

**Articles of Association**  
**Tourism Enterprises Company**  
**Saudi Joint Stock Company (SHAMS)**

Ministry of Commerce and Investment General Department of Corporate Governance and Compliance	Articles of Association	Company name Tourism Enterprises Company (SHAMS)
	Date 03/10/2023	Commercial Register: (2050021572)

\* A copy of the Law was issued pursuant to the resolution of the Extraordinary Assembly on 09/12/2021.

## Articles of Association

### Tourism Enterprises Company

### Saudi Joint Stock Company (SHAMS)

#### Section I

#### Company Incorporation

##### Article one: Incorporation

The company was established as a Saudi joint stock company in accordance with the provisions of the Companies Law, its bylaws, and this Law (hereinafter referred to as the “Company”) in accordance with the following:

##### Article Two: Company Name

Tourism Enterprises Company (SHAMS)

##### Article Three: Company Objectives

- 1.Establishing and managing owned or rented resorts and tourist facilities, including chalets, motels, hotels, gardens, restaurants, entertainment cities, sports stadiums, swimming pools, restrooms, service stations, central markets, and all services needed by tourist resorts.
- 2.Establishing and managing yacht harbors and boat docks, owning, or renting yachts and boats for tourism purposes and for maritime transport purposes between the Kingdom’s ports or the ports of neighboring countries.
- 3.Diving management.
- 4.Trading fishing and sea tools and equipment, training on them, holding competitions, obtaining commercial agencies from tourism companies, and organizing tourism activities inside and outside the Kingdom.
- 5.Manufacturing industries.
- 6.Administrative and support services - Gas stations management - Operations and maintenance management in buildings and related facilities.
- 7.Medical services and the establishment of medical and emergency centers and hospitals by owning or renting.

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8. Real estate activities Management and leasing of owned or leased real estate (residential) Management and leasing of owned or leased real estate (non-residential)
9. Wholesale and retail trade and repair of motor vehicles and motorcycles.
10. Accommodation, food service, hotel management, and ownership activities.
11. Transportation and storage.
12. Information technology activities.

The company carries out its activities in accordance with the applicable regulations and after obtaining the necessary licenses from the competent authorities, if any

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

The company may participate in other companies and establish companies on its own (limited liability, closed joint stock, or simplified joint stock) and may own stocks and stakes in other existing companies or merge with them, and it has the right to participate with others in establishing joint stock, limited liability, or joint stock companies. The simplified form, after fulfilling the requirements of the applicable regulations and instructions in this regard. The company may also dispose of these shares or quotas, provided that this does not include mediation in their trading.

#### **Article Five: Company Head Office**

1. The company's head office is located in the city of Al-Khobar in the Kingdom of Saudi Arabia, and it may be transferred to any other entity within the Kingdom by a decision issued by the Extraordinary General Assembly.
2. It may establish branches for it inside or outside the Kingdom by a decision of the Board of Directors.

#### **Article Six: Company Duration**

The duration of the company is ninety-nine Gregorian years, starting from the date of its registration in the commercial register as a joint stock company. This period may always be extended by a decision issued by the Extraordinary General Assembly at least one year before the expiry of its term.

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## Section II

### Company Capital and Shares

#### Article Seven: Capital

The authorized capital is (1,200,000,000) one billion two hundred million Saudi riyals divided into the nominal value of the share and all shares represent ordinary shares.

The issued capital of the company is (578,236,230) five hundred and seventy-eight million, two hundred and thirty-six thousand, two hundred and thirty-eight Saudi riyals, divided into (1,156,472,460) one billion, one hundred and fifty-six million, four hundred and seventy-two thousand, four hundred and sixty ordinary shares of equal value, the nominal value of each share of which is (50) fifty halalas (0.50) Saudi riyals, paid in full.

#### Article Eight: Subscription of Shares

Shareholders subscribed to the entire issued capital shares amounting to (578,236,230) five hundred and seventy-eight million, two hundred and thirty-six thousand, two hundred and thirty-eight Saudi riyals, divided into (1,156,472,460) one billion, one hundred and fifty-six million, four hundred and seventy-two thousand, four hundred and sixty ordinary shares of equal value Paid in full.

#### Article Nine: Preference Shares

The company may, in accordance with the principles laid down by the competent authority, issue preferred shares or decide to buy them, or convert ordinary shares into preferred shares, or convert preferred shares into ordinary shares.

Preferred shares may not give shareholders the right to vote in general assemblies except in cases approved by the regulations and rules of the competent authority.

#### Article Ten: Selling shares of insufficient value.

1.The shareholder is obligated to pay the value of the share on the dates specified for that, and if he fails to pay on the due date, the Board of Directors may, after informing him through the means of advertising approved by the competent authority, sell the share in the public auction or the stock market, as the case may be, and the other shareholders have priority in purchasing the shares of the shareholder. The defaulter in payment in accordance with the applicable regulations and controls set by the competent authority.

2.The company collects from the proceeds of the sale the sums due to it and returns the remainder to the shareholder.

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3.Enforcement of the rights related to the shares that have not been paid for their value shall be suspended upon the expiry of the date specified for them until they are sold or due from them are paid in accordance with the provisions of Paragraph (1) of this Article. They include the right to obtain a share of the net profits to be distributed and the right to attend the assemblies and vote on their decisions. However, the shareholder who fails to pay until the day of the sale may pay the value due in addition to the expenses incurred by the company in this regard. In this case, the shareholder shall have the right to request obtaining the profits to be distributed.

4.The company cancels the certificate of the sold share in accordance with the provisions of this article and gives the buyer a new certificate of the share, whether paper or electronic, and it appears in the shareholder register that the sale has taken place, with the necessary data for the new owner included.

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

The shares of the company shall be nominal and indivisible against the company. The ownership of the share is several persons, and they must choose one of them to act on their behalf in the use of the rights related thereto, and these persons shall be jointly liable for the obligations arising from the ownership of the share. The company's shares may not be issued for less than their nominal value but may be issued for a higher than this value. In this last case, the value difference is added in a separate item within the shareholders' rights.

- The company may, after issuance of the General Assembly's decision, approve the division of the share to less than the nominal value in accordance with the recommendation of the Board of Directors. In this case, the number of traded shares shall be adjusted according to the nominal value of the share determined by the General Assembly.

#### **Article Twelve: Stock Trading and Shareholder Register**

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

#### **Article Thirteen: Share Certificates**

The company is committed to issuing a paper or electronic certificate proving the shareholder's ownership of the share.

The share certificate must include the data determined by the competent authority, in particular the value of the capital, the number of shares distributed, the nominal value

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of the share, the amount paid, the objectives of the company in short, its head office and its duration.

#### **Article Fourteen: Debt Instruments and Financing Instruments**

- 1.The company may issue - in accordance with the financial market law - debt instruments or negotiable financing instruments.
- 2.For the company to issue debt instruments or financial sukuk convertible into shares, a resolution must be issued by the Extraordinary General Assembly stating the maximum number of shares that may be issued against those instruments or sukuk, whether those instruments or sukuk were issued simultaneously or through a series of versions or through one or more programs to issue them. And the Board of Directors - without the need for new approval from this assembly - issues new shares in exchange for those instruments or sukuk whose holders request their conversion immediately after the expiry of the conversion request period specified for the holders of those instruments or sukuk, or when the conditions for their automatic conversion into shares are met or the period specified for this transfer has passed. The Board shall take the necessary measures to amend the company's basic system regarding the number of issued shares and the capital.
- 3.The company may convert debt instruments or financing instruments into shares in accordance with the financial market system, with the approval of the holder, whether it was a previous approval, such as within the terms of the issuance, or a subsequent agreement.
- 4 .Any interested party may request the competent judicial authority to annul the disposition that takes place in violation of the provisions of paragraphs (1, 2, and 3) above, in addition to compensating the holders of debt instruments or financing instruments for the damage they sustained.

