

Annual Report | 2022

Othaim



العشيم

Welcome مرحباً بكم

ENTRANCE دخول

ENTRANCE دخول



The Custodian of the Two Holy Mosques

King Salman bin Abdulaziz Al Saud

May God protect him



His Royal Highness Prince

Mohammad bin Salman Al Saud

Crown Prince And Prime Minister and The Minister of Defense

May God protect him

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ



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01

Company overview

Overview

Highlights of performance for the year 2022

Board of Directors

Chairman's speech

CEO speech

Our Products Quality:

Abdullah Al-Othaim Markets Company aims to provide consumer goods to its customers with a high level of quality and safety with its commitment and the commitment of employees to meet the requirements of the customer and satisfy him on a permanent and continuous basis to achieve the desired goal, which is for the company to remain at the forefront with the high levels of quality for its services, and to reach Those goals the company has pursued the scientific approach by developing a quality management system and safe food in terms of coordinating work and raising the degree of performance efficiency, providing human resources, technology and necessary training systems, partnering with trusted suppliers, and coordinating with them to achieve continuous development and improvement of the quality of the product and service provided to the customer.



First Section: Overview

A brief history of Abdullah Al-Othaim Markets:

It is an extension of Saleh Al Othaim Trading Establishment being founded in the year 1376H (1956G) by the late Sheikh Saleh Al Othaim whereby the establishment opened its first location in the heart of the commercial business area by that time in the village of Al Gusman at Al Batha and started doing business in trading of food stuffs. In 1401H/1980G Abdullah Al Othaim Trading Company was founded to continue the line through widening the business and opening wholesale and retail stores in the same activity. The largest turning point in the company course was in the year 1410H/1990G when the number of stores reached fourteen (14), at that time the system of consumer's wholesale trade was applied in all stores belonging to the company and as such Abdullah Al Othaim Markets Company became leading in this field. In the year 1412H/1992G, big warehouses with international standards of warehousing were opened to support growth and development of this company with its numerous centers and these warehouses were equipped with the most modern dry and cold storage in addition to increase in the distribution vehicles fleet to promote the service level provided to clients together with facilitating cooperation with suppliers. The company is continuing its expansion strategy and increase of stores base all over the Kingdom according to an integrated vision and renewed concern aiming to provide distinguished and comprehensive services to all clients.

Consumer friend

To enhance Abdullah Al-Othaim Markets Company aims to raise awareness of consumer rights, improve services provided, comply with laws and regulations, and improve the customer's experience, the company has obtained the "Consumer Friend Certificate" issued by the Consumer Protection Association which aims to improve the consumers practice in the Kingdom.



Mission

"To contribute to enabling our society to live a better life in order to achieve the vision of our kingdom".
 For our customers: providing the best and most appropriate quality and experience.
 For our employees: providing the best development and stimulating work environment.
 For our suppliers: Building business partnerships based on trust and mutual gains.
 For our investors: maximizing the investment return in the short and long term.
 For our society: Support sustainability, food and environmental security, and job generation

Vision

"Better life at lower costs".






Values

" Responsibility, mastery, charity, trust, honesty"



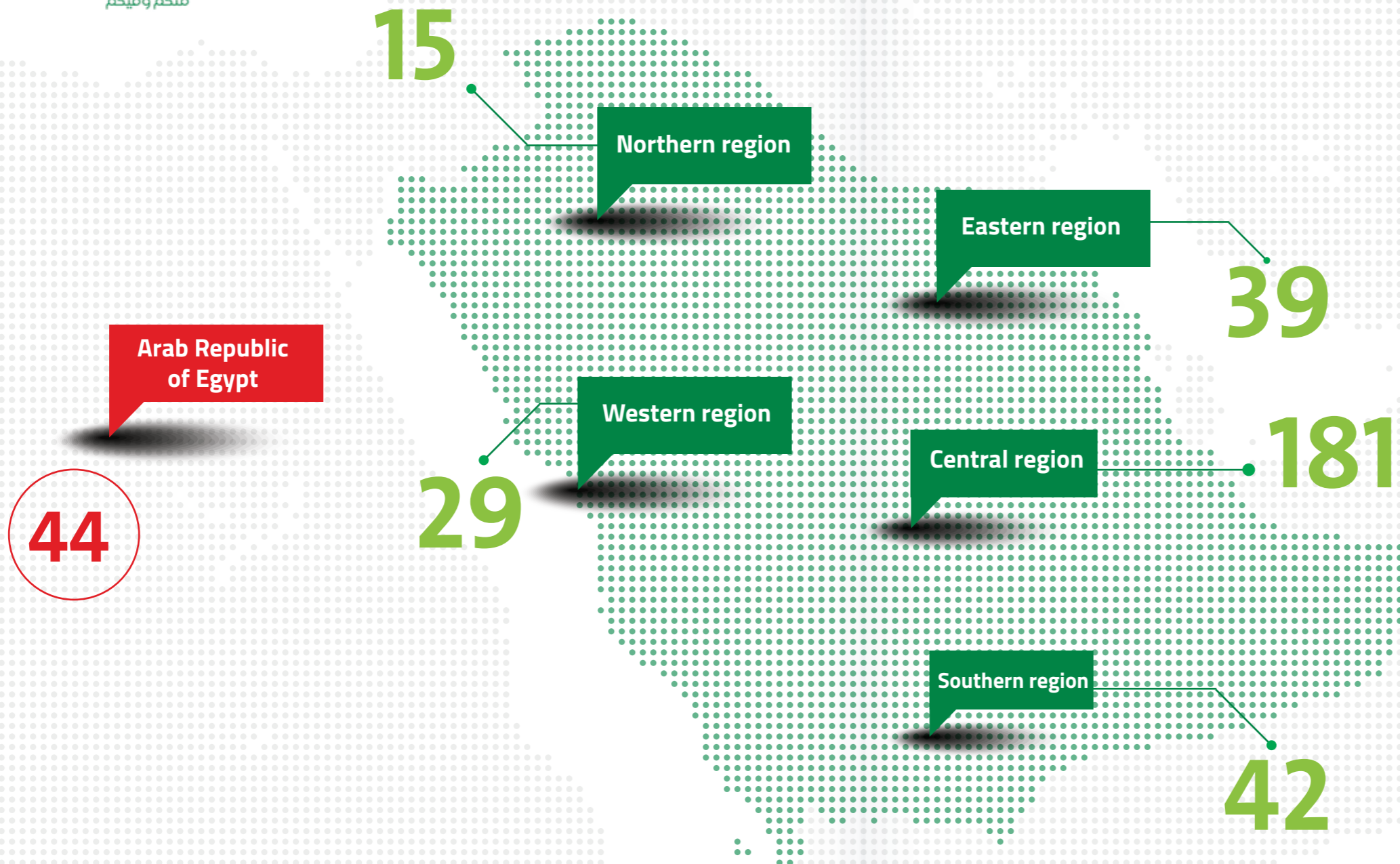
Years of Giving

Abdullah Al-Othaim Markets Company A Saudi joint stock company listed on the Saudi Stock Exchange

- 
1 > Currently Present in the Kingdom of Saudi Arabia and the Arab Republic of Egypt.
- Abdullah Al-Othaim Markets Company Ranked 65th Among the top 100 Companies in the Middle East by Forbes Middle East's annual ranking 2021G
 
2
- 
3 > The Main Activities of the Company are Retail, Wholesale and shopping malls, Ownership and Operation of Supermarkets, Hypermarkets and Convenience stores.
- The Company's Has Several Investments in Various Sectors such as Manufacturing and Distribution of General Foodstuffs and Manpower.
 
4
- 
5 > The Company seeks, through Ambitious Plans, to Strengthen its Position in the minds of Customers, and its brand and improve the shopping experience, which enhances its leadership in the retail sector



The Most Performance financial for The Year 2022G



The total number of branches within kingdom and outside it **350**

Branches opened during the year **36**

Highlight information

Riyadh

Head quarter

900 million riyals

Paid-up capital

2008G

Listing date

10 SAR

Book value

90 million

Number of shares

18 thousand

The number of employees

9.36 SR billion

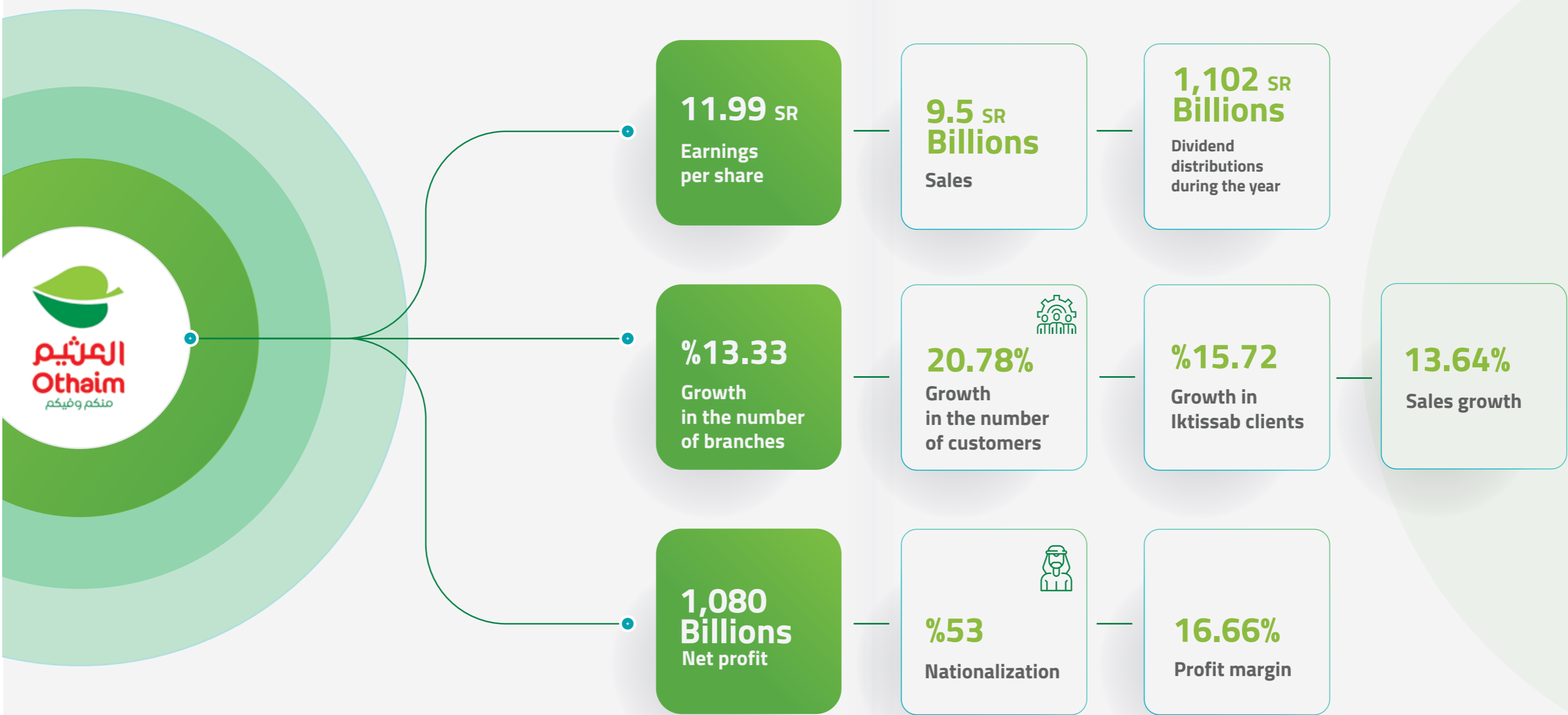
Market value
as of 31 Dec. 2022G



350
Number of branches

Branches inside and
outside the Kingdom

▼ **The Most Performance financial**
for The Year 2022G



Members of the Board of Directors



Mr. Abdullah Saleh Ali Al-Othaim
Chairman of Board of Directors



Mr. Saad Ibrahim Saad Al-Mushawah
Board Member



Mr. Mohammed Hasan Ibrahim Al-Shuhail
Board Member



Dr. Raed Abdullah Ibrahim Al-Hogail
Board Member



Eng. Bader Hamed Abdulrazaq Alaujan
Deputy Chairman of the Board
& Managing Director



Mr. Bandar Nasser Hamad Al-Tamimi
Board Member



Dr. Abdulkarim Hamad Abdulkarim Al-Nujaidi
Board Member



Mr. Abdulaziz Abdullah Saleh Al-Othaim
Board Member

Chairman's Speech



66

Years of Giving

Dear Shareholders of Abdullah Al-Othaim Markets Company

May the peace, blessings, and mercy of God be upon you

On behalf of myself and my brothers, members of the Board of Directors, we are pleased to put in your hands the annual report of the Board of Directors for the year 2022G, which highlighted the company's activities, its most important achievements, financial results, strategic directions, corporate governance, applicable sustainability standards, its relations with the company's shareholders, its programs in the field of social responsibility,

Praise to God - despite the continued challenges of the sector and the market in general, the company continued during the year 2022G to achieve continuous growth and distinct profitability, due to the strength and flexibility of the foundations on which the company bases its business, strategy, and its understanding of the changing in the market requirements. The company also developed its expansion plans and the renewal branches plans to create distinguished value which aims to achieving our vision of providing a "better life with lower costs ",and fulfill the desires of its customers by providing an integrated shopping experience, which enabled the company to build and expand its customer base, in addition to its commitment to harnessing its spread and multiple resources to achieve social responsibility and sustainability in its business and employees. In addition to, the company seeks to support the objectives of the Kingdom's Vision 2030, in close alignment with its strategy and direction to achieve its goals.

Aware of the importance of transparency and in compliance with the regulations issued by the relevant authorities, the Company's Board of Directors is keen to ensure that; the company's practices are compatible with the corporate governance regulations issued by the Capital Market Authority and the requirements of disclosure and transparency, at the same time, the company's corporate governance structures helps it continue to advance its continuous success in fulfilling its obligations with regard to transparency, responsibility and accountability towards regulators, their shareholders and all stakeholders, and adopting the best environmental, social and economic practices, which enabled the Company to obtain the Sustainability Award in the retail sector for the year 2022G, and other awards, The company will continue to raise its value and achieve growth to reach its ambitions.

In conclusion, I extend my sincere thanks and appreciation to the company's shareholders for the trust giving to the Board of Directors, as well as to my brothers

members of the Board of Directors and its committees, for their efforts and wise guidance, and to the executive management team and company employees who were keen to adhere to the company's values, hey continued to provide the highest levels to achieve the company's strategic goals and the interest of shareholders, as they all play a fundamental role in the company's march and contribute tangibly to writing its continuous success story.

Board Chairman
Abdullah S. AL-Othaim



Managing Director Speech

My express and gratitude to the company's board of directors for the continuous support provided to us and to my colleagues in the various departments of Abdullah Al-Othaim Markets Company for their efforts that contributed to the development of the company and the achievement of its objectives. The company will continue to focus all its efforts on implementing its strategic directions and providing the best.

Dear Shareholders of Abdullah Al-Othaim Markets Company

May the peace, blessings, and mercy of God be upon you

The year 2022G was a year full of successes, growth, and development for Abdullah Al-Othaim Markets Company, as the company was able to continue the process of construction and growth to rise to new aspirations of improvement and development based on its main strategic priorities, as I am filled with pride and admiration, and I am pleased to say that we have achieved remarkable progress and success during the year 2022G, which included achieving the company achieved exceptional capital profits, as the company was able to achieve total sales during the year 2022G SR (9,5) millions , with a growth rate of (%13,64) and we will move forward hopefully towards another year 2023G and the march extends we trust in God with a confident pace filled with optimism and confidence in our abilities to continue achieving and translating our goals and ambitions on the ground, God willing, to achieve our strategic goals by the end of the year 2026G and to achieve our goal of "a better life" for our customers, employees, shareholders and all stakeholders.

All of this comes in support of the Kingdom's vision 2030 to achieve sustainable growth through effective steps for comprehensive economic reform. The company also worked during the year to develop and improve its systems and enhance their efficiency and effectiveness to keep pace with digital transformation and automation and upgrade them to become more powerful and robust, thanks to the company's enjoyment of a strong budget and a balanced business model. Its high level and large liquidity enhanced its competitiveness at the local and regional levels.

The company has also gave great attention to controlling expenses to adapt to the interim period and economic variables from time to time, taking advantage of its strengths and distinctions, as strategic planning had a fundamental role in its success towards achieving future growth on the financial and operational levels, through rapid response, improving cash flow levels, and continuing to find ways Innovative and effective to improve the efficiency of the supply chain and all services provided by the company.

Flexibility has formed a basis on which the company's values are based, and it is part of the system of values that we believe in and motivate us for our permanent commitment in addition to our responsibility towards our customers to maintain the quality and leadership of our services in the food sector, which constituted clear evidence of the success of the company's operations.

Eng. Bader Hamed Abdulrazaq Alaujan

Vice Board Chairman & MD

Our brands

Within the framework of the company's strategic goals and its interest in enhancing the concept of national food security, especially in the context of the continuous escalation of prices for local and international brands, some of which monopolize the prices and provision of basic commodities, which is reflected in the limited options offered to consumers and constitute an economic burden on the quality of their lives, the company has provided a wide variety Among the basic items under the brand and import, where the markets of Abdullah Al -Othaim owns a set of local and international commercial brands and agencies from all over the world specializing in vital food and consumer varieties in order to provide alternatives to the consumer at competitive prices and high quality to achieve the policy of the state keen on the concept of national food .security

Al -Othaim Markets Company is one of the most important food companies that play a major role in achieving a balance in food security by diversifying its sources of high -quality national and international products at studied prices and competition that takes into account and is appropriate to the income and ,capabilities of all segments of society

Our commercial marks that Al -Othaim markets are registered in their name and are manufactured and



Success Partners



Largest Suppliers

The company's sales volume



The success of the market company depends on providing all customer and society supplies as a whole and we are always striving to achieve the best standards and quality necessary, through continuous improvements in our branches. And serious work to achieve distinguished results in various magazines, and we also consider our achievements an inspiration for us to continue the work that we do in the best possible way. The company won various prizes in the year 2022 G.

Awards 

Global Retail and Leisure (RLI) award for sustainability – Retail sector 2022 G:



The fastest growing supermarket chain award in the Kingdom for the year 2022G.



The Best Marketing Initiative in the Kingdom for the year 2022G:



The most valuable grocery brands award in kingdom or Food Retail:



The most admired supermarket chain award – in the Kingdom 2022G:





02

Company Strategy and Future Projections

Strategy	01
Business model	02
Supply Chains and Logistics Services	03

Second Section: Company Strategy and Future Projections

1. Strategy:

The company has developed a clear future strategic plan to confirm the growth in retail activity in the Kingdom of Saudi Arabia until 2026 AD, which aims to provide multiple options for the shopper with a distinctive experience through the company's sales outlets through the supermarket, Othaim City, wholesale and electronic platforms, with the redesign and launch of its new commercial identity Through an ambitious vision of "a better life at lower costs" and a multi-model approach that offers differentiated value targeting the largest segment of customers, providing the best developmental and stimulating work environment, supporting sustainability, food and environmental security, job creation, and building business partnerships based on trust and mutual gains by setting initiatives and indicators. performance that contribute to achieving the objectives and aspirations of stakeholders, and the following are the most prominent features of the strategic plan:



Business model

OUR CLIENTS

01

Providing all the shopping needs of the largest segments of customers and serving them in the best way and in an easy way

02

Providing the best value, quality, and experience.

03

Expansion of wholesale customer service, for example, "catering centers, hotels, restaurants, large families" through wholesale markets.



Principles of the operating model and the main themes

A customer-focused organization and an enhanced and differentiated customer offering.

A comprehensive and multi-scalable business model.

The effectiveness of the organizational structure and the cost of operations, assets and operational resources.

Enabling data, technology and digital transformation.

