

**Articles of Association (Bylaws) of  
The National Agricultural Development Company (NADEC)  
(Saudi Listed Joint Stock Company)**



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**Chapter (1)**

**Incorporation of the Company**

**Article (1) Incorporation:**

Incorporated in accordance with the provisions of the Companies Law issued by Royal Decree No. (M/132) dated 01/12/1443H, and its implementing regulations, and this Bylaws Saudi Joint Stock company, as follows:

**Article (2) Company's Name:**

The National Agricultural Development Company (NADEC) (Listed Joint Stock Company).

**Article (3) Company's Head Office:**

The Company's head office is located in Riyadh.

**Article (4) Company's Objectives:**

The Company carries out the following scope and activities:



Section	Category
<b>Agriculture, Forestry, and Fishing</b>	Cultivation of cereals excluding rice, legumes, and oilseeds
	Cultivation of vegetables, melons, roots, and tubers
	Cultivation of other non-perennial crops
	Cultivation of grapes
	Cultivation of tropical and subtropical fruits
	Cultivation of citrus fruits
	Cultivation of pome and stone fruits (e.g., apples, apricots, cherries, plums, peaches, pears, etc.)
	Cultivation of oil-producing fruits
	Cultivation of spices, aromatic, medicinal, and pharmaceutical crops
	Plant propagation
	Raising cattle and buffalo
	Raising camels and camelids
	Poultry farming
	Raising other animals
Support activities for crop production	

	Support activities for animal production
	Post-harvest crop activities
	Seed processing for propagation
	Logging
<b>Manufacturing</b>	Processing and preserving of meat
	Processing and preserving of fruits and vegetables
	Manufacture of vegetable and animal oils and fats
	Manufacture of dairy products
	Manufacture of grain mill products
	Manufacture of starches and starch products
	Sugar manufacturing
	Manufacture of prepared meals and dishes
	Manufacture of prepared animal feeds
	Manufacture of non-alcoholic beverages, bottled mineral water and other bottled waters
	Manufacture of pharmaceutical and medicinal chemical and botanical products
	Manufacture of electric motors, generators, transformers, and electricity distribution and control apparatus
<b>Electricity, Gas, and Air Conditioning Supply</b>	Electricity generation, transmission, and distribution
<b>Water Supply, Sewerage, Waste Management</b>	Collection of non-hazardous waste
	Collection of hazardous waste
	Treatment and disposal of non-hazardous waste
	Treatment and disposal of hazardous waste
	Remediation activities and other waste management services
<b>Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles</b>	Wholesale of agricultural raw materials and live animals
	Wholesale of food, beverages, and tobacco
	Retail sale in non-specialized stores with food, beverages, or tobacco predominating
	Other retail sale in non-specialized stores
	Retail sale of food in specialized stores
	Retail sale of other new goods in specialized stores
<b>Transportation and Storage</b>	Land transport of goods
	Storage
	Other transportation support activities
<b>Real Estate Activities</b>	Real estate activities with own or leased property
<b>Administrative and Support Services Activities</b>	Combined office administrative service activities
	Packaging and labeling activities
<b>Education</b>	Pre-primary and primary education

The Company conducts its activities in accordance with applicable regulations and, where required, after obtaining the necessary licenses from the Competent Authorities, if applicable.

**Article (5) Company's Term:**

The term of the Company is indefinite.

**Article (6): Participation and Ownership in Companies**

The Company may incorporate companies solely as Limited Liability, or Closed Joint-Stock or Simplified Joint-Stock in accordance with Companies Law. It may also own shares in other existing companies or merge with other companies. It has the right to participate with others in establishing Limited Liability Companies, Closed Joint-Stock or Simplified Joint-Stock, whether these companies are national, mixed or foreign entities, and whether inside or outside the Kingdom of Saudi Arabia, in accordance with fulfilling applicable regulations and instructions.

**Chapter (2)****Share Capital and Shares****Article (7) Share Capital:**

The issued share capital of the Company is three billion, sixteen million, and four hundred thousand Saudi Riyals (SAR 3,016,400,000.0), divided into (301,640,000) nominal shares of equal value, each with a nominal value of ten Saudi Riyals (SAR 10.0). All shares are ordinary shares paid in cash. The paid-up amount of the issued share capital is three billion, sixteen million, and four hundred thousand Saudi Riyals (SAR 3,016,400,000.0), and the cash contributions have been deposited with a licensed bank.

**Article (8) Subscriptions:**

The shareholders have subscribed to the entire issued share capital amounting to (SAR 3,016,400,000.0), fully paid.

**Article (9) Preferred Shares and Redeemable Shares:**

The Extraordinary General Assembly may issue preferred or redeemable shares. It may also buy back or convert such shares to any other type or class in accordance with the relevant laws and regulations.

**Article (10) Sale of Non-payment of Shares:**

1. A shareholder is obligated to pay the value of a share on the specified dates. If a shareholder fails to pay on the due date, the Board may, after notifying such shareholder by registered mail or any means of modern

technology, sell such share in a public auction or in the Exchange, as the case may be, provided that the other shareholders shall have a preemption right to purchase the shares of the non-paying shareholder.

2. The Company shall receive the amounts due thereto from the sale proceeds and shall return any remaining amount to the shareholder. If the sale proceeds are insufficient to cover what is due to the Company, then the Company may recover such amounts from the shareholder's assets.
3. The enforcement of rights relating to shares that are in default of payment shall be suspended until such shares are sold or the due amount is paid in accordance with the provision of Paragraph (1) of this Article. This suspension includes the right to receive a share of the net profits distributed and the right to attend and vote in assemblies. However, the non-paying shareholder may, in such a situation, pay the due amount in full, in addition to the expenses incurred by the Company in this regard, up to the date of sale. In such a case, the shareholder shall have the right to receive the profits determined for distribution.
4. The Company shall cancel the share certificate for the shares sold pursuant to this Article and give the purchaser a new share certificate bearing the same number as the cancelled share certificate, a notation of which shall be made and recorded in the shareholders register that the sale has taken place and shall include the necessary data for the new owner.

#### **Article (11) Issuance of Shares:**

1. The shares shall be nominal and may not be issued for less than their nominal value. However, they may be issued at a higher value if stipulated in this Bylaws or approved by the Extraordinary General Assembly. In the latter case, the difference in value is added in a separate item within the shareholders' equity and shall not be distributed as cash dividends to shareholders.
2. A share shall be indivisible in relation to the Company. If a share is owned by multiple persons, they must appoint one of them to represent them in exercising the rights relating to the share, and these persons shall be jointly liable for the obligations arising from the share ownership.

#### **Article (12) Transfer of Shares:**

The Company's shares shall be traded on the stock market in accordance with the provisions of the Capital Market Law and its implementing regulations.

**Article (13) The Company's Purchase, Sale and Pledge of its Shares:**

1. The Company may purchase its ordinary, preferred or redeemable shares and sell, pledge and mortgage such shares in accordance with the regulations issued by the Competent Authorities in that regard. Such shares purchased by the Company shall not have a vote in shareholders assemblies.
2. The Company may purchase its shares to be used as treasury shares in accordance with the purposes and controls set by the Capital Market Authority (CMA).
3. The Company may purchase its shares for the purpose of allocating them to its employees as part of employee share ownership plans, and the Company shall fulfill the other requirements related to the purchase of its shares and the conditions set by the Capital Market Authority for this purpose. The General Assembly authorizes tasking the Board of Directors with setting the provisions of said plan, when the Extraordinary General Assembly approves the activation of the said plan, including the allocation price for each share offered to employees if offered for consideration.
4. The Company may sell the treasury shares in one or several stages in accordance with the controls set by the Capital Market Authority.
5. Whoever has the right to own the Company's shares or possess them for the interest of another party may pledge them in accordance with the controls set by the Capital Market Authority, and the pledger shall have the right to receive dividends and use the rights related to the share, unless otherwise agreed in the pledge contract, but the pledgor is not allowed to attend or vote in the shareholders' general assemblies.

