

**Articles of Association**  
**Amlak International Finance Company**  
**Saudi Joint Stock Company**

## **Part I**

### **Company Incorporation**

**Article (1): Incorporation:**

In accordance with the Companies Law issued by Royal Decree No. (M/132), dated 01/12/1443 AH, and its Implementing Regulations issued by the Minister of Commerce Resolution No. (284), dated 23/06/1444 AH, and upon these Articles of Association, this Saudi joint stock company is incorporated as follows:

**Article (2): Company Name:**

Amlak International Finance Company (Saudi Joint Stock Company)

**Article (3): Company Head Office:**

The Company's head office is located in Riyadh. Branches of the Company may be established inside or outside the Kingdom by a resolution of the Board of Directors, after obtaining the prior no-objection of the Saudi Central Bank.

**Article (4): Company Objectives:**

The objectives for which the Company is incorporated are:

- 1- Real estate finance;
- 2- Small and medium enterprise finance;
- 3- Consumer finance.

The Company shall carry out its activities in accordance with applicable laws, and upon obtaining the required licenses (if any) from competent authorities.

**Article (5): Company Term:**

The Company is incorporated for ninety-nine (99) Gregorian years starting from the date of its registration in the Commercial Registry. The term of the Company may be extended, at least one year prior to its expiry, by a resolution of the Extraordinary General Assembly.

## **Part II**

### **Capital and Shares**

**Article (6): Capital:**

The Company's Capital is SAR 1,019,250,000 (one billion, nineteen million, and two hundred and fifty thousand Saudi riyals), divided into (101,925,000) nominal shares of equal value of (10) Saudi riyals, all of which are ordinary shares. The value of the paid-up capital is SAR 1,019,250,000 (one billion, nineteen million, and two hundred and fifty thousand Saudi riyals).

**Article (7): Subscription to Shares:**

The Shareholders subscribed to all the capital shares for SAR 1,019,250,000 (one billion, nineteen million, and two hundred and fifty thousand Saudi riyals), which are paid in full.

**Article (8): Trading of Shares:**

The Company's shares shall be traded in accordance with the provisions of the Capital Market Law and the Implementing Regulations thereof.

**Article (9): Selling of Partially Paid Shares:**

1. The Shareholder shall pay the remainder value of the share on the specified dates; if the Shareholder fails to pay on the due date, the Board, after notifying the Shareholder through an announcement in a daily newspaper or warning him by a registered letter or by any means of modern technology, may sell the share in an auction or on the Stock Exchange, as the case may be.
2. The Company shall receive the amounts due to it from the sale proceeds and return the remaining amount to the Shareholder. If the sale proceeds are insufficient to cover such amounts, the Company may receive such amounts from the entire funds of the Shareholder.
3. The enforcement of the rights related to the shares whose value was not paid shall be suspended upon the expiry of the specified dates of these shares until they are sold or the amount due therefrom is paid in accordance with the provisions of Paragraph (1) of this Article. Such suspension shall include the right to obtain a share of the net profits that are decided to be distributed and the right to attend assemblies and vote on their decisions. However, the Shareholder in default, up to the sale date, may pay the amount owed by him plus the expenses incurred by the Company. In this case, the Shareholder has the right to request the profits that are decided to be distributed.
4. The Company shall cancel the share sold in accordance with the provisions of this Article and give the buyer a new share certificate bearing the number of the canceled share. It shall indicate in the Shareholder Register that the sale occurred and mention the name of the new Shareholder.

**Article (10): Issuance of Shares:**

The shares are nominal, and they may not be issued for a value less than their nominal value. The shares may be issued for a higher value than their nominal value, provided the difference in value is added in a separate item within the Shareholders' rights and it may not be distributed to Shareholders as dividends.

**Article (11): Buying, Selling and Mortgaging of Shares by the Company:**

1. The Company may buy or sell its ordinary or preferred shares in line with the controls and measures of the competent authority after obtaining the no-objection of the Saudi Central Bank. The shares bought by the Company shall have no voting rights in the Shareholders' Assemblies.
2. The Company may buy its shares and allocate them to its employees as part of the employees shares scheme, in accordance with the controls and measures of the competent authorities.
3. The Company may mortgage its shares as a warrant of a debt, in accordance with the measures of the competent authority.

