



The agenda of the Extraordinary General Assembly (the first meeting) of Saudi Marketing Company (Farm Superstores), which is scheduled to be held at 6.30pm on Thursday 28/10/1444 corresponding to 18/05/2023 through the means of modern technology using the Tadawulaty.

1. Reviewing and discussing the Board of Directors' report for the fiscal year ending on 31/12/2022.
2. Voting on the Company's auditor's report for the fiscal year ending on 31/12/2022.
3. Reviewing and discussing the financial statements for the fiscal year ending on 31/12/2022.
4. Voting on appointment of the Company's external auditor among the nominees recommended by the Audit Committee, to review and audit the financial statements for the Q2, Q3 and the annual financial statements for the fiscal year 2023 and Q1 of the fiscal year 2024 along with determining their fees.
5. Voting on the Board of Directors' recommendation to distribute cash dividends to the shareholders for the year 2022 (amounting to SAR 22,500,000) at 50 Halalas per share (SAR 0.50), which represents five percent (5%) of the nominal value per share. Provided that the entitlement to dividends is for shareholders holding the shares by the end of the trading day of the General Assembly date, and who are registered in The Company shareholders registry held with the Securities Depository Centre Company (Eda'a Center) at the end of the second trading day following the entitlement date. Dividend distribution begins on Monday 16/11/1444 corresponding to 05/06/2023
6. Voting on discharging the members of the Board of Directors for the fiscal year ending 31/12/2022.
7. Voting on disbursement of an amount of SR 1,400,000 as a remuneration to the Board Members for the fiscal year ending on 31/12/2022.
8. Voting on authorizing the board of Directors with the powers of the Ordinary General Assembly with the permission mentioned in clause (1) of articles 27 of the companies law for a period of one year from the date of approval by the GA or until the end of the session of the delegated Board of Directors whichever is earlier in accordance with the conditions stipulated in the executive regulations of the companies law for listed joint stock companies.
9. Voting on the business and contracts that were made between the company and Dar Al Karam restaurants, which are owned by Eng. Hazem Fayez Al-Aswad and Eng. Maher Hazem Al-Aswad and Mr. Tariq Hazem Al-Aswad and Mr. Mohammed Hazem Al-Aswad have direct interest in it, noting that the amount of the transaction for the year 2022 amounted to 185,544 riyals, which is food sales from the company in favor of Dar Al Karam restaurants, according to the prevailing commercial conditions (attached).



10. Voting on the business and contracts concluded between the company and Al-Aswad Trading and Contracting Company which are owned by Eng. Hazem Fayez Al-Aswad and Eng. Maher Hazem Al-Aswad and Mr. Tariq Hazem Al-Aswad and Mr. Mohammed Hazem Al-Aswad have a direct interest, noting that the amount of the transaction for the year 2022 amounted to SR 1,242,000 which is a contract to provide consulting, maintenance and technical support services for the company to a number of sites affiliated with the Al-Aswad Trading and Contracting Company, according to the prevailing commercial conditions (attached).
11. Voting on the business and contracts concluded between the company and Al-Aswad Trading and Contracting Company which are owned by Eng. Hazem Fayez Al-Aswad and Eng. Maher Hazem Al-Aswad and Mr. Tariq Hazem Al-Aswad and Mr. Mohammed Hazem Al-Aswad have a direct interest, noting that the amount of the transaction for the year 2022 amounted to SR 3,180,273 in favor of the company It is a contract in which the company secures workers to work in Al-Aswad Trading and Contracting Company as needed, according to the prevailing commercial conditions (attached).
12. Voting on the business and contracts concluded between the company and Al-Aswad Trading and Contracting Company, in which are owned by Eng. Hazem Fayez Al-Aswad and Eng. Maher Hazem Al-Aswad and Mr. Tariq Hazem Al-Aswad and Mr. Mohammed Hazem Al-Aswad have a direct interest, noting that the amount of the transaction for the year 2022 amounted to SR 5,350,690 which is a branch lease expense on the company for the benefit of Al-Aswad Trading and Contracting Company, according to the prevailing commercial conditions (attached).
13. Voting on the business and contracts concluded between the company and Space Travel and Tourism Agency in which are owned by Eng. Hazem Fayez Al-Aswad and Eng. Maher Hazem Al-Aswad and Mr. Tariq Hazem Al-Aswad and Mr. Mohammed Hazem Al-Aswad have a direct interest in it, noting that the amount of the transaction for the year 2022 amounted to SR 1,485,785 which is the purchase of tickets for the employees of the company from Space Travel and Tourism Agency, according to the prevailing commercial conditions (attached).
14. Voting on the business and contracts concluded between the company and Al-Aswad Trading Company, in which are owned by Eng. Hazem Fayez Al-Aswad and Eng. Maher Hazem Al-Aswad and Mr. Tariq Hazem Al-Aswad and Mr. Mohammed Hazem Al-Aswad have a direct interest, noting that the amount of the transaction for the year 2022 amounted to SR 2,676,180 which is the purchase of foodstuffs for the company from Al-Aswad Trading Company, according to the prevailing commercial conditions (attached).
15. Voting on the business and contracts concluded between the company and Al-Aswad Trading and Contracting Company, in which are owned by Eng. Hazem Fayez Al-Aswad and Eng. Maher Hazem Al-Aswad and Mr. Tariq Hazem Al-Aswad and Mr. Mohammed Hazem Al-Aswad have a direct interest, noting that the amount of the transaction for the year 2022 amounted to SR 2,062,854 which is the supply and



installation of solar energy cells for some of the company's branches through Al Aswad Trading and Contracting Company, and that is according to the prevailing commercial conditions (attached).

16. Voting on the business and contracts concluded between the company and Al-Aswad Trading and Contracting Company, in which are owned by Eng. Hazem Fayez Al-Aswad and Eng. Maher Hazem Al-Aswad and Mr. Tariq Hazem Al-Aswad and Mr. Mohammed Hazem Al-Aswad have a direct interest, noting that the amount of the transaction for the year 2022 amounted to SR 2,030,325 which is rental income for rental spaces for the company from Al-Aswad Trading and Contracting Company, according to the prevailing commercial conditions (attached).
17. Voting on the business and contracts concluded between the company and Al-Aswad Trading Company, in which are owned by Eng. Hazem Fayez Al-Aswad and Eng. Maher Hazem Al-Aswad and Mr. Tariq Hazem Al-Aswad and Mr. Mohammed Hazem Al-Aswad have a direct interest, noting that the amount of the transaction for the year 2022 amounted to SR 199,997 which is rental income for the company for spaces and gondolas for displaying the goods of Al-Aswad Trading Company, on commercial conditions Prevailing (attached).
18. Voting on the business and contracts concluded between the company and Al-Aswad Trading Company, in which are owned by Eng. Hazem Fayez Al-Aswad and Eng. Maher Hazem Al-Aswad and Mr. Tariq Hazem Al-Aswad and Mr. Mohammed Hazem Al-Aswad have a direct interest, noting that the amount of the transaction for the year 2022 amounted to SR 39, which is sales from the company in favor of Al-Aswad Trading Company, according to the prevailing commercial conditions (attached).
19. Voting on the business and contracts concluded between the company and Pure Springs Agencies and Trading Company Limited. (Subsidiary Company) in which the Chairman of the Board of Directors Hazem Fayez Al-Aswad has a direct interest, noting that the amount of the transaction for the year 2022 amounted to SR 429,956 which is rental income in favor of the company for areas of its exhibitions with the Pure Springs Agencies and Trading Company Limited, under the prevailing commercial conditions (attached).
20. Voting on the business and contracts concluded between the company and Pure Springs Agencies and Trading Company Limited ,(Subsidiary Company) in which the Chairman of the Board of Directors Eng. Hazem Fayez Al-Aswad has a direct interest, noting that the amount of the transaction for the year 2022 amounted to SR 650,170 which is sales of foodstuffs from the company for the benefit of Pure Springs Agencies and Trading Company Limited,(Subsidiary Company) with the prevailing commercial conditions (attached).
21. Voting on the business and contracts concluded between the company and Pure Springs Agencies and Trading Company Limited, (a subsidiary company) in which the Chairman of the Board of Directors Eng. Hazem Fayez Al-Aswad has a direct interest, noting that the amount of the transaction for the year 2022 amounted to SR 1,467,004 which is the purchase of foodstuffs for the company from Pure Springs Agencies and



Trading Company Limited, (Subsidiary Company) with the prevailing commercial conditions (attached).

22. Voting on amending the company's bylaws according to the new companies' bylaws (attached).

Saudi Marketing Company (Farm Superstores)

Audit Committee Report for the fiscal year ended 31 December, 2022

Respected Shareholders

The Audit Committee is responsible for monitoring the company's business and verifying the integrity of the reports, financial statements and internal control systems therein, and the committee's tasks in particular include the following: Reviewing the initial annual financial statements of the company before submitting it to the Board of Directors and expressing its opinion and recommendations regarding it to ensure its integrity and fairness, and verifying the internal control systems for the company, evaluating the internal control system and its effectiveness, and verifying the extent of the company's compliance with the applicable laws, regulations and instructions, and all its members with experience and competence in financial and administrative affairs, namely:

Abdul Qadir Khalil Abdul Qadir Al-Nimri

Chairman of the Committee

Said Ali Ali Safdar

Committee member

Turki Galawi Saeed AlGhamdi

Committee member

During the year ended 2022, the committee attended four meetings, and a summary of its work carried out by the committee during the year ended 2022, where it studied the initial annual financial statements of the company before submitting it to the Board of Directors and expressing its opinion and recommendation regarding it to ensure its integrity, fairness and transparency.

First: External audit and financial reporting.

- The committee reviewed the results of the company's operations and its financial position as it appeared in the initial annual financial statements and reports and took into account the observations and inquiries of the auditor and what was done in accordance with the International Financial Reporting Standards (IFRS). The committee approved the data and reports and raised its recommendations to the Board of Directors.
- The committee studied the accounting policies and submitted its recommendations to the board of directors.
- The committee verified the accounting estimates in the material issues mentioned in the financial reports.

Second: Internal audit:

- The committee verified that the internal control system is in line with the company's corporate governance regulation and control systems to protect the company's assets and property, as well as ensuring the independence of the internal auditor and the availability and adequacy of the resources and capabilities necessary to fully carry out his duties.
- The committee provided a technical opinion on the board of directors' report and found that the annual board report and the company's financial statements for the fiscal year ended 31 December, 2022 are fair and balanced and include information that allows shareholders and investors to evaluate the company's financial position, performance, business model and strategy.
- The committee studied the internal audit reports and made proposals regarding developing the internal control system and raising awareness of the importance of the role of internal control and improving it.
- The committee studied the accounting policies used in the company and gave an opinion on them.

Third: The committee's opinion on the adequacy of the internal control systems

The committee expressed its opinion on the adequacy of the internal control system in Saudi Marketing Company (Farm Superstores) through its supervisory role on the company's internal audit department by verifying that the internal control systems are applied effectively based on an evaluation of workflow procedures and an informed assessment of the risks facing the company as well as verifying the independence and the objectivity of the external auditors during review of the company's accounts, and where the audit committee did not show any matters of material impact during the year ended 2021 in the internal control system of Saudi Marketing Company (Farm Superstores), it is necessary to disclose it with regard to the company's application of financial systems and the extent of compliance with the rules of corporate governance.

On behalf of the Audit Committee

Abdul Qadir Khalil Abdul Qadir Al-Nimri

Chairman of the Committee



Report by the Board of Directors of Saudi Marketing Company (Farm Superstores)

Dated: 09/04/2023

To the General Assembly

Saudi Marketing Company (Farm Superstores)

Dammam, Saudi Arabia

A statement of the business and contracts of the members of the board of directors having direct or indirect personal interest in it, including the transactions that took place with the shareholders of the company represented by the member of the board of directors in the board or with the companies owned by the members of the board of directors during the year ending on December 31, 2022 and their reviewal for the next year. This statement is prepared to comply with the provisions of Article No. (71) of the Companies Law in the Kingdom of Saudi Arabia and Article No. (21) of the Corporate Governance Regulations issued by the Capital Market Authority.

1. Below is a list of the transactions with Board of Directors related to sales, purchases, leasing agreements and other transactions that the company undertook during the year ending December 31, 2022:

A) Sales made by the company to the following related companies:

The Company's Name	Relationship	The Amount (In Saudi Riyals)
Dar Al Karam Restaurants	Affiliated to the Chairman of the Board of Directors and Executive Members	185,544
Al-Aswad Trading Company	Affiliated to the Chairman of the Board of Directors and Executive Members	39,911
Pure Springs Agencies and Trade Company Limited	The Chairman of the Board of Directors owns 10%	650,170

B) Revenues from maintenance and technical support contract for a number of Al-Aswad Trading and Contracting Company:

The Lessor's Name	Relationship	The Amount (In Saudi Riyals)	The contract period
Al-Aswad Trading and Contracting Company	Affiliated to the Chairman of the Board of Directors and Executive Members	1,242,000	One year for maintenance

Al-Aswad Trading and Contracting Company	Affiliated to the Chairman of the Board of Directors and Executive Members	الشركة السعودية للشركة Saudi Marketing Company (Farm Superstore) 3,180,273	One year for technical support
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C) The rental expense incurred by the company which was charged by the following companies:

The Lessor's Name	Relationship	The Amount (In Saudi Riyals)	The contract period
Al-Aswad Trading and Contracting Company	Affiliated to the Chairman of the Board of Directors and Executive Members	5,350,690	One year

D) The company purchased from the following companies:

The Company's Name	Relationship	The Amount (In Saudi Riyals)
Space Travel and Tourism Agency	Affiliated to the Chairman of the Board of Directors and Executive Members	1,485,785
Al-Aswad Trading Company	Affiliated to the Chairman of the Board of Directors and Executive Members	2,676,180
Pure Springs Agencies and Trade Company Limited	The Chairman of the Board of Directors owns 10%	1,467,004
Al-Aswad Trading and Contracting Company	Affiliated to the Chairman of the Board of Directors and Executive Members	2,062,854

E) The revenues of gondolas and rent the company acquired from renting spaces from its exhibitions to the following companies:

The Lessor's Name	Relationship	The Amount (In Saudi Riyals)	Date of Contract	The contract period
Al-Aswad Trading and Contracting Company	Affiliated to the Chairman of the Board of Directors and Executive Members	2,030,325	1/3/2015	12 months
Al-Aswad Trading Company.	Affiliated to the Chairman of the Board of Directors and Executive Members	199,997	1/1/2015	12 months
Pure Springs Agencies and Trade Company Limited	The Chairman of the Board of Directors owns 10%	429,956	1/1/2011	12 months

F) Remuneration and Payments to Senior Executives:

The company also had the following transactions related to the total amounts paid to four senior executives, including the CEO and the Chief Financial Officer, during the year ended (December 31, 2022), in addition to the remuneration of the members of the Board of Directors:

Type of transaction	The Amount (In Saudi Riyals)
Salaries and other benefits for four senior executives	4,091,771
Remuneration for executive board members	450,000

- We assure to the respected shareholders that all the transactions described in this notification were recorded in the consolidated financial statements of the company for the year ended December 31, 2022, and only material information was disclosed in those consolidated financial statements for the year ended December 31, 2022, in accordance with the requirements of International Financial Reporting Standards applicable in the Kingdom of Saudi Arabia and other standards and publications approved by the Saudi Organization for Chartered and Professional Accountants.
- We assure the respected shareholders of the correctness of the transactions described in this report.

Note:

The executive members of the company whom transactions were made are: Mr. Maher Hazem Al-Aswad, Mr. Tareq Hazem Al-Aswad and Mr. Mohammed Hazem Al-Aswad.

Hazem Fayez Khaled Al-Aswad

Chairman

Maher Hazem Al-Aswad

Board of Directors

Mohammad Hazem Al-Aswad

Board of Directors

Ayham Muhammad Al-Youssef

Board of Directors

Tareq Hazem Al-Aswad

Board of Directors

Abdul Qadir Khalil Al Nimri

Board of Directors

Talal Hazem Al-Ghalib

Board of Directors

LIMITED ASSURANCE REPORT

To,
The shareholders
Saudi Marketing Company (Farm Superstores)
Dammam, Kingdom of Saudi Arabia

Introduction

We have been engaged with Saudi Marketing Company (Farm Superstores) (“the Company”) to carry out limited assurance procedures on the report submitted by the Board of Directors of the Company regarding the direct and indirect interest of the Board members in the business and contracts that are made for the Company.

Scope

Carrying out limited assurance procedures on the report submitted by the Board of Directors on 09 April 2023 (“the Report”) that will be presented to the shareholders of the Company in the upcoming Ordinary General Assembly meeting in which the direct and indirect interest of the members of the Board of Directors and contracts that are made for the Company will be reported.

