



Etihad Etisalat Investor Relations

February 21, 2023

Earnings Presentation

FY 2022

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Saudi Regulatory and Telecom Environment

Macro Indicators

Annual Inflation
+3.3% in December 2022¹
3M and 6M SAIBOR
increased to **5.3%** and
5.6% respectively by the
end of 2022

KSA Internet Speeds

Saudi Arabia's mobile and
fixed broadband median
download speeds for
December 2022 are **95.22
Mbps** and **87.17 Mbps**,
respectively³

Next Generation Wi-Fi

CST has performed the
first global live demo of an
end-to-end AFC system to
enable **WiFi-6E**
technology²

Spectrum Trading Regulations

CST published the
**Spectrum Trading
Regulations** as part of the
efforts to implement its
National Spectrum
Strategy (2020-2025)²

Sustainability

CST launched "**Recycle
Your Device**" carried out
in two phases between
September-December
2022, promoting
sustainability

Fintech

Telecom companies
expand into adjacent and
new businesses, with
increased disruption from
Fintech

Service excellence

Mobily obtains two ISO
certifications for
**Customer Journey and
Satisfaction** and for
Customer Care Services

Fastest Response

CST grants '**Fastest
response time for mobile
internet and 5G networks
in KSA**' to Mobily²



¹ General Authority for statistics report

² CST reports and announcements

³ Speedtest by Ookla

Mobily's Year In Review

22

January 18
Partnered with The Diriyah E-prix in cooperation with Formula E, reflecting Mobily's commitment to support and encourage sustainability

March 06
Won two Ookla Speedtest Awards at Mobile World Congress 2022 KSA categories, based on its speedtest rating score for Q3 to Q4 in 2021

March 28
Mobily Pay awarded license to offer digital payments and e-wallet services

February 02
Partnered with Cisco to build region's largest IoT Cloud Platform to boost Saudi Arabia's digitization

March 16
Recognized as "Fastest Growing Saudi Telecoms Brand" in 2022 by Brand Finance, with 18% growth in brand value, to reach SAR 5.7 billion, and maintained a AA+ rating

April 07
Recognized as the "4th Best Workplace in Saudi Arabia" according to LinkedIn classification

June 10
MSCI ESG index upgraded Mobily rating to BBB in the rating round of May 2022

August 17
Obtained the "Golden Award (HCM Excellence) 2022" presented by Brandon Hall Group for the Talent Acquisition category

September 27
Launched its first tower to generate energy through environmentally friendly sources using wind turbines and solar panels

May 31
Signed a strategic MoU with Telecom Egypt to build the first direct bilateral submarine cable system linking the Kingdom with Egypt

