

الموافق / / ٢٠٠٢

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CERTIFICATION

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بموجب الترخيص رقم : ١٢٢٥٩
سجل تجاري : ٤٠٣٠٢٨٩٢٠٠ الصادرة
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Ministry of Commerce

Articles of Association

United Mining Industries Company

Listed Joint Stock Company



Head Office: **Jeddah**

Electronic Version Number: **1**

Request Number: **413573**

Articles of Association for United Mining Industries Company

(Listed Joint Stock Company)

Chapter One: Establishment of the Company

Article 1: Establishment

In accordance with the provisions of the Companies Law issued by Royal Decree No. (M/132) dated 12/01/1443 and its executive regulations, and these Articles of Association, a Saudi joint stock company is established as follows:

Article 2: Company Name

United Mining Industries Company (Listed Joint Stock Company)

Article 3: Company's Head Office

The company's head office is located in the city of Jeddah, and branches may be established inside or outside the Kingdom by a decision of the Board of Directors.

Article 4: Company's Objectives

The company shall engage in and execute the following objectives:

Chapter	Category
- Mining and quarrying	- Quarrying to extract stones, sand, and clay
- Mining and quarrying	- Other mining and quarrying activities not classified elsewhere
- Mining and quarrying	- Other business support activities for mining and quarrying
- Manufacturing industries	- Manufacture of cement, lime, and gypsum
- Manufacturing industries	- Manufacture of items from concrete, cement, and gypsum
- Transportation and storage	- Storage
- Transportation and storage	- Land transport-related services
- Transportation and storage	- Other transport support activities
- Financial and insurance activities	- Other financial services activities, except for insurance and pension funding, not classified elsewhere
- Real estate activities	- Real estate activities related to owned or leased properties
- Professional, scientific, and technical activities	- Head office activities: overseeing and managing other units within the company or institution

The company shall conduct its objectives in accordance with applicable regulations and after obtaining the necessary licenses from the relevant authorities, if any.

Article 5: Company Duration

- The company's duration is (50) years, starting from the date of its registration in the Commercial Register. This duration may always be extended by a decision issued by the Extraordinary General Assembly at least one year before its expiration.

Article 6: Participation and Ownership in Companies

The company may participate in other companies and establish companies on its own (limited liability, closed joint-stock, or simplified joint-stock companies). It is also allowed to own shares and interests in existing companies or merge with them. The company has the right to partner with others in establishing joint-stock companies, limited liability companies, or simplified joint-stock companies, after fulfilling the requirements of the relevant laws and regulations. The company may also dispose of these shares or interests, provided that this does not involve brokerage in their trading.

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[Chapter Two: Capital and Shares](#)

[Article 7: Capital](#)

The company's issued capital is set at one hundred and forty million Saudi Riyals (140,000,000) divided into fourteen million (14,000,000) equal nominal shares, each valued at ten (10) Saudi Riyals. All of them are ordinary shares in exchange for cash contributions, and the cash contributions amount to one hundred and forty million Riyals (140,000,000). The cash amounts paid from the issued capital have been deposited in one of the licensed banks.

[Article 8: Subscription to Shares](#)

The shareholders have subscribed to the entire issued capital amounting to 140,000,000 Riyals, which is fully paid.

[Article 9: Preferred Shares](#)

1. The company's Extraordinary General Assembly may issue preferred shares according to the principles set by the competent authority, or it may decide to purchase them, convert ordinary shares into preferred shares, or convert preferred shares into ordinary shares. Preferred shares do not grant voting rights in the General Assembly of shareholders and entitle their holders to receive a higher percentage of the net profits of the company after setting aside the statutory reserve (if any) compared to ordinary shareholders.
2. Preferred shares do not grant voting rights in the General Assembly of shareholders unless the company fails to pay the specified percentage to the holders of those shares from the net profits of the company after deducting reserves—if any—for three consecutive years.
3. Notwithstanding the provision of paragraph (2) of this article, preferred shares are granted the right to vote in the General Assembly of shareholders if the General Assembly's decision results in reducing the company's capital, liquidating it, or selling its assets. Each preferred share shall have one vote in the General Assembly meeting.
4. If the General Assembly's decision affects the rights of preferred shareholders, including the liquidation of the company or the conversion of preferred shares into ordinary shares or vice versa, this decision shall not be effective unless approved by those entitled to vote from the preferred shareholders in a special assembly.
5. If the company fails to pay the specified percentage to preferred shareholders from the net profits of the company after deducting reserves—if any—for three consecutive years, the special assembly for these shareholders—held in accordance with the provisions of Article 89 of the Companies Law—may decide to allow them to attend the company's General Assembly meetings and participate in the voting until the company pays all profits due to the holders of these shares for those years. Each preferred share shall have one vote in the General Assembly meeting, and the holder of the preferred share is entitled to vote on all items of the ordinary General Assembly's agenda without exception.

[Article 10: Company Purchase of Its Shares, Sale, and Pledge](#)

1. The company may purchase its ordinary or preferred shares or redeemable shares with the approval of the Extraordinary General Assembly, in accordance with the regulatory controls established by the relevant competent authorities in this regard. Shares purchased by the company shall not have voting rights in the shareholders' meetings.
2. The company may buy its shares to reduce its capital or retain ordinary shares for use as treasury shares, in accordance with the objectives and regulatory controls established by the relevant competent authorities in this regard.
3. The company may allocate treasury shares to its employees or employees in any of its wholly or partially owned subsidiaries (whether directly or indirectly) as part of an employee stock program, in accordance with the controls set by the relevant regulatory authorities in this regard.
4. The Extraordinary General Assembly shall determine, within its decision regarding the approval of the company's purchase of its shares, the maximum period during which the company may retain treasury shares without selling or allocating them to the employee stock program. The company may not dispose of these shares after the specified time period, and it must take the necessary legal actions to cancel those shares within a period not exceeding six months from the expiration of that period, unless the Extraordinary General Assembly decides during this period to extend the time period for which the company may retain treasury shares.
5. The company may sell treasury shares in one or multiple phases by a decision from the Board of Directors in accordance with the regulatory controls set by the relevant competent authorities in this regard, provided that the Board of Directors' decision does not contradict the Extraordinary General Assembly's decision approving the purchase of those shares.



6. The company may pledge its shares as collateral for a debt owed by the company in accordance with the regulatory controls established by the relevant competent authorities in this regard, after obtaining the approval of the Ordinary General Assembly.
7. The company must immediately notify the market—according to the mechanism specified by the market—of its transactions related to the purchase of its shares in the market and the conditions of such purchases, so that the market can publish that information in its periodic report on companies purchasing their shares.
8. The annual report of the Board of Directors must include details about the treasury shares held by the company and details of the uses of these shares.

Article 11: Payment of Share Value

The shareholder is obligated to pay the value of the shares on the specified dates. If the shareholder fails to fulfill the payment on the due date, the Board of Directors may, after notifying him through a letter delivered to him personally, or by registered mail, or by any modern technology, sell the share in a public auction or stock market as appropriate, in accordance with the regulations specified by the competent authority. Other shareholders shall have priority in purchasing the shares of the defaulting shareholder. The company shall collect the amounts due from the proceeds of the sale and return the remainder to the shareholder. If the sale proceeds are insufficient to cover these amounts, the company may collect the remaining amount from all the shareholder's assets. The exercise of rights associated with shares for which payment has not been fulfilled is suspended upon the expiration of the due date until they are sold or the amount due is paid, including the right to receive a share of the net profits that are decided to be distributed, and the right to attend the assemblies and vote on their resolutions. However, the defaulting shareholder may pay the amount due up to the day of the sale, adding the expenses incurred by the company in this regard, and in this case, the shareholder has the right to request the profits that are decided to be distributed.