Responsibility of the Company’s management

The management of the Company is responsible for preparing the Report in accordance with the provisions of Article No. (71) of the Companies Law in the Kingdom of Saudi Arabia and Article (21) of the Corporate Governance Regulations issued by the Capital Market Authority and submitting it to us with all the information and clarifications we have requested.

Professional Ethics and Quality Management

We have complied with the ethical and independence requirements in accordance with the Professional Code of Conduct and Ethics endorsed in the Kingdom of Saudi Arabia that are relevant to our engagement and we have fulfilled our other ethical responsibilities in accordance with its requirements.

Our firm applies International Standard on Quality Management 1 (ISQM 1), “Quality Management for Firms that Perform Audits or reviews of Financial Statements, or Other Assurance or Related Services Engagements” which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our responsibility

Our responsibility is to provide limited assurance on the Report to form an independent conclusion based on our limited assurance procedures performed.

We conducted our engagement in accordance with the International Standard on Audit Engagements 3000 (“Assurance engagements other than audits or reviews of historical financial information”) as endorsed in the Kingdom of Saudi Arabia.

Our responsibility (Continued)

Our procedures were designed to obtain a limited level of assurance to form a conclusion and as such does not provide all the evidence that would be required to give a reasonable level of assurance.

Our report is only for the purpose stated above and for your information, and is not for use for any other purpose or for distribution to any other parties. This report relates only to the items specified above, and does not extend to the financial statements of the Company in its entirety.

Summary of the procedures performed

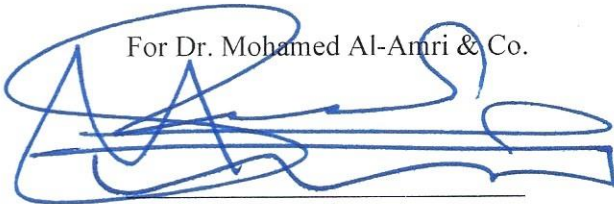
Our procedures performed are summarized as follows:

- 1) Obtained the Board of Director's statement of the transactions with the related parties dated 09 April 2023 from the management.
- 2) Compared the transactions with related parties shown in the attached Report with the general ledger of the Company for the year ended December 31, 2022.
- 3) On sample basis, checked the transactions with the related parties with the supporting documents.
- 4) Obtained confirmations of related parties balances as of December 31, 2022.
- 5) Assessed whether the transactions with related parties are adequately disclosed in the financial statements of the Company for the year ended December 31, 2022.

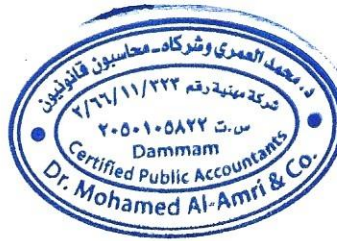
Conclusion

Based on the limited assurance procedures performed and evidence obtained, nothing material has come to our attention that causes us to believe that the information contained in the attached report is incorrect.

For Dr. Mohamed Al-Amri & Co.



Maher Al-Khatieb
Certified Public Accountant
Registration No. 514



Dammam, on 20 Ramadan 1444 (H)

Corresponding to: 11 April 2023 G

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of
Saudi Marketing Company (Farm Superstores)
(A Saudi Joint Stock Company)

Opinion

We have audited the consolidated financial statements of Saudi Marketing Company (Farm Superstores) (the "Company") and its subsidiary (collectively referred to as "the Group") which comprise the consolidated statement of financial position as at December 31, 2022 and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2022, its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRS") endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by the Saudi Organization for Chartered and Professional Accountants ("SOCPA").

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) endorsed in the Kingdom of Saudi Arabia. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the professional code of conduct and ethics endorsed in the Kingdom of Saudi Arabia that are relevant to our audit of the consolidated financial statements and we have fulfilled our ethical responsibilities in accordance with its requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2022. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

**Independent Auditors' Report to the shareholders of Saudi Marketing Company (Farm Superstores)
(A Saudi Joint Stock Company)**

Revenue recognition	
Refer to note 4 for the accounting policy and note 23 for related disclosures.	
Key audit matter	How the matter was addressed in our audit
<p>During the year ended December 31, 2022, the Group has recognized total revenue amounted to SR 1,798.7 million.</p> <p>The Group's sales are recognized on a point-in-time in accordance with the requirements of IFRS 15 "revenue from contracts with customers" with no major judgements or estimates involved.</p> <p>We considered this as a key audit matter as the Group focused on revenue as a key performance measure and the existence of inherent risk associated with possible overstatement of revenue to achieve better results.</p>	<p>Our audit procedures on revenue recognition of the Group included the following:</p> <ul style="list-style-type: none"> - Assessed the appropriateness of Group's revenue recognition policy and its compliance in terms of relevant accounting standards; - Involved our IT specialists in testing the design, implementation and operating effectiveness of the Group's relevant controls including automated controls around recognition of revenue; - On sample basis, performed tests on daily sales reconciliations prepared by the management at branch level and agreed with the sales records; - On a sample basis, tested daily cash deposits back to the daily sales report. - Assessed a sample of sales transactions pre- and post-year end and evaluated whether revenue has been recognized in the correct accounting period; - Assessed the adequacy of the disclosure made in the consolidated financial statements as per the applicable accounting standard.

**Independent Auditors' Report to the shareholders of Saudi Marketing Company (Farm Superstores)
(A Saudi Joint Stock Company)**

Valuation of inventories	
Refer to note 4 for the accounting policy and note 11 for related disclosures	
Key audit matter	How the matter was addressed in our audit
<p>Inventories as at December 31, 2022 amounted to SR 929.1 million.</p> <p>Inventories are stated at lower of cost or net realisable value. At each reporting date, management reviews the valuation of inventories and writes down the cost of inventories that are forecasted to be sold below cost.</p> <p>We considered this as a key audit matter due to the significant judgments and key assumptions applied by the management in determining the allowance for slow moving inventories and the level of inventories write down required based on the net realizable value assessment.</p>	<p>Our audit procedures on valuation of inventories included the following:</p> <ul style="list-style-type: none"> - Assessed the appropriateness of the Group's accounting policies for recognition and measurement of inventories in line with the requirements of relevant accounting standard; - Assessed the design and implementation and operating effectiveness of the Group's relevant controls including automated controls around recognition and measurement of inventories; - Observed periodical physical count of inventories on selected locations to identify expired, lost or slow-moving items; - Tested the net realisable value of finished goods inventories on sample basis by comparing their costs to their net realizable value; - Assessed the accuracy and completeness of the inventory aging provided by the management and evaluated the adequacy of allowance for obsolete / slow-moving inventories; - Assessed the adequacy of the disclosures in the Group's consolidated financial statements as per the applicable accounting standard.

***Independent Auditors' Report to the shareholders of Saudi Marketing Company (Farm Superstores)
(A Saudi Joint Stock Company)***

Other information

Management is responsible for the other information. The other information comprises the information included in the Annual Report of the Group (but does not include the consolidated financial statements and our auditor's report thereon), which is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Annual Report of the Group, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of management and Those Charged with Governance ("TCWG") for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by SOCPA and Regulations for Companies and the Company's By-laws and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Those Charged with Governance, i.e., the Board of Directors, are responsible for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

**Independent Auditors' Report to the shareholders of Saudi Marketing Company (Farm Superstores)
(A Saudi Joint Stock Company)**

Auditor's responsibilities for the audit of the consolidated financial statements (continued)

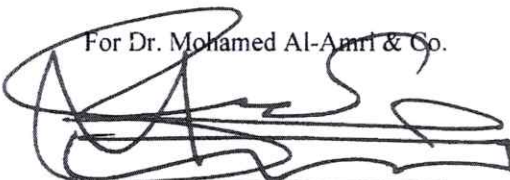
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group's audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

For Dr. Mohamed Al-Amri & Co.



Maher Al-Khatieb
Certified Public Accountant
Registration No. 514

Dammam, on 12 Ramadan 1444 (H)
Corresponding to: 3 April 2023 G



Recommendation of the Audit Committee to the General Assembly regarding the appointment of the external auditor for the for the year 2023

That on Monday 19/09/1444 corresponding to 10/04/2023, the audit committee of Saudi Marketing Company (Farm Superstores) recommended to the General Assembly, and after it reviewed the offers submitted by the offices of the following external auditors, their names:

- Dr. Muhammad Al-Omari and Partners Company - Certified Public Accountants with fees of 570,000 riyals.
- Ibrahim Ahmed Al-Bassam and his partners, chartered accountants (Al-Bassam and his partners), with fees of 538,000 riyals.

After reviewing the above offers, the audit committee recommended to the General Assembly and the Board of Directors to vote on the nomination of any of the above companies among the candidates as they are from the audit firms and have the necessary experience and professionalism. Their financial reports and advice are respected in the local and international market, and the requirements of the application of standards have been taken into consideration by the committee. International accounting in order to examine, review and audit the financial statements for the second, third and annual quarters of the fiscal year 2023 and the first quarter of the year 2024.

Committee members

Abdul Qadir Khalil Abdul Qadir Al-Nimri

Committee Chairman



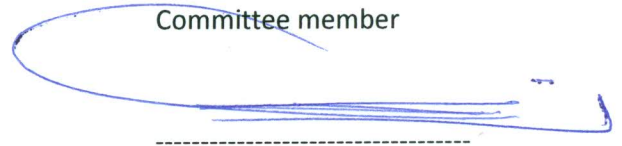
Said Ali Ali Safdar

Committee member



Turki Galawi Saeed AlGhamdi

Committee member



النظام الأساس قبل التعديل

Bylaws Before Amendment

IN THE NAME OF ALLAH, THE MOST COMPASSIONATE, THE EVER-MERCIFUL

BYE LAWS

SAUDI MARKETING COMPANY

(FARM SUPERSTORES)

(Chapter 1)

Incorporation of the company

Article (1): Incorporation:

A Saudi joint stock company shall be incorporated in accordance with the provisions of the Companies Law and its Bylaws, as follows:

Article (2): Company name:

Saudi Marketing Company (Farm Superstores)

Article (3): The objectives of the company:

The objectives of the company are defined as follows:

1. Wholesale and retail trade in foodstuffs, household utensils, luxuries, toiletry tools, toys, clothes, fabrics, furnishings, home furniture, electrical equipment, commercial agencies, import and trade in office tools, stationery, electrical and mechanical tools, their spare parts and equipment, all kinds of detergents, fertilizers, ornamental plants, flowers and their accessories, building and decoration materials and their accessories.
2. General contracting for buildings (repair - construction - demolition - restoration).
3. Electrical and mechanical works contracting
4. Water and sewage work contracting and maintenance.
5. Management, operation and ownership of bakeries.
6. Management and operation of restaurants.
7. Management, operation and ownership of rest houses.
8. Providing cooked and uncooked catering services.
9. Contracting for maintenance work and operation of wired, electronic, electrical and telephone networks.
10. Wholesale and retail trade in food crops (vegetables - fruits - legumes).
11. Commercial agencies.
12. Establishing, operating and managing commercial and residential complexes.
13. Leisure and entertainment services (establishment, maintenance and operation of cities and recreational centers).

14. Providing marketing services for third parties.
15. Selling, buying and exploiting land and real estate for the benefit of the company.
16. Agriculture and fishing.
17. Mines and petroleum and its branches.
18. Manufacturing industries and their branches according to industrial licenses.
19. Electricity, gas, water and its branches.
20. Construction and building.
21. Transportation, storage and refrigeration.
22. Financial, business and other services.
23. Social, group and personal services.
24. Trade.
25. Information technology.
26. Security and safety.
27. Animal food and feed stores.
28. Agents selling cosmetics.
29. Wholesale and retail trade and repair of motor vehicles and motorcycles.

The company shall not conduct its activities except after obtaining the necessary licenses from the competent authorities.

Article (4): Participation and ownership in companies:

The company may establish companies on its own (with limited liability or closed joint stock, provided that the capital is not less than five million Saudi riyals). This is after fulfilling the requirements of the regulations and instructions followed in this regard. The company may also dispose of these shares or shares, provided that this does not include brokerage in their trading.

Article (5): The head office of the company:

The head office is located in the city of Dammam, and the Board of Directors may establish branches, offices or agencies for it inside or outside the Kingdom of Saudi Arabia, and it may also appoint correspondents in any entity inside or outside the Kingdom as required by the company's activity or is beneficial to it, taking into account the laws and regulations in force in the Kingdom in this regard, if any.

Article (6): Duration of the company:

The term of the company is (99) ninety-nine Hijri years starting from the date of its registration in the Commercial Register, and the term of the company may always be extended by a decision issued by the extraordinary general assembly at least one year before the expiry of its term.

(Chapter Two)

Capital and Shares

Article (7): Capital:

The company's capital is set at (450,000,000) four hundred and fifty million Saudi riyals, divided into (45,000,000) forty-five million nominal shares of equal value. The nominal value of each share is ten (10) ten Saudi riyals, all of which are ordinary cash shares.

Article (8): Subscription to the Shares:

Shareholders have subscribed to all of the company's (45,000,000) forty-five million shares, the value of which is (450,000,000) riyals four hundred and fifty million riyals.

The shareholders decide that the shares have been distributed among them and their value has been fully paid, as the entire capital of the company has already been paid.

Article (9): Preferred Shares:

The Extraordinary General Assembly of the company may, according to the principles set by the competent authority, issue preferred shares or decide to purchase them or convert ordinary shares into preference or convert preferred shares into ordinary ones. Preferred shares do not give the right to vote in general assemblies of shareholders. Obtaining a percentage greater than the ordinary stock holders of the company's net profits after setting aside the statutory reserve.

Article (10): Bonds or Sukuk:

The company may issue any type of negotiable debt instruments such as bonds or sukuk, whether in one part or several parts, or through a series of issues or under one or more programs established by the company from time to time, whether for public subscription or otherwise, inside or outside the Kingdom of Saudi Arabia, and all of that in the times, amounts and conditions approved by the company's board of directors, and it has the right to take all necessary measures for its issuance.

Article (11): Selling the Unsatisfied Shares:

The shareholder is obligated to pay the value of the share on the dates specified for this. If he fails to pay on the due date, the board of directors may, after being notified by a registered letter at his address recorded in the shareholder register, sell the share in the public auction or the stock market, as the case may be, in accordance with the regulations set by the competent authority.

The company shall collect the amounts due to it from the sale proceeds and return the remainder to the shareholder. If the sale proceeds are not sufficient to meet these amounts, the company may collect the remainder from all the shareholder's money.

Nevertheless, the shareholder who defaulted on payment until the day of the sale may pay the value due from him in addition to the expenses incurred by the company in this regard.

The company cancels the sold share in accordance with the provisions of this article and gives the buyer a new share bearing the number of the canceled share and indicates in the shares register that the sale took place in the name of the new owner.

Article (12): Issuance of Shares:

Shares are nominal and may not be issued for less than their nominal value, but may be issued for a higher value than this value.

The share is indivisible in the face of the company. If the share is owned by multiple persons, they must choose one of them to represent them in the use of the rights related to the share, and these persons are jointly responsible for the obligations arising from the ownership of the share.

Article (13): Trading in Shares:

The shares subscribed by the founders may not be traded except after publishing the financial statements for two fiscal years, each of which is not less than twelve months from the date of the company's incorporation. The bonds of these shares shall be marked with an indication of their type, date of incorporation of the company, and the period during which trading is prohibited.

However, during the prohibition period, the ownership of shares may be transferred in accordance with the provisions of the sale of rights from one of the founders to another founder or from the heirs of one of the founders in the event of his death to third parties or in the event of execution on the funds of the insolvent or bankrupt founder, provided that the priority of owning the shares is given to the other founders.

The provisions of this article shall apply to what the founders subscribe to in the event of an increase in the capital before the expiry of the prohibition period.

Article (14): Shareholders Register:

The company's shares are traded in accordance with the provisions of the Capital Market Law

Article (15): Capital Increase:

1- The Extraordinary General Assembly may decide to increase the company's capital, provided that the capital has been paid in full and 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 did not expire after the prescribed period for converting it into shares.

2- The Extraordinary General Assembly may, in all cases, allocate the shares issued upon the capital increase, or part thereof, to the employees of the company and the subsidiaries or some of them or any of that. The shareholders may not exercise the right of priority when the company issues the shares allocated to the employees.

3- The shareholder who owns the share at the time of the issuance of the extraordinary general assembly's decision approving the capital increase has priority in subscribing to the new shares

issued in exchange for cash shares, and these persons shall be informed of their priority by publication in a daily newspaper or by informing them by registered mail of the decision to increase the capital, the terms of subscription, its duration and the date of its beginning and end.

