

GULF TAMIN LTD.

NOTIFICATION OF GULF TAMIN LTD. FIRM INTENTION TO MAKE A PARTIAL OFFER TO ACQUIRE 22,001,000 OF THE ISSUED AND FULLY PAID-UP ORDINARY SHARES OF ARAB INSURANCE GROUP B.S.C. BY WAY OF A CASH OFFER REPRESENTING 10% OF THE ISSUED AND FULLY PAID-UP ORDINARY SHARES OF ARAB INSURANCE GROUP B.S.C.

DISCLAIMER STATEMENT

THE CENTRAL BANK OF BAHRAIN AND BAHRAIN BOURSE ASSUME NO RESPONSIBILITY FOR THE CONTENTS OF THIS ANNOUNCEMENT, MAKE NO REPRESENTATION AS TO ITS ACCURACY OR COMPLETENESS AND EXPRESSLY DISCLAIM ANY LIABILITY WHATSOEVER FOR ANY LOSS HOWSOEVER ARISING FROM OR IN RELIANCE UPON THE WHOLE OR ANY PART OF THE CONTENTS OF THIS ANNOUNCEMENT. THIS ANNOUNCEMENT IS FOR INFORMATION PURPOSES ONLY.

DIRECTORS' STATEMENT

THE DIRECTORS OF GULF TAMIN LTD. ISSUING THIS NOTIFICATION OF ITS FIRM INTENTION TO MAKE AN OFFER, WHOSE NAMES APPEAR IN THIS DOCUMENT JOINTLY AND SEVERALLY ACCEPT FULL RESPONSIBILITY FOR THE ACCURACY OF INFORMATION CONTAINED IN THIS NOTIFICATION. TO THE BEST OF THE KNOWLEDGE AND BELIEF OF THE DIRECTORS, WHO HAVE TAKEN ALL REASONABLE CARE TO ENSURE THAT SUCH IS THE CASE, THE INFORMATION CONTAINED IN THIS NOTIFICATION IS IN ACCORDANCE WITH THE FACTS AND CONTAINS NO OMISSIONS LIKELY TO AFFECT THE IMPORTANCE AND COMPLETENESS OF THIS NOTIFICATION.

Important note: Pursuant to TMA-2.7.6 of the Central Bank of Bahrain (**CBB**) Rulebook, Volume 6, Takeovers, Mergers and Acquisitions Module (**TMA Module**), the offer document must be sent to the offeree company by or on behalf of the offeror within 21 calendar days of the date of the announcement of the terms of the offer. Capitalised terms used herein and not defined have the meaning as defined in the offer document which will be published after this document (the **Offer Document**).

Date of submission of the statement of firm intention	Gulf Tamin Ltd. (the Offeror) notified the board of directors of Arab Insurance Group B.S.C. (the Offeree or ARIG) on 29 October 2023 after trading hours, that it has a firm intention to make a partial offer to acquire 22,001,000 of the issued ordinary shares of ARIG by way of a cash purchase, representing approximately 10% of the issued and fully paid-up ordinary shares of ARIG subject to the fulfillment, or waiver by the Offeror, of the conditions outlined below.
Identity of the Offeror making the statement of firm intention to make an offer	Gulf Tamin Ltd. was formed with the sole purpose of acquiring shares in ARIG and is an Exempted Company incorporated in the Cayman Islands. Its registration number is 403814 with a registered office at Floor 2, Willow House, Cricket Square, PO Box 709, Grand Cayman KY1-1107, Cayman Islands.
Shareholders of the Offeror	The summary of shareholdings in the Offeror are:

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	<table border="1"> <tr> <th>Shareholder's Name</th> <th>% owned in Offeror</th> </tr> <tr> <td>Lepercq Multi-Asset Fund SICAV, FIS</td> <td>66.67%</td> </tr> <tr> <td>Callaway Capital Management, LLC</td> <td>33.33%</td> </tr> <tr> <td>Total</td> <td>100%</td> </tr> </table>	Shareholder's Name	% owned in Offeror	Lepercq Multi-Asset Fund SICAV, FIS	66.67%	Callaway Capital Management, LLC	33.33%	Total	100%
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<p>Board of Directors and Management of the Offeror</p>	<p>Offeror board of directors currently comprises 3 board members, as follows:</p> <table border="1"> <thead> <tr> <th>Board of Directors</th> <th>Title</th> </tr> </thead> <tbody> <tr> <td>Thomas Riboud-Seydoux</td> <td>Chairman</td> </tr> <tr> <td>Daniel Freifeld</td> <td>Vice-Chairman</td> </tr> <tr> <td>Kyle Cleeton</td> <td>Director and Board Secretary</td> </tr> </tbody> </table> <p>Gulf Tamin Ltd. does not have a management team outside the Board of Directors.</p>	Board of Directors	Title	Thomas Riboud-Seydoux	Chairman	Daniel Freifeld	Vice-Chairman	Kyle Cleeton	Director and Board Secretary
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Thomas Riboud-Seydoux	Chairman								
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<p>Offeree</p>	<p>Arab Insurance Group B.S.C. Arig House Building 131, Road 1702 Diplomatic Area 317</p>								

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	<p>P.O. Box 26992 Manama, Kingdom of Bahrain</p> <p>ARIG is registered with the Ministry of Industry and Commerce in the Kingdom of Bahrain under commercial registration number 10701-1 as a public joint stock company whose ordinary shares are listed on the Bahrain Bourse (the BB).</p> <p>ARIG is licensed by the CBB as a locally incorporated insurance firm.¹</p> <p>ARIG has an issued and paid-up share capital of USD 220,000,000 divided into 220,000,000 ordinary shares with a nominal value of USD 1.00 each (“Issued Share Capital”). The company held 21,885,118 shares as treasury stock as of 31 December 2022 with 198,114,882 shares outstanding (“Outstanding Share Capital”).</p>
Details of securities for which an offer will be made	<p>22,001,000 ordinary shares of ARIG that represent approximately 11% of ARIG’s Outstanding Share Capital and approximately 10% of ARIG’s Issued and Fully Paid-Up Share Capital, exclusive of any shares that are issued after the date of this firm intention notice.</p>
Consideration for the offer	<p>The consideration for the offer is USD 0.53 cash per 1 ARIG share.</p> <p>The offer price was considered by the Offeror with reference to advice and assistance from their advisers and their review of due diligence information on ARIG’s business.</p> <p>The offer is:</p> <ul style="list-style-type: none">• A 56% premium to ARIG’s average share trading price since 28 March 2019 when the Board of ARIG requested a removal of its AM Best Rating² through to 31 January 2022, the date of ARIG’s appointment of NBD Capital Limited to find a buyer for ARIG³;• A 20% premium to ARIG’s last traded share price prior to the Board’s announcement of offers being received at the annual meeting held on 29 March 2023 and detailed in ARIG’s updated assembly minutes⁴; and• Equal to ARIG’s last traded share price on 25 October 2023.

¹ <https://www.cbb.gov.bh/licensing-directory/>

² <https://www.businesswire.com/news/home/20190328005760/en/AM-Best-Withdraws-Credit-Ratings-of-Arab-Insurance-Group-B.S.C.>

³ https://www.arig.net/wp-content/uploads/2022/02/Disclosure-of-Material-Information_31.01.2022.pdf

⁴ https://bahrainbourse.com/File%20Attachments/20042023131022/20042023131022_File1.pdf

