

Draft Amendments to the Exchange Rules

a) Introduction:

The Saudi Exchange is committed to involve all concerned and interested parties to participate and share their views on the regulatory framework. This been said, Saudi Exchange announces the publishing of the draft amendments to the Exchange Rules for public consultation. The Draft Amendments to the Exchange Rules will be published for public consultation for a period of (14) calendar days ending on (07\10\2025G) corresponding to (15\04\1447H).

b) Objective of the Draft Amendments:

The draft proposed amendments aim to allow the listing of Special Purpose Acquisition Companies (SPACs) on the Parallel Market, contributing to enhancing the attractiveness and efficiency of the market and strengthening its regional and international competitiveness.

c) Receive Public Views:

Saudi Exchange would be pleased to receive your feedback and views on the Proposed amendments of the Exchange Rules through the following email:

Public.Consultation@tadawulgroup.sa

Your feedback shall be considered and assessed during the process of issuing the final versions of the amendments.

d) Proposed Amendments on the Glossary of Defined Terms Used in The Exchange Rules compared to the current provisions:

#	Current Provisions	Provisions after proposed Amendments
1.	New Term	<u>Redeemable Shares: Shares issued by the issuer that can be redeemed at the issuer's option, or at the shareholder's option in a special purpose acquisition company, in accordance with the terms and conditions of its redemption.</u>
2.	New Term	<u>Special Purpose Acquisition Companies: A joint stock company established in accordance with the provisions of the Companies Law for the purpose of acquisition or merger with a Saudi company whose shares are not listed, in accordance</u>

		with the provisions of Part (8) of the Listing Rules.
3.	Amendment on the Sponsor Term	Sponsor: the person responsible for sponsoring the special purposes entity in accordance with the Rules for Special Purposes Entities. and means in Part (8) of the Listing Rules, a Capital Market Institution licensed to manage investments and operate funds, and it establishes a special purpose acquisition company for the purpose of acquisition or merger with a Saudi Company whose shares are not listed.

e) Proposed Amendments on the Listing Rules compared to the current Provisions:

#	Current Provisions	Provisions after proposed Amendments
1.	<p>Article 13: Scope and application</p> <p>a. The purpose of this Part is to set out the requirements relating to the submission of an application for listing of securities on The Exchange.</p> <p>b. The provisions of this Part shall not apply to the application for listing of debt instruments issued by the government of the Kingdom or the Kingdom's development funds and banks and the Kingdom's sovereign funds. Any such application shall be in accordance with the requirements and procedures determined by the Exchange.</p>	<p>Article 13: Scope and application</p> <p>a. The purpose of this Part is to set out the requirements relating to the submission of an application for listing of securities on The Exchange.</p> <p>b. The provisions of this Part shall not apply to the application for listing of debt instruments issued by the government of the Kingdom or the Kingdom's development funds and banks and the Kingdom's sovereign funds. Any such application shall be in accordance with the requirements and procedures determined by the Exchange.</p>

	<p>c. The provisions of Article 17 of these Rules shall apply on the sponsor, except for subparagraph (6) of paragraph (b) of Article 17.</p>	<p>c. The provisions of Article 17 of these Rules shall apply on the sponsor in the special purpose entity, except for subparagraph (6) of paragraph (b) of Article 17.</p>
2.	<p>Article 15: Required approvals to submit an application for listing of shares or Saudi Depositary Receipts or debt instruments or convertible debt instruments</p> <p>a. An issuer may not submit an application for listing of shares or debt instruments or convertible debt instruments without obtaining all approvals required pursuant to its bylaws, the Companies Law and its Implementing Regulations. This requirement shall not apply to the approval of the extraordinary general assembly to increase the issuer's capital, provided that it must be issued prior to listing the relevant securities. Where the issuer is a special purposes entity, the issuer may not submit an application for listing of securities without obtaining the approvals of the special purposes entity's board of directors and the sponsor's board of directors.</p> <p>b. In the case of cross listed shares, or the listing of Saudi Depositary Receipts, the requirements set out in paragraph</p>	<p>Article 15: Required approvals to submit an application for listing of shares or Saudi Depositary Receipts or debt instruments or convertible debt instruments</p> <p>a. An issuer may not submit an application for listing of shares or debt instruments or convertible debt instruments without obtaining all approvals required pursuant to its bylaws, the Companies Law and its Implementing Regulations. This requirement shall not apply to the approval of the extraordinary general assembly to increase the issuer's capital, provided that it must be issued prior to listing the relevant securities. Where the issuer is a special purposes entity or a Special Purposes Acquisition Company, the issuer may not submit an application for listing of securities without obtaining the approvals of the special purposes entity's board of directors or the Special Purposes Acquisition Company's board of directors and the sponsor's board of directors.</p> <p>b. In the case of cross listed shares, or the listing of Saudi Depositary Receipts, the</p>

