



Etihad Etisalat Investor Relations

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May 14, 2024

# Earnings Presentation

Q1 2024

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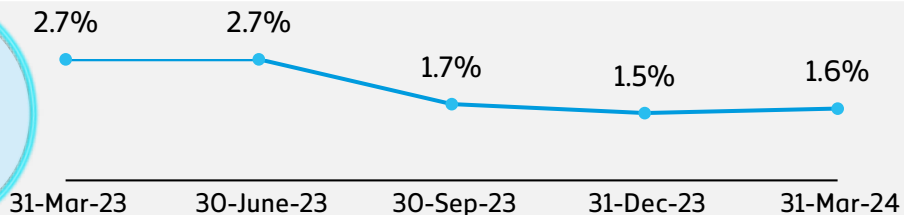
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# Saudi Regulatory and Telecom Environment

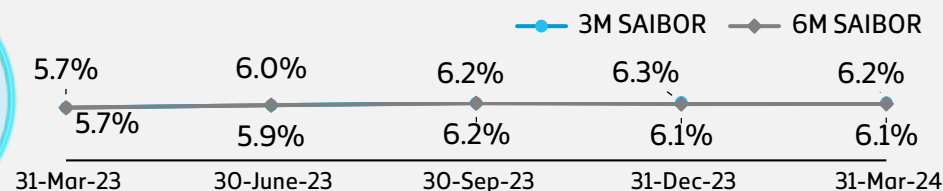
KSA annual inflation<sup>1</sup>

**1.6%**  
YoY



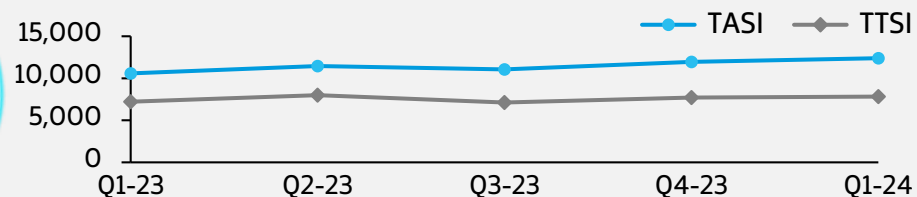
3M and 6M SAIBAOR

**6.2% and 6.1%**



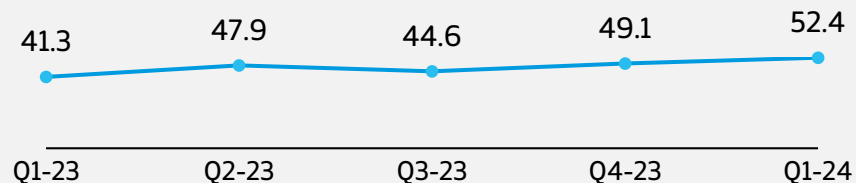
TASI and TTSI performance

**+17.1% and +8.5%** YTD



Mobily share price performance

**+27%**  
YoY



KSA median download speeds<sup>2</sup>



**124.93** Mbps

Mobile

**111.86** Mbps

Fixed broadband

Mobily achieved a strong latency in KSA for Q1-24<sup>3</sup>



**335.89** Mbps

Mobile 5G

**170.45** Mbps

Fixed internet

MCIT launched a collaborative project with the private sector to explore the potential of **O-RAN** technology for boosting digital infrastructure investment<sup>3</sup>



