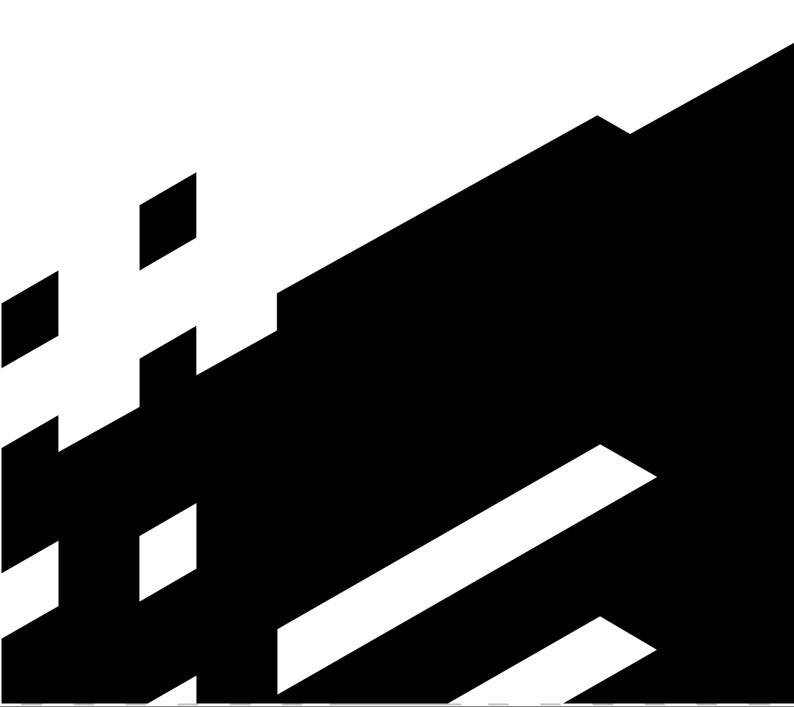


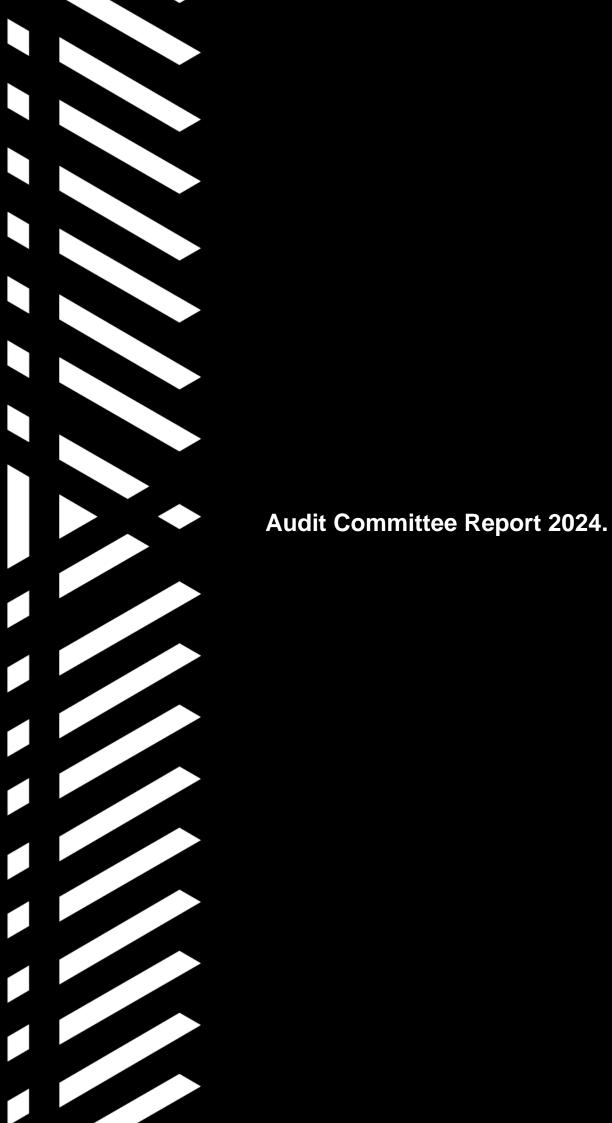
Armah Sports Company Ordinary General Assembly Meeting (First Meeting) Tuesday, June 03, 2025.





Agenda
General Assembly Meeting.

- Item (1): Review and discuss the Board of Directors Report for the fiscal year ended 31/12/2024. (attached)
- Item (2): Review and discuss the Annual Financial Statements for the fiscal year ending on 31/12/2024. (attached)
- Item (3): Vote on the company's External Auditor's Report for the fiscal year ended 31/12/2024 after discussing it. (attached)
- **Item (4):** Vote on Board of Director's remuneration of SAR 900,000 for the year ended 31/12/2024.
- **Item (5):** Voting on discharging the Board members from any liabilities for the year ended 31/12/2024.
- **Item (6):** Vote on appointment of auditor of the company from among the candidates, based on the recommendation of the Audit Committee, to examine Review and audit the financial statements for the first half and annual of the year ending on 31/12/2025, and determine their fees.
- Item (7): Vote on the business and contracts that took place for the fiscal year ending on 31/12/2024, between Armah Sports Company and Pulse Fitness Company, in which Mr. Fahad Ali Alhagbani Executive Member, has indirect interest. The business is related to equipment purchases, noting that the value of transactions in 2024 amounted to SAR 1,871,220 without any preferential treatment. (attached)





Date: April 23, 2025.

