



الشركة السعودية للأسماك
SAUDI FISHERIES COMPANY

**Saudi Fisheries Company – a Saudi joint stock
company**

articles of association

Part I - Establishing the company
Article (1): Establishment
It was established in accordance with the provisions and regulations of the Companies Law and this law for a Saudi joint-stock company.
Article (2): Company's name
Saudi Fisheries Company (a Saudi listed joint stock company).
Article (3): Company's purposes
<p>The company's activities are the investment and breeding of marine living resources and the fishing of marine life of all kinds, such as fish, shrimp, and others, in the Kingdom of Saudi Arabia and other regional and international waters, and aquaculture, fish and shrimp in seas, saltwater or freshwater, operating, breeding and producing fish and shrimp in earthen ponds, floating cages and other aquariums, breeding fish larvae, shrimp and aquarium, wholesale and retail sales of aquariums, larvae, fish, shrimp and their products, ornamental fishes and other activities, and providing fresh, cooked and grilled seafood, and carrying out all related work, such as sale, purchase, marketing, manufacturing, production, packaging, canning, storage, cold or frozen preservation, and all work relating to import, export, wholesale and retail trading, road transport of goods and logistics tasks; import, export, manufacture, sale and marketing of feed and its derivatives, import, manufacture, maintenance, operation and leasing of vessels, boats, and other means of fishing, and the creation, construction, ownership, sale, purchase, lease, development, investment and management of real estate and land of all kinds.</p> <p>The company carries out its activities in accordance with the regulations and laws in force and after obtaining the necessary permits from the competent authorities (if any).</p>
Article (4): Participation and ownership in companies
<p>A company may establish companies alone (with limited liability or a closed joint-stock) within or outside the Kingdom of Saudi Arabia, it may also hold stocks and shares in, or merge with, other existing companies and have the right to participate in the establishment of joint-stock or limited liability companies once the relevant laws and instructions have been met.</p> <p>The Company may also dispose of such stocks and shares, provided that this shall not include mediation in trade thereof.</p>
Article (5): Company's head office
The company's head office is located in Riyadh and may be moved out of Riyadh only by the resolution of the Extraordinary General Assembly at the proposal from the Board of Directors. By its resolution, the board of directors may establish branches, offices or agencies within or outside the Kingdom of Saudi Arabia.
Article (6): Company Duration
The Company Duration is (99) ninety-nine Hijri years starting from the date of the Minister of Commerce's decision declaring its establishing, and it may be extended for more than one time by a resolution of the extraordinary General Assembly of the company at least one year before the expiration of the fixed term.

Part II - Capital and Shares
Article (7): Company's Capital
The capital of the company is (400,000,000) four hundred million Saudi riyals divided into (40,000,000) forty million shares of equal value, each of which is valued at (10) ten Saudi riyals and the subscription has been fully met.
Article (8): Preferred shares
The extraordinary General Assembly of the Company may, in accordance with the provisions of the Islamic Sharia and on the basis laid down by the competent authority, issue preferred shares up to 10% in accordance with the regulations issued by the Financial Market Authority, decide to purchase it or convert ordinary shares into preferred shares or convert preferred shares into ordinary shares. The preferred shares shall not give the right to vote in the public assemblies of shareholders and these shares shall arrange for their holders to obtain a greater proportion of the ordinary shares' holders from the company net profits after the statutory reserve has been set aside.
Article (9): Sale of undervalued shares
The shareholder shall be required to pay the share in a timely manner. If the shareholder fails to meet the due date, the Board of Directors may, after being notified by mail registered at his address or informed of registered letter of selling the share at auction or the stock market, as the case may be, in accordance with the controls established by the competent authority. The company meets its outstanding proceeds from the sale and the rest is returned to the shareholder and if the proceeds of the sale are not sufficient to meet these amounts, the company may meet the remainder of all the shareholders' funds. However, a shareholder who has failed to pay to the day of sale may pay the value due to him plus the expenses spent by the company in this regard. The company cancels the share sold in accordance with the provisions of this article and gives the buyer a new share with the cancelled share number and marks in the shares register the sale with the name of the new holder.
Article (10): Share issuance
Shares are nominal and may not be issued at less than their nominal value, but may be issued at higher value, in which case the difference of value is added to a separate clause in the rights of shareholders and may not be distributed as profits. The share is indivisible vis-à-vis the company. If it is owned by multiple persons, they must choose one of them to obey the rights relating to the share, and these persons are jointly responsible for the obligations arising from the ownership of the share.
Article (11): Share trading
The company's shares are traded in accordance with the provisions and regulations of the Financial Market Law and any other relevant laws and regulations.
Article (12): Company's purchase, sale, and pledging of its shares
In accordance with the principles and controls established by the competent authority, the company may: <ol style="list-style-type: none"> 1) The purchase of its ordinary and preferred shares with the approval of the extraordinary general assembly. the shares purchased by the company do not vote in shareholders' meetings.