Shareholders' assemblies' decisions are applicable to the holders of debt instruments and financing instruments. However, these associations may not modify the rights granted to them except with an approval issued by them in an association of their own that is held in accordance with the provisions of the Companies Law and the regulations issued by the competent authority.

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### **Article Fifteen: Increasing capital.**

1. By a decision of the company's board of directors, the issuer's capital may be increased within the limits of the authorized capital, provided that the issuer's capital has been paid in full.

2. The Extraordinary General Assembly may decide to increase the issued or authorized capital of the company, provided that the issued capital has been paid in full. It is not required that the capital be paid in full if the unpaid part of the capital belongs to shares issued in exchange for converting debt instruments or financing instruments into shares and the period specified for their conversion has not expired.

3. The shareholder who owns the shares at the time of issuance of the decision of the Extraordinary General Assembly approving the increase of the issued or authorized capital has priority in subscribing to new shares that are issued in exchange for cash shares. and its start and end date.

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

5. The shareholder has the right to sell or assign the priority right in accordance with the controls set by the Capital Market Authority.

6. Considering the provisions of Paragraph (5) above, the new shares shall be distributed among the priority right holders who requested subscription, in proportion to what they own of 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. The remainder of the new shares shall be distributed among the holders of priority rights who have requested more than their share in proportion to what they own of priority rights out of the total priority rights resulting from the capital increase, if what they obtain does not exceed what they requested of the new shares, and the remainder of the shares shall be offered to third parties. Unless otherwise decided by the Extraordinary General Assembly or the Financial Market Regulations.

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### **Article Sixteen: Capital Reduction**

The extraordinary general assembly may decide to reduce the company's capital if it exceeds the company's needs or if it suffers losses. In the latter case alone, the capital may be reduced to less than the limit stipulated in Article Fifty-Nine (59) of the Companies Law. The reduction decision shall not be issued except after reading a statement in the General Assembly prepared by the Board of Directors on the reasons for the reduction, the company's obligations, and the impact of the reduction on fulfilling them. A note from the company's auditor shall be attached to this statement. If the reduction is a result of the capital being increased beyond the company's need, the creditors must be invited to express their objections - if any - to the reduction, at least forty-five (45) days prior to the date set for the Extraordinary General Assembly meeting to take the decision to reduce, provided that a statement is attached to the invitation. It clarifies the amount of capital before and after the reduction, the date of the meeting and the effective date of the reduction. If one of the objects and submits his documents to the company on the date, the company must pay him his debt if it is due or provide him with a sufficient guarantee to fulfill it if it is deferred.

### **Article Seventeen: The company's purchase, sale, and mortgage of its shares**

A. The company may purchase its ordinary or preferred shares with the approval of the Extraordinary General Assembly, in accordance with the following controls (or those set by the competent authorities in this regard):

1. The purpose of the purchase is to reduce the company's capital or to keep the common shares subject of purchase as treasury shares.
2. The percentage of treasury shares shall not, at any time, exceed (ten percent) of the total class of shares of the company being purchased.
3. The value of the shares subject to purchase must be paid in full.
4. The debit balance of treasury shares should not exceed the balance of retained earnings.

B. The decision to purchase the company's shares is issued by the (extraordinary) general assembly of shareholders, provided that the decision specifies a maximum number of shares subject to purchase and its purposes. The decision includes authorizing the Board of Directors to complete the purchase in one or more stages within a maximum period of (twelve) months from the date of approval. Provided that the company announces this approval and its conditions immediately upon its

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issuance, and the extraordinary general assembly may at any time decide to change the purposes of buying shares.

C. The company may not purchase its shares to be used as treasury shares except for the following purposes:

- 1 .Fulfill the rights of holders of debt instruments or financing instruments that are convertible into shares in accordance with the terms and conditions of those instruments or instruments.
- 2 .An exchange for the acquisition of shares or stakes or the purchase of assets.
- 3 .Allocating it to the company's workers within the worker's shares program, and in accordance with the controls set by the relevant regulatory authorities in this regard.
- 4 .Cancellation of shares in accordance with the capital reduction provisions.
- 5 .Any other purpose that the company deems appropriate and approved by the Ministry

D. Preferred shares are canceled when the company completes their purchase, and the company must take the necessary legal measures to reduce the capital.

E. The shares purchased by the company shall not have votes in the shareholders' assemblies.

And the company may sell the treasury shares in one or several stages by a decision of the Board of Directors in accordance with the regulatory controls established by the relevant competent authorities in this regard, provided that the decision of the Board of Directors does not conflict with the decision of the Extraordinary General Assembly approving the purchase of those shares.

G. The company may mortgage its shares as security for the company's debt, and the mortgage shall be in the interest of the company and the shareholders, according to the discretion of the Board of Directors and in accordance with the regulatory controls established by the competent authorities related to this regard and after the approval of the general assembly of shareholders. Approval may be obtained for more than one process. The pledgee may not attend the meetings of the Shareholders' Assembly nor vote in them.

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### **Section III**

#### **Company Management**

##### **Article Eighteen: Management of the Company**

The Company is managed by a Board of Directors consisting of seven (7) members (hereinafter referred to as the “Board” or the term “Board of Directors”), provided that they are persons of natural capacity elected by the Ordinary General Assembly for a period not exceeding four (4) years. The members of the Board of Directors may be re-elected for other terms in accordance with the procedures for election and candidacy based on the applicable regulations and controls set by the competent authority.

##### **Article Nineteen: Termination of the membership of the Council, the end of its session, or the retirement of its members and the vacant position in the Council**

1. Membership of the Council ends with the expiry of its term or with the expiry of the member's validity in accordance with the provisions of any system or instructions in force in the Kingdom in the Kingdom. However, the Ordinary General Assembly may at any time dismiss all or some of the members of the Board of Directors. In this case, the Ordinary General Assembly shall elect a new Board of Directors or a replacement for the dismissed member - as the case may be - in accordance with the provisions and instructions in force in the Kingdom and in accordance with the regulatory controls established by the relevant competent authorities in this regard.
2. The Board of Directors shall call the Ordinary General Assembly to convene well before the end of its session, to elect a Board of Directors for a new session. If the election cannot be held and the term of the current Board has ended, its members shall continue to perform their duties until the election of the Board of Directors for a new term, provided that the duration of the members of the Board whose term has expired shall not exceed a period of one hundred and twenty (120) days or the period specified by the regulatory controls established by the relevant competent authorities. about this.
3. If the chairman and members of the Board of Directors retire, they must call the Ordinary General Assembly to convene to elect a new Board of Directors, and the retirement does not apply until the election of the new Board, provided that the duration of the retired Board does not exceed one hundred and twenty (120) days or the period specified by the organizational controls set by the relevant competent authorities in this regard.

