

The Corporate governance and its role in protecting the rights of investors "Analytical Study"

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Abstract

The research aims to study and analyze the role of governance in achieving the necessary protection to ensure the rights of shareholders. The corporate governance and the obligation of companies to implement them which weakens the possibility of protecting the rights of shareholders and investors in The study applied to a sample of (42) special questionnaires in the analysis and represents (84%) of the total questionnaires distributed to investors and shareholders in all companies listed on the Iraqi market for securities, and the research concluded that the right of shareholders to obtain methods securing the registration, transfer and transfer of ownership of shares, as well as obtaining timely and material information relevant to the company and on a regular basis, The Board of Directors, the right to participate in the decisions as well as to obtain information resulting from the decisions concerning the amendment of the rules of procedure, the memorandum of association or the issuance of additional shares, or all that leads to the sale of the company, the most important recommendation of the company is necessary to the necessary Beneficiaries.

Key words (disclosure, equity, governance).

Introduction

The stock market is very important in promoting any economy as it provides means, regulations and regulations that contribute to the organization and development of companies and economic institutions through activating the concepts of disclosure. This will ensure fairness, efficiency and transparency of all transactions within the market. The importance of research comes from the limited culture of corporate governance listed on the Iraqi market for securities, and the lack of a list of corporate governance to regulate its work contributing to the protection of the rights of their owners, so highlighting the advantages of applying the principles of governance may lead to reduce the level of risk to the company and improve its performance and to improve the decisions of investors, which reflects positively on the level of financial performance and supports confidence and efficiency of the market, and for this was the presentation of the contents of the research in the aspects of the theory and process of it in three topics between the first methodology research and some previous studies, and the second of it and then reach the conclusion.

1. Research methodology

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1.1 Research methodology

1. Research Problem: - The problem of research can be formulated “The inability of companies to apply laws, regulations and instructions related to the application of the principles of corporate governance and the obligation of companies to apply them” weakens the possibility of protecting the equity in the market.

2. Research objectives: -

- Studying and analyzing the role of governance in achieving the necessary protection to ensure the rights of shareholders.
- Providing investors in the Iraqi Stock Exchange with clear information about the level of application of corporate governance in the market.

3. Importance of research: - The importance of research comes from the limited culture of corporate governance listed in the Iraqi market for securities, and the absence of a list of corporate governance to regulate their work and contribute to the protection of the rights of their owners, so highlighting the advantages of applying the principles of governance may lead to reduce the level of risk to the company Improving their performance and improving the decisions of investors, which reflects positively on the level of financial performance and supports confidence and efficiency in the market.

4. Research hypothesis: - The research is based on the basic hypothesis that there is an impact of the principles of corporate governance in the protection of shareholders' rights in companies listed on the Iraq Stock Exchange "

5. Research community and sample: - The research community consists of investors and shareholders in all companies listed on the Iraq Stock Exchange (94) companies, while the study sample was determined by the method of the random sample stratified by the research community. Individual (50) questionnaire was distributed to investors and shareholders and only (45) were retrieved and (3) were also excluded for not fulfilling the required conditions.

6. Society and sample of the research: - The research community consists of investors and shareholders in all companies listed in the Iraqi market for securities and the number (94) companies, while the sample of the study was determined by random sample stratified sample of the research community has reached the size of the sample (50) single, was Distribution of the questionnaire to (50) individual investors and shareholders in the market and recovered (45) questionnaire, and was excluded (3) questionnaire for non-fulfillment of the required conditions and thus the number of questionnaires subject to research (42) questionnaire for analysis and represents (84%) of the total questionnaires Distributed, the following table shows the descriptive analysis of the research sample.

Table (1) Descriptive analysis of the research sample

Distributing the sample by	Characteristics of the sample	Frequency	Percentage (%)
Sex	Male	22	52
	Female	20	48
Scientific qualification	Secondary	11	26
	Diploma	9	21
	Bachelor	16	38
	Master	5	12
	Other	1	2
No. of experience years	Less than 5 years	18	43
	5 to 10 years	18	43
	More than 10 years	6	14

The sector to which the investee belongs	Banks	17	40
	Industrial	11	26
	Service	6	14
	Investment	5	12
	Tourism and Hotels	3	7

7. **The Study tools:** - The questionnaire is divided into two groups: -

A- The first group consists of the personal data of the research and it consists of (4) paragraphs

B - The second group: deals with the measurement of research axes has been allocated axis in the questionnaire are as follows:

The first axis : is devoted to measuring the corporate governance variable according to the following:

1. Protect shareholders' rights.
2. Equal treatment of shareholders.
3. The role of stakeholders.

The second Axis : devoted to measuring disclosure and transparency

Each of the axes was discussed through ten paragraphs in the questionnaire, and the Likart five-point scale was adopted to answer the paragraphs.

