

**Minutes of the Ordinary General Assembly of
LEEJAM SPORTS COMPANY (Fitness Time)
held on 14/10/1444 AH corresponding to 04/05/2023 AD**

(1)	<p>Pursuant to the invitation of the Board of Directors of LEEJAM SPORTS COMPANY (Fitness Time) (the “Company”), the ordinary General Assembly of the Company (the “Assembly”) convened at exactly half past six in the evening of Thursday 14/10/1444 AH corresponding to 04/05/2023 AD through modern technology from the company’s headquarters, Al-Thumama Road, Al-Ghadeer District, Riyadh, in the presence of:</p> <ul style="list-style-type: none"> • The following members of the company’s board of directors: <ul style="list-style-type: none"> – Mr. Ali Hamad Al-Sagri, Chairman of the Board – Mr. Hamad bin Ali Al-Sagri, Vice Chairman of the Board – Dr. Mohammed bin Faraj Al-Kinani – Mr. Tareq bin Khalid Al-Angari – Ms. Hessah bint Hamad Al-Sagri – Mr. Hisham bin Hussein Al-Khaldi – Mr. Mishal bin Ibrahim Al-Mishari • The following chairmen of the company committees: <ul style="list-style-type: none"> – Mr. Ali Hamad Al-Sagri (Chairman of the Executive Committee) – Dr. Mohammed bin Faraj Al-Kinani (Chairman of the Audit Committee) – Mr. Mishal bin Ibrahim Al-Mishari (Chairman of the Nomination & Remuneration Committee) • The company's shareholders whose names appear in the attendance report (attached). • Mr. Walid Ghazi Tawfik, representative of the company's auditor, Ernst & Young
(2)	<ul style="list-style-type: none"> • The meeting of the Assembly was opened by His Excellency Mr. Ali bin Hamad Al-Saqri, Chairman of the Assembly, who welcomed the attendees of the members of the Board of Directors and the heads of the company's committees and shareholders, asking Allah Almighty to crown the work of the Assembly with success. • The chairman of the Assembly requested the director of investors’ relations to report the quorum for the meeting • The Director of investors’ relations disclosed that the number of attendance shares of shareholders is (36,422,929) shares out of the total number of company shares amounting to (52,383,361) shares, and the attendance rate is (69.53149%) (Summary of total attendance and attendance report is attached). • Thus, His Excellency the Chairman of the Assembly announced the completion of the necessary quorum for holding this Assembly. His Excellency the Chairman of the Assembly nominated Mr. Saud Al-Raqas as the secretary of the Assembly and a member of the counting committee, and Mr. Abdulaziz bin Saleh as a collector of votes and a member of the counting committee, and the nomination was approved by the Assembly by acclamation.

(3)	<p>The Secretary of the Assembly stated that the Assembly's agenda and all its attachments were announced on the Saudi Stock Exchange (Tadawul) website and are also available to shareholders on the Assembly's page in Tadawulaty system. The items of the Assembly's agenda are as follows:</p>
	<p>1.</p>
(4)	<p>Mr. Walid Ghazi Tawfiq read the report of the company's auditor "Ernst & Young" ("the auditor") about the company's financial statements for the fiscal year ending on 31/12/2022 AD, and stated that the group's financial statements have been reviewed. They included the statement of financial position as of December 31, 2022 AD, statement of profit or and loss, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that time and notes to the financial statements which include significant accounting policies and other explanatory information.</p> <p>The auditor's opinion concluded that the consolidated financial statements fairly point out, in all material respects, the company's financial position as of December 31, 2022, and its financial performance and cash flows for the year ending on that date in accordance with the International Financial Reporting Standards approved in the Kingdom of Saudi Arabia and other standards and publications issued by the Saudi Organization of Certified Public Accountants Saudi Organization for Chartered and Professional Accountants</p> <p>The auditor also drew attention to note (29) on the financial statements which indicates that the administration received, during the year ending on December 31, 2022 AD, a tax assessment from the Zakat, Tax and Customs Authority, claiming that a part of the company's profits of 2015 to 2018 was subject to income tax, but the auditor's opinion was not amended in this matter.</p>
	<p>The shareholders were called out to discuss the company's auditor's report and make inquiries about the consolidated financial statements of 2021 AD.</p>
	<p>It is clear that the shareholders are satisfied with what was stated in the company's auditor's report, so no questions were received from the shareholders to the auditor in this regard, as the shareholders did not submit any questions before the start of this assembly. They also did not submit questions through the chat system window available to them, after which the chairman of the Assembly thanked the representative of the auditor for his presence and asked him to leave the meeting.</p>
(5)	<p>Dr. Muhammad bin Faraj Al-Kinani, Chairman of the Audit Committee of the company, read the report of the Audit Committee, in which he reviewed the work of the committee during 2022 AD including reviewing the financial statements, following up on internal audit work, advisory tasks, and major projects implemented by the Audit Committee and other issues mentioned in the report. The report also reviewed the internal control environment, risk management and supervision of the external auditor, as well as the committee's opinion on the adequacy of the internal control system in the company. The report states that with reference to the financial statements and according to the assurances obtained during the internal audit, the unmodified opinion issued by the external auditor and</p>

