

Articles of Association of AYYAN Investment Company

(a Saudi Joint Stock Company)



Chapter ONE

Establishing the Company

Article One: Establishment and Transformation:

Ayyan Investment Company was established as a Saudi joint-stock company in accordance with the provisions of the Companies Law issued by Royal Decree No. (M/132) dated 01/12/1443H (corresponding to 30/06/2022) and its regulations, and this law is a Saudi joint-stock company in accordance with the following:

Article Two: Company Name:

Ayyan Investment Company (a Saudi Joint Stock Company).

Article Three: Company Objectives:

The company's objectives are as follows:

1. Establishing, managing, operating and maintaining various industrial projects alone or in partnership with other companies, entities or individuals.
2. Maintenance, management and operation of industrial, residential and commercial cities, public and private facilities and establishments.
3. Owning and reclaiming lands and exploiting them in establishing agricultural and livestock production projects.
4. Owning, managing, operating and maintaining real estate and lands and establishing commercial and residential facilities on them and investing in them by selling, buying and leasing for cash or in instalments.
5. Owning, investing, managing, operating and maintaining hotels, hospitals, health, educational, entertainment and tourism facilities.
6. Establishing, managing, operating and maintaining cold stores, transportation fleets, maintenance and repair workshops and fuel stations.
7. Wholesale and retail trade for what falls within the scope of the company's industrial, agricultural, tourism and health activities and exporting various products of the Kingdom to other countries.
8. Obtaining commercial agencies.

The company carries out its activities in accordance with the applicable regulations and after obtaining the necessary licenses from the competent authorities.

Article Four: Participation and Ownership in Companies:

The company may participate in other companies and establish companies on its own (limited liability, closed joint-stock or simple joint-stock). It may also own shares and stakes in other existing companies or merge with them, and participate with others in establishing joint-stock companies or limited liability or simple joint-stock companies after fulfilling the requirements of the regulations and instructions followed in this regard. The company may also dispose of these shares or stakes, provided that this does not include brokerage in their trading.



Article Five: The Company's Head Office:

The Company's head office shall be in the city of Khobar, Kingdom of Saudi Arabia, and it may be transferred to any other location within the Kingdom by a decision issued by the Extraordinary General Assembly. The Company's Board of Directors may also establish branches, offices or agencies for it in the Kingdom and abroad, and it may appoint correspondents in any location inside or outside the Kingdom as required by the Company's activity or as is beneficial to it, taking into account the laws and regulations in force in the Kingdom in this regard.

Article Six: Duration of the Company:

The duration of the Company's is (99) ninety-nine Gregorian years, starting from the date of its registration in the commercial register as a joint-stock company. The Company's term may always be extended by a decision issued by the Extraordinary General Assembly at least one year before the expiration of its term.

Chapter TWO Capital and Shares

Article Seven: Capital

The company's capital is set at (SR.1,006,363,280) One billion six million three hundred and sixty-three thousand, two hundred and eighty Saudi Riyals, divided into (100,636,328 shares) one hundred million, six hundred and thirty-six thousand, three hundred and twenty-eight shares of equal value, the nominal value of each of which is (SR.10) Ten Saudi riyals, all of which are ordinary and cash shares.

Article Eight: Subscription to Shares:

The founders subscribed to (1,900,000 shares) one million nine hundred thousand shares and paid their full value in the amount of (190,000,000 Saudi riyals) one hundred and ninety million Saudi riyals paid in full. The remaining shares shall be offered for public subscription within thirty days from the date of publication of the ministerial resolution authorizing the establishment of the company. In this case, the full value of the share shall be paid upon subscription. The proceeds of the subscription shall be deposited in the name of the company under establishment at one of the banks designated for this purpose. The remaining value of the subscribed shares shall be paid on the dates specified by the Board of Directors.

Article Nine: Preferred Shares

The Extraordinary General Assembly may issue preferred shares or decide to purchase or transfer them in accordance with the principles and controls set by the competent authority. The Extraordinary Assembly may also issue redeemable shares based on the company's option and in accordance with the terms and conditions for their redemption



determined by the company and in accordance with the principles and controls set by the competent authority.

Article Ten: The Company's Purchase, Sale and Mortgage of its Shares:

1. The company may purchase its shares pursuant to a resolution issued by the extraordinary general assembly. The assembly's approval resolution shall include the following:

- The resolution shall specify a maximum number of shares to be purchased and its purposes.
- Authorizing the board of directors to complete the purchase in one or more stages within a maximum period of twelve months from the date of the assembly's approval.
- Determining the period during which the company may retain treasury shares and the effect of the expiry of that period without disposing of them.

Provided that the treasury shares shall not exceed at any time (ten percent) of the total class of shares of the company being purchased, and that the value of the shares being purchased shall be fully paid, and that the debit balance of the treasury shares shall not exceed the balance of retained earnings, and that the purpose of the purchase shall be to reduce the capital of the company or to retain the ordinary shares being purchased as treasury shares.

2. The company may not purchase its shares to use them as treasury shares except for the following purposes:

- Fulfilling the rights of holders of debt instruments or financing instruments convertible into shares in accordance with the terms and provisions of those instruments or instruments.
- Exchange for the acquisition of shares or stakes or the purchase of assets.
- Allocating them to the company's employees within the employee's share program, and in accordance with the controls stipulated in Article 42 of the Executive Regulations of the Companies Law.
- Cancelling the shares in accordance with the provisions of capital reduction.
- Any other purpose that the company deems appropriate and that the Ministry approves.

3. The company must provide sufficient information to shareholders about the offer to purchase shares and its duration and give shareholders a fair opportunity to offer their shares.

4. Preferred shares shall be cancelled upon completion of the company's purchase, and the company shall take the necessary regulatory measures to reduce the capital.

5. Treasury shares shall not have any voting rights in shareholders' assemblies.

6. Unless treasury shares are allocated to the employee stock program, the company may not increase its issued capital by offering priority rights shares if it holds treasury shares or the extraordinary general assembly has approved the purchase of the company's shares and has not revoked that approval.



