



The agenda of the Ordinary General Assembly (the first meeting) of Saudi Marketing Company (Farm Superstores), which is scheduled to be held at 6.30pm on Sunday 21/12/1447 corresponding to 07/06/2026 through means of modern technology.

1. Reviewing and discussing the Board of Directors' report for the financial year ending on 31/12/2025.
2. Voting on the Company's auditor's report for the financial year ending on 31/12/2025 after discussing it.
3. Reviewing and discussing the financial statements for the financial year ending on 31/12/2025.
4. Voting on discharging the members of the Board of Directors from their liability for the fiscal year ending 31/12/2025.
5. Voting on appointment of the Company's external auditor among the nominees recommended by the Audit Committee, to review and audit the financial statements for the Q2, Q3 and the annual financial statements for the financial year ending on 31/12/2026 and Q1 for the financial year ending on 31/12/2027 along with determining their fees.
6. Voting on the business and contracts concluded for the financial year ending on 31/12/2025 between the company and Dar Al Karam Restaurants in which the Chairman of the Board of Directors, Eng. Hazem Fayez Al-Aswad and the members of the Board of Directors, Eng. Maher Hazem Al-Aswad and Mr. Tariq Hazem Al-Aswad and Mr. Mohammed Hazem Al-Aswad have an indirect interest, which is the revenue from a contract for Saudi Marketing Company where company secures workers to work in Dar Al Karam Restaurants as needed according to the prevailing commercial condition where the transaction amounted SR 99,511 (attached).
7. Voting on the business and contracts concluded for the financial year ending on 31/12/2025 between the company and Al-Aswad Trading and Contracting Company in which the Chairman of the Board of Directors, Eng. Hazem Fayez Al-Aswad and the members of the Board of Directors, Eng. Maher Hazem Al-Aswad and Mr. Tariq Hazem Al-Aswad and Mr. Mohammed Hazem Al-Aswad have an indirect interest, which is the revenue from a contract for Saudi Marketing Company where company secures workers to work in Al-Aswad Trading and Contracting Company as needed according to the prevailing commercial condition where the transaction amounted SR 4,599,454 (attached).
8. Voting on the business and contracts concluded for the financial year ending on 31/12/2025 between the company and Al-Aswad Trading and Contracting Company, in which the Chairman of the Board of Directors, Eng. Hazem Fayez Al-Aswad and the members of the Board of Directors, Eng. Maher Hazem Al-Aswad and Mr. Tariq Hazem Al-Aswad and Mr. Mohammed Hazem Al-Aswad have an indirect interest, which is a branch lease expense on the company in favor of Al-Aswad Trading and Contracting Company according to the prevailing commercial conditions, where the transaction amounted SR 4,821,073 (attached).
9. Voting on the business and contracts concluded for the financial year ending on 31/12/2025 between the company and Space Travel and Tourism Agency, in which the Chairman of the Board of Directors, Eng. Hazem Fayez Al-Aswad and the members of



the Board of Directors, Eng. Maher Hazem Al-Aswad and Mr. Tariq Hazem Al-Aswad and Mr. Mohammed Hazem Al-Aswad have an indirect interest in it, which is the purchase of tickets for the employees of the company from Space Travel and Tourism Agency according to the prevailing commercial conditions, where the amount of the transaction amounted SR 1,237,301 (attached).