	<p>the review of documents deemed necessary. The Committee confirms that there is nothing contradicting its conclusion that the preliminary and annual financial statements for the year ending on December 31, 2022 AD provide a realistic, fair and transparent view of the financial position of Leejam Company, as well as the financial performance.</p> <p>With reference to the internal control, nothing has come to the Committee's attention that makes it believe that the internal control is not working effectively to ensure regulatory compliance and governance requirements.</p>
<p>(6)</p>	<p>The shareholders were called out to discuss the agenda of the assembly and make their inquiries about it:</p> <p>The shareholders submitted questions through the chat system window available to them during the assembly meeting. The questions were as follows:</p> <p><u>First question:</u> Why are the expansion plans in Jeddah less than others, especially in opening express branches?</p> <p>The chairman of the Assembly referred the question to the CEO, Adnan Al-Khalaf, and he answered stating, “In our study of the expansion plan, we are conducting studies in which we have participated in one of the offices specialized in studying the target groups, whether men or women, our low-cost branches or the medium branches, our last express marks have spread in more than a city. Our plan during this year is to exist actively especially in Jeddah which will witness an inauguration that will take place during this year in two locations. There is a plan for other locations that will be opened according to the study approved between us and the Board of Directors which is based on population density and the presence of other branches in each region. Our growth will be balanced at the regional level, as the expansion plan was approved after the approval of the Board of Directors and studied over the past year.</p> <p><u>Second question:</u> Is the ten years of useful life of gym equipment realistic?</p> <p>The chairman of the Assembly referred the question to the CEO, Adnan Al-Khalaf, and he replied: We, Leejam Company, through the Fitness Time Clubs, deal with the best international companies in the field of equipment, and we perform assessment services for the current situation or assess the current condition of the equipment through them and through their accredited centers. The default useful life is between 5 to 10 years, but what determines this is the level of use as some clubs have a high number of subscribers and the usage rate is higher compared to other clubs, so the life span is between 5 to 10 years, Our plan at Leejam Company is to follow the best recommendations we receive from the factory as some manufacturers recommend changing after 7 years and others after 5 years. Of course, in its periodic maintenance, we measure the remaining life span of each equipment.</p> <p><u>Third question:</u> What are the profit margins compared between the express branches and large branches? Does the company achieve the targeted profit margins of express branches?</p> <p>The chairman of the Assembly referred the question to the CEO, Adnan Al-Khalaf, and he answered: in each opening of each center, renewal, even a contract, or reviewing the annual budgets, the executive administration submits the expected</p>

margins with the board of directors, and there is always a focus on each city and each type of our club whether modern clubs, new clubs, express clubs or other categories. There will be a specific profit margin for each center. The main goal is to ensure that the company's performance continues according to the planned rate, which we try to maintain in each quarter with the other quarter as a total but at the level of clubs in particular, there are goals that are set between the executive administration and the administration for all categories without stating any details related to the numbers at the level of categories and the difference from one city to another.

