

Electrical Industries Company's Bylaws

Article (1): Incorporation

The Company has been incorporated as a Saudi joint stock company in accordance with the provisions of the Companies Law issued by Royal Decree No (M132) dated 01/12/1443 and its implementing regulations and the provisions of this bylaws.

Article (2): Name of the Company

Electrical Industries Company - Saudi Joint Stock Company (Listed).

Article (3): Head Office of the Company

The Company's Head Office is located in Dammam, Kingdom of Saudi Arabia. The Board of Directors may open branches, offices, or agencies inside or outside the Kingdom of Saudi Arabia.

Article (4): Company Objectives

The company shall engage in the following objectives:

- 1- Manufacture, sale, and trade of electrical transformers (oil cooled, dry, resin of various capacities)
- 2- Manufacture, sale and trade of cables and cables supports and accessories (steel and aluminum).
- 3- Manufacturing, selling, and trading in units as follows:

Electrical panels, low-voltage panels, Low and medium voltage motor control centers, Interconnected and interconnected current with medium voltage protection, integrated transformer stations with various capacities. Voltages, powerful capacitors (Improved capacity factor), low or medium-voltage with capacities of graded capacities, drop-in fuses (medium-voltage fuses). Lightning conductor of various voltages, Load bearing partition Low voltage for outdoor use, low voltage transfer switch, Hanging Load bearing partition, control panels. Low and medium voltage electric rod ducts of various capacities, low and medium voltage electric rods of various capacities, overhead crane, winch reel, fixed head crane and toroidal linkage.

- 4- Trade in all types of electrical materials and equipment.

The company shall not practice its activities unless the required licenses for such activities are obtained, if needed.

Article (5): Participation and Ownership with other Companies

The company may establish wholly owned limited liability companies or closed joint stock. 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 applicable regulations and controls in this regard.

The company may also dispose of these shares or stocks, whereas that shall not include brokerage in their trading process.

Article (6): Duration of the Company:

The Company was established for an indefinite period starting from the date of its registration at the Commercial Register.

-1-

Article (7): Share Capital

The Company's issued capital has been set with an amount of SAR (562,500,000) Five hundred sixty-two million and five hundred thousand, divided into (1,125,000,000) one billion and one hundred twenty-five million shares of equal value, the nominal value of each is (50) Hallas, all of which are ordinary shares.

Article (8): Subscription to Shares

The shareholders have subscribed to the entire shares of the company's issued capital amounting to (1,125,000,000) one billion and one hundred twenty-five million share and they are fully paid.

Article (9): Sale of Unpaid Shares.

1-The shareholder shall pay the value of shares on the date set for such payment. If the shareholder defaults in payment when it becomes due, the Board of Directors may, after notifying him via a registered letter or by any means of modern technology, sell the share at a public auction or in the stock exchange, as the case may be, in accordance with the controls set by the competent authority.

2-The company shall recover the due amounts from the sale proceeds and shall refund the balance to the shareholder. If the sale proceeds are not sufficient to pay such amounts, the company may collect the remainder of its due amounts from the entire shareholder's funds.

3-The rights associated with shares whose value is not paid on the due date, shall be suspended until such shares are sold or the due amount is paid in accordance with the provisions of Paragraph (1) of this Article. These rights include the right to receive dividends and the right to attend shareholders' assemblies and vote on their decisions. However, the defaulted shareholder may, up to the date of sale, pay the amounts due from him, in addition to any related expenses incurred by the company in this regard. The company shall cancel the certificate of the sold share in accordance with the provisions of this article and shall provide the buyer with a new certificate bearing the same serial number and shall make notation in the shares register that the sale took place together with all other data of the new holder.

Article (10): Issuance of Shares

1-The Company's shares shall be nominal. The shares may not be issued for less than their nominal value. However, they may be issued for more than their nominal value. In such a latter case, the difference in value shall be added in a separate item under shareholders' rights and shall be utilized in accordance with the regulations set by the competent authority and it may not be distributed to shareholders as profit. The share is undividable against the company. If the share is jointly owned by several persons, they must elect one of them to act on their behalf in exercising the rights associated with such share, but they shall be jointly liable for the obligations arising from the ownership of such share.

2- Shares may be divided into shares with lower value or merge them to represent shares with higher nominal value according to the controls set by the competent authority.

