

In the Name of God the Merciful, the Compassionate

Articles of Association (Bylaws) of Almarai Company
(A Listed Joint Stock Company)

1.	As amended under a resolution by the Extraordinary General Assembly	Held on	03/11/1426H	Corresponding to	25/12/2005G
2.	As amended under a resolution by the Extraordinary General Assembly	Held on	08/03/1428H	Corresponding to	27/03/2007G
3.	As amended under a resolution by the Extraordinary General Assembly	Held on	16/03/1429H	Corresponding to	24/03/2008G
4.	As amended under a resolution by the Extraordinary General Assembly	Held on	18/10/1430H	Corresponding to	07/10/2009G
5.	As amended under a resolution by the Extraordinary General Assembly	Held on	29//12/1431H	Corresponding to	05/12/2009G
6.	As amended under a resolution by the Extraordinary General Assembly	Held on	23/12/1432H	Corresponding to	19/11/2011G
7.	As amended under a resolution by the Extraordinary General Assembly	Held on	10/05/1433H	Corresponding to	02/04/2012G
8.	As amended under a resolution by the Extraordinary General Assembly	Held on	21/05/1434H	Corresponding to	04/02/2013G
9.	As amended under a resolution by the Extraordinary General Assembly	Held on	03/11/1434H	Corresponding to	09/09/2013G
10.	As amended under a resolution by the Extraordinary General Assembly	Held on	02/06/1435H	Corresponding to	02/04/2014G
11.	As amended under a resolution by the Extraordinary General Assembly	Held on	25/06/1437H	Corresponding to	03/04/2016G
12.	As amended under a resolution by the Extraordinary General Assembly	Held on	27/06/1438H	Corresponding to	26/03/2017G
13.	As amended under a resolution by the Extraordinary General Assembly	Held on	18/01/1439H	Corresponding to	08/10/2017G
14.	As amended under a resolution by the Extraordinary General Assembly	Held on	02/08/1440H	Corresponding to	07/04/2019G
15.	As amended under a resolution by the Extraordinary General Assembly	Held on	14/09/1440H	Corresponding to	19/05/2019G
16.	As amended under a resolution by the Extraordinary General Assembly	Held on	01/9/1442H	Corresponding to	13/04/2021G

Part I: Company's Incorporation

Article 1: Incorporation

Pursuant to the provisions of the Companies' Law, Implementing Regulations thereof and these Bylaws, Almarai Company Limited, registered in the Commercial Register of the city of Riyadh under No. 1010084223 dated 19/12/1411H, was converted from a limited liability company into a Saudi joint stock company in accordance with the following:

Article 2: Company Name

Almarai Company (a listed joint stock company)

Article 3: Company Objectives

The Company shall exercise and execute the following objectives:

1. Production, manufacture, canning and distribution of all dairy products, cheeses, agricultural products and foodstuffs prepared for human or animal consumption.
2. Agricultural and animal production, including cultivation of agricultural crops, raising cattle, poultry, apiaries, fish, shrimp and other sea, river and other water surface products, and the production of milk and all kinds of meat, eggs and honey.
3. Building, operation, maintenance and management of cattle farms and other agricultural, animal and industrial products, slaughter houses, installation and maintenance of agricultural and manufacturing machinery, irrigation equipment, green houses, silos, lease of agricultural equipment, protection, coordination and planting gardens and parks and fighting agricultural pests.
4. Investment in industrial fields, particularly the production, canning, packing, packaging, marketing and distribution of all foodstuffs, fruits, vegetables, dairy products, ice creams, sweets, juices, sauces, jams, potable water, desalinated, gaseous and mineral water, ice tea and coffee and all kinds of non-alcoholic drinks, bread, pastries, candies and other bakery products.
5. Production and distribution of packaging and container materials and accessories, of various types, production, packing, import, export and distribution of vitamins and improved mineral salts for feed and fertilizers of all kinds, agricultural and industrial disinfectants, animal feed and equipment for cattle, poultry, fish farms and slaughter houses.
6. Wholesale and retail trade in agricultural crops, foodstuffs, electric and electronics devices, agricultural and industrial machinery and equipment, plant, household utensils, readymade clothes and import and export of the foregoing.
7. Installation, operation, maintenance, development, management and integration of electric and electronic devices and systems, machinery, equipment, agricultural and industrial machines, computer and telecommunication networks and all matters related to security and safety and rendering all related services and consultancies.
8. Establishment, operation and management of hotels, restaurants, kitchens, rest houses and cafes, and rendering tourist services.
9. Storing and cooling and, in particular, ownership, use, maintenance, renting and lease out warehouses and foodstuff cold stores.
10. Undertaking commercial agencies and distribution contracts.

11. Purchase and sale of plots of land, real property and factories as necessary for the realization of the Company objectives.
12. Private security services.
13. Land transport.
14. The wholesale trade of security devices.

The Company shall conduct its activities in accordance with the laws in force and after obtaining the necessary licenses from the competent authorities, if any.

Article 4: Participation and Interest in Companies

The company may establish companies on its own (limited liability or closed joint stock). It may own interests and shares in other existing companies or merge therewith and participate with others in establishing joint stock or limited liability companies, after meeting the requirements of applicable laws and directives in that regard. The Company may also dispose of such shares or stocks, provided that this does not include any brokerage.

