

**Dallah Healthcare Company**  
**Saudi public joint stock company**

**Article (1): Transformation**

In accordance with the provisions of the Companies Law and this Law, the Dallah Health Services Company Limited, which is registered in the Commercial Register No 1010628530 and dated 13/04/1415, was transformed from a limited liability company to a Saudi joint stock company among the owners of the shares whose provisions are established in this system.

**Article (2) Company Name:**

Dallah Healthcare Company (a Saudi public joint stock company).

**Article (3) Objectives of the company**

1. Operation, management and maintenance of health facilities and centers
2. Wholesale and retail trade in medicines, machinery, medical and surgical devices, prosthetics, equipment for the disabled, hospital equipment, and in safety and protective equipment
3. Purchasing lands to construct buildings on them and investing them by selling or leasing for the benefit of the company
4. Implementation of training programs in the medical fields
5. Maintenance and operation of electrical, mechanical and electronic installations, devices and medical equipment
6. Import and export to others
7. commercial agencies
8. Manufacture of medicines, pharmaceuticals, herbal and health preparations, cosmetics, detergents, disinfectants and packaging
9. Activities of head offices

The company carries out its activities after obtaining the necessary licenses from the competent authorities.

**Article (4) Participation**

The company may establish companies on its own (with limited liability or closed joint stock) or simple contribution as per companies law, if it is a closed joint stock company. The company may own shares and shares in other existing companies or merge with them, and it has the right to participate with others in establishing joint stock or limited liability companies, after fulfilling the requirements of the regulations and instructions followed in this regard. The company may dispose of these shares or shares, provided that this does not include brokerage in their trading.

**Article (5) the head office of the company:**

The head office of the company is located in the city of Riyadh in the Kingdom of Saudi Arabia and the Board of Directors may establish branches, offices or agencies inside or outside the Kingdom of Saudi Arabia.

**Article (6) Duration of the Company:**

The term of the company is (99) Gregorian years starting from the date of the issuance of the decision of the Minister of Commerce and Industry approving the announcement of

the company's transformation.

**Article (7) Capital:**

The capital of the company shall be (976,811,660) nine hundred and seventy six million eight hundred eleven and six hundred sixty Saudi riyals, divided into (97,681,166) ninety seven million six hundred eighty one thousand one hundred sixty six shares, the nominal value of the share are (10) ten Saudi riyals and all the company's shares are ordinary and in-kind.

**Article (8) Subscription to the capital:**

The founders subscribed to the full number of the company's shares and paid its full value.

**Article (9) Company Shares:**

The company's shares are nominal, and they may not issue shares for less than their nominal value, but may be issued at a higher value. In the latter case, the difference in value is added in a separate item within shareholders' equity, and it may not be distributed as dividends to shareholders. The share is indivisible in the face of the company. If it is owned by multiple persons, they must choose one of them to represent them in the use of the rights related to it, and these persons are jointly responsible for the obligations arising from the ownership of the share.

**Article (10) Trading in Shares:**

Shares subscribed by shareholders may not be traded until after the financial statements have been published for two fiscal years, each of which is not less than twelve months from the date of the company's transformation. The bonds of these shares are indicated with an indication of their type, the date of the company's transformation and the period during which trading is prohibited. However, during the prohibition period, the ownership of shares may be transferred in accordance with the provisions of the sale of rights from one of the shareholders to another shareholder or the heirs of one of the shareholders in the event of his death to a third party or in the event of execution on the funds of the insolvent or bankrupt shareholder, provided that the priority of owning those shares is for the other shareholders. The provisions of this article shall apply to what the shareholders subscribe to in the event of an increase in the money before the expiry of the prohibition period.

