



Issued by The Mediterranean and Gulf Insurance and Reinsurance Co. ("Medgulf") and addressed to the shareholders of Buruj Cooperative Insurance Company ("Buruj") regarding the offer submitted to the shareholders of Buruj for the purpose of merging Buruj into Medgulf in exchange for the issuance of new shares to them in Medgulf in accordance with the requirements of Article (225) and Articles (227) to (229) of the Companies Law and the provisions of subparagraph (I) of Paragraph (A) of Article (49) of the M&A Regulations.

This Document contains significant information on the Merger. Therefore, this Document must be completely read, all of its sections must be reviewed carefully, particularly ("Important Notice") section, prior to voting on any resolution on the Merger. In case of any doubt regarding the resolution to be taken at the Merger EGM or regarding the Offer, a CMA licensed independent financial adviser should be consulted.

On 01/02/1447H (corresponding to 26/07/2025G), Medgulf entered into a binding merger agreement with Buruj (the "Merger Agreement") for the purpose of merging Buruj into Medgulf and transferring all of its rights, obligations, assets, and contracts to Medgulf (the "Merger"), in consideration for Medgulf issuing thirty-three million, one hundred fifty-seven thousand, eight hundred ninety-four (33,157,894) ordinary shares, each with a nominal value of ten (10) Saudi Riyals, in favor of Buruj's shareholders (the "Consideration Shares"), through increasing Medgulf's share capital from one billion and fifty million Saudi Riyals (SAR 1,050,000,000) to one billion, three hundred eighty-one million, five hundred seventy-eight thousand, nine hundred forty Saudi Riyals (SAR 1,381,578,940), and increasing its number of shares from one hundred five million (105,000,000) ordinary shares to one hundred thirty-eight million, one hundred fifty-seven thousand, eight hundred ninety-four (138,157,894) ordinary shares, representing an increase of (31.58%) in Medgulf's current share capital. The Merger shall be subject to the conditions set forth in the Merger Agreement and summarized in Section (2.3.1) (the "The Merger Agreement"). None of these conditions may be amended or waived except with the written consent of both Companies or with the consent of the company benefiting from the condition, as the case may be. On 02/02/1447H (corresponding to 27/07/2025G), Medgulf announced entering into the Merger Agreement, and announced its firm intention to proceed with the Merger and to make an offer to the shareholders of Buruj for this purpose.

Medgulf hereby confirms its ability to satisfy its liabilities in accordance with the provisions of paragraph (2) of Article 225 of the Companies Law and also confirms the ability of Buruj to do so based on the statement provided by Buruj. Both Companies have announced the Merger and the procedure for creditors of Buruj to object, in accordance with Article 227 of the Companies Law, at least thirty (30) days prior to the holding of the extraordinary general assembly meeting of both companies to vote on the merger resolutions, so that such creditors shall have a period of fifteen (15) days from the date of the announcement to express any objections in accordance with the provisions of Article (227) of the Companies Law, as per the mechanism specified in the announcement ("Creditors' Objection Period"). Buruj shall settle the debt of the objecting creditor, if such debt is due and payable, or provide sufficient warranty to settle the debt if it is deferred. If a creditor notifies Buruj of their objection to the Merger during the Creditors' Objection Period and Buruj fails to settle the debt if it is due or fails to provide such Creditor

with sufficient warranty to settle the same if it is deferred, then such creditor may apply to the competent judicial authority within a period of no less than ten (10) days before the date set for voting on the Merger resolutions. In this case, the competent judicial authority may order the payment of the debt if it is due or the provision of a warranty to settle the debt if it is deferred. If the competent judicial authority deems that the Merger will result in serious harm to the objecting creditor without both Companies being able to settle the debt or provide the warranty, it may order the suspension or postponement of the Merger, provided that its decision to that effect is issued before the Effectiveness of the Merger Resolution. If the competent judicial authority does not decide on the creditor's objection before the Effectiveness of the Merger Resolution, and it subsequently finds that the objecting creditor's claim is valid, the competent judicial authority may issue a decision to compensate such creditor for the damages suffered by it as a result of the Merger.

Under the Merger, all of Buruj will be merged into Medgulf in exchange for Medgulf's issuance of the Consideration Shares to Buruj's shareholders. Pursuant to the Merger Agreement, following the issuance of the approval of the Medgulf's Merger EGM and Buruj's Merger EGM (hereinafter referred to as the "Issuance of the Merger Resolution"), the shareholders of Buruj who are registered in Buruj's shareholders' register at the end of the second trading period following the Issuance of the Merger Resolution will receive (1,105,263,133,333) shares in Medgulf for each share in Buruj (the "Exchange Ratio"). Upon fulfillment of all conditions of the Merger Agreement and upon the Effectiveness of the Merger Resolution, Medgulf shall survive whereas Buruj shall be dissolved by operation of law and all of its shares shall be cancelled in accordance with the provisions of Article (225) and Articles (227 to 229) of the Companies Law, and provisions of subparagraph (I) of paragraph (A) of Article (49) of the M&A Regulations. All of Buruj's rights, obligations, assets and contracts shall be transferred to Medgulf. For more details on the terms and conditions of the Merger, please refer to Section (2.4) ("Procedures Required for the Issuance and Effectiveness of the Merger Resolution").

If the Offer is fully accepted by Buruj's shareholders with respect to the Merger (through the approval of the Merger by Buruj's Merger EGM) and if all other conditions of the Merger, as summarized in Section (2.3.1) ("Conditions of the Merger Agreement"), are met, then Medgulf's share capital will be increased from one billion and fifty million Saudi Riyals (SAR 1,050,000,000) to one billion, three hundred eighty-one million, five hundred seventy-eight thousand, nine hundred forty (1,381,578,940) Saudi Riyals, and its number of shares will be increased from one hundred five million (105,000,000) ordinary shares to one hundred thirty-eight million, one hundred fifty-seven thousand, eight hundred ninety-four (138,157,894) ordinary shares. Consequently, Buruj's shareholders shall own approximately twenty-four percent (24%) of Medgulf's share capital. For more details about the impact of, and rationale for, the Merger on and for Medgulf and Buruj, please refer to Section (2.2) ("The Rationale and Motives for the Merger").

All Medgulf's shares are of one class and no share gives its shareholders preferred rights. The Consideration Shares will be issued of the same class of the current Medgulf's shares with the same rights they enjoy including voting rights and rights to receive dividends. The holders of Consideration Shares will have the right to receive dividends declared by Medgulf following the date of the issuance of Merger Resolution

according to the due date for each declared dividend. After issuing the Consideration Shares, the ownership of current Medgulf's shareholders will constitute (76%) of Medgulf's share capital, while Buruj's shareholders will own approximately (24%) of Medgulf's share capital. For more details about impact of Merger and its rationale, please refer to Section (2.2) ("The Rationale and Motives for the Merger").

The total value of the Merger will be determined based on the value of the Consideration Shares. The total nominal value of the Consideration Shares is three hundred thirty-one million, five hundred seventy-eight thousand, nine hundred forty Saudi Riyals (SAR 331,578,940). The total market value of the Consideration Shares amounts to five hundred eighty-four million, five hundred seventy-three thousand, six hundred seventy-one Saudi Riyals (SAR 584,573,671), based on the closing price of Medgulf's share of seventeen Saudi Riyals and sixty-three halalas (SAR 17.63) as at 29/01/1447H (corresponding to 24/07/2025G), which is the last trading day prior to the announcement of entering into the Merger Agreement. The total value of Consideration Shares that will be subsequently recorded on the financials Medgulf will be determined based on the closing price of Medgulf's share on the last trading day prior to the date of the issuance of the Consideration Shares.

It should be noted that the Merger is conditional upon obtaining approval of Medgulf's Merger EGM and the approval of Buruj's Merger EGM. Upon The Issuance of Merger Resolution, all shareholders of Buruj (including those who vote against the Merger or do not participate in the voting) will receive the Consideration Shares in Medgulf in accordance with the Exchange Ratio. It should be noted that under requirements of Paragraph (n) of Article (3) of the M&A Regulations, a shareholder who owns shares in both Medgulf and Buruj will have the right to vote on the Merger Resolutions in the EGM of either Company only. For further details regarding the terms of the Merger and the procedures required for the Issuance and Effectiveness of the Merger Resolution, please refer to Section (2.3.1) ("The Merger Agreement") and Section (2.4) ("Procedures Required for the Issuance and Effectiveness of the Merger Resolution") of this Document. For clarification, in the event that the Creditors' Objection Period has lapsed, the Merger Resolution is approved, and all other Conditions of the Merger are fulfilled (including non-occurrence of any Material Adverse Event and without the breach of the warranties provided by both parties), and after updating the commercial registers, the Merger will be executed. Consequently, Buruj as company will be dissolved by force of law, and all its shares will be cancelled (for more information on the Conditions of the Merger Agreement, please refer to Section (2.3.1.1) (The Conditions of Merger Agreement).

The Mediterranean and Gulf Insurance and Reinsurance Company (Medgulf) is a Saudi joint stock company listed in Saudi Exchange, having its registered office in Riyadh, registered in the commercial register under the unified number (7001548317) dated 08/04/1428H (corresponding to 25/04/2007G) and License No. (TMN/20079/3) dated 29/08/1428H (corresponding to 11/09/2007G) issued by the Insurance Authority to practice the insurance and reinsurance activity. Medgulf's share capital is one billion fifty million Saudi Riyals (SAR 1,050,000,000), divided into one hundred five million (105,000,000) fully paid ordinary shares, with a nominal value of ten (10) Saudi Riyals per share, and listed on the Saudi Exchange (Tadawul).

The following table shows the shareholding details in Medgulf and Buruj before and after the Issuance of the Merger Resolution and the deposit of the Consideration Shares, as of market closing on 05/01/1447H (corresponding to 30/06/2025G):

Shareholder	Before the Issuance of Merger Resolution				After the Issuance of the Merger Resolution and Deposit of Consideration Shares			
	# of Shares in Medgulf	% of Ownership in Medgulf	# of Shares in Buruj	% of Ownership in Buruj	# of Shares in Medgulf	% of Ownership in Medgulf	# of Shares in Buruj	% of Ownership in Buruj
<b>Shareholders in Medgulf</b>								
Rakan Abdullah Rashid Abunayyan	12,657,856	12.0551%	None	None	12,657,856	9.1619%		
The Mediterranean and Gulf Insurance and Reinsurance Company (Medgulf) B.S.C. (Closed) (Bahrain)	11,987,500	11.4167%	None	None	11,987,500	8.6767%		
The Saudi Investment Bank	19,950,000	19.000%	None	None	19,950,000	14.4400%		
Current Members of the Board of Directors of Medgulf <sup>(1)</sup>	6,666	0.0063%	None	None	6,666	0.0048%		
Senior Executives of Medgulf	None	None	None	None	None	None		
Other Shareholders <sup>(2)</sup>	1,750,437	1.6671%	None	None	1,750,437	1.2670%		
Public <sup>(3)</sup>	58,647,541	55.8548%	N/A	N/A	58,647,541	42.4496%		
<b>Total <sup>(4)</sup></b>	<b>105,000,000</b>	<b>100.0000%</b>	<b>None</b>	<b>None</b>	<b>105,000,000</b>	<b>76.0000%</b>		

Not applicable because it will be merged into Medgulf



Shareholder	Before the Issuance of Merger Resolution				After the Issuance of the Merger Resolution and Deposit of Consideration Shares			
	# of Shares in Medgulf	% of Ownership in Medgulf	# of Shares in Buruj	% of Ownership in Buruj	# of Shares in Medgulf	% of Ownership in Medgulf	# of Shares in Buruj	% of Ownership in Buruj
<b>Shareholders in Buruj</b>								
Yasser Yousuf Mohamed Naghi	None	None	3,450,000	11.5000%	3,813,157	2.7600%		
Gulf Medical Co. Ltd. <sup>(3)</sup>	None	None	1,500,000	5.0000%	1,657,894	1.2000%		
Cigalah Multi-Industries Company <sup>(4)</sup>	None	None	8,550,000	28.5000%	9,449,999	6.8400%		
Al Yusr Investment Gates Company <sup>(5)</sup>	None	None	1,500,000	5.0%	1,657,894	1.2000%		
Current Members of the Board of Directors of Buruj <sup>(1)</sup>	None	None	2,807	0.0094%	3,102	0.0022%		Not applicable because it will be merged into Medgulf
Senior Executives of Buruj	None	None	None	None	None	None		
Other Shareholders <sup>(6)</sup>	None	None	900,000	3.0000%	994,736	0.7200%		
Public <sup>(7)</sup>	N/A	N/A	14,097,193	46.9906%	15,581,112	11.2778%		
<b>Total <sup>(7)</sup></b>	<b>None</b>	<b>None</b>	<b>30,000,000</b>	<b>100%</b>	<b>33,157,894</b>	<b>24.00%</b>		

Note: Percentages are approximate.

(1) The shareholding of Rakan Abdullah Rashid Abunayyan (Chairman of the Board of Medgulf) and Yasser Youssef Mohammed Naghi (Chairman of the Board of Buruj) has not been included in the Board members' shareholding clause, as they are directly included in the table.

(2) This item includes the following persons and entities:

a) The Mediterranean and Gulf Insurance and Reinsurance Company S.A.L. (Lebanon), which owns 1,050,000 shares in Medgulf, representing 1% of Medgulf's current share capital. It was included in this item because it is 100% owned by the Mediterranean and Gulf Insurance and Reinsurance Company (Medgulf) B.S.C. (Closed) (Bahrain).

b) Mr. Lutfi Fadel Al Zain, who owns 437 shares in Medgulf, representing 0.0004% of Medgulf's current share capital. He was included in this item because he Controls one of Medgulf's substantial shareholders, the Mediterranean and Gulf Insurance and Reinsurance Company (MedGulf) B.S.C. (Closed) (Bahrain), as he Controls 58.42% of this Substantial Shareholder through Lutfi Fadel El Zein Holding SAL Company which he and his relatives wholly own.

c) Lutfi Fadel El Zein Holding SAL Company, which is wholly owned by Mr. Lutfi Fadel Al Zain and his relatives, which own 700,000 shares in Medgulf, representing 0.6667% of Medgulf's current share capital. It was included in this item because it is wholly owned by Mr. Lutfi Fadel Al Zain and his relatives.

(3) It shall be noted that Mr. Yasser Yousuf Mohamed Naghi owns 56% of the share capital of Gulf Medical Co. Ltd.

(4) It shall be noted that Mr. Yasser Yousuf Mohamed Naghi owns 90% of the share capital of Cigalah Multi-Industries Company.

