

Oman Fisheries Co. SAOG

Articles of Association

Incorporation, headquarter and objects of the Company

Based on the Royal Decree no. 79/87 and its amendments to establish Oman Fisheries Company SAOG in the Sultanate of Oman; and to the Royal Decree no. 16/2008 to amend the Articles of Association of the Company in accordance with the Commercial Companies Law and modify its legal status as per the said law; and to the provisions of the Commercial Companies Law no. 4/74 and its amendments; and to the provisions of the Capital market Law promulgated by Royal Decree no. 80/98 and its amendments; and to the related regulations, resolutions and instructions; and to the Extra Ordinary general Meeting held on 24/6/2008.

The Articles of Association were approved as follows:

Company's Name

Article (1)

Company's Name

Oman Fisheries Company SAOG.

Article (2)

Headquarter

The Company's headquarter shall be in Muscat Governorate, Sultanate of Oman. Board of Directors may establish branches or agencies or representation offices in the rest of the Sultanate or abroad.

Article (3)

Company's Duration

Unlimited and commencing from the date of being registered in the Commercial Register.

Article (4)

Company's Objectives

Exploit and benefit from fisheries and aquaculture in the Omani water specified in the concession agreement signed between the government and the company; and to perform fishing, processing, manufacturing, freezing, packaging, purchasing, marketing and establishing all industries associated with the fishery activities taking into account safeguard the interests of Omani fishermen. In order to achieve these objects, the Company may perform the following activities:

- 1- If so desired, purchase the assets of any other companies or organizations performing similar activity, provided that those assets to be evaluated in accordance with the accounting principles used in the evaluation purposes.
- 2- Participate in establishing other companies or contribute into or purchase their assets related to Company's business and objects inside and outside Sultanate of Oman, taking into account the national interest of the Sultanate of Oman.
- 3- To have interests, agreements and agencies with companies, institutions and bodies that manage or perform similar activities.
- 4- Promotion of Omani fish in international markets under name or trade name/names for this item to be registered and maintain the legal right for them as distinctive trademarks of Omani fish.
- 5- Perform import to achieve its objectives.
- 6- Board of Directors may invest Company funds excess in its general operating needs to purchase government development bonds and invest in Muscat Securities Market, in such way not effecting Company's objects.
- 7- Commercial agencies and commercial representation.

In general, the company may carry out all the necessary activities to achieve its objectives. Company's activities shall only be limited by the applicable laws in the Sultanate of Oman or stated in its Articles of Association or decided by its General Meeting.

Article (5)

Company's Capital

The Company's authorized capital is R.O. 12,500,000 (Rials Omani twelve million five hundred thousand) and its issued capital is R.O. 12,500,000 (Rials Omani twelve million five hundred thousand) divided into 125,000,000 shares (one hundred twenty five million shares) with a nominal value of 100 baiza (one hundred baiza). All shares are nominal and fully paid.

Article (6)

The shares of the Company shall have the same nominal value, and a share shall neither be divided nor shall it be owned by more than one person except when such ownership is by inheritance provided that the heirs are represented by the person whose name comes first in the Register and the owners of the share shall be responsible severally and jointly for the liabilities arising from such ownership. However, the transfer of the share requires endorsement by all joint owners.

Article (7)

Shares shall not be issued at a price less than their nominal value. An additional amount within 2% of the nominal value of share may be collected for each share as issue fees. If the shares are issued at a value higher than the nominal value, the excess amount, after backing issue expenses, shall be added either to the legal reserve or a special reserve to be established as provided under Article (106) of the Law.

Article (8)

The ownership of negotiable shares sold or purchased in the Market shall be transferred in accordance with the provisions of the Capital Market Law and shall not be subject to the approval of the Board of Directors of the company. Transfer of shares shall come into effect by confirming it in the register of Muscat Clearing & Depository Company. The transfer of ownership shall also be entered in the shareholders' register in the Company and which shall include the shareholder's name his nationality, domicile and the number of shares he holds and their numbers. The Company shall not consider any person as owner of its shares unless his ownership is registered in the shareholder's register.

Article (9)

Shares may be owned and disposed by way of trade between Omani and foreign individuals and Companies, provided that at all times the foreign ratio shall not exceed 70% of the capital. Foreigners means foreign individuals and Companies other than Omani and GCC citizens.

Article (10)

All shares of a Joint-stock Company shall enjoy equal and inherent rights in the ownership thereof, namely, the right to receive dividends declared by the general meeting, the preemptive right of subscribing for new shares, the right to share in the distribution of the Company's assets on liquidation, the right to transfer shares in pursuance of the Law, the right to view the Company's balance sheet, the profit and loss of account and the shareholder registers, the right to be notified of the meetings of the general meeting and to participate and vote in such meetings personally or by proxy, the right to apply for annulment of any decision made by the general meeting or the Board of Directors if such decision is contrary to the Law, or the Company's Articles of Association or the Company's internal regulations, and the right to sue Directors and the Auditors of the Company on behalf of the shareholders or on behalf of the Company pursuant to Article 110 of the Commercial Companies Law.

