



Date:06/07/2022

إشارة: CO/ALG/23/2022

التاريخ: 2022/07/06

Dear/Boursa Kuwait Company  
Greeting,

السادة/ شركة بورصة الكويت  
المحترمين  
تحية طيبة وبعد،

**Subject: Outcomes of the Ordinary and  
Extra-Ordinary General Assembly  
Meeting of the Company (ALG)**

**الموضوع: نتائج إجتماع الجمعية العامة العادية  
وغير العادية للشركة (الغانم)**

With reference to the above subject, and according to requirements of module ten (Disclosure and Transparency) of the executive bylaws of law No.7 of 2010 regarding the establishment of the Capital Markets Authority and the regulating securities activities and its amendments, we would like to attach the Appendix No. (10) "Disclosure of Material Information" regarding the outcomes of Ordinary and Extra-Ordinary General Assembly Meeting of Ali Alghanim Sons Automotive Co (K.S.C.P).

بالإشارة إلى الموضوع أعلاه، ووفقاً لمتطلبات الكتاب العاشر (الإفصاح والشفافية) من اللائحة التنفيذية للقانون رقم 7 لسنة 2010 بشأن إنشاء هيئة أسواق المال وتنظيم نشاط الأوراق المالية وتعديلاته، نود أن نرفق لكم الملحق رقم (10) "الإفصاح عن المعلومات الجوهرية" بشأن نتائج إجتماع الجمعية العامة العادية وغير العادية لشركة أولاد علي الغانم للسيارات (ش.م.ك.ع).

sincerely yours,

وتفضلوا بقبول فائق التحية والإحترام،

**Fahad Ali Mohammad Alghanim  
Chairman**

**فهد علي محمد الغانم  
رئيس مجلس الإدارة**





## نموذج الإفصاح عن المعلومات الجوهرية

## Disclosure of Material Information Form

Date:	06/07/2022	التاريخ:
Name of The Listed Company:	Ali Alghanim Sons Automotive (K.S.C.P)	اسم الشركة المدرجة:
		شركة أولاد علي الغانم للسيارات (ش.م.ك.ع)
Material Information		المعلومات الجوهرية
We would like to notify you that the Ali Alghanim Sons Automotive' Company's Ordinary and Extra-Ordinary General Assembly Meeting have been convened on Wednesday, 06/07/2022 at the company's building, Shuwaikh, the Airport Road, Ali Alghanim Sons Automotive showroom, And have been approved unanimously of items both of Assemblies Meeting Agendas.		نود إخطاركم بأنه قد تم عقد إجتماع الجمعية العامة العادية وغير العادية لشركة أولاد علي الغانم للسيارات يوم الأربعاء الموافق 2022/07/06 في مقر الشركة بمنطقة الشويخ الصناعية، شارع المطار، بمعرض أولاد علي الغانم للسيارات. وقد تمت الموافقة بالإجماع على بنود جدول أعمال إجتماع الجمعيتين.
Significant effect of the material information on the financial position of the company		أثر المعلومات الجوهرية على المركز المالي للشركة
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**Outcomes of the Ordinary General Assembly Meeting**  
**Ali Alghanim Sons Automotive Company**  
**(K.S.C.P)**

1- Approved of authorizing the Board of Directors to buy or sell or deal with the company's shares in accordance with the provisions of executive bylaw of law No.(7) of 2010 and its amendments regarding the establishment of the Capital Markets Authority and the regulating securities activities.

**Outcomes of the Extra-Ordinary General Assembly Meeting**  
**Ali Alghanim Sons Automotive Company**  
**(K.S.C.P)**

1- Approved of the amendment of Article No (3) of the Memorandum of Association, and Articles No (1), (6), (7), (13), (14), (24), (27), (30), (32), (33), (34), (35), (39), (45), (55) and (56) of the Company's Articles of Association, and approved of adding Articles No (72) and (73) of the Company's Articles of Association, as follows:

Article text after amendment	Article text before amendment
<b>Memorandum of Association</b>	
<p>Article (3)</p> <p>Company's name is: Ali Alghanim Sons Automotive Company, its trade name, Kuwaiti Shareholding Company Public.</p>	<p>Article (3)</p> <p>Company's name is: Ali Alghanim Sons Automotive Company, its trade name, Kuwaiti Shareholding Company Closed.</p>
<b>Article of Association</b>	
<p>Article (1)</p> <p>The company incorporated in accordance with the provisions of Companies Law No.1/2016, and its amendments, its executive bylaw and this Articles of Association between the owners of the shares, the provisions of which are set forth hereinafter, Kuwaiti Shareholding Company Public (K.S.C.P) registered as Ali Alghanim Sons Automotive Company (K.S.C.P).</p>	<p>Article (1)</p> <p>The company incorporated in accordance with the provisions of Companies Law No.1/2016, and its amendments, its executive bylaw and this Articles of Association between the owners of the shares, the provisions of which are set forth hereinafter, Kuwaiti Shareholding Company Closed (K.S.C.C) registered as Ali Alghanim Sons Automotive Company (K.S.C.C).</p>
<p>Article (6)</p> <p>The company's shares are nominal which (may) be owned by non-Kuwaitis in accordance with the provisions of the law and the Organizing ministerial decisions.</p> <p>The company may issue different classes of shares in terms of voting, profits, liquidation result, or otherwise, such as priority of paying capital and profits, voting rights, accumulation of profits, redemption of preferred shares, conversion rights, any participation in surplus assets in the event of liquidation, any participation in profits provided that each of these rights is detailed in the subscription prospectus issued by the company when these shares are issued.</p> <p>The privileges, rights or restrictions pertaining to a specific type of shares can only be amended by resolution of the extraordinary</p>	<p>Article (6)</p> <p>The company's shares are nominal which (may) be owned by non-Kuwaitis in accordance with the provisions of the law and the Organizing ministerial decisions.</p>

موقع: ص.ب. 21540



<p>general meeting with the approval of two-thirds of the holders of the type of shares that are subject of the amendment.</p> <p>The Capital Markets Authority shall issue the rules and regulations for issuing preferred shares and converting them into ordinary shares as well as the rules and procedures for their redemption by the company. The Capital Markets Authority shall also issue the rules and regulations on the trading of preferred shares.</p>	
<p>Article (7)</p> <p>The authorized capital may not be increased unless the value of the original shares has been paid in full. The extraordinary general meeting may authorize the board of directors to determine the date of its implementation, types, methods, terms and conditions, the board of directors of the company may issue a resolution to increase the issued capital within the limits of the authorized capital, provided that the issued capital has been fully paid.</p> <p>The capital shall be increased by the issuing of shares which shall be subscribed for in one or more of the following ways:</p> <ol style="list-style-type: none"> <li>1.Offering of the shares of the capital increase for public subscription.</li> <li>2.Conversion of voluntary reserves, retained earnings or amounts above the minimum statutory reserves into shares.</li> <li>3.Conversion of the company's debts, bonds or Sukuk into shares.</li> <li>4.Offering of in-kind contributions.</li> <li>5.Issuing new shares in favor of new shareholders to be presented by the board of directors and approved by the extraordinary general meeting.</li> <li>6.Any other methods provided for in the executive regulations.</li> </ol> <p>In all cases the nominal value of shares of the capital increase shall be equal to the nominal value of the original shares.</p> <p>In the case of a capital increase by offering of shares for public subscription, the shareholders shall have a preemption right to subscribe for the new shares pro rata to their shareholding, to be exercised within fifteen days from the date of their notification, a shareholder may assign his pre-emption right to subscribe to another shareholder or a third party with or without consideration, subject to an agreement between the shareholder and the assignee.</p>	<p>Article (7)</p> <p>The authorized capital may not be increased unless the value of the original shares has been paid in full. The extraordinary general meeting may authorize the board of directors to determine the date of its implementation, the board of directors of the company may issue a resolution to increase the issued capital within the limits of the authorized capital, provided that the issued capital has been fully paid, new shares may not be issued less than their nominal value.</p>



In the event of a capital increase by offering shares for public subscription, the public shall be invited to subscribe for the company's shares based on a subscription prospectus that contains the details and satisfies the requirements stipulated in Capital Markets Authority law its executive bylaw.

If the shares of the capital increase are issued against in-kind contributions, such shares shall be assessed in accordance with the provisions of this law, and the ordinary general meeting shall serve as the constituent meeting in this regard.

If the capital is increased through the conversion of the voluntary reserves, retained earnings or amounts above the minimum statutory reserves or premium into shares, the company can issue bonus shares at par without a premium and shall allot such shares to shareholders in proportion to their participation in the capital.

If the capital is increased through the conversion of debt of the company, bonds or Sukuk into shares, the provisions stipulated in this law and its executive regulations shall be applied, new shares may not be issued at less than their nominal value unless the regulatory authorities agree within the controls and conditions stipulated in the executive regulations, and if they are issue for more than that, they shall be added in a separate item in the name of (issuance premium reserve) after paying the issuance expenses.