Article 5: Head Office of the Company

The Company's head office shall be in the city of Riyadh, Kingdom of Saudi Arabia. The Board of Directors may establish branches, offices or agencies for the Company within or outside the Kingdom of Saudi Arabia.

Article 6: Duration of the Company

The duration of the Company shall be ninety-nine (99) Gregorian years, commencing as at the date announcing its conversion into a joint stock company. The Company's term may always be extended by a resolution of the Extraordinary General Assembly at least one (1) year prior to the expiration of the Company's term.

Part II: Capital, Shares and Sukuks

Article 7: Capital of the Company

The capital of the Company shall be ten thousand (10,000) million Saudi Riyals, divided into one thousand (1,000) million nominal shares of equal value, and the nominal value of each share shall be ten (10) Saudi riyals, which all shall be deemed as ordinary cash shares.

Article 8: Preferred Shares

1. The Company's Extraordinary General Assembly may, in accordance with the guidelines set by the Capital Market Authority, issue preferred shares, decide to purchase the same, or convert ordinary shares into preferred shares; or convert preferred shares into ordinary shares. The preferred shares do not confer the right to vote at Shareholders' general assemblies. Such shares entitle holders the right to obtain higher percentage of the Company's net profits compared to holders of common shares, after setting aside the statutory reserve.
2. In an Assembly of their own, preferred share owners must consent to any extraordinary general assembly resolution relating to converting preferred shares to ordinary shares or amending any of the rights of preferred share owners.

3. If the General Assembly resolution pertained to amend the rights of preferred share owners, including liquidating the Company, converting preferred shares into ordinary or converting ordinary shares into preferred shares, then said resolution shall not be valid unless approved by preferred share owners entitled to vote in an Assembly of their own.
4. If the Company failed to pay preferred share owners their specified percentage of Company net profits after setting aside the statutory reserve for three consecutive years; then the Special Assembly of said shares, convened in accordance with Article 89 of the Companies' Law, shall decide to either allow them to attend Company General Assemblies and vote thereat, or appoint representative thereof to the Board of Directors in proportion to the value of their Capital shares, until the Company is able to pay all dividends reserved therefor for said years; with each Preferred Share entitled to one vote at the General Assembly Meeting, and the holder of said Shares entitled to vote on all Ordinary General Assembly agenda items without exception.

Article 9: Debt and Financing Instruments:

1. Subject to debt related legal provisions when issuing and dealing in debts instruments, the Company may issue negotiable Debt and Financing Instruments in accordance with the Capital Market Law. But the Company may not issue Debt and Financing Instruments that are convertible into shares, except pursuant to an Extraordinary General Assembly resolution setting the maximum number of shares that may be issued in exchange for said Debt and Financing Instruments, whether the latter were issued concurrently, through a series of issues or under one or more programs to issue Debt and Financing Instruments; and the Board of Directors, without the need for further approval from the Extraordinary General Assembly, may issue new shares in exchange for such Debt and Financing Instruments whose conversion is requested by the holders thereof, immediately after the expiry of the conversion request period specified for the holders of said Debt and Financing Instruments. The Board of Directors shall take the necessary measures to amend the Company's bylaws to reflect the number of shares issued and the capital. The Board of Directors must announce the completion of each capital increase as per the manner prescribed in the Companies' Law for announcing Extraordinary General Assembly resolutions.
2. Subject to the provisions of paragraph (1) of this Article, the Company may convert Debt and Financing Instruments to shares in accordance with the Capital Market Law. In all cases, said Debt and Financing Instruments may not be converted to shares in the following two cases:
 - a. If the conditions set forth for the issuance of Debt and Financing Instruments did not include provisions relating to the possibility of converting said instruments to shares by increasing the company's capital.
 - b. If the holder of such Debt and Financing Instruments did not consent to said conversion.
3. Resolutions of Shareholder assemblies shall apply to the holders of Debt and Financing Instruments. Nevertheless, such assemblies may not alter the rights established in favor of bondholders, except with their consent by a resolution adopted at a special meeting of such bondholders, held in accordance with the provisions of Article 89 of the Companies' Law.

Article 10: Sale of Unpaid Shares:

Each Shareholder undertakes to pay the value of shares on the dates set therefor. Should a Shareholder fail to pay at the due time, the Board of Directors may, after notification of the Shareholder via a daily publication or registered mail, sell the share at public auction or through the stock market, as the case may be, in accordance with controls set by the competent authority. The Company shall collect the amounts due thereto from the proceeds of the sale and return the remaining to the Shareholder. If the proceeds of the sale fall short of the amounts due, the Company shall have a claim on the entire fortune of the Shareholder for

the unpaid balance. Yet, the delinquent Shareholder may, up until the sale date, pay the due sum plus expenses incurred by the Company in that regard, and the Company shall cancel the shares sold in accordance with this Article, and issue the purchaser new shares bearing the serial numbers of the cancelled shares, and make a note to this effect in the Shares Register specifying the name of new holder.

Article 11: Issuance of Shares

Company shares shall be nominal shares, and may not be issued at less than their nominal value, but may be issued at a value higher than said nominal value; in which case, the difference in value shall be added as a separate article relating to Shareholder rights and may not be distributed as a Shareholder dividend. A share shall be indivisible vis-à-vis the Company. In the event that a share is owned by several persons, they shall select one person amongst them to exercise, on their behalf, the rights pertaining to said share, and they shall be jointly responsible for the obligations arising from ownership of said share.