- 2) Purchase of its shares for use as treasury shares according to the purposes specified by the competent authority.
 - 3) Purchase of shares for allocation under the employees share Program.
 - 4) Selling treasury shares on one or several stages.
- Pledging its shares as security for a debt.

Article (13): Capital increase

- 1) A resolution of Extraordinary General Assembly may increase capital (with the approval of the competent authorities) provided that the capital has been paid in its entirety. The unpaid portion of the capital belongs to shares issued in exchange for the conversion of debt or financial instruments into shares and the planned time to convert them into shares has not yet expired.
- 2) In any event, the Extraordinary General Assembly may allocate issued shares when increasing capital or part thereof to employees of the company and affiliates, or any of them. Shareholders may not exercise a right of priority when the company issues share to employees.
- 3) At the time of the Extraordinary General Assembly resolution to approve capital increases, the shareholder who owns the share shall have priority in the subscription of new shares issued in exchange for cash shares and shall be informed of their priority, if any, to publish in a daily newspaper or to be informed by registered mail of the resolution to increase capital, the terms, duration, start and end date of subscription.
- 4) The Extraordinary General Assembly has the right to suspend the right of priority of shareholders to subscribe to increase capital in exchange for cash shares or to give priority to non-shareholders in cases it deems appropriate in the interest of the company.
- 5) The shareholder is entitled to sell or waive the priority right within the period from the time of the General Assembly's resolution to approve the increase of capital to the last day of subscription to the new shares associated with these rights, in accordance with the controls established by the Financial Market Authority.
- 6) Taking into account paragraph (4) above, new shares shall be distributed to the holders of priority rights who have applied for the subscription, in proportion of their priority rights to the total priority rights resulting from the capital increase, provided that they receive no more than the new shares requested, and the rest of the new shares are distributed to priority rights holders who have requested more than their share, in proportion of their priority rights to the total priority rights resulting from the capital increase, provided that they receive no more than the new shares requested, and the remaining shares shall be offer to third parties, unless the extraordinary General Assembly resolution of or the Financial Market Law and the regulations established by the Financial Market Authority provides otherwise.

Article (14): Capital reduction

By a resolution of Extraordinary General Assembly, the capital of a company may be reduced if it exceeds its need or if the company has suffered losses - with the approval of the competent authority - and in the latter case alone the capital may be reduced

below the limit provided for in article (fifty-four) of the Companies Law. The resolution shall be issued only after reading out a special report by the auditor on the reasons for it, on the obligations of the company and on the effect of the reduction in these obligations. If the reduction of capital is the result of an increase in the need of the company, creditors should be invited to make objections within 60 days of the date of publication of the reduction resolution in a daily newspaper distributed in the area where the company's head office is located, and if a creditor objects and provides the company with its documents in the said time, the company must pay his debt if it is at once or provide sufficient security to fulfill it if it is later.

Part III - Board of Directors

Article (15): Board of Directors

The company is managed by a Board of Directors consisting of nine (9) members, elected by the ordinary General Assembly of shareholders using cumulative voting for a period of not more than three years, and members of the board of directors may be re-elected for more than one time.

Article (16): Expiration of board membership

The board membership shall expire upon the expiration of its term or the expiration of the member's validity according to any law or instructions in force in the Kingdom. However, the Ordinary General Assembly may at all times dismiss all or some of the members of the Board of Directors without prejudice to the right of the dismissed member to claim compensation if the dismissal occurs for an unacceptable reason or at an inappropriate time. The member of the Board of Directors may resign provided that it is in an inappropriate time or that he is liable before the company for the damage caused by the dismissal.

