



Etihad Etisalat Investor Relations

May 17, 2023

Earnings Presentation

Q1 2023

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Content

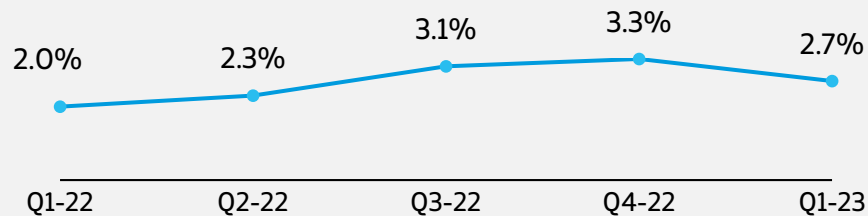
- Saudi Regulatory and Telecom Environment
- Q1-23 in Review
- Strategy 2023+
- Operational Performance Highlights
- Sustainability at Mobily
- Financial Performance Highlights
- Key Financial Highlights



Saudi Regulatory and Telecom Environment

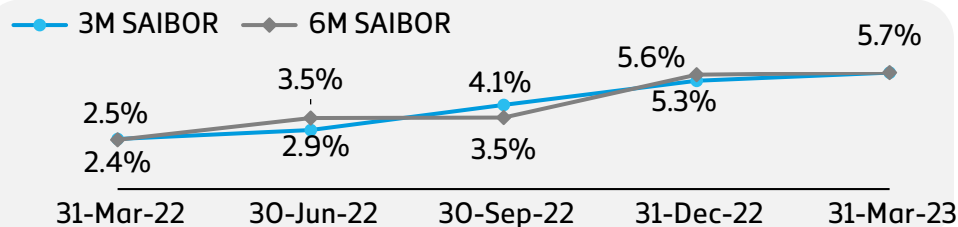
KSA annual inflation¹

2.7% YoY



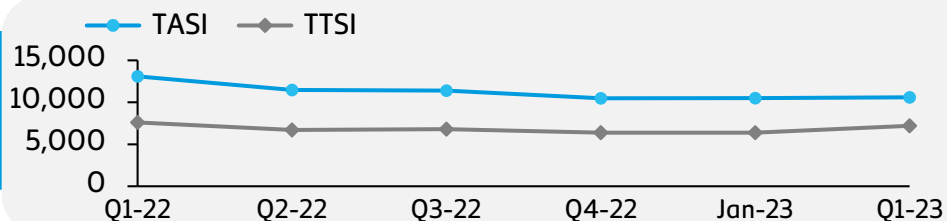
3M and 6M SAIBAOR

+5.7%



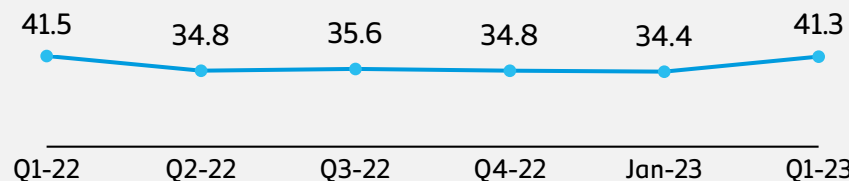
TASI and TTSI performance

+1% and **+13%** YTD



Mobily share price performance

+20% YTD



KSA median download speeds²



101.92 Mbps

Mobile

89.20 Mbps

Fixed broadband

Mobily achieved the lowest latency in KSA for Q4-22³



29 MS

Mobile internet

22 MS

Mobile 5G

11 MS

Fixed internet



CST launched the high-speed Internet service, covering **21** thousand villages and rural areas in different regions of kingdom³



KSA took **2nd** position among the G20 countries and **4th** globally in the readiness of digital regulations³



The volume of communications and technology market in KSA has reached SAR **154** billion³



Q1-23 in Review

February 07

Mobily obtained the "Procurement Excellence Programme Certificate PEP"

February 08

Mobily Pay signed multiple agreements with several key partners in LEAP 2023; Ericsson, SurePay, Abyan, Bitaqaty, and Saudi Data and Artificial Intelligence Authority

