



Resolution of the Board of Directors of the Qatar Financial Markets Authority No. (3) of 2024 on Issuing Controls for a Company's Buyback of its Own Shares with the Intent of Selling

The Board of Directors,

after reviewing Law No. (8) of 2012 pertaining to the Qatar Financial Markets Authority as amended by Decree Law No. (22) of 2018,

and the Law of Qatar Central Bank and the Regulation of Financial Institutions promulgated by Law No. (13) of 2012,

and the Commercial Companies Law No. (11) of 2015 as amended by Law No. (8) of 2021,

and the Resolution of the Board of Directors of the Qatar Financial Markets Authority No. (1) of 2006 on the Regulatory Controls and Procedures for Approving a Company's Buyback of its Own Shares,

and the Regulations of the Qatar Financial Markets Authority issued by the Resolution of the Board of Directors No. (1) of 2008,

and the Resolution of the Board of Directors of the Qatar Financial Markets Authority No. (1) of 2016 on the ownership of shares in companies listed on Qatar Stock Exchange,

and the Regulations for Offering and Listing Securities issued by the Resolution of the Board of Directors of the Qatar Financial Markets Authority No. (4) of 2020,

and the approval of the Qatar Financial Markets Authority's Board of Directors of the draft of this resolution in its second meeting No. 82/2024 held on 6 June 2024,

and the proposal of the Chief Executive Officer of the Qatar Financial Markets Authority,

and in view of public interest,





decided the following:

Article (1)

The enclosed controls for a company's buyback of its own shares with the intent of selling shall be put into force.



Article (2)

The referenced Resolution No. (1) of 2006 shall be cancelled.

Article (3)

All competent authorities, each within its jurisdiction, shall enforce this resolution as of the date of its publication, as it shall be published in the Official Gazette.

Bandar bin Mohammed bin Saoud Al-Thani
Charman of the Board of Directors of Qatar Financial Markets Authority

Issued on 13/12/1445 corresponding to 19/6/2024





Controls for a Company's Buyback of its Own Shares with the Intent of Selling

Article (1) **Definitions**

In implementing the provisions of these controls, and unless the context requires otherwise, the following words and phrases shall bear the meaning ascribed to each:

Authority:	The Qatar Financial Markets Authority
Market:	The market in which the shares of the applying company are traded
Company:	The joint-stock company listed on the Market
Board of Directors:	The Board of Directors of the applying Company
Application:	The application submitted by a Company to buyback a percentage of its shares with the intent of selling
Approval:	Approval of the Qatar Financial Markets Authority
Buyback Transaction:	The Company's buyback of a percentage of its shares through the Market
Selling Transaction:	The Company's selling of the repurchased shares through the Market

Article (2) **Controls and Procedures for a Company's Buyback of its Own Shares**



Whereas a Company may buyback a percentage of its own shares with the intent of selling, pending the approval of the Authority, this activity shall be carried out in accordance with the controls and procedures set out hereinafter:

1. The Authority and the Market shall be notified of the Board of Directors' resolution to buyback a percentage of the Company's shares immediately upon its issuance.
2. The Application shall be submitted to the Authority by using the approved form to purchase a maximum of 10% of the fully paid issued shares or to purchase the shares in excess of the ownership limit stipulated in the Company's Articles of Association within two days as of the date of the issuance of the Board of Directors' resolution approving the Buyback Transaction, whilst attaching the following:
 - a) A copy of the Board of Directors' resolution signed and sealed with the Company's stamp.
 - b) A copy of the notification to the Market of the Board of Directors' resolution.
 - c) The form approved by the Authority for the execution of a Buyback Transaction.
 - d) A statement from the Company's auditing firm of its opinion on the Buyback Transaction and its impact on the liquidity and core business of the Company.
 - e) A No-Objection Certificate from the regulatory authority to which the applying Company is subject (in case it is subject to another regulatory authority).
3. The Authority shall issue its decision regarding the Application within fifteen days as of the date of submitting it in a manner fulfilling the prescribed conditions and requirements. The lapse of this period without the issuance of a decision by the Authority shall be construed as an implicit rejection thereof.
4. The Company shall notify the Market of the Authority's approval decision immediately upon its issuance, provided that the Market announces the approval as per its prescribed procedures.

5. The Company shall disclose the Authority's approval on its website, and in at least two local daily newspapers, one of which is published in English, within two business days as of the date of notifying it of the approval.
6. The Company shall be prohibited from initiating the stock Buyback process before the lapse of three working days as of the date of disclosing the Authority's approval in accordance with the previous clause herein.
7. The Company shall complete the execution of the Buyback Transaction within a period not exceeding six months as of the date of the Authority's approval. In case the transaction is not completed, the Company shall be committed to justify the same to the Authority during the first business day following the end of prescribed period.
8. The Company shall be committed to fund Buyback Transactions from the balance of its voluntary reserves and realized profits; and shall be prohibited from funding the Buybacks in any other manner.
9. The Company shall be prohibited from engaging in any Selling Transaction in the midst of a Buyback process, and, likewise, it shall be prohibited from making any Buyback Transaction in the midst of a Selling process.
10. The Company shall be prohibited from issuing any new shares under any name before completing the Selling process of the repurchased shares.
11. The Company shall be prohibited from selling the repurchased shares before the lapse of six months as of the date of the last Buyback Transaction.
12. The repurchased shares shall lose all rights and obligations legally due thereto until the Company sells them.
13. The Company shall sell the repurchased shares after the lapse of the prohibition period and no later than 24 months as of the date of the last Buyback. If the Selling Transaction is not executed within the aforementioned period, the matter shall be presented to the Authority to take appropriate measures thereof.
14. Buying back and selling orders shall be executed through the Market in accordance with the regulations and trading procedures enforced therein, and provided that the Company shall be jointly committed with the financial services company executing the order to observe the following:

- a) The Executed Buyback and Selling Transactions shall not exceed 10% of the approved purchase limit in one trading session.
 - b) The Buyback and Selling Transactions shall not be executed through pre-arranged trades or back-to-back orders.
 - c) The members of the Company's Board of Directors, its executive managers, their spouses, and their first-degree relatives shall not be allowed to be party to any Buyback and Selling Transaction executed by the Company.
15. The Company shall notify the Authority and the Market of the selling decision using the form approved by the Authority.
16. The Company shall be prohibited from buying back or selling its own shares within a period of fifteen days before announcing its financial statements or any material information impacting the share price.
17. The Market shall make a subsequent disclosure of the Buyback and Selling Transactions according to the procedures in force therein.
18. The Company shall disclose the Buyback or Selling Transactions of its own shares in the financial reports issued by it.

Article (3)

The Company shall comply with these controls pursuant to the procedures set forth therein in addition to any other requirements decided or requested by the Authority in this respect.

Article (4)

Violating any of the provisions of the controls hereof shall authorize the Authority to take all or part of the measures stipulated in Article (35) of Law No. (8) of 2012 with respect to the Qatar Financial Markets Authority.