



Board Circular of Saudi Enaya Cooperative Insurance Company

The Board circular of Saudi Enaya Cooperative Insurance Company (“**Enaya**”) addressed to the shareholders of Enaya Company in accordance with Article (39) of the Merger and Acquisition Regulations regarding the offer submitted by Salama Cooperative Insurance Company (“**Salama**”) to the shareholders of Enaya Company for the purpose of merging into Salama Company, in exchange for Salama Company issuing eighteen million eight hundred and ninety-four thousand (18,894,000) ordinary shares with a nominal value of ten (10) Saudi Riyals per share to the shareholders of Enaya Company (“**Consideration Shares**”) in exchange for transferring all the rights, obligations, assets and contracts of Enaya Company to Salama Company in accordance with the provisions of Article (225) and Articles (227) to (229) of the Companies Law, and the provisions of subparagraph (1) of paragraph (a) of Article (49) of the Merger and Acquisition Regulations issued by the Capital Market Authority of the Kingdom of Saudi Arabia (**CMA**), including the Listing Rules issued by the Saudi Stock Exchange Company (“**Tadawul**”), and the relevant Insurance Authority regulations (“**Circular**”).

This circular includes the opinion of Enaya’s Board regarding the offer submitted by Salama to Enaya’s shareholders for the purpose of merging Enaya into Salama, and Salama’s plans concerning Enaya and its employees. The circular also includes the independent financial advice provided to Enaya’s Board of Directors, prepared by the Al Wasatah Al Maliah Company (Wasatah Capital) , which was appointed as Enaya’s financial advisor to obtain an independent and competent opinion regarding Salama’s offer to Enaya’s shareholders, in accordance with the requirements of subparagraph (a) of Article (3), Article (18), and Article (39) of the Mergers and Acquisitions Regulations.

Accordingly, shareholders should read this Circular in its entirety and review all of its sections carefully before making any decision regarding the proposed merger transaction. In case of any uncertainty regarding the procedures to be taken, Enaya Company recommends that the concerned shareholder obtain independent financial advice from a financial advisor licensed by the CMA.

Financial Advisor

wasatah capital
وساطة كابتال



The Capital Market Authority and the Saudi Stock Exchange (Tadawul) assume no responsibility for the contents of this circular, nor do they provide any assurances regarding its accuracy or completeness, and they expressly disclaim any liability whatsoever for any loss arising from what is stated in this circular or from reliance on any part of it.

This circular was issued on 10/06/1447H (corresponding to 01/12/2025G) and has been prepared in both Arabic and English, with the Arabic language being the official version. Therefore, in the event of any discrepancy between the Arabic and English texts, the Arabic text shall prevail.



عناية السعودية
SAUDI ENAYA





Board Circular

Saudi Enaya Cooperative Insurance Company (Commercial Registration: 4030223528)

Saudi Enaya Cooperative Insurance Company

Jeddah – Prince Sultan Bin Abdulaziz Street, Building No. 7521, 7th Floor

Ext. 3732

Postal Code 23423

Short Address: JEKA7521

Table 1. Saudi Enaya Cooperative Insurance Company Board members

Name	Position
Khalid Abid Gama	Chairman
Mohammed Abdullah Al-Dar	Deputy Chairman
Abdulrahman Khalil Tolefat	Board member
Ibrahim Albuloushi	Board member
Gunther Saacke	Board member
Paul Schultz	Board member
Kinana Alsharif	Board member



To: All Shareholders of Enaya Saudi Cooperative Insurance Company

Subject: Merger of Enaya Saudi Cooperative Insurance Company and Salama Cooperative Insurance Company

This Circular is addressed to the shareholders of Enaya Company pursuant to Article (39) of the Merger and Acquisition Regulations, regarding the offer submitted by Salama Company for the purpose of merging Enaya Company into Salama Company in exchange for Salama Company issuing eighteen million eight hundred and ninety-four thousand (18,894,000) ordinary shares with a nominal value of ten (10) Saudi Riyals per share in favor of the shareholders of Enaya Company (the “**Consideration Shares**”), in exchange for transferring all rights, obligations, assets, and contracts of Enaya Company to Salama Company, in accordance with the provisions of Article (225) and Articles (227) to (229) of the Companies Law, and subparagraph (1) of paragraph (a) of Article (49) of the Merger and Acquisition Regulations issued by the Capital Market Authority of the Kingdom of Saudi Arabia (**CMA**), including the Listing Rules issued by the Saudi Stock Exchange Company (“**Tadawul**”), and the relevant Insurance Authority regulations (“**Circular**”).

This circular is important and requires your immediate attention.

This Circular contains the opinion of the Board of Directors of Saudi Enaya Cooperative Insurance Company regarding the offer submitted to Enaya’s shareholders for the purpose of merging Enaya into Salama Insurance Company, as well as Salama’s plans relating to Enaya and its employees. This Circular also includes the independent financial advice provided to Enaya’s Board of Directors, which was prepared by Al Wasatah Al Maliah Company (Wasatah Capital) after being appointed as Enaya’s financial advisor to obtain an independent and fairness opinion regarding the offer submitted by Salama to Enaya’s shareholders, in accordance with the requirements of subparagraph (a) of Article (3) and Article (18) of the Merger and Acquisition Regulations.

Accordingly, shareholders should read this Circular in its entirety and review all of its sections carefully before making any decision regarding the proposed merger transaction. If there is any doubt about the procedures to be taken, Enaya recommends that the concerned shareholder obtain independent financial advice from an independent financial advisor licensed by the CMA.

On 20/02/1447H (14/08/2025G), Enaya Company entered into a merger agreement (“**Merger Agreement**”) with Salama Company for the purpose of merging Enaya Company into Salama Company and transferring all of its assets, liabilities, rights, and contracts to Salama Company (“**Merger Transaction**”), in exchange for Salama Company issuing eighteen million eight hundred and ninety-four thousand (18,894,000) ordinary shares with a nominal value of ten (10) Saudi Riyals per share in favor of the shareholders of Enaya Company (“**Consideration Shares**”), by increasing the share capital of Salama Company from three hundred million (300,000,000) Saudi Riyals to four hundred and eighty-eight million nine hundred and forty thousand (488,940,000) Saudi Riyals, and increasing the number of its shares from thirty million (30,000,000) shares to forty-eight million eight hundred and ninety-four thousand (48,894,000) shares. The shareholders of Enaya will own 38.64% of Salama’s share capital after the capital increase. The Merger Transaction is subject to the conditions stipulated in the Merger Agreement, summarized in Section (12) “Substantial Terms and Conditions of the Merger Agreement” of this Circular.

This Circular is issued in response to the offer document related to the Merger Transaction issued by Salama on the date of this Circular. The completion of the Merger Transaction will result in an increase in the share capital of Salama and the issuance of the Consideration Shares, which will be listed for trading for the benefit of Enaya’s shareholders on the following basis:

Salama Company will issue eighteen million eight hundred and ninety-four thousand (18,894,000) ordinary shares with a nominal value of ten (10) Saudi Riyals per share as the Consideration Shares in exchange for the merger of Enaya Company and the transfer of all its assets, liabilities, rights, and contracts to Salama Company. Accordingly, the shareholders of Enaya Company registered in Enaya’s shareholder register at the end of the second trading period following the issuance of the merger resolution will receive (0.8214782608695650) shares in Salama Company for each share they own in Enaya Company (“**Exchange Ratio**”).

If the calculation of the number of shares due to any shareholder of Enaya Company based on the Exchange Ratio results in fractional shares, the resulting number will be rounded down to the nearest whole number. For example, if a shareholder of Enaya Company owns one hundred (100) shares in Enaya Company, they will be allocated eighty-two (82) Consideration Shares, and not eighty-two and a fraction (82.15) shares. All fractional shares will be aggregated and sold in the market on behalf of the shareholders of Enaya Company. The proceeds resulting from the sale of the fractional shares will then be distributed to their respective beneficiaries according to their entitlement, after deducting the costs related to the sale of the fractional shares from the total proceeds of such sale.



Following the expiration of the creditors' objection period and the approval of the merger resolutions, trading in Enaya Company's shares will be suspended during the first trading period after the merger resolutions are approved. Subsequently, Enaya Company's shares will be delisted, and the new shares will be deposited into the portfolios of the company's shareholders within a period of no less than the third trading period and no more than the sixth trading period from the date of approval of the merger resolutions. Enaya Company's information will also be recorded in Salama Company's register at the Commercial Registry at the earliest possible time after the approval of the merger resolutions. Enaya Company will then be considered dissolved in accordance with Article (228) of the Companies Law. **(For further details, please refer to Section (12) "Material Terms and Conditions of the Merger Agreement" of this Circular).**

It should be noted that the completion of the Merger Transaction is subject to obtaining the approval of Salama Company's Extraordinary General Assembly regarding the Merger Transaction, as well as obtaining the approval of Enaya Company's Extraordinary General Assembly regarding the Merger Transaction. **(For further details, please refer to Paragraph (13.2) "Approval of the Extraordinary General Assembly" of Section (13) "Procedures Required for the Issuance and Effectiveness of the Merger Resolution" of this Circular).**

Furthermore, if the merger resolutions are approved by the shareholders of Enaya Company and the shareholders of Salama Company who hold the required number of shares that must be represented at the Extraordinary General Assembly meeting of each company (which is a number not less than three-quarters of the shares represented at the meeting, excluding the shares owned by Enaya Company shareholders who are not entitled to vote on the merger resolutions), and if the creditors' objection period has expired, the merger resolution has been approved, and all other conditions of the Merger Transaction have been satisfied (including the absence of any material adverse event and the non-breach of the warranties provided by both parties), and after updating the commercial records of both companies, the Merger Transaction will be implemented. As a result, Enaya Company will be dissolved by force of law, all of its shares will be cancelled, and all of its assets, liabilities, rights, and contracts will be transferred to Salama Company.

Following the issuance of the merger resolution, all shareholders of Enaya Company (including shareholders who voted against or abstained from voting) will receive the Consideration Shares in Salama Company in accordance with the Exchange Ratio. It should be noted that, pursuant to the requirements of paragraph (n) of Article (3) of the Merger and Acquisition Regulations, any shareholder holding shares in both Salama Company and Enaya Company is only entitled to vote on the resolutions related to the Merger Transaction at the Extraordinary General Assembly of one company only.

If the offer is fully accepted by the shareholders of Enaya Company with respect to the Merger Transaction (through the approval of Enaya Company's Extraordinary General Assembly regarding the Merger Transaction) and all other conditions of the Merger Transaction have been satisfied, as summarized in **paragraph (12.2) "Conditions of the Merger Agreement" of Section (12) "Material Terms and Conditions of the Merger Agreement"**, this will result in an increase in the share capital of Salama Company from three hundred million (300,000,000) Saudi Riyals to four hundred and eighty-eight million nine hundred and forty thousand (488,940,000) Saudi Riyals, and an increase in the number of its shares from thirty million (30,000,000) shares to forty-eight million eight hundred and ninety-four thousand (48,894,000) shares. The shareholders of Enaya Company will hold 38.64% of the share capital of Salama Company after the capital increase and the issuance of the merger resolution. **(For further details, please refer to Section (4) "Implications of the Merger Transaction" of this Circular).**

All shares of Salama Company are of the same class and no share grants its holder preferential rights. The Consideration Shares will be issued in the same class as Salama's existing shares and will carry the same rights, including voting rights and the right to receive dividends. Holders of the Consideration Shares will be entitled to receive any dividends declared by Salama after the date of the merger resolution, in accordance with the applicable entitlement date for each declared dividend.

Salama Company has submitted an application to the Capital Market Authority ("CMA") to register and offer the Consideration Shares. It has also submitted an application to the Saudi Exchange (Tadawul) to list the Consideration Shares, subject to obtaining CMA approval for convening the Extraordinary General Assemblies of both Enaya Company and Salama Company. All requirements stipulated by the CMA have been fulfilled, including the submission of the offer document to the CMA, which has been approved for publication. Subject to obtaining CMA approval for the convening of the Extraordinary General Assembly of Enaya Company and the Extraordinary General Assembly of Salama Company regarding the Merger Transaction, all regulatory approvals related to the Merger Transaction and the increase of Salama Company's share capital have been obtained.

The members of the Board of Directors of Enaya Company, jointly and severally, accept full responsibility for the accuracy of the information contained in this Circular, with the exception of the following: (1) the independent opinion included in Appendix (1) to this Circular, which was prepared by Al Wasatah Al Maliah Company (Wasatah Capital), Enaya Company's financial advisor, where the responsibility of the Board of Directors of Enaya Company is limited to ensuring that such opinion is properly included in this Circular; and (2) the information relating to Salama Company.



Based on the information available to the members of the Board of Directors of Enaya Company (who have exercised all reasonable care to verify such information), the information contained in this Circular, for which they accept responsibility, is consistent with the facts and does not omit anything that may materially affect its content.

This Circular has been published concurrently with the publication of the offer document issued by Salama Company in relation to the Merger Transaction. The offer document contains information relating to Salama Company and the Merger Transaction. This Circular includes references to certain sections of the offer document to assist Enaya Company's shareholders in locating such information within the offer document. These references should not be interpreted as implying that the members of the Board of Directors of Enaya Company, jointly or severally, assume any responsibility towards Enaya Company's shareholders with respect to the information contained in the offer document. Accordingly, the members of the Board of Directors of Enaya Company make no representations or warranties, whether express or implied, regarding the accuracy or completeness of the information contained in the offer document, except for the information therein that relates to Salama Company.

The members of the Board of Directors of Enaya Company believe that the Merger Transaction is fair and reasonable, having exercised the appropriate level of due diligence with the assistance of their advisors, and after taking into account the market conditions as of the date of publication of this Circular, the future growth opportunities of the merging company, the anticipated benefits of the Merger Transaction, and the independent financial advice provided by Al Wasatah Al Maliah Company (Wasatah Capital) on 20/02/1447H (corresponding to 14/08/2025G) to the Board of Directors of Enaya Company (a copy of the independent financial advice is attached in Appendix (1) to this Circular). This advice confirmed that, as of the date it was issued and based on the factors and assumptions outlined therein, the exchange ratio agreed upon under the Merger Agreement is financially fair to the shareholders of Enaya Company. As of the date of this Circular, Enaya Company has not received any alternative offer.

The members of the Board of Directors of Enaya Company also believe that the Merger Transaction is in the best interests of Enaya Company and its shareholders. Therefore, they unanimously recommend that Enaya Company's shareholders approve the Merger Transaction. In making this recommendation, the members of the Board of Directors have considered the external advice they received regarding legal, financial, accounting, strategic, and other matters related to the transaction.

It should be noted that the members of the Board of Directors of Enaya Company have not taken into consideration the individual investment objectives, financial situation, zakat and tax position, or personal circumstances of each shareholder, given the differences in circumstances, situations, and individual objectives. Accordingly, the Board of Directors emphasizes the necessity for each shareholder of Enaya Company to obtain independent professional advice from a financial advisor licensed by the CMA regarding the Merger Transaction and to rely on their own review of the Merger Transaction to assess its suitability for their investment objectives and financial circumstances.

It should also be noted that all members of the Board of Directors of Enaya Company (who own shares in Enaya Company) will vote in favor of the Merger Transaction at the Extraordinary General Assembly.

The definitions and abbreviations used in this Circular shall have the meanings assigned to them in **Section (1) "Terms and Definitions."** References to times and dates in this Circular refer to Riyadh Time and the Gregorian calendar, unless otherwise stated.

Enaya Company has appointed Al Wasatah Al Maliah Company (Wasatah Capital) as its financial advisor in connection with the merger transaction.

Financial Advisor
wasatah capital
 وساطة كابيتال 



Important Notice

This Circular contains the opinion of the Board of Directors of Enaya Company regarding the offer submitted to the shareholders of Enaya Company for the purpose of merging Salama Company with Enaya Company, in exchange for Salama Company issuing new shares in Salama Company to eligible shareholders of Enaya Company. This Circular includes the opinion of the Board of Directors of Enaya Company regarding the offer submitted by Salama Company, as well as Salama Company's plans concerning Enaya Company and its employees, and is intended to assist the shareholders of Enaya Company in voting on the merger resolutions.

