

Proposed amendments to the company bylaw

Subject of the Article	Current Article	Proposed Amendments / Article	Reason for the Amendment
Participation and Ownership in Companies	None	The Company may undertake all actions necessary to facilitate achieving its objectives. It may also have an interest in or participate in any manner in entities, companies, or organizations engaging in activities similar to its own, or that may assist it in achieving its objectives or complement them. It may merge with, acquire, or affiliate with such entities. The Company may also establish companies solely owned by it, whether limited liability or joint-stock companies. Furthermore, the Company may dispose of such shares or interests, provided this does not include brokerage in trading them.	<ul style="list-style-type: none"> - To align with the previous Articles of Association. - To grant the Board of Directors broader powers to achieve its objectives by establishing supporting commercial entities.
Issuance of Shares	None	Shares shall be nominal and may not be issued below their nominal value; however, they may be issued above this value. In such case, the difference shall be added to a separate item within shareholders' equity, and regulations shall determine the controls governing its use.	- In compliance with Article (106) of the new Companies Law.

Suspension of Pre-emptive Rights	None	The Extraordinary General Assembly may suspend shareholders' pre-emptive rights to subscribe to capital increases against cash contributions, or grant such rights to non-shareholders in cases deemed to be in the Company's interest.	- In compliance with Article (129) of the Companies Law.
Reduction of Capital	None	A) By resolution of the Extraordinary General Assembly, the Company's capital may be reduced if it exceeds its needs or if the Company incurs losses. The resolution shall only be issued after reading a statement prepared by the Board of Directors explaining the reasons for the reduction, the Company's obligations, the impact of the reduction on fulfilling such obligations, and the method of reduction. This statement shall be accompanied by the auditor's report. If the reduction is due to excess capital, creditors must be invited to submit their objections at least (45) days prior to the Extraordinary General Assembly meeting scheduled to decide on the reduction, and the invitation must include a statement showing the capital before and after the reduction, the meeting date, and the effective date. If any	- In compliance with Articles (134, 135) of the Companies Law.

		creditor objects and submits supporting documents within the specified period, the Company must settle the debt if it is due or provide sufficient guarantees if it is deferred.	
Vacant Position	None	If a position of a Board member becomes vacant during the year, the Board may temporarily appoint a member to the vacant position. The Commercial Register and the Capital Market Authority must be notified within fifteen days of the appointment. The appointment shall be presented to the Ordinary General Assembly at its first meeting for approval, and the new member shall complete the term. If the number of Board members falls below the required minimum, the Ordinary General Assembly must be convened within sixty days to elect the required number of members.	- In compliance with Article (69) of the Companies Law.
Powers of the Ordinary General Assembly	None	Except for matters reserved for the Extraordinary General Assembly, the Ordinary General Assembly shall be competent in all matters relating to the Company, particularly: - Electing and dismissing Board members.	- In compliance with Articles (82, 87) of the Companies Law.

		<ul style="list-style-type: none"> - Appointing one or more auditors, determining their fees, reappointing or dismissing them. - Reviewing and discussing the Board report. - Reviewing and discussing the Company's financial statements. - Discussing the auditor's report (if any) and taking a decision thereon. - Deciding on the Board's proposals regarding dividend distribution. - Forming reserves and determining their use. <p>The Assembly shall convene at least once annually within six months following the end of the fiscal year. Additional meetings may be called when needed. The annual requirement shall be deemed satisfied if an Extraordinary General Assembly is held within six months after the fiscal year including these items.</p>	
Powers of the Extraordinary General Assembly	None	<p>The Extraordinary General Assembly shall be competent to:</p> <ul style="list-style-type: none"> - Amend the Company's Articles of Association, except provisions prohibited by law. - Decide on the continuation or dissolution of the 	- In compliance with Articles (85, 86) of the Companies Law.

		<p>Company.</p> <ul style="list-style-type: none"> - Approve the Company's purchase of its shares. <p>Additionally, it may issue decisions on matters within the competence of the Ordinary General Assembly under the same terms.</p>	
<p>Quorum for Ordinary General Assembly Meeting</p>	<p>None</p>	<p>An Ordinary General Assembly meeting shall be valid only if attended by shareholders representing at least one-quarter of the Company's voting shares. If the quorum is not met, a second meeting shall be called within thirty days under the same conditions. The second meeting may be held one hour after the first meeting if indicated in the notice. In all cases, the second meeting shall be valid regardless of the number of shares represented. Resolutions shall be passed by a majority of voting rights represented.</p>	<p>- In compliance with Article (92) of the Companies Law.</p>
<p>Quorum for Extraordinary General Assembly Meeting</p>	<p>None</p>	<ul style="list-style-type: none"> - The meeting shall be valid if attended by shareholders representing at least half of the voting shares. - If quorum is not met, a second meeting shall be held under the same conditions, and shall be valid 	<p>- In compliance with Article (93) of the Companies Law.</p>

		<p>if attended by shareholders representing at least one-quarter of voting shares.</p> <p>- If quorum is still not met, a third meeting shall be held and shall be valid regardless of the number of shares represented.</p>	
Voting in Assemblies	<p>Addition:</p> <p>1- Election of Board members shall be by cumulative voting. Board members may not vote on resolutions related to contracts or matters in which they have a direct or indirect interest or conflict of interest.</p>	<p>2- Votes in Ordinary and Extraordinary General Assemblies shall be calculated on the basis of one vote per share.</p>	<p>- In compliance with Article (95) of the Companies Law.</p>
Assembly Resolutions	None	<p>Ordinary General Assembly resolutions shall be issued by an absolute majority of shares represented. Extraordinary General Assembly resolutions shall require a two-thirds majority, except for decisions related to capital increase/reduction, merger, or division, which require three-quarters majority. The Board must</p>	<p>- In compliance with Articles (92, 93) of the Companies Law.</p>

		register such decisions with the Commercial Register within fifteen days.	
Discussion in Assemblies	None	Each shareholder has the right to discuss agenda items and direct questions to Board members and the auditor. Responses must not harm the Company's interests. If a shareholder finds the response unsatisfactory, the matter may be referred to the Assembly, whose decision shall be binding. Shareholders representing at least 10% of voting shares may request adding items to the agenda.	- In compliance with Article (96) of the Companies Law.
Auditor	None	Appointment of auditor: The Company shall appoint one or more auditors licensed in Saudi Arabia, appointed annually by the General Assembly, which determines their fees, term, and scope. Reappointment is permitted. The General Assembly may dismiss the auditor, without prejudice to their right to compensation if justified. The Chairman must notify the competent authority within five days of the dismissal decision and reasons.	- In compliance with Article (18) of the Companies Law.