Fourth question: Why are babysitters not added to the large female branches, even if it is through independent service providers?

The chairman of the Assembly referred the question to the CEO, Adnan Al-Khalaf, and he answered, "We have received this idea, and we are now in the process of studying it. Besides, it will certainly be added if we find it economically feasible, and it will be announced".

Fifth question: What are your expectations of the results of the expansion with the partner specialized in physiotherapy you have recently signed with him?

The chairman of the Assembly referred the question to the CEO, Adnan Al-Khalaf, and he replied, "We have signed a memorandum of understanding, and we are now in the stage of the final steps to study the feasibility and deployment plans. The last meeting was yesterday. It was supported the relevant ministries, whether the Ministry of Investment or the Ministry of Health".

We expect, as soon as the feasibility study is completed and approved by the administration of the two companies, the implementation plan will be initiated and announced, but we see in Leejam Time fitness the tendency to be a company that achieves the luxury of life. This is a tendency that we are sure of its validity but we must review all potential steps and make sure of their economic feasibility and the compatibility of their risks with the acceptable level of risk according to the internal policy of the company.

Sixth question: Peace be upon you, what is the benefit of the agreement of Riyadh revival and fitness time for a company?

The chairman of the Assembly referred the question to the CEO, Adnan Al-Khalaf and he replied: "This is still a memorandum of understanding and it will be announced in a timely manner in coordination with the concerned authorities. In general, we tend at Fitness Time and Leejam Company to be present to provide our services such as the service of sports clubs and subscriptions in any place that achieves the goals that the shareholder and the customer aspire to and the directives and policies that exist within the company especially in terms of the economic feasibility.

Seventh question: Will this partnership lead to the opening of specialized physiotherapy branches, or to the opening of departments within the existing branches?

The chairman of the Assembly referred the question to the CEO, Adnan Al-Khalaf and he replied: "In the feasibility study, we review the two ideas, and either of them or both. If they are useful to us, we will definitely adopt them. In the end, we are looking for achieving our interest. We do not like to anticipate decisions until

they are carefully studied in the feasibility study and then approved by the stakeholders. After that, it will be announced. We are sure that our approach in this project will not through an experimental method but through careful study at the beginning in order to ensure its success from the beginning.

Eighth question: It is noted that there are many complaints about the level of maintenance of branches, especially small branches. How is maintenance monitored?

The Chairman of the Assembly referred the question to the CEO, Adnan Al-Khalaf, and he answered: “One of our most important standards, whether as an executive administration, the goals set for us, and the standards set by the Board of Directors for the executive administration, or between the executive administration and service centers, is the level of customer satisfaction which has been greatly enhanced in the last two years. The maintenance point is definitely discussed after the two-year cessation due to Corona. After the company’s recovery and its successful exit from the crisis, we launched the “Your Club Changed” initiative through which the clubs are renewed. We have fully renewed more than 500 clubs and developed maintenance services at the level of regions, whether for swimming pools or equipment. We expect that during the plan between us and the Board of Directors and the suppliers who work with us, we will, during the current year, complete the “Your Club Changed” program, which of a positive impact after the renewal of the clubs. This positive impact confirmed that we are proceeding with this project, and Allah willing, in the next meeting of the Assembly, everyone will notice the results on a larger level, not only at the level of the 50 or 60 clubs that we have finished so far.

Ninth question: What do you think of the competitive position of the company, especially in light of the attractive competitive prices offered by some specialized centers?

The Chairman of the Board replied: The market accommodates competition, and the company is always keen to develop its services and provide the best sports equipment and sports cadres in all branches of clubs at all stages, whether men or women, and all categories and subscriptions provided by all clubs.

Tenth question: Has the executive administration conducted a study regarding the possibility of evaluating the company's assets at the market value instead of the historical cost and its impact on the financial statements?

The chairman of the Assembly referred the question to the CEO, Adnan Al-Khalaf, and he replied: In evaluation, we carry out all operations in accordance with the International Financial Reporting Standards regulations. If there is any re-evaluation required by the regulations in coordination with the references, we handle it.

