





شركةالمعاني المتخصصة للترجمة المعتمدة لجميع اللغات 🔳

Specialized meanings company for certified translation for all languages

C.R. No.: 772679 Mem. No.: 699889 – 199۸۸۹ رقم العضوية ٧٧٢٦٧٩ - 699889 – ١٩٩٨٨٩ بيض رقم ٧٧٢٦٧٩ - وقم العضوية ١٩٩٨٨٩ – المسلمة المسل

الهاجد للعود نش Al majed oud

Competitive Business Standards and Regulations Al Majed Oud Company

Accreditation Details			
Title	Competitive Business Standards and Regulations	Date	
Preparation/Recommendation	Board of Directors	03/04/2024	
Accreditation	General Assembly of Shareholders	04/04/2024	
Version	1	04/04/2024	







شركةالمعاني المتخصصة للترجمة المعتمدة لجميع اللغات 🔳 🎇

Specialized meanings company for certified translation for all languages

C.R. No.: 772679 Mem. No.: 699889 – 199٨٨٩ رقم العضوية ٧٧٢٦٧٩ - رقم العضوية ٢٠٨٨٩ - 2. www.sm-translation.com

Contents

	Statement	Page No.
1.	Definitions	3
2.	Objective	3
3.	Scope of applying	3
4.	Company Competition	3
5.	Concept of Competition Business	3
6.	Competitive Business Activities	4
7.	Disclosure of the Company's Competition Business	4
8.	Licensing Controls for the Company's Board of Directors, Based on Authorization from the General Assembly, to Carry Out Competition Business	4
9.	Refusal to Grant or Renew a License	5
10.	. Approval, Publication, Implementation, and Review	5







<mark>شركةالمعاني المتخصصة</mark> للترجمة المعتمدة لجميع اللغات [

Specialized meanings company for certified translation for all languages C.R. No.: 772679 Mem. No.: 699889–199۸۸۹ رقم العضوية ١٩٩٨٨٩ – ١٩٩٨٨٩ سيخيص رقم ٧٧٢٦٧٩ - www.sm-translation.com

1. Definitions

For the purpose of applying the provisions of these standards and controls, the words and phrases mentioned below shall have the meanings shown opposite each of them unless the context requires otherwise:

Company: Al Majed Oud Company

General Assembly General Assembly of Shareholders of Al Majed Oud Company

Board of Directors of Al Majed oud Company

Directors/Council:

Committees: Any committees formed by the Board of Directors or the General

Assembly of the Company.

2. Objective:

These standards and controls aim to identify activities and businesses that are considered competitive with the company or its subsidiaries, their mechanisms, and the concept of competitive activities. They also clarify the procedures to be followed if a board member, a candidate for board membership, or a board committee member engages in competitive activities. This is to promote the principle of transparency in the company's dealings, protect its interests, and avoid conflicts of interest.

3. Scope of applying:

- 1. These standards apply to any activity that may compete with the Company's business for the benefit of a Board member, a candidate for Board membership, or a member of a Board committee.
- 2. Without prejudice to the provisions of the applicable laws and regulations in the Kingdom of Saudi Arabia governing competitive activities, and the Company's Articles of Association, these standards and controls complement, but do not replace, the Company's business.

4. Competition with the Company:

A member of the Board of Directors or a member of any of its committees may not participate in any activity that would compete with the Company or compete with the Company in any of its activities. Otherwise, the Company may demand appropriate compensation from the competent judicial authority unless he obtains a license from the Ordinary General Assembly or from the Board of Directors if authorized by the Ordinary General Assembly, in accordance with these standards and controls and in accordance with the Companies Law and the relevant regulations of the Capital Market Authority.

5. The Concept of Competitive Business:







شركةالمعاني المتخصصة للترجمة المعتمدة لجميع اللغات 🔳

Specialized meanings company for certified translation for all languages C.R. No.: 772679 Mem. No.: 699889 – 199۸۸۹ رقم العضوية ٧٧٢٦٧٩ - وهم العضوية ٧٨٨٩ - العضوية ٧٨٨٩ - ١٩٩٨٨٩ العضوية

The concept of participating in any business that may compete with the company or compete with it in any of the branches of its activity includes the following:

- 1. A member of the board of directors establishing a company or sole proprietorship, or owning a significant percentage of shares or stakes in another company or establishment that engages in an activity similar to that of the company or its group.
- 2. Accepting membership on the board of directors of a company or establishment competing with the company or its group, or assuming the management of a competing sole proprietorship or competing company, regardless of its form, with the exception of the company's affiliates
- 3. The member obtains a commercial agency or something similar, whether apparent or hidden, for another company or establishment competing with the company or its group.