**Article (12): Conversion of Shares:**

1. The type or class of shares may be converted to another type or class.
2. For converting a type or class of shares to another type or class, the approval of the Extraordinary General Assembly must be obtained; an exception to this is the cases where the decision to issue shares stipulates that they shall be automatically converted to another type or class upon the fulfillment of certain conditions or after the lapse of a specified period.
3. The provisions of Article (110) of the Companies Law shall apply in cases where the conversion of shares results in modifying or canceling rights or obligations related to the type or class of the share.
4. Neither ordinary shares nor preferred shares or any of their classes may be converted into redeemable shares or any of their classes except with the approval of all the Shareholders of the Company.

**Article (13): Amending Rights or Obligations Related to Shares:**

1. The rights, obligations or restrictions related to the shares shall not be modified or canceled; nor shall any type or class of shares be converted to another type or class if this conversion results in the modification or cancellation of the rights and obligations related to the type or class of the shares to be converted; nor shall the shares of a particular type or class that would prejudice the rights of another class of Shareholders be issued, except after obtaining the approval of a special assembly formed in accordance with Article (89) of the Companies Law of the Shareholders who are affected by such modification, cancellation, conversion or issuance, and the approval of the Extraordinary General Assembly.
2. If the Company's shares include redeemable shares, new shares that have priority over any of the classes of these redeemable shares may only be issued upon the approval of a special assembly formed in accordance with Article (89) of the Companies Law of the Shareholders who are affected by such issuance.

**Article (14): Capital Increase:**

1. After obtaining the prior no-objection of the Saudi Central Bank, the Extraordinary General Assembly may decide to increase the Company's capital, provided that the capital has been paid in full. The capital is not required to be fully paid if the unpaid portion of the capital relates to shares issued in exchange for the conversion of debt instruments or financing instruments into shares and the period prescribed for converting them has not expired.
2. The Extraordinary General Assembly may suspend the pre-emptive right of the Shareholders to subscribe to the capital increase against cash contribution or may vest such right in persons other than the Shareholders in cases in which, it believes, it is appropriate or the interest of the Company.

#### **Article (15): Capital Decrease:**

1. After obtaining the prior no-objection of the Saudi Central Bank, the Extraordinary General Assembly may decide to decrease the capital if it exceeds the Company's need or if the Company incurred losses; in the latter case only, it is permissible to decrease the capital to be less than the limit stipulated in Article (59) of the Companies Law. The decrease resolution may only be issued after a special statement prepared by the Board is read in the General Assembly explaining the reasons for such decrease, the Company's obligations, and the effect of the decrease on these obligations, provided that a report prepared by the Company's auditor is attached to this statement.
2. If the capital decrease is a result of the capital being in excess of the Company's need, the creditors shall be invited to submit their objections, if any, to the decrease within at least 45 days prior to the date specified for holding the Extraordinary General Assembly meeting to take the decrease decision, provided that the invitation includes a statement showing the amount of the capital before and after the decrease, the meeting date and the decrease effective date. If a creditor objects to such decrease and submits to the Company his documents on the specified date, the Company shall pay the creditor's debt if due or provide him with a sufficient guarantee to pay his debt if it is delayed.
3. Equality among the Shareholders who hold the same shares must be taken into account when decreasing the capital.

**Part III**  
**Board of Directors**

**Article (16): Company Management:**

After fulfilling the adequacy requirements set forth by the Saudi Central Bank and obtaining a no-objection letter therefrom, the Company shall be managed by a board of directors composed of (9) members who are natural persons elected by the Shareholders' Ordinary General Assembly for not more than three years.

**Article (17): Expiry or Termination of Board Membership:**

The membership of the Board shall end upon the expiry of the Board term or if a member becomes unfit for membership, in accordance with any law or instructions applicable in the Kingdom. The General Assembly may (as per a recommendation of the Board) terminate the membership of the member who has not attended (three) consecutive meetings or (five) separate meetings without a legitimate excuse acceptable to the Board.

However, the Ordinary General Assembly may at any time dismiss all or part of the Board members; in this case, the Ordinary General Assembly shall elect a new Board or a replacement for the dismissed member (as the case may be), in accordance with the provisions of the Companies Law.