On the recommendation of the Board, the General Assembly may expire the membership of those who are absent from three consecutive meetings of the Board without legitimate excuse.

Article (17): Vacant position on the Board

If the position of a member of the board of directors is vacant, the board may appoint an interim member to the vacant position as the board of directors deems appropriate without the requirement to arrange for votes - to be experienced and sufficient, and the competent authorities must be informed within the specified period from the date of appointment and the appointment shall be submitted to the Ordinary General Assembly at its first meeting and the new member shall complete the term of his predecessor. If the 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 set out in the Companies Law or this law, the remaining members must call the Ordinary General Assembly within 60 days to elect the necessary number of members.

Article (18): Competence of the Board of Directors

Taking into account the established competencies of the General Assembly, the Board of Directors shall have the broadest powers in the management of the company, the formulation of its policies, the determination of its investments, the supervision of its business, the disposition of its matters and the performing of all works and actions

within and outside the Kingdom which are capable of achieving its purposes. The authorities and powers of the Board of Directors shall include, for example, the following:

- 1) The disposition of the assets, property and real estate of the company and the right to accept the donation, the right to pledge, redeem, sell, buy, release, receive and deliver the price and the value. The Board minutes and the reasons for its resolution to dispose of, sell and the reasons for doing so, subject to the following conditions:
 - a. The sale is close to the price of the same in accordance with the generally accepted accounting principles.
 - b. The sale is present except in cases of necessity and with sufficient guarantees.
 - c. Such disposal shall not affect on the company and the suspension of some of its activities or the bearing of other obligations by reason of the terms of that disposal.
- 2) Opening, managing and closing all types of accounts, including investment, signing credits, transfers, financial documents, withdrawing and depositing with banks, issuing cheques, commercial paper and leasing them to third parties, it has the right to carry out all banking transactions, to appoint the authorized signatory, to determine their powers and to cancel them, and to request the issuance and cancellation of ATM cards and the secret number.
- 3) Issuing safeguards, guarantees and bonds to order and provide guarantees of all kinds to banks, funds, financial institutions, GFIs and company creditors, and signing all relevant papers and documents.
- 4) The contracting of loans with any entity, such as funds and GFIs, and commercial loans with banks and financial institutions, no matter how long and to what limits the Board may resolve.
- 5) The Board of Directors shall, in cases where the right to discharge the debtors of the Company of their obligations is assessed by the Board of Directors in accordance with the interests of the Company and the generally accepted accounting principles for the composition of the provision for doubtful debts, although the debt is long overdue and the Board has found it useless to continue to claim it. The Board minutes and the reasons for its decision to discharge the debtors of the company shall contain the reasons and justification, and the discharge is also a right of the Board, which cannot be authorized.
- 6) To establish, co-establish, own, acquire or merge with other companies, invest in all kinds, deposits, instruments, bonds, shares, and funds, and dispose of such stocks or shares; and It has the right to submit assets, property and real estate of the company as in-kind portion in the capital of any company in which it participates or establishes, to amend its Memorandum of Association and to sign for the company the Memorandum of Association of the companies in which it participates and its amendment appendix, whatever the type of companies and whatever the content of such amendments including amendments to increase or decrease capital, waiver and sale of shares in accordance with the relevant laws, acceptance of shares waived to the company, transfer or merger of companies, sale and purchase of shares in companies, all or some of them, and the board has the

right to request, accept and negotiate the offering of shares owned by the company for public or private subscription in the Kingdom of Saudi Arabia or outside it, taking into account the statutory requirements, and the Board may appoint representatives of the company in managing any other company that is affiliated or participating in it and attend a meeting, and attend meetings of partner or shareholder assemblies, boards of directors and boards of management, vote on behalf of the company and sign decisions and minutes of meetings of partners' and shareholders' assemblies, directors and boards of directors, and signing agreements and instruments before the notary public and the official authorities.

7) Appointment and dismiss of the CEO of the company and the executive vice-presidents.

8) Define the powers, duties and financial rights of the CEO of the company and the executive vice-presidents.

9) Approval of the financial position, financial statements and annual budget of the company.

