



**Bylaws of Professional Medical Expertise Company
(Saudi closed joint stock company)**

CHAPTER ONE: CONVERSION OF THE COMPANY

Article 1: Conversion

In accordance with these Bylaws and the provisions of the Companies Law promulgated by Royal Decree No. (M/3) dated 1/28/1437H, Professional Medical Expertise Company, registered in the Commercial register of Dhahran under No. 2052001627 dated 14/8/1431H shall be converted into a Saudi closed joint stock company according to the following:

Article 2: Company's Name

Professional Medical Expertise Company (a Saudi closed joint stock company).

Article 3: Objectives of the Company

Section	Activity Name	Activity Code
Wholesale and retail trade; repair of motor vehicles and motorcycles	Agents involved in the sale of medicines	461041
Transportation and storage	Medical Devices warehouse activities	521023
Professional, scientific and technical activities	Legal representation of medical products and devices' manufacturers	691061
Wholesale and retail trade; repair of motor vehicles and motorcycles	Retail sale of medical equipment, tools and supplies	477222
Wholesale and retail trade; repair of motor vehicles and motorcycles	Medicines warehouse activities	477212

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

Article 4: Participation and Ownership in Companies

The Company may establish companies on its own (limited liability or closed joint stock), provided that the capital thereof is not less than five million Saudi Riyals (SAR 5,000,000). In addition, the Company may own interests and shares in other existing companies or merge therewith and participate with others in establishing joint stock or limited liability companies after meeting the requirements under the applicable laws and directives in that regard. The Company may also dispose of such shares or stocks, provided that this does not include any brokerage.

Article 5: Head Office of the Company

The Company's head office is located in Dhahran, Kingdom of Saudi Arabia. By virtue of a Board resolution, the Company may establish branches, offices or agencies within or outside the Kingdom of Saudi Arabia.

Article 6: Duration of the Company

The duration of the Company shall be ninety-nine (99) Gregorian years commencing as at the date on which the Company is registered in the Commercial Register. The Company's duration may

always be extended by a resolution of the Extraordinary General Assembly at least one (1) year prior to the expiration of the Company's term.

CHAPTER TWO: CAPITAL AND SHARES

Article 7: Capital of the Company

The capital of the Company shall be thirty-five million Saudi Riyals (SAR 35,000,000), divided into three million five hundred thousand (3,500,000) nominal shares valued at ten Saudi Riyals (SAR 10); all of which deemed ordinary cash shares.

Article 8: Share Subscription

The shareholders have subscribed to the full number of shares amounting to three million five hundred thousand (3,500,000) fully paid shares, with a total value of thirty-five million Saudi Riyals (SAR 35,000,000.00).

Article 9: Preferred Shares

Based on principles established by the competent authority, the Company's Extraordinary General Assembly may issue preferred shares or decide to purchase the same or convert ordinary shares into preferred shares or convert preferred shares into ordinary ones. Noting that preferred shares shall not bestow voting rights in shareholder General Assembly meetings but shall give the holders thereof the right to obtain a higher percentage of the Company's net profits than the holders of ordinary shares after having set aside the statutory reserve.

Article 10: Sale of Non-Paid-up Shares

The shareholder undertakes to pay the value of shares within the dates specified for that purpose. Failure to do so will give the Board of Directors the right, after informing the shareholder through registered mail, of its intention to sell the shares at auction or through the stock market, as the case may be, in accordance with the guidelines set by the competent authority.

The Company shall collect the amounts due thereto from the proceeds of the sale and return the remaining to the shareholder. If the proceeds of the sale are insufficient to cover the Company's entitlements, then the Company may recover the balance from all assets owned by the relevant shareholder.

However, a defaulting shareholder may, up to the date of sale, pay the amount owed thereby plus the expenses incurred by the Company in this regard.

The Company shall revoke the shares sold under this Article and provide the purchaser new shares bearing the serial numbers of the cancelled shares, with a note of said sale and the name of the new shareholder in the Share Register.

Article 11: Issuance of Shares

The Company's shares shall be nominal shares and may not be issued at less than their nominal value but may be issued at a value higher than said nominal value; in which case, the difference in value shall be added as a separate article relating to shareholder rights and may not be distributed as a shareholder dividend. A share shall be indivisible vis-à-vis the Company. In the event that a share is owned by several persons, they shall select one person amongst them to exercise, on their



behalf, the rights pertaining to said share, and they shall be jointly responsible for the obligations arising from ownership of said share.