Article (11)

Based on genuine reasons, shareholders who hold at least 5% of the Company's shares may request the Capital Market Authority to suspend the resolution issued by the Company's general meeting in favour of a specific category of shareholders or for causing damages to them or for bringing special benefit to the directors or to others.

Upon issuance of the suspension resolution based on the reasons described in the preceding paragraph, the concerned individuals must submit a request to revoke these decisions to the Appeal Committee set forth in Chapter IV of the Capital Market Law within fifteen days from the date of issuing the suspension decision. The decision of the Appeal Committee in this regard shall be final.

If the period expires without taking any resolution, the suspension order shall be considered as null and void.

Article (12)

The authorized capital may be increased by a resolution adopted by the Extraordinary General Meeting, and the issued capital may be increased, by a resolution passed by the Board of Directors, to within the limits of the authorized capital, provided that the issued capital shall actually be increased within the five year period that follows the issue of the resolution authorizing the increase otherwise such increase shall be null and void.

Article (13)

Without prejudice to the provisions of the Capital Market Law, it is allowed by a decision from the Extraordinary General Meeting to allocate the capital increase share for the benefit of a particular individual or more, according to regulations issued by the Capital Market Authority.

Some of the company's capital increase share may, by a resolution of an Extraordinary General Meeting may be allocated to its own employees within a maximum limit of 5% of the issued capital. Such a resolution shall specify the terms and conditions of trading and relinquishing of such shares and the rights of the employees during the period of their service and at the time of their termination.

Article (14)

The heirs of a shareholder or his creditors are not allowed, for any reason, to request for sealing the company's books of accounts or its documents or its properties nor should request for dividing or liquidation of the Company. They are also not allowed to interfere in any way in the company's management. In exercising their rights, they have to refer to the list of company's inventories, its final accounts and to the resolutions of the General Meeting.

Article (15)

Each shareholder has a pre-emptive right, in case of offering shares for public subscription, to subscribe for a number of new shares in proportion to the number of shares owned by him. Written notice of such pre-emptive right shall be sent to each shareholder at his address recorded on the Shareholders' Register along with a copy of the prospectus approved by the Capital Market Authority. This notice shall also be published in at least two daily newspapers, on two consecutive days, after the notice has been first approved by the concerned authority, specifying the period during which the pre-emptive right may be exercised, which shall not be less than fifteen days from the date of publication thereof. Any shareholder may, in accordance with the procedures and the provisions issued by the Minister of Commerce and Industry, waive its above-mentioned pre-emptive right.

If the offered shares or parts of them were not subscribed for by the shareholders during the specified period, such shares shall be offered for public subscription in accordance with the procedures of subscription for the capital of a joint stock company under incorporation, provided such procedures are carried out by the Board of Directors of the company. The Board may, in lieu thereof, reduce the increase in the share capital to the extent equivalent to the value of shares which has not been subscribed for.

Article (16)

The Extraordinary General Meeting may resolve the reduction of the Company's capital if such capital exceeds the need of the Company or if the Company has sustained losses. Nevertheless, the capital shall not be reduced to below the minimum specified in Article (58) of the Commercial Companies Law.

The resolution of reducing the share capital must be published in at least two daily newspapers for two consecutive days, with a call to all creditors of the company, by virtue of a written notification to submit their objections within a period of 60 days from the date of notification.

The decision to reduce the share capital shall be effective only after expiry of the sixty days period referred to, after settling all claims with all objecting creditors - if any - either by paying off their debts or by giving them appropriate guarantees.

Article (17)

The Company shall not acquire its own shares except pursuant to a resolution reducing its capital or, if such shares are part of other assets of a project, which is acquired by the Company with all its assets and liabilities.

As an exception to the foregoing it shall be allowed, by resolution of the extraordinary general meeting the company may purchasing some of its own shares not exceeding 10 % of its issued capital pursuant to the rules prescribed by it and after the consent of the Capital Market Authority.

Article (18)

Without prejudice to the provisions of the Capital Market Law, a joint stock company may, by a decision of the extraordinary general meeting, issue through subscription addressed to the public or one or more specified persons, negotiable bonds against the amounts loaned to the company in accordance with the rules issued in this regard.

All bonds of the same issue shall have the same nominal value and shall have the same maturity date. A bond shall not be divisible and its value shall be paid in full on the date of subscription. The ownership of a bond may not be transferred to more than one person except in case of inheritance; provided that the heirs are represented by one representative chosen from among themselves and whose name shall be noted on the prescribed register. However, the transfer of such bond shall require the endorsement of all joint owners.