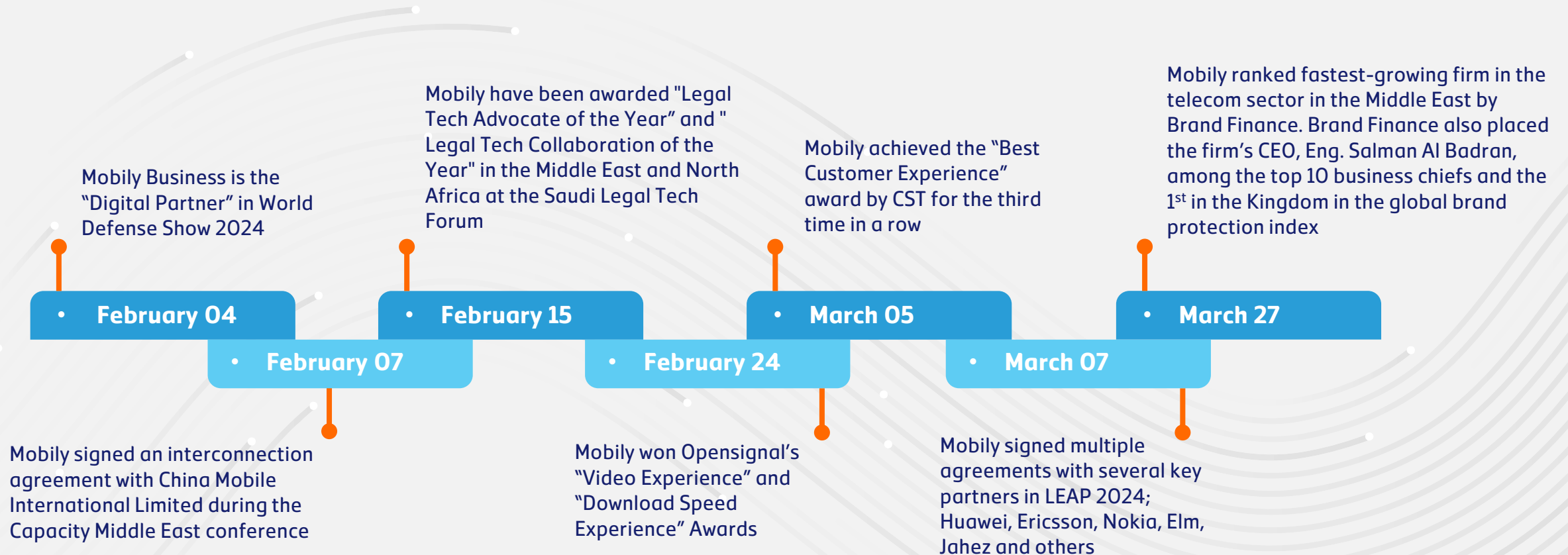
As of 2023, the size of the ICT market size grew to reach SAR **+166** bn, and its contribution to the Saudi GDP increased to **4%**<sup>3</sup>



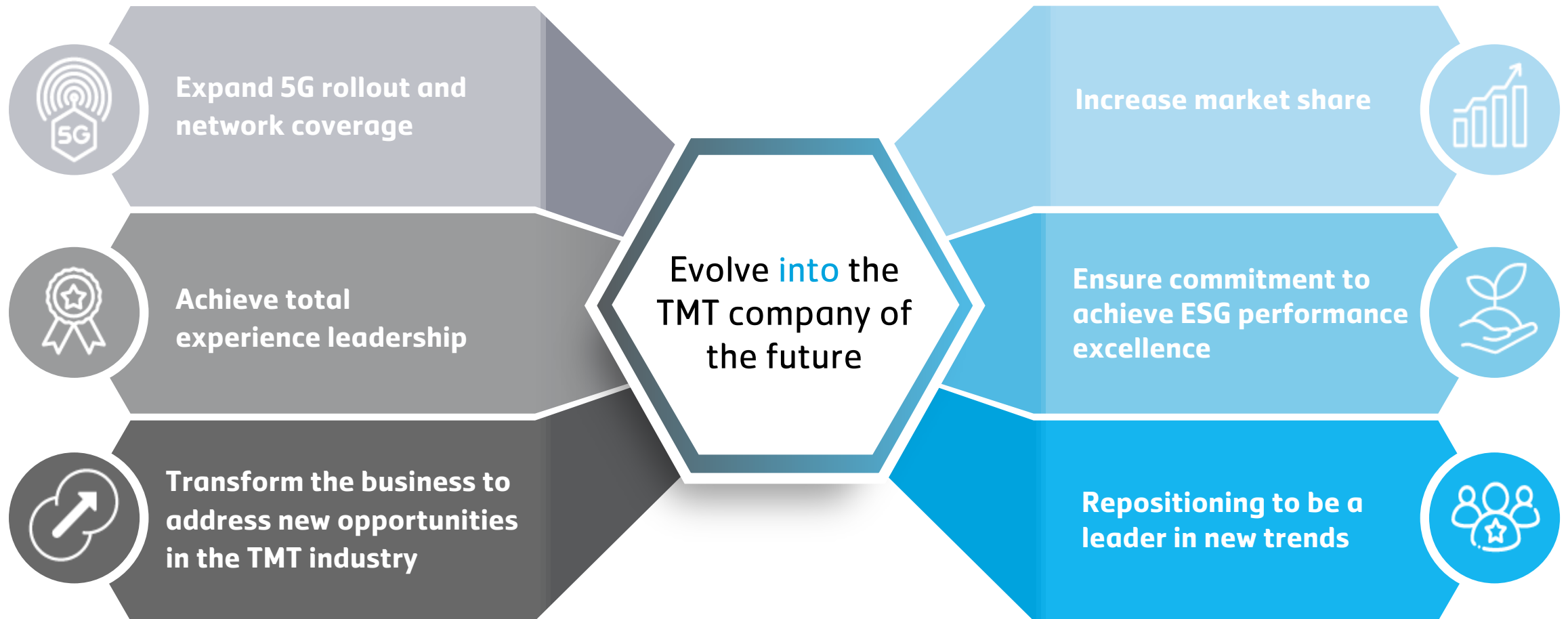
The annual growth rate of mobile internet data consumption per individual in Saudi Arabia increased by **19%** to reach **44 GB/month**<sup>3</sup>



