



**Ministry of Commerce**

**Riyad Bank Bylaws**  
**Listed Joint Stock Company**



## Riyadh Bank Bylaws (Listed Joint Stock Company)

### Chapter I: Company Incorporation

#### Article (1): Incorporation

In accordance with the provisions of the Companies Law issued by Royal Decree No. (M/132) dated 01/12/1443 AH, its Implementing Regulations, and these Bylaws, a Saudi listed joint-stock company is incorporated as follows:

#### Article (2): Company Name

Riyadh Bank (Listed Joint Stock Company)

#### Article (3): Company Head Office

The Company's head office shall be located in Riyadh City.

#### Article (4): Objectives of the Company

The Company shall carry on and perform the following activities:

Chapter	Category
Financial and Insurance Activities	Other Types of Financial Brokerage
Financial and Insurance Activities	Finance Lease
Financial and Insurance Activities	Other Forms of Loan Grants
Financial and Insurance Activities	Other Activities that Support Financial Services Activities

The Company shall conduct its activities in accordance with the applicable laws and after obtaining the necessary licenses from the competent authorities, if any.

#### Article (5): Company Term

- The term of the Company is ninety-nine (99) years commencing from the date of its registration in the Commercial Register, and it may be extended by a resolution issued by the Extraordinary General Assembly at least one year prior to its expiry.

## Article (6): Participation and Ownership of Companies

The Company may, on its own, establish or incorporate limited liability companies or closed joint-stock companies, in accordance with the capital permitted by law. It may also enter into partnerships with others, own shares and interests in other existing companies, or merge with them. The Company shall have the right to participate with others in the incorporation of joint-stock companies or limited liability companies, after fulfilling the requirements of the applicable laws and instructions in this regard. The Company may also dispose of such shares or interests, provided that this does not include acting as intermediary in their trading, within the limits and subject to the provisions of the Banking Control Law and the relevant laws and instructions, after obtaining the prior written non-objection of the Saudi Central Bank.

## Article (7): Registered Office

The Company's head office shall be located in Riyadh City. The Company may, by resolution of the Board of Directors and within the limits and subject to the provisions of the Banking Control Law and the relevant laws and instructions, establish branches, offices, representatives, or agencies inside or outside the Kingdom of Saudi Arabia, after obtaining the prior written non-objection of the Saudi Central Bank.

## Article (8): Objects

The Company shall carry on and implement the following objects: to undertake, whether for its own account or for the account of others, within the Kingdom of Saudi Arabia and abroad, all banking and investment business, including, by way of example and not limitation: receiving monies; accepting deposits and funds held in safekeeping; opening current, time and savings accounts; establishing, managing and leasing safe-deposit boxes; issuing certificates of deposit and bonds, or instruments related thereto, whether secured or unsecured, and redeeming the same; providing credit facilities in their various forms, including opening various types of credits, entering into loans of different maturities, and accepting and providing various types of guarantees and sureties; drawing, paying and collecting commercial papers, bankers' cheques, transfers, payment orders and the like; accepting, discounting and pledging bills of exchange and promissory notes, and dealing in them in all forms; opening documentary credits, accepting or confirming the same and all matters related thereto; issuing local and foreign letters of guarantee, accepting them and dealing therewith; dealing in shares and bonds, and carrying out all activities related to securities, sukuk and their trading; carrying out transfers of all kinds, and foreign exchange and currency exchange operations; carrying out investment, storage and custody activities in respect of assets of all kinds; leasing safe-deposit boxes to others; working to provide and market savings vehicles and investment opportunities for its own account and for others; acting as agent, correspondent or representative for foreign and local banks; acting in any capacity in managing businesses and funds for

others and collecting the same for its own account or for others; settling amounts due on behalf of others; acting as trustee for the investment of funds; providing assistance and advice in that regard to others; and participating or contributing, by any means, in companies and establishments carrying on activities that fall within the Company's objects, or that assist in achieving such objects, or merging with or acquiring the same, within the limits and subject to the provisions set out in the Banking Control Law and the relevant laws and regulations, after obtaining the prior written non-objection of the Saudi Central Bank. The Company shall carry on its activities in accordance with the applicable laws and regulations and after obtaining the necessary licenses from the competent authorities, if any.

## **Chapter II: Capital and Shares**

### **Article (9): Capital**

The Company's issued capital is set at forty billion Saudi Riyals (SAR 40,000,000,000), divided into four billion (4,000,000,000) equal nominal shares with a nominal value of ten (10) Saudi Riyals each, all of which are ordinary cash shares. The paid-up amount of the issued capital is forty billion Saudi Riyals (SAR 40,000,000,000), and the cash amounts paid in respect of the issued capital have been deposited with one of the licensed banks.

### **Article (10): Subscription to Shares**

The shareholders have subscribed to all shares of the issued capital amounting to SAR 40,000,000,000, fully paid.

### **Article (11): Preferred Shares**

The Extraordinary General Assembly may, after obtaining the prior written non-objection of the Saudi Central Bank, issue preferred shares or redeemable shares, or resolve to purchase preferred shares or ordinary shares, or convert ordinary shares into preferred shares, or preferred shares into ordinary shares. Approval of the Extraordinary General Assembly shall not be required if the resolution issuing shares of a certain type or class provides for their automatic conversion into another type or class upon the fulfilment of specified conditions or after the lapse of a specified period set out in the resolution approving the issue. Preferred shares shall not carry voting rights at shareholders' general assemblies, and shall entitle their holders to a higher percentage of the Company's net profits than holders of ordinary shares after setting aside the statutory reserve, within the limits and subject to the provisions of the Banking Control Law and the relevant laws and instructions.

## **Article (12): Purchase and Sale of Company Shares and Granting Finance to Employees**

The Company may, within the limits and subject to the provisions of the Banking Control Law and the relevant laws and instructions, and after obtaining the prior written non-objection of the Saudi Central Bank: (1) purchase its ordinary or preferred shares, including for use as treasury shares, in accordance with the limits and subject to the provisions of the Banking Control Law and the relevant laws and instructions issued by the competent authorities; (2) sell treasury shares in one or more stages, provided that the prescribed maximum limits are not exceeded and that any such sale takes place during the periods permitted by law; (3) purchase shares and allocate them to the Company's employees under an employee share programme in accordance with the limits and subject to the provisions of the Banking Control Law and the relevant laws and instructions issued by the competent authorities. In all cases, shares purchased by the Company shall carry no voting rights at shareholders' general assemblies; and (4) grant finance to its employees under employee incentive programmes, whether on a profit basis or otherwise.