In the last period, there was no increase in the value of the asset since there was no need for it, whether in mergers or acquisitions unless the assets were sold, so they would be recorded later in the event of the asset sale. However, the used assets are currently recorded at their book value without the need to re-evaluate them. It is possible for specialists in the financial administration later to respond to shareholders’ inquiries via the mail designated for that but in general we did not take any action to re-evaluate the assets which are at their book value.

(7)	<p>Voting was closed at exactly seven o'clock in the evening after 291 shareholders had voted automatically. The results of voting and the decisions of the assembly were as follows: (Minutes of votes counting is attached).</p>
	<p><u>Decision No. (1):</u> The Board of Directors' Report for the fiscal year ending on 31st December 2022 was reviewed and discussed. by voting in approval with a percentage of 95.17307 % (34,664,818 votes). A percentage of 0.00319% (1,161 votes) rejected the decision and a percentage of 4.82375 % (1,756,950 votes) abstained from voting.</p> <p><u>Decision No. (2):</u> The Financial Statements for the fiscal year ending on 31st December 2022 was reviewed and discussed. by voting in approval with a percentage of 95.17403% (34,665,168 votes). A percentage of 0.00236% (861 votes) voted against the item and a percentage of 4.82361% (1,756,900 votes) abstained from voting on the item.</p> <p><u>Decision No. (3):</u> Approval of the Auditor's Report on the Company's accounts for the fiscal year ending on 31st December 2022. The assembly decided to approve by 98.97804% (36,050,702 votes). A percentage of 0.00172% (628 votes) voted against the item and 1.02023% (371,599 votes) abstained from voting.</p> <p><u>Decision No. (4):</u> Approval on releasing the Board of Directors members from liability for the fiscal year ending on 31st December 2022. The assembly decided to approve by 94.65756% (8,775,970 votes). The item was rejected by 0.00911 (845 votes), and 5.33333% (494,468 votes) abstained from voting on the item.</p> <p><u>Decision No. (5):</u> Approval on paying an amount of SAR 2,965,000 as remunerations to the Board Members for the fiscal year ending on 31st December 2022. The assembly decided to approve by 96.0905% (8,908,822 votes). 0.06939% (6,433 votes) voted against the item and 3.84012% (356,028 votes) abstained from voting on the item.</p> <p><u>Decision No. (6):</u> Approval on appointing Ernst & Young to be the auditor for the company from among the candidates based on the Audit Committee's recommendation. The appointed auditor shall examine, review and audit the second and third quarters and annual Financial Statements of the fiscal year 2023, and the first quarter of the fiscal year 2024, and the determination of the Auditor fees. The Assembly decided to approve by 89.65831% (32,656,182 votes). The other candidate was chosen by 0.00469 (1,709 (votes)). A percentage of 10.337% (3,765,038 votes) abstained from voting on the item.</p> <p><u>Decision No. (7):</u> Approval on delegating the Board of Directors to distribute interim dividends on a biannually or quarterly basis for the fiscal year 2023. The assembly decided to approve by 99.27098% (36,157,397 votes). The item was rejected by 0.00283% (1,032 (votes) a percentage of 0.72619% (264,500 votes) abstained from voting on the item.</p> <p><u>Decision No. (8):</u> Approval on delegating to the Board of Directors the authorization powers of the General Assembly stipulated in paragraph (1) of Article (27) of the Companies Law, for a period of one year starting from the date of the approval by the General Assembly or until the end of the delegated Board of Directors' term, whichever is earlier, in accordance with the implementation rules of Companies Law for listed Joint Stock Companies.</p>

	The Assembly decided to approve by 96.13554% (8,912,998 votes). A percentage of 0.02474% (2,294 (votes) voted against the item and 3.83972% (355,991 votes) abstained from voting on the item.
(8)	The assembly meeting ended at exactly seven past nine in the evening.
(9)	Finally, His Excellency the Chairman of the Assembly thanked the shareholders for their participation and wished Leejam Company (Fitness Time) more progress and success. Allah is the grantor of success.

Secretary of the Assembly
Saud bin Fayhan Al-Raqas

Chairman of the Assembly
Ali bin Hamad Al-Saqri

(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)