Almarai Company Invites Its Shareholders to The Extraordinary General Assembly Meeting (The First Meeting) by Means of Modern Technology

The Board of Directors of Almarai Company, a Listed Joint Stock Company, are pleased to invite the shareholders to the Extraordinary General Assembly Meeting (EGM), scheduled to be held at 10:00 p.m. on Tuesday 13 April 2021 (1 Ramadan 1442H) virtually through Tadawulaty Platform (https://www.tadawulaty.com.sa) which allows shareholders to participated in the deliberation and vote the agenda items. This is in support of the preventive and precautionary efforts and measures exerted by the competent and relevant health authorities to address the emerging Corona Virus (COVID-19), and as an extension of the continuous efforts exerted by all government agencies in the Kingdom of Saudi Arabia to take the necessary preventive measures to prevent its spread.

Extraordinary General Assembly Meeting (EGM) agenda:

1- To vote on the Auditors Report for the fiscal year ending 31st December 2020.

2- To vote on the Financial Statements for the fiscal year ending 31st December 2020.

3- To vote on the Board Report for the fiscal year ending 31st December 2020.

4- To vote on the recommendation of the Board of Directors to pay a dividend, for the fiscal year ending 31st December, 2020, of SAR 1.00 per share totalling SAR 1,000 million (This proposed cash dividend represents 10.0% 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 13 April 2021 which will be registered at the Securities Depository Centre 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 the dividend distribution date will be announced later.

5- To release Board of Directors members from liability for the fiscal year ending 31st December 2020.

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 2020.

7- To vote on the appointment of the External Auditor of the Company based on the recommendation of the Audit Committee to audit the Financial Statements of the fiscal years 2021 and 2022 and to review the first quarter Interim Financial Statements of the fiscal year 2023 and determined their fees.

8- To vote on a catering services contract, that was done in 2020, with a value of SAR 38 thousand at the prevailing commercial terms between Almarai Company and Al Nafoura Catering in which the Former Chairman of the Board of Directors HH Prince Sultan bin Mohammed bin Saud Al Kabeer has a direct interest.

9- To vote on an insurance contract, that was done in 2020, with a value of SAR 153,791 thousand at the prevailing commercial terms between Almarai Company and Arabian Shield Insurance Co. in which the Chairman of the Board of Directors HH 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 2020, with a value of SAR 4,901 thousand. under the prevailing commercial terms. Between Almarai Company and Mobile Telecommunication Company Saudi Arabia (Zain), in which the Chairman of the Board of Directors Prince Naif bin Sultan bin Mohammed bin Saud Al Kabeer has a direct interest.

11- To vote on the Sales contract, that was done in 2020, with a value of SAR 730,416 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.

12- To vote on a sugar purchase contract, that was done in 2020, with a value of SAR 38,373 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.

13- To vote on an oil purchase contract, that was done in 2020, with a value of SAR 7,947 thousand at the prevailing commercial terms and conditions, between Almarai Company and Afia International 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.

14- To vote on the Sales contract, that was done in 2020, with a value of SAR 3,799 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.

15- To vote on a financial services contract, that was done in 2020, with a value of SAR 4,291 thousand under the prevailing terms and conditions between Almarai Company and National Commercial Bank, in which Eng. Anees bin Ahmed bin Mohammed Moumina has a direct interest.

16- To vote on the Sukuk dividend payments totaled SAR 7,286 thousand, for 2020, 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 190,000,000, for the period (2013 to 2020).an amount of SAR 200,000,000, of Sukuk issued for the period (2015 to 2022).

17- To vote on a banking services contract, that was done in 2020, with a value of SAR 34,482 thousand at the prevailing commercial terms and conditions, between Almarai Company and Saudi British Bank (SABB) in which the board member Mr. Saad bin Abdulmohsen AlFadly has a direct interest.

