

Statement of the proposed amendments to the Articles of Association of Islamic Arab Insurance Company (PJSC)

The article	Subject	Original Text	Proposed Text Showing the Suggested Amendments	Reason for Amendment	Legal Basis
Article (6) the issued share capital	CAPITAL REDUCTION	The issued share capital of the Company was set at AED 939,588,998 (nine hundred thirty-nine million, five hundred eighty-eight thousand, nine hundred ninety-eight UAE dirhams), divided into 939,588,998 (nine hundred thirty-nine million, five hundred eighty-eight thousand, nine hundred ninety-eight) shares with a nominal value of AED 1 each. All the shares of the Company are of the same class and rank pari passu with each other in rights and obligations	The issued share capital of the Company was set at AED 483,021,183 (four hundred eighty-three million, twenty-one thousand, one hundred eighty-three UAE dirhams), divided into 483,021,183 (four hundred eighty-three million, twenty-one thousand, one hundred eighty-three) shares with a nominal value of AED 1 each. All the shares of the Company are of the same class and rank pari passu with each other in rights and obligations.	Decrease in share capital as part of the Capital Optimization Plan to fix the solvency of the Company	Article 6 of Cabinet Resolution No. 42 of 2009 Concerning Insurance Company Minimum Capital Regulations. ¹
Article (6) the issued share capital	INCREASE OF CAPITAL FOLLOWING MANDATORY CONVERTIBLE SUKUK	The issued share capital of the Company was set at AED 483,021,183 (four hundred eighty-three million, twenty-one thousand, one hundred eighty-three UAE dirhams), divided into 483,021,183 (four hundred eighty-three million, twenty-one thousand, one hundred eighty-three) shares with a nominal value of AED 1 each. All the shares of the Company are of the same class and rank pari passu with each other in rights and obligations.	The issued share capital of the Company was set at AED 881,654,440* ² (Eight hundred eighty-one million six hundred fifty-four thousand four hundred forty UAE dirhams), divided into 881,654,440* (Eight hundred eighty one million six hundred fifty four thousand four hundred forty) shares with a nominal value of AED 1 each. All the shares of the Company are of the same class and rank pari passu with each other in rights and obligations.	Increase of share capital by way of issuance of mandatory convertible sukuk convertible to equity.	Article 5 ³ of Cabinet Resolution No. 42 of 2009 Concerning Insurance Company Minimum Capital Regulations

¹ Article 6 is paraphrased below for reference:
Subject to the provisions of the Companies Law and Article (3) of this Resolution, the company's capital may be reduced under a decision of the IA based on an application submitted by the Company in this regard in accordance with the form designated by the IA, provided that such application shall include a statement of the reasons for the Company's request to reduce its capital and that the capital reduction would not cause a breach of its current or future obligations. The Board may approve or reject the motion for capital reduction according to the requirements of the public interest

² The numbers stated here on the basis that the investors will subscribe to mandatory convertible sukuk of AED 175,000,000. If this number changes, the share capital will accordingly vary.

³ Article 5 is paraphrased below for reference:
Subject to the provisions of the Companies Law, the company's capital may be increased under a decision of the IA based on an application submitted by the Company in this regard in accordance with the form designated by the IA for this purpose.