

F I P C O

FILLING & PACKING MATERIALS MFG. CO.

A Saudi Stock Company

Paid-up Capital : SR. 115,000,000



فيلكو

شركة تصنيع مواد التعبئة والتغليف

شركة مساهمة سعودية

رأس المال المدفوع : ١١٥,٠٠٠,٠٠٠ ريال

Bylaws of:

***Filling & Packing Materials Mfg. Co.
(FIPCO)***

Saudi joint stock company

Bylaws of:

Filling & Packing Materials Mfg. Co. (FIPCO)

Saudi Public joint stock company

Section 1:

Incorporation of the company

Article (1) Incorporation

In accordance with the provisions of the Companies Law and its articles of association, and this Law, a public joint stock company shall be established among the shareholders in accordance with the following:

Article (2) Company name

Filling and Packing Materials Manufacturing Company (FIPCO)- A Listed Public Joint Stock Co.

Article (3) Objectives of the company

The company carries out and implements the following purposes:

Public domain	Private domain	Activities	Activity code
Manufacturing industries	Weaving textiles	Weaving textiles from synthetic threads e.g., nylon	131204
	Manufacturing plastics and synthetic rubber in its primary forms	Manufacturing plastics in its primary forms	201310

	Manufacturing Synthetic fiber	Manufacturing yarn industry includes (nylon, polyester, etc.)	203012
	Manufacturing structural metal products	Blacksmithing workshops	251151
	Manufacturing glass and glass products	Manufacturing Umbrellas	231085
	Manufacturing structural metal products	Manufacturing and installation of umbrellas	251156
	Manufacturing other product that are not elsewhere classified	Manufacturing (sun & rain) umbrellas for personal use	329041
	Manufacturing plastic products	Manufacturing Plastic containers	222042
		Manufacturing bags from plastics	222044
		Manufacturing semi-finished products from plastics including (plates, strips, sheets, tapes, pipes, hoses and their accessories, etc.)	222010
		Manufacturing insulation and leakage prevention accessories	222033
		Manufacturing curtain panels from plastics	222032
		Manufacturing floor coverings	222035
		Manufacturing roof and wall coverings in rolls or tiles etc.	222036
		Manufacturing building supplies including (windows and doors)	222031
	Manufacturing rugs and carpets	Manufacturing ordinary ropes made of textile fibers	139420
	Preparation and spinning of textile fibers	Manufacturing thread for sewing and knitting purposes	131150
	Manufacturing other textiles that are not elsewhere classified	Manufacturing strips of woven fabrics	139910
		Manufacturing metallic or textile threads and fabrics impregnated, covered or coated with rubber or plastics and the like	139960
	Manufacturing ready-made textiles, excluding clothing	Cutting and tailoring covers for machines and goods	139243
	Manufacturing ready-made textiles, excluding clothing	Tailoring and sewing trip accessories	139212
	Manufacturing ready-made textiles, excluding clothing	Cutting and tailoring tents and sails	139241
	Manufacturing ready-made textiles, excluding clothing	Cutting and tailoring umbrellas, car	139242

		covers, and furniture	
	Manufacturing ready-made textiles, excluding clothing	Cutting and tailoring curtains	139250
	Manufacturing ready-made textiles, excluding clothing	Manufacturing bags, flags, banners, umbrellas, sunshades, shades, etc. made of cloth	139270
Electricity, gas, steam and air conditioning supplies	Electric power generation, transmission and distribution	Electric power generation	351011
		transmission of electrical energy	351012
		Distribution and retail sale of electric power	351013
		Distribution and wholesale of electric power	351014
Ground transportation of goods	Transportation and storage	light transport	492311
	Transportation and storage	Ground transportation of goods	492300
Transportation and storage	Storage	General stores that include a variety of goods	521093
Professional, scientific and technical activities	Technical tests and analyses	Construction and building materials laboratories	712034
Construction	Buildings construction	on site construction of prefabricated buildings	410030
		restorations of residential and non-residential buildings	410040
	Buildings completion and finishing	Installing umbrellas and curtains	433024
Administrative and support services	Activities associated with site beautification and maintenance service	Taking care and maintenance of building landscapes, home gardens, roof gardens, private building facades, and etc.	813012
	Integrated activities to support facilities	Buildings maintenance services activities	8111003
Wholesale and retail trade and repair of motor vehicles and motorcycles	retail sale of metal tools, paint and glass in specialty shops	Retail sale of decoration products, industrial ceilings, insulating materials, and building materials	475260
		Retail sale of building materials scrap including (scrap iron trade)	475282
	Wholesale of machine and other equipment	Wholesale of packaging equipment and tools	465994
	Wholesale of waste, scrap and other products not elsewhere classified	Wholesale of primary plastic materials, rubber and synthetic fibers	466940
	Wholesale of textiles, clothing and shoes	Wholesale of textiles and fabrics of all kinds (other than clothing)	464112

	Retail sale of other new goods in specialty shops	Sale of tools and plastic materials (including bags)	477394
	Wholesale on a fee or on a contract basis	Sales agents in textile raw materials	461013
	Wholesale on a fee or on a contract basis	Sales agents in crude fuels, minerals and industrial chemicals including fertilizers	461014
Other financial services activities other than insurance and pension financing, not elsewhere classified	Financial and insurance activities	Investment company activities	649922
Real estate activities	Real estate activities in owned or leased properties	Buying and selling lands and real estate, dividing them, and off-plan sales activities	681010
		Management and rental of owned or leased real estate (residential)	681021
		Management and rental of owned or leased real estate (non-residential)	681022

In addition to what has been detailed above, the company can also practice the following:

- 1- Managing subsidiaries or participating in the management of other companies in which it contributes and providing them with the necessary support.*
- 2- Investing in the manufacturing sector with all its components, and investing in technical infrastructure and automation initiatives, Digital transformation, artificial intelligence technologies, clean energy, sustainability solutions and related industries.*
- 3- Establishing companies in various forms to implement industrial or service projects and assist in their implementation or management.*
- 4- Managing factories and developing self-capabilities to serve the national industrial sector in general.*
- 5- Acquiring industrial technology through purchase or in cooperation with its owners or developers.*
- 6- Any other legitimate purpose consistent with the nature of the company.*

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

Article (4) Participation and ownership in companies

The company may establish companies with limited liability or closed joint stock on its own, and it may also own stocks and shares in other existing companies or merge with them. It shall have the right to participate with others in establishing joint stock companies or companies with limited liability, after meeting the requirements of the regulations and instructions followed in this regard. The company may also dispose of these stocks and shares, on condition that this shall not include brokerage in their trading.

Article (5) The head office of the company

The head office of the company is located in Riyadh, Kingdom of Saudi Arabia, and it is permissible by a decision of the extraordinary general assembly to move the head office to any other place inside the Kingdom of Saudi Arabia, or to establish branches, offices or agencies for it inside or outside the Kingdom of Saudi Arabia, by a decision of the Board of Directors.

Article (6) Duration of the Company:

The term of the company shall be (99) Gregorian years starting from the date of its registration in the commercial register, and this period may always be extended through a decision issued by the extraordinary general assembly at least one year before the expiry of its term.

Section 2

Capital and shares

Article (7) Capital

The company's capital was set at only 115,000,000 one hundred and fifteen million Saudi riyals, divided into 11,500,000 eleven million five hundred thousand nominal shares of equal value, the value of each of which is (10) ten riyals, all of which are ordinary cash shares.

Article (8) Subscription to Shares

Shareholders subscribed to the entire issued capital amounted to 11,500,000 shares fully paid.

