



Building for a resilient future

Annual Report 2023



Building for a resilient future

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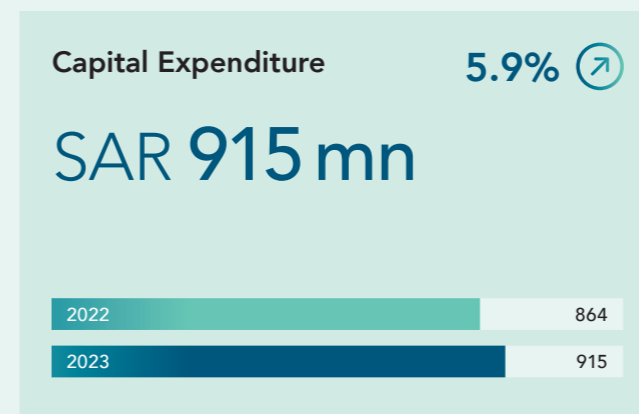
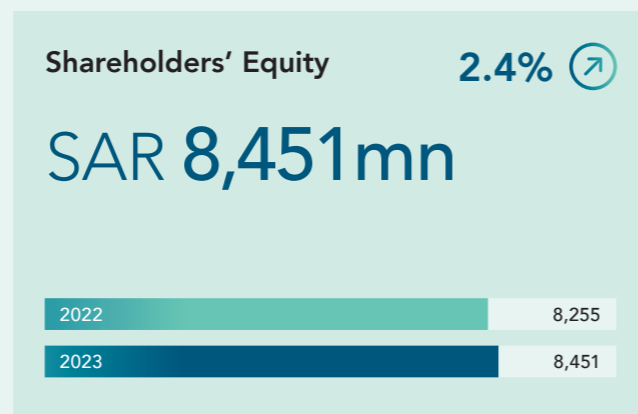
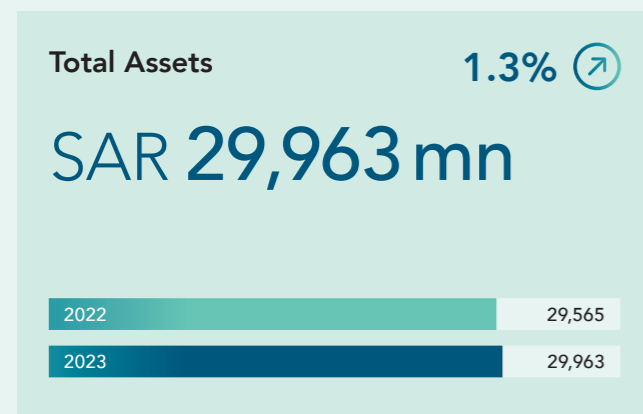
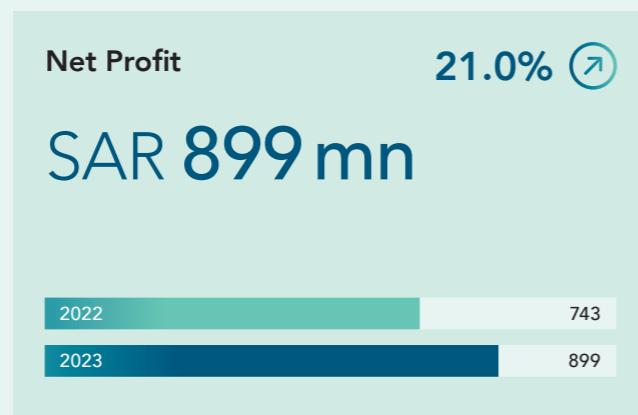
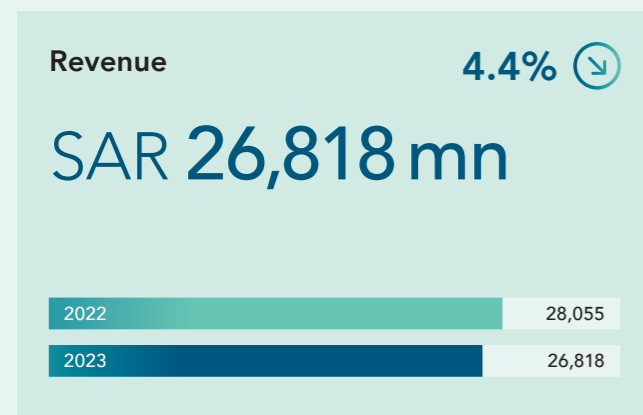
Savola is one of the leading strategic investment holding companies in the MENAT (Middle East, North Africa and Turkey) Region, with a portfolio of leading brands in the food and retail sectors.



HIGHLIGHTS OF THE YEAR

Improved margins across all managed portfolio companies

Financial Highlights



Strategic Highlights



Savola Foods' robust financial results were driven by enhanced margins and strategic capital reallocation, after divesting underperforming overseas operations.



Panda's return to profitability was mainly attributed to its successful Customer Experience Revival (CXR) program and ongoing digital transformation.



Distribution of Savola's entire holding in Almarai will unlock value for our shareholders and strengthen our financial position.



Al Kabeer revenues rose 7% in 2023 due to volume growth and better pricing in key categories.



Herfy's profit surged 136.5% in 2023 to SAR 8.39 million.



Savola's 82% employee satisfaction rate following the Tower survey showed that our people are encouraged to balance their professional and personal lives.



The Savola World Foundation won the Princess Seetah Bint Abdul Aziz Award for Excellence in Social Work, for its Negaderha Food Waste Management Program.

CHAIRMAN'S STATEMENT

Scaling new heights

As we commemorate the 45th anniversary of our Group, we stand at a pivotal moment, reflecting on a journey that began with a modest initial share capital of SAR 40 million and a dedicated team of 200 in 1979.



Sulaiman A. Al Muhaidib
Savola Group Board Chairman



Net Profit 2023

+21.0%

Total Assets 2023

+1.3%

Shareholders' Equity 2023

+2.4%

Today, we have transformed into one of the MENAT region's preeminent food and retail investment powerhouses, boasting a rich tapestry of household brands, an expansive geographical footprint stretching from Saudi Arabia to the broader MENAT region, and a respectable market capitalization of around SAR 30 billion by the end of first quarter in 2024.

This remarkable evolution comes in line with our strategic directions, continuous efforts to bring success to our effective management of our diverse portfolio in the critical sectors of Food and Retail both within the Kingdom and internationally.

In 2023, our food investment arm showcased exceptional performance, with Savola Foods Company (SFC) registering significant growth across Arabia and Egypt, while Al Kabeer's achievements were magnified by its robust performance in key markets. A pivotal moment for our Retail Investments was Panda's return to profitability, underscoring our commitment to generating long-term value for our shareholders.

Fostering Economic Vision 2030

Aligned with Vision 2030's strategic goals, we recognize the indispensable role of Small and Medium Enterprises (SMEs) in fueling economic growth and job creation. Committed to uplifting the Kingdom's economy, we aim to elevate SMEs' contribution to the national GDP from 20% to 35% by 2030.

As a leading company in the food and retail sectors, we are dedicated to nurturing and mentoring SMEs through our corporate social responsibility arm (Savola World Foundation). Our flagship initiative, "Yumnak," empowers SMEs with the necessary skills and tools for achieving their growth and expansion ambitions.

Separately, we continue to invest in our operations in the Kingdom with expansion of our footprint in retail and increasing our manufacturing and distribution investments in support of our spices and snacking and frozen food operations.

Championing Sustainable Progress

The Savola World Foundation epitomizes our commitment to social responsibility, driving a multitude of initiatives aimed at enriching our communities and preserving our environment. Our efforts span from fostering business growth and promoting sustainability to combating food waste, empowering individuals, nurturing the youth, and supporting the disabled. As the Group's Chairman, I am profoundly proud of our role as a proactive and responsible corporate citizen.

Enhancing Shareholder Value

In early 2024, we announced our decision to distribute Savola shares in Almarai to our shareholders, reinforcing our pledge to directly enhance shareholder value. This strategic move marks a milestone in our illustrious history, offering shareholders firsthand investment in one of the region's most esteemed food brands.

Looking ahead, we remain focused on amplifying the growth of our core businesses, while exploring strategic avenues for maximizing value from our portfolio companies. Our guiding principle is to achieve long term value to our shareholders.

Gratitude and Forward Outlook

On behalf of the Board, I extend my heartfelt appreciation to the Saudi leadership and government for their unwavering support, to our shareholders and stakeholders for their steadfast loyalty during a year of formidable challenges, and to our executive management and dedicated workforce, whose resilience and commitment have catapulted Savola to new peaks of achievement. With a forward-looking perspective, we eagerly anticipate 2024, ready to advance our strategic objectives and continue delivering unparalleled value to all stakeholders.

GROUP CEO'S MESSAGE

Focused on value creation

Savola Group has maintained its upward trajectory and resilience, achieving consistent earnings growth amidst macroeconomic and geopolitical challenges in certain operating regions. Our financial standing has been bolstered, and our market presence in the Kingdom has strengthened. Overseas, we've implemented a prudent strategy with effective risk management, resulting in superior performance. These endeavors align with our mission to enhance value across our food processing and retail operations.



Waleed Khalid Fatani
Group Chief Executive Officer



Our commitment to value creation extends beyond our operations. We are actively exploring avenues to maximize value for all stakeholders, evaluating strategic options to enhance shareholder value.

Robust Financial Performance Underpinned by Strategic Momentum

Our robust financial performance in 2023 was driven by strategic momentum and effective capital allocation. Investments yielded positive outcomes, notably with Panda's turnaround and strong performance from Savola Foods Company (SFC).

Panda's shift to profitability, with a net profit of SAR 47 million compared to a loss of SAR 158 million in 2022, demonstrates positive indication resulted by the strategic direction we have adopted in retail sector. SFC also delivered impressive results, driven by enhanced contribution margins and strategic product mix adjustments. Successful execution in our core markets like Saudi Arabia and Egypt, coupled with a strategic capital reallocation by divesting from underperforming overseas operations, contributed to SFC's overall earnings growth, reaching SAR 452 million, a 12% increase over 2022.

Focus on Innovation

With a focus on resilience, innovation, digital transformation, and sustainability, we will continue to foster the accelerated performance of our businesses in future.

Panda has leveraged its successful CXR investment program to revitalize the shopping experience and is actively advancing its digital transformation. The launch of Panda Plus, its customer loyalty program, enables data capture for targeted and smarter promotional initiatives. Additionally, Panda is implementing an omnichannel strategy to seamlessly integrate physical and digital channels, further solidifying its position as the leading grocery retailer in the Kingdom.

SFC continues to drive product innovation, introducing immunity boosting edible oil products and pioneering sugar innovations like Sweet & Fit.

Furthermore, its nuts, spices, and snacking business has expanded its leadership in the UAE, achieving significant revenue growth and a notable increase in net income, driven by successful new product launches including healthy snack bars. In addition to its focus on B2C offering, SFC has relaunched its B2B platform, Savola Professional, positioning itself as a solution provider for HORECA, food service, and food manufacturing/ingredients customers.

We are committed to sustainability, evidenced by the launch of our edible oil products in biodegradable bottles in the Kingdom. We continue to invest in more efficient and cleaner power sources for select operations and prioritize sourcing raw materials from sustainable suppliers through global partnerships.

Our frozen food platform, Al Kabeer, has revitalized its brand and invested in innovative packaging to meet evolving consumer needs. Additionally, it has introduced new product innovations tailored to a wider Saudi demographic, capturing emerging trends in the market.

People Culture First

We are dedicated to fostering a culture rooted in ethics, values, and transparency. Despite operating in diverse sectors and regions, we uphold consistent standards throughout the Group to achieve collective success. Our employees are indispensable to our daily operations, and as such, we prioritize cultivating an environment characterized by integrity, responsibility, trust, and respect. Through our People Pillars Programs, we ensure a healthy work-life balance and promote shared values among our workforce.

Achieving Strategic Goals for Unlocking Value

We started the year with some ambitious targets across retail, food processing and frozen foods which we have achieved. Our efforts to realize value to our stakeholders is critical to achieve long term success for the Group.

We announced on February 2024 our intention to proceed with the distribution of its entire 34.52% shareholding in Almarai to eligible Savola shareholders following a SAR 6.0 billion rights issue. The objective of the distribution of our 34.5% stake in Almarai is to unlock value for Savola's shareholders, who will benefit from direct exposure to the growth potential and future dividend capacity of Almarai, one of the region's leading food companies.

Almarai has been one of the most successful investments for Savola Group to date. The rights issue will allow Savola to strengthen its financial position and continue to invest in the growth of its portfolio, while paying down debt and enabling the distribution of our entire stake in Almarai to eligible Savola shareholders.

This is another important step in Savola's value creation journey, during which we have established a longstanding track record for executing investments and transactions that deliver attractive returns.

Looking Forward

We prioritize expediting the distribution of Almarai shares to our shareholders as efficiently as possible. We will also continue our strategic focus to grow and optimize our Food portfolio of operating businesses in basic foods and fast-growing value-add food categories, underpinned by their longstanding track record and vast reach within the Kingdom and wider MENAT region. Finally, we are excited about Panda's growth momentum as it charts its own future path as the leading grocery retailer.

Acknowledgements

I thank our customers for their continued loyalty, the Chairman and Board of Directors for their wise counsel and support, the Executive Team for their efforts and hard work, and our workforce for their hard work and dedication.

GROUP CFO'S MESSAGE

Core businesses drive growth

In 2023, we adeptly managed challenges and strategic advancements, achieving a consolidated revenue of SAR 26.8 billion, despite a 4% decrease influenced by market volatility, strategic market exits, and operational suspension in Sudan.

Our focus on strategic growth and operational efficiency, particularly in our key GCC and Egypt markets, remained strong, contributing significantly to our revenue (2023: 84%; 2022: 80%).

In the Retail segment, Panda achieved a pivotal milestone by reaching operational breakeven, complemented by a substantial 60% increase in EBITDA to SAR 774 million. This considerable progress is a testament to the effectiveness of our Customer Experience Renewal (CXR) program. With the opening of new stores and strategic partnerships, Panda is embarking on its growth strategy.

Savola Foods Company has shown resilience and strategic adaptability within a dynamic regional landscape, achieving a solid 21% increase in EBITDA to SAR 1.5 billion. This significant growth was driven by enhanced contribution margins, targeted business-to-business (B2B) initiatives, effective foreign exchange, and commodity risk management practices, achieving unprecedented profits in core markets. Our strategic exits from Morocco and Iraq were aligned with focusing resources on high-potential markets.

Al Kabeer's performance, with a 7% increase in revenue and an 20% rise in gross profit, reaching SAR 714 million and SAR 252 million, respectively, demonstrates the effectiveness of our brand revamp and product innovation in fostering growth and profitability.

We have successfully reduced our net debt to SAR 6.6 billion through operational cash flow and working capital optimization. This financial prudence underscores our commitment to supporting a robust balance sheet and ensuring sustainable growth.

Looking to the future, whilst facing challenges of high finance costs and currency devaluation, we have embarked on a strategic initiative aimed at creating shareholder value, including the distribution of our 34.5% stake in Almarai to our shareholders and a concurrent SAR 6 billion rights issue. This transaction will allow Savola to strengthen its financial position and continue to invest in the growth of its portfolio, while paying down its debt, and requires securing the necessary approvals from the relevant regulatory authorities and from the General Shareholders Assembly.

Savola Foods Company
EBITDA 2023

+21%

Panda Retail Company
EBITDA 2023

+60%

Panda's considerable progress is a testament to the effectiveness of our Customer Experience Renewal (CXR) program.



Wajid Usman Khan

Group Chief Financial Officer



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Savola Profile

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SAVOLA AT A GLANCE

A leader in food and retail

Savola is one of the leading strategic investment holding companies in the MENAT (Middle East, North Africa and Turkey) Region, with a portfolio of leading brands in the food and retail sectors.

Since 1979, Savola has built a reputation for creating “Value Built on Values” through its diverse and expanding portfolio of investments in leading food and retail companies.

Investors across the Kingdom and around the world trust Savola for its strong performance, specialist market knowledge and commitment to sustainability impact through its standalone Savola World Foundation.

We operate a leading grocery store chain in Saudi Arabia, and produce much-loved everyday household products, including edible oil, sugar, pasta, bakery products and frozen foods, for our valued customers in over 50 countries worldwide.

1979

Savola established

SAVOLA WORLD

Commitment to sustainability

Food Investments Portfolio



Our food vertical is made up of a portfolio of investments in large, branded categories across the MENAT region. Savola Foods is a leader in basic branded consumer packaged goods, which are produced in more than 6 countries and exported to over 50 markets. We are proud to say that many of our products are market leaders in their respective categories. Through our commitment to strategic growth, we continue to innovate in our markets, build on our range of established products and diversify into higher-value items.

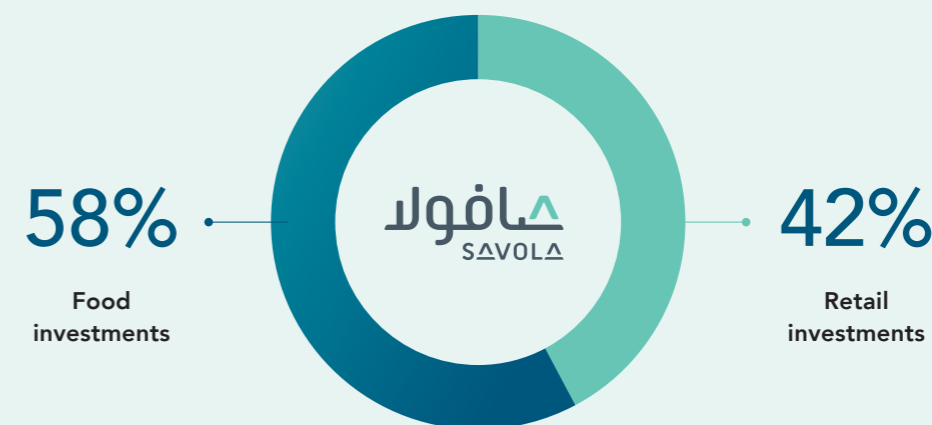
Our long-term strategic investments in the food sector also generate profits for our shareholders. We are the largest shareholder (34.52%) in the leading regional food manufacturer and distributor, Almarai Company, and own a 51% majority stake in Al Kabeer Group of Companies, one of the region’s leaders in frozen foods manufacturing and distribution.

Retail Investments Portfolio



Our retail vertical is headed by Panda Retail, a modern grocery chain in Saudi Arabia with a total of 193 stores (including 5 stores in Egypt), serving more than 95 million customers annually. Panda boasts a proud history, a leading market share and formidable geographic reach.

Our long-term strategic investment in the retail sector consists of a 49% shareholding in Herfy Food Services Company. As such, we remain the largest shareholder in Herfy, one of the leading restaurant, industrial bakery and meat processing businesses in Saudi Arabia.



STRATEGY AND BUSINESS MODEL

A focused model that aims for sustainable growth



Our Strengths

Strategic Focus

Savola focuses its operations on long-term consumer trend-driven lens, aiming to dynamically allocate capital to generate long-term value growth.

Strong Governance Framework

A robust governance and transparency framework, prioritized throughout Savola's history, building shareholder trust.

Infrastructure and Consumer Access

Through our holdings, we possess Saudi Arabia's largest distribution network, retail space and brand portfolio in the country's consumer space and touch millions of consumers across all of our markets.



Our Challenges

Challenging macro-environment in operating countries, whereas a number of countries introduced economic reforms that may have a negative impact on the purchasing power of consumers

Change in consumer behavior, where consumer preferences and tastes may change in a more pronounced manner that may impact current products and business models

Limited number of transactable assets from the perspective of an investment holding whose key directive is to allocate capital

High relative valuation of food assets, in view of scarcity of sizeable assets that fit strategically with Savola Group's investment mandate, as well as other factors including the economic and business cycles and their impact on such assets.



How we Add Value

Leadership and Governance

Savola's focus as a strategic shareholder is to implement best practices across its portfolio to ensure:

- Alignment of incentives among stakeholders; and
- Selection of the right leaders and management teams to deliver on strategic and operational targets.

Setting Targets and Monitoring Performance

Savola is building the tools required for effective performance management across its portfolio. This includes both short-term and long-term operational and financial KPIs, with periodic reviews and a proactive approach that prioritizes the long-term best interest of the business.

Capital Allocation

Savola aims to maximize return on investment by deploying or redeploying capital to enhance shareholder returns and create additional value by gaining access to segments with long-term potential within the consumer space. The primary objective is to generate sustainable excess returns over the cost of capital.

Long-Term Strategic Planning

Savola believes that in addition to managing our capital and operating companies for performance and long-term sustainability at the subsidiary level, our role is to look at our markets, our holdings and our operations with a view to realize our ambition of maximizing our share of consumer spend across our markets profitably over the long-term horizon.



Our Corporate Values

Our values underpin everything we do, they are a blueprint for concrete actions we take as individuals, as a team and as a company, every day.

Personal Values

Tawado: Confident Humility; Having the confidence to perform our responsibilities while having the humility to minimize our ego

It'qan: Relentless pursuit of perfection; The ability, willingness, desire and intention to do our best to ensure that work is completed to the best standards

Azm: Fierce Resolve; Apply what we learn to improve ourselves

Iq'tida: Apprenticeship; To seek out, interact with, and learn from those who are more knowledgeable than us

Group Values

Ihsan Al-Dhan: Trusting; Trusting others intentions without doubting it

Mu'azarah: Caring; Provide support to our colleagues to help enable their success

Qabool: Acceptance; Endure the views of others by going beyond tolerance or acceptance

Iq'bal: Approaching; Improve what we do by using what we have learned from the interaction with others

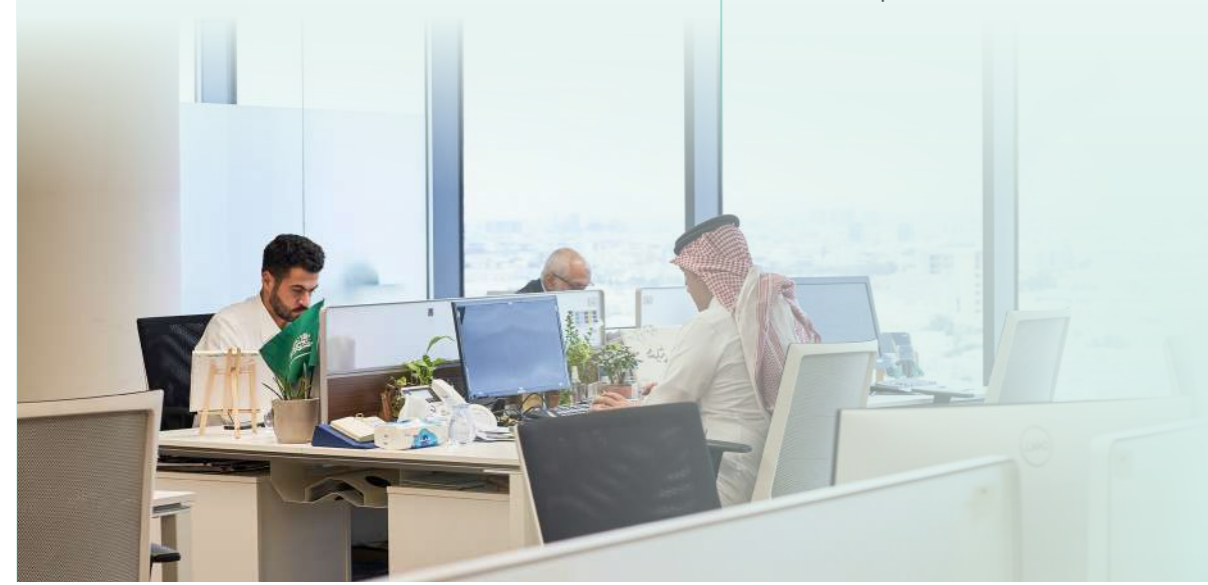
Corporate Values

Taqwa: Conscientiousness; Fulfillment of our responsibility toward external parties

Amanah: Honesty; Is the fulfillment of our responsibilities towards investors

Mujahadah: Personal control; Achieving the personal discipline necessary to fulfill our responsibilities

Birr: Caring Justice; Fulfillments to our responsibility toward our colleagues and the employees of the Company



OUR JOURNEY

Growth and diversification

1979

Savola is established, with a paid-up capital of SAR 40 million and 50 employees.

1981

Savola's edible oil refinery in Jeddah, the first in Saudi Arabia, begins operations.

1982



Launch of Afia premium corn oil. By the late 1980s, Savola captures 70% of the Saudi edible oil market.

1991

Acquisition of a 40% shareholding in Almarai.

1992

Savola becomes a publicly listed company on the Saudi Stock Exchange (Tadawul).

Savola Bahrain and Savola Egypt commence edible oil operations.

1993

Joint venture with Tate & Lyle to establish United Sugar Company, Saudi Arabia's first sugar refinery.

1995

Afia International Egypt is formed through the merger of Savola Egypt and SIME Derby Egypt.

Savola Foods establishes an edible oil factory in Egypt.

1998

Savola enters the retail sector, following its merger with Azizia Panda.

Savola gains a 70% stake in Herfy through the Panda merger.

2003

Savola Foods establishes edible oil businesses in Morocco and Sudan.

2004



Panda launches the Hyper Panda format.

2005

Savola establishes Kinan Real Estate, subsequently divesting 70% through private placement.

2006

Savola invests in King Abdullah Economic City (KAEC) and Knowledge Economic City as a founding shareholder.

2008

Panda acquires Giant Stores and opens its first central distribution center in Riyadh.

2009

Panda acquires Géant Stores operations and expands its network to 152 locations.

2010

Savola launches its first CSR program, 'Makeen', to train and empower people with disabilities.

Herfy is listed on the Saudi Stock Exchange (Tadawul) with Savola retaining 49% of its shares.

2011

Standard & Poor's, Hawkamah and the International Finance Corporation rank Savola 2nd among top-listed companies in the Arab world for governance and transparency.

Savola Foods enters the pasta market by acquiring El Maleka Company and El Farasha Company in Egypt.

2013

Savola's first Sukuk issuance (SAR 1.5 billion). Savola acquires Al Muhaidib's shares in Panda (18.6%) and Savola Foods (10%) in exchange for the issue of 33.9 million new Savola shares through a capital increase to SAR 5.34 billion.

2015

Savola Foods enters the seafood business with global seafood leader, Thai Union, to launch the famous John West brand in 12 markets across the MENA region.

Savola Foods launches Afia Distribution Company in Saudi Arabia.

2016



Savola unveils a new brand identity, symbolizing its evolution to a strategic investment holding company.

Savola receives the Sa'afa Award from the Integrity and Transparency Foundation.

2017

Savola sells a 2% stake in Almarai, as part of its capital re-allocation, whilst remaining the largest shareholder with a 34.52% stake.

Savola ranks top 10 for transparency in corporate governance, environment and social practices in MENA by S&P and Dow Jones indices and Hawkamah.

Savola launches its 2nd CSR program, 'Negaderha'.

Savola Foods commissions a new factory in Jeddah to manufacture specialty fats for the B2B market.

Savola Foods establishes a joint venture in Iraq with Aves to create Bonus Food Company LLC, which is engaged in the refining and packaging of edible oils and vegetable ghee.

2018



Savola acquires a majority stake (51%) in Al Kabeer, one of the region's leading frozen foods companies.

2019

Savola issues the 2nd tranche of Sukuk, pursuant to a new program in an aggregate amount of SAR 1 billion.

Savola among the 31 companies added to MSCI (Morgan Stanley Capital International), as part Tadawul's inclusion into the MSCI Emerging Markets Index.

Standard & Poor's, Hawkamah and the International Finance Corporation rank Savola 4th among top-listed companies in the Arab world for governance and transparency.

2020

Savola named among Top 20 Great Places To Work® in the Kingdom of Saudi Arabia.

Savola ranked top 10 among all non-financial sector companies traded on Tadawul in the Corporate Governance Index (CGI) by Al Faisal University's Corporate Governance Center.

Savola was among the 'Top 100 companies in the Middle East' for 2020 according to Forbes Middle East, ranked 14th in the Kingdom of Saudi Arabia and 39th in the Middle East.

2021



Savola Group joined The Valuable 500 global initiative in 2021, which aims to enhance the inclusion of persons with disabilities through the business sector as a major driver of social change.



Savola Foods acquired 100% of Bayara for USD 260 million, in line with its ABCD growth strategy focused on expansion into high growth, value-added food categories with propositions directed towards the younger population. Bayara is a leading company specialized in nuts, spices, dried fruits, and snacks, and is based in the UAE with over 3 decades of success and a wide distribution network across the Middle East and Africa.

2022

Savola Group agrees to sell its shares in Knowledge Economic City and Knowledge Economic City Developers Company Limited to Taiba Investment Company for SAR 459 million.

Savola Foods begins expansion into the bakery category in Egypt by acquisition of bakery assets in line with its ABCD growth strategy.

2023

Savola Foods Co. exited its operations in Morocco and Iraq.

Savola Foods Launched "Bayara World" stores, which are Bayara's retail stores in the United Arab Emirates, and strengthened the range of nuts, spices and legumes in the Kingdom of Saudi Arabia under Savola Foods' flagship brand "Afia".

Al Kabeer rebranded its identity with a new distinguished appealing look and feel.

The Group acquired the minority stake in Panda Retail Co. to become 100% owned by Savola.

INVESTMENT CASE

A unique investment proposition

A leading Saudi investment holding company with diverse investment portfolios of the largest assets and brands in the food production, marketing, distribution and retail sectors, providing our shareholders with exposure to favorable demographics and structural trends in the regions we operate in.



A Regional Leader in Food and Retail



- **SAR 26 billion**
One of the largest food and retail players in the region with an annual turnover of over SAR 26 billion.
- **Forbes Top 100**
Recognized among Forbes Middle East's annual list of Top 100 companies in the region.

- **#1 Staple Food Business**
#1 basic food business in MENAT, Savola has market leading positions and brands across consumer staples and value-added ranges, such as edible oils, sugar, pasta and frozen food.

- **Leading Grocery Retailer**
Leading grocery retailer in Saudi Arabia, Panda has strong brand equity and over 25% market share in the attractive and under-penetrated modern retail space of the GCC's largest market.

- **Largest Shareholder**
Largest shareholder in 2 leading Saudi consumer brands, Almarai and Herfy, as well as popular frozen food brand, Al Kabeer.



Consumer Understanding and Unique MENA Footprint



- **193 Stores**
Dominant retail footprint with 188 Panda and HyperPanda stores across the Kingdom and 5 stores in Egypt, with 95+ million annual transactions and the largest logistics network in Saudi Arabia.

- **Serving 400+ million Potential Customers**
Direct manufacturing and distribution strength in more than 6 countries, with 14 production facilities serving a combined population of more than 400 million.

- **Attractive Exposure**
Attractive exposure to large and growing population base with favorable demographics - more than 50% below the age of 35 years.
- **Extensive Knowledge**
Extensive consumer, market and brand knowledge, successfully leveraged to launch, grow and maintain market-leading positions and products (e.g. Afia, Al Osra, etc.).

- **Customer-centric**
Continuous customer-centric innovation and product development based on deep consumer outreach to capitalize on strategic opportunities to launch and scale new businesses in the rapidly maturing and evolving consumer space in MENAT and beyond.



Successful Track Record of Dynamic Capital Allocation



- **Unique Investment Model**
Unique investment holding business model that allows for strategic investments and value creation in the MENAT consumer food and retail space.

