



Annual Report 2023

Shatirah House Restaurant
Co. "BURGERIZZR"



برغرایزر



Crown Prince

Prince Mohammed bin Salman Al Saud



Custodian of the Two Holy Mosques

King Salman bin Abdulaziz Al Saud

Board Directors



Mr. James Christopher Hartenstein
Director



Mr. Mohammed Ali Al-Ruwaigh
Chairman of the Board



Mr. Mohammed Hassan Al-Shuhail
Director



Mr. Samy Mohammed Al-Obaid
Vice-chairman

BOARD OF DIRECTORS REPORT

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Greetings,,

I would like to congratulate you on the significant improvement the Company has achieved during the past year. Despite of the fact that there was no increase in the total number of branches and that some branches were closed, the Company managed to realize remarkable growth in sales and profit, reflecting the great efforts exerted by the management and the team.

Nonetheless, we aspire to achieve greater success, the 12.3% sales growth and more than 350% profit growth is an achievement that reflects the successful strategy adopted by the Company.

Focusing on single-branch sales growth was a good decision. It helped drive profitability and overall growth. Also, the savings plans implemented in all departments of the Company have contributed to reducing costs and increasing profitability.

We are committed to staying focused on single-branch sales by providing a better customer experience and development of new products. We further intend to re-expand to new cities while optimizing existing branches to ensure a distinctive experience for our customers.

We will activate the diversification strategy during 2024, as we aim to enter into new sectors to be a strategic enabler for BURGERIZZR and another source of income for the Company. Therefore, we carefully consider the acquisition strategy and realize that such strategy must be implemented with caution to ensure the addition of qualitative and quantitative value to the Company. We will seek all endeavors and focus to make it a success.

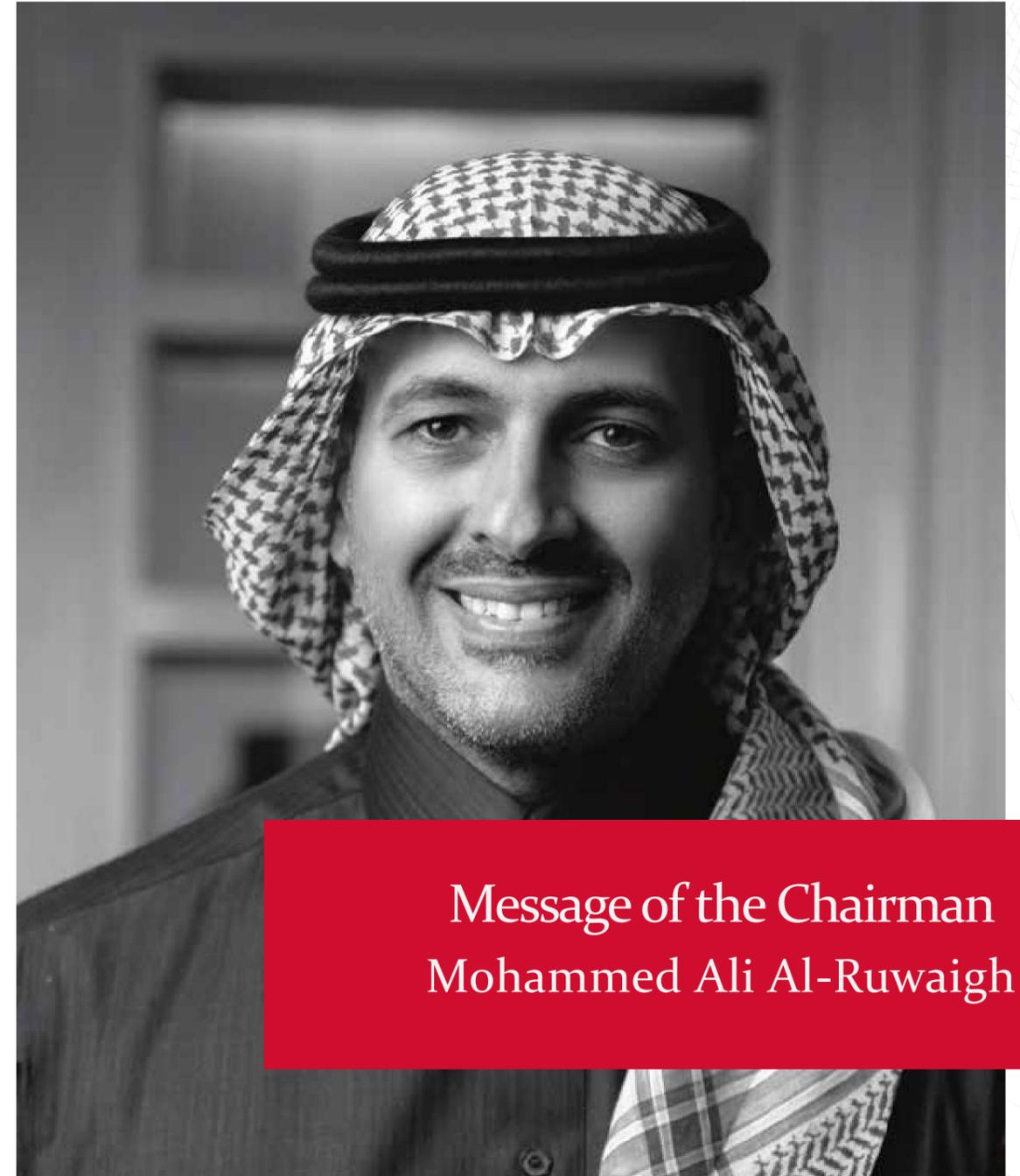
We have initiated the procedures for transition to the main market. We deeply appreciate the cooperation offered by the Saudi Exchange to us to achieve this goal. During such procedure, we succeeded in raising the level of corporate governance enhancing the sustainability of the Company. We hope to be more active in the area of community participation in 2024.

Looking forward to a bright future and continuous success of our Company thanks to the efforts of our distinguished management and team. Thank you for your trust, and gratitude is extended to the talents of the Company, management and team for their commitment and constant pursuit of success.

Best regards,,

WORDS OF

CHAIRMAN



Message of the Chairman
Mohammed Ali Al-Ruwaigh

In 2023, we focused on our mission (high quality experience at a competitive price), a high-quality product and a positive and enjoyable customer experience. Great attention is further paid to the performance of branches and raising their efficiency and productivity. New, enjoyable and high-quality products have been invented resulting in single-branch sales growth. The Company has also continued to improve the customer experience by renovating the dining hall and certain equipment in the current branches in line with the new generation of branches, which contribute to raising the efficiency of the branches and the speed of preparation. The cloud brand that was launched the previous year also contributed to gaining experience and realizing how to position in the market of cloud and non-cloud brands and delivery applications and their impact on the performance of the main brand BURGERIZZR.

In 2023, there was a positive performance in sales and in the profit margin by refocusing on our mission, innovation, raising the efficiency of branches, manpower efficiency and savings plans that have been implemented in all departments of the Company.

The sales soared from 250 million to 281 million and profits increased from 2.6 million to 12.2 million. As for sales channels, BURGERIZZR application continued to attract a positive percentage of sales higher than last year. The Company intends to continue to focus on it and on customer loyalty program. The Company further aims to improve the experience through the technology of kiosk screens inside the dining halls.

Despite the opening of only two branches and closure of five branches, the increase in single-branch sales resulted in an increase in the overall sales. It is noteworthy that one of the two branches was opened in Abha, which is a new area. In 2024, we seek to open new branches in new areas. We affirm our commitment to developing the performance of branches, focusing on quality and customer experience, and our continuous investment in understanding customer behavior to better meet tastes and needs, keeping pace with development and change in the market, and seizing the fruitful opportunities that may result. The Company will also exert all efforts to improve operational efficiency in order to reduce the impact of increases in operating costs.

WORDS OF CEO



Message of CEO
Mohammed Abdulrahman Al kaoud

Our Principles



Our burger...

Be always part of world-class experience, since we use the finest types of chilled meat, grill it with passion, and prepare it daily upon request.



Our talents...

Our staff is called talents, not only employees, since our working environment motivate us to demonstrate our talents.



Our guests...

We understand our guests well and share all details with them to ensure they have an experience of quality as promised.



Our community...

It is never enough to be good members of the society. Yet, we should take the initiative to make our community a better place.



Our branches...

The place you enjoy remembering and belonging to



About Us

Shatirah House Restaurant Co. "BURGERIZZR" is a listed joint-stock company, with commercial registration number (1010268241) dated (28/05/1430 A.H.) corresponding to (23/05/2009 A.D.), expiring on (24/05/1446 A.H.) corresponding to (26/11/2024 A.D.), and having its registered office at Riyadh, (4005), Al Uyaynah Rd., Dhahrat Laban, Riyadh: 12562 – 7277.



Vision of the Company

The Company strives to be a major player in the fastfood market in the region, and to create value-added brands.

Strengths

- **Strong Trademark:** BURGERIZZR trademark (owned by the Company), is today a symbol of high-quality burgers and the Company continues to invest in it, and regularly monitors the strength of its presence in the customers' minds enabling BURGERIZZR to build a large customer base with high loyalty.
- **Distinctive Product:** After years of attention, research and development, BURGERIZZR has been able to have proper understanding of its product as well as a deep understanding of its customers. In the time being, BURGERIZZR managed to develop its products faster and better than others, as the Development and Improvement Department follows up this matter on a regular basis along with the remaining other departments.
- **Concentrated Operations:** The simplicity and concentration of operations constitute the most important and distinctive factor ensuring higher effectiveness in service and cost and significant control over the quality of outputs of all operations in branches and production centers.
- **Teamwork:** The Company has been able to build and develop a team with a high team spirit and professionalism at work. The Company always seeks to retain such team through continuous training and motivation.
- **Competitive Price:** The Company is committed to a price range that attracts the consumer if compared to the quality provided and competitors in the market, which is difficult to achieve except with a distinctive business model that BURGERIZZR has been able to build over the past years. This model makes prices a strength of the Company.



Competitive Edge

BURGERIZZR focuses on providing high-quality products using fresh ingredients to be able to create distinguished mental image in the customers' minds of high-quality burger. BURGERIZZR further pays attention to accessibility to its meals at an affordable prices creating great competitive advantage over its competitors focusing only on the price or quality.

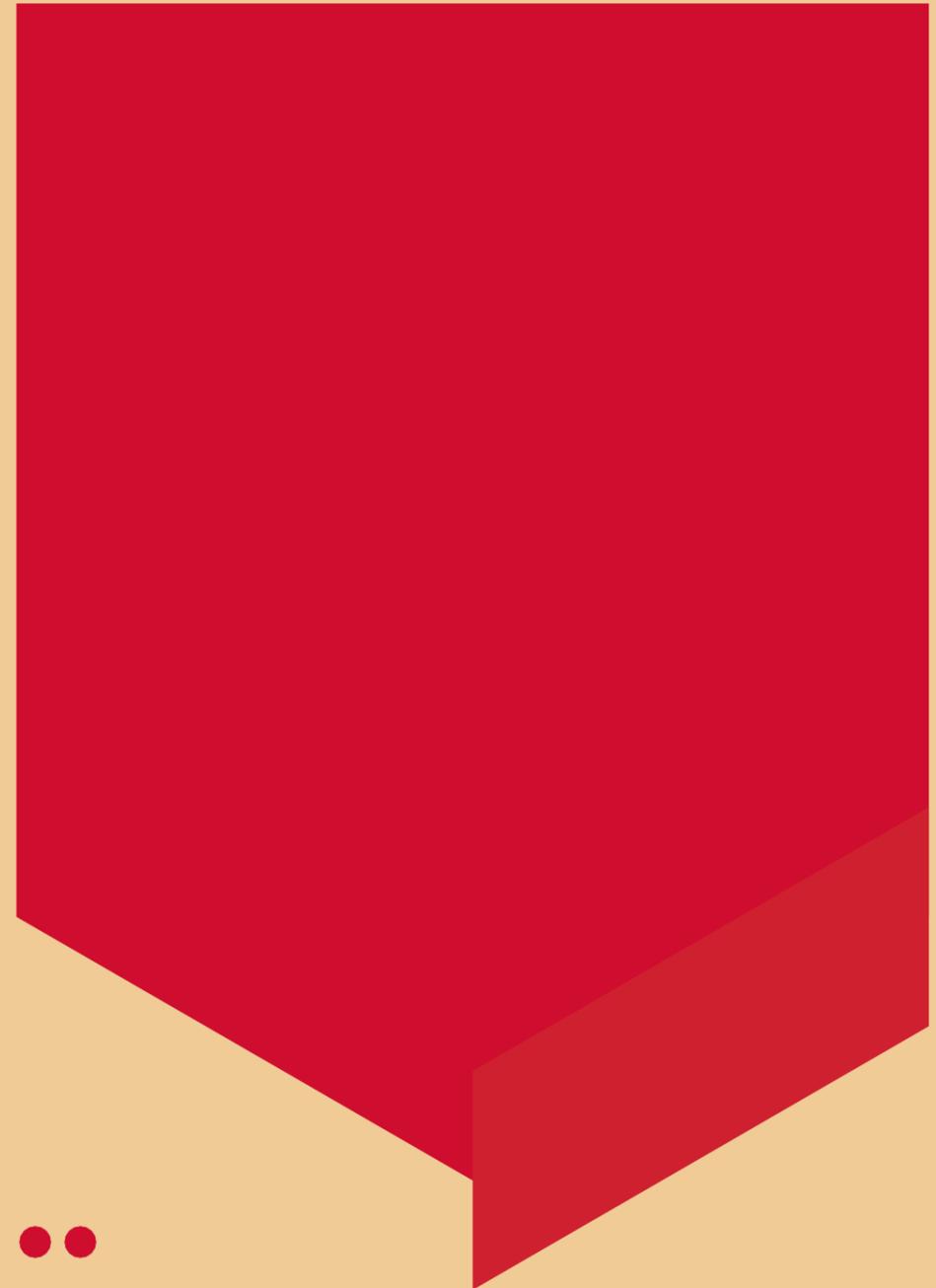
GOVERNANCE REGULATION

1. The applicable and unapplicable provisions of the Corporate Governance Regulation and the reasons therefor

The Company shall apply all provisions contained in the Corporate Governance Regulations issued by the Capital Market Authority saving from the following provisions:

Article/ Subclause No.	Description	Reasons for Non-application
37	Training	Guiding material
67	Formation of Risk Committee	Guiding material
68	Terms of Reference of Risk Committee	Guiding material
69	Meetings of Risk Committee	Guiding material
82	Motivating employees	Guiding material
84	Social responsibility	Guiding material
92	Formation of corporate governance committee	Guiding material

1. The applicable and unapplicable provisions of the Corporate Governance Regulation and the reasons therefor





Mr. Mohammed Ali Al-Ruwaigh



Current Position

- Chairman of the Board of Directors;
- Working as Chairman of the Board of Directors of YESWA Logistics as of July, 2015 to the present date.



Previous Position

- Export Executive Director of Al Safi Danone (L.L.C.) engaging in agriculture, dairy products and distribution of food supplies as of July, 2007 through October 2011.



Qualifications

- Bachelor of Business Administration and Marketing – King Saud University in 1998
- Master’s of Business Administration and Marketing – King Saud University in 1998



Experience

- 26 years in food sector

2. Names, Current and Previous Positions, Qualifications and Experience of the Board Directors, Members of Committees and Executive Management

I: Board Directors





Mr. Muhammed Hassan Al-Shuhail

 Current Position

- Board Director;
- Deputy Chief Executive Officer of the Food Services Sector of Almarai Co. (Saudi listed joint-stock company) engaging in agriculture and production and distribution of food products, as of January 2020 to the present date.

 Previous Position

- CEO of the International Pediatric Nutrition Company (limited liability company) engaging in production and distribution of pediatric nutrition, as of March 2019 through December 2019
- CEO of Al Safi Foods (limited liability company, engaging in agriculture and production and distribution of dairy products, as of November 2016 through February 2019

 Qualifications

- Bachelor of Science in Marketing, King Fahd University of Petroleum and Minerals, 2003, Dhahran, Kingdom of Saudi Arabia
- Executive MBA, London Business School, 2019, United Kingdom

 Experience

- 21 years in industry, agriculture, investment, retail and management of companies.



Mr. Samy Muhammed Al-Obaid

 Current Position

- Vice Chairman of the Board of Directors;
- CEO of Saleel Investments and Real Estate Development (One-Person Limited Liability Company) as of 2018 to the present date.

 Previous Position

- Director of Government Sales of Seera Holding (listed joint-stock company) engaging in travel and tourism, as of February 2010 through 2018.