8. Reliability and consistency of the questionnaire :For the purpose of measuring the apparent sincerity, the questionnaire was subjected to the evaluation of the arbitrators by presenting it to a number of arbitrators, who are specialized professors to ensure the validity of the tool to ensure the accuracy of the wording of the questions and correctness of the statements and the completeness of the questionnaire and distribution of answer options to ensure its relevance to the process of statistical processing in order to identify the problem of design and methodology. Based on the observations and recommendations received from the jury and the first test results were finalized. For the purpose of calculating the validity of the content of the questionnaires, the hash filtering method was used, by calculating the Pearson correlation coefficient between individual questions and even-grade questions for each axis and then correlating the correlation coefficient using the Spearman correlation coefficient. The average correlation coefficient between the resolution of each axis and the overall rate of the axis of the axis, as well as the correlation coefficient between the rate of each axis with the overall average of the resolution paragraphs at the level of significance (0.05) and the table shows no.(2)

The results of the stability coefficient of the first questionnaire paragraphs:

Table (2) stability coefficient of the first questionnaire

No.	Axis resolution	"paragraphs"	Pearson Correlation Coefficient	Spearman correlation coefficient"
1	First axis	$X_{10}-X_1$	0.63	0.77
2	Second axis	$X_{20}-X_{11}$	0.76	0.86
3	Third axis	$X_{30}-X_{21}$	0.72	0.84
4	Fourth axis	$X_{40}-X_{31}$	0.68	0.81
	Total axis	Total paragraphs	0.85	0.91

9 . Methods of data analysis: - The research was used to achieve its objectives and test its hypotheses in the analysis on a set of statistical methods, including the weighted mean, standard deviation and relative weights, as well as the rank correlation coefficient for Spearman and Pearson correlation coefficient, and the simple linear regression model and the determination coefficient T and the data were processed statistically Using Statistical Ready Program (SPSS).

1.2 Some previous studies

A- Shousha study (20098): -

"" conditione for the rise of financial markets: comparative study of the countries of egypt, tunisia and algeria "".

The researcher used the function of corporate governance consisting of six dimensions and the researcher based on the previous studies and the principles of the Organization for Economic Cooperation and Development in the field of corporate governance, the study used that function to measure the degree of corporate governance The financial performance was measured by four indicators: return on equity, return on assets, Tobin ratio and market value to book value. The sample of the study consisted of listed companies in the Egyptian Stock Exchange. Moral relationship between corporate governance and indicators of financial performance of the following (return on the right of ownership and return on assets and the book value to market value).

B- Sweiti & Attayah study (2013):

"Critical Factors Influencing Voluntary Disclosure: The Palestine Exchange"

The study aims at examining the factors affecting the level of voluntary disclosure in the annual reports of the listed companies in the Palestine Exchange. The sample included (35) companies listed in the PSE in 2007 and (48) companies in 2011. Having a positive effect for each N the proportion of non-executive directors, the size of the board of directors, and the presence of the Audit Committee and the number of shareholders (at the level of voluntary disclosure), while the activity board of directors did not affect the optional disclosure of the companies listed on the Palestine Stock Exchange.

C-Abeywardana & Panditharathna study (2016)

(The Extent and Determinates of Voluntary Disclosures in Annual Reports: Evidence from Banking and Finance Companies in Sri Lanka).The study aimed at determining the level of optional disclosure and determining the factors affecting it. The researcher used the method of analyzing the content of the annual financial reports of the banking companies. To determine the level of voluntary disclosure of a sample of (50) Sri Lankan listed companies on the Colombo Stock Exchange during the period (2012-2015) and the study found that there is a positive impact for both the size of the company Arrow profitability and the age of the company in the level of optional disclosure as a whole.