## **Article (13): Seizure of Shares and Sale of Shares Not Fully Paid**

Within the limits and subject to the provisions of the Banking Control Law and the relevant laws and instructions, the Company may place a lien on shares owned by any shareholder and on any unpaid profit entitlements due to that shareholder, as security for the repayment of loans or discharge of obligations owed by such shareholder to the Company, whether incurred individually or jointly with another person. If the shareholder fails to pay its debts within ten working days from the date of demand, the Board of Directors may sell the pledged shares by auction, satisfy the Company's dues from the sale proceeds, and return any surplus to the shareholder or its representative. The shareholder shall pay the value of the share on the prescribed due dates; if the shareholder defaults, the Board of Directors may, after notice by publication in a daily newspaper circulated in the city of the Company's head office, by registered letter, or through modern technological means, sell the share at public auction or on the stock market, as the case may be, in accordance with the limits and subject to the provisions of the Banking Control Law and the relevant laws and instructions issued by the competent authority. The Company shall recover the amounts due to it from the sale proceeds and return the balance to the shareholder. If the sale proceeds are insufficient, the Company may recover the remaining amount from all assets of the shareholder. Nevertheless, a defaulting shareholder may, up to the day of sale, pay the amount due together with the expenses incurred by the Company in this regard. The Company shall cancel the sold share in accordance with the provisions of this Article, issue to the purchaser a new share bearing the number of the cancelled share, and record the sale in the share register together with the name of the new owner.

## **Article (14): Issuance of Shares**

Shares shall be nominal and may not be issued for less than their par value. However, they may be issued for more than this value, in which case the difference in value shall be added to a separate item within shareholders' equity, and the uses of this difference shall be determined in accordance with what is

permitted by law. A share is indivisible against the Company; if a share is owned by multiple persons, they must choose one of them to represent them in exercising the rights related thereto, and these persons shall be jointly and severally liable for the obligations arising from the ownership of the share.

#### Article (15): Trading of Shares

Shares shall be tradable in accordance with the provisions of the Capital Market Law and its implementing regulations, subject to compliance with the instructions issued by the Saudi Central Bank.

#### Article (16): Capital Increase

1. The extraordinary general assembly may decide to increase the Company's capital, provided the capital has been fully paid up and in compliance with the requirements of the Companies Law, its regulations, and related laws and instructions. 2. The extraordinary general assembly may, in all cases, allocate the shares issued upon capital increase, or a portion thereof, to the employees of the Company and its subsidiaries, or some of them. Shareholders are not permitted to exercise their priority right when the Company issues shares allocated to employees. 3. A shareholder who owns a share at the time the extraordinary general assembly decides to approve the capital increase has the priority right to subscribe to the new shares issued in exchange for cash contributions. They shall be notified of their priority, if any, by registered letter to their address in the shareholders' register or by announcement through modern technical means regarding the decision to increase the capital, the terms of subscription, how to subscribe, the duration, and the start and end dates, in consideration of the type and class of share they own. 4. The extraordinary general assembly may suspend the priority right of shareholders to subscribe to a capital increase in exchange for cash contributions, or grant the priority right to non-shareholders in cases it deems appropriate for the Company's benefit. 5. The shareholder has the right to sell or waive the priority right in accordance with the limits and provisions contained in the Banking Control Law and the related regulations and instructions issued by the competent authorities. With due observance of what is stated in paragraph -4- above, the new shares shall be distributed among the holders of priority rights who requested to subscribe in proportion to their ownership of the priority rights 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, with due observance of the type and class of share they own. The remaining new shares shall be distributed among the holders of priority rights who requested more than their entitlement, in proportion to their ownership of the priority rights 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. Any remaining shares shall be offered to third parties, unless the extraordinary general assembly decides otherwise or the Capital Market Law stipulates otherwise. 7. The decision of the extraordinary general assembly related to the capital increase shall be adopted in accordance with the limits and provisions contained in the Banking Control Law and related regulations and instructions and after obtaining the written non-objection of the Saudi Central Bank.

### Article (17): Capital Decrease

The extraordinary general assembly may, after obtaining written non-objection from the Saudi Central Bank, decide to reduce the capital in accordance with the limits and provisions contained in the Banking Control Law and related regulations and instructions, if it exceeds the Company's needs or if it incurs losses. In the latter case alone, the capital may be reduced below the minimum limit stipulated in the Companies Law, the Banking Control Law, and the instructions issued by the Saudi Central Bank. The reduction decision shall only be issued after a statement is recited at the extraordinary general assembly, prepared by the Board of Directors, regarding the reasons necessitating the reduction, the Company's obligations, and the effect of the reduction on fulfilling them. A report from the Company's auditors shall be attached to this statement. If the capital reduction is a result of it exceeding the Company's needs, creditors must be invited to express their objections within the legally specified period from the date set for holding the extraordinary general assembly to make the reduction decision, provided that the invitation is accompanied by a statement clarifying the amount of capital before and after the reduction, the date of the assembly, and the effective date of the reduction. If a creditor objects and submits their documents to the Company within the mentioned period, the Company must pay their debt if it is due immediately, or provide them with sufficient guarantee to fulfill it if it is a future obligation, in accordance with the limits and provisions contained in the Banking Control Law and related regulations and instructions.

### Article (18): Debt Instruments and Financing Sukuk

The Company may, in accordance with the Capital Market Law and with due observance of the provisions of the Banking Control Law as they may be amended from time to time - and after obtaining written non-objection from the Saudi Central Bank, issue or offer debt instruments, including without limitation sukuk and bonds, whether primary or secondary, in any currency, directly through a program in one part or several parts, in one stage or several stages, or through a series of issuances at any time, and offer them publicly or privately within or outside the Kingdom of Saudi Arabia.

