

# Dallah AlBaraka Holding Company B.S.C.(c)

(Incorporated in the Kingdom of Bahrain)

Commercial Registration Number 23200

## Offer Document

Dallah AlBaraka Holding Company B.S.C.(c) conditional exit offer to acquire up to 100% of the issued and paid-up ordinary shares of Al Baraka Group B.S.C., for cash of USD 0.30 per Al Baraka Group B.S.C. share which, excluding those shares held by the Connected ABG Shareholders (defined below), amount to 281,141,331 (22.62%) of the issued ordinary shares of Al Baraka Group B.S.C. with the intention of a subsequent voluntary delisting of Al Baraka Group B.S.C.

### Key Dates

Offer Opening Date	To be announced
Initial Offer Closing Date	The date which is at least fifteen (15) calendar days from the Offer Opening Date, subject to extension and subject to the Final Offer Closing Date
Final Offer Closing Date	The Initial Offer Closing Date, or fifteen (15) calendar days from the date the Offer is revised or announced as unconditional, whichever is later
Offer Results Announcement Date	One (1) Business Day after the Final Offer Closing Date

**Important:** If you are in doubt about any aspect of this Offer Document and/or the Offer, you should consult a licensed securities dealer or licensed institution in securities, a bank manager, solicitor or attorney, professional accountant, or other professional advisor.

### DISCLAIMER STATEMENT






The Central Bank of Bahrain, Bahrain Bourse and the Ministry of Industry and Commerce in the Kingdom of Bahrain, assume no responsibility for the accuracy and completeness of the statements and information contained in this Offer Document and expressly disclaim any liability whatsoever for any loss howsoever arising from the reliance upon the whole or any part of the contents to this Offer Document.

**This Offer Document is dated 3 October 2023**

### Offeror

Dallah AlBaraka Holding Company B.S.C.(c)



Financial Advisor to the Offeror and Receiving Agent	Legal Advisors to the Offeror		Central Securities Depository	Participating Branch
	International Counsel	Bahrain Counsel		
SICO B.S.C.(c)	Trowers & Hamlins	Hassan Radhi & Associates	Bahrain Clear B.S.C.(c)	Al Baraka Islamic Bank B.S.C.(c)
				

**DIRECTORS' DECLARATION**

THE DIRECTORS OF DALLAH ALBARAKA HOLDING COMPANY B.S.C.(C) ISSUING THIS OFFER DOCUMENT, WHOSE NAMES APPEAR BELOW, JOINTLY AND SEVERALLY ACCEPT FULL RESPONSIBILITY FOR THE ACCURACY OF INFORMATION CONTAINED IN THIS OFFER DOCUMENT. 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 OFFER DOCUMENT IS IN ACCORDANCE WITH THE FACTS AND CONTAINS NO OMISSIONS LIKELY TO AFFECT THE IMPORTANCE AND COMPLETENESS OF THIS OFFER DOCUMENT.

**STATEMENT FROM THE BOARD OF DIRECTORS OF DALLAH ALBARAKA HOLDING COMPANY B.S.C.(C)**

This Offer Document has been prepared by Dallah AlBaraka Holding Company B.S.C.(c) in accordance with the Central Bank of Bahrain (**CBB**) Rulebook, Volume 6, Takeovers, Mergers and Acquisitions Module, in particular Appendix TMA-C, to provide information to the shareholders of Al Baraka Group B.S.C. in connection with the voluntary conditional exit offer made by Dallah AlBaraka Holding Company B.S.C.(c) to acquire up to 281,141,331 (22.62%) of the issued and paid-up ordinary shares of Al Baraka Group B.S.C.

This Offer Document has been filed with the CBB. The Board of Directors of Dallah AlBaraka Holding Company B.S.C.(c) hereby declare that having taken all reasonable care to ensure that such is the case, the information contained in this Offer Document is, to the best of its knowledge, in accordance with the facts and contains no material omissions.

Board of Directors	Position	Signature
Abdullah Saleh A Kamel	Chairman	
Mohyedin Saleh A Kamel	Vice Chairman	
Abdulaziz Mohammedabdo A Yamani	Member and CEO	
Hadeel Saleh A Kamil	Member	
Saleh Abdullah S Kamel	Member	

## IMPORTANT INFORMATION

This Offer Document has been prepared in connection with a voluntary conditional exit offer (the **Offer**) made by Dallah AlBaraka Holding Company B.S.C.(c) (the **Offeror** or **Dallah**) to acquire up to 281,141,331 (22.62%) of the issued and paid-up ordinary shares of Al Baraka Group B.S.C. (the **Offeree** or **ABG**), on the terms and conditions set out in this Offer Document. This Offer becomes unconditional only if the Conditions Precedent are fulfilled or waived, where applicable, as set out in section 05.7 (*Conditions Precedent to the Offer*) of this Offer Document.

If at the time you receive this Offer Document, and prior to providing your Acceptance, you have sold all your shares in ABG, you should immediately hand this Offer Document to the person to whom the shares have been sold, or to the person authorized by ABG or the Bahrain Bourse (**BB**) or another agent through whom the sale was made, to effect the sale or transfer in favour of the person to whom the shares have been sold. However, this Offer Document should not be forwarded to or distributed in any jurisdiction where such transfer would constitute a violation of the relevant laws in such jurisdiction. If you have sold only part or otherwise transferred only part of your shares in ABG, you should retain this Offer Document.

This Offer Document has been prepared in compliance with the provisions of the TMA Module of the CBB Rulebook, Volume 6.

This Offer Document has been filed with the CBB and it does not constitute a guarantee by the CBB that the facts stated in this Offer Document are accurate or complete.

This Offer to ABG Shareholders (excluding the Connected ABG Shareholders) resident in or citizens of countries other than the Kingdom of Bahrain may be affected by the laws of their respective country of residence or citizenship and shall not be deemed to be an Offer in any jurisdiction where the Offer would violate the laws of such jurisdiction. All ABG Shareholders (excluding the Connected ABG Shareholders) wishing to accept this Offer must satisfy themselves as to the due observance of the laws in the jurisdictions relevant to them, including the receipt of any necessary governmental consent or the payment of any taxes due.

The information in this Offer Document regarding the Offeror has been provided by the Offeror. The Financial Advisor and the Legal Advisors make no representation or warranty, express or implied, as to the accuracy or completeness of such information, and nothing contained in this Offer Document is, or shall be relied upon as, a promise or representation by the Financial Advisor or the Legal Advisors.

The information in this Offer Document pertaining to ABG has been prepared in good faith based on publicly available information. Consequently, the Offeror, the Financial Advisor and the Legal Advisors do not accept any liability for the accuracy or completeness of the information in this Offer Document regarding ABG.

All inquiries relating to this Offer Document should be directed to any of the Receiving Agents or via email at [agent@sicobank.com](mailto:agent@sicobank.com). No person has been authorized to provide any information or make any representation on behalf of the Offeror other than as indicated in this Offer Document.

The information contained in this Offer Document is, to the best of the knowledge and belief of the Dallah directors who have taken all reasonable care to ensure that such is the case, correct as of the date of this Offer Document. Any new material information will be published and announced promptly as a supplement to this Offer Document in accordance with the provisions of the TMA Module.

**IMPORTANT: If you are in any doubt about the contents of this Offer Document and the aspects of the Offer, you should consult a licensed securities dealer or an institution licensed in securities, a bank manager, solicitor or attorney, professional accountant or any other professional advisor. The fact that this Offer has been filed with the CBB, does not mean that the CBB takes responsibility for the performance of the Offeror or the Offeree, nor the correctness of any statements or representations made by the Offeror.**

Electronic copies of this Offer Document and a sample of the Acceptance and Transfer Form can be located at the following website: [www.sicobank.com](http://www.sicobank.com). Physical copies of the Acceptance and Transfer Form will be available at the Participating Branch. Physical copies of the Acceptance and Transfer form will also be mailed out to the ABG Shareholders' last address recorded in ABG's share register with BC (it is, and remains, the responsibility of each ABG Shareholder to ensure such address is up to date and to obtain a physical copy from the Participating Branch if such ABG Shareholder did not receive an Acceptance and Transfer Form in the mail). This Offer Document has been prepared in an Arabic version and an English version, in the event of any discrepancy, the English version shall prevail.

Please refer to section 6 (*Procedures for Accepting the Offer*) for further details.

## **FORWARD LOOKING STATEMENTS**

This Offer Document contains words or phrases such as 'will', 'aim', 'expect', 'anticipate', 'forecast', 'estimate', 'intend', 'future', 'objective', 'project', 'should', and similar expressions or variations of such expressions which are "Forward-Looking Statements". Such Forward Looking Statements are based on assumptions and should not be construed as being indicative of the actual events which will occur or a guarantee of future performance.

## **NOTICE TO SHAREHOLDERS LOCATED IN THE UNITED STATES**

This Offer is made for the securities of a foreign company pursuant to a takeover offer under Bahraini law. Accordingly, the Acquisition will be made in the US pursuant to Section 14(e) and Regulation 14E under the U.S. Securities Exchange Act of 1934 as a "Tier I" tender offer, and otherwise in accordance with the requirements of Bahraini law. The Offer is therefore subject to procedural and disclosure requirements of a foreign country that are different from those of the United States. Financial statements included in this Offer Document, if any, have been prepared in accordance with foreign accounting standards that may not be comparable to the financial statements of United States companies.

It may be difficult for you to enforce your rights and any claim you may have arising under the United States federal securities laws, since ABG is located in a foreign country, and some or all of its officers and directors may be residents of a foreign country. You may not be able to sue a foreign company or its officers or directors in a foreign court for violations of the U.S. securities laws. It may be difficult to compel a foreign company and its affiliates to subject themselves to a U.S. court's judgment.

Dallah reserves the right to purchase ABG Shares outside the Offer in accordance with the TMA Module and applicable laws.

This Offer Document does not constitute an offer of securities for sale in the United States. The ABG Shares have not been, and will not be, registered under the U.S. Securities Act of 1933 (the U.S. Securities Act) or with any securities' regulatory authority of any state of the United States. The ABG Shares may not be offered, sold, pledged or otherwise transferred in the United States, except to persons reasonably believed to be qualified institutional buyers (QIBs), as defined in, and in reliance on, the exemption from the registration requirements of the U.S. Securities Act provided in Rule 144A under the U.S. Securities Act (Rule 144A) or another exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act. Such shareholders will be required to make such acknowledgements and representations to, and agreements with, ABG as ABG may require to establish that they are entitled to receive the cash consideration.

The receipt of cash consideration pursuant to the Acquisition by a ABG Shareholder in the US may be a taxable transaction for US federal income tax purposes and under applicable US state and local, as well as foreign and other tax laws. Each ABG Shareholder is urged to consult an independent professional adviser immediately regarding applicable tax consequences of the Acquisition.

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## 1 Glossary

Words and expressions not otherwise defined in this Offer Document have, unless the context otherwise requires, the following meanings:

<b>1H22</b>	The first half of the year 2022
<b>2Q22</b>	The second quarter of the year 2022
<b>ABG</b>	Al Baraka Group B.S.C., a public Bahraini shareholding company incorporated in the Kingdom of Bahrain licensed by the CBB as an investment business firm (Category 1 – Islamic principles) and registered under commercial registration number 48915
<b>ABG Board of Directors</b>	the board of directors of ABG
<b>ABG Group</b>	ABG and its subsidiaries and branches
<b>ABG Shareholders</b>	holders of ABG Shares
<b>ABG Shares</b>	1,242,879,755 outstanding issued shares of ABG with a nominal value of USD 1.00 each in the capital of ABG, and any ABG shares that are issued and paid, whether as dividends shares, treasury shares after the date of this Offer Document, but before the Effective Date
<b>Acceptance</b>	the valid acceptance of this Offer by an ABG Shareholder (other than the Connected ABG Shareholders) by indicating such acceptance on the Acceptance and Transfer Form and submitting the same at the Participating Branch within the Offer Period as per the procedures prescribed in this Offer Document, and which shall only be deemed validly received by the Offeror upon the Offer being declared unconditional in all respects
<b>Acceptance and Transfer Form</b>	the form to be prepared by the Receiving Agent and made available at the Participating Branch, a sample of which will be available at the following website: <a href="http://www.sicobank.com">www.sicobank.com</a> , in each case for the ABG Shareholders (other than the Connected ABG Shareholders) to accept the Offer as well as the appointment of the Proxy for Voting. The Receiving Agent may, at its sole discretion, make available an electronic website for electronic submissions of Acceptance and Transfer Forms
<b>Acquisition</b>	the acquisition by Dallah of up to 281,141,331 (22.62%) of the issued and paid-up ordinary shares of ABG by way of voluntary cash offer excluding the Connected ABG Shareholders
<b>BB</b>	the Bahrain Bourse
<b>BC</b>	Bahrain Clear B.S.C.(c)
<b>BHD or BD</b>	Bahraini Dinar, the lawful currency in the Kingdom of Bahrain



<b>Board of Directors or Dallah Board</b>	the board of directors of Dallah
<b>Business Day</b>	a day (other than a Friday or Saturday) on which banks are open for general business in the Kingdom of Bahrain
<b>CBB</b>	the Central Bank of Bahrain
<b>CBB Rulebook</b>	the Central Bank of Bahrain's rulebook issued and in force in the Kingdom of Bahrain
<b>Certified Copy</b>	a copy of a document certified as a true copy of the original by any of the following from a GCC or FATF member state indicating that the 'original was sighted' or a combination of words that give the same effect: (i) a lawyer; (ii) a notary; (iii) a chartered/certified accountant; (iv) an official of a government ministry; (v) an official of an embassy or consulate; or (vi) an official of the Offeror, Offeree, or another licensed financial institution. The individual certifying the Certified Copy must provide clear contact details, including an individual name, employment title, employer, country of residence, telephone number, email, and address, that allow the recipient of the Certified Copy to check and confirm the authenticity of the document if required
<b>Commercial Companies Law</b>	Decree Law No. 21 of the year 2001 promulgating the Commercial Companies Law in the Kingdom of Bahrain, as amended from time to time
<b>Conditions Precedent</b>	the conditions set out in section 05.7 ( <i>Conditions Precedent to the Offer</i> ) of this Offer Document
<b>Connected ABG Shareholders</b>	means the ABG Shareholders set out in section 15.2 ( <i>Shareholding and Dealings in Offeree Company</i> )
<b>Dallah</b>	Dallah AlBaraka Holding Company B.S.C.(c), a closed Bahraini shareholding company incorporated in the Kingdom of Bahrain and registered under commercial registration number 23200
<b>Demat</b>	Dematerialized
<b>Dissenting Shareholders</b>	ABG Shareholders, other than Connected ABG Shareholders, who appear on the shareholder register of ABG as at the Record Date and who do not deliver valid Acceptances prior to the Final Offer Closing Date
<b>Dissenting Shareholder Effective Date</b>	if the Offer meets the Threshold and one or more Dissenting Shareholders exercises their Sell-Out rights, the date on which such Dissenting Shareholder will receive its payment in cash once all regulatory procedures are complete, which shall be no later than three months from the date on which the Offeror receives the Dissenting Shareholder Sell-Out Notice
<b>Dissenting Shareholder Sell-Out Notice</b>	the written notice to be given by the Dissenting Shareholder to the Offeror, which shall be no later than three months from the date on which the Threshold was met, to require the Offeror to purchase the ABG Shares held by the Dissenting Shareholder as per article TMA-3.4.14 of the TMA Module

