Ref. No.: HO/GCFO/152/IR/040
Date: 16 March 2022

Chief Executive Officer
Abu Dhabi Securities Exchange
Abu Dhabi, UAE

Dear Sir,

e& Announces Discussions With Mobily Regarding A Potential Offer to Increase Its Shareholding in Mobily

e& announces that it has approached Etihad Etisalat Co. ("Mobily") to discuss increasing its shareholding in Mobily to 50% plus one share, by means of a pre-conditional partial tender offer (the "Potential Offer") pursuant to the Merger and Acquisition Regulations issued by the Saudi Arabian Capital Market Authority (the "M&A Regulations").

The purpose of the discussions is for e& to come to an understanding with the Mobily board of directors ("Mobily Board") in respect of the conditions applicable to the Potential Offer (including its implementation) which the Mobily Board would be able to recommend to Mobily’s shareholders.

e& has proposed a price of SAR47 per Mobily share ("Proposed Offer Price"), which would represent a premium of:

- 22.2% to Mobily's closing share price of SAR 38.45 on 15 March 2022;
- 47 SAR per Mobily share ("Proposed Offer Price");
- 22.2% of Mobily's closing share price of SAR 38.45 on 15 March 2022.

The proposed offer will be subjected to certain conditions, including shareholder approval.

The offer is intended to be made pursuant to the M&A Regulations and is subject to certain conditions, including shareholder approval.

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• 38.8% to the 3-month volume weighted average price of Mobily shares over the period ending on 15 March 2022; and
• 45.1% to the 6-month volume weighted average price of the Company’s shares over the period ending on 15 March 2022.

e& has informed Mobily that the Potential Offer and proposed discussions are aligned with e&’s strategic objectives to expand and optimize its portfolio by pursuing opportunities within its existing footprint, in particular the rapidly growing Saudi market, and that e& aims to deepen the strong existing ties with Mobily, with the potential for further collaboration and the realization of greater synergies.

The Mobily Board, has discussed this and notes that the Proposed Offer Price represents a premium to the share price of Mobily, as set out in the Mobily announcement made earlier today dated 16 March 2022. Therefore the Mobily Board believes it is appropriate to further discuss the details and conditions of the Potential Offer with e&.

Subject to applicable regulations, e& remains able to formally launch an offer at any time should it choose to do so, without having to come to an understanding with the Mobily Board. e& has not declared a firm intention to make the Potential Offer at this time.

It should be noted that Mobily and e& are only in discussions at this time, and there can be no certainty as to whether the Potential Offer will be made, whether any offer at any other price will be made by e&,

وقد قام e& بإشعار موبايلي بأن العرض المحتمل والنقاشات المرتبطة به تتماشى مع الأهداف الإستراتيجية لـ e& لتوسع وتحسين أداء محفظتها الاستثمارية من خلال استغلال الفرص المتاحة ضمن استثماراتها الحالية وخصائص توسيع استثماراتها في السوق السعودي المتقدم. كما أوضحت e& بأنها تهدف من خلال عرضها المحتمل إلى تعزيز روابطها القوية مع موبايلي وتحسين التعاون بين الشركتين وتحقيق المكاسب المشتركة بينهما.

وبعد البحث في هذا الشأن، يُلاحظ أن السعر المقترح للعرض يمثل زيادة على سعر سهم موبايلي بحسب ما تم إيضاحه في الإعلان الذي سبق نشره اليوم بتاريخ 16 مارس 2022 من قبل شركة موبايلي، فإن مجلس إدارة موبايلي يرى أنه من المناسب من ناحية الفائدة من مناقشة شروط العرض المحتمل وتفصيله مع e&.

وتتجدر الإشارة إلى أنه يمكن لـ e& تقديم عرضها بشكل رسمي في أي وقت في حال قررت ذلك دون الحاجة إلى التوصل إلى تفاهم مع مجلس إدارة موبايلي في هذا الشأن مع مراعاة الأنظمة واللوائح ذات الصلة.

ويُشير إلى أن الشركتين لا تزالان تحت�� مناقشات في هذه المرحلة. وعليه، فإنه لا يوجد حتى تاريخ هذا الإعلان أي تأكيد حول ما إذا استخدم e& العرض المحتمل أو أي عرض بسعر آخر، ولا يوجد ما يؤكد طبيعة الشروط
nor as to the terms on which any offer might be made by e&, or whether the Mobily Board will recommend such an offer if it is eventually made.

If e& proceeds to make an offer, (i) it will be announced at the relevant time and will be subject to certain conditions, relevant regulatory approvals and applicable regulatory requirements, including pursuant to the M&A Regulations, (ii) e& will publish an offer document which will contain the final terms and conditions of the offer, and (iii) the Mobily Board will issue a circular which will set out the view/recommendation of the Mobily Board in relation thereto and the financial advice received by the Mobily Board in respect thereof, along with all other information required by applicable regulations.

