

**ARTICLES OF ASSOCIATION
MALATH COOPERATIVE INSURANCE CO.
A SAUDI JOINT STOCK COMPANY**

Article (1): Incorporation:

Pursuant to the provisions of the Cooperative Insurance Companies Control Law and its Implementing Regulations, the Companies Law, the Capital Market Law and its Implementing Regulations, and the Articles of Association (AOA) of The Company, a Saudi Joint Stock Company is hereby incorporated among the shareholders. The provisions of The Company's AOA are set forth below.

Article (2): Company Name:

Malath Cooperative Insurance, a Saudi Joint Stock Company

Article (3): Company Purposes:

The Company's activities shall encompass the practice of cooperative insurance business and related activities, including reinsurance, agency, representation, correspondence, or brokerage. The Company may take all actions necessary to achieve its objectives, whether in the realms of insurance or investment of its funds, and may own, transfer, sell, exchange, or lease fixed and cash assets directly or through the entities it establishes or acquires, or in partnership with other parties. The Company shall conduct its activities in compliance with the Cooperative Insurance Companies Control Law and its Implementing Regulations, and the applicable laws and regulations of the Kingdom of Saudi Arabia, following the issuance of requisite licenses from the competent authorities, as applicable.

Article (4): Shareholding and Ownership of Companies:

The Company may establish limited liability or closed joint-stock companies (provided that the Company's capital is not less than (500,000) five hundred thousand Saudi Riyals). Additionally, it may hold shares and stakes in existing companies or merge with them, and is entitled to participate with others in the establishment of joint-stock or limited liability companies- provided that the companies established, participated in, or merged with by the Company are engaged in similar business or financial activities or activities that further the Company's objectives. This shall be carried out after fulfilling the requirements of the applicable regulations and directives in this regard and obtaining approval from the Insurance Authority.

Article (5): Company Headquarters:

The Company's headquarters shall be located in the city of Riyadh, Kingdom of Saudi Arabia. The Extraordinary General Assembly may resolve to transfer the headquarters to any other city within the Kingdom, subject to approval by the competent authorities. The Company may establish branches, offices, or agencies inside or outside the Kingdom of Saudi Arabia, subsequent obtaining approval from the Insurance Authority.

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Article (6): Company Term:

The Company's Term shall be ninety-nine (99) calendar years, commencing from the date of its registration in the Commercial Register. This term may be extended by resolution of The Extraordinary General Assembly at least one year prior to the expiration date.

Article (7): Company Investments:

The Company shall invest funds accumulated from the insured and shareholders in accordance with the guidelines established by the Board of Directors, ensuring compliance with the Cooperative Insurance Companies Control Law, its Implementing Regulations, and other relevant regulations and directives issued by the Insurance Authority or any other relevant authority.

Article (8): Capital:

The Company's capital is five hundred million Saudi riyals (SAR 500,000,000), divided into fifty million (50,000,000) equal-value shares with a nominal value of ten Saudi riyals (SAR 10) per share, all of which are ordinary cash shares.

Article (9): Subscription to Shares:

The shareholders have fully subscribed to the Company's capital, and the full amount has been paid.

Article (10): Shareholders Register:

Shares of the Company are traded in accordance with the provisions stipulated in the Capital Market Law and its Implementing Regulations.

Article (11): Issuance of Shares:

- 1- The Company's shares shall be nominal, and the nominal value of each share shall be (10) riyals. Shares shall not be issued for less than their nominal value, but they may be issued for a higher value. In the latter case, the difference in value shall be added to a separate account under shareholders' equity and shall not be distributed as dividends to shareholders.
- 2- Pursuant to paragraph (1) of this Article, shares may be divided into shares of lesser nominal value or combined to represent shares with a higher nominal value, subject to the necessary controls to do so.
- 3- A share is indivisible against the Company. In cases where a share is jointly owned, the shareholders shall designate one person to exercise associated rights, with all of the owners jointly liable for obligations arising from share ownership.

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Article (12): Trading of Shares:

Shares of the Company are traded in accordance with the provisions stipulated in the Capital Market Law and its Implementing Regulations.

