



Investor Presentation

Q1 2020

23 April 2020

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Content

- **Major Highlights**
 - **Regulatory and Telecom Environment**
 - **Performance Highlights**
 - **Strategy**
- **Key Financial Highlights**



Major Highlights | Regulatory Measures and Telecom Environment

Regulatory and Telecom Environment

- The spread of COVID-19 is causing major disturbances to nations economies.
- The current impact on the telecom sector is minimal and could be more visible if the current conditions continue toward the end of the year
- Overall mobile download speed improved by 15.5% to 47.6 Mbps, versus Q3 2019*
- Data consumption growth in Q1 2020 with noticed jump by more than 30% in March compared to February
- CITC awarded temporarily additional spectrum license for mobile service providers, an additional 40 MHz in the 700 MHz and 800 MHz bands, which represents a 50% increase in the spectrum holdings of Saudi service providers in those bands.
- Mobily continued recording the lowest number of complaints for voice, data and fixed line services among the three operators in Q4 2019*
- 3M SAIBOR decreased further reaching by the end of Q1 2020 to 1.19%
- The Official lunch of E-SIM by all operators on April 13th, 2020



Major Highlights | Consistent Improvement

Performance Highlights

- “Empower the Digital Economy to Unlock Possibilities”
- Consistent strong performance:
 - 10th consecutive QoQ quarterly revenue growth
 - 8th consecutive YoY quarterly revenue growth
- Steady growth of topline:
 - Continued growth of subscribers base and improvement of subscribers mix
 - Growth in wireless, FTTH and wholesale revenues
 - Expansion of projects conducted and executed for the government sector
- Strong operational cash flow (EBITDA-CAPEX) improved by 72% YoY, reached SAR 844 mn for the period.



GAIN Strategy 2020+ | New corporate strategy leads the path to growth in 2020 and beyond



Priorities

G Grow Core Revenues

A Accelerate Digital Revenue Streams

I Implement & Optimize Efficient Delivery

N Nurture a Positive Experience for All



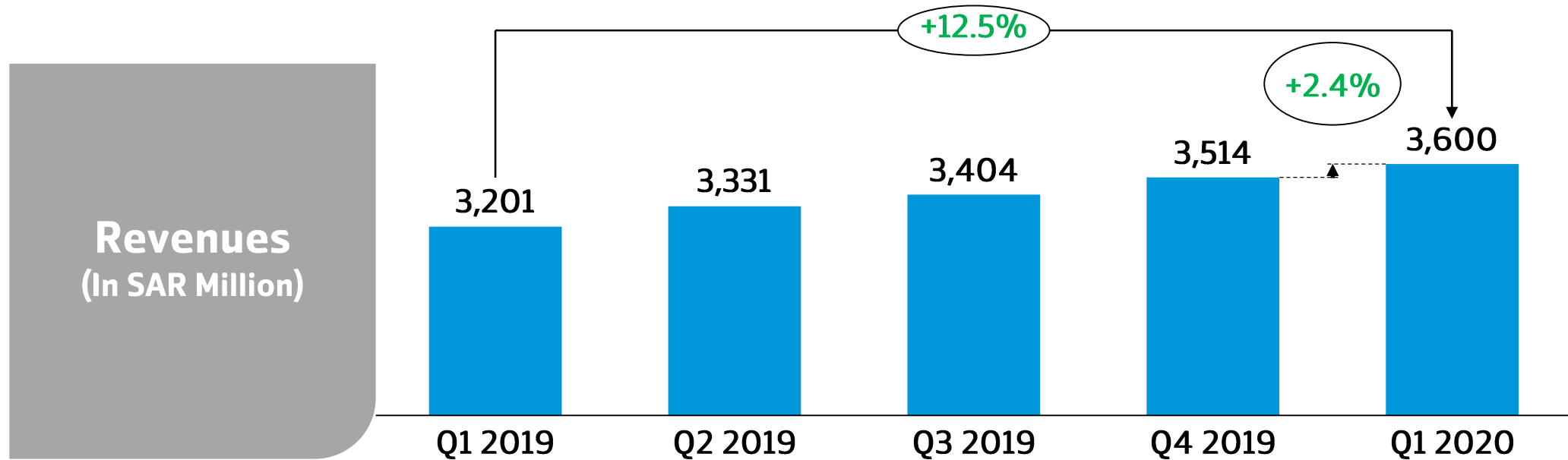
Purpose
To be the Better Choice to Unlock Possibilities