7. The company may sell treasury shares in one or more stages by a decision of the Board of Directors, provided that the decision of the Board of Directors does not conflict with the decision of the Extraordinary General Assembly to approve the purchase of those shares. At the time of issuance of the Board of Directors' decision to sell treasury shares, the company's shareholders shall have priority in purchasing in proportion to the shares they own of the total issued capital of the company, during the period specified in the decision.
8. The company may mortgage its shares in accordance with the following controls:
 - The mortgage must be a guarantee for a debt of the company.
 - The mortgage must be in the interest of the company and shareholders according to the discretion of the Board of Directors.
 - The approval of the General Assembly for the mortgage process, and prior approval may be obtained for more than one process.
 - The mortgage creditor may not attend or vote in the meetings of the shareholders' assembly.

Article Eleven : Selling Shares of incomplete value:

1. 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 thirty days of notifying the shareholder by e-mail or registered letter, sell the shares at a public auction or the financial market after informing the Ministry of the company's desire to sell the shares that have not been fully paid at a public auction or the financial market, as the case may be, in accordance with the controls determined by the competent authority concerned in this regard, and the other shareholders shall have priority in purchasing the shares of the shareholder who has failed to pay. The company shall collect from the proceeds of the sale the amounts due to it, including the auction expenses, and return the remainder to the shareholder. If the proceeds of the sale are not sufficient to pay these amounts, the company may collect the remainder from all the shareholder's funds.
2. The rights related to the shares whose value is not paid shall be suspended upon the expiry of the specified date until they are sold or the amount due therefrom is paid in accordance with paragraph (1) of this Article. This includes the right to obtain a share of the net profits that are decided to be distributed and the right to attend assemblies and vote on their decisions. However, the shareholder who is in default of payment until the day of sale may pay the value due from him in addition to the expenses incurred by the company in this regard. The company shall cancel the certificate of the sold share in accordance with the provisions of this Article, and shall give the buyer a new certificate for the share bearing the same number and shall indicate in the shareholders' register that the sale has taken place, with the necessary data for the new owner being entered.



Article Twelve: Issuance of Shares

1. The company's shares shall be nominal and indivisible against the company. If several persons own them, they must choose one of them to represent them in exercising the rights related to them, and these persons shall be jointly liable for the obligations arising from the ownership of the shares.
2. The shares shall be nominal and may not be issued at less than their nominal value. However, they may be issued at a higher value if the Extraordinary General Assembly approves this, in which case the difference in value shall be added in a separate item within shareholders' equity. They may not be distributed as cash dividends to shareholders. They may be used to increase capital by issuing bonus shares, or used to extinguish losses after exhausting any reserves previously formed from profits.
3. Shares may be divided into shares of lower nominal value or merged to represent shares of higher nominal value based on a proposal prepared by the Board of Directors that includes the reasons for the division or merger, its effect on shareholders, and the percentage of shares that each shareholder is entitled to after their division or merger. The shareholders shall be provided with the proposal at least twenty-one (21) days before the date set for the Extraordinary General Assembly. It is also required to obtain the approval of the Extraordinary General Assembly for the process of dividing or merging shares, in accordance with the controls set by the competent authority.

The company may, after the issuance of the decision of the Extraordinary General Assembly approving the split of the share to less than ten riyals, based on the recommendation of the Board of Directors, amend the number of shares traded according to the value of the share determined by the General Assembly.

Article Thirteen: Trading of Shares:

The Company's shares are traded in accordance with the provisions of the Capital Market Law.

Article Fourteen: Register of Shareholders

Shares are tradable by registration in the shareholders' register, and the transfer of ownership of a share vis-à-vis the company or others shall not be effective except from the date of this registration, unless the relevant competent authorities decide to place restrictions related to the trading of shares.

Article Fifteen: Capital Increase:

- 1) Capital shall be increased in one of the following ways:
 - a) Issuing new shares in exchange for cash or in-kind shares.
 - b) Issuing new shares in exchange for the company's debts of a specific amount, subject to performance, with the approval of the concerned creditors, provided that the issuance is at the value decided by the extraordinary general assembly after seeking



the opinion of one or more accredited experts or evaluators, and after the board of directors prepares a statement on the origin and amount of these debts, and the members of the board of directors sign this statement and are responsible for its accuracy, and a report from the auditor is attached to it.

- c) Issuing new shares in the amount of the reserve decided by the extraordinary general assembly to be incorporated into the capital. These shares must be issued in the same form and conditions as the issued shares of the same type or category, and these shares are distributed to shareholders without compensation in proportion to the original shares owned by each of them.
 - d) Issuing new shares in exchange for debt instruments or financing instruments.
2. The Extraordinary General Assembly may decide to increase the company's issued or authorized capital, provided that the issued capital has been paid in full. It is not required that the capital has been paid in full if the unpaid portion thereof is attributable to shares issued in exchange for converting debt instruments or financing instruments into shares and the period set for their conversion has not yet expired.
 3. The Extraordinary General Assembly may, in all cases, allocate the shares issued upon increasing the capital or part thereof to the employees of the company and the subsidiaries or some of them, or any of that in accordance with the regulatory controls set by the relevant competent authorities in this regard. Shareholders may not exercise the right of priority when the company issues the shares allocated to employees.
 4. The Extraordinary General Assembly has the right to suspend the right of priority for shareholders to subscribe to increase the capital in exchange for cash shares or to give priority to non-shareholders in cases it deems to achieve the interest of the company.
 5. The registered shareholder has the right to sell or assign to others, whether they are shareholders of the company or others, all or some of the priority rights for a fee or without a fee during the subscription period for new shares determined by the extraordinary general assembly of shareholders, provided that it is not less than (15) days and in accordance with the regulatory controls with the relevant authorities.
 6. The shareholder who owns the share at the time of issuance of the decision of the extraordinary general assembly approving the increase in capital has priority in subscribing to new shares issued in exchange for cash shares, and these shareholders shall be informed of their priority by notifying them by registered letter to their address listed in the shareholders' register or through modern technology means and the decision to increase capital and the subscription conditions, duration, start and end dates.
 7. Taking into account what is stated in paragraph (6) above, the new shares shall be distributed to the holders of priority rights who requested the subscription, in proportion to the priority rights they own from the total priority rights resulting from the capital increase, provided that what they obtain does not exceed what they requested from the new shares, and the remaining new shares shall be distributed to the holders of priority rights who requested more than their share, in proportion to the priority rights they own from the total priority rights resulting from the capital increase, provided that what they obtain does not exceed what they requested from the new



shares, and the remaining shares shall be offered to others, unless the extraordinary general assembly decides otherwise.