4- The Extraordinary General Assembly has the right to suspend the priority right of the shareholders to subscribe to the capital increase in exchange for cash shares or to give priority to non-shareholders in the cases it deems appropriate for the interest of the company.

5- The shareholder has the right to sell or waive the priority right during the period from the time of the issuance of the General Assembly's decision approving the capital increase until the last day of subscribing to the new shares associated with these rights in accordance with the regulations set by the competent authority.

6. Taking into account what was mentioned in Paragraph (4) above, the new shares shall be distributed to the priority rights holders who requested subscription in proportion to the pre-emptive rights they own out of the total pre-emptive rights resulting from the capital increase, provided that what they obtain does not exceed what they have requested shares of the new shares, and the remainder of the new shares is distributed among pre-emptive rights holders who have requested more than their share in proportion to their pre-emptive out of the total pre-emptive rights resulting from the capital increase, provided that what they obtain does not exceed what they have requested from the new shares, and the remaining shares are offered to the third extraordinary parties, unless the general assembly approves or the financial market system stipulates other than that .

7- The General Assembly may decide to increase the capital by issuing new shares in exchange for cash or in-kind shares.

Article (16): Reducing the capital:

The Extraordinary General Assembly may decide to reduce the capital if it exceeds the company's need or if it suffers losses. In the latter case alone, the capital may be reduced below the limit stipulated in Article (54) of the Bylaw

Companies, and the reduction decision is not issued until after reading a special report prepared by the auditor on the reasons for it, the obligations of the company, and the effect of the reduction on these obligations.

If the reduction of the capital is a result of its excess over the company's need, the creditors must be invited to express their objections to it within sixty days from the date of publishing the reduction decision in a daily newspaper distributed in the area in which the head office of the company is located. The company must pay him his debt if it is current or provide him with a sufficient guarantee to pay it if it is deferred.

(Chapter Three)

The Company Board of Directors

Article (17): Company Management:

The management of the company is assumed by a board of directors consisting of (7) seven members elected by the ordinary general assembly of shareholders for a period not exceeding (3) three years. This is within the limits of his ownership percentage in the capital, and members of the Board of Directors may be re-elected.

Article (18): Termination of Board Membership:

The membership of the Board shall terminate upon the expiry of its term or upon the expiry of the member's eligibility for it in accordance with any system or instructions in force in the Kingdom. However, the Ordinary General Assembly may at any time dismiss all or some of the Board members, without prejudice to the dismissed member's right towards the company to claim compensation if the dismissal occurred for an unacceptable reason. or at the wrong time. A member of the board of directors may retire, provided that it is at an appropriate time, otherwise he will be liable to the company for the damages that result from his retirement.

Article (19): Vacant position in the Council:

If the position of a member of the board of directors becomes vacant, the board may appoint a temporary member in the vacant position, according to the order of obtaining votes in the assembly that elected the board, provided that he is among those who have experience and competence. The ministry and the Capital Market Authority must be informed of this within (5) five working days from the date of appointment. 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 due to the lack of its members from the minimum stipulated in the Companies Law or this bylaw, the rest of the members must invite the Ordinary General Assembly to convene within (60) sixty days to elect the necessary number of members.

Article (20): Powers of the Council:

20-1 Subject to the competences prescribed for the General Assembly, the Board of Directors shall have the widest powers and authorities in managing the company, supervising its business and managing its affairs inside and outside the Kingdom. The Board of Directors may, for example, but not be limited to:

20-1-1 Develop an internal bylaw for his work.

20-1-2 The Chairman of the Board of Directors represents the company before the courts, arbitration bodies and others. The chairman of the council may, by a written decision, delegate some of his powers to other members of the council or to third parties in carrying out specific work or business.

20-1-3 The vice chairman of the board of directors replaces the chairman of the board of directors in his absence.

20-1-4 Opening, operating and closing bank accounts, opening documentary credits, receiving checks, issuing checks, signing receipts, clearing, discharge, declarations, bills of exchange, promissory notes, checks, all commercial papers, stock derivatives operations agreements and their attachments, and the Board of Directors may contract loans.

With government financing funds and institutions, obtaining all types of banking facilities and transactions in the name of the company and signing on its behalf all contracts of financial loans and bank facilities and the necessary documents for that.

Issuing bank guarantees of all kinds, taking into account the following conditions for contracting loans whose terms exceed three (3) years:

- a. The value of the loans that the board may contract during the company's financial year shall not exceed (75%) of the total shareholders' equity.
- b. That the board of directors specify in its decision the aspects of using the loan and how to repay it.
- c. To take into account in the terms of the loan and the guarantees provided, not to harm the company, its shareholders, and the general guarantees of the creditors.

20-1-5 Selling, buying and mortgaging the company's real estate and assets, including the company's store and its head office, provided that the following are mentioned in the minutes of the Board of Directors' meetings and decisions related to the disposal of these real estate:

- a. Reasons and justifications for selling.
- b. The selling price must be in line with the market price.
- c. The price should be payable immediately, except in cases of necessity, and the guarantees are sufficient.
- d. That these acts do not result in the suspension of the company's activities or the obligation of any other responsibility on the part of the company

20-1-6 Release the company's debtors from their obligations and debts, provided that the minutes of the Board of Directors and the rationale for its decision include observance of the following conditions:

- a. The release must be at least one full year after the debt was created.
- b. The release shall be for a specified amount as a maximum per year for one debtor.
- c. Discharge is a right of the council, which may not be delegated.

20-1-7 Providing financial support to any of the companies in which the company participates, as well as subsidiaries or sister companies, and guaranteeing credit facilities obtained by any of the companies in which the company participates, as well as subsidiaries or sister companies.

20-1-8 Approval of the company's internal, financial, administrative and technical bylaws and the policies and regulations for its employees.

20-1-9 Appointing those responsible for the management of the company with expertise and competence as deemed by the Board, and determining their duties and remunerations.

20-1-10 Delegating the executive management the authority to sign on behalf of the company within the limits of the rules set by the board of directors, appointing and dismissing employees and workers, requesting visas, recruiting manpower from outside the Kingdom, contracting with them, determining their salaries, issuing residency permits, transferring and waiving guarantees.

20-1-11 Forming some committees and entrusting them with whatever powers the council deems appropriate.

0-1-12 Approving the establishment of subsidiaries, branches, offices and agencies for the company, subscriptions and shares in any of the companies, signing its articles of incorporation, amendments and appendices, selling, buying and mortgaging all or part of the shares, shares, property rights and interests in any of the affiliated companies.

20-1-13 Approval of the company's work plan and its annual capital budget and operational plans.

20-1-14 To authorize or delegate on his behalf, within the limits of his powers, one or more of his members or third parties to carry out certain work or actions and cancel this authorization or power of attorney, in part or in whole.

Article (21) Remuneration of Board Members:

The remuneration of the Board of Directors consists of remunerations, attendance allowances, and financial or in-kind benefits, provided that they do not exceed the amount of (500,000) five hundred thousand riyals and within the limits of what is stipulated in the Companies Law and its regulations. The fiscal year includes bonuses, expense allowances and other benefits, and it should also include a statement of what the members of the council received in their capacity as workers or administrators, or what they received in return for technical or administrative work or consultancy, and it should also include a statement of the number of council sessions and the number of sessions attended by each member from the date of the last meeting of the General Assembly.

Article (22) Powers of the Chairman, Vice-Chairman, Managing Director and Secretary:

The board of directors appoints from its members a chairman and a vice-chairman, and he may appoint a managing member. It is not permissible to combine the position of the chairman of the board of directors with any other executive position in the company, and the vice-chairman of the board of directors replaces the chairman of the board of directors in his absence.

The Chairman shall have the power to invite the Board of Directors to meet and chair the Board's meetings. The Chairman of the Board of Directors shall represent the company before the courts, arbitration bodies, others, notaries, dispute settlement committees of all kinds, arbitration

bodies, civil rights, and police departments. Accepting and objecting to the provisions on behalf of the company, signing on behalf of the company, signing all types of contracts, documents and documents, including the articles of incorporation of the companies in which the company participates with all their amendments, appendices, decisions to amend and emptying and accepting the sale and purchase of shares, and signing decisions Partners and amendment appendices to buy, sell, empty and waive stakes in other companies, represent the company in attendance, sign, vote, accept positions and tasks in ordinary and extraordinary general assemblies of public or closed shareholding companies in which the company contributes, have the right to buy, sell, empty and waive shares in them, and sign contracts for real estate sales or Purchase and loan agreements with government financing funds and institutions, banks, banks, financial houses, guarantees, guarantees and mortgages, redeeming them, collecting the company's rights and paying its obligations, Selling, buying, emptying and accepting, guarantees, guarantees, mortgages, dissolving them, collecting the company's rights and paying its obligations, selling, buying, emptying and accepting it, receiving, delivering, renting, leasing, receiving and paying, entering into tenders, opening accounts, credits, withdrawals, depositing with banks, issuing bonds, checks, all commercial papers, requesting visas, and recruiting employees and workers from abroad. Residence permits, work permits, transfer and waiver of guarantees, and the Chairman of the Board of Directors may delegate and delegate to others, within the limits of his competence, the powers or to take a specific action or behavior, or to perform specific work or actions. And he has the right to revoke the authorization or power of attorney partially or completely, sign with the Companies Department at the Ministry of Commerce and Investment and the notary, make amendments, changes, additions, deletions, extracting and renewing commercial records, receiving and writing them off, and changing the names of companies.

With the exception of the power to call for meetings of the Board of Directors and to represent before banks and financial institutions, the Vice Chairman of the Board of Directors and the Managing Director (if appointed) enjoy the same powers granted to the Chairman of the Board of Directors, including the right to delegate the powers granted to them in addition to other powers determined by the Board of Directors.

The board of directors appoints a secretary to be chosen by it from its members or from others and who determines his remuneration. He is responsible for recording the minutes of the board of directors' meetings, recording and keeping the decisions issued by these meetings, in addition to exercising other powers assigned to him by the board of directors. The membership of each of them in the Council, and they may be re-elected, and the Council at any time may dismiss them or any of them without prejudice to the right of the dismissed person to be compensated if the dismissal occurred for an unlawful reason or at an inappropriate time.

Article (23): Council meetings:

The Board of Directors meet at least twice a year at the invitation of its chairman. The invitation is in writing and may be delivered by hand or sent by mail or fax. The Chairman of the Board must call for a meeting whenever requested by two of the members.

Article (24) Board meeting quorum:

The meeting of the Board is not valid unless it is attended by (4) four members. A member of the Board of Directors may delegate other members to attend the Board's meetings on his behalf in accordance with the following rules:

- a. A member of the Board of Directors may not represent more than one member in attending the same meeting.
- b. The delegation must be established in writing and in connection with a specific meeting.
- c. A representative may not vote on decisions that the system prohibits the representative from voting on.

The decisions of the Council are issued by a majority of the opinions of the members present or represented, and when the opinions are equal, the side with which the council chairman voted or whoever heads the council in his absence shall prevail.

The Board of Directors may issue resolutions by passing by presenting them to all members separately, unless one of the members requests in writing the meeting of the Board for deliberation, and these decisions are presented to the Board of Directors at its first following meeting.

Article (25): Conflicts of Interest:

It is not permissible for a member of the Board of Directors to have any direct or indirect interest in the business and contracts that are done for the company's account except with approval from the Ordinary General Assembly, to be renewed every year, with the exception of the works that take place through public tenders if the member of the Board has the best offer, and the member of the Board of Directors must to inform the Board of his personal interest, direct or indirect, in the business and contracts that are done for the company's account, and this notification is recorded in the minutes of the Board meeting. The interested member may not participate in voting on the decision issued in this regard.

Article (26): Council Deliberations:

The deliberations and decisions of the Board shall be recorded in minutes signed by the Chairman of the Board, the members of the Board of Directors present and the Secretary. These minutes shall be recorded in a special register signed by the Chairman and the Secretary.

(Chapter Four)

Shareholders' Assemblies

Article (27): Attending Assemblies:

Each subscriber, regardless of the number of his shares, has the right to attend the constituent assembly, and each shareholder has the right to attend the general assembly of shareholders, and for this he may delegate another person other than the members of the board of directors or the company's employees to attend the general assembly.

Article (28): The Constituent Assembly:

The founders invite all subscribers to hold a constituent assembly within 45 days from the date of closing the door for subscription in shares. For the meeting to be valid, the presence of a number of subscribers representing at least half of the capital is required. The invitation to the first meeting includes this. In all cases, the second meeting shall be valid regardless of the number of subscribers represented therein, and each subscriber at its meetings shall have a vote for each share subscribed to or represented.

Article (29) Functions of the Constituent Assembly:

The constituent assembly is concerned with the matters mentioned in Article 63 (sixty-three) of the Companies Law.

Article (30): The competence of the Ordinary General Assembly:

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

Article (31): Competence of the Extraordinary General Assembly:

The Extraordinary General Assembly is concerned with amending the company's articles of association, with the exception of the provisions prohibited by law from amending them. In addition, the Extraordinary General Assembly may issue resolutions in matters within the competence of the Ordinary General Assembly, under the same terms and conditions prescribed for the Ordinary General Assembly.

Article (32): Invitation to Associations:

General or special assemblies of shareholders are convened at the invitation of the board of directors, and the board of directors must invite the ordinary general assembly if requested by the auditor or the audit committee or a number of shareholders representing (5%) of the capital at least. The Board shall invite the General Assembly within 30 days from the date of the auditor's request, and the invitation to convene the General Assembly shall be published in a daily newspaper distributed in the company's head office at least twenty-one days prior to the date specified for the meeting. A copy of the invitation and the agenda to the Ministry and the Capital Market Authority, within the period specified for publication.

Article (33): Attendance Record of Assemblies:

Shareholders who wish to attend the general or special assembly shall register their names at the company's head office or at the place of the assembly before the time specified for the assembly.

Article (34): Quorum of the Ordinary General Assembly Meeting:

The meeting of the Ordinary General Assembly shall not be valid unless attended by shareholders representing at least a quarter of the capital. possibility of holding this meeting.

In all cases, the second meeting shall be considered valid regardless of the number of shares represented therein.

Article (35): Quorum for the Extraordinary General Assembly:

The meeting of the extraordinary general assembly is not valid unless attended by shareholders representing at least half of the capital. possibility of holding this meeting.

If the necessary quorum is not available at the second meeting, an invitation is sent to a third meeting to be held in the same conditions stipulated in Article 32 of this bylaw, and the third meeting will be valid regardless of the number of shares represented therein, after the approval of the competent authority.

Article (36): Voting in Assemblies:

Each subscriber has one vote for each share he represents in the constituent assembly, and each shareholder has one vote for each share in the general assemblies

Cumulative voting shall be used to elect the Board of Directors.

Article (37): Decisions of the Associations:

Decisions in the Constituent Assembly are issued by an absolute majority of the shares represented therein, and the decisions of the Ordinary General Assembly are issued by an absolute majority of the shares represented in the meeting, and the decisions of the Extraordinary General Assembly are issued by a two-thirds majority of the shares represented in the meeting, unless it is a decision related to increasing or decreasing the capital or extending the term of the company or its dissolution before the expiry of the period specified in its articles of association or a merger with another company shall not be valid unless it is issued by a majority of three quarters of the shares represented in the meeting.

Article (38): Discussion in the Assemblies:

Each shareholder has the right to discuss the topics listed on the assembly's agenda, and direct questions about them to the members of the Board of Directors and the auditor. The Board of Directors or the auditor answers the shareholders' questions to the extent that does not jeopardize the company's interest. The Assembly and its decision in this regard shall be enforceable.

Article 39: Presiding over Associations and Preparing minutes:

The meetings of the general assemblies of shareholders are chaired by the Chairman of the Board of Directors or his deputy in his absence, or whoever is delegated by the Board of Directors from among its members in the absence of the Chairman and his deputy in the absence of the Chairman and his deputy. It was taken, the number of votes it approved or disagreed with, and a complete summary of the discussions that took place in the meeting. Minutes are recorded regularly after each meeting in a special register signed by the association's president, secretary and vote collector.

(Chapter Five)

Review Committee

Article (40): Composition of the Committee:

A decision of the Ordinary General Assembly shall form an audit committee composed of non-executive members of the board of directors, whether from the shareholders or from others, so that the number of its members shall be three.

Article (41) The committee meeting quorum:

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

Article (42): Committee's Functions:

The Audit Committee is responsible for monitoring the company's business, and for this purpose, it has the right to review its records and documents and to request any clarification or statement from the members of the Board of Directors or the Executive Management. for serious damage or loss.

Article (43): Committee Reports:

The Audit Committee shall consider the company's financial statements, reports and notes provided by the auditor, and express its views on them, if any. It shall also prepare a report on its opinion regarding the adequacy of the company's internal control system and the other work it has undertaken that fall within its jurisdiction. The Board of Directors shall to deposit sufficient copies of this report at the company's head office at least twenty-one days prior to the date of the general assembly meeting, to provide each of the shareholders who wish with a copy of it. The report shall be read during the assembly's meeting.

