

**Articles of Association for Real Estate
Company (Al Akaria)**
(Saudi Listed Joint-Stock Company)

BEFORE

Articles of Association of the Saudi Real Estate Company (ALAKARIA) (A Listed joint stock Company)

Chapter I

Establishment of the Company

Article (1): Establishment:

The company was established in accordance with the provisions of the Companies Law and its Regulations, and this bylaw is a Saudi joint stock Company according to the following:

- This bylaw has been amended according to the following Extraordinary General Assembly resolutions:
- The Extraordinary General Assembly, held on 14 Jumada Al-Thani 1407AH, corresponding to 12 February 1987.
- The Extraordinary General Assembly, held on 27 Jumada Al-Thani 1408AH, corresponding to 15 February 1988.
- The Extraordinary General Assembly held on 04 Safar 1417AH corresponding to 20 June 1996.
- The Extraordinary General Assembly held on 04 Muharram 1418AH, corresponding to 10 May 1997.
- The Extraordinary General Assembly held on 29 Dhu Al-Hijjah 1419AH corresponding to 15 April 1999.
- The Extraordinary General Assembly held on 25 Muharram 1422AH, corresponding to 19 April 2001.
- The Extraordinary General Assembly held on 24 Shaba'an 1427AH, corresponding to 17 September 2006.
- The Extraordinary General Assembly held on 27 Rabi' Al-Akhir 1431AH, corresponding to 12 April 2010.
- The Extraordinary General Assembly held on 09 Rajab 1438AH, corresponding to 06 April 2017.
- The Extraordinary General Assembly held on 14 Shawwal 1439AH, corresponding to 28 June 2018.
- The Extraordinary General Assembly held on 22 Shaban 1442 AH, corresponding to 04 April 2021.
- The Extraordinary General Assembly held on 17 Shawwal 1444 AH, corresponding to 18 May 2022

AFTER

Articles of Association for Real Estate Company (Al Akaria) (Saudi Listed Joint-Stock Company)

CHAPTER ONE:

INCORPORATION OF THE COMPANY

Article (1): Incorporation

In accordance with the provisions of the Companies Law issued by Royal Decree No. (M/132) dated 01/12/1443 AH, its executive regulations, and these Articles of Association, a Saudi Joint Stock Company shall be formed according to the following:

Article (2): Name of the Company:

Saudi Real Estate Company (AL AKARIA) - (Saudi Listed Joint Stock Company)

Article (3): Objectives of the Company:

The company shall carry out and implement the following purposes inside and outside the Kingdom:

- .1 Owning and renting land and real estate of all kinds. Developing, dividing and sorting them, establishing facilities, buildings, complexes, hotels, hospitals, parks and schools on them for various uses, including residential, commercial, for offices, tourist, recreational, industrial, service purposes and other uses. Selling, renting or investing them, and utilizing them in all ways of utilization according to the applicable laws.
- .2 Developing and managing land, properties, plans and various real estate projects owned by the company or others, whether in return for a commission, or through the build-operate-transfer method, or partnership in ownership, or management and operation, or development program management service.
- .3 Investing in real estate, residential, commercial, industrial units, and others, as well as buying, selling, leasing, dismantling, receiving, and executing, announcing, collecting payment and delivering it, and carrying out all related supportive activities.
- .4 Real estate brokerage in selling, marketing, leasing and evaluating the company's and others' real estate.

Article (2): Company name:

The Saudi Real Estate Company (ALAKARIA) (a listed Saudi joint stock Company), and is referred to in this bylaw as ("Company").

Article (3): Purposes of the Company:

The Company practices and implements the following purposes inside and outside the Kingdom:

- 1- Owning and renting lands and real estate of all kinds as well as developing, dividing and sorting them, establishing facilities, buildings, complexes, hotels, hospitals, parks and schools on them for various uses, including residential, commercial, office, tourist, entertainment, industrial, service, etc. and selling, leasing, investing or using them in all methods of exploitation according to the laws.
- 2- Development and management of lands, real estate, plans and various real estate projects belonging to the Company or to others, whether in return for a commission, or in the manner of construction, operation and transfer of ownership, or partnership in ownership, management and operation, or the service of managing the development program.
- 3- Investing in real estate and residential, commercial, industrial and other units, buying, selling, pledging, disassembling, receiving and executing them, receiving the price and delivering it, and carrying out all support work related to that.
- 4- Real estate brokerage in selling, marketing, renting and valuing the real estate of the Company and others.
- 5- Managing, marketing and displaying its projects or projects of third parties for sale on the map inside and outside the Kingdom.
- 6- Providing all development, marketing and real estate investment activities and services and evaluating and valuing all types of real estate according to the laws.
- 7- Management and leasing of all types of real estate owned or leased for the Company or third parties.
- 8- Maintenance, operation, management, protection and cleanliness of buildings, properties and facilities of all kinds, operation, repair, maintenance and reconstruction of various types of machinery and equipment.
- 9- Carrying out all building & construction contracting works, structural, architectural, civil, mechanical, electrical & other restorations, carrying out supporting & complementary works for prefabricated, unfinished, residential & non-residential buildings, whether for Company projects or projects of third parties.
- 10- Carrying out all excavation, ready-mixed concrete and plaster works, including finishing buildings, installing roofs and barriers, casting bases and foundations, preparing and equipping sites such as digging, leveling and withdrawing groundwater.
- 11- Carrying out infrastructure work, including construction and repair of roads, streets, parks, sidewalks, bridges, tunnels, railway lines, water and sewage networks, torrents,

- .5 Managing, marketing and displaying its projects or other real estate projects for sale on the map inside and outside the Kingdom.
- .6 Providing all activities and services for development, marketing, real estate investment, evaluation and valuation of all types of real estate in accordance to the applicable laws.
- .7 Managing and leasing all types of properties owned or rented on behalf of the company or on behalf of others.
- .8 Maintaining, operating, managing, protecting and cleaning buildings, properties and facilities of all types and operating, repairing, maintaining and rebuilding machinery and equipment of all types.
- .9 Carrying out all building contracting, construction, and structural, architectural, civil, mechanical, electrical, and other renovation works, and implementing supporting and complementary works for prefabricated and non-prefabricated, residential and non-residential buildings, whether for the company's projects or third-party projects.
- .10 Carrying out all excavation, ready-mix concrete and plastering works, including finishing buildings, installing ceilings and barriers, pouring foundations and bases, and preparing and equipping sites, including excavation, leveling and pumping groundwater.
- .11 Carrying out infrastructure works including the construction and repair of roads, streets, parks, sidewalks, bridges, tunnels, railway lines, water networks, sewage systems, stormwater drainage, electricity, communications, gas, cooling, and the extension of pipes and wires of various types and requirements.
- .12 Supplying, installing and manufacturing lighting, refrigeration, air conditioning, insulation and networks systems of various types, and maintaining and repairing them .
- .13 Carrying out works and installation of decorations, glass and tower facades of all types, and painting works for internal and external buildings.
- .14 Establishing, owning and operating ready-mix concrete factories and precast concrete plants, selling and transporting their products to the company's project sites or to others .
- .15 Establishing, owning, operating and managing all types of building materials factories, importing their raw materials and production requirements, marketing their products, and obtaining commercial powers of attorney.
- .16 Manufacturing, supplying and operating the necessary machinery for real estate development activities, including tools,

electricity, communications, gas, refrigeration, and the extension of pipes and wires of various types and requirements.

- 12- Supply, installation and manufacture of lighting, cooling, air-conditioning and insulation systems and networks of all kinds, and their maintenance and repair.
- 13- Carrying out all kinds of decorations, glass and tower facades, and painting works for internal and external buildings.
- 14- Establishing, owning and operating ready-made and prefabricated concrete plants, and selling and migrating their products to the Company's project sites or to others.
- 15- Establishing, owning, operating and managing building materials factories of all kinds, importing their raw materials and production requirements, marketing their products, and obtaining commercial agencies.
- 16- Manufacturing, supplying and operating the machinery necessary for real estate development, including tools, equipment and fixed and mobile cranes, and marketing or renting them to third parties.
- 17- Manufacture and supply of furniture for various office and residential uses.
- 18- Acquiring and investing in research outputs, intellectual rights and patents related to the manufacture of building materials and equipment, and developing advanced construction techniques, transferring them to the Kingdom and nationalizing them.
- 19- Providing specialized consultancy services in the construction industry, real estate, development, marketing and real estate investment.
- 20- Providing real estate project management services and supervising their implementation.
- 21- Training in the field of development, marketing, real estate investment, and management and supervision of the implementation of real estate projects.
- 22- Attracting local and foreign investments to participate in any of the Company's activities.

The Company carries out its activities on a commercial basis, according to the followed laws, and after obtaining the necessary licenses from the competent authorities, if any.

Article (4): Participation and Ownership in Companies:

The Company may establish companies alone with limited liability or closed joint-stock (provided that its capital is not less than five million riyals), and it may also have an interest or participate in any way with public and private bodies, institutions, funds and investment portfolios and invest in them, and it may also subscribe in securities in any public or private offering, and to own shares and quotas in other companies existing inside or outside the Kingdom, or merge with them, and shall have the right to participate with others in establishing joint-stock or limited liability companies after fulfilling the requirements of the laws and instructions followed in this regard. It may also dispose of these shares or quotas, provided that this does not include brokerage in their trading.

equipment, and fixed and mobile cranes, and marketing or renting them to others.

- .17 Manufacturing and supplying furniture for various office and residential uses.
- .18 Owning and investing in research outputs, intellectual property rights, and patents related to the construction materials and its equipment, and developing advanced construction technologies and transferring and localizing them to the Kingdom.
- .19 Providing specialized consulting services in the construction, real estate, development, marketing and real estate investment industries .
- .20 Providing real estate project management services and supervising their implementation.
- .21 Training in the fields of development, marketing, real estate investment, and management and supervision of the implementation of real estate projects.
- .22 Attracting local and foreign investments to participate in any of the company's activities.

The company shall carry out its activities on a commercial basis and in accordance with the applicable laws and after obtaining the necessary licenses from the relevant authorities, if any.

Article (4): Participation and Ownership in Companies:

The company may incorporate companies on its own. It may also own shares and stocks in other existing companies or merge with them. The Company shall have the right to participate with others in incorporating companies, in accordance with the rules stipulated in the relevant applicable laws and regulations.

It may also have an interest or participate in any way with public and private bodies, institutions, funds, investment portfolios or other Saudi and foreign entities and invest in them. It may also subscribe to securities in any public or private offering, and own shares and stakes in other companies existing inside or outside the Kingdom, or merge with them.

Article (5): Headquarter of the Company:

The Company's headquarter shall be located in Riyadh, Kingdom of Saudi Arabia. The Board of Directors may incorporate branches, offices or agencies for it inside or outside the Kingdom of Saudi Arabia.

Article (6): Duration of the Company

Article (5): Head office of the Company:

The head office of the Company is located in the city of Riyadh, and it is permissible, by a resolution of the Company's Board of Directors, to establish branches, offices or agencies for it inside or outside the Kingdom.

Article (6): Duration of the Company:

The duration of the Company is (130) one hundred and thirty Gregorian years starting from the date of its registration in the Commercial Register, and this period may always be prolonged by a resolution issued by the Extraordinary General Assembly at least one year before the expiry of its term.

Chapter II**Capital, Shares and Instruments****Article (7): Capital:**

The Company's capital was set at (3,750,000,000)) three billion seven hundred and fifty million Saudi riyals, divided into (375,000,000) three hundred and seventy five million nominal shares of equal value, and the value of each of them is ten (10) Saudi riyals, all of which are ordinary and cash shares. The entire capital of the Company has been fulfilled.

Article (8): Subscription to shares:

The founders have subscribed for the full share capital and paid their value in full.

Article (9): Issuance, Purchase and Transfer of Preferred Shares:

- 1- Subject to any laws, regulations, controls or other instructions issued by another supervisory body supervising its activities restricting the Company's issuance of preferred shares or preventing it from doing so, the Extraordinary General Assembly of the Company may, in accordance with the principles laid down by the Capital Market Authority, issue preferred shares or decide to buy them, convert ordinary shares into preferred shares, or convert preferred shares into common shares. Preferred shares do not give the right to vote in general assemblies of shareholders. These shares arrange for their owners the right to obtain a greater percentage of the owners of common shares than the net profits of the Company after retaining the statutory reserve.
- 2- Subject to obtaining the approval of the Extraordinary General Assembly, the following must be met:
 - A- Obtaining the approval of the owners of the preferred shares, in an assembly of their own to be held in accordance with the provisions of Article 89 of the Companies Law, if the resolution relates to the conversion of the preferred shares

The company's duration shall be undefined and begins from the date of its registration in the commercial register.

CHAPTER TWO:**CAPITAL, SHARES AND INSTRUMENTS****Article (7): Capital**

The company's capital shall be set at (SAR 3,750,000,000) three billion, seven hundred and fifty million Saudi riyals, divided into (SAR 375,000,000) three hundred and seventy-five million shares of equal value, each of which shall be worth (10) ten Saudi riyals, all of which are ordinary and cash shares.

Article (8): Subscription to Shares

The shareholders subscribed to the entire capital shares and all cash amounts paid from the capital were deposited with one of the banks licensed within the Kingdom.

Article (9): Selling Non-valued Shares:

- .1 The shareholder shall pay the value of the share on the dates specified, and if he shall fail to pay on the due date, the Board of Directors may, after notifying him by sending him a registered letter or by any means of new technology, sell the share in the public auction - as the case may be - and the company may grant other shareholders priority in purchasing the shares of the shareholder who has defaulted on payment.
- .2 The Company shall collect from the proceeds of the sale the amounts due to it and return the remainder to the owner of the share. If the proceeds of the sale shall be not sufficient to meet these amounts, the Company may collect the remainder from all the shareholder's funds.

into common shares or the amendment of any of the rights of the owners of the preferred shares.

