



The agenda of the Ordinary General Assembly (the first meeting) of the Saudi Marketing Company (Farm Superstores), which is scheduled to be held at 7pm on Tuesday 13/10/1442 AH corresponding to 25/05/2021 through the means of modern technology using the Tadawulaty.

1. Voting on the Company's auditor's report for the fiscal year ending on 31/12/2020.
2. Voting on the financial statements for the fiscal year ending on 31/12/2020.
3. Voting on the Board of Directors' report for the fiscal year ending on 31/12/2020.
4. Voting on appointment of the Company's external auditor from among the nominees recommended by the Audit Committee, to review and audit the financial statements for the Q2, Q3 and the annual financial statements for the fiscal year 2021 and Q1 of the fiscal year 2022 along with determining their fees.
5. Voting on the Board of Directors' recommendation not to distribute dividends to the company's shareholders for the fiscal year ending 31/12/2020.
6. Voting on discharging the members of the Board of Directors for the fiscal year ending 31/12/2020.
7. Voting on disbursement of an amount of SR (1,400,000) as a remuneration to the Board Members @ SR (200,000) each member for the fiscal year ending on 31/12/2020.
8. Voting on the business and contracts concluded between the Company and Dar Al Karam restaurants in which the Chairman of the Board of Directors Hazem Fayez Al Aswad has a direct interest, noting that the amount of the transaction for the year 2020 amounted to SR 470,400 which is sales of foodstuffs from the company for the benefit of Dar Al Karam restaurants, according to the prevailing commercial terms (attached).
9. Voting on the business and contracts concluded between the company and Pure Springs Agencies and Trade Co. Ltd.(Subsidiary Company) in which the Chairman of the Board of Directors Hazem Fayez Al-Aswad has a direct interest, noting that the amount of the transaction for the year 2020 amounted to SR 90,410 which is sales of foodstuffs from the company for the benefit of Pure Springs Agencies and Trade Co. Ltd.(Subsidiary Company) with the prevailing commercial terms (attached).
10. Voting on the business and contracts concluded between the company and Al-Aswad Trading and Contracting Est., in which the Chairman of the Board of Directors Hazem Fayez Al-Aswad has a direct interest, noting that the amount of the transaction for the year 2020 amounted to SR 1,242,000 which is a contract to provide consulting, maintenance and technical support services for the company to a number of sites affiliated with the Al-Aswad Trading and Contracting Est., according to the prevailing commercial terms (attached).
11. Voting on the business and contracts concluded between the company and Al-Aswad Trading and Contracting Est. in which the Chairman of the Board of Directors Hazem Fayez Al-Aswad has a direct interest, noting that the amount of the transaction for the

year 2020 amounted to SR 3,603,767 which is a branch lease expense on the company for the benefit of Al-Aswad Trading and Contracting Est., according to the prevailing commercial terms (attached).

12. Voting on the business and contracts concluded between the company and Pure Springs Agencies and Trade Co. Ltd.(Subsidiary company) in which the Chairman of the Board of Directors Hazem Fayez Al-Aswad has a direct interest, noting that the amount of the transaction for the year 2020 amounted to SR 189,859 which is a salary expense on the company for the benefit of Pure Springs Agencies and Trade Co. Ltd.(Subsidiary company) as a result of securing workers to work in some branches of the company as needed, according to the prevailing commercial terms (attached).
13. Voting on the business and contracts concluded between the company and Space Travel and Tourism Agency in which the Chairman of the Board of Directors Hazem Fayez Al-Aswad has a direct interest in it, noting that the amount of the transaction for the year 2020 amounted to SR 589,123 which is the purchase of tickets for the employees of the company from Space Travel and Tourism Agency, according to the prevailing commercial terms (attached).
14. Voting on the business and contracts concluded between the company and Al-Aswad Trading Est. in which the Chairman of the Board of Directors Hazem Fayez Al-Aswad has a direct interest, noting that the amount of the transaction for the year 2020 amounted to SR 2,661,573 which is the purchase of foodstuffs for the company from Al-Aswad Trading Est., according to the prevailing commercial terms (attached).
15. Voting on the business and contracts concluded between the company and Pure Springs Agencies and Trade Co. Ltd.(a subsidiary company) in which the Chairman of the Board of Directors Hazem Fayez Al-Aswad has a direct interest, noting that the amount of the transaction for the year 2020 amounted to SR 58,361 which is the purchase of foodstuffs for the company from Pure Springs Agencies and Trade Co. Ltd.(Subsidiary Company) with the prevailing commercial terms (attached).
16. Voting on the business and contracts concluded between the company and Al-Aswad Trading and Contracting Est., in which the Chairman of the Board of Directors Hazem Fayez Al-Aswad has a direct interest, noting that the amount of the transaction for the year 2020 amounted to SR 1,330,642 which is the supply and installation of solar energy cells for some of the company's branches through Al Aswad Trading and Contracting Est. and that is according to the prevailing commercial terms (attached).
17. Voting on the business and contracts concluded between the company and Al-Aswad Trading and Contracting Est., in which the Chairman of the Board of Directors Hazem Fayez Al-Aswad has a direct interest, noting that the amount of the transaction for the year 2020 amounted to SR 2,006,050 which is rental income for rental spaces for the company from Al-Aswad Trading and Contracting Est., according to the prevailing commercial terms (attached).
18. Voting on the business and contracts concluded between the company and Al-Aswad Trading Est., in which the Chairman of the Board of Directors Hazem Fayez Al-Aswad



