

Articles of Association of Raydan Food Company **"A Listed Saudi Joint Stock Company"**

Chapter (1) Incorporation of the Company:

Article (1) Incorporation:

A Saudi joint stock company shall be incorporated in accordance with the provisions of the Companies Law, its regulations and this Articles, as follows:

Article (2) Name of the Company:

Raydan Food Company (A Listed Saudi Joint Stock Company)

Article (3) The Purposes of the Company:

The Company carries out and implements the following purposes:

1. Accommodation and food service activities.
2. Incorporating and managing restaurants, shops, cafés and cafeterias for the Company and for third party.
3. Import, export, services and commercial agencies.
4. Maintenance and operation
5. Construction.
6. Wholesale and retail trade.
7. Real estate activities.
8. Transportation and storage.
9. Other service activities.

(The Company carries out its activities in accordance with the applicable regulations and after obtaining the necessary licenses from the competent authorities, if any)

Article (4) Participation and ownership in companies:

The Company may establish limited liability or closed joint stock companies on its own, provided that the capital is not less than one million riyals, it may also own stocks and shares in other existing companies or merge with them, and it has the right to participate with third party in the incorporating of joint stock or limited liability companies, after fulfilling the requirements of the regulations and instruction followed in this regard. The Company may also dispose of these stocks or shares, provided that, without mediation.

Article (5) The Company's Head Office

The head office of the Company is located in the city of Jeddah, and branches, offices or agencies may be established for it inside or outside the Kingdom by a decision of the managing director.

Article (6) The Duration of the Company:

The duration of the Company is (99) Gregorian years starting from the date of its registration in the Commercial Register, and this period may always be extended by a decision issued by the Extraordinary General Assembly at least one year before the expiry of its term.

Chapter (2) Capital and Shares

Article (7) The Company's Capital:

The Company's capital is set at SAR 337,500,000 (three hundred thirty-seven million five hundred thousand Saudi riyals), divided into (33,750,000) nominal shares of equal value, the value of each is (10) Saudi riyals, all of which are ordinary shares.

Article (8) Subscription to Shares:

The founders have subscribed to the entire capital stock amounting to (33,750,000) fully paid in kind.

Article (9) Preferred Stock:

The Extraordinary General Assembly of the Company may, according to the principles set by the competent authority, issue preferred stock or decide to purchase them, convert ordinary stock into preferred stock, or convert preferred stock into ordinary ones. Preferred stock do not give the right to vote in the General Assembly of shareholders. These stocks entitle their owners to obtain a percentage more than the ordinary stocks' holders of the Company's net profits after appropriation the statutory reserve in accordance with the provisions of Islamic Sharia.

Article (10) Selling Undervalued Stocks:

The shareholder is obligated to pay the value of the stock on the dates specified for this, and if he fails to pay on the due date, the Board of Directors may, after being notified by e-mail or by a registered letter, sell the stock in the public auction or the stock market, as the case may be, in accordance with the regulations set by the competent authority.

The Company shall collect the amounts due to it from the sale and return the remainder to the shareholder. If the sale proceeds are not sufficient to meet these amounts, the Company may collect the remainder from all shareholder funds.

Nevertheless, the defaulted shareholder until the day of the sale may pay the value due from him in addition to the expenses incurred by the Company in this regard.

The Company cancels the sold stock in accordance with the provisions of this Articles, gives the buyer a new stock bearing the number of the canceled stock, and indicates in the stock register that the sale took place with the name of the new owner.

Article (11) Stock Issue:

Stocks are nominal and may not be issued for less than their nominal value. Rather, they may be issued at a higher value, and in the latter case, the difference in value is added in a separate clause within the shareholders' equity. It may not be distributed as dividends to shareholders. The stock is indivisible while facing the Company. If the stock is owned by multiple persons, they must choose one of them to represent them in the use of the rights related thereto, and such persons are jointly responsible for the obligations arising from the ownership of the stock.