The Board of Directors may, within the limits of its terms of reference, appoint or delegate one or more of its members, or a committee of the Board, an employee of the company or third parties to undertake specific work and has the right to revoke such appointment or delegation in whole or in part.

(19): Remuneration of board members

The remuneration of the board members shall consist of a certain amount, meeting allowance, benefits in kind or a certain proportion of net profits, and in the event of a certain proportion of net profits, the provisions of article 45, paragraph (5), of this law shall be taken into account. Two or more of these benefits may be combined within the limits of the provisions of the Companies Law or other supplementary Laws, in addition to the travel, accommodation and subsistence expenses established by the Board for each meeting of non-resident members in accordance with the laws, resolutions and instructions issued in the Kingdom by the competent authorities. The report of the Board of Directors to the Ordinary General Assembly should include a comprehensive statement of all the remuneration, expenses allowance and other benefits received by members of the Board of Directors during the financial year, and it should also include a statement of what board members received as employees or administrators or what they received in return for technical, administrative or advisory and also include a statement of the number of meetings of the Board and the number of meetings attended by each member from the date of the last meeting of the General Assembly.

Article (20): Powers of Chairman, Vice-chair, Managing director and Secretary

1. The Board of Directors shall appoint from among its members a Chairman and a Vice-chair, may appoint a managing director, the position of Chairman of the Board of Directors shall not be combined with any executive position of the company.

2. Taking into account the competencies and powers of the Board of Directors, the Chairman of the Board of Directors shall be competent to call the Board and preside

over its meetings and those of the General Assembly of Shareholders, and to represent the company and sign on its behalf before all governmental, semi-governmental and non-governmental bodies, the Royal Court, ministries, public and private bodies and institutions, the Emirates and all government departments, these include, but are not limited to (Traffic, Passports and Recruitment Department, Labor Office, Expatriates Department, Civil Defense, Trademark Registration Department and Commercial Agencies), companies, banks, individuals and others, and the right to represent the company and sign on its behalf before all judicial and quasi-judicial authorities of various names, types and degrees, and has the right to litigate, claim, plead, defend and filing and hearing lawsuits and making submissions - acknowledgment - denial - reconciliation - waiver - discharge - request, reject and refuse to take the oath - bring witnesses and evidence and challenge them - answer, impeachment and amendment - challenge the authenticity - denial of execution of document, seals and signatures - request for a travel ban and raise it - review the departments of reservation and enforcement - request for reservation and enforcement - request for arbitration - appointment of experts and arbitrators - challenging reports of experts and arbitrators, recusing or asking for substitution - asking for the execution of judgments - acceptance and denial of judgments - objections to judgments and request for appeal - seek review - annotate of judgment deeds - request for exoneration - request for pre-emption - and request for a judgment to be set aside before the Supreme Court - finalizing what is required to attend hearings in all lawsuits in all courts - submitting notes and documents - receiving notes and documents - receiving sums by cheque in the name of the company - receiving judgment deeds - requesting the dismissal of judge - request inclusion of and intervention into - request for referral of the case - and in the administrative courts (Board of Grievances), before the Committee for Settlement of Violations of Competition Law, Sharia Medical Committees, Workers' Committees, Committee for the Resolution of financial Disputes, Banking Dispute Settlement Committees, Committee for the Resolution of Securities Disputes, Offices for Settlement of Commercial Paper Disputes, Commercial Dispute Resolution Committees, Customs Committees, Commercial Fraud Committees, and Committees for Resolution of Insurance Disputes & Violations, before the Public Prosecution and the Supreme Court, and the Appellate Committee for Tax Violations and Disputes, etc., he has the right to deliver and receive all documents, transactions and judgments and finish what is required in all courts and committees, and with regard to real estate, he has the right to represent the company and sign on its behalf with regard to receiving the bonds, merging, splitting, sorting, updating and entering them into the comprehensive law and extracting a set of lost replacement bonds, certifying copies of real estate deeds, and reviewing notaries to inquire about real estate properties and amend boundaries, lengths, area, plot numbers, plans, deeds and their dates, names of neighborhoods, leasing, renting and receiving the rent and investment returns by cheque in the name of the company and has the right to represent the company and sign on its behalf in that.

The authority of the Chairman of the Board to represent or sign for the company in all of the above shall be considered to be the sole authority and shall have the right to appoint or delegate others to any or all of his powers or competencies.