## Chapter III: Board of Directors

### Article (19): Company Management

(A) After satisfying the fit and proper requirements determined by the Saudi Central Bank and obtaining its no-objection letter, the Company shall be managed by a Board of Directors composed of nine (9) members, who must be natural persons elected by the Ordinary General Assembly of shareholders for a term not exceeding four (4) years.

(B) The Board of Directors shall operate as follows:

The quorum for a Board meeting shall be the attendance of fifty percent (50%) of the members of the Board of Directors.

The legal quorum for the adoption of resolutions shall be the approval of fifty-one percent (51%) of the members present.

Board members may give proxy for attendance at meetings.

### Article (20): Expiration or Termination of Board Membership

1. Membership of the Board shall terminate upon expiry of its term or upon the cessation of the member's eligibility in accordance with any law or instructions in force in the Kingdom. The General Assembly may, based on a recommendation of the Board of Directors, terminate the membership of any member who, without a legitimate excuse acceptable to the Board of Directors, fails to attend three consecutive meetings or five separate meetings during the term of membership.

### Article (21): Powers of the Board of Directors

Without prejudice to the powers reserved to the General Assembly, the Board of Directors shall have the powers necessary to manage the Company so as to achieve its purposes.

Judicial powers	Representation before Courts	Hearing and Responding to lawsuits	Delegation permitted	is
		Reconciliation	Delegation permitted	is
		Rejecting and accepting arbitration	Delegation permitted	is
		Rejecting and accepting reconciliation	Delegation permitted	is
		Acknowledgment and denial	Delegation permitted	is
		Waiver	Delegation permitted	is
		Pleading	Delegation permitted	is
		Defense	Delegation permitted	is
		Claim	Delegation permitted	is
		Litigation	Delegation permitted	is

	Appointment of Arbitrators	Delegation is permitted
	Appointment of Attorneys	Delegation is permitted
	Representation before Notary Publics	Delegation is permitted
	Use and implementation of all electronic services of the Ministry of Justice	Delegation is permitted
	Delegating or authorizing third parties to implement the electronic services of the Ministry of Justice	Delegation is permitted

The Board of Directors shall obtain the approval of the general assembly before selling assets whose value exceeds fifty percent (50%) of the total value of the Company's assets, whether the sale is made through a single transaction or multiple transactions. In this case, the transaction that results in exceeding the fifty percent (50%) threshold shall be the transaction requiring the general assembly's approval. This percentage shall be calculated from the date of the first transaction conducted within the preceding twelve (12) months. Within the limits of its authority, the Board of Directors may delegate one or more of its members, or third parties, to carry out specific acts or transactions.

## Article (22): Board Members' Remuneration

1. The remuneration of the Board of Directors shall consist of an attendance allowance for Board meetings, taking into account, when determining such remuneration, the provisions of the Companies Law and its Implementing Regulations.

2. The Board of Directors' report to the ordinary general assembly at its annual assembly shall include a comprehensive statement of all amounts received or entitled to be received by each member of the Board during the fiscal year, including remuneration, meeting attendance allowances, expense allowances, and other benefits.

The report shall also include a statement of amounts received by the Board members in their capacity as employees or administrators, or amounts received for technical, administrative, or consultancy services. Additionally, it shall contain a statement of the number of Board meetings held and the number of meetings attended by each member.

## Article (23): Powers of the Chairman, Vice-Chairman, Managing Director, and Board Secretary

After obtaining the prior written non-objection of the Saudi Central Bank:

At its first meeting, the Board of Directors shall appoint from among its members a Chairman of the Board, and it may appoint from among its members a Managing Director. The Board of Directors shall also, at its first meeting, appoint from among its members a Vice-Chairman.

1. The Board of Directors shall appoint a Chief Executive Officer from among its members or from others.

The Chairman of the Board shall have the following powers:

Judicial powers	Representing before Courts	Hearing claims and responding thereto	May exercise these powers individually	Delegation permitted	is
		Reconciliation	May exercise these powers individually	Delegation permitted	is
		Accepting and rejecting arbitration	May exercise these powers individually	Delegation permitted	is
		Accepting and rejecting settlement	May exercise these powers individually	Delegation permitted	is

		Acknowledgment and denial	May exercise these powers individually	Delegation permitted	is
		Waiver	May exercise these powers individually	Delegation permitted	is
		Pleading	May exercise these powers individually	Delegation permitted	is
		Defense	May exercise these powers individually	Delegation permitted	is
		Claim	May exercise these powers individually	Delegation permitted	is
		Litigating	May exercise these powers individually	Delegation permitted	is
	Appointment of Arbitrators	May exercise these powers individually	Delegation is permitted		
	Appointment of Lawyers	May exercise these powers individually	Delegation is permitted		
	Representing before Notary Publics	May exercise these powers individually	Delegation is permitted		
	Use and implementation of all electronic services of the Ministry of Justice	May exercise these powers individually	Delegation is permitted		
	Authorizing third parties to implement the electronic services of the Ministry of Justice	May exercise these powers individually	Delegation is permitted		

The Board of Directors shall appoint a Board Secretary, who may be selected from among its members or from others. The Chairman of the Board may, by written resolution, delegate some of his powers to other Board members or to third parties to perform specific act or acts. The Vice-Chairman shall replace the Chairman of the Board in his absence whenever the Board has a Vice-Chairman.

#### **Article (24): Expiration of the Board of Directors' Term, Resignation, or Dismissal of its Members**

Prior to the expiry of its term, the Board of Directors shall convene the general assembly to elect a new Board for a new term. If the election cannot be conducted and the term of the current Board expires, its members shall continue performing their duties after obtaining the written non-objection of the Saudi Central Bank, until a new Board of Directors is elected, provided that the period during which the outgoing Board continues to serve shall not exceed the duration prescribed by the applicable laws and regulations. Membership of the Board of Directors shall terminate upon the expiration of its term or upon the expiration of the eligibility conditions of any member in accordance with any laws or regulations in force in the Kingdom of Saudi Arabia. However, the general assembly may, at any time, dismiss all or any of the members of the Board of Directors, without prejudice to the right of the dismissed member to claim compensation from the Company if such dismissal occurs without an acceptable reason or at an inappropriate time. A member of the Board of Directors may resign from his position by submitting a written notice addressed to the Chairman of the Board. If the Chairman resigns, the notice shall be addressed to the remaining Board members and the Board Secretary, and the resignation shall become effective, in both cases, on the date specified in the notice. In all cases, the Saudi Central Bank and any other competent authorities shall be notified in accordance with the applicable laws and regulations.