[Article 12: Issuance of Shares](#)

Shares shall be nominal and may not be issued for less than their nominal value; however, they may be issued at a higher value. In the latter case, the difference in value shall be added to a separate item within the shareholders' equity and may not be distributed as dividends to shareholders. It may be used to increase capital through the issuance of bonus shares or to offset losses after exhausting any reserves previously formed from profits. Shares are indivisible concerning the company; if a share is owned by multiple individuals, they must choose one of them to act on their behalf in exercising the rights related to it, and these individuals shall be jointly liable for the obligations arising from the ownership of the share. The company may issue preferred shares or redeemable shares or decide to purchase them or convert these shares into other categories in accordance with the provisions of the Companies Law and the Capital Market Law and their executive regulations after obtaining the approval of the Extraordinary General Assembly.

[Article 13: Conversion of Shares](#)

In cases where the company holds shares of different types or categories, it is permissible to convert one type or category into another after obtaining the approval of the Extraordinary General Assembly and in accordance with the provisions of the Companies Law and the Capital Market Law and their executive regulations and the controls set by the relevant authority.

[Article 14: Splitting or Merging Shares](#)

The company may split its shares into shares of lower nominal value or merge them into shares of higher nominal value after notifying the relevant authority (and prior to obtaining the approval of the Extraordinary General Assembly) regarding the proposal to split or merge the company's shares, and obtaining the approval of the Extraordinary General Assembly, in accordance with the provisions of the Companies Law and its executive regulations and according to the controls set by the relevant authority.

[Article 15: Trading of Shares](#)

The company's shares shall be traded in accordance with the provisions of the Capital Market Law and its executive regulations.

[Article 16: Increase of Capital](#)

1. The Extraordinary General Assembly may decide to increase the company's issued capital, provided that the company's capital is fully paid. It is not a condition that the capital be entirely paid if the unpaid portion of the capital relates to shares issued in exchange for the conversion of debt instruments or financial instruments into shares, and the period for converting them into shares has not yet expired.
2. The Extraordinary General Assembly, in all cases, may allocate the newly issued shares upon increasing the capital or part of them to the employees of the company and its subsidiaries, or any of them. Shareholders shall not exercise their preemptive right when the company issues shares allocated to employees.
3. In all cases, the nominal value of the increased shares must be equal to the nominal value of the original shares of the same type or category.
4. A shareholder holding the share at the time of the Extraordinary General Assembly's decision approving the increase in the issued capital has the preemptive right to subscribe to the new shares issued in exchange for cash contributions, and these shareholders shall be notified of their priority, if any, via registered mail to the address listed in the shareholders' register or through modern technology, along with the decision to increase capital and the terms and methods of subscription and the start and end dates, taking into account the type and category of the share they own.
5. The Extraordinary General Assembly has the right to suspend the exercise of the preemptive rights of shareholders in the subscription to the increase in capital in exchange for cash contributions or grant the preemptive right to non-shareholders in cases deemed beneficial to the company.
6. A shareholder may sell all or some of their preemptive rights or waive them to others, whether from the company's shareholders or others, for a fee or without consideration at the price and terms agreed upon, during the subscription period for shares specified in the decision to increase capital by issuing new shares in exchange for cash contributions, which shall not be less than fifteen (15) days, in accordance with the regulations set by the relevant authority.



7. Subject to the provisions of paragraph (5) above, the new shares shall be distributed to the holders of preemptive rights who requested to subscribe in proportion to their preemptive rights from the total preemptive rights resulting from the capital increase, provided that what they receive does not exceed their request for new shares. The remaining new shares shall be distributed to the holders of preemptive rights who requested more than their share in proportion to their preemptive rights from the total of these preemptive rights resulting from the capital increase, provided that what they receive does not exceed their request for new shares. Any remaining shares shall be offered to others unless the Extraordinary General Assembly decides otherwise or unless the Capital Market Law provides otherwise.

Article 17: Reduction of Capital

1. The Extraordinary General Assembly may decide to reduce the capital if it exceeds the company's needs or if the company incurs losses. In the latter case, the capital may only be reduced to an amount below the limit specified in Article 59 of the Companies Law. A resolution for the reduction shall only be issued after reading a statement prepared by the Board of Directors during the General Assembly regarding the reasons for the reduction, the company's obligations, and the impact of the reduction on fulfilling those obligations, accompanied by a report from the company's auditor. In cases where a decision is made by the General Assembly by circulation, it is sufficient to present the aforementioned statement to the shareholders.

2. If the reduction of capital results from excess capital over the company's needs, creditors must be invited to submit their objections, if any, within forty-five (45) days from the date specified for holding the Extraordinary General Assembly to make the decision on the reduction. The invitation must include a statement clarifying the amount of capital before and after the reduction, the date of the meeting, and the effective date of the reduction. If any creditor objects to the reduction and submits their documents to the company within the specified timeframe, the company must pay the due debt to them if it is due or provide sufficient security for its payment if it is deferred.

3. The reduction shall not be enforceable against any creditor who submitted their request within the timeframe specified in paragraph (2) of this article unless their due debt has been settled or they have received sufficient security for the amount not yet due.

4. Equality must be observed among shareholders holding shares of the same type and category when reducing capital.

5. The company may reduce capital by purchasing a number of its shares for cancellation in accordance with the provisions of the Companies Law and the Capital Market Law and their executive regulations or according to the controls set by the relevant authority.



[Chapter Three: Board of Directors](#)

[Article 18: Management of the Company](#)

(a) The company shall be managed by a Board of Directors composed of five (5) members, who must be individuals with legal capacity elected by the Ordinary General Assembly of shareholders for a term not exceeding four years.

(b) The method of operation of the Board of Directors is determined as follows:

- The correct quorum for a meeting shall be the presence of 50% of the Board members.
- The legal quorum required for decision-making shall be the approval of 51% of the members.
- Members may appoint proxies to attend meetings on their behalf.

[Article 19: Termination or End of Membership](#)

1. Membership in the Board shall terminate upon the expiration of its term or the expiration of the member's eligibility according to any applicable laws or regulations in the Kingdom. The General Assembly may, based on a recommendation from the Board of Directors, terminate the membership of any member who fails to attend three (3) consecutive meetings or five (5) separate meetings during their term without a valid excuse accepted by the Board of Directors.

[Article 20: Powers of the Board](#)

Subject to the powers assigned to the General Assembly, the Board of Directors shall have the widest authority in managing the company to achieve its objectives.

