

Alkathiri Holding Company Bylaws " Listed and Joint-Stock Company"

Chapter One: Company Incorporation

Article (1): Incorporation:

A Saudi Joint-Stock Company, in accordance with the provisions of the Companies Act and its regulations, and this Bylaws are established as Follows:

Article (2): Company name:

Alkathiri Holding Company "Listed and Joint-Stock Company"

Article (3): Purposes of the company:

The activities and purposes for which the company was established are: -

- 1- Managing its subsidiaries or participating in the management of other companies in which it shares, in turn.
- 2-Investing its money in stocks and other securities.
- 3-Owning the real estate and movables necessary to carry out its activities.

Possessing the ownership of industrial property rights such as patents, trademarks, industrial trademarks, concession rights and other intangible rights, exploiting them, and leasing them to its subsidiary companies or to others. The company carries out its activities as per the followed regulations and after obtaining the necessary licenses from the concerned authorities, if required.

Article (5) Participation and ownership in companies:

The company is obligated to participate in other companies at a rate that enables it to control it through ownership or management, and it may also establish companies on its own (with limited liability or closed shareholding), provided that the capital is not less than (5) million riyals.

Article (5) The head office of the company:

The head office of the company is in Riyadh city, and its branches, offices or agencies may be established inside or outside the Kingdom of Saudi Arabia by a decision of the company's board of directors.

Article (6) Duration of the company:

The Duration of the company is (99) years (ninety-nine years) Gregorian, starting from the date of annotation in the commercial registration as a joint stock-company, and this period may always be prolonged by a decision issued by the extraordinary general assembly at least one year before the expiry of its deadline.

Chapter Two: Capital and Shares

Article (7) The company's capital:

The company's capital has been set at (90,417,600 riyals) ninety million four hundred seventeen thousand six hundred Saudi riyals, divided into (9,041,760 shares) nine million and forty-one thousand seven hundred and sixty nominal shares of equal value, each of which is worth (10) ten Saudi riyals, all of which are ordinary shares.

Article (8) Subscription to shares:

The founders have subscribed in all the capital shares amounting to (9,041,760) shares of (90,417,600 riyals) ninety million four hundred seventeen thousand and six hundred Saudi riyals, and the shareholders acknowledge that the full capital of the company had already been fulfilled upon incorporation.

Article (9) Preferred Stocks:

According to the principles laid down by the competent authority, the extraordinary general assembly of the company may issue preferred Stocks or decide to buy them or convert ordinary stocks into preferred stocks or convert preferred stocks into ordinary stocks. Preferred stocks dose not grant the right to vote in the general assemblies of shareholders. These shares grant their owners the right to obtain a higher percentage of the net profits of the company than those who own the ordinary shares after setting aside the statutory reserve

Article (10) Selling shares of unmet value:

The shareholder is obligated to pay the value of the share on the dates specified for that, and if he fails to pay the due date, the board of directors may after notifying him through his address registered in the shareholders 'register or inform him by a registered letter selling the share in the public auction or the

stock market, as the case may be, in accordance with the controls specified by the competent authority. The company shall collect from the proceeds of the sale the sums owed to it and return the rest to the owner of the share, and if the proceeds of the sale are not sufficient to meet these amounts, the company may collect the remainder of all the shareholder's funds. The company has spent in this regard, and the company cancels the sold share in accordance with the provisions of this article and gives the buyer a new share bearing the number of the canceled share and indicates in the stock register the occurrence of the sale with an indication of the name of the new owner.

Article (11) Issued Shares:

Shares are nominal and may not be issued at less than their nominal value but may be issued at a higher than this value, and in this last case the difference in value is added in a separate item within the shareholders' equity and may not be distributed as dividends to the shareholders, and the share is indivisible in front of the company. Multiple persons must choose one of them to represent them in using the rights related to him, and these persons shall be jointly responsible for the obligations arising from the ownership of the share.

Article (12) Shares Trading:

Shares subscribed by the founders may not be traded except after publishing the financial statements for two fiscal years, each of which is not less than twelve months from the date of the company's conversion, and the bonds of these shares shall be indicated indicating their type, the date of the company's transformation, and the period in which their circulation is prohibited, however it is permissible. During the prohibition period, the ownership of shares is transferred according to 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 a third party or in the case 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, and the provisions of these provisions apply Article on what the founders subscribe to in the event of a capital increase before the ban period expires.

Article (13) Shareholders' register:

All shares are negotiable in accordance with the provisions of the Capital Market Law and the regulations, rules and instructions issued by the competent authorities.

Article (14) Issuance of debt deeds and instruments:

1-The company may issue debt deeds or financing instruments of equal value that are tradable 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 Financial Market Law and other relevant laws and regulations, issue any type of negotiable debt instruments, whether in the Saudi currency or elsewhere, inside or outside the Kingdom of Saudi Arabia, such as bonds and deeds, whether those instruments are issued in At the same time, or through a series of publications, or through one or more programs set by the Board from time to time, all of this at times and in amounts and in accordance with the conditions approved by the Council which has the right to take all necessary measures in this regard.

