

## **Minutes of the Fourteenth Extraordinary General Assembly Meeting of Leejam Sports Company (First Meeting) on Sunday 02/04/1440 AH, corresponding to 09/12/2018 AD, at 6:30 p.m.**

Pursuant to the invitation made by the Board of Directors of Leejam Sports Company, a Saudi joint stock company under Commercial Registration No. (1010337986) dated 14/6/1433H, to the shareholders to hold the company's 14<sup>th</sup> Extraordinary General Assembly meeting, (first meeting) in Al-Hokair Hall, Double Tree Hotel, Northern Ring Road, Exit 5, in Riyadh, Praise be to Allah Almighty, the meeting starts at exactly 6:30 p.m. on Sunday 02/04/1440 AH, corresponding to 09/12/2018 AD, headed by a member of the Board of Directors and Chairman of the Assembly, Dr. Abdul Rahman Al-Barrak, among the members of the Board of Directors, Dr. Tariq Al-Naim, Mrs. Hessa Al-Saqri and Mr. Ali Al-Saqri attended. Among the members of the Board of Directors, Mr. Hamad Al-Saqri, Mr. Abdul Mohsen Al-Haqbani, Mr. Christopher Clawson, Mr. Rabih Khoury, and Mr. Walid Majdalani were absent due to their travel at the time of the assembly. In addition, the representative of the Capital Market Authority: Mr. Adel Al-Osaimi attended, too. Securities Depository Center Co. (Edaa) managed the meeting of the assembly.

**Attendance sheet** was organized and each shareholder signed when he/she entered the meeting room. The chairman of the Assembly, member of the board of directors, Dr. Abdul Rahman Al-Barrak, opened the meeting and welcomed all the attending shareholders. Then, the chairman of the assembly asked the attendees if any one of them wishes to apply to be the secretary of the Assembly or to participate in the collection and counting committee. Since no one came forward, the chairman of the Assembly appointed Mr. Faisal Al-Subaie as the secretary of the Assembly. Mr. Hamad Al-Shaghmoum and Mr. Talal Al-Muhanna were also appointed as members of the voting counting committee.

The Chairman of the Assembly, Dr. Abdul Rahman bin Muhammad Al-Barrak, also indicated that in order to facilitate the shareholders' exercise of their rights and to participate effectively in voting on the items of the Assembly, the electronic voting service was provided through Tadawulaty website of the shareholders as previously announced by the company on Tadawul website, whose shares will be present at today's meeting.

After that, the chairman of the assembly, its secretary, the members of the counting committee and the representative of the Capital Market Authority checked the time sheet, made sure of its authenticity and verified the names of the shareholders present and their representatives, and the number of shares they owned in person and by power of attorney, and finally signed it. The following was detected:

Number of remote voting shareholders: (57) shareholders - number of shares: (4,666,134) shares - percentage (8.90766%)

Number of shareholders present (6) shareholders - Number of shares (33,791,664) shares - Percentage: (64.50839%)

### **Total:**

The number of established votes: (38,457,798) votes, at a percentage of one vote per share. The percentage of shares that was present represents (73.416%) of the company's capital.

Accordingly, the Chairman of the Assembly, Dr. Abdul Rahman Al-Barrak, announced the completion of the legal quorum for holding the meeting in accordance with Article (36) of the Company's Articles of Association, which stipulates that the convening of the Extraordinary

General Assembly is not valid unless shareholders representing at least two-thirds of the company's capital attended, which was achieved in the legal quorum for today's meeting.

He also stated that the method of calculating the voting will be on the basis of one vote for each share as stipulated in Article (37) of the company's articles of Association and that the extraordinary general assembly issues its decisions by a two-thirds majority of the shares represented in the meeting in accordance with Article (94) of the Companies Law and Article (38) of the Company's Articles of Association. Accordingly, the Chairman of the Assembly announced that the items included in the meeting's agenda are as follows:

1. Voting on the amendment of Article (3) of the company's articles of Association related to the company's objectives.
2. Voting on the amendment of Article (4) of the company's articles of Association related to participation and ownership in companies
3. Voting on the amendment of Article (10) of the company's articles of Association related to the sale of shares that have not been fully valued.
4. Voting on amending Article (12) of the Company's Articles of Association related to stock trading.
5. Voting on the amendment of Article (13) of the company's articles of Association related to the purchase, sale and mortgage of the company's shares by the company.
6. Voting on the amendment of Article (14) of the company's articles of Association related to the capital increase.
7. Voting on the amendment of Article (15) of the company's articles of Association related to capital reduction.
8. Voting on the amendment of Article (16) of the company's articles of Association relating to the issuance of sukuk and bonds.
9. Voting on the amendment of Article (17) of the company's articles of Association related to the management of the company.
10. Voting on the amendment of Article (18) of the Company's Articles of Association related to the termination of the Board membership.
11. Voting on the amendment of Article (20) of the Company's Articles of Association related to the powers of the Board.
12. Voting on the amendment of Article (21) of the Company's Articles of Association relating to the remuneration of members of the Board of Directors and committees
13. Voting on the amendment of Article (22) of the company's articles of Association regarding the powers of the chairman, deputy, managing director and secretary.
14. Voting on the amendment of Article (23) of the company's articles of Association related to the meetings of the Board of Directors.
15. Voting on the amendment of Article (25) of the Company's Articles of Association related to the quorum for Board of Directors meetings.

16. Voting on the amendment of Article (26) of the Company's Articles of Association related to the decisions of the Board of Directors.
17. Voting on the amendment of Article (33) of the company's articles of Association related to the invitation to assemblies.
18. Voting on the amendment of Article (34) of the company's articles of Association related to the attendance record of assemblies.
19. Voting on the amendment of Article (35) of the Company's Articles of Association related to the quorum of the Ordinary General Assembly meeting.
20. Voting on the amendment of Article (36) of the Company's Articles of Association related to the quorum of the Extraordinary General Assembly meeting.
21. Voting on the amendment of Article (37) of the Company's Articles of Association related to voting in the assemblies.
22. Voting on the amendment of Article (41) of the company's articles of Association related to the formation of the committee.
23. Voting on the amendment of Article (44) of the Articles of Association of the company related to the committee's reports
24. Voting on the amendment of Article (46) of the Company's Articles of Association related to the powers of the auditor.
25. Voting on the amendment of Article (47) of the Articles of Association of the company related to the auditor's report.
26. Voting on the amendment of Article (49) of the company's articles of Association related to financial documents.
27. Voting on the amendment of Article (50) of the company's articles of Association related to the distribution of profits.
28. Voting on amending Article (51) of the Company's Articles of Association related to dividend entitlement.
29. Voting on the amendment of Article (52) of the company's articles of Association relating to the distribution of profits for preferred shares.
30. Voting on the numbering of the articles of Association of the company in accordance with the proposed amendment
31. Voting on completing the current Board of Directors term early, starting from the date of the assembly in the event that the tenth item regarding the amendment of Article eighteen of the company's articles of Association is approved.
32. Voting on electing seven members of the Board of Directors from among the candidates for the next term which will start on December 10, 2018 AD and end on December 09, 2021 AD in the event that the ninth clause regarding the amendment of Article Seventeen and the thirty-first clause above is approved

33. Voting on the formation of the audit committee defining its tasks, work controls, and the remuneration of its members for the new session which starts from the date of the assembly convening and ends on December 09, 2021 noting that the candidates are the following:
  - 1) Dr. / Muhammad bin Faraj Al-Kinani, Chairman
  - 2) Mr. Abdulaziz bin Abdullah Al-Haidari, member
  - 3) Mr. Wissam bin Hussein Al-Farihi, member
34. Voting on authorizing the Board of Directors to distribute interim profits on a semi-annual or quarterly basis for the fiscal year 2019 AD and to determine the maturity and disbursement date in accordance with the regulatory controls and procedures issued in implementation of the Companies Law for the listed joint-stock companies
35. Voting on the decision of the Board of Directors to appoint Dr. Tariq bin Abdullah Al-Naim as an independent member of the Board, as of August 30, 2018. The new member will complete the term of his predecessor until the end of the current session of the Board.
36. Voting on the Board of Directors' decision to appoint Dr. Muhammad bin Faraj Al-Kinani, as an independent member from outside the Board, in the Audit Committee, as of September 24, 2018 AD. The new member completes the term of his predecessor until the end of the current session of the Committee in accordance with the Audit Committee's work regulations.
37. Voting on the amended remuneration policy for the members of the Board of Directors, committees and the amended executive administration.