	<p>(a) of this Article shall not apply on the foreign issuer, provided that the foreign issuer must provide the Exchange that it had obtained all required approvals from the foreign market where its shares are listed.</p>	<p>requirements set out in paragraph (a) of this Article shall not apply on the foreign issuer, provided that the foreign issuer must provide the Exchange that it had obtained all required approvals from the foreign market where its shares are listed.</p>
3.	<p>Article 16: Appointment of representatives of the issuer</p> <p>a. The issuer must appoint two representatives before the Exchange for all purposes relating to these Rules, one of whom must be a director and the other must be a senior executive. Where the issuer is a special purposes entity, it must appoint two representatives from its directors before the Exchange for all purposes relating to these Rules. The sponsor must appoint two representatives before the Exchange for all purposes relating to these Rules, one of whom must be a director and the other must be a senior executive.</p> <p>b. In respect of the Listed Funds, the fund manager must appoint two representatives delegated by the fund's board of directors before the</p>	<p>Article 16: Appointment of representatives of the issuer</p> <p>a. The issuer must appoint two representatives before the Exchange for all purposes relating to these Rules, one of whom must be a director and the other must be a senior executive. Where the issuer is a special purposes entity, it must appoint two representatives from its directors before the Exchange for all purposes relating to these Rules. The sponsor <u>in the special purposes entity</u> must appoint two representatives before the Exchange for all purposes relating to these Rules, one of whom must be a director and the other must be a senior executive. <u>Where the issuer is a Special Purposes Acquisition Company, the Special Purposes Acquisition Company and the sponsor in the Special Purposes Acquisition Company must appoint two representatives for each of them before the Exchange for all purposes relating to these Rules, one of whom must be a</u></p>

	<p>Exchange for all purposes relating to these Rules.</p> <p>c. The issuer must provide details in writing of how the representatives appointed pursuant to paragraphs (a) and (b) of this Article may be contacted including office and mobile numbers, electronic mail address and postal address, and details in writing of how the sponsor's representatives may be contacted where the issuer is a special purposes entity.</p> <p>d. In addition to the representatives appointed pursuant to paragraph (a) of this Article, any financial advisor appointed in accordance with the relevant Implementing Regulations is responsible, on behalf of the issuer, before the Exchange for the purposes related to submission of listing applications.</p> <p>e. The provisions of paragraph (a) of this Article shall not apply on the issuer if it is a fund manager.</p>	<p>director and the other must be a senior executive.</p> <p>b. In respect of the Listed Funds, the fund manager must appoint two representatives delegated by the fund's board of directors before the Exchange for all purposes relating to these Rules.</p> <p>c. The issuer must provide details in writing of how the representatives appointed pursuant to paragraphs (a) and (b) of this Article may be contacted including office and mobile numbers, electronic mail address and postal address, and details in writing of how the sponsor's representatives may be contacted where the issuer is a special purposes entity or a Special Purposes Acquisition Company.</p> <p>d. In addition to the representatives appointed pursuant to paragraph (a) of this Article, any financial advisor appointed in accordance with the relevant Implementing Regulations is responsible, on behalf of the issuer, before the Exchange for the purposes related to submission of listing applications.</p> <p>e. The provisions of paragraph (a) of this Article shall not apply on the issuer if it is a fund manager.</p>
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4.	<p>Article 23: Application submission for listing new securities of a class already listed and supporting documents</p> <p>a. Where an issuer wishes to list new shares of a class already listed, either by way of rights issue suspension of preemptive rights issue, capitalisation issue, debt conversion, acquisition of a company or asset purchase, it must submit an application for listing to the Exchange in accordance with Part 3 of these Rules (as applicable).</p> <p>b. Where an issuer wishes to list new units of a Real Estate Investment Traded Fund or units of a Closed-Ended Investment Traded Fund of a class already listed, it must submit an application for listing to the Exchange in accordance with Part 3 of these Rules (as applicable).</p> <p>c. An issuer must not list shares of the same class as the shares that are listed for a period of six months following the date of the most recent listing of the shares.</p>	<p>Article 23: Application submission for listing new securities of a class already listed and supporting documents</p> <p>a. Where an issuer wishes to list new shares of a class already listed, either by way of rights issue suspension of preemptive rights issue, capitalisation issue, debt conversion, acquisition of a company or asset purchase, it must submit an application for listing to the Exchange in accordance with Part 3 of these Rules (as applicable).</p> <p>b. Where an issuer wishes to list new units of a Real Estate Investment Traded Fund or units of a Closed-Ended Investment Traded Fund of a class already listed, it must submit an application for listing to the Exchange in accordance with Part 3 of these Rules (as applicable).</p> <p>c. <u>Except the issuer of the Special Purposes Acquisition Company,</u> An issuer must not list shares of the same class as the shares that are listed for a period of six months following the date of the most recent listing of the shares.</p>
5.	<p>Article 24: Tradable rights or a capital increase with the</p>	<p>Article 24: Tradable rights or a capital increase with the suspension of preemptive rights</p>