**Article (14) Debt Instruments and Financing Deeds:**

1. The Company may, in accordance with the Capital Market Law, issue negotiable debt instruments or Sukuk. The Company may not issue debt instruments or Sukuk that may be converted to shares except after a resolution issued by the Extraordinary General Assembly specifying the maximum number of shares that may be issued against such instruments or Sukuk, whether such instruments or Sukuk are issued one time, in a series of issues or through one or more programs for its issuance. The Board shall, without need for further approval from the Extraordinary General Assembly, issue new shares against such instruments or Sukuk whose holders request their conversion, immediately upon the expiry of the period of conversion request set for holders of these instruments or Sukuk, or when the conditions for automatic conversion into shares are met or the period specified for such conversion has elapsed. The Board shall take the necessary

measures to amend the Company's Bylaws with regard to the number of shares issued and the capital, and complete the procedures for each capital increase with the commercial register.

2. Subject to the provisions of the above paragraph of this article, the Company may convert debt instruments or Sukuk into shares in accordance with the Capital Market Law, subject to the consent of its holders, whether it is a previous approval, such as within the terms of issuance or by a subsequent agreement.
3. Resolutions issued at shareholders assemblies shall apply to the holders of debt instruments and Sukuk. However, the said assemblies may not amend the rights assigned to them except with an approval issued by them in an Extraordinary general assembly held in accordance with the provisions prescribed for the convening an extraordinary assembly and the issuance of its resolutions.

#### **Article (15) Capital Increase:**

1. The Extraordinary General Assembly may decide to increase the issued or authorized capital of the Company if any, provided that the issued capital is paid in full. It is not required that the capital be paid in full if the unpaid part is attributed to shares issued in return for converting debt instruments or Sukuk into shares and the period specified for their conversion into shares has not yet expired.
2. In all cases, the Extraordinary General Assembly may allocate the shares issued upon capital increase, or part thereof, to the employees of the Company and all or some of its subsidiaries. Shareholders may not exercise the pre-emption right when the Company issues shares allocated to employees.
3. Capital may be increased by one of the following ways:
  - A) Issuing new shares against cash or in-kind contributions.
  - B) Issuing new shares against specific and due debt on the Company, approved by the relevant creditor(s); provided that the issuance is made at the value prescribed by the Extraordinary General Assembly upon obtaining the opinion of an expert or an accredited valuer, and upon issuance of a statement by the board of directors and the assessor indicating the origin and amount of such debts. The statement shall be signed by board members, who shall be liable for its validity, and a report from the Company's auditor shall be attached thereon.
  - C) Issuing new shares equal to the amount of the reserve which the Extraordinary General Assembly decides to merge in the capital. Such shares shall be issued in the same class and conditions of issued shares of the same type and class shall be distributed to the shareholders for no consideration pro rata.

D) Issuing new shares against debt instruments or sukuk.

4. A Shareholder who owns the share - at the time of the issuance of the resolution of the Extraordinary General Assembly approving the increase of the issued capital or the decision of the Board of Directors approving its increase within the limits of the authorized capital - has the pre-emptive right to subscribe to new cash shares, and he/she shall be notified of such right if any, by a registered letter to his/her address in the register of shareholders, or through modern technology, with the resolution to increase the capital, the terms, conditions and mechanism of subscription, and its start and end dates, taking into account the type and category of the share he/she owns.
5. The Extraordinary General Assembly has the right to suspend the pre-emptive right of shareholders to subscribe to the cash shares in a capital increase, or to give such right to any shareholder or new investor whenever it deems it in the Company's interest.
6. The shareholder may sell or assign the pre-emption right, with or without consideration, as specified in the regulations.

#### **Article (16) Capital Reduction:**

1. The Extraordinary General Assembly may decide to reduce the capital if it exceeds the Company's needs or if the Company sustains losses. The Company may reduce its capital below the limit specified in Article 59 of the Companies Law only if it sustains losses. Such resolution shall not be issued unless a statement is read before the Extraordinary General Assembly, prepared by the Board of Directors, outlining the reasons for the reduction, the Company's obligations and the impact of the reduction on fulfilling them, provided that a report from the Company's auditor is attached to this statement.
2. If the reduction is resulting from an excess of the Company's needs, creditors shall be called on to express their opposition before at least forty-five (45) days prior to the date specified for holding the Extraordinary General Assembly to take a decision to reduce the capital. The invitation should be accompanied by a statement indicating the amount of capital before and after the reduction, and the date of the meeting and the effective date of the reduction. If any creditor rejects the reduction and presented his/her documents to the Company on the said date, the Company shall pay his/her debt, if due, or give him/her sufficient guarantee to be paid, if it's not due. The creditor who has notified the Company of his/her objection to the reduction and whose debt has not been paid if it is due, or has not been given sufficient guarantee to pay

the debt if it is deferred, may submit to the competent judicial authority before the date specified for the Extraordinary General Assembly to take the reduction decision, and the competent judicial authority in this case may order the payment of the debt, to provide sufficient guarantee, or to postpone the Assembly of the Extraordinary General Assembly, as the case may be.

3. The reduction shall not be valid vis-à-vis the creditor who submitted his request on the date provided for in Paragraph (1) of this Article, unless he has received what is due to his debt or has obtained sufficient guarantee for an unpaid amount.

### Chapter (3)

#### Board of Directors

#### Article (17) Management of the Company:

- a) The Company shall be managed by a Board of Directors composed of seven (9) natural persons, elected by the Ordinary General Assembly of shareholders for a term not exceeding four (4) years.

By way of exception, the Founders have appointed the first Board of Directors for a four-year term as follows:

	Name	Position
1	Abdulaziz Saleh Abdullah Alrebdi	Chairman of the Board
2	Abdulrahman Abdulmohsen Abdulrahman Al-Fadli	Board Member
3	Ahmed Saud Abdul Aziz Shahini	Board Member
4	Amr Abdulaziz Abdullah Al-Jalal	Board Member
5	Khalid Salem Muhammad Al-rowais	Board Member
6	Alaa Abdullah Muhammad Al-hashem	Board Member
7	Issa Saleh Issa Al-onezi	Board Member
8	Nasser Zaid Abdulrahman Almeshary	Board Member
9	Mohammed Jalal Ali Fahmi	Board Member
10	Solaiman Abdulaziz Saleh Al-Twajjri	Chief Executive Officer

- b) The operating procedures of the Board of Directors shall be as follows:

Meetings of the Board of Directors shall be held at the principal office or at such other location as may be determined by the Chairman or any other member of the Board.

A quorum for the meeting shall be met with the attendance of (50%) of the Board members.

Resolutions shall be validly passed with the approval of (51%) of the members.

Members may authorize others to attend meetings on their behalf.

Communication among Board members shall be conducted as follows: invitations shall be in writing and may be sent via email or any other modern means of communication.

The Board shall appoint from among its members a Chairman and a Vice Chairman and may appoint a Managing Director. The Board shall also appoint a Secretary. The term of the Chairman and Vice Chairman shall not exceed their term as Board members, and they may always be reappointed.

#### **Article (18) Termination or Expiry of Board Membership:**

1. Unless the members of the Board of Directors are re-elected, Membership of a Board member terminates upon the expiration of their term or the expiration of their eligibility in accordance with any applicable regulations or instructions in the Kingdom. The General Assembly may (upon the recommendation of the Board of Directors) terminate the membership of any member who is absent from three consecutive meetings or five separate meetings during their term without a legitimate excuse accepted by the Board of Directors.
2. The Ordinary General Assembly may, at any time, dismiss all or some members of the Board of Directors. A member of the Board of Directors may resign, provided that this is done at an appropriate time; otherwise, they shall be liable to the company for any damages resulting from their resignation. However, the Ordinary General Assembly may remove all or some of the members of the Board of Directors, and in this case the Ordinary General Assembly must elect a new Board of Directors or someone to replace the removed member (as the case may be) in accordance with the provisions of the Companies Law.

