

Agenda of the Extraordinary General Assembly Meeting (First Meeting)
To be held on Monday 03-06-2024 G pursuant to 26/11/1445 H

- 1- Reviewing and discussing the Board of Directors' report for the fiscal year ending on 31/12/2023.
- 2- Reviewing and discussing the financial statements for the fiscal year ending on 31/12/2023.
- 3- Voting on the auditor's report for the fiscal year ending on 31/12/2023 after discussing it.
- 4- Voting on the appointment of an auditor for the company from among the candidates based on the recommendation of the Audit Committee, to examine, review and audit the financial statements for the second, third, fourth and annual quarters of the fiscal year 2024 and the first quarter of the fiscal year 2025, and determine his fees (attached).
- 5- Voting on the discharge of the members of the Board of Directors from liability for the fiscal year ending on 31/12/2023.
- 6- Voting on the Board of Directors' resolution regarding the distribution of the company's profits for the first half and second half of the year 2023, totalling (1.5) Saudi riyals per share, and at a rate of 15% of the company's paid-up capital, and a total amount of (90,000,000) ninety million Saudi riyals (attached).
- 7- Voting on authorizing the Board of Directors to distribute interim dividends to shareholders on a semi-annual or quarterly basis for the fiscal year 2024, and determining the maturity and distribution date in accordance with the Executive Bylaws of the Companies Law for Listed Joint Stock Companies, in line with the company's financial position, cash flows, and expansion and investment plans.
- 8- Voting on authorizing the Board of Directors to authorize the Ordinary General Assembly with the license mentioned in paragraph (1) of Article Twenty-Seven of the Companies Law, for a period of one year from the date of approval of the General Assembly or until the end of the session of the authorized Board of Directors, whichever is earlier, in accordance with the conditions contained in the Executive Bylaws of the Companies Law for Listed Joint Stock Companies.
- 9- Voting on delegating the Board of Directors with the authority of the Ordinary General Assembly with the license mentioned in paragraph (2) of Article Twenty-Seven of the Companies Law, for a period of one year from the date of approval of the General Assembly or until the end of the session of the authorized Board of Directors, whichever is earlier, in accordance with the conditions contained in the Executive Bylaws of the Companies Law for Listed Joint Stock Companies, for works and activities in the sectors of Steel, wood, electricity, and plastic.
- 10- Voting on amending the company's articles of association in accordance with the new Companies Law, and rearranging the articles of the articles of the system and numbering them to comply with the proposed amendments (attached).
- 11- Voting on the amendment of the Audit Committee's work regulations (attached).
- 12- Voting on amending the policy of criteria and procedures for membership in the Board (attached).
- 13- Voting on the amendment of the Nomination and Remuneration Committee's work regulation (attached).
- 14- Voting on the amendment of the remuneration policy (attached).
- 15- Voting on the business and contracts concluded between the company and Madar Building Materials Company (buyer), in which the members of the Board of Directors, Mr. Abdullah Al-Fozan (non-executive member) and Mr. Fawzan Al-Fozan (executive member), have an indirect interest, which is the sale and provision of commercial services through separate purchase orders during the year

2023, based on commercial bases and without any special or preferential conditions, in the amount of (99,516,899) Saudi riyals (attached).

16- Voting on the business and contracts concluded between the Company and Masdar Building Materials Company (Buyer), in which the members of the Board of Directors, Mr. Faisal Al-Muhaidib (Non-Executive Member) and Mr. Raed Al-Mudaiheem (Non-Executive Member), have an indirect interest, which is the sale and provision of commercial services through separate purchase orders during the year 2023, based on commercial bases and without any special or preferential conditions, in the amount of (119,038,491) Saudi Riyals, (attached).

