



Mobily

2024
Annual Report

Redefining Possibilities

SUSTAINING LEADERSHIP

THEME OF THE YEAR

REDEFINING POSSIBILITIES SUSTAINING LEADERSHIP

Mobily continued to redefine possibilities in the technology, media and telecommunications (TMT) sector, driven by an ambitious vision to shape the future and set new standards across the industry. In 2024, record-breaking financial and operational milestones were achieved, fueled by strategic initiatives aligned with Vision 2030. Mobily's efforts spanned advanced technologies, strategic partnerships and transformative projects, establishing new benchmarks for connectivity and digital progress in Saudi Arabia.

Mobily's focus on delivering exceptional customer experiences and sustainable growth remained central to its success. By expanding its network, leveraging AI-driven solutions and elevating sustainability performance, Mobily delivered meaningful advancements in service and efficiency. These achievements solidified Mobily's position as a key digital enabler, underscoring its role in Saudi Arabia's economic diversification and digital transformation.

Mobily remains committed to broadening horizons and meeting the evolving needs of its Stakeholders. Through stronger collaborations, deeper integration of emerging technologies and continued investment in innovative solutions, the Company will further enhance the TMT ecosystem. As it continues to redefine possibilities and sustain leadership, Mobily is poised to contribute meaningfully to the Kingdom's journey toward a digitally advanced and inclusive future.

AT A GLANCE

ACCELERATING AHEAD WITH
FORESIGHT AND AMBITION

Mobily delivered yet another year of bold innovation, strategic progress and sustainable impact. With record growth, groundbreaking achievements and global recognition, Mobily strengthened its leadership while shaping the future of connectivity. As Mobily expands horizons and drives transformation, it remains committed to creating lasting value and redefining what is next.

OPERATING HIGHLIGHTS

Established the first

**SAUDI-OWNED
SUBMARINE CABLE**

connecting 2 nations across the Red Sea

Acquired a 15-year license for an

**ADDITIONAL
FREQUENCY SPECTRUM**

of 120 MHz

Signed an agreement to host

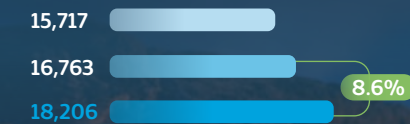
**RED BULL
MOBILE**

AS A NEW MVNO

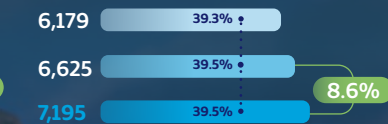
**WON THE CST
BEST CUSTOMER**Experience Award for
3 years in a rowBoosted brand value by
151% SINCE
2019Highest annual revenues,
EBITDA and net income
in the last**11 YEARS**Increased net
income by**39.2%**

FINANCIAL HIGHLIGHTS

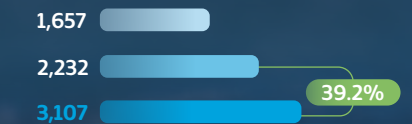
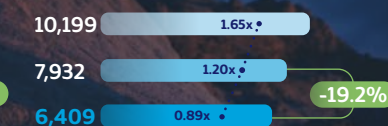
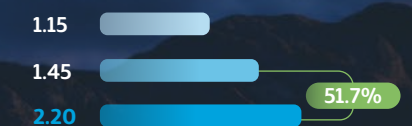
Revenues



EBITDA and EBITDA margin



Net Income

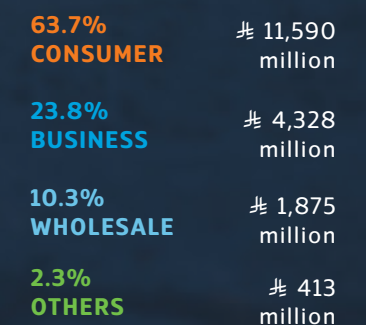
Free Cash Flow
(EBITDA-CAPEX)Deleveraging
(Net Debt and Net Debt/EBITDA)Dividend Distributions
(Per Share)

● (SAR million) 2022 ● (SAR million) 2023 ● (SAR million) 2024 Margin

Dividend
distributions of
2.20
PER SHARENet debt to
EBITDA ratio of
0.89x

Surpassed the 2024 financial performance guidance across key metrics including revenue, EBITDA, Net Debt/EBITDA and CAPEX Intensity

ESG HIGHLIGHTS

**UPGRADED
TO AA ON
THE MSCI
ESG INDEX**as the highest-rated
telecommunication
company in MENA**ZERO WASTE**
to landfill
across all Mobily
operationsPartnered with a
charitable entity,**JOOD
ESKAN**to encourage dona-
tions and provide
housing for commu-
nities in needCollaborated on enhancing
rural telecommunication
infrastructure accessibility,
to reach over**1,300**
previously uncovered sites**INVESTED IN
EMPLOYEE**
well-being and
engagement
activities, elevating
the mHi score to
91%Revenue
Segmentation

2024 AWARDS

AWARD-WINNING EXCELLENCE

Mobily's commitment to excellence and innovation was recognized across multiple domains in 2024, from customer experience and enterprise solutions to wholesale, sustainability and investor relations. These achievements reflect a relentless focus on service excellence, technological advancement, regulatory leadership and fostering an inclusive workplace. With recognition spanning infrastructure innovation, digital transformation and corporate governance, these awards reaffirm Mobily's position as a leader shaping the future of connectivity and business in the region.

Awarded 1st place for the Best Printed Annual Report, 2nd place for the Best Digital Annual Report and 1st place for the inaugural Best Investor Relations Film in the Middle East at the MEIRA Awards for 2023

Best Investor Relations Telecom Company Award in Saudi Arabia 2024 from Global Business Outlook (GBO)

Communications, Space and Technology Commission's Customer Experience Award for the third consecutive year

GCXA Golden Award for Overall Excellence in Customer Experience, the Golden Award for Best Customer Experience Measurement and the Silver Award for Putting the Customer at the Heart of Everything

Best Use of Customer Insights 2024 Award from XEBO.ai

Great Place to Work 2024-2025

Inspiring Workplaces 2024 Award for Middle East and Africa

Best Infrastructure and Service Innovation in Fiber-to-the-Home Award from SAMENA Telecommunications Council

Leadership in Regulatory Compliance and Customer Experience Award from SAMENA Telecommunications Council

Best Subsea Innovation Award at Capacity Europe

Best Innovation in the Middle East and Africa for Innovative IoT Solutions at the Gartner Eye on Innovation Award

Platinum Award for Best Filmmaking and Platinum Award for Best Social Media Marketing Campaign from the MarCom Awards

Disability-Friendly Work Environment Award for 2024

Legal Tech Advocate of the Year and Legal Tech Collaboration of the Year in MENA

Best Wholesale Company in the Middle East Award from Telecom Review

3 Awards at the Business Continuity Institute (BCI) Middle East Awards 2024: Business Continuity Management (BCM) Team of the Year, BCM Program Manager of the Year 2024 (Private Sector) and BCM Newcomer of the Year



2024 CERTIFICATES

SETTING INDUSTRY STANDARDS

Mobily remains steadfast in upholding the highest standards and best practices across all aspects of its operations, earning multiple certifications in 2024 that reinforce its leadership in quality, security, compliance and customer service. From regulatory excellence and legal risk management to information security and workplace standards, these certifications highlight the Company’s dedication to operational integrity, data protection and world-class service delivery.

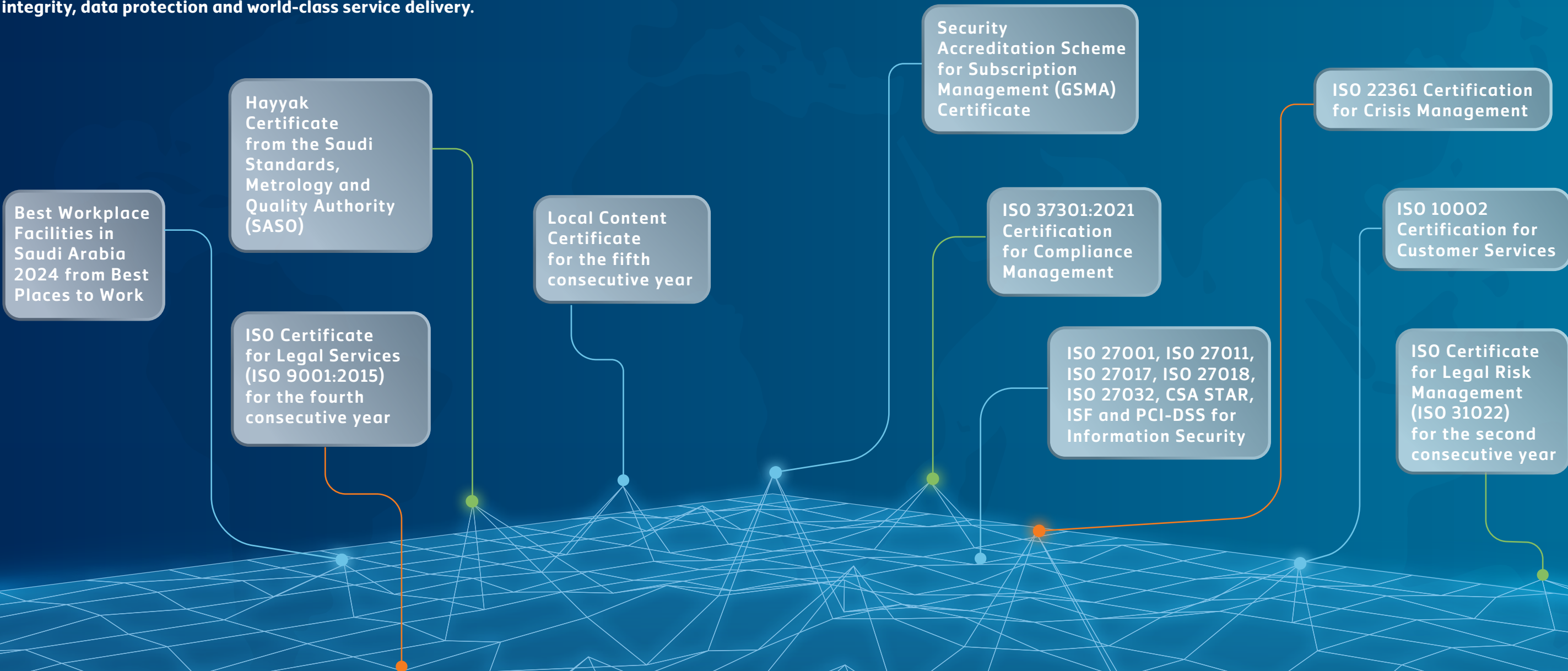
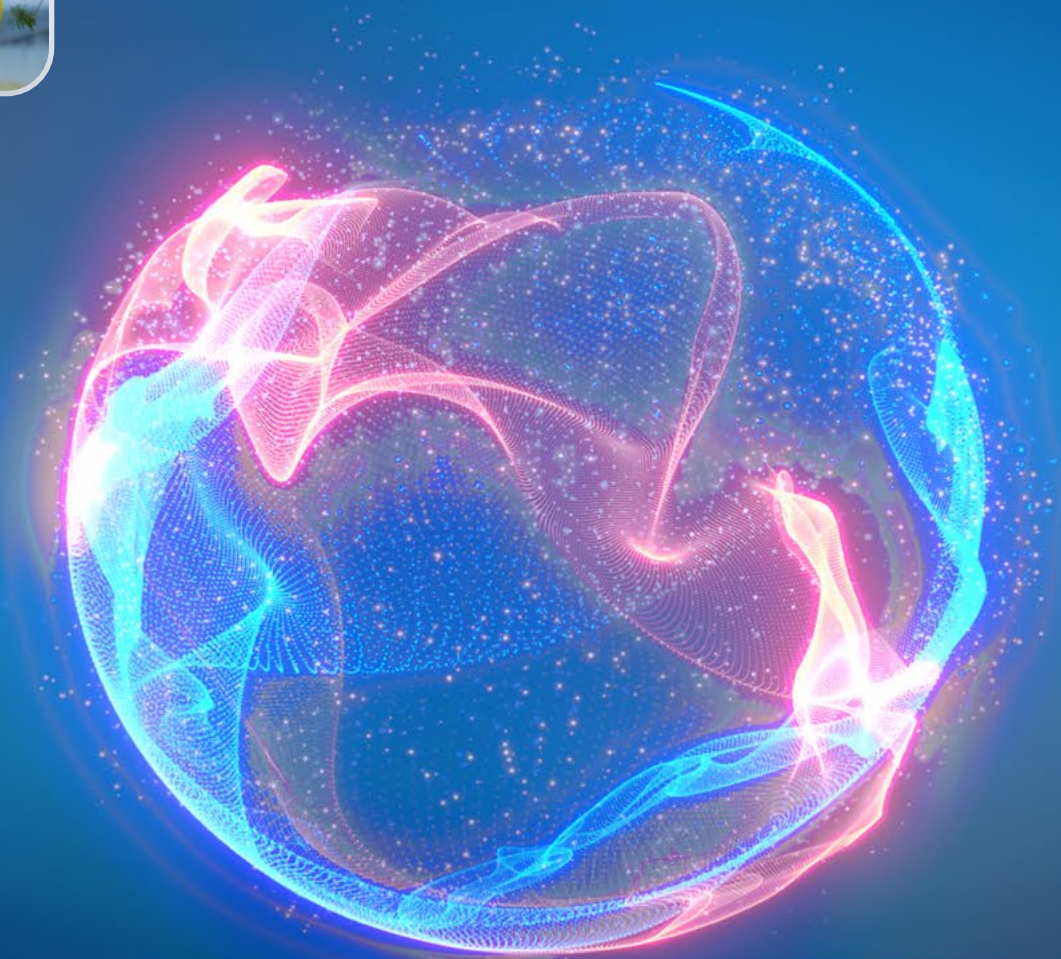


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Consumer Unit 70



Positive Community Impacts 122



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View our Digital Report

www.ir.mobily.link/2024

Scan the QR Code





01

OVERVIEW

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By pioneering innovation and delivering exceptional customer experiences, Mobily remains a key enabler of Vision 2030, shaping a future of limitless potential.

ABOUT MOBILY

AN INNOVATIVE AND INTEGRATED TELECOMMUNICATIONS LEADER

Mobily is a premier provider of integrated telecommunications services, catering to a broad customer base across Saudi Arabia, including individuals, businesses and carriers. It operates through a cutting-edge wireless network, one of the largest in coverage across Saudi Arabia and the Middle East, as well as an extensive fiber network and one of the largest data center systems globally.

Established in 2004 as Etihad Etisalat, Mobily broke the monopoly in Saudi Arabia's wireless industry with the nation's second Global System for Mobile Communications (GSM) license, offering Saudi citizens a new choice in mobile telecommunications services for the first time.

Since its inception, Mobily has experienced rapid growth and diversification, driven by strategic acquisitions and ongoing investment in state-of-the-art infrastructure. It has been at the forefront of technological advancements, launching 3.5G services in 2006, 4G services in 2011 and 5G services in 2019. This commitment to innovation has enabled Mobily to consistently deliver superior customer experiences while driving sustained growth.

Mobily owns and operates its extensive network infrastructure, including Saudi Arabia's most advanced fiber-optic network, which spans 60,993 kilometers and connects all major cities. This ongoing investment in infrastructure has also enhanced regional connectivity, extending links to neighboring countries such as the UAE, Bahrain, Kuwait, Qatar, Yemen and Jordan.

Listed on the Saudi Exchange since 2004, Mobily has a share capital of ٢٠٠٠ million, comprising 770 million fully paid shares of ٢٠٠٠ each as of 31 December 2024.

The Company's major shareholder, Etisalat Emirates Group, holds a 27.99% stake, with the remainder owned by a diverse group of institutional and retail investors.

As Mobily continues to innovate and expand its capabilities, it remains focused on transforming into a TMT leader while performing at the highest levels to meet and exceed the expectations of its customers and Stakeholders.

What We Do

Mobily adopts a forward-thinking, multi-dimensional strategy to drive continuous improvement, delivering enhanced value to all its Stakeholders while establishing a robust platform for sustainable growth. This approach underpins its strategic transformation into a leading player in the TMT sector.

The Company's ongoing investment in cutting-edge technological infrastructure and digitization, coupled with rapid innovation across its diverse product portfolio, reflects its unwavering commitment to addressing current market needs while anticipating and shaping the future of the telecommunications industry.

Mobily's focus on attracting, nurturing and retaining exceptional talent ensures a workforce equipped with the expertise and skills necessary to provide an unparalleled experience to its customers. This dedication results in the delivery of best-in-class service and continuous improvement across the business and in each of its operating segments.

Consumer

Manages all aspects for individual customers and is responsible for the products offered to end users, acquisition, lifecycle and support.

Business

Serves the B2B market with a comprehensive range of mobile, fixed and digital services for digital transformation, efficiency and productivity.

Wholesale

Provides Mobily and its customers with international connectivity and roaming services through its ever-expanding infrastructure.

Mobily Pay

Offers a complete set of customizable digital e-wallet services, including card payments, wallet-to-wallet transfers, local and international bank transfers, bill payments and sending gifts.

YEAR IN REVIEW

REINFORCING LEADERSHIP THROUGH OUTSTANDING ACHIEVEMENTS

Mobily is redefining possibilities and expanding horizons through transformative initiatives and strategic collaborations that drive the evolution of Saudi Arabia’s digital economy. By pioneering innovation and delivering exceptional customer experiences, Mobily remains a key enabler of Vision 2030, shaping a future of limitless potential.

MARCH

Retaining the Middle East's Fastest-Growing Telecommunications Recognition

Mobily was recognized as the fastest-growing telecommunications firm in the Middle East by Brand Finance, with an 18% increase in brand value. At the same time, Chief Executive Officer, Eng. Salman Albadran was recognized as one of the top 10 global business leaders and the 1st in Saudi Arabia on the Brand Protection Index. This accolade highlights Mobily's leadership and continued growth within the regional telecommunications sector.

Collaborating with Tencent Cloud to Launch New Enterprise Cloud Solutions

Mobily partnered with Tencent Cloud to introduce a transformative enterprise cloud platform, "Go Saudi," supporting the Kingdom's vision of becoming a global hub for business and entertainment. This initiative diversifies Mobily's enterprise offerings, leveraging AI, cloud computing and big data to revolutionize Saudi Arabia's digital landscape.

Expanding Enterprise Solutions with Ericsson

At LEAP 2024, Mobily signed an MoU with Ericsson to enhance network programmability and enterprise services. Through API exposure, Mobily strengthens its role in the enterprise ecosystem, enabling new use cases and applications.

APRIL

Advancing Sustainability as a Champion Company

Mobily joined Saudi Arabia's Sustainability Champions program, launched by the Ministry of Economy and Planning (MEP), spearheading collaborations that enhance sustainable practices across industries. This initiative aligns with Vision 2030, fostering economic and environmental progress for a more sustainable future.



MAY

Earning an AA MSCI ESG Rating

Mobily achieved a remarkable milestone by upgrading its MSCI ESG Index, becoming the first telecommunications company in the MENA region to earn this recognition. This upgrade reflects Mobily's leadership in sustainability and commitment to responsible business practices and long-term value creation.



SEPTEMBER

Enhancing Operational Efficiency with Red Bull Mobile

Mobily signed a 6-year hosting agreement to onboard Red Bull Mobile as a mobile virtual network operator (MVNO). This partnership empowers Mobily to optimize operational efficiency, expand its market reach and unlock new revenue streams through infrastructure monetization, strengthening its position in the telecommunications market.

OCTOBER

Driving Digital Healthcare at the Global Health Exhibition

Mobily sponsored the Global Health Exhibition in Riyadh, showcasing its innovative digital solutions aimed at transforming healthcare services in the Kingdom and supporting the development of AI-driven digital healthcare systems and innovations aligned with Vision 2030.



NOVEMBER

Expanding Service Capabilities with a New Spectrum License

Mobily secured a 15-year, 2.5 billion license for 120 MHz in the 700 MHz and 3800 MHz bands, enhancing connectivity in rural and urban areas, including advanced 5G capabilities. This investment underscores Mobily's commitment to delivering high-quality services nationwide.



Connecting the Region with Saudi's First Submarine Cable

Mobily launched the first Saudi-owned submarine cable under the Red Sea in partnership with Telecom Egypt. This cable boosts connectivity across the Arabian Gulf, Egypt and Europe, accommodating growing data traffic and enhancing Mobily's local and international infrastructure.

DECEMBER

Achieving Excellence at MEIRA 2024 Awards

Mobily earned 4 accolades at the Middle East Investor Relations Association (MEIRA) Awards, including 1st place for the Best Printed Annual Report and the inaugural Best IR Film Award, showcasing its leadership in investor relations transparency and communication.

Nurturing Success in Workplace Culture

Mobily received the prestigious "Great Place to Work" certification, reflecting its commitment to fostering an exceptional and positive workplace culture.



Shaping Global Internet Governance

As a technical partner for the Internet Governance Forum (IGF) 2024, Mobily played a pivotal role in advancing sustainable, secure digital infrastructure and promoting global dialogue on digital transformation.

NETWORK CAPACITY AND FOOTPRINT

CUTTING-EDGE NETWORK INFRASTRUCTURE AND EXPANSIVE COVERAGE

Mobily’s extensive network infrastructure connects Saudi Arabia with unparalleled reliability and scale, providing 98% of the population with 3G coverage and 99% with 4G. Its cutting-edge 5G network spans 6,600 sites across 61 cities, delivering 5G connectivity to over 87% of the population in the Kingdom’s 7 main cities.

Mobily’s expansive infrastructure includes long-distance, metropolitan and fiber networks, covering a remarkable 60,993 kilometers to ensure seamless connectivity across all major Saudi cities.

Mobily’s commitment to excellence extends to its state-of-the-art data centers in Riyadh, Dammam and Jeddah. Notably, its Malga 2 facility in Riyadh stands as the first Tier IV Constructed Facility Certified Hosted Managed Services Provider in the Middle East, Asia or Africa, solidifying Mobily’s leadership in delivering world-class managed services.

Mobily’s International Gateway

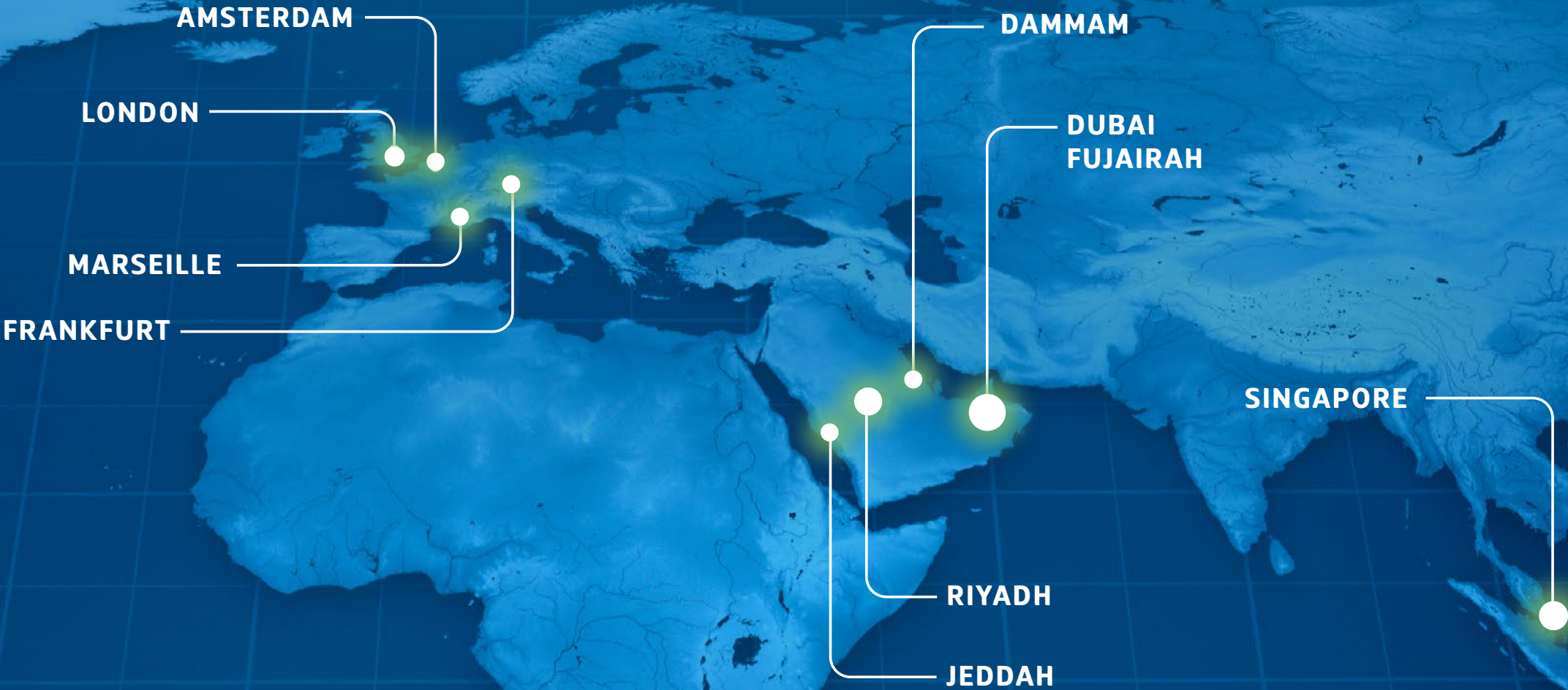
Mobily operates a robust international gateway, seamlessly connecting Saudi Arabia to the world through strategic

partnerships with global carriers and a network of overland and submarine cables. This gateway enables direct connectivity to key destinations, including Egypt, Jordan, Iraq, Kuwait, Bahrain, Qatar, Yemen, India, Singapore, the broader Asia-Pacific region and Europe.

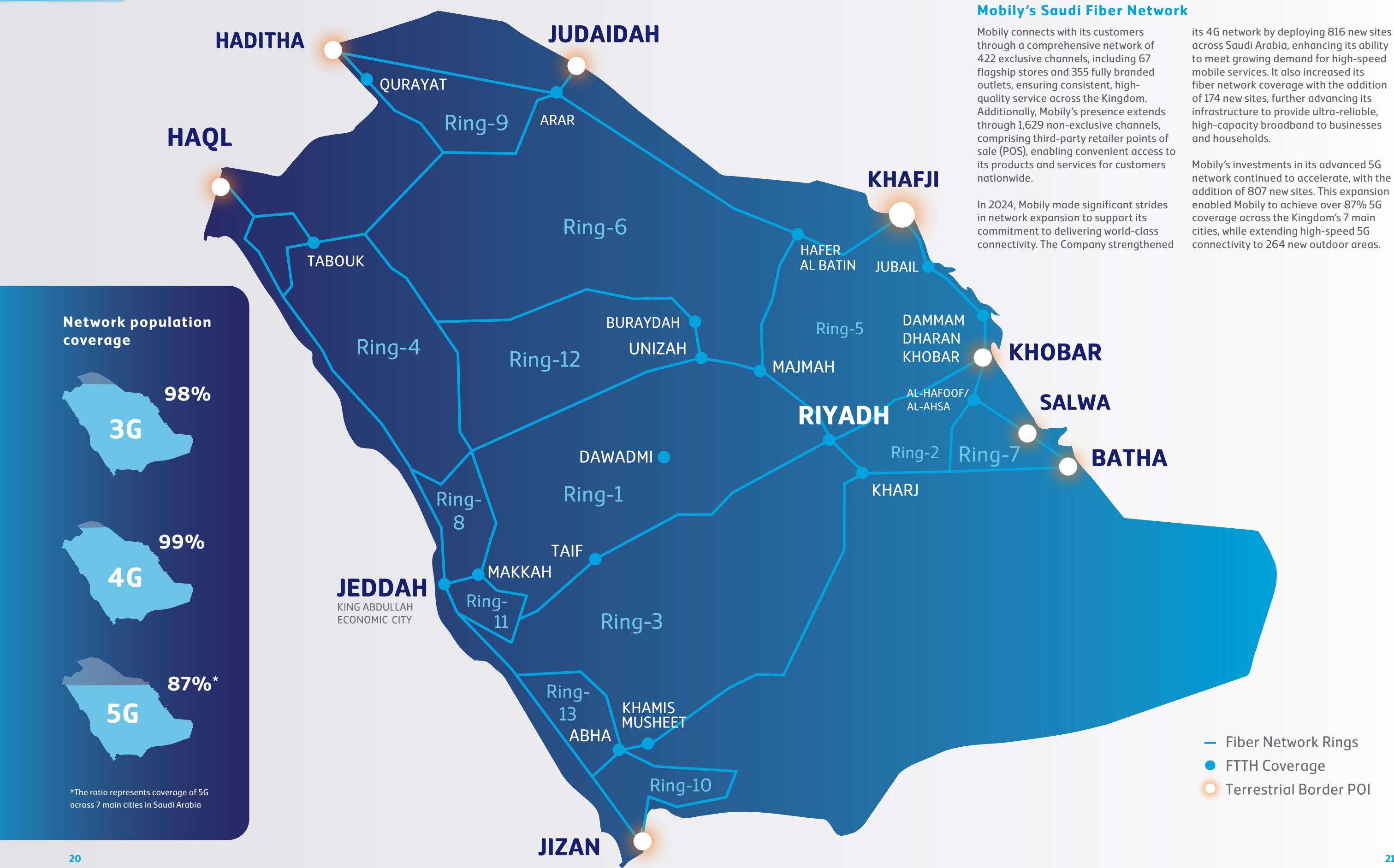
As part of its international gateway, Mobily launched Saudi Arabia’s first wholly owned submarine cable under the Red Sea in 2024, connecting Saudi Arabia and Egypt with landing stations in Doha and Sharm El Sheikh. Developed in collaboration with Telecom Egypt, the cable expanded connectivity options toward Europe and integrated with existing submarine systems, enhancing Mobily’s international reach and reinforcing its role in global communications.

The cable linked the Arabian Gulf and neighboring countries to Egypt through Mobily’s advanced digital corridors, providing seamless connections to other subsea systems. This investment significantly expanded Mobily’s submarine cable network and international infrastructure, ensuring reliable, high-capacity connectivity to meet growing communication traffic and the increasing demand for internet services locally and internationally.

This development also strengthened Saudi Arabia’s position as a key international hub for communications and data traffic, aligning with Vision 2030 objectives. It highlighted Mobily’s commitment to advancing its infrastructure and enhancing its capabilities on both regional and global scales.

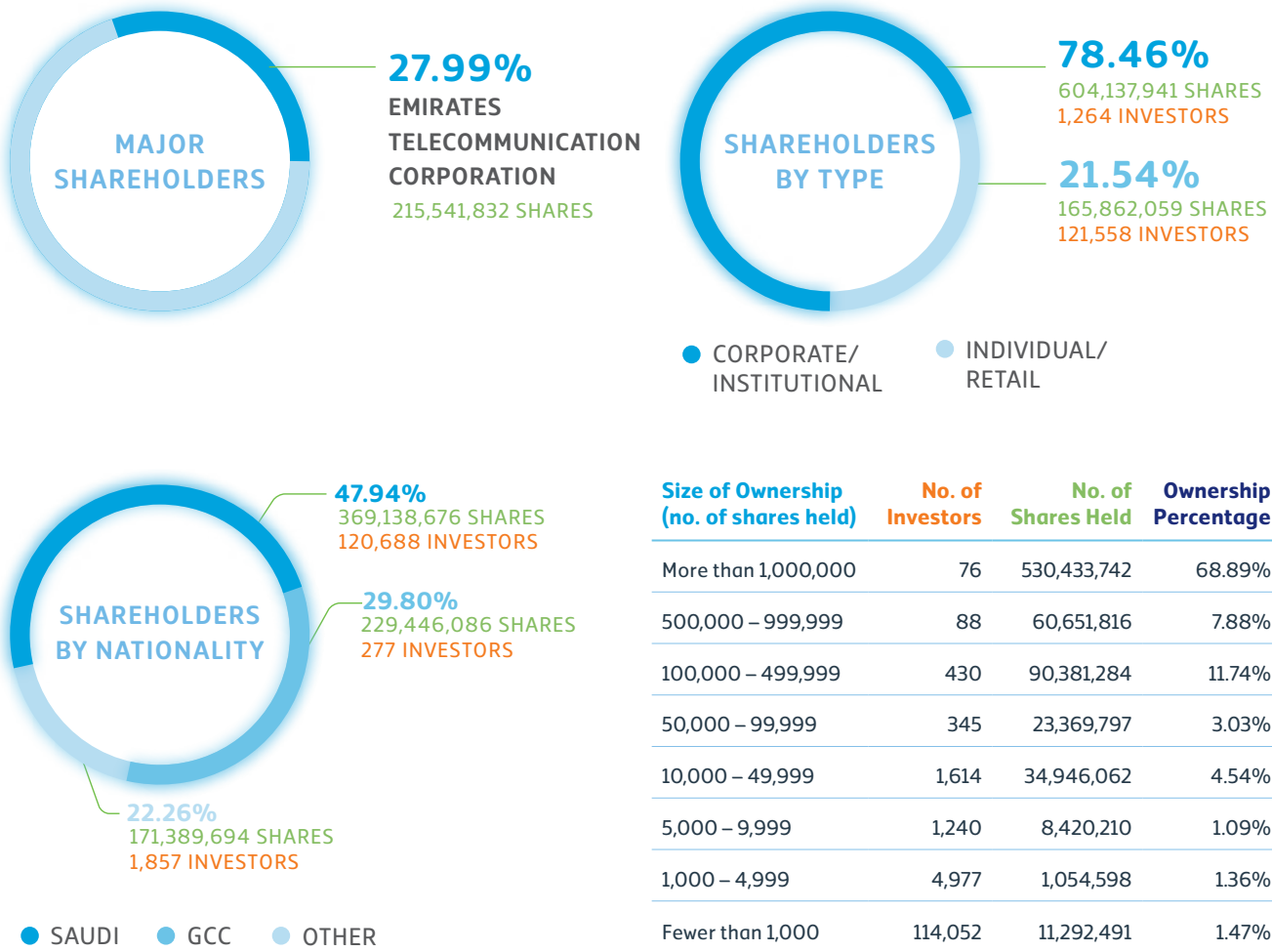


NETWORK CAPACITY AND FOOTPRINT (CONTINUED)



SHAREHOLDER'S INFORMATION

REINFORCING INVESTOR TRUST

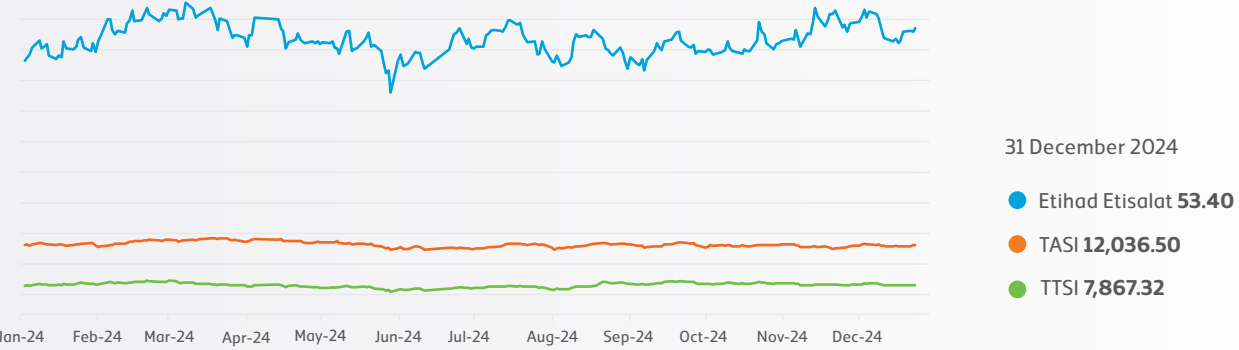


Size of Ownership (no. of shares held)	No. of Investors	No. of Shares Held	Ownership Percentage
More than 1,000,000	76	530,433,742	68.89%
500,000 – 999,999	88	60,651,816	7.88%
100,000 – 499,999	430	90,381,284	11.74%
50,000 – 99,999	345	23,369,797	3.03%
10,000 – 49,999	1,614	34,946,062	4.54%
5,000 – 9,999	1,240	8,420,210	1.09%
1,000 – 4,999	4,977	1,054,598	1.36%
Fewer than 1,000	114,052	11,292,491	1.47%
Total	122,822	770,000,000	100.00%

Share Information

LISTING DATE: 20 DECEMBER 2004	FREE FLOAT: 72.01%	FOREIGN OWNERSHIP AS OF 31 DECEMBER 2024: 22.26%
EXCHANGE: THE SAUDI STOCK EXCHANGE (TADAWUL)	CLOSING PRICE AS OF 31 DECEMBER 2023: ﷲ 49.05	DIVIDEND PAY-OUT AS OF 31 DECEMBER 2024: ﷲ 2.20 PER SHARE
SYMBOL: 7020	CLOSING PRICE AS OF 31 DECEMBER 2024: ﷲ 53.40	FOREIGN OWNERSHIP LIMIT: 49.00%
ISIN: SA000A0DM9P2	MARKET CAP AS OF 31 DECEMBER 2024: ﷲ 41,118.00 MILLION	
NO. OF SHARES ISSUED: 770,000,000		

Share Price Performance vs. Market Indices



TOP 5 INTERNATIONAL SHAREHOLDERS



INVESTOR RELATIONS CALENDAR 2024

Date	Event
11 Feb 2024	Announcement of 2023 dividends
20 Feb 2024	Earnings Release of year-end 2023 results
26 Feb 2024	Earnings Conference Call of year-end 2023 results
12 May 2024	Earnings Release of interim Q1-24 results
14 May 2024	Earnings Conference Call of interim Q1-24 results
27 Jun 2024	Extraordinary General Assembly Meeting
15 Jul 2024	Distribution of 2023 dividends
23 Jul 2024	Earnings Release of interim Q2-24 results
30 Jul 2024	Earnings Conference Call of interim Q2-24 results
15 Sep 2024	Announcement of H1-24 dividends
6 Oct 2024	Distribution of H1-24 dividends
27 Oct 2024	Earnings Release of interim Q3-24 results
28 Oct 2024	Earnings Conference Call of interim Q3-24 results
28 Nov 2024	Ordinary General Assembly Meeting

INVESTMENT CASE

A STRATEGIC INVESTMENT IN SAUDI ARABIA'S DIGITAL FUTURE

Mobily stands out as an exceptional investment opportunity, seamlessly blending visionary leadership, transformative growth and a steadfast commitment to innovation and sustainability.

With a proven track record of delivering value to Stakeholders, pioneering technologies and forging strategic alliances, Mobily is redefining the telecommunications landscape in Saudi Arabia and beyond. Positioned at the intersection of digital transformation and sustainability, Mobily is the future of connectivity while aligning with global and national ambitions to create long-term impact and enduring success.

ACCELERATING TRANSFORMATION FROM A LEADERSHIP POSITION

Launched a visionary strategic plan designed to drive transformative growth and shape the future of the digital landscape

Delivering steady growth across multiple revenue streams, coupled with operational excellence and significant progress in reducing debt

Increased shareholder returns, with a dividend payout of ₪ 2.20/share

A rising share price of ₪ 53.4*, reflecting strong confidence from a broad base of local, regional and international investors

Gaining recognition from analysts, with 95% "Buy" ratings and a 29.4% annual increase in average target prices

DRIVING STRATEGIC ALLIANCES

Collaborating closely with the Saudi Government to align with ICT strategies, shaping the digital future of the Kingdom

Serving as the trusted partner for leading national and global enterprises, enabling transformative digital journeys

Investing in and supporting innovative Saudi fintech ventures and SMEs, fostering the growth of the next generation of digital pioneers

A TRUSTED AND RESILIENT BRAND

Recognized as the 7th most valuable Saudi brand and the fastest-growing telecommunications brand in the Middle East, with an impressive 18% annual growth

Setting industry benchmarks with globally recognized certifications, delivering unmatched quality and reliability in connectivity

Guided by a proven Saudi leadership team, driving sustainable growth and ensuring long-term, future-ready success

EMPOWERING THE KINGDOM'S ESG AMBITIONS

Marking the third year of implementing Mobily's ESG Strategy, delivering impactful change across all dimensions

Leading the industry in sustainability transparency, with 4 comprehensive standalone reports published to date

The first in the market to achieve a leading AA MSCI ESG rating, highlighting a steadfast commitment to responsible and sustainable practices

Actively supporting Saudi Vision 2030, ICT Strategy, Saudi Green Initiative and international frameworks like the UN Global Compact (UNGC), UN Sustainable Development Goals (SDGs), Global Reporting Initiative (GRI) and Sustainable Accounting Standards Board (SASB), advancing progress that transcends profitability

LEADING THE WAY IN TECHNOLOGY

Achieving extensive 5G coverage, reaching 87% of the population in 7 major cities across Saudi Arabia

Expanding IoT solutions to power high-growth applications, including fleet and building management systems

Ranked #1 for delivering the best video and gaming experiences, ensuring unmatched customer satisfaction

Revolutionizing operations with an award-winning customer experience platform and AI-driven next-gen network, earning 4 prestigious accolades in this space

Recognized as the top-rated mobile app among all 3 operators in Saudi Arabia, offering unparalleled convenience and value to users

*As of 31 December 2024

ALIGNING WITH INVESTMENT COMMUNITY BEST PRACTICES

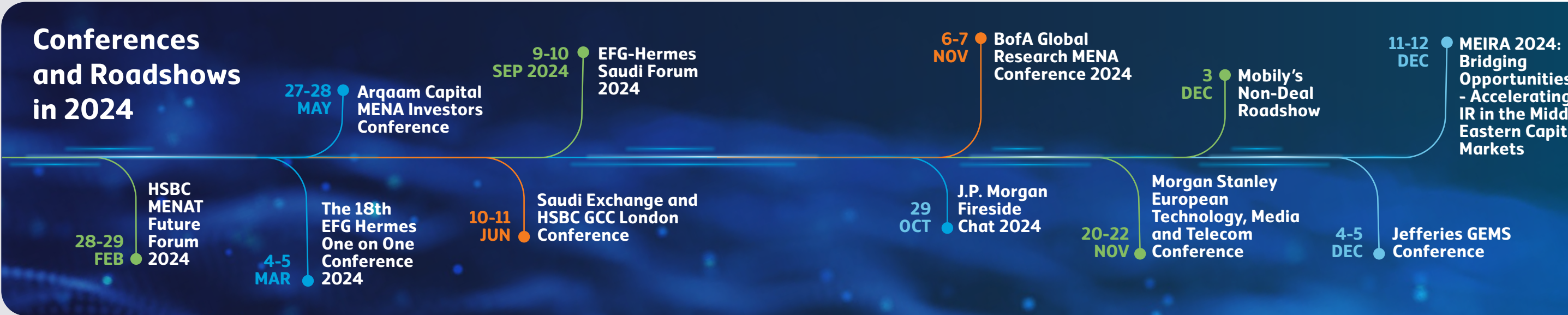
ELEVATING INVESTOR ENGAGEMENT

Mobily’s Investor Relations (IR) team transformed to meet the evolving needs of its investor base. By revamping its IR and sustainability web platforms, the Company enhanced accessibility and transparency, providing investors with timely and comprehensive information. Targeted investor engagement initiatives, including investor conferences, highlighted Mobily’s strong investment proposition and robust ESG commitments, fostering deeper trust and stronger relationships with key Stakeholders.

Seamless Investor Experience

To foster seamless communication with its investor base, Mobily IR adopts a range of digital tools and platforms. The Dividend Payment Inquiry webpage empowers investors to conveniently track the status of their dividend payments. The IR and Sustainability webpages, along with a user-friendly IR app, provide transparent insights into the Company’s operations and performance. Recognizing

the importance of accessibility, Mobily has an interactive voice response (IVR) system in place to streamline investor inquiries. Furthermore, the dedicated webpage for General Assembly Meetings enables effective and seamless remote participation for virtual attendees, offering access to meeting agendas, materials, proxy, live streaming and voting functionalities.



The IR team was instrumental in steering Mobily’s journey toward sustained growth. By fostering open dialogue with investors, enhancing transparency and implementing innovative strategies, the team solidified the Company’s position as a leading investment choice in the region. Their dedication to building strong investor relationships and providing timely, accurate information was pivotal in navigating the dynamic market landscape.

A Clear Vision, A Clear Narrative

In 2024, Mobily strengthened its commitment to transparency by enhancing its investor reporting suite, providing shareholders with a more detailed and insightful view of its operations. The Annual Report was significantly expanded, delving deeper into the Company’s performance and strategic direction. In alignment with global best practices, Mobily’s Sustainability Report was aligned with

the GRI and SASB standards, offering a comprehensive and investor-centric overview of its ESG initiatives and performance.

Tailored Engagement, Maximum Impact

Mobily’s IR team recognized the importance of building strong, lasting relationships with its shareholders and overall Stakeholders. The team embarked on a journey to understand the diverse needs and preferences of its investor base. By conducting meticulous analyses of the Shareholder Register, the team was able to identify key investor segments and tailor communication strategies accordingly. This data-driven approach, coupled with active participation in 11 renowned investor conferences and roadshows, enabled Mobily to expand its global investor reach and solidify its reputation as a reliable and compelling investment case.

Sustainability as a Growth Driver

Mobily’s unwavering commitment to sustainability and corporate responsibility has been a cornerstone of its operations. In 2024, the Company intensified its ESG efforts by conducting a comprehensive gap analysis, identifying key areas for improvement, and establishing robust ESG KPIs to measure progress. These initiatives were designed to reduce energy consumption, promote responsible waste management, enhance data privacy and security, and foster diversity and inclusion within its workforce and community development programs. These efforts align with the Company’s vision to build a sustainable future for all Stakeholders and have positioned Mobily as a leader in the industry. As a result of these efforts, Mobily achieved a significant milestone by being upgraded to the leading AA rating category in the MSCI ESG Index as the first telecommunications Company in the Middle East to obtain this rating, the highest rating in the region, and recognized by 5 other prestigious ESG indices.



ALIGNING WITH INVESTMENT COMMUNITY BEST PRACTICES (CONTINUED)

In a significant step towards sustainable business practices, Mobily joined the United Nations Global Compact (UNGC) in 2024, committing to aligning its operations with 10 universally accepted principles related to human rights, labor, environment and anti-corruption. By joining the UNGC, Mobily solidified its position as a responsible corporate citizen and embraced a future driven by sustainability and ethical business practices.

Additionally, the Company's participation in the Ministry of Economy and Planning (MEP) Sustainability Champions program demonstrates its dedication to fostering a collaborative ecosystem where knowledge and expertise are shared to adopt sustainable practices and accelerate the Kingdom's transition to environmental sustainability.

To enhance its future sustainability reporting and transparency, Mobily has initiated a comprehensive review to assess its readiness for International Financial Reporting Standards (IFRS) sustainability-related standards adoption. This proactive step involves identifying and addressing potential gaps in current practices to explore future compliance with S1 and S2 reporting standards.

Recognizing Excellence and Industry Leadership

The IR team's proactive approach drove significant engagement, with over 110 meetings held throughout the year, attended by over 320 participants. This increased interest and confidence in Mobily's future led to a 29.4% increase in the average target share price. Moreover, the team's strategic efforts expanded Mobily's investor base, with institutional investors representing 78.5% while foreign investors account for 22.3%.

Mobily's strong positioning was further affirmed by 2 new coverage initiations from Jefferies and United Securities, both with a "Buy" rating. Additionally, Riyadh Capital, Yaqeen Capital and Arqaam Capital upgraded the Company to "Buy" based on its attractive valuation discount, positive dividend outlook, and growing Return on Investment (ROI). With a total of 17 "Buy" ratings from prestigious local and international research houses out of a total coverage of 19, analysts express strong confidence in Mobily's future potential.

Mobily's commitment to transparency and investor relations earned it several prestigious awards this year. The Company was honored with the "Best Investor Relations Telecom Company Award in Saudi Arabia" by the Global Business Outlook (GBO) and the "Fastest Growing Telecoms Brand in the Middle East 2024" by Brand Finance. Additionally, the team's dedication to providing exceptional investor relations and building strong relationships with Stakeholders was further validated by its achievements at the MEIRA event. The Company secured 1st place in the Middle East for the Best Printed 2023 Annual Report Award, 2nd place for the Best Digital 2023 Annual Report Award, 1st place in the Middle East for the Best IR Film 2023 Award and 3rd place in Saudi Arabia for the Best IR Professional 2024 Award.



May 2024 MSCI	Jun 2024 FTSE Russel	Aug 2024 ESG Invest	Dec 2024 S&P DJSI	Dec 2024 CSR Hub	Dec 2024 LSEG
New Rating AA	New Rating 2.6/5	New Rating 62/100	New Rating 47/100	New Rating 64/100	New Rating 55/100
Old Rating A	Old Rating 1.9/5	Old Rating 52/100	Old Rating 33/100	Old Rating* 52/100	Old Rating* --/100

*LSEG initiated its ESG review of Mobily this year, and there was no older rating

Conducted
+110 meetings

Participated in
11 renowned and prestigious investor conferences and roadshows

17 "Buy" ratings from prestigious local and international research houses



02

STRATEGIC REVIEW

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Through unparalleled growth, leadership and customer experience, Mobily is redefining the industry in Saudi Arabia while upholding its commitment to value creation for all Stakeholders.

CHAIRMAN'S STATEMENT

REDEFINING POSSIBILITIES
SUSTAINING LEADERSHIP

“

We continued to lay the foundation for sustained accelerated growth

Mr. Abdulkarim Ibrahim Alnafie
Chairman



It is my pleasure to present Mobily's Annual Report for 2024, a year marked by record-breaking performance and transformative growth. By leveraging cutting-edge technologies and forging strategic partnerships, we strengthened our leadership in technology, media and telecommunications (TMT) while unlocking new opportunities across key sectors. This report highlights our journey of innovation and leadership, our contributions to Saudi Arabia's Vision 2030 and our unwavering commitment to building a connected and sustainable future.

The Saudi economy continued its remarkable transformation in 2024, driven by fiscal and structural reforms under Vision 2030. These comprehensive efforts have fueled sustainable growth, particularly in the non-oil sectors, as the Kingdom prioritizes income diversification, private sector empowerment and the development of high-potential industries. Compensating for the decline in oil production due to the Kingdom's voluntary cuts under the OPEC+ agreement, 2024 saw an increase in non-oil activities by 3.7%, with real GDP growth of 4.6%. This performance underscores the success of the Kingdom's diversification strategy, with private sector contributions playing a pivotal role in fostering job creation, regulatory improvements and investment attraction.

In parallel, Saudi Arabia has strengthened its position as a global leader in digital innovation as it ranked 16th in the International Institute for Management Development World Competitiveness Ranking and 1st globally in internet usage per population. It also secured 2nd place

among G20 nations in the International Telecommunication Union's Information and Communication Technology Development Index for the second time in a row and continues to lead the Middle East and North Africa (MENA) region as the largest and fastest-growing information and communication technology (ICT) market. These milestones reflect the Kingdom's rapid data consumption growth with monthly data consumption exceeding 3 times the global average. Further emphasizing its digital leadership, Saudi Arabia climbed 25 places in the United Nations E-Government Development Index, ranking 1st regionally and 2nd among G20 nations.

The telecommunications sector experienced sustained growth, driven by the Kingdom's ambitious goals of economic diversification and digital transformation. Investments in infrastructure, including early adoption of 5G, expansion of internet of things (IoT) applications and advancements in cloud and artificial intelligence (AI) technologies, have positioned Saudi Arabia as a regional hub for connectivity and innovation.

The business-to-business (B2B) segment saw significant expansion as businesses increasingly adopted ICT solutions, while giga projects continued to fuel demand for cutting-edge digital services.

Despite challenges such as competitive pricing pressures in the consumer market, telecommunications companies leveraged value-added services, cost optimization strategies and rising data consumption from 5G networks to drive growth. The ICT sector's rapid evolution, with projections for an 8% compound annual growth over the next 5 years, underscores the opportunities that align with Mobily's ambitious expansion strategy. These dynamics reaffirm our role as a critical enabler of Saudi Arabia's transformation into a globally recognized digital economy.

11-YEAR
growth records
in 2024

CHAIRMAN'S STATEMENT (CONTINUED)

Redefining Leadership in a Digital World

Our 2023–2027 Strategy is designed to position Mobily as a leader in the TMT sector while delivering long-term value to our shareholders. Over the next 5 years, we aim to capture the expanding opportunities in Saudi Arabia by achieving growth across core and adjacent markets and leveraging emerging technologies to strengthen our market position.

Mobily's strategy focuses on 4 key objectives: securing the largest share of consumer revenue growth, leading the B2B market, diversifying into digital and adjacent markets and anchoring ICT partnerships to support Vision 2030 initiatives. To achieve these goals, we are committed to being agile in adapting to market trends and emerging technologies, ensuring our infrastructure remains robust to meet unforeseen demands like low-latency requirements, and maintaining flexibility in addressing diverse customer needs. For instance, we tailor solutions for large corporates while providing quick, off-the-shelf options for small and medium-sized enterprises (SMEs).

We are also partnering with global leaders in AI to expand our offerings and enhance operational efficiency. Internally, we are leveraging AI to streamline our services, improve financial performance and elevate customer satisfaction. Externally, we are upgrading our infrastructure to support innovative initiatives like a Kingdom-based search provider and enhanced business-to-government and B2B solutions. By aligning our strategic priorities with cutting-edge technology and customer-centric solutions, Mobily is well-positioned to drive growth and innovation over the near and long-term.

Sustaining Our Growth Horizons

In 2024, Mobily achieved its strongest financial performance in over a decade, recording the highest annual revenue, net profit and EBITDA in 11 years. This exceptional growth reflects consistent quarterly and yearly progress, underscoring the effectiveness of our long-term strategy and operational excellence. The Mobily brand also achieved remarkable recognition, earning the title of the fastest-growing telecommunications brand in the Middle East and continuing to strengthen its value and customer loyalty across the Kingdom.

Throughout the year, Mobily reached significant milestones across all pillars of its strategy. In the giga projects domain, we underwent a strategic transformation, attracting top global talent and investing in advanced customer-facing infrastructure, establishing a solid foundation for long-term revenue growth. In the ICT and SME sectors, Mobily further cemented its position as a trusted partner, enhancing end-to-end digital solutions and driving steady expansion in the SME space.

We continued to lay the foundation for sustained accelerated growth by prioritizing market-leading customer experience, digital transformation and robust infrastructure development. Our network has been significantly enhanced with international submarine cables, advanced data centers, expansive fiber network and state-of-the-art 5G sites, delivering ultra-fast speeds and reliable connectivity to our growing customer base. Additionally, we established a range of strategic partnerships to leverage leading technologies and develop large-scale solutions that support critical

government projects, reinforcing our role as a key enabler of the Kingdom's digital transformation.

First telecom company to achieve a 'AA' rating on the MSCI Index in MENA

Enabling Vision 2030

Mobily plays a critical role as an enabler of Saudi Arabia's Vision 2030, driving development in the Kingdom's ICT sector. By empowering SMEs, enhancing services for end users and supporting government integration, Mobily aligns its strategic focus with the national agenda. A cornerstone of this strategy is complementing the capabilities of our partners to anchor ICT leadership within the Kingdom and provide the infrastructure essential for giga projects.

In 2024, Mobily captured a large share of government projects, demonstrating our established position as a trusted provider of TMT services. This marks a remarkable transformation over the past decade, as we have exponentially scaled our capacity and offerings to meet the extensive needs of government initiatives. Today, Mobily's dependable infrastructure and innovative solutions are integral to driving the Kingdom's digital transformation forward.

Our robust governance system drives continued progress in support of the environmental, social and governance (ESG) goals. We made significant strides in implementing our ESG Strategy this

year, which resulted in Mobily becoming MENA's first company to achieve a rating of AA on the MSCI Index. Through rigorous corporate governance and a focus on minimizing risks and ensuring compliance, we have strengthened our position as a responsible and ethical corporate entity. These collective efforts culminated in significant industry recognition, as our Risk Management and Business Continuity team was honored thrice at the BCI Middle East Awards. Our sustainability framework has guided us in addressing environmental, social and economic challenges. We have prioritized climate change and energy management, waste management and circularity, along with promoting digital innovation and responsible marketing. By investing in our communities and fostering diversity and inclusion, we are contributing to economic development while also creating sustainable value for our Stakeholders.

Executing Transformational Growth

Throughout the year, we reinforced Mobily's role as a technological and market disruptor through strategic partnerships and innovative advancements. Our collaboration with Amazon Web Services (AWS) has been pivotal in enabling us to provide cutting-edge solutions that empower businesses across the Kingdom. By combining Mobily's deep understanding of the local market and robust infrastructure with AWS's global expertise, we have created opportunities to deliver transformative solutions for B2B and business-to-consumer (B2C) revolutionizing the digital experience and meeting the evolving expectations of our customers. Additionally, partnerships with global leaders such as Huawei have supported the expansion of

our IoT solutions, helping us grow our customer base and deliver transformative services that empower businesses across the Kingdom.

To support these efforts, we launched a significant expansion of our data centers, tailored to meet the growing demand for technologies, which are essential for advancing IoT and 5G capabilities. We also continued to invest in critical infrastructure, including submarine cables, and strengthened our partnerships with mobile virtual network operators (MVNO) to enhance connectivity and service delivery.

On the B2C front, we captured a significant share of market revenue growth, positioning Mobily as a leader in new trends and achieving total experience leadership. By focusing on innovation, improving the customer journey and adapting to the dynamic TMT landscape, we are transforming Mobily to drive value for all Stakeholders.

Maintaining Momentum in 2025

Building on the strong momentum of recent years, we remain optimistic that 2025 will be a year of accelerated growth for Mobily as we strengthen our position as a leading player in Saudi Arabia's TMT sector. We are committed to diversifying our portfolio and expanding our offerings to meet the evolving needs of our customers while maintaining our leadership in service excellence. By capitalizing on the opportunities in the Kingdom's rapidly growing market, monetizing our strategic investments and staying at the forefront of innovation, we will continue to create sustainable value for our shareholders and reinforce our leadership in the industry.

To achieve this vision, we will adapt to the ever-changing TMT landscape by investing in constant innovation and developing new digital solutions. Introducing advanced products and services will enable us to establish sustainable revenue streams and increase our market share in connectivity. Partnerships with technological leaders such as AWS will be key to driving growth, particularly in the B2B segment. In alignment with Saudi Vision 2030, we will increase our participation in giga projects and national development initiatives, contributing to the Kingdom's transformation while actively pursuing new growth opportunities that align with our strategy.

Acknowledgements

On behalf of the Board of Directors, I extend heartfelt gratitude to our Executive Management team for their exemplary performance and strategic execution during 2024, delivering yet another year of success and growing returns.

I would also like to acknowledge the unwavering support of our strategic partners and shareholders, whose contributions have been instrumental in achieving our milestones and positioning us for continued excellence in the year ahead.

Lastly, we express our deepest appreciation and loyalty to The Custodian of the Two Holy Mosques and His Royal Highness, The Crown Prince, whose visionary leadership and remarkable achievements continue to drive the Kingdom's progress toward the ambitious goals of Saudi Vision 2030.

CEO'S MESSAGE

CAPITALIZING ON OPPORTUNITIES ACCELERATING TRANSFORMATION

“ This was a transformative year for Mobily as we redefined our possibilities and sustained our leadership in the TMT landscape.

Eng. Salman Abdulaziz Al Badran
Chief Executive Officer



We made significant strides in executing Mobily's 2023-2027 strategy this year, positioning ourselves as a leader in the TMT sector while delivering sustainable value to our shareholders. By focusing on capturing the largest share of consumer revenue growth, strengthening our leadership in the business-to-business (B2B) market and expanding into digital and adjacent markets, we have built a solid foundation for long-term success. Additionally, we continued to anchor strategic partnerships, aligning our efforts with Vision 2030 and supporting giga projects to spearhead innovation and support the Kingdom's economic transformation.

Ambitious strategic progress led to record-breaking financial and operational results across our business segments and markets in 2024. Revenue reached ₪ 18.2 billion, reflecting an 8.6% increase compared to ₪ 16.8 billion in 2023. EBITDA grew by 8.6% from ₪ 6.6 billion, contributing to a record net profit of ₪ 3.1 billion – a significant 39.2% increase from ₪ 2.2 billion in the previous year. Additionally, we achieved an all-time low net debt-to-EBITDA ratio 0.89x, improving from 1.20x in 2023, highlighting Mobily's ongoing commitment to financial discipline and operational efficiency.