 Qualifications

- Bachelor of Business Administration, Imam Muhammad bin Saud Islamic University, Riyadh, Kingdom of Saudi Arabia, June 2017
- Higher Diploma in Office Administration, College of Technology, Riyadh, Kingdom of Saudi Arabia, January 2002

 Experience

- 21 years in marketing, sales and investment.

Members of Committees



Mr. James Christopher Hartenstein



Current Position

- Board Director



Previous Position

- General Manager of Hartenstein Global Consulting (LLC), engaging in franchise and strategy consultancy, as of January 2017 to the present date;
- Senior Vice President at Little Caesars, Inc. (a closed joint stock company) engaging in food industry (in Mexico, Colombia, Puerto Rico and the Dominican Republic), as of March 2010 through December 2016; and
- Senior Vice President at Winds (Public Joint Stock Company) as of April 2005 through December.



Qualifications

- Bachelor of Arts in Economics, Denison University Gravel, Ohio, USA, 1974
- MBA, with honors, Thunderbird School of Global Management, Phoenix, Arizona, USA, August 1975



Experience

- 26 years in fast food restaurants, and over 40 years of experience in international business.

Mr. Abdulrahman Alzakir

Current Positions

- Deputy CEO of Business and Markets at SRC and oversees Treasury, Debt Instruments, Fixed Income and Business Development as of June 2021 to the present date.

Academic Qualifications

- Bachelor of Science in Industrial Engineering, King Fahd University of Petroleum and Minerals, in 2005
- Master of Science in Finance, King Saud University, 2016

Previous Positions

- Head of Business Development at the Saudi Real Estate Refinance Company (SRC), a company wholly owned by the Saudi Public Investment Fund and licensed by the Saudi Central Bank, engaging in real estate refinancing by creating a secondary market that contributes to providing liquidity, capital solutions and risk management to real estate financiers to enable those wishing to buy homes, as of April 2019 to the present date;
- Consultant and general supervisor of real estate finance in the Ministry of Housing, as of May 2015 through April 2019; and
- Senior banker at Al-Rajhi Bank (a listed joint-stock company), engaging in the financial and banking field, as of April 2008 through 2015.

Experience

- 19 years of hands-on experience in financial, finance and banking.

Memberships

- Member of Investment and Securities Committee at Riyadh Chamber, as of January 2023.

Mr. Mohammed Hassan Al-Shuhail

Previously mentioned

II: Members of Audit Committee

Mr. Zeyad Abdulatif Albarak

Current Positions

- Chairman of the Audit Committee of Shatirah House Restaurant Co. "BURGERIZZR"
- Business Consultant and Institutional Transformation Advisor and holding a number of executive and non-executive positions in several companies, as well.

Academic Qualifications

- Bachelor of Economics and Financial Management, King Fahd University of Petroleum and Minerals, Dhahran, Saudi Arabia, 2000

Awarded a Credit Risk Management Program Certificate for Executives Qualification by JPMorgan Bank, New York, the United States of America, 2022

High-Performance Leadership Program (HPL), the Institute of Management Development (IMD), Lausanne Switzerland, 2018

Diploma of IoD Board Member Accreditation Program, London, UK, 2022

Previous Positions

- CEO of Jubail Energy Services Company (JESCO, Closed Joint Stock Company), engaging in the field of oil and gas pipeline manufacturing, as of 2015 through 2018
- Chief Financial Officer of CHEMANOL, a listed joint stock company, engaging in the manufacture of methanol and derivatives, as of 2014 through 2015
- CFO of Jubail Energy Services Company (JESCO, Closed Joint Stock Company), engaging in the field of oil and gas pipeline manufacturing, as of 2008 through 2014

Experience

- 24 years of practical experience in credit, finance, management and industry.

Memberships

- Member of Board of Directors of Emirates NBD Capital KSA, as of 2021 to the present date;

Chairman of the Audit Committee - Emirates NBD Capital KSA, as of 2021 to the present date; and

Member of the Nomination and Remuneration Committee at Emirates NBD Capital KSA as of 2021 to the present date. .

IV: Executive Committee

Mr. Mohammed Ali Al-Ruwaigh – Chairman of Committee

Previously mentioned

Mr. Mohammed Abdulrahman Alqaod – Member of Committee

Current Positions

- CEO of the Company and Secretary of the Board.

Academic Qualifications

- Bachelor of Administrative Sciences, Major: Accounting, King Saud University, 1997.
- MBA, University of Birmingham, UK, 2002

Previous Positions and Experience

- Senior Executive, Finance at the Saudi Ceramics Company, (a closed joint-stock company), engaging in the production, import and sale of ceramic products and water heaters, as of 2014 through 2017;
- Chief Financial Officer of the Electronics Sector at Al-Faisaliah Holding Group, (a closed joint-stock company), engaging in food and beverage sector and trade of electronic device, as of 2012 through 2014;
- Chief Financial Officer of Alfa (LLC), engaging in restaurant operation, as of 2008 through 2012;
- Account Manager at Al-Faisaliah Holding Group (a closed joint-stock company), engaging in food and beverage sector and trade of electronic device, as of 2005 through 2008;
- Accounting Manager at the Saudi Chemical Company (a closed joint-stock company), engaging in the industrial field, as of 2003 through 2005;
- Accountant at the Saudi Chemical Company (a closed joint-stock company), engaging in the industrial field, as of 1997 through 2001; and
- Member of board of directors at other (existing and previous) companies.

Memberships

- Al-Madina for Industrial Investment Co. (closed joint-stock), as of 2011 through 2020;
- Arab Spining & Weaving Co. (LLC), as of 2014 – 2020; and Saudi Vitrified Clay Pipe Co. (closed joint-stock, as of 2016-2020.

III: Remuneration and Nominations Committee

Mr. Mohammed Hassan Al-Shuhail – Chairman of Committee

Previously mentioned

Mr. Mohammed Ali Al-Ruwaigh – Member of Committee

Previously mentioned

Mr. Samy Mohammed Al-Obaid – Member of Committee

Previously mentioned

Mr. Nawaf Fouad Al-Fakhri

Current Positions

- Chief Marketing Officer

Academic Qualifications

- Bachelor of Marketing and Management, King Fahd University of Petroleum and Minerals, 2006, Dhahran, Saudi Arabia.

Previous Positions and Experience

- Strategic advisor to the Ministry of Housing, as of 2019 through 2020;
- CEO of Mufad Trading Conezone- a closed joint-stock company, engaging in ice cream manufacturing and marketing sector, as of 2016 through 2019;
- Founding partner of Lahmoum Management and Marketing Consulting, engaging in administrative and marketing consulting, as of 2015 through the date of this report;
- General Manager of the Golden Chicken Farms Company (LLC), engaging in poultry and fodder production, as of 2013 through 2015;
- Product Manager at Al Safi Danone (LLC), engaging in agriculture, dairy products, and distribution of food products, as of 2010 through 2013.

Mr. James Christopher Hartenstein

Board Director and Executive Committee Advisor
Previously mentioned

Mr. Malek Samir Hassan

Resigned from the Executive Committee on October 31st, 2023)

Current Positions

- Chief Financial Officer (Resigned from the position of CFO on October 31st, 2023)

Academic Qualifications

- Strategic Financial Manager Certificate, United States of America, MECA CFO Academy, General, 2020;
- Certified Chartered Accountant, Associate Member, ICAP, Institute of Chartered Accountants of Pakistan, in 2018;
- Master of Commerce, Higher Education Commission of Pakistan, in 2018;
- Chartered Accountant Certificate, Associate Member, ACCA Certified Public Accountants, Britain, 2017;
- Certified Public Financial Accountant, Fellow Member, PIPFA, Pakistan Institute of Public Finance Accountants, 2012;
- Bachelor of Physics, Mathematics and Statistics, University of Karachi, Pakistan, 2002

Previous Positions and Experience

- Saudi Ceramic Company (a Saudi joint-stock company, engaging in the production, import and sale of ceramic products and water heaters, worked as Director of Finance Department, Riyadh, Saudi Arabia, as of November 2017 - February 2021;

Saudi Ceramic Company (a Saudi joint-stock company), engaging in the production, import and sale of ceramic products and water heaters, worked as a Financial Advisor, Riyadh, Saudi Arabia, as of October 2015-November 2017

KPMG Al Fozan & Al Sadhan(LLC), engaging in auditing and financial consultations, as Senior Financial Auditor, Riyadh, Saudi Arabia, as of October 2012 - August 2015;

KPMG Al Fozan & Al Sadhan (LLC), engaging in auditing and financial consultations, as Senior Financial Auditor (on loan from KPMG Pakistan office), Riyadh, Kingdom of Saudi Arabia, as of December 2011 - April 2012;

KPMG Lower Gulf (LLC), engaging in auditing and financial consultations, as Senior Financial Auditor (on loan from KPMG Pakistan office), Dubai, UAE, as of November 2010 - March 2011; and

KPMG Taseer Hadi & Co. (a private company), engaging in auditing and financial consultations, as Audit Supervisor, Karachi, Pakistan, as of September 2006 - June 2012.

Mr. Nawaf Fouad Al-Fakhri

Current Positions

- CFO (appointed as CFO on November 1st, 2023)

Academic Qualifications

- Bachelor of Science, Annamalai University, India, 1999;
- Intermediate certificate from the Institute of Chartered Accountants of India, 2004;
- Accounting Technician from the Institute of Chartered Accountants of India, 2010;
- ADCMA certification from the Institute of Management Accountants of the United States of America, 2019

Previous Positions

- Audit Assistant at Mahalingam & Srivatsan, as of 1999 through 2000;
- Remittance Officer at UAE Exchange & Financial Services Ltd. until April 2000;
- Forex employee at UAE Exchange & Financial Services Ltd. until June 2000;
- Branch Manager of the UAE Exchange & Financial Services Ltd. until December 2000;
- Senior Accountant at Advanced Fabrics Factory (SAAF) (Takween Group Branch) until May 2021;
- Head of Accounts at Advanced Fabrics Factory (SAAF) (Takween Group Branch); and
- Accounting Manager at BURGERIZZR until October 2023.

Experience

- Almost 23-year experience in accounting and financial management.

V: Executive Management

Mr. Mohammed Abdulrahman Al Kaoud

Previously mentioned

Mr. Nawaf Fouad Al-Fakhri

Previously mentioned

Mr. Sayed Sadiqullah Sayed Riyad

Current Positions

- Chief Operating Officer

Academic Qualifications

- Bachelor's Degree, Al- Ameen College, India;
- Administrative courses in development and management.

Current Positions

- As of 1995 - 1998 AD | Le Meridien Hotel, New Delhi;
- From butler to assistant manager, as of 1998 - 1999;
- Restaurant Manager, Taj Mahal, 1999 - 2001;
- Spice Cafe, Republic of Maldives | Restaurant Manager;
- Chancery Hotel | Assistant Nutrition Officer;
- Cafe Malaysia | Director of multiple units, 2008 - 2009;
- Baskin Robbins | Operations Manager, India;
- Costa Coffee Al Jawad Group | Director of the Western Regions in Jeddah and Medina 2012 - 2014;
- Alive and Little Café, India | Consultant, 2014;
- Tim Hortons | Operations Manager, 2015 present date;
- Working at Burgerizzr as (Operations Manager - International Expansion Manager - National Operations Manager -Operations Manager of more than 100 branches of BURGERIZZR.

Experience

- Almost 29-year experience in restaurant management and development.

Mr. Romeo Godani Salbacion

Current Positions

- Quality Manager

Academic Qualifications

- Internal Auditor Certificate, Riyadh, 2019
- Intermediate Certificate in Hazard Analysis and Critical Control Points, 2019
- Food Safety Course, Level 3, Riyadh, Kingdom of Saudi Arabia, 2014;
- Food Safety Course, Level 2, Riyadh, Kingdom of Saudi Arabia, 2014;
- Basic Information Security, 2004;
- Chemical Safety Course, Consolidated Industrial Gases, Inc., 2004;
- Internal Quality Audit Course, Philippines, 1997;
- Course in supervision and management, 1997;
- Course at Matsushita Communication Industrial Co. Ltd., Japan, 1996;
- Course in measuring total productive maintenance, 1995;
- Information seminar on measurements and standards, Metals Industry Research and Development Center – Manila;
- Pneumatic Electricity Management Course, 1991;
- Bachelor of Science in Electronics and Communications Engineering, 1985.

Previous Positions

- Production Engineering| 1991 – 1994;
- Matsushita Communication Industrial Co., of Phils Corporation, Closed Circuit Video System Department;
- Production Engineering Specialist | 1994 – 1996;
- Matsushita Communication Industrial Co., of Phils Corporation, Closed Circuit Video System Department;
- Product Engineering Supervisor| 1996 – 1999;
- Matsushita Communication Industrial Co., of Phils Corporation, Closed Circuit Video System Department;
- Senior Product Engineering Supervisor | 1999 – 2003;
- Panasonic Mobile Communications Corporation of Phils, Closed Circuit Video System Department;
- Head of Quality Assurance | 2003 – 2004;
- Panasonic Mobile Communications Corporation of Phils, Closed Circuit Video System Department;
- Private employer 2005 – 2020;
- Ron & DJ Internet Café / Infobyte Internet Café

Experience

- Almost 21 years in restaurant management and quality.

Mr. Christopher Jason Pennington

(Resigned on November 28th, 2023)

Current Positions

- Chief Development Officer

Academic Qualifications

- Park College, Eastbourne - Sports Studies, Human Biology and Sociology
- **Business Courses:**
- Training and Thinking Partnership, John Futterknecht;
- Leadership Program, Henley Business School;
- Insight for Me and My Team, Nigel Redman;
- Financial Excellence Skills, Internal Development.

Previous Positions

- **As of 1999-1992**
- McDonald's, UK – Crew Member | Transition Manager | McDonald's Assistant Manager, UK, Gatwick Airport | McDonald's Business Manager, Gatwick Landside
- **Area Manager as of 9991 – 2006**
- Responsible for day-to-day operations in East London
- Local Ambassador of the GI
- **As of 2006 – 2016 | Operations Manager**
- Responsible for operations of 197 restaurants.
- **As of 2016 – 2020 | Operations Manager**
- Responsible for operations of 50 restaurants in South UK.
- **As of 2020 – 2021**
- Working with the CEO of a private company owned for development of business strategies.
- **As of 2022 – 2023, Operations and Development Manager**
- Responsible for 102 restaurants in the Kingdom of Saudi Arabia.

Experience

- 32 years of experience in restaurants, sales and development.

Mr. Mohd Sheikh Ayoub

Current Positions

- Manager of Supply Chain Department.

Academic Qualifications

- Supply Management Course, Jawad Business Group, in 2011;
- Foundation course in Food and Hygiene, the Royal Institute of Public Health of the Sultanate of Oman, 2007.
- Basic Computer Skills, Microsoft Office, 2006;
- Computers and Networks Course, State Polytechnic College, in 2004;
- Experience: Almost 20 years in restaurant management and supply chains.

Previous Positions

- Branch Manager – Jawad Business Group, 2010-2012;
- General Manager of KR Restaurant, Sultanate of Oman, 2007-2009;
- Area Manager of Pizza Hut Restaurants, Saudi Arabia, 2004-2007; and
- Sales Officer, Mumbai, 2001-2002.

Experience

- Almost 20 years in food and supply chains.

Mr. Emad Mohammed Ali Eid

Current Positions

- Manager of Real Estate Department.

Academic Qualifications

- Bachelor of Commerce, Zagazig University;
- Leadership and Training Course;
- Evaluation and Development Course;
- Time Control Course;
- Leadership Skills Course;
- Risk and Crisis Management Course.

Previous Positions

- Al-Muhaidib Company, Regional Accountant, as of 2010 through 2012;
- Al Safi Danone Company, Sales Accounts Manager for the Central and North Region, as of 2003 through 2009; and
- Al Safi Danone Company - Sales Accountant, 1991 – 2003.

Experience

- More than 31 years in sales.

Mr. Khaled Malek Muhammed Aurangzeb

Current Positions

- Information Systems Manager.

Academic Qualifications

- Bachelor of Computer Science, Peshawar University, Pakistan;
- 2008, Certified Internet Specialist;
- 2008, Certified Internet Assistant;
- 2006, Linux End User Training;
- 2005, Cisco Certified Internet Professional;
- 2003, Cisco Certified Internet Assistant.

Previous Positions

- Tasmeeemi Company, Riyadh, as Project Systems Supervisor, 2015;
- Youssef Maroun Co., Riyadh, as Systems Support Engineer, as of 2010 – 2014;
- Gharra Telecom, Software Engineer, as of 2008 – 2010; and
- Madar Company in Pakistan, as Database Programmer, as of 2007 – 2008.

Experience

- Almost 17 years in information technology and computing.

