

The Amended Statute of Association of Makkah Construction and Development Company

Chapter One - Incorporation of the Company

Article (1): Incorporation of the company:

It shall be incorporated in accordance with the provisions of the Companies Law and its bylaws, and this articles of Incorporation are for a Saudi joint stock company according to the following:

Article (2): Trade Name of the Company

Makkah Construction and Development Company- a listed Saudi joint stock company.

Article (03): Company purposes

The Company exercises and carries out the following objects:

- 1) Own, develop and reconstruct properties and premises adjacent to Masjid al-Haram in Makkah Al-Mukarramah and any other regions within Kingdom of Saudi Arabia.
- 2) Construct development and urban development projects in the areas owned by the Company or other areas and implement its urban and economic plans.
- 3) Carry out all works necessary for construction, reconstruction, maintenance, demolition and survey works.
- 4) Construct, manage, invest, maintain, restore and clean residential buildings and complexes.
- 5) Construct, own, manage and operate hotels, hotel apartments, commercial markets (malls), hospitals and medical centers.
- 6) Manage and rent owned or leased properties (residential and non-residential).
- 7) Company may have an interest or engage, in any way, with authorities, companies or individuals engaged in business similar to its own or those assisting the Company to fulfill its objects. Company is also entitled to purchase the same and invest its funds in the way it deems realizing its own interests.
- 8) Establish Civilian Private Security Guard Company.

Company may achieve its objects in all regions of Kingdom of Saudi Arabia at various stages in order to implement the Supreme Directives and the Royal Order issued in its regard.

The Company may also, as stated above, perform any works necessary or complementary to achieve its objects directly or in conjunction with other companies.

The Company's name	Statute	Ministry of Commerce and Investment (Corporate Governance Department)
Makkah Construction and Development Company Commercial Register (4031020101)	Date: 16/11/1443 AH Corresponding to: 16/06/2022 AD	Faisal Al Balawy

Article (4): Participation and ownership in companies:

The company may establish companies on its own (limited liability or closed joint stock) provided that the capital of the main company is not less than (5) million riyals. It may also own stocks and stakes in other existing companies or merge with them. It has the right to participate with others in establishing joint-stock or limited liability companies, after fulfilling the requirements of the regulations and instructions in this regard. The company may also dispose of these shares or quotas, provided that this does not include mediation in their trading.

Article (5): Company Headquarter:

The company's head office is located in the holy city of Makkah. Branches, offices or agencies may be established for it within the Kingdom of Saudi Arabia.

Article (06): Term of the Company

The term of the company is (99) ninety-nine Hijri years, starting from the date of its registration in the commercial register. This period may always be extended by a decision issued by the Extraordinary General Assembly at least one year before the expiration date.

Chapter Two - Capital and Shares

Article (7): Capital:

The company's capital was set at 1,648,162,400 riyals (one thousand six hundred and forty-eight million one hundred and sixty-two thousand four hundred Saudi riyals) divided into 164,816,240 (one hundred sixty-four million eight hundred and sixteen thousand two hundred and forty) nominal shares of equal value. The nominal value of each share is (10) ten Saudi riyals, all of which are ordinary shares.

Article (8): Subscribing to shares:

The founders and shareholders subscribed to the entire capital shares amounting to 164,816,240 (one hundred and sixty-four million, eight hundred and sixteen thousand, two hundred and forty) shares with a value of 1,648,162,400 riyals (one thousand six hundred and forty-eight million, one hundred and sixty-two thousand and four hundred Saudi riyals).

Article (9): Shares Issuance

The nominal value of the share shall be (10) ten riyals, and it may not be issued for less than its nominal value, but it may be issued for more than this value if approved by the General Assembly. In this case, the value

The Company's name	Statute	Ministry of Commerce and Investment (Corporate Governance Department)
Makkah Construction and Development Company Commercial Register (4031020101)	Date: 16/11/1443 AH Corresponding to: 16/06/2022 AD	Faisal Al Balawy

difference shall be placed in a separate item within the shareholders' equity. It may not be distributed as dividends to shareholders.

Article (10): Trading of Shares:

The company's shares shall be traded in accordance with the provisions of the Capital Market Authority's bylaw. Subscribing to shares and owning them indicates the shareholder's acceptance of the company's bylaws and his commitment to the decisions issued by the shareholders' assemblies in accordance with the provisions of this bylaw and the companies' bylaw, whether he is present or absent, and whether he agrees with or disagrees with these decisions.

Article (11): Awqaf shares:

In the trading of shares owned by endowments (Awqaf), all applicable Sharia rules and instructions regarding the disposal of endowed real estate properties shall be taken into account, and the shares representing them are marked with this.