#### **Article (25): Vacancy on the Board of Directors**

If a position on the Board of Directors becomes vacant, the Board shall, by majority vote and after obtaining the written non-objection of the Saudi Central Bank, appoint a temporary member to fill the vacant position, provided that such member possesses the required expertise and competence. The new member shall complete the remaining term of his predecessor, in accordance with the limits and provisions stipulated under the Banking Control Law and the relevant laws and regulations. The Capital Market Authority, the Commercial Register, and other competent authorities shall be notified within the period prescribed by law, and the appointment shall be submitted to the general assembly at its first assembly for approval. If the conditions

required for the Board of Directors to convene are not satisfied due to the number of its members falling below the minimum prescribed under the Companies Law or these Bylaws, the remaining members must invite the general assembly to convene, within the legally prescribed period, to elect the required number of members.

#### **Article (26): Quorum of Board Meetings and Resolutions**

A Board meeting shall not be valid unless attended by at least five (5) members in person or by proxy for another Board member. The proxy shall be granted pursuant to a written authorization, provided that no member acting by proxy may hold more than one proxy, and subject in all cases to the instructions of the Saudi Central Bank. Board resolutions shall be adopted by a majority of the votes of the members present or represented at the meeting. In the event of a tie, the side for which the Chairman of the Board, or in his absence the Vice-Chairman, votes shall prevail. The Board may also adopt resolutions by circulation through modern technological means unless any member requests in writing that a Board meeting be convened for deliberation. Any resolution adopted in this manner shall be submitted to the Board at its next meeting to be recorded in the minutes of that meeting. A resolution of the Board of Directors shall take effect from the date of its issuance unless it provides for its effectiveness at another time or upon the fulfilment of specified conditions.

#### **Article (27): Committees of Board of Directors**

The Board of Directors may establish such principal and subsidiary committees as it deems appropriate to monitor and oversee the Company's operations. The Board shall approve the operating charters of such committees in accordance with the limits and provisions set forth in the Banking Control Law and the relevant laws, regulations, and instructions issued by the Saudi Central Bank and other competent authorities. Such charters shall define the duties, responsibilities, term, scope of work, and authorities granted to these committees, and shall disclose the relevant details in the Board of Directors' report in accordance with the disclosure requirements prescribed by the competent authorities.

#### **Article (28): Audit Committee**

The Audit Committee shall be formed in accordance with the limits and provisions set forth in the corporate governance instructions issued by the competent authorities, and in compliance with the relevant applicable laws and regulations, after obtaining the written approval of the Saudi Central Bank.

### **Article (29): Meetings of the Board of Directors**

The Board of Directors shall meet at least four (4) times during each financial year upon the invitation of its Chairman. Meetings shall be held by the appropriate means and in the manner determined by the Chairman. The Chairman shall convene the Board whenever so requested in writing by any member.

### **Article (30): Powers of the Board of Directors**

Without prejudice to the provisions of the Banking Control Law, the instructions issued by the Saudi Central Bank, and the Companies Law, and while observing the authorities vested in the general assembly the Board of Directors shall collectively have the broadest powers to manage the Company in a manner that achieves its purposes. The Board shall exercise all powers and carry out all acts and transactions that the Company is entitled to perform under these Bylaws , without exception to the powers and authorities granted to it. Its powers include, but are not limited to: Accepting or canceling the option sale; granting and obtaining loans; mortgaging, receiving, accepting, and modifying mortgage; receiving compensation, amounts, and debts in cash or by ordinary or bank cheques and disbursing the same, purchasing and accepting the transfer of real estate, acknowledging receipt of purchase price, deferred sales, and the right to transfer property against deeds or through exchange; updating deeds and registering them in the Comprehensive Deeds System; amending neighborhood names and layouts; selling and transferring real estate before notaries and receiving the value via bank cheques in the name of the Company, signing lease agreements and rental contracts, delivering and receiving properties between lessors and lessees, collecting rents in cash or by cheques, receiving property deeds; partitioning, dividing, merging, and transferring real estate deeds; relinquishing parts of property with or without compensation; transferring property to heirs or to the State; modifying property areas, lengths, owners' names and data; obtaining replacements for lost deeds, pledging, releasing pledges, accepting pledges, modifying pledges; exchanging or bartering properties with or without compensation, buying and selling shares, bonds, and goods on behalf of the Company or its clients, receiving their value, exchanging them, distributing dividends and coupons, opening accounts of all types, inside or outside the Kingdom, managing and operating them by deposits, withdrawals, cheques, or transfers, authorizing signatures and transfers to and from accounts, activating accounts, updating account information, closing and settling accounts; signing all commercial papers and negotiable instruments and endorsing and assigning them; and, in general, signing all banking transactions of the Company and fully representing the Company in its dealings with banks and other entities, signing memoranda of incorporation,

participating in companies, amending them, including capital increases, participating in mergers and consolidations, liquidations, and conversions from limited liability to joint-stock companies and vice versa, before notaries, the Ministry of Commerce, and the Ministry of Investment, obtaining, amending, renewing, canceling the commercial registration, adding business activities, concluding all types of commercial agency agreements in the name of the Company, obtaining and renewing licenses, liaising with the Saudi Authority for Intellectual Property, the Ministry of Commerce, the Ministry of Investment, and other governmental authorities, registering the Company's trade names and trademarks, representing the Company in its boards of directors, appointing and terminating employees, recruiting and sponsoring personnel, entering into contracts for incorporation, supply, insurance, contracting, transportation, and various services; signing cashier's cheques, guarantees, letters of credit, transfers, and all types of negotiable instruments, endorsing and collecting their value; making acknowledgments on behalf of the Company; settlement of receivables and claims from debtors; denial or dispute forgery; enter into compromise, waiver, deferment, or settlement agreements, with or without consideration; collect all amounts in cash or by cheques. Within the limits of its authority, the Board may delegate any or all of its powers to third parties, authorize agents to sub-delegate to others such powers..., and continue such delegation successively as needed.

