

Aamal Company and Masraf Al Rayan Announce Signing of Agreement for Aamal to Purchase Masraf Al Rayan's Stake in Their Joint Venture, Ci San Trading

Joint Press Release

Doha, Qatar – May 30, 2024: Aamal Company Q.P.S.C., one of the region's leading diversified companies, and Masraf Al Rayan Q.P.S.C., a leading Islamic financial institution in Qatar, announce the signing of the agreement for Aamal Company, through its subsidiary Aamal Readymix, to purchase Masraf Al Rayan's 50% stake in Ci San Trading L.L.C., a company jointly owned by Aamal Company and Al Rayan Bank, for QAR 32 million.

Ci San Trading L.L.C. was established in 2008 as a 50:50 joint venture between Aamal Company and Masraf Al Rayan, with a paid-up capital of QAR 30.6 million. Ci San Trading invests in various sectors and currently owns two subsidiaries, Gulf Rocks and Aamal Maritime Transportation Services. Aamal Readymix, wholly owned by Aamal Company, is one of Qatar's largest producers of high-quality ready-mix concrete, with an annual production capacity of 600,000 cubic meters.

His Excellency Sheikh Mohammed bin Faisal Al Thani, Vice Chairman and Managing Director of Aamal Company, stated: "This transaction is another strategic step which further strengthens Aamal's leading position in the industrial manufacturing sector and builds on our successful track record. Aamal was among the first private sector companies to develop a strong investment portfolio in industrial manufacturing, to the benefit of our esteemed shareholders and stakeholders."

Mr. Rashid Al Mansoori, CEO of Aamal Company, added: "I am pleased to announce this agreement to buy Masraf Al Rayan's stake in Ci San Trading through our subsidiary, Aamal Readymix. We look forward to further enhancing Ci San Trading's market-leading position, increasing its competitiveness, and strengthening its financial position. This transaction is an important step in Aamal's strategic planning and we look forward to announcing further initiatives in due course."

Mr. Fahad bin Abdullah Al Khalifa, GCEO of Masraf Al Rayan, said: "We are pleased to reach an agreement to sell our stake in Ci San Trading to Aamal Company. This transaction is part of the bank's new strategy to exit some of our non-banking investments and focus on our banking activities and operations, elevating Masraf Al Rayan's services to the highest levels."

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For further Inquiries:

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For the Editors:

About Aamal Company Q.P.S.C.

Aamal is one of the region's most diversified companies and has been listed on the Qatar Stock Exchange since December 2007. As at 30 May 2024, the Company had a market capitalisation of QAR 4.81 bn (US\$ 1.31 bn). Aamal's operations are widely diversified and comprise 32 active business units (subsidiaries and joint ventures) with market leading positions in the key industrial, retail, property, managed services, and medical equipment and pharmaceutical sectors, thereby offering investors a high quality and balanced exposure to Qatar's wider economic growth and development.

For further information on Aamal Company, please refer to the corporate website: <http://www.aamal.qa>

About Masraf Al Rayan Q.P.S.C

Masraf Al Rayan is one of the world's largest fully-fledged Shari'a-compliant banks established in Qatar, with operations spanning across Qatar, the United Kingdom, France, and United Arab Emirates, with assets exceeding QAR 159 billion. It offers a comprehensive range of products and services through its various business lines including Corporate Banking & SME, Retail & Private Banking, Treasury & Financial Institutions and Asset Management & Financial Advisory in conformity with Shari'a principles and supervised by the Shari'a Supervisory Board. As a sustainably conscious organization, the bank has launched Qatar's first Shari'a-compliant Green Deposit and Islamic Sustainable Finance framework. Masraf Al Rayan's footprint in Qatar includes 16 branches and 115 ATMs located throughout Qatar's major cities, including malls, traditional souqs, and business districts. Additionally, it offers 24/7 banking services via its state-of-the-art digital channels, web and mobile banking.

For further information on Masraf Al Rayan, please refer to the corporate website: www.alrayan.com

About Ci San Trading WLL:

Established in 2008, Ci-San Trading is a 50:50 joint venture between Aamal Company and Masraf Al Rayan, with a paid-up capital of QAR 10 million. Ci-San Trading Company invests across various sectors and currently holds ownership in two subsidiaries: Gulf Rocks and Aamal Maritime Transportation Services.

