



2023

Development Works Food Company BOARD REPORT



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ANNUAL REPORT



وقت العصير
JUICE TIME

كويزنوز
QUIZNOS



BEEF SLIDERS

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introduction

Dears,

Development Works Food Company Shareholders,

The Board of Directors of Development Works Food Company is pleased to present to you the annual report of the Board of Directors, which is submitted to the General Assembly for discussion, review, and approval. The report includes a summary of the company's activities and business developments for the year 2023. It also reviews the operational and financial performance of the company, financial statements and explanations, and the auditor's report for the fiscal year ended on December 31, 2023. Additionally, the report provides a comprehensive description of the Board of Directors and its committees, as well as the company's corporate governance policies during the year 2023.

It is worth mentioning that this report has been prepared in accordance with the legal requirements stipulated in the Companies Law issued by the Ministry of Commerce, the Corporate Governance Regulations issued by the Capital Market Authority Board, and the company's Articles of Association. Transparency and disclosure have been given high priority in its preparation to ensure that shareholders, investors, and stakeholders of Al-A'mal Developmental Food Company are provided with all the necessary information to make informed decisions, and to enable the company to grow and compete among major food companies locally and internationally.

1- About company

Development Works Food Company is a joint-stock company registered under Commercial Registration Number (1010290779) on 16/07/1431 AH, corresponding to 28/06/2010 AD, issued in Riyadh. It has a capital of thirty million (30,000,000) Saudi riyals, divided into three million shares.

The company's main address is located in Riyadh - Al-Yarmouk:
2181 Dammam Road - Al-Yarmouk District
Riyadh 13243 - 7830
Kingdom of Saudi Arabia

The company was established in 2010 with a capital of 100,000 Saudi riyals under the name "Qoot for Food and Restaurants Development Establishment." In 2013, the company's name was changed to "Food Development Business Company."

In 2016, the company changed its legal entity to a closed joint-stock company with a capital of 12,500,000 riyals. In 2017, the company was listed on the parallel market under the symbol 9501 with a capital of 12,500,000 riyals.

In 2019, the company increased its capital from 12,500,000 to 25,000,000 riyals by issuing bonus shares at a ratio of one share for each share.

In November 2021, the company transferred from the parallel market to the main market under the symbol 6013.

The company has established several brands, currently owning:

"Wqt Al-Assir" (Juice Time)

"Beef Shots"

The company also holds the franchise rights for the "Quiznos Sub" brand.

2- highlights

The most significant developments, activities, and achievements of the company during the year 2023 are as follows:

1- The total number of company branches, brands, and sales points reached 66 by the end of the year.

2- Continued growth in the restaurant sector and the company's entry into a new business activity by establishing the "Beef Shots" brand.

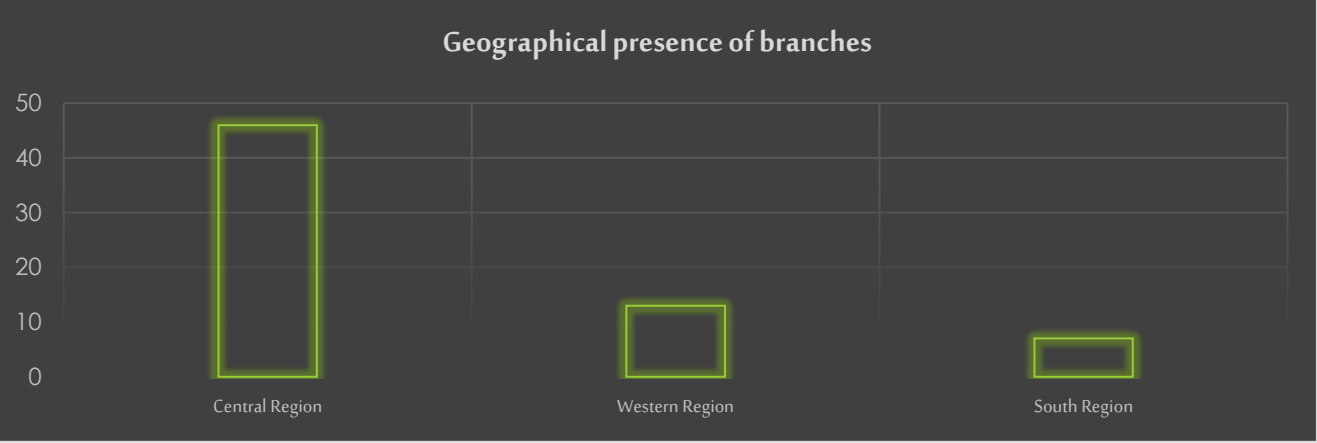
3- Renewal of the franchise agreement for the Quiznos brand for a period of 25 years

3- Vision and mission

Vision: To become the leading food development company in brand innovation and investment, locally, regionally, and globally

Mission: To provide exceptional food products and distinctive, high-quality brands, understanding consumer behavior, meeting their needs, excelling in service, and fulfilling their aspirations

4- Where are we located



Chapter one

1- Chairman Message

Dear Shareholders of Development Works Food Company,

We would like to express our appreciation and respect to all the contributors of our esteemed company. We pray to Allah that you are all in good health and well-being.

First and foremost, we would like to assure you that the company continues to support its operations and ongoing projects in line with its strategy that aligns with the Kingdom's Vision 2030. We strive diligently to evolve according to the modern economic developments and the wise guidance of the leadership, led by the Custodian of the Two Holy Mosques, King Salman bin Abdulaziz Al Saud, and his Crown Prince, His Royal Highness Prince Mohammed bin Salman bin Abdulaziz, may Allah protect them.

The company has been able to benefit from the market developments and changes that have affected operational activities, enabling us to provide the best products and services that meet the needs of our customers. We would like to emphasize that these factors would not have been possible without the blessings of Allah and the wise policies and vision adopted by the government under the leadership of the Custodian of the Two Holy Mosques, and the continuous support provided.

The company is committed to continuing to deliver a unique customer experience, in addition to enhancing operational performance across all sectors of the company. Despite the unfavorable market conditions that have impacted the global fruit market, including disruptions in supply chains, import suspensions from several countries, resulting in fruit price fluctuations and increased operating costs, along with changes in international standards that have led to the current results, the company expects to strengthen its financial performance in the coming years, God willing.

We are confident, based on the company's experience in overcoming challenging circumstances, that it will continue its journey of success in the coming years through the development of its products and activities. This will be achieved through the determination of the company's management and employees, who have acquired accumulated skills and expertise in facing difficulties and innovating better solutions.

Finally, we express our gratitude and pride in the trust that our customers have placed in our products. On behalf of the Board of Directors, I would like to extend my sincere thanks and appreciation to all the shareholders of the company for their confidence in the Board, and to all the employees of the company. We ask the Almighty, the All-Wise, to grant us success.

Chairman of the Board of Directors

2- Executive management message

Dear Shareholders of Development Works Food Company,

The company has faced several challenges in the past years that have resulted in not achieving results aligned with the expectations of the shareholders. During these years, the company has made various changes in terms of management, operations, organization, and technological systems, which we expect to yield results in the coming year, 2024. The company has launched several brands, such as "Beef Shots" and "Juice Time Plus," and we plan to launch more brands in the coming year and the following years, which will have a positive impact on the company's results in 2024.

As the management of the company, we express our sincere gratitude to the shareholders for their support and dedication to their company. We also extend our thanks to the Board of Directors and the employees of the company. We look forward to positive results in the coming year and the years ahead.

3- Organizational Chart

Development Works Food Company has an organizational structure that defines the division of departments, the distribution of authorities, and the allocation of responsibilities among its divisions. The main administrative structure of the company consists of the Board of Directors, its affiliated committees, and a team of executive managers (the executive management). The structure is led by the Board of Directors and its affiliated committees in collaboration with the executive management.

The Board of Directors is responsible for providing guidance, general supervision, and oversight of the company. The executive management in the company is responsible for implementing strategic plans and managing day-to-day operations under the leadership of the CEO. They are directly involved in setting policies and necessary procedures to ensure the efficiency and effectiveness of the company's management and internal control system.

The company has committees that assist the Board of Directors in its work, including the Compensation and Nomination Committee and the Audit Committee. The powers of the Chairman of the Board, Vice Chairman, Managing Director, and Secretary of the company are defined in Article 21 of the company's bylaws.

Operation Management

The operations team works passionately to improve the efficiency of operational processes across all company-owned brands. They achieve this by optimizing the operational cycle, ensuring production quality, reducing production costs, and increasing productivity. Additionally, the team is dedicated to the continuous development of the operational system in all branches throughout the kingdom's regions.

Finance Management

Financial management in the Food Development Business Company has worked on innovating new financial models for analyzing financial figures and measuring the necessary financial indicators. These models facilitate the executive management in making financial decisions and contribute to safeguarding the interests of shareholders and stakeholders, including customers, employees, and suppliers. The financial management team continues to contribute and excel in their role.

HR Management

The Human Resources team utilizes the latest technologies and best practices to provide support to the company's human capital. They develop strategic plans for human resources to attract and recruit talented individuals. They also oversee the processes of planning, organizing, directing, and controlling human resources to create a suitable work environment that aligns with the organization's goals.