**Remarkable
119%
increase
in gaming
subscriptions**

Capturing the Consumer Market

This year marked a pivotal period for the Consumer Unit as it benefited from Mobily's expanded 5G Fixed Wireless Access and Fiber-To-The-Home services, driving revenue growth and enhancing customer satisfaction. The Company's investments in its advanced 5G network continued to accelerate, with the addition of 807 new sites giving a total of more than 6,600 sites across 61 cities. This expansion enabled Mobily to achieve over 87% 5G coverage across the Kingdom's 7 main cities, while extending high-speed 5G connectivity to 264 new outdoor areas. Key highlights included the

exceptional performance during the 2024 Hajj season, where 5G coverage was increased by 300%, leading to a 400% surge in 5G data traffic and significant growth in voice and international calls.

The Unit prioritized customer-centric strategies, expanding its customer base through competitive pricing and superior service offerings. This included a strategic focus on expanding high-value postpaid customers, which led to growth in the subscriber base. Mobily also launched a revamped Mobily Gamers platform and tailored gaming packages, resulting in a remarkable 119% increase in gaming subscriptions compared to the previous year. The transformative migration to NewStack technology further streamlined operations and improved service delivery, cementing our reputation for innovation.

In 2024, Mobily Pay demonstrated exceptional growth, with financial transactions increasing by an impressive 154% year-over-year. The launch of Marketplace further enhanced its offerings, providing

**Over
87% 5G
coverage
across the
Kingdom's 7 main
cities**

CEO'S MESSAGE (CONTINUED)

customers with an easy platform to purchase digital vouchers at highly competitive prices. We also established several strategic partnerships to elevate the platform's services, improve customer experience and address the unique needs of small and medium-sized enterprises (SMEs). These efforts significantly advanced Mobily Pay's market share and value proposition, culminating in a 70% expansion of its total customer base compared to 2023.

Exceptional performance during the 2024 Hajj season, with **400% surge in 5G data traffic**

Fueling the Kingdom's Economic Growth

Mobily's Business Unit achieved exceptional results this year, becoming a key driver of our overall growth and transformation. The Unit delivered a double-digit increase in revenue by 19.8%, driven by strategic expansions in data centers and the scaling of cutting-edge technologies. Earnings were fueled by strategic expansions in data centers, the adoption of advanced technologies and strong contributions from core and digital services across government, enterprise and SME segments.

Our active participation in giga projects such as NEOM, Red Sea and Qiddiya strengthened our credibility

and highlighted our commitment to advancing Saudi Arabia's digital transformation. By investing in cutting-edge infrastructure, innovative Internet of Things (IoT) applications and data center development, the Business Unit played a critical role in enabling smart city initiatives, public safety solutions and connectivity advancements. These efforts reflect Mobily's dedication to driving operational efficiency and supporting the Kingdom's Vision 2030 objectives.

The Unit prioritized supporting SMEs, a vital growth area in Saudi Arabia's economy. Offering quick, off-the-shelf solutions such as mobile packages, cloud services and digital tools, Mobily reinforced its position as a trusted partner in the SME sector. Robust connectivity, IoT solutions, secure data center services and scalable cloud offerings enabled SMEs to optimize operations, enhance customer engagement and adapt to market demands. By leveraging synergies with its government-focused solutions and advancing SME digitalization, Mobily drove significant growth in this segment, empowering businesses and fostering innovation.

Scaling and Investing in Infrastructure

The Wholesale Unit demonstrated leadership and growth, earning Mobily recognition as the best wholesale company in the Middle East. This year, the Unit forged landmark agreements, such as the signing of a 6-year agreement to onboard Red Bull Mobile as a mobile virtual network operator (MVNO), reinforcing Mobily's position as a leader in enabling innovative partnerships and expanding its market presence. Mobily also launched 2 major services, Application-to-Person Services to enhance customer

experience and the International Direct Dialing Hub and Carrier Hub services, further strengthening its leadership in international direct dialing.

We have strategically scaled our investments in infrastructure, including submarine cables and the addition of 2 new data centers in Riyadh and Jeddah, to meet the growing data demands. The Unit's efforts to link the Kingdom's Red Sea and Gulf cables via a terrestrial cable, with the Red Sea submarine cables set to launch by 2026, further enhance our connectivity capabilities.

These investments have been pivotal in capturing new revenue streams, improving customer experience and enhancing accessibility of our offerings in line with our sustainability goals. This is evidenced by our success during the Hajj season, as well as in winning 70% of government subsidies for rural telecommunication infrastructure, covering over 1,300 previously underserved sites. By expanding our network and enhancing service reliability, the Wholesale Unit is poised to unlock significant growth in both business and customer domains.

Advancing Technology and Innovation

Mobily delivered key milestones in technology and innovation throughout the year, cementing our position as a leader in the telecommunications and digital sectors. We continued to harness emerging technologies, including artificial intelligence (AI), IoT and edge computing, to develop innovative solutions that address diverse customer and industry needs. Notably, we obtained a 15-year license for the 120 MHz frequency spectrum, which will help us to meet the growing

demand for high-speed data use for retail and business customers. We also deployed digital twin technology to optimize network operations, improving efficiency and reliability.

In 2024, we launched a transformative AI strategy, positioning AI as a critical enabler of our 4 strategic pillars. The strategy focuses on leveraging AI in 3 key areas: enhancing internal efficiencies to streamline operations and boost customer satisfaction, utilizing AI to elevate customer experience through tailored offerings, and upgrading infrastructure to support Kingdom-based solutions that expand business-to-government and B2B capabilities. Supported by strategic programs and partnerships with leading international AI players, Mobily is building a robust AI framework designed to enhance network reliability, drive operational excellence and fuel revenue growth.

This year, we established several strategic technology partnerships that significantly advanced our offerings and aligned with our commitment to innovation. Our collaboration with Tencent Cloud led to the launch of an enterprise cloud platform, enhancing Saudi Arabia's position as a global business hub. The partnership with Ericsson extended our managed services agreement, integrating AI and automation into our network operations. Our alliance with hyperscalers like Amazon Web Services (AWS) aimed at advancing cloud computing services enables it to deliver secure, scalable and efficient cloud solutions to meet the growing demands of various sectors. Additionally, the partnership with Tech Mahindra was instrumental in enhancing our loyalty programs through advanced AI solutions.

These collaborations reflect Mobily's dedication to leveraging cutting-edge technologies and global expertise to deliver superior services and drive digital transformation in line with Vision 2030.

Elevating Customer Care and Experience

Mobily made significant advancements in customer care and experience, delivering improvements across key metrics and elevating satisfaction levels for our Stakeholders. Enhancements to customer journey processes were central to Mobily's success, with improvements made to billing, onboarding and complaint resolution pathways, ensuring more intuitive and seamless experiences. Proactive response management improved significantly, with a 40% increase in the detection of customer experience incidents and a 32% increase in incident resolution. Our commitment to customer experience best practices also earned us ISO certification for complaint management in 2024.

Investments in digital transformation further enhanced operational efficiency and customer engagement, with upgraded chatbots and self-service platforms providing faster, more effective support. Our Neqaty rewards program continued to expand through new partnerships with the Kingdom's preferred brands. By aligning our strategies with customer needs, Mobily has set new benchmarks for customer care in the telecommunications sector, reinforcing our leadership and commitment to excellence.

Prioritizing our People

At Mobily, we recognize that our people are at the heart of our success, and we remain committed to fostering a value-driven culture that empowers our teams and supports their growth. This year, we launched the High-Potential Development Program, a key initiative to identify and nurture the talents of our employees, equipping them with the skills to excel in a rapidly evolving industry. Complementing this effort, we developed a comprehensive, 3-layered training platform offering access to over 120,000 courses, ensuring continuous learning opportunities for all employees.

To enhance operational efficiency and employee satisfaction, we automated several human resource processes, streamlining workflows and improving the management of pay review cycles, including performance bonuses and merit increases. These initiatives reflect our ongoing commitment to creating a supportive and engaging workplace, a commitment recognized by the Great Place to Work 2024 Certificate. This prestigious accolade highlights the trust, positive experience and inclusivity we strive to embed across Mobily, reinforcing our dedication to building a thriving organizational culture.

151% growth in brand value since 2019

CEO'S MESSAGE (CONTINUED)

Recognition of our Achievements

Throughout the year, we were proud to receive several prestigious awards that highlight our commitment to innovation, exceptional customer service and digital transformation. Notably, Mobily was recognized as the fastest growing telecommunications brand in the Middle East by Brand Finance. Our brand value has increased by a staggering 151% since 2019, reaching its highest brand strength this year at +AA. We were also honored with the Best Investor Relations Telecom Company award in the Kingdom by the Global Business Outlook Awards, a recognition of our dedication to transparency and strong Stakeholder relations.

Mobily received numerous accolades for its outstanding customer experience, including the Communications, Space and Technology Commission's Best Customer Experience Award for the third year in a row. Our technological advancements also earned us the Best Innovation in the Middle East and Africa award and a top 5 global ranking at the Gartner Eye on Innovation Awards for our groundbreaking IoT solutions. Additionally, we received the Best Infrastructure and Service Innovation in FTTH award from the SAMENA Telecommunications Council, recognizing our leadership in enhancing fixed broadband infrastructure.

Driving Sustainable Growth in 2025

Mobily will continue to execute our strategy to become the TMT company of the future, transforming the lives of our customers and communities through innovative products and services. In 2025, we will build on our momentum by increasing our B2B growth and partnerships with giga projects, expanding our data center portfolio and enhancing partnerships with hyperscalers. These efforts will support the growth of our customer base and elevate the value and quality of the services we offer.

We are also focused on driving growth through the expansion of our submarine and terrestrial cable network, improving the customer experience journey and delivering innovative IoT solutions. Additionally, our commitment to community investments, employee well-being, and access to communications will remain central to our strategy. Collectively, these initiatives will enable us to expand Mobily's market share and strengthen our leadership in the Kingdom, aligning with our vision for the future.

Acknowledgements

As we reflect on 2024, I would like to extend my sincere gratitude to our Board of Directors for their visionary guidance, which has been pivotal in achieving another year of exceptional growth and success. I also commend our Executive Management team for their outstanding execution of Mobily's strategy, ensuring our continued progress and innovation.

To our employees, thank you for your dedication, professionalism and tireless efforts. Your excellence has been the foundation of our achievements, allowing us to surpass milestones and move forward with confidence. As we look forward to 2025, we remain committed to delivering exceptional value to our customers and Stakeholders while continuing to lead the Kingdom's digital future.



MARKET REVIEW

TRANSFORMING THE KINGDOM'S DIGITAL LANDSCAPE

Saudi Arabia continued its rapid transformation in 2024, driving digitalization, economic diversification and sustainable growth in line with the goals of Vision 2030. With significant investments in technology and infrastructure, the Kingdom is emerging as a global leader in innovation and connectivity. Strategic initiatives in AI, IoT and renewable energy are fostering resilience, inclusivity and advanced digital progress.

Rapid Transformation Towards a Digitally Powered Future

Saudi Arabia's digital sector is primed for sustained growth, driven by Vision 2030's ambitious goals, substantial infrastructure investments and a flourishing tech ecosystem. As a regional leader in economic diversification, the Kingdom's USD 3.3 trillion National Investment Strategy aims to spark innovation, empower the private sector and unlock nearly USD 1 trillion in strategic investments by 2030.

Digitalization is central to this transformation, as public and private entities increasingly adopt intelligent solutions to enhance growth and efficiency. While Saudi Arabia's telecommunications infrastructure is robust, its potential remains untapped compared to more advanced digital economies. Government initiatives and private investments in cutting-edge technologies, such as AI, robotics, Open Radio Access Network (O-RAN) architecture and cloud computing are positioning the Kingdom as a hub for technological disruption and innovation.

Vision 2030's giga projects, including NEOM, exemplify the Kingdom's transformative ambitions. These initiatives are creating futuristic smart cities while also fostering a thriving environment for small and medium-sized enterprises (SMEs) to drive economic diversification. In 2024, Saudi Arabia welcomed 1.83 million Hajj pilgrims, with the ambitious goal of attracting 30 million pilgrims for Hajj and Umrah by 2030, alongside over 100 million tourists annually. To that end, digitalization remains a key facilitator of these ambitions. Beyond infrastructure, these efforts are cultivating a dynamic tech ecosystem, generating value across multiple industries.

The Saudi telecommunications sector continues to experience robust growth, supported by early 5G deployment, increasing adoption of advanced technologies, and a strong government-led digitization agenda. The B2B segment is expanding as SMEs and larger entities embrace digitization, fueling demand for ICT services. While the consumer segment faces intense competition in a saturated market, rising data

in a saturated market, rising data consumption from 5G adoption, shifting consumer behaviors and growing tourist activity are poised to boost average revenue per user (ARPU).

Telecommunications companies are leveraging cost optimization and value-added services like over-the-top (OTT) apps and roaming packages to maintain competitiveness. The growing presence of MVNOs is further enhancing service offerings and driving quality improvements, while opening opportunities for large mobile network operators (MNOs) to onboard MVNOs into their networks, strengthening market positions.

According to public market studies, investment in transformative technologies continues to accelerate, with the ICT sector projected to grow at an 8% compound annual growth rate (CAGR) over the next 5 years. Cloud computing is expected to expand at a 25% CAGR, reaching USD 2.4 billion by 2026, while the IoT market is forecast to grow at 12.8% CAGR to USD 2.9 billion by 2025, driven by smart city initiatives and

the rollout of 5G. In addition, spending on IT, professional services and digital solutions is expected to grow by 12.7% annually until 2027, significantly impacting GDP with positive implications on various sectors of the Saudi economy. Meanwhile, the cybersecurity sector, valued at USD 3.6 billion in 2020, is projected to grow at 18% CAGR to USD 9.8 billion by 2026.

With AI expected to contribute USD 135 billion to the economy by 2030, Saudi Arabia is emerging as a regional leader in digital transformation. These advancements, underpinned by strong demands for B2B and ICT services, present compelling opportunities for TMT companies like Mobily to capitalize on the Kingdom's rapidly evolving digital landscape and ongoing capital expenditure cycle.

USD 135 billion expected contribution of AI to Saudi Economy by 2030

3.7% growth in Saudi non-oil sectors



MARKET REVIEW (CONTINUED)

Steady Growth amidst Economic Shifts

Global economic activity demonstrated notable resilience in early 2024. However, rising financing costs, geopolitical tensions and cautious growth projections for both advanced and emerging markets indicate a slower trajectory over the next 2 years. Inflation remained elevated globally by the end of 2024, driven by high service costs and wage pressures in some regions, despite earlier forecasts of a more rapid decline. Stabilized interest rates have eased pressures in some major economies, though emerging markets continue to grapple with elevated debt levels and varied monetary policy outcomes.

The Saudi economy, in contrast, has made remarkable fiscal and structural progress, supported by comprehensive reforms under Vision 2030. These efforts are driving sustainable growth, particularly in non-oil sectors, as the Kingdom prioritizes income diversification, private sector empowerment and the development of high-potential industries. While oil activities contracted due to Saudi Arabia's commitment to voluntary production cuts under the OPEC+ agreement, non-oil activities expanded by 3.7% in FY2024, while real GDP growth is projected to hit 4.6% in FY2025 driven by increasing non-oil activities. This underscores the success of economic diversification, with private sector contributions and initiatives aimed at fostering job creation, improving regulatory frameworks and attracting investment playing a key role.

Real GDP in FY2024 is estimated at 0.8%, supported by non-oil activity growth and a relatively low Consumer Price Index (CPI) increase of 1.7%, a stark contrast to higher global inflation levels. Fiscal performance for the year is expected to show a 4.9% increase in total revenues, reaching SAR 1.230 billion, driven by growth in both oil and non-oil revenues. Total expenditures are projected to rise by 7.5% compared to the approved budget, reflecting investments in transformative initiatives, strategic projects and infrastructure development that align with Vision 2030's diversification and growth objectives.

Private enterprises are emerging as pivotal drivers of economic activity, backed by government initiatives to foster technology and data center investments exceeding SAR 41 billion in 2024. Vision 2030 projects continue to stimulate economic diversification and domestic spending, further broadening the Kingdom's economic base. Despite reduced oil production in 2024 as part of the OPEC+ agreement, production is expected to rebound by the end of 2025, bolstering fiscal stability.

As part of its broader commitment to sustainability, Saudi Arabia is tackling the energy trilemma by balancing reliable energy supply, minimizing environmental impact and maintaining affordability. These efforts, including plans for net-zero emissions by 2060, aim to secure a sustainable energy future while advancing the Kingdom's economic resilience and diversification goals.

KSA ranked
1st
globally in
internet usage
per population

Advancing Digital Leadership and Innovation

Saudi Arabia has solidified its position as a global digital leader, achieving remarkable advancements across key indices and initiatives in 2024. The Kingdom ranked 16th in the IMD World Competitiveness Ranking and 1st globally in internet usage per population, reflecting its rapid data consumption growth. It secured 2nd place among G20 nations for the second year running in the ITU's ICT Development Index and leads the MENA region as the largest and fastest-growing ICT market, with average monthly data consumption exceeding 3 times the global average. Additionally, Saudi Arabia climbed 25 places in the UN's E-Government Development Index, ranking 1st regionally and 2nd among G20 nations, further underscoring its leadership in digital services and e-participation.

Saudi Arabia reinforced its global leadership in digital transformation with groundbreaking initiatives including the Riyadh Declaration, unveiled at the Internet Governance Forum 2024. This landmark effort champions the development of inclusive and sustainable AI, advancing global digital access, environmental stewardship and economic inclusion.



MARKET REVIEW (CONTINUED)

By aligning with Vision 2030, the Kingdom positions itself as a global advocate for equitable AI systems, setting a strategic framework for responsible innovation and international collaboration. The Kingdom's selection to the International Advisory Body for Submarine Cable Resilience further highlights international confidence in its leadership and expertise in securing vital infrastructure. The Advisory Body aims to set the strategic direction for improving cable resilience, addressing related challenges, promoting best practices for protecting submarine cable systems and coordinating international cooperation, technical development and investment models.

Saudi regulators have also driven transformative initiatives. The Communications, Space and Technology Commission (CST) updated its IoT Regulatory Framework to align with evolving technologies, introduced data center service regulations to enhance user protection and investment, and announced the fifth spectrum auction to bolster digital infrastructure and innovation. In collaboration with private and global partners, CST launched groundbreaking trials in non-terrestrial networks and connected smart devices via satellite, advancing IoT connectivity and industrial efficiency.

Saudi Arabia is advancing its digital economy and innovation agenda through strategic international collaborations and forward-thinking initiatives. Additionally, Saudi Arabia is driving technological progress and sustainability through initiatives like the Tech Innovation Challenge 2024, which encourages AI, IoT and robotics innovations to enhance the communications sector. Additionally, the Digital Sustainability Toolkit empowers global digital regulators to craft strategies for sustainable development, highlighting the Kingdom's dedication to environmental stewardship and a green economy. These efforts collectively underscore Saudi Arabia's leadership in shaping a sustainable, digitally empowered future.

Mobily is a key contributor to achieving the goals of Saudi Vision 2030 and ICT Strategy

Mobily plays a pivotal role in advancing the goals of Saudi Vision 2030 and the ICT Strategy. By delivering state-of-the-art connectivity and innovative services, Mobily supports the digital operations of thousands of businesses and enhances the lives of millions across the Kingdom, driving the nation's digital transformation and progress toward its ambitious future objectives.

Mobily is a critical enabler of Saudi Vision 2030

- Developing the ICT sector in the Kingdom
- Empowering small and medium businesses and end users
- Supporting the level of government integration

Mobily's corporate strategy is fully aligned with the Kingdom's ICT Strategy

The Saudi ICT Strategy, initiated in 2019, aims to augment Saudi Vision 2030 by 'Building tomorrow's digital foundations for a connected and innovative Saudi Arabia' by:

- 3 Strategic Themes
- 13 Strategic Priorities
- 4 Strategic Objectives

Strategic Alignment with Vision 2030

Saudi ICT Sector Strategy 2030 Highlights	Mobily's Commitment
Create more than 25,000 quality jobs in the telecommunications/ICT sector	Mobily is pursuing an ambitious strategy to establish itself as a leader in the TMT sector. This forward-looking approach includes growth objectives that demand new capabilities and talent, enabling the Company to expand beyond traditional telecommunications into adjacent and emerging markets.
Increase female participation in the telecommunications/ICT sector	Mobily has made notable progress in enhancing female participation, including in leadership roles. As Mobily transitions into a TMT-focused organization, its strategy is expected to create even more opportunities, further advancing diversity and inclusion throughout the organization.
Increase the size of ICT and emerging technologies market by 50%	At the core of Mobily's strategy is the transformation into a comprehensive TMT entity. This evolution involves delivering cutting-edge ICT solutions and positioning the Company as a pioneer in emerging technologies, extending its influence beyond conventional telecom services.
Increase the level of Saudization in the telecommunications/ICT sector to 50%	Mobily is proud to hold Platinum Category recognition for its nationalization efforts, exceeding mandated requirements within its management team. The Company remains committed to promoting nationalization across all organizational levels, reflecting its dedication to fostering local talent and supporting national priorities.
Increase the telecommunications/ICT sector's contribution to GDP by ₪ 50 billion	A key focus of Mobily's strategy is its alignment as an ICT partner supporting Saudi Arabia's Vision 2030. The Company is dedicated to contributing to the initiative's success by driving development and fostering growth across the Kingdom.

Strategic Alignment with CST Strategy

Themes of CST Strategy	Mobily's Role
Protect consumers and ensure the provision of quality services	Mobily has established itself as a leader in customer experience and satisfaction over the past three years. With its new strategy, the Company is intensifying its commitment to this area by adopting a focused strategic objective to enhance and sustain superior customer experiences.
Promote investment and competition	As part of its ambition to transition into a TMT leader, Mobily is pursuing a diversified investment strategy designed to support its transformation and achieve its goals in this dynamic sector.
Enable digitalization of Saudi Arabia	Mobily's updated strategy prioritizes the expansion of digital offerings across both B2B and B2C segments, with a particular focus on becoming a comprehensive provider of digital solutions tailored to the specific needs of SMEs.
Achieve regulatory excellence and enhance organizational effectiveness	By redefining its scope from Customer Experience (CX) to Total Experience (TX), Mobily aims to enrich the experience of all Stakeholders. This evolution highlights its dedication to fostering stronger engagement, ensuring compliance, and enhancing satisfaction across regulators and other key Stakeholders.

CFO’S REVIEW

LEADING THE SAUDI TELECOMMUNICATIONS MARKET

“ In 2024, Mobily solidified its position as a market leader in Saudi Arabia’s telecommunications sector, setting new benchmarks for performance and innovation. We consistently delivered remarkable shareholder returns, achieving extraordinary financial results and expanding our market share.

Mr. Khalid Abdulrahman Abanami
Chief Financial Officer



Our strategic execution and focus on operational efficiency enabled us to deliver on our given guidance for 2024 and continued to drive our topline and bottom-line growth. This reflects the success of our initiatives and Mobily’s position at the forefront of the industry. Mobily achieved its highest net income in 11 years, reaching **ﷲ 3.1 billion**, a remarkable **39.2% increase** from **ﷲ 2.2 billion** in 2023.

Revenue grew by 8.6% year-over-year, rising from **ﷲ 16.8 billion** in 2023 to **ﷲ 18.2 billion** in 2024. This growth was driven by strong contributions across all segments, particularly the Business segment, which remains a key enabler of the Kingdom’s digital transformation. Notably, the Wholesale segment achieved double-digit growth supported by a series of deals aimed at enhancing network performance, while our strategic efforts to meet the needs of our diverse customer base led to a healthy expansion in our subscriber base, driving consistent growth in the Consumer segment.

Our industry-leading EBITDA margin also remained robust at 39.5%, with EBITDA increasing by 8.6% from **ﷲ 6.6 billion** to **ﷲ 7.2 billion**, reflecting enhanced operational efficiency and healthy margins that are sustainable over the long-term.

Free cash flow (EBITDA-CAPEX) grew by 7.2%, reaching **ﷲ 4.6 billion**, reinforcing our ability to balance investments, shareholder returns and operational requirements.

Our focus on efficiency, deeply embedded in Mobily’s DNA, continued to yield results through digitalization, investments in infrastructure and disciplined cost management. These efforts have enabled us to maintain strong liquidity and generate a robust cash flow from operations, providing the agility to reinvest in growth and reward our shareholders.

For the first time in 10 years, we resumed interim dividends in 2024, increasing total payouts for the year by 51.7% to **ﷲ 2.20 per share**. Additionally, earnings per share rose significantly to **ﷲ 4.0**, marking an impressive 39.2% increase from **ﷲ 2.9** in 2023, further underscoring the strength of our financial strategy and operational execution.



FY-2024: PERFORMANCE RESULTS VS. GUIDANCE

	FY-2024 Performance Guidance	FY-2024 Performance Results
Revenue Growth	Mid- to high- single digit growth	8.6%
EBITDA Margin	37-38%	39.5%
Net Debt/EBITDA (x)	1.1x	0.89x
CAPEX/Revenue	14-16%	14.2%

CFO'S REVIEW (CONTINUED)

The Evolving Saudi Telecommunications Market

Saudi Arabia's telecommunications sector continued to experience significant transformation throughout 2024, driven by Vision 2030's emphasis on digitalization, economic diversification and connectivity enhancement. The competitive consumer landscape evolved further, with increased appetite for digital solutions, rising 5G adoption and higher data usage. Mobily successfully navigated this dynamic market by focusing on high-value customers in the postpaid segment, prioritizing customer experience and delivering tailored solutions that align with changing consumer demands.

In the business-to-business space, competition remained robust, with Mobily maintaining its differentiation through a strong emphasis on quality of service and customer experience. These efforts resulted in topline growth and improved efficiency, solidifying Mobily's position as a trusted partner for businesses. The Wholesale segment also presented opportunities for growth, with Mobily expanding its footprint to meet the increasing demand for advanced connectivity solutions.

Increased tourist activity, driven by the Hajj and Umrah visitors and broader tourism trends, emerged as a key growth area within the Consumer segment, creating opportunities to

expand Mobily's tailored services. Additionally, partnerships with the Government to support giga projects and the Kingdom's digital transformation initiatives reinforced Mobily's role as a critical enabler of national infrastructure and innovation. Mobily continued its strong focus on empowering small and medium-sized enterprises (SMEs) and fintech companies, offering advanced connectivity solutions and supporting their growth. The success of Mobily Pay highlighted its strategic importance in the digital payment space, with plans to expand its market share and further enhance its offerings with unparalleled customer experience.

Through these strategic efforts, Mobily remained at the forefront of the Saudi telecommunications market in 2024, leveraging its strengths in customer focus, innovation and partnerships to drive growth across consumer, enterprise and government segments while supporting the Kingdom's Vision 2030 aspirations.

Strategic Execution that Empowers Transformation

During 2024, Mobily advanced its financial strategy to align seamlessly with the Company's broader 2023-2027 vision. This transformation is guided by 4 strategic pillars: accelerating growth and enhancing operational efficiency, adopting a Stakeholder-focused approach, rethinking processes for a seamless experience, and fostering talent capabilities and well-being. Through this framework, we aim to enable sustainable growth while supporting the Kingdom's Vision 2030 objectives.

We made significant progress by expanding our infrastructure, targeting high-potential growth segments, and capturing opportunities across government, corporate, SME and individual customer bases. By powering their digital transformations and providing innovative access to the modern economy, Mobily reinforced its position as a trusted enabler in Saudi Arabia's evolving digital landscape.

Sustainability remains a key priority, as demonstrated by our notable advancement in ESG ratings, and the integration of sustainability principles across operations. With a long-term

vision, we continue to embed ESG considerations into our strategy and execution, ensuring Mobily contributes meaningfully to the Kingdom's economic transformation and global leadership in sustainability. By executing on these priorities, Mobily is accelerating growth and delivering value while also laying the groundwork for a more sustainable and connected future, all while empowering our clients and Stakeholders while advancing our leadership in the telecommunications sector.

Focused Investments Drive Long-Term Growth

Mobily's commitment to strategic growth is reflected in our consistent focus on capital expenditure (CAPEX), while delivering strong returns for shareholders. CAPEX increased by 11.2% year-over-year to reach ₪ 2.6 billion, representing a CAPEX-to-revenue ratio of 14.2%. This growth underscores our dedication to enhancing customer experience, advancing digital infrastructure and fostering innovation to meet future demands.

Investments were strategically allocated to accelerate connectivity through the expansion of our 5G network, IoT infrastructure, data centers and submarine cables. These initiatives serve to enhance network quality and coverage, positioning Mobily as a leader in the telecommunications landscape.

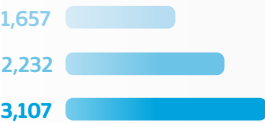
We also continued to deleverage our balance sheet this year, achieving a substantial reduction in the Company's

debt balance. Compared to 2023, we successfully reduced our debt portfolio by over ₪ 2.0 billion, bringing the total gross debt to ₪ 9.6 billion in 2024. A key component of this success was the full repayment of our ₪ 5.3 billion syndicated loan, improving our financial flexibility. This was achieved through a combination of proactive measures, including a refinancing agreement with Saudi National Bank, which secured favorable terms and competitive interest rates, and the strategic deployment of ₪ 1.6 billion of our cash balance, reflecting our strong financial position and flexibility.

Overall net debt declined by 19.2% year-over-year to ₪ 6.4 billion, reflecting our long-term financial strategy and disciplined approach to cost management. Earnings growth further supported a significant improvement in our net debt-to-EBITDA ratio, which decreased to 0.89x, compared to 1.20x at the end of 2023.

FINANCIAL HIGHLIGHTS

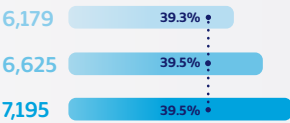
Net Income



Revenues



EBITDA and EBITDA margin

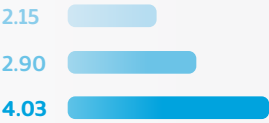


Free Cash Flow



Earnings per Share

(₪)



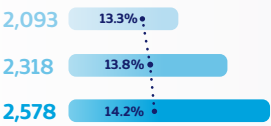
● 2022 (₪ million) ● 2023 (₪ million) ● 2024 (₪ million) Margin

Industry-leading EBITDA margin at 39.5%

Resumed interim distributions and increased total payout by 51.7%

CFO'S REVIEW (CONTINUED)

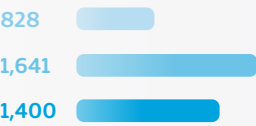
CAPEX and CAPEX/Revenue



Net Cash Generated from Operating Activities

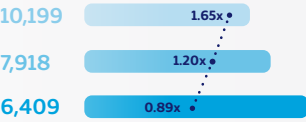


Cash and Cash Equivalents



Deleveraging

Net Debt and Net Debt to EBITDA Ratio



2022 (S million) 2023 (S million) 2024 (S million) Margin

Debt portfolio reduced by **2 BILLION** compared to 2023

Mobily's enterprise value increased for the sixth consecutive year, a testament to our commitment to generating sustainable value for shareholders. This remarkable achievement, combined with significant CAPEX investments, debt reduction, free cash flow growth and increased shareholder returns - all accomplished within the same year - showcases our financial strength and strategic execution. Investments in infrastructure and digital capabilities have strengthened our foundation for long-term growth. With continued strong returns on equity and efficient capital allocation, Mobily is well-positioned to lead the market while driving innovation.

Looking Forward to 2025

As we look to 2025, Mobily is poised to build on its strong foundation and deliver another year of sustainable and healthy growth across all segments. Our

focus remains on driving topline growth, increasing market share and expanding our customer base while maintaining robust margins and delivering bottom-line results. By prioritizing efficiency and innovation, we are committed to creating long-term value for our shareholders and driving enterprise value in alignment with our strategic goals.

Key to our vision is continued investment in infrastructure and human capital to enhance customer experience and stay at the forefront of technological advancements. From expanding our 5G reach and coverage to innovating with artificial intelligence and data monetization, we aim to provide cutting-edge tools and solutions that empower our customers and support the Kingdom's aspirations. Partnerships with hyperscalers, manufacturers and other global

leaders will further strengthen our capabilities and ensure exceptional service delivery.

Our commitment to sustainability will guide our efforts to integrate environmentally responsible practices across operations, ensuring we create a positive impact while meeting shareholder expectations. Additionally, through strong cash flow management and disciplined investment, we are determined to deliver healthy returns on investment and equity, ensuring continued confidence from our shareholders. As we continue to enable government partnerships, giga projects, SMEs and other key sectors, Mobily remains steadfast in driving Saudi Arabia's digital future and contributing to the Kingdom's economic transformation.



FY-2025 PERFORMANCE GUIDANCE



BUSINESS MODEL

DELIVERING SUSTAINABLE VALUE TO ALL MOBILY STAKEHOLDERS

Through unparalleled growth, leadership and customer experience, Mobily is redefining the industry in Saudi Arabia while upholding its commitment to value creation for all its Stakeholders. With a forward-looking strategy aimed at becoming a technology, media and telecommunications (TMT) powerhouse, Mobily continues to deliver superior services and solutions to consumers, businesses, SMEs, mobile operators and households across the Kingdom, while laying the foundation for future growth and innovation.

Supported by advanced infrastructure, including a vast telecommunications network, cutting-edge IT systems and state-of-the-art data centers, Mobily offers an expansive portfolio of competitive products and services. These innovations reflect the Company's ongoing commitment to enhancing customer experience and driving continuous progress.


The revenue streams are diverse, encompassing interconnection traffics, joint ventures, device and accessory sales, usage fees, subscriptions and

a growing suite of digital products and services. This comprehensive mix is carefully designed to meet the evolving needs of Mobily's business and individual consumers in a dynamic market.


By providing reliable connectivity, innovative solutions and unmatched customer experiences, Mobily demonstrates its unwavering focus on delivering value to all Stakeholders, ensuring sustained growth and embracing transformation.

Through a robust business model, Mobily consistently delivers exceptional experiences across its diverse engagement channels, maintaining operational excellence and unlocking sustainable value for its customers, shareholders and Stakeholders.


OUR INPUTS

**CHANNELS**


- Digital channels
- Physical channels
- Call centers

**CUSTOMER RELATIONSHIPS**


- Personal assistance
- Self-service
- Automated services

**TECHNOLOGIES**

- Wireless (5G, 4G)
- Fixed (FTTH, FTTB)
- IoT solutions
- Digital services
- International connectivity
- Mobily Pay

**PRODUCTS AND SERVICES**

- Mobile voice and data
- Mobily TV
- Devices and accessories
- Cloud services

**INFRASTRUCTURE**

- Network
- IT infrastructure
- Data centers

VALUE

**INNOVATIVE OFFERINGS**

**CONNECTIVITY**

**DIGITAL SOLUTIONS**

**EFFORTLESS AND DIGITIZED EXPERIENCE**

**SUSTAINABLE VALUE CREATION**

OUR STAKEHOLDERS

**INTERNAL STAKEHOLDERS**

**COMMUNITIES**

**REGULATORS**

**CUSTOMERS**

**SUPPLIERS**

**GOVERNMENT**

**SHAREHOLDERS**





**NATURAL ENVIRONMENT**

BUSINESS MODEL (CONTINUED)

Proactive Engagement and Value Creation

The remarkable achievements and record-breaking results in 2024 are a testament to Mobily's unwavering dedication to supporting, engaging and collaborating with its key Stakeholders. By fostering alignment, creating shared value and building a strong foundation, the Company continues to drive strategic and sustainable growth for the future.

Mobily views its Stakeholders as true partners and prioritizes proactive engagement as a core aspect of its sustainability strategy. Recognizing that each Stakeholder has unique interests and concerns, Mobily makes every effort to understand and incorporate their ideas and recommendations into the decision-making processes.

STAKEHOLDER GROUP	COMMUNICATION CHANNELS	KEY ISSUES AND RESPONSES
<div>INTERNAL STAKEHOLDERS</div> <div></div>	<ul style="list-style-type: none">• Emails• One-on-one and group meetings• Face-to-face engagement	<ul style="list-style-type: none">• Remuneration: Mobily is committed to offering its employees fair and competitive salaries alongside comprehensive benefits, ensuring they feel valued and motivated to excel.• Employee Satisfaction: Mobily actively monitors employee satisfaction through regular surveys and open dialogue. The Company's goal is to create an environment that attracts and retains top talent, supported by initiatives focused on mental health and overall wellness.• Training and Skills Development: Mobily prioritizes the growth of its employees by providing robust training and development programs. These opportunities enable the team members to advance within Mobily while equipping the Company with a skilled and capable workforce tailored to meet evolving business needs.• Diversity and Inclusion: Mobily celebrates diversity and strives to build an inclusive workplace that supports individuals from various backgrounds, particularly women, young professionals and those with disabilities. Through targeted initiatives, Mobily is dedicated to attracting and empowering female talent across all roles.• Transparency: Mobily recognizes that employees thrive in a transparent environment where they are well-informed about the Company's performance and operations. The internal communication channels are designed to promote open engagement, fostering trust and collaboration across teams.
<div>REGULATORS</div> <div></div>	<ul style="list-style-type: none">• Ad-hoc, face-to-face engagement• Electronic communication	<ul style="list-style-type: none">• Compliance: : Mobily is committed to upholding the highest standards of compliance, ensuring its operations consistently align with regulatory requirements. By closely monitoring new and evolving regulations, Mobily maintains its position as a trusted and responsible industry leader.• Market Insight: As a key player in the TMT sector, Mobily's reporting, performance, leadership and insights contribute to the creation of a robust and forward-looking regulatory framework for the industry.
<div>GOVERNMENT</div> <div></div>	<ul style="list-style-type: none">• Official channels• Responses to official requests for engagement	<ul style="list-style-type: none">• Vision 2030: Mobily is proud to contribute to the goals of Vision 2030 through its operations and initiatives. The telecommunications sector plays a critical role in supporting key areas like commerce, healthcare and education, and Mobily is committed to driving progress in these vital industries.• Compliance: Mobily places the utmost importance on adhering to the highest standards of compliance, ensuring that all its activities align with the laws and regulations governing the sector.• National Fiscus: Mobily upholds a zero-tolerance policy for corruption and unethical behavior, reflecting its unwavering commitment to integrity and contributing responsibly to the nation's economic development.
<div>COMMUNITIES</div> <div></div>	<ul style="list-style-type: none">• Social media• Community events and engagements• Community initiatives	<ul style="list-style-type: none">• Community Investments: Mobily is deeply committed to empowering and uplifting the communities it serves, with a focus on supporting the most vulnerable. As a major telecommunications brand, Mobily recognizes its responsibility to leverage its influence for the betterment of society, knowing that its customers and employees are an integral part of these communities.• Local Supply Chain: Mobily actively supports and empowers local businesses and SMEs through its procurement practices, strengthening the local economy and fostering sustainable growth across the Kingdom.

Mobily's commitment to engagement is ongoing and multifaceted. Through a variety of channels, the Company maintains open, transparent and constructive communication, ensuring that its partnerships remain strong and mutually beneficial.

STAKEHOLDER GROUP	COMMUNICATION CHANNELS	KEY ISSUES AND RESPONSES
<div>CUSTOMERS</div> <div></div>	<ul style="list-style-type: none">• Social media• Mobily application and website• Customer care omnichannel• SMS's	<ul style="list-style-type: none">• Reliable, Accessible and Affordable Products and Services: Mobily strives to deliver the highest quality TMT products and services to its customers. Through continuous research and innovation, the Company ensures its offerings remain reliable, accessible and affordable.• Digitization: Mobily is committed to continuous innovation, including providing digital support and services that enhance convenience and accessibility, making it easier for its customers to stay connected and informed.• Data Privacy: Mobily places the utmost priority on safeguarding customer data. Through advanced security measures, the Company ensures that data is handled with care, maintaining the trust and confidence of its customers.• Customer Care and Experience: Mobily is committed to understanding and anticipating customer needs, conducting market research, delivering exceptional service and fostering engagement through feedback channels to create unparalleled customer experiences.
<div>SHAREHOLDERS</div> <div></div>	<ul style="list-style-type: none">• General Assembly meetings• Mobily IR phone, email, application and webpage• Results announcements• One-on-one meetings and correspondence• Local and international conferences	<ul style="list-style-type: none">• Sustainable Financial Performance: Mobily continues to expand its footprint, products and services, achieving strong growth that underscores the economic value it delivers to its shareholders. The financial model is rooted in sound governance and effective financial management principles, ensuring sustainable, long-term growth.• Dividends and Return on Investment: Mobily is dedicated to rewarding its valued shareholders for their trust and confidence in the Company. Mobily's commitment to delivering value is reflected in its adherence to dividend policies designed to provide consistent and meaningful returns.
<div>SUPPLIERS</div> <div></div>	<ul style="list-style-type: none">• Email• Contracts and service agreements	<ul style="list-style-type: none">• Sustainable Financial Performance: Mobily recognizes that its long-term financial growth contributes to the Kingdom's economic strength, including the financial benefits the Company provides to its vendors and suppliers. Through the Supplier Code of Conduct, Mobily ensures that its partners uphold high standards of governance, promoting sustainable growth and accountability for both Mobily and its vendors.• Local Supply Chain: Mobily is committed to empowering local businesses and SMEs through its procurement practices, fostering economic growth and supporting the Kingdom's development.
<div>NATURAL ENVIRONMENT</div> <div></div>	<ul style="list-style-type: none">• Engagement with environmental organizations• Tracking through international research• Initiatives to limit our water, waste and carbon impacts	<ul style="list-style-type: none">• Climate Change and Emissions: Mobily actively works to limit its contributions to climate change. By minimizing emissions through sustainable energy use and energy-saving initiatives, Mobily aims to mitigate its environmental footprint.• Water Stewardship: Mobily is dedicated to implementing water-saving initiatives to protect and secure water resources for future generations.• Waste and Biodiversity: Mobily acknowledges the environmental harm caused by waste, particularly non-renewable materials such as plastic and e-waste. To address this, Mobily strives to minimize waste at both the operational level and through its products and services, contributing to the preservation of biodiversity and a healthier planet.

STRATEGY AND KPIS

SHAPING THE FUTURE OF TMT


Propelled by a dynamic corporate culture, outstanding talent and strong core values, Mobily maintains a clear vision for the future. The Company continues to expand capacity, enhance capabilities and build momentum toward becoming a leading player in technology, media and telecommunications (TMT). Mobily’s strategy enables the Company to empower its customers, elevate Mobily to new heights, and serve as a critical enabler of Saudi Arabia’s growth and diversification.

OUR VISION

Leadership in enriching your digital world


OUR VALUES

AGILE




We are open, flexible and make every second count

COURAGEOUS




We are brave enough to take bold steps and determined to see them through

CARING



We treat you as an individual and value diversity in thought and perspective

CLEAR



We keep things black and white

OUR STRATEGY AND STAKEHOLDERS



Our Market

- Transform to TMT and pursue adjacent businesses



Our Regulator

- Support regulatory agenda to enhance the market



Our Shareholders

- Strive to achieve experienced leadership by prioritizing and delivering exceptional end-to-end experiences for all Stakeholders




Our Consumers

- Strengthen value proposition for B2C segments (wireless and fixed)




Our Businesses Customers

- ICT solutions for selected verticals
- Develop targeted enterprise offerings for SMEs
- Shift from reactive to proactive approach to giga projects



Our Employees

- Become a TMT role model for human capital



Our Business Partners

- Cultivate strategic and diverse partnerships with global technology providers and cross-industry players to enhance innovation, expand service offerings and strengthen market positioning



Our Society

- Invest in initiatives that support the education, knowledge and skills needed for the future success of Mobily, the TMT sector and the Kingdom as a whole
- Invest in initiatives that support the well-being, happiness, social cohesion and enhanced life experiences of communities in which Mobily operates
- Provide support for targeted community groups, that encourage and enable inclusive growth and the alleviation of inequality and poverty



OUR STRATEGY

The Mobily 2023-27 Strategy focuses on delivering innovative products and outstanding customer experience to drive sustainable revenue growth and value creation for Mobily’s shareholders and all the Stakeholders.

	1 CAPTURE THE LARGEST SHARE OF CONSUMER REVENUE GROWTH	2 LEADERSHIP IN THE B2B MARKET	3 DIVERSE APPROACH TO DIGITAL AND ADJACENT MARKETS	4 ANCHOR ICT PARTNERS FOR VISION 2030
DESCRIPTION	Sustain current leadership in incremental consumer revenue share in Saudi Arabia	Leadership in specific B2B sectors through service excellence	Enrich digital B2C and B2B products and services with a differentiated approach, including partnerships, JVs, VCs and M&A	Become the preferred partner for giga/mega projects under Vision 2030
OBJECTIVES	Capture the largest share of market revenue growth	Reposition as a leader in new trends	Achieve total experience leadership	Transform the business to the new TMT reality
STRATEGIC PRIORITIES LINK	<ul style="list-style-type: none">Sustain leadership in customer experienceIncrease digital and adjacent offerings revenue from total B2C revenue	<ul style="list-style-type: none">Grow digital and adjacent revenues through selective sectorsProvide end-to-end digital experience for SMEs	<ul style="list-style-type: none">Accelerate in adjacent markets, leveraging AI as part of a broader strategyStrengthen partnerships with hyperscalers	<ul style="list-style-type: none">Establish new and enhance giga/mega project partnerships
KPIS	<ul style="list-style-type: none">B2C revenueCustomer satisfaction	<ul style="list-style-type: none">B2B revenue	<ul style="list-style-type: none">Market value	<ul style="list-style-type: none">Engagements in giga/ mega projects
2024 ACHIEVEMENTS	<ul style="list-style-type: none">4.6% growth in the Consumer Unit's revenues3.9% growth in the mobile subscriber baseRecognized as the fastest growing telecommunications brand in the regionWon the CST Customer Experience Award for the third consecutive year, demonstrating its unwavering commitment to service excellence and customer satisfactionMobily Pay excelled beyond its rivals, achieving a 4.7/5 rating in app stores	<ul style="list-style-type: none">19.8% growth in the Business Unit's revenuesEstablished 2 new data centersAdvanced collaboration with AWS to accelerate cloud adoption and unlock digital growth across key industriesStrengthened partnerships with Nokia, Huawei and Ericsson, driving innovation and new revenue opportunities through collaborative projects	<ul style="list-style-type: none">Partnered with hyperscalers, such as Oracle and SAPEmployed AI to optimize the 5G networkCollaborated with Huawei to leverage AI and machine learning technologies in enhancing operational efficiency in the networkRetained position as the largest MVNO host in Saudi ArabiaLaunched the first Saudi-owned subsea cable with Telecom Egypt and forging agreements with IQNET and China Telecom have expanded Mobily's connectivity, data center services and leadership in digital transformation	<ul style="list-style-type: none">Achieved 5G coverage of more than 87% in 7 main citiesInvested in developing state-of-the-art infrastructure and supporting large-scale developments for giga projectsWorked with various vital sectors, including Health, Education, Public and Banking financial services and insurance (BFSI)Supported SMEs by providing tailored digital solutions designed to empower growth, streamlined operations, and accessibility to new marketsRecognized as the first company in the region to achieve AA rating in the MSCI ESG Index, highlighting Mobily's leadership in sustainability, governance, and societal impact
2025 GOALS	<ul style="list-style-type: none">Maintain leadership in customer experiencePursue new digital and adjacent offerings	<ul style="list-style-type: none">Unlock new B2B digital and adjacent opportunities	<ul style="list-style-type: none">Embrace new opportunities that align with Mobily's strategy	<ul style="list-style-type: none">To be the premier ICT partner for giga projects aligned with Vision 2030, and actively contribute to their development
ASSOCIATED ESG FACTORS	<ul style="list-style-type: none">Mobily increases digital inclusion by providing connectivity and diversifying digital offerings	<ul style="list-style-type: none">Mobily supports B2B customers to be more sustainable by adopting digital solutions that reduce carbon emissions	<ul style="list-style-type: none">Mobily ensures protection of its customer data and privacy while partnering with public cloud hyperscalers to localize data storage and adhere to the local regulations	<ul style="list-style-type: none">Mobily engages with and supports giga projects that have aggressive sustainability and net-zero targets, such as NEOM
PRINCIPAL RISKS	<ul style="list-style-type: none">Enterprise digital transformationRegulatory decisionsCyber attacksData PrivacyESG	<ul style="list-style-type: none">Enterprise digital transformationRegulatory decisionsCyber attacksData PrivacyESG	<ul style="list-style-type: none">Enterprise digital transformationCyber attacksData PrivacySubsidiaries governance and operationESG	<ul style="list-style-type: none">Enterprise digital transformationRegulatory decisionsCyber attacksData PrivacyESG

STRATEGY AND KPIS (CONTINUED)

EMPOWERING VISION 2030: MOBILY'S TRANSFORMATIVE ROLE IN GIGA-PROJECTS

DRIVING VISION 2030 THROUGH INNOVATION

Mobily's Enterprise Operating Model for giga projects exemplifies its commitment to Saudi Arabia's ambitious Vision 2030. Strategically designed to position Mobily as the ICT partner of choice, the model aligns seamlessly with the Company's 2023-27 Strategy, which emphasizes enhancing digital infrastructure, fostering innovation and expanding connectivity.

By targeting giga projects, Mobily plays a pivotal role in advancing national development goals, ensuring technological excellence and digital transformation across initiatives like NEOM, the Red Sea Project and others.

LOCAL INSIGHT, GLOBAL EXPERTISE

What sets Mobily apart in the giga projects market is its unique ability to combine deep local market knowledge with cutting-edge global technology partnerships. Leveraging advanced AI solutions and robust 5G networks, Mobily delivers tailored, innovative solutions that meet the dynamic needs of giga projects. Its focus on operational efficiency, collaboration and sustainability ensures that each project benefits from optimized strategies and world-class execution.

With a comprehensive approach that integrates emerging technologies, Mobily creates a competitive edge unmatched by local and international competitors.

DELIVERING RESULTS THAT TRANSFORM

In 2024, Mobily achieved significant milestones in the giga project space. It established key partnerships across various sectors, solidifying its reputation as a trusted ICT partner. Its rollout of critical infrastructure supported the digital backbone of major initiatives, demonstrating its ability to manage large-scale, transformative projects.

These accomplishments underscore Mobily's role as a vital enabler of innovation, driving sustainable economic and technological progress for clients and the Kingdom.

Mobily's tailored solutions and cutting-edge technology provide a unique proposition for giga projects

Delivering unparalleled value to clients

And advancing Saudi Arabia's Vision 2030 ambitions

ACCELERATING COLLABORATION AND IMPACT

Looking ahead, Mobily is set to deepen its integration of emerging technologies like AI and machine learning into giga project services, unlocking new levels of innovation and efficiency. Expanding strategic alliances with global tech leaders and local partners remains a priority to enhance its offerings further. Mobily also plans to emphasize sustainable solutions, aligning with global and national eco-friendly targets to ensure its projects contribute to economic growth and a greener future.

Mobily's forward-thinking approach, unique expertise and strategic alignment with Vision 2030 position it as an indispensable partner in transforming Saudi Arabia's giga project landscape, shaping a digitally empowered and sustainable future.

RISK MANAGEMENT

MAINTAINING MOBILY'S RESILIENCE AND PREPAREDNESS

Mobily remains dedicated to ensuring the sustainability and resilience of business and critical infrastructure through effective mitigation of risks in a timely manner so as to achieve effective implementation of the Company's strategies and the meeting of strategic objectives.

Enterprise Risk Management (ERM) in Mobily is mandated to align strategy, process, people, culture, technology, governance and compliance to strengthen their organization's risk oversight. It aims to establish a proactive approach to managing and mitigating threats to Mobily and its business interests. It helps improve governance practices for running the business and operations, as well as bolstering Stakeholders' confidence. Furthermore, the

ERM program aims to increase awareness of business risks across the entire organization, instill confidence in strategic objectives, improve compliance with regulatory and internal compliance mandates and enhance operational efficiency through more consistent applications of processes and controls.

The Risk Management Department within Mobily has been mandated by the Board Risk Management Committee to establish and implement effective and robust risk management practices within the organization. The mandate includes but is not limited to defining and endorsing the risk management policy:

- Ensuring that the organization's culture and risk management policy are aligned
- Determining risk management performance indicators that align with performance indicators of the organization
- Aligning risk management objectives with the objectives and strategies of the organization
- Ensuring legal and regulatory compliance
- Assigning accountabilities and responsibilities at appropriate levels within the organization
- Ensuring that the necessary resources are allocated to risk management
- Communicating the benefits of risk management to all Stakeholders
- Ensuring that the framework for managing risk continues to remain appropriate

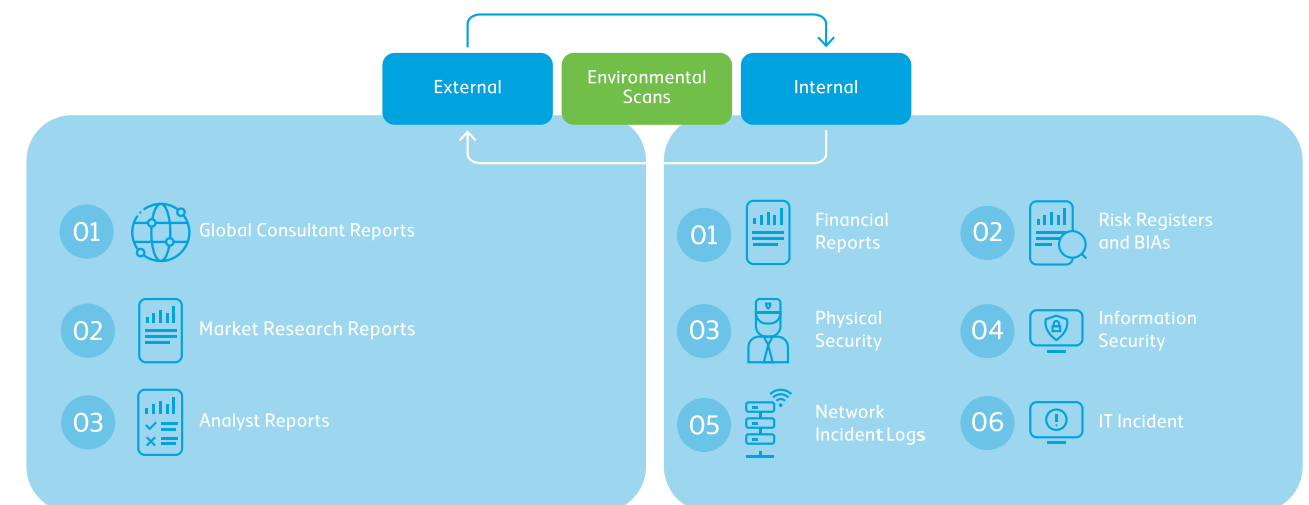
Risk Management Framework

To identify and manage risks and incidents that could impact the sustainability of the business, Mobily has developed a comprehensive framework where the Risk Management team applies specific procedures to conduct regular scanning of the internal and external environments in order to

identify the potential risks that might adversely impact Mobily's business objectives.

The identified potential risks are then assessed as per the ISO 31000 process to prioritize risks and determine the required actions to mitigate their impact or likelihood. In case the risk materializes, the business

continuity plans will be activated to recover specific critical systems and infrastructure at an agreed level. In case the expected resolution time exceeds the recovery time objective, and the impact of the incident is marked as Critical, the crisis management plan will be invoked, and the crisis situation will be managed under the supervision of the Crisis Management Committee.



Recognitions and Certifications

In 2024, Mobily won 3 awards at the Business Continuity Institute (BCI) Middle East Awards 2024:

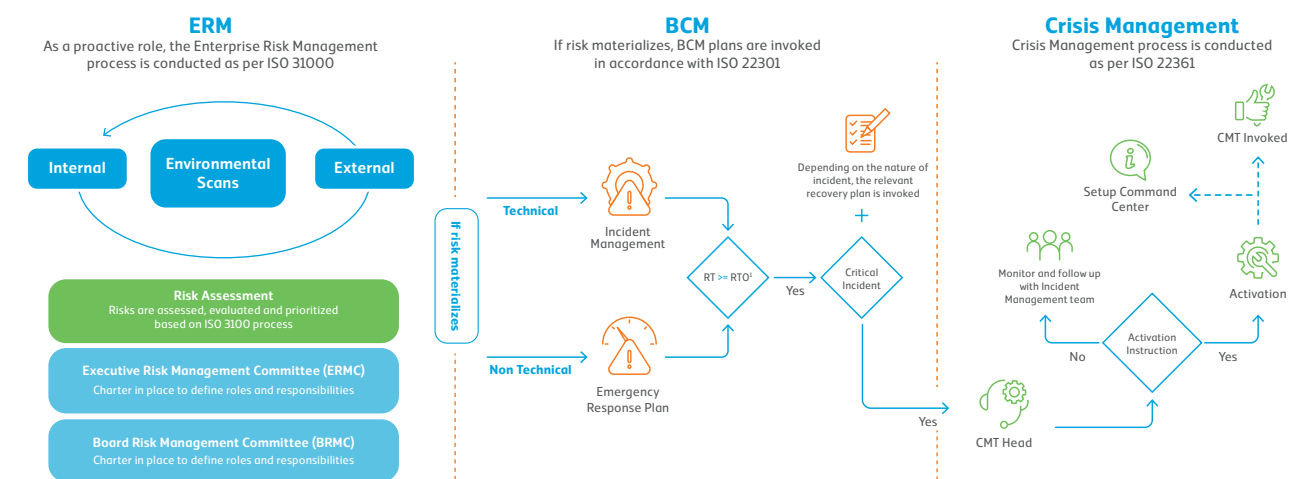


"BUSINESS CONTINUITY MANAGEMENT (BCM) TEAM OF THE YEAR"

"BCM PROGRAM MANAGER OF THE YEAR 2024 (PRIVATE SECTOR)"

"BCM NEWCOMER OF THE YEAR"

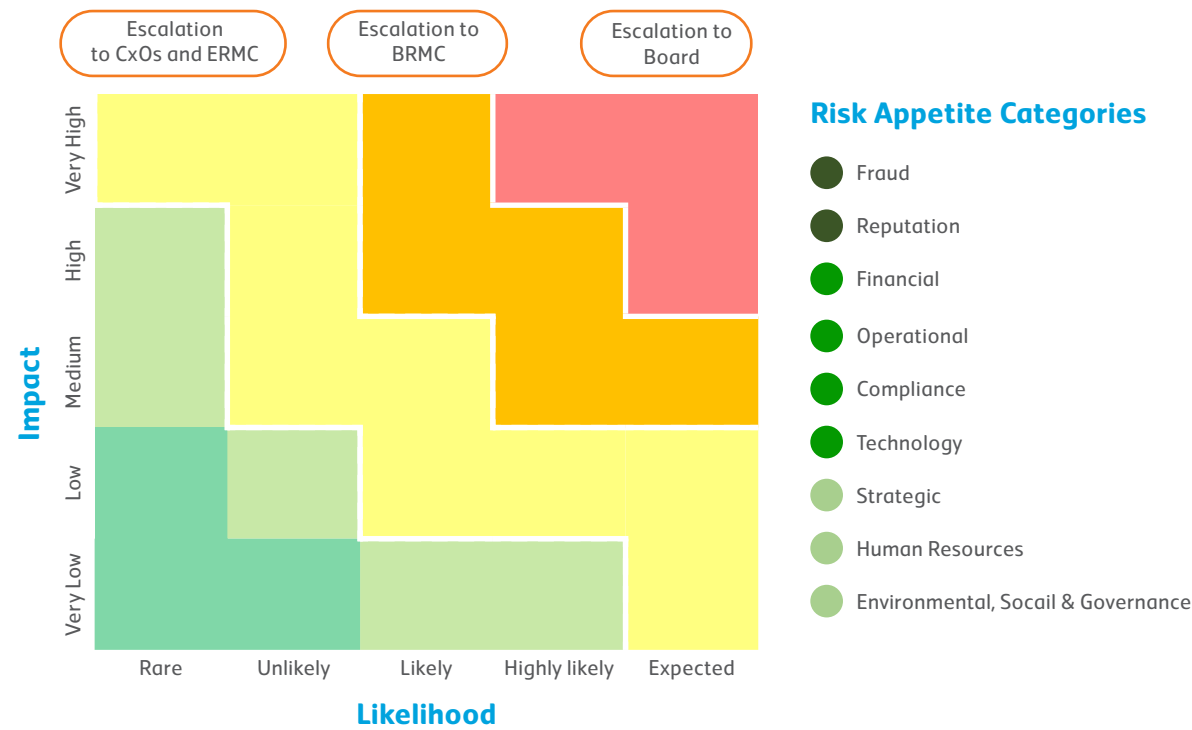
The Company also earned ISO 22361 certification for Crisis Management, in addition to maintaining its ISO 22301 and ISO 31000 certifications.



1. Recovery time (RT) | Recovery Time Objective (RTO)

RISK MANAGEMENT (CONTINUED)

Escalation Levels and Risk Appetite Categories



Enterprise Risk Management (ERM)

The ERM function adopts a holistic and proactive risk management approach to identify, analyze and mitigate potential risks that can adversely impact the Company's strategic, reputational, financial, compliance and operational objectives. The ERM team has adapted the international standards and best practices for the risk management function and has received certificates of compliance from the leading certification bodies.