التاريخ ٢٣ إبريل ٢٠٢٥م.

Audit Committee Report

The audit committee seeks to support the Board of Directors (BoD) in ensuring the sufficiency of the company's internal control system & its effective implementation. It also provides the BoD with recommendations that would enhance the internal control system, while safeguarding the interests of shareholders. Additionally, the audit committee supports the BoD in fulfilling their oversight responsibilities for the company's financial, operational & information systems.

Audit Committee major activities

Over 2024, Armah's audit committee, external auditor, and other relevant departments and divisions in Armah Sports, held meetings to discuss several subjects related to the committee's roles and responsibilities such as:

- Examine quarterly and annual financial statements before presenting them to the BoD, and discussing the management letter with the external auditor.
- Recommendation for the appointment of the company's external auditor.
- Discussion of whistle blowers incidents and the actions taken to resolve them.
- Discussion of the reports of oversight bodies, and the General Bureau of Auditing.
- Discussion of periodic risk reports covering financial, operational and business risks
- Discussing periodic reports regarding governance and compliance to verify the company's compliance with relevant rules and regulations
- Discussion the guidelines of approval for Armah Sports's charters and policies.

تقربر لجنة المراجعة

تهدف لجنة المراجعة لشركة أرماح الرياضية إلى مساعدة مجلس الإدارة في التحقق من كفاية نظام الرقابة الداخلية بالشركة وتنفيذه بفاعلية، وتقديم أية توصيات لمجلس الإدارة من شأنها تعزيز نظام الرقابة الداخلية وتطويره بما يحقق أهداف الشركة ويحمي مصالح المساهمين. كما تقوم اللجنة بمساعدة مجلس الإدارة للوفاء بمسؤوليته الرقابية على النظم المالية والتغيلية والمعلوماتية للشركة.

أبرز أعمال لجنة المراجعة

قامت لجنة المراجعة في هذا السبيل وخلال العام المالي ٢٠٢٤م بعقد اجتماعات ناقشت خلالها عدداً من الموضوعات ذات الصلة بأعمال اللجنة وذلك بحضور القطاعات ذات العلاقة ومنها على سبيل المثال:

- دراسة القوائم المالية الأولية والسنوية قبل عرضها على مجلس الإدارة، ومناقشة خطاب الإدارة مع مراجع الحسابات،
 - التوصية بتعيين مراجع حسابات الشركة،
- مناقشة تقرير البلاغات الدورية والإجراءات المتخذة حيالها،
 - مناقشة تقارير ونتائج تحقيقات الجهات الرقابية أو التنظيمية المختصة،
- مناقشة التقارير الدورية عن المخاطر المالية والتشغيلية ومخاطر الأعمال،
- مناقشة التقارير الدورية فيما يخص الحوكمة والالتزام للتحقق من التزام الشركة باللوائح والأنظمة ذات العلاقة،
 - مناقشة سياسة معايير اعتماد لوائح وسياسات الشركة،



Audit committee's opinion

Considering the audit committee's scope of work, and based on the periodic reports submitted by the company's internal audit, external auditor, the company's executive management and the management's assurances about the adequacy of the Company's control system, the audit committee did not find any material matters of significant impact on the internal control system for the financial year ending 31st December 2024. Noting that no internal control system can provide absolute assertions about the sound ness and effectiveness of the internal control system, but rather reasonable ones. There is also no conflict between the decisions and recommendations of the Audit Committee and those of the Board of Directors.

رأى لجنة المراجعة

في ضوء نطاق عمل اللجنة، واستناداً إلى تقارير مراجع الحسابات الخارجي والإدارة التنفيذية للشركة وتأكيدات الإدارة حول سلامة النظام الرقابي للشركة فإنه لم يتبين للجنة المراجعة وجود أي ملاحظات جوهرية على نظام الرقابة الداخلية عن السنة المالية المنتهية في ٣١ ديسمبر ٢٠٢٤م. علماً بأنه لا يمكن تقديم تأكيدات معقولة عن مدى سلامة وفاعلية نظام الرقابة الداخلية. كما لا يوجد تعارض بين توصيات قرارات لجنة المراجعة مع مجلس الإدارة .