3. The Vice-chair of the Board shall act as Chairman of the Board in his absence.
4. If appointed, the Managing director shall be competent to exercise the powers established by the Board of Directors and to carry out all instructions issued by the Board. The Board shall, at its discretion and upon the resolution of the Board, determine the remuneration to be received by the Managing director for all additional work performed by him in his executive capacity and not as a member of the Board.
5. A Secretary shall be appointed by the Board of Directors from among its members or others.
6. the period of Chairman of the Board, the Vice-chair, the Managing director, the Secretary and the member of the Board of Directors shall not exceed the period of membership of each of them on the Board, and they may 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 illegitimate reason or at an inappropriate time.

Article (21): Board meetings

The Board of Directors shall meet at least 4 times a year at the invitation of its Chairman. The invitation shall be in writing and may be sent by regular mail or electronic mail or other modern means of technology. the chairman of the board or his representative - in absence - must call for the meeting when two of the members requested to do that.

Article (22): Quorum of the board meetings

A meeting of the Board shall be valid only if it is attended by at least five members, provided that no fewer than four members are in attendance, and the member of the Board of Directors may, with the approval of the Chairman of the meeting, attend the meeting of the Board of Directors through modern technical means. He may also delegate other members in attending Board meetings and voting on behalf him the Board on resolutions taken during the meeting, in accordance with the following controls:

- 1) A board member shall not be on behalf of more than one member at the same meeting.
- 2) That the delegation be fixed in writing - it can be via modern technology - and about a specific meeting.
- 3) The Vice-chair shall not vote on resolutions on which the law prohibits the delegated from voting.

The Board shall have the right to be invited to its meetings by such employees, advisers or other as it deems appropriate and shall not have the right to vote.

Article (23): Board resolutions and deliberations

The board resolutions shall be made by a majority of the opinions of the members present or represented on the Board. If the opinions are equal, the opinion with which the meeting chairman is voted shall prevail. The deliberations and resolutions of the

Board of Directors shall be confirmed in minutes to be signed by the Chairman of the meeting, the members of the Board of Directors present and the Secretary. These minutes are recorded in a special registrar signed by the Chairman and Secretary of the Board of Directors.

The Board may make resolutions on urgent matters by presenting them to members separately, unless a member requests - in writing - a meeting of the Board for deliberation. These resolutions are before the Board at its next meeting.

Part IV - Shareholders' Assemblies

Article (24): Attending assemblies

Each shareholder shall be entitled to attend the General Shareholders' Assemblies, in which case he may delegate another person other than the members of the Board of Directors or the employees of the company in attending the General Assembly.

Article (25): Ordinary General Assembly competences

Apart from the matters of the Extraordinary General Assembly, the Ordinary General Assembly is concerned with all matters related to the company and shall be held at least once a year in the six months following the end of the financial year of the company, and other Ordinary General Assembly may be invited to meet as the need arises.

Article (26): Extraordinary General Assembly competences

The Extraordinary General Assembly shall be competent to amend the company's articles of association except for those prohibited by laws and may issue resolutions in matters originally within the competence of the Ordinary General Assembly, under the same conditions and provisions as the Ordinary General Assembly.

Article (27): Assembly's call on

Public or private shareholders' assemblies shall be held at the call on of the Board of Directors in accordance with the conditions provided for in this law and the Companies Law and controls established by the Financial Market Authority. The Board shall call the Ordinary General Assembly if so, requested by the Auditor, the Audit Committee, or a number of shareholders representing at least 5% of the capital and the Auditor may call the Assembly if the Board fails to call the Assembly within 30 days from the date of the Auditor's request. The invitation to hold the General Assembly and the Agenda shall be published in a newspaper to be distributed in the region where the company's head office is located at least twenty-one days before the due date. However, an invitation may be issued only at that time to all shareholders by registered letters and a copy of the invitation and agenda shall be sent to the competent authorities within the specified time limit for publication.

Article (28): Assemblies Attendance Registe

Shareholders who wish to attend the general or private assembly register their names in the company's head office or at the headquarters where the assembly is held prior to the time specified for the meeting.