<b>Effective Date</b>	if the Offer is successful, the date on which the ABG Shareholders (other than the Connected ABG Shareholders) who appear on the shareholder register of ABG as at the Record Date and who accepted the Offer in accordance with the terms of this Offer Document, will receive their payment in cash and have their ABG Shares transferred to the Offeror, once all regulatory procedures are complete, which shall be no later than 10 calendar days from the expiry of the Final Offer Closing Date
<b>EGM</b>	means extraordinary general assembly
<b>External Advisors</b>	the Legal Advisors and the Financial Advisor
<b>FATF</b>	the Financial Action Task Force
<b>Final Offer Closing Date</b>	the date falling not less than the 15 <sup>th</sup> calendar day from the date of announcement of the Offer having become unconditional in all respects
<b>Financial Advisor</b>	SICO
<b>Firm Intention</b>	the firm intention to make an Offer issued by Dallah to the ABG Board of Directors issued on 3 October 2023
<b>GCC</b>	the Gulf Co-operation Council comprising the Kingdom of Bahrain, the State of Kuwait, the Sultanate of Oman, the State of Qatar, the Kingdom of Saudi Arabia and the United Arab Emirates
<b>GDP</b>	Gross Domestic Product
<b>IBAN</b>	International Bank Account Number
<b>Initial Offer Closing Date</b>	the date falling on not less than 15 calendar days from the Offer Opening Date and the same date as the proposed EGM, being the last date, subject to the Final Offer Closing Date and any extensions as may be permissible under the TMA Module, for receiving the completed Acceptance and Transfer Forms, which will be announced by Dallah and ABG in due course
<b>Investor Number (IN)</b>	a unique number issued by BC for any investor who opens a securities depository account at BC
<b>Last Practicable Date</b>	the last date prior to the dispatch of this Offer Document to the ABG Board of Directors for the purpose of ascertaining certain information contained herein, being 28 September 2023
<b>Last Trading Date</b>	the date falling one (1) Business Day prior to the Suspension Date
<b>Legal Advisors</b>	Trowers & Hamlins and Hassan Radhi & Associates
<b>Material Adverse Effect</b>	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 the ABG Group (taken as a whole), provided that in no event shall a deterioration of the economic, political or market conditions in the industry globally, in the Middle East, in Bahrain or in

general be treated as a 'Material Adverse Effect' except to the extent that such effect disproportionately adversely affects the ABG Group compared to other businesses or participants in the industry. The occurrence of a Material Adverse Effect shall be: (i) determined by Dallah Board or ABG Board of Directors (acting reasonably) and (ii) subject to the consent of the CBB

<b>Minor</b>	a person who is below 21 years of age
<b>MOIC</b>	the Ministry of Industry and Commerce in the Kingdom of Bahrain
<b>Objection Period</b>	means the period of fifteen (15) Business Days from the date of the publication of the conversion notice in respect of ABG in the Official Gazette and in at least one of the local daily newspapers in Bahrain
<b>Offer</b>	the voluntary conditional exit offer made by Dallah to ABG Shareholders who are not Connected ABG Shareholders to acquire up to 281,141,331 (22.62%) of the ABG Shares, subject to the satisfaction, or waiver by Dallah, of the Conditions Precedent as described in this Offer Document for cash of <b>USD 0.30</b> per ABG Share
<b>Offer Document</b>	this offer document, which is prepared in relation to the Offer, dated 3 October 2023
<b>Offeree</b>	ABG
<b>Offeree Board Circular</b>	means the circular to be sent by the ABG Board of Directors to the ABG Shareholders in accordance with TMA Rule 2.7.7 within a maximum period of twenty-one (21) calendar days from the receiving date of this Offer Document containing the information required to be provided to the ABG Shareholders in accordance with the TMA. The CBB's consent is required if the Offeree Board Circular is not to be posted in this period
<b>Offer Opening Date</b>	The date from which the completed Acceptance and Transfer Forms will be received by the Receiving Agents through the Participating Branch, which shall be publicly announced by Dallah and/or ABG
<b>Offeror</b>	Dallah
<b>Offer Period</b>	the period beginning on the Offer Opening Date and ending on the Final Offer Closing Date
<b>Offer Results Announcement Date</b>	means one (1) Business Day after the Final Offer Closing Date, being the date by which the results of the Offer will be publicly announced by Dallah and/or ABG
<b>Participating Branch</b>	the branch of Al Baraka Islamic Bank B.S.C.(c) listed in section 6.5 ( <i>The Participating Branch</i> ) of the Offer Document that will be receiving Acceptance and Transfer Forms during the Offer Period
<b>Proxy for Voting</b>	means the proxy accompanying the Acceptance and Transfer Form appointing SICO or such other third party on behalf of the ABG Shareholders (other than the Connected ABG Shareholders) accepting the Offer instructing the appointee to vote in favour of the delisting and conversion of ABG at the EGM

<b>Receiving Agent</b>	SICO being the entity appointed by the Offeror which is authorized to receive Acceptance and Transfer Forms through the Participating Branch (and/or directly and/or electronically at the Receiving Agent's sole discretion) in accordance with the Offer Document for ABG Shareholders holding ABG Shares
<b>Record Date</b>	the date preceding the Offer Opening Date established for the purpose of identifying the ABG Shareholders' (other than the Connected ABG Shareholders) entitlement to receive the Offer, which shall be publicly announced by Dallah and/or ABG
<b>Sell-Out</b>	the acquisition of the ABG Shares held by Dissenting Shareholders in accordance with article 319 <i>bis</i> I of the Commercial Companies Law and article TMA-3.4.14. of the TMA Module
<b>Sell-Out Notice</b>	the notification to be issued by the Offeror, following the Offer having met the Threshold, to the Dissenting Shareholders to inform them of their right to require the Offeror to purchase the ABG Shares held by a Dissenting Shareholder as per article TMA-3.4.14 of the TMA Module, in the form prescribed in Appendix TMA-F
<b>Sell-Out Rights</b>	means the rights of the Dissenting Shareholders to require the Offeror to purchase their ABG Shares pursuant to article TMA-3.4.14 of the TMA Module
<b>Settlement Date</b>	the Effective Date
<b>SICO</b>	SICO B.S.C.(c)
<b>Suspension Date</b>	the date on which trading in the ABG Shares is suspended to enable a list of ABG Shareholders entitled to receive the Offer to be drawn up, which shall be publicly announced by Dallah and/or ABG
<b>Suspension Period</b>	the period, during which trading in the ABG Shares will be suspended, which shall commence on the Suspension Date and will continue until the earlier of: (i) the date on which the Offer is discontinued due to failure in declaring it unconditional in all respects; and (ii) the Effective Date
<b>Threshold</b>	the threshold of valid Acceptances representing at least 90% or more of the ABG Shares subject to the Offer which are received by the Offeror (excluding, for the avoidance of doubt, the ABG Shares held by Connected ABG Shareholders as at the date of this Offer Document)
<b>TMA Module</b>	the Takeovers, Mergers and Acquisitions Module of Volume 6 of the CBB Rulebook
<b>USD</b>	United States Dollar, the lawful currency in the United States of America
<b>YoY</b>	Year on year
<b>YTD</b>	Year to date

## 2 Letter from the Dallah Board of Directors

3 October 2023

Dear ABG Shareholders,

On 19 June 2023, the Dallah Board approved the offer by Dallah and on 3 October 2023, the Dallah Board received a no objection from the CBB to the publication and the dispatch of the Firm Intention and the Offer Document to ABG.

Upon the Offer becoming effective, Dallah will hold between 54.75% and 77.37% of the issued and paid-up share capital of ABG.

As set out in section 5.7 (*Conditions Precedent to the Offer*), Dallah will request that the ABG Board of Directors invites the shareholders of ABG (after obtaining the approval of the CBB and other competent regulatory authorities in Bahrain) to convene an EGM of ABG in order to consider and approve the delisting of ABG from the BB. In this scenario, all ABG Shareholders, including the Connected ABG Shareholders, attending the EGM shall be counted towards satisfying the EGM's quorum requirements. ABG Shareholders, including the ABG Shareholders who accept the Offer, but excluding the Connected ABG Shareholders, shall be eligible to vote their ABG Shares in such EGM. An application will subsequently be made to the CBB to delist ABG from the BB in accordance with the terms of the TMA Module.

Dallah and the other Connected ABG Shareholders currently hold in aggregate 77.38% of the ABG Shares. We believe that increasing our shareholding in ABG and subsequently converting ABG into a closed Bahrain shareholding company will better position ABG to pursue its long term strategic objectives.

This is a voluntary conditional exit offer by Dallah to acquire up to 281,141,331 (22.62%) of the issued and paid-up ordinary shares of ABG for cash of **USD 0.30** per ABG Share. ABG Shareholders (other than the Connected ABG Shareholders) whose names appear in the ABG share register on the Record Date will be eligible to receive the Offer. ABG Shareholders should note that trading in ABG Shares will be suspended for the duration of the Suspension Period. ABG Shareholders should further note that if the Offer is declared unconditional in all respects, ABG Shares will remain suspended until the delisting of ABG from the Bahrain Bourse is effected.

The implementation of the Offer will be subject to the fulfilment or waiver, as applicable, of the Conditions Precedent set out in this Offer Document.

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.

**Board of Directors**  
**Dallah**

### 3 Expected timetable of principal events

The following dates will be publicly announced by ABG and/or Dallah in due course and will depend, among other things, on whether (and the dates on which) the Conditions Precedent are satisfied or waived (where applicable).

<b>Event</b>	<b>Time and/or Date</b>
Circulation of EGM Agenda	To be announced
Last Trading Date	To be announced
Suspension Date	To be announced
Record Date for ABG Shares	To be announced
Offer Opening Date	To be announced
EGM Date	To be announced
Publication of Conversion Notice	To be announced
Start of Objection Period to Conversion	To be announced
End of Objection Period to Conversion	To be announced
Initial Offer Closing Date	To be announced
Offer to be declared unconditional in all respects	To be announced
Sell-Out Notice to Dissenting Shareholders sent	To be announced
Final Offer Closing Date	To be announced
Effective Date	Effective Date
End of Sell-Out period	To be announced
Delisting Date	To be announced
Conversion Date	To be announced

## 4 Resolutions and approvals

### 4.1 Board of Directors

This Offer is made pursuant to the resolutions adopted by the Board of Directors at their meeting held on 19 June 2023. The Board of Directors resolved to:

- 4.1.1 authorise the Offer, provided that the Offer becomes unconditional after the fulfilment, or waiver by Dallah, of the Conditions Precedent under the Offer Document; and
- 4.1.2 authorise the financing of the cash consideration for acceptances of the Offer through internal resources.

### 4.2 CBB – Capital Market Supervision Directorate

Copies of the Board of Director's resolutions and this Offer Document have been filed with the Capital Market Supervision Directorate of the CBB. Dallah has received a no objection letter dated 3 October 2023 from the Capital Market Supervision Directorate of the CBB on the use of and dispatch of this Offer Document.

## 5 The Offer

The Board of Directors refer to the Firm Intention and Summary of the Offer dated 3 October 2023 whereby the ABG Board of Directors were notified of Dallah's firm intention to make a voluntary conditional exit Offer to the ABG Shareholders (other than the Connected ABG Shareholders) to acquire their shares in ABG. The details of the Offer are set out below:

### 5.1 Securities for which the voluntary conditional exit offer is made

The Offer is to acquire up to 281,141,331 ABG Shares which have a par value of USD 1.00 each in ABG, representing up to 22.62% of ABG's issued and paid-up share capital.

### 5.2 The Offeree

5.2.1 ABG is registered with the MOIC under commercial registration number 48915 as a public Bahraini shareholding company whose ordinary shares are listed on the BB.

5.2.2 ABG is licensed by the CBB as a locally incorporated Category 1 investment firm (Islamic Principles). ABG provides, through its banking subsidiaries and associate companies, retail, corporate, treasury and investment banking products and services strictly in accordance with the principles of Islamic Sharia. ABG operates regionally through its subsidiaries and associates in Jordan, Lebanon, Egypt, Tunisia, Bahrain, Sudan, Turkey, South Africa, Algeria, Pakistan, Syria, and Germany, as well as two branches in Iraq and a representative office in Libya.

5.2.3 ABG has an issued and paid-up share capital of USD 1,242,879,755 divided into 1,242,879,755 ordinary shares with a nominal value of USD 1.00 each of which 31,380,000 are treasury shares, which represent 2.52% of the issued and paid-up share capital of ABG.

### 5.3 The Offeror

Dallah is registered with the MOIC under commercial registration number 23200 as a closed Bahraini shareholding company. Dallah was established to carry out the following activities:

- 5.3.1 to act as a holding company and to carry out all activities to achieve its purpose including but not limited to the following:
- (a) managing its subsidiaries or participating in the management of other companies and providing the necessary support to them;
  - (b) owning real estate and movable property necessary to carry out its activities within the limits permitted in accordance with the law;
  - (c) providing loans, guarantees and credits to its subsidiaries;
  - (d) owning industrial property rights such as patents, trademarks, industrial rights, franchises and other intangible rights, and exploiting and or leasing them to its subsidiaries or others;
  - (e) owning and investing in bonds, shares, money, guarantees, securities, loan bonds, stock certificates and all debt claims (whatever they may be called) in all or any form; and



- (f) finding funds by borrowing, releasing and accepting negotiable papers, providing guarantees and mortgages over its property and assets (including demand capital), and guaranteeing its obligations or those of any subsidiary or associated company, investing its money and promoting other companies, and selling any commitment it has in cash or in exchange for any other consideration, and distributing its assets to the partners, whether in cash or in kind; and

5.3.2 any other activities that are necessary to achieve its purposes, and in general to carry out any other business and transactions and to do all the things that the Dallah Board deems in its sole discretion necessary or desirable or useful in promoting the objectives of Dallah or to raise the value of or dispose of or rent any of Dallah's property, assets and rights, and pay all expenses that are incurred in the formation of Dallah.

#### 5.4 **Consideration for the Offer**

5.4.1 The consideration for the Offer is USD 0.30 in cash per ABG Share provided that the Offer becomes unconditional after the fulfilment, or waiver by Dallah, of the Conditions Precedent. Assuming that all ABG Shareholders who are not Connected ABG Shareholders avail of the Offer, the total value of the Offer would be USD 84,342,399.30.

