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To: The Board of Directors

MOBILE TELECOMMUNICATIONS SAUDI COMPANY ("ZAIN KSA")

Riyadh, Kingdome of Saudi Arabia

REPORT OF FACTUAL FINDINGS IN CONNECTION WITH THE RATIO OF ACCUMULATED LOSSES TO SHARE CAPITAL FOR MOBILE TELECOMMUNICATIONS SAUDI COMPANY ("ZAIN KSA") ("COMPANY")

In accordance with our Engagement Letter dated 16 February 2021, we have performed the procedures agreed with you and enumerated below, with regard to the completion of regulatory procedures and the application of procedures and instructions for companies whose shares are listed in the market, whose accumulated losses amounted to 20% or more of their capital, issued by the Board of the Capital Market Authority Our engagement was undertaken in accordance with the International Standards on Related Services - 4400 applicable to agreed-upon procedures endorsed in the Kingdom of Saudi Arabia. These procedures were performed solely for the purpose of presenting findings to the Capital Market Authority.

Procedures performed:

- 1 Obtained the decision of the Extraordinary General Assembly held on 8 October 2020 in order to approve the process of reducing the capital by 1,350,000,000 SAR and verifying the approval of Assembly on decision to reduce the capital through extinguishing the accumulated losses.
- 2 Obtained the decision of the Extraordinary General Assembly held on 14 October 2020 to approve the increase of share capital by 4,500,000,000 SAR and verified the approval of Assembly on decision to increase the capital for issuing new shares.
- 3 Obtaining the Company's consolidated financial position showing the capital as on 31 December 2020, as well as the accumulated losses on that date, and verifying the mathematical accuracy of the Company's consolidated financial position on that date.
- Verification of proof of reduction and capital increase in the books and records of the 4 Company in accordance with the decisions of the Assembly.
- Recalculating the percentage of the Company's accumulated losses to its capital on 31 5 December 2020.

Our findings:

- a. With respect to procedure number 1, the approval of the extraordinary general assembly to reduce the Company's capital by an amount of 1,350,000,000 Saudi riyals was verified by writing off shares as a deduction from the accumulated losses.
- With respect to procedure number 2, the approval of the extraordinary general b. assembly to increase the Company's capital by an amount of 4,500,000,000 Saudi riyals was verified by issued new shares.
- C. With respect to procedure number 3, the consolidated financial position of the Company showing the capital as on December 31, 2020, as well as the accumulated losses on that date, was obtained and verified the mathematical accuracy of the Company's consolidated financial position on that date (Appendix 1).

- d. With respect to procedure number 4, the posting of the journal entries of capital reduction and increase was verified in accordance with the decision of the extraordinary general assembly and its reflection on the trial balance and the books and records of the Company are as of December 31, 2020.
- e. With respect to procedure number 5, the percentage of the Company's accumulated losses from its capital has been recalculated, and we found out that the accumulated losses reached 0.6% of the capital on December 31, 2020.

Because the above-mentioned procedures do not constitute either an audit or a review made in accordance with the International Standards on Auditing or International Standards on Review Engagements that endorsed by Kingdom of Saudi Arabia, we do not express any assurance regarding the scope of the examination mentioned above.

Had we performed additional procedures or had we performed an audit or review of the financial statements in accordance with International Standards on Auditing or International Standards on Review Engagements that endorsed by Kingdom of Saudi Arabia, other matters might have come to our attention that would have been reported to you.

Our report is solely for the purpose set forth in the first paragraph of this report and for your information and is not to be-used for any other purpose or be distributed to any other parties. This report relates only to the accounts and items specified above and does not extend to any financial statements of Mobile Telecommunication Saudi Company ("Zain KSA"), taken as a whole.

For BDO - Dr. Mohamed Al-Amri & Co.