February 28

Mobily is the "Fastest Growing Telecoms Brand" in the Middle East 2023

February 20

Mobily achieved the highest annual net profit in the past nine years

Mar 07

Mobily is the "Diamond Sponsor" of Capacity Middle East 2023

Mar 15

Mobily achieved the "Best Customer Experience" award by CST for the second time in a row

Mar 09 – Mar 13

Mobily is the "Digital Partner" in Biban 2023

Mar 21

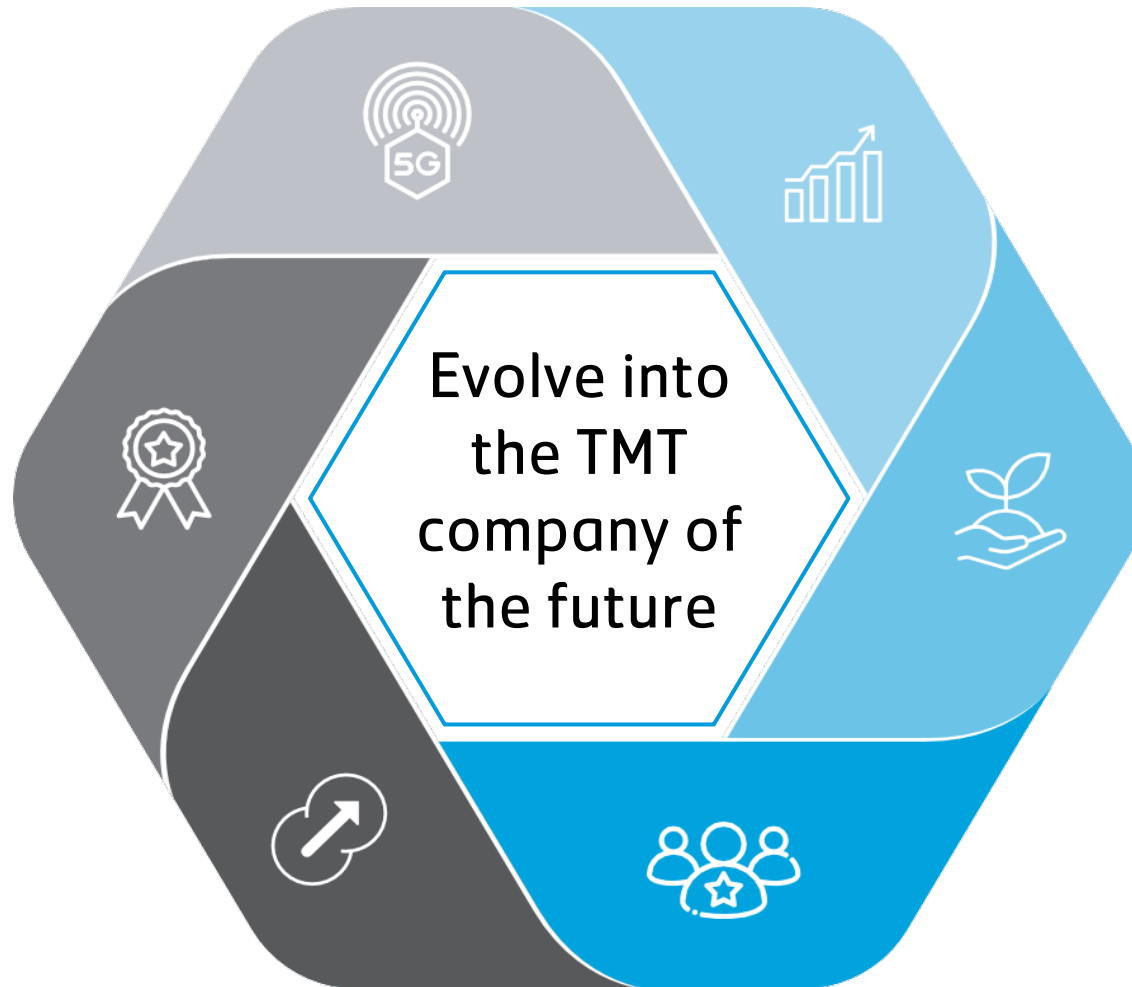
Mobily's participation in launching "Skills and Training" initiatives