Article (12): Increasing the capital:

- 1- The Extraordinary General Assembly may decide to increase the company's capital, provided that the capital has been paid in full. It is not required that the capital be fully paid if the unpaid part of the capital belongs to shares issued in exchange for converting debt instruments or financing instruments into shares and the period specified for converting them into shares has not expired.
- 2- In all cases, the extraordinary general assembly may allocate the shares issued upon capital increase or part thereof to the employees of the company and all or some of its subsidiaries, or any of that. Shareholders may not exercise the priority right when the company issues shares allocated to employees.
- 3- The shareholder who owns the share at the time of issuing the decision of the Extraordinary General Assembly approving the capital increase has priority in subscribing to new shares that are issued in return for cash shares. They shall be notified of their priority by publishing in a daily newspaper or by modern means of communication, or by informing them by registered mail of the decision to increase the capital, the conditions of subscription, its duration, and its start and end dates.
- 4- The Extraordinary General Assembly may suspend the priority right of shareholders to subscribe to the capital increase in exchange for cash shares, or to give priority to non-shareholders in cases it deems appropriate for the interest of the company.
- 5- The shareholder has the right to sell or assign the priority right during the period from the time of issuance of the General Assembly's decision approving the capital increase until the last day of

The Company's name	Statute	Ministry of Commerce and Investment (Corporate Governance Department)
Makkah Construction and Development Company Commercial Register (4031020101)	Date: 16/11/1443 AH Corresponding to: 16/06/2022 AD	Faisal Al Balawy

subscription in the new shares associated with these rights, in accordance with the controls set by the competent authority.

- 6- Subject to the provisions of Paragraph (4) above, the new shares shall be distributed among the holders of priority rights who requested subscription, in proportion to what they own of priority rights out of the total priority rights resulting from the capital increase, provided that what they obtain does not exceed what they requested of the new shares. The remainder of the new shares shall be distributed to the holders of priority rights who have requested more than their share, in proportion to what they own of priority rights out of the total priority rights resulting from the capital increase, provided that what they obtain does not exceed what they have requested of the new shares. The remainder of the shares shall be offered to third parties, unless the extraordinary general assembly decides or the financial market system stipulates otherwise.

Article (13): Capital Reduction:

The extraordinary general assembly may decide to reduce the capital if it exceeds the company's needs or if it incurs losses. In the latter case alone, the capital may be reduced to less than the limit stipulated in Article (54) of the Companies Law. The reduction decision shall not be issued except after reading a special report prepared by the auditor on the reasons for it, on the liabilities of the company, and on the impact of the reduction on these obligations.

If the capital reduction is a result of its excess to the company's need, the creditors must be invited to express their objections to it within sixty days from the date of publication of the reduction decision in a daily newspaper distributed in the area where the company's head office is located. If one of the creditors objects and submits his documents to the company within the aforementioned time, the company must pay him his debt if it is due, or provide him with sufficient guarantee to pay it if it is deferred.

Article (14): Debt Instruments:

- 1- The company may issue, in accordance with the provisions of Islamic Sharia, the financial market system, and the companies' law, debt instruments or negotiable financing instruments.
- 2- The company may not issue debt instruments or financing instruments that are convertible into shares, except after the issuance of a resolution of the extraordinary general assembly in which it determines the maximum number of shares that may be issued in exchange for such instruments, whether those instruments are issued at the same time or through a series of issuances or through one or more programs to issue debt instruments or financing instruments. The Board of Directors shall issue, without the need for a new approval from this assembly, new shares in exchange for those

The Company's name	Statute	Ministry of Commerce and Investment (Corporate Governance Department)
Makkah Construction and Development Company Commercial Register (4031020101)	Date: 16/11/1443 AH Corresponding to: 16/06/2022 AD	Faisal Al Balawy

instruments or sukuk whose holders request their transfer, immediately after the end of the transfer request period specified for the holders of those instruments or sukuk. The Board shall take the necessary measures to amend the company's articles of association with regard to the number of issued shares and the capital.

- 3- The Board of Directors must announce the completion of the procedures for each capital increase in the manner specified in the Regulations for the publication of the decisions of the Extraordinary General Assembly.

Article (15): Buying and Mortgaging Shares:

The company may purchase or mortgage its shares in accordance with controls set by the competent authority, and the shares purchased by the company shall not have votes in the shareholders' assemblies.

The shares may be mortgaged in accordance with the controls set by the competent authority, and the mortgagee shall receive the profits and use the rights related to the share, unless otherwise agreed in the mortgage contract. However, the pledgee creditor may not attend or vote in the meetings of the general assembly of shareholders.

