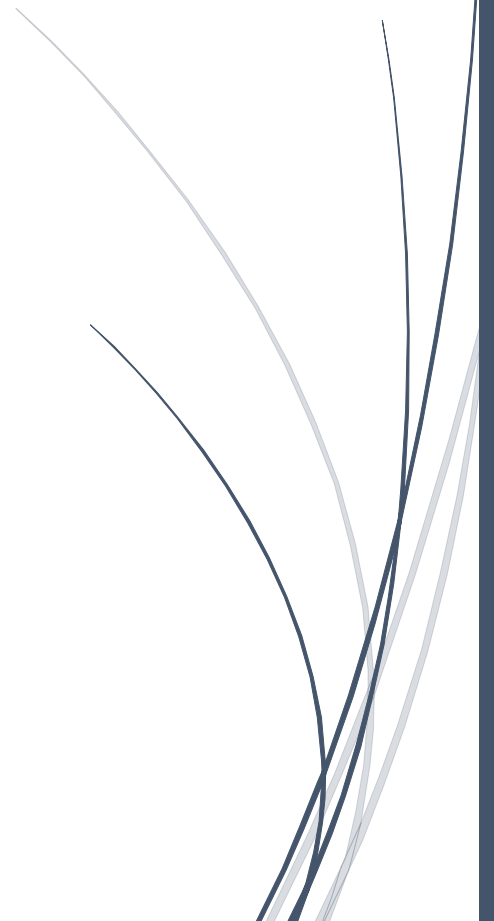




Articles of Association

Al Baha Investment and Development Company

The articles of association of Al Baha Investment and
Development Company have been approved
The Extraordinary General Assembly held
And it was published based on the decisions of the
extraordinary and held assembly
Date: Rajab 20 1443 corresponding to February 21, 2022
Approved by the Ministry of Commerce
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On: 05 Ramadan 1443





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Chapter 1: Establishment of the Company

Article 1: Establishing:

The company is established by the provisions of the Companies Law and its regulations, and the Law is a Saudi joint-stock company that operates by the following.

Article 2: Name of the Company:

Al Baha Investment and Development Company (Listed Joint Stock Company).

Article 3: Objectives of the Company:

The company carries out the following objectives:

- Construction of buildings.
- Specialized construction activities.
- Wholesale and retail trade.
- Residence.
- Food and drink service activities.
- Financial services activities, except for insurance financing and pension funds.
- Real estate activities.
- Leasing activities.
- Usage activities.
- Creative, arts and entertainment activities.
- The company shall also, according to the aforementioned, implement any necessary or complementary work to achieve these objectives.
- The company exercises its activities by the applicable regulations and after obtaining the necessary licenses from the competent authorities if any.

Article 4: Participation and ownership in companies:

The company shall establish companies (with limited liability or closed joint stock) alone, provided that the capital is not less than (5) million riyals. It shall have shares in other existing companies or merge with them, and it has the right to participate with others in the establishment of joint-stock or limited liability companies, after fulfilling the requirements of the regulations and instructions followed in this regard. It shall dispose of these shares, provided that this does not include mediation in its trading.



Article 5: Headquarters of the Company:

The headquarters of the company is located in the city of Al-Baha, It shall establish branches, offices or agencies inside or outside the Kingdom by a decision of the Board of Directors.

Article 6: Period of the company:

The period of the company is (99) ninety-nine Hijri years starting from the date of its registration in the Commercial Register. It may renew this period by a decision issued by the unordinary general assembly at least one year before the expiry of its period.

Chapter 2: Capital and Share

Article 7: Capital:

The company's capital is (297,000,000 Saudi riyals) two hundred and ninety-seven million Saudi riyals, divided into (29,700,000) twenty-nine million seven hundred thousand nominal shares of equal value, the value of each of which is (10) ten Saudi riyals, all of which are ordinary cash shares.

Article 8: Participation in Shares:

The shareholders participated in all the shares issued by the company, amounting to (29,700,000) twenty-nine million seven hundred thousand shares, they paid their value in full.

Article 9: Preference shares:

The Unordinary General Assembly of the company shall, by the principles set by the competent authority, issue preference shares or decide to purchase them, convert ordinary shares into preference shares, or convert preference shares into ordinary. Preference shares shall not give the right to vote in the general assemblies of shareholders. These shares give their owners the right to receive a percentage more than the ordinary shares holders of the company's net profits after setting aside the statutory reserve.

Article 10: Sale of non-valued shares:

The shareholder shall pay the value of the share on the dates specified for this, and if he fails to pay on the due date. The Board of Directors shall, after being notified through newspapers or a trading website or notified by a registered letter, sell the share in a public auction or the stock market, as the case may be, by the regulations set by the competent authority. The company shall collect the amounts due to it



from the sale proceeds and return the remainder to the shareholder. If the sale proceeds are not sufficient to meet these amounts, the company shall collect the remainder from all shareholder funds. A shareholder who defaults on payment until the day of the sale shall pay the value owed by him in addition to the expenses incurred by the company in this regard.