Gihad Al-Amri Certified Public Accountants

License No. 362

Riyadh on: 13 Rajab 1442H

Corresponding to: 25 February, 2021G

Appendix 1

Mobile Telecommunications Company Saudi Arabia (A Saudi Joint Stock Company)

Consolidated Financial Position As At 31 December 2020

(All amounts in Saudi Riyals thousands)

ASSETS Current assets Cash and cash equivalents 1,103,401 Trade and other receivables 1,996,013 Contract assets - current 96,450 Inventories 187,103 Total current assets 3,382,967 Non-current assets 220,072 Right-of-use assets ono-current 220,072 Right-of-use assets 1,284,888 Property and equipment 6,856,837 Capital advances 132,832 Intangible assets 16,280,159 Total non-current assets 24,774,788 TOTAL ASSETS 28,157,755 LIABILITIES AND EQUITY 20,174,788 Trade and other payables 4,585,780 Deferred income and contract liabilities 544,086 Lease liabilities-current 319,150 Amounts due to related parties - Total current liabilities 9,098,530 Non-current liabilities 5,097,608 Lease liabilities non-current 1,065,097 Other non-current liabilities 5,097,608 Long-term borrowings 3,836,1		2020
Cash and cash equivalents 1,103,401 Trade and other receivables 1,996,013 Contract assets - current 96,450 Inventories 187,103 Total current assets 3,382,967 Non-current assets 220,072 Right-of-use assets non-current 220,072 Right-of-use assets snon-current 6,856,837 Capital advances 132,832 Intangible assets 16,280,159 Total non-current assets 24,774,788 TOTAL ASSETS 28,157,755 LIABILITIES AND EQUITY 20,114,788 Trade and other payables 4,585,780 Deferred income and contract liabilities 544,086 Lease liabilities-current 319,150 Amounts due to related parties 3,649,514 Total current liabilities 9,098,530 Non-current liabilities 5,097,608 Lease liabilities non-current 1,065,097 Other non-current liabilities 5,097,608 Long-term borrowings 3,836,145 Derivative financial instruments 206,210 Provisi	ASSETS	
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Inventories 187,103 Total current assets 3,382,967 Non-current assets 220,072 Right-of-use assets 1,284,888 Property and equipment 6,856,837 Capital advances 132,832 Intangible assets 16,280,159 Total non-current assets 24,774,788 TOTAL ASSETS 28,157,755 LIABILITIES AND EQUITY V Current liabilities 544,086 Lease liabilities-current 319,150 Amounts due to related parties 544,086 Lease liabilities - current 319,150 Non-current liabilities 9,098,530 Non-current liabilities 9,098,530 Non-current liabilities 5,097,608 Lease liabilities non-current 1,065,097 Other non-current liabilities 5,097,608 Long-term borrowings 3,836,145 Derivative financial instruments 206,210 Provision for employees' end of service benefits 125,082 Total non-current liabilities 10,330,142 EQUITY Share capit	Trade and other receivables	1,996,013
Total current assets 3,382,967 Non-current assets 20,072 Right-of-use assets 1,284,888 Property and equipment 6,856,837 Capital advances 132,832 Intangible assets 16,280,159 Total non-current assets 24,774,788 TOTAL ASSETS 28,157,755 LIABILITIES AND EQUITY Varient liabilities Trade and other payables 4,585,780 Deferred income and contract liabilities 544,086 Lease liabilities-current 319,150 Amounts due to related parties 3,649,514 Total current liabilities 9,098,530 Non-current liabilities - Amounts due to related parties - Lease liabilities non-current 1,065,097 Other non-current liabilities 5,097,608 Long-term borrowings 3,836,145 Derivative financial instruments 206,210 Provision for employees' end of service benefits 125,082 Total non-current liabilities 10,330,142 EQUITY Share capital 8,987,292 </td <td>Contract assets - current</td> <td>96,450</td>	Contract assets - current	96,450
Non-current assets 220,072 Right-of-use assets 1,284,888 Property and equipment 6,856,837 Capital advances 132,832 Intangible assets 16,280,159 Total non-current assets 24,774,788 TOTAL ASSETS 28,157,755 LIABILITIES AND EQUITY 28,157,755 Current liabilities 4,585,780 Deferred income and contract liabilities 544,086 Lease liabilities-current 319,150 Amounts due to related parties 3,649,514 Total current liabilities 9,098,530 Non-current liabilities - Amounts due to related parties - Lease liabilities non-current 1,065,097 Other non-current liabilities 5,097,608 Long-term borrowings 3,836,145 Derivative financial instruments 206,210 Porivative financial instruments 206,210 Porivative financial instruments 125,082 Total non-current liabilities 10,330,142 EQUITY Share capital 8,987,292	Inventories	187,103