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4. A member of the Board of Directors may retire from the membership of the Board by sending a written notification to the Chairman of the Board. If the Chairman of the Board resigns, the notification must be directed to the remaining members of the Board and the Secretary of the Board. Resignation is effective - in both cases - from the date specified in the notification.
5. If the position of a member of the Board of Directors becomes vacant, the Board may appoint a temporary member in the vacant position, provided that he is one of those with sufficient experience and must inform the Commercial Register within fifteen days from the date of appointment and present the appointment to the Ordinary General Assembly at its first meeting. The new member completes the term of his predecessor.
6. If the necessary conditions for the meeting of the Board of Directors are not met due to a decrease in the number of its members below the minimum stipulated in the Companies Law or this Law, the rest of the members must invite the Ordinary General Assembly to convene within sixty (60) days to elect the necessary number of members.

In the event that the Board of Directors is not elected for a new term, or the required number of Board members is not completed, in accordance with paragraphs (2), (3) and (6) of this Article. Each interested party may request the competent judicial authority to appoint from among those with experience and competence, and with the number it deems appropriate, someone to supervise the management of the company and call the general assembly to convene within (ninety) days, to elect a new board of directors or complete the necessary number of members of the board of directors, as the case may be. , or to request the dissolution of the company.

**Article Twenty: Duties of the Company's Board of Directors, Conflict of Interest, Competition and Exploitation of Assets**

A. Duties of Care and Loyalty:

Each member of the Board of Directors must adhere to the duties of care and loyalty, in particular the following:

1. Exercising his duties within the limits of his powers.
2. Work for the interest of the company and enhance its success.
3. Make decisions or vote on them independently.
4. Exercise reasonable and expected care, attention, diligence, and skill.
5. Avoid conflicts of interest.

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6. Disclosure of any direct or indirect interest in the business and contracts that are made for the company.
7. Not accepting any benefit granted to him by others in connection with his role in the company.

B. Conflict of interests, competition, and exploitation of assets:

a. Neither a member of the Board of Directors nor the manager of the company may have a direct or indirect interest in the business and contracts that are concluded for the account of the company except with a license from the General Assembly or whoever it delegates, and the authorization is in accordance with the controls and conditions stipulated by the Companies Law and its implementing regulations or those set by the competent authorities in this regard particular.

A member of the Board of Directors must disclose the businesses and contracts referred to in this paragraph as soon as he becomes aware of the existence of any interest for him, in accordance with the procedures stipulated in Article Seventy-One (71) of the Companies Law.

The provision of this paragraph does not apply to the following:

1. Business and contracts concluded according to a general tender.
2. Businesses and contracts that aim to meet personal needs if they are done under the same terms and conditions that the company follows with all dealers and contractors and if it is within the usual activity of the company.
3. Any other works or contracts specified by the regulations that do not conflict with the interest of the company.

In the event that a member of the Board of Directors violates the provisions of this paragraph, the company has the right to claim before the competent judicial authority the invalidation of the contract and oblige him to pay any profit or benefit he has achieved from that.

b. A member of the company's board of directors may not participate in any business that would compete with the company or compete with the company in any of the branches of the activity it carries out, except with a license from the general assembly of shareholders or whomever it delegates. Those set by the competent authorities in this regard.

In the event that a member of its board of directors violates the provisions of this paragraph, the company has the right to claim appropriate compensation before the competent judicial authority.

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c. A member of the company's board of directors may not exploit the company's assets, information, or investment opportunities offered to him in his capacity as a member of its board of directors or offered to the company to achieve a direct or indirect interest if the investment opportunity falls within the company's usual activities or the company wishes to benefit from investment opportunity or is expected to benefit from it.

d. A member of the Board of Directors may not participate in voting on the decision issued in this regard in the meeting of the Board of Directors or the General Assembly.

h. The regulatory controls set by the competent authorities determine the provisions necessary to implement what is stated in items (a), (b) and (c) of this paragraph.

### **Article Twenty-first: Powers of the Board of Directors**

1. Taking into account the terms of reference of the General Assembly, the Board of Directors shall have the broadest powers and authorities in managing the company, supervising its business and its funds, managing its affairs inside and outside the Kingdom, and drawing up the general policy that follows it to achieve the purpose for which the company was established, and this includes – but not limited to – the powers and the following authorities:

a. Representing the company in its relations with third parties, government agencies, and private entities, including the Ministry of Commerce, the Capital Market Authority, the Saudi Tadawul Company, the Zakat, Tax and Customs Authority, the General Secretariat of the Zakat, Tax and Customs Committees, the Notary Public, the Control and Investigation Authority, the Public Prosecution, and the Control and Control Authority Corruption, before the judiciary, Sharia courts, judicial bodies, administrative courts, arbitral tribunals, committees of all kinds, the Ministry of Human Resources, Passports and Civil Rights, telecommunications companies, police departments, chambers of commerce and industry, public and private bodies, companies and institutions of all kinds, banks, financial and investment companies, all government ministries, the Royal Court, and the Ministry of Justice. Justice, the Ministry of Interior, the Ministry of Interior, the Ministry of Finance, the Ministry of Municipal and Rural Affairs, within the Kingdom of Saudi Arabia and all relevant authorities.

b. Carrying out all matters related to claims and courts, including - but not limited to - appointing attorneys or others to review, plead, defend and legally represent on behalf of the company, file lawsuits, hear and respond to them, acknowledge, deny and reconcile, waive, acquit, ask for an oath, reject it and refrain from it, and bring

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Witnesses and evidence and contesting them, answering, wounding and amending, appealing for forgery, denying lines, seals and signatures, requesting a travel ban and lifting it, requesting interdiction and execution, requesting arbitration, appointing experts and arbitrators, challenging reports of experts and arbitrators, returning and replacing them, accepting judgments or demanding their implementation or banishment or objection On it, requesting an appeal or a request for reconsideration, or a request to set aside judgments with the Supreme Court, and a request for rehabilitation, receipt of judgment instruments, payment of the price, payment and receipt of amounts to and from courts and arbitral tribunals, and attendance of sessions in all lawsuits filed by or against the company before government and private agencies and before All grades for all Sharia courts, judicial bodies, administrative courts, commercial departments, labor offices, supreme and primary committees, the committee for settling securities disputes, offices for settling commercial paper disputes, committees for settling banking disputes, customs committees, tax committees, commercial fraud committees, all other judicial committees, and the Control and Anti-Corruption Authority, Public Prosecution, arbitral tribunals, seizure and enforcement departments.

c. Do everything necessary with regard to the companies that the company establishes or in which the company participates - including, but not limited to, approving the establishment and incorporation of companies of all kinds, purchasing shares or stocks in companies, managing, operating, terminating, liquidating, financing, guaranteeing, guaranteeing, and participating in any kind of Companies, institutions, funds or branches, with third parties or alone, in any proportion, whether inside or outside the Kingdom of Saudi Arabia, specifying the functions of the branches and companies and their budget, appointing branch managers and determining their powers, powers and salaries, and determining the amounts and values of shares or shares in which the company will participate Increasing or decreasing the capital of those companies, or withdrawing the company from the companies in which it participates, selling, buying, mortgaging, and releasing the mortgage of shares and stocks, assigning and disposing of shares or shares in the companies in which the company participates, receiving the value, whether in cash or check in the name of the company, and transferring the entities of those companies. Companies, whether to a joint-stock company, a limited liability company, or other types of companies, and sign the founding contracts of these companies and all their amendments and appendices before the Notary Public, the Ministry of Commerce, the Ministry of Investment, or any other government agencies, or cancel them, and sign any documents, contracts, or other decisions issued by the company In her capacity as a partner or shareholder in those companies, including contracts for the purchase, sale, mortgage, release of mortgage, assignment, disposal of shares or shares, minutes of general assemblies, permits, requests, notices, agencies, decisions, or Lease contracts

