



SHAREHOLDERS' CIRCULAR



Bupa Arabia for Cooperative Insurance Company



The Demerger of assets and liabilities outlined in this circular is subject to shareholders' approval. An invite has been published to convene the Company's Extraordinary General Assembly to vote on the Demerger on 24/08/1447H (corresponding to 12/02/2026G). If shareholders' approval for the Demerger referenced in this circular is not obtained, the transaction will not proceed, and this circular will be deemed void. Shareholders will be notified accordingly.

This Circular has been prepared by Bupa Arabia for Cooperative Insurance Company, a Saudi listed joint stock company registered in the commercial registration under unified no. 7001571327 dated 05/05/1429H (corresponding to 10/05/2008G), in the city of Jeddah, Kingdom of Saudi Arabia (hereinafter referred to as the "**Company**", "**Bupa Arabia**", or the "**Company subject of the Demerger**"), in connection with the proposed Demerger of the Company and the distribution of its assets and liabilities between itself and a newly incorporated, wholly owned closed joint stock company results from the Demerger ("**Bupa Insurance**" or the "**Company resulting from the Demerger**"). This Demerger is being undertaken in accordance with Articles 231, 232, and 233 of the Companies Law, Article 68 of the Implementing Regulations of the Companies Law for listed joint stock companies ("**Listed Companies Rules**"), and Article 100 of the Rules on the Offer of Securities and Continuing Obligations ("**ROSCOs**").

The purpose of the Demerger of Bupa Arabia and the distribution of its assets and liabilities is to distribute the Company's insurance operations and activities to the Company resulting from the Demerger, which will be a newly incorporated, closed joint stock company wholly owned by Bupa Arabia. The Company resulting from the Demerger will succeed Bupa Arabia in relation to its insurance activities, and the rights, obligations, and contracts specified in the Demerger Resolution will be transferred to the Company resulting from the Demerger (the "**Demerger**").

The implementation of the Demerger is designed to leverage recent regulatory developments provided under the Companies Law in the Kingdom of Saudi Arabia. Article 231 of the Companies Law permits the division of any company into two or more entities. Furthermore, Article 233 of the same law stipulates that the Company resulting from the Demerger shall be considered the successor of the Company subject of the Demerger with respect to the assets and liabilities transferred to it under the Demerger Resolution, whereby such assets and liabilities are transferred by operation of law.

By adopting a corporate structure that mirrors leading global players in integrated healthcare, Bupa Arabia will be well-positioned to unlock new opportunities for growth, diversification, and value creation. It reflects the Company's commitment to best governance practices and efficient capital allocation through the establishment of specialized subsidiaries that enable enhanced growth, diversification, and resource optimization. For further details on the purpose and rationale of the Demerger, please refer to Section 2.2 ("**Purpose of the Demerger**"). The Demerger will result in the incorporation of the Company resulting from the Demerger, which will succeed Bupa Arabia in relation to its insurance activities. The Demerger will not result in any change to the ownership or shareholder rights associated with the shares held in Bupa Arabia. Furthermore, no shares in the Company resulting from the Demerger will be granted to Bupa Arabia's shareholders, as the Company has obtained a waiver from the Capital Market Authority from the requirements of paragraph (2) of Article (68) of the Listed Companies Rules. For further details on the impact of the Demerger, please refer to Section 4 ("**Impact of the Demerger**").

On 17/03/1447H (corresponding to 09/09/2025G), the Company received the non-objection of the Insurance Authority (hereinafter referred to as the "**IA**") on the proposal for restructuring the Company to transform it into a holding company. On 21/07/1447H (corresponding to 10/01/2026G), the Board of Directors of Bupa Arabia issued a resolution recommending to the shareholders the Demerger of the Company in accordance with the proposed Demerger plan as part of its transformation into a holding company ("**Board Recommendation**").

Following receipt of the non-objection letter from the IA regarding the Demerger and the issuance of the Board Recommendation, the Company published its invitation to the shareholders to attend the

Extraordinary General Assembly meeting to consider and vote on the following agenda items: (1) the proposed Demerger, including the transfer of its assets and liabilities related to insurance activities, including insurance contracts with customers and employment contracts for employees in specified departments and Bupa TPA, to the Company resulting from the Demerger, while retaining any other activities within the Company, in accordance with the details set out in this circular; (2) the amendments to the Company's bylaws relating to the Demerger and the restructuring of the Company as a holding company; (3) The amendment of the Audit Committee Charter, which include amendments relating to the Demerger and the restructuring of the Company as a holding company, (4) the amendment of the Nomination and Remuneration Committee Charter, which include amendments relating to the Demerger and the restructuring of the Company as a holding company, (5) the amendment of the Board Charter, which includes amendments relating to the Demerger and the restructuring of the Company as a holding company, (6) the amendment of the Company's Long-Term Incentive Plan Policy (LTIP), which include amendments relating to the Demerger and the restructuring of the Company as a holding company, (7) after the Demerger effectiveness, the Investment Committee, the Executive Committee, and the Risk Management Committee and their charters shall be cancelled; and (8) the delegation of the Board of Directors (or whoever they delegate) to take all necessary actions in relation to the Demerger (collectively referred to as the "**Demerger Resolutions**"). It should be noted that completion of the Demerger is conditional upon obtaining approval from the Extraordinary General Assembly of Bupa Arabia. For further details on the approval of the EGM and required quorum, please refer to Section 6.5 ("**The Demerger EGM's Approvals**").

Aside from the approval of the Demerger EGM, and the approval of the Ministry of Commerce relating to the incorporation of the Company resulting from the Demerger, and the issuance of the license to conduct insurance activities by the Insurance Authority, all relevant regulatory requirements relating to the Demerger have been obtained from the IA and the Capital Market Authority. For further details, please refer to Section 6.3 ("**Legal Requirements of the Demerger and Waivers obtained**").

This Circular should be read in full and examined in detail, particularly the "Important Notice" on page (i) and Section (3) "Risk Factors" of this Circular, prior to voting on the Demerger Resolution at the Extraordinary General Assembly.

This Circular contains information provided in accordance with the requirements of the ROSCOs issued by the Capital Market Authority of the Kingdom of Saudi Arabia (the "**CMA**") and Article (232) of the Companies Law. The members of the Board of Directors whose details appear in this Circular collectively and individually accept full responsibility for the accuracy of the information contained herein and confirm, to the best of their knowledge and belief, and after having made all reasonable inquiries, that there are no additional facts the omission of which will render any statement herein misleading. The CMA and the Saudi Exchange assume no responsibility for the contents of this Circular, make no representations as to its accuracy or completeness, and expressly disclaim any liability whatsoever for any loss arising from or incurred in reliance upon any part of this Circular. If the contents of this Circular are not fully understood, a licensed financial advisor should be consulted.

This Shareholders' Circular was published on 24/08/1447H (corresponding to 12/02/2026G) and has been prepared in both Arabic and English. The Arabic version shall be the official and binding language. In the event of any discrepancy between the Arabic and English texts, the Arabic text shall prevail.

Important Notice

This Circular has been prepared by the Company in accordance with Article 100 of the ROSCOs, for the purpose of providing the shareholders with the necessary information to enable them to vote on the proposed Demerger at the Extraordinary General Assembly meeting in an informed and knowledgeable manner. Shareholders are advised to read this Circular carefully and in full prior to making their voting decision. By virtue of publishing this Circular, shareholders are deemed to be aware of and informed about the information contained herein, and their decisions and votes at the Extraordinary General Assembly relating to the Demerger (hereinafter referred to as the “**Demerger EGM**”) shall be considered to have been made based on the information disclosed in this Circular. Electronic copies of this Circular are available on the Company’s website (www.bupa.com.sa) and the Saudi Exchange website (www.saudiexchange.sa).

The CMA and the Saudi Exchange assume no responsibility for the contents of this Circular, make no representations as to its accuracy or completeness, and expressly disclaim any liability for any loss arising from or incurred in reliance upon any part of this Circular.

The information, data, and statements contained in this Circular are presented as of the date of its publication, unless otherwise stated with respect to any specific information, data, or statement. Accordingly, such information is subject to change. In particular, the Company’s financial position and share value may be adversely affected by future developments such as inflationary pressures, economic or political factors, or other circumstances beyond the Company’s control. (For further details, please refer to Section 3 “**Risk Factors**” of this Circular). The publication of this Circular, or any oral or written information relating to the Demerger, shall not be construed or relied upon in any way as a promise, assurance, or representation regarding the achievement of any revenues, results, or future events.

The Company will not amend or update any information, forecasts, or statements contained in this Circular except as required under applicable laws and regulations. The Company is required to disclose to shareholders (through the Saudi Stock Exchange (Tadawul) website or by preparing and publishing a supplementary shareholders’ circular) in the event of a material change in the issuer’s assets occurring between the date of publication of this Circular and the date of the Demerger EGM, in accordance with paragraph (c) of Article (100) of the ROSCOs.

This Circular does not constitute, and should not be considered as, a recommendation by the Company, its advisors, or any other party to vote in favor of the Demerger. The advisors listed in the “**Company Directory**” section have not independently verified the accuracy or completeness of the information and data contained in this Circular. Accordingly, such advisors, their affiliates, directors, or employees shall not be held liable for any direct or indirect loss or damage incurred by any person relying on any statement or due to any inaccuracy, incompleteness, or error in the information or data contained in this Circular.

It should also be noted that no person has been authorized to provide any information or statements on behalf of the Company’s Board of Directors other than those disclosed in this Circular. Therefore, no reliance should be placed on any information or statements made by other parties as if they were issued by the Company or any of its advisors in relation to the Demerger.

The information contained in this Circular is of a general nature, and the Company and its Board of Directors emphasize the importance of shareholders reviewing and assessing all information in this Circular in light of their individual circumstances and investment objectives. If any shareholder is uncertain about the decision to be made at the Demerger EGM, they should seek independent financial and investment advice from a licensed advisor authorized by the CMA.

This Circular does not constitute, and should not be considered as, legal, financial, Zakat, or tax advice. If there is any uncertainty regarding the legal, financial, Zakat, or tax implications or provisions, shareholders should seek specialized advice from licensed legal, financial, and tax advisors.

FORWARD-LOOKING FORECASTS AND STATEMENTS

This Circular contains certain forward-looking statements and expectations, which may be identified by the use of forward-looking terminology such as, but not limited to, “expects,” “aims,” “estimates,” “intends,” “plans,” “will,” “believes,” “seeks,” “may,” “shall,” “can,” “should,” or the negative forms of these terms or other similar expressions. Forward-looking statements included in this Circular may relate, without limitation, to Bupa Arabia’s future plans, including the anticipated impact of the Demerger and the expected timeline of related implementation procedures. These statements are subject to change due to various factors that cannot be precisely predicted, such as directives from the IA, the CMA, the Ministry of Commerce or others. Accordingly, recipients of this Circular should read and interpret such forward-looking statements with caution and avoid placing undue reliance on them.

The forward-looking statements reflect the Company’s current views and are based on numerous assumptions, including those related to current and future business strategies and the regulatory environment in which the Company expects to operate. These statements do not constitute promises or guarantees of future events, as many visible and unforeseen factors may affect future outcomes and cause them to differ materially from those explicitly or implicitly anticipated in this Circular. Risks associated with forward-looking statements are beyond the Company’s control and cannot be accurately estimated, including future market conditions and the behavior of other market participants. Therefore, recipients should interpret these statements in light of this notice and refrain from relying on them. For further details on the risks associated with the Demerger, please refer to Section (3) “**Risk Factors**” which shareholders are advised to review thoroughly and carefully.

All forward-looking statements, whether oral or written, made by the Company or any persons acting on its behalf are expressly subject to the important notice set out in this section.

RESTRICTIONS ON PUBLISHING AND DISTRIBUTING THE CIRCULAR

This Circular is addressed to the shareholders of Bupa Arabia, subject to any restrictions under the laws and regulations of any restricted jurisdiction. This Circular does not constitute an offer to sell or a solicitation of an offer to purchase any securities to any person in any jurisdiction where such offer or solicitation is not permitted under applicable laws.

FINANCIAL AND OTHER INFORMATION

This Circular includes financial information derived from the Company’s audited consolidated financial statements for the fiscal year ended 31 December 2024, prepared in accordance with International Financial Reporting Standards (IFRS) as adopted in the Kingdom of Saudi Arabia, as well as other standards and pronouncements issued by the Saudi Organization for Chartered and Professional Accountants. Figures presented herein may differ when aggregated or calculated due to rounding. It should be noted that this Circular contains percentages and numerical ratios that are approximate and presented for illustrative purposes only.

This Circular also includes unaudited financial information, including hypothetical financial data and other aggregated or illustrative financial information. Such information is provided for reference purposes only and does not reflect the actual financial position or operating results of the Company in the future. While reasonable efforts have been made to ensure the accuracy of this information, it has not been audited or reviewed by external auditors and is based on a number of assumptions made prior to the issuance of this Circular. Accordingly, such information may not reflect the actual post-Demerger position and should not be relied upon as a representation or accurate indicator of the Company’s financial status following the Demerger.

This Circular has been prepared in accordance with the laws and regulations applicable in the Kingdom of Saudi Arabia. The nature and presentation of the information contained herein may differ if prepared under the laws of another jurisdiction. Bupa Arabia does not intend to publish or register this Circular in any jurisdiction other than the Kingdom of Saudi Arabia. The Demerger relates to securities of Saudi companies listed on the Saudi Exchange (Tadawul), and therefore this Circular and any related documents or announcements concerning the Demerger have been and will be prepared solely in accordance with the disclosure requirements applicable in the Kingdom of Saudi Arabia, which may differ from those in other jurisdictions.

Corporate Directory

The Company

Bupa Arabia for Cooperative Insurance Company

Prince Saud Al-Faisal Street, Al-Khalidiyah District, Jeddah
P.O. Box 23807, Jeddah 21436
Kingdom of Saudi Arabia
Tel: 920000456 ext. 5203
Fax: 0126920525
E-mail: invest@bupa.com.sa
Website: www.bupa.com.sa



The Company's Representatives

Mr. Tal Hisham Nazer

Chief Executive Officer
Tel: 920000456
Email: ba.bair@bupa.com.sa

Mr. Amro Husni Shawli

Chief Governance, Risk and Control Officer
Tel: 920000456
Email: amro.shawli@bupa.com.sa

Legal Advisor

Zeyad Sameer Khoshaim Law Firm (Professional Limited Liability Company)

17th Floor, Tower B, Olaya Towers, Olaya District
P.O. Box 230667, Riyadh 11321
Kingdom Saudi Arabia
Tel: +966 (11) 461 8700
Fax: +966 (11) 4618799
E-mail: info@khoshaim.com
Website: www.khoshaim.com



The Company's Advisor

Lazard Saudi Arabia

KAFD, Building No. 4.01, 6th Floor
P.O. Box 88425, Riyadh 13519
Kingdom of Saudi Arabia
Tel: +966 11 825 2616
Email: lsa.fa@lazard.com
Website: www.lsal.com.sa

LAZARD

The Reporting Accountant in relation to the consolidated pro forma financial statements

KPMG Professional Services

Zahran Business Center
Prince Sultan Street
P.O. Box 55078, Jeddah 21534
Tel: +966 12 6989595
Fax: +966 12 6989494
E-mail: marketingsa@kpmg.com
Website: www.kpmg.com.sa



Note: The advisors and auditor named above have provided their written consent for the publication of their names, addresses, logos, and statements as set out in this circular (as applicable), and none of them has withdrawn such consent as of the date of this circular.

Key Dates and Expected Timeline of the Demerger

The following table outlines the expected timeline of key events related to the Demerger. The dates provided below are approximate. Bupa Arabia (or the Saudi Stock Exchange (Tadawul), as applicable) will announce the occurrence of any actual events that require disclosure on the Saudi Stock Exchange (Tadawul) website in accordance with applicable laws and regulations, including any changes that may occur to the timeline.

Expected Timeline of the Demerger	Date
Procedures Related to IA Non-Objection, Board Recommendation, and the Demerger EGM	
The Company's announcement of the IA's non-objection to the proposed restructuring	18/03/1447H (corresponding to 10/09/2025G)
Announcement of the issuance of the Board's Recommendation	22/07/1447H (corresponding to 11/01/2026G)
Invitation to attend the Demerger EGM and announcement on the Saudi Stock Exchange (Tadawul) website	24/08/1447H (corresponding to 12/02/2026G)
Publication of the circular	24/08/1447H (corresponding to 12/02/2026G)
Announcement of the commencement of electronic voting on the agenda items of the Demerger EGM	12/09/1447H (corresponding to 01/03/2026G)
Convening of the Demerger EGM (first meeting)	16/09/1447H (corresponding to 05/03/2026G)
In case qourum is not met in the first meeting, convening of the Demerger EGM (second meeting)	One hour after the end of the time specified for the first meeting in which qourum was not present.
Announcement of the results of the Demerger EGM	19/09/1447H (corresponding to 08/03/2026G)
Procedures to be followed in case qourum is not met in the first and second meeting	
Invitation to Attend the Demerger EGM and Announcement on the Market Website (Third Meeting)	19/09/1447H (corresponding to 08/03/2026G)
Announcement of the commencement of electronic voting on the agenda items of the Demerger EGM	06/10/1447H (corresponding to 25/03/2026G)
Convening of the Demerger EGM (third meeting)	10/10/1447H (corresponding to 29/03/2026G)
Announcement of the results of the Demerger EGM	11/10/1447H (corresponding to 30/03/2026G)
Procedures Related to the Effectiveness of the Demerger	
Issuance of the insurance activities license for the Company resulting from the Demerger by the IA	It is expected that this will be completed within a period not exceeding three (3) months from the Demerger EGM.
Incorporation of the Company resulting from the Demerger and issuance of its commercial registration	The Company will commence the procedures immediately following the issuance of the resolution of the Demerger EGM, and it is expected that this will be completed within a period not exceeding three (3) months from the Demerger EGM.
Announcement of the Effectiveness of the Demerger Resolution	Immedietly after the issuance of the commerical registration of the Company resulting from the Demerger.

Table of Contents

1.	Definitions	01
2.	The Proposed Demerger Structure and Its Purpose	05
2.1	Proposed Structure of the Demerger	05
2.2	Purpose of the Demerger	06
2.3	Rationale for Using the Demerger as a Restructuring Tool	07
2.3.1	Preserving Shareholder Economic Value	07
2.3.2	Reducing Administrative Burden and Complexity of Asset, Liability, and Contract Transfers	07
2.3.3	Enhancing Transparency and Empowering Shareholder Decision-Making	07
3.	Risk Factors	09
3.1	Risks relating to the commercial and legal aspects of the Demerger	09
3.1.1	Risks relating to the transfer of insurance operations to a non-listed company	09
3.1.2	Risks relating to the Demerger being the first Demerger in the capital market	10
3.1.3	Risks relating to the impact of announcing the proposed Demerger on the company's business	10
3.1.4	Risks relating to reliance on information not included in this circular	11
3.1.5	Risks relating to joint liability between the company and the company resulting from the Demerger towards creditors	11
3.1.6	Risks relating to the rights of policyholders and contracting parties	11
3.1.7	Risks relating to governance and insurance authority requirements	12
3.1.8	Risks relating to the impact of the implementation of the commercial register law and the trade names law on the electronic services of the ministry of commerce	12
3.2	Risks relating to financial and tax aspects of the Demerger	13
3.2.1	Risks relating to changes in the financial disclosure approach	13
3.3	Risks relating to tax	14
4.	Impact of the Demerger	16
4.1	Impact of the Demerger on shareholders and their rights	16
4.2	Impact of the Demerger on Bupa Arabia's liabilities	16
4.3	Impact of the Demerger on Bupa Arabia's Bylaws	17
4.4	Impact of the Demerger on the supervisory relationship with the Insurance Authority	17

4.4.1	Non-Applicability of direct oversight by the Insurance Authority	17
4.4.2	Issuance of Insurance activities license to the Company resulting from the Demerger	17
4.5	Impact of the Demerger on Board Members and Senior Executives	17
4.6	Impact of the Demerger on the employees	18
4.6.1	First: Departments whose employees will remain with the Bupa Arabia Company	18
4.6.2	Second: Departments whose employees will be allocated to the Company resulting from the Demerger	18
4.7	Impact of the Demerger on Business Continuity and Contractual Arrangements Post-Demerger	19
4.8	Impact of the Demerger on Financial Statements	20
5.	Key Financial Information Illustrating the Financial Impact of the Demerger	22
5.1	Proforma Financial Statements	22
5.2	Valuation and Allocation of Assets, Rights, and Liabilities Between the Two Companies	22
5.2.1	Valuation of Assets and Liabilities	22
5.2.2	Detailed Allocation Upon Execution and External Auditor Review	23
5.2.3	Regulatory and Financial Considerations for the Allocation of Assets and Liabilities	23
6.	Legal Information	25
6.1	Key Legal Information About the Company and the Group	25
6.1.1	The Company's Group Structure	25
6.1.2	Board of Directors and Their Ownership	25
6.1.3	Senior Executives	26
6.1.4	Substantial Shareholders	26
6.1.5	Material Disputes	26
6.2	Legal Information Related to the Demerger	27
6.2.1	Governance in the Company and the Company resulting from the Demerger	27
6.3	Legal Requirements of the Demerger and Waivers obtained	56
6.4	Required Procedures for the issuance of the Demerger Resolution and its effectiveness	57
6.5	The Demerger EGM's Approval	57
6.6	Effectiveness of the Demerger Resolution	58
6.7	Applicable Laws and Regulations	58
7.	Documents Available for Inspection	60
8.	Appendices	62

List of Tables

Table (4.1):	Table illustrating Substantial Shareholders' Ownership in Bupa Arabia Before and After the Demerger	16
Table (4.2):	Departments Whose Employees Will Remain with Bupa Arabia Company and the Number of Employees in Each Department	18
Table (4.3):	Departments whose employees will be allocated to the Company resulting from the Demerger	18
Table (6.1):	Members of the Board of Directors and Their Ownership in the Company based on the shareholders' register as of 21/08/1447H (corresponding to 09/02/2026G)	25
Table (6.2):	Senior Executives and Their Ownership in the Company based on the shareholders' register as of 21/08/1447H (corresponding to 09/02/2026G)	26
Table (6.3):	Substantial Shareholders, Their Ownership, and Ownership Percentages	26
Table (6.4):	Names of the Individuals Currently Nominated by Bupa Arabia for the Board of Directors of the Company resulting from the Demerger	27

DEFINITIONS



1. DEFINITIONS

The following terms, wherever they appear in this Circular, shall have the meanings set forth opposite them, unless the context requires otherwise:

Term	Definition
Key Terms Related to the Demerger	
“Bupa Insurance” or the “Company resulting from the Demerger”	The newly incorporated closed joint stock company resulting from the Demerger, to which all rights and obligations related to the insurance activities currently conducted by Bupa Arabia shall be transferred. This company shall be wholly owned by Bupa Arabia, in accordance with the Proposed Demerger plan.
“Company or “Bupa Arabia” or the “Company subject of the Demerger”	Bupa Arabia for Cooperative Insurance Company, a Saudi listed joint stock company, registered in the commercial registration under unified no. 7001571327 dated 05/05/1429H (corresponding to 10/05/2008G), in the city of Jeddah, Kingdom of Saudi Arabia.
“Demerger” or “Proposed Demerger”	The Demerger of the Company through the transfer of all assets and liabilities related to its insurance activities to a newly incorporated, wholly owned closed joint stock Company resulting from the Demerger.
Demerger EGM	The Extraordinary General Assembly of the Company convened to consider the Demerger and vote on the related resolutions.
Demerger Resolutions	<p>The resolutions to be presented to the Company’s shareholders in connection with the Demerger process, which include the following:</p> <ol style="list-style-type: none"> 1- the proposed Demerger, including the transfer of its assets and liabilities related to insurance activities, including insurance contracts with customers and employment contracts for employees in specified departments and Bupa TPA, to the Company resulting from the Demerger, while retaining any other activities within the Company, in accordance with the details set out in this circular; 2- the amendments to the Company’s bylaws relating to the Demerger and the restructuring of the Company as a holding company; 3- the amendment of the Audit Committee Charter, which include amendments relating to the Demerger and the restructuring of the Company as a holding company; 4- the amendment of the Nomination and Remuneration Committee Charter, which include amendments relating to the Demerger and the restructuring of the Company as a holding company; 5- the amendment of the Board Charter, which includes amendments relating to the Demerger and the restructuring of the Company as a holding company; 6- the amendment of the Company’s Long-Term Incentive Plan Policy (LTIP), which include amendments relating to the Demerger and the restructuring of the Company as a holding company; 7- after the Effectiveness of the Demerger Resolution, the Investment Committee, the Executive Committee, and the Risk Management Committee and their charters shall be cancelled; and 8- the delegation of the Board of Directors (or whoever they delegate) to take all necessary actions in relation to the Demerger
Effectiveness of the Demerger Resolution	The date on which the Commercial Registration of the Company resulting from the Demerger is issued and recorded with the commercial register.
Insurance Activities	All insurance-related activities and services currently carried out by the Company pursuant to Insurance Authority License No. (20088/18/TMN), as detailed in this Circular, including Bupa TPA.
“Shareholders Circular” or the “Circular”	This Shareholders’ Circular issued by Bupa Arabia in line with the requirements of Article 100 of the ROSCOs, and presented to the Demerger EGM.
Other terms	
Affiliate	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.
“Board” or “Board of Directors”	The Board of Directors of the Company
Bupa TPA	Bupa Arabia for Third Party Administration, a limited liability company registered under Commercial Registration No. 4030605585 dated 03/06/1439H (corresponding to 18/02/2018G), with a share capital of SAR 5,000,000.

Term	Definition
Bupa CareConnect	Health Horizon Medical Company, a simplified joint stock company registered under Commercial Registration No. 4030512306 dated 08/11/1444H (corresponding to 28/05/2023G), with a share capital of SAR 10,000,000.
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CIO	Chief Investment Officer
COO	Chief Operations Officer
CBDO	Chief Business Development Officer
CDTO	Chief Digital Transformation Officer
CGRCO	Chief Governance, Risk and Control Officer
CHRO	Chief Human Resources Officer
CSO	Chief Sales Officer
CMA CGRs	The Corporate Governance Regulations issued by the Board of the Capital Market Authority Pursuant to Resolution Number 8-16-2017 dated 16/5/1438H (corresponding to 13/02/2017G), as amended from time to time.
Control	Means the ability to influence the actions or decisions of another person, whether directly or indirectly, individually or jointly 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; and the word "controller" shall be construed accordingly.
Companies Law	Companies Law promulgated by Royal Decree No. (M/132) dated 01/12/1443H (corresponding to 30/06/2022G).
CICCL	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.
CTL	The Civil Transactions Law issued by Royal Decree No. (M/191) dated 29/11/1444H (corresponding to 18/06/2023G), as amended from time to time.
Edaa	The Securities Depository Center Company (Edaa)
EGM	The Extraordinary General Assembly of the Company
G	Gregorian
Group	Means the Company and any entities controlled by the Company.
H	Hijri
IA	The Saudi Insurance Authority, which has assumed oversight of the insurance sector previously regulated by the Saudi Central Bank (SAMA).
IA CGRs	The Insurance Companies Governance Regulations issued by the Saudi Central Bank pursuant to the Cooperative Insurance Companies Control Law issued by Royal Decree No. (M/32) dated 02/06/1424H (corresponding to 31/07/2003G), as amended from time to time.
Legal Adviser	Zeyad Sameer Khoshaim Law Firm (Professional Limited Liability Company)
Listed Companies Rules	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.
MOC	The Ministry of Commerce of Saudi Arabia.
Relative	Husband, wife, and minor children.
ROSCOs	The Rules on the Offer of Securities and Continuing Obligations issued by the board of CMA pursuant to its resolution no. (3-123-2017) dated 09/04/1439H (corresponding to 27/12/2017G), as amended from time to time.
Saudi Exchange (Tadawul)	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 (Tadawul) 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.

Term	Definition
Subsidiary	In relation to a person, and any other company that is controlled by such person.
Senior Executives	Any natural person who is assigned—alone or jointly with others—by the Board or by a member of the Board to perform supervisory and managerial duties, and who reports directly to the Board of Directors, a member of the Board, or the Chief Executive Officer.
Substantial Shareholder	A person owning five percent (5%) or more of the shares in the Company's share capital.
Shareholders'	The Company's shareholders from time to time.
SBC	Saudi Business Center platform
Working Day	Any day, other than a Friday, Saturday or a public holiday in Saudi Arabia.