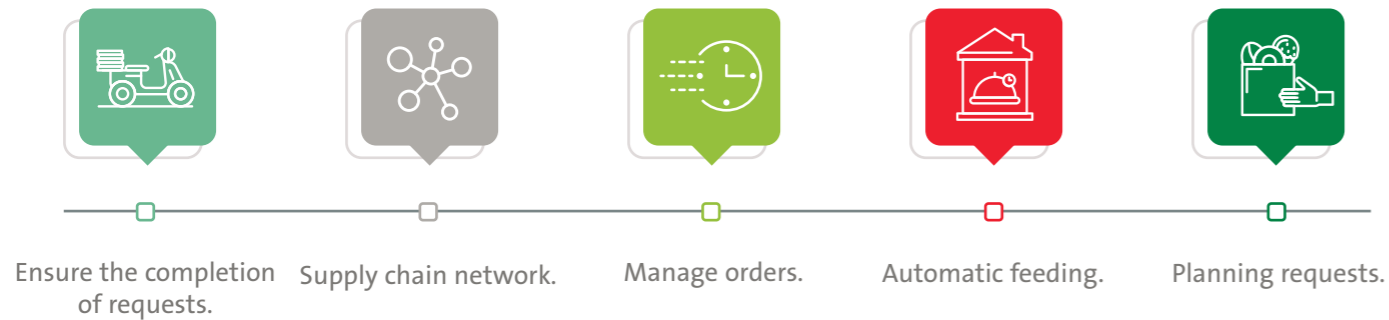
Productive and operational excellence.

Effective organizational structure, cost and operations.

Lively and passionate culture.

Supply Chains and Logistics Services:

The company is keen to raise the efficiency of logistical performance and continuously develop supply chains with the latest technologies, strengthen continuous communication with customers to sustain supply operations, and thus achieve the satisfaction of the company's customers and achieve its goals to the fullest, and the implementation of logistics services through the following stages:



The strength of supply chains extends through the following:

A) Supply chains:

The company has improved and increased the efficiency of supply chains with the aim of reducing costs in order to reduce the costs of logistics services and increase their effectiveness. This year witnessed an increase in the level of supply and warehouse services, which contributed to the proper transportation and storage of products with high quality.

B) Item Availability Performance:

The item availability index represents an important criterion for the company, as it is keen, by linking more than 300 branches spread throughout the Kingdom, to provide all items, and this year has witnessed a remarkable improvement in the rate of availability of items in all branches.

C) Communication with suppliers:

The company prioritizes its suppliers for being partners in success in its journey, as the company's supply chain management has developed a program that contributes to raising the efficiency of logistics services for suppliers and customers with the company through holding continuous meetings, joint coordination, and participation in research and experiences in aspects of development and development of the sector in order to enhance the sustainability of supply operations efficiently and effectively High

D) Warehouse management performance during the year:

This year witnessed a remarkable improvement compared to the previous year in terms of productivity and storage efficiency, which had an impact on improving the company's operations, as warehouses are the main artery to feed the branches and ensure quality and efficiency in providing services. The company always seeks continuous development in all aspects of performance, including modern equipment that facilitates operations Warehousing and supply with target quality

E) Improving transportation and distribution operations:

The company is moving forward in improving transportation and distribution operations through its fleet at the level of the Kingdom, as this year witnessed an increase in the transportation and distribution fleet in addition to an increase in the number of trips in line with the expansion plan and the company's strategy. The improvement of transportation and distribution operations also contributed to reducing the number of accidents and malfunctions and their decrease by a large percentage. compared to previous years.



The Most Important Decisions of the Board of Directors during the year 2022G:

In supporting the role of the Board of Directors in performing its responsibilities and tasks, seeking towards achieving distinguished performance, during the year 2021G the board took several decisions and works, most notably:

In order to enhance the role of the company's board of directors in performing its responsibilities and tasks, and in pursuit of achieving distinguished performance, the board took many decisions and actions during the year 2022, the most prominent of which are:

- Approving the expansion plan in different locations and cities and seizing good and appropriate opportunities, which contributes to increasing its expansion and spread and raising its market share.
- Distributing cash dividends to the company's shareholders, including exceptional capital gains, totaling (1,102,500,000) in the amount of one billion one hundred and two million five hundred thousand riyals, at a rate of (12,25) per share, at a rate of (122,50%) of the capital for the period of the first half, the third quarter, and the fourth quarter of the year 2022 AD.
Ending the assignment of Mr. Muwaffaq bin Mansour Jamal from the position of CEO and appointing the Vice-Chairman of the Board of Directors, Eng. Badr bin Hamed Al-Aujan - as a managing director of the company, as of 2022/16/10 AD, and assigning him to run the company's business.
- Selling the entire share of the company in the capital of Abdullah Al-Othaim Investment Company and achieving capital gains of SR 593,335,777 after zakat. Its date is 163 million Saudi riyals, and it was approved by the company's general assembly.
- Selling a white land located in Al-Madinah Al-Munawwarah, with an area of 105,663,79 square meters, at a price of SR2,000 per square meter, with a total amount of SR 211,327,580, and the approval of the general assembly of the company was approved.
- Selling a vacant land located in the city of Riyadh, with an area of 44,421,12 square meters, at a price of SR4,200 per square meter, with a total amount of SR186,568,704, to be presented to the nearest general assembly of the company's shareholders, after obtaining the necessary approvals.
- Approving the governance initiatives plan in accordance with best practices in order to enhance the company's directions in the field of disclosure, transparency and responsibility.

The Company's Investments:

The Company's Investments: The Company has the following investments:

Investments in companies according to Equity:

- On 7 July 2022, the Board of Directors decided to accept the offer submitted by Al-Othaim Holding Company (Founding shareholder) to purchase all of the Company's shares in Abdullah Al-Othaim Investment Company at a price of SR 62 per share, based on the Group's management estimates, with a total amount of SR 846,538,700, which resulted in gains before Zakat amounted to SR 608,549,515 (SR 593,335,777 after Zakat).
The deal was presented before the General Assembly of shareholders on 27 September 2022 and was approved on that date. At the Group's consolidated financial position date, the sale price was collected and the legal procedures for transferring the ownership title of the sold shares were completed.
- The Company invests in Al Wousta Company for food industries (limited liability Company) with a (25%) shareholding and an investment of SR 25,000,000 which was established in the year 2015. Its main activity is the management and operation of restaurants, the company's share of the profits in 2022G amounted to SR 1,547,651 against SR 241,1273 profit in the year 2021G.

- • The Company invests in Riyadh Food Industries Company (a closed Saudi Joint Stock Company) with a (55%) ownership. Through its subsidiary, Bayt Al Watan Company, the nominal value of the investment is SR ,38,507 734, The main activities of the company are the establishment of buildings and industrial facilities, invest in the benefit of the company, operation, maintenance, and development of factories for others, marketing food, and consumer products, and importing and exporting food and consumer goods. The Company's share of the net loss for the year 2022G amounted to SR 4,548,993 compared to SR 551,280 for the year 2021G.
- The Company invests in Gulf Flour Milling Industrial Company - a joint venture (limited liability company) with an ownership percentage of (33%) and the nominal value of the investment is SR 50,000,000. The Company's main activities are packing and milling grains, flour industry, fodder industry and storage in silos, flour, and agricultural products, and the company's share of the net profits for the year 2022G amounted to SR 45,963,312 against SR 549,999 profit in the year 2021G.

**b) Investments in available-for-sale securities:**

- The company invests in the National Laboratories Company Limited (a limited liability company) with a (6%) shareholding and an investment of SR 3,400,000. The company was established in 2009G. Its main activity is the management and operation of food analysis laboratories, medicines, gas, petroleum materials, petrochemicals and providing the technical services in this field, the main branch of the company is located in Al Dammam city. The registered investment amount as on 2021/12/31G reached SR 2,012,105.
- The company invests in the South Europe Investment Company (a limited liability company) registered in the Republic of Bosnia and Herzegovina with (18%) ownership and an investment of 900,000 Euros (SR 4,54 million), the company's activity is to invest in real estate, development, tourism, and renewable energy. The company also provides financial, technical, and administrative advisory services to the various business sectors. In 2017G, the company had transferred a sum of SR1,55 million as capital decrease. A fair value provision for this investment was made at an amount of SR 800,000 during 2017G, and the provision was increased by SR 800,000 during the year 2018G, and the provision was increased by SR 675,000 during the year 2021G, and the recorded value of the investment as on 2021/12/31G is SR 711,629.





03

Risks

External Risks

internal risks

Risk Management

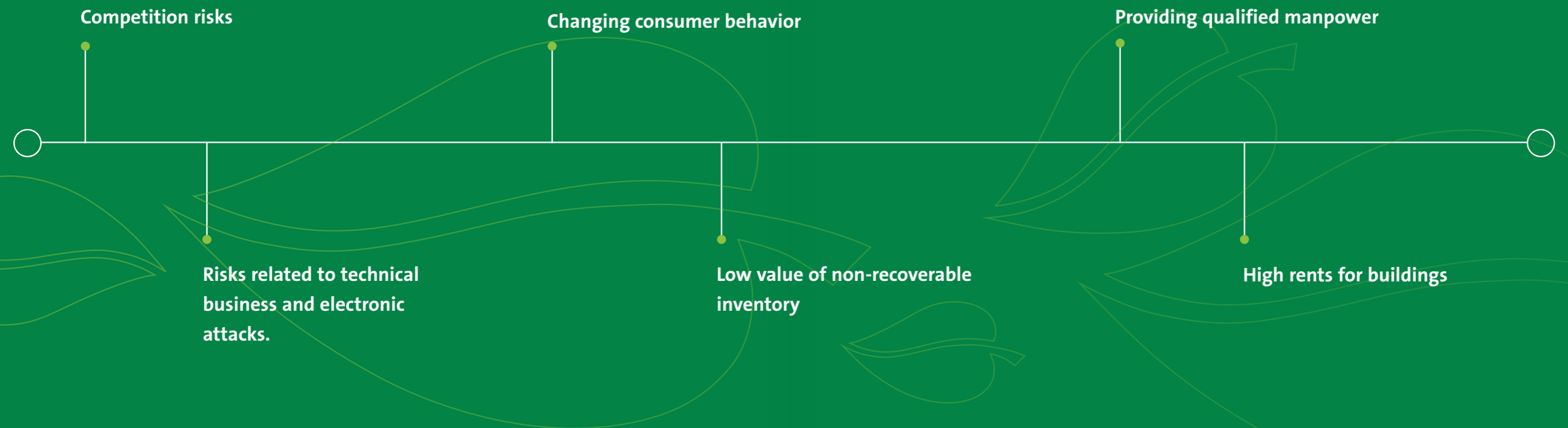
Third Section: Risks

Risks are identified and evaluated, and hedged through close cooperation between the company's departments, evaluating the possibilities of their occurrence and estimating their effects, and then the necessary measures are taken to reduce, avoid and contain these risks as much as possible to avoid any damages that may be caused if they occur. Risks associated with the company's external and internal activities, including:



Risk Management:

The Board of Directors is keen to raise awareness of risk management surrounding the sector's operations through permanent follow-up of internal audit and the application of the highest levels of governance, in a way that enhances the efforts of the Audit Committee to follow up on raising the level of risk management and that all company departments follow the approved procedures through an intensive review program of the nature of retail operations. The company during the year to be able to manage risks in the best way, as the various departments worked with different efforts to reduce the risks and their impact, which enabled the company to achieve sales exceeding (9) billion riyals.





أسواق العثيم

تحصل على

جائزة RLI للإستدامة
في قطاع التجزئة

Othaim Markets
Is Awarded
**RLI Innovation In
Sustainability**
Award - Retailer 2022



04

environmental, social and governance practices

Environmental Practices

Social Responsibilities

Governance Practices

Fourth Section: environmental, social and governance practices

With the transformation plan to improve customer experience, Abdullah Al-Othaim Markets Company was keen to implement the best environmental, social and corporate governance practices in line with the vision of the Kingdom of Saudi Arabia and achieve sustainability goals. From this standpoint, the company was awarded the International Retail and Leisure Award (RLI) presented by KANTAR for the impact The tangible and effort presented in the local environment that the company sought through practices in this field in a manner commensurate with the aspirations of sustainability goals.

The criteria for evaluating the candidates for this award were as follows:



Sustainable energy.



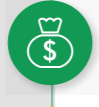
Climate resistance.



Environmental and social practice.



Environmental and social innovation.



Social diversity and economic inclusion.



Commitment to the laws to which companies are subject.



Environmental Practices

The Kingdom played a central role in the international energy market, as it aims to reach net zero emissions by 2060 AD, and the Kingdom's Vision 2030 AD will help accelerate the energy transition to achieve sustainability goals. Today, the company continues its expansion strategy, and plans to increase its expansion footprint during the next five years, and among the environmental practices that it The company applied it as follows:

a) Reducing packaging waste:

1) Digital Gift Card:

The company offers shoppers the option to use the cards through the Iktissab application, which is an environmentally friendly option that suits the customer and meets all his requirements. However, switching to digital gift cards allows the company to reduce unnecessary packaging, which means less waste.

2) Paperless receipts:

The company allows shoppers to review their bills through an earnings app instead of printing them on paper tape, which is an environmentally friendly and accessible option.

b) Emphasis on organic plant foods

The company offers shoppers organic food as an alternative to traditional food. Moreover, the Kingdom has witnessed a growth in the consumption of organic food over the past years, so the company will continue to promote organic products to meet the desires of its customers.



d) Waste recycling

The company realizes the importance of waste recycling as it helps reduce energy use compared to using new raw materials, as well as reducing water and air pollution and reducing gas emissions. The company also deals with a garbage rental company to dispose of its waste according to the waste management system in the Kingdom and uses biodegradable bags instead. than traditional plastics as environmentally friendly which makes them more effective.

e) Zod factory for pastries and bakeries

Zod Factory for Pastries and Bakeries is a branch of Abdullah Al-Othaim Markets Company, and one of the most modern and integrated factories for sweets, pastries and bakery products in the Kingdom. The total area of the factory is 8352 square meters and has a production capacity of 80 tons of products per day and provides more than 170 thousand shipments per day to more than 325 batches, and quality control measures are taken to ensure that the final products meet the requirements of the Saudi Food and Drug Authority (SFDA).

Environmental practices for ZOD Factory for Pastries and Bakeries:-



Energy efficiency

Converting lighting to LED reduces consumption from 400 watts to 200 watts; And saving 200,000 kilowatt-hours of energy consumption annually.



Reducing food waste

The products are sorted during the packaging processes and recycled into a different format.



Sourcing products locally

Most of the raw products are sourced locally



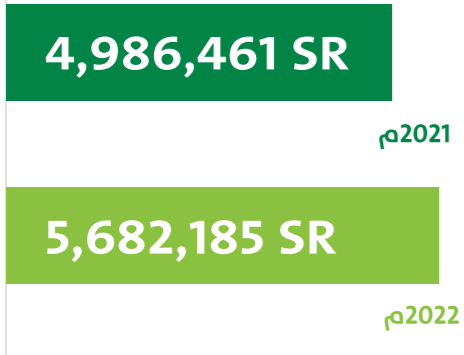
Abdullah Al-Othaim Markets Company and zod Factory for Pastries and Bakeries obtained certificates from ISO – HACCP, as follows:

- Retail and wholesale merchandise - Abdullah Al-Othaim Markets Company.
- Receipt and storage for the retail trade of food products and the preparation of baked goods - Abdullah Al-Othaim Markets.
- Production, packaging and distribution of baked goods, sweets and pastries - ZOD factory for pastries and bakeries.
- Packing of vegetables, meat and cheese - supplied factory for pastries and bakeries.

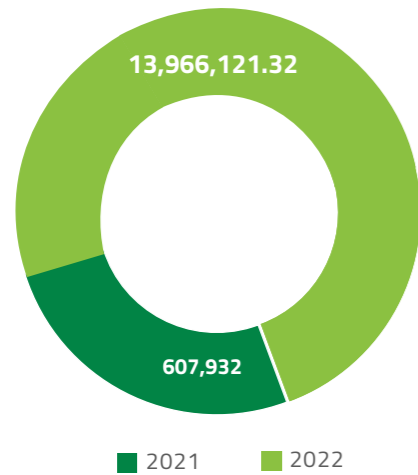


SOCIAL RESPONSIBILITIES

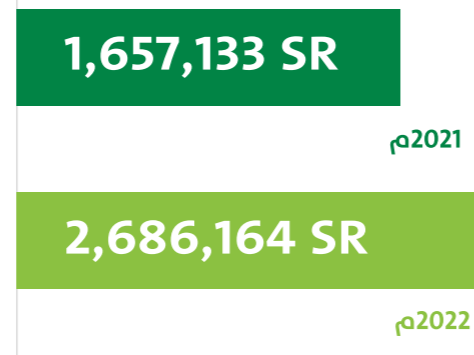
Based on the role of the company in the field of social responsibility, it has paid attention to it and plays a distinct and wide role in various community service activities



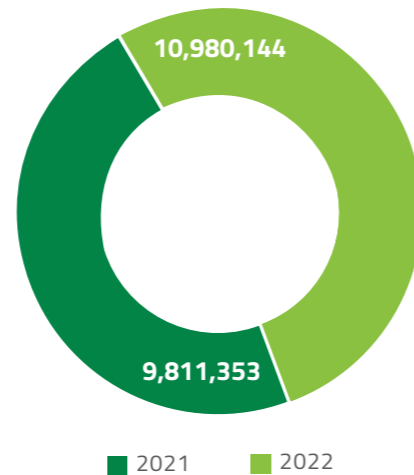
The company's contribution with vouchers to support the needy with basic needs through Sanabel Al-Khair cards



The company's contribution to supporting social security benefits through the Acquisition Program and serving many special groups in cooperation with the Ministry of Human Resources and Social Development "the Ministry". The year witnessed the signing of an agreement between the company and the Ministry to serve a large number of beneficiaries, which contributed to raising the value of support for the year 2022.



The company's contribution to initiatives and partnerships with government agencies that aim to train and develop national cadres



The company's contribution to the vouchers in cooperation with charities to support the beneficiaries

1

The initiative of donating the rest of the crescent



The total contributions of our customers through the initiative of donating the rest of the crescent since the beginning of the initiative amounted to SR 9,838,980,67, and during the year 2022G it amounted to SR299,237

2

The company's contributions to the social

The company's total contributions to social initiatives during the year 2022G amounted to SR 33,314,614,32 compared to SR17,562,879 for the year 2021G



اكتساب
Iktissab
توفير وإدخار

The company offers many targeted and continuous programs in various fields, as it has contributed and supported a number of programs, including:

Al-Othaim Digital Academy:

a) Assessment Center:

b) Employee Engagement Survey:

b) Employee Engagement Survey:

c) Social activities and charitable works:

d) Charitable magnetic vouchers initiative:

e) The initiative to activate self-service kiosks in branches (Kiosk)

f) Zakat al-Fitr vouchers initiative:

g) The sacrifice vouchers initiative:

Al-Othaim Digital Academy:

Number of trainees by the end of 2022G



5,074

The number of trainees



90,525

Al-Othaim Digital Academy The company's digital platform was launched during the year:



(5850) training hours



(9259) certificates



More than (300) trainees benefited from the platform



Training (1805) employees

Assessment Center: Creating a center for evaluation and job succession for leaders, which benefited from the services of the center (36) department directors and (7) vice presidents, with a personal development plan for each participant, and we aim during 2023 to evaluate (300) other managers.

Employee Engagement Survey: A program for developing employee engagement and improving the work environment was launched during the year, by offering a questionnaire platform that is conducted periodically and benefiting from it with a plan to improve the work environment.

C) Social activities and charitable works:

Blood donation campaigns for employees in cooperation with Diriyah General Hospital.
 Sponsoring the annual Iftar campaign for people with limited income, in cooperation with Effat University in Jeddah.
 Participate in awareness campaigns, health programs and various cultural events in cooperation with the concerned authorities
 Made in Saudi Arabia program in cooperation with the Saudi Export Development Authority.
 The National Day event at the headquarters of the General Administration, with publication on social media.
 A cooperation agreement with the Consumer Protection Association and the company obtaining the "Consumer Friend Certificate" due to the company's compliance with the application of the necessary standards
 Cooperating with the national platform for donations by activating a secret and public campaign, which was held in branches throughout the Kingdom.