2. corporate governance and disclosure

2.1 The concept and importance of corporate governance :

The concept of corporate governance has become a global and interesting concept and its implications have become part of the process of political and economic reform of companies and governments. IFC defined corporate governance as: "The system by which companies are managed and controlled" (Hammad, 2005: 4), defined by the Organization for Economic Co-operation and Development (OECD) in 1999 , It is a system whereby business organizations are guided and supervised, defining the structure and framework of the distribution of duties and responsibilities among participants in a joint stock company, Such as the Board of Directors, managers and other stakeholders, and sets the rules and provisions for decisions regarding the affairs of the joint-stock company (OECD, 1999). the means to achieve these objectives, and to monitor performance, and good corporate governance should provide reasonable incentives to the Board of Directors, and management in order to pursue the objectives that are in the interest of the company (the bank) and shareholders, and

facilitate the process of effective supervision, and thus encourage companies (banks) to use their available resources efficiently (Dahmash & Abu zer, 2003: 27-30). The Governance can be defined as the efficiency and independence of the supervisory structure and the existence of books transparency, accuracy and protection of the rights of the name holders and equal treatment of all shareholders.

2.2 The principles of corporate governance

The OCED International Corporate Governance Principles for 2004 are as follows (Ahmed, 2008: 10) (kopeikina, 2006: 20): -

1. Ensure that there is a basis for an effective framework for corporate governance: - Governance works to ensure the transparency and efficiency of financial markets in accordance with the rule of law, with a clear definition and distribution of responsibilities between the various supervisory, regulatory and executive.

2. The Shareholders' Rights: - The framework of corporate governance practices should ensure the protection of shareholders, as they have certain ownership rights, namely: the right to secure the methods of registration of ownership, the right to elect the members of the board of directors, the right to receive a share of profits, the right to participate. In voting in the general assembly of shareholders, the right to transfer or transfer ownership of shares the right to receive various necessary information relating to the activity of the company in a timely and regular manner.

3. Equal treatment of shareholders: - Governance ensures equal treatment of all shareholders, including minority and foreign shareholders, where all must have the same rights and should have access to information.

4. The Role of Stakeholders in Corporate Governance The corporate governance framework should include recognition of the rights of stakeholders approved in accordance with the law, and encourage cooperation between them and the company and enable them to access the required information.

5. Disclosure and Transparency: - Corporate governance ensures accurate and timely disclosure on all matters relating to the incorporation of the company, by providing information on: financial and operational results of the company, the objectives of the company, members of the board of directors, salaries and benefits granted to senior officials, and structures and policies of corporate governance. It is worth mentioning that the information should be prepared and audited as well as disclosed in a manner consistent with the accounting and financial quality standards, as well as the requirements of audits, in order to allow objective audit of the method used in the preparation of financial statements and the drafting of financial reports.

6. The Responsibilities of the Board of Directors: - The practice of corporate governance should provide strategic guidance to guide companies. It should also ensure follow-up of executive management by the board of directors and ensure the accountability of the board of directors by shareholders.

2.3 The concept of disclosure and transparency

Disclosure is a presentation of the necessary information on economic unity for the purposes of optimal operation of effective capital markets (Hendriksen & Breda, 1995: 54). Accounting transparency is useful and reliable disclosures that are provided to the beneficiary parties in a timely manner about the financial performance of the company. The units need to provide transparent financial statements in order to make rational investment decisions. Because it is essential for investors right now (Glassman, 2002: 1). The importance of accounting disclosure as a consistent principle in the preparation of financial reports is due to the fact that it is one of the main foundations on which GAAP invites. For the benefit of other beneficiaries of this information (Jiangli et al., 2004: 36), AICPA also defined the appropriate disclosure

as follows: (The presentation of information in the financial statements in accordance with generally accepted accounting principles requires the provision of an appropriate disclosure component in these statements.).

2.4 Levels and types of accounting disclosure

The amount of information to be disclosed depends not only on the reader's experience but also on the level of disclosure required. The accountant should choose the appropriate level at which the information can be communicated to the users of the financial statements.

The first approach: focusing on the scope or scope of the disclosure, can be distinguished between three levels, namely: -

1 - Full or complete disclosure: - Is to provide information comprehensive and reflective of all economic events and operations related to it, that is to provide all the information that has an impact on the user, as it is not limited to facts related to accounting periods ended but includes subsequent facts (Ziyud , 2007: 18).

