

Methaq Takaful Insurance Company PJSC
Invitation to the Shareholders to subscribe for New
Shares in a Capital Increase



Methaq Takaful Insurance Company PJSC ("Methaq" or the "Company") hereby invites its shareholders to subscribe for new shares, by way of a capital increase, as approved by the general assembly of the Company on 26 November 2024 (the "General Assembly") and the Securities and Commodities Authority (the "Authority" or "SCA").

1. Decision of the Capital Increase:

The General Assembly of the Company in its meetings held on 26 November 2024 resolved to approve the increase of the Company's issued share capital from AED 150,000,000 (one hundred fifty million Dirhams) to an amount of AED 537,596,899 (five hundred thirty-seven million and five hundred ninety-six thousand and eight hundred ninety nine Dirhams), by way of a capital increase (the "Capital Increase"). The Capital Increase will amount to AED 50,000,000 (fifty million Dirhams) by issuing up to 387,596,899 (three hundred eighty seven million and five hundred ninety six thousand and eight hundred ninety nine) new shares (the "New Shares" and each a "New Share"), the New Shares will be issued at an issue price of AED 0.129 (the "Issue Price"), and a discount price of AED 0.871 with a nominal value of AED 1.00 for each New Share. The General Assembly authorised the Board of Directors of the Company to determine and fix the dates, size and terms of the Capital Increase, and to take all necessary steps to implement the capital increase.

2. Amount of share capital increase and issue price:

The capital of the Company will be increased by up to AED 50,000,000 (fifty million Dirhams) in order to raise the capital from AED 150,000,000 (one hundred fifty million Dirhams), to an amount of AED 537,596,899 (three hundred eighty seven million and five hundred ninety six thousand and eight hundred ninety nine Dirhams) by creating up to 387,596,899 (three hundred eighty seven million and five hundred ninety six thousand and eight hundred ninety nine) New Shares.

The New Shares will be issued at an Issue Price of AED 0.129 and a discount price of AED 0.871 with a nominal value of AED 1.00 for each New Share. The difference between the Issue Price and nominal value will be recorded as a negative reserve that will be covered by the Company's future profits and the Company will not distribute any dividends until this reserve is covered.

3. General Information on the Company and the Capital Increase:

- Company's Name: Methaq Takaful Insurance Company PJSC
- Registration Number and Date with the Competent Authority: CN-1142419 issued on 24 March 2008.
- Head office: Abu Dhabi, United Arab Emirates.
- Purpose of the Company: It is primarily engaged in Takaful and Re-Takaful activities.
- Current Share Capital: AED 150,000,000 (one hundred fifty million Dirhams).
- Current Number of Shares: 150,000,000 (one hundred fifty million) shares.
- Listing Venue: Abu Dhabi Securities Exchange ("ADX")
- Nominal Value of each Share: One Dirham or AED 1.00. (The New Shares will be issued at an Issue Price of AED 0.129 and a discount price of AED 0.871.)
- Purpose of capital increase: To provide financial stability and liquidity to the company and to rebalance the company's financial structure.
- Auditor: Grant Thornton.
- Lead Manager and Bookrunner: Abu Dhabi Commercial Bank PJSC.
- Sole Receiving Bank: Abu Dhabi Commercial Bank PJSC.

4. Subscription Conditions:

- Right to Subscribe:
 - The Capital Increase will be conducted through the issue of New Shares pursuant to the Decree of the Authority's Chairman of the Board No.11 RM of 2016 concerning the Regulations of the Offering and Issuance of Shares of Public Joint Stock Companies (as amended) to registered shareholders of the Company (the "Shareholders" and each a "Shareholder") as at the close of business of the ADX on Friday 14 March 2025 (the "Eligibility Date"). No rights will be issued. The Capital Increase will be made exclusively available to shareholders registered in the Company's shareholder register as of 14 March 2025, as indicated in the shareholder register maintained by the ADX.
- Subscription period:
 - Subscription for the New Shares will take place within the period below (the "Subscription Period"). During the Subscription Period, Shareholders (the "Eligible Persons" and each an "Eligible Person") will be allowed to subscribe for the New Shares at the Issue Price.
 - Subscription Opening Date: Monday 24 March 2025
 - Subscription Closing Date: Friday 28 March 2025
 - The Subscription Period will be open for 5 business days.
- Subscription to Unsubscribed Additional New Shares:
 - Existing Shareholders have the right to apply for the subscription of additional New Shares (the "Additional New Shares"), which will be allocated in case there is a surplus of New Shares that remain unsubscribed due to the aggregation of fractional shares.