18- To vote on the Sukuk dividend payments totaled SAR 8,969 thousand, for 2020, to Saudi British Bank (SABB), in which the board member Mr. Saad bin Abdulmohsen AlFadly has a direct interest. SABB holds under the prevailing terms and conditions Sukuk as follows: SABB holds SAR 167,000,000, for the period (2013 to 2020). an amount of SAR 270,000,000, of a Sukuk issued for the period (2015 to 2022).

19- To vote on a banking financing contract, that was done in 2020, with a value of SAR 3,456 thousand at the prevailing commercial terms and conditions, between Almarai Company and Banque Saudi Fransi, in which the board member Mr. Bader bin Abdullah Al Issa has a direct interest.

20- To vote on the Sukuk dividends payment totalled SAR 3,207 thousand, for 2020, to Banque Saudi Fransi, in which the board member 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 50,000,000 for the period (2013 to 2020) an amount of SAR 100,000,000 for the period (2015 to 2022).

21- To vote on a Telecommunication services contract, that was done in 2020, with a value of SAR 17,075 thousand at the prevailing commercial terms and conditions, between Almarai Company and Saudi Telecom Company (STC), in which the board member Mr. Sultan Al Alsheikh has a direct interest.

22- To vote on a banking services contract, that was done in 2020, with a value of SAR 19,707 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.

23- To vote on The Board of Directors' resolution to appoint Mr. Waleed bin Khalid Fatani (Non-Executive Member) as a board member replacing the outgoing board member Eng. Anees bin Ahmed bin Mohammed Moumina (Non-Executive Member), Mr. Waleed bin Khalid Fatani will continue the duration of his predecessor in the current session of the board, which began on 07 August 2019 and ends on 06 August 2022.

24- To vote on the participation of Board Member Mr. Suliman bin Abdulkader Al Muhaideb, in a competing activity within the poultry segment.

25- To vote on the participation of Board Member Mr. Bader bin Abdullah Al Issa, in a competing activity within the poultry segment.

26- To vote on the participation of Board Member Mr. Waleed bin Khalid Fatani, in a competing activity within the poultry segment.

27- 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, and to be kept no longer than Ten years from the date of approval.

28- To vote on delegating the authorization powers of the General Assembly stipulated in Paragraph (1) of Article (71) of the Companies Law to the Board of Directors, for one year from the date of approval by the General Assembly to delegate its powers, to the Board of Directors, or until the end of the session of the delegated Board of Directors, whichever is earlier, in accordance to Article 56 of the Regulatory Rules and Procedures issued pursuant to the Companies Law relating to Listed Joint Stock Companies.

29- To vote on the deletion of Article 27 of the Articles of Association of Almarai Company, related to the Executive Committee.

Please note that the voting on the agenda items of the EGM will be solely electronically through Tadawulaty, which will start on Sunday, 11 April 2021, 10:00 am. And will stop on Thursday, 13th April 2021 before the process of counting the votes during the EGM at 11:00pm Only shareholders registered in the Tadawulaty (https://www.tadawulaty.com.sa) can electronically vote on the agenda items of the Extraordinary General Assembly Meeting of Almarai Company. Registration in the Tadawulaty is free.

As per the rules and 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.

Eligibility for the attendance registration of the EGM ends upon convening the EGM. Eligibility for voting on the EGM agenda items for the shareholders who attended ends upon the Counting Committee concluding the voting count.

The Extraordinary General Meeting of the General Assembly shall be held in the presence of shareholders representing half of the company's capital.

For any inquire please contact Investor Relations at:

P: +966 11 4700005 (7625)

F: +966 11 4701555

E: investor.relations@almarai.com

P.O.Box 8524 Riyadh 11492

Audit Committee Report

8 March 2021

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.

Based on works concluded by Audit Committee during the financial year ended on 31/12/2020 and what was delivered by the Executive Management and Internal Audit Department, and after reviewing reports and notices of the External Auditor there are no control gaps or substantial weaknesses in the company's business for 2020. 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.

Chairman of the Audit Committee

Raed bin Ali Al Saif