

Executive Council Resolution No. (11) of 2022
Approving the Articles of Association of the
Dubai Electricity and Water Authority PJSC¹

We, Hamdan bin Mohammed bin Rashid Al Maktoum, Crown Prince of Dubai, Chairman of the Executive Council,

After perusal of:

Federal Law No. (4) of 2000 Establishing the Emirates Securities and Commodities Authority and Market and its amendments;

Federal Law by Decree No. (32) of 2021 Concerning Commercial Companies;

Cabinet Resolution No. (41C/1M), issued at Session No. (1) convened on 14 January 2022, approving the exemption of the Dubai Electricity and Water Authority PJSC from compliance with certain provisions of Federal Law by Decree No. (32) of 2021 Concerning Commercial Companies;

Law No. (3) of 2003 Establishing the Executive Council of the Emirate of Dubai;

Law No. (27) of 2021 Concerning the Dubai Electricity and Water Authority;

Decree No. (3) of 2021 Concerning the Listing of Stocks of Joint-stock Companies on the Securities Markets in the Emirate of Dubai;

Decree No. (55) of 2021 Forming the Board of Directors of the Dubai Electricity and Water Authority PJSC;

Decree No. (56) of 2021 Appointing the Managing Director and Chief Executive Officer of the Dubai Electricity and Water Authority PJSC;

Resolution No. (3) of 2022 Concerning Representation of the Government of Dubai in the Companies it Owns; and

The approval issued on 26 January 2022 by the Board of Directors of the Securities and Commodities Authority exempting the Dubai Electricity and Water Authority PJSC from compliance with certain provisions of SCA Board of Directors Resolution No. (11/C.B.) of 2016 on the Regulations for Issuing and Offering Shares of Public Joint-stock Companies; and from compliance with certain provisions of SCA Board of Directors Resolution No. (40) of 2015

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¹Every effort has been made to produce an accurate and complete English version of this legislation. However, for the purpose of its interpretation and application, reference must be made to the original Arabic text. In case of conflict, the Arabic text will prevail.

Executive Council Resolution No. (11) of 2022 Approving the Articles of Association of the Dubai Electricity and Water Authority PJSC

Concerning the Regulations and Procedures Related to Companies Buying Back Their Shares to Resell Them, and

Based on the recommendation of the Board of Directors of the Dubai Electricity and Water Authority PJSC, issued on 4 March 2022, to approve the Articles of Association of the Dubai Electricity and Water Authority PJSC,

Do hereby issue this Resolution.

Approval of Articles of Association

Article (1)

Pursuant to this Resolution, the Articles of Association of the Dubai Electricity and Water Authority PJSC attached to this Resolution, inclusive of the rules and procedures set forth therein, are approved.

Commencement and Publication

Article (2)

This Resolution comes into force on the day on which it is issued, and will be published in the Official Gazette.

Hamdan bin Mohammed bin Rashid Al Maktoum

Crown Prince of Dubai

Chairman of the Executive Council

Issued in Dubai on 10 March 2022

Corresponding to 7 Shaban 1443 A.H.

Articles of Association

Dubai Electricity and Water Authority PJSC

Introduction

After perusal of:

Law No. (27) of 2021 Concerning the Dubai Electricity and Water Authority, a public joint-stock company (PJSC) owned by the Government of Dubai, and having legal personality, financial and administrative autonomy, and the full legal capacity to conduct its activities and achieve its objectives, in accordance with the above-mentioned Law No. (27) of 2021, and these Articles;

Federal Law No. (4) of 2000 Establishing the Emirates Securities and Commodities Authority and Market and its amendments;

Federal Law by Decree No. (32) of 2021 Concerning Commercial Companies;

Cabinet Resolution No. (41C/1M), issued at Session No. (1) convened on 14 January 2022, approving the exemption of the Dubai Electricity and Water Authority PJSC from compliance with certain provisions of Federal Law by Decree No. (32) of 2021 Concerning Commercial Companies;

Law No. (6) of 2011 Regulating Participation of the Private Sector in Electricity and Water Production in the Emirate of Dubai;

Decree No. (55) of 2021 Forming the Board of Directors of the Dubai Electricity and Water Authority PJSC;

Decree No. (56) of 2021 Appointing the Managing Director and Chief Executive Officer of the Dubai Electricity and Water Authority PJSC;

Executive Council Resolution No. (46) of 2014 Regulating the Connection of Photovoltaic Generation Units to the Power Distribution System in the Emirate of Dubai;

Securities and Commodities Authority Board of Directors Chairman Resolution No. (3/C.B.) of 2020 Approving the Joint-stock Companies Governance Guide; and

The approval issued on 26 January 2022 by the Board of Directors of the Securities and Commodities Authority exempting the Dubai Electricity and Water Authority PJSC from compliance with certain provisions of SCA Board of Directors Resolution No. (11/C.B.) of 2016 on the Regulations for Issuing and Offering Shares of Public Joint-stock Companies; and from compliance with certain provisions of SCA Board of Directors Resolution No. (40) of 2015 Concerning the Regulations and Procedures Related to Companies Buying Back Their Shares to Resell Them,

Executive Council Resolution No. (11) of 2022 Approving the Articles of Association of the Dubai Electricity and Water Authority PJSC

The Articles of Association of the Dubai Electricity and Water Authority PJSC are hereby issued as follows:

Definitions

The following terms and expressions, wherever mentioned in these Articles, shall have the following meanings unless the context implies otherwise:

UAE:	The United Arab Emirates.
Emirate:	The Emirate of Dubai.
Government:	Government of Dubai.
SCA:	The Securities and Commodities Authority.
Executive Council:	The Executive Council of the Emirate of Dubai.
Competent Authority:	An authority responsible for licensing economic activities in the Emirate.
Founder:	The Government, in its capacity as the sole owner of the Company prior to its public offering.
Financial Market:	Any of the financial markets in which the Company shares are listed.
Companies Law:	Federal Law by Decree No. (32) of 2021 Concerning Commercial Companies.
Law:	Law No. (27) of 2021 Concerning the Dubai Electricity and Water Authority.
Government Shareholder:	The Department of Finance, in its capacity as the holder of the Government share in the Company.
Shareholder:	A natural or legal person who holds shares in the Company.
Company:	The Dubai Electricity and Water Authority PJSC.
Affiliate:	Any company to which the definition of "Affiliate" under the relevant Governance Rules applies.
Subsidiary:	Any company or corporation whose majority shares are owned directly or indirectly by the Company.