# Q1-24 in Review



# Strategy 2023+



# Operational Performance Highlights

## Business



- Expanded major connectivity services and projects in line with Vision 2030
- Progressed towards the construction of cutting-edge new Data Centers to meet the increasing market demand
- Optimized SME operations, in line with the transition towards a digital economy
- Enhanced digitization initiatives, business operational efficiency, and process automation

## Consumer



- Enhanced partner engagement, and expanded market reach
- Enhanced Postpaid packages with attractive additions
- Continued to prioritize initiatives aimed at optimizing customer satisfaction levels

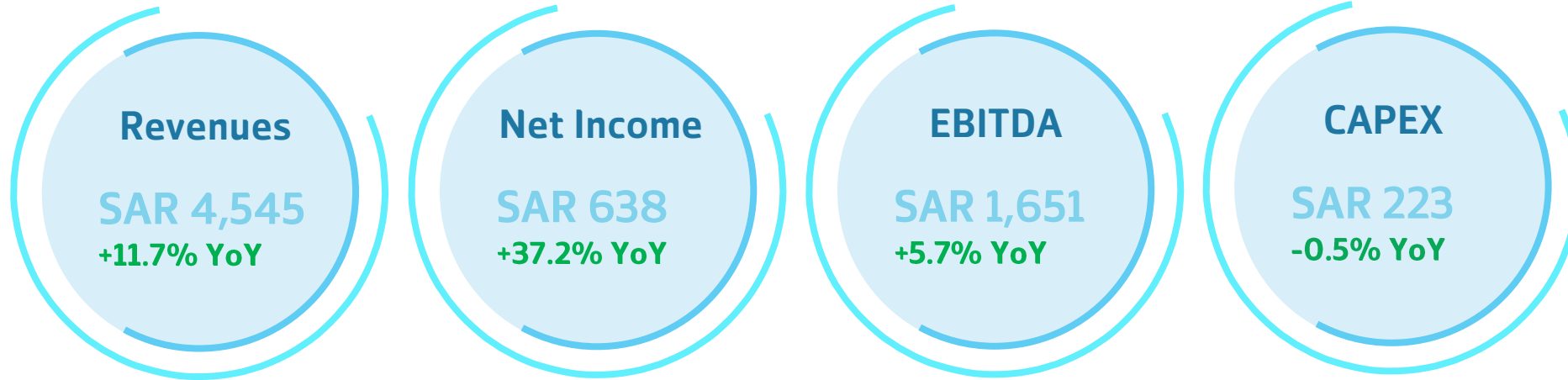
## Wholesale and Carrier services



- Concluded connectivity service deals with national and international customers
- Enhanced MVNO performance and boosted transit business
- Experienced healthy growth in inbound roaming during Ramadan