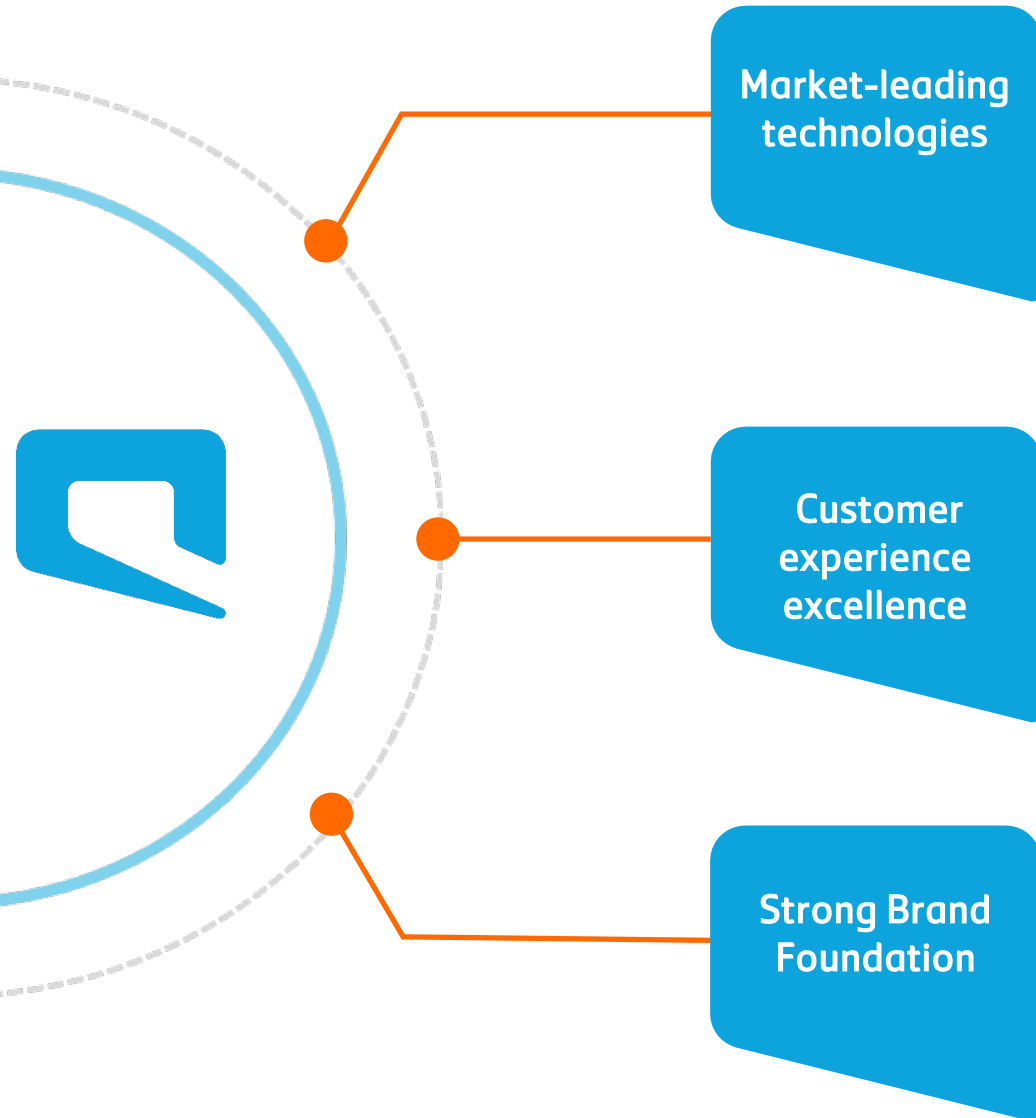
June 19
Launched Equinix Internet Exchange in partnership with Equinix to enhance the quality and speed of the internet

September 18
Launched the company's fintech arm, Mobily Pay application, which provides comprehensive digital financial services

October 12
Joined a new cable system consortium, Africa-1, to enhance Saudi Arabia's connectivity with the Middle East, Africa, and Europe, in order to boost Saudi's digital infrastructure



Key Business Highlights



Market-leading technologies

Extended 5G coverage to more than **80%** in 6 main cities across the Kingdom

Solidified position as a service provider for **Internet of Things (IoT), cloud computing, and data centers**

Award winning network recognized as **#1** for social media and gaming

Customer experience excellence

Enhanced the customer shop delivery journey, support help journey, and lines management journey

Launched **Mobily Fast**, a new service to provide a cutting-edge digital experience to customers

Established a **Beneficiaries Experience Committee**

Strong Brand Foundation

Seventh most valuable Saudi Arabian brand - brand value reached SAR 5.7 billion¹

Fastest growing Saudi telecoms brand, recording 18% brand value growth¹

Certified operator in aligning with international best-practice standards



Strategic Pillars

GAIN and our Stakeholders

Market

Gain confidence of the market

Consumers

Gain loyalty of the consumers

Business Partners

Gain interest of the business partners

Regulator

Gain respect of CST

Businesses

Gain attention of the businesses

Society

Gain appreciation of the society

Shareholders

Gain trust of the Shareholders

Employees

Gain engagement of employees

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.