3-The company may also issue debt instruments or financing instruments convertible into shares after the issuance of a decision by the extraordinary general assembly specifying the maximum number of shares that may be issued in exchange for those instruments or sukuk, whether those instruments or sukuk were issued at the same time or through A series of issuances, or through one or more programs to issue debt instruments or financing instruments, and the board of directors issues - without the need for new approval from the extraordinary general assembly - new shares in exchange for those instruments or sukuk whose holders request their transfer, upon the expiry of the specified transfer request period. For holders of those instruments or sukuk, and the board takes what is necessary to amend the company's articles of association in connection with the number of issued shares and capital, and the board of directors must announce that the procedures for each increase in the capital

have been completed in the manner specified in this system to announce the decisions of the extraordinary general assembly.

Article (15): The company buying, selling and mortgaging its shares:

1-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 shares that the company buys shall not have votes in the shareholders' assemblies.

2-The company may purchase its shares with the aim of allocating them to the company's employees within the employees' shares program in accordance with the conditions and controls specified by the regulations in force in this regard.

3-Shares may be mortgaged according to controls set by the Financial Market Authority, and the mortgagee creditor may receive the profits and use the rights related to the share, unless the mortgage contract stipulates otherwise, but the mortgagee creditor may attend the shareholders' general assembly meetings or vote in them.

Article (16) Capital Increase:

1-The extraordinary general assembly may decide to increase the capital of the company, provided that the capital has been paid in full and it is not required that the capital be paid in full if the unpaid part of the capital is due to shares issued in exchange for transferring debt instruments or financing instruments to Shares and the period specified for their conversion into shares has not yet expired.

2-The extraordinary general assembly in all cases may allocate the shares issued when increasing the capital or part thereof to the employees of the company and the subsidiary companies or some of them, or any of that. Shareholders may not exercise the right of priority when the company issues the allocated shares.

3-Public participation of shareholders in contributing to the public shareholding in the regular way, for the regular space to contribute to the capital in subscribing to new shares issued in exchange for cash shares and informing them of their priority in a daily newspaper or by informing them, e-mail, mail, production, drawing, drawing, its duration and date of its beginning and end.

4-The extraordinary general assembly has the right to suspend the priority right for shareholders to subscribe to an increase in capital in exchange for cash shares, or to give priority to non-shareholders in cases it deems appropriate for the company's interest.

5-The shareholder has the right to sell or waive the pre-emption right during the period from the time of the issuance of the General Assembly's decision approving the capital increase to the last day for subscribing for new shares related to these rights, in accordance with the controls laid down by the competent authority.

6-Subject to the provisions of Paragraph (4) above, the new shares shall be distributed to the holders of priority rights who have requested to subscribe in proportion to the priority rights they own from the total priority rights resulting from the capital increase, provided that what they obtain does not exceed the new shares they requested and the rest of the shares are distributed New to priority rights holders who requested more than their share in proportion to the total priority rights they own from the total priority rights resulting from the capital increase, provided that what they obtain does not exceed what they requested of the new shares, and the remainder of the shares shall be offered to others unless the extraordinary general assembly decides. Or the financial market system stipulates otherwise.

Article (17) Reduction of capital:

The extraordinary general assembly may decide to reduce the capital if it exceeds the company's need or if it suffers losses. In the latter case alone, it is permissible to reduce the capital below the limit stipulated in Article 54 of the Companies Law. The reduction decision is not issued except after reading a special report prepared by it. The auditor of the accounts on the reasons for him and the obligations of the company and the impact of the reduction in these liabilities, and if the reduction of the capital is a result of an increase in the company's need, then the creditors must be invited to express their objections to it within sixty days from the date of publishing the decision to reduce it in a daily newspaper distributed in the region in which The head office of the company is located, and if one of the creditors objects and submits his documents to the company on the aforementioned time, the company must pay his debt to him if it is due or provide him with a guarantee sufficient to pay it if it is later.

Chapter Three: The Board of Directors

Article (18) Company management:

The management of the company shall be governed by a board of directors composed of (4) four members elected by the ordinary general assembly of shareholders for a period not exceeding three years.

Article (19) Term expiration:

The membership of the board ends with the expiration of its term or the expiration of the member's validity according to any system or instructions in force in the Kingdom of Saudi Arabia. Nevertheless, the Ordinary General Assembly may at all time dismiss all or some of the members of the Board of Directors without prejudice to the right of the dismissed member towards the company to claim compensation if the dismissal occurred for a reason that is unacceptable 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 liable before the company for the damages resulting from his retirement.

