



Etihad Etisalat Investor Relations

October 25, 2023

Earnings Presentation

Q3 2023

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Content

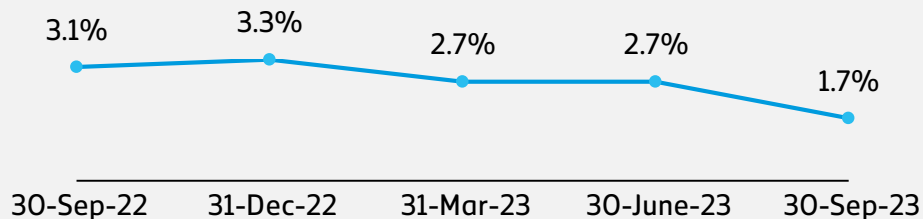
- Saudi Regulatory and Telecom Environment
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- Strategy 2023+
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Saudi Regulatory and Telecom Environment

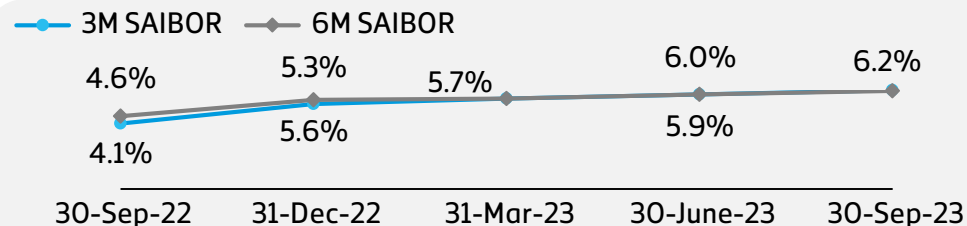
KSA annual inflation¹

1.7% YoY



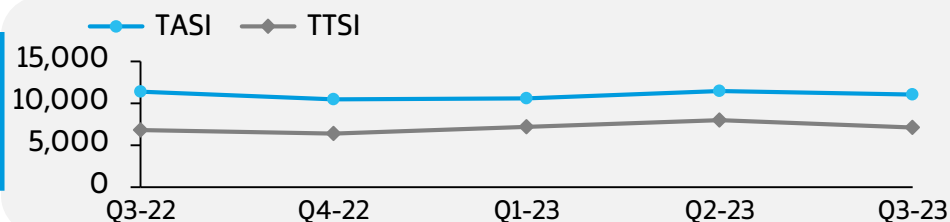
3M and 6M SAIBAOR

6.2%



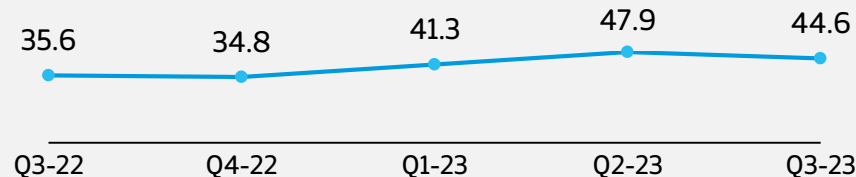
TASI and TTSI performance

+6% and **+11%** YTD



Mobily share price performance

+28% YTD



KSA median download speeds²



90.93 Mbps

Mobile

95.13 Mbps

Fixed broadband

Mobily coverage on the main roads for 2023³



98 %

Call service

93 %

Internet service

Alliance between **Mobily**, **Saudi Telecom Company**, and **Zain KSA** to provide innovative products and solutions to government institutions to achieve digital transformation³



CST published the **Data Center Services Regulations**, aiming to create a suitable environment for the sector's growth³



CST adopted **Network Neutrality Regulations** to ensure user protection in accessing systemically permitted content, achieving equality between local content providers, and promoting competition³



