

## Form for disclosing the Agreement to Acquire, Dispose, Mortgage, or Lease Transaction(s)

The required data regarding the agreement to acquire / dispose / mortgage / lease transaction(s):

Date.	13 September 2024
Name of the Listed Company.	Mashreqbank PSC
Specify the type of transaction: (acquisition / dispose / mortgage / lease / other).	Dispose
Determine the type of asset to be acquired, disposed, leased or mortgaged (examples: investments, companies, factories, real estate, securities, etc.) and describe the activity of the underlying asset.	Shares in a subsidiary (65% interest to be disposed of IDFAA Payment Services LLC)
Determine the value of the purchase cost of these assets and their percentage to the capital of the listed company in the event of dispose, mortgage or leasing.	NA
Total value of acquisition / dispose / mortgage / lease transaction.	The transaction represents an approximate enterprise value of USD385m for the subsidiary.
Reasons for executing the transaction, its expected effects on the company and its operations, and the rights of its shareholders.	Sale of a majority of the subsidiary to realise value for Mashreqbank and its shareholders and enter into a long term shareholder arrangement with the purchasers for the future growth of the business.
Determine the parties to the transaction / deal.	Arcapita Group Holdings Limited and Dgpays S.a.r.l.
Determine whether the transaction / deal is associated to related parties, and specify the nature of the relationship, if any.	No
The date of signing the transaction / deal.	12 September 2024
Transaction / deal execution date.	As above

Expected closing date.	Subject to required regulatory consents and approvals.
<p>If the listed company is the acquiring party or the lessee, the following must be fulfilled:</p> <ol style="list-style-type: none"> <li>1- Explain how to finance acquisition or lease transaction(s).</li> <li>2- Determine the sources of financing the transaction(s) in the case of acquisition or leasing, with clarification of the payment mechanism in the event that part or all of the value of the transaction(s) will be funded through banks.</li> <li>3- Determine the date or dates of payment of the amounts owed by the listed company from the acquisition or lease transaction(s).</li> </ol>	N/A
<p>If the listed company is the disposing party, the lessor, or one of the mortgage parties, the following must be fulfilled:</p> <ol style="list-style-type: none"> <li>1- Explain the reasons for disposing, mortgaging or leasing, and clarifying how the collected funds will be used.</li> <li>2- Determine the date or dates of collection of the amounts owed to the listed company from the dispose, mortgage or lease transaction.</li> <li>3- Clarify the procedures against the listed company in case of failure to pay its obligations stated in the mortgage deal.</li> </ol>	<ol style="list-style-type: none"> <li>1. Sale of a majority of the subsidiary to realise value for Mashreqbank and its shareholders and enter into a long term shareholder arrangement with the purchasers for the future growth of the business</li> <li>2. Subject to the closing as noted above</li> <li>3. N/A</li> <li>4. N/A</li> </ol>

<p>4- The listed company must also clarify whether it will provide a loan in exchange for a mortgage of the assets owned by the other party.</p>																									
<p>The expected financial impact of the transaction(s) on the business results and the financial position of the listed company.</p>	<p>The transaction is expected to have a positive impact on Mashreqbank and its shareholders. The impact of the transaction on the business results and financial position of Mashreqbank will be noted in its forthcoming financial statements.</p>																								
<p>Determine the financial period or quarter in which the financial impact of the transaction(s) will appear on the listed company.</p>	<p>Subject to closing</p>																								
<p>Summary of the terms and conditions of the transaction(s), the rights and obligations of the listed company and its shareholders, and the procedures involved in the event that any party fails to fulfill the obligations it has stipulated in the transaction or the deal contract.</p>	<p>This transaction involves the sale by Mashreqbank of a majority of the subsidiary. It is subject to customary binding legal agreements with rights and remedies of the parties under the agreements and at law.</p>																								
<p>A statement of the value of the cash inflows and outflows of cash generated by these assets “the subject of the transaction(s) or deals”. That is during the last two fiscal years and during the interim period (first, second or third quarter) which precedes the acquisition / dispose / mortgage / leasing transaction. The statement should be approved by an auditor accredited to the authority.</p>	<table border="1"> <thead> <tr> <th></th> <th style="text-align: right;">2023</th> <th style="text-align: right;">2022</th> </tr> <tr> <th></th> <th></th> <th style="text-align: right;">AED</th> </tr> <tr> <th></th> <th style="text-align: right;">AED Mn</th> <th style="text-align: right;">Mn</th> </tr> </thead> <tbody> <tr> <td>Cash and cash equivalents at 1 January</td> <td style="text-align: right;">138.6</td> <td style="text-align: right;">140.6</td> </tr> <tr> <td>Net cash generated from operating activities</td> <td style="text-align: right;">254.6</td> <td style="text-align: right;">69.1</td> </tr> <tr> <td>Net cash used in financing activities</td> <td style="text-align: right;">(5.1)</td> <td style="text-align: right;">(41.0)</td> </tr> <tr> <td>Net cash used in investing activities</td> <td style="text-align: right;">(34.3)</td> <td style="text-align: right;">(30.1)</td> </tr> <tr> <td>Net increase/(decrease) in cash and cash equivalents</td> <td style="text-align: right;">215.3</td> <td style="text-align: right;">(2.1)</td> </tr> </tbody> </table>		2023	2022			AED		AED Mn	Mn	Cash and cash equivalents at 1 January	138.6	140.6	Net cash generated from operating activities	254.6	69.1	Net cash used in financing activities	(5.1)	(41.0)	Net cash used in investing activities	(34.3)	(30.1)	Net increase/(decrease) in cash and cash equivalents	215.3	(2.1)
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	Cash and cash equivalents		
	at 31 December	353.8	138.6

**Notes:**

- 1- The listed company should provide the SCAC with a copy of an evaluation report on the assets to be acquired, disposed, mortgaged or leased in the event that the total value of the transaction(s) or deals exceeds (20%) of the company's capital After completing the Due Diligence study, and the evaluation report must be prepared an expert house accredited by The SCA or by the relevant regulatory authorities.
- 2- If the transaction(s) or deals are associated to dealings with related parties, the form "Disclosing a Deal or Transaction with a Related Party" should be filled and submitted by the listed company.
- 3- The listed company is obliged to disclose any subsequent developments in the mentioned Transaction(s) or deal(s).
- 4- The provisions "Decision of the Chairman of the SCA Board of Directors No. (18 / R.M) of 2017 Concerning the Rules of Acquisition and Merger of Public Shareholding Companies" apply to the acquisitions of securities in a public shareholding company established in the UAE whose shares were offered in a public offering or listed in a financial market in the country, and on merger operations to which the UAE public shareholding company is a party.

The Name of the Authorized Signatory	Shaima Al Obeidli
Designation	Head of Corporate Governance & Group Company Secretary
Signature and Date	13 <sup>th</sup> September 2024 
Company's Seal	