



## Primary law

### Chapter 1: Incorporation of the Company

#### Article 1: Incorporation

The company was established in accordance with the provisions of the Companies Law issued by Royal Decree (M/6) dated 3/22/1385 AH, which was amended by the issuance of the new Companies Law by Royal Decree (M/3) dated 01/28/1437 AH and its regulations, and based on Cabinet Resolution No. (403) And dated 7-24-1439 AH. According to this system, it is a Saudi joint stock company among the owners of the shares indicated in accordance with the following terms and conditions.

#### Article 2: Company Name:

Wafra Company for Industry and Development is a Saudi listed joint stock company, its commercial registration is 1010071996

#### Article 3: Objectives of the Company

The company carries out the following purposes:

##### **1- Manufacturing industries**

- Fresh Meat Production (Code 101041)
- Production of chilled and frozen meat (code 101042)
- Preserving and preparing meat and meat products in various ways, such as drying and canning (code 101043).
- Cutting, processing, packing and wrapping meat and poultry (code 101044)
- Production of sausages (sausages and hamburgers from meat (code 101051)
- Production of mortadella from meat code 1053
- Cutting, packing and packing fruits and vegetables (code 103014)
- Packing and preserving cooked and uncooked legumes by canning (code (103021)
- Manufacture of food products made from potatoes (including potato chips) (code 103023)
- Manufacture of flour and semolina extracted from potatoes (code 103024)
- Refrigeration and freezing of vegetables (code 3032).
- Drying and packing dates and manufacturing their products (code 103041).
- Manufacture of tomato sauce (code 103050)
- Roasting and packing nuts (103061)
- Nut butter industry (code (103062)
- Manufacture of jams and jellies (code 103070)
- Manufacture of pickles (pickling) (code 103080)

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- Wheat packaging and milling (code 106111)
- Packing and grinding corn (code 106112)
- Grain mills (code 106116)
- Manufacture of breakfast foods from cereals in the form of chips, including (corn flakes, chips, etc.) Code (106160)
- Manufacture of corn puffs (code (106161)
- Manufacture of starch from corn (code 106211)
- Manufacture of starch from potatoes (code (106212)
- Manufacture of glucose, glucose syrup, maltose and gluten production (code 106230)
- All kinds of pasta industry (code 107411)
- Vermicelli industry of all kinds (code (107412)
- - Moroccan couscous industry (code (107420)
- - Manufacture of potato slices (code) (107504)
- - Manufacture of vinegar (code 107943)
- - Manufacture of ketchup and hot sauce (code (107946)
- - Preparing, grinding and pressing animal feed (code (108014)

## **2. Agriculture and forestry, including:**

- Cultivation of grains (including wheat, barley, yellow and white corn grains, etc. (code 11101)
- Cultivation of potatoes and sweet potatoes (code 11301)
- Tissue culture and plant propagation, including date palms (code 013003).
- Irrigation projects Operation of irrigation systems for agricultural projects (code 016103)
- Post-harvest crop activities (code 16300)
- Seed treatment for reproduction (code 16400)
- Renting and operating agricultural and forestry equipment without operator (code 773050).

## **3- Transportation and storage, including:**

- Land transportation of goods (code 492300)
- Transportation of refrigerated and frozen goods (code 492301)
- Operating storage facilities for all types of goods (521011)
- Goods loading and unloading services in general (code (521012)
- Container handling services Code (521014)
- Refrigerated food stores (code (521021)
- Refrigerated and frozen goods stores (cooling warehouses) (code (521091)
- Storage in warehouses for grain and flour silos, food stores, and agricultural products (code (521092)
- Public stores that contain a variety of commodities (code (521093)

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- Fuel and chemical stores (code (521094)

#### **4- Wholesale and retail trade, including:**

- Agents selling agricultural raw materials (code 461011)
- Wholesale sale of grains and seeds, except for barley (code 462013).
- Wholesale sale of feed and non-drug feed additives (code 462092)
- Wholesale of vegetables (code 463012)
- Wholesale sale of dates (code 463013)
- Wholesale of food and beverages (code 463042)
- Wholesale of spices (code 463054)
- Distribution centers for food and beverages (code 463077)
- Retail sale of fresh and preserved fruits and vegetables (code 472111)
- Retail sale of dates (code 472112)
- Retail sale of dairy products, eggs, olives and pickles (code 472121)
- Retail sale of meat and meat products (code 472130)
- Retail sale of nuts, coffee, spices and spices (code 472170)
- Retail sale of Preserved Ready Meals (Code 472193)