The company cancels the sold share by the provisions of this article, gives the buyer a new share with the number of the canceled share. It indicates in the shares register that the sale took place with the name of the new owner.

Article 11: Issuing Shares:

The shares are nominal and shall not be issued for less than their nominal value. They shall be issued with a higher value than this value, and in this last case, the difference in value is added in a separate item within the shareholders' equity. They shall not be distributed as dividends to shareholders. The share is indivisible facing the company. If the share is owned by multiple people, they shall choose one of them to act on their behalf in the use of the rights related to it. These persons shall be jointly liable for the obligations arising from the ownership of the share, and the company's shares shall also be issued against shares in cash or in kind.

Article 12: Share Trading:

The shares trading in which the founders participate shall not be traded until after the financial statements have been published for two fiscal years, each of which is not less than twelve months from the date of the company's incorporation. The deeds of these shares shall be marked with an indication of their type, date of establishment of the company, and the period during which trading is prohibited. During the prohibition period, the ownership of shares shall be transferred by the provisions of the sale of rights from one of the founders to another founder or from the heirs of one of the founders in the event of his death to third parties or in the event of execution on the funds of the insolvent or bankrupt founder, provided that the priority of owning those shares is given to the other founders. The provisions of this article shall apply to what the founders participate in it if an increase in the capital before the expiry of the prohibition period.

Article 13: Register of Shareholders

The company's shares are by the provisions of the Capital Market Law.



Article 14: Increase of Capital

The Unordinary General Assembly shall decide to increase the capital of the company, provided that the capital has been paid in full. It is not required that the capital has been paid in full if the unpaid part of the capital belongs to shares issued in exchange for converting debt instruments or financing deeds into shares and the period set for converting them into shares has not expired.

The Unordinary General Assembly shall, in all cases, allocate the shares issued upon the increase of capital, or part thereof, to the employees of the company and its subsidiaries or some of them, or any of that. Shareholders shall not exercise the right of priority when the company issues shares allocated to employees.

The shareholder who owns the share at the time of the issuance of the unordinary general assembly's decision approves the capital increase. He has the right to participate in the new shares that are issued in exchange for cash shares. These persons shall be notified of their priority by publication in a daily newspaper, through circulation, or by notifying them through registered mail of the decision to increase the capital, the conditions of subscription, its duration and the date of its beginning and end.

The Unordinary General Assembly has the right to stop work the priority right of the shareholders to subscribe to the capital increase in exchange for cash shares or to give priority to non-shareholders in the cases it deems appropriate for the interest of the company.

The shareholder has the right to sell or waiver the priority right during the period from the time of the issuance of the General Assembly's decision approving the capital increase until the last day of subscribing to the new shares associated with these rights, in accordance with the regulations set by the competent authority.

By Paragraph (4) above, the new shares shall be distributed to those who requested to participate in it. In proportion to their pre-emptive rights out of the total pre-emptive rights resulting from the capital increase, provided that what they receive does not exceed what they requested from the new shares. The rest of the new shares shall be distributed to the priority rights holders who requested more than their share, in proportion to their pre-emptive rights out of the total priority rights resulting from the capital increase, provided that what they receive does not exceed what they requested of the new shares, and the rest of shares are offered to third parties unless the unordinary general assembly decides or the financial market law stipulates otherwise.



The General Assembly shall decide to increase the capital by issuing new shares in exchange for cash or in-kind shares.

Article 15: Reduction of Capital

The Unordinary General Assembly shall decide to reduce the capital if it exceeds the company's needs or if it results in losses. In the last case, the capital shall be reduced below the limit stipulated in Article (fifty-fourth) of the Companies Law. The reduction decision shall not be issued except after a special report prepared by the auditor on the reasons for it, the obligations of the company, and the effect of the reduction in these obligations.

If the capital reduction is the result of an increase in the company's need. The creditors shall be invited to express their objections to it within 60 days from the date of publishing the reduction decision in a daily newspaper distributed in the area in which the company's headquarters is located. If one of the creditors objects and submits his documents to the company on the aforementioned date. The company shall pay him his debt if it is immediate or provide him with a sufficient guarantee to pay it if it is deferred.

Chapter 3: Board of Directors

Article 16: Management of the Company

The management of the company has a board of directors that contains (8) members elected by the ordinary general assembly of shareholders for a period not exceeding three years. Each shareholder has the right to nominate himself or one or more other persons for membership in the Board of Directors, within the limits of his ownership percentage in the capital.