Article (12) Stock Circulation:

The stocks subscribed by the founders may not be circulated 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 bonds of these stocks shall be marked as an indication of their type, date of incorporation of the Company, and the period during which circulation is prohibited.

However, during the prohibition period, the ownership of stocks may be transferred in accordance with 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 subscribe to, in the event of an increase in the capital before the expiry of the prohibition period.

Article (13) Issuance of Instruments and Debt Instruments:

1. The Company may issue debt instruments or financing instruments of equal value that are negotiable and indivisible in accordance with the provisions of the Companies Law.
2. The Company may - by a decision of the Board of Directors - and in accordance with the Capital Market Law and other relevant laws and regulations, issue any type of tradable debt instruments, whether in Saudi currency or otherwise, inside or outside the Kingdom of Saudi Arabia, such as bonds and instruments, whether these instruments are issued at the same time or through a series of publications or through one or more programs established by the Board from time to time, all at times and in amounts and according to the conditions approved by the Board, and it has the right to take all necessary measures.
3. The Company may issue debt instruments or financing instruments that are convertible into stocks, after a resolution is issued by the Extraordinary General Assembly specifying the maximum number of stocks that may be issued in exchange for those instruments, whether those instruments are issued at the same time or through a series of the issues, or through one or more programs to issue debt instruments or financing instruments, and the Board of Directors - issues without the need for a new approval from the Extraordinary General Assembly- new stocks in exchange for those instruments or whose holders request their conversion, immediately after the end of the transfer request period specified for the campaign. These instruments, and the Board takes what is necessary to amend the Company's Articles of Association with regard to the number of issued stocks and the capital, and the Board of Directors shall announce the completion of the procedures for each capital increase in the manner specified in this Articles to publicize the decisions of the Extraordinary General Assembly.

Article (14) The Company's buying, selling and mortgaging of its stocks:

The Company may buy, mortgage or sell its ordinary or preferred stocks in accordance with the controls set by the competent regulatory authorities. The

treasury stocks purchased by the Company shall not have votes in the shareholders' assemblies.

1. The Company may purchase its shares in order to allocate them to the Company's employees within the employee stocks program in accordance with the conditions and controls determined by the applicable regulations in this regard.

Article (15) Shareholders Register:

The Company's stocks are circulated in accordance with the provisions of the Capital Market Law

Article (16) Capital Increase:

1. The Extraordinary General Assembly may decide to increase the Company's capital, 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 stocks issued in exchange for converting debt instruments or financing instruments into stocks and the period prescribed for their conversion into stocks has not yet expired.
2. The Extraordinary General Assembly may, in all cases, allocate the stocks issued upon the capital increase, or part thereof, to employees of the Company and its subsidiaries or some of them, or any part thereof. Shareholders may not exercise the right of priority when the Company issues the shares allocated to employees.
3. The shareholder who owns the stock at the time of the issuance of the Extraordinary General Assembly's decision approving the capital increase shall have priority in subscribing to the new stocks issued in exchange for cash stocks. These persons shall be informed of their priority by publishing in a daily newspaper or by notifying them through registered mail of the decision to increase the capital, the terms of subscription, its duration and the date of its beginning and end.
4. The Extraordinary General Assembly has the right to suspend the priority right of the shareholders to subscribe to the capital increase in exchange for cash stocks, or to give priority to non-shareholders in the cases it deems appropriate for the interest of the Company.

5. The shareholder has the right to sell or waive the right of priority 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.
6. According to what was mentioned in paragraph (4) above, the new stocks shall be distributed to the priority rights holders who have requested subscription, in proportion to their priority rights out of the total priority rights resulting from the capital increase, provided that what they receive does not exceed what they requested from the new stocks, the remainder of the new shares shall be distributed to the priority rights holders who requested more than their share, in proportion to their priority 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 stocks, and the remaining stocks are offered to third parties. Unless the Extraordinary General Assembly decides or the Capital Market Law provides otherwise.