Commercial Registrations		- Main	Issuance
			Renewal
			Cancellation
		- Branch	Issuance
			Renewal
			Cancellation
Companies in which the company participates	As a partner		
	- Signing company contracts		
	- Purchasing shares		
	- Liquidating the company		
	- Selling shares		
	- Representing the company in the invested company		
Establishing companies in the name of the company	Commercial registrations	Issuance	Right to Delegate
		Renewal	Right to Delegate
		Cancellation	Right to Delegate
	- Registering with the ministry	Right to Delegate	
	- Representation before the notary public	Right to Delegate	
	- Signing the company contract	Right to Delegate	
	- Signing partner decisions	Right to Delegate	
	- Opening accounts	Right to Delegate	
	- Opening credits	Right to Delegate	



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Banking:	- Innovation		Right to Delegate		
	- Withdrawals		Right to Delegate		
	- Issuing checks		Right to Delegate		
	- Updating accounts		Right to Delegate		
	- Extracting account statements		Right to Delegate		
	- Requesting facilities		Right to Delegate		
	- Requesting guarantees		Right to Delegate		
	- Signing loan contracts		Right to Delegate		
	- Signing commercial papers		Right to Delegate		
	- Signing promissory notes		Right to Delegate		
	- Submitting any request or service related to the Communications and Information Technology Commission		Right to Delegate		
	- Authority to delegate to any person, according to related regulations, to submit any requests or services related to the Communications and Information Technology Commission		Right to Delegate		
Property Management:	- Amending contracts of companies in which the company is a partner - Buying, selling, and transferring properties	Real Estate:	- Purchase	Right to Delegate	Approval by the Assembly: - Assembly approval is required when selling 50% or more of the total asset value
			- Sale	Right to Delegate	
			- Transfer	Right to Delegate	
		- Lands	- Purchase	Right to Delegate	- Assembly approval is required when selling 50% or more of the total asset value
			- Sale	Right to Delegate	
			- Transfer	Right to Delegate	
	- Mortgaging properties	- Stocks	- Purchase		
			- Sale		
		Mortgage Rights:			
			- Right to mortgage		
			- Release of mortgage		
Registration: - Changing legal entity	- Approval of partner decisions	- Increasing or decreasing capital			
		- Accepting and purchasing shares			
		- Entry and exit of partners			
		- Signing partner decisions on mergers			
		- Amending the remaining clauses of the articles of incorporation			



	- Liquidating the company		
	- Converting the company to an institution		
Judiciary	- Representation before Shariah courts	Legal Matters	Right to Delegate
		- Hearing lawsuits and responding to them	
		- Settlements	Right to Delegate
		- Accepting or rejecting arbitration	Right to Delegate
		- Accepting or rejecting reconciliation	Right to Delegate
		- Admissions and denials	Right to Delegate
		- Waivers	Right to Delegate
		- Pleading	Right to Delegate
		- Representation before Shariah courts	Right to Delegate
		- Defense	Right to Delegate
		- Claiming Litigation	Right to Delegate
	- Appointing arbitrators	Right to Delegate	
	- Appointing lawyers	Right to Delegate	
	- Representation before notary offices	Right to Delegate	
	- Using and executing all electronic services of the Ministry of Justice	Right to Delegate	
	- Delegating/authorizing others to execute electronic services of the Ministry of Justice	Right to Delegate	
	- (Signing the loan agreement and its conditions, annexes, and all related documents – signing the follow-up agreement – signing the consultation agreement – signing before the notary regarding the industrial mortgage concerning mortgaging all company assets – receiving the loan – waiving the loan – requesting loan exemption – repaying the loan – signing the letter of credit agreement)	Right to Delegate	
	- (Signing the guarantee of creditworthiness)	Right to Delegate	
	- (Signing the agreement to transfer obligations and amend the loan contract)		
	- (Signing the debt arrangement agreement on behalf of the company and partners)	Right to Delegate	
	- (Issuing, amending, and canceling the waiver notice)	Right to Delegate	
- Transferring a branch of the institution	Right to Delegate		
- Opening branches for records	Right to Delegate		
- Purchasing the institution	Right to Delegate		
- Signing all documents at the Chamber of Commerce	Right to Delegate		
- Issuing licenses	Right to Delegate		



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- Renewing licenses	Right to Delegate	
- Amending licenses	Right to Delegate	
- Establishing a company	Right to Delegate	
- Signing the articles of incorporation and their annexes	Right to Delegate	
- Canceling articles of incorporation and their annexes	Right to Delegate	
- Signing partner resolutions	Right to Delegate	
- Amending the company's objectives	Right to Delegate	
- Liquidating the company	Right to Delegate	
- Converting the company from a joint-stock to a limited liability company	Right to Delegate	
- Converting the company from a limited liability to a joint-stock company	Right to Delegate	
- Converting the company from a partnership to a limited liability company	Right to Delegate	
- Increasing capital	Right to Delegate	
- Reducing capital	Right to Delegate	
- Entry and exit of partners	Right to Delegate	
- Entering into existing companies	Right to Delegate	
- Transferring shares, stocks, and bonds	Right to Delegate	
- Determining capital		
- Receiving surplus allocation	Right to Delegate	
- Selling shares and stocks and receiving the value	Right to Delegate	
- Waiving shares and stocks from capital	Right to Delegate	
- Selling a company branch	Right to Delegate	"The board must obtain the approval of the general assembly when selling 50% or more of the total value of its assets."
- Accepting the waiver of shares, stocks, and capital	Right to Delegate	
- Purchasing shares and stocks and paying the price	Right to Delegate	
- Closing bank accounts in the company's name	Right to Delegate	
- Opening bank accounts in the company's name	Right to Delegate	
- Signing agreements	Right to Delegate	
- Registering the company	Right to Delegate	
- Registering agencies and commercial trademarks	Right to Delegate	

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- Attending general assemblies	Right to Delegate
- Opening branches for the company	Right to Delegate
- Opening files for the company	Right to Delegate
- Signing the articles of incorporation and their amendments at the notary public	Right to Delegate
- Reviewing the Capital Market Authority	Right to Delegate
- Converting a company branch into an establishment	Right to Delegate
- Converting a company branch into a company	Right to Delegate
- Publishing the articles of incorporation, amendments, and summaries in the official gazette	Right to Delegate
- Signing company contracts with third parties	Right to Delegate
- Changing the company's name	Right to Delegate
- Reviewing the notary public or court for accepting property transfers	Right to Delegate
- Opening accounts according to Shariah guidelines	Right to Delegate
- Closing and settling accounts	Right to Delegate
- Withdrawing from accounts	Right to Delegate
- Requesting bank loans in compliance with Shariah principles and guidelines	Right to Delegate
- Opening accounts in accordance with Shariah guidelines	Right to Delegate
- Requesting a bank guarantee	Right to Delegate
- Mortgaging	Right to Delegate
- Releasing a mortgage	Right to Delegate
- Accepting a mortgage	Right to Delegate
- Changing the company's legal entity	Right to Delegate

The Board of Directors must obtain the approval of the General Assembly when selling assets whose value exceeds fifty percent (50%) of the total value of the company's assets, whether the sale is through a single transaction or several transactions. In such cases, the transaction that leads to exceeding the fifty percent (50%) threshold of the assets' value is the one that requires the General Assembly's approval. This percentage is calculated from the date of the first transaction that occurred during the previous twelve (12) months. Within the limits of its authority, the Board of Directors may delegate one or more of its members or third parties to carry out specific tasks or actions.

[Article Twenty-One: Compensation of the Board Members](#)

1. The compensation of the Board of Directors consists of a specified amount or as determined by the Ordinary General Assembly.
2. The Board of Directors' report to the Ordinary General Assembly at its annual meeting must include a comprehensive statement of all that each member of the Board has received or is entitled to receive during the financial year in terms of compensation, attendance allowances, expense allowances, and other benefits. It should also include a statement of what the Board members have received as employees or administrators, or for any technical or administrative work or consultations they have performed. Additionally, the report should contain the number of board meetings and the number of meetings attended by each member.

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[Article Twenty-Two: Authorities of the Chairman, Deputy Chairman, Managing Director, and Secretary](#)

The Board of Directors, at its first meeting, shall appoint from among its members a Chairman of the Board. It may also appoint from among its members a Managing Director, and in the same first meeting, the Board shall appoint from among its members a Deputy Chairman.

