



Articles of Association
Enma Alrawabi Co.
(A joint stock company)



Chapter One: Establishment of the Company

Article (1): Establishment:

The establishment of a Saudi listed joint stock company in accordance with the provisions of the Companies Regulation issued by Royal Decree No. (M/ 3) dated 28/01/1437 AH and with the issuance of the Companies Law by the Royal Decree No. (M / 132) dated 01/12/1443 AH and its executive regulations issued by the decision of his excellency the Minister of Commerce No.(284) dated 23/6/1444 AH, the company's Articles of Association were amended as follows:

Article (2) Company name:

Enma Alrawabi Company (A Joint Stock Company)

Article (3) Purpose of the Company:

The purposes of which the Company was established are:

1. Purchase and sale of real estate and lands for the interest of the Company.
2. Establishing and owning buildings of all kinds including residential, commercial, tourist, resorts, concert and meetings halls, hotels, restaurants, and cafes and investing the same by leasing, operating or selling, renting buildings from third parties, whether tourist or residential, as well as operating, maintaining and cleaning and managing buildings.
3. Importing and exporting building materials, their supplements, educational, cultural and stationery materials, and establishing libraries, stationery, wholesale and retail trade in building materials and educational means.
4. Establishing, owning, participating in, operating, maintaining, and managing educational facilities such as schools, institutes, colleges, universities and various training centers.
5. Buying, selling, leasing, and managing farms. Establishing agricultural stores and trading in fertilizers, seeds, and all agricultural materials, tools, and machinery.
6. Establishing and owning of factories of marble, tiles, blocks, crushers, cement, gypsum and all factories of construction materials and complementary materials.
7. Development, management and maintenance of real estate.
8. Establishing, managing, operating, maintaining and cleaning buildings, real estate, hotels, residential apartments, tourist resorts, commercial and recreational centers.
9. Establishing, managing, operating and maintaining hospitals, vocational centers, scientific institutes and private schools.
10. Establishing, managing, operating, maintaining, cleaning, leasing and renting restaurants and cafes (Coffee shops and internet).
11. Practicing education and training services.
12. Investing in industrial, commercial, service and agricultural projects.
13. Acquisition of commercial agencies, distribution agencies and commercial undertakings.

The Company shall not practice its activity except after obtaining the necessary licenses from the competent authorities.

Article (4) Participation and ownership in companies:

The Company may solely establish companies (including limited liability company or closed shareholding company), provided that the capital shall not be less than (5) million riyals. It may also have stocks and shares in other existing companies or merge therewith, it shall have the right to participate with third parties in establishment of limited liability joint stock companies after fulfilling the requirements of the laws and instructions adopted in this regard. The Company may also dispose of such stocks or shares, provided that this does not include brokerage in trading therein.

Article (5) Head Office of the Company:



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The head office of the company is located in the city of Riyadh in the Kingdom of Saudi Arabia, and the Board of Directors may establish branches, offices or agencies inside and outside the Kingdom of Saudi Arabia.

Article (6) Duration of the company:

The term of the company is (99) ninety-nine Gregorian years starting from the date of issuance of the decision of His Excellency Minister of Commerce and Industry on the declaration of its establishment. It is always permissible to extend the term of the company by a decision issued by the Extraordinary General Assembly at least one year before the expiry of its term.

Chapter Two: Capital and shares

Article (7) Capital:

The capital of the company is set at (400,000,000) four hundred million Saudi riyals divided into (40,000,000) forty million shares of equal value, each with a nominal value of (10) ten Saudi riyals, of which all are ordinary cash shares.

Article (8) Subscription to shares:

The subscription of shareholders to the full shares of the company (40,000,000) forty million ordinary shares, with a value of (400,000,000) four hundred million Saudi riyals paid in full.

Article (9) Sale of shares not fulfilled in value:

The shareholder is obligated to pay the share value on the dates specified for that purpose, and if the shareholder fails to pay on the due date, the Board of Directors may, after notifying the shareholder at his address established in the shareholders' register, or by notifying him by a registered mail, sell the shares in the public auction among the company's shareholders or on the stock market, as the case may be, in accordance with the regulations set by the competent authority.

The company shall collect from the proceeds of the sale the amounts due to it and shall return the remainder to the shareholders. If the proceeds of the sale are insufficient to fulfill these amounts, the company is permitted to collect the remainder from all the shareholders' funds.

Nevertheless, a shareholder in default up to the sale date may pay the due amount, in addition to any related expenses incurred by the company in this regard.