General Assembly:	A meeting of Shareholders, or the Shareholders attending that meeting. The venue, time, and method of convocation of the General Assembly shall be determined in accordance with these Articles, and the Companies Law and the resolutions issued in pursuance thereof.
Special Resolution:	A resolution passed by majority vote of the Shareholders holding at least three quarters (3/4) of the shares represented in the General Assembly.
Board of Directors:	The board of directors of the Company.
Chairperson:	The chairperson of the Board of Directors.
Director:	A member of the Board of Directors.
CEO:	The chief executive officer of the Company.
Management:	The executive management of the Company, comprising the CEO; his/ her assistants; and the administrative, finance, and technical employees of the Company.
Secretary:	The secretary of the Board of Directors or any of its committees.
Auditor:	An auditor of the Company appointed by the General Assembly.
Governance Rules:	A set of regulations and procedures issued by the SCA, which ensures achievement of corporate discipline in all the Company affairs, including the responsibilities and duties of the CEO, the Directors, and the Management, as well as the rights of Shareholders.
Cumulative Voting:	A voting process pursuant to which each Shareholder has a number of votes equal to the number of shares held by such Shareholder, and whereby, when voting in favour of Director appointments, such votes may be cast in favour of a single nominated Director or distributed in favour of more than one (1) nominated Director, provided that the number of votes cast by a Shareholder does not exceed the number of the shares held by such a Shareholder.
Listing Rules:	The rules and requirements of listing set forth in the Companies Law and the resolutions issued in pursuance thereof, the

resolutions issued by the SCA, and the regulations of the Financial Market.

Related Party: Any person, entity, or body designated as Related Party by the SCA pursuant to the relevant resolutions it issues.

PART ONE ESTABLISHMENT OF THE COMPANY

Company Name Article (1)

The name of the Company shall be the Dubai Electricity and Water Authority PJSC.

Company Head Office Article (2)

- a. The head office of the Company shall be in the Emirate of Dubai. The Board of Directors may establish branches and offices of the Company within and outside of the Emirate.
- b. The Board of Directors may enter into commercial agency agreements with any entity on behalf of the Company; and establish Subsidiaries or Affiliates within or outside of the Emirate.

Term of the Company Article (3)

The term of the Company is ninety-nine (99) Gregorian years, automatically renewable for the same period unless a Special Resolution is issued by the General Assembly modifying the term of the Company or dissolving the Company before the end of the term.

Objectives and Functions of the Company Article (4)

- a. The Company is the competent authority in the Emirate exclusively responsible for achieving the following objectives:
 1. to set up, manage, operate, maintain, and own the public water and electricity network, including power generation and water desalination stations, water reservoirs, and power and water transportation and distribution networks and systems within the Emirate;

2. to establish; manage; operate; maintain; and own electricity and water networks, power stations, water desalination plants, water reservoirs, and power transmission and water distribution networks and systems outside of the Emirate.
 3. to develop all water sources, including the treatment of the water of the reservoirs to become potable; and to store, transport and distribute water to consumers in the Emirate; and
 4. to set up and manage such projects in connection with power generation and water supply to satisfy the needs of the public and the requirements of development in the Emirate.
- b. For the purposes of achieving the objectives set forth in paragraph (a) of this Article, the Company may:
1. purchase electricity and water from any entity at such prices and conditions as the Company may deem fit, and in accordance with the rules and procedures approved by the Company in this regard;
 2. contract with others to construct, set up, manage, and operate power generation and water desalination plants; and establish, operate, and dissolve Subsidiaries in accordance with the above-mentioned Law No. (6) of 2011 and other legislation in force in the Emirate;
 3. establish companies wholly or partially owned by it, or contribute directly or indirectly to companies in connection with the water and electricity sector, whether within or outside of the Emirate;
 4. purchase, sell, and supply fuel to the entities permitted to carry out power generation and water supply in accordance with the applicable legislation in the Emirate;
 5. acquire, own, rent, and lease out land and other real property as required to achieve its objectives;
 6. invest its funds in any commercial, financial, service, or industrial fields in such manner as the Company may deem appropriate, whether directly, indirectly, or through its Subsidiaries;
 7. borrow money with or without security in accordance with the legislation in force in the Emirate, and lend money to Subsidiaries;
 8. grant rights of usufruct and any other real rights on the land owned by the Company to any entity or company contributing to the power generation and water supply in the Emirate;

9. execute and oversee projects in accordance with the above-mentioned Executive Council Resolution No. (46) of 2014 and as may be determined by the Board of Directors; and
10. engage in any other industrial or commercial work or activities related to achieving the objectives of the Company without contradicting the provisions of these Articles and the legislation in force in the Emirate.

PART TWO

CAPITAL OF THE COMPANY

Capital and Shares

Article (5)

- a. The issued capital of the Company is five hundred million dirhams (AED 500,000,000.00), divided into 50,000,000,000 (Fifty billion) shares. The nominal value of each share is 0.01 dirham (One fils).
- b. All the shares of the Company shall be nominal and equal in rank and rights with one another in all aspects.

Government Shareholding

Article (6)

The percentage of Government shareholding of the Company must not be less than fifty one percent (51%) of the share capital of the Company at all times.

Public Subscription Offering

Article (7)

The shares of the Company shall be offered for public subscription in accordance with the relevant percentages prescribed by the Executive Council.

Payment of Share Nominal Value

Article (8)

One hundred percent (100%) of the total nominal value of the shares shall be paid up in full on subscription.

Assuming and Increasing Liabilities

Article (9)

The Shareholders shall be responsible for the Company's liabilities and losses only to the extent of any amount unpaid in respect of the shares held by them. Such liabilities of the Shareholders may be increased only with their unanimous consent.

Effect of Ownership of Company Shares

Article (10)

The ownership of any share in the Company shall be deemed an acceptance by the Shareholder to be bound by these Articles and the resolutions of the General Assembly. A Shareholder may not request a refund of the amounts paid to the Company in consideration of his/ her shareholding in the capital.

Share Ownership

Article (11)

The shares are not divisible, which means that a share may not be divided among more than one (1) person.

Shareholder Rights

Article (12)

Each share shall entitle its holder to a proportion equal to that of the other shares without distinction. A Shareholder is entitled to:

1. ownership of the assets of the Company, upon dissolution, equal to the value of the shares he/she holds;
2. the profits of the Company, in proportion to the value of the shares he/she holds;
3. the right to attend General Assembly meetings; and
4. voting on the resolutions of the General Assembly.

Listing and Disposition of Shares

Article (13)

- a. The Company shall list its shares on any Financial Market licensed in the Emirate. The Board of Directors may list the Company shares on Financial Markets outside of the Emirate or the UAE. In issuing, registering, trading in, transferring, and creating rights in the Company

shares, the Company shall comply with the rules provided for in these Articles, the Companies Law and the resolutions issued in pursuance thereof, the SCA resolutions, the listing rules, the regulations adopted by the relevant Financial Markets, and the legislation in force in the Emirate.