(Management of the Company)

Article (19)

- 1- The Company is managed by a board of directors comprising of eight directors as follows:
 - a- Two directors representing the government share, appointed in accordance with Article (132) of the Commercial Companies Law.
 - b- Six directors elected in the Ordinary General Meeting among the shareholders or others. A director who is not a government-representative – if a shareholder – must own at least thirty thousand shares, or a representative of an enterprise or a company owning at least thirty thousand of the Company's shares.
- 2- The member's term of office shall not exceed three years subject to reelection for similar periods. The period stipulated for in the previous paragraph shall be calculated from the date of the general meeting in which the director is elected to the date of the third annual general meeting following it. Where the date of such meeting exceeds the aforementioned period of three years, the membership shall be extended by law to the date on which the meeting is convened, save it shall not exceed the period specified in Article 120 for convening the annual general meeting.

Article (20)

Subject to Article (95) of the Commercial Companies Law and without prejudice to the articles of association, nominee to the membership of the board must:

- 1- Be of good conduct and sound reputation.
- 2- Be at least 25 years old.
- 3- Not be unable to settle his indebtedness to the same company to which he is lodging his nomination forms to become a member of its board of directors.
- 4- Not be declared insolvent or bankrupt unless the state of insolvency or bankruptcy has ceased pursuant to the law;
- 5- Not be convicted of a felony or dishonorable crime unless rehabilitated;
- 6- Not be a member or a representative of a juristic person in more than four public joint stock companies based in the Sultanate of Oman once appointed to the board in question;
- 7- Be authorized to nominate himself to the membership of the board of directors by the juristic person if he is nominated with such capacity.
- 8- Not be a member of the board of directors of a public or closed joint stock company which is based in the Sultanate of Oman and which is carrying out similar objectives to that of the company which he intends to nominate himself to the membership of its board; and

9- Present an acknowledgement which contains a statement of the number of his shares if he is a shareholder and that he will not dispose of them to the extent that he shall be deprived of his status as a shareholder in the company, throughout the term of his office.

Article (21)

Without prejudice to the provisions of the Commercial Companies Law, the following should be observed upon the formation of the board of directors:

1. The majority of the board members must not be working for the company in consideration of a fixed monthly or annual remuneration.
2. A minimum of one third of the directors must be independent directors. That is to say, such directors or any of their first-degree relatives should not have occupied any senior post (such as the Chief Executive Officer, the General Manager or similar posts in accordance with the organizational structure) in the company for the last two years. Also, they should not have had any relations with the company, its parent company or its affiliated or sister companies which could result in financial transactions.
3. A juristic person shall not be represented with more than one director in the board.
4. It prohibits to combine the posts of Chief Executive Officer/ General Manager and Chairman of Board of Directors.

Article (22)

Those who wish to nominate themselves to the membership of the company's board must submit an application form pursuant to the pro-forma during the specific period which expires at least two working days before the date fixed for the General Meeting which will be electing the board's members.

The legal advisor shall check the contents of the form and ensure the candidate meets all the terms and condition the director shall meet, and that the election process is as per the applicable laws and regulations.

The company shall lodge the forms of the elected members as per the minutes of the general Meeting with the Capital Market Authority within the statutory period stipulated to lodge the minutes.

Article (23)

The directors shall be elected by direct secret ballot by the shareholders. Each shareholder shall have a number of votes equal to that of the shares held by him. A shareholder shall have the right to use the entirety of his votes in support of one nominee or divide his shares among other nominees of his choice through the voting card. It follows from that the total number of votes given to the nominees by one shareholder must be equal to the number of shares owned by him.

Article (24)

The membership of those elected in violation of the previous provisions shall be null and void with effect from the date of their election. The company's board must call a general meeting to elect another member within a maximum period of one month from being aware of the nullity. The company shall have the right to claim damages, which results from this violation, from the said member or anyone who took part in facilitating his participation in the elections.

If a director falls short of any of the conditions necessary for the membership, he must notify the board accordingly. The office of such director shall be considered vacant with effect from the date of notification, otherwise, he shall cease to be a director with effect from the time when the company became aware of this without prejudice to his liability under the law. The vacant office shall be filled pursuant to the provisions of Article (98) of the Commercial Companies Law.

Article (25)

- 1) Immediately following the election of a new Board of Directors by the ordinary General Meeting, the said Board shall meet to elect among its member a Chairman and a deputy Chairman. The Chairman shall represent the company before judicial bodies and third parties. The Deputy Chairman shall fill the office of Chairman on his absence.
- 2) It is prohibited to elect for the Chairman's post who is a Chairman of two General Omani Joint-Stock Company.
- 3) The term office of the Chairman and Deputy Chairman shall not exceed their term office as members of the Board of Directors, though they may be re-elected.

