

## Salama Cooperative Insurance Co. announces its entry into a binding merger agreement with the Salama Cooperative Insurance Co.

20/02/1447H (corresponding to 14/08/2025G)

With reference to the announcement made by Salama Cooperative Insurance Co. (“**Salama**” or the “**Merging Company**”) on the Saudi Exchange website on 26/08/1446H (corresponding to 25/02/2025G) regarding the signing of a memorandum of understanding with Saudi Enaya Insurance Co. (“**Enaya**” or the “**Merged Company**”, and together with Salama, the “**Companies**”) to evaluate a potential merger between the two Companies, and the subsequent development announcement on 11/09/1446H (corresponding to 11/03/2025G) regarding the appointment of the financial adviser, and the subsequent development announcement on 05/12/1446H (corresponding to 01/06/2025G) in relation to receiving the General Authority for Competition’s non-objection to the completion of the economic concentration resulting from the Merger (as defined below), Salama is pleased to announce its entry into a binding merger agreement with Enaya on 20/02/1447H (corresponding to 14/08/2025G) (the “**Merger Agreement**”), pursuant to which Enaya will be merged into Salama, resulting in all rights, liabilities, assets, and contracts of Enaya being subsumed by Salama in exchange for Salama’s issuance of eighteen million eight hundred ninety-four thousand (18,894,000) new ordinary shares with a nominal value of ten Saudi Riyals (SAR 10) each in Salama to Enaya’s shareholders (the “**Consideration Shares**”), 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 Capital Market Authority, and in accordance with the conditions and provisions of the Merger Agreement (the “**Merger**”).

In relation to this, Salama also announces, based on paragraph (e) of Article (17) of the Merger and Acquisition Regulations, its firm intention to submit an offer pursuant to the Merger and in accordance with the terms and conditions of the Merger Agreement.

The Merger involves merging Enaya into Salama which will result in all rights, liabilities, assets and contracts of Enaya being subsumed into Salama in exchange for Salama’s issuance of the Consideration Shares to Enaya’s shareholders, through Salama’s increase of its 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 and the increase of Salama’s shares from thirty million (30,000,000) ordinary shares to forty-eight million eight hundred ninety-four thousand (48,894,000) ordinary shares, consequently increasing Salama’s capital by (62.98%) from its current capital.

In accordance with the Merger Agreement, after the approval of Salama’s and Enaya’s extraordinary general assemblies in connection with the Merger (the “**Issuance of the Merger Resolution**”), Enaya’s shareholders, who are registered in Enaya’s shareholders’ register at the end of the second trading day after the Issuance of the Merger Resolution, will receive

1.217317666984230 Consideration Shares in Salama in return for every share they own in Enaya (the "**Exchange Ratio**"). Once all Merger Agreement conditions precedents are satisfied and the Merger has been effected by updating Salama's commercial register (the "**Merger Effective Date**"), Salama will continue to exist and Enaya will cease to exist by force of law and its shares will be cancelled, and all of Enaya's rights, liabilities, assets and contracts will be subsumed by Salama 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 Salama of SAR 12.40 dated 19/02/1447H (corresponding to 13/08/2025G) (which is the last trading day prior to the signing of the Merger Agreement and announcing it), each Enaya share is valued - for the purposes of the Merger - at approximately SAR 10.19 and Enaya's total shares are valued - for the purposes of the Merger - at approximately two hundred thirty-four million two hundred eighty-five thousand six hundred (234,285,600) Saudi Riyals. This valuation represents a premium of 9.56% compared to the closing share price of Enaya of SAR 9.3 on the Saudi Exchange on 19/02/1447H (corresponding to 13/02/2025G) (which is the last trading day prior to the signing of the Merger Agreement and announcing it).

Upon the Issuance of the Merger Resolution and the deposit of the Consideration Shares, Salama's existing shareholders will own approximately 61.36% of Salama's capital after the capital increase, and Enaya's shareholders will own 38.64% of Salama's capital after the capital increase. Following the Merger, all related details will be included in the shareholder circular that Salama will publish after obtaining the relevant regulatory approvals

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

In the event that the calculation of the number of shares due to Enaya'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 Enaya holds one hundred (100) shares in Enaya, the Consideration Shares to be allocated to such shareholder will be eighty-two (82) shares, not eighty-two and fifteen hundredths (82.15). The fractional shares will be aggregated and sold in the market for cash on behalf of the entitled Enaya shareholders, and the net proceeds will be distributed to each entitled shareholder in proportion to its shareholding, after deduction of costs related to the fractional shares sale.