-2-

Article (11): Preferred Shares

1-The Extraordinary General Assembly may, subject to the conditions set by the competent authority, issue preferred shares or decide to purchase them, convert ordinary shares into preferred ones, or vice versa. Preferred shares shall entitle their holders to receive a higher percentage of net profit than the holders of ordinary shares after setting aside the company reserves - if any.

2- Preferred shares do not grant their holders the right to vote in the General Assemblies, except in the cases which have been approved by the competent authority.

Article (12): Bonds and Instruments

The Company may, in accordance with the provisions of Capital Market Law, issue negotiable debt instruments or financing Sukuk.

Article (13): Trading of Shares

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

Article (14): The Company's purchase of its own shares

The Company may purchase, sale or pledge its own shares in accordance with the controls set by the competent authority and the purchased shares by the company shall not have votes in the Shareholders' Assemblies.

Article (15): Capital Increase

1-The Extraordinary General Assembly may decide to increase the issued or the authorized Capital of the Company, provided that the issued capital has been fully paid unless the unpaid portion of the capital is related to shares issued against the conversion of debt instruments or finance bonds into shares and the period prescribed for such conversion has not yet expired.

2-The Extraordinary General Assembly may in all cases allocate all or part of the issued shares for capital increase for the employees of the company and its subsidiaries. Shareholders may not exercise preemptive rights when the Company is issuing shares to employees.

3- A shareholder who owns the share on the date of issuance of the Extraordinary General Assembly's resolution approving the increase of the issued capital, or the date of issuance of board's resolution approving the increase of the issued capital within the limit of the authorized capital (if any), shall have preemptive rights to subscribe to new shares issued against cash contributions. Shareholders shall be notified of such rights through registered mail or through means of modern technology, of the capital increase resolution, subscription terms, duration, start and end date.

4-The Extraordinary General Assembly may suspend the preemptive rights of the shareholders to subscribe to capital increase against cash contributions or may grant such rights to non-shareholders in cases it deems beneficial to the Company's interest.

-3-

5-The shareholder may sell or assign his preemptive rights with or without payment, in accordance with the controls set by the competent authority.

6- Subject to the provisions of paragraph (4) above, the new shares shall be distributed to the holders of preemptive rights, who requested subscription in proportion to the preemptive rights they have against the total of such rights resulting from the capital increase, provided that the number of shares allotted to them does not exceed the number of new shares they have applied for. The remaining new shares shall be allotted to the holders of preemptive rights who requested more than their share in proportion to the preemptive rights they have against the total of such rights resulting from capital increase, provided that the number of shares allotted to them do not exceed the number of the new shares they have requested. Any remaining shares shall be offered to a third party, unless the Extraordinary General Assembly decides, or the Capital Market Law states otherwise.

Article (16): Decrease of Capital

The Extraordinary General Assembly may decide to decrease the capital if it exceeds the Company's needs or if the company incurs losses. In the latter case only, the capital may be decreased below the limit set out in Article (59) of the Companies Law. The resolution to decrease the capital shall be issued only after reading out during the General Assembly meeting, a statement prepared by the board on the reasons of such decrease, the company's liabilities, and the impact of the decrease on such liabilities. Such a statement shall include a report from the Company's auditor.

If the capital decrease is due to its being in excess of the company's need, the creditors must be invited to submit their objection to such decrease within forty-five days prior to the date set for the Extraordinary General Assembly meeting to decide on the decrease, provided the invitation shall include a statement indicating the amount of capital before and after the decrease, the date of meeting and the effective date of decrease. If any creditor objects to the decrease and submits supporting documents to the company within the specified period, then the company must pay the debt of the creditor if due, or provide him with a sufficient guarantee if it is not due.

Article (17): Board of Directors

The Company is managed by a Board of Directors composed of eight members, provided that they are persons of natural character, to be elected by the General Assembly for a period not exceeding four years and they may be re-elected for additional terms, in accordance with the rules and regulations of the competent authority.