- **Experienced Leadership**
Experienced leadership team with clear mandate to deploy and/or reallocate capital to enhance shareholder returns through investments in consumer segments with long-term growth potential.

- **45 years**
45-year track record of business growth, active capital reallocation and long-term investment horizon.

- **Sustainable Growth**
Actively exploring multiple venues of investments in food and retail to help drive sustainable growth for the Group for years to come.

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Strategic Review

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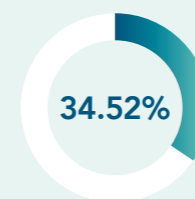


PORTFOLIO OVERVIEW

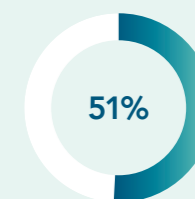
Food Investments



سافولا | الأغذية
SAVOLA | Foods



المراعي
Almarai



الكبير
Al Kabeer

The Group's food investments portfolio performed well in 2023. Savola Foods' across-the-board growth in Arabia and Egypt saw it deliver strong results. Almarai's core categories and channels also performed well, while positive showings from its core markets of Saudi Arabia and the UAE boosted Al Kabeer's results.



● Major markets

- | | |
|--------------|--------|
| Saudi Arabia | Turkey |
| Egypt | UAE |
| Algeria | Others |
| Sudan | |

● Export markets

- | | | |
|------------|-------------|----------------|
| Angola | Kenya | Palestine |
| Bahrain | Kuwait | Rwanda |
| Benin | Lebanon | Senegal |
| Burundi | Liberia | Sierra Leone |
| Cameroon | Libya | Somalia |
| Canada | Madagascar | South Africa |
| Comoros | Malawi | South Korea |
| DRC | Mali | South Sudan |
| Djibouti | Mauritania | Spain |
| Eritrea | Mauritius | Sweden |
| Ethiopia | Morocco | Tanzania |
| France | Mozambique | Uganda |
| Germany | Macedonia | United Kingdom |
| Ghana | Netherlands | USA |
| Jordan | Oman | Others |
| Kazakhstan | Pakistan | |



FOOD INVESTMENTS

Savola Foods



Savola Shareholding



Savola Foods Company (SFC) delivered another strong performance in its core markets of Arabia and Egypt in 2023. Despite a slight fall in net revenue of 8%, SFC posted a 19% increase in gross profit and a 12% rise in net income.

About Savola Foods

SFC is a leader in basic branded consumer packaged goods, many of which are market leaders in their categories. SFC products are produced in more than 6 countries and exported to some 50 markets, where it continues to innovate by growing product ranges and diversifying into higher-value items to achieve its strategy of measured growth.

Financial Highlights

A drop in revenue of 8%, mainly attributed to a fall in crude edible oil prices, lower volumes in the sugar segment and some oil markets, the temporary suspension of operations in Sudan, and the exit from Morocco and Iraq, failed to dampen an otherwise robust financial performance in 2023.

SFC reported lower net revenue of SAR 15.07 billion (2022: SAR 16.44 billion). However, the company's gross profit grew by 19%, to SAR 2.36 billion (2022: SAR 1.99 billion), the result of higher margins in the oil and sugar categories, a series of product innovations, better B2B offerings, and favorable oil positions at the end of 2022.

The 12% rise in net income, to SAR 452 million (2022: SAR 405 million) was powered by strong operational performance, despite higher financial charges.

Strategic and Operational Highlights

SFC has continued to implement fresh initiatives under its four-pillar transformation strategy. This focuses on strengthening the core, expanding into new categories, diversifying through early-stage investments in promising regional companies, and transformation through digital and offline disruption.

Edible oil and fats

With a 16% fall in revenue and year-on-year volumes virtually flat, it is pleasing to report that gross profit increased by 15%, to SAR 1,645 million, and net income increased by 15%, to SAR 366 million.

SFC introduced several B2C and B2B innovations, including enhanced product formula and composition, and innovations such as hand-painted olive oil glass bottles and turmeric-infused oil to support immunity initiatives in the Turkish market and the launch of multi-purpose canola oil under the Afia brand in the UAE.

Sugar

With year-on-year sugar volumes down 6% overall, on a 12% increase in revenue, there was a 44% rise in gross profit to SAR 447 million, with net income jumping an impressive 146% to SAR 126 million. Egypt emerged as the star performer, with a 37% jump in revenue and a 12-fold increase in profits, from SAR 8 million in 2022 to SAR 95 million in 2023.

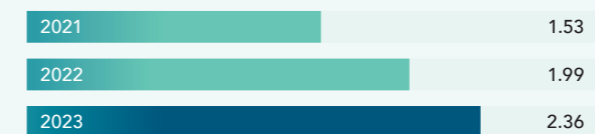
Net revenue -8% ↘

SAR 15.07 bn



Gross profit +19% ↗

SAR 2.36 bn



Net income +12% ↗

SAR 452 mn



FOOD INVESTMENTS

Savola Foods continued

Pasta

Egypt's Pasta category saw year-on-year volume growth of 10% and a 4% increase in sales. Gross profit, however, declined 16%, to SAR 69 million, and net income declined by 27% to SAR 15 million.

There were some innovations and variant launches in 2023, including an upgraded formula and new revamped packaging under the Maleka brand. The category also saw the launch of a stronger and chewier pasta variant, the first of its kind in Egypt.

Nuts, spices and pulses

This segment had a positive year in the UAE, with a 9% increase in revenue to SAR 449 million, gross profit of SAR 151 million, a 33% increase, and a notable 75% rise in net income to SAR 58 million.

Two of the year's highlights were the launch of Bayara World, Bayara's retail boutique in the UAE, and the rollout of a range of energy bars. The nuts, spices and pulses range in Saudi Arabia under SFC's flagship Afia brand was further strengthened.

Other product categories

Savola continues to stand behind and support its investment in Munchbox, which has continued to launch new health products and snacks. The Bakery and Seafood categories in Central Asia have also experienced strong growth, with increased consumer demand and market share.

Savola Professional

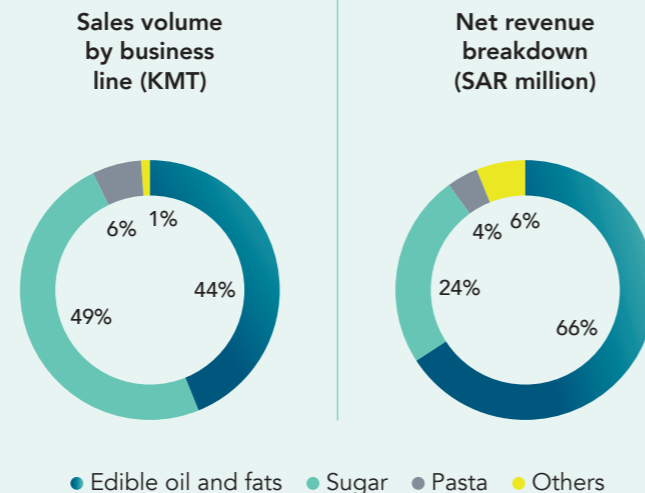
The B2B platform, Savola Professional, has quickly captured the attention of the business community. The company was established in 2022 to service corporate customers more proactively. The new venture expanded and performed well in 2023 and is already attracting interest from prospective clients in the GCC, and in Turkey and Central Asia under the Ladan Professional brand.

Looking Ahead

While SFC will continue to take an objective stance in addressing external issues, the year ahead presents some exciting opportunities. SFC will continue to plan and roll-out key initiatives, which are designed to maintain SFC's leadership position in its core categories such as edible oil and sugar, and to distinguish the brand from its competitors.

Alongside consolidating Bayara's leadership position in the UAE and maintaining its rapid growth, SFC will also build on Bayara's launch in Saudi Arabia under the "Afia" brand name by strengthening its place in this attractive space.

Category	Sales volume by business line (KMT)	Net revenue breakdown (SAR million)
Edible oil and fats	1,742	9,966
Sugar	1,932	3,590
Pasta	221	549
Others	38	960
Total	3,933	15,065



A-B-C-D

Savola Foods' four-pillar transformation strategy



ANCHOR How we grow

Current categories to new geographies

Growing today's businesses via youth focused line extensions



BET How we diversify

Venture capital investment in nascent, high-growth youth-focused categories e.g. snack bars, alternative protein



CONQUER How we ingress

Entering large and established categories in Saudi Arabia, Egypt and Turkey

Target youth via new product lines and branding like snacks, confectionary, biscuits, spreads, herbs and spices, processed meats, etc



DISRUPT How we transform

B2B platform (digital and offline) to capture growing eating out and delivery youth trend (convenience)

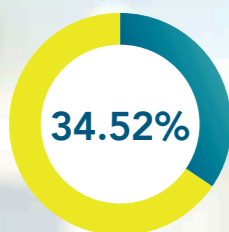
Capitalize on increasing food service spend due to the convenience youth trend

FOOD INVESTMENTS

Almarai



Savola Shareholding



Almarai's 2023 net profit increased due to operating profit growth and the acquisition of a 100% share of its operations in Egypt and Jordan, despite increased funding costs due to higher interest rates.

About Almarai

Almarai Company is the Middle East's largest food and beverage manufacturer and distributor. Since its foundation in 1977, consumers have come to recognize Almarai's brand as synonymous with quality, with a presence in the dairy, juices, bakery, poultry, and infant nutrition categories. Almarai remains at the forefront of innovation in the sector, introducing new product offerings that cater to evolving customer needs.

Savola Group is the largest shareholder, with a 34.52% holding in the company.

Financial Highlights

Almarai achieved positive revenue growth of 5%, which was mainly driven by the company's core categories in Saudi Arabia and the GCC countries. Fresh dairy and poultry categories delivered the highest growth, with each generating over SAR 500 million.

Dairy and farming essential commodity prices stabilized in 2023, although the benefits of higher inventory coverage will be realized at a later stage. The consistent implementation of strong cost control measures also bolstered Almarai's operating profit.

Strategic and Operational Highlights

Strong performance in core GCC markets was led by Almarai's poultry and dairy categories. However, net revenue growth was reduced to 5% due to the devaluation of the Egyptian Pound and lower sales of alfalfa from the USA operations. Almarai's results were also boosted by the acquisition of a 100% share of its operations in Egypt and Jordan, despite higher funding costs.

In dairy and juice, net profit increased due to improved sales in the Gulf countries, and strict cost controls. In bakery, higher net profit was driven by volume and sales growth. Top line growth was driven by multiple factors including improved sales of bread, along with growth in single serve products, product innovation, and economies of scale.

In poultry, an increase in net profit was driven by sales growth aided by additional production capacity and improved operational efficiency.

Distribution of Savola's entire shareholding in Almarai

In February 2024, Savola announced its intention to proceed with the distribution of its entire 34.52% shareholding in Almarai to eligible Savola shareholders following a SAR 6.0 billion rights issue followed by a capital reduction, subject to regulatory approvals, and subsequent approval by Savola shareholders at its Extraordinary General Meeting.

The objective of the distribution of Savola's shareholding is to unlock value for our shareholders, who will benefit from direct exposure to the growth potential and future dividend capacity of Almarai. Almarai has been one of the Group's most successful investments to date.

The rights issue will allow Savola to strengthen its financial position and continue to invest in the growth of its portfolio, while paying down debt and enabling the distribution of the shares to eligible Savola shareholders.

Net revenue **+5%** ↗

SAR 19.58 bn



Gross profit **+8%** ↗

SAR 6.05 bn



Net income **+16%** ↗

SAR 2.05 bn

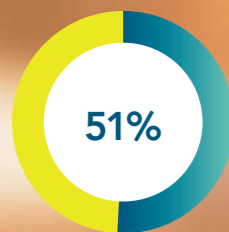


FOOD INVESTMENTS

Al Kabeer



Savola Shareholding



Volume growth, higher gross margins and better pricing in key categories helped to increase Al Kabeer's revenue by 7% in 2023, which was also marked by a comprehensive brand refresh, new packaging, and product launches.

About Al Kabeer

A household name in the Middle East, Al Kabeer Group is a leading frozen food supplier and has had a presence throughout the GCC region since 1974. It manufactures and distributes a portfolio of more than 300 SKUs, from frozen poultry, beef, fruits and vegetables and seafood, to snacks and ready-to-eat meals. It operates through three production facilities located in the UAE and Saudi Arabia, along with a strong network of around 20,000 outlets across the GCC region.

Savola Group acquired 51% of Al Kabeer in 2018 as part of a strategy to diversify into frozen foods and value-added product categories.

Net revenue **+7%** ↗

SAR 714mn



Gross profit **+20%** ↗

SAR 252mn



Net income **+13%** ↗

SAR 70mn



Financial Highlights

Volume growth, higher gross margins and better pricing in key categories helped to increase Al Kabeer's revenue by 7% in 2023. Both core markets of Saudi Arabia and the UAE contributed to this performance, with the modern trade and HORECA (hotel, restaurant and catering) channels also adding growth. Higher gross margins boosted gross profit and net income by 20% and 13% respectively, despite higher operating costs.

Strategic and Operational Highlights

Al Kabeer's brand refresh was one of the year's major highlights. Featuring a new logo and attractive product packaging, the new brand was unveiled at Riyadh Boulevard in November 2023 and is already proving popular with existing and new customers.

The brand launch was one high point in a series of consumer engagements, a program where products are taken into malls and other customer touchpoints to receive feedback, essential to the company's product development strategy and wider R&D efforts.

Several important product launches included Zing Chicken Strips, now available in Siracha flavor, a non-spicy version of Zing Chicken Fillets and a Stuffed Felafel option.

Stronger marketing and publicity around these product launches, and a full consumer engagement program, contributed to the encouraging uptick in sales.

Looking Ahead

The year ahead brings challenges and opportunities. The company is not immune to pricing issues and changing consumer habits around food and spending but, by renewing focus on launching new products, Al Kabeer can maintain its reputation for innovation and use this to drive its continued growth.

Active consumer engagement is central to the company's strategy because customers like to see and understand the company's products in neutral, non-retail environments. Their feedback is invaluable in informing product development and in keeping the offering fresh and relevant to the market.

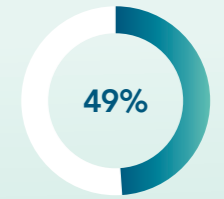
As Al Kabeer enters its 50th anniversary year, every effort will be made to maintain the company's reputation and profile – on which its success is based – by building on the performances of Saudi Arabia and UAE and strengthening market positioning and share.

PORTFOLIO OVERVIEW

Retail Investments



بنده
Panda



HERFY

Panda's return to profitability in Q4 2023 was driven by the success of its CXR program and improvements in margin, OpEx and G&A management. Savola became Panda's 100% shareholder, following its acquisition of a minority stake. Herfy achieved a 136.5% net profit increase, as a result of lower expenses and a decrease in financing expenditure.

1 Saudi Arabia

188
Panda Stores

393
Herfy stores in KSA

2 Egypt

5
Panda Stores

3 Kuwait

8
Herfy Stores

4 Nigeria

3
Herfy Stores

5 Bangladesh

7
Herfy Stores

- Hyper Panda stores
- Panda Supermarkets



RETAIL INVESTMENTS

Panda

Panda's return to profitability in Q4, sooner than internal forecasts, was one of the year's most important milestones and can be attributed to the company's successful Customer Experience Revival (CXR) program, launched in 2022, which has enhanced its shopping experience with the new look and feel of its stores.

In 2023, Savola Group became the 100% shareholder in Panda after completing the acquisition of a 1.1% minority stake for SAR 60 million.



Savola Shareholding

100%



About Panda

Panda Retail Company is Saudi Arabia's leading grocery retailer and, each year, serves more than 95 million customers in 193 stores, including five stores in Egypt.

The company has two types of stores – Hyper Panda and Panda Supermarkets – and operates four main distribution centers, with a fleet of 500+ temperature-controlled trucks distributing more than 30,000 SKUs of food and non-food products. Panda has more than 25% market share by modern trade FMCG volumes.

Financial Highlights

Improved performance by Panda's CXR stores and like-for-like growth of 5.3% in Saudi Arabia, driven mainly by increased customer count, generated revenue of SAR 10.3 billion in 2023, 2% higher than in 2022. The positive impact of the CXR program and higher gross margins also contributed to a 9% uptick in gross profit.

With net income for the year of SAR 47 million, against a loss of SAR 158 million in 2022, Panda's return to profitability during Q4 was a welcome highlight and ahead of forecast.

Net revenue +2% ↗

SAR 10.33bn



Gross profit +9% ↗

SAR 2.56bn



Net income ↗

SAR 47 mn



Strategic and Operational Highlights

Panda's new store program gained momentum in 2023. Since the program launched in 2022, 74 CXR stores have been completed and, with the addition of seven new stores in Saudi Arabia during Q4 2023, Panda's return to growth and a positive P&L turnaround was emphatically confirmed.

The objective of Panda's innovative CXR program is to refresh the in-store experience by revamping the overall look and feel. This front-end initiative is supported by optimizing backend systems, including shelf and availability planning. By taking this approach, Panda has given its stores greater appeal and made visiting them an equally enjoyable experience.

The CXR program is essential to maintaining Panda's strong brand profile and keeping it fresh in consumers' minds in the face of price-driven competition and new entrants to the market. Panda wants to create a shopping environment that mirrors the company's vision to be the leading sustainable retailer, and one that is always innovating to provide for the communities it serves every day.

Ultimately, Panda aims to transform the shopping experience, always mindful of the need to cherish its existing customers, but also by appealing to new customers with a totally fresh experience.

Panda's most recent market research indicates that customer satisfaction is high, with its Net Promoter Score (NPS) reaching global benchmarks. A healthy NPS of 74 highlights ongoing loyalty to the brand and the likelihood of customers recommending the brand to others.

Panda has also initiated a digital transformation program. Process refinements to the Click app resulted in a stronger channel performance and the company overhauled its merchandising and financial systems, which are now enabled with optimized business processes via cloud technology.

Panda also activated an advanced forecasting and replenishment platform, to help manage the supply chain and provide better product availability, which increased to 88%, from 85% in 2022.

Looking Ahead

Panda plans to add a further 14 new stores during 2024, while another 28 stores under wave four of the CXR initiative are scheduled for completion. Cost optimization, building growth and consolidating profitability will continue to be strategic objectives.

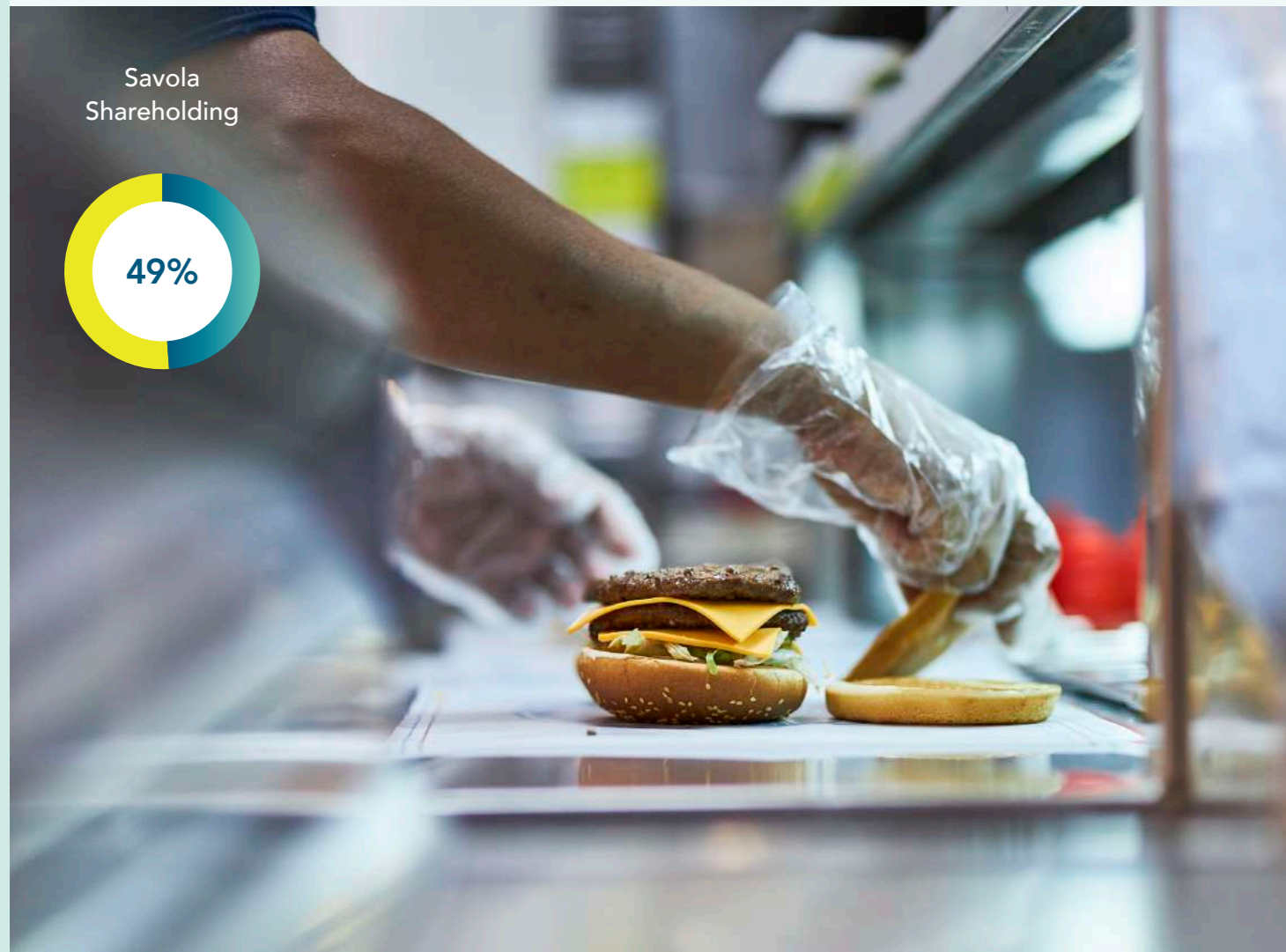
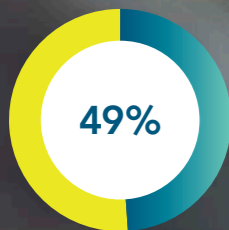
The company will roll out a program of digital initiatives designed to improve online sales, facilitate monetization of data, and optimize operations. A new commercial agreement with Extra in the electronics sector will also be rolled out in 2024, under the Clix brand.

RETAIL INVESTMENTS

Herfy



Savola Shareholding



Herfy's leap in 2023 profit is attributed to lower general and administrative expenses and a decrease in financing expenditure. However, the gains were limited by a drop in revenues, higher sales and marketing expenses, a rise in tax and Zakat fees, and seasonality which affected the restaurant sector in the last quarter.



Net revenue -5.6% ↘

SAR 1.17 bn



Gross profit -7.4% ↘

SAR 284 mn



Net income +136.5% ↗

SAR 8.39 mn



About Herfy

Established in 1981, Herfy Food Services Company is Saudi Arabia's leading fast-food chain, with 393 branches serving communities across the Kingdom and international franchises in Kuwait, Bangladesh, and Nigeria.

Herfy also operates a network of pastry shops in Saud Arabia and, as a diversified but integrated company, creates value from its bakery, cake, rusk, and meat processing operations.

Financial Highlights

The year's major financial highlight was a surge in net profit to SAR 8.39 million, an increase of 136.5% on the year before, which was a result of lower general and administrative expenses and a decrease in financing expenditure. However, Herfy faced ongoing challenges from greater competition and global macro factors, resulting in higher input costs and supply chain issues.

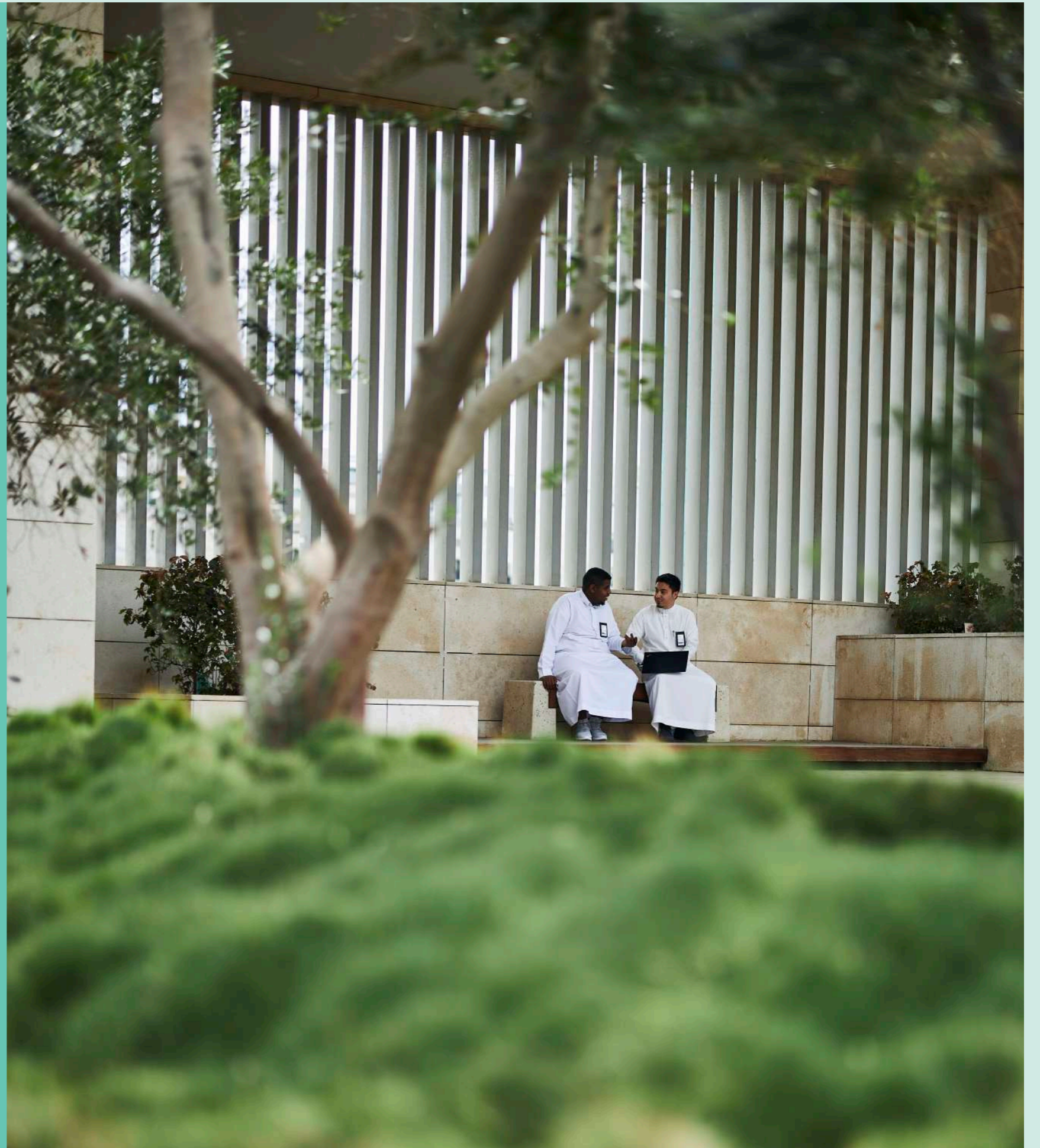
Herfy's revenue fell by 5.6% to SAR 1.17 billion (2022: SAR 1.24 billion) with gross profit showing a 7.4% decrease at SAR 284 million (2022: SAR 307 million), while net profit reached SAR 8.39 million (2022: SAR 3.546 million), a jump of 136.5%.

3

Sustainability Review

In this section

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- 46 Corporate Social Responsibility
- 52 Our Sector
- 53 Our Environment



SUSTAINABILITY REVIEW

Our People

In 2023 our people reinforced their strength and skills to steer us on a steady course of expansion, diversification, and operational excellence.

Total Employees in KSA	Total Saudi Employees	Female Saudi Employees	Employed People with Disabilities
15,959	5,409	1,314	250
Savola HQ 48 Savola Foods Company 1,454 Panda 13,941 Al Kabeer 516	Savola HQ 31 Savola Foods Company 644 Panda 4,529 Al Kabeer 205	Savola HQ 9 Savola Foods Company 72 Panda 1,097 Al Kabeer 136	Savola HQ 1 Savola Foods Company 12 Panda 232 Al Kabeer 5

Savola has a duty of care for employees' wellbeing, their personal improvement, and providing the means to realize their potential. Their loyalty and efforts are inextricably linked to our achievements. Every member of every team at Savola contributes to our success. We are reliant on each other as a working community and are safe in the knowledge that we work for each other and are part of the wider Savola Group.

To ensure our people enjoy the most rewarding experience while at work, we guarantee respect, inclusion, loyalty, and opportunities for career growth. Our colleagues are vital to operations and valued as individuals, which is why we are privileged to be an employer of choice and a business of integrity.

Savola's Unique Culture

With a Group workforce of 15,959 people in the Kingdom of Saudi Arabia from more than 40 nations, we have the breadth of knowledge and depth of experience to provide unrivalled customer service. We are an employer that recognizes the unique skills every worker brings to the brand.

Strong Values and Competencies

We are an ambitious, progressive investment holding company, and understand that to deliver our vision and achieve our objectives we need an empowered, motivated, and highly-skilled workforce. Our strong corporate values shape the organization's culture and ensure the people who are part of the extended Savola family share the same set of values we have drawn from our rich Islamic heritage, embedded in us all since the Group was founded in 1979.

Group Values

Ihsan Al-Dhan: Trusting – Trust others' intentions without doubting them

Mu'azarah: Caring – Provide support to our colleagues to enable their success

Qabool: Acceptance – Endure the views of others by going beyond tolerance or acceptance

Iq'bal: Approaching – Improve what we do by using what we have learned from interactions with others

We remain wholly committed to providing a working environment in which our people can thrive and excel through defined competencies. Our belief in supporting potential and driving capability is core to our philosophy of learning and self-advancement, providing professional development and personal growth.



Core Competencies

Strategic Mindset
Seeing ahead to future possibilities and translating them into breakthrough strategies

Business Insight
Applying knowledge of business and the marketplace to advance the organization's goals

Manage Change and Innovation
Creating new and agile ways for the organization to be successful

Build Effective Teams
Building strong-identity teams that apply their diverse skills and perspectives to achieve common goals

Ensure Accountability
Holding self and others accountable to meet commitments

Organizational Savvy
Maneuvering comfortably through complex situations, and people-related organizational dynamics

SUSTAINABILITY REVIEW

Our People continued

As one of the Kingdom's leading employers, throughout 2023 we remained dedicated to delivering the employee value proposition through People Pillars objectives from the Human Resources strategy.

Our People Pillars Program enhances our brand as a fair and ethical employer, reinforces our commitment to nationalization and promotes an engaged workforce environment. As we support and enhance productivity, we welcome change in order to attract, retain, and motivate leading talent in our industry, once again illustrating our mantra of 'Value Built on Values'.

It is paramount that we support potential, create opportunities, and drive the professional development of our workforce. We have consistently shown that motivation, belief in others and positive reinforcement are the most effective enablers. In addition, by encouraging creativity and innovation, we are creating a new generation of business leaders and strategists.

Our employee value proposition is based on the four main aspects of our People Pillars program. The program aims to shape our people initiatives to ensure a uniquely rewarding culture and working experience for employees and achieve our strategic goals by attracting, sustaining and motivating the best available talent in the market.

