

Nayifat Finance Company
Articles of Association
(Public Joint Stock Company)

Chapter One: Incorporation of the Company:

Article One: Incorporation:

In accordance with the provisions of the Companies Law promulgated by Royal Decree No. (M/132) dated 01/12/1443H, and its Executive Regulations, a Saudi joint stock company shall be established in accordance with the following:

Article Two: Company Name:

Nayifat Finance Company (Public Joint Stock Company).

Article Three: The Company's Head Office:

The head office of the company is located in the city of Riyadh.

Article Four: Purposes of the Company:

The purposes for which the Company was established are:

- 1- Financial leasing.
- 2- Other forms of loan grants.

The company shall exercise its purposes in accordance with the applicable regulations and after obtaining the necessary licenses from the competent authorities, if any.

Article five: Company Term:

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

Article Six: Participation and Ownership in Companies:

After obtaining the written approval of Saudi Central Bank, the company may have interest, or to participate in any way with entities or companies, or to establish a company on its own that carries out business similar to its business or that may assist it in achieving its purposes. The company may hold shares or stocks in these companies and merge them, merge with them, or to buy them, after fulfilling the requirements of the regulations and instructions followed in this regard.

Chapter Two: Capital & Shares:

Article Seven: Capital:

The company's issued capital is set at one billion two hundred million Saudi Riyals (1,200,000,000 SAR), divided into 120,000,000 nominal shares of equal value, each valued at 10 Saudi Riyals, all of which are common shares against cash contributions. The amount paid in cash is one billion two hundred million Saudi Riyals (1,200,000,000 SAR), and the cash amounts paid from the issued capital have been deposited with one of the licensed banks.

Article Eight: Subscription to Shares:

The shareholders subscribed to the full issued share capital of 1,200,000,000 Saudi Riyals, fully paid.

Article Nine: Shareholders Register:

Without prejudice to the provisions of Article (Eighth) of the Finance Companies Control Law, and the third paragraph of Article (Ten) of the Executive Regulations of the Finance Companies Control Law, the

company's shares shall be traded after recording them in the shareholder register prepared or contracted by the company, which includes the names of the shareholders, their nationalities, places of residence, professions, share numbers and the amount paid out of them. This entry shall be indicated on the share. The transfer of the nominal share ownership against the company or third parties shall not be considered valid except from the date the share is recorded in the register.

Article Ten: Types of Shares:

The extraordinary general assembly of the company may, in accordance with the principles set by the competent authority, issue preferred, redeemable or ordinary shares and decide to buy or sell them or transfer one class to another in accordance with the statutory regulations. Preferred shares or redeemable shares may be granted preferential rights over ordinary shares.

Article Eleven: Repurchase the company of its shares and Sale and Mortgage:

- 1) The company may purchase its shares and allocate it to the company's employees – or subsidiaries – within the employee share program in accordance with the statutory controls.
- 2) The company may purchase its shares to be used as treasury shares in accordance with the statutory controls.
- 3) The company may sell treasury shares in one or several stages in accordance with the statutory regulations.
- 4) The company may mortgage its shares as security for a debt in accordance with the statutory regulations.

Article Twelve: Issuance of Shares:

- 1) The shares shall be nominal and may not be issued at less than their nominal value, but may be issued at a higher value than this value, and in the latter case the difference in value shall be added in a separate item within the shareholders' equity, and it may not be distributed as dividends to shareholders, and the shares may be divided into shares with a lower nominal value or merged so that they represent shares with a higher nominal value in accordance with the statutory controls.
- 2) The company's shares shall be nominal and indivisible vis-à-vis the company, and if the share is owned by several persons, they shall choose one of them to act on their behalf in the use of the rights related thereto, and these persons shall be jointly liable for the obligations arising from the ownership of the share.

Article Thirteen: Trading of Shares:

The Company's shares shall be traded in accordance with the provisions of the Capital Market Law and its Implementing Regulations.

Article Fourteen: Capital Increase:

The Extraordinary General Assembly, after obtaining the prior no-objection of the Saudi Central Bank, may decide to increase the company's capital, provided that the issued capital has been paid in full. The capital is not required to have been paid in full if the unpaid part of it is due to shares issued against the conversion of debt instruments or financing instruments into shares and the prescribed period for their conversion has not yet expired.

Article Fifteen: Capital Reduction:

1. The Extraordinary General Assembly, after obtaining the prior no-objection of the Saudi Central Bank, may decide to reduce the capital if it exceeds the company's need or if the company suffers losses. In the latter case alone, the capital may be reduced below the limit set forth in Article (fifty-ninth) of the Companies Law. The reduction decision shall not be issued except after reading a statement at a general assembly prepared by the Board of Directors on the reasons for the reduction, the company's obligations

and the impact of the reduction on their fulfillment, provided that a report from the company's auditor shall be attached to this statement.

2. If the capital reduction is the result of its increase in the company's need, and creditors must be invited to express their objections, if any, to the reduction at least (forty-five) days before the date specified for the extraordinary general assembly meeting to take the reduction decision, provided that a statement explaining the amount of capital before and after the reduction, the date of the meeting and the effective date of the reduction shall be attached to the invitation, and if any of the creditors objects to the reduction and submits to the company his documents on the said date, the company shall. Pay him his debt if it is immediate, or provide him with sufficient security to pay it if it is deferred.

