



REGULATION OF COMPETITION CONTROLS

RIYADH CABLES GROUP

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Article No. (1) Definitions:

The words and expressions mentioned in these controls shall have the meanings indicated in the relevant regulations of the Capital Market Authority, unless the context requires otherwise.

Article No. (2) Objects:

These regulations aim to regulate the controls that will be applied to determine whether a member of the company's board of directors (the "Board") participates in a business that may compete with the company, or compete with the company in one of the branches of the activity it is engaged in, in accordance with the corporate governance regulations issued by the Capital Market Authority, and the conditions of Disclosure and approvals that will be applied to board members who are involved in businesses competing with the company.

Article No. (3) Company Competition Controls:

Board members are not entitled to participate in a business that would compete with the company, or compete with it in one of the branches of the activity it is engaged in, without obtaining a license from the General Assembly. Subject to the provisions of Article No. 72 of the Companies Law, if a member of the Board of Directors participates in a business that would compete with the company or its competitors in one of the branches of the activity it is engaged in; He must obtain a license from the General Assembly that allows the member to practice competing businesses according to the following:

1. Informing the Board of Directors of the competing business it practices and recording this notification in the minutes of the Board of Directors meeting.
2. Non-participation of the interested member in voting on the decision issued in this regard (whether in the board of directors or shareholders' assemblies).
3. The Chairman of the Board of Directors informs the General Assembly, when it convenes, of the competing business that the member of the Board is engaged in, after the Board of Directors verifies that the member of the Board is competing with the company's business or competing with it in one of the branches of the activity that it is engaged in in accordance with these controls.
4. Obtaining a license from the Ordinary General Assembly of the company that allows the member to practice competing businesses.

Article No. (4) Concept of Business Competition:

The following are included in the concept of participating in any business that would compete with the company or its competition in one of the branches of its activity:

1. A member of the Board of Directors establishes a sole proprietorship or establishment, or owns an effective percentage of shares or stakes in a company or other establishment, carrying out an activity similar to that of the company or its group.
2. Acceptance of membership in the Board of Directors of a company or establishment competing with the company or its group, or taking over the management of a competing sole proprietorship or a competing company in whatever form it may be, with the exception of the affiliates of the company.
3. The Member obtaining a commercial agency or the like, whether apparent or hidden, for a company or other establishment competing with the company or its group.
4. A person nominated for membership of the Board of Directors shall disclose to the Board any work he is engaged in that would compete with the company in accordance with the relevant rules and regulations.

Article No. (5) Competition Controls:

The Member and the Board take the following into account when determining whether the member is involved in a business that competes with the business of the company, which requires obtaining a license from the General Assembly:

1. The extent to which the company's products can be replaced by business products that would compete with the company. The products will not be competitive unless they are identical or substantially similar to the company's products.
2. The extent to which the company operates and works that would compete with the company in the same geographical areas. The business that would compete with the company will not be considered a competition for the company if it does not operate in the same geographical areas of work as the company.
3. The extent of the company's service and businesses that would compete with the company for the same clients. A business that would compete with the Company will not be considered a competition for the Company if it does not target the same customers served in the Company's lines of business and products.
4. Comparability between business that would compete with the company and the company's strategy. The business that would compete with the company will not be considered a competition for the company if it does not intersect with the company's strategic goals and directions.

Article No. (6) Refusal to grant a license:

If the General Assembly refuses to grant the Company's competition license to a member of the Board of Directors, the Board member shall submit his resignation within a period specified by the General Assembly, otherwise his membership in the Board shall be considered expired, unless he decides to withdraw from the Company's competition or adjust his situation in accordance with the Companies Law and its Implementing Regulations before the expiry of the period specified by the General Assembly.

Article No. (7) Final Provisions:

1. The Remuneration and Nomination Committee periodically reviews these controls and evaluates their effectiveness.
2. These competition regulations may be amended from time to time upon the recommendation of the Board of Directors, provided that they are submitted to the General Assembly for approval.
3. These controls shall be effective from the date of their approval by the General Assembly.