Article (20) Vacant positions in the BOD:

If the position of one of the members of the Board of Directors becomes vacant, the Board may appoint a temporary member in the vacant position, provided that he is one of those who have experience and sufficiency and must inform the Ministry as well as the Financial Market Authority within five working days from the date of appointment, and the appointment shall be presented to the Ordinary General Assembly at the first meeting. The new member shall complete the term of his predecessor, and if the necessary conditions for the meeting of the Board of Directors are not met due to the lack of the number of its members below the minimum stipulated in the Companies Law or this system, the rest of the members must invite the Ordinary General Assembly to convene within sixty days to elect the necessary number of members.

Article (21) Powers of Board of Directors:

Considering the powers established for the general assembly, the board of directors shall have the broadest powers and authority in managing the company, supervising its business and funds, conduct its affairs, and drawing the general policy that it runs to achieve the purpose for which it was established, and for the sake of that in particular and without specifying:

A-Set up an internal regulation List

B-Conclusion of all contracts and agreements, including without limitation contracts for purchase, sale, rent, lease, agencies, concessions, and other documents, transactions and deals on behalf of the company and engage in tenders on its behalf.

C-Signing on behalf of the company the contracts for the establishment of companies, amendments, annexes, and decisions of the partners in the companies in which the company participates in and outside the Kingdom, increasing its capital, paying fees, receiving registration certificates, following up the procedures for merging, transferring and liquidating them, buying and selling shares and shares and assigning them, whether in whole or in part, announcing in official newspapers and meeting all Governmental agencies and sign all of the above.

D-Opening, managing, operating and closing bank accounts, obtaining loans and other credit facilities for any period, including loans that exceed a period of three years, from funds and institutions of government financing, commercial banks, financial houses, credit companies and any other credit agency, and issuing guarantees and guarantees in favor of any party when According to his absolute discretion, he considers that this serves the interest of the company, issues bonds for an order and other commercial papers, and performs all transactions and concludes all banking agreements and deals, except that in the case of commercial loans whose terms exceed three years, the following conditions must be observed:

- 1) The board of directors shall specify in its decision the uses of the loan and the method of repayment
- 2- The conditions of the loan and the guarantees provided to not harm the company and its shareholders and the general guarantees to creditors shall be taking into account.

E-Conclusion of sale and purchase contracts and lease contracts and the purchase of land, real estate and other property of assets and movable and immovable assets on behalf of the company necessary to achieve the objectives of the company and the sale of those movables, emptying, marginalization, foreclosure and releasing the mortgage of any of the company's properties before the courts and notaries, accepting the sale, fixing the price and acknowledgment of receiving a receipt. As to the sale of the company's real estate, the written resolution of the board of directors must include the reasons for its decision to sell the company's property with the observance of the following conditions:

- 1) The board of directors shall determine the reasons and justifications of the sale decision.

2) The selling price shall be close to the usual price\actual value

3-The payment of the Selling shall be paid by cash only and immediately, except in cases determined by the Board and with adequate guarantees.

4-Such behavior shall not result in the disruption of some business activities of the company nor shall it burden the company with other obligations.

F-Appointing a secretary to the board of directors based on the chairman proposal.

G-Approving the internal, financial, administrative and technical regulations of the company and the policies and regulations of its workers.

H-Appointing employees to manage the company with experience and competence as seen by the Board, as well as define their duties and remuneration.

I-Delegating the authority to those responsible for managing the company to sign on behalf of the company within the limits of the rules set by the Board of Directors.

J-Forming empowered committees with the powers the Council deems appropriate and coordinate between these committees with the aim of expeditious decision-making on matters brought before them.

K-Approval of the establishment of subsidiary companies, branches, offices and agencies of the company, subscriptions and participation in any of the companies.

L-Approval of the company's business plan and approval of its operating plans and capital budget.

M-The company's Board of Directors, and in the cases it assesses, shall have the right to absolve the company's debtors from their liabilities in accordance with what is in its interest, provided that it includes the written resolution of the Board of Directors and the reasons for its decision and observance of the following conditions:

1) Debt relief shall be after one year from the debt history at least.

2) Debt relief shall be for a specified maximum amount per year for one debtor

3) Debt Relief is a right of the Board and it is not permissible to delegate or authorize someone to do it.

N-Requesting bank loans in the name of the company, accepting its terms, provisions and prices, signing its contracts, forms, pledges, and schedules of repayment, receiving and handling the loan, providing guarantees and safeguards, presenting guarantors and showing solidarity with them, requesting exemption from loans, opening credits in the name of the company and extending them, advancing and approving loans and banking facilities of all kinds from commercial banks for any amounts And the issuance of letters of guarantee and documentary credits on behalf of the company, issuance of guarantees and mortgage with banks, public lending funds, financing agencies, local and international investment companies, issuance of order bonds and other securities. They may also contract loans, financing and financial facilities with funds and government financing institutions, regardless of their duration, and Islamic Murabaha contracts and contracts Transfer and agreements related to treasury products and he has the right to contract loans with banks and commercial financial financing institutions whose deadlines do not exceed the end of the company's term, receive the loan and assign it, request exemption from it, request the absence of any financial obligations and repay the loan, he is also entitled, according to the powers granted to him, to delegate or authorize others. The Board may also, within the limits of its powers, delegate or authorize one or more of its members or others to carry out specific work or activities.