The members of the board of directors of Salama believe that the Merger is in the best interest of Salama and its shareholders, after having carried out due diligence - along with Salama'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 Salama and the expected synergies and benefits of the Merger, and also after taking into account the opinion given by Estidamah Capital Company (the financial adviser of Salama) to the board of directors of Salama on 20/02/1447H (corresponding to 14/08/2025G).

The Merger Effective Date is not guaranteed as it is subject to certain conditions and approvals, including obtaining regulatory approvals and the shareholders' approvals of both Companies. In addition, the Merger involves a creditor objection period for

Enaya's creditors. Enaya will announce the start of this objection period at least thirty (30) days before Salama's and Enaya's extraordinary general assemblies related to the Merger. Enaya'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. Enaya will be obligated to pay the relevant debt if it is due, or provide sufficient guarantee or collateral to the creditor for the settlement of the relevant Enaya owed amount if it is not yet due. If a creditor objects during the objection period and Enaya 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 Salama's and Enaya's extraordinary general assembly in relation to the Merger. 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 its decision issued before the Merger Effective Date. If the judicial body does not resolve the creditor's objection before the Merger Effective Date and later confirms the creditor's claim, 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 Salama 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. Please also refer to the Offer Document and the Shareholders' Circular which will be issued by Salama in due course and will include details of the risks related to the Merger and other relevant information. It is worth noting that the forward-looking statements included in this section are initial expectations, and neither Salama nor Enaya has any intention to update them other than what is required by relevant laws and regulations.*

*Nothing contained in this paragraph is intended to be or shall be deemed to be a forecast, projection or estimate of the future financial or operational performance of Salama, Enaya 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 Salama post-Merger would necessarily match or exceed historical earnings per share of Salama or Enaya shares.*

The proposed Merger aims to strengthen the financial and operational position of the merged Company, while expanding its customer base across the individual, micro, small and medium enterprises ("MSMEs"), and corporate segments. The Merger also seeks to enhance the solvency margin, which may improve the merged Company's risk-bearing capacity and support its economic objectives for the benefit of the shareholders.

According to the 2024 Saudi Insurance Market Report issued by the Insurance Authority, the total Gross Written Premiums (“GWP”) in the Kingdom reached SAR 76.14 billion, representing a 16.3% increase compared to 2023, when the total amounted to SAR 65.46 billion. In turn, the 2023 figure reflected growth from SAR 53.36 billion in 2022.

In 2024, the three largest insurance companies accounted for approximately 65.9% of the total GWP in the market, while the remaining companies contributed 34.1%. The Merger transaction aims to strengthen the financial and operational position of the merged entity, while expanding its customer base across individual MSMEs and corporate segments.

The Merger also seeks to enhance the solvency margin, which may improve the Merged Company’s risk-bearing capacity and support economic value creation for shareholders.

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

1. **Increasing Market Share and Expanding and Diversifying the Customer Base:** The Merged Company is expected to achieve a higher market share through a significant increase in GWP relative to the total GWP of all companies in the insurance sector. Additionally, the Merged Company is anticipated to benefit from a larger and more diversified customer base as a result of combining the customer bases of both Merging Company and Merged Company. This, in turn, is expected to enhance the Merged Company’s position as well as its operational and financial performance
2. **Improvement in Operational Efficiency Resulting from Integration of Operations:** As a result of the Merger, the Merged Company will be able to enhance operational efficiency, thereby reducing operating expenses and general and administrative costs in line with its new scale of operations. This will enable the Merged Company to offer insurance products at more competitive prices in the long term.
3. **Enhancement of the Merged Company’s Competitive Position in the Insurance Market:** The Merger is expected to increase the Merged Company’s market share and expand and diversify its customer base, which will consequently improve its position and operational and financial performance.
4. **Improvement of the Merged Company’s Capital Efficiency:** Following the Merger, the Merged Company will possess a stronger capital base with enhanced solvency levels. This will enable it to better withstand higher risk levels, offer improved insurance services, and invest its funds more effectively. Additionally, the strengthened capital base is expected to contribute to obtaining a higher credit rating from global financial rating agencies.
5. **Leveraging Managerial, Technical, and Technological Expertise:** The Merged Company is expected to benefit from the combined managerial, technical, and technological expertise and infrastructure of both merging companies.
6. **Enhanced Negotiation Power with Reinsurers:** The Merger will create greater value for the Merged Company in terms of its market share of total written premiums relative to the sector as a whole. Consequently, the Merged Company’s bargaining power with reinsurers will be stronger due to its larger business volume post-Merger. This stronger position is expected to lead to more favorable pricing and terms in reinsurance agreements, thereby reducing reinsurance costs.
7. **Expansion of the Merged Company’s Geographic Reach:** Post-Merger, the Merged Company is expected to have a wider geographic presence by combining the branch networks of both Saudi Enaya Cooperative Insurance Company