Mar 23

Graduation of Mobily Elite program participants



Strategy 2023+



Expand 5G
rollout and
network
coverage



Increase
market share



Ensure
commitment to
achieve ESG
performance
excellence



Achieve total
experience
leadership



Transform the
business to
address new
opportunities in
the TMT industry



Repositioning
to be a leader
in new trends



Operational Performance Highlights



Business

- Signed multiple deals with strategic partners like MOMRA, NEOM and Public Security
- Revamped the fixed voice services to enhance product features and customer experience

Consumer

- Launched self-service activation SIM (SSA) and Mobily TV App
- Successfully obtained SASO Quality Certification for Beneficiary services "Hayyak" for Sales and Care
- Enhanced and launched promotions for various segments and products

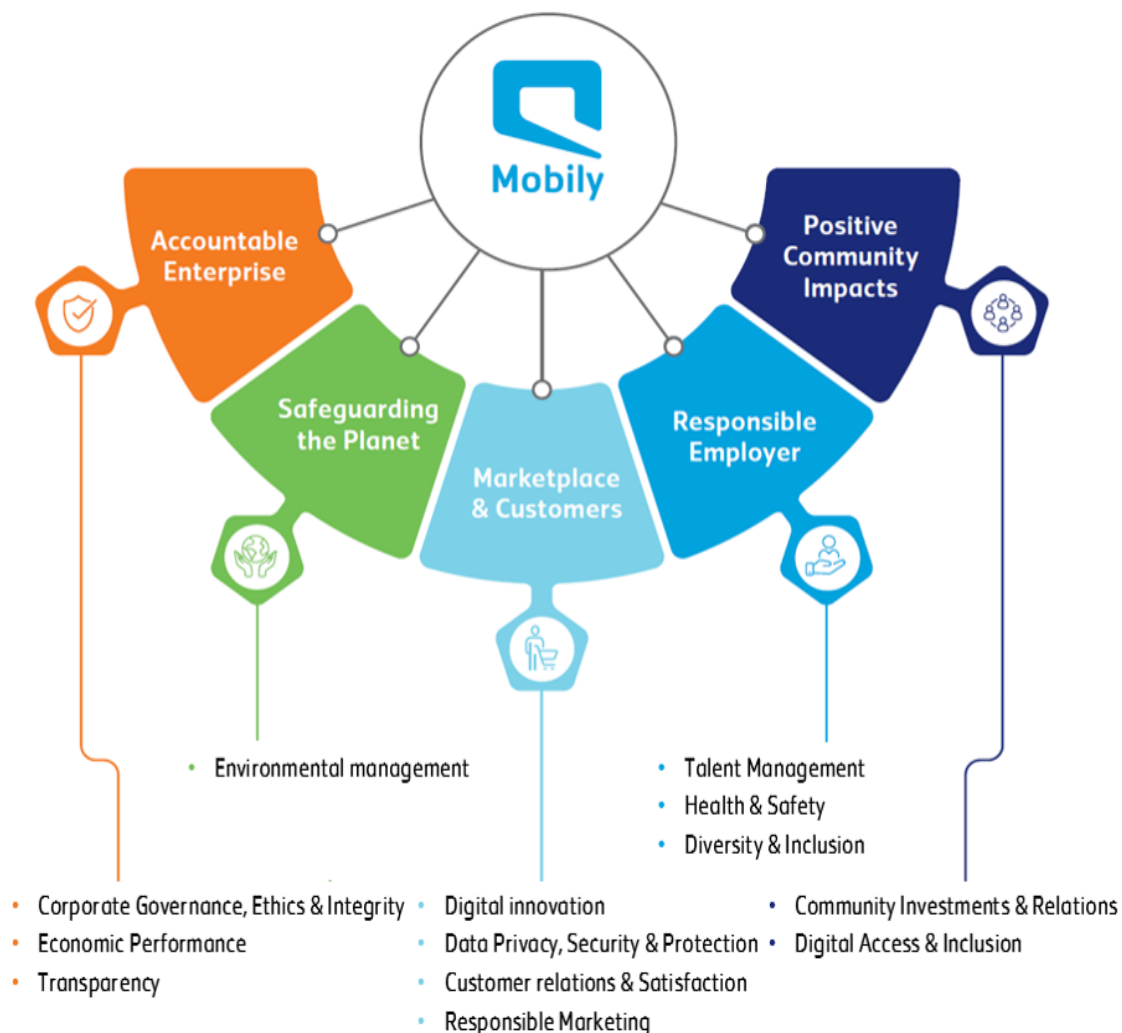
Wholesale and Carrier services

- Concluded connectivity service deals with national and international customers
- Increased infrastructure sharing deals
- Secured new deals related to international voice direct dialing for top destinations with competitive values



Sustainability at Mobily

Sustainability Framework



Aligning with National and International Frameworks



Saudi Vision 2030



Saudi ICT Strategy 2023

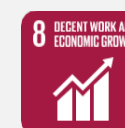


Global Reporting Initiative



Saudi Green Initiative

Mobily Contribution to the Sustainable Development Goals work



ESG 2022 Performance at a Glance



Successful conclusion of the GAIN strategy and the launch of a new strategy



Launched the first energy-generating tower using environmentally friendly sources



Launched and activated **Mobily Pay** for all users



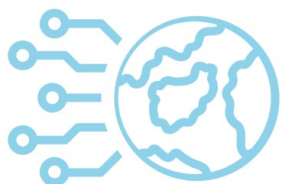
+1,000 employees attracted by Mobily's 2022 Learning Calendar



Partnered with The Diriyah E-Prix in cooperation with Formula E



Financial Performance Highlights (SAR Million)



**“Leadership in Enriching
your Digital World”**

Strong achievements in our financial KPI's:

- Efficiency measures taken and reflected in the strong EBITDA
- 45.7% YoY growth in Net Income
- Ongoing deleveraging strategy

Resilient revenue streams drive the growth of the first quarter of 2023:

- Growth in **Business** and **Consumer** units' revenues
- Healthy growth of subscriber base

