ALARABIA CONTRACTING SERVICES / FADEN

ADVERTISING AGENCY

Commitments Made to the
General Authority for Competition
in the Kingdom of Saudi Arabia
Alarabia Contracting Services For Technical Contracting and Faden Advertising Agency (transaction Parties) Submitted an obligations to the General Authority for Competition in Saudi Arabia (“the Authority”) in order to enable them to obtain the Authority’s approval with respect to the Acquisition by (Alarabia Contracting Services For Technical Contracting) over all shares of (Faden Advertising Agency) the (“proposed transaction”). To clarify and eliminate any ambiguity, the obligations set out below supersede those made to the Authority on 23 July 2023.

1. **Definitions**

1.1 For the purpose of these obligations, the following terms shall have the meanings assigned thereto:

1.1.1 **Competition Law:** the Competition Law, promulgated under Royal Decree No. (M/75) dated 29/06/1440H, corresponding to (7 Mar 2019 AD).

1.1.2 **Decision:** the Authority’s decision to approve the proposed transaction in accordance with the parties’ obligations.

1.1.3 **Effective Date:** the date of issuance of the Authority’s decision.

1.1.4 **Implementing Regulations:** regulations issued by Resolution No. (337) dated 25/1/1441H, corresponding to (24 Sep 2019 AD), of the Board of Directors of the General Authority for Competition.

2. **Overview of the Transaction**

On 11 October 2022, a sale and purchase agreement was concluded between “Alarabia” and “Faden” with respect to the proposed acquisition by Alarabia Contracting Services over all the shares of Faden Advertising Agency (the “Transaction”).

The transaction Parties are Saudi companies that provide services in the Kingdom. Alarabia Contracting Services and Faden Advertising Agency provide advertisement in the Kingdom.

Accordingly, the parties submitted an application to report an economic concentration on 6 November 2022, to the General Authority for Competition through the online portal, and the documents required to study the economic concentration transaction in accordance with the Competition Law and its Implementing Regulations were completed on 22 January 2023.

3. **Obligations of Parties**

Based on the abovementioned and in fulfilment of the Authority’s request referred to above, the transaction
Parties shall commit to the following:

**First:** Alarabia Contracting Services will transfer its ownership of Wave Media Company to a fund regulated by the Capital Market Authority, where Alarabia Contracting Services or Faden Advertising Agency, or both (according to the case) will become the owner of this fund. Alarabia Contracting Services shall implement this obligation within a period of (6) months from the date of notification of the decision.

**Second:** The fund manager to be established in accordance with paragraph (1) of these obligations, which will be licensed and regulated by the Capital Market Authority, shall be responsible for managing the fund and appointing independent representatives on the board of directors of Wave Media Company provided that the Alarabia Contracting Services or one of its subsidiaries does not have any representation on the board of directors of Wave Media Company or influencing its decisions.

**Third:** Alarabia Contracting Services shall submit to the Authority a monthly report on the progress achieved to fulfill the obligations contained in the (first) and (second) paragraphs of this decision.

**Fourth:** The obligations contained in the (first), (second) and (third) are effective from the date of the Authority’s decision, unless the obligations are terminated or amended by the Authority before the end of the period.

4. **Penalties for Violating Obligations**

Alarabia Contracting Services acknowledges that when it breaches the obligations set forth, it will be subject to possible penalties in accordance with the Competition Law issued by Royal Decree No. (M/75) dated 29/6/1440H, including but not limited to a fine of up to two million (2,000,000 SAR) according to Article (20) of the Competition Law and article(23) paragraph (3) of the Implementing Regulations. In addition to the annulment of the Authority's decision on the proposed transaction in accordance with article (25) of the Implementing Regulations.

5. **Entry into Force**

These commitments, after the Parties’ consent, shall enter into force from the date of the Board’s decision regarding the transaction, shall be applied without delay within a period not later than six (6) months after the completion of the proposed transaction in the Kingdom of Saudi Arabia, unless otherwise agreed by the Authority and the Parties.