Article 17: Expiration of Board membership:

The membership of the Board expires upon the expiration of its period or upon the expiration of the member's period of office by any law or instructions in force in the Kingdom. The Ordinary General Assembly shall dismiss all or some of the members of the Board of Directors at any time, without prejudice to the right of the dismissed member towards the company to claim compensation if the dismissal occurred for an unacceptable reason or at the wrong time. A member of the board of directors shall resign, provided that this is done at the right time, otherwise, it will be liable before the company for the damages resulting from the resignation.



Article 18: Empty Position in the Council:

If the position of a member of the board of directors becomes empty, the board shall appoint a temporary member to the empty position by the order of obtaining votes in the assembly that elected the board. Provided that he is among those who have experience and competence, and he shall inform the Ministry and the Capital Market Authority of this within five working days from the date of appointment. If the necessary conditions for the convening of the board of directors are not met due to the fact that the number of its members is less than the minimum stipulated in the Companies Law, the rest of the members shall invite the ordinary general assembly to convene within 60 days to elect the necessary number of members.

Article 19: Prerogatives of the Council:

By the powers prescribed for the general assembly, the board of directors shall have the widest powers in managing the company to achieve its objectives and manage its affairs. It has the right to contract loans, whatever their duration, with government financing funds and establishments, to contract commercial loans whose terms do not exceed the end of the company's term, to mortgage and sell the company's real estate or to sell or mortgage the company's commercial premises. It has the right to open documentary credits, bank guarantees, and accounts, withdraw and close them. It has the right to present reports of entering and not entering into tenders and purchases with all governmental and private agencies. It has the right to pay the insurances and fees, refund them, purchase their documents, submit and receive bids and tenders, accept or reject awards and bids or referee them to others directly or through subcontracting. It has the right to receive financial extracts, whatever their value, attend the opening of envelopes and sign on behalf of the company on all contracts, and conclude contracts for obtaining loans from the Industrial and Real Estate Development Fund, the Credit Bank, and other specialized governmental and private establishments. It has the right to conciliation, waiving, contract, obligation in the name of the company and on its behalf the right to purchase and accept it, pay the price, mortgage, issue the mortgage, empty and receive the price by checks in the name of the company, issue the company's debtors from their liabilities and represent the company before the notary public. The council shall also, within the limits of its prerogatives, delegate one or more of its members or third parties to implement specific works.

The Board of Directors may delegate the power of attorney, within the limits of its competences, to any member of the board of directors or other party to do a specific act or certain acts, or cancel this



power of attorney in whole or in part. The attorney has the right to delegate the power of attorney to other party, in the event that the power of attorney or the board of directors expressly states that, in all or some of the powers delegated and authorized to him, also the attorney has the right to cancel this power of attorney in whole or in part. The Power of attorney under this Article is effected in any statutory manner including, without limitation, through issuing legal agencies (including, without limitation, legal agencies that are in consistent with any model or list of powers approved by the Ministry of Justice) and the power of attorney under this Article is done by: By issuing written decisions or authorizations without the necessary to document them from any Authority.

Article 20: Reward of the Board of Directors:

The reward of a member of the Board of Directors, if any, consists of as estimated by the Ordinary General Assembly, in accordance with the official decisions and instructions issued in this regard and within the limits stipulated in the Companies Law and its regulations. The report of the Board of Directors during the fiscal year must include rewards, expense allowances, and other benefits; it must also include a statement of the number of council sessions and the number of sessions attended by each member from the date of the last meeting of the General Assembly.

Article 21: The Powers of Chairman, Vice Chairman, Managing Director (MD) and Chief Executive Officer (CEO):

The Board of Directors shall appoint from among its members the Chairman, a Vice- Chairman, and a Managing Director. It is not permissible to combine between the positions of the Chairman of the Board of Directors and with any other executive position of the company.

The Chairman of the Board or the Vice Chairman of the Board is responsible for representing the company and signing on its behalf in its relations with others, before the courts, arbitration authority and others. he has all absolute powers, government agencies, notary public, the General Investment Authority, the Capital Market Authority, the financial market company (trading), courts, dispute settlement committees of all kinds, judicial or quasi-judicial authorities, arbitration authorities, development funds, and government and private funding funds, chambers of commerce and industry, private authorities, banks, companies and institutions of all kinds, and signing all kinds of contracts and documents, including but not limited to sign on behalf of the company on Memorandum of association of the companies in which the company participates with their amendments and appendices, whatever the purposes of the amendments listed in them, including the special