It also aims to develop a highly skilled workforce, enhance our position as the employer of choice, adhere to nationalization directives in our home market, and promote an engaging working environment that supports productivity and welcomes change.

Throughout 2023, we remained dedicated to our People Pillars objectives, providing multiple channels for employee voices, both formal and informal, to measure and monitor employee engagement levels, and thoroughly analyze the results of responses.

Employee Engagement Pillar

As an extension of our Tawer Employee Engagement Survey, conducted by the Great Place to Work Institution, we achieved an outstanding 85% level of engagement with a 100% participant rate. Our progress will ultimately steer the organization towards even greater growth and success in the quality and satisfaction of our workforce.

In 2023, Savola Group was certified as a 'Great Place to Work' for the fourth successive year. The global awarding body focuses on recognizing outstanding high-trust, high-performing workplace cultures, under the Employer of Choice category in the Middle East Region.

As an essential part of building not just a working environment but also a working community, we continued to enhance employee engagement with the Company's latest news through Town Hall Meetings with the Group CEO. This simple but effective interaction joins together all members of our workforce and improves both their inclusion and involvement.

Government Relations Committee

The Government Relations Committee aims to develop a comprehensive strategy with clear objectives to establish and maintain effective relationships with key Ministries, and relevant government sectors. This will both unify the Group's efforts and build on what we already have.

Corporate Social Responsibilities

The CSR Committee, which comprised from the executive team at the Group and subsidiaries, aims to strategize the Group's CSR work into clear and common purposes and align the Group's efforts, creating competitive advantages through Savola World establishment programs and related CSR activities.

Environment Committee

The establishment of the Environment Committee is helping to build and implement the Group's Environmental Policy and oversee all relevant activities, including energy, water, waste management systems, recycling, emissions and transportation.

Workplace Wellness Pillar

In line with our focus on providing the best possible care for our people, we made employees' health a priority at every level. We continued our partnership with Dr. Soliman Fakeeh Hospital, one of the largest healthcare providers in the region, to provide comprehensive healthcare services at our in-house clinic.

Work-Life Balance Pillar

Our Tawer survey showed a satisfaction rate of 82% of our people being encouraged to balance work and personal lives. In our Tawer survey, we achieved a 90% satisfaction rate of workplace provided facilities; this year, we improved even further by partnering with local coffee shops, aiming to support Saudi startup business owners, including special discounts for Savola employees.

Fostering our work environment for colleagues, fathers, and mothers in particular, we reopened the in-house nursery following a full renovation and a female lounge to ensure an attractive workplace environment.

With a renewed emphasis on family-friendly policies, such as recognizing special events on a personal level, and distributing Eid and Ramadan gifts, we continue to win the hearts and minds of our people. We also continue to provide a range of tailored benefits, such as the home loan scheme for Saudi employees, Takaful insurance to support families in the case of death or disability, and the Al Taawoon fund.

Cultural Improvements Pillar

We are committed to being an equal and inclusive employer, ensuring that we are wholly compliant with both the ethical and practical standards expected of our status as a champion of employees regardless of their gender, nationality, race or physical challenges.

We also take enormous pride in holding the Mowaamah Golden Certificate for our commitment to the best standards and practices in creating a work environment suitable for people with disabilities.

As a testament to our commitment, this year we facilitated adjustments and modifications according to employees' specific needs.

We have enhanced social interaction and networking among employees, resulting in a 84% satisfaction rate of Savola Group being a fun place to work. This included being able to gather the Group and OpCos employees together for international celebrations, such as Saudi National Day. We invited our employees and their families to enjoy a day full of activities to celebrate the start of the school year, including competitions, and special offers.

We also continued to provide our employees with initiatives acknowledging their efforts and results, achieving an 86% satisfaction rate of feeling recognized, such as rewarding employees who have dedicated themselves to the service of Savola Group.



SUSTAINABILITY REVIEW

Our People continued

AN EMPLOYER OF CHOICE IN OUR SECTOR

As we strive to maintain our position as one of the Kingdom's leading employers of choice, it is imperative that we continue to improve even further and ensure our employees remain satisfied in the workplace.

Engagement Score

By monitoring opinions and gathering feedback, our annual Tawer survey measures employee engagement and offers a platform for our people to communicate their views with Savola's HR and senior management. In 2023, Savola Group scored 85% employee engagement with a 100% participant rate. This outstanding result confirms that we are achieving our goals of engagement and approval from the people who matter to us most and will ultimately drive our success and growth.

Reflecting our commitment to our people and their satisfaction with the Group, our employee and talent retention rate in 2023 was nearly 84%.

Employee Benefits

We understand that in order to maintain the quality of our workforce, retain their services and attract new talent, we must provide an extensive range of benefits to recognize and reward our people.

Supporting our People in Adverse Circumstances

As well as offering incentives and rewards, Savola also recognizes the importance of support in more troubled times. Personal tragedies can have a devastating effect, and in the event of death or disability, we offer Takaful insurance coverage to provide practical aid and comfort for families.

Our Taawoon Fund also supports junior staff in times of financial hardships and a home loan scheme to support our Saudi employees. Savola's employee contribution fund, Taawoon, is financed through all HQ employees' voluntary monthly contributions, as well as a yearly contribution from the Board Chairman. In 2023, the Taawoon Fund raised SAR 211,000 of financial assistance.

Training and Development

Since Savola's inception 45 years ago, we have practiced our belief that driving our employees to reach their true potential is one of the most valuable investments we can make. Through professional training, development, and skills programs we can help our people to thrive and excel in their field and enjoy a more rewarding career as well as play a more meaningful role within the company. Our primary goal was to ensure our existing and future employees were highly qualified, confident in their abilities, and fully equipped to contribute to Savola's ongoing success.

Succession planning continued to be a key focal point for Savola Group, ensuring that proper plans and contingencies are in place for key positions across the organization. We continued the execution of Individual Development Plans (IDP) for the defined talent pool, which comes in line with the company's strategy to create a high-potential pipeline of our future successors and emerging leaders, in collaboration with PwC Academy, the Learning & Development arm of the firm.

Performance and Career Development

As an illustration of Savola's holistic career assessment approach, all 48 Group employees completed performance and development reviews, including the Group CEO.

Perceptive Succession Planning

As a highly successful, progressive and ambitious organization, Savola continues to focus on its long-term goals and lists succession planning as a key element to its future. Contingency preparations ensure that the Group has the top talents who are able to make a smooth and swift transition to new leadership positions. To aid this evolution, our intensive assessment center has developed tailored Individual Development Plans (IDP) to ensure we maintain a consistent pipeline of world-class visionaries and future successors. As a result, our IDPs have identified four out of five exceptional individuals with the unique qualities to assume senior leadership roles.

Employee Health and Safety

The health and safety of our people comes above any other aspect of our operations. We have an obligation to provide a safe place to work and understand that our employees are individuals and not commodities. Savola Group not only meets its safety requirements, but it also exceeds global best practices and enforces its own strict safety criteria. Through the 4 Health and Safety Committees representing each of Savola Group's companies, we have achieved a remarkable milestone – in a recent survey, 100% of our employees responded that Savola Group is a safe workplace.

Clinic

Savola continues to provide excellent healthcare with medical advice, prescription medications and random weekly check-ups via a dedicated clinic, opening during office working hours, at our HQ.

Promoting Diversity and Inclusion

Savola has always had an ethos of universal equality and inclusion and we are proud to assert ourselves as an industry leader in diversity. Our practice of employing candidates on their merits rather than gender, age, color, race or religion has helped us to nurture a workforce which is built around respect, trust and acceptance, and with the unwavering support of our HR and governance frameworks, we provide equal opportunities in every aspect of our business.

Saudization

As we continue to embrace and incentivize the Saudi workforce at Savola, we are proud to say that 70% of the Group's employees are now Saudi nationals. This is indicative of the local talent which maintains Savola's position as the clear leader in our industry.

Female Inclusion

In line with our belief in supporting and empowering female roles in the economy, we have reinforced our mission to increase their numbers across Savola. With a focus on female Saudi nationals, we are both delivering on our goals of gender equality and fulfilling national priorities and objectives.

As one of our steps to recruit and retain female workers, we have designed and created a female-only lounge to provide an exclusive, comfortable and attractive environment, reflecting our support for both Saudi Vision 2030 and the UN Sustainable Development Goals. Our commitment to female inclusion is also reflected in the services and support provided by our in-house health clinic for our valued employees.

Reflecting our commitment to our people and their satisfaction with the Group, our employee and talent retention rate in 2023 was nearly 84%.



SUSTAINABILITY REVIEW

Corporate Social Responsibility

Savola Group is committed to creating broad and lasting value for our stakeholders, throughout the Kingdom and around the world. In order to achieve this ambition, our sustainability strategy provides a clear roadmap for success across a wide range of areas to be implemented, largely through the Savola World Foundation.



SAVOLA WORLD FOUNDATION

A game changer for corporate sustainability practice across the MENA Region, the Savola World concept was created in March 2017 to create value for Savola's stakeholders by promoting socially and environmentally responsible practices.

At the end of 2019, in alignment with international best practices in corporate foundations, Savola Group formalized the importance of Sustainability and CSR by transforming Savola World from a department into a standalone private foundation.

This groundbreaking entity was established as a non-profit organization under the supervision of the Ministry of Human Resources and Social Development.

Funded by Savola Group and managed by a Board of Trustees, Savola World Foundation continues to grow and diversify to maximize its impact. In close collaboration with a network of highly qualified experts, the Foundation focuses on social awareness campaigns, coaching and consultancy and proposing solutions to social issues, and training and qualifying youth for the labour market.

Savola Group allocates an annual budget to fund and support the foundation. It will also seek funding to form partnerships with government and private sector entities to champion environmental, social and governance objectives of Savola Group and the Kingdom, in line with the goals of Saudi Vision 2030.

SUPPORTING SAUDI VISION 2030

In line with the Saudi national agenda, Savola's growth strategy is focusing on sustainability performance, directly benefiting the Kingdom's socioeconomic development, and reflecting the country's strengths and capabilities.

Vibrant Society

Savola has gained great recognition for our initiatives for Saudi citizens. Long-term initiatives including the 'Makeen' program, 'Sela' program, 'Tawer' program, 'housing loans' program for Saudi employees, the 'Takaful insurance' and the 'Tawoon Fund' are embedded at the heart of Savola's efforts to develop advanced talent capabilities, build a workforce for the future and provide opportunities for Saudi professionals.

Savola World Foundation won the King Khalid Foundation Award for Excellence in Non-Profit Organizations in the Information Technology Standard for the year 2023.



Thriving Economy

To build a more dynamic and robust economy, Savola has seized growth opportunities through strengthening relationships with its carefully selected partners and distinguished shareholders and investors. Our network of companies within the Savola Group has made us eligible for inclusion in the MSCI (Morgan Stanley Capital International) Emerging Market Index, as part of the Saudi Exchange (Tadawul) inclusion into the MSCI Emerging Market Index.

Ambitious Nation

Savola operates according to the principles of a high-performance, transparent, effective, and accountable governance system. Its goal is to achieve financial prosperity, which will ultimately satisfy the economic and social aspirations of the Saudi Vision 2030. Savola takes great pride in actively supporting the implementation of the Saudi Vision 2030. We will continue our efforts to achieve 'A Vibrant Society - A Thriving Economy - An Ambitious Nation.'

NATIONAL AWARDS AND HONORS

This year's ceremony crowned the efforts of the Savola World Foundation, as the Foundation won the King Khalid Foundation Award for Excellence in Non-Profit Organizations in the Information Technology Standard for the year 2023.

His Royal Highness Prince Faisal bin Khalid bin Abdulaziz, Advisor to the Custodian of the Two Holy Mosques and Chairman of the Board of Trustees of the King Khalid Foundation, The Chairman of the Award Committee honored the entities that achieved the highest standards in several fields among the participants in the King Khalid Award for 2023 for the Sustainability and Non-Profit Excellence Awards, at the headquarters of the King Khalid Foundation in Riyadh.

The Savola World Foundation won the Princess Seetah Bint Abdul Aziz Award for Excellence in Social Work for the Negaderha Program, under the Environmental Sustainability pillar. Negaderha won during the 10th round of the award, which came under the theme of: Creativity and Innovation in Social Work.

The Savola World Foundation was also honored as a training partner in the Hemam initiative for the best friendly environments for people with disabilities, under the patronage of the Governor of the Makkah Al-Mukarramah Region, His Royal Highness Prince Khaled Al-Faisal.



SUSTAINABILITY REVIEW

Corporate Social Responsibility continued



NEGADERHA PROGRAM

Develop and Launch Community Awareness Campaigns

The Negaderha Program engages consumers in reducing waste by launching community awareness campaigns based on the most effective international experiences. The campaigns are usually executed in certain seasons when food waste might become more frequent such as the holy month of Ramadan or during Eids and festivals and holidays.

In 2022, Negaderha has launched two community awareness communication campaigns (Iftar without Waste) and (Appreciate Food to Last), through different social media platforms.

Participated in FAO's Regional Conference

Negaderha program was invited by The Food and Agriculture Organization of the United Nations (FAO) to participate during its conference for Food Waste and Loss Reduction in NENA Region. During the conference, Negaderha presented its comprehensive experience in food waste reduction, in the light of its intensive interaction with the household sector in Saudi Arabia. Negaderha has also highlighted the key enablers in food waste management, which may include the power of research, innovation and technology.



MAKEEN PROGRAM

Training, Empowerment and Awareness Raising

The efforts of the Makeen Program to empower persons with disabilities continued diligently to provide appropriate and healthy work environments for employees with disabilities.

In this regard, Makeen presented 12 specialized workshops titled the mentor and buddy system, dealing with people with disabilities, total accessibility, evacuation principles for people with disabilities, and other topics for many agencies and companies in the private, public, and non-profit sectors, and the number of beneficiaries reached more than 200 people. Makeen also supported as a training partner in the Hemam initiative for the best friendly environments for people with disabilities.

Participation in the Arab Regional Conference

At the Arab Regional Conference on the Integration of Persons with Disabilities into the Labor Market, which was organized by the International Labor Organization (ILO) on June 21, 2023, the Makeen Program presented a remote lecture entitled "Savola Group's best practices for inclusion people with disabilities". The conference was attended by more than 100 entities from various countries in the world.

Savola Group Companies Obtained the Mowaamah Certificate

The Makeen Program provided its expertise and full support to the Savola Group companies in the Mowaamah Certification Project. The United Sugar Company obtained a Gold Category Compatibility Certificate, and Panda Retail Company obtained a Bronze Category Compatibility Certificate.

The Mowaamah certificate is a certificate granted by the Ministry of Human Resources and Social Development. The group's companies obtained the certificate in recognition of their efforts and excellence in providing a comprehensive, compatible and supportive work environment for their employees with disabilities, as well as taking all measures to make their culture and vision based on inclusion and diversity available to all people with disabilities. This comes from its belief in the importance of empowering them as effective elements in society.

Celebrating the International Day of Persons with Disabilities

Makeen Program conducted an internal and external social awareness campaign on social media and within the company, coinciding with the International Day of Persons with Disabilities on December 4, 2023. The campaign included awareness content that explained the efforts of the Savola Group in empowering and employing persons with disabilities.

The Makeen Program also presented a workshop on 6 December, 2023, on the occasion of the International Day of Persons with Disabilities, about Savola Group best practices of inclusion persons with disabilities at King Abdulaziz University in Jeddah as part of the university's celebration of this occasion.



YUMNAK PROGRAM

This year witnessed the conclusion of the first edition of the Yumnak Program, which aims to develop businesses for small and medium enterprises in the food and retail sector. The competitive advantage of the Yumnak Program lies in its focus on developing existing companies and raising their sales or obtaining investment, by providing guidance and mentoring to companies.

In its first edition, the program achieved great success, as more than 100 small and medium companies from various cities of the Kingdom applied for the program, and after competition among the qualified companies, only 10 companies were filtered and selected for the final stages of the program.

A partnerships event was also organized with the aim of enhancing cooperation and innovation for qualified small and medium-sized companies, and opening partnership opportunities for them with major companies in the food and retail sector in the Kingdom.

The number of mentors and lecturers in the program reached 26 experts and speakers, and more than 40 workshops and 20 lectures were presented on topics such as financial and tax planning, e-marketing, and financial modeling for small and medium-sized companies.

Savola World Hosting the Foodtech Event

As part of the efforts of the Yumnak Program to raise awareness of entrepreneurship in the sector, the Savola World Foundation hosted the Foodtech event on 2nd October at the Savola Tower, which targeted those interested in the intersection between food and technology.

Participants had the opportunity to networking with industry professionals and gain valuable insights into the latest trends and best practices, to explore potential investment opportunities and collaborate with like-minded individuals, and to learn about the latest innovations that develop the food industry.

The event was attended by more than 150 participants, including a group of employees of Savola Group companies. One of the executive directors of Savola Foods Company participated in managing one of the sessions.



SUSTAINABILITY REVIEW

Corporate Social Responsibility continued



ATA'A VOLUNTEERING PROGRAM

During the year, the foundation's team worked to develop and govern volunteer work and provide an appropriate and stimulating environment for the development of volunteerism in the organization. Work was done to develop the program's guidelines, and annual targets for volunteering were set, and cooperation was activated on a broader scale with universities, non-profit sector institutions, and private sector companies in creating and implementing many volunteer opportunities for Savola Group employees.

Ata'a Program Promotional Campaign

In accordance with the direction of the Board of Trustees to increase awareness in the group and its subsidiaries about Ata'a program and volunteer work, an internal communication campaign was launched targeting the group's employees, in cooperation with the internal communication team of the Savola Group and its subsidiaries. The promotional campaign for the program began in July and continued until the end of September 2023.

Participation in the Annual Volunteer Forum

The Savola World Foundation participated by presenting a working paper on Ata'a program and its experience in volunteering at the second annual volunteer forum on 7 December 2023, which was organized by the Ministry of Human Resources and Social Development in Riyadh and was entitled "Modern trends in volunteer work towards effective and sustainable youth development. The forum targets the governmental, non-profit and private sectors, volunteers and volunteer teams, in addition to the general community.

Volunteer hours

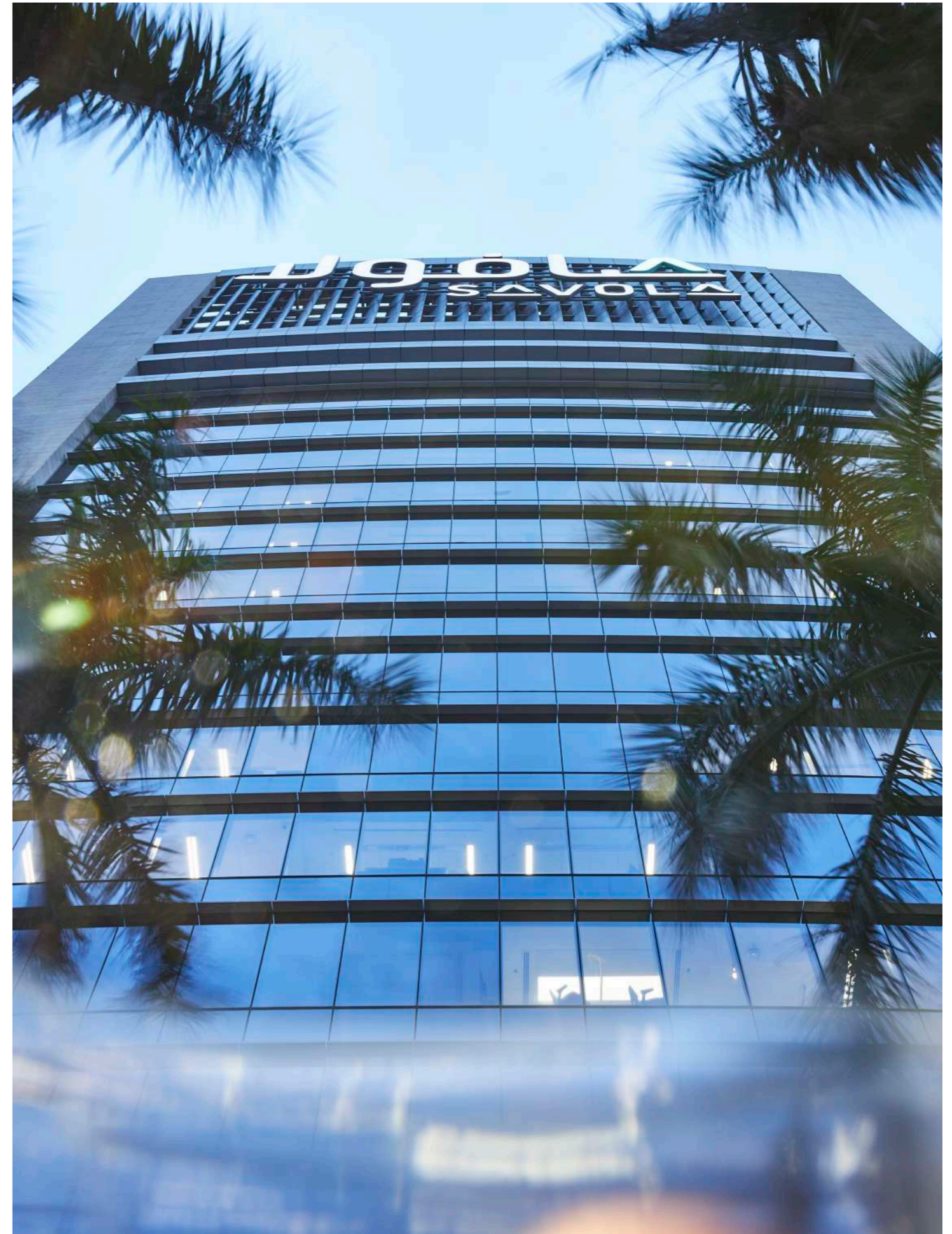
300

Number of beneficiaries

500

Number of volunteers

60



SUSTAINABILITY REVIEW

Our Sector

In 2023, Savola maintained its status as a leader in best practices for its employees, its customers, and for its contribution to a more sustainable world.

As the leading organization in the food and retail sector and a significant contributor to the Saudi Arabian economy, Savola Group continues to provide unrivalled services to our customers and deliver new initiatives to enhance their experience. We continue to prioritize the needs of our community and ensure that our practices have a positive impact on the people and environment around us, acting as both a dependable provider and a responsible guardian of sustainability.

In 2023, we maintained our association with the National Transformation Program in line with the goals and achievements of our Makeen Program, reinforcing our commitment to people with disabilities and employees with special needs, including our Mentor and Buddy initiative.

Our support of family businesses and small enterprises continues to increase in unison with the Small and Medium Enterprises General Authority, as we look to diversify the Kingdom's GDP. Through our multi-channel operations, we have the scope to assist local businesses across a range of sectors, including distribution, technology, logistics and supply chains.



SUSTAINABILITY REVIEW

Our Environment

Savola continued to increase its commitment to the environment in 2023, conserving resources and creating opportunities to contribute to the environmental goals of the Kingdom and the global community.

Creating and maintaining a sustainable environment is a key principle for Savola's operations. We understand the responsibility we have to our local community, our regional surroundings, and the wider world around us.

As a champion of sustainability, we have maintained our focus to further reduce our energy consumption, while becoming more efficient and productive. In 2023, our organizational culture of environmental awareness continued to drive our mission of minimizing waste and emissions, thereby reducing our footprint in line with company and international best practices.

For more information related to our corporate social responsibility programs, please check out Savola Group's Annual Sustainability Report and Savola World's Annual Report.

We understand the responsibility we have to our local community, our regional surroundings, and the wider world around us.



4

Directors' Report

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SUMMARY OF CVS FOR BOARD MEMBERS AND THEIR CLASSIFICATION

Current positions: Chairman of the Board, Abdulkadir Al Muhaidib & Sons Co., Rafal Real Estate Co., Al Muhaidib Holding Co, Board member of many companies among them are Almarai Co. Vision Invest and other companies.

Previous positions: Chairman of the Board, Middle East Paper Co. (MEPCO), Chairman of the Board Al Oula for Real Estate Development Co., Thabat Construction Co, Amwal Khaleej Commercial Investment co.

Qualifications: Second Class, Faculty of Medicines, King Saud University, KSA.

Experience: Business, industrial and banking management, as well as investment management and real estate development and contracting. He also sits on a number of other Boards & Committees.

Current positions: CEO of Assila Investments, Chairman of Savola Foods Company, Chairman of the Board of Dur Hospitality Co., and Board Member of several companies

Previous positions: Managing Director of Almarai, CFO of Assila Investments, CEO of Amias Holding, Investment Portfolio Manager at HSBC Saudi Arabia Limited, Financial and Marketing Analyst at SABIC Americas, and Financial Analyst at JP Morgan

Qualifications: Master's Degree in Business Administration - Rice University, USA
Bachelor's Degree in Economics - University of Virginia, USA
Certified Financial Analyst (CFA)

Experience: Financial and administrative fields, portfolio management, studying and analyzing of listed companies. Sits on a number of other Boards and Committees of listed and private companies

Current positions: VP - Industrial & Infrastructure Investments at Al Muhaidib Group.

Previous positions: General Manager at Dar Al Marefa, General Manager at Giant Store, CEO at Giant Store.

Qualifications: Bachelor and Master Specialization in Industrial Engineering, Texas University, USA.

Experience: Experience in managing several companies in the retail, food & contracting field. He also sits on several other Boards.

Current positions: Hassana Investment Company – Head of Regional Public Equity

Previous positions: HSBC Saudi Arabia – Equity Research Analyst, Hassana Investment Company – Portfolio Manager, Public Investment Fund – Portfolio Manager

Qualifications: Bachelor's Degree in Finance , King Fahad University of Petroleum & Minerals – KSA. Certified Financial Analyst (CFA).

Experience: Equity portfolio management and business analysis in addition to board memberships in listed and non-listed firms.

Current positions: Founder and Director of London Realty Limited, Executive Director and Board Member at Alfadl Group, Board Member and President and CEO of Sahara Building Contractors, Board Member and Investment Committee Member at Alfadl Investments, and Board Member and Investment Committee Member at Alfadl Real Estate.

Previous positions: Running his group of companies.

Qualifications: Bachelor's Degree in Finance and Economics - Babson College, USA.

Experience: Several managerial and leadership positions and Board memberships in Al Fadl Group of Companies. Sits on a number of other Boards and Committees.

Current positions: CFO of Assila Investments, and Board Member of BlackRock Saudi Arabia and International Medical Center (IMC).

Previous positions: Head of Balance Sheet Management and Investment at Saudi British Bank (SABB), and Member of the Board of Directors of Sukoon Real Estate Company, Al Aqeeq Real Estate Company, and Kinan International Real Estate Development.

Qualifications: Bachelor's Degree in Commerce, Finance – Sauder School of Business, University of British Columbia, Canada.

Experience: Financial management, investments, and financial markets.

Mr. Sulaiman Abdulkadir Al Muhaidib
Board Chairman
Non-Executive Member



Mr. Bader Abdullah Alissa
Board Vice-Chairman
Non-Executive Member



Mr. Issam Majid Al Muhaidib
Non-Executive Board Member



Mr. Ahmad Abdulrahman Al Humaidan
Non-Executive Board Member



Mr. Rakan Abdulaziz Al Fadl
Independent Board Member



Mr. Mohammed Ibrahim Alissa
Independent Board Member



Eng. Mutaz Qusai AlAzzawi
Non-Executive Board Member



Mr. Fahad Abdullah Al Kassim
Non-Executive Board Member



Mr. Ahmed Waza Al Qahtani
Non-Executive Board Member



Mr. Waled Abdullah Ghreri
Independent Board Member



Mr. Bader Hamad Al Rabiah
Independent Board Member



Current positions: Managing Director of his Group of Companies, Chairman of Herfy Co., Chairman of Arabian Cement Co., Vice Chairman of Riyadh Bank, Chairman of Qatrana cement, and Board of Director member of: Mobily, SICEP Co., ST&T Co., and Wusataa Co.

Previous positions: Running his group of companies, and Director of Merrill Lynch, KSA.

Qualifications: Bachelor's Degree in Computer Engineering, King Saud University, KSA.

Experience: Investment, Trade, Financial Markets, Construction Management, Banking, and M&A. Sits on a number of other Boards and Committees

Current positions: Businessman- Managing Partner of Fahad Alkassim CPA.

Previous positions: CEO of Amwal Financial Consultants, General Manager of Othaim Trading Group, Managing Partner at KPMG International, and Executive Director at Dallah Hospital.

Qualifications: Bachelor of Science Degree in Management (Accounting major) - King Saud University, KSA. Management and Leadership Program - Oxford University, UK.

Experience: Financial, administrative, and auditing consultancy, executive management in a health institution, and retail and wholesale, and sits on other Boards and Committees.

Current positions: Hassana Investment Company – Chief Investment Officer, Regional Markets.

Previous positions: NCB Capital – Equity Research Analyst, HSBC Saudi Arabia – Senior Portfolio Manager.

Qualifications: Bachelor's Degree in Finance, King Fahad University of Petroleum & Minerals – KSA.

Experience: Public Financial Markets, Private Equity, Real Estate, Infrastructure; Strategy Development; Financial and Organizational restructuring.

Current positions: Board member (National Energy Services Company), Executive committee member (National Energy Services Company), CEO (National Energy Services Company), Advisory committee member (SABIC-Home of Innovation).

Previous positions: Deputy Director for Energy Services Company sector development (Saudi Energy Efficiency Program), Head of Public Equities (Saudi Aramco), Senior Financial Analyst (Saudi Aramco).

Qualifications: MBA (ESADE Business School) Spain, Bachelor's Degree in Finance (Virginia Tech) USA.

Experience: Business management, Development of strategic plans, Financial Analysis, Organizational Change management, Operational Excellence, in addition to membership in several committees.

Current positions: Chairman of Board of Al-Durra National Real Estate Co,Vice Chairman of Board and CEO of Noor Al-Salhiya Real Estate, Vice Chairman of Amar Finance & Leasing Co, Vice Chairman of Board of Injazzat Real Estate Development Co, Board and Audit Committee Member of Mezzan Bank, Member of the Board & Audit Committee and Chairman of the Risk Management Committee of Noor Financial Investment, , and Member of the Board at Palms Agro Production Company, MIDCHEM in KSA, International Hotels Group in Jordan, and Ikarus Real Estate in the UAE, Noor International Co For Salling & Buying Shares and Bonds Kuwait.

Previous positions: Supervisor of Real-Estate Financing in Kuwait Finance House, Head of Real Estate Investment at Noor Financial Investment Company, Vice Chairman of Board and CEO of Al Manar Financing & Leasing Co.

Qualifications: Bachelor's Degree in Accounting, Kuwait University, Kuwait.

Experience: He has wide experience in business management, financial auditing, risk management and real estate investment. Also served as a member of Kuwait Association of Accountants & Auditors and Kuwait Economic Society

SUMMARY OF EXECUTIVE MANAGEMENT CVS:

Current position: Savola Group CEO

Previous positions: CEO of Saudi Fransi Capital, and he worked as the Group Treasurer of Abdul Lateef Jamil and Capital Markets & Investment Advisor. He was also the General Manager of Deutsche Bank KSA. Additionally, he started his career with Banque Saudi Fransi in 1994, where he was the Head of Group Treasury and was a member of several executive committees in charge of develop and follow-up the implementation of the Group's treasury strategy.