- b. The Company's shares may be sold, transferred, pledged, or otherwise legally disposed of, in accordance with the provisions of these Articles, and all such dispositions shall be registered in a special register referred to as the "Share Register" to be maintained by the Company. Upon listing the Company's shares on the Financial Market, all dispositions related to these shares, including any set-off or settlement, shall be registered in accordance with the regulations applicable in the Financial Market.
- c. In the event of the death of a Shareholder, his/ her heir(s) or devisee(s) shall be the only person(s) having rights or interests in the shares of the deceased Shareholder. Such heir(s) or devisee(s) shall be entitled to such dividends and other privileges as the deceased Shareholder would have been entitled in relation to such shares. Such heir(s) or devisee(s), after being registered as a Shareholder in accordance with these Articles, shall have the same rights in his/ her capacity as a Shareholder in the Company as the deceased Shareholder had in relation to such shares. The estate of the deceased Shareholder shall not be exempted from any obligation to the Company or others regarding any share held by him/her at the time of death.
- d. Any person who becomes entitled to rights to a share or shares in the Company as a result of the death, dissolution, or bankruptcy of any Shareholder, or pursuant to an attachment order issued in favour of that person by any competent court of law, must within thirty (30) days:
 - 1. produce written evidence of such right to the Company; and
 - 2. decide, in accordance with the Companies Law and the resolutions issued in pursuance thereof, either to be registered as a Shareholder or to nominate another person to be registered as a Shareholder of the share(s) devolved unto him/her by way of inheritance, dissolution, bankruptcy, or judicial attachment.

Shares Electronic System

Article (14)

When the Company completes the listing of its shares on the Financial Market, it shall replace its Share Register and ownership transfer system with an electronic system for the registration of the shares and transfer thereof, which is compatible with the system adopted by the Financial Market. The data recorded in that electronic system shall be final and binding, and may not be challenged, transferred, or altered except in accordance with the laws, regulations, and procedures applicable in the Financial Market.

Attachment of Company Property

Article (15)

A Shareholder's heirs, successors, or creditors may not, for whatsoever reason, request the attachment of the Company's assets. They also may not request to subdivide these assets or sell them, nor to interfere in any way whatsoever in the management of the Company. Those heirs, successors, and creditors must, when exercising their rights, rely on the Company's inventories and financial statements, and the resolutions of the General Assembly.

Dividends

Article (16)

The Company shall pay dividends on each share to the last holder of such share whose name is registered in the Share Register on the date specified by the General Assembly for payment of such dividends. Such holder shall have the sole right to the profits due on those shares whether these profits represent dividends or entitlements to a part of the Company's assets in the event of its liquidation.

Increase and Reduction of the Company Capital

Article (17)

- a. Subject to the provisions of the Companies Law and the resolutions issued in pursuance thereof, the share capital of the Company may, after obtaining the SCA approval, be increased by issuing new shares of the same nominal value as the original shares or of the same nominal value plus a premium, or with granting a discount on the nominal value of the share. Subject to obtaining the SCA approval, the share capital of the Company may also be reduced in accordance with the provisions of the Companies Law and the resolutions issued in pursuance thereof.

- b. An increase or a reduction of the share capital shall require a Special Resolution of the General Assembly issued pursuant to a proposal of the Board of Directors after reviewing the Auditor's report. In the case of increase of the share capital, the resolution must state the amount of the increase and the value of the shares to be issued. In the case of reduction of the share capital, the resolution must state the amount to be reduced and the method of reduction.
- c. Subject to the provisions of Articles (225), (226), (227), and (231) of the Companies Law, the Company may, after obtaining the SCA approval and issuance of the relevant General Assembly resolution, increase its capital without applying the pre-emption rights of the existing Shareholders:
 - 1. for the purpose of entry of a strategic partner;
 - 2. for the purpose of capitalising the Company's debts;
 - 3. for the purpose of converting bonds or sukuk issued by the Company into shares; or
 - 4. for acquiring an existing company and issuing new shares of the Company to the partners or shareholders of that acquired company.

PART THREE BONDS AND SUKUK

Issuing Bonds and Sukuk Article (18)

- a. Subject to the provisions of the Companies Law and the resolutions issued in pursuance thereof, the General Assembly may, pursuant to a Special Resolution and upon the recommendation of the Board of Directors, resolve to issue tradable or non-tradable bonds, sukuk, or other securities of any nature of equal value per issue whether they are convertible to shares or otherwise. The resolution issued by the General Assembly shall determine the value of the bonds, securities or sukuk, the terms of issuance and their tradability and convertibility into shares. The General Assembly may also delegate to the Board of Directors the power to determine the date of issuance of such bonds and sukuk, pursuant to the rules adopted by the Authority.
- b. Any bond or sukuk issued by the Company shall remain nominal until fully paid up. The Company may not issue "bearer" bonds or sukuk. Bonds or sukuk issued in connection with a single loan shall give equal rights to the holders of such bonds or sukuk. Any condition to the contrary shall be invalid.

PART FOUR
BOARD OF DIRECTORS

Appointment and Election of Directors

Article (19)

- a. Subject to the provisions of Article (10) of the Law and the provisions of the above-mentioned Decree No.(55) of 2021, the Company shall be managed by a Board of Directors consisting of the Chairperson, the vice chairperson, and other experienced and specialised members. The number of the Board of Directors members, including the Chairperson and the vice chairperson, may not be less than seven (7). The Directors shall be appointed or elected by the General Assembly via secret Cumulative Voting.
- b. The Board of Directors shall be appointed or elected in line with the ownership rights in the Company, as follows:
 1. The Government Shareholder shall be entitled to appoint a number of Directors commensurate with its shareholding in the Company Share Capital.
 2. The remaining Directors shall be elected without participation of the Government Shareholder via secret Cumulative Voting in accordance with the provisions of the Companies Law and the resolutions issued in pursuance thereof.
 3. A Director may be an experienced person who is not a Shareholder.
 4. The Company shall abide by the Governance Rules with respect to nomination for the Board of Directors membership. A candidate for membership shall provide the Company with the following information and documents:
 - a) a curriculum vitae stating his/ her academic qualifications and professional experience, and details of the position he/she is nominated to;
 - b) an undertaking to abide by the Law, the Companies Law and the resolutions issued in pursuance thereof, and these Articles and to exercise his/ her duties as a prudent person throughout the term of his/ her membership in the Board of Directors;
 - c) a list of the companies and entities for which he/she works at the time of nomination or in which he/she is a Director, in addition to any other competing activity he/she carries out, whether directly or indirectly;
 - d) for representatives of corporate bodies, a letter from the corporate body listing the names of its candidates for the Board of Directors membership; and

- e) a list of the commercial companies in which he/she is a partner or a shareholder, in addition to the number of shares or stocks he/she owns.

Membership in the Board of Directors

Article (20)

- a. Membership of the Board of Directors shall be for a term of three (3) years. At the end of such term, the Board of Directors shall be reconstituted by appointing or electing new members, or reappointing or re-electing former members.
- b. Where the position of a Director falls vacant, the Board of Directors may appoint a new Director to fill that position within thirty (30) days from the date of vacancy. Such appointment must be presented to the General Assembly in its first subsequent meeting to approve the appointment decision or appoint another Director. The new Director shall complete the term of his/ her predecessor. Where no new Director is appointed within the aforementioned period, the Board of Directors shall, at the first subsequent General Assembly meeting, solicit candidates for election to fill the vacancy in the Board of Directors.
- c. If the vacant positions during the year reach or exceed twenty-five percent (25%) of the number of Directors, the Board of Directors must call for a General Assembly to convene within thirty (30) days from the date of reaching this percentage in order to elect new Directors. In all cases, a new Director shall complete the term of his/ her predecessor.