amendments related to renounce the shares in companies and selling this shares or accepting them, Purchasing and selling movable property, real estate, land, accepting purchase, vacating, accepting vacating, paying the price or receiving the price, mortgaging, redeeming the mortgage and developing real estate, Representing the company inside and outside the Kingdom of Saudi Arabia and signing on behalf of it and reviewing all banks, various financial institutions, banks, funds, financial and banking authorities (whether governmental or non-governmental) and financial markets inside and outside the Kingdom to complete all banking operations, opening, updating and closing accounts of all kinds in the name of the company, approving the signature, implementing clearing and transfers from accounts, whether in currency foreign or local currency, sign all papers and documents necessary for managing bank accounts, opening the account, withdrawing and depositing, requesting and receiving records and checks, issuing an account statement, issuing, concluding and signing all contracts related to conducting and implementing automated operations via Internet or others. As well as for all banking operations through the electronic systems provided by the bank, a request for issuing, receiving and canceling bank cards (credit and direct debit cards), determining the secret numbers, concluding the signing of facilities agreements, loans, cost-plus contracts and securitization agreements in the name of the company, accept its terms, conditions and prices, sign its contracts, forms, payment schedules and all the necessary documents therefore, providing the necessary guarantees and amending them, issuing, signing, editing, clearing and accepting all commercial papers required by the company's business and its subsidiaries, including bills of exchange, promissory notes, checks of whatever value, endorsement and disbursement, demand and signature of receipts, opening documentary credits to other parties, requesting the issuance of bank guarantee letters, opening investment accounts and investment portfolios, managing them, transferring from and to them, liquidating them, stopping their disposal, signing receiving, contacts, clearing and acknowledgments, signing trading agreements by phone and fax, receiving the user name and password of the portfolio of account for online trading. On behalf of the company, Purchasing, selling, mortgaging, releasing a pledge, or transferring company shares, treasury bonds, or others, or foreign money or securities of any kind, regardless of their value, on behalf of the company and for its benefit or for the benefit of others, subscribing and recovering from investment accounts of all kinds and pledging them on behalf of the company for the benefit of others. Subscribing in trust funds, renewing subscribing in trust funds, redeeming units of trust funds, signing shares derivative agreements and their appendices, the documents and agencies entrusted and



related to them. Signing and concluding all kinds of in-kind and cash guarantees, whatever their value and their content, in the name of the company, third party guarantee or guarantee of the companies in which the company participates, whatever the percentage of their participation, and issuing financial guarantees, fine and performance guarantees and guarantees of all kinds, whatever their value, and their content, and for whomsoever they are. Signing agreements, works, treasury products, derivative transactions, hedging agreements and transactions of all kinds, regardless of their value, concluding and signing all kinds of agreements between creditors and concluding and signing financial support agreements or others, and guarantee agreements of all kinds and to any party and whatever their value, and agreements and undertakings related to pay or increase the capital to any party, whatever their value, and concluding and signing all agreements giving priority to debts or rights others, whatever their value, including the seal, concluding and signing all financial documents, financing documents and insurance contracts of all kinds, whatever their value, their amendments and extensions, assignment of their returns and rights to the benefit of others, the conclusion of guarantees for affiliated companies or in which they participate or other companies and their guarantee and financing contracts, and decisions of partners to shareholder associations regarding any financing of whatever nature, issuing legal agencies on behalf of the company, appointing attorneys and lawyers and delegating them with the necessary powers, and he has the right to delegate any of the company's employees or others within the limits of his competence to carry out certain work or works or any of the powers authorized to him, he has the right to delegate third parties to act on behalf of the company and to determine the powers authorized to him according to legal agencies that are organized with the notary public in this regard. The chairman of the board of directors, by a written decision, may delegate some of his powers to other members of the board of directors or to third parties implement specific tasks. The vice-chairman of the board of directors has the same powers, and the chairman of the board of directors and every member delegated by the council for a specific purpose has the right to confer upon him the right signing separately on behalf of the company. The Managing Director or the CEO shall also have the right to sign on behalf of the company in commercial, financial and administrative transactions, to represent it before the Sharia courts and notary public, and to sign the articles of association and amendment annexes of the company in the companies that the company may establish with others or alone, or participate in, contribute to, or merge with the company to increase or decrease The capital or any other amendments to any clause of the articles of incorporation or its classification, he has the