Article 12: Share Trading

Shares subscribed for by the Shareholders may only be traded after publishing the financial statements for two fiscal years, each covering a period of at least 12 months from the Company's incorporation date. A notation shall be made on the respective share certificates, indicating their class, the date of incorporation of the Company, and the period during which their trading shall be suspended. During the lock-up period, shares may, in accordance with the legal provisions for sale of rights, be transferred from one Founder to another, from the heirs of a deceased Founder to a third party, or in case of seizure of the funds of an insolvent or bankrupt Founder, provided that the other Founders are given preemptive rights to own such shares. The provisions of this Article shall apply to Founder subscriptions in case of capital increase before the expiry of the lock-up period.

Article 13: Shareholders' Register

Company shares shall be traded in accordance with the provisions of the Capital Market Law.

Article 14: The Company Buying, Selling and Pledging its own Shares

1. The Company may purchase or pledge its own preferred or ordinary shares with the approval of the Extraordinary General Assembly and in accordance with the conditions set forth by the Capital Market Authority in that regard. Company bought shares shall not be entitled to vote in Shareholder Assemblies.
2. The Company may, pursuant to a resolution by the Board of Directors, buy its own shares to be used as treasury stocks in accordance with the objectives and conditions set forth by the Capital Market Authority.
3. The Company may purchase its own shares for the purpose of allocating the same to its employees under a stock program therefor, provided that the Company satisfies other conditions relating to the purchase of its own shares and the requirements set forth by the Capital Market Authority.
4. The Company may sell its treasury stock in one or several stages in accordance with the conditions set forth by the Capital Market Authority.
5. The Company may pledge its own shares as guarantee for a loan in accordance with the conditions set forth by the Capital Market Authority.
6. Those who have the right to own or possess the Company shares for the benefit of a third party, may mortgage them in accordance with the conditions set forth by the Capital Market Authority, and the mortgagee creditor has the right to lock the profits and use the rights associated with the share, unless otherwise agreed to in the mortgage contract, but the mortgagee creditor shall not be entitled to attend or vote in Shareholder General Assembly meetings.

Article 15: Increase of Capital

1. The Extraordinary General Assembly may resolve to increase the company's capital provided that said capital is paid-up in full. The previous requirement is waived if the unpaid portion of the capital is due to shares issued in exchange for the conversion of financing or debt instruments into shares, prior to the expiry of said conversion period.
2. In all cases, the Extraordinary General Assembly shall allocate capital increase shares or parts thereof to the employees of the Company and its affiliates or parts thereof. Shareholders may not exercise their preemptive rights upon the Company's issuance of shares allotted to employees.
3. Capital shall be increased in one of the following manners:
 - a. Issue of new shares against cash or in-kind shares.
 - b. Issue of new shares against debts of a specific amount due and payable by the company. Said issue shall be in the amount which the Extraordinary General Assembly resolves to capitalize pursuant to the opinion of an expert or certified appraiser, and subsequent to the Board of Directors and Auditor drafting a statement regarding the origin and amount of those loans. The statement shall be signed by Board members and the Auditor, who shall jointly be responsible for the validity thereof.
 - c. Issue of new shares in the amount of the surplus reserve which the Extraordinary General Assembly resolves to capitalize. Said shares shall be issued under the same terms and conditions applicable to traded shares, with said shares allocated gratis to Shareholders in proportion to their respective original shareholding.
 - d. Issue of new shares against debt and financing instruments.
4. Holders of shares at the time of the General Assembly's adoption of a resolution to increase the capital, shall have preemptive rights to subscribe for the new cash shares. Shareholders shall be notified of their preemptive rights, if any, by publication in a daily newspaper or by registered mail stating the adoption of the resolution to increase capital, the terms of the offering, its duration, start and end dates.
5. The Extraordinary General Assembly may revoke the preemptive rights of Shareholders to subscribe for the capital increase in exchange for cash shares, or vest said preemptive rights in non-Shareholders when it deems that doing so is in the Company's best interest.
6. Shareholders may sell or assign their preemptive rights in the period that extends from the date upon which the General Assembly resolution is adopted to increase the capital until the last day open for subscription for the new shares associated with those rights, in accordance with the conditions set by the Capital Market Authority.
7. Without prejudice to the provisions of paragraph 4 hereof, new shares shall be allotted to the holders of preemptive rights who have expressed interest to subscribe thereto, in proportion to their preemptive rights resulting from the capital increase; provided that their allotment does not exceed the number of new shares they have applied for. Remaining new shares shall be allotted to preemptive right holders who have asked for more than their proportionate stake, in proportion to their preemptive rights resulting from the capital increase, provided that their total allotment does not exceed the number of new shares they have asked for. Any remaining new shares shall be offered for public subscription, unless the Extraordinary General Assembly decides, or the Capital Market Law provides, otherwise.
8. For a capital increase, the shares issued against shares in-kind shall be bound by the provisions for valuating shares in-kind at the time of the company's incorporation, with the Ordinary General Assembly assuming the responsibilities of the Constituent Assembly in that regard.

Article 16: Decrease of Capital

1. The Extraordinary General Assembly may resolve to reduce the Company's capital, if it proves to be in excess of the Company's needs, or if the Company sustains losses. In the latter case only, the Company's

capital may be reduced below the limit prescribed under Article 54 of the Companies Law. A capital decrease resolution shall be issued, only after reading the auditor's special report on the reasons calling for such reduction, the obligations to be fulfilled by the Company and the effect of the reduction on such obligations.