1. The Board of Directors appoints a CEO from its members or from outside the Board.

The Chairman of the Board is entrusted with...

Commercial Records	- Main	- Issue	- Can act independently
		- Renew	- Can act independently
		- Cancel	- Can act independently
	- Branch	- Issue	- Can act independently
		- Renew	- Can act independently
		- Cancel	- Can act independently
Banking Records	Banking Operations - Opening accounts	- Can act independently	
		- Delegation allowed	
		-	
		-	
	- Opening letters of credit	- Can act independently	
		- Delegation allowed	
	- Depositing	- Can act independently	
		- Delegation allowed	
	- Withdrawal	- Can act independently	
		- Delegation allowed	
	- Issuing checks	- Can act independently	
		- Delegation allowed	
	- Updating accounts	- Can act independently	
		- Delegation allowed	
	- Requesting account statements	- Can act independently	
		- Delegation allowed	
	- Requesting facilities	- Can act independently	
		- Delegation allowed	
	- Requesting guarantees	- Can act independently	
		- Delegation allowed	
	- Signing loan agreements	- Can act independently	
		- Can act independently	
	- Signing commercial papers	- Delegation allowed	
		- Can act independently	
	- Signing promissory notes	- Delegation allowed	
		- Delegation allowed	
	Requests or services related to the Communications and Information Technology Commission	- Can act independently - Delegation allowed	
	- Authority to submit any request or service falling under the Communications and Information Technology Commission's jurisdiction.		
	- Authority to delegate any person — in accordance with applicable regulations — to submit requests or services under the jurisdiction of the Communications and Information Technology Commission info.	- Can act independently	



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Judicial Matters	- Representation before the Sharia Court	- Hearing cases and responding to them	- Practices performed individually
			- Right to delegate
		- Reconciliation	- Practices performed individually
			- Right to delegate
		- Acceptance and rejection of arbitration	- Practices performed individually
			- Right to delegate
		- Acceptance and rejection of settlement	- Practices performed individually
			- Right to delegate
		- Admission and denial	- Practices performed individually
			- Right to delegate
		- Waiving claims	- Practices performed individually
			- Right to delegate
		- Litigation	- Practices performed individually
			- Right to delegate
		- defense	- Practices performed individually
			- Right to delegate
		- Claims	- Practices performed individually
			- Right to delegate
		- Disputes	- Practices performed individually
			- Right to delegate
	- Appointment of arbitrators	- Practices performed individually	
		- Right to delegate	
	- Appointment of lawyers	- Practices performed individually	
		- Right to delegate	
	Representation before Notaries	- Practices performed individually	
	- Use and execution of all Ministry of Justice electronic services	- Right to delegate	
	- Delegation/authorization of others to execute Ministry of Justice electronic services	- Practices performed individually	
	- (Signing the loan agreement and its amendments, annexes, and all related documents - signing the follow-up agreement - signing the consultancy agreement - signing before the notary regarding the industrial mortgage securing all company assets - receiving the loan - waiving the loan - requesting loan forgiveness - repaying the loan - signing the letter of credit agreement)	- Right to delegate	
	- (Signing the credit guarantee)	- Practices performed individually	
	- (Signing the agreement to transfer liabilities and amend the loan agreement)	- Right to delegate	



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	- (Signing the agreement to arrange debts for the company and partners)	- Practices performed individually
	- (Issuing, modifying, and canceling the waiver announcement)	- Practices performed individually
- Signing all documents at the Chamber of Commerce	- Practices performed individually	
	- Right to delegate	
- Reviewing the Records Department	- Practices performed individually	
	- Right to delegate	
- Extracting commercial records	- Practices performed individually	
	- Right to delegate	
- Transferring commercial records	- Practices performed individually	
	- Right to delegate	
- Managing records	- Practices performed individually	
	- Right to delegate	
- Canceling records	- Practices performed individually	
	- Right to delegate	
- Supervising records	- Practices performed individually	
	- Right to delegate	
- Opening subscription with the Chamber of Commerce	- Practices performed individually	
	- Right to delegate	
- Certifying signatures at the Chamber of Commerce	- Practices performed individually	
	- Right to delegate	
- Canceling signature at the Chamber of Commerce	- Practices performed individually	
	- Right to delegate	
- Reviewing social insurance	- Practices performed individually	
	- Right to delegate	
- Reviewing the Zakat and Income Authority	- Practices performed individually	
	- Right to delegate	
- Managing the commercial registry	- Practices performed individually	
	- Right to delegate	
- Canceling the commercial registry	- Practices performed individually	
	- Right to delegate	
- Reviewing defense responses	- Practices performed individually	
	- Right to delegate	
- Modifying records	- Practices performed individually	
	- Right to delegate	
- Renewing subscription with the Chamber of Commerce	- Practices performed individually	

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	- The right to delegate
- Modifying the commercial registry	- Practiced individually
- Transferring the commercial registry	- The right to delegate
- Extracting a record as a replacement for a damaged or lost one	- Practiced individually
- Extracting a record as a replacement for a damaged or lost one	- The right to delegate
- Registering the trademark	- Practiced individually
- Transferring the trademark	- The right to delegate
- Extracting licenses	- Practiced individually
- Renewing licenses	- The right to delegate
- Modifying licenses	- Practiced individually
- Reviewing social insurance	- The right to delegate
- Reviewing the Zakat and Income Authority	- Practiced individually
- Appointing and dismissing the manager	- The right to delegate
- Modifying the company's objectives	- Practiced individually
- Closing accounts with banks in the name of the company	- The right to delegate
- Opening accounts with banks in the name of the company	- Practiced individually
- Signing agreements	- The right to delegate
- Registering the company	- Practiced individually
- Registering agencies and trademarks	- The right to delegate
- Attending general assemblies	- Practiced individually
- Extracting and renewing commercial records for the company	- Practiced individually
- Subscribing to the Chamber of Commerce and renewing it	- Practiced individually

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	- The right to delegate
- Reviewing the General Investment Authority and signing before it	- Practiced individually
- Reviewing the Quality and Standards Management and the Specifications and Standards Authority	- The right to delegate
- Reviewing the Capital Market Authority	- Practiced individually
- Extracting and renewing licenses for the company	- The right to delegate
- Publishing the Articles of Incorporation and its amendments, summaries, and the basic regulations in the official gazette	- Practiced individually
- Reviewing telecommunications companies and establishing fixed or mobile phone lines in the name of the company	- The right to delegate
- Signing contracts related to the company with third parties	- Practiced individually
- Settling labor matters and releasing them	- The right to delegate
- Reporting labor absconding cases	- Practiced individually
- Canceling labor absconding reports	- The right to delegate
- Transferring sponsorships	- Practiced individually
- Modifying premises	- The right to delegate
- Reviewing the National Recruitment Office	- Practiced individually
- Reviewing the IT Department in the labor force	- The right to delegate
- Extracting work permits and renewing them	- Practiced individually
- Receiving Saudization certificates	- The right to delegate
- Extracting data reports (print)	- Practiced individually
- Recruitment	- The right to delegate
	- Practiced individually