The Human Resources team also has a responsibility towards the community, aiming to enhance the efficiency of the Saudi workforce and support the achievement of Saudization targets. As of 2023, the Saudization rate reached 26.5%. The company looks forward to further progress in the future.

Procurement Management

The procurement team works on processing all purchase requests from various departments and contributes to ensuring transparency, efficiency, and adherence to ethical standards in business transactions. They strive to obtain the best possible value for the company's money.

Information Systems Management

The Information Systems team contributes to improving the company's internal systems and supports its complete digital transformation in all operations. They continue to develop internal technological systems and are fully prepared to address any sudden technical issues. They are the leaders in the company's complete electronic transformation.

Maintenance And projects Management

The Maintenance and Projects team strives to utilize the latest technologies in handling urgent maintenance requests and organizing regular maintenance activities. They also contribute to all construction projects undertaken by the company, including design, construction, monitoring, and overseeing the handover process of branches.

Warehouses Management

The Warehouse Management team strives to achieve the best warehousing practices and safe transportation procedures. They contribute to fulfilling their mission at an acceptable cost while ensuring a continuous focus on improving warehouse management and transportation procedures.

Franchise Management

The Franchise Development team provides support to franchise partners who have the rights to the company's brand. They adhere to the best available business practices and standards. The team oversees franchise units, monitors compliance, and works towards achieving maximum benefit for both the customer and the company. They also contribute to implementing the company's strategy of expanding into all regions of the kingdom.

quality Management

The Quality Management is directly linked to the CEO, and the management exercises its supervisory roles over production processes, monitors branches and employees. The management continuously provides reports on its activities.

Marketing Management

The marketing specialists work on showcasing the company's brand and all its products in a manner that aligns with its brand identity. They also contribute to engaging the community through social media programs and achieving the best results according to the highest marketing standards and advanced marketing practices.

B2B Management

The wholesale sales team strives diligently and efficiently towards external sales and supplying all company products. The team also provides provisions to hotels, exhibitions, companies, and restaurants, catering to their needs. They also participate in and provide services for external events.

4- Social Responsibility

The company has shown special interest in charitable, social, and humanitarian activities alongside its economic and developmental role. The company is committed to building a culture of social responsibility among its employees. The company has contributed to a number of social and charitable activities during the year. The company's participation in 2023 amounted to a sum of seven thousand Saudi riyals.

5- The strategy

- 1- Innovating brands in key food sectors.
- 2- Creating high-quality food products with high nutritional value.
- 3- Geographic expansion through strategic positioning of main and cloud branches, expanding sales points with external parties, and franchising units in all cities of the Kingdom of Saudi Arabia and Gulf countries.
- 4- Building an integrated system for the company's activities that enables it to contribute to the development of the food sector through manufacturing and operations.
- 5- Expanding automated production processes, which will help reduce costs and increase product shelf life.
- 6- Acquiring successful brands with growth potential.
- 7- Reducing production costs and achieving high profit margins.

Chapter II

1- Strategy for the year 2024

The company's board of directors and management are working on developing and expanding its operations by preparing future plans that ensure the company's presence in the market and increase its market share. The key pillars of the company's plan for the following year include:

- 1- Increasing the company's capital by issuing priority shares worth 90,000,000 Saudi riyals.
- 2- Investing the proceeds from the increase in capital in new activities, expanding existing activities, and establishing a juice production factory.
- 3- Acquiring existing brands that have growth potential and can achieve suitable profit margins in other sectors.
- 4- Developing an integrated system for the company's activities that enables it to contribute to the development of the food sector through production and operations.
- 5- Launching new brands.
- 6- Reducing production and administrative costs in order to achieve the best quality at the lowest cost.

2- Business Model

The Food Development Company has worked on building and developing its business model to enhance its ability to achieve its vision and strategy, while aligning with its commitment to continuous improvement. The business model serves as a guiding tool for the company's operations at all levels and an effective means to empower its management and employees to carry out their tasks according to the defined operational framework. It facilitates the practical application of corporate culture principles and the work environment, which are primarily based on efficiency factors and effective process management.

Trademarks	Raw materials	work team
The first in fresh juices Burger competitor A competitor in quick-prepared sandwiches	Spending 50 million riyals on raw materials	employees 504

Outputs

- 1- "Providing healthy products towards a "healthy society
- 2- .Providing nutritional well-being products
- 3- Achieving consumer satisfaction by providing food products that meet their desires at a . reasonable value

3- Market Overview

The Kingdom has reached the midpoint of its journey towards Vision 2030, with signs of progress evident across various sectors. It has contributed to enhancing economic growth and reducing the unemployment rate to 8%, approaching the 2030 target of 7%. The percentage of households owning homes has risen to 67%, nearing the targeted rate of 70% by 2030. Non-oil fiscal revenues have experienced growth of over double, and despite the expected decline in oil exports, the Kingdom is projected to maintain a GDP above one trillion US dollars in 2023. However, economic forecasts indicate a slowdown in growth, with the World Bank estimating a contraction of 0.9% in 2023, attributed to the decline in oil production. Inflation is expected to reach 2.6%.

The food sector in Saudi Arabia is witnessing significant growth and expansion, thanks to various initiatives and programs driven by Vision 2030. One of these programs is the Quality of Life Program, which aims to diversify cultural and entertainment offerings. The restaurant sector, particularly the casual dining experiences, is leading the scene as a rapidly growing sector. Intense competition in this sector has led to the opening of a diverse range of food options, including traditional restaurants, food trucks, and food delivery applications. The value of the food production market in Saudi Arabia reaches 45 billion US dollars, making it the most vibrant market in the Middle East. It is experiencing rapid growth in investment volume, driven by the fastest-growing café sector, as well as the emergence of cloud kitchens. Technological advancements and the benefits of cloud kitchens, such as high profit margins and operational flexibility, are key factors contributing to the sector's growth.

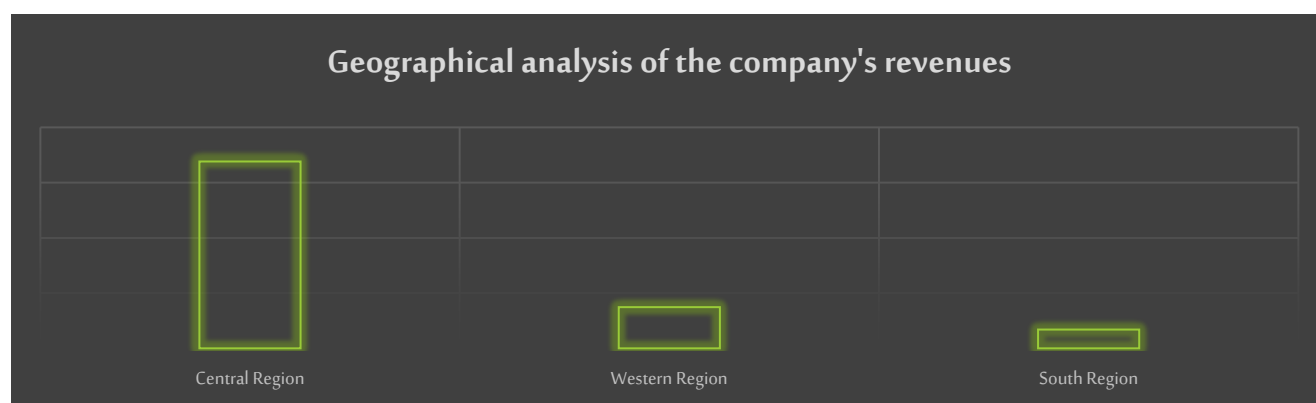
4- sales

The company began its actual activity at the beginning of 2012 and until now it continues to provide its products according to its targets. The value of the company's sales amounted to (89,449,631) riyals for the year 2023, compared to (98,650,440) riyals for the year 2022. These sales are as follows:

The statement below shows the geographical analysis of the company's revenue



Region	
Central	67,666,811
Western Region	14,963,865
Southern area	6,818,955
Total	89,449,631



5- Risks

The company is working on establishing an approach to risk management by clarifying the roles and responsibilities of the board of directors, its committees, executive management, and other employees. The company's board of directors acknowledges, to the best of their knowledge and belief, that there are no other significant risks beyond those mentioned in this report that could affect the company's position and its management's decisions.

The risks and uncertainties listed below are provided in no particular order of importance, and additional risks and uncertainties, including those not currently known or considered immaterial, may have the aforementioned effects.

Risks related to the market and sector in which the company operates

The company is subject to the supervision of several government entities in the kingdom, making it exposed to risks associated with changes in regulations, laws, directives, and policies within the country. The legislative and regulatory environment in the kingdom witnesses the issuance of numerous systems and regulations, which are continuously developed and improved. Compliance costs for these regulations are high. Any changes in the existing systems or regulations, or the introduction of new laws and regulations, may result in unexpected additional financial expenses for the company to comply with these regulations and meet the requirements of the laws. Failure to comply with these regulations on a continuous basis may subject the company to penalties and fines imposed by the relevant supervisory authorities, negatively and significantly impacting its operations, financial position, and future expectations.