B- The percentage of preferred shares (10%) should not exceed ten percent of the Company's capital, and that the Company's capital has been fully paid.

C- Commitment to other relevant laws and regulations.

3- If the General Assembly's resolution would amend the rights of the preference share holders, including the liquidation of the Company, the conversion of the preferred shares into common shares, or the conversion of the common shares into preferred shares, then this resolution shall not be enforceable unless approved by the one who has the right to vote of the owners' of preferred shares in an assembly of their own.

4- If the Company fails to pay the specified percentage to the owners of the preference shares out of the net profits of the Company after retaining the statutory reserve for a period of three consecutive years, the association of owners of these shares, convened in accordance with the provisions of Article 89 of the Companies Law, may decide whether they attend meetings of the General Assembly of the Company and participate in voting, or appointing representatives for them in the Board of Directors in proportion to the value of their shares in the capital, until the Company is able to pay all the profits allocated to the owners of these shares for those years. Each preferred share shall have one vote in the general assembly meeting, and the holder of the preferred share in this case has the right to vote on all the agenda items of the Ordinary General Assembly without exception.

Article (10): Selling shares of unpaid value:

The shareholder is obligated to pay the value of the share on the dates specified for that, and if he fails to pay the due date, the Board of Directors may after notifying him by publishing in a daily newspaper or informing him by a registered letter of selling the share in the public auction or the stock market - as the case - in accordance with the controls determined by the competent authority. The Company shall collect from the sale proceeds the sums owed to it and return the remainder to the owner of the share. If the proceeds of the sale are not sufficient to meet these sums, the Company may collect the remainder of all the shareholder's funds. Nevertheless, the shareholder who fails to pay until the day of the sale may pay the value owed by him in addition to the expenses that the Company has spent in this regard. The Company cancels the sold share in accordance with the provisions of this article, and gives the buyer a new share bearing the number of the canceled share, and indicates in the share register the occurrence of the sale with an indication of the name of the new owner.

Article (11): Issuance of Shares:

The shares are nominal and may not be issued at less than their nominal value. Rather, they may be issued at a higher value, and in this last case the difference in value shall be added in a separate item within the shareholders' equity. It may not be distributed as

.3 The rights related to the defaulted shares shall be suspended upon the expiry of the specified date until they are sold, or until the due amount is paid in accordance with the provisions of paragraph (1) of this Article. This shall include the right to obtain a share of the net profits to be distributed and the right to attend the assemblies and vote on their resolutions. However, the shareholder who shall fail to pay until the day of the sale may pay the value due in addition to the expenses incurred by the Company in this regard. In this case, the shareholder shall have the right to request the profits that shall be decided to be distributed.

.4 The Company shall cancel the sold share in accordance with the provisions of this Article, and shall give the purchaser a new share bearing the number of the canceled share, and shall indicate in the shares register that the sale has taken place, indicating the name of the new owner.

Article (10): The Right to Issue Other Types and Classes of Shares:

The company's Extraordinary General Assembly may, based on the recommendation of the Board of Directors and in accordance with the principles set by the relevant authority, shall issue preferred shares, redeemable shares, or other types and categories of shares, or shall decide to purchase them or convert these shares into other categories in accordance with the rules stipulated in the Companies Law, the Capital Market Law, and their implementing regulations.

Article (11): Trading of Shares:

The Company's shares shall be traded in accordance with the provisions of the Capital Market Law and its implementing regulations.

Article (12): Register of Shareholders:

Shares of shareholders in the company shall be registered in accordance with the provisions of the Capital Market Law and its implementing regulations, the implementing regulations of the Companies Law Listed Joint Stock Companies, and other relevant laws and implementing regulations.

Article (13): The Company's Purchase, Sale and Mortgage of its Shares:

.1 The company may purchase or mortgage its ordinary or preferred shares with the approval of shareholders' assemblies, and in accordance with the rules set by the Capital Market Authority in this

dividends to shareholders. The share is indivisible vis-à-vis the Company, so if the share is owned by multiple people, they must choose one of them to act on their behalf to use the rights related to it, and these persons will be jointly responsible for the obligations arising from the ownership of the share.

Article (12): Shares Trading:

The shares subscribed by the founders may not be traded except after publishing the financial statements for two fiscal years, each of which is not less than twelve months from the date of incorporation of the Company. The instruments of these shares are indicated by their type, the date of incorporation of the Company and the period during which it is prohibited to trade them. Nevertheless, during the prohibition period, the ownership of shares may be transferred in accordance with the provisions of the sale of rights from one of the founders to another founder or from the heirs of one of the founders in the event of his death to a third party or in the event of execution on the funds of the insolvent or bankrupt founder, provided that the priority of owning those shares is given to the other founders. The provisions of this article shall apply to what the founders subscribe to in the event of an increase in the capital prior to the expiration of the prohibition period.

Article (13): Shareholders' Register:

The Company's shares are traded in accordance with the provisions of the Capital Market Law.

Article (14): The Company's purchase, sale and mortgage of its shares:

- 1- The Company may purchase its common or preferred shares with the approval of the Extraordinary General Assembly, and in accordance with the controls set by the Capital Market Authority in this regard, and the shares purchased by the Company shall not have votes in the shareholders' assemblies.
- 2- The Company may purchase its shares to use them as treasury shares according to the purposes and controls determined by the Capital Market Authority. The Company may purchase its shares for the purpose of allocating them to the Company's employees within the employees' shares program, provided that the Company - in addition to other controls related to its purchase of its shares - meets the conditions set by the Capital Market Authority for this purpose, and after obtaining the approval of the Extraordinary General Assembly on the shares program for employees. The Extraordinary General Assembly may authorize the Company's Board of Directors to set the conditions for this program, including the allocation price for each share offered to employees if it is for a consideration.

regard. The shares purchased by the company shall not have votes in shareholders' assemblies.

.2 The Company may purchase its shares for use as treasury shares in accordance with the purposes and rules determined by the Capital Market Authority. The company may purchase its shares for the purpose of allocating them to the company's employees within the employee stock program, provided that the company - in addition to other rules related to its purchase of its shares — shall fulfill the conditions set by the Capital Market Authority for this purpose, and after obtaining the approval of the Extraordinary General Assembly for the employee stock program. It is also permissible for the Extraordinary General Assembly to authorize the company's board of directors to determine the terms of this program, including the allocation price for each share offered to employees if it shall be for a fee.

.3 The company may sell treasury shares in one or more stages in accordance with the rules set by the Capital Market Authority, provided that the company's board of directors approves the process of selling treasury shares, in a manner that does not conflict with the resolution of the Extraordinary General Assembly including approval to purchase these shares.

.4 Whoever shall have the right to own the company's shares or hold them for the benefit of another party may mortgage them in accordance with the rules set by the Capital Market Authority, and the mortgage creditor shall have the right to receive the profits and use the rights related to the share, unless otherwise agreed upon in the mortgage contract. However, the mortgagee creditor may not attend or vote in the meetings of the General Assembly of shareholders. The company may also mortgage its shares as security for the debt in accordance with the rules set by the Capital Market Authority, provided that the ordinary General Assembly approves the mortgaging process.

.5 Shares may be mortgaged, and the mortgagee may collect profits and exercise the rights related to the share, unless otherwise agreed upon in the mortgage contract. The mortgage creditor may not attend meetings of shareholders' assemblies or vote in them.

Article (14): Issuance of Debt Instruments and Financing Instruments by the Company, Their Trading, and Transfer.

.1 Subject to the Sharia provisions of debt when issuing and trading debt instruments, the company may issue, in accordance with the Capital Market Law, debt instruments or tradable financing instruments. However,

- 3- The Company may sell the treasury shares in one or several stages according to the controls set by the Capital Market Authority, provided that the Company's Board of Directors approves the sale of treasury shares, in a manner that does not contradict the resolution of the Extraordinary General Assembly that includes approval to buy these shares.
- 4- Whoever has the right to own the shares of the Company or possess them for the benefit of another party may mortgage them in accordance with the controls laid down by the Financial Market Authority, and the mortgagee may receive the profits and use the rights related to the shares, unless otherwise agreed in the mortgage contract. However, the mortgagee may not attend or vote in the general assembly of shareholders. The Company may also mortgage its shares as a security for a debt in accordance with the controls laid down by the Capital Market Authority, provided that the Ordinary General Assembly approves the mortgage process.

Article (15): The Company's issuance, trading and transfer of debt instruments and financing instruments:

- 1- Subject to the legal provisions for debt when issuing and trading debt instruments, the Company may issue debt instruments or negotiable financing instruments in accordance with the financial market system, but the Company may not issue debt instruments or financing instruments convertible into shares, except after a resolution is issued by the Extraordinary General Assembly of the Company determines the maximum number of shares that may be issued against those instruments or sukuk, whether those instruments or sukuk were issued at the same time or through a series of issues or through one or more programs to issue debt instruments or financing instruments. The Board of Directors shall issue without the need for new approval from the Extraordinary General Assembly new shares in exchange for those instruments or sukuk whose holders request their conversion upon the expiry of the transfer request period specified for the holders of those instruments or sukuk. The Board shall take the necessary measures to amend the Company's Articles of Association with regard to the number of issued shares and the capital, and the Board of Directors must declare that the procedures for each capital increase have been completed in the manner specified in the Companies' Law to announce the resolutions of the Extraordinary General Assembly.
- 2- Subject to the provisions of Paragraph (1) of this Article, the Company may convert debt instruments or financing instruments into shares in accordance with the financial market system. In all cases, it is not permissible to convert these instruments and Sukuk into shares in the following two cases:
 - A- If the conditions for issuing debt instruments and financing Sukuk do not include the permissibility of converting these instruments and Sukuk into shares by raising the Company's capital.

the company may not issue debt instruments or financing instruments convertible into shares, except after the issuance of a resolution by the company's Extraordinary General Assembly specifying the maximum number of shares that may be issued in exchange for such instruments or instruments, whether such instruments or instruments are issued at the same time or through a series of issues or through one or more programs for issuing debt instruments or financing instruments. The board of directors shall issue, without the need for new approval from the Extraordinary General Assembly, new shares in exchange for such instruments or instruments that their holders shall request to be converted immediately upon the expiry of the conversion request period specified for the holders of such instruments. The board shall take the necessary measures to amend the company's articles of association with respect to the number of shares issued and the capital, and the board of directors shall announce the completion of the procedures for each increase in capital in the manner stipulated in the Companies Law for announcing the resolutions of the Extraordinary General Assembly.

.2 The resolutions of the shareholders' assemblies shall apply to the owners of debt instruments and financing instruments. However, the aforementioned assemblies may not amend the rights granted to them except with their approval issued in a special assembly held in accordance with the provisions of Article (89) of the Companies Law.

Article (15): Increase of Capital

.1 The Extraordinary General Assembly may decide to increase the company's issued or authorized capital - if any - after the approval of the Capital Market Authority, provided that the issued capital has been paid in full. It shall be not required that the capital has been paid in full if the unpaid portion thereof shall be in the form of shares issued in exchange for converting debt instruments or financing instruments into shares and the period set for their conversion has not yet expired.

.2 The Extraordinary General Assembly may, in all cases, allocate all or part of the shares issued upon increasing the capital to the employees of the company and its subsidiaries or some of them. Shareholders may not exercise the right of priority when the company issues the shares allocated to the employees. The competent authority may establish rules and procedures for allocating shares to the employees of the company or its subsidiaries or some of them, or any of the above.

B- If the holder of a debt instrument or financing instrument does not agree to this conversion.

C- The resolutions of the shareholders' assemblies shall apply to the owners of debt instruments and financing sukuk. Nevertheless, the aforementioned associations are not permitted to amend the rights assigned to them except with approval issued by them in their own association held in accordance with the provisions of Article 89 of the Companies Law.

Article (16): Increase of the Capital:

1- The Extraordinary General Assembly may decide to increase the capital of the Company, provided that the capital has been paid in full. It is not required that the capital be fully paid if the unpaid portion of the capital is due to shares issued in exchange for converting debt instruments or financing instruments into shares and the period determined for their conversion into shares has not expired. The Extraordinary General Assembly of the Company may in all cases allocate the shares issued when increasing the capital or part thereof to the employees of the Company and its subsidiary companies or some of them, or any of that. Shareholders may not exercise the right of priority when the Company issues shares allocated to employees. The Company's capital is increased in one of the following ways:

A- Issuance of new shares in exchange for cash or in-kind shares.

B- Issuing new shares in exchange for the Company's specific debts in the amount of performance, provided that the issuance is at the value decided by the Extraordinary General Assembly of the Company after seeking the opinion of an expert or certified valuer, and after the Board of Directors and the auditor prepare a statement of the origin and amount of these debts and the Board's members and auditors sign this statement, and they are responsible for its validity.

C- Issuing new shares to the extent of the reserve that the Extraordinary General Assembly decided to incorporate into the capital. These shares must be issued in the same form and conditions as the traded shares, and those shares shall be distributed free of charge to the shareholders in proportion to what each of them owns of the common shares.

D- Issuing new shares in exchange for debt instruments or financing sukuk.

2- The shareholder who owns the share at the time of the resolution of the Extraordinary General Assembly to approve the increase of the priority capital in the subscription to the new shares issued in exchange for cash shares, and they inform them of their priority by publishing in a daily newspaper or by informing them through registered mail about the resolution to increase the capital, the conditions for the subscription, its duration and the date of its commencement and its expiration. The Extraordinary General Assembly of the Company has the right to suspend the priority right for shareholders to subscribe to increase the capital in

.3 In all cases, the nominal value of the increase shares shall be equal to the nominal value of the original shares of the same type or category.