Article 12: Share Certificates

The Company shall issue sequentially numbered share certificates signed by the Chairman of the Board of Directors or any authorized member of the Board. The certificates shall bear the Company's seal and include specific information such as the share number, date of the ministerial resolution approving the Company's conversion, the number and date of the ministerial resolution announcing the Company's conversion, the nominal value of the share, the amount paid therefor, a brief description of the Company's objectives, head office, and duration. It is also permissible for the shares to have serially numbered coupons that include the number of the share to which they are attached.

Article 13: Share Trading

Shares subscribed for by the Shareholders may only be traded after publishing the financial statements for two fiscal years, each covering a period of at least 12 months from the date of the Company's conversion. A notation shall be made on the respective share certificates, indicating their class, the date of conversion of the Company, and the period during which their trading shall be suspended. However, during the lock-up period, shares may, in accordance with the legal provisions for sale of rights, be transferred from one Shareholder to another, from the heirs of a deceased Shareholder to a third party, or in case of seizure of the funds of an insolvent or bankrupt Founder, provided that the other Shareholders are given priority to own such shares.

The provisions of this Article shall be applicable to Shareholder subscriptions in case of capital increase prior to the expiry of the lock-up period.

Article 14: Shareholders' Register

Company shares shall be traded by virtue of an entry made to the Shareholders' Register maintained or outsourced by the Company, which shall include the Shareholders' names, nationalities, residence addresses, and occupations; the numbers of the shares; and the amounts paid up for such shares. An annotation shall be made on the share indicating said entry. In as far as the Company or third parties are concerned, the transfer of shares shall only be effective from the date of the entry thereof in said register.

Article 15: Capital Increase

1. The Extraordinary General Assembly may adopt a resolution to increase the Company's capital, provided that the original capital shall have been paid up in full. Said paid up provision shall not apply when the unpaid portion of capital is due to shares issued in exchange for the conversion of financing or debt instruments into shares, and the prescribed period for such conversion has not yet expired.
2. In any case, the Extraordinary General Assembly shall allocate capital increase shares or portions thereof to the employees of the Company and to the employees of all, some or none of its affiliates. Shareholders may not exercise pre-emptive rights upon the Company's issuance of shares allotted to employees.



3. Holders of shares at the time of the Extraordinary General Assembly's adoption of a resolution to increase the capital shall have pre-emptive rights to subscribe for the new shares, in exchange for cash shares. Shareholders shall be notified of their pre-emptive rights by publication in a daily newspaper or by registered mail stating the adoption of the resolution to increase capital, the terms of the offering, its duration, start and end dates.
4. The Extraordinary General Assembly may revoke the pre-emptive rights of shareholders to subscribe for the capital increase in exchange for cash shares, or vest said pre-emptive rights in non-shareholders when it deems that doing so is in the Company's best interest.
5. Shareholders may sell or assign their pre-emptive rights in the period that extends from the date upon which the General Assembly resolution is adopted to increase the capital until the last day open for subscription for the new shares associated with those rights, in accordance with the guidelines established by the competent authority.
6. Without prejudice to the provisions of Paragraph 4 above, new shares shall be allotted to the holders of pre-emptive rights who have expressed interest to subscribe thereto, in proportion to their pre-emptive rights resulting from the capital increase; provided that their allotment does not exceed the number of new shares they have applied for. Remaining new shares shall be allotted to pre-emptive right holders who have asked for more than their proportionate stake, in proportion to their pre-emptive rights resulting from the capital increase, provided that their total allotment does not exceed the number of new shares they have asked for. Any remaining new shares shall be offered for public subscription, unless the Extraordinary General Assembly decides, or the Capital Market Law provides, otherwise.

Article 16: Capital Decrease

The Extraordinary General Assembly may resolve to reduce the Company's capital, if it proves to be in excess of the Company's needs, or if the Company sustains losses. In the latter case only, the Company's capital may be reduced below the limit prescribed under Article 54 of the Companies Law. A capital decrease resolution shall be issued, only after reading the auditor's special report on the reasons calling for such reduction, the obligations to be fulfilled by the Company and the effect of the reduction on such obligations.

If the capital reduction is due to it being in excess of the Company's needs, then the Company's creditors must be invited to express their objection thereto within sixty (60) days from the date of publication of the reduction resolution in a daily newspaper published in the area where the Company's head office is located. Should any creditor object and present to the Company evidentiary documents of such debt within the time limit set above, then the Company shall pay such debt, if already due, or present an adequate guarantee of payment if the debt is due on a later date.

CHAPTER THREE: THE COMPANY'S PURCHASE, SALE, AND PLEDGE OF ITS SHARES



Article 17: Company's Purchase of its Shares

The Company may purchase or mortgage its ordinary or preferred shares, and the Company may purchase its shares to allocate them to the Company's employees as part of the employee share program in accordance with the rules and procedures set by the competent authorities.

