



Press Release 28.03.2007: Almarai announces the resolutions of the General Assembly Meeting which was held on Tuesday 27 March 2007

An Extraordinary General Assembly was held on 27 March 2007. Shareholders holding 69% of the total shareholding were present, thereby establishing a quorum. The shareholders voted in favor of the following items on the agenda.

The approved items from the agenda are as follows:

- 1) The acquisition of 100% of the shares of Western Bakeries Company Limited and International Baking Services Company Limited, in exchange for the issuance of 9 million new Almarai shares.
- 2) Amendment to Article 6 of the bylaw: "The share capital of the Company shall be (SAR 1,090,000,000), divided into 109 million (109,000,000) nominative shares of equal value of ten Saudi Riyals (SAR 10) each."
- 3) Amendment to Article 17: "The Company shall be managed by a Board of Directors composed of nine (9) members."
- 4) Appointment of Mr. Mosa Omran Al-Omran as a Board member.
- 5) Amendment to Article 20: "The Board of Directors is specifically empowered to contract loans with government financial funds and institutions and commercial loans with commercial banks and financial institutions for any term including terms exceeding three (3) years provided that the value of all loans contracted for by the Board in any given fiscal year does not exceed 75% of total shareholders equity. In contracting for any loan the Board shall ensure that the terms and conditions of any loan and related guarantees do not harm the Company and shall in its resolution identify the best way to utilize such loans and the methods for their repayments. The Board of Directors may, for the benefit of the Company, discharge the Company's debtors of their debt obligations."
- 6) Approval of the Board of Directors' report for the 17 months ending 31 Dec 2006.
- 7) Approval of the auditors' reports and the audited financial statements for the 17 months ending 31 Dec 2006.
- 8) Approval of the recommended dividend of two riyals (SAR 2) per share representing 20% of par value and totaling two hundred million (SAR 200 million).
- 9) Approval of the recommendation by the Board to appoint the external auditor based on the audit committee's recommendation.

- 10) Approval of the Board's guidelines with regard to choosing the audit and risk committee and the duration of and the main responsibilities of this committee.

During the meeting, The Chairman of the Board of Directors said that the expected net profit for the year 2007 under the current market conditions and the strong growth in sales, in addition, to the acquisition of the Western Bakeries Company & the International Bakeries Services will exceed SAR 600 million and the Earnings Per Share (EPS) will be more than 5.5 Saudi Riyals.

Almarai would like to take this opportunity to thank its advisors, HSBC Saudi Arabia Ltd. (Financial Advisor) Deloitte & Touche Bakr Abulkhair & Company (Financial Due Diligence), and Legal Advisors in association with Baker & McKenzie (Legal Advisor) for their assistance in ensuring a smooth and successful acquisition of Western Bakeries Company Limited and International Baking Services Company Limited.

Almarai would also like to thank the Capital Markets Authority (CMA) and the Ministry of Commerce and Industry (MoCI) for their co-operation.

Financial Advisor



Financial Due Diligence

Deloitte.

Legal Due Diligence

LEGAL ADVISORS

IN ASSOCIATION WITH BAKER & MCKENZIE LIMITED