



ARTICLES OF ASSOCIATION

RIYADH CABLES GROUP

THE VERSION OF THE SYSTEM WAS ISSUED BASED ON THE RESOLUTION OF THE EXTRAORDINARY GENERAL ASSEMBLY ON 11/01/1443 H, BYLAW WAS APPROVED ON 17/11/1443 H CORRESPONDING TO 16/06/2022 G, AND OFFICIALLY PUBLISHED ON 31/05/1444 H CORRESPONDING TO 15/12/2022 G

ARTICLES OF ASSOCIATION

Article No. (1): Incorporation

In accordance with the provisions of the articles of association and its regulations and this Law, the Riyadh Cables Group Company has been transformed into a (Saudi-Stock Company) according to the following:

Article No. (2): The Company name

Riyadh Cables Group Company (Saudi-Stock Company)

Article No. (3): Company Objectives

The company shall practice and implement the following objectives:

S#	Activity Code	Activity Name as Per International Standard Industrial Classification Rev.4 (ISIC4)
1	273373	Manufacture of electrical connections and wire extension Conduit from other materials
2	273372	Manufacture of electrical connections and wire extension Conduit from plastic
3	273371	Manufacture of electrical connections and wire extension Conduit from metal
4	273360	Manufacture of electrical outlets and sockets
5	273350	Manufacture of electrical switches of all kinds (for buildings and devices)
6	273200	Manufacture of insulated wires and cables made of steel, copper, or aluminum
7	273100	Manufacture of Fiber-optic cable
8	271050	Manufacture of parts for generators, engines, and electric energy transformers
9	259923	Manufacture of aluminum metal cables and tapes
10	259922	Manufacture of copper cables and metal tapes
11	259921	Manufacture of cables and metal strips of iron
12	243211	Casting of non-ferrous metals (finished products)
13	242052	Production of semi-raw metals from nickel or copper
14	242043	Smelting, rolling, drawing, refining, and casting of lead, zinc, tin, and their alloys
15	242042	Smelting, rolling, drawing, refining, and casting of aluminum and its alloys
16	242041	Smelting, rolling, drawing, refining, and casting of copper and its alloys
17	261008	Manufacture of connections and cables for printers, monitors, and USB
18	251112	Manufacture columns and their parts
19	241040	Manufacture of sheets, plates, tape rolls, rods, skewers, angles, wires, and clips of all shapes
20	201310	Manufacture of plastic in its primary forms
21	162331	Manufacture of cable reels from wood
22	663003	Investment management
23	854951	Management training institutes
24	811003	Building maintenance services activities
25	711081	Energy efficiency project management activities
26	681010	Buying and selling lands and real estate, dividing them, and map sales activities
27	492302	Transportation of goods and equipment (heavy transport)
28	465971	Wholesale of equipment and control instruments through computers
29	422070	Establishing, setting up and repairing telecommunications and radar stations and towers
30	332011	Installation of industrial devices in industrial facilities
31	331401	Repair and maintenance of electrical transformers for power transmission or distribution or specialized types
32	475250	Retail sale of electrical tools and extensions

S#	Activity Code	Activity Name as Per International Standard Industrial Classification Rev.4 (ISIC4)
33	433010	Building finishing
34	410010	General construction of residential buildings
35	271020	Electrical transformers industry
36	854954	Training centers
37	711085	Activities of providing energy measurement and verification services
38	711084	Activities of providing engineering design services for energy efficiency standards
39	711083	Energy design review service provision activities
40	681022	Management and rental of owned or leased real estate (non-residential)
41	477395	Selling and installing machinery and factory equipment
42	477325	Selling electrical and communication cables
43	477312	Selling solar energy devices and equipment
44	432930	Lightning rod installation, repair, and maintenance
45	432220	Solar energy networks installation, repair, and maintenance
46	432112	Extension of communication wires
47	432111	Extension of electrical wires
48	422060	Establishment, construction and repair of electric power stations and transformers
49	422010	Extension of pipes of different types for electricity, communications, and others
50	410023	General construction of steel non-residential buildings
51	410021	General construction of non-residential buildings
52	351003	Electric power distribution
53	351002	Electrical power transmission
54	351001	Electric power generation
55	332032	Machinery and equipment installation
56	332021	Communication equipment installation
57	332013	Complete dismantling of large machinery and equipment
58	332012	Industrial process control equipment installation
59	274020	Manufacture of Lighting connections
60	222034	Manufacture of Lighting supplies
61	201360	Manufacture of Polyethylene
62	201350	Manufacture of Propylene
63	201330	Manufacture of mixtures of synthetic and natural rubber

The company practices its activities after obtaining the necessary licenses from the competent authorities.