has a direct interest, noting that the amount of the transaction for the year 2020 amounted to SR 192,064 which is rental income for the company for spaces and gondolas for displaying the goods of Al-Aswad Trading Est., on commercial terms Prevailing (attached).

19. Voting on the business and contracts concluded between the company and Pure Springs Agencies and Trade Co. Ltd.(Subsidiary Company) in which the Chairman of the Board of Directors Hazem Fayez Al-Aswad has a direct interest, noting that the amount of the transaction for the year 2020 amounted to SR 616,124 which is rental income in favor of the company for areas of its exhibitions with the Pure Springs Agencies and trade Co. Ltd., under the prevailing commercial terms (attached).
20. Voting on the business and contracts concluded between the company and Al-Dawaa Medical Services Company Ltd., in which a member of the board of directors Mohammad Saad Al-Faraj Al-Subaie (a former board member of the company until 20/03/2020) has a direct interest, noting that the amount of the transaction until the date of 31/03/2020 amounted to SR 488,831 which is the purchase of medical materials for the company from Al-Dawaa Medical Services Company Ltd. (attached).
21. Voting on the business and contracts concluded between the company and Al-Dawaa Medical Services Company Ltd., in which a member of the board of directors Mohammad Saad Al-Faraj Al-Subaie (a former board member of the company until 20/03/2020) has a direct interest, noting that the amount of the transaction until 31/03/2020 amounted to SR 189,611 which is rental income for the company for spaces and gondolas for displaying the goods of Al-Dawaa Medical Services Company Ltd. (attached).



Proxy Form

Dear Esteemed Shareholders,

The proxy form is not available, as the Ordinary General Assembly meeting will be held through modern technology means to ensure the safety of the shareholders and in the context of supporting the preventive and precautionary efforts and measures taken by the relevant and competent health authorities to address the emerging corona virus (COVID-19), and as an extension of the continuous efforts that All Government agencies in the Kingdom of Saudi Arabia to take the necessary preventive measures to prevent its spread.

Best Regards,

Saudi Marketing Company (Farm Superstores)

Saudi Marketing Company (Farm Superstores)

Audit Committee Report for the fiscal year ended 31 December, 2020

Respected Shareholders

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

Abdul Qadir Khalil Abdul Qadir Al-Nimri

Chairman of the Committee

Abdullah Khalaf Al-Binali

Committee member

Luay Khalil Abu Al-Shammat

Committee member

During the year ended 2020, the committee attended four meetings, and a summary of its work carried out by the committee during the year ended 2020, where it studied the initial annual financial statements of the company before submitting it to the Board of Directors and expressing its opinion and recommendation regarding it to ensure its integrity, fairness and transparency.

First: External audit and financial reporting.

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

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Second: Internal audit:

- The committee verified that the internal control system is in line with the company's corporate governance regulation and control systems to protect the company's assets and property, as well as ensuring the independence of the internal auditor and the availability and adequacy of the resources and capabilities necessary to fully carry out his duties.
- The committee provided a technical opinion on the board of directors' report and found that the annual board report and the company's financial statements for the fiscal year ended 31 December, 2020 are fair and balanced and include information that allows shareholders and investors to evaluate the company's financial position, performance, business model and strategy.
- The committee studied the internal audit reports and made proposals regarding developing the internal control system and raising awareness of the importance of the role of internal control and improving it.
- The committee studied the accounting policies used in the company and gave an opinion on them.

