



شركة زهرة الواحة للتجارة
Zahrah Al Waha for Trading Company
الرقم الضريبي ٣٠٢٥٠٦٤٥٥٠٠٠٠٣

General Assembly meeting

Zahrat Al Waha for Trading

Saudi public joint stock company

Item No. 6

Item No. 7



Dear shareholders of Zahrat Al Waha Trading Company

Greetings

Referring to the requirements of Article 71 of the Companies Law and the Capital Market Law to disclose the commercial transactions and contracts of Zahrat Al Waha Trading Company (the company) in which a member of the Board of Directors has a direct or indirect interest in it.

We would like to inform you of the transactions and contracts during the year 2020 and that are expected during the year 2021 with the company according to the details provided below:

- Contracts in which the Chairman of the Board of Directors had a direct or indirect interest during the year 2020 (the rest of the members of the Board of Directors do not have any direct or indirect interest in commercial dealings or company contracts during the year 2019).

- Contracts in which the Chairman of the Board of Directors will have a direct or indirect interest, and the approval of the license to renew them during the year 2021 is required by the general assembly of the shareholders of the company.

Therefore, the company wants the approval of its shareholders, and it is as follows:

All amounts are in Saudi riyals.

S.	Related party	The party with a direct interest	Position in the company	The type of relationship with the related party	During the year 2020			During the year 2021		
					The value of transactions until the end of the fiscal year ending on December 31, 2020	The type of transaction or contract in the current year 2020	The license period	Terms of deal or contract	The expected volume of transactions during 2021	Type of deal or contract for the next year 2021
1	Hana Food Industries Company	Ahmed Hammoud Ibrahim Altheyab	Chairman of Board of Directors	Member of the Board of Directors and Managing Director of Hana Company for Food Industries and one of the shareholders of Hana Company for Food Industries	Total sales of the activity before the VAT 52,996,673 SR Total sales including VAT 57,819,780 SR non-activity sales 1,120,912 SR and purchases are 113,367 SR and collections amounted to 63,100,000 SR and the balance of the end of the period as of December 31, 2020 is 42,705,247 SR (debit balance within customer balances)	Selling finished goods represented in preforms and plastic of different sizes and weights, selling and buying raw materials and packaging	One Year	It does not contain preferential conditions	SR Eighty million SR	Selling finished products represented in preforms, plastic sheets of different sizes and weights, and bottle prints (labels), selling raw materials and packaging

Chairman of Board of Directors

Ahmed Hammoud Ibrahim Altheyab





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Independent Limited Assurance Report

To the Shareholders of Zahra Al Waha For Trading Company

A Saudi Joint Stock Company

Upon request of the management of **Zahra Al Waha For Trading Company** (the "Company"), we have carried out a limited assurance engagement in order to state whether anything has come to our attention that causes us to believe that the subject matter detailed below ("Subject Matter"), has not been prepared, in all material respects, in accordance with the applicable criteria ("Applicable Criteria") below.

Subject Matter

The Subject Matter for our limited assurance engagement is related to the Chairman's declaration enclosed in the attached Appendix 1 (the "Declaration") prepared by the Management in accordance with the requirements of Article 71 of the Regulations for Companies and presented by the Chairman of **Zahra Al Waha For Trading Company**, which comprises the transactions carried out / will be carried out by the Company during the year ended 31 December 2020 / ending 31 December 2021 in which any of the members of Board of Directors of the Company had direct or indirect personal interest.

Applicable Criteria

We have used the following as the Applicable Criteria:

1. Article 71 of the Saudi Arabian Regulations for Companies issued by MOC (1437H -2015).

Management Responsibility

The Management and the Chairman of the Company are responsible for the preparation and appropriate presentation of the Subject Matter in accordance with the Applicable Criteria. Further, the Company's management is responsible for establishing and maintaining internal controls relevant to the preparation and presentation of the Subject Matter that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate criteria; maintaining adequate records and making estimates that are reasonable in the circumstances.

Our Responsibility

Our responsibility is to express a limited assurance conclusion on the Subject Matter based on our limited assurance engagement conducted in accordance with the International Standard on Assurance Engagements (ISAE) 3000, "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" endorsed in the Kingdom of Saudi Arabia and the terms and conditions for this engagement as agreed with the Company's management.

Our procedures were designed to obtain a limited level of assurance on which to base our conclusion, and, as such, do not provide all of the evidence that would be required to provide a reasonable level of assurance. The procedures performed depend on the assurance practitioner's judgment including the risk of material misstatement of the Subject Matter, whether due to fraud or error. While we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls.



Independent Limited Assurance Report (continued)

To the Shareholders of Zahra Al Waha For Trading Company

A Saudi Joint Stock Company

Independence and quality controls

We are independent of the Company in accordance with professional code of conduct and ethics that are endorsed in the Kingdom of Saudi Arabia that are relevant to our assurance engagement and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Our firm applies International Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Summary of Procedures

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

As part of this engagement, we have not performed any procedures by way of audit, review or verification of the Subject matter, nor of the underlying records or other sources from which the Subject matter was extracted. Accordingly, we do not express such an opinion

Our procedures included, but are not limited to:

- Obtaining the BOD chairman's list that includes all kind of business and contracts performed / will be performed by any of the BOD members of the Company either directly or indirectly in the favor of the (Company) during the year; (Appendix 1);
- Reviewing of the BOD's minutes of meetings that indicate member notification to the BOD on the business and contracts performed / will be performed by the BOD member; and further that the concerned Board Member did not vote on the resolution issued in this regard at the meetings of the BOD and shareholders assembly;
- Obtaining the required approvals on the transactions included in the Chairman's declaration (Appendix 1);
- Obtaining confirmation from the concerned BOD member on the business and contracts performed by the member during the year ended 31 December 2020.
- Ensuring the total transactions amounts included in the list prepared by the BOD chairman agrees to the total transactions amounts included in the note (27) to the audited financial statements.



Independent Limited Assurance Report (continued)

To the Shareholders of Zahra Al Waha For Trading Company

A Saudi Joint Stock Company

Limited Assurance Conclusion

Based on our limited assurance procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the Subject Matter has not been prepared in all material respects, in accordance with the Applicable Criteria.

Restriction of Use of Our report

Our report is prepared upon the request of the Company's management to be presented to the shareholders in their ordinary General Assembly Meeting in accordance with the requirements of Article (71) of the Saudi Arabian Regulations for Companies and should not be used for any other purpose.

**For KPMG Al Fozan & Partners
Certified Public Accountants**

Dr. Abdullah Hamad Al Fozan
License No: 348

Date: 2 Sha'ban 1442H
Corresponding to: 15 March 2021