right to issue all of its records and licenses, renew, amend, transfer, cancel, issue a replacement for the damaged or lost or approve its liquidation, represent the company in the companies in which the company is a shareholder, sign corporate contracts, establish companies in the name of the company and register it with the Ministry of Commerce and Industry, company management, and the competent authorities, and before The notary public and the competent employee, in signing them and taking all necessary to implement the procedures from notifying, registering and issuing commercial records, and canceling and renewing them, receiving all documents related to register the decisions of the General Assembly of the company, its subsidiaries and the shareholder in it, signing the decisions of the General Assemblies in the companies and decisions to amend any item or article of the articles of association of those companies, concluding and signing articles of incorporation or signing contracts with annexes to amend them in the future, whatever the purposes of these amendments, including and without limiting the amendment appendices related to capital increase or decrease, modification of its activities or purposes, entry and exit of partners, converting its branches to a joint-stock company, modification of its legal entity, modification of shares ownership by purchase, selling, vacating, or assigning to others and signing the partners' decisions to appoint and dismiss managers, determine their powers and rewards, attend the signing of the partners' assemblies and vote on their schedule, or concluding and signing contracts of the purchase and sale of shares in existing companies, selling, investing, assigning them, or accepting the assigned shares. representing the company in attending, voting and signing in the meetings of the shareholders' assembly, the Constituent General Assemblies, the transformation assemblies, the ordinary and extraordinary, the public or closed joint stock companies in which it contributes, and all the partner associations of the limited liability companies or other companies that contribute to it, voting on its schedule, attending the meetings, voting and signing in the Boards of Directors and executive committees of companies in which the company owns shares, signing the minutes and decisions, approving the declaration of the annual budgets of those companies, receiving the company's share of the profits in them, and accepting positions and tasks in the Boards of Directors

He has the right to demand, plead, defend, adversarial, clearance, reconciliation, instituting Proceedings, accept or reject magistrates, accept or reject arbitration, acknowledge and deny, hearing proceedings and responding to them, give clearances and waiver before Sharia courts, committees related to settling commercial and labor disputes, arbitration committees, committees on commercial



and financial papers, labor offices, primary and higher committees for workers, the Board of Grievances, and the work of He has the right to appoint arbitrators, chartered accountants and lawyers. He has the right to buy, sell, empty, accept real estate and lands, sell and buy, empty shares, sell, buy, and sell shares, and all of that is for the company in other subsidiaries, sign its contracts, deliver and receive their prices, receive and deliver checks and guarantees related to the company's affairs, and he has right to receive, mortgage and pay the mortgage of movable and immovable assets within the company's purposes and in its interest and in its name. He has the right to appoint employees of all ranks and jobs, determine their salaries and powers, and dismiss them. He has the right to sign government, civil and commercial contracts, and he has the right to sign contracts for industrial and real estate development funds. He also represents the company in its relationship with others and before the judiciary and in all matters, whether in front of clients or government agencies and departments, and has the right to review the labor office and obtain visas, and has the right to appoint others to bring manpower, certified accountants or lawyers, and has the right to open accounts in Banks in the name of the company, receiving cash, disbursing checks, signing checks, withdrawal, deposit, opening credits, requesting facilities, credits and bank guarantees in accordance with Shariah controls, amending and canceling them, borrowing according to Shariah controls, signing contracts related to that, grants, accepting guarantees and guarantees, buying shares, shares and real estate documents, opening branches of the company and registering it with the competent authorities. The right to delegate third parties and all of the above inside and outside the Kingdom of Saudi Arabia, and Saudi embassies, consulates and representations abroad, and he has the right to delegate third parties to plead and defend on behalf of the company and delegate others in the powers. The CEO may authorization or attorney a member of the Board, the Managing Director, the Chairman of the Board, or others, under legal agencies or certified authorizations, to act on behalf of the company in all or some of his powers. in delegating others.

The remuneration obtained by the Chairman, Vice-Chairman and Managing Director (if appointed) is in addition to the remuneration prescribed for members of the Board of Directors. The Board of Directors approves the additional remuneration for the Chairman, Vice Chairman and Managing Director.

The governing council appoints a secretary to be chosen by it from among its members or others, who is responsible for writing invitations to the board of directors and the general assembly and to



participate with the president or his deputy in setting the agenda, writing the minutes of the meeting of the board of directors and the general assembly and signing them with the president or his deputy, writing correspondence for the board and receiving correspondence received and presented to the board, supervising the keeping of records and administrative books, sending papers to be sent to the ministry on time, keeping all the general assembly papers and documents, preparing the board's annual administrative report, and determining its remuneration to the board of directors, and the term of the board's chairman, his deputy, the managing director and the secretary is a member The Board of Directors is for the term of their membership in the Board, and they may be re-elected and the Board may at any time dismiss them or any of them without prejudice to the right of the dismissed person to be compensated if the dismissal occurred for an unlawful reason or at an inappropriate time.

Article 22: Council meetings:

The Governing Council shall meet at least four (4) meetings a year at the invitation of its President or Vice-President. The invitation shall be in writing and may be delivered by hand or by fax, e-mail, registered mail or modern technical means at least 10 (10) days prior to the scheduled date of the meeting, unless the members of the Council unanimously agree otherwise. The President of the Council must convene the Council when requested by two Council members. The notification shall be accompanied by an agenda and shall be discussed at that meeting, with all members provided with documentation on the topics to be discussed during the meeting. The Governing Council may hold its meetings without the need to send the above notification provided that all members agree in writing. Meetings of the Governing Council may be held by telephone or any other electronic means of communication that allows all members present to hear all other attendees. Unless otherwise notified, the President may assume, for the purpose of determining the quorum, that the member of the Governing Council participating by telephone or any other electronic means of communication shall be present for the duration of the meeting.