Mobily ERM's Process is based on the ISO 31000 Standards

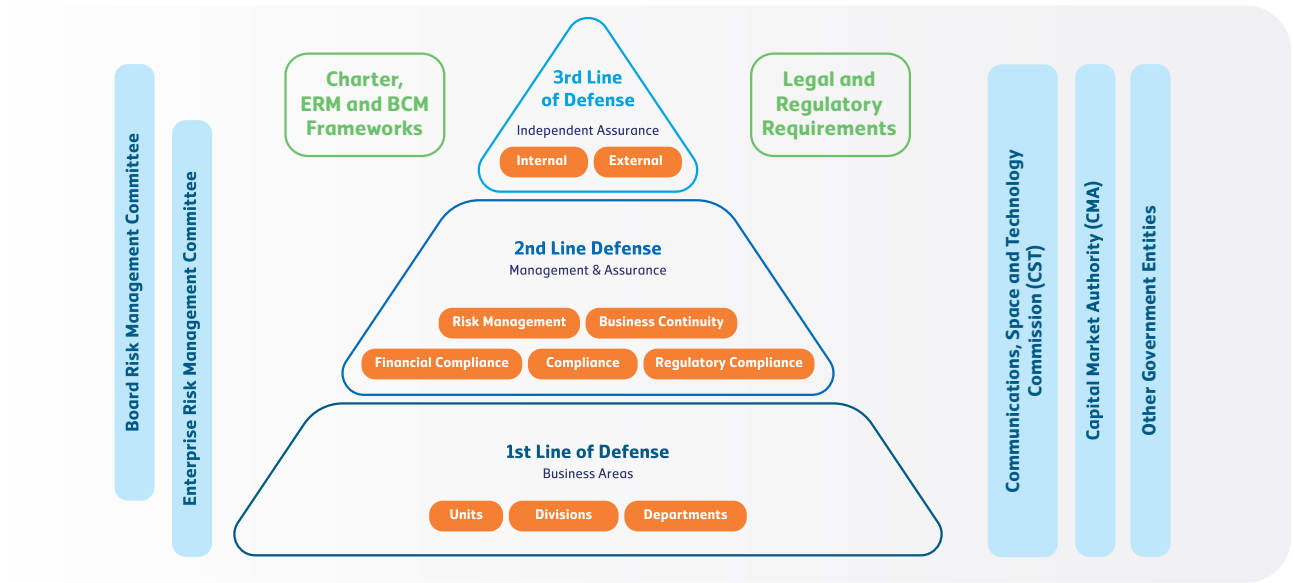


There are several components that are important to the efficiency and effectiveness of the ERM process. These include establishing the context, risk identification, risk analysis, risk evaluation, monitoring and review and communication and consultation.

Mobily has adopted "3 lines of defense" model to effectively control and manage identified risks. The 1st line of defense

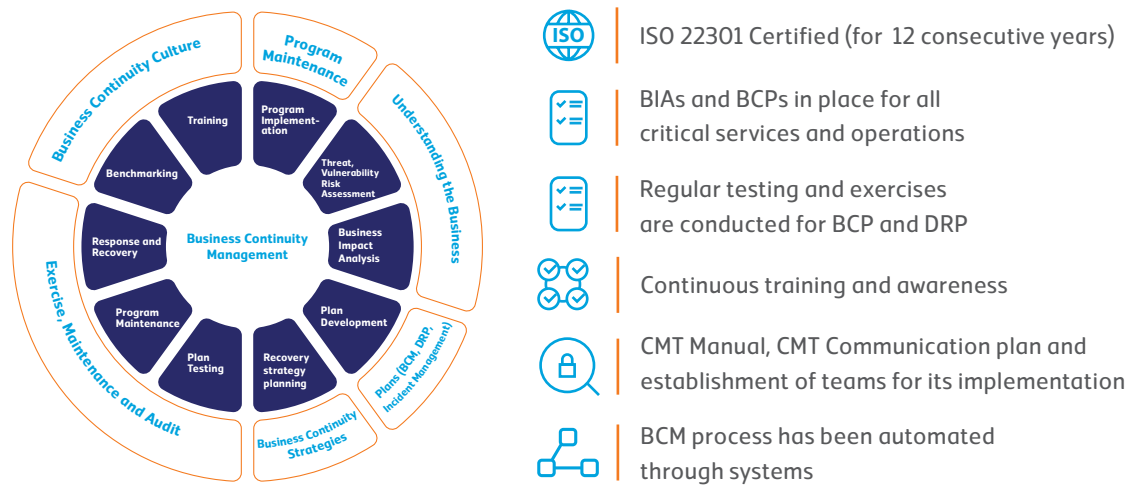
consists of all Mobily divisions and departments managing their day-to-day activities and the risk associated with Mobily objectives. The 2nd line of defense is related to Mobily risk management oversight and is performed by the ERM Department under the supervision of the Executive Risk Management Committee (ERM) and the Board Risk Management Committee (BRMC). The 3rd line of defense is provided by the internal and external audits.

RISK MANAGEMENT (CONTINUED)



Business Continuity Management (BCM)

The BCM function endeavors to effectively enhance resilience of Mobily’s business and ensure availability of operations and services during disruptions by implementing and embedding an effective BCM practice within the organization.



- ISO 22301 Certified (for 12 consecutive years)
- BIAs and BCPs in place for all critical services and operations
- Regular testing and exercises are conducted for BCP and DRP
- Continuous training and awareness
- CMT Manual, CMT Communication plan and establishment of teams for its implementation
- BCM process has been automated through systems

Crisis Management

Mobily recognizes crisis as an inherently abnormal, unstable and complex situation that represents a threat to its strategic objectives, reputation and/or existence. The Company’s Executive Management is committed to providing the necessary resources to address crises in an effective, timely manner, with the goal of protecting its assets as well as its Stakeholders’ interests. Any crisis situation in Mobily is managed by the Crisis Management team (CMT) headed by its Chief Executive Officer and represented by CxOs and their nominated representatives. The CMT Manual is developed and maintained by Mobily’s Business Continuity Department and provides the criteria and basis for crisis management.

Resilience and Preparedness

Mobily’s leadership is committed to providing a resilient infrastructure and business continuity framework developed and maintained in accordance with international standards and best practices. The Company has developed a multi-layered resilient technical infrastructure that enables the organization to continue to deliver its services in a seamless manner under all circumstances.

In addition, Mobily has developed and continuously maintains a robust business continuity program to address an incidental scenario in a timely manner. As part of the BCM program, more than 100 different business continuity plans, disaster

recovery plans and emergency response plans have been developed and maintained on an annual basis. These plans are tested annually to provide a rehearsed assurance to the Executive Management and Stakeholders.

Mobily established a Disaster Recovery Center to enhance resilience of its critical IT applications. This center provides secondary level resilience to Mission Critical IT applications, while the existing data centers will continue to provide primary resilience in active-active mode.

CMT Activation

Detailed criteria for incident classification as well as escalation and resolution have been developed and captured in the CMT Manual. An incident is rated based on its severity of impact and its duration and is categorized as a Low, Moderate, High, Significant or Critical severity incident. Critical severity incidents are recommended to be treated as a crisis situation. In the event of such incident, a recommendation for the activation of the CMT is sent by the BCM team to the CMT Head and upon his consent the CMT is invoked. Upon invocation, the CMT takes control of the situation and provides guidance and support to minimize the impact of the incident and to neutralize the crisis.

Crisis Communication

Mobily recognizes that effective communication is essential for its success, and in a crisis situation, it becomes critical. For this reason, the Company has developed a comprehensive and rehearsed strategy and method of crisis communication that makes provision for internal communication as well as external requirements of dealing with Stakeholders and the media. The objectives of the crisis communication plan are:

- Ensure timely communication to employees and vendors required for crisis management efforts
- Ensure timely communication of verified facts to the Stakeholders so as to minimize rumors
- Facilitate the flow of information
- Promote and protect the welfare of involved personnel and their families
- Retain Stakeholders’ and news media’s confidence in the organization

Crisis Simulation

The management understands that the best way to maintain crisis preparedness is through crisis simulation. As part of the BCM exercising program, various potential crisis situations are simulated on an annual basis and the actual results of the simulation are validated against the expected results. Every year, Mobily conducts a series of crisis simulation exercises covering a wide range of scenarios. These simulations provide assurance to the management and Stakeholders on Mobily’s crisis preparedness and resilience.





03

BUSINESS REVIEW

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By leveraging cutting-edge technologies and forging strategic partnerships, Mobily strengthened its leadership in technology, media and telecommunications (TMT) while unlocking new opportunities across key sectors.

CONSUMER UNIT

DRIVING INNOVATION TO EMPOWER CONSUMERS

The Consumer Unit played a pivotal role in driving Mobily's strategic objectives for 2024, capturing a large share of market revenue growth, and repositioning Mobily as a leader in new trends. With a focus on continuous innovation and elevating the customer journey, the Unit continued to achieve total experience leadership, transforming the business for the new technology, media and telecommunications (TMT) reality.

Completed the comprehensive modernization of over 30% of FTTH infrastructure

2024 was a year of significant progress for the Unit as it focused on achieving strategic growth in high-value segments and enhancing its customer offerings. Key achievements included the successful expansion of 5G Fixed Wireless Access (FWA) and Fiber-To-The-Home (FTTH), coupled with the transformative migration to NewStack technology. These advancements not only drove revenue growth but also solidified Mobily's reputation for delivering innovative services and achieving new milestones in customer satisfaction.

With a customer-centric approach at its core, the Consumer Unit prioritized expanding and strengthening its customer base while maintaining market leadership through competitive pricing, attractive promotions and superior customer service. By embracing digital technologies, Mobily enhanced both customer experience and operational efficiency, leveraging 5G technology to deliver high-speed connectivity and groundbreaking services.

The Unit maintained a strong geographic focus within Saudi Arabia, serving urban and rural areas through its extensive retail footprint, which included 67 retail flagships and kiosks, 355 franchise outlets and 1,629 resellers. It also catered to the Kingdom's growing number of visitors by offering tailored plans designed specifically for tourists and business travelers. Digital channels were leveraged to effectively target visitors through marketing campaigns that promoted Mobily's services, while

sales channels were enhanced at key entry points such as airports, sea and road borders and Holy Sites.

The 2024 Hajj season was a major success with Mobily experiencing exceptional traffic and network performance. The Company proactively increased its 5G coverage areas by 300% to support demand from the growing influx of pilgrims at Makkah, Madinah and the Holy Sites. Compared to the 2023 season, Mobily's 5G data traffic increased by 400% and voice calls through the 4G network grew by 83%. International calls also grew by 16% and data consumption increased by 46%.

Rising Above the Competition

The Consumer Unit achieved significant subscriber growth in 2024, particularly in the postpaid segment. To navigate challenging market dynamics and support revenue growth, the Consumer Unit employed targeted strategies that proved instrumental in driving success. Targeted marketing and promotional campaigns were launched to attract and retain customers, ensuring Mobily maintained a competitive edge in an evolving market. Alongside these efforts, the Unit prioritized customer satisfaction and loyalty, delivering an exceptional experience that resonated with its growing user base.

Increased 5G coverage area in the Holy Sites by 300% for Hajj in 2024

Gaming subscriptions increased by **119%** in 2024 compared to 2023

Innovation remained at the heart of the Consumer Unit's strategy, with the introduction of new and differentiated offerings that set Mobily apart from competitors. Simultaneously, cost optimization initiatives were implemented to enhance operational efficiency and sustain profitability. By combining these focused strategies, Mobily successfully reinforced its market position, achieved sustained growth and delivered outstanding value to its customers.

Leading with Innovative Products and Services

In 2024, Mobily continued to solidify its position as a leader in consumer trends and revenue growth by embracing cutting-edge technologies and forging strategic partnerships with global technology leaders. Initiatives, such as Mobily TV, underscored the Company's commitment to innovation and its role as a pioneer in the telecommunications industry.

One of the year's key achievements was the successful transformation to NewStack, a critical step that enabled faster go-to-market delivery and streamlined operations. Through this initiative, customer migrations were executed seamlessly, reinforcing Mobily's standing as a digital leader in the TMT space and a trailblazer in next-generation telecommunication trends.

In the first half of the year, the introduction of the XStream Postpaid and Prepaid packages set a new benchmark in market differentiation. These packages, featuring an expanded range of content-based offerings, resonated strongly with customers, contributing to the year's gross additions.



CONSUMER UNIT (CONTINUED)

In the second half of the year, Mobily revamped its Flex portfolio, launching new bundles tailored to diverse customer needs. This strategic update delivered remarkable results, showcasing the effectiveness of the enhancements.

As part of its ongoing digital transformation, Mobily strengthened its digital presence by deploying AI-powered customer support and personalized recommendations. These innovations not only improved operational efficiency but also enhanced the overall customer experience, boosting satisfaction and loyalty.

Mobily also launched a revamped Mobily Gamers platform and tailored gaming packages in 2024. New features include a user-friendly interface, a rewards system, exclusive content and competitions such as daily tournaments, a leaderboard and cash prizes. These enhancements aim to solidify Mobily Gamers as the premier gaming destination for customers and have already led to measurable results. Notably, the Company's gaming subscriptions increased by a staggering 119% in 2024 compared to the previous year.

Forging Ahead with FTTH
Mobily made significant strides in its FTTH, Fiber-to-the-Building (FTTB) and Fiber-to-the-X (FTTX) strategy, marking a transformative year in its telecommunications infrastructure. The Company's efforts were recognized with the Best Infrastructure and Service Innovation in FTTH Award from the

SAMENA Telecommunications Council, underscoring the Company's leadership and innovation in the sector.

A major highlight was the comprehensive modernization of over 30% of the FTTH infrastructure, enabling support for 10 Gigabit Symmetric Passive Optical Network (XGSPON) and achieving 10 Gbps speeds. Mobily also initiated the modernization of 2 new data centers, demonstrating its commitment to expanding and updating its network capabilities. The upgrade provided 10G XGSPON capabilities to all users connected through these centers and supported the Company to introduce a new 1G package, catering to evolving customer demands.

In addition to infrastructure improvements, Mobily launched a new product, Fiber-to-the-Room (FTTR), as part of its initiative to enhance the customer experience. This product aims to extend high-speed connectivity within individual rooms, further elevating service delivery standards. The Company also revised its FTTH service delivery process and developed a portal to efficiently handle new FTTH requests to align with new regulatory requirements from the CST for acquired zip codes and to support real estate developers' requests through the Etmam platform.

The open access agreement has been a pivotal opportunity for Mobily, allowing the Company to reach customers in other operators' zip codes. This strategic move is not only a cost-saving measure but also expands Mobily's

customer base across the Kingdom, showcasing the superior capabilities of its services compared to competitors.

Strategic Partnerships for Innovation and Customer Experience
Mobily reinforced its position as a leader in delivering advanced solutions by forming strategic partnerships that align with its mission to enhance customer experiences and expand its service offerings. A notable agreement with Arabsat focused on leveraging satellite technology to improve service quality and deliver advanced communication solutions to businesses, addressing the growing demand for seamless connectivity. Additionally, Mobily collaborated with Meshkati Solutions to develop innovative smart home products and services, providing customers with cutting-edge solutions to enhance their daily lives. These partnerships reflect Mobily's commitment to integrating technology and innovation into its services to meet the evolving needs of its customers and businesses.

The Company also expanded its customer-focused initiatives through agreements designed to offer unique experiences and exclusive benefits. A strategic partnership with Xcinex and Gaming Legends introduced the Mobily Cinema service, delivering an innovative and user-friendly cinematic experience directly to customers' homes.

Aiming to enhance its customer service with a comprehensive set of features and capabilities, Mobily signed an agreement to bolster its wireless

communication services. Enhancing its loyalty program, Mobily partnered with Saudi Airlines, Flynas and Nahdi Medical Company, allowing each of their customers to redeem Neqaty points, strengthening customer engagement and satisfaction. These partnerships not only underscore Mobily's dedication to delivering value but also reinforce its role as a key enabler of digital transformation and customer-centric innovation in Saudi Arabia.

Award-Winning Consumer Services
In 2024, the Consumer Unit achieved outstanding recognition, reflecting Mobily's leadership in the telecommunications industry, its relentless pursuit of excellence and its dedication to creating meaningful and impactful customer experiences.

For the third consecutive year, Mobily was honored with the Saudi Arabia Best Customer Experience Award from the CST, underscoring its excellence in customer service. Additionally, the Unit received the prestigious Hayyak Quality Certificate from the Saudi Standards, Metrology and Quality Authority (SASO) for the second year in a row, reaffirming its dedication to service quality.

Mobily's innovation and marketing efforts were also recognized on a

global scale. The Platinum Award for Best Filmmaking celebrated the exceptional production of the XStream Video, while the Platinum Award for Best Social Media Marketing Campaign acknowledged the success of the "Be Limitless" Postpaid Marketing Campaign. Furthermore, Mobily's ability to leverage customer insights earned the Best Use of Customer Insights 2024 Award from XEBO.ai, showcasing its strategic focus on using data to drive innovation and enhance service offerings.

Looking Forward to 2025
The Consumer Unit's objectives for 2025 reflect Mobily's continued drive to innovate, lead and deliver outstanding service in the evolving telecommunications landscape. Mobily has outlined a series of ambitious objectives and plans for the year ahead, reflecting its commitment to innovation, growth and sustainability. Key priorities include expanding home services such as FTTH and 5G FWA, driving growth in mobility offerings, and introducing innovative services to stay ahead in the market.

The Company's efforts in FTTH have laid a strong foundation for its future objectives, which include expanding connection coverage to 451 zip codes by 2025, continuing the modernization

plan to offer speeds up to 10 Gbps for all FTTH and FTTB connections, and broadening its FTTX network footprint to enhance coverage across the Kingdom. These initiatives reflect Mobily's commitment to bridging the digital divide and advancing telecommunications infrastructure.

The Unit is set to build on its success by focusing on seamless transitions and effective management of projects within the newly implemented NewStack system. Efforts will be prioritized to ensure that comprehensive communication materials and online training sessions are readily available to support this transformation. Additionally, physical activities will be accelerated to enhance customer handling and further improve the overall customer experience.

Strengthening customer experience will remain a core focus, with strategic initiatives aimed at enhancing sales processes, reducing churn in fixed services and driving digital transformation. Moreover, Mobily is dedicated to fostering sustainability across its operations, aligning with broader ESG goals while delivering exceptional value to customers.



MOBILY PAY

DELIVERING NEXT GENERATION PAYMENT SOLUTIONS

Mobily Pay solidified its position as a leading player in Saudi Arabia's fintech market by forming strategic partnerships and launching innovative services. These efforts resulted in substantial growth and enhanced customer experience, reinforcing Mobily Pay's commitment to delivering exceptional digital financial solutions.

Financial transactions
increased by
154%

As Mobily's dedicated financial services arm, Mobily Pay offers digital payment and fintech solutions to its customers across Saudi Arabia. Launched as a subsidiary of the Company in 2022, the platform plays an important role in catering to the growing demand for digital financial tools in the Kingdom.

Mobily Pay continued offering comprehensive financial services, enabling customers to manage all their daily financial transactions in one place. The platform provides seamless and secure financial transactions, including local and international money transfers, bill payments, card purchases and an array of other services to enhance customer convenience.

A key differentiator for Mobily Pay is its expanding portfolio of unique cashback programs within the e-wallets market. These programs give the platform a competitive advantage by allowing customers to benefit from their usual daily spending at their convenience. Mobily Pay's strategic focus includes exploring new markets and industries, as well as extending fintech solutions to enterprises and the public sector, fostering a more integrated business-to-business (B2B) and business-to-consumer (B2C) ecosystem.

New Propositions and Partnerships

In 2024, Mobily Pay achieved phenomenal growth, with financial transactions growing by 154%, while the number of active users grew by 73% and the total customers base grew by more than 70%.

The platform continued to innovate and rise to new value propositions this year, developing several new products and services to meet market needs. Mobily Pay launched Marketplace, allowing customers to easily buy digital vouchers at very competitive prices. It also introduced an international recharge service so customers can recharge any phone in any applicable countries through the app.

To reinforce its leading position in Saudi Arabia's fintech market, Mobily Pay established several strategic partnerships to enhance its services and improve customer experience. The platform collaborated with MoEngage to improve customer experience and provide innovative solutions. Additionally, Mobily Pay partnered with Musaned to facilitate salary transfers for domestic workers and Mudad to offer convenient payroll payment options for small and medium-sized enterprises (SMEs). Collaboration with Technology Control Co. aimed to expand Mobily Pay's services for SMEs, while the partnership with Saudia

Airlines introduced the Alfursan loyalty program to Mobily Pay customers. These alliances demonstrate Mobily Pay's commitment to driving innovation and delivering exceptional value to its customers.

➔ Looking Forward to 2025

In the year ahead, Mobily Pay will continue evolving its portfolio of products and services to appeal to a wider customer base, including children,

teenagers and domestic workers. This strategy, coupled with continuous enhancement of the customer experience, will help to ensure Mobily Pay remains the most convenient and user-rewarding digital wallet in the market.

Moreover, Mobily Pay plans to enter new lines of businesses to address unmet customer needs in the market. In addition, Mobily Pay will continue

investing in AI-based fraud detection and prevention systems, as part of its ongoing commitment to protect customers and offer safe and secure payment services with a user-friendly experience.



BUSINESS UNIT

ACCELERATING ENTERPRISE TRANSFORMATION

2024 was a transformative year for Mobily's Business Unit, as it achieved double-digit growth and spearheaded digital connectivity and innovation across Saudi Arabia. With ambitious data center expansion and the scaling of leading technologies, the Unit continued to drive the Kingdom's economic resilience and growth.

The Business Unit delivered exceptional performance, achieving a remarkable 19.8% increase in revenue and emerging as a key driver of the Company's overall growth. This success is reflected across multiple metrics, including market share, revenue mix, gross margin, customer satisfaction, accounts receivable collection and the acquisition of new customers. These results underline the Business Unit's strength, sustainability and its pivotal role in Mobily's success story.

Revenue growth was fueled by both core and digital services, with significant contributions from government enterprises and small and medium-sized enterprise (SME) segments. The SME market, in particular, has emerged as a key growth area, with Mobily focusing on gaining new customers in this rapidly expanding segment. By leveraging its robust portfolio of services and maintaining a customer-centric approach, the Business Unit continues to position itself as a leader in the Kingdom's technology, media and telecommunications landscape.

Achieved a
19.8% increase
in revenue
compared to 2023

Leading the B2B Market

Mobily boasts the highest growth rates among competitors, driven by efforts to increase market share and diversify its customer base by offering tailored solutions to government entities, SMEs, large domestic businesses and international corporations. As a key enabler of digital transformation, the Business Unit delivers a wide range of services that support connectivity, innovation and operational efficiency for organizations across various sectors. Mobily prioritizes customer retention through innovative and value-added services and continues to lead in emerging technologies, like 5G and the IoT, where it holds the highest market share.

The Unit's competitive edge lies in its ability to execute strategies swiftly. The Company's strength in core domains such as education and infrastructure is further enhanced by strategic partnerships that enable it to respond efficiently

First Hosted Managed Services Provider in the Middle East to attain
Tier IV
Uptime Certification for a Constructed Facility

to market demands without reinventing existing solutions. Additionally, Mobily's internal culture of agility and flexibility has been a driving force behind the Business Unit's success, reinforcing its position as a leader in the telecommunications sector.

Mobily has also established its leadership with data centers in Saudi Arabia's key cities of Riyadh, Dammam and Jeddah. Notably, the Company is the first Hosted Managed Services Provider in the Middle East to attain Tier IV Uptime Certification for a Constructed Facility at Malga 2 in Riyadh, making it the sole facility of its kind in Asia, Africa and the Middle East. As one of the earliest investors in data centers, Mobily has achieved impressive utilization rates, further complemented by its robust growth in cloud services, which are Saudi-based and have recorded double-digit growth over recent years.

Another key differentiator is the Mobily Digital Hub, a comprehensive ecosystem designed to enhance digital connectivity and innovation in Saudi Arabia. The full-service hub comprises 3 main components: international connectivity, data centers and an internet exchange. This integrated infrastructure provides a robust platform for local and international clients, including carriers, regional internet service providers, hyperscalers, over-the-top platforms, content providers and global enterprises. The hub offers a range of tailored solutions to support telecommunications, internet services, digital content and cloud computing, fostering digital transformation across various industries.

Driving the Kingdom's Digital Transformation

Mobily's Business Unit continues to be a driving force behind Saudi Arabia's digital transformation, aligning its efforts with Vision 2030 to create a smarter, more connected future. Through strategic initiatives, the Unit has enhanced its operational capabilities and solidified Mobily's position as a key player in the Kingdom's development of giga projects.



BUSINESS UNIT (CONTINUED)

The Company's investment in building and operating sustainable state-of-the-art infrastructure for giga projects, such as NEOM and Red Sea Global among others, reflects its vision for the future. By supporting the development of these smart cities, Mobily is playing a crucial role in shaping a sustainable and technologically advanced environment that aligns with the Kingdom's ambitious goals. A key highlight in 2024 was the successful launch of an expansive IT network featuring seamless connectivity and built-in redundancy. This robust network enhances service reliability and customer satisfaction, demonstrating the Company's dedication to delivering the robust telecommunications infrastructure critical for the Kingdom's transformation.

In 2024, the Unit secured contracts to operate multiple government short number call centers, positioning itself as a key service provider for centralized communication. Mobily will supply voice circuits with high redundancies to ensure that government agencies can maintain 24/7 call center operations, effectively serving citizens and residents across the Kingdom.

One of the year's standout achievements was the digital transformation of the healthcare sector. Mobily's Business Unit successfully modernized 20 regional laboratories across the Kingdom, significantly improving their operational efficiency and diagnostic capabilities. At the Global

Health Exhibition this year, Mobily showcased its role as a key partner in transforming the healthcare sector through innovative services such as smart ambulances, surgery virtual reality labs and 3D printing.

In the education sector, Mobily delivered comprehensive end-to-end digital solutions to all higher education institutions across Saudi Arabia. These solutions have improved educational delivery and streamlined administrative processes, empowering the next generation of leaders and innovators to excel in a digitally enabled future.

Additionally, Mobily delivered advanced connectivity solutions for critical public safety applications, including traffic monitoring and metro railway systems, reaffirming its dedication to enhancing public safety. As part of the Kingdom's Traffic Safety Program, the Company also launched an innovative traffic safety solution hosted within its state-of-the-art data center. This initiative leverages cutting-edge technology to improve road safety across Saudi Arabia while contributing to the advancement of public infrastructure and societal well-being. Mobily's focus on sustainable mobility infrastructure is also evident in the deployment of innovative camouflaged tower types, which align with the environmental and social objectives of Vision 2030.

In 2024, the Business Unit supported SMEs across the Kingdom by providing tailored digital solutions and services designed to empower business

growth and operational efficiency. Recognizing the vital role SMEs play in economic development, Mobily offered end-to-end connectivity, cloud-based solutions and advanced digital tools that enabled businesses to enhance productivity and competitiveness. Through strategic partnerships and initiatives, Mobily ensured that SMEs could leverage cutting-edge technologies to streamline their operations, access new markets and contribute to Saudi Arabia's Vision 2030 goals of economic diversification and innovation.

As part of its participation in the LEAP 2024 Conference, Mobily signed a Memorandum of Understanding (MoU) with Ericsson, enabling it to expand its network capabilities and end-user experience. The agreement will also allow the Business Unit to enhance enterprise offerings by making its mobile network capabilities more programmable, adding agility and flexibility to Mobily's enterprise ecosystem.

Furthermore, Mobily forged a partnership with SafeRoad, aimed at developing advanced smart IoT solutions across various sectors. This partnership focuses on enhancing fleet services and advancing connected car technologies, ultimately improving efficiency and safety within the transportation industry.

Mobily also participated as a digital partner at the 2024 World Defense Show in Riyadh, showcasing its leadership in integrating telecommunications with innovative



Highest growth rates among competitors in the **B2B MARKET**

HONORED with the prestigious Gartner Eye on Innovation Award

technologies to empower the defense and military sectors. Through strategic partnerships, Mobily leveraged its advanced telecommunications capabilities to explore innovative solutions for surveillance, communications and inspection, including the deployment of unmanned aerial vehicles and autonomous systems. A key focus of Mobily's participation was driving digital transformation through collaborations with leading technology providers. By harnessing robotics, AI and emerging technologies, Mobily is paving the way for innovation across defense and other industries, supporting the Kingdom's Vision 2030 goals.

Expanding Data Center Capacity to Drive Innovation
Mobily's data center expansion strategy reflects its commitment to meeting the growing demand for innovative services, particularly in areas such as AI, GPU computing, cloud services and colocation. This ambitious initiative aligns with the Kingdom's Vision 2030 and aims to support the digital transformation of businesses across both the public and private sectors.

In the first quarter of 2025, Mobily will commission 2 new state-of-the-art, Uptime Certified Tier III data centers. These facilities will be fully operational and ready for commercial use,

catering to the increasing demands of businesses for high-performance and resilient digital infrastructure.

Building on this milestone, Mobily plans to construct additional state-of-the-art data centers designed to support high-density workloads, specifically targeting the computational power required for AI and GPU technologies. These new facilities will be launched for commercial purposes, making them accessible to a wide range of clients, including businesses seeking colocation and cloud services. This strategic expansion not only enhances Mobily's service offerings but also provides clients with increased scalability, resilience and operational efficiency.

BUSINESS UNIT (CONTINUED)**Investing in Smart Technologies**

Mobily is actively investing in AI, cloud computing and IoT to deliver comprehensive smart home and smart city solutions that enhance quality of life, improve operational efficiency and foster sustainable development in urban environments. To meet the growing need of AI applications and GPU computing in the Kingdom, the Business Unit is launching a state-of-the-art Nvidia GPU solution, supporting high density racks of up to 40 kW.

In cloud computing, the Unit is focused on upgrading its information technology infrastructure by partnering with leading cloud providers and hyperscalers to ensure robust security and reliability. Collaborations with partners such as Oracle and SAP provide customers with the latest technological advancements, enabling Mobily to stay competitive in the rapidly changing digital landscape.

In the IoT space, the Business Unit is enabling machine-to-machine (M2M) communication using eSIM technology for various applications, with the aim of growing market share. Mobily's IoT strategy focuses on advancing eSIM capabilities to meet the growing demand for seamless connectivity across diverse applications, including smart homes, smart cities, connected car services and industrial use cases. In 2024, Mobily was honored with the prestigious Gartner Eye on Innovation Award for Communication Service Providers in the Middle East and Africa,

recognizing its groundbreaking IoT solution and leadership in driving innovation across the region.

Enhancing Business Continuity and Security

Mobily has made significant progress in strengthening its business continuity and disaster recovery services to meet the growing demands of its clients. By expanding hosting capacity and integrating advanced technologies, the Business Unit ensures the delivery of robust, reliable services across multiple locations in the Kingdom. The enhanced capacity allows Mobily to accommodate more clients, providing businesses with the resources they need for uninterrupted operations. Advanced technologies, including redundancy measures, data backup systems and real-time monitoring, have been implemented to improve recovery times and minimize downtime.

➔ Looking Forward to 2025

Mobily's Business Unit is poised to play a pivotal role in the growth of Saudi Arabia's telecommunications and technology market in 2025. Despite increased competition, the market is projected to expand significantly, and Mobily is well-positioned to capture a larger share as it continues its journey toward sustaining its leadership position. This progress is underpinned by Mobily's strategic expansion, deep understanding of shifting customer needs and leadership in the introduction and implementation of emerging technologies on a global scale.

In addition to the launch of 2 new data centers, a key focus for 2025 will be advancing Mobily's IoT strategy, fostering innovation and collaboration with partners across industries to remain at the forefront of IoT development. By investing in cutting-edge capabilities, Mobily aims to create a comprehensive ecosystem that supports the deployment of smart solutions. This commitment not only enhances connectivity but also improves the quality of life for both consumers and businesses, further solidifying Mobily's role as a driver of innovation and digital transformation in the Kingdom.

Successfully
modernized
**20 regional
laboratories**
across the
Kingdom

Launching
**2 new data
centers**
in Q1 2025



WHOLESALE UNIT

ENHANCING GLOBAL CONNECTIVITY

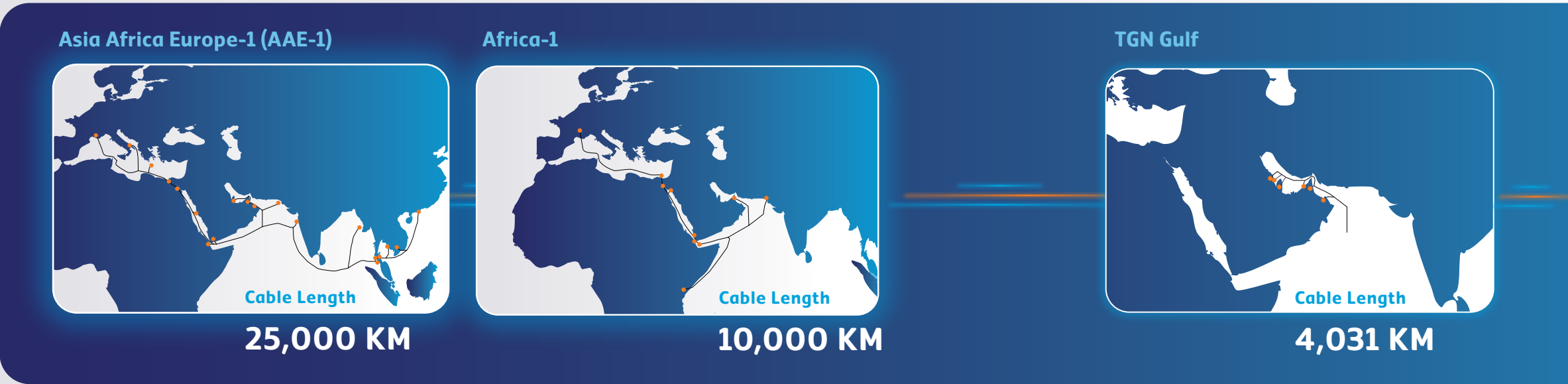
In 2024, Mobily's Wholesale Unit delivered strong double-digit year-over-year growth, solidifying its role as an important contributor to the Company's overall revenue, margin and collection performance. This growth reflects the Wholesale Unit's commitment to enhancing connectivity, forging strategic partnerships and supporting the digital ecosystem through infrastructure expansion.

In 2024, Mobily continued to invest in cutting-edge infrastructure to enhance capacity, diversity and global connectivity. Notably, the Wholesale Unit prioritized advanced submarine cables such as SMW-6 and Africa-1, further solidifying Mobily's position as a leader in international telecommunications.

Extending Market Reach through MVNO Partnerships

Mobily's mobile virtual network operator (MVNO) business model enables the Company to broaden its market reach, tap into new customer segments, and appeal to wider demographics, solidifying its position as a leading telecommunications

provider in Saudi Arabia. Mobily's reputation as a preferred partner for MVNOs is underpinned by its high-quality services, exceptional customer experience and continuous investments in infrastructure.



The Wholesale Unit's strategic focus in 2024 centered on global connectivity and partnerships. By collaborating with industry leaders such as Equinix and Google and signing agreements with major Content Delivery Network providers, Mobily reinforced its position as a hub for international connectivity and digital innovation. Through these initiatives, Mobily's Wholesale Unit continues to play a vital role in advancing the Company's growth strategy while enabling cutting-edge digital solutions for customers and partners across the globe.

Key achievements included improved regional connectivity and stronger collaborations with regional players following the successful completion of the Border Expansion Project. Additionally, the Wholesale Unit significantly expanded 5G roaming coverage, delivering faster, more reliable connections and enhancing the customer experience.

Supporting Mobily's Connectivity and Infrastructure

The Wholesale Unit is a cornerstone of Mobily's operations, managing international connectivity and roaming

services through an extensive and robust infrastructure network. This network includes 60,993 kilometers of fiber cables, 15 tier-certified data centers with a combined capacity of 122 MW, and 12 Points of Presence strategically located to enhance global reach. Mobily's connectivity is further strengthened by 6 advanced submarine cables: AAE1, TGN Euro Asia, TGN Gulf, Africa-1, SMW-6 and the Red Sea Crossing. Additionally, the Wholesale Unit operates 4 strategic landing stations, ensuring seamless connectivity across critical regions.

In 2024, the Wholesale Unit signed an agreement to onboard Red Bull Mobile as an MVNO partner. The 6-year contract provides Mobily with opportunities to expand its market reach and boost productivity, with measurable impact projected for Q4 2025. This partnership expands Mobily's service offerings and reinforces its role as a trusted enabler for innovative telecommunications solutions.

Expanding Capabilities with Cutting-Edge Services

This year, Mobily launched 2 major services to further enhance its offerings and operational capabilities. The introduction of Application-to-Person Services aimed to improve customer experience, automate communication processes and boost operational efficiency across the board. Additionally, Mobily unveiled the International Direct Dialing Hub and Carrier Hub services, strengthening its leadership in international direct dialing while reinforcing its robust network infrastructure. These developments reflect Mobily's commitment to innovation and its continued focus on delivering value-driven solutions to customers and partners globally.



WHOLESALE UNIT (CONTINUED)

Driving Collaborative Innovation and Market Expansion

Mobily's Wholesale Unit continued to expand its market reach in 2024 by securing key connectivity service agreements with both national and international clients. Further strengthening its international capabilities, Mobily forged new partnerships with Telecom Egypt and other regional telecommunication players, enhancing its global footprint and connectivity infrastructure.

Mobily also signed multiple MoUs to enhance international connectivity and digital solutions at the Connected World KSA Conference. These included a collaboration with IQNET in Iraq to expand global connectivity, develop data centers and deliver innovative digital solutions to meet growing demand, as well as Supercell Iraq to develop next-generation digital

solutions and address connectivity needs between Asia and Europe. Mobily also signed an MoU with China Telecom Middle East to partner in offering integrated communication services, aligning with Mobily's strategy to enhance customer experience and introduce advanced solutions to the Saudi market.

At the conference Mobily also showcased its investments in submarine cables, local networks and data centers to expand its global presence. These initiatives align with Saudi Arabia's Vision 2030 to position the Kingdom as a global digital hub by advancing digital infrastructure and connectivity.

Another significant milestone this year was the strategic partnership with the national payment network, Mada. This partnership aims to deliver innovative and advanced digital solutions for

international SMS services. Additionally, Mobily collaborated with Equinix to establish a carrier-neutral internet exchange at the JED1 Data Center. The initiative not only reduces latency but also improves peering ecosystems, solidifying Mobily's position as a leader in delivering high-quality connectivity solutions.

Recognized Excellence in Global Connectivity

Mobily continued to earn global recognition for its leadership in connectivity and innovation. The Company won "Best Subsea Innovation" from the prestigious Global Connectivity Awards, the largest platform for recognizing excellence in the global connectivity industry. The award recognized Mobily's innovative cable landing and hybrid connectivity solutions, which link Saudi Arabia to Asia, Africa and Europe. Telecom Review also recognized Mobily as

the "Best Wholesale Company in the Middle East". These accolades reflect Mobily's commitment to delivering value and strengthening its position as a leader in the telecommunications sector.

Mobily also played a prominent role in the global connectivity ecosystem by sponsoring 4 major industry events: Capacity Middle East, Capacity Europe, Connected KSA and the Submarine Network World Conference. These events provided valuable opportunities for Mobily to foster strategic partnerships, explore new business avenues and showcase its advancements in connectivity and digital infrastructure. Through these achievements, Mobily reaffirms its dedication to driving innovation, building industry collaborations and maintaining its leadership in the global connectivity market.

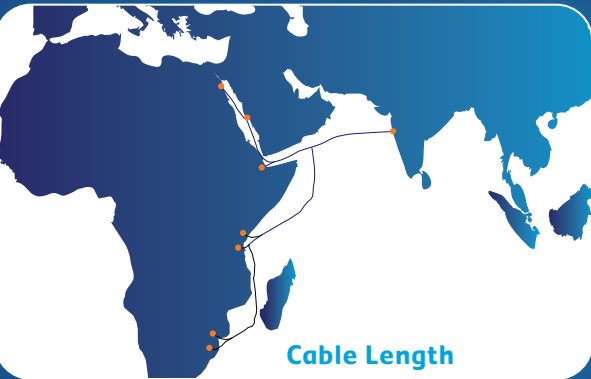
Looking Forward to 2025

In the year ahead, Mobily's Wholesale Unit is poised for significant expansion. Key plans for 2025 include forging valuable strategic partnerships and diversifying revenue streams to support the Company's growth trajectory. Mobily's commitment to providing trusted connectivity, innovative offerings, valued services and exceptional experiences will remain at the forefront of the Unit's operations.

The Company will continue to invest in and upgrade its infrastructure to support advanced services and meet the increasing demands of its customers. This includes expanding data center capacity to enhance service reliability and support the growing needs of clients. The Wholesale Unit will also continuously improve the customer experience through exceptional service and support. Importantly, the Unit will maintain its alignment with and support of the broader goals of Saudi Vision 2030, contributing to the nation's economic and technological development.



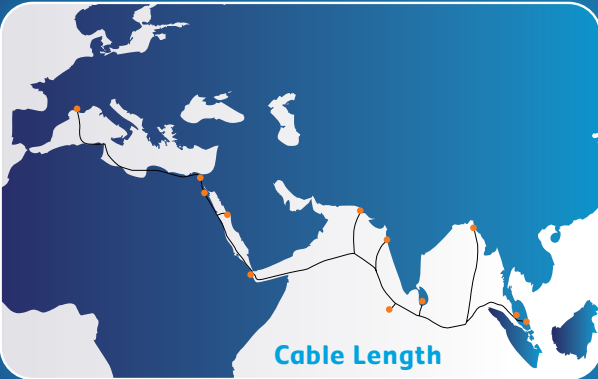
TGN Euro Asia



Cable Length

15,000 KM

SEA-ME-WE-6



Cable Length

21,700 KM

Operating a robust infrastructure network including

60,993 KM
of fiber cables

Established the first Saudi-owned submarine cable connecting

2 nations
across the Red Sea

TECHNOLOGY AND INNOVATION

INVENTING THE FUTURE

Adopting future-proof technologies and optimizing network rollout is a key pillar of Mobily’s corporate strategy, with the aim of improving customer experience and return on investment. In line with this vision, the Company maintains a robust digital technology strategy, encapsulated in the 4Ds framework: Digital Infrastructure, Digital Operations, Digital Customer Engagement and Digital Services.

The implementation of the 4Ds framework in 2024 allowed Mobily to significantly enhance its technological agility, elevate customer experiences, generate new revenue streams and boost network efficiency. State-of-the-art technological and digital infrastructure provided robust support to customer-facing segments, including the Consumer Unit, Business Unit and Wholesale Unit. Investments in cutting-edge technology and innovation across all aspects of the business and partnerships with global technology leaders ensured the delivery of superior customer experiences and drove sustainable growth.

Mobily continued to set the industry standard throughout the year by advancing its customer experience and digital transformation initiatives. These efforts garnered significant recognition, earning Mobily the Best Consumer Experience

Award from the Communications, Space and Technology Commission (CST) for the third consecutive year and the Best Infrastructure and Service Innovation in FTTH Award from the SAMENA Telecommunications Council.

Expanding Network Coverage

Mobily significantly expanded its 5G coverage across the Kingdom in 2024 by adding 807 new 5G sites, with a focus on major cities. This expansion increased 5G population coverage in Saudi Arabia’s 7 main cities to over 87%. Overall, Mobily extended its network coverage to serve 61 cities through more than 6,600 5G sites, ensuring enhanced connectivity for a broader audience.

Expanded 5G coverage across the Kingdom in 2024 by adding

807
new 5G sites

Achieved

100%
virtualization
for the Ericsson PS core network

The Company’s expansion of its 5G network was a significant contributor to the success of the Hajj season this year, as it worked proactively with the CST to respond to a dramatic increase in demand from pilgrims. Across the Kingdom, call success rates surpassed an impressive 99% with over 44.8 million voice calls made in Makkah and the Holy Sites on Eid Al-Adha alone. Data consumption also reached record highs, with a staggering 5.8 petabytes used – double the global average per capita usage. Mobily played an important role in meeting this demand by increasing its 5G towers across Makkah, Madinah and the Holy Sites. It also led the market during this period with its Excellent Consistent Quality score reaching a 4-day moving average 57% and download speeds remaining consistent at 41.1 Mbps.

Enhanced Mobile Broadband (eMBB) stood out as the dominant use case for 5G in 2024, supporting impressively high speeds for users across a range of services such as internet browsing and downloads, which improved the overall customer experience. Fixed wireless access, complementing

Fiber-to-the-Home (FTTH) offerings, continued to be a major eMBB service, and is projected to grow in the coming years.

Other key accomplishments in network expansion included 816 4G expansions, as well as the addition of 264 new sites. Mobily also fiberized 174 sites and expanded the IP Multimedia Subsystem (IMS) network with a new site in the east to support resilience and enhance customer experience.

Furthermore, the Company made progress in the deployment of 451 FTTH zip codes across 25 cities. Notably, Mobily was awarded 2 major Wireless Broadband (WBB) projects to enhance wireless network coverage in rural areas. The Company also achieved a 99% communication coverage rate and 97% broadband internet coverage rate on Saudi Arabia’s primary and secondary roads, as reported by CST and the Ministry of Transport. These accomplishments underscore Mobily’s commitment to enhancing connectivity across the Kingdom, ensuring reliable communication services for travelers and residents alike.

Overall Experience

Video Experience in 0-100 Points

Mobily 60.2

Live Video Experience in 0-100 Points

Mobily 50.2

Games Experience in 0-100 Points

Mobily 62.0

5G Video Experience in 0-100 Points

Mobily 70.2

5G Live Video Experience in 0-100 Points

Mobily 63.4

5G Games Experience in 0-100 Points

Mobily 74.9

5G Download Speed in Mbps

Mobily 241.4

5G Experience

Coverage

Coverage Experience in 0-10 Points

Mobily 5.5

Availability % of Time

Mobily 97.8

5G Availability % of time

Mobily 20.0

Consistent Quality % of Tests

Mobily 61.9

Reliability Experience 100-1,000 points

Mobily 801

Consistency

Improving Network Speed and Latency

Solidifying its position as a leader in the telecommunications sector, Mobily made significant strides in improving the speed and latency of its network. According to Ookla, Mobily’s median speed increased by 27.5%, demonstrating the Company’s commitment to delivering faster and more reliable services. Mobily ranked #1 in median download, upload speed, and latency in both Q3 and Q4 of 2024, boasting a minimum latency of approximately 24mms.

The Q3 2024 OpenSignal report highlighted Mobily’s leadership position in videos, games and download speed experience. Mobily was also recognized as a 5G Global Rising Star for its impressive improvement in users’ experience. Additionally, Mobily ranked 1st in download speed for popular gaming platforms (PlayStation, Xbox, and Steam), and in latency for 11 out of 18 games in the Q3 2024 Game Mode report from the CST. These achievements underscore Mobily’s dedication to enhancing network performance and providing superior user experiences.

TECHNOLOGY AND INNOVATION (CONTINUED)

To support its ambitious expansion plans, Mobily acquired new International Mobile Telecommunications (IMT) spectrum in the 700 MHz and 3800 MHz bands in 2024, in a strategic decision to support the future of 5G. The acquired spectrum in the 3800 MHz band will support Mobily's future network traffic growth and emerging use cases, driving higher per-subscriber consumption over the years. Once implemented, the 700 MHz band will enhance indoor 5G coverage and improve coverage for a larger number of subscribers, making it one of the ecosystem's best low-band frequencies.

Pioneering Technological Excellence

Mobily deployed and upgraded a range of technologies across its operations, ensuring a competitive edge and setting the Company up for continued growth. The Company built an on-premises embedded SIM (eSIM) platform to support consumer, machine-to-machine and wholesale services. It also obtained the Security Accreditation Scheme for Subscription Management (GSMA) certificate.

A centralized portal integrated with the Network Control Center was established to detect congested links, providing a user-friendly interface for monitoring and rerouting traffic data between border gateway protocol links. Mobily also launched voice over long-term evolution (VoLTE) inbound roaming and enhanced the roaming messaging solution via the LTE/VoLTE wireless resource management system.

Additionally, the Company unified the signaling platform, deployed the first phase of Wideband Broadband (WBB1).

Mobily also conducted a 5G roaming capability check, introduced Segment Routing v6 to enhance network routing intelligence and explored the capabilities of Open Radio Access Network (O-RAN). Furthermore, the Company has included virtual reality and augmented reality as part of its technology strategy, completing proofs of concept with various use cases.

Mobily conducted testing for the local packet gateway concept with Ericsson, introduced a dedicated mobile core for high-reliability IoT customers, and developed new solutions for business customers with IoT requirements. The Company supported connected car solutions with eSIM and VoLTE readiness. It also continued to enhance the traffic exchange matrix path and traffic manipulation to offload high latency links and support carrier exchange.

Accelerating Artificial Intelligence

Mobily is committed to pioneering advancements in artificial intelligence (AI) to deliver unparalleled network performance and customer satisfaction. The Company has been leveraging AI for several years, and in 2024, it continued to enhance AI utilization across its network using advanced tools such as cognitive software and digital twin. By incorporating customer experience management software and cognitive

self-organizing networks, Mobily used AI to optimize its network and deliver superior customer experiences.

During the year, Mobily further implemented its digital twin technology, initially introduced in 2023, to create a virtual model of its network infrastructure, optimizing network coverage and enhancing customer experiences. The phased activation of this technology this year aimed to expand its geographic scope and enhance its functionality using AI platforms. These efforts focused on improving the performance of existing applications and introducing new, impactful solutions to elevate the quality of Mobily's services.

Advancements in Cloud Computing

Mobily made significant strides in cloud computing during 2024, achieving a series of milestones that demonstrate the Company's commitment to innovation and efficiency. It achieved 100% virtualization for the Ericsson PS core network and increased internet gateway (IGW) internet functions cloudification from 60% to 80%. Additionally, Mobily onboarded Ericsson PS on Cisco Cloud, with an ongoing proof of concept to enhance its cloud capabilities.

Increased IGW internet functions cloudification from
60% to 80%

In addition, efforts to upgrade Mobily's cloud architecture from virtual machine-based to containerized-based architecture in 2 new Ericsson sites have resulted in notable improvements. Mobily also reduced the hardware footprint of the bulk messaging system by 66%, showcasing its focus on optimizing resources and enhancing performance.

Leveraging the Power of Partnerships

At LEAP 2024, Mobily demonstrated its commitment to driving digital transformation and innovation through a series of significant MoUs with global and local leaders in technology and digital solutions.

Notably, Mobily partnered with Tencent Cloud to launch a groundbreaking enterprise cloud platform, supporting the Kingdom's goal of becoming a global business and entertainment hub. Under the announced "Go Saudi" program, the platform combines Mobily's network infrastructure with Tencent Cloud's cutting-edge technologies like AI, big data and immersive convergence. It delivers integrated IT services, including computing, storage, database, network and security solutions, while prioritizing user privacy and regulatory compliance to ensure a trusted cloud environment.

Mobily also announced that it has extended its managed services partnership with Ericsson for an additional 3 years, reinforcing its commitment to leveraging next-generation technologies to drive digital transformation. The partnership will focus on integrating AI, machine learning and automation across Mobily's network to enable intelligent, data-driven operations. These advancements aim to optimize processes, enhance service and operational metrics and reduce time-to-market, ensuring that Mobily continues to deliver high-quality services efficiently.

Furthermore, Mobily strengthened its strategic collaboration with AWS to advance cloud computing services within Saudi Arabia. By leveraging AWS's robust cloud infrastructure and Mobily's extensive telecommunications network, the Company aims to deliver secure, scalable and efficient cloud solutions to meet the growing demands of various sectors, thereby contributing to the Kingdom's Vision 2030 objectives.

Mobily also announced its collaboration with Ejada Systems Ltd. to implement the region's first Oracle Fusion solution, advancing its digital transformation journey. The project introduced a comprehensive Oracle ERP system for human capital, supply chain and finance management, centralizing operations and enhancing real-time data access. By migrating to a cloud-based platform, Mobily improved efficiency, scalability and adaptability to evolving market demands, reinforcing its leadership in telecommunications and its commitment to innovation, aligned with the Kingdom's broader technological development goals.

Technological Developments in 2025

Mobily has outlined a series of ambitious technological innovation objectives and initiatives for the year ahead, with the aim of driving continued growth and enhancing service quality. Key initiatives include building new fiber optics for border crossing and deploying WBB1 and WBB2. The Company will also continue the deployment of 451 FTTH zip codes across 25 cities, introduce new user plane functions at remote sites to support edge computing and monetize domain name system functionality.

Mobily aims to ensure network readiness for a new mobile virtual network enabler by introducing 2 new regional IGW sites and implementing 2 automation capabilities in the IGW domain. The Company will advance broadcast messaging for business customers and expand its 5G network. In 2025, Mobily is expected to explore 5G private networks and network slicing with business customers from various industries, addressing the diverse requirements of these use cases compared to eMBB services.

Further extending network coverage, Mobily plans to re-farm spectrum, expand 4G and increase VoLTE traffic share. These strategic initiatives highlight Mobily's commitment to pioneering technological advancements and delivering superior customer experiences, solidifying its leadership position in the telecommunications sector.

CUSTOMER CARE AND EXPERIENCE

ELEVATING EXPERIENCE AND EXCELLENCE

In 2024, Mobily's Customer Experience and Customer Care Departments made remarkable strides to enhance customer satisfaction across all business units. By prioritizing continuous improvement and data-based decision-making, the Company raised the bar for service levels and earned numerous industry accolades.

Advancements in delivering superior experiences across all customer interactions were demonstrated by notable improvements across a range of key performance indicators (KPIs). These included an 11.1% increase in Roaming Customer Satisfaction Scores (CSAT), a 5.0% rise in Social Media Transactional CSAT (T-CSAT) and a 1.3% growth in TRI*M Overall Satisfaction. Customer mobile data speed improved by 4.8%, while the reliability and speed of service delivery also increased – scaling service levels in the Kingdom's telecommunications sector.

Mobily significantly strengthened its proactive response management, achieving a 40% increase in the detection and analysis of customer experience incidents compared to 2023. This improvement reflects the effectiveness of enhanced monitoring systems and a proactive approach to identifying areas for improvement. Additionally, the Company achieved a 32% year-over-year improvement in incident resolution, underscoring its commitment to delivering seamless and positive customer interactions.

Moreover, customer satisfaction in the contact center increased by 0.5% in 2024, while social media and complaint

resolution satisfactions increased by 5% and 4%, respectively. Proficiency in closing complaints within agreed service level agreements also reached an impressive 95%, highlighting the key importance Mobily gives to the satisfaction of its customers.

Award-Winning Customer Experience

Mobily's leadership in customer experience was recognized through prestigious awards, including the Best Customer Experience Award 2023 from the Communications, Space and Technology Commission (CST) for the third consecutive year. The Company also garnered notable recognitions at the Gulf Customer Experience Awards (GCXA), receiving the Golden Award for Overall Excellence in Customer Experience, the Golden Award for Best Customer Experience Measurement and the Silver Award for Putting the Customer at the Heart of Everything.

Additionally, Mobily earned the CX Leader Award at the Sprinkler CX Connect Conference, renewed the Hayyak Certification by SASO and achieved ISO certification for complaint management, underscoring its adherence to the highest service standards. These recognitions have

enhanced Mobily's credibility and trust among customers and Stakeholders, elevated employee morale and reinforced customer loyalty and advocacy.

Mobily's Customer-Centric Strategy

Mobily's gains in customer experience stem from its comprehensive and strategic approach to elevating the customer journey across all products, processes and services. Central to its strategy is the adoption of advanced methodologies and standards, ensuring that every customer interaction is meticulously optimized to exceed expectations. Through well-defined standards and KPIs, the Company continuously monitors and evaluates key customer touchpoints. This structured approach allows for the identification of performance gaps, proactive responses to potential challenges and continuous improvement across all aspects of the customer journey. By leveraging best-practice frameworks in customer experience management, Mobily has established a new benchmark for quality and innovation within the telecommunications industry.

Mobily's robust customer experience governance structure further underscores its dedication to delivering exceptional experiences. The Customer Care Department works to promptly and effectively address customer concerns, taking proactive measures to reduce complaints to the CST and ensuring call frequency was successfully controlled.

Meanwhile, the Customer Experience Department plays a pivotal role in delivering Mobily's strategic vision by spearheading the Total Experience Program, one of the 13 strategic initiatives driving the Company's transformation. As the custodian of this program, Customer Experience ensures consistent and streamlined processes across Mobily's ecosystem, delivering exceptional experiences to customers and all internal units, as well as external Stakeholders including investors, regulators and partners.

Mobily is committed to fostering a customer-centric culture across all levels and pillars of the organization. This year, the Company introduced the CX Star Program, designed to motivate and recognize front-line employees who go above and beyond in delivering exceptional customer service. This initiative has been instrumental in boosting employee engagement and customer satisfaction. Mobily also celebrated CX International Day, engaging employees and Stakeholders across the organization in activities that reinforced the importance of customer-centricity as a core value.

Elevating the Customer Journey

In 2024, Mobily undertook transformative initiatives to enhance the customer journey and deliver exceptional experiences at every stage. The Customer Experience team rigorously reviewed new products and services, prioritizing customer satisfaction to align offerings with the highest standards of user experience and value. This year, it launched the Experience Maturity Index, a comprehensive framework to assess and quantify the quality of user experiences across all products and channels, driving targeted improvements and measurable results.

A key achievement was the redesign of critical customer journeys to proactively identify and resolve potential incidents before they escalate, address pain points and improve satisfaction. Billing processes were simplified

to provide intuitive and transparent experiences, while onboarding procedures were enhanced to ensure a seamless and engaging start for new customers. Resolution pathways for complaints and disconnections were streamlined to reduce customer complaints and improve handling times, boosting customer satisfaction and loyalty.

Driving Digital Transformation

Mobily's Customer Experience Department continues to drive the Company's digital transformation efforts, focusing on the digitalization of processes to enhance operational efficiency and create winning customer journeys. A cornerstone of this transformation is the implementation of omnichannel integration, which provides a consistent and unified experience across the web, app, social media and in-store interactions. This approach reduces friction, ensures seamless transitions between touchpoints and strengthens customer loyalty by delivering personalized and adaptable solutions that evolve with customer needs.

Mobily achieved significant advancements in its digital offerings this year. Enhancements to the chatbot experience enabled faster and more intuitive responses, simplified navigation for common issues and expanded service capabilities, streamlining the service request journey. Similarly, improvements to the billing and payment experience provided customers with more convenient and user-friendly ways to view, manage and settle their bills. The Company also used innovative digital marketing strategies to improve engagement, strengthen satisfaction and drive business growth across all customer touchpoints.

Measuring and Analyzing Customer Feedback

A key pillar of Mobily's strategy is leveraging data-driven insights and customer feedback to continuously refine services and enhance customer satisfaction. By meticulously analyzing customer complaints and identifying recurring issues, Mobily uncovers root causes and implements targeted solutions. Central to this effort is the Voice of the Customer (VoC) program, which employs transactional and perception surveys to actively listen to customer concerns, pinpoint pain points and uncover opportunities to improve the customer experience.

CUSTOMER CARE AND EXPERIENCE (CONTINUED)

In 2024, Mobily launched a new Survey Management Tool equipped with a live dashboard for customer experience management. This innovative platform has transformed Mobily's ability to capture and act on actionable feedback in real time.

Key features of the tool include efficient feedback collection across multiple channels, providing a comprehensive understanding of customer satisfaction and enabling real-time issue resolution. The platform also introduced a unified enterprise survey and case management solution, consolidating data handling and linking feedback to resolution processes for more effective follow-ups. Data consolidation and trend analysis were further enhanced, offering robust visualization capabilities that improve decision-making and strengthen closed-loop feedback processes to translate insights directly into service enhancements.

The Survey Management Tool has delivered tangible benefits, including improved responsiveness and customer-centric decision-making, increased accountability through robust feedback resolution and empowered teams with actionable insights to proactively elevate the customer experience.

Enhancing Customer Communication

By prioritizing transparent and effective communication, Mobily continues to strengthen customer trust and enhance the overall customer experience. This year, the Company introduced significant enhancements across its self-service platforms to provide more seamless and user-friendly experiences.

A new program was also created to enhance customer awareness about product features while promoting responsible and sustainable usage. Following a comprehensive audit of communication practices, Mobily empowered customers to make informed decisions about the environmental impact of their product use while aligning with Mobily's broader commitment to sustainability. Based on the findings, Mobily implemented actionable solutions that

resolved over 50% of identified issues, improving the clarity and relevance of customer communications. To sustain these improvements, ongoing monitoring processes, including feedback mechanisms and regular reviews, were established to ensure continuous refinement of communication strategies.