Risks Related With systems Employment And technology the information

Depends Company on Systems Technique the information To manage Her works and its facilities, Than Displays Company For risks Breakdown This is amazing Systems . Like a collapse the system or to fail Systems Protection or breakthrough Systems Company or Viruses e or Disasters Natural or Fires or mistakes Connection or non Availability Employment Skilled Necessary to turn on This is amazing Systems And its management . If Failed Company in Preservation on Systems Technique the information And develop it or in Status Existence any Malfunctions in Its functions or happening Damage big or failure frequent, It will affect that In a way negative on Business Company And its results Finance And operational.

Risks Related With liquidity

Liquidity risks refer to the company's inability to meet its obligations related to current financial claims upon their maturity. The company's financial claims consist of trade payables and accrued expenses, and there is no guarantee of the company's ability to fulfill its obligations on schedule. Unexpected or unforeseen events may require immediate liquidity. This negatively and fundamentally affects the company's operations, financial results, and future expectations. However, the company does not believe that it is exposed to substantial risks related to liquidity.

Risks Related By operation And stop not Expected For business

The company's revenues primarily depend on the continuity of its operational activities, and the company is exposed to significant operational risks due to several factors, including natural disasters, the issuance or changes in relevant government regulations, sudden system failures, or disruptions in power and electricity supply. These risks can cause significant damage to the company's facilities or workforce and can disrupt the operation process and the company's ability to deliver its products, resulting in financial losses. Consequently, these risks have a negative and fundamental impact on the company's operations, financial results, and future expectations.

Risks Related With commitments potential

may be arise some Commitments potential on company, like Costs Related With zakat And taxes And lawsuits judicial, In addition to any Commitments or Costs Other Related Actively Company As a reward end the service employees, And in Status verification This is amazing Commitments And not capacity Company on Fulfillment With it . It is It will affect Negatively And in a way substantial on the situation Financial For the company And its center Financial, And results Its operations And its expectations Futurism.

Risks Related On credit

arise Risks Credit when He is unable Sunday the parties on Fulfillment With commitment Financial specific For the party The other, however, was lost Facing Company Risks Credit in several cases temporary or Always Of which Existence Credits city from Customers . And he failed Parties Other city With loyalty with its obligations towards The company . and others, Complete formation any Custom losses credit Expected when He is there guide objective on that Company won't Be able on Collection all Amounts Due, as he does There are any sales Futures did not . Determine Its management any Concentrations Important in Risks Credit

Risks Related With lawsuits Judicial

that Company Exposed For suits Judicial whether As Pretentious or Pretended on her, no Could you that You expect In a way precise size Cost Suits or procedures Judicial that maybe that Rate it or It takes place Against her or Results Final For those Suits or Provisions that Issued In which gesticulate Include it from compensation And penalties And the effect In a way negative on : reputation company, And it has Include This is amazing Suits on way Example no Limitation Issues Zakat And tax And system the job And damages The other that You star on Negligence or Fraud from before People or institutions, And therefore The any results Negative For example This is amazing Issues may be effect Negatively And essentially on Company And results Its operations And its center Financial And its expectations future

Risks Accreditation on Applications Delivery And applications Company

He depends part big from sales Company on Applications Delivery And applications company And where that Pedigree Profitability Different between all from Client Applications Delivery And clients Applications Company And clients Direct selling, and that selling Direct And selling from during Applications Delivery is higher from sale on road Applications company, The this impact In a way negative on Footnotes Profitability For the company And therefore It will affect negatively on Business Company And put it Financial And results Its operations And its expectations Futurism.

Risks Related to Dependence on Key Employees

The company relies on the expertise of key employees, which means that the company's success in achieving its objectives depends on these employees and their retention, as well as attracting and hiring skilled and experienced individuals to work for the company.

Risks the environment Competitiveness

Working Company in market competitive high It is represented Danger in the increase Quality And numerical in Competitors Than may be impact on a class Company vulgarity, where Working Company on Development And diversification Continuous in Products with Preservation on higher level from the quality And service Customers And that To limit from That Risks And confront it.

Risks Related to Exchange Rate Fluctuations

These are the risks associated with changes in the value of financial instruments due to fluctuations in foreign currency exchange rates. Management monitors fluctuations in foreign currency exchange rates and believes that the company is not highly exposed to exchange rate risks, as the official currency of the company is the Saudi Riyal, which is the primary currency used by the company and currently has a fixed exchange rate with the US Dollar with a minor margin.

Epidemic and disaster risks

considered as Epidemics And Disasters from Risks that effect on Economy In a way general, And on activity Company In a way private, And Of which what Witness it the world All together after spread Epidemic corona, Than Effect Negatively on productivity And sales The company is a puppy Precautions And procedures Precautionary that from Possible that Issued from The side Self Jurisdiction like what It happened during General Financial 2021

High Risks Related to Rising Raw Material Costs

There are risks that the company faces, specifically the risks associated with the increase and volatility of fruit prices. Since most of the fruits used by the company are fresh and imported, the company has faced the risk of rising fruit prices due to the unavailability of fruits in the local market and the suspension of imports from certain fruit-exporting countries, as well as variations in production seasons depending on the types of fruits. This risk affects the company's cost of sales, as the increase in imported fruit prices translates into an increase in the company's cost of sales, which may put pressure on profit margins

Results of the annual review of the effectiveness of the company's internal control procedures

The company's Board of Directors seeks to develop and support internal control and control systems, and Preparing an annual plan for the review process Which aims to evaluate the control system and Internal control by assigning an accredited office to carry out internal audit work and submitting periodic reports to the Audit Committee on operational audits Administrative and The financial you carry out on an ongoing basis Which aims to verify with a reasonable degree of certainty that the company's objectives have been achieved Representing the protection of the company's assets and the accuracy of accounting records Its completion, and adherence to the systems and policies adopted by management to achieve the company's objectives It is constantly monitored by the Audit Committee, makes recommendations thereon, and audits are not demonstrated The internal oversight and control procedures are a fundamental weakness in the oversight system The company's internal control, which indicates a reasonable degree of certainty about the effectiveness and efficiency of the internal control system procedures

6- Operation Review

Juice Time

Through its chain of branches spread through out the Kingdom, “Juice Time” provides fresh and healthy juices and fruit salads. “Juice Time” seeks to be the first choice in the Middle East for lovers of fresh juices and fruits, those seeking health and fitness, and those interested in healthy food



Quiznos

The first Quiznos restaurant opened in 1981 in Denver, Colorado. The small sub shop that started more than 30 years ago in the kitchen of an old Italian restaurant has evolved into one of the world's leading quick-service restaurant chains.

Quiznos was founded by chefs who created their own blends using homemade ingredients. Becoming a pioneer in the field of toasted sandwiches, Quiznos uses high-quality meat, natural cheeses, signature sauces designed by chefs, and toasted breads to create delicious sandwich combinations. With busy customers during the day who are looking for a delicious and fresh alternative to traditional fast food restaurants.



Beef Shots

Beef shots is a burger spot serving the best Australian black angus beef along with a unique dining experience in a trendy location north of Riyadh. The grand opening took place in November 2023



Chapter III

1- Board

S	name	Current jobs	previous jobs	Qualifications	experience
1	Anas Saleh Ibrahim Al-Amoud	Chairman of the Board of Directors president Risks and governance and commitment in a company development products Halal (one Companies Box (Investments the public	Director of Corporate - Governance Department Alinma Bank Mobily Pay Compliance Department Manager Senior Supervisor - Central Bank of Saudi Arabia	Master of Business Administration in Finance/Bachelor of Business Administration	More than 17 years in the field of finance and business
2	Hisham Abdul Rahman Muhammad bin Muqrin	Vice Chairman of the Company's Board of Directors CEO of the company	,CEO of Investor Securities ,CEO of Tharawat Securities CFO of Al Bilad Capital	Master of Accounting	More than 20 years in the field of finance and .business
3	Ibrahim Nasser Muhammad Al-Shamimari	CEO / Munch Automated Bakeries Company	CEO/Mohammed Al-Shamimari Financial Consulting Company , Chief Operating Officer/ Bravo Brands Company (one of the Coca-Cola companies) Britain	Bachelor of International Finance and Business Administration	More than 20 years in the field of finance and .business
4	Yazid Khaled Zaid Al-Tamimi	Lawyer / Omar Bin Saleh Al-Ibrahim Office Lawyers and Legal) (Consultants	nothing	Bachelor of Sharia Master of Systems	Law and advocacy
5	Bashar Abdulaziz Saleh Aba Al-Khail	Founding partner and president of Yasmina Information Technology Company	Head of Strategy and Acting CEO/Al-Sagr Insurance Company Insurance Supervisor and Director of Insurance Sector Inspection/Central Bank of Saudi Arabia Banking Inspector/Central Bank of Saudi Arabia	Bachelor of Financial Management MasterMBA	More than 20 years in the field of finance and business
6	Abdullah Khaled Saad Al-Fadhli	Public Relations Officer/Wahaj Al Hayat Advertising Company	Public Relations Officer/Wahaj Al Hayat Advertising Company	Bachelor Social Services	Public relations and social service
7	Ashri Saad Mazal Al Ashri	-	Chairman of the Board of Directors of the Food Development Business Company Managing Director/Al-Jouf Cement	Bachelor of Accounting	More than 22 years in the field of finance and .business

