

Minutes of the meeting of the Ordinary General Assembly of the shareholders of the Gulf General Cooperative Insurance Company

held on Wednesday 03/03/1444 AH corresponding to 21/06/2023 AD

Based on the invitation of the Board of Directors addressed to the shareholders of the company to attend the Ordinary General Assembly meeting (First Meeting), which was announced on the website of the Saudi Financial Market "Tadawul" on 05/11/1444 AH corresponding to 25/05/2023 AD,

Accordingly, the meeting was held at the company's headquarters, in Jeddah, at exactly (6:30) pm, through means of modern technology (visual and audio) headed by Mr. Jamal Abdullah Mohammed Ali Al-Dabbagh, Chairman of the Board of Directors, and in the presence of all the following members of the Board of Directors:

1. Mr. Saud Abdulaziz Abdullah AlSulaiman
2. Mr. Mohamed Husnee Jazeel
3. Mr. Mohammadzahr Salahuddin Abdullah Almunajjed
4. Mr. Majed Diaaaddin Fadol Kareem
5. Mr. Taher Mohammed Omar Ashaq Agueel
6. Dr. Faisal Adnan Saadaldeen Baassiri
7. Dr. Ahmed Siraj Abdulrahman Khogeer
8. Dr. Abdulwahab Mossab Abdulwahab Abukwaik

The External Auditors were attended Mr. Abdullah Al -Thaqafi, representative of KBMG Al - Fawzan and Mr. Bassam Al -Huzaim, representative of the Al -Kharashi Office through means of modern technology (visual and voice).

The Chairman of the AGM opened the first meeting at exactly (6:30 pm) by welcoming the attendees and announced that the AGM was not held because the quorum didn't reach the required percentage to start the first meeting of the Ordinary General Assembly, where the attendance data of the shareholders were as follows:

	Number of shares	Percentage
Online attendance (remotely)	9,463,604	18.92%

The AGM was postponed to the second meeting, which will be held in an hour. According to what was announced in Tadawul, and at exactly (7:30 PM), the Chairman of the AGM opened the second meeting, welcoming the attendees and announcing the convening of the AGM, and it will be valid regardless of the number of shares represented in it to start the second meeting, where the shareholders' attendance data was as follows:

	Number of shareholders	Number of shares	Percentage
Online attendance (remotely)	220	9,514,181	19.02%

Thus, the meeting of the AGM will be valid in accordance with the companies' bylaws and the Companies Law.

The Chairman of the AGM proposed the appointment of Mrs. Dina Al-Fadli as Secretary of the AGM. Members of the Committee for reviewing and sorting the votes were selected, consisting of Mr. Faisal Qindil and Mrs. Hanadi Al-Towairqi.

After that, Chairman of the AGM read the agenda to the shareholders, and then asked the representative of the External Auditors to read the auditor's report and the financial statements for the fiscal year ending on 31/12/2022 AD and expressed his willingness to respond to any inquiries from the shareholders. The following questions were received from the shareholders:

Q 1/ what is the extent of the impact of the principle of continuity on the company, is it at risk of bankruptcy?

A 1/ The External Auditor, Mr. Abdullah Al-Thaqafi, answered that we cannot determine whether the company is subject to bankruptcy or not, and that according to the Companies Law, if the losses approached half of the capital, which is close to 47% of the capital, then we must, according to transparency, indicate in our report on this matter, which was mentioned at the end of the report and that our opinion as auditors has not been modified in relation to this matter, as it is a fundamental point that has been brought to the attention of the shareholders.

Q2/ Why did the company not reflect the company's investment in the Saudi Najm Company, which amounts to 14 % of the net company's assets?

A 2 / The External Auditor, Mr. Abdullah Al -Thaqafi, answered that he did not reflect the investment because it did not reach 14%, which means that it was not consumed completely and therefore there is no need to enable any provision in the current period for investing in a Najm.

The CFO, Mr. Ammar Al -Sayrafi, added that there is a question for the company's investment in Najm Company, in fact, that this provision was reversed in a later period because the registration mechanism was linked to approvals from regulatory authorities because this registration is include all the insurance sector, so all companies must register this point with the same value until the unified study of all companies has ended, and the registration mechanism for these revenues was agreed upon, it will be reflected in the opening balance for the next quarter, which was announced later.

Q3/ The existing case with the Zakat and Income Authority regarding the amounts has not been clarified?

