



The Mediterranean and Gulf Insurance and Reinsurance Co. (“Medgulf”) announces its entry into a binding merger agreement with Buruj Cooperative Insurance Co. (“Buruj”), and its firm intention in making an offer in this respect

02/02/1447H (corresponding 27/07/2025G)

With reference to the announcement made by the Mediterranean and Gulf Insurance and Reinsurance Co. (“Medgulf” or the “**Merging Company**”) on the Saudi Exchange website on 22/01/1446H (corresponding to 28/07/2024G) regarding signing a memorandum of understanding with Buruj Cooperative Insurance Co. (“Buruj” or the “**Merged Company**”), and together with Medgulf, the “**Companies**”) to evaluate a potential merger between the Companies, and the subsequent development announcement on 06/07/1446H (corresponding to 06/01/2025G) in relation to obtaining the General Authority for Competition’s non-objection on the completion of the economic concentration resulting from the Merger (as defined below), **Medgulf is pleased to announce its entry into a binding merger agreement with Buruj** on 01/02/1447H (corresponding to 26/07/2025G) (the “**Merger Agreement**”) pursuant to which Buruj will be merged into Medgulf and all of Buruj’s rights, liabilities, assets and contracts will be subsumed by Medgulf in exchange for Medgulf’s issuance of thirty-three million, one hundred fifty-seven thousand, eight hundred ninety-four (33,157,894) new ordinary shares with a nominal value of ten (SAR 10) Saudi Riyals each in Medgulf to Buruj’s shareholders pursuant to Article (225) and Articles (227) to (229) of the Companies Law, Article (49)(a)(1) of the Merger and Acquisition Regulations and in accordance with the Rules on the Offer of Securities and Continuing Obligations issued by the board of the Capital Market Authority (the “**CMA**”), and in accordance with the conditions and provisions of the Merger Agreement (the “**Merger**”).

In relation to this, Medgulf also announces its firm intention to make an offer pursuant to the Merger in accordance with the conditions and provisions of the Merger Agreement, in accordance with Article 17(e) of the Merger and Acquisition Regulations.

The Merger involves merging Buruj into Medgulf, which will result in all rights, liabilities, assets and contracts of Buruj being subsumed by Medgulf in exchange for Medgulf’s issuance of thirty-three million, one hundred fifty-seven thousand, eight hundred ninety-four (33,157,894) ordinary shares with nominal value of ten (SAR 10) Saudi Riyals each in Medgulf to Buruj’s shareholders (the “**Consideration Shares**”), through Medgulf’s increase of its capital from one billion and fifty million (SAR 1,050,000,000) Saudi Riyals to one billion, three hundred eighty-one million, five hundred seventy-eight thousand, nine hundred forty (SAR 1,381,578,940) Saudi Riyals and the increase of Medgulf’s shares from one hundred five million (105,000,000) ordinary shares to one hundred thirty-eight million, one hundred fifty-seven thousand, eight hundred ninety-four (138,157,894) ordinary shares, consequently increasing Medgulf’s capital by (31.58%) from its current capital.

In accordance with the Merger Agreement, after obtaining the approval of Medgulf’s and Buruj’s extraordinary general assemblies relating to the Merger (the “**Issuance of the Merger Resolution**”), Buruj’s shareholders, who are registered in Buruj’s shareholders’ register at the end of the second trading day after the Issuance of the Merger Resolution, will receive **(1.10526313333333)** share in Medgulf in return for every share they own in Buruj (the “**Exchange Ratio**”). Once all Merger Agreement conditions are satisfied and the Merger has been effected by updating Medgulf’s commercial register (the “**Effectiveness of the Merger Resolution**”), Medgulf will continue to exist and Buruj will cease to exist by force of law and its shares will be cancelled, and all of Buruj’s rights, liabilities, assets and contracts will be subsumed by Medgulf in accordance with Article (225) and Articles (227) to (229) of the Companies Law and Article (49)(a) of the Merger and Acquisition Regulations.

Based on the Exchange Ratio and the closing share price of Medgulf of (SAR 17.63) on Thursday 29/01/1447H (corresponding to 24/07/2025G) (which is the last trading day prior to the signing of the Merger Agreement and announcing it), each Buruj share is valued – for the purposes of the Merger – at approximately (SAR 19.49) and Buruj’s total shares are valued – for the purposes of the Merger – at approximately five hundred eighty-four million, five hundred seventy-three thousand and six hundred seventy-one (SAR 584,573,671) Saudi Riyals. This valuation represents a premium of (2.66%) compared to the closing share price of Buruj of (SAR 18.98) on the Saudi Exchange

on Thursday 29/01/1447H (corresponding to 24/07/2025G) (the last trading day prior to the signing of the Merger Agreement and announcing it).