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- Recruiting labor from abroad	- The right to delegate
	- Practiced individually
- Completing labor procedures with social insurance	- The right to delegate
	- Practiced individually
- Canceling visas	- The right to delegate
	- Practiced individually
- Issuing family visit visas	- The right to delegate
	- Practiced individually
- Issuing family immigration visas	- The right to delegate
	- Practiced individually
- Issuing residence permits (Iqama)	- The right to delegate
	- Practiced individually
- Issuing exit and re-entry visas	- The right to delegate
	- Practiced individually
- Issuing final exit visas	- The right to delegate
	- Practiced individually
- Completing procedures for deceased labor	- The right to delegate
	- Practiced individually
- Reviewing the Ministry of Agriculture and the Agriculture Directorate	- The right to delegate
	- Practiced individually
- Reviewing the notary or court for acceptance of property transfer	- The right to delegate
	- Practiced individually
- Closing and settling accounts	- The right to delegate
- Requesting bank loans in compliance with Shariah principles	- Practiced individually
	- The right to delegate
- Opening an account in compliance with Shariah principles	- Practiced individually
	- The right to delegate
- Requesting bank credit	- Practiced individually
	- The right to delegate
- Requesting a bank guarantee	- Practiced individually
	- The right to delegate

The board of directors shall appoint a secretary, who may be chosen from among its members or from outside. The chairman of the board of directors may, through a written decision, delegate some of his powers to other board members or to external parties to carry out specific tasks. In the absence of the chairman, the vice-chairman of the board shall act on his behalf, provided there is a vice-chairman.

Article 23: Vacant Position in the Board

1. The board of directors must call for the ordinary general assembly to convene well before the end of its term to elect a new board for the upcoming term. If it becomes impossible to elect a new board and the current board's term ends, the current members shall continue their duties until a new board is elected, provided that the extension does not exceed ninety (90) days from the expiration of the board's term.



2. If the chairman and members of the board of directors resign, they must call for the ordinary general assembly to convene to elect a new board. The resignation shall not take effect until the new board is elected, and the outgoing board members shall continue for no more than one hundred twenty (120) days from the date of resignation. The board of directors must take the necessary measures to elect a new board within the specified period.

3. If a board member's position becomes vacant due to death or resignation without affecting the validity of the board's decisions or its required quorum, the board may temporarily appoint a qualified individual to fill the vacancy. This appointment must be reported to the Commercial Register and the Capital Market Authority within fifteen (15) days from the date of appointment, and it should be presented to the ordinary general assembly at its next meeting. The newly appointed member shall complete the term of his predecessor. The board may also choose to leave the seat vacant until the board's term ends, provided this does not impact the validity of the board's decisions and its quorum, and that the remaining term is no longer than six months.

4. If the board loses its quorum or the required number of members as stipulated by the company's bylaws, the remaining board members must call for the ordinary general assembly to convene within sixty (60) days to elect the necessary number of members.

Article 24: Powers of the Board

Subject to the authorities reserved for the general assembly, the board of directors shall have the broadest powers in managing the company, achieving its objectives, handling its affairs, and dealing with its assets, properties, and real estate. The board has the right to purchase, accept, pay the price, mortgage, release the mortgage, sell, transfer ownership, collect the payment, and deliver the sold items, provided that the board's decision to dispose of the company's assets and properties is recorded in the minutes and adheres to the following conditions:

١. The board must state the reasons and justifications for the sale in its decision.
٢. The sale should be close to the market value.
٣. The sale must be for immediate payment unless there are urgent reasons and sufficient guarantees.
٤. The transaction must not lead to the suspension of some of the company's activities or impose additional liabilities on the company.

The board of directors must obtain the approval of the general assembly when selling company assets exceeding fifty percent (50%) of the total asset value, whether through a single transaction or multiple transactions. The transaction that exceeds fifty percent (50%) of the asset value requires the general assembly's approval. This percentage is calculated from the date of the first transaction conducted within the past twelve (12) months. The competent authority may exclude certain transactions from the provisions of this article.

The board of directors is also authorized to secure loans from governmental and non-governmental financing institutions, regardless of the loan's duration, as well as commercial loans, partnership agreements, profit-sharing agreements, treasury agreements, guarantees from banks, financial institutions, credit companies, and promissory notes that do not exceed the company's term, subject to the following conditions for loans exceeding three years:

١. The board must specify in its decision the purpose of the loan and its repayment plan.
٢. The loan's terms should ensure that the company's and its shareholders' interests are not compromised and that the creditors' general guarantees are maintained.

The board of directors also has the right to settle, waive, commit, and engage on behalf of the company. It may perform any actions that would achieve the company's goals. The board can delegate one or more of its members or others to take specific actions or perform specific tasks within its authority. The board also has the authority to change the legal status of companies, including buying and selling shares, accepting or transferring them, paying the price, signing partner resolutions, making decisions regarding managers' appointments, changing the trade name, adding or modifying activities, relocating, opening branches, increasing or decreasing capital, dismissing and appointing directors and board members, amending the fiscal year, liquidating or merging companies, issuing or canceling commercial records, and more.



The board has the right to sign all contracts, documents, and necessary papers and to open branches, issue, modify, or cancel the company's commercial records. The board can also handle guarantees and mortgages, make sales, purchases, leases, and perform other related financial transactions. It has the authority to delegate anyone it deems fit to sign all types of contracts and documents, including company incorporation contracts and their amendments.

The board of directors, at its discretion, has the right to discharge the company's debtors from their obligations if it serves the company's interests, subject to the following conditions:

١. The discharge must occur at least one year after the debt arose.
٢. The discharge must be for a specific amount set annually for each debtor.
٣. This discharge is a right of the board and cannot be delegated.

The board of directors has the authority to appoint a CEO, defining their powers, responsibilities, financial rights, and term of office. It may also appoint senior executive management members, approve internal policies and regulations, and establish committees.

The board appoints a secretary, either from among its members or from outside, based on a decision specifying their duties and compensation. The secretary attends board meetings and general assemblies, recording meeting minutes in dedicated registers. The board may delegate one or more of its members or others to perform specific tasks within its authority.

Article 25: Remuneration of Board Members

The remuneration of the board of directors shall be determined in accordance with what the board decides and what is approved by the general assembly, within the limits set by the Companies Law and its regulations. The remuneration may be a fixed amount, attendance allowance, in-kind benefits, or a percentage of the company's net profits. Combining two or more of these types of compensation is allowed. The remuneration must be fair, motivating, and commensurate with the member's performance and the company's activities.

The board's report to the ordinary general assembly must include a comprehensive statement of all remuneration, allowances, and other benefits received by the board members during the fiscal year. It should also detail any amounts received by board members as employees or administrators or for technical, administrative, or consultancy services. Additionally, the report should specify the number of board meetings held and the number of meetings attended by each member.



[Article 26: Powers of the Chairman, Vice Chairman, Managing Director, and Secretary](#)

The board of directors shall appoint from among its members a Chairman and a Vice Chairman, and it may also appoint a Managing Director. It is not permissible to combine the position of Chairman of the board with any executive position within the company. The board of directors may, by its decision, appoint a CEO from among its members or from outside, defining their powers, authorities, responsibilities, and compensation.