Chapter Three - The Board of Directors

Article (16): Management of the company:

The company shall be managed by a Board of Directors consisting of (11) eleven members elected by the Ordinary General Assembly for a period of three years. As an exception, the founders or the first Board of Directors are appointed for a period of (5) five years.

Article (17): Termination of the Board Membership:

Membership of the Board ends with the expiry of its term or with the expiry of the member's validity in accordance with any law or instructions in force in the Kingdom. However, the Ordinary General Assembly may at any time dismiss all or some of the members of the Board of Directors, without prejudice to the right of the dismissed member towards the company to claim compensation if the dismissal occurred for an unacceptable reason or at an inappropriate time. A member of the Board of Directors may retire, provided that it is at an appropriate time, otherwise he will be liable to the company for the damages resulting from his retirement.

Article (18): The vacant position in the Board:

If the position of one of the members of the Board of Directors becomes vacant, the Board may appoint a temporary member in the vacant position, provided that he is one of those with sufficient experience. The

The Company's name	Statute	Ministry of Commerce and Investment (Corporate Governance Department)
Makkah Construction and Development Company Commercial Register (4031020101)	Date: 16/11/1443 AH Corresponding to: 16/06/2022 AD	Faisal Al Balawy

Ministry of Commerce and Investment and the Capital Market Authority must be notified of this within five working days from the date of appointment. The appointment shall be presented to the Ordinary General Assembly for approval at its first meeting, and the new member shall complete the term of his predecessor.

If the necessary conditions for the meeting of the Board of Directors are not met because the number of its members is less than the minimum stipulated in the Companies Law or this articles of incorporation, the rest of the members must invite the Ordinary General Assembly to convene within sixty days to elect the necessary number of members. The General Assembly may, upon a recommendation from the Board, terminate the membership of any member who fails to attend three consecutive meetings of the Board without a legitimate excuse. A member shall not be discharged from the responsibility of his membership except after the approval of the Ordinary General Assembly for each independent fiscal year.

Article (19): Powers of the Board:

a- Subject to the terms of reference of the General Assembly, the Board of Directors shall have the widest powers in managing the company, conducting its affairs, and disposing of its assets, properties, and real estate. It also has the right to purchase, accept it, pay the price, mortgage, redeem the mortgage, sell, discharge, collect the price and deliver the price. Minutes of the Board of Directors and the reasons for its decision to dispose of the company's assets, property and real estate must include the following conditions:

- 1- The Board shall specify the reasons and justifications for the sale decision.
- 2- The sale should be close to the similar price.
- 3- The sale shall be against payment of the full amount, except in cases determined by the Board and with sufficient guarantees.
- 4- This disposal shall not result in the cessation of some of the company's activities or burden it with other liabilities. The Board of Directors may also conclude loans with government funding funds and institutions, regardless of their duration, and commercial loans with banks, financial houses, and financing companies whose terms do not exceed the end of the company's term, for any period, including loans whose terms exceed a period of three years. The following conditions must be taken into consideration for a loan contract whose terms exceed three years:
 - a. The value of loans that the board may conclude during the company's fiscal year should not exceed 50% of the company's capital.
 - b. The Board of Directors shall specify in its decision the aspects of using the loan and the method of its repayment.

The Company's name	Statute	Ministry of Commerce and Investment (Corporate Governance Department)
Makkah Construction and Development Company Commercial Register (4031020101)	Date: 16/11/1443 AH Corresponding to: 16/06/2022 AD	Faisal Al Balawy

- c. To take into consideration, in the conditions of the loan and the guarantees provided to it, that no harm will be caused to the company and its shareholders, as well as the general guarantees of the creditors.

The Board of Directors shall also have the right to reconcile, waive, contract, commit and associate in the name of the company and on its behalf. The Board of Directors may carry out all actions that would achieve the objectives of the company.

- b- Approving the company's annual capital budgets and approving the internal, financial, administrative and technical regulations of the company and the policies and regulations of its employees.
- c- Appointing directors of departments and heads of departments, determining their powers, employees, regular and technical workers, determining their salaries and benefits, concluding contracts with them, and dismissing them.
- d- The Board of Directors of the company, and in the cases it deems appropriate, shall have the right to discharge the debtors of the company from their obligations in accordance with what serves its interest, provided that the minutes of the Board of Directors and the reasons for its decision include the following conditions:
 - 1- That the discharge be after a full year has passed since the origin of the debt, as a minimum.
 - 2- The release shall be for a specific amount as a maximum per year for one debtor.
 - 3- Discharge is a right of the board that cannot be delegated.