Article (13): Capital Increase:

- 1- The Extraordinary General Assembly may resolve to increase the Company's capital, subject to approval from competent authorities, provided that the capital has been fully paid. If any portion of the unpaid capital pertains to shares issued to convert debt instruments or financing instruments into shares and the prescribed period for conversion into shares has not expired, the capital is not required to be paid in full.
- 2- The Extraordinary General Assembly may, in all cases, allocate the issued shares, or a part thereof, upon increasing the capital, to the employees of the Company and its subsidiaries, and/or some of them. The shareholders shall not enjoy preemptive rights in the issuance of shares designated for employees.
- 3- In all cases, the nominal value of the shares of the increase shall be equal to the nominal value of original shares of the same type or class.
- 4- Shareholders holding shares at the time of the Extraordinary General Assembly's resolution approving the capital increase shall have priority to subscribe to new shares issued against cash. Such shareholders shall be notified of their preemptive rights, if any, by registered mail to the address registered in the shareholder registry, or through modern technological means, along with details of the capital increase resolution, subscription terms, methods, duration, start, and end dates, considering the type and class of shares owned.
- 5- The Extraordinary General Assembly may suspend priority shareholders' preemptive rights to subscribe to the increase of capital against cash or grant such rights to non-shareholders in cases deemed beneficial to the Company.
- 6- Shareholders may sell or assign their preemptive rights with or without financial consideration during the period from the date of the General Assembly's resolution approving the capital increase until the last day of subscription to new shares associated with these rights in accordance with regulations.

Article (14): Capital Decrease:

- 1- The Extraordinary General Assembly may resolve to decrease the capital if it exceeds the Company's needs or due to incurred losses, following approval from competent authorities, provided that the paid-up capital does not fall below three hundred million Saudi riyals (SAR 300). The resolution for capital decrease shall only be issued after the Board of Directors presents a report in the General Assembly detailing the reasons for the decrease, the Company's obligations, and the impact of such decrease on meeting those obligations, accompanied by a report from the Company's auditor.

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- 2- In cases where capital reduction results from excess capital, creditors shall be invited to express any objections at least forty-five (45) days prior to the scheduled Extraordinary General Assembly meeting to decide on the reduction. The notification shall include a statement showing the capital amount before and after reduction, the meeting date, and the effective date of the reduction. If a creditor objects and submits relevant documentation by the specified date, the Company shall settle the debt if due or provide adequate assurance of repayment within the agreed terms.

Article (15): Company Management:

- 1- The Company is managed by a Board of Directors consisting of 9 members elected by the Ordinary General Assembly for a term not exceeding- four years.
- 2- The composition of the Board of Directors shall reflect the appropriate representation of independent members.
- 3- In all cases, the number of independent Board members shall not be less than two or one-third of the Board members, whichever is higher.

Article (16): Expiration of Board Membership:

- 1- Membership of the Board of Directors shall terminate upon the expiration of the Board's term, resignation, death, absence from three consecutive meetings or five non-consecutive meetings during the membership term without valid excuse accepted by the Board, proof to the Board of breaching duties causing harm to the Company's interests, subject to approval by the Ordinary General Assembly, expiration of membership per applicable laws or regulations in the Kingdom of Saudi Arabia, declaration of bankruptcy or insolvency, submission of creditors' settlement request, cessation of debt payments, the onset of mental illness or physical disability that may prevent the member from fulfilling their role effectively, or if they are found guilty of an act involving dishonesty or ethics, or are convicted of forgery by a final judgment.
- 2- The Ordinary General Assembly may at any time dismiss all or some of the members of the Board, and in this case, the Ordinary General Assembly shall elect a new Board of Directors or replacements for dismissed member(s), as applicable, in accordance with the provisions of the law, without prejudice to the dismissed member's right to seek compensation from the Company if the dismissal was unjustified or untimely.
- 3- A board member may resign by providing written notice to the Chairman, provided it is submitted at an appropriate time. Otherwise, the member shall be liable to the Company for any resulting damages. If the Chairman resigns, notice shall be addressed to the remaining Board members and the Board Secretary, and it shall be effective from the date specified in the notice.
- 4- If a Board member resigns and has comments on the Company's performance, they must submit a written statement explaining such comments to the Chairman of the Board, and such statement shall be presented to the Board members.

