



Minutes

Minutes of the Extraordinary General Meeting of Holders of Dar Al Maal Al Islami Trust Equity Participation Certificates, held at the Offices of M/S MFAI (Jersey) Limited, Manama, Kingdom of Bahrain, virtually via ZOOM application, on 23 June 2024 at 10.00 a.m.

In addition to Unitholders of the Equity Participation Certificates, the Meeting was attended by HRH Prince Amr Mohammed Al Faisal Al Saud, Chairman of the Board of Supervisors; Mr. Juma Hasan Abul, the Chief Executive of Dar Al Maal Al Islami Trust.

Opening of the Session

HRH Prince Amr Mohammed Al Faisal Al Saud, Chairman of the Board of Supervisors welcomed the Unitholders of Dar Al Maal Al Islami Trust Equity Participation Certificates whose names mentioned in the attached list and invited Sheikh Adel Al Marzooqi for recitation of Verses from the Holy Quran. Thereafter, HRH the Chairman declared opening of the meeting in accordance with the provisions of the Indenture of DMIT stating that Notice of the Meeting was served as per the requirements of the provisions of the Indenture and was published in DMIT's website (www.dmitrust.com).

Mr. Juma Abul declared that the attendees own 1,296,890 Units representing 32,81% of the total number of Holders of Equity Participation Certificates; HRH the Chairman mentioned that according to Article 8 (5) of the Indenture, the Meeting will be validly held by the presence, in person or by proxy, of any number of Unitholders.

Then the Chairman submitted the following Agenda items for consideration:

1- To Ratify the Board of Supervisors' Resolution on Approval of the sale and Transfer of number of assets (approximately US\$ 695 to US\$ 698 million) and transfer of corporate business liabilities (approximately US\$ 695 million to US\$ 715 million) from Ithmaar Holding B.S.C., Ithmaar Bank B.S.C. "c" and I B Capital B.S.C. "c" jointly referred to as ("Ithmaar") to (1) GFH Financial Group B.S.C. or Any of its Subsidiaries or Nominees ("GFH") and/or (2) Any Other Entity to be Agreed Upon with GFH (the "Transaction")

HRH the Chairman asked Mr. Juma Abul to explain the Transaction. Mr. Juma advised that the Transaction involves the following:

- Sale and transfer of assets of approximately US\$ 665 million to US\$ 698 million.
- transfer of corporate business liabilities of US\$ 695 million to US\$ 715 million, comprising
 - sale of part of corporate banking business of Ithmaar Group amounting to US\$ 156 million to GFH Financial Group B.S.C.
 - transfer of Ithmaar Bank entire shareholding in Faysal Bank Limited, Pakistan amounting to 67% to an SPV owned by GFH Financial Group B.S.C. at 75% and Ithmaar Group at 25%.
 - transfer of real estate assets amounting to US\$ 433 million to a SPV owned by GFH Financial Group B.S.C. at 71.51% and Ithmaar Group at 28.49%.

About the rationale for the Transaction Mr. Juma explained that the current shareholders equity at Ithmaar Group as of the end of 2023 was approximately US\$ 4 million compared with required regulatory capital as per Bahrain banking laws which is far more than this amount. Also, in the current market environment, sale of individual assets would not yield valuable prices and it is

important to sell the assets in packages. Cost of operations at Ithmaar Group is relatively high and does not give the Group any sort of competitive edge with other financial institutions. Furthermore, the cost of funding cost of deposits at Ithmaar Group creates problems in attracting low-cost deposits. And maximizing the value of real estate assets requires more investments in real estate assets portfolio and this cannot be attained in low shareholders eara.

About the impact of the transaction on Ithmaar Group and Ithmaar Bank, Mr. Juma explained that Ithmaar Group will achieve a capital gain of about US\$ 36 million which will improve Group shareholders' rights to about US\$ 40 million. In respect of DMIT, as per assets valuation, there will be a reduction in Trust Capital of about US\$ 50 million as a result of revaluation of DMIT's investment in Ithmaar Holding.