Contract assets non-current 220,072 Right-of-use assets 1,284,888 Property and equipment 6,856,837 Capital advances 132,832 Intangible assets 16,280,159 Total non-current assets 24,774,788 TOTAL ASSETS 28,157,755 LIABILITIES AND EQUITY Variety in a contract liabilities Trade and other payables 4,585,780 Deferred income and contract liabilities 544,086 Lease liabilities-current 319,150 Amounts due to related parties 3,649,514 Total current liabilities 9,098,530 Non-current liabilities 9,098,530 Non-current liabilities - Lease liabilities non-current 1,065,097 Other non-current liabilities 5,097,608 Long-term borrowings 3,836,145 Derivative financial instruments 206,210 Provision for employees' end of service benefits 125,082 Total non-current liabilities 10,330,142 EQUITY Share capital 8,987,292 Hedging reserve (Total current assets	3,382,967
Right-of-use assets 1,284,888 Property and equipment 6,856,837 Capital advances 132,832 Intangible assets 16,280,159 Total non-current assets 24,774,788 TOTAL ASSETS 28,157,755 LIABILITIES AND EQUITY Variet liabilities Trade and other payables 4,585,780 Deferred income and contract liabilities 544,086 Lease liabilities-current 319,150 Amounts due to related parties 3,649,514 Total current liabilities 9,098,530 Non-current liabilities 9,098,530 Non-current liabilities 5,097,608 Lease liabilities non-current 1,065,097 Other non-current liabilities 5,097,608 Long-term borrowings 3,836,145 Derivative financial instruments 206,210 Provision for employees' end of service benefits 125,082 Total non-current liabilities 10,330,142 EQUITY Share capital 8,987,292 Hedging reserve (206,210) Other reserve 2,018	Non-current assets	
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Capital advances 132,832 Intangible assets 16,280,159 Total non-current assets 24,774,788 TOTAL ASSETS 28,157,755 LIABILITIES AND EQUITY Current liabilities Trade and other payables 4,585,780 Deferred income and contract liabilities 544,086 Lease liabilities-current 319,150 Amounts due to related parties 3,649,514 Total current liabilities 9,098,530 Non-current liabilities - Amounts due to related parties - Lease liabilities non-current 1,065,097 Other non-current liabilities 5,097,608 Long-term borrowings 3,836,145 Derivative financial instruments 206,210 Provision for employees' end of service benefits 125,082 Total non-current liabilities 10,330,142 EQUITY Share capital 8,987,292 Hedging reserve (206,210) Other reserve 2,018 Accumulated deficit (54,017) Total equity 8,729,083	Right-of-use assets	1,284,888
Intangible assets 16,280,159 Total non-current assets 24,774,788 TOTAL ASSETS 28,157,755 LIABILITIES AND EQUITY Current liabilities Trade and other payables 4,585,780 Deferred income and contract liabilities 544,086 Lease liabilities-current 319,150 Amounts due to related parties 3,649,514 Total current liabilities 9,098,530 Non-current liabilities 9,098,530 Non-current liabilities 5,097,608 Lease liabilities non-current 1,065,097 Other non-current liabilities 5,097,608 Long-term borrowings 3,836,145 Derivative financial instruments 206,210 Provision for employees' end of service benefits 125,082 Total non-current liabilities 10,330,142 EQUITY Share capital 8,987,292 Hedging reserve (206,210) Other reserve 2,018 Accumulated deficit (54,017) Total equity 8,729,083	Property and equipment	6,856,837
Total non-current assets 24,774,788 TOTAL ASSETS 28,157,755 LIABILITIES AND EQUITY Current liabilities Trade and other payables 4,585,780 Deferred income and contract liabilities 544,086 Lease liabilities-current 319,150 Amounts due to related parties 3,649,514 Total current liabilities 9,098,530 Non-current liabilities - Lease liabilities non-current 1,065,097 Other non-current liabilities 5,097,608 Long-term borrowings 3,836,145 Derivative financial instruments 206,210 Provision for employees' end of service benefits 125,082 Total non-current liabilities 10,330,142 EQUITY Share capital 8,987,292 Hedging reserve (206,210) Other reserve 2,018 Accumulated deficit (54,017) Total equity 8,729,083	Capital advances	132,832
