

General Assemblies (2)

As part of CMA's pursuit to promote the investment awareness amongst persons who deal in securities activities, and as an emphasis on the importance of the general assemblies, particularly the ones related to investment evaluation and knowing the company's financial situations, approaches, and future decisions.

And in line with CMA pursuit to keep the persons who deal in securities activities informed of the matters relevant to the general assemblies in respect of types and competences at the present time, which is the time of announcing the financial statements, the CMA is pleased to present the second part on general assemblies. The part will include the main elements of general assemblies and the functions of each.

Board of Directors

The board of directors calls for the ordinary and extraordinary general assembly to convene. The invitation may also be directed upon the request of other parties according to the provisions of Decree-law No. 25 of 2012 on issuing the Companies Law. The board shall specify the time, place and agenda of the meeting and seek the attendance of the largest number possible of the shareholders. The board must ensure the availability of all the information and documents relevant to the subject being discussed in the assembly, in addition to preparing the board's report on the company's activity and financial status.

Head of the General Assembly

The head of the general assembly is responsible for opening and managing the meeting. He/she should also announce the number of shares

subject of the meeting, the percentage of attendants, and quorum in the meeting, reading the agenda items, and inviting the

Ordinary General Assembly

It is the assembly which convenes upon the board of directors' invitation within three months after the end on the financial year at the time and place appointed in the company's contract. The board may call for a meeting whenever it deems necessary, and it should also invite the assembly to convene upon a reasoned request by shareholders who own 10% of the company's capital, or upon the auditors' request. This shall be within 15 days from the request date. The Ministry of Commerce and Industry shall invite the general assembly to convene within 15 days, if the board of directors does not call for a meeting for any reason in the cases which require the board's call for a meeting.

The Ministry shall take the required measures for holding the meeting instead of the board of directors. It may head the meeting, unless the assembly elects one of the shareholders for such purpose.

Extraordinary General Assembly

It is the assembly which convenes upon the board of directors' invitation or upon a reasoned request by shareholders who represent 15% of the company's issued capital, or by the request of the Ministry of Commerce and Industry. The board of directors shall invite the extraordinary general assembly within 30 days from the date of the request. If the board of directors does not invite the assembly to convene within such period, the Ministry shall call for a meeting within 15 days from the end date of the specified period.