Current total assets for Ithmaar Group is US\$ 1.6 billion, after completion of the Transaction it will drop to US\$ 785 million due to transfer of assets and liabilities to GFH Financial Group B.S.C.

After completion of the Transaction, it will remain with Ithmaar financing in related parties in small investments and Islamic financing (of third quality) and 16% interest in Faysal Bank Limited, Pakistan and 28.49% interest a real estate investment portfolio owned by Ithmaar.

In respect of Ithmaar clients either depositors or financing clients, all will be transferred to GFH Financial Group B.S.C. and will be served in the same way. There will be no change in respect of shareholders pattern in Ithmaar Group or other associated companies. Shareholders rights in Ithmaar Group will increase as capital will increase from US\$ 5 million to approximately US\$ 40 million. Listing in Bahrain Stock Exchange and Dubai Stock Exchange will continue.

In respect of Employees Mr. Abul advised a large part of them will be transferred to GFH Financial Group B.S.C. and this will result in reduction in operating cost at Ithmaar Group, hence providing a chance for achieving profit.

In respect of Regulators Mr. Abul explained that the status will be better as the equity of Ithmaar will be around US\$ 40 million instead of currently US\$ 4 million and generally less indebtedness with great chance to achieve profits and get rid of accumulated losses.

In mid-long term future strategy Mr. Abul advised that the three companies, Ithmaar Bank, IB Capital and Ithmaar Holding will be merged into a small company to reduce expenses. After transfer of employees to GFH Financial Group B.S.C. operating expenses for the company will be low therefore, possibility of achieving profit will improve. The remaining new entity will focus on exit from investments either real estate or others and maximize profit thereon, also on Islamic financing (3rd quality) resulting in reversing provisions which will result in profit. Also focusing on rewarding treasury business to maximize profits and making and efficient use of liquidity resulting from liquidation of financings and investments.

HRH the Chairman open the door for discussions and enquiries. One of the attendees asked if there will be any change in the number of DMIT Units? Mr. Abul replied that there will be no change in the number of DMIT Units as the transaction has no relation with DMIT Units.

Upon motion duly made, seconded and unanimously carried, it was;

RESOLVED, that the Board of Supervisors' Resolution on Approval of the sale and Transfer of number of assets (approximately US\$ 695 million to US\$ 698 million) and transfer of business liabilities of (approximately US\$ 695 million to

US\$ 715 million) from Ithmaar Holding B.S.C., Ithmaar Bank B.S.C. “c” and I B Capital B.S.C. “c” jointly referred to as (“Ithmaar”) of its values as of 31 March 2024 to (1) GFH Financial Group B.S.C. or any of its Subsidiaries or Nominees (“GFH”) and/or (2) Any Other Entity to be Agreed Upon with GFH (the “Transaction”) be and hereby are ratified.”

2- Ratification of the Board of Supervisors Resolution To authorize representatives of Dar Al-Maal Al-Islami Trust, in the Extraordinary General Meeting of Ithmaar Holding B.S.C. to vote in favour of the transaction

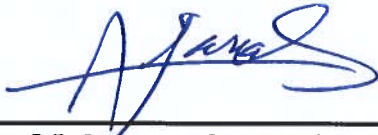
HRH the Chairman asked the attendees, in case they agree on this Agenda item. Voting would require using Voting Cards available at DMIT website.

Upon motion duly made, seconded and unanimously carried, it was;

“**RESOLVED** that the Board of Supervisors Resolution to authorize representatives of Dar Al-Maal Al-Islami Trust, to the Extraordinary General Meeting of Ithmaar Holding B.S.C. to vote in favour of the Transaction, be and hereby is ratified.”

Termination

There being no further business put before the Meeting, HRH the Chairman extended his thanks to the attendees and declared termination of the Meeting.



Amr Mohammed Al Faisal Al Saud
Chairman of the meeting



Ahmed Hassan Ahmed
Secretary