Board

- The resignation of the Chairman of the Council, Mr. Ashry Saad Al-Ashry, from membership in the Council on 07/09/2023
- Appointment of Board Member Mr. Anas Saleh Al-Amoud as Chairman of the Board of Directors on 07/09/2023
- Appointment of Mr. Hisham Abdul Rahman Muqrin as a member of the Board of Directors and Vice-Chairman of the Board on 2023/16/07

2- Executive

M	name	Function	qualification	previous jobs	experience
1	Hisham Abdul Rahman Muhammad bin Muqrin	chief executive officer	Master of Accounting	CEO of Investor Securities, CEO of ,Tharawat Securities CFO of Al Bilad Capital	More than 20 years in the field of finance and .business
2	Amer Suahl Jarrah	CEO Deputy	Bachelor of Commerce	CFO - Saaduddin	More than 20 years in the field of finance and .business
3	Salah Muhammad Hasaballah Shaheen	Chief Financial Officer	Bachelor of Commerce	Financial Director of Herfy Factory	More than 30 years in the field of financial management and discretionary budgets
4	Al-Waleed Saud Al-Otaibi	Director of Human Resources	Bachelor of Business Administration	Human Resource Specialist	More than 3 years in Human Resources
5	Ashraf Pathail	Purchases Manager	Master of Business Administration	/ Purchasing Manager Green Carpet Company - Dubai	More than 12 years in purchasing management
6	Karim Mohamed Al-Sayed Mohamed	Operating manger	Bachelor of Science	,Supervisory Manager ,Savoy Hotel ,Cook dor Kentucky, Metro, Al Bassami Transport Company	More than 12 years in managing and operating restaurants
7	Ahmed Ali Al-Muhajir	Manager of Information Technology	Bachelor of Science in Computer Engineering	Director of Information Technology at Amajid Factory Company	More than 10 years in systems and information technology
8	Muhammad Adnan Ahmed Al Aliwi	Maintenance and construction manager	Industrial Bachelor's degree	Maintenance and Projects Supervisor at the Copper Star Company/Maintenanc e Officer at Hassan Misfer Al Zahrani Holding Company	More than 10 years in maintenance and projects

3- Announcement

S	date	Ad type	Description
1	AD 2023/09/01	Notice to shareholders	The Food Development Business Company announces its intention to issue ,Murabaha bonds through the Dinar Investment Platform, denominated in Saudi Riyals under the program.
2	AD 2023/26/01	Notice to shareholders	Food Development Business Company announces the launch of the issuance of Murabaha Sukuks denominated in Saudi Riyals
3	AD 2023/28/02	Notice to shareholders	Food Development Business Company announces the completion of the issuance of Murabaha Sukuks denominated in Saudi Riyals
4	AD 2023/29/03	Financial results	The Food Development Business Company announces its annual financial results ending on 12-31-2022
5	AD 2023/22/05	Financial results	The Food Development Business Company announces the preliminary financial results for the period ending on 03-31-2023 (three Months)
6	AD 2023/28/05	Invitation to the annual General Assembly meeting	Food Development Business Company announces its invitation to its shareholders to attend the Ordinary General Assembly Meeting (the meeting the first)
7	AD 2023/30/05	Correction of the invitation to the annual General Assembly meeting	Corrective announcement from the Food Development Business Company regarding inviting its shareholders to attend the Ordinary General Assembly Meeting (the meeting the first)
8	AD 2023/14/06	Electronic voting for the annual General Assembly meeting	Food Development Business Company announces the start date of electronic voting on the items of the Ordinary General Assembly Meeting (first meeting).
9	AD 2023/19/06	Notice to shareholders	Food Development Business Company announces the results of the Ordinary General Assembly meeting (second meeting)
10	AD 2023/20/06	Correction Notice to Shareholders	Corrective announcement from the Food Development Business Company regarding the results of the Ordinary General Assembly Meeting (second meeting)
11	AD 2023/10/07	Notice to shareholders	The Food Development Business Company announces the resignation and appointment of a Chairman of the Board of Directors
12	AD 2023/16/07	Notice to shareholders	Food Development Business Company announces the appointment of a Board of Directors member
13	AD 2023/20/07	Notice to shareholders	The Food Development Business Company announces the resignation and appointment of a member of the Audit Committee
14	AD 2023/20/07	Notice to shareholders	Food Development Business Company announces the resignation of a member of the Audit Committee
15	AD 2023/13/08	Financial results	Food Development Business Company's announcement of the preliminary financial results for the period ending on 06-30-2023 (six months)
16	AD 2023/10/05	Correcting financial results	Correction announcement from the Food Development Business Company regarding its announcement of the preliminary financial results for the period ending on 06-30-(six months) 2023
17	AD 2023/17/10	Notice to shareholders	The Food Development Business Company announces the evaluation of the branches' performance
18	AD 2023/11/09	Financial results	The Food Development Business Company announces the preliminary financial results for the period ending on 09-30-2023 (nine Months)
19	AD 2023/12/11	Invitation to an extraordinary general assembly meeting	Food Development Business Company announces its invitation to its shareholders to attend the extraordinary general assembly meeting that includes increasing the company's capital (the meeting the first)
20	AD 2023/15/11	Correcting the invitation to the extraordinary general assembly	Correction announcement from the Food Development Business Company regarding its announcement of inviting its shareholders to attend the extraordinary general assembly meeting that includes increasing the company's capital (first meeting)
21	AD 2023/30/11	Electronic voting for the extraordinary general assembly meeting	The Food Development Business Company announces the start date of electronic voting on the items of the agenda of the Extraordinary General Assembly meeting (first . meeting) via modern technology
22	AD 2023/12/07	Notice to shareholders	Food Development Business Company announces the results of the extraordinary general assembly meeting , which included not approving an increase in the company's capital (the meeting the second)
23	AD 2023/17/12	Notice to shareholders	"Food Development Business Company announces its registration of the "Beef Shots . trademark

4- General Assemblies

- 1- The company was held meeting Association the public Regular in 11/29/144 4 - 06/18/202 3
- 2- The company held an extraordinary general assembly meeting on 05/22/1445 - 12/06/2023

The two assemblies were attended by all members of the Board of Directors and committee heads

5- Subsidiary Companies

Feddan Fruit Company for vegetables and fruits

Al Feddan Fruit and Vegetable Company is a limited liability company, 70% owned by the Food Development Business Company

The Feddan Fruit and Vegetables Company was established under Commercial Registration No1010454082. And a head Money amounting to (500,000) five hundred thousand Saudi riyals, and its main center is located in the city of Riyadh

S	Contributors	capital	Company ownership percentage	Its main activity	The country is the main place of its operations	Country of incorporation
1	Feddan Fruit Company for vegetables and fruits	500,000	%70	Importing and selling vegetables and fruits	Kingdom of Saudi Arabia	Kingdom of Saudi Arabia

- Shares and debt instruments issued to the subsidiary:

There are no shares or debt instruments issued by the Feddan Fruit and Vegetable Company

6- Preparation Lists Finance

The interim summary consolidated financial statements are prepared, from which an examination report is issued, and the annual consolidated financial statements, from which an audit report is issued, are prepared by the independent external auditor

These consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards adopted in the Kingdom of Saudi Arabia and in accordance with other standards and statements issued by the Saudi Organization for Auditors and Accountants

The Food Development Business Company chose United Accountants for Professional ConsultationsRSM as an independent auditor based on the audit committee's recommendation (submitted to the Board of Directors to appointRSM to conduct audits of the company's accounts (for the fiscal year 2023 AD, except for the first quarter and the first quarter of the year 2024 AD) The Board of Directors submitted a request to approve the company's nomination ofRSM as a (financial auditor and the remuneration he receives during the General Assembly meeting, and the appointment was approved during the meeting

7- Policy distribution Profits

In accordance with Articles (42) and (43) of the company's bylaws, the company's profits are distributed as follows

The company's annual net profits are distributed after deducting all general expenses and other costs as follows

of the net profits are set aside to form a statutory reserve, and the Ordinary General (%10)

Assembly may stop this set aside when the aforementioned reserve reaches half of the 1
. capital

The Ordinary General Assembly may, upon the proposal of the Board of Directors, set aside a percentage of net profits to form convention reserves and allocate them for a specific purpose or purposes. From the remainder, a first payment is then distributed to shareholders equal to at least 5% of the paid-up capital

After the above, a percentage not exceeding 10% of the remainder shall be allocated to reward the Board of Directors, taking into account the regulations and instructions issued by the Ministry of Commerce and Industry in this regard, and the remainder shall be distributed 2
.thereafter to the shareholders as an additional share in the profits