How
By Empowering the Digital Economy

By Being
The Everyday Hero

Key Financial Highlights | Sustained Growth In Revenues

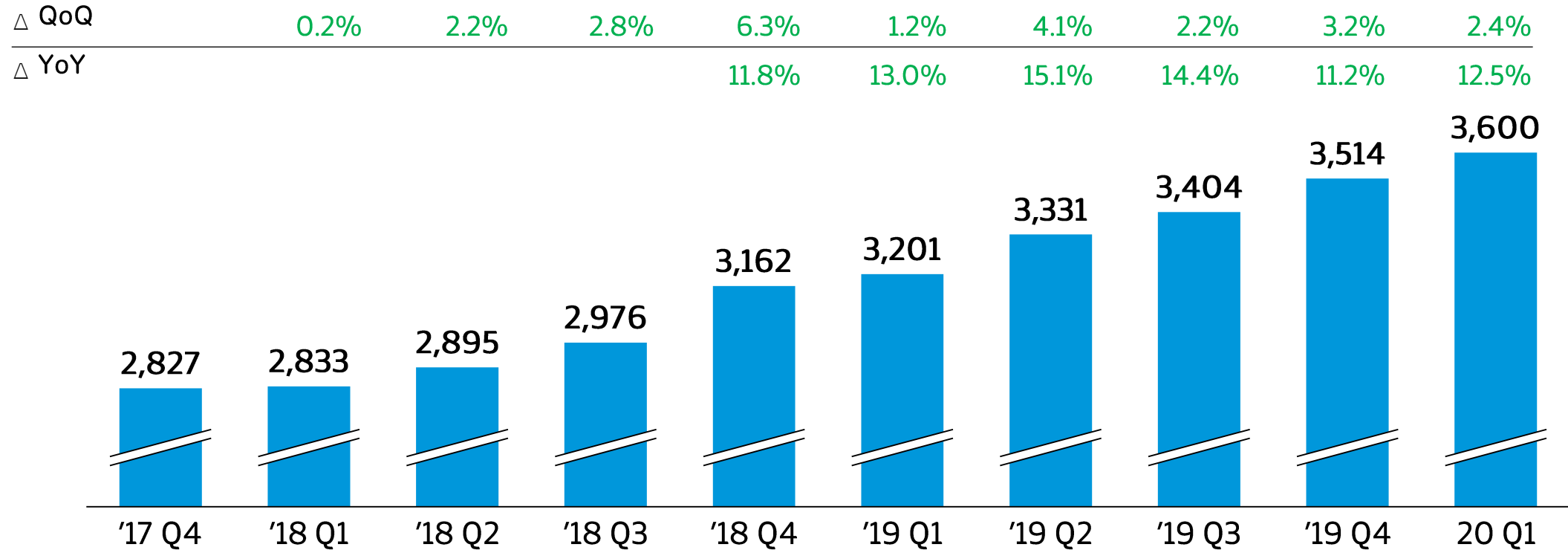


- Mobily continued to grow its quarterly revenues for the 10th consecutive quarter, in Q1 2020 revenues increased by (2.4%) QoQ and (12.5%) YoY
- Revenue growth is driven by the following:
 - Growth in business revenues
 - Growth in data revenues
 - Growth in subscribers base and improvement of subscribers mix