Article 18: Company's Sale of its Shares

The Company may sell treasury shares in one or several stages in accordance with the rules and procedures set by the competent authorities.

Article 19: Pledging of Shares

The Company may pledge its shares as security for a debt in accordance with the rules and procedures set by the competent authorities.

Article 20: Shares Allocated to Employees

If the purpose of the Company's share purchase is to allocate them to its employees as part of the employee share ownership plan, then the Company's share purchase rules stipulated in Article 17 shall be taken into account, in addition to the following:

- The Extraordinary General Assembly's approval on the employee share ownership plan and said assembly tasking the board of directors with setting the provisions of said plan, including the allocation price for each share offered to employees if offered for consideration.
- Excluding non-executive board members from the employee share ownership plan.
- Executive board members not participating in voting on the decisions of the board of directors related to the employee share ownership plan.

CHAPTER FOUR: BOARD OF DIRECTORS

Article 21: Management of the Company

The Company shall be managed by a Board of Directors composed of five (5) to seven (7) members appointed by the Ordinary General Assembly for a term not exceeding three (3) years. As an exception thereto, the Founders have appointed the first Board of Directors for a term of five (5) years.

Article 22: Board Membership Termination

Board membership shall expire by the expiration of its term, or the expiration of Board member's term, in accordance with any law or instructions applicable in the Kingdom. Notwithstanding the foregoing, the General Assembly may, at any time, dismiss one or all of the Directors, without prejudice to the terminated member's right to seek compensation from the Company, if dismissal were not properly justified or occurred at an inappropriate time. The Board member may also tender their resignation, provided that such resignation occurs at an appropriate time, otherwise, said member shall be held liable for any damage affecting the Company as a result of his resignation.



Article 23: Membership Vacancy

If a Board of Director's seat becomes vacant, the Board of Directors may appoint a temporary member to fill the vacancy, based on the number of votes received at the Assembly meeting that elected the Board, to be selected from among experienced and competent candidates. Such appointment shall be notified to the Ministry within five (5) working days from the date of appointment, and shall be submitted to the Ordinary General Assembly at its first meeting. The new member shall complete the term of his predecessor. In case the number of Board members becomes less than the quorum stipulated by the Companies Law or these Bylaws, the remaining Board members shall call the Ordinary General Assembly to convene within sixty (60) days to elect the required number of members.

Article 24: Powers of the Board of Directors

Without prejudice to the powers of the General Assembly, the Board of Directors shall be vested with the broadest powers to manage the Company for the purpose of achieving its objectives, establish its policies, determine its investments, manage its business and funds, and conduct its affairs, inside and outside the Kingdom. The Board of Directors is, by way of example and without limitation, empowered to sell and mortgage the Company's real properties and assets including the Company's store, provided that the minutes of the Board of Directors shall stipulate the rationale of such disposal resolution, taking into account the following:

1. The Board shall specify the reasons and justifications for the sale in the decision.
2. The sale value shall be approximately equal to the fair market value.
3. The sale shall not be deferred, except in cases determined by the Board and with sufficient guarantees.
4. That such disposal does not result in the cessation of some of the Company's activities or impose additional obligations thereon.

The Board of Directors shall have all the authorities and powers to manage the Company, including, but not limited to, establishing the general policies of the Company in line with its purposes, achieving its objectives, and conducting all necessary actions and transactions.

The Board may enter into loan agreements with government funds and financing institutions irrespective of the term thereof, and enter into commercial loan agreements with banks, financial firms, and financing companies whose terms do not exceed the Company's duration, for any term, including loans whose terms exceed a period of three years, subject to the following conditions for contracting loans the terms of which exceed three years:

- a. The Board of Directors shall specify in its decision the purposes and the repayment terms of the loan.
- b. The loan conditions and guarantees provided therefor shall not harm the Company, its shareholders, and the general rights of creditors.

At its discretion, the Board of Directors may also discharge the Company's debtors from their obligations, as the Company's interest may dictate, provided that the minutes of the Board of Directors shall stipulate the rationale of such resolution, taking into account the following:

- a. The discharge from liability shall be at least one full year after the debt originated.
- b. The discharge shall be for a specified maximum amount per year per debtor.
- c. The discharge is a right of the Board of Directors and may not be delegated.



- d. Approve the Company's annual capital budgets and approve the internal, financial, administrative and technical regulations of the Company and the policies and regulations for its employees.
- e. Appoint its managers, appoint department managers and heads of departments, determine their powers, employees, ordinary and technical workers, determine their salaries and benefits, conclude contracts therewith, dismiss and discharge them.