Amit Kapur

Saad Algheriri

Abdu mohsen Alhagbani

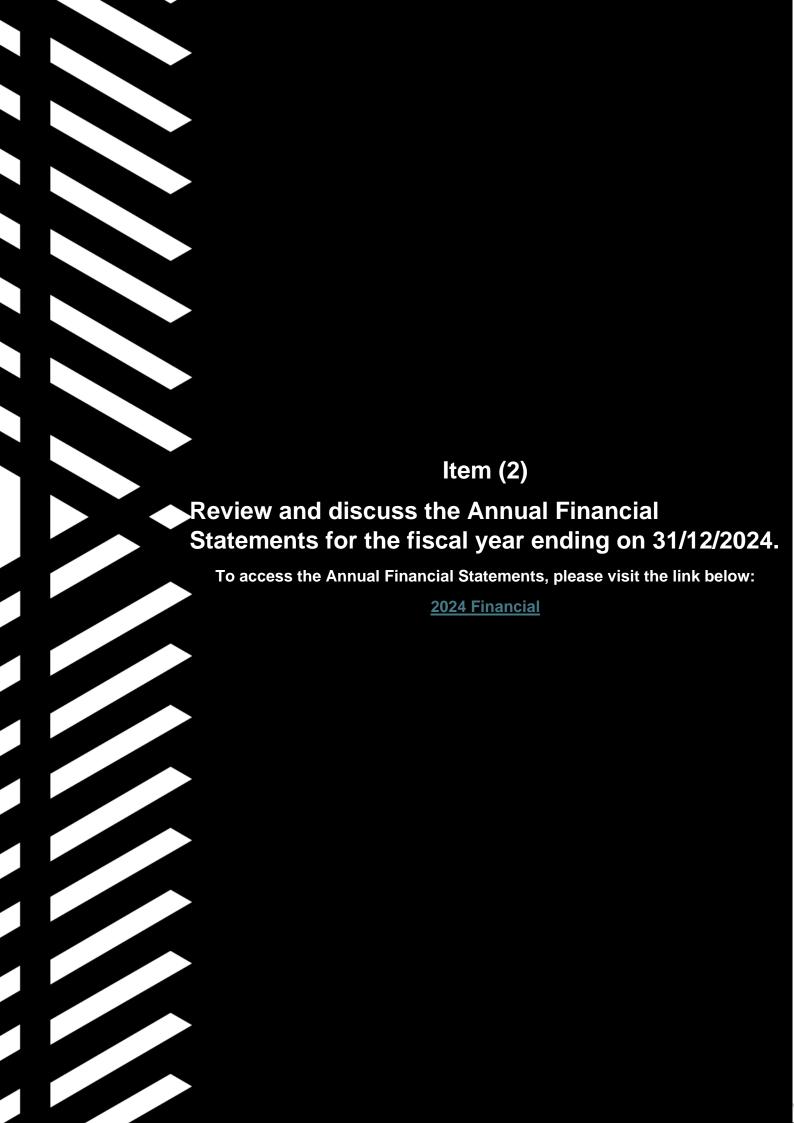


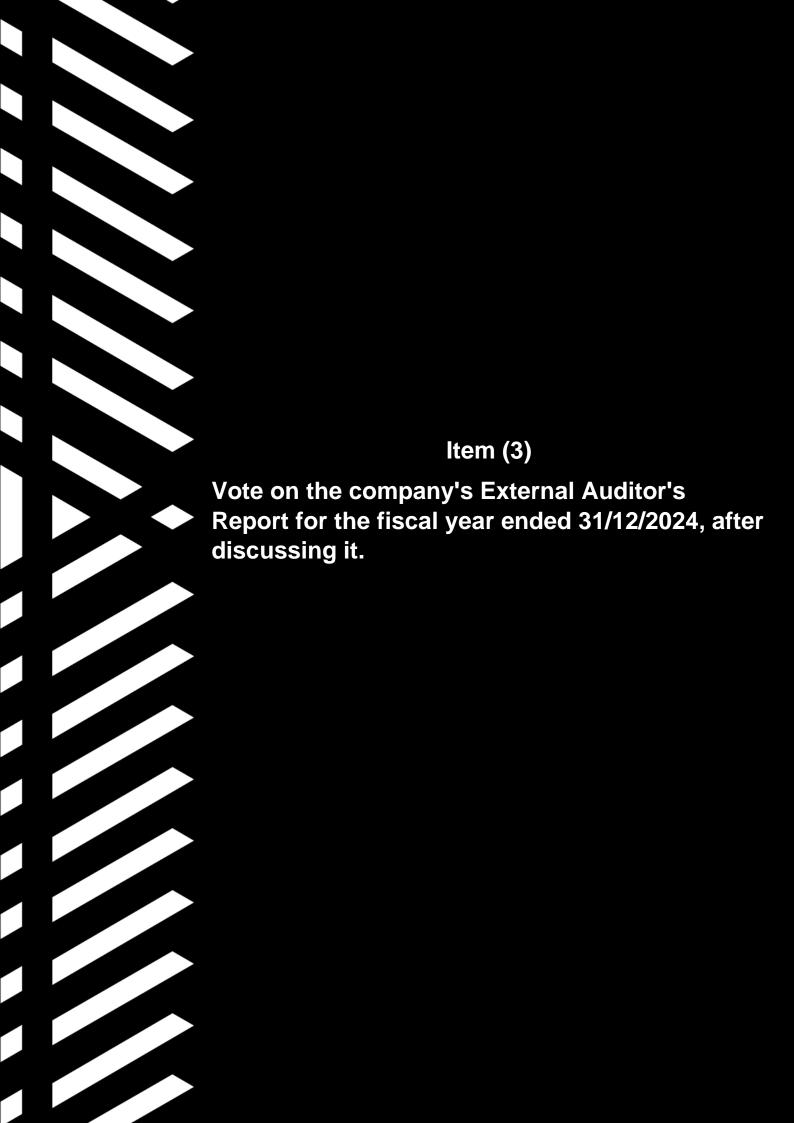
Item (1)