2- Fair or Clear Disclosure: - This requires the presentation of all data that contribute to clarify the financial situation of the economic unit and the financial activities that have affected them without prejudice to a sect without another. This level of disclosure is governed by behavioral considerations related to the accounting data makers (Zouina, 2014: 141).

3 – The Adequate Disclosure: - It is also called appropriate and requires this level of disclosure minimum information, which makes the financial statements understandable and not misleading.

The second topic : - In this entry focuses on the quality of disclosure, where the disclosure is divided into:

1- The Preventive Disclosure: - The information is to be provided in the financial statements without misleading, so as to allow the protection of parties with limited ability to understand financial information.

2- The Optional Disclosure and Mandatory Disclosure: - The classification of disclosure is due to optional or compulsory to the environment and the legislations and laws in force in that environment.

3- The educational disclosure (media): - It is a contemporary trend depends on that the user of financial statements has the ability to analyze and make comparisons and make predictions in a professional manner (Alhayali, 2007: 372).

Fifth: The importance of applying the systems of protecting shareholders' rights .

The implementation of corporate governance contributes to the protection of shareholders' rights as follows:

(Kim et al., 2006: 198) (Abu Alatta, 2003: 22;) Shleifer & Vishny, 1997: 737-74)

- A-** Protecting the basic rights of shareholders related to the registration, transfer and transfer of ownership, participate and vote in shareholders' meetings, share in profits and obtain regular information about the company.
- B-** Affirming the rights of shareholders to be informed and participate in the decisions related to the amendments to the Memorandum and Articles of Association, including amendments to the capital through the issuance of new shares to the shareholders; Or offering shares under the employee's stock option system, or through the repurchase of shares, as well as decisions relating to any unusual transactions that have an impact on the fate of the company or the conduct of its activities such as merger, sale of a tangible part of its assets or abandonment of subsidiaries.
- C-** Encouraging the effective participation of shareholders in the meetings of the General Assembly and introducing them to the voting procedures and rules, including by notifying them of the date of the General Assembly meeting and the agenda well in advance of the meeting; The place and time of the meeting shall be made public in accordance with the laws and instructions issued in this regard.

- D-** Emphasize the importance of disclosing the capital structure or any arrangements that the company may have control of some shareholders.
- E-** Ensure that all shareholders are treated equally, including small shareholders and foreign shareholders, and have the opportunity to hold the Board accountable and correct any infringements of their rights.
- F-** Provide information to shareholders in a timely manner and to allow them to exercise their rights to the fullest. accurate without distinction between contributors regarding the provision of this information.
- G-** Enable shareholders to review the minutes of the general assembly meetings.
- H-** Prepare a statement of the financial and non-financial procedures that have been signed on the company during the financial year. This statement shall be read by the chairman of the company at the annual general meeting.

3. the analytical aspect of the research

3.1 Analysis of the differences in the answers of the research sample (description of the research sample)

The descriptive statistics of the research sample were as shown in Table 3:

Table (3) Descriptive statistics of the research sample

Sample distribution	Statement	Frequency	Average	standard deviation	Test F	T test	Differences in standard deviation
Sex	Male	22	3.658	1.623	1.915	2.914	8.157
	Female	20	4.078	1.051			
Scientific qualification	Secondary	11	3.61	0.88	4.55	8.03	4.445
	Diploma	9	3.17	0.94			
	Bachelor	16	4.18	0.71			
	Master	5	3.99	1.03			
	Other	1	4.24	0.94			
No. of experience years	Less than 5 years	18	4.147	0.706	6.27	3.11	4.32
	5 to 10 years	18	3.956	1.017			
	More than 10 years	6	4.208	0.929			
The sector to which the investee belongs	Banks	17	3.62	0.88	5.42	5.77	3.98
	Industrial	11	3.17	0.94			
	Service	6	4.19	0.71			
	Investment	5	4.00	1.03			
	Tourism and hotels	3	4.25	0.94			

Through table (3) of the average answers of the research sample to the questions of the axes of the questionnaire has been shown:

- 1- There are no statistically significant differences at the level of significance (0.05) between males and females with respect to the protection of contributors in the questions in the questionnaire.

2 - With regard to the differences of statistical significance of the variable of the sector to which the investor belongs in terms of their conviction of the role of disclosure in the protection of shareholders' rights, it is noted that there are no significant differences between the sexes as a function of test (T), and may explain the similarity of objective conditions of the financial market, especially since all the sample They face the same market conditions.