Article (22): Remuneration of Board Members:

The remuneration of the Board of Directors consists of ten percent of the net profits and after distributing a percentage of (5%) to the shareholders, which does not exceed five hundred thousand riyals for each member, and within the limits of what is stipulated in the Companies Regulation and its Bylaws. The report of the Board of Directors to the Ordinary General Assembly must include a comprehensive statement for each member. What members of the board of directors received during the fiscal year in terms of rewards, expenses allowances and other benefits, and it should also include a statement of what board members received as workers or administrators or what they received in return for technical, administrative or consulting work, and it also includes 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): Chairman, Managing Director and Secretary:

The Board of Directors shall appoint a chairman and a vice president from its members, and may appoint a managing director. It is not permissible to combine the position of the chairman of the board of directors with any executive position in the company, and the president has the authority to invite the board to meet and chair the meetings of the board and general assemblies of

shareholders, and the chairman of the board is also concerned with the following matters: -

A-Representing the company in its relations with others, before the judiciary, government and private agencies, and they have the right to claim, plead, defend and litigate against others, attend sessions, set up and hear cases, hear witnesses, question them, respond to them, request an oath and challenge forgery Demanding all rights with third parties in every lawsuit brought by or against the company, acknowledgment, denial, reconciliation, acceptance and denial of judgment, objection to it, requesting distinction, and execution of seizure before all Sharia courts, judicial bodies, the Board of Grievances, labor offices, workers, higher and primary committees, the Committee for Resolution of Securities Disputes and Dispute Resolution Committees of all kinds Arbitration bodies, civil rights, police departments, chambers of commerce and industry, private bodies, companies, banks, commercial banks, money houses, all funds and government financing institutions of various names and specializations, institutions of all kinds, and other lenders.

B-Conclusion of all contracts and agreements, including without limitation contracts for purchase, sale, rent, lease, agencies, concessions, and other documents, transactions and deals on behalf of the company and engage into tenders on its behalf.

C-Signing contracts on behalf of the company for establishing companies, amendments, annexes, and decisions of the partners in the companies in which the company participates inside and outside the Kingdom of Saudi Arabia, increasing its capital, paying fees, receiving registration certificates, following up on the procedures for merging, transferring and liquidating them before all the competent authorities, buying, selling and assigning shares and shares, whether in whole or in part thereof, and signing the All decisions and documents required to open branches of the company, advertise in official newspapers, meet all government agencies, and sign all of the above.

D-The conclusion of sale, purchase, and lease contracts and the purchase of lands and real estate on the company's behalf and other property of the assets and movable and immovable funds necessary to achieve the objectives of the company and the sale of those movables after the approval of the Board of Directors, emptying, marginalization, foreclosure and releasing the mortgage for any of the company's properties with the courts and notaries, accepting the sale and determining the price and acknowledgment of the receipt.

E-Appointing & Signing employees, determining their salaries, dismissing them from service, requesting visas, bringing in employees and workers from abroad, extracting residencies and work permits, transferring safeguards and waiving them

F-Approval of the company's business plan and of its operational plans and capital budget.

G-Representing the company before Sharia courts, judicial bodies, administrative courts (the Board of Grievances), Sharia medical committees, labor offices and workers, workers committees (primary and higher), financial dispute resolution committees, banking dispute settlement committees, offices for resolving commercial paper disputes, committees for resolving commercial disputes, all judicial and quasi-judicial committees and arbitration bodies He has the right to demand and institute lawsuits, plead, defend, litigate, hear claims, respond to them, acknowledge, deny, acquit, conciliate, assign, divide, sort, request the oath, refrain from it, make settlements of all kinds, bring witnesses and evidence, challenge them, answer, injure, amend, appeal for forgery, deny lines, seals, signatures, and request travel ban Request for arbitration, appointing experts and arbitrators, appeal the reports of experts and arbitrators, repay and replace them, request the application of Article 230 of the legal pleading system, demand the implementation of judgments, accept and deny judgments, object to judgments, request appeal and distinguish them, seek reconsideration, request restitution, request preemption, and end the necessary attendance. hearings in all cases filed from and against the company with all courts, receipt of sums by check in the name of the company, receipt of verdicts, a request for

the judge to step aside, a request for entry, interference and assignment of all rights, issues, donation, prejudice and bail.

He is also entitled, according to the powers granted to him, to delegate or authorize others to it.