**Article (11) Shareholders Register:**

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

**Article (12) Capital Increase:**

1. The Extraordinary General Assembly may decide to increase the capital of the company, provided that the capital has been paid in full. It is not required that the capital has been paid in full if the unpaid part of the capital belongs to shares issued in exchange for converting debt instruments or financing instruments into shares and the period set for converting them into shares has not expired.
2. The Extraordinary General Assembly may, in all cases, allocate the shares issued upon the capital increase, or part thereof, to employees of the company and all or

some of its subsidiaries, or any of that. Shareholders may not exercise the right of priority when the company issues shares allocated to employees

3. The shareholder who owns the share at the time of the issuance of the extraordinary general assembly's decision approving the capital increase has priority in subscribing to new shares issued in exchange for cash shares where they will be informed of their priority, if found, via registered letter send via his address mentioned in shareholders record or via technical means about the capital increase and subscription conditions, duration and beginning and end date.
4. The Extraordinary General Assembly has the right to suspend the priority right of the shareholders to subscribe to the capital increase in exchange for cash or in-kind shares, or to give priority to non-shareholders in the cases it deems appropriate in the interest of the company
5. The shareholder has the right to sell the priority right, or to waive it during the period from the time of the issuance of the General Assembly's decision approving the capital increase until the last day of subscribing to the new shares associated with these rights, in accordance with the regulations set by the competent authority. Taking into account what was stated in paragraph (4) above, the new shares shall be distributed to the priority rights holders who have requested subscription, in proportion to their pre-emptive rights out of the total pre-emptive rights resulting from the capital increase, provided that what they receive does not exceed what they have requested of the new shares, The remainder of the new shares shall be distributed to the priority rights holders who requested more than their share, in proportion to their pre-emptive rights out of the total pre-emptive rights resulting from the capital increase, provided that what they receive does not exceed what they requested of the new shares, and the remaining shares are offered to third parties. Unless the Extraordinary General Assembly decides or the Capital Market Law provides otherwise.

#### **Article (13) Payment of the value of the increase shares:**

The shareholder is obligated to pay the value of the share on the dates specified for this, and if he fails to pay on the due date, the Board of Directors may after informing him by publishing in a daily newspaper or a trading website, or informing him by a registered letter of selling the share in a public auction or the stock market, as the case may be. in accordance with the regulations set by the competent authority. The company shall collect the amounts due to it from the sale proceeds, and return the remainder to the shareholder. If the sale proceeds are not sufficient to meet these amounts, the company may collect the remainder from all the shareholder's money.

Nevertheless, the shareholder who defaults on payment until the day of sale may pay the value due from him in addition to the expenses incurred by the company in this regard. The company cancels the sold share in accordance with the provisions of this article, and gives the buyer a new share bearing the number of the canceled share and indicates in the shares register that the sale took place with the name of the new owner.

**Article (14) Capital Reduction**

The Extraordinary General Assembly may decide to reduce the capital if it exceeds the company's need, or if it suffers losses. In the latter case alone, the capital may be reduced below the limit stipulated in Article (59) of the Companies Law, and the reduction decision shall not be issued until after General Assembly declaration prepared by the Board on the reasons behind it, the obligations of the company, and the effect of the reduction in these obligations. Along with this declaration there should be a report from company auditor. If the reduction of the capital is a result of it being more than the company's need, the creditors must be called to express their objections to it within (forty-five) days prior to the date set for the extraordinary assembly meeting to take a decision on the reduction, provided that the invitation is accompanied by a statement showing the amount of the capital before and after the reduction, the date of the meeting and the effective date of the reduction. If one of the creditors objects and submits his documents to the Company on the aforementioned date, the Company must pay him his debt if it is sooner or provide him with an adequate guarantee to fulfill it if it is later.