5.4.2 The Offer price was determined based on ABG Share's average closing market price on all trading days on the Bahrain Bourse during the three months between 1 June 2023 and 31 August 2023 (inclusive) rounded to two decimal places (see section 12 (*Market Price and Historical Stock Trading Summary*)).

#### 5.5 **Shareholders eligible for the Offer**

ABG Shareholders who are not Connected ABG Shareholders and whose names appear in the ABG share register on the Record Date will be eligible to receive the Offer.

#### 5.6 **Suspension of trading**

Trading in ABG Shares will be suspended for the duration of the Suspension Period. If the Offer is declared unconditional in all respects, ABG Shares will remain suspended until the delisting of ABG from the Bahrain Bourse is effected.

#### 5.7 **Conditions Precedent to the Offer**

The implementation of the Offer will be subject to the fulfilment or waiver, where applicable, by Dallah of the following Conditions Precedent. For the avoidance of doubt, the Offer shall not become unconditional unless the below Conditions Precedent are fulfilled or waived, where applicable, by Dallah:

5.7.1 no Material Adverse Effect 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;

5.7.2 the receipt of the following approvals or confirmations to the conversion of ABG into a closed Bahraini shareholding company and subsequent delisting of ABG from BB, in accordance with any in-principle approvals received from various regulatory authorities:

- (a) EGM approval from the ABG Shareholders (other than Dallah and the Connected ABG Shareholders);
  - (b) CBB approving Dallah's proposed increase in its shareholding in ABG as a controller of ABG;
  - (c) CBB providing an exemption from Rule GR-5.3.3A of the General Requirements Module of CBB Rulebook Volume 4 "*The percentage of direct or indirect control of an unregulated legal person in a Bahraini investment firm licensee must not exceed 30% of the issued and paid up capital*";
  - (d) confirmation from the CBB that it has no objection to the conversion and delisting of ABG; and
  - (e) confirmation from the BB that it has no objection to the conversion and delisting of ABG;
- 5.7.3 if the approvals or confirmations are obtained as set out in paragraph 5.7.2, ABG does not receive any objections from the creditors of the Company within the Objection Period which are not resolved within the Objection Period; and
- 5.7.4 ABG does not, from the date of the Firm Intention until the expiration of the Offer Period, do any of the following:
- (a) issue any shares and / or distribute cash dividends;
  - (b) create, issue or grant, or permit the creation, issue or grant of, any convertible securities, options or warrants in respect of shares of ABG;
  - (c) other than in the normal course of business, sell, dispose of or acquire assets;
  - (d) enter into contracts, including service contracts, other than in the ordinary course of business, including contracts or actions which may give rise to any contingent liability;
  - (e) cause ABG or any subsidiary or associate of ABG to purchase or redeem any shares in ABG or provide financial assistance for any such purchase;
  - (f) acquire any company, partnership, other business organisation or division thereof, or enter into any joint venture or strategic alliance;
  - (g) enter into any commitment, agreement or arrangement for assumption of third party financing or bank debt or any other loan or debt, nor obtain or procure any such financing for ABG, other than in the ordinary course of business;
  - (h) make any changes in the memorandum and articles of association or in the nature of the bank licence or registered address of ABG;
  - (i) amend, waive, modify or consent to the termination of any contract or ABG's rights thereunder other than in the ordinary course of business consistent with past practice;

- (j) enter into any contract which is not in the ordinary course of business with any related party;
- (k) enter into any formal or informal agreement, or otherwise make a commitment to do any of the foregoing; or
- (l) carry out any actions prohibited by the TMA.

**ABG Shareholders and/or potential investors of ABG should note that the Offer is subject to the satisfaction or, with the exception of the Condition Precedent at paragraphs 5.7.2 and 5.7.3 above, waiver by Dallah (where applicable), of the Conditions Precedent, and is conditional upon the Offer becoming or being declared unconditional in all respects. Accordingly, the Offer may or may not become unconditional. ABG Shareholders and / or potential investors of ABG should therefore exercise caution when dealing in the securities of ABG. 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 that the Conditions Precedent at 5.7.2 and 5.7.3 are satisfied above, and the other Conditions Precedent are not satisfied by the Initial Offer Closing Date, Dallah reserves the right to proceed to declaring the offer unconditional in all respects (subject to the satisfaction or, where applicable, waiver of the other conditions), following the EGM approval, in which case Dallah will procure that ABG applies to the CBB for the delisting of ABG from BB and the conversion of ABG into a closed Bahraini shareholding company.

## 5.8 Offer Acceptance procedures

ABG Shareholders (other than the Connected ABG Shareholders) willing to accept the Offer are required to tender all of their ABG Shares and may not tender only a part of their ABG Shares. ABG Shares held by nominee structures or funds may submit partial tenders of their ABG Shares. ABG Shareholders may potentially be holding the ABG Shares in one, or a combination, of the following forms:

- 5.8.1 shares in Demat form held in a brokerage account with a registered broker in BB;
- 5.8.2 shares in Demat form held in the Central Securities Depository at BC; and/or
- 5.8.3 shares in physical form with an original share certificate only.

Please refer to section 6 (*Procedures for Accepting the Offer*) for further details.

## 5.9 Acceptance irrevocable

- 5.9.1 Upon an ABG Shareholder (other than a Connected ABG Shareholder) submitting the completed Acceptance and Transfer Form, to the Receiving Agent through the Participating Branch, the Acceptance becomes irrevocable and cannot be withdrawn by that ABG Shareholder either in whole or in part, except if an ABG Shareholder withdraws in accordance with paragraph 5.9.2.
- 5.9.2 ABG Shareholders should note that if they accept the Offer but object to the conversion or delisting at the EGM or during the Objection Period, their Acceptance and Transfer Form shall be considered void.

## 5.10 Sell-Out

- 5.10.1 The Offeror confirms that, should the Offer achieve the Threshold, and pursuant to Article 319 *bis* I of the Commercial Companies Law and article TMA-3.4.5 of the TMA Module, it will not be exercising its squeeze-out right to buy any ABG Shares owned by Dissenting Shareholders.
- 5.10.2 Subject to the Offer having achieved the Threshold, which would lead to Dallah receiving Acceptances of at least 90% of the ABG Shares subject to the Offer, and excluding the ABG Shares held by the Connected ABG Shareholders and the satisfaction of the requirements under Article 319 *bis* I of the Commercial Companies Law and requirements under the TMA Module, any Dissenting Shareholder may exercise its right to require Dallah to acquire all ABG Shares held by that Dissenting Shareholder (pursuant to Article 319 *bis* I of the Commercial Companies Law, and article TMA-3.4.14 of the TMA Module), within the time limit specified in the Sell-Out Notice and in any event the ABG Shares held by the Dissenting Shareholder exercising the Sell-Out Right shall be acquired no later than three (3) months from the date the Offeror receives the Dissenting Shareholder Sell-Out Notice.
- 5.10.3 If the Sell-Out Right is exercised by a Dissenting Shareholder, such Dissenting Shareholder shall receive an amount per ABG Share which is equal to that received by the ABG Shareholders accepting the Offer, which is USD 0.30 per ABG Share.
- 5.10.4 No later than 15 calendar days from the date on which the Offer is declared unconditional in all respects (and provided that the Offer has achieved the Threshold), Dallah will issue to the Dissenting Shareholders the Sell-Out Notice in the form prescribed in Appendix TMA-F of the TMA Module. The Sell-Out Notice will be accompanied by a declaration from Dallah confirming that the Threshold has been met.
- 5.10.5 The Sell-Out Notice will be issued by Dallah to the Dissenting Shareholders and sent by registered mail to the address, where available, registered with the Central Registry of BB as at the Initial Closing Date in respect of those Dissenting Shareholders. A Dissenting Shareholder that wishes to exercise its right to require Dallah to acquire all ABG Shares held by it shall, following receipt of the Sell-Out Notice, provide their request to Dallah in writing by email to agent@sicobank.com. Such written request from the Dissenting Shareholder shall be deemed received only if a confirmation of receipt is delivered via email from the Receiving Agent to such Dissenting Shareholder. If no such confirmation of receipt is received by the Dissenting Shareholder, the Dissenting Shareholder should contact the Receiving Agent to receive such confirmation.

**ABG Shareholders are encouraged to update their details (including their registered address) with the Central Registry of BB as soon as possible and prior to the Initial Offer Closing Date.**

## 5.11 Untraceable ABG Shareholders

- 5.11.1 Dallah will fulfil its obligation to exercise best efforts to deliver the Sell-Out Notice by completion of serving the Sell-Out Notice in accordance with the manner prescribed above. Dallah has discussed with the CBB, the following alternative methods for serving the notice, in case Dallah, despite best efforts fails to deliver

the Sell-Out Notice to the Dissenting Shareholders, pursuant to TMA-3.4.19 of the TMA Module:

- (a) the dedication of an email address for any ABG Shareholder who would like to receive the Offer documentation and announcements (including the Sell-Out Notice). Any ABG Shareholder who would like to receive the Offer documentation and announcements (including the Sell-Out Notice) which is made available to the ABG Shareholders at any point in time shall send a request to the following email address: agent@sicobank.com; and
- (b) the Sell-Out Notice (if applicable) will be announced through a market announcement in the BB and through a newspaper publication in two official newspapers in circulation in the Kingdom of Bahrain and such announcement shall be deemed to be a valid and effective notice issued by Dallah.

## 5.12 **Payment of cash consideration**

- 5.12.1 For the Dissenting Shareholders who have exercised their Sell-Out rights by sending a written request by email to agent@sicobank.com, the settlement of the cash consideration for their ABG Shares shall be effected on the Dissenting Shareholder Settlement Date by wire transfer in USD from an account held with the Offeror to the account of the Dissenting Shareholder.
- 5.12.2 No other modes of payment shall be effected and all settlement shall be net of any bank or related charges. All charges such as wire transfer charges, processing fees, collection charges, foreign currency conversion charges, special clearing charges shall be borne by the Dissenting Shareholder.

## 5.13 **Delisting of ABG**

- 5.13.1 Dallah intends to seek the delisting of ABG from BB and the conversion of ABG into a closed Bahraini shareholding company. Dallah will request that the ABG Board of Directors invites the shareholders of ABG (after obtaining the approval of the CBB and other competent regulatory authorities in Bahrain) to convene an EGM in order to consider and approve the delisting of ABG from the BB and the conversion of ABG into a closed Bahraini shareholding company. This EGM will be held prior to the Initial Offer Closing Date.
- 5.13.2 Following EGM approval to delist from the BB, Dallah will apply to the CBB to delist ABG from the BB in accordance with the terms of the TMA Module.

## 5.14 **Quorum and voting requirements at the EGM considering the delisting and conversion of ABG**

All ABG Shareholders, including the Connected ABG Shareholders, attending the EGM shall be counted towards satisfying the EGM's quorum requirements. ABG Shareholders, including the ABG Shareholders who have accepted the Offer, but excluding the Connected ABG Shareholders, shall be eligible to vote their ABG Shares in such EGM. All ABG Shareholders who have accepted the Offer by completing the Acceptance and Transfer Form may also appoint SICO or such other third party as their proxy pursuant to the Proxy for Voting in respect of voting at the EGM. In this scenario, ABG Shareholders who do not accept the Offer should note that they will remain shareholders in a closed Bahraini shareholding company and will be exposed to the liquidity risk in relation to their holding of

ABG Shares with no exit option through the BB. Rights and obligations of such remaining ABG Shareholders will be governed by the memorandum and articles of association of ABG, as amended following completion of the Offer and the delisting of ABG.

ABG Shareholders should note that if they accept the Offer but object to the conversion or delisting at the EGM or during the Objection Period, their Acceptance and Transfer Form shall be considered void.

The resolution to delist ABG from the BB shall be approved if votes equal to 75% of the issued share capital of ABG present at the EGM (either by proxy or in person), excluding the Connected ABG Shareholders and Dallah, vote in favour of such resolution.

The resolution to convert ABG into a closed Bahraini shareholding company shall be approved if votes equal to 75% of the issued and paid-up share capital of ABG present at the EGM (either by proxy or in person) excluding the Connected ABG Shareholders and Dallah vote in favour of such resolution.

## 5.15 **Objection to conversion and redemption**

5.15.1 Pursuant to the Commercial Companies Law following the issuance of the conversion resolution at the EGM, and the commencement of the Objection Period, during which ABG Shareholders who voted against the conversion at the EGM are entitled to have their ABG Shares repurchased by submitting an application to ABG within the Objection Period.

5.15.2 ABG Shareholders, other than the Connected ABG Shareholders, who:

- (a) during the Offer Period, accepted the Offer for all (but not some) of their ABG Shares by way of completing the Acceptance and Transfer Form and delivering it to the Receiving Agent through the Participating Branch by no later than the Final Offer Closing Date, will be deemed to have accepted the Offer. ABG Shareholders are entitled to attend the EGM to vote (except for the Connected ABG Shareholders) in favour or against the resolution to convert ABG into a closed Bahraini shareholding company and delist from the BB. ABG Shareholders may:
  - i attend the EGM in person to vote for or against the resolution; or
  - ii complete the Proxy for Voting to instruct SICO or such other party to vote in favour of the conversion of ABG to a closed Bahraini shareholding company;
- (b) have accepted the Offer but have not completed the Proxy for Voting and attend the EGM but vote against the resolution or lodge an objection form during the Objection Period and deliver it to the Receiving Agent through the Participating Branch by no later than 2pm on the final day of the Objection Period, shall have their Acceptance and Transfer Form considered void and may not participate further in the Offer;
- (c) voted against the conversion of ABG at the EGM or object to the conversion by way of completing an objection form and delivering it to the Receiving Agent through the Participating Branch by no later than 2pm on the final day of the Objection Period, will be deemed to have accepted that, should the conversion be approved at the EGM, they shall hold

shares in ABG as a closed Bahraini shareholding company unless a written request is made to ABG for such shareholder to withdraw in line with article 307 of the Commercial Companies Law; and

- (d) did not accept the Offer during the Offer Period, may still vote in favour of the resolution to convert ABG into a closed Bahraini shareholding company and delist from the BB.

## 6 Procedures for Accepting the Offer

### 6.1 Form submission

- 6.1.1 All ABG Shareholders other than the Connected ABG Shareholders who reside in Bahrain and are willing to accept the Offer will be required to forward the documentation listed below to the Receiving Agent through the Participating Branch.
- 6.1.2 All ABG Shareholders other than the Connected ABG Shareholders who reside outside of Bahrain and are willing to accept the Offer may have their Acceptances delivered to, and accepted by, the Receiving Agent via courier on the condition that such has been pre-agreed and pre-arranged with the Receiving Agent (in writing via [agent@sicobank.com](mailto:agent@sicobank.com), with confirmation of receipt of such courier received by such ABG Shareholder in writing from the Receiving Agent prior to the Initial Offer Closing Date) with Certified Copies.
- 6.1.3 Certain ABG Shareholders who are located in the United States will not be able to participate in the Offer unless they complete and return an executed US Investor Letter (as such term is defined in the Acceptance and Transfer Form) to the Receiving Agent alongside their Acceptance and Transfer Form. The form of US Investor Letter can be requested from the Receiving Agent by contacting [agent@sicobank.com](mailto:agent@sicobank.com).