and Salama Cooperative Insurance Company. This expanded geographic reach will contribute to achieving the Merger's growth targets in total written premiums through a more extensive branch network, thereby increasing the Merged Company's economic strength and its competitiveness within the insurance sector.

### **The key terms of the Merger under the Merger Agreement**

#### **Merger Terms:**

The Merger Agreement includes number of conditions that must be satisfied, which both Enaya and Salama are committed to meeting as soon as possible before the Issuance of the Merger Resolutions. The Companies have agreed to coordinate with each other in this regard. Additionally, 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 ("IA") with respect to the Merger;
- 2) Obtaining all required approvals of the Capital Market Authority ("CMA") with respect to the Merger;
- 3) The approval of the listing of the new Salama shares on the Saudi Exchange and obtaining any other approvals which the Saudi Exchange may require with respect to the Merger (and making any required notifications);
- 4) Obtaining any required non-objection from the Ministry of Commerce ("MOC") and the IA in respect of the amendments to the bylaws of Salama;
- 5) the Creditor Objection Period (the period commencing from the date of the initial Merger announcements made by Salama and Enaya on the Saudi Exchange and ending 15 days after) having expired and all Enaya creditor objections (if any) either having been withdrawn or addressed in accordance with the Companies Law, or if any Enaya Creditor Objections remain unresolved, they do not constitute a Material Adverse Event or otherwise materially impact the completion of the Merger, as determined by the Parties in good faith;
- 6) Salama resolutions being duly passed at the Salama general assembly, for the purposes of among other things, approving and implementing the Merger;
- 7) Enaya resolutions being duly passed at the Enaya general assembly, for the purposes of, among other things, approving and implementing the Merger;
- 8) No Material Adverse Event having occurred and being continuing;
- 9) No breach of the representations and warranties provided by Salama and Enaya under the Merger Agreement: except where the defaulting party rectifies the relevant breach in a manner acceptable to the other party, provided that such breach is capable of being remedied;
- 10) No Governmental Body of competent jurisdiction in the Kingdom of 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 terms of the Merger Agreement.

It is worth noting that the General Authority for Competition issued its non-objection to the completion of the economic concentration resulting from the Merger Agreement on 05/12/1446H (corresponding to 01/06/2025G).

Under the Merger Agreement, “Material Adverse Event” means any event, occurrence or change in circumstances which individually, or when aggregated with all such other events, occurrences or changes, has or could reasonably be expected to have material adverse effect in the business, assets, liabilities, financial position, profitability or prospects of either of Salama or Enaya or on the Merger Agreement or its implementation, including any material adverse event that results in:

- 1) in the case of Salama, a reduction in Salama Net Book Value of fifteen percent (15%) or more as of the Accounting Date (31 December 2024), including the total comprehensive loss and/or income for the period ending on 30 June 2025, such reduction being determined based on the valuation methodology, formula and assumptions used by Enaya in the valuation of Salama assets and liabilities as of the date of the Merger Agreement;
- 2) in the case of Enaya, a reduction in Enaya Net Book Value of fifteen percent (15%) or more as of the Accounting Date including the total comprehensive loss and/or income for the period ending on 30 June 2025, such reduction being determined based on the valuation methodology, formula and assumptions used by Salama in the valuation of Enaya assets and liabilities as of the date of the Merger Agreement,

provided, in each case, that the following shall not be considered in determining whether a Material Adverse Event has occurred:

- any deterioration of the economic, political or market conditions or securities, credit, financial or other capital market conditions in the financial services industry globally, in the Middle East, in the KSA or in general except to the extent that such effect has a materially disproportionate adverse effect compared to other businesses or participants in the industry in which Enaya and Salama operate;
- any change, event or development to the extent solely resulting from the execution and delivery of the Merger Agreement or the public announcement, pendency or consummation of the Merger or any of the other transactions contemplated by the Merger Agreement, including the impact of such changes or developments on the relationships, contractual or otherwise, of Salama or Enaya (as the case may be) with employees, clients, customers, suppliers or partners;
- any change, in and of itself, in the market price, credit rating (with respect to such Party or its securities, if any) or trading volume of such Party's securities (it being understood that the facts and circumstances giving rise to such

change may be deemed to constitute, and may be taken into account in determining whether there has been, a Material Adverse Event);