Note that all these powers and authorities are inside and outside the Kingdom of Saudi Arabia. The Board of Directors may authorize or delegate on its behalf, within the limits of its competence, one or more of its members or third parties to take a specific procedure or behavior, or to carry out a specific work or actions, or to cancel the authorizations and agencies in whole or in part.

Article (20): Remuneration of the members of the Board of Directors:

- 1- The remuneration of the members of the Board of Directors shall be a specific amount, attendance allowance for meetings, in-kind benefits, or a certain percentage of the net profits. Two or more of these benefits may be combined.
- 2- If the remuneration is a specific percentage of the company's profits, then this percentage may not exceed (05%) of the net profits, after deducting the reserves decided by the General Assembly in application of the provisions of the Companies Regulations and the Company's Articles of Association, and after distributing a profit to the shareholders at a rate not less than (5%) of the company's paid-up capital. The entitlement to this remuneration shall be proportional to the number of meetings attended by the member, and any assessment contrary to this shall be null and void.

The Company's name	Statute	Ministry of Commerce and Investment (Corporate Governance Department)
Makkah Construction and Development Company Commercial Register (4031020101)	Date: 16/11/1443 AH Corresponding to: 16/06/2022 AD	Faisal Al Balawy

- 3- In all cases, the sum of what a member of the Board of Directors receives in terms of financial or in-kind rewards and benefits does not exceed five hundred thousand riyals annually, according to the controls set by the competent authority.

The report of the Board of Directors to the Ordinary General Assembly shall include a comprehensive statement of all that the members of the Board of Directors received during the fiscal year in terms of remuneration, expenses allowance and other benefits. It should also include a statement of what the Board members have received in their capacity as workers or administrators, or what they have received in return for technical, administrative or consulting work. It should also include a statement of the number of board sessions and the number of sessions attended by each member from the date of the last meeting of the General Assembly.

Article (21): Powers of the Chairman, Vice President, Managing Director and Secretary:

The Board of Directors shall appoint from among its members a Chairman and a Vice-Chairman who shall replace the Chairman of the Board of Directors in his absence. He may appoint a managing director and determine his terms of reference and remuneration. It is not permissible to combine the position of Chairman of the Board of Directors with any executive position in the company. The Board of Directors shall appoint a secretary from among its members or others, who shall be responsible for recording the minutes of the Board's meetings and preparing for those meetings, and his remuneration shall be determined in accordance with the decision issued for his appointment. The term of the Chairman of the Board, his deputy, the managing director and the secretary shall not exceed the term of membership of each of them in the Board, and they may be re-elected.

The Chairman of the Board shall have the following powers:

- 1- Inviting the Board to meet and chairing the Board meetings.
- 2- Representing the company in its relationship with others and before the courts. He may delegate others to plead and defend the company.
- 3- The right to sign on behalf of the company and to conclude contracts and obligations. He also may sign on behalf of the company the articles of incorporation of the companies in which the company participates.
- 4- Purchasing land and real estate for the company's projects approved by the Board of Directors and transferring it to the company. He also has the right to sell and transfer real estate from the company's

The Company's name	Statute	Ministry of Commerce and Investment (Corporate Governance Department)
Makkah Construction and Development Company Commercial Register (4031020101)	Date: 16/11/1443 AH Corresponding to: 16/06/2022 AD	Faisal Al Balawy

property, which he recommends to the board of directors and is approved by the general assembly of the company's shareholders. He may delegate others in all or some of that.

- 5- He may open, manage, operate and close accounts, documentary credits, withdrawals, deposits, receipts, payments, internal and external transfers with banks, local commercial banks and money houses, and issue letters of bank guarantees.
- 6- Signing all papers, promissory notes, checks, all commercial papers, papers, documents and all banking transactions. His authority to do so applies to and on behalf of the current and future company's bank accounts.
- 7- Signing applications for participation in investment funds and requests for facilities and loans, and signing loan agreements and guarantees after obtaining the approval of the Board of Directors.
- 8- Delegate the company's officials, each within his jurisdiction, to do all or part of that on the company's sub-accounts.
- 9- Everything that would manage the affairs of the company and all that is entrusted by the Board of Directors so that it has the right to delegate any member of the Board of Directors, the Managing Director, the General Manager of the company or others in all or some of these powers.

Article (22): Board meetings:

Board of Directors shall convene at least twice a year at the invitation of its Chairman. The invitation shall be addressed in writing and accompanied by the Agenda, at least seven (7) days prior to the scheduled date of the meeting, unless directors agree otherwise. Chairman of the Board shall convene the Board whenever two (2) directors so request. The Board meetings may be attended through modern technological means according to the controls developed by the competent authority.