3. Equality between shareholders holding shares of the same type and class shall be taken into account when reducing the capital.

Article Sixteen: Issuance of Bonds and Instruments:

The company may issue negotiable instruments inside or outside the Kingdom of Saudi Arabia, in accordance with the applicable laws, regulations, and rules. The company's ordinary general assembly may, by a resolution, delegate to the board of directors the authority to issue the instruments, whether in one part or several parts, or through a series of issuances under one or more programs established by the board of directors, from time to time, in which it determines the times, amounts and conditions it deems appropriate, and has the right to take all necessary measures to issue them after obtaining the approval of the Saudi Central Bank, the Sharia Board and the competent authorities. The company may also, when needed, obtain investment financing in accordance with Shariah controls and in accordance with the rules and regulations established by the company and the Saudi Central Bank.

Chapter Three: Board of Director:

Article Seventeen: Company Management:

A) After fulfilling the eligibility requirements determined by the Saudi Central Bank and obtaining a Non-objection letter, the company shall be managed by a Board of Directors consisting of eight (8) members, who must be natural persons elected by the Ordinary General Assembly of shareholders for a term not exceeding four years.

B) The method of working within the Board of Directors is determined as follows: The company shall be managed by a Board of Directors consisting of (8) members elected by the Ordinary General Assembly of shareholders. In all cases, the board members must be natural persons, for a term not exceeding four years, after fulfilling the eligibility requirements determined by the Saudi Central Bank and obtaining a Non-objection letter.

The location of the meetings shall be determined by the Board of Directors, and meetings may be held using modern technology means.

The proper quorum for a meeting is the presence of 50% of the board members.

The legal quorum for making decisions is the approval of 51% of the members.

Board members may authorize representatives to attend the meetings.

The method of communication among board members is as follows: The chairman of the board must invite the board to meet whenever any member of the board requests it in writing to discuss one or more topics.

Article Eighteen: Termination or Termination of Board Membership:

The membership of the Board shall expire upon the expiry of its term or upon the expiry of the member's validity thereof in accordance with any system or instructions in force in the Kingdom, and the General Assembly may (upon the recommendation of the Board of Directors) terminate the membership of any member who is absent from attending (three) consecutive meetings or (five) separate meetings during his term of office without a legitimate excuse acceptable to the Board of Directors.

The membership of the Board shall also end with resignation or death, or if it is proved to the Board of Directors that the member has breached his duties in a manner harmful to the interest of the Company, provided that this is accompanied by the approval of the Ordinary General Assembly, or if he is declared bankrupt or insolvent, or submits an application for settlement with his creditors, or stops paying his debts, or suffers from mental illness, or if it is proven that he committed an act that violates honesty and morals, or is convicted of forgery, and the Company shall notify the Exchange and the Capital Market Authority immediately upon the termination of the membership of a member of the Board of Trustees. The company is also obligated to notify the Central Bank within 5 working days from the date of expiry or termination of the membership of the board member. However, the Ordinary General Assembly may dismiss all or some of the members of the Board of Directors, and the Ordinary General Assembly in this case shall elect a new Board of Directors or whoever replaces the dismissed member (as the case may be) in accordance with the provisions of the Companies Law.

Article Nineteen: Powers of the Board:

Subject to the powers prescribed for the General Assembly, the Board of Directors shall have the broadest authority in managing the company in a manner that achieves its objectives, and it has:

Board Authority Matrix

The Board of Directors is required to obtain the approval of the General Assembly when selling assets whose value exceeds fifty percent (50%) of the total value of its assets, whether the sale is made through a single transaction or multiple transactions. In this case, the transaction that leads to exceeding fifty percent (50%) of the asset value is considered the transaction that requires the approval of the General Assembly. This percentage is calculated from the date of the first transaction carried out within the previous twelve (12) months.

The Board of Directors, within the limits of its authority, may delegate one or more of its members or others to carry out certain work or tasks.

Article Twenty: Remuneration of Board Members:

1. The remuneration of the Board of Directors shall consist of a certain amount, attendance allowance for meetings, in-kind benefits, or a certain percentage of net profits, and two or more of the above may be combined, and the amount of such remuneration and the method of disbursement shall be determined in accordance with the Companies Law, its Executive Bylaws and the remuneration policy approved by the Company's General Assembly, and the Company shall also pay the members all the actual expenses incurred in order to attend the meetings of the Board and the committees, including accommodation, travel and transportation expenses.

2. The report of the Board of Directors to the Ordinary General Assembly at its annual meeting shall include a comprehensive statement of all remuneration, attendance allowance, expenses allowance and other benefits received or entitled to each member of the Board of Directors during the fiscal year. It shall also include a statement of what the members of the Board received as workers or administrators or what they received in return for technical, administrative or consulting work, and also include a statement of the number of meetings of the Board and the number of meetings attended by each member.