Article No. (4): Incorporation and Participation

The company may establish companies by itself (limited liability or joint stock) that are closed, provided that the capital shall not be less than (5) million riyals. It may also own shares and stocks in other existing companies or merge with them, and it has the right to participate with others in establishing joint-stock or limited liability companies, after fulfilling the requirements of the regulations and instructions in this regard. The company may also dispose of these shares or stocks, provided that this shall not include mediation in their trading.

Article No. (5): Incorporation and Participation.

The company's head office shall be in the city of Riyadh in the Kingdom of Saudi Arabia, and the Board of Directors may establish branches, offices, or agencies inside or outside the Kingdom of Saudi Arabia.

Article No. (6): Company term.

The term of the company is (99) calendar years starting from the date of its registration in the commercial register as a Joint Share Company, and this period may always be extended by a resolution issued by the Extraordinary General Assembly at least one year before its expiration.

Article No. (7): Capital

The company capital was set in the amount of SAR \$ 1,500,000,000 (one thousand five hundred million Riyal) is divided into (150,000,000) nominal shares of equal value and the value of each share shall be SAR 10 (ten), all of which are in-kind shares.

Article No. (8): shareholders

The shareholders subscribed in full (150,000,000) one hundred and fifty million shares, and their full value was fulfilled.

Article No. (9): payment of the value of shares

If the shareholder fails to fulfill the due date, the board of directors May, after being notified by a registered letter, sell the share at the public auction or the share exchange, as the case may be, in accordance with the controls determined by the competent authority.

The company collects from the proceeds of the sale the amounts due to it and returns the rest to the shareholder. If the proceeds from the sale are not sufficient to fulfill these amounts, the company may fulfill the remainder from all the funds of the shareholder.

However, the shareholder who defaults on payment until the day of sale may pay the value owed to him plus the expenses spent by the company in this regard.

The company cancels the sold share in accordance with the provisions of this article, gives the buyer a new share bearing the cancelled share number, and indicates in the share register the fact of the sale with the indication of the name of the new owner.

Article No. (10): share trading

The shares subscribed by the shareholders may not be traded until after the publication of the financial statements for two financial years not less than twelve months each from the date of the company's transformation. The sukuk of these shares shall be marked with an

indication of their type, the date of the company's transformation and the period during which their trading is prohibited.

However, during the period of the ban, ownership of shares may be transferred in accordance with the provisions of the sale of rights from one shareholder to another shareholder or from the heirs of one shareholder in the event of his death to others or in the case of execution on the funds of an insolvent or bankrupt shareholder, provided that the priority of owning such shares shall be for other shareholders.

The provisions of this article shall apply to what shareholders subscribe in case of capital increase before the expiration of the Prohibition period.

Article No. (11): company shares

The shares shall be nominal and may not be issued below their nominal value, but may be issued above this value, in the latter case the value difference is added in a separate item within the shareholders ' equity. They may not be distributed as dividends to shareholders. The share is indivisible in the face of the company, so if the share is owned by multiple persons, they must choose one of them to represent them in using the rights related to it, and these persons are jointly and severally liable for the obligations arising from the ownership of the share.

Article No. (12): register of shareholders

The company's shares shall be traded by the entry in the shareholders ' 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 from them, and is indicated in this entry on the share. The transfer of ownership of the nominal share against the company or third parties shall not be considered except from the date of registration in the said Register.

Article No. (13): bonds and sukuk

The company may, after the approval of the General Assembly, issue any type of bonds and sukuk inside or outside the kingdom of Saudi Arabia in accordance with a system of controls established by the competent authorities.

