

**Primary law**  
**Taiba Investment Company**  
**Listed joint stock company**

**Article One : Incorporation**

The Company has been established in accordance with the provisions of the Companies Law and its implementing regulations and these bylaws, as a Saudi joint stock company, according to the following:

**Article Two : Company Name**

Taiba Investments Company - a Saudi joint stock company.

**Article Three : Company Objects**

The Company is engaged in the following purposes:

**First - Real estate activities in owned or leased properties, including:**

Buying and selling land and properties, subdividing them, off-plan sales activities, managing and leasing owned or leased residential properties, including worker housing, managing and leasing owned or leased non-residential properties, including commercial centers, showrooms, kitchens, laundries, central warehouses, and administrative offices, real estate development of residential buildings using modern construction methods, real estate development of commercial buildings using modern construction methods, other real estate activities in owned or leased properties, managing hotel apartments, any other activities related to real estate in owned or leased properties, real estate brokerage.

**Second - Short-term accommodation activities, including:**

Hotels, roadside hotels (motels), other hotel and motel activities, furnished residential units (furnished apartments), hotel apartments, other activities related to furnished apartments and hotel apartments, youth and hostel accommodation, holiday homes (chalets), commercial resorts, tourist inns, other activities related to chalets, resorts, and tourist inns, wedding and event halls with accommodation, timeshare units, any other activities related to hotels, furnished apartments, residential houses, and resorts not mentioned elsewhere, management of tourist accommodation facilities, any other activities related to other types of accommodation not classified elsewhere.

**Third - Integrated facilities support activities, including:**

Activities providing building protection services, general building cleaning services, building maintenance services, any other support services not mentioned elsewhere.

**Fourth - Wholesale trade on a fee or contract basis, including the sale of fixed and movable assets.**

**Fifth - Other types of retail trade in non-specialized stores.**

**Sixth - Management of subsidiaries, investing its money, ownership of real estate and assets necessary for it, providing loans, guarantees, and financing to subsidiaries, ownership and leasing of industrial property rights for subsidiaries.**

**Seventh – Head office activities (supervision of other units within the company or institution and managing it)**

**Eighth – Any other legitimate purpose that aligns with the nature of the Company or is necessary for its operation.**

The Company carries out its activities according to the applicable regulations and after obtaining the necessary licenses from the competent authorities, if any.

**Article Four : Participation and Ownership in other Companies**

The Company may own stocks and shares in other existing companies or merge with them, and it may, either alone or in partnership with others, establish joint-stock companies, limited liability companies, or any other type of companies, after satisfying the requirements of the laws and regulations applicable in this respect.

**Article Five : Company Headquarters**

The Company's head office is located in Riyadh, and the Board of Directors may establish branches, offices or agencies inside or outside the Kingdom of Saudi Arabia.

**Article Six : The Term of the Company**

The term of the Company shall be indefinite, effective from the date of its registration in the commercial registry.

**Chapter Two – Capital and Shares**

**Article Seven : Capital**

The Company's issued capital is set at two billion, six hundred four million, five hundred seventy-four thousand, eight hundred thirty Saudi riyals (SAR 2,604,574,830) fully paid up and divided into two hundred sixty million, four hundred fifty-seven thousand, four hundred eighty-three (260,457,483) shares with equal value; each with nominal value of ten riyals, all of which are ordinary and cash shares.

**Article Eight : Preferred Shares and Redeemable Shares**

The extraordinary general assembly may, subject to the conditions and regulations of the competent authority, issue preferred shares or redeemable shares, purchase them, convert ordinary shares into preferred shares, or vice versa. Preferred shares shall not give their holders the right to vote in general assemblies, but shall entitle their holders the right to receive a higher percentage than the holders of ordinary shares from the net profits of the Company after deducting the reserves (if any).

**Article Nine : Sale of Unpaid Shares**

In case of an increase of the Company's capital, a shareholder shall pay the value of the shares on the dates set for such payment. If a shareholder defaults in payment when it becomes due, the Board may, after notice through any modern technology means or a registered letter to his registered address in the shareholders' register, sell the shares at a public auction or in the stock exchange, as the case may be, in accordance with rules enacted by the competent authority.

The Company shall recover from the proceeds of the sale such amounts as are due to it and shall refund the balance to the shareholder. If the proceeds of the sale fall short of the amounts due, the Company may recover the remaining from the shareholders' assets and moneys, and the rights related to the defaulting shares shall be suspended according to the relevant laws and regulations. The defaulting shareholder may pay the amount to due from him, in addition to the expenses incurred by the Company, up to the day of sale, and in such case the shareholder shall have the right to distributed dividends.

