



BHM CAPITAL  
بي اتش ام كابيتال

# Treasury Shares Program

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# Why Treasury Shares Program

We don't see any better investment than in ourselves

- Management strongly believes that current share price does not fairly reflect the performance of the company and so; prefers to buyback the shares than from investors that are willing to sell at such levels instead of distributing dividends.
- That should reflect positively on the share price and so, other investors will be compensated by the potential capital gains arising from the potential appreciation of share price.

## Treasury Shares Program will:

- Moderate financial ratios (positive ROA, ROE, EPS, and P/E).
- Allow the company to buy back some of its shares at a discounted price to use, sell or redeem in the future.
- Send a strong message to the market and investors about the genuine strong operational and financial performance of the company represented by its board and management.

# Program Uses

Can be any of the following:

- Future selling of bought shares to potential investors/strategic partners..
- Potential distribution of treasury shares as dividends to existing shareholders.
- Potential debt settlement instrument for creditors.
- The Potential use of Treasury Shares for Employees Stock Ownership Plan (ESOP) to attract and retain talent.

# Program Application

## Regulations:

Federal Law By Decree No. 32 of 2021 on Commercial Companies

Ministerial Decision No. 539 of 2017 by The UAE Federal Ministry of Economy

- The program duration should **not exceed five years** from GM approval.
- Treasury shares **not to exceed 10%** from the authorized capital.
- Treasury shares has **no right for dividends or voting** on the company's GMs.
- The company is not allowed to buy any shares **15 days before / 3 days after** disclosure of financial statements or any substantial information.
- The company is not allowed to buy its shares through subsidiaries companies or related companies.
- The company is not allowed to sell the treasury shares during the buying process.

# Program Requirements

- BOD decision on Treasury Shares Program and its Uses.
- SCA no objection on Treasury Shares Program.
- MOE initial approval on Treasury Shares Program, and AGM Agenda.
- Special resolution from AGM on Treasury Shares Program and its objectives.

Thank you...