Noting that all these powers and authorities are conferred inside and outside the Kingdom of Saudi Arabia, and the Board of Directors may authorize or delegate on its behalf, within the limits of its competence, one or more of its members or third parties to undertake a specific task(s) or action(s), and to revoke the delegations and authorizations in whole or in part.

The Board may also, within its competencies, delegate one or more of its members or third parties to carry out certain tasks.

Article 25: Remuneration of Board Members

The remuneration of the members of the Board of Directors shall be determined by the Ordinary General Assembly in accordance with the official instructions and within the limits of the Companies Law and its Regulations. The report of the Board of Directors to the Ordinary General Assembly shall include a comprehensive statement of all remuneration, expenses and other benefits received by Board members during the Fiscal Year. It shall as well contain a statement of payments made to members in their capacity as employees or executives, or in consideration for technical, administrative or consultancy assignments. The report shall also include the number of meetings held, and the number of meetings attended by each member from the date of the last Ordinary Assembly meeting.

Article 26: Powers of the Chairman, Vice Chairman, Managing Director and Secretary

The Board of Directors shall appoint a Chairman and a Vice Chairman from among its members, and may appoint a Managing Director. A single member may not concurrently hold the post of Chairman and any other executive position in the Company. The Board of Directors shall determine the powers and authorities of the Managing Director, if appointed.

The Chairman of the Board shall call for and chair Board meetings, as well as have the authority to buy and sell all types of real estate and lands, transfer title deeds and accept such transfers, receive and deliver, sign in that regard before the notary public, pay and collect the price; request amendments to deeds within boundaries and surface areas; complete or partial relinquishment, vacating, deletion, and addition; merge deeds, partition and subdivide; merge properties and deeds, request amendments to land and plot uses, and make additions, deletions, and relinquish or accept plots if applicable; convert agricultural lands into residential lands, modify the owner's name and civil registry number; modify boundaries, lengths, surface areas, plot numbers, plans, and deeds; change neighborhood names; lease, rent, sign, modify, or cancel lease contracts; participate with others on behalf of the Company; mortgage and redeem mortgages, buy and sell assets, stocks, shares, and bonds; transfer and accept transfers of shares and stocks for the Company's benefit; approve mergers with other companies, merge other companies into the Company; purchase or acquire other companies, establish companies, or participate in existing or under-establishment companies; in that regard, sign contracts, partner resolutions, amendments, modifications, additions, deletions, or capital increases or decreases, entry or exit of shareholders, Company objectives or management, name changes, legal entity conversions thereof or of all or any of their



branches; liquidation, or cancellation of articles of association and amendments thereto; participate in joint-stock companies as founders or contributors on behalf of the Company; register trade agencies and trademarks; obtain and renew main and subsidiary commercial records, make amendments thereto, such as deletion, addition, change, modification, or cancellation; reserve, renew and transfer trade names; open, manage, and operate current and investment accounts and stock portfolios in the name of the Company at all banks within and outside the Kingdom of Saudi Arabia, close or liquidate them, withdraw and deposit, sign checks, open credit lines, sign all necessary documents, issue bank guarantees, sign all related financial papers and documents, and perform all types of banking transactions; issue promissory notes, bills of exchange, and other commercial papers related to the Company's activities; issue invoice, pay the value of invoices, bills, and all obligations; receive account statements and checks; receive the value of shares, receive dividends, receive subscription surpluses; transfer between accounts, transfer from investment accounts to current accounts and vice versa; monitor all Company transactions, expedite and receive Company rights from third parties, whether in the form of checks, credits, cash, or bank guarantees, as well as liquidate them on behalf of the Company; receive profits due to the Company from all types of companies; receive settlements and compensations due to the Company from all government and private entities, individuals, companies, or banks; receive the value thereof, and sign on behalf of the Company in that regard as necessary; collect third party debts owed to the Company, pay the Company's outstanding debts; request Shariah-compliant banking facilities from all banks, Shariah-compliant borrowing from all banks, financial institutions, and government financial organizations, including real estate, industrial, and agricultural funds; receive and repay loans, conclude and sign contracts related to loans and provide guarantees related to the Company's activities; guarantee the companies in which the Company holds shares or stocks in proportion to its ownership of shares or stocks in said companies; sign all types of contracts, agreements, benefits, deals, agencies, and participate in government and non-governmental tenders on behalf of the Company without limitation; litigate, defend, file claims, reconcile, settle disputes, claim and waive rights, bring lawsuits, hear and respond to lawsuits, present evidence, make payments, challenge signatures and seals, claim forgery, request and reject oaths, amend documents, summon witnesses and evidence, contact seizure and enforcement departments, request seizure and enforcement, request and lift travel bans, request arbitration, appoint and replace experts and arbitrators, pursue all cases brought by or against the Company before all types of Shariah courts, administrative courts (Board of Grievances), all judicial bodies, commercial, financial, and banking dispute resolution committees, labor offices, labor relations departments, primary and higher labor committees, arbitration committees, and any other type of committees; accept or reject judgments, request their execution, object, appeal, request reconsideration, and annotate court orders; attend case hearings before all courts; receive enforcement amounts and appeal to the Supreme Court regarding cases brought by or against the Company; contract with consulting firms, appoint and dismiss lawyers and agents, approve the Company's business and operational plans; at his discretion, grant company officials the right to sign on behalf of the Company; request visas from labor and recruitment offices, handle their fees, issue exit, re-entry, and final visas, transfer and relinquish sponsorships; request visit visas, obtain and renew residencies and work permits; resolve to open branches inside and outside the Kingdom of Saudi Arabia, and obtain commercial registrations therefor; represent the Company before others, Shariah and administrative courts, all ministries, such as the Ministry of Municipal and Rural Affairs, municipalities, the Ministry of Interior, the Ministry of Foreign Affairs, the Ministry of Commerce, the Ministry of Industry, the Ministry of Transportation, the Ministry of Health, the Ministry of Education, the Ministry of Higher Education, the Ministry of Planning, the Ministry of Petroleum and Mineral Resources, the Ministry of Justice, the Ministry