**Article Ten : Company's Purchase, Sale, and Pledge of its Shares**

1. The Company may purchase, sell or pledge any class of its shares in accordance with the rules issued by the competent authority. Shares purchased by the Company shall not have voting rights in shareholder assemblies.
2. Shares may be pledged according to the regulations issued by the competent authority, and the pledgee may receive dividends and use the rights related to the share, unless agreed otherwise in the pledge contract, but the pledgee may not attend shareholders general assemblies or vote therein.
3. The Company may purchase its own shares for the purpose of allocating them to its employees as part of an employee share program, in accordance with the terms and conditions specified by the relevant laws and regulations.
4. The Company may sell treasury shares in one or more stages, in accordance with the terms set forth by the relevant laws and regulations.

**Article Eleven : Shares of the Company**

The shares shall be nominal, and may not be issued at less than their nominal value. The Company may divide its shares into shares with a lower nominal value or merge them to represent shares with a higher nominal value, according to the regulations set out by the competent authority. A share is deemed indivisible vis-à-vis the Company, so if a share is jointly owned by several persons, they must elect one of them to exercise the rights attached to such share on their behalf, and they shall be jointly liable for the obligations arising from the ownership of such share.

**Article Twelve : Trading Shares and Shareholders' Register**

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

**Article Thirteen: Capital Increase**

1. The extraordinary general assembly may resolve to increase the Company's capital, provided that the issued capital has been fully paid-up, unless the unpaid portion pertains to shares issued against conversion debt instruments or Sukuk and the period prescribed for such conversion has not yet elapsed.
2. In all cases, the extraordinary general assembly may allocate all newly issued shares in a capital increase or part thereof to the Company's and/or subsidiaries' employees. The shareholders may not exercise their pre-emptive rights on shares allocated to employees. The extraordinary general assembly may also suspend the exercise of pre-emptive rights and grant priority to one of the shareholders or new investors, in accordance with the relevant regulations and rules.
3. Shareholders owning shares at the time of the extraordinary general assembly's approval on a capital increase shall have a pre-emptive right to subscribe for the new cash shares. The shareholders shall be notified of their pre-emptive rights through any means of modern technology or by-registered mail to the address registered at the shareholders' register of the capital increase resolution, the conditions to subscribe, the period of subscription, and the date for its commencement and end.
4. A shareholder may sell or assign its pre-emptive rights with or without monetary compensation, in accordance with the guidelines set be competent authority.

5. The new shares shall be distributed to the rights' holders who subscribed in proportion to their rights resulting from the capital increase, provided that the number of shares allocated to them shall not exceed the number of new shares they have subscribed in. The rest of the shares shall be offered according to the relevant laws and regulations.

**Article Fourteen : Capital Decrease**

The extraordinary general assembly may decrease the Company's capital if it exceeds the Company's needs or if the Company suffers losses. The capital may, in the latter case only, be decreased to less than the limit stipulated in Article (59) of the Companies Law. Such resolution shall be issued only after reading a special report prepared by the auditor on the reasons for such reduction, the obligations to be fulfilled by the Company, and the impact of the reduction on such obligations.

If the reason for the capital reduction is that the capital is in excess of the Company's needs, the Company's creditors must be invited to express their objection - if any - to such a reduction at least 45 days before the date specified for the extraordinary general assembly meeting voting on the capital reduction. Should any creditor object and present to the Company evidentiary documents within the time limit set above; then the Company shall pay such debt, if due, or present an adequate guarantee of payment if the debt is due on a later date. The equality between shareholders holding shares of the same type and class must be taken into consideration when reducing the Company's capital.

The capital may be reduced by buying back a number of the Company's shares for the purpose of canceling them, in accordance with the applicable regulations and rules.

**Article Fifteen : Issuance of Debt Instruments and Sukuk**

- 1- The Company may, by a Board of Directors resolution, issue debt instruments, Sukuk, or any other debt instruments, whether in Saudi Riyals or any other currency, within or outside the Kingdom of Saudi Arabia, through one or more series pursuant to a programme or more established by the Board from time to time, at all times pursuant to the conditions and the amounts approved by the Board and the Board shall have the right to take any action needed to issue such instruments.
- 2- The Company may, by a resolution of the extraordinary general assembly, issue debt instruments or Sukuk convertible to shares, after the issuance of an extraordinary general assembly resolution specifying the maximum number of shares which can be issued against such instruments/Sukuk, whether such instruments/Sukuk were issued at once or through a series or a programme or more to issue debt instruments or Sukuk. The Board of Directors may, without the need for a new extraordinary general assembly resolution, issue new shares against the instruments/Sukuk which holders request its conversion, at the end of the conversion term specified for such holders. The Board of Directors shall take all necessary actions to amend the Company's bylaws reflecting the issued shares and capital, and must record each increase with the commercial registry.

**Chapter Three - Board of Directors**

**Article Sixteen : Company's Management**

The Company shall be managed by a Board consisting of nine members, to be appointed by the ordinary general assembly for a term of three years.