### 6.2 For submissions by individuals

ABG Shareholders who are not Connected ABG Shareholders and are individuals and who wish to accept the Offer must submit the following documents:

- 6.2.1 a signed Acceptance and Transfer Form (form with original 'wet ink' signatures only);
- 6.2.2 the original together with a copy, or only a Certified Copy, of the following two forms of identification:
- (a) the individual's valid passport or valid international travel document; and
  - (b) the individual's valid national identification card or an equivalent document;
- 6.2.3 proof of permanent residential address. The proof can consist of a copy of a recent utility bill, bank statement or similar statement from another bank or financial institution licensed in the country, which have been issued within three months prior to their presentation, or official documentation, such as a smartcard, from a public/governmental authority, or a tenancy agreement;
- 6.2.4 signature verification of the signature on the application (with a passport copy showing the specimen signature of the person signing the application form which will suffice for verification purposes);
- 6.2.5 proof of IN is required in the form of a BB investor card or statement of account, or a BB system print-screen or an allotment notice from a previous initial public offering in Bahrain of no earlier than 2006;



- 6.2.6 original share certificates for those ABG Shareholders holding physical ABG Shares. Holders of physical ABG Shares that have been misplaced or damaged are required to obtain replacements of such shares directly from BC prior to submitting their Acceptance and Transfer Form. As an alternative to physical ABG Shares, holders of lost or damaged physical ABG Shares may also approach BC to have such replacement shares issued in electronic form at no additional cost;
- 6.2.7 an original letter from the individual's bank issued in the last three months detailing the individual's bank account details including account name (to match the individual's name), bank name, bank address, and IBAN (to match the IBAN provided in the Acceptance and Transfer Form). Where an application is being made by joint ABG Shareholders, either a bank account in the name of the same joint ABG Shareholders or one such joint ABG Shareholder with an original authorisation for such payment from the other joint ABG Shareholders;
- 6.2.8 a statement of securities account from BC or a BB registered broker in respect of ABG Shares held in electronic form;
- 6.2.9 if located in the United States, a completed and executed US Investor Letter;
- 6.2.10 the following additional documents are required when a person is signing on behalf of an individual ABG Shareholder by way of a power of attorney:
- (a) the original and a copy of the valid passport (or just a Certified Copy) or international travel document of the person applying and signing on behalf of the individual ABG Shareholder;
  - (b) the original and a copy (or just a Certified Copy) of the valid national identification card or an equivalent document of the person applying and signing on behalf of the individual ABG Shareholder; and
  - (c) the original and a copy (or just a Certified Copy) of the notarized (or where from outside the Kingdom of Bahrain, apostilled/legalized) power of attorney;
- 6.2.11 the following additional documents are required for applications on behalf of Minors<sup>1</sup>:
- (a) the original and a copy (or just a Certified Copy) of the valid passport or valid international travel document of the legal guardian applying and signing on behalf of the Minor;
  - (b) the original and a copy (or just a Certified Copy) of a government-issued valid national identification card or an equivalent document of the legal guardian applying and signing on behalf of the Minor; and
  - (c) unless the legal guardian signing on behalf of the Minor is the Minor's father, the original and a copy (or just a Certified Copy) of the proof of guardianship to the applying Minor.

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<sup>1</sup> *Guardians of Minors to ensure compliance with the Legislative Decree no. (7) of 1986 promulgating the Guardianship of Money Law and the Minor Fund Directorate (as defined in the law) document booklet and user guidelines, and to submit any consents required under such law.*

**6.3****For submissions by institutions**

6.3.1 All institutions must submit the following documentation:

- (a) the signed Acceptance and Transfer Form (form with original 'wet ink' signatures only);
- (b) a copy of a valid commercial registration certificate of the institution;
- (c) a copy of the memorandum and articles of association, or equivalent, of the institution;
- (d) the original and a copy (or just a Certified Copy) of the following two forms of identification in respect of the individual signing on behalf of the institution:
  - i the individual's valid passport or valid international travel document; and
  - ii the individual's valid national identification card or an equivalent document;
- (e) signature verification of the signature on the application (with a passport copy showing the specimen of the person signing the application form to suffice);
- (f) An original letter from the institution's bank issued in the last three months detailing the institution's bank account details including account name (to match the individual's name), bank name, bank address, and IBAN (to match the IBAN provided in the Acceptance and Transfer Form);
- (g) proof of IN is required in the form of a BB investor card or statement of account, or a BB system print-screen, or an allotment notice from a previous initial public offering in Bahrain of no earlier than 2006;
- (h) original share certificates for those institutions holding ABG Shares in physical form. Holders of physical ABG Shares that have been misplaced or damaged are required to obtain replacements of such shares directly from BC prior to submitting their Acceptance and Transfer Form. As an alternative to physical ABG Shares, holders of lost or damaged physical ABG Shares may also approach BC to have such replacement shares issued in electronic form at no additional cost;
- (i) a statement of securities account from BC or a BB registered broker in respect of their ABG Shares held in electronic form;
- (j) the original and copy of the document authorizing the person(s), whose signature(s) appear(s) on the Acceptance and Transfer Form to sign such document on behalf of the institution. Such a document can be either a power of attorney or a resolution of the board of the institution; and
- (k) if located in the United States, a completed and executed US Investor Letter.

## 6.4 Other provisions relation to Acceptance

- 6.4.1 All completed Acceptance and Transfer Forms, together with the required documentation, may be submitted physically at the Participating Branch, following the step set out in paragraph 6.4.8, listed in section 6.5 (*The Participating Branch*) during the Offer Period. The Receiving Agent may make an electronic platform for submissions available at its sole discretion.
- 6.4.2 The documents should be submitted no later than the close of business on the Initial Offer Closing Date. The Receiving Agent may accept couriered applications from ABG Shareholders residing outside of Bahrain and where such process has been pre-agreed (in writing) and pre-arranged by such ABG Shareholder with the Receiving Agent with Certified Copies and on the basis of receipt of such Acceptances by the Receiving Agent prior to the Initial Offer Closing Date.
- 6.4.3 At the time of submission of a completed Acceptance and Transfer Form, the Receiving Agent or the Participating Branch shall verify the validity of all copies of each participating ABG Shareholder's identification documents along with the submitted Acceptance and Transfer Form.
- 6.4.4 Any ABG Shareholder who has electronically submitted a completed Acceptance and Transfer Form but has not received written confirmation of delivery prior to the Final Offer Closing Date should contact the Receiving Agent on agent@sicobank.com. All ABG Shareholders who make physical submissions will receive a copy of their Acceptance and Transfer Form at the time of application as their receipt of submission.
- 6.4.5 ABG Shareholders intending to accept the Offer and who hold ABG Shares that are mortgaged will have to provide an original written clearance from the mortgagee in a form acceptable to the Receiving Agent.
- 6.4.6 The following important directions should be followed when completing the Acceptance and Transfer Form:
- (a) only the prescribed Acceptance and Transfer Form made available on the prescribed electronic platform should be used, and completed in full in accordance with the instructions contained therein;
  - (b) in the case of joint owners of ABG Shares only one Acceptance and Transfer Form may be used and signed by all such joint owners; and
  - (c) in the case of any ABG Shares held by investment managers, the Acceptance and Transfer Form should be signed by the investment manager (or the custodian) and sent along with a copy of the document reflecting the investment manager's position as the investment manager for the ABG Shareholder. The Acceptance and Transfer Form must state the beneficial owners of the ABG Shares and be provided together with their specific signed mandate.
- 6.4.7 The Offeror and the Receiving Agent reserve the right to accept, at their sole discretion, duly completed Acceptance and Transfer Forms where the information or procedure set out in this section 6.1 (*Form Submission*) has not been provided in its entirety but sufficient information and documentation has been provided or otherwise procured to comply with all applicable laws and

regulations associated with know your client and anti-money laundering requirements and other laws and regulations applicable to the Offeror and the Offer have been complied with.

6.4.8 ABG Shareholders holding ABG Shares in physical form must submit the original share certificates to BC and obtain an IN.

6.4.9 Any ABG Shareholder holding ABG Shares who accepts the Offer shall:

- (a) consent to the passing on of any information about that ABG Shareholder to any relevant regulatory authorities by the Receiving Agent, the registrar, the Offeror or the Offeree (as the case may be) or their delegates and any onward transmission by those regulatory authorities of such information;
- (b) acknowledge that due to money laundering regulations applying within Bahrain, the Receiving Agent, the Offeror or the Offeree (as the case may be) may require identification of the ABG Shareholder(s) and source of funds before the Acceptance and Transfer Forms indicating acceptance can be processed;
- (c) hold the Receiving Agent, the Offeror or the Offeree (as the case may be) harmless and indemnified and shall keep them held harmless and indemnified against any loss arising from the failure to process the Acceptance and Transfer Form, if information that has been required from the ABG Shareholder has not been provided within the allotted time to the satisfaction of the party requesting such information;
- (d) understand and agree that any amount payable as consideration for the ABG Shares may be retained pending the completion of any verification of identity required by the Receiving Agent, the Offeror or the Offeree (as the case may be); and
- (e) accept the terms of the privacy notice at Schedule 1 and consent to the use, sharing and retention of the ABG Shareholder's personal data including sensitive personal data in accordance with such privacy notice.

## 6.5 The Participating Branch

The Participating Branch as set out below will receive the completed Acceptance and Transfer Forms on behalf of the Receiving Agent together with the information stated in section 6.1 (*Form Submission*) (as applicable).

### Participating Branch address, contact details and opening times

No.	Name	Address	Telephone No.	Opening days	Operating hours
1	Al Baraka Islamic Bank B.S.C. (C) - Bahrain Bahrain Bay - Main Branch	Manama - Sea Front Building 370, Road 4611, Block 346 www.albaraka.bh	(+973) 13300400	Sunday to Thursday except where such days are not Business Days	08:00 am - 03:00 pm

## 6.6 General information

- 6.6.1 ABG Shareholders should note that only Acceptances that are not rejected will count towards the Threshold.
- 6.6.2 Once all the Conditions Precedent have been fulfilled or waived, where applicable, and the Offer becomes unconditional in all respects, during or at the end of the Final Offer Closing Date, Dallah will arrange to make an announcement to this effect in two newspapers in the Kingdom of Bahrain and the websites of: (i) the BB and (ii) ABG or SICO.
- 6.6.3 Any queries regarding the application procedure should be directed to the Receiving Agent or via email to [agent@sicobank.com](mailto:agent@sicobank.com).

## 6.7 Purchase of ABG Shares outside the Offer

Dallah reserves the right to purchase ABG Shares outside the Offer in accordance with the TMA Module and applicable laws.

## 6.8 Settlement

- 6.8.1 For those ABG Shareholders accepting the Offer, the settlement shall be effected on the Settlement Date by wire transfer in USD from an account held with the Offeror to the account of the ABG Shareholder indicated on the Acceptance and Transfer Form.
- 6.8.2 No other modes of payment shall be effected and all settlement shall be net of any bank or related charges. All charges such as wire transfer charges, processing fees, collection charges, foreign currency conversion charges, managers cheque charges and special clearing charges shall be borne by the ABG Shareholder.

## 6.9 Tax

The tax consequences for ABG Shareholders pursuant to the Offer depend upon the shareholders' individual circumstances. As at the date of this document there is no income, withholding or capital gains taxes payable under existing laws in the Kingdom of Bahrain. Corporate income tax is only levied on oil, gas and petroleum companies at a flat rate of 47%. This tax is applicable to any oil company conducting business activity of any kind in Bahrain, including oil production, refining and exploration, regardless of the company's place of incorporation. There are no currency or exchange control restrictions currently in force under the laws of Kingdom of Bahrain and the free transfer of currency into and out of the Kingdom of Bahrain is permitted subject to anti-money laundering and international regulations in force from time to time. ABG Shareholders should therefore consult their own tax advisors as to the particular tax consequences for them of accepting the Offer. In addition, value added tax was introduced in Bahrain on 1 January 2019 and the current standard rate is 10%.

## 7 The Offeror

### 7.1 **Dallah AlBaraka Holding Company B.S.C.(c)**

Dallah AlBaraka Holding Company B.S.C.(c) (**Dallah**) is a closed Bahraini shareholding company established in the Kingdom of Bahrain with commercial registration number 23200. Dallah was established to carry out the following activities:

- 7.1.1 to act as a holding company and to carry out all activities to achieve its purposes including but not limited to the following:
- (a) managing its subsidiaries or participating in the management of other companies and provides the necessary support to them;
  - (b) owning real estate and movable property necessary to carry out its activities within the limits permitted in accordance with the law;
  - (c) providing loans, guarantees and credits to its subsidiaries;
  - (d) owning industrial property rights such as patents, trademarks, industrial rights, franchises and other intangible rights, and exploiting and or leasing them to its subsidiaries or others;
  - (e) to own and invest in bonds, shares, money, guarantees, securities, loan bonds, stock certificates and all debt claims (whatever they may be called) in all or any form; and
  - (f) to borrow, to release and accept negotiable papers, to provide guarantees and mortgages over its property and assets and to guarantee the obligations of any subsidiary or associated company, to invest its money and to promote other companies, and to sell any commitment it has for cash or in exchange for any other consideration, and to distribute its assets to the shareholders, whether in cash or in kind; and
- 7.1.2 to carry out any other activities that are necessary to achieve its purposes, and in general to carry out any other business and transactions and to do all the things that the Dallah Board deems in its sole discretion necessary or desirable or useful in promoting the objectives of Dallah or to raise the value of or dispose of or rent out any of Dallah's property, assets and rights, and pay all expenses that were incurred in the formation of Dallah.

### 7.2 **Capital and shareholders**

Dallah's authorized share capital currently stands at USD 665,000 with an issued and paid-up share capital of USD 665,000 divided into 665,000 ordinary shares with a nominal value of USD 1.00 each. Dallah is a closed Bahraini shareholding company with the following shareholders:

<b>Shareholders</b>	<b>Percentage Owned</b>
Sadin Holding Company	33.33%
Abdullah Saleh A Kamel	10.61%
Mohyedin Saleh A Kamel	10.61%
Nadeer Saleh A Kamel	6.69%
Hadeel Saleh A Kamel	6.69%
Aseel (أصيل) Saleh A Kamel	6.69%
Aseel (أسيل) Saleh A Kamel	5.30%
Haneen Saleh A Kamel	5.30%
Sadir Saleh A Kamel	5.30%
Ghadir Saleh A Kamel	5.30%
Maede Mohyealddin M Nazer	4.17%

The Sadin Holding Company is an exempted company limited by shares established in the Cayman Islands with registration number 367422 and is owned in equal shares by Abdullah Saleh Kamel and Mohyedin Saleh Kamel with Abdullah Saleh A Kamel as its sole director.

