

NEW GLOSSARY DEFINITIONS FOR MERGER AND ACQUISITION REGULATIONS

- **Offeree company:**
 - Means in the Takeover Regulations, a company listed on the Exchange (or unlisted company in the case of reversed takeover) in respect of which a takeover offer has been made.
- **Offeror:**

Means in the Takeover Regulations, a person who makes or intends to make a takeover offer that is subject to the Takeover Regulations.
- **Takeover:**

Means the acquisition or the proposed acquisition of control of a company listed on the Exchange.
- **Competition Law:**

means the Competition Law issued by Royal Decree no M/25 dated [4/5/1425H]
- **Announcement:**

Means in the Takeover Regulation, an announcement made to the public through the Exchange or information system recognised for the purpose by the Authority.
- **Reverse takeover:**

means an arrangement where a listed company makes an offer for an unlisted company on terms that (a) the listed company will offer new shares in itself to the shareholders of the unlisted company in exchange for their shares, and (b) the number of shares to be issued by the listed company under this arrangement is so large that the shareholders of the unlisted company acquire, between them, control of the listed company.
- **Discretionary account:**

An account with an authorised person who is authorised to carry on managing activities, with the power to make investment decisions without prior reference to the holder of the account.
- **Council of Competition Protection:**

Means the Council of Competition Protection as constituted under the Competition Law.
- **Calendar day:**

Means any day, whether or not such day is a business day.
- **Related party:**

Means in the Takeover Regulations, a person who, in relation to each of the offeror (or any of its affiliates) and the offeree company (or any of its affiliates), satisfies one or more of the following conditions:

 - 1) he is (or was within the 12 months before the date of the offer) a shareholder holding 20% or more of the equity of the company, or will become a shareholder holding 20% or more of the equity of the company as a result of the offer being accepted, or a person acting in concert with such a person; or
 - 2) he is (or was within the 12 months before the date of the offer) a director or shadow director.

– **Acting in concert:**

Means actively co-operating, pursuant to an agreement or understanding (whether formal or informal) between persons, to be controllers of a company, through the acquisition by any of them of shares in that company.

– **Unconditional as to acceptances:**

Means in the Takeover Regulations, that the offer is no longer conditional upon receipt by the offeror of acceptances from the shareholders of the offeree company.

– **Independent advisor:**

Means an advisor that is not influenced or controlled in any way (directly or indirectly) by the offeror or the offeree.