**Article Seventeen : Termination of Board Membership**

Board's membership ends by the expiration of the term, by resignation, death, or the disqualification of the member as per the laws and regulations in the Kingdom of Saudi Arabia. Notwithstanding, the ordinary general assembly may, at any time, remove all or any of the Board members, without prejudice to the right of the removed director for damages from the Company if the removal is made without an acceptable justification or at an improper time. A Board member may resign, provided that such resignation is made at a proper time; otherwise, he shall be responsible to the Company for damages resulting from such resignation.

The general assembly may - based on the recommendation of the Board - terminate the membership of those who are absent from attending three consecutive meetings of the Board or-five nonconsecutive meetings during their membership without a legitimate reason accepted by the Board of Directors.

**Article Eighteen : Board Vacancies**

Where the office of a Board member becomes vacant, the Board may appoint a temporary member who has sufficient experience and qualifications to fill the vacancy, provided that the relevant authorities are notified of such an appointment within the specified period by those authorities. Such appointment shall be presented before the first ordinary general assembly to convene after such appointment. The new member shall complete the term of his predecessor. Where the conditions required for holding the Board of Directors meeting are not satisfied because the

number of members falls below the minimum prescribed in the Companies Law or these bylaws, the remaining Board members must invite the ordinary general assembly to convene within 60 days to elect the required number of Board members.

**Article Nineteen : Powers of the Board**

Subject to the powers reserved to the general assembly, the Board of Directors shall have the broadest powers and authorities in managing the Company and administering its affairs inside and outside the Kingdom, as well as disposing its assets, properties and real estate in a manner that achieves the objects of the Company stipulated in these bylaws, and has the right to sell, buy, transfer, accept, receive, deliver, rent, lease and receive the value in cash or by a check (and cashing such check with the bank) or by any other commercial paper, mortgage and release mortgages. In this regard, the members of the Board are considered agents of the Company and its shareholders.

The Board has the right to delegate on its behalf, within the limits of its powers, one or more of its members or third parties to take a specific action or conduct or carry out certain work or actions. The Board has the right to delegate or authorize whomever it deems fit to exercise all or some of its functions and powers. The Board may also enter into loans with funds and government financing institutions, regardless of their value or duration, and it may enter into commercial loans. The Board of Directors may also approve providing financial support to any of the Company's subsidiaries or associated companies, or the companies in which it participates, in the manner and amount deemed appropriate by the Board of Directors.

However, the Board of Directors may not sell assets exceeding (50%) of the total value of the Company's assets without the approval of the general assembly, in accordance with the provisions stipulated in the relevant laws and regulations.

The Board of directors without prior approval from the ordinary general assembly has the right to release the Company's debtors whose financial obligations for each year does not exceed SAR 500,000 per individual debtor, provided that the total amounts released for the year do not exceed (1%) of the company's annual operating revenues. The Board of Directors shall have the right to conciliate, assign, contract, commit and engage in the name of the Company on its behalf. The Board has the right to take all actions and functions that would achieve the objects of the Company, including, but not limited to:

- A. Approving the strategic directions and main objectives of the Company and supervising their implementation, including:
  1. Developing, reviewing and directing the comprehensive strategy, main action plans, and risk management policy.
  2. Determining the optimal capital structure for the Company, its financial objectives and strategy, and approving the annual budgets.
  3. Overseeing the main capital expenditures of the Company, and owning and disposing of assets for the benefit of the Company.
  4. Reviewing performance targets and monitor implementation and overall performance of the Company.
  5. Periodic review and approval of the organizational and functional structures of the Company
- B. Establishing policies and controls for internal monitoring, and general supervision thereof, including:
  1. Ensuring that the policies regulating conflicts of interest are applied and address potential conflict situations for each of the members of the Board of Directors, the executive management, shareholders and employees. This includes misuse of the Company's assets and facilities, and misconduct resulting from dealings with related persons.
  2. Ensuring the integrity of the financial and accounting systems, including the systems related to the preparation of financial reports.
  3. Ensuring the implementation of appropriate control systems to manage risks, by defining the general perception of the risks that the Company may face and discussing them with transparency.
  4. Annual review of the effectiveness of the Company's internal control procedures.
- C. Ensuring the implementation of the policies that regulate the relationship with stakeholders in order to protect them and preserve their rights, as this policy covers - in particular - the following:
  1. Mechanisms for compensating stakeholders in the event of violation of their rights, which are recognized by the regulations and protected by contract.
  2. Mechanisms for settling complaints or disputes that may arise between the Company and the stakeholders.
  3. Appropriate mechanisms for establishing good relationships with customers and suppliers and maintaining the confidentiality of their information.
  4. The rules of professional conduct for managers and Company employees so that they are compatible with sound professional and ethical standards and regulate the relationship between them and the stakeholders,



provided that the Board of Directors establishes mechanisms to monitor the implementation of these rules and adherence to them.