Dividends to be distributed to shareholders shall be paid at the place and times determined by the Board of Directors in accordance with instructions issued by the Ministry of 3
.Commerce and Industry

The company did not distribute dividends during 2023

8- Payments Regularity

amount	Regulatory authority
310,834	Zakat

9- Governance Principles

The aim of setting these rules is to demonstrate the Food Development Business Company's approach to corporate governance, as we are committed to applying high standards of corporate governance, and sound governance is considered an essential tool for maximizing the value achieved for shareholders in the long term, which is consistent with the company's commitment to quality in all its operations and products. . The company's governance rules are mandatory for all managers and employees, and may not be amended except by a decision issued by the Board of Directors. Corporate governance rules are defined as "the system by which companies are directed and controlled." Governance In companies, the distribution of powers and responsibilities to the various parties in them, such as the board of directors, executive management, shareholders, and others, in addition to their role in determining the rules and procedures for making decisions related to the company's affairs. Therefore, the company's governance provides the structure that allows setting the company's goals, the means to achieve these goals, and the standards for measuring performance. The Board of Directors is responsible for the rules of governance in the Food Development Business Company. The role of shareholders at the governance level is to appoint members of the Board of Directors, form the audit committee, and appoint the independent auditor. Ensure the efficiency and effectiveness of governance rules. The responsibilities of the Board of Directors are to set the company's strategic objectives, provide leadership that works to achieve them, supervise the management of the company's business, and provide reports to shareholders about their management of the company. The work of the Council is subject to Management of systems, regulations and accountability at general assembly meetings of shareholders. The governance rules for the Food Development Business Company have been prepared in accordance with the corporate system financial market regulations, rules and instructions, relevant regulations and the company's bylaws. The Board of Directors is responsible for preparing the company's governance rules in accordance with the terms of those regulations, monitoring their application, verifying their effectiveness, and amending them as necessary. The company has also committed to implementing all the provisions of the Corporate Governance Regulations issued by the Board of the Capital Market Authority, except those mentioned in the table below, which have not been implemented

Subject	Article text	the reason
24	hiring boss loneliness or administration Review Interior or the reviewer Internal And isolate him And determine His . rewards	Guidance, and work is underway to appoint an internal auditor
37	The company must pay sufficient attention to training members of the Board of Directors, members of committees and executive management, and develop .the necessary programs for that	Indicative, and work is underway to prepare a training program for members of the Board of Directors, members of committees, and executive management
67	Formation of a risk management committee	Guidance
73	The internal audit unit or department shall consist of at least one internal auditor whose appointment shall be recommended by the Audit Committee and who shall be .accountable to it	guidance, And my neighbor the job on hiring References internal
74	The internal audit unit or department works according to a comprehensive audit plan approved by the audit committee, and this plan is updated annually. Key activities and processes, including those related to risk management and compliance management, must be .reviewed at least annually	Guidance, and work is underway to appoint an internal auditor
80	How to compensate stakeholders when their rights (1 stipulated by regulations or protected by contracts are .violated	The company has a written policy to regulate the relationship with stakeholders, but it did not include the

		aforementioned paragraph, and work is underway to include it
84	The Ordinary General Assembly - based on the proposal of the Board of Directors - establishes a policy that ensures the establishment of a balance between its objectives and the objectives that society aspires to achieve. For the purpose of developing the social and economic conditions of society	Guidance
85	The Board of Directors sets programs and determines the necessary means to present the company's initiatives in the field of social work	Guidance
86	The company's website should include all the (3 information that must be disclosed, and the method of classifying it in terms of its nature or periodicity of disclosure	Guidance

10- rights Contributors

The company's bylaws and governance rules in the Food Development Business Company guarantee to shareholders all rights related to shares, especially the shareholder's right to obtain a share of the profits that the company decides to distribute, and his right to obtain a share of the company's assets upon its liquidation . He also has the right to Attending meetings of the General Assembly of Shareholders, participating in its deliberations, voting on its decisions , disposing of shares , monitoring the work of the Board of Directors, filing a liability lawsuit against members of the Board of Directors, investigating and requesting information in a way that does not harm the company's interests and does not conflict with the regulations, rules and instructions issued by the Capital Market Authority . The Food Development Business Company also allows the largest number of its shareholders to participate in the General Assembly meetings and is keen to choose the appropriate time and place for holding them, enabling everyone to attend. The company also adopted a remote electronic voting system to facilitate shareholders' exercise of their right to vote if they are unable to attend . The articles of association and company governance rules also stipulate the provisions related to the general assembly of shareholders, which include the necessary procedures and precautions to ensure that all shareholders exercise their statutory rights. The General Assembly of Shareholders is also considered the highest authority in the company, and has exclusive powers that include appointing and dismissing members of the Board of Directors, and approving the consolidated financial statements. It appoints the Audit Committee and the External Auditor, determines their fees, and approves the regulations related to the Audit Committee, which must include its procedures and duties, the rules for selecting its members, the method of nominating them, the duration of their membership and their remuneration, and the mechanism for appointing temporary members in the event of a vacant seat on the committee. It , also has the right to approve the regulations for the Remuneration and Nominations Committee including its procedures and duties, the rules for selecting its members, the duration of their membership and their rewards, approving the distribution of profits in accordance with the recommendation of the Board of Directors, increasing or decreasing the company's capital, and amending the company's bylaws . The company allows Its shareholders have sufficient capabilities to view the minutes of the General Assembly meetings, and it provides the Capital Market Authority with copies of those minutes within 10 days from the date of its assembly meeting. The company also pays great attention to shareholders ' concerns and raises them through the appropriate channels to the Board of Directors to study them and take appropriate .action regarding them

Also, information that has a material impact on the company or on its financial position shall be .disclosed urgently and immediately through the Tadawul market and the company's website

11- formation council Administration

He takes over Company council administration component from Number (6) members, And it is done classification Members According For definitions Incoming With the material The first from List Governance Companies Outgoing from body market Finance, And it has reach number Meetings council Administration that held during Year 2023 AD (4) meetings, taken During it Package from Decisions And recommendations included in Schedule Business Meetings For the course current

- formation council Administration And classification Its members on Grammar The following
 - member council administration Executive - Member council administration not Executive
 - Member council administration independent

S	member name	Membership classification (executive/non-executive/independent)
1	Anas Saleh and Ibrahim Al-Amoud	independent
2	Hisham Abdul Rahman Muhammad Muqrin	executive
3	Ibrahim Nassr Mohammed Al-Shamimari	independent
4	Yazeed Khaled Zaid Al Tamimi	independent
5	Bashar Abdulaziz Aba Al Khail	independent
6	Abdullah Khaled Saad Al-Fadli	independent

- Names of companies inside or outside the Kingdom in which a member of the company's board of directors is a member of its current or previous boards of directors or one of its directors:

S	name	names Companies that Be a member of the Board of Directors Member of Its boards of directors current or from Its managers	Inside the /Kingdom Outside the kingdom	names Companies that He is Council member Management member In councils Its previous administrations or From its managers	Inside the /Kingdom Outside the kingdom	Legal entity (listed joint stock / non-.(listed joint stock Listed/ Related (..../ Limited liability
1	Anas Saleh Ibrahim Al-Amoud	nothing	-	-	-	-
2	Hisham Abdel-Rahman Muhammad Muqrin	Al-Rahden Company, Al-Jouf Water Company	Within the Kingdom	Tharawat Financial ,Company Investor Securities Company	Within the Kingdom	Closed contribution
3	Ibrahim Nasser Mohammed Al-Shamimari	a company Jailer for ,trade Munch Automated Bakery Company	Within the Kingdom	-	-	Limited liability
4	Yazeed Khaled Al Tamimi	nothing	-	-	-	-
5	Bashar Abdulaziz Aba Al Akhail	National Medical ,Care Company Saudi Paper Manufacturing Company	Within the Kingdom	-	-	Miss important listed
6	Abdullah Khaled Saad Al-Fadhli	nothing	-	-	-	-

12- Meetings Periodicity For the year 2023

- The number of Board of Directors meetings held during the year 2023 was (4)

Name	March 28	May 18	July 9	October 1
Ashri Saad Mazal Al Ashri	✓	✓	✓	-
Anas Saleh Ibrahim Al-Amoud	✓	✓	✓	✓
Ibrahim Nasser Muhammad Al-Shamimari	✓	✓	✓	✓
Yazid Khaled Zaid Al-Tamimi	✓	✓	✓	✓
Bashar Abdulaziz Saleh Aba Al-Khail	✓	✓	✓	✓
Abdullah Khaled Saad Al-Fadhli	✓	✓	✓	✓
Hisham Abdul Rahman Muhammad Muqrin	-	-	-	✓

13- Property Members council Administration And management Executive

Interest and Rights of board members 1-13

Percentage of change	Net change	On 12/31/2023		On 01/01/2023		The name of the person who has the interest	M
		The ratio	Number of Shares	The ratio	Number of Shares		
-	-	-	-	-	-	-	-