Mr. Abdul Ilah Abdul Rahman Al Buraik

Current Positions

- Human Resources Manager.

Academic Qualifications

- B.A. in English Literature, King Faisal University at Al-Ahsa, 2014 – 2017;
- Excel Course in 2021;
- Leadership Course, 2021; and
- Human Resources Development Program, 2021.

Previous Positions

- Human Resources Supervisor at Abdulaziz & Sulaiman Saleh Al Hakbani Sons Trading Co. as of 2018 through 2019;
- Supervisor of the Human Resources Department at Al-Bayan Holding Group, as of 2013 through 2018;
- Human Resources Officer at Shihb Al Jazira Company, as of 2011 through 2013.

Experience

- Almost 13 years in human resources.

4. Formation of the Board of Directors and Classification of its members as follows: Executive Director – Non-executive Director – Independent Director

Director's Name	Membership Classification (Executive/ Non-executive/ Independent)	Membership Start Date	Membership End Date
Mohammed Ali Al-Ruwaigh	Non-executive	07/07/2019	07/07/2024
Sami Mohammed Al-Obaid	Non-executive	07/07/2019	
Mohammed Hassan Al-Shuhail	Independent	07/07/2019	
James Christopher Hartenstein	Independent	07/10/2020	

5. The procedures taken by the Board of Directors to inform its members, especially the non-executives, of the Shareholders' proposals and comments about the Company and its performance.

The Board asserts that during 2023, it did not receive any comments or proposals from shareholders about the Company and its performance. In the event that the Company receives any proposals or comments in the future from the shareholders, the Board shall take the necessary measures to brief the non-executive members directly and discuss such proposals and comments with all members of the Board.

Shareholders can also submit their proposals or comments about the Company and its performance through the contacting mechanism described below:

Based on BURGERIZZR's determination and interest in the rights of its shareholders, the Company has a competent officer to follow up on shareholders' affairs carrying out its duty towards the shareholders of BURGERIZZR through continuous communication and responding to inquiries and following up on any potential problems that shareholders may face regarding dividends and other operations. The shareholder affairs officer can be contacted directly via:

Website of the Company: www.burgerizzr.com

E-mail invest@burgerizzr.com

Phone: 0115200904

3. Name of Companies in KSA or abroad in which the Board Director is a member of their current or previous boards of directors or of their directors:

Director's Name	Name of Companies in which the Board Director is a member of their current boards of directors or of their directors	In KSA/abroad	Name of Companies in which the Board Director is a member of their previous boards of directors or of their directors	In KSA/abroad
Mohammed Ali Al-Ruwaigh*	<ul style="list-style-type: none"> - Member of the Board of Directors of the Riyadh Chamber, as of June 2020 to the present date; - Chairman of the Franchise Committee at the Riyadh Chamber as of June 2020 to the present date; - Chairman of the Investment Committee at the Riyadh Chamber as of February 2022 to the present date; - Chairman of the Board of Directors of Yeswa Logistics (sole proprietorship) as of July 2015 to the present date. 	In KSA	<ul style="list-style-type: none"> - Member of the Board of Directors of the Qoot Association as of January 2019 through November 2022; - Member of the Board of Directors of Business Youth Committee of the Riyadh Chamber of Commerce in 2012; - Member of the Board of Directors of the Export Committee of the Riyadh Chamber of Commerce as of 2009; - Member of the Board of Directors of the Dairy Products Committee of the Council of Chambers of Commerce in 2008. 	In KSA
Sami Muhammed Al-Obaid	There is no current or previous membership in KSA or abroad.			
Mohammed Hassan Al-Shuhail	Member of the Board of Directors of Abdullah Al Othaim Markets Trading Company (a Saudi listed joint-stock company) engaging in the retail sector, as of October 2021 to the present date.	In KSA	Chairman of the Board of Directors of Ghazi Fish Breeding and Farming Company (a limited liability company), engaging in fish and shrimp farming sector, as of September 2018 through 2021	In KSA
	Member of the Board of Directors of the Saudi Bangladesh Industrial and Agricultural Investment Company (a limited liability company) engaging in the investment sector, as of July 2018 to the present date	Abroad		
James Christopher Hartenstein**	- Member of the Board of Directors as of 2017 to the present date, Little Caesars Company Mexico SAPI, a closed joint-stock company, engaging in pizza restaurants in Mexico, Puerto Rico, Dominican Republic and Colombia	Abroad	N/A	Abroad

*Mr. Mohammed Ali Al-Ruwaigh does not hold the office of member of board of directors or director of a company abroad currently or previously.

**James Christopher Hartenstein does not hold the office of member of board of directors or director of a company in KSA currently or previously.

6. A brief description of the terms of reference and tasks of the committees, including, without limitation, the Audit Committee, the Nomination and Remunerations Committee, with the names, chairmen and members, number of meetings and dates of meetings of the committees and the attendance data of the members for each meeting:

Board Committees:

The Company has three Board committees exercising their terms of reference and responsibilities based on the relevant governance documents, regulations and policies approved by the Board of Directors or the General Meeting, which determine their powers and operating procedures. The current members of the committees and a summary of their roles and responsibilities are as follows:

- I: Audit Committee:

- The following table define the names of Committee members and number of meetings:

Name	Position	Number of Committee Meetings				Attendance percentage
		1 st meeting	2 nd meeting	3 rd meeting	4 th meeting	
		15/03/2023	02/08/2023	31/10/2023	14/12/2023	
Zeyad Abdulatif Albarak	Chairman	√	√	√	√	100%
Muhammed Hassan Al-Shuhail	Member	√	√	√	√	100%
Abdulrahman Alzakir	Member	√	√	√	*	75%

Terms of reference, tasks and responsibilities of the Committee:

The committee is responsible for monitoring the Company's operations and verifying the integrity of its reports, financial statements, and internal control systems. The committee's tasks and responsibilities include, in particular:

1. Financial Reports:

- A. Studying the Company's interim and annual financial statements before presenting them to the Board and providing its opinion and recommendations thereon to ensure their integrity, fairness and transparency;
- B. Providing a technical opinion at the request of the Board on whether the report of the Board of Directors and the financial statements of the Company are fair, balanced and understandable and include information that allows shareholders and investors to assess the financial position of the Company, its performance, its business model and its strategy.

- C. Analyzing any important or non-familiar issues contained in the financial reports.
- D. Investigating any issues raised by the Company's Chief Financial Officer or any person assuming his/her duties or the Company's Compliance Officer or External Auditor;
- E. Examining the accounting estimates with respect to significant matters contained in the financial reports; and
- F. Studying the accounting policies adopted by the Company and providing its opinion and recommendations to the Board thereon.

2. External Audit:

- A. Examining and reviewing the Company's internal and financial control systems and risk management systems;
- B. Studying the internal audit reports and monitoring the implementation of corrective measures for the observations contained therein;
- C. Monitoring and supervising the performance and activities of the internal auditor and the Internal Audit Department of the Company, to verify the availability of the necessary resources and their effectiveness in performing the work and tasks entrusted thereto;
- D. Providing recommendations to Board of Directors on the appointment of the Manager of Internal Audit Unit/Department or the Internal Auditor and proposing its remuneration.

3. Auditor:

- A. Recommending to the Board the nomination and dismissal of auditors, determining their remuneration and evaluating their performance, after ensuring their independence and reviewing the scope of their work and the terms of their contracts;
- B. Verifying the independence of the External Auditor, its objectivity, fairness, and effectiveness of the audit activities, taking into account the relevant rules and standards;
- C. Reviewing the plan of the Company's auditor and its activities and ensuring that it does not provide any technical or administrative works that are beyond its scope of work and provides its opinion thereon;
- D. Responding to queries of the Company's auditor; and
- E. Studying the auditor's reports and observations on the financial statements and following up on the measures taken to this effect.

Compliance Assurance:

- A. Reviewing the findings of the reports of supervisory authorities and ensuring that the Company has taken the necessary actions in connection therewith;
- B. Verifying the Company's compliance with the relevant laws, regulations, policies and instructions;
- C. Reviewing the contracts and proposed transactions by the Company with related parties, and providing its recommendations to the Board in connection therewith; and
- D. Brining before the Board of Directors any issues it deems necessary for necessary actions providing its recommendations on the measures to be taken.

- II: Nomination and Remunerations Committee:

- The following table define the names of Committee members and number of meetings:

Name	Position	1 st meeting	2 nd meeting	3 rd meeting	Attendance Percentage
		08/05/2023	22/08/2023	25/12/2023	
Muhammed Hassan Al-Shuhail	Chairman	√	√	√	100%
Mohammed Ali Al-Ruwaigh	Member	√	√	√	100%
Samy Muhammed Al-Obaid	Member	√	√	√	100%

Terms of reference, tasks and responsibilities of the Committee:

The committee is responsible for remuneration and nominations. The committee's tasks and responsibilities include:

A) With regard to Remunerations:

1. Preparing and submitting a clear policy for the remuneration of the Board members and the Board committees and the Executive Management to the Board of Directors for consideration in preparation for approval by the General Meeting, taking into account the adoption of standards related to performance, disclosure, and verification of its implementation;
2. Clarifying the relationship between the granted remunerations and the applicable remunerations policy and indicating any material deviation therefrom;
3. Periodically reviewing the remuneration policy and assessing its effectiveness in achieving its objectives; and
4. Recommending to the Board of Directors the remuneration of the members of the Board of Directors and its committees and senior executives of the Company in accordance with the approved policies and regulations.

B) With regard to Nominations:

1. Proposing clear policies and standards for membership of the Board of Directors and Executive Management;
2. Recommending to the Board of Directors the nomination and re-nomination of its members in accordance with the approved policies and standards, taking into account that no person previously convicted of a crime against trust shall be nominated;

3. Preparing a description of the capabilities and qualifications required for membership of the Board of Directors and holding executive management positions;
4. Determining the time to be allocated by the member to the activities of the Board of Directors;
5. Annual review of the necessary skills or experience requirements appropriate to the membership of the Board of Directors and the functions of the Executive Management;
6. Reviewing the structure of the Board of Directors and Executive Management and make recommendations on changes;
7. Verifying on an annual basis the independence of the independent members and verifying that there is no conflict of interest if the member is a member of the board of directors of another company;
8. Developing a job description for executive board members, non-executive members, independent members and senior executives;
9. Establishing special procedures in the event of a vacancy in the position of a member of the Board of Directors or senior executives; and
10. Identifying weaknesses and strengths of the Board of Directors and proposing solutions to address such weakness in line with the Company's interest.

- III: Executive Committee:

- The following table defines the names of Committee members and number of meetings:

Name	Position	Meeting held				Attendance Percentage
		1 st meeting 15/02/2023	2 nd meeting 24/05/2023	3 rd meeting 24/08/2023	4 th meeting 27/11/2023	
Mohammed Ali Al-Ruwaigh	Chairman	√	√	√	√	100%
Mohammed Abdulrahman Al Kaoud	Member	√	√	√	√	100%
Nawaf Fouad Al-Fakhri	Member	√	√	√	√	100%
Malek Samir Hassan	Member	√	√	√	Resigned on OCT,31 2023	75%

Terms of reference, tasks and responsibilities of the Committee:

1. Participating in the development of the Company's new strategic plans and evaluating the proposals submitted by the Company's management;
2. Reviewing the Company's performance based on the monthly management reports in light of the specified objectives and comparing performance against the results, analyzing and studying the main influences, indicators and developments related to its business and directing the management accordingly;
3. Monthly review of the Company's business in light of the set objectives and the estimated budget based on the monthly management reports, alerting the executive management and the members of the executive committee of any developments or updates, and requesting additional meetings of the committee if necessary;
4. Reviewing and submitting performance and recommendations to the Board of Directors regarding the approval of the annual estimated budget;
5. Reviewing and submitting proposals for capital investments;
6. Reviewing management reports on the implementation of capital investment projects and submit its reports and recommendations to the Board of Directors on the results;

7. Making recommendations to the Board of Directors on the distribution of profits, in light of the recommendation of the Audit Committee in this regard;
8. Reviewing the policies and regulations proposed by the executive management without having the right to approve what falls within the powers of the Board of Directors;
9. Approving the appointment of the persons directly reporting to the Executive Director on the basis of his/her recommendations, provided that they shall not assume their duties until after the approval of the Executive Committee on their appointment;
10. Periodically reviewing the Company's governance regulations, policies and rules of professional conduct of employees in accordance with the Company's governance regulations and making recommendations to the Board of Directors to make any required amendments to this effect;
11. Meeting with the heads of sectors, the auditor, the internal auditor and all those involved in monitoring the practical and financial performance of the Company and its sectors;
12. Carrying out any tasks determined by the Board of Directors;
13. Reviewing and monitoring the implementation of the decisions of the Board of Directors and the decisions of the Executive Committee itself; and
14. Reviewing topics and works that could affect the overall image of the Company.

7. Means adopted by the Board of Directors for evaluation of its performance and the performance of its committees and members, and the external party conducting the evaluation and its relationship with the Company

Evaluation of the performance of the Board of Directors and the performance of its committees and members falls within the terms of reference of the Remuneration and Nominations Committee by conducting an annual evaluation.

In 2023, the evaluation was carried out through a questionnaire measuring the performance of the Board, the committees and the members. The most prominent results of the evaluation were presented to the Board, the strengths were identified, the weaknesses were addressed, and the necessary procedures were taken to improve the performance of the Board.

No external party has been involved in evaluation of the performance of the Board of Directors and the performance of its committees and members for 2023.

8. Disclosure of remuneration of members of the Board of Directors and Executive Management as stipulated in Article 90 of the Corporate Governance Regulations

The remuneration policy of the Board of Directors, Board committees and the Executive Management of Shatirah House Restaurant Co. was prepared in compliance with Article 58 of the Corporate Governance Regulations issued by the Board of the Capital Market Authority under Resolution No. 8-16-2017 dated 16/05/1438 A.H. pursuant to the Companies Law issued by Royal Decree No. M/3 dated 28/01/1437 A.H. as amended by the Capital Market Authority Board's Resolution No. 8-5-2023 dated 01/12/1443 A.H. corresponding to 18/01/2023 A.D. based on the Companies Law promulgated by Royal Decree No. M/132 dated 01/12/1443 A.H.

Method of determining the remuneration of the members of the Board of Directors, Board committees and the executive management for 2023:

- Remuneration of the Board of Directors for 2023

The remuneration of the members of the Board of Directors and the Board committees for 2023 has been determined by submitting the recommendation of the Nomination and Remuneration Committee to the Board on 05/02/2024 and will be presented to the next General Meeting for approval.

- Remuneration of Committee Members for 2023

The remuneration of the committee members for 2023 has been determined by submitting the recommendation of the Nomination and Remuneration Committee to the Board on 05/02/2024 and the approval of the Board on payment of the remuneration was issued on 14/02/2024.

• Executive Management Remuneration for 2023

Remuneration of the executive management for 2023 has been determined by submitting the recommendation of the Nomination and Remuneration Committee to the Board on 05/02/2024 and the approval of the Board was issued on 14/02/2024.

- The Remuneration and Nomination Committee reviews the annual remuneration of senior executives and the incentive program and plans on an ongoing basis for approval by the Board subject to the recommendation of the Executive Management.
- Remuneration of the Executive Management is paid based on the recommendation of the Remuneration and Nomination Committee approved by the Board.
- The Remuneration and Nomination Committee recommends to the Board of Directors the remuneration of the Executive Management of the Company, taking into account the annual budget and the performance of the Company.

Senior executives receive the following benefits:

Basic salary, housing allowance, transportation allowance, medical insurance for the employee and his/her family and any other allowances approved by the Board of Directors, and any other allowances or benefits paid to the employee under his/her employment contract in addition to the end of service gratuity if entitled to the employee.

The Company confirms that the remuneration was granted in accordance with the approved Remuneration Policy of the Board of Directors, Board committees and the Executive Management and there is no material deviation therefrom. The following is the Remuneration Policy of the Board, Board committees and the Executive Management:

Controls for determination and payment of the remuneration of members of the Board of Directors, committees and executive management

The Committee shall be responsible for recommending to the Board the remuneration of the members of the Board, committees and senior executives of the Company in accordance with the following criteria:

1. The remuneration shall be based on the recommendation of the Remuneration and Nomination Committee;
2. The remuneration shall be based on performance-related criteria determined by the Remuneration and Nomination Committee and disclosed in the annual report of the Board;
3. The remuneration shall be fair and reasonable to the terms of reference of the member, the tasks and responsibilities carried out and assumed by the members of the Board, in addition to the objectives specified by the Board to be achieved during the financial year;
4. The remuneration shall be commensurate with the Company's activity and the skill required to manage it;
5. To take into account the sector in which the Company operates, its size and the experience of the directors; and
6. The remuneration shall be reasonably sufficient to attract, motivate and retain suitably qualified and experienced directors.