Revenues

SAR 4,051
+6.3% YoY

Net Income

SAR 465
+45.7% YoY

EBITDA

SAR 1,554
+8.0% YoY

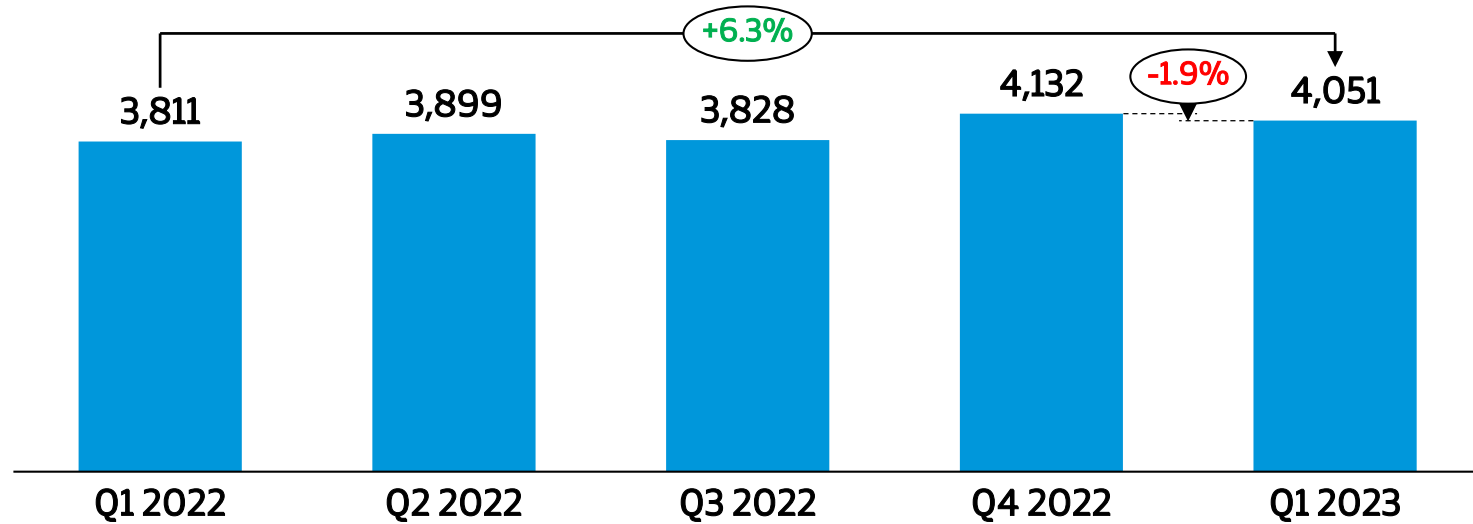
EBITDA Margin%

38.3%
+0.6% YoY



Key Financial Highlights | Robust Revenue Growth

Revenues
(SAR Million)



Revenues increased **6.3%** YoY **SAR 4,051** million:

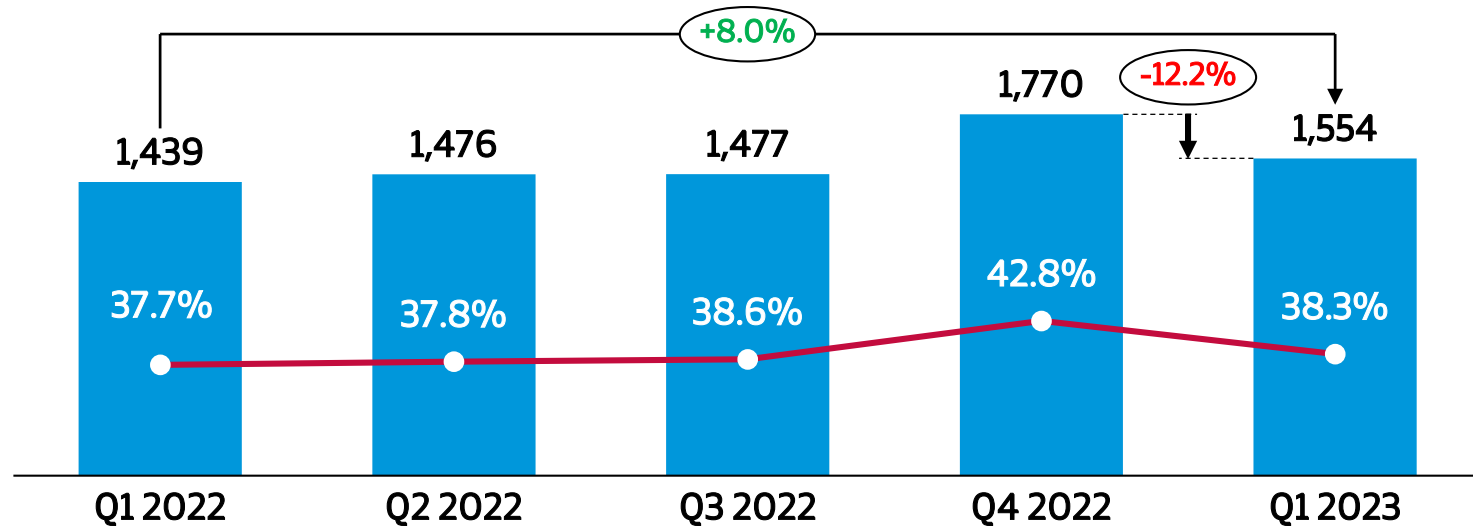
- The strong **Business** growth is a result of the continuous digitization and modernization of network, while the growth of the **Consumer** unit is due to focusing on increasing market share
- Healthy growth in overall subscriber base

Revenues decreased **1.9%** QoQ due to the seasonality nature of some services and projects



Key Financial Highlights | Steady EBITDA Performance

EBITDA and EBITDA Margin (SAR Million)



EBITDA increased **8.0%** YoY to **SAR 1,554** million:

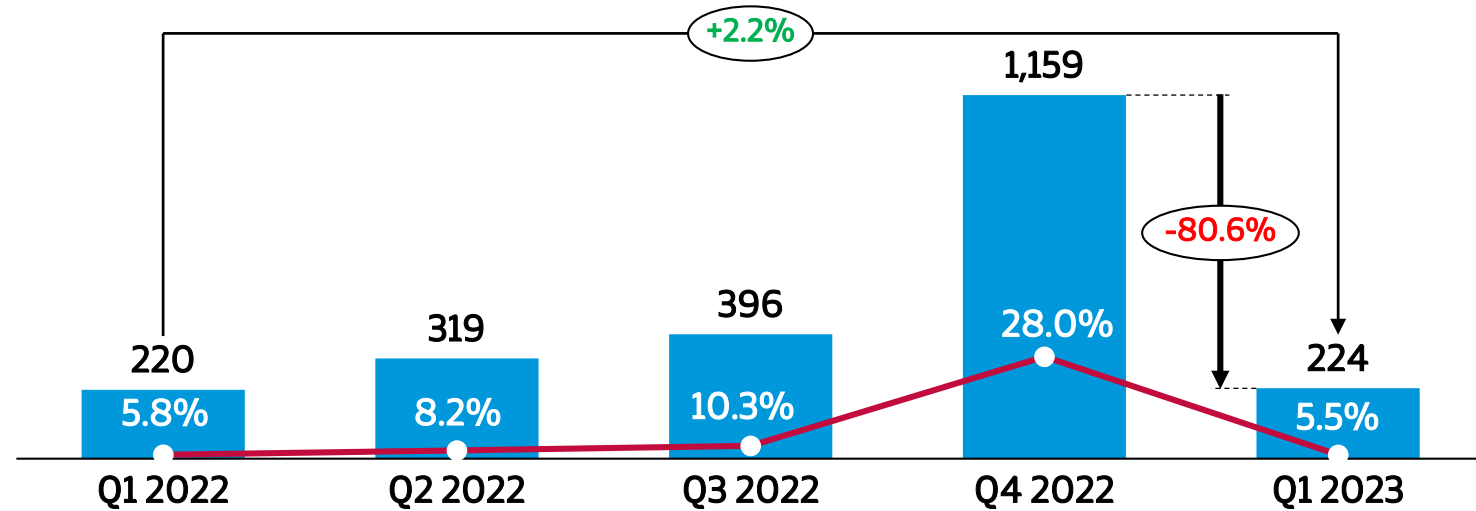
- The YoY improvement in EBITDA was supported by the resilient top-line performance
- EBITDA Margin was maintained at strong levels, as a result of ongoing operational efficiency measures

EBITDA decreased **12.2%** QoQ, mostly as a result of the decrease in gross profit



Key Financial Highlights | CAPEX Rationalization Continues

CAPEX and
CAPEX/Revenues%
(SAR Million)