Article Twenty-One: Powers of the Chairman, Deputy, Managing Director and Board Secretary:

After obtaining the prior non-objection from the Saudi Central Bank, the Board of Directors shall appoint from among its members a Chairman of the Board at its first meeting, and it may appoint from among its members a Managing Director. The Board of Directors shall also appoint at its first meeting a Vice Chairman from among its members. The Board may appoint a Chief Executive Officer from among its members or others.

The Chairman of the Board shall have the authority to:

Chairman Authority Matrix

The Vice Chairman shall have the authority to:

Vice Chairman Authority Matrix

The Board of Directors shall appoint a secretary from among its members or from others, and define his powers.

Secretary Authority Matrix

The Chairman of the Board may delegate (by written decision) some of his powers to other board members or to others to carry out certain work or tasks. The Vice Chairman of the Board shall assume the role of the Chairman in his absence in cases where the Board has a Vice Chairman.

Article Twenty-Two: Meetings of the Board:

1. The Board of Directors shall meet at least four times a year at the invitation of its Chairman and the invitation shall be documented in the manner deemed appropriate by the Board. The Chairman of the Board shall invite the Board to a meeting whenever requested to do so by any member of the Board to discuss one or more topics.
2. The Board of Directors shall determine the place of holding its meetings, which may be held using modern technology.

Article Twenty-Three: Board Meeting and his Decisions:

1. The meeting of the Board shall not be valid unless attended by at least 50% of the members (in person or on behalf of), and a member of the Board of Directors may delegate other members to attend the meetings of the Board in accordance with the following controls:
 - A) The member of the Board of Directors may not represent more than one member in attending the same meeting.
 - B) The delegation shall be fixed in writing.
 - C. A deputy may not vote on decisions that the law prohibits the representative from voting.
2. The decisions of the Board of Directors shall be issued by a majority of the votes of the members present, in person or on behalf at least, and in the event of equality of votes, the side with which the chairman of the meeting voted shall prevail.
3. The decision of the Board shall be effective from the date of its issuance, unless it stipulates that it shall take effect at another time or when certain conditions are met.

Article Twenty-Four: Issuing Board Decisions in Urgent Matters:

The Board of Directors may issue its decisions on urgent matters by presenting them to all members by circulation, unless one of the members requests, in writing, a meeting of the Board for deliberation. Such decisions shall be issued with the approval of a majority vote of its members, and such decisions shall be submitted to the Board at its first subsequent meeting for record in the minutes of that meeting.

Article Twenty-Five: Deliberations of the Board:

1. The deliberations and decisions of the Board of Directors shall be recorded in minutes prepared by the Secretary and signed by the Chairman of the meeting, the members of the Board of Directors present and the Secretary.
2. The minutes shall be recorded in a special register signed by the Chairman of the Board of Directors and the Secretary.
3. Modern technology may be used to sign and record deliberations and decisions and record minutes.

Article Twenty-Six: Expiry of the term of the Board of Directors, retirement of its members or vacancy of membership:

1. Before the end of its term of office, the Board of Directors shall convene the Ordinary General Assembly to elect a Board of Directors for a new term. If the election is not possible and the term of the current Board expires, its members shall continue to perform their duties until the election of a Board of Directors for a new term, provided that the term of continuity of the outgoing members of the Board shall not exceed the period specified in the Executive Bylaws of the Companies Law.
2. If the Chairman and members of the Board of Directors retire, they shall convene the Ordinary General Assembly to elect a new Board of Directors, and the retirement shall not take effect until the election of the new Board, provided that the term of continuation of the retired Board shall not exceed the period specified in the Executive Bylaws of the Companies Law.
3. A member of the Board of Directors may retire from the membership of the Board by virtue of a written notification addressed to the Chairman of the Board, and if the Chairman of the Board retires, the notification shall be addressed to the rest of the members of the Board and the Secretary of the Board, and the retirement shall be 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 retirement 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 lack of its members from the minimum, the Board may, after fulfilling the suitability requirements determined by the Saudi Central Bank and obtaining a letter of no objection from it, appoint (temporarily) to the vacant position a person who has experience and sufficiency, provided that he is notified of this to the Commercial Register, as well as the Capital Market Authority within (fifteen) days from the date of The appointment shall be submitted to the Ordinary General Assembly at its first meeting, and the appointed member shall complete the term of his predecessor.
5. If the necessary conditions for the validity of the convening of the Board of Directors are not met due to the lack of the number of its members beyond the minimum stipulated in the Companies Law or in this Law, the rest of the members shall convene the Ordinary General Assembly within (sixty) days to elect the necessary number of members.