Mobily places a strong emphasis on maintaining transparency and accuracy in its marketing and advertising efforts, reflecting its dedication to integrity and customer trust. In 2024, measures implemented included strengthening content review processes, improving coordination between marketing, customer experience and operational teams, and enhancing the monitoring of campaigns. These efforts aimed to maintain zero incidents of inappropriate marketing and advertising, underscoring Mobily's commitment to upholding the highest standards of ethical communication and fostering trust with its customers and Stakeholders.

Strategic Partnerships for Enhanced Customer Experience

Mobily continued to strengthen its customer engagement initiatives through strategic partnerships in 2024, highlighting the Company's ongoing efforts to integrate world-class technology and services, reinforcing its leadership in the region, and supporting Saudi Arabia's Vision 2030 goals.

Mobily forged several impactful partnerships designed to enhance customer experience, strengthen its technological infrastructure and drive innovation. In collaboration with HCL Software, Mobily aims to elevate customer satisfaction by leveraging advanced tools and solutions to optimize engagement and streamline service delivery. A partnership with Tech Mahindra will focus on developing globally competitive loyalty programs, providing customers with innovative and rewarding experiences. Additionally, an agreement with Alinma Bank aims to integrate Mobily's services with Alinma's digital channels, boosting convenience and satisfaction for shared customers.

On the technology front, Mobily signed a strategic cooperation agreement with CISCO to deploy cutting-edge technologies that enhance customer experience while building a future-proof communication network. A partnership with Fortinet seeks to upgrade Mobily's networks, enhancing their security, flexibility and efficiency to deliver more robust and reliable services. Furthermore, an MoU with Nokia will enable collaboration in the field of cloud-RAN, paving the way for advanced network capabilities and ensuring Mobily remains at the forefront of the telecommunications sector.

At Capacity Middle East, Mobily signed partnership agreements with popular partners, enabling customers to redeem their Neqaty points, further enhancing the value of Mobily's loyalty program. These collaborations reflect Mobily's dedication to delivering exceptional value and continuously improving its services to meet evolving customer needs.

Achieved a **40% increase** in the detection and analysis of customer experience incidents compared to 2023

Received the Saudi Arabia **Best Customer Experience Award** from the CST for the third year in a row

Looking Ahead to 2025

Mobily's plans for 2025 include a range of initiatives aimed at enhancing customer experience and engagement. This will include a strong focus on digitalization, aligning with the Company's overarching strategic goals to improve service delivery, drive operational efficiencies and maximize customer value.

Strategic priorities include the introduction of advanced tools to enhance customer experience measurement accuracy, ensuring precise and actionable insights. Mobily is committed to exploring the potential of AI and machine learning to enhance predictive customer experience capabilities.

The Company will also expand its VoC programs to collect broader feedback across more touchpoints, with a particular emphasis on net promoter score metrics. Customer journeys will continue to be refined through the adoption of predictive tools designed to enable seamless interactions and improved satisfaction at every stage. These efforts are set to further solidify Mobily's customer experience leadership in the market, fostering greater loyalty, long-term engagement and sustained value creation.





04

ESG

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As a responsible and ethical corporate citizen, Mobily continues to drive initiatives that align with global sustainability standards and support the Kingdom's Vision 2030 goals for a diversified and sustainable economy.

SUSTAINABILITY STRATEGY AND FRAMEWORK

DRIVING SUSTAINABILITY, INNOVATION AND GOVERNANCE FOR A THRIVING FUTURE

Mobily remains dedicated to creating sustainable, long-term value for its Stakeholders through robust corporate governance, proactive risk management and a steadfast commitment to environmental and social responsibility. As a responsible and ethical corporate citizen, Mobily continues to drive initiatives that align with global sustainability standards and support the Kingdom’s Vision 2030 goals for a diversified and sustainable economy.

In 2024, the Company further embedded environmental, social and governance (ESG) principles into its operations, implementing programs and practices that enhance performance while mitigating risks. Mobily’s ESG Strategy and framework is designed to elevate the Company’s sustainability performance while contributing to the social and economic advancement of the Kingdom. Built around 5 key pillars, the framework defines Mobily’s vision and objectives for addressing critical environmental, social and

economic challenges. It establishes clear sustainability priorities, serving as a roadmap to guide the Company’s decisions and actions toward fostering long-term value and a positive impact.

Mobily conducts ongoing awareness campaigns to inform and educate employees about the importance of sustainability.



MARKETPLACE AND CUSTOMERS

Collaborated on enhancing rural telecommunication infrastructure accessibility, to reach over 1,300 previously uncovered sites

ACCOUNTABLE ENTERPRISE

Upgraded to “AA” on the MSCI ESG Index as the highest-rated telecommunication company in MENA

RESPONSIBLE EMPLOYER

Invested in employee well-being and engagement activities, elevating the mHi score to 91%

SAFEGUARDING THE PLANET

Zero waste to landfill across all Mobily operations

POSITIVE COMMUNITY IMPACTS

Partnered with a charitable entity, Jood Eskin, to encourage donations and provide housing for communities in need

SUSTAINABILITY STRATEGY AND FRAMEWORK (CONTINUED)

Sustainability Framework

ACCOUNTABLE ENTERPRISE

- Corporate governance, ethics and integrity
- Transparency
- Responsible supply chain
- Sustainable economic value

RESPONSIBLE EMPLOYER

- Health and safety
- Diversity and inclusion
- Talent management

MARKETPLACE AND CUSTOMERS

- Data privacy, security and protection
- Customer relationships and satisfaction
- Digital innovation
- Responsible marketing



POSITIVE COMMUNITY IMPACTS

- Digital access and inclusion
- Community investments and relations

SAFEGUARDING THE PLANET

- Climate change and energy management
- Waste management and circularity
- Water management



Associations and Memberships



Asia-Africa-Europe 1 (AAE-1)



Cullen International



SAMENA Telecommunications Council



TM Forum



International Telecommunication Union (ITU)



Global System for Mobile Communications (GSMA)



United Nations Global Development Program



United Nations Global Compact (UNGC)



Digital Cooperation Organization



National Network of IP Support Centers (SAIP)



Alignment with National and International Priorities



Saudi Vision 2030



Communications, Space & Technology Commission



Saudi & Middle East Green Initiatives



United Nations Sustainable Development Group



United Nations Global Compact



Universal Declaration of Human Rights (UDHR)



OECD Guidelines for Multinational Enterprises

SUSTAINABILITY STRATEGY AND FRAMEWORK (CONTINUED)

Stakeholder Engagement

Mobily values its Stakeholders as key partners and adopts a proactive, collaborative approach to Stakeholder management. To learn more, please refer to [the Stakeholder Engagement section](#).

ACCOUNTABLE ENTERPRISE

- Regulators
- Board of Directors
- Shareholders
- Suppliers

- Corporate governance, ethics and integrity
- Transparency
- Responsible supply chain
- Sustainable economic value



- Formally integrate sustainability at the corporate level
- Strive for transparency, integrity and good governance by following international best practices
- Achieve sustainable growth contributing to a thriving Saudi Arabian economy, through direct economic activities and infrastructure, platforms and digital services

Mobily's adherence to the highest global and local governance standards underscores its commitment to employee health, safety, development and training. These practices ensure the Company operates with transparency and accountability, meeting Stakeholder expectations while delivering strong financial performance.

SAFEGUARDING THE PLANET

- Government
- Communities

- Climate change and energy management
- Waste management and circularity
- Water management



- Contribute to the Saudi Green Initiative, leading the way to a sustainable future for the Kingdom
- Follow international best practices to safeguard shared resources

Mobily's dedication to adopting best environmental practices aligns with regulatory requirements, the Kingdom's Vision 2030 objectives and corporate governance frameworks. This commitment not only supports sustainable development but also enhances Mobily's long-term economic resilience and viability.

RESPONSIBLE EMPLOYER

- Employees

- Health and safety
- Diversity and inclusion
- Talent management



- Ensure high levels of motivation, satisfaction and commitment to sustainability
- Understand Mobily's duty of care to protect its employees and contractors from any harm
- Ensure everyone has access to the same opportunities and the same, fair treatment

Mobily's personal and professional development programs offer employees exceptional learning opportunities, enhancing their productivity and supporting the Company's digital transformation strategy. These initiatives play a crucial role in delivering outstanding customer service and ensuring robust information security.

MARKETPLACE AND CUSTOMERS

- Customers

- Data privacy, security and protection
- Customer relations and satisfaction
- Digital innovation
- Responsible marketing



- Enable rapid societal development through well-designed and executed digital platforms and services
- Ensure privacy and security of customer data
- Achieve high levels of customer satisfaction with excellent customer care
- Adopt socially responsible elements in our marketing strategies

Mobily delivers secure, high-quality services that drive strong financial performance, enabling the Company to contribute meaningfully to the community. This includes enhancing youth skills to prepare them for the labor market and empowering Saudi talent in the ICT sector, reinforcing Mobily's role in advancing the Kingdom's development goals.

POSITIVE COMMUNITY IMPACTS

- Government
- Communities

- Digital access and inclusion
- Community investments and relations



- Support local communities in which Mobily operates, and positively impact them
- Work with communities to address issues of opportunity, access, knowledge and skill in relation to using technology

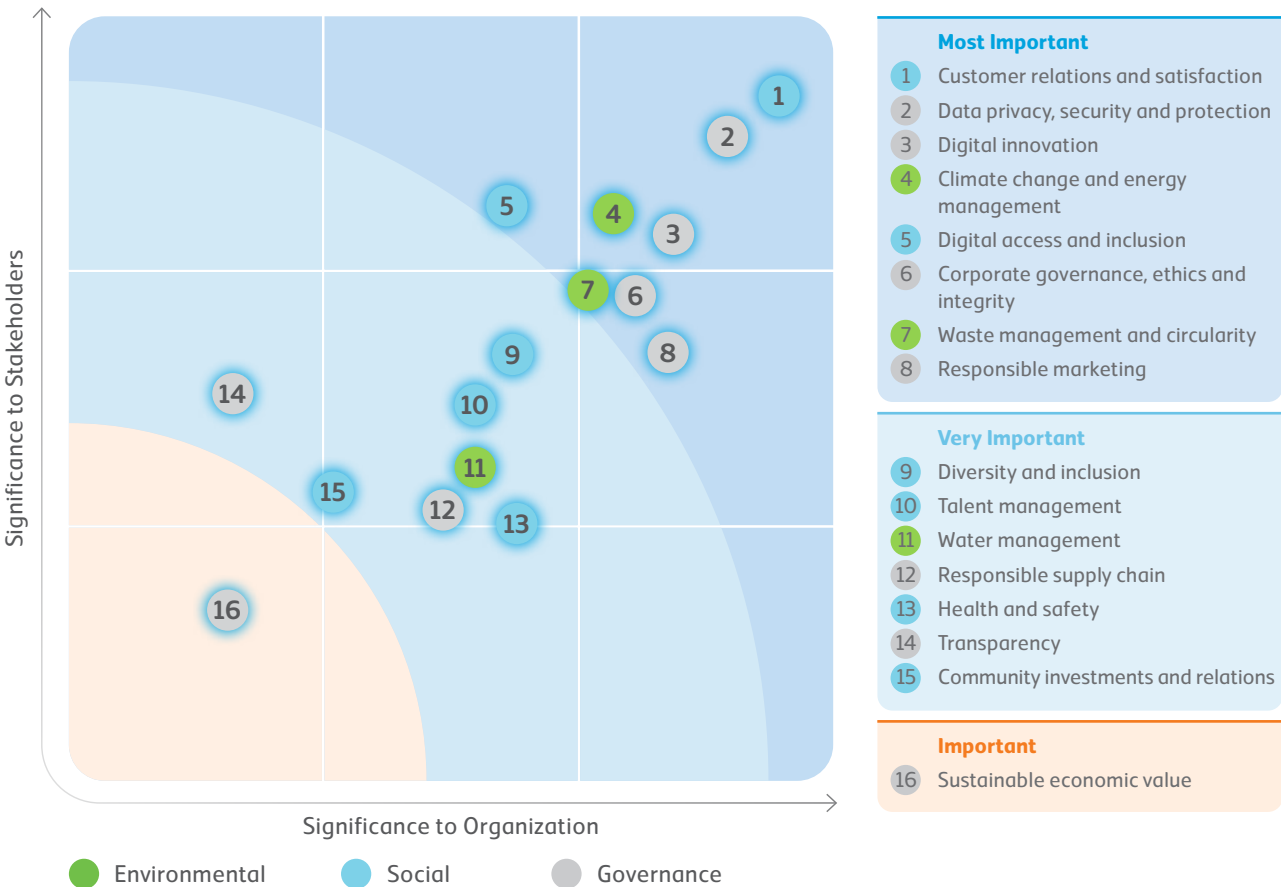
By fostering healthy and vibrant communities, Mobily aims to serve as a role model for water, energy and waste conservation through ongoing environmental initiatives and awareness campaigns.

SUSTAINABILITY STRATEGY AND FRAMEWORK (CONTINUED)

Materiality Assessment

In 2024, Mobily concluded a comprehensive materiality assessment to align its sustainability efforts with the latest ESG trends in the industry and the Kingdom. The assessment considered a range of factors, including Mobily’s sustainability strategy and values, Stakeholder feedback, regulatory developments, the Kingdom’s Vision 2030 objectives, peer sustainability disclosures, industry standards and the United Nations Sustainable Development Goals (UN SDGs). The objective was to review and validate the Company’s focus areas, identify opportunities and prioritize sustainability topics most significant to Mobily and its Stakeholders.

As a result, Mobily identified 16 critical issues deemed material to both the Company and its Stakeholders. These issues were analyzed and consolidated to form the foundation of Mobily’s Sustainability Framework, ensuring that its ESG initiatives address the most relevant challenges and opportunities in the TMT sector while meeting Stakeholder expectations.



	Material Issues	Relevant Strategy Pillar	How Mobily Manages It
Most Important	1. Customer relations and satisfaction	Marketplace and Customers	Mobily is continuously improving its customer service to enhance the customer’s experience.
	2. Data privacy, security and protection	Marketplace and Customers	Mobily implements industry-leading mechanisms in data privacy, security and protection. These include encryption, truncation, masking and hashing.
	3. Digital innovation	Marketplace and Customers	Mobily provides services that support new digital opportunities and new business ventures, including autonomous transport, smart cities and digitally enhanced healthcare. Mobily is a key player in the Saudi digital ecosystem.
	4. Climate change and energy management	Safeguarding the Planet	Mobily integrates sustainable approaches throughout its operations, with a focus on minimizing greenhouse gas emissions and reducing energy consumption.
	5. Digital access and inclusion	Positive Community Impacts	Mobily delivers advanced technology and equal opportunities to its customers. The Company supports digital inclusion across the Kingdom by providing greater digital access and capabilities.
	6. Corporate governance, ethics and integrity	Accountable Enterprise	Mobily’s corporate governance approach promotes communication, transparency and accountability, in the interests of long-term value for shareholders and other Stakeholders.
	7. Waste management and circularity	Safeguarding the Planet	Mobily values the natural environment and aims to protect biodiversity by minimizing waste-to-landfill and promoting the responsible disposal of electronic products.
	8. Responsible marketing	Marketplace and Customers	Mobily is committed to fair and responsible marketing practices, characterized by transparency and truthfulness, and aligned with Saudi Arabia’s social values and the cultures of the communities it serves.
Very Important	9. Diversity and inclusion	Responsible Employer	Mobily’s human resource policies prevent discrimination, promote fairness and enable advancement based on merit and fitness for role.
	10. Talent management	Responsible Employer	In alignment with the Saudi Vision 2030, Mobily recruits and nurtures talented employees who contribute to long-term value creation with a specific focus on Saudi nationals.
	11. Water management	Safeguarding the Planet	Water is a critical resource, and Mobily is committed to minimizing its water footprint and ensuring that it uses water responsibly across its operations.
	12. Responsible supply chain	Accountable Enterprise	As one of the largest telecommunications companies in the region, Mobily has a vital role to play in not only implementing sustainability best practices within the Company, but also ensuring that its supply chain upholds high standards of governance while safeguarding the environment and people.
	13. Health and safety	Responsible Employer	Mobily has a comprehensive approach to health and safety, that includes risk management initiatives, HSE training programs and certifications and audits to ensure adherence to HSE practices.
	14. Transparency	Accountable Enterprise	Mobily maintains transparent relationships with its Stakeholders and continually strives to deliver equitable and sustainable value to them.
	15. Community investments and relations	Positive Community Impacts	Mobily enjoys strong and rewarding relationships with its communities, and it seeks out partnerships and initiatives that benefit Stakeholders.
Important	16. Sustainable economic value	Accountable Enterprise	Mobily sustains a business model that ensures financial profitability and generates long-term value for its investors.

ACCOUNTABLE ENTERPRISE

STRENGTHENING ACCOUNTABILITY, COMPLIANCE AND ETHICAL GOVERNANCE

In 2024, Mobily continued to prioritize accountability and compliance as integral elements of its operations, ensuring a strong ethical foundation for sustainable growth. By adhering to rigorous corporate governance practices and ethical standards, the Company reaffirmed its commitment to fostering trust with Stakeholders and maintaining transparency in all aspects of its business.

Mobily maintained its reputation for adherence to regulatory standards and fair competition, with zero legal actions taken against the Company for anti-competitive behavior, anti-trust violations or monopoly practices. The Company also made significant strides in strengthening its ethics and compliance framework, reflecting its commitment to fostering a culture of accountability and transparency.

Mobily conducted comprehensive assessments to evaluate the implementation of approved corporate authorities and adherence to key policies across all business units, ensuring alignment with governance standards. It also developed critical compliance documents and delivered detailed compliance reports to both the Board and Executive levels, enhancing oversight and decision-making processes. Additionally, the Company prioritized raising awareness of compliance through internal communications and workshops, equipping employees with the knowledge and tools needed to uphold ethical behavior and corporate responsibility across the organization.

Recognition as an Accountable Enterprise

Mobily received several prestigious accolades for setting the example of accountability and compliance within the information, communications and technology (ICT) sector. The SAMENA Telecommunications Council recognized Mobily with the award for “Leadership in Regulatory Compliance and Customer Experience”, celebrating the Company’s adoption of best practices. Additionally, Mobily was honored with the distinguished titles of “Legal Tech Advocate of the Year” and “Legal Tech Collaboration of the Year” at the Saudi Legal Tech Forum, further highlighting its leadership in advancing legal technology and regulatory excellence across the Middle East and North Africa region.

Mobily’s Risk Management and Business Continuity team received significant recognition for excellence in Business Continuity Management (BCM) and their commitment to maintaining high standards in risk management practices. The team won 3 prestigious awards at the BCI Middle East Awards 2024: “BCM Team of the Year”, “BCM Program Manager of the Year 2024 (Private Sector)” and “BCM Newcomer of the Year”.

“AA” IN MSCI ESG RATINGS,
UP FROM “A” IN 2023

62/100 IN ESG INVEST,
UP FROM 52/100 IN 2023

47/100 IN DOW JONES
SUSTAINABILITY INDEX (DJSI)
S&P SCORE, UP FROM 33/100 IN 2023

64% IN CSR HUB,
UP FROM 52% IN 2023

2.6/5 IN FTSE RUSSELL,
UP FROM 1.9/5 IN 2023

55/100 IN LSEG,
COMPARED TO BEING UNSCORED IN 2023

The Company also underscored its commitment to accountability this year by achieving an impressive upgrade in its MSCI ESG Index rating from “A” to “AA”. As the first telecommunications company in the Middle East to receive this rating, Mobily is now recognized as one of the highest-rated companies in the region for its sustainable practices. This milestone, along with UNGC membership, highlight the Company’s dedication to implementing ESG best practices and policies, demonstrating a strong focus on long-term value creation and responsible business operations.

Mobily is also part of the National Network of Intellectual Property Support Centers, reinforcing its dedication to supporting digital innovation and raising awareness among innovators about intellectual property rights in the ICT sector. The Saudi Authority for Intellectual Property has acknowledged

the Company for its technological advancements and contributions, highlighting its ongoing commitment to accountability and compliance in its operations.

Finally, Brand Finance has placed Mobily’s Chief Executive Officer, Eng. Salman Albadran, among the top 10 business leaders in the global Brand Protection Index. Under his leadership since 2019, Mobily has significantly enhanced its brand value and growth. In 2024, Brand Finance ranked Mobily as the fastest-growing firm in the telecommunications sector in the Middle East, with an 18% increase in company value compared to the previous year. Separately, Mobily also placed in the top 4 of Saudi companies for brand value in the Kantar BrandZ ranking for the region.

These achievements reflect Mobily’s commitment to accountability,

transparency and strong corporate governance, which have played a vital role in strengthening brand trust and market value. By adhering to ethical business practices and compliance standards, the Company continues to enhance its reputation, ensuring sustainable growth and long-term Stakeholder confidence.

Mobily’s Compliance Framework

Mobily’s compliance framework is built on 5 fundamental pillars designed to safeguard its business operations and ensure ethical practices across the organization. These include Leadership Engagement and Accountability, emphasizing Board and Executive commitment to upholding international best practices; Ethics and Compliance Standards and Policies, exemplified by the Amana program and a strict zero-tolerance stance on unethical behavior; and Awareness and

Compliance Framework

Mobily’s Compliance framework is built on 5 fundamental pillars to protect its business operations:

1	2	3	4	5
Leadership Engagement and Accountability	Ethics and Compliance Standards and Policies	Awareness and Communications	Assessment and Monitoring	Compliance Reporting
The commitment from the Board and Executive management underpins a robust Ethics and Compliance program, aligning with international best practices to secure business interests.	The “Amana” program establishes explicit ethical standards, fostering risk awareness and a strict “zero tolerance” approach to unethical behavior. Whistleblowing channels enable protected reporting in line with Mobily’s Anti-Fraud and Whistleblowing Policy.	Ongoing internal communications enhance understanding and commitment to ethical behavior and compliance responsibilities across all organizational levels.	Systematic risk assessments prioritize and address compliance risks, ensuring effective internal controls. This includes compliance checks in critical areas such as adherence to Mobily’s delegation of authority, Consumer Sales Policy, related party transactions and the review of contractual documents for compliance.	Secure and confidential reporting mechanisms, coupled with a guarantee against retaliation, encourages employees to report issues anonymously, fostering a culture of ethical conduct.

ACCOUNTABLE ENTERPRISE (CONTINUED)

Communications, fostering a culture of ethical understanding through internal engagement. The Framework also includes Assessment and Monitoring, prioritizing systematic risk assessments and internal controls, and Compliance Reporting, which offers secure and confidential mechanisms for employees to report issues anonymously, ensuring protection against retaliation. This comprehensive framework underscores Mobily's dedication to integrity, accountability and sustainable business practices.

Committed to a Culture of Compliance

Mobily's Code of Ethics and Professional Conduct serves as the foundation for developing and promoting a consistent culture of compliance across all levels of the organization. It sets high standards of morality, professionalism and commitment, and is applicable to the entire organization. This code includes a strong bribery and anti-corruption policy with clear guidelines on fraud and whistleblowing protection, ensuring that Mobily's obligations to both internal and external Stakeholders are met with integrity. All of Mobily's employees have signed the Code of Ethics and Professional Conduct, as well as the Anti-Harassment Code.

Furthermore, Mobily mandates its suppliers and partners to comply with the stringent guidelines set out in its Supplier Code of Conduct. This document aligns with laws related to anti-corruption, money laundering and human rights, and Mobily expects all third-party entities to maintain the ethical standards specified in this code. Notably, 100% of the Company's suppliers have signed the Supplier Code of Conduct.

100% of Mobily employees have signed the Code of Ethics and Professional Conduct

Governing Compliance and Accountability

Mobily has implemented a rigorous Ethics and Compliance program, guided by its Corporate Compliance function, to proactively protect its business operations. This program includes detailed policies, regular training for employees on compliance and ethics, awareness campaigns, compliance evaluations, risk assessments and continuous enhancements. The Corporate Compliance Department is responsible for defining, implementing, monitoring and continuously improving the Corporate Ethics and Compliance Management program, ensuring alignment with the Company's strategies, Board and Executive leadership aspirations, as well as international compliance standards and best practices.

A key component of this department is the anti-corruption and sanctions function, which plays a vital role in protecting the Company's reputation, ensuring legal compliance and fostering a culture of integrity. This function develops and implements policies, processes, guidelines and controls

to address various corruption risks, including conflicts of interest, gifts and hospitality. The Corporate Compliance Department conducts culture-building workshops and disseminates awareness messages to promote the culture of compliance within the organization.

100% of Mobily employees have signed the Anti-Harassment Code

100% of Mobily employees have signed the Supplier Code of Conduct

The anti-corruption and sanctions function also collaborates with the internal auditor and other Mobily Stakeholders to address any corruption cases and violations identified through reporting channels or investigations. Alleged or suspected corruption cases are thoroughly reviewed, investigated, resolved and reported to the Board and Executive Management. Additionally, this function prioritizes preventive measures by conducting training programs and internal awareness campaigns to educate employees

and build a proactive stance against corruption.

Mobily remains committed to its Compliance Consultation service, which allows employees to electronically submit inquiries related to the Compliance Culture, Code of Ethics and Professional Conduct, and other relevant documents. This service streamlines the inquiry process and ensures swift follow-up and resolution. Additionally, the Ask Governance service provides an internal system for employees to submit governance-related inquiries and receive prompt and timely responses.

Furthermore, the Chief Executive Officer's annual compliance statement and the active engagement of the Executive Committee for Risk and Compliance play vital roles in setting the tone at the top to drive the guiding values and ethical climate within the organization.

Promoting Accountability through Training

In 2024, Mobily reinforced its commitment to fostering a culture of accountability and ethical conduct through targeted compliance training programs. These initiatives aimed to enhance awareness and understanding of corporate responsibility, ethics and inclusivity across the organization. Key training programs included Code of Conduct training, which covered the fundamentals of ethical behavior, an introduction to diversity and inclusion and safety, and an in-depth Code of Ethics course. To ensure accessibility and maximize impact, these programs were seamlessly integrated into Mobily's digital learning platforms, enabling employees at all levels to engage with

the content efficiently and effectively. By prioritizing compliance training, Mobily continues to strengthen its organizational culture, ensuring that ethical behavior and corporate responsibility remain at the forefront of its operations.

Leading with Global Best Practices

Mobily reaffirmed its dedication to upholding the highest ethical and compliance standards, earning several prestigious certifications that underscore its robust governance framework. Notably, Mobily achieved the ISO 37301:2021 Certification for its Compliance Management System, reflecting the Company's alignment with international best practices. This certification is the result of a structured approach that included intensive team training, the development of a robust compliance framework and the implementation of continuous improvement processes.



ACCOUNTABLE ENTERPRISE (CONTINUED)

In addition to this milestone, Mobily received the ISO 22361 Certification for Crisis Management, further strengthening its ability to respond effectively to crises and ensure operational continuity. The Company also maintained its certifications for ISO 22301 for Business Continuity Management and ISO 31000 for Risk Management, highlighting its ongoing commitment to resilience and proactive risk mitigation.

**+72,000
combined
hours** of training
for human rights,
diversity, ethics and
other areas

Introduction of New Policies

Mobily reinforced its dedication to compliance, ethics and corporate governance by implementing several significant policies and processes designed to elevate its standards and align with international best practices. The introduction of the Corporate Compliance process provides an end-to-end systematic approach and mechanism to plan, conduct, monitor

and continually improve the compliance activities across the organization. This in turn helps to enhance adherence to Mobily's corporate policies, authorities and Code of Ethics. Furthermore, the Corporate Compliance Manual provides additional guidance to effectively adapt the compliance requirements based on international compliance standards.

The Compliance Change Management process enables Mobily to manage any required updates to the compliance program in a timely, well-structured and disciplined manner, keeping abreast with the ever evolving business needs of a highly dynamic telecommunications industry. Additionally, Mobily implemented an Anti-Corruption Cases Handling process, emphasizing its zero-tolerance stance on corruption and its commitment to fostering a culture of transparency and accountability. Together, these initiatives reinvigorate Mobily's reputation as a trusted and responsible organization that firmly believes in upholding its corporate values, and highest international ethics and compliance standards.

Mobily's Commitment to Shareholders

Mobily prioritizes fairness and accountability with its shareholders, as well as keeping shareholders updated and informed at all times. In line with Mobily's bylaws (Article 27), any shareholder with a minimum of 10% ownership can request to convene a General Assembly Meeting. Shareholders are also granted a vote on company-wide pay policies, approving the Remuneration Policy at the General Assembly Meeting.

Furthermore, Mobily allows proxy access, enabling qualified shareholders to nominate Board members for election at the General Assembly Meeting, in accordance with the Company's bylaws (Article 28). The Board ensures fair and equal treatment of all investors, as stipulated in the CMA's Corporate Governance Regulations (Article 4). This includes guaranteeing that non-resident shareholders have the same voting rights as resident shareholders and that there is no discrimination among shareholders owning the same type or class of shares.



ENVIRONMENT
SAFEGUARDING THE PLANET

ADVANCING SUSTAINABILITY THROUGH INNOVATION AND RESPONSIBLE PRACTICES

Mobily is dedicated to environmental stewardship, embedding sustainability into its core business operations and ESG strategies to minimize its ecological footprint. This commitment drives a holistic approach, integrating energy-efficient technologies, infrastructure modernization, green energy adoption and waste reduction practices into the Company’s activities, ensuring sustainability remains a fundamental part of its growth and operations.

In 2024, Mobily made significant progress in advancing its environmental sustainability initiatives, placing a strong emphasis on awareness, engagement and operational efficiency. The Company follows a comprehensive Environmental Management System aligned with ISO 14001:2015 standards to effectively manage environmental aspects across its operations. It also promotes environmental awareness among employees through targeted programs, fostering a strong culture of sustainability.

Mobily actively implemented strategies to manage climate-related risks and reduce energy consumption while improving operational efficiency. It also developed robust environmental and energy management policies, centralizing data collection to monitor and manage resources more effectively. These efforts led to the successful achievement of energy and water consumption reduction targets while also maintaining solid waste management to further enhance sustainability.

The Company continued to integrate energy-efficient solutions across its operations by adopting smart meters, optimizing data centers with high-availability cluster systems and installing 4,615 LEDs and 74 HVAC systems. These initiatives significantly reduced Mobily’s annual electricity consumption to 237 GWh. Mobily also continued to reduce its reliance on diesel-fueled generators by transitioning to grid power wherever feasible, thereby lowering environmental impact and reliance on non-renewable energy sources.

3,555 KG

of paper and plastic office waste recycled this year

💡

Replacement of all the existing bulbs/florescent lights with LED lights

Total LEDs planned to install:

23,330

🔌

Replacement of energy saving/ smart inverter air conditioners

Total HVAC inverters planned to install:

592

🌱

Installation of motion sensors in meeting rooms, hallways, lobbies, corridors, WC and the basement area

Total motion sensors planned to install:

32

🕒

Installation of timers to implement “lights switch off” after office hours and on weekends

Total timers planned to install:

56

In infrastructure development, Mobily has been designing and deploying environmentally friendly towers with minimal impact on their surroundings. Examples include towers that blend into the natural environment, such as palm tree or mosaic designs, particularly in historic and recreational areas.

The Company has also taken key steps to reduce its carbon footprint. Carbon emission reduction initiatives include transitioning to zero-carbon emission sources such as solar-powered systems for low-power sites and testing hybrid generators, which have demonstrated a 40% reduction in emissions compared to traditional generators. Mobily conducted 2 trials in 2024 to evaluate the efficiency of hybrid generators, including a combination of hybrid systems with solar power. It has also modernized its telecommunications equipment by replacing end-of-life hardware with smaller, more energy-efficient

solutions and introducing new features to minimize power usage, such as reducing radio transmission times during low-traffic periods.

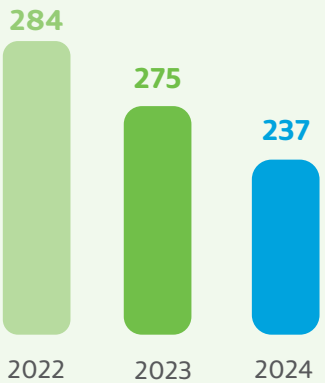
Highlighting its commitment to sustainable digital infrastructure, Mobily signed a Memorandum of Understanding with Nokia at LEAP 2024 to drive sustainability in its digital operations. These initiatives underscore Mobily’s dedication to reducing its environmental footprint, improving resource efficiency and contributing to Saudi Arabia’s Vision 2030 sustainability goals.

The Company remains committed to environmental preservation through its comprehensive recycling initiative, aimed at reducing waste and mitigating its environmental impact. It follows the 3R principles -Reduce, Reuse and Recycle - across its operations, targeting single-use plastics, carton boxes, paper and other plastic materials for recycling. General

waste items, including carton boxes, plastic cups, tissues, sales materials and e-waste, are systematically managed through certified R2 recyclers for collection and processing.

This year, Mobily successfully recycled 100% of paper, plastic and metal waste, reinforcing its commitment to sustainability. Additionally, the Company continues to play a key role in reducing e-waste, participating in an industry-wide initiative that led to the recycling of more than 100,000 electronic devices by key telecommunication players across the Kingdom. These efforts highlight Mobily’s dedication to environmental stewardship and its ongoing initiatives to support a more sustainable future.

ELECTRICITY CONSUMPTION (GWH)



SOCIAL MARKETPLACE AND CUSTOMERS

DRIVING DIGITAL INCLUSION, INNOVATION AND SECURITY FOR A MORE CONNECTED SOCIETY

Mobily is dedicated to enhancing customer experiences by integrating its services into daily life through strategic investments in 5G, submarine cables and data centers. As a leading force in Saudi Arabia's digital transformation, the Company continually improves network quality and coverage, as well as cybersecurity, ensuring reliable connectivity while creating new opportunities for both individuals and businesses to thrive.



Putting customers first is at the core of Mobily's approach. The Company tailors its products and services to meet customer needs through personalized offers, enhances customer service channels to provide seamless experiences and simplifies interactions via digital channels, artificial intelligence (AI) and self-service options. These efforts contribute to the digital empowerment of Saudi society, promoting inclusivity, expanding access to advanced telecommunications services and supporting Saudi Vision 2030's digital transformation goals.

Mobily's commitment to service excellence has been recognized at the national level, with the Communications, Space and Technology Commission (CST) awarding the Company the Customer Experience Award for the third consecutive year in 2024. This recognition underscores Mobily's dedication to meeting international service standards and strengthening its leadership in the region's telecommunications industry.

Providing Advanced Technologies and Solutions

Mobily continues to advance in fintech, expanding access to financial services and enhancing financial literacy across Saudi Arabia. By leveraging its extensive customer base and strong brand reputation, the Company is well-positioned to introduce innovative digital and fintech solutions, strengthening customer relationships and driving transformation in the Kingdom's fintech ecosystem. With expertise in mobile payments, data analytics and customer management, Mobily is playing a key role

in shaping the future of digital finance through offerings such as Mobily Pay.

As part of its commitment to digital expansion, Mobily has extended its public WiFi network, deploying approximately 12,000 access points in key locations, including universities, malls and Hajj areas, to improve accessibility and connectivity. The 2024 Hajj season was a testament to Mobily's capabilities, as it ensured seamless communication for pilgrims while addressing increased network demand.

A major factor in the success of the Hajj season was Mobily's expansion of its 5G network. Working closely with the CST, the Company responded to the surge in connectivity needs by increasing its 5G tower presence across the Holy Sites. With network speeds reaching 2 Gbps and advanced technologies ensuring optimal coverage, Mobily provided uninterrupted service to millions of pilgrims. During this period, the Company led the market with an Excellent Consistent Quality score, achieving a 4-day moving average of 57%, while maintaining download speeds of 41.1 Mbps.

As part of its commitment to strengthening digital infrastructure, Mobily signed a cooperation agreement with Telecom Egypt to establish the first Saudi-owned submarine cable connecting Saudi Arabia and Egypt. This new underwater cable, wholly owned by Mobily, will pass under the Red Sea, enhancing regional connectivity and expanding access to global networks. The initiative will provide improved data capacity and reliability while paving the way for greater connectivity options toward Europe, reinforcing Mobily's position as a key enabler of digital transformation in the region.

Mobily is also actively contributing to the development of smart cities,

enhancing community infrastructure and social well-being through innovative technology solutions. These initiatives bring together 5G connectivity, WiFi, environmental sensors, digital advertising, integrated systems, charging stations and intelligent lighting to improve public spaces and enhance daily life.

The Company continues to adopt emerging technologies, particularly in the domains of AI, internet of things (IoT) and edge computing to develop innovative solutions for evolving customer and industry needs. By fostering collaboration and technological advancement, Mobily leverages AI to enhance problem-solving and equip its workforce with future-ready skills. In 2024, the Company launched a transformative AI strategy, supported by programs and partnerships with leading global AI players, aimed at strengthening network reliability, driving operational excellence and fueling revenue growth.

Enhancing Customer Loyalty and Expanding Strategic Partnerships

Mobily is committed to delivering exceptional customer experiences while strengthening partnerships that drive long-term value. By integrating innovative loyalty programs and forming strategic collaborations, the Company continues to enhance user engagement, support local businesses and contribute to national and global economic development. These efforts align with Mobily's vision to create a more connected and digitally empowered society.

This year, the Company expanded its Neqaty rewards program and integrated leveraged cutting-edge technology, redefining loyalty programs to better align with customer preferences and lifestyles. Through

a partnership with Tech Mahindra, Mobily is integrating Comviva's Mobilytix™ rewards solution, powered by generative AI, to revolutionize digital loyalty programs. This next-generation platform will provide customers with a seamless earning and redemption journey, advanced gamification features and AI-driven personalization, ensuring a more engaging and rewarding experience.

To strengthen business collaborations, the Company introduced a Partners Governance Management Policy, streamlining credit facilities and simplifying the hiring process for partners. In addition, Mobily expanded digital accessibility by improving the distribution of its products across partner networks and opening new geographical zones for FTTH partners, enabling them to reach more customers.

Furthering its contribution to global progress, Mobily collaborated with the International Telecommunication Union (ITU) and the United Nations Development Program (UNDP) to drive sustainable development initiatives. These initiatives reinforce Mobily's commitment to empowering businesses, expanding digital reach and driving economic progress both locally and globally.

Strengthening Digital Resilience through Cybersecurity

Mobily remains committed to cybersecurity as a fundamental pillar of its sustainable performance, ensuring the protection of business operations, customer data and digital assets. Across the organization, it has proudly experienced zero data breaches since 2018.

SOCIAL
MARKETPLACE AND CUSTOMERS (CONTINUED)

The Company has established a comprehensive information security policy that aligns with international standards and stringent local regulations. Maintaining globally recognized certifications such as ISO27001, ISO27011, ISO27017, ISO27018, ISO27032, CSA Star, ISF and PCI-DSS, Mobily also ensures compliance with the National Cybersecurity Authority (NCA) and the National Data Governance Interim Regulations (NDMO).

As cyber threats continue to evolve, Mobily proactively strengthens its digital defenses through continuous monitoring, advanced security technologies and employee awareness initiatives. Key security metrics, such as attempted cyber-attacks and data breaches, are closely monitored, while regular audits validate the effectiveness of the Company's cybersecurity framework. Additionally, Mobily upholds a robust Privacy Policy across all business lines and subsidiaries, ensuring the responsible handling, storage and protection of customer data in line with global best practices.

In 2024, Mobily implemented the Security Orchestration, Automation and Response (SOAR) solution, significantly improving incident response times by 80% and automating 85% of threat indicators to enhance threat detection and mitigation. With centralized management of security alerts, incidents and IT assets, SOAR has enabled capabilities such as playbook management, endpoint detection and response, security information and event management, vulnerability management, case management-

based incident response and threat intelligence.

Mobily's cybersecurity strategy, RESILIENT, has laid out a direction for the Company until 2027, aligning with its corporate vision. This forward-looking strategy focuses on equipping Mobily with a cyber-resilient network, a highly skilled cybersecurity workforce and strong compliance measures. It is anchored on 9 core pillars, including developing a reliable digital shield, achieving cybersecurity excellence, safeguarding business interests and brand value, and promoting cyber awareness among employees and Stakeholders.

The Cybersecurity Unit plays a critical role in protecting Mobily's ecosystem, spanning telecommunications, enterprise solutions, co-location, cloud services, digital wallets and subsidiaries. From pre-contract assessments to post-engagement security support, the Unit ensures that security remains a priority in customer interactions. The Unit's compliance with global cybersecurity standards and regulations further solidifies Mobily's position as a leader in cybersecurity within the Kingdom.

Cybersecurity is also integrated into Mobily's ESG strategy, contributing to sustainability through data privacy protection, business resilience and strong governance. By enhancing cybersecurity controls, the Company strengthens risk management and safeguards digital assets, aligning with broader sustainability goals.

In 2024, Mobily introduced key policies and processes to fortify its cybersecurity posture, including the information security policy and information security operational policy. A Data Loss Prevention (DPL) solution is also being implemented to monitor and mitigate data security risks. The Company follows a structured incident response procedure to swiftly address cyber threats and security breaches.

Mobily's information security systems undergo rigorous internal and external audits at least once a year. In 2024, the Company completed 3 external audits, with independent assessments confirming alignment with international cybersecurity standards and recommending continued certifications. These proactive measures ensure Mobily remains at the forefront of digital security, reinforcing trust among its customers and Stakeholders.

Supporting Innovation and Security in the Kingdom

As part of its commitment to technological advancement and cybersecurity, Mobily actively participated in key industry events in 2024, reinforcing its role as a driver of digital transformation and a leader in cybersecurity solutions. By sponsoring and showcasing its latest innovations, Mobily contributed to knowledge-sharing, industry collaboration and the broader digital and security ecosystem in Saudi Arabia.

Mobily reinforced its role as a leader in cybersecurity and digital innovation by participating in key global events in 2024. At the World Defense Show and Black Hat 2024, the Company

showcased advanced cybersecurity solutions, driving awareness, fostering knowledge exchange and strengthening digital resilience. At LEAP 2024, a premier technology event, Mobily highlighted its contributions to secure digital infrastructure in Saudi Arabia, expanding its reach to potential clients and partners. At the event, the Company also signed strategic agreements to advance cybersecurity, digital transformation, sustainability and smart solutions, further solidifying its commitment to technological excellence.

Consumer Awareness and Responsibility

Mobily is deeply committed to promoting consumer awareness and responsibility, ensuring that customers are well-informed and engaged through ethical and socially responsible practices. By actively collaborating with partners and listening to Stakeholder preferences, the Company prioritizes transparency, fairness and customer-

centric marketing initiatives that foster trust and meaningful connections with its audience.

Mobily adheres to strict guidelines for responsible advertising and marketing, ensuring that all promotional activities are conducted with integrity. This includes truthful and verifiable advertising claims, protection of vulnerable audiences, compliance with fair competition laws, safeguarding customer data and adhering to ethical marketing standards that avoid misleading or deceptive tactics.

In 2024, Mobily achieved a significant milestone by recording zero incidents of inappropriate marketing or advertising for another year in a row. This accomplishment underscores the Company's dedication to maintaining the highest standards of integrity, ensuring that all marketing efforts align with ethical business practices. By championing responsible communication and consumer engagement, Mobily continues to

strengthen its reputation as a trusted and socially responsible brand.

In addition to responsible marketing, Mobily prioritizes consumer health and safety through various initiatives. In 2024, the Consumer Unit launched campaigns to educate customers on the safe use of mobile devices and online services, collaborated with healthcare organizations to promote digital well-being and healthy screen habits, and introduced digital wellness tools to help customers manage their screen time and online activity. These initiatives reflect Mobily's holistic approach to consumer care, ensuring that technology enhances users' lives while promoting responsible and healthy digital consumption.

0 data breaches since 2018



Key MoUs Signed at LEAP 2024

1. **Palo Alto Networks** – Enhancing digital transformation through AI-based cybersecurity technologies
2. **Cisco** – Advancing cybersecurity services and developing workforce expertise in the field
3. **GlassHUB** – Developing an accreditation model to ensure cybersecurity preparedness and supplier reliability
4. **Nutanix** – Strengthening Security Unit cloud environments, improving network security and raising security awareness
5. **Elm** – Collaborating on solutions to combat digital financial fraud
6. **Schneider Electric** – Advancing sustainability, industrial automation and smart solutions for the Saudi market
7. **Oracle** – Enhancing data security at Mobily
8. **Ericsson** – Strengthening Mobily's role in enterprise communications services
9. **Ministry of Municipalities and Housing** – Collaborating to improve and automate municipal services
10. **Splunk** – Enhancing cybersecurity services and talent development
11. **Foodics** – Providing digital solutions for retail businesses and small and medium-sized service providers

EMPOWERING EMPLOYEES THROUGH A CULTURE OF GROWTH, INCLUSION AND WELL-BEING

At Mobily, the commitment to creating an exceptional workplace extends beyond competitive benefits and modern facilities. The Company prioritizes fostering a culture of trust, fairness and meaningful employee recognition, ensuring an environment where individuals feel valued, supported and empowered to thrive.

In 2024, Mobily focused on measuring trust within the organization and ensuring consistency in the employee experience, with a clear goal: to provide employees with strong leadership, fair treatment and recognition at every step of their journey.

In recognition of its efforts, Mobily earned the prestigious Great Place to Work 2024 certificate, reflecting the trust employees have in the organization and the alignment of company values with its actions. The Company was also honored with the Inspiring Workplace 2024 award, spotlighting its initiatives to enhance employee well-being, culture, diversity and innovation. Additionally, Mobily achieved the Best Place to Work 2024 certificate for its exceptional facilities, evaluated across 8 key dimensions, including office design, sustainability, advanced technology infrastructure and flexibility.

Under the leadership of Eng. Salman Albadran, Mobily's Chief Executive Officer, who ranks among the top 10 telecommunication CEOs globally and

the top CEO in the telecommunication sector in Saudi Arabia, the Company has continued to strengthen its brand and deliver exceptional achievements. This commitment to excellence has cemented Mobily's reputation as a transparent, supportive and growth-driven workplace, setting a benchmark for organizational success.

A Role Model for Human Capital

Mobily's Human Resources (HR) strategy is centered on becoming a "Role Model for Human Capital", driving its transformation into an integrated technology, media and telecommunications (TMT) business. At the heart of this strategy lies the HR TMT role model, which focuses on 3 key pillars: Capability Development, HR Excellence and Culture Transformation. These pillars guide Mobily's efforts to align its human capital initiatives with its broader organizational goals.

Key objectives of the HR strategy include the implementation of a TMT operating model, development of TMT-specific capabilities, establishing an ideal

outsourcing strategy and launching the Mobily Academy to nurture talent. Other goals encompass creating clear TMT career paths, hiring plans for critical capabilities and fostering a high-performance ethic and culture transformation.

Performance highlights include streamlined HR operations integrated with business needs, enhanced employee capabilities through training and development, successful outsourcing initiatives that delivered efficiency gains and clear career progression plans. Mobily also excelled in recruiting and onboarding high-potential candidates, cultivating a high-performance culture aligned with company goals, and implementing culture change initiatives that reinforced employee alignment with company values.

Mobily has embedded its values into its organizational culture through initiatives such as the Mobily Health Index (mHi), which measures progress in fostering stronger values and performance. These efforts have strengthened Mobily's workplace culture, improved organizational performance and supported the Company's strategic vision. By focusing on capability development, operational efficiency and cultural alignment, Mobily continues to raise the bar of human capital management.

Building a Diverse and Inclusive Workforce

Mobily is proud of its diverse team of 2,562 employees. In 2024, the Company strengthened its workforce by welcoming over 300 new employees and onboarding 45 trainees through the Tamheer program. The Company actively participated in multiple career fairs to broaden hiring opportunities, with a focus on increasing diversity, enhancing female representation and expanding recruitment efforts across different regions.

As part of its commitment to Diversity and Inclusion, Mobily has prioritized hiring women and individuals with disabilities while making significant strides to ensure its facilities are accessible. These initiatives underscore Mobily's dedication to fostering a diverse and inclusive workplace that supports regional talent and provides equal opportunities for all.



SOCIAL
RESPONSIBLE EMPLOYER (CONTINUED)

Learning and Development

Mobily is dedicated to fostering a culture of continuous learning and professional advancement, reinforcing its position as a leader in employee training and development within the telecommunications sector. The Company implemented a comprehensive Training and Development strategy designed to equip its workforce with the necessary skills and knowledge to excel in their roles and progress in their careers. An extensive Training Needs Analysis (TNA) program was launched in Q4 2024, identifying and addressing skill gaps aligned with the Company's strategic priorities. This initiative introduced 17 specialized development tracks, each comprising of 3 targeted training courses, based on employee feedback and organizational requirements. With over 3,000 training seats allocated, the TNA program ensured that a significant portion of the workforce received tailored training, and it is set to continue through mid-2025 to guarantee sustained skill enhancement.

To provide accessible and flexible learning opportunities, Mobily introduced 3 state-of-the-art digital learning platforms in 2024, offering employees access to over 120,000 courses across various professional fields, available anytime and anywhere, including via mobile devices. This initiative empowers employees at all job levels to pursue continuous education, stay updated with industry advancements and foster innovation. Additionally, Mobily launched the Asaseeyat platform, dedicated to the professional development of employees' families, enabling knowledge transfer within households

and supporting the broader community, thus reinforcing its commitment to social responsibility.

The Cooperative Training program was expanded in 2024, welcoming over 80 university students from diverse disciplines for internships lasting between 3 and 7 months. These internships provide practical experience and support career readiness, bridging the gap between academic learning and industry requirements. This program also contributes to building a pipeline of talented graduates for the Company.

Mobily also conducted more than 10 internal Knowledge Transfer Workshops, led by its own teams, focusing on sharing essential information and best practices. These workshops foster collaboration and ensure that employees have access to practical insights from within the organization, enhancing internal communication and promoting a culture of shared knowledge and continuous improvement.

The Company has established the High-Potential (HiPo) Development program with the objective of cultivating leadership excellence and ensuring the future readiness of its organizational capabilities. This program is designed to nurture the next generation of leaders by offering a comprehensive learning experience that includes development modules, practical applications and collaborative opportunities. The successful launch of the first cohort has laid a robust foundation for subsequent iterations, demonstrating the program's effectiveness in

providing transformative experiences for participants. By moving beyond traditional training methods and incorporating innovative, forward-thinking strategies, Mobily enhances employee engagement and fosters a culture of continuous development, which in turn supports employee retention.

+120,000
courses on offer

This year, Mobily has successfully implemented the Elite program, now progressing into its sixth cohort. The Elite program aims to identify and develop top talent within the Company through a structured 15-month rotation plan that includes comprehensive training and coaching sessions. Enhanced assessments and personalized feedback enabled the participants to identify their strengths and areas for improvement, further promoting their professional growth. The Elite Joining Ceremony, attended by over 130 participants and senior Executives, together with opportunities to attend prestigious events and conferences, highlight Mobily's commitment to fostering innovation and retaining high-performing employees.

Mobily earned
the prestigious
Great Place
to Work
2024 certificate

Employee Retention and Engagement

Mobily is deeply committed to fostering an environment where employees feel valued, supported and motivated to thrive. Providing competitive salaries and benefits aligned with market standards is a key part of this effort, reflecting the Company's focus on retention and engagement.

The Total Rewards strategy plays a central role in Mobily's efforts to retain talent. Through transparent communication, employees are informed of adjustments to the Total Rewards package, which highlights the benefits, career growth opportunities and overall value of staying with the Company. This approach is further supported by the effective management of pay review cycles, performance bonuses, merit increases and retention plans such as the Long-Term Incentive Program (LTIP).

Employee well-being remains a cornerstone of Mobily's engagement strategy, with initiatives focused on physical health, mental well-being and overall happiness. These initiatives are guided by the Happiness Guideline, a resource designed to help employees enhance their satisfaction both at work and in their personal lives.

The iCare program, a personalized engagement initiative, celebrates employees' personal milestones, such as work anniversaries, birthdays, marriages, new births and life challenges, adding a personal touch to employee recognition. Additionally, Mobily fosters a sense of community through events like unit gatherings, recognition ceremonies, health and well-being activities and

creative competitions like the Mobily Baloot Championship. These events promote collaboration, camaraderie and mutual support among employees.

The Company further empowers employees through the Change Ambassadors program, which strengthens engagement at the unit level by encouraging employees to contribute ideas and initiatives to shape workplace culture. Initiatives such as Coffee with the Chief Executive Officer and appreciation campaigns, as part of this program, provide a platform for employees to share their voices and influence the work environment.

Health and Safety

Mobily is steadfast in its commitment to ensuring a safe, healthy and inclusive work environment for all employees. In 2024, the Company executed a comprehensive health and safety strategy that integrated extensive training programs, advanced safety infrastructure, inclusive accessibility measures and rigorous compliance protocols. To enhance employee awareness and preparedness, Mobily conducted 90 training workshops focused on occupational safety, health and emergency evacuation procedures, benefiting over 200 employees. Additionally, the Company organized 2 specialized workshops in observance of the World Day for Safety and Health at Work, underscoring its dedication to continuous safety education. These training initiatives included both generic safety training and specific sessions addressing work-related hazards and hazardous situations, ensuring that employees are well-equipped to handle diverse safety challenges.

Mobily is also committed to fostering an inclusive workplace by making its facilities accessible to employees with disabilities. This year, the Company equipped all facilities with wheelchair accessibility ramps to facilitate easy movement, installed special needs restrooms to accommodate employees requiring additional facilities, and explored and implemented improvements for accessibility catering to visual and hearing impairments. Furthermore, Mobily introduced multiple educational courses on its platform aimed at promoting understanding and inclusion of people with disabilities in the workplace, fostering a supportive and welcoming environment for all employees.

In strengthening its safety infrastructure, Mobily installed state-of-the-art fire alarm and firefighting systems across all facilities. Regular inspections and audits were conducted to ensure adherence to occupational health and safety requirements, fully complying with Civil Defense standards. These measures are meticulously detailed in Mobily's Occupational Safety and Health Manual, which outlines potential health and safety risks and the corresponding strategies for effective risk management. Mobily's proactive approach to managing health and safety risks also includes implementing physical and environmental controls, as well as maintaining advanced fire suppression systems to swiftly address any fire-related incidents. These processes ensure that Mobily not only meets but exceeds industry standards for occupational health and safety.

SOCIAL
RESPONSIBLE EMPLOYER (CONTINUED)

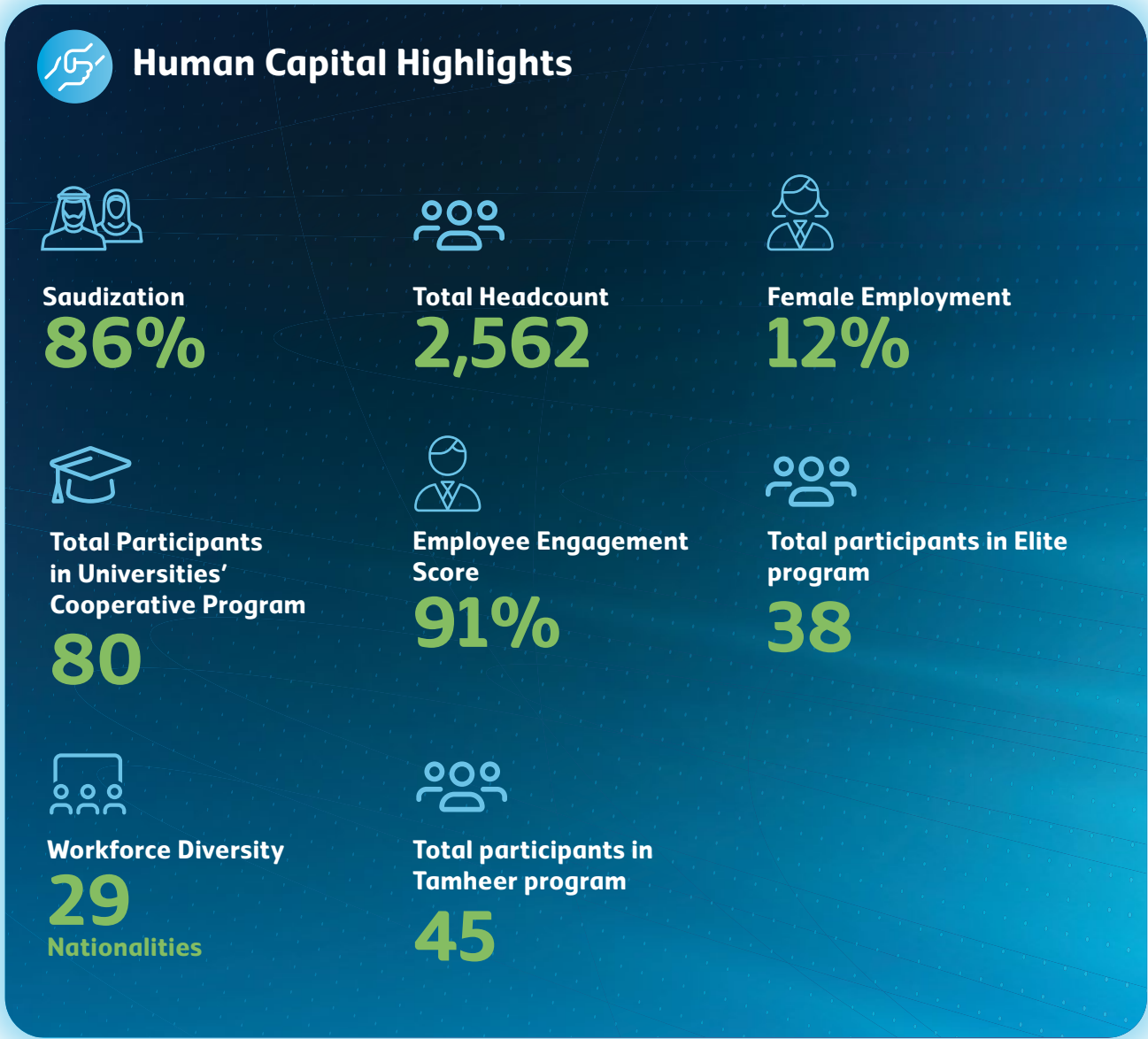
HR Objectives and
Initiatives for 2025

In 2025, Mobily will continue driving its strategic HR objectives to enhance workforce capabilities and strengthen organizational culture, aligning with its vision for growth and excellence. A key focus will be advancing the transformation into a TMT operating model to meet the evolving needs of the business. The Company plans to

strengthen employee skill sets through targeted TMT capability development initiatives while implementing an optimized outsourcing strategy to improve operational efficiency.

The Mobily Academy will play a central role in nurturing talent and promoting continuous learning and development, complemented by the establishment of clear career paths for employees

in TMT roles. Additionally, Mobily will focus on attracting top talent to meet critical capability needs and embedding a performance-driven culture that emphasizes accountability, recognition and continuous improvement. A major priority will also be driving cultural transformation to foster a dynamic, inclusive and innovation-focused work environment.



SOCIAL POSITIVE COMMUNITY IMPACTS

SUPPORTING COMMUNITIES THROUGH INNOVATION, INCLUSION AND SUSTAINABILITY

Mobily is dedicated to making a positive impact across Saudi society and the communities it serves by supporting carefully chosen initiatives and events that align with its business priorities. By leveraging its extensive resources, scale and the commitment of its employees, Mobily actively contributes to meaningful causes and the broader goals of Saudi Vision 2030.

Mobily has embraced an innovative approach to corporate social responsibility (CSR), redefining its strategy and policies to reflect its commitment to being a force for positive change within the community. This new direction aligns closely with the evolving needs of the communities it serves while supporting the overarching goals of its business.

The Company's CSR efforts are centered on 3 fundamental pillars: enriching the talent pool, fostering fulfilling lives and enabling societal growth through support and access. These pillars form the foundation of Mobily's CSR initiatives, which aim to make a meaningful and sustainable impact on society and the environment.



Mobily's CSR efforts are focused on 3 fundamental pillars:

**Enriching the
talent pool**

**Fostering
fulfilling lives**

**Enabling societal growth
through support and access**

By integrating these strategies into its operations, Mobily is setting a course for a future where its corporate actions align seamlessly with its values and Stakeholder expectations. To amplify its impact, Mobily has forged partnerships and collaborations across various sectors. This includes agreements in digital health and biotechnology aimed at leveraging Mobily's capabilities to enhance healthcare quality and efficiency across the Kingdom.

Regarding charitable giving, Mobily launched its "Social Responsibility Initiative" in partnership with Jood Eskan, encouraging donations to support the provision of housing to communities in need. This initiative reflects Mobily's commitment to social responsibility and its dedication to improving the lives of those less fortunate.

The Company has also conducted impactful initiatives such as the "Treat It as Your Guest" cyberbullying campaign. This campaign combined a strong social media presence with on-the-ground activations, including a children's awareness workshop where over 25 children learned about online safety and responsible digital citizenship. These efforts underscore a commitment to serving as a catalyst for societal growth and empowerment.