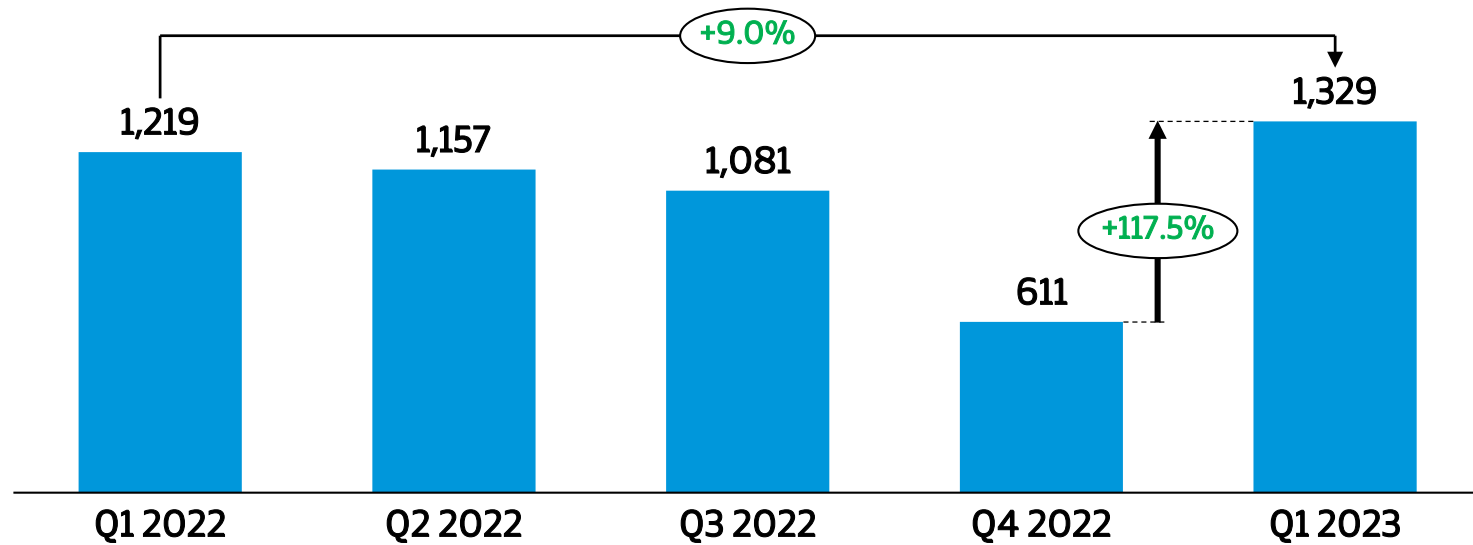
CAPEX expanded **2.2%** YoY to **SAR 224** million:

- Consistent rationalization of CAPEX in line with the company's strategy to enable digital transformation and support innovation in products and services
- Areas of investments included 5G and network coverage, cloud, IoT, data centers and digitization of our operations



Key Financial Highlights | Healthy Cash Generation

Free Cash Flow
(EBITDA – CAPEX)
(SAR Million)



Free Cash Flow increased **9.0%** YoY, primarily due to:

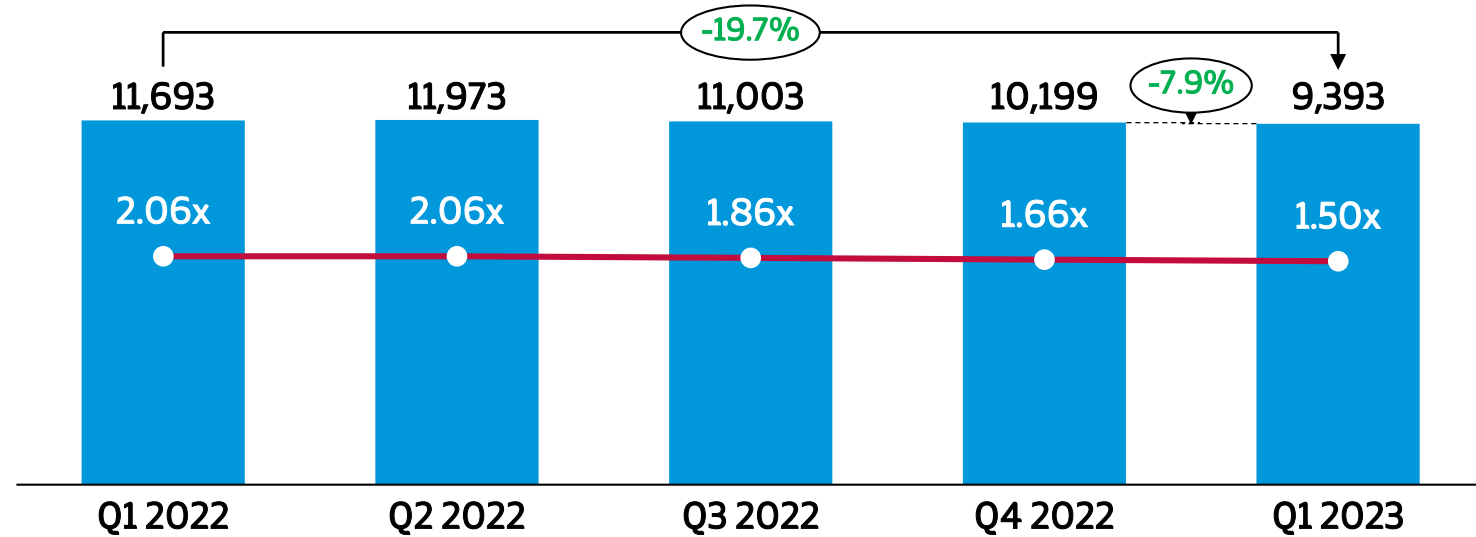
- Solid EBITDA growth, slightly offset by the increase in CAPEX

