

KHOSHAIM & ASSOCIATES

Client Bulletin - Guide to General Assembly Invitations during COVID-19 Pandemic

23 March 2020

Introduction

As a result of the current severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2) pandemic (“**COVID-19 Pandemic**”), the Board of the Capital Market Authority (“**CMA**”) issued a resolution (the “**CMA Resolution**”) to suspend the requirement for in-person attendance at general assemblies of Saudi Arabian listed joint-stock companies until further notice.

The CMA further resolved that general assemblies may only be convened through “contemporary technology” that would allow shareholders to participate in the relevant deliberations and to vote on the agenda items, all through the Tadawulaty system provided by the Securities Depository Centre (“**Edaa**”).

Edaa also announced that attendance registration will be available for the shareholders of Saudi Arabian listed joint-stock companies through the Tadawulaty system starting from 26 March 2020G, and that voting on agenda items will continue until the end of the relevant general assembly.

The CMA Resolution comes as part of various necessary measures and precautions adopted by the Kingdom of Saudi Arabia to mitigate the impact of the COVID-19 Pandemic.

To that end, we offer our views on how Saudi Arabian listed joint-stock companies are currently structuring their invitations:

General Assemblies Invitation Published Prior to the CMA Resolution

A number of invitations to general assemblies that will be held in the next few weeks were actually published prior to the issuance of the CMA Resolution. For these general assemblies, listed joint-stock companies are being encouraged to publish a supplementary announcement referring to the CMA Resolution and indicating that in-person attendance is no longer available, and that voting on the agenda items will only be available through the Tadawulaty system.

General Assemblies Invitation Published After the CMA Resolution

For invitations to general assemblies that will be published after the issuance of the CMA Resolution, listed joint-stock companies will likely include a reference to the CMA Resolution and indicate that attendance and voting on the agenda items is available through the Tadawulaty system.

We hope you found this document useful. For more information on the matters discussed herein, please send your email to our COVID-19 Pandemic Legal Response Team at Covid19@khoshaim.com.

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