The Vice President and Managing Director shall have the competence, jointly or separately, in the following matters:

H-Representing the company in its relationship with third parties, government and private agencies, all government departments and authorities, customs committees, commercial fraud committees, the Bureau of Investigation and Public Prosecution, the Oversight and Anti-Corruption and Civil Rights Authority, the Emirate, police and traffic departments, Civil Defense, Passports, Deportations, Ministries, Municipalities, Airports, Embassies, Customs, Ports, Chambers of Commerce and industry, private bodies and companies And institutions of all kinds, engaging in tenders, receiving and paying, and giving accounting clearances.

I-Conclusion of sale, purchase, leases and renting contracts, and purchasing lands on behalf of the company and real estate and other property of assets and movable and immovable funds necessary to achieve the objectives of the company, pay the price, sell those movables, emptying and accepting it, marginalization, foreclosure and releasing the foreclosure of any of the company's properties before the courts and notaries, accepting the sale and fixing the price. Acknowledgment of his seizure, receipt, delivery, merging of bonds, retail, sorting, receipt of instruments, updating them and entering them into the comprehensive system, waiving the lack of space, deleting, adding, modifying boundaries, lengths, area, plot numbers, plans, deeds and their dates, the names of the districts, and issuing the arguments for the establishment of all properties.

J-Reviewing all local and international banks and banks in the Kingdom of Saudi Arabia and abroad, opening accounts in the name of the company, approving the signature, withdrawing from accounts, depositing in them in cash or checks, transferring from them, extracting and receiving an ATM card, receiving and entering secret numbers, extracting and receiving credit cards, receiving secret numbers for them, extracting an account statement and extracting a check book Receiving and editing them, issuing certified checks in the name of the company, receiving them, receiving and disbursing remittances, participating and renewing trust funds, retrieving safety deposit units, activating accounts, closing and settling accounts, cashing checks in the name of the company, objecting to checks, receiving returned checks, updating data, signing commercial papers, documents, checks and all banking transactions in the name of the company, as well as issuing guarantees. Guarantees for the benefit of others, issuance of credit accounts and bonds for order and all commercial papers, signing of all kinds of contracts, documents, agreements, deeds and facility documents, and they have the right to open investment accounts in the name of the company with all banks, legitimate financing companies and financial institutions Any companies or credit bodies and real estate and industrial funds in the name of the company, receiving and delivering the amounts paid to the company, as well as concluding all contracts with the Industrial Development Fund, presenting the guarantors and standing in solidarity with them, and signing before the notary in the matter of industrial mortgage and they have the right to invest the money and operate it in the local and international financial markets.

K-Signing all kinds of contracts, documents and deeds, including, without limitation, company incorporation contracts, amendments, annexes, and decisions of partners in the companies in which the company participates inside and outside the Kingdom, increasing and reducing its capital, modifying and removing managers, modifying the management clause, entering and exiting partners entering existing companies, buying shares and shares, paying the price and selling shares, receipt of value and profits, assignment of shares and stakes of the capital, whether in whole or in part thereof, and accepting assignment of shares, stakes and capital, and they have the right to attend their regular and extraordinary constituent, transfer and public assemblies, or to delegate what he deems appropriate to attend discussion and vote in the name of the company, pay fees and receive registration certificates, and opening

commercial registry, renewal, addition, amendment and cancellation, follow-up procedures for their merging, transfer and liquidation before all the competent authorities, change the legal entity of these companies to different entities, sign agreements, register trademarks and commercial agencies and assign them, register a patent, open files for the company, join the Chamber of Commerce and renew it, and sign all the decisions and documents required. In order to open branches of the company and sign contracts to convert the company's branches into independent companies with a separate legal entity, either limited liability companies or closed joint stock companies, sign all the documents required for this, announce in official newspapers, meet all government agencies, and sign all the above.

L-Appointing employees and workers, dismissing and sacking them, requesting visas, recruiting, signing workers, determining their salaries and remuneration, extracting residency, exit, returning and final visas, transferring guarantees and waiving them, and they have the right to delegate others with all or some powers.

M-Approval of the establishment of subsidiary companies, the opening and closing of company branches, offices and agencies of the company, participating and contributing in any of the existing companies or the process of establishment.

N-Approval of the company's business plan and of its operating plans and capital budget.

They have the right to delegate some of their powers to other members of the Board or others to carry out specific work or actions. They have the right to delegate all or some of their power within and outside the Kingdom of Saudi, and the agent has the right to delegate others.

The Board of Directors shall appoint a clerk lead to be chosen from among its members or from others, and his competence and remuneration shall be determined by a decision of the Board of Directors. The term of the chairman, his deputy, the managing director, and the clerk lead of the board member shall not exceed the term of each of them in the board, and they may always be re-elected, and the board at any time may dismiss them or any of them without prejudice to the right of the dismissed person to compensation if the dismissal occurred for an unlawful reason or at inappropriate time.

