

Makkah Construction and Development Company
a Saudi joint-stock company



Ministry of Commerce
401
18/06/1446 A.H.

Amended Articles of Association

2024 A.D.



Chapter One - Company Incorporation

Article One – Incorporation:

The company is incorporated in accordance with the provisions of the Companies Law and its implementing regulations, and this Articles of Association as a Saudi joint-stock company as follows:

Article Two - Company Name:

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

Article Three - Company Objectives:

The company engages in the following purposes:

1. Real estate activities on owned or leased properties, including purchasing and selling land and real estate, subdividing them, off-plan sales activities, managing and leasing owned or leased residential properties, including worker housing, managing and leasing owned or leased non-residential properties, including commercial centers, various types of exhibitions, kitchens, laundries, central warehouses, and administrative offices, real estate development of residential buildings using modern construction methods, real estate development of commercial buildings using modern construction methods, other real estate activities on owned or leased properties, managing and operating hotel apartments, any other activities related to real estate activities on owned or leased properties, and real estate brokerage.
2. Short-term accommodation activities, including hotels, motels, other hotel and motel activities, furnished residential units (furnished apartments), hotel apartments, other furnished apartment activities, youth hostels and guesthouses, holiday homes (chalets), commercial rest houses, tourist lodges, other activities related to chalets, rest houses, and tourist lodges, palaces and halls for weddings and events with accommodation, timeshare units, any other activities related to hotels, furnished apartments, and lodging houses not mentioned elsewhere, managing tourist accommodation facilities, any other activities related to other types of accommodation not classified elsewhere.
3. Integrated facility support activities, including building protection services, general cleaning services for buildings, building maintenance services, and any other facility support services not mentioned above.
4. Wholesale trade for a fee or on a contract basis, including the sale of fixed and movable assets.
5. Other types of retail trade in non-specialized stores.
6. Managing subsidiary companies and investing their funds, owning the necessary real estate and movables, providing loans, guarantees, and financing to subsidiaries, owning and leasing industrial property rights to subsidiaries.

Makkah Construction and Development Company
a Saudi joint-stock company



7. Head office activities (supervising and managing other units within the company or organization).
8. Real estate activities on a fee or contract basis, including real estate management activities for a commission.
9. Real estate activities on owned or leased properties, including real estate activities, managing and leasing self-storage warehouses, real estate development of residential buildings using modern construction methods, real estate development of commercial buildings using modern construction methods.
10. Real estate activities, including managing and leasing self-storage warehouses, real estate development of residential buildings using modern construction methods, real estate development of commercial buildings using modern construction methods.
11. Tour operator activities, including providing services to pilgrims coming from outside the Kingdom, providing services to domestic pilgrims, organizing outbound tourist trips, tour guide activities, and tourist transportation.
12. Restaurant and mobile food services, including full-service restaurants, buffets (cafeterias), fast food activities, including pizza shops, and meal-only services (takeaway).
13. Catering activities for events, including banquet kitchens for parties and catering services for Hajj and Umrah.
14. Beverage serving activities, including coffee shops, ice cream parlors, fresh juice, and cold drink services.
15. Short-term accommodation activities, including managing tourist accommodation facilities.
16. Short-term accommodation activities, including accommodation and food services, wellness hotels, boutique hotels, and serviced apartments.
17. Other service activities, including laundry and fur product cleaning (dry cleaning), washing, ironing, and dry cleaning of all types of clothing, including fur and textiles, including laundry collection and distribution.
18. Hairdressing and other beauty activities, including women's salons, men's salons, and children's salons.
19. Other personal service activities not classified elsewhere, including massage salons, coin-operated devices providing personal services, including photo booths, weight measurement devices, coin-operated lockers, etc., and valet parking services.
20. Integrated office administrative services, including administrative and support services, managing closed stores.
21. Integrated facility support activities, including administrative and support services, managing maintenance and operation processes in buildings and their facilities.
22. Any other lawful purpose consistent with the nature of this company or necessary for its activities.

The company conducts its activities in accordance with applicable regulations and after obtaining the necessary licenses from the competent authorities, if any.

Makkah Construction and Development Company
a Saudi joint-stock company



Article Four - Participation and Ownership in Companies:

The company may own shares and interests in other existing companies or merge with them. It has the right, individually or jointly with others, to establish joint-stock companies, limited liability companies, or any other type, after fulfilling the requirements of the applicable regulations and instructions in this regard.

Article Five - Company's Head Office:

The head office of the company is located in the city of Makkah. The Board of Directors may establish branches, offices, or agencies inside or outside the Kingdom of Saudi Arabia.