17- Voting on the business and contracts concluded between the Company and Masdar Building Materials Company (Seller), in which the members of the Board of Directors Mr. Faisal Al-Muhaidib (Non-Executive Member) and Mr. Raed Al-Mudaiheem (Non-Executive Member) have an indirect interest, which is the purchase of commercial materials and services through separate purchase orders during the year 2023, based on commercial bases and without any special or preferential conditions, in the amount of (2,085,409) Saudi Riyals (attached).

18- Voting on the business and contracts concluded between the company and the Development and Construction Company Ltd. (buyer), in which the members of the Board of Directors, Mr. Abdullah Al-Fozan (non-executive member) and Mr. Fawzan Al-Fozan (Executive Member), have an indirect interest, which is the sale and provision of commercial services through separate purchase orders during the year 2023, based on commercial bases and without any special or preferential conditions, in the amount of (12,751,330) Saudi riyals (attached).

19- Voting on the business and contracts concluded between the Company and Madar Building Materials Company - Bahrain (Buyer) in which the members of the Board of Directors Mr. Abdullah Al-Fozan (Non-Executive Member) and Mr. Fowzan Al-Fozan (Executive Member) have an indirect interest, which is the sale and provision of commercial services through separate purchase orders during the year 2023, based on commercial bases and without any special or preferential conditions, in the amount of (3,240,079) Saudi Riyals (attached).

20- Voting on the business and contracts concluded between the company and Madar Building Materials Company (buyer), in which the members of the Board of Directors, Mr. Abdullah Al-Fozan (non-executive member) and Mr. Fawzan Al-Fozan (executive member), have an indirect interest, which is the sale and provision of commercial services through separate purchase orders during the year 2023, based on commercial bases and without any special or preferential conditions, in the amount of (2,711,178) Saudi riyals (attached).

21- Voting on the business and contracts concluded between the company and Madar Building Materials Company (seller), in which the members of the Board of Directors, Mr. Abdullah Al-Fozan (non-executive member) and Mr. Fawzan Al-Fozan (Executive Member), have an indirect interest, which is the purchase of commercial materials and services through separate purchase orders during the year 2023, based on commercial bases and without any special or preferential conditions, in the amount of (10,200) Saudi riyals (attached).

22- Voting on the business and contracts concluded between the company and Masdar Building Materials Company (buyer), in which the members of the Board of Directors, Mr. Faisal Al-Muhaidib (non-executive member) and Mr. Raed Al-Mudaiheem (non-executive member), have an indirect interest, which is the sale and provision of commercial services through separate purchase orders during the year 2023, based on commercial bases and without any special or preferential conditions, in the amount of (2,625,860) Saudi riyals (attached).

23- Voting on the business and contracts concluded between the Company and Masdar Building Materials Company (seller), in which the members of the Board of Directors, Mr. Faisal Al-Muhaidib

(Non-Executive Member) and Mr. Raed Al-Mudaiheem (Non-Executive Member), have an indirect interest, which is the purchase of commercial materials and services through separate purchase orders during the year 2023, based on commercial bases and without any special or preferential conditions, in the amount of (1,236,943) Saudi Riyals (attached).

24- Voting on the business and contracts concluded between the Company and Madar Building Materials Company - Bahrain (Buyer) in which the members of the Board of Directors Mr. Abdullah Al-Fozan (Non-Executive Member) and Mr. Fawzan Al-Fozan (Executive Member), and Fozan Holding Company have an indirect interest, which is the sale and provision of commercial services through separate purchase orders during the year 2023, based on commercial bases and without any special or preferential conditions, in the amount of (3,588,875) Saudi Riyals (attached).

25- Voting on the business and contracts concluded between the company and Madar Building Materials Company (buyer), in which the members of the Board of Directors, Mr. Abdullah Al-Fozan (non-executive member), Mr. Fawzan Al-Fozan (executive member), and Fozan Holding Company have an indirect interest, which is the sale and provision of commercial services through separate purchase orders during the year 2023, based on commercial bases and without any special or preferential conditions, in the amount of (641,030) Saudi riyals (attached).

