

BYLAW OF NATIONAL INDUSTRIALIZATION COMPANY

(A SAUDI JOINT STOCK COMPANY)

Part 1: Establishment of the Company

ARTICLE 1: ESTABLISHMENT:

A Saudi Joint Stock Company shall be established in accordance with the Companies Law issued by Royal Decree No. (M/132) dated 01/12/1443 AH and its executive regulations issued by the resolution of His Excellency the Minister of Commerce No. (284) dated 23/06/1444 AH, and this bylaw, and in accordance with the following:

ARTICLE 2: NAME OF THE COMPANY:

National Industrialization Company (A Saudi Joint Stock Company)

Article 3: HEAD OFFICE OF THE COMPANY:

The head office of the company is located in Riyadh city, and the company has the right to establish branches inside or outside the Kingdom by a resolution of the Board of Directors.

Article 4: PURPOSES OF THE COMPANY:

The purposes for which the Company was formed are:

1. Head office activities (supervision and management of other units in the company or establishments)
2. Activities of holding companies (i.e. units that acquire assets with a controlling interest in the capital of a group of subsidiaries and whose main activity is to own that group).
3. Research and development in engineering and technology.
4. Manufacture of refined petroleum products.
5. Manufacture of basic chemicals.
6. Manufacture of other chemical products not classified elsewhere.
7. Downstream industries.
8. Manufacture of plastics and synthetic rubbers in their primary forms.
9. Manufacture of Polyethylene.
10. Manufacture of Propylene.

11. Manufacture of plastics (elastomers) in their primary forms.
12. Manufacture of batteries and accumulators.
13. Mining of other non-ferrous mineral ores.
14. Mining of non-ferrous metal ores, including (aluminum, copper and lead).
15. Wholesale of chemicals.
16. Wholesale of plastic raw materials, rubber and synthetic fibers.
17. Provide marketing services on behalf of others

The company shall exercise its purposes in accordance with the applicable regulations and after obtaining the necessary licenses from the competent authorities, if any.

ARTICLE 5: DURATION OF THE COMPANY:

The duration of the Company shall be ninety-nine (99) calendar years from the date of its registration in the Commercial Register, subject to extension at any time by resolution of the Extraordinary General Assembly, at least one year before the expiry of its duration.

Part 2: Capital and Shares

ARTICLE 6: CAPITAL:

The capital of the company is (6,689,141,660 riyals) six billion six hundred eighty-nine million one hundred and forty-one thousand six hundred and sixty Saudi riyals divided into (668,914,166 shares) six hundred and sixty-eight million nine hundred and fourteen thousand one hundred and sixty-six nominal shares; the value of each share is (10) ten Saudi riyals.

ARTICLE 7: SUBSCRIPTION TO SHARES:

The Founders subscribed for the entire issued share capital amounting to (SAR 6,689,141,660) six billion six hundred and eighty-nine million one hundred and forty-one thousand six hundred and sixty Saudi riyals fully paid.

ARTICLE 8: TRADING OF SHARE:

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

ARTICLE 9: SALE OF UNFULFILLED SHARES:

1. The shareholder shall pay the remaining value of the share on the specified dates. If the shareholder fails to pay on the due date, the Board of Directors may, after giving notice by registered letter or by any means of modern technology, sell the share by public auction or on the financial market, as the case may be.

2. The Company shall receive the amounts due to it from the proceeds of the sale and shall return any remaining amount to the shareholder. If the proceeds of the sale are insufficient to cover such amounts, the Company may receive such amounts from the shareholder.
3. The rights attached to the shares whose value has not been paid shall be suspended at the end of the period fixed for them until they have been sold or paid in accordance with the provisions of paragraph (1) of this article, including the right to receive a share of the net profit to be distributed and the right to attend assembly and to vote on their resolutions. However, the shareholder who fails to pay by the day of sale may pay the due owed amount, in addition to the expenses incurred by the Company in this respect, in which case the shareholder shall have the right to claim the profits to be distributed.
4. The Company shall cancel the share certificate of sold share in accordance with the provisions of this article, and issue a new share certificate with the same number to the purchaser, and shall record the sale in the shareholders' register with the necessary data of the new holder.