A/ The External Auditor, Mr. Abdullah Al-Thaqafi, all cases are mentioned in the zakat status and the extent of the adequacy of the obligations or the adequacy of the amounts that were mentioned. It has been confirmed that they are appropriate, and that the necessary and sufficient provision has been formed for them to meet any future obligations of the company resulting from the zakat assessments. The zakat situation is clear in detail regarding the situation with the Zakat and Income Authority.

Q4/ why the amount of return on the deposit with the Central Bank amount was not mentioned?

A4// The External Auditor, Mr. Abdullah Al Thaqafi, answered all the required disclosures according to accounting standards and the disclosure criterion was mentioned in the financial statements in detail, and according to what is presented in the balance sheet, it is presented completely and adequately, showing the general and sound form of the company as it is on December 31, 2022 AD.

The CFO, Mr. Ammar Al -Sayrafi, also added, regarding the return on the amount of the deposit with the Central Bank, as it is located in Statement of financial position separately from the company's profits based on the regulations of the Central Bank, the profit of this deposit goes to the central bank, so we keep it in separate and clear books that are in the list Financial position as a deposit and clear as profits.

After completing that, the Chairman of the AGM asked the External Auditors to leave the meeting to complete the discussion of the agenda items.

After that, a member of the Audit Committee, Dr. Dr. Ahmed Siraj Khogeer, read the report of the Audit Committee to the General Assembly. The auditors who submitted their offers were reviewed to examine, review and audit the financial statements for the second, third and annual quarters of the fiscal year 2023 AD, and the first quarter of the fiscal year 2024 AD. The Audit Committee's recommendation to appoint auditors and determine their fees has been read.

They are as follows:

- KPMG Al Fozan and Partners Certified Public Accountants and Auditors
- Ibrahim Ahmed Al-Bassam and Partners Company, Chartered Accountants (Al-Bassam and Partners).

Then the Chairman of the AGM announced the opening of the discussion for the shareholders and attendees and directing their questions to the Board according to the agenda, where the questions were as follows:

Q1\ what is mentioned in the financial statements that GGI does not obtain returns from this deposit? Does it mean that the company does not benefit from profits in reducing the accumulated losses?

A1\ The CFO, Mr. Ammar Al-Sayrafi, answered that the company does not benefit from the profits related to the Central Bank deposit according to the regulations of the Central Bank. Also, first the Company is not entitled to dispose of it in any way without referring to the Central Bank and obtaining the necessary approvals before disposing of this deposit, so it cannot be used in the manner unless the Central Bank allows it to be used. Secondly in the event of benefiting from it in reducing the capital or in reducing Accumulated loss.

Q2\ is there any intention to merge with another company?

A2\ The Chairman of the Board of Directors, Mr. Jamal Al-Dabbagh, answered that this question is outside the scope of the meeting's agenda, and that any proposal that is in the interest of the shareholders or in the interest of the company will be discussed in the board of directors' meetings.

Q3\ Why did the accumulated losses increase despite the company achieving nominal profits, and how much was the amount of accumulated losses at the end of the fiscal year ending 2022 AD?

A3\ The CFO, Mr. Ammar Al-Sayrafi, replied that he expected that the question was referring to the accumulated losses as they appear in it in the results First Quarter As opening credits, this question is not on the agenda for this meeting. However, it was announced and published because the company has adopted the new IFRS 17 standard. In fact, this is not on the agenda of this meeting. It will be discussed in the next meeting, because it will be on the agenda of the next year's meeting.

Q4\ Will the share be split?

A\4 The Chairman of the Board of Directors, Mr. Jamal Al-Dabbagh, answered that regarding the issue of stock splitting, it is not on the agenda for this meeting, but this issue can be studied in the meetings of the Board of Directors and the opinion of financial analysts on this issue can be known and discussed.

Q5\ Why was the percentage of accumulated losses not mentioned in the results of the end of 2022?

A5\ The CFO, Mr. Ammar Al-Sayrafi, replied that the accumulated losses in the results of 2022 were mentioned in the list of changes in equity.