Article (26)

The company shall maintain in its headquarter a register for its directors contains the following information:

- 1) Full name.
- 2) Residence address.
- 3) Occupation.
- 4) Information related to board membership in any other company.
- 5) Any other appropriate information.
- 6) Each shareholder shall have the right to review such register free of cost during the official working hours.

Article (27)

Meetings of the Board of Directors may be convened by the Chairman, at any time, and the Chairman, shall convene a meeting upon request made by two or more members of the Board of Directors. If the Chairman finds it difficult to respond to such request, or if he does not wish to do so, any two members of the Board of Directors may convene the meeting.

Convene a meeting of Board of Directors shall be by a written notifications addressed to the directors by the regular mail or through the electronic mail registered with the company, or to be delivered by hand at least one week before the date fixed for the meeting. Such convene should contain place and time of meeting in addition to the agenda. The one-week period can be shortened if necessary.

Article (28)

The meeting of the Board of Directors shall not be valid unless it is attended by, at least, half the members of their representatives.

The Company's Articles of Association may provide a higher ratio or number and they may, as well, provide a special quorum for the meetings of the Board. The Board makes its decisions by the relative majority of the present members unless the Company's Articles of Association provides otherwise. In the case of a tie vote, the Chairman shall have a casting vote.

Article (29)

A juristic person represented by a member of the Board of Directors may delegate another person of its subordinates to attend any meeting and vote on its behalf.

A member of the Board of Directors may delegate another member of the Board, however, no one member of the Board shall act on behalf of more than one member, and in any case the delegation shall be exclusive and written.

Article (30)

The board of directors in its first meeting should appoint Secretary to the board. Number of board meetings should not be less than 4 meetings per year. The gap between any two consecutive meetings should be four months maximum. Board of Directors discussions and resolutions shall be recorded in minutes to be signed by the Chairman and the Secretary to the Board.

Article (31)

If a director did not attend four consecutive meetings without an acceptable excuse, he can be considered resigned by a resolution from the board of directors.

Article (32)

If the office of a Director becomes vacant in the period between two ordinary General Assemblies, the Board, unless the Articles of Association provides otherwise, may appoint a temporary Director who meets the requirements provided by the Articles of Association and the preceding Article to assume his office until the next ordinary General Meeting.

If at any time more than half of the number of Directors are temporary Directors appointed by the Board under the preceding paragraph, the Board of Directors shall call, within two months, an ordinary General Meeting for the purpose of electing Directors in accordance with the Company's Articles of Association to replace the Directors who were so elected but are no longer in Office.

Article (33)

The General Meeting shall determine the annual remuneration of the Board of Directors at not more than 5% of the net profits of the year after deducting the legal and optional reserves and distributing the dividends to shareholders at not less than 5% of the capital.

In the event of losses brought forward, no dividends shall be distributed to the shareholders. However, upon the approval of the Annual General Meeting, remuneration of the Chairman and members of the Board of Directors may be paid at a rate not exceeding (3%) of the year's profits after the deduction of the statutory and optional reserves.

Dividends shall be formed of the net profits minus the losses incurred by the capital of the company in previous years which have been fully amortized. The report of the board of directors to the ordinary general meeting shall include a comprehensive statement of all amounts and other benefits received by each member from the company during the year as compensation for his services, including all amounts paid to the member in their capacity as employees of the company.

Article (34)

Remuneration to the directors shall be distributed to the directors in a way and percentage stipulated by the internal regulation or in the way agreed by them.

Article (35)

Without prejudice to the provisions of Article (102), the board of directors shall be responsible for the following:

- 1) To approve the company's commercial and financial policies together with its estimated budget with a view to achieving the objects of the company and to maintain and promote the rights of its shareholders.
- 2) To develop, review and update necessary plans from time to time in order to put into operation the company's objectives and carry out its activities in the light of the purpose underlying its establishment.
- 3) To adopt the company's disclosure measures and to follow up the implementation thereof in accordance with the disclosure rules and guidelines issued by the Capital market Authority.
- 4) To supervise the performance of the executive management and to ensure that the work proceeds in a manner which achieves the company's objectives in the light of the purpose underlying its establishment.
- 5) To provide accurate information to the shareholders on the dates specified by the Capital market Authority in the disclosure rules and guidelines.
- 6) To appoint the Chief Executive Officer or the General Manager provided that neither of them shall be the Chairman of the board of directors. Also, to appoint staff who shall work any of them pursuant to the organizational structure of the company and to specify their rights and duties.
- 7) To appraise the performance of the employees mentioned in the previous item and to assess the work carried out by the committees formed by the board pursuant to Article (102) of the Commercial Companies Law.
- 8) To approve the financial statements related to the company's business and work results as submitted to the executive management to the board quarterly in away which reflects the exact financial position of the company.
- 9) To include in the annual report presented to the General Meeting the reasons which justify the ability of the company to pursue its specific activities and the achievement of its objectives.
- 10) To appoint a secretary to the board in its first meeting and to hold four meetings per annum provided that a maximum period of four months should lapse between each two consecutive meetings.
- 11) To appoint the Managing Director or the Executive Director, should such posts exist, provided that the said person should be committed to the work company's work on a fulltime basis.
- 12) To include in the financial statements a full statement of all amounts which a direct might have received during the course of each year including money paid to directors in their capacity as employees of the company.