**Article (19) Powers of the Board:<sup>1</sup>**

Without prejudice to the powers granted to the General Assembly, the Board of Directors shall have the fullest extent of powers and authorities to manage the Company, set its strategy, outline its investments and supervise its activities in order to achieve its objectives, and such Board powers include but not limited to the following:

1. Representing the Company in its relationship with others.
2. Entering into bids/tenders and auctions, awarding bids, including but not limited to sale, rent, leasing, representation, declarations, mortgage, and other documents, and conducting transactions on behalf of the Company.
3. Incorporating companies and amending bylaws, signing on behalf of the Company on the articles of association of the companies in which the Company participates and the annexes to their amendments, whatever the type of these companies, and whatever the content of these amendments, including the amendments related to increasing or decreasing the capital or disposing or selling shares and stake in accordance with the relevant regulations, acceptance of shares and stake assigned to the Company, conversion or merger of companies, sale and purchase of shares of the companies either all or in part, liquidation of companies and cancelling its registration. The Board may request, accept and negotiate the offering of shares and shares owned by the Company for public or private subscription inside or outside the Kingdom of Saudi Arabia, taking into account the statutory requirements, and the Board may appoint representatives of the Company in the management of any other company to which it is affiliated or it has shareholding, and attend meetings of the assemblies of partners or shareholders and sign decisions and minutes of assemblies' meeting, partners, shareholders, boards of directors and executives therein.
4. Approving and signing all types of contracts and documents tenders, and the articles of incorporation of companies in which the Company participates with all its amendments, appendices, amendment resolutions and all resolutions of partners in those companies, including decisions concerning increasing or decreasing capital, disposing and buying shares, notarize those contracts and resolutions with the competent notary and private notaries, making the necessary modifications and changes, extracting and renewing commercial registration, certificates and licenses, receiving and cancelling them, granting loans.

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<sup>1</sup> Note: The powers of the Board of Directors outlined in this Article constitute a summary of the powers set forth in the table of authorities, as reflected in the official Arabic version of the Articles of Association (AoA) issued by the Saudi Business Center (Ministry of Commerce).

5. Approving and signing all agreements and instruments before public notaries and official bodies, loan agreements, guarantees and sponsorship, issuing powers of attorneys on behalf of the Company, selling, buying, transfer of ownership and accepting it, renting, leasing, receiving, and requesting the amendment of title deeds and their duration.
6. Carrying out all banking operations inside and outside the Kingdom of Saudi Arabia, including, but not limited to, opening and operating bank and investment accounts, including depositing, withdrawing and closing accounts, withdrawing and liquidating balances, issuing, disbursing and discounting checks and bonds/promissory notes to order and all commercial papers, requesting the issuance of bank guarantees, opening documentary credits.
7. Appointing and dismissing lawyers, consultants, employees and workers, requesting visas, recruiting manpower from outside the Kingdom, contracting with them, determining their salaries, issuing residencies, transferring and waiving guarantees.
8. Arranging and contracting loans with government funds and institutions, commercial banks, financial institutions, financing companies, export financing institutions and any other credit entities/institutions, inside or outside the Kingdom of Saudi Arabia, regardless of their value or duration, including loans and credit facilities, and this includes negotiation, approval and conclusion of all agreements and related documents.
9. Providing all aspects of financial support to the companies in which the Company is a partner or a shareholder, including, without limitation, lending to these companies and waiving the priority of claiming such loans in favor of any other creditors, and guaranteeing all financial and contractual obligations and loans and debts of these companies.
10. Providing all kinds of guarantees, and undertakings, including, but not limited to, mortgaging and assigning the Company's assets to guarantee the loans, obligations and debts of the company or companies in which the Company is a partner or a shareholder. The Board may, to do so, restrict the dividends distribution or agree to maintain the ownership for any period, according to the financing requirements.
11. To have the right to conclude conciliation, assignment, contract, commitment, association, litigation, collection of debts of the Company or subsidiaries, and accept conciliation and arbitration.

12. The right to delegate or authorize one or more of its members or third parties to carry out a specific work or business or to take a specific action that falls within its authorities, and the Board of Directors shall have the right to revoke such authorization or proxy, in part of or in whole.
13. Approving the acquisition or disposition of the Company's ownership or interests in companies, establishments, joint ventures, institutes, and any other entity.
14. Approving the contracts and tenders.
15. incorporate a company / companies - signing the articles of incorporation and amendment annexes - Signing the partners resolutions- Appointing and dismissing the managers - and the entry and exit of partners - Entering into existing companies - Capital increase/reduction - Determining the capital - Receiving the allocation surplus - Receiving the profits - Buying shares and stocks and payment of the price - Selling shares and stocks and receipt of the value - Selling the company branch – Disposing shares and stocks from the capital - Accepting the disposal of shares, stocks and capital - Transferring shares and bonds - Amending the company's objectives - Opening accounts with banks in the name of the company - Signing agreements - Amending the company's name - Closing accounts with banks in the name of the company - Amending articles of association or amend annexes - Registering the company - Registering agencies and trademarks - Assigning or canceling trademarks - Attending public - Opening files for the company - Opening branches for the company - Liquidating the company - Converting the company from a joint stock company to a limited liability company - Converting the limited liability company to a joint stock company - Converting a general partnership to a limited liability company - Cancellation of articles of association and annexed amendments - Signing articles of association and amended annexes before the public notary – Issuing and renewing commercial registration for the company - Subscribing and maintaining Chamber of Commerce membership - Following up with Saudi Standards, Metrology and Quality Organization - Issuing licenses and renewing them for the company - Converting the establishment into a company - Converting the company's branch into an establishment - Converting the company's branch into a company – Following up with telecommunications companies and establishing landline or mobile phones in the name of the company – Following up with the Ministry of Investment and signing whenever necessary- Following up with the Capital Market Authority - Entering into tenders and receiving forms - Signing the company's contracts made with others - Publishing the articles of association, amendment annexes, summaries and bylaws in the Official Gazette - Changing the company's legal entity - converting the company from a

limited partnership into a limited liability company - Converting the company into an establishment. in selling and transferring the ownership to the buyer - buying and accepting transfer of ownership and paying the price - gift and assignment - acceptance of gift and assignment - acceptance of assignment and disposal - mortgage - mortgage release - acceptance of mortgage - merger of deeds - splitting and sorting - receiving deeds - updating deeds and entering them into the comprehensive system - issuing replacement and in lieu of missing deeds – issuing a group of deeds for damaged deeds - waiver of space shortage - converting agricultural lands into residential - amending the name of the owner, ID No. – amending borders, lengths, spaces, plot numbers, drawings, deeds, dates, district names – lease - signing and renewing lease contracts - collect the lease value - cancel and terminate the lease contracts - sale and ownership transfer - legalizing the real estate deeds. - all banks and financial institutions, opening accounts with Sharia controls - approving signatures and withdrawing from accounts - depositing - transferring from accounts - issuing ATM cards - issuing credit cards compliant with Sharia rulings - issuing checkbooks - receiving and editing and giving certified checks and signing them - receiving and cashing remittances and their disbursement - Receiving and disbursing checks, or objecting to them - updating data - subscribing to safe deposit funds - renewing subscription to safe deposit funds- opening safe deposit funds- requesting bank loans that are compliant with Sharia provisions and controls - recovery of units of safety deposit funds - loan waiver request - installment rescheduling - bank approval request - requesting a bank guarantee - signing and receiving the guarantee, closing and settling accounts - requesting POS - cashing checks - activating accounts - Objecting on checks - Receiving checks - updating data - managing investment portfolios - issuing evidence of indebtedness - liquidating investment portfolios - receiving certificates of subscription - receiving the value of shares - receiving profits - receiving the surplus - opening investment portfolios according to Sharia requirements and editing, amending and canceling orders - Subscribing to investment fund units that are compatible with Sharia provisions - Dividing shares between heirs and transferring them to their portfolios - Recovering investment fund units - Subscription - Buying shares - Selling shares - Transferring shares from the portfolio. applying for a loan application/loan - receiving the loan - receiving checks - and disbursing them - requesting loan exemption - repaying the loan, in applying for a loan / loan – receiving– assigning loans - requesting loan exemption cashing checks - loan repayment. - applying for a loan / loan – signing before the notary public regarding the industrial mortgage - receiving the loan - waiver of the loan - requesting loan exemption- loan repayment applying for a loan/ loans -