Article (18): Expiry of Board Membership

The Board membership shall be terminated upon the expiry of the board's term or upon the expiration of the member's eligibility in accordance with any law or regulations in force in the Kingdom. However, the General Assembly may, based on recommendation from the board terminate the membership of any member who has been absent from attending three consecutive meetings or five non- consecutive meetings during the term of his membership without a valid excuse accepted by the board. The General Assembly may remove all or some of the board members, and in this case the General Assembly shall elect a new board of directors or a replacement for the removed members (as the case may be) in accordance with the provisions of the Companies Law.

-4-

Article (19): Expiry of the Board Term, or Resignation of its members or Vacancy of Membership

1-The board of directors shall call the General Assembly to convene prior to the expiry of the board's term to elect a board of directors for a new term. If the election cannot be conducted and the term of the current board has expired, the board members shall continue to perform their duties until a new board of directors is elected for a new term, provided that the continuation period of the members of the board whose term has expired shall not exceed (90) days from the end date of the board's term.

2-If the chairman and members of the board resign, they shall call for General Assembly meeting to elect a new board. The resignation shall not take effect until a new board is elected, provided that the continuation period of the resigned board shall not exceed (120) days from the date of such resignation.

3- A board member may resign from the board pursuant to a written notice submitted to the chairman of the board. If the Chairman of the board resigns, the notice shall be submitted to the members of the board and the board secretary. In both cases, the resignation shall be effective from the date specified in the notice.

4-If the position of a board member becomes vacant due to death , or resignation, and such vacancy does not result in a breach of the conditions necessary for the validity for convening the meeting of the board due to the number of its members is less than the minimum quorum, the Board of Directors may temporarily appoint a member in the vacant position , provided that such member has the necessary experience and competence. The Commercial Register as well as the Capital Market Authority shall be notified of such appointment within (15) days following the date of appointment, and such appointment shall also be presented to the Ordinary General Assembly at its first meeting. The appointed member shall complete the term of office of his predecessor.

5- If the necessary conditions for the validity of the meetings of the board are not satisfied due to the number of its members is less than the minimum quorum stipulated in the companies' law or this Bylaws, the remaining members shall call for General Assembly meeting within (60) days to elect the required number of members.

Article (20): Powers of the Board of Directors

Subject to the powers prescribed to the General Assembly, the board of directors shall have the widest powers in managing the company, drawing up its policies, supervising its business and managing its affairs inside and outside the Kingdom. This includes but not limited to the following:

1-Purchase, sell lands and properties, invest, mortgage and redemption and vacate on behalf of the company, lease and rent and issue power of attorney on behalf of the Company.

The board may obtain the General Assembly's approval for the sale of the company's assets the value of which exceeds 50% of the value of its total assets, whether the sale is made through one transaction or more. In such a case the transaction which leads to the sales of more than 50% of the value of its assets shall require the General Assembly's approval. Said percentage shall be calculated from the date the first transaction is concluded within the previous (12) months.

2-Establish companies, participate with other companies, enter into existing companies, own stocks and shares in companies, open branches, agencies inside and outside the kingdom and appoint managers. The board may sign the Article of Association of the companies in which the company participates, and all amendments thereto and liquidating the companies.

3-Open, manage and operate bank accounts, and investment portfolios in the name of the Company whether in Saudi Riyals or in foreign currency.

4-The board may conclude loans agreements with government funds and funding institutions, banks, and financial institutions, and may sign all contracts, commercial, financial and investment transactions, including credit facilities and loans, opening letter of credits, issuing, and signing bank guarantees, warranties, promissory note on behalf of the Company.

5-Participate in tenders and auctions which are necessary for the company's business and reviewing the offers submitted and awarding them.

6-Right of conciliation, waiver, and contract in the name of the company and on its behalf.

7-The board of Directors may in the cases deemed appropriate discharge the company debtors from their obligations in the manner that serves the company's interest.

The board of directors may, within the limits of its competence, delegate one or more of its members or a third party to carry out certain work or works.

Article (21): Remuneration of the Board of Directors

1-The remuneration of the board members may consist of a fixed amount, attendance allowance, expense fees, in kind benefits, a certain percentage of net profit, or it may be combination of two or more of such benefits according to the Remuneration policy approved by the General Assembly.

2-The Board of Directors report to the General Assembly in its annual meeting shall include a comprehensive statement of all remunerations, meeting allowances, expenses allowances and other benefits which the board members have received or entitled to receive during the fiscal year. It shall also include a statement of what they received in their capacity as officers or executives of the Company, or in consideration for technical, administrative, or consulting services. Such a report shall also include a statement of the number of board meetings held and the number of meetings attended by each member.