### 7.3 Board of Directors

Dallah's Board currently comprises of 5 board members, as follows:

<b>Board of Directors</b>	<b>Position</b>
Abdullah Saleh A Kamel	Chairman
Mohyedin Saleh A Kamel	Vice Chairman
Abdulaziz Mohammedabdo A Yamani	Member and CEO
Hadeel Saleh A Kamil	Member
Saleh Abdullah S Kamel	Member

#### **Abdullah Saleh A Kamel**

Mr. Abdullah Saleh Kamel is the Chairman of Dallah Al Baraka Holding Company. He is also Chairman of Aseer Company, Umm Alqura for Development & Constructions Company, Okaz Press and Publishing Corporation, The General Council for Islamic Banks and Financial Institutions, and The Islamic Chamber of Commerce, Industry and Agriculture. Previously, Mr. Kamel held various executive positions at Dallah Al Baraka Holding Co, leading to the position of President and Chief Executive Officer. Mr. Kamel has over 30 years' experience in key business positions. He is active in public and charitable activities through his membership of many organizations and associations such as the Jeddah Chamber of Commerce (he has been a Board member for two terms), and the Friends of Saudi Arabia Association.

#### **Mohyedin Saleh A Kamel**

Mr. Mohyedin Saleh Kamel: Chairman of the Board of Directors of Al-Rabie Company and serves as a Board member for several organizations including Dallah Health, Jabal Omar Development Company, Al-Khozama Management Company, Dallah Al-Baraka Holding Company, Arab Holding Company for Digital Distribution, and Halwani Bros Company. He has also served as a member of the Board at Al Baraka Banking Group in Bahrain.

Mr. Mohyedin holds a bachelor's degree in Economics, with a specialization in Management and Marketing, from the University of San Francisco.

**Abdulaziz Mohammedabdo A Yamani**

Mr. Yamani has served as the Chairman of Itqan Capital since January 2011. He is the Chief Executive Officer at Dallah, and the Chairman or Director of several Dallah subsidiaries in KSA and across the Middle East including Al Baraka Bank, Halwani Brothers, Sinad Holding, and AlMaza Real Estate Development, and Arab Moltaqa Investments Company. Mr. Yamani has a bachelor's degree in Industrial Engineering from King Abdulaziz University.

**Hadeel Saleh A Kamil**

Ms. Hadeel Saleh Kamel was appointed Vice Chairman of AMIC in 2010, having been a member of AMIC's Board since 2005. She also holds other positions including Vice Chairman of New Ismailia Co. for Development and Urban Development, Board member of Ismailia Misr Poultry, and Board member of Dallah investments. Ms. Kamel was previously Vice President for Egypt and North Africa of Arab Digital Distribution-ADD, Manager of Development and Channels of Arab Digital Distribution-ADD, and is presently the Managing Director of Arab Media Distribution-AMD. Ms. Kamel holds the position of Vice President for Planning and Development of Arab Media Company-AMC, and is the Managing Director of Dallah Albaraka Egypt for Investments and Development. Ms. Hadeel Saleh Kamel holds a bachelor's degree in Business Administration.

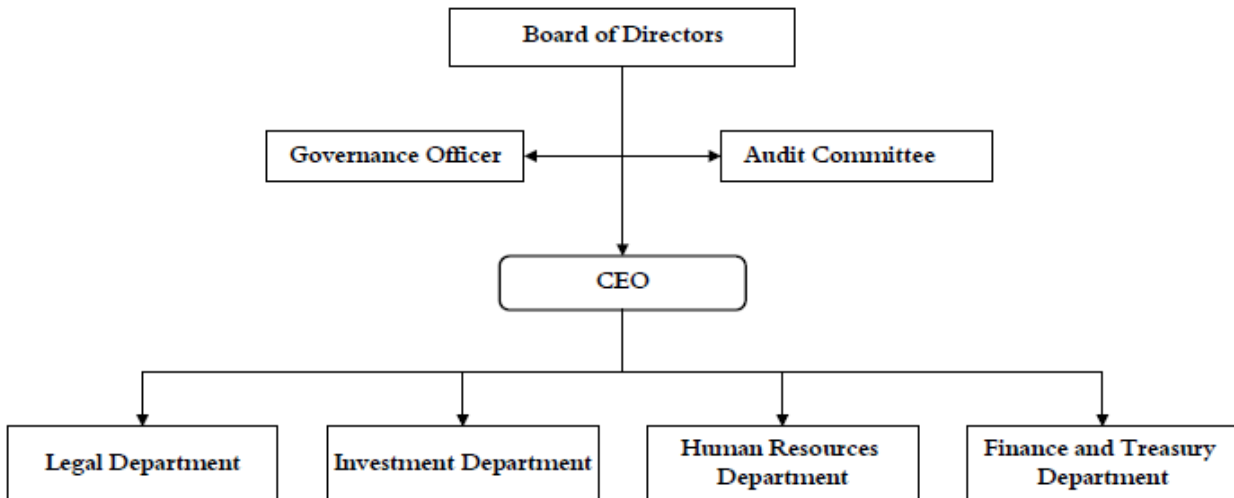
**Saleh Abdullah S Kamel**

Since 2013 Mr. Kamel has worked for Dallah Al Baraka and its related entities and is presently a member of the Board of Directors. Mr. Kamel is also the CEO of 1760 Limited Co. He has been a non-executive Board member of Dallah Al Baraka Investment Company and Dallah Real Estate Company since 2021, and a Board member of Dallah, since 2021. He served as a Board member of Dallah Al Baraka Holding Co. from 2021 until the end of 2022. Mr. Kamel holds a Bachelor of Administrative Sciences degree from King Abdulaziz University in Jeddah.



## 7.4 Management team

The following organizational chart depicts the current management team of Dallah:



### **Abdulaziz Mohammedabdo A Yamani – Chief Executive Officer**

Mr. Yamani has served as the Chairman of Itqan Capital since January 2011. He is the Chief Executive Officer at Dallah, and the Chairman or Director of several Dallah subsidiaries in KSA and across the Middle East including Al Baraka Bank, Halwani Brothers, Sinad Holding, and AlMaza Real Estate Development, and Arab Moltaqa Investments Company. Mr. Yamani has a bachelor's degree in Industrial Engineering from King Abdulaziz University.

### **Khalid Abu Namous – Vice President, Finance and Treasury**

Mr. Abu-Namous joined Dallah as Group Vice President for Finance and Treasury in 2021, where he oversees all strategies, planning, and management of Dallah's financial-related activities. He has over 20 years Banking & Finance experience and prior to joining Dallah, he was Chief Financial Officer of Umm Al-Qura for Development and Construction Company. In addition, he previously held various positions in Multi-Choice Middle East & Africa. He is a qualified Certified Public Accountant (CPA). He holds an MBA in Professional Accounting and a Master's degree in Business Administration from Canisius College in Buffalo, New York, and a bachelor's degree in Business Administration from the University of Jordan. He serves as a board member of Alinma Makkah Real Estate First Fund and Alinma Makkah Real Estate Second Fund.

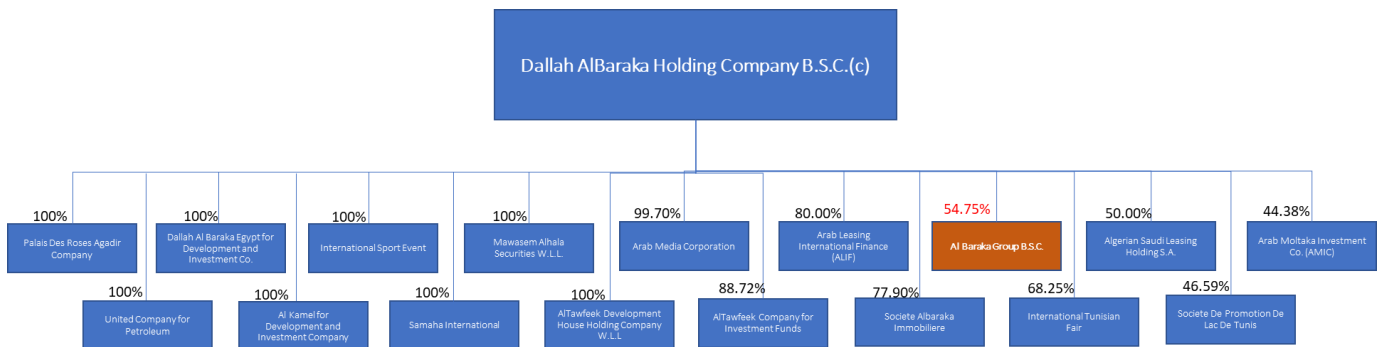
### **Adel Saoud Dahlawi – Manager, Investment Department**

He holds a bachelor's degree in Applied Medical Sciences with Specialization in Biomedical Technology, from King Saud University from where he graduated in 1993. He became a Member of the Board of Directors of Bank Aljazira at the beginning of 2019. Currently, he holds the position of Advisor to the CEO of Dallah and has held that position since 2008. He is the Founder & Managing Partner of Mauthouq Financial Consultancy and has held that position since 2017. Prior to that, he held various top management positions in different Banks and Investment Companies, including being Managing Director and CEO of Itqan Capital Company from 2011 to 2017, Chief Investment Officer, Dallah between 2006 - 2011, Team Leader, Corporate & Investment Banking SAMBA Financial Group between 2002 - 2006 and Relationship Officer, Corporate Banking, Banque Saudi Fransi from 1994 to 2002.

## Ahmad Abdul Raheem Mashaee – Governance Officer

Mr. Meshaiie has over 16 years of Islamic investment banking and finance experience in various banks in Bahrain where he concentrated in the areas of Financial & Management Reporting, Regulatory Reporting, Compliance, Strategic Financial Planning, and Investment Banking. Prior to joining Dallah, Mr. Meshaiie was Head of Group Regulatory Reporting in Bank Alkhair - Bahrain. He holds a bachelor's degree in accounting from the University of Bahrain and he is a Certified Islamic Professional Accountant (CIPA) which qualification he obtained from the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI)

### 7.5 Corporate structure



### 7.6 Registered addresses and contact information

<p>The Offeror</p>	<p>Dallah AlBaraka Holding Company B.S.C.(c)          Unit 151, Building 1006, Road 2813, Block 428, Al Seef, Kingdom of Bahrain          Telephone: +973 77977666          Fax: +973 13118008          Web: www.dallah.com          Email: a.meshaie@dallah.com</p>
<p>Financial Advisor to the Offeror</p>	<p>SICO B.S.C.(c)          Bahrain World Trade Centre, East Tower, 16th Floor, Manama, Kingdom of Bahrain          Telephone: +973 17 515000          Web: www.sicobank.com          Email: agent@sicobank.com</p>

## 8 Overview of Bahrain's banking sector

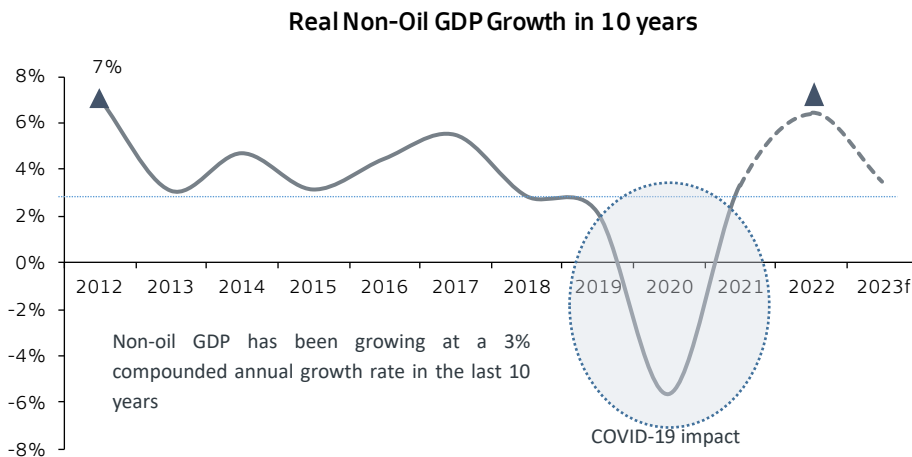
### Economy Overview

The economy in Bahrain rebounded from the pandemic with annual real growth having accelerated to 4.9% in 2022, which was the fastest growth rate recorded in Bahrain since 2013. This strong rebound was driven by the non-oil sector which expanded by a remarkable 6.2% in real terms. The oil sector, in contrast, saw a decline of 1.4%.

#### Non-Oil Sector

A broad-based recovery in the non-oil sector drove an expansion with many sectors recording historic growth rates. The preliminary data published by the Bahrain Ministry of Finance and the e-Government Authority for 2022 showed the fastest non-oil growth in ten years at 6.2% in real terms. The hotels and restaurants sector achieved the fastest real growth rate in 2022, recording a growth of 13.9% as activity normalised following COVID-related disruptions and as regional tourism flows resumed. The announcement of infrastructure projects is expected to continue contributing to economic diversification and job creation.

Exhibit 1. The non-oil sector had a strong recovery in 2022



Source: SICO Research, CIO, MOFNE

### Banking Sector Overview

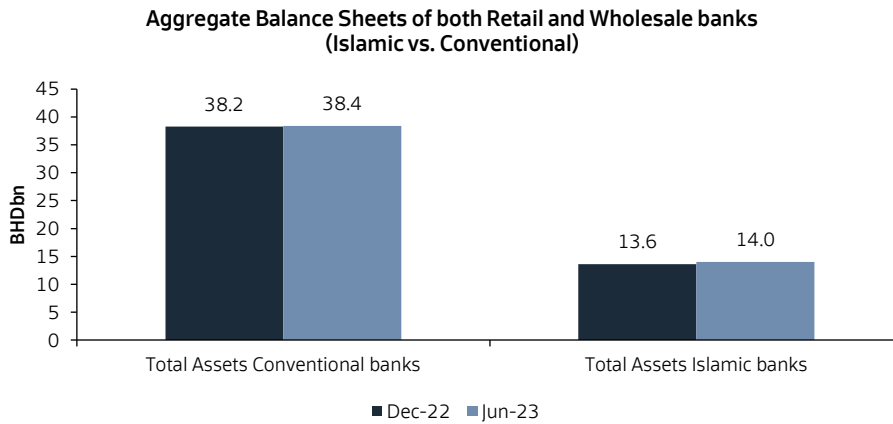
The financial corporations sector recorded the highest growth rate during Q4 2022, achieving a real growth of 8.2%. The sector recorded growth of 4.1% in 2022 due with an increase in the value of domestic deposits of 3.5%, outstanding loans by retail banks of 3.6%, and the balance sheet of the banking system of 3.0%.