of Human Resources and Social Development, the Ministry of Finance, the Ministry of Environment, Water and Agriculture, the Communications, Space & Technology Commission, the Ministry of Housing, Saudi embassies abroad, all government and legal departments, notary publics, police, civil rights, regional and provincial emirates and centers, the General Directorate of Passports, the Transport General Authority, the Zakat, Tax and Customs Authority, all executive, private, individual, and banking entities; sign before all chambers of commerce and industry within and outside the Kingdom of Saudi Arabia; at his discretion, delegate or revoke the delegation of anyone before all chambers of commerce; attend meetings of constituent assemblies, conversion assemblies, and ordinary and extraordinary assemblies of companies in which the Company participates, vote on behalf of the Company, and sign all necessary documents for that purpose; sign pledges in favor of government and private banks, industrial, real estate, investment, and agricultural development funds.

The Board of Directors shall appoint a secretary chosen from among its members or others, and shall determine the responsibilities and remuneration thereof. The term of the Chairman of the Board, the Vice Chairman, the Managing Director and the Secretary shall not exceed the term of their membership on the Board. They may be re-elected, and the Board has the right to dismiss any of them at any time without prejudice to the rights of those affected by such dismissal if it were unjustified or occurred at an inappropriate time.

Article 27: Meetings of the Board of Directors

The Board of Directors shall meet twice a year at least, upon an invitation from the Chairman, which shall be made in writing and accompanied by a meeting agenda. The Chairman shall call the Board to convene a meeting whenever two members so request, with the invitation addressed to each member by registered mail, delivered in person, by fax or e-mail, at least two (2) weeks prior to the date set for the meeting, provided that all members sign the minutes of each meeting.

Article 28: Meeting Quorum

A Board meeting shall be quorate if attended by at least three (3) members serving as principals. Any member of the Board may authorize another member of the Board to attend the board meeting, in accordance with the following controls:

1. a member of the Board of Directors may not act on behalf of more than one Board member during the same meeting;
2. a proxy shall be made in writing and specific to a meeting; and
3. a Board member acting by proxy may not vote on resolutions on which his principal is prohibited from voting.

Board resolutions shall be adopted by a majority vote of the members present or represented thereat, with the Chairman casting the deciding vote in case of a tie. The Board of Directors may adopt resolutions by circulation by presenting them to the members separately, unless one of the members requests in writing a meeting of the Board to deliberate thereon, with such resolutions passed if adopted by the absolute majority of Board members and consequently presented to the Board in its first subsequent meeting.





Article 29: Board Deliberations

Deliberations of the Board shall be recorded in minutes to be signed by the Chairman, attending members and the Secretary. Such minutes shall be entered in a special register to be signed by the Chairman and the Secretary.

CHAPTER FIVE: SHAREHOLDERS ASSEMBLIES

Article 30: Assembly Attendance

Irrespective of the number of shares held thereby, each Shareholder shall have the right to attend General Assembly meetings, and may also authorize a third party, other than Board members or Company employees, to attend the General Assembly on their behalf.