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Mechanism	<p>It is envisaged that the offer will be implemented by way of a partial offer to the shareholders of ARIG by the Offeror to acquire 22,001,000 of the issued and fully paid-up ordinary shares of ARIG by way of a cash payment, in line with the applicable procedures of the TMA Module.</p> <p>As a partial offer, in the event that shareholders of ARIG who submit complete and accurate acceptances for the offer total in excess of 22,001,000 ARIG shares, all such acceptances will be automatically equally pro-rated to the number of shares accepted by each accepting shareholder to result in a total number of accepting shares of 22,001,000. Should shares be pro-rated, ARIG shareholders accepting the offer may retain a certain number of their shares in ARIG after the offer. Fractions resulting from such proration will be rounded to the nearest whole number. The Offeror shall also have the right to purchase a limited number of additional shares, in consultation with the CBB, should the rounding result in the need to do so.</p> <p>It is further envisaged that execution and settlement of the offer will be undertaken off-market through Bahrain Clear. Accordingly, any shareholder of ARIG intending to accept the offer once such offer becomes available should ensure, prior to submitting an acceptance form, that a) their information is up to date at Bahrain Clear; b) their ARIG shares are unencumbered in any way; and c) any ARIG shares they own in physical shares are dematerialized through Bahrain Clear.</p> <p>Further information will be provided in the Offer Document.</p>
Offer finance sources	<p>The consideration of the Offer will be financed by the shareholders of Gulf Tamin Ltd. SICO B.S.C. (c), the acting agent for the Offer, confirms that it has carried out the necessary assessment to confirm that sufficient resources are available to the Offeror to satisfy the full implementation and acceptance of the Offer.</p>
Conditions to which the offer or the posting is subject	<p>The implementation of the Offer will be subject to the fulfilment or waiver, where applicable, of the following conditions precedent. For the avoidance of doubt, the offer shall not become unconditional unless the below conditions precedent are fulfilled or, where applicable, waived by the Offeror:</p>

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- a) The Offeror having received acceptances in respect of ARIG shares representing 22,001,000 shares representing approximately 10% of the Issued Share Capital;
- b) Receipt of all regulatory and statutory approvals, exemptions and/or waivers from the CBB;
- c) Receipt of all regulatory and statutory approvals, exemptions and/or waivers from any other regulatory or statutory authority as may be determined to be required in connection with the offer; and
- d) No Material Adverse Effect (as defined below) having occurred prior to, and being continued as at, the date on which the offer would have been declared unconditional in all respects (but for the occurrence of a Material Adverse Effect).

Shareholders and/or potential investors of ARIG should note that the offer shall be subject to the satisfaction or, with the exception of conditions (a) and (b) above, waiver by the Offeror (where applicable) of the conditions, and is conditional upon the offer becoming or being declared unconditional in all respects.

Accordingly, the offer may or may not become unconditional. Shareholders and/or potential investors of ARIG should therefore exercise caution when dealing in the securities of ARIG. Persons who are in doubt as to the action they should take should consult their licensed brokers, dealers, solicitors, professional accountants or other professional advisers.

In the event valid acceptances that represent approximately 10% of the Issued and Fully Paid-Up Share Capital of ARIG are not received by the Initial Offer Closing Date (as defined in the Offer Document), the Offeror reserves the right to seek a waiver from the CBB in accordance with TMA-A.1.4 of condition (a) above and proceed to declaring the offer unconditional in all respects (subject to the satisfaction or, where applicable, waiver of the other conditions), in which case the Offeror may proceed to settlement of the offer after the Final Offer Closing Date.

For the purposes of condition (d) above, Material Adverse Effect 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 a material adverse effect on the business, assets, liabilities, financial position, profitability or prospects of either of the ARIG, including the financials of ARIG found to be materially different than