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or any other papers that may be necessary, required, or appropriate to do so, appointing managers and members of boards of directors and boards of directors for these companies, representatives of the company in the assemblies of its partners or shareholders, and attending and voting - on behalf of the company - in the meetings of the partners, including the regular constituent and general assemblies and extraordinary decisions, and taking decisions and voting on all decisions, including without limitation approving offering these companies to the public, issuing debt instruments through them, or merging them with some or with other companies, or liquidating them, or amending the objectives of these companies or amending any of the articles of their founding contracts. .

d. Disposing in any manner of the company’s assets, all its properties, real estate, money, shares, shares in other companies, and other movable or immovable assets, in accordance with the limits and controls mentioned in the Companies Law and its implementing regulations. Donation, payment of the price, receipt of the price, transportation, the right to seize, and signature in front of the notary or any other governmental authorities to do so Representing the company in its relations with companies, banks, commercial banks, money houses, all government funding funds and institutions of various names and specializations, financial institutions of all kinds, investment funds and other lenders, opening, managing, operating and closing bank accounts of any kind and in any country and conducting all transactions on these accounts in relation to The activity of the company, including withdrawing from it, depositing in it, transferring from it to the account of others, receiving and disbursing the company’s funds, claiming its rights, signing any documents or contracts related to that, obtaining loans and other facilities and loans of all kinds for any period, and for any amount, from funds and government financing institutions and banks. Commercial houses, financial houses, credit companies and any other credit entity, issuing guarantees and guarantees in favor of any entity when the Board deems - according to its absolute discretion - that this serves the interest of the company, signing, editing, and accepting checks, bills of exchange, promissory notes and other commercial papers, and entering into financial leasing operations. And financial derivatives operations, treasury operations, financial hedging, hedging to change the price of currencies, granting credits, and carrying out all necessary transactions to conclude all banking agreements and deals, and all this in the form and conditions that he deems appropriate according to his absolute discretion.

And the Contracting, commitment and association in the name of the company, and on its behalf, entering into tenders and competitions, investing in stocks, portfolios and bonds, including memorandums of understanding, and carrying out all actions and actions including negotiation, contracting, commitment, engagement, conciliation, waiver, release, annulment, signing, delivery, modification, replacement

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and addition to any contracts and obligations with Third parties that achieve the objectives of the company, including - but not limited to - licensing contracts, marketing, future purchase, purchase, sale, lease, rental, agency, concession, insurance contracts, compensation and guarantee contracts, mediation contracts, and promises of fees for lawyers, accountants, jurists, and others, all in the form, conditions, and amounts that the Board deems appropriate. at its absolute discretion.

1.The Board shall have the right, and in the cases, it deems appropriate, to discharge the debtors of the company from their obligations in a manner that achieves its interest, provided that the minutes of the Board of Directors and the reasons for its decision include observance of the following conditions:

- a) That the discharge be after the lapse of a full year from the emergence of the debt, as a minimum.
- b) That the release be for a specified amount as a maximum limit for each year for one debtor.
- c) Exoneration is a right of the council that cannot be delegated.
- d) Taking decisions regarding the company's financial plan and policies for avoiding reserves and allocations, as well as - with the authorization of the Ordinary General Assembly - announcing and distributing the company's annual, semi-annual, and quarterly profits.
- e) Issuing any type of negotiable debt instruments inside or outside the Kingdom of Saudi Arabia in accordance with the applicable regulations and controls set by the competent authority.
- f) Approval of the internal, financial, administrative, and technical regulations of the company and the policies and regulations of its employees.
- g) Appointing employees, account managers, internal auditors, agents and consultants of the company, according to the conditions that the Board of Directors deems appropriate, dismissing them, defining their powers, powers, duties and obligations towards the company, promoting or transferring them, paying the necessary allowances for them, determining their salaries and bonuses, paying their salaries, compensation and end-of-service benefits, requesting visas and recruiting employees and workers. From abroad, issuing residence permits, renewing them, work permits, transferring sponsorships, terminating, and waiving them, and issuing exit and return visas and final exit visas for all employees of the company.
- h) Forming committees of all kinds, determining their powers and authorities, appointing their members from among its members or others, dismissing them, and determining their compensation, rewards, salaries, and allowances.to.  
Approving the company's business plan and approving its operational plans and annual budget.

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- i) Signing and ratifying all necessary licenses, records, certificates and authorizations, forms, and documents, receiving and delivering them in the name of the company and on its behalf, recording signatures and seals in the Chamber of Commerce and Industry, and issuing, renewing and amending certificates and licenses from the company at all competent authorities.
- j) Carrying out all that is necessary with regard to commercial records and chambers of commerce, including but not limited to: reviewing records management, extracting records, renewing records, transferring commercial records, reserving trade names, opening subscriptions to the Chamber of Commerce, approving signatures, renewing subscriptions to Chamber of Commerce, signing all documents at the Chamber of Commerce, managing records, amending records, adding activity, opening branches for records, canceling records.
- k) Registering trademarks in the name of the company or assigning trademarks to others and registering intellectual property rights in the name of the company inside and outside the Kingdom.
- l) Preparing and approving the company's initial and annual financial statements before publishing them.
- m) Preparing and approving the Board of Directors report before its publication.
- n) Develop a written policy to address actual and potential conflicts of interest for each of the members of the Board of Directors, executive management and shareholders.
- o) Develop a written policy that regulates the relationship with stakeholders.
- p) Approval of the company's capital increase within the limits of the authorized capital.
- q) Determining the types of rewards granted to the company's employees, such as fixed rewards, performance-related rewards, and rewards in the form of shares, in a way that does not conflict with the applicable regulations and controls set by the competent authority.
- r) Inform the Ordinary General Assembly, when it convenes, of the business and contracts in which a member of the Board of Directors has a direct or indirect interest in accordance with the applicable regulations and controls set by the competent authority, and that this notification be accompanied by a special report from the company's external auditor.
- s) Inviting the General Assembly to convene well before the end of its session to elect a board of directors for a new session.
- t) Delegate or authorize any of the powers of the Council - within the limits of its competences - to one or more of the members of the Council or a third party to take any action or action or perform a specific action or actions on behalf of the Council, and revoke the authorization or delegation in part or in whole, and he may give the delegate or agent the right Authorization or authorization of others.

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2.It is required that the Board of Directors obtain the approval of the General Assembly when selling assets of the company whose value exceeds fifty percent (50%) of the value of its total assets, in accordance with the controls mentioned in the Companies Law and its implementing regulations, whether the sale is through a single transaction or several transactions, and in this case the transaction is considered Which leads to exceeding fifty percent of the value of the assets is the transaction that requires the approval of the General Assembly, and this percentage is calculated from the date of the first transaction that took place during the previous twelve months. The competent authority may exclude some acts and actions from the provisions of this paragraph.

3.Appointing executive committees and executive managers and defining their powers, powers, salaries, and bonuses, as well as how to dismiss them.

4.The Chairman of the Board shall represent the company in its relationship with third parties before the courts and arbitral tribunals.

In general, to supervise the executive management of the company and report on everything that does not conflict with the written legal powers of the general assemblies.