Review and discuss the Board of Director's Report for the fiscal year ended 31/12/2024.

To access the Board of Directors' Report, please visit the link below:

Board Annual Report 2024.







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Independent Auditor's Report

To the Shareholders of Armah Sports Company

(A Saudi Joint Stock Company)

Riyadh, Kingdom of Saudi Arabia

Opinion

We have audited the financial statements of Armah Sports Company (the "Company"), which comprise the statement of financial position as at December 31, 2024 and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by the Saudi Organization for Chartered and Professional Accountants ("SOCPA").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Company In accordance with the International Code of Ethics for Professional Accountants that are endorsed in the Kingdom of Saudi Arabia that are relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



Independent Auditor's Report (Continued)

To the Shareholders of Armah Sports Company

Key Audit Matters (Continued)

Key audit matter How our audit addressed the key audit matter

Revenue recognition

The Company reported revenue of SR 177.5 million from subscriptions and membership fees of fitness centers and related activities for the year ended December 31, 2024 (December 31, 2023: SR 80.1 million).

We considered this a key audit matter due to the application of accounting standard for revenue recognition in the fitness centers sector requires revenue to be recognized over the term of subscription period.

Additionally, there are inherent risks about the accuracy of revenues recorded due to either ineffective manual and / or IT related controls.

Refer to note 5.14 for the accounting policy related to revenue recognition and note 20 for the related disclosures.

Our audit procedures included among others, the

Our audit procedures included among others, the following:

- Obtained an understanding of the Company's subscriptions and membership fees revenue recognition and deferred membership fee income calculation processes and related controls and performed walkthrough procedures.
- Assessed the appropriateness of the Company's revenue recognition policy.
- Tested the accuracy of customer invoice generation on a sample basis and tested a sample of the discounts and promotions applied to customer invoice.
- Tested the completeness and accuracy of data input into the calculation of deferred subscriptions and membership fees revenue and performed the recalculation.
- Assessed the adequacy of the relevant disclosures in the financial statements.

Key audit matter

Capital expenditures for construction of fitness centers

As disclosed in note 6 to the financial statements, SR 45.9 million has been capitalized as property and equipment (December 31, 2023: SR 133.8 million).

We considered this as key audit matter as it represents significant transactions and involves significant judgements in determining whether an element of cost meets the capitalization criteria as per the relevant financial reporting standards.

Refer to note 5.2 for the accounting policy related to property and equipment and note 6 for the related disclosures.

How our audit addressed the key auditmatter

Our audit procedures included among others, the following:

- Obtained an understanding of the Company's process with respect to capital expenditure.
- Performed substantive audit procedures through inspection of related supporting documents, supporting various components of the capitalized costs on sampling basis.
- Assessed whether the items of cost capitalized including borrowing costs and interest expense related to the lease liabilities, meet the recognition criteria of an asset in accordance with the relevant financial reporting standards.
- Assessed the adequacy of the relevant disclosures in the financial statements.



Independent Auditor's Report (Continued)

To the Shareholders of Armah Sports Company

Other Information

Other information consists of the information included in the Company's 2024 annual report, other than the financial statements and our auditor's report thereon. Management is responsible for the other information in its annual report. The Company's annual report for 2024 is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Company's annual report for 2024, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by SOCPA and Regulations for Companies and the Company's Bylaws and for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, i.e. Board of Directors, are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabía, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

Identify and assess the risks of material misstatement of the financial statements, whether due to fraud
or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that
is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material
misstatement resulting from fraud is higher than the one resulting from error, as fraud may involve
collusion, forgery, intentional omission, misrepresentations, or the override of internal control.