#### **5. Real estate activities, including:**

- Buying and selling lands and real estate, dividing them, and off-plan sales activities (code 681010)
- Management and leasing of owned or rented real estate (residential) (code 681021)
- Management and leasing of owned or rented real estate (non-residential) (code (681022)

#### **Article 4: Participation and ownership in companies**

The company may establish companies on its own with limited liability or closed joint stock) provided that the capital is not less than (5) million riyals. This is after fulfilling the requirements of the applicable regulations and instructions in this regard. The company may also dispose of these shares or quotas, provided that this does not include mediation in their trading.

#### **Article 5: The main office of the company**

The company's head office is located in the city of Riyadh, and branches, offices or agencies may be established for it inside or outside the Kingdom by a decision of the Board of Directors.

#### **Article 6: Duration of the company**

The duration of the company is (50) Hijri years starting from the date of its registration in the commercial register, and this period may always be extended by a decision issued by the Extraordinary General Assembly at least one year before the expiry of its term.

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## Chapter 2: Capital and Shares

### Article 7: Capital

The company's capital was determined at (231,511,050) Saudi riyals (two hundred and thirty-one million five hundred and eleven thousand and fifty Saudi riyals) divided into (23,151,105) nominal shares of equal value, the value of each of which is (10) Saudi riyals and all of them Cash ordinary shares

### Article 8: Subscription to shares

The founders and shareholders subscribed to (23,151,105) shares and paid their full value.

### Article 9: Preferred Shares

The extraordinary general assembly of the company may, in accordance with the principles laid down by the competent authority, issue preferred shares or decide to purchase them or convert ordinary shares into preferred shares not exceeding ten percent of the company's capital and in accordance with the executive controls of the companies' system issued by the Authority or convert preferred shares into ordinary ones. Preferred shares do not give the right to vote in the general assemblies of shareholders, and these shares arrange for their owners the right to obtain a percentage more than the owners of ordinary shares of the net profits of the company after setting aside the statutory reserve.

### Article 10: Sale of shares that do not meet the value

The shareholder is obligated to pay the value of the share on the dates specified for that, and if he fails to pay on the due date, the Board of Directors may, after notifying him by publishing in a daily newspaper or informing him by a registered letter, sell the share in the public auction or the stock market, as the case may be, in accordance with the controls determined by the competent authority.

The company collects from the proceeds of the sale the sums due to it and returns the remainder to the owner of the share. If the proceeds of the sale are not sufficient to meet these amounts, the company may collect the remainder from all the shareholder's funds.

Nevertheless, the shareholder who fails to pay until the day of the sale may pay the value due in addition to the expenses incurred by the company in this regard.

The company shall cancel the sold share in accordance with the provisions of this Article, and shall give the purchaser a new share bearing the number of the canceled share, and shall mark in the shares register that the sale has taken place, indicating the name of the new owner.

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### Article 11: Issuance of shares

Shares are nominal and may not be issued for less than their nominal value. Rather, they may be issued for a higher than this value. In this latter case, the value difference is added in a separate item within the shareholders' rights, and it may not be distributed as dividends to the shareholders. The share is indivisible against the company, so if he owns the share Several persons must choose one of them to act on their behalf in the use of the rights related to it, and these persons shall be jointly liable for the obligations arising from the ownership of the share.

### Article 12: Register of Shareholders

The company's shares are traded in accordance with the provisions of the financial market system.

### Article 13: Increasing the capital

- 1) The Extraordinary General Assembly may decide to increase the company's capital, provided that the capital has been paid in full  
It is not required that the capital be fully paid if the unpaid part of the capital belongs to shares issued in exchange for converting debt instruments or financing instruments into shares and the period specified for converting them into shares has not expired.
- 2) In all cases, the extraordinary general assembly may allocate the shares issued upon capital increase or part thereof to the employees of the company and all or some of its subsidiaries, or any of that. Shareholders may not exercise the priority right when the company issues share allocated to employees.
- 3) The shareholder who owns the share at the time of issuance of the decision of the Extraordinary General Assembly approving the capital increase shall have priority to subscribe to new shares that are issued in exchange for cash shares, and they shall be notified of their priority by publishing in a daily newspaper or by informing them by registered mail of the decision to increase the capital, the conditions of subscription, its duration, and its start and end dates.
- 4) The Extraordinary General Assembly has the right to suspend the priority right of shareholders to subscribe to the capital increase in exchange for cash shares, or to give priority to non-shareholders in cases it deems appropriate for the interest of the company.
- 5) The shareholder has the right to sell or waive the priority right during the period from the time of issuance of the General Assembly's decision approving the capital increase until the last day of subscription in the new shares associated with these rights, in accordance with the controls set by the competent authority.
- 6) Subject to the provisions of Paragraph (4) above, the new shares shall be distributed among the priority rights holders who have requested subscription in proportion to what they own of priority rights out of the total priority rights resulting from the capital increase, provided that what they obtain does not exceed