Upon the Issuance of the Merger Resolution and the listing of the Consideration Shares, Medgulf's existing shareholders will own approximately (76%) of Medgulf's capital after the capital increase, and Buruj's shareholders will own approximately (24%) of Medgulf's capital after the capital increase. Following the Merger, the substantial shareholders in Medgulf will be Rakan Abdullah Rashed Abunayyan (with an ownership percentage of 9.16%), the Mediterranean and Gulf Insurance and Reinsurance Company (Medgulf) B.S.C. (Bahrain) (with an ownership percentage of 8.68%), Saudi Investment Bank (with an ownership percentage of 14.44%), Cigalah Multi-Industries Company (which is a current substantial shareholder in Buruj) (with an ownership percentage of 6.84%). Furthermore, Mr. Yousif Naghi (a current substantial shareholder in Buruj and its board's chairman) will come to own (2.76%) directly and (9.24%) indirectly through controlled entities, including Cigalah Multi-Industries Company (so, with total ownership percentage of approximately 12%). All details related to direct and indirect ownerships will be included in the shareholder circular that Medgulf will publish after obtaining the relevant regulatory approvals.

The Merger does not involve any related parties, and none of Medgulf's board members have interest in the Merger.

In the event that the calculation of the number of shares due to Buruj's shareholders - based on the Exchange Ratio - resulted in fractional shares, such fractional shares will be rounded down to the nearest share. For example, if a shareholder in Buruj holds a hundred (100) shares in Buruj, the Consideration Shares to be allocated to such shareholder will be a hundred and ten (110) shares, not a hundred and ten and fractions (110.53). The fractional shares will be aggregated and sold in the market for cash on behalf of the entitled Buruj shareholders, and the net proceeds will be distributed to the entitled shareholders each per its shareholding, after deduction of costs related to the fractional shares' sale.

The members of the board of directors of Medgulf believe that the Merger is in the best interest of Medgulf and its shareholders, after having carried out due diligence – along with Medgulf's advisers – they believe appropriate under the circumstances, and after considering the market condition at the time of the entry into the Merger Agreement, and potential growth opportunities for Medgulf and the expected synergies and benefits of the Merger, and also after taking into account the opinion given by HSBC Saudi Arabia (in its capacity as the financial adviser to Medgulf in relation to the Merger) to the board of directors of Medgulf on 29/01/1447H (corresponding to 24/07/2025G).

The Effectiveness of the Merger Resolution is not guaranteed as it is subject to certain conditions and approvals, including obtaining regulatory approvals and the shareholders' approvals of both Companies on the Merger. In addition, the Merger involves a creditor objection period for Buruj's creditors. The Companies will announce the Merger and the start of this objection period at least thirty (30) days before their respective Merger's extraordinary general assemblies. Buruj's creditors will have fifteen (15) days from the announcement date to raise any objections in accordance with Article (227) of the Companies Law, as per the mechanism that will be specified in the aforementioned announcement. Buruj will be obligated to pay the relevant debt if it is due, or provide sufficient guarantee to the creditor if it is not yet due. If a creditor objects during the objection period and Buruj fails to settle the due debt or provide sufficient guarantee for a deferred debt, the creditor may approach the competent judicial body no later than ten (10) days before the general assembly meetings. The competent judicial body may then order the debt be settled if due, or guarantee provided if deferred. If the judicial body finds that the Merger would significantly harm the objecting creditor without the Companies being able to settle the debt or provide a guarantee, it may order a suspension or postponement of the Merger, provided the decision is issued before the Effectiveness of the Merger Resolution. If the judicial body does not decide on the creditor's objection before the Effectiveness of the Merger Resolution and later finds that the creditor's claim was valid, it may issue a decision to compensate the creditor for damages resulting from the Merger.

There will be no immediate change in both Companies' businesses as a result of this announcement. Both Companies will remain independent and separate, and both will continue to operate on a business-as-usual basis.