Article Six - Duration of the Company:

The duration of the company is indefinite, starting from the date of its registration in the commercial register.

Chapter Two - Capital and Shares

Article Seven - Capital:

The issued capital of the company is set at two billion (2,000,000,000) Saudi Riyals, fully paid, divided into two hundred million (200,000,000) shares of equal value, with a nominal value of ten (10) Saudi Riyals each, and all are ordinary shares.

Article Eight - Preferred and Redeemable Shares:

According to the principles and regulations set by the competent authority, the extraordinary general assembly of the company may issue preferred shares or redeemable shares, or decide to purchase them, or convert ordinary shares into preferred shares or vice versa. Preferred shares do not grant voting rights in the general assemblies of shareholders but entitle their holders to receive a higher percentage of the company's net profits than ordinary shareholders, after setting aside reserves, if any.

Article Nine - Sale of Unpaid Shares:

In the event of an increase in the company's capital, the shareholder is obliged to pay the value of the share on the specified dates. If the shareholder fails to pay on the due date, the Board of Directors may, after notifying the shareholder through any modern technological means or by registered mail to the address recorded in the shareholders' register, sell the share at a public auction or on the stock market, as appropriate, according to the regulations set by the competent authority. The company will collect the amounts due from the sale proceeds and return the remainder to the shareholder. If the sale



proceeds are insufficient to cover these amounts, the company may collect the remainder from all the shareholder's assets. The rights associated with shares for which payment is overdue are suspended according to the relevant regulations. However, the defaulting shareholder may pay the due amount plus the expenses incurred by the company in this regard up to the day of sale, in which case the shareholder has the right to request the dividends declared for distribution.

Article Ten - Purchase, Sale, and Pledge of Company Shares:

1. The company may purchase, sell, or pledge any class of its shares in accordance with the regulations issued by the competent authority. Shares purchased by the company do not have voting rights in shareholder assemblies.
2. Shares may be pledged in accordance with the regulations issued by the competent authority. The pledgee creditor has the right to receive dividends and exercise the rights associated with the share, unless otherwise agreed in the pledge contract. However, the pledgee creditor is not allowed to attend or vote in the general assemblies of shareholders.
3. The company may purchase its shares to allocate them to its employees under an employee share program, in accordance with the terms and regulations specified by the relevant laws and regulations.
4. The company may sell treasury shares in one or several stages, in accordance with the regulations specified by the relevant laws and regulations.

Article Eleven - Company Shares:

Shares are nominal and cannot be issued for less than their nominal value. The company may split its shares into shares with a lower nominal value or consolidate them into shares with a higher nominal value, in accordance with the regulations set by the competent authority. A share is indivisible against the company; if a share is owned by multiple persons, they must choose one of them to represent them in exercising the rights related to it, and these persons are jointly liable for the obligations arising from the ownership of the share.

Article Twelve - Share Trading and Shareholder Register:

The company's shares are traded in accordance with the provisions of the Capital Market Law and its implementing regulations.

Article Thirteen - Capital Increase:

1. The extraordinary general assembly may decide to increase the company's capital, provided that the issued capital has been fully paid. It is not required for the issued capital to be fully paid if the unpaid portion of the capital is due to shares issued in exchange for converting debt



instruments or financing sukuk into shares, and the period for their conversion into shares has not yet expired.

2. The extraordinary general assembly may, in all cases, allocate the shares issued upon capital increase, or part of them, to the employees of the company or its subsidiaries, or some of them, or any of that. Shareholders may not exercise preemptive rights when the company issues shares allocated to employees. The extraordinary general assembly may also suspend preemptive rights and give priority to one of the shareholders or new investors, in accordance with the relevant laws and regulations.
 3. A shareholder who owns shares at the time of the extraordinary general assembly's decision to approve the capital increase has the preemptive right to subscribe to the new shares issued for cash contributions. These shareholders are notified of their preemptive rights by any modern technological means or by registered mail to the address recorded in the shareholders' register about the capital increase decision, subscription terms, duration, and start and end dates.
 4. A shareholder has the right to sell or transfer the preemptive right for a consideration or without consideration, in accordance with the regulations set by the competent authority.
- New shares are distributed to holders of preemptive rights who requested subscription, in proportion to their preemptive rights from the total preemptive rights resulting from the capital increase, provided that what they receive does not exceed what they requested of the new shares. The remaining shares are offered in accordance with the relevant regulations.