The provisions for evaluating in-kind shares stipulated in the Companies Law shall apply to shares issued in exchange for in-kind contributions upon capital increase.

Article Sixteen: Reducing Capital:

1. The capital shall be reduced in one of the following ways:
 - A. Cancelling a number of shares equal to the amount required to be reduced.
 - B. Reducing the nominal value of the share by cancelling a portion thereof equal to the loss incurred by the company.
 - C. Reducing the nominal value of the share by returning a portion thereof to the shareholder or by acquitting him of all or some of the unpaid amount of the share value.
 - D. The company purchasing a number of its shares equal to the amount required to be reduced and then cancelling them.
2. The Extraordinary General Assembly may decide to reduce the capital if it exceeds the company's needs or if the company incurs losses. In the latter case alone, the capital may be reduced to less than the limit stated in Article (Fifty-Nine) of the Companies Law. The reduction decision shall not be issued except after reading a statement in the General Assembly prepared by the Board of Directors on the reasons for the reduction, the company's obligations and the effect of the reduction in fulfilling them, and a report from the company's auditors shall be attached to this statement. It is permissible to suffice with presenting the aforementioned statement to the shareholders in cases where the General Assembly's decision is issued by circulation.
3. If the capital reduction is due to its excess over the company's needs, the creditors must be invited to express their objection to it within at least (forty-five) days from the date set for holding the extraordinary general assembly meeting to take the decision to reduce it, provided that the invitation is accompanied by a statement clarifying the amount of capital before and after the reduction, the date of the meeting and the date of the reduction's implementation. If any of the creditors objects to the reduction and submits his documents to the company within the aforementioned period, the company must pay him his debt if it is due or provide him with a guarantee for it if it is deferred.
4. Equality must be observed between shareholders holding shares of the same type and category when reducing capital.
5. The company's capital may be reduced by reducing the nominal value of the share by cancelling a portion of the shares equal to the reduced value or by reducing the nominal value of the share and returning a portion of it to its holders or exempting the relevant shareholders from all or part of the remaining value of the shares.



Article Seventeen: Debt Instruments and Financing Instruments:

1. The Company may issue, in accordance with the Capital Market Law, debt instruments or financing instruments that are tradable. The issuance of debt instruments or financing instruments that are convertible into shares requires the issuance of a resolution by the company's extraordinary general assembly stating the maximum number of shares that may be issued in exchange for those instruments or instruments, whether those instruments or instruments are issued simultaneously or through a series of issues or through one or more programs to issue them. The board of directors shall issue (without the need for new approval from the assembly) new shares in exchange for those instruments or instruments that their holders request to be converted immediately upon the expiration of the conversion request period specified for the holders of those instruments or instruments or upon fulfilment of the conditions for their automatic conversion into shares or upon the expiration of the specified period for this conversion. The board of directors shall then take the necessary measures to amend the company's bylaws with regard to the number of shares issued and the capital. The board of directors shall register the completion of the procedures for each increase in the company's capital with the commercial register. The company may convert debt instruments or instruments into shares in accordance with the Capital Market Law with the approval of their holder, whether it is a prior approval such as being within the conditions of the issue or by subsequent agreement.
2. The decisions of the general assemblies of shareholders shall apply to the holders of debt instruments or financing instruments. However, these assemblies may not amend the rights granted to them except with the approval of a special assembly held in accordance with the provisions of Article Eighty-nine of the Companies Law.
3. Any interested party may request the competent judicial authority to annul the action taken in violation of the provisions of this article (paragraphs one to three) and to compensate the holders of debt instruments or financing instruments for the damages incurred by them.

Chapter Three Board of Directors

Article Eighteen: Company Management:

1. The company shall be managed by a Board of Directors consisting of (7) seven members appointed by the Ordinary General Assembly for a period not exceeding three years, provided that cumulative voting shall be used in electing the Board of Directors.



2. The members of the Board shall be jointly liable for compensating the company, shareholders or third parties for any damage arising from their mismanagement of the company's affairs or their violation of the provisions of the system or the company's articles of association. Any condition that stipulates otherwise shall be deemed null and void. Liability shall fall on all members of the Board of Directors if the error arises from a decision issued unanimously. As for decisions issued by a majority vote, the opposing members shall not be held liable for them if they expressly state their objection in the minutes of the meeting. Absence from attending the meeting in which the decision is issued shall not be considered a reason for exemption from liability unless it is proven that the absent member was not aware of the decision or was unable to object to it after becoming aware of it.

Article Nineteen: Termination of Board Membership:

1. The membership of the Board shall terminate upon the expiration of its term or upon the expiration of the member's validity thereof in accordance with the provisions of any applicable system or instructions in the Kingdom. The General Assembly may (based on a recommendation from the Board of Directors) terminate the membership of any member who has been absent from attending (three) consecutive meetings or (five) separate meetings during his term of membership without a legitimate excuse accepted by the Board of Directors.
2. The Ordinary General Assembly may dismiss 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 replacement for the dismissed member (as the case may be) in accordance with the provisions of the Companies Law.
3. The Board of Directors shall, before the end 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 ends, its members shall continue to perform their duties until a Board of Directors is elected for a new term, provided that the term of the members of the expired Board of Directors does not exceed ninety (90) days from the date of the end of the term of the current Board of Directors.
4. If the Chairman and members of the Board of Directors resign, they must call for the Ordinary General Assembly to convene to elect a new Board of Directors. The resignation shall not be effective until the new Board is elected, provided that the duration of the resigned Board does not exceed the period specified in the Companies Law.
5. A member of the Board of Directors may resign from the Board membership by written notification addressed to the Chairman of the Board. If the Chairman of the Board resigns, the notification must be addressed to the remaining members of the Board and the Secretary of the Board. The resignation shall be effective (in both cases) from the date specified in the notification.
6. If the position of a member of the Board of Directors of the company becomes vacant due to his death or resignation and this vacancy does not result in a breach of the



conditions necessary for the validity of the Board's convening due to the number of its members being less than the minimum, the Board may appoint a (temporary) member to the vacant position, provided that he is one of those who have the experience and competence. The Commercial Registry and the Capital Market Authority must be notified of this within (fifteen days) from the date of appointment, and the appointment must be presented to the Ordinary General Assembly at its first meeting, and the new member shall complete the term of his predecessor.