10. Voting on the business and contracts concluded for the financial year ending on 31/12/2025 between the company and Al-Aswad Trading Company, in which the Chairman of the Board of Directors, Eng. Hazem Fayez Al-Aswad and the members of the Board of Directors, Eng. Maher Hazem Al-Aswad and Mr. Tariq Hazem Al-Aswad and Mr. Mohammed Hazem Al-Aswad have an indirect interest, which is the purchase of foodstuffs for Saudi Marketing Company from Al-Aswad Trading Company according to the prevailing commercial conditions, where the transaction amounted SR 2,118,510 (attached).
11. Voting on the business and contracts concluded for the financial year ending on 31/12/2025 between the company and Al-Aswad Trading and the members of the Board of Directors, Contracting Company, in which the Chairman of the Board of Directors, Eng. Hazem Fayez Al-Aswad and Eng. Maher Hazem Al-Aswad and Mr. Tariq Hazem Al-Aswad and Mr. Mohammed Hazem Al-Aswad have an indirect interest, which is the supply and installation of solar energy cells for some of the company's branches through Al Aswad Trading and Contracting Company according to the prevailing commercial conditions, where the amount of the transaction amounted SR 413,085 (attached).
12. Voting on the business and contracts concluded for the financial year ending on 31/12/2025 between the company and Al-Aswad Trading and Contracting Company, in which the Chairman of the Board of Directors, Eng. Hazem Fayez Al-Aswad and the members of the Board of Directors, Eng. Maher Hazem Al-Aswad and Mr. Tariq Hazem Al-Aswad and Mr. Mohammed Hazem Al-Aswad have an indirect interest, which is rental income for rental spaces for Saudi Marketing Company from Al-Aswad Trading and Contracting Company according to the prevailing commercial conditions, where the transaction amounted SR 365,500 (attached).
13. Voting on the business and contracts concluded for the financial year ending on 31/12/2025 between the company and Al-Aswad Trading Company, in which the Chairman of the Board of Directors, Eng. Hazem Fayez Al-Aswad and the members of the Board of Directors, Eng. Maher Hazem Al-Aswad and Mr. Tariq Hazem Al-Aswad and Mr. Mohammed Hazem Al-Aswad have an indirect interest, which is rental income for the company for spaces and gondolas for displaying the goods of Al-Aswad Trading Company according to the prevailing commercial conditions, where the transaction amounted to SR 282,833 (attached).
14. Voting on the business and contracts concluded for the financial year ending on 31/12/2025 between the company and Al-Aswad Trading Company, in which the Chairman of the Board of Directors, Eng. Hazem Fayez Al-Aswad and the members of the Board of Directors, Maher Hazem Al-Aswad and Mr. Tariq Hazem Al-Aswad and Mr. Mohammed Hazem Al-Aswad have an indirect interest, which is sales from the company in favor of Al-Aswad Trading Company according to the prevailing commercial conditions, where the transaction amounted SR 7,875 (attached).



15. Voting on the business and contracts concluded for the financial year ending on 31/12/2025 between the company and Pure Springs Agencies and Trading Company Limited. (Subsidiary Company) in which the Chairman of the Board of Directors Hazem Fayez Al-Aswad has an indirect interest, which is rental income for Saudi Marketing Company for areas of its exhibitions with the Pure Springs Agencies and Trading Company Limited under the prevailing commercial conditions, where the transaction amounted SR 334,589 (attached).
16. Voting on the business and contracts concluded for the financial year ending on 31/12/2025 between the company and Pure Springs Agencies and Trading Company Limited ,(Subsidiary Company) in which the Chairman of the Board of Directors Eng. Hazem Fayez Al-Aswad has an indirect interest, which is sales of foodstuffs from the company for the benefit of Pure Springs Agencies and Trading Company Limited, (Subsidiary Company) in accordance with the prevailing commercial conditions, noting that the transaction amounted SR 1,247,975 (attached).
17. Voting on the business and contracts concluded for the financial year ending on 31/12/2025 between the company and Pure Springs Agencies and Trading Company Limited, (Subsidiary Company) in which the Chairman of the Board of Directors Eng. Hazem Fayez Al-Aswad has an indirect interest, which is the purchase of foodstuffs for Saudi Marketing Company from Pure Springs Agencies and Trading Company Limited, (Subsidiary Company) in accordance with the prevailing commercial conditions, where the transaction amounted SR 20,825 (attached).
18. Voting on the business and contracts concluded for the financial year ending on 31/12/2025 between the company and Pure Springs Agencies and Trading Company Limited, (Subsidiary Company) in which the Chairman of the Board of Directors Eng. Hazem Fayez Al-Aswad has an indirect interest, which is government expenses paid by the company on behalf of Pure Springs Agencies and Trading Company Limited, (Subsidiary Company) in accordance with the prevailing commercial conditions, where the transaction amounted SR 587,061 (attached).
19. Voting on authorizing the board of Directors with the powers of the Ordinary General Assembly with the permission mentioned in clause (1) of articles 27 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 session of the delegated Board of Directors whichever is earlier in accordance with the conditions stipulated in the executive regulations of the companies law for listed joint stock companies.
20. Voting on the Board of Directors' recommendation not to distribute dividends to the company's shareholders for the fiscal year ending 31/12/2025.
21. Voting on disbursement of an amount of SR 1,325,000 as a remuneration to the Board Members for the fiscal year ending on 31/12/2025.