## **Merger Rationale**

*This section contains the views of Medgulf on the expected benefits resulting from the Merger. It also contains forward-looking statements, which are subject to risks and uncertainties, and hence reliance should not be placed on such statements. The forward-looking statements included in this section are preliminary, and Medgulf has no intention to update them other than what is required by relevant laws and regulations.*

*Nothing contained in this section is intended to be or shall be deemed a forecast, projection or estimate of the future financial or operational performance of Medgulf, Buruj, or the market, and no statement in this announcement should be interpreted to mean that earnings per share for current or future financial periods of Medgulf post-Merger would necessarily match or exceed historical earnings per share of Medgulf or Buruj shares.*

The Merger aims to strengthen the market position of the Merging Company by utilizing complementary product offerings, enhancing operational efficiency, optimizing solvency, and benefitting shareholders.

According to the 2024 Saudi Insurance Market Report issued by the Insurance Authority, the insurance sector in KSA achieved a turnover of SAR 76 billion in gross written premium (“GWP”) in 2024. The top three insurance companies generated about 64.5% of the total GWP in the Kingdom’s insurance market, while the remaining 24 companies collectively contributed to the remaining 35.5% of the total market’s GWP. During the same year, the market shares of this for Medgulf and Buruj stood at approximately 4.9% and 0.5%, respectively.

The Merger aims towards strengthening the financial and operational position of the Merging Company, with a target of expanding customer footprint across retail, micro, small, and medium enterprises (MSME) and corporate segments. The Merger aims to enhance the solvency margin, which could potentially increase the risk-bearing capacity for the Merged Company, contributing to economic objectives which aim to benefit current and future shareholders.

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

- **Solidifying market position and expanding the customer base:** The Merger aims to create a more diversified business totalling SAR 4.1 billion GWP (based on the combined 2024 actual GWP of both Companies), comprising a broader customer base across the retail, MSME and corporate segments. Post-Merger, the Merging Company’s market share would amount to approximately 5.4% (based on the combined 2024 actual GWP of both Companies).
- **Complementary business mix and improved national ranking:** The Merger aims to improve the product mix and scale, while improving the position within the motor line of business from Buruj, and improving the position within the medical line of business through Medgulf. The Merging Company is set to benefit from the Merger by the creation of the fourth largest insurer in KSA when ranked by GWP (based on 2024 data).
- **Reinsurance and adjacent propositions:** The Merger strives to transform the product offerings from traditional insurance services into new verticals such as reinsurance, digital insurance, and investment management with the aim of maximizing shareholder value.
- **Achieve operational efficiencies through synergies and benefit from scale:** The Merger aims to reduce operating expenses by integrating the operations and shared services. An overall reduction in operating expenses aims to enhance the Merging Company’s ability to offer insurance products at more competitive prices in the long term.
- **Optimize financial strength and solvency:** The Merging Company is set to benefit from a balanced investment portfolio and a strong capital base, with an investment management policy that aims to further utilize the larger pool of assets, with an ultimate goal of improving overall profitability and returns to shareholders.

## **Key Terms of the Merger according to the Merger Agreement**

### **Conditions of the Merger**

The Merger Agreement includes a number of conditions that must be satisfied, which both Companies committed to work on satisfying as soon as possible before the Issuance of the Merger Resolutions, and have agreed to coordinate with each other in this regard. The Companies have agreed that no amendments or waivers to these conditions may be made without the written consent of both Companies or pursuant to the terms of the Merger Agreement. Below is a summary of these conditions:

1. obtaining all required approvals of the Insurance Authority with respect to the Merger;
2. obtaining all required approvals of the CMA with respect to the Merger;
3. obtaining the approval of the Saudi Exchange on the listing of the Consideration Shares on the Saudi Exchange and obtaining any other approvals which the Saudi Exchange may require with respect to the Merger (and submitting any required notices);
4. obtaining any required non-objection from the Ministry of Commerce and the Insurance Authority with respect of the amendments to the bylaws of Medgulf;
5. obtaining the approval of the requisite majority of Medgulf's shareholders on the Merger's resolutions;
6. obtaining the approval of the requisite majority of Buruj's shareholders on the Merger's resolutions;
7. no material adverse event (as defined in the Merger Agreement) having occurred and being continuing;
8. the creditor objection period having expired and the objections (if any) having been settled or withdrawn in accordance with the Companies Law and the provisions of the Merger Agreement;
9. no breach of the restrictions on the conduct of business as specified in the Merger Agreement (as detailed below) in a manner that would result in a material adverse event.
10. no breach of the warranties provided by each Medgulf and Buruj in the Merger Agreement having occurred, unless such breach is capable of remedy and has been remedied to the reasonable satisfaction of the non-breaching party;
11. no governmental body of competent jurisdiction in Saudi Arabia having enacted, issued, promulgated, enforced or entered any order, injunction, judgment, decree or other action which is in effect and which prohibits or makes illegal the consummation of the Merger in accordance with the Merger Agreement; and
12. for Buruj, obtaining the approval of the reinsurers of Buruj on the Merger.