Article (23): Board Meeting Quorum:

A meeting of the Board of Directors shall not be valid unless attended by at least half of the members (six members), including the Chairman of the Board or his representative. A member of the Board of Directors may delegate other members to attend the meeting on his behalf. The decisions of the Board are issued by the majority of the opinions of the members present or represented. In case of equality of opinion, the side with which the session chairperson voted will prevail. The Board of Directors has the right to issue decisions by passing decisions on urgent matters, some of them to separate members, unless one of the members requests in writing the meeting of the Board to deliberate on it. These decisions are presented to the Council at its first meeting.

Article (24): Board Deliberations:

The Company's name	Statute	Ministry of Commerce and Investment (Corporate Governance Department)
Makkah Construction and Development Company Commercial Register (4031020101)	Date: 16/11/1443 AH Corresponding to: 16/06/2022 AD	Faisal Al Balawy

The deliberations and decisions of the Board of Directors are recorded in minutes signed by the chairman of the session, the attending members of the Board of Directors, and the secretary. These minutes shall be recorded in a special register signed by the Chairman of the Board of Directors and the Secretary.

Chapter Four - Shareholders' Assemblies

Article (25): Attending Assemblies:

General Assembly appropriately formed shall represent all shareholders and convention thereof is made at Makkah Al-Mukarramah Region. Each shareholder, regardless of number of its shares, is entitled to attend the Shareholders' General Assembly. A shareholder may authorize another person that is not a director or Company's employee to attend the General Assembly meeting.

Article (26): Competencies of the Ordinary General Assembly:

With the exception of the matters of the Extraordinary General Assembly, the Ordinary General Assembly is concerned with all matters related to the company. It is held at least once a year during the six months following the end of the company's fiscal year. Other ordinary general assemblies may be called whenever the need arises.

Article (27): Competencies of the Extraordinary General Assembly:

The extraordinary general assembly is concerned with amending the company's articles of association, with the exception of matters that are prohibited from being amended by law. It may issue resolutions on matters originally included in the terms of reference of the Ordinary General Assembly, under the same terms and conditions prescribed for the Ordinary General Assembly.

Article (28): Invitation to Assemblies:

Shareholders General Assemblies shall convene at convocation of the Board of Directors. Board shall convene the General Assembly if so requested by the auditor, Audit Committee or a number of shareholders representing at least 5% of the capital. The auditor may convene the Assembly in the Board fails to convene the Assembly within thirty (30) days of the date of the auditor request. The convocation to convene the General Assembly shall be published in a daily newspaper distributed in the area where the Company's headquarters is located, at least twenty-one (21) days prior to date determined for convention. However, it is permissible to address the invitation to all shareholders with registered letters or via e-mails. A copy of the invitation and agenda shall be sent to the Ministry of Commerce, as well as a copy sent to the Capital Market Authority within the period specified for publication.

Article (29): Assembly Attendance Record:

The Company's name	Statute	Ministry of Commerce and Investment (Corporate Governance Department)
Makkah Construction and Development Company Commercial Register (4031020101)	Date: 16/11/1443 AH Corresponding to: 16/06/2022 AD	Faisal Al Balawy

Shareholders who wish to attend the General Assembly register their names at the company's main office before the time set for the meeting.

Article (30): Quorum of the Ordinary General Assembly Meeting:

The convening of the Ordinary General Assembly meeting shall not be valid unless attended by shareholders representing at least a quarter of the capital. If this quorum is not available to hold the first meeting, the second meeting shall be held one hour after the expiration of the period specified for the first meeting, provided that the invitation to hold the first meeting includes evidence of announcing the possibility of holding this meeting. In the event that the first invitation did not include the possibility of holding a second meeting, an invitation shall be sent to a second meeting to be held within the thirty days following the previous meeting, and this invitation shall be published in the manner stipulated in Article (28) of this bylaw. In all cases, the second meeting shall be valid regardless of the number of shares represented therein.

Article (31): Quorum of the Extraordinary General Assembly Meeting:

The convening of the Extraordinary General Assembly shall not be valid unless attended by shareholders representing at least half of the capital. If this quorum is not available in the first meeting, the second meeting shall be held one hour after the end of the renewed period for the first meeting, provided that the invitation to hold the first meeting includes evidence of announcing the possibility of holding this meeting. In the event that the first invitation does not include the possibility of holding a second meeting, the invitation is directed to a second meeting to be held in the same conditions stipulated in Article (28) of this bylaw.

In all cases, the second meeting shall be valid if attended by a number of shareholders representing at least a quarter of the capital.