Article No. (14): capital increase of the company

1. The Extraordinary General Assembly may decide to increase the company's share capital, provided that the share capital has been paid in full. It is not required that the capital has been paid in full if the unpaid part of the capital belongs to shares issued in exchange for converting debt instruments or financing instruments into shares and the period for converting them into shares has not yet expired.
2. In all cases, the Extraordinary General Assembly may allocate the issued shares upon increasing the capital or part of them to the employees of the company and subsidiaries or some of them, or any of them. Shareholders may not exercise the right of priority when the company issues shares allocated to employees.
3. The shareholder who owns the share at the time of the issuance of the Extraordinary General Assembly resolution approving the priority capital increase in the subscription of new shares issued in exchange for cash shares, and informs them of their priority by publishing in a daily newspaper or by informing them through the registered mail about the resolution to increase the capital, the terms of the subscription, its duration, and the start and end date, taking into account what is stated in the Companies ' Regulations, the

new shares will be distributed to the priority rights holders who requested subscription, in proportion of their priority rights from the total priority rights resulting from the capital increase, provided that what they receive does not exceed what they requested from the new shares the remainder of the new shares will be distributed to rights holders Priority holders who have requested more than their share, in proportion to their priority rights out of the total priority rights resulting from the capital increase, provided that what they receive does not exceed what they requested from the new shares, and the remaining shares are offered to others, unless the Extraordinary General Assembly decides otherwise or the capital market law provides otherwise.

Article No. (15): reduction of the company's capital

The Extraordinary General Assembly may decide to reduce the capital if it exceeds the company's need or if it suffers losses. Only in the latter case may the share capital be reduced below the limit provided for in Article No. (54) of the companies' regulation. The reduction resolution is issued only after reading a special report prepared by the auditor on the reasons for it, the obligations of the company and the impact of the reduction on these obligations.

If the reduction of the share capital is the result of its excess over the company's needs, creditors must be invited to express their objections to it within sixty days from the date of publication of the reduction resolution in a daily newspaper distributed in the region where the company's main center is located. If one of the creditors objects and submits his documents to the company on the said date, the company must pay him his debt if it is immediate or provide him with sufficient security to fulfill it if it is later.

Article No. (16): purchase of shares by the company

The company may purchase its shares, and the shares purchased by the company do not have votes in the shareholders' assemblies.

Article No. (17): members of the board of directors

The company is managed by a board of directors consisting of seven members appointed by The Ordinary General Assembly for a period of no more than three years.

Except for this, the term of the first board of Directors is five years starting from the date of registration of the company in the commercial register as a joint share company.

Article No. (18): Functions and powers of the Board of Directors

Considering the assessed specialties of the General Assembly, the Board of Directors have the widest powers in managing the company and managing its affairs inside and outside the Kingdom. The Council, for example but not limited to, has the right to sign the articles of incorporation of the companies in which it participates and other contracts, deeds, and discharges before the notary public and before the official authorities. This is after the issuance of a resolution by the Board of Directors, and representing the company before other government agencies, chambers of commerce and industry, bodies, private entities, companies, and institutions of all kinds. He has the right to participate in other companies and dispose of their assets, properties, and real estate. Also establishing branches, establishing companies, participating in, and contributing to existing companies inside and outside the Kingdom, and the Board has the right to guarantee the companies affiliated to the company or in which it participates in a way that achieves the interest and objectives of

the company. And it has the right to sell, buy, invest in general, transfer and accept it, receive, deliver, rent, lease, receive and pay the prices. The Board also has the right to sign all types of contracts, agreements, documents, and papers, including but not limited the contracts of association of companies in which the company participates with all its amendments, appendices, amendment resolutions, and signing of deeds before Notaries and official bodies, and the Board of Directors may perform all acts that would achieve the objectives of the company. It also has the right to open accounts with banks, issue checks and credits, withdraw and deposit, issue bank guarantees, sign all papers, documents, checks and all banking transactions, enter into tenders, receive and pay, as well as agreements Facilities, whatever their duration, and guarantees and warranties with banks, public lending funds, and local and international financing agencies, as well as he has the right to contract and sign Islamic financing agreements, including Islamic Profit generating, securitization, treasury agreements, dealing with its products, conducting all treasury operations, creating, signing and endorsing financial and commercial papers, and opening investment accounts. As well as, issuing legal agencies on behalf of the company with regard to the competencies of the council, appointing employees and representatives, determining their salaries and bonuses, dismissing them, and appointing the CEO of the company. The council may also prepare an administrative charter that regulates the mechanism of work in the company and its relations with others and lay down regulations, and the council may delegate others in all or some of the aforementioned and the agent has the power of attorney for others. The Board may also release the debtors of the company from their obligations, provided that the minutes of the Board of Directors and the reasons for its resolution include the following conditions:

1. That the discharge be after a full year has elapsed from the origin of the debt, as a minimum.
2. The release shall be for a specific amount as a maximum that does not exceed (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.