Qualifications: Bachelor's Degree of Science in Accounting from California State University, USA.

Experience: He has over 29 years of banking, financial and investments experience, and his career has given him wide experience across a variety of business sectors and the financial services sector.

Current position: CEO of Savola Foods Company

Previous positions: Chief Portfolio Officer of Al-Faisaliah Group, CEO of Saudi Tadawi Healthcare, Chief Operating Officer of Basamh Trading and Industries Group, preceded by several international positions in Procter & Gamble company, in addition to being a Board Member of a number of other companies

Qualifications: Bachelor's Degree in Economics - American University, Egypt.

Experience: Leadership, planning and management of foods and industrial multinational companies and other diverse sectors.

Current position: CEO of Panda Retail Company

Previous positions: Director General at the Saudi Ministry of Health, Chief Executive Officer of Nahdi Medical Company, Scientific Office Manager of Merck & Co., and VP General Manager at GlaxoSmithKline.

Qualifications: Bachelor's Degree in Pharmaceutical Science - King Saud University, KSA

Experience: He has over 30 years of experience in numerous retails, pharmaceuticals, healthcare and FMCG leadership roles, in addition, he also serves as a Board Member from multiple public listed/semi-government and joint stock limited companies.

Current position: Chief Human Resources Officer

Previous positions: Human Resources Executive Director and Head of Talent Acquisition for Savola Group, and various positions in local and multinational companies, including Emaar Economic City, NCB and Cristal Global.

Qualifications: Certified Professional in Human Resources – Internationalism (PHRI) from the HR Certification Institute Master's Degree in Business Information Technology from DePaul University in Chicago, USA Bachelor's Degree in Management Information System from UBT.

Experience: Over 15 years of experience in the field of HR management, mainly covering HR business partnerships, staffing and recruitment, organization development, performance management, training and development, Saudization programs, and HR policies and procedures. Also, a member of Herfy's and Al Kabeer Group's Remuneration and Nomination Committee

Current position: Chief Corporate Governance, Compliance, Legal Affairs Officer, and Board Secretary

Previous positions: Various senior positions in Savola Group including Executive Director of Corporate Governance, Compliance and Legal Affairs of the Group, Director of Corporate Governance and Board Affairs for Savola and its subsidiaries including the Food and Retail sectors, and Senior Manager of Corporates, Board Affairs and Corporate Communications

Qualifications: Master's Degree in Law (LLM) - University of Cumbria, UK Bachelor's degree and a Master's Degree in Business Administration - Sudan University of Science and Technology (SUST), Sudan Certificates in Corporate Governance, Compliance, Board and Committees Secretary from reputable regional institutions

Experience: Over 20 years of experience in corporate governance, compliance, legal affairs, Board of Directors' affairs, investors' relations and shareholders' matters and corporate communications. Significant experience in providing corporate governance and legal consultations in CMA laws and regulations, companies' law, managing shareholders' meetings, preparing reports and legal memorandums, reviewing contracts and agreements to define and mitigate risks as well as following up cases before judicial bodies through litigation, arbitration, or amicable settlements.

Mr. Waleed Khalid Fatani



Mr. Sameh M. Hassan



Dr. Bander T. Hamooh



Mr. Morhaf M. Alsamman



Mr. Elnour Ali Saad



Mr. Wajid Usman Khan



Mr. Mohammad J. Nasr



Internal Control, Audit, and Risk Team:

Mr. Aly Assem Barakat



Mr. Yasser Hassan Dahlawi



Current position: Group Chief Financial Officer

Previous positions: CFO and Head of IT of Savola Foods Company, various other senior positions in Savola Group including Executive Director Group Finance and Treasury, Executive Director Corporate Finance, Finance Director and Assistant General Manager Finance, Assurance, and Business Advisory at PricewaterhouseCoopers (PwC) in Saudi Arabia and Pakistan

Qualifications: Master's Degree in Commerce - HEC, Pakistan Professional qualifications in Chartered Accountancy Fellow Member of Institute of Chartered Accountants of Pakistan Associate Member of Institute of Chartered Accountants of England and Wales, UK.

Experience: Over 20 years of experience in financial management, corporate finance, strategy and digital transformation with Savola Group and its subsidiaries. Member of Audit Committee in Panda Retail Company, Al Kabeer Group and Kinan International for Real Estate Development.

Current position: Group Chief Investment Officer

Previous positions: Various leadership positions in investment strategy and transactions across MENA, Europe and Asia in private equity, mergers and acquisitions, and consulting with leading global and regional companies such as Accenture, Credit Suisse, Gulf Capital and Al Mal Capital (an investments subsidiary of Dubai Investments PJSC).

Qualifications: Master's Degree in Business Administration - London Business School, UK

Bachelor's Degree in Industrial and Manufacturing Systems Engineering - Lehigh University, USA, USA

Experience: Experience in investment and operational strategy leadership, deal origination, restructuring, M&A, managing investment portfolios and exit plans across several sectors.

Current position: Group Chief Audit Officer

Previous positions: Senior Manager at Abu Dhabi Accountability Authority, Manager at KPMG, and Manager at Ernst & Young (EY)

Qualifications: Bachelor's Degree in Commerce (Accounting major) - University of Helwan, Egypt Licensed Certified Public Accountant, USA Member of American Institute of Certified Public Accountants & Chartered Global Management Accountant Association.

Experience: Over 29 years' experience in the financial sector field, internal controls, internal and external assurance, governance, enterprise risk management and compliance.

Current position: Executive Director, Risk Management

Previous positions: Head of Regulatory Compliance, Enterprise Risk Management at The National Commercial Bank (NCB), and Senior Advisor at KPMG, Saudi Arabia

Qualifications: Master of Science Degree in Engineering and Technology Management - Portland State University, USA

Bachelor of Science Degree in Industrial Engineering - King Fahad University of Petroleum and Minerals (KFUPM) KSA PMI Risk Management Professional (PMI-RMP) Certification

Experience: Over 10 years of experience in risk management, mainly covering enterprise risk management, risk reporting, Basel II/III, capital planning and allocation, and risk policies & procedures.

MAIN ACTIVITIES AND FINANCIAL DISCLOSURES IN ACCORDANCE WITH REGULATORY REQUIREMENTS

1) The Group's Main Activities:

The Group has a broad portfolio of activities. In the foods sector, this is mainly the production, marketing and distribution of edible oils, vegetable ghee, sugar, pasta, baked goods, specialty fats, seafood, frozen food and manufacturer and distributor of branded healthy snacks, cooking ingredients and pulses. The retail sector operates a chain of retail outlets. Savola also has significant investments in leading Saudi non-listed and listed companies such as Almarai Co. Herfy Food Services Co., and AlKabeer Group which operate in the food and retail sectors, and real estate development companies such as King Abdullah Economic City (Emaar) and Kinan International for Real Estate Development Co., as well as holdings in private equity funds.

Savola's subsidiaries, sister companies, investments, activities and country of incorporation are:

No.	Company name	Country of Incorporation	Core activities	Country presence	Ownership % (direct and indirect)	Capital (nominal share value)	Number of shares
1) Direct subsidiaries of the Company:							
a) Operating subsidiaries:							
1.	Savola Foods Co.	KSA	Foods	Holding Company that manages investment in foods sector in KSA and overseas	100%	SAR 2,200,000,000	220,000,000
2.	Panda Retail Co. (Panda)	KSA	Retail	KSA and Egypt	100%	SAR 1,020,000,000	102,000,000
3.	Good Food Co. (GFC)	KSA	Holding Company	KSA and some GCC countries	100%	SAR 10,000,000	1,000,000
4.	Al Matoun International for Real Estate Investment Holding Co.	KSA	Real Estate	KSA	80%	SAR 100,000,000	100,000
5.	Herfy Food Services Co.	KSA	Restaurants and Manufacturing Bakery Products	KSA, Bangladesh, Nigeria and some GCC countries	49%	SAR 646,800,000	64,680,000
b) Holding and Dormant subsidiaries:							
6.	Adeem Arabia Company	KSA	Holding Company	KSA	100%	SAR 7,200,000	72,000
7.	Al Utur Arabian Co. for Commercial Investment	KSA	Holding Company	KSA	100%	SAR 1,000,000	10,000
8.	Al Matana Holding Co.	KSA	Holding Company	KSA	100%	SAR 50,000	5,000
9.	Madarek Investment Co.	Jordan	Holding Company	Jordan	100%	JOD 1,000,000	1,000,000
10.	United Properties Development Co.	KSA	Dormant Company	KSA	100%	SAR 4,000,000	400
2) Al Matana Holding Company:							
a. Subsidiaries controlled through Al Matana Holding Company: (% referred to Al Matana Holding Company direct and indirect ownership – Al Matana Holding Company is 100% owned by Savola Group)							
11.	SGC Ventures Limited	Cayman Islands	Holding Company	Offshore Company	100%	USD 50,000	50,000
12.	SGC Marketplace Venture	Cayman Islands	Holding Company	Offshore Company	100%	USD 50,000	50,000
13.	SGC Agric-tech Ventures	Cayman Islands	Holding Company	Offshore Company	100%	USD 50,000	50,000

No.	Company name	Country of Incorporation	Core activities	Country presence	Ownership % (direct and indirect)	Capital (nominal share value)	Number of shares
3) Savola Foods Company (SFC):							
a. Subsidiaries controlled through SFC: (% referred to SFC's direct and indirect ownership – SFC is 100% owned by Savola Group)							
14.	Afia International Co. (AIC)	KSA	Manufacturing of Edible Oils	KSA, Egypt, Iran, Turkey, Jordan	95.19%	SAR 500,000,000	50,000,000
15.	Savola Industrial Investment Co. (SIIC)	KSA	Holding Company	KSA	100%	SAR 205,907,000	205,907
16.	El Maleka for Food Industries Co.	Egypt	Manufacturing of Pasta	Egypt	100%	EGP 288,898,960	28,889,896
17.	International Foods Industries Co.	KSA	Manufacturing of Specialty Fats	KSA	100%	SAR 107,000,000	10,700,000
18.	Snacking and Ingredients Food Holding Company Limited ("SIFCO")	UAE	Holding company	UAE	100%	USD 10,000	1,000
19.	Commodities Sourcing Company for Trading	KSA	Trading Company	KSA	100%	SAR 5,000,000	500,000
20.	Seafood International Two FZCO	UAE	Seafood Products Trading & Distribution	UAE	100%	AED 100,000	10
21.	Savola for Sustainable Industrial Development Co.	KSA	Renewable energy	KSA	100%	SAR 5,000,000	50,000
22.	Savola Foods Emerging Markets Co. (SFEM)	British Virgin Islands (BVI)	Holding Company	Offshore Company	95.43%	SAR 130,000,000	13,000,000
23.	Savola Foods for Sugar Co.	Cayman Islands	Holding Company	Offshore Company	95% (100% with Savola's direct ownership)	USD 50,000	5,000
24.	Savola Foods Company International Limited (SFCI)	United Arab Emirates (UAE)	Holding Company	UAE	100%	AED 500,000	500
25.	Seafood International Holding Co.	Cayman Islands	Holding Company	Offshore Company	100%	USD 10,000	10,000
26.	Al Maoun International Holding Co. (Al Maoun)	KSA	Holding Company	KSA	100%	SAR 1,000,000	1,000
27.	Marasina International Real Estate Investment Co. (Marasina)	KSA	Holding Company	KSA	100%	SAR 200,000	200
28.	Afia Foods Arabia Co.	KSA	Dormant Company	KSA	100%	SAR 1,000,000	1,000
b. Subsidiaries controlled through AIC: (% referred to AIC's direct and indirect ownership; AIC is 95.19% owned by SFC)							
29.	Savola Behshahr Co. (SBeC)	Iran	Holding Company	Iran	90%	IRR 740,000,000,000	740,000,000
30.	KUGU Gida Yatum ve Ticaret A.S (KUGU)	Turkey	Holding Company	Turkey	100%	TRL 26,301,280	2,630,128
31.	Savola Foods Ltd. (SFL)	BVI	Holding Company	Offshore Company	100%	USD 52,000	52,000
32.	Inveszk Inc.	BVI	Holding Company	Offshore Company	90%	USD 138,847	138,847

MAIN ACTIVITIES AND FINANCIAL DISCLOSURES IN ACCORDANCE WITH REGULATORY REQUIREMENTS

No.	Company name	Country of Incorporation	Core activities	Country presence	Ownership % (direct and indirect)	Capital (nominal share value)	Number of shares
33.	Aseel Food – Holding Co.	Cayman Islands	Holding Company	Offshore Company	100%	USD 50,000	50,000
34.	Malintra Holdings Ltd.	Luxembourg	Dormant Company	Offshore Company	100%	EUR 1,250,000	1,250
35.	Afia International Co. – Jordan	Jordan	Dormant Company (under Liquidation)	Jordan and Levant	98.57%	JOD 8,000,000	8,000,000
36.	Afia Trading International	BVI	Dormant Company	Offshore Company	100%	USD 500,000	500,000
37.	Savola Foods International	BVI	Dormant Company	Offshore Company	100%	USD 50,000	50,000
c. Subsidiaries controlled through SBeC: (% referred to SBeC's ownership; SBeC is 90% owned by AIC)							
38.	Behshahr Industrial Co.	Iran	Manufacturing of Edible Oils	Iran	79.9%	IRR 29,500,000,000,000	29,500,000,000
39.	Tolue Pakshe Aftab Co.	Iran	Trading and Distribution	Iran	100%	IRR 100,000,000,000	100,000,000
40.	Savola Behshahr Sugar Co.	Iran	Trading and Distribution	Iran	100%	IRR 100,000,000	100,000
41.	Notrika Golden Wheat Co.	Iran	Manufacturing of Food and Confectionery	Iran	100%	IRR 200,000,000,000	200,000,000
d. Subsidiaries Controlled through Behshahr Industrial Co: (% referred to Behshahr Industrial Co: Behshahr Industrial Co is 79.9% owned by SBeC)							
42.	Mahsoolat Diryaee Tam Afarin Saba Co.	Iran	Seafood Products Trading & Distribution	Iran	100%	IRR 50,000,000,000	50,000,000
e. Subsidiaries controlled through SFL: (% referred to SFL's ownership; SFL is 100% owned by AIC)							
43.	Afia International Co. Egypt	Egypt	Manufacturing of Edible Oils	Egypt	99.95%	EGP 154,651,500	30,930,300
f. Subsidiaries controlled through Afia International Co. Egypt: (% referred to Afia International Co. Egypt ownership; Afia International Co. Egypt is 99.95% owned by SFL)							
44.	Savola For Export and Import	Egypt	Trading and distribution	Egypt	49%	EGP 5,000,000	10,000
g. Subsidiaries controlled through KUGU:(% referred to KUGU's direct and indirect ownership; KUGU is 100% owned by AIC)							
45.	Savola Gida Sanayi ve Ticaret Anonim Şirketi	Turkey	Manufacturing of Edible Oils	Turkey	100%	TRL 4,433,569	443,356,900
h. Subsidiaries controlled through SIIC: (% referred to SIIC's ownership; SIIC is 100% owned by SFC)							
46.	United Sugar Co. (USC)	KSA	Manufacturing of Sugar	KSA	74.48%	SAR 395,000,000	39,500,000
i. Subsidiaries controlled through USC: (% referred to USC's direct and indirect ownership; USC is 74.48% owned by SIIC)							
47.	Alexandria Sugar Co. – Egypt (ASCE)	Egypt	Manufacturing of Sugar	Egypt	62.13 % (69.66% including SFC %) and (71.66 with SGC ownership)	EGP 1,358,388,000	1,358,388

No.	Company name	Country of Incorporation	Core activities	Country presence	Ownership % (direct and indirect)	Capital (nominal share value)	Number of shares
48.	Beet Sugar Industries	Cayman Islands	Dormant Company	Offshore Company	100%	USD 1,000	1,000
j. Subsidiaries controlled through ASCE: (% referred to ASCE ownership; ASCE is 71.66% owned by SGC directly and indirectly)							
49.	Alexandria United Co. for Land Reclamation	Egypt	Agro Cultivation	Egypt	100%	USD 22,500,000	225,000
k. Subsidiaries controlled through SFEM: (% referred to SFEM's direct and indirect ownership; SFEM is 95.4% owned by SFC)							
50.	Afia International Co. – Algeria	Algeria	Manufacturing of Edible Oils	Algeria	100%	DZD 3,028,071,000	3,028,071
51.	Savola Edible Oils (Sudan) Co.	Sudan	Manufacturing of Edible Oils	Sudan	100%	SDG 45,800,000	45,800,000
l. Subsidiaries controlled through SFCI: (% referred to SFCI's ownership; SFCI is 100% owned by SFC)							
52.	Modern Behtaam Royan Kaveh Co.	Iran	Food and Confectionery	Iran	100%	IRR 50,000,000,000	50,000,000
53.	Middle East Technology Venture Ltd.	Cayman Islands	Holding Company	Offshore Company	100%	USD 50,000	50,000
m. Subsidiaries controlled through Al Maoun and Marasina: (% referred to Al Maoun and Marasina's ownership; both companies are 100% owned by SFC)							
54.	Alofog Trading DMCC	UAE	Trading and Distribution	UAE	100%	AED 2,000	50
n. Subsidiaries controlled through SIFCO: (% referred to SIFCO's ownership; SIFCO is 100% owned by SFC)							
55.	Bayara Holding Limited	Cayman Islands	Holding company	Offshore Company	100%	USD 137,500	13,750,000
56.	Bayara FZE	UAE	Holding company	UAE	100%	AED 5,000,000	5
57.	Savola Snacks	Egypt	Manufacturing of Snacks	Egypt	99%	EGP 50,000,000	50,000
o. Subsidiaries controlled through Bayara Holding Limited: (% referred to Bayara Holding Limited ownership; Bayara Holding Limited is 100% owned by SIFCO)							
58.	Kamali Investment Limited	UAE	Holding Company	UAE	100%	AED 10,000	10,000
59.	Kandoo Worldwide Limited	BVI	Managing Trademark	Offshore Company	100%	USD 50,000	50,000
p. Subsidiaries controlled through Bayara FZE: (% referred to Bayara FZE ownership; Bayara FZE is 100% owned by SIFCO)							
60.	GYMA Food Industries	UAE	Processing spices, nuts, and pulses	UAE	100%	AED 300,000	300
61.	Bayara Saudi Arabia Limited Group	KSA	Processing spices, nuts, and pulses	KSA	100%	SAR 3,000,000	3,000
62.	GYMA Trading LLC	UAE	Trading of spices, nuts and pulses	UAE	100%	AED 300,000	300
63.	Profood Holdings Limited	UAE	Dormant Company Under (Liquidation)	UAE	100%	AED 10,000	100

MAIN ACTIVITIES AND FINANCIAL DISCLOSURES IN ACCORDANCE WITH REGULATORY REQUIREMENTS

No.	Company name	Country of Incorporation	Core activities	Country presence	Ownership % (direct and indirect)	Capital (nominal share value)	Number of shares
q. Subsidiaries controlled through Seafood International Two FZCO: (% referred to Seafood International Two FZCO ownership; Seafood International Two FZCO is 100% owned by SFC)							
64.	Seafood International One FZCO	UAE	Seafood Products Trading & Distribution	UAE	80%(100% with SFC ownership)	AED 100,000	100
4) Panda Retail Co. (Panda):							
a. Subsidiaries controlled through Panda: (% referred to Panda's direct and indirect ownership; Panda is 100% owned by Savola)							
65.	Giant Stores Trading Ltd.	KSA	Retail	KSA	100%	SAR 50,000,000	50,000
66.	Panda for Operations, Maintenance & Contracting Services Co.	KSA	Services and Maintenance	KSA	100%	SAR 500,000	500
67.	Panda International for Retail Trading	Egypt	Retail	Egypt	100%	Issued Capital EGP 500,000,000 Paid Capital EGP 50,000	50,000,000
68.	Atabet Al Bab Communications and Information Technology LLC	KSA	E-commerce	KSA	100%	SAR 200,000	200,000
69.	Panda Bakeries Co.	KSA	Dormant Company	KSA	100%	SAR 500,000	500
b. Subsidiaries controlled through Giant Stores Trading Co.: (% referred to Giant Stores Trading Co. Ownership; Giant Stores Trading Co. is 100% owned by Panda)							
70.	Lebanese Sweets and Bakeries Ltd.	KSA	Dormant Company	KSA	(99% with Savola Group direct ownership).	SAR 5,000,000	5,000
5) Al Kabeer Group Companies:							
a. Subsidiaries controlled through GFC: (% referred to GFC's direct and indirect ownership; GFC is 100% owned by Savola Group)							
71.	Variety Foods Factory Co.	KSA	Frozen Food Manufacturing	KSA	51%	SAR 5,000,000	5,000
72.	Al Ahsan Trading Co.	KSA	Trading and Distribution	KSA	51%	SAR 27,000,000	27,000
73.	Al Helal for Import & Export Co.	Bahrain	Trading and Distribution	Bahrain	51%	BHD 20,000	200
74.	Al Kabeer Holding Co.	UAE	Holding Company	UAE	51%	USD 100	100
b. Subsidiaries controlled through Al Kabeer Holding Co.: (% referred to Al Kabeer Holding direct and indirect ownership; Al Kabeer Holding is 51% owned by GFC)							
75.	Sahar Enterprises Co.	UAE	Trading and Distribution	UAE	51%	AED 181,500,000	181,500
76.	Sahar Food Industries Co.	UAE	Frozen Food Manufacturing	UAE	51%	AED 300,000	300
77.	Best Foodstuff Trading Co.	UAE	Trading and Distribution	UAE	51%	AED 3,000,000	3,000

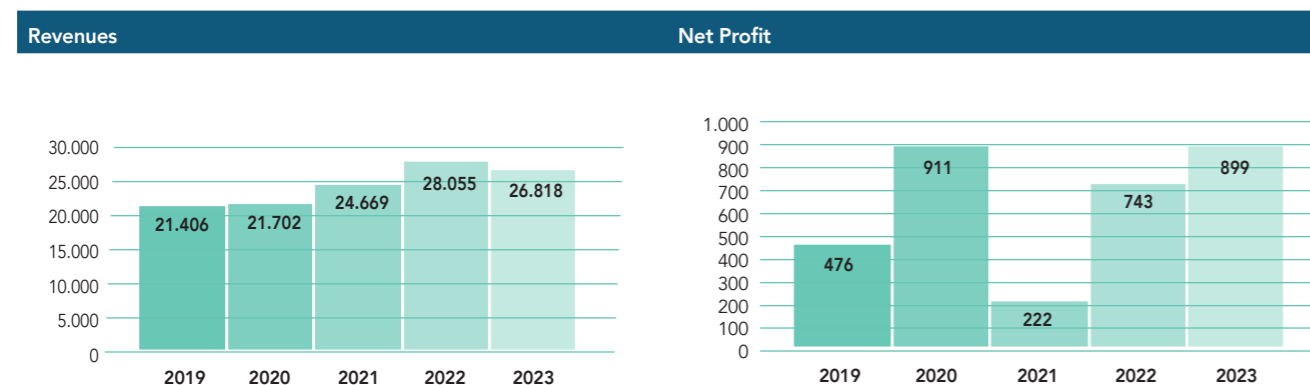
No.	Company name	Country of Incorporation	Core activities	Country presence	Ownership % (direct and indirect)	Capital (nominal share value)	Number of shares
78.	Cascade Investments Limited	UAE	Investment Company	UAE	100%	USD 125,000	1,250
79.	Cascade Marine Foods Co.	UAE	Frozen Food Manufacturing	UAE	100%	AED 750,000	100
80.	Al Sabah Foodstuff Enterprises Co.	UAE	Trading and Distribution	UAE	100%	AED 500,000	500
81.	Best Foods Co.	Oman	Food Distribution	Oman	100%	OMR 150,000	150,000
6) Investees: (investments in sister companies)							
82.	Almarai Co.	KSA	Fresh Food Products	KSA	34.52%	SAR 10,000,000,000	1,000,000,000
83.	Kinan International for Real Estate Development Co.	KSA	Real Estate Development	KSA	29.99%	SAR 1,200,000,000	120,000,000
84.	United Sugar Company, Egypt ("USCE")	Egypt	Manufacturing of sugar	Egypt	33.82%	USD 138,851,128	17,733,222
85.	Intaj Capital Ltd.	Republic of Tunisia (Tunisia)	Fund Management	Tunisia	49%	USD 207,200,000	260,000
7) Investments available for sale:							
Listed:							
86.	Emaar the economic city	KSA	Real Estate	KSA	0.87%	SAR 8,500,000,000	850,000,000
87.	Arab Phoenix Holdings Co.	Jordan	Real Estate Development	Jordan	5%	JOD 86,840,292	86,840,292
Unlisted:							
88.	Joussor Holding Co.	KSA	Investment Funds (under Liquidation)	KSA	14.81%	SAR 600,000,000	60,000,000
89.	Swicorp Co.	KSA	Investment Management	KSA	15%	SAR 500,000,000	50,000,000

MAIN ACTIVITIES AND FINANCIAL DISCLOSURES IN ACCORDANCE WITH REGULATORY REQUIREMENTS

2) Performance of the Group

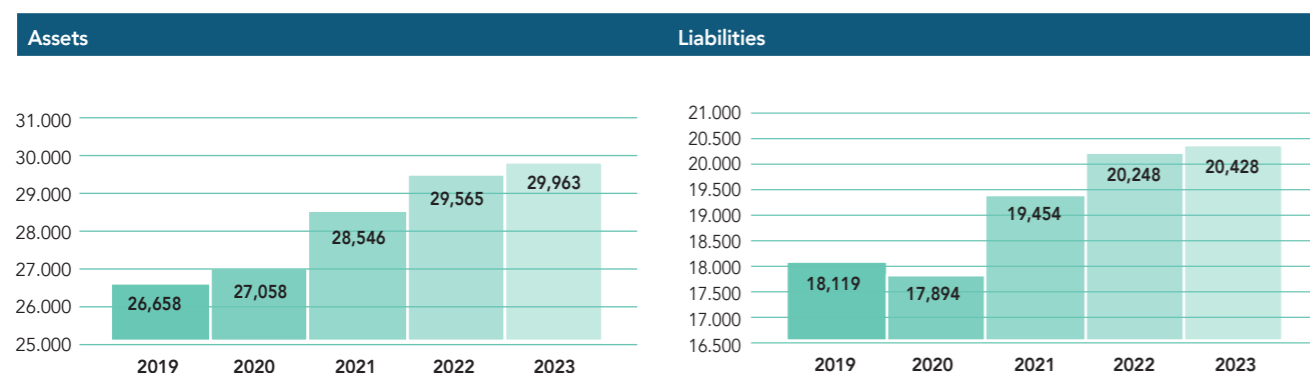
2-1) Summary of the Company's assets and liabilities and financial results for the last 5 years

a) Comparison of the Company's financial results (SAR million):



Item (SAR '000s)	2023	2022	2021	2020	2019
Revenues	26,818,317	28,054,703	24,669,163	21,701,941	21,406,424
Cost of Revenues	(21,374,973)	(23,180,622)	(20,190,449)	(17,061,558)	(16,902,120)
Gross Profit	5,443,344	4,874,081	4,478,714	4,640,383	4,504,304
(Net Profit (loss))	899,185	742,752	221,879	910,802	475,630

b) Comparison of the Company's assets and liabilities (SAR million):



Item (SAR '000s)	2023	2022	2021	2020	2019
Current assets	9,546,496	9,453,964	7,941,295	6,464,347	5,969,924
Non-current assets	20,416,167	20,110,684	20,604,624	20,594,037	20,687,787
Total assets	29,962,663	29,564,648	28,545,919	27,058,384	26,657,711
Current liabilities	11,329,164	11,644,462	9,458,120	8,183,856	8,863,915
Non-current liabilities	9,098,979	8,603,493	9,995,986	9,709,974	9,254,726
Total liabilities	20,428,143	20,247,955	19,454,106	17,893,830	18,118,641

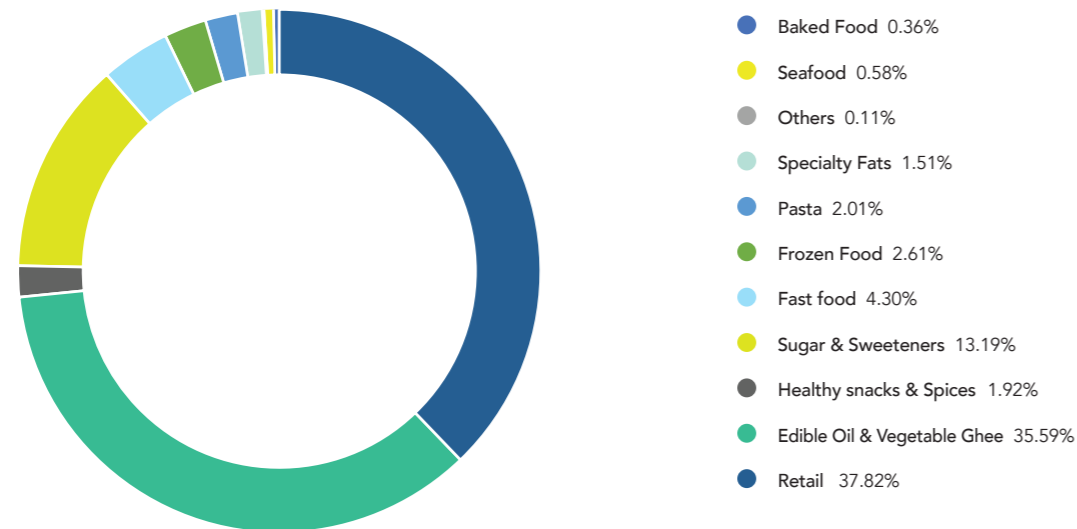
2-2) Geographical analysis of the Company's and its subsidiary revenues

Below is the Group's consolidated revenue for 2023 compared to the previous year business-wise (edible oils and vegetable ghee, sugar and sweeteners, pasta, seafood, frozen food, retail sector, fast food, specialty fats and healthy snacks (raw & roasted nuts, dates, seeds, dried fruits, and confectionery) and cooking ingredients (herbs, spices and pulses), including geographical analysis based on availability of brands and products in countries:

Business line/country	Brands	2023 (SAR '000s)	2022 (SAR '000s)
Edible oil and vegetable ghee			
KSA, GCC and Yemen	Afia, Al Arabi, Olite, Shams, Halah, Dalal, Nakeel, Leeza, Nisreen, Zahra, Sunvita, Baytuati	2,917,101	3,331,255
Egypt, and Levant	Rawabi, Afia, Ganna, Slite, Helwa, Hanadi, Shams, Bent El Balad, Tah, Ganna Mix	2,869,882	2,732,047
Central Asia	Ladan, Aftab, Bahar, Afia, Almas	2,274,478	2,383,766
Sudan	Al Tayeb, Sabah, Shams, Zaki	148,900	778,720
Morocco	Afia, Hala	118,373	625,445
Turkey	Yudum, Sirma, Afia, Yudum Egemden	777,266	961,650
Algeria	Afia, Olor, Oler Crusty	615,898	633,644
Total edible oil and vegetable ghee revenues		9,721,898	11,446,527
Sugar and sweeteners			
KSA, GCC and Yemen	Al Osra, Ziadah, Safaa, Nehar, Hala, Sweeva, Sweet & Fit	2,957,707	2,756,691
Egypt	Al Osra	644,683	469,506
Total sugar and sweeteners revenues		3,602,390	3,226,197
Total pasta products – Egypt	El Maleka, Macaronto, Italiano	548,632	528,042
Total seafood products –KSA, GCC, Egypt, Central Asia, and Algeria	Sahel, Ladan Gold, Afia	158,070	143,277
Total baked food products – Central Asia	Pech-Pech, Happy	97,382	84,886
Total specialty fats and margarine – KSA, Turkey and Egypt	Savola Professional Culina, Savola Professional AlTahi, Margarina, Vala, Sava, Savola Pure, Al Tahi	412,384	557,896
Healthy snacks & Spices KSA and GCC	Bayara, Afia, Bayara world (retail stores)	524,576	453,978
Total foods revenues		15,065,332	16,440,803
Retail			
KSA	Hyper Panda, Panda Supermarket	10,168,903	9,956,831
Egypt	Panda Supermarket	162,474	157,179
Total retail revenues		10,331,377	10,114,010
Fast food			
Fast food and restaurants- KSA	Herfy, Doka	1,173,696	1,243,838
Total fast food and restaurants		1,173,696	1,243,838
Frozen food products			
KSA and GCC	Al Kabeer, Tayebat Al Emarat, Tabarruk	714,072	670,009
Total frozen food products		714,072	670,009
Others			
Real estate – KSA		29,557	27,335
Total other activities revenues		29,557	27,335
Gross revenues		27,314,034	28,495,995
Consolidated intercompany elimination		(495,717)	(441,292)
Total revenues		26,818,317	28,054,703

MAIN ACTIVITIES AND FINANCIAL DISCLOSURES IN ACCORDANCE WITH REGULATORY REQUIREMENTS

Breakdown of sector and main Group activity contributions to 2023 consolidated revenues



2-3) Statement of any material differences in the operational results compared to the preceding year's results

Income statement	2023 (SAR '000s)	2022 (SAR '000s)	Variance (+) or (-) (SAR '000s)	Variance %
Revenues	26,818,317	28,054,703	(1,236,386)	-4.4%
Cost of revenues	(21,374,973)	(23,180,622)	1,805,649	-7.8%
Gross profit	5,443,344	4,874,081	569,263	11.7%
Operational revenues – Other	718,813	660,581	58,232	8.8%
Operational expenses – Other	(3,830,707)	(3,866,796)	36,089	-0.9%
Operational profit	2,331,450	1,667,866	663,584	39.8%

Declaration: The Company did not announce any financial expectations during 2023.