#### Article (13)

The company shall deal with all shareholders owning the same type of shares equally and without any discrimination. The company shall not under any circumstances with hold any rights from any group of shareholders or develop standards that discriminate groups of shareholders, in order to incorporate such rights, in a manner that does not damage the company interests or comes in contradiction with this Law, and its executive bylaws, and any of their issued regulations and regulatory controls.

#### Article (14)

Securities issued by a company shall be subject to a central depository system for securities at a clearing agent. The depository receipt of the securities held at such clearing agent shall serve as title deed of the securities, and each owner shall be handed a receipt enumerating the securities he owns.

The company shall have a special register to be held with a clearing agent, in which the names of the shareholders, their nationalities, their domicile and the number and type of shares owned by each one of them as well as the value paid for each share shall be recorded.

Any changes to the particulars recorded in the register shall be

#### Article (13)

Each share entitles its holder to a share equal to the share of others without discrimination in the ownership of the company's assets and in the divided profits.

#### Article (14)

The company shall have a special register to be held with a clearing agent, in which the names of the shareholders, their nationalities, their domicile and the number and type of shares owned by each one of them as well as the value paid for each share shall be recorded.

Any changes to the particulars recorded in the register shall be amended in the shareholders register in accordance with the particulars received by the company or the clearing agent.

Each party with an interest may request the company or clearing agent to provide it with details from the register.



<p>amended in the shareholders register in accordance with the particulars received by the company or the clearing agent.</p> <p>Each party with an interest may request the company or clearing agent to provide it with details from the register.</p>	
<p>Article (24)</p> <p>A board of directors shall manage the company composed of (7) members, a term of board membership shall be three years, subject to renewal. It shall include one or more of independent members fulfills the conditions required by the regulatory authorities, provided that the number of independent members does not exceed half of the members of a Board of Directors. It is not required that the independent member be shareholder of the company.</p> <p>If a new board of directors is not elected at the specified time, the existing board of directors shall continue to manage the operations of the company until the grounds therefore are eliminated and a new board of directors is elected.</p>	<p>Article (24)</p> <p>A board of directors shall manage the company composed of (5) members, a term of board membership shall be three years, subject to renewal.</p> <p>If a new board of directors is not elected at the specified time, the existing board of directors shall continue to manage the operations of the company until the grounds therefore are eliminated and a new board of directors is elected. under the commercial registration certificate dated 11/23/2020</p>
<p>Article (27)</p> <p>The company shall have one chief executive officer or more to be appointed by the board of directors from amongst or outside its members. The chief executive officer shall be assigned the task of managing the company. The board of directors shall determine his remuneration and his powers to sign on behalf of the company. The positions of chairman of the board of directors and chief executive officer shall not be combined.</p>	<p>Article (27)</p> <p>The company may have a chief executive officer appointed by the board from within the board members or others, who shall manage the company. The board shall assign the chief executive officer's allowances and authorities thereof for signing on behalf of the company.</p>
<p>Article (30)</p> <p>The meeting of the board of directors shall only be valid if attended by half of the members, provided that the number of those present shall not be less than four members. Participation via modern communication methods shall be permissible. Resolutions may be passed by way of circulation, subject to the approval of all members of the board of directors.</p> <p>The board of directors shall meet at least six times a year, unless the Company Contract stipulates a greater number of meetings, a member of the board of directors may loses his position in the board if he fails to attend four consecutive meetings without a legitimate excuse by a decision of the board of directors.</p>	<p>Article (30)</p> <p>The meeting of the board of directors shall only be valid if attended by half of the members, provided that the number of those present shall not be less than three members. Participation via modern communication methods shall be permissible. Resolutions may be passed by way of circulation, subject to the approval of all members of the board of directors.</p> <p>The board of directors shall meet at least six times a year, unless the Company Contract stipulates a greater number of meetings.</p>
<p>Article (32)</p> <p>If a membership position in the board of directors becomes vacant, it shall be occupied by the person who obtained most of the votes of those who failed to win the vote for membership in the board of directors. If for any reason this is not possible, it shall be occupied by the next such person.</p> <p>However, if one quarter of the initial positions become vacant, and no one met the conditions, the board of directors shall invite the ordinary general meeting to convene within two months as of the date the last such position becomes vacant and shall elect new members to occupy the vacant positions.</p>	<p>Article (32)</p> <p>If a membership position in the board of directors becomes vacant, it shall be occupied by the person who obtained most of the votes of those who failed to win the vote for membership in the board of directors. If for any reason this is not possible, it shall be occupied by the next such person. The new member of the board of directors shall only complete the term of his predecessor.</p> <p>However, if one quarter of the initial positions become vacant, the board of directors shall invite the ordinary general meeting to convene within two months as of the date the last such</p>