7. If the conditions necessary for the Board of Directors to convene are not met due to the number of its members being less than the minimum stipulated in the Companies Law or this Law, the remaining members must call the Ordinary General Assembly to convene within sixty (60) days to elect the necessary number of members.
8. In the event that a Board of Directors is not elected for a new term or the required number of Board of Directors members is not completed, any interested party may request the competent judicial authority to appoint from among those with experience and expertise, in the number it deems appropriate, those who will supervise the management of the company and call the General Assembly to convene within (ninety) days, to elect a new Board of Directors or complete the required number of Board of Directors members, as the case may be, or to request the dissolution of the company.

Article Twenty: Powers of the Board:

Taking into account the powers assigned to the General Assembly, the Board of Directors shall have the broadest powers in managing the company in a manner that achieves its objectives:

1. Approval of contracts, tenders, the company's governance system, policies and internal regulations of the company, the establishment of subsidiaries or companies in which the company participates with other companies with all their amendments, the appointment and dismissal of managers therein and the approval of all actions taken in those companies.
2. Approval of the issuance of guarantees and warranties to banks, funds and government financing institutions and the approval of all banking transactions including the opening of bank accounts and investment accounts in asset companies in the name of the company or subsidiaries inside or outside the Kingdom and their closure and the investment of their funds and management.
3. The right to purchase and accept it and pay the price, and mortgage the assets, real estate and movables of the company and subsidiaries and release the mortgage and sell and vacate and collect the price, and deliver the appraiser provided that the minutes of the Board of Directors include the reasons for its decision to dispose of the company's assets, properties and real estate and the reasons and justifications for that, with the necessity of observing the following conditions:
 - A. The sale must be fair and close to the fair price determined in accordance with the applicable accounting principles.



- B. The price must not be deferred except in cases estimated by the Board and with sufficient guarantees.
 - C. The company must not be harmed or have some of its activities suspended or incur other obligations due to the terms of such transaction.
4. Contracting loans with any party such as government financing funds and institutions, commercial loans with commercial banks, financial institutions, credit companies, etc., and re-arranging and scheduling debts, regardless of their duration and for any limits approved by the Board.
 5. The company may not provide a loan of any kind to any of its board members, nor may it conclude any guarantee or provide any guarantees related to a loan concluded by any of its board members with others. This applies to any loan, guarantee or guarantee provided to any of his relatives, and any contract made in violation of this shall be considered null and void. The company has the right to demand compensation from the violator before the competent judicial authority for any damages incurred. This excludes loans and guarantees granted by the company in accordance with its employee incentive programs approved by the General Assembly.
 6. The company's board members must adhere to the duties of care and loyalty, in particular the following:
 - A. Exercise their duties within the limits of the powers assigned to them.
 - B. Work for the interest of the company and enhance its success.
 - C. Make decisions or vote on them independently.
 - D. Exercise reasonable and expected care, attention, diligence and skill.
 - E. Avoid conflicts of interest.
 - F. Disclosure of any interest they have, directly or indirectly, in the work and contracts concluded on behalf of the company.
 - G. Not accepting any benefit granted to them by others in relation to their role in the company.
 7. Forming committees affiliated with the Board of Directors and insuring the company's fixed and movable properties.
 8. Issuing bank guarantees and signing their issuance, signing all papers, documents, bills of exchange, promissory notes, checks, commercial papers and endorsing them to others and all banking transactions.
 9. Reviewing financial institutions, financial brokerage companies, banks and the Saudi Development Fund and representing the company before them in obtaining financial financing in accordance with Sharia controls and for the benefit of the company's business and re-arranging and rescheduling debts.
 10. Opening branches, appointing their managers, issuing commercial, industrial, agricultural, municipal and other records, licenses and permits, amending, renewing, transferring, deleting and cancelling them, issuing replacements for damaged or lost records or additional copies thereof, converting sub-records to main records, and converting main records to sub-records for institutions and companies inside and outside the Kingdom.
 11. The right to represent the company in the assemblies of partners and shareholders, founding, transformational and general assemblies, and to vote on behalf of the



company on the decisions of partners and shareholders in the assemblies of partners and shareholders, founding, transformational and general assemblies, and to name the company's representatives in all of this and to sign all the decisions of partners and shareholders, and to make any amendment to the articles of association of these companies, regardless of the type of this amendment, and to sign all the decisions of partners and shareholders and the minutes of the meetings in these companies that are necessary to enforce these amendments, including signing before a notary public the articles of association and appendices to the articles of association of these companies, regardless of the content of this amendment, and to sign the partners' decisions regarding the appointment or dismissal of managers in these companies and to carry out all the work and take all the necessary measures to extract and amend the records and licenses of these companies and receive them.

12. The right to prepare and submit bids, enter into tenders, provide guarantees and sign contracts in the name of the company and on its behalf with all the competent government authorities and public and private sector bodies and others.
13. The approval of the General Assembly is required when selling the company's assets whose value exceeds (fifty percent) of the total value of its assets, whether the sale is made through one transaction or several transactions. In this case, the transaction that results in exceeding (fifty percent) of the value of the assets is considered the transaction for which the approval of the General Assembly is required. This percentage is calculated from the date of the first transaction that took place during the previous (twelve) months.
14. Doing everything necessary to implement any new system or amendment to an existing system or regulations or instructions from the competent authorities.
15. The right to compromise, waive, contract, commit, bind, collect the debts of the company or its subsidiaries, and accept reconciliation and arbitration.
16. The right to release the company's debtors from their obligations in accordance with what serves its interests, provided that the minutes of the Board of Directors and the grounds for its decision include consideration of the following conditions:
 - A. The release shall be after a full year has passed since the debt arose as a minimum.
 - B. The release shall be for a specified maximum amount per year for each debtor.
 - C. The release is a right of the Board that may not be delegated.
17. The right to delegate or authorize one or more of its members or others to carry out a specific work or works or to take a specific action or disposition that falls within the limits of its jurisdiction, and the Board of Directors shall have the right to cancel the delegation or authorization in part or in whole.
18. The Board of Directors shall obtain the approval of the General Assembly when selling assets whose value exceeds (50%) of the total value of its assets, whether the sale is made through one transaction or several transactions. In this case, the transaction that leads to exceeding (fifty percent) of the value of the assets is considered the transaction that requires the approval of the General Assembly, and this percentage is calculated from the date of the first transaction made during the previous (12) months.