(Chapter Six)

Auditor

Article (44): Appointment of the auditor:

The company must have an auditor (or more) from among the auditors licensed to work in the Kingdom of Saudi Arabia, to be appointed annually by the Ordinary General Assembly, and to determine his remuneration and the duration of his work. appropriate or for an unlawful reason.

Article (45): Powers of the auditor:

The auditor at any time has the right to review the company's books, records and other documents. He may request data and clarifications that he deems necessary to obtain in order to verify the company's assets, obligations and other matters 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, this is proven in a report submitted to the Board of Directors. If the Board does not facilitate the work of the auditor, he must request the Board of Directors to invite the Ordinary General Assembly to consider the matter.

(Chapter Seven)

Company accounts and dividend distribution

Article (46): The fiscal year:

The company's fiscal year begins on the first of January and ends at the end of December of each year, provided that the first fiscal year begins from the date of its registration in the Commercial Register until the end of December of the following year.

Article (47): Financial Documents:

- At the end of each company's financial year, the board of directors must prepare the company's financial statements and a report on its activities and financial position for the past fiscal year. This report guarantees the proposed method for distributing profits, and the Board puts these documents at the disposal of the auditor at least forty-five days before the date set for convening the General Assembly.
- The company's board of directors, chief executive officer and chief financial officer must sign the above-mentioned documents and copies of them are deposited at the company's head office at the shareholders' disposal at least twenty-one days before the scheduled date of the general assembly.
- The Chairman of the Board of Directors shall provide the shareholders with the company's financial statements, the Board's report and the auditor's report, unless they are published in a daily newspaper distributed in the company's head office. He must also send a copy of these documents to the Ministry and the Capital Market Authority at least twenty-one days before the General Assembly is convened.

Article (48): Distribution of Profits:

The company's annual net profits are distributed as follows:

1. (10%) of the net profits shall be set aside to form the statutory reserve of the company, and the Ordinary General Assembly may decide to discontinue this deduction when the said reserve reaches (30%) of the paid-up capital.
2. The Ordinary General Assembly, based on the proposal of the Board of Directors, may set aside (10%) of the net profits to form a consensual reserve to be allocated for the benefit of the company.
3. The Ordinary General Assembly may decide to form other reserves to the extent that achieves 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 sums from the net profits for the establishment of social institutions for the company's employees or to assist any existing of these institutions.
4. The company's board of directors takes the appropriate decision regarding the distribution of profits to shareholders.

Article (49): Entitlement to Profits:

The shareholder shall be entitled to his share of the profits in accordance with the decision of the General Assembly issued in this regard. The decision shall indicate the maturity date and the date of distribution. The eligibility of profits shall be for the owners of shares registered in the shareholders' records at the end of the day specified for entitlement.

Article (50): Distribution of dividends for preferred shares:

- If no dividends are distributed for any financial year, then no dividends may be distributed for the following years until after paying the specified percentage in accordance with the provisions of Article (one hundred and fourteen) of the Companies Law for Preferred Shareholders for that year.
- If the company fails to pay the specified percentage in accordance with the provisions of Article 114 (one Hundred Fourteenth) of the Companies Law for a period of three consecutive years, the Special Assembly of the owners of these shares held in accordance with the provisions of Article (89) of the Companies Law may decide either that they attend the meetings of the General Assembly for the company and participate in voting or appointing their representatives to the board of directors in proportion to the value of their shares in the capital, until the company is able to pay all the priority dividends allocated to the owners of these shares for the previous years.

Article (51): Company losses:

- If the company's losses 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 and the Chairman of the Board must inform the members of the Board immediately, and the Board of Directors must within fifteen days of his knowledge

In this way, the Extraordinary General Assembly is called for a meeting 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 drops below half of the paid-up capital, or to dissolve the company before the deadline specified in Article (Six) of this system.

- The company is considered dissolved by the force of the companies' system if the general assembly did not meet within the period specified in paragraph (1) of this article, or if it met and was unable to issue a decision in the matter, or if it decided to increase the capital in accordance with the conditions established in this article and the subscription was not completed in each capital increase within ninety days from the issuance of the Assembly's decision to increase it.

(Chapter Eight)

Disputes

Article (52): Liability lawsuit:

Every shareholder has the right to file a liability lawsuit for the company against the members of the board of directors, if the mistake made by them would cause his own harm. The shareholder may not file the aforementioned lawsuit unless the company's right to file it still exists, and the shareholder must inform the company he intends to file a lawsuit.

(Chapter Nine)

Dissolution and liquidation of the company

Article (53): Termination of the Company:

The company enters, upon its expiry, the phase of liquidation and retains the legal personality to the extent necessary for liquidation. The decision of voluntary liquidation is issued by the extraordinary general assembly. The decision of liquidation must include the appointment of the liquidator, specifying his powers and fees, restrictions imposed on his powers, and the time period required for liquidation. The period of voluntary liquidation should not exceed five years and may not be extended. 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 to be liquidators for others until the liquidator is appointed. Shareholders' assemblies remain in place during the liquidation period, and their role is limited to exercising their competencies that do not conflict with the competencies of the liquidator.

(Chapter Ten)

Final Provisions

Article (54): Companies Law:

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

Article (55): Publication:

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

النظام الأساس بعد التعديل

Bylaws After Amendment

IN THE NAME OF ALLAH, THE MOST COMPASSIONATE, THE EVER-MERCIFUL

BYE LAWS

SAUDI MARKETING COMPANY

(FARM SUPERSTORES)

(Chapter 1)

Incorporation of the company

Article (1): Incorporation:

A Saudi joint stock company shall be incorporated in accordance with the provisions of the Companies Law and its Bylaws, as follows:

Article (2): Company name:

Saudi Marketing Company (Farm Superstores) (Listed Saudi Joint Stock Company)

Article (3): The objectives of the company:

The objectives of the company are defined as follows:

1. Wholesale and retail trade in foodstuffs, household utensils, luxuries, toiletry tools, children's toys, clothes, fabrics, furnishings, home furniture, electrical equipment, commercial agencies, import and trade in office tools, stationery, electrical and mechanical tools, their spare parts and equipment, all kinds of detergents, fertilizers, ornamental plants, flowers and their accessories, building materials, decoration and their accessories.
2. General contracting for buildings (repair - construction - demolition - restoration).
3. Electrical and mechanical works contracting
4. Contracting and maintenance of water and sanitation works.
5. Managing, operating and owning bakeries.
6. Managing and operating restaurants.
7. Managing, operating and owning rest houses.
8. Providing cooked and uncooked catering services.
9. Contracting for maintenance work and operation of wired, electronic, electrical and telephone networks.
10. Wholesale and retail trade in food crops (vegetables - fruits - legumes).
11. Commercial agencies.
12. Establishing, operating and managing commercial and residential complexes.
13. Leisure and entertainment services (establishment, maintenance and operation of cities and recreational centers).
14. Providing marketing services for third parties.
15. Selling, buying, renting and exploiting land and real estate for the benefit of the company.
16. Agriculture and fishing.

17. Mines and petroleum and its branches.
18. Manufacturing industries and their branches according to industrial licenses.
19. Electricity, gas, water and its branches.
20. Construction and building.
21. Transportation, storage and refrigeration.
22. Financial, business and other services.
23. Social, group and personal services.
24. Trade.
25. Information technology.
26. Security and safety.
27. Animal food and feed stores.
28. Agents selling cosmetics.
29. Wholesale and retail trade and repair of motor vehicles and motorcycles.

The company shall not conduct its activities except after obtaining the necessary licenses from the competent authorities.

Article (4): Participation and ownership in companies:

The company may establish companies on its own (with limited liability or joint stock). It may also own shares and stocks in other existing companies or merge with them. 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 followed in this regard. The company may also dispose of these shares and stocks, provided that this does not include brokerage in their trading

Article (5): The head office of the company:

The head office is located in the city of Dammam, and the Board of Directors may establish branches, offices or agencies for it inside or outside the Kingdom of Saudi Arabia, and it may also appoint correspondents in any entity inside or outside the Kingdom as required by the company's activity or is beneficial to it, taking into account the rules and regulations in force in the Kingdom in this regard, if any.

Article (6): Duration of the company:

The company was established for an unlimited period starting from the date of its registration in the commercial register.

(Chapter Two)

Capital and Shares

Article (7): Capital:

The company's capital is set at (450,000,000) four hundred and fifty million Saudi riyals, divided into (45,000,000) forty-five million nominal shares of equal value. The nominal value of each share is ten (10) ten Saudi riyals, all of which are ordinary cash shares.

Article (8): Subscription to the Shares:

Shareholders have subscribed to all of the company's (45,000,000) forty-five million shares, the value of which is (450,000,000) riyals four hundred and fifty million riyals.

The shareholders decide that the shares have been distributed among them and their value has been fully paid, as the entire capital of the company has already been paid.

Article (9): Preferred Shares:

The Extraordinary General Assembly of the company may, according to the principles laid down by the competent authority, issue preferred shares or decide to purchase them or convert ordinary shares into preferred shares or convert preferred shares into ordinary shares. Preferred shares do not give the right to vote in general assemblies of shareholders. Preference shares shall entitle their holders to receive net profits more than the holders of the ordinary shares after setting aside the statutory reserve.

Article (10): Bonds or Sukuk:

The company may issue any type of negotiable debt instruments such as bonds or sukuk, whether in one part or several parts, or through a series of issues or under one or more programs established by the company from time to time, whether for public subscription or otherwise, inside or outside the Kingdom of Saudi Arabia, and all of that in the times, amounts and conditions approved by the company's board of directors, and it has the right to take all necessary measures for its issuance.

Article (11): Selling of unpaid shares:

The shareholder is obligated to pay the value of the share on the dates specified for this. If he fails to pay on the due date, the board of directors may, after being notified by a registered letter at his address recorded in the shareholder register, sell the share in the public auction or the stock market, as the case may be, in accordance with the regulations set by the competent authority.

The company shall collect the amounts due to it from the sale proceeds and return the remainder to the shareholder. However, the shareholder who fails to pay until the day of the sale may pay the value due in addition to the expenses incurred by the company in this regard.

The company shall cancel the sold share in accordance with the provisions of this Article by providing the buyer a new share bearing the number of the canceled share and indicating in the shares register that the sale has taken place in the name of the new owner.

Article (12): Issuance of Shares:

Shares shall be nominal and may not be issued at a value less than the nominal value, but may be issued at a value exceeding the nominal value. In this later case, the difference in the value of the share shall be added in a particular clause within shareholders' rights, and shall not be distributed as dividends to the shareholders.

The share is indivisible in front of the company. If the share is owned by several persons, they shall choose one of them to represent them in exercise of the rights related to the share, and these persons are jointly liable for the obligations arising out of their ownership of such a share.

Article (13): Trading in Shares:

The Company's shares shall be traded according to the provisions of Capital Market Law and its Implementing Regulations.

Article (14): Shareholders Register:

The company's shares are traded in accordance with the provisions of the Capital Market Law

Article (15): Increase of capital:

1. The Extraordinary General Assembly may decide to increase the issued or authorized capital of the company, provided that the capital has been paid in full. However, it is not required that Capital be paid in full if the unpaid portion of the Capital is attributable to shares issued in exchange for the conversion of debt instruments or financing instruments into shares and the period specified for their conversion has not yet expired.
2. The extraordinary general assembly may, in all cases, allocate the issued shares upon capital increase or part thereof to the employees of the company and all or some of its subsidiaries, and the shareholders may not exercise the right of priority when the company issues the shares allocated to the employees.
3. The shareholder who owns the share at the time of the issuance of the extraordinary general assembly's decision approving the capital increase has priority in subscribing to the new shares issued in exchange for cash shares, and he is informed of his priority, if any, through the media approved by the competent authority.
4. The Extraordinary General Assembly has the right to suspend the priority right of the shareholders in subscribing to the capital increase in exchange for cash shares or to grant the priority right to non-shareholders in the cases it deems appropriate for the interest of the company.
5. The shareholder has the right to sell or waive the priority right in accordance with the regulations and controls set by the competent authority.
6. Subject to the provisions of paragraph (4) above, the new shares shall be distributed to the priority rights holders who applied for the subscription, in proportion to their priority rights of the total priority rights resulting from the capital increase, provided that their new shares do not exceed what they requested for from the new shares; the rest of the new shares will be distributed to the priority rights holders who have requested more than their share in the proportion of their priority rights from the total priority rights resulting from the capital increase provided that their new shares do not exceed what they have requested from the new shares; the remaining shares shall be distributed to others, unless otherwise decided by the Extraordinary General Assembly or the rules of the Capital Market Authority states otherwise.

7. The General Assembly may decide to increase the capital by issuing new shares in exchange for cash or in-kind shares.

Article (16): Reduction of capital:

The Extraordinary General Assembly may decide to reduce the capital if it exceeds the company's need or if the Company incurs losses. In the latter case alone, the capital may be reduced below the limit stipulated in Article (59) of the Companies Law and the decision to reduce capital is not issued except after reading a statement in the General Assembly - prepared by the Board of Directors on the reasons for the reduction, the company's obligations and the impact of the reduction in fulfilling them provided that a report from Company's auditor is attached to this statement.

If the reduction of the capital is a result of its excess over the company's need, the creditors shall be invited to express their objections (if any) to the reduction at least forty-five (45) days prior to the date specified for the Extraordinary General Assembly meeting to take a decision on the reduction, provided that the invitation is accompanied by a statement stating the amount of the capital before and after the reduction, the date of the meeting and the effective date of the reduction. If one of the creditors objects and submits his documents to the company on the mentioned date, The company shall pay him his debt if it is due or provide him with a sufficient guarantee to pay it if it is deferred.

(Chapter Three)

The Company Board of Directors

Article (17): Company Management:

The company is managed by Board of Directors comprising of (7) seven members, provided that they are persons of natural capacity, who are elected by the ordinary general assembly of shareholders for a period not exceeding (4) four years. The members of the Board of Directors may be re-elected for other sessions in accordance with the procedures for election and candidacy based on the regulations and controls set by the competent authority.

Article (18): Termination of Board Membership:

The membership of any of the members of the Board ends by virtue of a decision of the Ordinary General Assembly to dismiss him, or the expiration of his term, or the expiration of the member's validity in accordance with any laws 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, and in this case the General Assembly may elect a new board or someone to replace the dismissed member (as the case may be) in accordance with the provisions of the Companies Law. The competent authority may set controls for the termination of the members of the Board of Directors by the Ordinary General Assembly, and the General Assembly may (on the recommendation of the Board of Directors) terminate the membership of any member who has

been absent attending (three) consecutive meetings or (five) separate meetings during the term of his membership without a legitimate reason accepted by the Board of Directors

Article (19): The Vacancy in the Board of Directors:

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, who has experience and competency. The Commercial Register as well as the Capital Market Authority shall be notified of this within (15) fifteen working days from the date of appointment or offer of appointment.

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 due to the lack of its members from the minimum stipulated in the Companies Law or this bylaw, the rest of the members shall invite the Ordinary General Assembly to convene within (60) sixty days to elect the necessary number of members.

Article (20): Powers of the Board of Directors:

20-1 Taking into account the terms of reference of the General Assembly, the Board of Directors shall have the widest powers and authorities in managing the company, supervising its business and managing its affairs inside and outside the Kingdom, which include but not limited to the following:

20-1-1 Develop an internal regulation that regulate the workflow of the Company.

20-1-2 The Chairman of the Board of Directors represents the company before the courts, arbitration bodies and others. The chairman of the Board may, by a written decision, delegate some of his powers to other members of the Board or to third parties in carrying out specific work or business.

20-1-3 The vice chairman of the board of directors replaces the chairman of the board of directors in his absence.

20-1-4 Opening, operating and closing bank accounts, opening documentary credits, receiving checks, issuing checks, signing receipts, clearing, discharge, declarations, bills of exchange, promissory notes, checks, all commercial papers, stock derivatives operations agreements and their attachments, and the Board of Directors may contract loans with government financing funds and institutions, obtaining all types of banking facilities and transactions in the name of the company and signing on its behalf all contracts of financial loans and bank facilities and the necessary documents for that. Issuing bank guarantees of all kinds, taking into account the following conditions for contracting loans whose terms exceed three (3) years:

- a. The value of the loans that the board may contract during the company's financial year shall not exceed (75%) of the total shareholders' equity.
- b. That the board of directors specify in its decision the aspects of using the loan and how to repay it.

- c. To take into account in the terms of the loan and the guarantees provided, not to harm the company, its shareholders, and the general guarantees of the creditors.