Article 23: Council meeting quorum:

The meeting of the Council shall not be valid unless attended by at least half of the members, provided that the number of attendees is not less than four (4) members. A member of the Board of Directors may delegate other members to attend the Board's meetings on his behalf in accordance with the following controls: -



A member of the Board of Directors shall not deputize for more than one member in the presence of the same meeting.

Fixed in writing and on a specific meeting of the Board.

In respect of the vote of the representative, a vote may not be taken on those resolutions on which the regime prohibits the vote of the representative.

Decisions of the Council shall be taken by a majority of the views of the members present or represented at the Council and, when the views are equal, the side with which the President voted shall be preferred.

The Governing Council shall have the right to issue decisions of passage by submitting them to all members dispersed unless a member requests the writing of the Council's meeting for deliberation. These decisions shall be issued with the consent of (4) a minimum of four members. These decisions were submitted to the Governing Council at its first subsequent meeting.

Article 24: Council's deliberations:

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

Chapter 4: Shareholders' Assemblies

Article 25: Attendance of associations:

Each subscriber has the right to attend the Constituent Assembly regardless of the number of his shares and each shareholder has the right to attend the shareholders' general associations. he may be entrusted to another person who is not a member of the Board of Directors or the company's employees in the presence of the General Assembly.

Article 26: Constituent Assembly:

The founders invite all subscribers to convene a constituent assembly within forty-five days from the date of the Ministry's decision to authorize establishment of company

Its validity requires the attendance of a number of subscribers representing at least half of the capital and each subscriber at its meetings has a vote on each share written or represented.



A number of subscribers representing at least half of the capital are required to attend the meeting's validity. If this quorum is not available, one of the two options must be selected:

A second meeting was convened at least fifteen days after the invitation was extended.

The second meeting shall be convened an hour after the expiration of the term of the first meeting and the invitation to the first meeting shall include that.

In any event, the second meeting would be valid regardless of the number of subscribers represented.

Article 27: Terms of reference of Constituent Assembly:

The Constituent Assembly is concerned with the matters mentioned in Article (sixty-third) of the Companies Law.

Article 28: Terms of reference of Ordinary General Assembly:

Ordinary General Assembly is concerned with all matters relating to the company, with the exception of the matters of the Extraordinary General Assembly, and it convenes at least once a year during the six months following the end of the company's financial year. Other ordinary general assemblies may be called whenever the need arises.

Article 29: Terms of reference of Extraordinary General Assembly:

The Extraordinary General Assembly is concerned with amending the company's articles of association, except for matters that are prohibited from amending by law. It may issue resolutions on matters originally within the competences of the ordinary general assembly, under the same terms and conditions prescribed for the ordinary general assembly.

It is also concerned with looking into the extension, shortening or dissolution of the company before the expiry of its term for any reason.

Article 30: Invitation to assemblies:

Public or private shareholders' associations shall be convened at the invitation of the Board of Directors, in accordance with the Corporate Regulations and Regulations. The Board of Directors shall convene the ordinary General Assembly if requested by the auditor, the audit committee or a number of shareholders representing at least 5% of the capital. The auditor may convene the Assembly if the Board does not invite the Assembly within 30 days of the date of the auditor's request.

The invitation to convene the general assembly shall be published in a daily newspaper distributed in the company's head office at least twenty-one days before the date fixed for the meeting. However, it



may be sufficient to send the invitation on the aforementioned date to all shareholders on the Tadawul website or by registered letters. A copy of the invitation and the agenda shall be sent to the Ministry and to the Capital Market Authority, within the period specified for publication.

Article 31: Record of attendance at assemblies:

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

Article 32: Quorum of Ordinary General Assembly Meeting:

The meeting of Ordinary General Assembly shall be valid only if it is attended by shareholders representing at least one quarter of the capital and if there is no quorum for such meeting, one of the two options shall be chosen:

A second meeting, to be held within 30 days following the previous meeting, was invited and published in the manner provided for in Article (30) of the present rules.

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

Article 33: Quorum of Extraordinary General Assembly Meeting:

The meeting of the general assembly must be attended by many shareholders, amounting to no less than half of the capital, otherwise the meeting will be considered null, and if this quorum is not available in the first meeting, one of the two options must be chosen: -

A second meeting is held an hour after the end of the period specified for the first meeting, provided that the invitation to hold the first meeting includes an announcement about the possibility of holding this meeting.

A second meeting shall be called, to be held with the same provisions set forth in Article (Thirty) of this law ,The second meeting shall be valid if attended by a number of shareholders representing at least a quarter of the capital.