**Article (18): Expiry of Board Term, Retirement of Board Members, or Vacant Position of the Board:**

1. Before the end of its term, the Board shall invite the Ordinary General Assembly to convene to elect a board of directors for a new term. If the election cannot be held and the current term of the Board has ended, its members shall continue to perform their duties until a board of directors is elected for a new term, provided that the membership period of the members of the expired board shall not exceed the term specified by the Implementing Regulations of the Companies Law.
2. If the Chairman and members of the Board resign, they must call for the Ordinary General Assembly to convene to elect a new board of directors. Such resignation shall not be effective until the new board is elected, provided that the duration of the resigned Board does not exceed the period specified in the Implementing Regulations of the Companies Law.
3. A Board member may resign from the Board membership upon giving a notification addressed to the Chairman, and if the latter resigns, the notification shall be addressed to the remaining Board members and the Secretary; such resignation shall be effective - in both cases - from the date specified in the notification.
4. If a position of a Board member becomes vacant due to a member's death or resignation and such vacancy does not violate the valid convening of the Board because the number of directors falls below the minimum, the Board, after fulfilling the adequacy requirements set forth by the Saudi Central Bank and obtaining a no-objection letter therefrom, may (temporarily) appoint a member, who shall meet the conditions of experience and efficiency, to fill the vacant position; the Commercial Registry and the Capital Market Authority shall be notified accordingly within (15)

working days from the date of appointment, and the appointment shall be referred to the Ordinary General Assembly in its first meeting and the new member shall complete the term of his predecessor.

5. Where the conditions required for convening a Board meeting are not fulfilled because the number of directors falls below the minimum prescribed in the Companies Law or in these Articles, the remaining directors must call the General Assembly to convene within 60 days to elect the required number of directors.

#### **Article (19): Powers of the Board:**

Subject to the powers of the General Assembly, the Board shall have the broadest powers to manage the Company in order to achieve its objectives. The Board has the right to develop the Company's policies, determine its investments, oversee its business and manage its affairs inside the Kingdom and abroad. The powers of the Board also include, but are not limited to, representing the Company in its relations with third parties, governmental and private institutions and entities, and companies and organizations of all types. The Board may establish (limited liability or closed joint stock companies) or special purpose vehicles. It may also buy shares or stocks in existing companies, or merge with them. It has the right, in partnership with third parties, to establish joint stock or limited liability companies after fulfilling the requirements of the laws and instructions applicable in this regard. The Board may dispose of these stocks or shares, provided this does not include brokerage in trading with such stocks or shares.

The Board has the right to sign on all types of contracts and documents, including, but not limited to, memorandums and articles of association of companies in which the Company is a partner, including its amendments and addenda, amendment resolutions, partners' resolutions, such as capital increase and decrease, selling and buying shares and stocks, and assignment. It has the right to participate in governmental and private tenders, sign agreements and sukuk before the notary public and official authorities, issue powers of attorney on behalf of the Company, sell, buy, empty and accept emptying, pay price, receive price, acknowledge receipt of price, bargain, grant, waive, mortgage, redeem and accept mortgage for lands, real estates, stocks, shares, Company's assets, including movable assets and installations; merge and amend sukuk, divide and sort; receive, update, and enter sukuk in the comprehensive system, obtain a replacement of lost sukuk, waive shortage of area, receive and hand over, lease, rent, sign, renew; cancel and revoke lease contracts, receive and pay, sell and buy stocks and shares in companies in which the Company has interest; buy stocks and shares in other companies, attend Shareholders' Assemblies and General Assemblies, vote on their resolutions, and render objections and reservations; take the necessary procedures with respect to the companies in which the Company invests or is a partner, including amendment, merger, liquidation, buying, selling, waiver, appointment and dismissal of managers and determining their wages and remunerations.

The Board has also the right to open accounts, credits, withdrawal and deposit at banks, authorize third parties, approve electronic withdrawal and depositing at banks and authorizing third parties to undertake the same, issue banking guarantees, sign all papers, documents, checks, loan agreements, guarantees and warrants and all banking transactions, including order notes, open and close investment portfolios, transfer between investment portfolios and buy and sell shares and securities. The Board has

the right to appoint and dismiss employees and laborers, request visas, recruit laborers from abroad, contract with them, determine their wages and remunerations, obtain resident IDs, transfer and release sponsorships. The Board has the right to borrow funds from financial local and international institutions and banks, with or without guarantees, to provide the financing needs of the Company businesses, issue debt instruments, financial derivatives and securitization (selling of receivables); sign on agreements related to selling credit portfolios and their assets, rights and benefits, as well as the rights emanating from financing contracts concluded with customers; write and sign order notes to the buyer in the amount of sale and transfer and endorse guarantees and order notes submitted by the customers with whom financing contracts are concluded and of which the rights were sold subject to observing the laws and instructions applicable in the Kingdom of Saudi Arabia.