Mobily remains dedicated to aligning its business objectives with societal well-being. Whether through initiatives focused on environmental care,

educational support or community upliftment, Mobily strives to foster a culture of sustainability and growth that benefits all. By doing so, the Company exemplifies responsible corporate conduct and continues to set a benchmark for impactful CSR within the Kingdom.

Sponsorship of Biban 24

Mobily reaffirmed its commitment to supporting small and medium enterprises (SMEs) and driving digital empowerment by serving as the technical sponsor of the Biban 24 Forum, organized by the General Authority for Small and Medium Enterprises (Monsha'at), connecting local and international entrepreneurs, business leaders and innovators.

Through its sponsorship, Mobily showcased its role as a leader in digital transformation by providing tailored technical solutions to meet the needs of SMEs and emerging projects. This initiative aligns with Saudi Arabia's Vision 2030, which prioritizes entrepreneurship as a cornerstone of economic diversification.

By supporting Biban 24, Mobily contributes to the development of a thriving entrepreneurial ecosystem, equipping SMEs with the digital tools and solutions they need to succeed in a competitive market and reinforcing its commitment to fostering innovation and growth across the Kingdom.

Sponsorship of LEAP 2024

This year, Mobily partnered with LEAP 2024, a premier global technology and innovation event, to demonstrate its commitment to advancing digital transformation and technological progress in Saudi Arabia. As a strategic partner, Mobily showcased cutting-edge solutions in 5G connectivity, IoT, cloud computing, and AI-driven innovations, aligning with the goals of Saudi Arabia's Vision 2030 to drive economic diversification and technological leadership.

Through its active participation and strategic collaborations at LEAP, the Company reinforced its dedication to empowering businesses and individuals to excel in the digital era, further solidifying its role as a leader in the Kingdom's digital transformation journey.

At LEAP 2024, Mobily signed several agreements furthering its commitment to regional growth. A key highlight was the Memorandum of Understanding with Al-Ahsa Municipality to enhance collaboration on launching joint initiatives aimed at advancing the development of Al-Ahsa Governorate. This partnership underscores the Company's commitment to positive community impacts through innovation and strategic cooperation.

SOCIAL
POSITIVE COMMUNITY IMPACTS (CONTINUED)

Empowering Sustainable Development

In 2024, Mobily joined the Ministry of Economy and Planning's Sustainability Champions program, held on the sidelines of the special meeting of the World Economic Forum (WEF) to support the Kingdom's transition to environmental sustainability. As a Sustainability Champion, Mobily contributes to the collaborative efforts and knowledge-sharing, promoting sustainable practices in line with Saudi Arabia's Vision 2030 goals of addressing environmental challenges and enabling sustainable development. Mobily's participation underscores its commitment to advancing sustainability and contributing to the nation's journey toward a greener future.

Investing in Sports Entertainment

Mobily partnered with MBC Media Solutions (MMS) to sponsor the live broadcast of the Saudi Roshn Pro League through SSC channels and the Shahid platform across the Middle East and North Africa for the 2024-2025 sports season. This partnership

reflects Mobily's commitment to supporting the rapid growth of the sports sector in Saudi Arabia, driven by the goals of Vision 2030 to position the Kingdom as a global hub for sports.

By leveraging its advanced wireless and fiber optic networks, Mobily actively supports initiatives that enhance the Kingdom's position in various fields, reaffirming its role in driving development and growth across the sports sector and beyond.

Furthermore, Mobily served as the digital partner for the Italian Super Cup in Riyadh in January 2024, engaging audiences across social media platforms and offering exclusive benefits and rewards to enhance the fan experience.

Transforming Healthcare through Digital Innovation

At Global Health Forum 2024, Mobily showcased its latest digital solutions designed to revolutionize the healthcare sector. Highlights included a Surgery Virtual Reality Lab, which provides a safe and controlled

training platform for medical students and recent graduates to practice surgical procedures in a realistic VR environment, enabling qualitative advancements in medical education. Additionally, the Company presented its Limb-3D Printing services, aimed at improving accessibility for individuals living far from major Saudi cities. This innovative service involves a seamless process of scanning, assessment, design and printing that culminates in a precise and accurate physical model, underscoring Mobily's commitment to leveraging technology to enhance healthcare and improve lives.

SAMENA Leaders' Summit

Mobily participated as the Platinum Digital Partner at the SAMENA Leaders' Summit 2024, bringing together industry leaders and decision-makers from the telecommunications and information technology sectors across the region. This collaboration highlights Mobily's commitment to driving innovation and shaping the future of digital transformation in the region, reinforcing its leadership role in the telecommunications industry.



GOVERNANCE
BOARD OF DIRECTORS

Members of the Board of Directors



Current Position(s)
Retired

Previously Held Position(s)

- Director General of the Saudi Industrial Development Fund (2015-2018)
- CEO of the Saudi Ceramic Company (2003-2015)
- Various positions at the Saudi Industrial Development Fund (1981-2002)

Current Board Memberships

Within Saudi Arabia:

- Astra Industrial Company – Listed Joint Stock Company
- Bawan Industrial Company – Listed Joint Stock Company
- Al Moammar Information Systems Company – Listed Joint Stock Company
- United Cement Company – Closed Joint Stock Company
- Riyadh Steel Company – Closed Joint Stock Company
- Jarir Investment Company – Unlisted Joint Stock Company
- Jarir Development Company – Unlisted Joint Stock Company
- The Local Content and Government Procurement Authority – Government Entity

Outside Saudi Arabia:

- CASA Logistics Services Company

Previous Board Memberships

Within Saudi Arabia:

- Saudi National Shipping Company – Listed Joint Stock Company
- Naseej – Listed Joint Stock Company
- United Juices Company – Closed Joint Stock Company
- Saudi Ceramic Company – Listed Joint Stock Company
- Ceramic Pipes Company – Closed Joint Stock Company
- Maan Aljaser & Partners Closets Company – Closed Joint Stock Company

Outside Saudi Arabia:

- Syrian Saudi Company – Government Entity

Academic Qualifications

- Accounting and Management degree from Whitworth University, United States (1980)



Current Position(s)
CEO of the Olayan Financing Company (2020-Present)

Previously Held Position(s)

- Minister of Transport for the Kingdom of Saudi Arabia (2017 – 2019)
- Multiple leadership and specialist roles at Saudi Aramco, including President of Aramco Services Company, President of Saudi Refining Company, Manager of the Long-Range Planning Division, In-house Legal Advisor, Associate General Counsel, and Operations Engineer (1995-2015)

Current Board Memberships

Within Saudi Arabia:

- Olayan Saudi Holding Company – Limited Liability Company
- National Development Fund – Government Entity

Outside Saudi Arabia: None

Previous Board Memberships

Within Saudi Arabia:

- Saudi Aramco – Listed Joint Stock Company
- Dr. Sulaiman Al-Habib Medical Services Group – Listed Joint Stock Company
- Saudi Railways Company – Limited Liability Company
- General Authority of Civil Aviation – Government Entity
- Transport General Authority – Government Entity
- Saudi Ports Authority – Government Entity
- Tabadul – Limited Liability Company
- Saudi Railways Organization – Government Entity
- Neom Company – Limited Liability Company
- The Red Sea Development Company – Limited Liability Company

Outside Saudi Arabia:

- United Arab Shipping Company – Limited Liability Company
- Hapag-Lloyd A.G. – Listed on Frankfurt Stock Exchange, Germany
- Aramco Services Company – Corporation incorporated in Delaware, United States
- Motiva Enterprises – Limited Liability Company

Academic Qualifications

- Post-Graduation Degree in Business Administration – Stanford University, United States (2009)
- Juris Doctorate – Harvard Law School, United States (2001)
- Bachelor degree in Chemical Engineering – Stanford University, United States (1995)



Current Position(s)

- Founder and Chairman of Hawaz Company (2014-Present)
- Chairman and co-founder of Mozn Company (2017-Present)

Previously Held Position(s)

- Chairman and CEO of Takamul Holding Company (2013-2016)
- CEO of Saudi Telecom Company (stc) (2012-2013)
- CEO of Elm Information Security Company (2002-2012)
- Associate Professor at King Saud University (1996-2009)

Current Board Memberships

Within Saudi Arabia:

- The Company for Cooperative Insurance (Tawuniya) – Listed Joint Stock Company
- Elm Company – Listed Joint Stock Company
- Al Obeikan – Limited Liability Company
- Hawaz Company – Limited Liability Company
- Mozn Company – Limited Liability Company
- Business Framework IT Company – Limited Liability Company

Outside Saudi Arabia: None

Previous Board Memberships

Within Saudi Arabia:

- King Abdulaziz City for Science and Technology (KACST) – Government Entity
- Takamol Holding Company – Limited Liability Company
- Unifonic Company – Limited Liability Company
- Saudi Human Resources Development Fund (HADAF) – Government Entity
- THIQAH Business Services – Limited Liability Company
- The Saudi Company for Electronic Information Exchange (TABADUL) – Limited Liability Company
- National Water Company – Government Entity
- The Saline Water Conversion Corporation (SWCC) – Government Entity
- Bayan Credit Bureau – Limited Liability Company
- Takaful Charitable Foundation – Charitable Organization
- King Abdulaziz and His Companions Foundation for Giftedness and Creativity (Mawhiba) – Non-profit Endowment Foundation
- General Transport Authority – Government Entity
- Riyadh Second Health Cluster
- Saudi Computer Society

Outside Saudi Arabia: None

Academic Qualifications

- PhD degree in Electrical and Computer Engineering – Carnegie Mellon University, United States (1996)
- Master degree in Electrical and Computer Engineering – Carnegie Mellon University, United States (1992)
- Bachelor degree in Computer Engineering – King Saud University (1988)



Current Position(s)

CEO of e& Life Company (2022-Present)

Previously Held Position(s)

- Chief Corporate Strategy and Governance Officer at e& Etisalat Company (2016-2021)
- Chief Digital Services Officer at e& Etisalat Company (2012-2016)
- Vice Chairman of Technology and Strategy at e& Etisalat Company (2011-2012)
- Vice Chairman of Marketing at e& Etisalat Company (2007-2011)
- Various positions (1993-2006)

Current Board Memberships

Within Saudi Arabia: None

Outside Saudi Arabia:

- E-Vision – Limited Liability Company
- UAE International Investors Council (UAEIIC)
- Careem – Unlisted Joint Stock Company
- Wio Bank – Unlisted Joint Stock Company
- e& Money E – Portfolio Application – Limited Liability Company
- Playco Entertainment (STARZPLAY) – Limited Liability Company

Previous Board Memberships

Within Saudi Arabia: None






Outside Saudi Arabia:

- Etisalat Afghanistan – Limited Liability Company
- Pakistan Telecommunication Company (PTCL) – Listed Joint Stock Company
- Ufone Company – Limited Liability Company
- Etisalat Technology Services (ETS) – Limited Liability Company

Academic Qualifications

- Bachelor's degree in Electrical Engineering from the University of Kentucky, United States (1993)

Committee Membership

-  Audit Committee  Executive Committee  Nomination and Remuneration Committee  Risk Management Committee  Chair of a Board Committee

GOVERNANCE
BOARD OF DIRECTORS (CONTINUED)

Eng. Hatem Mohamed Dowidar

Non-Executive Member



E

Current Position(s)

CEO of e& Company (2020-Present)

Previously Held Position(s)

- CEO of International Operations at Etisalat Group (2016-2020)
- COO of Etisalat Group (2015-2016)
- Various positions (Marketing Manager, Chief Marketing Officer, CEO and Managing Director) at Vodafone Egypt (1999-2015)
- Various positions (Assistant Brand Manager, Brand Manager and Director of Public Affairs and Advertising) at Procter & Gamble (1994-1999)
- Sales Engineer at IAG/Deutsch Aerospace Company (1991-1994)

Current Board Memberships

Within Saudi Arabia: None

Outside Saudi Arabia:

- Vodafone Group – Listed Joint Stock Company
- Maroc Telecom – Listed Joint Stock Company
- Etisalat Misr (Etisalat Egypt) – Unlisted Joint Stock Company
- BlackRock Emerging Markets Fund, Inc. – Listed Joint Stock
- Careem Technologies Holding – Limited Liability Company
- Khazna Holding – Limited Liability Company

Previous Board Memberships

Within Saudi Arabia: None

Outside Saudi Arabia:

- Wafa Bank – Listed Joint Stock Company
- Barclays Bank Egypt – Listed Joint Stock Company
- Vodacom South Africa – Listed Joint Stock Company
- Hutch Lanka – Unlisted Joint Stock Company
- Vodafone Egypt – Unlisted Joint Stock Company
- Etisalat Nigeria – Limited Liability Company
- Pakistan Telecommunication Company (PTCL) – Listed Joint Stock Company

Academic Qualifications

- MBA degree in Marketing from American University in Cairo, Egypt (2001)
- Post Graduate diploma in Industrial Engineering from the American University in Cairo, Egypt (1993)
- Bachelor's degree in Communications and Electronics Engineering from Cairo University, Egypt (1991)

Committee Membership

- A

Audit Committee
- E

Executive Committee
- N

Nomination and Remuneration Committee
- R

Risk Management Committee
- Chair of a Board Committee

Eng. Mutaz Kusai Alazzawi

Independent Member



E

N

Current Position(s)

Managing Director of his group of companies

Previously Held Position(s)

- Investment, trade, business and financial markets management, in addition to serving on boards of a number of companies (1995-Present)

Current Board Memberships

Within Saudi Arabia:

- Riyadh Bank – Listed Joint Stock Company
- Savola Group – Listed Joint Stock Company
- Arabian Cement Company – Listed Joint Stock Company
- Herfy Food Services – Listed Joint Stock Company
- Savola Foods – Unlisted Joint Stock Company
- United Sugar Company – Unlisted Joint Stock Company
- Afia International Company – Unlisted Joint Stock Company
- Saudi Industrial Construction & Engineering Project Company – Limited Liability Company
- Saudi Technology and Trade Company – Limited Liability Company

Outside Saudi Arabia:

- United Sugar Company (Egypt) – Unlisted Joint Stock Company
- Alexandria Sugar Company – Unlisted Joint Stock Company
- Elmalika Foods – Unlisted Joint Stock Company
- Qatrana Cement – Unlisted Joint Stock Company

Previous Board Memberships

Within Saudi Arabia:

- Merrill Lynch Saudi Arabia – Unlisted Joint Stock Company
- Kusai Al Azzawi and Sons Company – Limited Liability Company
- Al Wosata Development Company – Limited Liability Company

Outside Saudi Arabia:


- El Farasha Food Industries – Unlisted Joint Stock Company
- Ready Mix Concrete and Construction Supplies Company – Listed Joint Stock Company

Academic Qualifications

- Bachelor's degree in Computer Engineering from King Saud University (1995)

Dr. Mohammed Karim Bennis

Non-Executive Member



A

R

Current Position(s)

CFO of e& Group (2020-Present)

Previously Held Position(s)

- Deputy Manager of Financial Control and Planning at Etisalat Group (2013-2020)
- Deputy Managing Director in charge of Finance at Tractafric Motors Corp-Optorg Group (2011-2013)

Current Board Memberships

Within Saudi Arabia: None

Outside Saudi Arabia:

- Pakistan Telecommunications Company (PTCL/Ufone) – Limited Liability Company
- Etisalat Misr (Etisalat Egypt) – Joint Stock Company
- Maroc Telecom – Listed Joint Stock Company
- Modon Holding – Limited Liability Company
- Atlantique Telecom – Limited Liability Company
- e& PPF Telecom – Limited Liability Company

Previous Board Memberships

Within Saudi Arabia: None

Outside Saudi Arabia: None

Academic Qualifications

- MBA from Ecole Nationale des Ponts & Chaussées (ENPC), France (2008)
- PhD in Economics and Technology from the Conservatoire National des Arts & Métiers in Paris, France (2000)
- Master's degree in Audit, Control and Financial Accounting from Lille Graduate School of Management, France (2006)
- Master's degree in Economics and Corporate Finance from Sciences-Po Paris, France (1997)
- MBA from IFG (1995)
- Bachelor's degree in International Business from Paul Sabatier University, France (1992)
- Master's degree in Global Financial Data Analytics from King's College London, United Kingdom
- Advanced Development Program from the University of Chicago Booth, United States
- Executive Chief Financial Officer Program from Columbia Business School, United States
- Executive Chief Financial Officer Leadership Program from Harvard Business School, United States

Eng. Ahmed Abdelsalam Aboudoma

Independent Member



A

R

Current Position(s)

Board member of several companies

Previously Held Position(s)

- CEO of Unimas Capital Private Equity (2020-2024)
- Senior Advisor to Board of Directors of Mobily (2019)
- CEO of Mobily (2017-2019)
- CEO of Orascom Telecom Holding Group Joint Stock Company (2011-2014)

Current Board Memberships

Within Saudi Arabia: None

Outside Saudi Arabia:

- National Bank of Kuwait (NBK), Egypt – Listed Joint Stock Company
- Unimas Capital, Netherlands – Unlisted Joint Stock Company (Chairman)
- Trustees of the National Planning Institute of Egypt (Under the Ministry of Planning)

Previous Board Memberships

Within Saudi Arabia: None

Outside Saudi Arabia:

- National Telecommunication Regulatory Authority (NTRA), Egypt – Government Entity
- Orascom Telecom Holding, Egypt – Listed Joint Stock Company
- Orascom Telecom and Media Technology (OTMT), Egypt – Listed Joint Stock Company
- International Telecommunications Consortium Limited, UK – Unlisted Joint Stock Company
- Vimpelcom, Netherlands – Listed Joint Stock Company
- Pakistan Mobile Communications Limited, Pakistan – Unlisted Joint Stock Company
- Orascom Telecom, Ventures, Egypt – Unlisted Joint Stock Company
- Orascom Telecom, Bangladesh – Unlisted Joint Stock Company
- Oratel International Inc. Limited, Malta – Unlisted Joint Stock Company
- Orascom Telecom Algeria, Algeria – Unlisted Joint Stock Company
- Sotelco Ltd., Cambodia – Unlisted Joint Stock Company
- Millicom Lao Co., Laos Republic – Unlisted Joint Stock Company
- Unimas Capital (Chairman) – Unlisted Joint Stock Company

Academic Qualifications

- Certified Board Member from the Egyptian Institute of Directors (EIoD) EFSA, Egypt (2024)
- International Executive Program (INSEAD) from the Business School of France and Singapore (2008)
- Bachelor's degree in Communications and Electronics Engineering from Cairo University, Egypt (1992)
- Secondary School Certificate from La Verdi La Salle College, Egypt (1987)



GOVERNANCE
BOARD OF DIRECTORS (CONTINUED)

Dr. Mansoor Abdul Aziz
Almansoor*

Independent Member

A

N

Current Position(s)
Partner and Founder of Pearl Najd Real Estate Development and Investment Company (2024-Present)

Previously Held Position(s)

- CEO for Support Services at Qiddiya Investment Company (2021-2024)
- Vice-President of Finance and Operations at King Abdullah Center for Petroleum Studies and Research (2016-2021)
- Vice-President of Employment Support at HR Development Fund (2014-2016)

Current Board Memberships

Within Saudi Arabia:

- MBC Group Company – Listed Joint Stock Company
- Saudi Air Navigation Services Company (SANS) – Listed Joint Stock Company
- Al Jazeera Car Rental – Closed Joint Stock Company

Outside Saudi Arabia: None

Previous Board Memberships

Within Saudi Arabia:

- Riyadh Airports Company – Closed Joint Stock Company
- King Abdullah Center for Petroleum Studies and Research – Limited Liability Company
- Building Blocks Development Holding Company – Limited Liability Company

Outside Saudi Arabia: None

Academic Qualifications

- Ph.D. in Applied Linguistics from Ball State University, United States (2004)
- Master's degree in HR Management from the University of Central Missouri, United States (1997)
- Master's degree in English Literature from the University of Central Missouri, United States (1997)
- Bachelor's degree in English Literature from King Faisal University (1993)

Mr. Fahad Abdullah
Alessa*

Independent Member

R

Current Position(s)
CEO of Amyas Holding Company (2019-Present)

Previously Held Position(s)

- Chief Investment Officer at Amyas Holding Company (2013-2019)
- Investment Banking Officer at Jadwa Investment (2010-2013)
- Financial Analyst for J.P. Morgan Bank, London, United Kingdom (2006-2008)

Current Board Memberships

Within Saudi Arabia:

- Arabian Cement Company – Publicly Listed Company
- Aseela Investment Company – Closed Joint-Stock Company
- Amyas Holding Company – Limited Liability Company

Outside Saudi Arabia:

- Qatrana Cement Company – Closed Joint-Stock Company
- Falconvest Company – Limited Liability Company

Previous Board Memberships

Within Saudi Arabia:

- Dur Hospitality Company – Publicly Listed Company
- National Medical Care Company (Care) – Publicly Listed Company
- Al Borg Medical Laboratories Company – Closed Joint-Stock Company
- Biotic Foods Company – Limited Liability Company
- Skoon International Company – Closed Joint-Stock Company

Outside Saudi Arabia: None

Academic Qualifications

- MBA from Ohio State University, United States (2010)
- Bachelor's degree in Financial Management from Southern Methodist University, United States (2006)

H.E. Suliman Abdulrahman
Algwaiz**

Vice Chairman -
Non-Executive Member

E

Current Position(s)
Retired

Previously Held Position(s)

- Governor of the General Organization for Social Insurance (2013-2021)
- Various positions at Riyadh Bank, where the last position he held was Deputy CEO (2002-2013)
- Various positions at the Saudi American Bank (SAMBA) (1981-1992)

Current Board Memberships

Within Saudi Arabia:

- Saudi British Bank (SABB) – Listed Joint Stock Company
- Almunajem Foods – Listed Joint Stock Company
- Saudi Industrial Investment Group – Listed Joint Stock Company
- BlackRock Saudi Arabia – Unlisted Joint Stock Company
- Saudi Agricultural and Livestock Investment Co. – Closed Joint Stock Company

Outside Saudi Arabia: None

Previous Board Memberships

Within Saudi Arabia:

- Saudi Arabian Mining Company (Ma'aden) – Listed Joint Stock Company
- Hassana Investment Company (HIC) – Closed Joint Stock Company
- National Company for Glass Industries (ZOUJAJ) – Listed Joint Stock Company
- National Industries Company (NIC) – Listed Joint Stock Company
- Banque Saudi Fransi – Listed Joint Stock Company
- National Medical Care Co. (Care) – Limited Liability Company
- Ajil Financial Services – Closed Joint Stock Company

Outside Saudi Arabia:

- Royal and Sun Alliance Insurance (Middle East) – Closed Joint Stock Company
- MasterCard International (Africa and South Asia) – Limited Liability Company

Academic Qualifications

- Bachelor's degree in Business Administration from Portland University, United States
- Professional Certifications in Operations Management and Corporate Finance from Citibank

Eng. Homood Abdullah
Altuwaijri**

Independent Member

A

R

Current Position(s)
Retired

Previously Held Position(s)

- Executive Vice President for Legal Affairs and Audit at Saudi Basic Industry Corp. (SABIC)
- Executive Vice President for Strategic Planning and Finance, Petrochemical Strategic Business Units Coordination, Industry and Supply Chains (Logistics) at Saudi Basic Industry Corp. (SABIC)

Current Board Memberships

Within Saudi Arabia: None

Outside Saudi Arabia: None

Previous Board Memberships

Within Saudi Arabia:

- Alinma Bank – Listed Joint Stock Company
- The Company for Cooperative Insurance (Tawuniya) – Listed Joint Stock Company
- Tabuk Cement Company – Listed Joint Stock Company

Outside Saudi Arabia:

- Aluminum Bahrain Company (Alba) – Listed Joint Stock

Academic Qualifications

- Bachelor's degree in Business and Engineering from the University of Washington, United States
- Master's degree in Industrial Engineering from Georgia Institute of Technology, United States

Committee Membership

- A

Audit Committee

E

Executive Committee

N

Nomination and Remuneration Committee

R

Risk Management Committee

Chair of a Board Committee

* Elected by the Company's General Assembly for the Board of Directors' term that commenced on 1 December 2024
** Membership concluded with the end of the previous Board of Directors' term on 30 November 2024

GOVERNANCE

BOARD OF DIRECTORS (CONTINUED)

Board of Directors’ Meetings and Attendance

The Company’s Board of Directors held 7 meetings during its previous term in 2024. The Board has allocated sufficient time to carry out its duties, including preparing for Board meetings and the meetings of the Company’s Committees, and ensuring their attendance.

It is worth noting that on 30 November 2024, the term of the Board of Directors ended. The Board was re-composed for a new 4-year term, starting on 1 December 2024, and ending on 30 November 2028, during the Company’s Ordinary General Assembly Meeting held on 28 November 2024. The Ordinary General Assembly Meeting resulted in the election of the members of the Board of Directors for its new term. The following are the Board meetings and members’ attendance during the previous term in 2024:

Sr.	Name	Position / Membership Type	7 March	13 May	22 July	13 September	1 October	28 November
1	Abdulkarim Ibrahim Alnafie	Chairman - Independent Member	Present	Present	Present	Present	Present	Present
2	Suliman Abdulrahman Algwaiz	Vice Chairman - Non-Executive Member	Present	Present	Present	Present	Present	Present
3	Nabeel Mohamed Alamudi	Independent Member	Present	Present	Present	Present	Present	Present
4	Khalifa Hassan Alshamsi	Non-Executive Member	Present	Present	Present	Present	Present	Present
5	Ahmed Abdelsalam Aboudoma	Independent Member	Present	Present	Present	Present	Present	Present
6	Hatem Mohamed Dowidar	Non-Executive Member	Present	Present	Present	Present	Present	Present
7	Mohammed Karim Bennis	Non-Executive Member	Present	Present	Present	Present	Present	Present
8	Mutaz Kusai Alazzawi	Independent Member	Present	Present	Present	Present	Present	Present
9	Homood Abdullah Altuwaijri	Independent Member	Present	Present	Present	Present	Present	Present
10	Khaled Abdulaziz Alghoneim	Non-Executive Member	Present	Present	Present	Present	Present	Present

The following is the Board composition for the new term, which began on 1 December 2024, and will end at the conclusion of the Board’s term on 30 November 2028 as well as the detail of the Board meeting held in the new term and members’ attendance:

Sr.	Name	Position / Membership Type	28 November
1	Abdulkarim Ibrahim Alnafie	Chairman - Independent Member	Present
2	Nabeel Mohamed Alamudi	Vice Chairman - Independent Member	Present
3	Khalifa Hassan Alshamsi	Non-Executive Member	Present
4	Ahmed Abdelsalam Aboudoma	Independent Member	Present
5	Hatem Mohamed Dowidar	Non-Executive Member	Present
6	Mohammed Karim Bennis	Non-Executive Member	Present
7	Mutaz Kusai Alazzawi	Independent Member	Present
8	Khaled Abdulaziz Alghoneim	Non-Executive Member	Present
9	Fahad Abdullah Alessa	Independent Member	Present
10	Mansour Abdulaziz Almansoor	Independent Member	Present

The Company’s Committees

In accordance with the Articles of Association of the Company and the Corporate Governance Regulations issued by the CMA, the following Committees are formed:

Audit Committee

The Audit Committee was formed by the Board of Directors for the previous term, which ended on 30 November 2024. The Committee was then re-formed pursuant to a Board of Directors resolution the for the new 4-year term, starting on 1 December 2024, and ending on 30 November 2028.

The following are the previous members of the Committee who are not members of the Board of Directors:

Mr. Abdulaziz Ibrahim Alnowaiser
Non-Board member serving as a member of the Audit Committee - Independent Member

Mr. Alnowaiser is currently the CEO of Tahakom Investment Co., and Chairman and a member of the Boards of Directors and Audit Committees for several listed and non-listed companies. Previously, he held a number of leadership and advisory positions in other companies and worked as a lecturer in the Accounting Department at King Saud

University, Riyadh. Mr. Alnowaiser holds a Master’s degree in Accounting with 2 majors in Finance and Information Systems from Case Western Reserve University, United States and a Bachelor’s degree in Accounting from King Saud University, Riyadh. He also holds a number of professional certificates in accounting, auditing and financial management.

The Audit Committee held 11 meetings during it previous term in 2024. The following are the meetings of the Audit Committee and the attendance record of members:

Name	Position / Membership Type	22 January	19 February	5 March	18 April	9 May	26 May	22 July	3 October	22 October	25 November
Abdulaziz Ibrahim Alnowaiser	Chairman of the Committee - Non-Board Independent Member	Present	Present	Present	Present	Present	Present	Present	Present	Present	Present
Homood Abdullah Altuwaijri	Independent Member	Present	Present	Present	Present	Present	Present	Present	Present	Present	Present
Mohammed Karim Bennis	Non-Executive Member	Present	Present	Present	Present	Present	Present	Present	Present	Present	Present
Ahmed Abdelsalam Aboudoma	Independent Member	Present	Present	Present	Present	Present	Present	Present	Present	Present	Present

Below is the composition of the Audit Committee for the new term, which began on 1 December 2024, and will end at the conclusion of the Board’s term on 20 November 2028. The following are the details of the Audit Committee meetings held during this term and the attendance record of its members:

Name	Position / Membership Type	16 December
Mohammed Karim Bennis	Chairman of the Committee - Non-Executive Member	Present
Ahmed Abdelsalam Aboudoma	Independent Member	Present
Mansour Abdulaziz Almansoor	Independent Member	Present

The Audit Committee is responsible for monitoring the Company’s business and activities and ensuring the integrity and effectiveness of the reports, financial statements and internal control systems. The duties and responsibilities of the Committee shall include the following:

Financial Reports

- Examining the Company’s interim and annual financial statements before presenting them to the Board and providing its opinion and recommendations thereon to ensure their integrity, fairness and transparency
- Providing its technical opinion, at the request of the Board, regarding whether the Board’s report and the Company’s financial statements are fair, balanced, understandable and contain information that allows

shareholders and investors to assess the Company’s financial position, performance, business model and strategy

- Examining any serious or abnormal issues contained in the financial reports
- Accurately investigating such matters as may be raised by the CFO, any person assuming the CFO’s duties, the Company’s Compliance Officer or the external auditor
- Examining the accounting estimates in respect of significant matters that are contained in the financial reports
- Examining the accounting policies followed by the Company and providing its opinion and recommendations to the Board thereon

GOVERNANCE

BOARD OF DIRECTORS (CONTINUED)

Internal Audit

- Examining and reviewing the Company’s internal and financial control systems and risk management
- Examining the Internal Audit reports and following up on the implementation of the corrective measures in respect of the remarks made in such reports
- Monitoring and overseeing the performance and activities of the Company’s Chief Audit Executive and the Internal Audit Department to ensure the availability of the necessary resources and their effectiveness in performing the assigned activities and duties
- Providing a recommendation to the Board on appointing the Manager of the Internal Audit unit or department, or the internal auditor and suggesting his/ her remunerations
- Approve the Internal Audit annual plan and budget

External Auditor

- Providing recommendations to the Board to nominate external auditors, dismiss them, determine their remunerations and assess their performance after verifying their independence and reviewing the scope of their work and the terms of their contracts
- Verifying the independence of the external auditor, its objectivity, fairness and effectiveness of the audit activities, considering the relevant rules and standards
- Reviewing the plan of the Company’s external auditor and its activities and ensuring that it does not provide any technical or administrative works that are beyond its scope of work and provides its opinion thereon
- Responding to queries of the Company’s external auditor
- Reviewing the external auditor’s reports and its comments on the financial statements and following up the procedures taken in connection therewith

Ensuring Compliance

- Reviewing the findings of the reports of supervisory and regulatory authorities and ensuring that the Company has taken the necessary actions in connection therewith
- Ensuring the Company’s compliance with the relevant laws, regulations, policies and instructions
- Reviewing the contracts and proposed related party transactions and providing its recommendations to the Board of Directors in connection therewith
- Reporting to the Board of Directors any issues in connection with what it deems necessary to act on and providing recommendations on steps that should be taken

- Proposing the necessary policies and processes to be followed by Stakeholders when submitting complaints or reporting any violation

Arrangements for Providing Remarks

The Audit Committee shall develop arrangements that enable the Company’s employees to confidentially provide their remarks (whistleblowing) in respect of any inaccuracies in the Company’s financials or other abuse of authority or violation. The Audit Committee shall ensure that such arrangements have been put into action through an adequate independent investigation in respect of the error, abuse of authority or violation, and shall adopt appropriate follow-up procedures.

The duties and responsibilities of the Committee members shall include:

Each one of the Committee members shall comply with the principles of truthfulness, honesty, loyalty and care for the interests of the Company and its shareholders and shall prioritize their interests over his/her personal interests. This shall include, in particular, the following:

- Complying with the provisions of the Company’s Law, the Capital Market Law, their implementation regulations, related laws and regulations and the Company’s Articles of Association when performing his/her functions and refraining from undertaking or participating in any activity that would harm the Company’s interests
- Regularly attending Committee meetings and effectively participating in their activities and notifying the Committee Chairman of the reasons for his/her absence from the Committee meetings
- Maintaining the confidentiality of the Company’s sensitive information. No member of the Committee may disclose any confidential information of the Company, that he/she comes to know through his/ her work, to shareholders, in a meeting other than the General Assembly, or to any third party. Consequently, he/she shall be dismissed, held accountable and obligated to pay compensation for any ensuing damage
- Refraining from participation in any executive work at the Company
- Performing professional due diligence to conduct the work assigned to him/her, while remaining up to date with recent developments related to the Company’s business

- Refraining from participation in any acts or activities involving breach of honor and trust, directly or indirectly, or conflicting with his/her duties and responsibilities towards the Company and ensuring that he/she does not prioritize personal interests over the Company’s
- Not accepting any valuable items from any employee, subordinate, client, supplier or any other person having a business relationship with the Company, that could weaken the independence of the member in any way or would affect or be presumed to affect any decisions taken by the member

- Disclosing to the Board of Directors the transactions that were made or are likely to be made between him/ her and the Company, the nature of such transactions, as well as disclosing any relationship that connects him/ her with the Board and the Executive Managers in the Company in accordance with the Company’s approved Conflict of Interest Policy and the Professional Code of Conduct
- Participating actively in the Committee meetings through studying and discussing the items listed in its meeting agenda

Executive Committee

The Executive Committee held 6 meetings during its previous term in 2024. The following are the meetings of the Executive Committee and the attendance record of members:

Name	Position / Membership Type	16 January	8 February	22 April	24 July	2 September	7 November
Nabeel Mohamed Alamudi	Chairman of the Committee - Independent Member	Present	Present	Present	Present	Present	Present
Suliman Abdulrahman Algwaiz	Non-Executive Member	Present	Present	Present	Present	Present	Present
Hatem Mohamed Dowidar	Non-Executive Member	Present	Present	Present	Present	Present	Present
Khalifa Hassan Alshamsi	Non-Executive Member	Present	Present	Present	Present	Present	Present
Mutaz Kusai Alazzawi	Independent Member	Present	Present	Present	Present	Present	Present

Below is the composition of the Executive Committee for the new term, which began on 1 December 2024, and will end at the conclusion of the Board’s term on 30 November 2028. It is worth noting that the newly formed Committee did not hold any meetings from the start of its term until the end of 2024. The following are the members of the Executive Committee for the Board’s new term:

Name	Position / Membership Type
Khalifa Hassan Alshamsi	Chairman of the Committee - Non-Executive Member
Nabeel Mohamed Alamudi	Independent Member
Hatem Mohamed Dowidar	Non-Executive Member
Abdulkarim Ibrahim Alnafie	Independent Member
Mutaz Kusai Alazzawi	Independent Member

The duties and responsibilities of the Committee shall include the following:

1. Exercising the powers entrusted by the Board to manage and direct the business of the Company, with the exception of:

- Amending the Company’s Articles of Association
 - Electing or dismissing members of the Board
 - Approving or amending the budget, except in accordance with the Company’s delegation of authority
 - Making substantial structural changes, such as changing the Company’s capital, mergers and acquisitions, sale of assets, joint ventures or other
- similar arrangements, liquidating or suspending the Company’s business or dissolving the Company

- Borrowing any amounts
 - Any powers and responsibilities expressly delegated to other Board Committees
 - Any other matters that cannot be delegated by the Board under the applicable regulations or the Company’s Articles of Association

GOVERNANCE

BOARD OF DIRECTORS (CONTINUED)

2. Following up on the Company’s strategic plans for the long, medium and short-term, and revising them from time to time and recommending any update or modification to the Board of Directors when deemed necessary

3. Acting as a guide for the Company’s management on emerging issues and investment opportunities

4. Reviewing fundamental legal issues and emerging lawsuits
5. Approving the appointment of advisory bodies in case the appointment exceeds management’s authority in approving such bodies

6. Filing reports to the Board of Directors regarding decisions or procedures taken by the Committee or that require the approval of the Board

7. Such other matters as assigned by the Company’s Board of Directors

Nomination and Remuneration Committee (NRC)

The Nomination and Remuneration Committee held 4 meetings during its previous term in 2024. The following are the meetings of the Nomination and Remuneration Committee and the attendance record of members:

Name	Position / Membership Type	20 February	20 March	8 July	21 October
Mutaz Kusai Alazzawi	Chairman of the Committee - Independent Member	Present	Present	Present	Present
Khalifa Hassan Alshamsi	Non-Executive Member	Present	Present	Present	Present
Abdulkarim Ibrahim Alnafie	Independent Member	Present	Present	Present	Present

Below is the composition of the Nomination and Remuneration Committee for the new term, which began on 1 December 2024, and will end at the conclusion of the Board’s term on 30 November 2028. It is worth noting that the newly formed Committee did not hold any meetings from the start of its term until the end of 2024. The following are the members of the Nomination and Remuneration Committee for the Board’s new term:

Name	Position / Membership Type
Mutaz Kusai Alazzawi	Chairman of the Committee - Independent Member
Khalifa Hassan Alshamsi	Non-Executive Member
Khaled Abdulaziz Alghoneim	Non-Executive Member
Mansour Abdulaziz Almansoor	Independent Member

The duties and responsibilities of the Committee shall include the following:

1. Giving recommendations to the Board of Directors regarding nominated members in accordance with the approved policies and criteria, ensuring that nominees have not been charged with any crimes against honor and integrity

2. Giving recommendations to the Board of Directors to nominate and re-nominate members of the Audit Committee

3. Proposing a new member to the Board after consulting with the Audit Committee to appoint him temporarily as a member when the position of an Audit Committee member becomes vacant

4. Proposing clear policies and conditions for the membership of the Board of Directors and Executive Management and developing special procedures to
- deal with situations when a position of a member of the Board of Directors or Executive Management becomes vacant

5. Annually reviewing the requirement of suitable skills for membership of the Board and Executive Management positions and preparing a description of qualifications and capabilities required in nominees for Board membership and Executive Management. This shall include the time each member should devote to perform their duties and responsibilities as a Board member

6. Reviewing the Board of Directors’ and Executive Management’s structure and giving recommendations on proposed changes that can be made, if any

7. Determining the strengths and weaknesses of the Board of Directors and proposing solutions that align with the Company’s best interests

8. Annually examining and ensuring independence of Independent Board members and the absence of any

- conflicts of interest if a Director is at the same time a member of another company’s Board of Directors

9. Developing clear policies outlining the remuneration and rewards of members of the Board and its Committees and Executive Management. These policies should be based on performance-related criteria and shall be disclosed, verified and submitted to the Board for consideration before being adopted by the General Assembly.

10. In selecting nominees for Board membership, the Committee shall consider several factors, including but not limited to:
 - Integrity, honesty and responsibility
 - Proven leadership experience and strong business acumen
 - Future foresight and strategic focus
 - Cooperation
 - Independence and lack of conflicts of interest
 - Ability to devote the time necessary to fulfil the responsibilities of a Board member

11. Ensuring that there is an induction program for new members of the Board of Directors

12. The Committee shall provide continuous education and training programs and ensure that the Board of Directors is kept informed of the latest developments in the telecommunication industry

13. The above paragraph shall be treated in accordance with the Company’s approved policy on training programs and business trips

14. Checking the stability of Company job positions and overseeing the Company’s preparation of a succession
- plan, particularly for the Executive Management

15. When nominating members for the Board of Directors, the Committee shall consider the terms and conditions of the Corporate Governance Regulations, and the requirements set by the Capital Market Authority (CMA)

16. The number of nominees for the Board of Directors whose names are proposed to the General Assembly shall exceed the number of available seats in order for the General Assembly to choose from among them

17. Developing job descriptions for Executive, Non-Executive and Independent members and senior Executives

18. Clarifying the relationship between the remuneration awarded and the applicable remuneration policy and indicating any material deviation from this policy

19. Regularly reviewing the remuneration policy and evaluating its effectiveness in achieving the intended objectives

20. Recommending the remuneration of the Board of Directors, the Board Committees and senior Executives of the Company in accordance with the approved policy

21. The Committee shall examine the matters and subjects assigned to it or referred to it by the Board of Directors and submit its recommendations to the Board of Directors for decision, or the Committee shall make decisions if authorized by the Board

22. The Board report submitted to the General Assembly shall indicate the number of Committee meetings and the attendance of each member at the meetings

Risk Management Committee

The Risk Management Committee held 5 meetings during its previous term in 2024. The following are the meetings of the Risk Management Committee and the attendance record of the members:

Name	Position / Membership Type	28 February	9 May	29 July	23 October	18 November
Homood Abdullah Altuwaijri	Chairman of the Committee - Independent Member	Present	Present	Present	Present	Present
Khaled Abdulaziz Alghoneim	Non-Executive Member	Present	Present	Present	Present	Present
Mohammed Karim Bennis	Non-Executive Member	Present	Present	Present	Present	Present
Ahmed Abdelsalam Aboudoma	Independent Member	Present	Present	Present	Present	Present

GOVERNANCE

BOARD OF DIRECTORS (CONTINUED)

Below is the composition of the Risk Management Committee for the new term, which began on 1 December 2024, and will end at the conclusion of the Board’s term on 30 November 2028. It is worth noting that the newly formed Committee did not hold any meetings from the start of its term until the end of 2024. The following are the members of the Risk Management Committee for the Board’s new term:

Name	Position / Membership Type
Ahmed Abdelsalam Aboudoma	Chairman of the Committee - Independent Member
Mohammed Karim Bennis	Non-Executive Member
Khaled Abdulaziz Alghoneim	Non-Executive Member
Fahad Abdullah Alessa	Independent Member

The duties and responsibilities of the Committee shall include the following:

1. Reviewing and evaluating the safety and efficiency of risk management within the Company
2. Monitoring the implementation of the risk management framework and strategy
3. Reviewing tolerance levels and risk limits, related reports and the necessary procedures applied, to reduce risks that occur

The Committee’s assignment lasts throughout the term of the Board of Directors and expires at the end of this term. The Charter of the Committee includes controls to enable the Board to routinely follow up on its work and to verify actions assigned to it. These include Committee meetings, recommendations and procedures to notify the Board of Directors of such recommendations.

Statement of Interest, Contractual Securities or Rights Issue of the Board Members and their Relatives on Shares or Debt Instruments of the Company or its Affiliates

Name	No. of Shares at Start of 2024	No. of Shares at End of 2024	Net Change	Percentage of Change
Abdulkarim Ibrahim Alnafie	20,109	20,109	-	-
Suliman Abdulrahman Algaiz	25,613	25,613	-	-
Nabeel Mohamed Alamudi	55	1,055	1,000	1,818.18%
Khalifa Hassan Alshamsi	-	-	-	-
Homood Abdullah Altuwaijri	217,005	217,005	-	-
Mutaz Kusai Alazzawi	500	500	-	-
Khaled Abdulaziz Alghoneim	26,000	26,000	-	-
Hatem Mohamed Dowidar	-	-	-	-
Mohammed Karim Bennis	-	-	-	-
Ahmed Abdelsalam Aboudoma	-	15	15	100%
Mansour Abdulaziz Almansoor*	2,000	2,000	-	-
Fahad Abdullah Alessa*	7,000	7,000	-	-

* The number of shares at the beginning of the year is considered from the start of his membership on 1 December 2024

It is worth noting that there are no interest, contractual securities or rights issues for the Board of Directors’ members and their relatives in the shares or debt instruments of affiliates.

Assessment of the Board of Directors’ Performance

With the aim of ensuring the continuity and development of the Board of Directors’ performance, meeting regulatory requirements, implementing the best practices in the field of governance and enhancing the Board’s effectiveness, Mobily contracted, in November 2022, a specialized consulting firm “Governance Compass Company”, to assess the effectiveness and performance of

the Board. All members of the Board and its Committees demonstrated transparency and cooperation by responding to the independent consultant’s requirements. The final assessment results were presented to the Board of Directors in March 2023. Furthermore, preparations are underway to assess the Board’s effectiveness and performance during its new term, which began on 1 December 2024.



GOVERNANCE

EXECUTIVE MANAGEMENT

Senior Executives

Eng. Salman Abdulaziz Albadran

Chief Executive Officer

Eng. Albadran is currently the CEO of Mobily. He implemented the comprehensive transformation program to highlight the Company's position in the competitive telecommunications market. Eng. Albadran is also the CEO of Kuwait Telecom Company (VIVA). He has over 27 years of experience as a CEO in the telecommunications sector, with a proven track record of delivering operational excellence across all major businesses by integrating them into effective business strategies. His technical expertise includes the areas of telecommunications and GSM cellular networks, specifically infrastructure implementation, supplier management, cost optimization and operation management. He has a Bachelor's degree in Applied Electrical Engineering from King Fahd University of Petroleum and Minerals, Saudi Arabia.

Mr. Khalid Abdulrahman Abanami

Chief Financial Officer

Mr. Abanami is currently the CFO of Mobily and a member of the boards and audit committees of several companies and government entities. He held the positions of CFO and Vice President (VP) of Shared Services at the Saudi Railway Company (SAR) and Financial Controller at the National Water Company. He also held several positions over 15 years in the telecommunications sector, where he headed the reporting, planning and budgeting activities for stc Group, in addition to several other positions at stc Group and the Kuwait Telecom Company (VIVA), where he managed the finance, logistics, facility management and contract teams during the establishment of the subsidiary in Kuwait. He previously held the position of Finance Lecturer at the College of Business Administration at King Saud University, Saudi Arabia. Mr. Abanami has over 27 years of experience in academic and professional areas such as financial and strategic management, accounting, operations management and telecommunications. Mr. Abanami holds a Bachelor's degree in Finance from King Saud University, Saudi Arabia and an MBA from Sam M. Walton College of Business, University of Arkansas, Fayetteville, USA.

Eng. Majed Abdulaziz Alotaibi

Chief Business Officer

Eng. Alotaibi is currently the Chief Business Officer of Mobily and is proficient in managing high-value relationships on an executive level. Eng. Alotaibi previously held several different positions, over 14 years, at stc. He brings more than 22 years of executive ICT experience from leading ICT players and extensive experience in B2C and B2B marketing and sales. Eng. Alotaibi holds a Bachelor's degree in Electrical, Electronics and Communication Engineering from King Saud University, Saudi Arabia. He has attended Executive Programs at leading international universities like INSEAD, Hult Ashridge Executive Education and the University of Chicago's Booth School of Business.

Eng. Alaa Abdulhameed Malki

Chief Technology Officer

Eng. Malki is currently the Chief Technology Officer for Mobily and the Chairman of the Saudi National Fiber Network (SNFN). He previously held the position of Chairman at Bayanat Co., in addition to several positions at Mobily over a period of 17 years, including Chief Network Officer and the Planning and Development Manager. Eng. Malki also served as the Network Development Manager at Nokia and Team Leader at Saudi Telecom Company (stc). He has over 25 years of experience in the telecommunications sector, in strategic and operational areas, and in network and IT project management. Eng. Malki has an MBA from the University of Leicester, UK, and a Bachelor's degree in Electrical Engineering from King Fahd University of Petroleum and Minerals, KSA. He has also completed a Leadership Development Program at Harvard Business School, USA.

Mr. Majed Abdullah Alshabana

Chief Legal and Corporate Affairs Officer

Mr. Alshabana is currently the Chief Legal and Corporate Affairs Officer for Mobily. Mr. Alshabana was the General Manager of Legal Affairs at Saudi Telecom Company (stc), where he was responsible for overseeing multiple legal practice areas such as litigation, legal advisory and studies, contracts and agreements, investigation, compliance, digitalization, legal strategies and corporate governance. He has more than 22 years of extensive legal and corporate affairs experience in the information and telecommunications technology industry. He has a Bachelor's degree in Islamic Studies from Imam Muhammad bin Saud Islamic University, KSA.

Eng. Mohammed Khalil Alshammari

Chief Human Resources Officer

Eng. Alshammari is currently the Chief Human Resources Officer for Mobily. He was previously a Board member of Saudi Railway Polytechnic and held the position of Human Resources and Administration Director at the Saudi Arabian Railway (SAR). Before moving to Al Faisaliah Group as the Head of HR and Administration, Eng. Alshammari assumed roles for the Manpower Planning Function at Bank Al Bilad and the Saudi Electricity Company. Eng. Alshammari has over 17 years of experience in human resource management, including institutional and organizational development, talent management and strategic planning. Eng. Alshammari holds a Mini MBA in Management and Strategic Leadership from Harvard Business School and a Bachelor's degree in Industrial Engineering from King Saud University, Saudi Arabia. He also completed an Executive Education Program in Leadership Development at INSEAD.

Mr. Omar Saud Alrasheed

Chief Corporate Strategy and Digitalization Officer

Mr. Alrasheed is the Chief Corporate Strategy and Digitalization Officer at Mobily. He previously held several positions at Mobily and its affiliates over a period of 19 years, including Chief Digital and Customer Experience Officer, General Manager of Mobily Infotech and Executive General Manager for Mobily Mega Projects. Mr. Alrasheed has extensive experience in strategy, IT and business domains. In addition, as well as in the technology, media and telecommunications (TMT). Mr. Alrasheed holds a BSc in Computer and Information Sciences from King Saud University, Saudi Arabia and attended several distinguished Executive Education Programs at Harvard, the Massachusetts Institute of Technology (MIT), London Business School (LBS) and the Project Management Institute (PMI).

Mr. Waleed Hamad Alharkan

Chief Consumer Officer

Mr. Alharkan is the Chief Consumer Officer at Mobily. He joined Mobily early in 2023 as SVP Corporate Transformation. He is also currently a Board member at Sehaty. He has over 28 years of experience in business development and the ICT industry. During his journey, he managed and led the development of new business models for companies while providing high level direction and senior management influence related to their overall strategies. He has experience in telecommunications, information technology, consumer management and sales, profitability and strategic management. In addition, he was a CEO of multiple companies. He led strategic plans which drove the companies to accomplish and exceed sales, profitability, cash-flow, business goals and objectives, and supported the development and preparation of short and long-term plans and annual budgets based upon broad organizational goals. Mr. Alharkan has also served as a Board member for Al Wasatah Al Maliah and Lebara Mobile KSA. Mr. Alharkan holds a Bachelor's degree in Computer Engineering from King Fahd University of Petroleum and Minerals, KSA.

Mr. Ahmed Mohammed Alshangiti

Chief Audit Executive

Mr. Alshangiti is the Chief Audit Executive at Mobily. He brings over 24 years of extensive experience in audit, governance, control, and risk management within the telecommunications and finance sectors. Prior to joining the Company, he held the position of Chief Internal Audit Officer at channels by stc for more than seven years and previously served as the Financial Audit Director at stc Group. Mr. Alshangiti has made significant contributions to various projects aimed at strengthening and evaluating internal control systems, digital transformation of internal audit functions, and implementing International Financial Reporting Standards (IFRS) across the Group. He also managed the national project for transitioning to International Ethics Standards at the Saudi Organization for Chartered and Professional Accountants (SOCPA) and held various memberships across several professional committees. Mr. Alshangiti holds the Saudi Certified Public Accountant Fellowship and has completed leadership and business courses from prestigious international management institutes, including the International Institute for Management Development (IMD).

GOVERNANCE
EXECUTIVE MANAGEMENT (CONTINUED)

Statement of Interest, Contractual Securities or Rights Issues of the Senior Executives and their Relatives on Shares or Debt Instruments of the Company or its Affiliates

Name	Position	No. of Shares at Start of 2024	No. of Shares at End of 2024	Net Change	Percentage of Change
Salman Abdulaziz Albadran	Chief Executive Officer	-	-	-	-
Khalid Abdulrahman Abanami	Chief Financial Officer	-	-	-	-
Alaa Abdulhameed Malki	Chief Technology Officer	-	-	-	-
Majed Abdullah Alshabana	Chief Legal and Corporate Affairs Officer	-	-	-	-
Mohammed Khalil Alshammari	Chief Human Resources Officer	-	-	-	-
Majed Abdulaziz Alotaibi	Chief Business Officer	-	-	-	-
Omar Saud Alrasheed	Chief Corporate Strategy and Digitalization Officer	-	-	-	-
Waleed Hamad Alharkan	Chief Consumer Officer	-	-	-	-
Ahmed Mohammed Alshangiti	Chief Audit Executive	-	-	-	-

It is worth noting that there are no interest, contractual securities or rights issues for the senior Executives and their relatives in the shares or debt instruments of the affiliates.

RELATED PARTY TRANSACTIONS

During 2024, the Company conducted transactions with related parties, including Emirates Telecommunications Group and its subsidiaries, a founding and main shareholder in Mobily, where a number of Board members have indirect interests.

Party	Relationship
Emirates Telecommunication Group (PJSC)	Founding shareholder
Emirates Data Clearing House	Associate to Founding shareholder
Etisalat Misr S.A.E.	Subsidiary to Founding shareholder
Etisalat Afghanistan	Subsidiary to Founding shareholder
Etisalat Al Maghrib S.A (Maroc Telecom)	Subsidiary to Founding shareholder
Pakistan Telecommunication Company Limited	Subsidiary to Founding shareholder
Emirates Cable TV and Multimedia LLC	Subsidiary to Founding shareholder
Ufone	Subsidiary to Founding shareholder
Sehati for Information Service Company	Joint venture
Integrated Data Company for Information Technology	Joint venture

The Group transacted with related parties in ordinary course of business. Following are the details of major transactions with related parties:

	31 December 2024	31 December 2023
Interconnection services and roaming services rendered	97,293	127,620
Interconnection services and roaming services received	281,804	352,924
Other telecommunication services	10,211	16,776

- Services rendered to related parties comprise of the provision of telecommunication service, interconnection services and roaming services by the Group based on normal commercial terms. Services received from related parties comprise of telecommunication service, interconnection services and roaming services to the Group based on normal commercial terms.
 - The Company has other transactions related to roaming with international telecommunications service providers through the Emirates Telecommunications Group (PJSC), where transactions revenues for the year ended 31 December 2024 amounted to ₪ 53 million (2023: ₪ 51 million) and transactions expenses for the year ended 31 December 2024 amounted to ₪ 59 million (2023: ₪ 55 million).
- at ₪ 3,885,238.00, where two Members of the Board of Directors, Eng. Homood Altuwajri (previous member) and Dr. Khaled Alghoneim, have indirect interests.
- The Company also entered into several contracts with Al Moammar Information Systems (MIS), which provide a set of communications services, technical solutions and information systems, amounting to ₪ 61,756,697, where the Chairman of the Board of Directors, Mr. Abdulkarim Ibrahim Alnafie, has indirect interests.
- Mobily Pay signed a contract with MOZN to provide a financial fraud and compliance control system project, amounting to ₪ 1,275,000.00, where the Board member, Dr. Khaled Abdulaziz Al-Ghoneim, is indirectly interested.

Mobily has signed several contracts with Elm Information Security to provide a range of telecommunication services, authentication and devices supply, amounting to ₪ 49,182,462, where the Board member, Dr. Khaled Al-Ghoneim, has indirect interests.

Additionally, the Company has several contracts with Bayan Credit Information Company in 2024, where Board member Dr. Khaled Alghoneim has indirect interests. These contracts include providing a range of services and credit reporting services, amounting to ₪ 26,450.00.

In addition, the Company renewed a contract with The Company for Cooperative Insurance (Tawuniya) to provide medical insurance to Mobily employees, amounting to ₪ 59,997,514.00, starting from 1 April 2024 until 31 March 2025. Mobily has also provided a range of services valued



GOVERNANCE

COMPENSATION AND REMUNERATION

Compensation Policy and Method of Determining Remunerations of Board Members and Senior Management

This policy has been prepared by the Nomination and Remuneration Committee, which governs the mechanism and controls for approving, determining and paying the remunerations of the members of the Board of Directors and its Committees, as well as the remunerations of the Executive Management. This policy shall be issued upon the recommendation of the Board of Directors and with the approval of the Company's General Assembly.

It aims to set a specific framework, as required by laws and regulations on how to determine and control the payment of remunerations to the members of the Board, its Committees and members of the Executive Management, in addition to promoting the principles of governance, disclosure and transparency.

1. Purpose and Scope

In order to improve the effectiveness of governance and achieve a high degree of transparency, meet the Company's objectives and improve its performance, the Remuneration Policy for the Board of Directors, its Committees and the Executive Management has been designed. This policy applies to the members of the Board of Directors and its Committees, and the members of the Company's Executive Management.

2. Policy Statement

Without prejudice to the provisions of the Companies Law, its implementing regulations for the Listed Joint Stock Companies and the Corporate Governance Regulations, the policy describes:

2.1 Remuneration of the Board of Directors and its Committees:

- The Articles of Association of the Company and the approved Committee Charters shall indicate the method of remuneration of the members of the Board of Directors and its Committees
- The remuneration of the members of the Board of Directors and its Committees shall consider the provisions of the relevant laws and regulations
- Such remuneration may be a specified amount or attendance allowance for meetings, in-kind benefits or a certain percentage of net profits. Two or more of these benefits may be combined but must not exceed the limits as stipulated in the relevant regulations

- When approving the remuneration of the Board members and its Committees, consideration shall be given to the members' contribution, attendance and participation in the topics raised, and contributions made in the interest of the Company
- The suspension or recovery of the bonus shall be considered if it is found to have been decided on the basis of inaccurate information provided by the person concerned. This will prevent the exploitation of the job position to obtain undue remunerations
- In accordance with the laws and regulations, the policy allows organizing the granting of shares in the Company to the members of the Board of Directors and the Executive Management, whether it is a new issuance, or the shares purchased by the Company

2.1.1 Assign a Board Member with Additional Business or Position in the Company:

- A member of the Board of Directors may receive remuneration for any executive, technical, administrative or consultation work or positions under an additional professional license assigned by the Board, in addition to the remuneration that he/she may receive in his/her capacity as a member of the Board of Directors and its Committees; in accordance with the Companies Law and its implementing regulations for the Listed Joint Stock Companies, the Corporate Governance Regulations and the Articles of Association based on a proposal by the Nomination and Remuneration Committee to the Board of Directors in this regard

2.1.2 Disparity in the Remuneration of the Board Members and their Relationship to the Profitability of the Company:

- The remuneration of the members of the Board and its Committees may vary in amount to reflect the extent of the member's experience and competencies, according to the tasks and responsibilities assigned to him/her, his/her independence, expected accomplishments, attendance at the number of meetings and other considerations
- The remuneration of Independent Board members shall not be a percentage of the profits generated by the Company, nor shall it be directly or indirectly based on the profitability of the Company

2.1.3 Non-entitlement and Obligation to Return the Bonus:

- If the General Assembly decides to terminate the membership of a member of the Board of Directors for not attending 3 consecutive meetings or 5 separate meetings during his/her term in the office, without a legitimate excuse acceptable to the Board, such member shall not be entitled to any remuneration for the period following the last meeting he/she attended and shall return all bonuses paid to him/her for that period

2.1.4 Disburse Remunerations Based on Incorrect or Misleading Information:

- If the Audit Committee or the respective Authority finds out that the bonuses paid to any of the members of the Board or its Committees are based on incorrect or misleading information that has been presented to the General Assembly or included in the Annual Report of the Board of Directors, he/she shall return the bonuses to the Company and the Company shall have the right to claim a refund
- If the approved remuneration of a member of the Board or one of its Committees is based on inaccurate information, then the case shall be submitted to the Board for appropriate decision-making. When considering that case, the relevant regulations, the rules of justice and preserving the rights of the shareholders of the Company shall be taken into account
- The Board's decision in the previous paragraph shall be either to suspend the payment of the remuneration being considered, if it was not paid, or reclaim it in part or in full according to the circumstances of the case

2.2 Remuneration of Executive Management:

- The approved remuneration for each employee in the Executive Management may vary depending on the job grade, mission, responsibilities of the employee and his or her practical experience and skills, in addition to the results achieved during the year in question.
- Salaries and benefits allocated to the Executive Management shall include basic salary, benefits and allowances based on the Company's approved policy

2.3 Remunerations Disclosure:

The Board of Directors shall disclose in its Annual Report to the Ordinary General Assembly the details of the remuneration, in accordance with the applicable laws and regulations issued by the relevant regulatory authorities,

and in accordance with the Company's approved Disclosure Policy.