Chairperson Election

Article (21)

- a. Upon expiry of the tenure of the Board of Directors formed pursuant to the above-mentioned Decree No. (55) of 2021, the new Board of Directors shall elect by secret ballot, from amongst its members, a Chairperson and a vice chairperson, who shall act in the capacity of the Chairperson in case of his/ her absence or vacancy of his/ her position.
- b. The Chairperson is responsible for supervising the Board of Directors and the performance of its functions under the Law, these Articles, and the Companies Law and the resolutions issued in pursuance thereof.
- c. The Board of Directors shall appoint from amongst the Company employees a Secretary to the Board of Directors in accordance with the relevant rules adopted by the SCA. The Secretary shall be responsible for preparing the agendas of the Board of Directors; sending invitations to Directors to attend its meetings; recording, following up the implementation of, maintaining, and archiving its minutes of meetings, resolutions, and recommendations;

and performing any other duties assigned to him by the Chairperson or the Board of Directors.

- d. The Secretary must satisfy the conditions and requirements stipulated in the Governance Rules. The Secretary shall report directly to the Board of Directors, and may only be dismissed by resolution of the Board of Directors.
- e. The Board of Directors may, in line with the Law and the Governance Rules, form one or more committees from amongst its members, and delegate to such committees any of the duties and powers assigned to the Board of Directors.

Board of Directors Functions

Article (22)

- a. The Board of Directors shall undertake the general management of the Company and its performance of all the functions and activities required to achieve its objectives. The Board of Directors shall also act on behalf of the Company within the scope of the functions assigned to it under the Law, the Companies Law and the resolutions issued in pursuance thereof, these Articles, and the General Assembly resolutions. In particular, the Board of Directors shall have the duties and powers to:
 - 1. approve, and follow up the implementation of, the strategic plans and policies of the Company;
 - 2. conclude loan agreements for periods in excess of three (3) years; and sell or mortgage the Company's real property, assets, or movable and immovable property. In this regard, the Board of Directors shall draft the rules and regulations related to concluding loan agreements and selling or mortgaging the Company's real property, assets, or other property; and present the same to the General Assembly for approval in its first meeting;
 - 3. agree to releasing the Company's debtors from liabilities; engage in conciliation and arbitration; agree to the application of foreign laws to any of its agreements; and establish, invest in, sell, dissolve, and liquidate fully or partially owned companies and Subsidiaries;
 - 4. approve the terms of reference of the Board of Directors and all other relevant matters, including the allocation of functions and delegation of responsibilities to Directors;
 - 5. approve the financial, administrative, and technical regulations of the Company, including the delegation of authority matrix; the regulations governing its procurements and asset management; and the regulations governing its human resources;

6. approve the organisational structure of the Company;
 7. divide, transfer, convert, merge, consolidate, sell, mortgage, assign, or dispose of, in any legal manner, any of the Company's funds, or assets or the funds or assets of any of the Subsidiaries;
 8. allow the Company and the Subsidiaries to engage in any investment, borrowing, or lending; or in issuing guarantees, bonds, sukuk, or any other debt instruments, in accordance with the legislation in force in the Emirate;
 9. acquire and merge companies and establishments; and
 10. exercise any other duties or powers aligned with the objectives of the Company as required to serve its interests without contradicting the provisions of the legislation in force in the Emirate.
- b. The Board of Directors may delegate any of its powers under sub-paragraphs (a)(2), (a)(3), and (a)(4) of this Article to a committee formed by the Board of Directors, provided that this committee comprises at least three (3) members. The Board of Directors may also delegate the powers assigned to it under sub-paragraph (a)(5) of this Article to the CEO, provided that such delegation is specific, in writing, and in accordance with the delegation of authority matrix approved by the Board of Directors.

CEO Functions Article (23)

- a. Subject to the provisions of paragraphs (b) and (c) of Article (10) of the Law, and the provisions of the above-mentioned Decree No. (56) of 2021, the CEO shall have the powers and undertake the duties set out below:
1. represent the Company before all entities within and outside of the Emirate, including judicial authorities and government and non-government entities;
 2. implement all resolutions issued by the General Assembly and the Board of Directors;
 3. manage the day-to-day work of the Management and operations of the Company, and ensure the performance of the duties assigned to it under the Law, the Companies Law and the resolutions issued in pursuance thereof, these Articles, the legislation in force in the Emirate, and the regulations applicable by the Company;
 4. conclude contracts, agreements, and memoranda of understanding, and sign documents of whatever nature and type, within the powers vested in him/ her under these Articles and the delegation of authority matrix;

5. issue policies, decisions, and internal regulations in connection with the affairs of the Company and the Subsidiaries, except for the regulations which the Board of Directors is exclusively authorised to approve pursuant to sub-paragraph (a)(5) of Article (22) of these Articles;
 6. undertake all financial and banking functions, and make the decisions related thereto, in accordance with the powers assigned to him/ her under the regulations adopted by the Company;
 7. perform all functions assigned to him/ her under the legislation applicable by the Company, its internal regulations, and other legislation in force in the Emirate;
 8. supervise the executive body of the Company and all matters related to its human resources, including approval of the appointment of employees, determination of their salaries and remuneration, their transfer and dismissal, and all other relevant matters, in accordance with the powers stipulated in the human resources regulations adopted by the Company;
 9. recommend to the Board of Directors the nomination of the Company representatives in the boards of directors of the Subsidiaries. The appointment of these representatives in the boards of directors of Subsidiaries shall be approved pursuant to a resolution of the Board of Directors;
 10. form permanent and temporary committees and work teams, and determine their functions and the remunerations of their members, in line with the regulations adopted by the Company, the Companies Law and the resolutions issued in pursuance thereof; and the Governance Rules;
 11. appoint persons to represent the Company in respect of any matter related to serving its interests and protecting its rights;
 12. conclude conciliation on behalf of the Company, agree to the application of foreign laws to any of the contracts and agreements concluded by the Company and the Subsidiaries, file lawsuits and appoint attorneys, and conclude judicial and legal settlements in accordance with the Board of Directors resolutions and with a view to serving the Company's interests; and
 13. carry out any other duties or powers delegated or assigned to him/ her by the General Assembly, the Chairperson, or the Board of Directors.
- b. The CEO shall exercise the duties and powers assigned to him under paragraph (a) of this Article in accordance with the relevant delegation of authority matrix approved by the Board of Directors.

- c. In accordance with work requirements, the CEO may delegate any of his/ her powers under paragraph (a) of this Article to any of the Company employees with a view to serving the interests of the Company and the Subsidiaries, provided that such delegation is specific, in writing, and in accordance with the delegation of authority matrix approved by the Board of Directors.

Board of Directors Meetings Article (24)

The Board of Directors shall be convened, at least four (4) times a year and where necessary, at the invitation of its Chairperson, or vice chairperson in case of absence of the Chairperson at the time and place he/ she determines. The meetings of the Board of Directors may be held through audio or videoconferencing facilities. The invitation shall be sent, together with the approved agenda, at least one (1) week before the date scheduled for the meeting. Each Director may request adding any items to the agenda to be discussed at the meeting subject to approval of the request by the chair of the meeting.