Article (9) Conversion of Shares

- 1- In events where the company has shares of different types or categories, it is allowed to convert one type or category of them into another type or category.
- 2- In order to transfer one type or category of shares to another type or category, the approval of the Extraordinary General Assembly is required. With the exception of events where the decision to obtain shares provides for their automatic conversion to another type or category upon fulfilling certain requirements or after the elapse of a specified period.
- 3- The provisions contained in Article (110) of the Companies Law shall apply in events where the transfer of shares leads to modifying or canceling the rights or obligations associated with the type or category of the share.
- 4- Ordinary Shares nor Preferred Shares nor any of their categories may not be converted into redeemable shares or any of their categories; except upon the approval of all shareholders of the company.
- 5- The regulations define the controls for implementing what is stated in this article and how to deal with the effects, rights and obligations of the shares before or after the conversion.
- 6- In the event that the company's shares are of different types and categories, or if the company's articles of association allow the obtaining different types and categories of shares, then it is required to amend or cancel any of the rights, obligations or restrictions associated with the shares, or to convert any type or category of shares to another type or category if as a result of modification or cancellation of the rights or obligations associated with the type or category of shares that would be transferred, or obtaining shares of a certain type or category that would result in prejudice to the rights of another category of shareholders, obtaining the approval of a special assembly formed in accordance with Article 89 of the Companies Law from the shareholders who are affected by this modification, cancellation, conversion or issuance, and the approval of the Extraordinary General Assembly.
- 7- In the event that the company's shares include preferred shares or redeemable shares, then it is not allowed to obtain new shares that have priority over any of their categories except upon the approval of a special assembly that is formed from the shareholders who are harmed by this issuance in accordance with Article (89) of the Companies Law.

Article (10) The company's purchase, sale and pledge of its shares

- 1- It is permissible that the company purchases or mortgages its shares, and the shares purchased by the company shall not have votes in the shareholders' assemblies.

- 2- It is permissible the company sells the treasury shares in one or several stages. The company may also mortgage the shares, and the mortgagee shall have the right to receive the profits and use the rights associated with the share, unless otherwise agreed in the mortgage contract. The mortgagee may not attend the meetings of shareholders' assemblies or vote in them.

Article (11) Sale of Unpaid Shares

1-The shareholder shall be obligated to pay the value of the share on the dates specified for that, and if the shareholder fails to pay on the due date, the Board of Directors may, after being notified by e-mail, or informed by a registered letter, or by any means of modern technology, sell the share in a public auction or the financial market, as the case may be. Other shareholders may have priority in purchasing the shares of the defaulting shareholder.

2-The company shall collect the sums due to it from the proceeds of the sale and return the remainder to the shareholder. In the event that the proceeds of the sale are not sufficient to meet these amounts, the company may collect the remainder from all the shareholder's funds.

3-The validity of the rights associated with the unpaid shares for their value shall be suspended upon the expiry of the date specified for them until the time of their sale or payment of what is due from them in accordance with the provision of Paragraph 1 of this Article, and they include the right to obtain a share of the net profits to be distributed and the right to attend the assemblies and vote on their decisions. However, it is allowed for the shareholder who fails to pay until the day of the sale to pay the value due as well as the expenses incurred by the company in this regard, and in this case the shareholder shall have the right to request enumerating the profits to be distributed.

4-The company shall cancel the certificate of the sold share in accordance with the provisions of this Article, and shall give the purchaser a new certificate of the share that bear the same number and it shall be indicated in the share register that the sale has taken place, in addition to the necessary data of the new owner.

Article (12) Issuance of Shares

1-Shares shall be nominal and may not be issued for less than their nominal value. However, they may be issued for a higher amount than this value. In this latter case, the value difference shall be added in a separate item within the shareholders' rights. The regulations shall specify the controls for its use. The share shall be indivisible in the face of the company. If the share is owned by several persons, they shall choose one of them to act on their behalf in the use of the rights associated with it, and these persons shall be jointly liable for the obligations arising from the ownership of the share.

2-All the company's shares are Cash ordinary shares, and the nominal value of the share is set at ten riyals.

3-Shares may be divided into shares of a lower nominal value or merged to represent shares of a higher nominal value, in accordance with the necessary controls set by the competent authorities.

Article (13) Trading in Shares

The Capital Market Authority may set restrictions associated with the trading of shares in joint stock companies which wish to list their shares in the financial market.

Article (14) Shareholders Register

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

Article (15) Capital Increase

1-The Extraordinary General Assembly may decide to increase the company's issued or authorized capital (if any), on condition that the issued 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 replacement for converting debt instruments or financing instruments into shares and the period specified for converting them into shares has not expired.

2-The extraordinary general assembly may, in all cases, allocate the issued shares upon capital increase or part thereof to the employees of the company and all or some of its subsidiaries. Shareholders may not exercise the right of priority when the company issues shares allocated to employees. The competent authority may set controls and procedures for allocating shares for workers in the company or in subsidiaries or some of them or any of that.

3-In all events, the nominal value of the increase shares shall be equal to the nominal value of the original shares of the same type or category.

4-The shareholder who owns the share at the time of obtaining the decision of the Extraordinary General Assembly approving the capital increase has priority in subscribing to new shares that are issued in replacement for cash shares, and the shareholder shall be notified of its priority through an announcement on the Saudi Stock Exchange (Tadawul) website about the decision to increase the capital and the conditions and term of subscription, its start and end dates, taking into consideration the type and category of the share it owns.

5-The shareholder shall have the right to sell or waive the priority right during the period starting from the time of obtaining the General Assembly's decision approving the capital increase to the last day of subscribing to the new shares associated with these rights, in accordance with what is determined by the regulations set by the competent authority.

6-The new shares shall be distributed among the priority rights holders who request subscription in proportion to what they own of priority rights out of the total priority rights resulting from the capital increase, on condition that what they get shall not exceed what they request of the new shares. Priority rights holders who have requested more than half of their share in proportion to what they own of priority rights out of the total priority rights resulting from the capital increase, on condition that what they get does not exceed what they request of new shares, and 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 (16) Capital Reduction

The Extraordinary General Assembly may decide to decrease the capital if it exceeds the company's needs or if it incurs losses. In the latter case only, it is allowed to decrease the capital to less than the limit provided for in Article (59) of the Companies Law, and a decision to decrease is not issued except after reading a statement in the General Assembly that shall be prepared by the Board of Directors on the reasons for the reduction and the obligations of the company and on the impact of the reduction in meeting these obligations. The company's auditor's report shall be attached to this statement. If the capital reduction is a result of its excess to the company's need, the creditors shall be invited to

express their objections - if any - to the reduction at least 45 days prior to the date set for the Extraordinary General Assembly Meeting to take the reduction, on condition that the invitation shall be attached by a statement showing the amount of the capital before. If any of the creditors objects to the reduction and submits its documents to the company on the abovementioned date, and the company shall be certain that this creditor is entitled to this debt, the company shall pay its debt if it is current or a sufficient guarantee to meet it or if the debt is due at a later date, it shall apply to the competent judicial authority before the date set for the extraordinary general assembly to take the decision to reduce it. In this case, the competent judicial authority may order the payment of the debt, the provision of sufficient guarantee, or to postpone the Extraordinary General Meeting Assembly, as the case may be. The reduction shall not be invoked against the creditor who submits its request on the date provided for in Paragraph (1) of this Article unless it has received its due debt or has obtained sufficient guarantees to meet what shall be due. Equality shall be taken into account among the shareholders who hold shares of the same type and category when reducing the capital. If the capital reduction is done by purchasing a number of the company's shares in order to cancel them, the shareholders shall be invited to offer their shares for sale through informing them of the company's desire to buy the shares by registered letters at their addresses in the shareholder register, or through announcing the invitation through modern technology if the number of shares offered for sale exceeds the number that the company decide to buy, and the selling orders shall be decreased in proportion to this increase. The purchase price of the company's shares shall be estimated in accordance with the financial market system.

Chapter 3

Board of Directors

Article (17) Company Management

1-The company shall be managed by a board of directors consisting of five members.

2-Each shareholder shall have the right to nominate one or more shareholders or others for the membership of the company's Board of Directors.

3- The Ordinary General Assembly elects the members of the Board of Directors of the company, and in all events, it is required that the members of the Board of Directors be persons of natural capacity.

4- The regulations shall specify the method of voting in electing the members of the company's Board of Directors.

5-The method of forming the Board of Directors shall be determined in accordance with the controls specified by the regulations.

6-The term of membership of the Board of Directors shall be four years. The members of the Board of Directors may be re-elected.

7-The Ordinary General Assembly may remove all or some of the members of the Board of Directors, even if the company's articles of association provide for otherwise. In this case, the Ordinary General Assembly shall elect a new Board of Directors or whoever replaces the removed member, as the case may be, in accordance with the provisions of the Law. The competent authority may set the rules for removal of the members of the Board of Directors by way of the Ordinary General Assembly.