Article Fourteen - Capital Reduction:

The extraordinary general assembly may decide to reduce the capital if it exceeds the company's needs or if the company incurs losses. In the latter case, the capital may be reduced below the limit specified in Article 59 of the Companies Law. A reduction decision is not issued until a special report prepared by the auditor is read, detailing the reasons for the reduction, the company's obligations, and the impact of the reduction on these obligations.

If the capital reduction is due to excess capital, creditors must be invited to express their objections, if any, at least forty-five days before the date set for the extraordinary general assembly meeting to decide on the reduction. If a creditor objects and submits their documents to the company within the specified period, the company must pay the debt if it is due or provide sufficient security for it if it is deferred. Equality among shareholders holding shares of the same type and class must be observed when reducing capital. Capital can be reduced by purchasing a number of the company's shares for cancellation in accordance with the regulations specified in the relevant laws and regulations.

Article Fifteen - Issuance of Debt Instruments and Financing Sukuk:

1. The company may, by a decision of the Board of Directors, issue debt instruments or financing sukuk or any other debt instruments, whether in Saudi currency or otherwise, inside or outside



the Kingdom of Saudi Arabia, either in part or in several parts or through a series of issuances under one or more programs established by the Board of Directors from time to time, all at the times, amounts, and terms approved by the Board of Directors, which has the right to take all necessary actions for their issuance.

2. The company may, by a decision of the extraordinary general assembly, issue debt instruments or financing sukuk convertible into shares, after a decision by the extraordinary general assembly specifying the maximum number of shares that may be issued in exchange for those instruments or sukuk, whether issued at the same time or through a series of issuances or through one or more programs for issuing debt instruments or financing sukuk. The Board of Directors, without the need for new approval from the extraordinary general assembly, issues new shares in exchange for those instruments or sukuk that holders request to convert, immediately after the conversion request period specified for holders of those instruments or sukuk ends. The Board of Directors takes the necessary actions to amend the company's Articles of Association regarding the number of issued shares and capital. The Board of Directors must register the completion of each capital increase procedure with the commercial register.

Chapter Three - Board of Directors

Article Sixteen - Company Management:

The company is managed by a Board of Directors consisting of eleven (11) members elected by the ordinary general assembly for a term of four years.

Article Seventeen - Termination of Board Membership:

Board membership ends with the expiration of the board's term, the member's resignation, death, or loss of eligibility for membership according to any applicable laws or instructions in the Kingdom. However, the ordinary general assembly may dismiss all or some of the board members at any time. The general assembly may, based on a recommendation from the board, terminate the membership of any member who is absent from attending three consecutive board meetings or five separate meetings during their membership term without a legitimate excuse accepted by the board.

Article Eighteen - Vacant Position on the Board:

If a position on the Board of Directors becomes vacant, the board may appoint a temporary member to the vacant position, provided that the appointee has the necessary expertise and competence. The relevant regulatory authorities must be notified of the appointment within the period specified by those authorities, and the appointment must be presented to the ordinary general assembly at its first meeting. The new member completes the term of their predecessor. If the conditions necessary for the Board of Directors to convene are not met due to a shortage of members below the minimum specified



in the Companies Law or these Articles, the remaining members must call the ordinary general assembly to convene within sixty days to elect the required number of members.

Article Nineteen - Powers of the Board:

Subject to the powers reserved for the general assembly, the Board of Directors has the broadest authorities and powers to manage the company and conduct its affairs inside and outside the Kingdom. This includes dealing with its assets, properties, and real estate to achieve the company's purposes as stated in these Articles. The board has the right to sell, purchase, transfer, accept, receive, deliver, lease, rent, receive payment in cash or by check, cash it at the bank or through any other commercial paper, mortgage, and release mortgages. The board members are considered agents of the company in this regard.

The board may enter into loans with government financing funds and institutions, regardless of their value or duration, and may enter into commercial loans or with any other party. It can approve providing financial support to any of the subsidiary or affiliated companies or companies in which it participates, in the value and manner deemed appropriate by the board.

However, the Board of Directors may not, without the approval of the general assembly, sell assets exceeding 50% of the total value of the company's assets, in accordance with the regulations specified in the relevant laws and regulations.

The Board of Directors has the right to discharge the company's debtors without prior approval from the ordinary general assembly.

The board also has the right to settle, compromise, contract, commit, and engage on behalf of the company. It can perform all actions and transactions necessary to achieve the company's purposes, including but not limited to:

A. Approving the strategic directions and main objectives of the company and supervising their implementation, including:

1. Developing the comprehensive strategy, main work plans, and risk management policy, reviewing and directing them.
2. Determining the optimal capital structure of the company, its strategy, financial objectives, and approving annual budgets.
3. Supervising the company's major capital expenditures, asset acquisition, and disposal for the company's benefit.
4. Reviewing performance objectives and monitoring implementation and overall performance in the company.