The company shall cancel the sold share in accordance with the provisions and shall give the buyer a new share bearing the number of the canceled share and shall indicate the same in the shareholders' register.

Article (10) Issuance of shares:

The shares shall be nominal and may not be issued less than their nominal value but may be issued with a higher value. In this latter case, the difference in value shall be added in a separate item within the shareholders' equity. The regulations shall specify the controls for its use. The share shall be indivisible against the Company; and if the share is owned by multiple persons, they shall choose one of them to represent them in using the rights related thereto. These persons shall be jointly liable for the obligations arising from the ownership of the share. However, the shares may be divided into shares of less nominal value. or be merged in order to represent shares of higher nominal value; and the competent authority may set the necessary controls for that.

Article (11) Shares Trading:

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

Article (12) Capital Increase:

1. 1- The Extraordinary General Assembly may decide to increase the capital of the Company, provided that the capital has been paid in full, and it is not required that the capital be paid in full if the unpaid portion of the capital is attributable

to shares issued in exchange of the conversion of debt instruments or financing instruments into shares and the period prescribed for the conversion into shares has not expired yet.

- 2- In all cases, the extraordinary general assembly may, upon increasing the capital, allocate the issued shares or part thereof to the company's employees and the affiliates or some of them or any thereof. The shareholders may not exercise preemptive rights when the company issues shares allocated for employees.
3. Upon the issuance of the resolution of the Extraordinary General Assembly approving the capital increase, the shareholder shall have a preemptive right to subscribe to new shares issued against cash contributions. Such shareholders shall be notified by publication in a daily newspaper or by registered mail of the resolution of the capital increase, the subscription conditions, term and its commencement and expiry dates.
4. The extraordinary general assembly shall have the right to suspend shareholders' preemptive rights to subscribe to the capital increase against cash contributions or give such preemptive rights to non-shareholders in cases it deems appropriate for the interest of the company.
5. Shareholders shall be entitled to sell or assign the preemptive rights during the period from the time of issuing the decision of the general assembly approving the capital increase up to the last day of subscription in the newly issued shares associated with such rights, in accordance with controls set by the competent authority.
6. Subject to the provisions of paragraph (4) above, the new shares shall be distributed to the holders of preemptive rights who have requested subscription, in proportion to the preemptive rights they own out of the total preemptive rights resulting from the capital increase, provided that they shall not have more than what they requested of new shares; the remainder of the new shares shall be distributed to the preemptive equity holders who have requested more than their share, in proportion to the preemptive rights they own out of the total preemptive rights resulting from the capital increase, provided that they shall not have more than they requested of the new shares, and the remaining shares shall be offered to others, unless the extraordinary general assembly or the Capital Market Law states otherwise.

Article (13) Capital Reduction:

1- The extraordinary general assembly may decide to decrease the capital if it is in excess of the need of the company or if the company incurs losses. In the latter case only, the capital may be decreased below the limit set forth in Article 54 (fifty-four) of the Articles of Association. The decision to decrease the capital shall not be issued until after the recitation of a special report prepared by the auditor for the necessary reasons for such decision, the company's obligations, and the effect of decrease on such obligations.

If the capital decrease is the result of exceeding the Company's need, the creditors shall be invited to express their objections thereto within sixty days from the date of publishing the capital decrease decision in a daily newspaper distributed in the area where the Company's head office is located; if one of the creditors objects and submits his documents to the Company within the set out date, the Company shall pay him his debt if it is current or provide him with sufficient guarantee to fulfill the debt if it is later.

Chapter Three: The Board of Directors

Article (14) Management of the Company

The Company shall be managed by a Board of Directors consisting of eight naturally standing members elected by the General Assembly of Shareholders for a term not exceeding four years.

Article (15): Expiration or Termination of Board Membership

The membership of the Board shall expire upon the expiry of its term or the expiry of the member thereof in accordance with any law or instructions effective in the Kingdom. The General Assembly may (at the recommendation of the Board of Directors) terminate the membership of the members absent from attending (three) consecutive meetings or (five) separate meetings during his term of membership without a legitimate excuse acceptable to the Board of Directors. However, the Ordinary General



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Assembly may remove all or some of the members of the Board of Directors. In this case, the Ordinary General Assembly shall elect a new Board of Directors or a substitute for the isolated member (as the case may be) in accordance with the provisions of the Articles of Association.