Article (22): Chairman of the Board of Directors, Vice Chairman / Managing Director, and Chief Executive Officer.

The Board of Directors shall appoint, at its first meeting, from amongst its members a chairman and Vice chairman and may also appoint a managing director. It is prohibited to hold, at the same time, the position of the chairman of the board and any other executive position in the company. The Vice Chairman of the Board shall replace the Chairman when the latter is absent.

1-The Chairman of the board / Vice chairman shall have the powers to call the Board to convene and chair the Board and the shareholders' general assembly meetings.

2- The Chairman of the Board represents the company in its relationship with others, in front of the judiciary, Notary public and all government authorities: the General Investment Authority, the Capital Market Authority, courts, dispute settlement committees of various kinds, judicial authorities, arbitration authorities, development funds, governmental and private financing funds, chambers of commerce and industry, banks, companies, and institutions of various kinds. The Chairman of the Board is also authorized to sign on all types of contracts, agreements, documents including but limited to sign on behalf of the company on the Articles of Association of the companies in which the company participates with all the amendments, signing the contracts, agreements, Sukuk, emptying, in front of Notary public and issue power of attorney on behalf of the company.

The chairman of the board may delegate any of the board members or the company staff or a third party within the limits of his competence in relation to undertaking a certain work or business.

3-The board of directors may appoint a CEO, from amongst its members or from a third party, and the board shall issue a resolution to determine his competence and remuneration.

4-The Board shall appoint a secretary from amongst its members or from a third party and shall issue a resolution to determine his competence and remuneration.

5-The term of membership of the chairman, vice-chairman and the managing director shall not exceed the term of their respective membership in the board. They may be re-elected, and the Board may at any time remove all or any one of them.

Article (23): Board Meetings

The Board of directors shall meet at least four times a year at a call of the chairman. The invitation shall be in writing. The Chairman of the Board shall call for a meeting whenever requested by a member of the board to discuss one or more topics. The board shall determine the venue of its meetings, and the same may be held through means of modern technology.

Article (24): Quorum of Board Meetings and Resolutions

A Board meeting shall be valid only if attended by at least half of its members.

A member of the board may delegate another member to the attend the meeting on his behalf, the delegation shall be in accordance with the following controls:

1-Member of the board shall not represent more than one member in attending the same meeting.

2- Proxy shall be in writing and for a specific meeting.

3-The delegate should not vote on the resolutions prohibited by law.

The Board of directors' resolution shall be adopted by majority votes of the members present or represented at the meeting. When the votes are equal, the chairman of the meeting shall have a casting vote.

4- Board resolutions shall become effective from the date of issuance, unless a certain date is clearly stated, or when certain conditions are met.

5-The board of directors may adopt resolutions on urgent matters through presenting the same to the members by circulation unless a member of the board requests in writing that the board hold a meeting to deliberate on them. Such resolutions shall be presented to the board at its first subsequent meeting and to be recorded in the minutes of such meeting.

-7-

Article (25): Board Deliberations

1-The deliberations and resolutions of the Board meetings shall be recorded in minutes of meeting to be prepared by the board secretary and signed by the Chairman of the board, attending members, and board secretary. Such minutes shall be kept in a special record to be signed by the chairman of the Board and the secretary.

2-Modern technology means may be used to sign, record the deliberations and resolutions and prepare the minutes of meetings.

Article (26): Attending General Assembly Meetings

1-Each shareholder shall have the right to attend the General Assembly meeting and may delegate another person other than a member of the board.

2- The General Assembly may be held, and the shareholders may participate in the deliberations and voting on the resolutions through means of modern technology.

Article (27): Calling for General Assembly meeting.

1-The General or Special Assembly meetings shall be held at the call of the Board of Directors. The board of directors shall call for a General Assembly meeting within (30) days from the date of the Auditor's request, or one or more shareholders representing at least (%10) of the voting shares. The Auditor may call the General Assembly meeting if the Board fails to call the meeting within (30) days from the date of the Auditor's request.

2-The request referred to in Paragraph (1) of this article shall indicate the items on which the shareholders are required to vote.