The company is also committed to all actions and actions that the Board of Directors conducts in its name, even if they are outside its competence, unless the one who dealt with it was in bad faith or knew that those actions are outside the competence of the Board.

**Article Twenty-Two: Council Members’ Remuneration:**

The remuneration of the Board of Directors shall consist within the limits of what is stipulated in the Companies Law and its regulations, and this remuneration may be a specific amount, attendance allowance for meetings and transportation allowance, in-kind benefits, or a certain percentage of the net profits, and it is permissible to combine two or more of the foregoing.

The report of the Board of Directors to the Ordinary General Assembly must include a comprehensive statement of all that each member of the Board of Directors received or deserved to receive during the fiscal year in terms of remuneration, expenses allowance and other benefits, and it should also include a statement of what the members of the Board received as workers or administrators or what they have received in return for technical or administrative work or consultations, and it should also include a statement of the number of council sessions and the number of sessions attended by each member.

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The General Assembly determines the maximum limit for the remuneration of the members of the Board based on the recommendation of the Board of Directors based on the proposal of the Remuneration Committee of the company.

In determining and disbursing the remuneration of the members of the Board of Directors, the controls stipulated in the Companies Law and its regulations, the regulations issued by the competent authorities, and the internal regulations of the company in this regard shall be considered.

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

- a) The Board shall appoint from among its members a Chairman and a Vice-Chairman, and the Vice-Chairman of the Board of Directors shall replace the Chairman of the Board of Directors in his absence in accordance with the powers and authorities determined by the Board for him in addition to the powers mentioned in Paragraph (H) of this Article (22).
- b) The Board of Directors shall appoint a Managing Director from among its members to conduct the day-to-day business of the company in accordance with the powers and authorities determined by the Board for him in addition to the powers mentioned in Paragraph (P) of this Article (22).
- c) The Chairman of the Board may not combine his position with any executive position in the company, including the position of Managing Director and Chief Executive Officer.
- d) The Board of Directors shall appoint a secretary for the Board, whether from among its members or others, in charge of recording the minutes of the Board of Directors' meetings, writing down and keeping the decisions issued in these meetings, in addition to exercising other competencies entrusted to him by the Board of Directors, and the Board determines his remuneration.
- e) In addition to the powers of the Chairman of the Board and the Managing Director mentioned in the Articles of Association, the Board of Directors may, by its decision, determine the powers and powers of each of the Chairman, the Managing Director, and the Chief Executive Officer.
- f) The Board of Directors determines, at its discretion, the special remuneration received by the Chairman, Vice-Chairman and Managing Director, in addition to the remuneration prescribed for members of the Board of Directors as stipulated in this Bylaw, and within the limits stipulated in the Companies Law, its bylaws, and the internal bylaws of the company.

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g) The term of appointment of the Chairman, Vice-Chairman, Chief Executive Officer and Secretary - if they are members of the Board of Directors - shall not exceed the term of membership of each of them in the Board, and they may be re-elected again. The Council may, at any time, dismiss them or any of them.

h) The Chairman of the Board of Directors shall have the following powers and authorities:

i) Invite the board to meet and preside overboard meetings. The chairman of the board must invite the board to a meeting whenever two members of the board of directors ask him to do so.

j) Carry out all that is necessary regarding the companies that it establishes or in which the company participates - including, but not limited to, approving the establishment, incorporation, purchase, management, operation, termination, liquidation, financing, guarantee and guarantee, and participation in any type of company, institution, fund, or branch. With third parties or alone, in any proportion, whether inside or outside the Kingdom of Saudi Arabia, determining the functions of the branches and companies and their budget, determining the amounts and values of shares or stocks in which the company will participate, increasing or decreasing the capital of those companies, or withdrawing the company from the companies that Participate in it, sell, buy, mortgage, release mortgage, assign and dispose of the shares or shares of the company in other companies and receive the value, convert the entities of these companies, whether to a joint-stock company or a limited liability company or others, and sign the articles of incorporation of these companies and all their amendments and appendices before the notary public or any other government agencies or their cancellation, and the signing of any documents, contracts or other decisions issued by the company in its capacity as a partner or shareholder in those companies and related to these companies, including contracts for the purchase, sale, mortgage, release of mortgage, assignment or disposal of shares or stocks, or Minutes of general assemblies, permits, requests, notices, powers of attorney, decisions, lease contracts or any other papers that may be necessary, required or appropriate to do so, and the appointment of managers and members of the boards of directors and boards of directors of these companies and representatives of the company in the associations of its partners or its shareholders and to attend and vote, on behalf of the company, in the meetings of the partners, including the ordinary and extraordinary constituent and general assemblies, or to amend the purposes of those companies.

k) Representing the company in its relations with companies, banks, commercial banks, money houses, all government funding funds and institutions of various names and specializations, financial institutions of all kinds and other lenders, opening, managing, operating and closing bank accounts of any kind and in any country and

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conducting all transactions on these accounts in connection with the activity The company, including withdrawing from it, depositing in it and transferring from it, receiving and disbursing the company's funds and claiming its rights, using electronic services related to that and in any country on behalf of the company, signing, editing and accepting checks, bills of exchange, bonds to order and other commercial papers.

l) After obtaining the approval of the Board, obtaining loans and other facilities and loans of all kinds for any period and for any amount, from government finance funds and institutions, commercial banks, financial houses, credit companies and any other credit entity, and issuing guarantees and guarantees in favor of any entity, and entering In financial leasing operations, financial derivatives operations, treasury operations, financial hedging, currency hedging, granting credits, carrying out all necessary transactions to conclude all banking agreements and deals, and signing any related documents or contracts

m) The Chairman of the Board of Directors represents the company in carrying out all matters relating to claims and courts, including - but not limited to - authorizing lawyers or others to review, plead, defend and represent legally on behalf of the company, and to file lawsuits, hear and respond to them, and acknowledge, deny, reconcile, and waive Acquittal, requesting the oath, refusing it and refraining from it, bringing witnesses and evidence and challenging them, answering, wounding and amending, challenging forgery, denying lines, seals and signatures, requesting a travel ban and lifting it, requesting attachment and execution, requesting arbitration, appointing experts and arbitrators, challenging expert and arbitrator reports, returning and replacing them , accepting judgments or demanding their implementation, negation or objection to them, requesting appeal or seeking reconsideration, requesting reversal of judgments at the Supreme Court, requesting rehabilitation, receiving judgment instruments, receiving the price, paying and receiving amounts to and from courts and arbitral tribunals, and attending sessions in all Claims filed by or against the company before government and private agencies and before all grades of all Sharia courts, judicial bodies, administrative courts (Board of Grievances), commercial departments, labor offices, higher and primary committees, the Committee for Resolution of Securities Disputes, offices for settling commercial paper disputes, and banking dispute settlement committees. Customs committees, tax committees, commercial fraud committees and all other judicial committees

n) The Control and Anti-Corruption Authority, the Public Prosecution Office, the arbitral tribunals, and the seizure and execution departments.

o) The Chairman of the Board may authorize or delegate any of his powers - within the limits of his powers - to one or more of the members of the Board or to a third party to take any action or act or perform a certain action or acts on his behalf in his

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capacity as Chairman of the Board of Directors and revoke the authorization or delegation partially or completely. He may grant the delegate or agent the right to authorize or authorize others.