Article (29): Quorum of the Ordinary General Assembly meetings

The ordinary assembly meeting shall be valid only if it is attended by shareholders representing at least one quarter (1/4) of the company's capital. If the quorum necessary for holding this meeting is not available, the second meeting could also be held one hour after the expiration of the fixed term for the first meeting, provided that the Invitation

of the first meeting would include an announcement of the possibility of holding such a meeting. In any event, the second meeting shall be valid, regardless of the number of shares represented.

Article (30): The quorum of the extraordinary General Assembly meeting:

The extraordinary General Assembly meeting shall not be valid unless it is attended by shareholders representing half ($\frac{1}{2}$) of the company's capital, and if this quorum is not available at the first meeting, the second meeting shall be held an hour after the expiry of the deadline for the first meeting provided that the invitation to hold the first meeting includes the announcement of the possibility of holding this meeting, and the second meeting shall be valid if attended by a number of shareholders representing at least a quarter of the capital.

If the necessary quorum is not available at the second meeting, a third meeting shall be invited to be held in the same conditions as article (27) of this bylaw. And the third meeting shall be valid, no matter how many shares represented there, after the approval of the competent authority.

Article (31): Voting in assemblies

Each shareholder has vote for each share in shareholders' assemblies, and a cumulative vote must be used in the election of the Board of Directors, and board members may not participate in a vote on the assembly's resolutions concerning the discharge of their responsibility for the management of the company or for the direct or indirect interest of them.

Article (32): Decisions of assemblies

Ordinary general assembly's resolutions shall be issued by the absolute majority of the shares represented at the meeting and the extraordinary General Assembly resolutions shall be issued by a two-thirds majority of the shares represented at the meeting, unless it is a decision concerning the increase or reduction of capital, the prolong or dissolve of the company before the expiry of the term specified in its articles of association or its merger with another company, so it is not valid unless it is issued by a majority of three Quarters of shares represented at the meeting.

In accordance with the provisions of the Corporate Law, The Board shall register the resolutions of the Extraordinary General Assembly if they include the amendment to the Company's Articles of Association.

Article (33): Discussion in Assemblies

Each shareholder shall have the right to discuss the topics on the General Assembly agenda to ask questions about them to the members of the Board of Directors and auditors, and the Board of Directors or auditors must answer the questions of the shareholders to the extent that it does not harm the interest of the company, and if the shareholder considers that the response to its question is unconvincing, it shall invoke the General Assembly and its resolution in this regard shall be effective.

Article (34): Presidency of assemblies and preparation of minutes

The general assemblies of shareholders shall be presided by the chairman or deputy of the Board of Directors in the absence the chairman or deputy, the presiding officer shall

appoint a meeting secretary and vote collector, whose appointment shall be confirmed by the Assembly.

The assembly meeting shall be drawn up by a minute of the number of shareholders present or representatives, the number of shares in their possession, in person or by proxy, the number of votes scheduled for it, the resolutions taken, the number of votes approved or disagreed, and a full summary of the discussions that took place at the meeting. the minutes shall be recorded on a regular basis after each meeting in a special record signed by the head of the Assembly, its Secretary, and the Collector of Votes.

Chapter 5 -Committees of the Board of Directors - Review Committee

Article (35): Board committees

Without violating the relevant laws and regulations, the Board of Directors shall form specialized committees in accordance with the company's needs, circumstances, and conditions and in order to enable it to perform its tasks effectively and shall have the authority to determine the tasks of the committees and the controls of their work, and the remuneration of its members in accordance with the controls and instructions set by the competent authorities.

Article (36): The formation of the Audit Committee

By resolution of the Ordinary General Assembly, an audit committee shall be formed by non-executive board members, whether shareholders or others, with at least three members and no more than five. The resolution shall be specified the committee's tasks, its work controls and remuneration of its members. If the position of a member of the Committee is vacant, the Board shall have appointed an interim member of the vacant position to be experienced and competence. And the competent authority must be informed during the regular period of the appointment date and the appointment shall be presented to the Ordinary General Assembly at its first meeting and the new member shall complete the term of its predecessor.

Article (37): The quorum of the committee meeting

The validity of the audit committee meeting shall be required to attend the majority of its members, and its resolutions shall be made by a majority of the votes present, and If there is a tie, the president shall have the casting vote.

