



General Assembly meeting
Zahrat Al Waha for Trading
Saudi public joint stock company

Item No. 6

Item No. 7



KPMG Professional Services

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Commercial Registration No 1010425494

Headquarters in Riyadh

كي بي إم جي للاستشارات المهنية

واجهة الرياض، طريق المطار
صندوق بريد ٩٢٨٧٦
الرياض ١١٦٦٣
المملكة العربية السعودية
سجل تجاري رقم ١٠١٠٤٢٥٤٩٤

المركز الرئيسي في الرياض

Independent Limited Assurance Report to the shareholders of Zahra al waha for trading company on the Chairman's Declaration on the Requirements of Article 71

To the Shareholders of Zahra al waha for trading company

Saudi joint stock company

We were engaged by the management of Zahra al waha for trading company (the "Company") to report on the Chairman's declaration prepared by the Management in accordance with the requirements of Article 71 of the Regulations for Saudi Companies, which comprises the transactions carried out / will be carried out by the Company during the year ended 31 December 2021 / ending 31 December 2022 in which any of the members of Board of directors of the Company had direct or indirect personal interest as detailed below ("Subject Matter") and the accompanying attached declaration thereon as set out in Appendix 1, in the form of an independent limited assurance conclusion that based on our work performed and evidence obtained, nothing has come to our attention that causes us to believe that the Subject Matter is not properly prepared, in all material respects, based on the applicable criteria ("Applicable Criteria") below.

Subject Matter

The Subject Matter for our limited assurance engagement is related to the Chairman's declaration Submitted by the Chairman of the Board of Directors enclosed in the attached Appendix 1 (the "Declaration") prepared by the Management in accordance with the requirements of Article 71 of the Regulations for Saudi 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 2021 / ending 31 December 2022 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).



Independent Limited Assurance Report to the shareholders of Zahra al waha for trading company on the Chairman's Declaration on the Requirements of Article 71 (continued)

To the Shareholders of Zahra al waha for trading company

Saudi joint stock company

Zahra al waha for trading company's Responsibility

The management of the Company is responsible for preparing the Subject Matter information that is free from material misstatement in accordance with the Applicable Criteria and for the information contained therein. The management the Company is also responsible for preparing the Subject Matter information (i.e. Appendix 1).

This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and presentation of the Subject Matter that Information is free from material misstatement, whether due to fraud or error. It also includes selecting the Applicable Criteria and ensuring that the Company complies with the Saudi Arabian Regulations for Companies issued by Ministry of Commerce ("MOC") issued on 22 Safar 1437H (corresponding to 4 December 2015); designing, implementing and effectively operating controls to achieve the stated control objectives; selecting and applying policies; making judgments and estimates that are reasonable in the circumstances; and maintaining adequate records in relation to the Subject Matter information.

The management of the Company is also responsible for preventing and detecting fraud and for identifying and ensuring that the Company complies with laws and regulations applicable to its activities. The management of the Company is responsible for ensuring that staff involved with the preparation of the Subject Matter information are properly trained, systems are properly updated and that any changes in reporting encompass all significant business units.

Our Responsibility

Our responsibility is to examine the Subject Matter information prepared by the Company and to report thereon in the form of an independent limited assurance conclusion based on the evidence obtained. We conducted our engagement 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. That standard requires that we plan and perform our procedures to obtain a meaningful level of assurance about whether the Subject Matter Information is properly prepared, in all material respects, as the basis for our limited assurance conclusion.

The 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.

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.

The procedures selected depend on our understanding of the Subject Matter and other engagement circumstances, and our consideration of areas where material misstatements are likely to arise.

In obtaining an understanding of the Subject Matter and other engagement circumstances, we have considered the process used to prepare the Subject Matter information in order to design assurance procedures that are appropriate in the circumstances, but not for the purposes of expressing a conclusion as to the effectiveness of the Company's process or internal control over the preparation and presentation of the Subject Matter information.



Independent Limited Assurance Report to the shareholders of Zahra al waha for trading company on the Chairman's Declaration on the Requirements of Article 71 (continued)

To the Shareholders of Zahra al waha for trading company

Saudi joint stock company

Our Responsibility (Continued)

Our engagement also included: assessing the appropriateness of the Subject Matter, the suitability of the criteria used by the Company in preparing the Subject Matter information in the circumstances of the engagement, evaluating the appropriateness of the procedures used in the preparation of the Subject Matter Information and the reasonableness of estimates made by the Company.

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. We did not perform procedures to identify additional procedures that would have been performed if this were a reasonable assurance engagement.

As part of this engagement, we have not performed any procedures by way of audit, review or verification of the Subject Matter information nor of the underlying records or other sources from which the Subject Matter information was extracted.

Procedures Performed

- 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
- Obtaining confirmation from the concerned BOD member on the business and contracts performed by the member during the year; and
- Matching the total transactions amounts included in the list submitted by the BOD chairman with the total transaction's amounts included in note (28) from the company's audited annual financial statements for the fiscal year ended December 31, 2021.

Conclusion

Our conclusion has been formed on the basis of, and is subject to, the matters outlined in this report.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

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



Independent Limited Assurance Report to the shareholders of Zahra al waha for trading company on the Chairman's Declaration on the Requirements of Article 71 (continued)

To the Shareholders of Zahra al waha for trading company

Saudi joint stock company

Restriction of Use of Our report

Our report should not be regarded as suitable to be used or relied on by any party wishing to acquire rights against us other than the Company for any purpose or in any context. Any party other than the Company who obtains access to our report or a copy thereof and chooses to rely on our report (or any part thereof) will do so at its own risk. To the fullest extent permitted by law, we accept or assume no responsibility and deny any liability to any party other than the Company for our work, for this independent limited assurance report, or for the conclusions we have reached.

Our report is released to the Company on the basis that it shall not be copied, referred to or disclosed, in whole (save for the Company's own internal purposes) or in part, without our prior written consent.

KPMG Professional Services

Dr. Abdullah Hamad Al Fozan
License No: 348

Date: 11 Shaban 1443H
Corresponding to: 14 March 2022



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 2021 and that are expected during the year 2022 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 2021 (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 2021).

-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 2022 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.	During the year 2021								During the year 2022	
	Related party	The party with a direct interest	Position in the company	The type of relationship with the related party	The value of transactions until the end of the fiscal year ending on December 31, 2021	The type of transaction or contract in the current year 2021	The license period	Terms of deal or contract	The expected volume of transactions during 2022	Type of deal or contract for the next year 2022
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 61,537,295 SR Total sales including VAT 70,767,889 SR non-activity sales 2,408,407 SR and purchases are 126,218 SR and collections amounted to 65,555,890 SR and the balance of the end of the period as of December 31, 2021 is 50,199,434 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 (98,000,000) ninety-eight million SR	Selling finished products represented in preforms, plastic sheets of different sizes and weights, and bottle prints (labels), selling and buying raw materials and packaging

Chairman of Board of Directors

Ahmed Hammoud Ibrahim Altheyab


