Detailed analysis of accumulated losses

(If the accumulated losses between 20% to less than 50% of the company's capital)

This form has been prepared in accordance with the disclosure requirements included in the SCA Board of Directors' Decision No. (32/R.M.) of 2019 concerning procedures for companies whose shares are listed on the market, and whose accumulated losses amount to (20%) or more of their paid-up capital. Listed Companies are required to comply with the provisions of the decision as soon as their accumulated losses reach (20%) or more of their paid-up capital.

Date:	21 February 2024
Name of the Listed Company:	Al Mazaya Holding Co. K.S.C (Public)
Define the period of the financial statements:	Annual Financial Statements as of 31-Dec-2023
Value of the Accumulated losses:	KD 1,681,968
Accumulated losses to paid-up capital ratio (%):	3.5%
The main reasons for accumulated losses and the period in which these losses began. (Determine the period in which these losses began to appear in the company's financial statements):	The accumulated losses had resulted mainly due to the disposal of a subsidiary in the second quarter of year 2023, which had resulted in reclassifying and recycling the related balance of foreign currency translation loss recorded throughout previous years in the "Foreign Currency Translation Reserve" within the company's equity to the statement of profit or loss in accordance with the International Financial Reporting Standards, which did not result in any impact on the total shareholders' equity or the book value per share of the company due to that reclassification.
Summary of the steps and initiatives undertaken by the company to address the accumulated losses:	The Parent Company's Shareholders' Ordinary and Extraordinary General Assembly meeting, held on October 5, 2023, approved to reduce the Parent Company's authorized, issued and paid up capital from KD 62,955,982 to KD 48,474,817, with total reduction of KD 14,481,165, to set-off the full balance of the accumulated losses amounting to KD 24,245,118 as per the audited consolidated financial statements for the period ended June 30, 2023, as follows: • Reducing the balance of statutory reserve by KD 937,755. • Reducing the full balance of share premium by KD 8,826,198. • Reducing the share capital by KD 14,481,165 through canceling 144,811,650 shares with par value of 100 fils per share to set-off the remaining portion of the accumulated losses balance.

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The Measures that will be taken to deal with the accumulated losses				
Actions	The time frame for implementing the action	What has been implemented of the action and the percentage of implementation	Reasons for not implementing or delaying	Any modifications or changes made
Reducing the balance of statutory reserve by KD 937,755.	This action was approved by the Shareholders' Ordinary and Extraordinary General Assembly of the company held on 5-October-2023.	Action completed	N/A	N/A
Reducing the full balance of share premium by KD 8,826,198.	This action was approved by the Shareholders' Ordinary and Extraordinary General Assembly of the company held on 5-October-2023.	Action completed	N/A	N/A
Reducing the share capital by KD 14,481,165 through canceling 144,811,650 shares with par value of 100 fils per share to set-off the remaining portion of the accumulated losses balance.	This action was approved by the Shareholders' Ordinary and Extraordinary General Assembly of the company held on 5-October-2023.	Action completed	N/A	N/A

The Name of the Authorized Signatory	Mr. Ahmed Mohamed Harfoush
Designation	Group Chief Financial Officer
Signature and Date	21/2/2024
Company's Seal	MAZAYA شركة المزايا القابضة ش.م.ك.ع (قابضة) AL MAZAYA HOLDING CO. K.S.C.P (HOLDING)

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