Article Twenty-One: Board Members Remuneration:

1. The Board of Directors' remuneration consists of a certain amount, or an attendance allowance for meetings, or in-kind benefits, or a certain percentage of net profits. It is permissible to combine two or more of these benefits, in accordance with the provisions of the Companies Law, the Corporate Governance Regulations, and the rules and standards set by the Capital Market Authority in this regard.
2. The remuneration of the Board of Directors' members may vary in amount, taking into account the member's experience, specializations, work and tasks assigned to him, the number of meetings he attends, and other considerations.
3. The Board of Directors' report to the Ordinary General Assembly must include a comprehensive statement of all the bonuses, expense allowances, and other benefits that each member of the Board of Directors received or was entitled to receive during the fiscal year, and it must also include a statement of what the Board members received in their capacity as employees or administrators, or what they received in return for technical, administrative, or consulting work, and it must also include a statement of the number of Board meetings and the number of meetings attended by each member from the date of the last General Assembly meeting.
4. The Board shall disclose in its annual report the details of the policies related to remuneration and how they are determined, and the amounts and benefits in kind paid to each of its members for any executive, technical or administrative work or positions.
5. If the General Assembly decides to terminate the membership of a member of the Board of Directors who is absent for not attending (three) consecutive meetings or (five) separate meetings during his membership term without a legitimate excuse accepted by the Board of Directors, this member shall not be entitled to any remuneration for the period following the last meeting he attended, and the Board member shall return all remunerations paid to him for that period.
6. If it becomes clear that the remunerations paid to any member of the Board of Directors are based on incorrect or misleading information, the Board member shall return them to the company, which may demand that he return them.

Article Twenty-Two: Powers of the Chairman, Vice Chairman, Managing Director and Secretary:

1. The Board of Directors shall appoint, at its first meeting, a Chairman and a Vice Chairman from among its Members. It may also appoint a Managing Director from among its members. The Board may also appoint a Chief Executive Officer. The position of Chairman of the Board of Directors may not be combined with any Executive position in the company.
2. The Chairman of the Board shall be responsible for calling the Board of Directors to meet and chairing its meetings. He shall also be responsible for chairing the meetings of the General Assemblies of Shareholders.
3. The Chairman of the Board of Directors shall represent the Company in its relations with third parties and before the judiciary and arbitration bodies. He shall have the right to



sign on behalf of the Company and implement the Board's decisions. The Chairman of the Board shall have the right, by written decision, to delegate some of his powers to other members of the Board of Directors or to third parties to carry out a specific work or works.

4. The Managing Director or (Chief Executive Officer) shall be responsible for implementing the Company's policies determined by the Board of Directors and shall supervise the Company's operations in general. He is the Executive officer of the Company. The Board of Directors may entrust and delegate to the Managing Director any authority exercised by the Board in accordance with the provisions, conditions and restrictions that the Board deems appropriate.
5. The Board of Directors shall appoint from among its members or from third parties a Secretary who shall be responsible for recording the Board of Directors' minutes and decisions and recording them in a special register prepared for this purpose. His remuneration shall be determined by a decision of the Board. The term of the Chairman of the Board, the Managing Director and the Secretary shall not exceed the membership of each of them in the Board of Directors and they may be reappointed. The Company shall also appoint a Chief Executive Officer from among its members or from third parties. The appointment decision shall determine his powers and remuneration.
6. The Vice Chairman of the Board of Directors shall replace the Chairman of the Board of Directors in his absence in cases where the Board of Directors has a Vice Chairman.

Article Twenty-Three: Board Meetings:

The Board shall meet at the invitation of its Chairman at least four times a year. The invitation shall be in writing and accompanied by the agenda. The invitation may be delivered or sent via modern technology. The Chairman of the Board must invite the Board to meet whenever any member requests him to do so in writing to discuss one or more topics. Meetings may be held using modern technology.

Article Twenty-Four: Quorum for the Board's Meeting:

1. The Board meeting shall not be valid unless attended by at least half of the members (in person and by proxy), provided that the number of attendees shall not be less than four members. In the event that another member is delegated to attend Board meetings and vote on his behalf, the delegation must be in accordance with the following controls:
 - A- A Member of the Board of Directors may not represent more than one member in attending the same meeting.
 - B- The delegation shall be in writing and regarding a specific meeting and may be sent via e-mail.
 - C- The representative may not vote on decisions that the system prohibits the delegate from voting.
- 2) The Board's decisions shall be issued by a majority of the votes of the members present or their representatives (in person or by proxy). In the event of a tie, the opinion of the



Chairman of the Board or the Chairman of the Board in his absence shall prevail. The Board of Directors may issue its decisions by circulation unless a member requests in writing a Board meeting to deliberate on them. These decisions shall be issued by the approval of the majority of the votes of the Board members, provided that the number of approving members shall not be less than four (4) members. These decisions shall be presented to the Board of Directors at its first subsequent meeting to record them in the minutes of that meeting.

- 3) The Board's decisions shall be effective from the date of their issuance unless the decision stipulates a date for their effective date at another time or upon fulfilment of certain conditions.

Article Twenty-Five: Board Deliberations:

The deliberations and decisions of the Board of Directors shall be recorded in minutes prepared by the Secretary and signed by the Chairman of the meeting, the attending Board members and the Secretary. These minutes shall be recorded in a special register signed by the Chairman of the Board and the Secretary. Modern technology may be used to sign and record deliberations, decisions and record minutes.