- There is no interest for members of the Board of Directors

Rights of those who are related to Council members 2-13

Percent age of change	Net change	End of year		the beginning of the year		relative relation	The name of the person who has the interest	M
		The ratio	Number of Shares	The ratio	Number of Shares	Wife-Son-Daughter		
-	-	-	-	-	-	-	-	-

- .There is no interest or rights for any of the relatives of board members

Interest and rights of senior executives 3-13

The shares owned by the company's senior executives

Percentage of change	Net change	On 12/31/2023		On 01/01/2023		The name of the person who has the interest	M
		The ratio	Number of Shares	The ratio	Number of Shares		
-	-	-	-	-	-	-	1

- .There is no stock ownership by senior executives in the company

Rights from Associated with Senior Executives Onion Relationship 4-13

Percentage of change	Net change	End of year		the beginning of the year		relative relation	The name of the person who has the interest	M
		The ratio	Number of Shares	The ratio	Number of Shares	Wife-Son-Daughter		
-	-	-	-	-	-	-	-	1

- There is no ownership or interest in any of the relatives of the senior executives

14- Rewards council Administration

The following is the remuneration policy for members of the Board of Directors, Board Committees, and Executive Management. These policies aim to set clear standards, controls, and procedures for compensation and remuneration for members of the Board of Directors and members of the committees emanating from it

First: Remuneration of members of the Board of Directors

Rewards are sums, allowances, profits and the like, periodic or annual rewards linked to performance, short-term or long-term incentive plans, and any other in-kind benefits excluding actual reasonable expenses and expenses incurred by the company on behalf of a member of the Board of Directors. This reward may be an amount, an attendance allowance for sessions, in-kind benefits, or a certain percentage of net profits, and two or more of these benefits may be combined) If the reward is a certain percentage of the company's profits, this percentage may not exceed of the net profits, after deducting the reserves decided by the General Assembly in %10 implementation of the provisions of the system and the company's bylaws, and after distributing a profit to shareholders of no less than a deduction of (5%) from the company's capital, within the limits of what is stipulated in the companies' bylaws. The corporate governance regulations and the company's bylaws

Second: Standards, controls and procedures for remunerating members of the Board of Directors and Board Committees:

- 1- The remuneration must be fair and proportionate to the member's competencies, work and responsibilities carried out and borne by the members of the Board of Directors, in addition to the goals set by the Board of Directors to be achieved during the financial year
- 2- The rewards must be based on the recommendation of the Remuneration Nominations Committee
- 3- The rewards must be commensurate with the company's activity and the skill required to manage it. Its size and the experience of members of the Board of Directors and Board Committees in business related to the company
- 4- The remuneration must be reasonably sufficient to attract, motivate and retain board members with appropriate competence and experience, taking into account the maximum limit (500,000 Saudi riyals
- 5- A member of the Board of Directors may receive a remuneration in exchange for his membership in the audit committee formed by the General Assembly, or in exchange for any additional executive, technical, administrative or advisory work or positions - under a professional license - assigned to him in the company, in addition to the remuneration that may be granted. He obtains it as a member of the Board of Directors and in the committees formed by the Board of Directors, in accordance with the Companies Law and the Company's Bylaws The total rewards that the member receives according to what was mentioned above do not fall within the scope of the maximum reward limit
- 6- The remuneration of members of the Board of Directors may be of varying amounts to reflect the extent of the member's experience, his specializations, the tasks assigned to him, his independence, the number of sessions he attends, and other considerations
- 7- The remuneration of independent directors must not be a percentage of the profits achieved by the company or be based directly or indirectly on the company's profitability. This is so that the linking of their rewards to the company's performance or any other factors does not affect the independence of their decisions
- 8- In accordance with what is stated in Article Twenty-One of the Company's Articles of Association, the Board of Directors determines, in accordance with its discretion and by a decision, the special remuneration that the Chairman of the Board, his deputy, and the Managing Director - if any - receive for each of them, in addition to the remuneration prescribed

for members of the Board of Directors, within limits. What is stipulated in the companies' law and regulations

- 9- Board members may not vote on the remuneration item for board members at the general assembly meeting in order to ensure the independence of the decision issued by the company's general assembly regarding the remuneration item for board members
- 10- If the General Assembly decides to terminate the membership of a member of the Board of Directors who is absent due to his failure to attend three consecutive Board meetings without a legitimate excuse, this member is not entitled to any remuneration for the period following the last meeting he attended, and he must return all the remuneration that was paid to him for that period
- 11- If it becomes clear to the Audit Committee or the Capital Market Authority that the remuneration paid to any member of the Board of Directors is based on incorrect or misleading information that was presented to the General Assembly or included in the annual report of the Board of Directors, he must return them to the company, and the company has the right to demand that he return them. This does not absolve the Board of Directors member from any responsibilities for any damages incurred by the company, its shareholders, or any other related persons as a result
- 12- The Board of Directors must disclose in its annual report the details of policies related to remuneration, the mechanisms for determining them, and the amounts and financial and in-kind benefits paid to each member of the Board of Directors in exchange for any executive technical, administrative, or advisory work or positions

:Third: Rewards and fees for members of the Board of Directors and Board Committees

In accordance with the above, the Board of Directors' remuneration and fees are calculated as follows

- 1- Annual remuneration for Board of Directors membership is 110,000 riyals
- 2- Annual bonus for membership in committees emanating from the Board of Directors
Audit Committee 40,000 riyals
Other committees 25,000 riyals. emanating from the Board of Directors for all members is 2,000 riyals for each session
- 3- The Board of Directors determines, in accordance with its discretion and by decision, the - special remuneration that the Chairman of the Board, his deputy, and the Managing Director if any - receive for each of them, in addition to the remuneration prescribed for members of the Board of Directors

:Fourth: Rewards for senior executives

The Board of Directors - based on the recommendation of the Nominations and Remuneration Committee - determines the remuneration of senior executives, to be in accordance with the following principles:

- 1- rewards and compensation must be compatible with the company's strategic goals, and a factor to motivate senior executives to achieve those goals and enhance the company's ability and develop its business
- 2- It must be appropriate to the nature of the company's business, activity, size, and required skills and experience
- 3- To enable the company to attract senior executives with the capabilities, skills and qualifications necessary to enable the company to achieve its goals
- 4- Not to cause any conflict of interest that would negatively affect the company's interest and its ability to achieve its objectives. Executive management remuneration includes the following
 - a. A basic salary and allowances according to the contract are paid at the end of each calendar month on an ongoing basis, health insurance for him and his family members, an annual bonus linked according to the annual evaluation, and an end-of-service bonus according to the work system
 - b. The CEO implements the remuneration policy for employees and senior executives in light of the plans programs and general guidelines approved by the Nominations and Remuneration Committee

Board member remuneration

	Fixed rewards							Variable rewards						Reward End of service	total summation	Expense allowance	comments
	A certain amount	Allowance for attending council meetings	Total allowance for attending committee sessions	Benefits in kind	Rewards for technical and administrative work And advisory	Council Chairman's reward	the total	percentage of profits	Periodic bonuses	Short-term incentive plans	Long-term incentive plans	The A shares granted	the total				
First : Independent members																	
Anas Saleh Al Amoud	156,973	8,000	10,000	0	0	0	174,973	0	0	0	0	0	0	0	174,973	0	
Ibrahim Nasser Al-Shamimari	135,000	8,000	6,000	0	0	0	149,000	0	0	0	0	0	0	0	149,000	0	
Yazeed Khaled Al Tamimi	135,000	8,000	6,000	0	0	0	149,000	0	0	0	0	0	0	0	149,000	0	
Bashar Abdulaziz Abba Al Khail	110,000	8,000	0	0	0	0	118,000	0	0	0	0	0	0	0	118,000	0	
Abdullah Khaled Al-Fadli	110,000	8,000	0	0	0	0	118,000	0	0	0	0	0	0	0	118,000	0	
total	646,973	40,000	22,000	0	0	0	708,973	0	0	0	0	0	0	0	708,973	0	
Second : Non-executive members																	
Ashry Saad Al-Ashry	57,712	6,000	0	0	0	0	63,712	0	0	0	0	0	0	0	63,712	0	
the total	57,712	6,000	0	0	0	0	63,712	0	0	0	0	0	0	0	63,712	0	
Third: Executive members																	
Hisham Abdul Rahman Muhammad bin Muqrin	50,630	2,000	0	0	0	0	52,630	0	0	0	0	0	0	0	52,630	0	
the total	50,630	2,000	0	0	0	0	52,630	0	0	0	0	0	0	0	52,630	0	

* The company confirms that there is no significant deviations from its rewards policy.