If the number specified in the second meeting is not available, the invitation to a third meeting shall be noted, and it shall be held with the same provisions set forth in Article (thirtieth) of this bylaw, and the third meeting shall be valid regardless of the number of shares represented therein, after the approval of the competent authority.



Article 34: Voting in Assemblies:

Each participant has a vote for each share he represents in the constituent assembly, in addition to one vote for each participant for each share in the general assemblies, and the cumulative vote must be used to elect the board of directors.

Article 35: Decisions of the Assemblies:

Decisions are issued in the Constituent Assembly according to the majority participating in the shares represented therein. The decisions of the Ordinary General Assembly are issued by an absolute majority of the shares represented in the meeting, and the decisions of the Extraordinary General Assembly are issued by a two-thirds majority of the shares represented in the meeting, unless there is a decision related to increasing or decreasing the capital. Or by extending the term of the company or dissolving it before the expiry of the period specified in its articles of association or by merging it with another company, it shall not be valid unless it is issued by a majority of three quarters of the shares represented in the meeting.

Article 36: Discussion in the Assemblies:

The board of directors or the auditor must answer the shareholders' questions to the extent that does not jeopardize the company's interest, as each shareholder has the right to discuss the topics listed on the assembly's agenda and direct questions in this regard to the members of the board of directors and the auditor. . If the shareholder finds that the answer to his question is not convincing, he shall resort to the assembly, and its decision in this regard shall be enforceable.

Article 37: Preparing the associations and chairman over them:

The chairman of the board of directors is the chairman of the shareholders' general assemblies, or his deputy in his absence, or whoever is delegated by the board of directors from among its members for this. Minutes of the assembly meeting are drawn up, including the number of shareholders present or represented, the number of shares they own in person or by proxy, the number of votes assigned to them, the resolutions discussed, the number of votes that approved or disagreed with them, and a brief summary of the discussions that took place at the meeting. The minutes are recorded on a regular basis after each meeting in a special register signed by the president of the association, the secretary and the vote collector.



Chapter Five: Audit Committee

Article 38: forming of Committee:

The committee is formed in accordance with the decisions of the general assembly and by a decision of an audit committee consisting of (3) members who are not members of the executive board of directors, whether from the shareholders Or others, and the tasks of the committee, the controls for its work, and the rewards of its members are determined.

Article 39: Committee meeting quorum:

The majority of the members of the review committee must be present during its meeting, otherwise it is not considered invalid, and its decisions are issued by a majority vote of those present.

Article 40: The Committee's Duties:

The audit committee members have the right to inspect the company's business, as it has the right to review the company's records and documents and to request any clarification or statement from the members of the board of directors or the executive management, and it may also ask the board of directors to invite the company's general assembly to convene if the board of directors obstructs its business or the company suffered serious damage or loss

Article 41: Committee Reports:

Members of the Audit Committee must consider the company's financial statements, reports and notes provided by the auditor, and express its views on them, if any. It must also prepare a report on its opinion regarding the adequacy of the company's internal control system and the other work it has undertaken that fall within the scope of its competence. The board of directors shall deposit sufficient copies of this report at the company's head office at least twenty-one days before the date of the general assembly meeting to provide a copy of it to all shareholders who wish. The report is read during the assembly.

Chapter Six: Auditor

Article 42: Appointment of the auditor:

An auditor must be appointed by the Ordinary Assembly annually, as the company should have one (or more) auditors from among the auditors licensed to work in the Kingdom, in addition to determining his remuneration and the duration of his work. The Assembly may also change it at all times without



prejudice to He has the right to compensation if the change occurred at an inappropriate time or for an illegal reason.

Article 43: authority s of the auditor:

The auditor has the right at any time to review the company's books, records, and documents related to the company, in addition to his right to request data and clarifications that he deems necessary to obtain, in order to verify the company's assets and obligations and other things that fall within the scope of his work. The chairman of the board of directors should provide him with assistance in performing his duty, and if the auditor encounters difficulty in this regard, this is proven in a report and submitted to the board of directors.

Chapter Seven: Company Accounts and Profit Distribution

Article 44: The fiscal year:

The beginning of the company's financial year is calculated from the first of January and ends at the end of December of each year. The beginning of the first financial year is calculated from the date of the company's registration in the commercial registry until the end of December of the following year.

Article 45: Financial Documents:

At the end of each company's financial year, the board of directors must prepare the company's financial statements in addition to preparing a report on its activities and financial position during the past fiscal year. This report includes the proposed method for distributing profits. The Board shall place these documents at the disposal of the auditor at least forty-five days before the date set for convening the General Assembly.

The chairman of the company's board of directors, its chief executive officer and the financial manager of the documents referred to in paragraph (1) of this article must sign these documents, with copies of them being deposited at the company's head office and with the shareholders at least twenty-one days before the date set for holding the general assembly.