This Circular should be read in its entirety, and all of its sections should be reviewed carefully particularly this section (Important Notice) in addition to the offer document addressed by Salama Company to the shareholders of Enaya Company in its entirety, before voting on the Merger Transaction at the Extraordinary General Assembly of Enaya Company. The members of the Board of Directors of Enaya Company will not be responsible for the accuracy or completeness of the information contained in the offer document. If the content of this Circular is unclear, or if there is any doubt regarding the voting decision to be taken on the Merger Transaction at the Extraordinary General Assembly, or any doubt regarding the procedures to be taken, the Board of Directors of Enaya Company recommends that the shareholders of Enaya Company obtain independent financial advice from an independent financial advisor licensed by the Capital Market Authority.

The information, data, and statements contained in this Circular are provided as of the date of its publication and may therefore be subject to change after the date of publication. It should also be noted that no person has been authorized to provide any information or statements on behalf of the Board of Directors of Enaya Company except as disclosed in this Circular. Accordingly, no reliance should be placed on any information or statements issued by third parties as if they were issued by Enaya Company, Al Wasatah Al Maliah Company (Wasatah Capital), or any of Enaya Company's advisors in connection with the Merger Transaction.

A copy of this Circular can be obtained from the Saudi Exchange (Tadawul) website at www.saudiexchange.sa Except as expressly provided in this Circular, none of the content available on the Saudi Exchange (Tadawul) website referenced above should be considered part of this Circular, and Enaya Company and its advisors assume no responsibility for the content of that website.

Enaya Company has appointed Al Wasatah Al Maliah Company (Wasatah Capital), a financial market institution licensed in the Kingdom of Saudi Arabia by the Capital Market Authority, as its financial advisor in connection with the Merger Transaction. Wasatah Capital will not be responsible to any party other than Enaya Company for providing advice on the Merger Transaction or any other matter referred to in this Circular. Wasatah Capital is not acting for any other party in connection with the transaction. Wasatah Capital has not independently verified the accuracy or completeness of the information and data contained in this Circular. Accordingly, Wasatah Capital makes no express or implied representation or warranty regarding the accuracy, correctness, or completeness of any of the information or data contained in this Circular. Neither Wasatah Capital nor any of its affiliates, directors, or employees shall have any liability for any direct or indirect loss or damage incurred by any person as a result of relying on the information or data contained in this Circular or due to its inaccuracy or incompleteness.

The recommendation of the Board of Directors of Enaya Company, as stated in the notice of the Extraordinary General Assembly meeting, does not take into account future trading activities, or future levels, patterns, or prices of Salama Company's shares after the date of this Circular.

The Capital Market Authority and the Saudi Exchange (Tadawul) assume no responsibility for the contents of this Circular, nor do they provide any representation regarding its accuracy or completeness. They expressly disclaim any liability for any loss arising from or reliance on any part of this Circular. It should also be noted that no person has been authorized to provide any information or statements on behalf of the Board of Directors of Enaya Company except as disclosed in this Circular. Therefore, no information or statements issued by any other party should be relied upon as having been issued by Enaya Company, Al Wasatah Al Maliah Company (Wasatah Capital), or any of Enaya Company's advisors in connection with the Merger Transaction.



Forecasts and Forward-Looking Statements

This Circular, including the information contained herein, contains forward-looking statements relating to the merging company. Generally, words such as “will,” “may,” “should,” “continue,” “believe,” “expect,” “intend,” “anticipate,” and similar expressions referring to the future constitute forward-looking statements. Forward-looking statements involve risks and uncertainties that may cause actual results to differ materially from the forward-looking statements or expectations. Many of these risks and uncertainties relate to factors and circumstances beyond the control of the relevant company or beyond its ability to make accurate estimates, such as future market conditions and the behavior of other market participants. Accordingly, undue reliance should not be placed on forward-looking statements or expectations. Neither Enaya Company nor any other party to the transaction, nor their advisors, assumes any responsibility for any forward-looking statements or expectations, and none of the foregoing intends to update such forward-looking statements except as required by applicable laws and regulations.

These forward-looking statements include risks whether apparent or not and other factors that may cause actual results, performance, strategy, or events to differ materially from those expressed or implied in such forward-looking statements. The risks associated with forward-looking statements are beyond the control of Enaya Company, such as future market conditions and the behavior of other market participants, and therefore cannot be estimated with precision. Accordingly, such statements should not be relied upon entirely. These forward-looking statements do not constitute a guarantee of the actual future performance of Salama Company and have not been reviewed by the accountants of Enaya Company except in the specific instances stated in this Circular. These forward-looking statements are based on numerous assumptions, including assumptions relating to Salama Company’s current and future business strategies and the regulatory environment in which Salama Company will operate in the future. All forward-looking statements, whether oral or written, issued by Salama Company or any persons acting on its behalf are expressly and entirely subject to the Important Notice contained in this section.

The risks mentioned above include, without limitation:

- Risks related to any future projections included in this Circular, which constitute preliminary estimates issued by the Board of Directors of Enaya Company and have not been subject to any independent review, and may be revised following a more detailed study;
- Risks related to the general economic and financial market conditions in the Kingdom of Saudi Arabia;
- Risks related to the Merger Transaction and the issuance of new shares;
- Risks related to delays in satisfying the conditions of the Merger Transaction;
- Risks related to the ability of both companies to satisfy the conditions of the Merger Transaction and obtain the required regulatory approvals;
- Risks related to employees and the effect of the Merger Transaction on them;
- Risks related to delays or suspension of the Merger Transaction due to procedures associated with the creditors’ objection period;
- Risks related to business integration and the transfer of Enaya Company’s business, assets, and liabilities;
- Risks related to changes in the competitive landscape in the sectors in which the merging company operates;
- Risks related to non-compliance with regulations applicable to the merging company’s activities.

For further information on risk factors, please refer to the “Risk Factors” section in the shareholder circular prepared by Salama Company and addressed to its shareholders in connection with the Merger Transaction.

Enaya Company does not intend, and assumes no obligation, to amend or update the forward-looking statements contained in this Circular unless such amendments or updates are required under applicable laws and regulations.

This Circular should not be treated as accounting, financial, or legal advice. If there is any doubt regarding the actions to be taken, the concerned shareholder is advised to obtain independent financial advice from a financial advisor licensed by the Capital Market Authority.



Restrictions on Publication, Distribution, Acceptance, and Transmission

This Circular is addressed to the shareholders of Enaya Company, subject to any restrictions imposed by the laws and regulations in force in the Kingdom of Saudi Arabia. Although all shareholders of Enaya Company are entitled to attend the Extraordinary General Assembly of the Company relating to the Merger Transaction and vote on its resolutions, shareholders residing outside the Kingdom of Saudi Arabia should note that this Circular has not been submitted to, nor registered with, any regulatory authority outside the Kingdom of Saudi Arabia. Accordingly, if any shareholder resides in a jurisdiction whose regulations require the Company to undertake specific procedural steps before such shareholder may vote validly on the merger resolutions, the concerned shareholder should refrain from voting on the proposed resolutions at the Extraordinary General Assembly relating to the Merger Transaction. Should the concerned shareholder nevertheless vote on the merger resolutions, the Company, in coordination with Salama Company, may elect not to proceed with the Merger Transaction unless the Merger Transaction has been approved by the required majority of the Company's shareholders, excluding the votes of the concerned shareholder.



Company and Advisors Directory

Saudi Enaya Cooperative Insurance Company

Saudi Enaya Cooperative Insurance Company

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Financial Advisor to Saudi Enaya Cooperative Insurance Company

Al Wasatah Al Maliah Company (Wasatah Capital)

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wasatah capital
 وساطة كابيتال



Legal Advisor to Saudi Enaya Cooperative Insurance Company

Al Tamimi & Partners Law Firm

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التميمي و شركاه
 AL TAMIMI & CO.

Financial, Actuarial, Zakat, and Tax Due Diligence Advisor to Saudi Enaya Cooperative Insurance Company

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Note:

All advisors named above have provided their written consent to the inclusion of their names, logos, and statements in this Circular in the form and substance set out herein, and none of them has withdrawn such consent as of the date of this Circular.



Significant Dates and Key Milestones for the Merger Transaction

The dates set out in the table below are estimated and may be subject to change, as they depend on several factors, including the fulfillment of the quorum required for holding the first Extraordinary General Assembly of Enaya. Enaya will announce any changes to the dates included in the timeline below on its website and/or on the Saudi Exchange (Tadawul) website.

Table 2. Expected Timeline for the Merger

Event	Timeline/Date
1. Actions required in relation to the EGM and the creditors' objection period	
Submission of the final draft of the Offer Document to the CMA	The final draft of the Offer Document was submitted to the Authority on 05/06/1447H (corresponding to 26/11/2025G).
The CMA's approval on the Capital Increase application and on the publication of the Offer Document.	Monday 10/06/1447H (corresponding to 01/12/2025G).
Announcement by both companies of the Merger Transaction and the method for creditor objections to Enaya Company, in accordance with Article (227) of the Companies Law	Wednesday 12/06/1447H (corresponding to 03/12/2025G).
Publication of the Offer Document, the Shareholders' Circular, and Enaya Board Circular.	Thursday 13/06/1447H (corresponding to 04/12/2025G).
Availability of documents for inspection	Thursday 13/06/1447H (corresponding to 04/12/2025G).
The CMA's approval to convene Salama's Merger EGM and Enaya's Merger EGM	Monday 17/06/1447H (corresponding to 08/12/2025G).
Publication of the invitation to Salama's Merger EGM on the Saudi Exchange (Tadawul) website (with a reference to the possibility of holding a second meeting within an hour after the end of the time of the first meeting if the first meeting was not quorate).	Thursday 20/06/1447H (corresponding to 11/12/2025G).
Publication of the invitation to Enaya's Merger EGM on the Saudi Exchange (Tadawul) website (with a reference to the possibility of holding a second meeting within an hour after the end of the time of the first meeting if the first meeting was not quorate).	Thursday 20/06/1447H (corresponding to 11/12/2025G).
End of Enaya's creditors' objection period	Thursday 27/06/1447H (corresponding to 18/12/2025G).
Enaya's announcement on whether there are any creditors' objections or none	Sunday 01/07/1447H (corresponding to 21/12/2025G).
The start of the electronic voting for shareholders on the agenda items in Salama Merger EGM.	Wednesday 11/07/1447H (corresponding to 31/12/2025G).
The start of the electronic voting for shareholders on the agenda items in Enaya's Merger EGM.	Wednesday 11/07/1447H (corresponding to 31/12/2025G).
Holding of the Extraordinary General Assembly of Salama Company relating to the Merger Transaction (First Meeting) the quorum for the meeting shall be satisfied by the attendance of shareholders representing at least one-half of the voting shares of Salama Company.	Sunday 15/07/1447H (corresponding to 04/01/2026G).
Holding of the Extraordinary General Assembly of Salama Company relating to the Merger Transaction (Second Meeting), in the event that the required quorum for the first meeting is not met – the quorum for the meeting shall be satisfied by the attendance of shareholders representing at least one-quarter of the voting shares of Salama Company.	One hour after the end of the scheduled time of the first Extraordinary General Assembly meeting at which the required quorum was not met.
Holding of the Extraordinary General Assembly of Enaya Company relating to the Merger Transaction (First Meeting) the quorum for the meeting shall be satisfied by the attendance of shareholders representing at least one-half of the voting shares of Enaya Company.	Sunday 15/07/1447H (corresponding to 04/01/2026G).



Event	Timeline/Date
Holding of the Extraordinary General Assembly of Enaya Company relating to the Merger Transaction (Second Meeting), in the event that the required quorum for the first meeting is not met – the quorum for the meeting shall be satisfied by the attendance of shareholders representing at least one-quarter of the voting shares of Enaya Company.	One hour after the end of the scheduled time of the first Extraordinary General Assembly meeting at which the required quorum was not met.
Publication on the Saudi Exchange (Tadawul) website of the merger resolutions adopted at the first or second Extraordinary General Assembly of Salama Company relating to the Merger Transaction (or the announcement of the non-convening of the Extraordinary General Assembly if the required quorum is not met).	At the earliest practicable opportunity following the convening of the Extraordinary General Assembly, which is expected to be on: Monday 16/07/1447H (corresponding to 05/01/2026G).
Publication on the Saudi Exchange (Tadawul) website of the merger resolutions adopted at the first or second Extraordinary General Assembly of Enaya Company relating to the Merger Transaction (or the announcement of the non-convening of the Extraordinary General Assembly if the required quorum is not met).	At the earliest practicable opportunity following the convening of the Extraordinary General Assembly, which is expected to be on: Monday 16/07/1447H (corresponding to 05/01/2026G).
2. Actions Required in the event that the first and second EGMs are inquorate	
The CMA's approval to call the Extraordinary General Assembly of Salama Company relating to the Merger Transaction (Third Meeting), or the Extraordinary General Assembly of Enaya Company relating to the Merger Transaction (Third Meeting).	Wednesday 18/07/1447H (corresponding to 07/01/2026G).
The announcement on the Saudi Stock Exchange (Tadawul) website of the call to convene the Extraordinary General Assembly of Salama Company relating to the Merger Transaction (Third Meeting), or the Extraordinary General Assembly of Enaya Company relating to the Merger Transaction (Third Meeting).	Thursday 19/07/1447H (corresponding to 08/01/2026G).
Commencement of the electronic voting period for shareholders for the Extraordinary General Assembly of Salama Company relating to the Merger Transaction (Third Meeting), or the Extraordinary General Assembly of Enaya Company relating to the Merger Transaction (Third Meeting).	Wednesday 09/08/1447H (corresponding to 28/01/2026G).
The Extraordinary General Assembly of Salama Company relating to the Merger Transaction (Third Meeting), or the Extraordinary General Assembly of Enaya Company relating to the Merger Transaction (Third Meeting) – the quorum for the third meeting of the Extraordinary General Assembly shall be deemed met regardless of the number of shares with voting rights represented therein.	Sunday 13/08/1447H (corresponding to 01/02/2026G).
Publication of the Merger Resolutions made at the third meeting of Salama's EGM or Enaya's EGM (as applicable) on the Saudi Exchange (Tadawul) website.	Monday 14/08/1447H (corresponding to 02/02/2026G).
3. Approval of the Merger and complementary steps	
The issuance of the approvals of Salama's Merger EGM and Enaya's Merger EGM	Sunday 15/07/1447H (corresponding to 04/01/2026G) (if the Extraordinary General Assembly of both Salama Company and Enaya Company approves the merger transaction at the first or second meeting). Sunday 13/08/1447H (corresponding to 01/02/2026G) (if the Extraordinary General Assembly of either Salama Company or Enaya Company, as applicable, approves the merger transaction at the third meeting).