Article Twenty-Seven: Powers of the Board:

Without prejudice to what is stated in the financing regulations and its implementing regulations, and taking into account the competencies prescribed for the General Assembly, the Board of Directors shall have the widest powers in managing the company in order to achieve its objectives. The Board has the right to buy and sell real estate, emptying, accepting, receiving, delivering, leasing, receiving, paying the price, mortgage, releasing the mortgage and accepting the mortgage. The Board of Directors also has the right to reconcile, waive, contract, commit and link to the name of the company and on its behalf. The Board of Directors has the right to carry out all actions and actions that would achieve the company's purposes, Buying and selling shares, collecting profits, opening and closing current accounts with banks, issuing checks and credits, withdrawing and depositing, issuing bank guarantees, signing and treasury work on all papers, documents, checks and all banking transactions, as well as the authority to sign commercial papers as well as the authority to waive rights and benefits, as well as the right of the Board to sign all types of contracts, documents and documents, including but not limited to the articles of association of companies in which the company participates and all decisions to amend them, whatever they are, whether by increasing or decreasing the head Money, modification of purposes, exit of one of the partners, amendment of any of the terms of the memorandum of association, liquidation of companies in which the company participates, before the Ministry of Commerce and Investment, the General Investment Authority, the notary public and other relevant authorities, or the opening of branches, the appointment and dismissal of their managers, the extraction and cancellation of commercial registers, and the issuance of licenses, Signing agreements and instruments before notaries and official authorities, as well as financing agreements of any duration, guarantees, guarantees and mortgages with banks, banks, public lending funds

and local and international financing bodies, issuing legitimate agencies on behalf of the company, appointing employees and representatives, determining their salaries and bonuses and dismissing them, as well as the Board preparing internal regulations that regulate the company's work mechanism and its relations with others, forming specialized work committees, determining their powers, terms of reference, and the mechanism for their selection and work.

It may conclude Islamic financing agreements, provided that he adheres to the following conditions for financing agreements whose maturities exceed three (3) years:

1. The value of the financing that the Board may hold during the Company's fiscal year shall not exceed five times (500%) of the Company's capital.
2. The Board of Directors shall specify in its resolution the aspects of use of funds and the manner of their repayment.
3. To take into account in the terms of financing and guarantees provided to him not to harm the company and its shareholders and the general guarantees of creditors.

The Board may also sell or mortgage the Company's real estate and assets, including the Company's shop, provided that the minutes of the Board of Directors include the reasons for its decision to dispose of the Company's real estate, which are represented in the following conditions:

- 1) The Board shall specify in the sale decision the reasons and justifications for it.
- 2) The sale should be close to the price of the same.
- 3) The price shall be present except in cases of necessity and with sufficient guarantees.
- 4) Such conduct shall not result in the cessation of the company's activities or its incurring other obligations.

The Board shall also discharge the Company's debtors from their obligations, provided that the minutes of the Board of Directors shall include the reasons for its decision, which are represented in the following conditions:

1. The discharge shall take place at least one full year after the emergence of the debt.
2. The discharge shall be for a maximum amount not exceeding (1%) of the company's capital for each year for one debtor.
3. Discharge is a right of the Board of Directors that may not be delegated.
4. The discharge shall not be related to the discharge of one of the members of the Board or partners in the company or one of the parties related to the company, whether the relationship is direct or indirect. The Board of Directors is required to obtain the approval of the General Assembly when selling assets whose value exceeds (fifty percent) of the value of its total assets, whether the sale takes place through one transaction or several transactions, in which case the transaction that leads to exceeding (fifty percent) of the value of the assets is the transaction that requires the approval of the General Assembly, and this percentage is calculated from the date of the first transaction made during the previous (twelve) months. The Board of Directors may, within the limits of its competence, authorize one or more of its members or third parties to carry out certain work or works.

Article Twenty-Eight: Powers of the Chairman, Deputy, Managing Director and Board Secretary:

The Board of Directors shall appoint at its first meeting from among its members a Chairman and a Vice-Chairman, and may appoint from among its members a Managing Director, and appoint a Chief Executive Officer from among its members or others, after obtaining the prior no-objection of the Saudi Central Bank. The Board shall determine the powers of the Managing Director and the Chief Executive Officer, and the position of Chairman of the Board of Directors may not be combined with any executive position in the Company.

The Chairman of the Board is responsible for the right to buy and sell real estate, emptying and accepting, receipt, delivery, renting, leasing, arresting, paying the price, mortgage, releasing the mortgage, accepting the mortgage, representing the company in its relationship with others, before the judiciary and other judicial committees, notaries, courts, dispute settlement committees of all kinds, arbitration bodies, labor offices, civil rights, police stations, other government agencies, chambers of commerce and industry,

private bodies and bodies, companies and institutions, and to sign all types of contracts, documents and documents, including but not limited to contracts. Establishing the companies in which the company participates and all decisions to amend them, whatever they are, whether by increasing or decreasing the capital, amending the purposes, the exit of one of the partners, or amending any of the terms of the memorandum of association, and the liquidation of the companies in which the company participates in front of the Ministry of Commerce and Investment, the General Investment Authority, the notary public and other relevant authorities, or the opening of branches, the appointment and dismissal of their managers, the extraction of replacement instruments, the extraction and cancellation of commercial records, the issuance of licenses, the signing of agreements, instruments and voids before notaries and official and private authorities inside and outside the Kingdom, the signing and dissolution of guarantees, guarantees and mortgage agreements, the issuance of legitimate agencies on behalf of the company, and the opening and closing of accounts with local and foreign banks. And the issuance of checks and credits, withdrawal and deposit, issuance of bank guarantees, as well as the authority to sign commercial papers as well as the power to assign rights and benefits

He also has the right to open investment accounts with investment companies, open investment portfolios, buy and sell shares, collect profits, sign all papers, documents, checks and all their documents, and he has the right to plead, defend, reconcile, acknowledge and arbitrate on behalf of the company, appeal the judgments issued against the company, object to them, accept them, waive lawsuits, receive and deliver on behalf of the company, and the Board of Directors appoints a secretary chosen from among its members or others, and the Chairman of the Board of Directors may authorize (by written decision) some of his powers to other members of the Board or from third parties to carry out certain work or work, and he has the right to delegate to others. The Vice Chairman of the Board of Directors shall replace the Chairman of the Board of Directors in his absence in cases where the Board of Directors shall have a Vice-Chairman.