The Board may sign commercial papers and warrants, and it may set provisions to encounter potential credit or operational losses and use them at its own discretion and in line with the instructions of the Saudi Central Bank issued in this regard.

The Board may, at its discretion, release the Company's debtors from their obligations, including when it is not feasible to claim these obligations, or if the cost of the claim is higher than the obligations to be collected, or when this would be in the interest of the Company.

The Board may delegate any of its powers to its Chairman and/or any Board member, or to any committee formed of Board members, or to any of its employees. The Board has the right to delegate a power or powers to any person for a specific period as deemed appropriate by the Board. The Board may develop an administrative charter that regulates work mechanism of the Company and its relationship with third parties. It may develop regulations, and form specialized work committees and determine its powers, competencies and selection mechanism.

The Board may develop the rules and regulations that are not in contradiction with the provisions of these Articles of Association or any related regulations, in order to cover all the matters that require provisions for the implementation of these Articles and the Company's memorandum of association. Without prejudice to the comprehensiveness of the foregoing powers, the said rules and regulations may in particular provide for the following:

1. Carrying out and managing election under this law, including the final decision on the suspicions and disputes related to the validity of election.
2. Appointing Board committees and determining their powers and tasks.
3. Opening branches and agencies and managing their works.
4. Delegating powers and authorities, and disposal rights of the Board, to any officer, person, institution or company, in accordance with the provisions of these Articles of Association.
5. Such disposal shall not result in the discontinuity of some of the Company activities or the addition of other obligations to it.



The Board is required to obtain the approval of the General Assembly when selling assets whose value exceeds (50%) of the value of the Company's total assets, whether the sale is made through one transaction or several transactions. In this case, the transaction that leads to exceeding 50% of the value of the total assets will need to be approved by the General Assembly, and this percentage shall be calculated from the date of the first transaction that took place during the previous 12 months.

The Board may, within the limits of its jurisdiction, authorize one or more of its members or third parties to carry out certain work or activities.

**Article (20): Remunerations of Board Members:**

1. The Board remuneration shall be a lump sum and session attendance allowance, within the limits stated in the Remuneration Policy for Members of the Board approved by the General Assembly. The Company shall pay to the Board Chairman and members the actual reasonable expenses they incurred to attend the meetings of the Board or of its committees, including travel and accommodation expenses.
2. The Board's report that will be submitted to the Ordinary General Assembly on its annual meeting shall include a statement of all the amounts received by, or due to, the Board members during the fiscal year, including remunerations, session attendance allowance, expenses allowance and other benefits. The report must also include a statement of the amounts received by the Board members in their capacity as officers or administrators, or any other amounts they received in consideration of technical or administrative activities or consultations. The report shall include a statement of the number of Board meetings and the number of meetings attended by each member.

**Article (21): Powers of the Chairman, Deputy Chairman, Managing Director, and Secretary:**

At its first meeting, the Board shall appoint a chairman, and may appoint, from among its members, a managing director and deputy chairman. After obtaining the prior no-objection of the Saudi Central Bank, the Board shall appoint a CEO from among its members or from others.

The Board Chairman and the Managing Director shall, jointly or individually, represent the Company in its relations with third parties, governmental and private authorities, legal courts, commercial courts, labor courts, all courts of competent jurisdiction, the administrative courts (Board of Grievances), medical legal committees, financial, banking, financing and insurance dispute settlement committees, the offices and committees for the resolution of securities, and financial and commercial papers disputes, customs committees, commercial fraud committees, committees for the settlement of tax violations and disputes and all other judicial committees, Anti-Corruption and Oversight Commission, Public Prosecution, arbitration commissions and committees, arbitrators, civil affairs, police stations, other governmental authorities, chambers of commerce and industry, private commissions entities, companies, and institutions of different types; they have the right to claim, litigate, plead, defend, hear and respond to claims, acknowledge, deny, re-conciliate, waive, discharge, request oath, challenge oath, abstain from oath, bring witnesses and evidences, appeal, respond, endorsement and impeachment, challenge forgery, deny calligraphy, stamps and signatures, request banning of travel, lift banning of

travel, request seizure and implementation, follow up with the seizure and implementation departments, request arbitration, appoint experts and arbitrators, challenge experts and arbitrators reports, deny and replace them, request application of Sharia Hearing Law, request implementation of verdicts, accept, deny and object to verdicts, request appeal and petition for reconsideration, annotation of verdict deeds, request rehabilitation and preemption, attend sessions in all lawsuits at all courts, receive amounts in checks in the name of the Company and receive deeds of verdicts, request judge recusal, and request inclusion and intervention.