5. Social contribution of the Company.
- D. Ensuring the implementation of policies and procedures that ensure that the Company respects the laws and regulations, and its commitment to disclose material information to shareholders, creditors and other stakeholders.
- E. Enabling the employees of the Company to report the existence of irregular or unethical practices in the Company's work which may lead to prejudicing the interests and reputation of the Company.
- F. Authorizing members of the Board of Directors to have a direct or indirect interest in the business and contracts conducted for the account of the Company or to participate in an activity that competes with the Company a segment of its activities, provided that the Board obtains a delegation from the general assembly of the same, in accordance with the provisions stipulated in the relevant laws and regulations.

#### **Article Twenty : Disclosure of Personal Interests of Board Members**

1. A board member may not have any direct or indirect interest in the business and contracts that are carried out for the account of the Company except with a permission from the ordinary general assembly, or the Board of Directors if delegated by the general assembly, in accordance with the rules set out the competent authority. A member shall inform the Board of his direct or indirect interest in the business and contracts that are made for the Company's account, and this notification shall be recorded in the minutes of the meeting. This member may not participate in voting on the decision issued in this regard in the Board of Directors and the shareholders' assemblies. The Board of Directors shall inform the ordinary general assembly when it convenes of the business and contracts in which one of the Board members has a direct or indirect interest. A special report from the Company's external auditor shall be attached to this notification.
2. A board member may not participate in any business that would compete with the Company, or compete with the Company in a segment of its activities, unless he has obtained a permission from the ordinary general assembly allowing him to do so, or from the Board of Directors if delegated by the general assembly, and in accordance with the rules set out by the competent authority. Otherwise, the Company may demand damaged before the relevant judicial body.

#### **Article Twenty-One : Remuneration for Board Members and Committee Members**

##### **First: Remuneration of the Board of Directors Members:**

The remuneration of the members of the Board of Directors may be a fixed amount, an attendance allowance for the meetings, in-kind benefits, or a certain percentage of the net profits. Two or more of these benefits may be combined. A bonus may be granted to each of the chairman of the Board of Directors and the managing director in addition to the remuneration determined for the members of the Board of Directors, as determined by the Board members, in accordance with the approved policy for the remuneration of the members of the Board of Directors and its committees, and according to the rules set out by the competent authority. 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 obtained during the fiscal year in terms of remuneration, expenses allowances and other benefits. It shall also include a statement of what Board members have received as employees or administrators, or what they have received in return for technical, administrative or consulting services.

##### **Second: Remuneration of the Committee Members:**

The Board of Directors determines the remuneration of members of its committees, whether they are members of the Board or not, as well as attendance allowances and other entitlements based on the recommendation of the Remuneration and Nomination Committee, and they shall be disbursed in accordance with the approved policy for the remuneration of the members of the Board of Directors and its committees.

#### **Article Twenty-Two : Powers of the Board Chairman, Vice Chairman Managing Director and Secretary**

The Board of Directors shall appoint from among its members a chairman of the Board and a vice chairman, and may appoint a Managing Director from amongst its members. The position of chairman of the Board of Directors may not be served with any executive position. The chairman, or whomever he delegates by a written delegation, is authorized to represent the Company in its relations with others, government and private entities, including, but not limited to:

- With regards to claims before courts: claim and file suits, defend and plead, hear cases and challenge them, repudiate, make statements, conciliate, concede, release from liability, request an oath or refusing it, bring witnesses, evidences and appeal against them, respond, impugn, validate, challenge the authenticity, reject handwritings, stamps and signatures, demand banning from travel as well as applying to lift it, request seizure

and enforcement, request arbitration, appoint experts and arbitrators, impugn the reports of experts and arbitrators, reject and replace them, file for judgments enforcements, accept and reject and challenge judgments, reject judgments, appeal, petition for reconsideration and exoneration, attend hearings before all courts, receive payments by authenticated checks in the name of the Company, receive deeds of judgments, impeach judges, asking for enjoinder and join cases, before the administrative courts (Board of Grievances), sharia courts, tax disputes committees, labor committees, committees for financial disputes, committees for banking disputes, commercial disputes and commercial paper disputes committee office, customs committees and commercial fraud committees, Oversight and Anti-Corruption Authority, as well as Public Prosecution and all other judicial committees.