Remuneration for members of committees affiliated with the Board of Directors

- Review Committee

Members of the audit committee	Fixed rewards Excluding the) allowance for (attending sessions	Instead of attending sessions	the total
Abdulaziz Mohammed Ababtain	40,000	10,000	50,000
Musa Abdullah Al-Fawzan	40,000	10,000	50,000
Omar Mohamad Al Manea	17,973	4,000	21,973
Anas Saleh Al Amoud	21,973	4,000	25,973
Mohammed Abdullah Al Mubarak	21,973	0	21,973

- Nominations and Remuneration Committee

A Members of the Nominations and Remuneration Committee	Fixed rewards Excluding session) (attendance allowance	Instead of attending sessions	the total
Yazid Khaled Al-Tamimi	25,000	6,000	31,000
A Ness Saleh column	25,000	6,000	31,000
Ibrahim Nasser Al-Shamimari	25,000	6,000	31,000

- Total Payments Company For adults Executives from between them President Executive
And the boss Financial

Senior executive jobs	Fixed rewards				Variable rewards						Indemnity	Total executive remuneration for the Board , if any	total summation
	payroll	Suits	Benefits in kind	the total	Periodic bonuses	earnings	term incentive- plans	term incentive- plans	The shares granted (the value is entered)	the total			
the total	1,111,116	388,884	0	1,500,000	0	0	0	0	0	0	0	0	1,500,000

Committees of the Board of Directors

First: Audit Committee

The Audit Committee is composed of three members, and the General Assembly approved the rules for selecting committee members, the duration of their membership, and the committee's work method. The Audit Committee consists of the following:

M	Name	Category	Membership status	qualification	Current jobs	previous jobs	experience
1	Abdulaziz Muhammad Ababtain	President	From outside the council	Master in Financial Management	Head of - Internal Audit Bahri Company	Director of Internal Audit at Saudi Hollandi Bank	years in the 20 field of finance and auditing
2	Musa Abdullah Ali Al-Fawzan	member	From outside the council	Diploma in Financial and Administrative Sciences / Master of Administrative / Sciences Bachelor of Commerce	Vice President/Al-Asala Education and Training	Development Director - Al / Rajhi Steel CEO - Union Construction Materials Company / Vice President - Al - Othaim / CEO Abdullah bin Abdulaziz Al Rajhi Charitable / Foundation - Acting CEO Kasab Finance	years in the 23 field of financial and administrative business
3	Omar Mohammed Al-Manea	member	From outside the council	PhD in Finance - and Accounting CFA	president executive To invest in the Higher Education - Fund Chairman of the Board of Directors of Karnaf Finance Company	Assistant - Professor Imam Muhammad bin Saud University Department of Finance and - Investment College of Economics and Administrative Sciences	Experience in the field of financial and administrative work
4	Anas Saleh Ibrahim Al-Amoud	member	independent	Master of Business Administration in Finance/Bachelor of Business Administration	president Risks And governance And commitment in a company development products Halal one) Companies Box Investments (the public	Director of Corporate Governance - Department Alinma Bank Mobily Pay Compliance Department Manager Senior - Supervisor Central Bank of Saudi Arabia	More than 17 years in the field of finance and business
5	Muhammad Abdullah Al-Mubarak Abdullah	member	From outside the council	Bachelor of Accounting	Internal Audit - Manager Kasab Holding	- Senior Auditor Al-Rashed Certified Public Accountants Office	years in the 34 field of finance

Review Committee

- Mr. Anas Saleh Al-Amoud resigned from committee membership on 07/19/2023
- Resignation of Mr. Muhammad Abdullah Al-Mubarak from committee membership on AD 2023/19/07
- Appointment of Dr. Omar Muhammad Al-Manea as a member of the Audit Committee on 2023/20/07

The committee was reconstituted according to the Board of Directors' decision on 09/14/2023 as follows:

- Mr. Abdul Aziz Muhammad Ababtain - Chairman
- Mr. Musa Abdullah Al-Fawzan - Member
- Dr. Omar Mohammed Al-Manea - Member

Duties of the Audit Committee

- 1- Supervising the company's internal audit department, in order to verify its effectiveness in implementing the work and tasks assigned to it by the Council
- 2- Study the internal control system and prepare a written report on its opinion and recommendations regarding it
- 3- Study internal audit reports and follow up on the implementation of corrective measures for the observations contained therein
- 4- Recommending to the Council the appointment and dismissal of certified public accountants and determining their fees. When recommending appointment, care must be taken to ensure their independence
- 5- Follow up on the work of chartered accountants, and approve any work outside the scope of the audit work they are assigned while they are performing the audit work
- 6- Coordination between the various departments in the company and external regulatory bodies, including the external auditor, the Capital Market Authority, and other external regulatory bodies
- 7- Follow up on the implementation of what is stated in the registration and listing regulations issued by the Capital Market Authority
- 8- Study the audit plan with the chartered accountant and provide her comments on it
- 9- Studying the chartered accountant's observations on the financial statements and following up on what was done regarding them
- 10- Studying the initial and annual financial statements before presenting them to the Council and expressing an opinion and recommendation regarding them
- 11- Study the accounting policies followed and express an opinion and recommendation to the Council regarding them
 - The Audit Committee meetings held during the year 2023 amounted to (5) meetings, noting that no There is any conflict between the recommendations of the Audit Committee and the decisions of the Board of Directors

Statement of attendance at the Audit Committee meetings for the year 2023

name	March 28	May 17	July 19	August 9	November 7
Musa Abdullah Ali Al-Fawzan	✓	✓	✓	✓	✓
Anas Saleh Ibrahim Al-Amoud	✓	✓	-	-	-
Abdulaziz Muhammad Ababtain	✓	✓	✓	✓	✓
Muhammad Abdullah Al-Mubarak Abdullah	-	-	-	-	-
Omar Mohammed Al-Manea	-	-	-	✓	✓

Second: Nominations and Remuneration Committee

and Remunerations Committee is composed of three members. The General Assembly approved the rules for selecting committee members, the duration of their membership, and the committee's work method. The Nominations and Remunerations Committee consists of the following:

M	the name	Category	Membership status	qualification	Current jobs	previous jobs	Of experience
1	Yazid Al-Tamimi	President	independent	Bachelor of Sharia and Master of Laws	/ Lawyer Omar Bin Saleh Al-Ibrahim Office Lawyers) and Legal (Consultants	nothing	Experience in the field of law and advocacy
2	Anas Saleh Alamoud	member	independent	Master of Business Administration in Finance/Bachelor of Business Administration	Head of Risk, Governance, and Compliance at Halal Product Development Company (a subsidiary of the Public Investment Fund)	Director of Corporate Governance - Department Alinma Bank Compliance Department Mobile Pay Senior Supervisor Central Bank of - Saudi Arabia	More than 17 years in the field of finance and business
3	Ibrahim Al-Shamimari	member	independent	Bachelor of International Finance and Business Administration	/ CEO Munch Automated Bakeries Company	/ CEO Mohammed Al-Shamimari Financial Consulting Company	years in the 20 field of business administration

Duties and responsibilities of the Nominations and Remuneration Committee

- 1- Recommending to the Board of Directors to nominate for Board membership in accordance with the approved policies and standards, taking into account not to nominate any person who has previously been convicted of a crime prejudicial to honor and integrity
- 2- Annual review of the required skills requirements for Council membership and preparing a description of the capabilities and qualifications required for Council membership, including specifying the time that a member must devote to Council work

- 3- Reviewing the Council's structure and making recommendations regarding changes that can be made
- 4- Identify the weaknesses and strengths of the Board, and suggest addressing them in a way that is consistent with the company's interest
- 5- Ensure annually the independence of the independent members, and the absence of any conflict of interest if the member holds a membership in the board of directors of another company
- 6- Preparing the policy for granting rewards, benefits, incentives and salaries in the company and reviewing it annually
- 7- Develop clear policies for compensation and rewards for board members and senior executives. When developing these policies, the use of standards related to performance should be taken into account
- 8- Establishing a remuneration policy for the company that includes ensuring that the rewards and salaries are sufficient to attract qualified people to work in the company and retain them in a manner consistent with the salaries granted by similar companies in the market. Determining the company's needs for competencies at the level of senior executive management and employees and the basis for their selection
- 9- Preparing the company's human resources and training policy and reviewing it annually

- The Nominations and Remuneration Committee meetings held during the year 2023 amounted to (3) meetings

Statement of attendance at the Nominations and Remuneration Committee meetings for the year 2023

the name	July 6	July 12	July 19
Yazid Khaled Zaid Al-Tamimi	✓	✓	✓
Ibrahim Nasser Muhammad Al-Shamimari	✓	✓	✓
Anas Saleh Ibrahim Al-Amoud	✓	✓	✓

Related transactions

- There are related transactions with the former Chairman of the Board, which constitute financing of the company on his part without any additional commissions on the financing

Disclosure and transparency policy

The company is committed to continuously disclosing material events and developments Which concerns stakeholders in full transparency according to the requirements of the regulations And the relevant regulations, and the company also supports and activates this trend All its dealings and activities and consider it a permanent obligation on it.

- The CEO is responsible for implementing the relevant rules The Chairman shall be responsible for this disclosure before the Council Follow up on the implementation of the Council's decisions in this regard.
- The company is committed not to announce any information unless it is confirmed that it is correct and that it is prepared in accordance with the controls and standards approved by .the competent authorities The nature of that information required it.
- The company maintains information that is expected to affect The share price will remain until it is officially announced according to regulatory requirements This applies to all employees of the company and others except individuals Those directly concerned with this Subject, and what confidential information Related to financial results (preliminary and annual), events affecting the results Financial decisions and decisions that have an impact on the financial results and the like.