3 - There are no significant differences statistically significant level (0.05) attributed to the title variable.

3.2 Analysis of the first axis of corporate governance: -

1- Analysis of the protection of shareholders' rights

To assess the application of the principle of protection of shareholders' rights from the point of view of the respondents in the Iraqi market for securities, the arithmetic averages and relative weights for their response were extracted, and table (4), shows the results reached the first axis of the first questionnaire:

Table (4): Analysis of the first axis paragraphs (protection of shareholders' rights)

Details	Serial	Fifth scale					Arithmetic mean	The ratio (%)
		1	2	3	4	5		
1. The basic rights of shareholders shall guarantee guaranteed methods of registration, transfer and transfer of shares	1	20	20	1	1	-	4.40	95.2
2. Shareholders' equity includes access to timely, material and relevant information on a regular basis	2	2	23	18	1	-	4.52	97.7
3- The shareholder may participate and vote in the general assembly of shareholders and elect and dismiss the members of the board of directors	3	18	22	1	1	-	4.36	95.2
4- The shareholder shall have a share of the profits of the Company	4	26	13	2	1	-	4.64	92.9
5- The shareholder shall have the right to participate in the decisions as well as to obtain information resulting from the decisions relating to the amendment of the bylaws, articles of association, issuance of additional shares, or all that leads to the sale of the company.	5	20	18	3	1	-	4.36	90.5
6. The shareholder shall have the right to receive sufficient	6	29	11	2	-	-	4.64	95.2

information in a timely manner regarding the date, place and agenda								
7. The shareholder has the right to issue the board of directors about the use of countermeasures to take over the company.	7	14	21	4	3	-	4.10	83.3
8- A shareholder has the right to disclose the capital structure to identify arrangements that enable certain shareholders to obtain a degree of control that is disproportionate to their equity holdings.	8	15	23	3	1	-	4.24	90.5
9. The shareholder shall have the right to vote in person or in absentia, taking into account the equal effect of voting, whether in person or in absentia	9	9	29	4	-	-	4.12	90.5
10. The shareholder shall have the right to be sure of rules and procedures that permit to market to control on companies in an efficient and transparent manner	10	21	16	5	-	-	4.38	88.1
Average		19.5	19.1	2.6	1.33	-	4.364	91.9

Through the results of table (4), it was noted that the answers achieved a high average (4.364), and in general the above results indicate the commitment to the application of the principle of protection of shareholders' rights by the research sample companies significantly as the relative weight of the answers to the questions of the axis between the highest weight Relative (97.7%) for the second question. This means that the shareholders' rights include access to material and related information of the company in a timely and regular basis with a high percentage. The lowest relative weight reached (83.3%) for the seventh question. Respondents were neutral in their answers, (14) did not agree and (7) Fully consistent contributor to the question of the right of the Board of Directors on the use of anti means to seize the company.

2. Analysis of paragraphs of equal treatment of shareholders: This will be shown in Table (5)

Table (5) Equal Treatment of Shareholders

Details	Serial	Fifth scale					Arithmetic mean	The ratio (%)
		1	2	3	4	5		
1. The level of obtaining the results	1	18	21	1	2	-	4.31	92.9

of effective opportunities for shareholders for compensation for violations of their rights								
2. Equal treatment of all shareholders holding the same type of shares	2	24	14	2	1	1	4.40	90.5
3 - All shareholders get information on the type of shares before they buy.	3	24	16	1	1	-	4.50	95.2
4. Protecting minority shareholders from abuse, which is carried out for the benefit of shareholders with ruling lineage, which is carried out either directly or indirectly and the necessity of effective means of reform.	4	24	16	1	1	-	4.50	95.2
5 - The need to be any changes that adversely affect the correction rights subject to the approval of the categories of shareholders	5	25	16	1	-	-	4.54	97.6
6 - to cast votes through candidates for this purpose in a manner agreed upon by the beneficiaries of ownership of shares.	6	28	12	1	1	-	4.60	95.2
7. The procedures subject to the general assembly meeting shall allow all shareholders to receive equal treatment.	7	23	11	7	1	-	4.33	81.0
8. Eliminate difficulties that impede cross-border correction.	8	30	11	1	-	-	4.69	97.6
9 - Prevention of circulation between insiders and circulation of pictures or personal.	9	17	20	4	1	-	4.26	88.1
10. Disclose by the Board of Directors and executives whether they have a material interest in any process affecting the company directly or indirectly.	10	26	11	5	-	-	4.50	88.1
Average		23.9	14.8	2.4	1.14	1	4.46	92.14