- With regards to real estate: buying and selling after the approval of the Board of Directors - mortgage - mortgage release – merging deeds - divide and sort - receipt of deeds - waive area shortage - conversion of agricultural lands into residential - modification of the owner's name and commercial registration number - modification of borders, lengths, area and numbers of plot schemes, deeds, dates and names of neighborhoods - leasing - signing lease contracts - renewing lease contracts - receiving the rent in cash or by check certified in the name of the Company - selling and transferring to the heirs – applying for replacement deed (for damaged or lost deeds) - converting the cubit into meters in the deed - assignment in favor of state property and receiving compensation - updating the deeds and registering them with the unified system.
- With regards to [companies]: contributing with the state in the full amount of the property and sign the necessary documents in this regard - establishing the company - signing incorporation contracts and amendment appendices - signing shareholder's resolutions - appointing and dismissing managers - entering and exiting of shareholders - entering existing companies - increasing capital - reducing the capital - determining the capital - buying shares and stakes and paying the price in cash in exchange for shares in Taiba - selling shares and stakes and receiving value and dividends – assignment of shares and stakes of the capital - accepting assignment of shares, stakes and capital - transferring shares, stakes and bonds - amending the objectives of the company - opening accounts with banks with the company's name - signing agreements - closing accounts with banks under the company's name - amending the terms of the articles of association or amendment appendices - company registration - registering agencies and trademarks - assigning trademarks - attending general assemblies - opening files for the company - opening branches for the company - company liquidation – converting the company from a joint stock company or a simplified joint stock company to a limited liability company - converting the company from a limited liability Company to a joint stock company or a simplified joint stock company - canceling the articles of association and amendment annexes - signing articles of association and amendment annexes before the notary - subscribing to the Chamber of Commerce and renewing the subscription – dealing with SASO – applying for renewing licenses for the company - converting the establishment into a company - converting the company's branch into an establishment – converting the company's branch to a company – cancelling the main commercial registration and branch commercial registration of the company – dealing with the Ministry of Commerce and Ministry of Investment and signing before them- dealing with the Capital Market Authority - entering tenders and receiving forms - signing contracts for the company with third parties - publishing the articles of association, amendment annexes, their summaries, and bylaws on the sites specified by the competent authority.
- With regards to banks: dealing with all banks, opening accounts under Sharia terms, authenticating signatures, depositing and withdrawing amounts from accounts, issuing ATM and credit cards, receiving it and its passcodes, make deposits, transferring from accounts, issuing all guarantees, promissory notes, guarantees, drafting bonds payable and other commercial papers, applying for bank loans in accordance with Sharia provisions and accepting their terms, conditions, rates, signing their contracts, forms, pledges, repayment schedules, receiving the loan and managing it, and closing and settling accounts , and dealing with companies and financial institutions in the opening, activating, and closing portfolios and investment accounts, their management in accordance with Shariah principles, withdrawing from them, depositing into them, trading in stocks through buying and selling, collecting value and dividends, transferring shares, subscribing and redeeming investments in investment funds on behalf of the Company, pledging and release of shares owned by Taiba in companies with banks or other financial institutions, whether for the benefit of the Company or its subsidiaries, in which Taiba owns 50% or more of their capital, in addition to canceling signatures on those accounts.
- With regard for what is not covered here, dealing with all directorates (police - passports), ministries, bodies, institutions, government presidencies, civil institutions and their branches and affiliated departments and

divisions, taking all necessary procedures and signing all required documents in this regard. The chairman has the right to delegate or authorize the managing director or the Chief Executive Officer (CEO), and one or both of them may have the right to assign others to the work entrusted to them.

- The vice chairman shall replace the chairman of the Board of Directors in his absence.
- The Board of Directors shall appoint a secretary chosen by the Board from among the Board members or others. The secretary is responsible for recording the Board's meetings and preparing for those meetings. The secretary's remuneration is determined by the Board according to the decision to appoint him. The term of the chairman and vice chairman, the managing director, the secretary, or the member of the Board shall not exceed the term of each of them in the Board. They may be re-elected, and the Board has the right at any time to remove any or all of them, which shall not result in their removal from their membership in the Board of Directors.

#### **Article Twenty-Three : Board Meetings**

The Board meets at the invitation of its chairman, provided that the Board's meetings are not less than four times a year. The Board may meet using modern technological means, and the invitation shall be in writing and accompanied by the agenda. The chairman of the board must invite the Board to the meet whenever requested in writing by any member of the Board. The invitation to each member shall be sent by registered mail, by hand, or e-mail at least a week before the date set for the meeting. The invitation may be directed on behalf of the Board chairman by the Board's secretary.

#### **Article Twenty-Four : Quorum for Board Meetings**

A Board meeting is not valid unless it is attended by at least half of the members (in person or by proxy), provided that the attendees are not less than three. A member of the Board may delegate another member to attend the meetings according to the following conditions:

- a. A member of the Board of Directors may not delegate more than one member to attend that meeting.
- b. The delegation shall be in writing and specific to one meeting.
- c. The representative may not vote on the decisions on which the law prohibits the principal from voting.