The Board Chairman and the Managing Director shall, jointly or individually, represent the Company in its relations with third parties, governmental and private authorities, companies and organizations of all types; they have the right to sell, buy, empty and accept emptying, pay and receive price, acknowledge receipt of price and grant, accept grant, bargain, waiver, mortgage, redeem mortgage, accept mortgage for all properties of the Company, including stocks, shares, real estates, lands, properties and the Company's assets, including the Company's movable assets, installations, and assets of affiliates or companies in which the Company is an investor or partner, merge and amend sukuk, divide, sort, receive and update sukuk in the comprehensive system, obtain a replacement of lost sukuk and items, convert agricultural lands to residential, commercial and industrial lands, amend boundaries, lengths and areas, land plot numbers, layouts, deeds and their dates, names of districts, lease and rent, sign and renew lease contracts, receive rental amount, receive and hand over, follow up with all related parties and finalize all required procedures and sign as required.

The Chairman or the Managing Director has the right to sign all types of contracts and documents, including, but not limited to, memorandums and articles of association of companies in which the Company is a partner or a shareholder and partners resolutions and amendment addenda at the notary public, including selling and buying shares and stocks, waiver, capital increase or decrease, appointing and dismissing managers and employees of the Company or companies in which the Company is a partner, determining their wages and remunerations, amending management item, and entry and exit of partners, partnering into existing companies and establishing new companies, buying and selling stocks and shares, paying and receiving price, subscribing to new joint stock and closed companies, selling shares and stocks and receiving value and profits, waiver by selling of stocks and shares in the companies in which the Company is a shareholder or a partner; transfer shares, stocks, sukuk and documents, amend the Company's objectives, amend memorandums and articles of association or amendment addenda, transfer companies to closed or public joint stock companies, publish memorandums and articles of association, amendment addenda and their summaries in line with the laws, register companies, agencies and trademarks, assign trademarks, attend ordinary and extraordinary general assemblies, and partners' assemblies of affiliates and companies in which the Company owns shares or stocks, vote on resolutions, make objections and reservations, open files for the Company, open and close branches of the Company, liquidate companies, obtain and renew commercial registers, subscribe to chambers of commerce and industry and renew subscriptions and approve relevant signatures, follow up with the Quality Assurance Department and the Saudi Standards, Metrology and Quality Organization, obtain and renew the Company licenses, convert the Company

branches into companies, represent the Company in the General Investment Authority, sign its necessary documents, represent the Company in the Capital Market Authority and sign its necessary documents, enter into tenders, receive forms, and sign and cancel all the Company contracts with third parties. The Chairman or the Managing Director may sign loan agreements, guarantees and warrants, sign promissory notes, order notes and checks, open accounts in banks in the name of the Company, close accounts, authorize third parties, open credits, withdraw and deposit in banks, issue bank guarantees, sign all papers, documents, checks and all banking transactions, including opening and closing investment portfolios, transferring of shares among portfolios, opening electronic accounts and acting upon them by withdrawal and deposit, authorizing third parties, selling and buying stocks. They have the right to appoint and dismiss employees, request visas, recruit workforce from outside the Kingdom, contract with them and determine their wages and remunerations, obtain resident IDs, transfer and release sponsorships; appoint agents, lawyers and advisors on behalf of the Company, issue legal powers of attorney on behalf of the Company; entrust or authorize a director or more, or the Company's employee or a third party repeatedly to undertake specific works and cancel the power of attorney or authorization.

In addition, the Managing Director shall have the authority to undertake all the management works required for implementing the resolutions of the Board and Shareholders' General Assembly, and he shall have other powers determined or assigned to him by the Board.