	<p style="text-align: center;">suspension of preemptive rights</p> <p>a. Where an issuer wishes to make an application to list new shares of a class already listed by way of a rights issue or suspension of preemptive rights issue, must specify the expected timeline of the offering process, including material steps and the periods thereof.</p> <p>b. In case of rights issue, rights to shares that are the subject of a rights issue will be listed and traded on the Exchange during the trading period disclosed by the issuer in respect of the rights issue. At the end of that period, listed rights to shares that are the subject of the rights issue shall be subject to a trading halt.</p> <p>c. In case of rights issue, listed rights to shares that are the subject of a rights issue will be cancelled once the shares to which they relate to are listed.</p>	<p>a. Where an issuer wishes to make an application to list new shares of a class already listed by way of a rights issue or suspension of preemptive rights issue, must specify the expected timeline of the offering process, including material steps and the periods thereof.</p> <p>b. In case of rights issue, rights to shares that are the subject of a rights issue will be listed and traded on the Exchange during the trading period disclosed by the issuer in respect of the rights issue. At the end of that period, listed rights to shares that are the subject of the rights issue shall be subject to a trading halt.</p> <p><u>c. In case of rights issue, listed rights to shares that are the subject of a rights issue will be cancelled once the shares to which they relate to are listed.</u></p> <p><u>e.d. In case the issuer is a Special Purposes Acquisition Company, it may raise the company's capital by way of a rights issue before completing the target transaction.</u></p>
6.	<p>Article 25: Issuer's capital reduction</p> <p>a. Where an issuer obtains the approval of the Authority to reduce its share capital, it must submit a notification to</p>	<p>Article 25: Issuer's capital reduction</p> <p>a. Where an issuer obtains the approval of the Authority to reduce its share capital, it must submit a notification to the</p>

	<p>the Exchange immediately and prior to obtaining the approval of the extraordinary general assembly of the issuer on the capital reduction. The notification must be made by way of a letter in the form specified in Annex 5 of these Rules.</p> <p>b. The provisions of this Article shall not apply on the issuer if it is a special purposes entity.</p>	<p>Exchange immediately and prior to obtaining the approval of the extraordinary general assembly of the issuer on the capital reduction. The notification must be made by way of a letter in the form specified in Annex 5 of these Rules.</p> <p><u>b. The provisions of paragraph (a) of this Article shall not apply on the issuer if it is a special purposes entity.</u></p> <p><u>b.c. In case of reduction resulted of implementing the redemption of the issuer's redeemable shares, the issuer must notify the Exchange fifteen days prior redeeming its shares in the form specified in Annex 5 of these Rules.</u></p>
7.	<p>Article 26: Scope and application</p> <p>a. The purpose of this Part is to set out the continuing obligations of an issuer of listed securities on The Exchange.</p> <p>b. The provisions of Articles 27, 30 and 31 of these Rules shall apply on the sponsor <u>in the special purposes entity.</u></p>	<p>Article 26: Scope and application</p> <p>a. The purpose of this Part is to set out the continuing obligations of an issuer of listed securities on The Exchange.</p> <p>b. The provisions of Articles 27, 30 and 31 of these Rules shall apply on the sponsor <u>in the special purposes entity.</u></p>
8.	<p>Article 34: Scope and application</p>	<p>Article 34: Scope and application</p>

	<p>a. This Part aims to regulate the notifications sent to the Exchange relating to changes of ownership, and the oversight over the shareholders and unitholders' compliance with the applicable lock-up periods.</p> <p>b. The provisions of Article 35 of these Rules shall not apply on the issuer if it is a special purposes entity.</p> <p>c. The provisions of Article 36 of these Rules shall apply on the sponsor.</p>	<p>a. This Part aims to regulate the notifications sent to the Exchange relating to changes of ownership, and the oversight over the shareholders and unitholders' compliance with the applicable lock-up periods.</p> <p>b. The provisions of Article 35 of these Rules shall not apply on the issuer if it is a special purposes entity.</p> <p>c. The provisions of Article 36 of these Rules shall apply on the sponsor <u>in a special purposes entity or the sponsor in a Special Purposes Acquisition Company.</u></p>
9.	<p>Article 38: Power to suspend trading or cancel listing</p> <p>a. The Authority may at any time suspend the trading of securities or cancel their listing as it deems fit, in any of the following circumstances:</p> <p>1) the Authority considers it necessary for the protection of investors or the maintenance of an orderly market;</p> <p>2) the issuer fails, in a manner which the Authority considers material, to comply with the Capital Market Law, its Implementing Regulations or the Exchange Rules;</p>	<p>Article 38: Power to suspend trading or cancel listing</p> <p>a. The Authority may at any time suspend the trading of securities or cancel their listing as it deems fit, in any of the following circumstances:</p> <p>1) the Authority considers it necessary for the protection of investors or the maintenance of an orderly market;</p> <p>2) the issuer fails, in a manner which the Authority considers material, to comply with the Capital Market Law, its Implementing Regulations or the Exchange Rules;</p>