Strategy and Achievements



GROW

core revenues



ACCELERATE

digital revenue streams



IMPLEMENT

and optimize efficient delivery



NURTURE

a positive experience for all

2022 Achievements

- Consumer Revenues: **+1.0%** YoY
- Business Revenues: **+14.5%** YoY
- Wholesale Revenues: **+20.2%** YoY
- Outsourcing Revenues: **+44.2%** YoY
- Launched **Mobily Pay**
- Partnered with Cisco to **build region's largest IoT Cloud Platform** to boost Saudi Arabia's digitization
- Signed an MoU with Ericsson to **expand the cutting-edge 5G use cases**
- Awarded "**Top Rated-Mobile Network**" and "**Top Rated-Fixed Network**" by Ookla
- Progressed by **+88%** in IT Transformation Program
- Exceeded CST speed¹ requirements, reaching **13 Mbps** in roads and **65 Mbps** in administrative regions
- **Seventh** most valuable brand in Saudi Arabia
- **Fourth** best workplace in Saudi Arabia
- **4.8/5** mobile app rating
- ISO certifications for **Customer Journey and Satisfaction** and for **Customer Care Services**

PURPOSE

To be the Better Choice to Unlock Possibilities

HOW

By Empowering the Digital Economy

BY BEING

The Everyday Hero

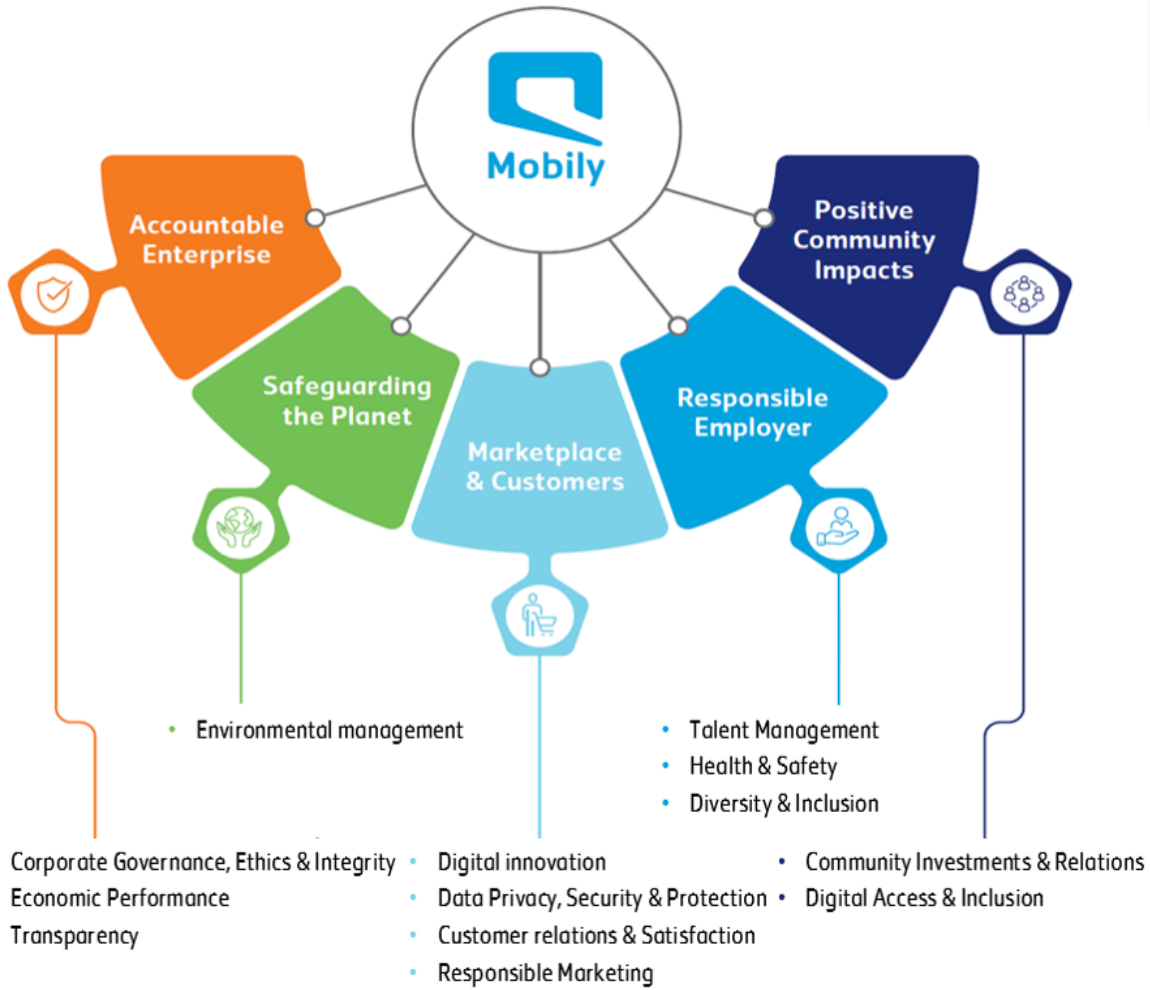


Vision For The Future



Sustainability at Mobily

Sustainability Framework



Aligning with National and International Frameworks