The Board, at its own discretion and by a resolution of the Board, shall determine the remunerations to be received by the Board Chairman and the Managing Director, and the remunerations set for the Board members under these Articles of Association.

The Board shall appoint a secretary, from among its members or others. The Secretary shall write the Board meeting minutes and document and keep the resolutions issued in these meetings, and he shall exercise other powers delegated to him by the Board, the Chairman or the Managing Director. The Secretary's remuneration shall be determined by the Board.

The Chairman and the Managing Director may (by a written resolution) delegate some of their powers to other Board members or to third parties to undertake specific works.

The Deputy Chairman shall replace the absent Chairman, in cases where the Board has a deputy chairman.

The term of the Chairman, the Managing Director and Secretary if a Board member shall not exceed the term of office of each of them in the Board. The Board may, at any time, dismiss the Chairman, Deputy Chairman, Managing Director, CEO, and Secretary, or any of them, provided that such dismissal does not result in exempting them from Board membership.

#### **Article (22):**

##### **Board Meetings:**

1. The Board shall meet (4) times at least during a fiscal year by an invitation of the Board Chairman. The invitation shall be in writing or sent by mail, fax or email to the addresses registered in the

Company. The Board Chairman shall call for a Board meeting upon the written request of any Board member to discuss one or more issues.

2. The Board shall determine the location of its meetings, which may be held using modern technology.

**Article (23): Board Meeting and Decisions:**

1. The Board meeting shall be valid only if attended by at least (5) members in person or by proxy. A Board member may delegate another member to attend and vote in the Board meetings. If a Board member delegates another member to attend Board meetings, such delegation shall be in accordance with the following guidelines:
  - a. The Board member may not delegate more than one member to attend the same meeting.
  - b. The delegation shall be documented in writing.
  - c. The proxy may not vote on the resolutions the voting thereon of which is prohibited by the Articles of Association.
2. The decisions of the Board shall be issued by a majority of the votes of the members present in person or by proxy in it, and in case of a tie, the Chairman of the meeting shall have a casting vote.
3. The decision of the Board shall be effective from the date of its issuance, unless this decision is stipulated to be effective at another time or when certain conditions are met.

**Article (24): Issuing Board Decisions on Urgent Matters:**

The Board may issue decisions on urgent matters by presenting them to all members by circulation, unless a Board member requests in writing that the Board convenes for deliberation. The decisions shall be issued by the majority of the votes of its members, and they shall be submitted to the Board at its first following meeting, and recorded in the minutes of this meeting.

**Article (25): Board Deliberations:**

1. The Board deliberations and decisions shall be recorded in minutes signed by the meeting Chairman, attending members and Secretary.
2. The minutes shall be 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, decisions and minutes.

## **Part IV**

### **Shareholder Assemblies**

**Article (26): Meetings of Shareholders' General Assembly:**

1. Meetings of the Shareholders' General Assembly shall be headed by the Chairman, or Deputy Chairman if the Chairman is absent, or by whom the Board delegates from among its members if the Chairman and Deputy Chairman are absent; in the event that this is not possible either, the General Assembly shall be chaired by whomever the Shareholders delegate by voting from among the Board members or others.

2. Every Shareholder has the right to attend the General Assembly meeting, and he may delegate another person who is not a Board member to do so on his behalf.
3. Meetings of the Shareholders' General Assembly, and the Shareholder's participation in deliberations and voting on decisions may be done by means of modern technology.

**Article (27): Calling Assemblies to Convene:**

1. The Shareholders' General or Special Assemblies shall convene by an invitation of the Board. The Board shall invite the Ordinary General Assembly to convene within (thirty) days as of the date of the request of the auditor or one or more shareholders representing at least (10%) of the voting shares. The auditor may invite the Ordinary General Assembly to convene if the Board has not invited the Assembly to convene within (thirty) days from the date of the auditor's request.
2. The request referred to in Paragraph (1) of this Article shall specify the subjects on which the Shareholders are required to vote.
3. The call for the Assembly meeting shall be issued at least (21) days prior to the date set for the meeting in accordance with the provisions of the Articles of Association, taking into account the following:
  - a. The Shareholders shall be informed by registered letters sent to their addresses mentioned in the Shareholder Register, or by announcing the invitation through modern technology means.
  - b. A copy of the invitation and the agenda shall be submitted to the Commercial Registry and the Capital Market Authority on the invitation announcement date.
4. The invitation to the Assembly meeting must include at least the following:
  - a. A statement of the holder of the right to attend the Assembly meeting and his right to deputize whomever he chooses from among the non-members of the Board, and a statement of the Shareholder's right to discuss topics on the agenda of the Assembly and to ask questions, and how to exercise the right to vote.
  - b. The place, date and time of the meeting.
  - c. The type of the Assembly, whether it is General or Special.
  - d. The meeting agenda, including the items on which the Shareholders are required to vote.