Article (36)

The Board of Directors may, by a resolution adopted by a majority of its directors and within the limits set for it, authorize committees constituted by it from amongst its members, to perform some of the functions referred to in preceding article.

Article (37)

The Board of Directors shall not, however, perform the following acts unless expressly authorized to do so by the Company's Articles of Association or by a resolution of the General Meeting:

- A. Donations, except donations required by the business wherever they are small and customary amounts.
- B. To sell all or a substantial part of the Company's assets.
- C. Pledge or mortgage the assets of the Company, except to secure debts of the Company incurred in the ordinary course of the Company's business.
- D. Guarantee debts of third parties, except guarantees made in the ordinary course of business for the sake of achievement of the Company's objectives.

Article (38)

The Board of Directors shall determine who shall have the authority of signing in the name of the company as per the internal regulations.

Article (39)

The names and signatory powers of the Chairman, Deputy Chairman and Managing Directors, if any, shall be registered in the Commercial Register within one month from the date of their election.

Article (40)

Board of Directors should set internal regulation to organize companies business and its employees affairs within one year from date of registering the company in the commercial register, in accordance with the controls issued by the Capital Market Authority.

Article (41)

The Board of Directors shall constitute an Auditing Committee from amongst its members and appoint an Internal Auditor and a Legal Advisor. The members of the Auditing Committee shall be governed by the provisions of liability stipulated in article (109) of the Commercial Companies Law, without prejudice to their liabilities resulting from their membership of the Board of Directors.

Article (42)

Non-executive board members and the Chairman are not allowed to interfere in the day-to-day business of the company.

Article (43)

Board of Directors should appoint executive management to be responsible before the board and its sub-committees by virtue of contracts guaranteeing their rights and duties.

Article (44)

The Executive Management shall exercise its responsibilities and powers in accordance with an organizational structure to be approved by the board of directors, determining responsibilities and powers of all members of the Executive Management. Board of Directors should also approve a delegate organizer to be a framework of the previously mentioned responsibilities and powers.

Article (45)

The Executive Management should appropriately respond to the requests of board of directors and its sub-committees in order to implement its policies. The Executive Management shall be responsible before the board in this regard.

Article (46)

Without prejudice to the competitive advantage of the company or disclose any information set by the Executive Management that may harm company's interests if disclosed, the annual report should contain a summary of management discussions and analysis in the substantial issues related to its overall business, in addition to the opinion of the board of directors on such issues.

Article (47)

The Company shall be bound by all acts performed by its Board of Directors, its Chairman, Managing Directors and all other executives, if any, as long as they act in the name of the Company and within the scope of their powers.

Any third party in good faith shall have the right to assume that any act done by the Board of Directors, Chairman and the Managing Directors of the Company in pursuance of its business is within scope of powers delegated to such persons and the Company shall be bound thereby, unless the limitation of such persons' authority is registered in the Commercial Register.

Article (48)

A member of the Board of Directors shall not participate in the management of a business competitive with that of the Company except by approval of the General Meeting, provided such approval shall be renewed annually.

Likewise, a member of the Board of Directors or any of the key staff of the Company, shall not utilize the information accessible to him by virtue of his position for the achievement of a benefit for himself or for his minor children or for any of his immediate relatives up to the fourth degree as a result of dealing in the Company's securities. No one of such persons shall have any interest, directly or indirectly, with anybody involved in activities intended to affect the prices of the securities issued by the Company. In the event of infringement of the above, the provisions of Articles 109 and 110 of the Law shall apply.

Article (49)

A member of the Board of Directors or other related parties of the company shall not have any direct or indirect interest in the transactions or contracts concluded by the company for its account, except those concluded with them in accordance with the rules issued by a decision of the Capital Market Authority. Such decision shall define the related parties and the method of disclosure of such transactions and contracts.

Article (50)

The members of the Board of Directors shall be liable to the Company, the shareholders and third parties for the damages caused by their acts in violation of the Law and their acts which fall beyond the scope of their powers or by any fraud or negligence in the performance of their duties specially duties stated in Article (42) of these Articles of Association, resulting in causing damages to the company or the shareholders' interests.