If the required quorum is not available for holding the second meeting, an invitation shall be directed to a third meeting to be held in the same conditions stipulated in Article (30) of this bylaw, and the third meeting is valid regardless of the number of shares represented in it after the approval of the competent authority.

Article (32): Voting in assemblies:

Each subscriber has a vote for each share represented in the General Assembly. Votes in ordinary and extraordinary General Assembly are counted on a vote-per-share basis. Cumulative voting is used in the Board nomination.

However, directors may not participate in voting on the Assembly's resolutions relate to their discharge from liability for management of the Company or those related to a direct or indirect interest for them. Meetings of shareholders' General Assembly may also be held and shareholder may participate in its deliberation and vote

The Company's name	Statute	Ministry of Commerce and Investment (Corporate Governance Department)
Makkah Construction and Development Company Commercial Register (4031020101)	Date: 16/11/1443 AH Corresponding to: 16/06/2022 AD	Faisal Al Balawy

on resolution thereof by modern technological means, in accordance with the controls developed by the competent authority.

Article (33): Assembly Decisions:

Decisions shall be issued in the Ordinary General Assembly by the absolute majority of the shares represented in the meeting. The decisions of the Extraordinary General Assembly are also issued by a two-thirds majority of the shares represented in the meeting, unless the decision is related to increasing or decreasing the capital, extending the duration of the company, or dissolving it before the expiry of the renewed period in these bylaws, or its merger with another company, then the decision is not valid unless it is issued by a majority of three quarters of the shares represented in the meeting. The company must announce, in accordance with the provisions of Article (65) of the Companies Law, the decisions of the extraordinary general assembly if they include amending the company's articles of association.

Article (34): Discussion in Assemblies:

Each shareholder may discuss the topics on the agenda of the Assembly and direct questions in this regard to the members of the Board of Directors and the auditor. Any text in this articles that deprives the shareholder of this right is invalid. The Board of Directors or the auditor shall answer the questions of the shareholders to the extent that does not expose the interest of the company to harm. If the shareholder finds that the answer to his question is not convincing, he appeals to the assembly, and its decision in this regard is enforceable.

Article (35): Presiding over Assemblies and preparing minutes:

The meetings of the General Assembly of Shareholders shall be chaired by the Chairman of the Board of Directors or his deputy with a written authorization in his absence or whomever he delegates to the Board of Directors from among its members for that purpose in the absence of the Chairman of the Board of Directors and his deputy. The president appoints a secretary for the meeting and the collector of votes.

Minutes of the meeting of the assembly shall be written including the number of shareholders present or represented, the number of shares held by them in person or by proxy, the number of votes for them, the decisions taken, the number of votes for or against them, and an adequate summary of the discussions that took place in the meeting. Minutes shall be recorded regularly after each meeting in a special register signed by the president of the association, its secretary and the collector of votes.

Chapter Five - Audit Committee

Article 36: Formation of the Committee:

The Company's name	Statute	Ministry of Commerce and Investment (Corporate Governance Department)
Makkah Construction and Development Company Commercial Register (4031020101)	Date: 16/11/1443 AH Corresponding to: 16/06/2022 AD	Faisal Al Balawy

The Audit Committee shall be formed by a decision of the Ordinary General Assembly from non-executive members of the Board of Directors, whether from shareholders or others. The number of its members shall not be less than three and not more than five, and the committee's duties, work controls and remunerations of its members shall be defined in the decision.

Article (37): Committee Meeting Quorum:

For the audit committee meeting to be valid, the majority of its members must be present. Its decisions are issued by a majority vote of those present. When the votes are equal, the side with which the chairman of the meeting voted will prevail.

Article (38): Functions of the Committee:

The audit committee is concerned with monitoring the company's business. For this purpose, it may view its records and documents and to request any clarification or statement from members of the Board of Directors or the Executive Management. It may ask the Board of Directors to convene the General Assembly of the company if the Board of Directors impedes its work or if the company suffers serious damage or losses.

Article (39): Committee Reports:

The audit committee shall review the company's financial statements, reports and notes submitted by the auditor, and express its views thereon, if any. It shall also prepare a report on its opinion regarding the adequacy of the internal control system in the company and the other works it has undertaken that fall within the scope of its competence. The board of directors shall file sufficient copies of this report at the company's headquarters at least ten days before the date of the general assembly meeting, in order to provide each of the shareholders who desires a copy thereof, and the report shall be read during the meeting.