## Saudi Marketing Company (Farm Superstores)

### Audit Committee Report for the fiscal year ended 31 December, 2025

#### Respected Shareholders

The Audit Committee is responsible for monitoring the company's business and verifying the integrity of the reports, financial statements and internal control systems therein, and the committee's tasks in particular include the following: Reviewing the initial annual financial statements of the company before submitting it to the Board of Directors and expressing its opinion and recommendations regarding it to ensure its integrity and fairness, and verifying the internal control systems for the company, evaluating the internal control system and its effectiveness, and verifying the extent of the company's compliance with the applicable laws, regulations and instructions, and all its members with experience and competence in financial and administrative affairs, namely:

**Talal Hazem Rajih Al Ghaleb**

**Chairman of the Committee**

**Said Ali Ali Safdar**

**Committee member**

**Turki Galawi Saeed AlGhamdi**

**Committee member**

During the year ended 2025, the committee attended four meetings, and a summary of its work carried out by the committee during the year ended 2025, where it studied the initial annual financial statements of the company before submitting it to the Board of Directors and expressing its opinion and recommendation regarding it to ensure its integrity, fairness and transparency.

#### First: External audit and financial reporting.

- The committee reviewed the results of the company's operations and its financial position as it appeared in the initial annual financial statements and reports and took into account the observations and inquiries of the auditor and what was done in accordance with the International Financial Reporting Standards (IFRS). The committee approved the data and reports and raised its recommendations to the Board of Directors.
- The committee studied the accounting policies and submitted its recommendations to the board of directors.
- The committee verified the accounting estimates in the material issues mentioned in the financial reports.

### Second: Internal audit:

- The committee verified that the internal control system is in line with the company's corporate governance regulation and control systems to protect the company's assets and property, as well as ensuring the independence of the internal auditor and the availability and adequacy of the resources and capabilities necessary to fully carry out his duties.
- The committee provided a technical opinion on the board of directors' report and found that the annual board report and the company's financial statements for the fiscal year ended 31 December, 2025 are fair and balanced and include information that allows shareholders and investors to evaluate the company's financial position, performance, business model and strategy.
- The committee studied the internal audit reports and made proposals regarding developing the internal control system and raising awareness of the importance of the role of internal control and improving it.
- The committee studied the accounting policies used in the company and gave an opinion on them.

### Third: The committee's opinion on the adequacy of the internal control systems

The committee expressed its opinion on the adequacy of the internal control system in Saudi Marketing Company (Farm Superstores) through its supervisory role on the company's internal audit department by verifying that the internal control systems are applied effectively based on an evaluation of workflow procedures and an informed assessment of the risks facing the company as well as verifying the independence and the objectivity of the external auditors during review of the company's accounts, and where the audit committee did not show any matters of material impact during the year ended 2025 in the internal control system of Saudi Marketing Company (Farm Superstores), it is necessary to disclose it with regard to the company's application of financial systems and the extent of compliance with the rules of corporate governance.



On behalf of the Audit Committee

Talal Hazem Rajih Al Ghaleb

Chairman of the Committee

## Report by the Board of Directors of Saudi Marketing Company (Farm Superstores)

Dated: 08/04/2026

To the Shareholders of

Saudi Marketing Company (Farm Superstores)

Dammam, Saudi Arabia

A statement of the business and contracts of the members of the board of directors having direct or indirect personal interest in it, including the transactions that took place with the shareholders of the company represented by the member of the board of directors in the board or with the companies owned by the members of the board of directors during the year ending on December 31, 2025 and their reviewal for the next year. This statement is prepared to comply with the provisions of Article No. (71) of the Companies Law in the Kingdom of Saudi Arabia and Article No. (21) of the Corporate Governance Regulations issued by the Capital Market Authority.