p) The Managing Director shall have the following powers and powers:

f) The Managing Director represents the company in its relationship with third parties, government agencies and private entities, including before the Ministry of Commerce, the Ministry of Investment, the Capital Market Authority, the Saudi Tadawul Company, the Zakat, Tax and Customs Authority, the Notary Public, the Control and Investigation Authority, the Public Prosecution Office, and the Control and Anti-Corruption Authority Before the judiciary, Sharia courts, judicial bodies, administrative courts, arbitral tribunals, committees of all kinds, labor offices, passport offices, civil rights, telecommunications companies, police departments, chambers of commerce and industry, public and private bodies, companies and institutions of all kinds, banks and government ministries, before the Royal Court and the Ministry of Justice. And the Ministry of Interior, and the Ministry of Foreign Affairs, and the Ministry of Finance, and the Ministry of Municipal Affairs inside and outside the Kingdom of Saudi Arabia, and all relevant government or private agencies.

r) The managing director represents the company in carrying out all matters related to claims and courts, including - but not limited to - authorizing attorneys or others to review, plead, defend, and represent legally on behalf of the company, and to file claims, hear and respond to them, acknowledge, deny, reconcile, and waive. And acquittal, requesting the oath, refusing it, and refraining from it, bringing witnesses and evidence and challenging them, answering, wounding and amending, challenging forgery, denying lines, seals and signatures, requesting a travel ban and lifting it, requesting attachment and execution, requesting arbitration, appointing experts and arbitrators, challenging expert and arbitrators' reports, returning and replacing them, Accepting judgments, demanding their implementation, denying or objecting to them, requesting appeal or seeking reconsideration, requesting reversal of judgments at the Supreme Court and requesting rehabilitation, receiving judgment instruments, receiving the price, paying and receiving sums to and from courts and arbitral tribunals, and attending sessions in all cases before Governmental and private agencies and before all grades of Sharia courts, judicial bodies, administrative courts, commercial departments, labor offices, higher and primary committees, the Securities Dispute Resolution Committee, commercial paper dispute settlement offices, banking dispute settlement committees, customs committees, tax committees, commercial fraud committees, all other judicial committees, and the Commission Oversight and

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anti-corruption, public prosecution, arbitral tribunals, seizure and enforcement departments

s) The managing director represents the company in contracting, commitment and engagement in the name of the company, and on its behalf, entering into tenders, investing in stocks, portfolios and bonds, signing all types of contracts, papers and documents including memorandums of understanding, and carrying out all actions and actions including negotiation, contracting, commitment and engagement Reconciliation, waiver, release, annulment, signing, delivery, modification, replacement and addition to any contracts and obligations with others that would achieve the objectives of the company, including - but not limited to - licensing contracts, marketing, future purchase, purchase, sale, lease and rental contracts, mediation contracts, fees contracts for lawyers, certified accountants and others, agencies and concession contracts. Insurance, compensation contracts and guarantees.

t) The managing director represents the company in its relations with companies, banks, commercial banks, money houses, all government funding funds and institutions of various names and specializations, financial institutions of all kinds and other lenders, opening, managing, operating and closing bank accounts of any kind and in any country and conducting all transactions on these accounts in connection with Relates to the company's activity, including withdrawals from it, deposits in it and transfers from it, receiving and disbursing the company's funds and claiming its rights, using electronic services related to that and in any country on behalf of the company, signing, editing and accepting cheques, promissory notes, promissory notes and other commercial papers.

u) After obtaining the approval of the Board, obtaining loans and other facilities and loans of all kinds for any period and for any amount, from government finance funds and institutions, commercial banks, financial houses, credit companies and any other credit entity, and issuing guarantees and guarantees in favor of any entity, and entering In financial leasing operations, financial derivatives operations, treasury operations, financial hedging, currency hedging, granting credits, carrying out all necessary transactions to conclude all banking agreements and deals, and signing any related documents or contracts.

v) Signing deeds and releases in front of the notary public and official and private entities inside and outside the Kingdom.

w) Appointing the employees, agents and advisors of the company, dismissing them, determining their powers and duties, promoting or transferring them, disbursing the necessary allowances for them, determining their salaries and bonuses, paying their salaries and compensations, requesting visas, recruiting employees and workers from

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abroad, issuing and renewing residencies and work permits, and transferring, terminating and assigning sponsorships.

x) Signing and ratifying all necessary licenses, records, certificates, authorizations, forms, and documents, receiving, and delivering them in the name of the company and on its behalf, registering signatures and seals in the Chamber of Commerce and Industry, and issuing, renewing, and amending certificates and licenses for the company

y) Carry out all that is necessary with regard to commercial records and chambers of commerce, including but not limited to: reviewing records management, extracting records, transferring records, renewing records, reserving trade names, opening subscription to the Chamber of Commerce, renewing subscription to the Chamber of Commerce Signing all documents at the Chamber of Commerce, managing records, amending records, adding an activity, opening branches for records, canceling records.

z) Registering and assigning trademarks and registering intellectual property rights in the name of the company inside and outside the Kingdom.

h) Accepting, releasing, and mortgaging real estate taken as security for the company's rights owed to third parties, including but not limited to advances on wages provided to the company's employees within the company's housing program.

g) Receipt and delivery on behalf of the company.

The Managing Director may authorize or delegate any of his powers - within the limits of his powers - to others to take any action or dispose of or carry out certain work or acts on his behalf in his capacity as Chief Executive Officer and revoke the authorization or delegation in part or in whole, and he may give the delegate and the agent the right to authorize or delegate others.

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

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

The Board of Directors determines the place for holding its meetings, and its meetings may be held by means of modern technology such as the telephone or any other electronic means that allows all members who are not present to be heard from all other members present. Unless otherwise notified, the chairman may consider (in order to determine the quorum) any member participating by telephone or by other electronic means present throughout the meeting.

#### **Article Twenty-five: Board meeting quorum and Board decisions:**

1. The meeting of the Board shall not be valid unless attended by the majority of the members of the Board in person, provided that the number of those present is not less than four (4) in person, and in the event that a member of the Board of Directors delegates another member to attend the meetings of the Board, the delegation must be in accordance with the following controls:

- a) A member of the Board of Directors may not represent more than one member in attending the same meeting.
- b) The deputation must be in writing and sent to the company through handling or by e-mail.
- c) The representative may not vote on decisions that the system prohibits the representative from voting on.

2. The decisions of the Board shall be issued by the majority of those present, and if the votes are equal, the side with which the Chairman or his representative voted shall prevail.

3. The decision of the Board of Directors shall be effective from the date of its issuance, unless it is stipulated in it that it will be effective at another time or when certain conditions are met.

#### **Article Twenty-six: Council deliberations, evaluation of its decisions, and decisions passed by circulation:**

##### a. Council deliberations

The deliberations and decisions of the council are documented in minutes prepared by the secretary - and signed by the chairman of the meeting council, the members of the board of directors present, and the secretary - and these minutes are recorded in a special register signed by the president of the council and the secretary.

Modern technical means may be used to sign, record deliberations and decisions, and record records.

##### b. Evaluate his decisions.

The member of the Board of Directors and the manager of the company shall be considered to have fulfilled his duty in the decision he took or voted on in good faith, if the following is achieved:

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- 1.If he has no interest in the subject matter of the decision.
- 2.If he understands and pains the issue of the decision to the appropriate extent in the surrounding circumstances according to his reasonable belief.
- 3.If he firmly and rationally believes that the decision achieves the interests of the company.

