



In the Name of God Most merciful

Memorandum of Association of  
National Company for Glass Industries "ZOUJAJ"  
(A Listed Saudi joint stock company)

**Chapter One: Company's Incorporation:**

**Article One: Incorporation:**

A Saudi joint stock company shall be established in accordance with the provisions of the Companies Law issued by the honorable Royal Decree and its regulations, in accordance with the following:

**Article Two: Company Name:**

***National Company for Glass Industries "ZOUJAJ"*** (A Listed Saudi joint stock company).

**Article Three: Objectives of the Company:**

The company's objectives shall be:

1. Production of returnable and non-returnable glass bottles.
2. Flat glass production.
3. Mining and manufacturing works for all requirements of the glass industry from raw materials, gases, and others, after obtaining the necessary licenses for that purpose.
4. Practicing transformational manufacturing industries related to the manufacture of glass and plastic.

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

The company may establish stand-alone (limited liability) companies or (closed joint-stock companies, provided that the capital does not exceed 5 million riyals). It may also own shares and stocks in other existing companies or merge with them, and it has the right to participate with others in the establishment of 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 or shares, provided that this does not include mediation in their trading.



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#### **Article Five: The head office of the company**

The head office of the company is located in the city of Riyadh and may established branches, offices, or agencies for it inside or outside the Kingdom by a decision of the Board of Directors.

#### **Article Six: Company's Term**

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

### **Chapter Two: Capital and Shares**

#### **Article Seven: Capital:**

The company's capital was set at (329,000,000) three hundred and twenty-nine million Saudi riyals, divided into (32,900,000) thirty-two million nine hundred thousand shares of equal value. The nominal value of each is ten (10) Saudi riyals, and all of them are ordinary cash shares.

#### **Article Eight: Subscription to Shares**

Shareholders have subscribed to all the company's shares amounting to (thirty-two million nine hundred thousand shares) (32,900,000) shares in the company with a value of three hundred and twenty-nine million (329,000,000) Saudi riyals, whose value has been fully paid.

#### **Article 9: Premium Shares:**

The Extraordinary General Assembly of the company may, according to the principles set by the competent authority, issue its premium shares or decide to purchase them, convert ordinary shares into premium shares, or convert premium shares into ordinary ones. Premium shares do not give the right to vote in the general assemblies of shareholders. Such shares give their owners the right to obtain a percentage greater than the ordinary stockholders of the company's net profits after setting aside the statutory reserve.

#### **Article Ten: Sale of Unrealized Shares**



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The shareholder is obligated to pay the value of the share on the dates specified for this, and if he fails to pay on the due date, the Board of Directors may, after notifying him through e-mail or by a registered letter, sell the share in the stock market in accordance with the controls set by the competent authority.

The company cancels the share sold in accordance with the provisions of this article, gives the buyer a new share bearing the cancelled share number, and indicates in the stock register that the sale has taken place with the statement of the name of the new owner.

#### **Article Eleven: Issuance of Shares**

The shares are nominal and may not be issued for less than their nominal value. But they may be issued higher than this value. In this last case, the difference in value is added in a separate item within the shareholders' equity. They may not be distributed as dividends to shareholders. The share is indivisible against 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 it, and those persons shall be jointly responsible for the obligations arising from the ownership of the share.

#### **Article Twelve: 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 transformation. 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 shareholder. Priority of owning these shares shall be 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.

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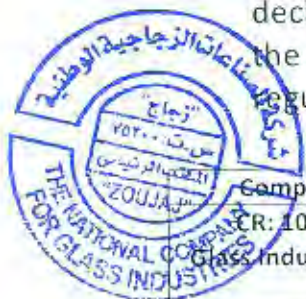


### Article Thirteen: Shareholders Register

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

### Article Fourteen: Capital Increase

1. The Extraordinary General Assembly may decide to increase the capital of the company, provided that the capital has been paid in full. It is not required that the capital has been paid in full if the unpaid part of the capital belongs to shares issued in exchange for converting debt instruments or financing instruments into shares and it expires after the estimated period of transferring them to any of them.
2. The Extraordinary General Assembly may, in all cases, allocate the shares issued upon the capital increase, or part thereof, to employees of the company and its subsidiaries or some of them, or any of that. Shareholders may not exercise the right of priority when the company issues the shares allocated to 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 shall have priority in subscribing to the new shares issued in exchange for cash shares. These persons shall be notified of their priority by publication in a daily newspaper or by notifying 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 shareholders' priority right 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 relinquish 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.