2. If the capital reduction is due to it being in excess of the Company's needs, then the Company's creditors must be invited to express their objection thereto within sixty days from the date of publication of the reduction resolution in a daily newspaper published in the area where the Company's head office is located. Should any creditor object and present to the Company evidentiary documents of such debt within the time limit set above, then the Company shall pay such debt, if already due, or present an adequate guarantee of payment if the debt is due on a later date.

Part III: Board of Directors

Article 17: Management of the Company

The Company shall be managed by a Board of Directors composed of nine (9) members elected by cumulative vote by the Ordinary General Assembly for a term not exceeding three (3) years.

Article 18: Expiration of Board Membership

1. Board membership shall expire by the expiration of its term, or the expiration of Board member's term, death, conviction of a crime, or being subject to investigation detrimental to the Company's reputation, in accordance with any law or instructions applicable in the Kingdom. Notwithstanding the foregoing, the Ordinary General Assembly may, at any time, dismiss one or all of the Directors, without prejudice to the terminated member's right to seek compensation from the Company, if dismissal were not properly justified or occurred at an inappropriate time. The Board member may also tender his resignation, provided that such resignation occurs at an appropriate time, otherwise, said member shall be held liable for any damage affecting the Company as a result of his resignation.
2. Upon the recommendation of the Board of Directors, the Ordinary Assembly may terminate the membership of members who failed to attend three consecutive meeting without just cause.

Article 19: Membership Vacancies

If the position of a Board of Director's member becomes vacant, the Board of Directors may appoint a member to the vacant position temporarily, based on the number of votes received thereby at the Assembly meeting that elected the Board, to be selected from among experienced and competent candidates. Such appointment shall be notified to the Ministry within five working days from the date of appointment, and shall be submitted to the Ordinary General Assembly at its first meeting. The new member shall complete the term of his predecessor. In case the number of board members becomes less than the quorum stipulated by the Companies' Law or these Bylaws, remaining Board members shall call the Ordinary General Assembly to convene within sixty days to elect the required number of members.

Article 20: Powers of the Board of Directors

Without prejudice to the powers conferred on the General Assembly, the Board of Directors shall be vested with the widest powers and authority to manage the Company, draft its policies, determine its investments and oversee its affairs and funds, as well as conduct its business and undertake all activities and actions within the Kingdom in order to achieve its objectives. The powers and authority of the Board of Directors include, but are not limited to, the following:

1. Approve contracts, tenders, the Company's corporate governance and internal policies; establish subsidiaries and participate in companies; execute articles of association of subsidiaries or companies in which the Company participates with others and all the amendments thereof; appoint and dismiss the managers thereof, and approve all actions that take place in said companies.
2. Approve the issuance of guarantees and pledges to banks, funds and government financial institutions and approve all banking transactions, including the opening and closing of bank accounts and investment accounts in the assets management companies in the name of the Company or subsidiaries thereof inside or outside the Kingdom; as well as invest and manage the funds thereof.
3. The right to purchase and approve purchases, pay the price and mortgage the assets, properties and movables of the Company and its subsidiaries; redeem mortgages, sell, release and collect the price and pay the price thereof, provided that the minutes of the Board of Directors and the reasons for the resolution to dispose of the Company's assets, properties and real estate include the justifications therefor, with the need to observe the following conditions:
 - a. That the price of the sold asset is comparable to similar assets as determined under established accounting principles.
 - b. The price is not deferred, except in cases of necessity and with adequate guarantees.
 - c. The Company is not impaired, some of its activities impeded, or it assumes other obligations due to the conditions of said actions.
4. Enter into loans with any entity, such as government funds and financing institutions, as well as commercial loans with commercial banks, financial houses, credit companies, etc., regardless of their duration and amounts, as decided by the Board.
5. The right to discharge the Company's debtors of their obligations if doing so is in the Company's interest, and in accordance with debt extinguishment accounting standard, provided that the minutes of the Board of Directors and the reasons for the decision satisfy the following conditions:
 - a. That the discharge take place at least one full year from debt origination.
 - b. The discharge shall be for a specified maximum amount per year for a single debtor.
 - c. Discharge is a non-assignable Board right.
6. The right to settle, assign, contract, undertake, associate, collect Company or subsidiary debts, and accept settlements and arbitration.
7. Form Board committees, and insure the fixed and movable assets of the Company.
8. Appoint the Company's CEO and determine the competencies, powers, duties and financial rights thereof. The Board of Directors may also appoint one or more deputies to the CEO, with the appointment decision defining the powers, competences, and financial rights of the Deputy CEO.
9. The right to delegate or authorize one or more of its members or third parties to undertake one or more specific tasks, or perform a specific act or deed that falls within the scope of its competences; with the Board partially or fully revoking any such authorization or delegation.

Article 21: Remuneration of Board Members

Board member remuneration may consist of a specified salary or a meeting attendance fee, material benefits, a certain percentage of net profits or a combination of two or more of these benefits, within the limits of the Companies' Law, the Company's bylaws and the rules and standards adopted by the Capital Market Authority in that regard. The report of the Board of Directors to the Ordinary General Assembly shall include a comprehensive statement of all remuneration, expenses and other benefits received by Board members during the Fiscal Year. It shall as well contain a statement of payments made to members in their capacity as employees or executives, or in consideration for technical, administrative or consultancy

assignments. The report shall also include the number of meetings held, and the number of meetings attended by each member from the date of the last Ordinary Assembly meeting.