Validity of Meetings and Resolutions of the Board of Directors Article (25)

- a. A meeting of the Board of Directors or any of its committees shall be valid if attended by the majority of its members. Attendance shall be in person, by being physically present or through videoconferencing or any other audio-visual media as may be approved by the Board of Directors or its committee. A Director may give a written proxy to another Director to attend a meeting of the Board of Directors or its committee and vote on his/ her behalf. In such a case, such Director shall have one (1) vote out of the votes of attending members. A Director may not hold more than one proxy at any meeting, and no Director shall vote by way of correspondence.
- b. The resolutions of the Board of Directors or of its committee shall be passed by majority vote of its members or their representatives. In case of a tie, the chair of the meeting shall have a casting vote.

Minutes of Meetings of the Board of Directors Article (26)

- a. All topics and issues considered and discussed, and decisions made, shall be recorded in the minutes of meetings of the Board of Directors or its committees. Any reservations made by any Director or any dissenting opinions shall also be recorded in these minutes.

- b. Attending Directors and the Secretary shall sign the minutes of meetings of the Board of Directors or its committee whether with their own hands or electronically. Once approved, copies of these minutes shall be distributed to the Directors for their record.
- c. The minutes of meetings of the Board of Directors and its committees shall be maintained by the Secretary. Where a Director refuses to sign any minutes of meeting, this shall be recorded in the minutes together with any reasons provided for the refusal.

Adoption of Resolutions by Circulation

Article (27)

Without prejudice to the quorum required for convening the Board of Directors, the Board of Directors may approve certain resolutions or recommendations by circulation, subject to the following:

1. The majority of the Directors acknowledge the existence of an emergency requiring issuing resolutions or recommendations by circulation.
2. The resolutions and recommendations required for circulation amongst Directors must be in writing and accompanied with all related documents.

Certified Copies of Minutes of Meetings

Article (28)

The Chairperson, the CEO, the Secretary, and the Company's legal advisor are hereby authorised, jointly or severally, to provide certified copies of the minutes of meetings of the Board of Directors or its committee, to sign these copies, to confirm that they are certified true copies of the original minutes, and to date these certified copies. Any party dealing with the Company may rely on any of the certified copies as a true copy of the original document.

Conflict of Interests

Article (29)

The Chairperson and Directors must avoid any conflict of interest that may arise as a result of their membership in the Board of Directors or any of its committees, avoid any act that may raise any suspicions of conflict of interest, and disclose any conflicts of interest or any suspicion thereof. In particular, they must refrain from the following:

1. participating in any discussion or vote on, or impacting in any way whatsoever, any decision, recommendation, or procedure in which they or their spouses or relatives up to the fourth degree have any direct or indirect interest;

2. exploiting their membership in the Board of Directors or its committee, disclosing any information they obtain as a result of that membership in order to achieve specific objectives or receive a special service or treatment;
3. participating in any process, procedure, or decision that may affect their objectivity, impartiality, or independence in performing their duties; and
4. being involved in any of the conflicts of interest stipulated in the Companies Law and the resolutions issued in pursuance thereof, and in other legislation in force in the Emirate.

Any resolutions issued in violation of this Article shall be deemed null and void.

Disclosure of Conflicts of Interest

Article (30)

- a. Conflicts of interest must be disclosed by the concerned Director in the minutes of meeting of the Board of Directors or its committee. The Secretary must record that disclosure in a register maintained for this purpose, update this register on a regular basis, and present it to the Chairperson and Directors for perusal.
- b. The Board of Directors shall have the right to consider any conflict of interest a Director may be involved in, and make the relevant decision by majority vote of attending Directors. The Director involved in the conflict of interest may not vote on the relevant decision.
- c. Where a Director fails or refuses to disclose to the Board of Directors a conflict of interest related to a dealing or transaction to which the Company is a party, the Company or any of its Shareholders may request the Board of Directors, the Competent Authority, or the competent court to rescind such dealing or transaction and require the violating Director to return to the Company any profit or benefit derived from the relevant dealing or transaction.

Termination of Membership in the Board of Directors

Article (31)

Membership in the Board of Directors will terminate in any of the following cases:

1. death, legal incapacity, or inability to carry on duties;
2. conviction of any felony or other crime affecting honour or trustworthiness;
3. resignation pursuant to a written notice served on the Chairperson;
4. dismissal by a resolution of the General Assembly; or

5. absence, during the tenure of the Board of Directors, for three (3) successive or five (5) non-successive meetings of the Board of Directors, without an excuse acceptable to the Chairperson.

Personal Liability of Directors **Article (32)**

Subject to the provisions of Article (33) of these Articles, a Director may not be personally liable for any obligations of the Company as a result of performing his/ her duties as Director, to the extent that he/ she does not exceed his/ her authority.

Liability of the Board of Directors and the Company **Article (33)**

- a. The Board of Directors and the Management shall be held liable towards the Company, Shareholders, and third parties for all acts of fraud or abuse of powers, and for any breach of the legislation in force or these Articles. Any provision to the contrary shall be invalid.
- b. The liability of Directors referred to in paragraph (a) of this Article will be joint liability if it arises from a unanimous resolution of the Board of Directors. However, where the relevant resolution is adopted by majority vote, the Directors who have objected to the resolution or made reservations thereon shall not be held liable for the same, provided that they have recorded their objection or reservation in writing in the minutes of the meeting in which the resolution was adopted. A Director who was absent from the meeting in which the resolution was adopted shall not be relieved from liability unless it is proven that he had no knowledge of the resolution or that he knew about the resolution but had not been able to object to it. The Management shall bear the liability specified in paragraph (a) of this Article if the breach arises from a decision issued by it.
- c. The Company shall, to the extent of the value of its assets, indemnify the Directors and the members of the Management of the Company against any liability, with the exception of criminal liability, incurred by them as a result of or in connection with the performance of their duties in the Company, provided that these Directors or members have been acting in good faith and in a manner they reasonably believed to be in the best interests of the Company. Nonetheless, no indemnification shall be made in respect of any claim or matter as to which that Director or member has been finally adjudged by a competent court to be liable towards the Company. In all events, the Company shall maintain the necessary insurance coverage in respect of the Board of Directors and Management liability.

Provision of Loans
Article (34)

- a. The Company may not provide any loans to any Director or execute guarantees or provide any securities in connection with any loans granted to him/her. A loan shall be deemed as granted to a Director if granted to his/ her spouse, children, or relatives up to the second degree.
- b. No loan may be granted to a company in which a Director or his/ her spouse, children, or relatives up to the second degree hold more than twenty percent (20%) of the share capital.

