
The Board of Directors of Almarai Company Invites the Shareholders to The Extraordinary General Assembly Meeting. (The First Meeting)

The Board of Directors of Almarai Company, a Listed Joint Stock Company, are pleased to invite the shareholders to the Extraordinary General Assembly Meeting, which will be held in Riyadh at the Holiday Inn Al Izdihar Hotel – Hall 3 on 5th April, 2020 at 7:30 p.m. (<https://goo.gl/maps/udFP9E4EHTF2>) for the following agenda:

- 1- To vote on the Auditors Report for the fiscal year ending 31st December 2019.
- 2- To vote on the consolidated Financial Statements for the fiscal year ending 31st December 2019.
- 3- To vote on the Board Report for the fiscal year ending 31st December 2019.
- 4- To vote on the recommendation of the Board of Directors to pay a dividend, for the fiscal year ending 31 December, 2019, of SAR 0.85 per share totaling SAR 850 million (This proposed cash dividend represents 8.5% of the capital share, based on 1,000 million shares), for shareholders who own shares on the date of the Extraordinary General Assembly Meeting on 5 April 2020 which will be registered at the Securities Depository Center Company at the market closing of the second working day after. The date of the cash dividend payment will be confirmed after the approval of the Extraordinary General Assembly, and it will be within 15 days from the day of the Extraordinary General Assembly Meeting on 5th April 2020.
- 5- To release Board of Directors members from liability for the fiscal year ending 31st December 2019.
- 6- To vote to pay the directors' remuneration amounting in total to SAR 1,800,000 where SAR 200,000 will be distributed to each director on a pro-rated basis for the financial year ending 31st December 2019.
- 7- To vote on a catering services contract, that was done in 2019, with a value of SAR 504 thousand at the prevailing commercial terms between Almarai Company and Al Nafoura Catering in which HH Prince Sultan bin Mohammed bin Saud Al Kabeer, Chairman of the Board of Directors, has a direct interest.
- 8- To vote on an insurance contract, that was done in 2019, with a value of SAR 136,517 thousand at the prevailing commercial terms between

Almarai Company and Arabian Shield Insurance Co., in which HH Prince Sultan bin Mohammed bin Saud Al Kabeer, Chairman of the Board of Directors, and Prince Naif bin Sultan bin Mohammed bin Saud Al Kabeer has a direct interest.

- 9- To vote on Sukuk dividend payment for the year 2019 to Arabian Shield Insurance Co. with a value of SAR 21 thousand under the prevailing terms and conditions, in which HH Prince Sultan bin Mohammed bin Saud Al Kabeer, Chairman of the Board of Directors, and Prince Naif bin Sultan bin Mohammed bin Saud Al Kabeer has a direct interest.
- 10-To vote on the Telecommunication services contracts, that was done in 2019, with a value of SAR 3,965 thousand. under the prevailing commercial terms. between Almarai Company and Mobile Telecommunication Company Saudi Arabia (Zain), in which the board member Prince Naif bin Sultan bin Mohammed bin Saud Al Kabeer has a direct interest.
- 11-To vote on the lease contract with a rent of SAR 173 thousand for 2019 under the prevailing commercial terms between Almarai Company and Mr. Abdulaziz bin Ibrahim Al Muhanna. in which the board member Abdulrahman bin Abdulaziz Al Muhanna has an indirect interest. The lease is for Almarai's Depot in Sharjah, UAE. The lease term is twenty years starting on 10 April 2001 to 9 April 2021.
- 12-To vote on a publishing services contract, that was done in 2019, with a value of SAR 184 thousand at the prevailing commercial terms for Al-Jazirah Press, Printing and Publishing, in which the board member Mr. Abdulrahman bin Abdulaziz Al Muhanna has a direct interest.
- 13-To vote on a feed purchase contract, that was done in 2019, with a value of SAR 11,118 thousand under the prevailing terms and conditions between Almarai Company and Arab Company for Agricultural Services (Arasco), in which the board member Mr. Abdulrahman bin Abdulaziz Al Muhanna has a direct interest.
- 14-To vote on the Sales contract, that was done in 2019, with a value of SAR 705,028 thousand under the prevailing terms and conditions between Almarai Company and Panda Retail Company in which Savola Group, one of Almarai's main shareholders and who is represented in the board of directors, holds significant shares. Savola board representatives at Almarai include Mr. Suliman bin Abdulkader Al Muhaideb, Eng. Anees bin Ahmed bin Mohammed Moumina and Mr. Bader bin Abdullah Al Issa.