Event	Timeline/Date
Suspension of the trading of Enaya's shares.	The first trading session following the issuance of the merger resolution, which is expected to occur on: Monday 16/07/1447H (corresponding to 05/01/2026G) (if the Extraordinary General Assembly of both Salama Company and Enaya Company approves the Merger Transaction at the first or second meeting). Monday 14/08/1447H (corresponding to 02/02/2026G) (if the Extraordinary General Assembly of either Salama Company or Enaya Company, as applicable, approves the Merger Transaction at the third meeting).
Delisting Enaya's shares from the Saudi Exchange (Tadawul).	Within a period of not less than the third trading session and not exceeding the sixth trading session after the date of the Issuance of the Merger Resolution.
Listing the Consideration Shares on Tadawul and allocating them to the shareholders of Enaya Company who are registered in Enaya's shareholders' register at the end of the second trading session following the date of issuance of the Merger Resolution.	Within a period of not less than the third trading session and not exceeding the sixth trading session after the date of the Issuance of the Merger Resolution.
The deadline to distribute the proceeds of fractional shares sold.	Within thirty (30) days from the date of approval of the Merger Transaction. It is expected to occur on: Tuesday 15/08/1447H (corresponding to 03/02/2026G) (in the event the Extraordinary General Assembly of Salama Company and Enaya Company approves the Merger Transaction in the first or second meeting). Tuesday 14/09/1447H (corresponding to 03/03/2026G) (in the event the Extraordinary General Assembly of Salama Company and Enaya Company - as applicable - approves the Merger Transaction in the third meeting).
4. Effectiveness of the Merger Resolution	
Amending Salama Company's Commercial Register to reflect the Merger Transaction, depositing the amended Bylaws with the Ministry of Commerce, and the Effectiveness of the Merger Resolution.	At the earliest available opportunity after the Issuance of the Merger Resolution, which is expected to occur on: Wednesday 18/07/1447H (corresponding to 07/01/2026G) (if the Extraordinary General Assembly of both Salama Company and Enaya Company approves the Merger Transaction in the first or second meeting). Tuesday 15/08/1447H (corresponding to 03/02/2026G) (if the Extraordinary General Assembly of Salama Company and Enaya Company - whichever applies - approves the Merger Transaction in the third meeting).

*Note: The dates mentioned above are approximate, and any changes to these dates will be announced on the Saudi Exchange (Tadawul) website (www.saudiexchange.sa).

**Copies of the documents available for review will be provided during the period from the publication date of the Offer Document until the end of the offer period at the headquarters of Enaya Saudi Cooperative Insurance Company (Address: Jeddah - Prince Sultan Bin Abdulaziz Street – Building No. 7521 - 7th Floor - Sub No. 3732 - Postcode 23423 - Kingdom of Saudi Arabia, Tel: +966 12 211 9474), from Sunday to Thursday, between 9:00 a.m. and 5:00 p.m., except on official holidays in the Kingdom.



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1. Terms and Definitions

The following terms and expressions, wherever they appear in this circular, shall have the meanings set out opposite each of them, unless the context requires otherwise.

Term or Abbreviation	Definition
Enaya Company or the offeree company or the merged company	Saudi Enaya Cooperative Insurance Company, a listed Saudi joint stock company headquartered in Jeddah and registered in the Commercial Register under No. (4030223528) dated 27/03/1433H (corresponding to 19/02/2012G), licensed to conduct insurance business by the Insurance Authority under License No. (TMN/32/20128) dated 19/09/1433H (corresponding to 07/08/2012G), with a capital of two hundred and thirty million (230,000,000) Saudi Riyals.
Salama Company or the merging company or the offeror	Salama Cooperative Insurance Company, a listed Saudi joint stock company headquartered in Jeddah and registered in the Commercial Register under No. (4030169661) dated 06/05/1428H (corresponding to 23/05/2007G), licensed to conduct insurance business by the Insurance Authority under License No. (TMN/04/20079) dated 29/08/1428H (corresponding to 11/09/2007G), with a capital of three hundred million (300,000,000) Saudi Riyals.
The Board of Directors of Enaya Company or the members of the Board of Directors of Enaya Company	The Board of Directors of Saudi Enaya Cooperative Insurance Company
The circular or the circular of the Board of Directors of Enaya Company	The circular issued by the Board of Directors of Enaya Company pursuant to Article (39) of the Merger and Acquisition Regulations to the shareholders of Enaya Company regarding the offer submitted by Salama Company relating to the Merger Transaction, in which the Board of Directors of Enaya Company presents its opinion to the shareholders regarding that offer and Salama Company's plans concerning Enaya Company and its employees.
The Offer	The securities exchange offer submitted by Salama Company to the shareholders of Enaya Company and included in the offer document.
Alternative offer or competing offer	Any of the following: <ol style="list-style-type: none"> 1. An actual or potential offer submitted by any third party other than Salama Company, or 2. The actual or potential sale of any assets or properties of Enaya Company that is considered material in the context of Enaya Company's business or in relation to the transaction, or 3. Any other transaction which, if implemented, would result in a change of control in the shares of Enaya Company, or 4. Any transaction entered into by Enaya Company that includes an unusual proposal regarding the distribution of dividends to its shareholders, regardless of the proposed method for implementing the offer, proposal, or transaction.
The application for the capital increase of Salama Company for the purpose of the merger	It is the application for the capital increase of Salama Company for the purpose of merging Enaya Company into Salama Company in accordance with the Rules on the Offer of Securities and Continuing Obligations, whereby the capital of Salama Company will be increased by (62.98%) from three hundred million (300,000,000) Saudi Riyals to four hundred eighty-eight million nine hundred forty thousand (488,940,000) Saudi Riyals, and its issued shares will be increased from thirty million (30,000,000) ordinary shares to forty-eight million eight hundred ninety-four thousand (48,894,000) ordinary shares.
Shareholders' circular	Shareholders' circular issued by Salama Company pursuant to Article (60) of the Rules on the Offer of Securities and Continuing Obligations.



Term or Abbreviation	Definition
The Extraordinary General Assembly of Enaya Company relating to the Merger Transaction	<p>The Extraordinary General Assembly meeting of Enaya Company that will be held to vote on the Merger Transaction and a number of other related resolutions, which are as follows:</p> <ol style="list-style-type: none"> 1. Approving the terms and conditions of the Merger Agreement entered into between Enaya Company and Salama Company dated 20/02/1447H (corresponding to 14/08/2025G) 2. Authorizing the Board of Directors of Enaya Company to issue any resolution or undertake any action that may be necessary for the implementation of any of the above-mentioned resolutions. <p>The agenda items of the Extraordinary General Assembly of Enaya Company shall be the vote on the terms of the Merger Agreement and the vote on authorizing the Board of Directors of Enaya Company, or any person authorized by the Board, to issue any resolution or undertake any action that may be necessary to implement any of the resolutions related to the Merger Transaction.</p>
The Extraordinary General Assembly of Salama Company relating to the Merger Transaction	The Extraordinary General Assembly meeting of Salama Company that will be held to vote on the Merger Transaction and a number of other related resolutions.
Enaya Company shares	The ordinary shares of Saudi Enaya Cooperative Insurance Company with a nominal value of ten (10) Saudi Riyals per share.
Listing	The listing of the new shares of Salama Company on the market in accordance with the Listing Rules, for trading on "Tadawul," or, where the context permits, the submission of the registration with the Capital Market Authority and/or Tadawul for acceptance of the listing.
Listing Date	The date on which the listing of the new shares of Salama Company will become effective.
Declaration of confirmed intent	It is the announcement published by Salama Company on the Saudi Stock Exchange (Tadawul) website on 23/02/1447H (corresponding to 17/08/2025G) regarding its firm intention to submit an offer to merge Enaya Company into it, in accordance with Paragraph (e) of Article (17) of the Merger and Acquisition Regulations.
Business Day	Any Business day other than Friday and Saturday and any day that is an official holiday in the Kingdom of Saudi Arabia, or any day on which banking institutions are closed for business pursuant to applicable regulations and other governmental procedures.
Capital increase	The proposed increase in the capital of Salama Company from three hundred million (300,000,000) Saudi Riyals to four hundred eighty-eight million nine hundred forty thousand (488,940,000) Saudi Riyals, and the increase in the number of its shares from thirty million (30,000,000) ordinary shares to forty-eight million eight hundred ninety-four thousand (48,894,000) ordinary shares, representing an increase of 62.98% of the current capital, for the purpose of merging Enaya Company into Salama Company.
Companies Law	The Companies Law of the Kingdom of Saudi Arabia, issued pursuant to Royal Decree No. (M/132) dated 01/12/1443H (corresponding to 30/06/2022G), which came into effect on 26/06/1444H (corresponding to 19/01/2023G).
Conditions	The conditions for the implementation of the transaction as set out in Paragraph (12.1) "Conditions of the Merger Agreement" of Section (12) Material Terms and Conditions of the Merger Agreement" of this circular (provided that any amendments, deletions, or additions are (1) required to comply with the requirements of the Capital Market Authority, or (2) required under applicable laws and regulations, or (3) agreed upon between Enaya Company and Salama Company), and "conditions" shall mean one or more conditions as the context requires.



Term or Abbreviation	Definition
Control	<p>For the purposes of the provisions of the Merger and Acquisition Regulations, it means: the ability to influence the actions or decisions of another person, directly or indirectly (excluding indirect ownership through a swap agreement or through an investment fund in which the unitholder has no right over its investment decisions), whether alone or jointly with a person or persons acting in concert, through owning (directly or indirectly) a percentage equal to 30% or more of the voting rights in a company, and the word “controller” shall be interpreted accordingly.</p> <p>For other purposes, it means: the ability to influence the actions or decisions of another person, directly or indirectly, whether alone or jointly with a relative or affiliate, through any of the following: (a) owning a percentage equal to 30% or more of the voting rights in a company, (b) the right to appoint 30% or more of the members of the administrative body, and the word “controller” shall be interpreted accordingly.</p>
Related Party	<p>It means a person (whether acting in concert with Salama Company or Enaya Company or any of their subsidiaries, or not acting in concert with them) Who owns or deals, directly or indirectly, in the shares of Salama Company or Enaya Company, whether through a private sale and purchase transaction or an offer, or any person (in addition to his ordinary interests as a shareholder) who has an interest or a potential interest - whether personal, financial, or commercial - in what will result from the merger, or a person who is a related party to both Salama Company and Enaya Company. Without prejudice to the general application of this definition, the definition includes - without limitation - the following:</p> <ol style="list-style-type: none"> 1. A person or persons who have provided financial assistance (other than what a bank provides in the ordinary course of its business) to Salama Company or Enaya Company. 2. A member of the Board of Directors of Salama Company And Enaya Company (or any of their affiliates). 3. A person who owns 20% or more in Salama Company or Enaya Company (whether individually or jointly with a person or persons acting in concert with him). 4. A substantial shareholder in Salama Company who is at the same time a member of the Board of Directors of Enaya Company, or vice versa.
Dividend distribution	Any form of dividends or distributions (whether in cash or in kind).
Acting in concert	<p>It means, as determined by the CMA, the actual cooperation pursuant to an agreement (whether binding or non-binding) or an understanding (whether formal or informal) between persons to exercise control (directly or indirectly, excluding indirect ownership through a swap agreement or through an investment fund in which the unitholder has no right in the investment decisions) over a company, through the acquisition by any of them (through direct or indirect ownership) of shares carrying voting rights in that company. The term “persons acting in concert” shall be interpreted accordingly. Without prejudice to the application of this definition, the persons listed below shall be deemed, by way of example and without limitation, to be acting in concert with other persons in the same category unless proven otherwise: (1) persons who are members of the same group; (2) relatives of the person; (3) a person or persons who have provided financial assistance (other than what a bank provides in the ordinary course of its business) to the offeror (i.e., Salama Company) or to persons who are members of the same group as such person for the purpose of acquiring shares carrying voting rights or convertible debt instruments.</p>
Market	Saudi Stock Exchange “Tadawul,” and, where the context permits, includes any committee, sub-committee, employee, officer, affiliate, or agent that may currently be assigned to perform any of the functions of the market, and the phrase “in the market” means any activity carried out through or by means of the facilities provided by the market.
Al Wasatah Al Maliah Company (Wasatah Capital)	The financial advisor to Enaya Company in relation to the Merger Transaction.



Term or Abbreviation	Definition
Salama Company shares	The ordinary shares of Salama Cooperative Insurance Company with a nominal value of ten (10) Saudi Riyals per share.
Extraordinary General Assembly Meeting	It is the Extraordinary General Assembly meeting of the shareholders of Saudi Enaya Cooperative Insurance Company or the shareholders of Salama Cooperative Insurance Company, as the context requires, which will be held in connection with this transaction.
Kingdom	The Kingdom of Saudi Arabia.
Insurance Company	It is an insurance company regulated by the Saudi Central Bank and governed by the Cooperative Insurance Companies Control Law issued by Royal Decree No. M/32 dated 02/06/1424H (corresponding to 31/07/2003G), and its Implementing Regulations issued by Ministerial Resolution No. 1/561 dated 01/03/1425H (corresponding to 20/04/2004G).
Insurance Authority	The Insurance Authority in the Kingdom of Saudi Arabia, which assumed the responsibility of supervising the insurance sector previously carried out by the Saudi Central Bank (SAMA).
Tradable	Means traded on the Main Market (Tadawul).
Listed	Means the securities or shares that have been approved for listing on the Main Market in Tadawul.
Rules on the Offer of Securities and Continuing Obligations	The Rules on the Offer of Securities and Continuing Obligations issued by the Board of the Capital Market Authority pursuant to Resolution No. (3-123-2017) dated 09/04/1439H (corresponding to 27/12/2017G), based on the Capital Market Law issued by Royal Decree No. (M/30) dated 02/06/1424H, as amended by the Capital Market Authority Board Resolution No. (1-94-2025) dated 09/03/1447H (corresponding to 01/09/2025G).
Listing Rules	Listing Rules issued by the Saudi Tadawul (Saudi Tadawul) and approved by the Capital Market Authority Board Resolution No. (3-123-2017) dated 09/04/1439H (corresponding to 27/12/2017G), as amended by Resolution No. (2-53-2025) dated 21/11/1446H (corresponding to 19/05/2025G).
Law	Capital Market Law issued by Royal Decree No. M/30 dated 02/06/1424H (corresponding to 31/07/2003G).
Material adverse change or material adverse changes	It means as defined in the Merger Agreement - any of the events set out in Paragraph (12.3) "Business Conduct Restrictions" of Section (12) "Material Terms and Conditions of the Merger Agreement" of this circular, the occurrence of any of which may lead to the termination of the Merger Agreement and the payment of the termination fee.
Non-Binding Memorandum of Understanding	The non-binding memorandum of understanding entered into between Salama Company and Enaya Company on 26/08/1446H (corresponding to 25/02/2025G) regarding the Merger Transaction.
Offer Document	The offer document prepared by Salama Company pursuant to Article (38) of the Merger and Acquisition Regulations regarding the offer submitted by Salama Company to the shareholders of Enaya Company for the purpose of merging Enaya Company with Salama Company in exchange for transferring the assets and liabilities of Enaya Company to Salama Company.
Offer Period	The period extending from the date of Salama Company's Declaration of Confirmed Intent to submit an offer to the shareholders of Enaya Company until the date on which the Extraordinary General Assembly of each company issues its resolution regarding The Merger Transaction, or until the Merger Agreement is terminated in accordance with its terms.