Key Financial Highlights | Healthy Growth of Quarterly Revenues Since Q4-17

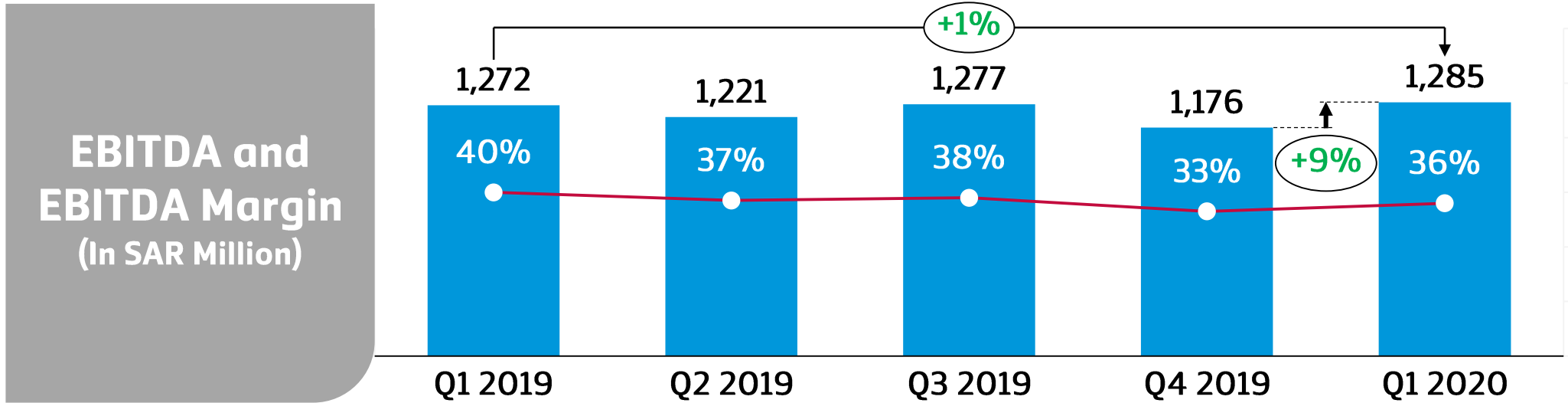
Revenues



QoQ: Quarter on Quarter, YoY: Year on Year



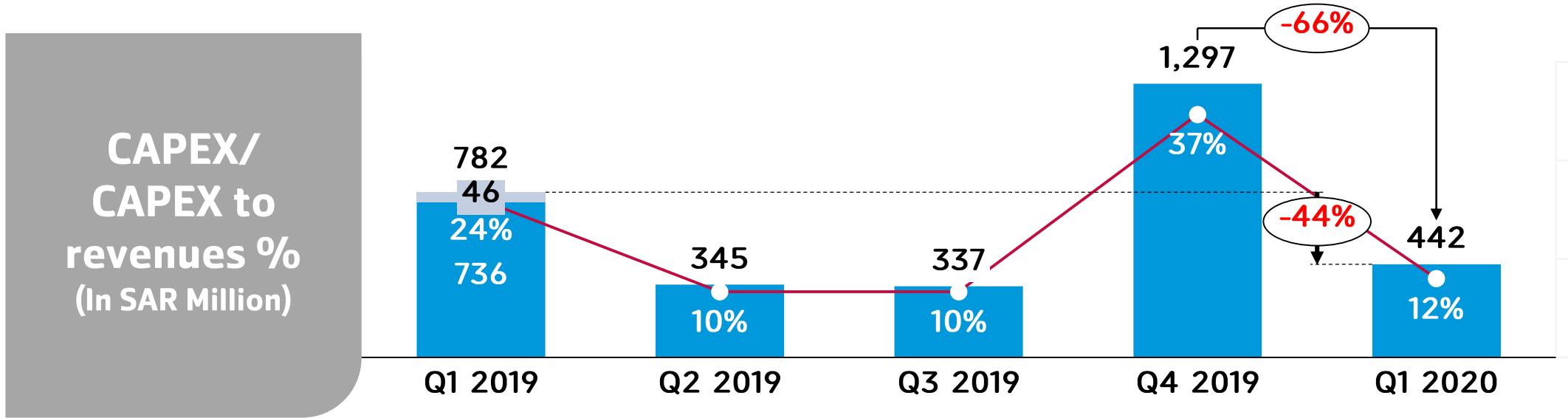
Key Financial Highlights | Sustained EBITDA Levels



- Q1 2020 EBITDA increased by 1% YoY to SAR 1,285 million and by 9% QoQ
- EBITDA margin maintained healthy levels
- The healthy levels of the EBITDA is mainly due to the followings:
 - Topline performance improvement
 - Improvement in cost efficiency and better revenue mix