# Financial Performance Highlights (SAR Million)



## Strong achievements in our financial KPI's:

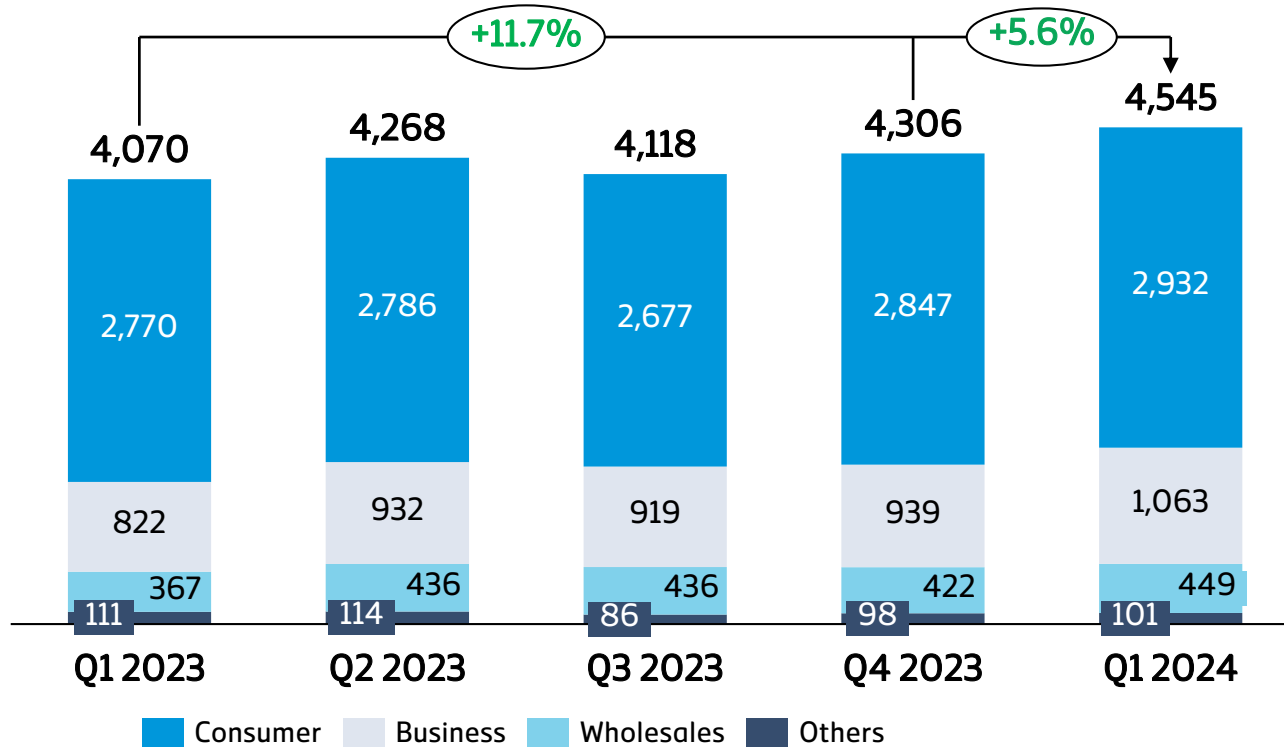
- Achieved the highest quarterly Revenue in the past decade, driven by growth across all Revenue streams
- Strong EBITDA level, supporting a remarkable EBITDA margin
- Consistent Net Income growth of 37.2% YoY
- Continuous infrastructure and digital investments drive our CAPEX