ARTICLE 10: CONVERSION OF SHARES:

1. One type or class of shares may be converted into another type or class.
2. The conversion of one type or class of shares into another type or class shall require the approval of the Extraordinary General Assembly, except in cases where the resolution to issue shares provides for their automatic conversion into another type or class upon the fulfillment of certain conditions or after the expiration of a certain period.
3. The provisions of Article (110) of the Companies Law shall apply in cases where the conversion results in the modification or cancellation of the rights and obligations attached to the type or class of share.
4. Ordinary or preferred shares, or any class thereof, shall not be converted into redeemable shares, or any class thereof, unless with the consent of all the shareholders of the Company.

ARTICLE 11: AMENDMENT OF RIGHTS AND OBLIGATIONS RELATING TO SHARES:

1. To amend or cancel any of the rights, obligations or restrictions attached to shares, or to convert one type or class of shares into another type or class - if this results in the amendment or cancellation of the rights and obligations attached to the type or class of shares to be converted, or to issue shares of a certain type or class that affect the rights of another class of shareholders- it is necessary to obtain the approval of a extraordinary assembly - formed in accordance with Article (89) of the Companies Law

- of the shareholders who are affected by such amendment, cancellation, conversion or issue, and the approval of the Extraordinary General Assembly.

2. If the Company's shares are redeemable shares, no new shares may be issued that have priority over any of its categories, except with the approval of a special assembly - formed in accordance with Article (89) of the Companies Law - of the shareholders affected by such issue.

ARTICLE 12: INCREASE OF CAPITAL:

The Extraordinary General Assembly may decide to increase the Company's capital; provided that the capital has been fully paid. The capital is not required to be paid in full, if the unpaid portion thereof relates to shares issued in exchange for the conversion of debt instruments or financing instruments into shares and the prescribed period for conversion into shares has not expired yet.

ARTICLE 13: REDUCTION OF CAPITAL:

1. The Extraordinary General Assembly may decide to reduce the capital if it exceeds the company's needs or if the company suffers losses. In the latter case alone, the capital may be reduced to below the limit stipulated in Article (Fifty-Nine) of the Companies Law. The resolution to reduce the capital shall be taken only after the General Assembly has read a statement prepared by the Board of Directors on the reasons for the reduction, the company's obligations and the effect of the reduction on their fulfillment, provided that a report by the company's auditor is attached to this statement.
2. If the reduction of the capital is the result of an increase in the company's needs, the creditors must be invited to express their objections, if any, to the reduction at least (forty-five) days before the date fixed for holding the Extraordinary General Assembly to decide on the reduction, provided that the invitation is accompanied by a statement showing the amount of the capital before and after the reduction, the date on which the meeting is to be held and the effective date of the reduction. If one of the creditors objects to the reduction and submits his documents to the company on the said date, the company shall pay his debt if it is current or provide him with a sufficient guarantee to pay it if it is delayed.
3. In the event of a capital reduction, the equality of shareholders holding shares of the same type and class shall be taken into account.

Part 3: Board of Directors

ARTICLE 14: MANAGEMENT OF THE COMPANY:

The company shall be managed by a board of directors consisting of (10) ten members, provided that they are natural persons elected by the Ordinary General Assembly of shareholders for a period not exceeding four years.

ARTICLE 15: EXPIRATION OR TERMINATION OF BOARD MEMBERSHIP:

Membership of the Board of Directors shall cease upon the expiration of its term of office or upon the expiry of the member's validity in accordance with any law or regulation in force in the Kingdom. The General Assembly may (on the recommendation of the Board of Directors) terminate the membership of any member who, during the term of his membership, fails to attend (three) consecutive meetings or (five) separate meetings without a legitimate excuse accepted by the Board of Directors. The Ordinary General Assembly may, however, dismiss all or some of the members of the Board of Directors. In such case, the Ordinary General Meeting shall elect a new Board of Directors or a person to replace the dismissed member (as the case may be) in accordance with the Companies Law.

ARTICLE 16: THE EXPIRY OF THE TERM OF THE BOARD OF DIRECTORS, THE RESIGNATION OF ITS MEMBERS OR THE VACANCY OF A MEMBERSHIP:

1. The Board of Directors shall, before the end of its session, convene the Ordinary General Assembly to elect a Board of Directors for a new session. If the election cannot be performed and the term of office of the current Board of Directors has expired, its members shall continue to perform their duties until a Board of Directors is elected for a new term of office, provided that the term of office of the members of the Board of Directors whose term of office has expired does not exceed the period specified in the executive provisions of the Companies Law.
2. If the Chairman and the members of the Board of Directors resign, they shall convene the Ordinary General Assembly for the purpose of electing a new Board of Directors. The resignation shall not take effect until the election of the new Board of Directors, provided that the term of office of the resigned Board of Directors does not exceed the period specified in the executive provisions of the Companies Law.
3. A member of Board of Directors may resign from the Board by written notice to the Chairman of the Board. If the Chairman of the Board resigns, the notice shall be addressed to the other members of the Board and to the Secretary of the Board. In both cases, the resignation shall take effect on the date specified in the notice.
4. If a vacancy occurs on the Board of Directors as a result of the death or resignation of one of its members, and if such vacancy does not result in a breach of the conditions necessary for the validity of the Board of Directors' meeting because the number of its members falls below the minimum number, the Board of Directors may (temporarily) appoint another member of the Board of Directors, the Board of Directors may (temporarily) appoint a person with experience and competence to the vacant position, provided that it informs the Commercial Register and the Capital Market Authority within (fifteen) days from the date of the appointment, and that the appointment is submitted to the Ordinary General Assembly at its first meeting, and the appointed member completes the term of office of his predecessor.

5. If the necessary conditions for the validity of the convocation of the Board of Directors are not met due to the number of its members is less than the minimum stipulated in the Companies Law or by this Bylaw, the remaining members shall convene the Ordinary General Assembly within (sixty) days in order to elect the necessary number of members.

ARTICLE 17: POWERS OF THE BOARD:

- 1- Subject to the terms of reference established by the General Assembly, the Board of Directors shall have the widest powers in the management of the Company in order to achieve its objectives and shall have the right to participate in other companies in the name of the Company. It may also, within the limits of its powers, authorize one or more of its members or third parties to carry out one or more specific tasks.
- 2- The Board of Directors shall have the power to contract for loans with public financial funds and institutions, regardless of their duration, as well as commercial loans, the duration of which shall not exceed the end of the Company's term, taking into account the following conditions:
 - a) The loans shall be used for the purposes of the Company.
 - b) The Board of Directors shall determine in its resolution the aspects of the use of the loan and the manner of its repayment.
 - c) The Board of Directors shall have the power to guarantee the Company's loans and the loans of its subsidiaries, and the Board of Directors shall have the power to sell or mortgage the Company's property and to release the Company's debtors from their obligations, taking into account the interests of the Company.
- 3- The Board of Directors may sell the Company's real estate provided that the following conditions are stated in the minutes of the Board of Directors and in the reasons for its resolution:
 - a) The Board shall state the reasons and justifications for the sell resolution.
 - b) The sale should be close to the same price.
 - c) The sale must be made with sufficient guarantees, except in the cases decided by the Board of Directors.
 - d) Such action shall not result in the cessation of any of the Company's activities or the assumption of other obligations.
- 4- The Board of Directors shall also have the right to reconciliation, waiver, contract, commit and associate in the name and on behalf of the Company. The Board of Directors may carry out all acts and measures that will achieve the Company purposes.

5- Issuance of Instruments and Deeds:

The Company may – taking into account the Shari'ah provisions on debts when issuing and trading in debt instruments – issue - in accordance with the Capital Market Law - trading debt instruments or financial instruments, provided that the Extraordinary General Assembly adopts a resolution specifying the maximum number of shares that may be issued in exchange for such instruments or deeds at the same time, or through a series of issues or through one or more programs for the issuance of debt instruments or financial instruments. The Board of Directors shall issue new shares in exchange for such instruments or certificates, the holders of which request their transfer immediately after the expiry of the deadline for requesting the transfer set by the holders of such instruments or certificates, without the need for a new approval from this Assembly. The Board of Directors shall take the necessary measures to amend the Bylaw of the Company with regard to the number of issued shares and the share capital. The Board of Directors shall declare the completion of the procedures for each capital increase in the manner prescribed by law to announce the resolutions of the Extraordinary General Assembly.

6- The term of office of the Chairman of the Board of Directors, his Deputy, the Managing Director, the Member of the Board of Directors and the Secretary shall not exceed the term of office of each of them as a member of the Board of Directors. The term of office of the Chairman may be renewed at any time.

7- The Board may appoint a Chief Executive Officer, and determine his powers, salary and benefits. He shall be the executive officer of the Company, subject to the supervision of the Board of Directors.

8- The CEO may, with the approval of the Board of Directors, delegate some of his powers to his assistants who are employees of the Company or to third parties, provided that such delegated powers are exercised under his supervision and responsibility.