Article (17) Capital Reduction:

The Extraordinary General Assembly may decide to reduce the capital if it exceeds the Company's needs or if it causes losses. Only in the latter case may the capital be reduced below the limit stipulated in Article (54) of the Companies Law. The reduction decision shall not be issued until after reading 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 reduction of the capital is a result of being more than the Company's need, the creditors shall be invited to express their objections thereto within sixty days from the date of publishing the reduction decision in a daily newspaper distributed in the area wherein the Company's head office 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 (18) The Company Management:

- A. The Company is managed by a Board of Directors consisting of five members elected by the Ordinary General Assembly of shareholders.
- B. The term of membership of the Company's Board of Directors is three years, renewable once or more.
- C. The Company shall present the names of the candidates for the membership of its Board of Directors to the Capital Market Authority to obtain its approval for their nomination before electing the General Assembly of shareholders.

Article (19) Board Membership Expiration:

The membership of the Board shall terminate upon the expiry of its term or upon the expiry of the member's eligibility for it in accordance with any system or instruction in force in the Kingdom. However, the Ordinary General Assembly may at any time dismiss all or some of the Board members, without prejudice to the dismissed member's right towards the Company to claim compensation if the dismissal occurred for a reason other than acceptable or at an inappropriate time, and a member of the Board of Directors may retire, provided that, it is at an appropriate time, otherwise he will be responsible before the Company for the damages resulting from the retirement.

Article (20) Vacant Position in the Board:

If the position of a member of the Board of Directors becomes vacant, the Board may appoint a temporary member in the vacant position according to 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 of this within five working days from the date of appointment, the appointment shall be presented to the Ordinary General Assembly at its first meeting, and the new member shall complete the term of his predecessor. 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 or this Articles, the rest of the members shall invite the Ordinary General Assembly to hold within sixty days to elect the necessary number of members.

Article (21) Powers of the Board:

Taking into account the powers prescribed for the General Assembly, the Board of Directors shall have the broadest powers in managing the Company in a way that achieves its objectives and has the right to:

1. The Board of Directors shall have the right to develop its policy, determine its investments, supervise its business and funds, and conduct its affairs inside and outside the Kingdom.

2. The Board of Directors shall approve contracts and tenders, incorporate companies in which the Company participates with all its amendments and appendices, approve the issuance of guarantees and warranties for banks, funds and government financing institutions, and approve all banking transactions. The members of the Board are considered agents on behalf of the Company and the shareholders, and the Board has the right to dispose of the Company's assets, property and real estate; to purchase, and accept it; to pay the price; to enter into a mortgage; to redeem such mortgage; to sell; to convey; to receive the price; to hand over the priced item, provided that the minutes of the Board of Directors include the reasons for its decision to dispose of the Company's assets, property and real estate, observing the following conditions:

- A. The Board shall specify in the sale decision the reasons and justifications for it.
- B. The sale is close to the same price.
- C. The sale shall be present except in cases of necessity and with sufficient guarantees.
- D. That such disposal shall not result in the suspension of some of the Company's activities or the imposition of other obligations on it.

3. The Board of Directors may make loans with government funds and institutions, and commercial loans with commercial banks, treasuries, and credit companies for any limits set by the Board and for any period.

4. The Board of Directors shall also have the right to seek reconciliation; to waive; to contract; to abide and associate in the name and on behalf of the Company. The Board of Directors may delegate on its behalf, within the limits of

its competence, one or more of its members or a third party to take a specific action or behavior or to perform a specific act or actions.

5. The Company's Board of Directors shall, at its discretion, have the right to discharge the Company's debtors from their obligations in accordance with what serves its interests, provided that the minutes of the Board of Directors and the rationale for its decision are included.

The following conditions shall be observed:

- A. The discharge shall be at least one full year after the debt arose.
 - B. The discharge shall be for a specified amount as a maximum per year for one debtor.
 - C. Discharge is a right of the Board that may not be delegated.
6. The Board may also, within the limits of its competence, delegate one or more of its members or third parties to carry out certain work or businesses.

