

Schedule of Amendments to the Articles of Association- Saudi Vitrified Clay Pipe Company

After Amendment			Before Amendment			Article
<p>The issued share capital of the Company has been set at two hundred and thirty million Saudi Riyals (SAR 230,000,000), divided into twenty-three million (23,000,000) nominal shares of equal value, with a nominal value of ten Saudi Riyals (SAR 10) per share. All stocks are common monetary stocks., and the paid-up amount in cash is two hundred and thirty million Saudi Riyals (SAR 230,000,000). The cash amounts paid toward the issued capital have been deposited with one of the licensed banks.</p>			<p>The Company’s issued share capital is set at one hundred and fifty million Saudi Riyals (SAR 150,000,000), divided into fifteen million (15,000,000) nominal shares of equal value, with a nominal value of ten Saudi Riyals (SAR 10) per share. All stocksare common monetary stocks.. The paid-up capital amounts to one hundred and fifty million Saudi Riyals (SAR 150,000,000), which has been fully paid in cash, and the paid cash amounts of the issued capital have been deposited with a licensed bank.</p>			<p>Article (7) – Capital</p>
<p>The shareholders have subscribed in full to all shares of the issued share capital amounting to SAR 230,000,000, which have been fully paid in full.</p>			<p>The shareholders have subscribed in full to all shares of the issued share capital amounting to SAR 150,000,000, which have been fully paid.</p>			<p>Article (8) – Subscripti on for Shares</p>
<p>Real Estate (Purchase, Sale, and Transfer of Ownership)</p>	<p>Purchase, Sale, and Transfer of Properties</p>	<p>Property Management</p>	<p>Real Estate (Purchase, Sale, and Transfer of Ownership)</p>	<p>Buying, Selling, and Transfer of Real Estate Ownership</p>	<p>Property Management</p>	<p>20 Board) (Powers</p>
<p>Land (Purchase, Sale, and Transfer of Ownership)</p>			<p>Land (Purchase, Sale, and Transfer of Ownership)</p>			

Shares (Purchase and Sale)			Shares (Purchase and Sale)			
Right of Mortgage	Pledging of Properties		Right of Pledge	Pledging of Properties		
Release of Mortgage			Release of Pledge			
Receipt of Funds			Receipt of Funds			
Right to Grant Power of Attorney		Purchase of shares and equity interests and payment of the consideration	Right to Grant Power of Attorney		Purchase of shares and equity interests and payment of the consideration	
Right to Grant Power of Attorney		Signing of Agreements	Right to Grant Power of Attorney		Signing of Agreements	

Right to Grant Power of Attorney		Application for bank loans in accordance with Sharia principles and regulations	Right to Grant Power of Attorney	Application for bank loans in accordance with Sharia principles and regulations	
Signing of Loan Agreements		Banks	Signing of Loan Agreements	Banks	
Right to Grant Power of Attorney		Purchase, acceptance of title transfer, and payment of the consideration	Right to Grant Power of Attorney	Purchase, acceptance of title transfer, and payment of the consideration	
Right to Grant Power of Attorney		Pledge	Right to Grant Power of Attorney	Pledge	
Right to Grant Power of Attorney		Release of Pledge	Right to Grant Power of Attorney	Release of Pledge	
Right to Grant Power of Attorney	Signing of the Corporate Guarantee	Legal Proceedings	Not mentioned		

With respect to the sale of the Company's real estate, the minutes of the Board of Directors meeting and the rationale for its resolution to dispose of such assets must include the following conditions:

1. The Board shall specify in its resolution the reasons and justifications for the sale.
2. The sale price shall be close to the prevailing market value.
3. The sale shall be executed on a cash basis, except in cases determined by the Board, provided that adequate guarantees are in place.
4. Such disposal shall not result in the suspension of any of the Company's activities or the assumption of additional liabilities.

The Board of Directors may also enter loans with government financing funds and institutions, regardless of their term. It may also enter into commercial loans, subject to the following conditions for loans exceeding three years:

1. The total value of loans that may be obtained by the Board in any single financial year shall not exceed 50% of the Company's capital.
2. The Board shall specify in its resolution the purposes of the loan and the repayment mechanism.
3. The loan terms and guarantees provided shall be structured in a manner that does not prejudice the Company, its shareholders, or the general rights of creditors.