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



# Key Financial Highlights | Historic Revenue Boost

## Revenues (SAR Million)

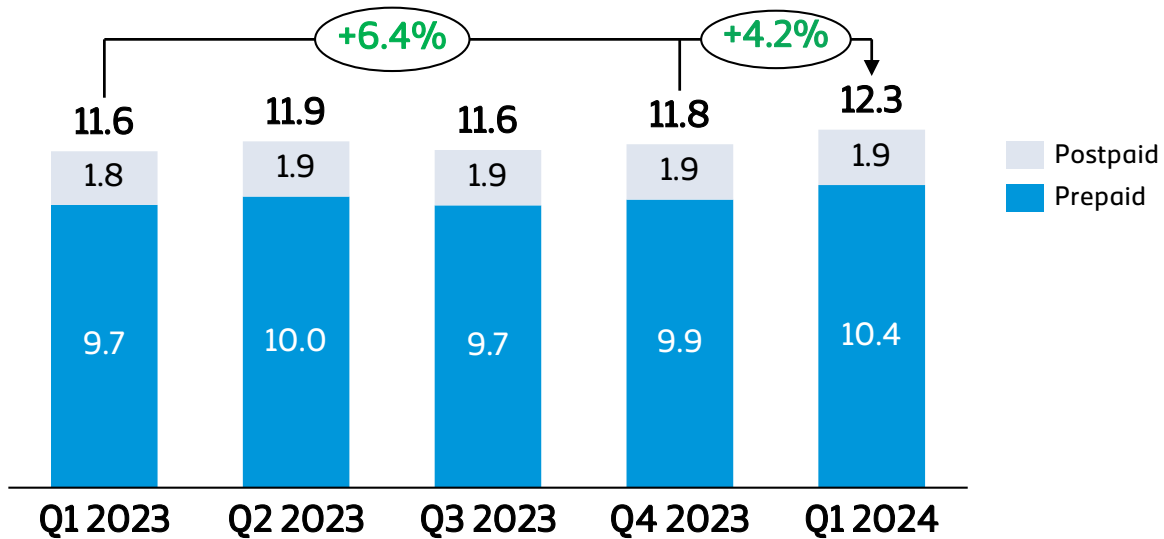


Revenues increased **11.7%** YoY and **5.6%** QoQ to **SAR 4,545** million:

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

# Key Financial Highlights | Resilient Subscriber Growth

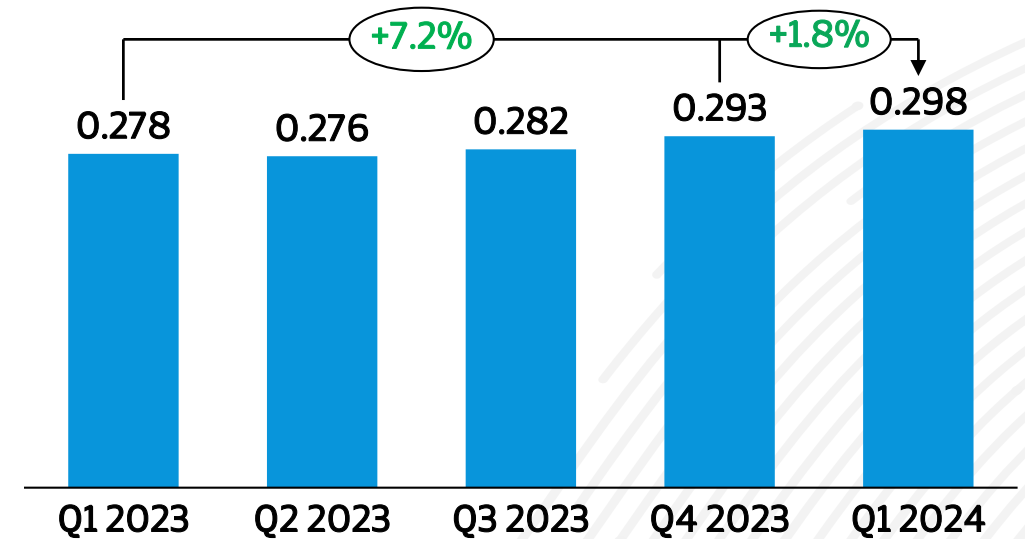
## Mobile Subscribers (In Million)



Mobile subscribers increased **6.4%** YoY and **4.2%** QoQ to **12.3** million:

- Growth in **Postpaid** to reach **1.9** million subs
- Growth in **Prepaid** to reach **10.4** million subs