(5) It shall be noted that Mr. Yasser Yousuf Mohamed Naghi owns 33.33% of the share capital of Al Yusr Investment Gates Company.

(6) This item includes Cigalah Trading Establishments owned by Yasser Yousuf Mohamed Naghi, which own 900,000 shares in Buruj representing 3% of Buruj's share capital. They were included in this item because their liabilities are consolidated with Yasser Yousuf Mohamed Naghi (a Substantial Shareholder) as they are single proprietorship and therefore considered entities owned fully by him. Based on the aforementioned, the indirect ownership of Yasser Yousuf Mohamed Naghi in Buruj amounts to 33.12%, as a result of his ownership stakes of 56%, 90%, 100%, and 33.3% in Gulf Medical Co. Ltd., Cigalah Multi-Industries Company., Cigalah Trading Establishments (owned by Yasser Yousuf Mohamed Naghi), and Al-Yusr Gates Investments Co. Ltd., respectively, which in turn own 5%, 28.5%, 3%, and 5% in Buruj, respectively. After the Issuance of the Merger Resolution and the deposit of the Consideration Shares, this percentage (in addition to his direct ownership) will represent a 10.7080% ownership in Medgulf.

(7) The public ownership and the total ownership of each company are represented individually to clarify the impact on each category and company separately.

The Merger does not involve any related parties. None of the members of the Board of Directors of Medgulf have any interest in the Merger. and Buruj has confirmed that none of the members of its Board of Directors have any interest in the merger.

If the calculation of the number of shares due to any of the shareholders of Buruj based on the Exchange Ratio results in fractions of shares, the resulting number will be rounded to the lowest whole number. For example, if a shareholder of Buruj owns one hundred (100) shares in Buruj, such shareholder will be allocated one hundred ten (110) Consideration Shares, and not one hundred ten point fifty-three (110.53) shares. The fractional shares will be collected and sold in the market on behalf of Buruj's shareholders, and then the proceeds resulting from the sale of the fractional shares will be distributed to those entitled to them, each according to their entitlement, after deducting the costs related to the sale of the fractional shares from the total proceeds of the sale of the fractional shares.

Following the issuance of the Consideration Shares, the existing shareholders of Medgulf will own approximately (76%) of Medgulf's share capital, and Buruj's shareholders will own approximately (24%) of Medgulf's share capital.

Medgulf has submitted an application to the CMA to register and offer the Consideration Shares and to the Saudi Exchange to approve the listing of the Consideration Shares. This Document has been submitted to the CMA, and has been approved for publication. All the CMA requirements were met. Subject to obtaining approvals from Medgulf's Merger EGM and Buruj's Merger EGM, all the regulatory approvals related to the Merger and the increase of Medgulf's share capital were obtained. For further information in this regard, please refer to Section (2.4.1) ("Governmental Approvals").

This document is issued by Medgulf and addressed to Buruj's shareholders. This Document has been prepared in accordance with the requirements of Article (38) of the M&A Regulations. Neither Medgulf nor its directors, executives or employees will assume any liability for the accuracy of information relating to Buruj or its shareholders and directors contained in this Document. All this information has been provided by Buruj in connection with the Merger during the due diligence exercise conducted by Medgulf and its advisers on Buruj. Additionally, it should be noted that, pursuant to the Merger Agreement, Buruj is obliged to provide Medgulf with all information relating to Buruj required for the purpose of preparing this Document. Buruj has also provided, under the Merger Agreement, a warranty to Medgulf (as is customary in such agreements) related to the correctness and completeness of the information (in all material aspects) submitted to Medgulf regarding the Merger as on the date of submission of such information, including the information submitted during the stage of conducting the professional due diligence exercise and preparing Merger-related documents including this Document. Buruj also warrants and represents that the information submitted is not misleading in all material aspects. Buruj also represented under the Merger Agreement that it did not conceal any material information related to the Merger from Medgulf.

This Document has been published around the publication date of Buruj's board of directors' circular on the Merger. Buruj's board of directors' circular includes information relating to the Merger and Buruj's board of directors' opinion on the transaction. Medgulf board members, whether collectively or individually, bear no responsibility towards Buruj's shareholders in relation to the information contained in Buruj's board of directors' circular. Thus, Medgulf's board members will not make, whether collectively or individually, any warranties or representations, explicitly or implicitly, in relation to the correctness, accuracy or completeness of the information contained in Buruj board's circular.

**Shareholders in Buruj shall read this Document fully and review all its sections carefully; particularly the "Important Notice" Section, in addition to reading Buruj's board of directors' circular of thoroughly and carefully before voting in the Buruj's Merger EGM.**

Medgulf has appointed HSBC Saudi Arabia as its financial advisor in connection with the Merger.

Financial Adviser



The Capital Market Authority and Saudi Exchange (Tadawul) shall not bear any responsibility for the contents of this Offer Document. They make no representation as to its accuracy or completeness, and expressly disclaim any liability whatsoever for any loss arising from the content of this Document or reliance on any part thereof.

This Offer Document was published on: 06/04/1447H (corresponding to 28/09/2025G). It was prepared in both Arabic and English. Arabic shall be the official language of the Document. In case of any discrepancy between the Arabic and English texts, the Arabic text shall prevail.



## Important Notice

This Document contains detailed information about the Merger. The Document is aimed at providing Buruj's shareholders with information about the Merger and the Offer submitted by Medgulf to Buruj's shareholders. It should be noted that the Merger is conditional on obtaining approval of the Merger from the shareholders of both Buruj and Medgulf. Buruj's shareholders vote on the Merger will be deemed to be made based only on the information contained in this Document and in Buruj's Board Circular.

The CMA and Saudi Exchange (Tadawul) shall not bear any responsibility for the contents of this Offer Document. They make no representation as to its accuracy or completeness, and expressly disclaim any liability whatsoever for any loss arising from the content of this Document or reliance on any part thereof.

The information and statements contained in this Document were presented as they are on the date of publication of this Document unless another date is specified for any information or data or statements contained in this Document. Consequently, the information contained in this Document is subject to change after the publication date of this Document. Accordingly, the publication of this Document does not necessarily mean that none of the facts or information contained in this Document on Medgulf or Buruj have changed. Any information contained in this Document should not be considered expectations or projections on the future financial performance of Medgulf or Buruj, nor should any statement in this Document be considered as a confirmation that future earnings per Medgulf share will match or exceed the historical earnings of Medgulfs (or Buruj's) shares in previous historical periods.

No person was authorized to provide any information or to make any representations on behalf of Medgulf's board of directors except what is declared in this Document. Therefore, no information or statements from other parties should be construed as information or statements of Medgulf or HSBC Saudi Arabia or any adviser of Medgulf in relation to the Merger.

This Document should not be considered as recommendation from Medgulf or its board members or any of its advisers in relation to the Merger or which way to vote on it. This Document does not include all the information related to Medgulf and does not include all the information to be taken into account in any investment decision related to the Merger. Moreover, all the information contained in this Document is of a general nature and has been prepared without regard to the individual investment objectives, the financial situation or the investment needs of any specific recipient of the Document. Each recipient of this Document will be responsible for obtaining independent professional advice from a CMA-licensed financial adviser in relation to the Merger.

Copies of this Document may be obtained from the headquarters of Medgulf or through Medgulf's website ([www.medgulf.com.sa](http://www.medgulf.com.sa)), the CMA's website ([cma.org.sa](http://cma.org.sa)), or the Saudi Exchange's (Tadawul) website ([www.saudiexchange.sa](http://www.saudiexchange.sa)). Except for the Offer Document, any contents of the abovementioned websites may not be construed as part of this Document and Medgulf will not assume any responsibility for the content of such websites.

Medgulf has appointed HSBC Saudi Arabia as Medgulf's financial advisor in connection with the Merger. HSBC Saudi Arabia, a financial institution licensed by the CMA to operate in the Kingdom of Saudi Arabia, is the exclusive financial adviser of Medgulf in relation to the Merger, and shall not be liable towards any party except for Medgulf when giving advice on the Merger or any other issue referred to in this Document.

Moreover, HSBC Saudi Arabia or other advisers referred to in Section ("**Corporate Directory**") did not independently verify the correctness and accuracy of the information contained in this Document. Accordingly, those advisers, or any of their affiliates, managers or employees shall not be liable for any direct or indirect loss or damage that any person may incur due to their reliance on any information included in this Document, or due to incorrect, inaccurate, or incomplete information contained in this Document.

This Document is not and may not be construed as legal, financial, zakat-related or tax advice. If there is a doubt about the legal, financial, zakat-related or tax consequences, impacts or provisions, then specialized advice from licensed legal, financial and tax advisers should be sought in relation to such topics.

In case of any doubt regarding the vote that should be made by any of the shareholders in Buruj's Merger EGM, independent financial advice from a CMA-licensed independent financial advisor shall be sought.

The Merger relates to securities of Saudi Arabian companies listed on the Saudi Exchange (Tadawul), and the Consideration Shares represent securities issued by a Saudi Arabian company. Accordingly, this Document and any other documents or announcements relating to the Merger have been and will be prepared in accordance with the disclosure requirements applicable in the Kingdom of Saudi Arabia only. The type and presentation of the information contained therein may vary if prepared according to the requirements of another jurisdiction. Medgulf does not intend to take any action to publish or register this Document or the Consideration Shares in any jurisdiction other than the Kingdom of Saudi Arabia.

## Forward-looking Forecasts and Statements

This Document contains certain forecasts and forward-looking statements. Such forecasts and forward-looking statements may be identified by the use of forward-looking words such as “anticipate”, “aim”, “expect”, “estimate”, “intend”, “plan”, “will”, “believe”, “seek”, “may”, “would”, “could” or “should” or other words of similar meaning or the negative thereof. Forward-looking statements in this Document include, without limitation, statements relating to the following: (i) expected benefits from the Merger, future forecast of financial performance and conditions, and other future events; (ii) business and management strategies and the expansion and growth of the operations of Medgulf following the Merger; and (iii) the Merger and the dates on which events are expected to occur.

The forward-looking statements appearing in this Document reflect the current perspective of Medgulf and its management. They are based on numerous assumptions, including assumptions regarding the present and future business strategies of Medgulf and the regulatory environment in which it will operate in the future. These forecasts and forward-looking statements are not a promise, or a guarantee of future events given several visible and invisible factors that may have impact on future events, causing them to be materially different from the expectations, expressed or implied by this Document. The risks and uncertainties relating to forward-looking statements are beyond Medgulf’s control and cannot be estimated precisely, such as future market conditions and the behaviors of other market participants. Therefore, the recipient of this Document should read these forecasts and forward-looking statements based on this notice but may not rely on such forecasts and statements.

All oral or written forecasts and forward-looking statements made by Medgulf or any person acting on its behalf are expressly qualified in their entirety by the Important Notice contained in this Section.

Medgulf will not amend or update any projection or forward-looking statement contained herein, except as required by the applicable laws and regulations.

## Restrictions related to the Publication and Distribution of this Offer Document

This Document is addressed to Buruj’s shareholders, subject to any restriction in the laws and regulations of any Restricted Jurisdiction. This Document does not constitute a sale offer or purchase order for any securities to any person in any jurisdiction wherein the applicable laws do not permit making such offer or order.

## Notice to Shareholders of Buruj Residing Outside Saudi Arabia

While all shareholders of Buruj are entitled to attend the Buruj’s Merger EGM and to vote on its resolutions (subject to any restrictions that may be imposed by law or any other restrictions under the laws applicable in Saudi Arabia), shareholders of Buruj residing outside Saudi Arabia should note that this Document has not been submitted or registered with any regulatory authority outside Saudi Arabia. Accordingly, if any shareholder of Buruj resides in any country whose laws require Medgulf to take any steps so that the shareholder may vote on the Merger Resolutions in a lawful manner, please be aware that Medgulf has not taken such steps and therefore the shareholder concerned should not participate in voting on the proposed resolutions at Buruj’s Merger EGM. In the event that the shareholder concerned votes on the merger resolutions nonetheless, Medgulf may, in agreement with Buruj, decide not to proceed with the Merger, unless the Merger has been approved by the required majority of shareholders of Buruj, excluding the votes of the shareholder concerned.



## Financial and Other Information

Medgulf's and Buruj's audited financials for the fiscal years ended on 31 December 2022, 2023, and 2024 were prepared in accordance with International Financial Reporting Standards (IFRS) as accredited in Saudi Arabia and other standards and publications issued by SOCPA. Additionally, it should be noted that certain financial information contained in this document is based on management estimates and has not been independently audited by the accountants or others. Save as disclosed otherwise, all financial information is set out in SAR.

Figures presented may differ from their total values when added and / or calculated due to rounding. It should be noted that this Document contains percentages and ratios, which are approximate figures and percentages for presentation purposes. Additionally, the ownership percentages after the Issuance of Merger Resolution and the deposit of the Consideration Shares have been calculated based on the total number of shares, without taking into account the ownership of any shareholder of Buruj or Medgulf (as the case may be) in the other company before the Issuance of Merger Resolution.

## Corporate Directory

### Offeror Directory

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**Note:** The above advisers and auditors have given and, as at the date of this Document, have not withdrawn their written consent to the publication of their names, addresses, logos and the statements attributed to each of them in the context in which they appear in this Document (as applicable). None of them, nor any of their employees working on the Offeror's engagement, holds any shares or interest in the Offeror's that may affect their independence.



## Key Dates and Milestones of the Merger

The table below includes the expected timeline of the key events related to the Merger. The dates below are approximate, and Medgulf (or Buruj or the Saudi Exchange (Tadawul), as the case may be) will announce the actual events that must be announced on the Saudi Exchange (Tadawul) website according to the relevant laws and regulations including any changes that may be made to the timetable.