Transactions and Dealings of Related Parties
Article (35)

- a. The Related Parties shall not use any information to which they have access by reason of their membership in the Board of Directors or employment with the Company to achieve any interest whatsoever for themselves or for third parties through dealing in the securities of the Company or any other transactions. The Related Parties may not have a direct or indirect interest with any party entering into transactions intended to influence the price of the securities of the Company or those issued by it.
- b. Transactions with Related Parties shall be governed by an internal policy approved by the Board of Directors. The Auditor shall state in his/ her annual report any conflicts of interest or financial dealings that have taken place between the Company and any Related Parties, and the action taken in this respect.
- c. Articles (29), (30), (37), and (48) of these Articles shall not apply to the transactions or dealings entered into or concluded by the Company with the Founder, or by the Company with any other company that is directly or indirectly owned by or under the Control of the Founder, federal government, or local government, or any entity owned directly or indirectly by the Government, the federal government, or any Subsidiary, sister company, or Affiliate of the Company; and shall not apply to any transaction that may be challenged on the grounds of a conflict of interest arising out of the appointment of a Director by the Founder. Any such transactions shall be exempt from compliance with the relevant provisions of the Companies Law and the resolutions issued in pursuance thereof, and with any other rules concerning the transactions of Related Parties regulated by the relevant resolutions issued by the SCA.

Remuneration of Directors

Article (36)

- a. The remuneration of Directors shall be calculated as a percentage of the net profits of the Company, and may not exceed one percent (1%) of the net profits for the relevant financial year after deducting the depreciation allowance and reserves. The duties of the Chairperson and the CEO must be taken into consideration when determining their remuneration. The Company may reimburse any Director for the expenses he/she incurs.
- b. Subject to obtaining the approval of the General Assembly, the Board of Directors may pay a Director his/ her remuneration as a lump sum not exceeding two hundred thousand dirhams (AED 200,000.00) at the end of the financial year in the following cases:
 1. if the Company is not making a profit; and
 2. if the Company makes profits but the Director's remuneration calculated as a percentage of these profits is less than two hundred thousand dirhams (AED 200,000.00).

Dismissal of Directors

Article (37)

Without prejudice to the provisions of the above-mentioned Decree No. (55) of 2021, and the provisions of Article (19) of these Articles, the General Assembly may dismiss all or any of the elected Directors, and solicit candidates for the election of new Directors in their places in accordance with the Governance Rules. A dismissed Director may not stand for election or be re-elected as a Director for at least three (3) years from the date of dismissal.

PART FIVE

GENERAL ASSEMBLY

Convening the General Assembly

Article (38)

A General Assembly shall be duly convened in the Emirate where the Shareholders owning more than fifty percent (50%) of the share capital of the Company are in attendance. If the quorum is not present in the first General Assembly meeting, an invitation for a second meeting shall be sent, and that meeting shall be convened no earlier than five (5) days and no later than fifteen (15) days from the scheduled date of the first meeting. The second General Assembly meeting shall be deemed duly convened regardless of the number of Shareholders in attendance.

Attending the General Assembly
Article (39)

- a. Each Shareholder shall have the right to attend a General Assembly, and each Shareholder shall have a number of votes equal to the number of his/ her shares. A Shareholder may authorise any person to attend the General Assembly on his/ her behalf, provided that such person is not a Director, an employee of the Company, or a brokerage company or any of its employees. Such authorisation shall be valid only if it is documented in a written proxy in accordance with the relevant conditions stipulated by the Board of Directors. The number of shares represented by a proxy for multiple Shareholders may not exceed five percent (5%) of the Company's share capital. Shareholders lacking legal capacity and legally incapacitated Shareholders shall be represented by their legal representatives.
- b. A legal person may, pursuant to a resolution of its board of directors or its assignee, delegate a representative, a person in charge of its management, or any of its employees to represent it in the General Assembly. The delegated person shall have the powers determined in the delegating resolution.

Invitations to the General Assembly
Article (40)

- a. An invitation to attend a General Assembly shall be served on Shareholders, after obtaining the approval from the SCA, through announcement in two (2) daily local newspapers issued in Arabic and English, or by email, short message service (SMS), or registered mail, at least twenty-one (21) days prior to the date scheduled for the meeting. The invitation must contain the agenda of the General Assembly meeting. A copy of the invitation shall be sent to the SCA and the Competent Authority.
- b. General Assembly meetings and Shareholders' participation in its deliberations and voting on its resolutions may be conducted using modern electronic means for distance participation, in accordance with the relevant rules and procedures adopted by the SCA.

Convocation of the General Assembly
Article (41)

A General Assembly shall be convened by:

- 1. the Board of Directors, at least once a year within the four (4) months following the end of each financial year;
- 2. the Board of Directors, where necessary, upon a request of the Auditor, or if one or more Shareholders holding not less than ten percent (10%) of the share capital request a meeting. In case of request for meeting, the Board of Directors shall convene a General

Executive Council Resolution No. (11) of 2022 Approving the Articles of Association of the Dubai Electricity and Water Authority PJSC

Assembly meeting within five (5) days from the date of submitting the request. The meeting shall be held within thirty (30) days from the date of its invitation;

3. the Auditor directly, if the Board of Directors fails to send an invitation to convene the General Assembly while this is required under the Companies Law and the resolutions issued in pursuance thereof, or within five (5) days from the date of submission of a request for meeting by the Auditor to the Board of Directors; or
4. the SCA, within five (5) days from the date of its request to the Board of Directors to convene the General Assembly, in the following cases:
 - a. the lapse of thirty (30) days after the date prescribed for the General Assembly meeting, or lapse of four (4) months after the end of the financial year, without the Board of Directors sending an invitation to the meeting;
 - b. if the number of Directors no longer constitutes a quorum;
 - c. where it is established to the Company's satisfaction, at any time, that violations of the Companies Law or the resolutions issued in pursuance thereof, or of these Articles, have been committed, or substantial errors in managing the Company have been made; or
 - d. if the Board of Directors fails to convene a meeting of the General Assembly requested by one or more Shareholders representing ten percent (10%) or more of the share capital of the Company.

Matters to be Presented to the General Assembly Article (42)

The following items shall be included on the agenda of the annual General Assembly for action:

1. the report of the Board of Directors on the activities of the Company and its financial position throughout the year; and the report of the Auditor, for approval;
2. the balance sheet and profit and loss account, for discussion and approval;
3. election of Directors, where necessary;
4. appointment of Auditors and determining their remuneration;
5. the proposals of the Board of Directors concerning the distribution of profits, whether as cash dividends or bonus shares, for consideration;

6. the proposals of the Board of Directors concerning the remuneration of Directors and determination of the same in accordance with the provisions of these Articles, for consideration;
7. any case of dismissal, discharge of liability, impeachment, or suing of Directors where necessary; and
8. any case of dismissal, discharge of liability, impeachment, or suing of Auditors where necessary.

Registration for Attending the General Assembly **Article (43)**

- a. The Shareholders wishing to attend a General Assembly meeting must, within sufficient time prior to the meeting, register their names in the electronic register maintained by the Management for this purpose. This register must include the name of the Shareholder or his/ her proxy; the number of shares owned by the Shareholder, or the number of the shares represented by the proxy and the names of their owners. The Shareholder or the proxy shall be given a pass to attend the meeting, which shall state the number of votes held or represented by him/ her. An extract from the register, indicating the number of shares represented at the meeting and the percentage of attendance, shall be printed and attached to the minutes of the General Assembly after being signed by the chair of the meeting, the General Assembly Secretary, and the Auditor.
- b. Registration for attending General Assembly meetings shall close when the chair of the meeting announces whether or not the quorum of such meeting is reached. No registration of any Shareholder or proxy may be accepted thereafter, and the votes of such late Shareholders or proxies shall not count and their views on the matters raised in that meeting shall not be taken into account. If any of the attending Shareholders, or their representatives, withdraws from a quorate General Assembly meeting, such withdrawal shall not affect the validity of the meeting. In that case, resolutions will be passed by the majority prescribed in the Companies Law based on the remaining shares represented at the meeting.