The allocation of New Shares will be carried out as follows:

Firstly, the New Shares will be allocated to Eligible Persons who subscribed for New Shares, in proportion to the number of New Shares they subscribed for. Secondly, to the extent that any New Shares remain unsubscribed thereafter, to Eligible Persons who subscribe for Additional New Shares in an amount equal to the number of Additional New Shares for which they have applied in excess of the number of shares they respectively hold.

The allocation of Additional New Shares to Eligible Persons who have subscribed for Additional New Shares will be allocated after allocations to Eligible Persons who have subscribed for a number of New Shares equal to or less than the number of shares they hold will be on a pro rata basis, scaled back (if necessary) in accordance with the proportion that the number of Additional New Shares requested by the Eligible Person represents to the total number of Additional New Shares requested by all Eligible Persons who subscribed for Additional New Shares. Therefore, no guarantee that Eligible Persons applying for Additional New Shares will receive the number of Additional New Shares for which they applied. No Eligible Person will receive more New Shares than the number for which they subscribed during the Subscription Period.

The following procedures will be followed regarding the allocation of shares:

1. The New Shares will be allocated to Eligible Persons requesting subscription in proportion to their existing holdings, provided it does not exceed the number of shares each has applied for.
2. to the extent that any New Shares remain unsubscribed, they will be allocated to Eligible Persons who applied for a number of shares exceeding their current holdings.

- Ownership limitations: The percentage of ownership held by nationals of the UAE or Gulf Cooperation Council (GCC) member states—or through legal entities wholly owned by such nationals—must not be less than 51% of the Company's issued share capital.
- Dividends: The New Shares will rank pari passu with the Company's existing shares including the right to receive all future dividends and other distributions declared, made or paid after the Eligibility Date.

Subscription applications: Subscription applications are available at any of the branches of the Sole Receiving Bank listed in paragraph 10 below.

Each subscriber may submit a subscription application (i) in the case of a subscription application by a natural person, in his or her personal name (unless he or she is acting as a representative for another subscriber, in which case the subscription application will be submitted in the name of such subscriber) or (ii) in the case of a subscription application by a corporate entity, in its corporate name.

Subscribers must complete all of the relevant fields in the subscription application along with all required documents and submit it to the Sole Receiving Bank together with the subscription amount during the Subscription Period.

The completed subscription application should be clear and fully legible. If it is not, the Sole Receiving Bank shall refuse to accept the subscription application from the subscriber until the latter satisfies all the required information or documentation before the close of the subscription.

Subscription for New Shares would deem the subscriber to have accepted the terms of this invitation and Articles of Association of Methaq and comply with all the resolutions issued by the Company's General Assembly Meeting. Any conditions added to the subscription application shall be deemed null and void. The subscription application should only be fully completed after reviewing this invitation Methaq's Articles of Association. The subscription application then needs to be submitted to any of the Sole Receiving Bank's participating branches mentioned under Participating Branches of Abu Dhabi Commercial Bank or through electronic channels.

The Sole Receiving Bank may also have its own electronic channels (on-line internet banking applications, mobile banking applications, etc.) interfaced with the ADX eKetaab IPO system. By submitting the electronic subscription application, the customer submitting the application is accepting the terms and conditions on behalf of the subscriber to pay the total subscription amount by debiting the amount from the respective bank account of the respective bank account of the customer and transferring the same to the account in favour of "Methaq Takaful Insurance - RI" held at the Sole Receiving Bank, as detailed in the subscription application. The submission of an electronic application will be deemed to be sufficient for the purposes of fulfilling the identification requirements and accordingly, the supporting documentation in relation to applications set out elsewhere in this invitation will not apply to electronic applications under this section. Notification of the final allocation of New Shares and the refund of proceeds for unallocated New Shares (if any) and any profit thereon following the closing of the Subscription Period and prior to the listing of the shares shall be performed solely by, and processed through, the Sole Receiving Bank in which the electronic subscription application was submitted.