#### **Article (31): Powers of the Chairman, Vice-Chairman, Managing Director, and Board Secretary**

The Board of Directors shall appoint from among its members a Chairman and a Vice-Chairman of the Board. The Board may also appoint a Managing Director in accordance with the limits and provisions set forth in the Banking Control Law and the relevant laws and regulations, after obtaining the written non-objection of the Saudi Central Bank. No person shall simultaneously serve as Chairman of the Board and hold any Executive position in the Company. The Chairman of the Board shall, in addition to the powers delegated to him by the Board, and subject to the provisions of the Banking Control Law and the instructions issued by the Saudi Central Bank, have the authority to sign on behalf of the Company individually and to accept or cancel option sale; grant and obtain loans; pledge, receive, release, accept, and modify pledges; receive compensation, amounts, and debts in cash or by ordinary or bank cheques, and disburse them, purchase real estate and accept the transfer of property; acknowledge receipt of purchase price; execute deferred sales; exercise the right to transfer property against deeds or through exchange; update deeds and enter them in the Comprehensive Deeds System; amend neighborhood names and layouts; sell and transfer real estate before notaries, courts, and authorized registrars approved by the Ministry of Justice, and receive the payment via bank cheques in the name of the Company, sign lease agreements and rental contracts, deliver and receive properties between lessors and lessees, collect rents in cash or by cheques, and receive property deeds, partition,

divide, merge, and manage real estate deeds; relinquish portions of property with or without consideration; and transfer property to heirs or to the State and all its competent authorities, accept expropriation and object thereto, liaise with the Real Property Register and the National Company for Real Estate Registration Services in respect of sale procedures, receipt of the sale proceeds by a certified cheque in the name of the Company, subdivision and partition, purchase and payment of the price, amendment of areas, boundaries, plot numbers, plans, owners' names and data, obtain replacement title deeds, mortgaging, redemption of mortgage, acceptance of mortgage, amendment of mortgage, increase or decrease of the mortgage value, exchange and consideration-based or non-consideration transactions, requesting first-time registration of property, accessing the Real Property Register, requesting amendment of the Real Property Register, registering judicial rulings in the Real Property Register, annotating entries in the Real Property Register, filing grievances before the Real Estate General Authority, and consenting to any reduction in area, with respect to undeveloped (white) lands, to liaise with the White Land Fees Program, amend the information registered on the electronic portal, submit objections, deliver and receive documentation and documents, submit refund requests and receive certified bank cheques in the name of the Company, shall also have the right to liaise with the Agricultural Development Fund for obtaining clearance certificates confirming the absence of any outstanding financial obligations, to request the conversion of agricultural lands into residential lands, to deal with municipalities, ministries, governmental authorities, and to amend the owner's name and add the Commercial Registration number and Unified Number, whenever required, with respect to ships and marine vessels, to accept, amend, and redeem mortgages sign all documents related thereto, with respect to shares and bank accounts, to purchase and sell shares, bonds, and goods on behalf of the Company or its clients, receive their proceeds, replace or exchange them, accept the pledge of shares, amend such pledge and discharge it, distribute and receive dividends and coupons; to open accounts of all types, including current and investment accounts, inside or outside the Kingdom of Saudi Arabia, manage and operate such accounts by way of deposits, cash withdrawals, cheques, or transfers; approve signatures, effect transfers to and from such accounts, activate accounts, update account information, close and settle accounts; sign all commercial papers and negotiable instruments and endorse and assign them, and, in general, signing all banking transactions of the Company and fully representing the Company in its dealings with banks and other entities, inside or outside the Kingdom of Saudi Arabia, signing memoranda of incorporation, participating in companies, amending them, including capital increases, participating in mergers and consolidations, liquidations, and conversions from limited liability to joint-stock companies and vice versa, before notaries, the Ministry of Commerce, the Ministry of Investment, Ministry of Municipal and Rural Affairs and Housing, its branches, directorates, and departments, representing the Company in the companies in which it participates within or outside the Kingdom of Saudi Arabia, selling, purchasing, assigning and

accepting the assignment of shares and equity interests in companies in which the Company holds ownership, whether partially or wholly owned, inside or outside the Kingdom of Saudi Arabia, obtaining, amending, renewing, canceling the commercial registration, adding business activities, concluding all types of commercial agency agreements in the name of the Company, obtaining and renewing licenses, liaising with the Saudi Authority for Intellectual Property, its branches, directorates, and departments, registering the Company's trade names and trademarks, assigning trademarks or canceling them, transferring trademarks, amending trademarks, and filing objections against the refusal to register trademarks or against any amendments thereto, appointing and terminating employees, recruiting and sponsoring personnel, entering into contracts for incorporation, supply, insurance, contracting, transportation, and various services; signing guarantees, all types of letters of credit, transfers, and all types of negotiable instruments, endorsing and cashing their value; to act on behalf of the Company, its management, branches, and offices inside and outside the Kingdom of Saudi Arabia, by attending proceedings and representing the Company in litigation, pleading, defending, contesting, and pursuing any claims filed by or against the Company before all court levels, including first instance, appeal, cassation, before all courts, judicial bodies, and committees of all jurisdictions, including, without limitation, banking, financing, insurance, and tax committees, the Committees for the Resolution of Securities Disputes, the Public Prosecution and its branches, medical and labor committees, arbitration panels inside and outside the Kingdom, endowment departments, the Supreme Court, any judicial authority, all ministries, authorities, governmental and non-governmental bodies and institutions of every type, all ministries, bodies, authorities, public institutions, both governmental and non-governmental, in all their departments, municipalities, the Border Guard, Balady system, engineering offices for issuing survey resolutions, the Border Protection Field Committee, Community Development Committee for submitting and signing compensation applications, the Holy Mosque Squares Committee for submitting and signing compensation requests, the police and security authorities, the forgery and counterfeiting division, forensic evidence departments, enforcement and control authorities, all ports of entry, traffic departments for filing theft reports and canceling theft reports, contesting violations, settlement and adjudication of violations, and obtain data reports in all regions of the Kingdom of Saudi Arabia, annotate judgments, seek enforcement, receive judgments, appoint experts, request oath-taking and reject it, serve and receive notices, request attachment and its ratification and release, initiate both types of partition, submit and receive all petitions, memoranda, reports, written and oral responses, attestations and testimony, judgments, resolutions, contracts, documents, request execution and enforcement procedures, request imprisonment of defaulting debtors, their release, travel bans, attachment of their assets, sign on behalf of the Company all that is required in this regard and submit the same to competent governmental and non-governmental authorities, making acknowledgments on behalf of the