Makkah Construction and Development Company
a Saudi joint-stock company



5. Periodically reviewing and approving the organizational and functional structures in the company.

B. Establishing and overseeing internal control systems and general supervision, including:

1. Ensuring the implementation of policies regulating conflict of interest and addressing potential conflicts for board members, executive management, shareholders, and employees, including misuse of company assets and facilities, and misconduct arising from dealings with related parties.
2. Ensuring the integrity of financial and accounting systems, including those related to financial reporting.
3. Ensuring the implementation of appropriate risk management systems by identifying the general perception of risks the company may face and presenting them transparently.
4. Annually reviewing the effectiveness of internal control procedures in the company.

C. Ensuring the implementation of policies that regulate the relationship with stakeholders to protect and preserve their rights, covering in particular:

1. Mechanisms for compensating stakeholders in case of violation of their rights recognized by laws and protected by contracts.
2. Mechanisms for resolving complaints or disputes that may arise between the company and stakeholders.
3. Appropriate mechanisms for establishing good relationships with customers and suppliers and maintaining the confidentiality of information related to them.
4. Professional conduct rules for managers and employees in the company to align with sound professional and ethical standards and regulate their relationship with stakeholders, with the board establishing mechanisms to monitor the application and adherence to these rules.
5. The company's social contribution.

D. Ensuring the implementation of policies and procedures that ensure the company's compliance with laws and regulations and its commitment to disclosing material information to shareholders, creditors, and other stakeholders.

E. Enabling company employees to report any information indicating irregular or unethical practices in the company's operations that could harm the company's interests and reputation.

F. Authorizing board members to have a direct or indirect interest in the businesses and contracts conducted for the company's account or to participate in any activity that competes with the company, provided the board obtains authorization from the general assembly in accordance with the regulations specified in the relevant laws and regulations.



The board may delegate one or more of its members or others to take specific actions or perform certain tasks within its powers. The board has the right to delegate or appoint whomever it deems appropriate to exercise all or some of its powers and authorities.

Article Twenty - Disclosure of Personal Interests of Board Members:

1. A board member may not have any direct or indirect interest in the businesses and contracts conducted for the company's account without authorization from the ordinary general assembly or the Board of Directors under the delegation granted by the general assembly and in accordance with the regulations set by the competent authority. The member must inform the board of any direct or indirect interest they have in the businesses and contracts conducted for the company's account, and this notification must be recorded in the meeting minutes. The member is not allowed to participate in voting on the decision related to this matter in the Board of Directors and shareholder assemblies.
2. The Board of Directors must inform the ordinary general assembly at its meeting of any businesses and contracts in which a board member has a direct or indirect interest, accompanied by a special report from the company's external auditor.
3. A board member may not participate in any activity that competes with the company or compete with the company in any of its business activities unless they have obtained authorization from the ordinary general assembly or the Board of Directors under the delegation granted by the general assembly and in accordance with the regulations set by the competent authority. Otherwise, the company may demand appropriate compensation from them before the competent judicial authority.

Article Twenty-One - Remuneration of Board Members and Committee Members:

First - Remuneration of Board Members:

The remuneration of board members may be a specified amount, an attendance allowance for meetings, in-kind benefits, or a certain percentage of net profits. It is permissible to combine two or more of these benefits. Additional remuneration may be granted to the Chairman of the Board and the Managing Director in addition to the remuneration determined for board members, as decided by the board members in accordance with the approved policy for the remuneration of board members and its committees and the regulations set by the competent authority. The Board of Directors' report to the ordinary general assembly must include a comprehensive statement of all the remuneration, expense allowances, and other benefits received by board members during the financial year. It should also include a statement of what board members received as employees or administrators or for technical, administrative, or consulting work.

Second - Remuneration of Committee Members:

Makkah Construction and Development Company
a Saudi joint-stock company



The Board of Directors determines the remuneration for membership in its committees, whether for board members or non-board members, attendance allowances, and other entitlements based on a recommendation from the Remuneration and Nominations Committee. These are disbursed in accordance with the approved policy for the remuneration of board members and its committees.