receiving the loan - waiving the loan requesting exemption from the loan - repaying the loan - transferring the loan -, loan repayment applying for a loan/loans - receiving the loan - requesting loan exemption - loan repayment. [**Commercial Registrations**], in following up with the registrations department - issuing, renewing and transferring CRs, booking trade name, registration and assignment of trademark, assigning the trade name, membership with the Chamber of Commerce - renewing the membership with the Chamber of Commerce - signing all documents before the Chamber of Commerce - Records management – Registering the approved signature with the Chamber of Commerce - Cancellation of signature with the Chamber of Commerce - Managing Aamal portal- Supervising records - Amending records – adding activity, opening branch registers, cancellation of CRs, entering tenders and receiving forms - following up with GOSI – following up with the Zakat, Tax and Customs Authority – Following up with the Civil Defense. renewing licenses – amending licenses - adding an activity – booking names - canceling licenses - subscribing to the Chamber of Commerce - renewing subscribing of the Chamber of Commerce - opening branches – following up with the Civil Defense – following up with the Zakat, Tax and Customs Authority - transferring licenses. - receiving the decision – following up with the notary or the court to accept the ownership transfer, receiving the deed, assigning and transferring the agricultural decision - applying to receive the salary - dues - following up with the telecommunications companies - Connecting, e landline following up with all telecommunications companies – extracting SIMs - Request to establish landline telephones - issue fencing permits - issuing demolition permits – following up with the General Administration of Urban Planning - entering into tenders and receiving forms - opening a shop - issuing a permit - issuing a building completion certificate - signing the lease contract – assignment of the contract - issuing a health card – Following up with the secretariat - supervising construction - signing contracts with construction institutions and contractors.-issue and renew Resident Identities, replacement and lost extracts, issue exit re-entry visas, issue final exit visa- transfer of sponsorships - transfer of sponsorship of labor for oneself - Transferring information and updating data - Professions change- Settlement and assignment of workers - Reporting fugitive labors- Cancellation of fugitive reports - Cancellation of exit and return visas - Cancellation of final exit visas - Issuance of travel visas in exchange for damaged or lost - Issuance of extension of visit visas - Adding dependents - Termination of employment procedures for the deceased - Adding children to the father's or mother's passport - Separating the children from the father's or mother's passport - Extracting the workers' data sheet (**Print**) – dismissal- following up with the

deportation department and expatriates - Department of Ports Affairs - Issuance of replay certificates- Issuance of Hajj permits - Following up with maids' Affairs - Registration in the e-service - issuing visas - Cancellation of visas - Receipt of visa compensation - Transfer of sponsorships - Amendment of occupations - updating workers' data - liquidating and canceling employment - reporting the fugitive workers - canceling fugitive reports - extracting and renewing work permits – completing employment procedures with GOSI- following up with the computer management in the workforce – dismiss and add workers and Saudis - Receipt of Saudization certificates - Opening, renewing and canceling main and sub-files - Extracting a data sheet (Print) - Transferring ownership of establishments, liquidating and canceling them - Referring to the department of private recruitment offices - issuance of visas - Cancellation of visas - Refund of visa amounts – changing nationalities - Issuance of family visit visas - Issuance of family recruitment visas - Amendment of occupations in the Visas – following up with the Embassy - Extending exit re-entry visas - Extending visit visas - Issuing a data sheet (Print) - recruit workers from abroad.- issuance and renewal of customs licenses - Transfer and cancellation of customs licenses and opening branches for them - Extracting a data sheet (Print) - following up Capital Market Authority - Saudi Standards, Metrology and Quality Authority - Following up with the Zakat, Tax and Customs Authority, - Following up with the Ministry of Investment.

The Board of Directors must obtain the approval of the General Assembly for the sale of company assets the value which exceeds (50%) of the value of its total assets, whether the sale is made through one transaction, or more. In such case, the transaction which leads to the sale of more than (50%) of the value of assets shall require the General Assembly's approval. This percentage shall be calculated from the date of the first transaction which is concluded within the previous 12 months. (12) months.

The Board of Directors may, within the scope of its powers, delegate one or more of its members or any third party to undertake specific tasks or actions.

#### **Article (20) Remuneration of the Board Members:**

1. The Board of Directors' remuneration may consist of a fixed amount, an allowance for attending meetings, in-kind benefits, and a percentage of the net profit, provided that the provisions of the Companies Law and its executive regulations are taken into account when determining the remuneration.

2. The Board of Directors' report submitted to the Ordinary General Assembly in its annual meeting shall include a comprehensive statement of all amounts received or entitled to be received by each Board member during the fiscal year, including remunerations, meeting allowances, expense allowances, and other benefits. It shall also include any amounts received by Board members in their capacity as employees or executives, or for technical, administrative, or consultancy services, in addition to a statement of the number of Board meetings and the number of meetings attended by each member.

#### **Article (21): Powers of the Chairman, Deputy Chairman, Managing Director and Secretary:**

The Board of Directors, at its first meeting, appoints a Chairman from among its members. It may also appoint a Managing Director from among its members and a Vice Chairman from among its members.

1- The Board of Directors appoints a Chief Executive Officer from among its members or from outside the Board.

The Chairman of the Board is responsible for, including but not limited, the following:

Representing the Company in its relations with others, before the judiciary, notaries Furthermore, the Chairman has the right to represent the Company in the purchase, sale, and disposal of lands and real estate, as well as to sign articles of association for companies the Company participates in and other contracts. The Chairman also has the power to negotiate with third parties to conclude deals and agreements and sign contracts on behalf of the Company, including, but not limited to, purchase, sale, lease, rental, agency, licensing, and other contracts and transactions on behalf of the Company. The Chairman also has the right to open, manage, operate, and close bank accounts, obtain loans, and other credit facilities. Moreover, the Chairman is authorized to issue guarantees and warranties. The Chairman also has the right to open accounts, issue credits, guarantees, credit accounts, and trust funds, close them, and make withdrawals and deposits. The Chairman can issue bonds, checks, and all commercial papers, establish and manage portfolios and investment accounts for the Company, including shares, bonds, securities, currencies. The Chairman may represent the Company in all financial and banking transactions. Additionally, request visas, hire employees and workers from abroad, obtaining residence permits, work permits, transferring sponsorships, and relinquishing them. In matters related to **[Claims and Courts]**, this includes initiating claims - filing lawsuits - attending court hearings - responding to claims - making admissions - denials - settlements - waivers - - request arbitration - appoint experts and arbitrators --- and as to **[Companies]** establishing a company or companies - signing articles of association and amendment annex -

signing partners' resolutions - appointing and dismissing directors - adjusting the management clause - entering and exiting partnerships - joining existing companies - capital increase - capital decrease - capital determination - receiving surplus allocation - receiving profits - purchasing stakes and shares and paying the price - selling stakes and shares and receiving the value - selling a branch of the company - waiving stakes and shares of the capital - accepting the waiver of stakes and shares and the capital - transferring stakes - shares and bonds - adjusting the company's purposes - opening bank accounts in the company's name - signing agreements - adjusting the company's name - closing bank accounts in the company's name - adjusting clauses of the articles of association or amendment annex - registering the company - registering agencies and trademarks - waiving or cancelling trademarks - attending general or special assemblies and voting on resolutions - opening company files - opening company branches - liquidating the company - converting the company from a joint stock company to a limited liability company - converting the company from a limited liability company to a joint stock company - converting the company from a general partnership company to a limited liability company - cancelling the articles of association and amendment annex - signing the articles of association and amendment annex before the notary public - extracting and renewing the company's commercial registrations - subscribing in the Chamber of Commerce and renewing the membership — issuing licenses and renewing them for the company - converting the establishment into a company - converting the company's branch into an establishment - converting the company's branch into a company — following up with telecommunications companies and establishing landline or mobile phones in the name of the company — following up with the Investment Ministry and signing whenever necessary- following up with the Capital Market Authority - entering into bids and receiving forms - signing the company's contracts made with others - publishing the articles of association - amendment annexes - summaries and bylaws in the Official Gazette - Changing the company's legal entity - converting the company from a limited partnership into a limited liability company - converting the company into an establishment - in relation to [Commercial Registrations] - in following up with the registration dept. - issuing - renewing and transferring CRs - booking trade name - registration and assignment of trademark - assigning the trade name - membership with the Chamber of Commerce - renewing the membership with the Chamber of Commerce - signing all documents before the Chamber of Commerce - Chamber of Commerce - records management — fixing the approved signature with the Chamber of Commerce - cancellation of signature with the Chamber of Commerce - managing Aamal portal - supervising records - amending records — adding activity - opening branch registers - cancellation of CRs - entering tenders and