- Below is a list of the transactions with Board of Directors related to sales, purchases, leasing agreements and other transactions that the company undertook during the year ending December 31, 2025:

A) Sales made by the company to the following related companies:

| The Company's Name                              | Relationship   | The Amount<br>(In Saudi Riyals) |
|---|--|---------------------------------|
| Al-Aswad Trading Company                        | Affiliated to the Chairman of the Board of Directors and Executive Members | 7,875                           |
| Pure Springs Agencies and Trade Company Limited | The Chairman of the Board of Directors owns 10%                            | 1,247,975                       |

B) Revenues from maintenance and technical support contract for a number of Al-Aswad Trading and Contracting Company:

| The Company's Name                       | Relationship   | The Amount<br>(In Saudi Riyals) | The contract period            |
|--|--|---------------------------------|--------------------------------|
| Al-Aswad Trading and Contracting Company | Affiliated to the Chairman of the Board of Directors and Executive Members | 4,599,454                       | One year for technical support |
| Al-Karam Restaurant                      | Affiliated to the Chairman of the Board of Directors and Executive Members | 99,511                          | One year                       |

C) The expense incurred/charged back by/or the following companies:

| The Lessor's Name                               | Relationship   | The Amount<br>(In Saudi Riyals) |
|---|--|---------------------------------|
| Al-Aswad Trading and Contracting Company        | Affiliated to the Chairman of the Board of Directors and Executive Members | 4,821,073                       |
| Pure Springs Agencies and Trade Company Limited | The Chairman of the Board of Directors owns 10%                            | 587,061                         |

D) The company purchased from the following companies:

| The Company's Name                              | Relationship   | The Amount<br>(In Saudi Riyals) |
|---|--|---------------------------------|
| Space Travel and Tourism Agency                 | Affiliated to the Chairman of the Board of Directors and Executive Members | 1,237,301                       |
| Al-Aswad Trading Company                        | Affiliated to the Chairman of the Board of Directors and Executive Members | 2,118,510                       |
| Pure Springs Agencies and Trade Company Limited | The Chairman of the Board of Directors owns 10%                            | 20,825                          |
| Al-Aswad Trading and Contracting Company        | Affiliated to the Chairman of the Board of Directors and Executive Members | 413,085                         |

E) The revenues of gondolas and rent the company acquired from renting spaces from its exhibitions to the following companies:

| The Company's Name                              | Relationship   | The Amount<br>(In Saudi Riyals) | Date of Contract | The contract period |
|---|--|---------------------------------|------------------|---------------------|
| Al-Aswad Trading and Contracting Company        | Affiliated to the Chairman of the Board of Directors and Executive Members | 365,500                         | 1/1/2025         | One year            |
| Al-Aswad Trading Company.                       | Affiliated to the Chairman of the Board of Directors and Executive Members | 282,833                         | 1/1/2025         | One year            |
| Pure Springs Agencies and Trade Company Limited | The Chairman of the Board of Directors owns 10%                            | 334,589                         | 1/1/2025         | One year            |

F) Remuneration and Payments to Senior Executives:

The company also had the following transactions related to the total amounts paid to four senior executives, including the CEO and the Chief Financial Officer, during the year ended (December 31, 2025), in addition to the remuneration of the members of the Board of Directors:

| Type of transaction                                    | The Amount<br>(In Saudi Riyals) |
|--|---------------------------------|
| Salaries and other benefits for four senior executives | 4,453,842                       |
| Remuneration for executive board members               | 600,000                         |

- We assure to the respected shareholders that all the transactions described in this notification were recorded in the consolidated financial statements of the company for the year ended December 31, 2025, and only material information was disclosed in those consolidated financial statements for the year ended December 31, 2025, in accordance with the requirements of International Financial Reporting Standards applicable in the Kingdom of Saudi Arabia and other standards and publications approved by the Saudi Organization for Chartered and Professional Accountants.
- We assure the respected shareholders of the correctness of the transactions described in this report.

Note:

The executive members of the company whom transactions were made are: Mr. Maher Hazem Al-Aswad, Mr. Tareq Hazem Al-Aswad and Mr. Mohammed Hazem Al-Aswad.