**Article (15) Preferred Shares**

The Extraordinary General Assembly of the company may, according to the principles set by the competent authority, issue preference shares, or decide to purchase them, convert ordinary shares into preferred shares, or convert preferred shares into ordinary shares, as per legal controls that give advantages relate to administrative or procedural issues or ordinary shares rights such as voting right

**Article (16) the company's purchase, sale and pledge of its shares:**

1. The company may purchase, sell and mortgage its shares in accordance with the regulatory controls set by the Capital Market Authority in this regard. The shares purchased by the company shall not have votes in the shareholders' assemblies.
2. The company may purchase its shares to be used as treasury shares, in accordance with the purposes and controls set by the Capital Market Authority
3. The company may purchase its shares for allocating them to the company's employees under the employee stock program. The company must fulfill other controls related to its purchase of its shares and the conditions set by the Capital Market Authority for this purpose
4. The company may sell the treasury shares in one phase or several stages in accordance with the regulations set by the Capital Market Authority.
5. The company may pledge its shares as security for a debt in accordance with the regulations set by the Capital Market Authority.
6. The company may not purchase shares from related parties.

The person who has the right to own the company's shares or possess them for the benefit of another party may pledge them in accordance with the regulations set by the Capital Market Authority, and the mortgagee creditor may receive profits and use the

rights related to the share, unless otherwise agreed in the mortgage contract. However, the mortgagee creditor may not attend or vote at the meetings of the general assembly of shareholders.

**Article (17) Composition of the Board of Directors:**

The company is managed by a board of directors consisting of nine members elected by the ordinary general assembly for a period of four years. It starts from the date of the issuance of the ministerial decision approving the transformation of the company.

**Article (18) Termination of Membership:**

The membership of the Board shall terminate upon the expiry of its term, resignation, death, or the expiry of the member's validity in accordance with any system or instructions in force in the Kingdom. However, the Ordinary General Assembly may at any time dismiss all or some of the members of the Board of Directors, without prejudice to the dismissed member's right towards the company to claim compensation if The dismissal took place for an unacceptable reason or at an inappropriate time, and a member of the Board of Directors may resign provided that it is at an appropriate time, otherwise he will be liable before the company for the damages that result from the resignation.

The General Assembly may also, based on the recommendation of the Board of Directors, terminate the membership of any member who fails to attend three consecutive meetings without a legitimate excuse accepted by the Board of Directors.

If the position of a member of the Board of Directors becomes vacant, the Board may appoint a member in the vacant position, provided that he is one of those who have sufficient experience and competence. The Ministry of Commerce and the Capital Market Authority must inform the Ministry of Commerce and the Capital Market Authority within five working days from the date of appointment. Its first meeting, and the new member completes the term of his predecessor, and if the necessary conditions for the convening of the board of directors are not met due to the number of its members being less than the minimum stipulated in the Companies Law or this system, the rest of the members must invite the ordinary general assembly to convene within sixty days to elect the necessary number of members

**Article (19) Powers of the Board of Directors:**

Taking into account the powers established for the General Assembly, the Board of Directors shall have the widest powers in managing the company and managing its affairs inside and outside the Kingdom. It may, for example, but not be limited to: Representing the company in its relationship with others, government and private agencies, police departments, chambers of commerce and industry, private bodies, companies and institutions of all kinds, and entering into tenders The board has the right to sign all types of contracts, documents and documents, including, for example, the contracts of incorporation of companies that the company establishes or participates in with all its amendments, appendices, amendment decisions, signing agreements and legal instruments on behalf of the company, selling, buying, emptying and accepting it, receiving and delivering, renting and leasing. Receive, pay, mortgage and release accounts, open or close accounts, withdraw and deposit with banks, issue credits and



bank guarantees, sign all papers, documents, checks and all banking transactions. He has the right to buy and sell shares, bonds and all types of investment in favor of the company, and he has the right to request and approve loans and banking facilities, sign their contracts and all required documents, and provide all necessary guarantees for the facilities, including real estate mortgages, order documents, share certificates and other in-kind and cash guarantees, and he has the right to sign Islamic MURABAHA and TAWARRUQ agreements. And other Islamic facilities, and sign all documents and agencies required and attached to them. It also has the right to appoint and dismiss employees and workers, request visas, bring in manpower from outside the Kingdom, contract with them, determine their salaries, issue residencies, transfer and waive sponsorships, and the Council may, within the limits of its competence, entrust one or more of its members or third parties to carry out some of its work.