**Article (28): Quorum of the Ordinary General Assembly:**

1. The meeting of the Ordinary General Assembly shall only be valid if attended by the Shareholders representing at least half of the Company's voting shares.
2. If the quorum required for the Ordinary General Assembly meeting is not achieved in accordance with Paragraph (1) of this Article, a call shall be sent for a second meeting to be held within 30 days following the first meeting on the same conditions prescribed in Article (91) of the Companies Law. However, the second meeting may be held one hour after the end of the period set for the first meeting, provided that the call for the first meeting indicates the possibility of holding a second meeting.

**Article (29): Quorum of the Extraordinary General Assembly:**

1. The meeting of the Extraordinary General Assembly shall only be valid if attended by the Shareholders representing at least half of the Company's voting shares.
2. If the quorum required for the Extraordinary General Assembly meeting is not achieved in accordance with Paragraph (1) of this Article, a call shall be sent for a second meeting to be held on the same conditions prescribed in Article (91) of the Companies Law. However, the second meeting may be held one hour after the end of the period set for the first meeting, provided that the call for the first meeting indicates the possibility of holding a second meeting. In all cases, the second meeting shall only be valid if attended by the Shareholders representing at least (a quarter) of the Company's voting shares.
3. If the quorum required for the second meeting is not achieved, a call shall be sent for a third meeting to be held on the same conditions prescribed in Article (91) of the Companies Law; the third meeting shall be valid regardless of the number of the voting shares represented therein.

**Article (30): Voting in Assemblies:**

1. Each Shareholder shall have a vote for every share he represents in the General Assembly, and cumulative voting shall be applied for the election of Board members, where the voting right for each share may not be used more than once.
2. Board members may not participate in voting on the Assembly resolutions pertaining to works and contracts in which they have direct or indirect interest, or which involve conflict of interest.

**Article (31): Resolutions of Assemblies:**

1. The resolutions of the Ordinary General Assembly shall be issued by the majority of the shares represented in the meeting.
2. The resolutions of the Extraordinary General Assembly shall be issued by the majority of (two thirds) of the shares represented in the meeting, unless the resolution is related to the capital increase or decrease, extending the Company term, dissolving the Company prior to the term specified in its Articles of Association, or merging the Company with another company or dividing it into two or more companies; in these cases, the resolution shall be valid only if issued by the majority of (three quarters) of the shares represented in the meeting. The resolution shall only be enforced after obtaining the approval of the Saudi Central Bank therefor.

**Article (32): Discussion in Assemblies:**

Every Shareholder has the right to discuss the subjects listed in the agenda of a General Assembly, and to address questions in respect thereof to the Board members and the auditor. The Board members or the auditor shall answer the Shareholders' questions to the extent that causes no harm to the Company's interest. If the Shareholder deems that the answer to his question is unsatisfactory, he may raise the issue in the General Assembly, whose resolution in that regard shall be enforceable.

**Article (33): Preparing Minutes of Assemblies:**

Minutes shall be made for each meeting of the Assembly, showing the number of attended Shareholders, whether in person or by proxy, the number of shares held by each Shareholder and number of votes allotted thereto, the adopted resolutions the Assembly and the number of votes for or against them, and a sufficient summary of the deliberations that have taken place in the meeting. The minutes shall be written on a regular basis after each meeting in a special register signed by the Assembly Chairman, the Secretary, and the Vote Collector.