**Hazem Fayez Khaled Al Aswad**

Chairman



**Maher Hazem Al Aswad**

Board of Directors



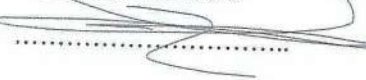
**Mohammad Hazem Al Aswad**

Board of Directors



**Iyad Muhammad Al Youssef**

Board of Directors



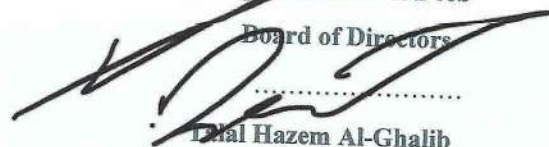
**Tareq Hazem Al Aswad**

Board of Directors



**Tariq Mahmoud Al Deeb**

Board of Directors



**Tahal Hazem Al-Ghalib**

Board of Directors



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**LIMITED ASSURANCE REPORT ON THE BOARD OF DIRECTOR'S DECLARATION ON THE REQUIREMENTS OF ARTICLE 71 OF THE COMPANIES LAW**

To the shareholders of  
Saudi Marketing Company (Farm Superstores)  
(A Saudi Joint Stock Company)

**Introduction**

We have been engaged with Saudi Marketing Company (Farm Superstores) ("the Company") to carry out limited assurance procedures on the Declaration of related party transactions for the year ended December 31, 2025 submitted to us by the Board of Directors ("the Board") of the Company in accordance with the applicable criteria mentioned below so as to comply with the requirements of Article 71 of the Regulations for Companies (the "Declaration").

**Subject matter**

The Subject Matter for our limited assurance engagement is the Declaration prepared by the Board as attached to this report and submitted to us.

**Applicable criteria**

The Applicable Criteria (the Criteria) is the requirement of Article 71 of the Regulations for Companies issued by the Ministry of Commerce which requires that, subject to the provision of Article 27 of the same Regulations, any member of the Board with any interest, both directly or indirectly, in the transactions or contracts made for the account of the Company shall declare such interests to the Board for the approval of the General Assembly of the Company. The Board will notify the General Assembly of transactions and contracts in which a member of the Board has a direct or indirect interest.

**Responsibility of the Company's management**

The management of the Company is responsible for the preparation of the Declaration in accordance with the Criteria and ensuring its completeness. This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation of the Declaration that is free from material misstatement, whether due to fraud or error.

**Professional Ethics and Quality Management**

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

Our firm applies International Standard on Quality Management 1 (ISQM 1), "Quality Management for Firms that Perform Audits or reviews of Financial Statements, or Other Assurance or Related Services Engagements" which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

**Our responsibility**

Our responsibility is to express a limited assurance conclusion on the Declaration based on the procedures we have performed and the evidence we have obtained. We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised), 'Assurance Engagements Other Than Audits or Reviews of Historical Financial Information', as endorsed in the Kingdom of Saudi Arabia. This standard requires that we plan and perform this engagement to obtain limited assurance about whether anything has come to our attention that causes us to believe that the Company has not complied, in all material respects, with the applicable requirements of Article 71 of the Regulations for Companies in the preparation of the Declaration for the year ended December 31, 2025.

Our procedures were designed to obtain a limited level of assurance to form a conclusion and as such does not provide all the evidence that would be required to give a reasonable level of assurance.

*Limited assurance report to the Shareholders of Saudi Marketing Company (Farm Superstores) (A Saudi Joint Stock Company) for the year ended December 31, 2025 (Continued)*

**Summary of the procedures performed**

Our procedures performed are summarized as follows:

- 1) Obtained the Board of Director's Declaration for the transactions with the related parties dated April 08, 2026, from the management.
- 2) Compared the transactions with related parties shown in the Declaration with the general ledger of the Company for the year ended December 31, 2025.
- 3) On sample basis, checked the transactions with the related parties with the supporting documents.
- 4) Obtained confirmations of related parties balances as of December 31, 2025.
- 5) Assessed whether the transactions with related parties are adequately disclosed in the financial statements of the Company for the year ended December 31, 2025.

**Inherent limitations**

Our procedures regarding systems and controls relating to the preparation of the Declaration in accordance with the requirements of Article 71 of the Regulations for 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.

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement under ISAE 3000 (Revised) as endorsed in the Kingdom of Saudi Arabia. Consequently, the nature, timing and extent of the procedures outlined above for gathering sufficient appropriate evidence were deliberately limited relative to a reasonable assurance engagement, and therefore less assurance is obtained with a limited assurance engagement than for a reasonable assurance engagement.

Our procedures did not constitute either an audit or a review made in accordance with International Standards on Auditing or International Standards on Review Engagements as endorsed in the Kingdom of Saudi Arabia and accordingly we do not express an audit or a review opinion in relation to the adequacy of systems and controls.