Article Twenty-Two - Powers of the Chairman, Vice Chairman, Managing Director, and Secretary:

The Board of Directors appoints from among its members a Chairman and a Vice Chairman. It may also appoint a Managing Director from its members. The roles of Chairman of the Board and any executive position cannot be combined. The Chairman, or someone authorized by a written decision, is responsible for representing the company in its relations with third parties and government and private entities. This includes, but is not limited to, the following: Handling claims in courts, including filing lawsuits, pleading, defending, hearing cases, responding to them, acknowledging, denying, settling, waiving, discharging, requesting and responding to oaths, bringing witnesses and evidence, challenging them, answering, impeaching, amending, challenging forgery, denying handwriting, seals, and signatures, requesting travel bans and lifting them, requesting seizure and execution, requesting arbitration, appointing experts and arbitrators, challenging expert and arbitrator reports, replacing them, demanding enforcement of judgments, accepting and rejecting judgments, appealing judgments, requesting reconsideration, requesting rehabilitation, attending sessions in all courts, receiving amounts by certified check in the company's name, receiving judgment deeds, requesting judge recusal, and requesting intervention in administrative courts (Board of Grievances), Sharia courts, Zakat appeal committees, labor committees, financial dispute resolution committees, banking dispute settlement committees, the Office for the Settlement of Commercial Paper Disputes, commercial dispute resolution committees, customs committees, commercial fraud committees, the Oversight and Anti-Corruption Authority, the Public Prosecution, and all other judicial committees.

Regarding real estate, the Chairman has the authority to: Sell and purchase after Board approval, mortgage, release mortgages, merge deeds, subdivide and partition, receive deeds, waive deficiencies in area, convert agricultural land to residential, amend the owner's name and commercial registration number, adjust boundaries, lengths, areas, plot numbers, plans, deeds, and their dates and neighborhood names, lease, sign lease contracts, renew lease contracts, receive rent in cash or by certified check in the company's name, sell and transfer to heirs, issue replacement deeds for lost or damaged ones, convert measurements to meters in deeds, waive in favor of state property and receive compensation, and update deeds and enter them into the comprehensive system.

In matters related to companies, the Chairman has the authority to contribute with the state the full amount of the property and sign for it, establish companies, and sign the articles of incorporation and amendments. The Chairman can also sign partner resolutions, appoint and dismiss managers, and manage the entry and exit of partners. They have the power to enter into existing companies, increase or decrease capital, and determine capital. Additionally, the Chairman can purchase shares and stocks,

Makkah Construction and Development Company
a Saudi joint-stock company



paying in cash or in exchange for company shares, sell shares and stocks, receive payments and profits, and transfer shares and stocks from capital. They can accept the transfer of shares and stocks and capital, and transfer shares, stocks, and bonds. The Chairman is authorized to amend the company's objectives, open and close bank accounts in the company's name, and sign agreements. They can amend articles of incorporation or amendments, register the company, and register agencies and trademarks. Furthermore, the Chairman can transfer trademarks, attend general assemblies, open company files, and establish branches. They have the authority to liquidate the company, convert it from a joint-stock or simplified joint-stock to a limited liability company, and vice versa. The Chairman can cancel articles of incorporation and amendments, sign them before a notary, and subscribe to and renew the chamber of commerce membership. They are responsible for reviewing quality management and standards authorities, obtaining and renewing company licenses, converting an establishment to a company, and converting a company branch to an establishment or another company. The Chairman can cancel main and subsidiary commercial registers, liaise with the Ministry of Commerce and Ministry of Investment, and sign before them. They can engage with the Capital Market Authority, enter tenders, receive forms, and sign contracts with third parties. Lastly, the Chairman is responsible for publishing the articles of incorporation, amendments, summaries, and bylaws on platforms specified by the competent authority.

Regarding banks and financial institutions, the Chairman has the authority to interact with all banks and financial institutions, open accounts in compliance with Sharia regulations, authorize signatures, withdraw from accounts, and obtain and manage ATM and credit cards, including receiving and entering PINs. They can deposit, transfer funds, issue all guarantees, promissory notes, mortgages, and other commercial papers, request Sharia-compliant bank loans, accept their terms, conditions, and rates, and sign related contracts, forms, commitments, and repayment schedules. The Chairman is also responsible for receiving and managing loans, closing and settling accounts, and dealing with financial companies and entities to open, activate, close, and manage investment portfolios and accounts in compliance with Sharia regulations. This includes withdrawing, depositing, trading in stocks, receiving payments and profits, transferring shares, subscribing to and redeeming investment funds in the company's name, and handling the pledging and release of company-owned shares with banks or other financial entities, whether for the benefit of the company or its subsidiaries. Additionally, they can cancel signatures related to these accounts. In matters not explicitly covered, the Chairman can interact with all directorates (such as police and passports), ministries, authorities, governmental institutions, and their branches, completing all necessary procedures and signing where required. The Chairman has the right to delegate or appoint the Managing Director or CEO, and either or both may delegate others for assigned tasks. The Vice Chairman acts in place of the Chairman during their absence.