Article (24): Board meetings:

The Board meets at least twice a year at the invitation of its chairman, and the invitation is in writing, or delivered by hand, or sent by mail or fax, at least ten (10) days before the date set for the meeting, unless the Board members agree otherwise, and the Board chairman must invite the Board to Meet whenever requested by two of the members.

Article (25): The Board Quorum:

A board meeting is not valid unless attended by at least (3) three members, and a board member may delegate other members to attend the board meetings according to the following regulation:

1-A member of the Board of Directors shall not represent more than one member to attend the same meeting.

2-The delegation of another member must be written and proven

The deputy may not vote on the decisions on which the system prohibits the delegated member from voting on it

3-Board meetings can take place by phone, video call, or by using modern technologies.

The decisions of the Board of Directors are issued by the majority opinions of the attending members, or their representatives. In case of equal vote numbers, the side which the chairperson voted for shall be preferred. Also, the board of directors may pass decisions by presenting them to all members divided, unless one of the members requests that the Board meeting should be written for deliberation purposes, and these decisions are issued if approved by the absolute majority of the board members, and these decisions are presented to the Board of Directors at its first subsequent meeting.

Article (26): Board deliberations:

The deliberations and decisions of the Board of Directors are proven in minutes signed by the Chairman of the Board, the present members of the Board and the Clerk Lead, and these minutes are recorded in a special record signed by the Chairman and Clerk Lead of the Board of Directors.

Chapter Four: Shareholders Assemblies

Article (27): Attending Assemblies:

Every subscriber, regardless of the number of his shares, has the right to attend the transformative assembly, and every shareholder has the right to attend the general assemblies of shareholders, and has the right to delegate another person to represent him other than the members of the board of directors or the company's employees to attend the general assembly.

Article (28) Transformational Assembly:

The founders invite all subscribers to convene the transformational assembly within forty-five days from the date of the ministry's decision to authorize the conversion of the company. The validity of the meeting is required to attend several subscribers representing at least half of the capital. If this quorum is not met, the second meeting will be held an hour after the end of the period specified for the first meeting to be held, the invitation of the first meeting includes that, and the second meeting shall be valid, regardless of the number of subscribers represented in it.

Article (29): The Transformational Assembly Terms of Reference:

The Transformational Assembly is concerned with the matters mentioned in Article 63 of the Companies Law.

Article (30): Responsibilities of the Ordinary General Assembly:

Except for matters relevant to the extraordinary general assembly, the ordinary general assembly shall have jurisdiction over all matters related to the company and it shall convene at least once a year during the six months following the end of the company's fiscal year, and other ordinary assemblies may be invited whenever the need arises.

Article (31): Terms of Reference of the Extraordinary General Assembly:

The extraordinary general assembly has the authority to amend the company's articles of association except for matters that it is forbidden to amend by law.

Article (32): Assembly Meeting Calls

The general or private assemblies of the shareholders shall convene at the invitation of the Board of Directors, and the Board of Directors shall call the ordinary general assembly to convene if the auditor, the audit committee, or several shareholders representing (5%) five percent of the capital at least requested this, and the request must be in writing. The request to convene the assembly and the justifications for the invitation to the assembly shall be clarified, signed by the shareholder and with date of the request. The auditor may invite the assembly to convene if the board does not invite the assembly within thirty days from the date of the auditor's request.

The invitation to convene the general assembly shall be published in a daily newspaper that is distributed at the company's headquarters at least (21) twenty-one days before the date set for the meeting. However, it is permissible to address the invitation on the mentioned time to all shareholders by registered letters, and a copy of the invitation and agenda is sent to the ministry. During the specified period of publication, modern technical means and electronic applications can be used to direct the invitation to convene or participate in the General Assembly.

Article (33): Assembly Attendance Record:

Shareholders who wish to attend the general or private assembly should register their names in the company's headquarters or the place the company specifies for the assembly to convene, before the time set for the assembly to convene in accordance with what the company specifies in the announcement of the assembly.

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

The convention of the Ordinary General Assembly meeting is not valid unless attended by shareholders representing at least half of the capital, and if the quorum necessary for holding this meeting is not available, the second meeting shall be held one 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, and the second meeting is considered valid regardless of the number of shares represented.

Article (35): Quorum of the Ordinary and extraordinary General Assembly:

The meeting of the extraordinary general assembly is not valid unless attended by shareholders representing at least half of the capital, and if this quorum is not available at the first meeting, the second meeting will be held one hour after the end of the period specified for the first meeting, provided that the invitation to hold the first meeting includes what indicates the announcement On the possibility of holding this meeting, and the second meeting is considered valid if attended by a number of shareholders representing at least a quarter of the capital, and if the necessary quorum is not available in the second meeting, an invitation is sent to a third meeting to be held according to the same conditions stipulated in Article (30) of this system, and the meeting will be The third is correct regardless of the number of shares represented after the approval of the competent authority.