20-1-5 Selling, buying and mortgaging the company's real estate and assets, including the company's store and its head office, provided that the following are mentioned in the minutes of the Board of Directors' meetings and decisions related to the disposal of these real estate:

- a. Reasons and justifications for selling.
- b. The selling price shall be in line with the market price.
- c. The price should be payable immediately, except in cases of necessity, and the guarantees are sufficient.
- d. That these acts do not result in the suspension of the company's activities or the obligation of any other responsibility on the part of the company

20-1-6 Release the company's debtors from their obligations and debts, provided that the minutes of the Board of Directors and the rationale for its decision include observance of the following conditions:

- a. The release shall be at least one full year after the debt was created.
- b. The release shall be for a specified amount as a maximum per year for one debtor.
- c. Discharge is a right of the Board, which may not be delegated.

20-1-7 Providing financial support to any of the companies in which the company participates, as well as subsidiaries or sister companies, and guaranteeing credit facilities obtained by any of the companies in which the company participates, as well as subsidiaries or sister companies.

20-1-8 Approval of the company's internal, financial, administrative and technical bylaws and the policies and regulations for its employees.

20-1-9 Appointing those responsible for the management of the company with expertise and competence as deemed by the Board, and determining their duties and remunerations.

20-1-10 Delegating the executive management the authority to sign on behalf of the company within the limits of the rules set by the board of directors, appointing and dismissing employees and workers, requesting visas, recruiting manpower from outside the Kingdom, contracting with them, determining their salaries, issuing residency permits, transferring and waiving guarantees.

20-1-11 Forming some committees and entrusting them with whatever powers the Board deems appropriate.

20-1-12 Approving the establishment of subsidiaries, branches, offices and agencies for the company, subscriptions and shares in any of the companies, signing its articles of incorporation, amendments and appendices, selling, buying and mortgaging all or part of the shares, shares, property rights and interests in any of the affiliated companies.

20-1-13 Approval of the company's work plan and its annual capital budget and operational plans.

20-1-14 To authorize or delegate on his behalf, within the limits of his powers, one or more of his members or third parties to carry out certain work or actions and cancel this authorization or power of attorney, in part or in whole.

Article (21) Remuneration of Board Members:

The members of the Board of Directors are entitled to receive remuneration in accordance with the terms and conditions approved by the Ordinary General Assembly and within the limits stipulated in the Companies Law or other complementary laws or decisions thereof. The company, in addition to the remuneration that he can obtain in his capacity as a member of the Board of Directors and in the committees formed by the Board of Directors in accordance with the Companies Law and the Company's Articles of Association.

The report of the Board of Directors to the Ordinary General Assembly at its annual meeting shall include a comprehensive statement of all that each member of the Board of Directors received or deserved to receive during the fiscal year in terms of remuneration, allowances for attending meetings, expenses allowances, and other benefits, and it also includes a statement of what members received. The Board in their capacity as workers or administrators or what they have received in return for technical or administrative work or consultations. It should also include a statement of the number of the Board's meetings and the number of meetings attended by each member.

Article (22) Powers of the Chairman, Vice-Chairman, Managing Director and Secretary:

The board of directors appoints from its members a chairman and a vice-chairman, and he may appoint a managing member. It is not permissible to combine the position of the chairman of the board of directors with any other executive position in the company, and the vice-chairman of the board of directors replaces the chairman of the board of directors in his absence.

The Chairman shall have the power to invite the Board of Directors to meet and chair the Board's meetings. The Chairman of the Board of Directors shall represent the company before the courts, arbitration bodies, others, notaries, dispute settlement committees of all kinds, arbitration bodies, civil rights, and police departments. Accepting and objecting to the provisions on behalf of the company, accepting judgments, objecting to them, requesting appeal - requesting reconsideration - requesting execution of judgments - reviewing the seizure and execution departments - requesting attachment and execution - requesting a travel ban and lifting it - on behalf of the company, signing on behalf of the company, signing all types of contracts, documents and documents, including the articles of incorporation of the companies in which the company participates with all their amendments, appendices, decisions to amend and emptying and accepting the sale and purchase of shares, and signing decisions Partners and amendment appendices to buy, sell, empty and waive stakes in other companies, represent the company in attendance, sign, vote, accept positions and tasks in ordinary and extraordinary general assemblies of public or closed shareholding companies in which the company contributes, have the right to buy, sell, empty and waive shares in them, and sign contracts for real estate sales or Purchase and loan agreements with government financing funds and institutions, banks, banks,

financial houses, guarantees, mortgages, redeeming them, collecting the company's rights and paying its obligations, Selling, buying, emptying and accepting, guarantees, mortgages, dissolving them, collecting the company's rights and paying its obligations, selling, buying, emptying and accepting it, receiving, delivering, renting, leasing, receiving and paying, entering into tenders, opening accounts, credits, withdrawals, depositing with banks, issuing bonds, checks, all commercial papers, signing treasury documents, executing related operations, requesting visas, and recruiting employees and workers from abroad. Residence permits, work permits, transfer and waiver of guarantees, and the Chairman of the Board of Directors may delegate and delegate to others, within the limits of his competence, the powers or to take a specific action or behavior, or to perform specific work or actions. And he has the right to revoke the authorization or power of attorney partially or completely, sign with the Companies Department at the Ministry of Commerce and Investment and the notary, make amendments, changes, additions, deletions, extracting and renewing commercial records, receiving and writing them off, and changing the names of companies, entering and updating sukuk in the comprehensive system.

With the exception of the power to call for meetings of the Board of Directors and to represent before banks and financial institutions, the Vice Chairman of the Board of Directors and the Managing Director (if appointed) enjoy the same powers granted to the Chairman of the Board of Directors, including the right to delegate the powers granted to them in addition to other powers determined by the Board of Directors.

The board of directors appoints a secretary to be chosen by it from its members or from others and who determines his remuneration. He is responsible for recording the minutes of the board of directors' meetings, recording and keeping the decisions issued by these meetings, in addition to exercising other powers assigned to him by the board of directors. The membership of each of them in the Board, and they may be re-elected, and the Board at any time may dismiss them or any of them without prejudice to the right of the dismissed person to be compensated if the dismissal occurred for an unlawful reason or at an inappropriate time.

Article (23): Board meetings:

The Board of Directors meet at least (4) four times a year at the invitation of its chairman. The invitation shall be in writing and may be delivered by hand or sent by mail or e-mail. The Chairman of the Board shall invite the Board to the meeting whenever requested in writing by any member of the Board to discuss any subject or more.

The Board of Directors determines the place for holding its meetings, and it is permissible to hold its meetings through modern technical means or other electronic means. Accordingly, the chairman may consider any participating member through modern technology or other electronic means present throughout the meeting.

Article (24) Board meeting quorum:

The meeting of the Board shall not be valid unless it is attended by (4) four members. A member of the Board of Directors may delegate other members to attend the Board's meetings on his behalf in accordance with the following rules:

- a. A member of the Board of Directors may not represent more than one member in attending the same meeting.
- b. The delegation shall be established in writing and in connection with a specific meeting.
- c. A representative may not vote on decisions that the system prohibits the representative from voting on.

The decisions of the Board shall be issued by a majority of the opinions of the members present or represented, and when the opinions are equal, the side with which the Board chairman voted or whoever heads the Board in his absence shall prevail.

The Board of Directors may issue resolutions by passing by presenting them to all members separately, unless one of the members requests in writing the meeting of the Board for deliberation, and these decisions are presented to the Board of Directors at its first following meeting.

Article (25): Conflicts of Interest:

It is not permissible for a member of the Board of Directors to have any direct or indirect interest in the business and contracts that are done for the company's account except with approval from the Ordinary General Assembly, to be renewed every year, with the exception of the works that take place through public tenders if the member of the Board has the best offer, and the member of the Board of Directors shall to inform the Board of his personal interest, direct or indirect, in the business and contracts that are done for the company's account, and this notification is recorded in the minutes of the Board meeting. The interested member may not participate in voting on the decision issued in this regard.

Article (26): Board Discussions:

The discussions and decisions of the board are recorded in minutes prepared by the secretary and signed by the chairman of the meeting, the attending members of the board of directors, and the secretary. These minutes are recorded in a special register signed by the chairman of the board of directors and the secretary. Modern technical means may be used to sign and record the deliberations and decisions and record the minutes.

(Chapter Four)

Shareholders' Assemblies

Article (27): Attending Assemblies:

Each shareholder has the right to attend the meeting of the General Assembly, and he may authorize another person other than the members of the Board of Directors to do so. It is also

permissible to hold a meeting of the General Assembly, and the shareholder participates in deliberations and voting on decisions by means of modern technology, in accordance with the regulations and controls set by the competent authority.

Article (28): The competence of the Ordinary General Assembly:

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

Article (29): Competence of the Extraordinary General Assembly:

The Extraordinary General Assembly is concerned with amending the company's articles of association, with the exception of the provisions prohibited by law from amending them. In addition, the Extraordinary General Assembly may issue resolutions in matters within the competence of the Ordinary General Assembly, under the same terms and conditions prescribed for the Ordinary General Assembly.

Article (30): Invitation to Assembly Meetings:

The annual Ordinary General Assembly shall convene at least once during the (six) months following the end of the company's fiscal year. Other Ordinary General Assemblies may be called whenever the need arises. The general and private assembly of shareholders convenes at the invitation of the Board of Directors, and the Board of Directors shall invite the Ordinary General Assembly to convene within (thirty) days from the date of the request of the auditor or one or more shareholders representing (ten percent) of the shares of the company that have at least voting rights. The auditor may invite the General Assembly to convene if the Board did not extend the invitation within (thirty days) from the date of the auditor's request.

The invitation to convene the General Assembly is published on the website of the Saudi Stock Exchange (Tadawul) at least twenty-one days prior to the date set for the meeting. The date, place and agenda of the General Assembly shall also be announced prior to the date with the same specified period. The company may invite the convening of the General and Special Assembly through other means Modern technology, and a copy of the invitation and the agenda are sent to the Commercial Register and the Capital Market Authority within the period specified for publication.

The company may also amend the assembly's agenda during the period between publishing the above-mentioned announcement, in accordance with the conditions set forth in this article.

Article (31): Attendance Record of Assemblies:

Shareholders who wish to attend the general or special assembly shall register their names electronically or at the company's head office prior to the time specified for the assembly.

The Board of Directors may change the place of registering the names or the method it deems appropriate. When the General Assembly convenes, a list of the names of the present and

represented shareholders and their place of residence is drawn up, with a statement of the number of shares they hold in person or by proxy, and the number of votes allocated to them. Every interested party may have access to this list.

Article (32): Quorum of the Ordinary General Assembly Meeting:

The meeting of the Ordinary General Assembly shall not be valid unless attended by shareholders representing at least a quarter of shares of company that have voting rights, and if the necessary quorum for holding this meeting is not available, the invitation shall be directed to a second meeting to be held under the same conditions stipulated in Article (91) ninety-one of the Companies Law within (30) thirty days following the date specified for the previous meeting. However, the second meeting may 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 that it is possible to hold it in all cases, the second meeting shall be valid, regardless of the number of shares that have voting rights represented therein therein.

Article (33): Quorum for the Extraordinary General Assembly:

The meeting of the extraordinary general assembly is not valid unless attended by shareholders representing at least half of the shares of the Company that have voting rights.

However, the second meeting may be held an hour after the end of the period specified for holding the first meeting, provided that the invitation to hold the first meeting includes evidence that it is possible to hold that meeting. In all cases, the second meeting is valid if attended by shareholders representing a quarter of the shares of the company that have voting rights and if the necessary quorum for the second meeting is not available, an invitation is sent to a third meeting to be held under the same conditions stipulated in Article (91) ninety-one of the Companies Law, and the third meeting is valid, regardless of the number of shares that have voting rights represented in it.

Article (34): Voting in Assemblies:

Each shareholder votes for every share he represents in the general assemblies, and the cumulative vote shall be used in electing the board of directors, so that the voting right for a share may not be used more than once, and the members of the board of directors may not participate in voting on the decisions of the assembly that are related to business and contracts in which they have a direct or indirect interest. directly or involving a conflict of interest.

Article (35): Decisions of the Assemblies:

The decisions of the Ordinary General Assembly are issued with the approval of the majority of the voting rights represented in the meeting. The decisions of the Extraordinary General Assembly are issued with the approval of two-thirds of the voting rights represented in the meeting, unless the decision is related to increasing or decreasing the capital, extending the term of the company, or dissolving the company before the expiration of the period specified in its articles of association, or merging it with another company, or dividing it into two or more

companies, in which case the decision shall be valid unless it is passed with the approval of three quarters of the voting rights represented in the meeting.

Article (36): Discussion in the Assemblies:

Each shareholder has the right to discuss the topics listed on the assembly's agenda, and direct questions about them to the members of the Board of Directors and the auditor. The Board of Directors or the auditor answers the shareholders' questions to the extent that does not jeopardize the company's interest. The Assembly and its decision in this regard shall be enforceable.

Article (37): Presiding over general assembly and preparing minutes:

The meeting of the general assembly of shareholders shall be presided over by the chairman of the board of directors or his deputy in his absence or whomever the chairman of the board delegates or whomever the board of directors delegates from among its members in her absence. Minutes of the assembly meeting shall be drawn up including the number of shareholders present in person or by proxy, the number of shares held by them in person or by proxy, and the number of votes for them. The decisions taken, the number of votes approved or opposed, an adequate summary of the discussions that took place in the meeting, and the minutes shall be recorded regularly after each meeting in a special register signed by the chairman of the general assembly, its secretary, and the vote collectors.

(Chapter Five)

Review Committee

Article (38): Composition of the Committee:

By a decision of the company's board of directors, an audit committee is formed from the shareholders or others, provided that it does not include any of the executive members of the board of directors. The number of members of the audit committee shall not be less than three and not more than five, and one of them is specialized in financial and accounting affairs.

Article (39) The committee meeting quorum:

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

Article (40): Committee's Functions:

The Audit Committee is responsible for monitoring the company's business, and for this purpose, it has the right to review its records and documents and to request any clarification or statement from the members of the Board of Directors or the Executive Management. for serious damage or loss.

Article (41): Committee Reports:

The Audit Committee shall consider the company's financial statements, reports and notes provided by the auditor, and express its views on them, if any. It shall also prepare a report on its opinion regarding the adequacy of the company's internal control system and the other work it has undertaken that fall within its jurisdiction. The Board of Directors shall to deposit sufficient copies of this report at the company's head office at least twenty-one days prior to the date of the general assembly meeting, to provide each of the shareholders who wish with a copy of it. The report shall be read during the assembly's meeting.

(Chapter Six)

Auditor

Article (42): Appointment of the auditor:

The company shall have an auditor (or more) from among the licensed auditors in the Kingdom who shall be appointed by the General Assembly and determine his fees, work duration and scope.

According to a decision taken by the General Assembly, the auditor may be dismissed, and the chairman of the board of directors shall inform the competent authority of the dismissal decision and its reasons within a period not exceeding five days from the date of issuance of the decision.

The auditor has the right to retire from his engagement by virtue of a written report that he submits to the company, and his engagement ends from the date of its submission or at a later date specified in the notification, without prejudice to the company's right to compensation for the damage incurred by it, if it is necessary for him. The retired auditor is obligated to submit to the company and the competent authority, upon submission of the report, a statement of the reasons for his retirement, and the board of directors shall call the general assembly to convene to consider the reasons for retirement, appoint another auditor and determine his fees, work duration and scope.

Article (43): Powers of the auditor:

- 1- The company's auditor shall be independent in accordance with what is determined by the professional standards adopted in the Kingdom.
- 2- It is not permissible to combine the work of the auditor with participation in the establishment of the company whose accounts he audits, or its management, or membership in its board of directors. The auditor shall not be a partner, employee, or relative of any of the company's founders, managers, or members of its board of directors, and he may not buy or sell shares in the company whose accounts he is auditing during the audit period.
- 3- The auditor of the company's accounts shall not perform technical, administrative or advisory work in the company whose accounts he is auditing or for its interest, except as specified by the regulations.
- 4- The auditor may, at any time, review the company's documents, accounting records, and supporting documents, and he may request data and clarifications that he deems necessary to obtain to verify the company's assets, liabilities, and other things that fall within the scope of his work, and the CEO or its board of directors shall enable him to perform his duty. If the auditor encounters difficulty in this regard, he shall record this in a report submitted to the chief executive officer or the board of directors. If the chief executive or the board of directors does not facilitate the work of the auditor, he shall ask them to invite the shareholders to a meeting or the general assembly to consider the matter, and the auditor may issue this invitation if the CEO or the Board of Directors did not send it within (30) thirty days from the date of the auditor's request.
- 5- The auditor shall submit to the general assembly at its annual meeting or the shareholders a report on the company's financial statements prepared in accordance with auditing standards approved in the Kingdom and included in the position of the company's management guarantees him to enable him to obtain the evidence and clarifications he requested and what may have been found to him of violations of the provisions of the system or the company's memorandum of association or its Articles of Association within the limits of his competence and his opinion on the extent of the fairness of the company's financial statements, and the auditor shall read his report or review a summary thereof at the annual general assembly meeting.