The Board of Directors appoints a Secretary, chosen from among its members or others, responsible for recording meeting minutes and preparing for meetings, with compensation determined by the board. The terms for the Chairman, Vice Chairman, Managing Director, Secretary, or any board member do not exceed their membership duration on the board, but they may be re-elected. The board can dismiss them at any time without affecting their board membership.



Article Twenty-Three - Board Meetings:

The board meets at the invitation of its Chairman, with a minimum of four meetings annually. Meetings can be held using modern technology, and the invitation must be written and accompanied by an agenda. The Chairman must call a meeting whenever any board member requests it in writing. Invitations are sent to each member by registered mail, hand delivery, or email at least one week before the scheduled meeting. The Secretary of the Board may send the invitation on behalf of the Chairman.

Article Twenty-Four - Quorum for Board Meetings:

A board meeting is only valid if at least half of the members are present (in person or by proxy), provided that the number of attendees is not less than six members. A board member may delegate another member to attend meetings on their behalf according to the following conditions:

- a. A board member may not delegate more than one member to attend the same meeting.
- b. The delegation must be in writing and for a single meeting.
- c. The proxy cannot vote on decisions that the delegating member is prohibited from voting on.
- d. Board decisions are made by a majority of the members present or represented. In the event of a tie, the side with which the Chairman votes prevails. Members may participate in deliberations and vote on decisions via telephonic or video meetings using modern technology.

The Board of Directors may issue decisions by circulation in urgent cases by presenting them to all members separately, requiring the written approval of the majority of board members. These decisions are presented at the next board meeting for documentation in the meeting minutes.

Article Twenty-Five - Board Deliberations:

Board deliberations and decisions are recorded in minutes signed by the meeting Chairman, attending board members, and the Secretary. These minutes are documented in a special register signed by the Chairman and the Secretary. Modern technology may be used for signing, recording deliberations, decisions, and documenting minutes.

Chapter Four - Board Committees

Article Twenty-Six - Board Committees:

The Board of Directors may form all committees as needed based on the company's needs, circumstances, and conditions to assist in effectively performing its duties. The board determines each committee's mission, duration, and appropriate powers during this period, coordinating between these committees to decide on matters presented to them.



Chapter Five - Shareholders' Equity and Associations

Article Twenty-Seven - Shareholders' Rights Related to Shares:

Shareholders are entitled to all rights related to the share, particularly the right to receive a portion of the profits decided for distribution, the right to receive a share of the company's assets upon liquidation, the right to attend general shareholder meetings, participate in deliberations, and vote on decisions, including amending the company's bylaws, electing board members, approving the selection of auditors, and distributing profits. Shareholders also have the right to dispose of shares and transfer ownership, participate in capital increases or reductions as decided by the general assembly, monitor the board's activities, file liability lawsuits against board members, and inquire and request information without harming the company's interests or conflicting with corporate and financial market regulations. The company provides all information enabling shareholders to fully exercise their rights without discrimination among shareholders owning shares of the same type and class, in a comprehensive, accurate, transparent, and clear manner.

Article Twenty-Eight - Attendance at Assemblies:

Every shareholder has the right to attend assemblies, and the company must enable its shareholders to participate actively and vote in general assembly meetings. Shareholders may appoint a natural person, whether a shareholder or not, who is not a board member, to attend the general assembly on their behalf. Proxy acceptance requires compliance with the proxy procedures for attending assemblies issued by the Capital Market Authority. Assemblies are held at the company's headquarters, but the board may call for meetings elsewhere or via modern technology as deemed appropriate. General and special shareholder meetings can be held, and shareholders can participate in deliberations and vote on decisions through modern technology, following the regulations set by the Capital Market Authority.

Article Twenty-Nine - Powers of the Ordinary General Assembly:

Except for matters reserved for the extraordinary general assembly, the ordinary general assembly handles all company-related matters. It convenes at least once a year within six months following the end of the company's fiscal year, and additional ordinary meetings may be called as needed.

Article Thirty - Powers of the Extraordinary General Assembly:

The extraordinary general assembly is responsible for amending the company's bylaws, except for provisions that are legally prohibited from amendment. Additionally, it can make decisions on matters within the ordinary general assembly's jurisdiction under the same conditions and procedures.