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

The committee expressed its opinion on the adequacy of the internal control system in Saudi Marketing Company (Farm Superstores) through its supervisory role on the company's internal audit department by verifying that the internal control systems are applied effectively based on an evaluation of workflow procedures and an informed assessment of the risks facing the company as well as verifying the independence and the objectivity of the external auditors during review of the company's accounts, and where the audit committee did not show any matters of material impact during the year ended 2020 in the internal control system of the Saudi Marketing Company (Farm Superstores), it is necessary to disclose it with regard to the company's application of financial systems and the extent of compliance with the rules of corporate governance.

On behalf of the Audit Committee

Abdul Qadir Khalil Abdul Qadir Al-Nimri

Chairman of the Committee



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

Dated: 12/04/2021

To the General Assembly

Saudi Marketing Company (Farm Superstores)

Dammam, Saudi Arabia

A statement of the business and contracts of the members of the board of directors having direct or indirect personal interest in it, including the transactions that took place with the shareholders of the company represented by the member of the board of directors in the board or with the companies owned by the members of the board of directors during the year ending on December 31, 2020 and their review for the next year. This statement is prepared to comply with the provisions of Article No. (71) of the Companies Law in the Kingdom of Saudi Arabia and Article No. (27) of the Corporate Governance Regulations issued by the Capital Market Authority.

1. Below is a list of the transactions with Board of Directors related to sales, purchases, leasing agreements and other transactions that the company undertook during the year ending December 31, 2020:

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

The Company's Name	Relationship	The Amount (In Saudi Riyals)
Dar Al Karam Restaurants	Affiliated to the Chairman of the Board of Directors	470,400
Pure Springs Agencies and Trade Co. Ltd.	The Chairman of the Board of Directors owns 10%	90,410

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

The Lessor's Name	Relationship	The Amount (In Saudi Riyals)	The contract period
Al-Aswad Trading and Contracting Establishment	Affiliated to the Chairman of the Board of Directors	1,242,000	One year



C) The rental expense incurred by the company which was charged by the following companies:

The Lessor's Name	Relationship	The Amount (In Saudi Riyals)	The contract period
Al-Aswad Trading and Contracting Establishment	Affiliated to the Chairman of the Board of Directors	3,603,767	One year

Salary expense incurred by the company and charged by the following companies:

The Lessor's Name	Relationship	The Amount (In Saudi Riyals)
Pure Springs Agencies and Trade Co. Ltd.	The Chairman of the Board of Directors owns 10%	189,859

D) The company purchased from the following companies:

The Company's Name	Relationship	The Amount (In Saudi Riyals)
Space Travel and Tourism Agency	Affiliated to the Chairman of the Board of Directors	589,123
Al-Aswad Trading Est.	Affiliated to the Chairman of the Board of Directors	2,661,573
Pure Springs Agencies and Trade Co. Ltd.	The Chairman of the Board of Directors owns 10%	58,361
Al-Aswad Trading and Contracting Establishment	Affiliated to the Chairman of the Board of Directors	1,330,642
Al-Dawaa Medical Services	Formerly Affiliated to the Board of Directors	488,831

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



The Lessor's Name	Relationship	The Amount (In Saudi Riyals)	Date of Contract	The contract period
Al-Aswad Trading and Contracting Establishment	Affiliated to the Chairman of the Board of Directors	2,006,050	1/3/2015	12 months
Al-Aswad Trading Establishment.	Affiliated to the Chairman of the Board of Directors	192,064	1/1/2015	12 months
Pure Springs Agencies and Trade Co. Ltd.	The Chairman of the Board of Directors owns 10%	616,124	1/1/2011	12 months
Al-Dawaa Medical Services	Formerly Affiliated to the Board of Directors	189,611	1/1/2020	21/3/2020

F) Remuneration and Payments to Senior Executives:

The company also had the following transactions related to the total amounts paid to four senior executives, including the CEO and the Chief Financial Officer, during the year ending 12/31/2020, in addition to the remuneration of the members of the Board of Directors:

Type of transaction	The Amount (In Saudi Riyals)
Salaries and other benefits for four senior executives	4,180,542
Remuneration for executive board members	450,000

- We assure to the respected shareholders that all the transactions described in this notification were recorded in the consolidated financial statements of the company for the year ended December 31, 2020, and only material information was disclosed in those consolidated financial statements for the year ended December 31, 2020, in accordance with the requirements of International Financial Reporting Standards applicable in the Kingdom of Saudi Arabia and other standards and publications approved by the Saudi Organization for Certified Public Accountants.
- We assure the respected shareholders of the correctness of the transactions described in this report.