The Chairman of the board has the following responsibilities:

- Calling the board to convene, presiding over board meetings, presiding over the general assemblies of shareholders, ratifying the board's resolutions, signing them, and ensuring their execution.
- Representing the company in its relations with others. In case of the Chairman's absence or if unable to perform his duties, the Vice Chairman temporarily assumes the Chairman's responsibilities.
- Representing the company in its dealings with government and private entities, courts of law, judicial bodies, the Board of Grievances, labor offices, higher and primary committees, commercial paper committees, all other judicial committees, arbitration bodies, civil rights departments, police stations, chambers of commerce and industry, private institutions, and companies of all kinds.
- Participating in tenders, receiving payments, making settlements, acknowledging, claiming, defending, appealing, litigating, settling disputes, accepting judgments, contesting them, acting as an arbitrator, requesting the execution of judgments, and receiving proceeds from the execution.
- Signing contracts and agreements related to the company's activities, including those involving the sale and purchase of goods or services.
- Signing in all chambers of commerce and with notaries, both inside and outside the kingdom, registering trademarks, and signing commercial agency and distribution agreements.
- Entering into loan agreements, issuing legal powers of attorney on behalf of the company, following up on transactions, collecting the company's receivables, and fulfilling its obligations.
- Opening accounts, credit facilities, deposits, and withdrawals, closing or liquidating them, issuing bank guarantees, signing all financial documents, checks, drafts, and all banking transactions, and adding others as authorized signatories.
- Entering into agreements for loans with both local and international financing institutions and signing non-interest-bearing commercial loans and credit facilities that comply with Islamic principles.

The Chairman has the authority to discharge the company's debtors from their obligations, provided it serves the company's best interests. The board of directors shall include the rationale for its decision in the meeting minutes, adhering to the following conditions:

1. The discharge must occur at least one year after the debt has been created.
2. The discharge must be for a specific amount set annually for each debtor.
3. The discharge authority rests solely with the board and cannot be delegated.

The Chairman has the right to take all actions related to industrial mortgages, receiving loans, and dealing with licenses, including their issuance, renewal, amendment, and cancellation, according to the company's bylaws and based on the board's resolutions. The Chairman also has the authority to negotiate, contract, commit, engage, and represent the company in its name.

Regarding staffing, the Chairman has the authority to hire and dismiss employees, request work visas, recruit workers from abroad, determine their salaries, issue residency permits, transfer sponsorships, and issue legal authorizations and power of attorney. The Chairman is also responsible for setting the agenda for board meetings in consultation with the CEO and other board members.

The Chairman may periodically meet with non-executive board members without the presence of any executives in the company. The Chairman has the right to delegate (by written decision or through a special power of attorney) some of his powers to other board members or to others for specific tasks or actions.

The term of the Chairman, Vice Chairman, Managing Director, Secretary, and other board members shall not exceed their membership period in the board, but they may be re-elected. The board of directors has the right to relieve the Chairman, Vice Chairman, Managing Director, CEO, Secretary, or any of them from their positions without affecting their membership on the board of directors.



Article 27: Board Meetings

The board of directors shall meet at the company's headquarters or any other location agreed upon at least four times a year, at the invitation of the Chairman or, in his absence, the Vice Chairman. The Chairman of the board must call a meeting upon the request of any board member to discuss one or more issues. The invitation to the meeting must be in writing or sent via registered mail or email with adequate notice before the scheduled meeting date. Board meetings may be held via telephone or any other modern technological means that allows all members present to be audible to each other. Unless otherwise stated, the Chairman may consider (for the purpose of determining quorum) any member participating by phone or any other electronic means as being present at the meeting. The board may also convene outside the company's headquarters if circumstances require, provided that all members of the board agree to it.

Article 28: Quorum for Board Meetings

A board meeting shall be valid only if attended by at least half of the members (either in person or by proxy), with a minimum of three members present. A board member may delegate another member to attend the meeting on their behalf, subject to the following conditions:

1. A board member may not represent more than one other member at the same meeting.
2. The delegation must be in writing.
3. The proxy member may not vote on resolutions that the regulations prohibit the delegate from voting on.

Board resolutions shall be passed by the majority of the votes of the members present or represented at the meeting. In case of a tie, the side with which the Chairman voted shall prevail. The board of directors may also pass urgent resolutions by circulating them among all members separately, unless one member requests in writing that the board convene to deliberate on the matter. Such resolutions shall be passed by the absolute majority of the votes of the members and shall be presented to the board at its next meeting to be recorded in the minutes of that meeting.

Article 29: Board Deliberations

The deliberations and resolutions of the board of directors shall be recorded in minutes prepared by the Secretary, signed by the Chairman of the meeting, the attending board members, and the Secretary. The minutes shall be kept in a special register signed by the Chairman of the board and the Secretary. Modern technological means may also be used for signing, recording deliberations, and documenting minutes.

Article 30: Board Committees

The board of directors shall form specialized committees according to the company's needs and circumstances to enable them to carry out their duties effectively. Policies and internal procedures for each committee shall be established according to the regulations and guidelines set by the relevant authority. The formation of specialized committees shall be determined by resolutions of the board of directors, which specify the duration, powers, and responsibilities of the committees, as well as how the board will oversee them. The resolution shall include the names of the committee members, their tasks, rights, and duties, and how their performance and activities will be evaluated.



Article 31: Liability Lawsuits

1. The company has the right to file a liability lawsuit against the members of the board of directors due to violations of the provisions of the Companies Law, the company's articles of incorporation, or its bylaws, or due to any errors, negligence, or failure in the performance of their duties, which result in damage to the company. The general assembly shall decide to file this lawsuit and appoint a representative for the company to handle the case. If the company is under liquidation, the liquidator shall file the lawsuit. In the event of initiating any liquidation procedures against the company under the Bankruptcy Law, the person representing it in the lawsuit shall take action accordingly.
2. One or more shareholders representing (five percent) of the company's capital may file the liability lawsuit on behalf of the company if the company fails to do so, provided that the primary objective of filing the lawsuit is to achieve the company's interests, that the lawsuit is based on a sound basis, that the plaintiff acts in good faith, and that they were a shareholder in the company at the time of filing the lawsuit.
3. To file the lawsuit referred to in paragraph (2) of this article, the board members must be notified of the intention to file the lawsuit at least (fourteen) days prior to filing.
4. A shareholder has the right to file a personal lawsuit against the members of the board of directors if the error they committed caused specific harm to the shareholder.

Chapter Four: Shareholders' General Assemblies

Article 32: Calling the Assemblies

1. The general and special assemblies shall be convened at the invitation of the board of directors. The board must call the ordinary general assembly to meet within (thirty) days of a request from the auditor or one or more shareholders representing at least (ten percent) of the company's voting shares. The auditor may also call the ordinary general assembly to meet if the board does not call the meeting within (thirty) days from the auditor's request.
2. The request referred to in paragraph (1) of this article must specify the matters on which the shareholders are to vote.
3. The invitation to convene the assembly must be issued at least (twenty-one) days before the scheduled date, in accordance with the law, taking into account the following:
 - Notifying the shareholders by registered mail at their addresses listed in the shareholders' register or announcing the invitation using modern technology.
 - Sending a copy of the invitation and the agenda to the Commercial Register and the Capital Market Authority if the company is listed on the stock exchange on the date the invitation is announced.
4. The invitation to the assembly meeting must include at least the following:
 - A statement of the shareholder's right to attend the assembly meeting and their right to appoint a proxy of their choice who is not a board member, as well as the shareholder's right to discuss the matters listed on the agenda and ask questions, and how to exercise their voting rights.
 - The location, date, and time of the meeting.
 - The type of assembly, whether general or special.
 - The agenda of the meeting, including the items to be voted on by the shareholders.