.4 The shareholder who owns the share at the time of issuance of the resolution of the Extraordinary General Assembly approving the increase of the issued capital or the resolution of the Board of Directors approving the increase of the issued capital or the resolution of the Board of Directors limiting the authorized capital has priority in subscribing to the new shares issued in exchange for cash shares, and he shall be notified of his priority - if any - by registered letter to his address listed in the shareholders' register or through modern technology means about the resolution to increase the capital and the conditions of the subscription and the manner and date of its beginning and end, taking into account the type and category of the share he owns.

.5 The Extraordinary General Assembly shall have the right to suspend the priority right of shareholders to subscribe to an increase in capital in exchange for cash shares or to give priority to non-shareholders in cases it deems appropriate for the company's interest.

.6 The shareholder shall have the right to sell or waive the priority right for a fee or without a fee, in accordance with the rules set by the competent authority.

.7 Subject to the provisions of paragraph (5) above, the new shares shall be distributed to the holders of priority rights who requested to subscribe in proportion to the priority rights they own from the total priority rights resulting from the capital increase, provided that what they obtain does not exceed what they requested from the new shares and taking into account the type and category of the share they own. The remaining new shares shall be distributed to the holders of priority rights who requested more than their share in proportion to what they own from the priority rights from the total priority rights resulting from the capital increase, provided that what they obtain shall not exceed what they requested from the new shares. The remaining shares shall be offered to others, unless the Extraordinary General Assembly decides or the Capital Market Law stipulates otherwise.

Article (16): Reduction of Capital

.1 The Extraordinary General Assembly may decide to reduce the capital if it exceeds the company's needs or if it incurs losses. In the latter case only, the capital may be reduced below the minimum stipulated in

exchange for cash shares or give priority to non-shareholders in cases it deems appropriate in the interest of the Company.

- 3- The shareholder shall have the right to sell or waive the pre-emption right during the period from the time of the issuance of the Extraordinary General Assembly's resolution to increase the capital to the last day for subscription to new shares related to these rights, in accordance with the controls set by the Capital Market Authority.
- 4- Subject to the provisions of Paragraph No.(2) above of this Article, the new shares shall be distributed to the holders of priority rights who have requested to subscribe, in proportion to the priority rights they own from the total priority rights resulting from the capital increase, provided that it does not exceed what they obtain the new shares requested, and the remainder of the new shares shall be distributed to the holders of priority rights who requested more than their share, in proportion to the priority rights they own from the total priority rights resulting from the capital increase, provided that what they obtain does not exceed what they requested of the new shares and the remainder of the shares are issued to third parties, unless the Extraordinary General Assembly of the Company decides or the Capital Market Law stipulates otherwise.
- 5- The provisions of the evaluation of the in-kind shares presented upon incorporation of the Company shall apply to the shares issued in exchange for in-kind shares when the capital is increased, and the Ordinary General Assembly shall act as the constituent assembly in this regard.

Article (17): Capital Reduction:

- 1- The Extraordinary General Assembly may decide to reduce the capital if it exceeds the Company's need or if it suffers losses. In the latter case alone, the capital may be reduced to below the limit stipulated in Article 54 of the Companies Law. The reduction resolution shall not be issued except after reading a special report prepared by the auditor on the reasons for it, the obligations of the Company, and the impact of the reduction on these obligations. If the capital reduction is a result of an increase in the Company's need, creditors must be called upon to express their objections to it within sixty days from the date of publishing the reduction resolution in a daily newspaper distributed in the region where the Company's headquarters are. If one of the creditors objects and submits his documents to the Company on the aforementioned date, the Company must pay him his debt if it is due or provide him with a guarantee sufficient to pay it if it is later. The Company's capital is reduced in one of the following ways:
 - A- Cancellation of a number of shares equal to the amount required to be reduced.

Article (59) of the Companies Law. The reduction resolution shall not be issued except after reading a statement in the General Assembly prepared by the Board of Directors, on the reasons for the reduction, the company's obligations, and the effect of the reduction on fulfilling it. This statement shall be accompanied by the company's auditor's report. It shall be permissible to suffice with presenting the aforementioned statement to the shareholders in cases where the General Assembly's resolution shall be issued by circulation.

.2 If the reduction of the capital is a result of it being more than the Company's need, the creditors shall be invited to express their objections – if any- to it at least forty-five days before the date specified for holding the extraordinary general assembly meeting to take the reduction decision, provided that a statement is attached to the invitation stating the amount of capital before and after the reduction, the date of holding the meeting and the effective date of the reduction. If one of the creditors objects and submits to the Company its documents on the aforementioned date, the Company shall pay him his debt if it is immediate or provide him with a sufficient guarantee to pay it if it is deferred. The creditor who has notified the company of his objection to the reduction and whose debt has not been paid if it is due, or has not provided sufficient guarantee to pay it if it is deferred, may apply to the competent judicial authority before the date set for holding the extraordinary general assembly to take the decision to reduce it. In this case, the competent judicial authority may order payment of the debt or the provision of sufficient guarantee or the postponement of holding the extraordinary general assembly meeting, as the case may be.

.3 The reduction shall not be invoked against the creditor who submitted his request within the period stipulated in paragraph (2) of this Article unless he has paid what has become due of his debt or obtained sufficient guarantee to pay what has not become due of it.

.4 Equality shall be observed among shareholders holding shares of the same type and class when reducing the capital.

- B- The Company's purchase of a number of its shares equal to the amount required to be reduced, and then canceled.
- 2- In the event that the capital is reduced by canceling a number of shares, equality among the shareholders must be taken into account, and they must submit to the Company on the date specified by the shares to be canceled, otherwise they will be considered null and void. If the capital reduction is by purchasing a number of Company shares in order to cancel them, shareholders must be invited to offer their shares for sale, and this invitation is made to inform the shareholders by registered mail or in a daily newspaper distributed in the area where the Company's head office is located of the Company's desire to buy Shares, and in the event that the number of shares offered for sale exceeds the number that the Company decided to purchase, the sale requests must be reduced by this increase, provided that these shares are purchased in accordance with the Financial Market Law.

Chapter Three

Board of Directors

Article (18): Company management:

- 1- The Company shall be managed by a Board of Directors consisting of nine members, elected by the Ordinary General Assembly of shareholders for a period not exceeding three years, subject to extension, and the Ordinary General Assembly may re-elect the members of the Board of Directors for a similar term. Each shareholder may nominate himself or one or more other persons for membership in the Board of Directors, within the limits of his ownership percentage in the capital.
- 2- The Board of Directors shall appoint among its members or others a CEO for the Company, and the resolution issued for appointing him defines his Responsibilities, duties and financial benefits, and the CEO of the Company shall implement the decisions & instructions of the Board and conducts the day-to-day business of the Company, and presides over its employees under the supervision of the Board of Directors, and has the powers specified by the Board and included in the systems and regulations The Company, and the chief executive officer shall have the right to delegate or delegate one of his subordinates to perform a specific job within his competencies, and the Board of Directors may appoint one or more vice-presidents for the CEO, and the appointment resolution defines their specializations and financial rights.

Article (19): Expiration or Termination of Board Membership:

CHAPTER THREE: BOARD OF DIRECTORS

Article (17): Management of the Company

The Company shall be managed by a Board of Directors composed of nine (9) members, elected by the ordinary general assembly provided that three (3) of them are independent members - or one-third of the Board members, whichever is more - for a period not exceeding four fiscal years. They may be re-elected in accordance with the rules set by the competent authority. In all cases, it is required that the members of the Board of Directors be natural persons .

Article (18): Expiration of Board Membership

The membership of a member of the Board shall expire at the end of its term, or upon the expiry of the member's validity thereof in accordance with any applicable law or instructions in the Kingdom and the company's regulations and policies. The general assembly (based on a recommendation from the Board of Directors) may terminate the membership of any member who is absent from attending (three) consecutive meetings or (five) separate meetings during their term of his membership without valid excuse acceptable to the Board of Directors. However, the ordinary general assembly may at any time dismiss all or some of the Board members, and in this case, the general assembly shall

- 1- Board membership ends with the expiration of its term or the expiration of the member's validity according to any law or instructions in force in the Kingdom. Nevertheless, the Ordinary General Assembly may dismiss all or some of the members of the Board of Directors at any time without prejudice to the right of the dismissed member towards the Company to claim compensation if the removal takes place for an unacceptable reason or at an inappropriate time, and a member of the Board of Directors may retire, provided that this is at an appropriate time, otherwise he shall be liable before the Company for the damages resulting from his retirement.
- 2- The Ordinary General Assembly may, upon the recommendation of the Board of Directors, terminate the membership of those who have been absent from attending three consecutive Board meetings without a legitimate excuse.

Article (20): Vacant position in the Board of Directors:

- 1- If the position of one of the members of the Board of Directors becomes vacant, the Board shall appoint a temporary member in the vacant position, provided that he is of those who have experience and sufficiency, and must inform the Ministry of Commerce and Investment and the Financial Market Authority within five working days from the date of appointment and the appointment shall be presented to the Ordinary General Assembly at its first meeting, the new member completes the term of his predecessor. If the necessary conditions for the meeting of the Board of Directors are not met due to the lack of the number of its members below the minimum stipulated in the Companies Law or this system, the rest of the members must invite the Ordinary General Assembly to convene within sixty days to elect the necessary number of members.
- 2- If the members of the Board of Directors submit their resignations, or if the general assembly is unable to elect a Board of Directors for the Company, the board of the Capital Market Authority shall form a temporary committee with expertise and competence in the number it deems appropriate, and appoint a chairman and a deputy for it from among its members, to supervise Managing the Company, and inviting the general assembly to meet within a period not exceeding three months from the date of the formation of the aforementioned committee, to elect a new Board of Directors for the Company. The chairman and members of the committee grant remunerations on the Company's account, according to what is decided by the board of the Capital Market Authority, as the case may be.

Article (21): Board of Directors Authorities:

Subject to the competencies established for the General Assembly, the Board of Directors shall have the broadest powers and powers in managing the Company, disposing of its affairs, and carrying out all acts and actions that would achieve the objectives of the Company, with the exception of what is excluded in a special provision in the companies' law or this bylaw in terms of actions or disposals that are listed under the competence of the General Assembly, and unless the Ordinary General Assembly issued what limits the

elect a new Board of Directors, or someone to replace the dismissed member (as the case may be) in accordance with the provisions of the Companies Law and the Capital Market regulations.

Article (19): Vacant Positions in the Board

.1 The Board of Directors shall, before the end of its term, call the Ordinary General Assembly to elect a Board of Directors for a new term. If the election is not possible and the term of the current Board term has expired, its members will continue to perform their duties until a Board of Directors is elected for a new term, provided that the term of the Board members whose term has ended shall not exceed (ninety) days from the date of the end of the Board's term, and the Board of Directors shall take the necessary measures to elect a Board of Directors to replace it before the expiry of the term of continuity specified in this paragraph.

.2 If the Chairman and members of the Board of Directors retire, they shall call the Ordinary General Assembly to elect a new Board of Directors. The retirement shall not take effect until the new Board is elected, provided that the term of the retiring Board does not exceed (one hundred and twenty) days from the date of such resignation, and the board of directors shall take the necessary measures to elect a board of directors to replace it before the expiry of the period of continuity specified in this paragraph.

.3 A member of the Board of Directors may retire from membership of the Board pursuant to a written notification addressed to the Chairman of the Board. If the Chairman of the Board retires, the notification shall be directed to the remaining members of the Board and the Secretary of the Board. Retirement shall be effective - in both cases - from the date specified in the notification.

.4 If the position of a member of the Board of Directors becomes vacant due to their death or retirement, and this vacancy does not result in a violation of the conditions necessary for the validity of the Board's meeting due to the number of its members being less than the minimum stipulated in the Companies Law or these Articles of Association, the Board may appoint (temporarily) someone who has experience and competence in the vacant position, provided that this is reflected in the commercial register, and that the Capital Market Authority is notified of such, within (fifteen days) from the date of appointment, and the appointment shall be presented to the Ordinary General Assembly at its first meeting, and the appointed member shall complete the term of his predecessor, and the company or the Board shall have the option of keeping the seat vacant

powers of the Board of Directors regarding a specific matter, and the Board may also, within the limits of its competence, delegate one or more of its members or from a third party to undertake a specific work or business. In order to fulfill its duties, the Board may, for example, but not be limited to, the following:

- 1- Contract of loans whose terms do not exceed the end of the Company's term, provided that:
 - A- The Board determines, in its resolution, the uses of these loans and the method of their repayment.
 - B- To take into account the conditions of loans and guarantees presented to them not to harm the Company or its shareholders or the general guarantees of creditors.
- 2- The issuance of new shares in exchange for those instruments or sukuk whose holders request their transfer, upon the expiry of the period of the transfer request specified for the holders of those instruments or sukuk that the Extraordinary General Assembly had previously agreed to issue, and the board in this regard may take all necessary to amend the Company's articles of association regarding the number of issued shares and capital, including declaring that the procedures of each capital increase have been completed in the manner specified in the Companies Law to announce the resolutions of the Extraordinary General Assembly.
- 3- The right to buy and accept it, pay the price, mortgage the assets, real estate, movables of the Company and its subsidiary companies and its facilities, release the mortgage, sell, convey and collect the price, and deliver the valuer, provided that the Board determines in its resolution the reasons and justifications for this, and that the price of the sold asset is close to the price of the same, determined according to the applicable accounting principles and the price should not be deferred except in cases of necessity, with adequate guarantees, and that the Company or subsidiary companies will not be harmed, stop some of their activities, or bear other obligations due to the conditions of sale or mortgage.
- 4- The right to conciliation, assignment, contracting, commitment and association, litigation, collection of debts of the Company or subsidiaries, and acceptance of conciliation and arbitration.
- 5- The right to absolve the debtors of the Company of their liabilities according to its interest, and in accordance with the accounting standards used in the event of debt write off, provided that the minutes of the Board of Directors include the reasons for its resolution, taking into account the following conditions:
 - A- The release shall be at least one year after the debt was created.
 - B- The release is for a specified maximum amount per year for one debtor.
 - C- The release is a right of the Board that cannot be delegated.
- 6- Preparing and approving internal regulations for the Company or subsidiary companies, including financial, administrative and technical, investment and

until the end of the session or calling on the General Assembly to appoint a member in the vacant seat.