THE PROPOSED DEMERGER STRUCTURE AND ITS PURPOSE

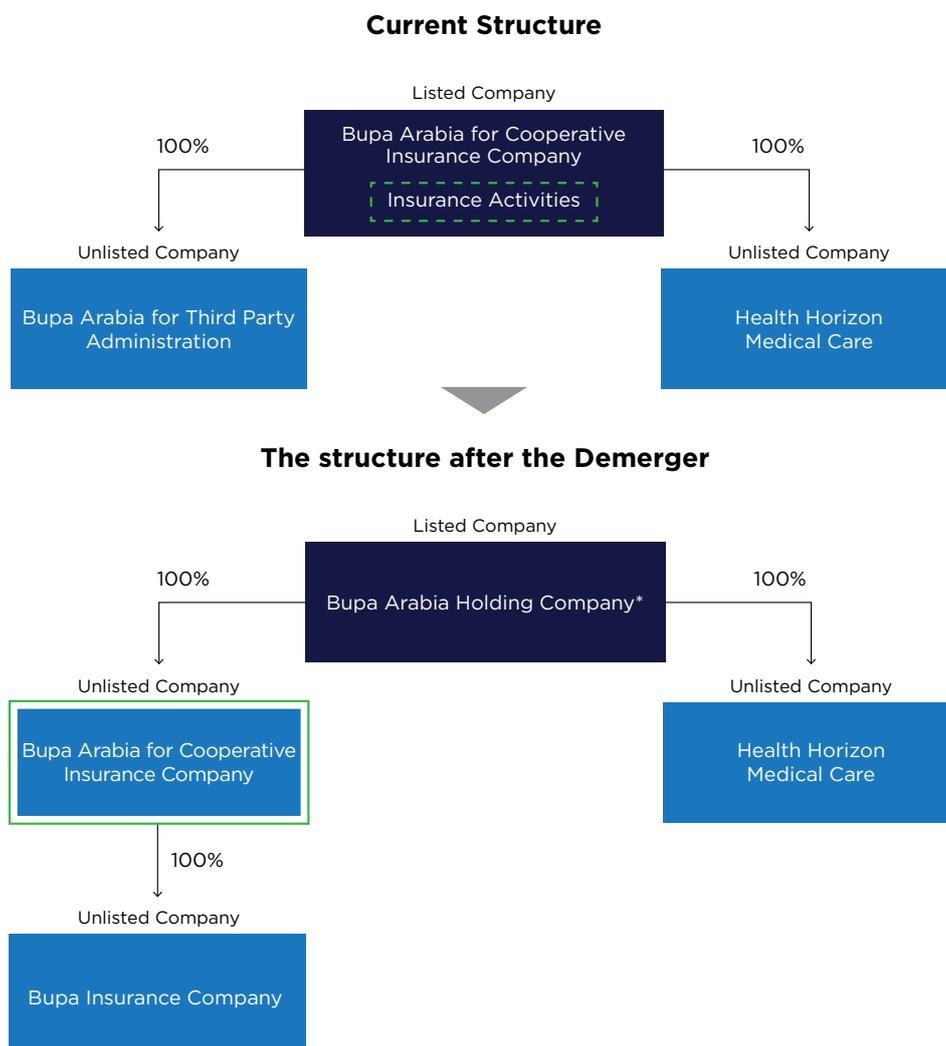


2. THE PROPOSED DEMERGER STRUCTURE AND ITS PURPOSE

2.1 Proposed Structure of the Demerger

On 22/07/1447H (corresponding to 11/01/2026G), Bupa Arabia announced that its Board of Directors had issued a recommendation to demerge the Company into two companies through distributing all assets and liabilities related to the Company’s insurance activities, including insurance contracts with customers, employee contracts in designated departments, and Bupa Arabia for Third Party Administration (“**Bupa TPA**”), to the Company resulting from the Demerger, while retaining any other business activities within the Company. For further details regarding the allocation of assets, rights, and liabilities between the Company and the Company resulting from the Demerger, please refer to Section 5.1 (“**Valuation and Allocation of Assets, Rights, and Liabilities Between the Two Companies**”).

Below is a simplified model of the Demerger structure:



* The Company intends to transfer the trade name “Bupa Arabia for Cooperative Insurance Company” to the Company resulting from the Demerger, and to rename the Company as “Bupa Arabia Holding Company.” In the event the Company encounters procedural difficulties related to the trade name, an alternative similar name approved by the Ministry of Commerce will be selected.

2.2 Purpose of the Demerger

This section contains the views of Bupa Arabia on the expected benefits resulting from the Company's restructuring and the Demerger. It also contains forward-looking statements, which are subject to risks and uncertainties, and hence reliance should not be placed on such statements. The forward-looking statements included in this section are preliminary, and the Company has no intention to update them other than what is required by relevant laws and regulations. For further information on such risks, please refer to the ("**Important Notice**") section.

Nothing contained in this section is intended to be or shall be deemed a forecast, projection or estimate of the future financial or operational performance of Bupa Arabia, any of its subsidiaries, or the market. r the market, and no statement in this Circular should be interpreted or mean that earnings per share for current or future financial periods following the implementation of the restructuring and the Demerger will match or exceed the Company's historical earnings per share.

The proposed transformation of Bupa Arabia into a holding company is designed to leverage recent regulatory developments in Saudi Arabia, which provide expanded opportunities for insurance companies by allowing them to operate as unlisted entities and removing restrictions on venturing into health provision. This shift enables the Company to advance its ambition of becoming a national champion of integrated healthcare while contributing to the Kingdom's broader healthcare objectives under Vision 2030.

By adopting a corporate structure that mirrors leading global players in integrated healthcare, Bupa Arabia will be strongly positioned to unlock new opportunities for growth, diversification, and value creation. The Company's key objective is to deliver this strategy to the shareholders while upholding best practices in governance, capital allocation, and regulatory disclosures.

The Company believes that the following are the key strategic and operational benefits of the Demerger:

1- Enable the Next Phase of Growth and Diversification Through an Integrated Healthcare Business Model

The proposed Demerger will enable Bupa Arabia to further broaden its scope beyond medical insurance and seamlessly introduce, manage, and expand into a wide array of healthcare-related services, offering end-to-end solutions across the value chain.

Through specialized subsidiaries, Bupa Arabia aims to diversify and grow its operations, while allowing each subsidiary to focus on its core competencies within strategic domains, including:

- **Health Insurance:** Includes Bupa Insurance and Bupa Third Party Administration, this arm focuses on delivering comprehensive, world-class medical insurance solutions to individuals and corporates
- **Health Provision:** Led by Bupa CareConnect and future healthcare initiatives, aiming to become a more prominent and integrated player in the healthcare ecosystem
- **Other:** Additional entities will be shaped in line with Bupa Arabia's evolving strategy and long-term priorities

This integrated business model strengthens the Company's ability to deliver holistic, integrated care and to unlock synergies across each vertical.

2- Unlock Strategic Agility and Operational Efficiency

The creation of distinct subsidiaries under a holding company framework will provide greater organizational clarity and agility, enabling focused strategies and operational excellence across all subsidiaries while being supported by the strategic oversight of the parent Bupa Arabia. Key benefits include:

- **Specialized Management:** Each subsidiary will have the ability to craft and execute tailored strategies suited to its unique market dynamics, ensuring agility and operational excellence
- **Efficient Resource Allocation:** The Demerger will enable more efficient allocation of financial and operational resources to strategic, high-growth and synergistic areas
- **Positioning for Partnerships:** The structure provides each subsidiary the flexibility to pursue strategic partnerships and investments that are directly relevant to their market, making Bupa Arabia an attractive partner for global and local players

The holding company model also supports rapid adaptation to regulatory changes, market demands, and emerging opportunities, strengthening Bupa Arabia's ability to remain a leader across diverse healthcare sectors.

3- Align Bupa Arabia with International Best Practices

Globally, leading healthcare companies have adopted similar holding company structures to develop their operations and unlock growth potential across multiple verticals, with existing models of integrated healthcare across the Bupa Global network and beyond.

This Demerger will bring Bupa Arabia in line with these international best practices, enhancing the Company's competitiveness on a regional and global scale, and reinforcing Bupa Arabia's commitment to delivering premium-quality care and tailored health solutions.

2.3 Rationale for Using the Demerger as a Restructuring Tool

The Company has evaluated various available restructuring frameworks and, in collaboration with its advisors, assessed the financial and regulatory implications of the available options. It also reviewed global practices in this regard, particularly within sectors similar or adjacent to the insurance and healthcare industries in which the Company operates. The Company believes that utilizing the recently legislated Demerger under the Companies Law is the optimal restructuring approach compared to other alternatives. Article 231 of the Companies Law permits the division of a company into one or more entities. Pursuant to Article 233, the Company resulting from the Demerger shall be considered the legal successor to the Company subject of the Demerger within the scope of the assets and liabilities transferred to it under the Demerger Resolution, meaning that such transfers occur by force of law. This type of restructuring was not available under the previous Companies Law, and thus represents a newly introduced framework designed by the legislator to enhance the regulatory environment and support corporate operations.

The Company has obtained the approval of the CMA for a waiver from the requirements of Paragraph (2) of Article 68 of the Listed Companies Rules. This waiver enables the Company to proceed with the Demerger of its insurance activities into a wholly owned subsidiary of Bupa Arabia, without the need to allocate shares in the the Company resulting from the Demerger. to Bupa Arabia's shareholders in proportion to their existing shareholding in the Company, and that would be without prejudice to the fundamental principles of shareholder protection and rights, where the Company resulting from the Demerger will be owned by the Company, and it is therefore indirectly owned by the shareholders.

2.3.1 Preserving Shareholder Economic Value

The restructuring through the Demerger will not result in any actual economic change in the ownership or rights of shareholders. The insurance assets and operations will remain fully owned by the listed company, albeit indirectly through a wholly owned subsidiary. Accordingly, this step does not involve the disposal, divestment, or loss of any assets from shareholder ownership, nor does it result in any economic value loss. For further details regarding changes in shareholder ownership and rights related to shares, please refer to Section 4.1 ("**Impact of the Demerger on Shareholders and Their Rights**").

2.3.2 Reducing Administrative Burden and Complexity of Asset, Liability, and Contract Transfers

Traditional business restructuring alternatives, such as establishing a new subsidiary and manually transferring each asset, contract, or employee individually, are significantly more complex in terms of effort, implementation timeline, regulatory procedures, and negotiations related to contractual obligations. These methods also pose operational challenges associated with manual transfers of contracts, licenses, and assets. In contrast, utilizing the newly legislated Demerger mechanism offers a more structured and transparent regulatory framework, facilitating a smoother transition while ensuring continuity of operations continuing operations as smoothly as possible. For more details regarding the risks associated with administrative complexities, please refer to Section 3.1.2 ("**Risks relating to the Demerger being the first Demerger in the capital market**").

2.3.3 Enhancing Transparency and Empowering Shareholder Decision-Making

The ROSCOs require companies seeking to implement a Demerger structure to issue a shareholder circular, this circular, outlining the proposed structure, its purpose, and key regulatory and financial information. Accordingly, the execution of the Demerger will be subject to shareholder approval at the EGM convened for this purpose, following their review of all relevant information. This process reinforces the principles of transparency and active shareholder participation in the Company's strategic decisions, unlike traditional alternatives that may not require shareholder approval.

RISK FACTORS



3. RISK FACTORS

Shareholders should carefully read this section, in addition to all the other sections of this Circular and all information contained in this Circular, and to study them diligently prior to making any decision regarding the Demerger at the Demerger EGM. It should be noted that the risks described below do not necessarily constitute all the risks affecting the Demerger. There may be additional risks, beyond those disclosed in this section, that could adversely affect the Company and the Demerger. These risks are not currently known to the Board of Directors or may not be considered material by the Board as at the date of this Circular.

The occurrence of any of the risks described in this section may materially and adversely affect the Company's ability to realize the anticipated benefits of the Demerger. It may have an adverse effect on the Group's operations, financial position, operating results, cash flows, future prospects, and the Company's share profitability following the Effectiveness of the Demerger Resolution. Furthermore, the occurrence of any other risks other than the risks described herein (whether due to having not been identified by the Directors or not currently considered material) may also adversely affect the Company's ability to realize the anticipated benefits of the Demerger. In addition, it could also have an adverse effect on the Group's operations, financial position, operating results, cash flows, and future prospects..

Shareholders who have doubts regarding the content of this Circular, the Demerger, the actions to be taken, or how to vote on the related resolutions, should consult an independent financial advisor duly licensed by the CMA.

The categorization of risks in the sections below does not limit the potential impact of any individual risk, nor are arranged in order of priority based on their importance or expected effect on the Company.

3.1 Risks relating to the commercial and legal aspects of the Demerger

3.1.1 Risks relating to the transfer of insurance operations to a non-listed company

As part of the Company's restructuring through the Demerger, the insurance operations currently conducted by Bupa Arabia will be transferred to a closed joint stock company wholly owned by Bupa Arabia. Consequently, the insurance activities will be carried out by an entity that is not listed on the Saudi Exchange (Tadawul). As such, it may encounter novel challenges in executing its operations and complying with the regulatory requirements applicable to the insurance sector, which is governed by a robust regulatory framework originally designed to oversee listed insurance companies. This regulatory gap may, at times, prevent the Company resulting from the Demerger from fully complying with applicable requirements, potentially resulting in violations and penalties imposed by the IA.

In addition, although shareholders' proportional ownership in Bupa Arabia will remain unchanged, and Bupa Arabia intends to continue complying with applicable disclosure, governance, and regulatory requirements issued by the CMA or the IA (as applicable to Bupa Arabia or the Company resulting for the Demerger), conducting insurance activities through a non-listed entity may result in a reduced level of transparency and public disclosure compared to a listed entity. This may limit the ability of certain shareholders and stakeholders to monitor the standalone operational and financial performance of the insurance activities and may affect the clarity of future investment outlooks for this segment among certain investor groups.

Should the Company resulting for the Demerger fail to effectively address these matters and maintain the level of disclosure expected by investors, this may have a material adverse effect on the investors' investment decisions or their perception of the Company's business and, accordingly, the share price, and may also have an indirect effect on the management approach of both companies and on the Company's business, financial position, operating results, future prospects, and the profitability of Bupa Arabia's shares following the Effectiveness of the Demerger Resolution.

3.1.2 Risks relating to the Demerger being the first Demerger in the capital market

Given the recent introduction of Article 231 of the Companies Law and Article 68 of its Listed Companies Rules, both of which relate to company Demergers, and considering that this Demerger represents the first practical application of these provisions in the Saudi capital market, the regulatory pathway for the Demerger remains largely uncharted and procedurally unclear due to the absence of precedent for such a transaction in the market.

Accordingly, the Company may face delays in obtaining the necessary regulatory approvals or licenses from relevant authorities, such as the MOC and the IA, or may be subject to unexpected additional requirements imposed by any of these authorities during the implementation stages of the Demerger after shareholders' approval. There is also a possibility that differing interpretations or updates to certain regulatory or procedural aspects may arise during the execution of the Demerger, such as the effective date or the method of asset allocation. Additionally, the digital systems or electronic platforms of the regulatory authorities may not yet be equipped to accommodate or process the Demerger, which could impact the anticipated timeline for the effectiveness of the Demerger Resolution or the effectiveness of the transaction structure, or may give rise to operational challenges affecting the Group's business or complicating its operations, which could have a material adverse effect on the Group's operational business.

Furthermore, as this Demerger is the first of its kind, the market and investors may receive it with caution and hesitation, and some may perceive it as an indication of internal administrative or financial challenges within the Company. Such perceptions may affect share trading activity and exert pressure on the Company's market valuation during and after the implementation period. Additionally, some investors may not have a clear understanding of the new Demerger mechanism and its implications, potentially leading to uncertainty and concern within the market.

If the Company is unable to clearly and effectively communicate the rationale and consequences of the Demerger to investors and the public, this may have a material adverse effect on the Company's business, financial position, operating results, future prospects, and the profitability of Bupa Arabia's shares following the Effectiveness of the Demerger Resolution.

3.1.3 Risks relating to the impact of announcing the proposed Demerger on the company's business

On 18/03/1447H (corresponding to 10/09/2025G), the Company announced that it had received a non-objection letter from the IA regarding its proposed restructuring for the purpose of converting into a holding company. Subsequently, the Company announced the issuance of the Board of Directors' recommendation to approve the Proposed Demerger on 21/07/1447H (corresponding to 10 per the ARA/01/2026G) These announcements may have impacted, or may continue to impact, the operations of Bupa Arabia and the trading price of its shares (regardless of whether the Demerger Resolution is ultimately approved and implemented). This may be due to several factors, including but not limited to: a shift in management's focus from overseeing the operations of the Company to executing the Demerger or dealing with the challenges resulting from the Demerger, which may negatively affect the Company's business or the quality of services provided to customers; a potential decline in service levels; challenges in retaining current employees or recruiting new staff and executives due to perceived job instability following the Demerger; potential strain on Bupa Arabia's relationships with customers and counterparties arising from their expectations regarding the Demerger and its impact on their existing engagements with the Company; and increased speculation and rumors among investors concerning the progress of the Demerger or other related matters.

Accordingly, if the Company is unable to effectively and adequately address these issues, this may have a material adverse effect on the Company's business, financial position, operating results, and the profitability of Bupa Arabia's shares following the effective date of the Demerger.

3.1.4 Risks relating to reliance on information not included in this circular

Certain media sources may publish financial and economic information and analyses relating to Bupa Arabia and the Demerger. Such sources may omit numerous material details and risks associated with the Demerger that are disclosed in this Circular. Shareholders should not rely on such sources. These sources or others may also issue statements that are incorrectly attributed to members of Bupa Arabia's Board of Directors, its officers, or employees, or may include inaccurate reports regarding statements made or to be made by members of the Board, officers, or employees of Bupa Arabia. Additionally, such sources may present misleading statements due to the omission of information provided by Bupa Arabia or its Board members, officers, or employees. Moreover, the Board of Directors of Bupa Arabia has not authorized any person to provide information or statements on behalf of Bupa Arabia other than what is disclosed in this Circular. Neither the members of the Board of Directors, nor the officers, employees, or advisors of Bupa Arabia bear any responsibility for the accuracy or completeness of any information or statements issued by third parties.

Reliance on information not included in this Circular may result in investment decisions based on misleading or inaccurate information, which could in turn lead to losses for shareholders. Therefore, shareholders should rely solely on the information contained in this Circular when making any decision regarding voting on the Demerger Resolution. In case of any uncertainty regarding the Demerger, shareholders should seek independent advice from a financial advisor licensed by the CMA.

3.1.5 Risks relating to joint liability between the company and the company resulting from the Demerger towards creditors

Upon issuance and effectiveness of the Demerger Resolution, the assets and liabilities of the Company subject of the Demerger, Bupa Arabia, will transfer by operation of law and within the scope defined in the Demerger Resolution to the Company resulting from the Demerger, Bupa Insurance. Notwithstanding the transfer of assets and liabilities pursuant to the Demerger Resolution, the Companies Law provides that both the Company subject of the Demerger and the Company resulting from the Demerger shall remain jointly liable for the debts and obligations incurred by the Company subject of the Demerger prior to the Demerger, unless an express agreement is reached with creditors to transfer their rights of claim to the Company resulting from the Demerger.

There is currently no specific agreement in place with any creditor in this regard. Accordingly, this mandatory joint liability may expose the Company subject to the Demerger – Bupa Arabia – to claims for historical debts notwithstanding the absence of operational insurance activities after the Demerger, which may affect its cash flow or financial position or its ability to meet its future obligations, and creditors may continue to pursue Bupa Arabia – the listed Company – in respect of their claims. In addition, interpretive disputes may arise with certain creditors as to whether their debts have been transferred to the Company resulting from the Demerger or remain obligations of Bupa Arabia, potentially resulting in litigation or financial settlements that could impact the financial position of the Company resulting from the Demerger, or at a minimum, impose additional financial and administrative burdens.

Moreover, the failure to complete rights transfer agreements with certain creditors may increase the likelihood of duplicate or conflicting claims against both companies, which may result in further financial and administrative burdens. If the Group is unable to effectively manage these risks, this may adversely affect its business operations, financial position, operating results, and future prospects.

3.1.6 Risks relating to the rights of policyholders and contracting parties

Although the current insurance policies issued by the Company do not require the consent of policyholders in the event of a change in the insurer, and although the Company believes that Bupa Arabia may be replaced by the Company resulting from the Demerger as the contracting party under such policies without the need to obtain policyholders' consent (merely notifying them), this interpretation may not be accepted by all policyholders or by regulatory, supervisory, or judicial authorities in the future. Some may consider that a change in the identity of the insurer and the insurance license under which the services are provided constitutes an assignment of the contract, which requires the express consent of the other party. If any policyholder objects to such change, the Company may face demands for policy cancellations, claims for compensation, or reputational harm in the market on the basis that the transfer occurred without customer consent.

In addition, the Company must ensure that the rights of policyholders are not adversely affected by the Demerger, particularly with respect to the settlement of claims and the continuation of insurance coverage. Failure by either the Company or the Company resulting from the Demerger to fulfill their obligations to policyholders may result in a loss of trust in the Company, expose it to legal claims, and may adversely affect its business operations, financial position, operating results, future prospects, and the profitability of Bupa Arabia's shares following the effective date of the Demerger.

3.1.7 Risks relating to governance and insurance authority requirements

Upon issuance and effectiveness of the Demerger Resolution, the Company resulting from the Demerger, Bupa Insurance, will be subject to governance requirements that differ from those applicable to the Company subject of the Demerger. As Bupa Insurance will not be a listed company in the capital market, it will not be subject to the Corporate Governance Regulations issued by the CMA (the “**CMA CGRs**”), but will instead be governed solely by the Insurance Companies Governance Regulations issued by the IA (the “**IA CGRs**”).

The IA CGRs require each insurance company to internally establish independent oversight entities, either through the creation of specialized departments and units, such as a risk management department and a compliance unit, or through mandatory board-level committees, such as the audit committee and the investment committee.

Although the CMA CGRs and the IA CGRs share similarities in many respects, there are certain areas where one regulation may be more demanding or more flexible than the other. For example, the CMA CGRs do not require the formation of an investment committee, whereas the formation of such a committee is a mandatory requirement for insurance companies under the IA CGRs.

Accordingly, both Bupa Arabia and the Company resulting from the Demerger must ensure compliance with the applicable requirements in each case. As Bupa Arabia has previously complied with all such requirements in its capacity as an insurance company, the Demerger may result in the dissolution of certain units or committees that Bupa Arabia had established to comply with the Insurance Companies Governance Regulations, which will no longer apply to it post-Demerger and may not deem it necessary. The Demerger will also require the replication of the governance structure within the Company resulting from the Demerger, which may present challenges in identifying qualified personnel and ensuring effective allocation of responsibilities without conflict or duplication. This may increase the administrative expenses and hinder compliance and weaken internal controls during the post-Demerger phase.

For further details regarding governance in the Company subject of the Demerger and the Company resulting from the Demerger, please refer to Section 6.2.1 (“**Governance in the Company and the Company resulting from the Demerger**”).

3.1.8 Risks relating to the impact of the implementation of the commercial register law and the trade names law on the electronic services of the ministry of commerce

The electronic platforms of the Ministry of Commerce (“**MOC**”), including the Saudi Business Center platform (hereinafter “**SBC**”), are currently undergoing a technical and operational transformation following the implementation of the new Commercial Register Law and the new Trade Names Law, and the Ministry’s efforts to align the services offered through these platforms with the new regulatory requirements, in addition to the periodic updates that have been made to these regulations since the effectiveness of the Companies Law.

Given the recent enactment of these laws and the lack of procedural stability and executional clarity, as well as the absence of precedents that could serve as reference in the context of company Demergers, the Company may face procedural and technical challenges in executing and completing the Demerger. These challenges may include, without limitation, delays in completing the registration of the Company resulting from the Demerger and issuing its commercial registration, or delays in updating the existing commercial records of Bupa Arabia in accordance with the requirements of the Demerger.

Requests and procedural steps related to the Demerger may also be subject to technical errors or electronic malfunctions during transaction processing within the systems of the MOC or the SBC. If these risks materialize, they may disrupt or delay the transfer of assets and liabilities to the Company resulting from the Demerger, which could affect the planned timelines and may adversely affect its business operations, financial position, operating results, future prospects, and the profitability of Bupa Arabia’s shares following the effective date of the Demerger.

3.2 Risks relating to financial and tax aspects of the Demerger

3.2.1 Risks relating to changes in the financial disclosure approach

Upon the issuance and the effectiveness of the Demerger Resolution, and once the Company resulting from the Demerger, Bupa Insurance, is incorporated as a non-listed entity, it will no longer be subject to the requirements of the CMA regulations, including the disclosure obligations set out in the ROSCOs issued by the CMA, as these regulations apply exclusively to listed companies.

Nonetheless, certain disclosures issued by Bupa Arabia may include information relating to the Company resulting from the Demerger, given that insurance operations will continue to represent the majority of the Group's business. The financial disclosures of Bupa Arabia will include the Group's consolidated financial information, which will encompass the financial data of the Company resulting from the Demerger as part of the Group's consolidated financial statements.

In addition, the financial disclosure requirements set out in the IA's regulations will apply to the Company resulting from the Demerger. For example, the insurance company will be required to publish its annual financial statements and annual report, audited by two external auditors, within three months of the end of the financial year, in accordance with Article 10 of the CICCL. These standalone financial statements may be disclosed through the insurance company's website or as otherwise determined by the IA.

The new Group structure will result in the creation of two distinct reporting and disclosure perspectives: one reflecting the performance and results at the consolidated Group level, and the other representing the standalone financial position of the Company resulting from the Demerger. Preparing reports and disclosures from both perspectives for internal and external reporting purposes will increase the reporting requirements and procedures at the Group level. This may also lead to higher professional costs due to the need to appoint an independent external auditor for the Company resulting from the Demerger, thereby increasing the Group's overall audit expenses.

The insurance segment will remain the primary contributor to the Group's operations in the near future, and accordingly, the Group's consolidated financial statements will continue to reflect the same level of detail and disclosures that investors were accustomed to prior to the Demerger. However, as the holding company grows and potentially acquires or establishes new subsidiaries, there may be a future risk of reduced transparency regarding the insurance segment and the allocation of assets and liabilities across entities. This may make it more difficult for shareholders and investors to distinguish the performance of each company individually, particularly if the Group expands into non-insurance sectors. Such developments may affect the clarity of the investment profile and limit investors' ability to assess the financial performance of each entity independently.

While the Group's consolidated financial statements will continue to present the Company resulting from the Demerger as a separate operating segment in accordance with IFRS 8 - Operating Segments - the level of disclosures available to investors regarding the insurance segment may differ from the pre-restructuring status. Bupa Arabia intends to comply with the applicable periodic disclosure requirements and the relevant regulations issued by the CMA or the IA, as applicable to either Bupa Arabia or the Company resulting from the Demerger. However, conducting insurance operations through a non-listed entity will result in a change in the level of publicly available disclosures compared to a listed entity, which may alter shareholders' perception of disclosure levels. This may reduce the ability of certain shareholders or stakeholders to monitor the direct operational and financial performance of the insurance activities independently, and may affect the future investment visibility of the Group for certain categories of investors, which may affect the supply and demand for the Company's shares and, consequently, the share price and shareholders' investment in the Company.

3.3 Risks relating to tax

Royal Decree No. (M/51) dated 03/05/1438H (corresponding to 31/01/2017G) approved the Unified Agreement for Value Added Tax (VAT) for the Gulf Cooperation Council (GCC) Member States, which came into effect on 14/04/1439H (corresponding to 01/01/2018G), introducing a VAT rate of 5% on the sale price, in addition to other taxes and fees imposed on certain sectors in the Kingdom. On 17/10/1441H (corresponding to 09/06/2020G), the Board of Directors of the Zakat, Tax and Customs Authority issued Resolution No. (20-3-2) to increase the VAT rate to 15%, effective from 10/11/1442H (corresponding to 01/07/2020G). VAT is imposed on the services provided by Bupa Arabia and those that will be provided by the Company resulting from the Demerger, as well as on services received by both entities. Upon issuance and effectiveness of the Demerger Resolution, and once the Company resulting from the Demerger, Bupa Insurance, is established as a new commercial entity, it will be included within the VAT group currently registered under Bupa Arabia. All entities within the group will be treated as a single establishment for VAT purposes. This will result in increased administrative, operational, and regulatory burdens associated with managing VAT declaration, assessment, and invoicing requirements, in addition to data consolidation, invoice management, and intercompany transaction handling among group entities, and ensuring unified compliance with applicable laws and executive regulations. Alternatively, the Company resulting from the Demerger may be required to maintain a separate VAT registration and independently comply with all declaration, assessment, and invoicing obligations under the applicable laws and regulations, which would further increase administrative burdens. There can be no assurance that tax rates will not increase or that new taxes or fees will not be imposed by the government in the future. Accordingly, any increase in tax rates or the imposition of new taxes or fees on companies beyond those currently applicable may adversely affect the Company's business operations, financial position, operating results, future prospects, and the profitability of Bupa Arabia's shares following the effective date of the Demerger.

IMPACT OF THE DEMERGER



4. IMPACT OF THE DEMERGER

4.1 Impact of the Demerger on shareholders and their rights

The Demerger will not result in any change to the ownership or rights of shareholders in respect of the shares they hold in Bupa Arabia, including the right to vote. Shareholders of Bupa Arabia will not be granted shares in the Company resulting from the Demerger, as Bupa Arabia has obtained approval from the CMA for a waiver from the requirements of paragraph 2 of Article 68 of the Listed Companies Rules. This waiver permits the Company resulting from the Demerger to be wholly owned by Bupa Arabia without the need to allocate shares in the Company resulting from the Demerger to Bupa Arabia's shareholders in proportion to their shareholding in Bupa Arabia.

The Demerger will not result in any change to the voting rights attached to the shares held by the shareholders of Bupa Arabia. With respect to the Demerged Company, and given that it will be wholly owned by the Holding Company, the Holding Company—as the sole shareholder and capital owner—will exclusively exercise all shareholder rights in the insurance company resulting from the Demerger. This includes issuing resolutions at the general assembly, approving policies, appointing board members, and making decisions relating to dividend distributions and other shareholder authorities. Accordingly, following the effectiveness of the Demerger, the shareholders of the Holding Company will not have any direct influence over the decisions or management of the Demerged Company, as they will not hold any direct voting rights or ownership in it. The voting rights of Bupa Arabia's shareholders will remain solely at the listed holding company (Bupa Arabia) level.

The following table sets forth the ownership of the Substantial Shareholders' in Bupa Arabia before and after the Demerger, based on the shareholders' register as of 21/08/1447H (corresponding to 09/02/2026G):

Table (4.1): Table illustrating Substantial Shareholders' Ownership in Bupa Arabia Before and After the Demerger

Shareholder	Number of Shares		% of Ownership	
	Pre-Demerger	Post-Demerger	Pre-Demerger	Post-Demerger
Bupa Investments Overseas Limited	64,875,000	64,875,000	43.25%	43.25%
Nazer Group Limited Company	7,508,190	7,508,190	5.005%	5.005%
Remaining Shareholders	77,616,810	77,616,810	51.745%	51.745%
Total	150,000,000	150,000,000	100%	100%

Source: The Company

4.2 Impact of the Demerger on Bupa Arabia's liabilities

Pursuant to Article 233 of the Companies Law, the Company resulting from the Demerger shall be considered the successor of the Company subject of the Demerger to the extent of the assets and liabilities transferred to it under the Demerger Resolution. However, creditors of the Company subject of the Demerger shall have the right to claim payment of debts and obligations incurred by the Company subject of the Demerger from both the Company subject of the Demerger and the Company or Companies Resulting from the Demerger. The Company subject of the Demerger and the Company or Companies Resulting from the Demerger shall be jointly liable for the payment of such debts and obligations, except in cases where an agreement is reached with the creditors to transfer their rights of claim to the Company resulting from the Demerger to which the debts and obligations have been allocated.

