



KPMG Professional Services

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Headquarters in Riyadh

كي بي إم جي للاستشارات المهنية

واجهة الرياض، طريق المطار
صندوق بريد ٩٢٨٧٦
الرياض ١١٦٦٣
المملكة العربية السعودية
سجل تجاري رقم ١٠١٠٤٢٥٤٩٤

المركز الرئيسي في الرياض

Independent Limited Assurance Report to Etihad Etisalat Company on the Chairman's Declaration on the Requirements of Article 71

To the Shareholders of Etihad Etisalat Company (Saudi Joint Stock Company)

We were engaged by the management of **Etihad Etisalat Company (Mobily)** (the "Company") to report on the the Chairman's declaration prepared by the Management in accordance with the requirements of Article 71 of the Saudi Arabian Regulations for Companies issued by MOC (1437H -2015), which comprises the transactions carried out by the Company during the year ended 31 December 2021 in which any of the members of Board of Directors of the Company had direct or indirect personal interest as detailed below ("Subject Matter") and the accompanying management's statement thereon as set out in Appendix 1, in the form of an independent limited assurance conclusion that based on our work performed and evidence obtained, nothing has come to our attention that causes us to believe that the Subject Matter is not properly prepared, in all material respects, based on the applicable criteria ("Applicable Criteria") below.

Subject Matter

The Subject Matter for our limited assurance engagement is related to the Chairman's declaration enclosed in the attached Appendix 1 (the "Declaration") prepared by the Management in accordance with the requirements of Article 71 of the Saudi Arabian Regulations for Companies issued by MOC (1437H - 2015) and presented by the Chairman of **Etihad Etisalat Company (Mobily)** (the "Company"), which comprises the transactions carried out by the Company during the year ended 31 December 2021 in which any of the members of Board of Directors of the Company had direct or indirect personal interest.

Applicable Criteria

We have used the following as the Applicable Criteria:

- Article 71 of the Saudi Arabian Regulations for Companies issued by MOC (1437H -2015).

Management Responsibility

The management of the Company is responsible for preparing the Subject Matter information that is free from material misstatement in accordance with the Applicable Criteria and for the information contained therein. The management the Company is also responsible for preparing the Subject Matter information (i.e. Appendix 1).

This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and presentation of the Subject Matter that information is free from material misstatement, whether due to fraud or error. It also includes selecting the Applicable Criteria and ensuring that the Company complies with the Saudi Arabian Regulations for Companies issued by Ministry of Commerce ("MOC") issued on 22 Safar 1437H (corresponding to 4 December 2015); designing, implementing and effectively operating controls to achieve the stated control objectives; selecting and applying policies; making judgments and estimates that are reasonable in the circumstances; and maintaining adequate records in relation to the Subject Matter information.



Independent Limited Assurance Report to Etihad Etisalat Company on the Chairman's Declaration on the Requirements of Article 71

To the Shareholders of Etihad Etisalat Company (Saudi Joint Stock Company) (continued)

Management Responsibility

The management of the Company is also responsible for preventing and detecting fraud and for identifying and ensuring that the Company complies with laws and regulations applicable to its activities. The management of the Company is responsible for ensuring that staff involved with the preparation of the Subject Matter information are properly trained, systems are properly updated and that any changes in reporting encompass all significant business units.

Our Responsibility

Our responsibility is to examine the Subject Matter information prepared by the Company and to report thereon in the form of an independent limited assurance conclusion based on the evidence obtained. We conducted our engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000, "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" endorsed in the Kingdom of Saudi Arabia and the terms and conditions for this engagement as agreed with the Company's management. That standard requires that we plan and perform our procedures to obtain a meaningful level of assurance about whether the Subject Matter information is properly prepared, in all material respects, as the basis for our limited assurance conclusion.

The firm applies International Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We are independent of the Company in accordance with professional code of conduct and ethics that are endorsed in the Kingdom of Saudi Arabia that are relevant to our assurance engagement and we have fulfilled our other ethical responsibilities in accordance with these requirements.

The procedures selected depend on our understanding of the Subject Matter and other engagement circumstances, and our consideration of areas where material misstatements are likely to arise.

In obtaining an understanding of the Subject Matter and other engagement circumstances, we have considered the process used to prepare the Subject Matter information in order to design assurance procedures that are appropriate in the circumstances, but not for the purposes of expressing a conclusion as to the effectiveness of the Company's process or internal control over the preparation and presentation of the Subject Matter information.

Our engagement also included: assessing the appropriateness of the Subject Matter, the suitability of the criteria used by the Company in preparing the Subject Matter information in the circumstances of the engagement, evaluating the appropriateness of the procedures used in the preparation of the Subject Matter information and the reasonableness of estimates made by the Company.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. We did not perform procedures to identify additional procedures that would have been performed if this were a reasonable assurance engagement.