Article 22: Powers of the Chairman, Vice Chairman, Managing Director and Secretary

1. The Board of Directors shall appoint from amongst its members a Chairman, and a Vice Chairman. It may also appoint a Managing Director from amongst its members. A member may not concurrently hold the position of Chairman of the Board and any executive position in the Company.
2. The Chairman shall convene the Board and preside over its meetings and the Shareholders' General Assemblies.
3. The Chairman shall represent the Company in its relationships with others and before government authorities, companies, individuals, the judiciary and courts of any type or degree, the Board of Grievances, notaries public, arbitration panels, dispute settlement committees of any type, civil rights, police departments and all governmental bodies, chambers of commerce and industry, special committees, companies and institutions of all types, issue powers of attorney, appoint and dismiss agents and lawyers, plead, defend, litigate, settle, waive, discharge, deny, reconcile, request oath taking, concede, arbitrate, accept and reject judgments on behalf of the Company, execute judgments, sign all types of contracts, agreements, documents and files, including but not limited to the articles of association of companies established by the Company or in the establishment of which it participates, amend the articles of association of subsidiaries or companies in which the Company owns shares or stock and the amendments thereto, rescind articles of association and amendments thereto, sign articles of association and amendments thereto before the Notary Public, publish articles of association and amendments, summaries and bylaws thereof as required by the competent authority, assign capital shares and stock, transfer stock, shares, bonds and Sukuks, sign resolutions for the liquidation thereof and the appointment or dismissal of Company executives and representatives at Subscriber or Shareholder Assemblies, sign contracts, agreements, Sukuks and waivers before the Notary Public, public or private bodies, sign all types of contracts, agreements, documents, files, forms, loan agreements and all types of financial agreements with government funds and financing institutions, banks, financial firms, guarantees, warranties, mortgages and the redemption thereof, collect Company rights and disburse the obligations thereof, sell, buy, surrender and take possession, receive and deliver, collect and pay rents, enter into tenders, open and close accounts, open credit lines, withdraw and deposit with banks, issue bonds, checks and all type of commercial paper, engage asset management companies and investment firms dealing in public and private securities inside and outside the Kingdom, appoint and dismiss employees, contract therewith, determine the remuneration thereof, obtain visas, recruit employees and workers from abroad, obtain residence and work permits, transfer and waive sponsorships. The Chairman may delegate or authorize a Board member or third party to undertake one or more specific tasks, or perform a specific act or deed that falls within the scope of his competences and authorize the appointee to delegate said powers to others and partially or fully revoke any such authorization or delegation.
4. The Vice Chairman shall assume the Chairman's responsibilities upon the latter's absence.
5. The Managing Director (if appointed) shall enjoy powers as determined by the Board of Directors and shall execute the instructions of said Board.
6. At its discretion and pursuant to a resolution adopted thereby, the Board of Directors shall determine the special remuneration of the Chairman and the Managing Director.
7. The Board of Directors shall appoint a Secretary from among its members or others. The Secretary's duties shall include having the proceedings and resolutions of the Board of Directors recorded in minutes, as well as performing any other tasks delegated thereto by the Board. The Board shall determine the remuneration thereof.

8. The term of office of the Chairman, the Vice Chairman, the Managing Director and the Secretary – if he is a Board member – shall not exceed their respective terms of membership on the Board. They may be reappointed and the Board may, at any time, dismiss all or any of them, without prejudice to the dismissed member's right to claim compensation if such dismissal occurred for an unlawful reason or at an inappropriate time.

Article 23: Meetings of the Board of Directors

The Board of Directors shall meet at least twice a year, upon an invitation from the Chairman made in writing and delivered by registered mail or other means of communication at least two weeks prior to the specified meeting date, unless the Board of Directors agrees otherwise. The Chairman shall call the Board to convene a meeting whenever two members so request.

Article 24: Meeting Quorum and Resolutions

1. A Board meeting shall be quorate only if attended by at least 5 members provided that at least 4 four members attend in person.
2. Any member of the Board may authorize another member of the Board to attend the board meeting, in accordance with the following controls:
 - a. A member of the Board of Directors may not act on behalf of more than one Board member during the same meeting;
 - b. A proxy shall be made in writing;
 - c. A Board member acting by proxy may not vote on resolutions on which his principal is prohibited from voting;

Article 25: Board Resolutions and Deliberations

1. Board resolutions shall be adopted by a majority vote of members present or represented therein, with the meeting chairperson casting the deciding vote in case of a tie.
2. The Board may adopt urgent matter resolution by circulation, unless one Board member requests in writing a meeting for deliberations on such a resolution, which shall be laid before the Board in its first subsequent meeting.
3. Deliberations and resolutions of the Board shall be recorded in minutes to be signed by the Chairman, attending members and the Secretary. Such minutes shall be entered in a special register to be signed by the Chairman and the Secretary.

Article 26: Conflict of Interest and Competition with the Company

A Board member may not have any direct or indirect interest in the transactions or contracts made for the account of the Company, without prior consent from the Ordinary General Assembly. The Board member shall inform the Board of Directors of any personal direct or indirect interest he may have in the transactions or contracts made for the account of the Company, with said declaration recorded in the minutes of the Board meeting. The relevant director shall not vote on resolutions to be adopted in this respect by the Board of directors or Shareholder assemblies. The Chairman of the Board of directors shall inform the Ordinary General Assembly, when it convenes, about the transactions and contracts in which any Board member has a direct or indirect personal interest. Such communication shall be accompanied by a special report from the Company's external auditor.