Article (16): Expiration of the term of the Board of Directors, retirement of its members or vacancy of membership

1. The Board of Directors shall, before the expiry of its term, call the Ordinary General Assembly to convene to elect a Board of Directors for a new term. If the election cannot be held and the term of the current board expires, its members shall continue to perform their duties until the election of a board of directors for a new term, provided that the term of the members of the board whose term expires does not exceed the period specified by the executive regulation of the Articles of Association.
2. If the chairman and members of the board of directors retire, they shall call the Ordinary General Assembly to convene to elect a new board of directors. Retirement shall not take effect until the election of the new board, provided that the period of continuation of the retired board shall not exceed the period specified by the executive regulations of the Articles of Association.
3. A member of the Board of Directors may retire from membership of the Board by written notification to be addressed to the Chairman of the Board. If the Chairman of the Board resigns, the notification must be addressed to the other members of the Board and the Secretary of the Board. The 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 the death or retirement of any of its members and this vacancy does not result in a breach of the conditions necessary for the validity of the Board's meeting due to the lack of the number of its members below the minimum, the Board may appoint (temporarily) in the vacant position whoever has experience and competence, provided that he informs the Commercial Register, as well as the Capital Market Authority within (fifteen) days from the date of appointment, and that the appointment shall be submitted to the Ordinary General Assembly at its first meeting, and the appointed member shall complete the period of his predecessor.
5. If the necessary conditions for the validity of convening of the Board of Directors are not met because the number of its members is less than the minimum stipulated in the Articles of Association or in this Articles of Association, the rest of the members shall call the Ordinary General Assembly to convene within (sixty) days to elect the necessary number of members.

Article (17) Directors' Remuneration

The remuneration of the members of the Board of Directors shall be in accordance with Article (76) of the Articles of Association and any other complementary laws, resolutions or instructions with an amount not exceeding (40,000) forty thousand Saudi riyals for each member of the Board of Directors, including the Chairman of the Board for one year, and this shall not include remuneration in other committees. The Ordinary General Assembly shall determine the amount of remuneration of the members of the Board of Directors, considering that the remuneration shall be fair and incentive and appropriate to the performance of the member and the performance of the company. The regulations and controls necessary for the implementation of this clause shall be determined. The report of the Board of Directors addressed to the Ordinary General Assembly at its annual meeting shall include a comprehensive statement of all the salaries received or entitled to receive by each member of the Board of Directors during the fiscal year and other benefits. It shall also include a statement of the remuneration received by the members of the Board as employees or administrators or what they received in exchange for technical, administrative, or advisory work, and shall include a statement of the number of the Board sessions and sessions of each member from the date of the last meeting of the General Assembly.

Article (18) Powers of the Board of Director

The Board of Directors shall appoint from among its members a chairman and a vice-chairman, provided that the appointment is in accordance with the nomination criteria in the company's regulations and policies approved by the General Assembly. It may appoint a chief executive officer. The position of chairman and an executive position in the company may not be combined. The vice-chairman of the board of directors shall replace the chairman of the board in his absence. Subject to the competences established for the General Assembly, the Board of Directors shall have the broadest powers in managing the company's business and supervising its affairs to achieve its purposes. To perform its duties, the board may exercise all the powers and carry out all the acts and disposals that the company is entitled to carry out, provided that the articles of association have not explicitly stipulated that these acts are within the powers of the General Assembly.

- 1- The Board of Directors shall have the powers to formulate the general policy of the Company in accordance with its purposes and achieving its objectives and conducting all the acts and transactions within the limits of the Company's purposes, including, but not limited to:
- 2- Borrowing in favor of the company from banks, public lending funds, government financing institutions, commercial loans and local financing entities, signing loan agreements and signing all bank guarantees – and signing bonds to the order and all commercial papers associated with it, in accordance with the following conditions:
 - a/ The Board of Directors shall be convened with the attendance of at least five members and shall obtain approval at the rate of (75%) of the votes.
 - b/ The Board of Directors shall determine in its decision the aspects of the use of the loan and how to repay it
 - c/ The Board shall consider in the terms of the loan and the guarantees provided thereto, no to cause harm to the Company, its shareholders, and the general guarantees of creditors.
 - d/ The loan shall be in accordance with the provisions of the Islamic Sharia.
 - e/ The borrowing shall not exceed (50%) fifty percent of the value of the company's capital, and if it exceeds that percentage, it must be approved by the Extraordinary General Assembly.
- 3- The Board of Directors shall obtain facilities of all types, sign all its contracts and documents. The Board shall also arrange financing and investment structuring operations and commercial papers and sign all their contracts and documents. documents.
- 4- The Board of Directors may, in a manner that does not violate the Sharia provisions of debts, issue and trade financing instruments and debt instruments.
- 5- The Board of Directors may invest the Company's funds in securities of all types, including but not limited to opening, operating, and closing accounts and investment portfolios with financial companies, and signing all contracts and documents related thereto. The company may issue, sign and disburse cheques, open documentary and non-documentary credits, issue letters of guarantee and credit, appoint authorized signatories, determine or cancel their powers and sign all commercial papers including bills of exchange and promissory notes and execution thereof.
- 6- Appointing the various committees, especially the Committees of Audit, Nominations and Remuneration, of the Board of Directors and may determine and appoint their members, powers, and methods of work in accordance with the purpose for which they are established and in a manner that achieves the purpose of the Company.
- 7- Shall approve the Board's work regulations, financial, administrative, technical and investment regulations of the company, accounting policies, internal control systems and updating them periodically, shall approve the company's work plans and operating thereof, approve its annual budget, and approve the social responsibility allocation and donations. The Board may authorize the officials of the company to sign on its behalf in accordance with the controls set by the Board.