The term of the Chairman of the Board, his deputy, the Managing Director, the Secretary and the members of the Board of Directors shall not exceed the term of their respective members of the Board, and they may be re-elected, and the Board may exempt the Chairman of the Board, his deputy, the Managing Director, the Chief Executive Officer, the Secretary or any of them from those positions, and this does not result in their exemption from their membership in the Board.

Article Twenty-Nine: Chairman's Remuneration:

A special remuneration is granted to Chairman of the Board of Directors in addition to the annual remuneration, under the recommendation of the Nominations and Remuneration Committee and a decision of the Board.

Article Thirty: Quorum for the Board Meeting:

1. The meeting of the Board shall not be valid unless attended by at least half of the members (in person or on behalf of), and a member of the Board of Directors may delegate other members to attend the meetings of the Board in accordance with the following controls:

A) The member of the Board of Directors may not represent more than one member in attending the same meeting.

B) The delegation shall be fixed in writing.

C. A deputy may not vote on decisions that the law prohibits the representative from voting.

2. The decisions of the Board of Directors shall be issued by a majority of the votes of the members present, in person or on behalf at least, and in the event of equality of votes, the side with which the chairman of the meeting voted shall prevail.

3. The decision of the Board shall be effective from the date of its issuance, unless it stipulates that it shall take effect at another time or when certain conditions are met.

Article Thirty-One: Remuneration of the Board Committee Members:

The remuneration of the chairmen and members of the committees shall be a certain amount or attendance allowance for the sessions, and they may be combined, and the amount of such remuneration and the method of disbursement shall be determined in accordance with the remuneration policy approved by the company's general assembly.

The report of the Board of Directors to the Ordinary General Assembly shall include a comprehensive statement of all remuneration and allowance for attending meetings received or entitled to each member of the committees during the fiscal year, as well as a statement of the number of committee meetings and the number of meetings attended by each member.

Article Thirty-Two: Formation of Audit Committee:

The Audit Committee shall be formed by a resolution of the Board of Directors, provided that the number of its members shall not be less than (3) and not more than (5), from non-executive members of the Board of Directors, whether shareholders or others, provided that most of its members are independent from outside the Board, after fulfilling the suitability requirements determined by the Saudi Central Bank and obtaining a letter from it that includes its non-objection to that, and a resolution shall be issued by the General Assembly of the company regarding its tasks, how it operates, the rules for selecting its members, their remuneration and their term of office. Upon the proposal of the Board of Directors. If the position of one of the members of the Committee becomes vacant, the Board may appoint a temporary member to the vacant position, provided that he is experienced and sufficient, after fulfilling the suitability requirements determined by the Saudi Central Bank and obtaining a letter from him stating his non-objection, and he must inform the CMA and the MoC within five working days from the date of appointment, and the appointment shall be presented to the Ordinary General Assembly at its first meeting and the new member shall complete the term of his predecessor.

Article Thirty-Three: Audit Committee meeting quorum:

For the audit committee meeting to be valid, the attendance of the majority of its members is required, and its decisions are issued by the majority of the votes of those present.

Article Thirty-Four: Audit Committee's Competencies:

The Audit Committee is responsible for monitoring the company's business, and for this purpose it has the right to review its records and documents and to request any clarification or statement from the members of the Board of Directors or the Executive Management. It may request the board of directors to invite the company's general assembly to convene if the board of directors obstructs its work or the company suffers serious damage or losses.

Article Thirty-Five: Committee Reports:

The Audit Committee shall review the company's financial statements, reports and notes provided by the auditor, and express its views on them, if any. It shall also prepare a report on its opinion regarding the adequacy of the company's internal control system and the other work it has carried out within the scope of its power. The board of directors shall deposit sufficient copies of this report at the company's head office at least twenty-one days before the date of the general assembly meeting to provide each shareholder who wishes with a copy of it. The report is read out during the assembly meeting.

Article Thirty-Six: The Shariah Committee:

The company shall have a Sharia board consisting of at least three members with Sharia and economic experience, and their nomination, appointment and dismissal shall be by the Board of Directors, and the decisions of the Board shall be binding on the competent authorities of the company, and the Board of Directors shall determine its competencies as it deems appropriate.