This conclusion relates only to the Declaration for the year ended December 31, 2025 and should not be seen as providing assurance as to any future dates or periods, as changes to systems or controls may alter the validity of our conclusion.

**Limited assurance conclusion**

Based on our work described in this report, nothing has come to our attention that causes us to believe that the Company has not complied, in all material respects, with the applicable requirements of Article 71 of the Regulations for Companies in the preparation of the Declaration of related party transactions for the year ended December 31, 2025.

**Restriction of use of our report**

This report, including our conclusion, has been prepared solely upon the request of the management of the Company, to assist the Company and its Board of Directors in fulfilling their reporting obligations to the General Assembly in accordance with Article 71 of the Regulations for Companies. This report should not be used for any other purpose or be distributed to any other parties other than the Ministry of Commerce, Capital Market Authority and the shareholders of the Company.

**For Dr. Mohamed Al-Amri & Co.**

Ahmed Al Jumah  
Certified Public Accountant  
Registration No. 621



Damman, on 03 Dhul-Qi'dah 1447 (H)  
Corresponding to: 20 April, 2026 (G)

## INDEPENDENT AUDITOR'S REPORT

To the Shareholders of  
Saudi Marketing Company (Farm Superstores)  
(A Saudi Joint Stock Company)

### Opinion

We have audited the consolidated financial statements of Saudi Marketing Company (Farm Superstores) (the "Company") and its subsidiary (collectively referred to as "the Group") which comprise the consolidated statement of financial position as at December 31, 2025 and the consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2025, and its consolidated financial performance and its consolidated cash flows for the year then ended, in accordance with IFRS Accounting Standards endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by the Saudi Organization for Chartered and Professional Accountants ("SOCPA").

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs") that are endorsed in the Kingdom of Saudi Arabia. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Group in accordance with the requirements of International Code of Ethics for Professional Accountants (including International Independence Standards), endorsed in the Kingdom of Saudi Arabia (the "Code"), that are relevant to our audit of the consolidated financial statements and we have fulfilled our other ethical responsibilities in accordance with the Code's requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the 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 Auditors' Report to the shareholders of Saudi Marketing Company (Farm Superstores) for the year ended December 31, 2025 (Continued)*

| <b>Revenue recognition</b>  |  |
|---|--|
| Refer to note 4 for the accounting policy and note 23 for the related disclosures.  |  |
| <i>Key audit matter</i>   | <i>How the matter was addressed in our audit</i>   |
| <p>During the year ended December 31, 2025, the Group has recognized total revenue amounted to ﷲ 1,780.2 million (December 31, 2024: ﷲ 1,835.2 million).</p> <p>The Group's sales are recognized on a point-in-time in accordance with the requirements of IFRS 15 "revenue from contracts with customers" with no major judgements or estimates involved.</p> <p>We considered this as a key audit matter because of the large volume of transactions, the Group focus on revenue as a key performance measure and the existence of inherent risk associated with possible overstatement of revenue to achieve better results.</p> | <p>Our audit procedures on revenue recognition of the Group included the following:</p> <ul style="list-style-type: none"> <li>- Assessed the appropriateness of Group's revenue recognition policy and its compliance in terms of "IFRS 15 – Revenue from Contracts with Customers".</li> <li>- Assessed the design and implementation and tested the operating effectiveness of the Group's relevant controls including automated controls around recognition of revenue.</li> <li>- On sample basis, performed tests on daily sales reconciliations prepared by the management and agreed with the sales records.</li> <li>- On a sample basis, tested daily cash deposits back to the daily sales report.</li> <li>- Assessed a sample of sales transactions pre- and post-year end and evaluated whether revenue has been recognized in the correct accounting period.</li> <li>- Assessed the adequacy of the disclosures made in the accompanying consolidated financial statements in accordance with the requirements of the relevant IFRS accounting standards.</li> </ul> |