9- No member of the Board of Directors or the Secretary of the Board of Directors may disclose to the shareholders, other than at General Assembly meetings, or to any other person, any of the Company's secrets which he has learned by virtue of the performance of his duties within the Company, failing which he shall be liable to dismissal and to payment of compensation.

10- The Board of Directors may take its resolution on urgent matters by submitting them to all the members by way of circulation, unless one of the members requests - in writing – to hold a meeting of the Board of Directors to discuss them. Such resolutions shall be taken by a majority of its members. Such resolutions shall be submitted to the Board of Directors at its first subsequent meeting for inclusion in the minutes of that meeting.

11- The Board of Directors is required to obtain the approval of the General Assembly for the sale of assets whose value exceeds (fifty percent) of the value of the Company's

total assets, regardless of whether the sale is made in one transaction or in several assets. In this case, the transaction that results in the exceeding of (fifty percent) of the value is considered to be the transaction that requires the approval of the General Assembly, and this percentage is calculated from the date of the first transaction that took place during the previous (twelve) months.

12- The Board of Directors may, within the limits of its powers, delegate one or more of its members or third parties to carry out certain work or works.

ARTICLE 18: REMUNERATION OF BOARD MEMBERS:

1. The remuneration of the Board of Directors consists of a fixed amount, an attendance allowance for meetings, in-kind benefits or a percentage of the net profit, or a combination of two or more of the above. The Remuneration Policy determines the remuneration and benefits to which each member of the Board of Directors is entitled, taking into account the relevant provisions of the Companies Law and the Corporate Governance Regulations.
2. The report of the Board of Directors to the Annual General Assembly shall include a comprehensive statement of all remunerations, allowances and other benefits received by the members of the Board of Directors during the financial year. It shall also include a statement of what the members of the Board of Directors have received as employees or administrators or what they have received in exchange for technical or administrative work or consultations, and a statement of the number of meetings of the Board of Directors and the number of meetings attended by each member.

ARTICLE 19: POWERS OF THE CHAIRMAN, THE VICE-CHAIRMAN, THE MANAGING DIRECTOR AND THE SECRETARY:

1. The Board of Directors shall appoint from among its members a Chairman and a Vice-Chairman. The Board of Directors shall also appoint a Secretary to the Board of Directors from among its members or from other. It may also appoint a Managing Director from among its members. The Board shall determine the Managing Director's powers and annual fees. The position of Chairman of the Board may not be combined with an executive position in the company.
2. The Chairman of the Board shall have the following powers on behalf of the Board and the shareholders:
 - A) To convene the Board of Directors and chair the General Assembly.
 - B) To represent the Company before governmental and judicial authorities, private bodies, companies and institutions, and to represent the Company in companies in which it has or will have a shareholding of any kind. To propose the names of the representatives of the Company in the Boards of Directors of the companies appointed by the Board of Directors of the Company.

- C) To represent the Company in the General Assembly of the companies in which the Company participates or to authorize any member of the Board of Directors or employee of the Company to attend on its behalf.
- D) To transact business, enter into contracts and documents and sign them on behalf of the Company within the limits prescribed by the Board of Directors, including the signing an Article of Association of companies with all their amendments and appendices and the receipt of their documents.
- E) To summon, demand and prosecute any natural or legal person and to use all legal and other means to recover and preserve the funds, assets and properties of the Company, whatever their nature or description, which are due to it from third parties.
- F) To execute and sign all proper receipts, instruments of transfer and conveyances within the limits determined by the Board of Directors.
- G) To pay all debts or monies owed by the Company and to receive all monies or debts owed and to conduct negotiations and reconciliations, and settlement of disputes and liquidations of whatever nature and whenever the Company may be interested.
- H) To borrow money from private and public entities and to enter into the necessary agreements with the competent authorities such as the Saudi Industrial Development Fund or others, and to give the necessary guarantees on behalf of the Company within the limits approved by the Board of Directors.
- I) To mortgage or release the mortgage of the company' assets or property or companies in which the Company has a shareholding, in proportion to its shareholding in such companies, with notaries and other competent authorities.
- J) Power of attorney to third parties to defend and plead on behalf of the Company.
- K) He may also delegate certain works or tasks to others.
3. The Board of Directors shall appoint a Chief Executive Officer from among its members or from others. He shall be the executive officer of the company under the supervision of the Board of Directors, and shall, within the limits stipulated by the appointment resolution, conduct the daily affairs of the company. The CEO may delegate some of his powers to his assistants who are employees of the company or to third parties, provided that these delegated powers are exercised under his supervision and responsibility.
4. The Board of Directors shall appoint a secretary to the Board of Directors to record the minutes of the meetings of the General Assembly and the Board of Directors and to record the resolutions issued by these meetings. The secretary shall be responsible for keeping them in addition to exercising the other competencies entrusted to him

by the Board of Directors. The Remuneration Policy shall determine the compensation and remuneration to which he is entitled.