The reasons for the change in net profit for 2023 compared to last year:

The Group recorded net profit for the year ended 31 December 2023 amounting to SAR 899 million versus net profit of SAR 743 million for last year showing a 21% increase. The increase in net profit is mainly attributed to the Increase in gross profit reported in the Food Processing, Retail and Frozen Foods segments; Higher share of profits from associates; net impairment reversal amounting to SAR 111.9 million during 2023 for certain non-current assets mainly in the Foods Processing and Retail segments. Net impairment reversal during 2022 amounting to SAR 65.2 million for certain non-current assets mainly in the Foods processing, Retail and Food Services segments; and Refund of custom duty from regulatory authority in KSA having a net impact of SAR 23.3 million. The increase in net profit is despite of the capital gain on disposal of investments/operations amounting to SAR 18.7 million during 2023 which is lower than the capital gain on disposal of investments during 2022 amounting to SAR 41.8 million; higher net finance cost; higher operating expenses; and higher zakat and income tax expense. Moreover, the Retail segment achieved operational breakeven for the year ended 31 December 2023.

2-4) Details of long and short-term loans and payment status

Savola has a long-standing policy to adopt Shariah-compliant financial transactions whenever possible. Accordingly, all Group loans and deposits within Saudi Arabia are Shariah-compliant, as well as some arranged by overseas subsidiaries.

In July 2019, the Group completed the offering of its Sukuk, under a new program, with a total value of SAR 1 billion with a tenure of 7 years, which will mature in July 2026. The issuance included SAR 507 million of the previous Sukuk, which was redeemed and exchanged. Accordingly, the nominal value of the previous Sukuk decreased from SAR 1.5 billion to SAR 993 million. Certain loans arranged by overseas subsidiaries are subject to structure and policies adopted in those countries, which may differ from those in Saudi Arabia.

Finance charges for Group loans (short-term and long-term borrowings) from various commercial banks and financial institutions during 2023 (at prevailing market rates) reached SAR 730 million compared to SAR 419 million in the previous year. With regards to loan guarantees granted by the Group to its subsidiaries (see table below), the Group usually signs promissory notes as a guarantee to its own loans and a corporate guarantee for some of its subsidiaries' loans, according to the requirements of the lending banks or financial institutions.

Details of long-term and short-term loans of the Group and its subsidiaries obtained in the normal course of business are as follows:

a) Long-term loans of the Group and its subsidiaries, and their payment status as of 31 December 2023 (SAR '000s):

No.	Borrowing company	Lender	Loan period	Date issued	Original amount	Amount paid in 2023	Balance Dec 2023	Balance Dec 2022
1.	Savola Group Co.	Bank Al Jazira	7 years	Nov-18	300,000	50,000	100,000	150,000
		Bank Al Jazira	7 years	Dec-19	500,000		500,000	500,000
		Bank Al Jazira	7 years	Dec-21	75,000		75,000	75,000
		Bank Al Jazira	7 years	Feb-22	200,000		200,000	200,000
		Saudi Awwal Bank	5 years	Sep-18	750,000	187,500	-	187,500
		Saudi Awwal Bank	7 years	Feb-19	800,000	132,000	297,000	429,000
		Saudi Awwal Bank	7 years	Feb-22	100,000		100,000	100,000
		Al Rajhi Bank	7 years	Dec-21	125,000		125,000	125,000
		Saudi Fransi Bank	7 years	Dec-21	200,000		200,000	200,000
		Saudi Fransi Bank	7 years	Feb-22	300,000		300,000	300,000
		Riyad Bank	5 years	Feb-22	150,000	20,000	130,000	150,000
		Saudi National Bank	5 years	Sep-23	1,000,000		1,000,000	-
		Sukuk	7 years	Jul-19	1,000,000		1,000,000	1,000,000
SAVOLA GROUP							4,027,000	3,416,500

MAIN ACTIVITIES AND FINANCIAL DISCLOSURES IN ACCORDANCE WITH REGULATORY REQUIREMENTS

No.	Borrowing company	Lender	Loan period	Date issued	Original amount	Amount paid in 2023	Balance Dec 2023	Balance Dec 2022
2.	Afia Intl. Co. - Egypt*	National Bank of Kuwait	5 years	Jan-19	16,000	5,360	1,329	6,687
AFIA INTERNATIONAL CO.							1,329	6,687
3.	Savola Foods Co.	Al Rajhi Bank	7 years	Dec-21	175,000	135,000	40,000	175,000
		Bank Al Jazira	7 years	Dec-21	300,000	-	300,000	300,000
		Saudi Fransi Bank	7 years	Nov-21	300,000	-	300,000	300,000
		Saudi Awwal Bank	7 years	Dec-21	200,000	-	200,000	200,000
SAVOLA FOODS CO.							840,000	975,000
4.	El Maleka for Food Industries Co. *	National Bank of Kuwait	5.3 years	Dec-18	28,173	3,195	2,394	5,993
EL MALEKA FOR FOOD INDUSTRIES CO.							2,394	5,993
5.	Alexandria Sugar Co. *	Commercial International Bank	13 Years	Mar-10	529,937	23,724	11,863	44,536
	United Sugar Co.	Saudi Industrial Development Fund	2 Years	Dec-23	150,000	-	150,000	-
SAVOLA INDUSTRIAL INVESTMENT CO.							161,863	44,536
6.	Savola Snacks*	National Bank of Kuwait	7 Years	May-22	84,444	-	55,062	63,461
SAVOLA SNACKS							55,062	63,461
7.	Herfy Food Services Co.	Al Rajhi Bank	4-6 years	2014-2017	499,996	15,612	-	15,612
HERFY FOOD SERVICES CO.							-	15,612
TOTAL LONG TERM LOANS							5,087,648	4,527,790

* December 2023 loan value changed due to currency effect

b) Short-term loans of the Group and its subsidiaries, and their payment status as of 31 December 2023 (SAR '000s):

No.	Borrowing company	Lender	Loan period	Date issued	Balance Dec 2023	Balance Dec 2022
1.	Savola Group Co.	Arab National Bank	1 Month	Dec-23	350,000	-
		Saudi National Bank	1 Month	Dec-23	530,000	-
SAVOLA GROUP					880,000	650,000
2.	Panda Retail Co.	Arab National Bank	1 Month	Dec-23	100,000	-
PANDA RETAIL COMPANY					100,000	330,000
3.	Afia International Co.	Arab National Bank	1 Month	Dec-23	275,000	-
		Saudi National Bank	1 Month	Dec-23	425,000	-
		Gulf International Bank	1 Month	Dec-23	320,000	-
4.	Afia International Co. - Egypt	.Hongkong and Shanghai Banking Corp	1 Month	Dec-23	38,327	-
		First Abu Dhabi Bank	1 Month	Dec-23	106,402	-
		Commercial International Bank	1 Month	Dec-23	2,812	-
		National Bank of Kuwait	1 Month	Dec-23	17,692	-
		QNB	1 Month	Dec-23	24,372	-
		Emirates NBD	1 Month	Dec-23	23,919	-
		Mashreq Bank	1 Month	Dec-23	5,789	-
		National Bank of Kuwait	1 Month	Dec-23	7,472	-
5.	Behshahr Industrial Co.	Tejarat Bank	6 Month	Jul-23	9,508	-
		Bank Mellat	6 Month	Sep-23	25,766	-
		khavarmianeh	3 Month	Nov-23	15,232	-
		Karafarin Bank	3 Month	Oct-23	8,643	-
		Karafarin Bank	3 Month	Nov-23	20,168	-
		Saman Bank	6 Month	Jul-23	2,881	-
		Saman Bank	6 Month	Sep-23	14,406	-
		Saman Bank	6 Month	Sep-23	14,406	-
		Saman Bank	6 Month	Sep-23	14,406	-
		Saman Bank	6 Month	Jul-23	2,881	-
		Saman Bank	6 Month	Sep-23	9,604	-
		Bank Passargad	6 Month	Sep-23	12,485	-
		Parsian Bank	12 Month	Aug-23	36,111	-
		Bank Keshavarzi	6 Month	Sep-23	4,802	-
		Bank Keshavarzi	6 Month	Jul-23	3,842	-
		Karafarin Bank	3 Month	Nov-23	14,406	-
		Saman Bank	6 Month	Sep-23	4,802	-
		Saman Bank	6 Month	Sep-23	13,445	-
		Saman Bank	6 Month	Sep-23	4,802	-
		Saman Bank	6 Month	Sep-23	10,007	-

MAIN ACTIVITIES AND FINANCIAL DISCLOSURES IN ACCORDANCE WITH REGULATORY REQUIREMENTS

No.	Borrowing company	Lender	Loan period	Date issued	Balance Dec 2023	Balance Dec 2022
6.	Savola Gıda Sanayi ve Ticaret AS	Hongkong and Shanghai Banking Corp.	12 months	Mar-23	7,037	
		Hongkong and Shanghai Banking Corp.	12 months	Sep-23	12,757	
		Hongkong and Shanghai Banking Corp.	12 months	Sep-23	6,312	
		Hongkong and Shanghai Banking Corp.	12 months	Jun-23	6,091	
		Hongkong and Shanghai Banking Corp.	12 months	Jul-23	6,379	
		Hongkong and Shanghai Banking Corp.	6 months	Sep-23	8,760	
		Hongkong and Shanghai Banking Corp.	6 months	Dec-23	5,998	
		Hongkong and Shanghai Banking Corp.	6 months	Sep-23	3,737	
		Hongkong and Shanghai Banking Corp.	6 months	Dec-23	2,845	
		Hongkong and Shanghai Banking Corp.	12 months	Jul-23	6,379	
		European Bank for Reconstruction and Development	12 months	Jun-23	4,382	
		European Bank for Reconstruction and Development	12 months	Jun-23	11,425	
		European Bank for Reconstruction and Development	12 months	Jun-23	20,922	
		QNB Finansbank	6 months	Aug-23	3,645	
		QNB Finansbank	6 months	Aug-23	1,276	
		QNB Finansbank	8 months	Aug-23	893	
		QNB Finansbank	6 months	Aug-23	3,189	
		QNB Finansbank	12 months	Apr-23	574	
		QNB Finansbank	12 months	May-23	3,113	
		Ziraat Bankasi	12 months	Apr-23	638	
		Ziraat Bankasi	12 months	Sep-23	2,551	
		Ziraat Bankasi	12 months	Sep-23	2,551	
		Ziraat Bankasi	12 months	Aug-23	1,276	
		Ziraat Bankasi	12 months	Jul-23	638	
		Halkbank	12 months	Nov-23	255	
		Halkbank	6 months	Jul-23	686	
		Halkbank	6 months	Jul-23	359	
		Halkbank	6 months	Jul-23	359	
		Halkbank	6 months	Jul-23	359	
		Halkbank	12 months	Feb-23	638	
		Halkbank	12 months	Feb-23	255	
		Halkbank	12 months	Sep-23	383	
		Halkbank	12 months	Sep-23	638	
		Turkiye Finans	5 months	Jul-23	7,591	
Turkiye Finans	3 months	Oct-23	6,379			
ISBANK	6 months	Oct-23	12,757			
DENIZBANK	6 months	Sep-23	6,379			
Hongkong and Shanghai Banking Corp.	6 months	Dec-23	8,688			
AFIA INTERNATIONAL CO.					1,658,477	1,899,637

No.	Borrowing company	Lender	Loan period	Date issued	Balance Dec 2023	Balance Dec 2022
7.	Savola Foods Co	Saudi Awwal Bank	1 Month	Dec-23	380,000	
		Saudi Fransi Bank	1 Month	Dec-23	150,000	
SAVOLA FOODS Co.					530,000	178,000
8.	Savola Edible Oil Ltd.- Sudan	United Capital Bank	12 months	Nov-23	1,156	
		Bank of Khartoum	12 months	Oct-23	371	
		Bank of Khartoum	12 months	Nov-23	3,763	
		Bank of Khartoum	12 months	Jan-23	5,986	
		Bank of Khartoum	12 months	Sep-23	2,096	
		United Capital Bank	12 months	Sep-23	177	
		National Bank of Egypt	12 months	Jan-23	237	
		Alkhaleej Bank	12 months	Jan-23	7,399	
		Omdurman National Bank	12 months	Mar-23	2,071	
		Qatar National Bank	12 months	Mar-23	2,790	
		Bank Of Khartoum	12 months	Dec-23	2,075	
		Bank Of Khartoum	12 months	Dec-23	2,140	
		National Bank of Egypt	12 months	Dec-23	313	
		United Capital Bank	12 months	Oct-23	2,278	
		United Capital Bank	12 months	Oct-23	1,528	
		United Capital Bank	12 months	Dec-23	1,329	
Qatar National Bank	12 months	Dec-23	512			
Arab Sudanese Bank	12 months	Dec-23	412			
9.	Afia International Co. – Algeria	Societe Generale Algerie	6 months	Dec-23	43,557	
		Hongkong and Shanghai Banking Corp.	6 months	Dec-23	11,682	
SAVOLA FOODS EMERGING CO.					91,873	369,936
10.	El Maleka For food Industries Co.	Emirates NBD	6 Months	Dec-23	13,073	
		National Bank of Kuwait	6 Months	Dec-23	44,520	
		EBE Bank	6 Months	Dec-23	8,842	
		Qatar National Bank	6 Months	Dec-23	13,122	
EL MALEKA FOR FOOD INDUSTRIES CO.					79,556	48,404
11.	United Sugar Co.	Saudi National Bank	1 Month	Dec-23	50,000	

MAIN ACTIVITIES AND FINANCIAL DISCLOSURES IN ACCORDANCE WITH REGULATORY REQUIREMENTS

No.	Borrowing company	Lender	Loan period	Date issued	Balance Dec 2023	Balance Dec 2022
12.	Alexandria Sugar Co.	Attijari Wafa	6 Months	Oct-23	6,468	
	SAVOLA INDUSTRIAL INVESTMENT CO.				56,468	25,743
13.	Seafood International Two FZCO	Arab Banking Corporation	12 months	Jun-23	57,085	
		Hongkong and Shanghai Banking Corp.	12 months	Dec-23	20,859	
	SEAFOOD INTERNATIONAL TWO FZCO				77,945	82,539
	Snacking and Ingredients Food Holding Co				-	19,602
14.	Sahar Enterprises LLC	National Bank of Fujairah	3-4 Months	Dec-23	6,585	
		Habib Bank AG Zurich	3-4 Months	Dec-23	2,235	
		First Abu Dhabi Bank	3-4 Months	Dec-23	1,632	
		.Hongkong and Shanghai Banking Corp	3-4 Months	Dec-23	131	
	GOOD FOOD CO.				10,583	12,944
15.	Herfy Food Services Co.	Saudi Awwal Bank	3 Months	Nov-23	15,155	
	Herfy Food Services Co.				15,155	
	TOTAL SHORT-TERM BORROWING				3,500,056	3,616,806

2-5) Summary of payments made and due to the government (in SAR '000s)

No.	Item (payments)	Paid during 2023	Due until the end of the financial period but not paid	Description	Reasons/Justifications
1.	Customs duties	116,738	31,615	-	
2.	Zakat	39,054	57,414	-	
3.	Income tax and withholding tax	82,243	269,683	Income and withholding tax	
4.	GOSI (for KSA) and social insurance (for outside KSA)	160,350	26,252	Employees' GOSI and social insurance	According to the requirements of the laws and applicable regulations
5.	Visas and passport office fees	51,157	702	Iqama renewal, exit and re-entry visas	
6.	Labor office fees	104,769	1,558	Work permits and Iqama renewal	
7.	Other duties and government levies	48,200	5,951	License Fees & Other Fees	

3) Potential risks to Savola Group Operations:

3-1) Savola Risk Management approach

a) Risk Management overview

The Group, like any other economic entity, may be affected by risks through the nature of its commercial activities in basic food commodities, retail and other investments. These risks may be summarized as following:

- Operational, financial, strategic, regulatory and compliance risks.
- The possibility of the Group operations being exposed to geopolitical risks that result from its operations outside the Kingdom.
- Risk of commodities and raw materials price volatility in the local and international markets where it operates.
- Risk of geographic expansion and competition pertaining to new markets in the region
- Fluctuation in foreign currency, exchange rates against the Saudi Riyal or other currencies of the countries that the Group operates in
- Inflation in the economies of countries where the Group operates.
- Risks related to new investments.
- Any emerging risks that the Group may be exposed to during its operations.

The Group and its subsidiaries manage these risks through its Board of Directors, Audit Committee, Executive Management and various departments and task forces within the Group. As well as a dedicated Risk Management department at holding level and its major subsidiary i.e., SFC and Panda.

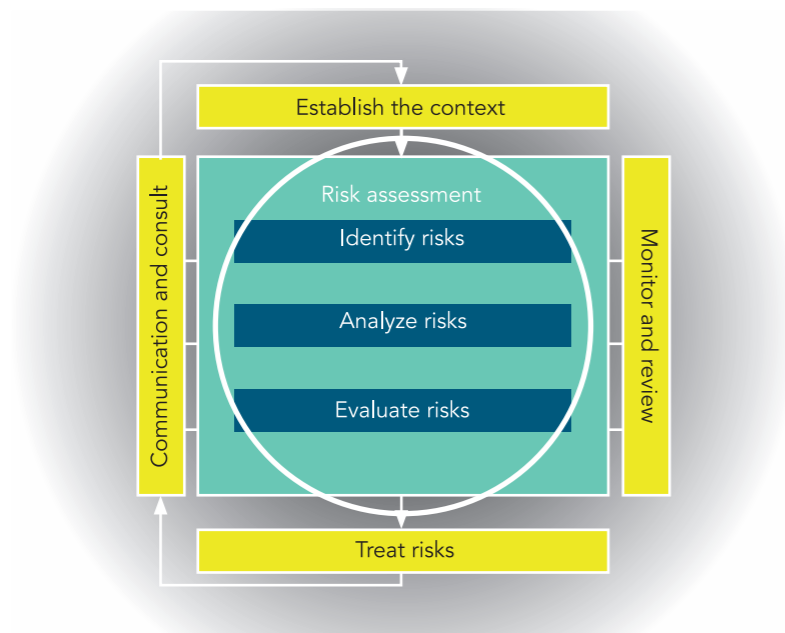
Savola seeks to protect its stakeholders, reputation and the value of its assets, and is committed to continually developing its risk management culture by way of its risk governance framework and continual team development.

b) Enterprise Risk Management framework

In line with the market best practices Savola has an integrated Enterprise Risk Management (ERM) framework to support the success of the business and achievement of its strategic goals through a collaborative risk management environment that proactively identifies, monitors and mitigates risks. The framework has been developed in line with current leading ERM practices and ISO 31000.

In developing the ERM framework, the focus was to design a process that addresses Savola's business needs while remaining simple and pragmatic. Savola ERM framework outlines the series of activities that Savola uses in identifying, assessing and managing its risks. The framework ensures that risk is being managed through a common set of processes at Savola, which enable the flow of risk information to the person with the authority and responsibility for making decisions pertaining to the activity associated with the risk. By establishing a common language and set of tools, Savola's risk management process can be replicated at any level within the Group.

POTENTIAL RISKS



In line with the continuous efforts to strengthen risk management culture and capabilities, Savola has:

- Established a dedicated risk management function at the Group and its main subsidiaries. The function comprises a dedicated team leading the risk management activities at enterprise level, as well as assigned risk champions who implement risk management activities within respective business functions.
- Set a risk management framework and governance policy, approved by the Board of Directors
- Conducted multiple risk awareness sessions across the Group and its subsidiaries.
- Conducted a risk assessment for various key functions at the Group and its main subsidiaries.
- Proactively identified emerging external risks and communicated them with the relative functions for assessment.
- Implemented a Governance, Risk and Compliance (GRC) system to enhance managing risk assessments, registers, management issues, key risk indicators, policy management, and internal audit at Savola Group and its main subsidiaries; Savola Foods and Panda, autonomously.
- Developed a Risk Appetite framework.
- Set the group's risk appetite statement, approved by the Board of Directors
- Developed Risk Key Indicators (KRIs)
- Established an Executive Risk Management Committee (ERMC) at Savola Group level, that mainly aims to:
 - Assess and challenge risk decisions.
 - Monitor and provide insights to the risk management process.
 - Provide recommendations to the board.

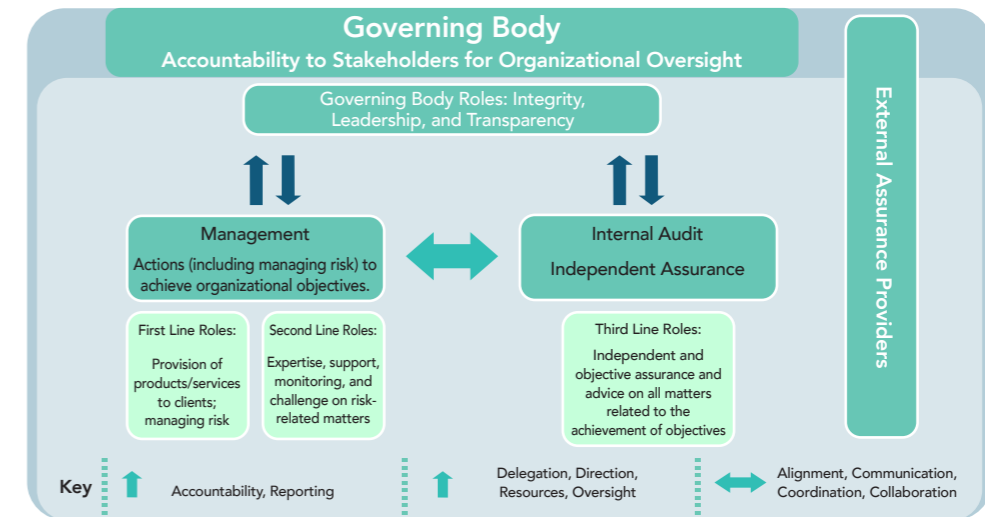
c) Channels to communicate, decline and enforce the risk culture

• Three lines Model

Savola operates a “Three Lines Model” to ensure accountability across the Group for governance, monitoring, reporting and management of risks, and the control environment.

Each of the Three Lines Model plays a distinct role within Savola's wider governance framework. The Board, management, and auditors are the primary stakeholders served by the Three Lines Model, and they are the parties best positioned to help in ensuring that the Three Lines Model are reflected in Savola's risk management and internal control processes

Three Lines Model



3-2) Financial instruments and risk management

a. Financial Risk Management

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value and cash flow interest rate risks and price risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance. The Group uses derivative financial instruments to hedge certain risk exposures.

b. Risk management framework

Risk management is carried out by senior management under policies approved by the Board of Directors. Senior management identifies, evaluates and hedges financial risks in close co-operation with the Group's operating units. The most important types of risk are market risk, credit risk and liquidity risk.

The Board of Directors has overall responsibility for establishment and oversight of the Group's risk management framework. The executive management team is responsible for developing and monitoring the Group's risk management policies. The team regularly meets and any changes and compliance issues are reported to the Board of Directors through the audit committee.

Risk management systems are reviewed regularly by the executive management team to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees compliance by management with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group.

Financial instruments carried on the consolidated statement of financial position include cash and cash equivalents, term deposits, trade and other receivables, investments measured at fair value, loans and borrowings, lease liabilities, derivatives, trade payables and accrued and other current liabilities. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item.

Financial asset and liability is offset and net amounts reported in the financial statements, when the Group has a legally enforceable right to set off the recognized amounts and intends either to settle on a net basis, or to realize the asset and liability simultaneously.

POTENTIAL RISKS

c. Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and price risk.

c-1) Interest rate risk

Interest rate risks are the exposures to various risks associated with the effect of fluctuations in the prevailing interest rates on the Group's financial positions and cash flows.

The Group's interest rate risks arise mainly from its borrowings and short-term deposits, which are at floating rate of interest and are subject to re-pricing on a regular basis and for which the management closely monitors the changes in interest rates.

c-2) Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates for its transactions principally in Saudi Riyals, US Dollars, Iranian Riyals, Egyptian Pounds, United Arab Emirates Dirhams, Sudanese Pounds and Turkish Lira. The Group operates internationally and is exposed to foreign exchange risk. The Group's investments in foreign subsidiaries and associates, whose net assets are exposed to currency translation risk. Currently, such exposures are mainly related to exchange rate movements between foreign currencies against Iranian Riyals, Egyptian Pounds, Sudanese Pounds and Turkish Lira. Such fluctuations are recorded as a separate component of equity "Foreign Currency Translation Reserve" in the accompanying consolidated financial statements. The Group's management monitors such fluctuations and manages its effect on the consolidated financial statements accordingly.

Generally, borrowings are denominated in currencies that match the cash flows generated by the underlying operations of the Group. In addition, interest on borrowings is denominated in the currency of the borrowings. This provides an economic hedge without derivatives being entered into and therefore hedge accounting is not applied in these circumstances. The Group's investments in foreign subsidiaries are not hedged.

d. Price risk

The risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual instrument or its issuer or factors affecting all instruments traded in the market. The Group is exposed to equity securities price risk since the Group holds investment in certain listed equities which are classified on the statement of financial position as FVOCI investments. The management of the Group monitors the proportion of equity securities in its investment portfolio based on market indices. Such investments are managed on an individual basis and all buy and sell decisions are approved by the Investment Committee. In addition, United Sugar Company uses derivative financial instruments (Commodity future contracts) to hedge its price risk of raw material in the Sugar business.

Further, as disclosed in Note 12 of the final audited accounts for the year ended 31st December 2023, the put and call option are periodically valued based on Black Scholes' model using certain assumptions including the sugar prices; the fluctuations of which affects the valuations. Details of the Group's investment portfolio exposed to price risk, at the reporting date are disclosed in Note 10 to these consolidated financial statements. As at December 31, 2023, the Company's overall exposure to price risk is limited to the fair value of those positions.

e. Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Group has no significant concentration of credit risk. To reduce exposure to credit risk, the Group has an approval process whereby credit limits are applied to its customers. The management also regularly monitors the credit exposure towards the customers whereby the customers are grouped according to their credit characteristics, payment history, whether they are an individual or a legal entity, whether they are a wholesale/retail or manufacturers, their geographic location, existence of any financial/economic difficulties including the default risk associated with the industry and country in which they operate and accordingly records impairment loss against those balances considered doubtful of recovery. Outstanding customer receivables are regularly monitored. In order to cater the credit risk from debtors, the Group has also entered into insurance arrangements in certain geographies.

Loss rates are calculated using a 'roll rate' method based on the probability of a receivable progressing through successive stages of delinquency to write-off. Roll rates are calculated separately for exposures in different segments based on the following common credit risk characteristics – geographic region, age of customer relationship and type of product purchased.

Loss rates are based on historical credit loss experience and are adjusted to reflect differences between economic conditions during the period over which the historical data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables.

e-1) Other receivables

Impairment on other receivables has been measured on a 12 month expected loss basis and reflects the short maturities of the exposures having low credit risk.

e-2) Cash and cash equivalents

Impairment on cash and cash equivalents and term deposits has been measured on a life-time expected loss basis and reflects the short maturities of the exposures. The Group considers that its cash and cash equivalents and term deposits have low credit risk based on the external credit ratings of the counterparties.

Cash and cash equivalents, term deposits and derivative financial instruments include balances within KSA which are held with banks with sound credit ratings ranging from A+ to BB+.

f) Liquidity risk

Liquidity risk is the risk that an enterprise will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from an inability to sell a financial asset quickly at an amount close to its fair value. Liquidity risk is managed by monitoring on a regular basis that sufficient funds are available through committed credit facilities to meet any future commitments.

The Group's approach to managing liquidity is to ensure, as far as possible that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. For this purpose, the Group has maintained credit lines with various commercial banks in order to meet its liquidity requirements. As at December 31, 2023, the Group has unused bank financing facilities amounting to SR 6.0 billion (December 31, 2022: SR 6.9 billion) to manage the short term and the long term liquidity requirements.

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amount with the exception of unclaimed dividend. Accordingly, it has been classified as such.