After that, the Chairman of the Assembly, the member of the Board of Directors, Dr. Abdul Rahman Al-Barrak, expressed the Board of Directors' readiness to receive questions and inquiries from the attending shareholders and made the discussion available, explaining that each shareholder has the right to discuss the topics included in the Assembly's agenda and direct questions regarding them to the members of the Board of Directors. If the shareholder finds that the answer to his/her question is not convincing, he has the right to resort to the assembly whose decision in this regard is enforceable according to what is stipulated in Article (96) of the Companies Law. No one of the shareholders submitted any question or inquiry.

Accordingly, the Secretary of the Assembly/ Mr. Faisal Al-Subaie asked the shareholders to **votes** [vote](#) by approval, disapproval or abstention from voting on the following decisions by marking the box that they deem appropriate in the voting cards that were distributed to them when they entered the hall.

After the end of voting, the cards were collected and counted by **the members of the Voting Collection and Counting Committee and the participation of the Secretary of the Assembly**, under the supervision of a representative of the Capital Market Authority. Accordingly, the voting results were counted and the minutes attached to the voting results were prepared. The results of the voting on the items listed on the Assembly's agenda were as follows:

**Decision 1:** The fourteenth Extraordinary General Assembly approved the amendment of Article (3) of the company's articles of Association related to the company's objectives

**Decision 2:** The fourteenth Extraordinary General Assembly approved the amendment of Article (4) of the Company's Articles of Association related to participation and ownership in companies.

**Decision 3:** The fourteenth Extraordinary General Assembly approved the amendment of Article (10) of the Company's Articles of Association related to the sale of shares that have not been fully valued.

**Decision 4:** The fourteenth Extraordinary General Assembly approved the amendment of Article (12) of the Company's Articles of Association relating to shares trading.

**Decision 5:** The fourteenth Extraordinary General Assembly approved the amendment of Article (13) of the Company's Articles of Association related to the purchase, sale and mortgage of the company's shares by the company.

**Decision 6:** The fourteenth Extraordinary General Assembly approved the amendment of Article (14) of the Company's Articles of Association related to the capital increase.

**Decision 7:** The fourteenth Extraordinary General Assembly approved the amendment of Article (15) of the Company's Articles of Association related to reducing the capital.

**Decision 8:** The fourteenth Extraordinary General Assembly approved the amendment of Article (16) of the company's articles of Association relating to the issuance of sukuk and bonds.

**Decision 9:** The fourteenth Extraordinary General Assembly approved the amendment of Article (17) of the Company's Articles of Association related to the management of the company.

**Decision 10:** The fourteenth Extraordinary General Assembly approved the amendment of Article (18) of the Company's Articles of Association related to the termination of the Board membership.

**Decision 11:** The fourteenth Extraordinary General Assembly approved the amendment of Article (20) of the Company's Articles of Association related to the powers of the Board.

**Decision 12:** The fourteenth Extraordinary General Assembly approved the amendment of Article (21) of the Company's Articles of Association related to the remuneration of members of the Board of Directors and the committees.

**Decision 13:** The fourteenth Extraordinary General Assembly approved the amendment of Article (22) of the Company's Articles of Association related to the powers of the Chairman, Deputy, Managing Director and Secretary.

**Decision 14:** The fourteenth Extraordinary General Assembly approved the amendment of Article (23) of the Company's Articles of Association related to the meetings of the Board of Directors.

**Decision 15:** The fourteenth Extraordinary General Assembly approved the amendment of Article (25) of the Company's Articles of Association related to the quorum for Board of Directors meetings.

**Decision 16:** The fourteenth Extraordinary General Assembly approved the amendment of Article (26) of the Company's Articles of Association related to the decisions of the Board of Directors.

**Decision 17:** The fourteenth Extraordinary General Assembly approved the amendment of Article (33) of the Company's Articles of Association related to the invitation to assemblies

**Decision 18:** The fourteenth Extraordinary General Assembly approved the amendment of Article (34) of the Company's Articles of Association related to the attendance record of assemblies.

**Decision 19:** The fourteenth Extraordinary General Assembly approved the amendment of Article (35) of the Company's Articles of Association related to the quorum of the Ordinary General Assembly meeting.

**Decision 20:** The fourteenth Extraordinary General Assembly approved the amendment of Article (36) of the Company's Articles of Association related to the quorum of the Extraordinary General Assembly meeting

**Decision 21:** The fourteenth Extraordinary General Assembly approved the amendment of Article (37) of the Company's Articles of Association related to voting in assemblies.

**Decision 22:** The fourteenth Extraordinary General Assembly approved the amendment of Article (41) of the Company's Articles of Association related to the formation of the Committee.