<p>If one of the appointed members becomes vacant, the shareholder shall appoint a successor if is appointed by the shareholder, but if is appointed by another person, the shareholder shall appoint a successor who shall be appointed according to his ownership in the capital of the company. The new member of the board of directors shall only complete the term of his predecessor.</p>	<p>position becomes vacant and shall elect new members to occupy the vacant positions.</p>
<p>Article (33)</p> <p>Any person nominated for membership in the board of directors shall meet the following requirements:</p> <ol style="list-style-type: none"> <li>1. He shall have the legal capacity to act.</li> <li>2. He shall not be convicted of a criminal offence with the punishment of incarceration, the crime of negligent bankruptcy or fraud, crime against honor or honesty or any crime in violation of the provisions of this law, unless he has been rehabilitated.</li> <li>3. With the exception of independent members, he shall personally hold or be the representative of someone who holds a number of shares in the company.</li> </ol> <p>If a member of the board of directors fails to satisfy any of the above requirements or any other requirements as may be stipulated in this law or any other laws, he shall lose the capacity to be a member as of the date such requirement falls away.</p>	<p>Article (33)</p> <p>Any person nominated for membership in the board of directors shall meet the following requirements:</p> <ol style="list-style-type: none"> <li>1. He shall have the legal capacity to act.</li> <li>2. He shall not be convicted of a criminal offence with the punishment of incarceration, the crime of negligent bankruptcy or fraud, crime against honor or honesty or any crime in violation of the provisions of this law, unless he has been rehabilitated.</li> <li>3. To be a personal owner, or the person representing, of (10) of the company's shares. If a member of the board of directors fails to satisfy any of the above requirements or any other requirements as may be stipulated in this law or any other laws, he shall lose the capacity to be a member.</li> </ol>
<p>Article (34)</p> <p>A person, even if in the capacity of a representative of a natural or legal person, may not be a member of the board of directors of more than five Public Shareholding Companies headquartered in Kuwait and shall not be chairman of the board of directors of more than one Shareholding Company headquartered in Kuwait. Failing to comply with this clause shall invalidate his membership in the companies last joined as a board member and which exceed the stipulated number, together with any consequences thereof; without prejudice to any right of any bona fide third parties. Any person who violates such requirements shall pay back to the company, where his membership has been invalidated, any remunerations or benefits he may have received.</p>	<p>Article (34)</p> <p>Membership of company's board shall not be subject to the maximum limit of memberships stated in article (234) of companies' law. The person may hold the position of chairman for more than one shareholding closed company.</p>
<p>Article (35)</p> <p>The chairman or a member of the board of directors, even if he is representing a natural or legal person, may not exploit any information received by him in his position to gain any benefit for himself or for any third party, furthermore, he may not dispose, in any way whatsoever, over any shares of the company in which he is a member of the board of directors during his tenure unless he receives the approval of the Capital Markets Authority. The Capital Markets Authority shall issue the rules regulating the trading of shares in the company.</p>	<p>Article (35)</p> <p>The chairman or a member of the board of directors, even if he is representing a natural or legal person, may not exploit any information received by him in his position to gain any benefit for himself or for any third party, furthermore, he may not dispose, in any way whatsoever, over any shares of the company in which he is a member of the board of directors without prejudice to the restrictions on the disposal of shares stipulated in the Companies Law or these Regulations.</p>