Article 31: Conversion Assembly

The Shareholders shall invite all subscribers to convene a conversion assembly within forty-five (45) days from the date of the Ministry's resolution approving the Company's conversion. The meeting shall be quorate if attended by a number of subscribers representing at least half of the share capital. If said quorum is not met, a second meeting shall be called, to be held at least fifteen (15) days from the invitation thereto.

In all cases, the second meeting shall be quorate irrespective of the number of subscribers represented thereat.

Article 32: Competences of the Conversion Assembly

The Conversion Assembly shall be competent to deal with the matters set out in Article 63 of the Companies Law.

Article 33: Competences of the Ordinary General Assembly

Except for matters reserved for the Extraordinary General Assembly, the Ordinary General Assembly shall be competent to deal with all Company matters. The Ordinary General Assembly shall be convened at least once a year, within six (6) months following the end of the Company's fiscal year. Additional Ordinary General Assembly meetings may be convened, whenever needed.

Article 34: Competences of the Extraordinary General Assembly

The Extraordinary General Assembly shall have the power to amend the Bylaws, except for such provisions as may be impermissible to be amended under the law. Furthermore, the Extraordinary General Assembly may pass resolutions on matters falling within the competence of the Ordinary General Assembly, under the same rules and conditions applicable thereto.

Article 35: Convening General Assemblies

General or Special shareholder Assemblies shall be convened by the Board of Directors. The Board of Directors shall convene an Ordinary General Assembly if requested to do so by the auditor, the Audit Committee, or a number of shareholders representing at least five percent (5%) of the Company's share capital. The auditor may call for an assembly to be convened when the Board of Directors fails to call for such a meeting within thirty (30) days of the auditor's request to do so.

The summons shall be published in a daily newspaper circulated in the area where the Company's head office is located, at least twenty one (21) days prior to the time set for such meeting. However,

notice may be given to all Shareholders via registered letters within the timeframe set above. A copy of the notice and the agenda shall be sent to the Ministry within the period set for publication.

Article 36: Assembly Record of Attendance

Shareholders who wish to attend General or Special Assembly meetings shall register their names at the Company's head office before the time specified for the Assembly.

Article 37: Ordinary General Assembly Quorum

Ordinary General Assembly meetings shall be quorate only if attended by Shareholders representing at least one quarter (1/4) of the Company's share capital. If such quorum is not met during said meeting, a second assembly meeting shall be held one hour after the time fixed for the first meeting, provided that the invitation for the first meeting included the possibility of holding the second meeting. In the event that the first invitation does not provide for the possibility of holding a second meeting, an invitation shall be sent for a second meeting to be held within (30) thirty days following the previous meeting, which invitation shall be published in the manner prescribed under Article 35 hereof.

In all cases, the second meeting shall be valid regardless of the number of shares represented thereat.

Article 38: Extraordinary General Assembly Quorum

Extraordinary General Assembly meetings shall be quorate only if attended by Shareholders representing at least half (1/2) of the Company's share capital. If such quorum is not met during said meeting, a second assembly shall be held one hour after the time fixed for the first meeting, provided that the invitation for the first meeting included the possibility of holding the second meeting. In the event that the first invitation does not provide for the possibility of holding a second meeting, an invitation shall be sent for a second meeting to be held under the same conditions stipulated in Article 38 hereof.

In all cases, the second meeting shall be valid if attended by shareholders representing at least one quarter of the capital.

If the required quorum is not met during the second meeting, an invitation shall be sent for a third meeting to be held under the same conditions stipulated in Article 38 hereof, and the third meeting shall be valid irrespective of the number of shares represented thereat, with the approval of the competent authority.

Article 39: Voting at Assemblies

Each subscriber shall have one vote for every share represented thereby at the Conversion Assembly; and each Shareholder shall have one vote for every share represented at General Assemblies. Cumulative voting shall be used when electing the Board of Directors.

Article 40: Assembly Resolutions

Resolutions of the Conversion Assembly shall be adopted by an absolute majority of the shares represented thereat. Ordinary General Assembly resolutions shall be adopted by an absolute majority of the shares represented at the meeting. On the other hand, Extraordinary General Assembly resolutions shall be adopted by a two-thirds (2/3) majority of the shares represented at



the meeting, unless the resolution to be adopted is related to increasing or reducing the capital, extending the Company's term, dissolving the Company prior to the expiry of the term specified therefor in these Bylaws or merging the Company with another company; in which case, such resolutions shall be valid only if adopted by a majority of three quarters (3/4) of the shares represented at the meeting.