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Article (17): Vacant Board Position:

In the event that a Board position becomes vacant due to death or resignation, and this does not breach conditions necessary for a valid Board meeting by reducing members below the minimum required in the Company's AOA, then the Board may- temporarily- appoint a member who has adequate experience for the vacant position. This appointment requires approval from the competent authorities and it shall inform the Commercial Registry and CMA within fifteen days from the date of the appointment. The appointment shall also be presented to the Ordinary General Assembly at its first meeting, and the appointed member shall only serve the remainder of their predecessor's term.

Article (18): Board Powers:

- 1- Subject to the competencies vested in the General Assembly, the Board of Directors shall possess broad authority to manage the Company and achieve its objectives, except where specifically excluded by provisions in the Companies Law or this AOA from acts or transactions falling within the General Assembly's jurisdiction. The Board of Directors may delegate specific tasks to one or more of its members or third parties, provided such delegation complies with applicable laws and regulations.
- 2- The Board of Directors shall, for example, represent the Company in its dealings with third parties, government and private entities, all Sharia courts, police departments, chambers of commerce and industry, all companies, institutions, banks, commercial banks, treasuries, and all government financing funds and institutions, under their various names and competencies, and other creditors.
- 3- The Managing Director or the Chief Executive Officer may have the authority to represent the Company, and either of them may delegate others to represent it.
- 4- The Board has the right to acknowledge, claim, defend, plead, litigate, waive, reconcile, accept and reject judgments, arbitrate, request the execution of judgments, contest them, receive the proceeds of execution, discharge the Company's debtors from their obligations, participate in tenders, buy, sell, and mortgage real estate.
- 5- The Board may also enter into contracts and sign for the Company and on its behalf all types of contracts, documents, and files, including, without limitation, the AOA of companies in which the Company participates, with all their amendments and annexes, and the signing of agreements and instruments before the notary public and official authorities, as well as loan agreements, guarantees, sureties, and instruments for the sale and purchase of the real estate, and the issuance of powers of attorney on behalf of the Company, and the sale, purchase, clearance, receipt, delivery, leasing, collection, and payment, and the opening of accounts, credits, withdrawals, and deposits with banks, and the issuance of guarantees to banks, funds, and government financing institutions, the signing of all papers, promissory notes, checks, and all commercial papers and documents, and all banking transactions.
- 6- The Board of Directors may arrange loans of any duration, or sell the Company's assets not exceeding 50% of the value of those assets from the date of the first transaction within the

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previous 12 months, or mortgage them, or sell or mortgage the Company's commercial store, or discharge the Company's debtors from their obligations.

- 7- In the absence of the Chairman of the Board, the Vice Chairman shall assume their duties.

Article (19): Remuneration of Board Members, Chairman and Managing Director:

- 1- Remuneration for Board members shall be a fixed amount, session attendance allowances, benefits in kind, or a percentage of net profits. Any combination of these benefits is permissible.
- 2- The Ordinary General Assembly shall determine the remuneration amount, ensuring it is fair, motivating, and commensurate with the members' performance and that of the Company. The regulations shall outline the controls necessary to implement this paragraph.
- 3- Upon Company profitability, a bonus equivalent to 10% of the remaining net profits may be distributed, after deducting reserves stipulated by the General Assembly per Cooperative Insurance Companies Control Law and following a dividend distribution of not less than 5% of the Company's paid-up capital to shareholders. Bonus entitlement shall be proportional to the number of meetings attended by the member, with any conflicting estimations deemed void.
- 4- The maximum attendance allowance for the Board and committee meetings shall be five thousand riyals (SAR 5,000) per meeting, excluding travel and accommodation expenses.
- 5- Each Board member, including the Chairman of the Board, shall be reimbursed for actual expenses incurred attending Board or sub-committee meetings, including travel, accommodation, and subsistence expenses.
- 6- The Board of Directors' annual report to the Ordinary General Assembly shall comprehensively disclose remunerations, expense allowances, and other benefits received by each Board member during the fiscal year. It shall also include a statement of the amounts received by the Board members as employees, administrators, or for technical, administrative, or advisory work. It shall also include a statement of the number of Board meetings and the number of meetings attended by each member since the last General Assembly.