2.4 Obligations and Responsibilities:

- The Nomination and Remuneration Committee shall be the owner of and party responsible for this policy, taking into consideration the performance criteria, and for disclosing and implementing it
- The Nomination and Remuneration Committee, in coordination with the Company's Executive Management, through the General Secretariat of the Board of Directors, shall follow up on the implementation of this policy by the Committee, assess its effectiveness and ensure its alignment with the objectives set for it, in accordance with the relevant regulations, clarify the relationship between the remunerations granted and the applicable remuneration policy, verify the integrity of the actions taken, and evaluate and indicate any material deviation from this policy that may arise during its implementation, and report to the Board on any matter that requires its guidance
- The Committee shall submit any recommendations, amendments or proposed changes related to this policy to the Board of Directors for consideration, voting, endorsement and further submission to the General Assembly for approval.

2.5 Effective Date:

- The effective date is the date this policy is approved by the Company's General Assembly
- In case of any conflict between this policy and the applicable laws and regulations; the laws and regulations issued by the relevant regulatory authorities shall prevail

2.6 Review and Revision:

- The Nomination and Remuneration Committee shall review this policy periodically or as necessary to verify its alignment with the objectives set for it and in accordance with the relevant regulations
- The Committee shall communicate to the Executive Management any amendments to this policy and shall review its observations in order to ensure their implementation
- The Committee shall submit any amendments or proposed changes to this policy to the Board of Directors for consideration, voting, endorsement and further submission to the General Assembly for approval

GOVERNANCE

COMPENSATION AND REMUNERATION (CONTINUED)

The Relationship between Remuneration and the Applicable Remuneration Policy

There is no substantial deviation in the remuneration awarded according to the applicable remuneration policy.

The following tables show details of the rewards and compensation paid to each Board member, Committee member and the 5 senior Executives who received the highest compensation from the Company, including the CEO and CFO.

Board of Directors’ Compensation and Remuneration (ﷲ thousand)

	Fixed Remuneration							Variable Remuneration								
	Specific Amount	Allowance for Attending Board Meetings	Total Allowance for Attending Committee Meetings	In-kind Benefits	Remunerations for Technical, Managerial and Consultative Work	Remunerations of the Chairman, Managing Director or Secretary, if a Member	Total	Percentage of Profits	Periodic Bonuses	Short-Term Incentive Plans	Long-Term Incentive Plans	Shares Awarded (value is entered)	Total			End-of-Service Benefits
First: Independent Members																
1-Abdulkarim Alnafie	520	35	20	-	-	-	575	-	-	-	-	-	-	-	575	6.0
2- Nabeel Alamudi	760	35	30	-	-	-	825	-	-	-	-	-	-	-	825	6.0
3- Homood Altuwaijri	880	30	75	-	-	-	985	-	-	-	-	-	-	-	985	51.0
4- Mutaz Alazzawi	880	35	50	15	-	-	980	-	-	-	-	-	-	-	980	125.9
5- Ahmed Aboudoma	640	35	80	-	-	-	755	-	-	-	-	-	-	-	755	66.0
6-Mansoor Almansoor	-	5	5	-	-	-	10	-	-	-	-	-	-	-	10	-
7-Fahad Alessa**	-	5	-	-	-	-	5	-	-	-	-	-	-	-	5	-
Total	3,680	180	260	15	-	-	4,135	-	-	-	-	-	-	-	4,135	255
Second: Non-Executive Members																
1- Suliman Algwaiz*	520	30	30	-	-	-	580	-	-	-	-	-	-	-	580	6
2- Khalifa Alshamsi	640	35	50	-	-	-	725	-	-	-	-	-	-	-	725	30
3- Khaled Alghoneim	520	35	25	-	-	-	580	-	-	-	-	-	-	-	580	6
4- Hatem Dowidar	520	35	30	-	-	-	585	-	-	-	-	-	-	-	585	18
5-Mohammed Bennis	640	35	80	-	-	-	755	-	-	-	-	-	-	-	755	42
Total	2,840	170	215	-	-	-	3,225	-	-	-	-	-	-	-	3,255	102

*Membership concluded with the end of the previous Board of Directors’ term on 30 November 2024
**Elected by the General Assembly for the Board of Directors’ new term, which began on 1 December 2024

The bonuses for Board members are recorded on a cash basis, including payments for the previous year.

The amounts above represent cash received in 2024, as the annual bonuses pertain to the year 2023 and were paid during 2024.

Committee Members’ Compensation and Remuneration (ﷲ thousand)

	Fixed Remuneration (excluding attendance allowance)	Attendance of Meetings Allowance	Total
Audit Committee Members			
1- Abdulaziz Alnowaiser*	120	50	170
2- Homood Altuwaijri	120	50	170
3- Mohammed Bennis	120	55	175
4- Ahmed Aboudoma	120	55	175
5- Mansoor Almansoor	-	5	5
Total	480	215	695
Executive Committee Members			
1. Nabeel Alamudi	120	30	150
2. Suliman Algwaiz*	120	30	150
3. Khalifa Alshamsi	120	30	150
4. Mutaz Alazzawi	120	30	150
5. Hatem Dowidar	120	30	150
6. Abdulkarim Alnafie**	-	-	-
Total	600	150	750
Nomination and Remuneration Committee Members			
1. Khalifa Alshamsi	120	20	140
2. Mutaz Alazzawi	120	20	140
3. Abdulkarim Alnafie	120	20	140
4. Khaled Alghoneim*	-	-	-
5. Mansoor Almansoor**	-	-	-
Total	360	60	420
Risk Management Committee Members			
1. Homood Altuwaijri*	120	25	145
2. Khaled Alghoneim*	120	25	145
3. Ahmed Aboudoma*	120	25	145
4. Mohammed Bennis*	120	25	145
5. Nabeel Alamudi**	-	-	-
6. Abdulkarim Alnafie**	-	-	-
7. Mutaz Alazzawi**	-	-	-
8. Fahad Alessa**	-	-	-
Total	480	100	580

*Membership concluded with the end of the previous Board of Directors’ term on 30 November 2024
**Appointed by the Board of Directors for the new term, which began on 1 December 2024
Committee members’ compensation is recorded on a cash basis and includes payments for the previous year

Senior Executives’ Compensation and Remuneration (ﷲ thousand)

Details of Senior Executives’ Compensation and Renumeration		5 Senior Executives who Received the Highest Compensation from the Company, including the CEO and CFO
Fixed Compensation	Salaries	8,843
	Allowances	6,161
	Top of Form In-kind Benefits	-
	Total	15,004
Variable Compensation	Periodic Bonuses	9,296
	Dividends	-
	Short-term Incentive Plans	-
	Long-term Incentive Plans	7,543
	Shares Awarded (value to be entered)	-
	Total	16,839
Severance Pay		6,895
Total Executive Remuneration for the Board, if any		-
Grand Total		38,738

Senior Executives’ compensation is recorded on a cash basis and includes payments for the previous year.

GOVERNANCE
ABOUT MOBILY

Organization and Activity

Etihad Etisalat Company (Mobily) was incorporated as a joint stock company under royal decree no. M/40 dated 18 August 2004 (corresponding to 2-7-1425H). The Company began its constituent activities on 14 December 2004 (corresponding to 2-11-1425H), where it was listed on the Saudi Stock Exchange (Tadawul). Mobily started with a capital of ﷲ 5 billion divided into 100 million shares at a par value of ﷲ 50 per share. Pursuant to the Capital Market Authority (CMA) resolution No. 4-154-2006 dated 27 March 2006 (corresponding to 27-2-1427H), the Company split each of its capital shares into 5 shares at a par value of ﷲ 10 per share. Thus, the number of shares issued by the Company became 500 million. The Company increased its capital to ﷲ 7 billion through a rights issue of 200 million shares that was concluded on 9 November 2008 (corresponding to 11-11-1429H). On 12 January 2013 (corresponding to 30-2-1434H), the General Assembly approved the Board of Directors’ recommendation to increase the Company’s capital from ﷲ 7,000 million to ﷲ 7,700 million, divided into 770 million shares with a par value of ﷲ 10 per share.

The breakdown of the 2024 results’ contributions is as follows (ﷲ Million):

Group’s Revenue Breakdown	Total
Rendering of services	17,034
Sale of devices	1,173
Total	18,206

The main activities of the subsidiaries are as follows:

- IT services, applications, billing and testing support, product marketing, process management, support services and call center services
- Wholesale and retail trade of computers and electronic equipment, maintenance and operation of such equipment and provision of related services
- Providing consulting and office administrative service activities
- Establishing and owning companies specializing in commercial activities
- Managing its affiliated companies or participating in

Pursuant to the Council of Ministers resolution no. 190 dated 10 August 2004 (corresponding to 23-6-1425H), Etihad Etisalat Company (Mobily) obtained the license to install and operate a mobile telephone network, including all related elements, and the provision of all related services locally and internationally through its own network. Mobily obtained a unified license to provide all licensed telecommunication services, including voice and internet services, pursuant to the Communications, Space and Technology Commission (CST) resolution no. 5125 dated 21 February 2017 (corresponding to 24-5-1438H). The Company’s main activity is to establish and operate mobile wireless telecommunications networks, fiber optics networks and any extension thereof to manage, install and operate telephone networks, terminals and communication unit systems, as well as to sell and maintain mobile phones and communication unit systems in the Kingdom of Saudi Arabia. The Company commenced its commercial operations on 25 May 2005 (corresponding to 17-4-1426H).

- the management of other companies in which it owns shares, and providing the necessary support for such companies
- Investing funds in shares, bonds and other securities
 - Owning real estate and other assets necessary for undertaking its activities within the limits pertained by law
 - Owning or leasing intellectual property rights such as patents and trademarks, concessions and other intangible rights to exploit and lease or sub-lease them to its affiliates or to others
 - Technology in financial services

Subsidiary Companies

Below is a summary of the Company’s subsidiaries and ownership percentage as of 31 December 2024 and 31 December 2023:

Name	Country of Incorporation	Country of Operations	Capital	Ownership Percentage		31 December 2023		Initial Investment (ﷲ thousand)
				31 December 2024	Indirect	Direct	Indirect	
Mobily Infotech India Private Limited	Republic of India	Republic of India/ Kingdom of Saudi Arabia	INR 20 million	99.99%	0.01%	99.99%	0.01%	1,836
Zajil International Network for Telecommunication Company*	Kingdom of Saudi Arabia	Kingdom of Saudi Arabia	ﷲ 10 million	96%	4%	96%	4%	80,000
National Company for Business Solutions	Kingdom of Saudi Arabia	Kingdom of Saudi Arabia	ﷲ 10 million	100%	-	100%	-	10,000
National Company for Business Solutions FZE	United Arab of Emirates	United Arab Emirates	AED 180,000	-	100%	-	100%	184
Mobily Ventures Holding W.L.L	Kingdom of Bahrain	Kingdom of Bahrain/ GCC/MENA	BD 250,000	100%	-	100%	-	2,510
Etihad Fintech Company	Kingdom of Saudi Arabia	Kingdom of Saudi Arabia	ﷲ 98.2 million	100%	-	100%	-	98,200

* On 15 March 2021, the Board of Directors of Etihad Etisalat Company approved the liquidation of Zajil International Network for Telecommunication Company, which is still in the process of completing the procedures and legal requirements for its liquidation

Mobily Infotech India Private Limited - LLC

The main activities of the Company include providing IT services, applications, billing, support testing, product marketing, management process, support services and call centers for its group of companies.

Zajil International Network for

Telecommunication Company - LLC

The main activities of the Company include a broad range of wholesale and retail services including computers and electronic devices, maintenance, operation and provision of related services.

On 15 March 2021, the Board of Directors of Etihad Etisalat Company approved the liquidation of Zajil International Network for Telecommunication Company, which is still in the process of completing the procedures and legal requirements for its liquidation.

National Company for Business Solutions - LLC

The main activities of the Company include providing consulting and office administrative service activities. During the year 2021, the Company acquired the remaining 5% which was owned by Bayanat Al-Oula for Network Services.

National Company for Business Solutions FZE - LLC

The main activity of the Company is the trade, import and export of computer systems.

Mobily Ventures Holding W.L.L - LLC

The Company acts as a holding company for the commercial, industrial and service group.

Etihad Fintech Company - Single Person Company

The main activity of the Company is financial services technology.

GOVERNANCE
IMPORTANT EVENTS

Mobily's General Assembly Approved the Election of Board Members for 4-Year Term

After Mobily announced to its shareholders the opening of nominations for membership on its Board of Directors for the term beginning 1 December 2024, for a period of 4 years ending on 28 November 2028, in accordance with the stipulations contained in the Companies Law and the Corporate Governance Regulations issued by the Capital Market Authority, the Ordinary General Assembly, on 28 November 2024, approved the election of Board members from among the candidates. The elected members are Mr. Fahad Abdullah Alissa, Eng. Hatem Mohamed Dowidar, Eng. Khalifa Hassan Alshamsi, Dr. Mohammed Karim Bennis, Eng. Mutaz Kusai Alazzawi, Mr. Abdulkarim Ibrahim Alnafie, H.E. Dr. Nabeel Mohamed Alamudi, Eng. Ahmed Abdelsalam Aboudoma, Dr. Khaled Abdulaziz Alghoneim, and Dr. Mansoor Abdulaziz Almansoor.

Announced the Appointment of its Chairman and Vice Chairman, and the Formation of Board Committees

Mobily's Board of Directors, elected for the current 4-year term, commencing on 1 December 2024 and ending on 30 November 2028, decided at its first meeting to appoint Mr. Abdulkarim Ibrahim Alnafie (Independent Member) as the Chairman of the Board and H.E. Dr. Nabeel Mohamed Alamudi (Independent member) as the Vice Chairman of the Board. The Board also formed the Committees in accordance with the approved roles and authorities.

Additionally, the Board appointed the Secretary of the Board and the Company's representatives to the Capital Market Authority (CMA) and the Saudi Exchange (Tadawul) for all matters related to the implementation of the Capital Market Law and its implementing regulations.

Announced the Formation of the Audit Committee

The Board of Directors of Etihad Etisalat Co. (Mobily) announced the formation of the Audit Committee for the current 4-year Board term, commencing on 1 December 2024, and ending on 30 November 2028, based on the Board's resolution. The members are Dr. Mohammed Karim Bennis (Committee Chairman), Eng. Ahmed Abdelsalam Aboudoma, and Dr. Mansoor Abdulaziz Almansoor.

Acquired Additional 120 MHz of Frequency Spectrum for a Total of ﷲ 2.5 billion

In its commitment to expanding mobile networks and providing innovative services and modern technologies, and with the advancements in Saudi Arabia's telecommunications sector, mobile networks and the increasing demand for advanced services, Etihad Etisalat Co. (Mobily) has invested in new frequencies necessary to enhance its infrastructure. This reaffirms the Company's commitment to providing cutting-edge infrastructure that supports the latest technologies to meet customer expectations and contribute to Saudi Arabia's digital transformation goals. Mobily has participated in and won the Communications, Space and Technology Commission's (CST) spectrum auction, held on 11 November 2024, acquiring a 15-year license for 120 MHz at ﷲ 2.5 billion. These frequencies will become effective on 1 January 2025.

By adding this new 120 MHz spectrum to its existing frequencies in the 800, 900, 1800, 2100, 2600 and 3700 MHz bands, which currently total 320 MHz, Mobily's total spectrum in mobile networks now reaches 440 MHz.

Signed a Hosting Agreement with Red Bull Mobile (Future Networks Communications Company)

Mobily signed a hosting agreement with Red Bull Mobile (Future Networks Communications Company) as an MVNO on Mobily's network. The cumulative contract value over a 6-year period is more than 5% of Mobily's 2023 annual revenue. This agreement offers Mobily a significant opportunity to expand its market reach and improve operational efficiency by leveraging its existing network infrastructure to host MVNOs.

Signed a ﷲ 4.8 billion Murabaha Agreement with SNB

Mobily signed a Murabaha financing agreement with Saudi National Bank (SNB) for ﷲ 4.8 billion. Characterized by favorable terms and competitive interest rates, the agreement is to finance working capital, along with an additional medium-term Murabaha financing for the partial refinancing of the Company's existing debt obligations. The financing agreement aligns with Mobily's long-term financial and capital restructuring strategy objectives, the statement noted.

FORWARD-LOOKING STATEMENTS

Mobily remains committed to supporting Saudi Arabia's Vision 2030 by capitalizing on growth opportunities and diversifying revenue streams to foster a sustainable national economy. The Kingdom's robust digital infrastructure ensures business continuity and resilience.

The ICT and emerging technologies market is poised for significant growth, projected to expand at an 8% CAGR over the next 5 years, driven by Vision 2030's focus on sector growth, GDP contribution, technology localization, attracting foreign investment and women's empowerment. With AI expected to contribute USD 135 billion to the Saudi economy by 2030, the Kingdom is emerging as a regional leader in digital transformation. This dynamic environment, underpinned by a strong demand for B2B and ICT services, presents compelling opportunities for Technology, Media and Telecommunications (TMT) companies like Mobily to capitalize on Saudi Arabia's rapidly evolving digital landscape and ongoing capital expenditure cycle.

Aligned with the Ministry of Communications and Information Technology's (MCIT) strategy and guided by the Company's Board of Directors' direction to align with the Vision's objectives, Mobily has refined its strategy with a focus on "Leading in Enriching Your Digital World." Key strategic objectives include:

- Market leadership: Achieving the highest revenue growth within the Technology, Media and Telecommunications (TMT) sector
- Digital innovation: Leading the development and deployment of future-proof digital products and services
- Customer-centricity: Delivering an exceptional and inclusive customer experience
- Business transformation: Adapting the business model to thrive in the evolving TMT landscape

Mobily will actively support the growth of the tourism, entertainment, sports and culture sectors by investing in network infrastructure, deploying 5G across the Kingdom, and expanding IoT solutions. The Company will continue to enhance its digital services and develop innovative 5G-powered solutions to accelerate digital transformation.

In addition, Mobily is committed to investing in cutting-edge technologies and delivering high-quality services to enhance customer experience, optimize business operations, strengthen partnerships and drive the growth of the ICT market. The Company aims to evolve into an integrated TMT player, expanding beyond traditional telecommunications.

Note: The telecommunications sector is regulated by government laws and regulations. Forward-looking statements may be affected depending on regulatory decisions issued by the relevant authorities.



GOVERNANCE
SOCIAL RESPONSIBILITY ACTIVITIES

Mobily actively engages in various social responsibility initiatives aimed at enhancing the well-being of the community. These initiatives are guided by a commitment to sustainability, ethical business practices and a positive impact on society. Mobily recognizes its role as a responsible corporate citizen and strives to make a meaningful difference in the lives of its customers, employees and the wider community.

To combat cyberbullying, Mobily launched the “Treat It as Your Guest” campaign, featuring a comprehensive social media strategy and engaging children through awareness workshops. Over 25 children participated in these workshops, gaining valuable knowledge and developing essential digital citizenship skills. The initiative aims to foster a safer online environment for young individuals.

Mobily’s commitment to social welfare extends to supporting low-income families. The ongoing “Jood Easkan” campaign provides crucial assistance to those in need, while the “Your Sense of Life” Ramadan campaign emphasized the importance of strong family bonds through internal and external awareness campaigns.

Furthermore, Mobily actively encouraged employee and public participation in charitable initiatives by facilitating donations through platforms like Ehsan and the National Donations platform. These endeavors demonstrate Mobily’s dedication to making a positive impact on society.

In addition to direct community engagement, Mobily actively supported various prestigious events in 2024, solidifying its position as a leading industry player. These sponsorships included the Italian Super Cup, World Defense Show, LEAP Technology Conference and several other key events. These platforms provided valuable opportunities for Mobily to showcase its innovative solutions and contribute to the growth of key sectors within the Kingdom.

These diverse CSR activities highlight Mobily’s commitment to creating a positive and sustainable impact on society. By empowering children, supporting vulnerable groups and fostering a culture of giving, Mobily continues to demonstrate its dedication to social responsibility and its role as a valuable contributor to the community’s growth and development.



GOVERNANCE

COMPANY SHAREHOLDERS

General Assembly of Shareholders

During 2024, the General Assembly of shareholders met twice. The Extraordinary General Assembly of shareholders met on 27 June 2024 using modern technology (Tadawulaty platform). The Ordinary General Assembly meeting was held on 28 November 2024 both in person and using modern technology means. Below is the attendance record of the members of the Board of Directors:

Sr.	Name	Position	27 June	28 November
1	Abdulkarim Ibrahim Alnafie	Chairman of the Board of Directors	Present	Present
2	Suliman Abdulrahman Algwaiz	Vice Chairman of the Board of Directors	Not present	Present
3	Nabeel Mohamed Alamudi	Member	Present	Present
4	Khalifa Hassan Alshamsi	Member	Present	Present
5	Mutaz Kusai Alazzawi	Member	Present	Present
6	Homood Abdullah Altuwaijri	Member	Present	Present
7	Khaled Abdulaziz Alghoneim	Member	Present	Present
8	Hatem Mohamed Dowidar	Member	Present	Present
9	Mohammed Karim Bennis	Member	Present	Present
10	Ahmed Abdelsalam Aboudoma	Member	Present	Present

The following are the results of the Extraordinary General Assembly meeting held on 27 June 2024. During the meeting, details of the percentages and number of votes for each item were presented separately. Below are the agenda items:

1.

Reviewed and discussed the Company's financial statements for the fiscal year ending 31 December 2023
2.

Approved the auditor's report for the fiscal year ending 31 December 2023 post its discussion
3.

Reviewed and discussed the Board of Directors' report for the fiscal year ending 31 December 2023
4.

Approved releasing the members of the Board of Directors from their liabilities for the fiscal year ending 31 December 2023
5.

Approved the appointment of Ernst & Young (EY) as an external auditor for the Company among nominees based on the recommendation of the Audit Committee to examine, review and audit the interim financial statements, starting with the 2024 quarterly (second and third) and annual statements up to the first quarter of 2025, and determined its fees with the amount of ₪ 6,710,000.00
6.

Approved the businesses and contracts made with Emirates Telecommunications Group Company, where the following members of the Board of Directors had indirect interests: (for the current term: Eng. Khalifa Alshamsi, Eng. Hatem Dowidar and Dr. Mohammed

Karim Bennis). Details of which are: Interconnection and roaming services rendered of ₪ 127,620,000, interconnection and roaming services received of ₪ 352,924,000 and other telecommunications services of ₪ 16,776,000, without preferential conditions.

7.

Approved the businesses and contracts made with Emirates Telecommunications Group Company, where the following members of the Board of Directors had indirect interests: (for the current term: Eng. Khalifa Alshamsi, Eng. Hatem Dowidar and Dr. Mohammed Karim Bennis). These contracts are related to providing interconnection and roaming services, as well transactions with international telecommunications service providers through officially signed roaming agreements with Emirates Telecommunications Group Company (PJSC), with total transaction revenue of USD 51.8 million and a total transaction cost of USD 57.9 million, without preferential conditions.

8.

Disapproval of the businesses and contracts made with Emirates Telecommunications Group Company, where the following members of the Board of Directors were indirectly interested: (for the current term: Eng. Khalifa Alshamsi, Eng. Hatem Dowidar and Dr. Mohammed Karim Bennis), which is a 3-year venture capital investment of ₪ 300 million. The agreement will be signed upon fulfillment of all requirements from the relevant government authorities and obtaining the necessary approvals, without preferential conditions.

9.

Approved the businesses and contracts made between the Company and Elm Information Security Company, where the member of the Board of Directors, Dr. Khaled Abdulaziz Alghoneim is indirectly interested. These include rendered communications services valued at ₪ 12,057,824 and received authentication, and the device supply services valued at ₪ 24,818,229, without preferential conditions.
10.

Approved the businesses and contracts made between the Company and Bayan Company, where the member of the Board of Director, Dr. Khaled Abdulaziz Alghoneim is indirectly interested. These include a data center hosting project and provisioning of network services rendered, amounting to ₪ 1,444,520, as well as credit reporting package services received amounting to ₪ 66,666, without preferential conditions.
11.

Approved the businesses and contracts made between the Company and Almoammar Company, where the Chairman of the Board of Directors, Mr. Abdulkarim Ibrahim Alnafie, has indirect interests. These contracts include a set of rendered communication services valued at ₪ 463,895 and received technical solutions and information systems amounting to ₪ 27,709,436, without preferential conditions.
12.

Approved the businesses and contracts made between Mobily Pay Company and Mozon Company, where the Board member, Dr. Khaled Abdulaziz Alghoneim, has indirect interests. These include providing a financial fraud and compliance monitoring system for a period of 2 years, at a value of ₪ 1,466,250, without preferential conditions.
13.

Approved the businesses and contracts made between the Company and the Company for Cooperative Insurance (Tawuniya), where the members of the Board of Directors, Eng. Homood Abdullah Altuwaijri and Dr. Khaled Abdulaziz Alghoneim, have indirect interests. Details include providing medical insurance services to Mobily employees for a period of 1 year, starting from 1 April 2023 until 31 March 2024, without preferential conditions, at a value of ₪ 49,994,879.
14.

Approved delegating the General Assembly Meeting its authorization powers stipulated in paragraph (1) of Article 27 of the Companies Law to the Company's Board of Directors, for a maximum of 1 year from the date of approval by the General Assembly to delegate its powers, or until the end of the term of the delegated Board of Directors, whichever is earlier, in accordance with the conditions within the Regulatory Rules and Procedures issued pursuant to the Companies Law relating to Listed Joint Stock Companies.
15.

Approved the recommendation of the Board of Directors to distribute cash dividends to the shareholders for the fiscal year ending 31 December 2023 in the amount of ₪ 1,116,500,000 at ₪ 1.45 per share, representing 14.50% of the nominal value per share. The eligibility of cash dividends will be to shareholders who own the Company shares by the end of the trading day of the General Assembly of the Company and are enrolled in the Company's registry at the Securities Depository Center Company (Edaa) by the end of the second trading day following the eligibility date. The distribution of the dividend will start from 15 July 2024.
16.

Approved the amendment of the Audit Committee Charter.
17.

Approved the amendment of the Nomination and Remuneration Committee Charter.
18.

Approved the amendment of the Board of Directors Membership Policies, Standards and Procedures.
19.

Approved the transfer of the balance of the statutory reserve amounting to ₪ 2,648,971,000, as shown in the financial statements for the year ended 31 December 2023 to the retained earnings.
20.

Approved the Employees Stock Incentive program and authorized the Board of Directors to determine the terms of this program, including the allocation price for each share offered to employees, if any.
21.

Approved the authorization of the Board of Directors to distribute interim dividends to shareholders on a semi-annual basis for the fiscal year of 2024.

GOVERNANCE
COMPANY SHAREHOLDERS (CONTINUED)

Mobily announced the results of the Extraordinary General Assembly Meeting held on 28 November 2024. After outlining the proportions and number of votes for each item, the results were as follows:

1. Approved the election of members to the Board of Directors from among the candidates for the upcoming 4-year term, commencing on 1 December 2024, and concluding on 30 November 2028:
1. Mr. Fahad Abdullah Alessa

2. Eng. Hatem Mohamed Dowidar

3. Eng. Khalifa Hassan Alshamsi

4. Dr. Mohammed Karim Bennis

5. Eng. Mutaz Kusai Alazzawi

6. Mr. Abdulkarim Ibrahim Alnafie

7. H.E. Dr. Nabeel Mohamed Alamudi

8. Eng. Ahmed Abdelsalam Aboudoma

9. Dr. Khaled Abdulaziz Alghoneim

10. Dr. Mansoor Abdulaziz Almansoor
2. Approved the authorization of the elected Board of Directors with the powers of the Ordinary General Assembly Meeting as stipulated in paragraph (1) of Article 27 of the Companies Law, for a maximum of 1 year from the date of approval by the General Assembly, or until the end of the term of the delegated Board of Directors, whichever is earlier, in accordance with the conditions contained in the Regulatory Rules and Procedures issued pursuant to the Companies Law relating to Listed Joint Stock Companies.

Actions Taken by the Board of Directors to Inform its Members, especially Non-Executives, of the Shareholders’ Proposals and Observations on the Company and its Performance

Mobily’s Investor Relations Department maintains regular communication with the Company’s shareholders through various communication channels. If any proposals have been received from shareholders, they will be reviewed and reported in full to the Board of Directors. Shareholders are also given the opportunity to submit proposals and inquiries directly to members of the Board of Directors during the General Assembly meetings, and sufficient time is dedicated to answer these questions.

Following the announcement of Mobily’s interim and annual financial results, the Company’s Investor Relations Department conducts an earnings conference call with financial analysts and representatives of investment agencies to discuss financial results. During the call, the Department discusses the Company’s results and performance during the period in question in detail and addresses the queries of the attendees.

Kindly note that the Board of Directors authorized the Company to take the necessary actions that enable shareholders to communicate their proposals and observations, through the following communication channels for the Investor Relations Department:

Tel: 00966560314099
Email: IRD@mobily.com.sa
Address: King Fahd Road, Mobily C1, Al Yabis Building, 5th Floor, P.O. Box 9979, Riyadh 11423

Requests for the Shareholders’ Register

During 2024, the Company requested the Shareholders Register 7 times from the Securities Depository Center (Edaa). The dates and reasons for such requests are listed below:

No. of Requests	Request Date	Reasons
1	3 January	Corporate action
2	25 June	Corporate action
3	27 June	General Assembly
4	30 June	Dividend entitlement
5	27 August	General Assembly
6	23 September	Dividend entitlement
7	28 November	General Assembly



GOVERNANCE
DIVIDEND POLICY

First: Dividend Entitlement

1. Shareholders are entitled to receive their share of dividends as per the decision of the General Assembly in respect of the distribution of dividends to shareholders or the Board resolution on distributing interim dividends. The resolution shall specify the record date and the distribution date, where registered shareholders are entitled to receive the dividends by the end of the eligibility date, provided that the resolution shall be executed as per the Regulatory Rules and Procedures issued pursuant to the Companies Law related to Listed Joint Stock Companies.
2. If the statutory reserve exceeds 30% of the paid-up capital, the General Assembly may decide to distribute the surplus to the shareholders, during such years when the Company does not achieve enough net profit to distribute the dividends assigned to them in its Articles of Association.

Second: Distribution of Dividends

The Board of Directors shall recommend the announcement and payment of any dividends before such dividends are approved by the General Assembly of shareholders. Such recommendation depends upon a number of factors, including the amount of current and projected profits, as well as cash flows, market data and economic factors, in addition to statutory considerations (such as limitations as set out in the Company's Articles of Association, the Companies Law and Corporate Governance Regulations). The Company's net profits are distributed as follows:

1. 10% of the net profit is to be set aside to form a statutory reserve. The Ordinary General Assembly may discontinue the setting aside for the statutory reserve when such reserve reaches 30% of the Company's paid-up capital
2. The Ordinary General Assembly may, upon the recommendation of the Board of Directors, set aside 5% from the net profit to form a provisional reserve to be allocated for certain purpose or purposes.
3. The Ordinary General Assembly shall have the right to decide on forming other reserves to the extent that it serves the best interests of the Company or to ensure the distribution of fixed dividends, as much as possible, to the shareholders.
4. A dividend representing a minimum of 5% of the Company's paid-up capital shall be distributed from the residuum to the shareholders.

Third: Timing of Payment of Dividends

The Board must implement the General Assembly resolution with respect to dividend distribution to the registered shareholders within 15 working days from the date they become entitled to such dividends as determined in such resolution, or the Board's resolution for the distribution of interim dividends.

Fourth: Interim Dividend Distribution

1. The Company may, if so provided and permitted in its Articles of Association, distribute interim dividends to its shareholders on a biannual or quarterly basis after fulfilling the following requirements:
 - The issuance of a resolution by the General Assembly, renewed annually, authorizing the Board to distribute interim dividends
 - The Company shall enjoy regular positive profitability
 - The Company shall enjoy good liquidity and is able to reasonably foresee the scale of its profits
 - The Company shall have distributable profits - according to the latest audited annual financial statements - sufficient to cover the proposed dividend distribution, after deducting the amounts distributed and capitalized, of the profits after the date of these financial statements
2. The Board must include in its Annual Report, submitted to the General Assembly of the Company, the portion of dividends distributed to shareholders during different periods of the financial year in addition to the payment method and portion of dividends proposed for distribution at the end of the financial year, and the aggregate dividend amounts.
3. Dividend distributions must be recorded to the cumulative retained earnings account of preceding years, or the provisional reserves, or both. The Company must take a sequential and consistent approach in determining the manner and percentage of dividend distributions in light of the Company's capabilities and available liquidity. The Board must disclose and announce the portion of regular interim dividends approved for distribution to the shareholders on the specified dates.
4. The Company must, upon resolving to distribute interim dividends, disclose and announce such resolution immediately, and provide the Authority with a copy thereof immediately.

2024 Dividends

On 13 September 2024, the Board of Directors approved the distribution of interim cash dividends for the first half of the 2024 fiscal year, totaling ₪ 693 million at ₪ 0.90 per share, representing a 9% distribution ratio. The dividends were distributed on 6 October 2024.

On 18 February 2024, the Board of Directors approved the distribution of cash dividends to shareholders for the second half of the 2024 fiscal year. The total proposed amount of dividend distribution is ₪ 1,001 million, at ₪ 1.30 per share. The approved percentage of dividend to the share par value is 13%. The eligibility of cash dividends

will be for shareholders who own Company shares on the eligibility date and enrolled in the Company's Register at the Securities Depository Center Company (Edaa) by the end of the second trading day of the eligibility date, i.e., 20 March 2025. Thus, the total annual dividend amounts to ₪ 2.20 per share, resulting in a total annual dividend of ₪ 1,694 million, which represents a 52% increase over the previous year. Consequently, we confirm our continued commitment to a sustainable dividend policy aimed at maximizing investor returns, supported by our strong financial performance and operational efficiency.

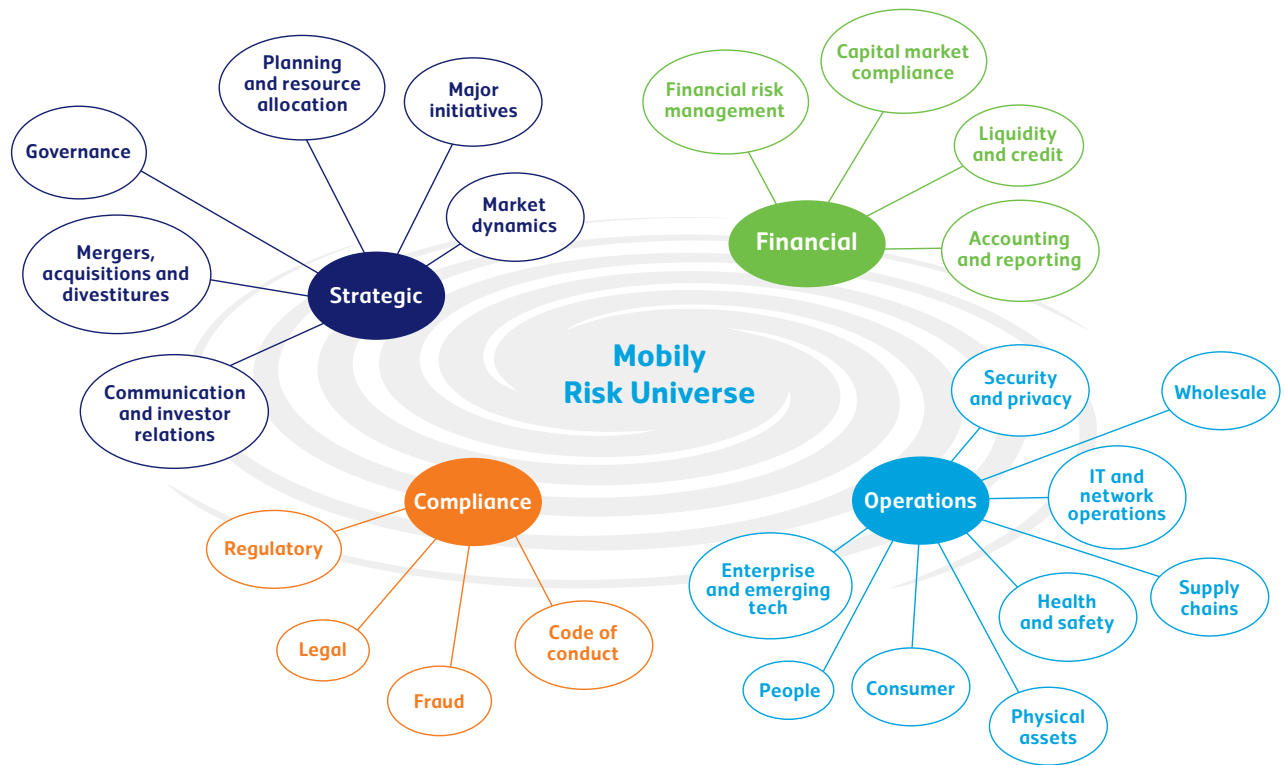




GOVERNANCE
COMPANY RISKS

Mobily operates in a challenging environment driven by ever-increasing uncertainties, emerging technologies, stiff competition and regulatory changes. Managing risk from the identification phase to the risk mitigation phase is becoming increasingly difficult. To navigate safely through these challenges, the Mobily Risk Management team has identified its risk universe (Figure 4) and established a robust risk management and business continuity practice in accordance with international standards and best

practices. These practices comply with the statutory and regulatory requirements including but not limited to Capital Market Authority (CMA) regulations in Saudi Arabia. The Risk Management team provides quarterly updates to the Executive Risk Management Committee (ERMC) and Board Risk Management Committee (BRMC) about its activities relating to existing and emerging risks as well as the status of its BCM programs.



Risk Category	Top Risk	Key Drivers	Mitigation Approach
Technology Risk	Enterprise digital transformation	<ul style="list-style-type: none">Suboptimal corporate wide agility to deliver on transformation projectsChanging business prioritiesSuboptimal change management	<ul style="list-style-type: none">Effectively planned an agile digital transformation projectClear value realization programEffective change managementUser training
Compliance Risk	Regulatory decisions	<ul style="list-style-type: none">Change in the regulatory landscape	<ul style="list-style-type: none">Strong corporate governance and compliance are in place to ensure compliance with all regulatory requirementsRegular engagement with government entities on relevant key matters impacting Mobily and the sector
Technology Risk	Cyber attacks	<ul style="list-style-type: none">Vulnerabilities and threatsGeopolitical threatsIncrease in hacktivism	<ul style="list-style-type: none">Security and privacy, and IT teams work together to implement the controls and prevent cyberattacks in compliance with National Cybersecurity Authority (NCA) and ISO requirementsEmployee training to maintain and raise levels of awareness
Compliance Risk	Data privacy	<ul style="list-style-type: none">Technological advancement leading to increased means to access dataIncrease in hacktivismIncreasing data privacy mandate	<ul style="list-style-type: none">Implementation of National Data Management Office (NDMO) control measuresISO certificationManagement oversight
Strategic Risk	Subsidiaries governance and operation	<ul style="list-style-type: none">Governance practices and integration with MobilyDependency on third partiesMarket competition	<ul style="list-style-type: none">Clear operating model in placeSubsidiary Management Unit is established to oversee the subsidiaries performanceSuccessfully formed Board of Directors, Audit Committee and all relevant Committees in place with clear Charters and Delegation of Authorities
Environmental, Social and Governance Risk	ESG	<ul style="list-style-type: none">Climate changeIncreased pressure on natural resourcesPollution and waste disposalSocial inequalityEthical culture and business practices	<ul style="list-style-type: none">Development of ESG strategy and programsImplementation of controls to mitigate ESG risks

Risk Management

The Group has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

Risk management is carried out by the senior management under policies approved by the Board of Directors. Senior management identifies, evaluates and hedges, when appropriate, financial risks in close co-operation with the Group's operating units.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty fails to meet its contractual obligations. The Group is exposed to credit risk principally from Cash and cash equivalents, accounts receivable, due

from related parties, Short term Murabaha and derivative financial instruments.

The carrying amount of financial assets represents the maximum credit exposure.

Cash and cash equivalents and Short term Murabahas

Cash and cash equivalents and Short term Murabaha are held with counterparties with sound credit ratings. The Group regularly updates its cash flow and, where appropriate, places any excess cash on short-term investments with reputable financial institutions.

Accounts receivable

The Group has established a credit policy under which credit assessment is being made to check the credit worthiness of major customers prior to signing the contracts/ accepting their purchase orders.

GOVERNANCE
COMPANY RISKS (CONTINUED)

The receivables are shown net of allowance for impairment loss on accounts receivable. The Group applies the simplified approach to calculate impairment loss on accounts receivable and this always recognizes lifetime ECL on such exposures. ECL on these financial assets are estimated using a flow rate based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate. Credit and Collection Operations provide inputs on the aging of financial assets on a periodic basis.

The following table summarize the financial assets and liabilities subject to offsetting according to enforceable offsetting master and similar agreements:

	Gross amounts	Amounts set off	Net amounts
31 December 2024			
Accounts receivable	6,587,397	(2,657,838)	3,929,559
Accounts payable	6,261,376	(2,657,838)	3,603,538
31 December 2023			
Accounts receivable	5,369,933	(1,979,399)	3,390,534
Accounts payable	5,394,692	(1,979,399)	3,415,293

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Group's approach in managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due without incurring unacceptable losses or risking damage to the Group's reputation.

The management closely and continuously monitors the liquidity risk by performing regular review of available

Offsetting of financial assets and financial liabilities

The Company has various netting agreements in place with counterparties. These netting agreements generally enable the counterparties to set-off liabilities against available assets received in the ordinary course of business and/or in the event of the counterparty's default. The offsetting right is a legal right to settle, or otherwise eliminate, all or a portion of an amount due by applying an amount receivable from the same counterparty against it. However, the offsetting criteria under IAS 32 are not met in all cases.

funds, present and future commitments, operating and capital expenditure. Moreover, the Group monitors the actual cash flows and seeks to match the maturity dates of its financial assets and its financial liabilities, the positive cash flow from operation indicated that the Group able to meet the short-term debts.

The Group seeks continuously to comply with its legal obligations, including any, relating to its borrowing's agreements.

The following represents the maturities of financial liabilities at the reporting date based on undiscounted contractual cash flows:

	Less than one year	1 to 5 years	More than 5 years	Total contractual cash flows	Carrying amount
At 31 December 2024					
Borrowings	832,754	5,586,587	1,344,511	7,763,852	6,184,710
Lease liabilities	1,390,801	1,173,785	1,588,948	4,153,534	3,274,855
Accounts payable	3,603,538	-	-	3,603,538	3,603,538
Due to related parties	193,439	-	-	193,439	193,439
Other Financial liabilities	252,723	125,802	27,858	406,383	402,122
	6,273,255	6,886,174	2,961,317	16,120,746	13,658,664
At 31 December 2023					
Borrowings	2,079,945	7,217,314	212,801	9,510,060	8,310,441
Lease liabilities	1,302,363	1,851,852	468,942	3,623,157	3,223,782
Accounts payable	3,415,293	-	-	3,415,293	3,415,293
Due to related parties	177,249	-	-	177,249	177,249
Other Financial liabilities	189,482	155,354	37,145	381,981	367,166
	7,164,332	9,224,520	718,888	17,107,740	15,493,931

Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates, profit rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Group's transactions are principally in Saudi Riyals and US Dollars. The Saudi Riyal is pegged to the US Dollar.

The management closely and continuously monitors the exchange rate fluctuations. Based on its experience and market feedback, the management does not believe it is necessary to hedge the effect of foreign exchange risks as most of the transactions of foreign currency risk is relatively limited in the medium term.

Profit rates risk

Profit rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market profit rates. The Group's exposure to market risk for changes in profit rates relates primarily to the Group's borrowings which were acquired to finance working capital requirements and capital expenditure. These borrowings are re-priced on a periodic basis and expose the Group to profit rate risk. The Group's practice is to manage its financing cost through optimizing available cash and minimizing borrowings.

The Group seeks to ensure that on the medium term a significant portion of its borrowings is at a fixed rate. This is achieved partly by entering into fixed rate instruments and partly by borrowing at a floating rate and using profit rate swaps as hedges of the variability in cash flows attributable to movements in profit rates.

The Group determines the existence of an economic relationship between the hedging instrument and hedged item based on the reference profit rates, tenors, re-pricing dates, maturities and the notional amounts.

GOVERNANCE
STATEMENT OF COMPLIANCE

The consolidated financial statements comprise the financial information of the Company and its subsidiaries (together referred to as the “Group”).

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) that are endorsed in the Kingdom of Saudi Arabia, in addition to other standards and pronouncements issued by the Saudi Organization for Chartered and Professional Accountants (SOCPA).

The principal accounting policies applied in the preparation of these consolidated financial statements have been consistently applied to all years presented.

The Company’s Board of Directors approved the consolidated financial statements for the year ended 31 December 2024 on 18 February 2025.





GOVERNANCE

SUMMARY OF ASSETS, LIABILITIES AND FINANCIAL RESULTS

The following tables summarize the consolidated statement of financial position, operating income and the consolidated income statement as of 31 December 2024, 2023, 2022, 2021 and 2020:

Summary of the Consolidated Balance Sheet (₹ million)

	2024	2023	2022	2021	2020
Current assets	9,496	9,574	8,125	8,085	6,476
Non-current assets	29,019	29,317	30,053	31,279	31,932
Total assets	38,515	38,891	38,178	39,364	38,408
Current liabilities	10,412	11,271	10,065	11,083	10,985
Non-current liabilities	9,228	9,997	11,755	13,085	12,978
Total liabilities	19,640	21,268	21,820	24,168	23,963
Shareholders' equity	18,875	17,623	16,358	15,196	14,445
Total liabilities and equity	38,515	38,891	38,178	39,364	38,408

The Company's total assets as of 31 December 2024 amounted to ₹ 38,515 million, while total liabilities amounted to ₹ 19,640 million and shareholders' equity amounted to ₹ 18,875 million.

Property and equipment accounted for the largest portion of the Company's assets, with a net book value of ₹ 18,851

million, while loans accounted for most liabilities at ₹ 6,185 million. These loans were allocated for the general purposes of the Company, acquiring network equipment, purchasing communications equipment and financing CAPEX. The end-of-service gratuity (EOSG) for the Company's employees was ₹ 601 million as at 31 December 2024.

Summary of the Consolidated Operating Income (₹ million)

	2024	2023
Service provision	17,034	16,760
Sale of equipment	1,173	1,003
Total revenue	18,206	16,763

Summary of the Consolidated Income Statement (₹ million)

	2024	2023	2022	2021	2020	Change 23/24	Change % 23/24
Revenue	18,206	16,762	15,717	14,834	14,046	1,444	8.61%
Cost of revenue	(8,312)	(7,509)	(6,336)	(6,163)	(5,894)	(803)	10.69%
Gross profit	9,894	9,253	9,381	8,671	8,152	641	6.93%
Selling and marketing expenses	(1,345)	(1,249)	(1,463)	(1,390)	(1,391)	(96)	7.69%
General and administrative expenses	(1,209)	(1,194)	(1,628)	(1,558)	(1,407)	(15)	1.62%
Impairment of accounts receivable and contract assets	(146)	(186)	(111)	(142)	(15)	40	(21.51%)
Depreciation and amortization	(3,664)	(3,647)	(3,851)	(3,927)	(3,970)	(17)	0.47%
Operating profit	3,530	2,977	2,328	1,654	1,369	553	18.58%
Share in profit of joint ventures	44	30	28	(19)	-	14	46.67%
Finance income	175	164	46	5	21	11	6.71%
Finance costs	(615)	(690)	(607)	(505)	(561)	75	(10.87%)
Other income/(expenses), net	59	(32)	(16)	15	(3)	91	(284.38%)
Zakat and income tax	(86)	(217)	(122)	(79)	(43)	131	(60.37%)
Net profit	3,107	2,232	1,657	1,071	783	875	39.20%

Mobily delivered extraordinary financial and operational results in line with its given guidance for the year, recording the highest annual revenue, EBITDA and net profit in over a decade, driven by robust contributions across all segments:

- Net income surged by 39.2% to reach ₹ 3,107 million, up from ₹ 2,232 million for 2023, fueled by robust revenue and EBITDA growth
- Revenue reached ₹ 18,206 million in 2024, compared to ₹ 16,762 million for the previous year, representing an 8.6% increase. This reflects growth across all revenue streams and an expanded subscriber base
- Gross profit amounted to ₹ 9,894 million in 2024, a 6.9% increase from ₹ 9,453 million in the previous year, driven by revenue growth
- Earnings before interest, taxes, depreciation and amortization (EBITDA) rose by 8.6% to ₹ 7,195 million in 2024, compared to ₹ 6,625 million in 2023. This increase is attributed to the Company's efficiency in managing its operations, as well as the positive impact of a withholding tax reversal amounting to ₹ 284 million
- EBITDA margin remained stable at 39.5% in 2024, compared with 39.5% margin for the previous year
- Due to EBITDA growth, operating profit grew by 18.6% to ₹ 3,530 million in 2024, up from ₹ 2,977 million in the previous year, despite a ₹ 99 million negative impairment impact of fully depreciated asset residual values



GOVERNANCE
LOANS

Details of loans and notes payable as at 31 December 2024 are as follows. It should be noted that the amounts paid during the year are estimated at ₪ 6,282 million:

Lender	Borrowings Nature	Borrowings Purpose	Date	Currency	Principal Amount	Utilized Amount	Profit Rate	Period	Other Information	31 December 2024 (₪ million)			31 December 2023 (₪ million)			Paid-up Amount During 2024*
										Current	Non-Current	Total (remaining due amount)	Current	Non-Current	Total (remaining due amount)	
Syndicated Financing - Local Banks	Long-term refinancing facility agreement Sharia' compliant	Syndicated Murabaha facility for general corporate purpose	Q4, 2019	Saudi Riyals	SAR 7,619 million	SAR 7,619 million	SIBOR plus profit margin	7 years	Repayment period of 7 years with semi-annual repayment	-	-	-	1,133	4,555	5,688	5,741
Export Credit Agency of Finland (Finnvera)	Long-term financing agreement Sharia' compliant	Acquiring network equipment	Q3, 2013, Q1, 2014 & Q4, 2018	USD	USD 720 million (SAR 2,700 million)	USD 720 million (SAR 2,700 million)	Fixed rate per annum	10 years	Utilization period of 1.5 years, repayment period of 8.5 years with semi-annual repayment	50	100	150	164	150	314	170
Export Credit Agency of Sweden (EKN)	Long-term financing agreement Sharia' compliant	Acquiring network equipment	Q3, 2013, Q1, 2014 & Q4, 2018	USD	USD 652 million (SAR 2,444 million)	USD 629 million (SAR 2,358 million)	Fixed rate per annum	10 years	Utilization period of 1.5 years, repayment period of 8.5 years with semi-annual repayment	84	125	209	125	209	334	132
Export Development of Canada (EDC)	Long-term financing agreement Sharia' compliant	Acquiring telecommunication devices and equipment	Q2, 2014	USD	USD 122 million (SAR 458 million)	USD 101 million (SAR 377 million)	Fixed rate per annum	10.5 years	Utilization period of 2 years, repayment period of 8.5 years with semi-annual repayment	-	-	-	41	-	41	44
Alinma Bank	Long-term financing agreement Sharia' compliant	Finance capital expenditure including capital expenditure	Q4, 2019	Saudi Riyals	SAR 3,000 million	SAR 2,450 million	SIBOR plus profit margin	10 years	Payable over a period of 10 years with semi-annual repayments and with a 3-year grace period	182	2,054	2,236	148	1,786	1,934	148
Saudi National Bank (SNB)	Long-term financing agreement Sharia' compliant	Syndicated Murabaha facility for general corporate purpose	Q1, 2024	Saudi Riyals	SAR 3,685 million	SAR 3,685 million	SIBOR plus profit margin	7 years	Payable over a period of 7 years with semi-annual repayments	144	3,446	3,590	-	-	-	74
Total										460	5,725	6,185	1,611	6,700	8,311	6,282

On 17 January 2024, the Company signed a Murabaha Financing Agreement with the Saudi National Bank, amounting to ₪ 4.8 billion for a financing period of 7 years. This agreement, characterized by favorable terms and competitive interest rates, is for working capital financing, in addition to an additional medium-term Murabaha financing to facilitate the partial refinancing of existing debt obligations with Mobily's long-term financial and its capital restructuring strategy objectives.

During the first quarter of 2024, the Company used ₪ 3.685 billion from the financing agreement to facilitate partial refinancing of Mobily's existing pool loan amounting to ₪ 5.333 billion. The agreement does not include any mortgages or financial guarantees.

During the first quarter of 2024, the Company withdrew ₪ 450 million from the available credit limit with Alinma Bank under the credit facilities agreement signed in the fourth quarter of 2019 to finance capital expenditures.

GOVERNANCE
STATUTORY PAYMENTS

Paid and due statutory payments (ﷲ million):

Item	Payable to	2024		Short Description and Reason
		Paid	Due for Fiscal Year-End, Not Paid	
Zakat	General Authority of Zakat and Tax	153.8	82.5	In accordance with the relevant laws and regulations
VAT	General Authority of Zakat and Tax	1,434	78.7	In accordance with the relevant laws and regulations
GOSI fees	General Organization for Social Insurance	115.05	9.76	In accordance with the relevant laws and regulations
Visa and passport costs	Ministry of Interior	0.93	-	In accordance with the relevant laws and regulations
Labor office fees	Ministry of Labor	2.90	-	In accordance with the relevant laws and regulations

Provision for zakat

	31 December 2024	31 December 2023
Balance at the beginning of the year	185,459	150,443
Charge during the year	82,435	154,023
Prior year settlements	773	61,495
Total charge during the year	83,208	215,518
Payments and settlements during the year	(154,662)	(180,502)
Balance at the end of the year	114,005	185,459

The Group is subject to Zakat according to the regulations of Zakat, Tax and Customs Authority (ZATCA) in Saudi Arabia. Since the financial year ended 31 December 2009, the Group has been filing its Zakat returns on a consolidated basis, including the Company and its subsidiaries, due to the fact that the Group constitutes a single economic entity wholly owned and managed by the Company. The Group has filed its Zakat returns with ZATCA for the years up to 2023 and has settled its Zakat thereon.

During 2024, Minister of Finance Resolution No. (1007), dated 19-8-1445H, was issued, approving the executive regulations for Zakat collection based on the formula attached to the decision. These regulations replace the previous executive regulations for Zakat collection issued by the Ministerial Resolution No. (2216), dated 7-7-1440H, and are effective for the fiscal years beginning on or after 1 Jan 2024. Consequently, the Group calculated its Zakat for 2024 in accordance with these new regulations.

The Group has finalized its zakat status for the years up to 2022. There are no assessments received from ZATCA related to the year 2023.

The Group has received zakat assessments that showed additional zakat liabilities for the years 2010, 2011 and 2014 to 2018 of ﷲ 157 million, which have been appealed against by the Group at the Preliminary and Higher Appeal Committees. During the fourth quarter of 2022, the Group received preliminary favorable ruling regarding zakat assessments for the years 2010 and 2011 where (ZATCA) appealed against it. During the month of January 2024, the committee upheld the ruling issued in favor of the Group regarding these years, and accordingly, all lawsuits related were settled.

During the third quarter of 2023, an agreement was reached with the Zakat, Tax and Customs Authority (ZATCA) regarding the settlement of disputes regarding additional zakat assessments related to the years from 2014 until 2018, amounting to ﷲ 50.5 million. accordingly, all lawsuits related to these years were settled and ended.

During the third quarter of 2023, the group received the zakat assessments for the years 2019 and 2020, which showed additional zakat dues worth ﷲ 11 million. After studying the items included in these assessments, the Group accepted these assessments and the zakat status for these years was settled.

During the fourth quarter of 2024, the group received the zakat assessments for the years 2021 and 2022, which showed additional zakat dues worth ﷲ 18 million. After studying the items included in these assessments, the Group accepted these assessments and the zakat status for these years was finalized.

Income Tax

Income tax expenses payable by subsidiaries, in accordance with the prevailing tax regulations in their countries, for the year ended 31 December 2024 amounted to ﷲ 3 million (2023: ﷲ 1.7 million). Income tax paid during the year ended 31 December 2024 amounted to ﷲ 2 million (2023: ﷲ 2.1 million).



GOVERNANCE
LAWSUITS AND VIOLATIONS

In 2024, the Committee for the Consideration of Violations of the Telecommunication and Information Technology Act passed several decisions, including penalties against Mobily. The Company appealed such decisions in accordance with the Telecommunication and Information Technology Act and its executive regulations. Such decisions were based on the rejection of number transfer requests and the terms and conditions of providing service to customers, among other reasons.

The Company seeks to avoid a recurrence of such penalties through the following actions:

1. Analyzing and addressing the causes of violations in coordination with the relevant units of the Company
2. Enhancing compliance with the CST's resolutions and instructions
3. Raising organizational awareness about new laws, regulations and instructions
4. Escalating the matter if required

In addition, this can be done through the development of the organizational commitment mechanisms and tools, and by allocating the necessary HR resources and policies to address violations within the legal period in compliance with CST's regulations.

The CST violation committee has issued several penalty resolutions against the Group amounting to ٢٧ million as of 31 December 2024 (31 December 2023: ٢١ million). The Group filed multiple lawsuits against CST at the Board of Grievances in order to oppose such resolutions of the CST violation committee, which remain outstanding. Based on the status of these lawsuits as of 31 December 2024, the Group's management believes that sufficient provisions have been recorded.

The Company is also committed to enhancing the operational mechanisms and tools of its Regulatory Affairs Unit, allocating the necessary human resources, establishing compliance policies and addressing the root causes of violations in alignment with the regulations set forth by the CST.



GOVERNANCE
ANNUAL REVIEW OF THE EFFECTIVENESS OF INTERNAL CONTROL PROCEDURES

The formulation of the Audit Committee (hereinafter referred to as the “Committee”) at Mobily, took into consideration the requirements of corporate governance in terms of its composition and direct association with the Company’s Board of Directors (hereinafter referred to as “the Board”). The Committee’s main contribution was in reviewing the financial statements and reports and accounting policies, and in supervising of the work of Internal Audit, the external auditors and compliance. The Committee held 11 meetings during 2024.

Duties of the Audit Committee

The Committee works to assist the Board of Directors in fulfilling its responsibility towards monitoring financial reports and the internal control system, overseeing the work of the auditors, reviewing the interim and annual financial statements, reviewing the applied accounting policy and ensuring the Company’s compliance with applicable laws and regulations. The Committee regularly communicates with the Internal Audit Department, where the Internal Audit Department is tasked with evaluating the effectiveness of the Company’s internal control framework and functions and reporting on the same, using a risk-based assessment methodology.

Highlights of the Committee’s Activities during 2024:

During the fiscal year 2024, the Committee undertook several key activities, including:

1. Auditing and approving the Internal Audit plan and ensuring the availability of the required resources to guarantee its continuous effectiveness
2. Supervising the Internal Audit Department and overseeing the execution of its plan, including appointing the Chief Internal Audit Officer, recommending the adoption of the Internal Audit Work Regulations and associated powers to the Board of Directors, approving the updated Internal Audit strategy, implementing a continuous review mechanism using modern technologies, reviewing and approving the necessary resources for Internal Audit activities and directing the Internal Audit Unit in responding to compliance requirements as requested by regulators

3. Reviewing and approving the quarterly Internal Audit reports submitted to the Committee and the Board of Directors in accordance with Corporate Governance Regulations, while providing guidance on additional Internal Audit reporting requirements
4. Discussing and monitoring Internal Audit reports issued in 2024, tracking the implementation of recommendations by relevant departments and addressing any matters referred to the Committee by the Board of Directors
5. Supervising the work of external auditors and conducting periodic meetings with them
6. Reviewing the quarterly and annual financial statements and recommending their approval to the Board of Directors
7. Reviewing and discussing the “Management Letter” issued by the external auditors and monitoring the implementation of its recommendations
8. Assessing new policies in accordance with the Committee’s terms of reference and reviewing updates to existing ones, then recommending them to the Board for approval. These include the Whistleblowing Policy, External Audit Policy and Related Party Transactions Policy
9. Monitoring key activities that strengthen the Company’s control system and ensure business continuity, including reviewing the internal control system development project prepared by Executive Management and tracking the implementation of the fixed assets modernization project
10. Reviewing management’s proposals on provisions for doubtful debts and procedures for writing off bad debts before submitting them to the Board of Directors for approval
11. Evaluating reports from Company management on legal and regulatory matters and monitoring the implementation of recommendations outlined in these reports
12. Overseeing the necessary arrangements to establish a confidential mechanism for employees to submit observations and reports, discussing the results of report verification and directing actions as needed
13. Reviewing and discussing the appointment of the Company’s external auditor

14. Providing periodic updates to the Board of Directors on the Committee’s activities by submitting meeting minutes and presenting updates during Board meetings
15. Reviewing reports from Company management on the accounts receivable strategy and collection status, while monitoring the implementation of recommended actions
16. Reviewing related party transactions and submitting the Committee’s opinions accordingly
17. Assessing reports from Company management regarding subsidiaries
18. Reviewing reports from Company management on governance, risk and compliance
19. Examining reports from Company management concerning irregular or illegal activities
20. Evaluating the Executive Management’s initiative on capital structure related to the statutory reserve

The Audit Committee’s Opinion on the Effectiveness of the Internal Control System

The internal control system is designed to ensure the Company’s established goals are achieved effectively and efficiently, reliable financial reports are made, applicable laws, regulations and policies are complied with, and potential risks are adequately managed to minimize their impacts on the achievement of the Company’s goals. The internal control system also plays an important role in protecting the Company’s resources, and preventing, swiftly revealing and addressing fraud. The management of the Company is responsible for implementing a comprehensive and effective internal control system relative to the risks the Company might be exposed to; with reasonable cost and benefit to give acceptable levels of assurances to avoid material errors and related losses.