3-The call for the General Assembly meeting shall be made at least (21) days prior to the scheduled meeting date. The call for the meeting may be announced through means of modern technology.

4-Copy of the call for meeting and the agenda shall be sent to the Commercial Register and the Capital Market Authority on the date of announcement.

Article (28): Quorum for Ordinary General Assembly

1- The Ordinary General Assembly meeting shall be valid only if attended by shareholders representing at least (25%) of the Company's voting shares.

2-If the quorum required for the first meeting is not reached, a call shall be made for a second meeting to be held under the same conditions stipulated in Article (91) of the Companies Law, within (30) days following the scheduled date of the preceding meeting. However, the second meeting may be held one hour after the end of the period specified for the first meeting, provided that the call for the first meeting indicates the possibility of holding a second meeting. In all cases, the second meeting shall be valid regardless of the number of voting shares represented therein.

Article (29): Quorum for Extraordinary General Assembly

1-The Extraordinary General Assembly meeting shall be valid only if attended by shareholders representing at least (50%) of the Company's voting shares.

2-If the quorum required for the first meeting is not reached, a call shall be made for a second meeting to be held under the same conditions stipulated in Article (91) of the Companies Law. However, the second meeting may be held an hour after the end of the period specified for the first meeting, provided that the call for the first meeting indicates the possibility of holding a second meeting. In all cases, the second meeting shall be valid if attended by shareholders representing at least (25%) of the Company's voting shares.

3-If the quorum required for the second meeting is not reached, a call shall be made for a third meeting to be held in the conditions stipulated in Article (91) of the Companies Law, and the third meeting shall be valid regardless of the number of voting shares represented therein.

Article (30): Calculation of Votes/Right to Vote

1-Each shareholder shall have one vote for each share in the General Assemblies. Cumulative voting shall be used in electing the Board of Directors, in which, it is not allowed to utilize the voting right of a single share more than once.

2-Members of the board may not vote on the General Assembly's resolutions related to the business and the contracts, in which they have direct or indirect interest, or which evolve conflict of interest.

Article (31): General Assembly's Resolutions

1-The Ordinary General Assembly passes its resolution with the approval of the majority of the voting rights represented at the meeting.

2-The Extraordinary General Assembly passes its resolution with the approval of (two-thirds) of the voting rights represented at the meeting, unless the resolution is related to increase or decrease of the capital, or dissolution of the company, or merger with another company, or the Company's split into two or more companies, in this case, the resolution shall be valid only if passed with the approval of (three-fourths) of the voting rights represented at the meeting.

Article (32): Deliberation at the Assemblies

Each shareholder shall have the right to discuss the topics listed in the agenda of the General Assembly and pose questions to the Board of directors and the auditor in respect thereof. The board or the auditor shall answer shareholders' questions to the extent that will not endanger the company's interest. If a shareholder is convinced the answer to his question is not sufficient, he may appeal to the general Assembly, whose resolution shall be enforceable.

Article (33): Chairing the General Assembly and Preparing Minutes of meetings.

The General Assembly meeting shall be chaired by the Chairman of the board, or the Vice chairman in case of the Chairman's absence, or any member designated by the board of directors in the absence of both the chairman and the Vice Chairman. If none of the above is possible, the shareholders shall vote to designate a board member or any other person to chair the general assembly meeting.

Minutes of the General Meeting shall be drawn including the number of shareholders present in person or represented, the number of shares held by each of them whether in person or by proxy, the number of votes allotted thereto, the resolutions adopted, the number of votes approving or disapproving such resolutions, and a comprehensive summary of the deliberations taken place during the meeting. The minutes are recorded regularly after every meeting in a special register and to be signed by the Chairman of the Assembly, the secretary and vote counters.

Article (34): The External Auditor

1-The Company shall have one auditor or more, from amongst those licensed to operate in the Kingdom of Saudi Arabia. The General Assembly shall appoint the auditor, determine its fees, term, and scope of work. The Auditor may be reappointed, provided that the period of his appointment does not exceed the period prescribed by law.

2-The Auditor may be removed pursuant to a resolution adopted by the General Assembly. The Chairman of the board shall notify the competent authority of the removal decision and the reasons therefor, within a period not exceeding five days from the resolution date.