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- 8- Sign all contracts and agreements in the name of the company and conclude all contracts and Sharia and statutory actions in the name of the company such as sale, purchase, investment, reconciliation contract, settlements, clearances, discharge, receipt, delivery, disbursement, payment and all Sharia and statutory procedures necessary for that, except for actions within the competence of the General Assembly.
- 9- Disposal of real estate by buying and selling real estate in favor of the company and authorize whoever the Board deems necessary to carry out these works at the competent authorities; receive, deliver, rent, lease, disburse and pay.
- 11- Disposal of real estate by buying and selling real estate in favor of the company within the limits of the powers of the Board and sign the same before the notary public and authorize whoever the Board deems fit to carry out these acts at the competent authorities, to receive, deliver, rent, lease, disburse and pay. , except for the actions within the competence of the General Assembly.
- 12- Accept, sign and transfer gifts even if they were from a member of the Board of Directors or shareholders for the benefit of the Company.
- 13- Rent and operate real estate, sign all contracts and agreements related to that, receive wages, and deposit the same in the company's account at the local banks.
- 14- Land planning and partition.
- 15- Request the removal of the commonality, allocation and partition of the real estate, submit applications for adjudication arguments and ownership deeds, request the amendment of the deeds, sorting, acknowledging the replacement, issue a replacement for the lost, and submit requests for photocopies thereof, marginalize or correct them, correct and amend the measurement and limits of the properties, include the contents of the deeds in one or more deeds, obtain new deeds, sign and receive Sharia deeds, and sign the same before the Notary Public.
- 16- Extract building and demolition licenses from the competent authorities, and those who delegate them have the right to delegate to others.
- 17-The right to represent the company, review, inquire, receive, and deliver everything related to the company and its branches of transactions or records.
- 18- Represent the company before all governmental bodies, ministries, institutions, public authorities, private companies, and institutions, factories, and non-judicial individuals.
- 19- Agree to own and participate in existing companies or participating in the establishment of new companies, except for partnership companies, and sign their articles of association, memorandum of association and addendums thereof before the Notary Public and all government and competent authorities.
- 20- Select legal agents, terminate agencies, appoint, and dismiss managers and employees, determine their salaries and remunerations, determine their powers and authorities, and contract with service providers of the Company such as law firms, engineering offices, accounting and financial auditing offices, and others
- 21-The Board of Directors has the right to add or delete the signatures of the members of the Board of Directors, the Executive Director or others before banks, chambers of commerce and industry or any government or private entity with competence.
- 22- The Board of Directors may invest in the Company's funds and operate them in the local and international markets inside and outside the Kingdom of Saudi Arabia.
- 23- Inquire about all banking transactions through the applicable electronic and non-electronic systems and sign the inquiry contracts necessary for that.
- 24- Recruitment and issuance of labor visas necessary for the company to practice its activities; transfer their sponsorship to it, waiving the labor, and extract exit, return and final exit visas for them.



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The Board of Directors may, without prejudice to the Sharia provisions of debts, issue and trade financing instruments and debt instruments.

26- Delegate some of the powers of the Board of Directors stated above to one or more members thereof, and delegate others therein, whether the delegate or principal is one or more of them jointly or individually.

27-The majority of the Board shall have the powers of the Chairman stated in these Articles of Association.

Article (19) Powers of the Chairman, Vice-Chairman, Managing Director, and the Secretary

The Board of Directors shall appoint from among its members a Chairman and a Vice-Chairman and may appoint a Managing Director. The position of Chairman of the Board of Directors may not be combined with any executive position in the Company.