<p>3) the issuer fails to pay on time any fees due to the Authority or the Exchange or any fines due to the Authority;</p> <p>4) the Authority considers that the issuer or the issuer's (business, level of operations or assets) are no longer suitable to warrant the continued listing of its securities on the Exchange;</p> <p>5) in respect of the Listed Funds, the Authority considers that the fund or the fund's (business, level of operations or assets) are no longer suitable to warrant the continued listing of its units on the Exchange;</p> <p>6) in the case of cross listed securities or Listed Saudi Depositary Receipts, the listing of the foreign issuer's securities has been cancelled elsewhere;</p> <p>7) in respect of the Listed Funds, the Authority believes that the custodian and/or the market maker (as applicable) failed in a manner which the Authority considers material to comply with the Capital Market Law, its Implementing</p>	<p>3) the issuer fails to pay on time any fees due to the Authority or the Exchange or any fines due to the Authority;</p> <p>4) the Authority considers that the issuer or the issuer's (business, level of operations or assets) are no longer suitable to warrant the continued listing of its securities on the Exchange;</p> <p>5) in respect of the Listed Funds, the Authority considers that the fund or the fund's (business, level of operations or assets) are no longer suitable to warrant the continued listing of its units on the Exchange;</p> <p>6) in the case of cross listed securities or Listed Saudi Depositary Receipts, the listing of the foreign issuer's securities has been cancelled elsewhere;</p> <p>7) in respect of the Listed Funds, the Authority believes that the custodian and/or the market maker (as applicable) failed in a manner which the Authority considers material to comply with the Capital Market Law, its Implementing Regulations and the Exchange Rules;</p>
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	<p>Regulations and the Exchange Rules;</p> <p>8) upon the expiry of the fund in respect of the Listed Funds;</p> <p>9) upon the expiry of term of debt instruments and convertible debt instruments;</p> <p>10) upon the announcement of a reverse takeover containing insufficient information about the proposed transaction. If the issuer announces sufficient information regarding the Target, and the Authority is satisfied, following the issuer's announcement, that there will be sufficient information available for the public about the proposed transaction of the reverse takeover, the Authority may decide not to suspend at this stage; or</p> <p>11) upon the leakage of information of the proposed transaction of the reverse takeover, and the issuer is unable to assess accurately its financial position and unable to inform the Exchange accordingly.</p> <p>12) If the liquidity requirements set out in paragraph (b) of Article 43 of</p>	<p>8) upon the expiry of the fund in respect of the Listed Funds;</p> <p>9) upon the expiry of term of debt instruments and convertible debt instruments;</p> <p>10) upon the announcement of a reverse takeover containing insufficient information about the proposed transaction. If the issuer announces sufficient information regarding the Target, and the Authority is satisfied, following the issuer's announcement, that there will be sufficient information available for the public about the proposed transaction of the reverse takeover, the Authority may decide not to suspend at this stage; or</p> <p>11) upon the leakage of information of the proposed transaction of the reverse takeover, and the issuer is unable to assess accurately its financial position and unable to inform the Exchange accordingly.</p> <p>12) If the liquidity requirements set out in paragraph (b) of Article 43 of these Rules are not satisfied after the lapse of the period determined in</p>
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	<p>these Rules are not satisfied after the lapse of the period determined in subparagraph (1) of paragraph (d) of Article 45 of these Rules.</p> <p>13) upon the registration of the application for the commencement of a financial restructuring procedure of the issuer, whose accumulated losses reached 50% or more of its capital with the court in accordance with the Bankruptcy Law.</p> <p>14) upon the registration of the application for the commencement of the liquidation procedure or the administrative liquidation procedure of the issuer with the court in accordance with the Bankruptcy Law.</p> <p>15) upon the final decision issued by the court to terminate the financial restructuring procedure and the commencement of the liquidation procedure or the administrative liquidation procedure of the issuer in accordance with the Bankruptcy Law.</p> <p>16) upon the final decision issued by the court to commence the liquidation procedure or the administrative liquidation</p>	<p>subparagraph (1) of paragraph (d) of Article 45 of these Rules.</p> <p>13) upon the registration of the application for the commencement of a financial restructuring procedure of the issuer, whose accumulated losses reached 50% or more of its capital with the court in accordance with the Bankruptcy Law.</p> <p>14) upon the registration of the application for the commencement of the liquidation procedure or the administrative liquidation procedure of the issuer with the court in accordance with the Bankruptcy Law.</p> <p>15) upon the final decision issued by the court to terminate the financial restructuring procedure and the commencement of the liquidation procedure or the administrative liquidation procedure of the issuer in accordance with the Bankruptcy Law.</p> <p>16) upon the final decision issued by the court to commence the liquidation procedure or the administrative liquidation procedure of the issuer in accordance with the Bankruptcy Law.</p> <p>b. The suspension of trading pursuant to paragraph (a) of this Article may be lifted by considering:</p>
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	<p>procedure of the issuer in accordance with the Bankruptcy Law.</p> <p>b. The suspension of trading pursuant to paragraph (a) of this Article may be lifted by considering:</p> <ol style="list-style-type: none"> 1) whether the events which led to the suspension have been sufficiently remedied, and whether the suspension is no longer necessary for the protection of investors; 2) whether the lifting of the suspension is not likely to interrupt the normal operation of the Exchange; and 3) the issuer's compliance with any other conditions imposed by the Authority. 4) upon the final decision issued by the court to commence the financial restructuring procedure of the issuer in accordance with the Bankruptcy Law, unless the issuer was suspended from exercising of its activities by the relevant competent authority, in case the suspension was in accordance with subparagraph (13) of paragraph (a) of this Article. 	<ol style="list-style-type: none"> 1) whether the events which led to the suspension have been sufficiently remedied, and whether the suspension is no longer necessary for the protection of investors; 2) whether the lifting of the suspension is not likely to interrupt the normal operation of the Exchange; and 3) the issuer's compliance with any other conditions imposed by the Authority. 4) upon the final decision issued by the court to commence the financial restructuring procedure of the issuer in accordance with the Bankruptcy Law, unless the issuer was suspended from exercising of its activities by the relevant competent authority, in case the suspension was in accordance with subparagraph (13) of paragraph (a) of this Article. 5) upon the final decision issued by the court rejecting the commencement of the liquidation or the administrative liquidation procedure in accordance with the Bankruptcy Law, unless if the issuer was suspended from exercising of its activities by the relevant competent authority, in case the suspension was in accordance with
