



Etihad Etisalat Investor Relations

April 24, 2022

Earnings Presentation

Q1 2022

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Saudi Arabia's Regulatory Environment – Q1 2022

Mobily awarded SAMA license to operate **MobilyPay** marking its **debut** into the **fintech** space

Mobily wins '**Fastest growing telecom brand**' in KSA in 2021 (Brand Finance 2022)

CITC grants '**Fastest responsetime for mobile internet and 5G networks in KSA**' to Mobily

Mobily wins **CITC Best User Experience Award** for 2021

Mobily announces **collaboration with CISCO** to launch the **Kingdom's largest IoT platforms**

Mobily and Ericsson partner to advance 5G, in line with Vision 2030



Performance Highlights

Q1 2022

- “Empower the Digital Economy to Unlock Possibilities”
- Strong achievement in our financial KPI’s:
 - Efficiency measures taken and reflected in the strong EBITDA level
 - 41.2% YoY growth in Net Income
 - Ongoing deleveraging strategy
- Resilient revenue streams drive the growth of the first quarter of 2022:
 - Growth in consumer, business and wholesale units’ revenues
 - Growth in FTTH active base
 - Continued growth of subscribers base
- Strong operational cash flow (EBITDA-CAPEX), improved by 1.3% YoY and 323.6% QoQ, reaching SAR 1,225 million in Q1-2022



Strategy and KPIs

Through the diligent execution of our GAIN strategy, accelerating digital transformation and the commitment of our dedicated workforce, Mobily took major strides across all areas of our business in 2021, delivering a strong financial and operational performance to gain trust and create value for all our Stakeholders.

2021 Achievements

G **GROW**
core revenues

- Consumer Revenues: +1.7% YoY
- Business Revenues: +27.7% YoY
- Wholesale Revenues: +1.8% YoY
- Outsourcing Revenues: +15.4% YoY

A **ACCELERATE**
digital revenue streams

- Launch of Mobily TV service
- Signed an agreement with Tech Mahindra to implement advanced e-commerce platform (Blue Marble)
- Launch of Direct Carrier Billing service on Huawei Mobile Services
- Launch of new fintech

I **IMPLEMENT**
and optimize efficient delivery

- Awarded 'Top Rated Mobile Network in KSA' by Ookla
- IT Transformation Program Completion: +73%
- Mobily mobile internet average download speed increased by 98.69%
- Chatbot handled 38.6% of overall incoming requests on social channels
- First telecom company to win the 'Best Customer Experience Award'

N **NURTURE**
a positive experience for all

- Seventh most valuable brand in Saudi Arabia
- First in Regulatory Compliance Index by CITC
- First in Customer Experience
- 4.8/5 mobile app rating
- Launch of API Marketplace

PURPOSE

To be the Better Choice to Unlock Possibilities

HOW

By Empowering the Digital Economy

BY BEING

The Everyday Hero



Our Strategic Pillars

2022 Goals

Our GAIN strategy is focused on achieving the ambition of an integrated telecommunications company along with accelerating the preparation to be a digital telecommunications accompany by:

- Building new revenue streams across digital, information and communications technology (ICT)
- Enhancing partnership-ready agile operating model
- Differentiating through innovative products and services
- Optimizing cost per transaction

GAIN and our Stakeholders

Market

Gain confidence of the market

Regulator

Gain respect of CITC

Shareholders

Gain trust of the Shareholders

Consumers

Gain loyalty of the consumers

Businesses

Gain attention of the businesses

Employees

Gain engagement of employees

Business Partners

Gain interest of the business partners

Society

Gain appreciation of the society

Gain Strategy 2020+

Focus on growth and transformation



Grow the core by focusing more on high value segment



Engage with customers in a digital way



Enter into new business areas (e.g. fintech)