- 15-To vote on a sugar purchase contract, that was done in 2019, with a value of SAR 63,489 thousand at the prevailing commercial terms and conditions, between Almarai Company and United Sugar Co., in which Savola Group, one of Almarai's main shareholders and who is represented in the board of directors, holds significant shares. Savola board representatives at Almarai include Mr. Suliman bin Abdulkader Al Muhaideb, Eng. Anees bin Ahmed bin Mohammed Moumina and Mr. Bader bin Abdullah Al Issa.
- 16-To vote on the Sales contract, that was done in 2019, with a value of SAR 5,991 thousand under the prevailing terms and conditions between Almarai Company and Herfy Food Services in which Eng. Anees bin Ahmed bin Mohammed Moumina has a direct interest.
- 17-To vote on a financial services contract, that was done in 2019, with a value of SAR 9,962 thousand under the prevailing terms and conditions between Almarai Company and National Commercial Bank, in which Engr. Anees bin Ahmed bin Mohammed Moumina has a direct interest.
- 18-To vote on the Sukuk dividend payments totaled SAR 16,150 thousand, for 2019, to National Commercial Bank, in which the board member Eng. Anees bin Ahmed bin Mohammed Moumina has a direct interest. National Commercial Bank holds under the prevailing terms and conditions Sukuk as follows: National Commercial Bank holds SAR 200,000,000, of Sukuk issued for the period (2015 to 2022), an amount of SAR 190,000,000, for the period (2013 to 2020).
- 19-To vote on a banking services contract, that was done in 2019, with a value of SAR 52,214 thousand at the prevailing commercial terms and conditions, between Almarai Company and Saudi British Bank (SABB) in which the board member Mr. Suliman bin Abdulkader Al Muhaideb and Mr. Saad bin Abdulmohsen AlFadly has a direct interest.
- 20-To vote on the Sukuk dividend payments totaled SAR 18,213 thousand, for 2019, to Saudi British Bank (SABB), in which the board member Mr. Suliman bin Abdulkader Al Muhaideb and Mr. Saad bin Abdulmohsen AlFadly has a direct interest. SABB holds under the prevailing terms and conditions Sukuk as follows: SABB holds SAR 270,000,000, of a Sukuk issued for the period (2015 to 2022), an amount of SAR 167,000,000, for the period (2013 to 2020).

- 21-To vote on a banking financing contract, that was done in 2019, with a value of SAR 3,660 thousand at the prevailing commercial terms and conditions, between Almarai Company and Banque Saudi Fransi, in which the board members Eng. Mosa bin Omran Al Omran and Mr. Bader bin Abdullah Al Issa.
- 22-To vote on the Sukuk dividends payment totaled SAR 5,908 thousand, for 2019, to Banque Saudi Fransi, in which the board members Eng. Mosa bin Omran Al Omran and Mr. Bader bin Abdullah Al Issa. have a direct interest. Banque Saudi Fransi holds under the prevailing terms and conditions the following Almarai Sukuks: SAR 100,000,000 for the period (2015 to 2022), an amount of SAR 50,000,000 for the period (2013 to 2020).
- 23-To vote on a banking services contract, that was done in 2019, with a value of SAR 10,960 thousand under the prevailing commercial terms and conditions, between Almarai Company and Samba Financial Group (SAMBA) in which the board member Mr. Ammar Alkhodairi has a direct interest.
- 24-To vote on The Board of Directors' resolution to appoint Mr. Saad bin Abdulmohsen AlFadly as a member of the Audit Committee(Independent) replacing the outgoing Audit Committee (non-executive member) Mr. Sultan Al Alsheikh, Mr. Saad bin Abdulmohsen AlFadly will continue the duration of his predecessor in the current session of the Audit Committee, which began on 07 August 2019 and ends on 06 August 2022.
- 25-To vote on the participation of Board Member Mr. Abdulrahman bin Abdulaziz Al-Muhanna in a competing activity as he is a Board Member of the Arab Company for Agricultural Services (Arasco) which engages in similar activities to those of Almarai within the poultry segment.
- 26-To vote on the participation of Board Member Eng. Anees bin Ahmed bin Mohammed Moumina in a competing activity as he is a board member of Herfy Food Services Co. which engages in a similar activity of the Company within the bakery segment.
- 27-To vote on the participation of Board Member Eng. Anees bin Ahmed bin Mohammed Moumina in a competing activity as he is a board member of Al Kabeer Group. which engages in a similar activity of the Company within the poultry segment.

28-To vote on the purchase of up to 10 million shares and to allocate them within the Employee Share Participation Program (ESOP). This is to be financed by the Company's own resources, and to authorize the Board of Directors to complete the purchase in one or several tranches over a maximum period of twelve months from the date of the Extraordinary General Assembly resolution, as well as to authorize the Board of Directors to determine the conditions of this program, including the allocation price for each share offered to the designated employees.