- any change or proposed change, after the date of the Merger Agreement, in Applicable Law, except where the change in Applicable Law has a reasonably adverse effect on Salama or Enaya (as the case may be) in a materially disproportionate manner compared to each other or other businesses or participants in the industry in which Salama and Enaya operate;
- geopolitical conditions, the outbreak or escalation of hostilities, any acts of war, sabotage or terrorism, or any escalation or worsening of any such acts of war, sabotage or terrorism threatened or underway as of the date of the Merger Agreement, except to the extent that such change, event or development affects Salama or Enaya (as the case may be) in a materially disproportionate manner compared to each other or other businesses or participants in the industry in which Salama and Enaya operate;
- any flood, earthquake, the outbreak or escalation of pandemics, or other natural disaster, except to the extent that such change, event or development affects Salama or Enaya (as the case may be) in a materially disproportionate manner compared to each other or to other businesses or participants in the industry in which Salama and Enaya operate; or
- any change, event or development to the extent resulting from any action that is expressly required to be taken in connection with the Merger.

#### **The Composition of Salama’s Board after Completion**

Subject to obtaining the relevant regulatory and shareholders’ approvals, Salama and Enaya agree that on the Merger Effective Date the Salama board shall comprise of seven (7) members.

No later than twenty-one (21) calendar days after the approval of the Merger by the Salama extraordinary general assembly and the Enaya extraordinary general assembly (the “**EGMs Approval**”), Enaya may identify up to two (2) individuals (the “**New Board Members**”) to be appointed to the Salama board (the “**Combined Board**”). The New Board Member(s), if any, shall satisfy all of the conditions to become a director of Salama under the applicable IA regulations and the relevant regulations, and must be approved by the IA. Enaya shall further ensure that the New Board Members’ appointment to the Combined Board does not cause a breach of the independence requirements imposed on the Salama Board under the applicable IA regulations and the relevant regulations.

Salama shall, on or within two (2) Business Days after the later of (i) receipt of Enaya’s identification of the New Board Member(s), or (ii) IA approval of such New Board Member(s) and following the EGMs Approval, use its reasonable endeavors to procure that the New Board Member(s) are appointed to the Salama board, through new vacant seats afforded by expanding the Salama board

and/or resignation of current members as Salama sees fit, it being understood and acknowledged that Salama shall not be liable in the event that such appointment(s) are not effected for any reason

If the New Board Members are for any reason rejected by the shareholders at the first general assembly meeting of Salama to be held following the appointment of the New Board Members, then the current board of Salama shall continue as is.

The chairman of the Combined Board after the Merger Effective Date shall continue to be Mr. Mountasar Mohammed Foudah.

The Chief Executive Officer of Salama after the Merger Effective Date shall be Mr. Bader Khalid AlAnzi.

### **Restrictions on Business Conduct**

Subject to applicable law and without prejudice to any permitted actions set out below, each of Enaya and Salama undertakes to the other party that, until the earlier of: (1) the Merger Effective Date; or (2) the termination of the Merger Agreement in accordance with its terms, it shall not, without the prior written consent of the other party (which consent shall not be unreasonably withheld or delayed), take or agree to take any of the following actions:

- 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 applicable law);
- alter the general nature or scope of its businesses in any material way or enter into any material new lines of business;
- 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 10% of the Party's revenue;
- enter into any loan or financing arrangement, in excess of 10% of a Party's total liabilities;
- declare, distribute or pay dividends or any other form of distribution (whether in cash or in-kind) for any period;
- take any action that has the effect of the liquidation, merger, dissolution or conversion of corporate form;
- employ or make any offer to employ any new senior executive (or 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;
- propose, approve or carry out any share buy-back, sale of treasury shares, share split or combination, change in nominal value, or share cancellation for any reason; or
- make any amendments to its share capital or its constitutional documents.

The above paragraph shall not be interpreted as preventing or restricting Salama or Enaya from:

- taking any action, the commencement of which has been publicly announced, or specifically communicated to the other party in writing, prior to the date hereof; or
- undertaking any matter contemplated or required by the Merger Agreement or to affect any provisions of the Merger Agreement (including incurring any costs or engaging any persons for the purposes of the Merger).

