

Shareholders' Rights and Responsibilities



Bahrain Cinema Company B.S.C

Shareholders' Rights

- a. To become members of the Company;
- b. To receive his/her share of dividends in the event a resolution is passed to distribute the same to the shareholders;
- c. To receive his/her share of capital that might be distributed in the event of any reduction of the capital;
- d. To receive his/her share of Company's assets upon liquidation;
- e. To take part in the management of Company's business by way of General Meeting or the Board of Directors in accordance with the provisions of the Company's Articles of Association, the Corporate Governance Code and the Commercial Companies Law;
- f. To dispose of his/her shares he owns and to have pre-emption rights for new shares in accordance with the Law;
- g. To receive a report, following each financial year, containing the balance sheet, profit and loss account, Board of Directors Report, Auditors' Report and Corporate Governance report;
- h. To file a nullification suit against a resolution passed by the General Meeting or the Board of Directors which is inconsistent with the Law, its implementing Regulations, public order, the Company's Memorandum of Association or to the Articles of Association;
- i. To examine the Company's record and to obtain copies or extracts of its records in accordance with the provisions set out in the Articles of Association, provided that the use thereof shall not result in damaging the Company's or other's interest or financial position;
- j. To file a case against the Company in accordance with Article 168(bis) of the Commercial Companies Law;
- k. To appoint the Directors and the Company's external auditors in the General Meeting;
- l. To attend and be represented in the General Meeting of the Shareholders;
- m. To enjoy fair and equitable treatment by the Directors and executive management, without bias or concealed interests;
- n. Any shareholder who owns 10% or more of the company's capital has the right to designate representatives in the Board of Directors. In this case, he forfeits his right to vote in the proportion he designates representative for it. Shareholders who don't use their right to appoint members in the Board of Directors, or don't have the proportion that entitles them to appoint other members, may use that proportion in voting;
- o. Any other right provided for in accordance with the Articles of Association of the Company and the laws of the Kingdom of Bahrain.

Shareholders' Responsibilities

- a. To pay any installments due by the shareholder on the due date with respect to his/her shares in the company.
- b. To pay the expenses incurred by the Company in recovering the overdue amounts due from him/her regarding the paid-up capital;
- c. To refrain from doing any act that may harm the Company;
- d. To respect, fulfill, and execute all legal resolutions of the General Meetings of the shareholders.

SHAREHOLDERS' MEETINGS

- a. Each shareholder has the right to attend the General Meeting and he/she may appoint another shareholder or a third party to act as his proxy who is not the Chairman, members of the Board or employees of the Company, without prejudice to the right to give a proxy to relatives of the first degree;
- b. The Board of Directors shall encourage the greatest possible number of shareholders to attend general meetings by choosing the appropriate place and time for holding such meetings;
- c. The invitations to shareholders' Annual and Extraordinary General Meetings shall be clear and not misleading, and shall include an explanation of the items to be discussed at these meetings;
- d. The Company shall give the shareholders the opportunity to vote without discrimination, keep them informed of all the rules governing the voting procedures;
- e. The shareholders shall have the right to discuss the issues on the agenda of the general meeting, including corporate governance, and to ask questions thereon to the Directors and external auditor. These questions shall be answered to the extent that they do not jeopardize the Company's interest
- f. A member shouldn't participate in voting for himself or on behalf of the one he represents, on matters concerning direct private benefit related to him or concerning a dispute between him and the Company;
- g. Disclosure of all material facts shall be made to the shareholders by the Chairman prior to any vote by the shareholders;
- h. Prior to the general meeting, shareholders shall have adequate access to information on agenda items, particularly the Board of Directors Report, Auditor's Report, financial statements and Corporate Governance report, to enable them to make informed decisions thereof;
- i. The minutes of the general meeting shall be made available to shareholders by uploading it on the Bahrain Bourse's and Company's website.

DIRECT SHAREHOLDERS' COMMUNICATION

- a. The Board Directors shall maintain ongoing personal contact with key shareholders to solicit their views and understand their concerns.
- b. The Chairman shall ensure that the views of shareholders are communicated to the Board as a whole.
- c. The shareholders may directly contact to the Company Secretary in case of any queries.

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