Resolution No. (34) of 2020
Regarding
Amending Some Provisions of the Executive Bylaws of Law No. (7) of 2010 Regarding the Establishment of the Capital Markets Authority and Regulating Securities Activities and their Amendments

Having Perused:
- Law No. (7) of 2010 Regarding the Establishment of the Capital Markets Authority and Regulating Securities Activities and its Executive Bylaws, and their amendments; and
- CMA Board of Commissioners Resolution passed in its meeting No. (11) of 2020 held on 05/10/2020;

The Following Was Resolved

Article (1)
Module Nine (Mergers and Acquisitions) of Law No. (7) of 2010 is hereby amended pursuant to Annex (1) attached to this Resolution.

Article (2)
The concerned bodies shall execute this Resolution, each within its jurisdiction. This Resolution shall come into force from the date of its issuance, and it shall be published in the Official Gazette.

Prof. Ahmad A. Al-Melhem
Issued on: 11/05/2020

Annex No. (1)

Module	Chapter	Article	Amendment type	Before amendment	After amendment
Nine	Three	(3-2-3)	Amending an Article	A Person obligated to submit a Mandatory Acquisition Offer shall immediately disclose their obligation to submitting an Acquisition Offer Document even if they do not have all the related information. If an obligated Person abstains from disclosure within thirty days commencing from the date of notification of a resolution by the Authority requiring them to submit an Acquisition Offer, the Authority shall announce its resolution in the relevant Exchange; provided it shall include the following information: 1.Name of the person obligated to submit an Offer whether it be a natural Person or a corporate entity. 2.Name of the Offeree company where the Offeree company is listed on the Exchange. 3.The requirement to complete the Mandatory Acquisition Offer in thirty days. 4.A reminder of the penalties for the violation of such provisions as are set out in the Law.	A Person obligated to submit a Mandatory Acquisition Offer shall immediately disclose their obligation to submitting an Acquisition Offer Document even if they do not have all the related information. If an obligated Person abstains from disclosure within thirty days commencing from the date of notification of a resolution by the Authority requiring them to submit an Acquisition Offer, the Authority shall take the following two procedures: a. Announce its resolution in the Exchange, provided it shall include the following information: 1.Name of the person obligated to submit an Offer whether it be a natural Person or a corporate entity. 2.Name of the Offeree company where the Offeree company is listed on the Exchange. 3.The requirement to complete the Mandatory Acquisition Offer in thirty days. 4.A reminder of the penalties for the violation of such provisions as are set out in the Law, in particular preventing their use of the voting rights arising from their ownership in the Offeree company.

					b. Notify the Clearing Agency to prohibit the Person obligated to submit a Mandatory Acquisition Offer from using the voting rights arising from their ownership in the Offeree company, as of the issuance date of the Authority's resolution obliging the submission of a Mandatory Acquisition Offer until the completion of the procedures of executing the Mandatory Acquisition. The Clearing Agency shall notify the Authority in the event that voting rights on this ownership is exercised.
Nine	Three	(3-5-2)	Amending an Article	A Mandatory Acquisition Offer shall be a cash offer equivalent to the highest price of the following: 1. The weighted average of the daily price in the Exchange of the Offeree company through the six months preceding the date of disclosing the Mandatory Acquisition Offer; and this price shall be calculated by the Exchange; or 2. The highest price paid by the Offeror, any Person whether Subsidiary or person with whom they are Acting in Concert with it during the six months preceding the date of disclosing the Mandatory Acquisition Offer. In the event that cash distributions are approved for the Offeree's shareholders, and their maturity is during the	A Mandatory Acquisition Offer Price

				Offer Period, such distributions shall be deducted from the highest price of the two prices mentioned in the two items above.	
Nine	Three	(3-5-2-1)	Adding an Article	-	A Mandatory Acquisition Offer shall be a cash offer equivalent to the highest price of the following: 1. The weighted average of the daily price in the Exchange of the Offeree company through the six months preceding the date of disclosing the Mandatory Acquisition Offer; and this price shall be calculated by the Exchange; or 2. The highest price paid by the Offeror, any Person whether Subsidiary or person with whom they are Acting in Concert with it during the six months preceding the date of disclosing the Mandatory Acquisition Offer. In the event that cash distributions are approved for the Offeree's shareholders, and their maturity is during the Offer Period, such distributions shall be deducted from the highest price of the two prices mentioned in the two items above.
Nine	Three	(3-5-2-1)	Adding an Article	-	As an exception to the provisions of the previous Article, in the event that a Person obligated to submit a Mandatory Acquisition Offer fails to comply with the provisions of Article (3-2-3) of this Module, or submit a Mandatory

					Acquisition Offer Document during the legally specified period pursuant to Appendix (5) of this Module, the submitted Mandatory Acquisition Offer shall be a cash offer equivalent to the highest price of the two prices mentioned in the previous Article or one of the following prices: 1. The weighted average of the daily price in the Exchange of the Offeree company through the six months preceding the issuance date of the Authority's resolution requiring him to submit a Mandatory Acquisition Offer; and this price shall be calculated by the Exchange; or 2. The highest price paid by the Offeror, any Person whether Subsidiary or person with whom they are Acting in Concert with it during the six months preceding the issuance date of the Authority's resolution requiring him to submit a Mandatory Acquisition Offer; or 3. The highest paid share price within the period from the issuance date of the Authority's resolution requiring the person obligated to submit a Mandatory Acquisition Offer until the date of disclosing the obligation to submit a Mandatory Acquisition Offer Document. In the event that cash distributions are approved

					for the Offeree's shareholders, and their maturity is during the Offer Period, such distributions shall be deducted from the highest price of the prices mentioned above.