1. The Board member with interest in the transaction or contract shall be liable for damages arising from the transactions or contracts referred to under paragraph (1) hereof. Joint liability shall be assumed by

all directors if said transactions or contracts were made in violation of paragraph (1), or if they prove to be unfair or involve a conflict of interest or harm the Shareholders.

2. Dissenting members of the Board shall not be liable if they have expressly recorded their objection in the minutes of the meeting. Absence from the meeting at which such resolution is adopted shall not constitute cause for relief from liability, unless it is established that the absentee was not aware of the resolution or, on becoming aware thereof, was unable to object thereto.
3. A Board member may not, without prior consent from the Ordinary General Assembly and subject to the controls specified by the competent authority, participate in any business that competes with that of the Company, or competes with any of the commercial activities carried on by the Company; otherwise, the Company shall have the right to claim damages before the competent courts.

Article 27:

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Part IV: Shareholder Assemblies

Article 28: Assembly Attendance

1. Each Shareholder shall have the right to attend the Shareholder General Assembly, and to authorize in another person, other than members of the Board of Directors or the Company employees, to attend the General Assembly on his/its behalf.
2. Shareholder General Assemblies may be convened with Shareholders participating in the deliberations and voting thereat through modern means of communications, as per the controls set by the competent authority.

Article 29: Responsibilities of the Ordinary General Assembly

Except for matters reserved for the Extraordinary General Assembly, the Ordinary General Assembly shall be competent to deal with all Company matters. The Ordinary General Assembly shall be convened at least once a year, within six (6) months following the end of the Company's fiscal year. Additional Ordinary General Assembly meetings may be convened, whenever needed.

Article 30: Responsibilities of the Extraordinary General Assembly

The Extraordinary General Assembly shall have the power to amend the Company's Bylaws, except for such provisions as may be impermissible to be amended under the law. The Extraordinary General Assembly may pass resolutions on matters falling within the competence of the Ordinary General Assembly, under the same rules and conditions applicable thereto.

Article 31: Convening General Assemblies

1. General or Special Shareholder Assemblies shall be convened by the Board of Directors in accordance with the conditions stipulated therefor herein or the Companies' Law, and the controls adopted by the Capital Market Authority in that regard. The Board of Directors shall convene an Ordinary General Assembly if requested to do so by the auditor, the Audit Committee, or a number of Shareholders representing at least five percent (5%) of the Company's capital. The auditor may call for an assembly to be convened, when the Board fails to call for such a meeting within 30 days of the auditor's request to do so.
2. The General Assembly summons and agenda therefor shall be published in a daily newspaper circulated in the area where the Company's head office is located, at least 21 days prior to the time set for such

meeting. However, notice may be given to all Shareholders via registered letters within the timeframe set above. A copy of the notice and the agenda shall be sent to the Ministry of Commerce and Investment and the Capital Market Authority, within the period set for publication.

Article 32: Assembly Record of Attendance

Shareholders wishing to attend Ordinary or Special General Assembly meetings shall register their names at the Company's head office before the time specified for the Assembly.

Article 33: Ordinary General Assembly Quorum

Ordinary General Assembly meetings shall be quorate only if attended by Shareholders representing at least one quarter of the Company's capital. In the absence of a quorum, a second meeting shall be called to convene one hour following the time set for the preceding meeting, provided that the invitation to the first meeting included said stipulation. In any case, the second meeting shall be deemed quorate irrespective of the number of shares represented thereat.

Article 34: Extraordinary General Assembly Quorum

Extraordinary General Assembly meetings shall be quorate only if attended by Shareholders representing at least one half of the Company's capital. In the absence of a quorum at the first meeting, a second meeting shall be called to convene one hour following the time set for the preceding meeting, provided that the invitation to the first meeting included said stipulation. In any case, the second meeting shall be deemed quorate if attended by Shareholders representing at least one quarter of the Company's capital. If the second meeting is inquorate, then a third meeting shall be called to convene under the same conditions set forth in Article 31 of these Bylaws. With the consent of the competent authority, the third meeting shall be valid irrespective of the number of shares represented thereat.

Article 35: Voting at Assemblies

1. Each Shareholder shall have one vote for each share he represents at General Assembly meetings. Cumulative voting shall be employed in the election of the Board of Directors.
2. Members of the Board of directors may not participate in voting on assembly resolutions related to discharging them from liability in managing the company or pertaining to a direct or indirect interest that they possess.

Article 36: Assembly Resolutions

1. Resolutions of the Ordinary General Assembly shall be adopted by an absolute majority of the shares represented thereat.
2. Extraordinary General Assembly resolutions shall be adopted by a majority of two-thirds of the shares represented at the meeting, unless the resolution to be adopted is related to increasing or reducing the capital, extending the Company's term, dissolving the Company prior to the expiry of the term specified therefor in these Bylaws or merging the Company with another company; in which case, such resolution shall be valid only if adopted by a majority of three-quarters (3/4) of the shares represented at the meeting.
3. The Board of Directors shall announce – in accordance with the provisions of the Companies' Law - Extraordinary General Assembly resolutions that pertain to amending the Company's Bylaws.