.5 In the event that the number of Board members falls below the minimum number required to convene the meeting of the Board of Directors, as prescribed in the Companies Law or these Articles, the remaining Board members shall convene the ordinary general assembly within sixty (60) days to elect the requisite number of Board members.

Article (20): Powers of the Board

Subject to the competencies established for the ordinary and extraordinary general assembly, the Board of Directors shall have the broadest and all powers in managing the Company and managing its affairs inside and outside the Kingdom, and to carry out all acts and actions that would achieve the company's purposes, except for what is excluded by a specific provision in the Companies Law or these Articles of Association of acts or actions that fall within the jurisdiction of the General Assembly, and unless the General Assembly issues anything restricting the powers of the Board of Directors regarding a particular matter. The Board shall also have, within the limits of its jurisdiction, the right to delegate one or more of its members or others to undertake a specific activity or activities, draw up its policies, determine its investments, and supervise its activities and funds. In order to carry out its duties, the Board of directors may exercise, including but not limited to, the following powers:

- .1 Drawing up the company's general policy, preparing and approving the company's internal, financial, administrative and technical regulations, and policies and regulations for its employees.
- .2 Forming and canceling committees emanating from the board, defining their powers and appointing their members.
- .3 Appointing the CEO of the company from among those with experience and competence as deemed by the Board, and determining his duties, salaries, allowances and bonuses.
- .4 Preparing the company's initial and annual financial statements and approving them before publishing them.
- .5 Approving the company's estimated budget.
- .6 Preparing the Board of Directors' report and approving it before publishing the same.
- .7 The Board of Directors shall appoint a Secretary chosen from among its members or from others. The Board of Directors shall determine his powers and remuneration. The powers of the Board of Directors Secretary shall include writing down the Board of Directors' proceedings

financial policies, accounting systems and regulations related to employees of the Company or subsidiary companies.

- 7- Opening bank accounts and investment accounts in asset management companies in the name of the Company or subsidiary companies inside or outside the Kingdom, closing them and investing and managing their funds.
- 8- Establishing subsidiary companies and participating in companies, signing contracts for the establishment of subsidiary companies or in which the Company shares with other companies or third parties, and signing resolutions to amend their contracts, including signing the amendment of management clauses and appointing and dismissing managers in them, before the notary and other authorities according to the Company's interest.
- 9- Forming permanent and temporary committees emanating from the Board of Directors, except for the audit committee.
- 10- Insurance on the Company's fixed and immovable property.
- 11- Authorizing its chairman, one or more of its members, or others to carry out specific work or actions that fall within the limits of his powers.

Article (22): Remunerations of the members of the Board of Directors and its sub-committees:

The remuneration of the members of the Board of Directors and the its committees consists of a certain amount, an attendance allowance for the sessions, in-kind benefits, or a certain percentage of the net profits, and two or more of these benefits may be combined, provided that the Board of Directors takes into account, in determining and disbursing those remunerations to it members or members of its committees, the relevant provisions contained in the companies' law, the corporate governance regulation, the rules and standards set by the Capital Market Authority in this regard, and the report of the Board of Directors to the Ordinary General Assembly must include a comprehensive statement of everything that the members of the Board of Directors obtained during the fiscal year of remunerations, attendance allowances, expenses and other benefits, and it should also include a statement of what board members have received as workers or administrators or what they have received in return for technical or administrative work or consultations, and it should also include a statement of the number of Board sessions and the number of sessions attended by each member from the date of the last meeting of the Ordinary General Assembly.

Article (23): Authorities of the Chairman, Deputy Chairman, Managing Director and Secretary:

- 1- The Board of Directors shall appoint from among its members a chairman and a deputy chairman, and he may specify the powers and responsibilities of each of them, and the Board of Directors may appoint a managing director and the board defines his terms of reference and remuneration, and it is not permissible to combine between the position of the chairman of the Board of Directors and any executive

and decisions in minutes, signing them by himself and the attending Board of Directors members, and recording them in a special register prepared for this purpose, and notifying the Board's decisions to the Company's CEO to take the necessary steps to implement such decisions.

- .8 Approval of issuing guarantees to banks, funds and government financing institutions and approving all banking transactions.
- .9 Opening, operating and closing bank and investment accounts in asset management companies in the name of the company or its subsidiaries inside and outside the Kingdom, closing such accounts, investing and managing their funds, withdrawing and depositing with banks, opening documentary credits, receiving checks, issuing and signing receipts, clearances, acquittals, declarations and stock derivatives transactions agreements and their attachments, signing all commercial documents and papers, including checks, bills of exchange and promissory notes, and endorsing them, issuing certified checks, appointing authorized signatories and authorized persons for electronic banking transactions, determining or dismissing their powers, issuing certified checks, obtaining credit facilities, dealing in treasury products and electronic banking operations and all banking transactions, investing and operating the company's funds in local and international markets inside and outside the Kingdom of Saudi Arabia, and authorizing those investments, and other banking powers.
- .10 Providing appropriate financial facilities to companies in which the company owns shares or stocks, directly or indirectly, regardless of their term. The Board may provide guarantees and mortgages to the creditors of those companies and waive priority in paying the company's debts to those companies. It may also provide financial, credit, technical, administrative and investment support, manage the treasury for those companies, provide loans to them and guarantee the debts of any of these companies, all in accordance with what the Board deems appropriate to achieve the company's commercial objectives.
- .11 The Board of Directors may also conclude loans with government financing funds and institutions, regardless of their term, in accordance with the relevant applicable laws and regulations.
- .12 Insuring the company's fixed and movable assets .
- .13 The Board of Directors may, in cases it deems appropriate, discharge the company's debtors from their obligations in accordance with what serves its interests, provided that the minutes of the Board of

position in the Company. Each of them may obtain a remuneration determined by the Board of Directors in addition to the remuneration determined for the members of the Board of Directors.

- 2- The Chairman of the Board of Directors shall be responsible for presiding over the meetings of the Board of Directors and calling for them, chairing the meetings of the ordinary and Extraordinary general assemblies, and representing the Company in its relations with others and with government departments, companies and individuals, before courts of all instances and classes, notaries and the Board of Grievances, offices for adjudicating commercial paper disputes and arbitration bodies and chambers of commerce and industry. For this purpose, he has the right to plead and defend the Company, provide evidence and documents, make conciliation and assignment, right to discharge, denial, acknowledgment, and request an oath, receive judgments, cassation, appeal and implement judgments. He shall have the right to sign contracts for the establishment of companies that the Company establishes or participate in its establishment, and to sign liquidation resolutions or resolutions to amend its incorporation contracts, including amending the management clauses, appointing and dismissing managers, and other resolutions, contracts, deeds and voids before the notary and official and private bodies. He also shall have the right to sign contracts, loan agreements, other financial agreements, mortgages and leases as well as signing agreements for opening and closing accounts in banks, asset management institutions and investment companies in public and private securities inside and outside the Kingdom, & the chairman of the Board shall have the Authority to sign the commercial notes including promissory notes, as well as the chairman of the Board, by a written resolution, has the right to delegate or delegate other members of the Board or others to carry out specific work or actions of his powers.
- 3- The Deputy Chairman of the Board shall replace the Chairman of the Board of Directors in his absence.
- 4- The Board of Directors appoints a secretary to be chosen by him from among its members or from others, and the Board of Directors defines his terms of reference and remuneration, and the terms of reference of the secretary of the Board of Directors include editing the facts and resolutions of the Board of Directors in minutes and signing them from him and the members of the Board of Directors present, and recording them in a special register prepared for this purpose. The resolutions of the board shall be communicated to the relevant departments of the Company to take the necessary measures to implement them, and the secretary of the Board of Directors shall keep the Company's seal.
- 5- The term of the chairman, his deputy, the managing director, and the secretary of the board member may not exceed the term of each of them in the board, and they may be re-elected, and the board may - at any time - dismiss them or any of them without

Directors and the grounds for its decision include consideration of the following conditions:

- a. The discharge shall be after one full year has passed since the debt arose.
- b. The discharge shall be a specified maximum amount for each year.
- c. The discharge is a right of the Board and may not be delegated.
- .14 Review and approve all high-value investments that fall outside the scope of powers granted to the Executive Management .
- .15 Establishing companies and signing on behalf of the company the articles of association of the companies in which the company participates and the appendices to their amendments. Regardless of the type of these companies and regardless of the content of these amendments, in accordance with the relevant applicable laws or accepting the shares and stocks transferred to the company or transferring or merging companies, and selling and buying shares in companies, this includes all shares, stocks, deeds or some of them, bonds and currencies of all kinds, and liquidating companies and deleting their records, and the Board may appoint representatives of the company to the boards of directors of companies affiliated with it or contributing to it, and attend meetings of partners or shareholders' assemblies and vote on behalf of the company and sign the decisions and minutes of meetings of partners' and shareholders' assemblies, and appoint and dismiss managers and officials in accordance with the relevant applicable laws and regulations.
- .16 Approving and amending the table/matrix of powers and responsibilities of the Board, committees and executive management.
- .17 Buying, selling and accepting real estate, mortgaging the company's assets, real estate, movables and facilities, releasing the mortgage, accepting the mortgage, vacating and collecting the price, and delivering the appraiser, merging the deeds, dividing and sorting, receiving the deeds, updating the deeds and entering them into the comprehensive system, extracting a set of deeds in place of lost ones, issuing a set of deeds in place of damaged ones, amending the boundaries, lengths, areas, plot numbers, plans, deeds and their dates, neighborhood names, converting agricultural lands to residential ones, amending the owner's name, leasing, signing rental contracts, renewing rental contracts, receiving rent in the company's name, canceling and terminating rental contracts, reviewing notaries to inquire about real estate properties, selling, vacating and

prejudice to the right of the dismissed person to compensation if the dismissal took place for an unlawful reason or at an inappropriate time.

Article (24): Board of Directors Meetings:

The Board of Directors shall meet upon the invitation of its chairman whenever the interest of the Company so requires, provided that the annual meetings held by the board are not less than four meetings, and the invitation must include the agenda and its documents. The chairman must invite the Board to meet whenever two of its members so request, and the invitation is received by hand or sent to each member by registered mail or other means of communication at least five days before the date of the meeting unless all members agree on a shorter date. The Board holds its meetings in the Company's head office or anywhere else, and the Board may invite anyone to attend its sessions without having the right to vote. The board has the right to hold the meetings by using any of the electronic means.

Article (25): Quorum for the Meeting of the Board of Directors:

The meeting of the Board of Directors shall not be valid unless attended by at least half of the members, provided that the number of attendees is not less than five members in person, provided that among them is the Chairman of the Board, his deputy, or whomever he delegates in writing to chair the Board meeting, and a member of the Board of Directors may delegate one of the members to attend the Board meetings in accordance with the following controls:

- 1- A member of the Board of Directors may not represent more than one member to attend the same meeting.
- 2- The assignment must be documented in writing.
- 3- It is not permissible for the deputy member to vote on the resolutions on which the law prohibits the delegate from voting on it.

Article (26): Resolutions and Deliberations of the Board of Directors:

- 1- The resolutions of the Board are issued by the majority of the opinions of the attending members or their representatives, and when opinions are equal, the side with which the session chair voted shall prevail.
- 2- The deliberations and resolutions of the Board of Directors are confirmed in minutes signed by the session chair, the attending board members and the secretary. These minutes are recorded in a special register signed by the Chairman and Secretary.
- 3- The Board of Directors may issue resolutions on urgent matters by presenting them to the members dispersed, by all means, unless one of the members requests in writing the meeting of the Board for deliberation. These resolutions are presented to the Board at its first subsequent meeting for confirmation, The Board has the right to

transferring in favor of state properties, vacating and receiving compensation, certifying copies of real estate deeds, entering into real estate contributions, purchasing real estate contribution shares, and selling real estate contribution shares. Delivering the appraiser, provided that the council specifies in its decision the reasons and justifications for that, and that the price of the sold asset is close to the price of a similar one. And specified in accordance with the applicable accounting principles, and the price shall not be deferred except in cases of necessity, and with sufficient guarantees, and the company shall not be harmed or have some of its activities stopped or incur other obligations due to the terms of the sale or mortgage.

.18 Representing the company in its relations with third parties, before governmental and private entities, companies, individuals, institutions, financial companies, and before courts of all levels and categories, notaries public, and administrative judicial departments inside or outside the Kingdom of Saudi Arabia.

.19 Claiming, filing cases, pleading, defending, hearing cases and responding to the same, acknowledging, denying, reconciling, waiving, acquitting, requesting an oath, disacknowledging such oath, abstaining from it, bringing witnesses and evidence and challenging it - answering, disparaging, amending, challenging forgery, denying handwriting, seals and signatures, requesting and lifting a travel ban, reviewing the seizure and execution departments, requesting seizure and execution, requesting arbitration, appointing experts and arbitrators, challenging, rejecting and replacing expert and arbitrator reports, demanding the execution of judgments, accepting and denying judgments, objecting to judgments, requesting appeal, requesting reconsideration, marginalizing judgment deeds, requesting restoration of honor, requesting pre-emption, completing what is required to attend hearings in all cases before all courts, receiving amounts by checks or bank transfers in the name of the company, receiving judgment deeds, requesting the judge's recusal, requesting entry and interference, and requesting the referral of the case to the administrative courts (the Board of Grievances, the General Courts, the Labor Courts, the Banking and Financial Disputes and Violations Committees, the Securities Disputes Settlement Committees in the Commercial Courts, and the Committees for Settling Insurance disputes and violations before the Control and Anti-Corruption Authority and the Public Prosecution, and a request to overturn the ruling before the Supreme Court, before the Committee for Considering Violations of the

use any electronic means to issue its resolutions & it shall be considered sound & effective.