Article (18) Termination of Board Membership

Board membership shall end upon the expiry of its term or upon the expiry of the member's validity in accordance with any system or instructions in force in the Kingdom. The Board of Directors may request the termination of the membership of any of its members in any of the following events, for example:

1-If the member is absent from attending three consecutive meetings or five separate meetings during its membership period without a legitimate excuse accepted by the Board of Directors.

2-Exploiting or disclosing any of the company's secrets with the intent of harming it.

3-Disclosing secrets that it learned by virtue of its position to non-competent authorities or others.

4-Using the company's money, the powers it enjoys, or the votes it holds in that capacity, in a way it knows is against the interests of the company; to achieve personal purposes, to favor a company or person, or to benefit from a project or deal in which it has a direct or indirect interest

5- Obtaining, guaranteeing, or promising benefits in return for voting in a certain direction or not participating in voting; aiming to harming the interests of the company as well as to grant, guarantee or promise such benefits.

6-Accepting its appointment as a member of the Board of Directors of a joint-stock company or continuing to enjoy membership in it in violation of the provisions prescribed by the Law. Every member of the Board of Directors of a company in which these violations take place while being aware of them and not objecting to them in accordance with the provisions of the Law.

7- Obtaining a guarantee or loan from the company in violation of the provisions of the law, and every member of the Board of Directors of a company in which this violation takes place while being aware of them and not objecting to them

8-Any other violations provided for in the Companies Law or any other laws.

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 dismissed member's right towards the company to claim compensation in the event that the dismissal occurs for an unacceptable reason or at an inappropriate time. A member of the Board of Directors may retire, provided that it is at an appropriate time, otherwise it shall be liable to the company for the damages resulting from its retirement.

Article (19) Vacant position in the Council

If the position of one of the members of the Board of Directors becomes vacant, the Board may appoint a temporary member in the vacant position, on condition that it is one of those who have sufficient experience and shall inform the Commercial Registry and the Capital Market Authority within fifteen working days from the date of appointment and such appointment shall be presented to the Ordinary General Assembly on the first meeting and the new member shall complete the term of its 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 provided for in the Companies Law or this Law, the rest of the members shall invite the Ordinary General Assembly to convene within 60 days to elect the necessary number of members.

Article (20) Powers of the Council

In consideration of the competencies established for the General Assembly, the Board of Directors shall have the widest powers in managing the company in a way that achieves its objectives, drawing up its policy and defining its investments, with the exception of actions or acts excluded by a special provision in the Companies Law or the company's articles of association that fall within the competence of the General Assembly. The Board may also - within the limits of its powers - delegate one or more of its members or third parties to undertake a specific work or works. The company shall comply with all acts and actions conducted by the Board of Directors in its name, even if they are outside its competence, unless the person dealing with it was ill-intentioned or knew that such actions are beyond the competence of the Board. The Board of Directors shall have the right to dispose of the company's assets, property and real estate, whether by selling, renting or mortgaging. In addition, it shall have the right to purchase movable and immovable items, accept the purchase, pay the price, mortgage, redemption of the mortgage, sell, conveyance, receive the price and deliver the price. The Board of Directors may also contract loans with government finance funds and institutions or private banks, regardless of their term or conditions, on condition that their terms do not exceed the end of the company's term. The Board of Directors shall have the right to reconcile, assign, gift without return, accept the gift, contract, comply and engage in the name of the company, sign guarantees in the name of the company to guarantee third parties or guarantee companies in which the company participates, obtain financial guarantees and bonds of fine performance, sign Islamic Murabaha agreements and investment contracts, waiving rights and benefits, signing agreements, works and treasury products, and conducting all banking transactions necessary for the company's activity, including managing and operating bank accounts of all kinds in the name of the company, appointing delegates to manage those accounts and defining their powers, including managing Operating bank accounts of all kinds in the name of the company, appointing those authorized to manage those accounts, determining their powers, obtaining and signing checks, bills of exchange, request bonds, commercial and civil bonds, their acceptance and endorsement, withdrawals, exchanges, deposits and receipts in the name of the company, closing bank accounts, approving and approving account statements, approving and approving account statements, and the Board shall have the right to allow others to use all or part of the facilities granted to the company or companies in which the company is a participant, and the Board of Directors shall have the right to open or manage investment portfolios for the sale and purchase of shares of listed or unlisted companies in either local or international financial markets. The Board of Directors may establish other companies that are wholly owned by it inside or outside

the Kingdom, it may also participate with others in establishing other companies inside and outside the Kingdom, withdraw from these companies, sell the company's shares in these companies, buy new shares in them, or in other existing companies, or increase their capital or decrease it whether the company contributes in the increase or not, receiving profits. It may also represent the company in the assemblies of partners, shareholders and constituent assemblies, voting on behalf of the company upon decisions of the partners and in the assemblies of shareholders and constituent assemblies, naming the representatives of the company in that, signing decisions of the partners and shareholders, and making any amendment to these articles of association of these companies, whatever the type of this amendment. In addition, it shall have the right to represent the company in signing all decisions of the partners and the minutes of meetings in these companies that are necessary to enforce these amendments, including signing the appendices to amend the Articles of Association of these companies, whatever the content of this amendment before the notary public. It shall also have the right to sign decisions of the partners regarding the appointment of managers in these companies or dismissing them, carrying out all business and taking all necessary measures to obtain and receive registers and licenses for these companies. The Board of Directors, and in events it deems appropriate, shall have the right to discharge the debtors of the company from their obligations in accordance with what serves its interest. The Board of Directors shall be responsible for amortizing part or all of the accumulated losses by using part or all of any reserve in accordance with the controls set by the competent authority or the regulations in this regard. The Board of Directors shall be responsible for signing all contracts, agreements, documents, undertakings, declarations, and any amendments to those contracts or agreements, whether inside or outside the Kingdom. It shall also be responsible for concluding lease contracts and insuring the company's property, doing everything necessary to implement any new system, or amend an existing system, regulations or instructions given by the competent authorities in the Kingdom of Saudi Arabia or outside it. The Board of Directors shall be responsible for preparing the company's financial statements, profit and loss accounts, convening general assembly, implementing its decisions, and doing all the necessary work that is required by the interest of the company. The Board of Directors may determine and grant rewards to employees and loans granted to them, and set the company's policies in all other matters associated with the employees and workers of the company.

Article (21) Remuneration of Board Members

The Nominations and Remuneration Committee shall submit a recommendation to the Board of Directors regarding the remuneration of the members of the Board of Directors. This remuneration may be a specific amount, attendance allowance for meetings, in-kind benefits, or a certain percentage of the net profits. Two or more of the foregoing may be accumulated. The management shall submit to the Ordinary General Assembly the maximum limit for those remunerations separately each year. The Ordinary General Assembly shall determine the amount of these remunerations, taking into consideration that the remunerations are fair and motivating to the performance of the member and the performance of the company. The regulations shall specify and comply with the necessary controls for the implementation of this paragraph. The report of the Board of Directors to the Ordinary General Assembly at its annual meeting shall include a comprehensive statement of all that each member of the Board of Directors receives or deserves to receive during the fiscal year in terms of remunerations, attendance allowances, expenses allowances and other benefits. It shall also include a statement of what the members of the Council have received in their capacity as workers or administrators, or what they have received in consideration for technical or administrative work or consultations. It shall also include a statement of the number of Council sessions and the number of sessions attended by each member.