Article (36): Voting in Assemblies:

Every subscriber has a vote for every share he represents in the transformational assembly, and every shareholder has a vote for every share in the general assemblies, and the accumulative vote method must be used in the election of the Board of Directors.

Article (37): Assembly Resolutions:

Decisions in the transformational assembly are issued by an absolute majority of the represented shares, and the decisions of the ordinary general assembly are issued by an absolute majority of the shares represented in the meeting. The decisions of the extraordinary general assembly are also issued by a two-thirds majority of the shares represented in the meeting unless it is a decision related to increasing the capital or reducing it or extending the term of the company. Or its dissolution before the expiry of the period specified in its bylaws or its merge with another company, it will not be valid unless it is issued by a majority of three quarters of the shares represented in the meeting.

Article (38): Discussion in Assemblies:

Every shareholder has the right to discuss the topics on the assembly's agenda and ask questions about them to the members of the Board of Directors and the auditor. The Board of Directors or the auditor answers the shareholders 'questions to the extent that the company's interest is not compromised. Should the shareholder deem that the answer to his question\ is not convincing, he applies to the Assembly as its decisions in this regard are enforceable.

Article (39): Chairing of Assemblies and Preparing Minutes:

The meetings of the general assemblies of the shareholders are chaired by the chairman or his deputy in his absence, or whomever delegated by the board of directors from amongst its members, in case both the chairman and his deputy are absent. Minutes of meeting shall be issued, and it includes: the number of shareholders attending or represented and the number of shares in their possession in principle or in proxy, the number of their respective votes, the resolution adopted and a detail of those voting for or against, as well as a sufficient summary of the discussions. These minutes shall be recorded regularly after each meeting in a special registry signed by the assembly Chairman, Lead Clerk, and vote collector.

Chapter Five: Audit Committee

Article (40): Audit Committee Formation:

By a decision of the Ordinary General Assembly, an Audit committee shall be formed, consisting of (3) members who should be non-executive members of the Board, whether from the shareholders or others

Article (41): The Committee's Quorum:

For the audit committee meeting to be valid, the majority of its members must be present, and its decisions are adopted by the majority of the votes of those present, and in case of a tie, the chairman has a casting vote.

Article (42): The Committee's Responsibilities:

The Audit Committee is responsible for monitoring the company's activities, and for this purpose, it has the right to review its records and documents and request any clarification or statement from members of the Board of Directors or the executive management, and it may request the Board of Directors to invite the company's general assembly to convene if the Board of Directors impedes its work or the company

endures heavy damage or incurs severe losses.

Article (43): Committee Reports:

The Audit Committee shall review the financial statements, reports, and notes of the company which are provided by the auditor, and review and report its views on them, if any, and it also shall prepare a report regarding the adequacy of the company's internal control system and the other activities that fall within its purview. the Board of Directors shall deposit Sufficient copies of this report in the company's head office (21) twenty-one days at least prior to the date of the general assembly meeting to provide all concerned shareholders a copy of it, and the report shall be read during the assembly.

Chapter Six: The Auditor

Article (44): Appointment of an Auditor:

The company shall have one or more auditors from among the auditors licensed to work in the Kingdom of Saudi Arabia, appointed by the Ordinary General Assembly annually, His remuneration and the duration of his work shall be determined, and the assembly may also replace the auditor without prejudice to his compensation right, if the discharge occurred at an inappropriate time or for an unlawful reason.

Article (45): The Auditor Powers:

The auditor has the right at any time to have access to the company books, records, and other documents, and he also has the right to request the data and clarifications that he deems necessary to obtain, in order to verify the company's assets, obligations, and other things that fall within the scope of his work. The chairman of the board of directors shall enable the Auditor 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, he then shall request the Board of Directors to call the ordinary general assembly to consider the matter.

Chapter Seven: Company Accounts and Profit Distribution

Article (46): Fiscal Year:

The company fiscal year shall commence from the 1st of January until 31st of December of each year, provided that the first fiscal year begins from the date of entry into the commercial register as a joint stock company and ends on December 31st of the current year.

Article (47): Financial documents:

1-The board of directors must, at the end of each fiscal year for the company, prepare the company financial statements and a report on its activities and financial position for the past fiscal year. This report shall include the proposed method for distributing profits, and the board places these documents at the disposal of the auditor before the date set for the meeting of the general assembly by (45) At least forty-five days.

2-The chairman, chief executive, and financial director shall sign the documents referred to in point (1) of this Article, and copies of them shall be deposited in the company's head office at the shareholders 'disposal at least (21) twenty one days prior to the date set for the general assembly meeting.

3-The chairman of the board of directors shall provide the shareholders with the financial statements of the company, the report of the board of directors, and the auditor's report, unless they are published in a local newspaper distributed in the company's headquarters, and he shall also send a copy of these documents to the Ministry (15) fifteen days before the date of the general assembly meeting at least.