Our Contribution to the Sustainable Development Goals work



ESG 2022 Performance at a Glance

<p>Successful conclusion of the GAIN strategy and the launch of a new strategy</p>	<p>Launched the first energy-generating tower using environmentally friendly sources</p>	<p>Launched and activated Mobily Pay for all users</p>	<p>+1,000 employees attracted by Mobily's 2022 Learning Calendar</p>	<p>Partnered with The Diriyah E-Prix in cooperation with Formula E</p>



Performance Highlights



“Empower the Digital Economy to Unlock Possibilities”

Strong achievement in our financial KPI's:

- Highest annual Revenues, EBITDA, and Net Income levels since 2014
- Consistent revenue growth attributed to improvement in all revenue streams
- Strong EBITDA growth and operational excellence
- Remarkable growth in Net Income
- Strong deleveraging strategy

Robust revenue growth drive the growth of the year:

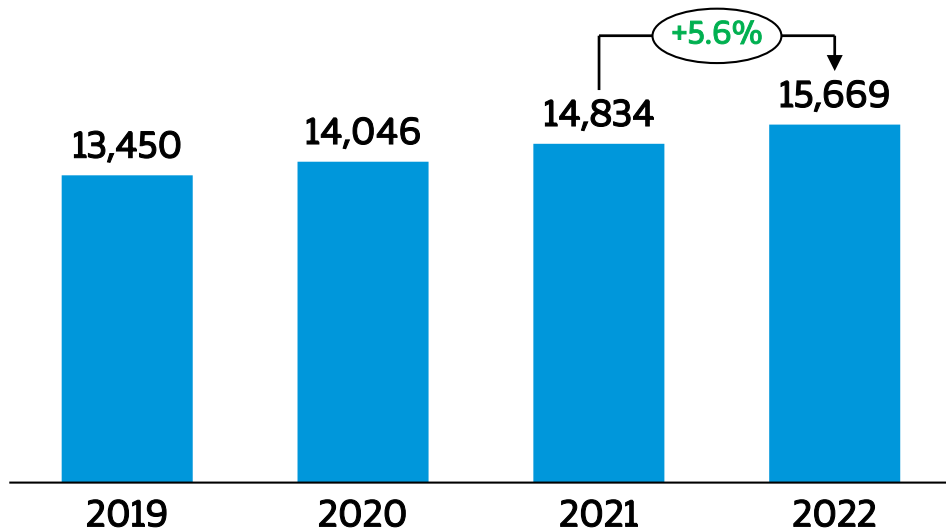
- Consistent growth in Business, Wholesale, and Consumer units' revenues
- Continued growth of overall subscribers base

Strong cash generation achieved during 2022, with Operational Cash Flow (EBITDA – CAPEX) increasing by 16.6% compared to 2021 to reach SAR 4,067 million, reflecting strong growth in EBITDA



Key Financial Highlights | Resilient Revenue Growth

Revenues
(In SAR Million)