Article (38): The terms of reference of the Committee

The Audit Committee shall be competent to monitor the company's works, and in doing so shall have the right to access its records and documents and request any clarification or statement from members of the Board of Directors or Executive Management and may ask the Board of Directors to invite the General Assembly of the Company to convene if the Board of Directors obstructs its work or the company suffers serious damage or losses.

Article (39): Committee reports

The audit committee shall be responsible for the company's financial statements, reports and notes submitted by the auditor, and express its opinions about them, if any, and shall also prepare a report on its opinion on the adequacy of the company's internal control system and its other work within its jurisdiction. The Board of Directors shall deposit sufficient copies of this report at the company's head office at least 21 days before

the General Assembly to provide each of the shareholders with a copy of it. And the report shall be read out during the Assembly.

Chapter 6- Auditor

Article (40): Appointment of auditor

The company must have one or more auditors among the authorized auditors to work in the Kingdom appointed by the General Assembly and determine its remuneration and duration of its work, and may reappoint it, but the total duration of its appointment shall not exceed five consecutive years, and those who have exhausted this period may be reappointed two years after the date of its completion, and the Assembly may also change it at any times without prejudice to its right to compensation if the change occurs at an inappropriate time or for an illegal reason.

Article (41): Auditor's powers

At any time, the auditor may have the right to access the company's books, records, and other documents, and may also request the data and explanations it deems necessary to verify the company's assets and obligations, etc., which falls within the scope of its work. And the chairman of the board of directors shall enable the auditor to perform its duty. if the auditor encounters difficulty in this regard, it shall prove that in a report to the Board of Directors. If the Board does not facilitate the work of the Auditor, the auditor must ask the Board of Directors to invite the Ordinary General Assembly to consider the matter.

Article (42): Auditor's Report

The auditor shall submit to the Annual General Assembly a report that is prepared in accordance with the generally accepted auditing standards guaranteed by the position of the management of the company to enable the auditor to obtain the data and explanations requested and the irregularities that the auditor has disclosed to the relevant law, regulations and instructions and its opinion on the fairness of the company's financial statements. The auditor read out its report in the General Assembly. If the Assembly decided to ratify the Board of Directors' report and financial statements without listening to the auditor's report, its decision was invalid.

Chapter 7- Company Accounts and Dividend distribution

Article (43): Fiscal Year

The company's fiscal year begins on January 1st and ends at the end of December of each calendar year.

Article (44): Financial documents

- 1) At the end of each financial year, the Board of Directors shall prepare the company's financial statements and report on its activity and financial position for the past fiscal year, and this report shall ensure the proposed method of the dividend distribute. The Board shall place these documents at the disposal of the Auditor-General at least 45 days before the general assembly deadline.

- 2) The Company's Chairman of the Board, CEO and CFO must sign the documents referred to in paragraph (1) of this article, and copies of them must be deposited at the company's head office at the disposal of shareholders at least twenty-one days before the general assembly deadline.
- 3) The Chairman of the Board of Directors shall provide shareholders with the company's financial statements, the Board of Directors report, and the auditor's report, unless published in a daily newspaper distributed at the company's head office. The Chairman of the Board of Directors shall also send a copy of these documents to the competent authorities, at least 15 days before the Date of the General Assembly.

Article (45): Dividend Distribution

The company's annual net profit shall be distributed as follows:

- 1) It sets aside (10%) of net profit to form a regular reserve and the Ordinary General Assembly may stop this set aside, as long as the said reserve reaches (30%) of the paid-up capital.
- 2) At the suggestion of the Board of Directors, the Ordinary General Assembly may set aside a percentage of net profits to form an agreement reserve to meet urgent important situations.
- 3) The Ordinary General Assembly may decide to form other reserves, to the extent that the company is in the interest of the company or ensures that as stable profits as possible shall be distributed to shareholders. The said Assembly may also deduct amounts from net profits to establish social institutions for the company's workers or to assist those that exist from these institutions.
- 4) The rest shall then be distributed to shareholders by at least (5%) Five percent of the paid-up capital.
- 5) the General Assembly after taking into account the provisions in the Articles of Association and article (76) of the corporate law may allocate after the introduction of a percentage (10%) of the rest to remuneration of the Board of Directors, provided that the maturity of this remuneration shall be in accordance with the regulations and controls issued by the competent authority.
- 6) The General Assembly at the suggestion of the Board of Directors may make the appropriate resolution on the rest of the profits in a manner that does not conflict with the decisions and instructions issued by the competent authorities in this regard.
After meeting the controls established by the competent authorities, the Board of Directors may distribute half-yearly and quarterly dividends during the fiscal year.