As part of this engagement, we have not performed any procedures by way of audit, review or verification of the Subject Matter information nor of the underlying records or other sources from which the Subject Matter information was extracted.

Independent Limited Assurance Report to Etihad Etisalat Company on the Chairman's Declaration on the Requirements of Article 71

To the Shareholders of Etihad Etisalat Company (Saudi Joint Stock Company) (continued)

Procedures Performed

Our procedures performed are as follows:

- Obtained the declaration that includes the transactions and contracts performed in which any of the members of the Board of Directors of the Company had either direct or indirect interest during the year ended 31 December 2021;
- Reviewed the minutes of meetings of the Board of Directors that indicate notifications to the Board of Directors by certain directors of actual or potential conflicts of direct or indirect interest in relation to transactions and contracts involving the members of the Board of Directors;
- Checked that the minutes of meetings of the Board of Directors that the relevant directors who notified the Board of Directors of actual or potential conflicts of direct or indirect interest did not vote on the resolution to recommend the related transactions and contracts;
- On a sample basis, obtained the required approvals along with supporting documents in respect of the transactions and contracts included in the declaration; and
- Checked the transaction amounts included in the Declaration agree, where applicable, to the transaction amounts disclosed in note 12 to the audited consolidated financial statements of the Company for the year ended 31 December 2021.

Conclusion

Our conclusion has been formed on the basis of, and is subject to, the matters outlined in this report.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Based on the procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the Subject Matter information is not prepared, in all material respects, in accordance with the Applicable Criteria.

Restriction of Use of Our report

Our report should not be regarded as suitable to be used or relied on by any party wishing to acquire rights against us other than the Company and MOC for any purpose or in any context. Any party other than the Company and MOC who obtains access to our report or a copy thereof and chooses to rely on our report (or any part thereof) will do so at its own risk. To the fullest extent permitted by law, we accept or assume no responsibility and deny any liability to any party other than the Company and MOC for our work, for this independent limited assurance report, or for the conclusions we have reached.

Our report is released to the Company and MOC on the basis that it shall not be copied, referred to or disclosed, in whole (save for the Company's own internal purposes) or in part, without our prior written consent.

KPMG Professional Services


Dr. Abdullah Hamad Al Fozan
License No. 348

Riyadh on: 23 Ramadan 1443H
Corresponding to: 24 April 2022





Chairman Declaration of transactions and contracts of “the Company and its subsidiaries” in which the members of the Board of Directors of Etihad Etisalat Company (“Mobily” or “the Company”) have interest for the year ended 31 December 2021.

Date: 24-4-2022

During the year ended 31 December 2021 several transactions were conducted with the following related parties, where following member of the Board of Directors were indirectly interested with Emirates Telecommunication Group Company (PJSC), a founding and major Shareholder of the Company:

- Eng. Saleh Al Abdooli, Member of the Board of Directors
- Eng. Khalifa Al Shamsi, Member of the Board of Directors
- Mr. Serkan Okandan, Member of the Board of Directors

On 30 November 2021, certain members of the Board of Directors completed the term of appointment, and following members of the Board of Directors appointed for a period of three years beginning on 1 December 2021 to complete the Board's term until the end of the current term on 30 November 2024 were indirectly interested with Emirates Telecommunication Group Company (PJSC), a founding and major Shareholder of the Company:

- Eng. Khalifa Al Shamsi, Member of the Board of Directors
- Mr. Hatem Dowidar, Member of the Board of Directors
- Mr. Mohammed Karim Bennis, Member of the Board of Directors

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

The Group transacted with the related parties in the regular course of business. Below are the details of the significant transactions with the above related parties.



Related party transactions during 2021 (SAR '000'):

	31 December 2021
Interconnection services & roaming services rendered	43,813
Interconnection services & roaming services received	347,635
Management fees	120,838
Other management expenses	6,645
Other telecommunication services	4,294

Also, the Company renewed the contract, to establishment a call center for the Public Pension Agency, amounting to SAR 4,087,235 for a period of one year starting from 11 April 2021 until 10 April 2022 and where the following members of the Board of Directors were indirectly interested:

- Mr. Suliman Al Gwaiz, Deputy Chairman of the Board of Directors
- Mr. Hussein Al Asmari, Member of the Board of Directors

In addition, the Company signed a contract with The Company for Cooperative Insurance (Tawuniya) to provide medical insurance to Mobily employees, amounting to SAR 53,279,897.90 starting from 1 April 2021 until 31 March 2022, where the member of the Board of Directors, Eng. Homood Al Tuwaijri was indirectly interested.

**Chairman of Board of
Directors**

Dr. Nabeel Mohamed Al Amudi