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

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

- written notice of termination is given by one party to the other party following a Material Adverse Event occurring to the other party, without remedy of such situation within fourteen (14) business days to the satisfaction of the first party thereafter, to agree to proceed with the Merger (including any revisions to the Merger Agreement through good faith negotiations). This right must be exercised within ten (10) Business Days after the expiry of the aforementioned fourteen (14) Business Day period.;
- written notice of termination is given by one party to the other party following a breach by that other party of the Merger Agreement (including any breach of the warranties and covenants), where such breach has not been remedied to the reasonable satisfaction of the notifying Party within fourteen (14) days of written notice to the satisfaction of the first party;
- the satisfaction, or waiver, of the Merger conditions does not occur on or before the long stop date (or any other date agreed by the parties); and
- the parties mutually agree in writing to terminate the Merger Agreement.

Termination of the Merger Agreement shall be without prejudice to the rights of any party that may have arisen prior to termination shall survive termination of the Merger Agreement.

If the Merger Agreement is terminated in accordance with its terms, then no Party shall have any claim of any nature against the other Party under the Merger Agreement, except in respect of any rights or liabilities of any party which have accrued before such termination or under any of the surviving provisions.

#### **Breakup Fees**

Under the Merger Agreement, both Companies agreed on breakup fees in exchange for the time, effort, and costs incurred by both parties in relation to the Merger. According to the Merger Agreement, if either party takes any action (or fails to take any action) that results in the failure of the Merger, that party will pay a lump sum of four million (4,000,000) Saudi Riyals to the other party within ten (10) business days from the long stop date of the Merger Agreement, provided that the party is not obligated to pay these fees in the event of fraud, bad faith, or material breach of obligation by the other party. This provision is subject to the approval of the Capital Market Authority.

#### **Confirmations**

In accordance with the Merger and Acquisition Regulations, Salama confirmed as of the date of this announcement:

- There are no parties acting in concert with Salama in relation to the Merger.
- Salama does not own or control any shares in Enaya, and does not own any option to purchase Enaya shares.
- Salama has not received any irrevocable commitment from any party to accept the offer.

- There are no indemnity arrangements in relation to the shares of Enaya involving Salama, Enaya or any person acting in concert with them.
- Whereas the resource required for the Merger is the issuance of the Consideration Shares and the consideration is not wholly or partially in cash, Salama's financial adviser (Estidamah Capital) confirms that Salama has satisfied all conditions for its admission into listing, except for regulatory approvals such as the Capital Market Authority, Saudi Exchange, IA and the shareholders' approvals, as clarified above.

### Next Steps

Salama and Enaya will commence working to satisfy the conditions required to complete the Merger, including obtaining the relevant regulatory approvals. After obtaining the necessary regulatory approvals, Salama will issue a circular addressed to its shareholders in respect of the Merger, which will contain all details related to the same, including the potential impacts and risks of issuing the Consideration Shares on current shareholders of Salama and on decision-making within the Salama. Salama's shareholders must carefully review the circular before making any decision in relation to voting on the Merger. Salama will also publish an offer document to the shareholders of Enaya which will set out specific information relating to the Merger. Enaya's board of directors will also issue a circular addressed to its shareholders setting out its views in relation to the Merger. Salama and Enaya 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, Salama will not be obligated to make the Merger offer to Enaya's shareholders.

Salama has appointed Estidamah Capital as its financial adviser in relation to the Merger and has appointed ZH Partners Advocates & Legal Consultants as its legal adviser in relation to the Merger.

Financial Advisor



Legal Advisor



### 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 the 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, sell, or purchase any securities, including the Consideration Shares to be issued for the purposes 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 these differences will arise as a result of various factors and adjustments.

**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 Salama share for the current or future financial years after the Merger will necessarily match or exceed the historical earnings per Salama share or Enaya share.

**Forward-looking Statements:**

This announcement, information contained in it, and other statements made regarding the Merger, and other information published by Salama and Enaya 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 Salama and Enaya 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 Salama after the Merger and other relevant contingencies, which will be included in more details in the Offer Document and the 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. Salama and Enaya can give no assurance that such statements 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 Salama or Enaya) 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 Salama 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 reorganization 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 Salama post-completion to realize 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 Enaya 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, Enaya 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.

Estidamah Capital is acting as an exclusive financial adviser to Salama in relation to the Merger. Estidamah Capital is not liable to any party except Salama 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 regulations. Estidamah Capital is licensed by the Capital Market Authority with license number 10-24282 to carry out securities business.