Abu Dhabi Commercial Bank – E-subscription

The Sole Receiving Bank may reject subscription applications submitted by any subscriber for any of the following reasons:

- If the subscriber details are not found in the final share register of Methaq Takaful Insurance Company as at the Eligibility Date;
- the subscription application form is not complete or is not correct with regard to the amount paid or submitted documents (and no offer participant takes responsibility for non-receipt of an allotment of New Shares if the address of the subscribers is not filled in correctly);
- the subscription application amount is paid using a method that is not a permitted method of payment;
- the subscription application amount presented with the subscription application does not match the minimum required investment or the increments set for the New Shares;
- the completed subscription application form is not clear and fully legible;
- the manager's cheque is returned for any reason;
- if the amount in the bank account mentioned in the subscription application form is insufficient to pay for the application amount mentioned in the subscription application form or the Sole Receiving Bank is unable to apply the amount towards the application whether due to signature mismatch or any other reasons;
- if the NIN is not made available to ADX or if the NIN is incorrect;
- if the subscription application is otherwise found not to be in accordance with the terms of this invitation;
- if the Subscriber is a natural person and is found to have submitted the subscription application other than in his or her personal name (unless he or she is acting as a representative for another subscriber);
- a subscriber has not adhered to its rules applicable to the New Shares;
- if it is otherwise necessary to reject the subscription application to ensure compliance with the provisions of the CCL, the Articles of Association, this Invitation or the requirements of the SCA or the ADX; or
- if for any reason FTS/SWIFT/online/mobile subscription channels transfer fails or the required information in the special fields is not enough to process the application.

The Sole Receiving Bank may reject the application for any of the reasons listed above at any time until allocation of the New Shares and have no obligation to inform the subscribers before the notification of the allocation of New Shares to such rejected subscribers.

The ADX website (www.ADX.ae) will be available for online applicants, who have an NIN and registered ADX eServices on the ADX website (www.ADX.ae) and holding a valid NIN, or by debiting the existing Shareholder's bank account via Central Bank Payment Gateway, to submit electronic subscriptions to the Sole Receiving Bank. The Sole Receiving Bank shall have its own electronic channels (such as online internet banking applications, ATMs, etc.) which shall be interfaced with the ADX system. Submitting the electronic subscription form will be deemed an acceptance by the applicant (and, if not the existing Shareholder, on behalf of the existing Shareholder) of the terms and conditions of this invitation to Shareholders and authorisation for the issuing Bank and the Sole Receiving Bank to pay the total subscription amount by debiting the amount from the respective bank account of the existing Shareholder and transferring the same to the bank account in favour of "Methaq Takaful Insurance Company" held at the Sole Receiving Bank as detailed in the subscription application. The submission of an electronic subscription application will be deemed sufficient for the purposes of fulfilling the identification requirements and, accordingly, the supporting documentation in relation to applications set out above will not apply to electronic applications.

- Issue Price: The New Shares will be issued at an Issue Price of AED 0.129 and a discount price of AED 0.871 with a nominal value of AED 1.00 for each New Share.
- Timing of payment: The New Shares subscribed for shall be paid upon submitting the subscription application.
- Methods of payment: The subscription application must be submitted by a subscriber to the Sole Receiving Bank participating branches listed in paragraph 10 below during the above mentioned subscription period, and the NIN with ADX and the subscriber's bank account number must be provided, together with payment in full for the amount it wishes to use to subscribe for the New Shares, which is to be paid in one of the following ways:
 - a) Certified bank cheque ("Manager's Cheque") drawn on a bank licensed and operating in the UAE, in favour of "Methaq Takaful Insurance Company";
 - b) Debiting an existing Shareholder's account with the Sole Receiving Bank; or
 - c) Electronic subscriptions (please refer to the section on electronic subscriptions below).

Details of the subscriber's bank account must be completed on the subscription application form even if the application amount will be paid by Manager's Cheque. The subscription amount shall not be paid or accepted by the Sole Receiving Bank using any of the following methods:

- in cash;
 - cheques (not certified); or
 - any other method of payment other than mentioned above.
- Sole Receiving Bank: Subscriptions shall be received by the Sole Receiving Bank through any of its branches listed in paragraph 10 below.
- Refunds: Refunds will be given to existing Shareholders who did not receive the full number of New Shares that they subscribed for. Refunds shall be completed no later than five business days from the date of allocation of the New Shares.