Cooperating with the Kiswa Foundation in the eastern region to create an initiative to donate clothes to the poor in the company's branches.
 The "Good" Housing Foundation campaign in the company's branches across the Kingdom
 Installing self-service machines (Absher) in a number of branches, in cooperation with the Passports Directorate
 Campaign (Volunteer with us) in cooperation with the Saudi Red Crescent Authority.
 Sharek Health Research Association campaign in cooperation with the Food and Drug Authority.
 (Positives) initiative is an idea for my country - Qassim University - Bunyan Charity Association.
 Participation in the campaign, we are all people with ready-made food baskets, in cooperation with the Principality of Al-Jouf Region - Al-Jouf Chamber of Commerce.
 Awareness campaigns about traffic regulations in a number of branches in cooperation with the Traffic Department.
 Events to urge the preservation of grace and not to waste food in cooperation with the Society for the Preservation of Grace.
 Awareness campaigns on the occasion of World Diabetes Day in a number of branches, in cooperation with the Ministry of Health.
 Participation in many international days with publications and competitions through the company's accounts on the communication sites (International Arabic Language Day - Disability - Diabetes - Drug Control - Father - Blood Donation - Smoking Control - Mother - Civil Defense - Children's Cancer - Cancer - National Day - Allegiance - Anniversary - holidays - teacher day - Alzheimer's).

D) Charitable magnetic vouchers initiative:

The company continued to issue charitable magnetic cards, which are intended for the use of beneficiaries registered in associations accredited with the company. It is an important option for charities to provide support to the needy and disburse support amounts on basic needs, as it benefits from the technical system.



SANABEL AL KHAIR

واهديتها
لمن تحب



E) The initiative to activate self-service kiosks in branches (Kiosk)

The company introduced the initiative as a matter of facilitation for all customers to allow them to benefit from all electronic services directly and with self-service within a limited number of branches. and recording a suggestion or complaint), which makes it easier for customers to carry out operations through it directly and quickly,

Operations number



409,340
Operation

The number of branches providing the service



110
branch



Abdullah Al-Othaim Markets signs a cooperation agreement with the Ministry of Human Resources to support purchases of social security employees.



Basic tips campaign for diabetics



F) Zakat al-Fitr vouchers initiative:

They are the vouchers that are sold for the purpose of paying zakat on behalf of the actual payer, and they are in the category of (20 riyals - 100 riyals - 200 riyals). During the year, the company introduced the initiative to issue zakat al-fitr vouchers cards that are sold to the payer, and the payer can present this voucher to the beneficiary or to charities

G) The sacrifice vouchers initiative:

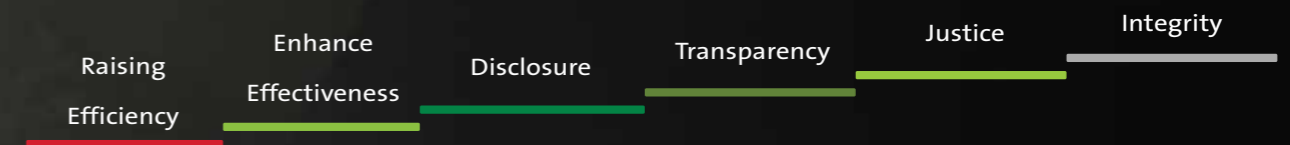
They are the vouchers that are sold in cooperation with the charitable associations accredited by the company to play the role of the sacrificer by performing the rituals of the sacrifice and distributing them to the poor and needy by the charitable associations and the role of the company by providing them in the branches spread throughout the Kingdom.



“
THE
SACRIFICE
VOUCHERS
INITIATIVE

Governance Practices

Key Governance Principles:



Abdullah Al-Othaim Markets Company continues its commitment to achieving the best value for all shareholders and stakeholders through its performance. The company adopts an organizational governance framework that meets the requirements applicable to public shareholding companies listed in the Kingdom and is in line with international best practices, and its realization of the importance of an effective system of governance because of its positive effects that benefit all parties by achieving the company's objectives with high efficiency and regulating the relationship between management The executive, board of directors, shareholders, and to maintain the confidence of the stakeholders and to comply with the requirements stipulated in the relevant laws and regulations, the company has developed organizing policies and regulations, and the following is a summary of some of the policies and practices applied by the company as follows:

A) Corporate Governance Regulations:

The Corporate Governance Regulations include clear guidelines - for example:

- A) Duties and Tasks of the members of the Board of Directors.
- B) Delegation of powers and decision-making within the company.
- C) A system of internal control.
- D) Organizing the company's relationship with its shareholders.
- E) Insider trading provisions.
- F) Organizing cases of conflict of interest.

B) Dealing with cases of Conflict of Interest:

The company has developed a policy for dealing with conflicts of interest and standards for competing businesses to ensure, for example, the following:

- 1) Transactions with related parties shall be conducted on a purely commercial, fair and reasonable basis and in a way that serves the interests of the company's shareholders.
- 2) The members of the Board of Directors of the company, members of the committees and the executive management should be aware of the necessary procedures for approving transactions with related parties.
- 3) Studying competing transactions and businesses, their compatibility with regulations and standards, their compatibility with regulations, and the extent of their benefit to the company and its shareholders.
- 4) Review by the concerned committees of any dealings or contracts that the company may conduct with related parties, and any competing actions carried out by Board members and stakeholders.

C) Whistleblowing Policy and Procedures:

The company is aware of the importance of encouraging a culture of openness and accountability within it and at all levels, and in accordance with high standards of behavior and professional ethics that comply with the rules of professional conduct, and to report any violations in order to ensure that employees and all concerned persons have confidence and reassurance to raise any issues of real importance without fear of responsible, are taken seriously and are investigated appropriately and confidentially.

Therefore, the company enhances the efforts of its board members, officials, and employees to exercise due diligence and take into account honesty, transparency and integrity when carrying out their responsibilities, and to comply with all applicable laws and regulations. Therefore, the company has been given strength and effectiveness through the policy of reporting violations to remove any concerns of its officials and employees regarding any illegal behavior. immoral or illegal in relation to the company's business, and the company is committed to ensuring confidentiality and protecting bona fide whistleblowers from being subjected to retaliation even if their reports are incorrect.

D) Independent Members:

The company is committed to forming a board of directors who have a mixture of diverse and accumulated experience in several fields, commensurate with the size and nature of its activity. The company maintains its commitment to a number of independent members in accordance with the relevant laws and regulations, as well as the independence of the heads of the Remuneration and Nomination Committee and the Audit Committee. It also sets the necessary performance indicators for members. The non-dependent.



E) Disclosure Practices:

In response to global changes, initiatives, and sustainable development goals, the company sets among its objectives disclosures on environmental, social practices, and corporate governance (ESG) and disclosure of subsequent events of interest to shareholders. The company adopted holding conference calls during the year 2022 AD and presentations after the company announced its financial results with investors and analysts. Continuous disclosures of any material events to enhance communication with stakeholders

F) Code of Conduct:

Based on the values of teamwork in the company and its importance in supporting the company's environment and striving for the best results with perfection, the company has adopted the application of rules of professional conduct that are consistent with our religious values, whether in terms of honesty, responsibility, accountability and potential conflicts of interest at the level of the company's management or the parties that deal with it such as suppliers and customers of the company to stay away from Any matters that would affect the performance of their work, starting from accepting gifts, employing relatives, preserving private rights such as intellectual property, and any types of unethical practices, and out of concern for the company in this aspect, a committee of behavioral abuses in the work environment was formed to follow up and implement the rules of professional behavior and the best ethical practices.

G) Cyber Security:

The company pays great attention to digital transformation and puts in place all means that contribute to protecting its information and protecting the information of its customers through the company's security systems, such as checking the protection of cloud e-mail, the network access control system, and the firewall system that contributes to addressing all attempts to infringe on the company's technical servers. The information security policy and supporting systems provide the necessary cover and face technical risks, in addition to continuous awareness.



H) Data Privacy and Customer Protection:

Protecting the interests of customers is of paramount importance to the company, as the company is committed to the highest levels of professionalism towards its customers, and it also aims to continuously improve the level of service provided and the customer experience in a comprehensive manner, including the service evaluation system for the customer spread in the company's branches, as it leads to serving them in the simplest way possible, which allows our employees Assisting customers in making appropriate decisions. The company has a team specialized in evaluating product and service quality, which is responsible for developing the quality of services provided. The work environment in the company and its subsidiaries encourages all employees to promote values related to customer centricity and experience.

I) Loyalty Program:

It is the beginning of a new shopping phase. The loyalty program gives the opportunity to obtain earned cash amounts that are added to the customer's card balance and discounts every time you shop from the company or from the participating stores, which offers customers special offers, programs and promotional activities with the aim of attracting customers and gaining and maintaining their trust. Gaining the privacy and confidentiality of customers' personal information in accordance with the highest standards and in accordance with the limit permitted by relevant laws and legislations. The card can be obtained for free and easily through sales accountants when you visit one of the company's branches, or through the application on smart devices.



K) Risk Management

Early identification of major risks is important to ensure business continuity and the absence of any disturbance, so various controls and measures are put in place to ensure the minimum impact, if any. However, the company seeks to raise awareness of risk management, follow-up and verify them before they occur through many stages.

Y) Environment and Human resources

Based on the company's belief and keenness to preserve human capital, the company continues to develop and improve its work environment in a way that attracts competencies. The company has developed a package of policies in this aspect, including career incentive policies, promotions, annual bonuses and increases of all kinds, in addition to the evaluation and succession center. A number of initiatives were launched during the year, including:

- Enrolling a number of the company's leaders in "Hadaf" Leadership Academy to develop leadership skills.
- Enrolling a number of employees in various departments in government initiatives submitted by the Ministry of Industry and Mineral Resources and the Ministry of Human Resources
- Launch employee engagement survey and development plans to improve engagement with managers
- Continuous updating of structures in line with continuous development and job creation
- Automation of human resources procedures such as letters of introduction, bank loans, experience certificate and qualifications to facilitate the employee experience.



L) Communication with stakeholders

The company is keen to communicate with all



Suppliers

- Communication with suppliers is done through a platform belonging to the company.
- Hold periodic meetings



Our Employees

- We communicate with our employees through the Al-Othaim portal for each employee to see all the data and requests for the conduct of work procedures.
- Launching Your Voice Heard initiative to improve internal communication.
- Launching the monthly summit meeting.



Customers

- Customer service deployed in all branches of the company throughout the Kingdom.
- Provide a hotline to receive any customer inquiries.
- Social media is available on electronic applications.



Investors

- General Assembly.
- Investors' conference call after the end of each quarterly period.
- Investor Relations page on the company's website and e-mail to Ir@othaimmatkets.com



Society

The company is keen to strengthen its relationship with the community through the initiatives and contributions it offers in the field of social responsibility

05

Company's Governance

Board composition

The Board of Directors members names, committees and executive management, their qualifications and experience

Names of companies inside or outside the Kingdom of which a member of the company's board of directors is a member

Board meetings

The general assemblies held during the year 2022 G

Brief description of the committees, their terms of reference and tasks

A statement of the names, nationality, number of shares, and ownership percentage of the company's major shareholders

The actions taken by the Board of Directors with the suggestions and observations of the shareholders

The means adopted by the Board of Directors in evaluating its performance and the performance of its committees for the year 2022 G

Remunerations of members of the Board of Directors, committees and executive management

Interests in the shares and debt instruments of the company

A description of any transaction between the company and any related party

Information about the business and contracts to which the company is a party

The provisions of the Corporate Governance Regulations that have been applied, the provisions that have not been implemented, and the reasons for non-application

Council declarations

Fifth Section: Company's Governance

Abdullah Al-Othaim Markets Company is keen to implement the principles and provisions of governance contained in the laws and regulations related to best practices, and to apply the highest levels of transparency and disclosure, in order to create a sound work environment, achieve the best performance, and raise the confidence of shareholders in the company, and to reach a balance between social and economic goals and the objectives of The company, reduce the risks faced by the company, and conduct business properly.

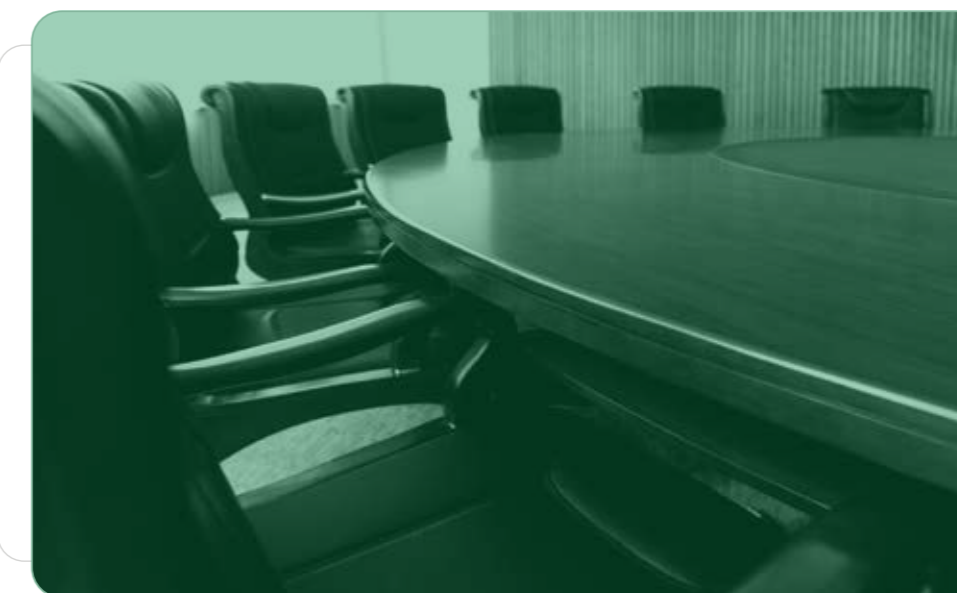
First: Formation of Board of Directors and the classification of its members:

The Board of Directors maintains the required level of independence in taking decisions and procedures necessary to achieve the interests of the company and its shareholders.

Therefore, the company has been keen to ensure that the majority of the members of the Board are non-executive members.

The Board of Directors of the Company consists of (9) members, and the following is a statement of the names and classification of the members of the Board:

S	Name of Member	Capacity	Membership Classification
1	Mr. Abdullah Saleh Ali Al Othaim	Board Chairman	Non-executive
2	Eng. Bader Hamed Abdulrazaq Alaujan	Deputy Chairman	Executive
3	Mr. Bandar Nasser Hamad Al Tamimi	Member	Non-executive
4	Dr. Raed Abdullah Ibrahim Al Hogail	Member	Independent
5	Mr. Saad Ibrahim Saad Al Mushawah	Member	Independent
6	Mr. Abdulaziz Abdullah Saleh Al Othaim	Member	Non-executive
7	Dr. Abdulkarim Hamad Abdulkarim Al Nujaidi	Member	Independent
8	Mr. Mohammed Hasan Ibrahim Al Shuhail	Member	Non-executive
9	Mr. Muwaffaq Mansour Mohammed Jamal	Member	Non-executive



Secondly: Names of Board of Directors, Committees, Executive Department, their Current and Previous Positions, Qualifications, and Experiences:

Members of Board & Committees:



Mr. Abdullah Saleh Ali Al Othaim

Board Chairman

Current Positions

Director of "Al Othaim Holding Company ,Riva Investment Company" chairman of Abdullah Al Othaim Investment Company, Board Trustees of the Abdullah bin Saleh Al-Othaim and Sons Charitable Foundation' Member of the Board of Directors in Arab Union for Real Estate Development, Director of "Marafiq Al Tashgheel Company, Shorofat Al Jazira for operation and maintenance company, and Seven Services Companies".

Previous Positions

Member of the Company's Remuneration and Nominations committee, Chairman of "Abdullah AL-Othaim Markets Company - Egypt, Board of Directors of Chamber of Commerce in Qassim", Board Member in each of "Saudi Authority for Industrial Cities and Technology Zones ,The Anti-Smoking Charitable Society" , Founding Member of "the Board of Directors of Weqaya Association for Narcotics Control , Member of King Abdul Aziz and His Companions Foundation for the Care of Gifted, Chairman of the committee Friends of the Red Crescent, Board Member in Social Development Bank (previously Saudi Credit Bank), Board members in Charitable Society for Orphan Care, Founding Member of the Board of Directors of King Salman Charitable Housing Project, Member of King Salman Center for Disability Research.

Qualifications

Intermediate Stage.

Experiences

Accumulated experience in wholesale and retail trade, activity of contracting, real estate investment activity, recreational activity, experience in management, planning and business.



Eng. Bader Hamed Abdulrazaq Alaujan

Vice Chairman, Managing Director, and Chairman of the Executive Committee

Current Positions

Chairman of "Abdullah AL-Othaim Markets Company- Egypt, Al-Jouf Agricultural company, Fourth Milling Company, Mueen Human Resources Company" ,Vice Chairman of "Arabian Agricultural Services Company"ARASCO", Riyadh Foods Industries Company" ,Board Member of Saudi Agricultural and Livestock Investment Company (SALIC), member of the Managing directors of Al Wousta for Foods Services Company, Executive Committee member in "Al-Jouf Agricultural Development , Arab Agricultural Services Company" , member of the investment committee in Saudi Agricultural and Livestock Investment Company (SALIC).

Previous Positions

Member of the Board of Directors and the Governance Committee of Jarir Marketing Company,, Member of the Managing directors in "Al Safi Danone Company, National Biscuits Manufacturing Company, National Foods Industries Company", Board Member and CEO of Savola Foods Company, Managing Director of "Al Muhaidib Foods Company, Alaujan Industrial Group", Member of the Human Resources Committee in the National Biscuits Manufacturing Company, and National Foods Industries Company".

Qualifications

Member Program of the International Board of Directors-INSEAD, France in ۲۰۱۹G, Bachelor of Mechanical Engineering-King Saud University in ۱۹۹۲G.

Experiences

Multiple experiences in management, retail business, strategy and business planning, project management, leadership and team building, public relations and business development.



Mr. Bandar Nasser Hamad Al Tamimi

Board Member, Remuneration and Compensations Committee Member

Current Positions

General Manager of Human Capital at the General Organization of Social Insurance.

Previous Positions

Member of the Audit Committee, He assumed a number of positions in the field of human capital management in General Organization of Social Insurance, including (Managing Director of Training and Development) (Managing Directorate of Planning and Developing Human Resources) In addition to membership in many committees in the filled of business.

Qualifications

Master in Human Resources Management-USA 2006, Bachelor of Business Administration-King Saud University in 2003G./ obtained many training certificates.

Experiences

More than (20) years' experience in human resources field and consultancies in developing and investing human capital, public relations and personnel.



Dr. Raed Abdullah Ibrahim Al Hogail

Board Member, Chairman of Audit Committee

Current Positions

Member of the Board of Directors and Chairman of the Executive Committee of the National TriGeneration CHP Company and Chairman of the Board of Directors of the International Sources Company .

Previous Positions

Member of the Board of Directors and member of the Executive Committee of the National Gas and Industrialization Company, Director of the Foresee Professional Consulting Company, Chairman of the Board of Directors of Cushman & Wakefield, Managing Director of the National Triple Energy Production Company, Executive Vice President of Support Services in the National Triple Energy Production Company And a faculty member at the College of Business Administration at King Saud University in Riyadh.

Qualifications

Corporate Governance Diploma - INSEAD University, France 2020, Board Membership Diploma - AMD University, Switzerland 2020, PhD in Financial Management - George Washington University, USA 1999, Master of Finance - University of Denver, USA 1990, Bachelor of Industrial Management (Finance and Accounting) - King Fahd University of Petroleum and Minerals 1987.

Experiences

Accumulated experience in investment management, financial and accounting, executive leadership, strategic planning, project management, risk management, and internal control.



Mr. Saad Ibrahim Saad Al Mushawah

Board Member, chairman of Remunerations and Nominations Committee

Current Positions

Board Member of "Qassim Cement Company, Creative Closets Company, AlJazira Bank", Chairman of "Audit Committee, Nominations and Remunerations Committee" of Qassim Cement Company", Audit Committee Member in "Fawaz Abdulaziz Al Hokair Company, Thob Al Aseel Company, Methanol Chemicals Company, Durrah Sugar Company", Member of the Nominations and Remunerations Committee in Raza Company, Member of Executive Committee of the National Agricultural Development Company, Board Member in Maan Aljasser & Company, Member in the Supervisory Board and Audit Committee for Productive Families Building Center (Jana) Foundation, an initiative by Sulaiman Al Rajhi Foundation for Development..