Article (22) Powers of the Chairman, Deputy, 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 or Chief Executive Officer for the company, or both. It is not allowed to combine the position of Chairman of the Board of Directors along with any executive position in the company. The chairman of the board or its deputy shall, in the absence of the chairman, be responsible for inviting the board for a meeting and presiding over the Meetings of The Board and the Meetings of the Ordinary and Extraordinary General Assembly of shareholders. It shall have the necessary powers to manage the company, conduct its affairs as well as achieving its objectives. In accordance of the competencies prescribed for the General Assembly, the Chairman of the Board of Directors shall have the widest powers in managing the company and conducting its business inside and outside the Kingdom. For example, but not limited to: -Representing the company before all authorities and in its relationship with third parties, before judicial authorities, all government agencies, notaries and courts of all instances, appeal, general courts, criminal courts, execution courts, personal status courts, commercial courts) (the Supreme Court) (the Supreme Judicial Council

(the Board of Grievances and all its affiliated administrative courts), the Administrative Court of Appeal, the Supreme Administrative Court (Administrative Courts) and all courts, judicial authorities and committees with judicial jurisdiction inside and outside the Kingdom of Saudi Arabia. It shall have the right to claim and file cases, plead and defend, hear and respond to cases, acknowledge, deny, refuse reconcile, waiver, take an oath, reject it, refrain from it, summon witnesses and evidences, challenge, answer, impeach and amend them, challenge forgery, deny lines, seals, and signatures. It shall also have the right to request travel ban, and cancel it, challenge expert and arbitrator reports, challenge and replace them, demand implementation of judgments, accept and deny judgments, object to judgments, request appeal, seek reconsideration and request exoneration, request pre-emption, and finalizing what is required to attend sessions in all cases in all courts, receive sums, receive judgment instruments, request dismissal of judges, request inclusion and intervention with all courts and administrative courts (the Board of Grievances, the Sharia Medical Committees, the labor courts, the financial dispute settlement committees, and banking and financing disputes settlement committees, adjudicating commercial paper disputes offices, committees for commercial disputes settlement, the Zakat, Tax and Customs Authority and its committees of all levels, commercial fraud committees, all judicial and quasi-judicial committees, Supervisory and investigation Authority and Anti-Corruption Authority (Nazaha) and before the Public Prosecution Office with all its competencies - The Chairman of the Board of Directors may authorize, delegate or deputize whomever it deems appropriate from the members of the Board of Directors or others to carry out a specific work for the conduct of the company's business, if necessary. - The Chairman of the Board of Directors, the Vice President and the Managing Director jointly or severally have the following powers inside and outside the Kingdom of Saudi Arabia: 1- They shall have the right to contract and sign on behalf of the company, including submitting requests to any party, entering into contracts of any nature that are associated with the company's purposes and business, entering into public and private tenders and auctions, collecting financial rights from others and paying them, receiving payments, receiving profits, and signing agency contracts in accordance with the Commercial agencies system, as well as appointing employees and workers, contracting with them, determining their salaries and dismissing them, requesting visas, recruiting manpower from outside the Kingdom, obtaining residence permits, renewing them, transferring sponsorship and waiving them, signing before all chambers of commerce in the Kingdom and outside it, approving the signature and authorizing everyone associated with the chambers of commerce in the Kingdom and abroad with the powers that it considers appropriate, and

negotiating with companies, institutions and individuals, attending and discussing meetings, voting in the name of the company, approving decisions, managing the company's business and complete them, signing everything necessary for that, and in general signing all commercial, financial and administrative transactions associated with the company in the name and for the benefit of the company. 2- They shall have the right regarding the establishing companies, in signing the Articles of Association and amendment appendices inside or outside the Kingdom - signing the decisions of the partners - opening branches, appointing and dismissing managers and amending the management clause - entry and exit of partners - entering into existing companies - increasing capital - reducing capital - determining the capital - buying shares - and shares and paying the price - Selling stocks and shares and receiving the value and profits and buying and selling companies, assigning stocks and shares from the capital - accepting the assignment of shares, stocks and capital - transferring stocks and shares and bonds, liquidating companies and investing the company's money in shares and other securities - Opening accounts with banks in the name of the company - Signing agreements for the objectives of the company - Closing accounts with banks in the name of the company - amending Articles of Association, contracts or amendment annexes to Amendment - amendment and registration of the company - registration of agencies and trademarks - assignment of trademarks - attending general assemblies - opening files For the company - canceling Articles of Association and amendment appendices - signing the Articles of Association and amendment appendices at the notary public - obtaining and renewing the company's commercial register and canceling them - Subscribing in Chamber of commerce and renewing it - Representing the company with all powers at the Saudi Standards, Metrology and Quality Organization - Obtaining licenses for industrial, civil defense, municipality, environment and all types of licenses, renewing, amending and deleting them - Opening branches of commercial registers, amending and deleting them - Appointing managers and employees and dismissing them - Converting the company branch into a company - representing the company with all Powers with all telecommunications companies, establishing land line telephone or mobile phones and data (Internet) in the name of the company - representing the company with all powers before the Ministry of Investment and signing before it - creating partnerships with foreign partners, amending and deleting them, and obtaining investment licenses, representing the company with all powers at the Capital Market Authority - entering tenders and receiving forms - signing the company's contracts with third parties, publishing the Articles of Association, amendment annexes, summaries thereof, and articles of association in the Official Gazette. 3- They shall have the right regarding

commercial register to Refer to the registers management - obtain registers - renew registers - transfer commercial register - reserve the trade name - open subscription to the Chamber of Commerce - renew subscription to the Chamber of Commerce - sign all documents at the Chamber of Commerce - manage registers - manage commercial businesses, approve signatures with the Chamber of Commerce - supervise registers - appoint and dismiss branch managers, amend registers - add activity and cancel registers - Refer to social insurance - represent the company with all powers before the Zakat, Tax and Customs Authority and represent the company with all powers at the General Directorate of Civil Defense. 4- They shall have the right, with regard to the financial matters of the company, to collect the financial rights from other parties and pay them, collect the interim invoices, cancel the seizure and withholding other parties' funds, implement insurances and mortgages, pay sums owed by the company, make settlements outside the courts, give discharges and clearances, collect the company's rights, receive and deliver, rent, lease, and receive 5- They shall have the right with regard to industrial licenses, to amend licenses - add an activity - reserve names - cancel licenses - subscribe to the Chamber of Commerce, renew subscription to the Chamber of Commerce, represent the company with all powers at the Social Insurance - represent the company with all powers at the General Directorate of Civil Defense, represent the company with all powers before the Zakat, Tax and Customs Authority - transfer licenses - obtain a replacement register for a damaged or lost one - receive and deliver - represent the company with all powers before all relevant authorities, complete all necessary procedures and sign regarding that. 6- They shall have the right in relation to real estate and lands, in selling, buying, conveyance, accepting conveyance and paying the price - bartering - gifting and conveyance of it - accepting gift and conveyance - mortgage - merging sukuk - splitting and sorting sukuk - receiving sukuk - updating sukuk and including them in the comprehensive system - waiver of deficiency in space - converting agricultural lands into residential ones, amending the name of the owner, the number of the civil registry, and ID - amending the borders, lengths, area, plot numbers, plans, deeds and their dates, and the names of the neighborhoods - leasing - signing rental contracts - renewing rental contracts - receiving the rent and requesting amending deeds in their borders and area, deletion, addition, division and sorting, as well as movable and immovable property for the benefit of the company, representing the company with all powers at Ejar Portal in terms of signing, approving, amending and canceling contracts, whether as a lessor or lessee, and receiving rent. 7- They shall have the right with regard to ministries to represent the company with all powers at the Royal Court - representing the company with all powers at the Ministry of Justice (non-judicial)