Hazem Fayez Al Aswad

Chairman of Board of Directors



LIMITED ASSURANCE REPORT

To the shareholders of
Saudi Marketing Company (Farm Superstores)
Dammam, Kingdom of Saudi Arabia

Introduction

We have been engaged with Saudi Marketing Company (Farm Superstores) (“the Company”) to carry out limited assurance procedures on the report submitted by the Chairman of the Board of Directors of the Company regarding the personal interest of the Board members in the business and contracts that are made for the Company.

Scope

Carrying out limited assurance procedures on the report submitted by the Chairman of the Board of Directors on 12 April 2021 (“the Report”) that will be presented to the shareholders of the Company in the upcoming Ordinary General Assembly meeting in which the direct and indirect personal interest of the members of the Board of Directors and contracts that are made for the Company will be reported.

Responsibility of the Company’s management

The management of the Company is responsible for preparing the Report in accordance with the provisions of Article No. (71) of the Companies Law in the Kingdom of Saudi Arabia and Article (27) of the Corporate Governance Regulations issued by the Capital Market Authority and submitting it to us with all the information and clarifications we have requested.

Quality control, commitment to independence and other ethical requirements

We implement Quality Control Standard (1) “Quality Control for Firms that Perform Audits and Examination of Financial Statements, Assurance Engagements and Other Related Services,” and thus maintain a comprehensive quality control system including documented policies and procedures regarding compliance with ethical requirements, professional standards and regulatory requirements as applicable in the Kingdom of Saudi Arabia.

We have adhered to the independence and other ethical requirements of the Code of Conduct and Ethics for Professional Accountants issued by the Saudi Organization for Certified Public Accountants, which is based on the basic principles of integrity, objectivity, professional competence and due diligence, confidentiality and professional behaviour.

Our responsibility

Our responsibility is to provide limited assurance on the Report to form an independent conclusion based on our limited assurance procedures performed.

We conducted our engagement in accordance with the International Standard on Audit Engagements 3000 (“Assurance engagements other than audits or reviews of historical financial information”) as endorsed in the Kingdom of Saudi Arabia.

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

Our report is only for the purpose stated above and for your information, and is not for use for any other purpose or for distribution to any other parties. This report relates only to the items specified above, and does not extend to the financial statements of the Company in its entirety.

Summary of the procedures performed

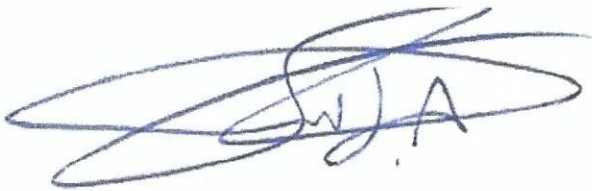
Our procedures performed are summarized as follows:

- 1) Obtained the Chairman's statement of the transactions with the related parties dated 12 April 2021 (attached).
- 2) Compared the transactions with related parties shown in the attached Report with the general ledger of the Company for the year ended 31 December 2020.
- 3) On sample basis, checked the transactions with the related parties with the supporting documents.
- 4) Obtained confirmations of related party balances as of 31 December 2020.
- 5) Assessed whether the transactions with related parties are adequately disclosed in the financial statements of the Company for the year ended 31 December 2020.

Conclusion

Based on the limited assurance procedures performed and evidence obtained, nothing material has come to our attention that causes us to believe that the information contained in the attached Report is incorrect.

For Dr. Mohamed Al-Amri & Co.



Gihad M. Al-Amri
Certified Public Accountant
Registration No. 362

13 April 2021



INDEPENDENT AUDITOR'S REPORT

To the Shareholders of
Saudi Marketing Company (Farm Superstores)
(A Saudi Joint Stock Company)
Dammam, Kingdom of Saudi Arabia

Opinion

We have audited the consolidated financial statements of Saudi Marketing Company (Farm Superstores) (the "Company") and its subsidiary (collectively referred to as "the Group") which comprise the consolidated statement of financial position as at December 31, 2020 and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended and notes from (1) to (36) to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2020, its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRS") endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by the Saudi Organization for Certified Public Accountants ("SOCPA").