26- Voting on the business and contracts concluded between the company and Madar Building Materials Company (seller), in which the members of the Board of Directors Mr. Abdullah Al-Fozan (non-executive member) and Mr. Fawzan Al-Fozan (Executive Member), and Fowzan Holding Company have an indirect interest, which is the purchase of commercial materials and services through separate purchase orders during the year 2023, based on commercial bases and without any special or preferential conditions, in the amount of (122,756) Saudi riyals (attached).

27- Voting on the business and contracts concluded between the Company and Masdar Building Materials Company (Seller), in which the members of the Board of Directors Mr. Faisal Al-Muhaidib (Non-Executive Member) and Mr. Raed Al-Mudaiheem (Non-Executive Member) have an indirect interest, which is the purchase of commercial materials and services through separate purchase orders during the year 2023, based on commercial bases and without any special or preferential conditions, in the amount of (1,159,990) Saudi Riyals (attached).

28- Voting on the business and contracts concluded between the Company and Masdar Building Materials Company (Buyer), in which the members of the Board of Directors, Mr. Faisal Al-Muhaidib (Non-Executive Member) and Mr. Raed Al-Mudaiheem (Non-Executive Member), have an indirect interest, which is the sale and provision of commercial services through separate purchase orders during the year 2023, based on commercial bases and without any special or preferential conditions, in the amount of (1,192,313) Saudi Riyals (attached).

29- Voting on the business and contracts concluded between the company and Madar Building Materials Company (buyer), in which the members of the Board of Directors, Mr. Abdullah Al-Fozan (non-executive member) and Mr. Fawzan Al-Fozan (Executive Member), have an indirect interest, which is the sale and provision of commercial services through separate purchase orders during the year 2023, based on commercial bases and without any special or preferential conditions, in the amount of (1,385,172) Saudi riyals (attached).

30- Voting on the business and contracts concluded between the Company and Madar Building Materials Company - Bahrain (Buyer), in which the members of the Board of Directors Mr. Abdullah Al-Fozan (Non-Executive Member) and Mr. Fowzan Al-Fozan (Executive Member) have an indirect interest, which is the sale and provision of commercial services through separate purchase orders during the year 2023, based on commercial bases and without any special or preferential conditions, in the amount of (117,407) Saudi Riyals (attached).

31- Voting on the business and contracts concluded between the company and Al-Romansia Company Ltd. (buyer), in which the Board Member Mr. Faisal Al-Muhaidib (Non-Executive Member) has an indirect interest, which is the sale and provision of commercial services through separate purchase orders during the year 2023, based on commercial bases and without any special or preferential conditions, in the amount of (215,860) Saudi riyals (attached).

32- Voting on the business and contracts concluded between the company and Thabat Construction Company Ltd. (buyer), in which the members of the Board of Directors, Mr. Faisal Al-Muhaidib (non-executive member) and Mr. Raed Al-Mudaiheem (non-executive member), have an indirect interest, which is the sale of commercial products through separate purchase orders during the year 2023, based on commercial bases and without any special or preferential conditions, in the amount of (30,100) Saudi riyals (attached).

33- Voting on the business and contracts concluded between the company and Adwan Chemical Industries Company (buyer), in which the Board Member Mr. Raed Al-Mazrou (non-executive member) has an indirect interest, which is the sale of commercial products through separate purchase orders during the year 2023, based on commercial bases and without any special or preferential conditions, in the amount of (233,369) Saudi riyals (attached).

34- Voting on the business and contracts concluded between the company and Madar Building Materials Company (seller), in which the members of the Board of Directors, Mr. Abdullah Al-Fozan (non-executive member) and Mr. Fawzan Al-Fozan (Executive Member), have an indirect interest, which is the purchase of commercial materials and services through separate purchase orders during the year 2023, based on commercial bases and without any special or preferential conditions, in the amount of (2,382,051) Saudi riyals (attached).