Article (22) Remuneration of Board Members:

The remuneration of the Board of Directors consists of an amount of (50,000) fifty thousand Saudi riyals annually for each of them. In addition, each member shall be paid an attendance allowance of (1,000) one thousand Saudi riyals for each of the meetings of the Board he attends and (2000) two thousand Saudi riyals for each meeting of the Executive Committee attended by him, provided that the amount paid to the members of the Board of Directors does not exceed (10%) ten percent of the net profits.

Within the limits of what is stipulated in the Companies Law and its regulations, the report of the Board of Directors to the Ordinary General Assembly shall include a comprehensive statement of all the bonuses, expenses allowances and other benefits received by the Board members during the financial year, as well as a statement of what the members of the Board received in their capacity as workers or administrators, or what they received in return for technical or administrative work or consultancy, and it shall also include a statement of the number of Board sessions and the number of sessions attended by each member from the date of the last meeting of the General Assembly.

Article (23) Powers of the Chairman, Deputy, Managing Director and Secretary:

The Board of Directors appoints from among its members a chairman and a deputy and may appoint a Managing Director. It is not permissible to combine the position of chairman of the Board of Directors with any other executive position in the Company.

The chairman of the Board is responsible for inviting the Board to meet and chairing the Board of Directors' meetings as well as the meetings of the General Assembly of shareholders. The Managing Director is also responsible for implementing the directives that the chairman of the Board of Directors may issue to him and to conduct the daily business of the Company.

The chairman of the Board of Directors represents the Company in its relations with others and before the courts, and either of them has the right to sign Memorandum of associations of companies, and their amendments in the companies in which the Company participates, and other contracts; to appear before notaries; to make conveyances of any kind; to buy and sell lands and real estate; to receive and pay the price; to sign and receive papers, documents and instruments; to receive the priced item; to accept the conveyance of the Company and from the Company before the official authorities; to open branches; to extract, renew and receive commercial registrations for the branches; to sign documents before banks; to conduct all banking and investment transactions inside and outside the Kingdom of Saudi Arabia; to request visas; to recruit manpower from outside the Kingdom, and contract with them and determine their salaries; to obtain residency; to transfer and assign guarantees; and to delegate any member or other members of the Board of Directors or others to carry out certain work or businesses and to dismiss and cancel partly or completely.

The Board of Directors shall specify, in a decision appointing the Managing Director, his powers, authorities, duties, remunerations, and the term of his tenure in this position.

The remuneration obtained by each of them, in addition to the remuneration for the members of the Board of Directors, is 1 riyal for the chairman of the Board and 1 riyal for the Managing Director.

The Board of Directors appoints a secretary to be chosen by it from among its members or from others, and who is responsible for writing the facts and decisions of the Board of Directors and recording them in a special register prepared for this purpose. The remuneration of the secretary is determined by a decision of the Board. The term of the Board chairman, his deputy, the managing director, the secretary, and a member of the Board of Director shall not exceed the term of their membership in the Board. They may be re-elected and the Board may at any time dismiss them or any of them without prejudice to the right of those dismissed for compensation if the dismissal occurred for an unlawful reason or at an inappropriate time.

Article (24) Board Meetings:

The Board of Directors meets twice a year at the invitation of its chairman. The invitation shall be accompanied by the agenda. The chairman of the Board shall invite the Board to a meeting whenever requested by two of the members.

Article (25) Quorum of the Board Meeting:

The meeting of the Board is not valid unless attended by at least half of the members, provided that the number of attendees is not less than 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) A member of the Board of Directors may not represent more than one member in attending the same meeting.
- b) The representation shall be established in writing.
- C) The representative may not vote on decisions that the Law prohibits the representative from voting on.

The decisions of the Board are issued by a majority of the opinions of the members present or represented therein, and when the opinions are equal, the side with which the chairman voted shall prevail.