Chapter Four: General Assemblies:

Article Thirty-Seven: General Assembly Meeting of Shareholders:

1. The meeting of the General Assembly of Shareholders shall be chaired by the Chairman of the Board of Directors or his deputy in his absence, or whoever is delegated by the Board of Directors from among its members in their absence, and in the event that this is not possible, the General Assembly shall be chaired by the shareholders from among the members of the Board or others by voting.
2. Every shareholder shall have the right to attend the General Assembly meeting, and may delegate another person other than the members of the Board of Directors on his behalf.
3. The general assembly meeting may be held and the shareholder may participate in the deliberations and vote on resolutions by means of modern technology.

Article Thirty-Eight: Invitation to Assemblies:

1. The general and special assemblies shall be convened by invitation of the Board of Directors, and the Board of Directors shall convene the Ordinary General Assembly within (thirty) days from the date of the request of the auditor or one or more shareholders representing (ten percent) of the shares of the company that has voting rights at least, and the auditor may invite the Ordinary General Assembly to convene if the Board does not issue the invitation within (thirty) days from the date of the auditor's request.
2. The request referred to in paragraph (1) of this Article shall indicate the matters on which the shareholders are required to vote.
3. The invitation to convene the Assembly shall be at least twenty-one days before the specified date in accordance with the provisions of the Law, taking into account the following:
 - a) Inform shareholders of registered letters at their addresses contained in the shareholders' register, or announce the invitation through modern technology.
 - b) Send a copy of the invitation and agenda to the Commercial Register, as well as a copy to the Capital Market Authority if the company is listed on the Capital Market on the date of announcing the invitation.
4. The invitation to the meeting of the Assembly shall include at least the following:
 - a. A statement of the holder of the right to attend the meeting of the General Assembly and his right to delegate whomever he chooses from among the non-members of the Board of Directors, and a statement of the right of the shareholder to discuss the topics on the agenda of the Assembly, ask questions and how to exercise the right to vote.
 - b. Place, date and time of the meeting.
 - c. Type of association, whether public or private.
 - d. The agenda of the meeting, including the items required to be voted on by shareholders.

Article Thirty-Nine: Quorum for the Ordinary General Assembly Meeting:

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 resolutions of the Extraordinary General Assembly shall be issued with the approval of (two-thirds) of the voting rights represented at the meeting, unless the resolution is related to the increase or reduction of the capital, the extension of the company's term or its dissolution before the expiry of the period specified in its articles of association, its merger with another company or its division into two or more companies, which shall not be valid unless it is issued with the approval of (three-quarters) of the voting rights represented at the meeting. The decision shall not be effective unless approved by the Saudi Central Bank.

Article Forty: Quorum for the Extraordinary General Assembly Meeting:

1. The extraordinary general assembly meeting shall not be valid unless attended by shareholders representing at least half of the shares of the company that has voting rights.
2. If the necessary quorum is not available to hold the extraordinary general assembly meeting in accordance with paragraph (1) of this Article, a second meeting shall be convened under the same

conditions stipulated in Article (ninety-one) of the Companies Law. However, the second meeting may be held one hour after the expiry of the period fixed for the first meeting, provided that the convening of the first meeting contains evidence that such a meeting may be held. In all cases, the second meeting shall be valid if attended by a number of shareholders representing at least (one-quarter) of the shares of the company that has voting rights.

3. If the quorum necessary to hold the second meeting is not available, an invitation shall be issued to a third meeting to be held under the same conditions stipulated in Article (ninety-first) of the Companies Law, and the third meeting shall be valid regardless of the number of shares that have voting rights represented therein.

Article Forty-One: Voting in Assemblies:

The election of the Board of Directors members shall be by cumulative voting.

Board members are not allowed to participate in voting on the resolutions of the general assembly that pertain to businesses and contracts in which they have a direct or indirect interest or that involve a conflict of interest.

Article Forty-Two: Preparation of Minutes of Assemblies:

Minutes shall be drawn up at the meeting of the General Assembly that includes the number of shareholders present in person or on behalf of the meeting, the number of shares held by them in person or on behalf of them, the number of votes prescribed for them, the decisions taken, the number of votes approved or opposed thereto, and a compendium of the discussions that took place at the meeting. Minutes are recorded regularly after each meeting in a special register signed by the President and Secretary of the Assembly and the collectors.

Article Forty-three: Functions of the Ordinary General Assembly:

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

Article Forty-Four: Functions of the Extraordinary General Assembly:

The Extraordinary General Assembly shall be concerned with, but not limited to, deciding the continuation or dissolution of the company, approving the company's purchase of its shares, and amending the company's articles of association, except for matters prohibited from amending it by law, and in all cases, the approval of the Saudi Central Bank must be obtained in writing before making any amendment to this system. The Assembly may issue decisions on matters originally within the competence of the Ordinary General Assembly under the same terms and conditions prescribed for the Ordinary General Assembly.

Article Forty-Five: Resolutions of the Assemblies:

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 resolutions of the Extraordinary General Assembly shall be issued with the approval of (two-thirds) of the voting rights represented at the meeting, unless the resolution is related to the increase or reduction of the capital, the extension of the company's term or its dissolution before the expiry of the period specified in its articles of association, its merger with another company or its division into two or more companies, which shall not be valid unless it is issued with the approval of (three-quarters) of the voting rights represented at the meeting. The decision shall not be effective unless approved by the Saudi Central Bank.