Chapter Four Shareholders' Meetings

Article Twenty-Six: Attendance at Assemblies

1. Every shareholder has the right to attend the general assemblies of shareholders, and he may delegate another person other than the members of the Board of Directors or the employees of the company to attend the general assembly.
2. The general assembly meeting may be held and the shareholder may participate in the deliberations and vote on decisions by means of modern technology.
3. The general assembly of shareholders shall be chaired by the Chairman of the Board of Directors or his deputy in his absence or by whomever the Board of Directors delegates from its members in their absence. In the event that this is not possible, the general assembly shall be chaired by whomever the shareholders delegate from the members of the Board or from others by voting.

Article Twenty-Seven: The Ordinary General Assembly:

1. The annual ordinary general assembly shall be held at least once during the (six) months following the end of the company's fiscal year, and other ordinary general assemblies may be called whenever necessary.
2. The agenda of the annual ordinary general assembly shall include the following items:
 - Reviewing and discussing the Board of Directors' report for the past fiscal year.
 - Reviewing and discussing the financial statements for the past fiscal year.



- Discussing the auditor's report for the past fiscal year - if any - and making a decision thereon.
 - Deciding on the Board of Directors' proposals regarding the distribution of profits, if any.
3. The requirement for holding the annual ordinary general assembly shall be fulfilled by holding an extraordinary general assembly within the six months following the end of the company's fiscal year and by including in its agenda the items mentioned in paragraph (2) of that article.

Article Twenty-Eight: Powers of the Ordinary General Assembly:

Except for matters within the jurisdiction of the Extraordinary General Assembly, the Ordinary General Assembly shall be competent to handle all matters related to the Company, particularly the following:

1. Electing and dismissing members of the Board of Directors.
2. Appointing one or more auditors for the Company in accordance with the requirements of the Law, determining their fees, reappointing them and dismissing them.
3. Reviewing and discussing the Board of Directors' report.
4. Reviewing and discussing the Company's financial statements.
5. Discussing the Auditor's report for the past fiscal year - if any - and taking a decision thereon.
6. Deciding on the Board of Directors' proposals regarding the distribution of profits, if any.
7. Forming the Company's reserves and determining their uses.

Article Twenty-Nine: Powers of the Extraordinary Assembly:

The Extraordinary General Assembly shall be competent to:

1. Amend the company's articles of association, except for provisions that it is prohibited from amending in accordance with Article Eighty-Five of the Companies Law.
2. Decide on the continuation or dissolution of the company.
3. Approve the company's purchase of its shares.

The Extraordinary General Assembly may - in addition to the powers assigned to it under the provisions of the Law - issue decisions on matters originally within the jurisdiction of the Ordinary General Assembly, under the same terms and conditions as those assigned to the Ordinary General Assembly.

Article Thirty: Invitation to Assemblies

1. General or special assemblies of shareholders shall be held upon invitation from the Board of Directors. The Board of Directors shall call for the ordinary general assembly to convene within thirty (30) days from the date of the request of the auditor or one or more shareholders owning at least (10%) of the company's shares with voting rights. The auditor may call for the assembly to convene if the board does not call for the assembly



within thirty days from the date of the auditor's request. The request must specify the items on which the shareholders are required to vote.

2. The invitation to convene the assembly shall be sent at least twenty-one days before the date set for the meeting, taking into account the following:
 - Notifying shareholders by registered letters to their addresses listed in the shareholders' register, or announcing the invitation through modern technology means.
 - Sending a copy of the invitation and agenda to the commercial register, as well as a copy to the Capital Market Authority
3. The invitation to the general assembly meeting must include at least the following:
 - A statement of the person entitled to attend the general assembly meeting and his right to delegate whomever he chooses from among the members of the board of directors, and a statement of the shareholder's right to discuss the topics included in the general assembly's agenda and to ask questions and how to exercise the right to vote.
 - The place, date and time of the meeting
 - The type of the general assembly, whether it is public or private.
 - The meeting agenda including the items on which the shareholders are required to vote.

Article Thirty-One: Assemblies Attendance Register

When holding the ordinary and extraordinary general assembly, a list shall be prepared of the names of the present and represented shareholders and their identification numbers, indicating the number of shares they hold in person or by proxy and the number of votes allocated, and every interested party shall have access to this statement.

Article Thirty-Two: Quorum for the Ordinary General Assembly Meeting:

The ordinary general assembly meeting shall not be valid unless attended by shareholders representing at least a quarter of the company's voting shares. If this quorum is not available at the first meeting, a second meeting shall be called to be held one hour after the end of the specified period for holding the first meeting, provided that the call to hold the first meeting includes information indicating the possibility of holding this meeting. This call shall be published in the same manner as the call for the first meeting, and a copy of the call and agenda shall be sent to the commercial register. If the first call does not include the possibility of holding the second meeting one hour later, a second meeting shall be called to be held in the same manner stipulated in Article Ninety-One (91) of the Companies Law and Article (32) of this Law within thirty (30) days following the date specified for holding the previous meeting.

Article Thirty-Three: Quorum for the Extraordinary General Assembly Meeting

The Extraordinary general assembly meeting shall not be valid unless attended by shareholders representing at least half of the company's shares with voting rights. If the quorum is not present at the first meeting, an invitation shall be sent to a second 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 an announcement of the possibility of holding this meeting. The second meeting shall be valid if attended by a number of shareholders representing at least a quarter of the company's shares with voting rights. If the quorum necessary for holding the second meeting is not present, an invitation shall be sent to a third meeting to be held under the same conditions stipulated in the Companies Law. The third meeting shall be valid regardless of the number of shares with voting rights represented therein.

Article Thirty-Four: Voting in Assemblies

1. Each shareholder shall have one vote for each share in the general assemblies, and cumulative voting shall be used in electing the Board of Directors, such that the right to vote may not be used more than once.
2. Members of the Board of Directors may not participate in voting on the decisions of the assembly relating to business and contracts in which they have a direct or indirect interest and which involve a conflict of interest.