Previous Positions

Board Member and Chairman of the Audit Committee in Al-Jazira Takaful Taawuni Company, Audit Committee Member of Al Essa Industries Company, Chief Executive Officer of Gulf Union Foods Company, Credit team leader for Saudi Industrial Development Fund.

Qualifications

Specialized course in financial management and investment-Chase Manhattan Bank, USA in 1987G./Bachelor of Industrial Management-King Fahad University of Petroleum and Minerals in 1985 G.

Experiences

Multiple experiences in project management, team building, executive leadership, and business development.



Mr. Abdulaziz Abdullah Saleh Al Othaim

Board Member

Current Positions

Manager in " Kafa Investment Company," Member of Board of Directors in "South Europe for Investment Company.

Previous Positions

CEO, head of the retail sector, financial controller, and director of the commercial sector of Abdullah Al-Othaim Markets Company. Managing Director for Abdullah AL-Othaim Markets Company – Egypt, Chief Executive Officer, president of Retail sector, Financial controller of the Company and manager of the commercial sector, /Manager in "Marafiq Al Tashgheel, Shorofat Al Jazira, Seven Services", Vice Chairman of the Board of Directors of Riyadh Foods Industries Company, Chairman of Board of Directors of Mueen Human Resources Company, Member of Board Directors of Al Wousta for Foods Services Company. Manager in "Themarat Al Qassim Company

Qualifications

Bachelor in Business Administration with honors-Suffolk Massachusetts University, USA in 2011 G.

Experiences

Accumulate experience in the field of retail business, management operations, executive and operational leadership, and business management.



Dr. Abdulkarim Hamad Abdulkarim Al Nujaidi

Board Member

Current Positions

Member of the Board of Directors in "Investments Funds of YAQEEN Capital , Member of the Board of Directors of Al Jazeera Takaful Cooperative Insurance Company, Board member & chairman of Nomination committee & Member of the Risk Committee in Arabian Group for Education and Training Holding Co".

Previous Positions

Board Member in " Arabian Pipes, Maharah Human Resources Company, National Gas and Industrialization Company, Natural Gaz Distribution Company", Chief Executive Officer of "Maharah Human Resources Company, National Gas and Industrialization Company", Member of the Executive Committee in "Maharah Human Resources Company, National Gas and Industrialization Company", General Director of the Human Resources Development Fund, Deputy General Director of the Human Resources Development Fund, Manager of the Training Academy of BAE Systems Saudi Development & Training Company, Chairman of the English Language Curriculum Committee and Language Center of the Technical and Vocational Training Corporation, Assistant Lecturer and manager of English language Center of the Technical College in Riyadh, /Examination and Training Officer at the Ministry of Interior-Border Guard.

Qualifications

Diploma in Corporate Governance-INSEAD University, France in 2019 G, master's in business administration -King Fahd University of Petroleum and Minerals 2011 G./Ph.D. in Applied Linguistics-Oklahoma State University, USA in 2003G, master in Applied Linguistics-Colorado State University, USA 2000 G, Bachelor in Languages and translation -Imam Mohammed Bin Saud University in 1997 G.

Experiences

Experience in human resources, business administration, public relations, leadership and team building.



Mr. Mohammed Hasan Ibrahim Al Shuhail

Board Member

Current Positions

Member of the Board , Remuneration and Compensations, Audit Committees of the Shatirah House Restaurant Company(Burgerizzr), Member of the Board of Directors of the Saudi Bangladeshi Industrial and Agricultural Investments Company, Executive Vice President of the Food Services Sector of Almarai Co.

Previous Positions

Chief Executive Officer for "International pediatric Nutrition Company, Al Safi Dairy Company", Executive Vice President of Human Resources of Al Safi Danone Co.

Qualifications

Master of Business Administration-London Business School in 2016 G, Bachelor of Marketing-King Fahad University of Petroleum and Minerals in 2003 G.

Experiences

Experience in marketing, Sales development, investment, products and business management, leadership, human capital , merger and acquisition



Mr. Mohammed Mansour Abdulmohsen Al Mousa

Audit Committee Member

Current Positions

Member of the Board of Directors of "Almarai Company , Minerva Foods Co.-Brazil, Daawat Foods Company- India, the Saudi Agricultural and Livestock Investment Company, (SALIC) in Ukraine and Australia", Consultant for the CEO of the Saudi Agricultural and Livestock Investment Company, (SALIC), member of the investment committee in Almarai Company, , Member of "the Nominations and Remuneration Committee , investment committee of Minerva Foods Company-Brazil, Member of the Audit Committee of Daawat Foods Company-India.

Previous Positions

in, board member of Hummingbird Technology Company-United Kingdom, Chief Financial Officer of the Saudi Agricultural and Livestock Investment Company, (SALIC), "Chief Financial Officer, Executive director for Financial Controlling, Finance Manager-and chief accountant head of Al Faisaliah Group Holding Company.

Qualifications

CME-1 Securities Dealing Certificate - Capital Market Authority, Certified Public Accountant - Saudi Organization for Certified Public Accountants, Passing the Certified Public Accountant of the American Institute of Certified Public Accountants, USA, Master of Accounting - Missouri State University, USA, Bachelor of Accounting - King Saud University..

Experiences

Experience in financial management and control, accounting, risk management, strategic planning, and investment management.



Mr. Muwaffaq Mansour Mohammed Jamal

Board Member, Executive Committee Member,

Current Positions

member of the managing Directors in " Sudasia Management Consultancy Company, ALEFTOYA Company, Alwihat Company for real estate Development, Middle East Company for Foods" , board member of mutawifs Non Arab Afric Company"

Previous Positions

Company delegated CEO, Vice Chairman of Abdullah AL-Othaim Markets Company- Egypt, Deputy Governor for the Development of Regions and Sectors of Small and Medium Enterprises General Authority, Board Member and CEO of Panda Retail Company, General Manager of Finance, Information Systems and Supply Management in Nashar Trading Company, Financial Manager of Home Care Products in the Arabian Gulf of Unilever Arabia, Director Treasury Operations and General Financial Manager of Saudi Cable Company, board member in Herfy Food Services Company, Afaq Future capital Company, National Center for Palms and Dates.

Qualifications

Bachelor of Accounting-King Fahad University of Petroleum and Minerals in 1992 G.

Experiences

Experience in retail business, finance and accounting, strategic planning and business development.



Mr. Abdullah Jaber Ali Al Fifi

Audit Committee Member

Current Positions

Member of the Board of Directors, Chairman of the Audit Committee, Member of the Nominations and Remuneration Committee of "Rabigh Refining and Petrochemical Company, Nama Chemical Company", Member of the Audit and Risk Committee of the General Authority for Statistics, Tanami Arabia Company, and the National Center for the Development of the Non-Profit Sector" and a member of the Audit Committee of the Saudi Bank British.

Previous Positions

Board Member in " Arabian Pipes, Chairman of the Audit Committee of the Saudi Association of Internal Auditors, Advisor to the Minister of Health in auditing and follow-up, held several management positions in the Saudi Arabian Oil Company) Aramco(including" special Audits, Audit Manager International Businesses, business services review, Financial and administrative affairs review, Projects review, Refining and marketing review, Career progression in the field of finance and internal auditing in " Saudi Refining and Marketing Company (SMARK), General Corporation for Petroleum and Minerals(Petrmin).

Qualifications

Fellowship in Risk Management -Internal Auditors Institute, USA in 2010 G, Fellowship in Fraud, Fraud Detector- USA in 2001 G, Fellowship of Internal Audit- Internal Auditors Institute, USA in 2000 G, Bachelor of Accounting- King Abdulaziz University in 1985 G.

Experiences

Multilabel Experiences in auditing, governance, risk management, financial management and leadership.



Mr. Abdulaziz Muner Ahmad Al Qady

Remuneration and Nominations Committee Member

Current Positions

Member of the Remuneration and Nominations Committee of the Royal Commission for the Holy City of Makkah and the Holy Sites, Chief executive officer Human Resources Officer in Dur Hospitality Company.

Previous Positions

Member of the Remuneration and Nominations Committee of Abdullah Al Othaim Investment Company, and other subsidiaries companies to Alfaisiah Group, Vice President of Shared Services at the National Unified Purchase of Pharmaceuticals, Devices and Medical Appliances (NUPCO), director of human capital at Al-Faisaliah Group Company, graduate recruitment officer at (KPMG), and the Saudi British Bank.

Qualifications

Advanced Certificate in Strategic Human Resource Management-Cornell University, USA in 2013 G, Master in Human Resources Administration-Central Michigan University, USA in 2011 G, Bachelor of Marketing-King Fahad University of Petroleum and Minerals in 2007 G.

Experiences

Extensive experience in leadership, mentoring, training, and strategic planning and development.



Mr. Basil Mohammed Abdullah Al Essa

Executive Committee Member

Current Positions

Chairman of the board in Joa Capital Company.

Previous Positions

President of Shawarmer Food Company, Senior Director-Strategy and Business Development at of Emaar Properties-UAE, Vice President for Strategy and Transformation in Kuwait Food Company (Americana), Manager-Sales Strategy of PepsiCo International, Consultant of Bain & Company, Member of the Advisory Board of Innovative Foods Company, Member of the Board of Directors of the Fund in Derayah Healthcare Fund, Member of the Investment Committee of Emaar Properties-UAE, Electrical engineer at Arabian Oil Company (Aramco).

Qualifications

Master of Management -Carnegie Mellon University, USA in 2009 G, Bachelor of Science Electrical Engineering-Pennsylvania State University, USA in 2005 G.

Experiences

Experience in strategic planning, profitability improvement, project management, and leadership.



Mr. Nabil Abdulaziz Mohammed Al Fraih

Remuneration and Nominations Committee Member

Current Positions

Qualifications

Corporate Governance Course -INSEAD University, France, Engineering Services Training Program-Stone & Webster, USA, Two Courses in Board Membership and Chairmanship-GCC Board Members Institute, Received various technical and management courses in Britain and Japan.

Previous Positions

Member of the Development and Leadership Development Committee, Member of the Social Initiatives Committee, Member of the Administrative Committee in Saudi Arabian Mining Company, Board Member of in Ma'aden Phosphate Company, Chairman of the Board in "Saudi Mining Polytechnic, Ma'aden Company for Gold", Managing Director, and Vice Chairman of the Board of Al-Rajhi Cement Company, held several positions in the Saudi Arabian Mining Company, including "Vice President of Gold Business Affairs, Vice President of Human Resources and Sustainability", General Manager of Marketing of the Al Watania for Industries Group Company, Director of External Marketing of the Saudi Industrial Export Company, Senior Projects Analyst of the Saudi Industrial Development Fund.

Experiences

Experience in corporate governance, policy development, human resource management, and leadership.

Members of Executive Department:

S	Name of Member	Current Positions	Previous Positions	Qualifications	Experiences
1.	Eng. Bader Hamed Abdulrazaq Alaujan (Vice Chairman, Managing Director, and Chairman of the Executive Committee)	Chairman of "Abdullah AL-Othaim Markets Company- Egypt, Al-Jouf Agricultural company, Fourth Milling Company, Mueen Human Resources Company", Vice Chairman of "Arabian Agricultural Services Company" "ARASCO", Riyadh Foods Industries Company", Board Member of Saudi Agricultural and Livestock Investment Company (SALIC), member of the Managing directors of Al Wousta for Foods Services Company, Executive Committee member in "Al-Jouf Agricultural Development , Arab Agricultural Services Company" , member of the investment committee in Saudi Agricultural and Livestock Investment Company (SALIC).	Member of the Board of Directors and the Governance Committee of Jarir Marketing Company,, Member of the Managing directors in "Al Safi Danone Company, National Biscuits Manufacturing Company, National Foods Industries Company", Board Member and CEO of Savola Foods Company, Managing Director of "Al Muhaidib Foods Company, Alaujan Industrial Group", Member of the Human Resources Committee in the National Biscuits Manufacturing Company, and National Foods Industries Company".	Member Program of the International Board of Directors-INSEAD, France in 2019G, Bachelor of Mechanical Engineering-King Saud University in 1992G.	Multiple experiences in management, retail business, strategy and business planning, project management, leadership and team building, public relations and business development.
2.	Mr. Bandar Suliman Mohammed Al Bohairy (Board Secretary)	Board Member of "Abdullah AL-Othaim Investment Company, Riyadh Food Industries Company, Mueen Human Resource Company, National Chemical Fertilizer Company" ,Member of Managing Directors in "Ijmal Limited Company", Member of Executive Committee in Ejmal limited Company, Audit Committee member in "Abdullah AL-Othaim Investment Company , Riyadh Foods Industries Company, MOBI Industry Company, Mueen Human Resource Company member of Nomination and Remunerations Committee in "Abdullah AL-Othaim Investment Company, MOBI Industry Company " ; a member of Executive Committee in " "Abdullah AL-Othaim Investment Company, Ijmal Limited Company'.	Member of the Remuneration and Nominations Committee of Abdullah AL-Othaim Marketing Company, member of the managing director of Al-Othaim Holding company Audit Committee member in" Al-Othaim Holding company, Riva Investment Company, member of Executive Committee member in Mueen Human Resource Company, Manager of Internal Audit Department in Al-Othaim Commercial Company,	Bachelor of Accounting -Administrative Sciences Faculty in King Saud University.	Accumulated Experience in the Financial Field, Internal Audit, investment, Companies Governance and Business Development.

S	Name of Member	Current Positions	Previous Positions	Qualifications	Experiences
1.	Mr. Marwan Ahmad Mohammed Ibrahim (CFO)	Board Member in " Fourth Milling Company" Member of the Managing Directors Gulf Flour Milling Industrial Company.	Board Member in "Mueen Human Resources Riyadh Foods Industries Company, Board Member Audit Committee Member in Riyadh Foods Industries Company Internal Audit Director in Al Jomaih Holding Company-Saudi Arabia), Auditor in the Office of Ibrahim Al Abbasi & Co.-Jordan, Auditor in the Office of Abdul Aziz Khalifah Al - Me l h e m - S a u d i Arabia .	Fellowship of SOCPA in 2007G, Fellowship of CMA in 2003 G, Fellowship of CFM in 2003 G, Fellowship of the CPA in 1994 G, Bachelor of Accountancy and Business Administration-Jordanian University in 1989 G.	Accumulated Experience in the Field of Finance and Accounting Affairs, External and Internal Audit.

Thirdly: Names of companies inside & outside the Kingdom in which the company's Board of Directors member is a member of its current or previous Board of Directors or one of its Executives:

S	Name of Member	Names of companies	Legal Entity	Inside/Outside the Kingdom	Names of previous companies	Legal Entity	Inside/Outside the Kingdom
1.	Mr. Abdullah Saleh Ali Al Othaim	Abdullah Al Othaim Markets	Listed Joint Stock	Inside the Kingdom	Abdullah Al Othaim Markets -Egypt	Joint Stock	Outside the Kingdom
		Abdullah Al Othaim for Investment	Closed Stock				
		AL-Othaim Holding	Limited Liability				
		Riva Investment	Limited Liability				
		Marafiq Al Tashgheel	Limited Liability				
		Shorofat Al Jazira For operation and Maintenance	Limited Liability				
		Seven Services.	Limited Liability				
Arab Union Company for Real Estate Development	Closed Stock	Outside the Kingdom					
2.	Eng. Bader Hamed Abdulrazaq Alujan	Abdullah Al Othaim Markets -Egypt	Joint Stock	Outside the Kingdom	Savola Foods	Closed Stock	Inside the Kingdom
		Abdullah Al Othaim Markets.	Listed Joint Stock				
		Mueen Human Resources.	Closed Stock				
		Riyadh Foods Industries.	Closed Stock				
		Fourth Milling.	Closed Stock				
		Al-Jouf Agricultural Development.	Listed Joint Stock				
		Arab Agricultural Services.	Closed Stock				
		Saudi Agricultural and Livestock Investment Company (SALIC)	Closed Stock				
		Al Wousta for Foods Services	Limited Liability				
			Alaujan Industrial Group	Limited Liability			
			Al Safi Danone	Limited Liability			
			National Biscuits Manufacturing	Limited Liability			
			National Foods Industries.	Limited Liability			
			Jarir Marketing.	Listed Joint Stock			

S	Name of Member	Names of companies	Legal Entity	Inside/Outside the Kingdom	Names of previous companies	Legal Entity	Inside/Outside the Kingdom
3.	Mr. Bandar Nasser Hamad Al Tamimi	Abdullah Al Othaim Markets	Listed Joint Stock	Inside the Kingdom	Cushman & Wakefield Foresee Professional Consulting	Limited Liability	Inside the Kingdom
		Abdullah Al Othaim Markets.	Listed Joint Stock				
4.	Dr. Raed Abdullah Ibrahim Al Hogail	International Resources Company	Limited Liability	Inside the Kingdom	National Gas and Industrialization	Listed Joint Stock	Inside the Kingdom
		National Tri-generation	Closed Stock				
5.	Mr. Saad Ibrahim Saad Al Mushawah	Abdullah Al Othaim Markets	Listed Joint Stock	Inside the Kingdom	Al-Jazira Takaful Taawuni Company	Listed Joint Stock	Inside the Kingdom
		Qassim Cement	Listed Joint Stock				
		Al-Jazirah Bank	Listed Joint Stock				
		Creative Closets	Limited Liability				
6.	Mr. Abdulaziz Abdullah Saleh Al Othaim	Maan Aljasser & Company	Limited Liability	Inside the Kingdom	Riyadh Foods Industries	Closed Stock	Outside the Kingdom
		Abdullah Al Othaim Markets	Listed Joint Stock				
6.	Mr. Abdulaziz Abdullah Saleh Al Othaim	Kafaa Investment	Limited Liability	Outside the Kingdom	Mueen Human Resources	Closed Stock	Outside the Kingdom
6.	Mr. Abdulaziz Abdullah Saleh Al Othaim	South Europe for Investment	Limited Liability	Outside the Kingdom	Al Wousta for Foods Services	Limited Liability	Outside the Kingdom
6.	Mr. Abdulaziz Abdullah Saleh Al Othaim			Outside the Kingdom	Marafiq Al Tashgheel	Limited Liability	Outside the Kingdom
6.	Mr. Abdulaziz Abdullah Saleh Al Othaim			Outside the Kingdom	Shorofat Al Jazira for operation and maintenance	Limited Liability	Outside the Kingdom
6.	Mr. Abdulaziz Abdullah Saleh Al Othaim			Outside the Kingdom	Seven Services	Limited Liability	Outside the Kingdom
6.	Mr. Abdulaziz Abdullah Saleh Al Othaim			Outside the Kingdom	Thamarat Al-Qassim	Limited Liability	Outside the Kingdom
6.	Mr. Abdulaziz Abdullah Saleh Al Othaim			Outside the Kingdom	Abdullah Al Othaim Markets Egypt	Joint Stock	Inside the Kingdom

S	Name of Member	Names of companies	Legal Entity	Inside/Outside the Kingdom	Names of previous companies	Legal Entity	Inside/Outside the Kingdom
7.	Dr. Abdulkarim Hamad Abdulkarim Al Nujaidi	Abdullah Al Othaim Markets	Listed Joint Stock	Inside the Kingdom	Maharah Human Resources	Listed Joint Stock	Inside the Kingdom
		Al-Jazira Takaful Taawuni	Listed Joint Stock		National Gas and Industrialization	Listed Joint Stock	
		YAQEEN Capital	Listed Joint Stock		Arabian Pipes	Listed Joint Stock	
		Arabian Group for Education and Training Holding	Listed Joint Stock		Natural Gaz Distribution	Closed Stock	
8.	Mr. Mohammed Hasan Ibrahim Al Shuhail	the Saudi Bangladeshi Industrial and Agricultural Investments.	Limited Liability	Outside the Kingdom			
		Abdullah Al Othaim Markets	Listed Joint Stock				
		Shatirah House Restaurant (Burgerizzr)	Listed Joint Stock	Inside the Kingdom			
9.	Abdullah Al Othaim Markets- Egypt.	Abdullah Al Othaim Markets- Egypt	Joint Stock	Outside the Kingdom			
		Abdullah Al Othaim Markets	Listed Joint Stock				
		Sudasia Management Consultancy	Limited Liability	Inside the Kingdom	Panda Retail	Closed Stock	
		ALFATOYA	Limited Liability				Inside the Kingdom
		Al Wahat Real Estate Development	Limited Liability				
		Middle East International Foods	Limited Liability				
		Future Horizon Capital-Qaura Pay	Closed Stock		Herfy For Foods Services	Listed Joint Stock	
		Pilgrim From Africa -Non Arab	Closed Stock				