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they requested of the new shares, and the remainder of the new shares shall be distributed among the holders of priority rights who have requested more than their share, in proportion to what they own of priority rights out of the total priority rights resulting from the capital increase, provided that what they get does not exceed what they requested of the new shares.

The remainder of the shares shall be offered to third parties, unless the extraordinary general assembly decides or the financial market system stipulates otherwise.

#### **Article 14: Capital Reduction**

The extraordinary general assembly may decide to reduce the capital if it exceeds the company's needs or if it incurs losses. In the latter case alone, the capital may be reduced to less than the limit stipulated in Article (54) of the Companies Law. The reduction decision shall not be issued except after reading a special report prepared by the auditor on the reasons for it, on the obligations of the company, and on the impact of the reduction on these obligations.

If the capital reduction is a result of its excess to the company's need, the creditors must be invited to express their objections to it within sixty days from the date of publication of the reduction 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 on the aforementioned date, the company must pay him his debt if it is due or provide him with an adequate guarantee to pay it if it is deferred.

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### Chapter 3: The Board of Directors

#### Article 15: Company Management

The company is managed by a board of directors consisting of seven (7) members appointed by the ordinary general assembly of shareholders for a period not exceeding three (3) years, and the majority of it must be non-executive members, provided that the number of independent members of the board of directors is not less than three (3) members, they may always be reappointed.

As an exception, the founders appointed the first board of directors for a period of five years.

#### Article 16: Termination of Council membership

Board membership ends with the expiration of its term or with the expiry of the member's validity in accordance with any system or instructions in force in the Kingdom. However, the Ordinary General Assembly may at any time dismiss all or some of the members of the Board of Directors, without prejudice to the right of the dismissed member towards the company to claim compensation if the dismissal occurred for a reason other than Acceptable or at an inappropriate time, and a member of the Board of Directors may retire, provided that this is at an appropriate time, otherwise he will be liable to the company for the damages resulting from his retirement.

#### Article 17: Poet Center in the Council

If the position of one of the members of the Board of Directors is felt, the Board may appoint a temporary member in the vacant position, provided that he is among those who have sufficient experience and must notify the Ministry and the Capital Market Authority within five working days from the date of appointment and present the appointment to the Ordinary General Assembly in the first meeting The new member completes the term of his predecessor. If the necessary conditions for the meeting of the Board of Directors are not met because the number of its members is less than the minimum stipulated in the Companies Law or this Law, the rest of the members must call the Ordinary General Assembly to convene within sixty days to elect the necessary number of members.

#### Article 18: Powers of the Council

Taking into account the terms of reference of the General Assembly, the Board of Directors shall have the widest powers in managing the company in a way that achieves its objectives, and the Board of Directors shall be authorized and empowered with all the powers and authorities necessary to manage the company and an agent on its behalf in representing the company before all governmental and official departments, notaries and others, and it shall have the right to sell and empty Receipt of the price, payment, mortgage,