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6. Subject to what is stated in paragraph (4) above, the new shares shall be distributed to the priority rights holders who requested subscription in proportion to their pre-emptive rights out of the total pre-emptive rights resulting from the capital increase, provided that what they receive does not exceed what they have requested of the new shares. The remainder of the new shares shall be distributed to the priority rights holders who requested more than their share in proportion to the priority rights they own out of the total priority rights resulting from the capital increase, provided that what they obtain does not exceed what they requested of the new shares, and the remaining shares are offered to third parties unless the Extraordinary General Assembly decides, or the Capital Market Law provides otherwise.

#### **Article 15: Capital Reduction**

The Extraordinary General Assembly may decide to reduce the capital if it exceeds the company's needs or if it suffers losses. Only in the latter case may the capital be reduced below the limit stipulated in Article (54) of the Companies Law. The reduction decision shall not be issued except after reading a special report prepared by the auditor on the reasons for which he is required, the obligations of the company, and the effect of the reduction on these obligations.

If the capital reduction was a result of it being more than the company's needs, 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 inventory distributed in the area where the company's head office is located. If one of the creditors objects and submits his documents to the company on the aforementioned date, the company must pay him his debt if it is due or provide him with a sufficient guarantee to pay it if it is deferred.

#### **Article Sixteen: Purchase of Shares**

The company may sell its shares or mortgage them in accordance with the regulations set by the competent authorities, and the shares purchased by the company shall not have votes in the shareholders' assemblies.

#### **Article Seventeen: Debt Bonds**

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After the approval of the competent authorities, the company may, by a decision issued by the General Assembly, issue loan bonds as well as bonds convertible into shares or sukuk, whether for public subscription or otherwise, in accordance with the relevant laws and regulations.

### **Chapter Three: The Board of Directors**

#### **Article Eighteen: Company Management**

The company is managed by a board of directors consisting of (8) members elected by the ordinary general assembly of shareholders for a period of three years.

#### **Article Nineteen: Termination/Expiry of Board Membership**

The membership of the Board shall expire upon the expiry of its term or upon the expiry of the member's validity thereto 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 members of the Board of Directors, without prejudice to the right of the dismissed member towards the company to claim compensation if the dismissal occurred for an unacceptable reason or at an inappropriate time. Board member can retire provided that this is made in an appropriate time, otherwise he will be responsible before the company for the damages resulting from the retirement.

#### **Article Twenty: Vacant position in the Board**

If a 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 one of those who have sufficient experience. The Ministry as well as the Capital Market Authority must be informed of this within five working days from the date of appointment, and the appointment must be presented to the Ordinary General Assembly at its first meeting, and the new member completes 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 Memorandum of Association, the rest of the members must invite the Ordinary General Assembly to convene within sixty days to elect the necessary number of members.



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### Article Twenty-One: Powers of the Board