Term or Abbreviation	Definition
Merger and Acquisition Regulations	The Merger and Acquisition Regulations issued by the Board of the Capital Market Authority pursuant to Resolution No. (1-50-2007) dated 21/09/1428H (corresponding to 03/10/2007G), based on the Capital Market Law issued by Royal Decree No. (M/30) dated 02/06/1424H, as amended by the Capital Market Authority Board Resolution No. (8-5-2023) dated 25/06/1444H (corresponding to 18/01/2023G), issued pursuant to the Capital Market Law issued by Royal Decree No. (M/30) dated 02/06/1424H and the Companies Law issued by Royal Decree No. (M/132) dated 01/12/1443H.
Relative	Means the spouse, children, and parents.
Person	Is any natural or legal person recognized as such under the laws of the Kingdom.
Substantial shareholder or substantial shareholders	Is a person who owns 5% or more of the shares of either Saudi Enaya Cooperative Insurance Company or Salama Cooperative Insurance Company.
Senior Executives	Any natural person who manages and is responsible for setting and implementing the company's strategic decisions, including the Chief Executive Officer and his deputies, as well as the Chief Financial Officer.
Other Jurisdiction	Any jurisdiction outside the Kingdom of Saudi Arabia in which the distribution of the Offer Document, or the making, extension, or acceptance of any other offer relating to the transaction, would constitute a violation of the laws or regulations in force in such jurisdiction. This includes, without limitation, Australia, Canada, the Dubai International Financial Centre, Japan, Jordan, the Kingdom of Bahrain, Kuwait, the Sultanate of Oman, the United Arab Emirates, the United Kingdom, and the United States of America.
Riyal	Saudi Riyal.
General Authority for Competition	The General Authority for Competition in the Kingdom of Saudi Arabia.
Capital Market Authority or the CMA	Capital Market Authority in the Kingdom of Saudi Arabia.
Supervisory Authority	The Authority, or the Saudi Central Bank (formerly the Saudi Arabian Monetary Authority), or any other authority inside or outside the Kingdom that oversees and supervises the conduct of securities, banking, financial, insurance, or investment activities, including self-regulatory organizations.
Saudi Stock Exchange or the Financial Market or the Stock Market or the Market	The Saudi Stock Exchange for trading shares.
Saudi Tadawul Company	Saudi Tadawul Company (formerly the Saudi Stock Exchange Company), established pursuant to the Council of Ministers' Resolution dated 29/02/1428H (corresponding to 19/03/2007G) in implementation of the Capital Market Law, is a Saudi closed joint stock company and the sole entity licensed to operate as a securities exchange in the Kingdom of Saudi Arabia. It is responsible for listing and trading securities.
Financial Advisor	The independent Financial Advisor to Saudi Enaya Cooperative Insurance Company, Wasatah Capital.
Financial, Actuarial, Zakat, and Tax Due Diligence Advisor to Saudi Enaya Cooperative Insurance Company	PricewaterhouseCoopers (PwC)
Legal Advisor to Saudi Enaya Cooperative Insurance Company	The independent legal advisor to Enaya Company, Al Tamimi & Partners Law Firm.
Termination Date	The date on which the Merger Agreement terminates in accordance with its terms and conditions.



Term or Abbreviation	Definition
The Transaction or the Merger	The proposed Merger Transaction between Saudi Enaya Cooperative Insurance Company and Salama Cooperative Insurance Company pursuant to the Companies Law and the Merger and Acquisition Regulations, whereby all assets and liabilities of Enaya Company will be transferred to Salama Company in exchange for Salama Company issuing the new shares to the shareholders of Enaya Company through increasing Salama Company's share capital from three hundred million (300,000,000) Saudi Riyals to four hundred eighty-eight million nine hundred forty thousand (488,940,000) Saudi Riyals.
Effectiveness of the Merger Resolution	The date on which Enaya Company's information is recorded in Salama Company's Commercial Register.
Issuance of the Merger Resolution	The issuance of the approval of the Extraordinary General Assembly of both Salama Company and Enaya Company regarding the Merger Resolutions.
The Memorandum of Understanding	The Non-binding memorandum of understanding entered into between Saudi Enaya Cooperative Insurance Company and Salama Cooperative Insurance Company on 26/08/1446H (corresponding to 25/02/2025G).
The Merger Resolutions	<p>Resolutions to be presented to the shareholders of both Salama Company and Enaya Company in connection with The Merger Transaction, consisting of the following (or any amendments required by the CMA or agreed between the parties prior to calling the relevant assemblies):</p> <p>With respect to Salama Company: approval of increasing the share capital of Salama Company from three hundred million (300,000,000) Saudi Riyals to four hundred eighty-eight million nine hundred forty thousand (488,940,000) Saudi Riyals, representing an increase of (62.98%) of the current share capital, through the issuance of eighteen million eight hundred ninety-four thousand (18,894,000) shares at an Exchange Ratio of (0.8214782608695650) Salama Company shares for each Enaya Company share, in accordance with Article (225) and Articles (227) to (229) of the Companies Law and sub-paragraph (1) of paragraph (A) of Article (49) of the Merger and Acquisition Regulations, and pursuant to the terms and conditions of the Merger Agreement, including approval of the following matters related to The Merger Transaction:</p> <ol style="list-style-type: none"> Approval of the provisions of the Merger Agreement. Approval of increasing the share capital of Salama Company from three hundred million (300,000,000) Saudi Riyals to four hundred eighty-eight million nine hundred forty thousand (488,940,000) Saudi Riyals in accordance with the terms and conditions of the Merger Agreement. Approval of the proposed amendments to the Articles of Association of Salama Company as set out in Annex (1) of this document. Authorizing the Board of Directors of Salama Company, or any person authorized by the Board, to issue any resolution or take any action necessary to implement any of the above resolutions. <p>With respect to Enaya Company: approval of the offer submitted by Salama Company to the shareholders of Enaya Company for the purpose of merging it into Salama Company in exchange for issuing (0.8214782608695650) Salama Company shares for each Enaya Company share owned by Enaya Company shareholders, in accordance with Article (225) and Articles (227) to (229) of the Companies Law and sub-paragraph (1) of paragraph (A) of Article (49) of the Merger and Acquisition Regulations and pursuant to the terms and conditions of the Merger Agreement. Under this approval, Enaya Company shall be dissolved by operation of law and its shares cancelled, in accordance with applicable regulatory requirements and the terms and conditions of the Merger Agreement, including approval of the following matters related to The Merger Transaction:</p> <ol style="list-style-type: none"> Approval of the provisions of the Merger Agreement. Authorizing the Board of Directors of Enaya Company, or any person authorized by the Board, to issue any resolution or take any action necessary to implement any of the above resolutions.



Term or Abbreviation	Definition
The Merger Agreement or the Agreement	The contract entered into between Saudi Enaya Cooperative Insurance Company and Salama Cooperative Insurance Company dated 20/02/1447H (corresponding to 14/08/2025G), which sets out the terms and conditions relating to the implementation of The Merger Transaction.
The Creditors Objection Period	The period during which the creditors of Enaya Company are entitled to submit their objections to The Merger Transaction as referred to in Article (227) of the Companies Law, and during which any objections submitted must be settled in accordance with the provisions of the Companies Law. The creditors of Enaya Company are entitled to object to The Merger Transaction within a period of fifteen (15) days from the date the two companies announce The Merger Transaction and the method for Enaya Company's creditors to file objections, pursuant to Article (227) of the Companies Law.
Exchange Ratio	The basis on which the number of Consideration Shares due to the shareholders of Enaya Company in relation to the Merger Transaction will be determined, resulting in (0.8214782608695650) Salama Company shares for each Enaya Company share.
The new shares or the Consideration Shares	The shares of Salama Company that will be issued to the shareholders of Enaya Company as a result of the Merger Transaction, amounting to the issuance of eighteen million eight hundred and ninety-four thousand (18,894,000) ordinary shares with a nominal value of ten (10) Saudi Riyals per share (and these new shares do not differ in any way from the existing issued shares of Salama Company).
Business Integration	The integration of the business of Saudi Enaya Cooperative Insurance Company and Salama Cooperative Insurance Company (including the integration of administrative functions, organizational structure, information systems, and others) to ensure the operation of the merging company after the completion of the Merger Transaction.
Warranties	The mutual warranties between the two parties as set out or referred to in Paragraph (12.5) "Warranties" of Section (12) "Material Terms and Conditions of the Merger Agreement" of this circular.



2. Introduction

2.1. The Board of Directors Circular of Saudi Enaya Cooperative Insurance Company

This circular contains the legal information required to be provided to the shareholders of Enaya Company in accordance with the requirements of the Merger and Acquisition Regulations, and it also contains the opinion of the Board of Directors of Enaya Company regarding The Merger Transaction, in addition to the independent financial advisory opinion submitted to it by Wasatah Capital.

2.2. Overview of The Merger Transaction

Enaya Company and Salama Company announced on 26/08/1446H (corresponding to 25/02/2025G) the signing of a non-binding Memorandum of Understanding between the two companies regarding a potential merger. Under the Memorandum of Understanding, the two companies agreed that the structure for executing the potential merger would be through a share-swap offer submitted by Salama Company (as the Offeror and The merging company) to the shareholders of Enaya Company (as the Offeree and The merged company) in exchange for all issued shares in Enaya Company, and that an Exchange Ratio would be agreed upon after completing the required due-diligence procedures to be conducted by both companies.

On 23/02/1447H (corresponding to 17/08/2025G), Salama Company announced the signing of the Merger Agreement, which also included its Declaration of Confirmed Intent to proceed with The Merger Transaction and to submit an offer to the shareholders of Enaya Company for this purpose. The Merger Agreement includes all provisions and steps required to implement The Merger Transaction between the two companies in accordance with Article (225) and Articles (227) to (229) of the Companies Law and sub-paragraph (1) of paragraph (A) of Article (49) of the Merger and Acquisition Regulations, and in accordance with the Capital Market Law, the Cooperative Insurance Companies Control Law and their regulations, as well as other applicable laws and regulations in the Kingdom of Saudi Arabia **(for more details, please refer to section (12) “Material Terms and Conditions of the Merger Agreement”)**.

Under the terms of the Merger Agreement, Enaya Company will be merged into Salama Company in exchange for Salama Company issuing The Consideration Shares to the shareholders of Enaya Company by increasing its share capital in accordance with Article (60) of the Rules on the Offer of Securities and Continuing Obligations, and based on the Exchange Ratio whereby the shareholders of Enaya Company will receive (0.8214782608695650) Salama Company shares for each share they own in Enaya Company. The total number of The Consideration Shares will be eighteen million eight hundred and ninety-four thousand (18,894,000) fully paid ordinary shares with a nominal value of ten (10) Saudi Riyals per share, and the total nominal value of The Consideration Shares will amount to one hundred eighty-eight million nine hundred and forty thousand (188,940,000) Saudi Riyals. These shares will be issued through increasing the current share capital of Salama Company by (62.98%) from three hundred million (300,000,000) Saudi Riyals to four hundred eighty-eight million nine hundred and forty thousand (488,940,000) Saudi Riyals and increasing its number of shares from thirty million (30,000,000) shares to forty-eight million eight hundred and ninety-four thousand (48,894,000) shares. Following The Merger Transaction, the ownership of Salama Company’s current shareholders will be (61.36%) of Salama Company’s share capital after the capital increase, and the ownership of Enaya Company’s shareholders will be (38.64%) of Salama Company’s share capital after the capital increase and the issuance of the Merger Resolution.

The total value of The Merger Transaction will be determined based on the value of The Consideration Shares. The total nominal value of The Consideration Shares is one hundred eighty-eight million nine hundred and forty thousand (188,940,000) Saudi Riyals, while the total market value of The Consideration Shares amounts to two hundred thirty-four million two hundred eighty-five thousand six hundred (234,285,600) Saudi Riyals, based on the closing price of Salama Company’s share of (12.40) Saudi Riyals as of 19/02/1447H (corresponding to 13/08/2025G), which is the last trading day preceding the date of signing the Merger Agreement. The total value of The Consideration Shares to be reflected in the financial statements of Salama Company will be determined later based on the closing price of Salama Company’s share on the last trading day preceding the issuance of The Consideration Shares.

If the calculation of the number of shares due to any shareholder of Enaya Company based on the Exchange Ratio results in fractional shares, the resulting number will be rounded down to the nearest whole number. For example, if a shareholder of Enaya Company owns one hundred (100) shares in Enaya Company, they will be allocated eighty-two (82) shares of The Consideration Shares and not eighty-two and a fraction (82.15) shares. Fractional shares will be aggregated and sold in the market on behalf of the shareholders of Enaya Company, and the proceeds from the sale of fractional shares will then be distributed to their entitled recipients according to their respective entitlements, after deducting the costs related to the sale of fractional shares from the total proceeds of the sale.



Below are the key historical events relating to The Merger Transaction:

Table 3. Historical events relating to The Merger Transaction:

Event	Date
Saudi Enaya Cooperative Insurance Company and Salama Cooperative Insurance Company signed a non-binding Memorandum of Understanding to assess the feasibility of merging the two companies.	26/08/1446H (corresponding to 25/02/2025G)
The General Authority for Competition announced its non-objection to The Merger Transaction.	05/12/1446H (corresponding to 01/06/2025G)
Saudi Enaya Cooperative Insurance Company and Salama Cooperative Insurance Company signed the Merger Agreement	20/02/1447H (corresponding to 14/08/2025G)
Salama Company announced its Declaration of Confirmed Intent to submit an offer under The Merger Transaction in accordance with the terms and conditions of the Merger Agreement	23/02/1447H (corresponding to 17/08/2025G)
Both Salama Company and Enaya Company announced the approval of the Insurance Authority of The Merger Transaction.	26/05/1447H (corresponding to 17/11/2025G)
Conditional approval was obtained from Tadawul for the application to list the shares of the capital increase of Salama Company in favor of the eligible shareholders of Enaya Company.	29/05/1447H (corresponding to 20/11/2025G)
The Capital Market Authority approved the application to increase the share capital of Salama Company through issuing new shares to the shareholders of Enaya Company by way of a securities exchange offer for the purpose of implementing the Merger Transaction.	10/06/1447H (corresponding to 01/12/2025G)

3. Merger Transaction

On 26/08/1446H (corresponding to 25/02/2025G), Salama Company and Enaya Company announced the signing of a non-binding memorandum of understanding between the two companies regarding a potential merger transaction. Under the memorandum of understanding, the two companies agreed that the structure for implementing the potential merger transaction would be through a share-swap offer to be submitted by Salama Company (in its capacity as the offeror and the merging company) to the shareholders of Enaya Company (in its capacity as the offeree company and the merged company) in exchange for all issued shares in Enaya Company, and that an Exchange Ratio would be agreed upon after completing the necessary due diligence procedures to be conducted by both companies.

On 23/02/1447H (corresponding to 17/08/2025G), Salama Company announced the signing of the Merger Agreement, which also included its confirmed intent to proceed with The Merger Transaction and to submit an offer to the shareholders of Enaya Company for this purpose. The Merger Agreement includes all provisions and steps required to implement The Merger Transaction between the two companies in accordance with Article (225) and Articles (227) to (229) of the Companies Law, sub-paragraph (1) of paragraph (a) of Article (49) of the Merger and Acquisition Regulations, and in accordance with the Capital Market Law, the Cooperative Insurance Companies Control Law and its implementing regulations, and other applicable laws and regulations in the Kingdom of Saudi Arabia.

Under the provisions of the Merger Agreement, Enaya Company will be merged into Salama Company in exchange for Salama Company issuing The Consideration Shares to the shareholders of Enaya Company through an increase of its share capital in accordance with Article (60) of the Rules on the Offering of Securities and Continuing Obligations, and based on the Exchange Ratio, which consists of the shareholders of Enaya Company receiving (0.8214782608695650) share in Salama Company for each share they own in Enaya Company. The total number of The Consideration Shares will be eighteen million and eight hundred and ninety-four thousand (18,894,000) fully paid shares with a nominal value of (10) Saudi Riyals per share. The total nominal value of The Consideration Shares will be one hundred eighty-eight million and nine hundred forty thousand (188,940,000) Saudi Riyals. These shares will be issued through an increase in the current share capital of Salama Company by (62.98%) from three hundred million (300,000,000) Saudi Riyals to four hundred eighty-eight million and nine hundred forty thousand (488,940,000) Saudi Riyals, and an increase in its number of shares from thirty million (30,000,000) to forty-eight million and eight hundred ninety-four thousand (48,894,000) shares. Following The Merger Transaction,



the ownership of the current shareholders of Salama Company will represent (61.36%) of the share capital of Salama Company after the capital increase, while the ownership of the shareholders of Enaya Company will represent (38.64%) of the share capital of Salama Company after the capital increase.

The total value of The Merger Transaction will be determined based on the value of The Consideration Shares. The total nominal value of The Consideration Shares amounts to one hundred eighty-eight million and nine hundred forty thousand (188,940,000) Saudi Riyals, and the total market value of The Consideration Shares amounts to two hundred thirty-four million and two hundred eighty-five thousand and six hundred (234,285,600) Saudi Riyals based on the closing price of Salama Company’s share of (12.40) Saudi Riyals as of 19/02/1447H (corresponding to 13/08/2025G), which is the last trading day prior to the date of signing the Merger Agreement. The total value of The Consideration Shares to be included in the financial statements of Salama Company will be determined at a later date based on the closing price of Salama Company’s share on the last trading day preceding the issuance date of The Consideration Shares.