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release of mortgage, issuance of deeds in exchange for lost and damaged, purchase, acceptance of emptying, registration, receipt and delivery, opening branches of the company and its projects, registration of agencies and trademarks, registration in the commercial register, requesting entry of public utilities and services such as electricity, telephone and water, issuance of industrial licenses, recruitment visas for labor, transfer of sponsorships and issuance of exit and return visas. And the final exit and establishment of new companies and participation in the establishment of new companies and exit from them and conciliation to achieve the objectives of the company including dealing with others and the conclusion of all contracts and transactions within the purpose of the company and the purchase and rental of premises, real estate, stocks and equipment and the collection of the rights of the company and the performance of its obligations and the establishment of commercial papers and their signing and endorsement Mortgage, collection and procedures of all banking transactions necessary for the company's activity, including opening, managing and closing accounts, withdrawing from them, depositing and investing them, signing and cashing checks and the like, authorizing third parties to manage these accounts of all kinds, signing all commercial documents and papers, managing and liquidating them, investment balances and shares of companies, mortgaging them all, and signing agreements Islamic Murabaha, participation in funds and investment portfolios in banks, selling and liquidating them, buying and selling shares, receiving payments, mortgaging, emptying, receiving sukuk, buying and selling shares of joint-stock companies and all securities, receiving the price, authorizing third parties as a special agency, concluding investment contracts, requesting and taking loans and facilities according to the Companies Law and its regulations from the Saudi Industrial Development Fund and the Bank Agricultural and any other banks, mortgage, arrest and signature on behalf of the company in front of all Saudi and non-Saudi governmental agencies and in front of third parties and every matter related to the interests and affairs of the company and the realization of its interests, and all actions and actions that it performs are binding on the company and the Board of Directors has the right to delegate and delegate - with the approval of the majority of its members - One or more of its members or third parties in carrying out a specific work or acts that fall within its competence.

#### **Article 19: Council members' remuneration**

The remuneration of the members of the Board of Directors consists of a certain annual amount, allowance for attending sessions, expenses, in-kind benefits, and a percentage of profits (as in Article 5/43 of this bylaw), not exceeding in total (500,000) Saudi riyals per year.

The report of the Board of Directors to the Ordinary General Assembly must include a comprehensive statement of all that the members of the Board of Directors received during the fiscal year in terms of remuneration, expenses allowance, and other benefits, and it should also include a statement of what the members of the Board received in their capacity as workers or administrators, or what they received in return for work. Technical, administrative or consulting, and it also includes a statement of the number of

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board sessions and the number of sessions attended by each member from the date of the last meeting of the General Assembly.

#### **Article 20: Powers of the Chairman, Vice President, Managing Director and Secretary**

The Board of Directors shall appoint a Chairman and Vice-Chairman from among its members, and may appoint a Managing Director. It is not permissible to combine the position of Chairman of the Board of Directors with any executive position in the company.

The Chairman of the Board represents the company before the judiciary, arbitral tribunals and third parties. The chairman of the council may, by a written decision, delegate some of his powers to other members of the council or to third parties in carrying out a specific work or actions. The vice-chairman of the board of directors shall replace the chairman of the board of directors in his absence.

The Managing Director is responsible for implementing the decisions of the Board of Directors, and heads the executive management of the company.

The Board of Directors determines the remuneration received by each of them - in addition to the remuneration prescribed for the members of the Board of Directors - and it is based on the recommendations of the Remuneration Committee and taking into account the provisions of the Companies Law and its implementing regulations.

The Board of Directors shall appoint a secretary to be chosen from among its members or from others, who shall be responsible for recording the minutes of the Board of Directors meetings, writing down and keeping the decisions issued from these meetings, in addition to exercising other competencies entrusted to him by the Board of Directors. His remuneration is determined by the Board of Directors, in accordance with the recommendations of the Remuneration Committee.

The term of the Chairman of the Board, his deputy, the managing director and the secretary, a member of the Board of Directors, shall not exceed the term of membership of each of them in the Board. They may be re-elected and the Board may at any time dismiss them or any of them without prejudice to the right of the dismissed to compensation if the dismissal occurred for an illegitimate reason or at an inappropriate time.

#### **Article 21: Council meetings**

The Board of Directors meets at least twice a year at the invitation of its chairman. The invitation shall be in writing and may be delivered or sent by post, fax, or any other means specified by the Board. The Chairman of the Board shall invite the Board to a meeting when requested by two of the members.

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### Article 22: Board meeting quorum

The meeting of the Board shall not be valid unless attended by at least four members, and a member of the Board of Directors may deputize other members to attend the meetings of the Board in accordance with the following controls:

- 1- A member of the Board of Directors may not represent more than one member in attending the same meeting.
- 2- That the delegation be in writing and for a specific meeting.
- 3- The representative may not vote on decisions that the Companies Law and its regulations prohibit the representative from voting on. The council's decisions are issued by the majority of the opinions of the members present or represented in it, and in the event of equality of opinions, the side with which the chairman of the session voted will prevail

The Board of Directors may issue resolutions by circulation by presenting them to all the members separately unless one of the members requests in writing the meeting of the Board to deliberate on them and these decisions are presented to the Board at its first meeting.