Directors' Remuneration

1. The remuneration of the Directors consists of a certain amount, an attendance allowance, an expense allowance, benefits in kind, percentage of the profits and/or two or more of these benefits;
2. This remuneration may vary in amount to reflect the extent of the director's expertise, competence, tasks, independence, number of meetings attended and other considerations;
3. The remuneration of independent directors shall not be a proportion of the profits made by the Company or be based directly or indirectly on the profitability of the Company; and
4. The remuneration of the directors shall be paid as stipulated in Appendix (1) of these Regulations and shall be submitted to the General Meeting for approval.

Remuneration of Committee Members

1. The remuneration of the members of Board committees shall be paid as described in the Appendix (1) hereof; and
2. The Board shall determine and approve the remuneration for members of its committees, attendance allowances and other benefits on the recommendation of the Committee.

Executive Management Remuneration

1. The Committee shall review the annual remuneration of all employees and senior executives and the incentive program and plans on an ongoing basis for approval by the Board upon the recommendation of the Executive Management.
2. The remuneration of the Executive Management shall be paid upon the recommendation of the Committee and approved by the Board.

Further Controls

1. The Directors shall not, in any capacity whatsoever, vote on the remuneration of the Directors at a meeting of the General Meeting of Shareholders.
2. The Company shall disclose the remuneration of directors, members of committees and senior executives in the annual report of the Board of Directors in accordance with the controls and instructions issued under the Companies Law and the Capital Market Authority laws and Implementing Regulations.
3. The member shall receive the remuneration as of the date of joining the Board or the Committee and according to the duration of his/her office term.

Charging the Director with additional jobs or positions in the Company

A director may receive remuneration for any additional executive, technical, administrative or advisory work or positions assigned to him/her, under professional license, in the Company, in addition to the remuneration the Director may receive as a member of the Board of Directors and of the committees formed by the Board of Directors, in accordance with the Companies Law and the Company's Articles of Association.

Payment of Remuneration based on Incorrect or Misleading Information

If the Audit Committee or the Authority finds that the remuneration paid to any director is based on incorrect or misleading information that has been presented to the General Meeting or included in the annual report of the Board of Directors, such remuneration must be returned to the Company, and the Company has the right to claim for its redemption.

Non-entitlement or return of the Remuneration

If the General Meeting decides to terminate the membership of an absent member of the Board of Directors due to his failure to attend three consecutive meetings or five separate meetings of the Board during the term of his/her office without a legitimate excuse satisfactory to the Board, such member shall not be entitled to any remuneration for the period following the last meeting he attended and shall be obligated to return all remuneration paid for such period.

Disclosure of Directors' Remuneration

The Board of Directors shall disclose in its annual report the details of the policies relating to remuneration, the mechanisms for determining, and the amounts of the remuneration and financial and in-kind benefits paid to each director for any executive, technical, administrative or advisory work or positions.

(Appendix (1): Remuneration of the Directors and Members of the Board Committees)

Member Capacity	Fixed annual remuneration	Attendance allowance	Other benefits	Additional benefits of the Chairman (if independent)
Non-executive	120,000	2,500	Costs of business travel are covered based on the ticket value and one-night accommodation	Quarterly bonus of SAR 195,000 Medical insurance, 2.5% of Net EBITDA
Executive	25,000	-		
Secretary	5,000	1,000		

Remuneration of Audit Committee Members

Member Capacity	Fixed annual remuneration	Attendance allowance	Other benefits of Members
Director	50,000	2,500	Costs of business travel are covered based on the ticket value and one-night accommodation
*Independent committee member	50,000	2,500	
Secretary	5,000	1,000	

Remuneration of Remuneration and Nominations Committee Members

Member Capacity	Fixed annual remuneration	Attendance allowance	Other benefits of Members
Director	-	2,500	Costs of business travel are covered based on the ticket value and one-night accommodation
*Independent committee member	20,000	2,500	
Secretary	2,000	-	

Remuneration of Executive Committee Members

Member Capacity	Fixed annual remuneration	Attendance allowance	Other benefits of Members
Director	-	2,500	Costs of business travel are covered based on the ticket value and one-night accommodation
*Independent committee member	50,000	2,500	
Secretary	-	-	

*Independent committee member: is a committee member from outside the Company (non-executive member of the Company and not a Board member).

** All amounts are appeared in Saudi riyal.

Directors' Remuneration for 2023

As of 01/01/2023 through 31/12/2023

	Fixed Remuneration							Variable Remuneration					End of service Gratuity	Gross Amount	(***) Expenses	
	Certain amount	Board meetings attendance allowance	Total attendance allowance of committee meetings	In-kind benefits	(*) Remuneration of Technical, Administrative and Consulting Works	Remuneration of the Chairman, Managing Director or Secretary if a member	Total	(**) Profit Percentage	Periodic bonus	Short-term incentive plans	Long-term incentive plans	Granted shares (Insert value)				Total
I: Independent Members																
James Christopher Hartenstein	120,000	10,000	0	0	45,000	0	175,000	0	0	0	0	0	0	0	175,000	128,208
Mohammed Hassan Al-Shuhail	120,000	10,000	65,000	0	0	0	195,000	0	0	0	0	0	0	0	195,000	0
Total	240,000	20,000	65,000	0	45,000	0	370,000	0	0	0	0	0	0	0	370,000	128,208
II: Non-executive Members																
Mohammed Ali Al-Ruwaigh	120,000	10,000	17,500	37,828	0	780,000	965,328	317,085	0	0	0	0	317,085	0	1,282,413	0
Sami Mohammed Al-Obaid	120,000	10,000	7,500	0	0	0	137,500	0	0	0	0	0	0	0	137,500	0
Total	240,000	20,000	25,000	37,828	0	780,000	1,102,828	317,085	0	0	0	0	317,085	0	1,419,913	0
III: Executive Members																
N/A																

*Board Director, Mr. James Christopher Hartenstein, works as an advisor to the Executive Committee and earns SAR 45,000 for working as an advisor to the Committee.

** Subject to the policy, the Chairman of the Board of Directors is entitled to 2.5% of EBITDA.

*** Subject to the policy, work travel expenses of the Company are covered according to the value of the ticket and one night's accommodation.

- The Secretary received SAR 9,000 under the policy stipulating that the secretary receives a fixed remuneration of SAR 5,000 and attendance allowance of SAR 1,000 for each meeting.

Details of Remuneration of five senior executives who receive highest remuneration from the Company including the CEO and CFO for 2023

	Fixed Remuneration				Variable Remuneration						End of service Gratuity	Executives' remuneration for the Board, if any	Gross Amount
	Salaries	Allowances	In-kind benefits	Total	(*) Periodic bonus	Profits	Short-term incentive plans	Long-term incentive plans	Granted shares (Insert value)	Total			
CEO	775,617	275,969	80,000	1,131,586	571,200	0	0	0	0	571,200	0	0	1,702,786
CMO	495,500	177,932	0	673,432	237,500	0	0	0	0	237,500	0	0	910,932
COO	200,000	72,400	0	272,400	80,250	0	0	0	0	80,250	0	0	352,650
CFO	256,500	93,322	0	349,822	53,831	0	0	0	0	53,831	50,282	0	453,935
CDO	400,000	143,735	0	543,735	97,135	0	0	0	0	97,135	50,967	0	691,837
Total	2,127,617	763,359	80,000	2,970,976	1,039,916	0	0	0	0	1,039,916	101,249	0	4,112,140

*Annual bonus for executive management

Provisions for Personnel (End of Service Gratuity):

	31/12/2023	31/12/2022
Balance on January 1	4,774,448	3,703,591
Cost of current service	1,267,358	1,042,481
Financing cost	220,335	97,402
Total	6,262,141	4,843,474
Actuarial Loss	354,096	502,945
Paid benefits	-735,532	-571,971
Balance at the end of the year	5,880,705	4,774,448

9. Any penalty, precautionary measure, or precautionary restriction imposed on the Company by the Authority or by any supervisory, regulatory, or judicial body, with a statement of the reasons for the violation, the imposing party, methods of addressing and prevention in the future.

Government authority	Violation Reasons	Number of violations	Total (SAR)	Methods of addressing and prevention in the future
Municipalities	Failure to abide by the requirements	327	883,950	Attempting to comply with the requirements and their application
Labor Office	Failure to provide desks or seats for all employees	1	3,000	

It is worth mentioning that all penalties referred to in the above table for 2023 is financial penalties only. No precautionary measure or precautionary restriction is imposed against the Company by the Authority, any supervisory, regulatory or other judicial body,

Details of Committee Members' Remuneration for 2023:

	Fixed remuneration (other than attendance allowance)	Attendance allowance	Total
Audit Committee Members			
Zeyad Albarak	50,000	7,500	57,500
Mohammed Al-Shuhail	50,000	7,500	57,500
Abdulrahman Alzakir	50,000	7,500	57,500
Total	150,000	22,500	172,500
Remuneration and Nomination Committee Members			
Mohammed Al-Shuhail	0	7,500	7,500
Sami Al-Obaid	0	7,500	7,500
Mohammed Al-Ruwaigh	0	7,500	7,500
Total	0	22,500	22,500
Executive Committee Members			
Mohammed Al-Ruwaigh	0	10,000	10,000
Mohammed Abdulrahman Al Kaoud	0	0	0
Malek Samir Hassan	0	0	0
Nawaf Fouad Al-Fakhri	0	0	0
Total	0	10,000	10,000

- Mr. Zeyad Albarak and Mr. Muhammed Al-Shuhail waived their attendance allowance for the fourth meeting of the Audit Committee due to their request for a subsequent meeting which was held in January 2024 AD.
- Subject to the Remuneration Policy of the members of the Board, committees, and executive management, Board members in the Executive Committee shall receive an attendance allowance only.

10. Results of the annual review of the effectiveness of the internal control procedures of the Company, in addition to the opinion of the Audit Committee on the adequacy of the Internal Control System of the Company.

- The Company's operations during the financial year ended 31/21/2023 have been reviewed by the Internal Audit of the Company under the supervision of the Audit Committee emanating from the Board of Directors for the purpose of verifying the effectiveness of the internal control system and procedures, reviewing and evaluating the financial and administrative policies and procedures, and preparation of the financial reports

The Committee's opinion on the results of the evaluation of internal control systems:

- Based on the data provided by the Company's management, the Internal Audit Department of the Company, and the External Auditor, the Audit Committee confirms that there is no fundamental weakness in the Company's internal control systems and that they have been prepared on a sound basis and are being implemented effectively.
- Based on the reports and recommendations received from the Audit Committee, the Board of Directors confirms that the audit results does not show any fundamental weakness or deficiency of the Company's internal audit system, its adequacy as well as the integrity of the financial and accounting systems and internal audit. The Board also confirms that the Company's Executive Management is taking all necessary measures to rectify and address any observations and recommendations "if any".

11. Recommendation of the Audit Committee on the need to appoint an internal auditor in the Company if there is no internal auditor

There is no recommendation by the Audit Committee during the financial year ended 31/21/2023 as there is an internal auditor in the Company.

12. Recommendations of the Audit Committee that contradict with the decisions made by the Board of Directors, or recommendations that the Board refuses to take into account regarding the appointment, dismissal, determination of the fees and evaluation of the performance of the auditor of the Company, or the appointment of the internal auditor.

There is no conflict between the Audit Committee's recommendations and the Board's decisions.

13. Details of the Company's Social Contributions in 2023



In 2023, BURGERIZZR supported many community initiatives represented in cooperation with waqf institutions and associations that support children, patients and people with disabilities, with the aim of empowering and helping them to engage in society and prove their ability to work and achieve. BURGERIZZR trained several beneficiaries of Sazee for The Rehabilitation and Employment for Disabilities. Also, in cooperation with the National Family Safety Program for Childhood Service in the Kingdom, under the Health Affairs of the Ministry of National Guard, BURGERIZZR introduced the Child Support Line providing telephone consultations or referrals to the concerned authorities to ensure the protection and safety of the child. One of the most important initiatives that BURGERIZZR is keen to activate in the holy month of Ramadan is the "Heroes of Fasting" initiative, where it encouraged and motivated 4,500 children to perform fasting. Rewards, free meals and certificates of appreciation were distributed to children who visited the branches and completed fasting that day.

BURGERIZZR further takes the initiative to support the Qoot Association, an association that seeks to achieve its objectives of developing the cafes and restaurants sector in the Kingdom by providing a range of services to its members in several areas, including improving legislation, developing the sector to comply with the international standards, developing the knowledge of talents working in the sector, and building partnerships. BURGERIZZR has provided about 15,680 free meals to the beneficiaries of charitable associations and institutions, in addition to providing support to 9 cases of children of the Rheumatism Association (Rheumatism Heros) by providing therapeutic doses for three months.

14. A statement of the dates of the general meeting of shareholders held during the last financial year and the names of the Directors present:

Name	Capacity	Number and date of meetings	
		1 st meeting	2 nd meeting
		31/05/2023	13/11/2023
Mohammed Ali Al-Ruwaigh	Chairman	√	√
Sami Muhammed Al-Obaid	Vice-chairman	√	√
Mohammed Hassan Al-Shuhail	Director	√	√
James Christopher Hartenstein	Director	Absent	√

List of Main Owners as at 31-12-2023

Name	Number of Shares at IPO	%	Change in number of shares in 2023						Ownership Nature
			Number of shares at the beginning of 2023	%	Change in number of shares in 2023	%	Number of shares at the end of 2023	%	
Mohammed Ali Al-Ruwaigh	10,750,000	43	15,050,000	43	(616,491)	-1.77	14,433,509	41.23	Direct
Ali Mohammed Ali Al-Ruwaigh	4,500,000	18	6,300,000	18	(50,000)	-0.14	6,250,000	17.85	Direct
Sami Mohammed Nasser Al-Obaid	2,500,000	10	3,520,000	10.05	19,400	0.06	3,539,400	10.11	Direct

On 30/6/2022, the capital of the Company was increased from SAR 25 million to SAR 35 million, by 40% increase by granting shareholders two free shares for every five shares held. The number of shares before the increase reached 2.5 million shares. The number of shares after the increase reached 3.5 million shares by granting two shares for every 5 shares. The number of shares at IPO was calculated based on the number of shares after the amendment to facilitate comparison.

On 31/05/2023 A.D., the Extraordinary General Meeting of the Company approved dividing the nominal value of the share from SAR ten (10) per share to SAR one (1) per share. Thus the number of shares of the Company will become 35 million shares instead of 3.5 million shares.

15. A description of the main types of activity of the Company and its subsidiaries. In case of describing two or more types of activity, a statement must be attached to each activity and its impact on the Company's turnover and its contribution to the results.

The Company is engaged in fast food. Its only main activity is the sale of fresh burger meals. Fresh burger meals constitute about 90% of revenues in 2023. It falls within the fast food restaurants sector and provides its services through its (102) branches throughout the Kingdom as at 31 December 2023, and through delivery channels. Registered office of the Company is situated in Riyadh. The Company also operates these sites through its employees. The Company always provides training to the employees to carry out their tasks according to the standards set by the Company. The registered office in Riyadh provides supply support, where the office of the central kitchen is located, which produces the main raw materials that are supplied to the branches on a daily basis, in addition to being the main center of the Company's management, noting that there is no affiliate.

16. A description of the Company's important plans and decisions including the structural changes of the Company, the expansion of its business, or the cessation of its operations and the future projections of the Company's business:

In 2023, a positive performance in sales and in the profit margin was witnessed by refocusing on our mission, innovation, raising the efficiency of branches, workforce efficiency and savings programs that have been implemented throughout the Company and the Company will continue its growth policy. Growth will be through the opening of branches in new geographical areas in KSA as well as through granting of franchise rights abroad in the future. Also, growth shall be achieved by raising the performance of existing branches. The Company aims to raise the performance of existing branches by enhancing focus on the operational performance of branches and providing technical support with higher capacity equipment in order to enhance performance and raise efficiency. The new generation of BURGERIZZR branches was launched in the previous year, which aims to focus on automation to achieve higher levels of speed and accuracy and raise production capacity. This will have a great impact on raising the efficiency of operating branches to be able to add complementary products in an effective manner. All new branches of the Company are of the new generation. Besides, the new equipment has been applied to fifteen of the existing branches for the purpose of raising efficiency and the Company seeks to continue to improve the equipment. As for the opening of new branches, they will be in new geographical areas, and the focus of the sites will be on car service and delivery. The Company still wants to open its first branches abroad by granting franchises however, our focus today is on raising performance first and single-branch sales.