receiving forms - registering in electronic services in Chambers of Commerce — following up with GOSI — following up with the Zakat, Tax and Customs Authority — Following up with the Civil Defense. In relation to **[Banks and Financial Institutions]** to follow up with all banks and financial institutions, opening accounts Sharia rules - and withdrawing from accounts - depositing - transferring from accounts - in a foreign/local currency - issuing ATM cards - and issuing credit cards compliant with Sharia principles - - issuing checkbooks - giving certified checks - receiving and cashing remittances and their disbursement - receiving and disbursing checks, endorsing or objecting to them - - updating data - subscribing to safe deposit funds - renewing subscription to safe deposit funds- opening safe deposit funds- requesting bank loans that are compliant with Sharia provisions and controls - and signing their contracts, pledges, repayment schedules, , recovery of units of safety deposit funds - loan exemption request - instalment rescheduling - bank approval request - signing contracts and forms - requesting a bank guarantee - signing the guarantee, closing and settling accounts, requesting POS, cashing checks - activating accounts - objecting checks - receiving and investigating checks - updating data - managing investment portfolios - issuing evidence of indebtedness - liquidating investment portfolios -- receiving certificates of subscription - receiving the value of shares - receiving profits - receiving the surplus - opening investment portfolios according to Sharia controls and editing, amending and cancelling orders - subscribing to investment fund units that are compatible with Sharia provisions - dividing shares between heirs and transferring them to their portfolios - recovering investment fund units - subscription - buying shares - selling shares - transferring shares from the portfolio - — booking names - canceling licenses - subscribing to the Chamber of Commerce - renewing subscribing of the Chamber of Commerce - opening branches — following up with GOSI — following up with the Civil Defense —. In relation to **[Agricultural Grants]**, to follow up with the Ministry of Environment, Water and Agriculture -, receiving the deed, assigning, and transferring the agricultural decision. receiving the salary — reviving dues - receiving the ATM card. following up with the telecommunications companies -. In relation To **[Secretariats and Municipalities]** to issue fencing permits - issuing demolition permits — following up with the General Administration of Urban Planning - entering into tenders and receiving forms - opening a shop - issuing a permit - issuing a building completion certificate - signing the lease contract - waiver of the contract - issuing a health card — Following up with the General Secretariat for Building Supervision- supervising construction - signing contracts with construction institutions and contractors. In relation To **[Passports]** to issue and renew resident Identities, replacement and lost extracts, issue exit re-entry visas, issue final exit visa- transfer of sponsorships - transfer of

sponsorship of labor for oneself - transferring information and updating data - professions change- settlement and assignment of workers - reporting fugitive labors- cancellation of fugitive reports - cancellation of exit and return visas - cancellation of final exit visas - issuance of travel visas in exchange for damaged or lost - issuance of extension of visit visas - adding dependents - termination of employment procedures the deceased - adding children to the father's or mother's passport - separating the children from the father's or mother's passport - extracting the data sheet (Print) – transfer, liquidation, and cancellation of establishments - following up with the deportation department and expatriates - Department of Ports Affairs - issuance of replay certificates- issuance of Hajj permits - following up with maids' Affairs - registration in the e-service - - in relation issuing visas - cancellation of visas - receipt of visa compensation – changing nationalities - amendment the arrival destination - extracting family visit visas - extracting family recruitment visas - modifying professions in visas – following up with the embassy - extending exit and return visas - extending visit visas - extracting data statement (print), and in terms of [**Labor Recruitment**] in recruiting labor from abroad- following up with the Saudi Standards, Metrology and Quality Organization.

The Board of Directors appoints a secretary from among its members or from outside the board. And the Chairman of the board may delegate (by written resolution) some of his powers to other board members or to a third party to carry out specific tasks. The Vice-Chairman of the board acts in place of the Chairman in his absence, in cases where the board has a Vice-Chairman.

#### **Article (22) Expiry of the Term of the Board of Directors, Resignation of its members, or the Membership Vacancy:**

1. Before the end of its term, the Board of Directors shall call the Ordinary General Assembly to convene to elect a Board of Directors for a term. If the election cannot be held and the current term of the Board has expired, its members shall continue to perform their duties until the Board of Directors is elected for a new term, provided that the term of the members of the Board whose term has expired shall not exceed the period specified by the Implementing Regulations of the Companies Law.
2. If the Chairman and members of the Board of Directors resign, they must call the Ordinary General Assembly to convene to elect a new Board of Directors. Resignation does not take effect until the new Board is elected, provided that the duration of the resigning Board does not exceed the period specified by the Implementing Regulations of the Companies Law.

3. A member of the Board of Directors may resign from the membership of the Board by virtue of a written notification addressed to the Chairman of the Board. If the Chairman of the Board resigns, the notification must be directed to the remaining members of the Board and the Secretary of the Board. Resignation is effective - in both cases - from the date specified in the notification.
4. If the position of a member of the Board of Directors becomes vacant due to the death or resignation of any of its members, and this vacancy does not result in a breach of the conditions necessary for the validity of the meeting of the Board due to the number of its members being less than the minimum, the Board may appoint (temporarily) in the vacant position a person who has sufficient experience, provided that this is notified In the commercial registration, as well as the Capital Market Authority if the Company is listed, within fifteen (15) days from the date of appointment, and that the appointment is presented to the Ordinary General Assembly at its first meeting, and the appointed member completes the term of his predecessor.
5. If the necessary conditions for convening the Board of Directors are not met due to the shortage of its members from the minimum stipulated in the Companies Law or these Bylaws, the rest of the members shall call the Ordinary General Assembly to convene within sixty (60) days, to elect the necessary number of members.



#### **Article (23) Board Meetings:**

1. The Board of Directors shall meet at the headquarter or at any other place specified by the Chairman of the Board of Directors or a member, at least four (4) times a year at the invitation of its Chairman. The chairman must invite the meeting whenever requested to do so by a member. The invitation shall be made in writing and may be sent by e-mail or any other modern means of communication.
2. A Board member may attend the meeting by using modern technology that allows him/her to participate in the meetings and deliberations in accordance with the controls set by the Board for this purpose which enables him to participate in such meetings and deliberations, listen, discuss, and vote on the decisions taken by the Board in real time.

**Article (24) Meeting of the Board and its Resolutions:**

1. The Board meeting shall not be valid unless attended by at least half of the members, personally or in proxy, and a Board member may authorize another board member to attend the meeting and vote on his/her behalf on the resolutions passed according to the following conditions:
  - a) The Board member may not represent more than one member to attend this meeting.
  - b) The proxy shall be in writing and for a specific meeting through email or any other means.
  - c) A Board member acting by proxy may not vote on resolutions on which his principal is prohibited from voting.
2. The resolutions of the Board of Directors shall be issued by at least a majority of the votes of the members present, either in person or represented by proxy, and when the votes are equal, the side with which the Chairman of the meeting voted will prevail.
3. The resolution of the Board of Directors shall be effective from the date of its issuance, unless it stipulates that it shall be effective at another time or when certain conditions are met.

**Article (25) Issuing Board Resolutions on Urgent Matters:**

The Board of Directors may issue its resolutions on urgent matters by presenting them to all members by circulation, unless one of the members requests - in writing - a meeting of the Board to deliberate on them. And those resolutions are issued with the approval of the majority of the votes of its members, and these resolutions are presented to the Board in its first subsequent meeting to record them in the minutes of that meeting.