¹ General Authority for statistics report

² Speedtest by Ookla

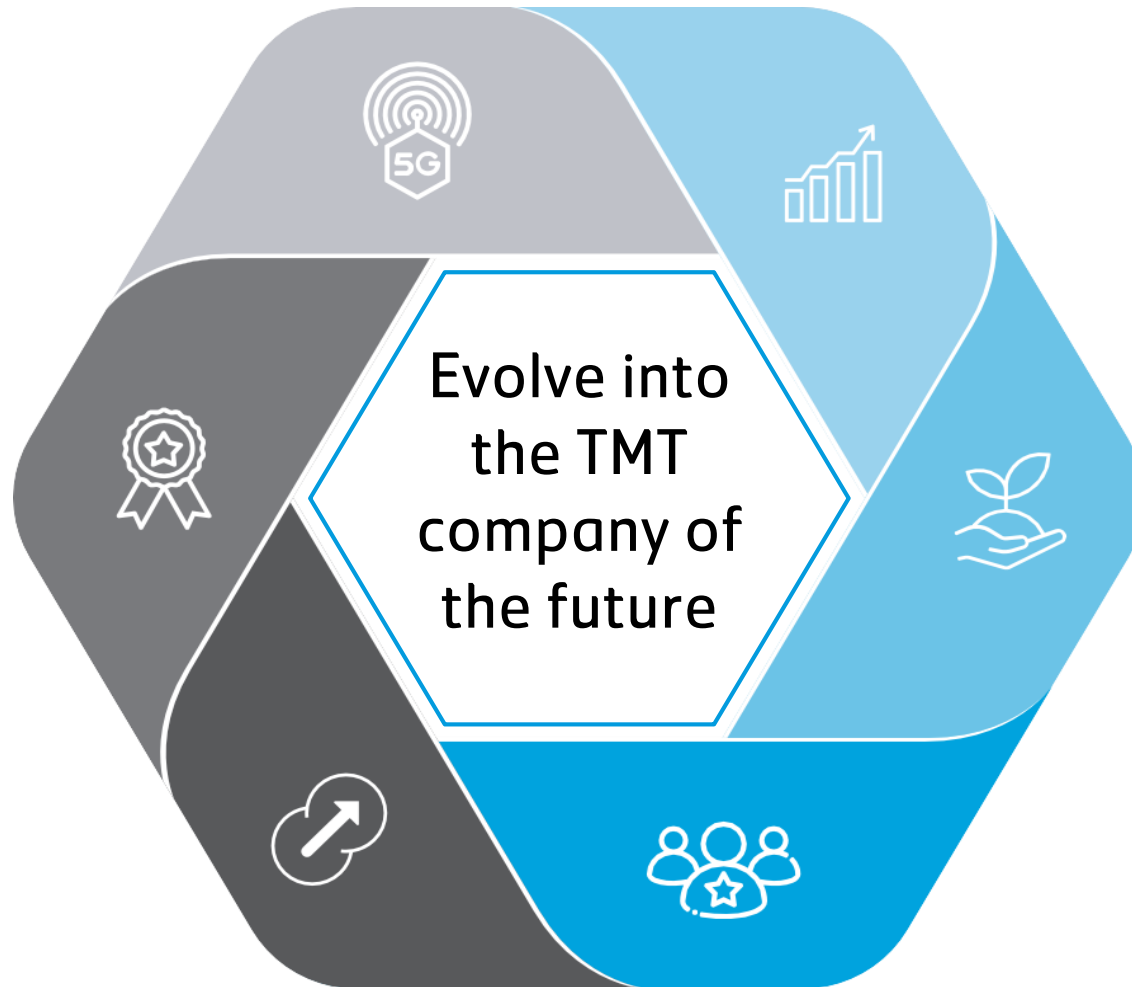
³ CST reports and announcements

9M-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 20**
Mobily achieved the highest annual net profit in the past nine years
 - February 28**
Mobily is the "Fastest Growing Telecoms Brand" in the Middle East 2023
 - Mar 07**
Mobily is the "Diamond Sponsor" of Capacity Middle East 2023
 - Mar 09 – Mar 13**
Mobily is the "Digital Partner" in Biban 2023
 - Mar 15**
Mobily achieved the "Best Customer Experience" award by CST for the second time in a row
 - Mar 21**
Mobily's participation in launching "Skills and Training" initiatives
 - Mar 23**
Graduation of Mobily Elite program participants
 - May 09**
Mobily obtained the quality certificate of "Hyyak" beneficiary service centers
 - May 18**
Mobily launched the High Potential Program "HiPo" to develop its employees skills and build an ambitious leadership generation
 - May 23**
Mobily obtained ISO certificate for "Legal Risk Management"
 - May 26**
Mobily MSCI ESG index rating upgraded from "BBB" to "A"
 - Jul 20**
Mobily obtained ISO Certificate for "Customer Services"
 - Jul 31**
Mobily obtained the Local Content Certificate for the 4th Consecutive Year
 - Aug 15**
Mobily's participated in Wad Campaign by providing 100,000 training opportunities
 - Sep 03**
Mobily obtained 2 ISO certificates for "Quality Management System" and "Health and Safety Management System"
 - Sep 04**
Mobily Pay is the "Diamond Sponsor" of Seamless Event 2023



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 and expanded network coverage through strategic investments to enhance core and digital infrastructure for businesses
- Launched and revamped business products
- Enhanced digitization initiatives, business operational efficiency, and process automation

Consumer

- Obtained certificate for Customer Services and Complaints Management
- Maintained efforts to achieve customer satisfaction

Wholesale and Carrier services

- Concluded connectivity service deals with national and international customers
- Healthy growth in outbound roaming during travel season



Financial Performance Highlights (SAR Million)



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

Strong achievements in our financial KPI's:

- Achieved the highest third-quarter Revenues and Net Income in the last 10 years
- Carried on the operational efficiency efforts, leading to a strong EBITDA level
- +40.5% YoY growth in Net Income
- Notable decline of Mobily's Net Debt by 19.9% YoY

Robust 9M-2023 revenue performance:

- Resilient growth of **all revenue streams**, supported mainly by the **Business segment**
- Healthy growth of **overall subscriber base**