Board resolutions shall be issued by the approval of the majority of the attending or represented members, and when there is a tie, the meeting's chairman shall have the casting vote. A member may participate in the Board's deliberations and vote on its decisions through telephone and video conference through modern technology means. The Board of Directors may issue circular resolutions in urgent cases by presenting them to all members, and such resolutions require the approval of -majority Board members in writing, and these decisions shall be presented to the Board of Directors at its first meeting to be documented in the minutes of the meeting.

#### **Article Twenty-Five : Board Deliberations**

Deliberations and resolutions of the Board shall be recorded in minutes to be signed by the chairman of the meeting, members present and the secretary. Such minutes shall be recorded in a special register which shall be signed by the chairman and the secretary. Modern technological means may be used for signing and documenting discussions, recording decisions, and retaining minutes.

### **Chapter Four - Board Committees**

#### **Article Twenty-Six : Board Committees**

The Board of Directors may form all committees according to the Company's need, circumstances and conditions to help it perform its duties effectively, and the Board shall determine the task of each committee and the duration of its work and the appropriate powers entrusted to it during its term and the coordination between these committees with the aim of deciding on matters presented to it.

### **Chapter Five - Shareholders' Rights and Assemblies**

#### **Article Twenty-Seven : Shareholders' Rights related to the Share**

The shareholders shall have all the rights attached to the share, and in particular the right to receive distributed dividends, the right to receive a share of the Company's assets upon liquidation, the right to attend the general assemblies and to participate in their deliberations and to vote on its decisions, including amending the Company's bylaws, electing members of the Board of Directors, approval of the selection of the auditor and the distribution of dividends, and the right to dispose their shares and transfer their ownership, the right to participate in the increase or decrease of the capital according to the decision of the shareholders' general assembly, the right to monitor the work of the Board of Directors and file a liability lawsuit against the members of the Board, and the right to inquire and request information that does not harm the interests of the Company and does not conflict with the Companies Law and Capital Market Law and their implementing regulations. The Company shall provide all information that enables shareholders to fully exercise their rights without discrimination among the shareholders who own shares

of the same type and class in a full, accurate, transparent and clear manner. This information shall be updated regularly and timely through the Saudi Exchange's website (Tadawul) and the Company's website.

**Article Twenty- Eight : Attendance of General Assemblies**

Every shareholder has the right to attend general assemblies, and the Company must enable its shareholders to participate effectively and vote in general assembly meetings. A shareholder may delegate another natural person, whether from the shareholders or others (but not members of the Board of Directors) to represent him in the general assembly. The acceptance of such delegation is subject to the proxy procedures set forth by the Capital Market Authority.

and the assembly shall be held at the Company's headquarters. Nevertheless, the Board of Directors may, call for assembly to convene in a place other than the headquarters. General and special assembly meetings for shareholders may be held, and the shareholder may participate in their deliberations and vote on their decisions, by means of modern technology, according to the controls set by the Capital Market Authority.

**Article Twenty-Nine : Ordinary General Assembly Competencies**

Except for matters falling within the jurisdiction of the extraordinary general assembly, the ordinary general assembly shall be competent with all matters related to the Company and shall be convened at least once a year within six months following the end of the Company's fiscal year. Other ordinary general assembly meetings may be convened as necessary.

**Article Thirty : Extraordinary General Assembly Competencies**

The extraordinary general assembly shall be competent to amend the provisions of the Company's bylaws, other than those provisions which amendment is prohibited by law. Furthermore, the extraordinary general-assembly shall be empowered to adopt resolutions in matters within the jurisdiction of the ordinary general assembly under the same conditions and manners as prescribed for the latter.

**Article Thirty-One : Call for Assemblies**

General or special assemblies of the shareholders shall convene upon an invitation from the Board of Directors in accordance with these bylaws, and the Board of Directors shall call the ordinary general assembly to convene within thirty days if requested by the auditor, the audit committee, or a number of shareholders representing at least (10) of voting shares, and the auditor may invite the assembly To convene if the Board does not invite the assembly within thirty days from the date of the auditor's request.

The ordinary general assembly is held at the invitation of the Board of Directors every year during the six months following the end of the Company's fiscal year at the place, day and time specified in the announcement of the invitation to the meeting.

The Board of Directors may call another ordinary general assembly to meet whenever it deems it necessary.

The invitation for the general assemblies shall be published with the agenda, on the Saudi Exchange (Tadawul) website and the Company's website at least twenty-one days prior to the date set for the meeting. A copy of the invitation and agenda shall be sent to the competent authority during the period of publication, if necessary.

Modern technology may be used to issue the invitation to shareholders, and the Company shall provide them with the opportunity to actively participate and vote in shareholders' general assembly meetings, and inform them of the rules governing those meetings and voting procedures through invitation announcements and voting instructions.