- 6- It is not permissible for the auditor to disclose to the shareholders in events other than the General Assembly or to others what the company's secrets have stopped him due to the performance of his work, otherwise it is permissible to demand compensation from him in addition to the right to dismiss him.
- 7- The auditor shall be responsible for what is stated in his report and for any damage that the company suffers, the shareholders or third parties due to the errors that occur from him in the performance of his work. If the company has more than one auditor who were jointly liable, unless it is proven that they did not participate in the error that necessitates responsibility.

(Chapter Seven)

Company accounts and dividend distribution

Article (44): The fiscal year:

The company's fiscal year begins on the first of January and ends at the end of December of each year, provided that the first fiscal year begins from the date of its registration in the Commercial Register until the end of December of the following year.

Article (45): Financial Documents:

- 1- The company shall keep accounting records and supporting documents to clarify its business, contracts and financial statements in the company's main office or in any other place specified by the company's manager or its board of directors.
- 2- The company's financial statements shall be prepared at the end of each fiscal year in accordance with the accounting standards approved in the Kingdom, and these statements shall be deposited as specified by the regulations within (6) six months from the date of the end of the fiscal year, in accordance with the provisions contained in the system.
- 3- The board of directors shall, at the end of each fiscal year of the company, prepare the company's financial statements and a report on its activities and its financial position for the past fiscal year. This report includes the proposed method for distributing profits, and the Board places these documents at the disposal of the auditor, if any, at least forty-five days prior to the date set for the General Assembly.
- 4- The company's board chairman, chief executive officer and chief financial officer shall sign the documents referred to in paragraph (3) and copies of these documents shall be deposited in the company's main office at the disposal of the shareholders.
- 5- The Chairman of the Board of Directors shall provide the shareholders with the company's financial statements, the Board's report and the auditor's report after signing them, and the auditor's report, if any, that have not been published in any of the modern technology

means, at least twenty-one days before the date set for the Ordinary General Assembly, and he shall also deposit these documents according to as specified by the regulations.

Article (46): Distribution of Dividends:

The company's annual net profits are distributed as follows:

1. The General Assembly shall determine the percentage that shall be distributed among the shareholders from the net profits after deducting the reserves, if any.
2. The shareholder shall be entitled to his share in the dividend in accordance with the decision of the General Assembly issued in this regard. The decision shall indicate the date of entitlement and the date of distribution. The eligibility for dividend shall be for the shareholders registered in the shareholders' records at the end of the day specified for entitlement. The regulations specify the maximum period during which the Board of Directors shall implement the decision of the assembly regarding the distribution of dividend to the shareholders.
3. The General Assembly shall determine the distribution of reserves that the shareholders previously decided to set aside, including any reserves set aside in accordance with any statutory requirements prior to the date of adoption of this Articles of Association.
4. The company may distribute interim dividend to its shareholders on a semi-annual or quarterly basis, by a decision of the Board of Directors, in accordance with the regulations and controls set by the competent authority.

Article (47): Entitlement to Dividend:

The shareholder shall be entitled to his share of the dividend in accordance with the decision of the General Assembly issued in this regard. The decision shall indicate the maturity date and the date of distribution. The eligibility of dividends shall be for the owners of shares registered in the shareholders' records at the end of the day specified for entitlement.

Article (48): Company losses:

If the company's losses amounted to half of the issued capital, the board of directors shall disclose that and its recommendations regarding those losses within (60) sixty days from the date of its knowledge of reaching this amount and to call the extraordinary general assembly to meet within 180 days from the date of its knowledge of the losses to consider the continuation of the company while taking any of the necessary measures to treat or settle these losses.

(Chapter Eight)

Disputes

Article (49): Liability lawsuit:

1. The company may file a liability suit against the members of the Board of Directors for violating the provisions of the Law or its basic system, or because of errors, negligence, or omission made by them in the performance of their work, which results in damages to the company, and the General Assembly or the shareholders decide to file this lawsuit and appoint someone to act on behalf of the company and in the event that any of the liquidation procedures are initiated against the company, and in accordance with the bankruptcy law, the filing of this lawsuit by the person representing it shall be legal.
2. A shareholder representing 5% or more of the company's capital may file a liability claim for the company in the event that the company fails to file it, bearing in mind that the main objective of filing the claim is to achieve the interests of the company, that the claim is based on a valid basis, and that the plaintiff is of good faith and a shareholder in the company at the time of filing the lawsuit.
3. In order to file the lawsuit referred to in Paragraph 2 of this Article, it is required to notify the members of the Board of Directors of the intention to file the invitation at least fourteen days (14) prior to the date of its filing.
4. The shareholder may file a personal lawsuit against the members of the Board of Directors if the mistake they made would cause him personal harm.

(Chapter Nine)

Dissolution and liquidation of the company

Article (50): Dissolution of the Company:

The company is dissolved by one of the reasons for dissolution mentioned in Article (243) two hundred and forty-three of the Companies Law, and upon its expiration, it enters the stage of liquidation in accordance with the provisions of Chapter Twelve of the Companies Law. If the company is dissolved and its assets are not sufficient to pay its debts or if it is in default according to the bankruptcy law, it shall apply to the competent judicial authority to open any of the liquidation procedures according to the bankruptcy law.

(Chapter Ten)

Final Provisions

Article (51): Companies Law:

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

Article (52): Publication:

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

Proposed amendments to the articles of association of Saudi Marketing Company (Farm Superstores)

Article text before modification	Article text after modification
<p>Article (2): Company name: Saudi Marketing Company (Farm Superstores)</p>	<p>Article (2): Company name: Saudi Marketing Company (Farm Superstores) (Listed Saudi Joint Stock Company)</p>
<p>Article (3): The objectives of the company: The objectives of the company are defined as follows:</p> <ol style="list-style-type: none"> 1. Wholesale and retail trade in foodstuffs, household utensils, luxuries, toiletry tools, toys, clothes, fabrics, furnishings, home furniture, electrical equipment, commercial agencies, import and trade in office tools, stationery, electrical and mechanical tools, their spare parts and equipment, all kinds of detergents, fertilizers, ornamental plants, flowers and their accessories, building and decoration materials and their accessories. 2. General contracting for buildings (repair - construction - demolition - restoration). 3. Electrical and mechanical works contracting 4. Water and sewage work contracting and maintenance. 5. Management, operation and ownership of bakeries. 6. Management and operation of restaurants. 7. Management, operation and ownership of rest houses. 8. Providing cooked and uncooked catering services. 9. Contracting for maintenance work and operation of wired, electronic, electrical and telephone networks. 10. Wholesale and retail trade in food crops (vegetables - fruits - legumes). 	<p>Article (3): The objectives of the company: The objectives of the company are defined as follows:</p> <ol style="list-style-type: none"> 1. Wholesale and retail trade in foodstuffs, household utensils, luxuries, toiletry tools, children's toys, clothes, fabrics, furnishings, home furniture, electrical equipment, commercial agencies, import and trade in office tools, stationery, electrical and mechanical tools, their spare parts and equipment, all kinds of detergents, fertilizers, ornamental plants, flowers and their accessories, building materials, decoration and their accessories. 2. General contracting for buildings (repair - construction - demolition - restoration). 3. Electrical and mechanical works contracting 4. Contracting and maintenance of water and sanitation works. 5. Managing, operating and owning bakeries. 6. Managing and operating restaurants. 7. Managing, operating and owning rest houses. 8. Providing cooked and uncooked catering services. 9. Contracting for maintenance work and operation of wired, electronic, electrical and telephone networks. 10. Wholesale and retail trade in food crops (vegetables - fruits - legumes).

<p>11. Commercial agencies.</p> <p>12. Establishing, operating and managing commercial and residential complexes.</p> <p>13. Leisure and entertainment services (establishment, maintenance and operation of cities and recreational centers).</p> <p>14. Providing marketing services for third parties.</p> <p>15. Selling, buying and exploiting land and real estate for the benefit of the company.</p> <p>16. Agriculture and fishing.</p> <p>17. Mines and petroleum and its branches.</p> <p>18. Manufacturing industries and their branches according to industrial licenses.</p> <p>19. Electricity, gas, water and its branches.</p> <p>20. Construction and building.</p> <p>21. Transportation, storage and refrigeration.</p> <p>22. Financial, business and other services.</p> <p>23. Social, group and personal services.</p> <p>24. Trade.</p> <p>25. Information technology.</p> <p>26. Security and safety.</p> <p>27. Animal food and feed stores.</p> <p>28. Agents selling cosmetics.</p> <p>29. Wholesale and retail trade and repair of motor vehicles and motorcycles.</p> <p>The company shall not conduct its activities except after obtaining the necessary licenses from the competent authorities.</p>	<p>11. Commercial agencies.</p> <p>12. Establishing, operating and managing commercial and residential complexes.</p> <p>13. Leisure and entertainment services (establishment, maintenance and operation of cities and recreational centers).</p> <p>14. Providing marketing services for third parties.</p> <p>15. Selling, buying, renting and exploiting land and real estate for the benefit of the company.</p> <p>16. Agriculture and fishing.</p> <p>17. Mines and petroleum and its branches.</p> <p>18. Manufacturing industries and their branches according to industrial licenses.</p> <p>19. Electricity, gas, water and its branches.</p> <p>20. Construction and building.</p> <p>21. Transportation, storage and refrigeration.</p> <p>22. Financial, business and other services.</p> <p>23. Social, group and personal services.</p> <p>24. Trade.</p> <p>25. Information technology.</p> <p>26. Security and safety.</p> <p>27. Animal food and feed stores.</p> <p>28. Agents selling cosmetics.</p> <p>29. Wholesale and retail trade and repair of motor vehicles and motorcycles.</p> <p>The company shall not conduct its activities except after obtaining the necessary licenses from the competent authorities.</p>
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<p>Article (4): Participation and ownership in companies:</p> <p>The company may establish companies on its own (with limited liability or closed joint stock, provided that the capital is not less than five million Saudi riyals). This is after fulfilling the requirements of the regulations and instructions followed in this regard. The company may also dispose of these shares or shares, provided that this does not include brokerage in their trading.</p>	<p>Article (4): Participation and ownership in companies:</p> <p>The company may establish companies on its own (with limited liability or joint stock). It may also own shares and stocks in other existing companies or merge with them. 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 followed in this regard. The company may also dispose of these shares and stocks, provided that this does not include brokerage in their trading</p>
<p>Article (6): Duration of the company:</p> <p>The term of the company is (99) ninety-nine Hijri years starting from the date of its registration in the Commercial Register, and the term of the company may always be extended by a decision issued by the extraordinary general assembly at least one year before the expiry of its term.</p>	<p>Article (6): Duration of the company:</p> <p>The company was established for an unlimited period starting from the date of its registration in the commercial register.</p>
<p>Article (13): Trading in Shares:</p> <p>The shares subscribed by the founders may not be traded except after publishing the financial statements for two fiscal years, each of which is not less than twelve months from the date of the company's incorporation. The bonds of these shares shall be marked with an indication of their type, date of incorporation of the company, and the period during which trading is prohibited.</p> <p>However, during the prohibition period, the ownership of shares may be transferred in accordance with the provisions of the sale of rights from one of the founders to another founder or from the heirs of one of the founders in the event of his death to third</p>	<p>Article (13): Trading in Shares:</p> <p>The Company's shares shall be traded according to the provisions of Capital Market Law and its Implementing Regulations.</p>

parties or in the event of execution on the funds of the insolvent or bankrupt founder, provided that the priority of owning the shares is given to the other founders.

The provisions of this article shall apply to what the founders subscribe to in the event of an increase in the capital before the expiry of the prohibition period.

Article (15): Capital Increase:

1- The Extraordinary General Assembly may decide to increase the company's capital, provided that the capital has been paid in full and 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 did not expire after the prescribed period for converting it into shares.

2- The Extraordinary General Assembly may, in all cases, allocate the shares issued upon the capital increase, or part thereof, to the employees of the company and the subsidiaries or some of them or any of that. The shareholders may not exercise the right of priority when the company issues the shares allocated to the employees.

3- The shareholder who owns the share at the time of the issuance of the extraordinary general assembly's decision approving the capital increase has priority in subscribing to the new shares issued in exchange for cash shares, and these persons shall be informed of their priority by publication in a daily newspaper or by informing them by registered mail of the decision to increase the capital, the terms of subscription, its duration and the date of its beginning and end.

4- The Extraordinary General Assembly has the right to suspend the priority right of the shareholders to subscribe to the capital increase in exchange for cash shares or to give priority to non-shareholders in the cases it deems appropriate for the interest of the company.

Article (15): Increase of capital:

1.The Extraordinary General Assembly may decide to increase the issued or authorized capital of the company, provided that the capital has been paid in full. However, it is not required that Capital be paid in full if the unpaid portion of the Capital is attributable to shares issued in exchange for the conversion of debt instruments or financing instruments into shares and the period specified for their conversion has not yet expired.

2.The extraordinary general assembly may, in all cases, allocate the issued shares upon capital increase or part thereof to the employees of the company and all or some of its subsidiaries, and the shareholders may not exercise the right of priority when the company issues the shares allocated to the employees.

3.The shareholder who owns the share at the time of the issuance of the extraordinary general assembly's decision approving the capital increase has priority in subscribing to the new shares issued in exchange for cash shares, and he is informed of his priority, if any, through the media approved by the competent authority.

4.The Extraordinary General Assembly has the right to suspend the priority right of the shareholders in subscribing to the capital increase in exchange for cash shares or to grant the priority right to non-shareholders in the cases it deems appropriate for the interest of the company.

5.The shareholder has the right to sell or waive the priority right in accordance with the regulations and controls set by the competent authority.

6.Subject to the provisions of paragraph (4) above, the new shares shall be distributed to

<p>5- The shareholder has the right to sell or waive the priority right during the period from the time of the issuance of the General Assembly's decision approving the capital increase until the last day of subscribing to the new shares associated with these rights in accordance with the regulations set by the competent authority.</p> <p>6. Taking into account what was mentioned in Paragraph (4) above, the new shares shall be distributed to the priority rights holders who requested subscription in proportion to the pre-emptive rights they own out of the total pre-emptive rights resulting from the capital increase, provided that what they obtain does not exceed what they have requested shares of the new shares, and the remainder of the new shares is distributed among pre-emptive rights holders who have requested more than their share in proportion to their pre-emptive out of the total pre-emptive rights resulting from the capital increase, provided that what they obtain does not exceed what they have requested from the new shares, and the remaining shares are offered to the third extraordinary parties, unless the general assembly approves or the financial market system stipulates other than that .</p> <p>7- The General Assembly may decide to increase the capital by issuing new shares in exchange for cash or in-kind shares.</p>	<p>the priority rights holders who applied for the subscription, in proportion to their priority rights of the total priority rights resulting from the capital increase, provided that their new shares do not exceed what they requested for from the new shares; the rest of the new shares will be distributed to the priority rights holders who have requested more than their share in the proportion of their priority rights from the total priority rights resulting from the capital increase provided that their new shares do not exceed what they have requested from the new shares; the remaining shares shall be distributed to others, unless otherwise decided by the Extraordinary General Assembly or the rules of the Capital Market Authority states otherwise.</p> <p>7.The General Assembly may decide to increase the capital by issuing new shares in exchange for cash or in-kind shares.</p>
<p>Article (16): Reducing the capital: The Extraordinary General Assembly may decide to reduce the capital if it exceeds the company's need or if it suffers losses. In the latter case alone, the capital may be reduced below the limit stipulated in Article (54) of the Bylaw</p>	<p>Article (16): Reduction of capital: The Extraordinary General Assembly may decide to reduce the capital if it exceeds the company's need or if the Company incurs losses. In the latter case alone, the capital may be reduced below the limit stipulated in Article (59) of the Companies Law and the</p>