It is worth noting that the General Authority for Competition issued its non-objection on the completion of the economic concentration resulting from the Merger on 06/07/1446H (corresponding to 06/01/2025G).

### **The Composition of Medgulf's Board after the Merger**

Subject to obtaining the relevant regulatory and shareholders' approvals (including the non-objection of the Insurance Authority), Medgulf and Buruj agreed, pursuant to the Merger Agreement, to take the necessary steps to recompose Medgulf's board after the Issuance of the Merger Resolution. Buruj will nominate two (2) members to be appointed in Medgulf's board of directors after the Issuance of the Merger Resolution by increasing the number of the board seats from seven (7) to nine (9) seats. Further, the two Companies have agreed that Yasser Youssef Naghi (the current Chairman of Buruj) will be appointed as Chairman of the Merging Company's board of directors following the Issuance of the Merger Resolution, subject to obtaining the relevant regulatory approvals.

Furthermore, Buruj will have the right to nominate members to all committees of Medgulf's board of directors, to be appointed by the board after the Effectiveness of the Merger Resolution, in a proportion that corresponds to the exchange ratio (i.e., 24% of the members of each committee), rounded up to the nearest number, provided that the number of nominees does not exceed 50% of the members of any committee in any case.

The new board members and any committee nominees proposed by Buruj must meet all the requirements for board or committee membership in accordance with the regulations of the Insurance Authority and the CMA, and must receive a non-objection from the Insurance Authority. Buruj must also ensure that the appointment of the new members does not compromise the applicable regulatory independence requirements.

These changes will only occur after the Issuance of the Merger Resolution, and the current boards and executive teams will continue to manage their respective Companies and operate separately.

### **Restrictions on Business Conduct**

The Merger Agreement imposes an obligation on both Medgulf and Buruj to refrain from taking any act that may violate certain restrictions stipulated in the Merger Agreement that relate to the conduct of business for the period between signing of the Merger Agreement and until the Effectiveness of the Merger Resolution or the termination of the Merger Agreement in accordance with its terms, whichever comes first, except with the written consent of the other party, which the other party may not unreasonably withhold or delay. If either party breaches any of these restrictions, then the other party has the right to consider the breach a material adverse event (subject to the non-breaching party's reasonable assessment) and terminate the Merger Agreement based on a notice to the breaching party if the breaching party did not remedy it within fourteen (14) days to the satisfaction of the non-breaching party.

The business conduct restrictions set out in the Merger Agreement consist of refraining from taking, or agreeing to take, any action that would violate any of such restrictions, unless such action is required by applicable law. Below is a summary of these restrictions:

1. carry on business other than in the ordinary course and in all material respects consistent with past practice (except where such past practice would contravene the applicable law);
2. alter the general nature or scope of its businesses in any material way or enter into any material new lines of business;
3. the declaration, distribution, setting aside in a reserve, or payment of dividends or any other form of distribution (whether in cash or in-kind) for any financial period;
4. take any action that has the effect of the liquidation, merger, dissolution or conversion of corporate form;
5. propose, approve or carry out any share increase, share buy-back, sale of treasury shares, share split or combination, change in nominal value, or share cancellation for any reason, or otherwise issue any non-equity investment instrument; and
6. make any amendments to its share capital or its constitutional documents.

In respect of Buruj only:

1. enter into or amend any agreement, enter into or make a commitment, or carry out any action, in each case involving consideration, expenditure or liabilities in excess of 5% of its net assets as of 31 December 2024;
2. enter into any loan or financing arrangement;
3. change its reinsurance policy and strategy, including entering into any reinsurance arrangement for the purpose of solvency leverage or to materially change the ratio of coverage, or materially amend and/or terminate existing reinsurance arrangements;

4. employ or make any offer to employ any new senior executive (i.e., any direct report to the chief executive officer or to the board) or make or permit any material changes (other than those required by applicable law) to the terms and conditions of employment of any such senior executive; and
5. make any change to human resources policies, or making any promotion or grant any bonus or other remuneration not in line with the current policies and not in line with past practice.