6. Competing Business Activities:

Any business that competes with the Company is considered to be any business related to the core activities of the Company, its branches, subsidiaries, and commercial agencies registered in the name of the Company, one of its branches, or one of its subsidiaries. This includes, but is not limited to, the production and sale of perfumes, oud, incense, aromatic oils, plant products, accessories, and gifts.

7. <u>Disclosure of Competitive Activities with the Company:</u>

Subject to the provisions of Article 27 of the Companies Law, if a member of the Board of Directors or a member of one of its committees wishes to engage in a business that may compete with the Company, or compete with it in one of its business branches, the following must be adhered to:

- 1. Inform the Board of Directors of the competing activities they wish to engage in, and record this notification in the minutes of the Board of Directors meeting.
- 2. The interested member shall not participate in voting on the resolution issued in this regard by the Board of Directors, its committees, or the general assemblies of shareholders.
- 3. The Board of Directors shall notify the General Assembly, upon its convening, of the competing activities that the member of the Board or a member of one of its committees wishes to engage in. This shall be done after the Board of Directors has verified that the member of the Board or a member of one of its committees is in competition with the Company's business or competes with it in one of its business branches, in accordance with the approved controls. This verification shall be conducted annually, unless the Board is authorized to authorize such competing activities.
- 4. Obtaining prior authorization from the General Assembly or the authorized Board of Directors as the case may be allows the member to engage in competitive activities, provided that this authorization is renewed annually.







شركةالمعانى المتخصصة للترجمة المعتمدة لجميع اللغات 🔳

Specialized meanings company for certified translation for all languages درخيص رقم ۷۷۲۱۷۹- رقم العضوية ۱۹۹۸۸۹ – ۱۹۹۸۸۹ و ۲۸۲۱۷۹ (هم العضوية ۱۹۹۸۸۹ - ۲۸۳۱۷۹ (هم) www.sm-translation.com

- 8. <u>Licensing Controls for the Company's Board of Directors, based on Authorization from the General Assembly, to Carry Out Competition Business:</u>
- **9.** The Ordinary General Assembly may delegate the authorization powers stipulated in paragraph (2) of Article (Twenty-Seven) of the Bylaws to the company's board of directors, provided that the general assembly's resolution specifies the competing businesses and activities that the board may authorize during the authorization period, unless the company has a policy, standards, or controls in this regard.
- 10. The maximum authorization period shall be one year from the date of the general assembly's approval or until the end of the term of the authorizing board of directors, whichever comes first.
- 11. No board member shall vote on the authorization and cancellation clauses in the Ordinary General Assembly.
- 12. A board member shall be prohibited from voting on a decision by the general assembly or the authorizing board of directors regarding the board member's participation in an activity that would compete with the company, or compete with it in one of its branches of activity.

13. Refusal to Grant or Renew a License

- 1. If the General Assembly or the Board of Directors refuses to grant or renew a license pursuant to Paragraph (2) of Article (Twenty-Seven) of the Companies Law, a member of the Board of Directors must submit his resignation within a period determined by the General Assembly or the Board of Directors. Otherwise, his membership on the Board shall be deemed terminated, unless he decides to withdraw from the competition or amend his status in accordance with the Companies Law and its Implementing Regulations before the expiry of the period determined by the General Assembly.
- 2. If the authorized Board of Directors refuses to grant or renew the license, the member of the Board of Directors must submit his resignation within a period determined by the Board of Directors. Otherwise, his membership on the Board shall be deemed terminated, unless he decides to withdraw from the competition or amend his status in accordance with the Companies Law and its Implementing Regulations before the expiry of the period determined by the Board of Directors.

14. Approval, Publication, Implementation, and Review:

These standards and controls, and any subsequent amendments thereto, shall be approved by a resolution of the General Assembly of Shareholders. They shall be effective from the date of their approval by the General Assembly. They shall be published on the Company's website to enable shareholders, the public, and stakeholders to review them. They shall be reviewed periodically, when necessary. Any amendments thereto shall be presented to the Board of Directors for review, and the Board shall recommend them to the General Assembly of Shareholders for approval.