Those members of the Mobily Board who are senior executives of e&, being Messrs. Hatem Dowidar, Mohamed Karim Bennis and Khalifa Al Shamsi, have declared their conflicts of interest in relation to the discussions between Mobily and e&, and have recused themselves therefrom, as well as from any deliberations or resolutions of the Mobily Board in this regard.

e& has appointed HSBC Saudi Arabia as independent financial adviser, and Khalid Al-Thebity Law Firm in affiliation with Squire Patton Boggs (US) LLP as legal adviser to assist it in relation to the Potential Offer.

وقد قام أعضاء مجلس إدارة موبايلي التالية أسماؤهم: الأستاذ/ حاتم دويدار والأستاذ/ محمد كريم بنين والاستاذ/ خليفة الشامسي، الذين يشغلون مناصب تنفيذية لدى e&, بالإفصاح عن تعارض مصالحهم بشأن المناقشات الجارية بين e& ومجلس إدارة موبايلي وقد امتنعوا إثر ذلك عن المشاركة في مناقشات ومداولات مجلس إدارة موبايلي أو التصويت على أي من قرارات مجلس إدارة موبايلي الصادرة في هذا الشأن.

وقد قامت e& بتعيين بوسكر باتون بوزغ (بوس) للا ليب كمستشارها القانوني لتقديم الاستشارة فيما يتعلق بالعرض المحتمل.

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Further announcements relating to any developments will be made in due course, including in relation to the structure of the transaction, the price, terms and conditions of the offer (if made), as well as the applicable timetable and procedures.

This Announcement is made with the consent of Mobily.

Enquiries

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Further information
This Announcement is for information purposes only and is not intended to and does not constitute, or form any part of an offer to sell or an invitation to purchase or subscribe for any securities or the solicitation of any vote or approval in any jurisdiction in relation to the Potential Offer or otherwise.

If made, the Potential Offer will be subject to Saudi law and to the applicable requirements of the M&A Regulations.

If you are in any doubt about the contents of this Announcement or the action you should take, you are recommended to seek your own independent financial advice immediately from your stockbroker, bank manager, lawyer, accountant or independent financial adviser.

The release, publication or distribution of this announcement in jurisdictions outside of the United Arab Emirates may be restricted by law and therefore persons into whose possession this announcement comes should inform themselves about, and observe such restrictions. Any failure to comply with such restrictions may constitute a violation of the securities law of any such jurisdiction.

Disclaimer
HSBC Saudi Arabia is acting as financial adviser exclusively for e& and no one else in connection with the matters set out in this announcement and will not regard any other

إحالة المسؤولية
يملأ بنك اتش اس بي سي السعودية المحدودة كمستشار مالي حضري لمجموعة ايجي وليس لأي شخص آخر فيما يتعلق بالمسائل المنصوص عليها في هذا الإعلان ولن

معطيات إضافية
هذا الإعلان للعلم فقط ولا يعتبر هو أو أي جزء منه مستند عرض بيع أو دعوة للشراء أو الاشتراك في أي أوراق مالية أو التماس تصنيف أو طلب لأي موافقة تتعلق بأي صلاحية تستند على العرض المحتمل أو غيره.

إذا تم تقديم العرض المحتمل، فسيكون خاضعاً للأنظمة السعودية والمتطلبات المعمول بها في لائحة الاندماج والاستحواذ.

يتعين عليك في حال كانت تسارك الشكوك بشأن محتويات هذا الإعلان أو بشأن الإجراء الذي يتوجب عليك اتخاذه أن تطلب فوراً استشارة مالية مستقلة لنفسك من مستشارك الشخصي بأعمال البورصة أو من مدير البنك الذي تستخدمه أو محاميك أو محاسبك أو مستشارك المالي الخاص.

قد يكون إصدار هذا الإعلان أو نشره أو توزيعه تحت سلطات قضائية خارج دولة الإمارات العربية المتحدة وفقاً بموجب قوانين أخرى، وبالتالي يجب على الأشخاص الذين في حوزتهم هذا الإعلان العلم والمدراء الكاملة بالقيود القانونية المحتملة. إن أي فشل في الامتثال لهذه القيود قد يشكل انتهاكاً لأسس الأوراق المالية للأي سلطات قضائية.

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person as its client in relation to the matters set out in this announcement and shall not be responsible to anyone other than e& for providing the protections afforded to clients of HSBC Saudi Arabia or its affiliates, nor for providing advice in connection with any matter or arrangement referred to herein.

Kind regards,

Karim Bennis
Group Chief Financial Officer