The Council may also, within the limits of its competence, authorize one or more of its members or third parties to undertake a specific work or actions.

Article No. (19): Council Membership

If the position of one of the members of the Board of Directors becomes vacant, the Board may appoint a temporary member in the vacant position, provided that he is one of those who have experience and sufficiency and The Ministry must be notified of this 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.

If the necessary conditions for the meeting of the Board of Directors are not met because the number of its members is less than the minimum stipulated in the Companies System or this System, the rest of the members must call for the Ordinary General Assembly to convene within sixty days to elect the necessary number of members.

Article No. (20): Expiration of Board Membership

Membership of the Board ends with the expiry of its term or with the expiration of the member's validity according to any system or instructions in force in the Kingdom. However,

the Ordinary General Assembly may at any time dismiss all or some of the members of the Board of Directors, without prejudice to the right of the dismissed member towards the company to claim compensation if the dismissal occurred for a reason other than acceptable or at an inappropriate time, and a member of the Board of Directors may retire, provided that this is at an appropriate time, otherwise he will be liable to the company for the damages resulting from his retirement.

Article No. (21): Remuneration of the members of the Board of Directors

The remuneration of the Board of Directors, if any, shall be as estimated by the General Assembly, in accordance with the official resolutions and instructions issued in this regard and within the limits of what is stipulated in the Companies Law or any complementary systems or resolutions thereof, in addition to an attendance allowance and a transportation allowance determined by the Board of Directors in accordance with the applicable regulations, resolutions, and instructions. in Kingdom of Saudi Arabia. The report of the Board of Directors to the Ordinary General Assembly must include a comprehensive statement of all that the members of the Board of Directors received during the fiscal year in terms of remuneration, expenses and other benefits, and it should also include a statement of what the members of the Board received in their capacity as workers or administrators, or what they received in return for work technical, administrative or consulting, and it should also include a statement of the number of Board sessions and the number of sessions attended by each member from the date of the last meeting of the General Assembly.

Article No. (22): Powers of the Chairman, VP, MD, and Secretary

The Board of Directors shall appoint a Chairman from among its independent members and appoint a Vice-Chairman from among its members. It may also appoint a Managing Director, and it is not permissible to combine the position of Chairman of the Board of Directors with any executive position in the company.

The chairman of the board is responsible for inviting the board and the ordinary and extraordinary general assembly to convene. He also presides over the meetings of the board and the general assemblies of shareholders. He is also responsible for representing the company in its relations with others and before Sharia courts, judicial bodies, administrative and civil rights courts, police departments, labor and labor offices, higher and primary labor committees, and commercial papers committees. And all other judicial committees and arbitral tribunals, and he has the right to claim, defend, plead, dispute, reconcile, waive, acknowledge, deny, accept, or deny judgments, arbitrate on behalf of the company, request execution of judgments, oppose them, collect what happens from implementation, and issue legal agencies on behalf of the company.

The deputy chairman of the board shall replace the chairman of the board of directors in his absence.

The Board of Directors shall appoint a secretary to be chosen from among its members or from others and shall be responsible for recording the minutes of the Board of Directors' meetings, recording, and keeping the resolutions issued from these meetings, in addition to other functions assigned to him by the Board of Directors. The Board determines his remuneration.

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The term of the chairman, his deputy, the managing director and the secretary if he is a member of the Board of Directors shall not exceed the term of membership of each of them in the Board, and they may be re-elected and the Board may at any time dismiss them or any of them without prejudice to the right of the dismissed to compensation if the dismissal occurred for an illegal reason or at an inopportune time.

Article No. (23): Invitation to Board Meetings

The council meets at the invitation of its chairman at least four times a year, and the invitation is accompanied by the agenda. The chairman of the council shall invite the council to a meeting when requested to do so by two of the members.