Considering the competences prescribed for the General Assembly, the Board of Directors shall have the widest powers in managing the company, and within the limits of its competences, it may delegate one or more of its members, and it has the right to delegate third parties to carry out certain work or businesses; the Board may also mortgage and sell fixed and movable assets owned by the company, buying, and selling real estate of the company, releasing the mortgage, signing contracts for the establishment of the companies in which the company participates, as well as signing agreements of all kinds. The board may also approve the loans contracts agreements with terms extending more than three years provided that the value of loans executed by the board does not exceed company's financial year is for (50%) of the company's capital, and the board of directors determines in its decision the aspects of utilizing the loan and how to repay it and considering the terms of the loan and the guarantees provided to it not to harm the company and its shareholders and the general guarantees for creditors. The board has the right to follow-up with government departments, and the company's board of directors, in the cases it determines, has the right to discharge the company's debtors from their obligations in accordance with its interests, provided that the minutes of the board of directors and the rationale for its decision should be included, bearing in mind that the release takes place after a full year has passed since the debt arose. For a specified maximum amount per year for a single debtor, and to discharge the company's debt is a right of the Board that may not be delegated, and the Board may not amortize debts that are suspected to collect and make settlements with clients and with the company's creditors and debtors.

### Article Twenty-Two: Remuneration of Board Members

Each member of the Board of Directors shall be paid an annual remuneration of the annual net profits not exceeding an amount of five hundred (500,000) thousand Saudi riyals, after setting aside ten percent (10%) of the net profits in the company's statutory reserve and distributing a first payment of profits to shareholders equivalent to five percent (5%) of the remaining profits. The member is also entitled to an attendance allowance for each of the Board sessions attended by a maximum of three thousand (3000) riyals. In all cases, the company's general assembly may decide that the annual remuneration or



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attendance allowance, or both, is less than the maximum mentioned above. The report of the Board of Directors to the Ordinary General Assembly includes a comprehensive statement of all what the Board members received during the fiscal year, including salaries, share in profits, attendance allowance, other expenses, and other benefits. The aforementioned report also includes a statement of what the members of the Board received in their capacity as employees or administrators, or what they received in return for technical, administrative, or advisory work.

**Article Twenty-Three: Powers of the Chairman, Vice Chairman, Managing Director and Secretary**

The Board of Directors appoints from among its members a Chairman and a Vice-Chairman, and it may appoint a Managing Director to manage the affairs of the company, and it is not permissible to combine the position of Chairman of the Board of Directors with any other executive position in the company. The Chairman of the Board is responsible for representing the company in its relationship with others and before the courts, the Board of Grievances, and judicial bodies, and he has the right to delegate others to advocate, defend and accept reconciliation on behalf of the company, and the Managing Director is responsible for implementing the policy set by the Board of Directors.

The Board of Directors shall determine, at its discretion, the special remuneration to be obtained by the Chairman of the Board, in addition to the remuneration prescribed for members of the Board of Directors and stipulated in this Memorandum of Association.

The Board of Directors shall appoint a Secretary to be chosen by it from among its members or from others. He shall be responsible for recording the minutes of the Board of Directors meetings, recording and keeping the decisions issued in these meetings, in addition to exercising other powers assigned to him by the Board of Directors, and the Board shall determine his remuneration.

The term of the chairman of the board, the managing director, and the secretary of the board of directors shall not exceed the term of their membership in the board. They may be re-elected, and the Board at any time may dismiss them or any of them without prejudice to the right of those



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dismissed to compensation if the dismissal occurred for an unlawful reason or at an inappropriate time.

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

The Board of Directors shall meet at the invitation of its Chairman, and the invitation shall be in writing, or by one of the modern electronic messages means. The Chairman of the Board shall call for a meeting whenever two of the members requested him to do so. The Board shall meet at least once every three months.

#### **Article Twenty-Five: Quorum of the Board Meeting**

The meeting of the Board shall not be valid unless attended by at least five members; a member of the Board of Directors may delegate another member in writing to attend Board meetings. Board decisions are issued by an absolute majority of the votes of the members present and represented, and in the event of equal votes, the opinion of the chairman shall prevail.

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

The deliberations and decisions of the Board of Directors 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 of the Board of Directors and the Secretary.

#### **Article Twenty-seven: Committees**

The Board of Directors may form the appropriate committees for the company's business for its needs and authorize these committees what the Board deems appropriate of the powers and coordination between these committees with the aim of quickly deciding on the matters presented to it.