The Board of Directors may further, in cases it deems appropriate, discharge the Company's debtors from their obligations in a manner that

With regard to the sale of the Company's real estate, the minutes of the Board of Directors meeting and the rationale for its decision to dispose of such assets must include the following conditions:

1. The Board shall specify in the resolution the reasons and justifications for the sale.
2. The sale price shall be close to the fair market value.
3. The sale shall be executed on an immediate basis, except in cases determined by the Board, provided that adequate guarantees are in place.
4. Such disposal shall not result in the suspension of any of the Company's activities or expose it to additional obligations.

The Board of Directors may also enter into loans with government financing funds and institutions regardless of their term. It may also enter into commercial loans, subject to the following conditions for loans exceeding three years:

1. The total value of loans that may be concluded by the Board in any single financial year shall not exceed 50% of the Company's capital.
2. The Board shall specify in its resolution the intended use of the loan and the repayment mechanism.
3. The loan terms and the provided guarantees shall be structured in a manner that does not prejudice the Company, its shareholders, or the general rights of creditors.

The Board of Directors may also, in cases it deems appropriate, discharge the Company's debtors from their obligations in a manner that serves the

serves the Company's interest, provided that the Board minutes and the rationale for its resolution observe the following conditions:

1. The discharge shall not be granted unless at least one full year has elapsed from the creation of the debt.
2. The discharge shall be limited to a specified maximum amount per debtor per financial year.
3. The authority to grant discharge is an exclusive power of the Board and may not be delegated.

With respect to the **Industrial Development Fund**, the Board shall have the authority to:

enter into loan agreements with the IDF; provide guarantors and enter into joint liability arrangements with them; sign in front of the Notary Public in relation to industrial mortgages; mortgage all the Company's assets; sign promissory notes; sign debt restructuring agreements on behalf of the Company and its partners; sign letters of credit financing agreements; sign all agreements; create pledges; accept pledges; release pledges; request guarantees; receive loan proceeds; assign or transfer loans; apply for loan forgiveness; request clearance of any financial obligations; repay loans; carry out delivery and receipt procedures; and review all relevant authorities and complete all necessary procedures and sign wherever required.

The Board shall further have the right to delegate such powers to others.

Company's interest, provided that the Board minutes and the rationale for its decision include the following conditions:

1. The discharge shall not be granted unless at least one full year has elapsed from the creation of the debt.
2. The discharge shall be limited to a maximum specified amount per debtor per financial year.
3. The authority to grant discharge is an exclusive power of the Board and may not be delegated.

Not mentioned

Further, the Company is entitled to participate with third parties in association of joint stock, simplified joint stock or limited liability companies or any other entities inside Saudi Arabia or abroad after fulfillment of the requirements of laws and instructions in this regard. In addition, the company may take any action regarding these shares or stocks but with excluding brokerage in stock circulation.

Article (5) Head Office

The Company's head office shall be situated in Riyadh, Kingdom of Saudi Arabia, and it may establish other branches, offices or agencies inside Saudi Arabia and abroad under resolution of the board.

Article (6) Term of Company

Company term is (99) Gregorian years starting from date of its entry with commercial registration. Company term may be extended under resolution of the extraordinary general assembly at least one year before expiry of its term.

PART II

Capital and Stocks

Article (7) Capital

Company capital is fixed at SAR 150.000.000 (Saudi Riyals one hundred fifty millions), divided into 15.000.000 stocks with nominal equal value; each is SR (10) only. All stocks are common monetary stocks.



Article (8) Stocks Subscription

Stockholders subscribed in all stocks of the Company (15.000.000) stocks with total value SR 15.000.000 (one hundred fifty millions) and paid it in full.

Article (9) Preferred Stocks

According to the basics set up by the competent authority, extraordinary general meeting of the company may issue preferred stocks, decide to buy it, transfer common stocks to preferred stocks or transfer preferred stocks to ordinary stocks and preferred stocks shall not give the right to vote at general assemblies of shareholders. In exception, the preferred stocks shall give the right to vote at general assembly of stockholders if the resolution of the assembly caused reduction of corporate capital, liquidate it or sells its assets. Each preferred stock shall have one vote at meeting of the general assembly and these stocks shall give its holders the right to get percentage of net profits of the company after putting aside statutory reserve, if any.