The amount to be refunded (i) shall be returned to the relevant Eligible Person's bank account with the Sole Receiving Bank or (ii) if payment of the subscription amount was made by Manager's Cheque, by sending a cheque to the relevant Eligible Person at the address stated in the subscription application or (iii) if payment was made via FTS / UAE PGS mode, it shall be returned to the relevant Eligible Person via bank transfer.

5. Allotment Policy

The allotment of the New Shares will be as stated, and in the same order, below:

Firstly, the New Shares will be allocated to Eligible Persons who subscribed for New Shares, in proportion to the number of New Shares they subscribed for. Secondly, to the extent that any New Shares remain unsubscribed thereafter, to Eligible Persons who subscribe for Additional New Shares in an amount equal to the number of Additional New Shares for which they have applied in excess of the number of shares they respectively hold.

The allocation of Additional New Shares to Eligible Persons who have subscribed for Additional New Shares will be allocated after allocations to Eligible Persons who have subscribed for a number of New Shares equal to or less than the number of shares they hold will be on a pro rata basis, scaled back (if necessary) in accordance with the proportion that the number of Additional New Shares requested by the Eligible Person represents to the total number of Additional New Shares requested by all Eligible Persons who subscribed for Additional New Shares. Therefore, no guarantee that Eligible Persons applying for Additional New Shares will receive the number of Additional New Shares for which they applied. No Eligible Person will receive more New Shares than the number for which they subscribed during the Subscription Period.

The following procedures will be followed regarding the allocation of shares:

1. The New Shares will be allocated to Eligible Persons requesting subscription in proportion to their existing holdings, provided it does not exceed the number of shares each has applied for.
2. to the extent that any New Shares remain unsubscribed, they will be allocated to Eligible Persons who applied for a number of shares exceeding their current holdings.

6. Required documents for subscribers:

Existing Shareholders shall submit the following documents, along with their subscription applications:

- A. For individuals who are UAE nationals, GCC nationals UAE residents, or nationals of any other country:
 - Existing Shareholders should have:

- a) a valid and a unified national investor number of ADX ("NIN")
- b) The original and a copy of a valid passport or Emirates identity card; and
- c) In case the signatory is different from the subscriber:
 - i. the duly notarized power of attorney held by that signatory or a certified copy by UAE-regulated persons/bodies, such as a notary public, or as otherwise duly regulated in the country;
 - ii. the original passport/Emirates ID of the signatory for verification of signature and a copy of the original passport/Emirates ID; and
 - iii. a copy of the passport/Emirates ID of the subscriber for verification of signature; or
 - d) In case the signatory is a guardian of a minor, the following will be submitted:
 - a. Original and copy of the guardian's passport/Emirates ID for verification of signature;
 - b. Original and copy of the minor's passport; and
 - c. If the guardian is appointed by the court, original and copy of the guardianship deed attested by the court and other competent authorities (e.g. notary public).

B. For applications where the method of payment is:

- Direct debit: the account holder or authorised signatory should be physically present at any of the branches of the Sole Receiving Bank listed in paragraph 10 below to authorise the transaction.
- Manager's Cheque: the Eligible Person or the representative of the Eligible Person can provide the Manager's Cheque at any of the branches of the Sole Receiving Bank listed in paragraph 10 below.

C. Corporate bodies including banks, financial institutions, investment funds and other companies and establishments (i.e. juridical persons):

- UAE registered corporate bodies:
 - i. Existing Shareholders should have an existing NIN at ADX;
 - ii. The original and a copy of a trade license or commercial registration for verification or a certified copy by one of the following UAE-regulated persons/bodies: a notary public or otherwise duly regulated in the country;
- The original and a copy of the document that authorizes the signatory to sign on behalf of the subscriber and to represent the subscriber, to submit the application, and to accept the terms and conditions stipulated in the Prospectus and in the subscription form; and
- iv. The original and a copy of the passport/Emirates ID of the signatory.

• Foreign corporate bodies: the documents will be required according to the nature of the corporate body and its domicile. Accordingly, please consult with the Lead Manager to obtain the list of required documents.

For applications where the method of payment is:

- Direct Debit: the authorised signatory on the account should be physically present at any of the branches of the Sole Receiving Bank listed in paragraph 10 below to authorise the transaction.
- Manager's Cheque: the representative of the corporate body can provide the Manager's Cheque at any of the branches of the Sole Receiving Bank listed in paragraph 10 below.