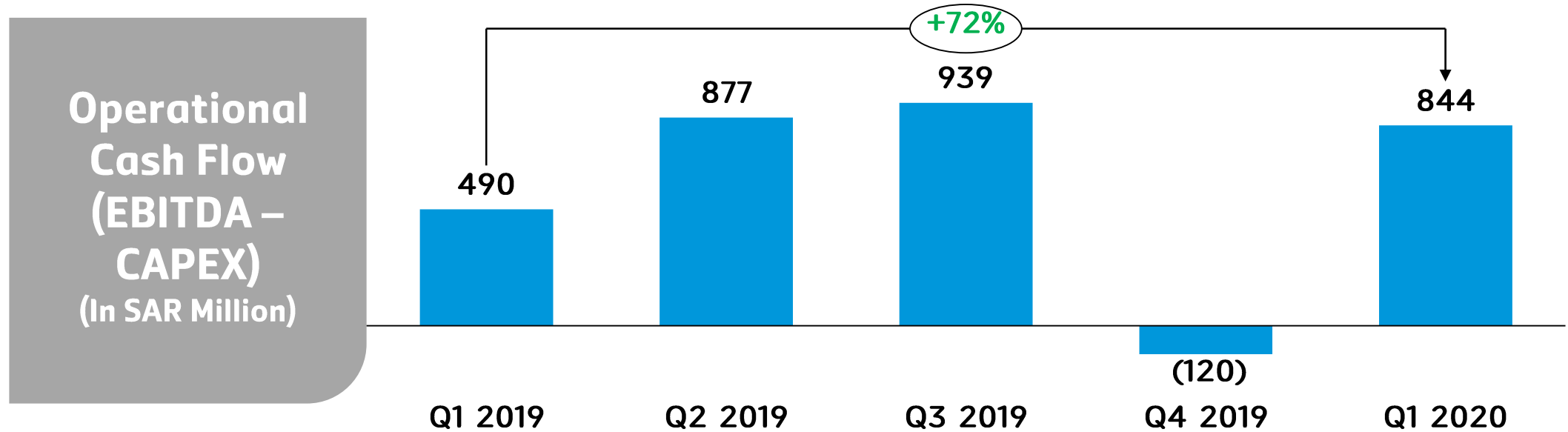
Key Financial Highlights | Our Investment Efforts To Keep Our Competitive Advantage



- CAPEX in Q1 2020 decreased by 44% to SAR 442 million YoY and by 66% QoQ, due to the following :
 - Rollout of 5G in the previous quarter
 - Conclusion of RISE projects at the end of 2019



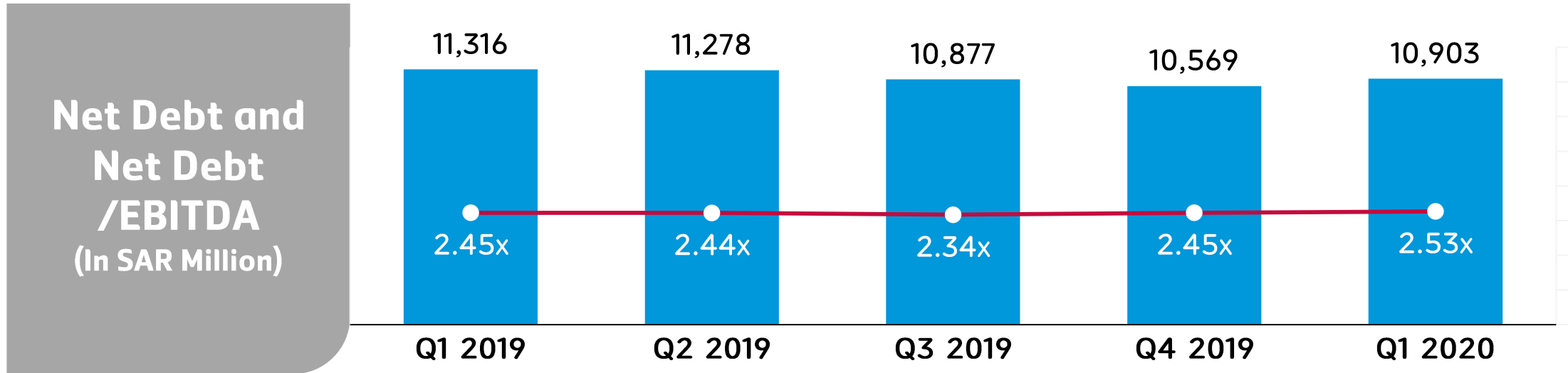
Key Financial Highlights | Focus on Operational Cash Flow Generation