If there are more than one Director liable under the preceding paragraph, the Authority for the competent court may hold each such Director liable for all or part of the damages as the Authority may deem proper in view of the circumstances of the case.

Shall be null and void any provisions or stipulations limiting the liability of the members of the Board of Directors, and the Company shall reimburse any Director the costs and sums adjudged in any civil or criminal case brought against him as a result of his activities as a member of the Board of Directors of the Company in the event that final judgement in such case shall absolve the Director of liability.

Article (51)

The Company may institute an action against any Director of the Company it deems liable for damages that have come upon it under the provisions of the preceding Article. The Board of Directors or the ordinary General Meeting shall take a decision appointing a person to pursue the case on behalf of the Company and authorizing him to pay the costs of the case from the funds of the Company. However, if the Company is under liquidation, the decision to file the case shall rest with the liquidator of the Company.

Any shareholder may propose suing the members of the Board of Directors, and if the ordinary General Meeting does not adopt his proposal, he may himself file the case on behalf of the Company. And if the case is successful, such shareholder shall be reimbursed the costs and expenses of the case out of the sums adjudged and the balance shall be paid to the Company.

Article (52)

No case shall be filed against the directors or their heirs on actions committed while performing their duties, unless the case is filed within five years commencing from date of the General Meeting in which the board of directors submitted a statement regarding company's operations or from the date of such action or default subject matter of the case. Cases filed by the Capital Market Authority are excluded from the said period.

Article (53)

General Meetings

The General Meeting shall be convened in the Sultanate of Oman at the time and place determined by the board of directors or the auditors whenever required by these Articles of Association or the law.

Each shareholder shall have the right to attend General Meeting and shall have one vote against each share held by him, even if such share is represented by a provisional certificate. A shareholder may give a written proxy to another person to attend the General Meeting and vote on its resolutions.

Article (54)

The Board of Directors may convene the General Meeting at any time and such meeting shall be convened whenever required by the Law or the Company's Articles of Association, or upon request of one or more shareholders who represent at least twenty- five percent of the capital of the Company. If the Board of Directors fails to convene the General Meeting's meeting, then the Auditors shall do so. Notice to attend a meeting of the General Meeting shall not be valid unless it includes the agenda and such notice shall be published after its approval by the Capital Market Authority or the Ministry of Commerce and Industry, as the case may be, in two daily newspapers and for at least two consecutive days. At the same time, a copy of the notice shall be sent to each shareholder by ordinary mail or delivered by hand to him or to his representative against signature, at least two weeks before the date specified for the meeting. The Capital Market Authority shall be notified of the date of the general meeting of public joint stock companies, whereas the Ministry of Commerce and Industry shall be notified of the date of the general meeting of closed joint stock companies. Any of the above mentioned bodies may authorize an observer to attend the meeting, supervise the procedure related thereto and ascertain that the decisions taken are in conformity with the Law. The minutes of the general meeting shall be deposited with each of the said bodies, signed by the secretary and countersigned by the chairman of the meeting and the auditor within fifteen days from the date of the general meeting. Such meetings shall be deemed null and void if the above-mentioned procedures and dates are not satisfied.

Article (55)

The resolution of the extraordinary General Meeting shall not be valid, unless the meeting is attended by shareholders and proxies representing at least three-quarter's of the Company's capital. Failing such quorum, a second meeting shall be convened to discuss the same agenda. The shareholders shall be notified of the second extraordinary General Meeting in the same manner as the first extraordinary General Meeting, at least two weeks prior to the date set for the second meeting. The resolutions of the second meeting shall be valid if the meeting is attended by shareholders or proxies representing more than half of the Company's capital, provided such meeting is held within six weeks of the date of the first meeting.

The resolutions of the extraordinary General Meeting shall be adopted by a majority of three-quarters of the votes cast in respect of a certain resolution, provided such resolution shall always receive votes representing more than 50% of the Company's capital. If the resolution is for the purpose of transforming a closed Joint stock Company into a General or Limited Partnership Company, then such resolution shall be unanimously adopted by the shareholders.

Article (56)

Each shareholder should confirm the validity of his address and notify Muscat Clearing and Depository Company with any changes that may arise in this address. The shareholder shall deemed to have been received any notice to attend any meeting if it is proved that the company has sent such notice to his last registered address.

Article (57)

The Board of Directors shall establish the agenda of the General Meeting, if the meeting is convened by the Auditors, the agenda shall then be established by them. The Board, or the Auditors, if necessary, shall include in the agenda any proposal put forward by shareholders, who represent more than 10% of the capital of the Company provided that such proposal is submitted for inclusion in the agenda at least one month before the date of the meeting. The General Meeting shall consider only the matters included in the agenda. However, in exceptional cases, the General Meeting may consider an urgent and unexpected matter, which arises during the meeting.