Chapter Six - The Auditor

Article (40): Appointment of the Auditor:

The company shall have one or more auditors from among the auditors licensed to work in the Kingdom to be appointed by the Ordinary General Assembly, who shall determine his remuneration and term of office. It may re-appoint him, provided that the total term of his appointment does not exceed five consecutive years. Those who have exhausted this period may be re-appointed two years after its expiry date. The association may also change it at any time without prejudice to its right to compensation if the change occurred at an inappropriate time or for an illegitimate reason. It is not permissible to combine the work of the auditor with participating in the incorporation of the company or membership of the board of directors or carrying out technical or administrative work in the company or for its interest, even by way of consultation. Likewise, the auditor may

The Company's name	Statute	Ministry of Commerce and Investment (Corporate Governance Department)
Makkah Construction and Development Company Commercial Register (4031020101)	Date: 16/11/1443 AH Corresponding to: 16/06/2022 AD	Faisal Al Balawy

not be a partner of a member of the Board of Directors, or his employee, or his relative to the fourth degree. Any action contrary to this shall be null and void, and he shall be obliged to return what he has received to the Ministry of Finance.

Article (41): The powers of the auditor:

The auditor may at any time to review the company's books, records and other documents. He may request data and clarifications that he deems necessary to obtain, in order to verify the company's assets and liabilities and other things that fall within the scope of his work. The chairman of the board of directors must enable him to perform his duty. If the auditor encounters difficulty in this regard, this must be proven in a report submitted to the Board of Directors. If the Board does not facilitate the work of the auditor, it must request the Board of Directors to invite the Ordinary General Assembly to consider the matter.

The auditor shall submit to the annual Ordinary General Assembly a report prepared in accordance with generally accepted auditing standards, including the position of the company's management in enabling him to obtain the data and clarifications he requested, and the violations he may have discovered of the provisions of the Companies Law or the provisions of this Law, and his opinion on the extent of fairness of the company's financial statements. The auditor reads his report in the general assembly. If the assembly decides to ratify a report of the board of directors and the financial statements without listening to the auditor's report, its decision is invalid.

Chapter Seven - Company accounts and distribution of profits

Article (42): Fiscal Year:

Company's fiscal year commences as of the first of January and ends at the end of December of each year, provided that first fiscal year shall commence after approval of the change from Hijri year to Gregorian year, as of the date of approval of the change by concerned authorities and shall expire at the end of December of the Gregorian year.

Article (43): Financial Documents:

At the end of each fiscal year of the company, the Board of Directors shall prepare the company's financial statements and a report on its activities and its financial position for the past fiscal year. This report includes the proposed method of dividend distribution. The Board shall place these documents at the disposal of the auditor at least forty-five days prior to the date set for the General Assembly.

The Company's name	Statute	Ministry of Commerce and Investment (Corporate Governance Department)
Makkah Construction and Development Company Commercial Register (4031020101)	Date: 16/11/1443 AH Corresponding to: 16/06/2022 AD	Faisal Al Balawy

The Chairman of the Board of Directors, its Chief Executive Officer and its Financial Director shall sign the aforementioned documents, and copies thereof shall be filed at the company's main office at the disposal of the shareholders at least ten days prior to the date set for the convening of the General Assembly.

The chairman of the board of directors shall provide the shareholders with the company's financial statements, the report of the board of directors, and the auditor's report, unless they are published in a daily newspaper distributed at the company's headquarters. He shall also send a copy of these documents to the Ministry of Commerce and Investment, as well as a copy to the Capital Market Authority, at least fifteen days prior to the date of the General Assembly meeting.

Article (44): Dividend Distribution:

The annual net profits of the company shall be distributed after deducting all general expenses and other costs, including the zakat imposed by Sharia, as follows:

- 1- 10% of the net profits should be set aside to form the company's statutory reserve. The Ordinary General Assembly may stop this reserve when the aforementioned reserve reaches 30% of the paid-up capital.
- 2- The Ordinary General Assembly, based on a proposal from the Board of Directors, may set aside a certain percentage of the net profits to form an agreement reserve to be allocated to support the financial position of the company.
- 3- The Ordinary General Assembly may decide to form other reserves to the extent that serves the interest of the company or ensures the distribution of fixed profits as much as possible to the shareholders. The aforementioned Assembly may also deduct from the net profits sums to establish social institutions for the company's employees or to assist the existing ones.
- 4- The Ordinary General Assembly may use the retained earnings and other distributable reserves to pay the remaining amount of the share value or part thereof, provided that this does not prejudice the equality of shareholders.
- 5- From the remainder, a first payment equal to (5% of the company's paid-up capital) will be distributed to the shareholders.
- 6- Subject to the provisions stipulated in Article (20) of this Bylaw, and Article (76) of the Companies Bylaw, after the foregoing, 5% of the remainder shall be allocated for the remuneration of the members of the Board of Directors, provided that it is proportionate to the number of sessions attended by the member.