### Article 23: Council deliberations

The deliberations and decisions of the Board of Directors are recorded in minutes signed by the chairman of the session, the members of the Board of Directors present, and the secretary. These minutes are recorded in a special register signed by the chairman of the Board of Directors and the secretary.

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## Chapter 4: Shareholders' associations

### Article 24: Attending associations

Each subscriber, regardless of the number of his shares, has the right to attend the constituent assembly, and every shareholder has the right to attend the general assemblies of shareholders, and in this he may authorize another person other than the members of the board of directors or the company's employees to attend the general assembly.

### Article 25: Terms of reference of the Ordinary General Assembly

With the exception of matters related to the extraordinary general assembly, the ordinary general assembly is concerned with all matters related to the company, and it convenes at least once a year during the six months following the end of the company's fiscal year. Other ordinary general assemblies may be called whenever the need arises.

### Article 26: Terms of reference of the Extraordinary General Assembly

The extraordinary general assembly is concerned with amending the company's articles of association, with the exception of matters that it is prohibited from amending by law.

It may issue resolutions on matters originally included in the terms of reference of the Ordinary General Assembly, under the same terms and conditions prescribed for the Ordinary General Assembly.

### Article 27: Invitation to Associations

The general or private assemblies of the shareholders are convened at the invitation of the Board of Directors, and the Board of Directors must invite the Ordinary General Assembly to convene if requested by the auditor, the audit committee, or a number of shareholders representing at least (5%) of the capital. The auditor may invite the assembly to convene if the board does not invite the assembly within thirty days from the date of the auditor's request.

The invitation to convene the General Assembly shall be published in a daily newspaper distributed at the company's headquarters at least twenty-one (21) minutes before the date specified for the meeting. However, it may suffice to address the invitation on the mentioned date to all shareholders by registered letters. A copy of the invitation and the agenda shall be sent to the Ministry, as well as to the Capital Market Authority, within the period specified for publication.

### Article 28: The Associations Attendance Register

Shareholders who wish to attend the General Assembly or the Special Assembly shall register their names at the company's headquarters before the time set for the meeting.

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### **Article 29: Quorum for the Ordinary General Assembly Meeting**

The meeting of the Ordinary General Assembly shall not be valid unless attended by shareholders representing at least a quarter of the capital. If the necessary quorum is not available for holding this meeting, an invitation shall be directed for a second meeting to be held within the thirty days following the previous meeting. This invitation shall be published in the manner stipulated in Article Thirty. The second meeting shall be held one hour after the expiration of the period specified for the first meeting, provided that the invitation to hold the first meeting includes evidence of announcing the possibility of holding this meeting. In all cases, the second meeting shall be valid regardless of the number of shares represented in it.

### **Article 30: Quorum of the Extraordinary General Assembly Meeting**

The meeting of the Extraordinary General Assembly shall not be valid unless it is attended by shareholders representing half of the capital. If this quorum is not available in the first meeting, an invitation shall be sent for a second meeting to be held in the same conditions stipulated in Article Thirty. However, the second meeting may be held an hour after the end of the specified period. To convene the first meeting, provided that the invitation to convene the first meeting includes evidence of announcing the possibility of holding this meeting. In all cases, the second meeting shall be valid if attended by a number of shareholders representing at least a quarter of the capital. If the necessary quorum is not available in the second meeting, an invitation is sent to a third meeting to be held under the same conditions stipulated in Article (thirty) of this system, and the third meeting will be valid regardless of the number of shares represented in it, after the approval of the competent authority.

### **Article 31: Voting in Assemblies**

Each subscriber has a vote for every share he represents in the Constituent Assembly, and every shareholder has a vote for every share in the General Assemblies. The cumulative vote must be used in electing the Board of Directors.

### **Article 32: Associations Decisions**

Decisions in the Constituent Assembly are issued by the absolute majority of the shares represented in it, and the decisions of the Ordinary General Assembly are issued by the absolute majority of the shares represented in the meeting. The decisions of the Extraordinary General Assembly are also issued by a two-thirds majority of the shares represented in the meeting, unless it is a decision related to increasing or decreasing the capital, extending the term of the company, or By dissolving it before the expiration of the period specified in its articles of association, or by merging it with another company, it will not be valid unless it is issued by a three-quarters majority of the shares represented at the meeting.