Article Forty-Six: Agenda of the General Assembly:

- 1) The Board of Directors, when preparing the agenda of the General Assembly, shall take into account the topics that the shareholders wish to include, and one or more shareholders representing (ten percent) of the shares of the company that have voting rights shall have the right to add at least one or more topics to the agenda when preparing it, and the competent authority may amend this percentage.
- 2) The Board of Directors shall single out each of the topics on the agenda of the General Assembly as a separate item, not to combine the substantially different topics under one item, and not to place the works and contracts in which any of the members of the Board of Directors has a direct or indirect interest within one item for the purpose of voting on the entire item.

Article Forty-Seven: Discussion in Assemblies:

Each shareholder has the right to discuss the topics on the agenda of the General Assembly and to address questions thereon to the members of the Board of Directors and the auditor. The Board of Directors or the auditor shall answer the questions of the shareholders to the extent that the interest of the company is not prejudiced. If a shareholder considers that the response to his question is insufficient, he shall appeal to the General Assembly, whose decision thereon shall be enforceable.

Chapter Five: Company's Auditor:

Article Forty-Eight: Appointment, Removal and Retirement of the Company's Auditor:

1. After obtaining the prior no-objection of the Saudi Central Bank, the company shall have one (or more) auditors from among the auditors licensed in the Kingdom appointed by him and his fees, duration of work and scope shall be determined by the General Assembly, and he may be reappointed. Provided that the period of his appointment shall not exceed the period in accordance with the provisions prescribed by law.
2. By virtue of a resolution taken by the General Assembly, the auditor may be dismissed, and the Chairman of the Board of Directors shall inform the competent authority of the dismissal decision and its reasons, within a period not exceeding (five) days from the date of issuance of the resolution.
3. Without prejudice to the company's right to compensation for damage suffered, if necessary, the auditor may retire from his assignment by virtue of a written notification submitted to the company, and his assignment shall be terminated from the date of submission or at a later date specified in the notification. The retired auditor shall submit to the company and the competent authority - upon submission of the notification - a statement of the reasons for his retirement, and the Board of Directors shall convene the General Assembly to consider the reasons for retirement, appoint another auditor and determine his fees, duration of work and scope.

Article Forty-Nine: Powers of the Auditor:

The auditor may, at any time, examine the company's documents, accounting records and supporting documents, and may request such data and clarifications as he deems necessary to verify the company's assets and liabilities and other matters within the scope of his work. The Board of Directors shall enable him to perform his duty, and if the auditor encounters difficulty in this regard, he shall record this in a report to be submitted to the Board of Directors. If the Board of Directors does not facilitate the work of the auditor, it shall request them to convene the General Assembly to consider the matter. The auditor may issue such invitation if the Board of Directors does not issue it within (thirty) days from the date of the auditor's request.

Chapter Six: Company Accounts and Dividend Distribution:

Article Fifty: The fiscal year:

The company's fiscal year begins from (01) of January and ends at (31) of December of each year. It is an independent budget from the transitional period resulting from the modification of the fiscal year.

Article Fifty-One: Entitlement to Profits:

The shareholder shall be entitled to his share in the profits in accordance with the resolution of the General Assembly issued in this regard, and the resolution shall indicate the date of maturity and the date of distribution. Dividends shall be eligible for shareholders registered in the shareholders' registers at the end of the day fixed for maturity. The Board of Directors shall implement the resolution of the General Assembly regarding the distribution of dividends to shareholders.

Article Fifty-Two: Financial Documents:

1. The Board of Directors shall, at the end of each financial year of the Company, prepare the Company's financial statements and a report on its activities and financial position for the preceding fiscal year, and this report shall include the proposed method of distribution of profits. The Board shall place these documents at the disposal of the auditor, if any, at least forty-five days before the date fixed for the annual ordinary general meeting.
2. The Chairman of the Board of Directors of the Company, its Chief Executive Officer, and its Chief Financial Officer, if any, shall sign the documents referred to in paragraph (1) of this Article, copies thereof shall be deposited at the company's head office at the disposal of the shareholders.
3. The Chairman of the Board of Directors shall provide the shareholders with the company's financial statements, the report of the Board of Directors, after signing them, and the auditor's report, if any, unless published in any of the modern technology means, at least twenty-one days before the date specified for the annual ordinary general assembly, and he shall also deposit these documents in accordance with what is specified in the executive regulations of the Companies Law.

Article Fifty-Three: Formation of Reserves:

1. The Ordinary General Assembly, when determining the share of shares in the net profits, may decide to form reserves to the extent that it is in the interest of the company or ensures the distribution of fixed dividends, to the extent possible, to the shareholders. The said association may also deduct from the net profits sums for the social purposes of the company's employees.
2. The General Assembly shall determine the percentage to be distributed to shareholders of the net profits after deducting reserves, if any.