The Board of Directors may contract loans with terms exceeding three years and provide guarantees for them, subject to the following conditions when contracting loans:

1. The Board of Directors determines in its decision the aspects of using the loan and how to pay it
2. The terms of the loan and the guarantees provided to it shall take into account that the company, its shareholders and the general guarantees of the creditors shall not be harmed, and shall be in accordance with Islamic Sharia.

#### **Article (20) Remuneration of the Board of Directors:**

1. The remuneration for members of the Board of Directors may be a specific amount, an attendance allowance for sessions, in-kind benefits, or a specific percentage of net profits, and it is permissible to combine two or more of the above.
2. An additional remuneration may be specified for the Chairman of the Board and the Managing Director, in addition to the remuneration stipulated for members of the Board of Directors.
3. The Ordinary General Assembly determines the amount of bonuses, taking into account the regulations and controls issued in this regard.
4. The Board of Directors' report to the Ordinary General Assembly at its annual meeting must include a comprehensive statement of all the rewards, attendance allowance for sessions, expense allowance, and other benefits that each member of the Board of Directors received during the financial year. It should also include a statement of what council members received in their capacity as workers or administrators or what they received in exchange for technical or administrative work or consultations. It should also include a statement of the number of council sessions and the number of sessions attended by each member.

#### **Article (21) Chairman of the Board of Directors:**

The board of directors appoints from among its members a president and a vice-chairman, and it may also appoint a managing member. It is not permissible to combine the position of the chairman of the board of directors with any other executive position in the company, and the vice-chairman of the board of directors shall replace the chairman of the board of directors in his absence. He shall have all the powers granted to the President.

1. The Chairman of the Board of Directors or the Vice-Chairman shall have the

authority to invite the Board to a meeting and to preside over the Board's meetings and the meetings of the General Assembly of Shareholders.

2. The powers of the Chairman of the Board of Directors are:

**Real estate:** selling and emptying the buyer, buying and accepting emptying and paying the price, accepting the gift and emptying, mortgaging, releasing the pledge, merging the sukuk, splitting and sorting, receiving the sukuk, updating the sukuk and entering them into the comprehensive system, waiving the space shortage, amending the owner's name and civil registry number Al-Hafizah, modifying boundaries, lengths, area, plot numbers, plans, deeds, dates and names of neighborhoods, leasing, signing rental contracts, receiving rent.

- **Companies:** Signing the articles of incorporation and amendment annexes, signing partners' decisions, appointing and dismissing managers, entering into existing companies, opening accounts with banks in the company's name, closing accounts with banks in the company's name, signing agreements, registering the company, registering agencies and trademarks, opening files for the company Opening branches for the company, reviewing the Quality and Quality Department and the Standards and Metrology Authority, reviewing telecommunications companies, establishing fixed phones and tours in the company's name, reviewing the General Investment Authority and signing before it, reviewing the Capital Market Authority, entering tenders and receiving forms, signing the company's contracts with others, publishing the articles of incorporation Annexes and summaries of the amendment and the articles of association in the Official Gazette, buying shares and shares, paying the price, selling shares and shares, and receiving the price.

- **Commercial records:** reviewing records management, extracting records, renewing records, transferring commercial records, reserving the trade name, opening the subscription with the Chamber of Commerce, renewing the subscription with the Chamber of Commerce, signing all documents with the Chamber of Commerce, approving the signature with the Chamber of Commerce, supervising the records, Amending records, adding activity, opening branches of records, canceling records.

- **Trusts and municipalities:** opening shops, obtaining licenses, renewing licenses, canceling licenses, transferring licenses, obtaining building and restoration permits, obtaining building completion certificates, planning lands, and obtaining health cards.