For further details on the allocation of assets, rights, and liabilities between the two companies, please refer to Section 5.1 (“Valuation and Allocation of Assets, Rights, and Liabilities Between the Two Companies”).

4.3 Impact of the Demerger on Bupa Arabia's Bylaws

Upon issuance and effectiveness of the Demerger Resolution, several amendments will be made to the Bylaws of Bupa Arabia, as detailed in Annex (B) of this Circular. The key amendments include:

- **Change of Company Name:** The company name will be changed to “Bupa Arabia Holding Company (Listed Joint Stock Company)” or any other similar name approved by the MOC.
- **Change of Company Activities:** The company’s activities will be amended to include the following:
 - Management of holding companies substances;
 - Investing the funds of holding companies substances;
 - Possessing real estate and movables required for holding companies;
 - Possessing industrial property rights for holding companies substances; and
 - Leasing the industrial property rights for holding companies substances.

4.4 Impact of the Demerger on the supervisory relationship with the Insurance Authority

4.4.1 Non-Applicability of direct oversight by the Insurance Authority

Upon issuance and effectiveness of the Demerger Resolution, and once the Company resulting from the Demerger, Bupa Insurance, is established as a non-listed entity, it will not be subject to the requirements of the CMA CGRs, as these regulations apply mandatorily only to listed companies. Conversely, upon the separation of the insurance activities and its transfer to the Company resulting from the Demerger, the Company subject of the Demerger, Bupa Arabia, will no longer be subject to the IA CGRs, as it will no longer be engaged in insurance activities following the Demerger. All requirements of the IA CGRs will apply to the Company resulting from the Demerger, which will be fully subject to the supervision of the IA.

4.4.2 Issuance of Insurance activities license to the Company resulting from the Demerger

The IA, when issuing its non-objection to the proposed restructuring of the Company for the purpose of its transformation into a holding company, required that the Company submit a licensing application to the IA for the new entity (i.e., the Company resulting from the Demerger) to engage in insurance activities, in accordance with Article (2) of the CICCL and Article (4) of its Implementing Regulations, and to complete all necessary regulatory procedures. The Company has submitted an application to the IA for the licensing of the Company resulting from the Demerger as an insurance company authorized to conduct General Insurance and Health Insurance activities. As of the date of publishing this Circular, the Company is awaiting the IA’s response. The regulatory procedures for establishing the Company resulting from the Demerger will not be completed and finalizing its licensing unless and until the EGM approves the Demerger.

4.5 Impact of the Demerger on Board Members and Senior Executives

Upon issuance and effectiveness of the Demerger Resolution, the Demerger will not result in immediate changes to the composition of the Board of Directors of Bupa Arabia. The nine members appointed by the General Assembly are expected to continue serving their term, which commenced on 1 July 2025G.

Subject to obtaining written non-objection from the IA, the Board of Directors of the Company resulting from the Demerger is expected to consist of nine (9) members, including five (5) members who will also serve on the Board of Bupa Arabia. This dual membership is intended to leverage their extensive experience in the insurance sector (for further details, please refer to Section 6-2-1-2 “**Board of Directors of the Company resulting from the Demerger**”). As a result of five members serving concurrently on the Boards of both Bupa Arabia and the Company resulting from the Demerger, these shared members will not be considered independent with respect to Bupa Arabia. This is because membership on the boards of subsidiary companies constitutes a circumstance that affects independence, in accordance with the CMA CGRs. For further details of the proposed Board of Directors of the Company resulting from the Demerger, please refer to Section 6.2.1.1 (“**Board of Directors of the Company resulting from the Demerger**”).

With respect to executive leadership, the Company intends, as an initial transitional phase, to adopt a shared leadership structure between the Holding Company and the Company resulting from the Demerger. Under this arrangement, the Chairman (Eng. Loay Nazer), the CEO (Mr. Tal Nazer), and the CFO (Mr. Hatim Jamal) will assume their respective roles in both companies. The Company believes that this arrangement will, in the initial phase, ensure a high level of strategic alignment between the two entities, contribute to faster and more streamlined decision-making, enhance operational efficiency, and support the realization of targeted synergies. Moreover, this structure enables optimal utilization of executive talent and reduces cost duplication, an essential consideration in a market characterized by a scarcity of specialized leadership talent in the insurance sector.

4.6 Impact of the Demerger on the employees

As part of the Demerger, the Company's current employees will be allocated between the Company and the Company resulting from the Demerger based on the department or division to which each employee belongs. The Company intends to implement the Demerger in a manner that ensures maximum employee stability and minimizes any adverse impact. The Demerger will not result in mandatory layoffs or termination of employment. End-of-service benefits and other employment rights calculated on the basis of continuity will remain unaffected, and all employees will be considered to have continuous service regardless of their post-Demerger allocation, in accordance with the provisions of the Labor Law, its Implementing Regulations, and other applicable regulations.

Upon issuance and effectiveness of the Demerger Resolution, departments and employees will be allocated between the Company and the Company resulting from the Demerger in a way that ensures operational efficiency and uninterrupted business continuity, as detailed below. The Company maintains a detailed list of the employees to be allocated, and upon issuance of the Demerger Resolution, those employees will be contacted to initiate the necessary regulatory procedures.

4.6.1 First: Departments whose employees will remain with the Bupa Arabia Company

Table (4.2): Departments Whose Employees Will Remain with Bupa Arabia Company and the Number of Employees in Each Department

Department	Number of Employees (approximate)
Marketing	30
Human Resources	70
Digital Transformation	80
Finance - Operations and Strategy	60
Total Number of Employees in the Company	240

4.6.2 Second: Departments whose employees will be allocated to the Company resulting from the Demerger

Table (4.3): Departments whose employees will be allocated to the Company resulting from the Demerger

Department	Number of Employees (approximate)
Operations	745
Sales	490
Investments	10
Finance - Pricing, Actuarial, Underwriting, and Collection	100
Governance, Risk, and Compliance (GRC)	55
Total Number of Employees in the Company	1400

4.7 Impact of the Demerger on Business Continuity and Contractual Arrangements Post-Demerger

The use of the Demerger as a restructuring mechanism is intended to facilitate the transition process to the greatest extent possible while seeking to maintain the seamless continuation of operations and maintaining uninterrupted business continuity, operationally, contractually, and legally, without any material impact on dealings with clients, contracting parties, or policyholders.

Pursuant to Article 233 of the Companies Law, the Company resulting from the Demerger shall be deemed the legal successor of the Company subject of the Demerger to the extent of the assets, rights, and obligations transferred to it in accordance with the Demerger Resolution issued by the EGM. Accordingly, the contracts specified in the Demerger Resolution shall, by operation of law, be transferred to the Insurance Company upon its incorporation without the need for any further action, unless the terms of the relevant contract explicitly provide otherwise.

In cases where certain contracts contain specific provisions requiring prior notice or the consent of the counterparty in the event of an assignment or transfer, the Company will notify the relevant counterparties and obtain the necessary consents—particularly in the case of material contracts such as investment agreements or contracts involving significant financial or operational obligations—in order to avoid any potential claims from parties who may consider the change of contracting party to constitute an unauthorized material amendment under the terms of the contract.

In this context, following the approval of the Demerger by the EGM, Bupa Arabia will send general notifications to all contracting parties informing them of the changes to the Company's name and business activity, along with a statement of the contracts to be transferred to the Insurance Company pursuant to the Demerger Resolution. Individual communications will also be sent to the counterparties to the contracts specified that will be allocated to the Company resulting from the Demerger, including formal notices or consent forms for the transfer, whether via email or through approved communication channels that allow for confirmation of receipt or acknowledgment. The Company maintains between 400 and 500 contracts with various types of service providers. In addition, the Company has between 1,400 to 1,500 contracts with healthcare service providers, all of which follow the unified contract template approved for insurance companies and private sector healthcare providers.

With respect to insurance policies, the current policies do not require prior consent from policyholders for their transfer to the Insurance Company. Rather, the policies contain explicit provisions allowing the Company to amend the policy terms in light of new regulations or when necessary, provided that the client is notified of the amendment, which becomes effective fifteen (15) days from the date of notification. Accordingly, the Company intends to send advance notices to all clients and policyholders, informing them of the new group structure and the continuation of insurance coverage without any change to rights or obligations.

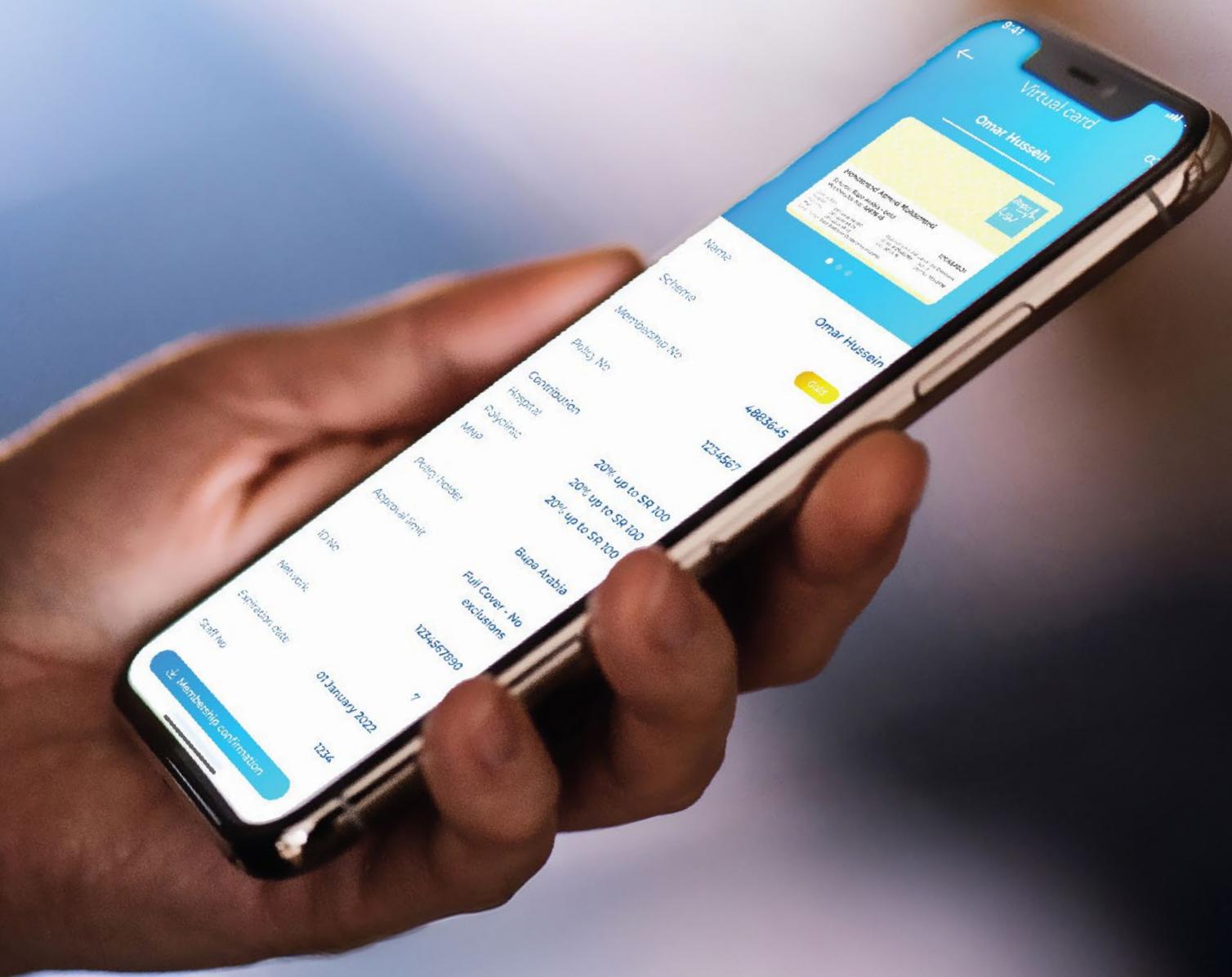
The number of insurance policies to be transferred to the Company resulting from the Demerger is approximately two hundred thousand (200,000) active policies held by the Company's clients. As for regulatory requirements, coordination has been undertaken with the IA regarding the licensing arrangements for the Insurance Company resulting from the Demerger. The Company affirms its commitment to transparency and ongoing coordination with regulatory authorities to ensure that all procedures are aligned with applicable regulations and serve the interests of shareholders and clients alike.

4.8 Impact of the Demerger on Financial Statements

Since the Company resulting from the Demerger will be wholly owned by Bupa Arabia, the Demerger is expected to result in only one material change in the presentation of the consolidated financial statements. This change relates to the reclassification of the statutory reserve of SAR 1,500 million, currently maintained by Bupa Arabia in accordance with insurance regulations, which will be presented under "Other Reserves" in the consolidated financial statements of the Holding Company, as the Holding Company is not subject to statutory reserve requirements.

No other line items in the consolidated financial statements are expected to be materially impacted by the Demerger. The limited assurance report issued by the external auditor provides pro forma consolidated financial information illustrating the financial impact of the Demerger in accordance with the Board of Directors' resolution dated 10 January 2026G. The report aims to clarify the effect of the proposed Demerger on the Company's consolidated financial statements and provides limited assurance based on limited review procedures. For further details on the financial impact of the Demerger, please refer to Section 5 ("**Key Financial Information Illustrating the Financial Impact of the Demerger**").

KEY FINANCIAL INFORMATION ILLUSTRATING THE FINANCIAL IMPACT OF THE DEMERGER



5. KEY FINANCIAL INFORMATION ILLUSTRATING THE FINANCIAL IMPACT OF THE DEMERGER

5.1 Proforma Financial Statements

This section provides a brief overview of key financial information illustrating the expected impact of the Demerger on the financial position and operating results of the Company resulting from the Demerger. The pro forma consolidated statement of financial position and the pro forma consolidated statement of changes in equity have been prepared to demonstrate how the financial statements of the Company would appear as if the Demerger had occurred on 31 December 2024G. This is intended to assist shareholders and investors in assessing the anticipated financial impact of the Demerger with greater clarity and transparency.

The Company's management has obtained a limited assurance report from one of Bupa Arabia's external auditors, which are KPMG Professional Services. The pro forma consolidated financial statements of the Holding Company before and after the Demerger are included in Annex (A)(1). Annex (A)(2) includes the equity structure in the consolidated financial statements of the Holding Company.

It should be noted that these statements have been prepared for disclosure purposes only and are intended to present the hypothetical accounting impact of the Demerger. They do not represent actual financial results or audited financial statements and are not to be relied upon as a basis for dividend distributions or investment decisions.

5.2 Valuation and Allocation of Assets, Rights, and Liabilities Between the Two Companies

In addition to the aforementioned report, the Company's management has developed a comprehensive framework to guide the allocation of assets and liabilities, as well as to define the capital structure within the context of the Demerger. The key steps for implementing the legal Demerger include the following:

5.2.1 Valuation of Assets and Liabilities

A detailed valuation has been conducted to determine the allocation of assets and liabilities between the Holding Company (Bupa Arabia) and the Insurance Company resulting from the Demerger. It is expected that net assets amounting to SAR 4,497 million (representing 88%) will be transferred to the Insurance Company. These assets include term deposits of SAR 5,541 million, investments of SAR 7,522 million, cash of SAR 618 million, and other assets of SAR 1,186 million. The liabilities include insurance contract liabilities of SAR 9,010 million, zakat and income tax provisions of SAR 413 million, and other liabilities of SAR 947 million. Meanwhile, the Holding Company will retain net assets of SAR 620 million (representing 12%), consisting of term deposits of SAR 500 million, other assets of SAR 286 million, and other liabilities of SAR 165 million.

The net assets of SAR 4,497 million will be transferred to the newly established subsidiary as part of an internal Demerger transaction without any cash or non-cash consideration. As the transaction falls within the scope of common control transactions, the assets will be recognized in the books of the receiving entity (the Insurance Company) through a direct restatement under equity, reflecting the substance of the transaction as a capital reorganization within the group.

Accordingly, the equity structure of the Insurance Company resulting from the Demerger will be restructured to reflect the components of the transferred net assets, which include: share capital, statutory reserve, retained earnings, end-of-service benefits reserve, and fair value reserve for investments.

The net assets retained by the Holding Company represent liquid assets allocated for future expansion and for operating the Holding Company's activities, in addition to its investments in subsidiaries (such as Afya Medical Care Company), and balances related to employees who will continue working for the Holding Company to manage group-level activities.

Both the Holding Company and the Insurance Company will have the same registered share capital as Bupa Arabia, amounting to SAR 1,500 million. The Insurance Company will retain the statutory reserve of SAR 1,500 million in accordance with insurance regulations, while this reserve will be presented under "Other Reserves" in the consolidated financial statements of the Holding Company for presentation purposes only.

This transaction does not result in any change to the ultimate ownership or effective control of the transferred business, nor does it involve any dilution or reduction in the ownership of existing shareholders.

5.2.2 Detailed Allocation Upon Execution and External Auditor Review

A further detailed review will be conducted to confirm the precise allocation of assets and liabilities between the Holding Company and the Insurance Company on the actual execution date of the Demerger, following receipt of the necessary approvals. This allocation will be based on the same methodology and valuation applied to the figures as of 31 December 2024G. The management has also appointed KPMG Professional Services to issue a Limited Assurance Report on the pro forma financial statements, which present the financial position and statement of equity on a hypothetical basis assuming the transaction had occurred on 31 December 2024, highlighting the differences compared to the audited financial statements for the same period.

5.2.3 Regulatory and Financial Considerations for the Allocation of Assets and Liabilities

The Company's management has taken into account the impact of the restructuring on the creditors of the insurance activities, including policyholders. Following the Demerger, the consolidated financial statements of the Holding Company will remain largely aligned with those of Bupa Arabia prior to the transaction. However, as part of the new structure, the portion of net assets retained by the Holding Company, amounting to SAR 620 million, will be presented in the consolidated financial statements of the Holding Company, enabling it to pursue potential future investments in non-insurance sectors.

Given that part of the insurance capital may be used to support non-insurance activities. Nevertheless, the Insurance Company will remain fully subject to the supervision and oversight of the IA, which will continue to monitor compliance with solvency, capital adequacy, and statutory reserve requirements under applicable regulations. Accordingly, there will be no change in the level of protection or risk profile for policyholders.

Moreover, given Bupa Arabia's strong solvency position, the Insurance Company is expected to maintain a high and comfortable solvency margin following the Effectiveness of the Demerger Resolution, in line with prevailing regulatory standards governing solvency. The Insurance Company will also retain sufficient capital and reserves to continue pursuing investments that support long-term strategic growth.

From this perspective, future investments by the Holding Company in non-insurance sectors, if prudently managed and focused on low-risk industries, may contribute to strengthening the group's resilience and diversifying its business model, ultimately benefiting both investors and policyholders. Additionally, all future dividend distributions from the Insurance Company will remain subject to the supervision and guidance of the IA. By separating the insurance activities into an independent company, the Holding Company will no longer be subject to the prudential and regulatory restrictions applicable to insurance companies, thereby enhancing its strategic flexibility and enabling it to expand its investments in the integrated healthcare sector more broadly in line with its long-term vision. In general, this change is expected to contribute to the creation of a more efficient institutional structure that supports sustainable growth and enables the Group to seize growing opportunities within the integrated healthcare ecosystem.

LEGAL INFORMATION



6. LEGAL INFORMATION

6.1 Key Legal Information About the Company and the Group

Bupa Arabia for Cooperative Insurance Company is a Saudi joint stock company listed registered in the commercial registration under unified no. 7001571327 dated 05/05/1429H (corresponding to 10/05/2008G) in the city of Jeddah, Kingdom of Saudi Arabia.

The Company was listed on the Saudi Stock Exchange on 12/05/1429H (corresponding to 17/05/2008G). Its current issued share capital is one billion five hundred million (1,500,000,000) Saudi Riyals, divided into one hundred fifty million (150,000,000) fully paid ordinary shares with a nominal value of ten (10) Saudi Riyals per share.

According to its Commercial Registration, the Company's primary business activities are: (1) General Insurance; and (2) Health Insurance.

6.1.1 The Company's Group Structure

The Company currently has two wholly owned direct subsidiaries:

- 1- **Bupa Arabia for Third Party Administration**, a limited liability company registered in the commercial registration under unified no. 7001571327 dated 03/06/1439H (corresponding to 18/02/2018G), with a share capital of SAR 5,000,000. Its business activity focuses on providing administrative services to third parties.
- 2- **Health Horizon Medical Company**, a simplified joint stock company registered in the commercial registration under unified no. 7010455637 dated 08/11/1444H (corresponding to 28/05/2023G), with a share capital of SAR 10,000,000. Its business activity focuses on investing in the provision of primary and specialized healthcare services, whether through digital "telemedicine" platforms, traditional clinics, or a combination of both.

6.1.2 Board of Directors and Their Ownership

The Board of Directors of Bupa Arabia currently consists of nine (9) members who were appointed for a four-year term commencing on 06/01/1447H (corresponding to 01/07/2025G) and ending on 18/02/1451H (corresponding to 30/06/2029G). The following table sets out the members of the Board of Directors and their respective shareholdings in the Company, based on the shareholders' register as of 21/08/1447H (corresponding to 09/02/2026G):

Table (6.1): Members of the Board of Directors and Their Ownership in the Company based on the shareholders' register as of 21/08/1447H (corresponding to 09/02/2026G)

#	Name	Position	Capacity	Number of Shares Owned Directly	(%) Of Direct Ownership
1.	Eng. Loay Hisham Nazer	Non-executive	Chairman	N/A	N/A-
2.	Mr. David Martim Fletcher	Non-executive	Vice Chairman	N/A	N/A
3.	Mr. Martin Houston Member	Non-executive	Member	N/A	N/A
4.	Mr. Tal Hisham Muhyiddin Nazer	Executive	Member	66,999	0.0447%
5.	Mr. Ossama Ahmad Sulaiman Banaja	Independent	Member	300	0.0002%
6.	Ms. Huda Bin Ghoson	Independent	Member	N/A	N/A
7.	Mr. Osamah Mohammed Shaker	Independent	Member	N/A	N/A
8.	Mr. Nigel Sullivan*	Non-executive	Member	N/A	N/A
9.	Mr. George Nazi	Independent	Member	N/A	N/A

Source: The Company

*Bupa Arabia announces the issuance of a resolution by the Board of Directors on today Tuesday 15/08/1447H (corresponding to 03/02/2026G), approving the resignation of the Board Member Mr. Nigel Sullivan (Non-Executive Board Member), effective from 12/10/1447 H corresponding to 31/03/2026G, due to personal reasons.

6.1.3 Senior Executives

The Company is managed by a highly experienced executive team possessing the qualifications and expertise necessary to oversee its operations. The following table presents the senior executives of the Company, their respective positions, dates of appointment to those positions, and their shareholdings in the Company as based on the shareholders' register as of 21/08/1447H (corresponding to 09/02/2026G)

Table (6.2): Senior Executives and Their Ownership in the Company based on the shareholders' register as of 21/08/1447H (corresponding to 09/02/2026G)

#	Name	Position	Number of Shares Owned Directly	(%) Of Direct Ownership
1.	Mr. Tal Nazer	CEO	66,999	0.0447%
2.	Mr. Hatim Jamal	CFO	3,072	0.002%
3.	Eng. Ryyan Tarabzoni	COO	N/A	N/A
4.	Mr. Ahmed Bajunaid	CIO	6,970	0.004%
5.	Eng. Ali Sheneamer	CBDO	23,675	0.01%
6.	Ms. Ameera Youssef	CDTO	N/A	N/A
7.	Mr. Amro Shawli	CGRCO	N/A	N/A
8.	Mr. Tariq Alamoudi	CHRO	6,889	0.004%
9.	Mr. Atef Mufti	CGO	4,945	0.003%

Source: The Company

6.1.4 Substantial Shareholders

The Company has two major shareholders (a major shareholder is defined as any shareholder owning 5% or more of the Company's share capital). The following table sets out the ownership of these major shareholders in the Company before and after the Demerger, based on the shareholders' register as of 21/08/1447H (corresponding to 09/02/2026G).

Table (6.3): Substantial Shareholders, Their Ownership, and Ownership Percentages

Shareholder	Number of Shares	(%) Of Ownership
Bupa Investments Overseas Limited	64,875,000	43.25%
Nazer Group Limited Company	7,508,190	5.005%
Remaining Shareholders	77,616,810	51.745%
Total	150,000,000	100%

Source: The Company.

6.1.5 Material Disputes

There are currently no outstanding legal claims or disputes that may have a material impact on the business, or financial position of the Company or its subsidiaries. The Company is involved in legal proceedings and claims arising in the ordinary course of business.

6.2 Legal Information Related to the Demerger

6.2.1 Governance in the Company and the Company resulting from the Demerger

Bupa Arabia is currently subject to the requirements of the CMA CGRs, as well as the requirements of the IA CGRs. In the event the Demerger Resolution is issued and becomes effective, and upon the establishment of the Company resulting from the Demerger, Bupa Insurance, as a non-listed entity, the Company resulting from the Demerger will not be subject to the CMA CGRs, as these regulations apply mandatorily only to listed companies. Conversely, upon the separation of the insurance activities and its transfer to the Company resulting from the Demerger, the Company subject of the Demerger, Bupa Arabia, will no longer be subject to the IA CGRs, as it will no longer be an insurance company. Although the CMA CGRs and the IA CGRs are similar in many respects, there are certain areas where one regulation may be more stringent or more flexible than the other.

6.2.1.1 Board of Directors of the Company Following the Demerger

In the event the Demerger Resolution is issued and becomes effective, accordingly, the composition of the Board of Directors of Bupa Arabia will not change and will continue to comprise the same members as those set out in Section 6.1.2.

6.2.1.2 Board of Directors of the Company resulting from the Demerger

In the event the Demerger Resolution is issued and becomes effective, the Board of Directors of the Company resulting from the Demerger, Bupa Insurance, will consist of nine (9) members, including at least three (3) independent members in accordance with the provisions of the IA CGRs. It is intended that five (5) members will serve jointly on the boards of both Bupa Arabia and the Company resulting from the Demerger. In its capacity as the capital owner of the Company resulting from the Demerger, Bupa Arabia will nominate and elect the members of the Board of Directors of the insurance company, subject to obtaining a written no-objection from the IA. The current nominees for the Board of Directors of the Company resulting from the Demerger are the members whose their names are set out in the following table:

Table (6.4): Names of the Individuals Currently Nominated by Bupa Arabia for the Board of Directors of the Company resulting from the Demerger

#	Name	Current Position in Bupa Arabia	Proposed Position in Bupa Arabia	Proposed Capacity in Bupa Arabia
1.	Eng. Loay Hisham Nazer	Chairman	Chairman	Non-executive
2.	Mr. David Martin Fletcher	Vice Chairman	Vice Chairman	Non-executive
3.	Mr. Tal Hisham Nazer	Member	Member	Executive
4.	Mr. Nigel Sullivan	Member	Member	Non-executive
5.	Mr. Martin Houston	Member	Member	Non-executive
6.	Mr. Majed Mufti	Member	Member	Independent
7.	Mr. Babar Shaikh	Member	Member	Independent
8.	Ms. Yara Anabtawi	Member	Member	Independent

Source: The Company

6.2.1.3 Committees and Policies in the Company Following the Demerger

In the event the Demerger Resolution is issued and becomes effective, Bupa Arabia will no longer be subject to the provisions of the IA CGRs. Accordingly, the Company will not be required to establish an Executive Committee, a Risk Management Committee, or an Investment Committee. Consequently, these three committees and their respective policies will be cancelled following the effectiveness of the Demerger and the issuance of the commercial registration of the Company resulting from the Demerger.

6.2.1.4 Committees and Policies in the Company resulting from the Demerger

In the event the Demerger Resolution is issued and becomes effective, the Board of Directors of the Company resulting from the Demerger shall establish the committees required under the IA CGRs and approve the charter of each such committee. In forming these committees, the Board shall observe the specific requirements and conditions applicable to each committee in accordance with the IA CGRs. The names of the nominees for committee membership shall be submitted to the IA to obtain prior written non-objection.

The committees that must be established in the Company resulting from the Demerger are: (1) Audit Committee (2) Remuneration and Nomination Committee (3) Executive Committee (4) Risk Management Committee (5) Investment Committee

In addition, the Company resulting from the Demerger shall adopt the following charters and policies, which shall be issued either by its Board of Directors or by its shareholder, as applicable: (1) Governance Charter (2) Remuneration and Compensation Policy (3) Disclosure Policy (4) Anti-Financial Crime Policy and Procedures, including Anti-Money Laundering (5) Code of Professional Conduct (6) Investment Policy.

6.2.1.5 Draft Bylaws Summary of the Company resulting from the Demerger¹

The draft set out below reflects the intended substance thereof; however, the issuance of the bylaws must be completed through the Saudi Business Center portal (“SBC”), which may from time to time require selection in a prescribed format. Accordingly, the wording may be amended to align with the format and template of the Center without affecting its substance. It should also be noted that the overall structure and formatting of the bylaws (including, without limitation, the numbering and headings of the articles) may differ, as the bylaws must be amended through the Center.

It should be further noted that the Company intends to transfer the trade name “**Bupa Arabia for Cooperative Insurance Company**” to the Company resulting from the Demerger. In the event that the Company encounters any procedural difficulties relating to the trade name, an alternative similar name approved by the MOC will be selected.

Bylaws of [Bupa Arabia for Cooperative Insurance] Company

(Joint stock Company)

CHAPTER (1): ESTABLISHMENT OF THE COMPANY

ARTICLE 1: ESTABLISHMENT

This Saudi Joint stock Company shall be established in accordance with the provisions of the Companies Law issued by Royal Decree No. (M/132) dated 1/12/1443H and its implementing regulations and these bylaws under the provisions stipulated down below:

ARTICLE 2: NAME OF THE COMPANY

Bupa Insurance Company (Saudi Joint stock Company).