Article (26) Board 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 (27) Attending Assemblies:

Each subscriber, regardless of the number of his shares, has the right to attend the constituent assembly, and each shareholder has the right to attend the General Assembly of shareholders, and for this he may delegate another person other than the members of the Board of directors or the Company's employees to attend the General Assembly.

Article (28) The Constituent Assembly:

The founders invite all subscribers to hold a constituent assembly within forty-five days from the date of the Ministry's decision to authorize the incorporation of the Company. For the meeting to be valid, the attendance of a number of subscribers representing at least half of the capital is required. If this quorum is not available, the second meeting shall be held an hour after the end of the period specified for the first meeting, provided that the invitation for the first meeting shall include that.

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

Article (29) Competences of the Constituent Assembly:

The Constituent Assembly is concerned with the matters mentioned in Article (63) of the Companies Law.

Article (30) Competences of the Ordinary General Assembly:

With the exception of the matters of the Extraordinary General Assembly, the Ordinary General Assembly is concerned with all matters relating to the Company, and it held at least once a year during the six months following the end of the Company's fiscal year, other Ordinary General Assemblies may be called whenever the need arises.

Article (31) Competences of the 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 decisions on matters originally within the competences of the Ordinary General Assembly, under the same terms and conditions prescribed for the Ordinary General Assembly.

Article (32) Assemblies Invitation:

General or Special assemblies of shareholders are held at the invitation of the Board of Directors, and the Board of Directors shall invite the Ordinary General Assembly to hold if requested by the auditor, the audit committee, or a number of shareholders representing at least (5%) of the capital. The auditor may call the assembly to be held if the Board has not invited the Assembly within thirty days from the date of the auditor's request. The invitation to hold the General Assembly shall be published in a daily newspaper distributed at the Company's head office at least twenty one days before the date specified for the meeting. However, it may be sufficient to send the invitation on the aforementioned date to all shareholders by registered letters or by e-mail or by means of modern technology to contact the shareholders, a copy of the invitation and the agenda shall be sent to the Ministry and the Capital Market Authority within the specified period of publication.

Article (33) Assemblies Register of attendance:

Shareholders who desire to attend the General or Special Assembly register their names at the Company's head office before the time set for the Assembly.

Article (34) Quorum of the Ordinary General Assembly Meeting:

The meeting of the Ordinary General Assembly shall not be valid unless attended by shareholders representing at least a quarter of the capital. If the necessary quorum for holding this meeting is not available, the second meeting shall be held an hour after the end of the period specified for holding the first meeting, provided that the invitation to hold the first meeting includes an announcement of the possibility of holding this meeting.

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

Article (35) Quorum for the Extraordinary General Assembly Meeting:

The meeting of the Extraordinary General Assembly is not valid unless attended by shareholders representing half of the capital, if this quorum is not available in the first meeting, the second meeting shall be held an hour after the end of the period specified for holding the first meeting, provided that the invitation to hold the first meeting includes an announcement about the possibility of holding this meeting.

In all cases, the second meeting shall be valid if attended by a number of shareholders representing at least a quarter of the capital.

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

Article (36) Voting in Assemblies:

Each subscriber has a vote for each stock he represents in the Constituent Assembly, and each shareholder has a vote for each stock in the general assemblies, and the cumulative vote shall be used to elect the Board of Directors.

Article (37) Assemblies decisions:

Decisions in the Constituent Assembly are issued by an absolute majority of the stocks represented therein, and the decisions of the Ordinary General Assembly are issued by an absolute majority of the stocks represented in the meeting. The decisions of the Extraordinary General Assembly are also issued by a two-thirds majority of the stocks represented in the meeting, unless it is a decision related to an increase or decrease in the capital or a prolongation of the Company's term or its dissolution before the expiry of the period specified in its Articles of Association or its merger with another Company shall not be valid unless it is issued by a majority of three quarters of the shares represented in the meeting.

Article (38) Discussion in the Assemblies:

Each shareholder shall have the right to discuss the issues included in the Assembly's agenda and to direct questions in this regard to the members of the Board of Directors and the auditor. The Board of Directors or the auditor shall answer the shareholders' questions to the extent that the Company's interest is not harmed. If the shareholder deems that the reply to his question is not convincing, he shall appeal to the Assembly, and its decision in this regard shall be enforceable.