**Claims before the courts:** claiming and filing cases, pleading and defending, hearing and responding to cases, acknowledgment, denial, conciliation, waiver, exoneration, requesting an oath and rejecting it and refraining from it, bringing witnesses and evidence and challenging them, answering, wounding and amending, appealing forgery, denying lines, seals and signatures, Request

for travel ban and lifting, request for attachment and execution, request for arbitration, appeal against reports of experts and arbitrators, their return and replacement, request for execution of judgments, acceptance and denial of judgments, objection to judgments and request for appeal, petition for reconsideration, request for rehabilitation, request for pre-emption, termination of what is required to attend sessions in All cases before all courts, receipt of imminent cash, receipt of judgments instruments, claims with Sharia courts, claims with administrative courts (the Board of Grievances), claims with Sharia medical committees, claims with labor authorities, claims with committees for settling financial disputes and committees for the settlement of banking disputes Claims to commercial paper dispute settlement offices and commercial dispute settlement committees Claims to customs committees and commercial fraud committees Claims to the supervisory authority Investigation, claims with the Bureau of Investigation and Public Prosecution.

- **Banks:** Concluding all contracts and transactions within the purpose of the company, creating, signing and receiving commercial papers, conducting all banking transactions, reviewing all banks and banks, opening accounts with legal controls and approving the signature, withdrawing from accounts, depositing, transferring from accounts, extracting account statements, extracting books Checks, issuing certified checks, receiving and disbursing transfers, subscribing to safe deposit boxes, renewing participation in the safe deposit box, redeeming units of safe deposit boxes, requesting bank loans that comply with the SHARIAH provisions and controls, accepting their terms, conditions and prices, signing their contracts, forms, pledges and payment schedules, receiving and disposing of the loan, Request exemption from loans, sign guarantees, request issuance of guarantees, open credits on behalf of the company, sign contracts and facility papers, sign Islamic MURABAHA agreements and investment contracts of all kinds, waive rights and benefits, open investment portfolios with legal controls, edit, amend and cancel orders, activate accounts, lock and settle accounts Cashing checks, objecting to checks, receiving returned checks, updating data.
- **Ministries and government departments:** reviewing all government ministries, reviewing all government departments, reviewing all government agencies, reviewing all government presidencies, reviewing all government institutions, reviewing all security agencies.
- The chairman of the board of directors may delegate or delegate one of the members of the board of directors or a third party to carry out a certain work or actions within his authority or take a specific action or behavior, and grant the agent the authority to delegate another, and he has the right to cancel the power of attorney or delegation partially or completely.

#### **Article (22) Invitation to Meetings:**

The Council meets at the invitation of its president at least four times a year. The



invitation is in writing and may be delivered by hand or sent by post, fax or e-mail. The chairperson of the council or her deputy shall call for a meeting whenever requested in writing to do so by any board member.

**Article (23) Quorum of Meetings:**

A board meeting shall not be valid unless attended by at least five members. In the event that a member of the board of directors delegates another member to attend board meetings, the delegation must be in accordance with the following rules:

1. A member of the Board of Directors may not represent more than one member in attending that meeting
2. The proxy is fixed in writing and for a specific meeting
3. The representative may not vote on decisions that the system prohibits the representative from voting on

The decisions of the Board of Directors are issued by an absolute majority of the votes of the members of the Board present or represented at the meeting, and in the event of equal votes, the opinion of the Chairman of the meeting or whoever chairs the Board in his absence shall prevail.

The Board of Directors may issue resolutions on urgent issues by passing by presenting them to all members by circulation, unless one of the member's requests, in writing, the meeting of the Board for deliberation. These decisions will be issued with the approval of most of the votes of the board. These decisions are to be presented to the Board of Directors in its first upcoming meeting in order to be noted in the board minutes.