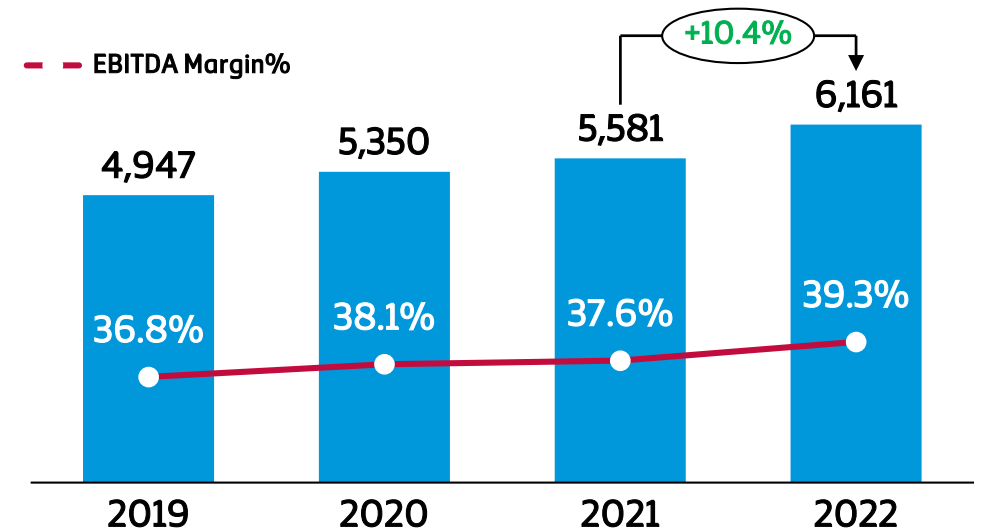


Achieved the highest level of revenues in the last 9 years

Revenues increased **5.6%** YoY:

- Notable growth in **Business**, **Wholesale**, and **Consumer** revenues
- Healthy growth in overall subscriber base

EBITDA and EBITDA Margin
(In SAR Million)



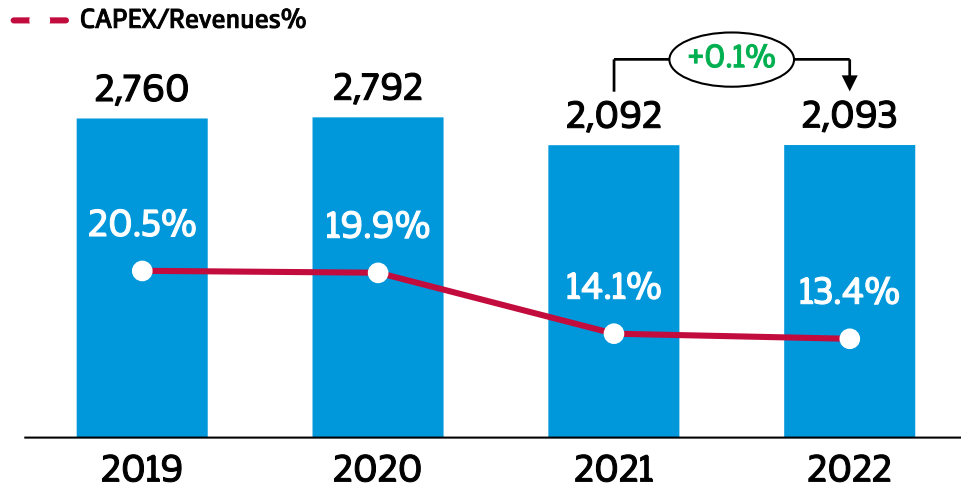
Delivered the highest level of EBITDA in the last 9 years

- EBITDA increased **10.4%** YoY to **SAR 6,161** million, mainly on the strong topline performance and operational efficiencies
- EBITDA Margin reached a solid level at **39.3%**