35- Voting on the business and contracts concluded between the company and Masdar Building Materials Company (seller), in which the members of the Board of Directors, Mr. Faisal Al-Muhaidib (non-executive member) and Mr. Raed Al-Mudaiheem (non-executive member), have an indirect interest, which is the purchase of commercial materials and services through separate purchase orders during the year 2023, based on commercial bases and without any special or preferential conditions, in the amount of (3,948,782) Saudi riyals (attached).

36- Voting on the business and contracts concluded between the Company and Al Fozan Appliances Company (seller), in which the members of the Board of Directors, Mr. Abdullah Al Fozan (Non-Executive Member) and Mr. Fowzan Al Fozan (Executive Member), have an indirect interest, which is the purchase of commercial materials and services through separate purchase orders during the year 2023, based on commercial bases and without any special or preferential conditions, in the amount of (54,801) Saudi Riyals (attached).

37- Voting on the business and contracts concluded between the company and Masdar Technical Services Company for Industry Ltd. (seller), in which the members of the Board of Directors, Mr. Faisal Al-Muhaidib (non-executive member) and Mr. Raed Al-Mudaiheem (non-executive member), have an indirect interest, which is the purchase of commercial materials and services through separate purchase orders during the year 2023, based on commercial bases and without any special or preferential conditions, in the amount of (665,567) Saudi riyals (attached).

38- Voting on the business and contracts concluded between the company and Ajdan Real Estate Development Company (lessor), in which the members of the Board of Directors, Mr. Abdullah Al-Fozan (non-executive member) and Mr. Fawzan Al-Fozan (executive member), have an indirect interest, which is the lease of the head office of Bawan Company for a period of one year that is renewed automatically, based on commercial bases and without any special or preferential conditions, and the rental value for the year 2023 amounted to (435,455) Saudi riyals (attached).

39- Voting on the business and contracts concluded between the Company and Bloom Investment Saudi Arabia (Investment Services Provider) in which the members of the Board of Directors, Mr. Abdullah Al-Fozan (Non-Executive Member) and Mr. Al-Fozan (Executive Member) have an indirect interest, which is the management of an investment portfolio for a period of one year that is automatically renewed, based on commercial bases and without any special or preferential conditions, in the amount of (148,915) Saudi Riyals for the year 2023 (attached).

40- Voting on the business and contracts concluded between the company and the Saudi National Bank, in which the member of the Board of Directors, Mr. Abdullah Al-Ruwais (independent member), has an indirect interest, which is the provision of banking facilities for a period of one year renewed by agreement of the two parties, based on commercial bases and without any special or preferential conditions, and the limit of dealing during the year 2023 reached (795,000,000) Saudi riyals (attached).

41- Voting on Bawan's acquisition of the entire ownership interests of Maali Holding Company in United Electrical Transformers Company Ltd. and United Company for Electrical Stations and Circuit Breakers Technology (the "two companies"), in which Mr. Abdullah Al-Fozan (Non-Executive Member) has an indirect interest, as a Board Member in both Bawan Company and Maali Holding Company, amounting to (5%) in both companies with a total value of SAR (20,000,000), provided that this transaction is made at fair value based on commercial bases. Without any preferential conditions (attached).

To the shareholders of Bawan Company

Audit Committee Report to the General Assembly for the financial year ended 31 December 2023

The formation of the Audit Committee

The Audit Committee is an independent committee formed on the approval of the General Assembly of Bawan Company with the commencement of the current cycle of the Board on 26 September 2022. The Audit Committee is one of the committees of the Board of Directors (BOD) and consists of three members: the chairman – who is an independent Board member – and two members from outside the Board.

Duties of the Audit Committee

The Committee works to assist the BOD in fulfilling its responsibility towards monitoring the financial reports and the internal control system, overseeing the work of the Auditors, reviewing the interim and annual financial statements, reviewing the applied accounting policy and ensuring the Company's compliance with applicable requirements and regulations. The Committee communicates regularly with the Internal Audit Department (IAD), where IAD is tasked with evaluating the effectiveness of the Company's internal control framework and functions and reporting on them using a risk-based assessment methodology.