ARTICLE 3: HEADQUARTER

The head office of the company is located in the city of Jeddah.

ARTICLE 4: OBJECTS OF THE COMPANY

Chapter	Class	Activity Code
K- Financial and Insurance Activities	(6512) Non-life Insurance	(651201) Health Insurance
K- Financial and Insurance Activities	(6512) Non-life Insurance	(651202) General Insurance

¹ **Note:** The amended Bylaws of Bupa Arabia were recently issued on 2 November 2025 following alignment through the Saudi Business Center. This section of the Circular will be updated to reflect the revisions introduced in the amended Bylaws and to identify the specific amendments required following the completion of the Demerger.

The company shall conduct its activities in compliance with the applicable laws and after obtaining the necessary licenses from the relevant authorities, if required.

ARTICLE 5: DURATION OF THE COMPANY

The duration of the company shall be indefinite.

CHAPTER (2): CAPITAL AND SHARES

The company's issued share capital is set at one billion five hundred million (SAR 1,500,000,000.0) Saudi Riyals, divided into one hundred and fifty million (150,000,000) nominal shares of equal value, with each share valued at ten (SAR 10.0) Saudi Riyals. All shares are ordinary shares issued against cash contributions.

ARTICLE 6: THE COMPANY CAPITAL

The company's issued share capital is set at one billion five hundred million (SAR 1,500,000,000.0) Saudi Riyals, divided into one hundred and fifty million (150,000,000) nominal shares of equal value, with each share valued at ten (SAR 10.0) Saudi Riyals. All shares are ordinary shares issued against cash contributions.

ARTICLE 7: CAPITAL INCREASE

The capital owner may resolve to increase the issued share capital of the Company, provided that the issued capital has been fully paid. Full payment of the capital shall not be required where the unpaid portion relates to shares issued in consideration for the conversion of debt instruments or financing sukuk into shares, and the prescribed conversion period has not yet expired.

ARTICLE 8: CAPITAL REDUCTION

- 1- The capital owner may resolve to reduce the share capital if it exceeds the Company's needs or if the Company has incurred losses, provided that the approval of the Insurance Authority is obtained, and that the paid-up capital of the insurance company, after the reduction, shall not be less than three hundred million (SAR 300,000,000) Saudi Riyals. No resolution for capital reduction may be issued unless a statement is presented to the capital owner, prepared by the Board of Directors, setting out the reasons necessitating the reduction, the Company's liabilities, and the impact of the reduction on the Company's ability to satisfy such liabilities. This statement shall be accompanied by a report from the Company's external auditor.
- 2- If the capital reduction is due to the capital exceeding the Company's needs, the creditors must be invited to submit any objections they may have to the reduction at least forty-five (45) days prior to the date set for the capital owner's resolution on the reduction. If any creditor objects to the reduction and submits supporting documents to the Company within the prescribed period, the Company must settle the creditor's debt if it is due, or provide adequate security for its settlement if it is not yet due.

CHAPTER (3): BOARD OF DIRECTORS

ARTICLE 9: MANAGEMENT OF THE COMPANY

- 1- The Company shall be managed by a Board of Directors composed of nine (9) members, all of whom must be natural persons appointed by the capital owner, subject to obtaining a non-objection from the Insurance Authority, for a term not exceeding four (4) years.
- 2- The composition of the Board of Directors shall reflect an appropriate representation of independent members in accordance with the requirements of the regulations and rules issued by the Insurance Authority.
- 3- Members of the Board of Directors must meet the fitness and propriety standards, as well as the requirements for appointments to leadership positions, as issued by the Insurance Authority or other competent authorities.

ARTICLE 10: EXPIRY OR TERMINATION OF BOARD MEMBERSHIP

- 1- Board membership shall terminate at the end of the member's term or upon the expiration of their eligibility in accordance with any applicable laws or regulations in the Kingdom. The general assembly (based on a recommendation from the board of directors) may terminate the membership of any member who is absent from three (3) consecutive meetings or five (5) separate meetings during their term without a legitimate excuse accepted by the board of directors.
- 2- Notwithstanding the foregoing, the capital owner may remove all or any of the members of the Board of Directors. In such case, the capital owner shall appoint a new Board of Directors, or a replacement for the removed member, as applicable, in accordance with the provisions of the Companies Law, subject to obtaining a non-objection from the Insurance Authority and complying with the relevant fitness and propriety standards and appointment requirements.

ARTICLE 11: POWER OF THE BOARD

Subject to the powers reserved for the Capital Owner, the board of directors shall have the broadest powers to manage the company in order to achieve its objectives, including, without limitation, the following:

Commercial Registrations	Main	Annual Confirmation	Quorum for decision making	Right to authorize
		Writing -off/Cancelling	Quorum for decision making	Right to authorize
	Branch	Issuance	Quorum for decision making	Right to authorize
		Annual Confirmation	Quorum for decision making	Right to authorize
		Writing -off/Cancelling	Quorum for decision making	Right to authorize
Companies in which the Company is a partner	Signing company contracts		Quorum for decision making	Right to authorize
	Purchase of shares		Quorum for decision making	Right to authorize
	Company liquidation		Quorum for decision making	Right to authorize
	Sale of shares		Quorum for decision making	Right to authorize
	Representing the Company in companies where it is a partner		Quorum for decision making	Right to authorize
Establishing companies in the Company's name	Commercial Registrations	Issuance	Quorum for decision making	Right to authorize
		Renewal	Quorum for decision making	Right to authorize
		Cancellation	Quorum for decision making	Right to authorize
	Registering companies with the Ministry		Quorum for decision making	Right to authorize
	Representation before the Notary Public		Quorum for decision making	Right to authorize
	Signing the Company Contract		Quorum for decision making	Right to authorize
	Signing partners' resolutions		Quorum for decision making	Right to authorize

Banking	Opening accounts		Quorum for decision making	Right to authorize	
	Opening credits		Quorum for decision making	Right to authorize	
	Deposits		Quorum for decision making	Right to authorize	
	Withdrawals		Quorum for decision making	Right to authorize	
	Issuing checks		Quorum for decision making	Right to authorize	
	Updating accounts		Quorum for decision making	Right to authorize	
	Obtaining extracts of account statements		Quorum for decision making	Right to authorize	
	Requesting facilities		Quorum for decision making	Right to authorize	
	Requesting guarantees		Quorum for decision making	Right to authorize	
	Signing loan contracts		Quorum for decision making	Right to authorize	
	Signing commercial papers		Quorum for decision making	Right to authorize	
	Signing promissory notes		Quorum for decision making	Right to authorize	
	Submitting any request or applying for any service falling under the competence of the Communications and Information Technology Commission.		Quorum for decision making	Right to authorize	
	Authority to delegate any person - in accordance with relevant laws - to submit any requests or apply for any services falling under the competence of the Communications and Information Technology Commission.		Quorum for decision making	Right to authorize	
	Issuance of commercial papers (electronically)		Quorum for decision making	Right to authorize	
	Signing of commercial papers (electronically)		Quorum for decision making	Right to authorize	
	Drafting of executive contracts (electronically)		Quorum for decision making	Right to authorize	
	Signing of executive contracts (electronically)		Quorum for decision making	Right to authorize	
Electronic Guarantees and Credit Signing		Quorum for decision making	Right to authorize		
Property Management	Real estate	Purchase	Quorum for decision making	Right to authorize	
		Sale	Quorum for decision making	Right to authorize	
		Conveyance	Quorum for decision making	Right to authorize	
	Purchase, sale and conveyance of properties	Land	Purchase	Quorum for decision making	Right to authorize
			Sale	Quorum for decision making	Right to authorize
			Conveyance	Quorum for decision making	Right to authorize
	Shares	Purchase	Quorum for decision making	Right to authorize	
		Sale			
	Mortgage of property	Right to mortgage	Quorum for decision making	Right to authorize	
		Release of mortgage	Quorum for decision making	Right to authorize	
Receipt		Quorum for decision making	Right to authorize		
Issuance of Commercial Papers	Approval and Signing of Commercial Papers		Quorum for decision making	Right to authorize	
	Creation of Commercial Papers		Quorum for decision making	Right to authorize	
	Cancellation of Commercial Papers		Quorum for decision making	Right to authorize	
	Closure of Commercial Papers		Quorum for decision making	Right to authorize	

Amending contracts of companies in which the Company is a partner	Approving partners' resolutions	Changing of legal entity form	Quorum for decision making	Right to authorize
		Increasing or decreasing capital	Quorum for decision making	Right to authorize
		Accepting assignment of shares and purchasing shares	Quorum for decision making	Right to authorize
		Entry and exit of partners	Quorum for decision making	Right to authorize
		Signing partners' resolution for merger	Quorum for decision making	Right to authorize
		Amending other articles of the Memorandum of Association	Quorum for decision making	Right to authorize
	Company liquidation	Quorum for decision making	Right to authorize	
Converting the company to an establishment	Quorum for decision making	Right to authorize		
Judiciary	Representation before Sharia Courts	Hearing and responding to claims	Quorum for decision making	Right to authorize
		Reconciliation	Quorum for decision making	Right to authorize
		Rejecting and accepting arbitration	Quorum for decision making	Right to authorize
		Rejecting and accepting conciliation	Quorum for decision making	Right to authorize
		Acknowledgment and denial	Quorum for decision making	Right to authorize
		Waiver	Quorum for decision making	Right to authorize
		Pleading	Quorum for decision making	Right to authorize
		Defense	Quorum for decision making	Right to authorize
		Claiming	Quorum for decision making	Right to authorize
		Litigation	Quorum for decision making	Right to authorize
	Appointing arbitrators	Quorum for decision making	Right to authorize	
	Appointing lawyers	Quorum for decision making	Right to authorize	
	Representation before notaries public	Quorum for decision making	Right to authorize	
	Using and implementing all electronic services of the Ministry of Justice	Quorum for decision making	Right to authorize	
	Delegating/Authorising others to implement electronic services of the Ministry of Justice	Quorum for decision making	Right to authorize	
	(Signing loan agreement and its amendments, annexes, and all related documents - Signing follow-up agreement - Signing advisory agreement - Signing before notary public regarding industrial mortgage of all Company properties - Receiving the loan - Waiving the loan - Requesting loan exemption - Repaying the loan - Signing letter of credit agreement)	Quorum for decision making	Right to authorize	
	Signing corporate guarantee	Quorum for decision making	Right to authorize	
	(Signing agreement for transfer of obligations and amendment of loan agreement)	Quorum for decision making	Right to authorize	
	(Signing debt arrangement agreement on behalf of the company and the shareholders)	Quorum for decision making	Right to authorize	
	(Issuing, amending, and cancelling waiver declaration)	Quorum for decision making	Right to authorize	

Services of the National Center for the Development of the Non-Profit Sector	Quorum for decision making	Right to authorize
Utilization and execution of all services on the Etimad platform.	Quorum for decision making	Right to authorize
Utilization and execution of all electronic services of the Ministry of Human Resources and Social Development.	Quorum for decision making	Right to authorize
Purchasing establishment	Quorum for decision making	Right to authorize
Signing all documents with Chamber of Commerce	Quorum for decision making	Right to authorize
Selling establishment	Quorum for decision making	Right to authorize
Contacting Records Department	Quorum for decision making	Right to authorize
Obtaining extracts of records	Quorum for decision making	Right to authorize
Transferring the commercial registration	Quorum for decision making	Right to authorize
Managing records	Quorum for decision making	Right to authorize
Cancelling commercial registers	Quorum for decision making	Right to authorize
Supervising records	Quorum for decision making	Right to authorize
Opening subscription with Chamber of Commerce	Quorum for decision making	Right to authorize
Approving signature before Chamber of Commerce	Quorum for decision making	Right to authorize
Cancelling signature before Chamber of Commerce	Quorum for decision making	Right to authorize
Entering tenders and receiving forms	Quorum for decision making	Right to authorize
Contacting Social Insurance	Quorum for decision making	Right to authorize
Contacting Zakat and Income Authority	Quorum for decision making	Right to authorize
Managing commercial registration	Quorum for decision making	Right to authorize
Cancelling commercial registration	Quorum for decision making	Right to authorize
Contacting Civil Defense	Quorum for decision making	Right to authorize
Amending records	Quorum for decision making	Right to authorize
Adding activity	Quorum for decision making	Right to authorize
Reserving trade name	Quorum for decision making	Right to authorize
Renewing subscription with Chamber of Commerce	Quorum for decision making	Right to authorize
Amending commercial registration	Quorum for decision making	Right to authorize
Transferring the commercial registration	Quorum for decision making	Right to authorize
Registering trademark	Quorum for decision making	Right to authorize
Obtaining replacement for damaged or lost registration	Quorum for decision making	Right to authorize
Assigning trademark	Quorum for decision making	Right to authorize
Assigning trade name	Quorum for decision making	Right to authorize
Obtaining licenses	Quorum for decision making	Right to authorize
Renewing licenses	Quorum for decision making	Right to authorize
Adding activity	Quorum for decision making	Right to authorize
Amending licenses	Quorum for decision making	Right to authorize
Reserving names	Quorum for decision making	Right to authorize
Cancelling licenses	Quorum for decision making	Right to authorize
Renewing subscription with Chamber of Commerce	Quorum for decision making	Right to authorize
Opening branches	Quorum for decision making	Right to authorize
Contacting Social Insurance	Quorum for decision making	Right to authorize

Contacting Civil Defense	Quorum for decision making	Right to authorize
Contacting Zakat and Income Authority	Quorum for decision making	Right to authorize
Opening branch pertaining to the license	Quorum for decision making	Right to authorize
Transferring license	Quorum for decision making	Right to authorize
Establishing company	Quorum for decision making	Right to authorize
Signing Memoranda of Association and Amendment Annexes	Quorum for decision making	Right to authorize
Cancelling Memoranda of Association and Amendment Annexes	Quorum for decision making	Right to authorize
Signing partners' resolutions	Quorum for decision making	Right to authorize
Appointing and dismissing managers	Quorum for decision making	Right to authorize
Amending company objects	Quorum for decision making	Right to authorize
Company liquidation	Quorum for decision making	Right to authorize
Converting the Company from joint stock to limited liability	Quorum for decision making	Right to authorize
Converting the Company from limited liability to joint stock	Quorum for decision making	Right to authorize
Converting the company from partnership to limited liability	Quorum for decision making	Right to authorize
Increasing capital	Quorum for decision making	Right to authorize
Decreasing capital	Quorum for decision making	Right to authorize
Entry and exit of partners	Quorum for decision making	Right to authorize
Entering into existing companies	Quorum for decision making	Right to authorize
Transferring stocks, shares, and bonds	Quorum for decision making	Right to authorize
Setting capital	Quorum for decision making	Right to authorize
Receiving allocation surplus	Quorum for decision making	Right to authorize
Selling stocks, shares and receiving value	Quorum for decision making	Right to authorize
Assigning stocks and shares from the capital	Quorum for decision making	Right to authorize
Selling company branch	Quorum for decision making	Right to authorize
Amending nationality of a partner in the contract	Quorum for decision making	Right to authorize
Accepting assignment of stocks, shares and capital	Quorum for decision making	Right to authorize
Purchasing stocks and shares and paying price	Quorum for decision making	Right to authorize
Closing accounts at banks in company name	Quorum for decision making	Right to authorize
Opening accounts at banks in company name	Quorum for decision making	Right to authorize
Signing agreements	Quorum for decision making	Right to authorize
Registering company	Quorum for decision making	Right to authorize
Registering agencies and trademarks	Quorum for decision making	Right to authorize
Attending general assemblies	Quorum for decision making	Right to authorize
Opening company branches	Quorum for decision making	Right to authorize
Opening files for the company	Quorum for decision making	Right to authorize
Signing the Bylaws and the amendments thereof before the notary public	Quorum for decision making	Right to authorize
Obtaining and renewing commercial registrations for the company	Quorum for decision making	Right to authorize
Subscribing and renewing subscription with Chamber of Commerce	Quorum for decision making	Right to authorize
Contacting the General Investment Authority and signing documents before it	Quorum for decision making	Right to authorize
Contacting Quality and Standards Department, and Standards, Metrology and Quality Organization	Quorum for decision making	Right to authorize
Contacting the Capital Market Authority	Quorum for decision making	Right to authorize
Obtaining and renewing licenses for the company	Quorum for decision making	Right to authorize
Converting establishment into company	Quorum for decision making	Right to authorize
Converting company branch into establishment	Quorum for decision making	Right to authorize
Converting company branch into company	Quorum for decision making	Right to authorize
Publishing Memorandum of Association, Amendment Annexes, summaries, and bylaws in the official gazette	Quorum for decision making	Right to authorize

Contacting telecommunications companies and applying for landlines or mobile lines in company name	Quorum for decision making	Right to authorize
Entering tenders and receiving forms	Quorum for decision making	Right to authorize
Signing company contracts with other parties	Quorum for decision making	Right to authorize
Assigning or cancelling trademarks	Quorum for decision making	Right to authorize
Amending company name	Quorum for decision making	Right to authorize
Obtaining visas	Quorum for decision making	Right to authorize
Converting company into establishment	Quorum for decision making	Right to authorize
Receiving visa compensations	Quorum for decision making	Right to authorize
Updating workers' data	Quorum for decision making	Right to authorize
Opening, renewing, and cancelling main and branch files	Quorum for decision making	Right to authorize
Laying off labor and cancelling layoff	Quorum for decision making	Right to authorize
Reporting workers' runaways	Quorum for decision making	Right to authorize
Cancelling workers' runaway reports	Quorum for decision making	Right to authorize
Transferring sponsorships	Quorum for decision making	Right to authorize
Amending occupations	Quorum for decision making	Right to authorize
Transferring ownership of establishments, liquidating, and cancelling the same	Quorum for decision making	Right to authorize
Contacting Private Recruitment Offices Department	Quorum for decision making	Right to authorize
Obtaining and renewing work permits	Quorum for decision making	Right to authorize
Receiving Saudization certificates	Quorum for decision making	Right to authorize
Obtaining data report (print)	Quorum for decision making	Right to authorize
Adding and removing Saudi employees	Quorum for decision making	Right to authorize
Activating Saudi portal	Quorum for decision making	Right to authorize
Recruiting labor from abroad	Quorum for decision making	Right to authorize
Finalizing labor procedures with Social Insurance	Quorum for decision making	Right to authorize
Cancelling visas	Quorum for decision making	Right to authorize
Recovering visa amounts	Quorum for decision making	Right to authorize
Amending labor nationalities	Quorum for decision making	Right to authorize
Obtaining visas for family visits	Quorum for decision making	Right to authorize
Obtaining family visas	Quorum for decision making	Right to authorize
Contacting the Embassy	Quorum for decision making	Right to authorize
Extending exit and re-entry visas	Quorum for decision making	Right to authorize
Extending visit visas	Quorum for decision making	Right to authorize
Obtaining data report (print)	Quorum for decision making	Right to authorize
Cancelling visas	Quorum for decision making	Right to authorize
Recovering visa amount	Quorum for decision making	Right to authorize
Amending arrival destination	Quorum for decision making	Right to authorize
Obtaining residencies [Iqama]	Quorum for decision making	Right to authorize
Renewing residencies	Quorum for decision making	Right to authorize
Processing exit and re-entry visas	Quorum for decision making	Right to authorize
Processing final exit visa	Quorum for decision making	Right to authorize
Transferring sponsorships	Quorum for decision making	Right to authorize
Obtaining replacement for lost or damaged residencies	Quorum for decision making	Right to authorize
Finalizing procedures for deceased workers	Quorum for decision making	Right to authorize
Reporting runaways	Quorum for decision making	Right to authorize
Cancelling runaway reports	Quorum for decision making	Right to authorize
Transferring information and updating data	Quorum for decision making	Right to authorize
Settlement and assignment of workers	Quorum for decision making	Right to authorize

Contacting Deportation and Expatriates Department	Quorum for decision making	Right to authorize
Obtaining worker data report (print)	Quorum for decision making	Right to authorize
Dropping workers	Quorum for decision making	Right to authorize
Managing my business	Quorum for decision making	Right to authorize
Transferring sponsorship to worker's name	Quorum for decision making	Right to authorize
Finalizing procedures for deceased workers	Quorum for decision making	Right to authorize
Cancelling exit and re-entry visas	Quorum for decision making	Right to authorize
Cancelling final exit visas	Quorum for decision making	Right to authorize
Obtaining replacement for damaged or lost travel visas	Quorum for decision making	Right to authorize
Obtaining extensions for visit visas	Quorum for decision making	Right to authorize
Amending occupations	Quorum for decision making	Right to authorize
Contacting Housemaids Affairs Department	Quorum for decision making	Right to authorize
Registering for electronic services	Quorum for decision making	Right to authorize
Opening accounts subject to Sharia controls	Quorum for decision making	Right to authorize
Closing and settling accounts	Quorum for decision making	Right to authorize
Withdrawing from accounts	Quorum for decision making	Right to authorize
Obtaining ATM cards	Quorum for decision making	Right to authorize
Obtaining credit cards that comply with Sharia provisions	Quorum for decision making	Right to authorize
Receiving and disbursing transfers	Quorum for decision making	Right to authorize
Cashing checks	Quorum for decision making	Right to authorize
Issuing certified checks	Quorum for decision making	Right to authorize
Issuing check books	Quorum for decision making	Right to authorize
Obtaining account statement	Quorum for decision making	Right to authorize
Executing transfers from accounts	Quorum for decision making	Right to authorize
Requesting bank loans subject to Sharia provisions and controls	Quorum for decision making	Right to authorize
Opening account subject to Sharia controls	Quorum for decision making	Right to authorize
Executing deposits to accounts	Quorum for decision making	Right to authorize
Renewing subscription to safe deposit boxes	Quorum for decision making	Right to authorize
Opening safety safe deposit boxes	Quorum for decision making	Right to authorize
Subscribing to safe deposit boxes	Quorum for decision making	Right to authorize
Requesting loan waiver	Quorum for decision making	Right to authorize
Objecting to checks	Quorum for decision making	Right to authorize
Updating data	Quorum for decision making	Right to authorize
Activating accounts	Quorum for decision making	Right to authorize
Receiving checks	Quorum for decision making	Right to authorize
Redeeming safe deposit box units	Quorum for decision making	Right to authorize
Requesting points of sale	Quorum for decision making	Right to authorize
Requesting bank credit	Quorum for decision making	Right to authorize
Requesting bank guarantee	Quorum for decision making	Right to authorize
Subscribing to joint stock companies	Quorum for decision making	Right to authorize
Receiving contribution certificates	Quorum for decision making	Right to authorize
Purchasing Sharia-compliant shares	Quorum for decision making	Right to authorize
Selling Sharia-compliant shares	Quorum for decision making	Right to authorize
Receiving share value	Quorum for decision making	Right to authorize
Receiving profits	Quorum for decision making	Right to authorize
Receiving surplus	Quorum for decision making	Right to authorize
Opening investment portfolios subject to Sharia controls and executing, amending, and cancelling orders	Quorum for decision making	Right to authorize
Selling shares	Quorum for decision making	Right to authorize

Redeeming investment fund units	Quorum for decision making	Right to authorize
Obtaining licenses	Quorum for decision making	Right to authorize
Renewing licenses	Quorum for decision making	Right to authorize
Cancelling licenses	Quorum for decision making	Right to authorize
Transferring licenses	Quorum for decision making	Right to authorize
Signing lease contract	Quorum for decision making	Right to authorize
Assigning contract	Quorum for decision making	Right to authorize
Making plan for owned land	Quorum for decision making	Right to authorize
Contacting Municipality	Quorum for decision making	Right to authorize
Selling and conveyancing to buyers	Quorum for decision making	Right to authorize
Purchasing and accepting conveyance and paying price	Quorum for decision making	Right to authorize
Receiving deeds	Quorum for decision making	Right to authorize
Leasing	Quorum for decision making	Right to authorize
Receiving rent	Quorum for decision making	Right to authorize
Signing lease contracts	Quorum for decision making	Right to authorize
Renewing lease contracts	Quorum for decision making	Right to authorize
Cancelling and terminating lease contracts	Quorum for decision making	Right to authorize
Mortgaging	Quorum for decision making	Right to authorize
Release of mortgage	Quorum for decision making	Right to authorize
Partitioning and subdivision	Quorum for decision making	Right to authorize
Sale	Quorum for decision making	Right to authorize
Accepting mortgage	Quorum for decision making	Right to authorize
Updating deeds and entering them into the comprehensive system	Quorum for decision making	Right to authorize
Waiving leased land	Quorum for decision making	Right to authorize
Updating deeds and entering them into the comprehensive system	Quorum for decision making	Right to authorize
Obtaining replacement of lost deed	Quorum for decision making	Right to authorize
Building land plots	Quorum for decision making	Right to authorize
Leasing land plots	Quorum for decision making	Right to authorize
Changing the legal entity of the company	Quorum for decision making	Right to authorize
Converting the company from a limited partnership to a limited liability company	Quorum for decision making	Right to authorize
Dividing the shares among the heirs and transfer them to their portfolios	Quorum for decision making	Right to authorize

ARTICLE 12: REMUNERATION OF THE BOARD MEMBERS

- 1- The board of directors' remuneration shall consist of a fixed amount, an attendance fee for meetings, in-kind benefits, or a percentage of the net profits, provided that the determination of the remuneration amount complies with the provisions of the Companies Law and its implementing regulations.
- 2- The annual report of the Board of Directors submitted to the capital owner shall include a comprehensive statement of all amounts received or entitled to be received by each member of the Board during the financial year, including remuneration, attendance fees, expense allowances, and any other benefits. The report shall also include a statement of any amounts received by Board members in their capacity as employees or executives, or as consideration for technical, administrative, or consultancy services. In addition, the report shall include a statement of the number of Board meetings held and the number of meetings attended by each member.

ARTICLE 13: POWERS OF THE CHAIRMAN, VICE CHAIRMAN, MANAGING DIRECTOR, AND SECRETARY

- 1- Subject to obtaining a no-objection from the Insurance Authority, the Board of Directors shall, at its first meeting, appoint from among its members a Chairman and a Vice-Chairman, provided that both the Chairman and the Vice-Chairman are selected from the non-executive members. The Board may also appoint a Managing Director from among its members. The positions of Chairman of the Board and any executive position within the Company may not be held by the same person.
- 2- The Board of Directors shall appoint a Chief Executive Officer from among its members or from outside the Board, and it may also appoint a Managing Director.
- 3- The Board of Directors shall appoint a Secretary, chosen from among its members or from outside the Board, for the same term as the Board. The Board shall determine the remuneration of the Secretary.
- 4- The Board of Directors may relieve the Chairman, the Vice-Chairman, the Managing Director, the Chief Executive Officer, the Secretary, or any of them, from their respective positions. Such removal shall not result in termination of their membership on the Board (where the Chief Executive Officer or the Secretary are members of the Board).