The Chairman of the Board of Directors shall preside over the meetings of the Board of Directors as well as the meetings of the General Assembly and shall represent the Company before all government and judicial bodies and before third parties. He shall have the right to sign the memorandum of association of companies incorporated by the Company and/or in which it participates and the amendment annexes thereof and other contracts, agreements, instruments and releases before the Sharia courts, all Sharia departments, the Notary Public and all Sharia, statutory and contractual acts stipulated in Article (18) above, except for loans which are carried out after the approval of the Board of Directors, before governmental, judicial bodies and third parties.

The Managing Director shall be competent to implement the policies of the Company determined by the Board of Directors and shall generally supervise the operations of the Company as he is the Executive Officer of the Company. The Board of Directors may entrust and assign to the Managing Director any power exercised by the Board, in accordance with the terms, conditions and restrictions that the Board deems appropriate and in accordance with the Articles of Association and its regulations.

The board of directors shall appoint a secretary from among its members, others, or non-shareholders, who shall be competent to record the deliberations and decisions of the board and record the same in the special register, as well as keeping this register, and his remuneration shall be determined by a decision of the board of directors.

The term of the chairman of the board, the managing director, and the secretary of the board of directors shall not exceed the term of membership of each of them in the board, and they may be reappointed. The board of directors may exempt the chairman of the board, his deputy, the chief executive officer, and the secretary, or any of them, from those positions, and this shall not result in exempting them from their membership in the board of directors.

Article (20) Meetings of the Board

The Board of Directors shall meet at least four times a year upon an invitation of its chairman; the invitation shall be in writing and shall include the agenda. The invitation shall be sent to each member at his registered address with the company. The invitation may be delivered by hand or be sent by e-mail or to one of the documented electronic addresses, ten days before the specified date. If necessary, the meeting may be called two working days before the specified date. The meeting shall be held at the headquarters of the company or at any place specified by the chairman of the board. The meeting may be held, deliberated and voted electronically and in accordance with the relevant statutory requirements. The board may invite to attend its sessions whoever it deems appropriate to use their information or expertise without having the right to vote. The chairman of the board shall invite the board to meet when requested to do so by any member of the board in writing to discuss one or more subjects.



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Article (21) Meeting of the Board and its resolutions

1-The meeting of the board of directors of the company shall not be valid unless attended by at least four members in person, by representation, or via modern technological means. In the event that a member of the board of directors designates another member to attend the meetings of the board, the delegation shall be in accordance with the following controls:

(a) A member of the board of directors may not delegate more than one representation.

(b) The representation shall be established in writing, according to the template prepared by the company, and the signature of the principal shall be identical to its signature approved by the company.

© The representative may not vote on the decisions that the law prohibits the principal from voting on.

2- The Board's resolutions shall be issued by a majority of the votes of the Board members present or represented at the meeting. In the event of equal votes, the side supported by the Chairman's vote shall prevail. The Board of Directors may issue the resolutions by passing on to all members separately unless one of the members requests in writing or by e-mail within a maximum period of three business days for the Board meeting to be deliberated thereon. These resolutions shall be issued with the approval of a majority of its members' votes. These resolutions shall be presented to the Board of Directors at its first meeting to be recorded in the minutes of that meeting.

3- The decision of the Board of Directors shall be effective from the date of its issuance, unless it stipulates that it shall be effective at another time or whenever certain conditions are fulfilled.

4-In order to vote on the sale or purchase of any property for the Company, at least five members of the Board of Directors must be present, provided that the five agree to this decision of sale or purchase.

Article (22) The Board Deliberations

The deliberations and decisions of the Board of Directors shall be recorded in minutes of meetings signed by the Chairman of the Board, the members of the Board who are present and the Secretary. These minutes of meetings shall be recorded in a special register signed by the Chairman of the Board of Directors and the Secretary.

Chapter Four: Shareholder associations

Article (23) General Assembly Meeting of Shareholders

The meeting of the General Assembly of Shareholders shall be presided by the Chairman of the Board of Directors or his deputy in his absence, or by a person appointed by the Board of Directors from among its members in the absence of the chairman and his deputy. In the event that this is not possible, the General Assembly shall be chaired by a person appointed by the shareholders from among the members of the Board or others by voting.

2. Every shareholder shall have the right to attend the general assemblies of shareholders, and in this regard, he may delegate another person other than the members of the Board of Directors to attend the general assembly in accordance with the controls set by the competent authority.

3- Shareholder general assembly meetings and shareholder's participation therein and voting on its resolutions may be held by means of modern technology, in accordance with the controls set by the Competent Authority.