### **Chapter Four Shareholders' Assemblies**

#### **Article Twenty-eight: 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



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person other than the members of the board of directors or the company's employees to attend the general assembly.

#### **Article Twenty-nine: The Constituent Assembly**

Shareholders invite all subscribers to hold a constituent assembly within forty-five days from the date of the Ministry's decision licensing the establishment of the company. For the meeting to be valid, the attendance of a number of subscribers representing at least half of the capital is required. If this quorum is not available, an invitation shall be sent to a second meeting to be held at least fifteen days after the invitation was sent to it.

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

#### **Article Thirty: Functions of the Constituent Assembly**

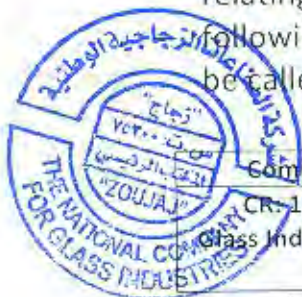
The Constituent Assembly specializes in the following matters:

1. Verify that the entire capital has been subscribed and that the minimum capital has been met in accordance with the provisions of the Companies Law and the amount due from the value of the shares.
2. Phrasing the final texts of the company's articles of association, but it may not introduce fundamental amendments to the Memorandum of Association offered to it, except with the approval of all the subscribers represented therein.
3. Appointing the company's first board of directors and first auditor.
4. Approving the founders' report on the works and expenses required for the establishment of the company.

For the validity of its convening, the presence of a number of subscribers representing at least half of the capital is required, and each subscriber at its meetings has a vote for each share he has subscribed for or represented.

#### **Article Thirty-one: Functions of the Ordinary General Assembly**

Except for the matters that fall within the competence of the extraordinary general assembly, the ordinary general assembly is concerned with all matters relating to the company. It convenes at least once a year during the six months following the end of the company's fiscal year. Other ordinary assemblies may be called whenever the need arises.



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**Article Thirty-two: Functions of the Extraordinary General Assembly**

The Extraordinary General Assembly is concerned with amending the company's articles of association, with the exception of provisions prohibited to be amended under the Companies Law. In addition, it is concerned with looking into the extension, shortening or dissolution of the company before the expiry of its term for any reason. In addition to the foregoing, it may issue resolutions on matters originally within the competences of the ordinary general assembly, under the same terms and conditions prescribed for the last assembly.

**Article Thirty-three: Invitation (Call) to Associations**

Shareholders' general assemblies are convened at the invitation of the Board of Directors. The Board of Directors shall invite the Ordinary General Assembly to convene if requested by the auditor, the audit committee, or a number of shareholders representing at least (5%) of the capital. The auditor may invite the assembly to convene if the board does not invite the assembly within thirty days from the date of the auditor's request.

The invitation to convene the general assembly shall be published in a daily newspaper distributed in the area in which the company's head office is located at least ten days prior to the date set for the meeting. However, it may be sufficient to send the invitation on the aforementioned date to all shareholders by registered letters. A copy of the invitation and agendas shall be sent to the Ministry as well as to the Capital Market Authority within the period specified for publication.

**Article Thirty-four: Attendance Record of Assemblies**

Shareholders who wish to attend the general or private assembly register their names at the assembly meeting headquarters in Riyadh only before the time specified for the assembly.

**Article Thirty-five: 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. If the necessary quorum is not available to hold this meeting, the second meeting shall be held an hour after the end of the period specified for convening the

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first meeting, provided that the invitation to hold the first meeting includes what indicates the announcement about the possibility of holding this meeting. In all cases, the second meeting shall be valid regardless of the number of shares represented therein.

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

The Extraordinary General Assembly meeting is not valid unless attended by shareholders representing half of the capital. If this quorum is not available in the meeting, the second meeting shall be held an hour after the end of the period specified for convening the first meeting, provided that the invitation to hold the first meeting includes an announcement of the possibility of this meeting was held.