- Q1 2020 Operational Cash Flow (EBITDA-CAPEX) increased to SAR 844 million by 72% YoY.
- Previous Quarter Operational Cash Flow (EBITDA-CAPEX) was effected by Lower EBITDA due to one-offs and higher CAPEX



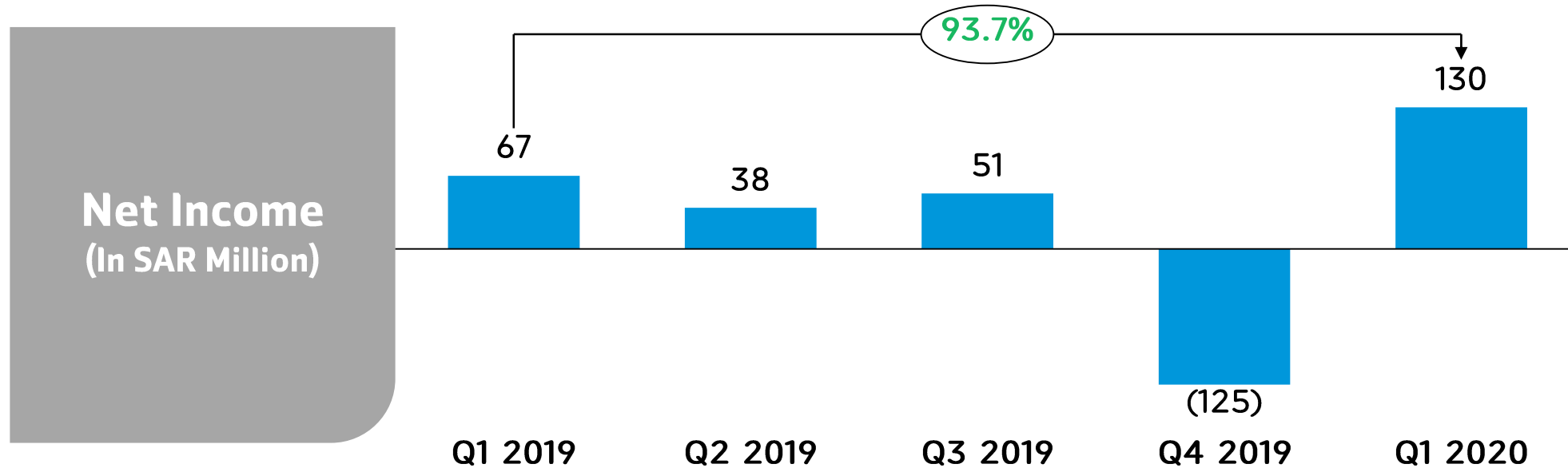
Key Financial Highlights | Sustained Net Debt Levels



- Healthy Net debt to EBITDA ratio at 2.5x
- During the last 12 months Mobily has reduced its net debt by SAR 413 million
- The company's ability to reduce its net debt was reflected in the decrease of financial charges for Q1 2020 reaching SAR 162 million decreased by 24% YoY and 45% QoQ



Key Financial Highlights | Re-Gaining Profitability



- Q1 2020 Net result reached SAR 130 million 94% improvement YoY and recovered from net losses QoQ this is mainly due to:
 - Topline performance improvement and strong growth
 - Improvement in operational performance
 - The decrease of financing charges
- Q4 2019 recorded un-amortized transaction costs related to the refinancing agreements of Alinma and the syndicated loan. Also management fees under the technical services and support agreement signed with Emirates Telecommunications company.



Q&A

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