Company; settlement of receivables and claims from debtors; denial or dispute forgery; enter into compromise, waiver, deferment, or settlement agreements, with or without consideration; collect all amounts in cash or by cheques. The Chairman of the Board shall have the authority to appoint and engage lawyers, certified public accountants, legal, advisory, and administrative firms inside and outside the Kingdom of Saudi Arabia. The Chairman of the Board shall also, within the limits of his powers, have the right to delegate to third parties all or part of its powers and to authorize such attorneys to sub-delegate to others, successively and consecutively. In cases where the Chairman of the Board is absent, the Vice Chairman shall replace him and exercise the aforementioned powers. The Board of Directors shall, after obtaining the written no-objection of the Saudi Central Bank, appoint a Secretary of the Board from among its members or from others, who shall be entrusted with the duties determined by the Board, and whose remuneration shall be determined by the Board. The term of office of the Chairman, Vice Chairman, Managing Director, and Secretary of the Board, who is also a Board member shall not exceed their respective terms of membership in the Board; however, they may be reappointed. The Board may, at any time, dismiss any of them without prejudice to the right of the dismissed person to claim compensation if such dismissal occurs without legal cause or at an inappropriate time.

#### **Article (32): Board of Directors Deliberations**

The deliberations and resolutions of the Board of Directors shall be recorded in minutes signed by the Chairman of the Board, the attending Board members, and the Board Secretary. Such minutes shall be entered in a special register to be signed by the Chairman of the Board and the Board Secretary. Modern technological means may be used for recording deliberations.

#### **Article (33): Management of the Company**

The management shall be vested in a Board of Directors comprising nine (9) members, elected by the shareholders' ordinary general assembly after obtaining the prior written non-objection of the Saudi Central Bank to their nomination, for a term not exceeding three (3) years; such members may be re-elected in accordance with the limits and provisions set out in the Banking Control Law and the applicable laws and regulations.

### **Article (34): Remuneration of Board Members**

Members of the Board of Directors shall receive remuneration, allowances, and benefits, whether financial or in kind, commensurate with the number of meetings attended by each member, in accordance with the remuneration policy approved by the General Assembly and in a manner consistent with the Companies Law, its implementing regulations, and the rules issued by the Capital Market Authority and the Saudi Central Bank. The Company shall also pay the Chairman and members the actual expenses incurred by them in attending Board meetings or committee meetings, including travel and accommodation expenses.

### **Article (35): Expiration or Termination of Board Membership**

Members of the Board shall attend Board meetings regularly, including by using technological means, and shall not be absent except for a legitimate excuse notified in advance to the Chairman. If a member fails to participate in three meetings in a year without an excuse that warrants such absence, a replacement member shall be appointed in his place.

## **Chapter IV: Shareholders' Assemblies**

### **Article (36): Notice of Assemblies**

1. General and extraordinary general assemblies shall be convened by a resolution of the Board of Directors. The Board of Directors shall convene the ordinary general assembly within thirty (30) days from the date of a request made by the auditor or by one or more shareholders representing at least ten percent (10%) of the Company's voting shares. The auditor may also convene the ordinary general assembly if the Board of Directors fails to issue the notice within thirty (30) days from the date of the auditor's request.
2. The request referred to in paragraph (1) of this Article must specify the matters on which the shareholders are to vote.
3. The notice of an assembly shall be issued at least twenty-one (21) days prior to the scheduled date of the assembly. Such notice shall be given by:
  - a. Sending registered letters to the shareholders at the addresses recorded in the shareholders' register, or by publishing the notice through modern technological means; and
  - b. Submitting a copy of the notice along with the agenda with the Commercial Register, and, in the case of a Company listed on the financial market at the date of the notice, submitting a copy to the Capital Market Authority.
4. The notice of the general assembly shall include, at a minimum, the following:

- a. A statement identifying the person entitled to attend the assembly of the general assembly, the right of such person to appoint a proxy of his or her choice other than a member of the Board of Directors, and the shareholder's right to discuss the matters included on the agenda, to raise questions, and the manner in which voting rights may be exercised.
- b. The place, date, and time of the assembly.
- c. The type of the assembly, whether an ordinary general assembly or an extraordinary general assembly.
- d. The assembly agenda, including the items required for shareholder vote.

#### **Article (37): Voting in Assemblies.**

1. The election of the members of the Board of Directors shall be conducted by Cumulative Voting. Members of the Board of Directors shall not participate in voting on resolutions of the general assembly relating to businesses or contracts in which they have a direct or indirect interest, or which involve a conflict of interest.

#### **Article (38): Preparation of Assembly Minutes**

1. Minutes shall be prepared for each assembly of the general assembly, setting out the number of shareholders present in person or by proxy, the number of shares held by them in person or by proxy, the number of votes attached thereto, the resolutions adopted, the number of votes approved in favor of or against each resolution, and a comprehensive summary of the discussions held during the assembly. The minutes shall be recorded on a regular basis following each assembly in a special register and shall be signed by the Chairman of the assembly, the Secretary thereof, and the vote counters.

#### **Article (39): Attendance at Assemblies**

Each shareholder shall have the right to attend the general assemblies of Shareholders, and may appoint another person to act on his behalf, provided that such person is not a member of the Board of Directors, an employee of the Company, an external auditor, or anyone permanently engaged to perform technical or administrative work for the bank, for the purpose of attending the general assembly.

#### **Article (40): Powers of the Ordinary General Assembly**

Without prejudice to the matters reserved to the extraordinary general assembly, the ordinary general assembly shall have jurisdiction over all matters relating to the Company. It shall convene at least once a year within the six (6) months following the end of the Company's financial year, and additional ordinary general assemblies may be convened whenever necessary.