Key Financial Highlights | Strong Cash Generation

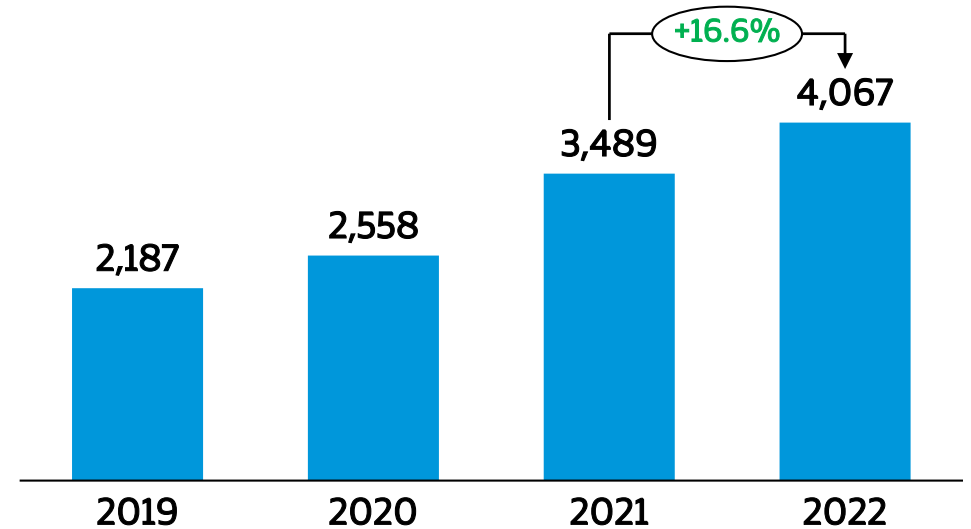
CAPEX and CAPEX-to-revenues % (In SAR Million)



CAPEX increased by 0.1% YoY to SAR 2,093 million:

- Achievement of strategic objectives
- Continued acceleration of 5G roll-out, IoT investments, and FTTH coverage

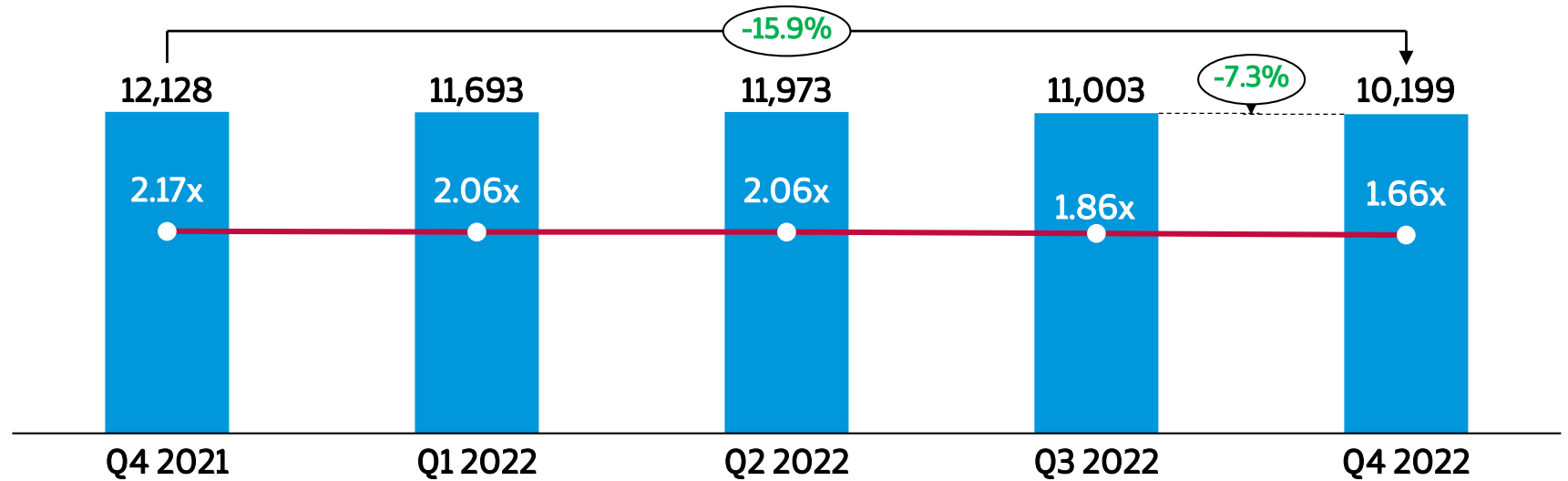
Operational Cash Flow (EBITDA – CAPEX) (In SAR Million)



Strong growth in EBITDA and CAPEX moderation supported a continued healthy growth of 16.6% in Operational Cash Flow