Fourth: Board of Directors meetings during the year 2022G: (Updating)

The Board of Directors held (6) meetings during the fiscal year 2022G, and the table below shows the attendance record of the Board of Directors meetings:

Member Name Date of Meeting	Meeting number and date						Number of attendances
	(1) 5 Jan	(2) 15 Feb	(3) 11 May	(4) 10 Aug	(5) 02 Nov	(6) 14 Dec	
1. Mr. Abdullah Saleh Ali Al Othaim	✓	✓	✓	✓	✓	✓	(6)
2. Eng. Bader Hamed Abdualrazzaq Alaujan	✓	✓	✓	✓	✓	✓	(6)
3. Mr. Bandar Nasser Hamad Al Tamimi	✓	✓	✓	✓	✓	✓	(6)
4. Dr. Raed Abdullah Ibrahim Al Hogail	✓	✓	✓	✓	✓	✓	(6)
5. Mr. Saad Ibrahim Saad Al Mushawah	✓	✓	✓	✓	✓	✓	(6)
6. Mr. Abdulaziz Abdullah Saleh Al Othaim	✓	✓	✓	✓	✓	✓	(6)
7. Dr. Abdulkarim Hamad Abdulkarim Al Nujaidi	✓	✓	✓	✓	✓	✓	(6)
8. Mr. Mohammed Hasan Ibrahim Al Shuhail	✓	✓	✓	✓	✓	✓	(6)
9. Mr. Muwaffaq Mansour Mohammed Jamal	✓	✓	✓	✓	✓	✓	(6)

Fifth: The General Assemblies held during the year 2022G. and the names of the members of the Board of Directors and the record of their attendance of these associations: (Updating)

Member name	Ordinary General Assembly Meeting On 2022/05/16G	Ordinary General Assembly Meeting On 2022/09/27G
1. Mr. Abdullah Saleh Ali Al Othaim	✓	✓
2. Eng. Bader Hamed Abdualrazzaq Alaujan	✓	✓
3. Mr. Bandar Nasser Hamad Al Tamimi	✓	✓
4. Dr. Raed Abdullah Ibrahim Al Hogail	✓	✓
5. Mr. Saad Ibrahim Saad Al Mushawah	✓	✓
6. Mr. Abdulaziz Abdullah Saleh Al Othaim	✓	✓
7. Dr. Abdulkarim Hamad Abdulkarim Al Nujaidi	✓	✓
8. Mr. Mohammed Hasan Ibrahim Al Shuhail	✓	✓
9. Mr. Muwaffaq Mansour Mohammed Jamal	✓	✓

Six: Brief description of Committees, Specializations, and Tasks:

The company has three committees, details are as follows:

A) Audit Committee:

The Audit Committee is formed of (3) non-executive members, and In order to enhance its role in assisting the Board of Directors in performing its duties effectively and based on the committee's charter the committee held during the year 2022G (15) meetings, tasks of the Audit Committee include for example but not limited to "Supervising the management of internal company auditing, studying the system of internal control, internal audit reports, and recommending to the Board of Directors to appoint the accounts auditors, determine their fees and following- up their work, studying the auditing plans and notes of auditors, studying the interim and annual financial statements before being presented before the Board of Directors, studying the adopted accounting policies and meeting the requirements according to the conventional accounting standards and recommending the Board of Directors, reviewing the plan and performance of the auditor, results of the reports of supervisory authorities, and making sure that the company took the necessary procedures regarding them. As well, ensuring the company compliance with the relevant laws, regulations, policies, and instructions and providing points of views regarding them to the Board of Directors" The following table outlines the committee membership and its meetings conducted during 2022 G.:

Name of Member /Meeting Date	Position	Number and Date of Meeting															Number of attendances
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	
		07Feb	22 Mar	25 Apr	28 Apr	10 May	20 Jun	31 Jul	07 Aug	09 Aug	09 Oct	11 Oct	12 Oct	18 Oct	06 Nov	11 Dec	
1. Dr. Raed Abdullah brahim Al Hogail	Chairman	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	(15)
2. Mr. Abdullah Jaber Ali Al Fifi	Membar	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	(15)
3. Mr. Mohammed Mansour Abdulmohsen Al Mousa	Membar	✓	✓	✓	✓	✓	✓	✓	✓	✗	✓	✓	✓	✓	✓	✓	(14)

Results of Annual Auditing of the Company's Internal Control Procedures Effectiveness:

In 2022 G. the committee "reviewed" the internal control systems in the company and ensured its effectiveness. As well studied, reviewed, and analyzed the main operational, financial, and administrative risks that the company may occur and assessing the required solutions and treatments to ensure the safety of the company's operations, in addition to studying the points of weakness and strength in the internal control. Hence, the auditing process has been made continuously and periodically " By the committee's familiarity with the reports of managing internal audit and in the light of what has been studied, it has been evident that the examination generally included the main and significant operation and activities of the company and its diverse departments, and that the test results of the internal control systems at the level of company, its departments, and its processes showed that there is no substantial deficiency in the internal control systems that necessitates its disclosure, and Risk management are executed within the preset limits in transparency and timing that ensure the integrity of the operational financial, and commercial security.

2) Committee of Remunerations and Nominations:

The committee had been formed of (4) members, and in order to enhance its role in assisting the Board of Directors in performing its duties effectively and based on the Committee's charter, the Committee held during the year 2022 G. (7) meetings, and the assignments and specialties of the Remunerations and Nominations Committees include for example but not limited to "recommending the nomination to the Board of Directors, clear standards and policies for the membership in the Board and executive department, reviewing the structure of Board of Directors and executive department, providing recommendations with regard to the changes that may be made, specifying the points of weakness and strength in the Board of Directors, proposing curative solutions in a way consistent with the company's interest, ensuring annually the independence of independent members, preparing and updating the necessary policies for the rewards of the members of Board of Directors and committees derived from the Board, executive department and its periodical auditing, and assessing the extent of its effectiveness in meeting the aspired goals, clarifying the relation between the granted reward and the applicable rewards policy, clarifying any substantial deviation from this policy, As well, studying the subjects with which it is concerned or referred to it by the Board of Directors and submitting its recommendations to take the appropriate resolution regarding it and auditing the allocations and rewards of workers, approving, adopting, and assessing the relevant plans and policies". Following is a table, which outlines the membership, and meetings of the committee made during 2022G:

Name of Member	Position	Number and Date of Meeting							Number of attendances
		(1) 17 Jan	(2) 03 Aug	(3) 30 Aug	(4) 11 Sep	(5) 13 Oct	(6) 13 Nov	(7) 07 Dec	
1. Mr. Saad Ibrahim Saad Al Mushawah	Chairman	✓	✓	✓	✓	✓	✓	✓	(7)
2. Mr. Bandar Nasser Hamad Al Tamimi	Member	✓	✓	✓	✓	✓	✓	✓	(7)
3. Mr. Abdulaziz Muner Ahmad Al Qady	Member	✓	✓	✓	✓	✓	✓	✓	(7)
4. Eng. Nabil Abdulaziz Mohammed Al Fraih	Member	✓	✓	✓	✓	✓	✓	✓	(7)



3) Executive Committee:

The Executive Committee was from (4) members to assist the Board of Directors in performing its supervisory duties, the Committee held during the year 2022 G. (11) meetings, Among the tasks of the Committee, for example, but not limited to "working with the executive management and supervising them to set and develop strategic goals and plans, raise proposals from the executive management to The Board of Directors, following up on the implementation of the decisions of the Board of Directors with the executive management, developing the organizational structures of the company, reviewing the financial, operational and marketing policies and submitting to the Board of Directors as it deems fit." The following is a table showing the committee's membership and its meetings that took place during the year 2022G:

Name of Member /Meeting Date	Position	Number and Date of Meeting											Number of attendances	
		(1) 24 Jan	(2) 27 Feb	(3) 23 Mar	(4) 19 Apr	(5) 29 May	(6) 21 Jun	(7) 25 Jul	(8) 29 Aug	(9) 26 Sep	(10) 23 Oct	(11) 04 Dec		
1. Eng. Bader Hamed Abdualrazzaq Alaujan	Chairman	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	(11)
2. Mr. Mohammed Hasan Ibrahim Al Shuhail	Membar	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	(11)
3. Mr. Muwaffaq Mansour Mohammed Jamal	Membar	✓	✓	✓	✗	✓	✓	✓	✓	✓	✓	✓	✓	(10)
4. Eng. Basil Mohammed Abdullah Al Essa	Membar	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	(11)

Seven: A statement of the names, nationality, number of shares, ownership ratio of main shareholders who own (5%) and above and change thereof during 2022G:

Name of Shareholder	Nationality	Shares Number at the beginning of 2021G.	Ownership Ratio at the beginning of 2021G.	Shares Number at the end of 2021G.	Ownership Ratio at the End of 2021G.	Net change	Change Ratio at the end of 2021 G.
1. Al Othaim Holding Company	Saudi	24,900,000	27.6%	30,300,000	33.667%	5,400,000	21.69%
2. Abdullah Saleh Ali Al Othaim	Saudi	5,400,000	6%	-	-	-5,400,000	-100%

Relied on recording in the shareholder register issued by Securities Depository Center Company "Edaa".

Eight: Actions taken by the Board of Directors to inform its members by the shareholders' suggestions and comments:

The company's corporate governance regulation included the procedures of the Board of Directors, which gave special attention to hearing the suggestions and inquiries of its shareholders and responding to them, in addition to the company providing the members with the minutes of the meetings of the assemblies that include the shareholders' inquiries (if any). Members are also notified of any inquiries or questions received by the company through various means of communication.

Ninthly: The Means Adopted by Board of Directors in Assessing its Performance and Performance of its Committees for 2022G.:

Evaluation being done to evaluate the performance of each of the members of the Board of Directors, its committees, and the executive managements on an annual basis, and consideration has been given to the evaluation of the members of the Board of Directors from an external party in the future.

Tenthly: Remunerations of Board of Directors, Committees, and Executive Managements:

The company applies the policy of paying the remunerations of Board of Directors, committees, and executive managements as follows:

Remunerations (non-independent) Members of Board of Directors:

Remunerations are paid to executive and non-executive Board members based on the annual net profit the from Company's continuing operations as follows:

Net profit of the year made from the continuous processes (In Saudi Riyals)	Reward is due (In Saudi Riyals)
less than (300) million Riyals	(150) one hundred and fifty thousand Riyals
(300) million Riyals and more	(200) two hundred thousand Riyals

Remuneration (Independent) Members of Board of Directors:

An annual lump sum of SR (200,000) two hundred thousand Saudi Riyals is paid as an annual remuneration for an independent board member.

Allowances for the Members of Board of Directors:

An amount of SR (3,000) three thousand Saudi Riyals is paid for an attendance allowance for each member per attended meeting.

Remuneration of the Board of Directors Secretary:

An annual Remuneration of SR (30,000) thirty thousand Saudi Riyals is paid to the Board Secretary.

Remuneration of the Members of Audit Committee:

An amount of SR (100,000) one hundred thousand Saudi Riyals is paid as an annual basic remuneration for a member of audit committee.

Remuneration of the Members of Remuneration and Nominations Committee:

An amount of SR (100,000) one hundred thousand Saudi Riyals is paid as an annual basic Remuneration for a member of Remuneration and Nominations Committee.

Remuneration of the Members of Executive Committee:

An amount of SR (200,000) two hundred thousand Saudi Riyals is paid as an annual basic remuneration for a member of the Executive Committee if he is a member of the Board of Directors, and an amount of SR (300,000) three hundred thousand Saudi Riyals is an annual remuneration if he is not a member of the Board of Directors.

Allowances for the Committees Members:

An amount of SR (3,000) three thousand five hundred Saudi Riyals is paid for an attendance allowance for each committee member per attended meeting.

Remuneration of committee secretaries:

a remuneration of SR (3,000) three thousand Saudi Riyals is paid to committee secretaries for each session. A board or committee member shall not receive a remuneration or attendance allowance if he is an employee who receives a monthly salary from the company.

Remuneration of Executive Managements:

An annual remuneration will be paid to the executive Managements (Does not include Chief Executive Officer remuneration) based on standards relevant to achieving performance indicators and according to the results of annual assessment and results of achieving goals.

Relationship between granted remuneration and applicable remuneration policy:

The granted remuneration is in conformity with the approved remuneration policy, taking into consideration the basis and standards relevant to calculating the rewards and its

Details Remuneration of Board of Directors for the Year 2022G.

Name	A certain amount	Session Attendance meeting	Total Attendance meetings	Total
First: Independent Members				
Dr. Raed Abdullah Ibrahim Al Hogail	300,000	18,000	45,000	363,000
Mr. Saad Ibrahim Saad Al Mushawah	300,000	18,000	21,000	339,000
Dr. Abdulkarim Hamad Abdulkarim Al Nujaidi	200,000	18,000	-	218,000
Total	800,000	54,000	66,000	920,000
Second: Non-Executive Members:				
Mr. Abdullah Saleh Ali Al Othaim	200,000	18,000	-	218,000
Mr. Bandar Nasser Hamad Al Tamimi	300,000	18,000	21,000	339,000
Mr. Mohammed Hasan Ibrahim Al Shuhail	400,000	18,000	33,000	451,000
Mr. Abdulaziz Abdullah Saleh Al Othaim	200,000	18,000	-	218,000
MR. Muwaffaq Mansour Mohammed Jamal	83,288	6,000	6,000	95,288
Total	1,183,288	78,000	60,000	1,321,288
Third: Executive Members:				
Eng. Bader Hamed Abdualrazzaq Alaujan**	400,000	18,000	33,000	451,000
	400,000	18,000	33,000	451,000
Total	2,383,288	150,000	159,000	2,692,288

Details of the Remuneration of Members of the Audit Committee:

Name	Fixed remunerations (Except the allowance of attending sessions)	Allowance of attending sessions	Total
1. Dr. Raed Abdullah Ibrahim Al Hogail	100,000	45,000	145,000
2. Mr. Mohammed Mansour Abdulmohtsen Al Mousa	100,000	42,000	142,000
3. Mr. Abdullah Jaber Ali Al Fifi	100,000	45,000	145,000
Total	300,000	132,000	432,000

Details of the Remuneration of Members of the Remuneration and Nomination Committee:

Name	Fixed remunerations (Except the allowance of attending sessions)	Allowance of attending sessions	Total
1. Mr. Saad Ibrahim Saad Al Mushawah	100,000	21,000	121,000
2. Mr. Bandar Nasser Hamad Al Tamimi	100,000	21,000	121,000
3. Mr. Abdulaziz Muner Ahmad Al Qady	100,000	21,000	121,000
4. Eng. Nabil Abdulaziz Mohammed Al Fraih	100,000	21,000	121,000
Total	400,000	84,000	484,000

Details of the Remuneration of the Members of the Executive Committee:

Name	Fixed remunerations (Except the allowance of attending sessions)	Allowance of attending sessions	Total
1. Eng. Bader Hamed Abdualrazzaq Alaujan	200,000	33,000	233,000
2. Mr. Mohammed Hasan Ibrahim Al Shuhail	200,000	33,000	233,000
3. Mr. Muwaffaq Mansour Mohammed Jamal	41,644	6,000	47,644
4. Mr. Basil Mohammed Abdullah Al Essa	300,000	33,000	333,000
Total	741,644	105,000	846,644

Eleven: Interest in shares and Debt instruments of the Board Members and Senior executives:

A) Description of any interest in the shares and instruments of the Company's debt attributable to the members of the Board of Directors and their relatives in the shares or instruments of the debt of the company or any of its subsidiaries and the change that occurred during the year 2022G:

	The name of who have interest	Beginning of the year 2022		End of the year 2022		Net change	Percentage of change
		Stock	Debt instruments	Stock	Debt instruments		
1	Mr. Abdullah Saleh Ali Al Othaim	5,400,000	-	-	-	-5,400,00	-%100
2	Eng. Bader Hamed Abdualrazzaq Alaujan	-	-	-	-	-	-
3	Mr. Bandar Nasser Hamad Al Tamimi	-	-	-	-	-	-
4	Dr. Raed Abdullah Ibrahim Al Hogail	-	-	-	-	-	-
5	Mr. Saad Ibrahim Saad Al Mushawah	1,362	-	362	-	-1000	-%73,42
6	Mr. Abdulaziz Abdullah Saleh Al Othaim	2,000	-	2,000	-	-	-
7	Dr. Abdulkarim Hamad Abdulkarim Al Nujaidi	1,451	-	5,000	-	3,549	%244,59
8	Mr. Mohammed Hasan Ibrahim Al Shuhail(*)	-	-	-	-	-	-
9	Mr. Muwaffaq Mansour Mohammed Jamal(*)	-	-	-	-	-	-

B) A description of the interest of senior executives and their relatives in the shares and instruments of the debt of the company or any of its subsidiaries and the change that occurred during the year 2022G:

	The name of who have interest	Beginning of the year 2022		End of the year 2022		Net change	Percentage of change
		Stock	Debt instruments	Stock	Debt instruments		
1	Mr. Bandar Suliman Mohammed Al Bohairy	-	-	4000	-	4000	100%



Details Remuneration of Senior Executives for the Year 2022G:

	Fixed Remuneration				Variable Remuneration						End Of Service Benefits	Total reward of the executives	total summation
	Salaries	Allowances	In-kind benefits	Total	Periodic Bonuses	Earnings	Short - Term Incentive Plans	Long - term incentive plans	Shares Granted	Total			
Chief Executive Officer *	3,511,671	-	-	3,511,671	-	-	4,000,000	-	-	4,000,000	122,055	95,288	7,729,014
Chief Finance Officer	1,337,211	-	-	1,337,211	630,006	-	210,000	-	-	840,006	-	-	2,177,217
Vice President of Business Development	1,921,320	-	-	1,921,320	-	-	-	-	-	0	-	-	1,921,320
Vice President for Commercial Affairs	1,640,063	-	-	1,640,063	-	-	255,531	-	-	255,531	704,498	-	2,600,092
Vice President Shure services	1,262,217	-	-	1,262,217	606,804	-	-	-	-	606,804	-	-	1,869,021
Total	9,672,483	-	-	9,672,483	1,236,810	-	4,465,531	-	-	5,702,341	826,553	95,288	16,296,664

Twelve: Description of any Transaction between the Company and any Related Party:

Related Party	Type Of Relation	Transaction & Description	Transaction Perion/ year	Transaction Value/ SR For year 2002
Mueen Human Resources Company	Subsidiary which the Company's owns (%68) of its capital shares	Rent labor services	2	39,133,246
		Shared Servises	1	892,937
		Rent showroom in Alnafal District	1	60,000
		Rent Administrative Offices - Buraydah	1	28,219
		Rent Administrative Offices - Alkhobar	2	85,463
Riyadh Foods Industries Company	A subsidiary, which the Company's owns (55%) of its capital shares	Rent labor services	2	865,757
		Import Foods Items	1	104,286,714
Fourth Milling Company	A subsidiary, which the Company's owns (33.33%) of its capital shares	Purchasing Foods Items	1	7,949,003
		Rent labor services	1	1,046,350

Thirteen: Information of Businesses and contracts in the Company is a party, or there is an interest to one of the Board Member and Senior Executives or any of its relative party:

A) Businesses and contracts with Al Othaim Holding Company in which there is an indirect interest for the (Chairman of the Board of Directors, Mr. Abdullah Saleh Ali Al-Othaim, and Board Member Mr. Abdulaziz Abdullah Saleh Al-Othaim) as follows:

Type of Contract	Contract description	Transaction Value/ SR For year 2022G	Contract period/	Contract Conditions	Notes
Rent	Trademark	10,000	1		-
Sell	Selling all of the company's shares in the capital of Abdullah Al-Othaim Investment Company	846,538,700	-	"No preferential Terms "	-