Article (24) Competences of the Ordinary General Assembly

Except for matters within the powers of the extraordinary general assembly, the ordinary general assembly shall have powers over all other company matters and shall convene at least once a year within six months following the end of the company's fiscal year. The other ordinary general assemblies may, however, be convened when necessary.



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Article (25) Competences of the Extraordinary General Assembly

The Extraordinary General Assembly shall be competent to amend the Articles of Association of Companies, except for the matters prohibited from amendment by law. It may issue resolutions on matters originally within the competences of the ordinary general assembly, under the same terms and conditions prescribed for the ordinary general assembly.

Article (26) Invitation to Assemblies

General assemblies or assemblies of shareholders shall be held by invitation of the Board of Directors. The Board of Directors shall call the Ordinary General Assembly to convene within thirty days from the date of requesting that by the auditor, the Audit Committee or one or more shareholders representing (10%) at least of the Company's shares that have voting rights. The auditor may invite the assembly to convene if the board does not invite the assembly within thirty days from the date of the auditors' request. The request must include the items required to be voted on by the shareholders.

The invitation of the general assembly to convene shall be published by informing the shareholders with registered letters to their addresses mentioned in the shareholders' register or announcing the invitation through modern technological means at least twenty-one days before the specified date. A copy of the invitation and agenda shall be sent to the Commercial Register and to the Capital Market Authority on the date of announcing the invitation. The invitation must include the data stipulated in the Articles of Association.

It is permissible by a decision of the competent authority to convene the ordinary general assembly in the event that one of the cases stipulated in the Articles of Association is fulfilled. The competent authority may take the necessary measures to hold the ordinary general assembly, and it may preside the meeting of that assembly in the event that it is not possible to be presided in accordance with the provision of paragraph (1) of Article (84) of the Articles of Association.

Article (27) Register of Attendance of Assemblies

Shareholders who wish to attend the General or Special Assembly shall register their names at the Company's head office prior to the time set for the assembly.

Article (28) Quorum of the Ordinary General Assembly

The meeting of the Ordinary General Assembly shall not be valid unless attended by shareholders representing at least one quarter of the company's shares that have voting rights. If this quorum is not present at the first meeting, an invitation shall be sent to a second meeting to be held in the same conditions stipulated in Article 91 of the Articles of Association within thirty days following the date specified for the previous meeting. However, the second meeting may be held an hour after the expiry of the period specified for the first meeting, provided that the invitation to hold the first meeting includes a statement of the possibility of holding this meeting. This invitation shall be published in the manner stipulated in Article (91) of these Articles. In all cases, the second meeting shall be valid regardless of the number of shares represented therein.

Article (29) Quorum of the Extraordinary General Assembly

The meeting of the Extraordinary General Assembly shall not be valid unless attended by shareholders representing at least half of the company's shares that have voting rights. If this quorum is not present at the first meeting, an invitation shall be sent



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to a second meeting to be held in the same conditions stipulated in Article 91 of the Articles of Association. However, the second meeting may be held an hour after the expiry of the period specified for the first meeting, provided that the invitation to hold the first meeting includes a statement of the possibility of holding this meeting.

In all cases, the second meeting shall be valid if attended by shareholders representing at least one quarter of the shares of the company with voting rights.

If the necessary quorum is not present at the second meeting, a third meeting shall be called to be held in the same conditions as stipulated in Article (91) of the Articles of Association, and the third meeting shall be valid, regardless of the number of shares represented therein after the approval of the competent authority.

Article (30) Voting in assemblee1- Each shareholder shall have a vote for each share in the General Assemblies. Cumulative voting shall be used in electing member of the Board of Directors so that the voting right of a share may not be used more than once.

2- The members of the Board of Directors may not participate in voting on the Assem'ly's resolutions, related to business and contracts, which they have a direct or indirect interest, or which involve a conflict of interest.

Article (31) Resolutions of the Assemblee1- Resolutions of the Ordinary General Assembly shall be issued with the approval of the majority of the voting rights represented at the meeting.

2- Resolutions of the Extraordinary General Assembly shall be issued with the approval of (two-thirds) of the voting rights represented at the meeting, unless the resolution is related to increasing or decreasing the capital, prolonging the term of the company or dissolving it before the expiry of the period specified in its articles of association, or merging the company with another company or dividing it into two or more companies; it shall not be valid unless it is issued with the approval of (three quarters) of the voting rights represented at the meeting.

Article (32) Discussion in the Assemblies

Each shareholder has the right to discuss the topics listed in the agenda of the assembly and to ask questions in this regard to the members of the board of directors and the auditor. The Board of Directors or the auditor shall reply to the questions of the shareholders to the extent that does not expose the Company's interest to harm. If the shareholder considers that the response to his question is not convincing, he shall appeal to the Assembly, and its resolution in this regard shall be effective.