Article (39) Chairmanship of Assemblies and Preparation of Minutes:

The meetings of the General Assemblies of shareholders are chaired by the chairman of the Board of Directors or his deputy in his absence, or whoever is delegated by the Board of Directors from among its members for that in the absence of the chairman of the Board of Directors and his deputy.

The minutes of the meeting of the Assembly shall be issued, including the number of shareholders present or represented, the number of stocks they hold in person or by proxy, the number of votes assigned to them, the decisions taken, the number of votes that agreed or disagreed with it, and an adequate 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 Assembly's chairman, secretary and vote collector.

Chapter (5) Audit Committee

Article (40) Formation of the Committee:

By a decision of the Ordinary General Assembly, an audit committee consisting of (3) three members who are not executive members of the Board of Directors, whether from shareholders or others, shall be formed. The decision shall specify the missions of the committee, its work controls and the remuneration of its members.

Article (41) Committee Meeting Quorum:

The validity of the audit committee meeting requires a majority of its members to be present, and its decisions are issued by a majority vote of those present. In the case of equal votes, the chairman of the committee shall have the casting vote.

Article (42) Committee's Competencies:

The audit committee is responsible for monitoring the Company's business, and for this purpose, it shall have the right to review its records and documents and to request any clarification or statement from the members of the Board of Directors or the executive management. The audit committee may request the Board of Directors to invite the Company's General Assembly to be convened if the Board of Directors obstructs its work or the Company suffers serious damage or losses.

Article (43) Committee Reports:

The audit committee shall consider the Company's financial statements, reports and notes provided by the auditor, and express its views on them, if any. The audit committee shall also prepare a report on its opinion regarding the adequacy of the Company's internal control system and the other works it has carried out within the scope of its competence. The Board of Directors shall submit the sufficient copies of this report at the Company's head office at least twenty-one days prior to the date set for convening the General Assembly to provide each shareholder who wishes with a copy thereof. The report shall be read during the Assembly meeting.

Chapter (6) Auditor:

Article (44) Appointment of the Auditor:

The Company shall have an auditor (or more) from among the auditors licensed to work in the Kingdom, to be appointed annually by the Ordinary General Assembly, and his remuneration and duration of work shall be determined. The Assembly may also change him at any time without prejudice to his right to compensation if the change occurred at an inappropriate time or for an illegal reason.

Article (45) Powers of the Auditor:

The auditor at any time shall have the right to review the Company's books, records and other documents, and he also shall have the right to request the 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 shall enable him to perform

his duty, and if the auditor encounters difficulty in this regard, he shall prove this in a report submitted to the Board of Directors. If the Board does not facilitate the work of the auditor, it shall request the Board of Directors to invite the Ordinary General Assembly to consider the matter.

Chapter (7) Company's Accounts and Dividends:

Article (46) Fiscal Year:

The Company's fiscal year begins from the first of January and ends at the end of December of each year, provided that the first fiscal year begins from the date of its registration in the commercial register until the end of December of the following year.

Article (47) Financial Documents:

- A. At the end of each Company's fiscal year, the Board of Directors shall prepare the Company's financial statements, and a report on its activity and financial position for the elapsed 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 prior to the date set for convening the General Assembly.
- B. The Company's Board of Directors, chief executive officer and financial manager shall sign the documents referred to in Paragraph (A) of this Article, and the copies thereof shall be deposited at the Company's head office at the shareholders' disposal at least twenty-one days prior to the date set for convening the General Assembly.
- C. 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 at the Company's head office. He shall also send a copy of these documents to the Ministry, at least fifteen days prior to the date set for convening the General Assembly.

Article (48) Dividends:

The Company's annual net profits are distributed as follows:

1. (10%) of the net profits shall be retained to form the statutory reserve of the Company, and the Ordinary General Assembly may decide to

discontinue this retention when the said reserve reaches (30%) of the paid-up capital.