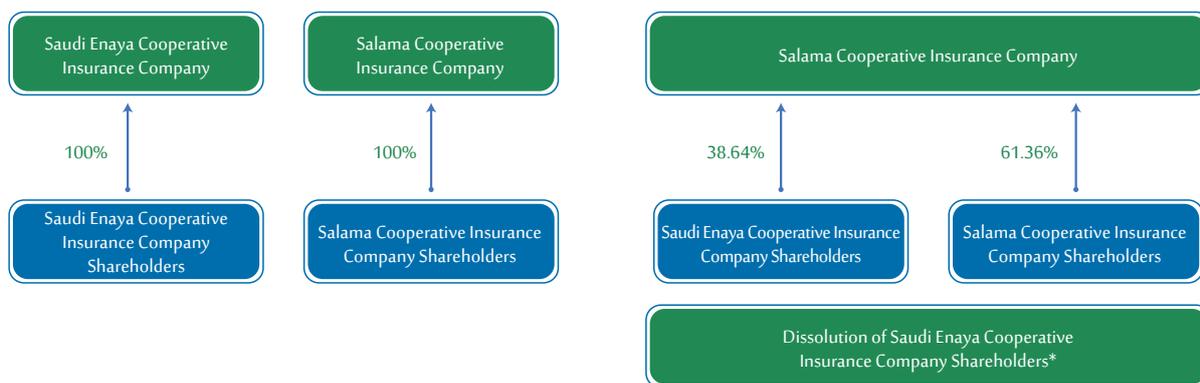
In the event that the calculation of the number of shares due to any shareholder of Enaya Company based on the Exchange Ratio results in fractional shares, the resulting number will be rounded down to the nearest whole number. For example, if a shareholder of Enaya Company owns one hundred (100) shares in Enaya Company, he will be allocated eighty-two (82) shares of The Consideration Shares and not eighty-two and fractional (82.15) shares. Fractional shares will be aggregated and sold in the market on behalf of the shareholders of Enaya Company, and the proceeds generated from the sale of the fractional shares will then be distributed to the eligible shareholders, each according to his entitlement, after deducting the costs related to the sale of the fractional shares from the total proceeds of such sale.

The Consideration Shares will be issued fully paid and of the same class as the existing ordinary shares of Salama Company, and the shareholders of Enaya Company will enjoy all rights in all respects (including the right to receive any dividends declared by Salama Company after the approval of the merger resolutions, if any, according to the record date of each dividend) without any encumbrances or restrictions.

The merger terms, including the agreed Exchange Ratio, have been approved by the Board of Directors of Saudi Enaya Cooperative Insurance Company and the Board of Directors of Salama Cooperative Insurance Company. Shareholders of Enaya Company will receive (0.8214782608695650) share in Salama Company for each share they own in Enaya Company.

All of the above is expected to take place in accordance with the expected timeline of key events set out on page (9).

Illustration 1. Structure of the two companies before and after the merger



* Effectiveness of the Merger Resolution

Source: The Company



4. Implications of the Merger Transaction

Following the expiration of the creditors' objection period and the approval of the Merger Resolutions, the trading of the shares of Enaya Company will be suspended in the first trading session following the approval of the effects of The Merger Transaction on the Merger Resolutions, and thereafter the listing of the shares of Enaya Company will be cancelled and the new shares will be deposited into the portfolios of the shareholders of the company within a period of not less than the third trading session and not exceeding the sixth trading session after the date of the approval of the Merger Resolutions. The net proceeds of the sale of the fractional shares that will be sold will be distributed within 30 days from the date of the approval of the Merger Resolutions. The data of Enaya Company will also be registered in the register of Salama Company at the Commercial Register at the earliest possible time after the approval of the Merger Resolutions, and accordingly Enaya Company shall be deemed dissolved in accordance with Article 228 of the Companies Law. In the event that any shareholder of Enaya Company has pledged all or part of his shares in Enaya Company, the pledge recorded with Tadawul will be automatically replaced with a pledge over the Consideration Shares that such shareholder receives under The Merger Transaction, without any additional action required from him. It is proposed that the shareholders of Enaya Company, who have pledged all or part of their shares in Enaya Company, take any steps that may be necessary under the terms of the agreement governing such pledge. **(For further details, please refer to paragraph (12.6) "Governance of the Board of Directors of Salama Company after The Merger Transaction" of section (12) "Material Terms and Conditions of the Merger Agreement" of this Circular).**

5. Method of Determining the Share Exchange Ratio

The Exchange Ratio between Enaya Company and Salama Company (which determines the number of shares that the shareholders of Enaya Company will receive in the merging company as a result of The Merger Transaction) was agreed upon after extensive commercial negotiations between the two companies. During the negotiation stage relating to the Exchange Ratio, Enaya Company obtained independent advice from its financial advisor in addition to reviewing the information related to the due diligence studies concerning the business of Salama Cooperative Insurance Company. On 20/02/1447H (corresponding to 14/08/2025G), Wasatah Capital provided its independent written financial advice to the Board of Directors of Enaya Company stating that, as of the date of providing such advice, and based on and subject to the factors and assumptions set out therein, Wasatah Capital considers that the agreed Exchange Ratio under the Merger Agreement is fair from a financial perspective to the shareholders of Enaya Company. Annex (1) of this Circular includes the full text of the independent written financial advice dated 20/02/1447H (corresponding to 14/08/2025G), which sets out the assumptions adopted, the procedures followed, the matters taken into consideration, and the limitations relating to the review carried out in connection with such advice.

Table 4. Valuation Method and Calculation of the Exchange Ratio

As of the audited financial statements as of 31 December 2024G (amounts in thousands of Saudi Riyals unless stated otherwise)	Salama Company	Enaya Company	Merging Company
Book value of shareholders' equity as of 31 December 2024G	254,326	163,914	Not Applicable
Adjustments to the book value of shareholders' equity of Salama Cooperative Insurance Company agreed upon by both parties			
(-) Valuation of the Company's share in Najm Company	(24,450)	Not Applicable	
(-) Statutory deposit	(7,500)		
(-) Aged receivables	(19,623)		
(-) Ongoing Litigations	(11,577)		
(-) Transaction costs (Rights Issue in the first quarter of 2025)	(4,100)		
(-) Unknown deposits	(2,900)		
(-) Aged reinsurance receivables	(2,278)		
(-) Prepayment balances	(540)		
(-) Advances to Employees (services terminated)	(422)		
(+) Rights Issue in the first quarter of 2025	100,000		
(-) End-of-service allowance provision	(1,517)		
(-) Results of total comprehensive income/(loss) for the six-month period ended 30 June 2025 (adjusted based on Najm's results, where the same reduction percentage applied in the valuation of Najm, as explained in item (1), has been applied)	(37,627)		
Total adjustments for Salama Company (consisting of due diligence adjustments and the inputs of Salama Company and Enaya Company as agreed upon by both parties)	(12,534)		
Adjustments to the book value of shareholders' equity of Saudi Enaya Cooperative Insurance Company as agreed upon by both parties			Not Applicable
(-) Premium receivables	Not Applicable	(12,092)	
(-) Various Accruals		(41)	
(-) Legal cases		(181)	
(+) The results of total comprehensive income/(loss) for the six-month period ended 30 June 2025 (adjusted based on the results of Najm Company, where the same reduction percentage applied in the valuation of Najm Company as outlined in item (1) was used)		682	
Total adjustments for Enaya Company (representing the due diligence adjustments and the inputs of Salama Company and Enaya Company as agreed upon by both parties)		(11,632)	
Final valuation after due diligence adjustments (representing the due diligence adjustments and the inputs of Salama Company and Enaya Company as agreed upon by both parties)		241,792	152,282
Ownership in the merging company	61.36%	38.64%	100%

As of the audited financial statements as of 31 December 2024G (amounts in thousands of Saudi Riyals unless stated otherwise)	Salama Company	Enaya Company	Merging Company
Number of shares currently issued by Saudi Enaya Cooperative Insurance Company			23,000
Number of shares currently issued by Salama Cooperative Insurance Company			30,000
Exchange Ratio per each (1) share owned in Enaya Company (Number of shares to be issued to Enaya Company's shareholders ÷ number of Enaya Company shares currently issued)			0.8214782608695650
Number of shares to be issued to Enaya Company's shareholders			18,894
Total number of Salama Company shares (After the issuance of the Merger Resolution) (share)			48,894

Based on the Exchange Ratio mentioned above, Salama Company will increase its share capital and issue eighteen million eight hundred ninety-four thousand (18,894,000) ordinary shares, with a nominal value of ten (10) Saudi Riyals per share, in favor of the shareholders of Enaya Company. The total nominal value of The Consideration Shares amounts to one hundred eighty-eight million nine hundred forty thousand (188,940,000) Saudi Riyals. The total market value of The Consideration Shares amounts to two hundred thirty-four million two hundred eighty-five thousand six hundred (234,285,600) Saudi Riyals based on the closing price of Salama Company's share of (12.40) Saudi Riyals as of 19/02/1447H (corresponding to 13/08/2025G) (which is the last trading day prior to the date of signing the Merger Agreement). The total market value of The Consideration Shares amounts to one hundred and eighty-five million, one hundred and sixty-one thousand, two hundred (185,161,200) based on the closing price of Salama Company's share of (9.80) Saudi Riyals as of 12/06/1447H (corresponding to 03/12/2025G) (which is the last trading day prior to the publication date of this document). The total value of The Consideration Shares to be recorded in Salama Company's financial statements will be determined later based on the closing price of Salama Company's share on the last trading day preceding the issuance date of The Consideration Shares.

The table below shows the value of the consideration based on the share price of Salama Company and its comparison with the market value of Enaya Company.

Table 5. Value of the consideration based on the share price of Salama Company and its comparison with the market value of Enaya Company

Total number of the Consideration Shares	Eighteen million eight hundred and ninety-four thousand (18,894,000) fully paid ordinary shares, with a nominal value of ten (10) Saudi Riyals per share.	
Total nominal value of the Consideration Shares	One hundred eighty-eight million nine hundred forty thousand (188,940,000) Saudi Riyals	Based on a nominal value of (10) Saudi Riyals per share.
Total market value of the Consideration Shares (at the end of the trading day preceding the signing of the Merger Agreement on 19/02/1447H (corresponding to 13/08/2025G))	Two hundred and thirty-four million, two hundred and eighty-five thousand and six hundred (234,285,600) Saudi Riyals.	Closing price of Salama Company: [12.40] Saudi Riyals.
Total market value of the Consideration Shares (based on the last trading day preceding the date of publication of this document on 12/06/1447H (corresponding to 03/12/2025G))	One hundred and eighty-five million, one hundred and sixty-one thousand, two hundred (185,161,200) Saudi Riyals.	Closing price of Salama Company: [9.80] Saudi Riyals.
Total market value of Enaya Company's shares subject to the Transaction (at the end of the trading day preceding the signing date of the Merger Agreement on 19/02/1447H (corresponding to 13/08/2025G)).	Two hundred and thirteen million nine hundred thousand (213,900,000) Saudi Riyals.	<ul style="list-style-type: none"> – Closing price of Enaya Company: [9.30] Saudi Riyals. – Number of currently issued shares in Enaya Company: 23,000,000 ordinary shares.



The total market value of Enaya Company's shares subject to the Transaction (based on the last trading day preceding the publication date of this document on 12/06/1447H (corresponding to 03/12/2025G)).	One hundred and seventy-one million one hundred and twenty thousand (171,120,000) Saudi Riyals.	<ul style="list-style-type: none"> – Closing price of Enaya Company: [7.44] Saudi Riyals. – Number of currently issued shares in Enaya Company: 23,000,000 ordinary shares.
The percentage difference between the total market value of the Consideration Shares and the total market value of the Enaya Company shares subject to the Transaction (at the end of the trading day preceding the signing of the Merger Agreement dated 19/02/1447H (corresponding to 13/08/2025G)).		%9.530
The percentage difference between the total market value of the Consideration Shares and the total market value of the Enaya Company shares subject to the Transaction (based on the last trading day preceding the publication date of this document on 12/06/1447H (corresponding to 03/12/2025G)).		8.205%

A detailed table showing the method of calculating the Exchange Ratio is provided below.

Table 6. Calculation of the Exchange Ratio

Item	Explanation
Valuation of the merging company (after The Merger Transaction)	Valuation of Salama Company + Valuation of Enaya Company
Ownership percentage of Salama Company's shareholders in the merging company (after The Merger Transaction)	$\frac{\text{Valuation of Salama Company}}{\text{Valuation of The Merging Company (after The Merger Transaction)}}$
Ownership percentage of Enaya Company's shareholders in the merging company (after The Merger Transaction)	$\frac{\text{Valuation of Enaya Company}}{\text{Valuation of The Merging Company (after The Merger Transaction)}}$
Number of shares for the current shareholders of Salama Company after The Merger Transaction.	As before the capital increase (30,000,000) shares
Number of new shares for the shareholders of Enaya Company	$\frac{\text{Number of Salama Company's currently issued shares}}{\text{Percentage ownership of Salama Company in the merging company (after The Merger Transaction)}} - \text{Number of Salama Company's currently issued shares}$
Exchange Ratio for each (1) share owned in Enaya Company	$\frac{\text{Number of shares to be issued to the shareholders of Enaya Company for the purpose of The Merger Transaction}}{\text{Number of currently issued shares of Enaya Company}}$



6. Conditions for Completing the Merger Transaction

The implementation of The Merger Transaction is contingent upon the satisfaction of a number of conditions (please refer to paragraph (12.2) “Conditions of the Merger Agreement” under section (12) “Material Terms and Conditions of the Merger Agreement” and section (13) “Procedures Required for the Issuance and Effectiveness of the Merger Resolution”) of this circular.

7. Opinion of Enaya’s Board of Directors Regarding the Merger Transaction

Based on the independent financial advisory opinion provided by Wasatah Capital Company dated 20/02/1447H (corresponding to 14/08/2025G), (a copy of which is attached as Annex (“1”) to this circular), which states that as at the date of providing such opinion and in accordance with the factors and assumptions set out therein, the Exchange Ratio agreed upon under the merger agreement is considered fair from a financial perspective to Enaya Company and the shareholders of Enaya Company, and after exercising appropriate due diligence with respect to the legal, financial, accounting, strategic and other matters related to The Merger Transaction with the assistance of their advisors, and after taking into account the market conditions as at the date of publication of this circular, the future growth prospects of the merging company, and the expected benefits of The Merger Transaction, the Board of Directors of Enaya Company considers that The Merger Transaction is fair and reasonable and in the best interests of Enaya Company and its shareholders. Accordingly, the members of the Board of Directors of Enaya Company recommend approving The Merger Transaction.

It should be noted that the opinion provided by Wasatah Capital will not be updated. Therefore, there is no assurance that Wasatah Capital will hold the same view regarding the fairness of the Exchange Ratio at the date of the extraordinary general assembly meeting of Enaya Company for The Merger Transaction, due to the possibility that the factors and assumptions on which the opinion was based may change after the date it was provided.

The results of the due diligence procedures depend on several factors, including the accuracy and completeness of the information provided by Salama Company. Accordingly, when expressing its view on The Merger Transaction, the Board of Directors of Enaya Company did not take into consideration any material operational, legal or financial risks relating to the business, assets or liabilities of Salama Company that were not identified through the due diligence procedures conducted by Enaya Company and its advisors on Salama Company, or that were not anticipated, assessed or disclosed by Salama Company to Enaya Company.

In addition, the members of the Board of Directors of Enaya Company did not take into consideration the individual investment objectives, financial situation, zakat and tax status, or the specific circumstances of each shareholder of Enaya Company due to the differing circumstances, conditions and objectives of each shareholder. Accordingly, the members of the Board of Directors of Enaya Company recommend that each shareholder of Enaya Company obtain independent advice from a licensed financial advisor in relation to The Merger Transaction and rely on their own review of The Merger Transaction to ensure that The Merger Transaction and the information set out in this circular align with their personal investment objectives and financial circumstances.