Article Thirty-Five: Decisions of Assemblies

1. The decisions of the Ordinary general assembly shall be issued with the approval of the majority of the voting rights represented in the meeting.
2. The decisions of the Extraordinary general assembly shall be issued with the approval of two-thirds of the voting rights represented in the meeting, unless the decision relates to increasing or decreasing the capital, extending the term of the company, dissolving the company before the expiry of the term specified in its articles of association, merging the company into another company, or dividing it into two or more companies. In this case, the decision shall not be valid unless it is issued with the approval of three-quarters of the voting rights represented in the meeting.
3. The Board of Directors shall register the decisions of the assembly in the commercial register within (fifteen days) from the date of their issuance.
4. The decisions of the general assembly shall be effective from the date of their issuance, except in cases where the Companies Law or this Law, or the issued decision, stipulates that they shall be effective at another time or when certain conditions are met.



Article Thirty-Six: Agenda of the Assemblies and their discussions:

1. When preparing the agenda of the General Assembly, the Board of Directors shall take into account the topics that shareholders wish to include. One or more shareholders representing at least (10%) of the company's shares with voting rights shall have the right to add one or more topics to the agenda when preparing it. The competent authority shall amend this percentage.
2. The Board of Directors shall separate each topic included in the agenda of the General Assembly in a separate item, and shall not combine fundamentally different topics under one item, and shall not place the business and contracts in which any member of the Board of Directors has a direct or indirect interest under one item for the purpose of voting on the entire item. Members of the Board of Directors may not participate in voting on the decisions of the Assembly related to the business and contracts in which they have a direct or indirect interest and which involve a conflict of interest.
3. Each shareholder has the right to discuss the topics included in the agenda of the Assembly and direct questions about them to the members of the Board of Directors and the auditor. The Board of Directors or the auditor shall answer the shareholders' questions to the extent that does not harm the interests of the company. If the shareholder deems that the response to his question is insufficient, he shall refer it to the General Assembly, and its decision in this regard shall be binding.

Article Thirty-Seven: Presiding of Assemblies and Preparation of Minutes:

1. The meetings of the General Assembly shall be chaired by the Chairman of the Board of Directors or his deputy in his absence, or by whomever the Board of Directors delegates from among its members in the absence of the Chairman of the Board of Directors and his deputy. In the event that this is not possible, the meeting shall be chaired by whomever the shareholders delegate from among the members of the Board of Directors or others by voting. The Chairman shall appoint a secretary for the meeting and one or more shareholders' votes' collectors.
2. Minutes shall be drawn up at the meeting of the ordinary and extraordinary assemblies, including the number of shareholders present in person or by proxy, the number of shares they hold in person or by proxy, the number of votes assigned to them, the decisions taken, the number of votes that approved or opposed them, and a comprehensive summary of the discussions that took place at the meeting. The minutes shall be recorded regularly after each meeting in a special register signed by the Chairman of the Assembly, the Secretary, and the votes collector.

Chapter Five Board Committees

Article Thirty-Eight: Board Committees:

1. The Board of Directors shall form specialized committees according to the company's needs, circumstances and conditions, in order to enable it to perform its duties, provided that the internal policies and procedures for each committee are established in accordance with the regulations and controls set by the competent authority.
2. Specialized committees are formed by decisions from the Board of Directors specifying the duration of the committee, its powers and responsibilities, and how the Board will monitor it, provided that the formation decision includes naming the members and specifying their tasks, rights and duties.

Chapter Six Auditors

Article Thirty-Nine: Appointing the Auditor:

1. The company shall have one (or more) auditors licensed in the Kingdom, appointed by the Ordinary General Assembly, whose fees and term of work shall be determined. It may reappoint him, provided that the term of his appointment does not exceed the period specified in accordance with the legally prescribed provisions.
2. The Assembly may dismiss the auditor, without prejudice to his right to compensation for the damage caused to him if he has a need. The Chairman of the Board of Directors must inform the competent authority of the dismissal decision and its reasons within a period not exceeding (five) days from the date of issuance of the decision.
3. The auditor may resign from his mission pursuant to a written notification that he submits to the company, and his term expires from the date of his submission or on a later date specified in the notification, without prejudice to the company's right to compensation for the damage that befalls it if he has a need. The retiring auditor is obligated to submit the report to the company and to the authority. When submitting the report, the competent authority must provide a statement of the reasons for his retirement, and the Board of Directors must invite the General Assembly to convene to consider the reasons for the retirement and appoint another auditor.

Article Forty: Powers of the Auditor:

1. The auditor has the right at any time to review the company's documents, accounting records, and supporting documents, and he has the right to request the data and



clarifications that he deems necessary to obtain in order to verify the company's assets, liabilities, and other matters that fall within the scope of his work.

2. The Board of Directors must enable him to perform his duty, and if the auditor encounters difficulty in this regard, he must prove that 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 General Assembly to convene 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.
3. The auditor must be independent in accordance with what is determined by the professional standards in the Kingdom. The auditor's work may not be combined with participation in establishing the company, its management, or membership in its board of directors, and the auditor may not be a partner with any of the company's founders, directors, or board members. Its management, his employee, or his relative. He may not buy or sell shares in the company during the audit period, and the auditor may not perform technical, administrative, or advisory work in the company whose accounts he audits or for its benefit, except what is specified by the regulations.
4. The auditor must submit to the General Assembly at its meeting a report on the company's financial statements prepared in accordance with the auditing standards approved in the Kingdom and included in the position of the company's management in enabling him to obtain the data and clarifications he requested, and any violations of the provisions of the system or the articles of association that have become apparent to him. The company or its bylaws within the limits of his jurisdiction, and his opinion on the fairness of the company's financial statements. The auditor must read out his report or review a summary thereof at the annual general assembly meeting, or present the report by circulation, as the case may be, and in accordance with the provisions of the law.
5. The auditor is not permitted to disclose to shareholders other than the General Assembly or to third parties any company secrets he has learned by reason of performing his work, otherwise he may be asked for compensation in addition to the right to dismiss him.
6. The auditor shall be responsible for what is stated in his report, and for any harm that befalls the company, shareholders, or others due to errors committed by him in performing his work. If the company has more than one accountant, they shall be jointly liable, except for those among them who are proven not to have participated in the error giving rise to responsibility.