The size of the assets of the banking sector in Bahrain was USD 224.1 billion as of December 2022 (6.6 times GDP). Retail banking total assets continued growing to BD 38.2 billion (USD 101.7 billion) in December 2022, the wholesale banking sector showed an increase to USD 122.4 billion, and the Islamic banking sector assets (which represent 15.8% of the total banking sector assets) increased to USD 35.3 billion. Total credit to the private sector (business and personal) by retail banks increased to BD 10.7 billion, a growth of 4.7%. The deposit base also witnessed growth to BD 19.0 billion in December 2022 with 76.9% being domestic deposits that had a 3.5% YoY increase.

The financial sector is the largest non-oil contributor to GDP representing 17.5% of real GDP in 2022 (compared to 17.7% in 2021, 17.1% in 2020). At the end of December 2022, there were 364 licenses issued by CBB (bank and non-bank financial institutions), with the banking sector comprising circa 86 banks, categorized as follows:

- Retail banks: 30 retail banks that include 24 conventional (7 locally incorporated and 17 branches) and 6 Islamic retail banks; and
- Wholesale banks: 56 wholesale banks that include 48 conventional and 8 Islamic.

**Exhibit 2. Asset base of Conventional vs. Islamic Banks in Bahrain**



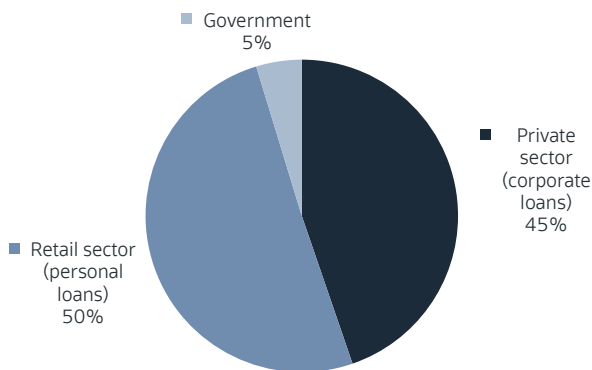
Source: SICO research, Central Bank of Bahrain, Bloomberg, company financials

**Lending**

Domestic credit by retail banks increased from BD 10.9 billion in December 2021 to BD 11.3 billion in December 2022, a 3.6% YoY increase. Credit provided to the private sector (business and personal) witnessed a YoY increase of 4.7% moving from BD 10.4 billion in December 2021 to BD 10.7 billion in December 2022. Business lending contributed 43.8% of total lending and personal lending contributed 50.6%. The personal (retail) sector was the main driver of the growth in credit financing in 2022 led mainly by mortgage lending. Retail banks’ lending to the government saw an increase of BD 175.4 million (38.6% YoY increase) in 2022 to BD 629.8 million.

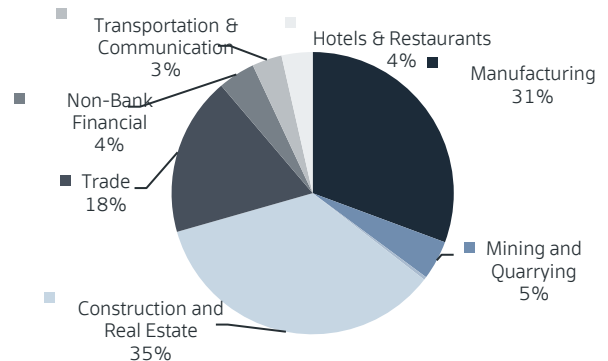
Interest rates on personal loans started off at 4.96% in June 2022 and increased to 6.44% in December 2022. The increase in rates is a reflection the CBB raising its key policy interest rate multiple times throughout 2022. Average interest rates on business loans fluctuated throughout 2022, but had an overall increasing trend with recent highs in November 2022 at 8.29% and at 7.59% in December 2022.

**Exhibit 3. Retail bank loans broken down by segment**



Note: Data as of 1Q23  
Source: SICO research, Central Bank of Bahrain

**Exhibit 4. Corporate loans broken down by sector**

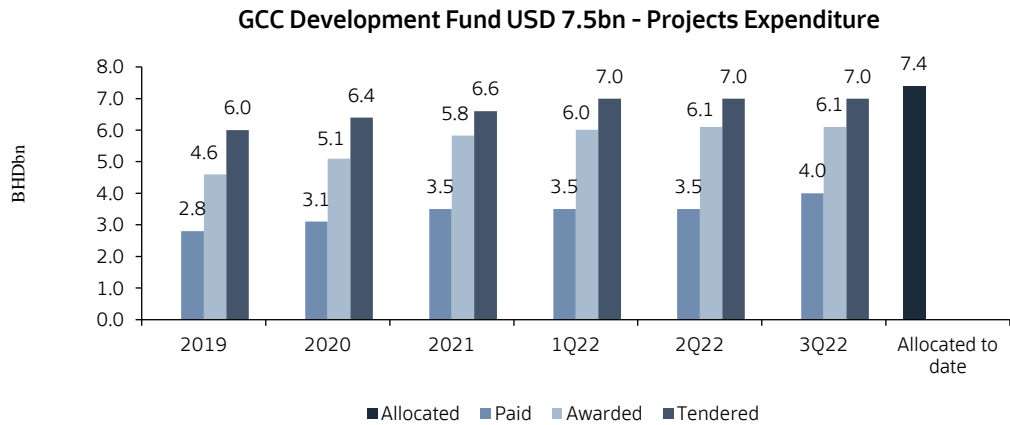


Source: SICO research, Central Bank of Bahrain

## Project spending to support lending to the private sector

Development projects financed by the GCC Development Fund showed positive progress in Q4 2022 with projects valued at USD 5 million being awarded. The total cumulative value of awarded projects to date reached USD 6.11 billion, an increase of 4.7% YoY. The majority of these projects are infrastructure, utility, and housing projects accounting for over 70% of the total development fund allocation.

Exhibit 5. GCC Development Fund: USD 7 billion worth of projects have been tendered; USD 6.1 billion awarded



Note: This is out of budget project expenditure. Amounts relating to the GCC Development Fund are received from the Saudi Fund, the Kuwait Fund and the Abu Dhabi Fund. Source: SICO Research, Ministry of Finance and National Economy

## Sector Performance

The overall banking sector's profitability indicators have been stable between December 2021 and December 2022. Return-on-assets (ROA) increased to 1.2% in December 2022 from 1.1% in December 2021. As of year end December 2022, return-on-equity (ROE) increased to 8.4% from 7.8% in December 2021. Net interest income (as a % of total income) stood at 70.3% in December 2021. In addition, operating expenses as a proportion of total income was 50.4% in December 2022, a decrease from the 52.4% registered in December 2021.

Between December 2021 and December 2022, the overall loan-to-deposit ratio decreased from 69.8% to 68.5%. Liquid assets as a proportion of total assets decreased from 26.2% to 25.3%, over the same period.

The non-performing loans (NPLs) ratio continued its decrease reaching 3.0% in December 2022 from 3.2% in December 2021. Data on NPLs by time segment (up to 1 year, 1 year to 3 years, and over 3 years) show that the majority of NPLs in the banking sector are for a period of over 3 years (55.2% of total NPLs). Concentration of NPLs by sector shows that the majority of NPLs come from financial (15.0%), manufacturing (12.3%) and other sectors (15.3%).

Capitalisation of banks remains strong, with capital adequacy ratios (CAR) for conventional retail banks increasing from 20.6% in December 2021 to 21.5% in December 2022. The core capital ratio (ratio of Tier 1 capital to risk-weighted assets) also increased from 19.2% in December 2021 to 20.1% in December 2022. The leverage ratio (ratio of assets over capital) remained stable at 6.8% during the same period. The NPLs net provisions to capital decreased to 3.3% in December 2022 from 4.3% in December 2021.

Overall, the banking sector has displayed resilience and strong durability given the disruption caused by the pandemic. Banks were able to recalibrate their strategies to retain optimal levels of profitability and liquidity weathering global economic distress.

Source: Ministry of Finance Economic Reports, CBB Financial Stability Report, SICO Research, CBB Monthly Bulletins

## 9 **Dallah post-acquisition strategy**

### 9.1 **ABG – Commercial registration, legal status and trade name**

- 9.1.1 Following the successful implementation of the Offer and the Acquisition, Dallah intends to maintain ABG's commercial registration.
- 9.1.2 Following the announcement that the Offer is unconditional in all respects, Dallah intends to finalise the delisting of ABG from the BB in accordance with the TMA Module and the conversion of ABG into a closed Bahrain shareholding company.
- 9.1.3 ABG will continue to operate in the normal course of business and maintain its operations. It is not expected that there will be any disruption to or cessation of any significant line of operations of ABG or the ABG Group as a result of the proposed Acquisition of shares under the Offer.

### 9.2 **ABG current employees, organizational structure and management of ABG and its subsidiaries**

Save for any changes due to regulatory requirements, the successful completion of the Offer will not impact the current organizational structure except for any changes which may be implemented as part of ABG's existing strategy, or as identified in the other subsections of section 9 (*Dallah Post-Acquisition Strategy*).

### 9.3 **Strategic plans for ABG**

ABG operates regionally through its subsidiaries and associates in Jordan, Lebanon, Egypt, Tunisia, Bahrain, Sudan, Turkey, South Africa, Algeria, Pakistan, Syria and Germany, as well as two branches in Iraq and a representative office in Libya.

### 9.4 **Changes to the business of ABG**

ABG will continue to operate in the normal course of business and no major changes are expected in the near term.

### 9.5 **Long term commercial justification for the Offer**

Dallah believes, through its significant current shareholding in the Offeree, both directly and in combination with the other Connected ABG Shareholders, that further increasing its shareholding through the Offer, and an election by the board of ABG to convert ABG into a closed Bahraini shareholding company, will better serve ABG's long term objectives. The Offeror is of the view that the listing has not resulted in improved valuations for ABG nor has the listing promoted share trading liquidity as illustrated by the limited trading activity in ABG's shares on the BB. The Offeror is of the view that converting ABG into a closed company would focus the restructuring of ABG's activities (if and when required) and would release ABG from the demanding requirements of being listed together with the additional costs of such listing.

## 10 Share ownership in ABG

10.1 Currently, the following shareholders own 5% or more shares in ABG:

<b>Al Baraka Group B.S.C.</b>	<b>% owned in ABG</b>	<b>No. Outstanding of Shares</b>
Dallah AlBaraka Holding Company B.S.C.	54.746%	680,431,667
AlTawfeek Company for Investment Funds	19.32%	240,173,054
Abdulla AbdulAziz AlRajhi	7.03%	87,313,197

10.2 Dallah has not purchased or sold ABG Shares during the 12-month period prior to the date of this Offer Document.

10.3 Sadin Holding Company, a Connected ABG Shareholder and an owner of shares in Dallah, has acquired 5,400,110 ABG Shares equal to 0.434% of the issued and paid-up share capital of ABG within the twelve (12) month period prior to the date of this Offer Document, but has not acquired any shares in ABG in the six (6) month period immediately prior to the date of this Offer Document.

10.4 No arrangement, agreement or understanding including any compensation agreement, exists in connection with the Offer between Dallah and any person acting in concert with it and the directors of ABG or the ABG Shareholders.

10.5 The Connected ABG Shareholders have confirmed to Dallah that they will not take up the Offer.

## 11 The Offeror's confirmatory statements

The Offeror confirms that:

- 11.1 settlement of the Offer consideration to which all of the Offeree's shareholders are entitled under this Offer will be implemented in full in accordance with the terms of this Offer;
- 11.2 no arrangements involving rights over shares, nor any indemnity agreements, nor any agreements or understandings, both formal or informal, relating to the shares pertaining to this Offer (that may be an inducement to deal or refrain from dealing) exist between the Offeror or any person acting in concert with the Offeror and any other party;
- 11.3 none of the ABG Shares being acquired in pursuance of the Offer will be transferred to any other persons; and
- 11.4 it has not entered nor made any agreements, arrangements or understandings, nor has it undertaken any compensation agreements, both directly or through any person acting in concert with the Offeror, in connection with the Offer with the directors or shareholders of the Offeree other than as disclosed in this Offer Document.



## 12 Market price and historical stock trading summary

12.1 ABG shares are traded on the BB. Below are the market closing prices of ABG shares on the following key dates:

**On 28 September 2023, the Last Practicable Date** ABG shares closing market price on BB on 28 September 2023 was USD 0.275 per share. The Offer price of USD 0.30 per share is 9.1% higher.

**On 19 July 2023, the last Business Day prior to the date of the initial announcement of 20 July 2023** ABG shares closing market price on BB on 19 July 2023 was USD 0.310 per share. The Offer price of USD 0.30 per share is 3.2% lower.

12.2 Over the period commencing six months prior to the dispatch of the Offer and ending on the Last Practicable Date, the lowest closing price, of USD 0.275 per ABG share on BB was on 31 August 2023. The Offer price of USD 0.30 per share is 9.1% higher.

12.3 Over the period commencing six months prior to the dispatch of the Offer and ending on the Last Practicable Date the highest closing price of USD 0.319 per ABG share on BB was on 14 May 2023. The Offer price of USD 0.30 per share is 6% lower.

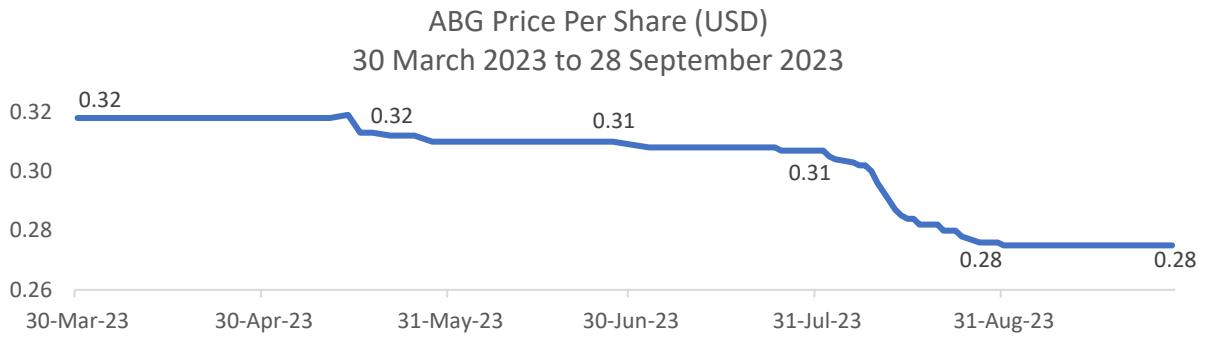
12.4 Over the six months prior to and up to the Last Practicable Date, the volume weighted price per ABG share on days where the share traded was USD 0.298 (data for the volume weighted price calculations were sourced from Bloomberg). The Offer price of USD 0.30 per share is 0.7% higher.