After that, the members of the reviewing and sorting committee reviewed and sorted the votes received from the Securities Depository Center Company, and the Chairman of the AGM read the voting results. The results were as follows:

association items			
The text of the clause	agree	disagree	Abstain
First: Viewing the Board of Directors' report and discuss it for the fiscal year ending on 31/12/2022 AD.	8,475,872 89,08672%	520,381 5,46953%	517,928 5,44375%
Second: Viewing the financial statements and discuss it for the fiscal year ending on 31/12/2022 AD.	8,468,211 89,0062%	520,639 5,47224%	525,331 5,52156%
Third: Voting on the auditors' report on the Company's accounts for the fiscal year ending on 31/12/2022 AD.	8,112,477 85,26721%	918,704 9,65615%	483,000 5,07663%
Fourth: Voting on appointing the auditors for the Company from among the candidates based on the Audit Committee's recommendation. The appointed auditors shall examine, review and audit the second quarter, third quarter, and annual financial statements of the fiscal year ending 2023 AD, and the first quarter of the fiscal year 2024 AD, and the determination of the auditors' remuneration.	8,267,140 86,89282%	919,957 9,66932%	327,084 3,43786%
Fifth: Voting on the business and contracts that will be concluded between the company and (Al-Dabbagh Group), in which the Chairman of the Board of Directors Mr. Jamal Abdullah Al-Dabbagh has a direct interest, as he is the owner of this group, represented in premiums underwritten for a year, and there are no preferential terms for these contracts. Note that the transactions that occurred in 2022 AD were insurance premiums underwritten in the amount of 8,010,000 Riyals. (attached).	7,415,822 77,94493%	1,192,523 12,53416%	905,836 9,5209%

Sixth: Voting on the business and contracts that will be concluded between the company and (Rolaco Group), in which the Vice Chairman of the Board of Directors Mr. Saud Abdulaziz Al-Sulaiman has a direct interest, as he is the owner of this group, represented in premiums underwritten for a year, and there are no preferential terms for these contracts. Note that the transactions that occurred in 2022 AD were insurance premiums underwritten in the amount of 133,000 Riyals. (attached).	7,454,357 78,34996%	1,234,175 12,97195%	825,649 8,67809%
Seventh: Voting on the business and contracts that will be concluded between the company and (Raghf Catering Services Company), in which the Board Member Mr. Majed Diaaaddin Kareem has a direct interest, as he is the owner of this Company, represented in premiums underwritten for a year, and there are no preferential terms for these contracts. Note that the transactions that occurred in 2022 AD were insurance premiums underwritten in the amount of 18,000 Riyals. (attached).	7,438,288 78,18106%	1,176,010 12,3606%	899,883 9,45833%
Eighth: Eighth: Voting on the discharge of the Directors from their liabilities for the fiscal year ending on 31/12/2022 AD.	6,279,841 66,16675%	2,381,249 25,08973%	829,841 8,74352%
Ninth: Voting on paying an amount of (SAR 1,200,000) as remuneration to the Board members for the fiscal year ending on 31/12/2022 AD.	6,121,997 64,50365%	3,089,772 32,55499%	279,162 2,94136%

In addition, the Chairman of the Board of Directors, Mr. Jamal Al-Dabbagh, concluded the meeting by saying:

“The year 2023 AD is the year of structural rearrangement within the company to correct these conditions. We have made fundamental and radical changes in the leadership of the company’s administrative structure in order to improve the insurance and governance process. We are currently, God willing, in the final stage to solve the basic problems and put the company in the right direction to achieve and improve the path.” For example, we have strengthened the company with an executive management team with people with experience, competence, and a proven track record of success in the insurance market. And, God willing, this team will achieve what is required of them. The company’s organizational structure has also been reviewed to make it more effective and efficient to achieve the desired goals. A data analysis program and a decision support system will be developed to help make appropriate decisions and identify opportunities and trends in the market, as there are plans to launch new products to increase sales and improve profitability, and we have improved our governance system to do

so by strengthening the internal audit team, the executive management also established new internal committees to strengthen the governance system within the company. During the first quarter of this year, some procedures were put in place to reduce some administrative expenses, as well as monitoring the movement of claims to mitigate their effects. The initial results of these steps and initiatives mentioned witnessed an improvement in performance, which confirms that it is the right step and in the right direction. With all these measures taken and the difficulties expected from the intense competition in the insurance market for market shares, the Board of Directors feels that the company will gradually take its positive path, whether in performance or in improving the financial position of the company, and may God help us to achieve better results in the future, God willing.”

The meeting ended at 8:15 pm, where the Chairman of the AGM, on behalf of the Company’s Board of Directors and all its employees, thanked all those present and for their active participation in this meeting.

May God grant us success.

The Chairman of the Board
Mr. Jamal bin Abdullah Al-Dabbagh

The Secretary of the AGM
Mrs. Dina Abdul Rahman Al-Fadli