**Article (26) Minutes of Meeting:**

1. The deliberations and decisions of the Board shall be recorded in minutes prepared by the Secretary and signed by the meeting's Chairman, present members, and the Secretary.
2. Minutes shall be recorded in a special register signed by the Chairman of the Board of Directors and the Secretary.
3. It is permissible to use modern technology to sign, record deliberations and resolutions, and record minutes.

**Article (27) Additional Powers of the Board of Directors:**

In addition to the powers granted to the Board of Directors of NADEC under Article (18) of this Articles of Association (AoA), and subject to the powers reserved to the General Assembly, the Board of Directors shall have the broadest authorities and powers to manage the Company, formulate its policies, determine its investments, supervise its operations, handle its affairs, and carry out all acts and transactions inside and outside the Kingdom of Saudi Arabia that may achieve the Company's objectives. The powers and authorities of the Board of Directors shall include, but are not limited to, the following:

1. Representation and representing the Company before third parties, Government and Private sectors, civil rights, police departments, Chambers of Commerce and industry, regulatory bodies, companies, and institutions of all kinds within and outside the Kingdom of Saudi Arabia.
2. Participating in bids and tenders and awarding contracts—including but not limited to—sales, leasing as lessor or lessee, representation, acknowledgments, mortgages, and other transactions on behalf of the Company.
3. Approving the Financial Statements and the Board of Directors' annual report.
4. Establishing companies and legal entities and amending articles of incorporation; signing on behalf of the Company the Articles of Association (AoA) and its amendments of other companies participates and incorporates with, regardless of the type of company or the content of such amendments, including amendments related to increasing or decreasing capital, transferring or selling shares and interests in accordance with relevant regulations, accepting transferred shares or interests, converting or merging companies, buying and selling shares or interests (in whole or in part), liquidating companies and canceling its Commercial Registrations (CR). The Board may also request, accept, and negotiate the offering of the Company's owned shares or interests for Public or Private subscription within or outside the Kingdom of Saudi Arabia, in compliance with regulatory requirements. The Board shall have the authority to appoint Company representatives to the management of any subsidiary or affiliate, attend partner or shareholder(s) meetings and board meetings, vote on behalf of the Company, and sign resolutions and minutes of meetings.

5. Approving and signing all types of agreements, documents, and instruments, including but not limited to contracts, tenders, the Company's governance framework, internal policies and regulations, and its Articles of Association (AoA) in which the Company participates, along with all related amendments, appendices, and partner resolutions, including those related to capital increases or reductions, transfer and purchase of shares or interests. The Board may authenticate such documents with the Ministry of Commerce and the Ministry of Investment and notarize them by relevant public notaries and authorized officials and make all required amendments and changes. This includes issuing, renewing, receiving, or canceling Commercial Registrations (CR), certificates, and licenses; granting loans and guarantees to subsidiaries and guaranteeing its debts inside and outside the Kingdom of Saudi Arabia.
6. Approving and signing all agreements and deeds before public notaries and official authorities, including loan agreements, guarantees, sureties, issuing powers of attorney and agents on behalf of the Company, selling, purchasing, transferring, receiving, and receiving and delivering assets, leasing, renting, collecting and disbursing payments, establishing and obtaining of title, and requesting modifications or extensions to such deeds.
7. Conducting all banking and financial operations inside and outside the Kingdom of Saudi Arabia, including, without limitation, opening and managing bank and investment accounts, depositing and withdrawing funds, closing accounts, withdrawing and liquidating balances, issuing, drawing, and discounting checks and promissory notes and negotiable instrument, requesting bank guarantees, opening letters of credit, entering into all types of financial derivatives contracts such as swaps and hedging, and executing all related transactions concerning the Company's operations and contracts within or outside the Kingdom.
8. Appointing and dismissing lawyers, consultants, employees, and workers; applying for visas; recruiting and contracting manpower from outside the Kingdom; determining their salaries; issuing residency permits; transferring or waiving Iqama sponsorships.
9. Approving the Company's Corporate Governance framework, policies, all internal bylaws, and procedures, and delegating signing authorities to executive managers in accordance with the Board's rules. The Board shall also approve the Company's business plans, operations, and annual budget.

10. Arranging and entering into loan agreements with government financing funds and institutions, commercial banks, financial institutions, financing companies, export credit agencies, and any other credit entities, whether inside or outside the Kingdom of Saudi Arabia, regardless of the value or term of such loans or credit facilities. This includes negotiating, approving, and executing all related agreements and related documents.
11. Providing all forms of financial support to companies in which the Company is a partner or shareholder(s), including but not limited to, granting loans to such companies, waiving priority rights to loan repayment in favor of other creditors, and guaranteeing their financial and contractual obligations, loans, and debts.
12. Providing all types of guarantees, sureties, and undertakings, including but not limited to, mortgage, pledging or assigning the Company's assets to secure loans, obligations, and debts of the Company, subsidiaries, or any companies acting as a partner or shareholder(s). For this purpose, the Board may, without limitation, restrict dividend distributions and commit to retain shares ownership in such companies for any required period, in accordance with financing requirements.
13. Granting discharge relieves the Company's debtors from their liabilities per to the Company's interest and in accordance with applicable accounting standards in cases of bad debt.
14. The right to settlements, waivers, contracts, undertakings, litigation, and collection of the Company's or subsidiaries debts, and accept to settlements and arbitration.
15. Appointing the Chief Executive Officer (CEO) of the Company, defining the duties, authorities, responsibilities, and financial entitlements.
16. Establishing all types of Board Committees, defining Committees authorities, and appointing members from Board of Directors or others, dismiss and remove committee members, and determining their compensation.
17. The right to delegate or authorize one or more of its members or any third party to carry out specific tasks or execute specific actions within the Board's scope of authority. Accordingly, the right to partially or fully revoke any such delegation or authorization.

18. Approving acquisitions or the disposal of the Company's ownership or interests in companies, institutions, joint ventures, or any other legal entity.
19. Approving contracts and tenders.
20. Approving the Company's internal, financial, administrative, and technical policies, as well as employee-related policies and procedures; approving the Company's business plan and its operational plans and annual budget.
21. The Board shall have the broadest authority to negotiate with third parties for entering into deals, transactions and agreements and shall enjoy the full powers necessary to manage such deals and outline the Company's strategic direction. The Board has the right to represent the Company before all official and Competent Authorities. Also, the right to receive and deliver on behalf of the Company, liaise with all relevant authorities, finalize all necessary procedures, and sign as required. Furthermore, the Board may delegate or authorize one or more of its members or third parties to carry out and execute certain task(s) and may grant such agents authority to further delegate others.

#### **Article (28) Additional Powers of the Chairman of the Board:**

In addition to the powers granted to the Chairman of the Board under Article (20) of this Articles of Association (AoA):

1. The Board of Directors shall allocate the assignments of the Chairman, the Vice-Chairman, and the Managing Director, if any, and determine their remuneration in addition to the other Board members remuneration.
2. In addition to the powers delegated to the Chairman by the Board of Directors, the Chairman shall have the authority to convene Board meetings upon a call by the Chairman and preside over Board meetings, as well as convene and chair General Assembly meetings of the Shareholders. The Chairman shall also represent the Company with third parties, and before Judicial Authorities and Notaries Public, all Government and Competent Authorities, Dispute Resolution Committees, as well as all other relevant Authorities. The Chairman shall have the authority to represent the Company in the purchase and sale of land and real estate and to sign the necessary transfer deeds. The Chairman shall also have the