Increase B2B share by focusing on prioritized verticals

Advanced Analytics

Improve decision-making based on near real-time insights

Platform Play and Agile IT

Enable a large ecosystem of partners across the value chain

Integrated Gigabit Network

Provide seamless access with more focus on virtualization and network slicing

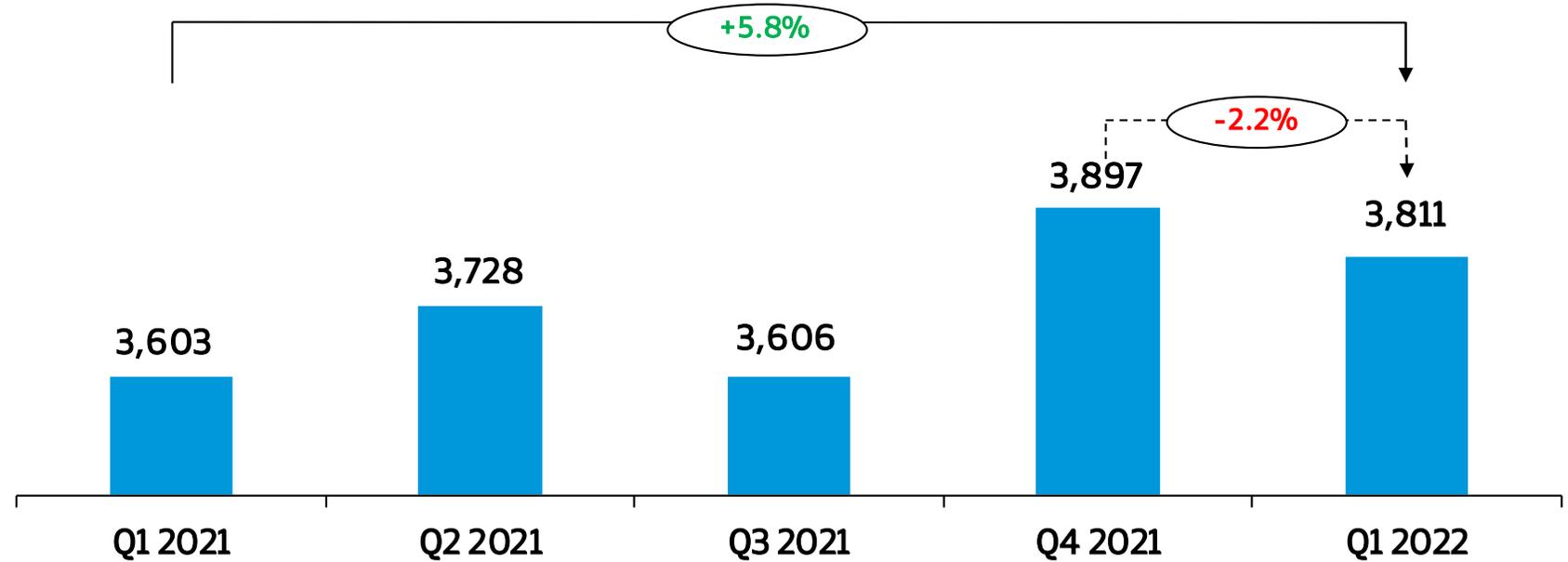
Digital Operating Model

Asset monetization, governance, culture, capability development etc.



Key Financial Highlights | Robust Revenue Growth

Revenues
(In SAR Million)



Revenues increased **5.8%** YoY:

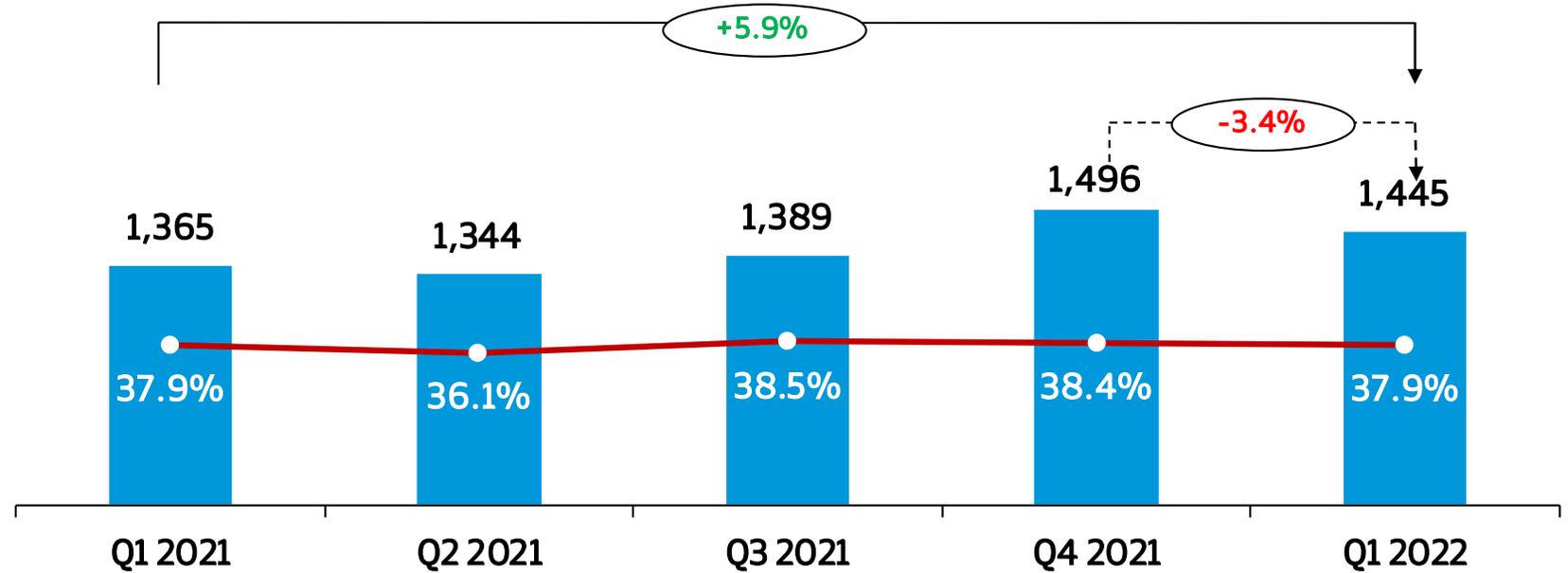
- Solid **Consumer** segment growth with focus on growing the market share. Increased post-paid adoption with the introduction of new devices, and the continued roll-out of 5G across KSA contributed to the strong performance
- Strong **Business** segment growth, thanks to ongoing digitalization and modernization of the IT network
- Significant improvement in **Wholesale** unit revenues

Revenues decreased **2.2%** QoQ due to the seasonality nature of some services and projects



Key Financial Highlights | Steady EBITDA Performance

EBITDA and
EBITDA
Margin
(In SAR Million)



EBITDA increased **5.9%** YoY:

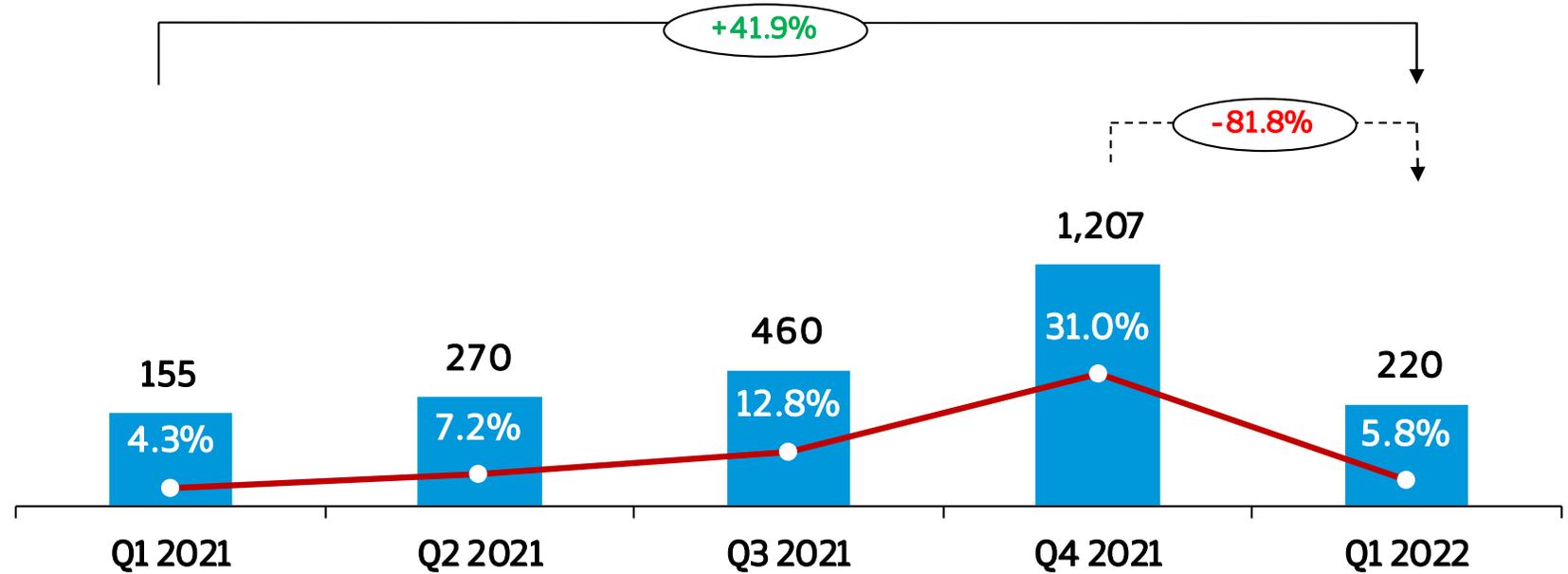
- The annual improvement in EBITDA was supported by the resilient top-line performance
- EBITDA Margin was maintained at strong levels, as a result of ongoing operational efficiency measures

EBITDA decreased **3.4%** QoQ, mostly as a result of the sequential decrease in revenues



Key Financial Highlights | Capex Rationalization Continues

CAPEX and
CAPEX-to-
revenues %
(In SAR Million)



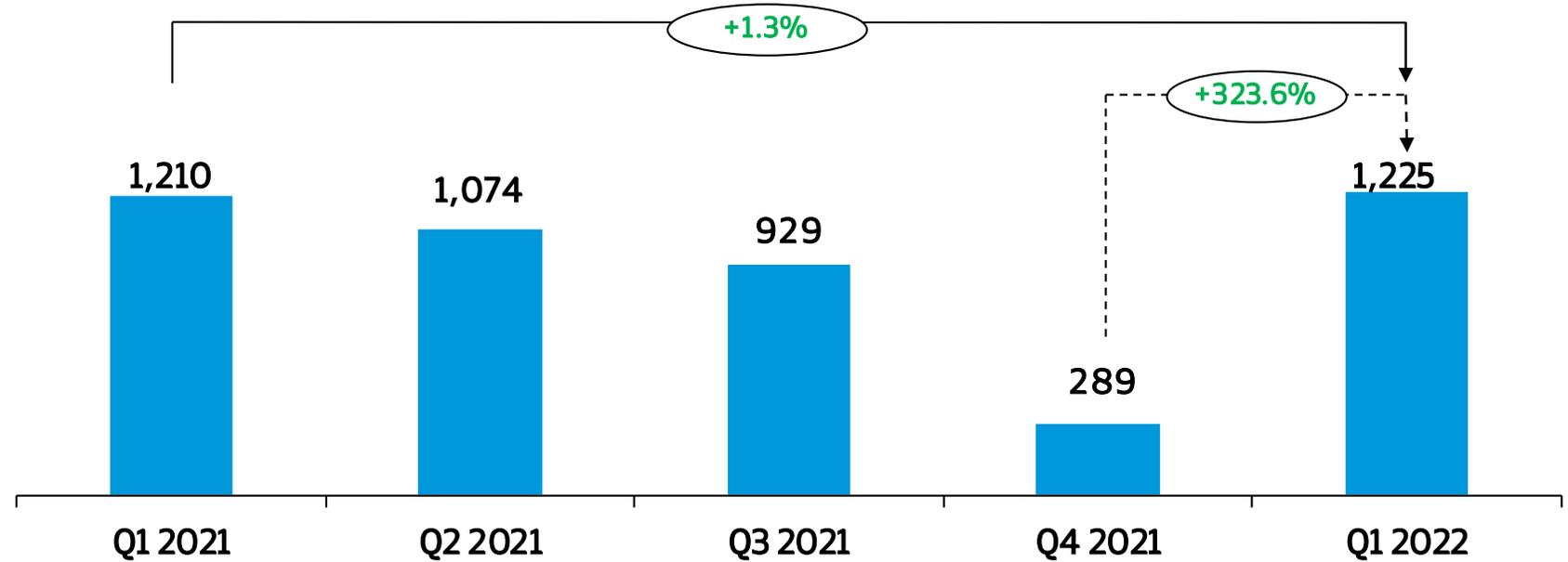
CAPEX expanded 41.9% YoY to SAR 220 million:

- The increase in CAPEX, compared to last year, was essentially toward the continued roll-out of 5G, and Internet-of-Things (IoT) infrastructure



Key Financial Highlights | Healthy Cash Generation

Operational
Cash Flow
(EBITDA –
CAPEX)
(In SAR Million)



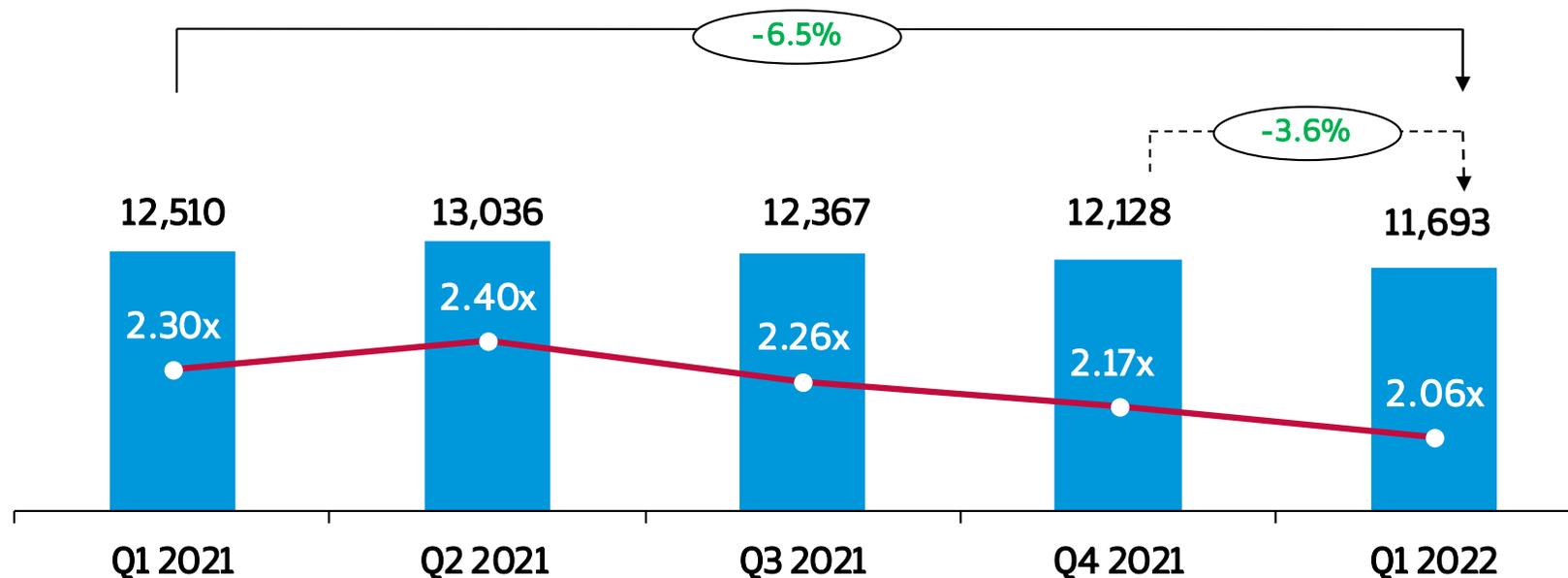
Operational Cash Flow increased **1.3%** YoY, primarily due to:

- Solid EBITDA growth, slightly offset by the increase in CAPEX

Operational Cash Flow increased **323.6%** QoQ due to the sequential decrease in CAPEX

Key Financial Highlights | Ongoing Deleveraging

Net Debt and
Net
Debt/EBITDA
(In SAR Million)



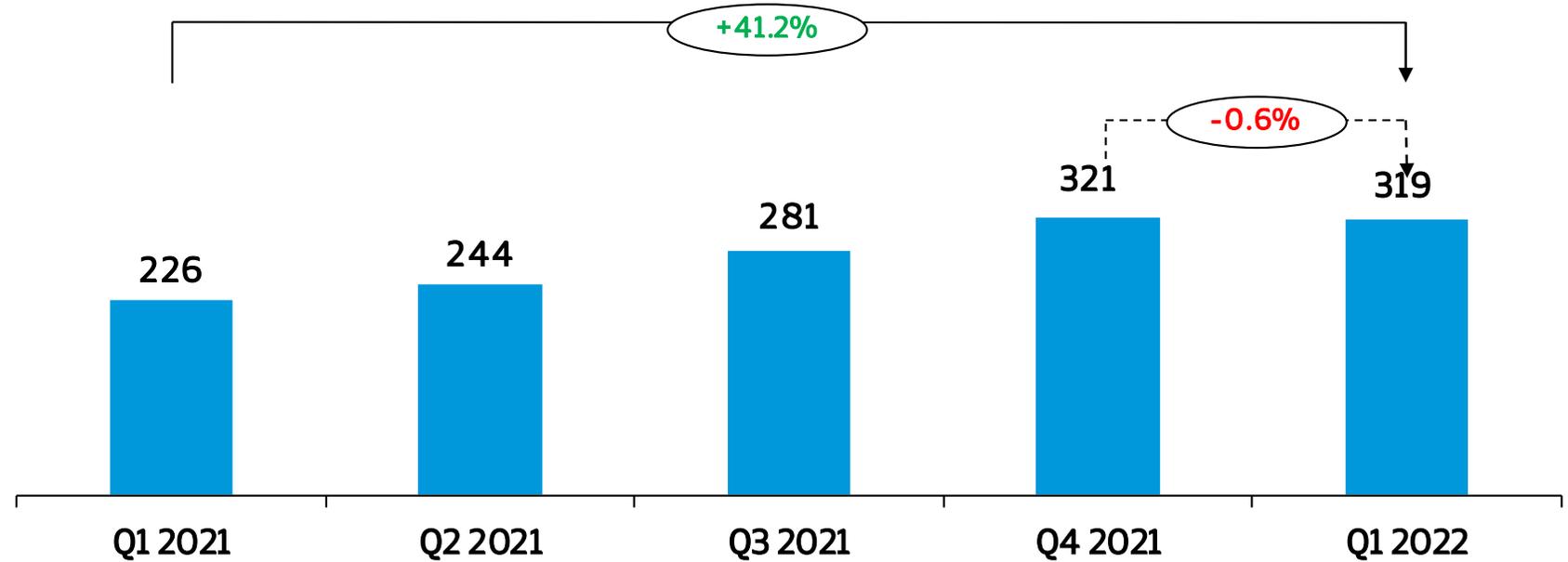
Net Debt and Net Debt/EBITDA improvement:

- Healthy Net debt/EBITDA ratio at **2.06x** at the end of Q1 2022
- Steady EBTIDA performance during the period (+5.9% YoY)
- Mobily's ongoing deleveraging strategy



Key Financial Highlights | Sustained Profitability

Net Income
(In SAR Million)



Increase in Net Income of **41.2%** YoY, on the back of:

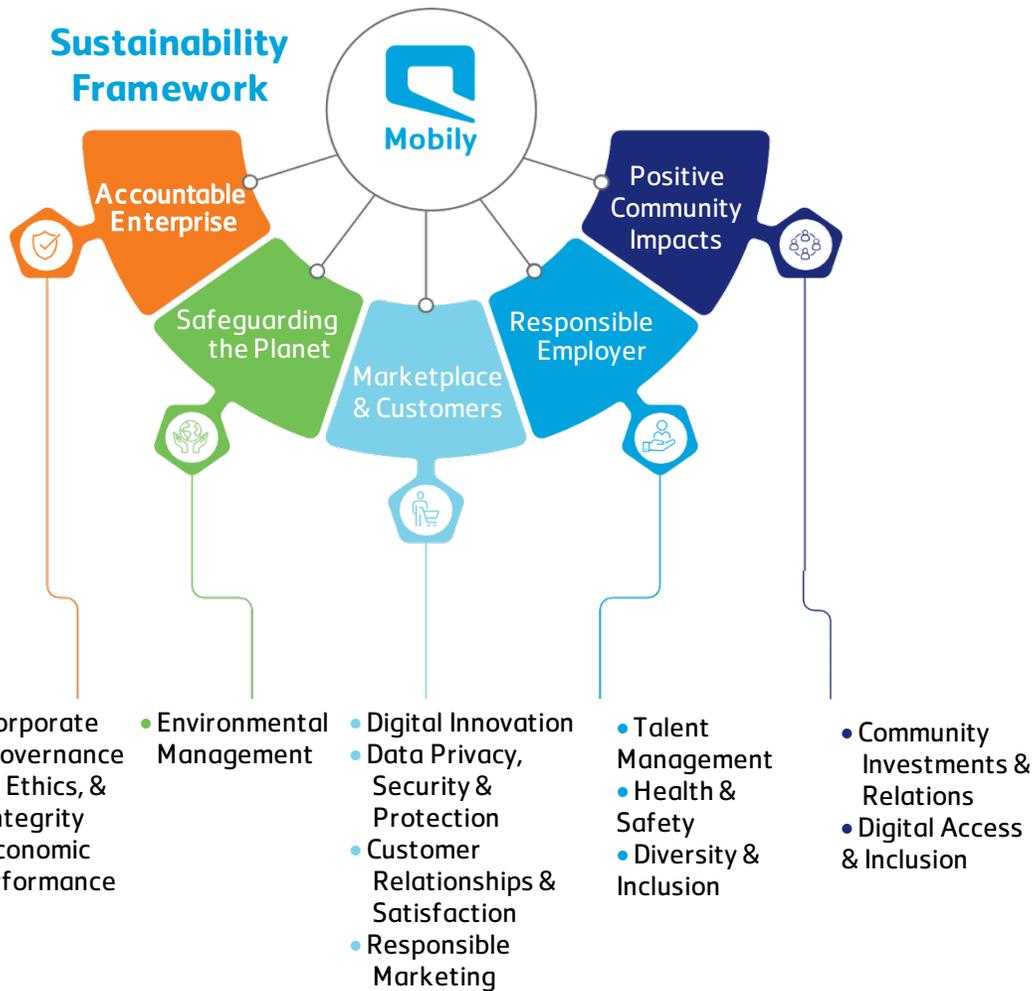
- Robust revenue growth of 5.8% YoY, along with strong EBITDA growth (+5.9% YoY)
- Net Income was further supported by disciplined cost management, deleveraging, and an increase in finance income

Net Income is almost flat, with a change of **0.6%** QoQ due to the seasonality nature of some services and projects

Q&A



Sustainability at Mobily



Our Contribution to the Sustainable Development Goals work



ESG 2021 Performance at a Glance

- Launched 3-year Mobily Sustainability Strategy
- Reduced electricity consumptions by 21%
- Achieved zero data breaches
- Hired 43 new female employees
- Set up more than 13,000 free WiFi Access Points in public places





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Thank you

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