In all cases, the second meeting shall be valid if attended by a number of shareholders representing at least a quarter of the capital. If the necessary quorum is not present at the second meeting, an invitation is sent to a third meeting to be held in the same conditions stipulated in Article (33) of this Memorandum of Association. The third meeting shall be valid regardless of the number of shares represented therein, after the approval of the competent authority,

**Article Thirty-seven: Voting in Associations:**

Each subscriber has a vote for each share he represents in the Constituent Assembly, and each shareholder has one vote for each share in general assemblies and the cumulative vote must be used to elect the Board of Directors.

**Article Thirty-eight: Decisions of Associations:**

Resolutions in the Constituent Assembly are issued by an absolute majority of the shares represented in it. Resolutions of the Ordinary General Assembly are issued by an absolute majority of shares represented in the meeting. Unless the decision is related to increasing or decreasing the capital, extending the term of the company, dissolving it before the expiry of the period specified in its founding contract, or merging it with another company, it shall not be valid unless it is issued by a three-quarters majority of the shares represented in the meeting.

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#### **Article Thirty-nine: Discussion in the Assemblies:**

Each shareholder has the right to discuss the topics included in the assembly's agenda and to ask questions in this regard to the members of the Board of Directors and the auditor. The board of directors or the auditor shall answer the shareholders' questions to the extent that the company's interest is not harmed. If the shareholder finds that the answer to his question is not convincing, he shall appeal to the assembly, and its decision in this regard shall be enforceable.

#### **Article Forty: Heading the Associations and Preparing the Minutes:**

The meetings of the general assemblies of shareholders are chaired by the chairman of the board of directors or the vice-chairman in his absence, or whoever is delegated by the board of directors from among its members for that in the absence of the chairman and the vice-chairman.

Minutes of the meeting of the assembly shall be drawn up including the number of shareholders present or represented, the number of shares they hold in person or by proxy, the number of votes assigned, the decisions taken, the number of votes approving or disapproving them, and an adequate summary of the discussions that took place in the meeting. The minutes shall be made on a regular basis after each meeting in a special register signed by the association's president, secretary, and vote collector.

#### **Chapter Five: Audit Committee:**

##### **Article Forty-one: Formation of the Committee**

By a decision of the Ordinary General Assembly, an audit committee consisting of three (3) members who are not members of the executive board of directors, whether shareholders or others, shall be formed. The resolution shall specify the tasks of the committee, its work controls, and the remuneration of its members.

##### **Article Forty-two: Committee Meeting Quorum**

For a meeting of the Audit Committee 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. In the event of equal votes, the side with which the chairman of the committee voted shall prevail

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**Article Forty-three: The 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. It may ask the board of directors to invite the company's general assembly to convene if the board of directors obstructs its work or the company suffers serious damage or losses.

**Article Forty-four: Committee Reports**

The Audit Committee shall review the company's financial statements, reports and notes submitted 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 internal control system in the company and the other work it has undertaken within its jurisdiction. The board of directors shall deposit sufficient copies of this report at the company's head office at least ten days before the date of the general assembly in order to provide each of the shareholders with a copy of it, and the report shall be read during the assembly.

**Chapter Six: Auditor**

**Article Forty-Five: Appointment of the Auditor:**

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

**Article Forty-six: Powers of the Auditor:**

The auditor may, at any time, review the company's books, records, and other documents. He may also 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 duties, and if the auditor encounters difficulty in this regard, this shall be evidenced in a report submitted to the Board of Directors. If the Board of Directors does not

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facilitate the work of the auditor, he must request the Board of Directors to invite the General Assembly to convene to consider the matter.

#### **Chapter Seven: Company Accounts and Profit Distribution:**

##### **Article Forty-seven: The fiscal year:**

The financial year of the company starts from the beginning of January and ends at the end of December of each Gregorian year.