Closure of Shareholders' Register **Article (44)**

The register of Shareholders shall be closed in accordance with the regulations on trading, set-off, settlement, transfer of ownership, and custody of securities and the relevant rules prevailing in the Financial Market.

General Assembly Quorum
Article (45)

The provisions of the Companies Law and the resolutions issued in pursuance thereof shall apply to the quorum required for the validity of General Assembly meetings and to the majority required to adopt resolutions.

Chairmanship of the General Assembly
Article (46)

- a. A General Assembly meeting shall be chaired by the Chairperson, or by the vice chairperson in case of absence of the Chairperson. If both the Chairperson and vice chairperson are absent, the General Assembly meeting shall be chaired by the CEO or by any Director appointed by the Board of Directors for this purpose.
- b. If the persons referred to in paragraph (a) of this Article are not present in the meeting, the General Assembly shall appoint a Shareholder to chair the meeting and shall appoint a secretary for the meeting.
- c. The General Assembly shall appoint a teller to count votes in any of its meetings.
- d. The minutes of meetings of the General Assembly and the details of the attendees shall be recorded in special books maintained for this purpose. These minutes must be signed by the chair of the relevant meeting, the General Assembly Secretary, the tellers, and the Auditor. The signatories of the minutes of meeting shall be held liable for the accuracy of the information contained therein.

Voting in General Assembly Meetings
Article (47)

Voting at a General Assembly shall be in such manner as specified by the chair of the General Assembly meeting, unless the General Assembly prescribes a different manner of voting. Voting must be by secret ballot if it relates to the dismissal or impeachment of Directors.

Participation in Voting
Article (48)

- a. Directors may not participate in voting on any General Assembly decisions relating to discharging them from liability for management or conferring a private benefit upon them or which relates to a conflict of interest or dispute between them and the Company.

- b. A person having the right to attend General Assembly meetings may not participate in voting in his/ her personal capacity or by proxy on matters related to a personal benefit or an existing dispute between him and the Company.

General Assembly Powers **Article (49)**

Subject to the Companies Law and the resolutions issued in pursuance thereof, the General Assembly may, pursuant to a Special Resolution:

1. increase or reduce the share capital of the Company in any way;
2. sell or dispose of, in any legal manner, all or any part of the business, projects, or assets of the Company;
3. extend or terminate the term of the Company;
4. issue sukuk, bonds, or any other financial instruments;
5. subject to obtaining the approval of the SCA, decide to allocate a percentage of its annual profits or accumulated profits for social responsibility purposes. In that case, the Company must disclose its social responsibility contribution on its website upon the end of the financial year, and the Auditor must include in his/ her report and in the Company's annual financial statements the names of the beneficiary(ies) of the social responsibility contribution of the Company; and
6. amend these Articles, subject to the following restrictions:
 - a. amendments may not increase the Shareholders' obligations; and
 - b. amendments may not lead to the transfer of head office of the Company to outside of the Emirate.

Right to Vote **Article (50)**

Subject to the legislation applicable to the SCA and the Financial Markets, the owners of registered shares as of the working day preceding a General Assembly meeting shall be deemed the holders of the right to vote in that meeting.

General Assembly Agenda
Article (51)

- a. Subject to the provisions of the Companies Law and the resolutions issued in pursuance thereof, the Law and the resolutions issued in pursuance thereof, and these Articles, the General Assembly shall have the authority to consider any matters related to the Company and listed in the agenda.
- b. Notwithstanding the provisions of paragraph (a) of this Article, the General Assembly may deliberate over any crucial matters revealed during the meeting, or any matters requested by the SCA, or by a Shareholder(s) representing at least five percent (5%) of the share capital of the Company, to be included in the agenda of the General Assembly before that agenda is discussed. The chair of the meeting shall grant the request, in accordance with terms determined by the SCA.

PART SIX
AUDITORS

Appointment of Auditors
Article (52)

- a. The Company shall have one or more Auditor(s) appointed by the General Assembly for a renewable term of one (1) year upon nomination by the Board of Directors. The fees and remuneration of the Auditor shall be determined by the General Assembly.
- b. The Auditor shall audit the accounts of the Company for the relevant financial year, provided that he/ she is registered with the SCA and licensed to practice the audit profession in the UAE in accordance with the legislation in force.
- c. The Auditor shall assume his/ her duties upon the conclusion of the General Assembly meeting during which he/ she is appointed and until the subsequent annual General Assembly meeting is concluded.
- d. The period of appointment of an Auditor shall not exceed the term specified in the Companies Law and the resolutions issued in pursuance thereof.

Independence of Auditors
Article (53)

- a. The Auditor shall be independent from the Company and the Board of Directors and may not be a business partner, agent, or relative up to the fourth degree of the Founder or any of the Directors. The Auditor may not be a Shareholder or a member of the Board of

Directors or occupy any technical, administrative, operational, or executive position at the Company.

- b. The Company must take practical steps to ensure the independence of the Auditor and that the Auditor has no conflict of interest.

Functions of Auditors Article (54)

- a. The Auditor shall have the duties and powers provided for in the Companies Law and the resolutions issued in pursuance thereof and in these Articles. In particular, the Auditor shall, at all times, have the right to access all the books, records, and documents of the Company and to request clarifications as he deems necessary for the performance of his/ her duties. The Auditor shall have the right to verify the assets and liabilities of the Company. If the Auditor is unable to exercise these powers, he/ she must document this in a written report submitted to the Board of Directors. If the Board of Directors fails to enable the Auditor to perform his/ her duties, the Auditor must send a copy of the report to the SCA and the Competent Authority and present the same to the General Assembly.
- b. The Auditor shall audit the accounts of the Company, examine the balance sheet and the profit and loss account, review the Company's transactions and dealings with Related Parties, and ensure the implementation of the provisions of the Companies Law and the resolutions issued in pursuance thereof as well as these Articles. The Auditor must submit a report on the results of such examination and audit to the General Assembly and forward a copy thereof to the SCA and the Competent Authority. In preparing his/ her report, the Auditor shall verify the following:
 - 1. the accuracy of the accounting records kept by the Company; and
 - 2. the extent of conformity of the Company accounts with the accounting records.
- c. The Subsidiaries and their auditors shall provide any information or clarifications requested by the Auditor for the purposes of audit.

Auditor's Report Article (55)

- a. The Auditor must submit to the General Assembly a report containing all the information prescribed in Article (252) of the Companies Law. The Auditor must attend the General Assembly meeting to present his/ her report to the Shareholders, clarifying any difficulties or interference by the Board of Directors encountered during the performance of his/ her duties.