B) Businesses and contracts with Abdullah Al Othaim Investment Company and its Subsidiaries in which there is an indirect interest -for each of (Chairman of the Board of Directors, Mr. Abdullah Saleh Ali Al-Othaim, and Member of the Board of Directors Mr. Abdulaziz Abdullah Saleh Al-Othaim) as follows:

Type of Contract	Contract Description	Transaction Value/ SR For year 2022G	Contract term Year	Contracts Conditions	Notes
Leasing	Buraydah Branch	1,277,100	20	No preferential Terms	
Leasing	Buraydah Branch Accommodation	219,600	18		
Leasing	Al-Ahsa Mall Hypermarket	2,159,850	20		
Leasing	Khurais Mall Hypermarket	1,673,760	20		
Leasing	Al Rabwa Mall Supermarket	770,880	10		
Leasing	Archive Warehouse	21,300	10		
Leasing	Dammam Mall Hypermarket	1,922,400	18		
Leasing	Buraydah-Akirisha Supermarket	1,086,000	10		
Leasing	Akirisha Branch-Accommodation	35,000	10		
Leasing	Onaiza Mall Supermarket	729,000	10		
Leasing	Arar Mall Supermarket	2,022,680	10		
Leasing	Hail Mall Hypermarket	1,676,840	20		
Rent	Administrative Offices	1,452,550	1		
Rent	Administrative offices	82,450	5		
Rent	Abdullah Al-othaim Fashion Co.	93,075	4		
Rent	Administrative Offices	34,932,000	18		
Rent	Abdullah Al-othaim Fashion Co.	76,613	5 and 10 Months		
Rent	Dammam Mall	417,225	4 and 3 Months		
Rental	Entertainment Center Shifa	1,031,073	10		
Selling	Entertainment Center Oqba	211,327,850	-		
Selling	Entertainment Center Swaidi	186.568,704	-		

Type of Contract	Contract Description	Transaction Value/ SR For year 2022G	Contract term Year	Contracts Conditions	Notes
Services	Common services to Abdullah Al-Othaim Entertainment Company	381,081	1	No preferential Terms	Amount is variable, and will be calculated at year end
Rent	Shared accommodation for I Abdullah Al-Othaim Entertainment Company	11,500	1		
Services	Electricity and General Utilities at Rented Branches	4,561,917	1		
Services	Power for Advertising Signs at commercial Malls	36,000	1		

Contract with GOSI in which there is an indirect interest to the board member Mr. Bandar Bin Nasser Hamad Al Tamimi as follows:

Type of Contract	Contract description	Transaction Value/ SR For year 2022G	Contract term/Year	Contracts Conditions	Note
Leasing	Investment Lands	5,735,346	26	Contract term/Year	Contract term/Year

Businesses and Contracts with Wousta Food Services Company, in which there is an indirect interest for the Vice Chairman of the Board of Directors Mr. Bader Hamed Abdulrazaq Alaujan, as follow:

Type of Contract	Contract description	Transaction Value/ SR For year 2022G	Contract term/Year	Contracts Conditions	Note
Rent	Showroom - Ring Road in Onaiza	324,188	13	"No preferential Terms"	-
Rent	Showroom in Alrass City	242,438	13 Year & 6 Months		-

Businesses and Contracts with Seven Services Company in which there is an indirect interest for the (Chairman of the Board of Directors, Mr. Abdullah Saleh Ali Al-Othaim, and Board's Member Mr. Abdulaziz Abdullah Saleh Al-Othaim and ", as follow:

Type of Contract	Contract description	Transaction Value/ SR For year 2022G	Contract term/Year	Contracts Conditions	Note
Services	Sales Commissions	2,535,783	1	"No preferential Terms"	Amount is variable, and will be calculated at year end
Services	Administrative offices	10,000	1		The site was evacuated by the end of the first quarter of the year 2022 G

Businesses and Contracts with Shorofat Al Jazira Company for operation and maintenance in which there is an indirect interest for each of (Chairman of the Board of Directors, Mr. Abdullah Saleh Ali Al-Othaim, and Board's Member Mr. Abdulaziz Abdullah Saleh Al-Othaim and, as follow:

Type of Contract	Contract description	Transaction Value/ SR For year 2022G	Contract term/Year	Contracts Conditions	Note
Services	Rent labor services	3,516,612	1	"No preferential Terms"	Amount is variable, and will be calculated at year end

Businesses and Contracts with Marafiq Al Tashgheel Company in which there is an indirect interest for each of (Chairman of the Board of Directors, Mr. Abdullah Saleh Ali Al-Othaim, and Board's Member Mr. Abdulaziz Abdullah Saleh Al-Othaim), as follow:

Type of Contract	Contract description	Transaction Value/ SR For year 2022G	Contract term/Year	Contracts Conditions	Note
Services	Rent labor services	8,016,540	1	"No preferential Terms"	Amount is variable, and will be calculated at year end

Business and contract made with Pillar Saudi Company for contracting in which there is an indirect interest for each of (the Chairman of the Board of Directors Mr. Abdullah Saleh Ali Al-Othaim, and the Member of the Board of Directors Mr. Abdulaziz Abdullah Saleh Al-Othaim), as follow:

Type of Contract	Contract description	Transaction Value/ SR For year 2022G	Contract term/Year	Contracts Conditions	Note
Contracting	Establishing a project in Riyadh City.	7,004,921	8 Months 1	"No preferential Terms"	-
Contracting	Establishing a project in Tabuk City	10,582,402	0 Months		-

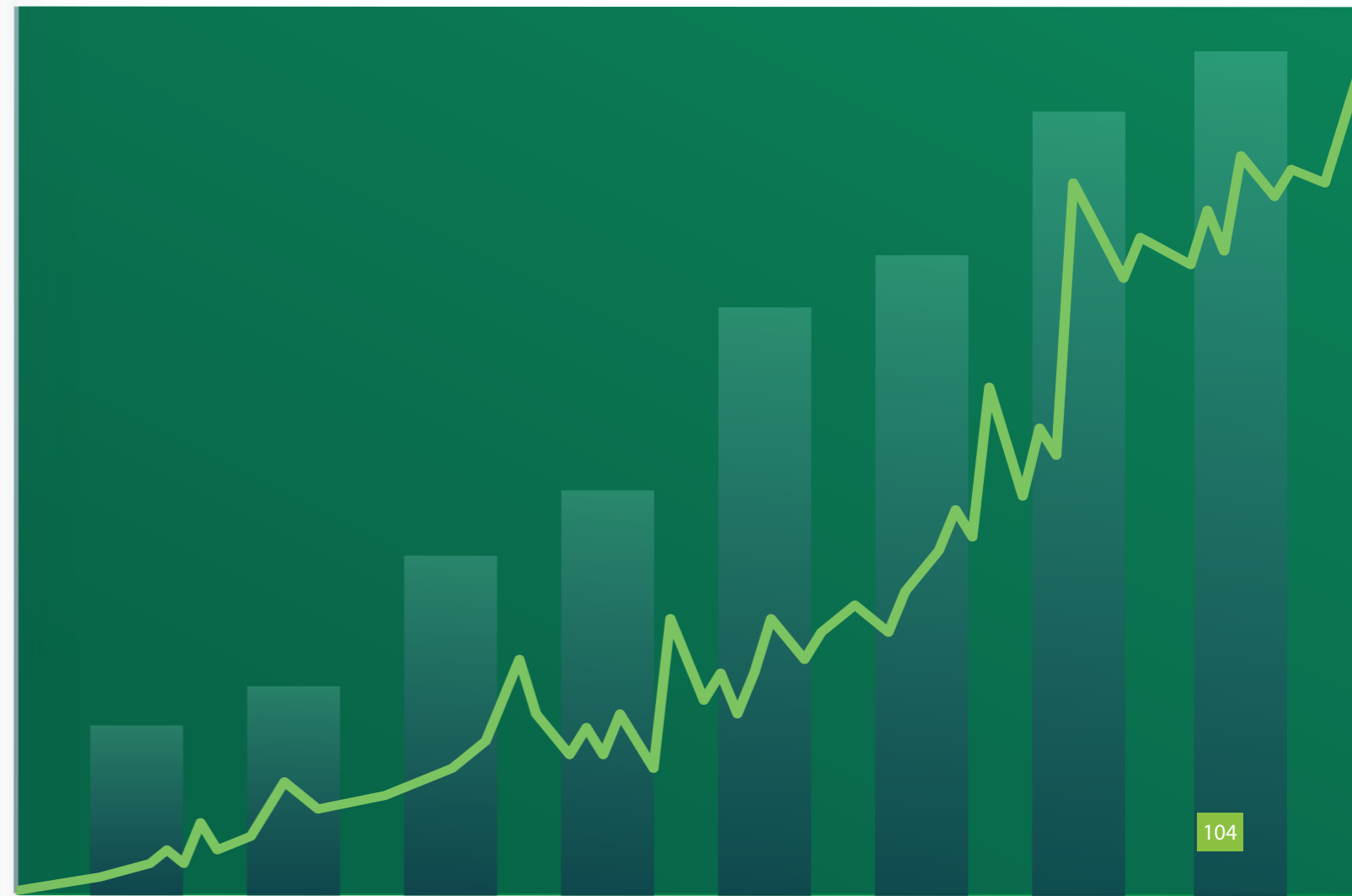
l) Business and contracts made with Al Jouf Agricultural Development Company, Arabian Agricultural Services Company, Jarir Marketing Company, in which there are an indirect interest for the Vice Chairman of the Board of Directors Mr. Bader Hamed Abdulrazaq Alaujan, as follows:

▪ Al Jouf Agricultural Development Company:

Type of Contract	Contract description	Transaction Value/ SR For year 2022G	Contract term/Year	Contracts Conditions	Note
Purchase	Food Products	26,038,513	1	"No preferential Terms"	Amount is variable, and will be calculated at year end

▪ Arabian Agricultural Services Company:

Type of Contract	Contract description	Transaction Value/ SR For year 2022G	Contract term/Year	Contracts Conditions	Note
Purchase	Food Products	27,951,420	1	"No preferential Terms"	Amount is variable, and will be calculated at year end



▪ Jarir Marketing Company:

Type of Contract	Contract description	Transaction Value/ SR For year 2022G	Contract term/Year	Contracts Conditions	Note
Purchase	stationary	520,781	1	"No preferential Terms"	Amount is variable, and will be calculated at year end
Rent	Showroom in Damam City	2,609,400	20		-
Supply	Supply of stationery	368,507	1		Amount is variable, and will be calculated at year end

J) Business and contracts made with Almarai Food Company, in which there are an indirect interest for the Member of the Board of Directors Mr. Mohamed Hassan Alshuhail, as follows:

Type of Contract	Contract description	Transaction Value/ SR For year 2022G	Contract term/Year	Contracts Conditions	Note
Supply	Food Products	470,223,631	1	"No preferential Terms"	Amount is variable, and will be calculated at year end



Fourteenth: The applied provisions of the Companies Governance Regulation, the unapplied provisions and the underlying reasons:

The provisions of the Corporate Governance Regulations issued by the Capital Market Authority have been applied except:

Article/Clause No.	Clause Status	Article/Clause Provision	Article/Clause Provision
Article (39) Clause (2)	Guiding	Qualifying and training directors of the board and executive management and set up the necessary programs.	The company has not yet defined programs.
"Article (41) Clause (E)"	Guiding	The Board of Directors shall take the necessary arrangements to get the assessment of the Board's performance from external competent authority each three years.	The performance assessment was not obtained from external authority and it is under progress, the Remuneration and Nomination also Committee evaluates the performance of the Board of Directors for each fiscal year end.
Article (70)	Guiding	Formation by a decision of the Board of Directors of the company a committee called the Risk Management Committee.	The board has issued resolution that risk management will be affiliate to internal audit department as independent department, and it is finally affiliate to audit committee until risk management Committee is composed.
Article (85)	Guiding	The company sets programs to develop and motivate the partnership and performance of workers in the company.	The company has not yet defined programs.
"Article (88) Clause (1)"	Guiding	Set measurement indicators to link the company's performance with the initiatives in social work it provides and comparing this to the other companies of similar activity.	Is under study.
Article (95)	Guiding	Forming a committee concerned with companies' governance.	No independent governance committee has been formed yet and is still under study and consideration, the company is also monitoring its implementation and development of governance.



06

Six Section: Financial Performance:

Description of the company's main activity.

Summary of the Financial Results of the Company for the period

Geographical Distribution for the Revenues of the Company and its Affiliates.

Segmental information.

Significant Differences in the Operating Results.

Statement of the Subsidiaries and state of incorporation.

Loans and Murabaha.

Legal Payments to Government Authorities

FOUR DIVISION: FINANCIAL PERFORMAMNCE

First: Describing the main company activity:

Abdullah Al-Othaim Markets Company is a major player in the retail food industry in the Kingdom of Saudi Arabia, the company introduced a good marketing experience through competitive pricing, exceptional service, and quality the company's main activity is concentrated in the area of wholesale and retail food and consumables, as well as engaged in real estate investments which are explained in details in the segmental information item "Fourth" of this division.

- Description of the main company activities and its effects in the size of the company's business and its contribution to the results as following (in thousands):

Real estate investment activity

68,081

percentage

%6.31

Human Resources Activity

6,209

percentage

%0.58

Wholesale and retail activity
for Consumption and foods Items

262,460

percentage

%24.31

companies & financial
assets through the income statement

52,375

percentage

%4.75

Other

690,608

percentage

%63.97

Agriculture activity

(224)

percentage

(%0.02)

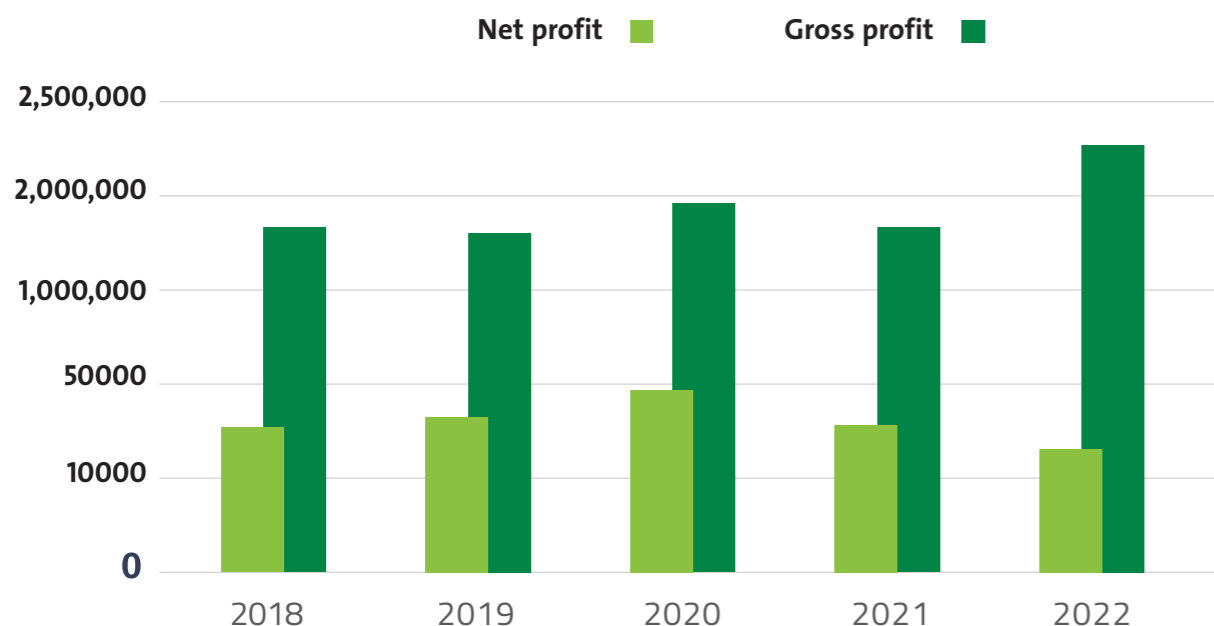
Total 1,079,509 100%



- A. Description of the main activities of the affiliates and the size of the business as follows:
- B. Haley Holding Company: Limited Liability company, operating under Commercial Registration no. 1010314228 issued from Al Riyadh city on 09 Ramadan 1432H (corresponding to August 2011 ,09G), its major activities are represented in participating in the companies by percentage that enables prevailing it, and for wholesale and retail trade of food products, flour, rice, meats, fishes, dishes, computer services (applicable systems and information databases), imports and exports services, marketing to third parties, maintenance of training and entertainment, cooked/uncooked ration services.
- C. Global Marketing Center Company: Limited Liability company, operating under Commercial Registration no. 1010314201 issued from Al Riyadh city on 09 Ramadan 1432H (corresponding to August 2011 ,09G), its major activities are represented in participating in the companies by percentage that enables prevailing it, and for wholesale and retail trade of food products, flour, rice, meats, fishes, dishes, spare parts of cars, computer services (applicable systems and information databases), imports and exports services, marketing to third parties, maintenance of training and entertainment, cooked/uncooked ration services.
- D. Seven Services Company: Limited Liability company, operating under Commercial Registration no. 1010320848 issued from Al Riyadh city on 02 Muharram 1433H (corresponding to November 2011 ,27G), its major activities are represented in imports and exports, wholesale and retail trade of clothes and sportswear, traditional jewels, sewing kit, bags, leather products, decoration materials, false ceilings, cars' spare parts, agricultural crops, services of imports and exports, marketing to third parties, establishing agricultural projects, establishing, managing and operating bakeries and cafes.
- E. Bayt Al Watan Company: a limited liability company operating under Commercial Registration No. 1010320847 issued by Riyadh City on 02 Muharram 1433H (corresponding to November 2011 ,27G) Its main activities are importing, exporting and wholesale and retail vegetables, Fruits, fish, milk, cheese, dairy products, animal fats, olives, halva, pasta and soft drinks. In addition to: Import and export services, marketing for third parties, maintenance of training and recreational centers, sports centers and general contracting for Public buildings (establish, Repair, demolition and restore) and electrical and electronic works.
- F. Marafiq Al Tashgheel Company: A limited liability company that operates under commercial registration number 1010321917 issued in Riyadh on 15 Muharram 1433H (corresponding to 10 December 2011).The main activities of the Company include general constructions and renovation of residential and non-residential buildings such as schools, hospitals and on-site ready-made houses.
- G. Abdullah Al Othaim Markets Company - Egypt: An Egyptian joint stock company operating under Commercial Registration No. 55010 issued by the Arab Republic of Egypt, Dated 20 Dhu al-Hijjah 1432H Corresponding to November 2011 ,16G Its main activities are wholesale, retail and general trade.
- H. Thamarat Al-Qassim Company: A limited liability company operating under Commercial Registration No. 1010378315 issued by the city of Riyadh on 30 Rajab 1434H (Corresponding to June 2013 ,09G) Its main activities are the cultivation of vegetables, fodder, livestock and poultry. Import, export and marketing to third parties, purchase of land for the construction of premises and investment in selling or renting and exploiting real estate and land for the interest of the company.
- I. Shorofat Al Jazira Company: a limited liability company operating under Commercial Registration No. 1010228732 issued by Riyadh City on 02 Safar 1428H (corresponding to November 2007 ,19G) its main activities are general contracting and operating malls.
- J. Mueen Human Resources Company: It's a Saudi closed shareholding company operating under Commercial Registration No. 1010435202 issued by the city of Riyadh on Registered on 06 Ramadan 1436H (corresponding to June 2015 ,23G) in the city of Riyadh, its main activities are providing recruitment services with regards to domestic workers, public and private sectors' workers, under the license of The Ministry of Labor no.24 SAE dated on 23 Dhu al-Hijjah 1436H corresponding to October 2015 ,16G.