Article 37: Assembly Deliberations

Each Shareholder shall have the right to discuss the items listed in the General Assembly's agenda and to direct questions in respect thereof to the members of the Board and the auditor. The Board or the auditor shall answer the Shareholder's questions to the extent that is not detrimental to the Company's interests. If the Shareholder deems the answer to the question unsatisfactory, then he/it may refer the issue to the General Assembly and the latter's decision in this regard shall be binding.

Article 38: Presiding over General Assemblies and the Keeping of Minutes

The General Assembly of Shareholders shall be presided over by the Chairman of the Board of Directors or, in his absence, the Vice Chairman or, in their absence, the Board designated member, with the Assembly Chairman appointing a meeting Secretary and Canvasser. Meeting minutes shall be drafted indicating the number of attending Shareholders or representatives, the number of shares represented in person or by proxy, the number of votes associated therewith, the resolutions passed, the number of votes in favor and against, as well as a comprehensive summary of the discussions that took place during the meeting. Such minutes shall be regularly recorded after each meeting in a special register to be signed by the Assembly Chairman, Secretary and Canvasser.

Part V: Audit Committee

Article 39: Formation of the Audit Committee

An audit committee shall be formed pursuant to a resolution passed by the Ordinary General Assembly composed of no less than 3 and no more than 5 non-executive Board members, whether from among the Shareholders or others. The resolution shall specify the Committee's responsibilities, the rules governing its activities, and the remuneration of its members.

Article 40: Audit Committee Quorum

Committee meetings shall be quorate if attended by the majority of its members. Its resolutions shall be adopted by a majority vote of attending members; ties shall be decided by the vote of the meeting Chairman.

Article 41: Audit Committee Responsibilities

The Audit Committee shall be responsible for overseeing the Company's business, and, towards that end, shall have access to Company records and documents. It shall also be entitled to request that Board members or executive directors provide it with clarifications or statements, as well as be entitled to request that the Board of Directors calls for the convening of the Company's General Assembly, if the Board hinders the performance of the Committee's duties, or when the Company suffers material damages or losses.

Article 42: Audit Committee Reports

The Audit Committee shall be responsible for reviewing the Company's financial statements, as well as the reports and notes submitted by the auditor, and provide an opinion in their regard, if any. It shall also draft an opinion concerning the adequacy of the Company's internal oversight control systems, and submit reports relating to other duties that fall within its purview. The Board of Directors shall ensure that a sufficient number of copies of said report be made available at the Company's head office at least 21 days prior to the General Assembly meeting date, in order to provide desirous Shareholders with a copy thereof. Said report shall be read during the Assembly meeting.

Part VI: Auditor

Article 43: Appointment of the Auditor

The Company shall have one or more auditors to be selected from auditors authorized to do business in the Kingdom of Saudi Arabia. The Ordinary General Assembly shall appoint said auditor(s) and specify their remuneration and term of office. It may re-appoint auditors on the condition that the cumulative term thereof not exceed five consecutive years. Parties who have exhausted said term may be reappointed two years subsequent to its expiration. The Assembly may at any time replace the auditor(s), without prejudice to their right to compensation if the replacement decision were unlawful or occurred at an inappropriate time.

Article 44: Responsibilities of the Auditor

The auditor shall, at all times, have access to the Company's books, records and any other documents. It may also request information and clarification, as it deems necessary, to verify the Company's assets, liabilities and other matters that may pertain to the scope of its activities. The Chairman of the Board of Directors shall enable the auditor to perform its duties; and when the auditor encounters difficulties in that regard, the latter shall document the same in a report to be submitted to the Board of Directors. Failure of the Board to facilitate the work of the auditor shall result in the latter requesting that the Board calls for a meeting of the Ordinary General Assembly to examine the matter.

Article 45: Auditor Report

The Auditor shall submit a report to the annual Ordinary General Assembly prepared in accordance with recognized auditing standards setting forth the company's position with regard to giving it access to requested information and clarifications, any uncovered violations of the provisions hereof or the Companies' Law, and its opinion as to the extent of conformity of the Company's accounts. The Auditor shall read its report at the General Assembly. Any resolution adopted by the General Assembly to approve the Board of Directors' report and financial statements without hearing the Auditor's report shall be deemed null and void.

Part VII: Company Accounts and Distribution of Profits

Article 46: Fiscal Year

The Company's Fiscal Year shall commence as on the 1st of January and expire on the 31st of December of each Gregorian year.

Article 47: Financial Documents

1. At the end of each Fiscal Year, the Board of Directors shall prepare the Company's financial statements together with a report on its business and financial position for the ended Fiscal Year. This report shall include the proposed method for distributing profits. The Board of Directors shall place such documents at the disposal of the auditor at least 45 days prior to the date set for convening the General Assembly.
2. The Chairman of the Board, CEO and CFO shall sign the documents referred to in Paragraph (1) of this Article. A copy thereof shall be placed at the Company's Head Office at the disposal of Shareholders at least 21 days prior to the date set for the General Assembly meeting.
3. The Chairman shall provide Shareholders with the Company's financial statements, Board of Directors' report and Auditor's report unless they are published in a daily newspaper distributed at the Company's

Head Office. The Chairman shall also send a copy thereof to the Ministry of Commerce and Investment and the Capital Market Authority at least 15 days prior to the date set for the General Assembly meeting.

