Announcement of the intention from Orient Insurance (PJSC)
to acquire shares in
Orient UNB Takaful (PJSC) representing
16.09% of Company shares

Orient Insurance's Board of Directors (PJSC) is pleased to announce the company's confirmed intention to acquire 321,876 shares, representing 16.09% of the total shareholding, from the minority shareholders of Orient UNB Takaful (PJSC) through cash purchase, in accordance with the terms and conditions described in this letter as well as what will be presented in the **acquisition** offer document, and in accordance with the provisions of the decision of the Board of Directors of the Security and Commodities authority No. (18/R.M.) for 2017 related to acquisition and merger for public joint stock companies and corporate law.

Acquisition Manager
Financial Consultant

بنك الامارات للاستثمار
EMIRATES INVESTMENT BANK

Announcement letter of intent of Orient Insurance (PJSC)
to acquire non-owned shares in Orient UNB Takaful (PJSC)
16.09% of the company's shares

To Messrs. Shareholders of Orient UNB Takaful (PJSC)

We would like to announce the confirmed intention of the Board of Directors of Orient Insurance (PJSC) to acquire 16.09% (321,876) shares of Orient UNB Takaful (PJSC) not owned by the acquirer

1- 14.23% owned by the related partiesgroup
2- 1.86 % owned by individuals and parties other than related parties group
3- The transaction will be funded from Orient`s cash flow .
4- Orient Insurance plans to support Orient UNB Takaful Company by including it to Orient Insurance Group.
5- The offer price is AED 78.50, which is the same price offered for acquisition of shares from Abu Dhabi Commercial Bank.
6- There will be no change to Orient UNB Takaful operations and the company will continue to operates as planned during formation

Omar Abdullah Al-Futtaim
Vice Chairman
Orient Insurance Company

1- Terms of the offer

1. The offer includes the purchase of the shares offered by shareholders wishing to sell through direct cash purchase.

2. The offer price for the transaction is AED 78.50 per share and is equal to the last purchase price for shares owned by Abu Dhabi Commercial Bank in Orient UNB Takaful (PJSC).

2- The identity of the acquirer and the main shareholders in the acquirer

The acquiring party Orient Insurance (PJSC) is one of the leading companies in the insurance sector and is part of Al Futtaim Group.

Orient Insurance commenced its operations in 1982, and the company's shares are listed on the Dubai Financial Market. The company is subject to the provisions of Federal Law No. (6) of 2007, on the regulation of Insurance Business. The Company`s headquarters is at Orient Building, Al Badia, Dubai Festival City, Dubai, United Arab Emirates.

Orient Insurance is engaged in issuing short-term insurance contracts related to Properties , Engineering, Motor, Marine risk and Public accidents, as well as public insurance in addition to the categories of Group life insurance and individual life insurance, referred to as life insurance. The company invests its funds in investment securities and deposits with financial institutions.

The company has established subsidiaries in Syria, Egypt, Sri Lanka and Turkey and has branches in Oman and Bahrain.

Orient has paid up capital of AED 500 Million and shareholders' equity was AED 3.42 billion and total assets of AED 8.8 Billion as at 31 December 2020.

Orient Insurance's credit rating is the highest in the region, rated "A" from Standard & Poor's, and "a+" from A. M. Best

3. The consideration for the shares will be paid after the transaction is completed in accordance with the mechanism used by the Dubai Financial Market.

4. Orient Insurance does not intend to make a mandatory offer requiring the minority of shareholders of Orient UNB Takaful to sell all the shares they own to Orient Insurance.

Orient Insurance PJSC's main shareholders are

Al Futtaim Development Services Co LLC 90%
Al Futtaim Company (LLC) 5%
Al Futtaim Privacy Company (LLC) 5%

3- Details of the shares owned by the acquirer and the associated group during the acquisition period

1. Orient Insurance PJSC owns 1,678,124 shares representing 83.9062% of the total shares of Orient UNB Takaful (PJSC)

2. Related group (Al-Futtaim family members and employees) hold owns 284,606 shares representing 14.23% of the total shares.

3. The ownership of individuals and entities outside the related group is 1.86% (37,200 shares)

4. The related group has conveyed their no objection to transfer their shares to the acquirer at the same valuation and price executed in the last purchase.

4- Statement whether the acquirer has received any irrevocable obligations with regard to the acceptance of the offer.

1. The related group has confirmed in advance to transfer their shares to the acquirer at the same valuation and price executed in the last purchase, which is an **irrevocable** obligation on the acquirer to accept the offer.

5-Details of any arrangements with the target company that may have a material impact on this offer.

There are no arrangements with the target company **that may have a material impact on this offer.**

6. Confirmation from the financial advisor to the acquirer that the acquirer has the financial resources to carry out the acquisition

The value of the transaction according to the offer price is AED 25,267,266, and the acquirer has deposits with Emirates Investment Bank of AED 500 million. Additionally bank deposits and investments with other banks amount to AED 5.2 Billion, hence Emirates Investment Bank confirms, as manager of acquisition and financial advisor, the availability of financial resources to commit the offer by the acquirer.

7- Future intentions, plans and purpose of acquisition.

The development plans and operational policy of the target company will remain unchanged.

The purpose of the acquisition

1. The acquisition will impact performance of the target company in two respects. Firstly, rating of the target company will be linked to that of the acquirer. Secondly, the target company may obtain preferential reinsurance terms.

2. This acquisition will benefit the target company, shareholders, as well as the public interest of the insurance sector and the consumers in many ways:-

1. Improving the credit rating of a local insurance company enhances opportunities for the consumers and policy holders.
2. Obtaining preferential reinsurance terms reduces the risks for consumers, policyholders and shareholders, as well as leads to competitive rates.
3. Maintaining maximum retention within the country, enhances investment opportunities

Arrangements for termination fees.

No termination fee arrangement