5. The Chairman of the Board of Directors may delegate (by a written resolution) some of his powers to other members of the Board or to third parties to carry out certain work or works.
6. The Vice-Chairman of the Board shall deputies for the Chairman in his absence.
7. The term of office of the Chairman of the Board, Vice-Chairman, the Managing Director and the Secretary of the Board shall not exceed the term of office of each of them as a member of the Board, and the Board may relieve the Chairman of the Board, Vice-Chairman, the Managing Director, the Chief Executive Officer, the Secretary or any of them from office, which shall not have the effect of relieving them from membership of the Board.

ARTICLE 20: BOARD MEETINGS:

1. The Board meets at least (four) times a year at the invitation of the Chairman. The Chairman shall convene the Board of Directors at the written request of any member of the Board of Directors to discuss one or more matters.
2. The Board of Directors shall determine the venue of its meetings, and it may be held using modern technology.

ARTICLE 21: BOARD MEETINGS AND RESOLUTIONS:

1. No meeting of the Board of Directors shall be valid unless at least six members are present in person or by proxy.
2. A director may delegate other board members to attend the meeting, subject to the following controls:
 - a) A board member may not represent more than one member at the same meeting.
 - b) The delegation must be made in writing.
 - c) The delegation shall be for a specific meeting.
 - d) The representative may not vote on resolutions for which the Law does not allow the representative to vote.
3. Resolutions of the Board of Directors shall be passed by a majority of the votes of the members present in person or by proxy. In the event of a tie vote, the vote cast by the Chairman of the meeting shall prevail.

4. The resolution of the Board of Directors shall take effect from the date of its adoption, unless it provides that it shall take effect at another time or when certain conditions are fulfilled.
5. The Board of Directors may hold the meeting using modern technology.

ARTICLE 22: ISSUANCE OF BOARD RESOLUTIONS IN URGENT MATTERS:

The Board of Directors may take its resolution on urgent matters by submitting them to all the members by way of circulation, unless one of the members requests - in writing – to hold a meeting of the Board of Directors to discuss them. Such resolutions shall be taken by a majority of its members. Such resolutions shall be submitted to the Board of Directors at its first subsequent meeting for inclusion in the minutes of that meeting.

ARTICLE 23: DELIBERATIONS OF THE BOARD:

1. The deliberations and resolutions of the Board of Directors shall be recorded in minutes prepared by the Secretary and signed by the Chairman of the meeting, the Members present and the Secretary.
2. The minutes shall be recorded in a special register signed by the Chairman and the Secretary.
3. It is permissible to use modern technological means for signing, documenting deliberations and resolutions and recording minutes.

Part 4: Shareholders' Assemblies

ARTICLE 24: GENERAL ASSEMBLIES OF SHAREHOLDERS:

1. The General Assembly of Shareholders shall be chaired by the Chairman of the Board or, in his absence, by his Deputy, or by a person appointed by the Board from among its members in their absence. If 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 other persons by vote.
2. Every shareholder has the right to attend the General Assembly and may appoint a proxy other than a member of the Board of Directors.
3. The General Assembly may be held by means of modern technology and the shareholder may participate in the deliberations and voting.

ARTICLE 25: CONVENING OF ASSEMBLIES:

1. Ordinary and extraordinary General Assembly shall be held at the invitation of the Board of Directors. The Board of Directors must convene the Ordinary General Assembly within (thirty) days of the request of the Auditors or of one or more shareholders representing (ten percent) of the company's shares that have at least

voting rights. The auditor may invite the Ordinary General Assembly to convene if the board does not extend the invitation 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 matters on which the shareholders are to vote.
3. The invitation to the meeting shall be issued at least twenty-one days prior to the date set in accordance with the provisions of the Law, taking into account the following:
 - a) Notification of the shareholders by registered letter sent to their addresses indicated in the shareholders' register or announcement of the invitation by modern technological means.
 - b) Sending a copy of the invitation and the agenda to the Commercial Register and a copy to the Capital Market Authority, if the company is listed on the Capital Market on the day of the announcement of the invitation.
 - c) The invitation to the General Assembly must contain at least the following information:
 - 1) A statement of the person entitled to attend the meeting and his right to delegate a person of his choice other than the members of the Board of Directors, as well as a statement of the shareholder's right to discuss the items on the agenda of the meeting, to ask questions and to exercise his voting right.
 - 2) Place, date and time of the meeting.
 - 3) The type of meeting, whether it is an Ordinary or Extraordinary General Assembly.
 - 4) The agenda of the meeting, including the items on which shareholders are required to vote.

ARTICLE 26: QUORUM OF THE ORDINARY GENERAL ASSEMBLIES:

1. No Ordinary General Assembly shall be valid unless it is attended by shareholders representing at least one quarter of the Company's shares with voting rights.
2. If the quorum required for the holding of the Ordinary General Assembly is not met in accordance with paragraph (1) of this Article, notice shall be given of a second meeting to be held under the same conditions as stipulated in Article (91) of the Companies Law within (30) days of the date fixed for the previous meeting. However, the second meeting may be held one hour after the end of the period specified for the first meeting, provided that the invitation to hold the first meeting includes evidence of

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

ARTICLE 27: QUORUM OF THE EXTRAORDINARY GENERAL ASSEMBLIES:

1. The Extraordinary General Assembly shall not be valid unless it is attended by shareholders representing at least half of the Company's share capital with voting rights.
2. If the quorum required to hold an Extraordinary General Assembly is not present in accordance with paragraph (1) of this Article, notice shall be given of a second meeting to be held under the same conditions stipulated in Article (Ninety-One) of the Companies Law. However, the second meeting may be held one hour after the expiration of the period fixed for the holding of the first meeting, provided that the invitation to the first meeting contains a statement that it is possible to hold the meeting. In any case, the second meeting shall be valid if it is attended by a number of shareholders representing at least one quarter of the Company's shares with voting rights.
3. If the quorum required for the holding of the second meeting is not present, a third meeting shall be convened under the same conditions stipulated in Article (Ninety-One) of the Companies Law, and the third meeting shall be valid regardless of the number of shares with voting rights represented at it.

ARTICLE 28: VOTING AT GENERAL ASSEMBLIES:

1. Each shareholder shall have one vote for each share in the General Assembly, and the cumulative vote shall be used in the election of board members, so that the voting right of the share may not be used more than once.
2. The members of the Board may not take part in the voting on the resolutions of the General Assembly relating to transactions and contracts in which they have a direct or indirect interest or which involve a conflict of interest.

ARTICLE 29: RESOLUTIONS OF ASSEMBLIES:

1. Resolutions of the General Assembly shall be passed by a majority of the votes represented at the meeting.
2. Resolutions of the Extraordinary General Meeting shall be passed by the approval of (two-thirds) of the voting rights represented at the meeting, unless the resolution relates to the increase or decrease of the capital, the extension of the duration of the company or its dissolution before the expiry of the period specified in its Bylaw, or its merger with another company or its division into two or more companies, in which case it shall not be valid unless it is passed by the approval of (three-quarters) of the voting rights represented at the meeting.

ARTICLE 30: DISCUSSION AT ASSEMBLIES:

Every shareholder shall have the right to discuss the items on the agenda of the General Assembly and to put relevant questions to the members of the Board and the Auditors. The Board of Directors or the Auditors shall answer the questions of the shareholders to the extent that the Company is not put at risk. If a shareholder considers the answer to his question is insufficient, he shall appeal to the General Assembly, which shall decide on the matter.

ARTICLE 31: PREPARING MINUTES OF GENERAL ASSEMBLIES

Written minutes shall be recorded for each General Assembly, stating the number of shareholders present or represented, the number of shares they hold personally or by proxy, the number of votes they are entitled to, the resolutions adopted and the number of votes cast in favor of or against, as well as a sufficient summary of the deliberations held at the meeting. After each meeting, the minutes shall be regularly recorded in a special register and shall be signed by the chairman of the meeting, the secretary and the voice collectors.