Independent Auditor's Report (Continued)

To the Shareholders of Armah Sports Company

Auditor's Responsibilities for the Audit of the Financial Statements (Continued)

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

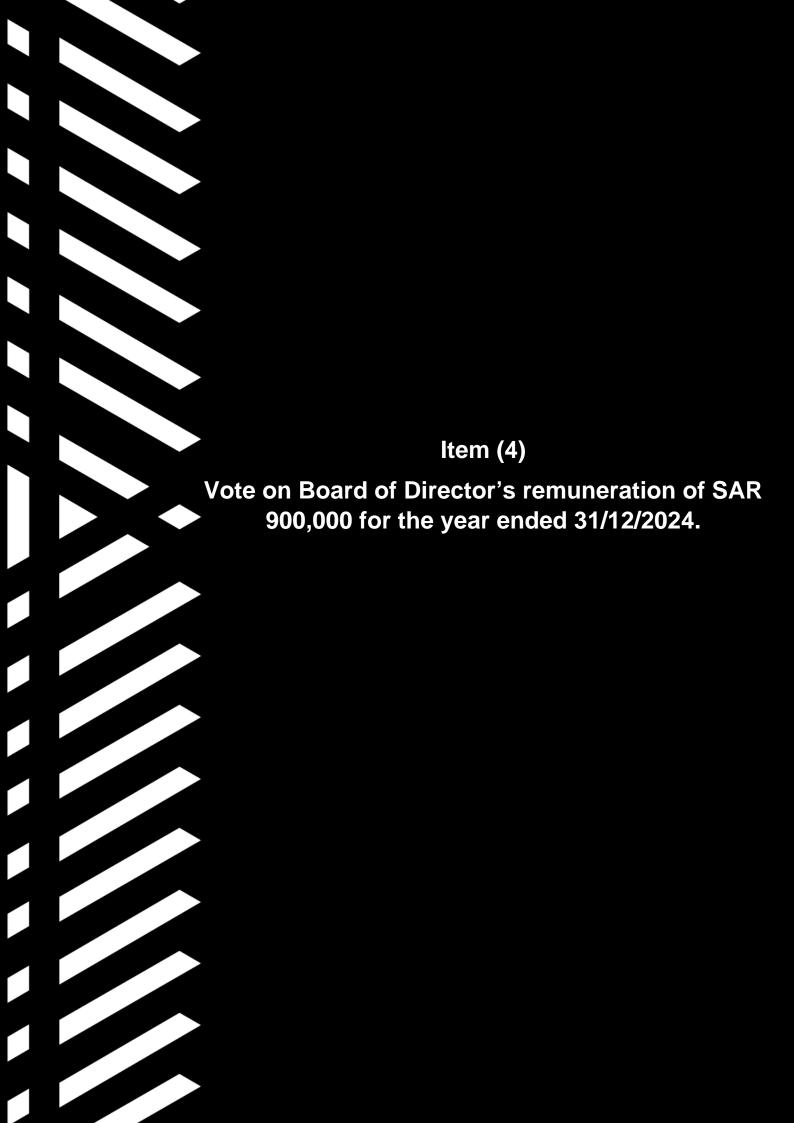
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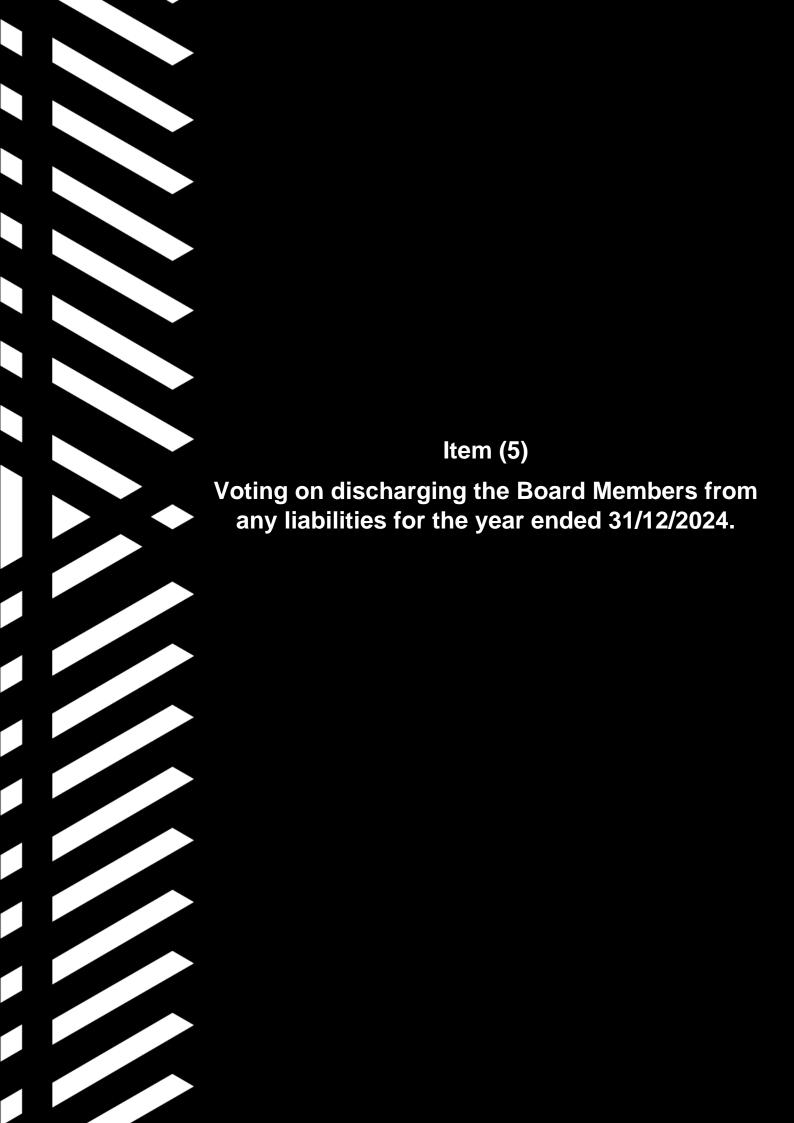
Majid Muneer Al Nemer