About Aamal Readymix WLL:

As for Aamal Readymix, which is a fully-owned subsidiary of Aamal Company that was established in 1994, it is one of the largest producers of quality ready-mixed concrete in Qatar with an annual production capacity of 600,000 cubic metres. Its product mix includes high strength concrete, high performance concrete, shotcrete, lightweight concrete, and sustainable green concrete. With a focus on sustainability, Aamal Readymix's top performing green sustainable concrete is based on recycled cementitious materials that have extreme high strength and durability.

Sale of MAR Stake in Ci-San to Aamal Readymix

Data to disclose to QFMA:

| Article No. | Particular | Aamal Company's Response |
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| 3 (a) | The name of the subsidiary, the degree of dependency and the direct or indirect ownership percentage held by the Listed Company in this subsidiary | C-San Trading WLL <i>(50% owned by Aamal Company QPSC; and 50% owned by Masraf Al Rayan QPSC)</i> |
| 3 (b) | The activity nature of the subsidiary and any previous business | <p>According to the CR of Ci San, the company offers the following activities:</p> <ul style="list-style-type: none"> • Buying and selling Real Estate • Real Estate development • Real estate management and rent collection • Car Rental • Owns the movables and Real Estate necessary to carry out its activity within the limits permitted in accordance with the law • Owning stocks and shares in companies • Renting and leasing real estate • Investing in stocks, bonds and funds for the benefit of the holder of record • Owns patents, businesses, franchises, etc • Trade in light equipment and heavy equipment • Providing the necessary support to its subsidiaries <p>C-San Trading did not conduct any other business activity in the past, other than the activities listed above.</p> |

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| 3 (c) | The Offeror's name, its nationality and address | Offeror's Name: Nationality: Postal Address: Physical address: | Aamal Readymix Qatar 40557 Doha – Qatar Zone: 57 Street: 546, Building 47 Industrial Area, Doha, Qatar. |
| 3 (d) | The name of the Offeror Company, its headquarters, objectives, capital, address, names of Top Management members, Major Shareholders and the shareholding percentage of each of them in the Offeree Company | Offeror Company: Headquarters: Objective: Paid-up Capital: Address: <u>Authorized signatories:</u> Shareholder: Shareholding percentage: | Aamal Readymix Doha, Qatar Import of material for ready-mix product and ready-mix cement production QAR 31,000,000 P O Box: 40557 Doha – Qatar Sheikh Faisal bin Qassim Al-Thani Sheikh Mohammed Faisal Al-Thani Mr. Rashid Ali Al Mansoori Ahmad Hussain Al Neama Mohammad Abdelqader Ramahi Parveez Aslam Aamal Company 100% |
| 3 (e) | The Offeree Company's name, its headquarters, objectives, capital and address, names of Top Management members, Major Shareholders and the shareholding percentage of each of them in the Offeror Company, if applicable. | Offeree Company: Headquarters: According to the CR of Ci San, the company offers the following activities: | Ci San Company Doha, Qatar |