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### Article 33: Discussion in the Assemblies

Each shareholder has the right to discuss the topics listed on the agenda of the assembly and direct questions in this regard to the members of the Board of Directors and the auditor. The Board of Directors or the auditor shall answer the questions of the shareholders to the extent that does not expose the interest of the company to harm. If the shareholder considers that the answer to his question is not convincing, he shall appeal to the assembly, and its decision in this regard shall be enforceable.

### Article 34: Presiding over associations and preparing minutes

The meetings of the general assemblies of shareholders shall be chaired by the Chairman of the Board of Directors or his deputy in his absence or whomever the Board of Directors delegates from among its members for that purpose in the absence of the Chairman and his deputy.

Minutes of the meeting of the assembly shall be drawn up including the number of shareholders present or represented, the number of shares held by them in person or by proxy, the number of votes prescribed for them, the decisions taken, the number of votes that approved or disagreed with them, and an adequate summary of the discussions that took place in the meeting. The minutes are recorded regularly after each meeting in a special register signed by him. The president of the association, its secretary, and the collector of votes.

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## Chapter 5: The Audit Committee

### Article 35: Formation of the committee

By a decision of the Ordinary General Assembly, an audit committee consisting of three non-executive members of the Board of Directors, whether shareholders or others, shall be formed. The decision shall specify the functions of the committee, its work controls, and the remuneration of its members.

### Article 36: Quorum for the Committee meeting

The validity of the Audit Committee meeting requires the presence of the majority of its members, and its decisions are issued by the majority of the votes of those present, and when the votes are equal, the side with which the Chairman of the Committee voted will prevail.

### Article 37: the terms of reference of the committee

The audit committee is concerned with monitoring the company's business, and for this purpose it has the right to view its records and documents and request any clarification or statement from the members of the board of directors or the executive management. serious damage or loss.

### Article 38: Committee Reports

The audit committee shall review the company's financial statements, reports and notes submitted by the auditor and express its views thereon, if any. It shall also prepare a report on its opinion on the adequacy of the company's internal control system and its other work within its jurisdiction. The Board of Directors shall deposit sufficient copies of this report at the company's headquarters at least twenty-one (21) days prior to the date of the General Assembly meeting to provide each of the shareholders who desires a copy thereof. The report is read during the meeting of the assembly

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## Chapter 6: The Auditor

### Article 39: Appointment of the Auditor

The company must have one or more auditors) from among the auditors authorized to work in the Kingdom. The Ordinary General Assembly shall appoint him annually, and determine his remuneration and the duration of his work. The Assembly may also at any time change him without prejudice to his right to compensation if the change occurred at an inappropriate time or for an illegitimate reason.

### Article 40: Powers of the Auditor

The auditor at any time has the right to view the company's books, records and other documents, and he may also request data and clarifications that he deems necessary to obtain, in order to verify the company's assets and liabilities and other things that fall within the scope of his work, and the chairman of the board of directors must enable him to perform his duty, and if The auditor encountered a difficulty in this regard, which he proved in a report submitted to the Board of Directors. If the Board does not facilitate the work of the auditor, it must request the Board of Directors to invite the Ordinary General Assembly to consider the matter.

## Chapter 7: The company's accounts and the distribution of profits

### Article 41: The Fiscal Year

The company's fiscal year starts from the first of January and ends at the end of December of each year, provided that the first fiscal year begins from the date of the ministerial decision announcing the company's incorporation and ends on 06/14/1411 H corresponding to 31/12/1990 AD.

### Article 42: financial documents

1. At the end of each fiscal year of the company, the Board of Directors shall prepare the company's financial statements and a report on its activities and its financial position for the past fiscal year. This report shall include the proposed method for distributing profits. The Board shall place these documents at the disposal of the auditor at least forty-five days prior to the date set for the General Assembly.
2. The documents referred to in Paragraph (1) of this Article shall be signed by the chairman of the board of directors of the company, its chief executive officer and financial manager, and copies thereof shall be deposited at the company's main office at the disposal of the shareholders at least twenty-one (21) days prior to the date set for the convening of the general assembly.
3. The chairman of the board of directors shall provide the shareholders with the company's financial statements, the report of the board of directors, and the auditor's report, unless they are published in a daily newspaper distributed at the company's headquarters. He shall also send a copy of the

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documents to the Ministry, as well as to the Capital Market Authority, at least fifteen days prior to the date of the General Assembly meeting.