Article (45): Entitlement to Profits

The Company's name	Statute	Ministry of Commerce and Investment (Corporate Governance Department)
Makkah Construction and Development Company Commercial Register (4031020101)	Date: 16/11/1443 AH Corresponding to: 16/06/2022 AD	Faisal Al Balawy

The shareholder shall be entitled to his share of the profits in accordance with the decision of the General Assembly issued in this regard. The resolution shows the maturity date and distribution date. The eligibility for dividends shall be for the shareholders registered in the shareholder registers at the end of the day specified for the entitlement. The competent authority determines the maximum period during which the Board of Directors must implement the decision of the Ordinary General Assembly regarding the distribution of profits to shareholders.

Article (46): Interim Dividend Distribution:

In the event that the company wishes to distribute interim profits to its shareholders on a semi-annual or quarterly basis, this shall be in accordance with the following conditions.

- 1- The company should have regular profits throughout the fiscal year.
- 2- To have liquidity with which it can distribute interim profits, with a reasonable expectation of the level of its future profits.
- 3- The company should have distributable profits according to the latest audited financial statements, and they are sufficient to cover the profits proposed to be distributed, after deducting what was distributed from those profits after the date of these financial statements. The board of directors of the company must also obtain an authorization from the Ordinary General Assembly to distribute interim profits, provided that this authorization is renewed annually.

Article (47): Company losses:

- 1- If the company's losses amount to half of the paid-up capital, at any time during the fiscal year, any official in the company or the auditor shall immediately inform the chairman of the board of directors upon learning of that. The chairman of the board of directors shall immediately inform the members of the board of this. The Board of Directors shall, within fifteen days of its knowledge of this, call the Extraordinary General Assembly to meet within forty-five days of its knowledge of the losses, to decide either to increase or decrease the company's capital in accordance with the provisions of the Companies Law to the extent that the percentage of losses decreases to less than half of the paid-up capital, or to dissolve the company before the term specified in Article Six of this articles.
- 2- The company is considered dissolved by force of law if the extraordinary general assembly does not meet within the period specified in paragraph (1) of this article, or if it decide to increase the capital in accordance with the conditions stipulated in this Article, and all the capital increase has not been subscribed within ninety days from the issuance of the assembly's decision to increase.

Part Eight – Disputes

The Company's name	Statute	Ministry of Commerce and Investment (Corporate Governance Department)
Makkah Construction and Development Company Commercial Register (4031020101)	Date: 16/11/1443 AH Corresponding to: 16/06/2022 AD	Faisal Al Balawy

Article (48): Liability Claim:

Each shareholder may file a lawsuit against the company's liability against the members of the Board of Directors if the mistake they committed would cause damage to him. The shareholder may not file the aforementioned lawsuit unless the company's right to file it still exists. The shareholder must inform the company of his intention to file a lawsuit.

Chapter Nine - Dissolution and liquidation of the company

Article (49): Termination of the company:

- 1- As soon as the company ends, it enters the stage of liquidation and retains its legal personality to the extent necessary for liquidation. The voluntary liquidation decision is issued by the Extraordinary General Assembly. The liquidation decision shall include the appointment of the liquidator, his powers, his fees, the restrictions imposed on his powers, and the time period required for liquidation. The period of voluntary liquidation shall not exceed five years and may not be extended for more than that except by judicial order. The authority of the company's board of directors ends with its dissolution. Nevertheless, they remain in charge of the management of the company, and in relation to others, they are deemed to be liquidators until a liquidator is appointed. Shareholders' assemblies remain in place during the liquidation period, and their role is limited to exercising their competences that do not conflict with the powers of the liquidator.
- 2- If all the shares of the company devolve to one shareholder who does not meet the conditions stipulated in Article (55) of the Companies Law, the company alone remains responsible for its debts and obligations. Nevertheless, this shareholder must reconcile the company's situation with the provisions of the Companies Law, or convert it into a limited liability company of one person within a period not exceeding one year, otherwise the company shall lapse by force of the Law.

Chapter Ten - Final Provisions

Article (50):

Everything that is not stipulated in this articles shall be referred to in the provisions of the Companies Law and the Capital Market Authority Law.

Article (51):

This Articles of association shall be filed and published in accordance with the Companies Bylaw.

The Company's name	Statute	Ministry of Commerce and Investment (Corporate Governance Department)
Makkah Construction and Development Company Commercial Register (4031020101)	Date: 16/11/1443 AH Corresponding to: 16/06/2022 AD	Faisal Al Balawy