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| | | <ul style="list-style-type: none"> • Buying and selling Real Estate • Real Estate development • Real estate management and rent collection • Car Rental • Owns the movables and Real Estate necessary to carry out its activity within the limits permitted in accordance with the law • Owning stocks and shares in companies • Renting and leasing real estate • Investing in stocks, bonds and funds for the benefit of the holder of record • Owns patents, businesses, franchises, etc • Trade in light equipment and heavy equipment • Providing the necessary support to its subsidiaries <p> Paid-up Capital: QAR 30,600,000 Address: P O Box: 82666, Doha Qatar Physical address: Zone 61, Convention Center Street No. 850 building 85 floor 20 West Bay, Doha, Qatar </p> <p> <u>Authorized signatories:</u> Sheikh Faisal bin Qassim Al-Thani Sheikh Mohammed Faisal Al-Thani Mr. Hamad Mohamed Ali M Al </p> <p>Kubaisi</p> <p> Shareholders' Names: Shareholder Name: Masraf Al Rayan Shareholding percentage: 50% Shareholder Name: Aamal Company </p> |
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| | | Shareholding percentage: 50% |
| 3 (f) | Statement of the number of shares owned by the Offeror in the Offeree Listed Company. | Aamal Readymix (offeror) does not own any share in Ci San (offeree) |
| 3 (g) | Minimum and maximum of the shares to be acquired and minimum and maximum percentage of the Offeree Company's capital. | Minimum Number of shares to be acquired: 15,300 shares (50%) Maximum Number of shares to be acquired: 15,300 (50%) |
| 3 (h) | The price offered by the Offeror. | QAR 32.0 million (Thirty two Million Qatari Riyal) |
| 3 (i) | Purpose of the Acquisition or Merger. | As part of its new strategy, MAR is disinvesting all non-core banking businesses in order to focus on its core banking activities and product offering. Hence the decision of the sale of MAR stake in C-San. |
| 3 (j) | The timetable to complete the indirect Acquisition or Merger. | Application date: 22 April 2024 Expected completion date: 30 September 2024 |
| 3 (k) | Ownership percentage of the subsidiary, its board of directors or Major Shareholders in the Offeree Company at the submission time and the target ownership percentage after completing the Offer. | Ownership percentage of Aamal Readymix in Ci San, prior to acquisition: NIL Ownership percentage of Aamal Company QPSC (major shareholder) in Ci San, prior to acquisition: 50% Ownership percentage of Masraf Al Rayan QPSC (major shareholder) in Ci San, prior to acquisition: 50% |

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| | | <p>Ownership percentage of Aamal Readymix in Ci San, post-acquisition: 50%</p> <p>Ownership percentage of Aamal Company QPSC (major shareholder) in Ci San, post-acquisition: 100% (50% directly and 50% indirectly through its fully owned subsidiary Aamal Ready-mix)</p> <p>Ownership percentage of Masraf Al Rayan QPSC (major shareholder) in Ci San, post-acquisition: NIL</p> |
| 3 (l) | The total value of the Acquisition Offer and funding sources. | <p>Total Value of acquiritor offer: QAR 32.0 million</p> <p>Funding source: Bridge financing from Aamal Company to Aamal Readymix to be paid to MAR.</p> |
| 3 (m) | Implications of the Offer completion on the financial position of the Listed Company and its shareholders. | <p>There are no significant impact on the financial position and income statement of Masraf Al Rayan (Q.P.S.C.) arising from the sale of the Bank's stake in Ci-San.</p> <ul style="list-style-type: none"> • Statement of financial Position: The Bank's investment in associates will decrease, representing the net book value of Ci-San at the time of sale (QAR 43m as of 30 April 2024). Conversely, cash will increase equivalent to the selling price of Ci-San. • Income statement: The Bank's net profit will be impacted by the resulting loss from the sale of the Bank's investment in Ci-San (expected to be c. QAR 11m), based on the agreed sale price as per |

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| | | negotiations with the other shareholder in the associate company, and taking guidance from the independent valuation report. |
| 3 (n) | Advantages and disadvantages, opportunities and risks may result from the completion of the indirect Acquisition or Merger for the Listed Company and its shareholders. | <p><u>Advantages</u></p> <ul style="list-style-type: none"> • MAR Focus to improve sales and support revenues from core banking business • Enhance core banking activities and product offering <p><u>Opportunities:</u></p> <ul style="list-style-type: none"> • Improved market strength • Improved sales <p><u>Disadvantages:</u></p> <ul style="list-style-type: none"> • Bank's net profit will be impacted by the resulting loss from the sale of the Bank's investment in Ci-San (expected to be c. QAR 11m). Impact is immaterial however <p><u>Risks:</u></p> <ul style="list-style-type: none"> • Potential delay in completion of legal formalities. |
| 3 (o) | Disclosure of any interest relationship, if any, among the Concerned Persons, their boards' members or Major Shareholders or denial of such relationship | There is no interest relationship among the Concerned Persons, MAR board members or major shareholders. |
| 3 (p) | Any other requirements requested by the QFMA | None |
| 12 | The Listed Company must particularize its Offer to any company working in the same activity or having an analogous activity. It must provide a proof of this to the Authority from competent authorities. If the Listed Company cannot provide a proof from competent | Not applicable as MAR is the selling party. |

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| | authorities, it must submit a feasibility study in this regard made by an independent entity | |
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| | Signature of the Communication person  | Fahad Abdulla Al Khalifa Group Chief Executive Officer |
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