As mentioned earlier, our focus today is on the high quality product and to continue to improve the product and add complementary products. We further focus on a positive customer experience in all our channels. Despite the opening of only two branches in the cities of (Abha and Taif) and the closure of five branches in (Riyadh, Dammam, Qatif and two branches in Jeddah) in 2023, the increase in single-branch revenues resulted in an increase in sales in general. It is worth mentioning that one of the branches was in Abha, which is a new region. In 2024, we seek to continue opening branches at a faster pace than the previous year, specifically in new regions.

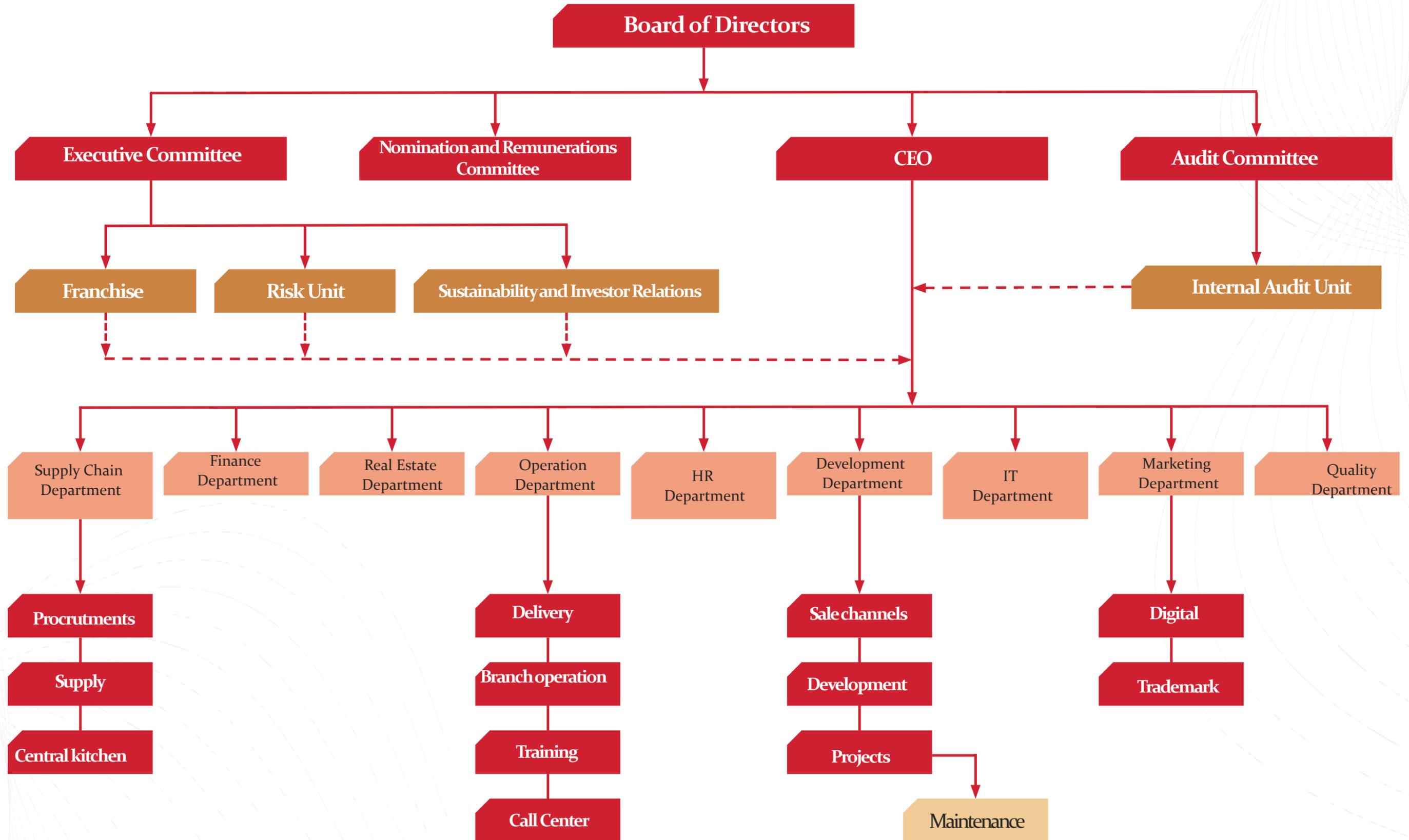
In 2023, the Company continued to operate the cloud brand launched by the Company in the previous year. During the past two years, this experience has contributed to gaining experience on how to position in the cloud market and delivery applications. We will continue to activate this brand and understand the gains.

The Company aims to remain focused on its delivery app and on the customer loyalty program and intends further to improve the experience through the use of self-service screens technology inside the dining halls. The Company will also continue its efforts to improve its operational efficiency to minimize the impact of any increases in operating costs. We affirm our commitment to developing the performance of branches, focusing on quality and customer experience, and our continuous investment in understanding customer behavior to better meet tastes and needs, keep pace with development and change in the market, and seize the fruitful opportunities that may result. The Company will also continue its efforts to improve operational efficiency to reduce the impact of increases in operating costs.

The Company confirms that it did not suspend any of its operations in 2023.

It is noteworthy that the Board of Directors has made structural changes in the Company by adopting the organizational structure on 30/8/2023:

Organizational Structure of the Company



17. Information related to any risks faced by the Company, whether operational risks, financing risks or market risks, and Risk Management and Monitoring Policy:

Company's Risk Assessment, Management and Monitoring Policy:

At BURGERIZZR, Risk management is conducted in accordance with policies approved by the Board of Directors. Management determines, assesses and monitors risks of the Company as well as any action intended to mitigate risks regularly. The document is officially evaluated on an annual basis. Nonetheless, the risks that appear are added as needed. Risk mitigation measures and risk indicators are monitored regularly and updated when appropriate. The risk register is discussed in regular meetings with the executive management and is brought before the Company's Board of Directors and the Audit Committee on a regular basis.

The Board of Directors shall be responsible for overseeing the risk management of the Company as a whole and shall:

- A. Set the tone and influence on the Company's risk management culture;
- B. Determine the best ways to deal with risks or the level of exposure of the Company; and
- C. Approve the serious decisions that may affect the Company's performance in the area of risk management and exposure.

The Audit Committee shall, on behalf of the Board of Directors, be entrusted with:

- A. Ensuring that appropriate arrangements are in place in order to ensure that risks have been identified, assessed and effectively managed;
- B. Monitoring management of significant risks that might threaten the Company's achievement of its strategic objectives;
- C. Ensuring that internal auditors have plans to review the efficiency and effectiveness of risk management and are able to provide an annual assessment of the Company's risk management arrangements; and
- D. The Audit Committee is required to report to the Board of Directors on risk management, to supervise internal audit, external audit and management, as required, and to review internal controls. Thus, the Committee is in a good position to advise the Board on the effectiveness of the internal control system, including the Company's risk management system.

With regard to the Company's obligation to disclose in the annual report of the Board of Directors the risks faced by the Company, the Company presents the main risks to which the Company may be exposed. Noting that there may be additional risks not currently known or may be considered by the Company immaterial:

- Company's Activity and Operations- related Risks:

1. Risks related to failure to implement the action plan and achieve the targeted growth strategy

The Company's future performance depends on its ability to successfully implement its objectives and achieve its current strategies. The Company's ability to implement its current strategies is subject to various factors, including factors beyond its control. In the event that the Company fails to achieve its objectives and strategies for any reason whatsoever, this will adversely and materially affect the Company's business, financial position, results of operations and future prospects. Besides, there is no assurance that the Company's successful implementation of its strategy will have a favorable impact on the results of its operations. The Company may incur additional costs, including attracting qualified employees and outsourcing additional tasks (specialized consultants) for preparation of necessary studies to reach alternative plans and develop new strategies, which will adversely and materially affect the Company's business, financial situation, results of operations and future expectations.

2. Risks related to the Directors or Senior Executives' Engagement in Competitive Business:

The Company's directors or senior executives may compete with the Company, either through being members of boards of directors or owning businesses that are similar to or competing, directly or indirectly, with business of the Company. In the event of a conflict of interest between the Company's business, on one hand, and the business of the Board Directors or senior executives on the other hand, such conflict will have a material adverse impact on the Company's business, financial position, results of operations and future prospects. In addition, the Board Directors and senior executives may have access to internal information of the Company and may use such information for their own interests or in contradiction to the interests and objectives of the Company. If directors and senior executives who have interests that conflict with the Company's interest have an adverse impact on the Company's decisions, or if they use the information that come to their knowledge about the Company to the detriment of the Company's interests, this will have an adverse and material impact on the Company's business, financial position, results of operations and future prospects.

3. Risks related to Failure to Obtain or Renew the Necessary Licenses, Permits and Certificates

The Company is governed by several laws and regulations that require the Company to obtain certain licenses, permits and approvals necessary by the competent regulatory authorities in KSA to engage in its business. The Company currently exercises its activity under several licenses, certificates and permits relevant to the activity of (restaurants and fast food), including, without limitation, commercial registration certificates of the Company, its regional branches and branches issued by the Ministry of Commerce, a registration certificate for a number of trademarks, membership certificates of the Chamber of Commerce of the registered office in Riyadh and the regional administrative branches, municipal licenses, civil defense permits and certificates of Saudization, zakat and social insurance. Should the Company fail to renew these licenses and certificates or obtain other new licenses that may be required from time to time for the purposes of expanding its activities, it may result in suspension or disruption of the Company's business or the imposition of financial penalties on the Company by government authorities. Accordingly, it will adversely and materially affect the Company's business, financial position, results of operations and future projections.

4. Leased Sites-related Risks:

All branches of the Company, workers' accommodation and warehouses are at premises leased by the Company. The Company's inability to maintain or renew the effectiveness of the lease agreements of such premises under the same current or preferential terms or its inability to use the leased property for the purpose for which it is allocated (including the branches, workers' accommodation and warehouses) for any reason whatsoever, the Company will be forced to vacate the leased property and find other places to practice the Company's activity without any guarantee if the terms of the lease agreements will be appropriate as the lease agreements currently in force. It may affect the expected results of the Company's business and operational and financial statements.

It should be noted that the Council of Ministers Decision No. (292) dated 16/05/1438 AH stipulates that the lease agreement not registered in the electronic network shall not be considered valid nor administratively and judicially binding. Since the Rental Services E-network "Ejar" was launched in cooperation between the Ministry of Justice and Ministry of Housing on 17/05/1439 AH, and the circular of the Ministry of Justice approving the application of such decision to all agreements concluded after

04/05/1440 AH (corresponding to 10/01/2019 AD), in the event of any dispute arising between the Company and any landlord out of or in connection with such leases, the agreement may not be considered by the Saudi courts. Therefore, the Company, as a plaintiff, shall not be able to protect its rights in case of a breach by any landlord of its contractual obligations. This will have an adverse and material impact on the Company's business and future aspirations.

5. Finance-related Risks:

As referred to in Para. (29) hereof, the Company has loans. If the Company fails to make any payments when falling due or breaches, in the future, its obligations under the agreements, it will adversely affect the Company's reputation and creditworthiness and may result in imposition of penalties, cancellation of the facilities granted or part thereof or confiscation of the securities provided by the Company, which will adversely and materially affect the Company's business and financial position, results of operations and future projections. Since the terms of banking facilities are binding subject to the terms of the contract regardless of the performance of the Company, full compliance with such terms may have a significant impact on the level of liquidity of the Company, particularly in the event of poor performance of the Company, which may lead to the inability of the Company to settle such debts or meet any other liabilities. Accordingly, these risks may adversely and materially affect the Company's business, financial position, results of operations and future projections.

6. Lack of Insurance Coverage-related Risks:

Saving from the employees' medical insurance, the Company did not, as at the date of this report, provide full insurance coverage for facilities, including the main building, the central kitchen and the majority of branches. Therefore, the Company will be subject to costs or losses resulting from or in connection with natural disasters, fires, thefts or other hazards which may cause significant loss and very high costs to be incurred by the Company when carrying out repairs or compensation for physical loss or damage. Should the Company manage to provide insurance coverage, some costs or loss may exceed the limits of coverage or coverage of certain costs or loss may be refused or excluded under the insurance policy, and the Company ensures that all costs or loss to which the Company may be subject shall be fully covered under the relevant insurance policies. Accordingly, it will adversely and materially affect the Company's business, financial position, results of operations, and future projections.

7. Zakat Differences and Potential Zakat Obligations Risks:

Although there are no disputes or claims of Zakat differences filed by the General Authority of Zakat and Tax (GAZT), GAZT may request the Company to pay additional amounts for the declarations submitted by the Company. Such amounts are hard to be estimated. Therefore, the Company does not have any provisions for Zakat re-assessment. Accordingly, the Company may incur additional burdens for these previous years, which may adversely and materially affect the Company's business, financial position, results of operations and future projections.

8. Employees' Behavior and Mistakes Risks

The Company does not guarantee the misconduct or absence of mistakes on its employees' part, whether intentional or unintentional, such as getting involved in illegal activities, misuse of information and systems, disclosure of confidential information, involvement in the dissemination of misleading information, lack of compliance with internal controls, fraud, embezzlement, misuse of the Company's property or acting without obtaining the required administrative authorizations, which may result in loss, imposition of penalties or financial liabilities on the Company or causing damage to its reputation. Since the Company does not guarantee the prevention of employee wrongdoings, in the event of occurrence of such wrongdoings, such acts will adversely and materially affect the Company's business, financial position, results of operations and future projections.

9. New Product Development Risks:

The success of the Company depends to some extent on its ability to develop and launch high-quality new products that meets the tastes and changing food habits of its customers (whether current or new customers), and then marketing such products through advertising campaigns. In case, the Company fails to develop and market the new products in satisfaction of the customers' tastes, it will lead to a decrease in demand for the Company's products, which will adversely and materially affect the Company's business, financial position, results of operations and future projections.

10. Reliance on Key Personnel Risks:

The Company relies on the capabilities and expertise of its key personnel. So, the success of the Company in achieving its objectives depends on retaining its employees and attracting and recruiting qualified personnel to work for the Company. Therefore, the Company shall be required to retain these employees or attract other experienced employees. For such purpose, the Company will have to bear the fees of non-Saudi employees and their families as well as the cost of living or part thereof, whether directly or indirectly, by raising their salaries. On the other hand, the Company must attract and retain Saudi employees to ensure long-term continuity and compliance with the labor laws and regulations of the Kingdom of Saudi Arabia . In addition, in the event of any change in the policies and regulations in force in KSA, such change may affect the Company's ability to attract and retain employees. In case of the Company's failure to adhere to the aforementioned obligations, this will adversely and materially affect the Company's business, financial position, results of operations and future projections

11. Sales Concentration Risks by Relying on the Sales of Delivery Applications

Delivery applications are one of the main e-channels of the Company. Nonetheless, such applications pose risks to the fast food sector. Closing the delivery application of the restaurant in case of dispute or failure to agree with the delivery applications to renew the contract may lead to loss of all or substantially all sales driven from such applications. Furthermore, raising the commission rate on orders when renewing the contract may lead to lower profit margins. In addition, technical malfunctions that delivery applications may experience including but not limited to interruption of connection, malfunction of devices in branches, malfunction of delivery driver applications, malfunction of the application, or malfunction in the completion of the payment process through the application. Such disruption may lead to a decline in the sales of delivery apps and may affect the Company's goodwill. On the other hand, the Company can neither control the quality of service nor the proper delivery of the products as ordered through delivery applications. Therefore, any failure to deliver the product with the appropriate quality or on time may have an adverse impact on the Company's goodwill and preservation of its customers. Accordingly, the Company's failure to manage the relationship with delivery applications and reduce the concentration of sales through such applications will adversely and materially affect the Company's business, financial position, results of operations and future projections.

12. Decreases in End Consumer Spending Risks

Various economic fluctuations in KSA's economy affect the pattern and behaviors of the end consumer towards recreational goods. Any decrease in discretionary spending or disposable income of the consumer would affect the demand for the Company's products and sales, which will adversely and materially affect the Company's business, financial position, results of operations and future projections.

13. Impact of Opening New Branches Risks:

Future growth depends on the Company's ability to expand, open new branches and find suitable locations. Time and cost are the most important factors for the success of the geographic expansion strategy. In the event that the Company fails to find suitable sites and implement such strategy at the approved cost in the budget and the specified time, such failure will have a significant impact on the failure to achieve sales and target growth. Besides, the "self-competition" that may result when opening a new branch, and most of the sales of this branch are at the expense of another previously existing branch, since some customers of the old branch may move to the new branch due to its geographical proximity or easy access, will adversely affect the sales and target growth. All above risks will materially affect the Company's business, financial position, results of operations and future projections.