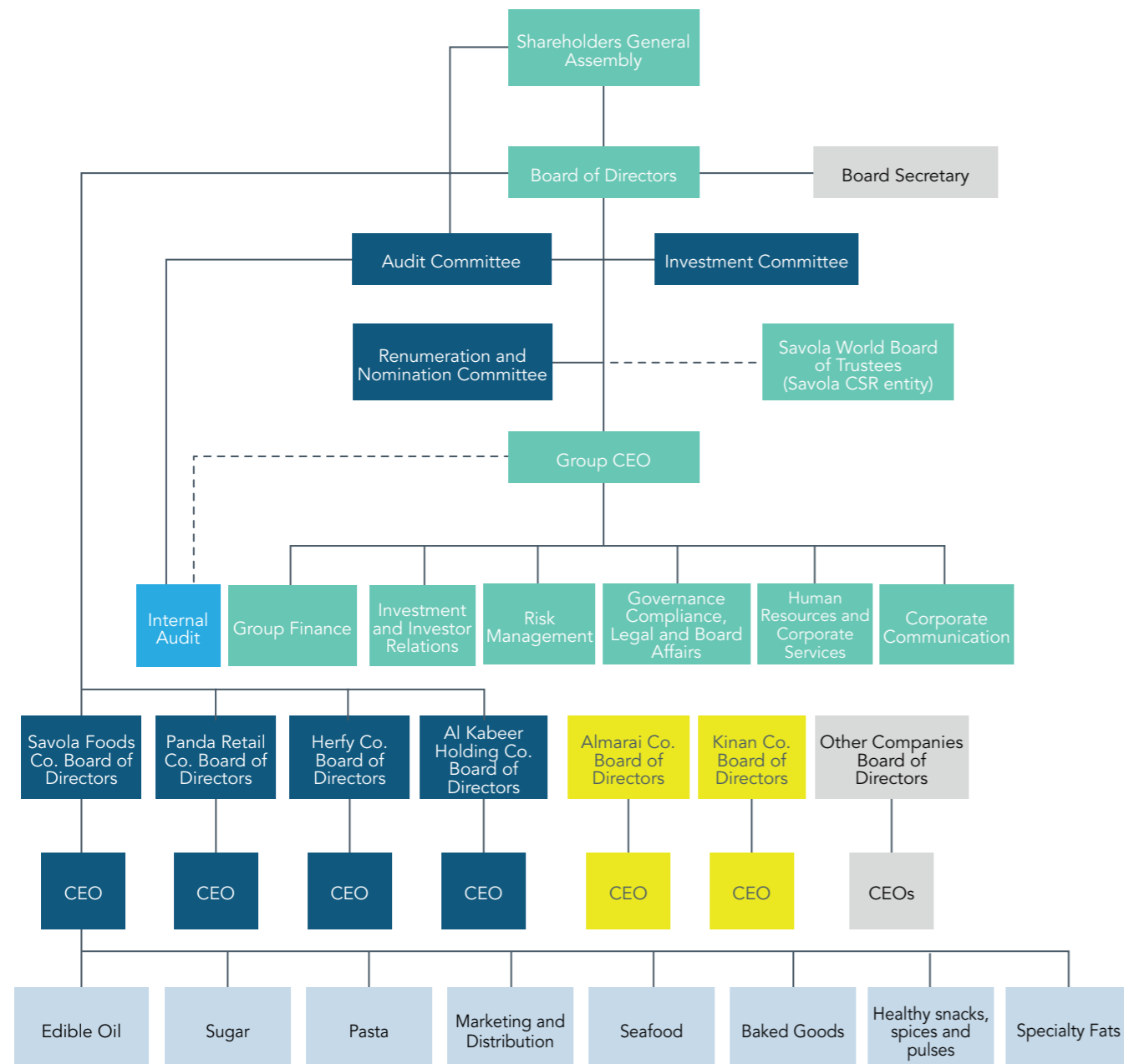
j) Fair value of assets and liabilities

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk. A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. When one is available, the Group measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Group uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction. For further details, the same item can be reviewed in the clarification notes accompanying the Company's consolidated financial statements for 2023.

Corporate Governance Report and major relevant disclosures Organization structure :

Organization structure:



The Company's organizational structure consists of the Board of Directors and the Board Committees, the Audit Committee, the Remuneration and Nominations Committee and the Investment Committee, in addition to the Savola World Foundation Board of Trustees (which specializes in the field of social responsibility). The Board of Directors is responsible for the direction, supervision and general control of the company and the executive management team, in addition to the rest of the duties and responsibilities of the Board stipulated in the company's bylaws, governance Code and relevant laws and regulations.

a) Composition of the Board, key roles and memberships in other Companies:

a-1) Summary of the role and responsibilities of the Board of Directors:

The Board of Directors is the highest authoritative body responsible to shareholders for managing the Company in accordance with its bylaws, laws and relevant regulations. The main roles of the Board of Directors include setting overall corporate strategies, plans, policies and main objectives of the Company, establishing and reviewing internal control measures, corporate governance, ensuring proper mechanisms to manage risks and ensuring the effectiveness of internal controls across the Group. The Board approves financial budgets, statements, and monitors the performance of the Group and Executive Management's performance. The Board protects the interests of its shareholders and other relevant parties including approving policies that ensure the application, supervision and execution of the laws and regulations, and commits to disclose any key information related to the Company and its performance that may assist shareholders in evaluating its assets and liabilities. The detailed role of the Board, which has been articulated in the bylaws and Corporate Governance Manual, is available on the Company's website (www.savola.com).

a-2) Composition of the Board:

The Company's bylaws have set the number of members of the Board of Directors to be 11 members. Accordingly, the Board was elected by the AGM held on 16 May 2022 for the current term that started 1 July 2022 for the period of 3 years ending on 30 June 2025. All the elected members are either Non-Executive or Independent (to review the qualifications, experience of the members and their classification please refer to the beginning of this Report).

a-3) Names of the companies, whatever their legal forms are, inside and outside the Kingdom, which a Board member is a member of their current or previous board or manager in:

The below statement/schedule includes the names of the companies, whatever their legal forms are, inside and outside the

No.	Board member name	Names of the companies in which the member of the Board of Directors is a director or manager of its current board of directors	Inside the Kingdom/ outside the Kingdom	Legal entity (listed/ unlisted/ limited liability)	Names of the companies in which the member of the Board of Directors was a director or manager of its previous board of directors	Inside the Kingdom/ outside the Kingdom	Legal entity (listed/ unlisted/ limited liability)
1.	Mr. Sulaiman Abdulkadir Al Muhaidib	Savola Group	Inside	Listed	Saudi British Bank	Inside	Listed
		Almarai Co.	Inside	Listed	Nationals Industrialization Co.	Inside	Listed
		Abdulkadir Al Muhaidib & Sons Co.	Inside	Unlisted	Middle East Paper Co.	Inside	Listed
		Rafal Real Estate Development Co.	Inside	Unlisted	Joussour Holding Co.	Inside	Unlisted
		Al Muhaidib Holding Co.	Inside	Limited Liability	United Mining Industries Co.	Inside	Unlisted
		Amwal Al Ajjyal Holding Company	Inside	Limited Liability	Al Oula Real Estate Development Co.	Inside	Unlisted
		Vision Invest Holding Co.	Inside	Limited Liability	Thabat Construction Co.	Inside	Limited Liability
		That Al Sawary Co.	Inside	Limited Liability	Architectural Supplies Works Co.	Inside	Limited Liability
		Taj Al Awfia Co.	Inside	Limited Liability	International Timber Co.	Inside	Limited Liability

Corporate Governance Report and major relevant disclosures Organization structure :

Board member No.	Board member name	Names of the companies in which the member of the Board of Directors is a director or manager of its current board of directors	Inside the Kingdom/ outside the Kingdom	Legal entity (listed/ unlisted/ limited liability)	Names of the companies in which the member of the Board of Directors was a director or manager of its previous board of directors	Inside the Kingdom/ outside the Kingdom	Legal entity (listed/ unlisted/ limited liability)
		Tarabot Investment & Development	Inside	Unlisted	Mayar Foods Co.	Inside	Limited Liability
		Salwan Tourism Real Estate Development Company	Inside	Unlisted	Mayar Transport & Warehousing Co.	Inside	Limited Liability
					Gulf Marasy for Marine Services Co.	Inside	Limited Liability
					Citadel Trading & Contracting Co	Inside	Limited Liability
					Al Muhaidib for Development Co.	Inside	Limited Liability
					Al Muhaidib Land Transport	Inside	Limited Liability
					Sulaiman Abdulkadir Al Muhaidib & Partners Co.	Inside	Limited Liability
					Emad Abdulkadir Al Muhaidib & Partners Co.	Inside	Limited Liability
					Awatef Abdulkadir Al Muhaidib & Partners Co.	Inside	Limited Liability
					Maryam Abdulkadir Al Muhaidib & Partners Co.	Inside	Limited Liability
					Tamader Abdulkadir Al Muhaidib & Partners Co.	Inside	Limited Liability
					Haifa Abdulkadir Al Muhaidib & Partners Co.	Inside	Limited Liability
					Loloah Sulaiman Almudaiheem & Partner Co.	Inside	Limited Liability
					Muhail for Operation and Maintenance Co.	Inside	Limited Liability
					United Feed Manufacturing Co.	Inside	Limited Liability
					Amwal Al Khaleej for Commercial Investment Co.	Inside	Limited Liability with GCC capital
					Essam Abdulkadir Al Muhaidib & Partners Co.	Inside	Limited Liability
					Al Shamiyah Urban Development Co. Ltd.	Inside	Limited Liability
					Arabian Safenat for Construction Co.	Inside	Limited Liability
					International Co. for Water and Energy Development (Acwa)	Inside	Limited Liability

Board member No.	Board member name	Names of the companies in which the member of the Board of Directors is a director or manager of its current board of directors	Inside the Kingdom/ outside the Kingdom	Legal entity (listed/ unlisted/ limited liability)	Names of the companies in which the member of the Board of Directors was a director or manager of its previous board of directors	Inside the Kingdom/ outside the Kingdom	Legal entity (listed/ unlisted/ limited liability)
2.	Mr. Bader Abdullah Alissa	Savola Group	Inside	Listed	Knowledge Economic City Co.	Inside	Listed
		Banque Saudi Fransi	Inside	Listed	Kinan International Real Estate Development Co.	Inside	Unlisted
		Taiba Investments Co.	Inside	Listed	Al Aqeeq Real Estate Development Co.	Inside	Unlisted
		Almarai Co.	Inside	Listed	Sukoon International	Inside	Unlisted
		Savola Foods Co.	Inside	Unlisted	Savola Packaging Systems Co.	Inside	Unlisted
		Panda Retail Co.	Inside	Unlisted			
		Afia International Co.	Inside	Unlisted			
		United Sugar Co.	Inside	Unlisted			
		Afia International Co. Egypt	Outside	Unlisted			
		United Sugar Co. Egypt	Outside	Unlisted			
		Alexandria Sugar Co. Egypt	Outside	Unlisted			
		El Maleka for Food Industries Co.	Outside	Unlisted			
		Savola Gida	Outside	Unlisted			
		Assila Investments Co.	Inside	Unlisted			
		Dur Hospitality Co.	Inside	Listed			
3.	Mr. Ahmad Abdulrahman Al Humaidan	Savola Group	Inside	Listed	NA		
		Savola foods company	Inside	Unlisted			
4.	Mr. Ahmed Waza Al Qahtani	Savola Group	Inside	Listed	Arab National Bank	Inside	Listed
		Panda Retail Company	Inside	Closed Joint	Jabal Omar Development Co.	Inside	Listed
		National Medical Care	Inside	Listed			
		Saudi Medical Care Group	Inside	LLC			
		Maarif Holding (GEMS Education KSA previously)	Inside	LLC			
		Maarif Education Company	Inside	Closed Joint			
		Jawda Integrated Real Estate	Inside	LLC			
		Osool Integrated Real Estate	Inside	LLC			
		Raza Company	Inside	LLC			
		GOSI Investment Ventures Company	Inside	LLC			
		The First Successful Investment Company	Inside	LLC			
		The Second Successful Investment Company	Inside	LLC			
		The Third Successful Investment Company	Inside	LLC			

Corporate Governance Report and major relevant disclosures Organization structure :

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5.	Eng. Mutaz Qusai Al Azawi	Savola Group	Inside	Listed	Merrill Lynch Kingdom of Saudi Arabia	Inside	Unlisted
		Herfy Food Services Co.	Inside	Listed	Al Farasha for Food Industries	Outside	Unlisted
		Arabian Cement Co.	Inside	Listed	Kusai AlAzzawi & Sons Co.	Inside	Limited Liability
		Riyad Bank	Inside	Listed	Ready Mix Concrete & Construction Supplies Ltd.	Outside	Listed
		Ethad Etisalat (Mobily)	Inside	Listed			
		Savola Foods Co.	Inside	Unlisted			
		United Sugar Co.	Inside	Unlisted			
		Afia International Co.	Inside	Unlisted			
		United Sugar Co. Egypt	Outside	Unlisted			
		Alexandria Sugar Co. Egypt	Outside	Unlisted			
		El Maleka for Food Industries Co.	Outside	Unlisted			
		Qatrana Cement Co.	Outside	Unlisted			
		Afia International Co. Egypt	Outside	Unlisted			
		Saudi Industrial Construction & Engineering Projects Ltd.	Inside	Limited Liability			
		Saudi Technology and Trade Co.	Inside	Limited Liability			
		Alwusataa for Development	Inside	Limited Liability			
6.	Mr. Fahad Abdullah Al Kassim	Savola Group	Inside	Listed	Abdullatif Al Issa Holding Group	Inside	Unlisted
		Jarir Marketing Co.	Inside	Listed	National General Automotive Co.	Inside	Limited Liability
		Dallah Health	Inside	Listed	Naqel Co.	Inside	Unlisted
		Al Riyadh Development Co.	Inside	Listed	Saudi Post	Inside	Gov. Corporation
		Taiba Investments Co.	Inside	Listed	Albilad Bank	Inside	Listed
		Dr. Mohammed Rashid Al Fagih & Associates	Inside	Unlisted	Al Rajhi Alpha Investment Holding Co.	Inside	Limited Liability
		Al Rajhi united real-estate	Inside	Unlisted	Raj Real Estate Co.	Inside	Limited Liability
		Abdullah Ibrahim Al Subeaei Holding (AIMS)	Inside	Unlisted	Saudi Heritage Hospitality Co.	Inside	Unlisted
		Alargan Projects Co.	Inside	Unlisted	Amwal Financial Consultations	Inside	Limited Liability

No.	Board member name	Names of the companies in which the member of the Board of Directors is a director or manager of its current board of directors	Inside the Kingdom/ outside the Kingdom	Legal entity (listed/ unlisted/ limited liability)	Names of the companies in which the member of the Board of Directors was a director or manager of its previous board of directors	Inside the Kingdom/ outside the Kingdom	Legal entity (listed/ unlisted/ limited liability)		
		Mohammed Abdulaziz Al Habib & Sons Holding Co.	Inside	Unlisted	Fincorp Investment Holding Co.	Outside	Unlisted		
		Jarir investments Co.	Inside	Unlisted	Dur Hospitality Co.	Inside	Listed		
		Value capital partners Co.	Inside	Unlisted					
		Panda retail Company	Inside	Unlisted					
		Savola World Foundation	Inside	Non-profit Organization					
		Arez Commercial Investment Co. Ltd.	Inside	Limited Liability					
		Bseqat Al Khaleej Co.	Inside	Limited Liability					
		Tanal for real estate investment and development Co.	Inside	Limited Liability					
		Fahad Abdullah Al Kassim CPA	Inside	Professional Co.					
		Century 21 & Partner for Real Estate Appraisal Co.	Inside	Professional Co.					
		7.	Mr. Mohammed Ibrahim Alissa	Savola Group	Inside	Listed	Sukoon Real Estate	Inside	Unlisted
				BlackRock Saudi Arabia	Inside	Unlisted	Al Aqeeq Real Estate	Inside	Unlisted
International Medical Center (IMC)	Inside			Unlisted	Kinan International for Real Estate Development Co.	Inside	Unlisted		
		Assila Investments Co.	Inside	Unlisted					
8.	Mr. Waled Abdullah Al Ghreri	Savola Group	Inside	Listed	NA				
		National Energy Services Company	Inside	Unlisted					
		Savola world Foundation	Inside	Nonprofit organization					
9.	Mr. Rakan Abdulaziz Al Fadl	Savola Group	Inside	Listed	Al Takamul Group Co.	Inside	Holding Co.		
		Alfadl Group	Inside	Limited Liability	Rabya Co.	Inside	Limited Liability		
		Sahara Building Contractors Co.	Inside	Limited Liability					
		Alfadl Investments Co.	Inside	Limited Liability					
		Alfadl Real Estate Co.	Inside	Limited Liability					
10.	Mr. Issam Majid Al Muhaidib	Panda Retail Company	Inside	Unlisted	NA				
		Mayar Foods Company	Inside	Limited Liability					
		Masdar Building Materials	Inside	Unlisted					

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Board member No.	Board member name	Names of the companies in which the member of the Board of Directors is a director or manager of its current board of directors	Inside the Kingdom/ outside the Kingdom	Legal entity (listed/ unlisted/ limited liability)	Names of the companies in which the member of the Board of Directors was a director or manager of its previous board of directors	Inside the Kingdom/ outside the Kingdom	Legal entity (listed/ unlisted/ limited liability)
		Al Zahrawi Medical Supplies LLC	Outside	Limited Liability			
		Abdulkadir Almuhaideb and Sons Company	Inside	Unlisted			
		Dhahran Chemical Industries & Marketing Company (Synthomer)	Inside	Unlisted			
		Thabat Construction Company	Inside	Limited Liability			
		United Transformers Electric Company	Inside	Limited Liability			
		Emdad Human Resources	Inside	Unlisted			
		Zohoor Alreef	Inside	Unlisted			
		Bawan Engineering Industries Company	Inside	Limited Liability			
		Herfy Food Services Company	Inside	Listed			
		Bina Industrial Investment Holding Company	Inside	Limited Liability			
		Savola Group	Inside	Listed			
		Abyat Co	Outside	Limited Liability			
11.	Mr. Bader Hamad Al Rabiah	Savola Group	Inside	Listed	Al Manar Financing and Leasing Co.	Outside	Listed
		Noor Financial Investment Co.	Outside	Listed	Osoul Investment Co.	Outside	Listed
		Palms Agro Production Co.	Outside	Listed	Qatar Finance House.	Outside	Unlisted
		Meezan Bank	Outside	Listed	Kuwait Indian Holding Co	Outside	Unlisted
		Al Durra National Real Estate Co.	Outside	Unlisted			
		Noor Al Salhiya Real Estate Co.	Outside	Unlisted			
		Ikarus Real Estate Co. (WLL)	Outside	Limited Liability			
		International Hotels Group Co.	Outside	Unlisted			
		Middle East Petrochemical Co.	Inside	Unlisted			
		Amar Finance & Leasing Co	Outside	Listed			
		Injazzat Real Estate Development Co	Outside	Listed			
		Noor International Co for Salling & Buying Shares and Bonds	Outside	Limited Liability			

Kingdom, in which a Board member is a member or manager of their current or previous board:

a-4) Summary of Committee members' CVs:*

No.	Member name	Current positions	Previous positions	Qualifications	Experience
Remuneration and Nomination Committee members					
1.	Mr. Rakan Abdulaziz Al Fadl (Committee Chairman)	Their current and previous positions, qualifications and experience were mentioned earlier in this Report			
2.	Mr. Bader Abdullah Alissa				
3.	Mr. Ahmed Waza Al Qahtani				
4.	Mr. Badr Hamed Al Rabiah				
5.	Mr. Johan Brand	<ul style="list-style-type: none"> Managing Director/Owner, Johan Brand Leadership Advisory DWC-LLC (2016-present) Board Member of Cenomi Centers and Nesma United Industries Member of the Nomination & Remuneration Committees with Saudi Telecom Company, Ma'aden, Cenomi Centers, Nesma Company and Ghobash Trading & Investments 	<ul style="list-style-type: none"> Senior Partner and Consultant, Egon Zehnder (1995-2016) PepsiCo, Director PCI Management Institute (1993-1995) Director (1991-1993) Procter & Gamble, Brand Management (1986-1991) 	<ul style="list-style-type: none"> MSc, Business Economics, Erasmus University Rotterdam, The Netherlands; MA Corporate Law and MA Private Law, Erasmus University Rotterdam, The Netherlands; Certified Professional Director, Hawkamah/ Mudara Institute of Directors 	Has wide and independent experience as a leadership professional, and his focus is on making Boards and C-level leadership more effective. Advisor to Chairmen, Family Heads and CEOs.
Investment Committee members					
1.	Eng. Mutaz Qusai Al Azzawi (Committee Chairman)				
2.	Mr. Ahmad Abdulrahman Al Humaidan				
3.	Mr. Mohammed Ibrahim Alissa	Their current and previous positions, qualifications and experience were mentioned earlier in this Report in (a-4)			
4.	Mr. Issam Majid Al Muhaidib				
5.	Mr. Waled Abdullah Ghreri				

* For the Audit Committee (AC) Members' CVs, you can refer to the AC report included at the end of this report.

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a-5) Board meetings attendance record:

In order to enhance its role and responsibilities, the Board held (6) meetings during the year. The below schedule shows the attendance records for each meeting during 2023:

No.	Member	Meetings during 2023						No. of attendance
		7 February	10 May	17 June	19 September	7 November	13 December	
1.	Mr. Sulaiman Abdulkadir Al Muhaidib	✓	✓	✓	✓	✓	✓	6 of 6
2.	Mr. Bader Abdullah Alissa	✓	✓	✓	✓	✓	✓	6 of 6
3.	Eng. Mutaz Qusai AlAzzawi	✓	✓	✓	✓	✓	✓	6 of 6
4.	Mr. Fahad Abdullah Al Kassim	✓	✓	✓	✓	✓	✓	6 of 6
5.	Mr. Mohammed Ibrahim Alissa	✓	✓	✓	✓	✓	✓	6 of 6
6.	Mr. Rakan Abdulaziz Al Fadl	✓	✓	✓	✓	✓	✓	6 of 6
7.	Mr. Bader Hamad Al Rabiah	✓	✓	✓	✓	✓	✓	6 of 6
8.	Mr. Ahmad Abdulrahman Al Humaidan	✓	✓	✓	✓	✓	✓	6 of 6
9.	Mr. Ahmed Waza Al Qahtani	✓	✓	✓	✓	✓	✓	6 of 6
10.	Mr. Issam Majid Al Muhaidib	✓	✓	✓	✓	✓	✓	6 of 6
11.	Mr. Waled Abdullah Ghreri	✓	✓	✓	✓	✓	✓	6 of 6
-	Mr. Elnour Ali Saad (Board Secretary)	✓	✓	✓	✓	✓	✓	6 of 6

a-6) Board members attendance record for the General Assembly meeting:

One Shareholders Extraordinary General Assembly meeting was held during the last fiscal year. The following is a list of the members of the Board of Directors present during the meeting:

No.	Board Member	Position	Extraordinary General Assembly Meeting No. 34 (10 May 2023)	No. of meetings attended
1.	Mr. Sulaiman Abdulkadir Al Muhaidib	Board Chairman	✓	1 of 1
2.	Mr. Bader Abdullah Alissa	Board Vice Chairman	✓	1 of 1
3.	Eng. Mutaz Qusai Al Azzawi	Member and Chairman of IC	✓	1 of 1
4.	Mr. Fahad Abdullah Al Kassim	Member and Chairman of AC	✓	1 of 1
5.	Mr. Rakan Abdulaziz Al Fadl	Member and Chairman of RNC	✓	1 of 1
6.	Mr. Mohammed Ibrahim Alissa	Member	✓	1 of 1
7.	Mr. Bader Hamad Al Rabiah	Member	✓	1 of 1
8.	Mr. Ahmad Abdulrahman Al Humaidan	Member	✓	1 of 1
9.	Mr. Ahmed Waza Al Qahtani	Member	✓	1 of 1
10.	Mr. Issam Majid Al Muhaidib	Member	✓	1 of 1
11.	Mr. Waled Abdullah Ghreri	Member	✓	1 of 1

b) Board Committees:

b-1) Remuneration and Nomination Committee:

- Meetings and role of the Committee:
The Remuneration and Nomination Committee (RNC) consists of 5 members who are Independent and Non-Executive Board members and an external expert with experience in the field of the Committee's mandates. The Committee held (4) meetings during 2023. During its meetings the RNC followed up its responsibilities in the field of remuneration, nominations, and Corporate Governance. A summary of the main responsibilities of the Committee, statement of its membership and attendance during the year are as follows:
- Summary of Committee role, duties, and main responsibilities:
The Committee shall assume responsibilities related to 3 areas, namely Remuneration, Nomination and Corporate Governance, and will update the Board regularly about its activities. The Committee's duties and responsibilities include:

a) With regards to Remuneration:

- Prepare a clear remuneration policy for board members, its committees and the executive management that enhances management team motivation and helps in retaining employees. This policy shall be recommended by the committee to the board, and submitted to the GA for approval, provided that such policy follows standards that are linked to performance, be disclosed and implementation of such policy shall be ensured.
- Clarify the relation between the paid remunerations and the adopted remuneration policy and highlight any material deviation from that policy.
- Review periodically the remuneration policy and assess its effectiveness in achieving its objectives.
- Provide recommendations to the board in respect of the remunerations of its members, the committees' members and senior executives, in accordance with approved policy.
- Review the CEO's remunerations, including long and short-term incentives, set the CEO KPIs, and recommend to the board in this regard.

b) With regards to Nomination:

- Recommend clear policies and standards for board membership, executive management and Savola's representatives in subsidiaries and associates.
- Providing recommendations to the Board for the nomination or re-nomination of its members in accordance with approved policies and standards, considering that nomination shall not include any person convicted of a crime involving moral turpitude or dishonesty.
- The annual review of the requirements suitable for membership of the board and executive management and the preparation of a description of the required capabilities and qualifications for such membership.
- Allocate the time that a board member should reserve for the activities of the board.
- Review the structure of the board, committees and executive management and provide recommendations regarding recommended changes.
- Provide job descriptions for executive, non-executive, independent directors and senior executive management.
- Set procedures to be followed if the position of a member of the board or a senior executive becomes vacant.
- Assess performance of the board in terms of strengths and weaknesses and recommend necessary solutions in the best interests of the Company through:
 - Propose the necessary mechanisms to annually assess the performance of the Board, its members and committees and the Executive Management using key performance indicators linked to the extent to which the strategic objectives of the Company have been achieved, the quality of the risk management and the efficiency of the internal control systems, among others, provided that weaknesses and strengths shall be identified and a solution shall be proposed for the same in the best interests of the Company.
 - Help the Board in its responsibility toward carrying out the necessary arrangements to obtain an assessment of its performance from a competent third party every three years.
- Review the composition of each committee of the board and recommend any changes to the board for its approval. The committee can recommend additional appointing new committee members to the board to fill vacancies as needed.
- Ensure on an annual basis the independence of independent directors and ensure the absence of any conflicts of interest if a board member also acts as a member of the board of another company.
- Study and review the CEO's recommendations concerning the appointment and termination of the executive management team.

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- Study and review succession plans for the company in general and for the board, CEO and executive management in particular.
- Provide an appropriate level of training and introduce new board and committee members, and executive management about the company businesses, activity, strategy, objectives, and financial and operational aspects of the Company and achievements to enable them to perform their role effectively and efficiently, as well as inform them of the obligations of the Board members and their duties, responsibilities and rights and the duties and competencies of the Company committees.
- Develop the necessary mechanisms for board members and the executive management to continuously enroll in training programs and courses in order to develop their skills and knowledge in the fields related to the activities of the Company.

c) With regards to Corporate Governance (CG):

- Verify that the Company is in compliance with CG regulation issued by CMA and the Company's CG manual and policies;
- Review and update CG manual and rules pursuant to statutory requirements and best practices.
- Review and develop codes of professional conduct representing the Company's values and other internal policies and procedures in order to fulfill the Company's requirements and comply with best practices.
- Regularly inform the Board members of the developments in corporate governance and best practices;
- Oversee any matters relating to the implementation of governance and provide the Board with its reports and recommendations annually at least.

Other responsibilities:

- Assisting the board in establishing, reviewing the Group's organization structure, and Operating model which organizes the relationship between the parent company and its subsidiaries.
- Oversighting the implementation of the grievance policy and ensuring its effectiveness.

For more details about the role and responsibilities of the Committee, please refer to the Committee Charter on Savola's website (www.savola.com).

- Statement of attendance for Committee meetings held during 2023:

No.	Member	Meetings during 2023				Total
		6 February	18 September	12 October	6 November	
1.	Mr. Rakan Abdulaziz Al Fadl (Chairman) (Independent Savola Board member)	✓	✓	✓	✓	4 of 4
2.	Mr. Bader Abdullah Alissa (Non-Executive Savola Board member)	✓	✓	✓	✓	4 of 4
3.	Mr. Johan Brand (Independent external member)	✓	✓	✓	✗	3 of 4
4.	Mr. Ahmed Waza Al Qahtani (Non-Executive Savola Board member)	✓	✓	✓	✓	4 of 4
5.	Mr. Bader Hamed Al Rabiah (Independent Savola Board member)	✓	✓	✓	✓	4 of 4
-	Mr. Morhaf Mohammed Alsamman (Committee Secretary)	✓	✓	✓	✓	4 of 4

b-2) Investment Committee:

- Meetings and role of the Committee:

The Investment Committee consists of 5 members, all of them are Non-Executive and Independent Board members. The Committee held (5) meetings during 2023 to enhance the role of the Board in following and implementing the strategic plans in relation to investment opportunities. Below is a summary of the Committee's role, responsibilities, membership, and the number of meetings held during 2023:

- Summary of Committee role, duties, and main responsibilities:

The Committee's duties and responsibilities include:

- Review and recommend to the Board for its approval an overall capital allocation framework and implementation model for the Company's investment activities, which take into account relevant factors such as return on invested capital targets and benchmarks, allocation guidelines and limits, risks limits and strategic objectives.
- Review, on a periodic basis, of Company performance against the criteria set forth in the framework and implementation model as a holding investment company.

- Review and recommend to the Board for its approval investment opportunities, acquisitions, joint ventures or divestitures all in accordance with the Company's existing delegation of authority matrices approved by the Board.
- Review the balance sheet impact of specific proposed transactions including funding requirements and impact on the Company's liquidity and debt ratios as part of determining whether to recommend them to the Board for approval.
- Review of progress of post-merger integration of acquired businesses during the initial three (3) month post-closing to ensure successful integration of such businesses into the Company and adherence to post acquisition 100 day plans.
- The Committee shall perform such other duties consistent with the Committee's purpose or that are assigned to it by the Board.

For more details about the role and responsibilities of the Committee, please refer to the Committee Charter on Savola's website (www.savola.com).

- Statement of attendance for Committee meetings held during 2023:

No.	Member	Meetings during 2023					Total
		6 February	10 April	4 September	18 September	4 October	
1.	Eng. Mutaz Qusai AlAzzawi (Chairman) (Non-Executive Savola Board member)	✓	✓	✓	✓	✓	5 of 5
2.	Mr. Mohammed Ibrahim Alissa (Independent Savola Board member)	✓	✓	✓	✓	✓	5 of 5
3.	Mr. Ahmed Abdulrahman Al Humeidan (Non-Executive Savola Board member)	✓	✓	✓	✓	✓	5 of 5
4.	Mr. Issam Majid Al Muhaidib (Non-Executive Savola Board member)	✓	✓	✓	✓	✓	5 of 5
5.	Mr. Waled Abdullah Al Ghleri (Independent Savola Group member)	✓	✓	✓	✓	✓	5 of 5
-	Mr. Elnour Ali Saad (Committee Secretary)	✓	✓	✓	✓	✓	5 of 5

c) Assessment of the Board of Directors, Committees, and members performance:

Savola has been conducting Board effectiveness reviews for more than 15 years aiming to identify the strengths and weaknesses of the Board and Committees, with a view to propose solutions in the best interest of the Company. In line with this practice, and under the RNC supervision, Savola Group continued following its adapted methods in this regard:

- an inhouse assessment was conducted for the Board and its Committees for the year 2023 under the RNC supervision and in direct coordination with the Board Chairman and members, which was completed in the first quarter of the year 2024. The assessment process was launched after presenting its mechanisms to the Board. The survey and evaluation included all aspects covering the role and responsibilities of the Board and Committees in accordance with the Group's internal regulations, and bylaws, as well as the effectiveness of the Board and Committees meetings, members' participation, and interaction in the discussions during the meetings to reach informed decisions that enhance the Company's performance, and ability to achieve its objectives. This contributed in identifying strengths and points that need improvement in light of the results analysis, and mechanisms were proposed to strengthen the points that need further improvement, which will be implemented during the coming period.
- During the past three years, the Board's performance has been assisted by a specialized external party. Governance Compass, an independent third-party consultant company specialized in evaluating the performance of boards of directors and effective leadership, was appointed to evaluate the performance of Savola Board and Committees aiming to identify the strengths and weaknesses of the Board and Committees, with a view to propose solutions in the best interest of the Company. In line with this practice. The assessment conducted by Compass included: The performance of the Board and Committees and its members, the effectiveness of the Board and Committees meetings and face to face interviews with members.
- In continuation of the efforts made by the Group in the past years, the Board of Directors held two workshops during the months of February 2023 and of June 2023 which was presented by number of external consultants and included several topics, the most prominent of which are strategic transformation, the importance of maximizing value for shareholders, evaluating assets, allocating and reallocating capital, and benchmarking international experiences linking it to the strategic direction of the Group.