The burden of proving otherwise rests with the plaintiff. For the purposes of this Article, the decision means to act or not to act in a matter related to the company's business.

c. Decisions made by scrolling.

The Board of Directors may issue its decisions in matters it deems appropriate by presenting them to all members by circulation unless one of the members requests (in writing) a meeting of the Board to deliberate on them.

## Section IV

### General Assemblies of Shareholders

#### Article Twenty-seven: General Assemblies of Shareholders

The general assembly of shareholders convenes in the city in which the head office is located, and every shareholder, regardless of the number of his shares, has the right to attend the general assemblies of shareholders, and he may authorize another person other than the members of the board of directors or employees of the company to attend these meetings.

#### Article Twenty-eight: The Constituent Assembly

The founders invite all subscribers to convene a constituent assembly within (45) forty-five days from the date of the Ministry's decision licensing the establishment of the company (or from the date of closing subscription in shares). For the meeting to be valid, several subscribers representing at least half of the capital must be present. If this is not available the quorum for the second meeting is held one hour after the end of the period specified for the first meeting, provided that the invitation for the first meeting includes this. In all cases, the second meeting shall be valid regardless of the number of subscribers represented therein.

#### Article Twenty-nine: Competences of the Constituent Assembly

The Constituent Assembly is concerned with the following matters:

- 1.Verifying that all capital has been subscribed to and fulfilled, in accordance with the provisions of the Companies Law, with the minimum capital and the due amount of the value of the shares.
- 2.Drafting the final texts of the company's articles of association, but it may not introduce substantial amendments to the articles of association presented to it with the approval of all the subscribers represented in it.
- 3.Discussing the founders' report on the works and expenses incurred by the incorporation.

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4.Appointing the company's first auditor and determining his fees.

The appointment of the first members of the Board of Directors of the company for a period of five years, and for its validity it is required to attend several subscribers representing at least half of the capital. To the first meeting, evidence of announcing the possibility of holding this meeting. In all cases, the second meeting will be valid regardless of the number of subscribers represented in it. Each subscriber in its meetings has a vote for each share he subscribed to or represented.

**Article Thirty: Competences of the Ordinary General Assembly**

Except for matters related to the Extraordinary General Assembly, the Ordinary General Assembly is concerned with all matters related to the company, and it convenes at least once a year during the six months following the end of the company's fiscal year. Review and determine its fees.

**Article Thirty- one: Competences of the Extraordinary General Assembly**

The extraordinary general assembly is concerned with amending the company's system except for provisions that it is prohibited from amending by law. In addition to that, it may issue decisions in matters falling within the competencies of the ordinary general assembly, with the same terms and conditions prescribed for the last assembly.

**Article Thirty- two: Invitation to Associations:**

1.The general or private assemblies of shareholders shall convene at the invitation of the Board of Directors, and the Board of Directors shall invite the Ordinary General Assembly to convene within thirty (30) days from the date of the request of the auditor or one or more shareholders representing ten percent (10%) of the shares of the company that owns Voting rights at least, and the auditor may invite the Ordinary General Assembly to convene if the Board does not extend the invitation within thirty (30) days from the date of the auditor's request.

2.The Annual Ordinary General Assembly shall convene at least once during the six months following the end of the company's fiscal year. The request to convene the Annual Ordinary General Assembly is achieved by convening an Extraordinary General Assembly within the six months following the end of the company's fiscal year and that its agenda includes the items mentioned in the third paragraph (3) of this Article.

3.The agenda of the Ordinary General Assembly at its annual meeting shall include the following items:

- a) View and discuss the report of the Board of Directors for the past fiscal year.
- b) View and discuss the financial statements for the past fiscal year.
- c) Discuss the auditor's report for the past fiscal year and take a decision thereon.
- d) Deciding on the proposals of the Board of Directors, if any.

4.The request referred to in Paragraph (1) of this Article must indicate the issues that the shareholders are required to vote on.

5.The invitation to convene the assembly shall be at least twenty-one (21) days prior to the date set in accordance with the applicable regulations and controls set by the competent authority.

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6.It shall be indicated in the invitation to the assembly the owner of the right to attend and his right to deputize whomever he chooses from other than the members of the board of directors, and the statement of the shareholder’s right to discuss the topics included in the agenda of the assembly and to ask questions and how to exercise the right to vote, and the place, date and time of the meeting, and the type of the association, whether it is ordinary or extraordinary, and the agenda of the meeting including the items on which shareholders are required to vote.

7. The Board of Directors also considers, when preparing the agenda of the General Assembly, the issues that the shareholders wish to include.

8. The Board of Directors shall single out each of the topics listed on the agenda in a separate item, and not to combine fundamentally different topics under one item, and not to place the businesses and contracts in which any of the members of the Board of directors have a direct or indirect interest under one item for the purpose of Vote for the entire item.

9. When the assembly is convened, a list of the names of the present and represented shareholders and their place of residence is drawn up with an indication of the number of shares they hold in person or by proxy and the number of votes allocated to them. Anyone with an interest may view this list, at the company’s head office or at the headquarters where the assembly is held prior to the time. scheduled for the assembly.

**Article Thirty- three: Quorum of the Ordinary General Assembly Meeting:**

Article Thirty-Three: Quorum of the Ordinary General Assembly Meeting:

The meeting of the Ordinary General Assembly shall not be valid unless it is attended by shareholders representing at least a quarter of the shares of the company that has voting rights. Companies’ Regulations within the thirty (30) days following the date specified for the previous meeting. However, the second meeting may be held an hour after the end of the period specified for the first meeting, provided that the invitation to hold the first meeting includes evidence that the meeting can be held. In all cases, the second meeting shall be valid regardless of the number of shares that have voting rights represented therein.

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

Article Thirty-Four: Quorum for the Extraordinary General Assembly Meeting:

The meeting of the Extraordinary General Assembly shall not be valid unless it is attended by shareholders representing at least half of the shares of the company that have voting rights. corporate system. However, the second meeting may be held an hour after the end of the period specified for holding the first meeting, provided that the invitation to hold the first meeting includes evidence of the possibility of holding that meeting. In all cases, the second meeting is valid if several shareholders representing (a quarter) of the shares of the company attended at least it has voting rights. If the necessary quorum for holding the second meeting is not available, an invitation is sent to a third meeting to be held under the same conditions stipulated in Article Ninety-One (91) of the Companies Law, and the third meeting is valid regardless of the number of shares that have voting rights represented in it.

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

- 1.Each shareholder has a vote for each share he represents in the General Assemblies, and the cumulative vote must be used in electing the Board of Directors. So that the voting right of the share may not be used more than once.
- 2.Members of the Board of Directors may not participate in voting on the Assembly's decisions that relate to business and contracts in which they have a direct or indirect interest, or that involve a conflict of interest.

**Article Thirty- six: Association Decisions:**

- 1.The decisions of the Ordinary General Assembly shall be issued with the approval of most of the voting rights represented in the meeting.
2. The decisions of the Extraordinary General Assembly shall be issued with the approval of (two-thirds) of the voting rights represented in the meeting, unless the decision is related to increasing or decreasing the capital, extending the term of the company, dissolving the company before the expiration of the period specified in its articles of association, or its merger with another company or its division. To two or more companies, the decision shall not be valid unless it is issued with the approval of (three quarters) of the voting rights represented at the meeting.
- 3.The decisions of the General Assembly shall be effective from the date of its issuance, except in cases where the statute, the company's articles of association, or the issued decision stipulate that it will be effective at another time or when certain conditions are met.