29-To vote on "Competing Business Standards", whereby the Board of Directors assesses the board member's competition with the Company's business or if he/she is in competition with one of the branch activities that it conducts. Pursuant to Article 46(3) of Corporate Governance Regulations.

Each shareholder who is registered in the Company's shareholders Book with Edaa at the end of the trading session prior to the Assembly meeting shall be entitled to attend the Assembly and according to the rules and regulations. The right to register for the attendance of the Assembly shall end at the time of the starting the Assembly and the right to vote on the meeting agenda shall end at the start of the counting of votes. The Extraordinary General Meeting of the General Assembly shall be held in the presence of shareholders representing half of the company's capital, and the shareholders of the Company are kindly requested to be present before the time of the Assembly to complete the registration procedures, taking in consideration that there will be designated place for women.

Each shareholder has the right to attend the General Assembly Meeting, whether in person or by proxy, subject to presentation of corroborating evidence (Commercial Registration if the shareholder is a company) or a written power of an attorney endorsed by the Chamber of Commerce, a licensed bank or an Authorized Person in the Kingdom, provided that the authorizing shareholder holds an account with the attesting bank or Authorized Person, Notary public or Persons licensed for attesting. The Authorization could be to another shareholder, other than a member of the Board of Directors or employee of the Company, to attend on their behalf. The shareholder or its proxy must deliver the original copy of the proxy letter to the Company at least two days prior to the assembly meeting and send it to P.O.Box 8524 Riyadh 11492, and the proxy shall present the original proxy letter prior to the assembly meeting.

The shareholders who are registered in the Tadawulaty electronic trading services can remotely vote on the items of the Extraordinary General Assembly Meeting, through (electronic voting) service at (<https://www.tadawulaty.com.sa>) free of charge (voting and registration) noting that the remote voting will start at 10:00 AM on 1st April 2020, and continue until 04:00 PM on the day of the Meeting, on 5th April 2020.

For any inquire please contact Investor Relations at:

P: +966 11 4700005 (7987,7625)

F: +966 11 4701555

E: investor.relations@almarai.com

P.O.Box 8524 Riyadh 11492

توكيل

تاريخ تحرير التوكيل 14--/-- هـ

الموافق 20--/-- م

المكرمين شركة المراعي

السلام عليكم ورحمة الله وبركاته،،

أنا المساهم / (الجنسية) ،
اسم الموكل الرباعي.....

بموجب هوية شخصية رقم/ أو رقم الإقامة / أو جواز السفر لغير السعوديين) صادرة من
..... بصفتي الشخصية (أو مفوض بالتوقيع عن/ مدير/ رئيس مجلس إدارة شركة)
..... (اسم)

الشركة الموكلة (ومالكه) لأسهم عددها (.....) سهما من أسهم شركة المراعي
(مساهمة مدرجة) المسجلة في السجل التجاري في 14 ذو الحجة 1411 هـ برقم 1010084223 ، واستنادا لنص
المادة (28) من النظام الأساس للشركة، فإنني بهذا أوكل (اسم)
الوكيل الرباعي) لينوب عني في حضور اجتماع الجمعية العامة غير العادية الذي سيعقد فندق الهوليدى إن الإزدهار،
قاعة 1 بمدينة الرياض، بمدينة الرياض، المملكة العربية السعودية في تمام الساعة الساعة السابعة و النصف مساء
يوم الأحد 12 شعبان 1441 هـ الموافق 5 أبريل 2020م، وقد وكلته بالتصويت نيابة عني على الموضوعات المدرجة على
جدول الأعمال وغيرها من الموضوعات التي قد تطرحها الجمعية العامة غير العادية للتصويت عليها، والتوقيع نيابة عني
على كافة القرارات والمستندات المتعلقة بهذه الاجتماعات، ويعتبر هذا التوكيل ساري المفعول لهذا الاجتماع أو أي
اجتماع لاحق يؤجل إليه.

اسم موقع التوكيل: _____

صفة موقع التوكيل: _____

رقم السجل المدني لموقع التوكيل

(أو رقم الإقامة أو جواز السفر لغير السعوديين): _____

توقيع الموكل (بالإضافة للختم الرسمي إذا كان مالك الأسهم شخصاً معنوياً): _____

تقرير لجنة المراجعة

2020/02/20م

سلمهم الله

المساهمين الأكارم

شركة المراعي - شركة مساهمة مدرجة

ص ب 8524 الرياض 11492، المملكة العربية السعودية

يندرج ضمن مسؤولية الإدارة التنفيذية للشركة التأكد من وجود نظام رقابة داخلية ملائم وفعال، يتضمن سياسات وإجراءات وعمليات أعدت لتحقيق الأهداف الاستراتيجية للشركة، وعليه فقد وضع نظام للرقابة الداخلية يبدأ بالاطار العام للحوكمة في الشركة والذي يحدد الأدوار والمسؤوليات الموكلة لمجلس الإدارة ولجان الشركة، وأيضاً لجان الإدارة الأخرى، بما يكفل توفر الرقابة المناسبة على مستوى الشركة.