(Refer to the Ministry of Interior) representing the company with all powers at the Ministry of Foreign Affairs - representing the company with all powers at the Ministry of Defense - representing the company With all powers at the Ministry of Commerce, Trademarks Department, Commercial Agencies Department, Quality Department, Precious Metals Department, Liberal Profession Department, obtaining Certificate of Origin and requesting for Customs Exemption - representing the company with all powers at the Ministry of Finance - representing the company with all powers with the Ministry of Environment, Water, Agriculture and Agriculture Directorates and obtaining licenses to drill a well, Fisheries Affairs Sector and Livestock Affairs Sector - representing the company with all powers at the National Water Company - representing the company with all powers at the Ministry of Human Resources and Social Development - Anti-Beggary Department - representing the company with all powers at the Ministry of Municipal, Rural Affairs and Housing - representing the company with all powers at the Ministry Education Departments - representing the company with all powers at and Ministry of Health, Department of Health Affairs, private and governmental hospitals, requesting and receiving medical reports Representing the company with all powers at the Ministry of Culture, representing the company with all powers at the Ministry of Information - representing the company with all powers at the Saudi Authority for Intellectual Property - registering books and registering intellectual rights, registration, renewal, modification and deletion of trademarks - registering trade names, amending and deleting them - obtaining permits to obtain a license - representing the company with all powers at the Ministry of Islamic Affairs, Endowments, Call and Guidance and the King Fahd Complex for the Printing of the Holy Qur'an - representing the company with all powers at the Ministry of Energy - representing the company with all powers at the Ministry of Industry and Mineral Resources to obtain a license - Refer to the Ministry Transportation and Logistics Services, obtaining a public fare license, renewing a public fare license Obtaining a school transport license, renewing a school transport license - representing the company with all powers at the Ministry of Hajj and Umrah and the Committee for Housing Permits for Pilgrims and obtaining a housing permit for pilgrims - renewing a housing permit for pilgrims - The Unified Zamazama Office and signing the decisions of the Assembly and attending General Assembly and Mutawfi Hajjaj Corporation, General Syndicate of Cars - representing the company with all powers at the Ministry of Communications and Information Technology - representing the company with all powers at the Communications and Information Technology Commission, representing the company with all powers at the Ministry of Economy and Planning and its branches and affiliated departments and sections. 8- They shall have the right,

with regard to the security authorities, to represent the company with all powers at the emirates of the regions and the Division of Enforcement of Legal Judgments - to represent the company with all powers at the Public Security Directorates and police stations in all regions - to represent the company with all powers at the Road Security Command - to represent the company with all powers at the Ministry of National Guard and its sectors - General Administration of Mujahideen - to represent the company with all powers at the Presidency of State Security (General Investigation - Special Security Forces - Special Emergency Forces - Security Aviation - General Administration of Technical Affairs - National Information Center Administrative Investigation - Refer to Criminal Investigation - to represent the company with all powers at the General Directorate For Drug Control - Refer to the General Directorate of Prisons - to represent the company with all powers at the General Directorate of Civil Defense, to represent the company with all powers at the General Directorate of Border Guard, its branches and affiliated departments and sections. 9- They shall have the right, with regard to government agencies, to represent the company with all powers before the Control and Investigation Authority - to represent the company with all powers at the Public Prosecution Office - to represent the company with all powers at the Capital Market Authority - to represent the company with all powers at the Saudi Standards, Metrology and Quality Organization - to represent the company with all powers at the Saudi Commission for Health Specialties - to represent the company with all powers at the Food and Drug General Authority - to represent the company with all powers at the General Authority for Tourism and Antiquities - to represent the company with all powers at the Control and Anti-Corruption Authority - to represent the company with all powers at the General Entertainment Authority - to represent the company with all powers at the Authority of Industrial Cities and Technology Areas, to represent the company with all powers at the Royal Commission for Jubail and Yanbu - to represent the company with all powers at the Human Rights Commission - to represent the company with all powers at the National Authority for Wildlife Protection and Development - to represent the company with all powers at the General Authority of Civil Aviation - to represent the company with all powers at the General Authority for the Development of Riyadh - to represent the company with all the powers of the Makkah and Holy Sites Development Authority and the Northern Squares Development Committee - to represent the company with all powers at the Madinah Development Authority, its branches and affiliated departments and sections - to represent the company with all powers in all relevant authorities and completing all necessary procedures and signing what is required. 10- They shall have the right, with regard to the secretariats and

municipalities, to open shops – obtaining licenses – renewing licenses - Cancellation of licenses - amending licenses - Transfer of licenses - Obtaining building and restoration licenses – obtaining building completion certificates - land planning- obtaining health cards and renewing them- Conversion of agricultural land into residential- conversion of land from public to commercial and/or residential and its planning - receipt and delivery – to represent the company with all the powers with all the relevant authorities, and completion of all necessary procedures and signing what is required.

11- They shall have the right, with regard to the recruitment office, to obtain visas - cancel visas - recover visa amounts- modify nationalities - obtain family visit visas - obtain family Istiqdam visas - modify professions in visas – to represent the company with all powers at embassies - extend Exit and Re-entry visas, extend visit visas – to obtain a data sheet (Print) - Receipt and delivery - to represent the company with all powers before all relevant authorities, completing all necessary procedures and signing what is required.

12- They shall have the right, with regard to passports, to obtain residencies in replacement for lost or damaged ones - to obtain Exit and Re-entry- to obtain final exit – to transfer sponsorships - transfer of sponsorship - employment for oneself - transfer of information and updating of data - modification of professions - settlement and assignment of workers - reporting of escape - cancellation of escape reports - Cancellation of Exit and Re-entry visas - Cancellation of final exit visas- Obtaining travel visas in replacement for damaged or lost Obtaining extension of visit visas - Adding dependents - Ending procedures for deceased workers - Obtaining workers data sheet (print) - Dropping workers - Representing the company with all powers at the Deportation and Expatriates Department - Department of Ports Affairs - Obtaining repatriation certificates- Obtaining Hajj permits - Representing the company with all powers in the affairs of maids.

13- They shall have the right, with regard to the labor office and workers in obtaining visas, receiving visa compensation, transferring sponsorships, modifying professions, updating workers' data, liquidating and canceling employment, reporting escape of workers, obtaining and renewing work permits, ending employment procedures with social insurance, and representing the company with all powers with the Department of Computer in the Manpower to drop employment and add employment - adding and deleting Saudis - receiving Saudization certificates - obtaining a data statement (print) - opening, renewing and canceling basic - and subsidiary files - transferring ownership of establishments, liquidating and canceling them - representing the company with all powers at the National Recruitment Offices Section

14- They shall have the right, with regard to the General Traffic Department, to obtain a driver's license - obtain a replacement for a damaged or lost driver's license - renew a driver's license - obtain

a traffic license - obtain a driver's license in replacement for a damaged or lost driver's license - obtain license plates - renew plates - transfer car plates to the car - drop car plates - Sell them as scrap car parts and receive the value by check - obtain a car repair permit - Buy a car plate from traffic - Export a car - Change the color of the car - obtain a driving authorization for the car - Make a theft report - Cancel a theft report - Objection, settlement and adjudication Violations - obtaining a data sheet (Print) of cars' violations- exporting cars- representing the company with all powers at the Ministry of Transport and Logistics Services to obtain, renew, modify and write off car operating cards. They shall have the right to buy, sell and export cars, obtain car licenses and open files - issue car licenses and car operating cards -- complete all their procedures - represent the company with all powers before all security authorities, the Emirate, the Division of Execution and legal provisions, and to request points of sale, withdrawals and the Internet. 15- They shall have the right, with regard to government institutions, to represent the company with all powers at the Central Bank of Saudi Arabia - to represent the company with all powers at the General Organization for Technical and Vocational Training - to represent the company with all powers at the General Authority for Ports - to represent the company with all powers at the General Organization for Railways - to represent the company with all Powers at the General Organization for King Fahd Causeway - to represent the company with all powers at King Abdulaziz City for Science and Technology - to represent the company with all powers at the General Organization for Grain Silos and Flour Mills. - to enter the crop and receive the value of the crop - to receive the flour allocated to the bakery - to represent the company with all powers at the Public Pension Agency - to represent the company with all powers at the General Organization for Saudi Airlines regarding tickets, canceling tickets, changing tickets and refunding the value of tickets - to represent the company with all powers at the General Organization for Desalination Saline Water - to represent the company with all powers at the General Organization for Social Insurance, its branches and affiliated departments and sections. 16- They shall have the right, with regard to Zakat, Tax and Customs Authority, to obtain and renew customs licenses, transfer and cancel customs licenses and open branches for them - clearance of goods, examination and inspection - payment of fees and receipt of clearances and customs cards - management and supervision of licenses - completing of all customs transactions, import and export - to represent the company with all powers with all relevant authorities, complete all necessary procedures and sign what is required. 17- They shall have the right, with regard to Industrial Development Fund, to sign loans - conclude contracts with the fund - receive loans - request exemption from loans - request a certificate proving none