Article (33) Presidency of Assemblies and Preparation of Minutes of Meetings

Meetings of the shareholder general assembly shall be presided by the chairman, or vice-chairman in case of absence of the chairman, or any member of the board of directors delegated by the board in the absence of both the chairman and vice-chairman.

Minutes of meetings shall be made for the general assembly meeting, including the number of shareholders present or represented therein, number of shares held by each, whether personally or by proxy, number of votes assigned thereto, resolutions adopted, number of approving or disapproving votes and a summary of meeting deliberations. Following every meeting, the minutes of meetings shall be entered in a special register signed by the chairman of the assembly, the secretary of the assembly and the votes counter.

Chapter Five: The Audit Committee

Article (34) Composition of the Committee

An audit committee consisting of (3-5) members, other than the executive board of directors, whether from shareholders or others, shall be formed by a resolution of the comp'ny's board of directors, provided that one independent member at least is among them, and a member thereof is specialized in financial and accounting affairs, and that the chairman of the audit committee shall be an independent member. The Comp'ny's General Assembly shall issue – in accordance with a proposal from the board of directors – work regulations of the audit committee, provided that these regulations shall include controls and procedures of the commit'ee's work, duties, rules of selecting its members, how to be nominated, term of their membership, their remuneration, mechanism of appointing its members, how to be nominated, term of their membership, their remuneration, mechanism of appointing its members temporarily in the event that one of the seats of the committee is vacant. ion of their membership, their remuneration, and the mechanism for appointing its members temporarily

Article (35) The meeting of the Audit Committee and the quorum of the meeting of the Committee

The Audit Committee shall meet periodically, provided that its meetings shall not be less than four meetings during the financial year of the Company. The Committee shall also meet periodically with the Auditor of the Company and the internal auditor of the Company, if any. The internal auditor and the Auditor may request a meeting with the Audit Committee as necessary.

The validity of the meeting of the Audit Committee shall be subject to the presence of a majority of its members, and its decisions shall be issued by a majority of the votes of those present. In the event of a tie, the side supported by the vote of the Chairman of the meeting shall prevail.

Article (36) Competencies of the Committee

The Audit Committee shall be competent to monitor the company's business, and for this purpose it shall have the right to access its records and documents and to request any clarification or statement from the members of the Board of Directors or the Executive Management. It may request the Board of Directors to invite the General Assembly of the company to convene if the Board of Directors hinders its work or the company suffers serious damage or losses.

Article (37) Reports of the Committee

The Audit Committee shall consider the company's financial statements, reports and notes provided by the auditor, and shall 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 system and the other work it has carried out within the scope of its competence. The Board of Directors shall deposit a sufficient copy of this report at the Company's head office at least ten days before the date of the General Assembly to provide each shareholder with a copy thereof. The report shall be read during the General Assembly.

Chapter Six: The Auditor

Article (38) Appointment of the Auditor

The Company shall have one auditor (or more) licensed to work inside the Kingdom and shall be appointed by the Ordinary General Assembly of the Company annually; the remunerations and contract term of the auditor shall be determined by the general assembly. The auditor may also be replaced without prejudice to his right of compensation in case such replacement was untimely or unlawfully performed.



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Article (39): Powers of the Auditors

The auditors have the right at any time to access the company's books, records, and other documents. They also have the right to request data and clarifications that they deem necessary to verify the company's assets, liabilities, and other matters within their scope of work. The chairman of the board of directors shall enable him to perform his duty, and if the auditor encounters difficulty in this regard, this shall be proven in a report submitted to the board of directors. If the board does not facilitate the work of the auditor, he shall request the board of directors to invite the ordinary general assembly to convene to consider the matter.

Chapter Seven: The Company's Account and Dividend Distribution

Article (40) Financial year

The Company's fiscal year begins on the first day of January and ends at the last day of December of each year, provided that the first fiscal year begins on the date of the ministerial resolution issued for announcing its incorporation until the last day of December of the current year.