14. Information Security Risks:

The Company relies on IT systems to manage its business and facilities in general. The importance of relying on such systems lies in the fact that they help in managing the Company's sales and documenting the day-to-day purchasing processes and details. Therefore, the failure of the Company to maintain and develop its IT systems or in case of any malfunctions of such systems will adversely affect the Company's business and financial results. Additional risks may arise out of the Company's use of electronic channels since its work relies on the use of technological applications. For example, customer orders are received through devices located within branches and couriers are contacted through applications downloaded on smartphones. Thus, any technical malfunction in these applications or devices may result in orders not reaching the branches or couriers' inability to deliver the orders. The IT Department has developed safeguarding systems on the Company's devices and systems and has taken daily backups of all operations that take place on the Company's systems to be stored on special servers and in more than one place.

15. Failure to Abide by the Products' Quality

The field of nutrition and restaurants includes, due to its nature, exposure to associated risks, mainly safety and quality of products. The Company has an integrated program to ensure the safety and quality of foodstuffs. The Company further applies several preventive measures to ensure the safety of its products through the Quality Control Department. The Company has been awarded the international HACCP certificate in this field and ISO certificate.

16. Reliance on Key Suppliers Risks

The Company relies in its activity on a number of key suppliers under prior, fixed-term and automatically renewable for a similar term agreements and contracts. If the Company fails to maintain its contractual relations with these key suppliers or fails to diversify its supplier base, it will adversely affect its ability to provide essential materials, affecting the conduct of operations. This will adversely and materially affect the Company's business, financial position, results of operations and future projections.

In addition, the Company may be at risk of suppliers being unable or unwilling to fulfill their contractual obligations. Any of the suppliers may breach their obligations for any reason, including as a result of bankruptcy or disruption of their operations, and the risks arising out of dealing with suppliers become more severe under difficult market conditions. Nor can it be assured that contractors will be up to the Company's expectations. In the event that the Company or suppliers fail to comply with the terms of such contracts, or in the event of any judicial disputes and the Company's loss of such disputes, or failure to renew these contracts for any reason, the Company may be forced to procure and supply from other suppliers at higher prices or inappropriate quality, which will contribute to high direct costs or the impact of the Company's products.

Based on the foregoing, these risks will adversely and materially affect the Company's business, financial position, results of operations and future projections.

17. Government Violation Risks

The Company operates under several different government legislations and has several branches. Thus, the Company may be subject to violations of municipal regulations, the Labor Office, the Zakat, Tax and Customs Authority and other various government agencies. Penalties may be imposed on the Company for any violation. Penalties may be in aggregate equivalent to high amounts that affect the Company's profitability or financial position. If the Company fails to comply with the relevant regulations, fines will be imposed on the Company and it may not be able to pay such fines. Other penalties, besides fines, may be imposed including, without limitation, temporary suspension, closure, withdrawal of licenses, etc., which may adversely affect the Company's business, financial position, results of operations and future projections.

18. Risks of Reliance on Trademarks

The Company relies on its trademark in its business in KSA and on its ability to continue using such trademark and protecting its rights in relation to such trademark against any illegal use thereof (without a license from the Company) by third parties. The Company may have to defend its trademark through costly judicial proceedings. This may cause substantial damage to the reputation of the trademark, which will have an adverse impact on the Company's ability to attract new customers, leading to a decline in the Company's revenues. This will adversely and materially affect the Company's business, financial position, results of operations and future projections. The Company's ability to market its products and develop its business depends on the use of its name, logo and trademark, supporting its products and competitive position and giving the Company a clear distinction in the market among customers. The Company has registered its trademark with the competent authorities. Thus, any violation of property rights or illegal use of the Company's trademark will affect the Company's goodwill resulting in filing lawsuits and claims before the courts of competent jurisdiction to protect these rights. It is a costly process and requires considerable time and effort by management in following it up. In the event that the Company fails to effectively protect its trademark when renewing the registration certificate or following similar marks, it will adversely affect its value, which will adversely and materially affect the Company's business, financial position, results of operations and future projections.

19. Risks related to Lawsuits, Judicial Claims, Arbitration And Administrative Procedures

The Company is subject to lawsuits and complaints, and the Company cannot precisely forecast the cost of lawsuits or judicial proceedings that can be filed by or against the Company or expect the final results of such lawsuits or judgments to be delivered therein, and the compensation and penalties thereof. Consequently, any unfavorable consequences of such lawsuits may adversely affect the Company and the results of its operations. Such claims may include, without limitation, zakat and tax matters, labor issues, and other damage resulting from negligence or fraud by persons or institutions beyond the control of the Company. These claims or actions may entail high costs to be incurred by the Company and may require the Company to allocate significant resources for defense, which will have a material adverse impact on the Company's business, financial position, results of operations and future projections.

20. Risks related to non-compliance with the Capital Market Law and the Implementing Regulations thereof

The Company is governed by the Capital Market Law and the laws, regulations and circulars issued by the Capital Market Authority. In the event that the Company fails to comply with any of the regulations and rules to which it is subject, the Company shall bear the costs, fines and penalties as stipulated in Article 59 of the Capital Market Law.

CMA may suspend the trading of shares or cancel their listing at any time at its discretion if the Company commits a material breach, in CMA's opinion, of the Capital Market Law, the implementing regulations thereof, or market regulations.

The imposition of any of the above penalties or fines will have a material adverse impact on the Company's business, financial position, results of operations and future projections.

21. Job Localization and Foreign Labor Risks

It may be difficult for the Company to maintain the appropriate nationalization percentage due to the reduction of localization rate. Accordingly, the Company shall not meet the requirements of "Nitaqat" Program. If the Company fails to continue to comply with the requirements of "Nitaqat" Program, it may be classified in the red category. In such case, the Company may be subject to several penalties, including, without limitation:

- Suspension of its applications for new work visas;
- Suspension of its applications for transfer the sponsorship of a current employee or potential employee;
- Preventing its non-Saudi employees from changing professions in work visas;
- Enabling its non-Saudi employees to transfer their sponsorships to other companies in the green or the premium (platinum) category without its approval; or
- Excluding the Company from participating in government auctions or depriving the Company of obtaining government loans.

There is no guarantee that the Company will be able to secure the necessary labor or employ the required number of foreign workers under conditions favorable to the Company. The Company may further face challenges in retaining its Saudi employees. Any reduction in the number of this category of employees will lead to a decrease in its overall Saudization rate. The occurrence of any of the events referred to above will have an adverse and material impact on the Company's business, financial position, results of operations and future projections.

22. Operation and IT Systems-related Risks

The Company relies on IT systems to manage its business and facilities in general. The importance of relying on such systems lies in the fact that they help in managing the Company's sales and documenting the day-to-day purchasing processes and details. Therefore, the failure of the Company to maintain or develop its IT systems or in case of any malfunctions of such systems will adversely affect the Company's business and financial results.

Additional risks may arise out of the Company's use of electronic channels since its work relies on the use of technological applications. For example, customer orders are received through devices in the branches and couriers are contacted through applications downloaded on smartphones.

Thus, any technical malfunction in these applications or devices may result in orders not reaching the branches or couriers' inability to deliver the orders. In addition, the Company may face risks related to service providers in the event of a sudden technical disruption or malfunction beyond the Company's control or a sudden interruption of the Internet service. If the Company is unable to respond to technical changes or is unable to prevent the risk of a sudden disruption or interruption of the service, it will adversely affect its revenues, projections and results of operations.

23. Risks of non-compliance with the requirements of the Companies Law and the Implementing Regulations thereof

The new Companies Law imposes more strict statutory requirements than the previous law, which the Company must comply with. Therefore, the Company is required to take the necessary measures to comply with such requirements, which may affect its business plan or take a long time to be implemented. The new Companies Law also imposes a penalty of imprisonment for a period not exceeding three years and a fine ranging from SAR 500 thousand to SAR five million for violating its obligatory provisions and rules. Consequently, the Company may be subject to such penalties in case of failure to comply with these rules and provisions, which would adversely and materially affect the Company's business, financial position, results of operations and future projections.

24. COVID-19 Risks

The novel coronavirus (COVID-19) began to spread in December 2019. The World Health Organization declared the virus a global pandemic in March 2020. thereafter, the virus spread widely and quickly to affect more than 194 countries around the world. At the time, the world faced a health and economic crisis. In the second half of February 2020, when the virus spread and many people around the world got infected, many countries began to impose public health containment measures to delay its spread and strengthen the capacity of the health sector. The development of the situation in this way led to a sudden halt in economic activities and a sharp decline in economic prospects. As a result, the spread of the virus has had a significant impact on the global economy and has put pressure on individuals, businesses, and governments. The government of the Kingdom of Saudi Arabia has imposed health and economic measures to manage the consequences of the increasing spread of the virus, like many countries in the world and the region. Health measures included imposing full and partial closure of economic and government activities, quarantine, and restricting or banning travel. Economic measures included financial support for citizens and those affected by COVID-19, family and sick leave paid by the state, expansion of unemployment

compensation, delaying tax payments, and other measures to support businesses. If the disease spreads again, the Company's activities may be affected and its sales may decrease, as a result of the temporary closure of the branches resulting in an increase in the damaged materials due to the closure and curfew caused by the outbreak of the Corona virus, leading to a significant decrease in the volume of operations and destruction of raw materials.

The Company also does not guarantee that none of its employees will be infected and be absent from work during the 14-day quarantine period, which may adversely affect the Company's performance. In addition to the requirements of the Municipality with regard to workers' housing and the application of stricter measures in line with the requirements and procedures of distancing and preventing gatherings, the Company may have to incur additional expenses and costs. The Company may be affected by such requirements and procedures if the government re-imposes additional precautionary measures for a long time. Failure to comply with the instructions will adversely and materially affect the Company's business, financial position, results of operations and future projections. All regions and cities of the Kingdom of Saudi Arabia are subject to continuous monitoring by the Ministry of Health, which may require the re-imposition of full or partial closure in certain cities of the Kingdom. However, it is difficult to predict the impact of the Corona virus on the Company's activity in case of re-imposition of full or partial ban in the cities of the Kingdom, which will have a material adverse impact on the Company's business, financial position, results of operations and future projections.

25. Risks related to Transactions and Contracts with Related Parties

The Company has transactions with related parties. If the General Meeting of the Company does not agree to renew such transactions, the Company will have to search for other parties to contract with them to carry out the work. The Company's failure to find a suitable replacement of the current contractor within a reasonable period may adversely and materially affect the Company's business, financial position and the results of its future operations. Also, in the event that transactions and agreements are not concluded with those who have a direct or indirect interest from the members of the Board of Directors of the Company in the future on a purely business basis, it will adversely and materially affect the Company's business, financial position, the results of operations and future projections.

26. Credit Risks

Credit risk refers to the risk that a counterparty will default on its obligations resulting in financial loss to the other party. Exposure to credit risk arises primarily from bank balances, trade receivables and other receivables, as the Company's cash balances are deposited with banks with good ratings and trade and other receivables are reflected as net of impairment provision.

27. Liquidity Risk

Liquidity risk arises from the Company's difficulty in obtaining funds to meet obligations related to financial instruments. Liquidity risks may also arise from the inability to sell a financial asset quickly and readily at a value close to its fair value.

28. Risks related to Application of Financial Reporting Standards

In line with the instructions of the Saudi Organization for Chartered and Professional Accountants (SOCPA), the Company has prepared its financial statements in accordance with the International Financial Reporting Standards (IFRS) approved in the Kingdom of Saudi Arabia and other standards and issuances approved by SOCPA. Since such accounting standards are issued or updated either by the International Accounting Standards Board (IASB) or the Board of Directors of SOCPA, certain versions or updates may have a material adverse impact on the results of the Company's operations and financial position. (For more details on the financial reporting standards adopted by the Company.

29. VAT-related Risks

KSA has issued the Value-Added Tax Law, entered into force on January 1st, 2018. Such law imposes a 5% added-value on a number of products and services for which all tax returns are submitted and paid on a monthly basis. Government of the Kingdom of Saudi Arabia has decided to increase VAT rate from 5% to 15% as of July 1st, 2020. Accordingly, the Company must adapt to the changes resulting from the application of VAT and the increase thereon. Although there has been no tangible impact on sales since the date of the tax increase, it is difficult to forecast its impact on the consumer's purchasing power on the short and long run and its impact on the Company's future sales.

In addition, any violation or misapplication of the VAT Law by the Company's management will expose the Company to fines or penalties or lead to damage to the Company's goodwill resulting in an increase in costs and expenses and may affect the competitive position of the Company. Therefore, the risks of VAT may adversely and materially affect the Company's business, financial position, results of operations and future projections.

30. Risks related to Expiry of Products

The Company maintains a stock of raw materials in the central kitchen and branches. If sales are lower than expected, the Company may be forced to dispose of expired products resulting in higher sales costs. The Company's management recognizes the importance of adjusting the amount of product inventory at a level to minimize damage and achieve lower profit margins. Thus, it monitors the percentage of damaged materials in the branches or the central kitchen, especially the branches that have a high percentage of damaged expired products. The Company's failure to monitor the damaged inventory may affect the Company's profit margins and results, which may adversely and materially affect the Company's business, financial position, results of operations and future projections.

31. Risks related to the inability to manage inventory effectively

The Company monitors the demand for its products through branches on a regular basis. Nonetheless, it is difficult to precisely predict the demand rates. Demand may be greater on some days and may be lower on others. If the demand for all or certain products is higher than expected, it will result in lost sales and may adversely affect the goodwill of the brand due to its inability to meet customer demands. On the other hand, if the demand is lower than expected, it may lead to an increase in the percentage of damage, which would increase the costs of sales. Therefore, Company's failure to manage the inventory effectively may adversely and materially affect the Company's business, financial position, results of operations and future projections.

32. Risks related to Pledging the Company's Assets

The Company concluded a loan agreement with the Social Development Bank on 25/01/1439 A.H. (corresponding to 15/10/2017 A.D.) secured by promissory notes covering the financing amount by the Company in addition to mortgaging two plots of land owned by the Company in favor of the Social Development Bank to ensure the fulfillment of the facilities agreement. The Social Development Bank may request further guarantees against the loan and the Company may fail to provide such guarantees resulting in the Company's breach of the terms of the agreement. If the Company fails to meet its repayment obligations under the loan agreement, fails to provide any further guarantees that the bank may request, or breaches in the future any of the obligations or undertakings of the resulting debt, the bank may request immediate repayment of the debt and calling on the guarantees provided by the Company, which may affect the cash flows and liquidity rate.

33. Central Kitchen Disruption Risks:

Some products are processed in the central kitchen such as steaks, chicken, sauces and some types of bread, based on special production standards and procedures of the Company. Such products are supplied to all branches through the central kitchen on a daily/weekly basis. Therefore, if the production line is disrupted for any reason, this will lead to the risk of interruption of some or all of the products. It should be noted that this may adversely affect the period required for processing the products in the event that the alternative production line is restarted or by relying on manual processing of the products or by using other parties until the reoperation of the production line in the central kitchen. Thus, any of these factors will have an adverse and material impact on the Company's business, financial position, results of operations and future projections.

34. Risks of Concentrating the Company's Business in the Fast Food Industry:

The fast food market serves all age groups. Yet, it focuses more on the youth, which is currently the largest demographic group of the Kingdom of Saudi Arabia. Since BURGERIZZR is engaged in the fast food sector only, there are risks that may arise and have a negative impact in the event of a change in the lifestyle of the consumer or when the geographical distribution changes in the long term. This may limit the Company's ability to grow and expand, especially that its business is concentrated only in this sector. Consequently, these factors may have an adverse and material impact on the Company's business, financial position, results of operations and future projections.

- Risks related to the Market and the Sector in which the Company operates

1. Risks of developing new laws and regulations impacting the Company's engagement in its operations (as provided for in the old file)

The Company's business is governed by the laws, implementing regulations, rules, general instructions and circulars in force in the Kingdom of Saudi Arabia. Noting that the legal environment in which the Company operates is subject to change. It is worth mentioning that the organizational changes arising out of political, economic, technical and environmental factors can affect the Company's operations and limit the development of the Company or its business. If the new laws or regulations impose additional requirements that are difficult or expensive to comply with, and if the Company is forced to modify its products or operations to comply with these regulations, this will result in an increase in the cost of products and may require important additional obligations by the Company, such as making changes within the locations of branches or the central kitchen in compliance with new technical requirements to improve security and safety within food establishments, which may be imposed by the Ministry of Commerce, the Ministry of Human Resources, the General Authority of Zakat and Tax, the Ministry of Municipal and Rural Affairs, the Ministry of Housing, and the Saudi Food and Drug Authority, which may adversely affect the Company, its financial position, results of operations and future projections.