existence of material obligations - repay the loans. 18- They shall have the right, with regard to the company's relationship with others, including representing the company with all government departments and agencies, private and governmental companies inside and outside the Kingdom, and they shall have the right to contract loans, financing, and financial facilities with government funding institutions and funds, regardless of their term. They shall have the right to refer to all banks, expenses, and financial and financing institutions, opening, mortgaging, and activating and closing and settling accounts, updating data, withdrawing and depositing amounts, withdrawing and cashing checks on behalf of the company, receiving any profits resulting therefrom, approving signatures, transferring from accounts in local or foreign currency, obtaining check books, receiving, writing, disbursing and endorsing checks to other parties, obtaining and receiving certified and bank checks, objecting to checks, receiving bounced checks and making transfers, receiving and disbursing them, subscribing to safety deposit boxes, renewing subscription to safety deposit boxes, redeeming units of safety deposit boxes, signing contracts and facility agreements and bank loans that are compatible with Sharia provisions and controls, accepting their terms, conditions, prices, forms, pledges and repayment schedules, receiving and disposing of loans, and requesting exemption from Loans, opening investment portfolios, buying and selling shares on behalf of the company and under Sharia controls, editing, amending and canceling orders, buying and redeeming investment fund units, signing credits, appointing delegates, determining or revoking their powers, obtaining bank guarantees, signing bills of exchange and bonds, and they shall have the right jointly or severally to ask banks to sign all banking transactions. 19- They shall have the right to appoint managers, employees and workers, dismiss them, contract with them, determine their salaries and bonuses granted to them, transfer and assign guarantees, set the company's policy in other matters associated with the company's employees and workers, and appoint and dismiss the company's representatives, agents, legal advisors and lawyers, in accordance with the laws in force in the Kingdom of Saudi Arabia and under the contracts concluded with them. 20- All the powers mentioned above shall include the company, its branches and subsidiaries, and all companies in which it owns stocks or stocks inside and outside the Kingdom of Saudi Arabia. The Chairman of the Board of Directors, the Vice-Chairman and the Managing Director may, collectively or severally, assign or delegate some of their powers to one or more members of the Board of Directors or a third party, or to take a specific procedure or conduct or perform certain actions, and they may revoke the authorization or delegation in part or in whole. Powers of the chief executive officer and the secretary: The chief executive officer is the CEO of the

company; and he is responsible for running the day-to-day affairs of the company including, but without limitation, the following actions and conducts 1- The CEO may perform all executive management work, apply all technical, administrative and financial laws and regulations, and supervise the implementation of policies approved by the board of directors. He may also carry out all the company's business and management, and set the company's general policies. He may further exercise all the necessary powers and authorities delegated to him by the board of directors and the chairman of the board, in order to implement the company's policy and objectives to the fullest. 2-

The CEO shall review work methods and the organizational structure, and set and submit recommendations to the board in this regard. 3- The CEO shall prepare studies on projects of economic feasibility for the company to diversify sources of income, and submit these studies to the board for appropriate instruction. 4- The CEO shall prepare a draft operational and administrative budget for the company, expenses of the head office, and a draft annual expenditure budget; and submit them to the board to take the necessary actions and instruct in this regard. 5- The CEO shall disburse the cash amounts which are approved in the annual budget in accordance with company's executive financial procedures approved by the board. 6- The CEO shall study the expansion or curtailment of the current activities in accordance with market requirements, for the interest of the company. 7- The CEO shall study and submit recommendation in relation to the contractual arrangements with the third parties, which may not be more than three years, and may be renewed for a similar term as may be needed and in accordance with the company's bylaws. 8- The CEO shall operate the cash liquidity available to the company in accordance with the policy approved and adopted by the board. He shall also make all cash transfers in accordance with the powers and policies approved by the board. 9- The CEO may make all the bank arrangements of the company and sign all checks in accordance with the powers and policies approved by the board. 10- The CEO may open documentary credits and issue the necessary bank guarantees in accordance with the company's policy approved by the board. He may also approve all employment and remuneration requirements for the employees, and recommend the disbursement of the employees' rewards to the board in accordance to the company's bylaws and the laws considered by the State and adopted by the board. 11- The CEO may open accounts of all kinds, withdraw, deposit, cash checks, issue transfers, request the opening of documentary and non-documentary credits and request the issuance of bank guarantees. He may also request, withdraw and issue loans and finance credits. 12- He may request, disburse, sell and buy all currencies, enter into foreign exchange operations agreements

and sign all necessary documents related to those operations. 13- He may request and approve loans and bank facilities, and sign on behalf of the company and its subsidiaries all required documents and guarantees. He may provide all guaranties in the name of the company and the subsidiaries to third parties; and sign these guaranties and other necessary guaranties; including moral guaranties to guarantee facilities which may be granted from time to time to individuals, sole enterprises or companies; and consequences of these loans and facilities, such as real estate mortgages, mortgage of shares, and the issuance of commercial papers and order titles; and sign it and sign the alike which are related to Islamic products; and sign other in-kind and cash guarantees. 14- He may sign all contracts related to carrying out and executing electronic operations via the Internet or otherwise; as well as all banking operations and other operations via electronic systems available by the bank. 15-

He may sign Islamic MURABAHA agreements, Islamic securitization agreements, and other Islamic products which are provided by the bank; and all required documents and agencies. 16- He may request receiving all amounts including the capital and the special due commission or which will be due of whatever kind. 17- He may request checkbooks, banking checks and receiving it, and issue, sign, accept, endorse, and clear checks, bills of exchange and order titles. 18- He may issue payment remittances, fixed instructions and payment orders, sign securities, bonds, checks, instruments, tradable commercial papers and offer it for deduction or against collection fee, and pay the value of bonds, remittances, checks, instruments and liabilities of all kinds. 19- He may submit and receive all guarantees and assets of whatever nature and amounts. He may submit and receive all documents and approve account statements; and sign treasury client agreements and deal with its products. 20- He may request the issuance of ATM cards and all other cards related to our accounts, accept terms and conditions, and sign upon receiving and activating these cards. 21- He may carry out all transactions stipulated in the agreements, whether in writing, on the phone, or by fax; and the partners shall declare their awareness of the risks associated with this kind of transactions. The chief executive officer may authorize or delegate whomever he deems appropriate from the members of the board of directors or third parties to carry out a specific action to run the company's business if necessary. The board of directors, at their own discretion, shall determine the additional remuneration given to the chairman, deputy, managing director, and the chief executive officer within the limits stipulated in the Companies Law and its bylaws. The board of directors appoints a secretary to be chosen by it from among its members or from others, who is responsible for recording the minutes of the board of directors' meetings, writing down the decisions issued by these

meetings and keeping them, in addition to exercising other powers assigned to him by the board of directors who shall also determine his remuneration. The term of office for the chairman, his deputy, the managing director, and the secretary, who is a member of the board, may not exceed the membership term of any of them on the board. They may be re-elected; and the board may at any time dismiss any of them without prejudice to the right of the dismissed person to be compensated if the dismissal occurred for an unlawful reason or at an inappropriate time.

Article (23): Board meetings

1-The board of the directors of the joint stock company shall meet at least four times a year at the invitation of its chairman in accordance with the situations stipulated in the Articles of Association of the company. The competent authority may modify the limit stipulated in this paragraph. chairman of the board shall invite the board to a meeting whenever requested to do so in writing by any member of the board to discuss one subject or more.

2-The meeting of the board shall not be valid unless attended by at least half of the members (present or represented) unless a larger percentage is stipulated in the Articles of Association of the company.

3-The decisions of the board of directors are issued by at least the majority of the votes of the members (present or represented in it), and when the votes are equal, the side with which the chairperson voted shall prevail.

4-The board of directors shall determine the place where they will hold their meetings, and it may be held by means of modern technology.

Article (24): Board meeting quorum

1-The board's meeting may not be valid unless attended by the majority of the members.

2-The Board of Directors may issue decisions by presenting them to individual members. These decisions shall be deemed valid in the event they are signed by the majority. These decision shall be presented to the board in their next meeting in order to record it in the meeting minutes.