*Independent Auditors' Report to the shareholders of Saudi Marketing Company (Farm Superstores) for the year ended December 31, 2025 (Continued)*

| <b>Inventories</b>   |  |
|--|--|
| Refer to note 4 for the accounting policy and note 11 for the related disclosures  |  |
| <i>Key audit matter</i>  | <i>How the matter was addressed in our audit</i>   |
| <p>As at December 31, 2025, the Group's net inventories balance in the consolidated financial statements amounted to ﷲ 1,048.4 million (2024: ﷲ 996.8 million), including inventory write-down allowance amounted to ﷲ 36.8 million (2024: ﷲ 32.1 million).</p> <p>The Group applies periodic inventory count policy to conduct stock counts in retail branches and warehouses throughout the year. Additionally, inventories are stored at multiple locations with high volume of daily transactions.</p> <p>Inventories are stated at lower of cost or net realisable value. At each reporting date, management reviews the valuation of inventories and writes down the cost of inventories that are forecasted to be sold below cost.</p> <p>We considered this as a key audit matter due to significance of the inventory balance and the significant judgments and key assumptions applied by the management in determining the allowance for slow moving inventories and the level of inventories write down required based on the net realizable value assessment.</p> | <p>Our audit procedures on valuation of inventories included the following:</p> <ul style="list-style-type: none"> <li>- Assessed the appropriateness of the Group's accounting policies for recognition and measurement of inventories in line with the requirements "IAS 2 Inventories".</li> <li>- Assessed the design and implementation and operating effectiveness of the Group's relevant controls including automated controls around recognition and measurement of inventories.</li> <li>- Observed periodical physical count of inventories on selected locations to identify expired, lost or slow-moving items.</li> <li>- Tested the allowance for slow moving inventories by evaluating current inventory allowance policy levels and recalculated the allowance based on inventory aging, to determine the adequacy of these allowances.</li> <li>- Tested the net realizable value of inventories by examining the sales subsequent to year-end, on sample basis, and compared net realizable value for the selected samples with the carrying value of inventories to evaluate the appropriateness of the associated allowance.</li> <li>- Involved our information technology specialists to test the accuracy and completeness of the inventories' ageing report used by management in its determination of inventory allowance.</li> <li>- Assessed the adequacy of the disclosures in the accompanying consolidated financial statements in accordance with the requirements of the relevant IFRS accounting standards.</li> </ul> |

Independent Auditors' Report to the shareholders of Saudi Marketing Company (Farm Superstores) for the year ended December 31, 2025 (Continued)

**Other information**

Management is responsible for the other information. The other information comprises the information included in the Group's 2025 Annual Report, but does not include the consolidated financial statements and our auditor's report thereon.

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

In connection with our audit of the 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.

When we read the Group's Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance. We have nothing to report in this regard.

**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 IFRS Accounting Standards that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by SOCPA and Regulations for Companies and the Company's By-laws and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance, i.e., the Company's 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 the International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the 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 Group's internal control.

*Independent Auditors' Report to the shareholders of Saudi Marketing Company (Farm Superstores) for the year ended December 31, 2025 (Continued)*

**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 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 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.
- Plan and perform the Group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the Group financial statements. We are responsible for the direction, supervision, and review of the audit worked performed for purposes of the Group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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 Dr. Mohamed Al-Amri & Co.

  
Ahmed Al Jumah  
Certified Public Accountant  
Registration No. 621



Dammam, on 17 Shawwal, 1447 (H)  
Corresponding to: 05 April, 2026 (G)

**Recommendation of the Audit Committee to the General Assembly regarding the appointment of the external auditor for the for the year 2026**

That on Wednesday 05/11/1447 corresponding to 22/04/2026, the audit committee of Saudi Marketing Company (Farm Superstores) through a resolution recommended to the General Assembly, and after it reviewed the offers submitted by the offices of the following external auditors, their names:

- Maham Company for Professional Services, with fees of 650,000 riyals.
- Ibrahim Ahmed Al-Bassam co & partners Certified Public Accountants (Al-Bassam & partners), with fees of 660,000 riyals.

After reviewing the above offers, the audit committee recommended to the General Assembly and the Board of Directors to vote on the nomination of any of the above companies among the candidates as they are from the audit firms and have the necessary experience and professionalism. Both the firms are eligible and have the necessary qualification and expertise to be appointed for the undermentioned period. to the proposed appointment of the auditor will be to review and audit the financial statements for the second, third quarters of the fiscal year 2026 and the first quarter of the year 2027 and annual audit for the year ended 31-December-2026.

Committee members

Talal Hazem Rajih Al Ghaleb

Committee Chairman



Said Ali Ali Safdar

Committee member



Turki Galawi Saeed AlGhamdi

Committee member