Article (48): Profit Distribution:

The annual net profits of the company shall be distributed as follows:

1- (10%) of the net profits shall be kept as a statutory reserve of the company, and the Ordinary General Assembly may decide to stop this deduction whenever the reserve reaches 30% of the paid capital.

2-The Ordinary General Assembly based on the proposal of the Board of Directors, may set aside (5%) of the net profits to form a conventional reserve to be allocated for a specific purpose\

3-The Ordinary General Assembly may decide to build up other reserves, to the extent that it fulfills the interest of the company or ensures that fixed profits are distributed as much as possible to the shareholders, and the assembly may also deduct from the net profits amounts to establish social institutions for the company's employees or to assist what may exist from these institutions.

4-The remaining amount, which is a percentage representing (5%) of the paid-up capital of the company, shall be distributed to the shareholders.

5-Subject to the provisions stipulated in Article (20) of this system, and Article (76) of the Companies' -1 Act, a percentage (10%) of the remainder shall be allocated to the remuneration of the Board of Directors, provided that the entitlement of this remuneration is proportional to the number of sessions attended by the member.

Article (49): Dividends Eligibility

The shareholder shall be entitled for dividends in accordance with the resolution of the General Assembly issued in this regard, and the decision specifies the date of entitlement and the date of distribution, and the eligibility of the dividends shall be for the owners of the shares registered for shareholders at the close of trading at the specified date for eligibility.

Article (50): Profits Distribution for Preferred Shares:

1-If profits are not distributed for any fiscal year; it shall not be permissible to distribute profits for the following years except after paying the percentage specified in accordance with the provisions of Article (114) of the Companies Act for shareholders with preferred stocks for that year.

2-If the company fails to pay the specified percentage in accordance with the provisions of Article (114) of the Companies Act) out of profits for a period of three consecutive years, then the Private Assembly of owners of these shares held in accordance with the provisions of Article (89) of the Companies Act may decide whether they attend the meetings of the general assembly of the company and participate In voting or appointing their representatives in 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 previous years.

Article (51): Company losses:

1-If the losses of the joint-stock company reach half of the paid-up capital at any time during the fiscal year, any official in the company or the auditor must immediately notify the chairman of the board of directors. The chairman in turn must inform the members of the board immediately about that, and the Board shall within (15) fifteen days of its awareness, invite the extraordinary general assembly to meet within (45) forty-five days of its knowledge of the losses. The meeting shall decide whether to increase or decrease the company capital in accordance with the provisions of the companies' Act, 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 corporate system expires.

2-The company shall be deemed void by the force of the Companies Act if the General Assembly does not meet within the period specified in Point (1) of this Article, or if it convenes and is unable to issue a decision on the matter, or if it decides to increase the capital in accordance with the conditions stipulated in this Article and the subscription has not been completed in each Increase the capital within ninety days from the issuance of the general Assembly's decision to increase capital.

Chapter Eight: Disputes

Article (52): Liability Claim

Every shareholder has the right to file a lawsuit for the liability established for the company against the members of the Board of Directors if the mistake made by them would cause special harm to him. The shareholder may not file the lawsuit unless the company's right to file it is still valid, and the shareholder

must inform the company of his intention to do so. The lawsuit while restricting his right to claim compensation for the special damage he suffered. The expenses charged by the shareholder to file a lawsuit against the company, regardless of its outcome, may be charged under the following conditions:

- (1) If he institutes the lawsuit in good faith
- (2) If he submitted to the company the reason for which he filed a lawsuit, and did not obtain a response within (30) thirty days
- (3) if the lawsuit is in the interest of the company based on the provision of Article (79) seventy-nine of the system.
- (4) The lawsuit shall be based on valid basis

Chapter Nine: Expiration and Dissolution

Article (53): Company Expiration:

Upon its expiration, the company enters the role of liquidation and maintains the legal personality to the extent necessary for liquidation. The voluntary dissolution resolution shall be issued by the extraordinary general assembly. The dissolution resolution shall include the appointment of the liquidator, specifying his authority and fees, restrictions imposed on their authority and the time required for dissolution process. The period of voluntary liquidation shall not exceed (5) five years. It shall not be extended to more than that except if a judicial order is issued. The authority of the Board shall cease upon its expiration. However, the Board shall remain in charge of managing the company and are counted in relation to others in the judgment of liquidators until the liquidator is appointed. Shareholders Assembly shall remain in place during the liquidation period and their role is limited to exercising their competencies that do not contradict the terms of reference of the liquidator.

Chapter Ten: Final Provisions

Article (54): Implementation:

The Companies Act, the Financial Market Law and its implementing regulations shall be applied to all that is not stipulated in this Bylaw.

Article (55): Deposit and Publication:

This Bylaw shall be deposited and published in accordance with the provisions of the Companies Act and regulations.