12.5 The following table details the closing price for the ABG Shares at the end of each of the calendar months (where price quotes were available through BB's website) during the period commencing six months prior to the commencement of the Offer Period and ending on the Last Practicable Date:

	<b>Closing price per share on BB (USD)</b>	<b>Comparison to the Offer Price of USD 0.30 per share</b>
<b>Last Practicable Date</b>	0.275	The Offer price is 9.1% higher
<b>31 August 2023</b>	0.275	The Offer price is 9.1% higher
<b>30 July 2023</b>	0.307	The Offer price is 2.3% lower
<b>27 June 2023</b>	0.310	The Offer price is 3.2% lower
<b>31 May 2023</b>	0.310	The Offer price is 3.2% lower
<b>30 April 2023</b>	0.318	The Offer price is 5.7% lower
<b>30 March 2023</b>	0.318	The Offer price is 5.7% lower

12.6 ABG average closing market price on all trading days on the Bahrain Bourse during the three months between 1 June 2023 and 31 August 2023 (inclusive) was USD 0.302. The Offer price of USD 0.30 per share is 0.7% lower.

12.7 Market price movement of ABG Shares for the period from 30 March 2023 to 28 September 2023 is shown in the charts below:



## 13 Effect of the Acquisition

### 13.1 Legal consequences of the Acquisition

13.1.1 The Acquisition, if completed, will result in Dallah becoming the legal owner of up to 77.37% (in combination with the Connected Shareholders, Dallah would hold up to 100%) of the ABG Shares together with all rights and interests associated with such ownership.

13.1.2 All ABG Shares to be sold to Dallah pursuant to the Offer must be free from any and all charges, liens and other encumbrances.

### 13.2 No special benefits to executives, managers and directors

13.2.1 No payments of any kind will be made by Dallah to the executive managers, the directors or the employees of ABG in connection with the Offer or the Acquisition, except as ordinary settlement pursuant to the Offer for any ABG Shares held by such persons.

13.2.2 Dallah's executive managers, its directors and its employees will not receive any payments of any kind from ABG or any other third party in connection with the Offer, except as ordinary settlement pursuant to the Offer for any ABG Shares held by such persons.

### 13.3 The effect of the Offer on the directors of the Offeror

Subject to any legal and regulatory requirements as may be, or have been, introduced in Bahrain, the Offer and the Acquisition are not expected to have any material effect on the current directors of Dallah and no change in the composition or the number of members of the ABG Board of Directors are expected to be effected or triggered by the Offer or the Acquisition.

### 13.4 Impact on ABG's employees

The successful completion of the Acquisition will not result in any immediate effect on ABG's employees and there is no current intention to implement changes in management or organizational structure.

## 14 Risk factors

In deciding whether to accept the Offer, ABG Shareholders should carefully read this document and consider the risk factors set out in this section 14 (*Risk Factors*). Additional risks and uncertainties not presently known to Dallah, or which Dallah currently considers to be immaterial, may also have an adverse effect on the ABG Group.

### 14.1 Risks relating to the Offer and the Acquisition

#### 14.1.1 Regulatory authorities may delay or prevent the Offer taking place

The Offer is subject to certain risks and uncertainties, including the inability of Dallah and ABG to obtain the necessary resolutions, approvals and other relevant consents (regulatory, governmental or otherwise) for the implementation of the Offer, the Acquisition, the conversion and the proposed delisting. Any delay in obtaining the required approvals may also postpone the execution of the Offer, the Acquisition, the conversion and the delisting, which Dallah currently expects to take place over 2023. The Offer requires the receipt of consents and approvals from regulators in Bahrain (including the CBB and the MOIC). Although Dallah intends to pursue vigorously all required regulatory consents and approvals, and although it is not aware of any reason why it would not be able to obtain the necessary approvals in a timely manner, these approvals may not be granted or may be delayed.

#### 14.1.2 If the conditions to, and the procedural requirements of, the Offer (set out in section 05.7 (*Conditions Precedent to the Offer*) and section 6 (*Procedures for Accepting the Offer*) of this document) are not satisfied or waived (where applicable), the Acquisition may not take place or may be delayed

The Offer is conditional on a number of conditions as set out in section 0 (*Conditions Precedent to the Offer*) of this document. If any of these conditions are not satisfied or waived (where applicable), then there is a risk that the Offer will not take place. Further, in order to implement the Offer, the procedural requirements set out in section 6 (*Procedures for Accepting the Offer*) of this document must be satisfied. If any such requirement is not satisfied, then the Offer may not take place (or, in certain circumstances, the implementation of the Offer and the Acquisition may be delayed).

#### 14.1.3 Trading price of the ABG Shares may be volatile until the Offer takes place

Given the awareness in the market of the Offer, it is likely that there will be increased volatility in the share price of the ABG Shares until the Offer and the Acquisition are finalised, following which it is anticipated that ABG will be delisted from the BB.

### 14.2 Risks relating to the effects of delisting

ABG Shareholders not accepting the Offer will remain shareholders in a closed Bahraini shareholding company following the delisting and conversion of ABG. They will therefore be exposed to the liquidity risk by remaining as shareholders as they will have no exit option through the BB. The rights and obligations of such remaining ABG Shareholders will be governed by the memorandum and articles of association of ABG as amended from time to time.

## 14.3 Risks relating to the MENA region and Bahrain

### 14.3.1 Bahrain has a commodity and services economy

A significant part of ABG's operations is in the Middle East, North Africa, and Turkey and accordingly its business and results of operations are, and will continue to be, generally affected by the financial, political and general economic conditions prevailing from time to time in North Africa, Turkey, Bahrain and/or the Middle East generally.

These markets are subject to risks similar to other developed and developing markets, including in some cases significant legal, economic and political risks.

### 14.3.2 Continued instability and unrest in the MENA region may adversely affect the economies in which Dallah and ABG operate

Adverse changes to market conditions have historically meant reductions in liquidity, greater volatility, widening of credit spreads and lack of price transparency in credit and capital markets. The ABG Group's businesses and financial performance may be affected by the financial, political and general economic conditions prevailing from time to time in Bahrain and the Middle East, Turkey and North Africa.

### 14.3.3 Risks arising from uncertainties relating to the legal and regulatory systems in certain of the countries in which the ABG Group will operate after the Acquisition

Some of the countries in which ABG's Group currently operates are in various stages of developing institutions and legal and regulatory systems. Some of these countries are also in the process of transitioning to a market economy and, as a result, are experiencing changes in their economies and their government policies (including, without limitation, policies relating to foreign ownership, repatriation of profits, property and contractual rights) that may affect the ABG Group's investment in those countries.

The procedural safeguards of the legal and regulatory regimes in these countries are still developing and, therefore, existing laws and regulations may be applied inconsistently. There may be ambiguities, inconsistencies and anomalies in the interpretation and enforcement of laws and regulations. All of these factors could affect ABG and its group's ability to enforce its rights under its contracts or to defend itself against claims by others.

### 14.3.4 Risks arising from unlawful or arbitrary governmental action

Governmental authorities in some of the countries in which ABG and its group operate have a high degree of discretion and, at times, might act selectively or arbitrarily, without hearing or prior notice, and sometimes in a manner that might override published regulations or be influenced by political or commercial considerations. Any such action could have an adverse effect on the ABG Group's business, financial condition and results of operations.

### 14.3.5 Risks associated with regulatory changes

ABG and its group are subject to a number of prudential and regulatory controls designed to maintain the safety and soundness of banks, ensure their compliance with economic, social and other objectives and limit their exposure to risk. These regulations include Bahraini laws and regulations, as well as the laws and regulations of the other countries in which ABG and its group operates. Such regulations may limit ABG and its group's ability to lend to a single borrower or group of related borrowers, increase its loan/financing receivable portfolios or raise capital or may increase its cost of doing business.

Any changes in such laws and regulations and/or the manner in which they are interpreted or enforced may have a material adverse effect on the ABG Group's business, results of operations, financial condition and prospects.

### 14.3.6 Risks relating to overseas shareholders

ABG Shareholders who are not resident in Bahrain or who are nationals or citizens of other jurisdictions (overseas shareholders) may face particular risks in relation to their shareholdings. For example, if ABG were in future to make an offer of its shares to existing shareholders, the ability of overseas shareholders to participate in such further offering may be affected by the laws of relevant jurisdictions that prohibit or restrict securities offerings by overseas companies.

## 14.4 Risks relating to the global economy

### 14.4.1 Recovery from the COVID-19 impact

The outbreak of COVID-19 on a global scale had an effect on investment sentiment and resulted in sporadic volatility in global markets. COVID-19 was first identified in Wuhan, Hubei Province, China in late 2019 and spread rapidly around the globe. This resulted in countries around the world, including Bahrain, imposing varying levels of restrictions, which aimed to reduce in-person interactions. These measures, designed to slow the spread of COVID-19, resulted in significant reductions in economic activity globally. It remains unclear how long existing restrictions will be in place, the duration of possible future restrictions and what their ultimate impact will be on global and local economies.

COVID-19 resulted in temporary closures of many businesses which led to a number of precautionary measures across the globe. The curfews and lockdown measures and slower economic activity, particularly during the second quarter of 2020, had a significant adverse impact on the banking sector, including on ABG. Lower transaction volumes resulted in lower fees and commission income while the impact of non-oil GDP contraction, lower oil prices and lockdown measures increased the level of uncertainty around cash flows for certain customers of ABG's subsidiaries, which led to a significant increase in provision charges in 2020 compared to 2019.

Although the pandemic has slowed down, there remains to be a potential significant risk of future mutations of the virus that may lead to the reintroduction of precautionary measures and closures. The extent of COVID-19's impact on ABG's business, results of operations, and financial condition, as well as its regulatory capital and liquidity ratios, is difficult to quantify, however, Dallah continues to closely monitor the impact of the pandemic on the global economy,

on the countries in which ABG operates, on ABG's clients and on ABG itself. The pandemic led to a number of adjustments to specific elements of ABG's group operations and customer exposures including loan tenor extensions and adjustments to loan and credit card instalments. The actual impacts will depend on future events that are highly uncertain, including the extent, severity, and duration of the COVID-19 pandemic, and on the effectiveness of actions and measures taken by governments, monetary authorities, and regulators over the long term.

#### 14.4.2 **Russia / Ukraine War**

In February 2022, Russia launched a large-scale invasion of Ukraine. The extent and duration of the military action, resulting sanctions and future market disruptions in the region are extremely difficult to predict, but could be significant and may have a severe adverse effect on the region. Among other things, the conflict has resulted in increased volatility in the markets for certain securities and commodities, including oil and natural gas, and other sectors.

Following the invasion of Ukraine, the EU and countries such as the U.S., U.K., Switzerland, Canada, Japan, Australia and other countries and international organizations have imposed broad-ranging economic sanctions on Russia and certain Russian individuals, banking entities and corporations as a response to Russia's invasion of Ukraine. In March 2022, the U.S. announced that it would ban imports of oil, natural gas and coal from Russia. The impact of this announcement on commodities and futures prices is difficult to predict and depends on a number of factors, including whether other countries act in the same manner, but such impact could be significant.

Actual and threatened responses to Russia's invasion, as well as a rapid peaceful resolution to the conflict, may also impact the markets for certain commodities, such as oil and natural gas, and may have collateral impacts, including increased volatility, and cause disruptions to availability of certain commodities, futures prices and the supply chain globally. At this time, the situation is evolving and may evolve in a way that could have a negative impact on ABG and the banking sector as a whole in the future.

#### 14.4.3 **Global supply chain shortages**

COVID-19 has severely affected economies and financial markets since 2020. The introduction of lockdown measures and other restrictions internationally has caused economies around the world to contract. This resulted in a decline in trade, production capabilities and caused disruptions to supply chains. An example of the supply chain disruption is the shortage of consumer goods such as semiconductors which caused delays in the production of telephones and automobiles. Furthermore, ABG's business, operations, and cash flows may be significantly affected by any negative impact on the global economy, capital markets, or supply chain resulting from the conflict in Ukraine or any other geopolitical tensions.

## 15 Additional Information

### 15.1 Arrangements

- 15.1.1 No arrangements have been made involving rights over shares, indemnity arrangements or any other agreements or understandings relating to relevant securities which may be an inducement to deal or refrain from dealing between Dallah or any person acting in concert with Dallah. The Offeror confirms that the Connected ABG Shareholders shall not participate in the Offer.
- 15.1.2 Securities acquired in pursuance of this Offer shall be retained by Dallah and no arrangement has been made for transfer of securities acquired through this Offer to any other person.
- 15.1.3 Other than the Connected ABG Shareholders not participating in the Offer as stated in section 15.1.1, no arrangement, agreement or understanding, including any compensation agreement, exists in connection with the Offer between Dallah and the Connected ABG Shareholders and the ABG Board of Directors or ABG Shareholders.

### 15.2 Shareholding and dealings in ABG

Dallah has not purchased or sold ABG Shares during the 6 month period prior to the date of this Offer Document and holds 54.75% of the issued and paid-up share capital of ABG as of the date of this Offer Document. The Connected ABG Shareholders hold the following ABG Shares as of the date of this Offer Document

Name of Shareholder	% owned in ABG	No. of Shares
Dallah AlBaraka Holding Company B.S.C.	54.75%	680,431,667
AlTawfeek Company for Investment Funds	19.32%	240,173,054
Jordan Islamic Bank	1.95%	24,205,000
Market Making Account - SICO	0.58%	7,175,000
Sadin Holding Company	0.43%	5,400,110
Mohyedin Saleh Kamel	0.25%	3,087,987
Al-Tawfeek Development & Investment	0.06%	771,342
Abdulla Saleh Kamel	0.03%	338,598
AlTawfeek Development House(Holding)Co.	0.01%	155,666

ABG's market making activities were suspended on 18 September 2023. With the exception of the independently managed market making account, the remaining Connected ABG Shareholders have not purchased or sold ABG Shares during the 6 month period prior to the date of this Offer Document.

### 15.3 Documents on display

As of the date of this Offer Document, the following documents (or copies thereof) may be inspected by ABG Shareholders at the offices of the Offeree by appointment via [aghaffar@albaraka.com](mailto:aghaffar@albaraka.com):

- 15.3.1 the Memorandum and Articles of Association of Dallah;
- 15.3.2 the Board of Directors' resolution dated 19 June 2023;
- 15.3.3 notice of Firm Intention and Offer Summary from Dallah to ABG dated 3 October 2023;



- 15.3.4 detailed statement from the Financial Advisor indicating that they have taken all reasonable steps to convince themselves that sufficient resources available to implement the Offer; and
- 15.3.5 written consents of the Financial Advisor, the Legal Advisors and the Receiving Agent.