<p>Companies, and the reduction decision is not issued until after reading a special report prepared by the auditor on the reasons for it, the obligations of the company, and the effect of the reduction on these obligations.</p> <p>If the reduction of the capital is a result of its excess over the company's need, the creditors must be invited to express their objections to it within sixty days from the date of publishing the reduction decision in a daily newspaper distributed in the area in which the head office of the company is located. The company must pay him his debt if it is current or provide him with a sufficient guarantee to pay it if it is deferred.</p>	<p>decision to reduce capital is not issued except after reading a statement in the General Assembly - prepared by the Board of Directors on the reasons for the reduction, the company's obligations and the impact of the reduction in fulfilling them provided that a report from Company's auditor is attached to this statement.</p> <p>If the reduction of the capital is a result of its excess over the company's need, the creditors shall be invited to express their objections (if any) to the reduction at least forty-five (45) days prior to the date specified for the Extraordinary General Assembly meeting to take a decision on the reduction, provided that the invitation is accompanied by a statement stating the amount of the capital before and after the reduction, the date of the meeting and the effective date of the reduction. If one of the creditors objects and submits his documents to the company on the mentioned date, The company shall pay him his debt if it is due or provide him with a sufficient guarantee to pay it if it is deferred.</p>
<p>Article (17): Company Management:</p> <p>The management of the company is assumed by a board of directors consisting of (7) seven members elected by the ordinary general assembly of shareholders for a period not exceeding (3) three years. This is within the limits of his ownership percentage in the capital, and members of the Board of Directors may be re-elected.</p>	<p>Article (17): Company Management:</p> <p>The company is managed by Board of Directors comprising of (7) seven members, provided that they are persons of natural capacity, who are elected by the ordinary general assembly of shareholders for a period not exceeding (4) four years. The members of the Board of Directors may be re-elected for other sessions in accordance with the procedures for election and candidacy based on the regulations and controls set by the competent authority.</p>

<p>Article (18): Termination of Board Membership:</p> <p>The membership of the Board shall terminate upon the expiry of its term or upon the expiry of the member’s eligibility for it in accordance with any system or instructions in force in the Kingdom. However, the Ordinary General Assembly may at any time dismiss all or some of the Board members, without prejudice to the dismissed member’s right towards the company to claim compensation if the dismissal occurred for an unacceptable reason. or at the wrong time. A member of the board of directors may retire, provided that it is at an appropriate time, otherwise he will be liable to the company for the damages that result from his retirement.</p>	<p>Article (18): Termination of Board Membership:</p> <p>The membership of any of the members of the Board ends by virtue of a decision of the Ordinary General Assembly to dismiss him, or the expiration of his term, or the expiration of the member’s validity in accordance with any laws 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, and in this case the General Assembly may elect a new board or someone to replace the dismissed member (as the case may be) in accordance with the provisions of the Companies Law. The competent authority may set controls for the termination of the members of the Board of Directors by the Ordinary General Assembly, and the General Assembly may (on the recommendation of the Board of Directors) terminate the membership of any member who has been absent attending (three) consecutive meetings or (five) separate meetings during the term of his membership without a legitimate reason accepted by the Board of Directors</p>
<p>Article (19): Vacant position in the Council:</p> <p>If the position of a member of the board of directors becomes vacant, the board may appoint a temporary member in the vacant position, according to the order of obtaining votes in the assembly that elected the board, provided that he is among those who have experience and competence. The ministry and the Capital Market Authority must be informed of this within (5) five working days from the date of appointment. The</p>	<p>Article (19): The Vacancy in the Board of Directors:</p> <p>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, who has experience and competency. The Commercial Register as well as the Capital Market Authority shall be notified of this within (15) fifteen working days from the date of appointment or offer of appointment.</p>

<p>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 due to the lack of its members from the minimum stipulated in the Companies Law or this bylaw, the rest of the members must invite the Ordinary General Assembly to convene within (60) sixty days to elect the necessary number of members.</p>	<p>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 due to the lack of its members from the minimum stipulated in the Companies Law or this bylaw, the rest of the members shall invite the Ordinary General Assembly to convene within (60) sixty days to elect the necessary number of members.</p>
<p>Article (21) Remuneration of Board Members: The remuneration of the Board of Directors consists of remunerations, attendance allowances, and financial or in-kind benefits, provided that they do not exceed the amount of (500,000) five hundred thousand riyals and within the limits of what is stipulated in the Companies Law and its regulations. The fiscal year includes bonuses, expense allowances and other benefits, and it should also include a statement of what the members of the council received in their capacity as workers or administrators, or what they received in return for technical or administrative work or consultancy, and it should also include a statement of the number of council sessions and the number of sessions attended by each member from the date of the last meeting of the General Assembly.</p>	<p>Article (21) Remuneration of Board Members: The members of the Board of Directors are entitled to receive remuneration in accordance with the terms and conditions approved by the Ordinary General Assembly and within the limits stipulated in the Companies Law or other complementary laws or decisions thereof. The company, in addition to the remuneration that he can obtain in his capacity as a member of the Board of Directors and in the committees formed by the Board of Directors in accordance with the Companies Law and the Company's Articles of Association. The report of the Board of Directors to the Ordinary General Assembly at its annual meeting shall include a comprehensive statement of all that each member of the Board of Directors received or deserved to receive during the fiscal year in terms of remuneration, allowances for attending meetings, expenses allowances, and other benefits, and it also includes a statement of what members received. The Board in their capacity as workers or administrators or what</p>

	<p>they have received in return for technical or administrative work or consultations. It should also include a statement of the number of the Board's meetings and the number of meetings attended by each member.</p>
<p>Article (22) Powers of the Chairman, Vice-Chairman, Managing Director and Secretary: The board of directors appoints from its members a chairman and a vice-chairman, and he may appoint a managing member. It is not permissible to combine the position of the chairman of the board of directors with any other executive position in the company, and the vice-chairman of the board of directors replaces the chairman of the board of directors in his absence.</p> <p>The Chairman shall have the power to invite the Board of Directors to meet and chair the Board's meetings. The Chairman of the Board of Directors shall represent the company before the courts, arbitration bodies, others, notaries, dispute settlement committees of all kinds, arbitration bodies, civil rights, and police departments. Accepting and objecting to the provisions on behalf of the company, signing on behalf of the company, signing all types of contracts, documents and documents, including the articles of incorporation of the companies in which the company participates with all their amendments, appendices, decisions to amend and emptying and accepting the sale and purchase of shares, and signing decisions Partners and amendment appendices to buy, sell, empty and waive stakes in other companies, represent the company in attendance, sign, vote, accept positions and</p>	<p>Article (22) Powers of the Chairman, Vice-Chairman, Managing Director and Secretary: The board of directors appoints from its members a chairman and a vice-chairman, and he may appoint a managing member. It is not permissible to combine the position of the chairman of the board of directors with any other executive position in the company, and the vice-chairman of the board of directors replaces the chairman of the board of directors in his absence.</p> <p>The Chairman shall have the power to invite the Board of Directors to meet and chair the Board's meetings. The Chairman of the Board of Directors shall represent the company before the courts, arbitration bodies, others, notaries, dispute settlement committees of all kinds, arbitration bodies, civil rights, and police departments. Accepting and objecting to the provisions on behalf of the company, accepting judgments, objecting to them, requesting appeal - requesting reconsideration - requesting execution of judgments - reviewing the seizure and execution departments - requesting attachment and execution - requesting a travel ban and lifting it - on behalf of the company, signing on behalf of the company, signing all types of contracts, documents and documents, including the articles of incorporation of the companies in which the company participates with all their</p>

tasks in ordinary and extraordinary general assemblies of public or closed shareholding companies in which the company contributes, have the right to buy, sell, empty and waive shares in them, and sign contracts for real estate sales or Purchase and loan agreements with government financing funds and institutions, banks, banks, financial houses, guarantees, guarantees and mortgages, redeeming them, collecting the company's rights and paying its obligations, Selling, buying, emptying and accepting, guarantees, guarantees, mortgages, dissolving them, collecting the company's rights and paying its obligations, selling, buying, emptying and accepting it, receiving, delivering, renting, leasing, receiving and paying, entering into tenders, opening accounts, credits, withdrawals, depositing with banks, issuing bonds, checks, all commercial papers, requesting visas, and recruiting employees and workers from abroad. Residence permits, work permits, transfer and waiver of guarantees, and the Chairman of the Board of Directors may delegate and delegate to others, within the limits of his competence, the powers or to take a specific action or behavior, or to perform specific work or actions. And he has the right to revoke the authorization or power of attorney partially or completely, sign with the Companies Department at the Ministry of Commerce and Investment and the notary, make amendments, changes, additions, deletions, extracting and renewing commercial records, receiving and writing them off, and changing the names of companies.

amendments, appendices, decisions to amend and emptying and accepting the sale and purchase of shares, and signing decisions Partners and amendment appendices to buy, sell, empty and waive stakes in other companies, represent the company in attendance, sign, vote, accept positions and tasks in ordinary and extraordinary general assemblies of public or closed shareholding companies in which the company contributes, have the right to buy, sell, empty and waive shares in them, and sign contracts for real estate sales or Purchase and loan agreements with government financing funds and institutions, banks, banks, financial houses, guarantees, guarantees and mortgages, redeeming them, collecting the company's rights and paying its obligations, Selling, buying, emptying and accepting, guarantees, guarantees, mortgages, dissolving them, collecting the company's rights and paying its obligations, selling, buying, emptying and accepting it, receiving, delivering, renting, leasing, receiving and paying, entering into tenders, opening accounts, credits, withdrawals, depositing with banks, issuing bonds, checks, all commercial papers, signing treasury documents, executing related operations, requesting visas, and recruiting employees and workers from abroad. Residence permits, work permits, transfer and waiver of guarantees, and the Chairman of the Board of Directors may delegate and delegate to others, within the limits of his competence, the powers or to take a specific action or behavior, or to perform specific work or actions. And he has the right to revoke the authorization or power of attorney partially or

<p>With the exception of the power to call for meetings of the Board of Directors and to represent before banks and financial institutions, the Vice Chairman of the Board of Directors and the Managing Director (if appointed) enjoy the same powers granted to the Chairman of the Board of Directors, including the right to delegate the powers granted to them in addition to other powers determined by the Board of Directors.</p> <p>The board of directors appoints a secretary to be chosen by it from its members or from others and who determines his remuneration. He is responsible for recording the minutes of the board of directors' meetings, recording and keeping the decisions issued by these meetings, in addition to exercising other powers assigned to him by the board of directors. The membership of each of them in the Council, and they may be re-elected, and the Council at any time may dismiss them or any of them without prejudice to the right of the dismissed person to be compensated if the dismissal occurred for an unlawful reason or at an inappropriate time.</p>	<p>completely, sign with the Companies Department at the Ministry of Commerce and Investment and the notary, make amendments, changes, additions, deletions, extracting and renewing commercial records, receiving and writing them off, and changing the names of companies, entering and updating sukuk in the comprehensive system.</p> <p>With the exception of the power to call for meetings of the Board of Directors and to represent before banks and financial institutions, the Vice Chairman of the Board of Directors and the Managing Director (if appointed) enjoy the same powers granted to the Chairman of the Board of Directors, including the right to delegate the powers granted to them in addition to other powers determined by the Board of Directors.</p> <p>The board of directors appoints a secretary to be chosen by it from its members or from others and who determines his remuneration. He is responsible for recording the minutes of the board of directors' meetings, recording and keeping the decisions issued by these meetings, in addition to exercising other powers assigned to him by the board of directors. The membership of each of them in the Board, and they may be re-elected, and the Board at any time may dismiss them or any of them without prejudice to the right of the dismissed person to be compensated if the dismissal occurred for an unlawful reason or at an inappropriate time.</p>
<p>Article (23): Council meetings: The Board of Directors meet at least twice a year at the invitation of its chairman. The invitation is in writing and may be delivered by</p>	<p>Article (23): Board meetings: The Board of Directors meet at least (4) four times a year at the invitation of its chairman. The invitation shall be in writing and may be</p>

<p>hand or sent by mail or fax. The Chairman of the Board must call for a meeting whenever requested by two of the members.</p>	<p>delivered by hand or sent by mail or e-mail. The Chairman of the Board shall invite the Board to the meeting whenever requested in writing by any member of the Board to discuss any subject or more.</p> <p>The Board of Directors determines the place for holding its meetings, and it is permissible to hold its meetings through modern technical means or other electronic means. Accordingly, the chairman may consider any participating member through modern technology or other electronic means present throughout the meeting.</p>
<p>Article (26): Council Deliberations: The deliberations and decisions of the Board shall be recorded in minutes signed by the Chairman of the Board, the members of the Board of Directors present and the Secretary. These minutes shall be recorded in a special register signed by the Chairman and the Secretary.</p>	<p>Article (26): Board Discussions: The discussions and decisions of the board are recorded in minutes prepared by the secretary and signed by the chairman of the meeting, the attending members of the board of directors, and the secretary. These minutes are recorded in a special register signed by the chairman of the board of directors and the secretary. Modern technical means may be used to sign and record the deliberations and decisions and record the minutes.</p>
<p>Article (27): Attending Assemblies: Each subscriber, regardless of the number of his shares, has the right to attend the constituent assembly, and each shareholder has the right to attend the general assembly of shareholders, and for this he may delegate another person other than the members of the board of directors or the company's employees to attend the general assembly.</p>	<p>Article (27): Attending Assemblies: Each shareholder has the right to attend the meeting of the General Assembly, and he may authorize another person other than the members of the Board of Directors to do so. It is also permissible to hold a meeting of the General Assembly, and the shareholder participates in deliberations and voting on decisions by means of modern technology, in accordance with the regulations and controls set by the competent authority.</p>

<p>Article (28): The Constituent Assembly: The founders invite all subscribers to hold a constituent assembly within 45 days from the date of closing the door for subscription in shares. For the meeting to be valid, the presence of a number of subscribers representing at least half of the capital is required. The invitation to the first meeting includes this. In all cases, the second meeting shall be valid regardless of the number of subscribers represented therein, and each subscriber at its meetings shall have a vote for each share subscribed to or represented.</p>	Deleted
<p>Article (29) Functions of the Constituent Assembly: The constituent assembly is concerned with the matters mentioned in Article 63 (sixty-three) of the Companies Law.</p>	Deleted
<p>Article (32): Invitation to Associations: General or special assemblies of shareholders are convened at the invitation of the board of directors, and the board of directors must invite the ordinary general assembly if requested by the auditor or the audit committee or a number of shareholders representing (5%) of the capital at least. The Board shall invite the General Assembly within 30 days from the date of the auditor’s request, and the invitation to convene the General Assembly shall be published in a daily newspaper distributed in the company’s head office at least twenty-one days prior to the date specified for the meeting. A copy of the invitation and the agenda to the Ministry and the Capital Market Authority, within the period specified for publication.</p>	<p>Article (30): Invitation to Assembly Meetings: The annual Ordinary General Assembly shall convene at least once during the (six) months following the end of the company's fiscal year. Other Ordinary General Assemblies may be called whenever the need arises. The general and private assembly of shareholders convenes at the invitation of the Board of Directors, and the Board of Directors shall invite the Ordinary General Assembly to convene within (thirty) days from the date of the request of the auditor or one or more shareholders representing (ten percent) of the shares of the company that have at least voting rights. The auditor may Inviting the General Assembly to convene if the Board did not extend the invitation within (thirty days) from the date of the auditor's request.</p>

	<p>The invitation to convene the General Assembly is published on the website of Saudi Stock Exchange (Tadawul) at least twenty-one days prior to the date set for the meeting. The date, place and agenda of the General Assembly shall also be announced prior to the date with the same specified period. The company may invite the convening of the General and Special Assembly through other means Modern technology, and a copy of the invitation and the agenda are sent to the Commercial Register and the Capital Market Authority within the period specified for publication.</p> <p>The company may also amend the assembly's agenda during the period between publishing the above-mentioned announcement, in accordance with the conditions set forth in this article.</p>
<p>Article (33): Attendance Record of Assemblies: Shareholders who wish to attend the general or special assembly shall register their names at the company's head office or at the place of the assembly before the time specified for the assembly.</p>	<p>Article (31): Attendance Record of Assemblies: Shareholders who wish to attend the general or special assembly shall register their names electronically or at the company's head office prior to the time specified for the assembly. The Board of Directors may change the place of registering the names or the method it deems appropriate. When the General Assembly convenes, a list of the names of the present and represented shareholders and their place of residence is drawn up, with a statement of the number of shares they hold in person or by proxy, and the number of votes allocated to them. Every interested party may have access to this list.</p>