Article 48: Distribution of Profits

Subject to the provisions of other relevant laws, the Company's annual net profits shall be allocated as follows:

1. Ten percent of the net profits shall be set aside to form a statutory reserve. Such setting aside may be discontinued by the Ordinary General Assembly when said reserve totals 30% of the Company's paid-up capital.
 2. The Ordinary General Assembly may, upon recommendation of the Board of Directors, set aside a percentage of the net profits to form a contractual reserve to be allocated to specific purposes.
 3. When allocating per share dividends, the Ordinary General Assembly may decide to form other reserves to the extent that achieves the interests of the Company or guarantees steady distribution of profits to Shareholders. Said Assembly may also deduct certain amounts from net profits to set up social institutions for the Company's employees or to support any existing institutions.
 4. The remaining shall be distributed to Shareholders in an amount representing no less than 5% of the Company's paid-up capital.
 5. Subject to the provisions of Article 21 of these Bylaws, and Article 76 of the Companies' Law, after the foregoing, a percentage of no more than 5% remaining net profits shall be allocated as a bonus to the Board of Directors; with said bonus proportionate to the number of meetings attended by each member.
- After satisfying any conditions and controls set therefore by the Capital Market Authority, the Company may also distribute interim dividends to Shareholders on a semi-annual or quarterly basis.

Article 49: Entitlement to Profits

Shareholders shall be eligible to receive dividends pursuant to a General Assembly resolution adopted in that regard and indicating the entitlement and distribution dates. Shareholders eligible to receive dividends shall be those whose names appear on Shareholder Registers at the end of the entitlement date. The Board of Directors shall implement Ordinary General Assembly resolutions concerning the distribution of profits to Shareholders in accordance with the controls set by the Capital Market Authority in that regard.

Article 50: Distribution of Profits for Preferred Shares

1. If no profits were distributed for any Fiscal Year, profits may not be distributed for the following years, unless the percentage established in accordance with the provisions of Article 114 of the Companies' Law has been paid to the owners of the preferred shares for such year.
2. If the Company failed to pay the determined percentage of profits in accordance with the provisions of Article 8 hereof for 3 consecutive years, a Special Assembly of preferred shares holders shall be held in accordance with the provisions of Article 89 of the Companies' Law to decide either to have the owners of the preferred shares attend meetings of the General Assembly and participate in the vote, or appoint their representatives to the Board of Directors, in proportion to the value of their shares in the Company's capital, until the Company is able to pay all of the profits allocated to the owners of the preferred shares for the previous years.

Article 51: Company Losses

1. If, at any time during the fiscal year, the Company's losses total half of its paid-up capital, then any Company official or auditor, upon becoming aware thereof, must inform the Chairman of the Board

of Directors, who shall immediately inform the members of the Board, which, within 15 days of being informed thereof, shall call for an Extraordinary General Assembly meeting to be convened within 45 days of being informed of the losses, to consider whether to increase or decrease the Company's capital, in accordance with the provisions of the Companies' Law, in order to render losses equal to less than half of the paid-up capital, or dissolve the Company prior to the end of its term as defined herein.

2. The Company shall be deemed dissolved under the Companies' Law, when its Extraordinary General Assembly fails to convene within the period specified in Paragraph 1 of this Article; or if it does convene, but fails to reach a decision in that regard; or when it resolves to increase the capital as per the conditions set forth in this Article, but the capital increase is not subscribed to in full within 90 days of the Assembly's resolution to increase the capital.

Part VIII: Disputes

Article 52: Liability Action

1. Each Shareholder shall have the right to file a liability action, vested in the Company, against members of the Board who have committed a fault that caused said Shareholder to suffer damages. Such liability action may only be filed by the Shareholder, if the Company's right to file such action remains valid. The Shareholder shall notify the Company of his/its intention to file such action, which shall be limited in scope to a compensation claim for damages incurred thereby alone.
2. The Company may, notwithstanding the outcome, pay the fees incurred by the Shareholder to institute an action against the Company, if the following conditions are met:
 - a. If such action is filed in good faith.
 - b. If the concerned Shareholder presents to the Company the reasons calling for such action and does not get a response within thirty days.
 - c. If it is in the interest of the Company to file such action, in accordance with Article 79 of the Companies' Law.
 - d. If said action is based on solid grounds.

Part IX: Dissolution and Liquidation of the Company

Article 53: Expiry of the Company

Upon its expiry, the Company shall enter liquidation and retain its legal personality to the extent necessary for liquidation. The Extraordinary General Assembly shall adopt a resolution to voluntarily liquidate the Company, with said resolution appointing a liquidator, and defining the latter's powers, compensation, and restrictions imposed on said powers, as well as the timeframe to conclude liquidation, which, in cases of voluntary liquidation must not exceed 5 years that cannot be extended except by court order. The powers of the Board of Directors shall cease upon the Company's dissolution. However, the Board of Directors shall remain responsible for the management of the Company and take on the capacity of liquidator, until the latter is appointed. During liquidation, Shareholder assemblies shall retain such responsibilities vested in them that do not conflict with those of the liquidator.

Part X: Final Provisions

Article 54:

The Companies' Law, Capital Market Law and Regulations thereof shall apply to all matters not provided for in these Bylaws.

Article 55:

These Bylaws shall be filed and published in accordance with the provisions of the Companies' Law and Regulations thereof.