Chapter Seven

Company Accounts and Profit Distribution

Article Forty-One: Fiscal Year:

The company's fiscal year begins at the beginning of January and ends at the end of December of each year



Article Forty-Two: Accounting Records and Financial Statements:

1. The company maintains accounting records and supporting documents to clarify its business, contracts and financial statements at the company's head office or in any other place specified by the company's director or its board of directors.
2. At the end of each fiscal year of the company, the Board of Directors must prepare the company's financial statements and a report on its activity and financial position for the past fiscal year. This report includes the proposed method for distributing profits. The Board shall place these documents at the disposal of the auditor, if any, at least forty-five days before the date set for the annual ordinary general assembly.
3. The company's Chairman of the Board of Directors, its Chief Executive Officer, and its Financial Director must sign the documents referred to in Paragraph (2) of this Article, and copies thereof shall be deposited at the company's main office at the disposal of the shareholders.
4. The Chairman of the Board of Directors must provide shareholders with the company's financial statements, the Board of Directors' report after signing them, and the auditor's report, unless published in any modern technology means, at least twenty-one days before the date set for the annual ordinary general assembly, and he must also deposit These documents are as specified by regulations.

Article Forty-Three: Distribution of Profits:

1. The Company's annual net profits are distributed after deducting all general expenses and other costs, in addition to reserves (if any) and bonuses and compensation of the Board of Directors.
2. The General Assembly determines the percentage that must be distributed to shareholders from the net profits after deducting reserves, if any.
3. The Ordinary General Assembly, based on the proposal of the Board of Directors, may set aside a certain percentage of the net profits to form a reserve or certain reserves for specific purposes specified in the General Assembly's decision, and the competent authority may set controls for the formation of these reserves. In all cases, the percentage of profits after deducting the set aside reserves may not exceed (10) % of net profits.
4. The Ordinary General Assembly - when determining the share of shares in the net profits, 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 amounts from the net profits to achieve social purposes for the company's employees, such as establishing institutions. Social services for the company's employees or to assist existing institutions.

Article Forty-Four: Eligibility for Dividends:

The shareholder is entitled to his share of the profits in accordance with the General Assembly's decision issued in this regard. The decision shall indicate the entitlement date



and the date of distribution, and the entitlement to the dividends shall be to the share owners registered in the shareholders' records at the end of the day specified for entitlement.

The company's Board of Directors must implement the General Assembly's decision regarding the distribution of dividends to registered shareholders within a period not exceeding fifteen (15) days from the date of entitlement to those dividends specified in the Assembly's decision or the Board of Directors' decision to distribute interim dividends, as the case may be.

Article Forty-Five: Distribution of Annual or interim profits:

The company may distribute annual or interim (semi-annual or quarterly) dividends from the profits distributable to shareholders, after fulfilling the following:

1. The General Assembly authorizes the Board of Directors to distribute interim dividends in accordance with a resolution issued annually.
2. The company must have good and regular profitability, have reasonable liquidity, and be able to predict the level of its profits.
3. The company must have distributable profits according to the latest audited financial statements, sufficient to cover the profits proposed to be distributed after deducting what was distributed and capitalized from these profits after the date of those statements.

If profits are distributed other than distributable profits, the company's creditors may demand them, and the company may demand that every shareholder- even if he is of good faith - return what he received from them. The shareholder is not obligated to return the profits distributed to him even if the company suffers losses in the following periods.

Article Forty-Six: Company Losses:

If the losses of the joint-stock company amount to half of the issued capital, the Board of Directors must disclose that and the recommendations it has reached regarding those losses within sixty days from the date it learns, that they have reached this amount and invite the extraordinary general assembly to meet within one hundred and eighty days from the date it learns of the losses. To consider the continuation of the company while taking any necessary measures to address or resolve those losses.



Chapter Eight Disputes

Article Forty-Seven: Liability Claim:

1. The company may file a liability lawsuit against the manager or members of the board of directors due to a violation of the provisions of the Companies Law, the Articles of Association or its bylaws, or due to errors, negligence or failure to perform their duties, which results in damages to the company. The general assembly shall decide to file this lawsuit and appoint someone to represent the company in conducting it. If the company is in the process of liquidation, the liquidator shall file the lawsuit. In the event that any of the liquidation procedures are opened against the company in accordance with the bankruptcy law, this lawsuit shall be filed by its legal representative.
2. One or more shareholders representing five percent of the company's capital may file a liability lawsuit for the company in the event that the company does not file it, taking into account that the main objective of filing the lawsuit is to achieve the interests of the company, that the lawsuit is based on a valid basis, and that the plaintiff is in good faith and a shareholder in the company at the time the lawsuit is filed.
3. In order to file the lawsuit referred to in paragraph (2) of this article, it is required that the members of its Board of Directors be notified of the intention to file the lawsuit at least fourteen days before the date of filing it.
4. Every shareholder has the right to file his personal lawsuit against the manager or members of the Board of Directors if the error committed is likely to cause him special harm.

Chapter Nine Dissolution and Liquidation of the Company

Article Forty-Eight: Expiry of the Company:

The company expires due to one of the termination reasons stipulated in the Companies Law, and upon its expiration, it enters the stage of liquidation in accordance with the provisions of the Companies Law. If the company expires and its assets are not sufficient to pay its debts or it is insolvent in accordance with the Bankruptcy Law, it must go to the competent judicial authority to initiate any of the liquidation procedures in accordance with the Bankruptcy Law.

Chapter Ten

Final Provisions

Article Forty-Nine Adoption of the Article of Association:

1. The company is subject to the regulations in force in the Kingdom of Saudi Arabia.
2. Any text in this Articles of Association that contravenes the provisions of the Companies Law shall be deemed invalid and the provisions contained in the Companies Law shall be applied to it, and everything that is not contained in this Articles of Association shall be subject to the Companies Law and its Executive Regulations.

Article Fifty: Publication:

This Article shall be filed and published in accordance with the provisions of the Companies Law and its Executive Regulations.