Basis for opinion

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

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2020. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Valuation of inventories	
Refer to note 4 for the accounting policy and note 11 for related disclosures	
Key audit matter	How the matter was addressed in our audit
<p>Inventories as at December 31, 2020 amounted to SR 824.2 million (December 31, 2019: SR 759.5 million) constitute around 36% (December 31, 2019: 34%) of the total assets of the Group.</p> <p>Inventories are stated at lower of cost or net realisable value. At each reporting date, management reviews the valuation of inventories and writes down the cost of inventories that are forecasted to be sold below cost.</p> <p>We considered this as a key audit matter due to the significant judgments and key assumptions applied by the management in determining the allowance for slow moving inventories and the level of inventories write down required based on the net realizable value assessment.</p>	<p>Our audit procedures on valuation of inventories included the following:</p> <ul style="list-style-type: none"> - Assessed the appropriateness of the Group's accounting policies for recognition and measurement of inventories in line with the requirements of relevant IFRS; - Assessed the design and implementation and operating effectiveness of the Group's relevant controls including automated controls around recognition and measurement of inventories; - Attended periodical physical count of inventories on selected locations along-with management to identify expired, lost or slow moving items; - Tested the net realisable value of finished goods inventories on sample basis by comparing their costs to their net realizable value; - Assessed the accuracy and completeness of the inventory aging provided by the management; - Assessed the adequacy of the disclosures in the Group's consolidated financial statements as per the relevant IFRS.

Revenue recognition

Refer to note 4 for the accounting policy and note 22 for related disclosures.

<i>Key audit matter</i>	<i>How the matter was addressed in our audit</i>
<p>During the year ended December 31, 2020, the Group has recognized total revenue amounted to SR 1,863.2 million (2019: SR 1,580.9 million).</p> <p>The Group's sales are recognized on a point-in-time basis of recognition with no major judgements or estimates involved.</p> <p>However, because of the Group's focus on revenue as a key performance measure and the existence of inherent risk associated with possible overstatement of revenue to achieve better results, it is considered as a key audit matter.</p>	<p>Our audit procedures on revenue recognition of the Group included the following:</p> <ul style="list-style-type: none"> - Assessed Group's revenue recognition policy and its compliance in terms of relevant IFRS; - Assessed the design, implementation and operating effectiveness of the Group's relevant controls including automated controls around recognition of revenue; - Performed sample tests on daily sales reconciliations prepared at branch level and agreed with the sales records; - Assessed a sample of daily sales reconciliations prepared pre- and post-year end to ensure whether the sales have been recognized in the correct accounting period; - Assessed the adequacy of the disclosure made in the consolidated financial statements in accordance with the relevant IFRS.

Other information

Management is responsible for the other information. The other information comprises the information included in the annual report but does not include the consolidated financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, when made available to us, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of management and Those Charged with Governance for the consolidated financial statements

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

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

Those Charged with Governance, in particular the Audit Committee, are responsible for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

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

As part of an audit in accordance with ISAs as endorsed in the Kingdom of Saudi Arabia, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

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

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

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

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

For Dr. Mohamed Al-Amri & Co.



Gihad M. Al-Amri
Certified Public Accountant
Registration No. 362



4 April 2021 (G)
22 Sha'ban 1442 (H)

Recommendation of the Audit Committee to the General Assembly regarding the appointment of the external auditor for the for the year 2021 AD

That on Wednesday 2/9/1442 AH corresponding to 14/4/2021 AD, the audit committee of the Saudi Marketing Company (Farm Markets) recommended to the General Assembly, and after it reviewed the offers submitted by the offices of the following external auditors, their names:


- Dr. Abdul Qadir Banqa & Partners Company (United Accountants), with fees of 575,000 riyals.
- Dr. Muhammad Al-Omari and Partners Company - Certified Public Accountants with fees of 490,000 riyals.
- Ibrahim Ahmed Al-Bassam and his partners, chartered accountants (Al-Bassam and his partners), with fees of 475,000 riyals.

After reviewing the above offers, the audit committee recommended to the General Assembly and the Board of Directors to vote on the nomination of any of the above companies among the candidates as they are from the audit firms and have the necessary experience and professionalism. Their financial reports and advice are respected in the local and international market, and the requirements of the application of standards have been taken into consideration by the committee. International accounting in order to examine, review and audit the financial statements for the second, third and annual quarters of the fiscal year 2021 AD and the first quarter of the year 2022 AD

Committee members

Abdul Qadir Khalil Abdul Qadir Al-Nimri

Committee Chairman



Abdullah Khalaf Al-Binali,

Committee member



Luay Khalil Abu Al-Shammat

Committee member