Event	Timeline/ Expected Date
<b>1. Actions required in relation to EGM and Creditors' Objection Period</b>	
Submission of the final draft of the Offer Document to the CMA	The final draft of the Offer Document was submitted to the CMA on 22/03/1447H (corresponding to 14/09/2025G).
The CMA's approval of the capital increase application and publication of the Offer Document	Monday, 30/03/1447H (corresponding to 22/09/2025G)
Both Companies' announcement of the Merger, and the method for Buruj's creditors to object, as per Article (227) of the Companies Law	Wednesday, 02/04/1447H (corresponding to 24/09/2025G)
Publication of the Offer Document, and Shareholders' Circular and Buruj's Board of Directors' Circular	Sunday, 06/04/1447H (corresponding to 28/09/2025G)
Making documents available for inspection	Sunday, 06/04/1447H (corresponding to 28/09/2025G)
CMA's approval to convene Medgulf's Merger EGM and Buruj's Merger EGM	Sunday, 06/04/1447H (corresponding to 28/09/2025G)
Announcement of the invitation to Medgulf's Merger EGM on the Saudi Exchange (Tadawul) website (with a reference to the possibility of holding a second meeting within an hour after the end of the time allocated to the first meeting if the first meeting was not quorate)	Monday, 07/04/1447H (corresponding to 29/09/2025G)
Announcement of the invitation to Buruj's Merger EGM on the Saudi Exchange (Tadawul) website (with a reference to the possibility of holding a second meeting within an hour after the end of the time allocated to the first meeting if the first meeting was not quorate)	Monday, 07/04/1447H (corresponding to 29/09/2025G)
Expiry of Buruj's Creditors' Objection Period	Thursday, 17/04/1447H (corresponding to 09/10/2025G)
Buruj's announcement on whether there are any creditors' objections	Sunday, 20/04/1447H (corresponding to 12/10/2025G)
The start of the electronic voting period for Medgulf's EGM agenda	Sunday, 27/04/1447H (corresponding to 19/10/2025G)
The start of the electronic voting period for Buruj's EGM agenda	Sunday, 27/04/1447H (corresponding to 19/10/2025G)
Convening Medgulf's Merger EGM (first meeting) – quorum required is shareholders representing at least 50% of Medgulf's voting shares	Thursday, 01/05/1447H (corresponding to 23/10/2025G)
Convening Medgulf's Merger EGM (second meeting), if the quorum for the first meeting is not attained – quorum required is shareholders representing at least 25% of Medgulf's voting shares	One hour after the expiry of the period specified for the first inquorate EGM.
Convening Buruj's Merger EGM (first meeting) – quorum required is shareholders representing at least 50% of Buruj's voting shares	Thursday, 01/05/1447H (corresponding to 23/10/2025G)
Convening Buruj's Merger EGM (second meeting), if the quorum for the first meeting is not attained – quorum required is shareholders representing at least 25% of Buruj's voting shares	One hour after the expiry of the period specified for the first inquorate EGM.
Announcing the Merger Resolutions passed at Medgulf's Merger EGM (first or second meeting) on the Saudi Exchange (Tadawul) website (or, if the EGM was inquorate, the announcement of such fact)	Sunday, 04/05/1447H (corresponding to 26/10/2025G)
Announcing the Merger Resolutions passed at Buruj's Merger EGM (first or second meeting) on the Saudi Exchange (Tadawul) website (or, if the EGM was inquorate, the announcement of such fact)	Sunday, 04/05/1447H (corresponding to 26/10/2025G)

Event	Timeline/ Expected Date
<b>2. Actions required in the event that the first and second EGMs were inquorate</b>	
The CMA's approval for the invitation to Medgulf's Merger EGM (third meeting) or Buruj's Merger EGM (third meeting)	Monday, 05/05/1447H (corresponding to 27/10/2025G)
Announcement on the Saudi Exchange's (Tadawul) website of the invitation to Medgulf's Merger EGM (third meeting) or Buruj's Merger EGM (third meeting)	Tuesday, 06/05/1447H (corresponding to 28/10/2025G)
The start of the electronic voting period for Medgulf's Merger EGM (third meeting) or Buruj's Merger EGM (third meeting)	Friday, 23/05/1447H (corresponding to 14/11/2025G)
Convening Medgulf's Merger EGM (third meeting) or Buruj's Merger EGM (third meeting) - will be valid irrespective of the number of shares represented in the meeting	Tuesday, 27/05/1447H (corresponding to 18/11/2025G)
Announcing the Merger Resolutions passed at Medgulf's or Buruj's Merger EGM (third meeting) on the Saudi Exchange (Tadawul) website	Wednesday, 28/05/1447H (corresponding to 19/11/2025G)
<b>3. Merger Approval and Complementary Steps</b>	
Approval of Medgulf's Merger EGM and Buruj's Merger EGM	Thursday, 01/05/1447H (corresponding to 23/10/2025G) (if approval is obtained in the first or second meeting of Medgulf's Merger EGM and Buruj's Merger EGM). Wednesday, 28/05/1447H (corresponding to 19/11/2025G) (if approval is obtained in the third meeting of Medgulf's Merger EGM and Buruj's Merger EGM, as the case may be).
Suspension of trading in Buruj's Shares	The first trading period following the date of the Issuance of the Merger Resolution, which is expected to occur on: Sunday, 04/05/1447H (corresponding to 26/10/2025G) (if approval is obtained in the first or second meeting of Medgulf's Merger EGM and Buruj's Merger EGM). Thursday, 29/05/1447H (corresponding to 20/11/2025G) (if approval is obtained in the third meeting of Medgulf's Merger EGM and Buruj's Merger EGM, as the case may be).
Delisting Buruj's shares from the Saudi Exchange (Tadawul)	Within a period not less than the third trading session and not exceeding the sixth trading session after the date of the Issuance of the Merger Resolution.
Listing the Consideration Shares on the Saudi Exchange (Tadawul) and allocating such shares to the respective shareholders of Buruj who are registered in Buruj's shareholders register at the end of the second trading session following the date of the Issuance of the Merger Resolution	Within a period not less than the third trading session and not exceeding the sixth trading session after the date of the Issuance of the Merger Resolution.
Deadline for distribution of proceeds from the sale of fractional shares	Within thirty (30) days from the Merger Approval, which is expected to occur on: Sunday, 02/06/1447H (corresponding to 23/11/2025G) (if approval is obtained in the first or second meeting of Medgulf's Merger EGM and Buruj's Merger EGM). Sunday, 23/06/1447H (corresponding to 14/12/2025G) (if approval is obtained in the third meeting of Medgulf's Merger EGM and Buruj's Merger EGM, as the case may be).
<b>4. Effectiveness of the Merger Resolution</b>	
Amendment of Medgulf's commercial register to reflect the Merger and submitting the amended bylaws to the Ministry of Commerce and Effectiveness of the Merger Resolution	As soon as possible after the Issuance of the Merger Resolution, and it is expected to occur on: Sunday, 06/05/1447H (corresponding to 28/10/2025G) (if approval is obtained in the first or second meeting of Medgulf's Merger EGM and Buruj's Merger EGM). Monday, 03/06/1447H (corresponding to 24/11/2025G) (if approval is obtained in the third meeting of Medgulf's Merger EGM and Buruj's Merger EGM, as the case may be).

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## 1. Terms and Definitions

The following definitions apply throughout this Document, unless the context requires otherwise:

<b>Merger Agreement</b>	The Merger Agreement dated 01/02/1447H (corresponding to 26/07/2025G) concluded between Medgulf and Buruj setting out the terms and conditions of, and the parties' rights and obligations in connection with, the Merger.
<b>Extraordinary General Assembly Meeting / EGM</b>	An extraordinary general assembly meeting of the shareholders of the relevant Company convened in accordance with the provisions of the bylaws of the relevant Company.
<b>Gross of Written Premiums</b>	Gross Written Premiums for a specified period, net of reinsurers ceded premiums.
<b>Edaa</b>	The Securities Depository Center Company (Edaa).
<b>Medgulf / Offeror / Merging Company</b>	Mediterranean & Gulf Insurance and Reinsurance Company (Medgulf) is a Saudi joint stock company, listed in Saudi Exchang having its registered office in Riyadh, registered in the commercial register under the unified number (7001548317) dated 08/04/1428H (corresponding to 25/04/2007G) and License No. (TMN/20079/3) dated 29/08/1428H (corresponding to 11/09/2007G) issued by the Insurance Authority to practice insurance and reinsurance activities. Medgulf's share capital is one billion fifty million (1,050,000,000) Saudi riyals, divided into one hundred fifty million (105,000,000) ordinary shares.
<b>Buruj / Offeree / Merged Company</b>	Buruj Cooperative Insurance Company is a listed Saudi joint stock company, having its registered office in Riyadh, with Commercial Register Unified No. (7001617724) dated 10/02/1431H (corresponding to 25/01/2010G) and License No. (TMN/20105/28) dated 15/06/1431H (corresponding to 29/05/2010G) issued by the Insurance Authority to practice insurance activities. Buruj's share capital is three hundred million (300,000,000) Saudi riyals, divided into thirty million (30,000,000) ordinary shares.
<b>Consideration Shares</b>	The new Medgulf shares to be issued to Buruj Shareholders pursuant to the Merger amounting to thirty-three million one hundred fifty-seven thousand eight hundred ninety-four (33,157,894) ordinary shares with a nominal value of ten (10) Saudi riyals per share.
<b>Firm Intention Announcement</b>	The announcement published by Medgulf on the Saudi Exchange's (Tadawul) website on 02/02/1447H (corresponding to 27/07/2025G) regarding its firm intention to place an offer of merger of all Buruj's shares in accordance with Article (17)(e) of the MSA Regulations.
<b>Affiliate</b>	A person who controls another person or is controlled by such other person, or who is under common control with that person by a third person. In any of the preceding, control could be direct or indirect.
<b>Shareholders' Circular</b>	The Shareholders' Circular issued by Medgulf in line with the requirements of Article 60 of the ROSCOs.
<b>Buruj's Board of Directors' Circular</b>	The circular issued by Buruj's board of directors, to Buruj shareholders, pursuant to Article (39) of MSA Regulations, regarding Medgulf's offer relating to the Merger which provides the views of Buruj's board of directors on the offer to Buruj shareholders, and Medgulf's plans for Buruj and its employees.
<b>Medgulf's Merger EGM</b>	Medgulf's Merger EGM to be convened for the purpose of voting on the Merger Resolutions.
<b>Buruj's Merger EGM</b>	Buruj's Merger EGM to be convened for the purpose of voting on the Merger Resolutions.
<b>Public</b>	Means, in relation to an issuer of listed securities, persons other than: <ol style="list-style-type: none"> <li>1- Affiliates of the issuer.</li> <li>2- Substantial shareholders of the issuer.</li> <li>3- Directors and senior executives of the issuer.</li> <li>4- Directors and senior executives of the affiliates of the issuer.</li> <li>5- Directors and senior executives of the substantial shareholders of the issuer.</li> <li>6- Any close relatives of the persons referred to in (1), (2), (3), (4), or (5) above.</li> <li>7- Any company controlled by any of the persons referred to in (1), (2), (3), (4), (5), or (6) above.</li> <li>8- Persons acting in concert and collectively that own (5%) or more of the class of shares to be listed.</li> </ol>

<b>Material Adverse Event</b>	<p>Means, pursuant to the definition agreed upon in the Merger Agreement, any event, occurrence or change in circumstances which individually, or when aggregated with all such other events, occurrences or changes, has or could reasonably be expected to have a material adverse effect on the business, assets, liabilities, financial position, profitability or prospects of either company or on the Merger Agreement or its implementation, including any Material Adverse Event resulting in a decrease of 15% or more in the equity of either company as of 31 March 2025; provided that the following shall not be considered in determining whether a Material Adverse Event has occurred for the purpose of the Merger Agreement:</p> <ul style="list-style-type: none"> <li>a- Any deterioration of the economic, political or market conditions or securities, credit, financial or other capital markets conditions in the financial services industry globally, in the Middle East, in Saudi Arabia, or in general except to the extent that such effect adversely affects either company in a materially disproportionate manner compared to other businesses in the industry in which both Companies operates (as the case may be).</li> <li>b- Any change, event or development to the extent solely resulting from the execution and delivery of the Merger Agreement or the public announcement, pendency or consummation of the Merger or any of the other transactions contemplated by the Merger Agreement, including the impact of such changes or developments on the relationships, contractual or otherwise, of either company (as the case may be) with employees, clients, suppliers or partners;</li> <li>c- Any change per se in the market price, credit rating with respect to either company (if any) or its securities, or trading volume of their shares (noting that the facts and circumstances giving rise to such change may be deemed to constitute, and may be taken into account in determining whether there has been, a Material Adverse Event);</li> <li>d- Any change or proposed change, after the Merger Agreement, in the applicable laws except for such changes, which reasonable result in an adverse effect on the Companies (as the case may be) in a materially disproportionate manner compared to each other or to other businesses in the industry in which the two companies (as the case may be) operate;</li> <li>e- Geopolitical conditions, the outbreak or escalation of hostilities, any acts of war, sabotage or terrorism, or any escalation or worsening of any such acts of war, sabotage or terrorism, whether threatened or underway as of the date of the Merger Agreement, except to the extent that such event adversely affects the Companies (as the case may be), in a materially disproportionate manner compared to each other or other businesses in the industry in which the companies (as the case may be) operate;</li> <li>f- Any flood, earthquake, the outbreak or escalation of pandemics, or other natural disaster, except for the events, which adversely affect the Companies (as the case may be), in a materially disproportionate manner between each other or between them and other businesses in the sector in which the Companies (as the case may be) operate; or</li> <li>g- Any change, event or development to the extent resulting from any action by the Companies (as the case may be), that is expressly required to be taken in connection with the Merger.</li> </ul>
<b>Restricted Jurisdiction</b>	Any country or jurisdiction where the offer of the Consideration Shares, or distribution or publication of this Document or any other documents related to the Consideration Shares, would violate the laws of, or regulations applicable in that country or jurisdiction.
<b>SAR</b>	Saudi Arabian Riyals, the official currency of the Kingdom of Saudi Arabia.
<b>Capital Increase</b>	The proposed increase in the share capital of Medgulf from one billion and fifty million Saudi Riyals (SAR 1,050,000,000) to one billion three hundred eighty-one million, five hundred seventy-eight thousand, nine hundred forty (SAR 1,381,578,940) Saudi Riyals, and to increase the number of its shares from one hundred five million (105,000,000) ordinary shares to one hundred thirty-eight million, one hundred fifty-seven thousand, eight hundred ninety-four (138,157,894) ordinary shares, representing an increase of 31.58% in Medgulf's current share capital, for the purpose of merging Buruj into Medgulf.
<b>Closing Price</b>	Last trading price for the shares on the relevant trading day, according to the mechanism set by Saudi Exchange (Tadawul).
<b>Standard and Poor's</b>	Standard & Poor's is a U.S. based financial services company that provides a range of financial services and operates as a credit rating agency, assigning credit ratings to assess the ability of companies and other entities to meet their financial obligations.