Revenues

SAR 4,100
+7.1% YoY

Net Income

SAR 524
+40.5% YoY

EBITDA

SAR 1,596
+8.0% YoY

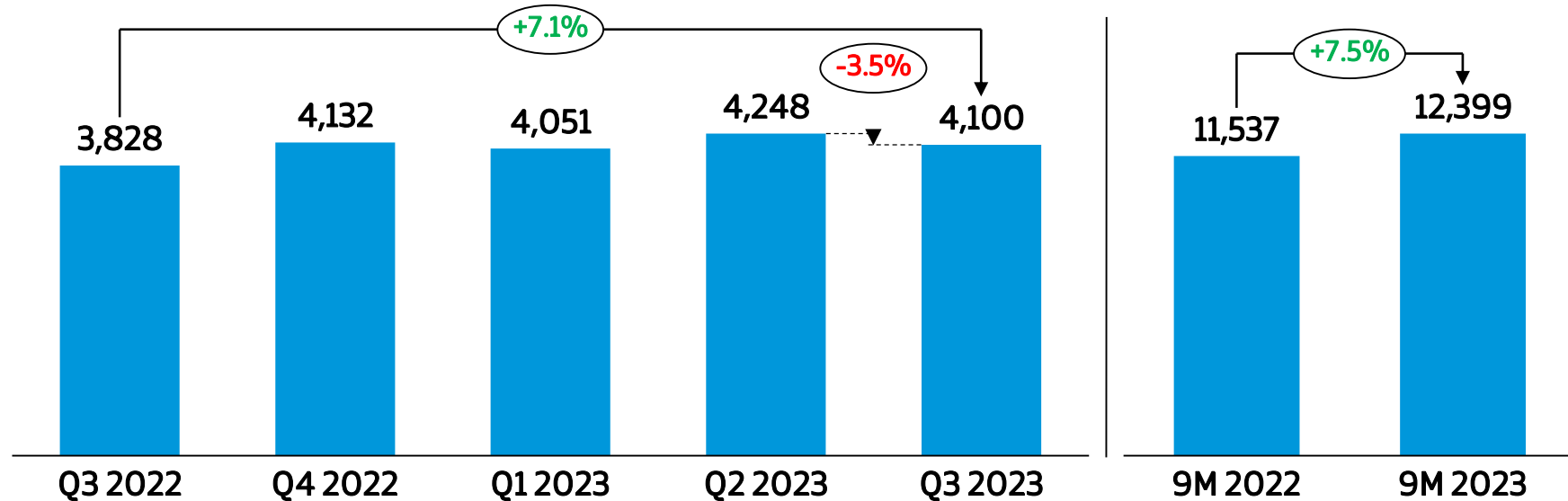
Free Cash Flow

SAR 1,221
+12.8% YoY



Key Financial Highlights | Robust Revenue Growth

Revenues (SAR Million)



Revenues increased **7.1%** YoY to **SAR 4,100** million:

- Strong **Business** growth in line with the digital transformation agenda, and consistent growth in the **Wholesale** and **Consumer** segments
- Healthy growth in the overall subscriber base

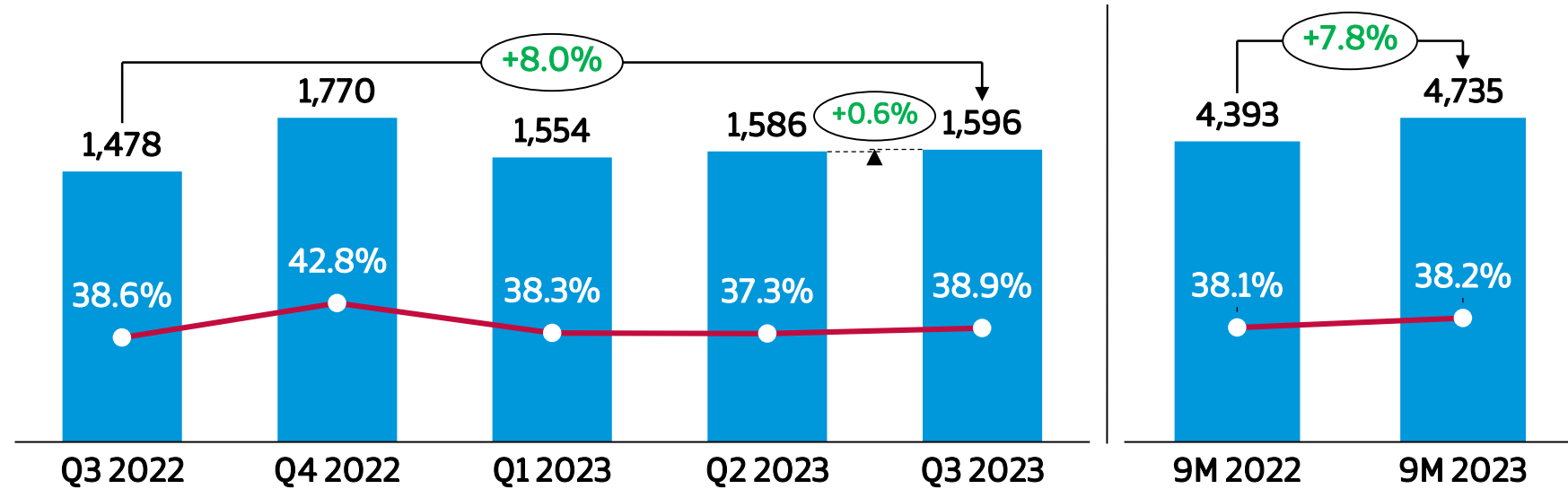
Revenues decreased **3.5%** QoQ due to the seasonality nature of Q3 revenue in the **Consumer** segment

Revenues in 9M 2023 rose by **7.5%** to **SAR 12,399** million, driven by the growth of all revenue streams



Key Financial Highlights | Strong EBITDA Performance

EBITDA and EBITDA Margin (SAR Million)



EBITDA increased **8.0%** YoY and **0.6%** QoQ to **SAR 1,596** million:

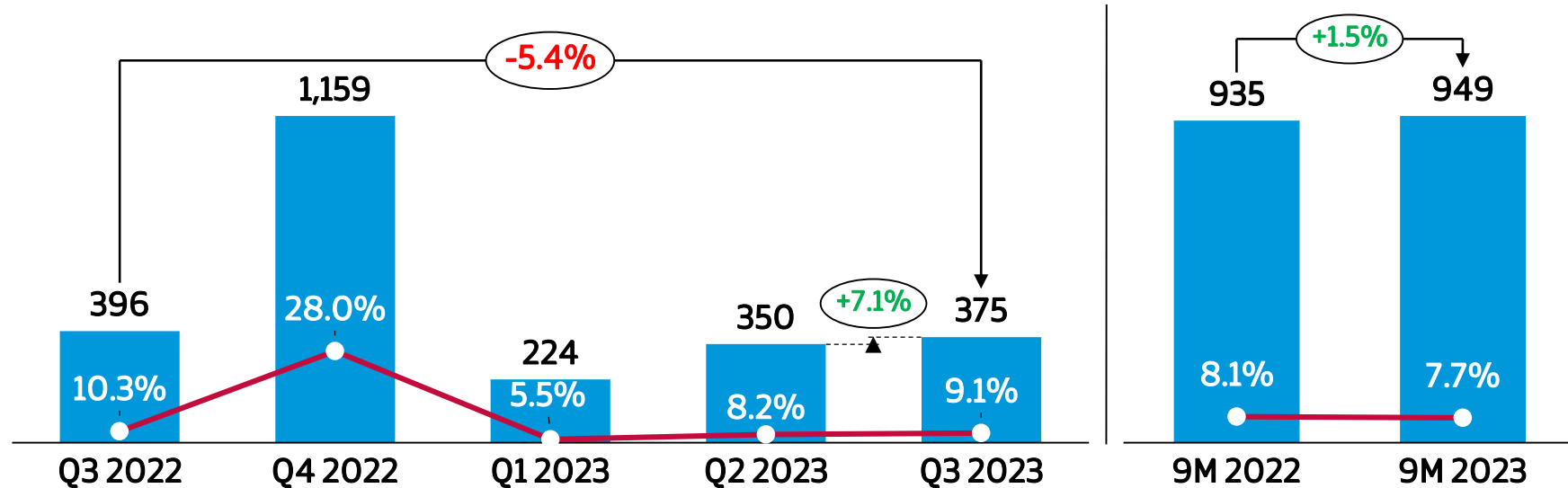
- YoY improvement in EBITDA was affected by the top-line performance
- EBITDA margin was maintained at strong levels of **38.9%** as a result of the continued operational efficiency efforts

EBITDA increased **7.8%** in 9M 2023 to **SAR 4,735** million, with an improved EBITDA margin at **38.2%**



Key Financial Highlights | CAPEX Rationalization Continues

CAPEX and CAPEX/Revenues% (SAR Million)



CAPEX in 9M 2023 increased by **1.5%** compared to 9M 2022 to reach **SAR 949** million:

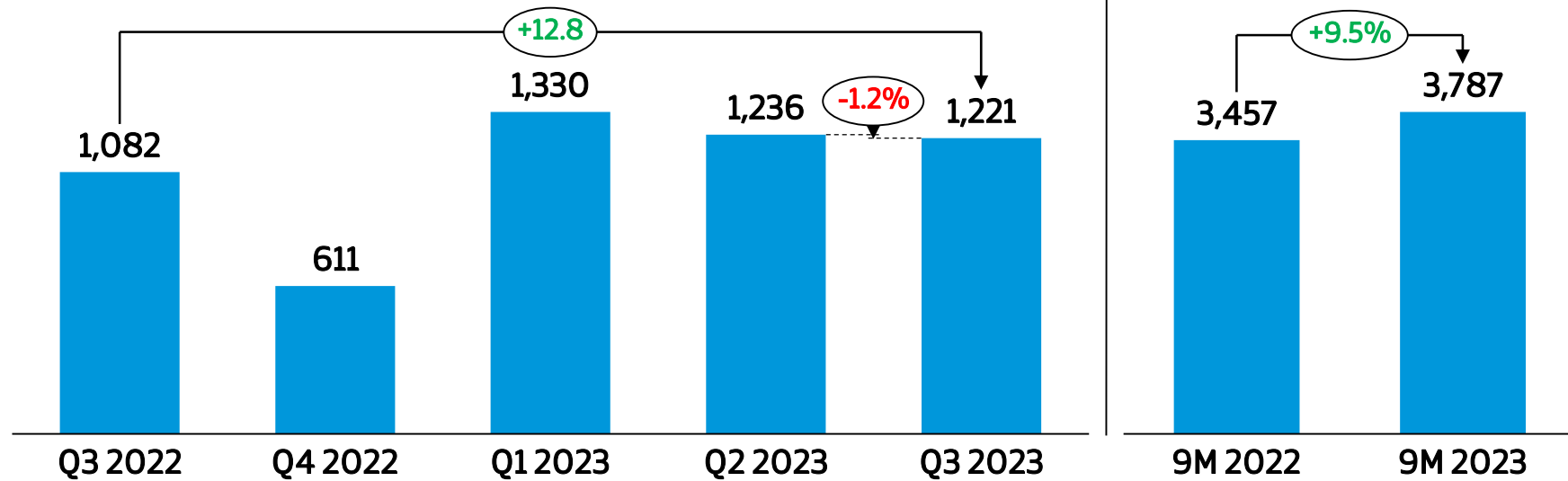
- Investments were made in network expansion and quality enhancements, in addition to investing in emerging technologies

Consistent rationalization of CAPEX is in line with the company's strategy to enable digital transformation and support innovation in products and services



Key Financial Highlights | Healthy Cash Generation

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



Free Cash Flow increased by **12.8%** YoY, primarily due to solid EBITDA growth

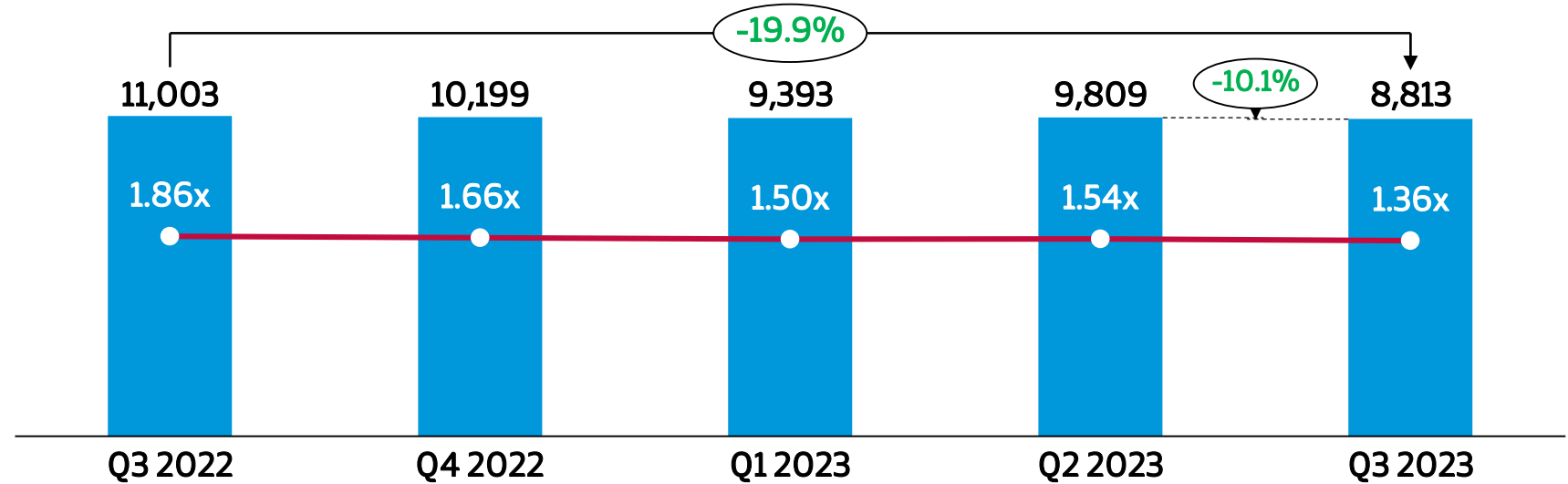
Free Cash Flow decreased by **1.2%** QoQ as a result of the increase in CAPEX