**Decision 23:** The fourteenth Extraordinary General Assembly approved the amendment of Article (44) of the Company's Articles of Association related to the Committee's reports.

**Decision 24:** The fourteenth Extraordinary General Assembly approved the amendment of Article (46) of the Company's Articles of Association related to the powers of the auditor.

**Decision 25:** The fourteenth Extraordinary General Assembly approved the amendment of Article (47) of the Company's Articles of Association related to the auditor's report.

**Decision 26:** The fourteenth Extraordinary General Assembly approved the amendment of Article (49) of the Company's Articles of Association related to financial documents.

**Decision 27:** The fourteenth Extraordinary General Assembly approved the amendment of Article (50) of the Company's Articles of Association related to the distribution of profits

**Decision 28:** The fourteenth Extraordinary General Assembly approved the amendment of Article (51) of the Company's Articles of Association related to the entitlement to profits.

**Decision 29:** The fourteenth Extraordinary General Assembly approved the amendment of Article (52) of the Company's Articles of Association related to the distribution of profits for preferred shares.

**Decision 30:** The fourteenth Extraordinary General Assembly approved the numbering of the Articles of Association of the Company in accordance with the proposed amendment.

**Decision 31:** The fourteenth Extraordinary General Assembly agreed to end the current term of the Board of Directors early, starting from the date of the meeting.

**Decision 32:** The fourteenth Extraordinary General Assembly approved the election of seven members for the membership of the Board of Directors from among the candidates for the next session which will start as of December 10, 2018 AD and end on December 09, 2021 AD as follows:

- 1) Dr. Abdul Rahman bin Mohammed Al-Barrak (non-executive)
- 2) Mr. Ali bin Hamad Al-Saqri (non-executive)
- 3) Dr. Tariq bin Abdullah Al-Naeem (Independent)
- 4) Dr. / Muhammad bin Faraj Al-Kinani (Independent)
- 5) Ms. Hessa bint Hamad Al Saqri (non-executive)
- 6) Mr. Musaed bin Abdul Rahman Al-Mousa (Independent)

7) Mr. Tariq bin Khalid Al-Anqari (Independent)

**Decision 33:** The fourteenth Extraordinary General Assembly approved the formation of the Audit Committee, defining its tasks, work controls, and remuneration of its members for the new session, which starts from the date of the Assembly's convening and ends on December 09, 2021 Ada as follows:

- 1) Dr. Muhammad bin Faraj Al-Kinani, Chairman.
- 2) Mr. Abdul Aziz bin Abdullah Al-Haidari, member.
- 3) Mr. Wissam bin Hussein Al-Farihi, member.

**Decision 34:** The (fourteenth) Extraordinary General Assembly approved authorizing the Board of Directors to distribute interim profits on a semi-annual or quarterly basis for the fiscal year 2019 AD and to determine the date of maturity and disbursement in accordance with the regulatory controls and procedures issued in implementation of the Companies Law for the listed joint-stock companies.

**Decision 35:** The fourteenth Extraordinary General Assembly approved the Board of Directors' decision to appoint Dr. Tariq bin Abdullah Al-Naim as an independent member of the Board as of August 30, 2018. The new member will complete the term of his predecessor until the end of the current session of the Board.

**Decision 36:** The fourteenth Extraordinary General Assembly approved the decision of the Board of Directors to appoint Dr. Muhammad bin Faraj Al-Kinani, as an independent member from outside the Board, in the Audit Committee as of September 24, 2018. The new member completes the term of his predecessor until the end of the current session of the Committee in accordance with the Audit Committee's work regulations.

**Decision 37:** The fourteenth Extraordinary General Assembly approved the amended remuneration policy for members of the Board of Directors, committees, and the amended executive administration.

Upon the end of the agenda of the Extraordinary General Assembly (first meeting) on 02/04/1440 AH, corresponding to 09/12/2018 AD, and the ratification of its decisions, the session was adjourned at (7:30) in the evening of the same day. The minutes was organized with all of the above and signed by the chairman of the Assembly and the secretary.

**Secretary of the Fourteenth Extraordinary General Assembly**

**Mr. Faisal bin Saad Al-Subaie**

**Chairman of the Fourteenth Extraordinary General Assembly**

**Dr. / Abdul Rahman bin Muhammad Al-Barrak**

*(This is a Translation of the Official minutes of the EGM Meeting Text, please refer to the Arabic version for the official Minutes of Meeting)*