Health Professions Practice System, before the Committee for Considering Violations of the Provisions of the Health Institutions System, the Lawyers Disciplinary Committee at the Ministry of Justice, the Zakat, Tax and Customs Committees, the Committee for Settling Tax Violations and Disputes, the Appeal Committee for Tax Violations and Disputes, the Committee for Settling Violations of the Banking Control System, the Committee for Considering Trademark Grievances and Extensions, before the Courts of Appeal, before the Supreme Judicial Council, and before the Committee for Considering Violations of the Provisions of the Health Insurance System.

.20 Reviewing records management, issuing records, renewing records, transferring commercial records, reserving a trade name, registering a trademark, assigning a trademark, assigning a trade name, opening a subscription with the Chamber of Commerce, renewing a subscription with the Chamber of Commerce, signing all documents with the Chamber of Commerce, managing records, amending records - approving a signature with the Chamber of Commerce, canceling a signature with the Chamber of Commerce, managing commercial activities, supervising records, amending records, adding an activity, opening branches for records, deleting and canceling commercial records, entering tenders, receiving forms, registering for electronic services with the Chambers of Commerce, activating services, receiving a password, subscribing to the Chamber of Commerce and renewing it, extracting and renewing licenses for the company, reviewing with the Capital Market Authority, the General Organization for Social Insurance, the Zakat, Tax and Customs Authority, and the Civil Defense.

.21 Registering in the electronic network for rental services, signing rental contracts for the electronic Ejar network and all contracts related to the rental process, amending rental contracts for the electronic Ejar network, cancelling and terminating rental contracts for the electronic Ejar network, receiving the rent and any financial amounts related to these contracts and waiving them, receiving the amount by checks or bank transfers in the name of the company, acknowledging receipt of the amount, receiving and delivering all rental units in the name of the company, using and implementing all services available through the electronic Ejar network, and completing all procedures related to the rental process through the electronic Ejar network.

.22 Registering in the Fee system of Idle Lands, reviewing the Fee system of Idle Lands, amending the data registered in the Fee system of Idle

Lands, submitting objections, receiving and delivering documents and papers, submitting refund requests, paying fees, receiving checks, receiving and delivering - reviewing all relevant parties, completing all necessary procedures, and signing as required.

.23 Issuing residency permits, replacement for damaged or lost residencies, exit and return visas, final exit visas, filing an absconding complaint, issuing replacement for damaged or lost travel visas, extensions of visit visas, a workers' data sheet (print), removing the registration of labor workers, issuing repatriation certificates, issuing a Hajj permit, reviewing and registering for the electronic service, receiving the password, renewing residencies, transferring sponsorships, transferring sponsorship of workers to oneself, transferring information, updating data, amending professions, settling and waiving workers, canceling absconding complaints, canceling exit and return visas, canceling final exit visas, adding dependents, completing procedures for deceased workers, reviewing the Deportation and Expatriates Department and the Department of Border Affairs. As for the Ministry of Human Resources and Social Development, this includes issuing visas, cancelling visas, issuing and renewing work permits, issuing a data sheet (print), receiving visa compensation, transferring sponsorships, amending professions, updating workers' data, liquidating and cancelling workers, reporting of absconding labor, cancelling reporting of absconding labor, completing labor procedures with social insurance, removing the registration of labor workers, adding workers, adding and removing Saudis, receiving Saudization certificates, opening primary and secondary files, renewing and cancelling them, transferring ownership of establishments, liquidating and cancelling them, and reviewing the private recruitment offices department.

.24 Reviewing with the Governorate and the Division for the implementation of human rights provisions, the police stations, the Road Security Command, General Intelligence Presidency, the General Directorate of Mujahideen, the Facilities Security Forces and the Presidency of State Security, the National Anti-Corruption Commission, the Criminal Investigations, the General Directorate of Narcotics Control - the General Directorate of Prisons, the General Directorate of Civil Defense, the General Directorate of Border Guards and its branches and the departments and sections affiliated therewith, and review the National Cybersecurity Authority.

- .25 Appointing and dismissing attorneys, agents and arbitrators in relation to the above.
- .26 The right to enter into tenders, collect money, make payments and sign all types of contracts, documents and papers.
- .27 Buy and sell shares, stocks, bonds, securities, and currencies of all types, and sign agreements and contracts before notaries public and official authorities.
- .28 The Board may appoint external consultants and experts to assist in various company matters and to monitor and evaluate their work.
- .29 The Board may, within its authority, delegate or authorize one or more of its members or third parties and issue a power of attorney to that effect, and it shall have the right to grant the attorney or the authorized representative the power to delegate or authorize others.

Article (21): Remuneration of the Members of the Board of Directors and its Committees:

- .1 The remuneration of the Board of Directors and its committees shall consist of a certain amount, or an attendance allowance for meetings, or in-kind benefits, or a certain percentage of net profits, or any combination thereof, based on the remuneration policy approved by the Ordinary General Assembly. Such remuneration shall be fair, incentivizing, and commensurate with the member's performance and the company's performance. In determining and paying such remuneration, the relevant provisions of the Companies Law and the Capital Market Law and their regulations shall be taken into consideration. The Board of Directors' report to the Ordinary General Assembly in its annual meeting shall include a comprehensive statement of all remuneration, attendance allowances, expenses allowances, and other benefits received or due to be received by each member of the Board of Directors during the fiscal year. It shall also include a statement of amounts received by the Board members in their capacity as employees or executives, or amounts received for technical, administrative, or consulting services. Furthermore, it shall include a statement of the number of Board meetings and the number of meetings attended by each member since the last meeting .
- .2 If the Audit Committee or the Capital Market Authority finds that the remuneration paid to any member of the Board of Directors is based on incorrect or misleading information that was presented to the General Assembly or included in the Board's annual report, such member shall be required to return the remuneration to the company, and the company shall have the right to claim its recovery .

.3 If the General Assembly decides to terminate the membership of any member of the Board of Directors who has been absent from three consecutive meetings or five separate meetings of the Board during his term of office without a valid excuse accepted by the Board, such member shall not be entitled to any remuneration for the period following the last meeting he attended, and he shall be required to return all remuneration paid to him for that period.

Article (22): Powers of the Chairman, Vice-Chairman, and Chief Executive Officer:

.1 The Board of Directors shall, at its first meeting, appoint from among its members a Chairman and a Vice-Chairman. It may also appoint from among its members a Managing Director and/or a Chief Executive Officer. The position of Chairman of the Board shall not be combined with any executive position in the company, including the position of Managing Director or Chief Executive Officer. The Chairman of the Board shall have the authority to sign on behalf of the company and to implement the decisions of the Board. The Board of Directors may remove the Chairman, Vice-Chairman, Managing Director, Chief Executive Officer, or Secretary from their positions, but this shall not result in their removal from membership on the Board of Directors.

.2 The Chairman of the Board shall be responsible for presiding over meetings of the Board of Directors, convening such meetings, and presiding over meetings of the general and special assemblies.

.3 The Chairman of the Board shall represent the company in its relations with third parties, government agencies, companies, individuals, and before courts of all levels and categories, notaries public, the Board of Grievances, all judicial and quasi-judicial bodies, arbitration panels, and commercial and industrial chambers. For this purpose, the Chairman shall have the following powers:

a. The power to sign the articles of association of companies that the company establishes or participates in establishing, and to sign resolutions for their liquidation or resolutions to amend their articles of association, including amendments to the provisions of management, appointment and dismissal of directors, and other resolutions, contracts, deeds or discharges before notaries public and official and private authorities. The Chairman shall also have the power to sign contracts and

loan agreements, other financial agreements, mortgages, and agreements to open and close bank accounts, to collect funds by means of bank transfers or cheques in the name of the company, asset management institutions, and public and private securities investment companies within and outside the Kingdom, and shall have the authority to sign commercial papers, including promissory notes.

b. Regarding [Real Estate]: to sell and transfer of ownership to the purchaser; to receive the payment; purchase and accept the transfer, and paying the price; to barter or exchange; to gift and transfer ownership; to accept gifts and transfer of ownership; to accept and transfer relinquishments; to mortgage; to release a mortgage; to accept a mortgage; to merge title deeds; to subdivide and partition; to receive title deeds; to update titles deeds and enter them into the comprehensive system; to issue a new set of title deeds to replace lost ones; to issue a new set of title deeds to replace damaged ones; to amend boundaries, lengths, areas, plot numbers, plans, title deeds, dates, and neighborhood names; to convert agricultural land to residential; to amend the owner's name; to lease; to sign lease agreements; to renew lease agreements; to receive rent on behalf of the company; to cancel and terminate lease agreements; to review notarial records to inquire about real estate; to sell and convey; to assign to state-owned properties and convey; to receive compensation; to certify copies of real estate titles; to participate in real estate partnerships; to purchase shares in real estate partnerships; and to sell shares in real estate partnerships.

c. Regarding]claims and litigation:[to file and pursue claims; to plead and defend; to hear and respond to lawsuits; to admit; to deny; to settle; to waive and release; to request and respond to oaths and to refuse to take oaths; to present witnesses and evidence and to challenge them; to file answers, to accept and reject the eligibility of witnesses; to allege forgery; to deny signatures, seals, and endorsements; to request and lift a travel ban; to review the attachment and execution departments; to request attachments and executions; to request arbitration; to appoint experts and arbitrators; to challenge and appeal expert and arbitral reports; to dismiss and replace experts and arbitrators; to enforce judgments; to admit and execute judgments; to appeal judgments; to request an appeal; to file a petition for reconsideration; to make marginal notes on judgment records; to request rehabilitation; to request pre-emption; to attend all

court hearings for all lawsuits in all courts; to receive amounts by cheques or bank transfer in the company's name; to receive judgment instruments; to request the judge's recusal; to request to include and intervene; to request referral of the case; to administrative courts (the Board of Grievances, general courts, labor courts, committees for banking and financial disputes and violations, Committee for Resolution of Securities Disputes, commercial courts, insurance disputes and violations committees, the Control and Anti-Corruption Authority, the Public Prosecution), to appeal judgments before the Supreme Court, Committee to consider violations of the health professions practice system, Committee for the Consideration of Violations of the Provisions of the Health Institutions System, Lawyers Disciplinary Committee of the Ministry of Justice, Zakat, tax, and customs committees, the committee for settling tax disputes and violations, the appeals committee for tax disputes and violations, Committee for the adjudication of violations of the Banking Control System, Trademark Grievances Review Committee; to request adjournments before the courts of appeal, the Supreme Judicial Council, and Committee for examining violations of the provisions of the health insurance system.

d. Regarding [Commercial Records]: to review records management; to issue records; to renew records; to transfer commercial records; to reserve a trade name; to register a trademark; to assign a trademark; to assign a trade name; to open a membership at the Chamber of Commerce; to renew a membership at the Chamber of Commerce; to sign all documents at the Chamber of Commerce; to manage records; to amend records; to authorize signatures at the Chamber of Commerce; to cancel authorized signatures at the Chamber of Commerce; to manage commercial businesses; to supervise records; to amend records; to add activities; to open branches for records; to cancel commercial records; to enter tenders and receive forms; to register for electronic services at the Chamber of Commerce, activate services, and receive a password; to subscribe to the Chamber of Commerce; to renew the subscription to the Chamber of Commerce; to obtain and renew licenses for the company; to review the Capital Market Authority; to review the General Organization for Social Insurance; to review the General Authority for Zakat, Tax, and Customs; to review the General Directorate of Civil Defense.

- e. Regarding [Security Agencies]: to review with the Emirate and Division of Enforcement of Legal Judgments; to review with police stations; to review with the Traffic Security Command; to review with the Presidency of General Intelligence; to review with the General Directorate of Mujahideen; to review with the Facilities Security Forces; to review with the State Security Presidency; to review with the Oversight and Anti-Corruption Authority; to review with the Criminal Investigation Department; to review with the General Directorate for Drug Control; to review with the General Directorate of Prisons; to review with the General Directorate of Civil Defense; to review with the General Directorate of Border Guards and its branches and affiliated departments; to review with the National Cybersecurity Authority.
- f. Regarding [E-Ejar Network]: to register in the electronic network for rental services; to sign the electronic rental contracts of the Ejar network; to sign all contracts related to the rental process; to amend the rental contracts of the electronic Ejar network; to cancel and terminate the rental contracts of the electronic Ejar network; to receive rent and any other financial amounts related to these contracts, to assign them, and to receive payments by cheques or bank transfers in the company's name, and to acknowledge receipt of the payment; to receive and deliver all rental units in the company's name; to use and implement all services available through the electronic Ejar network; to complete all procedures related to the rental process through the electronic Ejar network.
- g. Regarding the [White Land Fees Program]: to register in the White Land Fees Portal; to review with the White Lands Program; to amend the data registered in the White Land Fees Portal; to submit objections; to receive and deliver documents; to submit refund requests; to pay fees and receive cheques; to receive and deliver; to review all relevant parties and complete all necessary procedures, and to sign where required.
- h. Regarding [Passports]: to issue residency permits; to issue replacement residencies for lost or damaged ones; to issue re-entry visas; to issue final exit visas; to file an absconding report; to issue replacement travel visas for lost or damaged ones; to issue extensions for visit visas; to issue worker data reports (print); to remove the registration of laborers; to issue repatriation certificates; to issue Hajj permits; to register for electronic services and receive a password; to renew residencies; to transfer

sponsorships; to transfer the sponsorship of workers to oneself; to transfer information and update data; to amend professions; to settle and waive workers; to cancel absconding reports; to cancel re-entry visas; to cancel final exit visas; to add dependents; to finalize the procedures for deceased workers; to review the Department of Deportation and Expatriates and the Ports Affairs Department. Regarding the Ministry of Human Resources and Social Development: to issue visas; to cancel visas; to issue and renew work permits; to issue data statement (print); to receive visa compensations; to transfer sponsorships; to amend professions; to update worker data; to liquidate and cancel the registration of laborers; to report labor escape; to cancel reports of escaped workers; to finalize the procedures for workers at the General Organization for Social Insurance; to remove the registration of laborers; to add labor workers; to add and remove Saudis; to receive Saudization certificates; to open, renew, and cancel primary and secondary files; to transfer, liquidate and cancel the ownership of establishments; to review with the Department of Non-government Recruitment Offices.

i. The chairman of the board, within his authority, shall have the right to delegate or authorize one or more of his members or others and issue a legal power of attorney for that purpose. He also shall have the right to grant the authorized representative the power to delegate or authorize others.

j. The Vice Chairman of the Board shall replace the Chairman of the Board in his absence in cases where the Board has a Vice Chairman.