#### **Article 43: Distribution of profits**

The company's annual net profits are distributed as follows:

1. (10) of the net profits shall be set aside to form the company's statutory reserve. The Ordinary General Assembly may decide to stop this set aside when the aforementioned reserve reaches (30%) of the paid-up capital.
2. The Ordinary General Assembly, based on a proposal by the Board of Directors, may set aside (10) of the net profits to form a consensual reserve to be allocated for the benefit of the company.
3. The Ordinary General Assembly may decide to form other reserves to the extent that serves the interest of the company or ensures the distribution of fixed profits as much as possible to the shareholders. The aforementioned assembly may also deduct from the net profits. Amounts to establish social institutions for the company's employees or to assist existing such institutions.
4. After that, the remainder will be distributed among the shareholders, representing (5%) of the company's paid-up capital.
5. Subject to the provisions stipulated in Article (Twenty) of this Bylaw, and Article Seventy-six of the Companies Law, after the foregoing, (10%) of the remainder shall be allocated for the remuneration of the Board of Directors, provided that the entitlement to this remuneration is proportional to the number of sessions attended by the member.

#### **Article 44: Entitlement to profits**

The shareholder is entitled to his share in the profits according to the decision of the general assembly issued in this regard. The decision indicates the date of maturity and the date of distribution.

#### **Article 45: Dividend distribution for preferred shares**

1. If no profits are distributed for any fiscal year, then profits for the following years may not be distributed except after paying the specified percentage in accordance with the provision of Article 114 of the Companies Law for holders of preferred shares for this year.
2. If the company fails to pay the percentage specified in accordance with the provisions of Article (114) of the Companies Law) from the profits for a period of three consecutive years, then the special assembly of the owners of these shares, convened in accordance with the provisions of Article (eighty-ninth of the Companies Law), may decide whether to attend the meetings of the General Assembly for the company and participate in voting, or appoint their representatives in the board of directors in proportion to the value of their shares in the capital, until the company is able to pay all the priority profits allocated to the owners of these shares for previous years

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#### Article 46: the company's losses

1. If the losses of the joint-stock company amount to half of the paid-up capital, at any time during the fiscal year, any official in the company or the auditor must immediately inform the chairman of the board of directors upon learning of that, and the chairman of the board of directors must immediately inform the members of the board of that, and the board of directors must within fifteen days of his knowledge of that, to invite the extraordinary general assembly to convene within forty-five days from the date of his knowledge of the losses;  
To decide either to increase or decrease the company's capital in accordance with the provisions of the Companies Law 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 this Companies Law.
2. The company is considered dissolved by the force of the corporate law if the general assembly does not meet within the period specified in paragraph (1) of this article, or if it meets and is unable to issue a decision on the subject, or if it decides to increase the capital according to the conditions prescribed in this article and the subscription has not taken place. In each capital increase within ninety days from the issuance of the assembly's decision to increase.

#### Chapter 8: Disputes

##### Article 47: liability suit

Each shareholder has the right to file a liability lawsuit against the company against the members of the Board of Directors if the mistake they committed would cause damage to him. With the limitation of his right to claim compensation for damage still exists, own that befell him.

Expenses incurred by the shareholder to file a lawsuit against the company, whatever the outcome, may be charged under the following conditions

- (1) If he instituted the lawsuit in good faith
- (2) If he submitted to the company the reason for which he filed the lawsuit and did not receive a response within (30) thirty days
- (3) If it is in the interest of the company to institute this lawsuit based on the provision of Article (79) seventy-ninth of the Law.
- (4) The claim must be well founded

#### Chapter 9: Dissolution and liquidation of the company

##### Article 48: expiry of the company

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Once the company has expired, it enters the stage of liquidation and retains the legal personality to the extent necessary for liquidation. The voluntary liquidation decision is issued by the Extraordinary General Assembly. The liquidation decision must include the appointment of the liquidator, his powers and fees, the restrictions imposed on his powers, and the time period required for liquidation. The period of voluntary liquidation must not exceed five years. Extending it for more than that, except by a judicial order, and the authority of the company's board of directors ends with its dissolution

Thus, they remain in charge of the management of the company, and they are considered as liquidators in relation to others until a liquidator is appointed, and the shareholders' assemblies remain in place during the liquidation period, and their role is limited to exercising their competencies that do not conflict with the competencies of the liquidator.

## Chapter 10

### Final provisions

#### Article 49:

The Companies Law and its bylaws shall be applied in everything that is not stipulated in this Law.

#### Article 50

This system shall be deposited and published in accordance with the provisions of the Companies Law and its regulations.

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