Article 41: Assembly Deliberations

Each shareholder shall have the right to discuss the items listed in the General Assembly's agenda and to direct questions in respect thereof to the members of the Board and the auditor. The Board or the auditor shall answer the Shareholder's questions to the extent that doing so is not detrimental to the Company's interests. If the Shareholder deems the answer to the question unsatisfactory, then they may refer the issue to the General Assembly and the latter's decision in this regard shall be binding.

Article 42: Presiding over General Assemblies and the Keeping of Minutes

The General Assembly of Shareholders shall be presided over by the Chairman of the Board of Directors or, in his absence, the Vice-Chairman or, in their absence, the Board designated member.

Meeting minutes shall be drafted indicating the number of attending shareholders or representatives, the number of shares represented in person or by proxy, the number of votes associated therewith, the resolutions passed, the number of votes in favor and against, as well as a comprehensive summary of the discussions that took place during the meeting. Such minutes shall be regularly recorded after each meeting in a special register to be signed by the Chairman of the Assembly, the Secretary, and the Canvasser.

CHAPTER SIX: AUDIT COMMITTEE

Article 43: Formation of the Committee

An audit committee shall be formed by virtue of a resolution passed by the Ordinary General Assembly and shall consist of three (3) non-executive Board members, whether from among the Shareholders or others. The resolution shall specify the Committee's responsibilities, the rules governing its activities, and the remuneration of its members.

Article 44: Committee Quorum

Audit Committee meetings shall be quorate if attended by the majority of its members. Its resolutions shall be adopted by a majority vote of attending members; ties shall be decided by the vote of the Committee Chairman.

Article 45: Committee Responsibilities

The Audit Committee shall be responsible for overseeing the Company's business, and, towards that end, shall have access to Company records and documents. It shall also be entitled to request that Board members or executive directors provide it with clarifications or statements, as well as be entitled to request that the Board of Directors calls for the convening of the Company's General Assembly, if the Board hinders the performance of the Committee's duties, or when the Company suffers material damages or losses.





Article 46: Committee Reports

The Audit Committee shall be responsible for reviewing the Company's financial statements, as well as the reports and notes submitted by the auditor, and provide an opinion in their regard, if any. It shall also draft an opinion concerning the adequacy of the Company's internal oversight control systems, and submit reports relating to other duties that fall within its purview. The Board of Directors shall ensure that a sufficient number of copies of said report be made available at the Company's head office at least twenty-one (21) days prior to the General Assembly meeting date, in order to provide desirous shareholders with a copy thereof. Said report shall be read during the Assembly meeting.

CHAPTER SEVEN: AUDITOR

Article 47: Appointment of the Auditor

The Company shall have an auditor to be selected from among those licensed to work in Saudi Arabia. Such auditor shall be appointed annually and the compensation and term of office thereof shall be fixed by the Ordinary General Assembly. The Assembly may, at any time, replace said auditor without prejudice to the latter's right for compensation, if the replacement decision were unlawful or occurred at an inappropriate time.

Article 48: Responsibilities of the Auditor

The auditor shall, at all times, have access to the Company's books, records and any other documents. It may also request information and clarification, as it deems necessary, to verify the Company's assets, liabilities and other matters that may pertain to the scope of its activities. The Chairman of the Board of Directors shall enable the auditor to perform its duties; and when the auditor encounters difficulties in that regard, the latter shall document the same in a report to be submitted to the Board of Directors. Failure of the Board to facilitate the work of the auditor shall result in the latter requesting that the Board calls for a meeting of the Ordinary General Assembly to examine the matter.

CHAPTER EIGHT: COMPANY ACCOUNTS AND DISTRIBUTION OF PROFITS

Article 49: Fiscal Year

The Company's Fiscal Year shall commence on the 1st of January and expire on the 31st of December of each year. The Company's first Fiscal Year shall commence on the date of its registration as a joint stock company in the Commercial Register and end on 31/12/2022G.

Article 50: Financial Documents

1. At the end of each Fiscal Year, the Board of Directors shall prepare the Company's financial statements together with a report on its business and financial position for the ended Fiscal Year. This report shall include the proposed method for distributing profits. The Board of Directors shall place such documents at the disposal of the auditor at least forty-five (45) days prior to the date set for convening the General Assembly.
2. The Chairman of the Board, CEO and CFO shall sign the documents referred to above. A copy thereof shall be placed at the Company's head office at the disposal of Shareholders at least twenty-one (21) days prior to the date set for the General Assembly meeting.

3. The Chairman of the Board shall provide Shareholders with the Company's financial statements, Board of Directors' report and auditor's report unless they are published in a daily newspaper distributed at the Company's Head Office. The Chairman shall also send a copy thereof to the Ministry at least fifteen (15) days prior to the date set for the General Assembly meeting.