**Article (24) Deliberations of the Board of Directors:**

The deliberations and decisions of the Board of Directors shall be recorded in minutes signed by the Chairman of the meeting, the members of the Board of Directors present and the Secretary. These minutes shall be recorded in a special register signed by the Chairman of the Board of Directors and the Secretary.

It is also permissible to use modern technology to sign, document deliberations and decisions, and record minutes.

**Article (25) Formation of Committees:**

The Board of Directors may, by a decision issued by it, form an appropriate number of committees in accordance with what is required by the laws and regulations and the company's needs, and it has all the powers towards determining the scope of their competencies, tasks, procedures and provisions for their work, appointing and dismissing their members, determining their remuneration, and the mechanism for following up on the work of those committees.

**Article (26) Attending Assemblies:**

A properly constituted general assembly representing all shareholders, and it is held in the city in which the company's head office is located.

**Article (27) Transfer General Assembly:**

The General Assembly of Transfer is concerned with the following matters:

- Verification of subscription to all the company's capital

Approval of the final texts of the company's articles of association, and it is not allowed to make fundamental amendments to the system before it, except with the approval of all the attendees represented at the meeting.

Approval of shift expenses and expenses

Appointing the company's chartered accountant for the first fiscal year after the transformation.

For the assembly to be valid, the attendance of a number of shareholders representing at least half of the capital is required, and each shareholder in its meetings has a vote for each share he subscribes to or represents.

#### **Article (28) Ordinary General Assembly:**

With the exception of the matters of the Extraordinary General Assembly, the Ordinary General Assembly is concerned with all matters related to the company, and it convenes at least once a year during the six months following the end of the company's financial year.

#### **Article (29) Extraordinary General Assembly:**

The Extraordinary General Assembly is competent to amend the company's articles of association, except for the provisions that are prohibited from amending them.

In addition, the Extraordinary General Assembly may issue resolutions in matters within the competence of the Ordinary General Assembly with the same conditions prescribed for the last Assembly.

#### **Article (30) Invitation to General Assemblies:**

General or special General or special assemblies of shareholders are held at the invitation of the Board of Directors in accordance with the Companies Law and its regulations, and the Board of Directors must invite the Ordinary General Assembly to convene if requested by the auditor or a shareholder or more that represent (10%) of the company shares at least, and the auditor may Inviting the assembly to convene if the board did not invite the assembly within thirty days from the date of the auditor's request.

The invitation to convene the general assembly shall be published in a daily newspaper distributed at the company's head office at least twenty-one days before the date set for the meeting via use of modern technology, document deliberations and decisions, and record minutes. Copy of invitation and agenda to commercial registration and the Capital Market Authority, within the period specified for publication.

#### **Article (31) Proof of attendance:**

Shareholders who wish to attend the general or special assembly shall register their names at the company's head office before the time specified for the assembly

When the assembly is convened, a list shall be drawn up of the names of the attending and represented shareholders and their places of residence, indicating the number of shares they hold in person or by proxy, and the number of votes assigned to them.

Interested in viewing this disclosure

#### **Article (32) Quorum for the Ordinary General Assembly:**

The meeting of the Ordinary General Assembly shall not be valid unless attended by

shareholders representing at least 25% of company shares. If the necessary quorum is not available to hold this meeting, one of the two options must be chosen:

1. The second meeting shall be held an hour after the end of the period specified for the first meeting, provided that the invitation to the first meeting shall include an announcement of the possibility of holding this meeting.
2. An invitation has been sent to a second meeting to be held within the thirty days following the previous meeting, and this invitation shall be published in the manner stipulated in Article (31) of this Bylaw.

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

#### **Article (33) Quorum for the Extraordinary General Assembly:**

The Extraordinary General Assembly meeting shall not be valid unless attended by shareholders representing at least half of the company shares. If this quorum is not available in the first meeting, one of the two options must be chosen.