.4 The Chief Executive Officer shall be responsible for overseeing the company's day-to-day operations, managing its affairs, and following up on the execution of its contracts in accordance with the relevant laws and regulations and in accordance with the powers specified in the company's approved regulations, policies, and authority matrix, and any other powers delegated to him by the Board of Directors.

Article (23): Board of Directors Meetings:

The Board of Directors shall meet at least four times a year, with at least one meeting every three months, upon the request of its Chairman or at the request of a member, or whenever necessary. The invitation shall be documented in the manner determined by the Board.

Article (24): Quorum for the Board of Directors meeting:

.1 A meeting of the Board shall be valid only if a majority of the members of the Board are present in person or by a representative, provided that the number of members present in person shall not be less than five. In the event that a quorum is not attained, the meeting shall be adjourned and reconvened within one business day of the previous meeting. Notice of any meeting shall be given by email, registered mail, text message, or any other modern means of communication, or any other means agreed upon in writing by all members of the Board at least five days prior to any meeting, unless the circumstances require an urgent meeting, in which case the notice may be sent less than five days prior to the meeting, accompanied by the meeting agenda and the necessary documents and information. A member of the Board of Directors may be represented by another member at Board meetings, subject to the following conditions:

a. A member of the Board of Directors may not appoint any person who is not a member of the Board as a representative.

b. A member of the Board of Directors may not represent more than one member at the same meeting.

c. The representation shall be proven in writing, specifying voting rights.

d. The representative shall not vote on decisions that the Articles of Association prohibits any representative from voting on.

.2 The Capital Market Authority may, by resolution, call an ordinary general meeting in the event that the number of members of the Board of Directors falls below the quorum required for its meetings.

.3 A member of the Board of Directors may attend Board meetings by means of modern technology (telephone or video).

.4 The resolutions of the Board of Directors shall be issued by a majority of the votes of the Board members present or represented at the meeting. In case of equal vote, the Chairman has the casting vote.

Article (25): Board Resolutions and Deliberations:

.1 The deliberations and resolutions of the Board of Directors are recorded in minutes signed by the Chairman of the Board, the members present, and the Secretary .

.2 These minutes are recorded in a special register signed by the Chairman of the Board and the Secretary.

.3 Modern technology means may be used to sign and record deliberations and decisions and record the minutes.

Article (26): Issuing Board Decisions on Urgent Matters:

The Board of Directors may issue its decisions on urgent matters by presenting them to all members by circulation, unless a member requests, in writing, a Board meeting to deliberate on them. These decisions shall be issued by the approval of the majority of its members' votes, and shall be presented to the Board at its first subsequent meeting to be recorded in the minutes of that meeting.

Article (27): Disclosure of Interest in Business and Contracts:

.1 Subject to the provisions of Article (27) of the Companies Law and the Law and Regulations issued by the Board of the Capital Market Authority, a member of the Board of Directors shall, upon becoming aware of any interest they have, whether direct or indirect, in the business and contracts for the account of the company, notify the Board of Directors thereof, and this notification shall be recorded in the minutes of the Board meeting when it is convened. This member may not participate in voting on the resolution issued in this regard in the Board and General Assemblies. The Board shall notify the General Assembly when it convenes of the business and contracts in which the member of the Board has a direct or indirect interest, and a special report from the Company's auditors shall be attached to the notification, prepared in accordance with the auditing standards approved in the Kingdom.

.2 If a member of the Board fails to disclose its interest referred to in paragraph (1) of this Article, the Company or any interested party may claim before the competent judicial authority to invalidate the contract or oblige the member to pay any profit or benefit achieved by it therefrom .

.3 Liability for damages resulting from the actions and contracts referred to in paragraph (1) of this Article shall fall on the member who has an interest in the action or contract, and on the members of the Board of Directors in the event of their failure or negligence in performing their obligations in violation of the provisions of that paragraph or if it is proven

Chapter IV

Shareholders' Assemblies

Article (27): Attendance of Assemblies:

Every subscriber, regardless of the number of his shares, shall have the right to attend the constituent assembly, and every shareholder has the right to attend the general assemblies of shareholders, and in this regard he has the right to delegate another person other than members of the Board of Directors or Company's employees to attend the general assembly. Shareholders may participate in the meetings of the public and private assemblies and their deliberations, and shareholders may be informed of the agendas of those meetings and the relevant documents by means of modern technology, in accordance with the controls established by the Capital Market Authority in this regard.

Article (28): Constituent Assembly:

The founders call all subscribers to hold a constituent assembly within forty-five days from the date on which the door to subscribe to shares is closed, and the attendance of a number of subscribers representing at least half of the capital is required, and if this quorum is not available, the second meeting will be held an hour after the end of the period specified for the first meeting provided that the invitation for the first meeting should include that. In all cases, the second meeting shall be valid regardless of the number of subscribers represented.

Article (29): Competences of the Constituent Assembly:

The Constituent Assembly shall be concerned with the matters mentioned in Article 63 of the Companies' Law.

Article (30): Competences of the Ordinary General Assembly:

With the exception of matters pertaining to the Extraordinary General Assembly, the Ordinary General Assembly is concerned with all matters related to the Company, and it

that such actions and contracts are unfair or involve a conflict of interest and cause harm to shareholders .

.4 Members of the Board of Directors who oppose the decision shall be exempted from liability if they explicitly state their objection in the minutes of the meeting, and absence from attending the meeting in which the decision is issued shall not be considered a reason for exemption from liability unless it is proven that the absent member did not know about the decision or was unable to object to it after knowing about it.

CHAPTER FOUR:

SHAREHOLDERS' ASSEMBLIES

Article (28): Attending Assemblies:

.1 Every shareholder has the right to attend general or special assemblies, and he may delegate another natural person to do so on his behalf by written power of attorney, whether this person is a shareholder in the company or not, provided that they are not a member of its board of directors or an employee of the company. The assembly shall be held in the city in which the company's headquarters is located, and the shareholder may vote on the decisions of the General Assembly by means of modern technology in accordance with the rules set by the competent authorities.

.2 The General Assembly meeting may be held, and the shareholder may participate – personally, if they are a natural person - in the deliberations and vote on the resolutions by means of modern technology, provided that the requirements contained in the rules of the Board of the Capital Market Authority are met.

Article (29): Functions of the Ordinary General Assembly:

With the exception of the matters that are within the jurisdiction of the Extraordinary General Assembly, the Ordinary General Assembly shall be competent in all matters related to the Company and shall convene at least once a year within the six months following the end of the Company's fiscal year. Other Ordinary General Assemblies may be called to meet whenever necessary. In particular, it is responsible for the following:

.1 Electing and dismissing members of the Board of Directors.

convenes at least once a year during the six months following the end of the Company's fiscal year. Other ordinary general assemblies may be called whenever the need arises, in order to consider the following items:

- 1- Voting and approving the report of the Board of Directors for the financial year.
- 2- Voting on the auditor's report for the financial year.
- 3- Voting on the final accounts and the profit and loss account and approving what was stated in them.
- 4- Voting on choosing an auditor for the Company's accounts from among the nominees by the audit committee to review the Company's accounts for the fiscal year and determine their fees.
- 5- Voting on discharging the members of the Board of Directors.
- 6- Electing members of the Board of Directors and determining their remuneration.

Article (31): Competences of the Extraordinary General Assembly:

The Extraordinary General Assembly has the authority to amend the Company's articles of association with the exception of matters that it is forbidden to amend by law. In addition, it has the right to issue resolutions on matters included in the jurisdiction of the Ordinary General Assembly, according to the same terms and conditions prescribed for the Ordinary General Assembly.

Article (32): Assemblies Invitations:

The general or private assemblies of the shareholders shall convene at the invitation of the Board of Directors in accordance with the conditions stipulated in this Law and the Companies Law and the controls set by the Capital Market Authority in this regard, and the Board of Directors shall invite the Ordinary General Assembly to convene if requested by the auditor, the audit committee, or a number of shareholders representing (5%) of the capital at least, and the auditor may invite the assembly to convene if the board does not invite the assembly within thirty days from the date of the auditor's request. The invitation to convene the general assembly is published in a daily newspaper distributed in the region in which the Company's headquarters are located, or by means of modern technology, at least twenty-one days before the date set for the meeting. Nevertheless, it is permissible to address the invitation at the aforementioned time to all shareholders by registered letters. A copy of the invitation and the agenda is sent to the Ministry of Commerce and Investment and the Financial Market Authority, within the specified period for publication. Subject to the foregoing and what is stated in Article 91 of the Companies Law, the Company may invite the general and private assemblies of its shareholders to convene by means of modern technology.

Article (33): Assemblies Attendance Record:

- .2 Appointing one or more auditors for the company, in accordance with the requirements of the Articles of Association, determining their fees, reappointing them, and dismissing them.
- .3 Reviewing and discussing the Board of Directors' report.
- .4 Reviewing and discussing the Company's financial statements.
- .5 Discussing the auditors' report, if any, and taking a decision thereon.
- .6 Deciding on the Board of Directors' proposals regarding the method of distributing profits.
- .7 Forming the Company's reserves and determining their uses.
- .8 Authorizing a Board member to have a direct or indirect interest in the business and contracts concluded on behalf of the company, in accordance with the provisions of the Companies Law and its implementing regulations.
- .9 Authorizing a Board member to participate in any business that may compete with the company or compete with the company in one of the branches of activity it carries out, in accordance with the provisions of the Companies Law and its implementing regulations.
- .10 Monitoring the Board members' compliance with the provisions of the Companies Law and its implementing regulations and other related regulations and the Company's Articles of Association, and examine any damage arising from their violation of those provisions or their mismanagement of the Company's affairs and determine the liability resulting therefrom, and take the decisions it deems appropriate in this regard in accordance with the Companies Law and its implementing regulations.
- .11 Considering violations and errors committed by the Company's auditors in performing their duties, and any difficulties, notified by the Company's auditors, related to enabling the Board of Directors or the Company's management to review the books, records, and other documents, data and explanations necessary to perform their duties, and take the decisions it deems appropriate in this regard.

Shareholders who wish to attend the general or private assembly register their names in the Company's head office prior to the time set for the assembly.

Article (34): Quorum for the Meeting of the Ordinary General Assembly:

The holding of the Ordinary General Assembly meeting is not valid unless attended by shareholders representing at least half of the capital, and if the quorum necessary for holding this meeting is not met, the invitation is issued for a second meeting to be held within the thirty days following the previous meeting, and the second meeting may take place an hour after the end of the period specified for holding the first meeting, provided that the invitation to hold the first meeting includes evidence of the announcement of the possibility of holding this meeting. In all cases, the second meeting shall be valid regardless of the number of shares represented in it.

Article (35): Quorum for the Meeting of the Extraordinary General Assembly:

The meeting of the Extraordinary General Assembly is not valid unless attended by shareholders representing at least half of the capital, and if this quorum is not available at the first meeting, an invitation is issued for a second meeting to be held within the thirty days following the previous meeting, and the second meeting may take place an hour after the end of the period specified for holding the first meeting, provided that the invitation to hold the first meeting includes evidence of the announcement of the possibility of holding this meeting. In all cases, the second meeting will be valid if attended by a number of shareholders representing at least a quarter of the capital. If the necessary quorum is not met in the second meeting, an invitation is sent to a third meeting to be held according to the same conditions stipulated in Article 32 of this law, and the third meeting will be valid regardless of the number of shares represented in it, after the approval of the competent authority.

Article (36): Voting in Assemblies:

Every subscriber has a vote for every share he represents in the constituent assembly, and every shareholder has a vote for every share in the ordinary and extraordinary general assemblies. The cumulative vote must be used in the election of the Board of Directors. Members of the Board of Directors may not participate in voting on resolutions of the Assembly related to absolving them of responsibility for the management of the Company or related to a direct or indirect interest to them. The Company may allow the shareholders to vote automatically on the agenda items of the general and private assemblies - and if they do not attend these meetings - in accordance with the controls laid down by the Capital Market Authority in this regard.

Article (37): Resolutions of Assemblies:

The resolutions of the Constituent Assembly are issued by the absolute majority of the shares represented in it, and the resolutions of the Ordinary General Assembly are issued by the absolute majority of the shares represented in the meeting, and the resolutions of

.12 Reporting on the use of the Company's reserves in the event that they are not allocated for a specific purpose in the Company's Articles of Association, provided that the use of these reserves is based on a proposal from the Board of Directors and in ways that benefit the Company or shareholders .