Article Fifty-Four: Dividend Distribution:

Without prejudice to the provisions of Article (Twenty-Six) of the Executive Bylaws of the Finance Companies Control Law, the company's annual net profits shall be distributed as follows:

1. A general reserve of (10%) of the net profits shall be set aside and allocated for a specific purpose or purposes determined by the Ordinary General Assembly upon the proposal of the Board of Directors.
2. The Ordinary General Assembly may decide to form other reserves, to the extent that it is in the interest of the Company or ensures the distribution of fixed dividends as much as possible to the shareholders.
3. No less than 5% of the company's paid-up capital shall be distributed thereafter to the shareholders.
4. Subject to the provisions prescribed in Article (20) of this Law, a percentage not exceeding (10%) of the remainder shall be allocated after the above to the remuneration of the Board of Directors, provided that the entitlement to this remuneration shall be proportionate to the number of meetings attended by the member.
5. The remainder shall then be distributed to the shareholders as a share in the profits or transferred to the retained earnings account.
6. The company may also distribute interim dividends to its shareholders on a semi-annual or quarterly basis by a decision of the Board of Directors, if the company's financial situation allows and liquidity is available in accordance with the controls and procedures set by the competent authority.

Article Fifty-Five: Distribution of Dividends for Preferred Shares:

- 1) If no dividend is distributed for any financial year, dividends for subsequent years may not be distributed to the holders of preferred shares for that year.
- 2) If the company fails to pay the specified percentage in accordance with the provisions of the Executive Regulations of the Companies Law for listed joint stock companies of profits for a period of three consecutive years, The special assembly of the owners of these shares, held in accordance with the provisions of Article (eighty-ninth) of the Companies Law, may decide to attend the meetings of the general assembly of the company and participate in voting, until the company is able to pay all the priority dividends allocated to the owners of these shares for previous years, and each preferred share shall have one vote in the general assembly meeting, and the preferred share holder in this case shall be entitled to vote on all items on the agenda of the ordinary general assembly without exception.

Article Fifty-Six: Company Losses:

Without prejudice to the provisions of Article (Seventy) of the Executive Bylaws of the Finance Companies Control Law. If the company's losses amount to (half) of the issued capital, the Board of Directors shall disclose this and its recommendations regarding such losses within sixty days from the date of becoming aware of its reaching this amount, and invite the extraordinary general assembly to meet within (one hundred and eighty) days from the date of becoming aware of this to consider the continuation of the company with any of the necessary measures to address or resolve such losses.

Chapter Seven: The Termination and liquidation of the company

Article Fifty-Seven: Termination of the Company:

The company shall lapse by one of the reasons for the expiry mentioned in Article (forty-third after two hundred) of the Companies Law, and upon its expiry, it shall enter the liquidation role in accordance with the provisions of Chapter Twelve of the Companies Law, and if the company lapses and its assets are not sufficient to pay its debts or were troubled 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.

Article Fifty-Eight: Liability Claim:

- 1) The company may file a liability lawsuit against the members of the board of directors due to violation of the provisions of the Companies Law or its Articles of Association, or because of any errors, negligence or negligence in the performance of their work, which results in damages to the company, and the general assembly or shareholders decide to lift this invitation and appoint a representative of the company in its exercise, and if the company is in the liquidation role, the liquidator shall file the lawsuit, and in the event of the opening of any of the liquidation procedures against the company in accordance with the Bankruptcy Law, Filing this lawsuit by the person who represents it by law.
- 2) One or more shareholders representing (five percent) of the company's capital may file a liability lawsuit prescribed for the company in the event that the company does not file it, taking into account that the main objective of filing the lawsuit is to achieve the interests of the company, and that the lawsuit is based on a valid basis, and that the plaintiff is in good faith, and a shareholder in the company at the time of filing the lawsuit.
- 3) It is required to file such lawsuit to inform the members of the Board of Directors of the intention to file the lawsuit at least (fourteen) days before the date of filing, and the shareholder may file a personal lawsuit against the members of the Board of Directors if the mistake issued by them would cause damage of his own.
- 4) The approval of the General Assembly to discharge the members of the Board of Directors shall not preclude the filing of lawsuits.
- 5) Except in cases of forgery and fraud, the liability claim shall not be heard after the lapse of (five) years from the date of the end of the financial year of the company in which the injurious act occurred or (three)

years from the termination of the member's membership in the relevant board of directors, whichever is later.

Chapter Eight: Final Provisions:

Article Fifty-Nine: Final Provisions:

- 1- The company is subject to the prevailing regulations in the Kingdom of Saudi Arabia.
- 2 - Any provision that contradicts the provisions of the Companies Law in this Articles of Association shall not be considered, and the provisions of the Companies Law shall apply. Anything not specified in this Articles of Association shall be governed by the Companies Law and its executive regulations.
- 3- The founders acknowledge the accuracy of the data and provisions included in this Articles of Association and their conformity with the provisions of the Companies Law issued by Royal Decree (M/132) dated 1/12/1443H and its executive regulations, and that they meet all the requirements and instructions issued by the Ministry of Commerce in accordance with the provisions of the law. The founders bear the responsibility and all legal and financial consequences that may arise from this. The founders are also aware of the Ministry's right to take the necessary legal actions in the event of any violation or conflict in the provisions of the Articles of Association. Additionally, a prior written Non-objection letter must be obtained from the Saudi Central Bank before issuing the company's Articles of Association or any amendments thereto.

Article Sixty: Publishing:

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