Article (58)

Voting in the General Meeting shall be openly, except for the issues that have personal recipe for which voting shall base on secret ballot. Secret ballot shall be in case of electing board members or to isolate them or file the case of responsibility against them.

The board members are not allowed to vote in the resolutions of the General Meeting related to determination of their salaries, remuneration or clearing their responsibility from administration.

Article (59)

The ordinary General Meeting may consider and decide all matters, which are not, by Law or by the Company's Articles of Association, reserved for decision by the Board of Directors or by an extraordinary general Meeting in accordance with the Commercial Companies Law and these Articles of Association. Board of directors shall submit a report to the Ordinary General Meeting containing a comprehensive statement about progress of company's business, status of its financial and economic position, company's balance sheet, statement of profit and loss, proposed dividend. Such report must contain the auditor's opinion and remarks on the Board of Directors' report and their proposals to avoid the financial risks. Chairman of Board of Directors shall sign the said documents.

Article (60)

The annual General Meeting shall be held each year within three months of the end of the Company's financial year. Other ordinary General Meetings shall be held when required by Law or the Company's Articles of Association or when need arises to hold such meetings.

The agenda of the annual General Meeting shall include:

1. Study and approval of the Board of Directors report.
2. Study of the Auditor's report and approval of the balance sheet and profit and loss account.
3. Declaration of dividends, provided the dividends, shall be declared only out of the net profit or out of the optional reserve subject to the provisions of Article (106) of the Commercial Companies Law.
4. Election of members of the Board of Directors if the office term of one, or all of them has expired or any of the posts becomes vacant.
5. Appointment of auditors for the new financial year and determining their fee.

Article (61)

The Company's balance sheet, profit and loss account and the reports of the Board of Directors and Auditors of the Company concerning the expired financial year, shall be available for inspection by the shareholders and bondholders of the Company, during business hours at the Company's principal place of business during a period of at least two weeks immediately preceding the date of the ordinary annual General Meeting. If any shareholder is deprived of his right to inspect these documents, the decision approving these documents shall be null and void.

The Board of Directors shall publish the balance sheet, the profit and loss account and a summary of the report of the Board in a local daily newspaper within one month of the ordinary annual General Meeting's approval of the said documents.

Article (62)

The resolutions of the ordinary General Meeting shall be void unless the meeting is attended by shareholders of their proxies who represent, at least, half the capital of the Company. If such a quorum is not formed, a second meeting shall be called to discuss the same agenda. The second ordinary General Meeting shall be notified to shareholders in the same manner as the first meeting, at least one week prior to the date set for the second meeting. The resolutions of the meeting shall be valid regardless of the number of shares represented, provided that such meeting is held within one month for the date of the first meeting. The resolutions of the ordinary General Meeting, shall be adopted by, a relative majority of the votes.

Article (63)

The Extraordinary General Meeting shall be convened to consider and decide all matters which such meeting is specifically authorized to settle in accordance with the Law or the Company's Articles of Association.

The Extraordinary General meeting may decide to amend the Company's Articles of Association, however such amendment shall not be valid unless approved by the Capital Market Authority and registered in the Commercial Register.

Article (64)

The General Meeting shall be presided over by the Chairman of the Board of Directors. If the Chairman fails to attend, the meeting shall be presided over by the Deputy Chairman elected pursuant to the provisions of article 103 of this Law. If the invitation for the meeting is extended by the auditors, pursuant to article 116, the Chairman of the meeting shall be appointed by them.

Article (65)

The General Meeting shall appoint a secretary who shall prepare the minutes of the meeting in which he shall record the deliberations of the meeting, the proposed resolutions and the related voting process. Any shareholder or bond holder of the company shall be entitled to inspect the minutes at the company's principal place of business.

Article (66)

Each shareholder shall have the right to discuss the agenda of the general Meeting, and questioning members of Board of Directors and the auditors. If the shareholder is not convinced with the answer, he shall refer to the General Meeting whose decision shall be valid.

Article (67)

Any shareholder or any other interested person may, within five years from the date of the General Meeting, apply to the competent court to decide the annulment of any resolution if adopted by such General Meeting in violation of the Law or the provisions of the Company's Articles of Association or its regulations, if any, or if adopted by fraud or abuse of authority by any person.

Article (68)

The resolutions of the General Meeting duly adopted pursuant to the provisions of the Law and the Company's Articles of Association or its regulations, if any, shall be binding to the Company and each of its shareholders, but shall not affect the rights of third parties except to the extent provided by the Commercial Companies Law.