Part 5: Auditors

ARTICLE 32: APPOINTMENT, DISMISSAL AND RETIREMENT OF THE COMPANY'S AUDITOR

1. The Company shall have one (or more) auditor(s) from among the chartered accountants licensed in the Kingdom, who shall be appointed, and whose fees, term of office and scope shall be determined by the General Assembly, and who may be reappointed; Provided that the period of his appointment shall not exceed the period prescribed by law.
2. The Auditor may be dismissed by a resolution of the General Assembly and the Chairman of the Board of Directors must notify the competent authority of the decision to dismiss the Auditor and the its reasons within a maximum of (five) days from the date of the resolution.
3. The Auditor may resign from his office by means of a written notice addressed to the Company, and his office shall terminate on the date of such notice or on a later date specified in the notice, without prejudice to the right of the Company to claim compensation for any damage it may have suffered. The resigning auditor shall be obliged to submit to the Company and to the competent authority - upon submission of the report - a statement of the reasons for his resignation, and the Board of Directors shall convene the General Assembly to consider the reasons for the resignation, to appoint another auditor and to determine his fees, the duration of his work and the scope of his work.

ARTICLE 33: POWERS OF THE AUDITOR:

The Auditor may at any time inspect the Company's documents, accounting records and supporting documents and may request the information and explanations that they deem

necessary in order to verify the Company's assets, liabilities and other matters within the scope of their work. The Board of Directors shall facilitate the performance of the auditor's duties, and if the auditor encounters any difficulties in this respect, he shall report thereon to the Board of Directors. If the Board of Directors does not facilitate the work of the Auditor, he shall request to convene the General Assembly to consider the matter. The auditor may send this invitation if the Board of Directors does not send it within (thirty) days from the date of the auditor's request.

Part 6: Company Finances and Distribution of Profits

ARTICLE 34: FINANCIAL YEAR:

The fiscal year of the Company shall begin at the beginning of January and shall end at the end of December of each calendar year.

ARTICLE 35: FINANCIAL DOCUMENTS:

1. At the end of each fiscal year of the Company, the Board of Directors shall prepare the financial statements of the Company, a report on its activities and financial position for the past fiscal year. This report shall include the manner in which it proposes to pay dividends. The Board of Directors shall make these documents available to the Auditors at least 45 days before the date fixed for the General Assembly.
2. The Chairman, the Chief Executive Officer and the Chief Financial Officer (if any) shall sign the documents referred to in paragraph (1) of this Article and copies thereof shall be made available to the shareholders at the registered office of the Company.
3. The Chairman of the Board of Directors shall make available to the shareholders, at least twenty-one days before the date fixed for the Ordinary General Assembly, the annual financial statements of the Company and the report of the Board of Directors, after they have been signed, and the report of the Auditors, if any, unless they have been published by means of modern technology. He shall also deposit these documents in accordance with the provisions of the Companies Law.

ARTICLE 36: FORMATION OF RESERVES:

1. The Ordinary General Assembly - may set aside 10% of the net profits to form a statutory reserve for the company. The Ordinary General Assembly may discontinue this when the aforementioned reserve reaches 10% of the paid-up capital. The Ordinary General Assembly may also deduct amounts from the net profits to provide social benefits to the company's employees.
2. The General Assembly determines the distributed dividends to shareholders from the net profits after deducting reserves, if any.

ARTICLE 37: ENTITLEMENT TO PROFITS:

The shareholder shall be entitled to his share of the profits in accordance with the resolution of the General Assembly, which shall specify the due date and the date of distribution. Shareholders registered in the share register are entitled to dividends at the end of the record date. The Board of Directors shall implement the resolutions of the General Assembly regarding the distribution of profits to the shareholders.

Part 7: Dissolution and liquidation of the Company

ARTICLE 38: DISSOLUTION OF THE COMPANY:

The Company shall be dissolved for one of the reasons specified in Article No. (143) of the Companies Law. Upon dissolution, the Company shall be liquidated 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 if the company is insolvent in accordance with the Bankruptcy Law, it shall initiate one of the liquidation procedures under the Bankruptcy Law with the competent judicial authority.

Part 8: Final Provisions

ARTICLE 39:

1. The Company shall be subject to the regulations in force in the Kingdom of Saudi Arabia.
2. Any text in these articles that contradicts the provisions of the Companies Law shall be disregarded and the provisions of the Companies Law shall apply to it. Anything not contained in this bylaw shall be subject to the Companies Law and its executive regulations.

ARTICLE 40:

This bylaw shall be filed and published in accordance with the provisions of the Companies Law and its executive regulations.