Article 51: Distribution of Profits

1. Ten percent (10%) of net profits shall be set aside to form a statutory reserve. Such setting aside may be discontinued by the Ordinary General Assembly when said reserve thirty percent (30%) of the Company's paid-up capital.
2. The Ordinary General Assembly may, upon recommendation of the Board of Directors, set aside ten percent (10%) of the net profits to form a contractual reserve to be allocated for one or more specific purposes.
3. The Ordinary General Assembly may decide to form other reserves to the extent that achieves the interests of the Company or guarantees steady distribution of profits to shareholders. Said Assembly may also deduct certain amounts from the net profits to set up social institutions for the Company's employees or to support any existing institutions.
4. After the foregoing, the remainder shall be distributed to the shareholders at a percentage equal to no less than 5% of the Company's paid-up capital.
5. Subject to the provisions stipulated in Article 25 of these Bylaws and Article 76 of the Companies Law, no more than (10%) of the remainder shall be distributed to members of the Board of Directors, provided that the entitlement to this remuneration is appropriate with the number of sessions attended by the member.

Article 52: Entitlement to Dividends

Shareholders shall be eligible to receive dividends pursuant to a General Assembly resolution adopted in that regard and indicating the entitlement and distribution dates. Shareholders eligible to receive dividends shall be those whose names appear on the Shareholders Register at the end of the entitlement date.

Article 53: Distribution of Dividends to Preferred Shares

1. If dividends are not distributed for any fiscal year, the dividends earned in subsequent years may not be distributed until the percentage stipulated under Article 114 of the Companies Law is paid to preferred shareholders for that year.
2. If the Company fails to pay the dividends set out under Article 114 of the Companies Law for three consecutive years; then, the special assembly of said preferred shareholders, convened in accordance with the provisions of Article 89 of the Companies Law, shall decide to either attend General Assembly meetings and participate in voting thereat, or appoint representatives to the Board of Directors proportionate to the value of their shares in the Company's capital, until such date when the Company is able to pay all preferred dividends allocated to holders of such shares for the previous years.





Article 54: Company Losses

1. If, at any time during the fiscal year, the Company's losses total half of its paid-up capital, then any Company official or auditor, upon becoming aware thereof, must inform the Chairman of the Board of Directors, who shall immediately inform the members of the Board, which, within fifteen (15) days of being informed thereof, shall call for an Extraordinary General Assembly meeting to be convened within forty-five (45) days of being informed of the losses, to consider whether to increase or decrease the Company's capital, in accordance with the provisions of the Companies Law, in order to render losses equal to less than half of the paid-up capital, or dissolve the Company prior to the end of its term, as specified herein.
2. The Company shall be deemed dissolved under the Companies Law when its General Assembly fails to convene within the period specified in Paragraph 1 of this Article; or if it does convene, but fails to reach a decision in that regard; or when it resolves to increase the capital as per the conditions set forth in this Article, but the capital increase is not subscribed to in full within ninety (90) days of the Assembly's resolution to increase the capital.

CHAPTER NINE: DISPUTES

Article 55: Liability Action

Each Shareholder shall have the right to file a liability action, vested in the Company, against members of the Board of Directors who have committed a mistake that caused said Shareholder to suffer damages. Such liability action may only be filed by the Shareholder, if the Company's right to file such action remains valid. The Shareholder shall notify the Company of their intention to file such action.

CHAPTER TEN: DISSOLUTION AND LIQUIDATION OF THE COMPANY

Article 56: Expiry of the Company

Upon its expiry, the Company shall enter liquidation and retain its legal personality to the extent necessary for liquidation. The Extraordinary General Assembly shall adopt a resolution to voluntarily liquidate the Company, with said resolution appointing a liquidator, and defining the latter's powers, compensation, and restrictions imposed on said powers, as well as the timeframe to conclude liquidation, which, in cases of voluntary liquidation must not exceed five (5) years that cannot be extended except by court order. The powers of the Board of Directors shall cease upon the Company's dissolution. However, the Board of Directors shall remain responsible for the management of the Company and take on the capacity of liquidator, until the latter is appointed. During liquidation, shareholder assemblies shall remain active and retain such responsibilities vested in them that do not conflict with those of the liquidator.

CHAPTER ELEVEN: FINAL PROVISIONS

Article 57

The Companies Law and its Regulations shall apply to all other matters not specifically provided for herein.

Article 58

These Bylaws shall be filed and published in accordance with the Companies Law and Regulations thereof.