As shown in Table (5), it was found that the questions (5-8) came in the first ranks in terms of dealing with the shareholders and their weights were high. This indicates the commitment to apply the principle of equal treatment in a high and equal balance and reached (97.6%). 4-6) In the second rank in terms of protection of shareholders' rights, the relative weights were high, indicating that the commitment to apply the principle of equal treatment of shareholders is high and the relative weights equal to 95.2%, and the percentage decreased in the seventh question compared to other questions and reached (81). In that it should allow the procedures of the meetings of the Assembly for all members Contributors to equal treatment.

3 - Analysis of paragraphs of the role of stakeholders: - This is done through table (6)

Table (6) Analyzing of the role of stakeholders

Details	Serial	Fifth scale					Arithmetic mean	The ratio (%)
		1	2	3	4	5		
1. Recognizing the rights of stakeholders established by law or as a result of mutual agreements	1	22	18	2	-	-	4.48	95.2
2. Work on cooperation between companies and stakeholders in creating wealth and job opportunities	2	15	24	2	1	-	4.26	92.9
3. When the law guarantees the protection of an interest, stakeholders should have the opportunity to receive compensation for the violation of their rights.	3	24	15	2	1	-	4.48	92.8
4 - Allow in the development of mechanisms to enhance performance for the participation of workers.	4	1	7	8	22	4	2.5	19.1
5. Allow stakeholders to have access to relevant and adequate information that can be relied upon in a timely manner and on a regular basis.	5	10	25	7	-	-	4.07	83.3
6 - Stakeholders contact the Board	6	15	22	2	-	-	4.38	95.3

of Directors to express their concern about illegal or unethical practices.								
7 - for the dissolution or uprising of the rights of stakeholders as they carried out illegal practices.	7	-	3	8	31	-	2.33	7.3
8. The corporate governance framework should be complemented by an effective and efficient insolvency framework and another effective framework for the implementation of creditors' rights.	8	22	19	1	-	-	4.50	97.6
9. Liaise with stakeholders to find different ways to secure the flow of external and internal capital of the company.	9	26	14	1	1	-	4.55	94.6
10. The existence of an effective working mechanism between the stakeholders and the Board of Directors to provide continuity of the company	10	20	18	3	1	-	4.36	90.5
Average		17.6	16.5	3.6	9.5	4	3.99	76.82

Through Table (6), it was noted that the answers analyzed in this axis achieved a high average of (3.99), thus the results indicate that the majority of the research sample is committed to the implementation of the principle of the role of stakeholders significantly, and the average relative weight of all answers (76.82). This was the result of the impact of the average answers on the low percentage of question 7, which reached 7.3%, which refers to the lack of "disengagement or uprising of the rights of stakeholders as they carried out illegal practices" and question no. 4 (19.1%). All members of the Association agreed on the possibility of stakeholders, including staff and their representative bodies, to be able to contact the Board of Directors to express their concern about illegal or unethical practices at a percentage of 95.5%.) Based on the above analysis in Tables (4-5-5), it was noted that there is an impact of the principles of corporate governance in protecting shareholders' rights in listed companies. In the Iraqi market for securities "and this is a proof of the hypothesis of research.

Conclusion

1. Companies do not allow mechanisms to enhance performance for employee participation and to restrict the rights of stakeholders if they engage in unlawful practices. Stakeholders have the opportunity to obtain effective compensation for violations of their rights.
2. Adherence to adequate disclosure contributes to the development of control methods that prevent any party related to the establishment internally or externally from adversely affecting the company's activities.

3. Companies shall have secured methods for the registration, transfer and transfer of shares in order to guarantee the rights of shareholders.

4. The results of the analysis showed that shareholders 'rights include obtaining timely and material information related to the company on a regular basis. The results also demonstrated the possibility of shareholder participation, voting in the shareholders' general assembly and electing

The members of the Board of Directors have been dismissed and the shareholder has the right to participate in the decisions as well as to obtain information resulting from the decisions relating to the amendment of the rules of procedure Or the Memorandum of Association or the issue of additional shares, or whatever leads to the sale of the Company as well as obtaining timely and adequate information regarding the date, place and agenda.

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