Article (20): Powers of Chairman, Vice Chairman, Managing Director and Secretary of the board:

The Board of Directors shall appoint a Chairman and a Vice-Chairman from among its members. Additionally, it shall appoint a Chief Executive Officer and may appoint a Managing Director, with the condition that the Chairman of the Board and any executive position within the Company cannot be held concurrently. The Chairman of the Board is authorized to sign on behalf of the Company and implement Board resolutions. The Chairman of the Board is responsible for representing the Company before the judiciary, arbitration bodies, and third parties. The Chairman of the Board may, by written resolution, delegate some of their powers to other Board members or third parties to carry out specific work or activities. The Board of Directors shall determine the salaries, allowances, and bonuses for the Chairman of the Board and the Managing Director in accordance with the provisions of Article (19) of these AOA. The Board of Directors

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shall appoint a Board Secretary. The Board may also appoint one or more advisors in various affairs of the Company and shall determine their remuneration. Terms of office for the Chairman of the Board, Vice Chairman, Managing Director, and Board Secretary shall not exceed their membership terms on the Board, with the possibility of re-election. The Board reserves the right to dismiss any of these officials at any time, without prejudice to compensation rights if dismissal occurs unlawfully or at an inappropriate time.

Article (21): Board Meetings:

The Board shall convene upon the invitation of its Chairman, who shall call for a meeting whenever requested in writing by any member of the Board to discuss any subject(s). Invitation shall be documented in the manner deemed appropriate by the Board. Board meetings shall be held regularly and as needed, and may utilize modern technological means, provided that the Board convenes at least four meetings annually, with at least one meeting every three months between meetings.

Article (22): Board Meetings Quorum:

- 1- The Board meeting shall not be valid unless attended by at least half of its members (in person or by proxy).
- 2- Board members may not delegate others to attend Board meetings or vote on its resolutions. As an exception, a member may delegate one proxy.
- 3- Failure to meet quorum due to insufficient member attendance shall prompt remaining members to call the Ordinary General Assembly within sixty days to elect additional members as required.
- 4- The Board shall pass its resolutions by approval of majority of votes of the present members (in person or by proxy). In case of a tie, the Chairperson of the meeting shall have the casting vote.
- 5- The Board may issue resolutions on urgent matters through written circulation, unless a member requests, in writing, a meeting for deliberation. Such resolutions require majority approval and must be substantiated in minutes at the subsequent Board meeting.
- 6- Board resolutions shall take effect from the date of issuance, unless specified otherwise in the resolution or subject to certain conditions.

Article (23): Board Deliberations

Deliberations and resolutions of the Board shall be documented in minutes prepared by the Board's Secretary and signed by the meeting Chairperson, attending Board members, and the Secretary. Minutes shall be written down in a special register to be signed by the Chairman and the Secretary. Modern technological means may be employed for signing, substantiating deliberations and resolutions, and recording minutes.

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Article (24): Agreements and Contracts