2. Risks related to Political and Economic Instability in the Middle East

Many countries of the Middle East region are experiencing political or security instability nowadays. There is no guarantee that the economic and political conditions in those countries or any other countries will adversely affect the financial markets in the Kingdom in general, and the Company's business in particular, which will adversely and substantially affect the Company's business, financial position, results of operations and future projections.

3. Risks related to the Economic Performance of the Kingdom

The expected future performance of the Company depends on several factors related to the economic conditions of the Kingdom in general, including, without limitation, inflation, GDP growth, average per capita income, etc. The Kingdom's total and partial economy depends mainly on oil and oil industries, which still control a large share of GDP. Therefore, any unfavorable fluctuations in oil prices

will have a direct and fundamental impact on the plans and growth of the Saudi economy in general and on government spending rates, which will adversely affect the food sector, and will, in turn, have an adverse impact on the Company's financial performance due to its work within the Saudi economic system and its impact on government spending rates. The continued growth of the Kingdom's economy depends on several other factors, including continued population growth and investments in infrastructure by the government and private sectors. Therefore, any change in any of these factors will have a significant impact on the economy and will thus have a negative and fundamental impact on the Company's business, financial position, results of operations and future projections.

4. Risks of the Competitive Environment

The Company operates in a highly competitive market. The risk lies with the qualitative and quantitative increase in competitors, which may affect the market share. To manage such risks, the Company works on the continuous development and diversification of products while maintaining the highest quality and customer service. The Company has also expanded its e-commerce operations through the website and application of the Company on iOS and Android, in addition to opening a number of new branches in new areas in the Kingdom after conducting adequate market studies. Such procedures are intended to expand the branch network, increase the sales of the Company and propagate the trademark to ensure maintenance and increase of the market share within a profit margin and defined costs.

5. Risks related to the Imposition of Further Duties and Taxes

Nonetheless the Company is not currently subject to any type of taxes other than Zakat and 15% VAT of the service fees provided by the Company, it is possible to impose further duties or taxes on the private sector in the future by government authorities as prescribed by the regulations in the Kingdom. If such duties or taxes are imposed, they will affect the Company's sales or costs subject to the type of duties and taxes and the calculation mechanism. Therefore, it will have an adverse and significant impact on the Company's business, financial position, results of operations and future projections.

6. Risks related to the Company's operations being governed by Environmental, Health and Safety Laws and Regulations

The Company's operations are governed by the Food Law promulgated by the Royal Decree No. (M/1) dated 06/01/1436 A.H. (corresponding to 30/10/2014 A.D.) during all food processing stages from the first production until its arrival to the consumer, including import, export, manufacture, preparation, processing, packaging, storage, transfer, possession, distribution, offer for sale, sale, distribution, etc.. Subject to the Health Requirements Regulations issued by the Ministry of Municipal and Rural Affairs on health monitoring of foodstuffs, places of distribution and service providers, and since it is mainly required by the service providers within branches to have a health card proving their suitability to work in the food sector and that they are free of infectious diseases, and if the Company fails to comply with all applicable laws and requirements, this will adversely and significantly affect the Company's business, financial position, results of operations and future projections.

If the new laws or regulations impose additional requirements that are difficult or expensive to comply with, or if the Company is forced to modify its products or operations to comply with such laws, this will result in an increase in the cost of products and may require important additional obligations by the Company to make changes within the branches or the central kitchen in compliance with the new technical requirements to improve security and safety in food establishments, which may be imposed by the Ministry of Municipal and Rural Affairs, the Ministry of Housing, and the Saudi Food and Drug Authority, which may adversely and substantially affect the Company's business, financial position, results of operations and future projections.

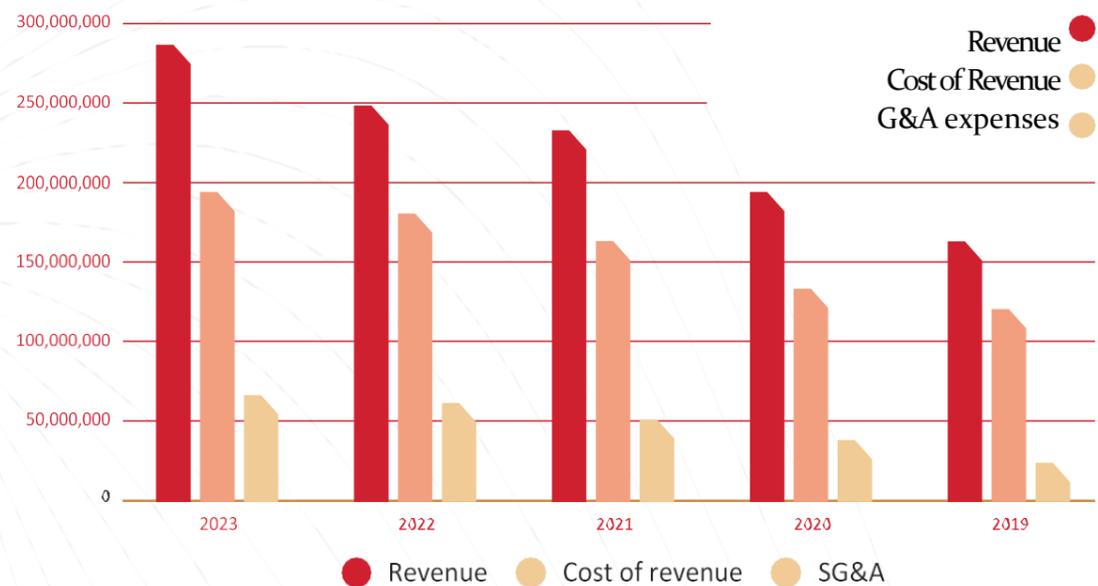
7. Risks related to Fluctuating Interest Rates and Currency Exchange

Foreign exchange risk is the risk of fluctuation due to a change in the exchange rate. The Company may face such risks when it has commercial relations with international parties or suppliers from outside the Kingdom of Saudi Arabia entailing dealing with such parties in foreign currencies. To the date of this report, all operations of the Company are dominated in Saudi riyals. Besides, the Company make payments in Saudi riyals to local suppliers who import the required products from outside the Kingdom of Saudi Arabia in foreign currencies at competitive prices such as sauces, meat, dried materials and other foodstuffs, which may result in reducing the direct costs of production. These transactions are subject to volatility and fluctuation of foreign exchange rates, which will adversely and fundamentally affect the Company's business, financial position, results of operations and future projections.

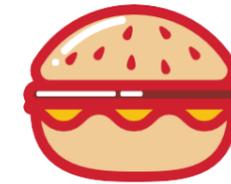
18. A summary in the form of a table or graph of the Company's assets, liabilities and business results in the shorter of the last five financial years or since incorporation:

Comparison of Business Results:

Statement of Income	2023	2022	2021	2020	2019
Net revenue	281,053,038	250,436,084	234,782,861	195,825,157	164,495,972
Cost of revenue	(196,308,401)	(182,125,953)	(164,700,593)	(134,895,331)	(121,818,651)
Total profit	84,744,637	68,310,131	70,082,268	60,929,826	42,677,321
General and administrative expenses	(68,930,187)	(62,574,861)	(52,331,564)	(39,130,296)	(24,698,090)
Operating profit	15,814,450	5,735,270	17,750,704	21,799,530	17,979,231
Other expenses	(1,713,135)	(984,829)	(715,495)	(1,050,161)	(343,335)
Other revenues	845,181	642,129	374,489	273,331	132,523
Finance expenses	(2,263,079)	(2,233,153)	(1,532,068)	(1,392,280)	(1,127,771)
EBIT	12,683,417	3,159,417	15,877,630	19,630,420	16,640,648
Zakat	(398,140)	(462,445)	(509,975)	(629,398)	(433,450)
Profit of the year	12,285,277	2,696,972	15,367,655	19,001,022	16,207,198



2023 Most Prominent Operation Results



+12,5
Million burgers



12%
Revenue growth



8.7%
Growth in customers



3.25%
Growth in average invoice amount

Financial Indicators

Financial Indicators	2023	2022	2021
Revenue growth rate	12.23%	6.67%	19.89%
Net income growth rate	355.52%	(82.45%)	(19.12%)
Gross profit margin	30.15%	27.28%	29.85%
Net comprehensive income margin	4.25%	0.88%	6.43%
Current ratio	0.76	0.58	0.71
Revenues to total assets	193.63%	165.59%	163.41%
Debt-to-equity ratio	1.11	1.66	1.62
Debt-to-total assets ratio	53%	62%	62%
Return on assets	8.46%	1.78%	10.70%
Return on equity	17.84%	4.74%	28.07%

Cash flow

Assets	2023	2022	2021
Cash on hand and in banks at the beginning of the year	6,843,214	7,886,360	6,314,491
Net cash flow (from operating activities)	41,035,968	32,756,426	34,009,833
Net cash flow (used in investment activities)	(11,140,068)	(20,488,931)	(22,332,174)
Net cash flow (used in financing activities)	(24,088,333)	(13,310,641)	(10,105,790)
Cash on hand and in banks at the beginning of the year	12,650,781	6,843,214	7,886,360

Assets vs. Liabilities

	2023	2022	2021	2020	2019
Assets					
Current assets	36,611,706	30,837,907	33,088,801	28,144,370	25,916,469
Non-current assets	108,537,527	120,401,144	110,586,116	95,217,714	86,284,665
Total assets	145,149,233	151,239,051	143,674,917	123,362,084	112,201,134
Liabilities					
Current liabilities	48,223,713	52,958,466	46,701,212	45,621,305	42,029,706
Non-current liabilities	28,058,334	41,344,580	42,231,727	30,090,311	31,429,073
Total liabilities	76,282,047	94,303,046	88,932,939	75,711,616	73,458,779
Equity rights					
Capital	35,000,000	35,000,000	25,000,000	25,000,000	25,000,000
Legal reserve	5,827,285	5,827,285	5,557,588	4,020,822	2,120,720
Retained earning	28,039,901	16,108,720	24,184,390	18,629,646	11,621,635
Total equity rights	68,867,186	56,936,005	54,741,978	47,650,468	38,742,355
Total equity rights and liabilities	145,149,233	151,239,051	143,674,917	123,362,084	112,201,134



20. An explanation of any material differences in the operating results from the results of the previous year or any projections announced by the Company.

	2023	2022	Change (-/+)	Change percentage
Revenues	281,053,038	250,436,084	30,616,954	12.23%
Cost of revenues	(196,308,401)	(182,125,953)	(14,182,448)	7.79%
Total profit (loss)	84,744,637	68,310,131	16,434,506	24.06%
Operating profit (loss)	15,814,450	5,735,270	10,079,180	175.74%
Net profit (loss)	12,285,277	2,696,971	9,588,306	355.52%

21. Explanation of any difference from the Accounting Standards approved by the Saudi Organization for Chartered and Professional Accountant

There are no differences or differences from the accounting standards applied issued by the Saudi Organization for Certified Public Accountants that require disclosure, as the company's records have been properly prepared according to the accounting standards issued by the Authority

22. Name, Capital Company's Shareholding Percentage, and Main Activity of Every Subsidiary, the Country where the operations are conducted and the Country in which the Subsidiary is incorporated

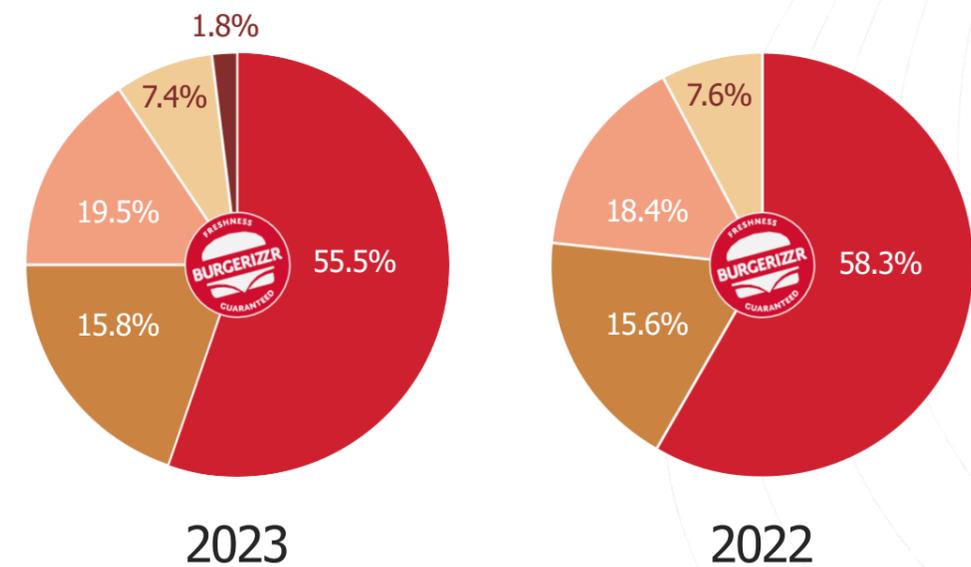
N/A

23. Details of Shares and Debt Instruments issued by Every Subsidiary

N/A

19. Geographical analysis of Total Revenues of the Company and associated companies

Regions	2023	2022	Change (value)	Change (percentage)
Central region	155,916,758	146,046,065	9,870,693	7%
Eastern region	44,519,223	39,117,962	5,401,261	14%
Western region	54,731,889	46,146,761	8,585,128	19%
Northern region	20,687,966	19,125,296	1,562,670	8%
Southern region	5,197,202		5,197,202	
Total net revenues	281,053,038	250,436,084	30,616,954	12.2%



● Central region ● Eastern region ● Western region ● Northern region ● Southern region

24. Description of the Company's Dividend Policy:

The Dividend Distribution Policy of Shatirah House Restaurant Co. "BURGERIZZR" has been developed in accordance with the requirements of the Corporate Governance Regulations issued by the Capital Market Authority and subject to the Companies Law and the Company's Articles of Association. This policy regulates the processes and procedures related to the distribution, declaration and determination of the payment time of dividends. The Company seeks to achieve a fixed dividend policy in general. The Company undertakes to disclose any change in this Policy. In general, the Company always seeks to distribute cash dividends to its shareholders whenever approved by the General Meeting of Shareholders taking into account the variables that may occur on the cash amount distributed as profits every year in accordance with the Company's strategic plans and future goals of exploiting its reserves in entering into projects or investments serving and achieving the Company's objectives and shareholders. These profits may also vary annually with the aim of increasing the Company's capital by capitalizing part of the profits achieved.

The Company's Dividend Policy

The Company's annual net profits are distributed as follows:

1. The Ordinary General Meeting may, based on the proposal of the Board of Directors, resolve to set aside a percentage of the net profits to form a consensual reserve to be allocated for the purposes determined by the Meeting.
2. The Ordinary General Meeting may decide to form other reserves to serve the Company's interest or ensure distribution of fixed dividends, as possible, to shareholders. Said Meeting may also deduct amounts from the net profit for the purpose of establishing social programs for the Company's staff or to support the existing programs.
3. The remainder after such shall be distributed to the shareholders as a share of the profits or shall be transferred to the retained earnings account.
4. Subject to the provisions prescribed in the Articles of Association of the Company and Article (76) of the Companies Law, a percentage not exceeding (10%) of the remainder may be allocated to remunerate the members of the Board of Directors, provided that the entitlement to such remuneration shall be commensurate with the number of meetings attended by the member.
5. The Company may, after fulfilling the controls set by the competent authorities, distribute interim profits.

Dividend Entitlement

The shareholder shall be entitled to its share of the profits in accordance with the resolution passed by the General Meeting to this effect. The resolution shall specify the maturity date and the date of distribution and the entitlement of profits to the shareholders registered in the shareholders' registers at the end of the day specified for the entitlement.

General Rules in Dividend Policy

1. The Company's current policy is to distribute annual dividends to its shareholders or interim dividends. In the event that the Board of Directors desires to change this policy, the provisions of the Corporate Governance Regulations and the regulatory controls and procedures issued in enforcement of the Companies Law for Listed joint stock companies shall be followed.
2. The Board of Directors shall include in its annual report submitted to the General Meeting the profits distributed during the various periods of the financial year, including the profits proposed to be distributed for the year for which the report is issued, the percentages of profits distributed on the profits achieved and on the capital and the total amounts of profits proposed to be distributed.