The Board of Directors of Enaya Company reserves its right to withdraw or amend its recommendations in accordance with the legal duties and obligations of the Board of Directors of Enaya Company.

The recommendation of the Board of Directors of Enaya Company set out in the invitation notice to the extraordinary general assembly meeting of Enaya Company did not take into account any future trading activities, or the levels, patterns or prices of the shares of Salama Company after the date of this circular.



8. The Opinion of the Board of Directors of Saudi Enaya Cooperative Insurance Company Regarding Salama Cooperative Insurance Company's Plans for Enaya and the Benefits of the Merger Transaction

8.1. General Overview

In light of the current economic conditions and the structure of the insurance market in the Kingdom of Saudi Arabia, there is a need to reassess the levels of economic concentration among insurance companies, particularly the smaller ones, with the aim of forming entities with strong financial solvency capable of competing effectively in a market dominated by a limited number of major companies. Accordingly, the merger of Enaya Company for Cooperative Insurance with Salama Cooperative Insurance Company represents a strategic step aimed at strengthening the competitive position of the merging company by increasing its business volume and market share, enabling it to benefit from promising growth opportunities in the insurance sector, in addition to achieving higher operational efficiency and greater financial sustainability in the long term.

8.2. Benefits to the Shareholders of Enaya Company and Salama Cooperative Insurance Company

The main drivers of The Merger Transaction revolve around enhancing the competitiveness of the merging company. According to the 2023 Saudi Insurance Market Report issued by the Insurance Authority, eight insurance companies accounted for 79.9% of the total gross written premiums in the insurance market in the Kingdom in 2023, while the remaining 20 companies included in the report held only 20.1% of the total gross written premiums in the insurance market in the Kingdom.

In 2024G, the market share of Salama Company amounted to 0.69% of the total gross written premiums in the insurance market, while the market share of Enaya Company amounted to 0.31% of the total gross written premiums in the insurance market. The Merger Transaction is an important step aimed at enhancing the market share and the financial and operational position of the merging company, in addition to improving the quality of services provided to customers. The Merger Transaction is also expected to contribute to increasing operational efficiency, enabling the merging company to compete, grow, innovate, invest in development and digitalization, attract and retain qualified human talent, and is expected to result in improved insurance services provided to customers and an enhanced ability to withstand risks.

It is also expected that the merger will contribute to achieving a number of economic objectives which, if realized, would benefit both the current and new shareholders of Salama Company. The drivers of The Merger Transaction include, without limitation, the following:

- Increasing market share and expanding the customer base:** The market share of the merging company is expected to increase through the growth in total gross written premiums. The market share of the merging company after the merger is expected to reach 1.00%, compared to 0.69% for Salama Company before the merger and 0.31% for Enaya Company before The Merger Transaction, representing an increase of 44.40% in the market share of the merging company after The Merger Transaction compared to the market share of Salama Company before The Merger Transaction. In addition, the merging company is expected to have a larger customer base as a result of combining the customer bases of both companies, which is in turn expected to improve the position of the merging company and its operational and financial performance compared to the current positions of Salama Company and Enaya Company. The following table shows the gross written premiums by customer classification for each of Salama Company and Enaya Company before and after The Merger Transaction.

The details of the gross written premiums have been disclosed to comply with the requirements of the Insurance Authority and are not calculated in accordance with the requirements of IFRS 17. Below are the details of the gross written premiums by customer classification before and after The Merger Transaction for the year ended 31 December 2024G.



Table 7. Gross Written Premiums by Customer Classification Before and After The Merger Transaction for the Financial Year as at 31/12/2024G.

Details of Gross Written Premiums (Thousand Saudi Riyals)	Salama Company 31/12/2024G	Enaya Company 31/12/2024G	The Merging Company 31/12/2024G	Percentage increase in the merging company compared to Salama Company
Companies	96,906	102,543	199,449	105.82%
Medium	38,561	62,829	101,390	162.93%
Small	33,249	58,082	91,331	174.69%
Micro	69,982	6,268	76,250	8.96%
Retail	287,872	4,085	291,957	1.42%
Total	526,570	233,807	760,377	44.40%

Source: The financial statements of Salama Company for the financial year ended 31 December 2024G, the financial statements of Enaya Company for the financial year ended 31 December, and the pro forma combined financial information of the merging company for the year ended 31 December 2024G.

- Improving the ability of the merging company to invest its funds:** The Merger Transaction is expected to enhance the merging company's ability to invest its funds more effectively as a result of the combined investment experience of Salama Company and Enaya Company after The Merger Transaction, as well as the increased financial strength and value of the investments of the merging company. The following table presents the details of these investments for each of Salama Company and Enaya Company before The Merger Transaction and for the merging company after The Merger Transaction.

Table 8. Investments as at 31 December 2024G based on the unaudited pro forma combined financial statements.

Item (Thousand Saudi Riyals)	Salama Company 31/12/2024G	Enaya Company 31/12/2024G	The Merging Company 31/12/2024G	Percentage increase in the merging company compared to Salama Company
Term Deposits	60,797	-	60,797	-
Financial Assets at Fair Value Through Profit or Loss	51,489	-	51,489	-
Financial Assets at Fair Value Through Other Comprehensive Income	61,124	-	61,124	-
Financial Assets at Amortized Cost	90,968	147,705	238,673	162.37%
Total Investments	264,378	147,705	412,083	55.87%

Source: The unaudited pro forma combined financial statements of the merging company for the period ended 31 December 2024G.

- Reducing the ratio of operating expenses to total gross written premiums and enhancing the ability to offer competitively priced products:** The Merger Transaction is expected to strengthen the ability of the merging company to reduce operating expenses and general and administrative expenses in line with its new scale of operations as a result of combining the shared services of Salama Company and Enaya Company, which will enable it to reduce the ratio of operating expenses to total gross written premiums. Based on the financial statements for the year ended 31 December 2024G, the ratio of operating expenses (salaries and benefits, incurred commissions, Najm fees, etc.) to total gross written premiums for Salama Company amounted to 33.19%, while it amounted to 30.22% for the merging company according to the reviewed pro forma financial statements for the same period. In addition, the reduction in the operating expenses of the merging company will enhance its ability to offer insurance products at more competitive prices over the long term.



- **Improving the ability of the merging company to negotiate prices with reinsurers:** The Merger Transaction is expected to create greater value for the merging company in terms of market share of total gross written premiums compared to the sector as a whole. The total gross written premiums of Salama Company as at 31 December 2024G amounted to 526.6 million Saudi Riyals, while the total gross written premiums of the merging company amounted to 760.4 million Saudi Riyals based on the pro forma combined financial information for the year ended 31 December 2024G. Accordingly, the ability of the merging company to negotiate with reinsurers will be enhanced due to the larger scale of business after the merger, which will place it in a stronger position during negotiations on prices and terms with reinsurers, thereby leading to reduced reinsurance costs.
- **Enhancing the geographical reach of the merging company's operations:** The Merger Transaction will strengthen the geographical presence of the merging company, as it will benefit from a wider geographical footprint through the integration of the branch networks owned by both Salama Company and Enaya Company. This expanded presence is expected to increase the total gross written premiums through a larger and more widespread branch network, which in turn will enhance the economic strength of the merging company and improve its ability to compete within the insurance sector as a whole.
- **Improving the capital efficiency of the merging company:** As a result of The Merger Transaction, the merging company will have stronger capital and a higher level of financial solvency, thereby increasing its ability to assume higher levels of risk and provide better insurance services. The new capital is also expected to support obtaining a better rating from global credit rating agencies. The capital of the merging company after the capital increase will amount to four hundred eighty-eight million nine hundred forty thousand (488,940,000) Saudi Riyals, representing an increase of 62.98% compared to the capital of Salama Company before The Merger Transaction, which amounted to (300,000,000) Saudi Riyals.
- **Benefiting from the integration of managerial and technical expertise resulting from business consolidation:** The merging company is expected to benefit from the cumulative expertise of both companies following The Merger Transaction in administrative matters, technical aspects, technological infrastructure and risk management.



9. The Opinion of the Board of Directors of Enaya Regarding Salama's Plans Concerning Enaya's Employees

With reference to the merger agreement signed between both parties dated 20/02/1447H (corresponding to 14/08/2025G), which includes the terms and conditions related to the implementation of The Merger Transaction, the parties have agreed to preserve the rights of Saudi employees and to treat them in accordance with the applicable laws after the merger. The parties have also agreed to assess the situations, rights, and entitlements of non-Saudi employees in a fair manner and in accordance with the applicable laws. Both parties must make well-considered decisions regarding the continuation of employment and the entitlements of non-Saudi employees within the merged entity, in a manner consistent with the applicable laws, taking into account any legal or regulatory requirements, and ensuring that appropriate measures are taken to protect their rights during the merger process.



10. Ownership and Transactions

The following table sets out the direct and indirect share ownership of the members of the Board of Directors of Enaya Company in Enaya Company

Table 9. Share ownership of the members of the Board of Directors of Enaya Company in Enaya Company

Board Members	Position	Membership Status	Direct Ownership		Indirect Ownership	
			Number of Shares (share)	Ownership Percentage (%)	Number of Shares (share)	Ownership Percentage (%)*
Khalid Abid Gama	Chairman	Independent	N/A	N/A	N/A	N/A
Mohammed Abdullah Al-Dar	Deputy Chairman	Independent	N/A	N/A	N/A	N/A
Kinana Alsharif	Board member	Executive	N/A	N/A	N/A	N/A
Abdulrahman Khalil Tolefat	Board member	Independent	N/A	N/A	N/A	N/A
Ibrahim Albuloushi	Board member	Independent	1000	0.0043478%	N/A	N/A
Gunther Saacke	Board member	Independent	N/A	N/A	N/A	N/A
Paul Schultz	Board member	Independent	N/A	N/A	N/A	N/A

Source: Tadawul website and the Company

The Board of Directors of Enaya Company further confirms the following:

- That Enaya Company does not currently own or control, and has not at any time during the twelve months preceding the date of publication of this circular owned or controlled, any shares in Salama Cooperative Insurance Company.
- That none of the members of the Board of Directors of Enaya Company has traded in the shares of Enaya Company or the shares of Salama Cooperative Insurance Company during the twelve months preceding the date of this circular, except for the ownership of the Board members as shown in the table above.
- That all members of the Board of Directors of Enaya Company who are entitled to vote on the merger resolutions at the extraordinary general assembly meeting of Enaya Company relating to The Merger Transaction will vote in favor of such resolutions in proportion to the number of shares they hold.
- That there are no ownership interests in Enaya Company or Salama Cooperative Insurance Company that are owned or controlled by: (1) Enaya Company; (2) any pension fund of Enaya Company; (3) any advisor of Enaya Company; or (4) any person acting in concert with Enaya Company.
- That there are no ownership interests in Enaya Company or Salama Cooperative Insurance Company owned or controlled by any person who has entered into any compensation arrangement, option, or any arrangement, agreement, or understanding whether formal or informal, and whatever its nature that may serve as an incentive for any person to retain, deal in, or refrain from dealing in the securities of Enaya Company.
- That Saudi Enaya Cooperative Insurance Company has not purchased or redeemed any of its shares during the twelve months preceding the publication of this circular.
- That there are no ownership interests in Saudi Enaya Cooperative Insurance Company or Salama Cooperative Insurance Company managed on a discretionary basis by an investment fund manager that is controlled by, controlling, or under common control with Enaya Company, or by any person acting in concert with it; or by any “connected adviser” with Enaya Company or any person acting in concert with it. The term “connected adviser” refers to the financial advisor, Wasatah Capital, or any advisor to Enaya Company in connection with The Merger Transaction, or any advisor providing advice to a person acting in concert with Enaya Company regarding The Merger Transaction, or any person licensed by the Capital Market Authority of Saudi Arabia to conduct securities activities for the benefit of Enaya Company or in relation to the matter that makes the person considered to be acting in concert with Enaya Company.



11. Material Contracts

During the two years preceding the beginning of the offer period, and except for the merger agreement signed with Salama Cooperative Insurance Company, Enaya Company has not entered into any material contracts outside the ordinary course of business amounting to 10% or more of Enaya Company's annual revenues, in accordance with its financial statements for the financial year ended 31 December 2024G.



12. Material Terms and Conditions of the Merger Agreement

12.1. The Merger Agreement

Salama Cooperative Insurance Company and Saudi Enaya Cooperative Insurance Company entered into the merger agreement dated 20/02/1447H (corresponding to 14/08/2025G), pursuant to which they agreed on the terms and conditions of The Merger Transaction and the obligations of both companies with respect to the implementation of The Merger Transaction. The merger agreement also includes a number of representations and warranties provided by each company to the other, in addition to several restrictions related to the conduct of business.

The Merger Transaction is subject to the approval of the shareholders of Salama Cooperative Insurance Company and the shareholders of Saudi Enaya Cooperative Insurance Company. Pursuant to paragraph (n) of Article (3) of the Merger and Acquisition Regulations, any shareholder who owns shares in both Salama Cooperative Insurance Company and Saudi Enaya Cooperative Insurance Company may vote on the merger resolutions only at the general assembly meeting of one of the two companies **(for further details, please refer to paragraph (13.2) "Extraordinary General Assembly Approval" under section (13) "Procedures Required for the Issuance and Effectiveness of the Merger Resolution" of this circular).**

Below is a summary of the material terms and conditions, conditions precedent, and covenants set out in the merger agreement, as follows:

12.2. Conditions of the Merger Agreement

The merger agreement includes a number of conditions that must be satisfied, which both companies have committed to pursue and satisfy as soon as possible prior to the issuance of the merger resolution, and to coordinate with each other in this regard. The two companies have also agreed that none of these conditions may be amended or waived except with the written approval of both companies, or with the approval of Salama Cooperative Insurance Company with respect to commercial conditions related to Saudi Enaya Cooperative Insurance Company. Below is a summary of these conditions:

1. Obtaining all required approvals from the Insurance Authority with respect to The Merger Transaction.
2. Obtaining all required approvals from the Capital Market Authority with respect to The Merger Transaction.
3. Obtaining the approval of the Saudi Exchange (Tadawul) for the listing of The Consideration Shares and any other approvals (or notifications) required with respect to The Merger Transaction.
4. Obtaining the non-objection of the Ministry of Commerce and the Insurance Authority regarding the proposed amendments to the Bylaws of Salama Cooperative Insurance Company.
5. Expiration of the creditors' objection period, and that all objections (if any) have been settled or withdrawn in accordance with the provisions of the Companies Law and the provisions of the merger agreement, or, in the event that any objections by the creditors of Saudi Enaya Cooperative Insurance Company remain unsettled, that such objections do not constitute a material adverse event or do not materially affect the completion of the merger, as determined by both parties in good faith.
6. Obtaining the required majority approval of the shareholders of Salama Cooperative Insurance Company on the merger resolutions.
7. Obtaining the required majority approval of the shareholders of Saudi Enaya Cooperative Insurance Company on the merger resolutions.
8. That no material adverse event has occurred and is continuing.
9. No breach of the representations and warranties provided by each of Salama Cooperative Insurance Company and Saudi Enaya Cooperative Insurance Company under the merger agreement as described in **paragraph (12.5) "Warranties"** of this section, unless the breaching party remedies such breach in a manner acceptable to the other party if such breach is capable of being remedied.
10. No issuance of any decision, law, regulation, order, judgment, or decree by any Saudi governmental body or authority that renders the effectiveness of the merger resolution - pursuant to the provisions of the merger agreement - unlawful or illegal.