9M 2023 Free Cash Flow increased by **9.5%** compared to 9M 2022 to reach **SAR 3,787** million



Key Financial Highlights | Ongoing Deleveraging

Net Debt and Net Debt/EBITDA (SAR Million)



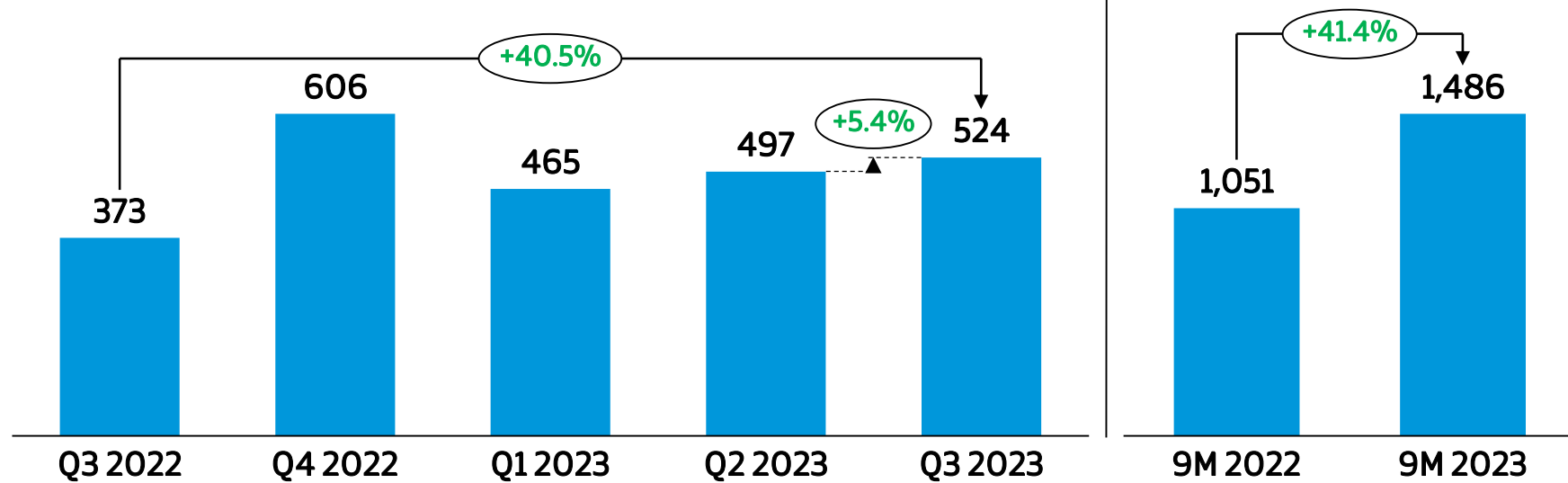
Net Debt and Net Debt/EBITDA performance:

- Decline of **19.9%** YoY as a result of Mobily's continued deleveraging plan
- Stellar Net Debt/EBITDA ratio at **1.36x** at the end of Q3 2023
- Notable growth in EBITDA during the period, increased by **8.0%** YoY
- During 9M 2023 period, Mobily has reduced its debt balance by more than **SAR 1.3** billion compared to 9M 2022



Key Financial Highlights | Sustained Profitability

Net Income (SAR Million)



Net Income increased by **40.5%** YoY and **5.4%** QoQ to reach **SAR 524** million:

- Strong revenue growth of **7.1%** YoY, along with excellent EBITDA growth of **8.0%** YoY
- Continued deleveraging efforts, and disciplined cost management