3-A member of the board of directors may not delegate someone else to attend the meetings of the board or to vote on its decisions. As an exception to this, if a member of the board of directors

delegates another member to attend the meetings of the board, the delegation must be in accordance with the following controls:

- It is not permissible for a member of the Board of Directors to represent more than one member in attending the same meeting.*
- The delegation must be established in writing*
- The representative may not vote on decisions that the system prohibits the representative from voting on.*

4-A member of the board of directors may participate in the meeting of the board by telephone, video conference, or any electronic means available to all members of the board to communicate through it at the same time, and such participation is deemed attendance to the meeting.

5-In all cases, the decisions of the board of directors are issued by a majority of the votes of those present or represented in it, and when the votes are equal, the side with which the chairperson voted shall prevail.

6-The decision of the board of directors shall be effective from the date of its issuance, unless it is stipulated that it will be effective at another time or when certain conditions are met.

Article (25) Deliberations of the session

1-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 board, the members of the board of directors present and the Secretary.

2-These minutes shall be recorded in a special register signed by the Chairman and the Secretary.

3-Means of modern technology may be used to establish deliberation, decisions, and record minutes.

Section 4

Shareholders' Assemblies

Article (26) Attending Assemblies

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

Article (27) Constituent Assembly

The founders invite all subscribers to hold a constituent assembly within forty-five days from the date of the ministry's decision to authorize the establishment of the company (or from the date of closing the door for subscription in shares in a publicly-subscribed joint-stock company). If this quorum is not available, the second meeting shall be held an hour after the end of the period specified for the first meeting, provided that the invitation for the first meeting shall include that.

The second meeting shall be valid, whatever the number of subscribers represented in it.

Article (28) Functions of the Constituent Assembly

The Constituent Assembly is concerned with the matters mentioned in Article 63) of the Companies Law.

Article (29) Functions of the Ordinary General Assembly

With the exception of matters with which the extraordinary general assembly is competent, the ordinary general assembly is concerned with all matters related to the company, and it is held at least once a year during the six months following the end of the company's financial year. Other ordinary general assemblies may be invited to convene whenever it is needed; particularly for the following:

A. Electing and dismissing the members of the board of directors.

B. Appointing one auditor, or more, for the company as required by the Articles of Association, determine his remuneration, and reappoint or dismiss him.

C. Reviewing and discussing the report of the board of directors.

D. Reviewing and discussing the financial statements of the company.

E. Discussing the auditor's report, if any, and deciding on it.

F. Deciding on the proposals of the board of directors regarding how the profits shall be distributed.

G. Forming the company's reserves and determine its uses.

Article (30) Functions of the Extraordinary General Assembly

The Extraordinary General Assembly is competent with the following:

1-Amend the company's articles of association, except for the following matters:

A. Depriving the shareholder or modifying any of his basic rights that he derives in his capacity as a shareholder, considering the nature of the rights related to the type or class of shares owned by the shareholder, particularly the following:

(1) Having a share of the profits to be distributed, whether the distribution is in cash or through the issuance of bonus shares to non-employees of the company and its subsidiaries.

(2) Having a share of the net assets of the company upon liquidation.

(3) Attending the general and special assemblies of shareholders, participating in its deliberation, and voting on its decisions.

(4) Disposing of his shares except in accordance with the provisions of the law.

(5) Requesting to review the company's records and documents, monitoring the work of the board of directors, file a liability lawsuit against the members of the board, and challenge the invalidity of the decisions of general and special assemblies of shareholders.

2- Decide on the continuation or dissolution of the company.

3- Approve the purchase of the company's shares by the company. In addition to the functions of the Extraordinary General Assembly assigned to it by the provisions Companies law, it may decide on the

matters which originally fall under the functions of the Ordinary General Assembly under the same terms and conditions stipulated for the Ordinary General Assembly.

Article (31) Invitation to associations

The annual Ordinary General Assembly shall be held at least once during the six months following the end of the company's financial year. Other ordinary general assemblies may be held whenever needed. The board of directors shall invite the Ordinary General Assembly to convene within (thirty days) of the request of the auditor or one or more shareholders whose ownership represents at least (10%) ten percent of the shares of the company that have voting rights. The auditor may invite the general assembly to convene if the board does not invite the assembly within 30 days from the date of the auditor's request. The invitation to convene the general assembly shall be published on the website of the Saudi Stock Exchange "Tadawul"; at least twenty-one days before the date fixed for the meeting. Further, the date, place and agenda of the General Assembly meeting must also be announced before the date by the same specified period. The company may send the invitation for convening of the general and private general assembly via modern means of technology. A copy of the invitation and the agenda shall be sent to the Commercial Registry and the Capital Market Authority within the period specified for publication. The company may amend the agenda of the general assembly within the period of publication of the above announcement in accordance with the conditions set forth in this article.

Article (32) Attendance Record of Assemblies

Shareholders who wish to attend the general or private assembly register their names electronically, or at the company's head office, before the assembly is convened. The board of directors may change the place and methods of registration of the names as it deems appropriate. Upon convening of the general assembly, a list of the names of the shareholders who are attending or represented in the meeting, and their places of residence shall prepare, and it shall further state the number of shares they own, in person or through representation, and the number of votes assigned to these shares. Every stakeholder may review this list.

Article (33) Quorum of 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 to hold this meeting, the second meeting will be held an 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 regardless of the number of shares represented therein

In all cases, the second meeting shall be valid regardless of the number of shares represented therein.

Article (34) Quorum of the Extraordinary General Assembly Meeting

The Extraordinary General Assembly meeting shall not be valid unless attended by shareholders representing at least half of the capital. If this quorum is not available in the first meeting, the second meeting shall be held one hour after the end of the period specified for the first meeting, provided that the invitation to hold the first meeting shall state the possibility of holding this second 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 at the second meeting, an invitation is sent to a third meeting to be held in the same conditions stipulated in Article (30) of this bylaw. The third meeting shall be deemed valid regardless of the number of shares represented in it.

Article (35) Voting in Assemblies

- 1- Each shareholder has a vote for each share in the General Assemblies, and the type of vote specified by the bylaws must be used in electing the board of directors. Voting in the general assembly shall be limited to the item of the agenda which was announced by the company, or to the nominees for the membership of the board of directors whose details have been announced by the company.*
- 2- Members of the board of directors may not participate in voting on the decisions of the Assembly that relate to business and contracts in which they have a direct or indirect interest or that involve a conflict of interest.*

Article (36) Decisions of associations

The decisions of the Ordinary General Assembly shall be issued by the majority of the votes represented in the meeting. The decisions of the Extraordinary General Assembly shall be issued by two-thirds of the votes represented in the meeting; unless the decision is related to increasing or decreasing the capital, extending or shortening the term of the company, or dissolving it before the expiry of the term specified in its articles of association; or if related to merging the company with another company, or dividing it into two or more companies. Such decision may not be valid unless it is issued by a majority of three quarters of the shares represented in the meeting.

Article (37) Discussion in Assemblies

- 1- *The board of directors, upon preparing the agenda of the General Assembly, shall take into account the matters that the shareholders wish to include. A shareholder or more, representing at least ten percent of the company's shares that have voting rights, has the right to add one or more topics to the agenda when preparing it. The competent authority may amend this percentage.*
- 2- *Each shareholder may discuss the topics on the agenda of the Assembly and ask questions about them to the members of the board of directors and the auditor. In turn, 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 resort to the Ordinary General Assembly, and its decision in this regard shall be enforceable.*

Any shareholder may object to the Assembly's decisions by submitting an invalidation claim to the competent judicial authority if he expresses his objection during the meeting. The invalidation claim may not be heard after ninety days from the Assembly.

Article (38) Presiding over associations and preparing minutes

- 1- *The meeting of the General Assembly 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 in their absence. In the event that this is not possible, the general assembly shall be chaired by the members of the Board or others delegated by the shareholders by voting.*

- 2- Every shareholder may attend the meeting of the General Assembly, and he may delegate someone other than the members of the Board of Directors to do so.
- 3- The meeting of the General Assembly may be held, and the shareholder may participate in deliberations and votes on decisions via means of modern technology.
- 4- Minutes for the meeting of the Assembly shall be prepared; and shall include the number of shareholders present, in person or by proxy, the number of shares they own, in person or by proxy, the number of votes assigned to these shares and the taken decisions, and the number of votes for or against these decisions. In addition to a compendium of the discussions that took place at the meeting. These minutes shall be regularly recorded after each meeting in a special register signed by the Chairman, the Secretary and the vote collector. The competent authority may set controls regarding the minutes of meetings of the assemblies, and the duties of their secretaries and vote collectors.