TOTAL ASSETS 28,157,755 LIABILITIES AND EQUITY Current liabilities Trade and other payables 4,585,780 Deferred income and contract liabilities 544,086 Lease liabilities-current 319,150 Amounts due to related parties 3,649,514 Total current liabilities 9,098,530 Non-current liabilities 9,098,530 Non-current liabilities - Lease liabilities non-current 1,065,097 Other non-current liabilities 5,097,608 Long-term borrowings 3,836,145 Derivative financial instruments 206,210 Provision for employees' end of service benefits 125,082 Total non-current liabilities 10,330,142 EQUITY Share capital 8,987,292 Hedging reserve (206,210) Other reserve 2,018 Accumulated deficit (54,017) Total equity 8,729,083	Intangible assets	16,280,159
LIABILITIES AND EQUITY Current liabilities Trade and other payables Deferred income and contract liabilities Lease liabilities-current Amounts due to related parties Total current liabilities Amounts due to related parties Non-current liabilities Amounts due to related parties Amounts due to related parties Amounts due to related parties Lease liabilities non-current Other non-current liabilities Long-term borrowings Long-term borrowings Asa6,145 Derivative financial instruments Derivative financial instruments Provision for employees' end of service benefits Total non-current liabilities EQUITY Share capital Hedging reserve (206,210) Other reserve 2,018 Accumulated deficit (54,017) Total equity	Total non-current assets	24,774,788
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Total current liabilities9,098,530Non-current liabilities-Amounts due to related parties-Lease liabilities non-current1,065,097Other non-current liabilities5,097,608Long-term borrowings3,836,145Derivative financial instruments206,210Provision for employees' end of service benefits125,082Total non-current liabilities10,330,142EQUITYShare capital8,987,292Hedging reserve(206,210)Other reserve2,018Accumulated deficit(54,017)Total equity8,729,083	Lease liabilities-current	319,150
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Amounts due to related parties Lease liabilities non-current Other non-current liabilities Long-term borrowings Derivative financial instruments Provision for employees' end of service benefits Total non-current liabilities EQUITY Share capital Hedging reserve Other reserve Accumulated deficit Total equity 1,065,097 2,097,608 5,097,608 2,06,210 206,210 206,210 1,065,097 2,06,210 2,08,297 2,018 2,018 3,729,083	Total current liabilities	9,098,530
Lease liabilities non-current1,065,097Other non-current liabilities5,097,608Long-term borrowings3,836,145Derivative financial instruments206,210Provision for employees' end of service benefits125,082Total non-current liabilities10,330,142EQUITY\$8,987,292Hedging reserve(206,210)Other reserve2,018Accumulated deficit(54,017)Total equity8,729,083	Non-current liabilities	
Other non-current liabilities 5,097,608 Long-term borrowings 3,836,145 Derivative financial instruments 206,210 Provision for employees' end of service benefits 125,082 Total non-current liabilities 10,330,142 EQUITY Share capital 8,987,292 Hedging reserve (206,210) Other reserve 2,018 Accumulated deficit (54,017) Total equity 8,729,083	Amounts due to related parties	-
Long-term borrowings3,836,145Derivative financial instruments206,210Provision for employees' end of service benefits125,082Total non-current liabilities10,330,142EQUITY8,987,292Share capital8,987,292Hedging reserve(206,210)Other reserve2,018Accumulated deficit(54,017)Total equity8,729,083	Lease liabilities non-current	1,065,097
Derivative financial instruments 206,210 Provision for employees' end of service benefits 125,082 Total non-current liabilities 10,330,142 EQUITY Share capital 8,987,292 Hedging reserve (206,210) Other reserve 2,018 Accumulated deficit (54,017) Total equity 8,729,083	Other non-current liabilities	5,097,608
Provision for employees' end of service benefits 125,082 Total non-current liabilities 10,330,142 EQUITY Share capital 8,987,292 Hedging reserve (206,210) Other reserve 2,018 Accumulated deficit (54,017) Total equity 8,729,083	Long-term borrowings	3,836,145
Total non-current liabilities10,330,142EQUITY***Share capital8,987,292Hedging reserve(206,210)Other reserve2,018Accumulated deficit(54,017)Total equity8,729,083	Derivative financial instruments	206,210
EQUITY Share capital 8,987,292 Hedging reserve (206,210) Other reserve 2,018 Accumulated deficit (54,017) Total equity 8,729,083	Provision for employees' end of service benefits	125,082
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Accumulated deficit (54,017) Total equity 8,729,083	Hedging reserve	(206,210)
Total equity 8,729,083	Other reserve	2,018
· ·	Accumulated deficit	(54,017)
TOTAL LIABILITIES AND EQUITY 28,157,755	Total equity	8,729,083
	TOTAL LIABILITIES AND EQUITY	28,157,755