**Article Thirty- seven: Discussion in Assemblies:**

Each shareholder has the right to discuss the topics listed on the agenda of the General Assembly and direct questions in this regard to the members of the Board of Directors and the auditor. The Board of Directors or the auditor answers the questions of the shareholders to the extent that does not expose the interest of the company to harm. If the shareholder considers that the answer to his question is insufficient, he will resort to The General Assembly and its decision in this regard was enforceable.

**Article Thirty- eight: Presiding over associations and preparing minutes.**

- 1.The general assembly of shareholders shall be chaired by the chairman of the board of directors or his deputy in his absence, or whomsoever delegated by the chairman of the board, or whomever the board of directors' delegates from among its members or from others in their absence. others by voting.
- 2.Each shareholder has the right to attend the meeting of the General Assembly, and he may delegate another person other than the members of the Board of Directors to do so.

The meeting of the General Assembly may be held, and the shareholders may participate in the deliberations and vote on decisions by means of modern technology, in accordance with the applicable regulations and controls set by the competent authority.

Minutes of the assembly meeting shall be drawn up including the number of shareholders present in person or by proxy, the number of shares held by them in person or by proxy, the number of votes prescribed for it, the decisions taken, the

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number of votes approved, opposed, or abstained from voting, and an adequate summary of the discussions that took place in the meeting. Minutes are recorded regularly after each meeting in a special register signed by the president and secretary of the association.

**Section V**  
**Audit Committee**

**Article Thirty- nine: Committees of the Board of Directors:**

The Board of Directors may form committees and authorize them with whatever powers the Board deems appropriate, and coordinate between these committees, with the aim of speedy decision-making on matters presented to it.

**Section VI**  
**Auditor**

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

1. The company shall have an auditor (or more) from among the licensed auditors in the Kingdom to be appointed by the General Assembly, and his fees, term of work and scope of work shall be determined by the General Assembly, and he may be re-appointed. Provided that the period of his appointment does not exceed the period prescribed by law.

2. According to a decision taken by the General Assembly, the auditor may be dismissed, and the chairman of the board of directors must inform the competent authority of the dismissal decision and its reasons, within a period not exceeding five (5) days from the date of issuance of the decision.

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

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**Article Forty -one: Powers and Obligations of the Auditor:**

The auditor may, at any time, review the company's documents, accounting records and supporting documents, and may request data and clarifications that he deems necessary to obtain in order to verify the company's assets and liabilities and other matters that fall within the scope of his work.

The Board of Directors shall enable him to perform his duty, and if the auditor encounters difficulty in this regard, he shall prove this in a report submitted to the Board of Directors. If the board does not facilitate the work of the auditor, he must ask the board of directors to convene the general assembly to consider the matter. The auditor may issue this invitation if the Board of Directors does not send it within thirty (30) days from the date of the auditor's request.

Likewise, it is not permissible to combine the work of the auditor with participating in the establishment of the company, its management, or membership of its board of directors, and it is not permissible for him to be a partner, employee, or suspicion of any of the company's founders, managers, or members of its board of directors. He may not buy shares or stocks in the company whose accounts he is auditing or sell them during the audit period.

**Section VII**  
**Accounts and Dividends**

**Article Forty -two: the fiscal year**

The company's fiscal year is twelve months, starting from the first of January and ending at the end of December of each Gregorian year.

**Article Forty -three: Financial Documents:**

1. At the end of each fiscal year of the company, the Board of Directors must prepare the company's financial statements and a report on its activities and financial position for the past fiscal year. This report shall include the proposed method for distributing profits. The Board shall place these documents at the disposal of the auditor at least forty-five (45) days prior to the date set for the General Assembly.
2. The documents referred to in Paragraph (1) of this Article must be signed by the chairman of the board of directors of the company, its chief executive and financial manager, copies of which shall be deposited at the company's head office at the disposal of the shareholders.
3. The Chairman of the Board of Directors shall provide the shareholders with the financial statements of the company, the report of the Board of Directors, after signing them, and the report of the auditor, unless they are published through the means of advertising approved by the competent authority, at least twenty-one (21) days prior to the date of the meeting.

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**Article Forty-four: Dividend Distribution:**

Distribution of the company's annual net profits after deducting all general expenses and other costs as follows for the Ordinary General Assembly:

1. When determining the share of the shares in the net profits - to decide to form reserves, to the extent that achieves the interest of the company or guarantees the distribution of fixed profits - as much as possible - among the shareholders.
2. The General Assembly shall determine the percentage of net profits that must be distributed to shareholders after deducting reserves, if any.
3. The General Assembly shall determine the distribution of reserves that the shareholders previously decided to set aside, including any reserves set aside in accordance with any statutory requirements prior to the date of adoption of these Articles of Association.
4. The company may distribute interim profits to its shareholders on a semi-annual or quarterly basis by a decision of the Board of Directors in accordance with the applicable regulations and controls set by the competent authority.

**Article forty-five: Entitlement to Profits**

The shareholder is entitled to his share of the profits in accordance with the decision of the General Assembly issued in this regard. The decision indicates the date of maturity and the date of distribution. The specified period in accordance with the Companies Law and its implementing regulations.

**Article Forty-six: the company's losses**

If the company's losses amounted to half of the issued capital, the Board of Directors must disclose that and the recommendations it reached regarding those losses within sixty (60) days from the date of its knowledge of reaching this amount and call the Extraordinary General Assembly to meet within one hundred eighty (180) days. From the date of knowledge of this, to consider the continuation of the company and to take any of the necessary measures to deal with or resolve such losses.

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## **Section VIII** **Disputes**

### **Article Forty-seven: Liability of the company, partner or shareholder**

1.The company may file a liability lawsuit against the members of the Board of Directors for violating the provisions of the Companies Law or the Articles of Association, or because of their mistakes, negligence, or omission in performing their work, which results in damages to the company, and the General Assembly decides to file this lawsuit and appoint a representative About the company directly. If the company is in the process of liquidation, the liquidator shall file the lawsuit. If any of the liquidation procedures are initiated against the company in accordance with bankruptcy law, the filing of this lawsuit by its representative shall be legal.

2.A shareholder or more representing five percent (5%) of the company's capital may file a liability claim for the company in the event that the company fails to file it, taking into account that the main objective of filing the claim is to achieve the interests of the company and that the claim is based on a valid basis The plaintiff must be of good faith and a shareholder in the company at the time the lawsuit is filed.

3.It is required to file the lawsuit referred to in Paragraph (2) of this Article; Inform the members of the Board of Directors of the intention to file the lawsuit at least fourteen (14) days prior to the date of filing it.

4.The shareholder may file a personal lawsuit against the members of the Board of Directors if the mistake they made causes him personal harm.

## **Section IX** **Dissolution and Liquidation**

### **Article Forty-eight: Termination of the company:**

The company is terminated by one of the reasons for termination mentioned in Article Two Hundred and Forty-Three (243) of the Companies Law, and upon its termination, it enters the stage of liquidation in accordance with the provisions of Chapter Twelve (12) of the Companies Law. It shall apply to the competent judicial authority to open any of the liquidation procedures under bankruptcy law.

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**Section X:**  
**Final Provisions**

**Article Forty-nine:**

The Companies Law and its bylaws shall be applied in everything that is not mentioned in this Law.

**Article Fifty:**

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

**Yours Sincerely,**

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