**The Offeror**

Unit 151, Building 1006, Road 2813, Block 428,  
Al Seef, Kingdom of Bahrain

Web: [www.dallah.com](http://www.dallah.com)  
Email: [a.meshaie@dallah.com](mailto:a.meshaie@dallah.com)

Telephone: +973 77977666  
Fax: +973 13118008

**Financial Advisor to the Offeror**

Bahrain World Trade Centre,  
East Tower, 16<sup>th</sup> Floor,  
Manama, Kingdom of Bahrain

Web: [www.sicobank.com](http://www.sicobank.com)  
Email: [agent@sicobank.com](mailto:agent@sicobank.com)  
Telephone: +973 17 515000

**Legal Advisors to the Offeror**

Bahrain World Trade  
Centre, West Tower, 7<sup>th</sup>  
Floor, Manama, Kingdom of  
Bahrain

Web: [www.trowers.com](http://www.trowers.com)  
Telephone: +973 14515600



ERA Business Centre,  
Building 361, Road 1705,  
Block 317, Diplomatic Area,  
18<sup>th</sup> and 19<sup>th</sup> Floor, Manama,  
Kingdom of Bahrain

Web: [www.hassanradhi.com](http://www.hassanradhi.com)  
Tel: +973 17535252

**Participating Branch**

Manama, Sea Front Building 370,  
Road 4611, Block 346,  
Manama, Kingdom of Bahrain

Web: [www.albaraka.bh](http://www.albaraka.bh)  
Telephone: +973 13300400

**Central Securities Depository**

Bahrain Financial Harbour  
Harbour Gate, 4<sup>th</sup> floor  
PO Box 3203  
Manama, Kingdom of Bahrain

Telephone: +973 17108781

## Schedule 1 – Privacy Notice

### 1 What is the purpose of this document?

1.1 The Receiving Agent is committed to protecting the privacy and security of your personal information.

1.2 This privacy notice describes how we collect and use personal information about you during and after the completion of your acceptance of the Offer and the transfer of shares under the terms of the Acceptance and Transfer Form, in accordance with Law No. 30 of 2018 regarding the Personal Data Protection Law (**PDPL**).

1.3 The Receiving Agent is a "data manager". This means that we are responsible for deciding how we hold and use personal information about you. We are required under the PDPL to notify you of the information contained in this privacy notice.

1.4 This notice applies to ABG Shareholders in respect of the Offer and those who have taken up the Offer. This notice does not form part of any contract with you and we may update this notice at any time but if we do so, we will provide you with an updated copy of this notice as soon as reasonably practical.

1.5 It is important that you read and retain this notice, together with any other privacy notice we may provide on specific occasions when we are collecting or processing personal information about you, so that you are aware of how and why we are using such information and what your rights are under the PDPL.

### 2 Data protection principles

2.1 We will comply with data protection law. This says that the personal information we hold about you must be:

2.1.1 used lawfully and fairly;

2.1.2 collected only for a lawful purpose that we have explicitly specified to you and not used in any way that is not compatible with the purpose for which it was collected;

2.1.3 adequate, relevant and not excessive for the purposes for which it was collected;

2.1.4 correct, accurate and kept up to date;

2.1.5 kept only as long as necessary for the purposes identified; and

2.1.6 kept securely.

### 3 The kind of information we hold about you

3.1 Personal data, or personal information, means any information about an individual from which that person can be identified. It does not include data where the identity has been removed (anonymous data).

3.2 There are certain types of more sensitive personal data which require a higher level of protection, such as information about a person's health or about criminal convictions.

3.3 We will collect, store, and use the following categories of personal information about you:

- 3.3.1 personal contact details such as name, title, addresses, telephone numbers, and personal email addresses;
- 3.3.2 date of birth;
- 3.3.3 gender;
- 3.3.4 bank account details and tax status information;
- 3.3.5 start date and completion date of your acceptance of the Offer and the transfer of shares;
- 3.3.6 copy of any identification documents;
- 3.3.7 application information; and
- 3.3.8 information about your use of our information and communications systems.

3.4 We may also collect, store and use the following more sensitive types of personal information:

- 3.4.1 information about your race or ethnicity, religious beliefs and political opinions;
- 3.4.2 biometric data; and
- 3.4.3 information about criminal convictions and offences.

#### **4 How is your personal information collected?**

4.1 We collect personal information about ABG shareholders through the application process directly from the ABG shareholders. We may sometimes collect additional information from third parties including credit reference agencies or other background check agencies.

4.2 We may collect additional personal information through the transfer of shares by you.

#### **5 How we will use information about you**

5.1 We will only use your personal information when the law allows us to. Most commonly, we will use your personal information in the following circumstances:

- 5.1.1 where we need to perform the contract we have entered into with you;
- 5.1.2 where we need to comply with a legal obligation; and
- 5.1.3 where it is necessary for legitimate interests pursued by us or a third party and your interests and fundamental rights and freedoms do not override those interests.

5.2 We may also use your personal information in the following situations, which are likely to be rare:

5.2.1 where we need to protect your interests (or someone else's interests); and

5.2.2 where it is needed in the public interest or for official purposes.

## 6 Situations in which we will use your personal information

6.1 We need all the categories of information in the list above primarily to allow us to perform our contract with you and to enable us to comply with legal obligations. In some cases we may use your personal information to pursue legitimate interests, provided your interests and fundamental rights and freedoms do not override those interests. The situations in which we will process your personal information are listed below:

6.1.1 making a decision about your application and determining the terms on which you accept the offer;

6.1.2 checking you are eligible to accept the Offer;

6.1.3 making arrangements for the acceptance by you of the Offer;

6.1.4 processing your application in respect of the Offer;

6.1.5 sharing your information as reasonably necessary and / or desirable in connection with the Offer; and

6.1.6 dealing with legal disputes involving you, or other applicants.

Some of the above grounds for processing will overlap and there may be several grounds which justify our use of your personal information.

6.2 If you fail to provide personal information

If you fail to provide certain information when requested, we may not be able to perform the contract we have entered into with you, or we may be prevented from complying with our legal obligations (such as to ensure the eligibility of those accepting the Offer).

6.3 Change of purpose

We will only use your personal information for the purposes for which we collected it, unless we reasonably consider that we need to use it for another reason and that reason is compatible with the original purpose. If we need to use your personal information for an unrelated purpose, we will notify you and we will explain the legal basis which allows us to do so.

6.4 Please note that we may process your personal information without your knowledge or consent, in compliance with the above rules, where this is required or permitted by law.

## 7 How we use sensitive personal information

7.1 Sensitive personal information requires higher levels of protection. We have in place an appropriate policy document and safeguards which we are required by law to

maintain when processing such data. We may process sensitive personal information in the following circumstances:

- 7.1.1 with your explicit written consent;
- 7.1.2 where we need to carry out our legal obligations or exercise rights in connection with employment;
- 7.1.3 where it is needed to conduct or defend any proceedings; and
- 7.1.4 where it is needed in the public interest, such as for equal opportunities monitoring.

Less commonly, we may process this type of information where it is needed in relation to legal claims or where it is needed to protect your interests (or someone else's interests) and you are not capable of giving your consent, or where you have already made the information public.

## 7.2 Situations in which we will use your sensitive personal information

- 7.2.1 In general, we will not process particularly sensitive personal information about you unless it is necessary for performing or exercising obligations.
- 7.2.2 We do not envisage that we will hold sensitive personal information.

## 8 Do we need your consent? Information about criminal convictions

8.1 We do not need your consent if we use certain categories of your personal information in accordance with our written policy to carry out our legal obligations. In limited circumstances, we may approach you for your written consent to allow us to process certain data. If we do so, we will provide you with full details of the information that we would like and the reason we need it, so that you can carefully consider whether you wish to consent. You should be aware that it is not a condition of your contract with us that you agree to any request for consent from us.

8.2 We may only use information relating to criminal convictions where the law allows us to do so. This will usually be where such processing is necessary to carry out our obligations and provided we do so in line with our data retention policy.

8.3 We do not envisage that we will hold information about criminal convictions.

8.4 We will only collect information about criminal convictions if it is appropriate and where we are legally able to do so. Where appropriate, we will collect information about criminal convictions as part of the application process or we may be notified of such information directly by you in the course of you working for us.

8.5 We are allowed to use your personal information in this way to carry out our obligations. We have in place an appropriate policy and safeguards which we are required by law to maintain when processing such data.

## Automated decision-making

9.1 Automated decision-making takes place when an electronic system uses personal information to make a decision without human intervention. We are allowed to use automated decision-making in the following circumstances without receiving your express written consent:

- 9.1.1 where it is necessary to process your application in respect of the Offer;
- 9.1.2 proceeding with our legitimate interests unless such is contrary to your fundamental interests;
- 9.1.3 take action at your request with a view to concluding a contract; and
- 9.1.4 to protect your vital interests.

9.2 You will not be subject to decisions that will have a significant impact on you based solely on automated decision-making, unless we have a lawful basis for doing so and we have notified you.

9.3 We do not envisage that any decisions will be taken about you using automated means, however we will notify you in writing if this position changes.

## 10 Data sharing

10.1 We may have to share your data with third parties, including third-party service providers and other entities in the group.

10.2 We require third parties to respect the security of your data and to treat it in accordance with the law.

10.3 We may transfer your personal information outside the Kingdom of Bahrain.

10.4 If we do, you can expect a similar degree of protection in respect of your personal information.

10.5 Why might you share my personal information with third parties?

10.6 We will share your personal information with third parties where required by law, where it is necessary to administer the relationship with you or where we have another legitimate interest in doing so.

10.7 Which third-party service providers process my personal information?

"Third parties" includes third-party service providers (including contractors and designated agents) and other entities within our group. The following activities may be carried out by third-party service providers: registry, custody, administration, advisory, compliance and IT services.

10.8 How secure is my information with third-party service providers?

All our third-party service providers are required to take appropriate security measures to protect your personal information in line with our policies. We do not allow our third-party

service providers to use your personal data for their own purposes. We only permit them to process your personal data for specified purposes and in accordance with our instructions.

#### 10.9 What about other third parties?

We may share your personal information with other third parties. In this situation we will, so far as possible, share anonymised data with the other parties. We may also need to share your personal information with a regulator the Offeror, the Offeree and the other parties outlined in the Offer Document to effect the Offer and process your application or to otherwise comply with the law.

#### 10.10 Transferring information outside the Kingdom of Bahrain

10.10.1 We may transfer the personal information we collect about you outside of the Kingdom of Bahrain in order to perform our contract with you. We anticipate that if such transfers are made this will be to the countries appearing on the "white list" as set out in Resolution No. 42 of 2022.

10.10.2 If your personal information is to be transferred to countries not on the list, we will put in place appropriate measures to ensure that your personal information is treated by those third parties in a way that is consistent with and which respects the PDPL.

### 11 **Data security**

11.1 We have put in place measures to protect the security of your information. Details of these measures are available upon request.

11.2 Third parties will only process your personal information on our instructions and where they have agreed to treat the information confidentially and to keep it secure.

11.3 We have put in place appropriate security measures to prevent your personal information from being accidentally lost, used or accessed in an unauthorised way, altered or disclosed. In addition, we limit access to your personal information to those employees, agents, contractors and other third parties who have a business need to know. They will only process your personal information on our instructions and they are subject to a duty of confidentiality.

11.4 We have put in place procedures to deal with any suspected data security breach and will notify you and any applicable regulator of a suspected breach where we are legally required to do so.

### 12 **Data retention**

12.1 We will only retain your personal information for as long as necessary to fulfil the purposes we collected it for, including for the purposes of satisfying any legal, accounting, or reporting requirements. Details of retention periods for different aspects of your personal information are available in our retention policy which is available upon request. To determine the appropriate retention period for personal data, we consider the amount, nature, and sensitivity of the personal data, the potential risk of harm from unauthorised use or disclosure of your personal data, the purposes for which we process your personal data and whether we can achieve those purposes through other means, and the applicable legal requirements.



12.2 In some circumstances we may anonymise your personal information so that it can no longer be associated with you, in which case we may use such information without further notice to you. Once the conditions precedent of the Offer have been satisfied and your shares have been transferred, or in the event that such conditions precedent are not met, we will retain and securely destroy your personal information in accordance with our data retention policy.

### 13 Rights of access, correction, erasure, and restriction

#### 13.1 Your duty to inform us of changes

It is important that the personal information we hold about you is accurate and current. Please keep us informed if your personal information changes during following the signature of the offer and acceptance form but prior to the transfer of the shares.

#### 13.2 Your rights in connection with personal information

Under certain circumstances, by law you have the right to:

- 13.2.1 request access to your personal information (commonly known as a "data subject request"). This enables you to receive a copy of the personal information we hold about you and to check that we are lawfully processing it;
- 13.2.2 request correction of the personal information that we hold about you. This enables you to have any incomplete or inaccurate information we hold about you corrected;
- 13.2.3 request erasure of your personal information. This enables you to ask us to delete or remove personal information where there is no good reason for us continuing to process it. You also have the right to ask us to delete or remove your personal information where you have exercised your right to object to processing (see below);
- 13.2.4 object to processing of your personal information where we are relying on a legitimate interest (or those of a third party) and there is something about your particular situation which makes you want to object to processing on this ground. You also have the right to object where we are processing your personal information for direct marketing purposes;
- 13.2.5 request the restriction of processing of your personal information. This enables you to ask us to suspend the processing of personal information about you, for example if you want us to establish its accuracy or the reason for processing it; and
- 13.2.6 object to processing of your personal information where such processing results in damage, whether material, moral and unjustified, to you or to others or where there are reasonable grounds to believe that such damage could result from such processing.

If you want to review, verify, correct or request erasure of your personal information, object to the processing of your personal data, or request that we transfer a copy of your personal information to another party, please contact [agent@sicobank.com](mailto:agent@sicobank.com) in writing.

### 13.3 No fee required

You will not have to pay a fee to access your personal information (or to exercise any of the other rights).

### 13.4 What we may need from you

We may need to request specific information from you to help us confirm your identity and ensure your right to access the information (or to exercise any of your other rights). This is another appropriate security measure to ensure that personal information is not disclosed to any person who has no right to receive it.

## 14 **Right to withdraw consent**

In the limited circumstances where you may have provided your consent to the collection, processing and transfer of your personal information for a specific purpose, you have the right to withdraw your consent for that specific processing at any time. To withdraw your consent, please contact [agent@sicobank.com](mailto:agent@sicobank.com). Once we have received notification that you have withdrawn your consent, we will no longer process your information for the purpose or purposes you originally agreed to, unless we have another legitimate basis for doing so in law.

## 15 **Changes to this privacy notice**

We reserve the right to update this privacy notice at any time, and we will provide you with a new privacy notice when we make any substantial updates. We may also notify you in other ways from time to time about the processing of your personal information.

If you have any questions about this privacy notice, please contact [agent@sicobank.com](mailto:agent@sicobank.com).