<p>Article (34): Quorum of the Ordinary General Assembly Meeting:</p> <p>The meeting of the Ordinary General Assembly shall not be valid unless attended by shareholders representing at least a quarter of the capital. possibility of holding this meeting. In all cases, the second meeting shall be considered valid regardless of the number of shares represented therein.</p>	<p>Article (32): Quorum of the Ordinary General Assembly Meeting:</p> <p>The meeting of the Ordinary General Assembly shall not be valid unless attended by shareholders representing at least a quarter of shares of company that have voting rights, and if the necessary quorum for holding this meeting is not available, the invitation shall be directed to a second meeting to be held under the same conditions stipulated in Article (91) ninety-one of the Companies Law within (30) thirty days following the date specified for the previous meeting. However, the second meeting may 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 that it is possible to hold it in all cases, the second meeting shall be valid, regardless of the number of shares that have voting rights represented therein therein.</p>
<p>Article (35): Quorum for the Extraordinary General Assembly:</p> <p>The meeting of the extraordinary general assembly is not valid unless attended by shareholders representing at least half of the capital. possibility of holding this meeting. If the necessary quorum is not available at the second meeting, an invitation is sent to a third meeting to be held in the same conditions stipulated in Article 32 of this bylaw, and the third meeting will be valid regardless of the number of shares represented therein, after the approval of the competent authority.</p>	<p>Article (33): Quorum for the Extraordinary General Assembly:</p> <p>The meeting of the extraordinary general assembly is not valid unless attended by shareholders representing at least half of the shares of the Company that have voting rights. However, the second meeting may be held an hour after the end of the period specified for holding the first meeting, provided that the invitation to hold the first meeting includes evidence that it is possible to hold that meeting. In all cases, the second meeting is valid if attended by shareholders representing a quarter of the shares of the company that have voting rights and if the necessary quorum for the second meeting is not</p>

	<p>available, an invitation is sent to a third meeting to be held under the same conditions stipulated in Article (91) ninety-one of the Companies Law, and the third meeting is valid, regardless of the number of shares that have voting rights represented in it.</p>
<p>Article (36): Voting in Assemblies: Each subscriber has one vote for each share he represents in the constituent assembly, and each shareholder has one vote for each share in the general assemblies Cumulative voting shall be used to elect the Board of Directors.</p>	<p>Article (34): Voting in Assemblies: Each shareholder votes for every share he represents in the general assemblies, and the cumulative vote shall be used in electing the board of directors, so that the voting right for a share may not be used more than once, and the members of the board of directors may not participate in voting on the decisions of the assembly that are related to business and contracts in which they have a direct or indirect interest. directly or involving a conflict of interest.</p>
<p>Article (37): Decisions of the Associations: Decisions in the Constituent Assembly are issued by an absolute majority of the shares represented therein, and the decisions of the Ordinary General Assembly are issued by an absolute majority of the shares represented in the meeting, and the decisions of the Extraordinary General Assembly are issued by a two-thirds majority of the shares represented in the meeting, unless it is a decision related to increasing or decreasing the capital or extending the term of the company or its dissolution before the expiry of the period specified in its articles of association or a merger with another company shall not be valid unless it is issued by a majority of three quarters of the shares represented in the meeting.</p>	<p>Article (35): Decisions of the Assemblies: The decisions of the Ordinary General Assembly are issued with the approval of the majority of the voting rights represented in the meeting. The decisions of the Extraordinary General Assembly are issued with the approval of two-thirds of the voting rights represented in the meeting, unless the decision is related to increasing or decreasing the capital, extending the term of the company, or dissolving the company before the expiration of the period specified in its articles of association, or merging it with another company, or dividing it into two or more companies, in which case the decision shall be valid unless it is passed with the approval of three quarters of the voting rights represented in the meeting.</p>

<p>Article 39: Presiding over Associations and Preparing minutes:</p> <p>The meetings of the general assemblies of shareholders are chaired by the Chairman of the Board of Directors or his deputy in his absence, or whoever is delegated by the Board of Directors from among its members in the absence of the Chairman and his deputy in the absence of the Chairman and his deputy. It was taken, the number of votes it approved or disagreed with, and a complete summary of the discussions that took place in the meeting. Minutes are recorded regularly after each meeting in a special register signed by the association's president, secretary and vote collector.</p>	<p>Article (37): Presiding over General Assembly and Preparing Minutes:</p> <p>The meeting of the general assembly of shareholders shall be presided over by the chairman of the board of directors or his deputy in his absence or whomever the chairman of the board delegates or whomever the board of directors delegates from among its members in her absence. Minutes of the assembly meeting shall be drawn up including the number of shareholders present in person or by proxy, the number of shares held by them in person or by proxy, and the number of votes for them. The decisions taken, the number of votes approved or opposed, an adequate summary of the discussions that took place in the meeting, and the minutes shall be recorded regularly after each meeting in a special register signed by the chairman of the general assembly, its secretary, and the vote collectors.</p>
<p>Article (40): Composition of the Committee:</p> <p>A decision of the Ordinary General Assembly shall form an audit committee composed of non-executive members of the board of directors, whether from the shareholders or from others, so that the number of its members shall be three.</p>	<p>Article (38): Composition of the Committee:</p> <p>By a decision of the company's board of directors, an audit committee is formed from the shareholders or others, provided that it does not include any of the executive members of the board of directors. The number of members of the audit committee shall not be less than three and not more than five, and one of them is specialized in financial and accounting affairs.</p>
<p>Article (44): Appointment of the auditor:</p> <p>The company must have an auditor (or more) from among the auditors licensed to work in the Kingdom of Saudi Arabia, to be appointed annually by the Ordinary General Assembly,</p>	<p>Article (42): Appointment of the auditor:</p> <p>The company shall have an auditor (or more) from among the licensed auditors in the Kingdom who shall be appointed by the</p>

<p>and to determine his remuneration and the duration of his work. appropriate or for an unlawful reason.</p>	<p>General Assembly and determine his fees, work duration and scope.</p> <p>According to a decision taken by the General Assembly, the auditor may be dismissed, and the chairman of the board of directors shall inform the competent authority of the dismissal decision and its reasons within a period not exceeding five days from the date of issuance of the decision.</p> <p>The auditor has the right to retire from his engagement by virtue of a written report that he submits to the company, and his engagement ends from the date of its submission or at a later date specified in the notification, without prejudice to the company's right to compensation for the damage incurred by it, if it is necessary for him. The retired auditor is obligated to submit to the company and the competent authority, upon submission of the report, a statement of the reasons for his retirement, and the board of directors shall call the general assembly to convene to consider the reasons for retirement, appoint another auditor and determine his fees, work duration and scope.</p>
<p>Article (45): Powers of the auditor:</p> <p>The auditor at any time has the right to review the company's books, records and other documents. He may request data and clarifications that he deems necessary to obtain in order to verify the company's assets, obligations and other matters 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, this is proven in a report submitted to the Board of Directors. If</p>	<p>Article (43): Powers of the auditor:</p> <ol style="list-style-type: none"> 1- The company's auditor shall be independent in accordance with what is determined by the professional standards adopted in the Kingdom. 2- It shall not be permissible to combine the work of the auditor with participation in the establishment of the company whose accounts he audits, or its management, or membership in its board of directors. The auditor shall not be a partner, employee, or relative of any of the

the Board does not facilitate the work of the auditor, he must request the Board of Directors to invite the Ordinary General Assembly to consider the matter.

company's founders, managers, or members of its board of directors, and he may not buy or sell shares in the company whose accounts he is auditing during the audit period.

- 3- The auditor of the company's accounts may not perform technical, administrative or advisory work in the company whose accounts he is auditing or for its interest, except as specified by the regulations.
- 4- The auditor may, at any time, review the company's documents, accounting records, and supporting documents, and he may request data and clarifications that he deems necessary to obtain to verify the company's assets, liabilities, and other things that fall within the scope of his work, and the CEO or its board of directors shall enable him to perform his duty. If the auditor encounters difficulty in this regard, he shall record this in a report submitted to the chief executive officer or the board of directors. If the chief executive or the board of directors does not facilitate the work of the auditor, he shall ask them to invite the shareholders to a meeting or the general assembly to consider the matter, and the auditor may issue this invitation if the CEO or the Board of Directors did not send it within (30) thirty days from the date of the auditor's request.
- 5- The auditor shall submit to the general assembly at its annual meeting or the shareholders a report on the company's financial statements prepared in accordance with auditing

	<p>standards approved in the Kingdom and included in the position of the company's management guarantees him to enable him to obtain the evidence and clarifications he requested and what may have been found to him of violations of the provisions of the system or the company's memorandum of association or its Articles of Association within the limits of his competence and his opinion on the extent of the fairness of the company's financial statements, and the auditor shall read his report or review a summary thereof at the annual general assembly meeting.</p>
<p>Article (47): Financial Documents:</p> <ul style="list-style-type: none"> • At the end of each company's financial year, the board of directors must prepare the company's financial statements and a report on its activities and financial position for the past fiscal year. This report guarantees the proposed method for distributing profits, and the Board puts these documents at the disposal of the auditor at least forty-five days before the date set for convening the General Assembly. • The company's board of directors, chief executive officer and chief financial officer must sign the above-mentioned documents and copies of them are deposited at the company's head office at the shareholders' disposal at least twenty-one days before the scheduled date of the general assembly. • The Chairman of the Board of Directors shall provide the shareholders with the company's financial statements, the Board's report and 	<p>Article (45): Financial Documents:</p> <ol style="list-style-type: none"> 1- The company shall keep accounting records and supporting documents to clarify its business, contracts and financial statements in the company's main office or in any other place specified by the company's manager or its board of directors. 2- The company's financial statements shall be prepared at the end of each fiscal year in accordance with the accounting standards approved in the Kingdom, and these statements shall be deposited as specified by the regulations within (6) six months from the date of the end of the fiscal year, in accordance with the provisions contained in the system. 3- The board of directors shall, at the end of each fiscal year of the company, prepare the company's financial statements and a report on its

<p>the auditor's report, unless they are published in a daily newspaper distributed in the company's head office. He must also send a copy of these documents to the Ministry and the Capital Market Authority at least twenty-one days before the General Assembly is convened.</p>	<p>activities and its financial position for the past fiscal year. This report includes the proposed method for distributing profits, and the Board places these documents at the disposal of the auditor, if any, at least forty-five days prior to the date set for the General Assembly.</p> <p>4- The company's board chairman, chief executive officer and chief financial officer shall sign the documents referred to in paragraph (3) and copies of these documents shall be deposited in the company's main office at the disposal of the shareholders.</p> <p>5- The Chairman of the Board of Directors shall provide the shareholders with the company's financial statements, the Board's report and the auditor's report after signing them, and the auditor's report, if any, that have not been published in any of the modern technology means, at least twenty-one days before the date set for the Ordinary General Assembly, and he shall also deposit these documents according to as specified by the regulations.</p>
<p>Article (48): Distribution of Profits: The company's annual net profits are distributed as follows:</p> <ol style="list-style-type: none"> 1. (10%) of the net profits shall be set aside to form the statutory reserve of the company, and the Ordinary General Assembly may decide to discontinue this deduction when the said reserve reaches (30%) of the paid-up capital. 2. The Ordinary General Assembly, based on the proposal of the Board of Directors, may set 	<p>Article (46): Distribution of Dividends:</p> <ol style="list-style-type: none"> 1. The General Assembly shall determine the percentage that shall be distributed among the shareholders from the net profits after deducting the reserves, if any. 2. The shareholder shall be entitled to his share in the dividend in accordance with the decision of the General Assembly issued in this regard. The decision shall indicate the date of

<p>aside (10%) of the net profits to form a consensual reserve to be allocated for the benefit of the company.</p> <p>3. The Ordinary General Assembly may decide to form other reserves to the extent that achieves 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 sums from the net profits for the establishment of social institutions for the company's employees or to assist any existing of these institutions.</p> <p>4. The company's board of directors takes the appropriate decision regarding the distribution of profits to shareholders.</p>	<p>entitlement and the date of distribution. The eligibility for dividend shall be for the shareholders registered in the shareholders' records at the end of the day specified for entitlement. The regulations specify the maximum period during which the Board of Directors shall implement the decision of the assembly regarding the distribution of dividend to the shareholders.</p> <p>3. The General Assembly shall determine the distribution of reserves that the shareholders previously decided to set aside, including any reserves set aside in accordance with any statutory requirements prior to the date of adoption of this Articles of Association.</p> <p>4. The company may distribute interim dividend to its shareholders on a semi-annual or quarterly basis, by a decision of the Board of Directors, in accordance with the regulations and controls set by the competent authority.</p>
<p>Article (50): Distribution of dividends for preferred shares:</p> <ul style="list-style-type: none"> • If no dividends are distributed for any financial year, then no dividends may be distributed for the following years until after paying the specified percentage in accordance with the provisions of Article (one hundred and fourteen) of the Companies Law for Preferred Shareholders for that year. • If the company fails to pay the specified percentage in accordance with the provisions of Article 114 (one Hundred Fourteenth) of the Companies Law for a period of three consecutive years, the Special Assembly of the 	<p>Deleted</p>

<p>owners of these shares held in accordance with the provisions of Article (89) of the Companies Law may decide either that they attend the meetings of the General Assembly for the company and participate in voting or appointing their representatives to the board of directors in proportion to the value of their shares in the capital, until the company is able to pay all the priority dividends allocated to the owners of these shares for the previous years.</p>	
<p>Article (51): Company losses:</p> <ul style="list-style-type: none"> • If the company’s losses 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 and the Chairman of the Board must inform the members of the Board immediately, and the Board of Directors must within fifteen days of his knowledge <p>In this way, the Extraordinary General Assembly is called for a meeting 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 drops below half of the paid-up capital, or to dissolve the company before the deadline specified in Article (Six) of this system.</p> <ul style="list-style-type: none"> • The company is considered dissolved by the force of the companies’ system if the general assembly did not meet within the period specified in paragraph (1) of this article, or if it met and was unable to issue a decision in the matter, or if it decided to increase the capital in accordance with the conditions established in this article and the subscription was not 	<p>Article (48): Company losses:</p> <p>If the company’s losses amounted to half of the issued capital, the board of directors shall disclose that and its recommendations regarding those losses within (60) sixty days from the date of its knowledge of reaching this amount and to call the extraordinary general assembly to meet within 180 days from the date of its knowledge of the losses to consider the continuation of the company while taking any of the necessary measures to treat or settle these losses.</p>

<p>completed in each capital increase within ninety days from the issuance of the Assembly's decision to increase it.</p>	
<p>Article (52): Liability lawsuit: Every shareholder has the right to file a liability lawsuit for the company against the members of the board of directors, if the mistake made by them would cause his own harm. The shareholder may not file the aforementioned lawsuit unless the company's right to file it still exists, and the shareholder must inform the company he intends to file a lawsuit.</p>	<p>Article (49): Liability lawsuit:</p> <ol style="list-style-type: none"> 1. The company may file a liability suit against the members of the Board of Directors for violating the provisions of the Law or its basic system, or because of errors, negligence, or omission made by them in the performance of their work, which results in damages to the company, and the General Assembly or the shareholders decide to file this lawsuit and appoint someone to act on behalf of the company and in the event that any of the liquidation procedures are initiated against the company, and in accordance with the bankruptcy law, the filing of this lawsuit by the person representing it shall be legal. 2. A shareholder representing 5% or more of the company's capital may file a liability claim for the company in the event that the company fails to file it, bearing in mind that the main objective of filing the claim is to achieve the interests of the company, that the claim is based on a valid basis, and that the plaintiff is of good faith and a shareholder in the company at the time of filing the lawsuit. 3. In order to file the lawsuit referred to in Paragraph 2 of this Article, it is required to notify the members of the Board of Directors of the intention to file the invitation at least fourteen days (14) prior to the date of its filing. 4. The shareholder may file a personal lawsuit against the members of the

	Board of Directors if the mistake they made would cause him personal harm.
<p>Article (53): Termination of the Company: The company enters, upon its expiry, the phase of liquidation and retains the legal personality to the extent necessary for liquidation. The decision of voluntary liquidation is issued by the extraordinary general assembly. The decision of liquidation must include the appointment of the liquidator, specifying his powers and fees, restrictions imposed on his powers, and the time period required for liquidation. The period of voluntary liquidation should not exceed five years and may not be extended. 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 to be liquidators for others until the liquidator is appointed. Shareholders' assemblies remain in place during the liquidation period, and their role is limited to exercising their competencies that do not conflict with the competencies of the liquidator.</p>	<p>Article (50): Dissolution of the Company: The company is dissolved by one of the reasons for dissolution mentioned in Article (243) two hundred and forty-three of the Companies Law, and upon its expiration, it enters the stage of liquidation in accordance with the provisions of Chapter Twelve of the Companies Law. If the company is dissolved and its assets are not sufficient to pay its debts or if it is in default according to the bankruptcy law, it shall apply to the competent judicial authority to open any of the liquidation procedures according to the bankruptcy law.</p>
<p>Article (54): Companies Law: The Companies Law and its Bylaws shall be applied in everything that is not provided for in this Law.</p>	<p>Article (51): Companies Law: The Companies Law and its implementing regulations shall be applied in everything that is not provided for in this Bye Law.</p>
<p>Article (55): Publication: This system shall be deposited and published in accordance with the provisions of the Companies Law and its regulations.</p>	<p>Article (52): Publication: This system shall be deposited and published in accordance with the provisions of the Companies Law and its implementing regulations.</p>