The Committee continuously reviews periodic reports from internal and external auditors, as well as various Company departments, on internal control. It discusses the findings and observations related to the internal control system and issues directives accordingly. Additionally, the Committee regularly briefs the Board of Directors with a summary of its activities and key observations it deems important for the Board’s attention.

Based on the outcomes of annual reviews, the Audit Committee did not see any major weaknesses in applicable internal control procedures, however, there were a few observations from the audit resulting in the need to improve and develop the internal control system to keep in line with the Company’s goals, size and nature of business. The observations were communicated to the Company’s Executive Management, which developed a plan to implement the relevant recommendations. The Audit Committee will follow up on the implementation of those recommendations according to the agreed implementation dates. This is in addition to the continuous monitoring of the internal control system to ensure that its objectives are achieved, with the improvement of the operations’ efficiency and effectiveness, while complying with relevant laws and regulations.

It should be noted that the internal and external auditors make their opinion and observations upon the audit they carry out. The Audit Committee then relies on their reports to form its opinion and make recommendations on the fairness of the financial statements and the adequacy of the internal control system. All these depend on the sampling method in accordance with the requirements of the relevant professional and regulatory standards. Accordingly, the internal and external auditors can give reasonable assurances based on the results of their audit. However, they cannot give absolute assurance on the integrity of each operation carried out in the Company, since this requires reviewing and auditing all the operations conducted by the Company, not only samples. This is beyond the scope of their work and the requirements of the auditing standards and related regulations. The Audit Committee also cannot give absolute assurance that there are no material errors because it is not feasible or legally and professionally required to review all operations conducted by the Company separately.

The Recommendation of the Audit Committee to Appoint an Internal Auditor in the Company

The Audit Committee recommended appointing an internal auditor in the Company during the last fiscal year.

GOVERNANCE
CORPORATE GOVERNANCE COMPLIANCE

Following the review of the Corporate Governance Regulations issued by the Kingdom’s Capital Market Authority (CMA), the Company has adopted governance rules and standards pursuant to these regulations. To illustrate the Company’s compliance with such regulations, the Company applies all provisions of the Corporate Governance Regulations issued by the Capital Market Authority (CMA), except for the below:

Article/ Paragraph No.	Text of Article/Paragraph	Reasons for Non-Application
Article 37 - Paragraph 2	The Company shall pay adequate attention to the training and preparation of the Board members and the Executive Management, and shall develop the necessary programs required for the same, taking the following into account:	This is a guiding article.
	2) Developing the necessary mechanisms for Board members, Committee members and the Executive Management to continuously enroll in training programs and courses in order to develop their skills and knowledge in the fields related to the activities of the Company.	There is no fixed program, but training is provided as needed and specialized international conferences are also attended.
Article 39 - Paragraph D	D) The individual assessment of the Board members shall take into account the extent of the member’s effective participation and his/her commitment to performing his/her duties and responsibilities, including attending the Board and its Committees’ meetings and dedicating adequate time thereof.	This is a guiding article.
		The Board of Directors did not set indicators for individual measurement or evaluation for this year.
Article 51 - Paragraph C	C) The Chairman of the Audit Committee shall be an Independent Director	This is a guiding article.
		The Committee Charter, which was approved by the General Assembly, do not mandate this requirement.
Article 82 - Paragraph 3	The Company shall establish programs for developing and encouraging the participation and performance of the Company’s employees. The programs shall particularly include the following:	This is a guiding article.
	3) Establishing social organizations for the benefit of the Company’s employees.	The Company is developing other programs to encourage and motivate the participation and performance of its employees.
Article 84	The Ordinary General Assembly, based on the Board’s recommendation, shall establish a policy that guarantees a balance between its objectives and those of the community for purposes of developing the social and economic conditions of the community.	This is a guiding article.
		The Board of Directors decided on 5 March 2025, to recommend to the General Assembly, to approve the Company’s social responsibility policy, based on the recommendation of the Executive Committee on 25 February 2025.
Article 85 - Paragraph 1	The Board shall establish programs and determine the necessary methods for proposing social initiatives by the Company, which include:	This is a guiding article.
	1) Establishing indicators that link the Company’s performance with its social initiatives and comparing it with other companies that engage in similar activities.	The Company is interested in promoting participation in various social activities in order to sustain and achieve the desired goals.

Article/ Paragraph No.	Text of Article/Paragraph	Reasons for Non-Application
Article 87 - Paragraph 8	Disclosure of the remuneration of 5 senior Executives in detail, pursuant to the attached schedule to the Corporate Governance Regulations.	The Company has disclosed the components of the senior Executives’ remuneration collectively in accordance with the statutory requirements contained in sub-paragraph (B) of paragraph (4) of Article (90) of the Corporate Governance Regulations. However, to protect the interests of the Company, its shareholders and its employees, and to avoid any damage that may result from the detailed disclosure according to the titles and positions, the details were not presented as mentioned in Appendix (1) of the senior Executives of the Corporate Governance Regulations.
Article 90 - Paragraph 4-B		
Article 87 - Paragraph 19	The Board’s report shall include the Board’s operations during the last fiscal year and all factors that affect the Company’s businesses. Such a report shall include the following: 19) Geographical analysis of the Company’s and its affiliates’ revenues.	A geographical analysis of the Company’s total revenue is not available due to the nature of the sector’s business, as the revenue generated by the subscriber is not linked to a single region. Mobily Infotech Limited (India) is also considered a cost center, and its activity is to develop technical software and provide technical support services for information technology. The UAE-based National Business Solutions Company FZE is a cost center wholly owned by the subsidiary.
		This is a guiding article.
Article 92	If the Board forms a Corporate Governance Committee, it shall assign to it the competencies stipulated in Article (91) of these Regulations. Such a Committee shall oversee any matters relating to the implementation of governance and shall provide the Board with its reports and recommendations at least annually.	The Board of Directors ensures compliance with the Company’s governance rules, as well as reviewing and updating these rules, and improving the Company’s Code of Conduct, and other policies and internal procedures. The Board members are constantly informed about the latest developments in the area of governance.

It should be noted that:

- There is no conflict between the recommendations of the Audit Committee’s and the Board of Directors’ resolutions, regarding the appointment, removal, remuneration or performance evaluation of the Company’s external auditor or the appointment of the internal auditor
 - There are no material differences in the operational results compared to the preceding year’s results, or any projections announced by the Company
 - There is no inconsistency with the standards approved by the Saudi Organization of Certified Public Accountants (SOCPA)
 - No share or debt instruments have been issued for each affiliate company
 - No interest in a class of voting shares held by persons (other than Directors, senior Executives and their relatives) who have notified the Company of their holdings pursuant to Article 70 of the Securities Offering and Continuing Obligations Rules
 - No interest, contractual securities or rights issues have been issued or granted by the Company during the financial year
- No conversion or subscription rights under any convertible debt instruments, contractual securities, warrants or similar rights have been issued or granted by the Company
 - No redemption, purchase or cancellation of any redeemable debt instruments has been carried out by the Company
 - No remuneration has been waived by any Director or senior Executive
 - None of the Company’s shareholders have waived any rights to dividends
 - No investments or reserves have been created for the benefit of the Company’s employees
 - The auditor’s report does not contain any reservations on the annual financial statements
 - The Board of Directors did not recommend replacing the auditor before the end of its term
 - None of the Board members have any competing business with the Company or any of the activities practiced by the Company
 - There are no treasury shares retained by the Company
 - There are no programs establishing a scheme for granting Company shares or a percentage of the Company profit and pension programs for employees and setting up an independent fund for such programs

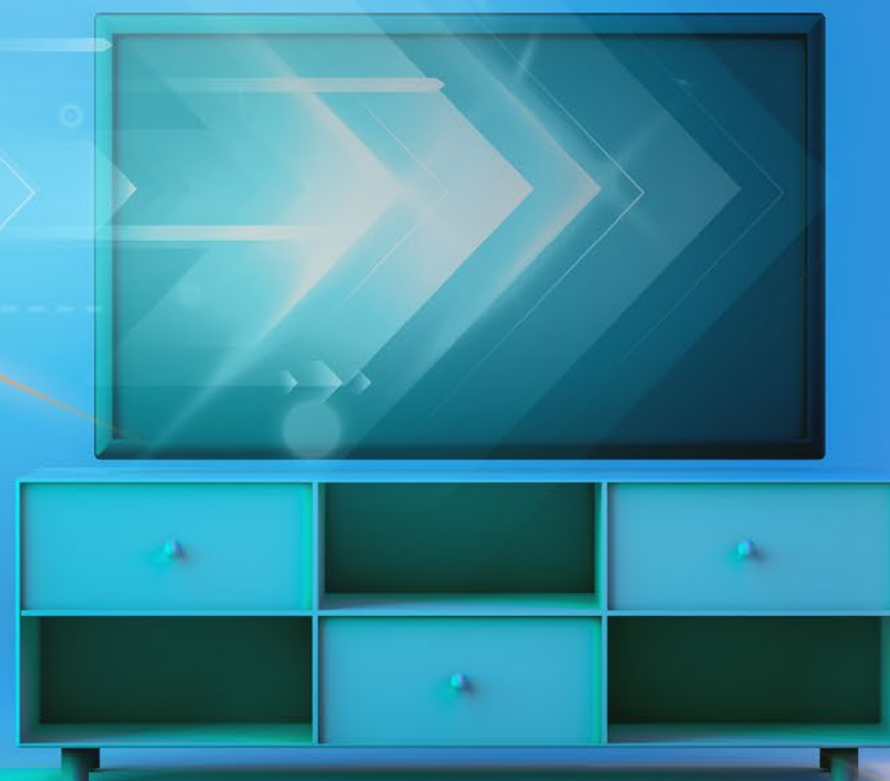
GOVERNANCE
DECLARATIONS OF THE BOARD OF DIRECTORS

The Board of Directors declares the following:

- Proper records of account have been maintained
- The system of internal control is sound in design and has been effectively implemented
- There are no significant doubts concerning the Company’s ability to continue its activity

Board of Directors
Etihad Etisalat Co. (Mobily)
March 2025





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By executing its long-term strategy,
Mobily achieved record-breaking
financial results.

INDEPENDENT AUDITOR’S REPORT

To the Shareholders of Etihad Etisalat Company (A Saudi Joint Stock Company)

Opinion

We have audited the consolidated financial statements of Etihad Etisalat Company (“the Company”) and its subsidiaries (collectively referred to as “the Group”), which comprise the consolidated statement of financial position as at 31 December 2024, and the consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of cash flows and consolidated statement of changes in shareholders’ equity for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards that are endorsed in the Kingdom Saudi Arabia and other standards and pronouncements that are endorsed by the Saudi Organization for Chartered and Professional Accountants.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance

with the International Code of Ethics for Professional Accountants (including International Independence Standards) that is endorsed in the Kingdom of Saudi Arabia that is relevant to our audit of the consolidated financial statements, and we have fulfilled our other ethical responsibilities in accordance with that Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming auditor’s opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor’s responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Key audit matter	How our audit addressed the key audit matter
Revenue recognition	
The Group’s revenue amounting to ﷲ 18.2 billion for the year ended 31 December 2024 consists primarily of telecommunication data packages and use of the network subscription fees.	Our audit procedures included, among others, the following:
We considered this a key audit matter as the application of accounting standard for revenue recognition in the telecommunication sector includes number of key judgments and estimates.	<ul style="list-style-type: none">Involved our IT specialists to test the design, implementation and operating effectiveness of system internal controls related to revenue recognition.Assessed the Group’s revenue recognition policies for compliance with IFRS Accounting Standards that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements that are endorsed by the Saudi Organization for Chartered and Professional Accountants.
Additionally, there are inherent risks about the accuracy of revenues recorded due to the complexity associated with the network environment, dependency on IT applications, large volumes of data, changes caused by price updates and promotional offers affecting the various products and services offered, as well as the materiality of the amounts involved.	<ul style="list-style-type: none">Inspected a sample of revenues reconciliations between the primary billing system and the general ledger.Tested, on a sample basis, the accuracy of customer invoice generation and tested a sample of the credits and discounts applied to customers invoices.Tested, on a sample basis, customers cash receipts back to the invoice.
Refer to note 5.12 to the consolidated financial statements for accounting policy relating to revenue recognition, note 6.10 for the accounting estimates, assumptions and judgements and note 32 for the related disclosures.	<ul style="list-style-type: none">Tested transactions which took place before and after year-end to check that revenue is recognized in the appropriate period.Performed analytical procedures by comparing expectations of revenues with actual results and analyzed variances.Assessed the adequacy of the relevant disclosures in the consolidated financial statement.

Key audit matter	How our audit addressed the key audit matter
Allowance for impairment of trade receivables	
As at 31 December 2024, the Group’s gross trade receivables amounted to ﷲ 6.3 billion against which an impairment allowance of ﷲ 2.4 billion is maintained.	Our audit procedures included, among others, the following:
The Group uses the expected credit loss model (ECL) as required by IFRS Accounting Standards that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements that are endorsed by the Saudi Organization for Chartered and Professional Accountants to calculate allowance for impairment in trade receivables.	<ul style="list-style-type: none">Assessed the design, implementation, and operating effectiveness of the key controls over the following:<ul style="list-style-type: none">Recording of trade receivables and settlements; andTrade receivables aging reports.Tested the completeness and accuracy of data used in the ECL calculation.Involved our internal specialist to assess reasonableness of the significant estimates and assumptions, including probability of default, loss given default and those relating to future economic events that are used to calculate the expected credit loss.
The key area of judgement includes assumptions used in ECL model in determining probability of default and loss given default.	<ul style="list-style-type: none">Tested the mathematical accuracy of the ECL model.Assessed the adequacy of the relevant disclosures included in the consolidated financial statements.
We considered this as a key audit matter as it involves complex calculations and use of assumptions by management in addition to the materiality of the amounts involved.	
Refer to note 5.5.1.4 to the consolidated financial statements for accounting policy relating to allowance for impairment of trade receivables, note 6.2 for the accounting estimates, assumptions and judgements and note 15 for the related disclosures.	
Capitalization of property and equipment	
The Group has material capital expenditures plan and therefore incurs significant annual expenditures in relation to the development and maintenance of both infrastructure assets and assets in relation to network and related equipment.	Our audit procedures included, among others, the following:
Costs related to upgrading or enhancing networks are treated as capital expenditures while expenses spent to maintain the network’s operating capacity are recognized as expenses in the same year in which they are incurred. Accordingly, the assessment and timing of whether assets meet the capitalization criteria set out in IAS 16, Property, Plant and Equipment requires judgement.	<ul style="list-style-type: none">Tested the design, implementation, and operating effectiveness of key controls in place over the capitalization of property and equipment.Assessed the Group’s capitalisation policy, for compliance with IFRS Accounting Standards that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements that are endorsed by the Saudi Organization for Chartered and Professional Accountants.
We considered this as a key audit matter since it involves management’s assumptions as well as the materiality of the amounts involved.	<ul style="list-style-type: none">Tested, on a sample basis, capitalisation of expenditure in compliance with the Group’s capitalisation policy.Assessed the adequacy of the relevant disclosures included in the consolidated financial statements.
Refer to note 5.6 to the consolidated financial statements for accounting policy relating to property and equipment and note 7 for the related disclosures.	

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Etihad Etisalat Company (A Saudi Joint Stock Company)

Other information included in The Group's 2024 Annual Report

Other information consists of the information included in the Group's 2024 annual report, other than the consolidated financial statements and our auditor's report thereon. Management is responsible for the other information in its annual report. The Group's 2024 annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements that are endorsed by the Saudi Organization for Chartered and Professional Accountants and the applicable provisions of the Regulations for Companies and Company's By-laws, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance i.e. the Audit Committee is responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purpose of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated

in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

for Ernst & Young Professional Services

Hesham A. Alatiqi
Certified Public Accountant
License No. (523)



Riyadh: 21 Sha'ban 1446H
(20 February 2025)

Etihad Etisalat Company (A Saudi Joint Stock Company)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2024

(All amounts in Saudi Riyals thousands unless otherwise stated)

	Notes	31 December 2024	31 December 2023
Assets			
Non-current assets			
Property and equipment	7	18,851,032	19,011,971
Intangible assets	8	6,997,670	7,315,942
Right of use assets	9	2,718,792	2,729,910
Investment in joint venture	10	52,420	11,152
Contract costs	11	4,278	28,673
Contract assets	12.1	89,959	103,402
Financial and other assets	13	304,722	116,109
Total non-current assets		29,018,873	29,317,159
Current assets			
Inventories	14	212,992	150,761
Contract costs	11	359,940	495,107
Contract assets	12.1	1,003,495	929,380
Accounts receivable	15	3,929,559	3,390,534
Due from related parties	16.2	107,332	161,912
Financial and other assets	13	696,921	677,019
Short term Murabaha	17	1,786,374	2,127,814
Cash and cash equivalents	18	1,399,542	1,641,306
Total current assets		9,496,155	9,573,833
Total assets		38,515,028	38,890,992
Shareholders' equity and liabilities			
Shareholders' equity			
Share capital	1	7,700,000	7,700,000
Statutory reserve	19	-	2,648,971
Other reserves	20	(22,669)	26,311
Retained earnings		11,198,161	7,247,325
Total shareholders' equity		18,875,492	17,622,607
Non-current liabilities			
Borrowings	21	5,725,122	6,699,593
Lease liabilities	22	2,061,787	2,044,864
Provision for employees' end of service benefits	23	601,496	554,393
Provision for Decommissioning	24	208,462	206,269
Contract liabilities	12.2	321,510	280,648
Financial and other liabilities	25	309,532	211,892
Total non-current liabilities		9,227,909	9,997,659
Current liabilities			
Borrowings	21	459,588	1,610,848
Lease liabilities	22	1,213,068	1,178,918
Accounts payable	26	3,603,538	3,415,293
Contract liabilities	12.2	831,150	785,828
Due to related parties	16.2	193,439	177,249
Accrued expenses	27	3,281,876	3,078,018
Provisions	28	369,491	615,355
Zakat and income tax	29	117,005	187,009
Financial and other liabilities	25	342,472	222,208
Total current liabilities		10,411,627	11,270,726
Total liabilities		19,639,536	21,268,385
Total shareholders' equity and liabilities		38,515,028	38,890,992

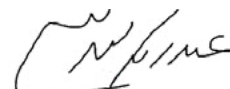
The attached notes from 1 to 45 are an integral part of these consolidated financial statements.



Chief Financial Officer



Chief Executive Officer



Chairman

Etihad Etisalat Company (A Saudi Joint Stock Company)

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended 31 December 2024

(All amounts in Saudi Riyals thousands unless otherwise stated)

	Notes	31 December 2024	31 December 2023
Revenue	32	18,206,447	16,762,681
Cost of revenue	33	(8,312,421)	(7,509,193)
Gross profit		9,894,026	9,253,488
Operating expenses			
Selling and marketing expenses	34	(1,344,412)	(1,249,600)
General and administrative expenses	35	(1,208,657)	(1,193,739)
Impairment on accounts receivable and contract assets	12.1,15	(146,316)	(185,629)
Depreciation and amortization	7,8,9	(3,664,224)	(3,647,264)
Total operating expenses		(6,363,609)	(6,276,232)
Operating profit		3,530,417	2,977,256
Other income and expenses			
Share in profit of joint venture	10	43,791	30,053
Finance income	36	174,739	163,741
Finance costs	37	(615,340)	(690,049)
Other income / (expenses), net	38	59,446	(31,833)
Total other income and expenses		(337,364)	(528,088)
Net profit before zakat and income tax		3,193,053	2,449,168
Zakat and income tax	29	(86,205)	(217,191)
Net profit		3,106,848	2,231,977
Earnings per share:			
Basic and diluted earnings per share (in ﷻ)	39	4.03	2.90

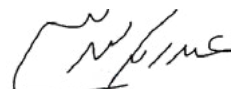
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Chief Financial Officer



Chief Executive Officer



Chairman

Etihad Etisalat Company (A Saudi Joint Stock Company)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2024

(All amounts in Saudi Riyals thousands unless otherwise stated)

	31 December 2024	31 December 2023
Net profit	3,106,848	2,231,977
Items that will not be reclassified subsequently to profit or loss:		
Actuarial remeasurement of employees' end of service benefits	4,517	(18,641)
Change in fair value of equity investments	(2,764)	(2,742)
Total items that will not be reclassified subsequently to profit or loss	1,753	(21,383)
Items that will be reclassified subsequently to profit or loss:		
Exchange differences on translation of foreign operations	(1,585)	(388)
Cash flow hedge - change in fair value	(2,159)	47,590
Cash flow hedge - reclassified to profit or loss	(42,472)	(108,224)
Total items that will be reclassified subsequently to profit or loss	(46,216)	(61,022)
Other comprehensive loss	(44,463)	(82,405)
Total comprehensive income	3,062,385	2,149,572

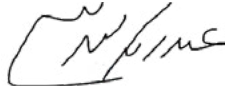
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Chief Financial Officer



Chief Executive Officer



Chairman

Etihad Etisalat Company (A Saudi Joint Stock Company)

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2024

(All amounts in Saudi Riyals thousands unless otherwise stated)

	Notes	31 December 2024	31 December 2023
CASH FLOWS FROM OPERATING ACTIVITIES			
Net profit		3,106,848	2,231,977
Adjustments:			
Depreciation and amortization	7,8,9	3,664,224	3,647,264
Impairment loss on accounts receivable and contract assets	12.1,15	146,316	185,629
Provision for employees' end of service benefits	23	76,713	74,415
Provisions		(221,414)	(174,947)
Loss on disposal of property and equipment	38	5,338	8,832
Share in profit of joint venture	10	(43,791)	(30,053)
Finance income	36	(174,739)	(163,741)
Finance costs	37	615,340	690,049
Zakat and income tax	29	86,205	217,191
Others		(15,832)	(9,180)
Changes in:			
Inventories		(64,605)	(51,763)
Contract costs		159,562	(115,897)
Contract assets		(64,716)	(122,263)
Accounts receivable		(639,544)	(200,894)
Due from related parties		19,603	42,724
Financial assets and others		(79,104)	(235,112)
Accounts payable		(30,304)	55,423
Contract liabilities		86,185	91,004
Due to related parties		16,190	16,122
Accrued expenses		230,858	190,345
Provisions		(21,042)	(36,765)
Financial liabilities and others		116,784	117,040
Cash generated from operating activities		6,975,075	6,427,400
Employees' end of service benefits paid	23	(30,784)	(46,616)
Finance costs paid		(447,848)	(507,598)
Zakat and income tax paid	29	(159,685)	(121,116)
Net cash generated from operating activities		6,336,758	5,752,070
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment of property and equipment		(2,587,524)	(1,910,260)
Payment of intangible assets		(82,429)	(119,944)
Proceeds from disposal of property and equipment		425	2,533
Net proceed (payment) from short term Murabaha		341,440	(114,314)
Finance income received		190,223	132,051
Government grant received		144,111	-
Investment in joint venture		-	(6,600)
Dividends received		37,500	-
Net cash used in investing activities		(1,956,254)	(2,016,534)
CASH FLOWS FROM FINANCING ACTIVITIES			
Payment of borrowings		(6,306,229)	(1,351,612)
Borrowings received		4,135,000	-
Payment of lease liabilities		(687,879)	(718,042)
Dividends paid		(1,763,160)	(852,301)
Net cash used in financing activities		(4,622,268)	(2,921,955)
Net changes in cash and cash equivalents		(241,764)	813,581
Cash and cash equivalents at beginning of the year		1,641,306	827,725
Cash and cash equivalents at end of the year	18	1,399,542	1,641,306

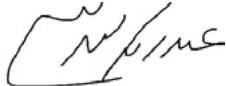
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Chief Financial Officer



Chief Executive Officer



Chairman

Etihad Etisalat Company (A Saudi Joint Stock Company)

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY


For the year ended 31 December 2024
(All amounts in Saudi Riyals thousands unless otherwise stated)

	Notes	Share capital	Statutory reserve	Other reserves	Retained earnings	Total shareholders' equity
Balance as at 1 January 2024		7,700,000	2,648,971	26,311	7,247,325	17,622,607
Net profit		-	-	-	3,106,848	3,106,848
Other comprehensive (loss) / income		-	-	(48,980)	4,517	(44,463)
Total comprehensive income		-	-	(48,980)	3,111,365	3,062,385
Dividends	43	-	-	-	(1,809,500)	(1,809,500)
Transfer from statutory reserve	19	-	(2,648,971)	-	2,648,971	-
Balance as at 31 December 2024		7,700,000	-	(22,669)	11,198,161	18,875,492
Balance as at 1 January 2023		7,700,000	2,648,971	90,075	5,919,489	16,358,535
Net profit		-	-	-	2,231,977	2,231,977
Other comprehensive loss		-	-	(63,764)	(18,641)	(82,405)
Total comprehensive income		-	-	(63,764)	2,213,336	2,149,572
Dividends	43	-	-	-	(885,500)	(885,500)
Balance as at 31 December 2023		7,700,000	2,648,971	26,311	7,247,325	17,622,607

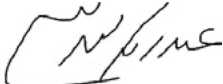
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Chief Financial Officer



Chief Executive Officer



Chairman

Etihad Etisalat Company (A Saudi Joint Stock Company)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024
(All amounts in Saudi Riyals thousands unless otherwise stated)

1 CORPORATE INFORMATION

1.1 Etihad Etisalat Company

Etihad Etisalat Company ("Mobily" or the "Company"), a Saudi Joint Stock Company, is registered in the Kingdom of Saudi Arabia under commercial registration number 1010203896 issued in Riyadh on 2 Thul-Qi'dah 1425H (corresponding to 14 December 2004). The address of the Company's head office is P.O. Box 23088, Riyadh 11321, Kingdom of Saudi Arabia.

The Company was incorporated pursuant to the Royal decree number M/40 dated 18 August 2004 (corresponding to 2 Rajab I 1425H) approving the Council of Ministers resolution number 189 dated 10 August 2004 (corresponding to 23 Jumada Al-Akhirah 1425H) to approve the award of the license to incorporate a Saudi Joint Stock Company under the name of "Etihad Etisalat Company".

Pursuant to the Council of Ministers resolution number 190 dated 10 August 2004 (corresponding to 23 Jumada Al-Akhirah 1425H), the Company obtained the licenses to install and operate mobile telephone network including all

related elements and the provision of all related services locally and internationally through its own network.

Pursuant to the Communications, Space & Technology Commission (CST) resolution number 5125 dated 24 Jumada Al-Ula 1438H (corresponding to 21 February 2017), the Company obtained a Unified License to provide all licensed telecommunication services including fixed line voice and fixed internet services.

The Company's main activity is to establish and operate mobile wireless telecommunications network, fiber optics networks and any extension thereof, manage, install and operate telephone networks, terminals and communication unit systems, in addition to sell and maintain mobile phones and communication unit systems, Providing IT solutions, Cybersecurity, Information Security and AI in the Kingdom of Saudi Arabia. The Group commenced its commercial operations on 17 Rabi Al-Thani 1426H (corresponding to 25 May 2005).

The authorized, issued and paid up share capital of the Company is ﷲ 7,700 million divided into 770 million shares of ﷲ 10 each.

1.2 Subsidiary Companies

Below is the summary of Company's subsidiaries and ownership percentage as follows:

Name	Country of incorporation	Ownership percentage			
		31 December 2024		31 December 2023	
		Direct	Indirect	Direct	Indirect
Mobily Infotech India Private Limited (1.2.1)	Republic of India	99.99%	0.01%	99.99%	0.01%
Zajil International Network for Telecommunication Company (1.2.2)	Saudi Arabia	96.00%	4.00%	96.00%	4.00%
National Company for Business Solutions (1.2.3)	Saudi Arabia	100.00%	-	100.00%	-
National Company for Business Solutions FZE (1.2.4)	United Arab of Emirates	-	100.00%	-	100.00%
Mobily Ventures Holding W.L.L (1.2.5)	Kingdom of Bahrain	100.00%	-	100.00%	-
Etihad Fintech Company (1.2.6)	Saudi Arabia	100.00%	-	100.00%	-

The main activities of the subsidiaries are as follows:

- IT services, applications, billing and testing support, product marketing, process management, support services and call center services.
- Wholesale and retail trade of computers and electronic equipment, maintenance and operation of such equipment, and provision of related services.
- Providing consulting and office administrative service activities.
- Establish and own companies specializing in commercial activities.
- Manage its affiliated companies or to participate in the management of other companies in which it owns shares, and to provide the necessary support for such companies.

Etihad Etisalat Company (A Saudi Joint Stock Company)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2024

(All amounts in Saudi Riyals thousands unless otherwise stated)

- Invest funds in shares, bonds and other securities.
- Own real estate and other assets necessary for undertaking its activities within the limits pertained by law.
- Own or to lease intellectual property rights such as patents and trademarks, concessions and other intangible rights to exploit and lease or sub-lease them to its affiliates or to others.
- Technology in financial services.

The consolidated financial statements of the Company include the financial information of the following subsidiaries (collectively hereafter referred as "Group"):

1.2.1 Mobily Infotech India Private Limited

During the year 2007, the Company invested in 99.99% of the share capital of Mobily Infotech India Private Limited incorporated in Bangalore, India which commenced its commercial activities during the year 2008, the main activity is in the business of providing IT services, applications, billing and testing support, product marketing, process management, support services and call center services primarily to its group companies. Early 2009, the remaining 0.01% of the Mobily Infotech India Private Limited share capital was acquired by National Company for Business Solutions which is a subsidiary of the Company. The financial year end of Mobily Infotech India Private Limited is 31 March however, the Company uses the financial statements of Mobily Infotech India Private Limited for the same reporting period in preparing the Group's consolidated financial statements.

1.2.2 Zajil International Network for Telecommunication Company

During the year 2008, the Company acquired 96% of the partners' shares in Zajil International Network for Telecommunication Company ("Zajil"), a Saudi limited liability company which main activity comprises the wholesale and retail trade of computers and electronic equipment, maintenance and operation of such equipment, and the provision of related services. The acquisition included Zajil's rights, assets, liabilities, commercial name as well as its current and future trademarks for a total price of ﷲ 80 million, resulting in goodwill of ﷲ 63 million on the acquisition date. The remaining 4% of Zajil International

Network for Telecommunication Company is owned by National Company for Business Solutions which is a subsidiary of the Company. The goodwill has been fully impaired during the year ended 31 December 2014.

On 15 March 2021, the Board of Directors of Etihad Etisalat Company approved to liquidate Zajil International Network for Telecommunication Company, which is still in the process of completing the procedures and legal requirements for its liquidation.

1.2.3 National Company for Business Solutions

During the year 2008, the Company invested in 95% of the share capital of National Company for Business Solutions, a Saudi limited liability company which main activity is providing consulting and office administrative service activities.

During the year 2021, the Company acquired the remaining 5% which was owned by Bayanat Al-Oula for Network Services.

1.2.4 National Company for Business Solutions FZE

During 2014, National Company for Business Solutions (KSA) completed the legal procedures related to the investing in National Company for Business Solutions FZE, with 100% ownership of its capital, based in the United Arab of Emirates which main activity is the trading, import and export of computer systems.

1.2.5 Mobily Ventures Holding W.L.L

During 2014, the Company completed the legal procedures related to the investing in Mobily Ventures Holding Company with 100% ownership of its capital, which is a Bahraini limited liability company which main activity is to act as holding company for commercial or industrial or services companies.

1.2.6 Etihad Fintech Company

During 2019, the Company completed the legal procedures related to the establishment of Etihad Fintech Company with 100% ownership of its capital, which is a Saudi closed joint stock company which main activity is technology in financial services.

Etihad Fintech Company obtained its license on 17 March 2022, from Saudi Central Bank (SAMA) and commercially launched operations on 2 October 2022.

2 BASIS OF PREPARATION

2.1 Statement of Compliance

These consolidated financial statements comprise the financial information of the Company and its subsidiaries (together referred to as the 'Group').

These consolidated financial statements have been prepared in accordance with IFRS Accounting Standards (IFRS) that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements are endorsed by the Saudi Organization for Chartered and Professional Accountants (SOCPA).

The principal accounting policies applied in the preparation of these consolidated financial statements have been consistently applied to all years presented.

2.2 Basis of measurement

These consolidated financial statements of the group have been prepared on historical cost basis unless stated otherwise in the accounting policies below on the basis that it will continue to operate as a going concern.

2.3 Functional and presentation currency

These consolidated financial statements are presented in Saudi Riyal ("ﷲ") which is the Group's functional currency. All amounts have been rounded off to the nearest thousand Saudi Riyal unless otherwise stated.

3 BASIS OF CONSOLIDATION

Control is achieved when the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement in the investee;
- The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including the contractual arrangement(s) with the other vote holders of the investee, rights arising from other contractual arrangements and the Group's voting rights and potential voting rights.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group assets and liabilities, revenue and expenses and cash flows relating to transactions are eliminated in full on consolidation.

Etihad Etisalat Company (A Saudi Joint Stock Company)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2024
(All amounts in Saudi Riyals thousands unless otherwise stated)

Non-controlling interest are measured at their proportionate share of the acquiree's identifiable net assets at the date of acquisition.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it:

- De-recognizes the assets (including goodwill) and liabilities of the subsidiary;
- De-recognizes the carrying amount of any non-controlling interest;

- De-recognizes the cumulative translation differences, recorded in equity;
- Recognizes the fair value of the consideration received;
- Recognizes the fair value of any investment retained;
- Recognizes any surplus or deficit in consolidated statement of profit or loss;
- Reclassifies the Group's share of components previously recognized in consolidated statement of other comprehensive income to consolidated statement of profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

5.2 Business combinations

Business combinations are accounted for using the acquisition method upon transfer of control to the Group. The consideration transferred is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition related costs are generally recognized in the consolidated statement of profit or loss as incurred.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

Any contingent consideration to be transferred is recognized at fair value at the acquisition date. All contingent consideration (except that which is classified as equity) is remeasured at fair value at each reporting date with the changes in fair value recognized in consolidated statement of profit or loss. Contingent consideration that is classified as equity is not remeasured and subsequent settlement is accounted for within equity.

Goodwill is initially measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value at the acquisition-date of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date fair values of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-

controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts recognized at the acquisition date.

If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then a gain on bargain purchase at a differential price is recognized in the consolidated statement of profit or loss.

After initial recognition, goodwill is measured at cost less accumulated impairment losses. For the purpose of impairment testing for goodwill acquired from the business combination and from the date of acquisition, it will be allocated to cash-generating units ("CGU") that are expected to benefit from the consolidation regardless of whether the other assets or liabilities acquired have been allocated to those units.

If goodwill is not allocated to designated cash-generating units because of an incomplete initial calculation, the initial impairment loss will not be tested unless impairment indicators are available to enable the Group to distribute the carrying amount of the goodwill to the cash generating units or the group of cash generating units expected to benefit from business combination. Where goodwill is allocated to the cash generating unit and part of the operations of that unit are disposed of, goodwill associated with the discontinued operation will be included in the carrying amount when determining the gain or loss on disposal of the operation. The goodwill in such circumstances is measured on the basis of the value of a similar disposed operation and the remaining portion of the cash-generating unit.

Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognized. Impairment losses relating to goodwill cannot be reversed in future periods.

4 NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS

4.1 NEW IFRS STANDARDS, ISSUED AND ADOPTED

The standards and amendments that are issued, that could be applicable to the Group and come into effect at 1 January 2024 are disclosed below. The Group believes that it does not have material impact on the Group's consolidated financial statements.

Amendments and interpretations
Amendments to IFRS 16 - Lease Liability in a Sale and Leaseback
Amendments to IAS 1 - Classification of Liabilities as Current or Non-current
Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7

4.2 OTHER AMENDMENTS OF RELEVANT IFRS'S ISSUED BUT NOT YET EFFECTIVE

The Group has chosen not to early adopt new standards and amendments that are issued, but not yet effective, as of 31 December 2024. Those standards and interpretation or amendments are not disclosed in these consolidated financial statements as the management did not consider that those standards are not expected to have a material impact on the Group at their effective dates except for amendments related to IFRS 18 Presentation and Disclosure in Financial Statements. The Group is currently working to identify all impacts the amendments will have on the consolidated financial statements.

current classification. An asset is current when:

- Expected to be realized or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or

5 MATERIAL ACCOUNTING POLICY INFORMATION

5.1 Current versus non-current classification

The Group presents assets and liabilities in the consolidated statement of financial position based on current/non-

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Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity’s net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests’ proportionate share of the recognized amounts of the acquiree’s identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at fair value or, when applicable, on the basis specified in another relevant IFRS approved in Kingdom.

Any contingent consideration to be paid (if any) will be recognized at fair value at the acquisition date and classified as equity or a financial liability. Contingent consideration classified as a financial liability is subsequently remeasured at fair value with the changes in fair value recognized in the consolidated statement of profit or loss. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity.

When a business combination is achieved in stages, the Group’s previously held equity interest in the acquire is remeasured to its acquisition-date fair value and the resulting gain or loss, if any, is recognized in the consolidated statement of profit or loss.

Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognized in other comprehensive income are reclassified to the consolidated statement of profit or loss where such treatment would be appropriate if that interest were disposed of.

If the initial accounting for the business combination is not completed by the end of the reporting period which constitutes the period in which the combination occurred, the Group presents the items whose value calculation has not been completed in a temporary manner in the consolidated financial statements. During the measurement period, which is not more than one year from the acquisition date, the temporary value recognized on the acquisition date is retroactively adjusted to reflect the information obtained about the facts and circumstances that existed at the date of acquisition and if it is determined that this will

affect the measurement of amounts recognized as of that date.

The Group recognizes additional assets or liabilities during the measurement period if new information becomes available about facts or circumstances that existed at the date of the acquisition and if it will result in recognition of assets or liabilities from that date. The measurement period ends once the group obtains all information that existed at the acquisition date or as soon as it becomes sure of the absence of more information.

5.3 Investment in an associate and a joint venture

An associate is an entity over which the Group has significant influence but does not have control or joint control over. Significant influence is the Group’s ability to participate in the financial and operating policy decisions of the investee, but not control or jointly control over those policies.

A joint venture is joint arrangement whereby the Group has joint control of the arrangement and has rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the governing body of the investee.

Factors to determine significant influence include holding directly or indirectly voting power of the investee, representation on the board of directors or equivalent governing body of the investee, participation in policymaking processes including participation in decisions about dividends or other distributions, material transactions between the entity and the investee, interchange of managerial personnel or provision of essential technical information.

The investment in associates or joint ventures are accounted for in the consolidated financial statements of the Group using the equity method of accounting. The investment in associates or joint ventures in the consolidated statement of financial position are initially recognized at cost and adjusted thereafter to recognize

the Group’s share of the profit and loss and other comprehensive income of the associate or joint venture adjusted for any impairment in the value of the net investment. In addition, when there has been a change recognized directly in the equity of the associate or joint venture, the Group recognizes its share of any changes, when applicable, in the consolidated statement of changes in equity.

When the Group’s share of losses of an associate or a joint venture exceeds the Group’s interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Group’s net investment in the associate or joint venture), the Group discontinues recognizing its share of further losses.

Additional losses are recognized and recorded as liabilities only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

Unrealized gain or losses resulting from transactions between the Group and the associate or joint venture are eliminated to the extent of the interest in the associate or joint venture.

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture.

On acquisition of the investment in an associate or a joint venture, any excess of the cost of the investment over the Group’s share of the net fair value of the identifiable assets and liabilities of the investee is recognized as goodwill, which is included within the carrying amount of the investment.

Any excess of the Group’s share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognized immediately in the consolidated statement of profit or loss in the acquisition year.

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate or a joint venture, or when the investment is classified as held for sale.

When the Group reduces its ownership interest in an associate or a joint venture but the Group continues to use the equity method, the Group reclassifies to the consolidated statement of profit or loss the gain or loss that had previously been recognized in other comprehensive income relating to that reduction in ownership interest if that gain or loss includes the disposal of the related assets or liabilities.

When any entity within the Group transacts with an associate or a joint venture of the Group, profits and losses resulting from the transactions with the associate or joint venture are recognized in the Group’s consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Group.

5.4 Cash and cash equivalents

Cash and cash equivalents in the consolidated statement of financial position comprise cash at banks and short term murabahas with a maturity of three months or less, which are subject to an insignificant risk of changes in value.

5.5 Financial instruments – initial recognition, subsequent measurement, derecognition and presentation

5.5.1 Financial assets

5.5.1.1 Recognition and initial measurement

A financial asset (unless it is a trade receivable without a significant financing component that is initially measured at the transaction price) is initially measured at fair value – for items that are not recognized at fair value through profit and loss – plus the transaction costs that contributed directly to its acquisition.

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5.5.1.2 Classification and subsequent measurement

On initial recognition, financial assets are classified as measured at: amortized cost; Fair Value through Other Comprehensive Income (FVOCI) – debt investment; FVOCI – equity investment; or Fair Value through Profit and Loss (FVTPL).

The classification of financial assets under IFRS 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- It is held within a business model whose objective is to hold assets to collect contractual cash flows; and Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- It is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment’s fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

The subsequent measurement of financial assets depends on their classification, as described below:

Financial assets at amortized cost	These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in consolidated statement of profit or loss. Any gain or loss on derecognition is recognized in consolidated statement of profit or loss.
Financial assets at FVOCI - Debt investments	These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in consolidated statement of profit or loss. Other net gains and losses are recognized in consolidated statement of comprehensive income. On derecognition, gains and losses accumulated in consolidated statement of comprehensive income are reclassified to consolidated statement of profit or loss.
Financial assets at FVOCI - Equity investments	These assets are subsequently measured at fair value. Dividends are recognized as income in consolidated statement of profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in consolidated statement of comprehensive income and are never reclassified to consolidated statement of profit or loss.
Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in consolidated statement of profit or loss.

5.5.1.3 Derecognition

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is primarily derecognized when:

- The rights to receive cash flows from the asset have expired; or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a ‘pass-through’ arrangement; and either:
 - (i) the Group has transferred substantially all the risks and rewards of the asset, or
 - (ii) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

The Group recognizes a loss allowance for expected credit losses (ECL) on debt instruments that are measured at amortized cost or at FVOCI, accounts receivable, contract assets, lease receivables and financial guarantee contracts. No impairment loss is recognized for investments in equity instruments. The amount of expected credit losses reflects changes in credit risk since initial recognition of the respective financial instrument.

The Group applies the simplified approach to calculate impairment on accounts receivable and contract assets and this always recognizes lifetime ECL on such exposures. ECL on these financial assets are estimated using a flow rate based on the Group’s historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Group applies the general approach to calculate impairment. Lifetime ECL is recognized when there has been a significant increase in credit risk since initial recognition and 12-month ECL is recognized when the credit risk on the financial instrument has not increased significantly since initial recognition.

5.5.1.4 Impairment of financial assets

The assessment of whether credit risk of the financial instrument has increased significantly since initial recognition is made through considering the change in risk of default occurring over the remaining life of the financial instrument.

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the end of the reporting period with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available.

The Group considers the default in case of accounts receivable occurs when a customer balance moves into the “Inactive” category based on its debt age analysis.

For all other financial assets, the Group considers the following as constituting an event of default as historical experience indicates that receivables that meet either of the following criteria are generally not recoverable:

- when there is a breach of financial covenants by the counterparty; or
- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay his dues.

The Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if; i) the financial instrument has a low risk of default, ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfill its contractual cash flow obligations.

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The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the percentage of the loss if there is a default) and the exposure at default. The assessment of the probability of default is based on historical data adjusted by forward-looking information.

The Group recognizes an impairment loss or reversals in the consolidated statement of profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at FVOCI, for which the loss allowance is recognized in consolidated statement of comprehensive income and accumulated in the investment revaluation reserve, and does not reduce the carrying amount of the financial asset in the consolidated statement of financial position.

5.5.2 Financial liabilities

5.5.2.1 Recognition and measurement
Financial liabilities are classified, at initial recognition, as measured at amortized cost or financial liabilities at fair value through profit or loss. All financial liabilities other than financial liabilities at fair value through profit or loss are recognized initially at fair value net of directly attributable transaction costs. Financial liabilities at fair value through profit or loss are measured initially and subsequently at fair value, and any related transaction costs are recognized in consolidated statement of profit or loss as incurred.

5.5.3 Derivatives

Derivatives are initially measured at fair value. Subsequent to initial recognition, any change in fair value is generally recognized in consolidated statement of profit or loss.

The Group designates derivatives as hedging instruments to hedge the variability in cash flows associated with highly probable forecast transactions arising from changes in profit rates.

Hedge effectiveness is determined at the inception of the hedge relationship and periodically to ensure that an economic relationship exists between the hedged item and hedging instrument. The Group enters into hedge relationships where the critical terms of the hedging instrument match exactly with the terms of the hedged item.

At the inception of designated hedging relationships, the Group documents the risk management objective and strategy for undertaking the hedge. The Group also documents the economic relationship between the hedged item and the hedging instrument, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other.

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognized in consolidated statement of comprehensive income and accumulated in the hedging reserve shown in shareholders’ equity. The effective portion of changes in the fair value of the derivative that is recognized in consolidated statement of comprehensive income is limited to the cumulative change in fair value of the hedged item, determined on a present value basis, from inception of the hedge. Any ineffective portion of changes in the fair value of the derivative is recognized immediately in consolidated statement of profit or loss. The amount accumulated in shareholders’ equity is reclassified to consolidated statement of profit or loss in the same period or periods during which the hedged expected future cash flows affect profit or loss.

If the hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, terminated or exercised, then hedge accounting is discontinued prospectively.

If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in shareholders’ equity are immediately reclassified to consolidated statement of profit or loss.

5.5.4 Offsetting between financial assets and financial liabilities

The Group offset financial asset and a financial liability and presented as a net amount in the consolidated statement of financial position when, and only when, both of the following conditions are satisfied:

- 1. The Group currently has a legally enforceable right to offset the recognized amounts of the asset and liability; and
- 2. The Group intends to settle on a net basis exists, or to realize the asset and settle the liability simultaneously

5.6 Property and equipment

Property and equipment are stated in the consolidated statement of financial position at their cost, less any accumulated depreciation and accumulated impairment losses.

The cost of telecommunication network and equipment comprises all expenditures incurred up to the customer connection point, including contractors’ charges, direct materials and labour costs to the date the relevant assets are placed into service.

	Depreciation rate
Buildings	2.5% - 5%
Leasehold improvements	10 % Or the lease term whatever is shorter
Telecommunication network equipment	3% - 20%
Computer equipment and software	10% - 33%
Office equipment and furniture	14% - 33%
Vehicles	20%

Major renovations and improvements are capitalized if they increase the productivity or the operating useful life of the assets as well as direct labour and other direct costs. Repairs and maintenance are expensed when incurred.

Capital work in progress is stated at cost until the construction on installation is complete. Upon the completion of construction or installation, the cost of such assets together with cost directly attributable to construction or installation, including capitalized borrowing cost, are transferred to the respective class of asset. No depreciation is charged on capital work in progress.

Assets under construction are carried at cost, less any recognized impairment loss. Depreciation of these assets commences when the assets are ready for their intended use.

When parts of an item of property and equipment have different useful lives, they are accounted for as separate items.

When significant parts of a property and equipment are to be replaced (except land), the Group recognizes such parts as individual assets with a specific useful life. All other repairs and maintenance costs are charged to the consolidated statement of profit or loss during the reporting period in which they are incurred, except to the extent that they increase productivity or extend the useful life of an asset, in which case they are capitalized.

Depreciation is charged and reduces the cost of assets, other than land, using mainly the straight-line method, over the below estimated useful lives.

An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the consolidated statement of profit or loss within other operating income or expenses.

The residual values, useful lives and depreciation method of property and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate. The effect of such changes is recognized in the consolidated statements of profit or loss prospectively.

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5.7 Intangible Assets

Intangible assets are presented in the consolidated statement of financial position at cost less accumulated amortization and accumulated impairment losses. The cost of intangible assets acquired in a business combination represents their fair value as at the date of acquisition. The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite live are amortized over the useful economic life and the estimated useful life and amortization method are reviewed at the end of each financial year, with the effect of any changes in estimate being accounted for on a prospective basis.

Intangible assets with indefinite live are not amortized, but are tested for impairment annually. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is recognized in the consolidated statement of profit or loss in the period in which the expenditure is incurred.

Amortization is charged and reduces the cost of assets, other than goodwill, using mainly the straight-line method, over the below estimated useful lives.

	Amortization rate
Telecommunication services licenses	4% - 14%
Indefeasible Right of Use (IRU)	4% - 14%
Others	4% - 33%

5.7.1 License and frequency spectrum fees

Acquired telecommunication licenses are initially recorded at cost or, if part of a business combination, at fair value. Amortization periods for license and frequency spectrum fees are determined primarily by reference to the unexpired license period, the conditions for license renewal and whether licenses are dependent on specific technologies. Amortization is charged to the consolidated statement of profit or loss on a straight-line basis over the estimated useful lives when the related network services are available for use.

5.7.2 Goodwill

Goodwill is the amount that results when the fair value of consideration transferred for an acquired business exceeds the net fair value of the identifiable assets, liabilities and contingent liabilities recognized. When the Group enters into a business combination, the acquisition method of accounting is used. Goodwill is assigned, as of the date of the business combination, to cash generating units that are expected to benefit from the business combination. Each cash generating unit represents the lowest level at which goodwill is monitored and evaluated for internal management purposes and it is never larger than an operating segment.

5.7.3 Indefeasible rights of use “IRU”

IRUs correspond to the right to use a portion of the capacity of a terrestrial or submarine transmission cable granted for a fixed period. IRUs are recognized at cost as an asset when the Group has the specific indefeasible right to use an identified portion of the underlying asset, generally optical fibers or dedicated wavelength bandwidth, and the duration of the right is for the major part of the underlying asset’s economic life. They are amortized on a straight line basis over the shorter of the expected period of use and the life of the contract.

5.7.4 Computer Software

Computer software licenses are capitalized based on the cost incurred to acquire the specific software and bring it into use. Amortization is charged to the consolidated statement of profit or loss on a straight line basis over the estimated useful life from the date the software is available for use.

5.7.5 Derecognition of intangible assets

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from its use or on disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognized in the consolidated statement of profit or loss.

5.8 Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. Where funds are borrowed specifically to finance a project, the amount capitalized represents the actual borrowing costs incurred. Where surplus funds are available for a short term from money borrowed specifically to finance a project, the income generated from the temporary investment of such amounts is deducted from the total capitalized borrowing cost. Where the funds used to finance a project form part of general borrowings, the amount capitalized is calculated using an applicable weighted average rate.

All other borrowing costs are expensed in the period in which they incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

5.9 Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset’s recoverable amount. Asset’s recoverable amount is the higher of an asset’s or CGU’s fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

Goodwill is tested annually for impairment and any impairment loss in respect of goodwill is not reversed.

Impairment losses are recognized in the consolidated statement of profit or loss in expense categories consistent with the function of the impaired asset.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset’s or CGU’s recoverable amount. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the consolidated statement of profit or loss.

5.10 Zakat and tax

The Group calculates zakat in accordance with the regulations of the Zakat, Tax and Customs Authority (ZATCA). Provision for zakat for the Group is charged to the consolidated statement of profit or loss. Foreign subsidiaries are subject to income taxes in their respective countries of domicile. Such income taxes are charged to the consolidated statement of profit or loss.

The Company and its Saudi Arabian subsidiaries withhold taxes on certain transactions with non-resident parties in the Kingdom of Saudi Arabia as required under Saudi Arabian Income Tax Law.

The Group is subject to VAT as per the regulations of ZATCA. The net VAT amount recoverable from and/ due to the ZATCA is included in the consolidated statement of financial position.

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Adjustments resulting from final assessments, if any, are recorded during the period in which these assessments are approved.

5.11 Employee termination benefits

5.11.1 Retirement benefit costs and employees’ end of service benefits

Payments to defined contribution schemes are charged as an expense as they fall due. Payments made to state-managed pension schemes are dealt with as payments to defined contribution schemes where the Group’s obligations under the schemes are equivalent to those arising in a defined contribution scheme.

Employee’s end of service benefits provision is calculated annually by actuaries in accordance with the projected unit credit method as per (IAS 19) Employee Benefits, taking into consideration the labour law of the respective country in which the subsidiary operates. The provision is recognized based on the present value of the defined benefit obligations.

The present value of the defined benefit obligations is calculated using assumptions on the average salary incremental rate, average employees’ years of service and an appropriate discount rate. The assumptions used are calculated on a consistent basis for each period and reflect management’s best estimate.

Remeasurement of net liabilities that includes actuarial gains and losses arising from the changes in assumptions used in the calculation, is recognized directly in other comprehensive income. Remeasurements are not reclassified to the consolidated statement of profit and loss in subsequent periods.

Past service cost is recognized in consolidated statement of profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date the Group recognizes related restructuring costs.

Net interest cost is calculated using the discount rate to net defined benefit assets or liabilities. The Group recognizes the following changes in the net benefit obligation identified in the consolidated statement of profit or loss:

- Service costs that include the current service costs, past service costs, profits and losses resulting from labour downsizing and non-routine payments.
- Net finance cost.

5.11.2 Other short and long-term employee benefits

A liability is recognized for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period in which the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service. Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

5.12 Revenue

The Group recognizes revenue from contracts with customers when it transfers control over a product or services to a customer and based on the consideration specified in the contract with the customer and excludes amounts collected on behalf of other parties.

When there is a high degree of uncertainty about the possibility of collection from certain customers, the Group recognizes revenue only upon collection.

The timing of revenue recognition is either at a point in time or over time depending upon the satisfaction of the performance obligation by transferring control of goods or services to the customer.

The Group mainly earns revenue from providing mobile telecommunication services and devices sale. Products and services may be sold separately or in bundled packages.

5.12.1 Service

Revenue from services comprises airtime usage, text messaging, data service (fixed and mobile internet) and other telecom services. The Group offers services in fixed term contracts and short-term arrangement. Revenue from service is recognized when obligation is performed or services are rendered. When services include multiple performance obligations, the Group allocates transaction price to each distinct performance obligation based on respective standalone selling price.

The standalone selling price is the observable price for which the good or service is sold by the Group in similar circumstances to similar customers. If performance obligations are not distinct, revenue is recognized over the contract term. In arrangements, where Group is acting as agent, revenue from service is at net off amount transferred to third party. Revenue from additional consumption is recognized when services are rendered.

5.12.2 Devices Sale

Revenue from sale of devices is recognized at the point in time when control of the devices is transferred to the customer, and generally on delivery of the devices, the amount invoiced / collected is recognized as revenue. Devices sales may be separate from or bundled with a service offering. The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated based on respective standalone selling price. When devices sale is bundled with service offering and identified as distinct performance obligation, the amount allocated to devices is recognized as revenue at the point in time when control of the asset is transferred to the customer. When devices sale is bundled with service offering and identified as combined performance obligation, revenue is recognized over contract term.

5.12.3 Installation and activation services

Revenue from sale of SIM is recognized at the point in time upon activation when end customer takes control of the SIM.

The Group provides installation services that are bundled together with the sale of devices to a customer.

Contracts for bundled sales of devices and installation services are comprised of one performance obligations because the promises to transfer devices and provide installation services are not capable of being distinct. Accordingly, the Group recognizes revenue from bundled sales of devices and installation services over time, using an input method to measure progress towards complete satisfaction of the service, because the customer simultaneously receives and consumes the benefits provided by the Group.

5.12.4 Loyalty points program

Customer loyalty scheme give rise to a separate performance obligation because it generally provides a material right to the customer. The Group allocates a portion of the transaction price to the loyalty scheme liability based on relative standalone selling price of loyalty point and liability is recognized as revenue when points are redeemed or expired.

5.12.5 Service offering to carrier (wholesale)

Interconnect revenue is recognized on the basis of the gross value of invoices raised on other operators for termination charges based on the airtime usage, text messaging and the provision of other mobile telecommunications services for the billing period as per the agreed rate.

Roaming revenue is recognized on the basis of the gross value of invoices raised on other roaming partners based on actual traffic delivered during the billing period.

Revenue from other wholesales service is recognized on the basis of gross value over contract term.

5.12.6 Determination of Transaction Price

When contract include contractual clause covering commercial discount or free offers, the Group defers these discounts or free offers over the contract term.

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In determining the transaction price, the Group considers the effects of variable consideration, the existence of significant financing components, non-cash consideration and consideration payable to the customer (if any).

5.12.6.1 Variable consideration

If the consideration in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the products to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognized will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

5.12.6.2 Significant financing component

If a customer can pay for purchased equipment or services over a period of time, IFRS 15 requires judgement to determine if the contract includes a significant financing component. If it does, then the transaction price is adjusted to reflect the time value of money.

5.12.6.3 Non-cash consideration

The fair value of non-cash consideration received from the customer on the transaction date is included in the transaction price.

5.12.6.4 Consideration payable to the customer

Consideration payable to the customer includes cash amount that the Group pays or expect to pay to the customers and is accounted for as reduction of transaction price.

5.13 Contract balances

5.13.1 Contract assets

Contract assets are the rights to consideration in exchange for products or services transferred by the Group to the customer. If the Group performs by transferring products or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognized for the earned consideration that is conditional.

5.13.2 Contract costs

Contract costs relate to incremental costs of obtaining a contract and certain costs to fulfil a contract to be recognized as an asset when:

- The costs relate directly to the contract (or to a specified anticipated contract)
- The costs generate or enhance resources of the Group that will be used in satisfying (or in continuing to satisfy) performance obligations in the future.
- The costs are expected to be recovered

Contract costs recognized by the Group are amortized on a systematic basis that is consistent with the Group's transfer of related goods or services to the customer.

5.13.3 Contract liabilities

Contract liabilities are recognized if a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related products or services. Contract liabilities are recognized as revenue when the Group performs under the contract (i.e. transfers control of the related products or services to the customer).

5.14 Costs and expenses

5.14.1 Cost of revenue

Represent the cost of revenue incurred during the period which include the costs of products sold, inventory obsolescence, governmental charges, interconnection costs and other direct and indirect costs related to the revenues recognized.

5.14.1.1 Governmental charges

Governmental charges represent government contribution fees in trade earnings, license fees, frequency waves' fees and costs charged to the Group against the rights to use telecommunications and data services in the Kingdom of Saudi Arabia as stipulated in the license agreements. These fees are recorded in the related periods during which these fees are incurred and included under cost of services in the consolidated statement of profit or loss.

5.14.1.2 Interconnection costs

Interconnection costs represent connection charges to national and international telecommunication networks. Interconnection costs are recorded in the period when relevant calls are made and are included in the cost of services caption in the consolidated statement of profit or loss.

5.14.2 Selling and marketing expenses

Expenses related to the selling, distribution and marketing functions represents direct and indirect costs that are not specifically part of cost of revenue and are directly related to sales, distribution and marketing activities.

5.14.3 General and administrative expenses

Represent expenses related to the administration and not to the revenue earning or the selling, distribution and marketing functions. General and administrative expenses include direct and indirect costs that are not specifically part of cost of revenue or sales and marketing expenses.

5.15 Dividends

The Company's dividends policy is approved by the General Assembly and the Company recognizes a liability to pay a dividend when the distribution is authorized. A corresponding amount is recognized directly in equity.

5.16 Foreign currencies

The financial statements and disclosures are presented in Saudi Riyals (the functional currency of Etihad Etisalat Company – the Parent Company). For each subsidiary, the Group determines the functional currency, which is defined as the currency of the primary economic environment in which the entity operates, and items included in the financial statements of each subsidiary are measured using that functional currency.