**Article Thirty- Two : Quorum for the Ordinary General Assembly Meeting**

The ordinary general assembly meeting shall be convened if attended by shareholders representing at least one quarter of the voting shares, and if the quorum necessary for holding this meeting is not met, a second meeting shall be held through a second call within the thirty days following the previous meeting. The second meeting may be held an hour after the end of the period specified for convening the first meeting, provided that the invitation to hold the first meeting includes the possibility of holding such meeting. In all cases, the second meeting shall be valid regardless of the number of shares represented in it.

**Article Thirty-Three : Quorum for the Extraordinary General Assembly Meeting**

The extraordinary general assembly meeting shall be convened if attended by shareholders representing at least half of the voting shares and if the quorum necessary for holding this meeting is not met, a second meeting shall be held through a second call within the thirty days following the previous meeting. The second meeting may be held an hour after the end of the period specified for convening the first meeting, provided that the invitation to hold the first meeting includes the possibility of holding such meeting.

In all cases, the second meeting shall be valid if attended by a number of shareholders representing at least one quarter of the Company's voting shares.



If this quorum is not achieved to convene a second meeting, a notice shall be sent for a third meeting to be held in the same manner provided for in Article (31) herein. The third meeting shall be valid regardless of the number of shares represented therein, after the approval of the competent authority.

**Article Thirty-Four : Voting in Assemblies**

Every shareholder has a vote for every share in the ordinary and extraordinary general assemblies, and the Company shall follow the cumulative voting method when voting for the members of the Board of Directors. Members of the Board of Directors may not participate in voting on the decisions of the assembly related to them in accordance with the provisions of the relevant laws and regulations.

**Article Thirty-Five : Resolutions of the Assemblies**

Resolutions of the ordinary general assembly shall be adopted by an absolute majority approval of the voting shares represented in the meeting. Resolutions of the extraordinary general assembly shall be adopted by a majority vote approval of two-thirds of the voting shares represented at the meeting, except if the resolution to be adopted is related to increasing or reducing the capital, or merging the Company with another company, then such resolution shall be valid only if adopted by the approval of three-quarters of the voting shares represented at the meeting.

**Article Thirty-Six : Deliberations at Assemblies**

Members of the Board of Directors, the auditor, and those determined by the regulations, must attend the meetings of the general assembly in order for the shareholders to discuss the matters on the agenda, and to address questions to them in respect thereof. The Board or the auditor shall answer shareholders' questions to such an extent that would not jeopardize the Company's interests. If a shareholder feels that the answer to his question is unsatisfactory, he may appeal to the general assembly whose decision shall be final in this respect.

**Article Thirty-Seven : Chairing Assemblies and Preparation of Minutes**

The general assembly meetings shall be chaired by the chairman of the Board or, in his or her absence, by the vice chairman, or, in their absence by a member delegated by the Board of Directors. Minutes shall be prepared for every general assembly, showing the names of shareholders present or represented, the number of shares held by each of them, whether in-person or by proxy, the number of votes allotted thereto, the resolutions adopted, the number of consenting and dissenting votes, and a comprehensive summary of the debate conducted at the meeting. Following every meeting, the minutes shall be recorded in an organized manner in a special register, which shall be signed by the assembly's chair, its secretary, and the vote counter.

**Chapter Six - Auditor**

**Article Thirty-Eight: Appointment of an Auditor and Removal**

- 1- The Company shall have one (or more) auditors from among those licensed to operate in the Kingdom appointed by the ordinary general assembly, which shall specify their remuneration, scope and term and may reappoint them in accordance with the applicable laws provided that their term does not exceed the period stipulated by the applicable regulations.
- 2- The general assembly may remove the auditor, without prejudice to their right to compensation if the removal is made at an improper time or without legitimate justification.

**Article Thirty-Nine : Powers of Auditor**

The auditor shall have access at all times to the Company's records, accounting records and supporting documents for them and may request information and clarification as it deems necessary to verify the assets of the Company and its liabilities and other matters within its scope. The Board of Directors shall enable the auditor to undertake its duties. The auditor shall record any difficulties it may face in such regard in its report to the Board of Directors. If the Board of Directors does not facilitate the auditor's work, the auditor shall request the Board of Directors to convene the general assembly to look into the matter.

**Chapter Seven - Company Accounts and Dividends**

**Article Forty : Fiscal Year**

Taiba Investments' fiscal year shall begin on the first of January and shall end at the end of December of each Gregorian year.

**Article Forty-One : Financial Documents**

1. The Board of Directors shall prepare the Company's financial statements at the end of each financial year together with a report of its activities and financial position for the preceding financial year. This report shall include the proposed method for distributing profits. The Board of Directors shall place such documents at the disposition of the auditor at least 45 days prior to the date set for convening the general assembly.