##### **Article Forty-eight: Financial Documents**

- a) At the end of each fiscal year of the company, 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 includes the proposed method of dividend distribution. The Board shall put these documents at the disposal of the auditor at least forty-five days before the date set for the convening of the General Assembly.
- b) The company's chairman of the board of directors, chief executive officer and financial manager must sign the documents referred to in paragraph (a) of this article. A copy of them shall be deposited at the company's head office at the shareholders' disposal at least ten days before the date set for holding the general assembly.
- c) 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 at the company's head office. He must also send a copy of these documents to the Ministry of Commerce and Investment, as well as to the Capital Market Authority, at least fifteen days before the date of the General Assembly.

##### **Article Forty-nine: Dividend distribution**

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.

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2. The Ordinary General Assembly, based on the proposal of the Board of Directors, may set aside a certain percentage of the net profits to form a consensual reserve allocated for a specific purpose or purposes.
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 the existing ones of these institutions.
4. After that, the remainder shall be distributed to the shareholders a percentage representing (5%) of the company's paid-up capital.
5. Subject to the provisions stipulated in Article (forty-two) of this Memorandum of Association and Article seventy-six of the Companies Law, after the above, 5% of the remainder shall be allocated to the Board of Directors' remuneration, provided that the entitlement to this remuneration is proportional to the number of sessions held attended by the member.
6. The company may distribute interim dividends to its shareholders on a semi-annual or quarterly basis, in accordance with the regulations issued by the competent authority.

**Article Fifty:**

1. If no dividends are distributed for any financial year, then no dividends may be distributed for the following years until after paying the percentage specified in accordance with the provisions of Article (one hundred and fourteen) of the Companies Law for Preferred Shareholders for that year.
2. If the company fails to pay the percentage specified in accordance with the provisions of Article (one hundred and fourteen) 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 (eighty-nine) of the Companies Law, may decide either they attend the

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company's general assembly meetings and participate in voting or appoint 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 Fifty-one: Entitlement to Profits**

The shareholder shall be entitled to his share of the profits within (15) days in accordance with the resolution of the General Assembly issued in this regard. The resolution shall indicate the maturity date and the date of distribution. The eligibility for profits shall be for the owners of shares registered in the shareholders' records at the end of the day specified for entitlement.

#### **Article Fifty-two: Losses of the Company**

1. If the losses of the joint-stock company amount to half of the paid-up capital, at any time during the fiscal year, any official of the company or the auditor, as soon as he becomes aware of this, must inform the Chairman of the Board of Directors. The Chairman of the Board of Directors shall immediately inform the members of the Board of this, and the Board of Directors, within fifteen days of becoming aware of this, shall invite the Extraordinary General Assembly to meet within forty-five days from the date of his knowledge of the losses, to decide either to increase or decrease the capital in accordance with the provisions of the Companies Law, to the extent that With it, the percentage of loss decreases to less than half of the paid-in capital, or the company is dissolved before the term specified in the Companies Law.
2. The company shall be considered dissolved by the force of the Companies Law 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 this regard, or if it decided to increase the capital in accordance with the conditions prescribed in this Article and the Subscribe to each capital increase within ninety days from the issuance of the General Assembly's decision to increase it.

### **Chapter Eight: Disputes**

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### Article Fifty-three: Liability Lawsuit/claim

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 causes a special damage to him. The shareholder may not file the aforementioned lawsuit unless the company's right to file it still exists. The shareholder must inform the company of his intention to file the lawsuit.

## Chapter Nine: Dissolution and liquidation of the company

### Article Fifty-four: Termination of the Company

Upon its winding up, the company enters the phase of liquidation and retains the legal personality to the extent necessary for liquidation. The voluntary liquidation decision is issued by the extraordinary general assembly. The liquidation decision shall include the appointment of the liquidator, his authority, his fees, the restrictions imposed on his powers, and the time period required for liquidation. The term of voluntary liquidation shall not exceed five years. It may not be extended for more than that except by a judicial order. The authority of the company's board of directors ends with its dissolution. However, they remain in charge of managing the company and are considered to third parties as liquidators 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 Fifty-five:

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

### Article Fifty-six:

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

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