#### **Article (41): Powers of the Extraordinary General Assembly**

The Extraordinary General Assembly shall have the authority to amend the Company's Bylaws, except for matters the law prohibits from being amended. It may also adopt resolutions on matters that fall within the jurisdiction of the Ordinary General Assembly, subject to the same terms and procedures prescribed for the Ordinary General Assembly.

#### **Article (42): Quorum for Ordinary General Assemblies**

A meeting of the Ordinary General Assembly shall not be valid unless attended by shareholders representing at least one quarter of the Company's shares carrying voting rights. If the quorum required for holding this meeting is not met, a second meeting may be held one hour after the end of the period specified for the first meeting, provided that the notice for the first meeting states that a second meeting may be held. In all cases, the second meeting shall be valid regardless of the number of voting shares represented therein.

#### **Article (43): Quorum for Extraordinary General Assemblies**

A meeting of the Extraordinary General Assembly shall not be valid unless attended by shareholders representing at least one half of the Company's shares carrying voting rights. If the quorum required for the first meeting is not met, a second meeting may be held one hour after the end of the period specified for the first meeting, provided that the notice for the first meeting states that a second meeting may be held. In all cases, the second meeting shall be valid if attended by shareholders representing at least one quarter of the Company's shares carrying voting rights. If the quorum required for the second meeting is not met, a third meeting shall be called in accordance with the provisions of the Bylaws, and the third meeting shall be valid regardless of the number of voting shares represented therein.

#### **Article (44): Resolutions of the General Assemblies**

Resolutions of the ordinary general assembly shall be adopted by the approval of a majority of the voting rights represented at the assembly. Resolutions of the extraordinary general assembly shall be adopted by the approval of two-thirds of the voting rights represented at the assembly. However, if the resolution relates to an increase or reduction of the share capital, extension of the Company's term, dissolution of the Company before the expiry of the term prescribed therein these Bylaws , merger with another Company, or division into two or more companies, such resolution shall not be valid unless approved by three-quarters of the voting rights represented at the assembly.

#### **Article (45): Discussion In the Assemblies**

Each shareholder shall have the right to discuss the matters listed on the agenda of the general assembly and to address questions in respect thereof to the members of the Board of Directors and the External Auditor. The Board of Directors or the External Auditor shall answer shareholders' questions to the extent that such answers do not prejudice the Company's interests. If a shareholder deems that the response to their question is insufficient, they may refer the matter to the general assembly, whose decision in this regard shall be binding. One or more shareholders representing at least ten percent) of the Company's shares carrying voting rights shall have the right to add one or more items to the agenda upon its preparation, and the competent authority may amend this percentage as it deems appropriate.

#### **Article (46): Voting in Assemblies**

Members of the Board of Directors shall not participate in voting on resolutions of the general assembly relating to businesses and contracts in which they have a direct or indirect interest or which involve a conflict of interest. A Board member shall also not participate in voting on any resolution issued in this regard by the Board or by the general assembly. The Board shall disclose to the general assembly, at the time of its assembly, the businesses and contracts in which any Board member has a direct or indirect interest, and such disclosure shall be accompanied by a special report prepared by the Company's external auditor in accordance with the auditing standards approved in the Kingdom of Saudi Arabia.

## **Chapter V: Auditors**

### **Article (47): Appointment of External Auditors**

The Company shall have two external auditors licensed to practice in the Kingdom of Saudi Arabia, appointed by the general assembly after obtaining the prior written non-objection of the Saudi Central Bank. The general assembly shall determine their remuneration, term of engagement, and scope of work, and may also dismiss them, without prejudice to their right to compensation if such dismissal is made at an inappropriate time or for an unlawful reason. The Chairman of the Board shall notify the competent authorities of the resolution of dismissal and its reasons within the period prescribed by law.

### **Article (48): Powers of the External Auditor**

The external auditor shall, at any time, have the right to inspect the Company's books, records, and other documents, and shall also have the right to request the data and clarifications they deem necessary to verify the Company's assets, and the extent of its compliance with the provisions of the Banking Control Law and the instructions of the Saudi Central Bank, as well as any other matters falling within the scope of their duties. The Chairman of the Board of Directors shall enable the external auditor to perform their duty. If the auditor encounters a difficulty in this regard, they shall state that in a report submitted to the Board of Directors. If the Board fails to facilitate the auditor's work, the auditor shall request the Board to convene the shareholders or the general assembly, as the case may be, to consider the matter. The auditor may himself convene such assembly if the Board does not do so within thirty (30) days from the date of the auditor's request.

## **Chapter VI: Company Finances and Dividend Distribution**

### **Article (49): Fiscal Year**

The Company's Fiscal Year shall be twelve (12) Gregorian months, starting from 01 January and ending on 31 December.

2. A separate balance sheet shall be prepared for the transitional period resulting from the fiscal year adjustment.

## **Article (50): Financial Documents**

1. 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 financial position for the preceding fiscal year. This report shall include the proposed method of profit distribution. The Board shall place these documents at the disposal of the external auditors before the deadline prescribed by law for convening the General Assembly. (2) The documents referred to in paragraph (1) of this Article shall be signed by the Chairman of the Board, the Chief Executive Officer, and the Chief Financial Officer. They shall be published on the Tadawul website and the Company's website, and copies thereof shall be deposited at the Company's head office for shareholders to review before the deadline prescribed by law. (3) The Chairman of the Board shall provide shareholders with the Company's financial statements, the Board's report after signing, and the external auditors' report, unless they are published electronically, before the deadline prescribed by law for convening the General Assembly. A copy of the aforementioned documents shall also be provided to the Saudi Central Bank.