تبذل جميع قطاعات الشركة وإداراتها جهوداً متكاملة لتحسين بيئة الرقابة من خلال المراجعة المستمرة للسياسات والإجراءات، وللحد من أي تجاوزات ولمنع وتصحيح أي قصور في نظام الرقابة الداخلية.

تُعتبر المراجعة الداخلية وظيفة مُستقلة عن الإدارة التنفيذية، وتكون إدارة المراجعة الداخلية مسؤولة عن أعمالها أمام لجنة المراجعة، ويدخل ضمن نطاق أعمال إدارة المراجعة الداخلية تقييم كفاية وفعالية نظام الرقابة الداخلية، بما في ذلك الالتزام بالسياسات والإجراءات. كما يتم رفع تقارير المراجعة التي تتضمن نقاط الضعف في نظام الرقابة الداخلية وكذلك الإجراءات التصحيحية إلى كل من الإدارة التنفيذية العليا ولجنة المراجعة، وتقوم لجنة المراجعة بوضع خطة لأعمالها تأخذ في الاعتبار المخاطر الرئيسية التي تواجه الشركة.

وتقوم لجنة المراجعة بالإضافة إلى مراجعة أعمال إدارة المراجعة الداخلية، باستلام تقارير دورية عن آخر المستجدات من الإدارة التنفيذية العليا حول الموضوعات والمبادرات الرئيسية، كما تقوم لجنة المراجعة بمقابلة مراجع حسابات الشركة لمناقشة أي مسائل تنشأ من أعمالهم تتعلق بالحسابات أو الرقابة الداخلية، وتقوم لجنة المراجعة برفع تقارير دورية لمجلس الإدارة، وتقريراً سنوياً للجمعية العامة للمساهمين.

وترى لجنة المراجعة بأن نظام الرقابة الداخلية صُمم بشكل فاعل ونفذ بشكل جيد، ولا توجد به ثغرات رقابية، كما لا يوجد ضعف جوهري في أعمال الشركة للعام المالي المنتهي في 2019/12/31م، وهذا يوفر قناعة مقبولة للجنة المراجعة عن كفاية ومدى فاعلية نظام الرقابة الداخلية، علماً بأن أي نظام رقابة داخلية بغض النظر عن مدى سلامة تصميمه وفاعلية تطبيقه لا يمكن أن يوفر تأكيداً مطلقاً.

والله ولي التوفيق،،

رئيس لجنة المراجعة

راند بن علي الصيف

"Audit Committee Report"

Gentlemen \ Shareholders

Almarai Company – A listed joint stock company

Riyadh, Kingdom of Saudi Arabia

It is the responsibility of the Company's executive management to ensure that there is an appropriate and effective internal control system, which includes policies, procedures and processes prepared to achieve the company's strategic objectives. Accordingly, an internal control system has been established that begins with the corporate governance framework, which defines the roles and responsibilities of the Board of Directors and its committees, as well as other management committees, to ensure proper control at the company level.

All sectors and departments of the company make integrated efforts to improve the control environment through continuous review of policies and procedures and to prevent and correct any deficiencies in the internal control system.

Internal audit is a function that is independent of executive management, reporting to the Audit Committee. It includes within its scope the assessment of the adequacy and effectiveness of the internal control system including compliance with policies and procedures. Audit reports highlight any weaknesses and recommend corrective actions to senior management and the audit committee. Internal audit plans its work taking into account the main risks the company faces.

As well as reviewing the work of the Internal Audit function, the Audit Committee receives periodic updates from senior management on key issues and initiatives. The Audit Committee also meets the external auditors to discuss any accounting or internal control issues arising from their work.

The Audit Committee periodically reports periodically to the Board of Directors and annually to the General Assembly of shareholders.

It can be said that the internal control system has been effectively designed and implemented well, and that there are no control gaps or substantial weaknesses in the company's business for 2019. This provides acceptable satisfaction to the Audit Committee on the effectiveness of the extent and sufficiency of the internal control system, knowing that any internal control system, regardless of how well designed and effective it is, cannot provide absolute assurance.

Allah grants success.

Chairman of the Audit Committee
Raed bin Ali Al Saif

Date:

