

**Attachment of articles from 10 to 27:  
Voting on the transactions/ contracts:**

- Chairman Letter
- Limited Assurance Independent Auditor's Report



Date: 23/05/2023

Subject; Related Parties Transactions

To: Shareholder of Mediterranean & Gulf Cooperative Insurance and Reinsurance Company (“MEDGULF”)

Greetings,

Reference to the Article 27 Section (1) of the Campines Law which it States that “A **company’s manager or board member may not have any direct or indirect interest in the transactions conducted and contracts concluded for the company’s account without the authorization of the partners, general assembly, or shareholders or their designees.**” Therefore, the Board of directors (“**The Board**”) would like to submit a recommendation to the Shareholders General Assembly (“**GA**”) of Mediterranean & Gulf Cooperative Insurance and Reinsurance Company (“**The Company**”) on related parties transactions in which the Board Members have a direct or indirect interest in order to obtain shareholder approval. With the exception of the delegated authority to the board by the GA according to the Implementing Regulations of the Companies Law for Listed Joint Stock Companies as shown in the table below:

Company	Transaction type	Contract value 2022	Transaction Value (thousands)	Membership	Membership Type
Al-Waseel	Claims management fee		8,337	Dr. Goetz Kuras, Mr. Umar Almahmoud	Executive
Saudi Investment Bank	Insurance Policies	5,036	5,036	Mr. Sulaiman Al-Obaid, Mrs. Monirah AlSwaydani , Mr. AbdulRahman Al-Rawaf	Non-executive
	Claims incurred		220		
	Outstanding claims		1,511		
Al Istithmar Capital	Insurance Policies	10	8	Mr. Sulaiman Al-Obaid, Mrs. Monirah AlSwaydani , Mr. AbdulRahman Al-Rawaf	Non-executive
Alakaria	Insurance Policies	27	27	Mr. Mohammed Bin Dawood	Independent
	Claims incurred		4		
Alissa	Insurance Policies		197	Mr. Mohammed Bin Dawood	Independent
	Claims incurred		11,168		
OCPAs	Claims incurred		6	Mr. Mohammed Al-Eaidi	Independent
Abu Nayyan Trading Company	Insurance Policies	2	2	Mr. Rakan Abunayyan	Board Chairman- Non executive
	Claims incurred		661		

<b>KSB Pumps Arabia</b>	Claims incurred		<b>94</b>	Mr. Rakan Abunayyan	Board Chairman-Non-executive
<b>Toray Membrane Middle East</b>	Claims incurred		<b>48</b>	Mr. Rakan Abunayyan	Board Chairman-Non executive
<b>Industrial Instrumentation &amp; Control Systems Ltd</b>	Claims incurred		<b>35</b>	Mr. Rakan Abunayyan	Board Chairman-Non executive
<b>Cityscape Company</b>	Claims incurred		<b>96</b>	Mr. Rakan Abunayyan	Board Chairman-Non executive
<b>Middle East Agriculture Company</b>	Claims incurred		<b>52</b>	Mr. Rakan Abunayyan	Board Chairman-Non executive
<b>Electronic and Electric Industry</b>	Claims incurred		<b>11</b>	Mr. Rakan Abunayyan	Board Chairman-Non executive
<b>Arabian Qudra</b>	Claims incurred		<b>17</b>	Mr. Rakan Abunayyan	Board Chairman-Non executive
<b>Tumpene Jubar</b>	Claims incurred		<b>33</b>	Mr. Rakan Abunayyan	Board Chairman-Non executive
<b>International Vision Investment</b>	Claims incurred		<b>100</b>	Mr. Rakan Abunayyan	Board Chairman-Non executive
<b>Saudi Meter Company Ltd</b>	Claims incurred		<b>5</b>	Mr. Rakan Abunayyan	Board Chairman-Non executive
<b>Saudi Tambin Co. Ltd</b>	Insurance Policies	<b>98</b>	<b>98</b>	Mr. Rakan Abunayyan	Board Chairman-Non executive
	Claims incurred		<b>109</b>		

There are no preferential conditions for any of the business and contracts mentioned above.



**Board Chairman**

Rakan Abdullah Abunayyan

**Limited Assurance Independent Auditor's Report**  
**Mediterranean and Gulf Insurance and Reinsurance Company**

**TO: THE SHAREHOLDERS**

Based on the intimation received from the Chairman of the board of director of **Mediterranean and Gulf Insurance and Reinsurance Company**, we have undertaken a limited assurance engagement to indicate whether anything has come to our attention that causes us to believe that the report detailed in the subject matter paragraph-mentioned below (the "Subject matter") has not been reported and presented fairly, in all material respects, in accordance with the applicable criteria ("Criteria") mentioned below.

**Subject matter**

The subject matter relevant for the Limited Assurance engagement is the report of the Chairman of the Board of Directors on transactions with related parties submitted to the Ordinary General Assembly to report on activities and contracts carried out by the Company in which the members of Board of Directors of the Company that have direct or indirect interest.

**Criteria:**

1. Article (24) of the Company's By-laws.
2. Article (71) of the Companies' Regulations endorsed in Kingdom of Saudi Arabia.

**Management responsibility**

Management of the Company is responsible for the preparation and fair presentation of the information contained in the above subject matter in accordance with the criteria. Management of the Company is also responsible for choosing the methods of applying those criteria. The Company's management is also responsible for establishing and maintaining adequate internal controls for the preparation and presentation of the Subject matter without material misstatements, whether due to fraud or error, as well as for selecting and applying appropriate standards, maintaining adequate records and making reasonable estimates according to the circumstances.

**Our responsibility**

Our responsibility is to express a limited assurance conclusion on the above Subject matter in accordance with the International Standard for Assurance Engagements (3000) "Assurance engagements other than audits or reviews of historical financial information" as adopted in the Kingdom of Saudi Arabia, and the terms and conditions related to this engagement that has been agreed upon with the management of the company.

Our procedures are designed to obtain a limited level of assurance sufficient to provide a basis for expressing our conclusion, and accordingly, we have not obtained all the evidence required to perform the audit or review in accordance with the International Standards for Auditing or the International Standards for Review Engagements approved in the Kingdom of Saudi Arabia. The procedures implemented depend on our professional judgment, including the risk of material misstatement of the matter, whether due to fraud or error. We also took into account the effectiveness of internal control systems when determining the nature and extent of our procedures, and our engagement was not designed to provide assurance about the effectiveness of those systems.

**Limited Assurance Independent Auditor's Report (continued)**

**Mediterranean and Gulf Insurance and Reinsurance Company**

**TO: THE SHAREHOLDERS**

**Our Independence and Quality Control**

We have complied to the independence and other requirements of the Code of Professional conduct and ethics for Accountants issued by the board of International Code of Ethics for Professional Accountants, which is based on the basic principles of integrity, objectivity, professionalism, due diligence, confidentiality and professional conduct. We are also independent of the Company according to the relevant code of conduct and ethics in the Kingdom of Saudi Arabia.

The firm applies International Standard on Quality Management 1 ("ISQM 1"), as endorsed in the kingdom of Saudi Arabia, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

**Summary of work performed:**

The procedures performed in a limited assurance engagement vary in nature and timing, and are less in extent than for a reasonable assurance engagement. As a result, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement.

Our procedures include, but were not limited to the following:

- Matching the business disclosed in the report of the chairman of the board of directors about the transactions with related parties that have a direct or indirect personal interest for the members of the board of directors with the accounting records and transaction records.
- Ensure that the same is disclosed in the minutes of the meeting.

**Limited Assurance Conclusion**

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that report described in the subject matter paragraph is not prepared, and presented fairly, in all material respects, in accordance with the applicable criteria.

**Restrictions on the use of our report**

Our report was prepared upon the request of the Company's management to fulfill the requirements of the relevant regulations in relation to the activities and contracts that the company carried out during the fiscal year ended December 31, 2022, in which the members of the Board of Directors had a personal interest, directly or indirectly. The report must not be used for any other purpose or distributed to any other parties.



09 Dhu'1-Qi'dah 1444H (29 May 2023)  
Riyadh, Kingdom of Saudi Arabia

**AlAzem, AlSudairy, AlShaikh & Partners**  
**For Professional Consulting**

**Abdullah M. Al Azem**  
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# Thank you



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