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	<p>5) upon the final decision issued by the court rejecting the commencement of the liquidation or the administrative liquidation procedure in accordance with the Bankruptcy Law, unless if the issuer was suspended from exercising of its activities by the relevant competent authority, in case the suspension was in accordance with subparagraph (14) of paragraph (a) of this Article.</p> <p>c. The Exchange will suspend the trading of the issuer's securities in any of the following circumstances:</p> <ol style="list-style-type: none"> 1) upon the issuer's noncompliance with the disclosure of its periodic financial information within the specified period pursuant to the relevant Implementing Regulations; 2) when the auditor's report on the financial statements of the issuer includes an adverse opinion or a disclaimer of opinion; 3) in respect of the Listed Funds, when the auditor's report on the financial statements of the fund 	<p>subparagraph (14) of paragraph (a) of this Article.</p> <p>c. The Exchange will suspend the trading of the issuer's securities in any of the following circumstances:</p> <ol style="list-style-type: none"> 1) upon the issuer's noncompliance with the disclosure of its periodic financial information within the specified period pursuant to the relevant Implementing Regulations; 2) when the auditor's report on the financial statements of the issuer includes an adverse opinion or a disclaimer of opinion; 3) in respect of the Listed Funds, when the auditor's report on the financial statements of the fund includes an adverse opinion or a disclaimer of opinion; 4) if the liquidity requirements set out in Part 2 and Part 8 of these Rules are not satisfied after the lapse of the period determined by the Exchange to the issuer to rectify its position, unless the Authority agrees otherwise; 5) if the trading of the foreign issuer's securities has been suspended
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	<p>includes an adverse opinion or a disclaimer of opinion;</p> <p>4) if the liquidity requirements set out in Part 2 and Part 8 of these Rules are not satisfied after the lapse of the period determined by the Exchange to the issuer to rectify its position, unless the Authority agrees otherwise;</p> <p>5) if the trading of the foreign issuer's securities has been suspended elsewhere, in case of cross listed securities, until such suspension is lifted in the other exchange; or</p> <p>6) upon a resolution entered into force by the extraordinary general assembly of the issuer reducing the issuer's capital or reverse split its shares for the two trading days following the entry into force of the resolution.</p> <p>7) upon the issuer's noncompliance with the provisions of Article 33 of these Rules, and the Exchange shall permit the issuer's shares for trading Over the Counter.</p> <p>8) If the trading of the foreign issuer's shares has been suspended elsewhere, and those shares are</p>	<p>elsewhere, in case of cross listed securities, until such suspension is lifted in the other exchange; or</p> <p>6) upon a resolution entered into force by the extraordinary general assembly of the issuer reducing the issuer's capital or reverse split its shares for the two trading days following the entry into force of the resolution.</p> <p>7) upon the issuer's noncompliance with the provisions of Article 33 of these Rules, and the Exchange shall permit the issuer's shares for trading Over the Counter.</p> <p><u>8) If the trading of the foreign issuer's shares has been suspended elsewhere, and those shares are represented by Saudi Depositary Receipts, until such suspension is lifted in the other exchange.</u></p> <p><u>8)9) On the last trading day of the Special Purposes Acquisition Company's shares after the issuer announce the completion of the target transaction.</u></p> <p>d. The Exchange will lift the suspension referred to in subparagraphs (1), (2), (3), (7) of paragraph (c) of this Article after one trading session following the end of</p>
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	<p>represented by Saudi Depositary Receipts, until such suspension is lifted in the other exchange.</p> <p>d. The Exchange will lift the suspension referred to in subparagraphs (1), (2), (3), (7) of paragraph (c) of this Article after one trading session following the end of the suspension circumstances. If the trading of the issuer's shares are made available for trading over the counter, the Exchange will lift the suspension within a period not exceeding five trading sessions following the end of the suspension circumstances.</p> <p>e. The Exchange may at any time propose to the Authority to suspend the trading of any listed security or cancel its listing where in its opinion it is likely that any of the circumstances of paragraph (a) of this Article to occur.</p> <p>f. An issuer whose securities are subject to a listing suspension must continue to comply with the Capital Market Law, its Implementing Regulations and the Exchange Rules.</p> <p>g. Where the suspension of an issuer continues for six months without the issuer taking appropriate action to</p>	<p>the suspension circumstances. If the trading of the issuer's shares are made available for trading over the counter, the Exchange will lift the suspension within a period not exceeding five trading sessions following the end of the suspension circumstances.</p> <p>e. The Exchange may at any time propose to the Authority to suspend the trading of any listed security or cancel its listing where in its opinion it is likely that any of the circumstances of paragraphs (a) <u>and (j)</u> of this Article to occur.</p> <p>f. An issuer whose securities are subject to a listing suspension must continue to comply with the Capital Market Law, its Implementing Regulations and the Exchange Rules.</p> <p>g. Where the suspension of an issuer continues for six months without the issuer taking appropriate action to resolve the reasons that lead to the suspension, the Authority may cancel that issuer's listed securities.</p> <p>h. <u>Except the shares of the Special Purposes Acquisition Company,</u> U Upon completion of a reverse takeover by the issuer, the listing of the issuer's shares shall be cancelled. Should it wish to re-list its shares, the issuer must submit a</p>
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	<p>resolve the reasons that lead to the suspension, the Authority may cancel that issuer's listed securities.</p> <p>h. Upon completion of a reverse takeover by the issuer, the listing of the issuer's shares shall be cancelled. Should it wish to re-list its shares, the issuer must submit a new application for listing in accordance with these Rules and comply with applicable requirements under the Rules on the Offer of Securities and Continuing Obligations.</p> <p>i. This Article shall not prejudice the suspension of trading and cancellation of listing resulting from the losses of the company pursuant to relevant Implementing Regulations and Exchange Rules.</p>	<p>new application for listing in accordance with these Rules and comply with applicable requirements under the Rules on the Offer of Securities and Continuing Obligations.</p> <p><u>i. This Article shall not prejudice the suspension of trading and cancellation of listing resulting from the losses of the company pursuant to relevant Implementing Regulations and Exchange Rules.</u></p> <p><u>j. The Authority shall cancel listing a Special Purpose Acquisition Company upon the occurrence of any of the following cases:</u></p> <p><u>1) Non-completion of the acquisition or merger transaction with the company intended to complete the transaction within a period of (24) months from the date of listing its shares in the Parallel Market, without obtaining the necessary approvals to extend this period in accordance with the Rules on the Offer of Securities and Continuing Obligations.</u></p> <p><u>2) After the expiration of the extension period according to the Rules on the Offer of Securities</u></p>
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and Continuing Obligations without completing the acquisition or merger transaction with the company intended to complete the transaction with.