Article Thirty-One - Calling Assemblies:

General or special shareholder assemblies are convened by the board of directors according to these bylaws. The board must call the ordinary general assembly to meet within thirty days if requested by the auditor, the audit committee, or shareholders representing at least 10% of the voting shares. The auditor may call the assembly if the board fails to do so within thirty days of the auditor's request.

The invitation to convene the general assembly, including the agenda, is published on the stock market's (Tadawul) website at least twenty-one days before the scheduled date. A copy of the invitation and agenda is sent to the competent authority within the specified publication period if necessary. Modern technology may be used to send invitations to shareholders, and the company provides its shareholders the opportunity for active participation and voting in general assembly meetings, informing them of the rules governing these meetings and voting procedures through invitation announcements and voting guidelines.

Article Thirty-Two - Quorum for Ordinary General Assembly Meetings:

The ordinary general assembly meeting is valid if attended by shareholders representing at least a quarter of the voting shares. If the required quorum is not met, a second meeting is called within thirty days following the previous meeting. The second meeting may be held an hour after the first meeting's scheduled time, provided the invitation for the first meeting includes a notice of the possibility of holding this meeting. In all cases, the second meeting is valid regardless of the number of shares represented.

Article Thirty-Three - Quorum for Extraordinary General Assembly Meetings:

The extraordinary general assembly meeting is valid if attended by shareholders representing at least half of the voting shares. If this quorum is not met in the first meeting, a second meeting is called within thirty days following the previous meeting. The second meeting may be held an hour after the first meeting's scheduled time, provided the invitation for the first meeting includes a notice of the possibility of holding this meeting. In all cases, the second meeting is valid if attended by shareholders representing at least a quarter of the voting shares. If the required quorum is not met in the second meeting, a third meeting is called under the same conditions outlined in Article Thirty-One of this bylaw, and the third meeting is valid regardless of the number of shares represented, subject to the competent authority's approval.

Article Thirty-Four - Voting in Assemblies:

Each shareholder has one vote per share in both ordinary and extraordinary general assemblies. The company uses cumulative voting when electing board members. However, board members are not



allowed to participate in voting on assembly decisions that pertain to them, as stipulated by relevant laws and regulations.

Article Thirty-Five - Assembly Decisions:

Decisions of the ordinary general assembly are made by a majority of the voting rights represented at the meeting. Decisions of the extraordinary general assembly require the approval of two-thirds of the voting rights represented, except for decisions related to increasing or decreasing capital, merging with another company, or dividing the company, which require the approval of three-quarters of the voting rights represented.

Article Thirty-Six - Discussion in Assemblies:

Board members, auditors, and those specified by regulations must attend general assembly meetings to allow shareholders to discuss the topics on the agenda and ask questions. The board or auditors must answer shareholders' questions to the extent that does not harm the company's interests. If a shareholder finds the response unsatisfactory, they may refer the matter to the assembly, whose decision is final.

Article Thirty-Seven - Chairing Assemblies and Preparing Minutes:

General shareholder meetings are chaired by the Chairman of the Board or, in their absence, the Vice Chairman, or a board member appointed by the Board in their absence. A meeting minute is prepared, including the number of shareholders present or represented, the number of shares they hold in person or by proxy, the number of votes assigned to them, the decisions made, the number of votes for or against each decision, and a comprehensive summary of the discussions held during the meeting. The minutes are recorded systematically after each meeting in a special register signed by the meeting Chairman, the Secretary, and the vote collector.

Chapter Six - Auditor

Article Thirty-Eight - Appointment and Dismissal of the Auditor:

1. The company must have one or more auditors licensed to operate in the Kingdom, appointed by the ordinary general assembly, which determines their fees, scope, and duration of work. The assembly may reappoint the auditor according to regulations and bylaws, provided the appointment duration does not exceed the legally prescribed term.
2. The general assembly may dismiss the auditor without prejudice to their right to compensation if the dismissal occurs at an inappropriate time or for an unlawful reason.



Article Thirty-Nine - Auditor's Powers:

The auditor has the right to access the company's documents, accounting records, and supporting documents at any time. They may request the data and clarifications deemed necessary to verify the company's assets, liabilities, and other matters within their scope of work. The Board of Directors must facilitate the auditor's duties. If the auditor encounters difficulties, they must report this in a statement to the Board. If the Board does not facilitate the auditor's work, the auditor must request the Board to call a general assembly meeting to address the issue.

Article Forty - Fiscal Year:

The company's fiscal year begins on January 1 and ends on December 31 of each calendar year.