Declaration of Dividend:

1. The Board of Directors recommends to the General Meeting the distribution of profits for the financial year for which it decides to approve its financial results, unless the Board is authorized by the Meeting to distribute the profits. The Board shall decide to distribute the profits in accordance with this policy, the Company's Articles of Association and the Companies Law.
2. When the Board approves and recommends the profits to the General Meeting, it shall immediately after its meeting at which the profits are approved announce on Tadawul the details of the profits, indicating in the announcement the amount of distribution, the percentage of profits to be distributed to the profits realized, the Company's capital, the total profits, the method of payment and the date of distribution - if the time of announcement is available, otherwise it is indicated that the date of distribution will be announced later. It is also indicated that the eligible shareholders, who are registered in the records of a Depository Center, will be announced at the end of the second trading day following the date of the General Meeting, in which the item of distribution of profits shall be discussed in accordance with the recommendations of the Board of Directors.
3. The Company shall not declare the distribution of profits if the Company is financially distressed or bankrupt or if this will lead to the default or bankruptcy of the Company.
4. The Company shall not announce the distribution of profits in the event that such announcement shall affect the Company's capital capacity and let the Company be subject to accountability by the Capital Market Authority.

The profits distributed during the financial year and the profits proposed to be distributed at the end of the financial year:

	Percentages of Profits distributed to the Shareholders during the different periods of the financial year ended 31/12/2023	Percentages of Profits proposed to be distributed at the end of the financial year ended 31/12/2023 and Total Profits
Distribution ratio to Nominal Value of Share	No profits are announced or distributed during the financial year 2023	14.2%
(*) Announcement date		26/02/2024
Maturity date		TBD
Distribution date		TBD
Amount of profits		SAR five million by SAR 0.14 per share

The Board recommended on 25/02/2024 distribution of the profits of the financial year ended 31/12/2023 to the next General Meeting to decided thereon.

25. A description of any interest in the class of voting shares belonging to persons other than members of the Board of Directors of the Company, Senior Executives and their relatives who have informed the Company of those rights under Article (85) of the Regulation of Securities Offerings and the Continuing Obligations and any change in those rights during the last financial year.

There is no interest in the class of shares with the right to vote belonging to persons (other than members of the Company's Board of Directors, their relatives, Senior Executives and their relatives) who informed the Company of those rights or any change in those rights during the last financial year.

Dividend Payment Date

1. The profits to be distributed to the eligible shareholders shall be paid in accordance with the dates and manner approved by the General Meeting and based on the recommendations of the Board of Directors in this regard and subject to the instructions of the Ministry of Commerce and the Capital Market Authority.
2. In any case, the Board of Directors shall implement the resolution of the General Meeting regarding the distribution of profits to the eligible shareholders within (15) fifteen working days as of the date of maturity of the profits specified in the resolution of the General Meeting.
3. The Company shall enter into contract with a local financial institutions to distribute the annual profits subject to the Shareholders' registers received from the Depository Center. The distribution shall be made by direct transfer to the accounts of the eligible shareholders linked to their investment portfolios.
4. In the event that it is not possible to transfer the profits to any of the shareholders on the date of distribution, the shareholder may, in this case, refer to the financial institutions concerned with distribution or by calling the numbers that are recorded in the distribution announcement or refer to the Investor Relations Department of the Company to settle the amounts and complete the transfer. In all cases, the Company shall continue to pay distributions through the competent financial institutions to shareholders to whom the amounts are not transferred to their accounts recorded in the registers.
5. No interest shall be charged on distributions not claimed or not received by the relevant Shareholder for any reason whatsoever.
6. The Investor Relations Department and the Accounts Department of the Company shall be responsible for the preparation and coordination necessary to complete all distribution procedures with the competent bank.

Capitalization of Profits

1. The Company may increase its capital by offering new shares to its existing shareholders paid in full from its reserves, including the retained earnings account and the statutory reserve or any other method in compliance with the Companies Law and the Implementing Regulations, after obtaining the approval of the Authority .
2. If the Capital Market Authority approves the capital increase by capitalizing the reserves, the approval of the Extraordinary General Meeting must be obtained within (6) six months as of the date of the approval of the Authority. If the approval of the Meeting is not obtained within the same period, the approval of the Authority shall be considered void and the Company shall resubmit the request again to the Authority.

27. Information related to any loans on the Company

Borrowing from local banks						
Financier	Loan amount	Loan term	Remaining amount of loan at the beginning of 2023	Paid amount	Remaining amount	Total Indebtedness of the Company
Arab National Bank	8,000,000	3 years	5,794,565	2,725,492	3,069,073	3,069,073
Al Rajhi Bank	14,375,61	5 years	10,414,511	3,177,854	7,236,656	7,236,656
Riyad Bank	8,000,000	3 years	5,696,262	3,198,696	2,497,565	2,497,565
Total			21,905,337	9,102,043	12,803,294	12,803,294

The Company has concluded a Tawarruq financing agreement with Arab National Bank and a commodity forward financing agreement with Al Rajhi Bank and Riyad Bank. These loans are secured by promissory notes worth SAR 31.4 million as at 31 December 2023 (31 December 2021: SAR 33.1 million). These loans are borrowed to finance construction of new branches and expansion in operations of the Company.

Government Loans						
Financier	Loan principal amount	Loan term	Remaining amount of loan at the beginning of the year	Paid amount	Remaining amount	Total Indebtedness of the Company
Social Development Bank	3,884,500	5 years	1,533,009	778,452	754,557	754,557

The company has borrowed a loan from the Social Development Bank. This loan is secured against land owned by the Company of SAR 2.7 million (31 December 2023, land, SAR 2.7 million). The loan was obtained to finance the construction of the Company's main office building and central kitchen in line with the Company's expansion plan.

Working Capital Finance						
Financier	Loan principal amount	Loan term	Remaining amount of loan at the beginning of the year	Paid amount	Remaining amount	Total Indebtedness of the Company
Saudi Awwal Bank	4,900,000	3 months	0	1,584,873	0	0

The Company has a working capital credit facility with Saudi Awwal Bank of SAR 4.9 million, the total amount due for this financing as at December 31, 2023 is zero (December 31, 2022: N/A).

26. A description of any interest, contractual securities and subscription rights belonging to the members of the Board of Directors of the Company, Senior Executives and their relatives in the shares or debt instruments of the Company or any of its subsidiaries, and any change in such interest or rights during the last financial year:

	Name of Interest Owner	Position	Number of shares at the beginning of the year	Number of shares at the end of the year	Net Change	Change Percentage
1	Mohammed Ali Al-Ruwaigh	Board Chairman	15,050,000	14,433,509	-616,491	-4.1%
2	Samy Muhammed Al-Obaid	Vice-Chairman of the Board	3,520,000	3,539,400	19,400	0.55%
3	Muhammed Hassan Al-Shuhail	Director	34,530	42,876	8,346	24.17%
Relatives of Board Directors						
1	Latifa Muhammed Saleh Aleid	Vice Chairman's Wife	131,260	159,560	28,300	21.6%
Senior Executives						
1	Muhammed Abdulrahman Alqaod	CEO	0	19,800	19,800	100%
Relatives of Senior Executives						
N/A						

All ownership details of the shares described above are direct ownership and there is no indirect ownership by Board Directors, senior executives or their relatives.

The Company also confirms that the Company does not have any contractual securities, subscription right notes, debt instruments or similar rights issued or granted by the Company during the financial year 2023.

31. Number of Board Meetings held during the last financial year

Board Director	Member Capacity	Number of Board Meetings				Attendance Percentage
		1 st Meeting 28-02-2023	2 nd Meeting 31-05-2023	3 rd Meeting 30-08-2023	4 th Meeting 29-11-2023	
Mohammed Ali Al-Ruwaigh	Chairman	√	√	√	√	100%
Samy Muhammed Al-Obaid	Vice-chairman	√	√	√	√	100%
Muhammed Hassan Al-Shuhail	Director	√	√	√	√	100%
James Christopher Hartenstein	Director	√	√	√	√	100%

32. Number of Company's requests for Shareholders' Register

Registration Date	Request Reason
31/05/2023	General Meeting
01/08/2023	Corporate procedures
16/10/2023	Corporate procedures
13/11/2023	General Meeting
21/11/2023	Corporate procedures
20/12/2023	Corporate procedures
19/12/2023	Corporate procedures
27/12/2023	Corporate procedures

28. A description of the categories and numbers of any convertible debt instruments and any contractual securities, subscription notes or similar rights issued or granted by the Company during the financial year, along with any consideration received by the Company

There are no convertible debt instruments, contractual securities, subscription notes or similar rights issued or granted by the Company during the financial year 2023 nor any consideration received by the Company in return.

29. A description of any redemption, purchase, or cancellation by the Company of any redeemable debt instruments, and the value of the remaining securities, distinguishing between listed securities purchased by the Company and those purchased by its subsidiaries

There is no redemption, purchase, or cancellation by the Company of any redeemable debt instruments, and the value of the remaining securities, distinguishing between listed securities purchased by the Company and those purchased by its subsidiaries

30. A description of the categories and numbers of any convertible debt instruments and any contractual securities, subscription notes or similar rights issued or granted by the Company during the financial year, along with any consideration received by the Company

There are no convertible debt instruments, contractual securities, subscription notes or similar rights issued or granted by the Company during the financial year 2023 nor any consideration received by the Company in return.

34. Information relating to any works or contracts to which the Company is a party or in which a member of the Company's Board of Directors, Senior Executives or a relative of any of them has an interest, including the names of the parties involved in the works or contracts, and the nature, terms, duration and amount of these works or contracts. If there are no such works or contracts, the Company must submit a declaration to this effect.

Company's Name	Subject Matter of Contract	Term	Value (SAR)	Name of Related Party
YESWA Logistics	Providing delivery services to the Company	One year automatically renewable on same terms unless either Party notifies the other Party of its wish not to renew at least 30 days prior to renewal	6,442,969	Direct relationship through ownership of the Board Chairman Mohammed Al-Ruwaigh
Saldwich Co.	Sharing payment of an electricity meter of a branch on an equal basis between the two companies	Indefinite	49,944	Indirect relationship through ownership of the Brother of the Board Chairman Mohammed Al-Ruwaigh

35. Any arrangement or agreement under which any member of the Company's Board of Directors or Senior Executives transfers any remuneration:

There is no arrangement or agreement under which any member of the Company's Board of Directors or Senior Executives transfers any remuneration.

33. A description of any transaction between the Company and Related Party

The Company declares that there are no effective contracts or arrangements for operations of the Company in which the Chairman, any member of the Board of Directors, CEO or CFO has a material interest except as stated hereinbelow, and that no interest adversely affects by any means the operations or revenues of the Company or includes any preferential terms or transactions. The Company has the following transactions considered as contracts with related parties:

Company's Name	Subject Matter of Contract	Term	Value (SAR)	Name of Related Party	Conditions
YESWA Logistics	Providing delivery services to the Company	One year automatically renewable on same terms unless either Party notifies the other Party of its wish not to renew at least 30 days prior to renewal	6,442,969	Direct relationship through ownership of the Board Chairman Mohammed Al-Ruwaigh	There are no preferential terms therein
Saldwich Co.	Sharing payment of an electricity meter of a branch on an equal basis between the two companies	Indefinite	49,944	Indirect relationship through ownership of the Brother of the Board Chairman Mohammed Al-Ruwaigh	There are no preferential terms therein

38. A statement of the value of any investments or reserves created for the benefit of the Company's employees

There are no investments or reserves created for the benefit of the Company's employees.

39. Declarations of the Board

The Board of Directors declares that:

- The accounting records have been properly prepared;
- The internal control system was prepared on sound bases and was effectively implemented.
- There is no doubt that the Company has the ability to continue as a going concern.

40. If the auditor's report contains qualification on the annual financial statements, the report of the Board of Directors shall explain such qualifications, the reasons therefor and any related information.

The auditor's report did not contain any substantial qualifications or notes to the annual financial statements for the financial year 2023.

41. Board's recommendation of changing the auditor prior to the expiration of its term while stating the reasons for such recommendation of change

There is no recommendation by the Board to change auditor prior to the expiration of its term.

36. Any arrangement or agreement under which any shareholder of the Company transfers any rights to profits:

There is no arrangement or agreement under which any shareholder of the Company transfers any rights to profits.

37. A statement of the value of the legal payments made and payable for any zakat, taxes, duties, or any other dues that have not been settled until the end of the annual financial period, with a brief description and a statement of the reasons therefor

Description	2023		Brief Description	Reasons
	Paid	Payable and not settled till the end of the annual financial period		
Zakat	513,499	398,139	Zakat provision for 2023	To be paid after submitting Zakat declaration in 2024
Tax	12,892,738	1,127,303	VAT	Due payments of December have been paid in January of the following year
GOSI	3,039,648	219,175	GOSI	Due payments of December have been paid in January of the following year
Vias and passport costs	-	-	Costs of the employee's visas and passports	Applicable requirements and procedures subject to laws
Labor office fees	5,473,322	-	Payments of other government authorities – Labor Office	Payable fees under the Labor Law

44. The Board of Directors asserts that:

1. The auditor did not submit any request to the Board to call the General Meeting of the Company during the financial year ended 31/12/2023;
2. The Chairman of the Board of Directors did not receive any written request for emergency meetings by two or more members during the financial year ended 31/12/2023;
3. The Company did not receive from shareholders holding at least 5% of the capital of the Company a request to convene the General Meeting during the financial year ended 31/12/2023;
4. Shareholders holding at least 5% of the Company's shares did not request the addition of one or more topics to the agenda of the General Meeting when prepared during the financial year ended 31/12/2023;
5. The Board of Directors has not discharged any of the Company's debtors from their obligations to the Company during the financial year ended 31/12/2023;
6. The Company has not developed any procedures or restrictions that may hinder the shareholder's use of his rights guaranteed under the laws and regulations;
7. The auditor did not provide any advisory services to the Company and did not receive any fees in this regard during the financial year ended 31/12/2023;
8. The Company does not have preference shares or shares having special priority in voting, whether for shareholders, members of the Board of Directors or its employees, and that all shares of the Company are ordinary shares of equal nominal value and equal in voting rights and other rights subject to the law;
9. The Company did not provide any cash loan of any type to the members of the Board of Directors, nor did it guarantee any loans made by any member with third parties;
10. There are no significant obstacles that may affect the Company's ability to prepare its financial statements in accordance with the international standards; and
11. The Board acknowledges that there is no business competing with the business of the Company or any of the branches practiced by any member of the Board of Directors.

42. Information related to any competing business with the business of Company or any of the branches that any member of the Board of Directors is or was practicing, including the names of those involved in the competing business, the nature and conditions of these businesses, and if there are no such businesses, the Company must submit a declaration to this effect

There is no such business.

43. Details of the treasury shares held by the Company and details of the uses of such shares

There are no treasury shares held by the Company.

46. 2023 Decalartions:

1. Shatirah House Restaurant Co. announces the Annual Financial results for the period ended 31-12-2022;
2. Shatirah House Restaurant Co. announces the recommendation of the Board of Directors to divide the nominal value of the share;
3. Shatirah House Restaurant Co. invites its shareholders to attend the Extraordinary General Meeting the (First Meeting);
4. Shatirah House Restaurant Co. announces the results of the Extraordinary General Meeting the (First Meeting);
5. Shatirah House Restaurant Co. announces the preliminary financial results for the period ended 30-06-2023 (six months);
6. Shatirah House Restaurant Co. (BURGERIZZR) announces the appointment of a financial advisor for studying the transition to the main market;
7. Shatirah House Restaurant Co. announces the Board's approval on transition to the main market;
8. Shatirah House Restaurant Co. announces the republication of the Board of Directors' report for 2022;
9. Shatirah House Restaurant Co. invites its shareholders to participate and vote in the General Meeting (first meeting);
10. Addendum Announcement from Shatirah House Restaurant Co. with regard to the Company's invitation to its shareholders to participate and vote in the General Meeting (first meeting);
11. Shatirah House Restaurant Co. (BURGERIZZR) announces the preliminary financial results for the period ended 30-09-2023 (nine months);
12. Shatirah House Restaurant Co. (BURGERIZZR) announces the results of the Ordinary General Meeting the (First Meeting);
13. Explanatory announcement from Shatirah House Restaurant Co. (BURGERIZZR) with regard to change in the percentage of ownership of one of the Company's major shareholders;
14. Addendum Announcement from Shatirah House Restaurant Co. with regard to transition to the main market; and
15. Shatirah House Restaurant Co. (BURGERIZZR) announces the withdrawal of the transition request to the main market.

45. Review of the Members' Independency and Conflicts of Interest during the financial year ended 31/12/2023

In accordance with the terms of reference of the Remuneration and Nominations Committee, the Committee has evaluated the independence of the indpenedt members:

- Mr. Muhammed Hassan Al-Shuhail; and
- Mr. James Christopher Hartenstein

The Committee did not find any cases of conflict of interest or any issue contradicting with the issues affecting independence as stipulated in Article 19 of the Corporate Governance Regulations issued by the Capital Market Authority.



برغرايززر

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