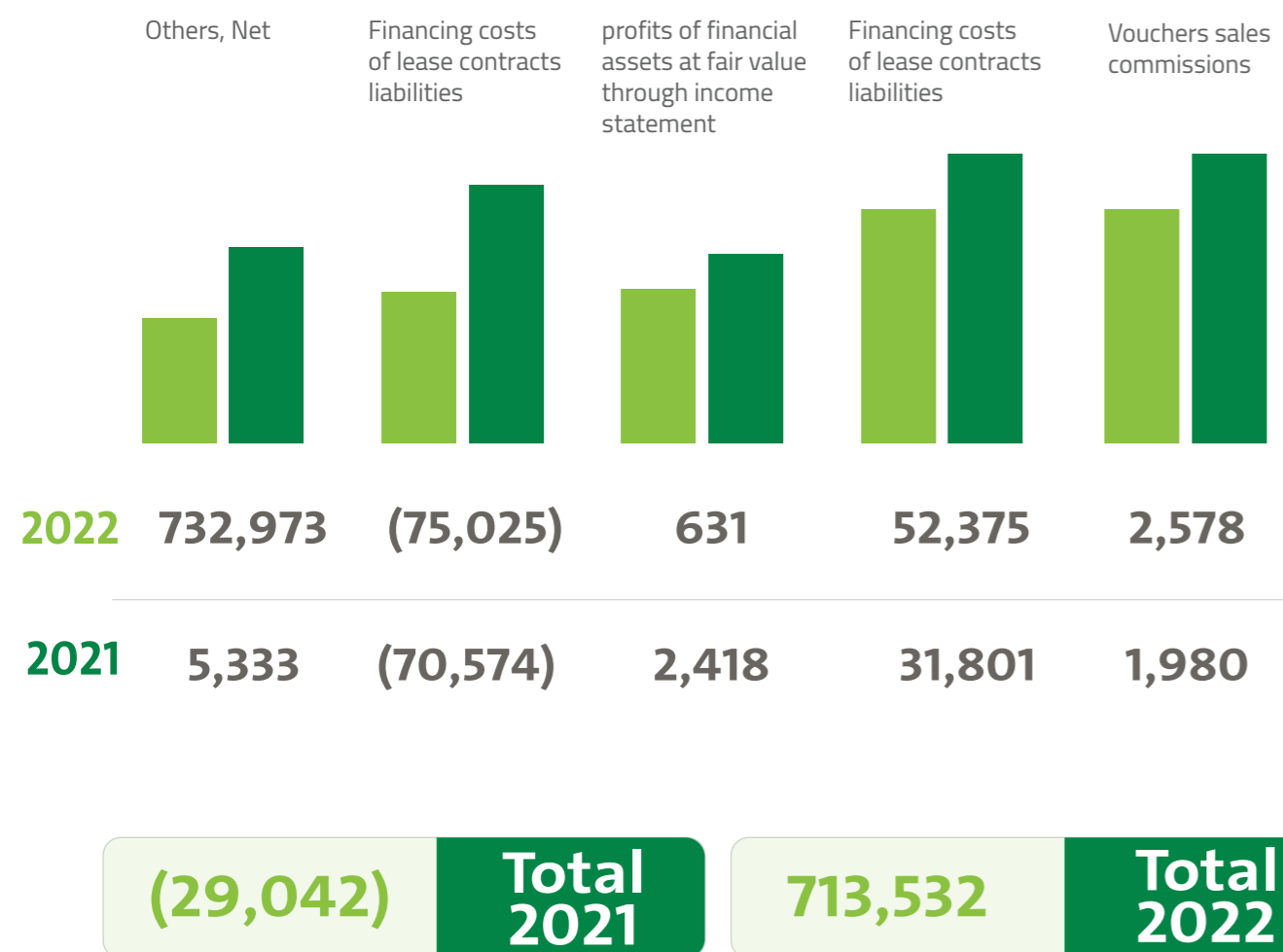
Describing the activity	Revenues of the activity (In Thousands SR)	percentage
Abdullah Al - Othaim Markets Company	9,213,880	٪95
Haley Holding Company	0	٪0
Global Marketing Center Company	0	٪0
Seven Services Company	89	٪0
Bayt Al Watan Company	0	٪0
Marafiq Al Tashgheel Company	0	٪0
Abdullah Al Othaim Markets Company-Egypt	230,393	٪3
Thamarat Al Qassim Company	0	٪0
Shorofat Al Jazira Company	0	٪0
Mueen Human Resources Company	240,360	٪2
Total	9,684,722	٪100





Statement of revenues and other expense-net (in thousands riyals):

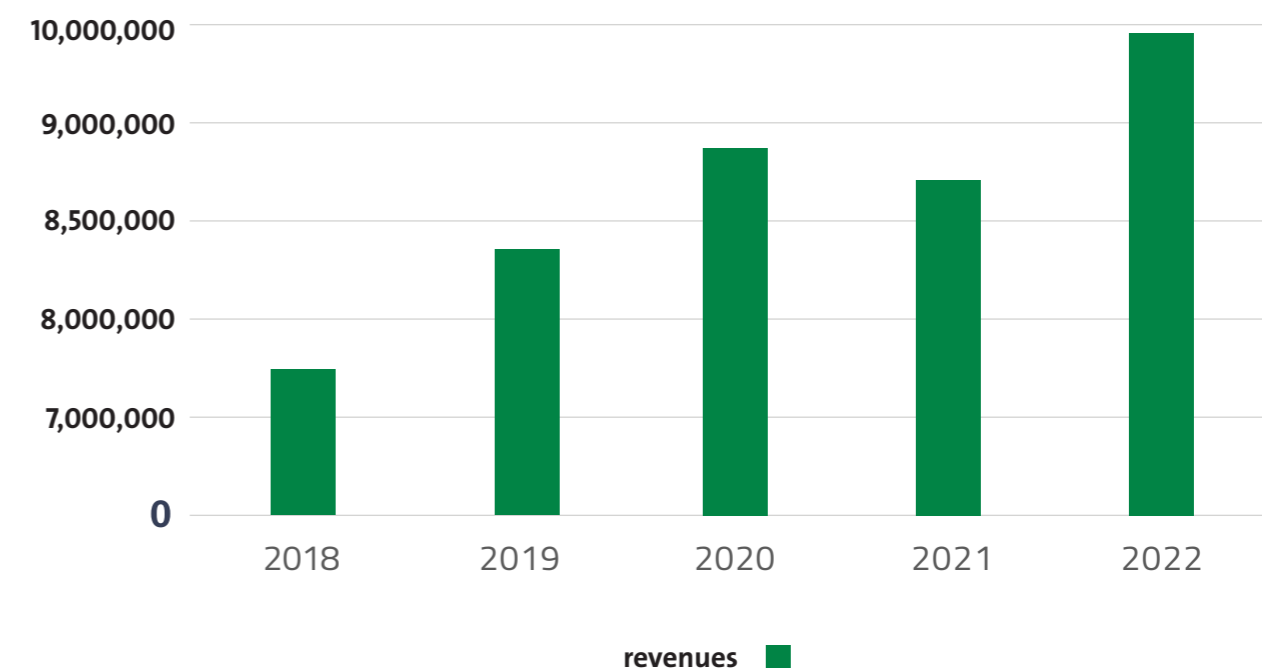
The fiscal year ended in 31 December



Secondly: Summary of the financial results of the company for the period 2018 till 2022G:

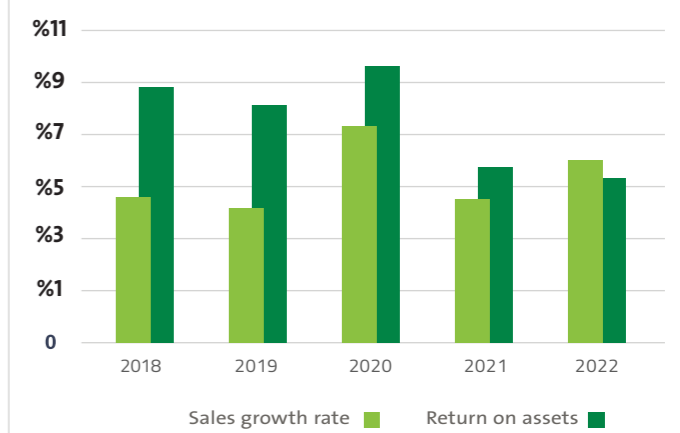
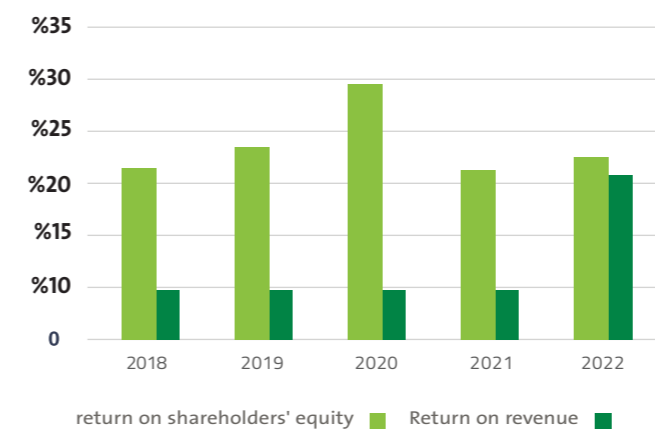
A) Description of revenues and profits of the company (in thousands SR):

Statement	2022	2021	2020	2019	2018
Activity's revenues	9,684,722	8,546,887	8,924,754	8,300,322	7,641,330
Activity's expenses	(7,521,270)	(6,672,870)	(6,959,209)	(6,527,232)	(6,029,611)
Total of activity's profits	2,136,452	1,874,017	1,965,545	1,773,090	1,611,719
Administrative, general, marketing and funding expenses	(1,763,365)	(1,528,472)	(1,446,795)	(1,380,482)	(1,287,805)
Revenues and other expenses-net	713,532	(29,042)	(47,094)	(26,324)	32,031
Zakat	(30,882)	(11,327)	(16,221)	(10,843)	(9,162)
Net profit of the continuous operations after Zakat	1,082,736	305,176	455,434	355,440	346,783
Net profit of the non-continuous operations after Zakat	(224)	(3,260)	2,281	(7,469)	(37,444)
Net profit for the year	1,082,513	301,916	457,715	347,971	309,339
Return profit to the contributors of the parent company	1,079,509	300,121	450,973	344,673	302,601
Profit (loss) attributed to non-controlling interest	3,004	1,795	6,743	3,299	6,738

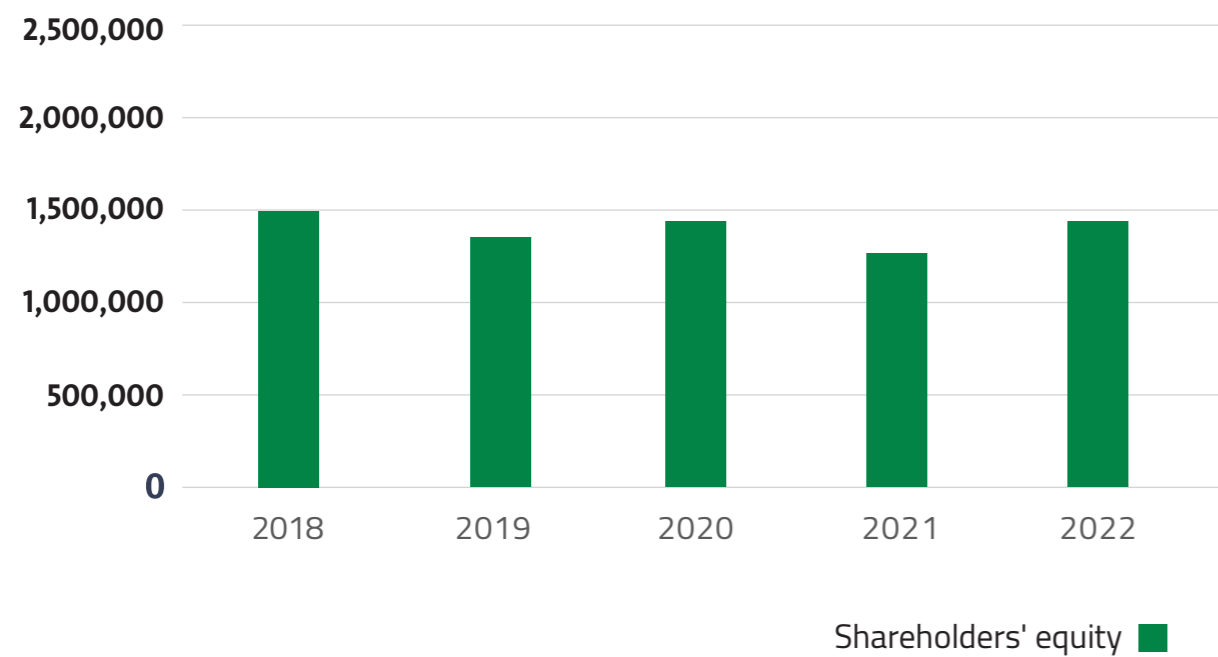
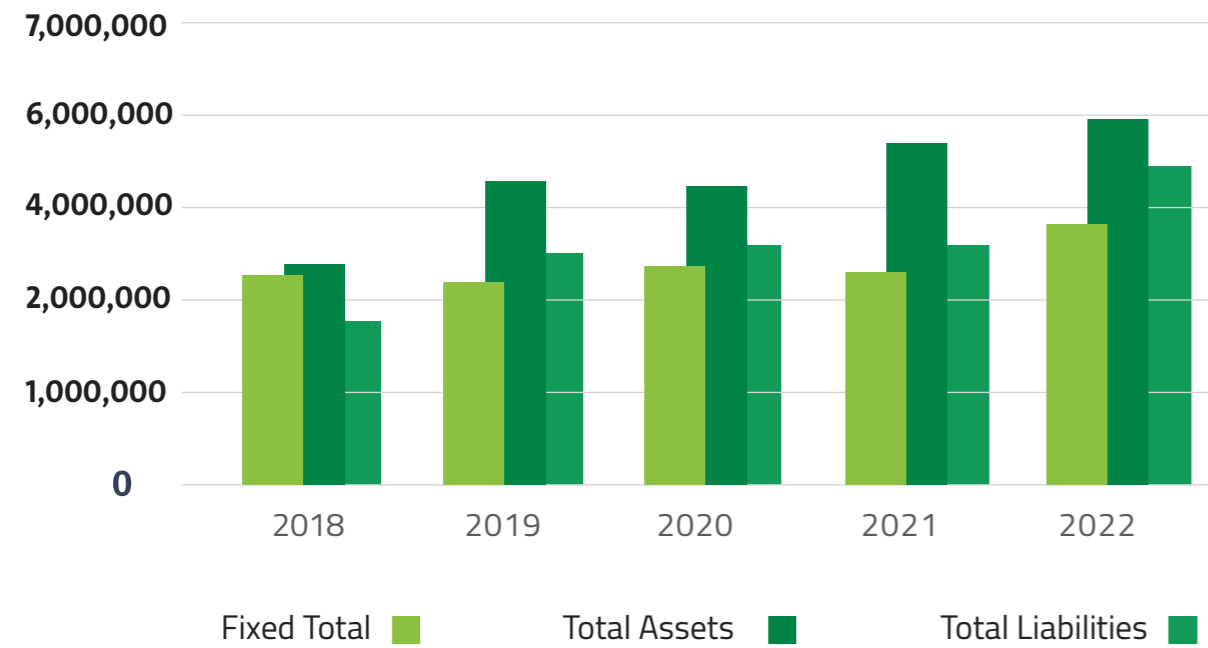


The Most Important Financial Parameters:

Statement	٢٠٢٢	٢٠٢١	٢٠٢٠	٢٠١٩	٢٠١٨
Return on Revenues	%11,15	%3,51	%5,05	%4,15	%3,96
Return on Shareholders 'equity	%77,79	%20,75	%29,95	%21,90	%19,18
Return on assets	%19,93	%5,96	%9,27	%8,19	%8,65
Rate of sales growth	%13,64	%2,91	%8,81	%3,93	%3,09
Rate of net profit growth	%259,69	%-33,45	%30,84	%13,90	%97,08
Earnings per Share from net income-riyal	11,99	3,33	3,83	3,36	4,99
Earnings per Share for parent company shareholders from the continuous operations-riyals	12,00	3,36	3,91	3,78	3,75



B) Assets, Liabilities and Shareholders' Equity (in thousand riyals)



Statement	2022	2021	2020	2019	2018
Current Assets	1,911,152	1,301,621	1,363,078	1,287,872	1,316,079
Current liabilities	2,445,296	2,134,533	1,945,471	1,968,183	1,827,415
Current Capital	(543,144)	(832,913)	(582,394)	(680,311)	(511,336)
Investments in associates and others	165,271	351,593	270,537	266,416	260,295
Fixed Assets	3,636,877	3,467,913	3,331,614	3,211,838	2,071,366
Total Assets	5,713,300	5,121,127	4,965,229	4,766,126	3,647,741
Current liabilities	2,455,296	2,134,533	1,945,471	1,968,183	1,827,415
Long term loans	-	-	-	-	-
Other liabilities	1,823,855	1,580,997	1,450,997	1,272,763	120,876
Total Liabilities	4,269,151	3,715,530	3,396,468	3,240,945	1,948,292
Paid Capital	900,000	900,000	900,000	900,000	900,000
Share in other total income of sister companies	0	(149)	(59)	1,056	976
Reserves and retained earnings, and unrealized profits	507,201	468,500	624,383	586,380	758,776
Total equity of shareholders	1,407,201	1,368,351	1,524,324	1,487,435	1,659,752
Owner's equity of non-controlling interests	36,948	37,246	44,436	37,745	39,697
Total liabilities and owner's equity	5,713,300	5,121,127	4,965,229	4,766,126	3,647,741
Average of parent shareholders' equity	1,387,776	1,446,338	1,505,880	1,573,954	1,577,300



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A) Cash flows (in thousand riyals):

Cash flow	Fiscal years ended in 31 December	
	2022	2021
Cash flow from operation activities	1,024,959	834,582
Cash flow used in investment activities	359,865	(273,557)
Cash flow used in funding activities	(1,254,494)	(656,046)
Increase (Decrease) in cash	130,331	(95,021)
Opening balance	182,743	277,765
Closing balance	313,074	182,743

834,582

2021

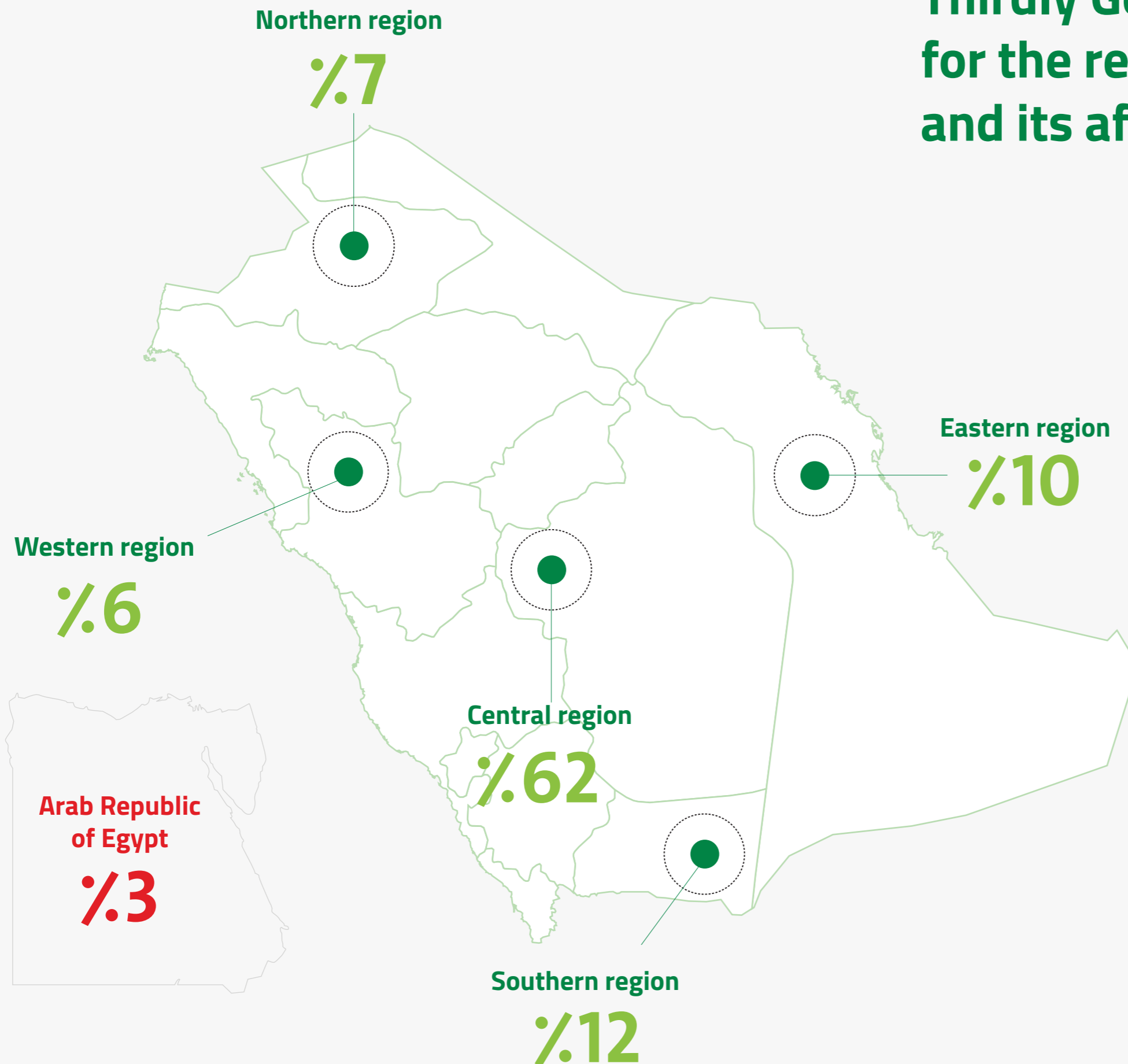
1,024,959

2021

Fiscal years ended in 31 December

Thirdly Geographical distribution for the revenues of the company and its affiliates:

2022



Revenues of the company:

Region	2022 Revenues	2021 Revenues	2021 Percentage
Central region	5,998,761	5,386,999	63%
Eastern region	1,008,029	914,371	11%
Southern region	1,193,155	1,054,581	12%
Northern region	677,373	530,000	6%
Western region	577,010	445,898	5%
Arab Republic of Egypt	230,393	215,037	3%
Total	9,684,722	8,546,887	100%

Fourthly: Segmental information:

The main activities of the company are focused in the wholesale and retail trade of foodstuffs and the company operates in Saudi Arabia, in addition to the real estate investment sector. Some of the selected information for the two financial years 2021G and 2020G for each sector of business were summarized (in thousand riyals):

Statement	Retail and Wholesale		Real Estate and Leasing		Other		Other	
	2022	2021	2022	2021	2022	2021	2022	2021
Property, plant and equipment, net	1,504,200	1,386,765	0	0	5,664	5,201	1,509,865	1,391,966
Investment properties, net	1,591,447	1,408,110	24,278	34,295	1,403	2,657	1,617,128	1,445,062
Other non-current assets	0	0	0	0	17,838	17,437	17,838	17,437
Original right of use	0	0	479,764	599,540	0	0	479,764	599,540
Intangible assets, net	835	810	0	0	648	732	1,483	1,542
Non-current assets for sale	0	0	0	0	87,676	1,340	87,676	1,340
Total assets	4,743,289	3,895,059	512,431	654,776	467,775	572,730	5,723,495	5,122,565
Total liabilities	4,103,298	3,524,903	85,713	100,291	90,515	91,773	4,279,526	3,716,968
Sales	9,309,097	8,194,346	0	0	294,652	257,715	9,603,749	8,452,060
Sales outside the group	9,309,097	8,194,346	0	0	240,449	209,347	9,549,546	8,403,693
Rental sales and income inside the company	0	0	135,176	143,194	0	0	135,176	143,194
Outside group rental income - net	0	0	92	178	54,203	48,368	54,295	48,545
Total income, sale commissions and rental revenue, net	2,041,165	1,752,856	77,829	86,174	47,035	36,968	2,166,030	1,875,997
Income from main works	331,367	268,444	77,829	86,174	1,933	-2,231	411,487	352,387

Fifthly: Explanation of any significant differences in the operating results from the results of the previous year or any expectations announced by the company:

Statement	2022	2021	Net change	Change Ratio
Sales/Revenues	9,549,546	8,403,693	1,145,853	%13.64
Revenues /Sales Cost	(7,463,923)	(6,615,849)	(848,074)	12.82%
Gross profit	2,085,623	1,787,844	297,779	16.66%
Rental revenue	135,176	143,194	(8,018)	-5.60%
Rental Expenses	(57,347)	(57,021)	(326)	0.57%
Net Rental revenue	77,829	86,173	(8,344)	-9.68%
Vouchers sales commissions	2,578	1,980	598	30.20%
Operating expenses, others	(1,754,901)	(1,523,610)	(231,291)	15.18%
Income from main works	411,129	352,387	58,742	16.67%

B) Revenues of the subsidiary within KSA:

Geospatial Analysis of the total of revenues of the subsidiary

Year	Region	Central region	Eastern region	Southern region	Northern region	Western region	Total
2022	Revenue	240,448,903	-	-	-	-	240,448,903
	Percentage	%100	-	-	-	-	100%
2021	Revenue	209,346,908	-	-	-	-	209,346,908
	Percentage	%100	-	-	-	-	100%

Sixthly: a statement of the subsidiaries and state of incorporation, the activity of the company and the percentage of ownership and capital:

The Company's name	Country of Incorporation	The legal form of the company	Type of activity	Country of Incorporation	Proportion of ownership (direct and indirect)	"Number Shares /Quotas"	Par Value of shares	Capital according to the Par value of shares (SAR)
Haley Holding	Saudi	Limited Liability	Wholesale and retail trade	Saudi	100%	10,000	100	1,000,000
Global Marketing Center Holding	Saudi	Limited Liability	Wholesale and retail trade	Saudi	100%	10,000	100	1,000,000
Seven services	Saudi	Limited Liability	import and export	Saudi	100%	50,000	100	5,000,000
Bayt Al Watan	Saudi	Limited Liability	import and export	Saudi	100%	500,000	100	50,000,000
Marafiq Al Tashgheel	Saudi	Limited Liability	General Contracting & Maintenance	Saudi	100%	500	1,000	500,000
Abdullah Al Othaim Markets Egypt	Egypt	Closed joint Stock	Wholesale and retail trade	Egypt	100%	1,200,000	30,35	36,416,998
Shorofat Al Jazira	Saudi	Limited Liability	General contracting, maintenance and operation	Saudi	100%	500	1,000	500,000
Thamarat Al Qassim	Saudi	Limited Liability	Agricultural and animal activity	Saudi	100%	200,000	100	20,000,000
Mueen Human Resources	Saudi	Closed joint Stock	Provision of labor services	Saudi	68%	10,000,000	10	100,000,000

Seventh: Loans and Murabaha:

short term Murabaha: The company has facilities with group of local banks in the form of short-term Murabaha (all of which are Sharia-compliant) to finance the working capital, with an unutilized balance of these Murabaha as on 31 December 2022G the amount of SR 795 million, and the details are as follows: (Value in thousands of riyals):

Statement	Riyadh Bank	Arab National Bank	Samba Financial Group	National Commercial Bank-Samba Previously	National Bank	French Bank
Short-term facility limit	100,000	50,000	50,000	300,000	195,000	100,000
Facilities as of 2022/12/31	0	0	0	0	0	0
Facilities as of 2021/12/31	0	0	0	0	0	0
Type of facilities	Short-term/ Medium-term	Short-term	Short-term	Short-term	Short-term/ Medium-term	Short-term/ Medium-term
Loan Term	Up to 360 days	Up to 90 days	Up to 180 days	Up to 180 days	Up to 180 days	Up to 180 days
Date of First instalment	0	0	0	0	0	0
Date of last instalment	0	0	0	0	0	0
Purpose of the loan	Working capital financing					
Guarantees	Promissory Note					

B) Medium-term loans and murabaha:

The Company have medium-term loans and murabaha an unutilized balance of these Murabaha as on 31 December 2022G was SR 300 million according to the following details

(Value in thousands of riyals):

Statement	SABB Bank	Arab National Bank
Short-term facility limit	150,000	150,000
Facilities as of 2022/12/31	0	0
Facilities as of 2021/12/31	0	0
type of facilities	Medium-term	Medium-term
Loan term	5 Years	5 Years
Date of First instalment	0	0
Date of last installment	0	0
Loan purpose	Buying land financing capital expenditures opening new branches potential expansions	Financing new branches
Guarantees	Promissory note	

Eighth: Legal Payments to Government Authorities (Inside KSA) (SR):

Various taxes

288,744,316

Zakat

11,507,298

General Organization for
Social Insurance –Subscriptions

70,827,849

Withholding tax
and real estate disposal tax

21,036,803

Labor office fees

103,340,259

The visas and passports

76,092,282

Total

571,548,807



07

Investor Relations

Policy of Distributing Dividends and dividends to be distributed.

Shareholders' Right and means of Communications .

Numbers of the Company's Requests for register of shareholders

Ownership structure and shareholder record analysis.

The performance of the company's share during the year 2022G

The company's Announcements published on the website of the Saudi Stock Exchange Company "Tadawul" during the year 2022G

Upcoming events and meetings of interest

Section Seven: Investors Relation

FIRST: Policy of Distributing Dividends, Distributed Dividends and to be distributed: Company Profit distribution Policy:

The Company follows a policy in the distribution of annual net profit in accordance with Article (46) of its Articles of Association, after deducting all general expenses and other costs as follows:

- Maintain (10%) Of the net profit to form the statutory reserve, and the Ordinary General Assembly, may stop this when the said reserve reaches (30%) of the paid-up capital.
- Ordinary General Assembly may, upon the proposal of the Board of Directors to maintain no more than (20%) Of the profits to create an agreed upon reserve to be assigned for specific purposes(s) customize it for the purpose or particular purposes.
- The General Assembly may decide to make other reserves, to the extent that it serves the interests of the Company or ensures the distribution of fixed profits as much as possible to the shareholders, and the said Assembly may deduct from the net profits amounts for the establishment of social institutions for the company's employees or to help the existing ones.
- From the remaining balance, at least equivalent to 5% of the paid-up capital to be distributed for shareholders as first payment.
- After allocating the remuneration of the members of the Board of Directors and the approval of the General Assembly and the decisions issued by the competent authorities, the remainder shall be distributed to the shareholders as an additional share of profits or to be carried forward to the coming years as approved by the General Assembly.
- The Company may distribute interim dividends to its shareholders quarterly or semi-annually in accordance with the regulatory controls and procedures issued in this regard by the competent authority.

**Profits distributed to shareholders during the various periods of the fiscal year in addition to the proposed profit percentage to be distributed at end of the fiscal year and total profits (in SAR):**

Capital	The percentage of profits distributed during the year			Total profit for distribution and proposed for distribution	
	Distribution date	2022/09/15	2022/12/01*		2023/03/02
900,000,000	Percentage	20,00%	75%	27,50%	1,102,500,000
	Total	180,000,000	675,000,000	247,500,000	

*Exceptional Distributions for the Third Quarter of the Year 2022G

Second: Shareholders' Right and Method of Contacting:

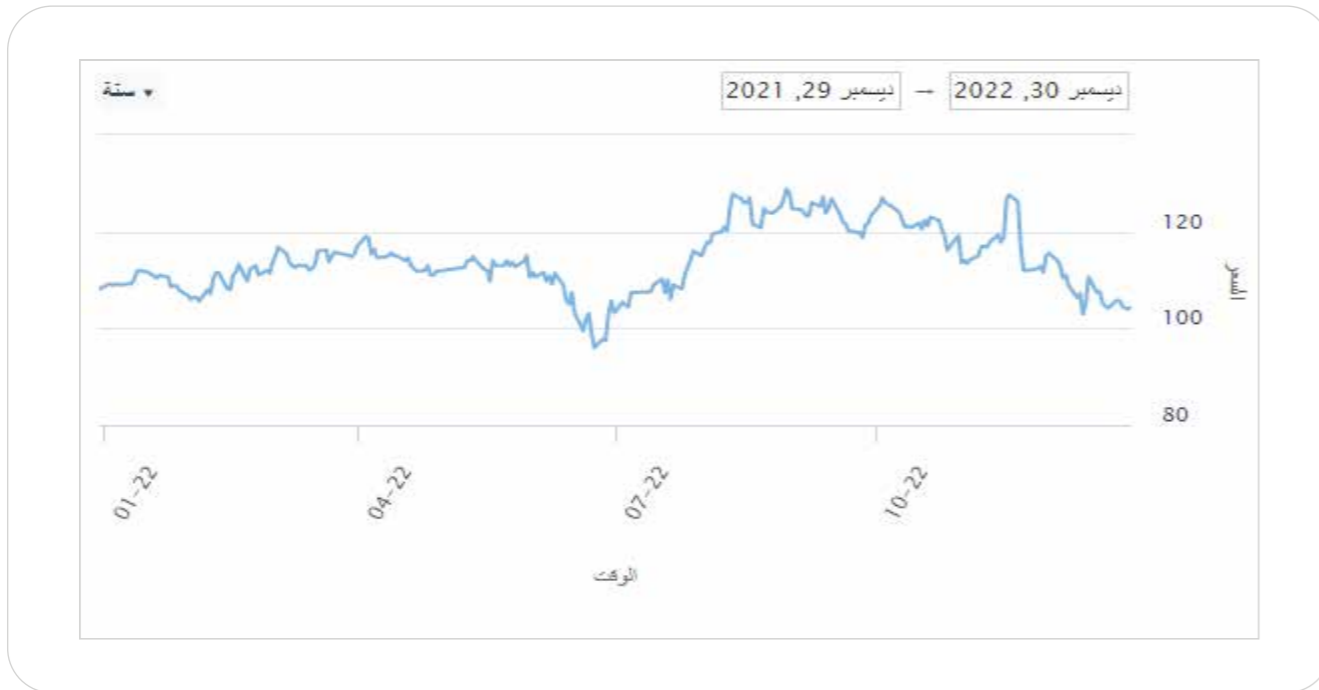
Based on the company's keenness, concern, and care for the rights of its shareholders and stakeholders, the company has included these rights within the governance guide, and informs its shareholders and investors of all important developments, by publishing financial reports, announcements, and material information through the financial market website "Tadawul", the company's website, and the general assemblies of shareholders. It also gives utmost importance to communicating with its shareholders and answering their inquiries through the developed Investor Relations page, or communicating with investor relations through the company's page on the website <http://www.othaimmarkets.com/investors-ir> or through the following e-mail: ir@othaimmarkets.com

Third: Number of the company requests for the register of shareholders:

Number of record requests	The date of request	Reasons for the request
1	2022/09/27G	General Assembly
1	2022/05/16G	
1	2022/01/03G	Corporate Formalities



2022 Fourth :Share performance during the year



Eighth: Upcoming events and meetings of interest to shareholders

In line with the best practices in the field of disclosure and transparency, the company would like to AD that are of 2023 share with its shareholders the most prominent proposed events for the year some of which took place at the beginning of) interest to the public of its shareholders and investors G, but the dates of these 2023 and the other is expected events during the year ,(G 2023 the year events are subject to change for legal reasons or An emergency whose assessment is subject to the Board of Directors, and accordingly, the company does not have any obligation towards the proposed .dates in the event that they are not achieved on the expected dates for any reason

Announcement/ Event	Date
Announcing the Interim financial results for the period ending on 2023/03/31G	2023/05/14G
Convene conference call to discuss the results of the first quarter of the fiscal year 2023G.	2023/05/22G
Convene the annual general meeting of the company's shareholders.	2023/05/15G
Announcing the Interim financial results for the period ending on 2023/06/30G.	2023/08/10G
Announcing distributing interim cash dividends to shareholders for the first half of the year 2023G.	2023/08/10G
Convene conference call to discuss the results of the second quarter of the fiscal year 2023G.	2023/08/16G
Announcing the Interim financial results for the period ending on 2023/30/09G.	2023/11/09G
Convene conference call to discuss the results of the third quarter of the fiscal year 2023G.	2023/11/15G
Announcing the Interim financial results for the period ending on 2023/12/31G.	2024/02/11G
Announcing distributing interim cash dividends to shareholders for the second half of the year 2023G.	2024/02/11G
Convene conference call to discuss the results of the fourth quarter of the fiscal year 2023G	2024/02/14G
Announcing the annual financial results ending on 2023/12/31G.	2024/03/28G

Investor Relations page on the company's website



Sixth: The company's announcements on the Saudi Stock Exchange "Tadawul" website during the year 2022 G:

Announcement/ Event	Announcement date
Interim financial results for the period ending on 2021/31/12G (twelve months).	2022/02/08G
Distributing cash dividends to shareholders for the second half of year 2021G.	2022/02/15G
The approval of the Capital Market Authority to offer % 30 of the shares of Abdullah Al-Othaim Investment Company, in which the company owns %13.65 of its capital.	2022/03/17G
Annual financial results for the year ending on 2021/31/12G.	2022/03/29G
Inviting shareholders to attend the Ordinary General Assembly meeting (the first meeting) through modern technology.	2022/04/17G
Interim financial results for the period ending on 2022/31/03G (three months).	2022/05/11G
The results of the Ordinary General Assembly meeting (first meeting).	2022/05/17G
The latest developments regarding the approval of the Capital Market Authority to offer 30% of the shares of Abdullah Al-Othaim Investment Company, in which the company owns %13.65 of its capital.	2022/07/03G
The approval of the Board of Directors on the offer submitted by Al-Othaim Holding Company to purchase all the company's shares in the capital of Abdullah Al-Othaim Investment Company for SR 846,538,700.	2022/07/13G
The approval of the Board of Directors to sell the land owned by the company in Medina at a value of SR 211,327,580.	2022/08/10G
Interim financial results for the period ending on 2022/30/06G (six months).	2022/08/18G
Distributing cash dividends to shareholders for the first half of the year 2022G.	2022/08/18G
Convene conference call to discuss the results of the second quarter of the fiscal year 2022G.	2022/08/29G
Inviting shareholders to attend the Ordinary General Assembly meeting (the first meeting) through modern technology.	2022/09/05G
The results of the Ordinary General Assembly meeting (first meeting).	2022/09/28G
Launching the company's strategic plan for retail activity in the Kingdom of Saudi Arabia.	2022/10/06G
The approval of the Board of Directors to sell the land owned by the company in Riyadh, at a value of SR186,568,704.	2022/10/13G
Termination of the appointment of the Chief Executive Officer and the appointment of a Managing Director.	2022/10/16G
Interim financial results for the period ending on 2022/30/09G (nine months).	2022/11/07G
Convene conference call to discuss discuss the results of the third quarter of the fiscal year 2022G.	2022/11/13G
Distributing exceptional cash dividends to shareholders for the third quarter of 2022.	2022/11/16G

At the end of this report, members of the Board of Directors of Abdullah Al Othaim Markets Company express their thanks and appreciation to the employees of the company, shareholders, suppliers, banks and government agencies for their support and cooperation, and your company will continue its success, growth and future expansion in line with the plans and objectives set and achieve the continuous rate of growth in profits.

The Board of Directors

- 1- There is no interest in the class of shares entitled to vote belong to persons who have notified the Company of those rights under Article (68) of the Listing Rules and Continuing Obligations.
- 2- There are no categories or numbers of any convertible debt instruments, any contractual securities, warrants, rights, or similar rights issued or granted by the Company during the financial year.
- 3- There are no rights to transfer or subscribe under convertible debt instruments, contractual securities, subscription rights notes or similar rights issued or granted by the Company
- 4- There is no refund, purchase, or cancellation by the Company for any redeemable debt instruments
- 5- There is no arrangement or agreement whereby a board member or a senior executive waives any remuneration
- 6- There is no arrangement or agreement whereby any of the Company's shareholders waives any rights in profits.
- 7- There are no investments or reserves created for the benefit of source employees.
- 8- The Board of Directors also acknowledges the following:

- a) That the accounting records had been prepared correctly.
- b) That the internal control system has been properly prepared and implemented effectively.
- c) That there is no doubt of the company's ability to continue activity.

Disclaimer:

In case of any contradiction or discrepancy in translation between the English version and the Arabic version of this report, the Arabic text shall prevail.

Othaim  العثيم