Article No. (24): Quorum for meetings and resolutions

The meeting of the Board shall not be valid unless attended by at least five (5) of the members in person and by proxy, and in the event that a member of the Board of Directors delegates another member to attend the meetings of the Board; The delegation must be in accordance with the following controls:

- A member of the Board of Directors may not represent more than one member in attending the same meeting.
- The representation must be fixed in writing.
- The deputy may not vote on resolutions that the system prohibits the representative from voting on.

The resolutions of the Council are issued with the approval of at least four (4) votes of those present.

Article No. (25): minutes of meetings

The council's deliberations and resolutions are documented in minutes signed by the council chairman and the secretary. These minutes are recorded, after being ratified by the council, by signing all the members present on one of the copies of the minutes, in a special register signed by the council chairman and the secretary. The attendance of the board members is evidenced by a statement signed by the attendees, and the board of directors may issue resolutions by passing resolutions on urgent matters and presenting them to the board members separately by one of the modern electronic means. Unless one of the members requests in writing the meeting of the Board of Directors to deliberate on it, and these resolutions are presented to the Board at its first subsequent meeting.

Article No. (26): Committees of the Board of Directors

The Board of Directors may form any committee or committees that assist it in the implementation of its work, or the regulations require its presence in the company. These committees shall be formed by a resolution of the Council specifying the powers and functions of the committee. These committees are formed according to the company's needs. The members of the committees may be members of the Board or others, and the work of the committees is limited to the work assigned to them by the Board of Directors in accordance with the regulations regulating the work of each committee and approved by the Board of Directors or the General Assembly of the company.

Article No. (27): Conflict of Interests

A member of the Board of Directors must notify the Board of his personal interest in the business and contracts that are made for the account of the company.

Article No. (28): The General Assembly

Every subscriber, regardless of the number of his shares, has the right to attend the transformational assembly, every shareholder has the right to attend the general assemblies of shareholders, and he has the right to appoint another person other than the members of the Board of Directors or employees of the company to attend the General Assembly.

Article No. (29): Invitation to the Transformative Association

Shareholders shall invite all subscribers to convene a conversion assembly within forty-five days from the date of the Ministry's resolution licensing the company's transformation. For the meeting to be valid, a number of subscribers representing at least half of the capital must be present. If this quorum is not present, the second meeting shall be held an hour after the end of the period specified for the first meeting and must include the invitation for the first meeting and in all circumstances; the second meeting shall be valid regardless of the number of subscribers represented therein.

Article No. (30): The competence of the transformational association

The transformative association is concerned with matters mentioned in Article No. (63) of the Companies Law.

Article No. (31): The Ordinary Assembly

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

Article No. (32): The Extraordinary General Assembly

The extraordinary general assembly is concerned with amending the company's basic system, with the exception of provisions that it is prohibited from amending by law. It may issue resolutions on matters falling within the competence of the Ordinary General Assembly, with the same terms and conditions prescribed for the last meeting.

Article No. (33): Convening the Shareholders' Assemblies

Shareholders' general or private assemblies are convened at the invitation of the Board of Directors, and the Board of Directors must invite the Ordinary General Assembly to convene. If requested by the auditor, the audit committee, or a number of shareholders representing at least (%) of the capital. An auditor may call the assembly to convene if the board does not invite the assembly within thirty days from the date of the auditor's request.

The invitation to convene the General Assembly shall be published in a daily newspaper and distributed at the company's headquarters 21 days prior to the date set for the meeting at least. However, it may suffice to address the invitation on the mentioned date to all shareholders by registered letters. In addition, send a picture of the invitation and the agenda are sent to the Ministry, within the period specified for publication.

Article No. (34): Evidence of the attendance of the shareholders

Shareholders who wish to attend the general or private assembly register their names, and it is permissible to register and vote through one of the modern electronic means before the time set for the assembly in accordance with the controls set by the competent authorities.

Article No. (35): Quorum of the Ordinary General Assembly

The meeting of the Ordinary General Assembly shall not be valid unless attended by shareholders representing at least half of the capital. Possibility of holding this meeting. In all cases, the second meeting shall be valid regardless of the number of shares represented therein.

