audit Committee Annual Report for the Year Ended 31 December 2025**

**Alamar Foods Company  
(referred to as the "Company")**

**31 December 2025**

شركة الآمار الغذائية "شركة سعودية مساهمة"  
Alamar Foods Company "Saudi Joint Stock Company"

رأس المال المكتتب به والمدموع بالكامل بالريال السعودي SAR 255,000,000 Issued and Total Paid Up Capital of SAR 255,000,000  
الرياض، العليا، طريق الأمير سلطان بن عبدالعزيز، برج الآمار 3507 Alamar Tower 3507 Prince Sultan Bin Abdulaziz Road, Olaya, Riyadh

## 1. Introduction

- The Audit Committee (referred to as the "Committee") oversees the Internal Audit function, which periodically reviews the adequacy and effectiveness of the internal control system, to provide a continuous assessment of the internal control system and its effectiveness.
- The Committee also reviews the External Auditor's reports and Management Letter, which might include any lack of internal control noted by the External Auditor as part of his internal controls assessment.
- This report briefly summarizes the Committee roles and responsibilities, composition of the Committee, meetings conducted, important outcomes and decisions, internal audit coverage and the Committee opinion on internal control system.

## 2. Audit committee members

1. Faisal Omar AlSaggaf	Chairman of the Audit Committee/ independent Director
2. Abdulaziz Abdullah Alnaim	Member of the Audit committee/ non-director member
3. Mohammed Saleh Alsulaiman	Member of the Audit committee/ non-director member

## 3. Audit committee roles and responsibilities.

### I. Financial reporting:

1. Review the company's interim and annual financial statements before presenting them to the Board of Directors and expressing an opinion and recommendation regarding them, to ensure their integrity, fairness, and transparency.
2. Expressing a technical opinion - at the request of the Board of Directors - as to whether the Board of Directors' report and the company's financial statements are fair, balanced, and understandable and include information that allows shareholders and investors to evaluate the company's financial position, performance, business model and strategy.
3. Study any important or unusual issues contained in financial reports.
4. Thoroughly research any issues raised by the company's chief financial officer, his representative, the company's compliance officers, or the auditor.
5. Verifying accounting estimates regarding material matters contained in financial reports.
6. Study the company's accounting policies and express an opinion and recommendation to the Board of Directors.

### II. Internal Audit:

1. Study and review the company's internal control, financial, and risk management systems.
2. Study internal audit reports and follow up on the implementation of corrective actions in relation to the observations contained therein.
3. Monitoring and supervising the performance and activities of the internal auditor and the internal audit department in the company to verify the availability of the necessary resources and their effectiveness in performing the work and tasks assigned to them
4. Providing a recommendation to the Board of Directors regarding the appointment of internal audit department, or internal auditor, and proposing his remuneration.

### III. External Auditor:

1. Provide recommendations to the Board of Directors regarding the nomination of auditors, their dismissal, determining their fees, and evaluating their performance, after verifying their independence and reviewing the scope of their work and the terms of their engagement.
2. Verify the independence, objectivity, and fairness of the auditor and the effectiveness of the audit work, considering the relevant rules and standards.
3. Review the auditor's plan and scope of work and verify that he is not submitting technical or administrative work that falls outside the scope of the audit and express their views on that.
4. Respond to the auditor's inquiries.
5. Studying the auditor's reports and observations on the financial statements and following up on relevant procedures.

### IV. Compliance:

1. Review the results of the regulatory authorities' reports and verify that the company has taken the necessary measures regarding them.
2. Verify the company's compliance with relevant laws, regulations, policies, and instructions.
3. Review the contracts and transactions proposed to be concluded by the company with related parties and present its views regarding that to the Board of Directors.
4. Raise the issues it deems necessary to the Board of Directors and express its recommendations on the measures that should be taken.

### V. Risk Management:

1. Developing a strategy and comprehensive policies for risk management that are consistent with the nature and volume of the Company, ensuring their implementation, and reviewing and updating them based on the Company's internal and external changing factors.



2. Determining and maintaining an acceptable level of risk for the Company and ensuring that the Company does not exceed this level.
3. Verifying the feasibility of the Company's continuity and the successful continuation of its activities, along with identifying risks that threaten its continuity during the next twelve months.
4. Overseeing the Company's risk management system and evaluating the effectiveness of the systems and mechanisms for identifying, measuring, and following up on risks to which the Company may be exposed to identify shortcomings.
5. Periodically evaluate the company's ability to bear risk and its exposure on regular basis.

#### 4. Audit Committee meetings

The Audit Committee held (4) meetings during the fiscal year 2025 as follows:

Sr.	Name	23 March 2025	8 May 2025	3 August 2025	2 November 2025
1	Faisal Omar AISaggaf	√	√	√	√
2	Abdulaziz Abdullah Alnaim	√	√	√	√
3	Mohammed Saleh Alsulaiman	√	√	√	√

#### 5. Internal audit activities

- The Audit Committee reviewed the company's quarterly and annual financial statements, discussing key issues with executive management and the external auditor, verifying the reasons for changes, assessing the adequacy of required disclosures, ensuring compliance with accounting policies and standards, and examining all relevant aspects and recommending approval to the Board of Directors.
- Ensured the independence, integrity, and effectiveness of the external auditor's work in accordance with relevant rules and standards, while also discussing and monitoring the external auditor's work plan.
- Discussed and approved the annual internal audit plan, including updates and the annual budget for the internal audit department.
- Reviewed periodic reports issued by the internal audit department, monitored progress in implementing approved plans, examined the status of key observations in internal audit reports, and provided guidance to address any deficiencies.
- The internal audit department discussed audit findings with relevant departments, reached agreements on these findings, and developed action plans specifying corrective measures and a targeted completion timeline.
- The Internal Audit Department executed 100% of the approved Internal Audit Plan for the fiscal year 2025.
- During the fiscal year 2025, the Company also developed a Risk Appetite Framework Policy and a set of Key Risk Indicators, in addition to enhancing the related risk registers.

#### 6. Internal Control System

- The executive management of the company is responsible for ensuring the existence of an effective internal control system, which includes adherence to policies and procedures established by the executive management under the supervision of the Board of Directors, to achieve the company's strategic objectives and protect its assets.
- Audits are conducted to provide reasonable assurance regarding the efficiency and effectiveness of risk management, governance, and internal control processes. Based on the periodic reports presented to the Audit Committee during the financial year ending December 31, 2025, by the internal audit department and the external auditor's reports, the committee considers the company's internal control system, financial control, and risk management to be generally adequate and there are no significant deficiencies were identified that could compromise the integrity of financial reports or the efficiency of operational processes. However, the committee emphasizes that no internal control system can provide absolute assurance instead, it provides reasonable assurance regarding compliance with regulations and internal policies and the company's ability to effectively manage financial and operational risks.

The Committee takes this opportunity to extend its sincere gratitude to the Board for their full support to enable the Committee to fulfill its roles and responsibilities as well as the executive team for their cooperation in providing all the data required to complete the required tasks.

Chairman of the Audit Committee

  
— Faisal Omar AISaggaf