- 1- The Company, after obtaining the non-objection of the Insurance Authority, has the right to conclude a technical services management agreement with one or more qualified companies in the insurance field.
- 2- The Company's manager and any member of its Board of Directors shall not have any direct or indirect interest in contracts or transactions executed for the Company's account, unless authorized by the Ordinary General Assembly. Upon becoming aware of any such interest, a Board member shall promptly disclose it to the Board, and this disclosure shall be recorded in the meeting minutes.
- 3- This member may not participate in voting on the resolution issued in this regard by the Board and the general assemblies.
- 4- The Chairman of the Board shall inform the Ordinary General Assembly, upon its convening, of the works and contracts in which any of the Board members has a direct or indirect interest. The notification shall be accompanied by a special report from the Company's external auditor.
- 5- If a Board member fails to disclose its interest, the Company or any shareholder may claim before the competent judicial authority the invalidation of the contract or oblige the member to pay any profit or benefit that it has accrued from such interest.
- 6- Responsibility for damages arising from contracts or transactions mentioned in paragraphs (2, 3, and 4) of this article lies with the member having the interest, as well as with Board members in case of negligence or failure to fulfill obligations contrary to these provisions, or if such contracts are found to be unfair or involve a conflict of interest harming shareholders.
- 7- Board members who oppose such resolutions shall be exempt from responsibility if their objection is explicitly documented in the meeting minutes. Absence from the meeting where the resolution was adopted does not exempt a member from responsibility, unless it is proven they were unaware of the resolution or unable to object after becoming aware.
- 8- Neither the Company's manager nor a Board member shall engage in any activity that would compete with the company or with any of its business areas. Otherwise, the Company may seek appropriate compensation from them before the competent judicial authority unless they have obtained prior authorization from the Ordinary General Assembly—renewed annually—that permits such actions.

Article (25): Attendance at Assemblies

- 1 - The duly constituted General Assembly shall represent all the shareholders, and convenes at the Company's headquarters city, in Riyadh.
- 2 - Each shareholder, regardless of the number of their shares, have the right to attend shareholders' general assemblies and may delegate another person, other than the members of

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the Board, to attend the General Assembly on their behalf. The General assembly meetings may be held and the shareholder may participate in their deliberations and vote on their resolutions through modern technological means.

Article (26): Mandate of the Ordinary General Assembly

Except for matters reserved for the Extraordinary General Assembly, the Ordinary General Assembly shall have authority over all Company matters and shall convene at least once annually within six months following the Company's fiscal year-end. Additional Ordinary General Assemblies may be convened as necessary.

Article (27): Mandate of the Extraordinary General Assembly

The Extraordinary General Assembly is empowered to amend the Company's AOA, except for provisions prohibited by law from modification. It may also issue resolutions on matters falling under the jurisdiction of the Ordinary General Assembly under similar terms and conditions.

Article (28): Invitation for Assemblies

- 1- The general or special assemblies' meetings of the shareholders shall be convened upon the invitation of the Board of Directors. The Board of Directors shall call the Ordinary General Assembly to convene within thirty (30) days from the date of the request of the auditor or one or more shareholders representing at least (10%) of the Company's shares that have voting rights. The auditor may call for an Ordinary General Assembly in case the Board of Directors has not called for the meeting within (30) days from the date of the auditor's request.
- 2- The Ordinary General Assembly may be convened by a resolution from CMA in the following cases:
 - a) Failure to convene (within six months after the fiscal year- end).
 - b) Insufficient Board members for a valid meeting.
 - c) Violations of the law or Articles of Association, or malfunction in company management.
 - d) Failure to convene upon request by the auditor or shareholders representing at least 10% of voting shares within thirty days.
- 3- The invitation to convene the General Assembly shall be made at least (21) days before the specified date, taking into account the following:
 - a) Inform shareholders pursuant to registered letters at their addresses as listed in the Shareholders Register or announce the invitation via modern technological means.
 - b) Send a copy of the invitation and the agenda to the Commercial Register and a copy to the Capital Market Authority.

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Article (29): Attendance Record of Assemblies

The shareholders wishing to attend a meeting of the general or special assembly shall register their names in the Company's headquarters prior to the time specified for such meeting.

Article (30): Quorum for the Ordinary General Assembly Meeting:

- 1- The Ordinary General Assembly shall be deemed valid only if attended by shareholders representing at least one-quarter of the voting shares.
- 2- If the quorum is not met in the first meeting, a second meeting shall be called within thirty days of the first. This call shall be published in the manner provided for in Article (28) of this AOA. However, the second meeting may be held one hour after the end of the period specified for the first meeting, provided that the call for the first meeting includes a declaration of the possibility of holding this meeting. In all cases, the second meeting shall be valid regardless of the number of shares represented therein. It is permissible to hold Ordinary General Assemblies, take part in deliberations, and vote on its resolutions using modern technological means, according to the controls of the competent authority.