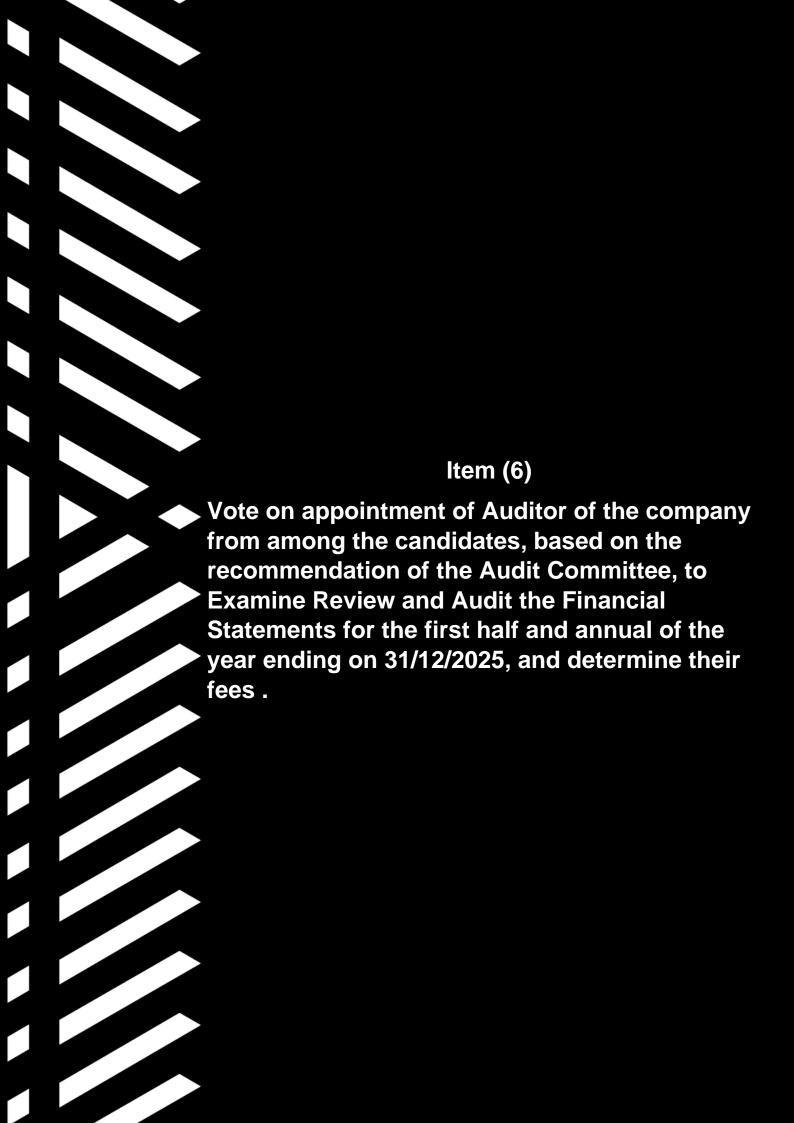
(Certified Public Accountant - License No. 381) Riyadh on Ramadan 5, 1446H