3-The Auditor may resign pursuant to a written notice submitted to the company, and the resignation shall take effect from the date of its submission or at a later date as specified in the notice, without prejudice of the company's right to compensation for any damage it incurs, if justified. The resigned Auditor shall submit to the company and the competent authority, upon submission of the notice, a statement for the reasons of resignation. The board of directors of the company shall call for a General Assembly meeting to review the said reasons and appoint another auditor as well as determine its fees, term, and scope of work.

Article (35): Powers of the External Auditor

The Auditor shall at all times have access to the company's files, accounting records and other supporting documents, and may request any information and clarifications that he deems necessary to verify the company's assets and liabilities and other matters that are within the scope of his work. The chairman of the board shall enable the auditor to perform his duties. If the auditor encounters any difficulties in this regard, he shall state the same in a report to be submitted to the board of directors. If the Board of directors does not facilitate the auditor's tasks, the auditor shall request the Board of Directors to call for a General Assembly meeting to consider the matter. If the board fails to call for a meeting within (30) days of the date of the auditors' request, the auditor himself may call for a meeting.

Article (36): The Fiscal Year

The company's fiscal year starts from 1st of January and ends at the end of December of each year.

Article (37): Financial Reports

1-The board of directors shall prepare the Company's financial statements at the end of each financial year, together with a report of its activities and financial position for the previous financial year. This report shall include the proposed method for distributing dividends. The Board of Directors shall place such documents at the disposal of the auditor at least (45) days prior to the date scheduled for the Annual General Assembly meeting.

2- The Chairman of the Board, CEO and CFO shall sign the documents referred to in paragraph (1) of this Article. Copies of these documents shall be kept at the Company's Head office at the disposal of the shareholders.

3-The Chairman of the Board shall provide the shareholders with the financial statements of the company, Board of Directors report, after signing the same, as well as the auditor's report, unless these reports are published through any means of modern technology at least (21) days prior to the date set for the Annual General Assembly meeting. The Chairman of the Board shall also deposit such documents in accordance with the implementing regulations of the Companies Law.

Article (38) Dividends Distribution

1-The General Assembly shall determine the percentage of the net profits to be distributed to the shareholders after deducting the reserves, if any.

2- The Ordinary General Assembly, when determining dividends from the net profit, shall decide to create reserves that serve the company's interests, or ensure the distribution of fixed profits to the shareholders as much as possible.

Article (39): Eligibility for Dividends

1-The shareholder shall be entitled to his share of dividends pursuant to the General Assembly resolution adopted in this regard. The resolution shall specify the eligibility date and distribution date. The eligibility for dividends shall be to the shareholders registered in the shareholders' registry at the end of the eligibility date, and the board shall implement the general assembly's resolution regarding the distribution of dividends to the shareholders according to the relevant regulations in this regard.

2-The Company may distribute interim dividends to its shareholders, on a semi-annual, or quarterly basis as per a delegation from the General Assembly to the board of directors to be renewed annually and pursuant to the provisions of the companies Law and its implementing regulations.

Article (40): Company losses

If the company's losses reached to (half) of its issued capital, the Board of Directors shall , within (60) days from the date of its knowledge thereof, announces the losses and the recommendations relating thereto, and shall , within (180) from said date , call for an Extraordinary General Assembly meeting , to consider the continuation of the Company and taking the necessary measures to resolve such losses or the dissolution of the company.

Article (41): Dissolution of the company:

The company is terminated by one of the termination reasons mentioned in Article (243) of the companies Law. Upon its termination, the company enters into the process of liquidation in accordance with the provisions of chapter (12) of the companies Law. If the company is terminated and its assets are not sufficient to pay its debt, or it is insolvent according to bankruptcy law, it shall submit an application to the competent judicial authority to initiate any of the liquidation procedures as per bankruptcy law.

Article (42):

- 1-The company is subject to the laws and regulations in force in Kingdom of Saudi Arabia.
- 2- Any provision provided in these Bylaws that contradicts with the provisions of the companies Law, shall not be considered and the provisions of the companies' law shall prevail. However, any provision not provided herein shall be subject to the companies' law and its implementing regulations.

Article (43):

This Bylaws shall be filed and published in accordance with the Companies Law and its implementing regulations.

The Bylaws was approved by the EGA on 28 Sept.2023