## **Article (51): Dividend Distribution**

The Company's annual net profits, as approved by the General Assembly, shall be distributed after deducting general expenses, other costs, and the reserves necessary to cover doubtful debts, investment losses, and contingent liabilities deemed necessary by the Board of Directors, in accordance with the provisions of the Banking Control Law and the instructions of the Saudi Central Bank and after obtaining the prior written non-objection of the Saudi Central Bank, as follows: (1) twenty-five percent (25%) of the net profits shall be set aside to form the Company's statutory reserve. The General Assembly may resolve to discontinue this allocation when such reserve reaches one hundred percent (100%) of the paid-up capital. (2) The General Assembly may, based on a proposal from the Board of Directors, resolve to create reserves by appropriating a specified percentage of the net profits to the extent that serves the Company's interests or ensures, as far as possible, the distribution of stable profits to shareholders. The General Assembly may also allocate amounts from the net profits for the Company's social purposes. (3) Thereafter, an appropriate percentage of the remainder shall be distributed to shareholders within the limits of distributable profits, whether annually, semi-annually, or quarterly.

### **Article (52): Entitlement to Dividends**

A shareholder shall be entitled to its share of dividends in accordance with the resolution issued by the General Assembly in this regard. The resolution shall specify the entitlement date and the distribution date. Entitlement to dividends shall accrue to shareholders registered in the shareholders' register at the end of the day specified for entitlement.

### **Article (53): Distribution of Dividends to Preferred Shares**

1. If no profits are distributed for any fiscal year, no profits may be distributed for subsequent years unless the percentage specified in accordance with the Companies Law has first been paid to the holders of preferred shares for that year. 2. If the Company fails, for three consecutive years, to pay the percentage specified under the Companies Law to the holders of such shares, the special assembly of the holders of those shares, convened in accordance with the Companies Law, may resolve either that they attend the Company's General Assembly meetings and participate in voting, or that representatives be appointed for them to the Board of Directors in proportion to the value of their shares in the capital, until the Company is able to pay all preferential profits allocated to the holders of such shares for previous years.

### **Article (54): Company Losses**

If the Company's losses reach one half of the paid-up capital, the Board of Directors must immediately disclose such losses to the Saudi Central Bank and state the recommendations made in this regard within the period prescribed by law from the date on which the Board becomes aware of such losses. The Board shall also call an Extraordinary General Assembly within the period prescribed by law to consider the continuation of the Company and the adoption of any measures necessary to address such losses, taking into account the instructions issued by the Saudi Central Bank.

## **Chapter VI: Dissolution and Liquidation of the Company**

### **Article (55): Liability Claim**

1. The General Assembly or the shareholders may file a liability claim against the members of the Board of Directors for violation of the provisions of the law or these Bylaws, in accordance with the relevant laws and instructions. 2. One or more shareholders representing five percent (5%) of the Company's capital may file the liability claim prescribed for the Company if the Company

fails to do so, provided that such shareholder(s) are shareholders in the Company at the time of filing the claim and that they notify the members of the Board of Directors of their intention to file the claim before the period prescribed by law from the date of filing. 3. A shareholder may file a personal claim against members of the Board of Directors if the error committed by them causes special harm to that shareholder.

#### **Article (56): Company Liquidation**

1. Before the Extraordinary General Assembly adopts a resolution to dissolve the Company, the Board of Directors shall obtain the prior written non-objection of the Saudi Central Bank and prepare a statement confirming that the Company's assets are sufficient to satisfy its debts by the end of the proposed liquidation period and that the Company is not insolvent under the Bankruptcy Law. Such statement shall be presented to the Extraordinary General Assembly within the period prescribed by law from the date of its preparation for a resolution on the dissolution of the Company. 2. If the statement referred to in paragraph (1) of this Article indicates that the Company's assets are insufficient to satisfy its debts or that the Company is insolvent under the Bankruptcy Law, the General Assembly may not resolve to dissolve the Company; otherwise, the shareholders shall be jointly liable for any outstanding debts of the Company. 3. Upon the issuance of the liquidation resolution, the Company shall enter into liquidation. The Company shall be liquidated in accordance with the provisions of the Bankruptcy Law and the instructions of the Saudi Central Bank, and shall retain legal personality to the extent necessary for liquidation. The liquidation resolution shall be issued by the Extraordinary General Assembly after obtaining the prior written approval of the Saudi Central Bank. The liquidation resolution shall include the appointment of the liquidator, determination of its powers and fees, any restrictions imposed on its powers, and the period required for liquidation, which shall not exceed the period prescribed by law. The powers of the Board of Directors shall cease upon dissolution of the Company; however, they shall remain in charge of managing the Company and, as against third parties, shall be deemed liquidators until the liquidator is appointed. Shareholders' assemblies shall remain in existence during the liquidation period, and their role shall be limited to exercising powers that do not conflict with the powers of the liquidator.

#### **Chapter VII: Final Provisions**

##### **Article (57): Final Provisions**

1. The Company shall be subject to the laws applicable in the Kingdom of Saudi Arabia.

2. Any provision in these Bylaws that conflicts with the Companies Law shall be disregarded and the provisions of the Companies Law shall apply in its place. Any matter not provided for in these Bylaws shall be governed by the Companies Law and its Implementing Regulations.

3. The founders acknowledge the accuracy of the information and provisions contained in these Bylaws and their conformity with the Companies Law issued by Royal Decree No. (M/132) dated 01/12/1443 AH and its Implementing Regulations, and confirm that all requirements and instructions issued by the Ministry of Commerce in accordance with the Law have been fulfilled. The founders shall bear responsibility for, and all legal and financial consequences arising from, this acknowledgement. The founders are aware of the Ministry's right to take the necessary legal measures in the event of any violation of or conflict with the provisions set out in these Bylaws. Prior written no-objection of the Saudi Central Bank must also be obtained before the issuance of the Company's Bylaws or any amendment thereto.

### **Article (58): Regulatory Requirements**

Any provision in these Bylaws that conflicts with the provisions of the Banking Control Law or the instructions of the Saudi Central Bank shall be disregarded and the relevant provisions of such laws and instructions shall apply in its place. Any matter not provided for in these Bylaws shall be governed by the Companies Law and its Implementing Regulations.

These Bylaws have been reviewed by the founders and approved by the Ministry's authorized representative. The Bylaws have been published in the Aamaly e-magazine, and the validity of the Bylaws may be verified through the following link:  
<https://emagazine.aamaly.sa>

This version of the Bylaws was issued pursuant to the resolution of the Extraordinary General Assembly / the resolution of the capital owner dated 17/10/1447 AH.  
These Bylaws do not require the official seal of the Ministry of Commerce.

Date of amendment: 16/04/2026