Article (31): Quorum for the Extraordinary General Assembly Meeting:

1. The Extraordinary General Assembly Meeting is valid only if attended by shareholders representing at least half of the voting shares.
2. If the quorum is not met in the first meeting, a second meeting shall be called under the same conditions as stipulated in Article (28) hereof. The second meeting may be held within one hour following the scheduled time of the first meeting, provided notice of this possibility was included in the first meeting's invitation. In all cases, the second meeting is valid if attended by shareholders representing at least 25% of the voting shares. If the required quorum is not available in the second meeting, a call shall be made for a third meeting to be held under the same conditions stipulated in Article (28) hereof, and the third meeting shall be valid regardless of the number of voting shares represented therein, after the approval of the competent authorities. It is permissible to hold Extraordinary General Assemblies, take part in deliberations, and vote on resolutions using the latest technological means, according to the controls of the competent authority.

Article (32): Voting in Assemblies

Votes in the Constituent Assembly and Ordinary and Extraordinary General Assemblies shall be calculated on the basis of one vote per share. Cumulative voting shall be used for electing the Board of Directors, with each share's voting right not being used more than once. Board members may not participate in voting on resolutions discharging them from liability for managing the company

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or on matters related to businesses and contracts, in which they have a direct or indirect interest, or involve a conflict of interest.

Article (33): Assembly Resolutions

Resolutions of the Ordinary General Assembly require approval by a majority of votes represented at the meeting. However, if these resolutions are related to the evaluation of special privileges, the approval of the majority of subscribers to the shares representing (two-thirds) of the mentioned shares is required, after excluding what was subscribed by the beneficiaries of the special privileges. Resolutions of the Extraordinary General Assembly shall be issued with the approval of (two-thirds) of the voting rights represented at the meeting unless the resolution is related to an increase or decrease of the capital, extension of the Company's term or its dissolution before the period specified herein, or its merger with another Company or division into two or more companies, in which case the resolution shall not be valid unless issued with the approval of (three-quarters) of the voting rights represented in the meeting.

Article (34): Assembly Discussion

Each shareholder shall have the right to discuss subjects enlisted on the agenda of the General Meeting, and ask questions in that regard to the Board members and the auditor. Any provision in these AOA that limits this right of shareholders shall be void. The Board of Directors or the auditor must provide answers to shareholders' questions, provided that it does not jeopardize the Company's interests. If a shareholder finds the answer to their question insufficient, they may bring the matter to the General Assembly, and the resolution thereof shall be binding.

Article (35): Presiding over Assemblies and Preparation of Minutes

1. The General Assembly shall be chaired by the Chairman of the Board, or in their absence, by the Vice Chairman. If both are absent, a member designated by the Board of Directors shall chair the meeting. If all the aforementioned persons are absent, the General Meeting may elect a chairperson from among the Board members or a third party by voting.
2. Minutes of the meeting shall be prepared, including the number of shareholders present in person or by proxy, the number of shares represented, the voting results for each resolution, a summary of discussions, and any other relevant details. After each meeting, minutes shall be regularly recorded in a special register to be signed by the Assembly's Chairman, secretary and vote collectors.

Article (36): Board Committees

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The Board of Directors' committees are formed in accordance with the relevant laws and regulations.

Article (37): Auditor Appointment

1. The General Assembly shall appoint two or more auditors licensed to operate in the Kingdom, determine their remuneration and term of office, and may reappoint them, provided that the total term of appointment does not exceed seven (7) consecutive or separate years. Auditors who have served this maximum term may be reappointed after a period of not less than three consecutive years from the expiry of their last term.
2. The auditor may be dismissed pursuant to the General Assembly resolution. The Chairman shall promptly inform the relevant authorities of the resolution and the reasons for dismissal, within five days of its issuance.

Article (38): Auditor Powers

The auditor may, at any time, peruse the Company's documents, accounting registers, and supporting documents. Additionally, the auditor may request statements and clarifications deemed necessary to verify the Company assets and liabilities, besides other matters within the auditor's scope of work. The Chairman of the Board shall enable it to perform the duties thereof, and if the auditor has troubles in this regard, it shall prove such troubles in a report to be submitted to the Board of Directors. If the Board of Directors does not facilitate the job of the auditor, the latter shall ask the Board to call for an Ordinary General Assembly to consider the issue. The auditor may call for an assembly meeting in case the Board of Directors has not called for the same within (30) days from the date of the auditor's request.