Article No. (36): Quorum for the Extraordinary General Assembly

The meeting of the Extraordinary General Assembly shall not be valid unless it is attended by shareholders representing two-thirds of the capital. If this quorum is not available in the first meeting, the second meeting shall be held an hour after the end of the period specified for the first meeting, provided that the invitation to hold the first meeting includes evidence of announcing the possibility of holding this meeting. In all cases, the second meeting shall be valid if attended by a number of shareholders representing at least a quarter of the capital.

If the necessary quorum is not available in the second meeting, an invitation is sent to a third meeting to be held under the same conditions stipulated in Article No. (31) of this system, and the third meeting will be valid regardless of the number of shares represented in it after the approval of the competent authority.

Article No. (37): Counting the votes

Every subscriber has a vote for every share he represents in the transformational assembly, and every shareholder has a vote for every share in the general assemblies.

Cumulative voting in the election of the Board of Directors. However, the members of the Board of Directors may not participate in voting on the resolutions of the Assembly that relate to the disclaimer of their responsibility for the term of their management of the company.

Article No. (38): Resolutions of the General Assembly

The resolutions of the Transformational Assembly are issued under the absolute majority of the shares represented in it. Meanwhile the resolutions of the Ordinary General Assembly are issued by the absolute majority. The resolutions of the Extraordinary Assembly are also issued under a two-thirds majority of the shares represented in the meeting. Unless it is a resolution related to increasing or decreasing the capital, extending the duration of the company, or dissolving it before the expiration of the duration specified in its articles of association, or its merger with a company, it is invalid, unless it is issued by a majority of three quarters of the shares represented in the meeting.

Article No. (39): Discussing the topics of the General Assembly

Each shareholder has the right to discuss the topics on the agenda of the assembly and ask questions in their regard to the Board members and auditors. The board of directors or the auditor shall answer the shareholders' questions to the extent that does not harm the interest of the company. If the shareholder thinks that the answer to his question is unconvincing, he shall appeal to the assembly, and its resolution in this regard shall be in force.

Article No. (40): Managing the General Assembly

The chairman of the board presides the general assembly, his deputy, his representative, or whomever is nominated by one of the present members of the board of directors in the case they were absent, and the chairman appoints a secretary for the meeting and a vote collector. Minutes of the assembly meeting shall include the names of the present shareholders or representatives, the number of shares they hold in person or by proxy, and the number of votes. The resolutions issued, the number of votes that approved or disagreed with them, and an adequate summary of the discussions that took place in the meeting. The minutes shall be recorded regularly after each meeting in a special register signed by the president of the assembly, secretary, and the vote collector.

Article No. (41): Audit Committee Formation

An audit committee consisting of (3) non-executive members of the Board of Directors shall be formed by a resolution of the Ordinary General Assembly, whether shareholders or others. The resolution shall determine the functions of the committee, its work controls, and the remuneration of its members.

Article No. (42): Committee meeting quorum

In order that the audit committee meeting become valid, it requires the attendance of the majority of its members, and its resolutions are issued by a majority of votes of members presented, and in the event that the votes are equal, the group with which the committee chairman voted will prevail.

Article No. (43): The committee terms of reference

The terms of reference of the audit committee is monitoring the company's business, and for this purpose, it has the right to view its records and documents and request any clarification or statement from the members of the board of directors or the executive management. As it may request the Board of Directors to summon the General Assembly of the company in the event that the Board of Directors obstructs its work or if the company suffers from serious damage or losses.

Article No. (44): Committee reports

The audit committee shall review the company's financial statements, reports and notes submitted by the auditor, and express its views thereon, if any. It shall also prepare a report expressing its opinion on the adequacy of the company's internal control system and the other work it has undertaken within the scope of its competence. The Board of Directors shall deposit sufficient copies of this report at the company's headquarters at least (21) days prior to the date of the General Assembly meeting to provide each of the shareholders who desires a copy thereof. The report is recited during the meeting of the assembly.

Article No. (45): the auditor

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

Article No. (46): Duties of the auditor

The auditor has the right at any time to view the company's records, registers and other documents, and he may also request data and clarifications that he deems necessary to obtain, in order to verify the company's assets and liabilities and other things that fall within the scope of his work. The chairman of the board of directors shall enable him to perform his duty, and if the auditor encounters difficulty in this regard, he shall prove that in a report submitted to the board of directors. If the Board does not facilitate the work of the auditor, it must request the Board of Directors to invite the Ordinary General Assembly to consider the matter.