The chairman of the board of directors shall provide the shareholders with the company's financial statements, the board's report, and the auditor's report, unless they are published in a daily newspaper distributed in the company's head office. He must also send a copy of these documents to the Ministry, as well as to the Capital Market Authority, at least fifteen days before the date of the General Assembly.



Article 46: Dividend Distribution:

The company's annual net profit distribution is calculated as follows:

(10%) of the net profits shall be set aside to form the statutory reserve of the company, and the Ordinary General Assembly may decide to discontinue this deduction when the said reserve reaches (30%) of the paid-up capital.

The Ordinary General Assembly has the right to set aside (10%) of the net profits to form a general consensual reserve based on the proposal of the Board of Directors.

The Ordinary General Assembly has the right to decide the formation of other reserves, to the extent that achieves the interest of the company or ensures the distribution of fixed profits as much as possible to the shareholders. The aforementioned assembly may also deduct sums from the net profits for the establishment of social institutions for the company's employees or to assist the existing such institutions.

The rest is then distributed to the shareholders, representing (5%) of the company's paid-up capital.

Taking into account the provisions stipulated in Article (Twenty) of this system and Article seventy-six of the Companies Law, 10% of the remainder is allocated to the Board of Directors' remuneration after the above, provided that the entitlement to this remuneration is proportional to the number of sessions attended by the member.

Article 47: Entitlement to profits:

In accordance with the decision of the General Assembly issued in the matter of entitlement to profits, the shareholder deserves his share in the profits. The decision clarifies the due date and distribution date. The eligibility of profits is to the owners of shares registered in the shareholders' records at the end of the day specified for entitlement.

Article 48: Dividends for Preferred Shares:

Dividends for the following years may not be distributed except after paying the specified percentage in accordance with the provisions of Article (14) of the Companies Law for Preferred Shareholders for this year, in the event that dividends have not been distributed for any fiscal year.

It is permissible for the special assembly of the owners of these shares, held in accordance with the provisions of Article (89) of the Companies Law, that if the company fails to pay the percentage specified in accordance with the provisions of Article (one hundred and fourteen) of the Companies



Law for a period of three consecutive years, to decide either Attending the company's general assembly meetings and participating in voting, or appointing their representatives to the board of directors in proportion to the value of their shares in the capital, until the company is able to pay all the priority dividends allocated to the owners of these shares for the previous years.

Article 49: Company losses:

Any company official or auditor, if the joint-stock company's losses amount to half of the paid-up capital at any time during the fiscal year, as soon as he becomes aware of this, must inform the Chairman of the Board of Directors, and the Chairman of the Board of Directors must inform the members of the Board immediately of this, and the Board of Directors within five Ten days from his knowledge of this, to invite the extraordinary general assembly to meet within forty-five days from the date of his knowledge of the losses; To decide either to increase or reduce the company's capital in accordance with the provisions of the Companies Law, to the extent that the percentage of losses decreases to less than half of the paid-up capital, or to dissolve the company before the term specified in this Companies Law.

And if a meeting of the General Assembly is not held within the period specified in Paragraph (1) of this Article, then the company shall be considered terminated according to the Companies Law, or if it met and was unable to issue a decision on the matter, or if it decided to increase the capital in accordance with the conditions prescribed in this Article and the subscription did not take place. In each capital increase within ninety days from the issuance of the Assembly's decision to increase it.

Chapter Eight: Disagreements

Article 50: Liability lawsuit:

If an error was issued by the company, which resulted in harm to any of the shareholders, then each shareholder has the right to file a liability claim established for the company against the members of the Board of Directors. A shareholder may not file the aforementioned lawsuit unless the company's right to file it still exists. The shareholder must inform the company of his intention to file the lawsuit.

Chapter Nine: Dissolution and liquidation of the company

Article 51: Termination of the Company:

The company enters, upon its expiry, the phase of liquidation and retains the legal personality to the extent necessary for liquidation. The decision of voluntary liquidation is issued by the extraordinary



general assembly. The liquidation decision must include the appointment of the person responsible for this, in addition to specifying his powers, fees, restrictions imposed on his powers, and the time period required to liquidate the company, and the liquidation period must not exceed the period of liquidation. The voluntary option is five years and may not be extended for more than that except by a judicial order. The authority of the company's board of directors ends with its dissolution. However, these people remain in charge of the company's management, and the shareholders' assemblies remain in place during the liquidation period, and their role is limited to exercising their competencies that do not conflict with the liquidation.

Chapter 10: Final Provisions

Article 52:

The Companies Law and its rules shall be applied in everything that is not provided for in this Law.

Article 53:

This system is made and published in accordance with the provisions of the Companies Law and its regulations.