<p>Article (39)</p> <p>No person who has appointed a representative to the board of directors, the chairman or any member of the board of directors, any member of the executive management nor their respective spouses or relatives of the second degree, may have any direct or indirect interest in the contracts or acts concluded with the company or to the account of the company, except with prior authorization of the ordinary general meeting, in this case, the member is obligated to disclose the interest to the Board of Directors and abstain from voting, the company is obligated to keep a record that includes all transactions with related parties that have been disclosed, shareholders of the company shall have the right to access this record, the Board chairman shall report to the general assembly at the meeting, the works and agreements, in which a Members of a Board of Directors has a personal interest, and such reporting shall be enclosed with a special report by the external auditor.</p>	<p>Article (39)</p> <p>No person who has appointed a representative to the board of directors, the chairman or any member of the board of directors, any member of the executive management nor their respective spouses or relatives of the second degree, may have any direct or indirect interest in the contracts or acts concluded with the company or to the account of the company, except with prior authorization of the ordinary general meeting.</p>
<p>Article (45)</p> <p>The annual ordinary general meeting shall be convened at the invitation of the board of directors within three months following the end of the financial year, at the place and time to be specified in the Company Contract. The board of directors can invite the general meeting whenever necessary. It shall invite the general meeting at the reasoned request of shareholders holding at least ten per cent of the capital in the company or upon the request of the auditor, within 21 days as of the date of such request. The body requesting the meeting shall prepare the agenda of the meeting.</p> <p>The invitation procedures of the general meeting, quorum and voting shall be subject to the provisions stipulated for the meeting of the constituent meeting stipulated in Companies Law No. 1 of 2016 and its amendments.</p> <p>Following notification of the Ministry, the meeting shall not be deemed invalid if such representative does not attend, the general meeting shall be chaired by the chairman of the board of directors, the deputy chairman or a person delegated by the board of directors for this purpose or a person elected by the general meeting from among the shareholders or third parties.</p> <p>The constituent meeting shall only be valid if attended by shareholders entitled to vote and representing more than half of the subscribed shares. If such quorum is not met, the constituent meeting shall be invited to a second meeting with the same agenda to be held within a period of not less than seven days and not exceeding thirty days from the date of the first meeting. The second meeting shall be valid regardless of the number of attendees. The constituent meeting shall not extend a new invitation for the second meeting if the date of the second meeting is provided for in the invitation to the first meeting.</p>	<p>Article (45)</p> <p>The annual ordinary general meeting shall be convened at the invitation of the board of directors within three months following the end of the financial year, at the place and time to be specified in the Company Contract. The board of directors can invite the general meeting whenever necessary. It shall invite the general meeting at the reasoned request of shareholders holding at least ten per cent of the capital in the company or upon the request of the auditor, within fifteen days as of the date of such request. The body requesting the meeting shall prepare the agenda of the meeting.</p> <p>The invitation procedures of the general meeting, quorum and voting shall be subject to the provisions stipulated for the meeting of the constituent meeting stipulated in Companies Law No. 1 of 2016 and its amendments.</p>





Resolution shall be passed by majority of the shares present at the meeting.	
<p>Article (55)</p> <p>Taking into account the other competencies prescribed by the law, the extraordinary general meeting shall be competent to discuss the following matters:</p> <ol style="list-style-type: none"> <li>1. Amendment of the company's memorandum of association and article of association.</li> <li>2. Sale of the whole project for which the company has been established or a disposition in any other way.</li> <li>3. The company's dissolution, merger, transformation or division.</li> <li>4. Increase or decrease of the company's capital.</li> </ol>	<p>Article (55)</p> <p>Taking into account the other competencies prescribed by the law, the extraordinary general meeting shall be competent to discuss the following matters:</p> <ol style="list-style-type: none"> <li>1. Amendment of the Company Contract.</li> <li>2. Sale of the whole project for which the company has been established or a disposition in any other way.</li> <li>3. The company's dissolution, merger, transformation or division.</li> <li>4. Increase or decrease of the company's capital.</li> </ol>
<p>Article (56)</p> <p>Any resolution issued by the extraordinary general meeting shall not be effective until its Proclamation, the approval of the Ministry shall be obtained if the resolution is related to the company's name, objectives or capital, except for a capital increase through the issuance of shares against profits generated by the company or against reserves that are permitted to be used for such purpose.</p>	<p>Article (56)</p> <p>Any resolution issued by the extraordinary general meeting shall not be effective until its Proclamation, the approval of the Ministry shall be obtained if the resolution is related to the company's name, objectives or capital.</p>
<p>Article (72) – <u>New article</u></p> <p>In order to retain competent employees of the Company and to enhance their loyalty, the Board of Directors shall have the right to establish a new Employees Stock Option Plan.</p> <ol style="list-style-type: none"> <li>1- To meet the obligations of the Company pursuant to the “Employees Stock Option Plan”, may use treasury shares, (the share capital of the Company may be increased, provided that the aggregate increases of the paid-up share capital shall not exceed 10% (ten percent) during the period not exceeding ten years from the date of the implementation of the plan);</li> <li>2- The Annual Report of the Board of Directors to the shareholders shall state the employment levels which benefited from the plan and the number of shares allocated to each level of employment; and</li> <li>3- The “Employees Stock Option Plan” shall be submitted to the General Assembly for approval.</li> </ol>	
<p>Article (73) – <u>New article</u></p> <p>The Company may buy, sell or deal with its own shares (treasury shares) in accordance to provisions of the executive bylaws of law No.7 of 2010 regarding the establishment of the Capital Markets Authority and the regulating securities activities and its amendments.</p>	