2. The Ordinary General Assembly, based on the proposal of the Board of Directors, may retain (20%) of the net profits to form an agreement reserve allocated for a specific purpose or purposes.
3. The Ordinary General Assembly may decide to form 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 amounts from the net profits for the establishment of social institutions for the Company's employees or to assist the existing ones of these institutions.
4. Subsequently, a percentage representing (5%) of the Company's paid-up capital shall be distributed to the shareholders.
5. Taking into consideration the provisions stipulated in Article (20) of this Law and Article (76) of the Companies Law, after the above, 10% of the remainder is allocated to the Board of Directors' remuneration, provided that the entitlement to this remuneration is proportional to the number of sessions attended by the member.

Article (49) Dividends Entitlement:

The shareholder shall be entitled to his share of the profits in accordance with the decision of the General Assembly issued in this regard. The decision shall indicate the due date and the date of distribution. The eligibility for profits shall be for the owners of stocks registered in the shareholders' records at the end of the day specified for entitlement.

Article (50) Distribution of Preferred Stock Dividends:

1. If no profits are distributed for any fiscal year, then no profits may be distributed for the following years until after paying the percentage specified in accordance with the provision of Article (114) of the Companies Law to preferred stock holders for that year.
2. If the Company fails to pay the specified percentage in accordance with the provisions of Article (114) of the Companies Law from the profits for a period of three consecutive years. The Assembly of the shareholders,

held in accordance with the provisions of Article (89) of the Companies Law, may decide either that they attend the meetings of the Company's General Assembly and participate in voting, or may decide to appoint their representatives in the Board of Directors in proportion to the value of their stocks in the capital, until the company is able to pay all the priority profits allocated to the shareholders for the previous years.

Article (51) Company Losses:

1. If the losses of the joint stock company amount to half of the paid-up capital, at any time during the fiscal year, any officer in the Company or the auditor, as soon as he becomes aware of this, shall inform the chairman of the Board of Directors. The chairman of the Board of Directors shall immediately inform the Board members of this. The Board of Directors shall, within fifteen days of becoming aware of this, invite the Extraordinary General Assembly to meet within forty-five days from the date of becoming aware of the losses, to decide whether to increase or decrease the Company's capital in accordance with the provisions of the Companies Law, to the extent that the percentage of losses decreases to less than half of the paid-up capital, or to dissolve the Company before the time limit specified in this Companies Law.
2. The Company is considered dissolved by the force of the Companies Law if the General Assembly did not meet within the period specified in Paragraph (1) of this Article, 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 established in this Article, and the entire capital increase has not been subscribed to within ninety days from the issuance of the Assembly's decision to increase it.

Chapter (8) Disputes

Article (52) Liability Claim:

Each shareholder shall have the right to file a liability claim prescribed for the Company against the members of the Board of Directors if the fault made by them would cause him special damage. A shareholder may not file the aforementioned claims unless the Company's right to file the same still exists.

The shareholder shall inform the Company of his intention to file a claim, while limiting his right to claim compensation for the special damage he sustained.

Chapter (9) Dissolution and Liquidation of the Company

Article (53) Dissolution of the Company:

As soon as the Company is dissolved, the Company gets into 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 shall include the appointment of the liquidator, determining his powers, his fees, the restrictions imposed on his powers, and the time period required for liquidation. The period of voluntary liquidation shall not exceed five years and may not be extended for more than that except by a court order. The authority of the Company's Board of Directors ends with its dissolution. However, they remain in charge of the management of the Company, and they are considered liquidators to third parties until the liquidator is appointed, and the shareholders' Assemblies remain in place during the liquidation period, and their role is limited to exercising their competences that do not conflict with the competences of the liquidator.

Chapter (10) Final Provisions

Article (54):

The Companies Law and the Capital Market Law and its executive regulations shall be applied in everything that is not provided for in this Law.

Article (55):

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