Article 33: Quorum for Ordinary General Assembly Meetings

1. The ordinary general assembly meeting shall only be valid if attended by shareholders representing at least a quarter of the company's voting shares.
2. If the required quorum for the ordinary general assembly meeting is not met as stipulated in paragraph (1) of this article, a second meeting shall be called under the same conditions specified in Article (91) of the Companies Law within (thirty) days following the date set for the first meeting. However, the second meeting may be held one hour after the time specified for the first meeting, provided that the invitation to the first meeting indicates the possibility of holding the second meeting. In all cases, the second meeting shall be valid regardless of the number of voting shares represented.

Article 34: Quorum for Extraordinary General Assembly Meetings

1. The extraordinary general assembly meeting shall only be valid if attended by shareholders representing at least half of the company's voting shares.
2. If the required quorum for the extraordinary general assembly meeting is not met as stipulated in paragraph (1) of this article, a second meeting shall be called under the same conditions specified in Article (91) of the Companies Law. However, the second meeting may be held one hour after the time specified for the first meeting, provided that the invitation to the first meeting indicates the possibility of holding the second meeting. In all cases, the second meeting shall be valid if attended by shareholders representing at least a quarter of the company's voting shares.



[Article 33 \(continued\): Third Meeting Quorum](#)

3. If the required quorum for the second meeting is not met, an invitation shall be issued for a third meeting to be held under the same conditions as stated in Article (91) of the Companies Law. The third meeting shall be valid regardless of the number of voting shares represented.

[Article 35: Voting in the Assemblies](#)

1. The election of the board of directors shall be conducted through cumulative voting. Board members are not allowed to participate in voting on assembly decisions related to transactions or contracts in which they have a direct or indirect interest or that involve a conflict of interest.

[Article 36: Decisions of the Assemblies](#)

1. Decisions of the ordinary general assembly shall be issued by a majority of the voting rights represented in the meeting.
2. Decisions of the extraordinary general assembly shall be issued by (two-thirds) of the voting rights represented in the meeting, except for resolutions concerning the increase or decrease of the company's capital, the extension of its duration, its dissolution before the specified term, or its merger with or division into another company, which shall only be valid if passed by (three-quarters) of the voting rights represented in the meeting.

[Article 37: Minutes of the Assemblies](#)

1. The minutes of the assembly meeting shall include the number of shareholders present in person or by proxy, the number of shares they hold in person or by proxy, the number of votes they are entitled to, the decisions taken, the number of votes in favor or against, and a summary of the discussions that took place during the meeting. The minutes shall be recorded in a special register immediately after each meeting and signed by the chairman of the assembly, the secretary, and the vote counters.

[Article 38: Attendance of the Assemblies](#)

1. The chairman of the board of directors, or his deputy in his absence, or a person designated by the board from among its members in their absence, shall preside over the general assembly of shareholders. If this is not possible, the shareholders shall appoint a chairman for the assembly from among the board members or others by vote.
2. Each shareholder has the right to attend the general assembly meeting and may appoint another person to represent him, provided that the representative is not a member of the board of directors.
3. The general assembly meeting may be held, and shareholders may participate in deliberations and vote on decisions, using modern technology in accordance with the Companies Law, the Capital Market Law, and their implementing regulations, and according to the rules set by the relevant authority.
4. Attendance and votes of shareholders participating in general and special assemblies through modern technology and those voting electronically shall be counted within the required quorum for the validity of the assembly meeting.

[Article 39: Competencies of the Ordinary General Assembly](#)

1. Except for matters reserved for the extraordinary general assembly, the ordinary general assembly is responsible for all matters related to the company and shall meet at least once a year within the six months following the end of the company's fiscal year. Additional ordinary general assemblies may be convened as necessary.
2. The agenda of the annual ordinary general assembly meeting must include the following items:
 - Review and discuss the board of directors' report for the past fiscal year.



- Review and discuss the financial statements for the past fiscal year.
- Discuss the auditor's report for the past fiscal year, if available, and make a decision on it.
- Decide on the board of directors' recommendations regarding the distribution of profits, if any.

3. The requirement for holding the annual ordinary general assembly is met if an extraordinary general assembly is held within six months following the end of the company's fiscal year, including the items listed in paragraph (2) of this article on its agenda.

4. Except for matters reserved for the extraordinary general assembly, the ordinary general assembly is responsible for all matters related to the company, specifically as stipulated in Article 87 of the Companies Law.

Article 40: Competencies of the Extraordinary General Assembly

The extraordinary general assembly is responsible for amending the company's bylaws, deciding on the continuation or dissolution of the company, and approving the company's purchase of its shares, except for matters that are prohibited by law. Additionally, the extraordinary general assembly, besides its prescribed competencies under the law, may make decisions on matters that fall within the scope of the ordinary general assembly under the same conditions applicable to the latter.

Article 41: Register of Attendance at the Assemblies

Shareholders registered in the company's shareholder register with the (Depository Center) who wish to attend the general or special assembly must register their names at the company's head office or through the Tadawulat website before the scheduled time of the assembly.

Article 42: Discussion in the Assemblies

Each shareholder has the right to discuss the items listed on the agenda of the general assembly and to direct questions regarding them to the board of directors and the auditor. The board of directors or the auditor shall answer the shareholders' questions to the extent that does not harm the company's interest. If a shareholder finds the answer to their question unsatisfactory, they may refer the matter to the assembly, and its decision in this regard shall be final.

Article 43: Effectiveness of Shareholders' Assembly Decisions

The decisions of the shareholders' assemblies shall apply to holders of debt instruments and sukuk (Islamic bonds). However, these assemblies may not amend the rights granted to them except with their consent, issued by a special assembly convened according to the provisions of the Companies Law and the regulations issued by the relevant authority.



Chapter Five: The Auditor

Article 44: Appointment of the Auditor

1. The company shall have one or more auditors from among the auditors licensed in the Kingdom, appointed by the general assembly, which also determines their fees, duration, and scope of work. The auditor's appointment may be renewed, provided that the total duration does not exceed the period specified by the regulations.
2. The general assembly may dismiss the auditor through a resolution. The chairman of the board of directors must inform the competent authority of the dismissal and its reasons within a period not exceeding five days from the date of the decision.
3. The auditor may resign from their duties through a written notice to the company, with the resignation becoming effective from the date of submission or a later date specified in the notice, without prejudice to the company's right to claim compensation if applicable. The resigning auditor must provide the company and the competent authority with a statement of the reasons for the resignation, and the board of directors must call a general assembly to discuss the reasons for the resignation and appoint another auditor, determining their fees, duration, and scope of work.

Article 45: Powers of the Auditor

The auditor has the right at any time to access the company's documents, accounting records, and supporting evidence. The auditor may also request the necessary data and clarifications to verify the company's assets, liabilities, and other matters within the scope of their work. The chairman of the board must facilitate the auditor's duties. If the auditor faces difficulties in this regard, they should record this in a report to the board of directors. If the board does not assist the auditor, the auditor must request the board to call a general assembly to address the issue. If the board fails to do so within thirty days, the auditor may call the general assembly directly. The auditor is prohibited from participating in the founding of the company, its management, or serving on its board of directors. The auditor cannot be a partner of any of the company's founders, managers, board members, or employees, nor can they hold shares in the company or trade its shares during the audit period.

Chapter Six: Company Finances and Profit Distribution

Article 46: Fiscal Year

The company's fiscal year shall be twelve calendar months, starting on January 1 and ending on December 31.

Article 47: Financial Documents

1. At the end of each fiscal year, the board of directors must prepare the company's financial statements and a report on its activities and financial position for the ended fiscal year, including the proposed method for distributing profits. The board shall provide these documents to the auditor, if present, at least forty-five days before the date set for the annual general assembly.
2. The chairman of the board, the CEO, and the CFO (if present) must sign the documents mentioned in paragraph (1) of this article, and copies of them must be kept at the company's main office for the shareholders' review.