<b>A.M. Best</b>	A.M. Best is a U.S. based financial services company that provides a range of financial services and operates as a credit rating agency, assigning credit ratings to assess the ability of companies and other entities to meet their financial obligations.
<b>Saudi Exchange (Tadawul)</b>	The Saudi Stock Exchange (Tadawul), which is the market in which securities are traded in Saudi Arabia and is managed and operated by the Saudi Exchange Company and regulated by the Capital Market Authority. It also means, depending on the context, Saudi Exchange Company, a wholly owned subsidiary of Saudi Tadawul Holding Group, which is responsible for operating the market.
<b>Control</b>	<p>For the purpose of the special provisions of the M&amp;A Regulations: The ability to influence the actions or decisions of another person, whether directly or indirectly (excluding indirect ownership of shares through swap agreements or through an investment fund whose unit owner have no discretion in its investment decisions), alone or with a relative or affiliate, through holding 30% or more of the voting rights in a company; <b>"controller"</b> shall be construed accordingly.</p> <p>For other purposes: The ability to influence the actions or decisions of another person through, whether directly or indirectly, alone or with a relative or affiliate, through (a) holding 30% or more of the voting rights in a company, or (b) having the right to appoint 30% or more of the members of the governing body; <b>"controller"</b> shall be construed accordingly.</p>
<b>Subsidiary</b>	In relation to a person, any other company which it controls. In relation to Buruj, Gulf Warranties for Insurance Services (GWIS), a limited liability company, registered in the commercial register under the unified number (7009182630) dated 20/05/1436H (corresponding to 11/03/2015G), wherein Buruj owns a shareholding interest of 40% of the share capital.
<b>Companies</b>	Medgulf and Buruj.
<b>Merger</b>	The merger of Buruj into Medgulf in accordance with the provisions of Article (225) and Articles (227) to (229) of the Companies Law and the provisions of subparagraph (1) of paragraph (A) of Article (49) of the M&A Regulations in consideration of the Consideration Shares issued by Medgulf to the shareholders of Buruj by increasing Medgulf share capital from one billion and fifty million Saudi Riyals (SAR 1,050,000,000) to one billion three hundred eighty-one million five hundred seventy-eight thousand, nine hundred forty (SAR 1,381,578,940) Saudi Riyals.
<b>Creditors' Objection Period</b>	The period during which creditors of Buruj may submit their objections to the Merger as referenced in Article (227) of the Companies Law and during which any objections submitted may be settled in accordance with the provisions of the Companies Law. Creditors of Buruj have the right to object to the Merger within a period of 15 days from the date on which the Companies announce the Merger and the procedure for creditors of Buruj to object, in accordance with Article (227) of the Companies Law.
<b>Related Party</b>	<p>Means a person who (whether or not acting in concert with Medgulf or Buruj or any of their subsidiaries) owns or deals directly or indirectly with shares of Medgulf or Buruj either through a private sale or purchase transaction or offer, or any person (in excess of its normal interests as a shareholder) has interest or potential interest - whether personal, financial or commercial - arising from the Merger or a Related Party with both Medgulf and Buruj. The definition, provided that this does not conflict with the general application of this definition, includes, but is not limited to, the following:</p> <ol style="list-style-type: none"> <li>1- any person(s) who has provided financial assistance (other than what a bank in the ordinary course of business) to Medgulf or Buruj.</li> <li>2- The board member of Medgulf and Buruj (or any of their subsidiaries).</li> <li>3- a person owning 20% of Medgulf and Buruj (whether individually or by acting in concert with other(s)).</li> <li>4- A Substantial Shareholder of Medgulf, who is at the same time also a board member of Buruj, or vice versa.</li> </ol>
<b>Offer</b>	The offer from Medgulf to Buruj Shareholders for the purpose of merging of all Buruj's shares into Medgulf in exchange of the Consideration Shares to be issued to Buruj's Shareholders in Medgulf.
<b>Offer Period</b>	The period from Medgulf's Firm Intention Announcement to make an offer to Buruj's shareholders until the Issuance of Merger Resolution or termination of the Merger Agreement in accordance with its provisions (whichever comes first). (For more details on termination of the Merger Agreement, please refer to Section (2.3.3) (" <b>Merger Agreement Termination Provisions</b> ").

<b>Merger Resolutions</b>	<p>The resolutions to be proposed to the shareholders of Medgulf and Buruj in relation to the Merger, as follows (or any amendment thereto as requested by the CMA or according to agreement between the parties before inviting the relevant assemblies):</p> <p><b>In relation to Medgulf:</b> Approval of the increase of Medgulf's share capital from one billion and fifty million Saudi Riyals (SAR 1,050,000,000) to one billion, three hundred eighty-one million, five hundred seventy-eight thousand, nine hundred forty (SAR 1,381,578,940) Saudi Riyals representing a (31.58%) increase in the current capital, through the issuance of thirty-three million, one hundred fifty-seven thousand, eight hundred ninety-four (33,157,894) shares at a rate of (1.10526313333333) shares in Medgulf for every share in Buruj, in accordance with the provisions of Article (225) and Articles (227 to 229) of the Companies Law and the provisions of subparagraph (1) of Paragraph (A) of Article (49) of the M&amp;A Regulations, including approval of the following matters related to the Merger:</p> <ul style="list-style-type: none"> <li>a- Approval of the provisions of Merger Agreement.</li> <li>b- Approval of the increase of Medgulf's share capital from one billion and fifty million Saudi Riyals (SAR 1,050,000,000) to one billion, three hundred eighty-one million, five hundred seventy-eight thousand, nine hundred forty (SAR 1,381,578,940) Saudi Riyals in accordance with the terms and conditions of the Merger Agreement.</li> <li>c- Approval of the proposed amendments to Medgulf's bylaws in the form set out in Annex (1) of this Document.</li> <li>d- The authorization of Medgulf's board of directors, or any person authorized by Medgulf's board of directors, to adopt any resolution or take any action as may be necessary to implement any of the above resolutions.</li> </ul> <p><b>In relation to Buruj:</b> Approval of the Offer made by Medgulf to the shareholders of Buruj for the purpose of merging Buruj into Medgulf in exchange for issuing (1.10526313333333) shares in Medgulf for each share in Buruj held by the shareholders of Buruj pursuant to Articles (225) and (227 to 229) of the Companies Law and the provisions of subparagraph (1) of Paragraph (A) of Article (49) of the M&amp;A Regulations, in accordance with the terms and conditions of the Merger Agreement, including approval of the following matters related to the Merger, whereby Buruj shall be dissolved by operation of law and its shares shall be cancelled, in accordance with the relevant regulatory requirements and the terms and conditions of the Merger Agreement, including approval of the following matters related to the Merger:</p> <ul style="list-style-type: none"> <li>a- Approval of the provisions of Merger Agreement.</li> <li>b- The authorization of Buruj's board of directors, or any person authorized by Buruj's board of directors, to adopt any resolution or take any action as may be necessary to implement any of the above resolutions.</li> </ul>
<b>Relative</b>	Means husband, wife, children and parents.
<b>Listing Rules</b>	The Listing Rules issued by the board of the Capital Market Authority pursuant to Resolution No. (3-123-2017) dated 09/04/1439H (corresponding to 27/12/2017G), as amended from time to time.
<b>ROSCOs</b>	The Rules on the Offer of Securities and Continuing Obligations issued by the board of the CMA pursuant to its Resolution No. (3-123-2017) dated 09/04/1439H (corresponding to 27/12/2017G), as amended from time to time.
<b>Financials</b>	The audited financials of Medgulf or Buruj, as applicable, for the relevant financial periods referred to herein.
<b>M&amp;A Regulations</b>	The Merger and Acquisition Regulations issued by the board of CMA pursuant to its Resolution No. (1-50-2007), dated 21/09/1428H (corresponding to 3/10/2007G), as amended from time to time.
<b>The Implementing Regulations of the Companies Law for Listed Joint Stock Companies</b>	The Implementing Regulations of the Companies Law for Listed Joint Stock Companies issued by the board of the CMA pursuant to Resolution No. (8-127-2016) dated 16/01/1438H (corresponding to 17/10/2016G), as amended from time to time.
<b>The Implementing Regulations of the Cooperative Insurance Companies Control Law</b>	The Implementing Regulations of The Cooperative Insurance Companies Control Law issued by the Minister of Finance pursuant to Resolution No. (1/596) dated 01/03/1425H (corresponding to 20/04/2004G), as amended from time to time.
<b>Non-Binding MoU</b>	The non-binding memorandum of understanding concluded between Medgulf and Buruj on 21/01/1446H (corresponding to 27/07/2024G) in respect of the Merger.
<b>Medgulf's Auditors for the Financial Years ended 31 December 2023, and 2024</b>	Al Kharashi & Co. Certified Accountants and Auditors and Al Azem, Al Sudairy, Al Shaikh & Partners.
<b>Substantial Shareholder</b>	A person owning five percent (5%) or more of the shares in Medgulf or Buruj, as the case may be.

<b>Legal Adviser</b>	Zeyad Sameer Khoshaim Law Firm (Professional Limited Liability Company)
<b>Financial Adviser</b>	HSBC Saudi Arabia.
<b>Offer Document</b>	This document prepared by Medgulf pursuant to Article (38) of the M&A Regulations in relation to the Offer made by Medgulf to Buruj Shareholders.
<b>Exchange Ratio</b>	The basis on which the number of Consideration Shares owed to Buruj's shareholders will be determined in relation to the Merger, which will result in (1.10526313333333) Medgulf shares for every Buruj share.
<b>The international financial reporting standards / IFRS</b>	International Financial Reporting Standards accredited in the Kingdom of Saudi Arabia and other standards and versions issued by the Saudi Organization for Chartered and Professional Accountants.
<b>Saudi Arabia</b>	Kingdom of Saudi Arabia.
<b>Companies Law</b>	Companies Law promulgated by Royal Decree No. (M/132) dated 01/12/1443H (corresponding to 30/06/2022G).
<b>Labor Law</b>	Labor Law promulgated by Royal Decree No. (M/51) dated 23/08/1426H (corresponding to 27/09/2005G), as amended from time to time.
<b>The Cooperative Insurance Companies Control Law</b>	The Cooperative Insurance Companies Control Law promulgated by Royal Decree No. (M/32) dated 02/06/1424H (corresponding to 31/07/2003G), as amended from time to time.
<b>Issuance of Merger Resolution</b>	The issuance of the approval of Medgulf's Merger EGM and Buruj's Merger EGM on the Merger Resolutions.
<b>Effectiveness of Merger Resolution</b>	The date on which the particulars of Buruj are recorded in the register of MedGulf maintained with the commercial register, meaning the update of MedGulf's commercial register.
<b>Solvency Margin</b>	The excess of a company's liquid assets over its liabilities. It is a measure of a company's ability to meet its obligations, when necessary, and an indicator of the overall financial soundness of a company.
<b>GAC</b>	The General Authority for Competition of Saudi Arabia.
<b>IA</b>	The Insurance Authority in Saudi Arabia, which has assumed oversight of the insurance sector previously regulated by the Saudi Central Bank (SAMA).
<b>SOCPA</b>	The Saudi Organization for Chartered and Professional Accountants.
<b>CMA</b>	The Capital Market Authority of Saudi Arabia.
<b>Zakat, Tax and Customs Authority</b>	Zakat, Tax and Customs Authority of Saudi Arabia.
<b>MOC</b>	The Ministry of Commerce of Saudi Arabia.
<b>Acting in Concert</b>	Means, at the sole discretion of the CMA, actively cooperating, pursuant to an agreement (whether binding or non-binding) or an understanding (whether formal or informal) between persons, to be controllers (whether directly or indirectly, excluding indirect ownership of shares through swap agreements or through an investment fund whose unit owner have no discretion in its investment decisions) of a company, through the acquisition by any of them (through direct or indirect ownership) of voting shares in that company. Moreover, " <b>concert parties</b> " shall be construed accordingly. Without prejudice to the general application of this definition, the following persons, shall be presumed to be acting in concert with other persons of the same class unless the contrary is established, including but not be limited to: (1) Members of the same group; (2) a person's relatives; (3) Person(s) who provided financial assistance (other than a bank in the ordinary course of business) to the Offeror (Medgulf) or its group members in order to purchase shares that carry voting rights or convertible debt instruments.
<b>Working Day</b>	Any day, other than a Friday, Saturday or a public holiday in Saudi Arabia.



## 2. An overview of the Merger

On 22/01/1446H (corresponding to 28/07/2024G), both Medgulf and Buruj announced the execution of the Non-Binding MOU between the Companies regarding a potential Merger. On 02/02/1447H (corresponding to 27/07/2025G), Medgulf announced entering into the Merger Agreement, which also included a declaration of its firm intention to proceed with the Merger and to make an offer to the shareholders of Buruj for this purpose. The Merger Agreement includes all the provisions and steps necessary to implement the Merger between the two companies in accordance with the provisions of Article (225) and Articles (227 to 229) of the Companies Law and the provisions of subparagraph (1) of paragraph (A) of Article (49) of the M&A Regulations and in accordance with the Capital Market Law and the Cooperative Insurance Companies Control Law and the other applicable regulations and laws in the Kingdom of Saudi Arabia (for more details on the provisions of the Merger Agreement, kindly refer to Section (2.3.1) **“The Merger Agreement”**).

Pursuant to the terms of the Merger Agreement, Buruj will be merged into Medgulf in consideration for Medgulf issuing the Consideration Shares to Buruj’s shareholders by way of a capital increase in accordance with Article (60) of the ROSCOs and based on the Exchange Ratio, which provides for Buruj’s shareholders receiving (1.1052631333333333) Medgulf shares for each share they hold in Buruj. The total number of Consideration Shares will be thirty-three million, one hundred fifty-seven thousand, eight hundred ninety-four (33,157,894) fully paid shares with a nominal value per share of (SAR 10), and the total nominal value of the Consideration Shares will be five hundred eighty-four million, five hundred seventy-three thousand, six hundred seventy-one Saudi riyals (SAR 584,573,671). These shares will be issued through an increase in Medgulf’s share capital by (31.58%), from one billion and fifty million Saudi Riyal (SAR 1,050,000,000) to one billion, three hundred eighty-one million, five hundred seventy-eight thousand, nine hundred forty Saudi Riyal (SAR 1,381,578,940), and an increase in the number of its ordinary shares from one hundred five million (105,000,000) to one hundred thirty-eight million, one hundred fifty-seven thousand, eight hundred ninety-four (138,157,894) ordinary shares. Following the Merger, the current shareholders of Medgulf will own approximately seventy-six percent (76%) of Medgulf’s share capital after the capital increase, and Buruj’s shareholders will own approximately twenty-four percent (24%) of Medgulf’s share capital after the capital increase.

The total value of the Merger will be determined on the basis of the value of the Consideration Shares. The total nominal value of the Consideration Shares is five hundred eighty-four million, five hundred seventy-three thousand, six hundred seventy-one Saudi Riyals (SAR 584,573,671), and the total market value of the Consideration Shares is five hundred eighty-four million, five hundred seventy-three thousand, six hundred seventy-one Saudi Riyals (SAR 584,573,671), based on the closing price of MedGulf’s share of SAR 17.63 as of 29/01/1447H (corresponding to 24/07/2025G), which was the last trading day preceding the date of announcing the execution of the Merger Agreement. The total value of the Consideration Shares that will be recorded in the financial statements of Medgulf will be determined based on the Closing Price of Medgulf’s share at the last trading day prior to the date of the issuance of the Consideration Shares.

If the calculation of the number of shares due to any of the shareholders of Buruj based on the Exchange Ratio results in fractions of shares, the resulting number will be rounded to the lowest whole number. For example, if a shareholder of Buruj owns one hundred (100) shares in Buruj, such shareholder will be allocated one hundred ten (110) Consideration Shares, and not one hundred ten point fifty-three (110.53) shares. The fractional shares will be collected and sold in the market on behalf of Buruj’s shareholders, and then the proceeds resulting from the sale of the fractional shares will be distributed over those entitled to them, each according to their entitlement, after deducting the costs related to the sale of the fractional shares from the total proceeds of the sale of the fractional shares.

It should be noted that it is not expected that the Merger, if implemented, will result in the forced layoff of employees.

The following table shows the shareholding details before and after the Issuance of the Merger Resolution and the deposit of the Consideration Shares, as of market closing on 05/01/1447H (corresponding to 30/06/2025G):

Shareholder	Before the Issuance of Merger Resolution				After the Issuance of the Merger Resolution and Deposit of Consideration Shares			
	# of Shares in Medgulf	% of Ownership in Medgulf	# of Shares in Buruj	% of Ownership in Buruj	# of Shares in Medgulf	% of Ownership in Medgulf	# of Shares in Buruj	% of Ownership in Buruj
<b>Shareholders in Medgulf</b>								
Rakan Abdullah Rashid Abunayyan	12,657,856	12.0551%	None	None	12,657,856	9.1619%		
The Mediterranean and Gulf Insurance and Reinsurance Company (Medgulf) B.S.C. (Closed) (Bahrain)	11,987,500	11.4167%	None	None	11,987,500	8.6767%		
The Saudi Investment Bank	19,950,000	19.000%	None	None	19,950,000	14.4400%		
Current Members of the Board of Directors of Medgulf	6,666	0.0063%	None	None	6,666	0.0048%		
Senior Executives of Medgulf	None	None	None	None	None	None		
Other Shareholders <sup>(2)</sup>	1,750,437	1.6671%	None	None	1,750,437	1.2670%		
Public <sup>(7)</sup>	58,647,541	55.8548%	N/A	N/A	58,647,541	42.4496%		
<b>Total <sup>(7)</sup></b>	<b>105,000,000</b>	<b>100.0000%</b>	<b>None</b>	<b>None</b>	<b>105,000,000</b>	<b>76.0000%</b>		
<b>Shareholders in Buruj</b>								
Yasser Yousuf Mohamed Naghi	None	None	3,450,000	11.5000%	3,813,157	2.7600%		
Gulf Medical Co. Ltd. <sup>(3)</sup>	None	None	1,500,000	5.0000%	1,657,894	1.2000%		
Cigalah Multi-Industries Company <sup>(4)</sup>	None	None	8,550,000	28.5000%	9,449,999	6.8400%		
Al Yusr Investment Gates Company <sup>(5)</sup>	None	None	1,500,000	5.0%	1,657,894	1.2000%		
Current Members of the Board of Directors of Buruj <sup>(1)</sup>	None	None	2,807	0.0094%	3,102	0.0022%		
Senior Executives of Buruj	None	None	None	None	None	None		
Other Shareholders <sup>(6)</sup>	None	None	900,000	3.0000%	994,736	0.7200%		
Public <sup>(7)</sup>	N/A	N/A	14,097,193	46.9906%	15,581,112	11.2778%		
<b>Total <sup>(7)</sup></b>	<b>None</b>	<b>None</b>	<b>30,000,000</b>	<b>100%</b>	<b>33,157,894</b>	<b>24.00%</b>		

Not applicable because it will be merged into Medgulf

Note: Percentages are approximate.

(1) The shareholding of Rakan Abdullah Rashid Abunayyan (Chairman of the Board of Medgulf) and Yasser Youssef Mohammed Naghi (Chairman of the Board of Buruj) has not been included in the Board members' shareholding clause, as they are directly included in the table.

(2) This item includes the following persons and entities:

a) The Mediterranean and Gulf Insurance and Reinsurance Company S.A.L. (Lebanon), which owns 1,050,000 shares in Medgulf, representing 1% of Medgulf's current share capital. It was included in this item because it is 100% owned by the Mediterranean and Gulf Insurance and Reinsurance Company (Medgulf) B.S.C. (Closed) (Bahrain).

b) Mr. Lutfi Fadel Al Zain, who owns 437 shares in Medgulf, representing 0.0004% of Medgulf's current share capital. He was included in this item because he Controls one of Medgulf's substantial shareholders, the Mediterranean and Gulf Insurance and Reinsurance Company (MedGulf) B.S.C. (Closed) (Bahrain), as he Controls 58.42% of this Substantial Shareholder through Lutfi Fadel El Zein Holding SAL Company which he and his relatives wholly own.

c) Lutfi Fadel El Zein Holding SAL Company, which is wholly owned by Mr. Lutfi Fadel Al Zain and his relatives, which own 700,000 shares in Medgulf, representing 0.6667% of Medgulf's current share capital. It was included in this item because it is wholly owned by Mr. Lutfi Fadel Al Zain and his relatives.

(3) It shall be noted that Mr. Yasser Yousuf Mohamed Naghi owns 56% of the share capital of Gulf Medical Co. Ltd.

(4) It shall be noted that Mr. Yasser Yousuf Mohamed Naghi owns 90% of the share capital of Cigalah Multi-Industries Company.

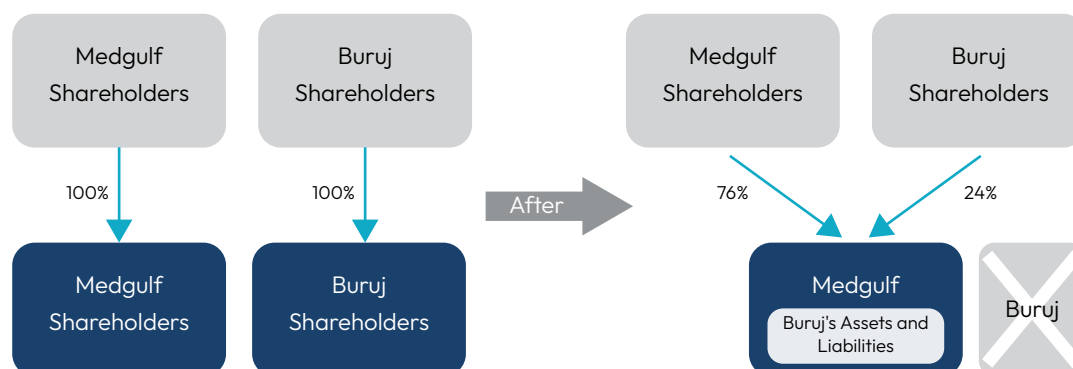
(5) It shall be noted that Mr. Yasser Yousuf Mohamed Naghi owns 33.33% of the share capital of Al Yusr Investment Gates Company.

(6) This item includes Cigalah Trading Establishments owned by Yasser Yousuf Mohamed Naghi, which own 900,000 shares in Buruj representing 3% of Buruj's share capital. They were included in this item because their liabilities are consolidated with Yasser Yousuf Mohamed Naghi (a Substantial Shareholder) as they are single proprietorship and therefore considered entities owned fully by him. Based on the aforementioned, the indirect ownership of Yasser Yousuf Mohamed Naghi in Buruj amounts to 33.12%, as a result of his ownership stakes of 56%, 90%, 100%, and 33.3% in Gulf Medical Co. Ltd., Cigalah Multi-Industries Company, Cigalah Trading Establishments (owned by Yasser Yousuf Mohamed Naghi), and Al-Yusr Gates Investments Co. Ltd., respectively, which in turn own 5%, 28.5%, 3%, and 5% in Buruj, respectively. After the Issuance of the Merger Resolution and the deposit of the Consideration Shares, this percentage (in addition to his direct ownership) will represent a 10.7080% ownership in Medgulf.

(7) The public ownership and the total ownership of each company are represented individually to clarify the impact on each category and company separately.



The below diagram is a simplified description of the structure of Merger:



## 2.1 Valuation of Medgulf and Buruj

Medgulf and Buruj have agreed on the Exchange Ratio, which determines the number of Consideration Shares to be received by Buruj's shareholders in Medgulf as a result of the Merger. This Exchange Ratio was agreed after negotiation and discussion between the two Companies, and after conducting legal, financial, tax, and actuarial professional diligence exercises. The table below sets out a summary of the agreed valuation results:

<b>Agreed Exchange Ratio</b>	1.10526313333333 shares in Medgulf for each share in Buruj.
<b>Total Number of Consideration Shares</b>	Thirty-three million, one hundred fifty-seven thousand, eight hundred ninety-four (33,157,894) fully paid ordinary shares, each with a nominal value of ten Saudi Riyals (SAR 10).
<b>Total Nominal Value of Consideration Shares</b>	Three hundred and thirty-one million, five hundred and seventy-eight thousand, nine hundred and forty Saudi Riyals (SAR 331,578,940).
<b>Total market value of the consideration shares (based on the closing price of Medgulf shares on the trading day preceding the execution of the Merger Agreement, which is 29/01/1447H (corresponding to 24/07/2025G))</b>	Five hundred eighty-four million, five hundred seventy-three thousand, six hundred seventy-one Saudi Riyals (SAR 584,573,671), based on the market price of the share of seventeen Saudi Riyals and sixty-three halalas (SAR 17.63) per share.
<b>Market value of the Consideration Shares received for one Buruj share (based on the closing price of Medgulf shares on the trading day preceding the execution of the Merger Agreement, which is 29/01/1447H (corresponding to 24/07/2025G))</b>	Nineteen Saudi Riyals and forty-nine halalas (SAR 19.49), based on the market price per Medgulf's share of seventeen Saudi Riyals and sixty-three halalas (SAR 17.63) per share.
<b>Total market value of Buruj shares (based on the closing price of Buruj shares on the trading day preceding the execution of the Merger Agreement, which is 29/01/1447H (corresponding to 24/07/2025G))</b>	Five hundred sixty-nine million four hundred thousand Saudi Riyals (SAR 569,400,000), based on the market price per Buruj share of eighteen Saudi Riyals and ninety-eight halalas (SAR 18.98).
<b>Total market value of Buruj shares, based on the closing price of Buruj's share on the trading day preceding the execution of the Memorandum of Understanding dated 21/01/1446H (corresponding to 27/07/2024G))</b>	Six hundred three million Saudi Riyals (SAR 603,000,000), based on the market price per Buruj share of twenty Saudi Riyals and ten halalas (SAR 20.10).
<b>The percentage difference between the total market value of the Consideration Shares and the total market value of Buruj's shares (based on the closing price of Buruj shares on the trading day preceding the execution of the Merger Agreement, which is 29/01/1447H (corresponding to 24/07/2025G))</b>	An increase of approximately 2.66%, referred to as the "Implied Merger Premium."
<b>The percentage difference between the total market value of the Consideration Shares and the total market value of Buruj shares (based on the closing price of Buruj's share on the trading day preceding the execution of the Memorandum of Understanding, which is 19/01/1446H (corresponding to 25/07/2025G))</b>	A decrease of approximately (3.06%).
<b>Medgulf's share price (at the close of trading on the trading day preceding the execution of the Merger Agreement dated 29/01/1447H (corresponding to 24/07/2025G))</b>	SAR 17.63.



<b>Buruj's share price (at the close of trading on the trading day preceding the execution of the Merger Agreement dated 29/01/1447H (corresponding to 24/07/2025G))</b>	SAR 18.98
<b>Ratio of the total number of Medgulf shares outstanding immediately prior to the Merger to the total number of Medgulf shares outstanding immediately following the Merger</b>	76%, referred to as "Medgulf's contribution to the Merger".
<b>Ratio of the total number of Consideration Shares to the total number of Medgulf shares immediately following the Merger</b>	24%, referred to as "Buruj's contribution to the Merger".

## 2.2 The Rationale and Motives for the Merger

This subsection contains Medgulf's views on the anticipated benefits of the Merger and includes forward-looking statements and projections, which are subject to risks and uncertainties and should not be relied upon. The forward-looking statements set out in this subsection are preliminary, and Medgulf does not intend to update them except where required by law. For more details, please refer to the "Important Notice" section.

Nothing in this section is intended or may be considered as a forecast, projection or estimate of the future financial or operating performance of Medgulf or the market. Additionally, no statement in this Document should be interpreted as a meaning that the earnings per share for the current or future financial periods of Medgulf after the Merger may match or exceed the historical earnings per share of Medgulf or Buruj.

The Merger between Medgulf and Buruj aims to enhance the competitive position of the Merging Company through the integration of product offerings, improving operational efficiency, enhancing financial stability, and delivering benefits to the shareholders.

According to the 2024 Saudi Insurance Market Report issued by the Insurance Authority, the total Gross Written Premiums (GWP) in the Kingdom of Saudi Arabia reached approximately SAR 76 billion in 2024. The three largest insurance companies accounted for about 64.5% of the total GWP in the Saudi insurance market, while the remaining 24 companies collectively contributed 35.5%. In the same year, Medgulf and Buruj held market shares of approximately 4.9% and 0.5%, respectively.

The Merger seeks to enhance the financial and operational position of the Merging Company, while expanding its customer base across the individual, micro, small and medium enterprise (MSME), and corporate sectors. It also aims to strengthen the solvency margin, potentially increasing the Merging Company's capacity to assume risk and supporting economic objectives for the benefit of current and future shareholders.

The rationale for the Merger includes, but is not limited to, the following:

- **Strengthening market position and expanding the customer base** The Merger aims to diversify business lines, with combined GWP of SAR 4.1 billion (based on the Companies' total GWP in 2024), serving a broader customer base across the individual, MSME, and corporate sectors. The Merging Company's market share is expected to reach approximately 5.4% (based on 2024 GWP for the Companies).
- **Business portfolio synergy and improved national rating** The Merger aims to enhance the product mix and broaden the scope of operations, with Buruj's portfolio strengthening the motor insurance segment, while Medgulf's portfolio enhances the health insurance segment. The Merger is intended to create the fourth-largest insurance company in Saudi Arabia in terms of GWP (based on 2024 data).
- **Expansion in services and reinsurance** The Merger aims to develop product offerings, moving beyond traditional insurance to new areas such as reinsurance, digital insurance, and investment management, with the objective of maximizing returns for shareholders.
- **Achieving operational efficiency and economies of scale:** The Merger aims to reduce operating costs through the integration of operations and shared services. Lower operating costs are expected to enable the merged company to offer more competitively priced insurance products over the long term.
- **Enhancing financial strength and solvency:** The Merged Company is expected to benefit from a balanced investment portfolio and a strong capital base, coupled with an investment management policy designed to maximize the utilization of combined assets, thereby improving profitability and returns for shareholders.

## 2.3 Agreements related to the Merger

### 2.3.1 The Merger Agreement

Medgulf and Buruj entered into the Merger Agreement on 01/02/1447H (corresponding to 26/07/2025G), pursuant to which they agreed on the terms and conditions of the Merger, and the Companies' obligations in connection with the implementation of the Merger. The Merger Agreement also includes a number of warranties provided by each company to the other in addition to a number of restrictions related to the practice of business.

The Merger is subject to the approval of both the shareholders of Medgulf and the shareholders of Buruj. Based on paragraph (n) of Article (3) of the M&A Regulations, a shareholder who owns shares in both Medgulf and Buruj is not entitled to vote on the Merger Resolutions except in the EGM of one of the Companies only. For more details on shareholders' voting in the EGM, please refer to (2.4) ("**Procedures Required for the Issuance and Effectiveness of the Merger Resolution**").

#### 2.3.1.1 Conditions of the Merger Agreement

The Merger Agreement includes a number of conditions that must be satisfied, which the Companies have undertaken to seek to fulfill as soon as possible prior to the Issuance of the Merger Resolutions, and to coordinate between them in this regard. The Companies also agreed that none of these conditions may be amended or waived except upon the written consent of both Companies, or in accordance with the provisions of the Merger Agreement. Such conditions are summarized as follows:

- 1- Obtaining all required approvals from the Insurance Authority in relation to the Merger.
- 2- Obtaining all required approvals from the CMA in relation to the Merger.
- 3- Obtaining the approval of the Saudi Exchange (Tadawul) to list the Consideration Shares and any other approvals (or providing any notices) required in connection with the Merger.
- 4- Obtaining the non-objection of the Ministry of Commerce and the Insurance Authority on the proposed amendments to Medgulf's Bylaws.
- 5- Obtaining the approval of the required majority of the shareholders of Medgulf on the Merger Resolutions.
- 6- Obtaining the approval of the required majority of the shareholders of Buruj on the Merger Resolutions.
- 7- No Material Adverse Event having occurred and being continuing.
- 8- The expiry of the Creditors' Objection Period, and that all objections (if any) have either been settled or withdrawn in accordance with the Companies Law and the provisions of the Merger Agreement.
- 9- No breaching of the restrictions on the practice of business set forth in (2.3.1.2) ("**Restrictions of the Practice of Business**") that could lead to a Material Adverse Event having occurred.
- 10- No breach of the warranties provided by each of Medgulf and Buruj under the Merger Agreement as set out in Section (2.3.1.4) ("**Warranties**") having occurred, unless the party in breach remedies the concerned breach in a manner acceptable to the other party if such breach is remediable.
- 11- No governmental authority or entity having enacted, issued, or promulgated, any order, judgment, decree or other action which prohibits or makes the implementation of the Merger Resolution, in accordance with the terms of the Merger Agreement, illegal.
- 12- As regards to Buruj, obtaining the consents of the reinsurers on the Merger.

It should be noted that the GAC issued its non-objection to the completion of the economic concentration resulting from the Merger on 06/07/1446H (corresponding to 06/01/2025G).

### 2.3.1.2 Restrictions on the Practice of Business

The Merger Agreement included an obligation on the Companies not to take any action that violates specific restrictions in the Merger Agreement regarding how the companies practice their business during the period between the date of signing the Merger Agreement and the date of the Effectiveness of the Merger Resolution or the date of termination of the Merger Agreement in accordance with the terms and conditions contained therein (whichever is sooner) without obtaining the consent of the other party, noting that the other party cannot unreasonably withhold or delay its consent. In the event that either party breaches any of these restrictions, the other party shall have the right to consider such breach as a Material Adverse Event (in accordance with the reasonable assessment of the non-breaching party) and to terminate the Merger Agreement accordingly upon a written notice to the breaching party. For more details on the Termination Provisions of the Merger Agreement, please refer to Section (2.3.3) “**Merger Agreement Termination Provisions**”.

**The restrictions on the practice of business included in the Merger Agreement stipulate that neither company shall take any action, or agree to take any action, that would violate any of those restrictions unless required by law. Such restrictions are summarized as follows:**

- 1- Not to carry on business other than in the ordinary course and in all material respects consistent with past practice, except where such practices violate applicable law and regulations.
- 2- Not to alter the nature or scope of its business in any material respect, nor to engage in new business activities.
- 3- Not to declare, retain, or pay any dividends or any other form of distribution—whether in cash or in kind—for any financial period.
- 4- Not to take any action that would result in the liquidation, merger, dissolution, or conversion of the company into another corporate form.
- 5- Not to propose, approve or carry out any share increase, share buy-back, sale of treasury shares, share split or combination, change in nominal value, or share cancellation, or issuance of any investment instrument other than equity instruments.
- 6- Not to make any amendments to its share capital or its constitutional documents.

In relation to Buruj only:

- 1- Not to enter into any new agreement or amend any existing agreement, nor to commit to or commence any action that would result in consideration, obligation, or expenses exceeding 5% of net assets as of 31 March 2025.
- 2- Not to enter into any loan or financing agreement.
- 3- Not to change the reinsurance policy and strategy, including entering into any reinsurance agreement for the purpose of solvency leverage or to materially change in the coverage ratio, or any substantial amendment or termination of any reinsurance arrangement.
- 4- Not employing or making any offer to employ any senior executive (i.e., any person who reports directly to the CEO or the Board), and not taking any action or making any material change relating to the terms and conditions of the employment contract of any such senior executive.
- 5- Not to amend any of its human resources policies, nor grant promotions, bonuses, or any other benefits other than in accordance with the current policies and past practices.

### 2.3.1.3 Exceptions to Restrictions on the Practice of Business

Subject to the foregoing, the Companies have agreed to specify a number of exceptions to the restrictions on the practice of business which allow each of the Companies to practice specific businesses and take actions without such practices being considered a breach of the restrictions on the practice of business referred to above, as follows:

- 1- Taking any actions publicly disclosed or specifically disclosed to the other party prior to the date of the Merger Agreement.
- 2- Taking any procedures stipulated in the Merger Agreement.
- 3- Issuing letters of guarantee without any insurance deposit being placed by a bank for any of the insurance companies.

#### 2.3.1.4 Warranties

Both Companies have provided a number of Warranties under the Merger Agreement, where each Company provided the following Warranties in respect of itself:

- 1- Each of Medgulf and Buruj has the requisite power and authority to enter into and perform its obligations pursuant to the Merger Agreement.
- 2- The obligations arising from the Merger Agreement are effective and binding on both parties.
- 3- That the conclusion of the Merger Agreement and the performance of the obligations thereunder will not result in a material breach of (1) the provisions of either of their constitutional documents, including the bylaws, or (2) the provisions of any material agreement (as defined) or give the other party the right to terminate it or to amend its provisions substantially.
- 4- That both parties do not engage in any business or activity other than the insurance activities that IA licenses to them to practice.
- 5- That neither party has been declared bankrupt, and there are no circumstances known, or that could be reasonably known upon due inquiry, which would entitle any person to present a petition for the winding-up of either party or the appointment of a receiver over its undertaking or assets, whether in whole or in part.
- 6- That it does not have: (1) securities convertible into or exchangeable for shares of any class; or (2) any option, warrant or other rights to subscribe for or purchase shares of any class of any party; or (3) agreement of any kind relating to the issuance of any shares of any class, or any securities convertible into or exchangeable for shares, or any options, warrants or rights.
- 7- That the annual or interim financial statements up to the date of the Merger Agreement, and the management accounts disclosed to the other party, are true, not misleading and present an accurate view of that party's results for the relevant period and financial position at the end of the relevant period.
- 8- That all either party's information provided to the other party in connection with the Merger or the party (including information provided during the due diligence phase or for the purpose of preparing the Merger documents) is true and complete in all material aspects and not misleading in any material respect as at the date thereof.
- 9- That no material information has been withheld from the other party in the context of the Merger, or any other information that was requested during the due diligence phase.

Each party also undertakes to the other party that all information it has provided about itself to the other party after entering into the Merger Agreement (including all information reasonably required by the other party or as required by applicable laws, for the purpose of preparing the Shareholders' Circular and Offer Document issued by Medgulf and Buruj's Board of Directors' Circular) is true, accurate in all material respects, and not misleading in any material respect as of its date.

#### 2.3.2 Governance of the Board of Medgulf after the Merger

Subject to obtaining all required legal approvals (including the non-objection of the IA) and the approval of the shareholders of the Companies, the Companies have agreed, pursuant to the Merger Agreement, to take all necessary steps to amend the composition of the Board of Directors of Medgulf following the Issuance of the Merger Resolution. Upon the Issuance of the Merger Resolution, Buruj will nominate two (2) individuals for the appointment to the Board of Directors of Medgulf, thereby increasing the total number of Board seats from seven (7) to nine (9) seats. In addition, the Companies have agreed that, one of these two nominees, who is Mr. Yasser Yousef Naghi (the current Chairman of Buruj), shall be appointed as Chairman of the Merging Company following the Issuance of the Merger Resolution, subject to obtaining the required legal approvals. Buruj has nominated Mr. Ziad Bassam Mohammed Albassam (a board member in Buruj) as its second nominee.

In addition, Buruj shall be entitled, following the Effectiveness of the Merger Resolution, to nominate members for appointing them by the Board of Directors to all committees of the Board of Directors of Medgulf, in proportion to the Exchange Ratio (i.e., approximately twenty-four percent (24%) of each committee's membership), and such number of nominees shall be rounded up to the nearest whole number, provided that the number of the nominees shall not exceed fifty percent (50%) of the number of members in any committee.

Any new members of the Board of Directors or any nominee to Board committees appointed by Buruj shall satisfy all applicable membership requirements of the Board or committees in accordance with the IA regulations and the CMA regulations, and the non-objection of the IA must be obtained in respect of such new members. Buruj shall further ensure that the appointment of the new members to the Board or committees does not jeopardize the relevant regulatory independence requirements.

These changes will only be reflected after the Issuance of the Merger Resolution, and until such time, the current Boards of Directors and executive management teams of both Companies will continue to manage their respective company and operate independently.

### **2.3.3 Merger Agreement Termination Provisions**

The Merger Agreement shall be immediately terminated and accordingly, all rights and obligations of the Companies under the Agreement shall cease (except for certain rights and obligations that remain binding even after termination, such as confidentiality and dispute resolution) in the following events:

- 1- If either gives notice of termination to the other party in the event of occurrence of a Material Adverse Event to the other party, without remedying such event to the satisfaction of the other party within fourteen (14) days.
- 2- If either party gives notice of termination of the Merger Agreement to the other party in the event that either party breaches any of the terms and conditions of the Agreement (including breach of warranties and undertakings), without remedying such breach to the satisfaction of the other party within fourteen (14) days.
- 3- In the case of failure to meet the conditions of the Merger (unless the obligation to any of the conditions of the Merger Agreement is waived) within six months from the date of the Merger Agreement (unless the parties agree in writing to another date).
- 4- If the competent judicial authority permanently and irrevocably stops or prevents the Merger.
- 5- If the parties agree in writing to terminate the Agreement.

### **2.3.4 Other Agreements**

Except for the Non-Binding MOU and the Merger Agreement, there are no other material agreements between the Companies in connection with the Merger.

## **2.4 Procedures required for the Issuance and Effectiveness of the Merger Resolution**

Subject to satisfying all of the conditions set out in the Merger Agreement, the key procedures required for the purpose of the Issuance of Merger Resolution are as follows:

### **2.4.1 Governmental Approvals**

The Issuance and Effectiveness of Merger Resolution requires obtaining a number of governmental approvals, and they are as follows:

- a- Obtaining the GAC's non-objection to the economic concentration resulting from the Merger.
- b- Obtaining the approval of the IA on the Merger and the resulting procedures and matters.
- c- Obtaining the approval of the Saudi Exchange (Tadawul) on the listing of the Consideration Shares.
- d- Obtaining the CMA's approval on Medgulf's application for the Capital Increase and the publication of the Offer Document.
- e- Obtaining the non-objection of the Ministry of Commerce and the IA to the proposed amendments to Medgulf's Bylaws (as detailed in Annex (1) of this Document).
- f- Obtaining the approval of the CMA to invite Medgulf's Merger EGM and Buruj's Merger EGM, and the date of the assemblies will be announced on the website of the Saudi Exchange (Tadawul).
- g- The Ministry of Commerce approving the update of the commercial registration of Medgulf and the commercial registration of Buruj, as needed.

With the exception of obtaining the Ministry of Commerce's non-objection on the bylaws' amendments and the approval of the CMA to invite Medgulf's Merger EGM and Buruj's Merger EGM, and the approval of the Ministry of Commerce to update the commercial registration, all of the governmental approvals set out above have been obtained.

### 2.4.2 EGM Approval

The conditions of the Merger include obtaining the approval of Medgulf's EGM and Buruj's EGM on the Merger as follows:

- 1- Approval of the Merger Resolutions by the required majority, which is no less than three-quarters of the shares with voting rights represented at the meeting of Medgulf's shareholders.
- 2- Approval of the Merger Resolutions by the required majority, which is no less than three-quarters of the shares with voting rights represented at the meeting of Buruj's shareholders.

Both Medgulf and Buruj will issue the invitation to the Merger EGM for each of them, which must be held within a maximum period not exceeding twenty-eight (28) working days from the date of publishing this Document (or any other date agreed upon by the CMA).

All shareholders registered in the shareholders' register of Medgulf and Buruj, as the case may be, at the close of trading on the day of the EGM meeting regarding the Merger shall have the right to attend the EGM. Shareholders may exercise their right to vote on the agenda items through electronic voting, in accordance with the procedures followed in this regard. Based on paragraph (n) of Article (3) of the M&A Regulations, a shareholder who owns shares in both Medgulf and Buruj shall not be entitled to vote on Merger Resolutions except in the EGM of one of the Companies only. If the shareholder votes in both assemblies, their vote shall be excluded from one of them based on the decision of the Companies as they deem fit.

While all shareholders of Buruj are entitled to attend the Buruj's Merger EGM and to vote on its resolutions (subject to any restrictions that may be imposed due to conflict of interests or any other restrictions under the laws applicable in Saudi Arabia), shareholders of Buruj residing outside Saudi Arabia should note that this Document has not been submitted or registered with any regulatory authority outside Saudi Arabia. Accordingly, if any shareholder of Buruj resides in any country whose laws require Medgulf to take any steps so that the shareholder may vote on the Merger Resolutions in a lawful manner, please be aware that Medgulf has not taken such steps and therefore the shareholder concerned should not participate in voting on the proposed resolutions at Buruj's Merger EGM. In the event that the shareholder concerned votes on the Merger Resolutions nonetheless, Medgulf may, in agreement with Buruj, decide not to proceed with the Merger, unless the Merger has been approved by the required majority of shareholders of Medgulf, excluding the votes of the shareholder concerned.

If the requisite percentage – which is at least three quarters of the shares represented in the meeting- of Buruj's shareholders approve the Merger in Buruj's Merger EGM, all Buruj shareholders (including those who voted against the Merger or did not vote) will no longer hold any of Buruj's shares because Buruj's shares will be delisted and Buruj will be dissolved. They will receive, in return, Consideration Shares in Medgulf according to the terms and conditions of the Merger Agreement.

### 2.4.3 Creditors' Objection Period

At least thirty (30) days prior to convening the EGM of the Companies to vote on the Merger Resolutions, the Companies announced the Merger and the procedures for Buruj's creditors to object, whereby such creditors shall have a period of fifteen (15) days from the date of the announcement to submit any objections in accordance with the provisions of Article (227) of the Companies Law, pursuant to the mechanism to be specified in the announcement.

Buruj shall settle the debt of the objecting creditor, if such debt is due and payable, or provide sufficient warranty to settle the debt if it is deferred. If a creditor notifies Buruj of their objection to the Merger during the Creditors' Objection Period and Buruj fails to settle the debt if it is due or fails to provide such Creditor with sufficient warranty to settle the same if it is deferred, then such creditor may apply to the competent judicial authority within a period of no less than ten (10) days before the date set for voting on the Merger Resolutions. In this case, the competent judicial authority may order the payment of the debt if it is due or the provision of a warranty to settle the debt if it is deferred. If the competent judicial authority deems that the Merger will result in serious harm to the objecting creditor without both Companies being able to settle the debt or provide the warranty, it may order the suspension or postponement of the Merger, provided that its decision to that effect is issued before the Effectiveness of the Merger Resolution. If the competent judicial authority does not decide on the creditor's objection before the Effectiveness of the Merger Resolution, and it subsequently finds that the objecting creditor's claim is valid, the competent judicial authority may issue a decision to compensate such creditor for the damages suffered by it as a result of the Merger.

After the expiry of the Creditors' Objection Period, Buruj will announce the results of the Creditors' Objection Period on Tadawul's website as follows:

- a- That no objections were received during such period, or that objections were received but were withdrawn or settled, or that the competent judicial authority rejected the creditor's request to terminate the Merger (as the case may be).
- b- Demonstration of the details of the objections received that have not yet been settled and are still pending, as agreed upon with Medgulf. In such case, the Merger will move forward unless halted by a judicial order or terminated according to the terms of the Merger Agreement. After addressing all objections, Buruj will, where required, announce the same via the Saudi Stock Exchange (Tadawul) website.

#### **2.4.4 Effectiveness of Merger Resolution**

Pursuant to Article (228) of the Companies Law, the Merger Resolution shall be effective and deemed valid from the date of registration of Buruj's information in the commercial register of Medgulf. As soon as possible after Issuance of Merger Resolution:

- a- Buruj will take all necessary measures to suspend trading of its shares on Tadawul, allowing Edaa to retrieve the register of Buruj's shareholders entitled to receive the Consideration Shares, at the end of the second trading day following the date of such suspension or any other day specified by the CMA or Tadawul or Edaa.
- b- Medgulf will take all necessary procedures to enable the issuance of the new fully paid shares and deposit them in the portfolios of Buruj's shareholders included in the agreed list according to the Exchange Ratio.
- c- The Companies will take all necessary procedures to update the commercial records in order to affect the Merger Resolution simultaneously with the deposit of the Consideration Shares or as soon as possible thereafter.

#### **2.4.5 Related Parties and members of the Board of Directors with an interest in the Merger**

The Merger does not involve any Related Parties. None of the members of the Board of Directors of Medgulf have any interest in the Merger, and Buruj has confirmed that none of the members of its Board of Directors have any interest.





### 3. Shareholdings and Dealing

#### 3.1 Medgulf's Shareholdings and Dealing

Medgulf does not own any shares in Buruj and has not traded in Buruj's shares during the twelve-month period preceding the Offer Period and up to the day prior to the date of publication of this Document.

#### 3.2 Ownership of Medgulf's Board Members

The following table shows the shareholdings of Medgulf's board members, and the size of any controlling interest they have in Medgulf or Buruj, as of market closing on 05/01/1447H (corresponding to 30/06/2025G):

Name	Position	Capacity	Shareholding in Medgulf				Shareholding in Buruj			
			Direct	Indirect Interest <sup>(1)</sup>	Total	Percentage	Direct	Indirect Interest <sup>(1)</sup>	Total	Percentage
Rakan Abdullah Rashid Abunayyan	Chairman	Non-Executive	12,657,856	None	12,657,856	12.0551%	None	None	None	None
Abdulmajeed Abdulaziz AlMeshaal	Vice-Chairman	Independent	None	None	None	None	None	None	None	None
Faisal Aljasir	Member	Independent	4	None	4	0.000004%	None	None	None	None
Monirah Saleh AlSwaydani	Member	Non-Executive	None	None	None	None	None	None	None	None
Abdulrahman Mohammed Al-Rawaf	Member	Non-Executive	100	None	100	0.0001%	None	None	None	None
Ahmed bin Abdullah bin Ahmed	Member	Independent	6,562	None	6,562	0.0062%	None	None	None	None
Robert Hendricks	Member	Independent	None	None	None	None	None	None	None	None

(1) Indirect interest includes shares directly owned by: (1) companies controlled by the member, or (2) relatives of the member, i.e. his spouse, parents and children.

#### 3.3 Medgulf Board Members' Dealings

Except as disclosed below, no member of the board of directors of Medgulf has traded in any shares of Medgulf or Buruj during the twelve-month period prior to the Offer Period and up to the day preceding the date of the publication of this Document.

Board Member	Company of which shares were traded	Date of Trading	Type of Trading	Qty (share)	Price per share (SAR)
Faisal Aljasir	Medgulf	12 December 2024	Purchase	4	21.64

#### 3.4 Shareholding of persons Acting in Concert with Medgulf

There are no shares in Medgulf or Buruj owned or controlled by any person Acting in Concert with Medgulf as at the date of publication of this Document, and no person acting in concert with Medgulf has dealt in the shares of Medgulf or Buruj during the twelve-month period prior to the Offer Period and up to the day preceding the publication of this Document.

#### **4. Special Arrangements, Conditions, and Transactions**

Other than the Merger Agreement, there is no agreement, arrangement or understanding in relation to the Merger (including any arrangement for compensation) between Medgulf (or any other person Acting in Concert with it) or any of the board members or shareholders or any person who was a board member or shareholder in Buruj during the twelve months prior to the date of publication of this Document.

## 5. The final owners of Buruj's shares and the Controlling shareholders in Medgulf

As of the date of this Document, the Substantial Shareholders in Medgulf are as follows: (1) Rakan Abdullah Rashid Abunayyan, holding 12.055% of the share capital; (2) The Mediterranean and Gulf Insurance and Reinsurance Company (Medgulf) B.S.C. (Closed) (Bahrain), holding 11.417% of the share capital; and (3) The Saudi Investment Bank, holding 19% of the share capital. The Substantial Shareholders in Buruj are as follows: (1) Cigalah Multi-Industries Company, holding 28.5% of the share capital; (2) Yasser Yousuf Mohamed Naghi, holding 11.5% of the share capital; (3) Al Yusr Investment Gates Company, holding 5% of the share capital; and (4) Gulf Medical Co. Ltd., holding 5% of the share capital.

Following the Merger, the substantial shareholders in Medgulf will be: Mr. Rakan Abdullah Rashid Abunayyan, holding 9.16% of the share capital; The Mediterranean and Gulf Insurance and Reinsurance Company (Medgulf) B.S.C. (Closed) (Bahrain), holding 8.68% of the share capital; The Saudi Investment Bank, holding 14.44% of the share capital; and Cigalah Multi-Industries Company, one of the current substantial shareholders in Buruj, holding 6.84% of the share capital.

The following table sets out the shareholding details of Medgulf and Buruj before and after the issuance of the merger resolution and the deposit of the consideration shares, as of market close on 05/01/1447H (corresponding to 30/06/2025G).

Shareholder	Before the Issuance of Merger Resolution				After the Issuance of the Merger Resolution and Deposit of Consideration Shares			
	# of Shares in Medgulf	% of Ownership in Medgulf	# of Shares in Buruj	% of Ownership in Buruj	# of Shares in Medgulf	% of Ownership in Medgulf	# of Shares in Buruj	% of Ownership in Buruj
<b>Shareholders in Medgulf</b>								
Rakan Abdullah Rashid Abunayyan	12,657,856	12.0551%	None	None	12,657,856	9.1619%		
The Mediterranean and Gulf Insurance and Reinsurance Company (Medgulf) B.S.C. (Closed) (Bahrain)	11,987,500	11.4167%	None	None	11,987,500	8.6767%		
The Saudi Investment Bank	19,950,000	19.000%	None	None	19,950,000	14.4400%		
Current Members of the Board of Directors of Medgulf <sup>(1)</sup>	6,666	0.0063%	None	None	6,666	0.0048%		Not applicable because it will be merged into Medgulf
Senior Executives of Medgulf	None	None	None	None	None	None		
Other Shareholders <sup>(2)</sup>	1,750,437	1.6671%	None	None	1,750,437	1.2670%		
Public <sup>(7)</sup>	58,647,541	55.8548%	N/A	N/A	58,647,541	42.4496%		
<b>Total <sup>(7)</sup></b>	<b>105,000,000</b>	<b>100.0000%</b>	<b>None</b>	<b>None</b>	<b>105,000,000</b>	<b>76.0000%</b>		

Shareholder	Before the Issuance of Merger Resolution				After the Issuance of the Merger Resolution and Deposit of Consideration Shares			
	# of Shares in Medgulf	% of Ownership in Medgulf	# of Shares in Buruj	% of Ownership in Buruj	# of Shares in Medgulf	% of Ownership in Medgulf	# of Shares in Buruj	% of Ownership in Buruj
<b>Shareholders in Buruj</b>								
Yasser Yousuf Mohamed Naghi	None	None	3,450,000	11.5000%	3,813,157	2.7600%		
Gulf Medical Co. Ltd. <sup>(3)</sup>	None	None	1,500,000	5.0000%	1,657,894	1.2000%		
Cigalah Multi-Industries Company <sup>(4)</sup>	None	None	8,550,000	28.5000%	9,449,999	6.8400%		
Al Yusr Investment Gates Company <sup>(5)</sup>	None	None	1,500,000	5.0%	1,657,894	1.2000%		
Current Members of the Board of Directors of Buruj <sup>(1)</sup>	None	None	2,807	0.0094%	3,102	0.0022%		Not applicable because it will be merged into Medgulf
Senior Executives of Buruj	None	None	None	None	None	None		
Other Shareholders <sup>(6)</sup>	None	None	900,000	3.0000%	994,736	0.7200%		
Public <sup>(7)</sup>	N/A	N/A	14,097,193	46.9906%	15,581,112	11.2778%		
<b>Total <sup>(7)</sup></b>	<b>None</b>	<b>None</b>	<b>30,000,000</b>	<b>100%</b>	<b>33,157,894</b>	<b>24.00%</b>		

Note: Percentages are approximate.

(1) The shareholding of Rakan Abdullah Rashid Abunayyan (Chairman of the Board of Medgulf) and Yasser Youssef Mohammed Naghi (Chairman of the Board of Buruj) has not been included in the Board members' shareholding clause, as they are directly included in the table.

(2) This item includes the following persons and entities:

a) The Mediterranean and Gulf Insurance and Reinsurance Company S.A.L. (Lebanon), which owns 1,050,000 shares in Medgulf, representing 1% of Medgulf's current share capital. It was included in this item because it is 100% owned by the Mediterranean and Gulf Insurance and Reinsurance Company (Medgulf) B.S.C. (Closed) (Bahrain).

b) Mr. Lutfi Fadel Al Zain, who owns 437 shares in Medgulf, representing 0.0004% of Medgulf's current share capital. He was included in this item because he Controls one of Medgulf's substantial shareholders, the Mediterranean and Gulf Insurance and Reinsurance Company (MedGulf) B.S.C. (Closed) (Bahrain), as he Controls 58.42% of this Substantial Shareholder through Lutfi Fadel El Zein Holding SAL Company which he and his relatives wholly own.

c) Lutfi Fadel El Zein Holding SAL Company, which is wholly owned by Mr. Lutfi Fadel Al Zain and his relatives, which own 700,000 shares in Medgulf, representing 0.6667% of Medgulf's current share capital. It was included in this item because it is wholly owned by Mr. Lutfi Fadel Al Zain and his relatives.

(3) It shall be noted that Mr. Yasser Yousuf Mohamed Naghi owns 56% of the share capital of Gulf Medical Co. Ltd.

(4) It shall be noted that Mr. Yasser Yousuf Mohamed Naghi owns 90% of the share capital of Cigalah Multi-Industries Company.

(5) It shall be noted that Mr. Yasser Yousuf Mohamed Naghi owns 33.33% of the share capital of Al Yusr Investment Gates Company.

(6) This item includes Cigalah Trading Establishments owned by Yasser Yousuf Mohamed Naghi, which own 900,000 shares in Buruj representing 3% of Buruj's share capital. They were included in this item because their liabilities are consolidated with Yasser Yousuf Mohamed Naghi (a Substantial Shareholder) as they are single proprietorship and therefore considered entities owned fully by him. Based on the aforementioned, the indirect ownership of Yasser Yousuf Mohamed Naghi in Buruj amounts to 33.12%, as a result of his ownership stakes of 56%, 90%, 100%, and 33.3% in Gulf Medical Co. Ltd., Cigalah Multi-Industries Company., Cigalah Trading Establishments (owned by Yasser Yousuf Mohamed Naghi), and Al-Yusr Gates Investments Co. Ltd., respectively, which in turn own 5%, 28.5%, 3%, and 5% in Buruj, respectively. After the Issuance of the Merger Resolution and the deposit of the Consideration Shares, this percentage (in addition to his direct ownership) will represent a 10.7080% ownership in Medgulf.