12.3. Business Conduct Restrictions

The merger agreement includes an obligation on both companies not to undertake any action that violates specific restrictions set out in the agreement relating to how each company may conduct its business during the period between the date of signing the merger agreement and the effective date of the merger resolution, or the termination date of the merger agreement in accordance with its terms and conditions (whichever occurs first), without obtaining the prior approval of the other party. The other party may not withhold or delay its approval without a reasonable cause.

If either company breaches any of these restrictions, the other party has the right to treat such breach as a material adverse event (as reasonably determined by the non-breaching party) and terminate the agreement accordingly by providing written notice to the breaching party **(for further details, please refer to paragraph (12.7) "Provisions for Termination of the Merger Agreement" of this section)**.

The business conduct restrictions set out in the merger agreement consist of prohibiting either company from undertaking, or agreeing to undertake, any action that would violate any of these restrictions unless required by applicable law. Below is a summary of these restrictions:

1. Restricting the company's activities to its ordinary course of business in a manner that is materially consistent with its previous practices, provided that such activities do not violate applicable laws.
2. Refraining from making any material change in the nature or scope of the company's business or engaging in any new material activities.
3. Entering into or amending any agreement, or entering into or providing any commitment, or taking any action that in each case involves consideration, expenses, or obligations exceeding 10% of its revenues.
4. Entering into any loan agreement or financing arrangement exceeding 10% of its total liabilities.
5. With respect to each company, declaring, distributing, or paying dividends or any other form of distribution (whether in cash or in kind) for any period.
6. Taking any action involving liquidation, merger, dissolution, or change of legal form.
7. Hiring or offering to hire any new senior executives (or any direct report to the Chief Executive Officer or the Board of Directors), or making or allowing any material changes (other than those required by applicable laws) to the terms and conditions of employment of any such senior executives.
8. Proposing, adopting, or implementing any repurchase of shares, sale of treasury shares, stock split or reverse split, change of nominal value, or cancellation of shares for any reason.
9. Making any amendments to its capital or association documents.

12.4. Exceptions to the Business Conduct Restrictions

Subject to the above, the two companies have agreed to specify a number of exceptions to the business conduct restrictions, which allow each company to undertake certain actions and activities without such actions being considered a breach of the business conduct restrictions referred to above. These exceptions are as follows:

1. Taking any action that has been publicly disclosed or privately disclosed in writing to the other party prior to the date of the merger agreement.
2. Undertaking any matter that is expected or required under the merger agreement or for the implementation of any of its provisions (including incurring any costs or engaging any person for the purposes of the merger).

12.5. Warranties

Each of the two companies has provided a number of warranties under the merger agreement, as follows:

1. That each of Salama Cooperative Insurance Company and Saudi Enaya Cooperative Insurance Company has the authority to enter into the merger agreement and to perform their respective obligations arising therefrom.
2. That the obligations arising from the merger agreement constitute binding obligations on both parties.
3. That entering into the merger agreement and performing the obligations thereunder will not result in a material breach of the articles of association of either party.



4. That neither party engages in any business or activity other than the insurance activities licensed to it by the Insurance Authority.
5. That neither party has been declared bankrupt, and there are no known circumstances, nor any circumstances that could reasonably be known upon due inquiry, that would give any person the right to request the liquidation of either party or the appointment of a receiver over its establishments or assets, whether in whole or in part.
6. That neither party has any outstanding obligations including: (1) securities convertible into shares or exchangeable for shares of any class of either party; or (2) options, warrants, or other rights to subscribe for or purchase shares of any class of either party; or (3) agreements of any kind relating to the issuance of any shares of any class of either party, or any securities convertible into or exchangeable for shares, or any options, warrants, or rights.
7. That the audited financial statements (and/or unaudited interim statements) for the financial periods up to the date of signing the agreement, including management accounts disclosed to the other party, provide a true, non-misleading, and accurate representation of that party's results for the relevant period and its financial position at the end of such period.
8. That signing the merger agreement and performing the obligations thereunder will not result in a material breach, constitute an event of default, or grant any right of termination or any right of material amendment (in price, services, or otherwise) under any material agreement to which either party is a party or by which it is bound.
9. That all information relating to the party provided to the other party in connection with The Merger Transaction or concerning the party (including information provided during the due diligence phase or for the purpose of preparing the merger transaction documents) is true, complete in all material respects, and not materially misleading as of its date.
10. That no material information has been withheld by either party in the context of The Merger Transaction, nor any other information requested during the due diligence phase.

Each party has also undertaken to the other that all information it has provided about itself to the other party after entering into the merger agreement (including all information reasonably requested by the other party or required under applicable laws for the purpose of preparing the shareholders' circular and the offer document issued by Salama Cooperative Insurance Company and the Board circular of Saudi Enaya Cooperative Insurance Company) is true and accurate in all material respects and not misleading in any material respect as of its date.

12.6. Governance of the Board of Directors of Salama Cooperative Insurance Company After The Merger Transaction

The two parties have agreed that, on the effective date, the Board of Directors of Salama Cooperative Insurance Company will consist of seven (7) members.

Within a period not exceeding twenty-one (21) calendar days from the date of approval by the extraordinary general assemblies, Saudi Enaya Cooperative Insurance Company shall have the right to nominate up to two (2) new members (referred to as the "New Board Members") to be appointed to the Board of Directors of Salama Cooperative Insurance Company (the "Unified Board"). The two new members must meet all membership requirements necessary to serve on the Board of Directors of Salama Cooperative Insurance Company in accordance with the regulations of the Insurance Authority and applicable regulations, and they must obtain the approval of the Insurance Authority. Saudi Enaya Cooperative Insurance Company must also ensure that the appointment of the new members does not result in a breach of the independence requirements imposed on the Board of Directors of Salama Cooperative Insurance Company under applicable regulations.

Salama Cooperative Insurance Company shall, within two (2) business days from the date of receipt of the nominations submitted by Saudi Enaya Cooperative Insurance Company for the new members or from the date of approval of the Insurance Authority for the nominated members - whichever occurs earlier - and following approval by the extraordinary general assembly, use its reasonable efforts to ensure the appointment of the new members, either by increasing the number of vacant seats or through the resignation of existing members as it deems appropriate, acknowledging that Salama Cooperative Insurance Company shall not be liable in the event that such appointments cannot be made for any reason.

If the shareholders reject the appointment of the new members at the next extraordinary general assembly meeting convened after their appointment, the current Board of Directors of Salama Cooperative Insurance Company shall continue as is without any change. The two companies have also agreed that the Chairman of the Board of Directors of Salama Cooperative Insurance Company after the issuance of the merger resolution will remain Mr. Mountasar Mohammed Foudah (the current Chairman of the Board of Directors of Salama Cooperative Insurance Company), and that the Chief Executive Officer, Mr. Badr Khalid Alanazi (the current CEO of Salama Cooperative Insurance Company), will continue to serve as CEO after the issuance of the merger resolution. These changes will not take effect until after the issuance of the merger resolution, and the current boards of directors and executive management teams of both companies will continue to manage and operate their respective companies independently.



12.7. Provisions for Termination of the Merger Agreement

The merger agreement shall terminate with immediate effect, and all rights and obligations of both companies under the agreement shall accordingly terminate (except for certain rights and obligations that remain binding even after termination, such as confidentiality and dispute resolution) upon the occurrence of any of the following events:

1. Either party delivering a notice of termination of the agreement to the other party in the event a material adverse event occurs with respect to the other party, without such event being remedied to the satisfaction of the other party within fourteen (14) days.
2. Either party delivering a notice of termination of the agreement to the other party in the event of a breach by either party of any of the terms and provisions of the merger agreement (including any breach of warranties or undertakings), without such breach being remedied to the satisfaction of the non-breaching party within fourteen (14) days
3. Failure to satisfy the conditions of The Merger Transaction - unless waived pursuant to a written agreement between the two parties - before the lapse of six months from the date of entering into the merger agreement (unless the parties agree in writing to another date).
4. The written agreement of both parties to terminate the agreement.

12.8. Material Adverse Event Notice

In the event that an event occurs to either party which the other party considers to be a material adverse event prior to the effective date of the merger resolution, the party that considers such event to be a material adverse event must promptly send a written notice to the other party specifying such event (referred to as the "Material Adverse Event Notice"). The representatives of both parties must meet within ten (10) business days from the date of receipt of the Material Adverse Event Notice to review the circumstances. If either party does not agree that a specific event or circumstance has resulted in what constitutes a material adverse event, the parties must cooperate to appoint an independent expert from among the auditors licensed by the Authority (referred to as the "Expert"), who shall act as an expert - not an arbitrator - review the circumstances and issue a final and binding report to both parties stating whether the elements of a material adverse event have been established with respect to the event or circumstance. Both parties shall initially bear equally all fees, costs, and expenses related to the appointment of the Expert. If the Expert concludes that no material adverse event has occurred, the party claiming the occurrence of such event shall be responsible for reimbursing the other party for the costs incurred in appointing the Expert. The Expert must be appointed by mutual agreement of both parties. If the representatives of both parties are unable to meet within ten (10) business days from the date of receipt of the Material Adverse Event Notice, or if they fail to agree on the appointment of the Expert within twenty (20) business days from the date of receipt of the Material Adverse Event Notice, the party claiming the existence of a material adverse event may apply to the Saudi Center for Commercial Arbitration to nominate an Expert, and such nomination shall be binding on both parties.

Upon the parties reaching an agreement, or upon the Expert issuing his final and binding report determining whether a material adverse event has occurred, the parties may negotiate in good faith either to continue The Merger Transaction or to amend its terms within fourteen (14) business days, or the agreement may be terminated in accordance with its provisions by the party not affected by the material adverse event (or The Merger Transaction shall be deemed effective under its terms if the affected party does not exercise its right within ten (10) business days after the end of the amicable negotiation period).

12.9. Termination Fee

Pursuant to the merger agreement, the two companies have agreed on a termination fee in consideration of the time, effort, and costs incurred by both parties in connection with The Merger Transaction. Under the merger agreement, if either party takes any action (or refrains from taking any action) that causes The Merger Transaction to fail, such party shall pay a lump sum amount of four million (4,000,000) Saudi Riyals to the other party within ten (10) days from the date of termination of the merger agreement, provided that the party shall not be obligated to pay such fee in the event of fraud, bad faith, or a material breach by the other party.

12.10. Other Agreements

Except for the non-binding memorandum of understanding and the merger agreement, there are no other material agreements entered into between the two companies in connection with The Merger Transaction.



13. Procedures Required for the Issuance and Effectiveness of the Merger Resolution

Subject to the satisfaction of all conditions set out in the merger agreement, the principal procedures required for the issuance and effectiveness of the merger resolution are as follows:

13.1. Governmental Approvals

The issuance and effectiveness of the merger resolution require obtaining a number of governmental approvals, as follows:

- a. Obtaining the non-objection of the General Authority for Competition regarding the economic concentration resulting from The Merger Transaction.
- b. Obtaining the approval of the Insurance Authority for The Merger Transaction and the procedures and matters resulting therefrom.
- c. Obtaining the approval of the Saudi Exchange (Tadawul) for the listing of The Consideration Shares.
- d. Obtaining the approval of the Capital Market Authority for the application to increase the share capital of Salama Cooperative Insurance Company and for the publication of the offer document.
- e. Obtaining the non-objection of the Ministry of Commerce for the proposed amendments to the Bylaws of Salama Cooperative Insurance Company.
- f. Obtaining the approval of the Capital Market Authority for convening the extraordinary general assembly of Salama Cooperative Insurance Company relating to The Merger Transaction and the extraordinary general assembly of Saudi Enaya Cooperative Insurance Company relating to The Merger Transaction. The date of the assembly meeting will be announced on the Saudi Exchange (Tadawul) website.
- g. Obtaining the approval of the Ministry of Commerce to update the commercial registration of Salama Cooperative Insurance Company and the commercial registration of Saudi Enaya Cooperative Insurance Company, as required.

With the exception of obtaining the approval of the Capital Market Authority for convening the extraordinary general assemblies of Salama Cooperative Insurance Company and Saudi Enaya Cooperative Insurance Company relating to The Merger Transaction, and the approval of the Ministry of Commerce for updating the commercial registrations, all of the governmental approvals listed above have been obtained.

13.2. Extraordinary General Assembly Approval

The conditions of The Merger Transaction include obtaining the approval of the extraordinary general assembly of each of Salama Cooperative Insurance Company and Saudi Enaya Cooperative Insurance Company for The Merger Transaction, as follows:

1. Approving the merger resolutions by the required majority, representing not less than three-quarters of the shares with voting rights represented at the meeting of the shareholders of Salama Cooperative Insurance Company.
2. Approving the merger resolutions by the required majority, representing not less than three-quarters of the shares with voting rights represented at the meeting of the shareholders of Saudi Enaya Cooperative Insurance Company.

Salama Cooperative Insurance Company and Saudi Enaya Cooperative Insurance Company have submitted a request to the Capital Market Authority to convene the extraordinary general assembly meeting for The Merger Transaction for each company after the publication of this document. After obtaining the CMA's approval, each of Salama Cooperative Insurance Company and Saudi Enaya Cooperative Insurance Company will publish the invitation to their respective extraordinary general assembly meetings for The Merger Transaction, which must be held within a period not exceeding twenty-eight (28) business days from the date of publication of this document (or any other date approved by the CMA).

The extraordinary general assembly meeting of Saudi Enaya Cooperative Insurance Company shall be valid if shareholders representing at least half of the shares of Saudi Enaya Cooperative Insurance Company with voting rights are present. If this quorum is not met at the first meeting, a second meeting shall be convened one hour after the end of the scheduled time of the first meeting (provided that the invitation to the first meeting states that a second meeting may be convened one hour after the first meeting if the required quorum is



not met). The second meeting shall be valid if shareholders representing at least one-quarter of the shares of Saudi Enaya Cooperative Insurance Company with voting rights are present. If the required quorum is not met at the second meeting, Saudi Enaya Cooperative Insurance Company shall apply to the Capital Market Authority for approval to convene a third extraordinary general assembly meeting. Once approved, Saudi Enaya Cooperative Insurance Company shall publish the invitation to the extraordinary general assembly meeting, which shall be held not less than twenty-one (21) days from the date of publication of the invitation. The third meeting shall be valid regardless of the number of shares represented therein.

All shareholders registered in the shareholders' register of Saudi Enaya Cooperative Insurance Company at the end of the trading day on which the extraordinary general assembly meeting for The Merger Transaction is held are entitled to attend the extraordinary general assembly meeting. Shareholders may vote on the agenda or appoint another person (who must not be a member of the Board of Directors of Saudi Enaya Cooperative Insurance Company) to attend the meeting and vote on their behalf in accordance with applicable procedures, or vote electronically in accordance with the procedures applicable in this regard. Pursuant to paragraph (n) of Article (3) of the Merger and Acquisition Regulations, any shareholder who owns shares in both Salama Cooperative Insurance Company and Saudi Enaya Cooperative Insurance Company may vote on the merger resolutions only at the extraordinary general assembly meeting of one of the two companies. If a shareholder votes in both assemblies, one of the votes will be disregarded based on a decision jointly made by the two companies as they deem appropriate.

Although all shareholders of Saudi Enaya Cooperative Insurance Company are entitled to attend the extraordinary general assembly meeting relating to The Merger Transaction and vote on its resolutions (subject to any restrictions arising from conflicts of interest or any other restrictions under the laws applicable in the Kingdom of Saudi Arabia), shareholders of Saudi Enaya Cooperative Insurance Company residing outside the Kingdom of Saudi Arabia must take into account that this document has not been submitted or registered with any regulatory authority outside the Kingdom of Saudi Arabia. Accordingly, if any shareholder of Saudi Enaya Cooperative Insurance Company resides in a jurisdiction whose laws require the company to undertake certain steps in order for such shareholder to vote validly on the merger resolutions, it should be noted that Saudi Enaya Cooperative Insurance Company has not undertaken such steps, and therefore, the relevant shareholder should not participate in voting on the proposed resolutions of the extraordinary general assembly of Saudi Enaya Cooperative Insurance Company relating to The Merger Transaction. If the concerned shareholder nevertheless votes on the merger resolutions, Salama Cooperative Insurance Company, in agreement with Saudi Enaya Cooperative Insurance Company, shall have the right not to proceed with The Merger Transaction unless it has been approved by the required majority of the shareholders of Saudi Enaya Cooperative Insurance Company without counting the votes of the concerned shareholder.