1. The second meeting shall be held an hour after the end of the period specified for the first meeting, provided that the invitation to the first meeting shall include an announcement of the possibility of holding this meeting.
2. An invitation has been sent to a second meeting to be held in the same conditions stipulated in Article 30 of this Bylaw. In all cases, the second meeting shall be valid if attended by a number of shareholders representing at least a quarter of company shares.

If the necessary quorum is not present in the second meeting, an invitation is sent to a third meeting, which shall be held in the same conditions stipulated in Article (30) of this Bylaw, and the third meeting shall be valid regardless of the number of shares represented therein, after the approval of the competent authority.

#### **Article (34) Voting Power:**

Each partner has a vote for every share he represents in the general assembly for transformation, and the votes in the ordinary general assembly and the extraordinary general assembly are calculated on the basis of one vote per share. Cumulative voting is followed when selecting the members of the board of directors by the general assembly of shareholders.

#### **Article (35) Decisions:**

The decisions of the General Assembly for transformation and the Ordinary General Assembly are issued by an absolute majority of the shares represented in the meeting, and the decisions of the Extraordinary General Assembly are issued by a two-thirds majority of the shares represented in the meeting, unless the decision is related to an increase or decrease in the capital, or the extension of the company's term, or the dissolution of the company before the expiry of the period specified in its bylaws, or by merging the company into another company or institution, the decision shall not be valid unless it is issued by a majority of three quarters of the shares represented at the meeting

#### **Article (36) Discussing the agenda**

Each shareholder has the right to discuss the topics listed on the agenda of the general assemblies and to direct questions about them to the members of the Board of Directors

and the auditor. The board of directors or the auditor shall answer the shareholders' questions to the extent that the company's interest is not harmed. If one of the shareholders believes that the answer to his question is not convincing, he shall appeal to the assembly and its decision in this regard is effective.

**Article (37) General Assembly Procedures:**

Meeting of the general assembly is chaired by the chairman of the board of directors, or his deputy in his absence, or whoever is delegated by the board of directors from among its members for that in the absence of the chairman and his deputy in their absence, and in the event that this is not possible, the General Assembly meeting shall be chaired by whomever the shareholders delegate from among the Board members or others by voting. In their possession, on his behalf or by proxy, the number of votes assigned to them, the decisions taken, the decisions that approved or disagreed with them, and an adequate summary of the discussions that took place at the meeting. Minutes are recorded regularly after each meeting in a special register signed by the association's president, secretary and vote collector. The council chairman or whomever he delegates shall certify copies of the extracts of the minutes indicating their conformity with the proven original in the register when submitted to any party.

**Article (38) Appointment of the auditor:**

The company must have an auditor (or more) from among the auditors licensed in the Kingdom, to be appointed and determining his annual benefits, work scope and duration by the Ordinary General Assembly annually. The General Assembly may terminate the auditor without prejudice to his right to compensation for the damage he suffers if he has a need.

**Article (39) Examining the Records:**

The auditor at any time has the right to review the company's books, records and other documents, and he has the right to request data and clarifications that he deems necessary to obtain in order to verify the company's assets, obligations and other matters that fall within the scope of his work. The auditor encountered difficulty in this regard. He proved this in a report submitted to the Board of Directors. If the Board did not facilitate the work of the auditor, he must request the Board of Directors to invite the Ordinary General Assembly to look into the matter.

**Article (40) Financial Year:**

The company's financial year begins on the first of January and ends on December 31 of each year, provided that the first fiscal year after the transformation begins from the date of the ministerial decision approving the transformation announcement and ends on December 31 of the following calendar year.

**Article (41) The Company's Budget:**

1. At the end of each financial year of the company, the board of directors must prepare the company's financial statements and a report on its activity and financial position for the past fiscal year. This report includes the proposed method for distributing profits, and the board puts these documents at the auditor's disposal forty-five days before the date set for convening the general assembly.