- b. The report of the Auditor shall be independent and unbiased and shall include the opinion of the Auditor concerning all matters related to his/ her duties, particularly the Company's balance sheet and accounts, its financial position, and any relevant violations.
- c. The Auditor shall note in his/ her report and in the balance sheet any charitable and community contributions made by the Company during the relevant financial year. The report and the balance sheet shall name the beneficiaries of such contributions.
- d. In the capacity of an agent of the Shareholders, the Auditor shall be liable for the accuracy of the information stated in his/ her report. Each Shareholder may discuss the report of the Auditor and request clarifications on the matters included therein during a General Assembly meeting.

PART SEVEN FINANCES OF THE COMPANY

Company's Books and Financial Year Article (56)

- a. The Board of Directors shall maintain duly organised accounting books which reflect the accurate and fair representation of the Company's business and dealings in accordance with internationally recognised accounting standards. No Shareholder shall have the right to inspect those books without the relevant authorisation from the Board of Directors.
- b. The financial year of the Company shall start on the first day of January and shall end on the thirty first day of December of every year.

Annual Financial Statements Article (57)

- a. The balance sheet for a financial year must be audited at least one (1) month before the annual General Assembly meeting. The Board of Directors must prepare a report on the Company's activities and financial position at the end of the financial year, and that report must state its recommendations on the distribution of net profits. Copies of the annual financial statements, the profit and loss account, the Auditor's report, the Board of Directors' report, and the governance report must be sent to the SCA along with a draft of the annual General Assembly meeting invitation to the Shareholders of the Company for approval of the publication of that invitation in the daily newspapers twenty-one (21) days before the date scheduled for the General Assembly meeting.

- b. The annual financial statements of the Company shall be published pursuant to the relevant rules prescribed by the SCA, and a copy of these statements shall be lodged with the SCA and the Competent Authority.

Deduction from Annual Profits

Article (58)

The Board of Directors may deduct a percentage of the annual gross profits as depreciation allowance or impairment allowance in respect of the Company's assets. These amounts shall only be utilised for their intended purposes in accordance with the relevant resolutions of the Board of Directors, and shall not be distributed to the Shareholders.

Distribution of Annual Profits

Article (59)

The annual net profits of the Company shall be distributed after deducting all general expenses and other costs as follows:

1. ten percent (10%) of the net profits shall be deducted and set aside as a legal reserve. This deduction shall cease when the total amount of the reserve is equal to at least fifty percent (50%) of the share capital of the Company. If the reserve falls below this threshold, the deduction shall resume;
2. a percentage not exceeding one percent (1%) of the net profits for the financial year then ended shall be allocated as remuneration for the Directors, after deducting depreciation allowances and reserves. Any penalties imposed by the SCA or the Competent Authority on the Company as a result of violation by the Board of Directors of the Law, the Companies Law and the resolutions issued in pursuance thereof, these Articles, or any legislation in force in the Emirate, during the financial year then ended shall be deducted from the remuneration of the Board of Directors. The General Assembly may resolve not to deduct all or any of these penalties if it finds that these penalties have not arisen as a result of any negligence or error on the part of the Board of Directors; and
3. the balance of the net profits shall be distributed to the Shareholders; carried forward to the subsequent financial year upon the recommendation of the Board of Directors; or set aside as an extraordinary reserve, as may be decided by the General Assembly in this regard.

Utilisation of the Legal Reserve
Article (60)

The legal reserve shall be utilised pursuant to a resolution of the Board of Directors in the best interests of the Company. The legal reserve may not be distributed to Shareholders. However, any amount of the legal reserve in excess of fifty percent (50%) of the paid-up capital may be utilised to distribute dividends not exceeding ten percent (10%) of the paid-up capital to the Shareholders in any years where the distribution of that percentage is not feasible.

Dividend Distribution Policy
Article (61)

- a. Dividends shall be paid to the Shareholders in accordance with the regulations on trading, set-off, settlement, transfer of ownership, and custody of securities, and other applicable rules, of the Financial Market in which the Company's shares are listed.
- b. The Company may distribute quarterly or semi-annual dividends to the Shareholders out of its operating profits or accumulated profits. The Board of Directors shall be authorised to adopt and implement the resolutions related to the distribution of dividends in accordance with the dividend distribution policy approved by the General Assembly.

PART EIGHT
LIABILITY

Civil Liability Claims
Article (62)

Civil liability claims against the Directors may not be barred by reason of any resolution issued by the General Assembly. If the act giving rise to the liability is presented to the General Assembly in a Board of Directors' report or Auditor's report and is ratified by the General Assembly, any civil claims in respect of that act shall be barred upon the expiry of one (1) year from the date of the General Assembly meeting. However, where the act attributed to the Directors constitutes a criminal offence, the civil liability claim shall be barred only if the criminal proceedings are barred.

PART NINE
DISSOLUTION OF THE COMPANY

Company Dissolution Cases
Article (63)

The Company shall be dissolved pursuant to a resolution of the Executive Council of the Emirate of Dubai in any of the following cases:

1. expiry of the Company's term as prescribed in these Articles;
2. fulfilment of the objectives for which the Company is established;
3. termination of the term of the Company pursuant to a Special Resolution issued by the General Assembly;
4. merger of the Company into another company;
5. issuance of a court judgement dissolving the Company; or
6. destruction of all or most of the Company's assets, making it unfeasible to invest the remainder thereof.

Accumulated Losses
Article (64)

If the Company's accumulated losses reach fifty percent (50%) of its issued share capital, the Board of Directors must, within thirty (30) days of the date of disclosure of the Company's periodic or annual financial statements to the SCA, invite the General Assembly to convene to take the necessary action to dissolve the Company before the expiry of its term or to ensure that it continues its business activities.

Company Liquidation
Article (65)

At the end of the term of the Company or in the event of its dissolution before the expiry of that term, the General Assembly shall, upon the request of the Board of Directors, determine the method of liquidation of the Company, and appoint one or more liquidator(s) and determine their duties. As of the date of appointment of the liquidator(s), the Board of Directors shall cease to perform its duties. The General Assembly shall continue to exercise its duties and powers throughout and until the end of the liquidation process.

PART TEN
FINAL PROVISIONS

Application of the Law

Article (66)

The provisions of the Law and the Companies Law and the resolutions issued in pursuance thereof, excluding the provisions of Articles (118), (119), (121), (149), (152), (199), (217), and (221) of the Companies Law, shall apply to any matter not specifically provided for in these Articles.

Corporate Governance

Article (67)

The Company shall be governed by all the resolutions regulating corporate governance adopted by the SCA. These resolutions shall form an integral and complementary part of these Articles. Notwithstanding the foregoing, the Company shall not be governed by the provisions of the above-mentioned SCA Board of Directors Resolution No. (11/C.B.) of 2016, and SCA Board of Directors Resolution No. (40) of 2015, which are approved by the SCA Board of Directors on 26 January 2022 as being non-applicable to the Company.

Lodging the Articles of Association

Article (68)

These Articles shall be lodged and published in accordance with the Companies Law.