The Companies agreed that these restrictions do not include any action publicly disclosed or specifically disclosed to the other party, and certain other actions agreed by the Companies.

### **Termination of the Merger Agreement**

The Merger Agreement terminates with immediate effect and all rights and obligations of the Companies under it cease if any of the following events occur (save for certain surviving provisions such as confidentiality and dispute resolution):

1. written notice to terminate is given by one party to the other party following a material adverse event occurring to the other party, without the remedy of such situation within fourteen (14) days to the satisfaction of the first party;
2. written notice to terminate is given by one party to the other party following a breach of the Merger Agreement by the other party (including of the warranties and covenants), without the remedy of such situation within fourteen (14) days to the satisfaction of the first party;
3. the satisfaction, or waiver in accordance with the Merger Agreement, of the Merger conditions does not occur on or before six (6) months from the date of the Merger Agreement (or any other date agreed in writing between the Companies);
4. upon a competent court issuing a final, non-appealable order or ruling that permanently enjoins, prohibits, or otherwise prevents the consummation of the Merger; and
5. the parties mutually agree to terminate the Merger Agreement in writing.

### **Confirmations**

In accordance with the Merger and Acquisition Regulations, Medgulf confirms as of the date of this announcement:

- There are no parties acting in concert with Medgulf in relation to the Merger.
- Medgulf does not own or control any shares in Buruj, and does not own any option to purchase Buruj shares.
- Medgulf has not received any irrevocable commitment from any party to accept the offer.
- There are no indemnity arrangements in relation to the shares of Buruj involving Medgulf, Buruj or any person acting in concert with them.

Additionally, Medgulf's financial adviser (HSBC Saudi Arabia) further confirms that whereas the resource required for the Merger is the issuance of the Consideration Shares and the consideration of the Merger is not wholly nor partially in cash, HSBC Saudi Arabia confirms that Medgulf has satisfied all conditions required for the registration and offer of the Consideration Shares and conditions for its admission into listing, except for regulatory approvals such as the Insurance Authority, the CMA, Saudi Exchange and the shareholders' approvals.

### **Next Steps**

Medgulf and Buruj will commence working to satisfy the conditions required to complete the Merger, including obtaining the relevant regulatory approvals. After obtaining the necessary regulatory approvals, Medgulf will issue a circular addressed to its shareholders in respect of the Merger and the associated capital increase, which will contain all details related to the same, including the potential impacts and risks of issuing the Consideration Shares on current shareholders of Medgulf and on decision-making within the Medgulf. Medgulf's shareholders must carefully review the circular before making any decision in relation to voting on the Merger. Medgulf will also publish an offer document to the shareholders of Buruj which will set out specific information relating to the Merger. Buruj's board of directors will also issue a circular addressed to its shareholders setting out its views in relation to the Merger. Medgulf and Buruj agreed to thereafter call their respective extraordinary general assemblies to vote on the Merger. It is worth noting that if the Merger Agreement terminates and/or expires, Medgulf will not be obligated to make the Merger offer to Buruj's shareholders.

Medgulf has appointed HSBC Saudi Arabia as its financial adviser in relation to the Merger, and appointed Zeyad Sameer Khoshaim Company (Professional Limited Liability Company) as its legal adviser in relation to the Merger.

#### **Financial Adviser**



**HSBC Saudi Arabia**

#### **Legal Adviser**



**Zeyad Sameer Khoshaim Company  
(Professional Limited Liability  
Company)**

## Disclaimer

**This is an unofficial English translation. In case of discrepancy, the Arabic announcement shall prevail.**

**The announcement shall not be relied on separately from the Shareholders' Circular and Offer Document to be issued later, and such documents shall be read in full and in detail to be aware of all details and risks of the Merger.**

This announcement should not be interpreted as an offer or an invite to buy, subscribe or purchase, any securities including the new Medgulf shares to be issued for the purpose of the Merger, in any jurisdiction. This announcement does not constitute an offer document, prospectus, shareholder circular or an equivalent document in any jurisdiction. This announcement may be restricted pursuant to relevant regulations in some jurisdictions. The person receiving this announcement is responsible for knowing and adhering to such restrictions.