**Part V**

**Auditor**

**Article (34): Appointment, Removal and Resignation of the Company's Auditor:**

1. After obtaining the prior no-objection of the Saudi Central Bank, the Company shall have one (or more) auditors from among those licensed to operate in the Kingdom. The General Assembly shall appoint the auditor, determine his remunerations, term of office and scope of work, and it may re-appoint him, provided that his appointment duration does not exceed the legally prescribed period.
2. The auditor may be dismissed by a decision of the General Assembly, and the Board Chairman must notify the competent authority of the dismissal decision and its reasons within a period not exceeding (five) days from the decision issue date.
3. The auditor may resign from his mission by submitting a written notification to the Company, and his mission shall end from the date of submission or on a later date specified in the notification, without prejudice to the Company's right to be compensated for the damage it incurs, if required. When the notification is submitted, the resigned auditor is obligated to provide the Company and the competent authority with a statement of the reasons for his resignation. The Board shall call the General Assembly to convene to consider the reasons for the auditor's resignation, and it shall appoint another auditor, determine his remunerations, term of office and scope of work.

**Article (35): Powers of Auditor:**

The auditor may, at any time, review the Company's documents, accounting records, and supporting documents, and he may request data and clarifications as he deems necessary to verify the Company's assets and obligations and other matters that fall within his scope of work. The Board shall enable the auditor to undertake his duties, and the auditor shall record any difficulties he may face in such regard in a report to be submitted to the Board. If the Board does not facilitate the auditor's work, he shall ask it to call for a meeting of the General Assembly to consider the matter. The auditor may send this call if the Board did not send it within (30) days from the date of the auditor's request.

**Part VI**  
**Company's Accounts and Distribution of Dividends**

**Article (36): Fiscal Year:**

The Company's fiscal year shall begin on the 1st of January and end on the 31st of December of each year.

**Article (37): Financial Documents:**

1. The Board shall prepare the Company's financial statements at the end of each financial year together with a report of its activities and financial position for the preceding fiscal year. This report shall include the proposed method for distributing profits. The Board shall put these documents at the disposal of the auditor, if any, at least (45) days prior to the date set for the annual Ordinary General Assembly meeting.
2. The Company's Chairman, CEO, and CFO, if any, shall sign the documents referred to in Paragraph (1) of this Article, and their copies shall be deposited at the Company's head office at the disposal of the Shareholders.
3. The Chairman shall provide the Shareholder with the financial statements of the Company and the Board's report after they are signed, and the auditor's report, if any, unless they are published in any modern technology means; he shall do this at least (twenty-one) days prior to the date set for the annual Ordinary General Assembly meeting, and he must deposit these documents as specified in the Implementing Regulations of the Companies Law.

**Article (38): Formation of Reserves:**

1. When determining the portion of shares in net profits, the Ordinary General Assembly may resolve to create reserves in such an amount as to ensure continued prosperity for the Company or the payment of as steady dividends as possible to the Shareholders. The aforementioned Assembly may also deduct sums from the net profits to achieve social purposes for the Company's employees.
2. The General Assembly shall determine the percentage of net profits to be distributed to the Shareholders after deducting the reserves, if any.
3. By a decision of the Board and under an authorization of the Ordinary General Assembly, the Company may distribute interim dividends to the Shareholders on a semi-annual or quarterly basis in accordance with the relevant regulations issued by competent authorities.

**Article (39): Entitlement to Dividends:**

The Shareholder shall be entitled to its share of dividends in accordance with the resolution of the General Assembly issued in this regard, and this resolution shall state the entitlement and distribution dates. The Shareholders recorded in the Shareholder Registers shall be eligible for their shares in dividends at the end of the specified entitlement date. The Board shall implement the decision of the General Assembly regarding the distribution of dividends to the Shareholders.



**Part VII**  
**Dissolution and Liquidation of the Company**

**Article (40): Dissolution of the Company:**

The Company shall be dissolved 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. If the Company is dissolved and its assets are insufficient to pay its debts or it is in default according to the Bankruptcy Law, it must apply to the competent judicial authority for initiating any liquidation procedures under the Bankruptcy Law.

**Part VIII**  
**Final Provisions**

- Article (41):**
1. The Company is governed by the laws in force in the Kingdom of Saudi Arabia.
  2. If any of the provisions of these Articles of Association contravenes the provisions of the Companies Law, such provision shall be deemed invalid and the Companies Law shall apply in this regard. The Companies Law and its Implementing Regulations shall apply in all cases for which no provision is stipulated in these Articles of Association.
  3. A prior written no-objection letter from the Saudi Central Bank must be obtained before issuing the Company's Articles of Association or any amendment thereto.

**Article (42):** These Articles of Association shall be filed and published in accordance with the provisions of the Companies Law and its Implementing Regulations.