Article Forty-One - Financial Documents:

1. At the end of each fiscal year, the Board of Directors prepares the company's financial statements and a report on its activities and financial position for the past fiscal year. This report includes the proposed method for profit distribution. The Board makes these documents available to the auditor at least forty-five days before the scheduled date of the general assembly meeting.
2. The Chairman of the Board, or an authorized board member, along with the CEO and CFO, must sign the documents mentioned in paragraph (1) of this article. Copies are deposited at the company's headquarters for shareholders' access.
3. The Audit Committee must review the company's financial statements, reports, and notes provided by the auditor, and offer its views if any. It must also prepare a report on the adequacy of the company's internal control system and other tasks within its scope. The Board must deposit sufficient copies of this report at the company's headquarters at least twenty-one days before the general assembly meeting to provide copies to interested shareholders, and the report is read during the assembly.
4. The Chairman of the Board provides shareholders with the company's financial statements, the Board's report, and the auditor's report unless published through modern technology at least twenty-one days before the ordinary general assembly meeting. These documents must also be deposited according to relevant regulations and bylaws.

Chapter Seven - Company Accounts and Profit Distribution

Article Forty-Two - Profit Distribution:

1. Distributable profits consist of the net income for the fiscal year, minus all amounts allocated to reserves formed by the general assembly, plus retained earnings and distributable reserves formed from profits.



2. The nominal value difference item within shareholders' equity cannot be used for cash dividend distribution to shareholders.
3. The company may distribute interim dividends to its shareholders semi-annually or quarterly after fulfilling the regulatory requirements issued by the Capital Market Authority.

Article Forty-Three - Entitlement to Profits:

A shareholder is entitled to their share of profits according to the general assembly's decision or the board's decision to distribute interim dividends. The decision specifies the entitlement and distribution dates, and the entitlement to profits is for shareholders registered in the shareholders' records at the end of the specified entitlement date, executed according to relevant regulations and bylaws.

Article Forty-Four - Formation of Reserves:

1. The ordinary general assembly may decide to form reserves when determining the share of net profits for shareholders, to the extent that serves the company's interest or ensures stable profit distribution to shareholders as much as possible. The assembly may also allocate amounts from net profits for social purposes for the company's employees.
2. The general assembly determines the percentage of net profits to be distributed to shareholders after deducting reserves, if any.

Article Forty-Five - Distribution of Profits for Preferred Shares:

1. If no dividends are distributed for any fiscal year, dividends for subsequent years cannot be distributed until the specified percentage, as stipulated by the Companies Law, is paid to preferred shareholders for that year.
2. If the company fails to pay the specified percentage to preferred shareholders from the company's net profits after deducting reserves, if any, for three consecutive years, the special assembly of these shareholders, convened according to Article 89 of the Companies Law, may decide to allow them to attend the company's general assembly meetings and participate in voting until the company can pay all priority dividends allocated to these shares for those years. Each preferred share has one vote in the general assembly meeting, and the preferred shareholder is entitled to vote on all items of the ordinary general assembly's agenda without exception.

Article Forty-Six - Company Losses:

If the company's losses reach half of the issued capital, the Board of Directors must disclose this and its recommendations regarding these losses within sixty days from the date it became aware of reaching this level. It must call the extraordinary general assembly to meet within 180 days from the date of

Makkah Construction and Development Company
a Saudi joint-stock company



awareness to consider the company's continuation with any necessary measures to address these losses or its dissolution.

Chapter Eight - Disputes

Article Forty-Seven - Liability Lawsuit:

A liability lawsuit may be filed against board members according to the cases and conditions specified in the Companies Law.

Chapter Nine - Dissolution and Liquidation of the Company

Article Forty-Eight - Dissolution of the Company:

The company is dissolved for one of the reasons for dissolution stated in the Companies Law. Upon dissolution, it enters liquidation according to the provisions of the Companies Law. If the company is dissolved and its assets are insufficient to cover its debts or it is insolvent according to the Bankruptcy Law, it must apply to the competent judicial authority to initiate any liquidation procedures under the Bankruptcy Law.

Chapter Ten - Final Provisions

Article Forty-Nine - Companies Law:

1. The company is subject to the laws in force in the Kingdom of Saudi Arabia.
2. Any provision in this bylaw that contradicts the Companies Law is not considered, and the provisions of the Companies Law apply. Any matter not addressed in this bylaw is subject to the Companies Law and its executive regulations.

Article Fifty - Publication:

These Articles of Association is filed and published according to the provisions of the Companies Law and its executive regulations.