The powers of the Chairman of the Board

The Chairman shall have the following powers:

Commercial Registrations	Main	Annual Confirmation	To exercise it individually	Right to authorize
		Writing -off/Cancelling	To exercise it individually	Right to authorize
	Branch	Issuance	To exercise it individually	Right to authorize
		Annual Confirmation	To exercise it individually	Right to authorize
		Writing -off/Cancelling	To exercise it individually	Right to authorize
Companies in which the Company is a partner	Signing company contracts		To exercise it individually	Right to authorize
	Purchase of shares		To exercise it individually	Right to authorize
	Company liquidation		To exercise it individually	Right to authorize
	Sale of shares		To exercise it individually	Right to authorize
	Representing the Company in companies where it is a partner		To exercise it individually	Right to authorize
Establishing companies in the Company's name	C o m m e r c i a l Registrations	To exercise it individually	To exercise it individually	Right to authorize
		To exercise it individually	To exercise it individually	Right to authorize
		To exercise it individually	To exercise it individually	Right to authorize
	Registering companies with the Ministry		To exercise it individually	Right to authorize
	Representation before the Notary Public		To exercise it individually	Right to authorize
	Signing the Company Contract		To exercise it individually	Right to authorize
	Signing partners' resolutions		To exercise it individually	Right to authorize

Banking	Opening accounts	To exercise it individually	Right to authorize		
	Opening credits	To exercise it individually	Right to authorize		
	Deposits	To exercise it individually	Right to authorize		
	Withdrawals	To exercise it individually	Right to authorize		
	Issuing checks	To exercise it individually	Right to authorize		
	Updating accounts	To exercise it individually	Right to authorize		
	Obtaining extracts of account statements	To exercise it individually	Right to authorize		
	Requesting facilities	To exercise it individually	Right to authorize		
	Requesting guarantees	To exercise it individually	Right to authorize		
	Signing loan contracts	To exercise it individually	Right to authorize		
	Signing commercial papers	To exercise it individually	Right to authorize		
	Signing promissory notes	To exercise it individually	Right to authorize		
	Submitting any request or applying for any service falling under the competence of the Communications and Information Technology Commission.	To exercise it individually	Right to authorize		
	Authority to delegate any person - in accordance with relevant laws - to submit any requests or apply for any services falling under the competence of the Communications and Information Technology Commission.	To exercise it individually	Right to authorize		
	Issuance of commercial papers (electronically)	To exercise it individually	Right to authorize		
	Signing of commercial papers (electronically)	To exercise it individually	Right to authorize		
	Drafting of executive contracts (electronically)	To exercise it individually	Right to authorize		
Signing of executive contracts (electronically)	To exercise it individually	Right to authorize			
Electronic Guarantees and Credit Signing	To exercise it individually	Right to authorize			
Property Management	Real estate	Purchase	To exercise it individually	Right to authorize	
		Sale	To exercise it individually	Right to authorize	
		Conveyance	To exercise it individually	Right to authorize	
	Purchase, sale and conveyance of properties	Land	Purchase	To exercise it individually	Right to authorize
			Sale	To exercise it individually	Right to authorize
			Conveyance	To exercise it individually	Right to authorize
	Shares	Purchase	To exercise it individually	Right to authorize	
		Sale	To exercise it individually	Right to authorize	
	Mortgage of property	Right to mortgage	To exercise it individually	Right to authorize	
		Release of mortgage	To exercise it individually	Right to authorize	
Receipt		To exercise it individually	Right to authorize		

Judiciary	Hearing and responding to claims	To exercise it individually	Right to authorize
	Reconciliation	To exercise it individually	Right to authorize
	Rejecting and accepting arbitration	To exercise it individually	Right to authorize
	Rejecting and accepting conciliation	To exercise it individually	Right to authorize
	Acknowledgment and denial	To exercise it individually	Right to authorize
	Waiver	To exercise it individually	Right to authorize
	Pleading	To exercise it individually	Right to authorize
	Defense	To exercise it individually	Right to authorize
	Claiming	To exercise it individually	Right to authorize
	Litigation	To exercise it individually	Right to authorize
	Representation before Sharia Courts		
	Appointing arbitrators	To exercise it individually	Right to authorize
	Appointing lawyers	To exercise it individually	Right to authorize
	Representation before notaries public	To exercise it individually	Right to authorize
	Using and implementing all electronic services of the Ministry of Justice	To exercise it individually	Right to authorize
	Delegating/Authorising others to implement electronic services of the Ministry of Justice	To exercise it individually	Right to authorize
	(Signing loan agreement and its amendments, annexes, and all related documents - Signing follow-up agreement - Signing advisory agreement - Signing before notary public regarding industrial mortgage of all Company properties - Receiving the loan - Waiving the loan - Requesting loan exemption - Repaying the loan - Signing letter of credit agreement)	To exercise it individually	Right to authorize
	Signing corporate guarantee	To exercise it individually	Right to authorize
	(Signing agreement for transfer of obligations and amendment of loan agreement)	To exercise it individually	Right to authorize
	(Signing debt arrangement agreement on behalf of the company and the shareholders)	To exercise it individually	Right to authorize
(Issuing, amending, and cancelling waiver declaration)	To exercise it individually	Right to authorize	

Supervising records	To exercise it individually	Right to authorize
Opening subscription with Chamber of Commerce	To exercise it individually	Right to authorize
Approving signature before Chamber of Commerce	To exercise it individually	Right to authorize
Cancelling signature before Chamber of Commerce	To exercise it individually	Right to authorize
Entering tenders and receiving forms	To exercise it individually	Right to authorize
Contacting Social Insurance	To exercise it individually	Right to authorize
Contacting Zakat and Income Authority	To exercise it individually	Right to authorize
Managing commercial registration	To exercise it individually	Right to authorize
Cancelling commercial registration	To exercise it individually	Right to authorize
Contacting Civil Defense	To exercise it individually	Right to authorize
Amending records	To exercise it individually	Right to authorize
Adding activity	To exercise it individually	Right to authorize
Reserving trade name	To exercise it individually	Right to authorize
Renewing subscription with Chamber of Commerce	To exercise it individually	Right to authorize
Amending commercial registration	To exercise it individually	Right to authorize
Transferring the commercial registration	To exercise it individually	Right to authorize
Obtaining replacement for damaged or lost registration	To exercise it individually	Right to authorize
Obtaining replacement for damaged or lost registration	To exercise it individually	Right to authorize
Registering trademark	To exercise it individually	Right to authorize
Assigning trademark	To exercise it individually	Right to authorize
Assigning trade name	To exercise it individually	Right to authorize
Obtaining licenses	To exercise it individually	Right to authorize
Renewing licenses	To exercise it individually	Right to authorize
Adding activity	To exercise it individually	Right to authorize
Amending licenses	To exercise it individually	Right to authorize
Reserving names	To exercise it individually	Right to authorize
Cancelling licenses	To exercise it individually	Right to authorize
Renewing subscription with Chamber of Commerce	To exercise it individually	Right to authorize
Opening branches	To exercise it individually	Right to authorize
Contacting Social Insurance	To exercise it individually	Right to authorize
Contacting Civil Defense	To exercise it individually	Right to authorize
Contacting Zakat and Income Authority	To exercise it individually	Right to authorize
Opening branch pertaining to the license	To exercise it individually	Right to authorize
Transferring license	To exercise it individually	Right to authorize
Establishing company	To exercise it individually	Right to authorize
Signing Memoranda of Association and Amendment Annexes	To exercise it individually	Right to authorize
Cancelling Memoranda of Association and Amendment Annexes	To exercise it individually	Right to authorize
Setting capital	To exercise it individually	Right to authorize
Receiving allocation surplus	To exercise it individually	Right to authorize
Selling stocks, shares and receiving value	To exercise it individually	Right to authorize
Assigning stocks and shares from the capital	To exercise it individually	Right to authorize
Selling company branch	To exercise it individually	Right to authorize
Amending nationality of a partner in the contract	To exercise it individually	Right to authorize
Accepting assignment of stocks, shares and capital	To exercise it individually	Right to authorize
Purchasing stocks and shares and paying price	To exercise it individually	Right to authorize
Closing accounts at banks in company name	To exercise it individually	Right to authorize
Opening accounts at banks in company name	To exercise it individually	Right to authorize
Signing agreements	To exercise it individually	Right to authorize
Registering company	To exercise it individually	Right to authorize

Registering agencies and trademarks	To exercise it individually	Right to authorize
Attending general assemblies	To exercise it individually	Right to authorize
Opening company branches	To exercise it individually	Right to authorize
Opening files for the company	To exercise it individually	Right to authorize
Signing the Bylaws and the amendments thereof before the notary public	To exercise it individually	Right to authorize
Obtaining and renewing commercial registrations for the company	To exercise it individually	Right to authorize
Subscribing and renewing subscription with Chamber of Commerce	To exercise it individually	Right to authorize
Contacting the General Investment Authority and signing documents before it	To exercise it individually	Right to authorize
Contacting Quality and Standards Department, and Standards, Metrology and Quality Organization	To exercise it individually	Right to authorize
Contacting the Capital Market Authority	To exercise it individually	Right to authorize
Obtaining and renewing licenses for the company	To exercise it individually	Right to authorize
Converting establishment into company	To exercise it individually	Right to authorize
Converting company branch into establishment	To exercise it individually	Right to authorize
Converting company branch into company	To exercise it individually	Right to authorize
Publishing Memorandum of Association, Amendment Annexes, summaries, and bylaws in the official gazette	To exercise it individually	Right to authorize
Contacting telecommunications companies and applying for landlines or mobile lines in company name	To exercise it individually	Right to authorize
Entering tenders and receiving forms	To exercise it individually	Right to authorize
Signing company contracts with other parties	To exercise it individually	Right to authorize
Assigning or cancelling trademarks	To exercise it individually	Right to authorize
Amending company name	Quorum for decision making	Right to authorize
Obtaining visas	To exercise it individually	Right to authorize
Cancelling visas	To exercise it individually	Right to authorize
Recovering visa amounts	To exercise it individually	Right to authorize
Amending labor nationalities	To exercise it individually	Right to authorize
Obtaining visas for family visits	To exercise it individually	Right to authorize
Obtaining family visas	To exercise it individually	Right to authorize
Contacting the Embassy	To exercise it individually	Right to authorize
Extending exit and re-entry visas	To exercise it individually	Right to authorize
Extending visit visas	To exercise it individually	Right to authorize
Obtaining data report (print)	To exercise it individually	Right to authorize
Cancelling visas	To exercise it individually	Right to authorize
Recovering visa amount	To exercise it individually	Right to authorize
Renewing residencies	To exercise it individually	Right to authorize
Processing exit and re-entry visas	To exercise it individually	Right to authorize
Processing final exit visa	To exercise it individually	Right to authorize
Transferring sponsorships	To exercise it individually	Right to authorize
Obtaining replacement for lost or damaged residencies	To exercise it individually	Right to authorize
Finalizing procedures for deceased workers	To exercise it individually	Right to authorize
Reporting runaways	To exercise it individually	Right to authorize
Cancelling runaway reports	To exercise it individually	Right to authorize
Transferring information and updating data	To exercise it individually	Right to authorize
Obtaining extensions for visit visas	To exercise it individually	Right to authorize
Amending occupations	To exercise it individually	Right to authorize
Transferring salaries	To exercise it individually	Right to authorize
Receiving bonus	To exercise it individually	Right to authorize

Obtaining salary certificates	To exercise it individually	Right to authorize
Receiving my dues	To exercise it individually	Right to authorize
Opening accounts subject to Sharia controls	To exercise it individually	Right to authorize
Closing and settling accounts	To exercise it individually	Right to authorize
Withdrawing from accounts	To exercise it individually	Right to authorize
Obtaining ATM cards	To exercise it individually	Right to authorize
Obtaining credit cards that comply with Sharia provisions	To exercise it individually	Right to authorize
Receiving and disbursing transfers	To exercise it individually	Right to authorize
Cashing checks	To exercise it individually	Right to authorize
Issuing certified checks	To exercise it individually	Right to authorize
Issuing check books	To exercise it individually	Right to authorize
Obtaining account statement	To exercise it individually	Right to authorize
Executing transfers from accounts	To exercise it individually	Right to authorize
Requesting bank loans subject to Sharia provisions and controls	To exercise it individually	Right to authorize
Opening account subject to Sharia controls	To exercise it individually	Right to authorize
Executing deposits to accounts	To exercise it individually	Right to authorize
Renewing subscription to safe deposit boxes	To exercise it individually	Right to authorize
Opening safety safe deposit boxes	To exercise it individually	Right to authorize
Subscribing to safe deposit boxes	To exercise it individually	Right to authorize
Requesting loan waiver	To exercise it individually	Right to authorize
Objecting to checks	To exercise it individually	Right to authorize
Updating data	To exercise it individually	Right to authorize
Activating accounts	To exercise it individually	Right to authorize
Receiving checks	To exercise it individually	Right to authorize
Redeeming safe deposit box units	To exercise it individually	Right to authorize
Contacting	To exercise it individually	Right to authorize
Rescheduling installments	To exercise it individually	Right to authorize
Requesting points of sale	To exercise it individually	Right to authorize
Requesting bank credit	To exercise it individually	Right to authorize
Requesting bank guarantee	To exercise it individually	Right to authorize
Subscribing to joint stock companies	To exercise it individually	Right to authorize
Receiving contribution certificates	To exercise it individually	Right to authorize
Purchasing Sharia-compliant shares	To exercise it individually	Right to authorize
Selling Sharia-compliant shares	To exercise it individually	Right to authorize
Receiving share value	To exercise it individually	Right to authorize
Receiving profits	To exercise it individually	Right to authorize
Receiving surplus	To exercise it individually	Right to authorize
Opening investment portfolios subject to Sharia controls and executing, amending, and cancelling orders	To exercise it individually	Right to authorize
Subscribing	To exercise it individually	Right to authorize
Purchasing shares	To exercise it individually	Right to authorize
Selling shares	To exercise it individually	Right to authorize
Redeeming investment fund units	To exercise it individually	Right to authorize
Transferring shares from portfolio	To exercise it individually	Right to authorize
Subscribing to investment fund units subject to Sharia provisions	To exercise it individually	Right to authorize
Managing investment portfolios	To exercise it individually	Right to authorize
Obtaining proof of indebtedness	To exercise it individually	Right to authorize
Liquidating investment portfolios	To exercise it individually	Right to authorize
Obtaining licenses	To exercise it individually	Right to authorize

Renewing licenses	To exercise it individually	Right to authorize
Cancelling licenses	To exercise it individually	Right to authorize
Transferring licenses	To exercise it individually	Right to authorize
Signing lease contract	To exercise it individually	Right to authorize
Assigning contract	To exercise it individually	Right to authorize
Making plan for owned land	To exercise it individually	Right to authorize
Contacting Municipality	To exercise it individually	Right to authorize
Supervising construction	To exercise it individually	Right to authorize
Signing contracts with construction establishments and contractors	To exercise it individually	Right to authorize
Entering tenders and receiving forms	To exercise it individually	Right to authorize
Selling and conveyancing to buyers	To exercise it individually	Right to authorize
Purchasing and accepting conveyance and paying price	To exercise it individually	Right to authorize
Receiving deeds	To exercise it individually	Right to authorize
Leasing	To exercise it individually	Right to authorize
Receiving rent	To exercise it individually	Right to authorize
Signing lease contracts	To exercise it individually	Right to authorize
Renewing lease contracts	To exercise it individually	Right to authorize
Cancelling and terminating lease contracts	To exercise it individually	Right to authorize
Mortgaging	To exercise it individually	Right to authorize
Release of mortgage	To exercise it individually	Right to authorize
Partitioning and subdivision	To exercise it individually	Right to authorize
Modifying boundaries, lengths, area, plot numbers, plans, deeds, their dates, and neighborhood names.	To exercise it individually	Right to authorize
Sale	To exercise it individually	Right to authorize
Accepting mortgage	To exercise it individually	Right to authorize
Waiving leased land	To exercise it individually	Right to authorize
Updating deeds and entering them into the comprehensive system	To exercise it individually	Right to authorize
Obtaining replacement of lost deed	To exercise it individually	Right to authorize
Converting agricultural lands to residential lands	To exercise it individually	Right to authorize
Building land plots	To exercise it individually	Right to authorize
Leasing land plots	To exercise it individually	Right to authorize

- 5- The Chairman of the Board may, by written resolution or by power of attorney, delegate some of his powers to any other Board member or to any third party for the performance of a specific act or acts. The Chairman shall have the authority to issue written delegations and powers of attorney authorizing any person or persons, or any entity or entities, to exercise all or part of the powers referred to above, and may also grant such delegates the authority to further sub-delegate.

The powers of the CEO

The CEO shall be responsible for carrying out the executive management of the Company and overseeing day-to-day operations, and shall have the following powers, including but not limited to:

- 1- The CEO shall be responsible for carrying out the executive management of the Company and overseeing day-to-day operations, and shall have the following powers, including but not limited to:

Commercial Registrations	Main	Annual Confirmation	To exercise it individually	Right to authorize
		Writing -off/Cancelling	To exercise it individually	Right to authorize
	Branch	Issuance	To exercise it individually	Right to authorize
		Annual Confirmation	To exercise it individually	Right to authorize
		Writing -off/Cancelling	To exercise it individually	Right to authorize
Companies in which the Company is a partner	Signing company contracts		To exercise it individually	Right to authorize
	Purchase of shares		To exercise it individually	Right to authorize
	Company liquidation		To exercise it individually	Right to authorize
	Sale of shares		To exercise it individually	Right to authorize
	Representing the Company in companies where it is a partner		To exercise it individually	Right to authorize
Establishing companies in the Company's name	Commercial Registrations	Issuance	Quorum for decision making	Right to authorize
		Renewal	Quorum for decision making	Right to authorize
		Cancellation	Quorum for decision making	Right to authorize
	Registering companies with the Ministry		Quorum for decision making	Right to authorize
	Representation before the Notary Public		Quorum for decision making	Right to authorize
	Signing the Company Contract		Quorum for decision making	Right to authorize
	Signing partners' resolutions		Quorum for decision making	Right to authorize
Banking	Opening accounts		To exercise it individually	Right to authorize
	Opening credits		To exercise it individually	Right to authorize
	Deposits		To exercise it individually	Right to authorize
	Withdrawals		To exercise it individually	Right to authorize
	Issuing checks		To exercise it individually	Right to authorize
	Updating accounts		To exercise it individually	Right to authorize
	Obtaining extracts of account statements		To exercise it individually	Right to authorize
	Requesting facilities		To exercise it individually	Right to authorize
	Requesting guarantees		To exercise it individually	Right to authorize
	Signing loan contracts		To exercise it individually	Right to authorize
	Signing commercial papers		To exercise it individually	Right to authorize
	Signing promissory notes		To exercise it individually	Right to authorize
	Submitting any request or applying for any service falling under the competence of the Communications and Information Technology Commission.		To exercise it individually	Right to authorize
	Authority to delegate any person - in accordance with relevant laws - to submit any requests or apply for any services falling under the competence of the Communications and Information Technology Commission.		To exercise it individually	Right to authorize
	Issuance of commercial papers (electronically)		To exercise it individually	Right to authorize
	Signing of commercial papers (electronically)		To exercise it individually	Right to authorize
	Drafting of executive contracts (electronically)		To exercise it individually	Right to authorize
	Signing of executive contracts (electronically)		To exercise it individually	Right to authorize
Electronic Guarantees and Credit Signing		To exercise it individually	Right to authorize	

Property Management	Purchase, sale and conveyance of properties	Real estate	Purchase	To exercise it individually	Right to authorize
			Sale	To exercise it individually	Right to authorize
			Conveyance	To exercise it individually	Right to authorize
		Land	Purchase	To exercise it individually	Right to authorize
			Sale	To exercise it individually	Right to authorize
			Conveyance	To exercise it individually	Right to authorize
	Shares	Purchase	To exercise it individually	Right to authorize	
		Sale			
	Mortgage of property	Right to mortgage		To exercise it individually	Right to authorize
		Release of mortgage		To exercise it individually	Right to authorize
Receipt		To exercise it individually	Right to authorize		
Issuance of Commercial Papers	Approval and Signing of Commercial Papers		To exercise it individually	Right to authorize	
	Creation of Commercial Papers		To exercise it individually	Right to authorize	
	Cancellation of Commercial Papers		To exercise it individually	Right to authorize	
	Closure of Commercial Papers		To exercise it individually	Right to authorize	
Amending contracts of companies in which the Company is a partner	Approving partners' resolutions	Changing of legal entity form		Quorum for decision making	Right to authorize
		Increasing or decreasing capital		Quorum for decision making	Right to authorize
		Accepting assignment of shares and purchasing shares		Quorum for decision making	Right to authorize
		Entry and exit of partners		Quorum for decision making	Right to authorize
		Signing partners' resolution for merger		Quorum for decision making	Right to authorize
		Amending other articles of the Memorandum of Association		Quorum for decision making	Right to authorize
		Company liquidation		To exercise it individually	Right to authorize
	Converting the company to an establishment		To exercise it individually	Right to authorize	



Judiciary	Hearing and responding to claims	To exercise it individually	Right to authorize
	Reconciliation	To exercise it individually	Right to authorize
	Rejecting and accepting arbitration	To exercise it individually	Right to authorize
	Rejecting and accepting conciliation	To exercise it individually	Right to authorize
	Acknowledgment and denial	To exercise it individually	Right to authorize
	Waiver	To exercise it individually	Right to authorize
	Pleading	To exercise it individually	Right to authorize
	Defense	To exercise it individually	Right to authorize
	Claiming	To exercise it individually	Right to authorize
	Litigation	To exercise it individually	Right to authorize
	Appointing arbitrators	To exercise it individually	Right to authorize
	Appointing lawyers	To exercise it individually	Right to authorize
	Representation before notaries public	To exercise it individually	Right to authorize
	Using and implementing all electronic services of the Ministry of Justice	To exercise it individually	Right to authorize
	Delegating/Authorising others to implement electronic services of the Ministry of Justice	To exercise it individually	Right to authorize
	(Signing loan agreement and its amendments, annexes, and all related documents - Signing follow-up agreement - Signing advisory agreement - Signing before notary public regarding industrial mortgage of all Company properties - Receiving the loan - Waiving the loan - Requesting loan exemption - Repaying the loan - Signing letter of credit agreement)	To exercise it individually	Right to authorize
	Signing corporate guarantee	To exercise it individually	Right to authorize
	(Signing agreement for transfer of obligations and amendment of loan agreement)	To exercise it individually	Right to authorize
	(Signing debt arrangement agreement on behalf of the company and the shareholders)	To exercise it individually	Right to authorize
(Issuing, amending, and cancelling waiver declaration)	To exercise it individually	Right to authorize	
Services of the National Center for the Development of the Non-Profit Sector	Services for mediation in collection, disbursement, marketing, and other intermediary services in the non-profit sector.	To exercise it individually	Right to authorize
	Volunteer services.	To exercise it individually	Right to authorize
	Services for establishing and managing non-profit entities.	To exercise it individually	Right to authorize
	Services for providing goods and services to non-profit entities.	To exercise it individually	Right to authorize

Utilization and execution of all services on the Etimad platform.	To exercise it individually	Right to authorize
Utilization and execution of all electronic services of the Ministry of Human Resources and Social Development.	To exercise it individually	Right to authorize
Purchasing establishment	To exercise it individually	Right to authorize
Signing all documents with Chamber of Commerce	To exercise it individually	Right to authorize
Selling establishment	To exercise it individually	Right to authorize
Contacting Records Department	To exercise it individually	Right to authorize
Obtaining extracts of records	To exercise it individually	Right to authorize
Transferring the commercial registration	To exercise it individually	Right to authorize
Managing records	To exercise it individually	Right to authorize
Cancelling commercial registers	To exercise it individually	Right to authorize
Supervising records	To exercise it individually	Right to authorize
Opening subscription with Chamber of Commerce	To exercise it individually	Right to authorize
Approving signature before Chamber of Commerce	To exercise it individually	Right to authorize
Cancelling signature before Chamber of Commerce	To exercise it individually	Right to authorize
Entering tenders and receiving forms	To exercise it individually	Right to authorize
Contacting Social Insurance	To exercise it individually	Right to authorize
Contacting Zakat and Income Authority	To exercise it individually	Right to authorize
Managing commercial registration	To exercise it individually	Right to authorize
Cancelling commercial registration	To exercise it individually	Right to authorize
Contacting Civil Defense	To exercise it individually	Right to authorize
Amending records	To exercise it individually	Right to authorize
Adding activity	To exercise it individually	Right to authorize
Reserving trade name	To exercise it individually	Right to authorize
Renewing subscription with Chamber of Commerce	To exercise it individually	Right to authorize
Amending commercial registration	To exercise it individually	Right to authorize
Transferring the commercial registration	To exercise it individually	Right to authorize
Obtaining replacement for damaged or lost registration	To exercise it individually	Right to authorize
Obtaining replacement for damaged or lost registration	To exercise it individually	Right to authorize
Registering trademark	To exercise it individually	Right to authorize
Assigning trademark	To exercise it individually	Right to authorize
Assigning trade name	To exercise it individually	Right to authorize
Obtaining licenses	To exercise it individually	Right to authorize
Renewing licenses	To exercise it individually	Right to authorize
Adding activity	To exercise it individually	Right to authorize
Amending licenses	To exercise it individually	Right to authorize
Reserving names	To exercise it individually	Right to authorize
Cancelling licenses	To exercise it individually	Right to authorize
Renewing subscription with Chamber of Commerce	To exercise it individually	Right to authorize
Opening branches	To exercise it individually	Right to authorize
Contacting Social Insurance	To exercise it individually	Right to authorize
Contacting Civil Defense	To exercise it individually	Right to authorize
Contacting Zakat and Income Authority	To exercise it individually	Right to authorize
Opening branch pertaining to the license	To exercise it individually	Right to authorize
Transferring license	To exercise it individually	Right to authorize
Establishing company	To exercise it individually	Right to authorize
Signing Memoranda of Association and Amendment Annexes	To exercise it individually	Right to authorize
Cancelling Memoranda of Association and Amendment Annexes	To exercise it individually	Right to authorize
Signing partners' resolutions	To exercise it individually	Right to authorize

Appointing and dismissing managers	To exercise it individually	Right to authorize
Amending company objects	To exercise it individually	Right to authorize
Increasing capital	To exercise it individually	Right to authorize
Decreasing capital	To exercise it individually	Right to authorize
Entry and exit of partners	To exercise it individually	Right to authorize
Entering into existing companies	To exercise it individually	Right to authorize
Transferring stocks, shares, and bonds	To exercise it individually	Right to authorize
Setting capital	To exercise it individually	Right to authorize
Receiving allocation surplus	To exercise it individually	Right to authorize
Selling stocks, shares and receiving value	To exercise it individually	Right to authorize
Assigning stocks and shares from the capital	To exercise it individually	Right to authorize
Selling company branch	To exercise it individually	Right to authorize
Amending nationality of a partner in the contract	To exercise it individually	Right to authorize
Accepting assignment of stocks, shares and capital	To exercise it individually	Right to authorize
Purchasing stocks and shares and paying price	To exercise it individually	Right to authorize
Closing accounts at banks in company name	To exercise it individually	Right to authorize
Opening accounts at banks in company name	To exercise it individually	Right to authorize
Signing agreements	To exercise it individually	Right to authorize
Registering company	To exercise it individually	Right to authorize
Registering agencies and trademarks	To exercise it individually	Right to authorize
Attending general assemblies	To exercise it individually	Right to authorize
Opening company branches	To exercise it individually	Right to authorize
Opening files for the company	To exercise it individually	Right to authorize
Signing the Bylaws and the amendments thereof before the notary public	To exercise it individually	Right to authorize
Obtaining and renewing commercial registrations for the company	To exercise it individually	Right to authorize
Subscribing and renewing subscription with Chamber of Commerce	To exercise it individually	Right to authorize
Contacting the General Investment Authority and signing documents before it	To exercise it individually	Right to authorize
Contacting Quality and Standards Department, and Standards, Metrology and Quality Organization	To exercise it individually	Right to authorize
Contacting the Capital Market Authority	To exercise it individually	Right to authorize
Obtaining and renewing licenses for the company	To exercise it individually	Right to authorize
Converting establishment into company	To exercise it individually	Right to authorize
Converting company branch into establishment	To exercise it individually	Right to authorize
Converting company branch into company	To exercise it individually	Right to authorize
Publishing Memorandum of Association, Amendment Annexes, summaries, and bylaws in the official gazette	To exercise it individually	Right to authorize
Contacting telecommunications companies and applying for landlines or mobile lines in company name	To exercise it individually	Right to authorize
Entering tenders and receiving forms	To exercise it individually	Right to authorize
Signing company contracts with other parties	To exercise it individually	Right to authorize
Assigning or cancelling trademarks	To exercise it individually	Right to authorize
Amending company name	To exercise it individually	Right to authorize
Obtaining visas	To exercise it individually	Right to authorize
Converting company into establishment	To exercise it individually	Right to authorize
Receiving visa compensations	To exercise it individually	Right to authorize
Updating workers' data	To exercise it individually	Right to authorize
Opening, renewing, and cancelling main and branch files	To exercise it individually	Right to authorize
Laying off labor and cancelling layoff	To exercise it individually	Right to authorize
Reporting workers' runaways	To exercise it individually	Right to authorize

Cancelling workers' runaway reports	To exercise it individually	Right to authorize
Transferring sponsorships	To exercise it individually	Right to authorize
Amending occupations	To exercise it individually	Right to authorize
Transferring ownership of establishments, liquidating, and cancelling the same	To exercise it individually	Right to authorize
Contacting Private Recruitment Offices Department	To exercise it individually	Right to authorize
Contacting Computer Department in Labor Force	To exercise it individually	Right to authorize
Obtaining and renewing work permits	To exercise it individually	Right to authorize
Receiving Saudization certificates	To exercise it individually	Right to authorize
Obtaining data report (print)	To exercise it individually	Right to authorize
Adding and removing Saudi employees	To exercise it individually	Right to authorize
Recruitment	To exercise it individually	Right to authorize
Opening file	To exercise it individually	Right to authorize
Activating Saudi portal	To exercise it individually	Right to authorize
Recruiting labor from abroad	To exercise it individually	Right to authorize
Finalizing labor procedures with Social Insurance	To exercise it individually	Right to authorize
Cancelling visas	To exercise it individually	Right to authorize
Recovering visa amounts	To exercise it individually	Right to authorize
Amending labor nationalities	To exercise it individually	Right to authorize
Obtaining visas for family visits	To exercise it individually	Right to authorize
Obtaining family visas	To exercise it individually	Right to authorize
Contacting the Embassy	To exercise it individually	Right to authorize
Extending exit and re-entry visas	To exercise it individually	Right to authorize
Extending visit visas	To exercise it individually	Right to authorize
Obtaining data report (print)	To exercise it individually	Right to authorize
Cancelling visas	To exercise it individually	Right to authorize
Recovering visa amount	To exercise it individually	Right to authorize
Amending arrival destination	To exercise it individually	Right to authorize
Obtaining residencies [Iqama]	To exercise it individually	Right to authorize
Renewing residencies	To exercise it individually	Right to authorize
Processing exit and re-entry visas	To exercise it individually	Right to authorize
Processing final exit visa	To exercise it individually	Right to authorize
Transferring sponsorships	To exercise it individually	Right to authorize
Obtaining replacement for lost or damaged residencies	To exercise it individually	Right to authorize
Finalizing procedures for deceased workers	To exercise it individually	Right to authorize
Reporting runaways	To exercise it individually	Right to authorize
Cancelling runaway reports	To exercise it individually	Right to authorize
Transferring information and updating data	To exercise it individually	Right to authorize
Settlement and assignment of workers	To exercise it individually	Right to authorize
Contacting Deportation and Expatriates Department	To exercise it individually	Right to authorize
Obtaining worker data report (print)	To exercise it individually	Right to authorize
Dropping workers	To exercise it individually	Right to authorize
Managing my business	To exercise it individually	Right to authorize
Transferring sponsorship to worker's name	To exercise it individually	Right to authorize
Finalizing procedures for deceased workers	To exercise it individually	Right to authorize
Managing Nafith procedures	To exercise it individually	Right to authorize
Obtaining repatriation certificates	To exercise it individually	Right to authorize
Cancelling exit and re-entry visas	To exercise it individually	Right to authorize
Cancelling final exit visas	To exercise it individually	Right to authorize

Obtaining replacement for damaged or lost travel visas	To exercise it individually	Right to authorize
Obtaining extensions for visit visas	To exercise it individually	Right to authorize
Amending occupations	To exercise it individually	Right to authorize
Obtaining Hajj permits	To exercise it individually	Right to authorize
Contacting Housemaids Affairs Department	To exercise it individually	Right to authorize
Registering for electronic services	To exercise it individually	Right to authorize
Opening accounts subject to Sharia controls	To exercise it individually	Right to authorize
Closing and settling accounts	To exercise it individually	Right to authorize
Withdrawing from accounts	To exercise it individually	Right to authorize
Obtaining ATM cards	To exercise it individually	Right to authorize
Obtaining credit cards that comply with Sharia provisions	To exercise it individually	Right to authorize
Receiving and disbursing transfers	To exercise it individually	Right to authorize
Cashing checks	To exercise it individually	Right to authorize
Issuing certified checks	To exercise it individually	Right to authorize
Issuing check books	To exercise it individually	Right to authorize
Obtaining account statement	To exercise it individually	Right to authorize
Executing transfers from accounts	To exercise it individually	Right to authorize
Requesting bank loans subject to Sharia provisions and controls	To exercise it individually	Right to authorize
Opening account subject to Sharia controls	To exercise it individually	Right to authorize
Executing deposits to accounts	To exercise it individually	Right to authorize
Renewing subscription to safe deposit boxes	To exercise it individually	Right to authorize
Opening safety safe deposit boxes	To exercise it individually	Right to authorize
Receiving profits	To exercise it individually	Right to authorize
Receiving surplus	To exercise it individually	Right to authorize
Opening investment portfolios subject to Sharia controls and executing, amending, and cancelling orders	To exercise it individually	Right to authorize
Subscribing	To exercise it individually	Right to authorize
Purchasing shares	To exercise it individually	Right to authorize
Selling shares	To exercise it individually	Right to authorize
Redeeming investment fund units	To exercise it individually	Right to authorize
Transferring shares from portfolio	To exercise it individually	Right to authorize
Subscribing to investment fund units subject to Sharia provisions	To exercise it individually	Right to authorize
Managing investment portfolios	To exercise it individually	Right to authorize
Obtaining proof of indebtedness	To exercise it individually	Right to authorize
Liquidating investment portfolios	To exercise it individually	Right to authorize
Opening stores	To exercise it individually	Right to authorize
Obtaining licenses	To exercise it individually	Right to authorize
Renewing licenses	To exercise it individually	Right to authorize
Cancelling licenses	To exercise it individually	Right to authorize
Transferring licenses	To exercise it individually	Right to authorize
Signing lease contract	To exercise it individually	Right to authorize
Assigning contract	To exercise it individually	Right to authorize
Making plan for owned land	To exercise it individually	Right to authorize
Contacting Municipality	To exercise it individually	Right to authorize
Leasing	To exercise it individually	Right to authorize
Receiving rent	To exercise it individually	Right to authorize
Signing lease contracts	To exercise it individually	Right to authorize
Renewing lease contracts	To exercise it individually	Right to authorize
Cancelling and terminating lease contracts	To exercise it individually	Right to authorize

Mortgaging	To exercise it individually	Right to authorize
Release of mortgage	To exercise it individually	Right to authorize
Partitioning and subdivision	To exercise it individually	Right to authorize
Modifying boundaries, lengths, area, plot numbers, plans, deeds, their dates, and neighborhood names.	To exercise it individually	Right to authorize
Sale	To exercise it individually	Right to authorize
Accepting mortgage	To exercise it individually	Right to authorize
Updating deeds and entering them into the comprehensive system	To exercise it individually	Right to authorize
Obtaining replacement of lost deed	To exercise it individually	Right to authorize
Converting agricultural lands to residential lands	To exercise it individually	Right to authorize
Building land plots	To exercise it individually	Right to authorize
Leasing land plots	To exercise it individually	Right to authorize

- 2- The Chief Executive Officer may issue written delegations and powers of attorney authorizing any person or persons, or any entity or entities, to exercise all or part of the powers set out above, and may also grant such delegates the authority to further sub-delegate.