.13 Deducting amounts from the Company's net profits to achieve social purposes for the Company's employees, in accordance with Article (123) of the Companies Law.

.14 Approving the sale of more than (50%) of the Company's assets, whether in one or several transactions within twelve months from the date of the first sale transaction. If the sale of these assets includes what falls within the powers of the Extraordinary General Assembly, the approval of the Extraordinary General Assembly shall be obtained.

Article (30): Functions of the Extraordinary General Assembly:

The Extraordinary General Assembly shall be competent to amend the Company's Articles of Association, with the exception of the provisions that it is prohibited from amending by law, in addition to its competence to decide on the continuation or dissolution of the Company, and to approve the purchase of its shares by the Company. It may issue decisions on matters falling within the competence of the Ordinary General Assembly, under the same terms and conditions stipulated for the Ordinary General Assembly. This is in addition to the activities of the Assembly, as stipulated in the relevant applicable laws and regulations.

Article (31): Invitation to Assemblies:

.1 General or special assemblies shall be convened upon invitation from the Board of Directors, and the invitation shall be sent at least twenty-one (21) days before the specified date by publishing the invitation and agenda on the website of the Financial Market (Tadawul) and the Company's website, and a copy of the invitation and agenda shall be sent to the Commercial Register and the Capital Market Authority within the specified period for publication, in accordance with the rules specified by the competent authority and the standards contained in the Companies Law.

.2 The Board of Directors shall call the ordinary General Assembly to convene within (30) thirty days from the date of the request of the auditor or one or more shareholders representing at least (10%) ten

the Extraordinary General Assembly are also issued by a two-thirds majority of the shares represented in the meeting, unless it is a resolution related to increasing or reducing the capital or prolonging the period of the Company's dissolution or its dissolution prior to the expiry of the period specified in its articles of association or its merger with another Company. The resolution is not valid unless it is issued by a majority of three quarters of the shares represented in the meeting. The Board of Directors shall - in accordance with the provisions of the Companies Law - declare the resolutions of the Extraordinary General Assembly if they include amending the Company's articles of association.

Article (38): Discussion in the Assemblies:

Every shareholder shall have the right to discuss issues on the assembly's agenda and pose questions about them to the members of the Board of Directors and the auditor. The Board of Directors or the auditor answers the shareholders' questions to the extent that the interest of the Company is not compromised. If the shareholder deems that the answer to his question is not convincing, he shall refer to the Assembly, and its resolution in this regard is enforceable.

Article (39): Presidency of Assemblies and Preparing Minutes:

The general assembly meetings of the shareholders are chaired by the chairman or his deputy in his absence, or whoever is delegated by the Board of Directors from among its members for that in the absence of the chairman and his deputy. A minutes shall be written down at the meeting of the assembly, including the number of shareholders present or representatives, the number of shares in their possession in origin or agency, the number of votes decided for them, the resolutions taken, the number of votes that approved or disagreed with them, and a comprehensive summary of the discussions that took place in the meeting. Minutes are recorded on a regular basis after each meeting in a special register signed by the chairman of the assembly, its secretary, and the canvasser.

percent of the Company's voting shares. The auditor may invite the ordinary General Assembly to convene if the Board does not issue the invitation within (30) thirty days from the date of the auditor's request.

.3 General Assembly meetings of shareholders may be held, and the shareholder may participate in their deliberations and vote on their decisions by means of modern technology, according to the rules set by the Capital Market Authority.

.4 The Ordinary General Assembly may be called for a meeting by a decision of the competent authority in the following cases:

A. If the period specified for the convening of the Ordinary General Assembly referred to in paragraph (1) of this Article has expired .

B. If it becomes clear that there are violations of the provisions of the law or the Company's Articles of Association or a defect in the management of the company, including the number of Board of Directors members being less than the minimum for the validity of its convening.

C. If the Board does not call for the convening of the ordinary General Assembly within the period specified in paragraph (2) of this Article from the date of the request of the auditor or one or more shareholders representing at least (10%) ten percent of the company's voting shares.

Article (32): Record of Attendance at Assemblies:

Shareholders who desire to attend the general or special assembly shall register their names at the Company's headquarter or via modern technology before the time specified for the assembly to be held.

Article (33): Quorum for the Ordinary General Assembly Meeting:

The Ordinary General Assembly meeting shall not be valid unless attended by shareholders representing at least a quarter of the Company's shares that have voting rights. If the quorum required to hold this meeting is not available, an invitation shall be sent for a second meeting to be held within the thirty days following the previous meeting. This invitation shall be published in the manner stipulated in Article (31) of these Articles of Association. However, the second meeting may be held one hour after the end of the period specified for holding the first meeting, provided that the invitation to hold the first meeting includes an announcement of the

possibility of holding the meeting. In all cases, the second meeting shall be valid regardless of the number of shares with voting rights represented therein.

Article (34): Quorum for the Extraordinary General Assembly Meeting:

The Extraordinary General Assembly meeting shall not be valid unless it is attended by shareholders representing at least half of the Company's shares that have voting rights. If the quorum is necessary to hold the Extraordinary General Assembly meeting, an invitation shall be sent to a second meeting to be held in the same conditions stipulated in Article (31) of these Articles of Association. However, the second meeting may be held one hour after the end of the period specified for holding the first meeting, provided that the invitation to hold the first meeting includes evidence of the possibility of holding that meeting. In all cases, the second meeting is valid if it is attended by a number of shareholders representing at least (a quarter) of the Company's shares that have voting rights.

If the quorum necessary to hold the second meeting is not available, an invitation shall be sent for a third meeting to be held in the same conditions stipulated in Article (31) of these Articles of Association, and the third meeting shall be valid regardless of the number of shares with voting rights represented in it.

Article (35): Voting in Assemblies:

Each shareholder shall have one vote for each share in the general assemblies, and cumulative voting shall be used to elect the Board of Directors. Members of the Board of Directors may not participate in voting on the General Assembly's decisions related to dismissing them from managing the company or matters related to their direct or indirect interest.

Article (36): Resolutions of the Assemblies

- .1 Resolutions of the Ordinary General Assembly are issued with the approval of the majority of voting rights represented at the meeting.
- .2 The resolutions of the Extraordinary General Assembly are issued with the approval of (two-thirds) of the voting rights represented at the meeting, unless the resolution is related to increasing or reducing the capital, extending the duration of the Company, dissolving it before the expiry of the period specified in its Articles of Association, merging with another company or institute, in which case the resolution is not valid unless it is issued with the approval of (three-quarters) of the voting rights represented at the meeting.

.3 The Board of Directors shall register in the Commercial Register the decisions of the Extraordinary General Assembly specified by the regulations within (15) fifteen days from the date of their issuance.

.4 The General Assembly's decision shall be effective from the date of its issuance, except in cases where the Companies Law or the issued decision stipulates its validity at another time or when certain conditions are met.

.5 Without prejudice to the rights of bona fide third parties, any shareholder may submit to the competent judicial authority a request to invalidate the decision of the shareholders' assembly issued in violation of the provisions of the Companies Law and its executive regulations or these Articles of Association if it objects to it during the meeting or is absent from it with an acceptable excuse. The invalidity claim shall not be considered after the expiry of (90) ninety days from the date of issuance of the decision .

Article (37): Discussion in Assemblies:

Each shareholder shall have the right to discuss the issues included on the agenda of the assembly and direct questions in this regard to the members of the Board of Directors and the auditor. Any provision in these Articles of Association that deprives the shareholder of this right shall be invalid. At the same time, the Board of Directors or the auditor shall answer the questions of the shareholders to the extent that may not cause damage to the interests of Company. Thus, if the shareholder considers that the answer to their question is not enough, they shall appeal to the Assembly, and its resolution in this regard shall be valid.

Article (38): Presiding Over Assemblies and Preparing Minutes

The meetings of the General Assemblies of shareholders shall be chaired by the Chairman of the Board of Directors or his deputy in his absence, or by whomever the Board of Directors delegates from among its members. In the event of the absence of the Chairman of the Board of Directors and his deputy, and in the event that this is not possible, the General Assembly shall be chaired by whomever the shareholders delegate from among the members of the Board or from others by voting. Minutes shall be drawn up at the General Assembly meeting including the number of shareholders present in person or by proxy, the number of shares they hold in person or by proxy, the number of votes assigned to them, the decisions taken, the number of votes that approved or opposed them, and a comprehensive summary of the discussions that took place at the meeting. The minutes

Chapter V
Audit Committee

Article (40): Formation of the Audit Committee:

By a resolution of the Ordinary General Assembly, an audit committee shall be formed from non-members of the executive Board of Directors, whether from the shareholders or from others, provided that the number of its members is not less than three and not more than five members, and that the resolution specifies the duties of the committee, its work controls, and the remuneration of its members.

Article (41): Quorum for the meeting of the Audit Committee:

For the audit committee meeting to be valid, the attendance of the majority of its members is required, and its resolutions are issued by the majority of the votes of those present.

Article (42): Competences of the Audit Committee:

The audit committee is responsible for monitoring the Company's business, and for this purpose it has the right to view the Company's records and documents and request any clarification or statement from the members of the Board of Directors or the executive management, and it may request the Board of Directors to invite the Company's general assembly to convene if the Board of Directors impedes its work or the Company is exposed to severe damages or losses.

Article (43): Reports of the Audit Committee:

The audit committee must consider the Company's financial statements and the reports and notes provided by the auditor, and express its views on them, if any, and it must also prepare a report on its opinion regarding the adequacy of the Company's internal control system and what it has done of other activities that fall within its jurisdiction. The Board of Directors must deposit sufficient copies of this report in the Company's head office at least twenty one days before the date of the general assembly to provide all shareholders who wish to have a copy of it. The report is read during the assembly.

shall be recorded regularly after each meeting in a special register signed by the Chairman of the Assembly, its Secretary, and the Vote Collector.

CHAPTER FIVE:
AUDIT COMMITTEE

Article (39): Formation of the Committee

.1 By a decision of the Company's Board of Directors from shareholders or others, an Audit Committee shall be formed, in accordance with the following controls:

- a. It shall not include any of the executive members of the Board of Directors.
- b. The number of its members shall not be less than three members and not more than five members, including a specialist in financial and accounting affairs.
- c. At least one independent member shall be among the members of the Audit Committee.
- d. The chairman of the Audit Committee shall be an independent member.
- e. Half of the members of the Audit Committee shall be independent members or those who do not meet the conditions of independence stipulated in Article (19) of the Corporate Governance Regulations.

.2 The Company's General Assembly shall issue, based on the proposal of the Board of Directors, the Audit Committee's work regulations, provided that these Regulations include the controls and procedures for the committee's work, its missions, the rules for selecting its members, how to nominate them, the duration of their membership, their remuneration, and the mechanism for appointing its members temporarily in the event of a vacancy in one of the committee's seats.

Article (40): Committee Meeting Quorum

For a meeting of the Audit Committee to be valid, the attendance of the majority of its members is required, and its decisions are issued by the majority of the votes of those present. In the event of equal votes, the side with which the chairman of the committee voted shall prevail.

Article (41): Scope of the Committee

The Audit Committee is responsible for monitoring the Company's business, and for this it has the right to review its records and documents and to request any clarification or statement from the members of the Board of Directors or the executive management, and it may ask the Board of Directors to issue an invite of the Company's General Assembly to

Chapter VI

Auditor of the Company

Article (44): Appointing the Company's Auditor:

The Company must have one or more auditors from among the auditors licensed to work in the Kingdom appointed by the Ordinary General Assembly annually, and determine his fees and the duration of his work, and it may reappoint him, provided that the period of his appointment does not exceed five continuous years, and whoever has exhausted this period may be reappointed two years after its expiry date. The assembly may also change it at any time without prejudice to its right to compensation if the change occurred at an inappropriate time or for an unlawful reason.

Article (45): Authorities of the Company auditor:

The auditor shall have the right at any time to view the Company's books, records and other documents, and he also shall have the right to request the data and clarifications that he deems necessary to obtain, in order to verify the Company's assets, obligations, and other things that fall within the scope of his work. The chairman of the Board of Directors shall enable him to perform his duty, and if the auditor encounters difficulty in this regard, he shall prove this in a report submitted to the Board of Directors. If the board does not facilitate the work of the auditor, he must request the Board of Directors to call the Ordinary General Assembly to consider the matter. The auditor must submit to the

convene if the Board of Directors obstructs its work or the Company is exposed for serious damage or loss.

Article (42): Committee Reports

The Audit Committee shall consider the Company's financial statements, reports and notes provided by the auditor, and express its views on them, if any. It shall also prepare a report on its opinion regarding the adequacy of the Company's internal control law and the other work it has carried out within the scope of its competence. The Board of Directors shall deposit sufficient copies of this report at the Company's head office at least twenty-one days before the date of the assembly to provide a copy of it to all shareholders who request it. The report shall be read out during the Assembly.