2. The company's chairman, chief executive and financial manager must sign the documents referred to in paragraph (1) of this article, and copies of them shall be deposited at the company's head office at the shareholders' disposal.
3. The chairman of the board of directors shall provide the shareholders with the company's financial statements, the board's report, and the auditor's report after signature if not published via technical means before the date set for the annual general assembly at least 21 days before, he must also submit these documents in accordance with what is specified by the regulations.

#### **Article (42) Profits to be distributed:**

Distribution of the profits:

1. The Ordinary General Assembly may decide to form other reserves, to the extent that serves the interest of the company or ensures the distribution of fixed profits - as much as possible - to the shareholders. The association may deduct a certain percentage from the net profits to achieve social purposes for the company's employees.
2. The General Assembly shall determine the percentage of net profits to be distributed to shareholders after deducting reserves, if any.
3. The shareholder is entitled to his share of the profits in accordance with the decision of the General Assembly issued in this regard, and the decision indicates the date of maturity and the date of distribution.
4. The association may decide to distribute profits on an annual, semi-annual or quarterly basis, and the association may authorize the board of directors to do so.

#### **Article (43) Payment of Profits:**

The shareholder shall be entitled to his share of the profits in accordance with the decision of the General Assembly issued in this regard, and the decision shall indicate the date of entitlement and the date of distribution, and the entitlement of the profits shall be to the owners of the shares registered in the shareholders' records at the end of the day specified for entitlement. The Board of Directors must implement the General Assembly's decision regarding the distribution of profits to registered shareholders within (15) working days from the date of entitlement to these dividends specified in the General Assembly's decision or in the Board of Directors' decision requiring the distribution of interim dividends.

To be Deleted

#### **Article (44) Losses of the Company:**

1. If the losses of a joint-stock company amount to half of the paid-up capital, at any time during the fiscal year, an official in the company or an auditor must immediately inform the Chairman of the Board of Directors, and the Chairman of the Board of Directors must inform the members of the Board immediately, and the Board of Directors within fifteen days. Whoever becomes aware of this, invite the extraordinary general assembly to meet within forty-five days from the date of his knowledge of the losses, to decide whether to increase or decrease the company's capital in accordance with the provisions of the Companies Law, to the extent that the percentage of losses drops below half of the paid-up capital, or to dissolve the company. Before the deadline specified in Article (6) of this Bylaw.
2. The company is considered dissolved by the force of the Companies Law if the



General Assembly does not meet within the period specified in Paragraph (1) of this Article, or if it meets and is unable to issue a decision on the matter, or if it decides to increase the capital in accordance with the conditions established in this Article, and the subscription has not taken place in Each capital increase within ninety days from the issuance of the Assembly's decision to increase it

**Article (45) Liability Claim:**

Every shareholder has the right to file a liability lawsuit for the company against the members of the board of directors if the mistake made by them would cause his own damage, provided that the company's right to file it still exists and the shareholder must inform the company of his intention to file the lawsuit.

**Article (46) Termination of the Company:**

As soon as the company enters the liquidation stage and maintains the legal personality to the extent necessary for liquidation, the decision of voluntary liquidation is issued by the extraordinary general assembly. The liquidation decision must include the appointment of the liquidator, specifying his powers, his fees, the restrictions imposed on his powers, and the time period required for liquidation, and it must not exceed The term of voluntary liquidation is five years, and it may not be extended for more than by a court order. The authority of the company's board of directors ends with its dissolution. However, these people remain in charge of managing the company, and they are considered to be liquidators until the liquidator is appointed, and the shareholders' assemblies remain during the liquidation period Its role is limited to exercising its competencies that do not conflict with the competencies of the liquidator.

**Article (47) Companies Law:**

The Companies Law shall apply to everything not mentioned in this Articles of Association

**Article (48) Publication:**

This system shall be deposited and published in accordance with the companies law and its executive regulation.