Article (39): Auditor Obligations

The auditor shall submit to the Annual General Assembly a report on the Company's financial statements, prepared in accordance with the auditing standards adopted in the Kingdom. The report shall include the Company management's position on enabling the auditor to obtain the data and clarifications that they requested and any violations they have revealed of the provisions of the Cooperative Insurance Companies Control Law and its Implementing Regulations, and other relevant laws, regulations, and directives, as well as the Company's AOA, and their opinion on the fairness of the Company's financial statements. The auditor shall read their report at the General Assembly.

Article 40: Fiscal Year:

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The Company's financial year starts on the 1st of January and ends at the end of December of the same year, provided that the first financial year starts from the date of the Ministerial Decision declaring the establishment of the Company and ends on 31st December of the following year.

Article (41): Financial Documents:

1. At the end of each financial year, the Board of Directors shall prepare the following financial statements: Statement of Financial Position for Insurance Operations and Shareholders, Statement of Surplus (Deficit) of Insurance Operations, Statement of Shareholders Income, Statement of Shareholders Equity, Statement of Cash Flows for Insurance Operations and Statement of Cash Flows for Shareholders. Additionally, a report on the Company's activities and financial position for the past financial year, including the method it proposes for distributing profits. The Board places these documents at the disposal of the auditor at least 45 days before the date set for the Annual Ordinary General Assembly.
2. The Chairman, CEO, and CFO shall sign those documents referred to in Paragraph (1), and copies thereof shall be lodged at the Company's headquarters at the disposal of shareholders.
3. The Chairman shall provide shareholders with copies of the Company's financial statements, Board report, and auditor's report after they have been signed. This shall be done no later than twenty-one (21) days before the scheduled date of the Annual Ordinary General Assembly, unless they are published through modern technological means as stipulated by relevant laws and regulations.

Article (42): Insurance Operations' Accounts

The insurance operations' accounts are separate from the shareholders' income statement, according to the following details:

I. Insurance Operations' Accounts

1. A separate account is maintained for earned premiums, reinsurance commissions, and other commissions.
2. A separate account is maintained for claims incurred by the Company.
3. At the end of each year, the total surplus is determined, which represents the difference between the total premiums and claims, after deducting the marketing, administrative, and operational expenses, and the necessary technical provisions as per the applicable regulations.
4. The net surplus shall be determined as follows:

The total surplus mentioned in paragraph (3) above shall be added to or deducted from the portion attributable to the insured from the investment revenue after calculating their returns and deducting any incurred expenses.
5. The distribution of the net surplus shall be distributed either by distributing 10% directly to the insured, or by reducing their installments for the following year, while 90% shall be transferred to the shareholders' income accounts.

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II. Statement of Shareholders Income

1. The shareholders' profits from the return on the investment of their funds shall be in accordance with the rules established by the Board of Directors.
2. The shareholders' share of the net surplus shall be as mentioned in the fifth paragraph of **item I** of this Article.

Article (43): Zakat and Reserves

The Company shall:

1. Retain the Zakat and income tax amounts as required by regulations.
2. 20% of net profits shall be retained to build up the statutory reserve. The Ordinary General Assembly Meeting may discontinue such retention when the stated reserve reaches 100% of the paid capital.
3. Upon determining dividends, the Ordinary General Assembly may also decide to form other reserves to further the Company's interests or ensure the distribution of fixed profits among shareholders as much as possible.

Article (44): Profit Eligibility

The shareholder shall be entitled to the share thereof in profits in accordance with the General Meeting resolution issued in this regard. The resolution shall indicate the entitlement and distribution dates. Profits shall be payable to shareholders registered in the Shareholders Registers by the end of the scheduled maturity date. The Company shall notify CMA without delay of any resolutions to distribute dividends or recommendations to do so, and pay the dividends approved for distribution to the shareholders at the place and on the dates determined by the Board of Directors, in accordance with the instructions issued by the competent authority, taking into account the approval of the Insurance Authority.