In preparing the financial statements of each individual group entity, transactions in currencies other than the entity's functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated

in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of gain or loss on change in fair value of the item to which it relates. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Gains or losses arising on settlement or translation of monetary items are recognized in profit or loss with the exception of monetary items that are designated as part of the hedge of the Group's net investment in a foreign operation. These are recognized in OCI until the net investment is disposed of, at which time, the cumulative amount is reclassified to profit or loss. Tax charges and credits attributable to exchange differences on those monetary items are also recognized in OCI.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into Saudi Riyals using exchange rates prevailing at the reporting date. Income and expense items are translated at the average exchange rates for the reporting period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognized in other comprehensive income and accumulated in equity (and attributed to non-controlling interests as appropriate).

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.

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On the disposal of a foreign operation (i.e. a disposal of the Group’s entire interest in a foreign operation, a disposal involving loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in a joint venture or an associate that includes a foreign operation of which the retained interest becomes a financial asset), all of the exchange differences accumulated in equity in respect of that operation attributable to the Company’s shareholders are reclassified to the consolidated statement of profit or loss. For all partial disposals of associates or joint ventures that do not result in the Group losing significant influence or joint control, the proportionate share of the accumulated exchange differences is reclassified to the consolidated statement of profit or loss.

5.17 Leases

The Group assesses at inception of a contract, whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

5.17.1 The Group as a lessee

The Group recognizes a right-of-use asset and a lease liability at the lease commencement date.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of the costs of dismantling and removing the underlying asset and restoring the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of use asset or the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for any re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group’s incremental borrowing rate.

After initial recognition, the lease liability is measured by (a) increasing the carrying amount to reflect interest on the lease liability; (b) reducing the carrying amount to reflect the lease payments made; and (c) re-measuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

Where, (a) there is a change in the lease term as a result of reassessment of certainty to exercise renew option or not; or (b) there is a change in the assessment of an option to purchase the underlying asset, assessed considering the events and circumstances in the context of a purchase option, the Group re-measures the lease liabilities to reflect changes to lease payments by discounting the revised lease payments using a revised discount rate. The Group determines the revised discount rate as the interest rate implicit in the lease for the remainder of the lease term, or, if that rate cannot be readily determined, the Group’s incremental borrowing rate at the date of reassessment.

Where, (a) there is a change in the amounts expected to be payable under a residual value guarantee; or (b) there is a change in future lease payments resulting from a change in an index or a rate used to determine those payments, including a change to reflect changes in market rental rates following a market rent review, the Group re-measures the lease liabilities by discounting the revised lease payments using an unchanged discount rate, unless the change in lease payments results from a change in floating interest rates. In such case, the Group use a revised discount rate that reflects changes in the interest rate.

The Group recognizes the amount of the re-measurement of lease liability as an adjustment to the right-of-use asset. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognizes any remaining amount of the re-measurement in consolidated statement of profit or loss.

The Group accounts for a lease modification as a separate lease if both:
a. the modification increases the scope of the lease by adding the right to use one or more underlying assets; and
b. the consideration for the lease increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

Lease modification that is not accounted for as a separate lease, the Group at the effective date of the lease modification: (a) allocates the consideration in the modified contract; (b) determines the lease term of the modified lease; and (c) remeasures the lease liability by discounting the revised lease payments using a revised discount rate.

The Group has elected not to recognize right-of-use assets and lease liabilities for short-term leases and leases of low-value assets. The Group recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

5.17.2 The Group as a lessor

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease.

The Group recognizes lease payments received under operating leases as income on a straight-line basis over the lease term in consolidated statement of profit or loss.

5.18 Segment reporting

Operating segments of the Group are identified based on internal reports, which are regularly reviewed by the Group’s main decision makers (Chief Operating Decision Maker “CODM”) for the purpose of resource allocation among segments and performance assessment.

5.19 Provisions

5.19.1 General

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and the obligation can be measured reliably.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the financial year, after taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material). When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost in the consolidated statement of profit or loss.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

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5.19.2 Asset decommissioning liabilities

The Group recognizes obligations on decommissioning of assets when there is a legal or constructive obligation arising from past events and it is likely to result in an outflow of resources to settle the obligation and if the obligation can be reliably measured.

The Group calculates a provision with the value of future costs related to the decommissioning of the assets. Upon initial recognition of the obligation, the present value of the expected costs (using a discount rate for future cash flows) is added to the value of the right of use assets. The unwinding of the discount is expensed as incurred and recognized in the consolidated statement of profit or loss as a finance costs.

The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of right of use assets.

5.20 Contingent liabilities

A contingent liability is a possible obligation which may arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group, or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. If the amount of the obligation cannot be measured with sufficient reliability, then the Group does not recognize the contingent liability but discloses it in the consolidated financial statements.

5.21 Inventories

Inventories are stated at the lower of cost or net realizable value. Costs of inventories are determined using the weighted average method. Net realizable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

The Group provides for slow-moving and obsolete inventories in the cost of revenue in the consolidated statement of profit or loss.

5.22 Government grants

Government grants are not recognized until there is reasonable assurance that the Group will comply with the attached conditions and that the grants will be received.

Government grants are recognized in the consolidated statement of profit or loss on a systematic basis over the periods in which the Group recognizes as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognized as deferred revenue in the consolidated statement of financial position and transferred to the consolidated statement of profit or loss on a systematic and rational basis over the useful lives of the related assets.

When the Group receives government grants as compensation for expenses or losses already incurred or immediate financial support with no future related costs, these are recognized in the profit or loss in the period in which they become receivable.

6 MATERIAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

The preparation of the Group's consolidated financial statements in "prepared in accordance with IFRS as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by SOCPA" requires the use of estimates, assumptions and judgments that affect the amounts recorded as revenue, expenses, assets, liabilities and the accompanying disclosures, as well as the disclosure of contingent liabilities. The estimates, assumptions and judgements are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates due to market changes or circumstances arising beyond the control of the Group, such changes are reflected in the assumptions when they occur. Uncertainty about these estimates, assumptions and judgments could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

The estimates are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods.

6.1 Provisions

In respect of provisions including decommissioning provision, the Group provides for anticipated outflows of resources considered probable. Estimates are used in assessing the likely amount of the settlement. The ultimate liability may vary from the amounts provided and would be dependent on the eventual outcome. Provisions are recorded by discounting the future cash flows at a current pre-tax rate that reflects the risks specific to the liability. The unwinding of the discount is recognized in the consolidated statement of profit or loss as a finance cost.

6.2 Impairment losses on trade receivables and contract assets

The Group uses a provision matrix to calculate expected credit loss on accounts receivable and contract assets. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns.

The provision matrix is initially based on the Group's historical observed default rates. The Group calibrates the matrix to adjust the historical credit loss experience with forward-looking information. At every reporting date, the Group updates its historical default rates and reflects that in future estimates.

The assessment of the correlation between historical observed default rates, forecast economic conditions and expected credit loss is a significant estimate. The amount of expected credit loss is sensitive to changes in forecast of circumstances and economic conditions.

6.3 Financial risk management and financial instruments

The fair value of derivative instruments, investments in publicly traded and private companies, and equity instruments is determined on the basis of either prices in regulated markets or quoted prices provided by financial counterparties, or using valuation models which also take into account subjective measurements such as, cash flow estimates or expected volatility of prices.

6.4 Defined benefit obligations

The cost of defined benefit and the present value of the related obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions which may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, withdrawal rate and mortality rates. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions.

6.5 Impairment of non-financial assets

An impairment exists when the carrying value of an asset or CGU exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a discounted cash flow (DCF) model. The cash flows are derived usually from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is most sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

6.6 Property and equipment

6.6.1 Useful lives of property and equipment

The useful life of each of the Group's items of property and equipment is estimated based on the period over which the asset is expected to be available for use. Such estimation is based on a collective assessment of practices of similar businesses, internal technical evaluation, experience with similar assets and application of judgment as to when the assets become available for use and the commencement of the depreciation.

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The estimated useful life of each asset is reviewed at least each financial year-end and updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of the asset. It is possible, however, that future results of operations could be materially affected by changes in the amounts and timing of recorded expenses brought about by changes in the factors mentioned above. A reduction in the estimated useful life of any item of property and equipment would increase the recorded operating expenses and decrease non-current assets.

6.6.2 Allocation of costs

The Group enters into arrangements with certain of its key suppliers which may include the provision of multiple products and services including property and equipment, inventories and maintenance and other services across a number of reporting periods. Such arrangements may include the provision of free of charge assets and incentives which enable the Group to obtain further products and services at discounted values.

Management aggregates, where appropriate, such arrangements and allocates the net cost of such an aggregation between the multiple products and services based on its best estimate of the fair value of the individual components. The cost of such components is capitalized or expensed according to the relevant accounting policy.

6.7 Zakat and taxation

The Group calculates zakat, withholding tax and VAT in accordance with the requirements of the Zakat, Tax and Customs Authority (ZATCA) which are subject to change based on final assessments received. The final outcome of any additional amounts assessed by the ZATCA depends on the eventual outcome of the appeal process which the Group is entitled to submit. When the final tax outcome differs from the amounts initially recorded, such differences could impact the consolidated statement of profit or loss in the period in which the final judgment is made.

6.8 Contingencies

The Group is currently involved in various legal proceedings. Estimates of the probable costs for the resolution of these claims, if any, have been developed in consultation with

internal and external counsels handling the Group’s defense in these matters and are based upon the probability of potential results. The Group’s management currently believes that these proceedings will not have a material effect on the consolidated financial statements. It is possible, however, that future results of operations could be materially affected depending on the final outcome of the proceedings.

6.9 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset considers a market participant’s ability to generate economic benefits from the asset’s highest and best use or by selling it to another market participant that would utilize the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized within the fair value hierarchy. This is described as follows based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the consolidated financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. The Group determines the policies and procedures for both recurring fair value measurement, and for non-recurring measurement.

At each reporting date, the Group analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Group’s accounting policies. For this analysis, the Group verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents. The Group also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable. For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

6.10 Revenue

6.10.1 Identifying performance obligations in a bundled sale of devices and services

The Group provides services that are either sold separately or bundled together with the sale of devices to a customer. The Group analyses whether devices and services are capable of being distinct or not.

6.10.2 Gross versus net presentation

When the Group sells products or services as principal, revenue and related costs are reported on a gross basis in revenue and operating cost. If the Group sells products or services as an agent, revenue is recorded on a net basis, representing the margin earned.

Whether the Group is principal or agent, depends on whether the control of products or services is transferred to customers, and it has the ability to direct the use of the devices or obtain benefits from the devices or service. Below are the key criteria to determine whether the Group is acting as a principal:

- The Group has the primary responsibility for providing the products or services to the customer or for fulfilling the order, for example by being responsible for the acceptability of the products or services ordered or purchased by the customer;
- The Group has inventory risk before or after the customer order, during shipping or on return; and
- The Group has latitude in establishing prices, either directly or indirectly, for example by providing additional products or services.

6.10.3 Consideration of significant financing component in a contract

The Group analyses significant financing component in a contract where payment terms are exceeding more than one year for the date of services rendered. In determining the interest to be applied to the amount of consideration, the Group uses discount rate as appropriate in the circumstances.

6.10.4 Determining whether the loyalty points provide material rights to customers

The Group assessed whether the loyalty points provide a material right to the customer that needs to be accounted for as a separate performance obligation. The Group determined that the loyalty points provide a material right that the customer would not receive without entering into the contract. The free products or services the customer would receive by exercising the loyalty points do not reflect the stand-alone selling price that a customer without an existing relationship with the Group would pay for those products or services.

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- ### 6.11 Leases

In determining the lease term, the Group considers all relevant facts and circumstances that create an economic incentive for the lessee to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Group revises the lease term if there is a change in the non-cancellable period of a lease.

The Group cannot readily determine the interest rate implicit in a lease, therefore, it uses its incremental

borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

The Group estimates the IBR using observable inputs (such as market interest rates) when available in addition to make certain entity-specific estimates.
- During the year ended 31 December 2024, the Group has capitalized internal technical staff costs amounting to ﷲ 173 million (31 December 2023: ﷲ 168 million).
 - Other assets include Leasehold improvements, Office furniture and equipment and Vehicles.
 - During the year ended 31 December 2024, the Group has reviewed the estimated useful lives and residual value of property and equipment, which resulted in an increase in depreciation expense by an amount of ﷲ 46 million.
 - During the year ended 31 December 2023, the Group has reviewed the estimated useful lives of buildings, which resulted in change in the estimation, resulted in decrease in depreciation expense by an amount of ﷲ 31 million.
 - The accumulated depreciation balance includes an amount of ﷲ 219 million as of 31 December 2024 (31 December 2023: ﷲ 120 million) which represents the depreciation of the remaining salvage values of the fully depreciated assets.

7 PROPERTY AND EQUIPMENT

	Land and buildings	Telecom network equipment	Computer equipment and software	Other assets	Capital work in progress	Total
Cost						
As at 1 January 2024	1,480,978	44,862,990	6,013,427	1,269,891	284,981	53,912,267
Additions	785	1,638,086	440,324	27,862	427,764	2,534,821
Reclassification	(5,665)	1,063	7,179	(2,577)	-	-
Disposals	-	(51,395)	(44,693)	(25,992)	-	(122,080)
As at 31 December 2024	1,476,098	46,450,744	6,416,237	1,269,184	712,745	56,325,008
Accumulated depreciation and impairment						
As at 1 January 2024	541,814	28,551,344	4,716,120	1,091,018	-	34,900,296
Charge for the year	25,291	2,321,100	311,288	32,291	-	2,689,970
Reclassification	(2,424)	515	3,506	(1,597)	-	-
Disposals	-	(48,433)	(42,901)	(24,956)	-	(116,290)
As at 31 December 2024	564,681	30,824,526	4,988,013	1,096,756	-	37,473,976
Net book value as at 31 December 2024	911,417	15,626,218	1,428,224	172,428	712,745	18,851,032

	Land and buildings	Telecom network equipment	Computer equipment and software	Other assets	Capital work in progress	Total
Cost						
As at 1 January 2023	1,481,259	48,425,481	5,673,335	1,248,100	168,107	56,996,282
Additions	-	1,667,004	433,845	30,809	116,874	2,248,532
Disposals	(281)	(5,229,495)	(93,753)	(9,018)	-	(5,332,547)
As at 31 December 2023	1,480,978	44,862,990	6,013,427	1,269,891	284,981	53,912,267
Accumulated depreciation and impairment						
As at 1 January 2023	516,501	31,404,199	4,509,883	1,058,125	-	37,488,708
Charge for the year	25,433	2,326,324	298,931	40,106	-	2,690,794
Disposals	(120)	(5,179,179)	(92,694)	(7,213)	-	(5,279,206)
As at 31 December 2023	541,814	28,551,344	4,716,120	1,091,018	-	34,900,296
Net book value as at 31 December 2023	939,164	16,311,646	1,297,307	178,873	284,981	19,011,971

8 INTANGIBLE ASSETS

	Telecommunication services licenses	Goodwill	Indefeasible Right of Use (IRU)	Others*	Total
Cost:					
1 January 2024	13,586,350	1,466,865	1,405,207	107,172	16,565,594
Additions	-	-	43,591	-	43,591
31 December 2024	13,586,350	1,466,865	1,448,798	107,172	16,609,185
Accumulated Amortization					
1 January 2024	8,229,057	-	921,786	98,809	9,249,652
Charge for the year	289,059	-	71,855	949	361,863
31 December 2024	8,518,116	-	993,641	99,758	9,611,515
Net book value at 31 December 2024	5,068,234	1,466,865	455,157	7,414	6,997,670

	Telecommunication services licenses *	Goodwill	Indefeasible Right of Use (IRU)	Others*	Total
Cost:					
1 January 2023	13,586,350	1,466,865	1,335,377	107,172	16,495,764
Additions	-	-	69,830	-	69,830
31 December 2023	13,586,350	1,466,865	1,405,207	107,172	16,565,594
Accumulated Amortization					
1 January 2023	7,939,998	-	850,246	97,861	8,888,105
Charge for the year	289,059	-	71,540	948	361,547
31 December 2023	8,229,057	-	921,786	98,809	9,249,652
Net book value at 31 December 2023	5,357,293	1,466,865	483,421	8,363	7,315,942

* Others include various computer software.

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The net book value and expiry dates of the main mobile operating licenses and frequency spectrum are as follows:

	End of amortization period	31 December 2024	31 December 2023
Telecommunication services licenses	Between 2030– 2043	4,784,511	5,042,060
Indefeasible Right of use (multiple items)	Between 2024 – 2045	455,157	483,421
Frequency spectrum (multiple items)	Between 2033 – 2035	283,723	315,233
		5,523,391	5,840,714

Goodwill

- The Group has tested separately recognized goodwill for impairment. The recoverable amount has been determined based on value-in-use, using discounted cash flow analysis. The cash flow projections are based on approved Business Plan.
- The recoverable amount of the CGU as at 31 December 2024 has been determined based on a value-in-use calculation using cash flow projections from financial Business plan covering a five years period. The pre-tax discount rate applied to cash flow projections is 8.6% (31 December 2023: 5.7%) and cash flows beyond the five years period are extrapolated using a 1.5% growth rate (31 December 2023: 1.5%). It was concluded that the carrying value of the goodwill has not exceeded the value-in-use. As a result of this analysis, no goodwill impairment was recognized.
- Assumption of a rise in the pre-tax discount rate beyond 16.9% (i.e., 8.3%) (31 December 2023: 10.02% (i.e., 4.32%)) in the CGU would result in an impairment loss, assumption of reduction to growth rate -15% (31 December 2023: -7%) in the long-term growth rate would not result in an impairment loss.

9 RIGHT OF USE ASSETS

	Telecommunication network equipment	Land and buildings	Total
Net book value as at 1 January 2024	2,360,781	369,129	2,729,910
Additions	508,344	104,547	612,891
Termination/Adjustment, net	(22,882)	11,264	(11,618)
Depreciation	(497,185)	(115,206)	(612,391)
Net book value as at 31 December 2024	2,349,058	369,734	2,718,792

	Telecommunication network equipment	Land and buildings	Total
Net book value as at 1 January 2023	2,406,503	296,501	2,703,004
Additions	427,056	150,237	577,293
Termination/Adjustment, net	12,123	32,413	44,536
Depreciation	(484,901)	(110,022)	(594,923)
Net book value as at 31 December 2023	2,360,781	369,129	2,729,910

- The Group’s main leases are in respect of land and buildings which is used for base stations, sales outlets, offices, warehouses and technical facilities. The lease period ranges between 2 years to 25 years and usually is for 10 years and often includes an option to renew the lease at the end of the lease term. For some lease contracts, the Group is required to restore the premises to the condition they were at time of entering into lease. The average weighted discount rate used is 6.29% (31 December 2023: 5.45%).
- At 31 December 2024, the Group has non-cash additions to right-of-use assets of amount of ₪ 613 million (31 December 2023: ₪ 577 million).

10 INVESTMENT IN JOINT VENTURE

The Company holds a 25% equity interest in Sehati for Information Technology Service Company, a limited liability Company incorporated in Kingdom of the Saudi Arabia. The principal activities of Sehati for Information Technology Service Company are construction, maintenance and operation of networks and computers’ software and related works, import, export and sale of telecommunications systems and equipment and computer systems. The investment is accounted for using the equity method in these consolidated financial statements. During the fourth quarter of 2023, the Board of Directors of Sehati

for Information Technology Services Company approved the distribution of dividends to the owners, of which the company’s share amounted to ₪ 37.5 million.

During the third quarter of 2023, the Company participated in establishing the Integrated Data Company for Information Technology (A Limited Liability Company) with a capital of ₪ 22 million, of which the Company’s share is ₪ 6.6 million, representing 30% of the total capital value. The purpose of this company revolves around big data technologies, data science and analysis, and the construction of geospatial databases

The following is the information of joint venture that is not material:

	31 December 2024	31 December 2023
Group’s share of net profit	43,791	30,053
Group’s share carrying amount	52,420	11,152

The Group share of joint venture in an outstanding letter of guarantee amounting to ₪ 11.3 million (31 December 2023: ₪ 22.5 million).

11 CONTRACT COSTS

Contract costs consist of the followings:

	31 December 2024	31 December 2023
Costs to obtain the contracts	186,510	277,508
Costs to fulfil the contracts	177,708	246,272
	364,218	523,780
Current	359,940	495,107
Non-current	4,278	28,673
	364,218	523,780

- Costs to obtain contracts relate to incremental commission fees and additional incentives paid to distributors, dealers and employees as a result of obtaining contracts with customers. These costs are amortized on a straight-line basis over term each of specific contract relates to.
- Costs to fulfil contracts are costs that incurred in fulfilling a contract with a customer, which will generate recourses that will be used in satisfying these contracts and expected to be recovered, such as installation and devices costs They were therefore recognized as an asset from cost fulfil contracts. The asset is amortized using the same pattern of performance obligation transfer to the customer as per the underlying contract.

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12 CONTRACT BALANCES

12.1 Contract assets

The contract assets primarily relate to the Group's rights to consideration for work completed but not yet billed at the reporting date. The contract assets are transferred to receivables when the rights become unconditional. This usually occurs when the Group issues an invoice to the customer.

	31 December 2024	31 December 2023
Contract Assets	1,124,222	1,059,506
Less: allowance for impairment loss on contract assets	(30,768)	(26,724)
	1,093,454	1,032,782
Current	1,003,495	929,380
Non-current	89,959	103,402
	1,093,454	1,032,782

Significant change in the contract assets during the year are as follows:

	31 December 2024	31 December 2023
Transfer from contract assets recognized at the beginning of the year	(968,336)	(875,126)
Additions to contract assets during the year	1,029,008	997,388
	60,672	122,262

The movement of the allowance for impairment loss on contract assets is as follows:

	31 December 2024	31 December 2023
Balance at the beginning of the year	(26,724)	(26,712)
Charge for the year	(4,044)	(12)
Balance at the end of the year	(30,768)	(26,724)

12.2 Contract liabilities

The contract liabilities primarily relate to the unredeemed customer loyalty points and the advance consideration received from customers for which revenue is recognized overtime.

	31 December 2024	31 December 2023
Current	831,150	785,828
Non-current	321,510	280,648
	1,152,660	1,066,476

Significant change in the contract liabilities during the period are as follows:

	31 December 2024	31 December 2023
Revenue recognized that was included in the contract liability balance at the beginning of the year	(689,887)	(529,390)
Increase in cash received, excluding amounts recognized as revenue during the year	776,071	620,395
	86,184	91,005

13 FINANCIAL AND OTHER ASSETS

13.1 Financial assets

	31 December 2024	31 December 2023
Restricted cash	250,071	119,075
Accrued income	26,366	56,889
Derivatives financial instruments	12,576	76,021
Equity investments at fair value through other comprehensive income	4,062	6,839
Others	119,670	166,712
	412,745	425,536
Current	408,683	376,944
Non-current	4,062	48,592
	412,745	425,536

13.2 Other assets

	31 December 2024	31 December 2023
Capital advances	300,660	67,517
Advance payments	91,665	122,513
Prepaid expenses	58,528	69,491
Others	138,045	108,071
	588,898	367,592
Current	288,238	300,075
Non-current	300,660	67,517
	588,898	367,592

14 INVENTORIES

	31 December 2024	31 December 2023
Handsets and equipment	280,996	212,122
SIM cards	16,944	20,870
Prepaid vouchers and scratch cards	203	546
	298,143	233,538
Less: provision for inventory obsolescence	(85,151)	(82,777)
	212,992	150,761

The movement of the provision for inventory obsolescence is as follows:

	31 December 2024	31 December 2023
Balance at the beginning of the year	(82,777)	(72,808)
Charge during the year	(2,374)	(10,050)
Written off during the year	-	81
Balance at the end of the year	(85,151)	(82,777)



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15 ACCOUNTS RECEIVABLE

	31 December 2024	31 December 2023
Accounts receivable	6,280,388	5,585,140
Less: allowance for impairment loss on accounts receivable	(2,350,829)	(2,194,606)
	3,929,559	3,390,534

Ageing analysis of trade receivables as follows:

	31 December 2024			31 December 2023		
	Gross Amounts	Allowance for impairment	ECL rate	Gross Amounts	Allowance For impairment	ECL rate
Not past due	1,206,973	(94,760)	7.9%	1,042,729	(50,190)	4.8%
Past due:						
1-30 days	606,240	(21,916)	3.6%	456,749	(13,194)	2.9%
31-90 days	532,635	(33,211)	6.2%	571,632	(34,092)	6.0%
91-180 days	479,911	(83,190)	17.3%	641,098	(122,050)	19.0%
181-365 days	809,357	(199,653)	24.7%	603,209	(239,757)	39.7%
> 365 days	2,645,272	(1,918,099)	72.5%	2,269,723	(1,735,323)	76.5%
	6,280,388	(2,350,829)	37.4%	5,585,140	(2,194,606)	39.3%

The movement of the allowance for impairment loss on accounts receivable is as follows:

	31 December 2024	31 December 2023
Balance at the beginning of the year	(2,194,606)	(2,167,041)
Charge for the year	(142,272)	(185,617)
Settlement during the year	(68,726)	(75,751)
Write off during the year	54,775	233,803
Balance at the end of the year	(2,350,829)	(2,194,606)

16 RELATED PARTIES' TRANSACTIONS AND BALANCES

16.1 Related parties' transactions

The Group has the following related parties:

Party	Relationship
Emirates Telecommunication Group (PJSC)	Founding shareholder
Emirates Data Clearing House	Associate to Founding shareholder
Etisalat Misr S.A.E.	Subsidiary to Founding shareholder
Etisalat Afghanistan	Subsidiary to Founding shareholder
Etisalat Al Maghrib S.A (Maroc Telecom)	Subsidiary to Founding shareholder
Pakistan Telecommunication Company Limited	Subsidiary to Founding shareholder
Emirates Cable TV and Multimedia LLC	Subsidiary to Founding shareholder
Ufone	Subsidiary to Founding shareholder
Sehati for Information Service Company	Joint venture
Integrated Data Company for Information Technology	Joint venture

The Group transacted with related parties in ordinary course of business. Following are the details of major transactions with related parties:

	31 December 2024	31 December 2023
Interconnection services and roaming services rendered	97,293	127,620
Interconnection services and roaming services received	281,804	352,924
Other telecommunication services	10,211	16,776

- Services rendered to related parties comprise of the provision of telecommunication service, interconnection services and roaming services by the Group based on normal commercial terms. Services received from related parties comprise of telecommunication service, interconnection services and roaming services to the Group based on normal commercial terms.
- The Company has other transactions related to roaming with international telecommunications service providers through the Emirates Telecommunications Group (PJSC), where transactions revenues for the year ended 31 December 2024 amounted to ﷲ 53 million (2023: ﷲ 51 million) and transactions expenses for the year ended 31 December 2024 amounted to ﷲ 59 million (2023: ﷲ 55 million).

Compensation and benefits to board of directors and key management personnel

	31 December 2024	31 December 2023
Compensation and benefits - short term	128,245	118,391
Compensation and benefits - post-employment	3,925	3,768
Total compensation	132,170	122,159



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16.2 Related party balances

	31 December 2024	31 December 2023
Due from related parties		
Founding shareholder and its Associates & Subsidiaries	105,416	96,269
Joint venture	1,916	65,643
	107,332	161,912
Due to related parties		
Founding shareholder and its Associates & Subsidiaries	193,439	177,249
	193,439	177,249

17 SHORT TERM MURABAHA

The Group invests part of its excess cash in murabaha that have a maturity of more than three months but less than a year with several banks, with an annual average profit rate of 5.96% (2023: 5.43%). Income arising from these murabaha is reported under finance income in the consolidated statement of profit or loss.

18 CASH AND CASH EQUIVALENTS

	31 December 2024	31 December 2023
Cash on hand	801	576
Cash at banks	981,241	750,730
Short-term murabaha *	417,500	890,000
	1,399,542	1,641,306

* The Group invests a part of its surplus cash in murabaha that have a maturity of three months or less with several banks with an annual average profit rate of 5.92% (2023: 5.39%). Income arising from these murabaha is reported under finance income in the consolidated statement of profit or loss.

19 STATUTORY RESERVE

On 1 June 2023, the Company's General Assembly approved amending the Company's by-laws to comply with the New Companies' Law issued on 1 Dhul-Hijjah 1443 H (corresponding to 30 June 2022), whereby Article No. 44 of the bylaws relating to the statutory reserve was deleted, based on the recommendation of the Board of Directors.

The Company's General Assembly, in its meeting held on 21 Dhu al-Hijjah 1445 H (corresponding to 27 June 2024), agreed to transfer the balance of the statutory reserve amounting to ﷲ 2,648,971 thousand as in the consolidated financial statements for the year ended 31 December 2023 to the retained earnings balance.

20 OTHER RESERVES

	Foreign currency translation reserve	Hedging reserve	Fair value reserve	Total
As at 1 January 2024	(18,319)	44,680	(50)	26,311
Exchange differences on translation of foreign operations	(1,585)	-	-	(1,585)
Cash flow hedges - change in fair value	-	(2,159)	-	(2,159)
Cash flow hedges - reclassified to profit or loss	-	(42,472)	-	(42,472)
Equity investments	-	-	(2,764)	(2,764)
As at 31 December 2024	(19,904)	49	(2,814)	(22,669)
As at 1 January 2023	(17,931)	105,314	2,692	90,075
Exchange differences on translation of foreign operations	(388)	-	-	(388)
Cash flow hedges - change in fair value	-	47,590	-	47,590
Cash flow hedges - reclassified to profit or loss	-	(108,224)	-	(108,224)
Equity investments	-	-	(2,742)	(2,742)
As at 31 December 2023	(18,319)	44,680	(50)	26,311



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21 BORROWINGS

A list of the borrowings acquired by the Company are as follows:

Lender	Borrowings nature	Borrowings Purpose	Date	Currency	Principal amount	Utilized amount	Profit rate	Period	Other information	31 December 2024 (million Saudi Riyals)		31 December 2023 (million Saudi Riyals)	
										Current	Non-Current	Current	Non-Current
Syndicated Financing - Local Banks	Long-term refinancing facility agreement Sharia' compliant	Syndicated Murabaha Facility for general corporate purpose	Q4, 2019	Saudi Riyals	SAR 7,619 million	SAR 7,619 million	SIBOR plus profit margin	7 years	Repayment period of 7 years with Semi-annual repayments	-	-	1,133	4,555
Export Credit Agency of Finland (Finnvera)	Long-term financing agreement Sharia' compliant	Acquiring network equipment	Q3, 2013, Q1, 2014 & Q4, 2018	US Dollars	USD 720 million (SAR 2,700 million)	USD 720 million (SAR 2,700 million)	Fixed rate per annum	10 years	Utilization period of 1.5 years, repayment period of 8.5 years with Semi-annual repayments	50	100	164	150
Export Credit Agency of Sweden (EKN)	Long-term financing agreement Sharia' compliant	Acquiring network equipment	Q3, 2013, Q1, 2014 & Q4, 2018	USD Dollars	USD 652 million (SAR 2,444 million)	USD 629 million (SAR 2,358 million)	Fixed rate per annum	10 years	Utilization period of 1.5 years, repayment period of 8.5 years with Semi-annual repayments	84	125	125	209
Export Development of Canada (EDC)	Long-term financing agreement Sharia' compliant	Acquiring telecommunication devices and equipment	Q2, 2014	US Dollars	USD 122 million (SAR 458 million)	USD 101 million (SAR 377 million)	Fixed rate per annum	10.5 years	Utilization period of 2 years, repayment period of 8.5 years with Semi-annual repayments	-	-	41	-
Alinma Bank	Long-term financing agreement Sharia' compliant	Finance capital expenditure including capital expenditure	Q4, 2019	Saudi Riyals	SAR 3,000 million	SAR 2,450 million	SIBOR plus profit margin	10 years	Payable over a period of 10 years with Semi-annual repayments and with 3 years grace period	182	2,054	148	1,786
SNB	Long-term financing agreement Sharia' compliant	Syndicated Murabaha Facility for general corporate purpose	Q1, 2024	Saudi Riyals	SAR 3,685 million	SAR 3,685 million	SIBOR plus profit margin	7 years	Repayment period of 7 years with Semi-annual repayments	144	3,446	-	-
Total										460	5,725	1,611	6,700

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Maturity profile of borrowings:

	31 December 2024	31 December 2023
Less than one year	459,588	1,610,848
Between one to five years	4,430,410	6,489,803
Over five years	1,294,712	209,790

On 17 January 2024, the Company signed a Murabaha financing agreement with Saudi National Bank in the amount of ﷲ 4.8 billion and a financing period of 7 years, with better terms and competitive interest rates for the purpose of financing working capital, in addition to an additional medium-term Murabaha financing for partial refinancing of the Company’s existing financing. This agreement is in line with the Company’s long-term financial objectives and its capital restructuring strategy.

The Company used the amount of ﷲ 3,685 million, amount of drawdown during the first quarter of 2024, from the financing agreement to partially refinance the syndicated loan amounting to ﷲ 5,333 million.

The agreement does not include any mortgages or financial guarantees.

During the first quarter of 2024, the Company drawdown amounting to ﷲ 450 million from the existing available credit limit with Alinma bank according to the credit facility agreement dated Q4,2019 to finance capital expenditure.

22 LEASE LIABILITIES

Following is the movement in lease liabilities:

	31 December 2024	31 December 2023
As at 1 January	3,223,782	3,221,034
Additions during year	615,508	577,693
Payments during the year	(687,879)	(718,042)
Termination/Adjustment	(13,358)	15,015
Finance costs	136,802	128,082
Net book value as at 31 December	3,274,855	3,223,782
Current	1,213,068	1,178,918
Non-current	2,061,787	2,044,864
	3,274,855	3,223,782

23 PROVISION FOR EMPLOYEES’ END OF SERVICE BENEFITS

The Group has a post-employment defined benefit plan. The benefits are required by Saudi Labor and Workman Law. The benefit is based on employees’ final salaries and allowances and their cumulative years of service, as stated in the laws of Saudi Arabia.

Net expense recognized in consolidated statement of profit or loss is as follows:

	31 December 2024	31 December 2023
Service cost	51,416	52,195
Interest cost	25,297	22,220
	76,713	74,415

Movement of provision for employees’ end of service benefits recognized in the consolidated statement of financial position is as follows:

	31 December 2024	31 December 2023
Balance at the beginning of the year	554,393	501,802
Charge recognized in consolidated statement of profit or loss	76,713	74,415
(Gains) / Losses recognized in the consolidated statement of comprehensive income	(4,517)	18,641
Amounts paid and adjustment	(25,093)	(40,465)
Balance at the end of the year	601,496	554,393

Significant assumptions (weighted average) used in determining the provision for employees’ end of service benefits are as follows:

	31 December 2024	31 December 2023
Discount rate	5.41%	4.68%
Salary increase rate	3.12%	3.96%
Mortality Rate	0%	0%
Withdrawal rate	12.72%	13.30%

Reasonably possible change to one of the relevant actuarial assumptions holding other assumptions constant would have affected the provision for employees’ end of service benefits by the following amounts:

Sensitivity Level	31 December 2024		31 December 2023	
	Increase of 1%	Decrease of 1%	Increase of 1%	Decrease of 1%
Discount rate	(50,523)	58,135	(55,285)	64,583
Future salary increase rate	61,743	(54,640)	67,846	(58,901)

The sensitivity analysis above may not be representative of an actual change in provision for employees’ end of service benefits as it is unlikely that changes in assumptions would occur in isolation of one another.

The following table shows the maturity profile of the Group’s undiscounted defined benefit obligations as at 31 December:

	31 December 2024	31 December 2023
One year or less	42,882	32,826
Above one year but less than five years	114,606	84,021
Above five years	856,247	830,205
	1,013,735	947,052

At 31 December 2024, the weighted-average duration of the defined benefit plan was 9.07 years (2023: 10.84 years).

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24 PROVISION FOR DECOMMISSIONING

	31 December 2024	31 December 2023
Balance at the beginning of the year	206,269	190,543
Additions during the year	6,175	6,822
Unwind of discount effect	10,752	10,435
Utilization during the year	(14,734)	(1,531)
Balance at the end of the year	208,462	206,269

25 FINANCIAL AND OTHER LIABILITIES

25.1 Financial liabilities

	31 December 2024	31 December 2023
Frequency spectrum licenses	135,676	166,443
E- Wallet obligations*	251,236	186,768
Others	15,210	13,955
	402,122	367,166
Current	266,446	200,723
Non-current	135,676	166,443
	402,122	367,166

*This represents balance in the books of Etihad Fintech Company related to customers deposits and liabilities to service providers.

25.2 Other liabilities

	31 December 2024	31 December 2023
Government grants*	190,587	64,680
Others	59,295	2,254
	249,882	66,934
Current	76,026	21,485
Non-current	173,856	45,449
	249,882	66,934

*The Group benefited from certain grants by Communications, Space & Technology Commission and Ministry of Communications and Information Technology. These grants were conditional on implementation of network services in the mandatory service locations. They were initially recognized as deferred government grants income and are being amortized over the useful life of the underlying network assets.

26 ACCOUNTS PAYABLE

	31 December 2024	31 December 2023
Trade accounts payable	1,589,226	1,553,731
Capital expenditure payable	2,014,312	1,861,562
	3,603,538	3,415,293

27 ACCRUED EXPENSES

	31 December 2024	31 December 2023
Accrued telecommunication expenses	1,284,973	1,211,028
Accrued services and maintenance expenses	698,091	555,798
Accrued selling and marketing expenses	433,213	370,991
Rental accruals	217,960	172,159
Employee accruals	155,444	247,400
Utility accruals	59,464	53,358
Accrued interest payable	49,341	82,973
Others	383,390	384,311
	3,281,876	3,078,018

28 PROVISIONS

The Group, in its ordinary course of business establishes legal, regulatory and other provisions considering legal assessment of each individual case as much as possible. The movement of these provisions is as follows:

	31 December 2024	31 December 2023
Balance at the beginning of the year	615,355	827,067
Reversal during the year, net	(221,414)	(174,947)
Payment and settlements during the year	(24,450)	(36,765)
Balance at the end of the year	369,491	615,355

29 ZAKAT AND INCOME TAX

	31 December 2024	31 December 2023
Zakat	114,005	185,459
Income tax	3,000	1,550
	117,005	187,009

29.1 Zakat

The Group calculates and records the zakat due according to the zakat base and in accordance with the zakat rules and principles in the Kingdom of Saudi Arabia.

29.1.1 Zakat base calculation

	31 December 2024	31 December 2023
Adjusted net profit for the year	3,189,283	2,653,138
Shareholder's equity	15,784,194	15,382,959
Borrowings	5,725,122	8,310,441
Other additions /adjustments	4,315,292	8,834,015
Deductible assets	(28,949,069)	(29,125,341)
Total	64,822	6,055,212
Minimum zakat base (adjusted net profit for the year)	3,189,283	2,653,138
Zakat base	3,189,283	6,055,212

* Current year balances are presented to conform with the requirements of the executive regulations for Zakat Collection issued by Minister of Finance Resolution No. (1007).

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29.1.2 Provision for zakat

	31 December 2024	31 December 2023
Balance at the beginning of the year	185,459	150,443
Charge during the year	82,435	154,023
Prior year settlements	773	61,495
Total charge during the year	83,208	215,518
Payments and settlements during the year	(154,662)	(180,502)
Balance at the end of the year	114,005	185,459

The Group is subject to zakat according to the regulations of the Zakat, Tax and Customs Authority (ZATCA) in the Kingdom of Saudi Arabia. The Group files its zakat returns on a consolidated basis, starting from the financial year ended 31 December 2009 and thereafter, where it includes the Company and its subsidiaries due to the fact that the Group is one economic entity wholly owned and managed by the Company. The Group has filed its zakat returns with ZATCA for the years up to 2023 and settled its zakat thereon.

During the year 2024, Minister of Finance Resolution No. (1007) was issued, dated 19/8/1445H, approving the executive regulations for collecting zakat in accordance with the formula attached to the decision, which replaces the executive regulations for collecting zakat issued by Ministerial Resolution No. (2216), dated 07/07/1440H, and it is effective. to the fiscal years beginning on 01/01/2024 and thereafter. Accordingly, the group calculated Zakat for the year 2024 in accordance with these regulations.

The Group has finalized its zakat status for the years up to 2022. There are no assessments received from ZATCA related to the year 2023.

The Group has received zakat assessments that showed additional zakat liabilities for the years 2010, 2011 and 2014 to 2018 of ﷲ 157 million, which have been appealed against by the Group at the Preliminary and Higher Appeal Committees. During the fourth quarter of 2022, the Group received preliminary favorable ruling regarding zakat assessments for the years 2010 and 2011 where (ZATCA) appealed against it. During the month of January 2024, the

committee upheld the ruling issued in favor of the Group regarding these years, and accordingly, all lawsuits related were settled.

During the third quarter of 2023, an agreement was reached with the Zakat, Tax and Customs Authority (ZATCA) regarding the settlement of disputes regarding additional zakat assessments related to the years from 2014 until 2018, amounting to ﷲ 50.5 million. accordingly, all lawsuits related to these years were settled and ended.

During the third quarter of 2023, the group received the zakat assessments for the years 2019 and 2020, which showed additional zakat dues worth ﷲ 11 million. After studying the items included in these assessments, the Group accepted these assessments and the zakat status for these years was settled.

During the fourth quarter of 2024, the group received the zakat assessments for the years 2021 and 2022, which showed additional zakat dues worth ﷲ 18 million. After studying the items included in these assessments, the Group accepted these assessments and the zakat status for these years was finalized.

29.2 Income tax

Income tax expense payable by subsidiaries, in accordance with the prevailing tax regulations in their countries, for the year ended 31 December 2024 amounted to ﷲ 3 million (2023: ﷲ 1.7 million). Income tax paid during the year ended 31 December 2024 amounted to ﷲ 2 million (2023: ﷲ 2.1 million).

30 FINANCIAL ASSETS AND LIABILITIES

30.1 Financial assets

	31 December 2024	31 December 2023
Financial assets at fair value:		
Financial assets - fair value through other comprehensive income *	4,062	6,839
Derivatives financial instruments**	12,576	76,021
Total financial assets at fair value	16,638	82,860
Financial assets at amortized cost:		
Accounts receivable	3,929,559	3,390,534
Due from related parties	107,332	161,912
Short term Murabaha	1,786,374	2,127,814
Cash and cash equivalents	1,399,542	1,641,306
Restricted cash	250,071	119,075
Accrued income	26,366	56,889
Other financial assets	119,670	166,712
Total financial assets at amortized cost	7,618,914	7,664,242
Total financial assets	7,635,552	7,747,102
Current	7,631,490	7,698,510
Non-current	4,062	48,592
Total financial assets	7,635,552	7,747,102

30.2 Financial liabilities

	31 December 2024	31 December 2023
Financial liabilities at amortized cost:		
Borrowings	6,184,710	8,310,441
Lease liabilities	3,274,855	3,223,782
Accounts payable	3,603,538	3,415,293
Due to related parties	193,439	177,249
E- Wallet obligations	251,236	186,768
Frequency spectrum licenses	135,676	166,443
Other financial liabilities	15,210	13,955
Total financial liabilities at amortized cost	13,658,664	15,493,931
Total financial liabilities	13,658,664	15,493,931
Current	5,545,659	6,583,031
Non-current	8,113,005	8,910,900
Total financial liabilities	13,658,664	15,493,931

* The fair value of these unquoted equity shares was categorized as level 3.
** The fair value of these derivatives financial instruments was categorized as level 2.
Fair value of financial assets and financial liabilities measured at amortized cost are not significantly different from their carrying amounts.

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At 31 December 2024, the Group had financial derivatives agreements in place with a total notional amount of ﷼ 1,328 million (31 December 2023: ﷼ 2,588 million). designated as cash flow hedge instruments to cover cash flow fluctuations arising from profit rates that are subject to prevailing market price fluctuations and categorized as level 2.

These derivatives are valued using widely recognized valuation models. The Group relies on the counterparty for the valuation of these derivatives. The valuation techniques applied by the counterparties include the use of forward pricing standard models using present value calculations and mid-market valuations. Where applicable, these models project future cash flows and discount the future amounts to a present value using market-based observable inputs including interest rate curves, credit spreads, foreign exchange rates and forward and spot prices.

30.3 Risk management

The Group has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

Risk management is carried out by the senior management under policies approved by the Board of Directors. Senior management identifies, evaluates and hedges, when appropriate, financial risks in close co-operation with the Group's operating units.

30.3.1 Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty fails to meet its contractual obligations. The Group is exposed to credit risk principally from Cash and cash equivalents, accounts receivable, due from related parties, Short term Murabaha and derivative financial instruments.

The carrying amount of financial assets represents the maximum credit exposure.

Cash and cash equivalents and Short term Murabahas

Cash and cash equivalents and Short term Murabaha are held with counterparties with sound credit ratings. The Group regularly updates its cash flow and, where appropriate, places any excess cash on short-term investments with reputable financial institutions.

Accounts receivable

The Group has established a credit policy under which credit assessment is being made to check the credit worthiness of major customers prior to signing the contracts/ accepting their purchase orders.

The receivables are shown net of allowance for impairment loss on accounts receivable. The Group applies the simplified approach to calculate impairment loss on accounts receivable and this always recognizes lifetime ECL on such exposures. ECL on these financial assets are estimated using a flow rate based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate. Credit and Collection Operations provide inputs on the aging of financial assets on a periodic basis.

Offsetting of financial assets and financial liabilities

The Company has various netting agreements in place with counterparties. These netting agreements generally enable the counterparties to set-off liabilities against available assets received in the ordinary course of business and/or in the event of the counterparty's default. The offsetting right is a legal right to settle, or otherwise eliminate, all or a portion of an amount due by applying an amount receivable from the same counterparty against it. However, the offsetting criteria under IAS 32 are not met in all cases.

The following table summarize the financial assets and liabilities subject to offsetting according to enforceable offsetting master and similar agreements:

31 December 2024	Gross amounts	Amounts set off	Net amounts
Accounts receivable	6,587,397	(2,657,838)	3,929,559
Accounts payable	6,261,376	(2,657,838)	3,603,538

31 December 2023			
Accounts receivable	5,369,933	(1,979,399)	3,390,534
Accounts payable	5,394,692	(1,979,399)	3,415,293

30.3.2 Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Group's approach in managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due without incurring unacceptable losses or risking damage to the Group's reputation.

The management closely and continuously monitors the liquidity risk by performing regular review of available funds, present and future commitments, operating and capital expenditure. Moreover, the Group monitors the actual cash flows and seeks to match the maturity dates of its financial assets and its financial liabilities, the positive cash flow from operation indicated that the Group able to meet the short-term debts.

The Group seeks continuously to comply with its legal obligations, including any, relating to its borrowing's agreements.

The following represents the maturities of financial liabilities at the reporting date based on undiscounted contractual cash flows:

	Less than one year	1 to 5 years	More than 5 years	Total contractual cash flows	Carrying amount
At 31 December 2024					
Borrowings	832,754	5,586,587	1,344,511	7,763,852	6,184,710
Lease liabilities	1,390,801	1,173,785	1,588,948	4,153,534	3,274,855
Accounts payable	3,603,538	-	-	3,603,538	3,603,538
Due to related parties	193,439	-	-	193,439	193,439
Other Financial liabilities	252,723	125,802	27,858	406,383	402,122
	6,273,255	6,886,174	2,961,317	16,120,746	13,658,664
At 31 December 2023					
Borrowings	2,079,945	7,217,314	212,801	9,510,060	8,310,441
Lease liabilities	1,302,363	1,851,852	468,942	3,623,157	3,223,782
Accounts payable	3,415,293	-	-	3,415,293	3,415,293
Due to related parties	177,249	-	-	177,249	177,249
Other Financial liabilities	189,482	155,354	37,145	381,981	367,166
	7,164,332	9,224,520	718,888	17,107,740	15,493,931



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30.3.3 Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates, profit rates and equity prices will affect the Group’s income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

30.3.3.1 Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Group’s transactions are principally in Saudi Riyals and US Dollars. The Saudi Riyal is pegged to the US Dollar.

The management closely and continuously monitors the exchange rate fluctuations. Based on its experience and market feedback, the management does not believe it is necessary to hedge the effect of foreign exchange risks as most of the transactions of foreign currency risk is relatively limited in the medium term.

30.3.3.2 Profit rates risk

Profit rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market profit rates. The Group’s exposure to market risk for changes in profit rates relates primarily to the Group’s borrowings which were acquired to finance working capital requirements and capital expenditure. These borrowings are re-priced on a periodic basis and expose the Group to profit rate risk. The Group’s practice is to manage its financing cost through optimizing available cash and minimizing borrowings.

The Group seeks to ensure that on the medium term a significant portion of its borrowings is at a fixed rate. This is achieved partly by entering into fixed rate instruments and partly by borrowing at a floating rate and using profit rate swaps as hedges of the variability in cash flows attributable to movements in profit rates.

The Group determines the existence of an economic relationship between the hedging instrument and hedged item based on the reference profit rates, tenors, re-pricing dates, maturities and the notional amounts.

30.3.4 Changes in liabilities arising from financing activities

Following is the reconciliation of movement of liabilities to cash flows arising from financing activities;

	31 December 2024		
	Borrowings	Lease liabilities	Total
As at 1 January 2024	8,310,441	3,223,782	11,534,223
Changes from financing activities			
Payment of borrowings	(6,306,229)	-	(6,306,229)
Borrowings received	4,135,000	-	4,135,000
Payment of lease liabilities	-	(687,879)	(687,879)
Total changes from financing activities	(2,171,229)	(687,879)	(2,859,108)
Other changes			
Finance costs	459,715	136,802	596,517
Finance costs paid	(447,848)	-	(447,848)
Accrued interest payable movement	33,631	-	33,631
Lease additions, net	-	602,150	602,150
Total liability related to other changes	45,498	738,952	784,450
Balance as 31 December 2024	6,184,710	3,274,855	9,459,565

	31 December 2023		
	Borrowings	Lease liabilities	Total
As at 1 January 2023	9,623,840	3,221,034	12,844,874
Changes from financing activities			
Payment of Borrowings	(1,351,612)	-	(1,351,612)
Payment of lease liabilities	-	(718,042)	(718,042)
Total changes from financing activities	(1,351,612)	(718,042)	(2,069,654)
Other changes			
Finance costs	536,172	128,082	664,254
Finance costs paid	(507,598)	-	(507,598)
Accrued interest payable movement	9,639	-	9,639
Lease additions, net	-	592,708	592,708
Total liability related to other changes	38,213	720,790	759,003
Balance as 31 December 2023	8,310,441	3,223,782	11,534,223

31 CAPITAL MANAGEMENT

The Group’s policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business.

The Group monitors its capital base using a ratio of Net debt to shareholders’ equity. Net debt is calculated as borrowings and other financial liabilities less cash and cash equivalents and short term Murabaha.

The Group’s Net debt to shareholders’ equity ratio at the end of the year is as follows:

	31 December 2024	31 December 2023
Borrowings and other financial liabilities	9,595,242	11,700,666
Less: Cash and cash equivalents and short term Murabaha	(3,185,916)	(3,769,120)
Net debt	6,409,326	7,931,546
Total shareholders’ equity	18,875,492	17,622,607
Net debt to shareholders’ equity	34%	45%

32 REVENUE

1) Disaggregation of the Group’s revenue:

	31 December 2024	31 December 2023
Rendering of services	17,033,648	16,759,636
Sale of devices	1,172,799	1,003,045
Total revenue	18,206,447	16,762,681
Timing of revenue recognition:		
Recognized over time	16,889,641	15,676,086
At a point in time	1,316,806	1,086,595
	18,206,447	16,762,681

- All of the Group’s revenues, after eliminating related parties’ revenues, are within the Kingdom of Saudi Arabia, and no individual customer contributed 10% or more to the Group’s revenues.

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2) Revenue expected to be recognized in the future related to performance obligations that are unsatisfied or partially unsatisfied:

	Within one year	More than one year	Total
31 December 2024			
Expected revenue for remaining performance obligations that will be satisfied in subsequent periods	1,409,295	502,765	1,912,060
31 December 2023			
Expected revenue for remaining performance obligations that will be satisfied in subsequent periods	1,465,207	489,817	1,955,024

33 COST OF REVENUE

	31 December 2024	31 December 2023
Network access charges	2,147,591	2,117,409
Cost of inventories	1,490,885	1,270,713
Government charges*	1,838,048	1,719,718
Cost of services and projects	1,101,443	809,585
Rental and maintenance of network equipment expenses	864,637	802,583
Outsourcing services	258,939	270,407
Salaries, wages and employees’ benefits	162,586	195,985
National transmission and interconnection costs	127,925	107,484
Others	320,367	215,309
	8,312,421	7,509,193

* Government charges include commercial service provisioning, license and frequency spectrum fees.

34 SELLING AND MARKETING EXPENSES

	31 December 2024	31 December 2023
Advertisement, promotion and sales commissions	741,896	665,314
Salaries, wages and employees’ benefits	547,420	530,031
Others	55,096	54,255
	1,344,412	1,249,600

35 GENERAL AND ADMINISTRATIVE EXPENSES

	31 December 2024	31 December 2023
Salaries, wages and employees’ benefits	770,403	728,288
Repair and Maintenance	249,852	236,729
Consulting and professional services	73,873	102,110
Others	114,529	126,612
	1,208,657	1,193,739

36 FINANCE INCOME

	31 December 2024	31 December 2023
Murabaha income	151,890	158,174
Other	22,849	5,567
	174,739	163,741

37 FINANCE COSTS

	31 December 2024	31 December 2023
Finance costs related to borrowings	459,715	536,171
Finance costs related to lease liability	136,802	128,082
Other finance costs	18,823	25,796
	615,340	690,049

38 OTHER INCOME / EXPENSES, NET

	31 December 2024	31 December 2023
Loss on disposal of property and equipment	(5,338)	(8,832)
Other income / (loss) *	64,784	(23,001)
	59,446	(31,833)

*Mainly include government grant income and impact of settlement for certain liabilities.

39 BASIC AND DILUTED EARNINGS PER SHARE

Basic earnings per share is calculated by dividing net profit by the weighted average number of common shares outstanding during the year. The diluted earnings per share is same as the basic earnings per share as the Group does not have any dilutive instruments.

	31 December 2024	31 December 2023
Profit for the year	3,106,848	2,231,977
Weighted average number of shares	770,000	770,000
Basic and diluted earnings per share (in ﷻ)	4.03	2.90

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40 COMMITMENTS AND CONTINGENCIES

40.1 Capital commitments

The Group has capital commitments resulting from contracts for supply of property and equipment with an amount of
SAR 1,472 million as at 31 December 2024 (31 December 2023: SAR 1,065 million).

40.2 Contingent liabilities

- The Group had contingent liabilities in the form of letters of guarantee and letters of credit amounting to SAR 593 million as at 31 December 2024 (31 December 2023: SAR 787 million).
- The CST violation committee has issued several penalty resolutions against the Group amounting to SAR 27 million as of 31 December 2024 (31 December 2023: SAR 21 million). The Group filed multiple lawsuits against CST at the Board of Grievances in order to oppose such resolutions of the CST violation committee which remains outstanding and based on the status of these lawsuits as of 31 December 2024, the Group's management believes that sufficient provisions have been recorded.
- The Group received withholding tax assessments for the years 2010 and 2011, the principal of tax according to these assessments amounted to SAR 142 million which have been objected to by the Group at the Preliminary and Appeal Committees. During April 2021, the Group received an unfavorable ruling from General Secretariat of Zakat, Tax and Customs Committees (GSTC) with respect to such assessments which is not consistent with the previous favorable ruling for the years 2008 and 2009. Based on that, the Group has submitted a reconsideration request to GSTC, On 23 January 2022 GSTC upheld the ruling against the Group with respect to withholding tax for the years 2010 and 2011. Based on the updates regarding the withholding tax on the interconnection service.
- During the third quarter of 2023, the Group filed a petition request to reconsider the decision of the Appeals Committee regarding the additional withholding tax for the years 2010 and 2011, and during the month of January 2024, the Group received a decision issued by the Appeals Committee for Violations

- and Disputes. By rejecting this petition, the Group's management believes that this will not result in any additional provisions.
- On 19 February 2022, the Group received notification from GSTC that ZATCA has filed appeals with the Higher Appeal Committee (HAC) against the withholding tax rulings issued for the years 2008 and 2009 in favor of the Group amounting to SAR 72 million, based on that, the Group has responded to GSTC. On 16 July 2024, the Group received a decision issued by the Appeals Committee for Violations and Disputes rejecting ZATCA appeal.
 - On 22 October 2024, the Group received a letter from the Zakat, Tax and Customs Authority ("the Authority") stating that the government bears the withholding tax on the international interconnection service and also indicating the completion of the processing of the withholding tax amounts for the years 2010 to 2022 amounting to SAR 563 million. Accordingly, the Group re-assessed the existing obligations related to the withholding tax on the international interconnection service, which resulted in a net reversal of SAR 140 million against the obligations that were settled with the Authority.
 - During the fourth quarter of 2024, the group has completed all the remaining settlements with the Authority related to withholding tax on international interconnection service, which resulted in a reversal of SAR 386 million.
 - The Group, in its ordinary course of business, is subject to proceedings, lawsuits and other claims. However, based on the status of these lawsuits as of 31 December 2024, the Group's management believes that sufficient provisions have been recorded.

41 SEGMENT INFORMATION

Information regarding the Group's operating segments is set out below in accordance with IFRS 8 "Operating Segments" which requires the identification of operating segments based on internal reports that are regularly reviewed by the Group's chief operating decision maker ("CODM") and used to allocate resources to the segments and to evaluate their performance.

The Group is primarily engaged in providing of

telecommunications services and related products. The majority of the Group's revenues, profits and assets relate to its operations in the Kingdom of Saudi Arabia. The operating segments that are regularly reported to the CODM are Consumer, Business, Wholesale and Outsourcing.

Below are examples of revenues included in each sector:

Consumer Revenue: The Consumer Revenue segment includes products and services such as voice calls, mobile Internet, and fixed Internet.

Business Revenue: The Business Revenue segment includes products and services such as fixed connectivity and customized solutions including cloud and data center services.

Wholesale revenue: The Wholesale segment includes products and services such as interconnection, transition and roaming services.

Others revenue: includes revenues from outsourcing services (human resources) and digital financial wallet services.

	31 December 2024	31 December 2023
Consumer revenue	11,590,528	11,080,642
Business revenue	4,327,613	3,612,627
Wholesale revenue	1,874,737	1,659,927
Others revenue	413,569	409,485
Total revenue	18,206,447	16,762,681
Total cost of revenue	(8,312,421)	(7,509,193)
Depreciation and amortization	(3,664,224)	(3,647,264)
Total other operating expense	(2,699,385)	(2,628,968)
Total non-operating expense	(337,364)	(528,088)
Zakat and income tax	(86,205)	(217,191)
Net profit	3,106,848	2,231,977
Capital expenditures	2,578,412	2,318,362

42 SUBSEQUENT EVENTS

No material events occurred subsequent to the reporting date, which could materially affect the consolidated financial statements, and the related disclosures for the year ended 31 December 2024.

43 DIVIDENDS

- On 27 June 2024, the Annual General Assembly approved board recommendation of cash dividends for the year ended 31 December 2023 amount SAR 1,116.5 million (SAR 1.45 per share on 770 million shares) accordingly, the Company paid these dividends on 15 July 2024.
- On 13 September 2024, the Board of Directors of the Company decided of interim cash dividends for the first half for the year 2024 amounting to SAR 693 million (SAR 0.90 per share on 770 million shares) accordingly, the Company paid these dividends on 6 October 2024.
- On 18 February 2025, the Board of Directors of the Company decided of interim cash dividends for the second half for the year 2024 amounting to SAR 1,001 million (SAR 1.30 per share on 770 million shares), the Company will distribute these dividends on 9 April 2025. There is no liability recognized in these consolidated financial statements in respect of these dividends.

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44 RECLASSIFICATIONS

Certain figures have been reclassified as listed below to conform with the classification used for the year ended 31 December 2024. Those reclassifications included below have no impact on previously reported net income, retained earnings and no material impact on cash positions, the reclassifications in the consolidated statement of profit or loss are mainly related to re allocation of certain expenses.

	As previously presented	Reclassifications	Reclassified amounts
Consolidated statement of financial position as at 31 December 2023			
Financial and other assets	590,089	86,930	677,019
Cash and cash equivalents	1,654,378	(13,072)	1,641,306
Accounts payable	3,341,435	73,858	3,415,293
Consolidated statement of profit or loss for the year ended 31 December 2023			
Cost of revenue	(7,310,788)	(198,405)	(7,509,193)
Selling and marketing expenses	(1,467,081)	217,481	(1,249,600)
General and administrative expenses	(1,174,663)	(19,076)	(1,193,739)

45 APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS

The Company’s Board of Directors approved the consolidated financial statements for the year ended 31 December 2024 on 18 February 2025 (corresponding to 19 Sha`aban 1446H).



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