Key Financial Highlights | Ongoing Deleveraging

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



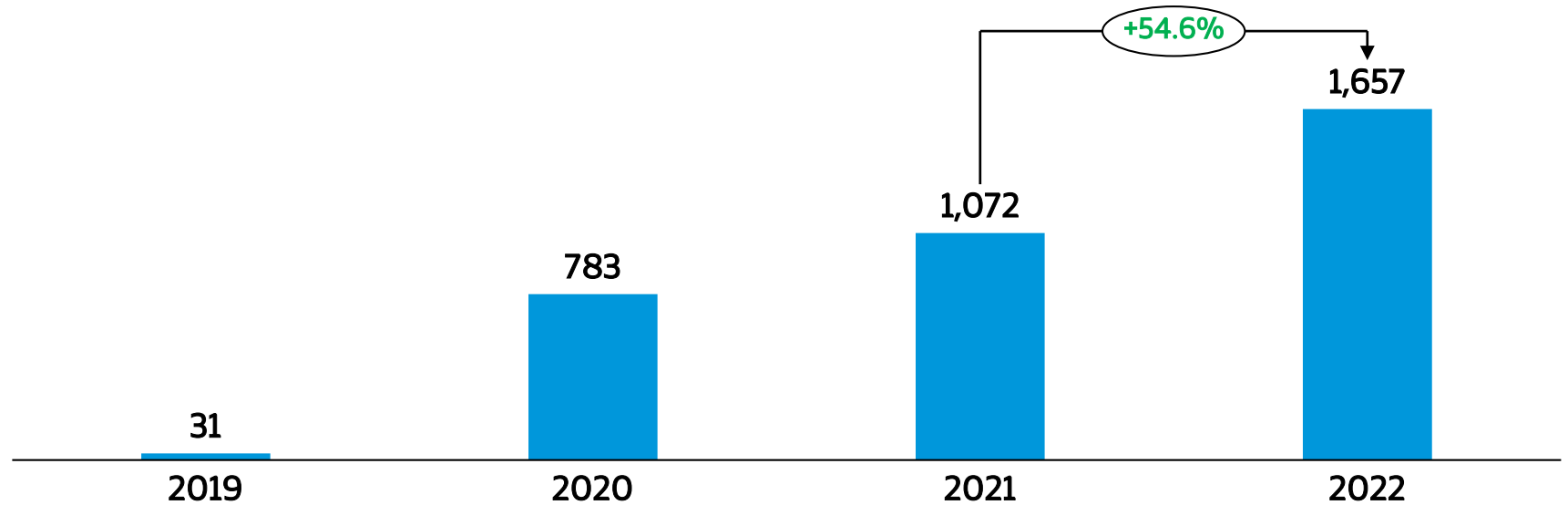
Net Debt and Net Debt/EBITDA improvement:

- Strong downtrend in Net Debt/EBITDA ratio to reach **1.66x** at the end of 2022
- During the last **12** months, Mobily has reduced its debt balance by more than **SAR 1.2** billion in line with its ongoing deleveraging strategy



Key Financial Highlights | Sustained Profitability

Net Income
(In SAR Million)



Highest level of net income in the last 9 years

Net Income increased by 54.6%, on the back of:

- Robust and healthy revenue growth of 5.6%
- Cost discipline and strong EBITDA growth of 10.4%
- Continuous deleveraging, with the Net Debt/EBITDA ratio at 1.66x

Q&A



Embedding ESG



Accelerating sustainability journey

- 3-year ESG strategy implemented in 2022
- Upgraded ratings across renowned ESG indices
- Alignment with Saudi Vision 2030, ICT Strategy 2023, Saudi Green initiative (SGI), UN Sustainable Development Goals (SDGs), and Global Reporting Initiative (GRI)



[Sustainability webpage](#)

Rating upgrades in 2022:

Rating Agency	New Rating	Old Rating	Date
FTSE Russell	1.9/5	1.1/5	Dec 2022
S&P DJSI	25/100	8/100	Sep 2022
MSCI	BBB	BB	May 2022
ESG Invest	45/100	28/100	Feb 2022





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