Article (45): Company Losses

If the Company's losses amount to half of the paid capital, the Board of Directors shall disclose that and its recommendations regarding such losses within sixty (60) days from the date of becoming aware of reaching such amount, and call for an Extraordinary General Assembly to convene within one hundred and eighty (180) days from this date to consider Company's continuity and take any of the necessary measures to deal with or resolve such losses.

Article (46): Company's Responsibility

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The Company is bound by all actions and transactions conducted by the Board of Directors on its behalf, even if they exceed its authority, unless the concerned party acts in bad faith or is aware that such actions are beyond the Board's authority.

Article (47): Liability of Board Members:

1. Board members are jointly liable to compensate the Company, shareholders, or third parties for any damages resulting from their violation of the Cooperative Insurance Companies Control Law, the Companies Law, and its implementing regulations, the Company's AOA, or due to any errors, negligence, or deficiencies in performing their duties. Any condition to the contrary shall be deemed void. The liability shall rest on all the members of the Board of Directors if the error arises from a resolution issued unanimously by them. As for resolutions issued by a majority vote, the dissenting members shall not be liable if they have explicitly recorded their objection in the minutes of the meeting. Absence from the meeting in which the resolution was passed shall not be a reason for exemption from liability, unless it is proven that the absent member was unaware of the resolution or was unable to object to it after being informed thereof.
2. Approval by the Ordinary General Assembly to absolve the members of the Board from liability shall not prevent the filing of a liability lawsuit.
3. The liability lawsuit shall not be heard after the lapse of three (3) years from the date of discovery of the harmful act. Except in cases of fraud and forgery, the liability lawsuit shall not be heard in any case after the lapse of five (5) years from the end of the fiscal year in which the harmful act occurred or three (3) years from the end of the membership of the concerned Board member, whichever is later.
4. Shareholder(s) representing at least 5% of the Company's capital may file a liability lawsuit on behalf of the Company if the Company fails to do so. The lawsuit must aim to benefit the Company, be based on valid grounds, and the plaintiff must act in good faith and be a shareholder at the time of filing.
5. To file the lawsuit referred to in paragraph (4) of this article, the members of the Board shall be notified of the intention to file the lawsuit at least (14) days before the date of filing.
6. Each shareholder may file the liability lawsuit determined for the Company against Board members, if the mistake that they made may cause damage thereto. A shareholder may not file the said lawsuit unless the Company's right to file it still exists. The shareholder shall also notify the Company of their intention to file the lawsuit, with their right limited to claiming compensation for the particular damage they have suffered.

Article (48): Company Dissolution:

1. Upon its dissolution, the Company shall enter into a process of liquidation in accordance with the provisions of the Law, the General Assembly shall take liquidation procedures, and the Company shall retain its legal personality to the extent required for liquidation.

* A copy of the Law was issued pursuant to the Resolution of the Extraordinary General Assembly on 29/01/2025G

2. The liquidation resolution shall include the appointment of a liquidator, specifying the liquidator's powers, fees, restrictions on the powers thereof, and the required period for liquidation. The liquidation period shall not exceed three years and shall not be extended more than that except under a judicial order.
3. The authority of the Company's Board of Directors ceases upon dissolution. However, the Board Members shall continue to manage the Company and shall be considered, in relation to third parties, as liquidators until an official liquidator is appointed. During the liquidation period, the Company's bodies and assemblies retain their competencies that do not conflict with the liquidator's duties. The rights of participants in the surplus of insurance operations and reserves formed as per Articles (42) and (43) hereof shall be respected during liquidation.

Article (49): Companies AOA:

The provisions of the Cooperative Insurance Companies Control Law and its implementing regulations, and other relevant laws, regulations, and instructions shall apply to matters not explicitly addressed in these AOA.

Article (50): Publication:

These Articles of Association shall be deposited and published according to the Companies Law and its Regulations.

* A copy of the Law was issued pursuant to the Resolution of the Extraordinary General Assembly on 29/01/2025G