2. The chairman or a director delegated by the Board, the Chief Executive Officer, and the Chief Financial Officer shall sign the documents referred to in Paragraph (1) of this Article. A copy thereof shall be placed in the Company's head office to be available for shareholders.
3. The audit committee must review the Company's financial statements, the reports and notes provided by the auditor, and express its opinions about them, if any, and it must also prepare a report on its opinion regarding the adequacy of the Company's internal monitoring system and what it has done of other activities that fall within the scope of its competence. The Board of Directors must deposit sufficient copies of this report in the Company's headquarters at least 21 days before the date of the general assembly meeting to provide all shareholders who wish to have a copy of the same, and the report shall be read during the assembly.
4. The chairman of the Board of Directors shall provide the shareholders with the financial statements of the Company, the report of the Board of directors and the report of the auditor, unless it is published through any of the modern technological means, at least 21 days before the scheduled date of the ordinary general assembly meeting. These documents must also be deposited in accordance with the regulations and rules specified by the relevant authorities.

**Article Forty-Two : Distribution of Dividends**

- 1- Distributable profits are composed of the net income of the fiscal year (after deducting all amounts allocated to the reserves determined by the general assembly), in addition to retained earnings and distributable reserves formed of profits.
- 2- The nominal value account within the equity shall not be used in distributing cash dividends to the shareholders.
- 3- The Company may distribute interim dividends to the shareholders on a semi-annual or quarterly after satisfying the regulatory requirements by Capital Market Authority.

**Article Forty-Three : Entitlement to Dividends**

Shareholders shall be entitled to their share of dividends pursuant to the general assembly resolution adopted in this regard, or the Board of Directors' resolution to distribute interim dividends, and such resolution shall specify the entitlement and distribution date. Entitlement shall be to the shareholders registered in the shareholders register at the end of the day on the entitlement date. The resolution shall be implemented in accordance with the relevant regulations and laws.

**Article Forty-Four : Formation of Reserves**

1. The ordinary general assembly may, when determining the share dividends, decide to establish reserves to the extent that serves the Company's interests or ensures the distribution of fixed dividends, as much as possible, to the shareholders. The mentioned assembly may also allocate amounts from the net profits for social purposes for the Company's employees.
2. The general assembly determines the percentage that must be distributed to the shareholders from the net profits after deducting any reserves, if any.

**Article Forty-Five : Dividend Distribution for Preferred Shares**

1. If no dividend is distributed for any fiscal year, dividends for the following years may only be distributed after paying the percentage as per what is stated in the Companies Law to the holders of preferred shares for such year.
2. If the Company fails to pay the percentage specified to the holders of preferred shares from the net profits of the Company, after deducting reserves, if any, for three consecutive years, the special assembly of holders of preferred shares, convened pursuant to the provisions of Article 89 of the Companies Law, may adopt a resolution to enable them to attend the general assembly and participate in voting, until the Company is able to pay all the priority dividends allocated to such shareholders for such years. Each preferred share shall have one vote at the general assembly meeting, and the holder of preferred shares in this case have the right to vote on all items on the agenda of the ordinary general assembly without exception.

**Article Forty-Six : Company Losses**

If the Company's losses reach 50% of the issued capital, the Board of Directors must disclose the same and its recommendations regarding such losses within 60 days from the date of becoming aware of their breach of such limit, and shall invite an extraordinary general-assembly within no more than 180 days of becoming aware of the losses, to consider the Company's continuity while taking any necessary actions to address those losses, or terminate the Company.

### **Chapter Eight - Disputes**

#### **Article Forty-Seven : Liability Claim**

A liability lawsuit may be filed against the members of the Board of Directors according to the conditions stipulated in the Companies Law.

### **Chapter Nine - Dissolution and Liquidation of the Company**

#### **Article Forty- Eight : Dissolution of the Company**

The Company shall dissolve pursuant to any of the reasons mentioned in the Companies Law, and by such dissolution shall enter the liquidation process in accordance with the provisions of the Companies Law. If the Company dissolves and its assets are not sufficient to cover its debts or it is insolvent as per the Bankruptcy Law, then the Company must file with the competent judicial authority to initiate any of the liquidation procedures under the Bankruptcy Law.

### **Chapter Ten - Final Provisions**

#### **Article Forty-Nine : Companies Law**

1. The Company shall be subject to the applicable regulations in the Kingdom of Saudi Arabia.
2. Any provision in these bylaws that contradicts the provisions of the Companies Law shall not be enforceable, and what is stipulated in the Companies Law and its implementing regulations shall apply in its regard. Matters on which these bylaws are silent shall be governed by the Companies Law and its implementing regulations.

#### **Article Fifty : Publishing**

The bylaws shall be deposited and published in accordance with the provisions of the Companies Law and its implementing regulations.