3) A depreciation all amounts not deposited in the escrow account without completing the transaction.

4) After the Exchange suspend the company's shares referred to in subparagraph (9) of paragraph (c) of this Article.

k. The amounts deposited in the escrow account shall be distributed to the shareholders in according to their ownership in the company within three days of the occurrence of any of the cases specified in paragraph (j) of this Article.

~~i~~.1. Upon the issuance of the Authority's resolution to cancel listing the Special Purpose Acquisition Company in accordance with paragraph (j) of this Article, the issuer must immediately notify the Exchange and disclose to the public. Disclosure must at least include the reason for the cancellation, the nature of the event that led to it and its impact on the issuer's activities.

10.	<p>Article 43: Conditions relating to listing of shares on the Parallel Market</p> <p>a. The issuer must be a joint stock company.</p> <p>b. There must be a sufficiently liquid market for the shares that are the subject of the application for listing on the Parallel Market as follows:</p> <ol style="list-style-type: none"> 1) there are at least 50 public shareholders at the time of listing; and 2) at least 20% of the class of shares that are the subject of the application will be owned by the public at the time of listing or the market value of shares owned by the public at the time of listing is not less than SR 30 million (whichever is less). <p>c. After obtaining the approval of the Authority, the Exchange may permit a lower liquidity requirements than what is set out in paragraph (b) of this Article if it considers that it is appropriate in view of the number of shares under the</p>	<p>Article 43: Conditions relating to listing of shares on the Parallel Market</p> <p>a. The issuer must be a joint stock company.</p> <p>b. There must be a sufficiently liquid market for the shares that are the subject of the application for listing on the Parallel Market as follows:</p> <ol style="list-style-type: none"> 1) there are at least 50 public shareholders at the time of listing; and <u>2) at least 20% of the class of shares that are the subject of the application will be owned by the public at the time of listing or the market value of shares owned by the public at the time of listing is not less than SR 30 million (whichever is less).</u> <u>3) Without prejudice of any liquidity requirements stipulated under this Article, the market value and capital of the Special Purposes Acquisition Company shall not be less than 100 million Saudi Riyals at the time of listing, and the ownership of the shareholders of the Special</u>