Section 5

Auditor

Article (39) Appointment of the Auditor

- 1- The company must have one or more auditors from among the auditors licensed to work in KSA to be appointed by the Ordinary General Assembly, and whose remuneration and term of work shall be determined. He may be reappointed; and the bylaws shall specify the maximum term of the auditor's work.
- 2- The General Assembly may, at any time, dismiss him without prejudice to his right to compensation if necessary. The chief executive officer or the chairman of the board of directors must inform the Capital Market Authority of the dismissal decision and its reasons, within five days from the date of issuance of the decision.
- 3- The auditor may retire his mission by means of written notice submitted to the company. His mission shall end as of the date of that notice, or a later date specified in the notice; without prejudice to the company's right to compensation if necessary. The resigned auditor shall provide the company and the competent authority, upon giving the notice, with reasons of

resignation. The chief executive officer or the chairman of board shall invite the shareholders to a meeting, or call the general assembly to convene, depending on the situation, to consider the reasons of resignation and appoint another auditor.

Article (40) Powers and obligations of the Auditor

- 1- *The company's auditor must be independent in accordance with what is determined by the professional standards approved in KSA.*
- 2- *It is not permissible to be the auditor of the company and participate in the foundation of the company which accounts are audited, be in its management, or be a member in its board of directors. The auditor may not be a partner of any of the company's founders, directors, or members of its board of directors, or an employee or relative thereof. He may not further buy or sell shares in the company which accounts he is auditing during the audit period.*
- 3- *The company's auditor may not perform technical, administrative or advisory work in the company which accounts he is auditing, and which may be in its interest, except as specified by the bylaws.*
- 4- *The auditor may at any time have access to the company's books, records and other supporting documents. He may also request data and clarifications that he deems necessary to obtain, in request to verify the company's assets, obligations and other matters that fall within the scope of his work. The chief executive officer or its board of directors must enable him to perform his duty. If the auditor finds difficulty in this regard, he shall establish this in a report submitted to the chief executive officer or the board of directors. If the chief executive officer or the board of directors fails to facilitate the work of the auditor, he must ask them to invite the shareholders to a meeting, or call the ordinary general assembly to convene, as the case maybe, look into the matter. The auditor may issue this invitation if the chief executive officer or the board of directors does not send it within (thirty) days from the date of the auditor's request.*
- 5- *The auditor shall submit to the General Assembly at its annual meeting or to the shareholders a report on the company's financial statements prepared in accordance with the auditing standards approved in KSA; and this shall be guaranteed by the position company's management on enabling him to obtain the data and clarifications he requested. He shall also report any violations of the provisions of the law, the company's memorandum of association, or its articles of association, within the limits of his competence. He shall also give his opinion on the correctness of the company's financial statements. The auditor shall recite his report or give a summary of it in the annual meeting of the general assembly.*

- 6- The auditor may not disclose to shareholders other than those of the General Assembly the secrets of the company which he accessed otherwise he shall be asked for compensation; as well as the right to dismiss him.
- 7- The auditor shall be responsible for what is stated in his report, and for any damage that may befall the company, shareholders or third parties due to errors committed by him in the performance of his work. If the company has more than one auditor, they are jointly liable, except for those of them who establish that they have not participated in the liability-inducing error.

Section 6

Company accounts and dividends

Article (41) Fiscal Year

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

Article (42) Financial Documents

- 1- 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 activities and 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, if any, at least forty-five days prior to the date set for the Annual General Assembly.
- 2- The chairman of the board of directors of the company, who he delegates or authorizes, its chief executive officer, and its financial manager, if any, must sign the documents referred to in paragraph (1) of this article, and copies of them shall be deposited in the company's head office at the disposal of the shareholders.
- 3- The chairman of the board of directors, or whoever he delegates or authorizes, shall provide the shareholders with the financial statements of the company and the report of the board of directors after signing them, and the report of the auditor, if any, unless it has been published in any of the modern means of technology; at least twenty-one days prior to the date set for the Annual Ordinary General Assembly. He must also deposit these documents as determined by the bylaws.

Article (43) Distribution of profits to be distributed

- 1- The General Assembly shall determines the percentage that should be distributed to the shareholders from the net profits after deducting the reserves, if any.
- 2- The shareholder shall be entitled to his share of the profits in accordance with the decision of the General Assembly issued in this regard. The decision shall indicate the due date and the date of distribution. The eligibility of profits shall be for the owners of shares registered in the shareholders' records at the end of the day specified for entitlement. The bylaws specify the maximum period during which the board of directors must execute the decision of the general assembly regarding the distribution of profits to shareholders.

Distribution of interim profits:

- 1- Distributable annual or interim profits may be distributed to the shareholders.
- 2- If profits are distributed to the shareholders in violation of the provisions of Paragraph (1) of this Article, the creditors of the company may claim them, and the company may demand that every shareholder, even if he was in good faith, to return the profits he received.
- 3- The shareholder is not obligated to return the profits distributed to him in accordance with the provisions of paragraph (1) of this Article even if the company incurs losses in the following periods.
- 4- The bylaws shall specify the necessary controls to execute what is stated in this article.

Article (44) Losses of the Company

If the company's losses amount to half of the issued capital, then the board of directors must disclose this and its recommendations regarding such losses within sixty days from the date of being aware of reaching this amount. He shall also invite the Extraordinary General Assembly to meet within 180 days from the date of being aware of the losses, to consider the continuation of the company while taking any of the necessary measures to address those losses, or dissolve the company.

Section 7

Disputes

Article (45) Liability claim

- 1- The company may file a liability lawsuit against the manager or members of the board of directors for violating the provisions of the law or its articles of association, or because of their faults, negligence, or shortcomings in the performance of their work, which results in damages to the company. The General Assembly or the shareholders shall decide to file this lawsuit and to appoint someone to act on behalf of the company in initiating it. If the company is under liquidation, then the liquidator shall file this lawsuit. In the event of initiation of any liquidation procedures for the company in accordance with bankruptcy law, then that who legally represent the company shall file this lawsuit.
- 2- A shareholder or more representing (five percent of the company's capital) may file a liability law for the company in the event that the company fails to file it, taking into consideration that the main objective of filing the lawsuit is to achieve the company's interests; and the lawsuit must be based on a valid grounds, and the claimant must be of good faith and must be a shareholder in the company at the time the lawsuit is filed.
- 3- In order to file the lawsuit referred to in this article; it is required to notify the company's manager or members of its board of directors, as the case may be, of the intention to file the lawsuit at least fourteen days prior to the date of filing it.
- 4- The shareholder may file a personal lawsuit against the manager or the members of the board of directors if the fault they made would cause him a personal harm.

The competent judicial authority, upon the shareholder's request, may charge the company the expenses he incurs to file a liability lawsuit, whatever its outcome, if the lawsuit is filed in good faith, and it is in the interest of the company to file such a lawsuit.

Section 8

Company Termination and liquidation

Article (46) Termination of the Company

1- Before the General Assembly takes a decision to dissolve the company, the members of the Board of Directors shall prepare a statement stating that they have examined the company's situations, and confirms that the company's assets are sufficient to pay off its debts by the end of the proposed liquidation period and that the company is not insolvent according to the bankruptcy law. This statement shall be submitted within thirty days from the date of its preparation to the General Assembly to take a decision to dissolve the company.

2- If it turns out from the statement referred to in Paragraph (1) of this Article that the assets of the company are not sufficient to pay off its debts, or that the company is insolvent according to the bankruptcy law, the general assembly may not take a decision to dissolve the company, otherwise they will be jointly liable for any remaining debt owed by it.

Section 9

Final Provisions

Article (47)

The Companies Law and its Regulations shall apply to everything that is not provided for in this Law.

Article (48)

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

F I P C O

FILLING & PACKING MATERIALS MFG. CO.

A Saudi Stock Company

Paid-up Capital : SR. 115,000,000



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شركة تصنيع مواد التعبئة والتغليف

شركة مساهمة سعودية

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