Free Cash Flow increased **117.5%** QoQ due to strong EBITDA growth as well as sequential moderation of CAPEX



Key Financial Highlights | Ongoing Deleveraging

Net Debt and Net Debt/EBITDA (SAR Million)



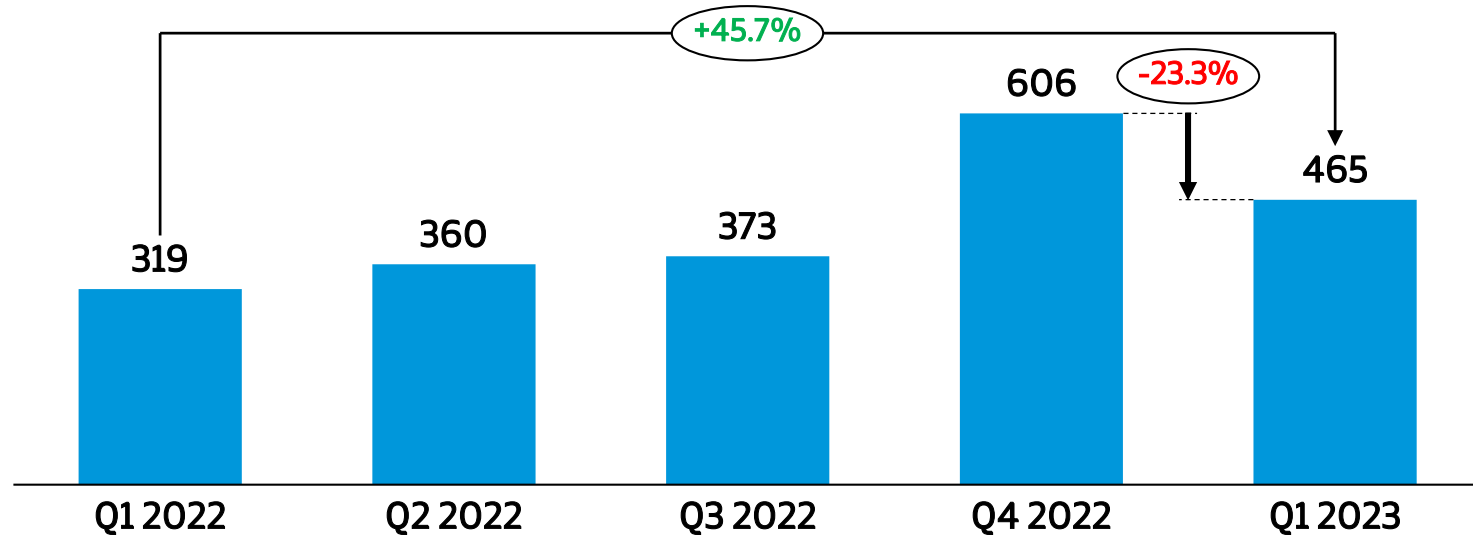
Net Debt and Net Debt/EBITDA improvement:

- Strong downtrend in Net Debt/EBITDA ratio at **1.50x** at the end of Q1 2023
- Steady EBITDA performance during the period (**+8.0%** YoY)
- Mobily's ongoing deleveraging strategy



Key Financial Highlights | Sustained Profitability

Net Income (SAR Million)



Net Income increased by **45.7%** YoY, on the back of:

- Solid revenue growth of **6.3%** YoY, along with excellent EBITDA growth (**+8.0%** YoY)
- Net Income was further supported by disciplined cost management, deleveraging, and an increase in finance income

Net Income decreased **23.3%** QoQ due to the seasonality nature of some services and projects



Q&A



Thank you



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Mobily IR App
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