Article (41) Financial Documents

1. 1. The Board of Directors shall, at the end of each fiscal year of the Company, prepare the Company's financial statements and a report on its activities and its financial position for the preceding year. This report shall include the proposed method of distributing the profits. The Board shall place such documents at the disposal of the Auditor, if any, at least (forty-five) days before the date set for the Annual Ordinary General Assembly.
2. 2-The Chairman of the Board of Directors of the Company, its Chief Executive Officer, and its Chief Financial Officer, if any, shall sign the documents referred to in clause (1) of this Article, copies thereof shall be deposited at the Company's head office at the disposal of the shareholders.
3. 3- The Chairman of the Board of Directors shall provide the shareholders with the financial statements of the Company and the report of the Board of Directors, after being signed, and the report of the auditor, if any, unless they are published in any of the means of modern technology, at least (twenty-one) days prior to convening the annual ordinary general assembly. He shall also deposit these documents in accordance with the executive regulations of the Articles of Association.

Article (42) Dividend Distribution

The annual net profits of the Company shall be distributed after deducting all general expenses and other costs as follows:

- (a) 10% of the net profits shall be retained to form a statutory reserve. The Ordinary General Assembly may stop this retained amount when the said reserve reaches 30% of the paid-up capital. The General Assembly may also increase an additional reserve of profits to be allocated for specific purposes determined by the Assembly upon a proposal by the Board.
- (b) After that, a percentage of the remainder of not less than (5%) of the paid-up capital shall be distributed to the shareholders, or as decided by the Ordinary General Assembly in this regard.
- (c) Subject to the provisions stipulated in Article (21), Article (22) and Article (76) of the Articles of Association, a percentage not exceeding (5%) of the rest shall be allocated to the remuneration of the Board of Directors so that in all cases it shall not exceed the maximum limits allowed in the Articles of Association and its regulations, and this shall be in accordance with the controls, resolutions and official instructions issued by the competent authorities in this regard or as determined by the

regulations and policies of the company approved in this regard, and provided that the entitlement to this remuneration is commensurate with the number of sessions attended by the member.

The board of directors of the company may, after fulfilling the controls stipulated by the competent entities, distribute semi-annual and quarterly profits after fulfilling the requirements stipulated in the executive regulations of the Articles of Association for listed joint stock companies.

Article (43) Profit Entitlements

The shareholder shall be entitled to his share in the profits in accordance with the resolution of the General Assembly issued in this regard; the resolution shall indicate the date of maturity and the date of distribution. The entitlement to profits shall be for the shareholders registered in the shareholders' registers at the end of the day specified for maturity. The Board of Directors shall implement the resolution of the General Assembly regarding the distribution of profits to the registered shareholders within (15) working days from the date of maturity of these profits specified in the resolution of the General Assembly or in the resolution of the Board of Directors to distribute interim profits.

Article (44) The Company losses

If the losses of the company reach half of the paid-up capital at any time during the fiscal year, any officer of the company or the auditor shall immediately inform the Chairman of the Board of Directors and the Chairman shall immediately inform the members of the Board of Directors of the same, and the Board of Directors shall, within fifteen days of its knowledge of this, invite the Extraordinary General Assembly to meet within forty-five days from the date of its knowledge of the losses to decide either to increase or decrease the company's capital in accordance with the provisions of the Articles of Association, 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 the Articles of Association.

The Company shall be deemed to have lapsed by the force of the Articles of Association if the General Assembly does not meet within the specified period or if it meets and is unable to issue a resolution on the matter or if it decides to increase the capital in accordance with the conditions prescribed in this Article and the capital increase has not been subscribed to within ninety days from the issuance of the General Assembly's resolution of increasing the capital.

Chapter Eight: Disputes

Article (45) Liability claim:

Each shareholder shall have the right to file a liability claim set for the Company against the members of the Board of Directors if the error committed by them would cause his own damage, provided that the right of the Company to file the claim still exists and the shareholder must notify the Company of his intention to file the claim.

Chapter Nine: Dissolution and liquidation of the company

Article (46): Company 's Dissolution:

The company shall be expired for one of the expiration reasons stipulated in Article Two Hundred Forty-three of the Articles of Association . Upon expiration of its term, it shall enter into a liquidation phase in accordance with the provisions of Chapter Twelve of the Articles of Association. If the company is expired and its assets are insufficient to pay its debts or the company is insolvent in accordance with the Bankruptcy Law, it shall submit to the competent judicial authority to initiate any the liquidation procedures under the Bankruptcy Law.



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Chapter ten: Final Provisions

Article (47):

- 1- The company shall be subject to the laws applicable in the Kingdom of Saudi Arabia
- 2- Any provision in these articles of association that contradicts the provisions of the c shall not be considered valid and shall be subject to the relevant provisions of the Articles of Association and all matters not addressed by a provision in these articles of association shall be governed by the Articles of Association and its executive regulations.
- 3- This document shall be stored and published in accordance with the provisions of the Articles of Association and Its regulations.

„ The End „