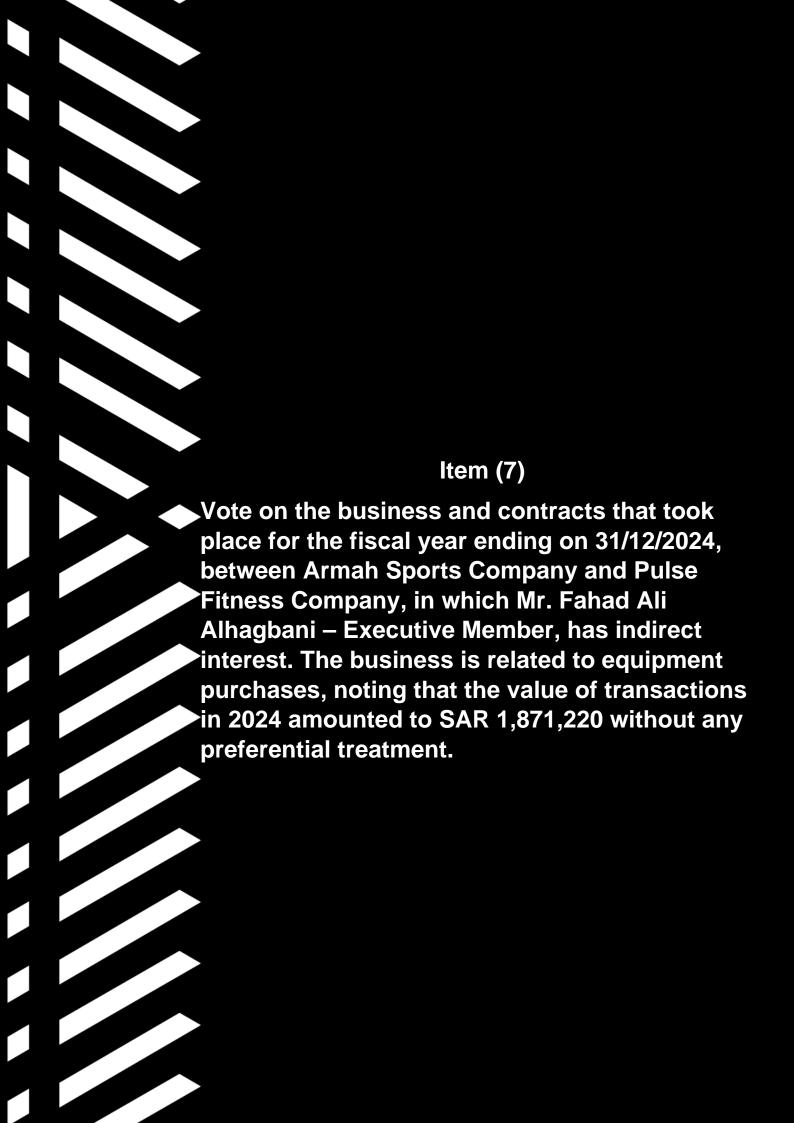
Corresponding to March 5, 2025

د. 1010428101 : ۵. C.R: BAKER TILLY











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Independent Limited Assurance Report on the Transactions Between the Company and the Related Parties

To the Shareholders of Armah Sports Company

(Saudi Joint Stock Company) Riyadh – Kingdom Saudi Arabia

We have performed a limited assurance engagement to determine whether it has come to our attention a matter that makes us believe that what has been detailed in the subject paragraph below (the "Subject Matter") has not been reported and fairly presented, in all material respects, in accordance with the relevant criteria ("Applicable Criteria") hereinafter referred to below.

Subject Matter:

The subject matter of our limited assurance engagement relates to the letter submitted and approved by the Chairman of the Board of Directors of **Armah Sports Company** (the "Company") regarding the business and contracts in which the Board members have a direct or indirect interest during the year ended December 31, 2024, as attached to this report.

Applicable Criteria:

Article (71) of the Companies' Law issued by the Ministry of Commerce.

Management Responsibility:

The management of the Company is responsible for the preparation and fair presentation of the information mentioned in the above Subject Matter paragraph in accordance with the Applicable Criteria. In addition, the Management is responsible for implementing internal control systems that are deemed necessary to prepare and present the information contained in the above Subject Matter paragraph free from any material misstatements, whether due to fraud or error, and to apply appropriate controls, maintain adequate records, and make reasonable estimates according to the relevant circumstances and events.

Our Responsibility:

Our responsibility is to express a limited assurance conclusion on the above Subject Matter based on the assurance engagement we performed in accordance with the International Standard on Assurance Engagement (ISAE) 3000: "Assurance Engagements Other than Audits or Reviews of Historical Financial Information" as endorsed by the Kingdom of Saudi Arabia, along with the terms and conditions related to this engagement which have been agreed with the Company's Management.

Our procedures have been designed to obtain a limited level of assurance that is sufficient to provide a basis for expressing our conclusion. Accordingly, we have not obtained all of the evidence required to provide a reasonable level of assurance. The implemented procedures depend on our professional judgment, including the risk of material misstatements in the Subject Matter, whether due to fraud or error. We also took into consideration the effectiveness of internal control systems when determining the nature and extent of our procedures, and our engagement was not designed to provide assurance about the effectiveness of those systems.



Independent Limited Assurance Report on the Transactions Between the Company and the Related Parties (Continued)

Professional Ethics and Quality Management:

We have complied with independence and other ethical requirements in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants and endorsed in the Kingdom of Saudi Arabia ("IESBA Code").

In addition, we comply with the International Standard on Quality Management (1) as endorsed in the Kingdom of Saudi Arabia in order to maintain a comprehensive system of quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable regulatory requirements.

Summary of the Performed Procedures:

The procedures performed in a limited assurance engagement differ in nature, and timing and are less in scope than those performed in a reasonable assurance engagement. As a result, the level of assurance that is obtained in the limited assurance engagement is significantly less than the assurance that would be obtained if a reasonable assurance engagement was performed.