(7) The public ownership and the total ownership of each company are represented individually to clarify the impact on each category and company separately.

Based on Buruj's statement, other than Yasser Yousuf Mohamed Naghi, there is no person who Controls 30% or more of the share capital of Buruj or has the ability to direct its decisions and management. Based on Buruj's statement, there will be no transfer of any securities acquired under the Offer to other persons.





## 6. Financial Information

### 6.1 Closing Price of Medgulf's Shares

The table below contains the closing price of Medgulf's shares for the first trading day of each month of the six months directly preceding the date of publication of the Offer Document, for the last trading day preceding the commencement of the Offer Period and for the last day available before publication of the Offer Document.

Date	Medgulf Share Price at Close of Trading (SAR)
03/04/2025	21.88
01/05/2025	22.50
01/06/2025	19.30
01/07/2025	19.84
03/08/2025	16.65
01/09/2025	16.08
<b>The last trading day before commencement of the Offer Period</b>	
24/07/2025	17.63
<b>The last trading day before the publication of this Document</b>	
25/09/2025G	17.09

Source: Saudi Exchange (Tadawul) website

### 6.2 Closing Price of Buruj's Shares

The table below contains the closing price of Buruj's shares for the first day of each month of the six months directly preceding the date of publication of the Offer Document, for the last day preceding the commencement of the Offer Period and for the last day available before publication of the Offer Document.

Date	Buruj Share Price at Close of Trading (SAR)
03/04/2025	18.46
01/05/2025	19.54
01/06/2025	16.88
01/07/2025	18.52
03/08/2025	17.25
01/09/2025	16.38
<b>The last trading day before commencement of the Offer Period</b>	
24/07/2025	18.98
<b>The last trading day before the publication of this Document</b>	
25/09/2025G	17.14

Source: Saudi Exchange (Tadawul) website



### 6.3 Distributions and Dividend Policy

Based on the Exchange Ratio, whereby the shareholders of Buruj will obtain 1.10526313333333 shares in Medgulf for every share they own in Buruj, the total number of the Consideration Shares will be thirty-three million, one hundred fifty-seven thousand, eight hundred ninety-four (33,157,894) fully paid-up shares with a nominal value of ten (10) Saudi Riyals per share. The said shares shall be issued by effecting an increase of the share capital of Medgulf by 31.58%, thereby increasing the number of its ordinary shares from one hundred five million (105,000,000) shares to one billion, three hundred eighty-one million, five hundred seventy-eight thousand, nine hundred forty (1,381,578,940) shares. Following the Merger, the current shareholders of Medgulf will own approximately seventy-six percent (76%) of Medgulf's share capital after the Capital Increase, and Buruj's shareholders will own approximately twenty-four percent (24%) of Medgulf's share capital after the Capital Increase.

All Medgulf's shares are of one class and no share gives its shareholders preferred rights. The Consideration Shares will be issued of the same class of the current Medgulf's shares with the same rights they enjoy. The Consideration Shares will be issued without entitlement to dividends. Upon the Issuance of the Merger Resolution and thereafter should Medgulf distribute any dividends during any given financial period, all shareholders of Medgulf (including shareholders holding the Consideration Shares) shall be entitled to receive such dividends, each in proportion to the number of shares held, without any discrimination, and in accordance with the record date for each dividend declared.

Medgulf is not obligated to declare or distribute any dividends. Any decision to distribute dividends will depend on a number of factors, including Medgulf's past and projected profitability, cash flow, financing and capital requirements, market conditions and general economic factors, zakat and tax, as well as other legal and regulatory considerations, including any covenants in commercial contracts to which Medgulf is subject. Accordingly, there is no guarantee of actual dividend distribution, nor is there any guarantee regarding the amounts that will be paid in any year or period.

It should be noted that Medgulf has not distributed any dividends for the financial years ended 31 December 2022, 2023, and 2024, and up to the date of this Document.

## 7. Financing the Merger

The total value of the Merger will be paid through issuing the Consideration Shares to Buruj's Shareholders. Therefore, Medgulf will not obtain loans or financing for the purpose of the execution of the Merger.

## 8. Effects of Offer Termination

The Offer submitted by Medgulf to shareholders of Buruj for the purpose of the Merger will end if the Merger Agreement is terminated according to its provisions before the date of Buruj's Merger EGM. (For more details on the termination provisions of the Merger Agreement, please refer to Section (2.3.3) ("**Merger Agreement Termination Provisions**"). The Offer will also be terminated if either of Medgulf and/or Buruj's Merger EGMs do not approve the Merger Resolutions. In such case, Buruj's shareholders shall not have the right to accept the Offer and Medgulf cannot be held to any earlier acceptance relating to the Offer.



## 9. Medgulf Description

### 9.1 Overview

The Mediterranean and Gulf Insurance and Reinsurance Company (Medgulf) is a listed Saudi joint stock company, having its registered office in Riyadh, registered in the commercial register under the unified number (7001548317) dated 08/04/1428H (corresponding to 25/04/2007G) and license No. (TMN/20079/3) dated 29/08/1428H (corresponding to 11/09/2007G) issued by the Insurance Authority to practice insurance and reinsurance activities. Medgulf's share capital is one billion fifty million (1,050,000,000) Saudi riyals, divided into one hundred five million (105,000,000) ordinary shares fully paid-up and listed on the Saudi Exchange (Tadawul).

Medgulf's principal activity in Saudi Arabia is to conduct insurance business in general and all related activities in accordance with the provisions of the Cooperative Insurance Companies Control Law and its implementing regulations, as amended, and all related regulations.

According to its bylaws, the objectives of Medgulf are to conduct the activities of cooperative insurance and reinsurance in the branch of general insurance, health insurance and insurance of protection and savings. Medgulf may undertake all activities necessary to achieve its objects and shall conduct its business in accordance with the Cooperative Insurance Companies Control Law and its implementing regulations, the provisions issued by the Saudi Central Bank, and the applicable laws and regulations in force in Saudi Arabia, after obtaining any necessary licenses from the competent authorities, where applicable.

Pursuant to its commercial register, Medgulf's activities include general insurance, insurance of protection and saving, health insurance, and reinsurance.

### 9.2 Subsidiaries and Geographical Scope of Assets

Medgulf does not have any subsidiaries, and it does not have any operations or assets outside of Saudi Arabia.

### 9.3 Vision

To position Medgulf as a highly reliable Saudi insurance company.

### 9.4 Mission

For Medgulf to provide its clients with innovative insurance solutions, supported by a decent standard of customer service.

### 9.5 Gross of Written Premiums

The following table sets out the GWP of Medgulf by insurance products for the years ended 31 December 2022, 2023, and 2024:

(Thousand SAR)	31 December 2022	31 December 2023	31 December 2024
Medical insurance	1,801,574	2,391,504	2,900,882
Vehicle insurance	741,640	389,836	487,004
Property and Casualty	311,388	354,185	343,260
<b>Total</b>	<b>2,854,602</b>	<b>3,135,525</b>	<b>3,731,146</b>

**Note:** Medgulf has adopted International Financial Reporting Standard (IFRS) 17 – Insurance Contracts, which replaced IFRS 4 – Insurance Contracts, effective from 01 January 2023, resulting in changes to the accounting for insurance and reinsurance contracts and financial instruments. Accordingly, Medgulf has adjusted certain comparative figures for the financial year ended 31 December 2022 in the financial statements for the year ended 31 December 2023. The table presents the comparative figures as shown in the financial statements for the financial year ended 31 December 2023. The published financial statements on the Saudi Tadawul website can be consulted for further details.

Source: Financial statements for the fiscal years ending 31 December 2023 and 2024

## 9.6 Products

The table below sets out Medgulf's insurance products as of 30 June 2025.

#	Insurance Product Name	Product Type:
1-	Property Insurance against Terrorism and Sabotage Risks	General
2-	Corporate Health Insurance	Health
3-	Bloodstock Insurance	General
4-	Property All Risks Insurance	General
5-	Individual Personal Accident Insurance	General
6-	Craft Hulls Insurance	General
7-	Machinery Breakdown Insurance	General
8-	Professional Liability Insurance	General
9-	Pilot and Aviation Engineer Loss of License Insurance	General
10-	Public Civil Liability Insurance	General
11-	Plastic Cards Insurance	General
12-	Comprehensive Homeowners Insurance	General
13-	Fire and Allied Perils Insurance	General
14-	Electronic Equipment Insurance	General
15-	Public Liability Insurance	General
16-	Comprehensive Crime Insurance	General
17-	Boiler and Pressure Vessel Insurance	General
18-	Medical Malpractice Insurance (Personal)	General
19-	Medical Malpractice Insurance (Corporate)	General
20-	Group Personal Accident Insurance	General
21-	Motor Traders insurance	General
22-	Aviation Hull & Liability Insurance	General
23-	Aviation Liability Insurance	General
24-	Directors and Executives Liability Insurance	General
25-	Deterioration of Stock Insurance	General
26-	Contractors' Plant Machinery and Equipment Insurance (CPM/E)	General
27-	Property All Risks Insurance	General
28-	Erection All Risks Insurance	General
29-	Contractor's All Risks Insurance	General
30-	Marine Cargo Insurance	General
31-	Land Transit Insurance (One Shipment)	General
32-	Land Transit Insurance (Annual Coverage)	General
33-	Workers Compensation Insurance	General

#	Insurance Product Name	Product Type:
34-	Cash in Safe Insurance	General
35-	Cash in Transit Insurance	General
36-	Bank Coverage Insurance	General
37-	Fidelity Guarantee Insurance	General
38-	Bank Guarantee Bonds Insurance	General
39-	Vehicle insurance	Motor Insurance
40-	Carriers Liability Insurance	General
41-	Group Insurance for Domestic Workers Protection – Indonesia	Life
42-	Jewelry Insurance	General
43-	Group Life Insurance Policy for Credit Card Holders	Life
44-	Group Insurance for Domestic Workers' Protection	Life
45-	Comprehensive Motor Insurance	Motor Insurance
46-	Motor Third-Party Liability Insurance	Motor Insurance
47-	Group Credit Life Insurance – Loans	Life
48-	Visitors' Health Insurance	Health
49-	Drone Insurance	General
50-	Event Cancellation Insurance	General
51-	Deterioration of Stock Insurance	General
52-	Compulsory Motor Insurance for Government Vehicles	Motor Insurance
53-	Corporate Health Insurance Policy (Non-CHI)	Health
54-	Political Violence Insurance	General
55-	Professional Liability Insurance	General
56-	Inherent Structural Defects Insurance	General
57-	Group Life Insurance	Life
58-	Comprehensive Motor Insurance (inclusive)	Motor Insurance
59-	Professional and Medical Malpractice Insurance (For All)	General
60-	Domestic Workers Insurance	General
61-	Domestic Workers Health Insurance	Health
62-	Domestic Workers Insurance	Health
63-	Electronic and Electrical Device Breakdown Insurance	General
64-	Travel Insurance	General

Source: Medgulf



## 9.7 Reinsurance

To mitigate the risks of insurance business, ensure the stability of operations, reduce the risk of losses and contribute to stable profitability, Medgulf engages with reinsurance companies for a portion of the risks it underwrites through its insurance operations, in line with the Cooperative Insurance Companies Control Law and the implementing regulations governing insurance activities. Reinsurance agreements cover different types of reinsurance coverage, including property, engineering, marine and general accidents.

As at 01 July 2025, Medgulf had ten reinsurers, as shown in the table below.

#	Reinsurer	Country	Rating	Rating Company
1-	AXA XL	UAE	A+	AM Best
2-	Saudi Reinsurance Company	Kingdom of Saudi Arabia	A2	Moody's
3-	R+V Re	Germany	A+	AM Best
4-	Helvetia	Switzerland	A	Standard and Poor's
5-	Bureau Central Français	France	-A	Standard and Poor's
6-	Deutsche Rück	Germany	A+	AM Best
7-	Everest Reinsurance	United States of America	A+	AM Best
8-	Swiss Re	Switzerland	-AA	Standard and Poor's
9-	Chaucer	UAE	A+	Standard and Poor's
10-	Liberty	UAE	A+	Standard and Poor's

Source: Medgulf



## 10. Waivers

No application has been made for any waiver from the CMA.

## 11. Documentation Available for Inspection

Medgulf will provide copies of the following documents for review at its headquarters from nine in the morning until three in the afternoon on Working Days, from the date of publication of this Document until the end of Offer Period:

- 1- Medgulf's bylaws
- 2- Buruj's ylaws
- 3- Medgulf's Audited Financials for the financial years ending on 31 December 2022, 2023 and 2024.
- 4- Buruj's Audited Financials for the financial years ending on 31 December 2022, 2023 and 2024.
- 5- The Non-Binding MoU.
- 6- The Merger Agreement.
- 7- Buruj's valuation report issued by the Financial Adviser.
- 8- Medgulf's Pro Forma Financials for the Financial Year Ending on 31 December 2024 for the purpose of the Merger.
- 9- Letters of consent from advisers and auditors for the use of their names, logos and statements (as applicable) in this Document.

## Annex (1)

### Proposed Amendments to MedGulf's Bylaws

Article	Before Amendment	After Amendment
Article (8): Share Capital	The Company's share capital is One Billion and Fifty Million (1,050,000,000) Saudi Riyals, divided into One Hundred and Five Million (105,000,000) shares of equal value with a nominal value of Ten (10) Saudi Riyals per share, all of which are ordinary cash shares.	The Company's share capital is <i>one billion three hundred eighty-one million, five hundred seventy-eight thousand, nine hundred forty (SAR 1,381,578,940) Saudi Riyals divided into one hundred thirty-eight million, one hundred fifty-seven thousand, eight hundred ninety-four (138,157,894)</i> shares of equal value with a nominal value of Ten Saudi Riyals (SAR 10) per share, all of which are ordinary <del>cash</del> shares.
Article Fifteen: Company's Management	The Company shall be managed by a Board of Directors consisting of seven (7) members elected by the General Meeting [continued]	The Company shall be managed by a Board of Directors consisting of <del>seven (7)</del> <i>nine (9)</i> members elected by the General Meeting [continued]

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