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	the 31 December 2022 published audited financials. The occurrence of a Material Adverse Effect shall be: (i) determined by Offeror (acting reasonably); and (ii) subject to the consent of the CBB.																														
Offer expected timeline and key dates	<p>The following dates are subject to change, and any amendments will be announced.</p> <table border="1"> <thead> <tr> <th>Event</th> <th>Time and/or Date</th> </tr> </thead> <tbody> <tr> <td>CBB Approval of Firm Intention</td> <td>Thursday, October 26, 2023</td> </tr> <tr> <td>Firm Intention Sent to ARIG</td> <td>Sunday, October 29, 2023</td> </tr> <tr> <td>Offer Document Sent to ARIG Board</td> <td>Sunday, November 19, 2023</td> </tr> <tr> <td>ARIG sends Board Circular to Shareholders</td> <td>Sunday, December 10, 2023</td> </tr> <tr> <td>Last Trading Date</td> <td>Thursday, December 14, 2023</td> </tr> <tr> <td>Suspension Date</td> <td>Tuesday, December 19, 2023</td> </tr> <tr> <td>Record Date</td> <td>Wednesday, December 20, 2023</td> </tr> <tr> <td>Offer Opening Date</td> <td>Thursday, December 21, 2023</td> </tr> <tr> <td>Initial Offer Closing Date</td> <td>Thursday, January 18, 2024</td> </tr> <tr> <td>Offer to be declared unconditional in all respects</td> <td>Thursday, January 18, 2024</td> </tr> <tr> <td>Announcement of results of the offer (the following business day)</td> <td>Sunday, January 21, 2024</td> </tr> <tr> <td>Final Offer Closing Date (conditions have been satisfied)</td> <td>Sunday, February 4, 2024</td> </tr> <tr> <td>Announcement of results of the offer (the following business day)</td> <td>Monday, February 5, 2024</td> </tr> <tr> <td>Settlement Date for Payment of Shares</td> <td>Wednesday, February 14, 2024</td> </tr> </tbody> </table>	Event	Time and/or Date	CBB Approval of Firm Intention	Thursday, October 26, 2023	Firm Intention Sent to ARIG	Sunday, October 29, 2023	Offer Document Sent to ARIG Board	Sunday, November 19, 2023	ARIG sends Board Circular to Shareholders	Sunday, December 10, 2023	Last Trading Date	Thursday, December 14, 2023	Suspension Date	Tuesday, December 19, 2023	Record Date	Wednesday, December 20, 2023	Offer Opening Date	Thursday, December 21, 2023	Initial Offer Closing Date	Thursday, January 18, 2024	Offer to be declared unconditional in all respects	Thursday, January 18, 2024	Announcement of results of the offer (the following business day)	Sunday, January 21, 2024	Final Offer Closing Date (conditions have been satisfied)	Sunday, February 4, 2024	Announcement of results of the offer (the following business day)	Monday, February 5, 2024	Settlement Date for Payment of Shares	Wednesday, February 14, 2024
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Offeror's intention for the future of the company	The Offeror intends to appoint an individual to the Board of ARIG who will fulfill its fiduciary responsibility to all shareholders. As a board member, the Offeror's appointee would seek continued operations and employment of all employees.																														
Details of any existing holding of ARIG shares and rights over the ARIG Shares	The Offeree does not hold any ARIG shares and has not sold any ARIG shares during the 12-month period prior to the date of this Firm Intention.																														
Details of any outstanding derivative in respect of the ARIG	None																														

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shares entered into by Offeror or any person acting in concert with it	
Details of any arrangement (whether by way of option, indemnity or otherwise) in relation to the Offeror shares or ARIG Shares which might be material to the offer	None
Details of any relevant securities of ARIG in which Offeror or any person acting in concert with it has an interest or has a right to subscribe	None
Details of any relevant securities of ARIG which Offeror or any person acting in concert with it has borrowed or lent, excluding any borrowed shares which have been either on-lent or sold	None
Details of any agreements or arrangements to which Offeror is party which relate to the circumstances in which it may or may not invoke or seek to invoke a pre-condition or the consequences of its doing so, including details of any break fees payable as a result	None
Details of any arrangement for the payment of an inducement fee or similar arrangement	None

On behalf of the Offeror



Thomas Riboud-Seydoux
Chairman



Daniel Freifeld
Vice Chairman