The performed procedures included, but were not limited to, the following:

- Obtained the letter signed by Chairman of Board of Directors that includes a list of business and contracts in which the members of the Board of Directors have a direct or indirect interest during the year ended December 31, 2024.
- Obtained an understanding of the nature of the transactions carried out during the year ended December 31, 2024 between the Company and the entities in which the members of the Board of Directors have a direct or indirect interest.
- Obtained statement of account for the entities in which the members of the Board of Directors have a direct or indirect interest and compare the total volume of transactions with what was mentioned in the letter submitted and approved by the Chairman of the Board of Directors.
- Examine the only transaction with the related party to its supporting documents to verify their correctness.

Limited Assurance Conclusion:

Based on the limited assurance procedures performed, and the evidence obtained, nothing came to our attention that caused us to believe that what was detailed in the above Subject Matter paragraph and reported in the attached letter, has not been reported and presented fairly, in all material respects, in accordance with the Applicable Criteria.

Restriction of Use:

This report has been solely prepared on the request of the Company's Management to assist the Company in fulfilling its obligations in reporting to the General Assembly under Article (71) of the Companies Law. The report may not be used for any other purpose or distributed to any other parties other than the Ministry of Commerce, the Capital Market Authority, and the Shareholders of the Company. In addition, no quote or reference can be made to this report without our prior consent.

Baker Tilly Professional Services

Majid Muneer Al Nemer (License No. 381)

Riyadh on Thul Qi'dah 1, 1446 H Corresponding to April 29, 2025 C.R: 1010428101 المهنية المنابعة المنا



التاريخ: ٢٣ إبريل ٢٠٠٥ م خطاب تبليغ الجمعية العامة بالأعمال والعقود التي لأعضاء مجلس الإدارة مصلحة غير مباشرة فيها

Gentlemen / Shareholders of Armah Sports Company

With reference to the provisions of Articles (27), (71) of the Companies Law, a member of the Board of Directors shall, upon becoming aware of any interest he has, whether directly or indirectly, in the business and contracts that are sensitive to the company, inform the Board thereof and such notification shall be recorded in the minutes of the meeting of the Board at its meeting. This member may not participate in voting on the resolution issued in this regard in the Board and the General Assemblies. The Board shall inform the General Assembly when it convenes of the works and contracts in which the Board member has a direct or indirect interest. Based on the notification submitted to the Board of Directors of the Company by some members of the Board of Directors on the works and contracts concluded for the account of the Company and in which they have an indirect interest to approve and authorize them, and to record this notification in the minutes of the Board meeting.

Accordingly, the Board of Directors of the Company wishes to notify the General Assembly of shareholders of the works and contracts in which the Board member has a direct or indirect interest for approval and licensing and these transactions are as follows:

Related party	with the Company	Nature of transactions	Transaction Value
Pulse Fitness and Sports Company	Company owned by Fahad Ali Alhagbani	Purchase of equipment	1,871,220

لسادة مساهمي شركة ارماح الرياضية حفظهم الله

السلام عليكم ورحمة الله وبركاته بناءً على متطلبات المادة (٧١) من نظام الناءً على متطلبات المادة (٢٧) والمادة (٧١) من نظام الشركات والمتعلقة بتبليغ الجمعية العامة عند انعقادها عن الأعمال والعقود التي يكون لأي عضو من أعضاء المجلس مصلحة مباشرة أو غير مباشرة فيها. فإن مجلس الإدارة بيلغ الإدارة مصلحة غير مباشرة فيها وتقع ضمن النشاط العادي للشركة وبنفس الأسس المتبعة مع الغير. وقد تم عرض هذه التعاملات على مجلس الإدارة دون اشتراك أعضاء المجلس ذوي المصلحة غير المباشرة في التصويت على القرارات المتعلقة بها وذلك على النحو التالى:

أطراف ذات علاقة (مصلحة غير مباشر)	مبلغ التعامل (ريال سعودي)	نوع التعامل	المنشأة	#
فهد علي الحقباني	1,871,220	شراء معدات	شركة نبض اللياقة الرياضية	١

ونرفق لكم مع هذا التبليغ التقرير الخاص بمراجع حسابات الشركة حيال هذه التعاملات حسب المتطلبات النظامية ووفقاً للمعايير الصادرة من الهيئة السعودية للمحاسبين القانونيين، ويقترح مجلس الإدارة على الجمعية العامة المصادقة عليها.

مجلس إدارة شركة ارماح الرياضية:



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عبد المحسن علي الحقباني Abdulmohsen Ali Alhagbani Chairman of the Board	Quess
سليمان خالد القاضي Suliman Khalid Alkadi Board Member	hus de la companya della companya de
أسماء خالد القاضي Asma Khalid Alkadi Board Member	amil!
أمي <i>ت كاب</i> ور Amit Kapur Board member	ALTY.

فهد على الحقباني Fahad Ali Alhagbani Vice Chairman	
عبد الملك عبد الله الحقباني Abdulmalik Abdullah Alhagbani Board Member	89/
سعد محمد الغريري Saad Mohammed Algheriri Board member	- Ten
داج لي Dag lee Board Member	Signed by: 9D35C8497B0244D