In all cases, the company discloses the information it has in a clear manner It does not harm its interests or pose a threat to its competitive position, in any case Company disclosure may cause this, the company submits a statement to the Capital Market Authority It includes the required information and the reasons supporting non-disclosure . that time

Board of Directors Declarations

The Board of Directors confirms that

- No loan was granted to any members of the Board of Directors or senior executives
- The company has not entered into any transactions related to the company's shares with any members of the Board of Directors or those directly related to
- The company's financial statements were prepared in accordance with the accounting standards issued by the Saudi Organization for Certified Public Accountants
- There are no voting shares belonging to persons who notified the company of these rights during the year 2023
- There are no arrangements or agreement between the company and any shareholder to waive his share of profits
- No reserves or savings were created for the company's employees other than the end-of-service gratuity provision
- There are no debt instruments convertible into shares, and there are no debt instruments redeemable for the Company and its subsidiaries
- There are no purchases or contracts that are of interest to a member of the Board of Directors or executives
- There are no arrangements or agreement under which a member of the Board of Directors or a senior executive in the company waived any salary or compensation Not disclosed
- The account records are prepared correctly
- The internal control system was prepared on sound foundations and implemented effectively
- There is little doubt about the company's ability to continue its activity
- There are no business or contracts concluded by the company in which any member of the Board of Directors, senior executives, or any person related to any of them has an interest
- The company has no treasury shares

Loan

- **Existing Loan**

Development Works Food Company has maintained a strong credit reputation with several financing institutions. Thanks to this credit standing, the company has successfully achieved a positive operating cash flow that aligns with expectations. The total value of financing at the end of 2023 amounted to (11,897,857), obtained through bank facilities and Islamic financing instruments. All financing obtained by the company is compliant with Islamic Shariah principles.

- **Funding sources**

Funding source	Base financing amount	Additions during the year	The value paid during the year	December 31, 2023 AD
Al Rajhi Bank	18,536,526	9,491,638	18,380,308	9,647,857
Dinar instruments	0	6,000,000	3,750,000	2,250,000
Total	18,536,526	15,491,638	22,130,308	11,897.857

Shareholder records

"The company requested the shareholder register from the Securities Depository Center "Edaa (number) once during the year 2023 for the following purposes

The date of application	Justifications for the request
2023/31/01	For the purposes of requesting a capital increase
2023/21/05	For the purposes of requesting a capital increase
2023/18/06	For the purpose of holding the General Assembly
2023/16/07	For the purposes of requesting a capital increase
2023/28/08	For the purposes of requesting a capital increase
2023/12/04	For the purposes of requesting a capital increase
2023/12/06	For the purpose of holding the General Assembly

Fourth Chapter

Auditors report

To the Shareholders of Development Works Food Company
(A Saudi Joint Stock Company)

Qualified Opinion

We have audited the consolidated financial statements of Development Works Food Company (a Saudi Joint-Stock Company) ("the Company"), and its subsidiaries (referred together as a "Group"), including the consolidated statement of financial position as at December 31, 2023, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity, and the consolidated statement of cash flows for the year then ended, as well as the accompanying notes to the consolidated financial statements, including significant accounting policies.

In our opinion, except for the effect of the matters described in "basis for qualified opinion" the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2023, and its consolidated financial performance and consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards adopted in the Kingdom of Saudi Arabia, and the additional standards and pronouncements issued by the Saudi Organization for chartered and professional Accountants that supplement the International Financial Reporting Standards.

Basis for qualified opinion

As shown in the consolidated financial statements and note (9), the balance of right of use assets and lease liabilities as of December 31, 2023 amounted to SR 28.8 million and SR 26.8 million respectively. The management of the Group has recorded additions and disposals to lease contracts under the right of use assets and lease liabilities during the year. We were not able to reach a level of confidence regarding the computation method and accounting treatment of these transactions and their impact on the current year and whether they should have been accounted for in prior years in the consolidated financial statements. Additionally, we were unable to determine the impact of these transactions on the depreciation of leasehold improvements within property, plant, and equipment and the reasonableness of the depreciation rates used by the group and their compatibility with the lease terms (note 6). Also, the other income balance included in the consolidated statement of profit or loss and other comprehensive income for the year ended December

31, 2023, comprised rental income from sublease contracts recognized by the Group amounting to SR 3.2 million (2022: SR 3.8 million) (note 26). The Group did not assess whether the sublease contracts represent operating or finance leases in accordance with International Financial Reporting Standard 16 (Leases). Therefore, we were unable to verify the recognition of the other income and the corresponding accounts receivable amounting to SR 3.9 million as of December 31, 2023, nor were we able to determine if there were any necessary adjustments for the current year or prior years and their impact on the consolidated financial statements.

We conducted our audit in accordance with the International Standards on Auditing adopted 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 International Code of Ethics for Professional Accountants adopted in the Kingdom of Saudi Arabia, relevant to our audit of the consolidated financial statements, and have fulfilled our other ethical responsibilities in accordance with that Code. In our opinion, the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

The company clarify regarding the external auditors report

The company would like to clarify that regarding qualified opinion by the external auditor, the company did not reverse the recording of the right of use assets and lease liabilities for the previous year 2022 and it was recorded in the current year 2023. The company believes that it is applying it correctly. The company also hired the assistance of an external expert to review the method of calculating the right of use assets and lease liabilities and to confirm the accuracy of the application. However, that study has not been completed yet. The company will take the necessary accounting action once the expert's work is completed if required.

The company assures shareholders of its constant commitment to following best practices through the implementation of internal policies and procedures, which are regularly reviewed to ensure effective implementation.

Financial Statement

- **statement of financial position: (SAR)**

Statement	2023	2022	2021	2020	2019
Current assets	21,775,439	24,917,895	31,776,423	29,345,925	26,842,701
Right of use assets	28,810,770	19,756,402	28,531,660	38,574,502	49,415,856
Investments in sister companies	-	-	176,578	-	-
Non- current assets	30,414,233	33,019,152	38,510,241	44,117,837	56,257,454
Total assets	81,000,442	77,693,449	98,994,902	264 , 038 , 112	132,516,011
Current liabilities	35,196,076	32,765,975	37,546,706	995 , 103 , 29	091 , 099 , 28
Non-current liabilities	20,622,208	15,304,399	28,382,243	24,766,327	35,977,460
long term loans	3,311,382	7,397,857	14,734,897	27,256,122	29,518,891
Total liabilities	55,818,284	48,070,374	65,928,949	444 , 126 , 81	93,595,442
paid Capital	30,000,000	30,000,000	30,000,000	25,000,000	12,500,000
reserves The retained earnings	(5,386,349)	(1,023,365)	2,199,428	820 , 911 , 5	26,420,569
Shareholders' equity	25,182,158	29,623,075	33,065,953	820 , 0,911 3	38,920,569
'Total liabilities and Shareholders equity	81,000,442	77,693,449	98,994,902	264 , 038 , 112	011 , 516 , 132

existing Profit And the loss

- statement of profit or loss and comprehensive income: (SAR)

The statement	2023	2022	2021	2020	2019
Revenue from Operations	89,449,631	98,650,440	100,858,743	94,503,256	96,270,908
Operating Costs	(86,090,083)	(94,261,416)	(1,373,944 9)	(91,882,566)	(76,820,669)
Net Operating Profit	3,359,548	4,389,024	9,484,799	2,620,690	239 , 450 , 19
Administrative, General, and Financial Expenses	(11,946,879)	(12,354,064)	(10,694,534)	(9,491,100)	(11,999,459)
Other income - net	4,568,878	5,198,983	4,581,247	4,145,388	619 , 057 , 3
Zakat	(310,834)	(301,835)	(348,155)	(200,943)	(267,925)
Non-continuous operations	-	-	-	5,232,784	1,610,715
Net comprehensive income profit (loss)	(4,289,634)	(3,135,580)	5 2,372,82	(8,158,749)	759 , 629 , 8

Differences Intrinsicity in Results Operational : table comparison

Statement	2023	2022	Percentage of change
Sales/Revenue	89,449,631	98,650,440	%9 -
Sales cost	(86,090,083)	(94,261,416)	%9 -
Gross profit	3,359,548	4,389,024	%23 -
General and administrative expenses	(9,963,912)	(10,994,977)	%9 -
Operating profit (loss)	(6,604,364)	(6,605,953)	%0

Conclusion

In conclusion, the Board of Directors of Development Works Food Company would like to extend its sincere gratitude to the esteemed shareholders for responding to the invitation and for the trust they have placed in the Board, which is highly valued and appreciated. The Board also expresses its appreciation and gratitude to the Custodian of the Two Holy Mosques, King Salman bin Abdulaziz Al Saud, and his Crown Prince, His Royal Highness Prince Mohammed bin Salman bin Abdulaziz, may Allah protect them, as well as the Capital Market Authority and all supervisory and regulatory authorities for their continuous cooperation and support to the company. The Board would also like to thank and appreciate all the employees of the company for their dedication, commitment, and continuous support.

Thanks and Best Regards,