The powers of the Board Secretary

- 1- Without prejudice to any other regulatory or supervisory requirements, the Board Secretary shall perform his duties under the direction of the Chairman of the Board. Such duties shall include, without limitation: coordinating meetings of the Board of Directors; preparing and signing the minutes; ensuring the availability of appropriate communication channels for the exchange and recording of information between the Board, its committees, the executive Board members, and the non-executive Board members; and maintaining the minutes of Board meetings.

ARTICLE 14: EXPIRATION OF THE BOARD'S TERM OR RESIGNATION OF ITS MEMBERS OR VACANCIES

- 1- Prior to the expiration of its term, the board of directors must convene the ordinary general assembly to elect a new board for a new term. If it is not possible to conduct the election and the term of the current board ends, its members shall continue to perform their duties until a new board is elected, provided that the extension period does not exceed the duration specified by the executive regulations of the Companies Law.
- 2- If the chairman and members of the board resign, they must call for the general assembly to convene to elect a new board of directors. The resignation shall not take effect until the new board is elected, provided that the continuity of the resigning board does not exceed the period specified by the executive regulations of the Companies Law.
- 3- A member of the Board of Directors may resign from the Board by submitting a written notice addressed to the Chairman. If the Chairman resigns, the notice shall be addressed to the remaining Board members and the Board Secretary. In both cases, the resignation shall take effect on the date specified in the notice.
- 4- If a vacancy arises on the board of directors without affecting the conditions necessary for the validity of the board's meetings due to a reduction in the number of members below the minimum, the board may appoint a temporary member to fill the vacant position, provided the appointee possesses the necessary expertise and competence. The commercial register and the Capital Market Authority must be informed within fifteen (15) days from the date of appointment, and the appointment must be presented to the ordinary general assembly at its first meeting. The new member shall complete the term of their predecessor.
- 5- If the conditions necessary for the validity of the board's meetings are not met due to a reduction in the number of members below the minimum stipulated in the Companies Law or these bylaws, the remaining members must call the capital owner to issue a resolution appointing the required number of members within sixty (60) days.

ARTICLE 15: BOARD MEETINGS

- 1- The board of directors shall meet at least four (4) times a year, upon the invitation of its chairman. The chairman must convene a meeting of the board whenever any board member submits a written request to discuss one or more topics.
- 2- The Board of Directors shall determine the venue for its meetings, and such meetings may be held using modern technological means.

ARTICLE 16: BOARD MEETINGS AND RESOLUTIONS

- 1- A meeting of the Board of Directors shall not be valid unless at least half of the members are present, whether in person or by proxy.
- 2- Any Board member shall have the right to grant a proxy to another Board member to vote on his behalf, subject to the following conditions:
 - a- A Board member may not act as proxy for more than one member at the same meeting.
 - b- The proxy must be in writing and delivered to the Company either by hand or by email.
 - c- The proxy holder may not vote on resolutions for which the principal is prohibited from voting under applicable regulations.
- 3- Resolutions of the Board of Directors shall be adopted by a majority of the votes of the members present, whether in person or by proxy. In the event of a tie, the side with which the Chairman of the meeting has voted shall prevail.

A resolution of the Board of Directors shall take effect from the date of its issuance, unless it provides for a different effective date or is conditional upon the occurrence of certain events.

ARTICLE 17: ISSUING BOARD RESOLUTIONS ON URGENT MATTERS

- 1- The Board of Directors may issue its resolutions on urgent matters by circulation to all members, unless any member requests in writing that the Board convene to deliberate on the matter. Such resolutions shall be adopted upon being signed by a majority of the Board members, and shall be presented to the Board at its next meeting for recording in the minutes.
- 2- Meetings of the Board may be held by telephone or through modern technological means, provided that such means allow the effective participation of Board members and enable them to listen, deliberate, and vote on resolutions.

ARTICLE 18: DELIBERATIONS OF THE BOARD

- 1- The deliberations and resolutions of the board of directors shall be documented in minutes prepared by the board secretary, signed by the chairman of the meeting, the members of the board present, and the secretary.
- 2- Modern technological means may be used for signing, recording deliberations and resolutions, and documenting the minutes.

CHAPTER (4): BOARD COMMITTEES

ARTICLE 19: BOARD COMMITTEES

The board committees shall be formed in accordance with applicable laws and regulations.

CHAPTER (5): POWERS AND AUTHORITIES OF THE CAPITAL OWNER

ARTICLE 20: POWERS AND AUTHORITIES OF THE CAPITAL OWNER

Subject to the applicable laws and regulations, and the requirements of the Insurance Authority and other competent authorities, the capital owner shall have the powers and authorities of the shareholders' assemblies as provided for in the companies law and other relevant laws and regulations. the capital owner's resolutions shall be issued in writing without the need to convene a general assembly. these powers shall include, in particular, the following:

- 1- Appointing and removing members of the Board of Directors.
- 2- Appointing one or more external auditors for the Company in accordance with the Companies Law, determining their remuneration, reappointing them, and removing them.
- 3- Reviewing and discussing the report of the Board of Directors.
- 4- Reviewing and discussing the Company's financial statements.
- 5- Reviewing the auditor's report, if any, and taking a decision thereon.
- 6- Deciding on the Board of Directors' recommendations regarding the method of profit distribution.
- 7- Establishing statutory or contractual reserves of the Company and determining their uses.
- 8- Amending the Company's Bylaws, except for matters that are prohibited from being amended under applicable law.
- 9- Deciding on the continuation or dissolution of the Company.

ARTICLE 21: CAPITAL OWNER RESOLUTIONS

- 1- A resolution issued by the capital owner shall take effect from the date of its issuance, except in cases where the companies law, the company's Bylaws, or the resolution itself provides for a different effective date or makes its effectiveness conditional upon the occurrence of certain events. such resolutions shall be recorded in the special register referred to in article (97) of the companies law.
- 2- The Board of Directors shall register with the Commercial Register any resolutions issued by the capital owner that fall within the scope of the extraordinary general assembly, as defined in the Implementing Regulations of the Companies Law, within fifteen (15) days from the date of their issuance.

CHAPTER (6): THE AUDITOR**ARTICLE 22: APPOINTMENT OF THE AUDITOR**

- 1- The company shall have one (or more) auditors from among the auditors licensed in the Kingdom appointed by the general assembly. Their fees, duration of work and scope shall be determined by the general assembly, and the auditor may be reappointed, provided that the period of his appointment shall not exceed the specified period in accordance with the provisions prescribed by law.
- 2- The capital owner may, by resolution, remove the external auditor. The Chairman of the Board shall notify the competent authority of the removal decision and its reasons within no more than five (5) days from the date of issuance of the resolution.
- 3- The external auditor may resign from his position by submitting a written notice to the Company. His engagement shall terminate on the date of submission of the notice or on a later date specified therein, without prejudice to the Company's right to claim compensation for any damage suffered, where applicable. The resigning auditor shall, upon submitting the notice, provide the Company and the competent authority with a statement of the reasons for his resignation. The Board of Directors must invite the capital owner to consider the reasons for the resignation and to appoint another external auditor, and to determine his remuneration, term of engagement, and scope of work.

ARTICLE 23: POWERS OF THE AUDITOR

The external auditor shall, at any time, have the right to access the Company's documents, accounting records, and supporting documents, and may request any data or clarifications he deems necessary. He shall also have the right to verify the Company's assets and liabilities, and to carry out any other matters falling within the scope of his duties. The Chairman of the Board shall enable him to perform his duties. If the external auditor encounters any difficulty in this regard, he shall record such difficulty in a report submitted to the Board of Directors. If the Board does not facilitate the auditor's work, the auditor must request that the Board invite the capital owner to consider the matter. The external auditor may issue such an invitation himself if the Board fails to do so within thirty (30) days from the date of the auditor's request.

CHAPTER (7): COMPANY ACCOUNTS AND ALLOCATION OF PROFITS**ARTICLE 24: FISCAL YEAR**

The Company's fiscal year shall be twelve Gregorian months, starting on January 01 and ending on December 31.

ARTICLE 25: FINANCIAL STATEMENTS

- 1- At the end of each financial year, the Board of Directors shall prepare the Company's financial statements and a report on its activities and financial position for the elapsed financial year, including within such report the proposed method for distributing profits. The Board shall make these documents available to the external auditor.
- 2- The documents referred to in paragraph (a) of this Article must be signed by the Chairman of the Board, the Chief Executive Officer, and the Chief Financial Officer, if any.
- 3- The Chairman of the Board shall present to the capital owner the Company's financial statements, the Board of Directors' report after being signed, and the external auditor's report, if any. The Chairman shall also file these documents in accordance with the requirements set out in the Implementing Regulations of the Companies Law.

ARTICLE 26: ENTITLEMENT TO DIVIDENDS

- 1- The resolution of the capital owner regarding the distribution of profits shall specify the date on which the owner becomes entitled to the profits and the date on which such profits are to be distributed. The Board of Directors must implement the owner's resolution on profit distribution within the period specified in the Implementing Regulations of the Companies Law, taking into account the requirement to obtain the prior written approval of the Insurance Authority and to comply with any other applicable regulatory requirements.
- 2- The Company may, after obtaining a no-objection letter from the Insurance Authority, distribute interim dividends to its shareholders on a semi-annual or quarterly basis, pursuant to an annual authorization issued by the capital owner to the Board of Directors to distribute such interim dividends.

ARTICLE 27: ZAKAT AND RESERVES

The Company must:

- 1- Set aside the zakat and income tax amounts required under applicable laws.
- 2- Set aside the percentage required by the Insurance Authority and the relevant regulations for the creation of a statutory reserve.

ARTICLE 28: INSURANCE OPERATIONS ACCOUNT**First: Insurance Operations Accounts:**

- 1- A separate account is allocated for earned premiums, reinsurance commissions, and other commissions.
- 2- A separate account is allocated for claims incurred by the company.
- 3- At the end of each year, the gross surplus is determined as the difference between the total premiums and claims, after deducting marketing, administrative, and operational expenses, and the required technical provisions as per the regulatory instructions.
- 4- The net surplus is determined as follows: The gross surplus mentioned in paragraph (3) above is adjusted by adding or deducting the policyholders' share of investment returns after taking into account their revenues and deducting their attributable expenses.
- 5- The net surplus is distributed either by directly allocating 10% of it to the policyholders or by reducing their premiums for the following year, with 90% being transferred to the shareholders' income account, in accordance with the rules established by the Board of Directors.

Second: Shareholders' Income Statement:

- 1- Shareholders' profits shall be from the return on the investment of shareholders' funds as stated in item First of this Article.
- 2- The shareholders' share of the net surplus shall be as provided in paragraph five of item First of this Article.

CHAPTER (8): DISSOLUTION AND LIQUIDATION OF THE COMPANY**ARTICLE 29: DISSOLUTION OF THE COMPANY**

- 1- The Company shall be dissolved for one of the reasons stipulated in the Companies Law, once dissolved it shall enter into liquidation in accordance with the provisions of chapter twelve of the Companies Law. If the company is dissolved and its assets are not sufficient to pay its debts, or if it is insolvent in accordance with the bankruptcy law, it shall submit to the competent judicial authority to open any of the liquidation procedures in accordance with the bankruptcy law. During liquidation, the rights of the shareholders in the surplus of insurance operations and the reserves established as stipulated in the relevant laws, regulations, and company policies must be preserved.
- 2- A resolution for voluntary liquidation shall be issued by the Capital Owner.
- 3- The liquidation resolution must include the appointment of the liquidator, the determination of their powers and remuneration, the restrictions imposed on their authority, and the required timeframe for liquidation, which must not exceed three (3) years. The extension of the voluntary liquidation period beyond this limit shall only be permitted by an order from the competent judicial authority.

CHAPTER (9): FINAL PROVISIONS

ARTICLE 30: FINAL PROVISIONS

- 1- The Company shall be the successor of Bupa Arabia Holding Company to the extent of the rights and obligations transferred to it pursuant to the division resolution.
- 2- The company is subject to laws in force in the Kingdom of Saudi Arabia.
- 3- Any provision in these Bylaws that contradicts the provisions of the Companies Law shall be disregarded, and the provisions of the Companies Law shall apply instead. Any matter not addressed in these Bylaws shall be governed by the Companies Law and its Implementing Regulations.

ARTICLE 31: PUBLICATION

These Bylaws shall be registered and published in accordance with the Companies Law and its implementing regulations.

6.3 Legal Requirements of the Demerger and Waivers obtained

The Company's Demerger is subject to a set of regulatory requirements prescribed under the Companies Law, the Listed Companies Rules, and the ROSCOs.

Articles (231), (232), and (233) of the Companies Law provide the legal framework governing company Demergers and outline their resulting implications. Article (231) permits the Demerger of a company into two or more companies, whether the company is operating or under liquidation, and allows the newly formed companies resulting from such Demerger to adopt any of the legal forms stipulated under the law. Article (232) requires that the Demerger Resolution be issued in accordance with the procedures applicable to amending the articles of association or bylaws, and that it includes details regarding the shareholders' entitlements in the demerged company and in the company (or companies) resulting from the Demerger, as well as a clear allocation of rights, obligations, and assets among them. Article (233) addresses the treatment of debts and liabilities and provides that the company (or companies) resulting from the Demerger shall succeed the demerged company to the extent of the assets and liabilities transferred to it pursuant to the Demerger Resolution, while preserving creditors' rights to claim against both companies on a joint and several basis unless otherwise agreed.

Article (68) of the Listed Companies Rules requires that the Demerger Resolution be approved by the extraordinary general assembly and that shareholders be granted shares or units in the company (or companies) resulting from the Demerger in proportion to their pre-Demerger ownership, while complying with all relevant laws and regulations. Bupa Arabia has obtained the CMA's approval to waive the requirements of paragraph (2) of Article (68) of the Listed Companies Rules, enabling it to implement the Demerger of its insurance business into a wholly owned subsidiary without the need to issue shares in the Demerged Company to Bupa Arabia's shareholders in proportion to their existing ownership.

In addition, Article (100) of the ROSCOs imposes further requirements on listed companies undertaking a Demerger. These include the requirement that the issuer must have completed three full financial years since listing, and the obligation to prepare and publish a shareholders' circular at least fourteen (14) days prior to the extraordinary general assembly. The circular must include, at a minimum, comprehensive information on the proposed Demerger structure, its purpose, key financial information illustrating the financial impact of the Demerger, and the principal legal information relating to the Demerger necessary for shareholders to make an informed decision. The ROSCOs also require immediate disclosure of any material changes to the issuer's assets occurring after publication of the circular and prior to the assembly date. The same Article further mandates compliance with registration and listing requirements in cases where the shares of the resulting entity are to be offered or registered—although this requirement does not apply to the Demerger contemplated in this circular.

Except for the exemption obtained with respect to paragraph (2) of Article (68) of the Listed Companies Rules, the Company confirms its full compliance with all regulatory requirements applicable to the Demerger. This includes preparing both the Demerger Resolution and the shareholders' Circular in accordance with regulatory standards, ensuring that the Circular contains all necessary financial and legal information, providing shareholders ample opportunity to review the details of the Demerger before voting at the extraordinary general assembly convened to approve it, and adhering to disclosure requirements and necessary procedures. The Company further affirms its commitment to transparency and sound governance practices in line with all relevant laws and regulations.

6.4 Required Procedures for the issuance of the Demerger Resolution and its effectiveness

The issuance of the Demerger Resolution requires obtaining a number of approvals from the relevant regulatory authorities, as follows:

- a- A non-objection from the IA on the proposal for restructuring the Company to transform it into a holding company, and the Company obtained this non-objection on 17/03/1447H (corresponding to 09/09/2025G).
- b- Approval from the IA to incorporate the Company resulting from the Demerger and licensing it to conduct insurance activities. The Company has submitted a license application to the IA. The regulatory procedures for establishing the Company resulting from the Demerger will only be completed upon the Extraordinary General Assembly's approval of the Demerger.
- c- Approval from the CMA to provide a waiver from the requirements of paragraph (2) of Article 68 of the Listed Companies Rules, and the Company obtained such waiver on 12/05/1446H (corresponding to 14/11/2024G).
- d- Approval of the shareholders at the Demerger EGM. The Extraordinary General Assembly has been convened and is scheduled to be held on 16/09/1447H (corresponding to 05/03/2026G).
- e- Approval of the MOC for the incorporation of the Company resulting from the Demerger and its registration in the Commercial Register.

Upon obtaining shareholder approval at the Demerger EGM, the Company shall proceed to update its commercial registration and file the amended bylaws with the MOC, and shall also establish and register The Company resulting from the Demerger, including its corporate information.

Other than the approvals mentioned above, there are no additional regulatory approvals required for the Company for the effectiveness of the Demerger.

6.5 The Demerger EGM's Approval

Article (232) of the Companies Law requires that the Demerger Resolution be issued in accordance with the procedures applicable to amending the company's articles of association or bylaws. Pursuant to Article (85) of the same law, the extraordinary general assembly of a joint stock company is the authority competent to amend the bylaws, except with respect to matters prohibited by law.

In addition, Article (93) of the Companies Law provides that resolutions of the extraordinary general assembly shall be adopted by a majority of two-thirds of the voting rights represented at the meeting, unless the resolution relates to an increase or reduction of capital, an extension of the company's term, its dissolution before the expiry of its term, its merger with another company, or its Demerger into two or more companies, in which case the resolution shall only be valid if adopted by a majority of three-quarters of the voting rights represented at the meeting.

In compliance with the statutory requirements and the provisions of the Company's bylaws, the Demerger EGM is scheduled to be held on 16/09/1447H (corresponding to 05/03/2026G)

The Extraordinary General Assembly meeting shall not be valid unless attended by shareholders representing at least half of the shares entitled to vote. If the required quorum is not met, a second meeting shall be convened under the same conditions set out in Article (91) of the Companies Law. However, the second meeting may be held one hour after the end of the period specified for the first meeting, provided that the invitation to the first meeting states the possibility of holding such second meeting. In all cases, the second meeting shall be valid if attended by shareholders representing at least one-quarter of the shares entitled to vote. If the quorum is not met in the second meeting, a third meeting shall be convened under the same conditions set out in Article (91) of the Companies Law, and the third meeting shall be valid regardless of the number of shares represented therein.

Resolutions of the Demerger EGM must be adopted by a majority of three-quarters of the voting rights represented at the meeting.

All shareholders registered in Bupa Arabia's shareholders' register at the close of trading on the day of the extraordinary general assembly convened to approve the Demerger shall be entitled to attend the meeting. Shareholders will also be able to vote on the agenda items electronically in accordance with the procedures applicable in this regard.

6.6 Effectiveness of the Demerger Resolution

In accordance with the Demerger Resolution and subject to the approval of the Demerger EGM, the Demerger Resolution shall take effect and become enforceable as of the date on which the commercial registration of the company resulting from the Demerger is issued and recorded in the commercial register, provided that this is expected to occur within a period not exceeding three (3) months from the date of issuance of the Demerger Resolution.

6.7 Applicable Laws and Regulations

- a- The Companies Law issued by Royal Decree No. (M/132) dated 01/12/1443H (corresponding to 30/06/2022G).
- b- The Capital Market Law issued by Royal Decree No. (M/30) dated 02/06/1424H (corresponding to 31/07/2003G), as amended.
- c- The CICCL issued by Royal Decree No. (M/32) dated 02/06/1424H (corresponding to 31/07/2003G), as amended by Royal Decree No. (M/12) dated 23/01/1443H (corresponding to 01/09/2021G).
- d- The Listed Companies Rules issued by CMA Resolution No. (8-127-2016) dated 16/01/1438H (corresponding to 17/10/2016G), as amended.
- e- The ROSCOs issued by CMA Resolution No. (3-123-2017) dated 09/04/1439H (corresponding to 27/12/2017G), as amended.
- f- The CMA CGRs Resolution No. (8-16-2017) dated 16/05/1438H (corresponding to 13/02/2017G), as amended.
- g- The Implementing Regulations of the CICCL issued by Minister of Finance Resolution No. 1/596 dated 01/03/1425H (corresponding to 20/04/2004G), as amended.
- h- The Insurance Companies Governance Regulations issued by the Saudi Central Bank on 23/01/1437H (corresponding to 05/11/2015G) pursuant to the CICCL.

DOCUMENTS AVAILABLE FOR INSPECTION



7. DOCUMENTS AVAILABLE FOR INSPECTION

The Company will make copies of the following documents available for inspection on its website from the date of publication of this Circular until the date of the Demerger EGM:

- 1- A copy of this Circular.
- 2- The audited financial statements of Bupa Arabia for the fiscal years ended 31 December 2023, 2024, and 2025.
- 3- The pro forma financial statements illustrating the consolidated financial position of Bupa Arabia as if the Demerger had occurred on 31 December 2024G and the limited assurance report regarding it issued by KPMG Professional Services.

APPENDICES



8. APPENDICES

- a- The proforma financial statements and the limited assurance report regarding it.
- b- Proposed amendments to the Bylaws of Bupa Arabia.

Annex (A)



KPMG Professional Services Company

Zahran Business Center
Prince Sultan Street
P. O. Box 55078
Jeddah 21534
Kingdom of Saudi Arabia
Commercial Registration No 4030290792

Headquarters in Riyadh

شركة كي بي إي إم جي للاستشارات المهنية مساهمة مهنية

مركز زهران للأعمال
شارع الأمير سلطان
ص. ب. 55078
جده 21534
المملكة العربية السعودية
سجل تجاري رقم 4030290792

المركز الرئيسي في الرياض

Independent Limited Assurance Report to Bupa Arabia for Cooperative Insurance Company on the Proforma Consolidated financial information prepared pursuant to the Board of Directors resolution dated 10/01/2026G with respect to the demerger of the Company

To the Management of Bupa Arabia for cooperative Insurance Company

We were engaged by the management of Bupa Arabia for Cooperative Insurance Company (the "Company") to report on the proforma consolidated financial information (Subject Matter) of the Company, prepared by management pursuant to the resolution of the Board of Directors dated 10/01/2026G (corresponding to 21/7/1447H), in connection with the proposed demerger of the Company as approved by the Company's Board of Directors (the "Board") on 10/01/2026G (corresponding to 21/7/1447H), as set out in Appendix 1, in the form of an independent limited assurance conclusion that based on our work performed and evidence obtained, nothing has come to our attention that causes us to believe that the Subject Matter is not properly prepared, in all material respects, based on the applicable criteria ("Applicable Criteria") below.

Subject Matter

The Subject Matter for our limited assurance engagement is the proforma consolidated financial information, illustrating the financial impact of the demerger of the Company, prepared by the management in pursuant to the Company's Board of Directors resolution dated 10/01/2026G (corresponding to 21/7/1447H), as set out in Appendix 1.

Appendix 1 sets out the proforma consolidated financial information prepared by the management illustrating the financial impact due to the demerger of the Company.

Applicable Criteria

We have used the following as the Applicable Criteria:

1. Board of Directors resolution dated 10/01/2026G (corresponding to 21/7/1447) and the related shareholder circular, which proposes the demerger of the Company through the [splitting off the assets and liabilities between the Company and the newly incorporated demerged entity], the basis for preparation of proforma consolidated financial information, the reason (including the main assumptions) for the proposed demerger as required by Article 100 of the tenth section of the Rules on the Offer of Securities and Continuing Obligations issued by the Capital Market Authority's ("CMA").
2. Article 231 and 232 of the Companies Law issued by Royal Decree No. M/132 dated 01/12/1443H (corresponding to 30/06/2022G) relating to the division of companies.



Applicable Criteria (continued)

- Article 100 of the tenth section of the Rules on the Offer of Securities and Continuing Obligations issued by the Capital Market Authority's ("CMA") Board, pursuant to the Resolution No. 3-123-2017 dated 09/04/1439H (corresponding to 27/12/2017G) in accordance with the Capital Market Law issued by Royal Decree No. M/30 dated 02/06/1424H (corresponding to 01/08/2003G), as amended by CMA Board Resolution No. 1-53-2025 dated 21/11/1446H (corresponding to 19/05/2025G).

Bupa Arabia for cooperative Insurance Company's Responsibility

The management of the Company is responsible for preparing the Subject Matter information (i.e. Appendix 1) that is free from material misstatement in accordance with the Applicable Criteria and for the information contained therein.

This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and presentation of the Subject Matter that information is free from material misstatement, whether due to fraud or error. It also includes selecting the Applicable Criteria and ensuring that the Company complies with the Companies Law issued by the Ministry of Commerce ("MOC"), effective from 26/06/1444H (corresponding to 19/01/2023); designing, implementing and effectively operating controls to achieve the stated control objectives; selecting and applying policies; making judgments and estimates that are reasonable in the circumstances; and maintaining adequate records in relation to the Subject Matter information.

Our Responsibility

Our responsibility is to examine the Subject Matter information prepared by the Company and to report thereon in the form of an independent limited assurance conclusion based on the evidence obtained. We conducted our engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000, "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" endorsed in the Kingdom of Saudi Arabia and the terms and conditions for this engagement as agreed with the Company's management. That standard requires that we plan and perform our procedures to obtain a meaningful level of assurance about whether the Subject Matter information is properly prepared, in all material respects, as the basis for our limited assurance conclusion.

The firm applies International Standard on Quality Management 1 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.

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) that is endorsed in the Kingdom of Saudi Arabia, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

The procedures selected depend on our understanding of the Subject Matter and other engagement circumstances, and our consideration of areas where material misstatements are likely to arise.

In obtaining an understanding of the Subject Matter and other engagement circumstances, we have considered the process used to prepare the Subject Matter information in order to design assurance procedures that are appropriate in the circumstances, but not for the purposes of expressing a conclusion as to the effectiveness of the Company's process or internal control over the preparation and presentation of the Subject Matter information.

Our engagement also included: assessing the appropriateness of the Subject Matter, the suitability of the criteria used by the Company in preparing the Subject Matter information in the circumstances of the engagement, evaluating the appropriateness of the procedures used in the preparation of the Subject Matter information and the reasonableness of estimates made by the Company.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. We did not perform procedures to identify additional procedures that would have been performed if this were a reasonable assurance engagement.



Our Responsibility (continued)

As part of this engagement, we have not performed any procedures by way of audit, review or verification of the Subject Matter information nor of the underlying records or other sources from which the Subject Matter information was extracted.

Procedures Performed

- Obtained the Board of Directors' resolution dated 10/01/2026G (corresponding 21/7/1447H) which proposes the demerger of the Company and the proforma consolidated financial information prepared in pursuant to the Board of Directors' resolution dated 10/01/2026G (corresponding to 21/7/1447H).
- Compared the financial information in Appendix 1 with the audited consolidated financial statements of the Company as at 31 December 2024.
- Assessed whether the related proforma consolidated financial information reflect the necessary adjustments made to the audited consolidated financial statements of the Company as at 31 December 2024, resulting from the proposed demerger of the Company.
- Checked the mathematical accuracy of the proforma consolidated financial information.