Article No. (47): the fiscal year

The fiscal year of a company starts from first of January and ends at the end of December of each calendar year, provided that the first fiscal year starts from the date of the ministerial resolution announcing its transformation until the end of December 2014.

Article No. (48): annual reports

- a) The board of directors shall at the end of each fiscal year of the company set up the financial statements of the company and a report on its activity and its financial position for the past fiscal year. This report shall include the proposed method for distributing profits. The Board shall place these documents at the disposal of the auditor at least forty-five days prior to the date set for the General Assembly.
- b) The documents referred to in Paragraph (a) of this Article shall be signed by the chairman of the board of directors of the company, its chief executive officer and financial manager, and copies thereof shall be deposited at the company's main office at the disposal of the shareholders at least (21) days prior to the date set for holding of the general assembly.
- c) The chairman of the board of directors shall provide the shareholders with the company's financial statements, the report of the board of directors, and the auditor's report, unless they are published in a daily newspaper distributed at the company's headquarters. He shall also send a copy of these documents to the Ministry, at least fifteen days prior to the date of the General Assembly meeting.

Article No. (49): Dividends

The annual net profits of the company shall be distributed after deducting all general expenses and other costs as follows:

1. (10%) of the net profits shall be set aside to form the company's statutory reserve. The Ordinary General Assembly may decide to stop this set aside when the aforementioned reserve reaches (30%) of the paid-up capital.
2. The Ordinary General Assembly may decide to form other reserves to the extent that serves the interest of the company or ensures the distribution of fixed profits as much as possible to the shareholders. The aforementioned Assembly may also deduct from the net profits amounts to establish social institutions for the company's employees or to assist the existing ones.
3. A down payment of not less than (5%) of the paid-up capital shall be distributed from the remainder to the shareholders.
4. The remainder is then distributed among the shareholders as an additional share in the profits.
5. The Board of Directors may also distribute interim profits after obtaining the necessary approvals.

Article No. (50): The place and dates for paying dividends

The shareholder is entitled to his share of the profits in accordance with the resolution of the General Assembly issued in this regard. The resolution indicates the due date and the date of distribution. The eligibility of the profits is for the shareholder registered in the shareholders' records at the end of the day specified for the entitlement.

Article No. (51): the company's losses

1. If the losses of the joint-stock company amount to half of the paid-up capital, at any time during the fiscal year, any official in the company or the auditor must immediately inform the chairman of the board of directors upon learning of that, and the chairman of the board of directors must immediately inform the members of the board of that, and the board of directors must within Fifteen days from his knowledge of that, to call for the Extraordinary General Assembly to meet within forty-five days from the date of his knowledge of the losses; to decide either to increase or decrease the company's capital in accordance with the provisions of the Companies Law to the extent that the percentage of losses decreases to less than half of the paid-up capital, or to dissolve the company before the term specified in this Companies Law.
2. The company is considered dissolved by force of the Companies 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 matter, or if it decides to increase the capital according to the conditions prescribed in this Article and the subscription has not taken place in each capital increase within ninety days from the issuance of the assembly's resolution to increase.

Article No. (52): Liability lawsuit

Each shareholder has the right to file a lawsuit against the company's liability against the members of the Board of Directors if the mistake they committed would cause damage to him. The shareholder may not file the aforementioned lawsuit unless the company's right to file it still exists. The shareholder must inform the company of his intention to file a lawsuit.

Article No. (53): dissolution and liquidation of the company

Once the company has expired, it enters the stage of liquidation and retains the legal personality to the extent necessary for liquidation. The voluntary liquidation resolution is issued by the Extraordinary General Assembly. The liquidation resolution must include the appointment of the liquidator, the determination of his powers and fees, the restrictions imposed on his powers, and the time period required for liquidation. The period of voluntary liquidation must not exceed five years. It is not permissible to extend it for more than that, except by a judicial order, and the authority of the company's board of directors ends with its dissolution. Nevertheless, they remain in charge of the company's management, and they are considered as liquidators in relation to others until a liquidator is appointed. The shareholders' assemblies remain in existence during the period of liquidation, and their role is limited to exercising their powers that do not conflict with the powers of the liquidator.

Article No. (54):

The Companies Law and its bylaws shall be applied in everything that is not provided for in this Law.

Article No. (55):

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