3. The chairman must provide the shareholders with the company's financial statements, the board's report, and the auditor's report (if present), unless these documents are published through modern technology. This must be done at least twenty-one days before the date of the annual general assembly, in accordance with the executive regulations of the Companies Law.

Article 48: Formation of Reserves

1. The ordinary general assembly, when determining the shareholders' share of net profits, may decide to create reserves to the extent that serves the company's interests or ensures stable dividend distribution to the shareholders. The assembly may also allocate portions of net profits for 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 any reserves, if applicable.



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[Article 49: Profit Distribution](#)

The company may distribute interim profits (semi-annually or quarterly) from distributable profits (in accordance with the regulations and guidelines issued by the competent authority) after fulfilling the following requirements:

1. The ordinary general assembly must authorize the board to distribute interim profits through a resolution that is renewed annually.
2. The company must have good and consistent profitability.
3. The company must have reasonable liquidity and be able to reasonably anticipate its profit levels.
4. The company must have distributable profits based on the latest audited financial statements, sufficient to cover the proposed distributed profits, after deducting any profits that have already been distributed or capitalized since the date of these financial statements. Distributable profits consist of retained earnings shown in the statement of financial position prepared at the end of the period immediately preceding the period in which the distribution decision is made, along with any distributable reserves or reserves created from profits that have not been allocated for specific purposes or for which the purpose for which they were created has been canceled. If profits are distributed from non-distributable profits, the company's creditors may demand repayment, and the company may seek to reclaim the amounts distributed to each shareholder—even if they acted in good faith. Shareholders are not required to return profits distributed to them even if the company incurs losses in subsequent periods. The board of directors must include in its annual report presented to the company's general assembly the percentages of profits distributed to shareholders during the various periods of the fiscal year, in addition to the proposed profit distribution percentage at the end of the fiscal year and the total amount of these profits.

[Article 50: Profit Entitlement](#)

Shareholders are entitled to their share of profits according to the resolution issued by the general assembly regarding this matter, specifying the entitlement date and the distribution date. The right to profits belongs to the owners of shares recorded in the shareholder registry at the end of the entitlement date. The board of directors must execute the general assembly's resolution regarding profit distribution to shareholders within fifteen working days from the specified entitlement date mentioned in the general assembly resolution or in the board's resolution regarding interim profit distribution.

[Article 51: Company Losses](#)

If the company's losses reach half of the issued capital, the board of directors must disclose this fact and its recommendations regarding these losses within sixty days from the date it becomes aware of reaching this amount. The board must call an extraordinary general assembly within one hundred eighty days from the date of this awareness to consider the continuation of the company and to take any necessary actions to address or resolve these losses.

[Article 52: Issuance of Debt Instruments and Financial Sukuk](#)

1. The company may issue—according to the Capital Market Law—debt instruments or tradable financial sukuk.
2. To issue debt instruments or convertible sukuk, the company must obtain a resolution from the extraordinary general assembly specifying the maximum number of shares that may be issued against these instruments or sukuk, whether issued simultaneously or through a series of issuances or one or more programs for their issuance. The board of directors may issue new shares against these instruments or sukuk requested for conversion by their holders without needing a new approval from this assembly upon the expiration of the conversion request period set



for the holders of these instruments or sukuk or when the conditions for their automatic conversion into shares are met or upon the passage of the specified period for this conversion.

3. The board of directors must register the completion of the procedures for any capital increase with the competent authority.

Article 53: Conversion of Debt Instruments and Financial Sukuk

The company may convert debt instruments or financial sukuk into shares according to the Capital Market Law, with the consent of their holders, whether that consent is prior (as part of the issuance conditions) or subsequent (by agreement).

Article 54: Compensation for Damages

Any interested party may request the competent judicial authority to annul any action that violates the provisions of Articles 47 or 48 of this system, in addition to seeking compensation for damages suffered by the holders of debt instruments or financial sukuk.

Here's the translation of the provided text:

Chapter Seven: Dissolution and Liquidation of the Company

Article 55: Dissolution of the Company

1. The company shall be dissolved for any of the reasons for dissolution specified in Article (243) of the Companies Law, and upon its dissolution, it shall enter the liquidation phase according to the provisions of Chapter Twelve of the Companies Law. If the company is dissolved and its assets are insufficient to pay its debts or if it is insolvent according to the Bankruptcy Law, it must apply to the competent judicial authority to initiate any liquidation procedures under the Bankruptcy Law.

Chapter Eight: Final Provisions



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Article 56: Final Provisions

1. The company is subject to the laws in force in the Kingdom of Saudi Arabia.
2. Any text that contradicts the provisions of the Companies Law in this foundational system shall not be considered valid, and the provisions of the Companies Law shall apply. For matters not covered in this foundational system, the Companies Law and its executive regulations shall apply.
3. The founders acknowledge the accuracy of the data and provisions included in this system and their compliance with the provisions of the Companies Law issued by Royal Decree (M/132) dated 1/12/1443H, as well as its executive regulations, and that it meets all the requirements and instructions issued by the Ministry of Commerce in accordance with the provisions of the law. The founders bear all legal and financial responsibilities that may arise from this. Furthermore, the founders are aware of the Ministry's right to take necessary legal actions in the event of any violation or contradiction in the provisions stated in the foundational system.

Article 57: Publication

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

Article 58: Applicable Regulations

1. The company is subject to the laws in force in the Kingdom of Saudi Arabia.
2. Any text that contradicts the provisions of the Companies Law in this foundational system shall not be considered valid, and the provisions of the Companies Law and its regulations shall apply. For matters not covered in this foundational system, the Companies Law and the Capital Market Law and their executive regulations shall apply.

The foundational system has been audited by the founders and approved by the Ministry's authorized representative. It has been published through the "Aamaly" newspaper, and the accuracy of the foundational system can be verified at the following link: [\[https://emagazine.aamaly.sa\]](https://emagazine.aamaly.sa)(<https://emagazine.aamaly.sa>).

May ALLAH grant success.

A version of the system was issued based on the decision of the Extraordinary General Assembly / Capital Owner's Decision dated 13/11/1445.

The foundational system does not require the official seal of the Ministry of Commerce.



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Founders' Resolution to Elect the Management

United Mining Industries Company (Joint Stock Company)

Based on the decision of the General Assembly of United Mining Industries Company in Jeddah, and as the General Assembly has decided to appoint a Board of Directors as stipulated in the (Management Article of the Company regarding the appointment of a Board of Directors by an independent contract), the General Assembly has decided to appoint the following members to the Board of Directors, consisting of (no less than 3):

Name	ID Number	Date of Birth	Nationality	Position
Raed Ibrahim Suleiman Al-Mudayhim	1038134902	02/07/1383	Saudi	Chairman of the Board
Abdullah Ibrahim Abdulaziz Al-Ajl	1024578476	02/07/1383	Saudi	Vice Chairman of the Board
Khalid Abdullah Mohammed Al-Shami	1027329174	03/03/1393	Saudi	Board Member
Ali Saleh Al-Abdullah Al-Dakhil	1005653454	02/07/1387	Saudi	Board Member
Abdulrahman Rashid Hindi Al-Balwi	1019910783	10/01/1390	Saudi	Board Member

They have all the powers provided to them in the foundational system.

And may Allah grant success .