Conclusion

Our conclusion has been formed on the basis of, and is subject to, the matters outlined in this report.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Based on the procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the Subject Matter information is not prepared, in all material respects, in accordance with the Applicable Criteria.

Restriction of Use of Our Report

This report has been prepared at the Company's management request only, for the purpose of assisting the Company to fulfil its obligations to report to the Extraordinary General Assembly under the applicable criteria. Our report should not be regarded as suitable to be used or relied on by any party wishing to acquire rights against us other than the Company, CMA and Insurance Authority (IA) for any purpose or in any context. Any party other than the Company, CMA and IA who obtains access to our report or a copy thereof and chooses to rely on our report (or any part thereof) will do so at its own risk. To the fullest extent permitted by law, we accept or assume no responsibility and deny any liability to any party other than the Company, CMA and IA for our work, for this independent limited assurance report, or for the conclusions we have reached.

Our report is released to the Company, CMA and IA on the basis that it shall not be copied, referred to or disclosed, in whole (save for the Company's own purposes) or in part, without our prior written consent.

KPMG Professional Services Company



Ebrahim Oboud Baeshen
License No. 382

Jeddah, 22 January 2026
Corresponding to 3 Shaban 1447H

Proposed effect of demerger of the Company on the consolidated statement of financial position due to demerger of the Company as at December 31, 2024 (latest available audited consolidated financial statements) (proforma).

Proforma consolidated statement of financial position

	Prior to the effect of the adjustment (December 31, 2024) - Audited	Adjustments	Post effect of the adjustment (December 31, 2024) – Unaudited
Assets			
Cash and cash equivalents	925,190	--	925,190
Reinsurance contract assets	98,178	--	98,178
Prepaid expenses and other assets	422,944	--	422,944
Term deposits	6,040,542	--	6,040,542
Financial assets at amortized cost – net	935,811	--	935,811
Financial assets at fair value	6,586,463	--	6,586,463
Deferred tax asset	33,570	--	33,570
Fixtures, furniture and equipment – net	76,386	--	76,386
Right-of-use assets – net	131,528	--	131,528
Intangible assets – net	72,125	--	72,125
Statutory deposit – net	149,965	--	149,965
Accrued income on statutory deposit	4,378	--	4,378
Goodwill	98,000	--	98,000
Total assets	15,575,080	--	15,575,080
Liabilities			
Accrued and other liabilities	651,396	--	651,396
Insurance contract liabilities	9,004,813	--	9,004,813
Due to related parties	46,944	--	46,944
Lease liabilities	144,817	--	144,817
Provision for end-of-service benefits	191,876	--	191,876
Provision for zakat and income tax	412,859	--	412,859
Accrued income payable to Insurance Authority	4,378	--	4,378
Total liabilities	10,457,083	--	10,457,083
Equity			
Share capital	1,500,000	--	1,500,000
Statutory reserve**	1,500,000	(1,500,000)	--
Share based payments reserve	48,634	--	48,634
Shares held under employees share scheme	(145,476)	--	(145,476)
Retained earnings	2,306,706	--	2,306,706
Re-measurement reserve for end-of-service benefits	(7,573)	--	(7,573)
Investments fair value reserve	(84,294)	--	(84,294)
Other reserves **	--	1,500,000	1,500,000
Total equity	5,117,997	--	5,117,997
Total liabilities and equity	15,575,080	--	15,575,080



a) Proposed effect of demerger of the Company on extracts/select items of the consolidated statement of changes in equity (latest available audited consolidated financial statements) as at December 31, 2024 (proforma).

	Share capital	Statutory reserve**	Share based payments reserve	Shares held under employees share scheme	Retained earnings	Re-measurement reserve for end-of-service benefits	Investments fair value reserve	Other Reserve**	Total equity
Balance at 31 December 2024 (Audited) –									
Prior to the demerger	1,500,000	1,500,000	48,634	(145,476)	2,306,706	(7,573)	(84,294)	--	5,117,997
Adjustment due to the demerger	--	(1,500,000)	--	--	--	--	--	1,500,000	--
Balance at 31 December 2024 (Unaudited) - post demerger	1,500,000	--	48,634	(145,476)	2,306,706	(7,573)	(84,294)	1,500,000	5,117,997

** This represents the non-distributable legal reserve maintained at the Group pursuant to the requirements of Article 70 (2g) of the Insurance Authority's Implementing Regulations on the demerged company. As part of this restructuring, the management has resolved to transfer this reserve as other reserves.

b) There is no effect on the consolidated statements of income, comprehensive income and cash flows for the year then ended December 31, 2024.


 Hatim Jamal
 Chief Financial Officer


 Abdulrahman Saimaidahar
 Senior Director – Finance Ops



Annex (B)

The Proposed Amendments on the Bylaws

Article	Before the amendment		After the amendment	
	Class	Chapter	Chapter	Class
ARTICLE 4 - OBJECTIVES OF THE COMPANY	Non-life insurance	Insurance other than life insurance	Financial and Insurance Activities	Insurance other than life insurance Investing the funds of subsidiaries of the holding companies Ownership of real estate and movable assets necessary for holding companies Ownership of industrial property rights for subsidiaries of the holding companies Leasing industrial property rights to subsidiaries of the holding companies
ARTICLE 5 - DURATION OF THE COMPANY	The term of the company is (99) years starting from the date of its registration in the commercial register. This term may be extended by a resolution issued by the extraordinary general assembly at least one year prior to its expiry.		The term of the company is (99) years starting from the date of its registration in the commercial register. This term may be extended by a resolution issued by the extraordinary general assembly at least one year prior to its expiry. The duration of the company shall be indefinite	
NEW ARTICLE - ARTICLE 6: THE COMPANY	There is no prior text, the Article is new.		Bupa Arabia holding company is a listed joint stock company registered in the commercial register in the city of Jeddah under CR no. 4030178881 dated 05/05/1429H with the unified number -7001571327- The extraordinary general assembly issued its resolution to divide the company into two entities on the date of [*]/[*]/1447H, corresponding to [*]/[*]/2026G ("Demerger Resolution").	
NEW ARTICLE - ARTICLE 7: PARTICIPATION AND OWNERSHIP IN COMPANIES	There is no prior text, the Article is new.		The company may establish subsidiaries independently or in partnership with others inside or outside the Kingdom (subject to the limits and regulations stipulated by applicable laws). Additionally, the company may acquire shares or stakes in existing companies or merge with them, provided that all legal and regulatory requirements are met. Furthermore, the company may dispose of such shares or stakes, provided it does not act as an intermediary for trading them.	
NEW ARTICLE - ARTICLE 8: RELOCATION OF THE HEAD OFFICE	There is no prior text, the Article is new.		The head offices may be relocated to any other city within the Kingdom of Saudi Arabia by resolution of the Extraordinary General Assembly. The company may also establish branches, offices, or agencies within or outside the Kingdom by resolution of the Board of Directors.	
ARTICLE 8 11 - SHAREHOLDER REGISTER AND TRADING OF SHARES	1-	The company shall prepare a special register containing the names of the shareholders, their nationalities, their details, their places of residence, their professions, the number of shares owned by each of them, the serial numbers of the shares, and the amounts paid for such shares. The company may enter into an agreement for the preparation of this register, and it must be kept in the Kingdom.	1-	The company shall prepare a special register containing the names of the shareholders, their nationalities, their details, their places of residence, their professions, the number of shares owned by each of them, the serial numbers of the shares, and the amounts paid for such shares. The company may enter into an agreement for the preparation of this register, and it must be kept in the Kingdom.
	2-	The company shall provide the commercial register with the details of the register referred to in paragraph (1) of this article and any amendments thereto within (fifteen) days from the date of the company's registration in the commercial register or from the date of the amendment, as the case may be.	2-	The company shall provide the commercial register with the details of the register referred to in paragraph (1) of this article and any amendments thereto within (fifteen) days from the date of the company's registration in the commercial register or from the date of the amendment, as the case may be.
			1-	The company's shares shall be traded in accordance with the Capital Market Law and its implementing regulations.

Article	Before the amendment	After the amendment
Article 9- TRADING OF SHARES	1- The trading of the company's shares shall be recorded in the shareholders' register, and the transfer of ownership of a share shall not be considered binding on the company or third parties except from the date of such registration.	1- The trading of the company's shares shall be recorded in the shareholders' register, and the transfer of ownership of a share shall not be considered binding on the company or third parties except from the date of such registration.
ARTICLE 10 12 - SALE OF PARTLY PAID-UP SHARES	<p>1- A shareholder is obligated to pay the remaining amount of the share value on the specified due dates. If a shareholder fails to comply with the payment schedule, the Board of Directors may, after notifying the shareholder through a stock exchange announcement, a registered letter, or any modern technological means, sell the share through public auction or the financial market, as applicable.</p> <p>2- The company shall collect from the sale proceeds the amounts due to it and return the balance to the shareholder. If the sale proceeds are insufficient to cover these amounts, the company is entitled to recover the remaining balance from all the shareholder's assets.</p> <p>3- The rights associated with partially unpaid shares shall be suspended once the payment deadline expires until the shares are sold or the outstanding amounts are paid pursuant to paragraph (1) of this article. Such rights include the right to receive a share of the net profits decided to be distributed and the right to attend general assemblies and vote on their resolutions. However, the defaulting shareholder may, up to the date of the sale, pay the outstanding amount along with any expenses incurred by the company in this regard. In this case, the shareholder shall have the right to claim any profits decided to be distributed.</p> <p>4- The company shall cancel the certificate of the sold share in accordance with the provisions of this article and issue a new certificate to the buyer bearing the same share number. The shareholders' register shall be updated to reflect the sale, including the necessary details of the new owner.</p>	<p>1- A shareholder is obligated to pay the remaining amount of the share value on the specified due dates. If a shareholder fails to comply with the payment schedule, the Board of Directors may, after notifying the shareholder through a stock exchange announcement, a registered letter, or any modern technological means, sell the share through public auction or the financial market, as applicable.</p> <p>2- The company shall collect from the sale proceeds the amounts due to it and return the balance to the shareholder. If the sale proceeds are insufficient to cover these amounts, the company is entitled to recover the remaining balance from all the shareholder's assets.</p> <p>3- The rights associated with partially unpaid shares shall be suspended once the payment deadline expires until the shares are sold or the outstanding amounts are paid pursuant to paragraph (1) of this article. Such rights include the right to receive a share of the net profits decided to be distributed and the right to attend general assemblies and vote on their resolutions. However, the defaulting shareholder may, up to the date of the sale, pay the outstanding amount along with any expenses incurred by the company in this regard. In this case, the shareholder shall have the right to claim any profits decided to be distributed.</p> <p>4- The company shall cancel the certificate of the sold share in accordance with the provisions of this article and issue a new certificate to the buyer bearing the same share number. The shareholders' register shall be updated to reflect the sale, including the necessary details of the new owner.</p> <p><u>1- A shareholder must pay the value of the share on the designated due dates. If the shareholder fails to make the payment by the due date, the Board of Directors, after notifying the shareholder via registered mail or other modern technological means, may sell the share in a public auction or through the stock market, as applicable, in accordance with the regulations specified by the competent authority.</u></p> <p><u>2- The company shall collect the outstanding amount from the sale proceeds and return the surplus to the shareholder. If the sale proceeds are insufficient to cover the outstanding amounts, the company may recover the remaining balance from the shareholder's other assets. However, the defaulting shareholder may, up to the day of the sale, pay the outstanding amount owed along with the expenses incurred by the company in this regard.</u></p> <p><u>3- The enforcement of rights associated with the defaulted shares shall be suspended until they are sold or the outstanding amounts are paid in accordance with the relevant regulations and systems. The company shall cancel the sold share in accordance with the provisions of this article and issue the purchaser a new share bearing the number of the cancelled share. The shareholder register shall be updated to reflect the sale and include the necessary details of the new owner.</u></p>

Article	Before the amendment	After the amendment
ARTICLE 11 13 - CAPITAL INCREASE	<p>1- The company's Board of Directors may resolve to increase the issued share capital within the limits of the authorized share capital, if any, provided that the issued share capital has been fully paid.</p> <p>2- The Extraordinary General Assembly may decide to increase the company's issued share capital, provided that the issued share capital has been fully paid. It is not required for the capital to be fully paid if the unpaid portion pertains to shares issued in exchange for converting debt instruments or financing sukuk into shares, and the period specified for their conversion has not yet expired.</p>	<p>1- The company's Board of Directors may resolve to increase the issued share capital within the limits of the authorized share capital, if any, provided that the issued share capital has been fully paid.</p> <p>2- The Extraordinary General Assembly may decide to increase the company's issued share capital, provided that the issued share capital has been fully paid. It is not required for the capital to be fully paid if the unpaid portion pertains to shares issued in exchange for converting debt instruments or financing sukuk into shares, and the period specified for their conversion has not yet expired.</p> <p>3- The Extraordinary General Assembly may, in all cases, allocate newly issued shares resulting from the capital increase, or part thereof, to the employees of the company and its subsidiaries, or some of them. Shareholders are not permitted to exercise priority rights when the company issues shares allocated to employees.</p> <p>4- A shareholder holding shares at the time the Extraordinary General Assembly resolves to approve the increase of the issued share capital [or at the time the Board of Directors resolves to approve it within the authorized share capital limits] shall have the priority right to subscribe to the new shares issued against cash contributions. The shareholder shall be notified of their priority right, if any, through the means of announcement approved by the competent authority, regarding the resolution to increase the capital, the terms of subscription, its procedures, and the beginning and ending dates.</p> <p>5- The Extraordinary General Assembly has the right to suspend the priority rights of shareholders to subscribe for the capital increase against cash contributions or to grant priority to non-shareholders if deemed in the company's best interest.</p> <p>6- A shareholder has the right to sell or transfer their priority rights in accordance with the applicable regulations and the controls set by the competent authority.</p> <p>7- Subject to paragraph -5- above, the new shares shall be distributed to holders of priority rights who have requested to subscribe in proportion to the priority rights they hold out of the total priority rights arising from the capital increase, provided that they do not receive more than what they have requested. The remaining new shares shall then be distributed to holders of priority rights who requested more than their share in proportion to the priority rights they hold out of the total priority rights arising from the capital increase, provided that they do not receive more than what they have requested. Any remaining shares shall be offered to others, unless the Extraordinary General Assembly resolves otherwise or the Capital Market Law stipulates differently.</p>
NEW ARTICLE - ARTICLE 15: PREFERRED SHARES AND REDEEMABLE SHARES	There is no prior text, the Article is new.	The Extraordinary General Assembly of the company may, in accordance with the rules set by the competent authority, issue preferred shares or redeemable shares, or decide to purchase or convert them from one type or class to another. Preferred shares do not grant voting rights in the general assemblies of shareholders, except in cases stipulated by the applicable laws and regulations. These shares entitle their holders to receive a higher percentage of the company's net profits than ordinary shareholders after allocating reserves, if any.

Article	Before the amendment	After the amendment
NEW ARTICLE - ARTICLE 16: PURCHASE AND PLEDGE OF SHARES	There is no prior text, the Article is new.	1- The company shall have the right to acquire, sell, pledge, and use its shares as security. 2- The purpose of the company purchasing its own shares may include allocating them as treasury shares in accordance with applicable laws and regulations. 3- The company may adopt an Employee Share Program and utilize treasury shares within this program, whether such treasury shares result from the company's purchase of its own shares or from shares issued during the company's capital increase under Article 14 of these bylaws, for the benefit of the company's employees or the employees of its subsidiaries, in accordance with applicable laws and regulations.
NEW ARTICLE - ARTICLE 17: ISSUANCE OF SHARES	There is no prior text, the Article is new.	1- Shares shall be nominal and may not be issued for less than their nominal value. However, they may be issued for a value higher than their nominal value. In the latter case, the value difference shall be recorded in a separate account under shareholders' equity and may not be distributed as cash dividends to shareholders. A share may not be divided in relation to the company. If a share is owned by multiple individuals, they must appoint one among them to act on their behalf in exercising the rights associated with the share, and these individuals shall be jointly liable for the obligations arising from share ownership. 2- The company may purchase and sell its own shares within the framework of an Employee Share Program, in accordance with the Companies Law and the regulations issued by the regulatory and supervisory authorities. 3- The company may sell treasury shares in one stage or multiple stages in accordance with the rules and procedures set by the competent authority. 4- The company may pledge its shares as collateral for a debt in accordance with the rules and procedures set by the competent authority.
NEW ARTICLE - ARTICLE 18: DEBT INSTRUMENTS	There is no prior text, the Article is new.	1- The company may issue, in accordance with the applicable regulations and the standards set by the competent authority, tradable debt instruments or financing sukuk by a resolution of the board of directors. 2- The company may issue, in accordance with the applicable regulations and the standards set by the competent authority, debt instruments or financing sukuk convertible into shares by a resolution of the extraordinary general assembly. This resolution shall specify the maximum number of shares that may be issued in exchange for such instruments or sukuk, whether these convertible instruments or sukuk are issued at the same time, through a series of issuances, or under one or more programs for issuing debt instruments or financing sukuk. The board of directors, without requiring further approval from the general assembly, may issue new shares in exchange for such instruments or sukuk that holders request to convert, upon the conclusion of the conversion request period specified for the holders of these instruments or sukuk. The board shall undertake the regulatory procedures related to the increase of the capital.

Article	Before the amendment	After the amendment
ARTICLE 13 19 - MANAGEMENT OF THE COMPANY	<p>a- The company shall be managed by a board of directors consisting of nine (12) members, all of whom must be natural persons, elected by the ordinary general assembly of shareholders for a term not exceeding four years.</p> <p>b- The board of directors shall determine its working procedures as follows:</p> <p>The quorum for convening a meeting shall be the presence of 50% of the board members.</p> <p>The quorum for passing resolutions shall be the approval of 51% of the members.</p> <p>Members of the board may delegate their attendance at meetings.</p>	<p>a- The company shall be managed by a board of directors consisting of nine (12 9) members, all of whom must be natural persons, elected by the ordinary general assembly of shareholders for a term not exceeding four years.</p> <p>b- The board of directors shall determine its working procedures as follows:</p> <p>The meetings shall be held at any location determined by the board of directors, and meetings may also be conducted using modern technology.</p> <p>The quorum for convening a meeting shall be the presence of 50% of the board members.</p> <p>The quorum for passing resolutions shall be the approval of 51% of the present members.</p> <p>[any additional text related to the board can be added here] Members of the board may delegate their attendance at meetings.</p>
ARTICLE 15 21 - EXPIRATION OF THE BOARD'S TERM OR RESIGNATION OF ITS MEMBERS OR VACANCIES	<p>1- Prior to the expiration of its term, the board of directors must convene the ordinary general assembly to elect a new board for a new term. If it is not possible to conduct the election and the term of the current board ends, its members shall continue to perform their duties until a new board is elected, provided that the extension period does not exceed the duration specified by the executive regulations of the Companies Law.</p> <p>2- If the chairman and members of the board resign, they must call for the general assembly to convene to elect a new board of directors. The resignation shall not take effect until the new board is elected, provided that the continuity of the resigning board does not exceed the period specified by the executive regulations of the Companies Law.</p> <p>3- A board member may resign from the board by submitting a written notice addressed to the chairman. If the resigning member has remarks on the company's performance, they shall provide a written statement of such remarks to the chairman of the board, who must present it to the other members of the board. If the chairman resigns, the notice must be addressed to the remaining board members and the board secretary. In both cases, the resignation shall take effect from the date specified in the notice, provided the commercial register is informed within fifteen (15) days and the Capital Market Authority within five (5) business days.</p> <p>4- If a vacancy arises on the board of directors without affecting the conditions necessary for the validity of the board's meetings due to a reduction in the number of members below the minimum, the board may appoint a temporary member to fill the vacant position, provided the appointee possesses the necessary expertise and competence. The commercial register and the Capital Market Authority must be informed within fifteen (15) days from the date of appointment, and the appointment must be presented to the ordinary general assembly at its first meeting. The new member shall complete the term of their predecessor.</p> <p>5- If the conditions necessary for the validity of the board's meetings are not met due to a reduction in the number of members below the minimum stipulated in the Companies Law or these bylaws, the remaining members must call for the ordinary general assembly to convene within sixty (60) days to elect the required number of members.</p>	<p>1- Prior to the expiration of its term, the board of directors must convene the ordinary general assembly to elect a new board for a new term. If it is not possible to conduct the election and the term of the current board ends, its members shall continue to perform their duties until a new board is elected, provided that the extension period does not exceed the duration specified by the executive regulations of the Companies Law.</p> <p>2- If the chairman and members of the board resign, they must call for the general assembly to convene to elect a new board of directors. The resignation shall not take effect until the new board is elected, provided that the continuity of the resigning board does not exceed the period specified by the executive regulations of the Companies Law.</p> <p>3- The ordinary general assembly may, at any time, dismiss all or some members of the board of directors. In such cases, their membership in any committees they belong to shall also terminate. This is without prejudice to the dismissed member's right to claim compensation from the company if the dismissal occurs for an unacceptable reason or at an inappropriate time.</p> <p>4- A board member may resign from the board by submitting a written notice addressed to the chairman. If the resigning member has remarks on the company's performance, they shall provide a written statement of such remarks to the chairman of the board, who must present it to the other members of the board. If the chairman resigns, the notice must be addressed to the remaining board members and the board secretary. In both cases, the resignation shall take effect from the date specified in the notice, provided the commercial register is informed within fifteen (15) days and the Capital Market Authority within five (5) business days.</p> <p>5- If a board member resigns and has remarks on the company's performance, they shall provide a written statement of such remarks to the chairman of the board, who must present it to the other board members.</p> <p>6- If a vacancy arises on the board of directors without affecting the conditions necessary for the validity of the board's meetings due to a reduction in the number of members below the minimum, the board may appoint a temporary member to fill the vacant position, provided the appointee possesses the necessary expertise and competence. The commercial register and the Capital Market Authority must be informed within fifteen (15) days from the date of appointment, and the appointment must be presented to the ordinary general assembly at its first meeting. The new member shall complete the term of their predecessor.</p> <p>7- If the conditions necessary for the validity of the board's meetings are not met due to a reduction in the number of members below the minimum stipulated in the Companies Law or these bylaws, the remaining members must call for the ordinary general assembly to convene within sixty (60) days to elect the required number of members.</p>

Article	Before the amendment	After the amendment
ARTICLE 17 23 - REMUNERATION OF THE BOARD MEMBERS	<ol style="list-style-type: none"> The board of directors' remuneration shall consist of a salary, an attendance fee for meetings, in-kind benefits, or a percentage of the net profits, provided that the determination of the remuneration amount complies with the provisions of the Companies Law and its implementing regulations. The board of directors' report to the ordinary general assembly at its annual meeting must include a comprehensive statement of all amounts received or accrued by each board member during the fiscal year from remuneration, attendance fees, expense allowances, and other benefits. It must also include a statement of amounts received by board members in their capacity as employees or administrators, or as compensation for technical, administrative, or consultancy work. The report must further include a statement of the number of board meetings and the number of meetings attended by each member. 	<ol style="list-style-type: none"> The board of directors' remuneration shall consist of a <u>salary fixed amount</u>, an attendance fee for meetings, in-kind benefits, or a percentage of the net profits, provided that the determination of the remuneration amount complies with the provisions of the Companies Law and its implementing regulations. The board of directors' report to the ordinary general assembly at its annual meeting must include a comprehensive statement of all amounts received or accrued by each board member during the fiscal year from remuneration, attendance fees, expense allowances, and other benefits. It must also include a statement of amounts received by board members in their capacity as employees or administrators, or as compensation for technical, administrative, or consultancy work. The report must further include a statement of the number of board meetings and the number of meetings attended by each member.
ARTICLE 19 25 - BOARD MEETINGS	<ol style="list-style-type: none"> The board of directors shall meet at least four (4) times a year, upon the invitation of its chairman. The chairman must convene a meeting of the board whenever any board member submits a written request to discuss one or more topics. The Board of Directors shall determine the location of its meetings, and meetings may be held using modern technological means. 	<ol style="list-style-type: none"> The board of directors shall meet at least four (4) times a year, upon the invitation of its chairman. The chairman must convene a meeting of the board whenever any board member submits a written request to discuss one or more topics. <u>Unless circumstances require an urgent meeting, the invitation to a board meeting must be sent to each board member at least five (5) days prior to the meeting date, accompanied by the agenda and all necessary documents and information. The invitation must specify the meeting location, and the meeting may be held using modern technology.</u> <u>The invitation must specify the meeting location, and board meetings may be conducted via telephone or modern technology, provided that such means enable board members to participate effectively, including hearing, discussing, and voting on resolutions. The Board of Directors shall determine the location of its meetings, and meetings may be held using modern technological means.</u>
ARTICLE 20 26 - BOARD MEETINGS AND RESOLUTIONS	<ol style="list-style-type: none"> A board meeting shall not be valid unless attended by at least fifty percent (50%) of its members, either in person or by proxy. Resolutions of the board of directors shall be passed by a majority vote of the members present, whether in person or by proxy. In the case of a tie, the side voted for by the chairman of the meeting shall prevail. A resolution of the board of directors shall take effect from the date it is issued, unless the resolution specifies a different effective date or is contingent on the fulfillment of certain conditions. 	<ol style="list-style-type: none"> A board meeting shall not be valid unless <u>at least half of its members are present. A board member may delegate another member to attend board meetings on their behalf, in accordance with the company's internal policies, attended by at least fifty percent (50%) of its members, either in person or by proxy.</u> Resolutions of the board of directors shall be passed by a majority vote of the members present, whether in person or by proxy. In the case of a tie, the side voted for by the chairman of the meeting shall prevail. <u>The board of directors may issue resolutions on urgent matters by circulating them to members individually, unless any member requests in writing that the board convene to deliberate on the matter. Such resolutions must be presented at the next board meeting to be documented in the meeting minutes. These resolutions shall become effective upon approval by the majority.</u> A resolution of the board of directors shall take effect from the date it is issued, unless the resolution specifies a different effective date or is contingent on the fulfillment of certain conditions.
ARTICLE 21- ISSUING BOARD RESOLUTIONS ON URGENT MATTERS	The Board of Directors may issue resolutions on urgent matters by circulating them to all members for their approval, unless one of the members requests in writing that the Board meet to deliberate on the matter. Such resolutions require the approval of the majority of the Board members' votes and shall be presented at the first Board meeting for inclusion in that meeting's minutes.	The Board of Directors may issue resolutions on urgent matters by circulating them to all members for their approval, unless one of the members requests in writing that the Board meet to deliberate on the matter. Such resolutions require the approval of the majority of the Board members' votes and shall be presented at the first Board meeting for inclusion in that meeting's minutes.

Article	Before the amendment	After the amendment
ARTICLE 23:- QUORUM FOR BOARD MEETINGS	1. A Board meeting shall not be valid unless attended by five members, provided that the number of attendees is not less than three at the very least. 2. If the conditions for convening the Board of Directors are not met due to the number of members falling below the minimum stipulated in these bylaws, the remaining members must call for a meeting of the Ordinary General Assembly within sixty (60) days to elect the necessary number of members. 3. By a decision of the Capital Market Authority, the Ordinary General Assembly may be called to convene in the event of a shortage of Board members below the minimum required for a valid meeting. 4. A Board member may not delegate another person to attend the meeting on their behalf. Exceptionally, a Board member may delegate another member of the Board to attend the meeting on their behalf. 5. Resolutions of the Board shall be passed by a majority of the opinions of the members present or represented. In the case of a tie, the side that the meeting Chairman voted for shall prevail. 6. The Board of Directors may issue resolutions on urgent matters by circulating them among the members, unless one of the members requests in writing that the Board meet to deliberate on the matter. Such resolutions shall be submitted at the next Board meeting to be included in the minutes of that meeting. 7. Resolutions of the Board of Directors shall take effect from the date of their issuance, unless otherwise specified in the resolution or conditional upon the fulfillment of certain criteria.	1. A Board meeting shall not be valid unless attended by five members, provided that the number of attendees is not less than three at the very least. 2. If the conditions for convening the Board of Directors are not met due to the number of members falling below the minimum stipulated in these bylaws, the remaining members must call for a meeting of the Ordinary General Assembly within sixty (60) days to elect the necessary number of members. 3. By a decision of the Capital Market Authority, the Ordinary General Assembly may be called to convene in the event of a shortage of Board members below the minimum required for a valid meeting. 4. A Board member may not delegate another person to attend the meeting on their behalf. Exceptionally, a Board member may delegate another member of the Board to attend the meeting on their behalf. 5. Resolutions of the Board shall be passed by a majority of the opinions of the members present or represented. In the case of a tie, the side that the meeting Chairman voted for shall prevail. 6. The Board of Directors may issue resolutions on urgent matters by circulating them among the members, unless one of the members requests in writing that the Board meet to deliberate on the matter. Such resolutions shall be submitted at the next Board meeting to be included in the minutes of that meeting. 7. Resolutions of the Board of Directors shall take effect from the date of their issuance, unless otherwise specified in the resolution or conditional upon the fulfillment of certain criteria.
ARTICLE 24:- AGREEMENTS, CONTRACTS, CONFLICTS OF INTEREST, AND COMPETITION WITH THE COMPANY	1. The company shall have the right, upon obtaining a no-objection letter from the Insurance Authority, to enter into an agreement to manage technical services with one or more companies qualified in the insurance field. 2. A Board member may not have any direct or indirect interest in transactions or contracts executed on behalf of the company unless authorized by the Ordinary General Assembly. The Board member must notify the Board of any direct or indirect interest in transactions or contracts executed on behalf of the company, and such notification shall be recorded in the meeting minutes. 3. The Board member is prohibited from participating in voting on the resolution related to this matter in both the Board of Directors and shareholder assemblies. 4. The Chairman of the Board shall inform the Ordinary General Assembly, upon its convening, about the transactions and contracts in which a Board member has a direct or indirect interest, accompanied by a special report from the company's external auditor. 5. If a Board member fails to disclose their interest, the company or any interested party may request the competent judiciary to annul the contract or oblige the member to pay any profit or benefit they gained from it.	1. The company shall have the right, upon obtaining a no-objection letter from the Insurance Authority, to enter into an agreement to manage technical services with one or more companies qualified in the insurance field. 2. A Board member may not have any direct or indirect interest in transactions or contracts executed on behalf of the company unless authorized by the Ordinary General Assembly. The Board member must notify the Board of any direct or indirect interest in transactions or contracts executed on behalf of the company, and such notification shall be recorded in the meeting minutes. 3. The Board member is prohibited from participating in voting on the resolution related to this matter in both the Board of Directors and shareholder assemblies. 4. The Chairman of the Board shall inform the Ordinary General Assembly, upon its convening, about the transactions and contracts in which a Board member has a direct or indirect interest, accompanied by a special report from the company's external auditor. 5. If a Board member fails to disclose their interest, the company or any interested party may request the competent judiciary to annul the contract or oblige the member to pay any profit or benefit they gained from it.
NEW ARTICLE - ARTICLE 28: POWERS OF THE BOARD SECRETARY	There is no prior text, the Article is new.	<u>3- Without prejudice to any other regulatory or supervisory requirements and the duties determined by the board of directors, the board secretary performs their responsibilities under the direction of the chairman. These responsibilities include, but are not limited to, documenting board meetings and preparing minutes that include discussions and deliberations, documenting board resolutions and voting results, and keeping records in a special and organized registry. The secretary is also responsible for maintaining and organizing reports submitted to the board and reports prepared by the board, ensuring that board members receive full and prompt access to the minutes of board meetings, information, and company-related documents, and coordinating communication among board members.</u>
NEW ARTICLE - ARTICLE 30: ADDITIONAL PROVISIONS REGARDING BOARD MEMBERS' REMUNERATION	There is no prior text, the Article is new.	The remuneration of the board of directors shall consist of a fixed amount, an attendance fee for meetings, in-kind benefits, or a specific percentage of net profits. It is permissible to combine two or more of the benefits provided for in this system as determined by the general assembly. The general assembly may also set a special remuneration for the chairman of the board for the duties and responsibilities undertaken in this capacity.