Article (10) Selling Unpaid stocks

1. Shareholder shall pay stock amount in the specified dates. If shareholder fails to pay stock amount in the due date, Board of directors may, after informing shareholder through publishing at daily newspapers, Tadawul website, registered mail or in any recent technical means, sell the stock in public auction or capital market as the case may be.



these articles, other members shall call for the ordinary meeting within (60) days to elect the required number of members of the board.

Article (20): Powers of the Board

With observing the powers of general assembly, board of directors shall have the widest powers to run company in order to achieve its objectives, for example, but not limited to, the right of participation in other companies , disposal of company's assets and properties along with the right to buy, accept, pay the price, pledge, cancel pledge, sell, receive the price, deliver, sort out properties and bonds. However, in relation to selling properties of the company, minutes of the board and reasoning of its resolution for disposal of properties of the company shall observe the following conditions:

1. The board shall define at sale resolution the related reasons
2. Sale shall be against the fair price
3. Sale shall be current unless in necessary cases and under sufficient guarantees
4. Such action shall not cause stop of some activities of the company or charge it with other obligations

The board may enter into loans with government finance funds and institutions for whatever term and it may enter into commercial loans with observing the following conditions for entering into loans whose term exceeds (3) years:

1. The loan amount which the board may enter into it during any one financial year shall not exceed 50% of the company capital.



2. Board of managers may define in its decision aspects of using the loan and method of paying it back.
3. The board shall observe in the conditions of the loan and the guarantees provided to it not to damage the company, its shareholders and general guarantees of creditors.

Board of managers may, in the cases it deems proper, release company's debtors of their obligations so as to achieve company's interest, provided that minutes of the board and reasoning of its resolution shall observe the following conditions:

1. Release shall be made after one full year of debt arising as a minimum.
2. Release shall be for certain amount as a maximum every year for one debtor
3. Release is right of the board and it may not be authorized.

The board may authorize within its competences one or more of its members or from third parties to perform certain work or works and cancel authorization wholly or partly.

It is stipulated that board of managers shall obtain the consent of the general assembly upon selling its assets whose amount exceeds (50%) of total amount of assets whether it was sold through one or many transactions, and in this case, the transaction which causes exceeding 50% of amount of assets is the transaction which the general assembly shall approve it, and this percentage shall start from the date of the first transaction within the previous twelve months.

The board of managers may, within its specialties, authorize one or more members or third parties to take over certain duty or duties.



Article (25): Issuing resolutions of the board regarding urgent matters

The board shall issue its resolutions regarding urgent matters through offering it to all members unless one of the members requests in writing for meeting of the board to deliberate it. Those resolutions shall be issued by the consent of majority of votes of its members and these resolutions shall be offered to the board at its first meeting to be included in the minutes of the meeting.

Article (26): Deliberation of the Board

1. Deliberations and resolutions of the Board shall be written in minutes of the meeting to be prepared by secretary and signed by Chairman, members of the board and Secretary.
2. Recent technology means may be used for signing and proving deliberations, resolutions and writing minutes.

PART V

Shareholders' Assemblies

Article (27): Meeting of shareholders' general assembly

1. Meeting of shareholders' general assembly shall be chaired by chairman or his deputy If chairman is absent or the member delegated by the board, if they are absent. If this is rendered impossible, general assembly will be chaired by the member delegated by shareholders or third party through voting.



2. Each shareholder shall have the right to attend meeting of general assembly and he may authorize another person other than members of the board.
3. General assembly meeting may be held and shareholder may participate in the deliberations and vote to resolutions through recent technology means.

Article (28): Competences of the ordinary general assembly

Except for the matters related to extraordinary general assembly, ordinary general assembly shall be concerned with all matters related to the Company. It shall be convened at least once during the six month following expiration of financial year of the Company. Other ordinary general assemblies may be convened, if necessary.

Article (29): Competences of extraordinary general assembly

Extraordinary general assembly shall be concerned with amendment of Company's article of association except for the terms prohibited for amendment.

It may issue resolutions regarding the matters related to ordinary general assembly under the same conditions of the latter.

Article (30): Call of general assemblies

1. General assemblies shall be convened under call of the Board. The Board shall convene the ordinary general assembly within (30) days of the request by auditor or shareholder or more who represent at 10% of company stocks with the right of voting.