<p>same class and its distribution to the public.</p> <p>d. Without prejudice to any lower liquidity requirements permitted under paragraph (c) of this Article, the requirements of paragraph (c) of this Article shall constitute a continuous obligation on the issuer.</p> <p>e. If the issuer, at any time following having its shares listed, becomes aware that any of the requirements of paragraph (b) of this Article are no longer met, it must immediately inform the Exchange and take the necessary remedial action to ensure that the relevant requirements are met, in accordance with the period determined by the Exchange, after consultation with the Authority. The issuer shall keep the Exchange informed on any progress in respect of the remedial actions.</p> <p>f. Where none of the shares of a particular class are listed on the Parallel Market, the application for listing on the Parallel Market must relate to all shares of that class issued or proposed to be issued. If the shares of that class are already listed on the Parallel Market, the application must include all further</p>	<p><u>Purposes Acquisition Company must not be less than 30% of the shares of the company intended to complete the transaction with, both after the completion of the transaction and at the time of listing.</u></p> <p>c. After obtaining the approval of the Authority, the Exchange may permit a lower liquidity requirements than what is set out in paragraph (b) of this Article if it considers that it is appropriate in view of the number of shares under the same class and its distribution to the public.</p> <p>d. Without prejudice to any lower liquidity requirements permitted under paragraph (c) of this Article, the requirements of paragraph (c) of this Article shall constitute a continuous obligation on the issuer.</p> <p>e. If the issuer, at any time following having its shares listed, becomes aware that any of the requirements of paragraph (b) of this Article are no longer met, it must immediately inform the Exchange and take the necessary remedial action to ensure that the relevant requirements are met, in accordance with the period determined by the Exchange, after consultation with the Authority. The issuer shall keep the Exchange informed</p>
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<p>shares of that class which are proposed to be issued.</p> <p>g. Except where shares of the same class are already listed on the Parallel Market, at the date of listing on the Parallel Market the expected aggregate market value of all shares to be listed must be at least SR 10 million for an issuer seeking to offer on the Parallel Market, and SR 100 million for an issuer seeking a direct listing. After obtaining the approval of the Authority, the Exchange may allow the listing of shares of a lower aggregate market value if the Exchange is satisfied that there will be a sufficiently liquid market for the shares concerned.</p>	<p>on any progress in respect of the remedial actions.</p> <p>f. Where none of the shares of a particular class are listed on the Parallel Market, the application for listing on the Parallel Market must relate to all shares of that class issued or proposed to be issued. If the shares of that class are already listed on the Parallel Market, the application must include all further shares of that class which are proposed to be issued.</p> <p><u>g. Except where shares of the same class are already listed on the Parallel Market, at the date of listing on the Parallel Market the expected aggregate market value of all shares to be listed must be at least SR 10 million for an issuer seeking to offer on the Parallel Market, and SR 100 million for an issuer seeking a direct listing. After obtaining the approval of the Authority, the Exchange may allow the listing of shares of a lower aggregate market value if the Exchange is satisfied that there will be a sufficiently liquid market for the shares concerned.</u></p> <p><u>g.h. Where an issuer wishes to list the shares of the Special Purposes Acquisition Company in the Parallel Market must consider the following:</u></p>
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		<p><u>1) The company's shares must be redeemable shares based on the shareholders' option—except the shares owned by the sponsor and its affiliates—and must be converted into fully paid ordinary shares after the completion of the transaction with the target company.</u></p> <p><u>2) The sponsor's shares in the Special Purposes Acquisition Company must be ordinary shares and fully paid.</u></p>
11.	<p>Article 46: Conditions to transfer to the Main Market</p> <p>a. An issuer whose shares are listed on the Parallel Market may only make an application to transfer to the Main Market after two calendar years from the day on which its shares were listed on the Parallel Market.</p> <p>b. An Issuer, before submitting the application for transfer to the Main Market, must satisfy the following:</p> <p>1) The last reviewed interim financial statements or the last audited annual financial statements of the Issuer</p>	<p>Article 46: Conditions to transfer to the Main Market</p> <p><u>a.</u> An issuer whose shares are listed on the Parallel Market may only make an application to transfer to the Main Market after two calendar years from the day on which its shares were listed on the Parallel Market.</p> <p>a.<u>b.</u><u>Notwithstanding paragraph (a) of this Article, an issuer whose Special Purposes Acquisition Company may not submit an application to transfer the company's shares to the Main Market before the completion of the transaction, and the transfer conditions stipulated in this Article shall apply to the company</u></p>