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d) Remuneration of the Board, Committee members and Executive Management

d-1) General standards for Remuneration:

The shareholders' EGM held on 10 May 2023 approved the Remuneration Policy of the Board of Directors, Committees and Executive Management. This policy regulates the remuneration of the Board of Directors, Committees and the Executive Management of Savola Group to meet the provisions of paragraph (1) of Article (58) of the CG Regulations issued by the Capital Market Authority (CMA) Board pursuant to Decision No. (8-16-2017) Dated 13/2/2017 and amended pursuant to Decision. No. (8-5-2023) dated 18/01/2023.

The RNC committee responsibilities include recommending to the board the remuneration of the board, its committees, and the executive management in accordance with the approved criteria, as follows:

1. Be proportionate to Savola's activities and the required skills for its management.
2. Provide remuneration with the aim of encouraging the Board members and Executive Management to achieve the long-term success and development of the Company, and the variable part of the remuneration shall be linked to the long-term performance.
3. Remuneration shall be consistent with the strategy, objectives, the magnitude, nature, and level of risks faced by the Company.
4. Benchmarking shall be used to take into consideration the remuneration practices of other companies. The disadvantages of such comparisons in leading to unjustifiable increases in remuneration and compensations shall be avoided.
5. Shall be prepared in coordination with the RNC with respect to new appointments.
6. Remuneration shall be based on job level, duties and responsibilities, educational qualifications, practical experience, skills, and level of performance.
7. Be fair and proportionate to the board or committee's members' activities carried out and responsibilities borne by the board or committees' members, in addition to the objectives set out by the board to be achieved during the financial year.
8. Take into consideration the sector in which Savola operates, its size and the experience of its board members.
9. Be reasonably sufficient to attract and retain highly qualified and experienced board members without exaggeration.
10. The remunerations of different board members may vary depending on the board members' experience, expertise, duties he/she undertakes, and independence and number of board meetings he/she attended in addition to other considerations.
11. The remuneration shall be suspended if it has been determined that such remuneration was based on inaccurate information provided by a member of the board or the executive management to prevent the exploitation of employment status to receive undeserved remunerations.
12. If the company developed a program to grant some of its shares to board members, Executive management, and employees, whether a new issue or shares purchased by the company, the RNC committee shall supervise this program in light of the company's bylaws and the relevant CMA laws and regulations.

d-2) Summary of the Remuneration Policy of the Board and Committees:

- The remuneration of Savola Board members may consist of a specified sum; an attendance fee; allowance; other in-kind benefits; a certain percentage of the net profits; or a combination of 2 or more of these benefits. The remuneration of the various Board members may vary in light of the policy recommended by the RNC and approved by the GA. The policy stipulated that remuneration shall consist of an annual remuneration of SAR 200,000, and attendance fees of SAR 5,000 for the session, and an additional SAR 3000 allowance (transportation and travel per-diem) for members who are based outside Jeddah as well as the other expenses related to the Board activity.
- The Remunerations of different Board members may vary depending on the Board members' experience, expertise, duties he/she undertakes, independence and number of Board meetings he/she attended in addition to other considerations, and in light of this policy. The Annual Directors' report to the GA shall include a comprehensive statement of all the amounts received by each board member during the fiscal year including remunerations, allowances, expenses, and other benefits, as well as all the amounts received by the members in their capacity as employees or executives, or in consideration of such technical, administrative, or advisory services (if any). Such a report should also include a statement of the number of the board meetings held and the number of meetings attended by each member.

- Where the remuneration represents a certain percentage of Savola's profits the following guidelines shall be taken into consideration:
 - o The remuneration of independent board members shall not be a percentage of the profits that are realized by Savola, nor shall it be based directly or indirectly on Savola's profitability.
 - o The said percentage shall be determined based on a recommendation from the RNC in case the company achieved profits provided that the matter is presented to the GA for its approval and the matter is compliant with the Company bylaws and relevant regulations.
- If the General Assembly decides to terminate the membership of any Board member who fails to attend three consecutive Board meetings or five non-consecutive Board meetings during his membership without a legitimate excuse accepted by the Board, then such Board member shall not be entitled to any remuneration for the period starting from the last Board meeting he/she attended, and he/she shall pay back any remuneration he/she received for that period.
- RNC and IC Committee members' remuneration shall consist of an annual remuneration of SAR 100,000 and attendance fees of SAR 5,000 for the session, in line with the approved policy.
- Audit Committee members' remuneration shall be SAR 150,000 and attendance fees of SAR 5,000 for the session, in line with the committee charter and remuneration policy approved by the shareholders General Assembly.
- The remuneration policy of the Board and Committees shall be reviewed from time to time by the RNC, provided that any recommended changes are presented by the Board to the General Assembly in the next meeting for approval.

d-3) Summary of the Remuneration Policy of the Executive Management:

The RNC shall review and approve the salary scale and the incentive scheme for all employees and executive management, on a regular basis, based on the management recommendations and the executive management remuneration includes:

- Basic salary (to be paid on a monthly basis at the end of each Gregorian month)
- Allowances that include for example (and no limited to) housing, transportation, children education/schools' fees, and phone allowances.
- Medical insurance benefits for all employees and executive management and their families.
- Life insurance policy (including events of partial or permanent disability, and death at workplace).
- Annual bonus based on KPIs/SMART associated with individual annual appraisal evaluation.
- short-term incentive plans linked with extraordinary/exceptional performance and long-term incentive plans such as stock option programs (whenever exists);
- Other benefits included, but are not limited to, annual leave, annual air tickets, executive airport services, and end of service benefits according to labor law and HR policies adopted by the company.
- Executive management team's compensation plans, programs, and general guidelines shall be approved by the RNC Committee.
- The CEO implements the remuneration policy for all employees and executive management in light of the plans, programs and general guidelines approved by the RNC committee.

For more details about the Remuneration Policy for the Board, Committees and the Executive Management of Savola Group, please refer to the polices on Savola's website (www.savola.com).

d-4) Remuneration of the Board Members

Below are the details of Board members' remunerations for the year 2023 (SAR):

No	Member name	Title	Fixed remunerations		Variable remunerations							Aggregate amount	Expenses allowance				
			Specific amount	Allowance for attending Board meetings	Total allowance for attending Committee meetings	In-kind benefits	Remunerations for technical, managerial and consultative work	Remunerations of the Chairman, Managing Director or Secretary, if a member	Total	Percentage of the profits	Periodic remunerations			Short-term incentive plans	Long-term incentive plans	The value of the ranted shares	Total
First: Independent Directors																	
1.	Mr. Bader Hamad Al Rabiah	Member	200,000	30,000	50,000	-	-	-	-	-	-	-	-	280,000	-	280,000	21,300
2.	Mr. Rakan Abdulaziz Al Fadl	Member	200,000	30,000	20,000	-	-	-	-	-	-	-	-	250,000	-	250,000	18,900
3.	Mr. Waled Abdullah Al Ghreri	Member	200,000	30,000	25,000	-	-	-	-	-	-	-	-	255,000	-	255,000	9,000
4.	Mr. Mohammed Ibrahim Alissa	Member	200,000	30,000	55,000	-	-	-	-	-	-	-	-	285,000	-	285,000	25,200
Second: Non-Executive Directors																	
5.	Mr. Sulaiman Abdulkadir Al Muhaidib (Not a member of any Committee)	Chairman	200,000	30,000	N/A	-	-	-	-	-	-	-	-	230,000	-	230,000	25,200
6.	Mr. Bader Abdullah Alissa	V-Chairman	200,000	30,000	20,000	-	-	-	-	-	-	-	-	250,000	-	250,000	25,200
7.	Mr. Fahad Abdullah Al Kassim	Member	200,000	30,000	30,000	-	-	-	-	-	-	-	-	260,000	-	260,000	25,200
8.	Eng. Mutaz Qusai Al Azzawi	Member	200,000	30,000	25,000	-	-	-	-	-	-	-	-	255,000	-	255,000	19,415
9.	Mr. Issam Majid Al Muhaidib	Member	200,000	30,000	25,000	-	-	-	-	-	-	-	-	255,000	-	255,000	19,100
10.	Mr. Ahmad Abdulrahman Al Humaidan	Member	200,000	30,000	25,000	-	-	-	-	-	-	-	-	255,000	-	255,000	12,000
11.	Mr. Ahmad Waza Al Qahtani	Member	200,000	30,000	20,000	-	-	-	-	-	-	-	-	250,000	-	250,000	16,538
Total			2,200,000	330,000	295,000	-	-	-	-	-	-	-	-	2,825,000	-	2,825,000	217,053

d-5) Remuneration of Committees members: Below are the details of Committees members' remunerations for the year 2023 (SAR):

No.	Committee / member name	Title	Fixed remuneration (excluding the allowance for attending Board meetings)	Attendance fees (5,000 per meeting)	Total	Expenses allowance
Audit Committee Members:						
1.	Mr. Fahad Abdullah Al Kassim (Non-Executive, Savola Board member)	Chairman	150,000	30,000	180,000	Mentioned in the previous Board remuneration table
2.	Mr. Mohammed Ibrahim Alissa (Independent, Savola Board member)	Member	150,000	30,000	180,000	Mentioned in the previous Board remuneration table
3.	Mr. Bader Hamad Al-Rabiah (Independent, Savola Board member)	Member	150,000	30,000	180,000	Mentioned in the previous Board remuneration table
4.	Mr. Tareq Abdullah Al-Garaawy (Independent, External member)	Member	150,000	30,000	180,000	8,818
5.	Dr. Jassim Shaheen Al Rumaihi (Independent, External member)	Member	150,000	30,000	180,000	N/A
Total			750,000	150,000	900,000	8,818
Remuneration and Nomination Committee Members:						
1.	Mr. Rakan Abdulaziz Al Fadl (Independent, Savola Board member)	Chairman	100,000	20,000	120,000	Mentioned in the previous Board remuneration table
2.	Mr. Bader Abdullah Alissa (Non-Executive, Savola Board member)	Member	100,000	20,000	120,000	Mentioned in the previous Board remuneration table
3.	Mr. Ahmed Waza Al Qahtani (Non-Executive, Savola Board member)	Member	100,000	20,000	120,000	Mentioned in the previous Board remuneration table
4.	Mr. Bader Hamad Al Rabiah (Independent, Savola Board member)	Member	100,000	20,000	120,000	Mentioned in the previous Board remuneration table
5.	Mr. Johan Brand (Independent, External member)	Member	100,000	20,000	120,000	N/A
Total			500,000	100,000	600,000	-
Investment Committee Members:						
1.	Eng. Mutaz Qusai Al Azzawi (Non-Executive, Savola Board member)	Chairman	100,000	25,000	125,000	Mentioned in the previous Board remuneration table
2.	Mr. Ahmed A. Al Humaidan (Non-Executive Board Member)	Member	100,000	25,000	125,000	Mentioned in the previous Board remuneration table
3.	Mr. Isam M. Al Muhaidib (Non-executive Board Member)	Member	100,000	25,000	125,000	Mentioned in the previous Board remuneration table
4.	Mr. Mohammed Ibrahim Alissa (Independent, Savola Board member)	Member	100,000	25,000	125,000	Mentioned in the previous Board remuneration table
5.	Mr. Waled A. Al Ghreri (Independent Board Member)	Member	100,000	25,000	125,000	Mentioned in the previous Board remuneration table
Total			500,000	125,000	625,000	-

Corporate Governance Report and major relevant disclosures Organization structure :

d-6) Senior executives' compensation of Savola Group for 2023:

Compensation and benefits paid to 5 senior executives including the CEO and CFO of the Group during 2023 were:

No.	Description	Senior executives' (5 in total) compensation including the CEO and the CFO (SAR '000s)
Fixed Remuneration		
-	Salaries	12,168
-	Allowances (including housing, transportation, health insurance, education allowance, etc.)	4,258
-	In-kind benefits	713
Total of fixed remuneration		17,139
Variable Remuneration		
-	Periodic remuneration	60
-	Profits	0
-	Short-term incentive plans (including performance-related bonus for 2023)	21,984
-	Long-term incentive plans	0
-	The value of the Granted shares	3,546
Total of variable remuneration		25,590
-	End of service award	1,136
-	Total remuneration for Board executives if any	0
Grand total		43,865

Clarification: The Group has complied with the disclosure of the components of the senior executives' remuneration on aggregate in line with the requirements of subparagraph (a) of paragraph (4) of (Article 90) of the Corporate Governance Regulations issued by CMA, but to protect the interests of the Company, its shareholders and employees, and to avoid any damage that may occur as a result of disclosing the detailed senior executives' remuneration by position, the Company did not disclose the details as per Appendix (1) of the CG Regulations.

d-7) The relation between the paid remuneration and the adopted Remuneration Policy:

Based on the remuneration policy of the Board of Directors and its Committees and Executive Management, mentioned earlier in this Report, and in light of the remuneration paid for the Board, its committees, and the Executive Management and what is proposed for the Board, it shows Savola conforming with the approved policy without any material deviation from it.

e) Description of any interest of the Board Members, senior executives and their relatives

e-1) Description of any interest of the Board members and their relatives in shares or debt instruments of the Company:

Board members and their relatives:							
No.	Names of members whom the interest, contractual securities or rights issue belongs to	Beginning of the year		End of the year		Net change	Percentage of change
		Shares	Debt instruments	Shares	Debt instruments		
First: Board members:							
1.	Mr. Sulaiman Abdulkadir Al Muhaidib	1000	0	1,000	0	0	0%
2.	Mr. Bader Abdullah Alissa	1,025	0	1,025	0	0	0%
3.	Mr. Ahmed Waza Al Qahtani	0	0	0	0	0	0%
4.	Mr. Ahmad Abdulrahman Al Humaidan	0	0	0	0	0	0%
5.	Eng. Mutaz Qusai Al Azzawi	1,000	0	1,000	0	0	0%
6.	Mr. Fahad Abdullah Al Kassim	2,000	0	2,000	0	0	0%
7.	Mr. Mohammed Ibrahim Alissa	1,000	0	1,000	0	0	0%
8.	Mr. Issam Majed Al Muhaidib	24,029	0	24,029	0	0	0%
9.	Mr. Waled Abdullah Al Ghleri	675	0	675	0	0	0%
10.	Mr. Rakan Abdulaziz Al Fadl	142,060	0	142,060	0	0	0%
11.	Mr. Bader Hamad Al Rabiah	2,500	0	2,500	0	0	0%
Second: Board members' relatives: N/A							

e-2) Description of any interest of the senior executives and their relatives in shares or debt instruments of the Company:

Senior Executives and their relatives:							
No.	Names of executives whom the interest, contractual securities or rights issue belongs to	Beginning of the year		End of the year		Net change	Percentage of change
		Shares	Debt instruments	Shares	Debt instruments		
First: Senior Executives:							
1.	Mr. Waleed Khalid Fatani (Savola Group CEO)	4,826	0	4,826	0	0	0%
2.	Mr. Sameh Hassan (Savola Foods Co. CEO)	0	0	24,836	0	24,836	100%
3.	Dr. Bander Talaat Hamooh (Panda Retail Co. CEO)	26	0	26	0	0	0%
4.	Mr. Wajid Usman Khan (Chief Financial Officer)	0	0	7,537	0	7,537	100%
5.	Mr. Mohammed Nasr (Chief Investment Officer)	0	0	0	0	0	0%
6.	Mr. Elnour Ali Saad (Chief Corporate Governance and Legal Affairs Officer & Board Secretary)	15,340	0	20,600	0	5,260	25.54%
7.	Mr. Morhaf Mohammed Alsamman (Chief Human Resources & Corporate Services Director)	0	0	4,483	0	4,483	100%
Second: Senior executives' relatives: N/A							

Corporate Governance Report and major relevant disclosures Organization structure :

e-3) Description of any interest of Board members and their relatives in shares or debt instruments in Herfy Food Services Co. (a listed subsidiary of Savola Group) as of 31 December 2023:

No.	Names of executives whom the interest, contractual securities or rights issue belongs to	Beginning of the year		End of the year		Net change	Percentage of change
		Shares	Debt instruments	Shares	Debt instruments		
First: Board members:							
1.	Eng. Mutaz Qusai Alazawi	1,400	0	1,400	0	0	0%
2.	Mr. Issam Majed Al Muhaidib	1	0	1	0	0	0%
Second: Board members relatives: N/A							
Third: Executive management, and their relative: N/A							

f) The major Board resolutions and important events during the year, which some of them announced through Tadawul or were published in the Company website:

No.	Date	Resolutions / Announcement subject
1.	07/02/2023	Savola Group announced its determination to buy-back its shares for the Employees Long Term Incentive Program (LTIP)
2.	27/03/2023	Savola Group announced its Annual Financial Results for the Year Ended on 31-12-2022
3.	27/03/2023	Savola Group announced the Recommendation of Its Board of Directors to Distribute Cash Dividends to its Shareholders for the Year 2022
4.	13/04/2023	Savola Group invited its shareholders to attend the Extraordinary General Assembly Meeting (No.34) (First Meeting) via modern technology means.
5.	04/05/2023	Savola Group announced to its Shareholders the Commencement Date of the Electronic Voting on the Agenda of its Extraordinary General Assembly Meeting (EGM) No. 34 (First Meeting).
6.	10/05/2023	Savola Group announced its Interim Financial Results for the Period Ended on 31/03/2023 (Three Months)
7.	11/05/2023	Savola Group announced the Results of the Extraordinary General Assembly Meeting (No.34) (First Meeting)
8.	29/05/2023	Savola Group announced the Results of its Shares Buy-back (One Phase)
9.	09/08/2023	Savola Group announced its Interim Financial Results for the Period Ended on 30/06/2023 (Six Months)
10.	17/10/2023	Savola Group announced its position regarding the published news in some media platforms in relation to the sale of a portion or its entire stake in Al Marai Company
11.	07/11/2023	Savola Group announced the interim financial results for the period ended on 30/09/2023 (Nine Months)
12.	07/02/2024	Savola Group announced its Board's Recommendation to Increase Capital by Rights Issue and to Distribute its Entire 34.52% Stake in Almarai to Savola's Shareholders.
13.	07/02/2024	Savola Group announced the interim financial results for the period ended on 31/12/2023 (Twelve Months)
14.	07/02/2024	Savola Group announced the Board of Directors decision not to distribute dividends for the year 2023

SHAREHOLDERS' RIGHTS AND INVESTOR RELATIONS

g) Shareholders' rights and investor relations

Illustrating Savola's commitment to enhancing its relationship with shareholders, investors and all stakeholders, and because of the Group's strong beliefs in the importance of corporate governance to protect shareholders' rights and maintain effective internal controls through the activation of the Board and its Committees' roles, and commitment to the principles of disclosure and transparency, during 2023, the Group continued to implement and comply with the Corporate Governance Regulations of Saudi Arabia's Capital Market Authority and other relevant regulations. In addition to the performance and financial results previously outlined, Savola discloses information that is of interest to its shareholders and investor community in line with relevant regulations and best international practices adopted by the Group in corporate governance and transparency. These are:

g-1) Shareholder rights and mechanisms of communication:

Due to the Group's belief, interest, and care in the rights of its shareholders, and in light of applicable regulations, these rights form part of Savola's bylaws and Corporate Governance Manual, which can be viewed on Savola's website.

g-2) Enable shareholders and investors to access information:

Savola publishes financial statements, announcements, and key decisions on the Saudi Stock Exchange (Tadawul) website and in the annual Directors' Report. A dedicated department manages and deals with shareholder affairs and responds to their enquiries.

g-3) Procedures for informing the Board members of the shareholders' suggestions and notes on the Company and its performance:

Keeping the Board members informed of the shareholders' proposals and comments on the Company and its performance through the following procedures:

1. Presenting the shareholders' proposals and comments (if any) to the Board members at the nearest meeting or any other effective means of communication to achieve the purpose on an ongoing basis.
2. Organizing continuous meetings with investors (Investor Relation Programs) and briefing the Board on the substantive proposals they make.
3. The Board members are attending the General Assembly meetings where shareholders raise their suggestions to the Board during the meeting and the Board responds to these suggestions during the meeting.

In addition, the Chairman of the Board discusses the shareholders' suggestions (if any) and the performance without the presence of any of the executives (whenever deemed necessary).

g-4) Savola Group equity profile as of 31 December 2023:

No.	Detail	Value in SAR/Number of shares
1.	Company authorized capital	SAR 5,339,806,840
2.	Issued shares (all Company's shares are ordinary shares) *	533,980,684 Shares
3.	Floated issued shares (by Tadawul records as of 15 March 2024)	530,540,942 Shares
4.	Paid-up capital	SAR 5,339,806,840
5.	Nominal value per share	SAR 10
6.	Paid-up value per share	SAR 10

Declaration:

* The Group does not have preferred shares or shares with special priority rights of voting, issued to either shareholders, Board of Directors or employees. All shares of the Group are ordinary shares of equal nominal value and rank equally in voting rights and other rights as specified by regulations.

SHAREHOLDERS' RIGHTS AND INVESTOR RELATIONS

g-5) Dates of key events for shareholders and investors:

In accordance with international best practice in Corporate Governance, Savola shares the dates of key anticipated events during 2024 which may be of interest to our valued shareholders and investors:

No.	Dates 2024	Key events for 2024
1.	6 February	Audit Committee meeting to review company performance updates.
2.	6 February	Board of Directors' meeting regarding company performance updates.
3.	24 March	Audit Committee meeting regarding the audited financial results for 2023.
4.	26-27 March	The annual financial results for 2023 will be approved by Board of Directors.
5.	26-27 March	Date of publishing the Annual Financial Results of year 2023 on Tadawul and then Savola website.
6.	28-31 March	Date of publishing the Savola Group Annual Report for 2023.
7.	Within one week after financial results announcement	Earning call for Institutional investors and Analysts regarding financial results for 2023.
8.	7 May	Audit Committee meeting to recommend to the Board approval of the financial results for the first quarter of 2024.
9.	7 May	Board of Directors' meeting regarding the financial results for the first quarter of 2024 which will be announced in the light of the Board's decision during the prescribed period.
10.	7 May	Hold the Annual General Meeting (AGM) which will be announced as per regulation (proposed date subject to the approval of the official authorities).
11.	Within one week after financial results announcement	Earning call for Institutional investors and Analysts regarding financial results for Q1, 2024.
12.	6 August	Audit Committee meeting to recommend to the Board approval of the financial results for the second quarter of 2024.
13.	9-10 August	Date of publishing the financial results for the second quarter of 2024 on Tadawul once approved by the Board based on the recommendation of the Audit Committee.
14.	Within one week after financial results announcement	Earning call for Institutional investors and Analysts regarding financial results for Q2, 2024.
15.	5 November	Audit Committee meeting to recommend to the Board approval of the financial results for the third quarter of 2024.
16.	5 November	Board of Directors' meeting regarding the financial results for the third quarter of 2024 which will be announced in the light of the Board's decision during the prescribed period.
17.	Within one week after financial results announcement	Earning call for Institutional investors and Analysts regarding financial results for Q3, 2024.
18.	2 nd half of 2024	Conduct annual workshop for the Board of Directors to review the strategy for the Group and its subsidiaries.
19.	During the 2 nd quarter of 2024	Date of publishing the Savola Group Sustainability Report for 2023

Note: Savola would like to point out that the above dates are approximate and may change according to notifications received from official authorities. Although Savola is determined to carry out these events on the planned dates, we assume no obligation from failure to do so.

g-6) The Dividends Distribution Policy:

a) The policy:

As per Article (40) of the Company bylaws the Company's annual net profits shall be distributed as follows:

- The General Assembly shall determine the percentage of the net profit to be distributed to the shareholders after deducting the reserves, if any, pursuant to the recommendation of the Board of Directors as required by the regulations in this regard and the Company's Bylaws.

Article (41) of the bylaws which states that:

- Shareholder shall be entitled to his share of dividends as per the general assembly resolution issued in this regard in the recommendation of the Board of Directors. The resolution shall specify the eligibility date and the distribution date. The entitlement of dividend shall be to the shareholders who are registered in the shareholders' records at the end of the eligibility date.
- The Company may, under its bylaws, distribute interim dividends (quarterly or bi-annual) to its shareholders after fulfilling the statutory requirements.

In light of the dividends policy and the Group's bylaws, the Group used to distribute cash dividends in the range of 50% to 60% of the net profit achieved during each financial year based on the Board of Directors' recommendations.

b) The Board decision Not to distribute cash Dividends for 2023:

in light of the Board of Directors' recommendation to issue rights to strengthen the financial position and to enable the distribution of Savola's entire stake in Almarai Company to Savola's shareholders after securing the necessary approvals from regulatory authorities and the Shareholders General Assembly, accordingly, Savola Board decided in its meeting held on 6th of Feb 2024 not to distribute cash dividends for the year 2023 as per the company announcement in Tadawul dated 7/2/2024. Additionally, no interim dividends were distributed during the year 2023

Shareholder Information and Share Price Data:

As of 31 December 2023, Savola had 97,518 shareholders compared to 107,888 shareholders by the end of last year as per Tadawul records, the following tables provide an overview of Savola's ownership structure including criteria and types:

a) Savola Investors according to nature of investor:

Investor Nature	Percentage of Ownership	Number of Investors	Number of Shares
Corporate Investors	70.04	606	375,439,240
Individual Investors (including share certificates holders)	29.96	96,912	158,541,444
Total	%100	97,518	533,980,684

b) Savola Investors according to their nationality:

Investor Nationality	Percentage of Ownership	Number of Investors	Number of Shares
Saudi Investors	88.17	96,083	470,804,984
Foreign Investors	11.83	1,435	63,175,700
Total	%100	97,518	533,980,684

c) Savola Investors according to their nature:

Investor Nature	Percentage of Ownership	Number of Investors	Number of Shares
Individual Investors (including share certificate holders)	29.96	96,912	158,541,444
COMPANY	48.30	90	255,535,132
QFI – FUND	8.39	384	44,410,783
MUTUAL – FUNDS	5.99	42	31,671,220
GOVERNMENT	5.88	10	31,119,533
QFI – COMPANY	2.22	59	11,748,203
QFI - GOVERNMENT AND RELATED ENTITIES	0.08	3	400,994
ENDOWMENTS	0.06	12	315,035
GOVERNMENT – FUNDS	0.04	1	236,210
Swap Agreements	0.0004	4	2,120
Foreign Individual Investore	0.000002	1	10
Total	%100	97,518	533,980,684

SHAREHOLDERS' RIGHTS AND INVESTOR RELATIONS

d) Savola Investors according to their the percentage of ownership:

Ownership Size	Percentage of Ownership	Number of Investors	Number of Shares
More than 1 million shares	75.55	47	403,405,652
From 500,000 to less than 1 million shares	4.14	32	22,086,189
From 100,000 to less than 500,000 shares	8.23	207	43,940,040
From 50,000 to less than 100,000 shares	2.22	171	11,834,693
From 10,000 to less than 50,000 shares	4.10	1,060	21,882,749
From 5,000 to less than 10,000 shares	1.27	997	6,802,377
From 1,000 to less than 5,000 shares	2.13	5,688	11,348,412
Less than 1,000 shares	2.37	89,316	12,680,572
Total	%100	97,518	533,980,684

e) Savola Investors according to their ownership type:

Ownership Type	Percentage of Ownership	Number of Investors	Number of Shares
Investment Portfolios	99.09	55,790	529,112,753
Shares Certificates	0.91	41,728	4,867,931
Total	%100	97,518	533,980,684

f) Share Price Data (SAR)

Share price 1 January 2023	Share price 31 December 2023	Share price 3 years ago	52-week high	52-week low	Change from 2022-2023
28.05	37.45	38.3	57.5	26.15	102.12

Shares performance summary at the end of each month (high, low, and closing) during the fiscal year 2023 (all information was obtained from the Company's page in the Saudi Stock Exchange – Tadawul's website):

Month	High	Low	Close
January	29.95	29.20	29.95
February	27.20	26.80	27.20
March	27.95	27.25	27.95
April	32.00	31.60	31.75
May	36.65	35.50	35.90
June	41.90	41.40	41.65
July	42.30	41.00	42.30
August	38.40	37.45	37.90
September	36.90	36.05	36.05
October	36.65	35.70	36.40
November	37.50	36.85	37.50
December	37.50	37.30	37.45

g-7) Major shareholders list:

Below are shareholders owning 5% or more of the total shares of the Group, and movements during 2023 (in SAR):

Description of any interest in a class of voting shares held by persons (other than the Company's directors, senior executives and their relatives) who have notified the Company of their holdings, together with any change to such interests during the last fiscal year								
No.	Name	Nationality	Shares at the beginning of 2023	Ownership at the beginning of 2023	Shares at the end of 2023	Percentage at the end of 2023	Shares change	Percentage change
1.	Assila Investments Co.	Saudi Company	60,000,000	11.24%	60,000,000	11.24%	0	0%
2.	Abdulkadir Al Muhaidib & Sons Co.	Saudi Company	43,966,110	8.23%	43,966,110	8.23%	0	0%
3.	Mr. Abdullah M.A. Al Rabiah	Saudi National	43,892,500	8.22%	43,892,500	8.22%	0	0%
4.	Al Muhaidib Holding Co.	Saudi Company	33,980,684	6.36%	33,980,684	6.36%	0	0%

Declaration:

- Regarding the declaration of movements in major shareholders' ownership in accordance with listing rules, the Group confirms that it has not received any written notification during 2023 from any of its major shareholders indicating any changes or movement in their ownership percentages. The disclosed information is based on the Saudi Stock Exchange (Tadawul) records on 31 December 2023.

g-8) Details of retained Treasury Shares and their purposes for 2023:

Date of retention	Number of retained Treasury Shares	Value of the retained Treasury Shares (at the time of buy-back)	Purpose of keeping the shares as Treasury Shares
13 September 2020	341,675	SAR16,508,713	To retain the shares as Treasury Shares under the Employees LTIP which aims to attract and retain outstanding talent and to motivate them to further strengthen their performance to achieve Savola Group objectives. The shares will be transferred to the eligible employees as per the program conditions and policy approved by the Board after the vesting period elapses (i.e., after 3 years from the allocation date) according to each tranche starting date.
9 September 2021	349,076	SAR 13,924,773	
10 February 2022	637,955	SAR 21,427,933.60	
29 May 2023	2,182,858	SAR 79,999.99	
Total shares bought for the program	3,511,564	-	
Total shares transferred to beneficiaries according to the program policy	247,112	-	
Total of Retained Treasury Shares as of 31 st Dec. 2023	3,264,452	-	

g-9) Numbers of Company's requests of shareholders records, dates and reasons thereof for 2023:

No.	Date of request 2023	Reason
1.	30 March, 2 July, 28 September, 31 December	(4 Reports) Company Procedures
2.	10 May	(1 Report) regarding the General Assembly
3.	14 May	Dividends File to determine eligibility
Total		6 Reports

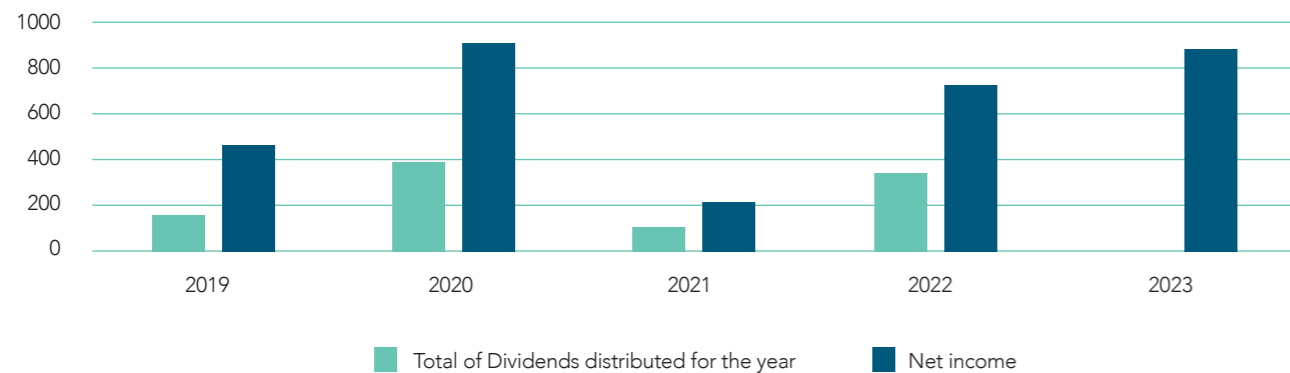
SHAREHOLDERS' RIGHTS AND INVESTOR RELATIONS

Corporate Action

No.	New Capital	Previous Capital	Issue Type	Date
1	5,339,806,840	5,000,000,000	Acquisition	04 November 2013
2	5,000,000,000	3,750,000,000	Bonus Shares	25 March 2008
3	3,750,000,000	3,000,000,000	Bonus Shares	11 October 2006
4	3,000,000,000	1,800,000,000	Bonus Shares	15 April 2006
5	1,800,000,000	1,500,000,000	Right Issue	16 November 2005

Dividends

Year	Dividends per share (SAR)	Total of Dividends distributed/ for the year (SAR'000s)	Net income (SAR'000s)	Percentage
2019	0.30	160,194	475,630	33.68%
2020	0.75	400,486	910,802	43.97%
2021	0.20	106,796	221,879	48.13%
2022	0.66	352,427	742,752	47.45%
2023*	0	0	899,185	0%



*Note:

In light of the Board of Directors' recommendation to issue rights to strengthen the financial position and to enable the distribution of Savola's entire stake in Almarai Company to Savola's shareholders after securing the necessary approvals from regulatory authorities and the Shareholders General Assembly, accordingly, Savola Board decided not to distribute cash dividends for the year 2023 as per the company announcement in Tadawul dated 7/2/2024.

h) Transactions with related parties that took place during 2023, these transactions will be renewed for the upcoming year in the upcoming AGM meeting as per laws and regulation in this regard:

Information relating to any business or contract to which the Company is a party and in which a Board member, a senior executive or any person related to any of them is or was of interest:

1) Transactions and contracts with a direct or indirect interest between the Company and Abdulkadir Al Muhaidib & Sons Co. and Al Muhaidib Group and their subsidiaries or any person related to any of them:

No.	The nature of the transaction or contract	The value amount of the transaction or contract for 2023	The conditions of the transaction or contract	The duration of the transaction or contract	Name of the Board member/ senior executive or any person related to any one of them
a. Savola and Al Muhaidib:					
Business or contract in which Abdulkadir Al Muhaidib & Sons Co. and its subsidiaries or any person related to any of them has direct or indirect interest. The total amount of the transactions is SAR 453.98 million.					
1.	Purchasing food products by Panda Retail Co. (a subsidiary of Savola) from Mayar Foods Co.	SAR 149.61 million	In the ordinary course of business and general commercial terms worked without any preferential treatment	Annually	Mr. Sulaiman Abdulkadir Al Muhaidib who is the chairman of Abdulkadir Al Muhaidib & Sons Co. Group as well as the Chairman of Savola, in addition to, Mr. Isam Majed Almuhaideb who is a Board member in Savola Group and in the Executive Management of Al Muhaidib Group.
2.	Purchasing food products by Panda Retail Co. (a subsidiary of Savola) from Del Monte Saudi Arabia	SAR 8.12 million	(including product quality, payment method, pricing, delivery, delay penalties, etc.)		
3.	Purchasing food products by Panda Retail Co. (a subsidiary of Savola) from Nestle Group and its subsidiaries.	SAR 253.67 million	In the ordinary course of business and general commercial terms worked without any preferential treatment		
4.	Purchasing food products by Panda Retail Co. (a subsidiary of Savola) from Manhal Water Factory Co. Ltd.	SAR 7.61 million	(including renewal, payment methods, maintenance, insurance, etc.)		
5.	Leasing spaces to sell its products along with trading foods products inside Panda Shopping Centers by Panda Retail Co. (a subsidiary of Savola) to Almehbaj Alshamiyah Trading Co.	SAR 16.77 million			
6.	Scrap sales by Panda Retail Co. (a subsidiary of Savola) to Waste Collection & Recycling Company	SAR 2.56 million			
7.	Leasing spaces to sell its products inside Panda Shopping Centers by Panda Retail Co. (a subsidiary of Savola) to Zohoor Alreef Co.	SAR 166 thousand			
8.	Leasing by Panda Retail Co. (a subsidiary of Savola) from Abdulkadir Al Muhaidib & Sons Co.	SAR 15.48 million			
Total		SAR 453.98 million			

SHAREHOLDERS' RIGHTS AND INVESTOR RELATIONS

2) Transactions and contracts with a direct or indirect interest between the Company and Almarai Co.:

No.	The nature of the transaction or contract	The value amount of the transaction or contract for 2023	The conditions of the transaction or contract	The duration of the transaction or contract	Name of the Board member/ senior executive or any person related to any one of them
b. Savola and Almarai Co:					
Business or contract in which Almarai Co. and its subsidiaries, or any person related to any of them, has a direct or indirect interest. The total amount of the transactions is SAR 952.07 million.					
1.	Purchasing consumer foods goods by Panda Retail Co. (a subsidiary of Savola) from Almarai Co. and its subsidiaries	SAR 797.73 million	In the ordinary course of business and general commercial terms worked without any preferential treatment	Annually	Both Mr. Sulaiman Abdulkadir Al Muhaidib, Mr. Bader Abdullah Alissa are Board members in Almarai as well as Savola Group. In addition to Mr. Walid Fatani Group CEO who is a member of Almarai Board.
2.	Selling sugar by United Sugar Company (a subsidiary of Savola Foods Co.) to Almarai Co. and its subsidiaries	SAR 78.94 million	(including product quality, payment method, pricing, delivery, delay penalties, etc.)		
3.	Selling specialty fats products by International Foods Industries Co. (a subsidiary of Savola Foods Co.) to Almarai Co. and its subsidiaries	SAR 75.40 million			
Total		SAR 952.07 million			

3) Transactions and contracts with a direct or indirect interest between the Company and Herfy Food Services Co.:

No.	The nature of the transaction or contract	The value amount of the transaction or contract for 2023	The conditions of the transaction or contract	The duration of the transaction or contract	Name of the Board member/ senior executive or any person related to any one of them
c. Savola and Herfy Co:					
Business or contract in which Herfy Food Services Co. and its subsidiaries or any person related to any of them has direct or indirect interest. The total amount of the transactions is SAR 57.36 million.					
1.	Leasing shops and retail purchases of food products by Panda Retail Co. (a subsidiary of Savola) to/from Herfy Food Services Co.	SAR 28.32 million	In the ordinary course of business and general commercial terms worked without any preferential treatment (including renewal, payment methods, maintenance, insurance, etc.)	Annually	Eng. Mutaz Qusai Al Azzawi, who is the Chairman of Herfy Board, and Herfy Board member Mr. Isam Majed Almuhaideb are both Board members in Savola Group. Also Mr. Waleed Fatani Group CEO who is a Board member in Herfy.
2.	Selling edible oil products by Afia International (a subsidiary of Savola Foods Co.) to Herfy Food Services Co.	SAR 20.54 million	In the ordinary course of business and general commercial terms worked without any preferential treatment		
3.	Selling sugar by United Sugar Co. (a subsidiary of Savola Food Co.) to Herfy Food Services Co.	SAR 3.32 million	(including product quality, payment method, pricing, delivery, delay penalties, etc.)		
4.	The sale of specialty fats products by the International Foods Industries Co. (a subsidiary of Savola Foods Co.) to Herfy Food Services Co.	SAR 5.18 million			
Total		SAR 57.36 million			

4) Transactions and contracts with a direct or indirect interest between the Company and other companies:

No.	The nature of the transaction or contract	The value amount of the transaction or contract for 2023	The conditions of the transaction or contract	The duration of the transaction or contract	Name of the Board member/ senior executive or any person related to any one of them
1.	Leasing of shop by Panda Retail Co. (a subsidiary of Savola) from Dur Hospitality Co.	SAR 6 million	In the ordinary course of business and general commercial terms worked without any preferential treatment including renewal, payment methods, maintenance, insurance, etc.	Annually	Mr. Badr Abdullah Alissa is a Board member and Mr. Fahad Abdullah Al Kassim in Dur Hospitality Co. (up to December 2023) and Savola Group.

i) A description of any transaction between the Company and any related party:

- The following transactions mainly represent sale and purchase of products and leases of stores in the normal course of business with associates and other entities related to subsidiaries. The terms of such transactions are mutually agreed between the parties, with the same conditions and with no preference over third parties:

No.	Related party	Relationship	Transaction	Duration	Value/Amount
1.	Khairat Al Sharq for General Trade and Manufacturing Foodstuff Company	Associate	Payments on behalf	During 2023	SAR 7.22 million
			Loan written off		SAR 20.83 million
2.	United Sugar Co. Egypt – SFC	Associate	Margin Call / payments on behalf	During 2023	SAR 45.96 million
			Compensation		SAR – 42.44 million
			Loan / Advance		SAR 147.88 million

j) Related Party Transactions which requiring disclosure according to the regulatory requirements:

- 1) Transactions and contracts taking place during 2023 in which a member of the Executive Management has a direct or indirect interest in it:

No.	The nature of the transaction or contract	The value amount of the transaction or contract for 2023	The conditions of the transaction or contract	The duration of the transaction or contract	Name of the Board member/ senior executive or any person related to any one of them
1.	Leasing of shops by Panda Retail Co. (a subsidiary of Savola) from Kinan International for Real Estate Development Co.	SAR 24.74 million	In the ordinary course of business and general commercial terms worked without any preferential treatment including renewal, payment methods, maintenance, insurance, etc.	Annually	Group CEO Mr. Waleed Fatani is a Board member in Kinan.

k) Competing businesses with the Company or any of its activities engaged in during 2023:

- k-1) Competing business with the Company or any of its activities that any member of the Board is engaging in or was engaging in such competing businesses:

No.	Board member engaging in or was engaging in competing businesses	Nature and conditions of competing business
1.	Mr. Sulaiman Abdulkadir Al Muhaidib* (Non-executive Board member)	The competing businesses- directly and indirectly- relate to the ownership and management of Al-Mehbaj Company (one of Abdulkadir Al-Muhaidib & Sons Companies), which is a company that specializes food retail, specifically nuts, coffee, grains, spices, dried fruits, and dehydrated vegetables. The mentioned activities are considered a competitor to Bayara Company Holding Ltd., one of the subsidiaries of Savola Foods Company (one of the wholly owned subsidiaries of Savola Group), a company engaged in the manufacture and distribution of healthy snacks (raw and roasted nuts, dates, seeds, dried fruits, sweets) and cooking spices (herbs, spices and pulses).
2.	Mr. Isam Majed Al Muhaidib (Non-executive Board member)	

* **Note:** It is worth noting that the approval of the Extraordinary General Assembly was obtained in its meeting held on 10/05/2023 regarding the participation in the above-mentioned competing business.

SHAREHOLDERS' RIGHTS AND INVESTOR RELATIONS

I) What has/has not been implemented of the CG regulations, CG procedure and effectiveness, and initiatives:

I-1) Board Declaration according to CMA CG Regulations for 2023:

As per the CG regulations requirement for the Company to make a declaration regarding non-applicable or non-existing matters, the Board undertakes the following:

No	Declaration/Confirmation
1.	The External Auditors' report for the year 2023 does not contain any reservations on the relevant annual financial statements. The Board is committed to provide the CMA with any additional information as may be required in the event of auditors expressing any reservations on the annual financial statements.
2.	The Company's books and records comply with the accounting standards issued by SOCPA.
3.	There was no recommendation by the Board of Directors to replace the External Auditors (KPMG), appointed for the fiscal year of 2023 to audit the Group's financials and they were not replaced during the year.
4.	The External Auditors did not provide consultancy services to the Group during 2023 and did not receive any fees in this regard.
5.	The Board of Directors did not receive any request from the External Auditor to convene a General Assembly.
6.	The Company has not granted any cash loans whatsoever to any of its Board members or rendered guarantees with respect to any loan entered into by a Board member with third parties.
7.	There were no punishment, penalties or precautionary attachments imposed on the Company by the Capital Market Authority, or by any other supervisory, regulatory or judicial body.
8.	The Company has avoided taking any action that might hamper the use of shareholders' voting rights.
9.	The Company did not receive any request to convene a General Assembly or a request to add one or more items to the agenda upon its preparation from a number of shareholders whose shareholdings represent at least 10% of the equity share capital.
10.	The Chairman of the Board did not receive a written request to call for an unscheduled meeting from any Board members during 2023.
11.	The Board of Directors did not waive any of the Company's debts during the year 2023.
12.	There is no interest, contractual documents and subscription rights that belong to the members of the Board of Directors and their relatives in the shares or debt instruments of the subsidiaries except as mentioned in this Report in (e-3) regarding the ownership of some of them in Herfy Food Services Co.
13.	There is no interest, contractual documents and subscription rights of senior executives and their relatives in the shares or debt instruments of subsidiaries. Note: The Company has disclosed the conflict of interest for Board Members and Senior Executives and their relatives.
14.	There are no debt instruments issued to Savola Group and its subsidiaries except as detailed in this Report in the loans section.
15.	There is no class and number of any convertible debt instruments, contractual securities, preemptive right or similar rights issued or granted by the Company during the fiscal year.
16.	There are no conversion or subscription rights under any convertible debt instruments, contractually based securities, warrants or similar rights issued or granted by the Company.
17.	There is no redemption, purchase or cancellation by the Company of any redeemable debt instruments and the value of such securities outstanding, whether listed securities purchased by the Company and those purchased by its affiliates.
18.	There are no interests in any class of voting shares for anyone (except to the Board members and senior executives and their relatives) who have notified the Company with these interests, and any changes in these rights during the last fiscal year.
19.	A description of waiving any salary or compensation by an arrangement or agreement with: A Director: (applicable): Mr. Sulaiman Abdulkadir Al Muhaidib (the Chairman of the Board of Directors), has donated his annual Board remuneration, attendance allowance, expenses allowance for the fiscal year 2023 of SAR 255,200 to support the Group's Employee Takaful Fund. A senior executive of the Group: (not applicable).
20.	There is no arrangement or agreement under which a shareholder of the issuer has waived any rights to dividends.
21.	The Board confirms that: A) The Company's accounting records were properly prepared. B) Savola Group's internal control systems and procedures were properly developed and effectively executed. C) There are no doubts about the Group's ability to continue its business activities.
22.	There was no recommendation by the Audit Committee that conflicted with the Board of Directors' decisions. The Board did not reject any recommendations regarding the appointment of the Company's external auditor, its dismissal, the determination of its fees, the performance evaluation or the appointment of the internal auditor during the year.
23.	The Company issued during July 2019, Sukuk pursuant to a new Program in an aggregate amount of SAR 1 billion, some were issued for monetary consideration, and some exchanged with the previous Sukuk issued in 2013; while the remainder issued under the previous Program were redeemed on its original maturity date (due in January 2020).

I-2) Procedure set by the Group to monitor the effectiveness of Savola's CG Code:

- The Group has a Corporate Governance (CG) Manual which was developed and approved for the first time in 2004 and has been updated in line with the CG regulations issued by the CMA and international best practice in CG and transparency. The Company has reviewed and updated its CG framework and policies during 2017-2019 following the issuance of the Corporate Governance Regulations in February 2017 and the amendment issued in 2018, and all updates were approved by the competent administrative bodies, whether the Board of Directors or the General Assembly (where applicable).
- During the year 2023, the company also reviewed and updated its bylaws, charters, and corporate governance policies, in light of the new companies law, which became effective as of January 19, 2023 and the changes were approved by the competent bodies, whether the Board or the Shareholders General Assembly (where applicable).
- The CG Committee role was added to the RNC's responsibilities and duties, and the committee charter was amended accordingly and was approved by the General Assembly. Also, the Board of Directors and the Executive Management monitor the Corporate Governance requirements. In addition, the Compliance Officer has a support team at Group-level to monitor CG code implementation and compliance, ensure proper implementation of the Board's resolution regarding CG and submit regular reports to the Board. The Group Board and CEO supervise the overall implementation and development of the governance code in general.
- The Group appoints from time to time CG Expert Firms in order to enhance its CG practices to meet regional and international best practices in this field.
- The Group shares its CG experience with local, regional and international rating agencies and institutions with the objective to identify its strengths and weaknesses and accordingly develop a plan for improvement.
- The Group has disclosed its CG framework and all policies in this respect on its website (www.savola.com).

I-3) What provisions have/have not been implemented of the Corporate Governance Regulations, with justifications:

The Company applies all the provisions of the Corporate Governance Regulations issued by the CMA, except for the following optional items:

Article/ Clause No.	The Article/Clause	Reasons for not adopting optional items:
1. Article 51 (c) (Optional)	Audit Committee Formation: "The chairman of the audit committee shall be an Independent Director"	The current Chairman of the Audit Committee, Mr. Fahad Abdullah Al Kassim, was an independent member up to June 2022 ; however, his classification was changed to a Non-Executive Director as of 01/07/2022 per Article 19 of CMA Corporate Governance Regulations as he has completed nine years since he joined the Board membership. Mr. Fahad Al Kassim has vast experience in the field of finance, accounting, and auditing. In addition, he has served the longest out of all the Audit Committee members in the committee membership.
2. Article 67 (optional)	Composition of the Risk Management Committee (RMC): "The Company's Board shall, by resolution therefrom, form a committee to be named the (Risk Management Committee). The Chairman and majority of its members shall be Non-Executive Directors. The members of that Committee shall possess an adequate level of knowledge in risk management and finance."	There is a Risk Management Committee from Executives at Group level, and its charter was developed and approved, Also, the Committee has assumed its duties in supervising the risk management team. Moreover, there is a risk management department established under the leadership of a specialized Risk Management Officer and the Risk Management policy was approved by the Board. The Risk Management Officer is currently working with the departments, on Group and subsidiaries level, to enhance the role of the current risk department further and carry out the Risk Management role, activities, and procedures. Also, the Company is implementing a Governance, Risk and Compliance system across Savola Group to effectively enhance the participation of the Board and the Executive Management team in the risk management process to ensure a unified vision of the risks faced by the Group and its subsidiaries. The RMC will be formed by the Board after completion of the infrastructure of risk management department and whenever it deems necessary.
3. Article 68 (optional)	Competencies of the Risk Management Committee	The RMC has not been formed due to the above-mentioned reasons in No. (2).
4. Article 69 (optional)	Meetings of the Risk Management Committee: "The Risk Management Committee shall convene periodically at least once every 6 months and as may be necessary."	The RMC has not been formed due to the above-mentioned reasons in No. (2).
5. Article 92 (optional)	Formation of a Corporate Governance Committee: "If the Board forms a Corporate Governance Committee, it shall assign to it the competences stipulated in Article (91) of these Regulations. Such Committee shall oversee any matters relating to the implementation of governance and shall provide the Board with its reports and recommendations at least annually."	There is no standalone committee for Corporate Governance, however, to ensure and monitor the implementation of CG requirements, the CG role was added to the RNC responsibilities and duties, and the committee charter was amended and approved by the AGM. Also, the CG requirements are overseen and monitored by the Board of Directors and the top Executive Management, in addition, there is a CG and Compliance Department with qualified team members at the Group-level to monitor CG code implementation and compliance, ensure proper implementation of the Board's resolutions issued regarding CG and submit regular reports to the Board. In addition, the Board and CEO supervise the overall implementation and development of the governance code.

Audit Committee Report

Savola Group Audit Committee Report for the year ended December 31, 2023.

The Audit Committee of Savola Group was formed, and its charter was adopted by a resolution issued by the general assembly of shareholders considering the regularity requirements. As new companies law enters into force along with its Regulations from 19 January 2023, the Group adapted the new company's law and the necessary amendment concerning the Audit Committee presented and approved by the general assembly of shareholders in the meeting held on 10 May 2023. The amendment was in line with paragraph (H) of article (51) of the Corporate Governance Regulations issued by the Board of the Capital Market Authority pursuant to resolution no. 8-16-2017 dated 16/5/1438H corresponding to 13/2/2017G, amended by resolution of the Board of the Capital Market Authority resolution no. 8-5-2023 dated 25/6/1444H corresponding to 18/1/2023G.

We are pleased to share with you the Savola Group Audit Committee Report for the year 2023, prepared in line with the requirements of the Companies Law, the Regulations and Rules of the Capital Market Authority and the Committee's charter.

1- Appointment

Savola Group Audit Committee was appointed at the General Assembly Meeting No. (41), held on Monday, 16 May 2022, corresponding to 15 Shawwal 1443H in which the formation of the Audit Committee was approved for the new office term for three years, beginning from 1 October 2022 to 30 September 2025. The appointment includes Mr. Fahad Abdullah Al Kassim (as a Non-executive, Savola Board member), Mr. Mohammed Ibrahim Al Issa (Independent, Savola Board member), Mr. Bader Hamad Al Rabiah (Independent, Savola Board member), Mr. Tareq Abdullah Al-Garaawy (Independent, External Member) and Dr. Jassim Shaheen Al Rumaihi (Independent, External Member). Following the amended corporate governance regulations, the amended committee membership rules and regulations approved by the General Assembly of Shareholders at its meeting on May 10, 2023, apply to the committee members.

2- Meetings

In line with its charter, the Audit Committee will convene periodically based on chairman invitation, at least four times per year, and as may be necessary, and majority attendance of members constitute a quorum whether in person or by proxy. The Committee held six meetings during 2023 and the quorum for each meeting was reached.

3- Savola Group Operating Model

The organizational structure "Operating model" adopted by the Group as a strategic investment holding company reflects the independence of the operational aspects of the Group's subsidiaries. Conversely, all interaction between the Group's Audit Committee on one hand and its subsidiaries' Audit Committees on the other hand are governed by the Group's representation membership at the Audit Committees of the subsidiaries.

4- Audit Committee members' qualifications:

The schedule below describes current and previous positions, qualifications and experience of the Audit Committee members as follows:

No	Member name	Current positions	Previous positions	Qualifications	Experience
1.	Mr. Fahad Abdullah Al Kassim (Committee Chairman)	Current and previous positions, qualifications and experience were mentioned earlier in the Director's Report.			
2.	Mr. Mohammed Ibrahim Al Issa	Current and previous positions, qualifications and experience were mentioned earlier in the Director's Report.			
3.	Mr. Bader Hamad Al Rabia	Current and previous positions, qualifications and experience were mentioned earlier in the Director's Report.			
4.	Mr. Tareq Abdullah Al-Garaawy	He is currently an audit committee member of Savola Foods Company and other several joint stock companies.	Worked in several companies like Idfa Management & Financial Consultants, and Tatweer Buildings Company (TBC).	- Bachelor's Degree in Accountancy from King Saud University, KSA in 1996. - Master's Degree in Accountancy from George Washington University, USA in 2002. - A Certified Management Accountant, and a member of the Institute of Management Accountants (USA) as well as a member of Institute of Internal Auditors.	Has more than 24 years' practical experience in financial, accountancy, compliance and consultancy gained from working with several banks such as, Saudi Investment Bank, Saudi Arabia British Bank and Bank Al-Bilad.
5.	Dr. Jassim Shaheen Al Rumaihi	Retired professor, financial consultant, and dedicated administrative officer	Regional Manager of Arab Open University for East Region, Chief Executive Officer of Razan Cognitive Holding and Saudi Constructing Union Company, Head of the Finance and Administration of Faisal Al Qahtani & sons for Trading & Constriction, and Head of the Accounting and Management Information Systems Department, King Fahd University of Petroleum and Minerals.	Ph. D in Accounting from University of Dundee, UK, master's degree in accounting from the University of Missouri, USA Bachelor's Degree in Accounting from King Saud University, KSA.	Has more than 25 years of academic and practical experience, currently working as a dedicated business consultant in the financial and administration fields, and member of several Boards and remuneration & nomination committees of other companies.

Audit Committee Report

5- Audit Committee attendance:

The members of the Audit Committee attendance for the meetings of the Audit Committee held during the year 2023 are listed below.

Sr.	Name	7 Feb	26 Mar	10 May	18 Jun	8 Aug	7 Nov	Total
1.	Mr. Fahad Abdullah Al Kassim (Chairman) (Non-executive, Savola Board member)	✓	✓	✓	✓	✓	✓	6 of 6
2.	Mr. Mohammed Ibrahim Al Issa (Independent, Savola Board member)	✓	✓	✓	✓	✓	✓	6 of 6
3.	Mr. Bader Hamad Al Rabia (Independent, Savola Board member)	✓	✓	✓	✓	✓	✓	6 of 6
4.	Mr. Tareq Abdullah Al-Garaawy (Independent, External member)	✓	✓	✓	✓	✓	✓	6 of 6
5.	Dr. Jassim Shaheen Al Rumaihi (Independent, External member)	✓	✓	✓	✓	✓	✓	6 of 6
-	Mr. Aly Asim Barakat (Committee Secretary)	✓	✓	✓	✓	✓	✓	6 of 6

6- Audit Committee remuneration for 2023 (Saudi Riyals):

The annual remuneration for the Audit Committee membership consists of a lump sum of SAR 150,000, and an attendance allowance of SAR 5,000 per meeting in accordance with the committee's charter and the remuneration policy approved by the Shareholders General Assembly, the details of which have been disclosed in the Company's Committees's remuneration section previously mentioned in this report.

7- Summary of Audit Committee duties, responsibilities and achievements executed in 2023:

• Financial reporting

- Analyzing and recommending to the Group's Board of Directors the approval of the preliminary quarterly results and year-end consolidated financial statements focusing particularly on the reliability of the information disclosed therein, changes in accounting policy, significant and unusual events, reasonableness of accounting estimates for significant issues, as well as compliance with accounting standards and other legal requirements.

• Internal audit

- Review and approve the Group's internal audit department plan, scope of activities, methodologies and outputs and ensure whether the function has the necessary authority and resources to carry out its work while maintaining its independence.
- Review and assess Savola Group internal audit reports and monitor the tracking and follow-up of procedures implementation determining whether or not appropriate actions are taken in respect of the internal audit recommendations therein.

• External audit

- Review the external auditors service delivery plan, scope of work, the results of the financial audits, the relevant audit reports and verify the independence of the external auditor as well as that it does not provide any work that are beyond its scope of work.
- Ensure that appropriate assistance was given by the Group's executive management team to the external auditors and that no difficulties were encountered during the course of the audit, including any restrictions on the scope of activities or access to required information.
- Providing recommendations to the board to nominate external auditors and determine their remunerations, after verifying their independence and reviewing the scope of their work and the contract terms.

• Related party transactions

- Review the results of external auditors limited review of Savola related party transactions for 2023 included in the related party transactions report prepared by the Board of Directors in relation to the related party transactions executed by the company during the year and provide any recommendation to the Board based on the results, if any.
- Ensure that related party transactions are properly disclosed in the Board of Directors report and audited financial statements.
- Review any new contracts and proposed related party transactions (if applicable), and provide its recommendations to the Board.

• Savola Integrity Hotline

Oversee the Group's whistleblowing reporting facility "Integrity Hotline" which captures and records matters raised by any stakeholders, including the executive management team, senior managers, employees (permanent, temporary and part-time), shareholders, trainers, clients, individuals, agency staff, consultants, suppliers and vendors.

8- Review of internal control producers and its results at the Group:

The executive management of the Group and its subsidiaries certifies on an annual basis their responsibility for establishing and maintaining internal control procedures designed to provide reasonable assurance regarding the effectiveness and efficiency of operations, the reliability of financial reporting and compliance with applicable laws and regulations. The reasonable assurance provided by the signed internal control certifications is supported by the results of a questionnaire completed by all heads of functions across the Group & subsidiaries designed in line with the Internal Control-Integrated Framework published by Committee of Sponsoring Organization (COSO) of the Treadway Commission. The signed internal control certificates for 2023 were handed over and filed with the Group's legal counsel.

The Internal Audit Department at the Group and its subsidiaries execute the annual audit plan approved by the Audit Committee at the Group & its subsidiaries to evaluate the existing condition of internal control procedures focusing on the assessment of the control environment, organization's structure, risks, policies and procedures, segregation of duties and information systems. A random sample of activities within the planned audit area is selected to test the effectiveness and efficiency of the design and operation of internal control procedures. All internal control recommendations resulting from the execution of annual audit plans are communicated to concerned management parties and followed-up by internal audit departments at the Group and its subsidiaries to support continuous improvement of the effectiveness of internal control procedures.

The Group's external auditors conducted their audit in accordance with international auditing standards adopted in Saudi Arabia which require that they plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. This resulted in providing an unqualified opinion on the Group's consolidated financial statements for the year ended on December 31, 2023, based on International Financial Reporting Standards (IFRS) that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by the Saudi Organization for Chartered and Professional Accountants (SOCPA).

Based on the results of the above-mentioned procedures, the Group's Audit Committee believes that reasonable assurance was provided regarding the effectiveness of internal control procedures.

However, we emphasize that due to the geographical spread of the Group's operations locally and regionally we cannot conclude exclusively on the comprehensiveness of the internal control procedures, as these procedures in substance, rely on selecting random samples as above mentioned.

Accordingly, the Audit Committees at the Group and its subsidiaries' efforts are focused continuously to develop and improve the effectiveness and efficiency of the internal control procedures review mechanism in place across the Group and its subsidiaries.

The Audit Committee report was prepared by the AC for the year 2023 in line with the regulatory requirements and the charter of the Committee and will be submitted to the general assembly when the Board of Directors issue its invitation.