If the required majority - being at least three-quarters of the shares with voting rights represented at the meeting - of the shareholders of Saudi Enaya Cooperative Insurance Company approve The Merger Transaction at the extraordinary general assembly meeting of Saudi Enaya Cooperative Insurance Company relating to The Merger Transaction, then all shareholders of Saudi Enaya Cooperative Insurance Company (including those who voted against or did not participate in the vote) will cease to own any shares in Saudi Enaya Cooperative Insurance Company, as its shares will be delisted and the company will cease to exist, and they will instead receive The Consideration Shares in Salama Cooperative Insurance Company in accordance with the terms and conditions of the merger agreement.

13.3. Creditors' Objection Period

At least thirty (30) days before convening the extraordinary general assembly meetings of both companies to vote on the merger resolutions, the two companies announced The Merger Transaction and the mechanism for creditors of Saudi Enaya Cooperative Insurance Company to submit objections. Such creditors were given a period of fifteen (15) days from the date of the announcement to submit any objections in accordance with Article (227) of the Companies Law and the mechanism specified in the announcement.

Saudi Enaya Cooperative Insurance Company must settle a creditor's debt if it is due, or provide adequate security for its settlement if it is deferred. A creditor who notified Saudi Enaya Cooperative Insurance Company of his objection to the merger during the creditors' objection period, and whose debt was not settled if due, or was not provided with adequate security if deferred, may apply to the competent judicial authority within not less than ten (10) days before the date scheduled for voting on the merger resolutions. The competent judicial authority may, in such case, order the settlement of the debt if due or the provision of security if deferred. If it determines that the merger would result in severe harm to the objecting creditor and that the two companies are unable to settle the debt or provide security, it may order the suspension or postponement of the merger, provided that its decision is issued prior to the effectiveness of the merger resolution. If the competent judicial authority does not decide on the creditor's objection before the effectiveness of the merger resolution but later determines the validity of the objecting creditor's claim, it may issue a decision awarding compensation for damages suffered as a result of the merger.



After the expiration of the creditors' objection period, Saudi Enaya Cooperative Insurance Company shall announce on the Saudi Exchange (Tadawul) website the results of the creditors' objection period as follows:

- a. That no objections were received during the period, or that objections were received but were withdrawn or settled, or that the competent judicial authority rejected the creditor's request to suspend The Merger Transaction (as applicable).
- b. A description of any objections received that remain unsettled and are still outstanding, as agreed with Salama Cooperative Insurance Company. In such case, The Merger Transaction shall proceed unless a judicial decision is issued to suspend it. Saudi Enaya Cooperative Insurance Company shall also announce, on the Saudi Exchange (Tadawul) website, the completion of the settlement of all outstanding objections, if required.

13.4. Effectiveness of the Merger Resolution

Pursuant to Article (228) of the Companies Law, the merger resolution becomes effective as of the date on which the details of Saudi Enaya Cooperative Insurance Company are recorded in the commercial register of Salama Cooperative Insurance Company. As soon as possible after the issuance of the merger resolution:

- a. Saudi Enaya Cooperative Insurance Company shall take all necessary actions to suspend the trading of its shares on Tadawul, to enable Edaa to withdraw the shareholders' register of Saudi Enaya Cooperative Insurance Company who are entitled to receive The Consideration Shares, at the end of the second trading day following the date of such suspension or any other date determined by the Capital Market Authority, Tadawul, or Edaa.
- b. Salama Cooperative Insurance Company shall take all necessary actions to enable the issuance of the new fully paid-up shares and have them deposited into the portfolios of the shareholders of Saudi Enaya Cooperative Insurance Company listed in the agreed-upon register in accordance with the Exchange Ratio.
- c. Both companies shall take all necessary actions to update the commercial registrations in order to effect the merger resolution concurrently with the deposit of The Consideration Shares or as soon as reasonably possible thereafter.



14. Zakat and Tax

The Merger Transaction may have zakat and tax implications for the shareholders of Saudi Enaya Cooperative Insurance Company, and in the event of any uncertainty regarding their zakat or tax positions, they are advised to consult immediately with an independent professional tax advisor.



15. Additional Information

The offer document contains additional information related to The Merger Transaction. Accordingly, the offer document should be read carefully before making any decision to vote in favor of the resolutions presented at the extraordinary general assembly of Saudi Enaya Cooperative Insurance Company relating to The Merger Transaction.

This reference should not be construed as meaning that the members of the Board of Directors of Saudi Enaya Cooperative Insurance Company, whether collectively or individually, bear any responsibility toward the shareholders of Saudi Enaya Cooperative Insurance Company with respect to the information contained in the offer document. Accordingly, the members of the Board of Directors of Saudi Enaya Cooperative Insurance Company, collectively or individually, do not provide any representations or warranties, whether express or implied, regarding the accuracy or completeness of the information contained in the offer document, except for the information provided by Saudi Enaya Cooperative Insurance Company in accordance with the provisions of the merger agreement.



16. Exemptions

An exemption was obtained from the Capital Market Authority from the requirements of sub-paragraph (2) of paragraph (“b”) of Article (“36”) of the Merger and Acquisition Regulations, whereby the two companies agreed on a termination fee of four million (4,000,000) Saudi Riyals. **(For further details, please refer to paragraph (12.9) “Termination Fee” of section (12) “Material Terms and Conditions of the Merger Agreement” of this circular)**



17. Documents Available for Inspection

The following documents will be available for Inspection at the headquarters of Saudi Enaya Cooperative Insurance Company (address: Jeddah – Prince Sultan bin Abdulaziz Street, Building No. 7521, 7th Floor, Sub-Number 3732, Postal Code 23423, Kingdom of Saudi Arabia, Tel: +966122119474, Fax: +966122119310), from Sunday to Thursday between 9:00 a.m. and 5:00 p.m., except on official holidays in the Kingdom of Saudi Arabia, starting from the date of publication of the shareholders' circular and the offer document until the end of the offer period:

- The Bylaws of Saudi Enaya Cooperative Insurance Company.
- The Bylaws of Salama Cooperative Insurance Company.
- The signed merger agreement between Saudi Enaya Cooperative Insurance Company and Salama Cooperative Insurance Company dated 20/02/1447H (corresponding to 14/08/2025G).
- The financial statements for the financial years ended 31 December 2022G, 31 December 2023G, and 31 December 2024G, and the unaudited interim financial statements for the six-month period ended 30 June 2025G of Saudi Enaya Cooperative Insurance Company.
- The financial statements for the financial years ended 31 December 2022G, 31 December 2023G, and 31 December 2024G, and the unaudited interim financial statements for the six-month period ended 30 June 2025G of Salama Cooperative Insurance Company.
- The Consent Letters of the advisors of Saudi Enaya Cooperative Insurance Company regarding the use of their names, logos, and statements in this circular.
- The independent financial advisory opinion for Saudi Enaya Cooperative Insurance Company.



18. Conclusion

The Board of Directors of Saudi Enaya Cooperative Insurance Company has endorsed The Merger Transaction and issued its recommendation regarding it. We invite the members of the Board of Directors of Enaya Cooperative Insurance Company to attend the extraordinary general assembly meeting, and we recommend voting in favor of the resolution presented at the meeting on the assumption that the financial position of Salama Cooperative Insurance Company will not experience any fundamental or material deterioration after the date of publication of this circular.

Khalid Abid Gama

Chairman of the Board of Directors of Enaya Cooperative Insurance Company

Appendix

The Opinion Provided by the Financial Advisor Regarding the Exchange Ratio

Annex 1. The Independent Opinion Provided by the Financial Advisor





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The Fairness Opinion Letter Submitted by the Financial Advisor Regarding the Exchange Ratio

No.: CEO/25/08E
Date: 20/02/1447H
Corresponding to: 14/08/2025G

Saudi Enaya Cooperative Insurance Company
Kingdom of Saudi Arabia - Jeddah - Prince Sultan Bin Abdulaziz Street,
National Address JEKA7521, Building 7521, Postal Code 23423, Sub No. 3732 - 7th Floor

To the esteemed Board of Directors Members of Saudi Enaya Cooperative Insurance Company

With reference to the announcement by Saudi Enaya Cooperative Insurance Company (hereinafter referred to as "Enaya Company" or "The Merged Company") regarding the signing of a binding merger agreement with Salama Cooperative Insurance Company (hereinafter referred to as "Salama Company" or "The Merging Company") through a securities exchange offer to purchase the entire shares in the capital of Enaya Company ("the Transaction" or "The Merger Transaction") through a capital increase process of Salama Company by issuing new ordinary shares ("New Shares" or "Consideration Shares") to the shareholders of Enaya Company, and in accordance with the rules and regulations of the Capital Market Authority ("CMA"), the Companies Law, and the Competition Law and its Executive Regulation issued pursuant to a resolution of the Board of Directors of the General Authority for Competition, and with reference to your request to provide Enaya Company with the opinion of Al Wasatah Al Maliah Company (hereinafter referred to as "Wasatah Capital" or "The Financial Advisor") in our capacity as financial advisor to Enaya Company regarding the fairness of the exchange ratio ("The Exchange Ratio"), and in accordance with Article (18) of the Mergers and Acquisitions Regulations ("The Regulation"), we hereby wish to provide you with our opinion regarding the fairness of the exchange ratio referred to in the merger agreement with Salama Company signed on 20/02/1447H (corresponding to 14/08/2025G) ("The Merger Agreement"). Pursuant to the merger agreement, Salama Company will issue eighteen million eight hundred and ninety-four thousand (18,894,000) new ordinary shares ("New Shares") with a total nominal value of one hundred eighty-eight million nine hundred and forty thousand (188,940,000) Saudi Riyals in exchange for purchasing the entire shares in the capital of Enaya Company, meaning (0.8214782608695650) share in Salama Company will be issued for every one (1) share owned in Enaya Company ("The Exchange Ratio"), which will result in increasing Salama Company's capital from three hundred million (300,000,000) Saudi Riyals to four hundred eighty-eight million nine hundred and forty thousand (488,940,000) Saudi Riyals, and increasing its number of ordinary shares from thirty million (30,000,000) to forty-eight million eight hundred and ninety-four thousand (48,894,000) ordinary shares, which represents a (62.98%) increase in Salama Company's current capital.

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In presenting this opinion, the scope of the review and the key assumptions upon which Wasatah Capital Company relied include, but are not limited to:

- Review the audited financial statements of both Enaya Company and Salama Company for the financial years ending December 31, 2022G, December 31, 2023G, and December 31, 2024G, and the six-month period ending June 30, 2025G.
- Reviewing and examining the financial, legal, actuarial, and tax due diligence reports prepared on Salama Company by the advisors appointed by Enaya Company
- Negotiations and agreement reached between the Board of Directors of Enaya Company and Salama Company regarding the proposed amendments to Enaya Company and Salama Company.
- The amendments proposed by the advisors appointed by Salama Company to the equity of Enaya Company as of December 31, 2024G and subsequent amendments as of June 30, 2025G.
- Review of the merger agreement and memorandum of understanding signed between Enaya Company and Salama Company.
- Review the proposed financial and commercial terms and conditions of the merger transaction.

In addition to that, we have held discussions with the management of both the merging company and the merged company regarding certain aspects of the merger transaction, the financial position, and the effects of the merger transaction on the financial position for the purpose of submitting this opinion.

For the purposes of submitting this opinion, we at Wasatah Capital Company have relied upon and assumed the accuracy and completeness of all data, information, and financial, statutory, regulatory, tax, accounting, and other documentation provided to us, discussed with us, or reviewed by us. We have also not assessed the financial solvency of the merging company and the merged company under any laws relating to bankruptcy or insolvency or any other similar matters. Accordingly, Wasatah Capital does not bear any responsibility for the truth, accuracy, and completeness of the data, information, and documentation provided to it, particularly those data, information, and documentation obtained from external sources. Although Wasatah Capital Company has no reason to believe that such data, information, and documentation are materially inaccurate, this data, information, and documentation has not been independently verified by Wasatah Capital. The merged company has also confirmed the appropriateness of our reliance on those analyses, forecasts, assumptions, and estimates in submitting this opinion. Therefore, there is no assurance or guarantee regarding the truth or completeness of any of this data, information, and documentation. Wasatah Capital also assumed that no material adverse change has occurred in the financial position, assets, liabilities, results of operations,

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and business of both Enaya Company and Salama Company since the date of the last financial statements that were published and disclosed to the public up to the date of submitting this opinion.

We would like to confirm that our opinion is based on the economic and market circumstances and other conditions prevailing on the date of this opinion, as well as the information available to us on that date. It should be understood that subsequent developments may affect this opinion, and we bear no obligation to update, amend, or reconfirm this opinion. Our opinion does not include the decision made by Enaya Company regarding entering into the transaction; nor does our opinion address any aspects related to the truth or fairness of the legal or financial structure involved in the transaction. This opinion only addresses the fairness of the exchange ratio from a financial point of view for Enaya Company under the merger agreement and the reviews and assumptions relied upon by Wasatah Capital Company as of the date specified in this letter. We also express no opinion regarding the fairness of the merger process toward creditors, or any mandated parties of Enaya Company, or any compensation required to be paid to them, or regarding Enaya Company's decision to enter into the merger transaction. In addition, we offer no opinion regarding the compensation or nature of any consideration for the officers, directors, or employees of the two parties to the merger transaction, or any class of those individuals related to the exchange ratio, or regarding the fairness of any consideration paid in that manner. We also express no opinion in this letter regarding the price at which the shares of Enaya Company or Salama Company will trade at any time in the future. Consequently, there are other factors, subsequent to the date of this letter, that could affect the value of the business after the merger between Enaya Company and Salama Company (after the completion of the merger process), including without limitation, (1) the full or partial disposal of the capital of the merging company by the merging company shareholders during a short period of time after the effective date of the merger process, and (2) changes in prevailing interest rates and other factors that generally affect the price of securities, and (3) adverse changes in capital markets, and (4) the occurrence of any adverse changes in the financial position, business, assets, results of operations, or future prospects of the merging company, and (5) any necessary actions by governmental agencies or regulatory authorities or restrictions issued by them, and (6) the inability to complete and fulfill the conditions for the execution of all necessary agreements to complete the merger process. We also offer no opinion in this letter regarding whether any alternative transaction would be more beneficial to Enaya Company.

We would like to confirm that we are not legal, statutory, accounting, or tax experts, and we have relied on the estimates provided by the advisors of the merged company regarding those matters. We also assumed that all material governmental, statutory, or other approvals and consents necessary to complete the merger transaction will be obtained without any adverse effect on the merging company or the merged company, or on the interests involved in the merger transaction. In submitting our opinion, we relied on the commercial estimates provided by the merged company regarding the merger transaction.

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Wasatah Capital Company, in its capacity as Financial Advisor, charges professional fees from Enaya Company in relation to the transaction in exchange for the advisory services it provides, which include this opinion. The financial advisory services provided by us and this opinion have been submitted for use by Enaya Company's Board of Directors only to assist it in relation to its evaluation of the merger transaction and for purposes related thereto, and this opinion does not constitute a recommendation as to how any holder of Enaya Company ordinary shares should vote in relation to the transaction or any other matter, and it may not be relied upon or used by any third party without the prior written consent of Wasatah Capital Company. We have given our consent to include this opinion in the Board of Directors' circular that Enaya Company will publish in relation to the merger transaction. Based on the foregoing, Wasatah Capital Company believes that the exchange ratio in accordance with the agreement, as of the date of this letter, is fair to Enaya Company from a financial point of view.

Best Regards and Appreciation

Abdullah Sulaiman Al Rasheed



Chief Executive Officer



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