Summary of the most significant activities undertaken by the Audit Committee during 2023:

The Audit Committee held six meetings during 2023; a table presenting the dates and attending members for each meeting can be found at the end of this report. The main activities carried out by the Audit Committee were as follows:

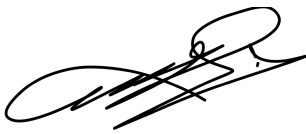
- Discussing the quarterly interim financial statements for the first, second and third quarters of 2023, and the consolidated annual financial statements for the financial year ended 31 December 2022 and the year ended 31 December 2023 (in a meeting held in 2024), and recommending their approval by the Board.
- Meeting the external auditor to discuss the quarterly and annual financial statements to obtain assurance from them that they have been prepared in accordance with accounting standards and that they have no material observation that they wish to present to the Audit Committee.
- Reviewing the external auditor's plan and scope, monitoring the progress of their work and obtaining assurance concerning their independence.
- Reviewing the Management Letter on internal controls issued by the external auditors and implementing its recommendations.
- In February 2024 meeting, the Audit Committee reviewed the quotations received from external audit firms authorized by the Capital Markets Authority. Based on these procedures, the Committee made a recommendation of two firms to the Board for recommending it to the General Assembly to appointment one of them as auditor for the Company and its subsidiaries for Q2, Q3, Year-end 2024 and Q1 2025.
- Reviewing, and approving the internal audit plan and budget for 2023 presented by the Company's IAD.
- Monitoring the work of the IAD and following the execution of the audit plan, and reviewing the Chief Audit Executive performance.
- Reviewing and discussing the reports of the IAD in accordance with the internal audit plan approved by the Committee, with an emphasis on continuous work on resolving the higher-risk observations, and following up on implementation.
- Reviewing the extent of progress in closing the observations in the internal audit reports.

- Monitoring the performance of the compliance department with regard to the Company's compliance with the relevant laws and regulations.
- Reviewing the necessary arrangements for enabling a mechanism for employees to communicate their concerns in a confidential manner.
- Informing the BOD periodically about the Committees' activities through the sharing its minutes of meetings and regular updates during BOD meetings.

Opinion of the Audit Committee on the sufficiency of the internal control system

The system of internal control aims to provide assurance on the achievement of the Company's objectives effectively and efficiently. This includes issuing reliable financial reports and compliance with rules, regulations and policies, as well as managing the potential risks to mitigate their impact on the achievement of Company objectives. The system of internal control also plays an important role in preventing and detecting fraud and safeguarding the Company's resources. The management of the Company is responsible for establishing an effective and comprehensive system of control that is appropriate for the level of risk to which the Company is exposed - at a reasonable cost - and that provides acceptable assurance on the avoidance of material mistakes and the losses that could result from them. The Audit Committee continually reviews the periodic reports prepared by the internal and external auditors and the management of the Company related to internal control. Based on this, no material weakness in the internal control procedures performed became apparent to the Audit Committee, whilst acknowledging that any internal control system, regardless of how well designed, cannot provide absolute assurance.

Committee meetings during 2023								
Member name	Nature of membership	First meeting	Second meeting	Third meeting	Fourth meeting	Fifth meeting	Sixth meeting	Total
		26/01/2023	2/03/2023	7/05/2023	17/05/2023	2/8/2023	31/10/2023	
Abdullah AbdulRahman Al Rowais	Chairman	✓	✓	✓	✓	✓	✓	6
Khenneth Charles Ebrahim	Member	✓	✓	✓	✓	✓	✓	6
Abdullah Saghir Al Hussaini	Member	✓	✓	✓	✓	✓	✓	6



Abdullah Al Rowais

Chairman of the Audit Committee



Khenneth Ebrahim

Committee Member



Dr. Abdullah Al Hussaini

Committee Member