authority to sign the Articles of Incorporation and Articles of Associations (AoA) of companies in which the Company participates with and other contracts and agreements. Additionally, the Chairman may negotiate and conclude deals and agreements with third parties and sign contracts on behalf of the Company, including but not limited to contracts for the sale and purchase agreements (SPA), leasing, renting, agency, franchising, and all other agreements, transactions, and deals. The Chairman shall further represent the Company before all governmental bodies, Courts of all levels, Judicial and Nonjudicial Committees, Arbitration Panels, Civil Rights Departments, Police Departments, Chambers of Commerce and Industry, Private Organizations, Companies, Banks, Commercial Financial Institutions, Government Financing Funds and Agencies of all types and functions, Financial Institutions of all kinds, and other lenders. The Chairman shall also have the right to open, manage, operate, and close bank accounts; obtain loans and other credit facilities of any duration from funds, commercial banks, financial houses, credit companies, or any other credit entities; issue guarantees and sureties in favor of any party; and conduct all banking transactions and financial deals, including opening letters of credit, guarantees, credit accounts, and safety deposit boxes, and closing them; making deposits and withdrawals with local and international banks; issuing bonds, checks, and all commercial instruments; and establishing, managing and representing investment portfolios and accounts related to the Company, including covering stocks, bonds, sukuk, securities, currencies, and precious metals, on both local and international markets and with local and international banks and investment firms. The Chairman shall also have the authority to appoint, hire, determine salaries for, and terminate managers, employees, and workers; apply for visas; recruit workers and employees from abroad; obtain residency permits and work licenses; and transfer or waive Iqama sponsorships. The Chairman shall further have the right to represent the Company before official Competent Authorities, Notaries Public, and Judicial Bodies. With respect to all the aforementioned powers and authorities, the Chairman shall have the right to take delivery and hand over documents, deal with all relevant authorities, finalize all required procedures, and sign any necessary documents. The Chairman shall also have the authority to delegate, authorize, or power of attorney one or more Board members or any third parties to carry out and execute specific tasks or actions. In addition, the Chairman may grant such agents authority to further delegate to others.

**Chapter (4)**  
**Shareholders Assemblies**

**Article (29) Manner of Convening General Assemblies:**

1. The Ordinary and Extraordinary General Assemblies shall be convened by an invitation from the Board of Directors. The Board of Directors must invite the Ordinary General Assembly to convene within thirty (30) days from the date of a request submitted by the auditor or one or more shareholders representing at least ten percent (10%) of the shares of the Company that have voting rights. The auditor may call the Ordinary General Assembly to convene if the Board does not issue the invitation within thirty (30) days from the date of the auditor's request.
2. The request referred to in Paragraph (1) of this Article must indicate the issues that the shareholders are required to vote on.
3. The invitation to convene the assembly shall be at least twenty-one (21) days prior to the specified date in accordance with the provisions of the law, taking into account the following:
  - a) Notifying the shareholders via registered letters sent to their addresses recorded in the shareholders' register or announcing the invitation through modern technology.
  - b) Send a copy of the invitation and the agenda to the Commercial Registration, as well as a copy to Capital Market Authority if the Company was listed on the date of the invitation announcement.
4. The invitation to the meeting of the Assembly must include at least the following:
  - a) A statement identifying the person entitled to attend the Assembly meeting and their right to appoint a proxy other than members of the Board of Directors, a statement of the shareholder's right to discuss the items listed on the agenda and ask questions, and how to exercise the voting right.
  - b) The venue, date, and time of the meeting
  - c) The type of Assembly, whether it is an Ordinary or Extraordinary General Assembly
  - d) The meeting agenda, including the items to be voted on by the shareholders.

**Article (30) Voting Rights in the General Assembly:**

The election of members of the Board of Directors shall be conducted through cumulative voting. Members of the Board of Directors may not participate in voting on Assembly resolutions related to business and contracts in which they have a direct or indirect interest or that involve a conflict of interest.

**Article (31) Preparation of the General Assembly's Minutes:**

The minutes shall be written for the meeting which will include the number of shareholders attending or represented by proxy, the number of shares they hold in their personal capacity or by proxy, the number of votes they are entitled to, the resolutions adopted and the number of votes for or against them and a sufficient summary of the deliberations which has taken place in the meeting. After each meeting, minutes shall be regularly recorded in a special register to be signed by the chairman of the meeting, the secretary, and votes collector.

**Article (32) Meeting of the General Assembly of Shareholders:**

1. The meeting of the General Assembly of shareholders shall be chaired by the Chairman of the Board of Directors or the Vice Chairman in his absence, or whomever the Board of Directors delegates from among its members in their absence. In the event that this is not possible, the General Assembly shall be chaired by whomever the shareholders delegate from among the members of the Board or from others by voting.
2. Each shareholder has the right to attend the meeting of the General Assembly, and he may delegate another person other than the members of the Board of Directors to do so.
3. It is permissible to hold a meeting of the General Assembly and the shareholder to participate in the deliberations and vote on resolutions by means of modern technology.

**Article (33) Quorum of the Ordinary General Assembly Meetings:**

The General Assembly shall not be valid unless it is attended by shareholders representing at least a quarter of the Company's voting shares. If the quorum required for an ordinary general assembly meeting is not satisfied, one of the two options shall be adopted:

1. Another meeting shall be held one hour after the end of the period set for the first meeting, provided that the invitation for the first meeting provides for the possibility of holding such meeting.

2. An invitation shall be called for a second meeting to be held within thirty (30) days after the first meeting and this invitation shall be held under the same conditions stipulated in Article (91) of the Companies Law. In all cases, the second meeting shall be deemed valid regardless of the number of voting shares represented therein.

#### **Article (34) Quorum of the Extraordinary General Assembly:**

The Extraordinary General Assembly shall not be valid unless it is attended by shareholders representing at least half of the Company's voting shares. If the quorum required for an extraordinary general assembly meeting is not satisfied, one of the two options shall be adopted:

1. Another meeting shall be held one hour after the end of the period set for the first meeting, provided that the invitation for the first meeting provides for the possibility of holding this meeting.
2. An invitation shall be called for a second meeting to be held under the same conditions stipulated in Article (91) of the Companies Law.

In all cases, the second meeting shall be deemed valid if attended by shareholders who represent at least a quarter of the Company's voting shares. If the quorum required for the second meeting is not satisfied, a call shall be made for a third meeting to be held under the same conditions stipulated in Article (91) of the Companies Law. The third meeting shall be deemed valid regardless of the number of voting shares represented therein.

#### **Article (35) General Assembly Resolutions:**

1. Resolutions of the Ordinary General Assembly shall be issued with the approval of the majority of voting rights represented at the meeting.
2. The decisions of the Extraordinary General Assembly shall be issued with the approval of two-thirds of the voting shares represented in the General Assembly. If the resolution is related to capital increase, reduction, dissolution of the Company, merger with another company or splitting it into two or more companies, the resolution shall not be valid unless it is issued with the approval of three quarters of the voting rights represented in the meeting.

**Article (36) Discussions in the General Assembly:**

Each shareholder shall have the right to discuss the subjects listed on the agenda of the General Assembly and may direct questions in respect thereof to the Board members and the auditor. The Board members and the auditor shall answer questions of the shareholders to the extent that does not expose the Company's interest to harm. If a shareholder deems the answer to their question insufficient, they may raise the issue with the General Assembly whose resolution in that regard shall be conclusive and binding.

**Chapter (5)****Company Accounts Auditor****Article (37) Appointment, Removal and Resignation of the Company's Auditor:**

1. The Company shall have one or more auditors from amongst the auditors licensed to work in the Kingdom of Saudi Arabia to be appointed by the General Assembly and whose fees, duration and scope of work shall be determined by the General Assembly, and he may be reappointed, provided that the period of his appointment does not exceed the duration prescribed by applicable laws.
2. The auditor may be dismissed by a decision taken by the General Assembly, and the chairman of the Board of Directors must inform the competent authority of the dismissal decision and its reasons, within a period not exceeding five (5) days from the date of issuance of the decision.
3. The auditor may resign from his mission by virtue of a written report that he submits to the Company, and his mission ends as of the date of its submission or at a later date specified in the notification, without prejudice to the Company's right to compensation for the damage incurred by it if required. The resigned auditor shall submit to the Company and the competent authority - when submitting the report - a statement of the reasons for his resignation, and the Board of Directors shall call the General Assembly to convene to consider the reasons for resignation, appoint another auditor and determine his fees, work duration and scope.