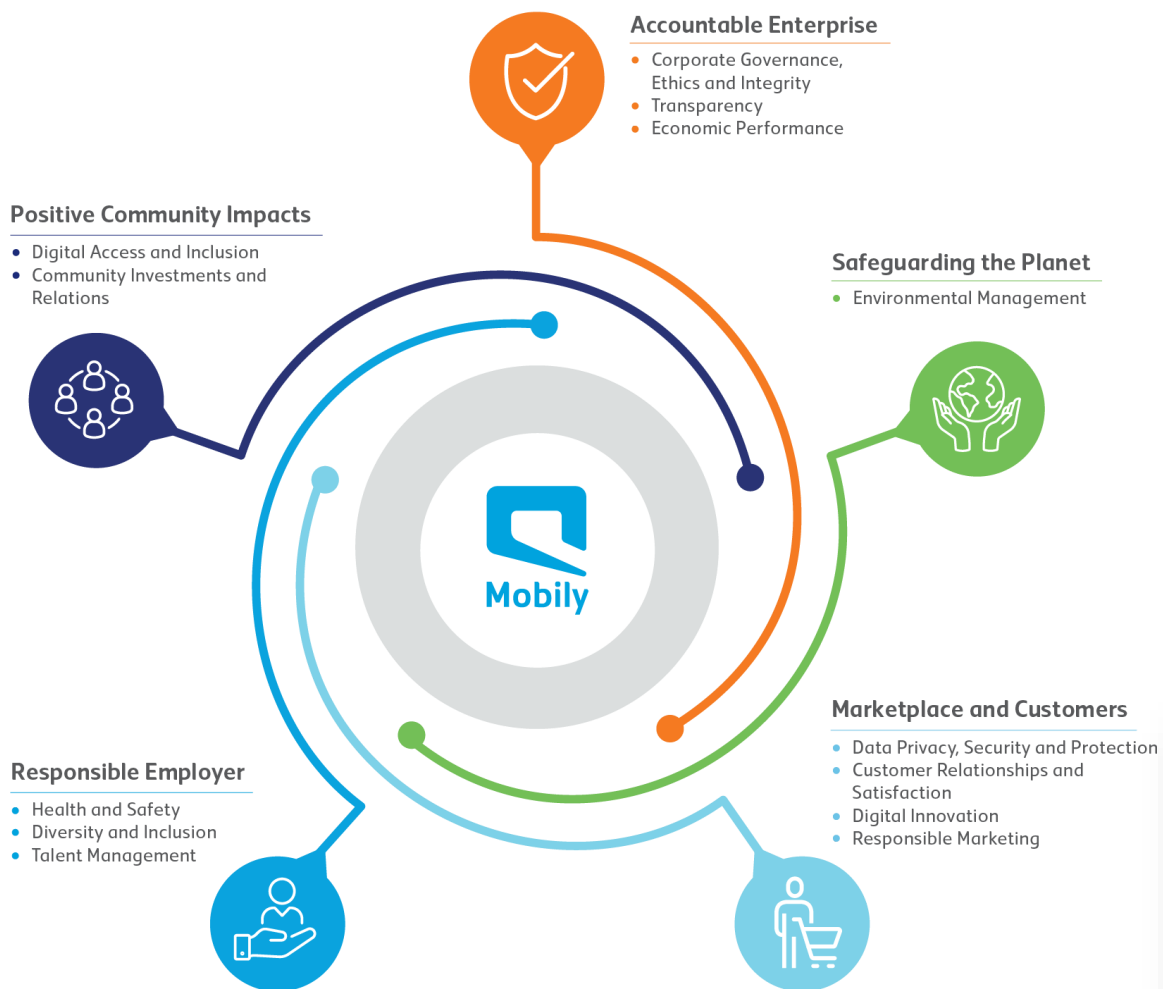
Mobily achieved a significant **41.4%** increase in 9M 2023 Net Income, reaching **SAR 1,486** million



Q&A



APPENDIX: Sustainability at Mobily



Aligning with National and International Frameworks



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



Thank you



Mobily IR Webpage
Mobily Investor
Relations Webpage



Mobily IR App
Mobily Investor
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