The implications of the Merger for persons resident in, or citizens of, jurisdictions outside of Saudi Arabia may be affected by the laws of such jurisdictions. The ability to participate in voting for the Merger for persons not resident in Saudi Arabia may be affected by the laws of such jurisdictions. Such persons should inform themselves of and observe any applicable requirements.

Some numbers are rounded to the nearest decimal, and therefore calculating the same might not result in the same totals appearing. Some of the figures in this announcement are aggregated from the financials of both Companies. As such, those are pro forma and not reflective of operational or financial position post the Merger. Further, those figures may not reflect the final numbers that will be included in the pro forma financials, the Offer Document or Shareholders' Circular, as differences may arise as a result of various factors and adjustments.

*No profit forecasts or estimates.* Nothing in this announcement is intended, or is to be construed, as a profit forecast or to be interpreted to mean that earnings per Medgulf share for the current or future financial years after the Merger will necessarily match or exceed the historical earnings per Medgulf share or Buruj share.

*Forward Looking Statements.* This announcement, information contained in it, and other statements made regarding the Merger, and other information published by Medgulf and Buruj might contain statements which are, or may be deemed to be, "forward-looking statements". All statements, other than statements of historical fact are, or may be deemed to be, forward-looking statements. Forward-looking statements are prospective in nature and are not based on historical facts, but rather on assumptions, expectations, valuations, targets, estimates, forecasts and projections of Medgulf and Buruj about future events, and are therefore subject to risks and uncertainties which could cause actual results, performance or events to differ materially from those expressed or implied by the forward-looking statements. These forward-looking statements are contingent on several matters, including the possible effect of the Merger on Medgulf after the Merger and other relevant contingencies, which will be included in more details in offer documents and circular which will be published at a later time.

Often, but not always, forward-looking statements can be identified by the use of forward-looking words such as "plans", "expects", "budget", "targets", "aims", "scheduled", "estimates", "forecast", "intends", "anticipates", "seeks", "prospects", "potential", "possible", "assume" or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "should", "would", "might" or "will" be taken, occur or be achieved, or negative statements of the same. Medgulf and Buruj can give no assurance that such statement will prove to be correct. By their nature, forward-looking statements involve risks (known and unknown) and uncertainties (and other factors that are in many cases beyond the control of Medgulf or Buruj) because they relate to events and depend on circumstances that may or may not occur in the future.

There are a number of factors that could affect the future operations of Medgulf after the Merger and that could cause actual results and developments to differ materially from those expressed or implied by such forward-looking statements. These factors include the satisfaction (or, where permitted, waiver) of the conditions to the Merger, as well as additional factors, such as: domestic and global business and economic conditions; market related risks such as fluctuations in interest rates and exchange rates, industry trends, competition, changes in regulation, changes in the policies and actions of governments and/or regulatory authorities (including changes related to taxation), changes in political and economic stability, disruption in business operations due to reorganisation activities (if applicable), interest rate, inflation, deflation and currency fluctuations, the timing impact and other uncertainties of future or planned mergers or disposals or offers, the inability of Medgulf post-completion to realise successfully any anticipated synergy benefits when the Merger is implemented, or difficulties relating to the Merger when the Merger is implemented. Other unknown or unpredictable factors could affect future operations and/or cause actual results to differ materially from those in the forward-looking



statements. Such forward-looking statements should therefore be construed in the light of such factors and must not be relied upon.

Each forward-looking statement speaks only as of the date of this announcement. Neither Medgulf nor its affiliates or any of their respective directors, managers, employees or advisors, provides any representation, warranty, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this announcement will actually occur. Forward looking statements involve inherent risks and uncertainties. All forward-looking statements contained in this announcement are expressly qualified in their entirety by the cautionary statements contained or referred to in this section. Readers must therefore not rely on these forward-looking statements. Other than in accordance with their legal or regulatory obligations, Medgulf is under no obligation, and expressly disclaims any intention or obligation, to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, provided that it is not required by law.

HSBC Saudi Arabia is acting as an independent financial adviser to Medgulf in relation to the Merger. HSBC Saudi Arabia is not liable to any party except Medgulf in relation to providing consultation in relation to this Merger, in accordance with the terms of the engagement concluded between them and the applicable laws and regulation. HSBC Saudi Arabia is licensed by the CMA with license number 37-05008 to carry out securities business.