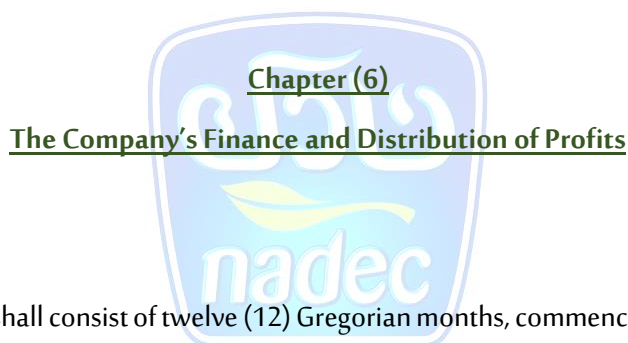
**Article (38) Powers of the Auditor:**

The auditor may, at any time, have access to the books and records of the Company and accounting records and supporting documents, may ask for any statements or clarifications it deems necessary to verify the assets and liabilities of the Company and may perform any other function within the scope of their work. The Board shall enable the auditor to perform its duties. If the auditor faces any difficulty in this regard, it shall state that fact in

a report to be submitted to the Board. If the Board does not facilitate the job of the auditor, the auditor shall ask the Board to call for the General Assembly to convene as the case may be and to consider the issue. The auditor may issue this invitation if the Board of Directors does not send it within thirty (30) days from the date of the auditor's request.

#### **Article (39) External Auditor Report:**

The auditor shall submit to the General Assembly, at its annual meeting, a report on the Company's financial statements prepared in accordance with the auditing standards approved in the Kingdom. The report shall include the Company management's position regarding enabling him to obtain the requested data and clarifications, any violations discovered within the limits of his authority of the law or these Bylaws, and his opinion on the fairness of the Company's financial statements. The auditor shall read his report or present a summary thereof at the annual General Assembly meeting, in accordance with applicable laws and related regulations.



#### **Article (40): Fiscal Year**

The Company's fiscal year shall consist of twelve (12) Gregorian months, commencing on 1 January and ending on 31 December.

2. A separate budget is prepared for the transitional period resulting from the adjustment of the fiscal year.

#### **Article (41) Financial Documents:**

1. The Board shall, at the end of each fiscal year, prepare the Company's financial documents and a report on the Company's activities and financial position for the previous fiscal year, and this report shall include the method suggested for the distribution of net profits. The Board shall forward the said documents to the auditor at least forty-five (45) days before the set date for the General Assembly to convene.
2. The Board Chairman, CEO and Chief Financial Officer or its equivalent shall sign the said documents set out in Section (1) hereof, and copies of which shall be placed at the Company's headquarter the shareholders' disposal.

3. The Board Chairman must provide the shareholders with the Company's financial statements, board report, after its signing, and the auditor's report if they are not published through modern technology means, at least twenty-one (21) days before the scheduled date of the annual Ordinary General Assembly and must also publish such documents accordance to the implementing regulations of the Companies Law.

#### **Article (42) Dividend Distribution and Formation of Reserves:**

The Company's annual net profits are distributed after deducting all general expenses and other costs, including the Zakat imposed by Sharia, as follows:

1. The General Assembly determines the percentage to be distributed to the shareholders from the net profits.
2. When deciding the dividends, the Ordinary General Assembly may form other reserves, for the Company's interest or the distribution of sustainable profits to the extent possible and the Assembly may also deduct from the net profits amounts to achieve social purposes for the Company's staff.
3. The remainder shall be allocated to shareholders equal to 5% of the Company's paid-up capital.
4. Without prejudice to the terms of Article (20) hereof and the Companies' Law and its implementing regulations, a certain percentage of the remaining amount may be allocated to the remuneration of the Board, provided that the eligibility for such remuneration shall be in proportion with the number of meetings attended by the member, and in accordance with the provisions of the relevant regulations and policies approved by the General Assembly.
5. The Company may distribute interim semi-annual and quarterly dividends in accordance with the regulations issued by the Capital Market Authority, and the Board may be authorized to do so.

#### **Article (43) Entitlement to Dividends:**

The shareholder shall be entitled to a share of the dividends in accordance with the resolution of the General Assembly issued in this regard or the resolution of the Board in case it was delegated. The resolution shall indicate the entitlement date and the date of distribution. The eligibility of profits shall be to the owners of shares registered in the shareholders' records at the end of the entitlement date. The Board shall implement the Ordinary General Assembly's resolution in relation to distribution of dividends in accordance with the procedures set by the Capital Market Authority in this regard.

**Article (44) Distribution of Preferred Shares Dividends:**

If the Company fails to pay the specified percentage of net profits for preferred shareholders (if any) after deducting reserves – if any – for (3) three consecutive years, then the special assembly of the preferred shareholders of these shares, held as per Companies Law, may decide to grant them the right to attend the General Assembly meetings and participate in voting, until the Company is able to pay all the dividends to the preferred shareholders for those years. Each preferred share shall have one vote in the General Assembly, and the preferred shareholders shall have the right to vote on any agenda item of the Ordinary General Assembly without exception.

**Article (45) Company's Losses:**

If losses of the Company reach one-half of the issued capital, the Board of Directors shall disclose it and its recommendations within sixty (60) days from the date it becomes aware thereof. The Board must also convene the Extraordinary General Assembly within one hundred eighty (180) days from the date of becoming aware of the losses to consider continuation of the Company while taking the necessary procedures to resolve such losses or to dissolve the Company.

**Chapter (7)****Dissolution and Winding-up of the Company****Article (46) Liability Claim:**

1. Any shareholder or more representing five percent (5%) of the Company's capital may file a liability claim on behalf of the Company in the event that the Company fails to file it, provided that the main objective of filing the claim is to achieve the interests of the Company, and that it is based on a valid basis, and that the plaintiff is acting in good faith and a shareholder in the Company at the time of filing the liability claim.
2. In order to file the liability claim referred to in paragraph (1) of this Article, the members of the Board shall be notified of the intention to file the liability claim at least fourteen (14) days before the date of filing it.
3. The shareholder may file a personal claim against members of the Board if the action made by them would cause damage specific to such shareholder.

**Article (47) Company's Dissolution:**

The Company shall dissolve upon the issuance of a resolution of the Extraordinary General Assembly to dissolve it or the issuance of a court ruling to dissolve it. Upon its dissolution, it shall enter into liquidation in accordance with the provisions of Chapter Twelve of the Companies Law. If the Company dissolves and its assets are insufficient to pay its debts or it was distressed in accordance with the Bankruptcy Law, it shall apply to the competent judicial authority to commence any of the liquidation procedures under the Bankruptcy Law.

**Chapter (8)****Final Provisions****Article (48) Final Provisions:**

1. The Company shall be subject to the applicable laws and regulations in the Kingdom of Saudi Arabia.
2. Any provision of these Bylaws that conflicts with the Companies Law shall be deemed null and void, and the relevant provisions of the Companies Law shall apply. Any matter not specifically addressed in these Bylaws shall be governed by the Companies Law and its implementing regulations.
3. The Founders confirm the accuracy of the data and provisions included in these Bylaws and their conformity with the Companies Law issued by Royal Decree No. (M/132) dated 1/12/1443H and its implementing regulations. They further confirm full compliance with all requirements and instructions issued by the Ministry of Commerce in accordance with the Law. The Founders bear full legal and financial responsibility for any consequences that may arise therefrom and acknowledge the Ministry's right to take appropriate legal action in the event of any violation or inconsistency within these Bylaws.

**Article (49) Governing Law:**

Companies Law and Capital Market Law and its implementing regulations shall apply to anything not covered in this Bylaws.

**Article (50) Filing and Publication:**

This Articles of Association shall be published in accordance with the Companies Law and its implementing regulations.

**Article (51) Language:**

This Articles of Association has been issued in Arabic and approved accompanied its translation into English language. In the event of any conflict or inconsistency, the Arabic version shall prevail.

*The Articles of Association (AoA) were issued based on the resolution of the Extraordinary General Assembly Resolution dated 13/10/1447H.*

*This Articles of Association does not require the official seal of the Ministry of Commerce.*