For more information about the required documents for Eligible Persons, please see the FAQs published on the Company's website.

Important dates relevant to the methods of payment of the subscription amounts:

- Subscription amounts paid by Manager's Cheque must be submitted on or before 3:00 PM on Wednesday 26 March 2025, that is two days before the end of the Subscription Period.

- Subscription applications received through FTS/ online/ via internet banking/swift payments must be made on or before 3:00 PM on Thursday 27 March 2025, being one day before the end of the Subscription Period.

- Subscription by debiting the existing Shareholder's account with the Sole Receiving Bank must be done on or before Friday 28 March 2025, being the last day of the Subscription Period, at any of the branches of the Sole Receiving Bank listed in paragraph 10 below.

7. Contact Centre:

For any queries, please contact: (i) Methaq's call centre at 600 565695 or (ii) Lead Manager and Bookrunner's call centre at +971 (2) 8126481.

8. Important dates:

- Date of publication of the invitation to subscribe for New Shares by way of Capital Increase: Monday 17 March 2025
- Subscription Opening Date: Monday 24 March 2025
- Subscription Closing Date: Friday 28 March 2025
- Date of allocation: on or around Tuesday 8 April 2025
- Refund date: on or around Tuesday 8 April 2025

Important Note: The dates for the Capital Increase set out in this invitation are expected dates and are subject to change, including if any date falls on an official holiday in the UAE. In such circumstances, details of the new dates will be notified to investors in two UAE daily Arabic language newspapers and on the Company's official website.

9. Sole Receiving Bank:

Abu Dhabi Commercial Bank PJSC

10. Participating Branches:

Abu Dhabi Commercial Bank's Participating Branches

S.No	Branch name	Branch Location- Area	Customer Timing	IPO Subscription Timings	Branch Address
1	Reem Mall	Abu Dhabi	10:00 am to 1:00 pm & 09:00 pm to 12:00 am (Monday- Thursday and Saturday); Friday 9:00 pm -12:00 am	10:00 am to 12:00 pm & 09:00 pm to 11:00 pm (Monday- Thursday and Saturday); Friday 9:00 pm - 11:00 pm	Groud Floor, Reem Mall, PO Box 939, Abu Dhabi
2	Hazza bin Zayed Stadium	Abu Dhabi	9:00 am to 4:00 pm (Monday – Thursday and Saturday); Friday 9:00 pm to 12:00 am	9:00 am to 3:00 pm (Monday – Thursday and Saturday); Friday 9:00 pm to 11:00 pm	Hazza bin Zayed Stadium
3	Business Bay	Dubai	9:00 am to 1:00 pm (Monday – Thursday and Saturday); Friday 9:00 pm – 12:00 am	9:00 am to 12:00 pm – (Monday – Thursday and Saturday) Friday 9:00 pm to 11:00 pm	Business Bay – Dubai – Nearest landmark: Business Bay Metro Station
4	City Centre Al Zahia	Sharjah	10:00 am to 1:00 pm & 09:00 pm to 12:00 am (Monday- Thursday and Saturday); Friday 9:00 pm -12:00 am	10:00 am to 12:00 pm & 09:00 pm to 11:00 pm (Monday- Thursday and Saturday); Friday 9:00 pm - 11:00 pm	Sheikh Mohammed Bin Zayed Road - Al Zahia City Centre – Ground Floor, Next to Entrance A – PO Box 23657
5	Ras Al Khaimah	Ras Al Khaimah	10:00 am to 1:00 pm & 09:00 pm to 12:00 am (Monday- Thursday and Saturday); Friday 9:00 pm -12:00 am	10:00 am to 12:00 pm & 09:00 pm to 11:00 pm (Monday- Thursday and Saturday); Friday 9:00 pm - 11:00 pm	Al Naem Mall PO Box 1633

Participants:

Lead Manager and Bookrunner Abu Dhabi Commercial Bank PJSC

Sole Receiving Bank Abu Dhabi Commercial Bank PJSC

Legal Advisers to the Company as to UAE Laws

IBRAHIM J. PARTNERS
11th floor, Sky Tower, Shams Abu Dhabi, Al Reem Island
ADGM Square
P.O. Box 26942, Abu Dhabi, UAE