Article	Before the amendment	After the amendment
NEW ARTICLE - ARTICLE 31: ADDITIONAL PROVISIONS REGARDING THE POWERS OF THE CHAIRMAN, VICE CHAIRMAN, CEO, AND SECRETARY	There is no prior text, the Article is new.	<p>1- The resolution of the board regarding the appointment of the Secretary shall determine their responsibilities and remuneration.</p> <p>2- The term of the Chairman, Vice Chairman, and Secretary (if they are a member of the board) shall not exceed their respective membership term on the board. They may be re-elected. The board may, at any time, remove them or any of them without prejudice to the right of the removed individual to claim compensation if the removal occurs for an unlawful reason or at an inappropriate time. Such removal shall not exempt them from their membership on the board of directors.</p>
NEW ARTICLE - ARTICLE 32: ADDITIONAL PROVISIONS REGARDING THE POWERS OF THE BOARD	There is no prior text, the Article is new.	<p>Subject to the powers vested in the General Assembly, the board of directors shall have the broadest powers to manage the company in order to achieve its objectives. To this end, the board may, for example and without limitation, undertake the following:</p> <p>1- Represent the company in its relations with third parties, government entities, and private entities, including but not limited to the Ministry of Commerce, the Ministry of Investment, the Capital Market Authority, Tadawul Saudi, the Zakat, Tax and Customs Authority, the Insurance Authority, the Ministry of Health, the notary public, as well as before the judiciary, Sharia courts, judicial entities, arbitration panels, committees of all types, labor offices, police departments, chambers of commerce and industry, public and private agencies, companies, and institutions of all types, inside and outside the Kingdom, and all government or private entities.</p> <p>2- Handle all matters related to claims and litigation, including but not limited to appointing representatives for follow-ups, pleading, and defending on behalf of the company; filing and responding to lawsuits; acknowledgment and denial; reconciliation and settlement; withdrawal; requesting and declining oaths; summoning witnesses and submitting evidence; contesting and cross-examining evidence; filing forgery claims; denying signatures, seals, and handwriting; requesting travel bans and their removal; applying for seizure and enforcement; filing arbitration requests; appointing experts and arbitrators, challenging their reports, dismissing them, and replacing them; accepting judgements or requesting their enforcement, nullification, or objection; applying for appeals or petitions for reconsideration; filing for reinstatement; receiving court rulings; and receiving and making monetary payments to and from courts and arbitration panels. This includes attending sessions for all cases before governmental and private entities, before all levels of courts and judicial bodies, commercial chambers, labor offices, high and primary committees, the Committee for the Resolution of Securities Disputes, Commercial Paper Dispute Settlement Committees, Banking Dispute Committees, Customs Committees, Tax Committees, Commercial Fraud Committees, and all other judicial committees, the Oversight and Anti-Corruption Authority, the Public Prosecution, and other relevant entities.</p>

Article	Before the amendment	After the amendment
		<p>3- Approve the establishment, formation, purchase, management, operation, dissolution, liquidation, financing, guaranteeing, and assuming partnership in any type of company, institution, fund, or branch, either jointly with others or independently, in any proportion, whether inside or outside the Kingdom of Saudi Arabia. This includes defining the responsibilities of branches and companies, their budgets, determining the amounts and values of shares or stakes in which the company will participate, increasing or reducing the capital of those companies, or withdrawing from companies in which the company participates. It also encompasses selling, purchasing, mortgaging, releasing mortgages, transferring, and disposing of the company's shares or stakes in other companies, and receiving their value. Further, the company may transform the legal structure of those entities, such as converting them into joint-stock companies, limited liability companies, or others. It may also sign incorporation contracts and all their amendments and annexes before the notary public or other governmental entities or cancel them, in addition to signing any documents, contracts, or resolutions issued by the company in its capacity as a partner or shareholder in those companies relating to such companies. This includes, but is not limited to, contracts for purchasing, selling, mortgaging, releasing mortgages, transferring, or disposing of shares or stakes, resolutions of general assemblies, permits, applications, notifications, authorizations, resolutions, lease agreements, or any other documents that may be necessary, required, or appropriate to carry out these acts. The company may also appoint managers, board members, or directors for these entities as well as representatives for the company in partner or shareholder assemblies, and attend and vote—on behalf of the company—in partner meetings, including inaugural, ordinary, and extraordinary general assemblies. It may take and vote on all decisions, including but not limited to approving the public offering of such companies, issuing debt instruments through those companies, merging them with other entities, liquidating them, or amending their purposes.</p> <p>4- Dispose of the company's assets, properties, real estate, finances, shares, stakes in other companies, and other movable or immovable assets in any manner permissible under the law. This includes transferring ownership of lands and buildings, selling, purchasing, investing, mortgaging, releasing mortgages, and annotating deeds for mergers, partitioning, gifting, paying and receiving funds, transferring ownership, securing claims, and signing relevant transactions before the notary public or any other government entity.</p> <p>5- Enter into contracts and commitments in the name of and on behalf of the company, participate in tenders, invest in stocks, portfolios, and bonds, and sign all types of contracts, documents, and agreements, including memorandums of understanding. The board may carry out all acts and transactions, including negotiating, entering into contracts, undertaking commitments, settlements, waivers, rescissions, signing, delivering, amending, replacing, and adding to any contracts or obligations with others that serve the company's objectives. This encompasses (but is not limited to) licensing agreements, marketing contracts, forward purchase agreements, purchase and sale contracts, lease agreements, agency and franchise agreements, insurance contracts, indemnity agreements, and guarantees, all in the form, conditions, and amounts deemed appropriate by the board at its absolute discretion.</p>

Article	Before the amendment	After the amendment
		<p>6- Represent the company in its relations with other companies, banks, financial institutions, and governmental financing funds under all names and capacities, as well as other lenders and financial entities of all types. The board may open, manage, operate, and close bank accounts of any type and in any country, and carry out all transactions related to such accounts, including withdrawals, deposits, and transfers. It can also collect and disburse company funds, claim company rights, sign any documents or agreements for those purposes, obtain loans and other financial facilities in all their forms from governmental financing entities, commercial banks, financial houses, credit companies, and other credit entities. Furthermore, it may issue guarantees and warranties in favor of any entity when the board, at its absolute discretion, deems it to be in the company's interest. The board is authorized to sign, issue, and accept checks, promissory notes, bills of exchange, and other commercial papers, engage in leasing operations, derivative transactions, treasury operations, financial hedging, currency exchange rate hedging, and granting credits. It may execute all necessary transactions to conclude banking agreements and transactions, all in the form and terms it deems appropriate at its absolute discretion. The board may release debtors of the company from their obligations unless this Articles of Association or a resolution from the ordinary general assembly imposes any restrictions on the board's authority in this regard.</p> <p>7- Approval of the company's work plan and its operational plans, as well as its annual capital budget.</p> <p>8- Approval of the company's financial position, financial statements, annual budget, the Board of Directors' annual report, and their publication as required by laws and regulations.</p> <p>9- Approval of the company's internal, financial, administrative, and technical regulations, as well as the policies and regulations governing its employees.</p> <p>10- Formation and appointment of committees of all types, determining their powers, appointing their members from among the board or others, dismissing them, and setting their compensations.</p> <p>11- Defining cases in which a Board Member is considered to have a direct or indirect interest in transactions and contracts conducted on behalf of the company and determining cases in which a Board Member is participating in activities that may compete with the company or any of its business segments.</p> <p>12- The Board of Directors must obtain the approval of the General Assembly when selling assets exceeding fifty percent (50%) of the total asset value, whether the sale occurs through a single transaction or multiple transactions. In such a case, the transaction that leads to exceeding the fifty percent (50%) threshold of asset value will require the General Assembly's approval. This percentage is calculated based on transactions completed within the preceding twelve (12) months from the date of the first transaction.</p> <p>The Board shall have the authority to delegate or authorize any of its powers—within its competencies—to one (1) or more Board Members or others to take any actions, carry out specific tasks, or perform certain activities on behalf of the company. The Board also retains the right to revoke the delegation or authorization, either partially or fully, and may grant the delegated person or agent the power to further delegate or authorize third parties.</p>

Article	Before the amendment	After the amendment
<p>NEW ARTICLE - ARTICLE 33: ADDITIONAL PROVISIONS REGARDING THE POWERS OF THE CHAIRMAN</p>	<p>There is no prior text, the Article is new.</p>	<p>The Chairperson shall have the following powers:</p> <ol style="list-style-type: none"> 1- <u>Invite the Board to convene and chair meetings. The Chairperson must convene the Board if requested to do so by one (1) or more directors.</u> 2- <u>Represent the Company before third parties, inside or outside the Kingdom, including but not limited to, appearing before courts of law and arbitration bodies, ministries, departments, government agencies, companies, courts, judicial and quasi-judicial committees, labour committees or courts of all degrees and categories, the public prosecution, notary public and notaries licensed by the Ministry of Justice, and the Chambers of Commerce. To that end, the Chairperson has the right to sign, plead, defend, file lawsuits, conclude settle, assign, waive, discharge, deny, acknowledge, and request an oath, receive judgments, request revocation of judgments, appeal, and seek reconsideration and execution of judgments. The Chairperson has the right to delegate another person for this purpose, as well as grant the delegate the right to delegate others.</u> 3- <u>Perform necessary actions and attend sessions in all cases and lawsuits before all official entities, courts, and all types of judicial committees. The Chairman has the authority to claim rights, file lawsuits, litigate, defend, hear cases, respond to claims, admit or deny allegations, reconcile, waive rights, request or reject oaths, refrain from oath-taking, present witnesses and evidence, contest evidence, respond to arraignments and cross-examinations, challenge forgery, deny handwriting, seals, and signatures, and request attachments, execution, reconsideration, restoration of reputation, preemption rights, judge recusal, inclusion or intervention in cases. The Chairman is also authorized to request arbitration, approve arbitration documents, appoint experts and arbitrators, contest expert and arbitrator reports, replace them, and receive ruling documentation, accept judgments, execute, annul or appeal them, and request retrials or reviews.</u> 4- <u>Claim the company's rights from third parties and receive them, enforce judgments, request attachment and execution orders, request travel bans and their removal, request prohibition of dealings to collect the company's rights, receive cash amounts or checks, issue discharges, pay off the company's debts, and receive deeds, documents, and discharges.</u> 5- <u>The Chairman, through a written decision or a power of attorney, may delegate some of his authorities to other Board members or third parties to execute specific tasks or specified roles. The Chairman also has the authority to issue written delegations and powers of attorney to appoint, delegate, or designate one or more individuals or entities with all or part of the aforementioned powers, including granting agents the authority to further delegate such powers.</u>

Article	Before the amendment	After the amendment
<p>NEW ARTICLE - ARTICLE 34: ADDITIONAL PROVISIONS REGARDING THE POWERS OF THE CEO</p>	<p>There is no prior text, the Article is new.</p>	<p>1- <u>The CEO shall oversee the company's operational management and monitor daily operations, and shall have, but not be limited to, the following authorities:</u></p> <p>(a) <u>To perform all the company's daily operations and manage its affairs, possessing all the necessary powers and authorities to achieve the company's objectives. The CEO represents the company before all governmental, official, regulatory, and private entities within and outside the Kingdom of Saudi Arabia. The CEO is authorized to contract in the name of and on behalf of the company, engage in tenders and bids, and perform all dealings with various entities. Furthermore, the CEO has the right to appoint, contract with, and dismiss company managers and employees, as well as appoint and dismiss the company's representatives, agents, and legal counsel.</u></p> <p>(b) <u>To represent the company before the Ministry of Commerce and Investment, Chambers of Commerce, the General Authority for Investment, and other entities with full authorities. This includes managing all commercial registers and licenses, issuing, renewing, canceling, or amending them, overseeing all commercial activities and company branches, and supervising their records, as well as modifying them by adding or deleting activities. The CEO may appoint or dismiss branch managers, access electronic services, receive codes and secret numbers, register names and trademarks, handle trademark usage registration, and file objections against registrations.</u></p> <p>(c) <u>Based on a resolution of the majority of the Board members, the CEO is granted the authority to establish subsidiaries, amend their articles of association, and handle formalities with the Ministry of Justice, the Ministry of Commerce and Investment, the General Authority for Investment, the Chamber of Commerce, the General Authority for Zakat and Taxes, public notaries, and other relevant authorities to finalize procedures for the formation of subsidiaries. This includes signing any required documents, hiring and dismissing employees for the subsidiary companies, and executing, establishing, purchasing, managing, operating, terminating, liquidating, financing, guaranteeing, or participating in any type of companies, institutions, funds, or branches with others or solely, at any percentage, whether within or outside the Kingdom of Saudi Arabia. The CEO shall also determine the purposes, budgets, share values, or equity amounts for the company's participation, increase or decrease the capital of such companies, withdraw from these companies, sell, purchase, mortgage, redeem mortgages, transfer, and dispose of the company's shares or stakes in other companies and receive proceeds thereof. This includes converting these entities into joint-stock companies, limited liability companies, or other forms, signing the Bylaws, amendments, or annexes, either before public notaries or other governmental authorities, or canceling them. The CEO may also sign any documents, contracts, or other resolutions issued by the company as a partner or shareholder related to these companies, including purchase or sale agreements, mortgage or release of mortgage contracts, waivers, proxies, general assembly minutes, declarations, applications, notifications, authorizations, resolutions, or leases. Additionally, the CEO shall appoint directors, board members, or managers for these companies, as well as the company's representatives in the partner or shareholder assemblies, and to attend and vote on behalf of the company in partner and shareholder meetings, including foundational, ordinary, and extraordinary general assemblies, and to modify these companies' purposes.</u></p>

Article	Before the amendment	After the amendment
		<p>(d) <u>To represent the company before the General Organization for Social Insurance (GOSI), open subscription accounts, sign all transactions with it, request electronic services and receive the related secret codes, request all necessary data and certificates, and apply for work injury compensations.</u></p> <p>(e) <u>To represent the company before the Ministry of Finance and the General Authority of Zakat and Tax (GAZT), sign all documents, request temporary and final Zakat certificates, submit, review, and approve quarterly and annual financial statements.</u></p> <p>(f) <u>To represent the company before Civil Defense, municipalities, and municipal councils to apply for licenses, receive them, renew them, amend them, and cancel them.</u></p> <p>(g) <u>To represent the company before the Ministry of Labor and Social Development, the Human Resources Development Fund, recruitment offices, and the Ministry of Foreign Affairs. This includes opening files, issuing visas, receiving visa compensations and refunds, modifying professions and nationalities, transferring sponsorships, updating data, reporting absconding cases, canceling absconding reports, issuing and renewing work permits, adding or removing establishment employees, obtaining Saudization certificates, applying for commercial visits and invitations, liaising with embassies, consulates, and Saudi foreign missions, extending visit visas, signing contracts with recruitment offices, requesting electronic services, receiving secret codes and serial numbers, and signing agreements for support programs, receiving support funds, and settling them.</u></p> <p>(h) <u>To represent the company before the General Directorate of Passports across all regions, provinces, and border points. This includes requesting electronic services, receiving secret codes and serial numbers, issuing and renewing residency permits, amending their data, reissuing lost or damaged permits, issuing and canceling exit and re-entry or final exit visas, extending their validity, transferring sponsorships, updating and transferring information for the company and its employees, modifying professions, settling and transferring employees, reporting absconding cases or canceling absconding reports, implementing or lifting travel bans, applying for and extending visit visas, handling deceased personnel procedures, requesting data disclosures, and following up with expatriate and forgery departments. Additionally, this includes receiving female workers and the company's personnel from border checkpoints and airports.</u></p> <p>(i) <u>To represent the company before all ministries, entities, government bodies, official and security agencies, as well as regional emirates, provinces, police departments, and stations in all matters related to the company or its dealings with others.</u></p> <p>(j) <u>To represent the company before all service provider companies, including telecommunications services (wired and wireless), landline and mobile phone services, internet services, the Saudi Electricity Company, and the National Water Company, for subscribing to, relinquishing, or canceling any services, and requesting secret codes and serial numbers for electronic services.</u></p> <p>(k) <u>To follow up with all relevant entities, complete all necessary procedures and sign wherever required, as well as request electronic services and receive secret codes and serial numbers for all the aforementioned services and authorities.</u></p> <p>2- <u>The CEO is authorized to issue written delegations and powers of attorney to appoint, delegate, or designate one or more individuals or entities with all or part of the aforementioned authorities. The CEO may also grant agents the power to further delegate such authorities.</u></p>

Article	Before the amendment	After the amendment
ARTICLE 26:- GENERAL- ASSEMBLY-OF- SHAREHOLDERS- MEETING	<ol style="list-style-type: none"> 1- The General Assembly of Shareholders meeting shall be chaired by the Chairman of the Board of Directors, or the Vice Chairman in their absence, or a member delegated by the Board from among its members in their absence. If none of the above options are feasible, the General Assembly shall be chaired by a person elected by the shareholders from among the Board members or others through voting. 2- Each shareholder has the right to attend the General Assembly meeting and may delegate another person, other than a Board member, to attend on their behalf. 3- The General Assembly meeting, including shareholder participation in deliberations and voting on decisions, may be conducted using modern technological means. 	<ol style="list-style-type: none"> 1- The General Assembly of Shareholders meeting shall be chaired by the Chairman of the Board of Directors, or the Vice Chairman in their absence, or a member delegated by the Board from among its members in their absence. If none of the above options are feasible, the General Assembly shall be chaired by a person elected by the shareholders from among the Board members or others through voting. 2- Each shareholder has the right to attend the General Assembly meeting and may delegate another person, other than a Board member, to attend on their behalf. 3- The General Assembly meeting, including shareholder participation in deliberations and voting on decisions, may be conducted using modern technological means.
NEW ARTICLE - ARTICLE 42: CHAIRMANSHIP OF ASSEMBLIES	There is no prior text, the Article is new.	The General Assembly meetings of the shareholders shall be chaired by the Chairman of the Board of Directors or, in their absence, the Vice Chairman. If both are absent, the Board of Directors shall delegate one of its members to chair the meeting.
NEW ARTICLE - ARTICLE 43: ATTENDANCE AT ASSEMBLIES	There is no prior text, the Article is new.	Each shareholder has the right to attend the General Assemblies of the shareholders and may authorize someone else to represent them at the assembly, provided the proxy is not a member of the Board of Directors. General Assembly meetings may also be held, and shareholders may participate in deliberations and vote on resolutions using modern technology in accordance with the regulations established by the Capital Market Authority.
NEW ARTICLE - ARTICLE 44: AUTHORITIES OF THE ORDINARY GENERAL ASSEMBLY	There is no prior text, the Article is new.	Except for matters reserved for the Extraordinary General Assembly, the Ordinary General Assembly is empowered to handle all matters related to the company. It shall convene at least once a year within the six (6) months following the end of the company's fiscal year, and additional Ordinary General Assemblies may be convened whenever necessary.
NEW ARTICLE - ARTICLE 45: AUTHORITIES OF THE EXTRAORDINARY GENERAL ASSEMBLY	There is no prior text, the Article is new.	The Extraordinary General Assembly is empowered to amend the company's bylaws, except for matters that are prohibited from being amended under the law. It is also responsible for deciding the continuation or dissolution of the company and for approving the company's purchase of its shares. Additionally, it may issue resolutions on matters originally within the jurisdiction of the Ordinary General Assembly, subject to the same terms and conditions prescribed for the Ordinary General Assembly.
ARTICLE 35 47 - POWERS OF THE AUDITOR	The auditor shall have access at all times to the Company's documents, accounting records and supporting documents. The auditor may also request information and clarification as it deems necessary to verify the Company's assets and liabilities and any other tasks that fall within the scope of its work. The board of directors shall enable the auditor to undertake its duties. The auditor shall record any difficulties it may face in such regard in its report to the board of directors. If the board of directors does not facilitate the auditor's work, the auditor shall request the board of directors to convene the general assembly to look into such matter. Such request may be directed by the auditor, if it is not directed by the Manager or the Board within thirty (30) days from the date of the auditor's request.	The auditor shall have access at all times to the Company's documents, accounting records and supporting documents. The auditor may also request information and clarification as it deems necessary to verify the Company's assets and liabilities and any other tasks that fall within the scope of its work. The board of directors shall enable the auditor to undertake its duties. The auditor shall record any difficulties it may face in such regard in its report to the board of directors. If the board of directors does not facilitate the auditor's work, the auditor shall request the board of directors to convene the general assembly to look into such matter. Such request may be directed by the auditor, if it is not directed by the Manager or the Board within thirty (30) days from the date of the auditor's request. The auditor shall submit an annual report to the General Assembly, detailing the Board's approach in enabling access to requested data and clarifications, any observed violations of the Companies Law or these Bylaws, and their opinion on the fairness of the company's financial statements.

Article	Before the amendment	After the amendment
<p>ARTICLE 39 51- DIVIDENDS' DISTRIBUTION ZAKAT, RESERVES, AND DISTRIBUTION OF PROFITS</p>	<p>The company must: 1. Deduct Zakat and income tax as prescribed by regulations. 2. Deduct 20% of the net profits to form a statutory reserve. The Ordinary General Assembly may stop this deduction once the total reserve reaches 100% of the paid-up capital. 3. The Ordinary General Assembly may, when determining the share of the net profits for shareholders, decide to form additional reserves to serve the interests of the company or to ensure the distribution of consistent profits to shareholders as much as possible. 4. Distribute the company's annual net profits, determined after deducting all general expenses, other costs, and forming the necessary reserves to cover doubtful debts, investment losses, and contingent liabilities deemed necessary by the Board of Directors, in line with the Cooperative Insurance Companies Control Law and the regulations of the Insurance Authority. From the remaining profits, after deducting the prescribed reserves and Zakat, at least 5% of the paid-up capital must be allocated for distribution to shareholders, in accordance with the proposal of the Board of Directors and the decision of the General Assembly. If the remaining percentage of profits allocated to shareholders is insufficient to pay this percentage, shareholders may not claim payment of the difference in subsequent years. The General Assembly may not approve a distribution of profits exceeding what has been proposed by the Board of Directors. 5. The company may, after obtaining the approval of the Insurance Authority, distribute interim dividends to its shareholders on a semi-annual or quarterly basis, in accordance with the guidelines issued by the Capital Market Authority, relying on the authorization granted by the General Assembly to the Board of Directors to distribute interim dividends, which must be renewed annually.</p>	<p>The company must: 1. Deduct Zakat and income tax as prescribed by regulations. 2. Deduct 20% of the net profits to form a statutory reserve. The Ordinary General Assembly may stop this deduction once the total reserve reaches 100% of the paid-up capital. 3. The Ordinary General Assembly may, when determining the share of the net profits for shareholders, decide to form additional reserves to serve the interests of the company or to ensure the distribution of consistent profits to shareholders as much as possible. 4. Distribute the company's annual net profits, determined after deducting all general expenses, other costs, and forming the necessary reserves to cover doubtful debts, investment losses, and contingent liabilities deemed necessary by the Board of Directors, in line with the Cooperative Insurance Companies Control Law and the regulations of the Insurance Authority. From the remaining profits, after deducting the prescribed reserves and Zakat, at least 5% of the paid-up capital must be allocated for distribution to shareholders, in accordance with the proposal of the Board of Directors and the decision of the General Assembly. If the remaining percentage of profits allocated to shareholders is insufficient to pay this percentage, shareholders may not claim payment of the difference in subsequent years. The General Assembly may not approve a distribution of profits exceeding what has been proposed by the Board of Directors. 5. The company may, after obtaining the approval of the Insurance Authority, distribute interim dividends to its shareholders on a semi-annual or quarterly basis, in accordance with the guidelines issued by the Capital Market Authority, relying on the authorization granted by the General Assembly to the Board of Directors to distribute interim dividends, which must be renewed annually.</p> <p>1- The ordinary general assembly may, in determining the dividend per share out of the net profits, resolve to create reserves in such an amount as to achieve the interests of the company or ensure the payment of as steady dividends as much as possible to the shareholders. The said assembly may also withhold certain amounts from the net profits for fulfilling social purposes of for the employees of the company</p> <p>2- The general assembly of the company shall set out the percentage of net profits that must be distributed to shareholders after setting aside reserves, if any.</p> <p>3- The general assembly may issue a resolution to delegate the Board to declare and distribute interim dividends to shareholders, in accordance with the relevant laws and regulations.</p>
<p>ARTICLE 40- INSURANCE OPERATIONS ACCOUNT</p>	<p>First: Insurance Operations Accounts. 1: A separate account is allocated for earned premiums, reinsurance commissions, and other commissions. 2: A separate account is allocated for claims incurred by the company. 3: At the end of each year, the gross surplus is determined as the difference between the total premiums and claims, after deducting marketing, administrative, and operational expenses, and the required technical provisions as per the regulatory instructions. 4: The net surplus is determined as follows: The gross surplus mentioned in paragraph (3) above is adjusted by adding or deducting the policyholders' share of investment returns after taking into account their revenues and deducting their attributable expenses. 5: The net surplus is distributed either by directly allocating 10% of it to the policyholders or by reducing their premiums for the following year, with 90% being transferred to the shareholders' income account, in accordance with the rules established by the Board of Directors.</p>	<p>First: Insurance Operations Accounts. 1: A separate account is allocated for earned premiums, reinsurance commissions, and other commissions. 2: A separate account is allocated for claims incurred by the company. 3: At the end of each year, the gross surplus is determined as the difference between the total premiums and claims, after deducting marketing, administrative, and operational expenses, and the required technical provisions as per the regulatory instructions. 4: The net surplus is determined as follows: The gross surplus mentioned in paragraph (3) above is adjusted by adding or deducting the policyholders' share of investment returns after taking into account their revenues and deducting their attributable expenses. 5: The net surplus is distributed either by directly allocating 10% of it to the policyholders or by reducing their premiums for the following year, with 90% being transferred to the shareholders' income account, in accordance with the rules established by the Board of Directors.</p>
<p>NEW ARTICLE - ARTICLE 52: COMPANY LOSSES</p>	<p>There is no prior text, the Article is new.</p>	<p>If losses of the Company amount to half of its paid-up capital, at any time during the financial year, the Board shall, within sixty (60) days from the date of its knowledge thereof, announce the losses and the recommendations relating thereto. The Board must, within one hundred and eighty (180) days of becoming aware, call to hold the Extraordinary General Assembly to consider the continuation of the company by taking measures necessary to resolve such losses or the dissolution of the Company.</p>

Article	Before the amendment	After the amendment
<p>ARTICLE 41 <u>53</u>: DISSOLUTION OF THE COMPANY</p>	<p>1- The Company shall be dissolved for one of the reasons stipulated in Article 243 of the Companies Law, once dissolved it shall enter into liquidation in accordance with the provisions of chapter twelve of the Companies Law. If the company is dissolved and its assets are not sufficient to pay its debts, or if it is insolvent in accordance with the bankruptcy law, it shall submit to the competent judicial authority to open any of the liquidation procedures in accordance with the bankruptcy law.</p>	<p>1- The Company shall be dissolved for one of the reasons stipulated in Article 243 of the Companies Law, once dissolved it shall enter into liquidation in accordance with the provisions of chapter twelve of the Companies Law. If the company is dissolved and its assets are not sufficient to pay its debts, or if it is insolvent in accordance with the bankruptcy law, it shall submit to the competent judicial authority to open any of the liquidation procedures in accordance with the bankruptcy law. During liquidation, the rights of the shareholders in the surplus of insurance operations and the reserves established as stipulated in the relevant laws, regulations, and company policies must be preserved.</p> <p>2- A resolution for voluntary liquidation shall be issued by the Extraordinary General Assembly.</p> <p>3- The liquidation resolution must include the appointment of the liquidator, the determination of their powers and remuneration, the restrictions imposed on their authority, and the required timeframe for liquidation, which must not exceed 3 (three) years. The extension of the voluntary liquidation period beyond this limit shall only be permitted by an order from the competent judicial authority.</p>
<p>NEW ARTICLE - ARTICLE 55: PUBLICATION</p>	<p>There is no prior text, the Article is new.</p>	<p>These Bylaws shall be registered and published in accordance with the Companies Law and its implementing regulations.</p>

Bupa Arabia for Cooperative Insurance Company

Kingdom of Saudi Arabia

invest@bupa.com.sa

www.bupa.com.sa