	<p>(whichever is later), must not include any qualified opinion or disclaimer of opinion or disclaimer of conclusion or adverse opinion or adverse conclusion from the auditor.</p> <p>2) The absence of accumulated losses on the Issuer based on the last reviewed interim financial statements or the last audited annual financial statements (whichever is later).</p> <p>3) The absence of a suspension case in accordance with Article 38 of these Rules to the Issuer's shares, within the twelve months prior to the submission of the application for transfer to the Main Market, with the exception of suspending the Issuer's shares pursuant to subparagraph (6) of paragraph (c) of Article 38.</p> <p>c. Where the Issuer has undergone material restructuring, the application for transfer to the Main Market may not be submitted until one financial year has elapsed from the date of completion of that material restructuring. For the purpose of this</p>	<p><u>starting from the date of completion the transaction.</u></p> <p>b.c. An Issuer, before submitting the application for transfer to the Main Market, must satisfy the following:</p> <p>1) The last reviewed interim financial statements or the last audited annual financial statements of the Issuer (whichever is later), must not include any qualified opinion or disclaimer of opinion or disclaimer of conclusion or adverse opinion or adverse conclusion from the auditor.</p> <p>2) The absence of accumulated losses on the Issuer based on the last reviewed interim financial statements or the last audited annual financial statements (whichever is later).</p> <p>3) The absence of a suspension case in accordance with Article 38 of these Rules to the Issuer's shares, within the twelve months prior to the submission of the application for transfer to the Main Market, with the exception of suspending the Issuer's shares pursuant to</p>
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	<p>paragraph, “material restructuring” shall mean:</p> <ol style="list-style-type: none"> 1) Disposing any of the Issuer’s assets that has contributed in generating 30% or more of the Issuer’s revenue or net income as per the most recent annual financial statements; 2) Acquiring assets with a value exceeding 30% or more of the net asset value of the Issuer as per the most recent annual financial statements; 3) Acquiring a company with a shareholder equity constituting 30% or more of the Issuer’s shareholder equity as per the most recent annual financial statements. <p>d. The Issuer must submit a transfer document, which contains the information and documents set out in Annex 11 of these Rules, and appoint a financial advisor and a legal advisor which satisfies the requirements set out in the Rules on Offer of Securities and Continuing Obligations, to advice the Issuer in respect of the application of the Capital Market Law, its implementing Regulations, the</p>	<p>subparagraph (6) of paragraph (c) of Article 38.</p> <p>e.d. Where the Issuer has undergone material restructuring, the application for transfer to the Main Market may not be submitted until one financial year has elapsed from the date of completion of that material restructuring. For the purpose of this paragraph, “material restructuring” shall mean:</p> <ol style="list-style-type: none"> 1) Disposing any of the Issuer’s assets that has contributed in generating 30% or more of the Issuer’s revenue or net income as per the most recent annual financial statements; 2) Acquiring assets with a value exceeding 30% or more of the net asset value of the Issuer as per the most recent annual financial statements; 3) Acquiring a company with a shareholder equity constituting 30% or more of the Issuer’s shareholder equity as per the most recent annual financial statements. <p>d.e. The Issuer must submit a transfer document, which contains the</p>
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	<p>Exchange Rules and the Companies Law and its Implementing Regulations applicable on listed companies on the Exchange.</p> <p>e. The financial advisor appointed pursuant to paragraph (d) of this Article, must submit a letter to the Exchange in the form set out in Annex 8(b) of these Rules.</p> <p>f. The legal advisor appointed pursuant to paragraph (d) of this Article, must submit a letter to the Exchange in the form set out in Annex 13 of these Rules.</p> <p>g. If the Issuer submitted an application for transfer to the Main Market after five calendar years from the day on which its shares were listed on the Parallel Market, the requirements set out in paragraph (d) of this Article shall not apply.</p> <p>h. The issuer must meet the liquidity requirements set out in paragraph (b) of Article 7 of these Rules, upon submitting the application of transfer to the Main Market, not at the time of listing. The Exchange will set out additional requirements or criteria that shall be met by the issuer to ensure that there is a sufficient liquidity in the</p>	<p>information and documents set out in Annex 11 of these Rules, and appoint a financial advisor and a legal advisor which satisfies the requirements set out in the Rules on Offer of Securities and Continuing Obligations, to advise the Issuer in respect of the application of the Capital Market Law, its implementing Regulations, the Exchange Rules and the Companies Law and its Implementing Regulations applicable on listed companies on the Exchange.</p> <p>e.f. The financial advisor appointed pursuant to paragraph (ed) of this Article, must submit a letter to the Exchange in the form set out in Annex 8(b) of these Rules.</p> <p>f.g. The legal advisor appointed pursuant to paragraph (ed) of this Article, must submit a letter to the Exchange in the form set out in Annex 13 of these Rules.</p> <p>g.h. If the Issuer submitted an application for transfer to the Main Market after five calendar years from the day on which its shares were listed on the Parallel Market, the requirements set out in paragraph (ed) of this Article shall not apply.</p> <p>h.i. The issuer must meet the liquidity requirements set out in paragraph (b) of Article 7 of these Rules, upon submitting</p>
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	<p>shares subject of the application for transfer, and publish and update such requirements or criteria from time to time.</p> <p>i. Notwithstanding paragraph (f) of Article 7 of these Rules, the average aggregate market value, within the twelve months prior the submission of the application, for all shares to be transferred to the Main Market, must be at least SR 200 million.</p> <p>j. An issuer whose shares are listed on the Parallel Market must announce its board of directors' approval, regarding the transfer to the Main Market, before the start of the trading session that follows the approval specified in this paragraph. The announcement shall include that the transfer is subject to the approval of the Exchange and conditioned on satisfying all requirements imposed by the Exchange.</p> <p>k. An Issuer, before submitting the application for transfer to the Main Market, must disclose to the public the board of director's report, which includes all information required pursuant to the relevant Implementing Regulations, for a period not less than thirty Calendar days prior to the</p>	<p>the application of transfer to the Main Market, not at the time of listing. The Exchange will set out additional requirements or criteria that shall be met by the issuer to ensure that there is a sufficient liquidity in the shares subject of the application for transfer, and publish and update such requirements or criteria from time to time.</p> <p>i.<u>j.</u> Notwithstanding paragraph (f) of Article 7 of these Rules, the average aggregate market value, within the twelve months prior the submission of the application, for all shares to be transferred to the Main Market, must be at least SR 200 million.</p> <p>j.<u>k.</u> An issuer whose shares are listed on the Parallel Market must announce its board of directors' approval, regarding the transfer to the Main Market, before the start of the trading session that follows the approval specified in this paragraph. The announcement shall include that the transfer is subject to the approval of the Exchange and conditioned on satisfying all requirements imposed by the Exchange.</p> <p>k.<u>l.</u> An Issuer, before submitting the application for transfer to the Main Market, must disclose to the public the board of director's report, which includes all information required pursuant to the</p>
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	<p>submission date of the application for transfer to the Main Market.</p> <p>1. The issuer must disclose to the public upon submitting the application of transfer to the Main Market.</p> <p>m. In addition to any required documents in accordance with this Article -as applicable-, an issuer wishes to transfer to the Main Market, it must submit an application to the Exchange which contains the information and documents set out in Annex 1 and Annex 7 of these Rules.</p>	<p>relevant Implementing Regulations, for a period not less than thirty Calendar days prior to the submission date of the application for transfer to the Main Market.</p> <p>l.<u>m.</u> The issuer must disclose to the public upon submitting the application of transfer to the Main Market.</p> <p>m.<u>n.</u> In addition to any required documents in accordance with this Article -as applicable-, an issuer wishes to transfer to the Main Market, it must submit an application to the Exchange which contains the information and documents set out in Annex 1 and Annex 7 of these Rules.</p>
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