Article (46): Entitlement of Profits

The shareholder shall be entitled to its share of the profits in accordance with the General Assembly resolution issued in this regard, and the decision shows the date of maturity

and the date of distribution, and the entitlement of profits shall be to the shareholders registered in the shareholders' records at the end of the specified day of maturity.

Article (47): Dividend distribution for preference shares

If profits are not distributed for any financial year, profits may not be distributed for the following years until the specified percentage shall be paid in accordance with the provision of article (114) fourteen hundreds of the Corporate Law for preference shareholders for this year. If the company fails to pay the specified percentage in accordance with the provision of article (one hundred fourteen of the Corporate Law) of profits for three consecutive years, the Special assembly of such shareholders, held in accordance with the provisions of article (89) eighty-nine of the corporate Law, may decide either to attend the meetings of the General Assembly of the Company and participate in the vote, or to appoint their representatives to the Board of Directors in proportion to the value of their shares in the capital, until the company can pay all the priority dividends allocated to the shareholders of these shares over the previous years.

Article (48): Company losses

- 1) If the loss of the joint stock company amounted to half of the paid-up capital, at any time during the fiscal year, any company official or auditor upon learning of this must inform the Chairman of the Board of Directors, and the Chairman of the Board of Directors shall immediately inform the board members, and within (15) fifteen days of learning of this, to invite the Extraordinary General Assembly to meet within (45) Forty-five days from the date of its knowledge of the losses, to decide either to increase the company's capital or reduce it, in accordance with the provisions of the Corporate Law to the extent that the ratio of losses falls below half of the paid-up capital, or dissolve the company before the term specified in this Law, and publish the decision of the Assembly in any case on the website of the Ministry of Trade and Investment.
- 2) The company shall be dissolved by the force of Corporate Law, if the General Assembly does not meet within the period specified in paragraph (1) of this article, or if it meets and is unable to issue a resolution on the subject, or if it decides to increase the capital in accordance with the conditions established in this article, and no subscription is made to every capital increase within (90) ninety days from the issuance of the Assembly's resolution to increase it.

Chapter 8- Disputes

Article (49): Liability claim

Each shareholder shall have the right to file a claim of liability for the company against the members of the Board of Directors if the error made by them would cause its own damage. The shareholder may file the said case only if the company's right to file it still exists. And the shareholder must notify the company of its intention to file the case. With its right to claim compensation for its own damage shareholder suffered. Expenses charged by the shareholder may be charged to sue the company, regardless of its result under the following conditions:

- 1) If the shareholder sues in good faith.

- 2) If it submits to the company for the reason for which it filed the case and does not receive a reply within (30) thirty days.
- 3) If it is in the interest of the company to conduct this case based on the provision of Article (79) of the Bylaw.
- 4) The case shall be based on well founded.

Chapter 9- Dissolution and liquidation of the company

Article (50): Expiry of the company

The company enters as soon as it has expired the liquidation role and retains the legal personality as necessary for liquidation, and the resolution of optional liquidation shall be issue from the Extraordinary General Assembly and after the approval of the CMA. the resolution to liquidate must include the appointment of the liquidator and the determination of its powers and fees and restrictions on its powers and the time required for liquidation, and the Optional liquidation period must not exceed (5) five years, and may not be extended for more than that, except by judicial order. And the authority of the Board of Directors of the company shall end with its dissolution, Nevertheless, they remain in charge of managing the company and shall be considered as liquidators for others until the liquidator appoints. During the liquidation period, the bodies of the company shall have their powers, which are not incompatible with those of the liquidator.

Chapter 10- Final Judgments

Article: (51)

The Corporate Law and the CMA system and their regulations shall be applied unless otherwise provided in this bylaw.

Article: (52)

This bylaw shall be deposited and published in accordance with the provisions and regulations of the Corporate Law.