CHAPTER SIX:

AUDITOR

Article (43): Appointment, Dismissal and Retirement of The Company's Auditor

- .1 The Company shall have one or more auditors licensed in the Kingdom, appointed by the Ordinary General Assembly, whose remuneration and term of service shall be determined. The auditor may be reappointed, provided that his term of appointment does not exceed the period stipulated by law.
- .2 The auditor may be dismissed by a decision taken by the General Assembly, without prejudice to his right to compensation for the damages incurred, if applicable. The chairman of the Board of Directors shall notify the competent authority of the dismissal decision and its reasons, within a period not exceeding (five) days from the date of issuance of the decision.
- .3 The auditor may resign from their duties by a written notification submitted to the Company, and their duties shall end from the date of submission or at a later date specified in the notification, without prejudice to the Company's right to compensation for the damages incurred, if applicable. The retired auditor shall be obligated to submit to the Company and the competent authority - when submitting the report - a statement of the reasons for his retirement, and the Board of Directors shall invite the

annual Ordinary General Assembly a report prepared in accordance with the generally accepted auditing standards, including the position of the Company's management to enable him to obtain the data and clarifications he requested, and what he may have found of violations of the provisions of the law or the provisions of the Company's articles of association, and his opinion of the extent of fairness of the Company financial statements. The auditor reads his report in the General Assembly. If the assembly decides to approve the report of the Board of Directors and the financial statements without hearing the auditor's report, its resolution will be void and null.

Chapter VII

Company's Accounts and Profit Distribution

Article (46): Fiscal year:

The Company's fiscal year starts from the first of January and ends at the end of December of each calendar year.

Article (47): Financial documents:

- 1- The Board of Directors must, at the end of each fiscal year for the Company, prepare the Company's financial statements and a report on its activities and financial position for the past financial year, and this report includes the proposed method for distributing profits. The Board shall place these documents at the disposal of the auditor at least forty-five days before the date fixed for the meeting of the general assembly.
- 2- The Chairman, CEO and CFO of the Company must sign the documents referred to in Paragraph (1) of this Article, and copies of them shall be deposited in the Company's head office at the disposal of shareholders at least twenty one days before the date set for the meeting of the general assembly.
- 3- The chairman of the Board of Directors shall provide the shareholders with the financial statements of the Company, the report of the Board of Directors, and the

General Assembly to convene to consider the reasons for retirement and appoint another auditor.

Article (44): Powers of the Auditor

The auditor may at any time review the Company's documents, accounting records and supporting documents, and may request the data and clarifications he deems necessary to obtain to verify the Company's assets and liabilities, and other matters that fall within the scope of his work. The Board of Directors shall enable him to perform his duty. If the auditor encounters difficulty in this regard, he shall record this in a report submitted to the Board of Directors. If the Board of Directors does not facilitate the work of the auditors, the auditor shall request them to invite the General Assembly to convene to consider the matter. The auditor may direct this invitation if the manager or the Board of Directors does not direct it within (thirty) days from the date of the auditor's request.

CHAPTER SEVEN:

COMPANY ACCOUNTS AND DISTRIBUTION OF PROFITS

Article (45): Fiscal Year

The Company's fiscal year shall begin on the first of January and end at the end of December of each Gregorian year.

Article (46): Financial Documents

- .1 At the end of each financial year of the Company, the Board of Directors shall prepare the Company's financial statements and a report on its activity and financial position for the past financial year. This report includes the proposed method for distributing profits. The Board shall place these documents at the disposal of the auditor at least forty-five days before the date set for convening the General Assembly.
- .2 The Chairman of the Board of Directors of the Company or whoever is authorized by the Board, its CEO and its CFO shall sign the documents referred to in paragraph (1) of this Article, publish them on the website of the Financial Market (Tadawul) and the Company's website, and copies thereof shall be deposited at the Company's main office at the disposal of shareholders.
- .3 The Chairman of the Board of Directors shall publish the Company's financial statements, the Board of Directors' report and the Auditor's report on the website of the Financial Market (Tadawul) at least

report of the auditor, unless they are published in a daily newspaper distributed in the Company's head office. He must also send a copy of these documents to the Ministry of Trade and Investment and the Financial Market Authority, at least fifteen days before the date of the General Assembly.

Article (48): Distribution of Profits:

Subject to the provisions of other relevant laws, the annual net profits of the Company shall be distributed as follows:

- 1- Retaining (10%) ten percent of the net profits to form the statutory reserve of the Company. The Ordinary General Assembly may decide to stop this reserve when the said reserve reaches (30%) thirty percent of the paid-up capital.
- 2- The Ordinary General Assembly, based on the proposal of the Board of Directors, may avoid a certain percentage of the net profits to form contract reserves to be allocated for specific purposes.
- 3- The Ordinary General Assembly - when determining the share of shares in the net profits - may decide to create other reserves, to the extent that serves the interest of the Company or to ensure the distribution of steady and regular profits as possible to the shareholders. The aforementioned association may also deduct from the net profits amounts to establish social institutions or funds for the Company's employees or to assist the existing institutions or funds.
- 4- From the remainder of the net profits after deducting what has been calculated according to paragraphs (1), (2) and (3) of this article, a percentage of not less than (5%) shall be distributed to the shareholders. The Company may distribute interim profits to its shareholders after fulfilling the requirements set by the Capital Market Authority in this regard.
- 5- Subject to the provisions stipulated in Article 22 of this Law, and Article 76 of the Companies Law, after the foregoing, a percentage not exceeding (10%) ten percent of the remainder shall be allocated as a remuneration to members of the Board of Directors, after deducting the reserves decided by the General Assembly in implementation of the provisions of the law and the Company's articles of association, and after distributing a profit to the shareholders of no less than (5%) of the Company's paid-up capital, provided that the entitlement of this bonus is proportional to the number of sessions attended by the member.

Article (49): Entitlement to Profits:

The shareholder is entitled to his share in the profits in accordance with the resolution of the general assembly issued in this regard, and the resolution specifies the date of entitlement and the date of distribution. Eligibility for profits shall be for shareholders registered in the shareholders' records at the end of the day specified for entitlement. The Board of Directors must implement the resolution of the Ordinary General Assembly regarding the distribution of profits to shareholders in accordance with the controls set by the Financial Market Authority in this regard.

(21) twenty-one days before the date set for the General Assembly. He shall also deposit these documents in accordance with what is stipulated by the relevant laws and regulations.

Article (47): Formation of Reserves and Distribution of Profits

.1 Subject to the provisions of other relevant laws, the Company may distribute interim semi-annual and quarterly dividends after fulfilling the following requirements:

- a. The Ordinary General Assembly shall authorize the Board to distribute interim dividends by a resolution that is renewed annually.
- b. The Company shall have good and regular profitability.
- c. The Company shall have reasonable liquidity and can reasonably anticipate the level of its profits.
- d. The Company shall have distributable profits according to the latest audited financial statements sufficient to cover the proposed profits to be distributed, after deducting what has been distributed and capitalized from those profits after the date of these financial statements.

.2 The Ordinary General Assembly while determining the share of shares in the liquid profits, may decide to form reserves to the extent that upholds the interests of the Company or ensures the distribution of fixed profits as much as possible to the shareholders. Moreover, the aforementioned assembly may deduct amounts from the total profits to achieve social purposes regarding the Company's employees.

.3 The General Assembly shall determine the percentage that shall be distributed to shareholders from the net profits after deducting reserves, if any.

Article (48): Entitlement to Profits :

The shareholder shall be entitled to his share in the profits in accordance with the General Assembly 's decision issued in this regard, and the decision shall specify the due date and the date of distribution. The entitlement to profits shall be for the shareholders registered in the shareholders' records at the end of the day specified for entitlement. The Company shall notify the Capital Market Authority without delay of any decisions to distribute profits or recommendations thereof, and the profits to be distributed to shareholders shall be paid at the place and on the dates determined by the Board of Directors, in accordance with the instructions issued by the competent authority.

Article (49): Company Losses

If the losses of the joint-stock Company reach (half) of the issued capital, the Board of Directors shall disclose this and the recommendations it has

Article (50): Distribution of Dividends for Preferred Shares:

- 1- If profits have not been distributed for any financial year, it is not permissible to distribute dividends for the following years except after paying the percentage specified in accordance with the provisions of Article 114 of the Companies Law for owners of preference shares for that year.
- 2- If the Company failed to pay the percentage specified according to the provisions of Article 114 of the Companies Law out of dividends for a period of three consecutive years, then the private assembly for the owners of these shares, held in accordance with the provisions of Article 89 of the Companies' Law, may decide whether they attend the assembly meetings The general public of the Company and participation in voting, or the appointment of their representatives on the Board of Directors in proportion to the value of their shares in the capital, until the Company is able to pay all the priority dividends allocated to the owners of these shares for previous years.

Article (51): Company's losses:

- 1- If the Company's losses amount to half of the paid-up capital, at any time during the fiscal year, any official in the Company or the auditor must immediately inform the chairman of the Board of Directors, and the chairman of the Board of Directors must immediately inform the members of the board of this, and the Board of Directors within fifteen days from his knowledge of this to invite the Extraordinary General Assembly to a meeting within forty-five days from the date of his knowledge of the losses; to decide either to increase or decrease the Company's capital in accordance with the provisions of the Companies Law, to the extent that the percentage of losses decreases to less than half of the paid-up capital, or to dissolve the Company before the term specified in this law.
- 2- The Company shall be deemed expired by the force of the Companies Law if the Extraordinary General Assembly does not meet during the period specified in Paragraph (1) of this Article, or if it convenes and is unable to issue a resolution on the matter, or if it decides to increase the capital according to the conditions stipulated in this article and no subscription has made in the capital within ninety days from the issuance of the Assembly's resolution to increase it.

Chapter VIII

Disputes

Article (52): Liability Claim:

Every shareholder shall have the right to file the liability claim for the Company against the members of the Board of Directors if the mistake made by them would cause special harm to him. The shareholder may not file the aforementioned claim unless the

reached regarding these losses within (sixty) days from the date of its knowledge of reaching this amount and invite the Extraordinary General Assembly to meet within (one hundred and eighty) days from the date of knowledge of this to consider the continuation of the Company and take any necessary measures to address these losses, or resolve them.

CHAPTER EIGHT:

DISPUTES

Article (50): Company Liability

- .1 The Company shall be bound by all actions and transactions carried out by the Board of Directors, even if they are outside its jurisdiction, unless the interested party is acting in bad faith or knows that such actions are outside the jurisdiction of the Board.

Company's right to file it is still valid. The shareholder must inform the Company of his intention to file a lawsuit, while restricting his right to claim compensation for the special damage he suffered.

Chapter IX

Dissolution and Liquidation of the Company

Article (53): Expiration of the Company:

Upon its expiration, the Company enters the role of liquidation and maintains the legal personality to the extent necessary for liquidation, and the voluntary liquidation resolution is issued by the Extraordinary General Assembly, and the liquidation resolution must include the appointment of the liquidator and the determination of his powers and fees, the restrictions imposed on his powers, and the time required for liquidation. The period of voluntary liquidation must not exceed five years, and it may not be extended to more than that without a judicial ruling. The authority of the Company's Board of Directors ends with its dissolution, and yet they remain in charge of managing the Company and they are considered as liquidators until the liquidator is appointed. Shareholders' assemblies remain in place during the liquidation period and their role is limited to exercising their competencies that do not conflict with those of the liquidator.

.2 Without prejudice to the rights of third parties in good faith, any shareholder may submit to the competent judicial authority a request to invalidate the decision of the shareholders' assembly issued in violation of the provisions of the Law or the Company's Articles of Association if he objects to it during the meeting, or is absent from it with an acceptable excuse. The invalidity claim shall not be heard after the expiry of (ninety) days from the date of issuance of the decision.

.3 The condition for filing the case referred to in paragraph (2) of this Article is that the plaintiff is a shareholder in the Company during the filing of the lawsuit and throughout all its procedures.

CHAPTER NINE:

DISSOLUTION AND LIQUIDATION OF THE COMPANY

Article (51): Company Liquidation

.1 The Company shall dissolve for one of the reasons for dissolution mentioned in Article (243) of the Companies Law, and upon its dissolution it shall enter the liquidation phase in accordance with the provisions of Chapter Twelve of the Companies Law. The Company shall retain its legal personality to the extent necessary for liquidation, and the authority of the Board of Directors shall end upon its dissolution. However, they shall remain in charge of managing the Company, and shall be deemed, with respect to others, to be in the position of liquidator until the liquidator is appointed. The Company's assemblies shall remain in existence during the liquidation period, and their role shall be limited to exercising their powers that do not conflict with the powers of the liquidator. If the Company expires and its assets are insufficient to pay its debts or are insolvent in accordance with the bankruptcy law, it shall apply to the competent judicial authority to initiate any of the liquidation procedures.

.2 The Company shall enter the liquidation phase upon its expiry and shall retain its legal personality to the extent necessary for liquidation. The voluntary liquidation decision shall be issued by the Extraordinary General Assembly, and the liquidation decision shall include the appointment of the liquidator, the determination of his powers, fees, restrictions imposed on his authority, and the time period necessary for liquidation. The voluntary liquidation period shall not exceed five years, and it may not be extended for more than that except by a judicial order. The authority of the Company's Board of Directors shall end upon its dissolution. However, they shall remain in charge of managing the

Chapter X
Final Provisions

Article (54): Relevant Laws:

The Companies Law, the Capital Market Law and their bylaws are applied on any text that is not stipulated in this Law.

Article (55): Publication of the Law:

This law shall be deposited and published in accordance with the provisions of the Companies Law and its regulations.

Company and shall be considered, with respect to others, as liquidators until the liquidator is appointed. The shareholders' assemblies shall remain in existence during the liquidation period and their role shall be limited to exercising their powers that do not conflict with the powers of the liquidator.

CHAPTER TEN:
FINAL PROVISIONS

Article (52): Company's Bylaws

.1 The Company shall be subject to the laws in force in the Kingdom of Saudi Arabia.

.2 Any text that contradicts the provisions of the Companies Law in these Articles of Association shall not be recognized, and the provisions of the Companies Law shall apply to it. Anything not provided for in these Articles of Association shall be subject to the Companies Law and the Capital Market Law and its regulations.

Article (53): Publication

This Article shall be deposited and published in accordance with the provisions of Companies Law and its Implementing Regulations.