Article (69)

Company's Accounts – Auditors – Profits

The company shall have at least one auditor who shall be appointed by the General Meeting from among the persons licensed to practice the accountancy and auditing profession. The Capital Market Authority shall set out the rules for appointing auditors for public joint stock companies. It shall have the right to object the auditors appointed by the General Meeting by a substantiated decision within fifteen days from the date on which the General Meeting's minutes is lodged with Authority. In all cases the auditors shall be independent from the company, hence, they shall not be founders or directors or employees of the company or its affiliates. They shall not provide the company or its affiliates with technical, administrative or consultative services except the services specified by the Authority. The auditors shall comply with the rules and directives issued by the Authority for public joint stock companies.

The Ordinary General Meeting shall determine the auditor's fee. The ordinary General Meeting may re-appoint the auditor in accordance with the rules of the Capital market Authority.

Article (70)

The Auditors shall have the right, at any time, to examine all books, records and documents of the Company and obtain all information they deem necessary for the proper performance of their duties. The Auditors shall ascertain that the balance sheet and statement of profit and loss, conform with the books and records of the Company and that such books and records are kept in conformity with the generally accepted principles of accounting. Auditors shall not have the right to perform any additional work not part of the auditing practice which affect their neutrality and independence.

Article (71)

Without prejudice to the provisions of the Commercial Companies Law, statutory auditors – as part of their audit – shall inform the shareholders with any important issues regarding adequacy and effectiveness of the applicable internal controls or the extent of the company's ability to continue to conduct its business independently from the opinion of the Board of Directors and the company's commitment to develop and apply systems and internal regulations.

Article (72)

The Auditor who in the performance of his functions ascertains the existence of a violation, shall report such violation to the Board of Directors. In the event of a serious violation, he shall report it to the concerned parties.

Article (73)

The Auditors shall make a report to the annual General Meeting on the financial position of the Company and the proposed distribution of dividends, including their opinion as to whether the balance sheet and the profit and loss account presented to the meeting reflect the true financial position of the Company, according to the generally accepted accounting principles. Any change made in the accounting principles adopted in the preparation of the balance sheet and profit and loss account since the preceding financial year shall be clearly mentioned in the Auditor's report. If the Auditor's report is not presented to the General Meeting and, if it does not conform to the requirements of the preceding paragraph, then the resolution of the annual Meeting approving the accounts presented to the meeting shall be void.

Article (74)

Auditors shall be liable towards the Company, shareholders and third parties for damages arising from any fraud in the performance of their duties. They shall be liable to the Company and shareholders for the damages arising from failure in performing their professional and technical duties with efficiency.

Article (75)

The financial year of the company shall commence at 1st April each year, and ends on the 31st March of the following year.

Article (76)

The Company maintain books of accounts accurately showing its financial position in consistent with the accounting standards. The books of accounts shall be maintained in the company's headquarters or in place/places deemed suitable by the Board of Directors. The books of accounts should be always ready to be viewed by the members. The books of accounts should particularly clarify the following:

- 1) All amounts received or expenses by the Company and manner of such receive or expenditure.
- 2) All company's transactions.
- 3) Company's assets and liabilities.

Article (77)

The Company should prepare balance sheet, statements of profit and loss & cash flow in accordance with the disclosure rules and regulations issued by the Capital Market Authority in this regard.

Article (78)

Within two months from the end of the financial year, the Board of Directors shall prepare the balance sheet of the Company and a statement containing the Company's profit and loss account, after they have been audited by the Company's auditors. The statement shall also include a detailed explanation of the main revenue and expenses entries during the financial year. The Board shall also prepare a report on the Company's operations during the expired year and on the net profits that proposed to be distributed. Copies of all the above-mentioned statements shall be sent to the Capital Market Authority and the Secretariat of the Commercial Register two weeks, at least, prior to the meeting of the Ordinary Annual General Meeting. A copy of the balance sheet, the report of the Board of Directors and the report of the auditors shall, likewise, be sent to each shareholder together with the invitation to attend the meeting of the Ordinary Annual General Meeting.

Article (79)

The Company shall make its Articles of Association available to the public at its principal place of business for inspection, and any person shall be entitled to obtain a duplicate thereof against reasonable fee determined by the Company's internal regulations.

Article (80)

The Company shall be dissolved for any of the reasons for dissolution provided in the Commercial Companies Law. The Extra Ordinary General Meeting shall be convened to discuss the issue. If dissolution of the Company has been decided, the Company shall be liquidated as per the provisions of Chapter three of the Commercial Companies law.

Article (81)

What has not been covered with a specific provision in these Articles of Association shall be governed by the provisions of the Commercial Companies Law no. 4/1974 and its amendments and the provisions of the Capital Market Law no. 80/98, and its amendments, and any rules or instructions issued by the Capital Market Authority. The Company also undertake to comply with all the applicable laws in the Sultanate of Oman.

Legal Advisor

Chairman

For official use of Capital Market Authority

Signature: _____

Date: 23/7/2008