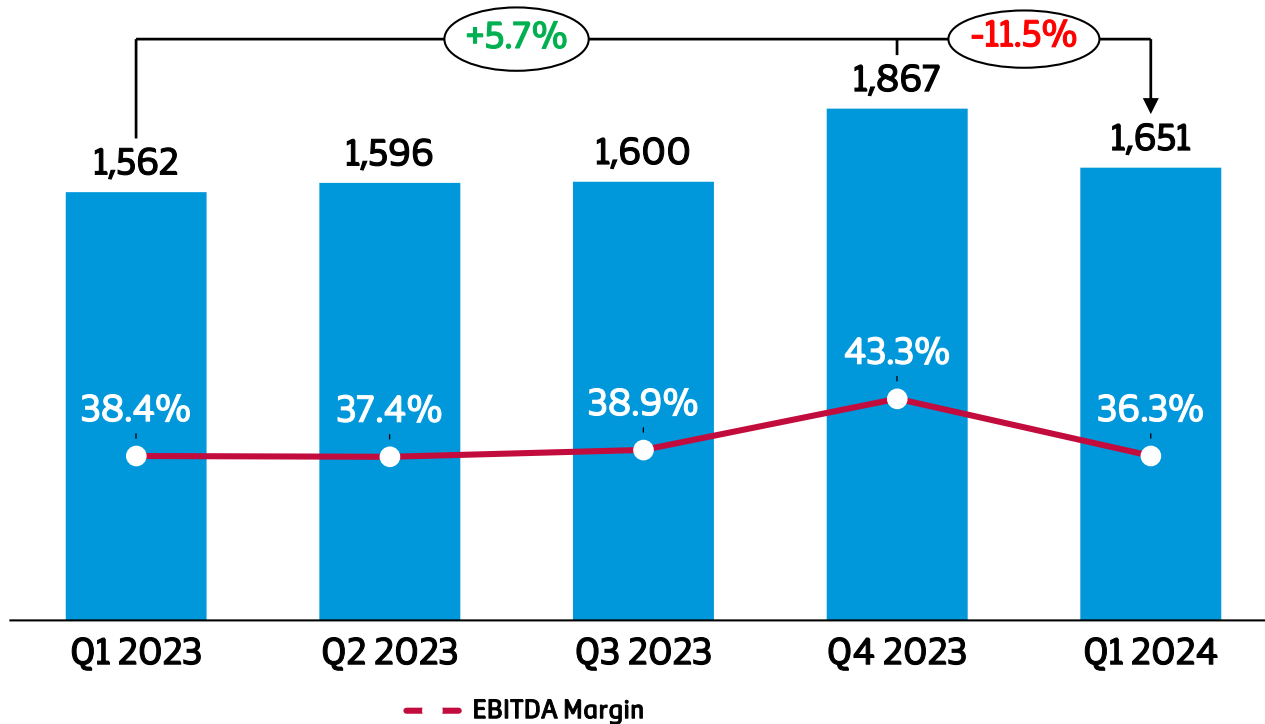
## FTTH Subscribers (In Million)



FTTH subscribers increased **7.2%** YoY and **1.8%** QoQ to **0.298** million subs.

# Key Financial Highlights | Sustained EBITDA Performance

## EBITDA and EBITDA Margin (SAR Million)



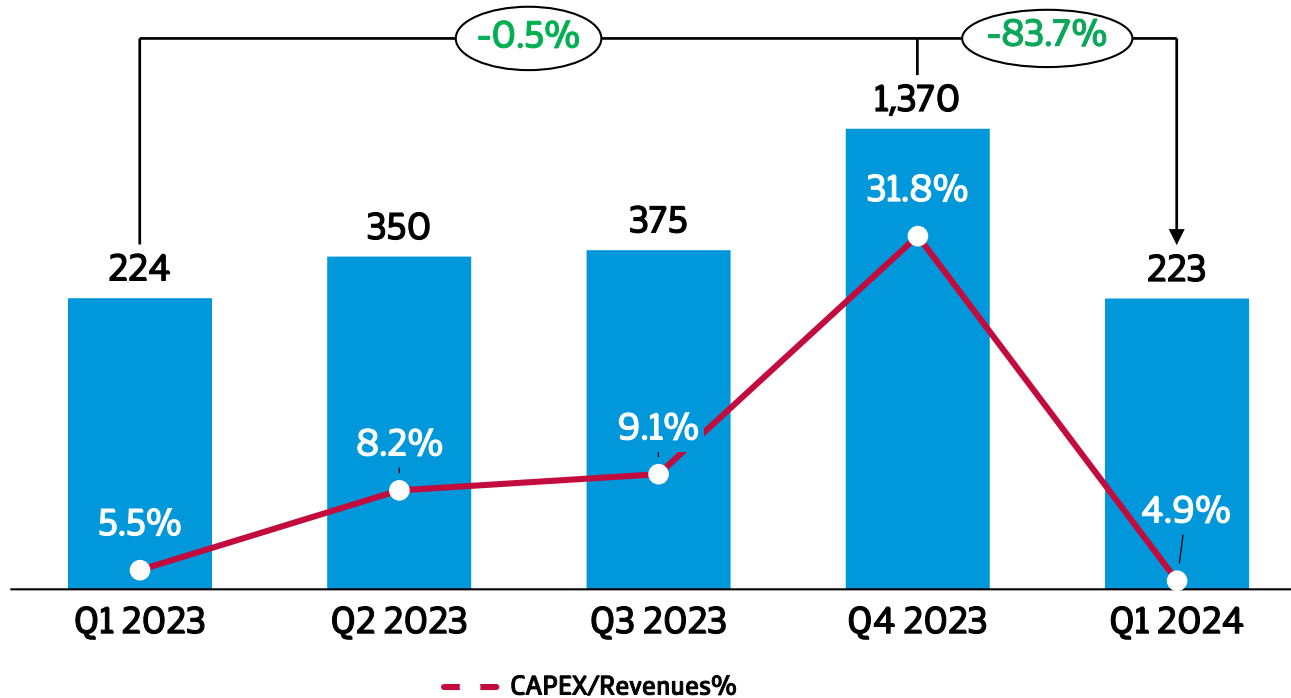
EBITDA increased **5.7%** YoY to **SAR 1,651** million:

- EBITDA growth is driven by strong topline performance
- EBITDA Margin reached a strong level at **36.3%**

EBITDA decreased (**11.5%**) QoQ as Q4 2023 figure includes a positive contingent liability provision reversal of **SAR 202** million.

# Key Financial Highlights | Purposeful Investment Plan

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

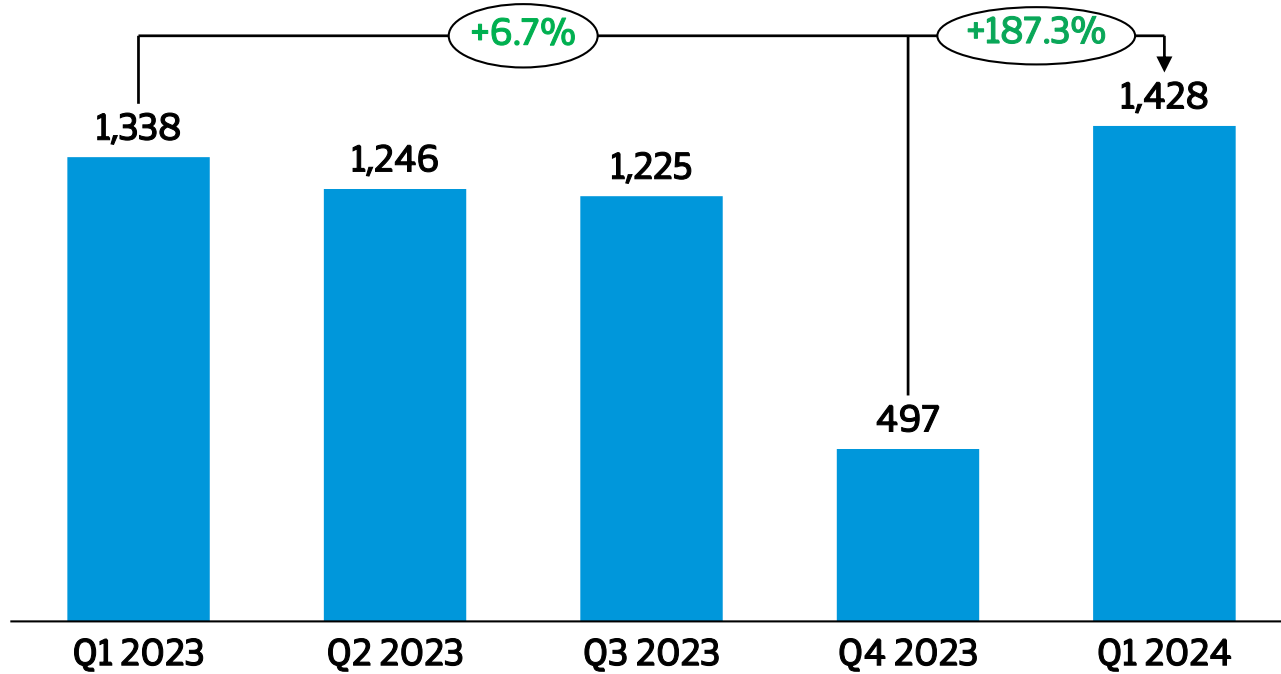


CAPEX decreased by (0.5%) YoY to SAR 223 million:

- Investments made in the future of connectivity by expanding 5G network, IoT infrastructure, and data centers
- Strategic investment allows Mobily to offer its customers the latest and most innovative digital experiences

# Key Financial Highlights | Strong Cash Generation

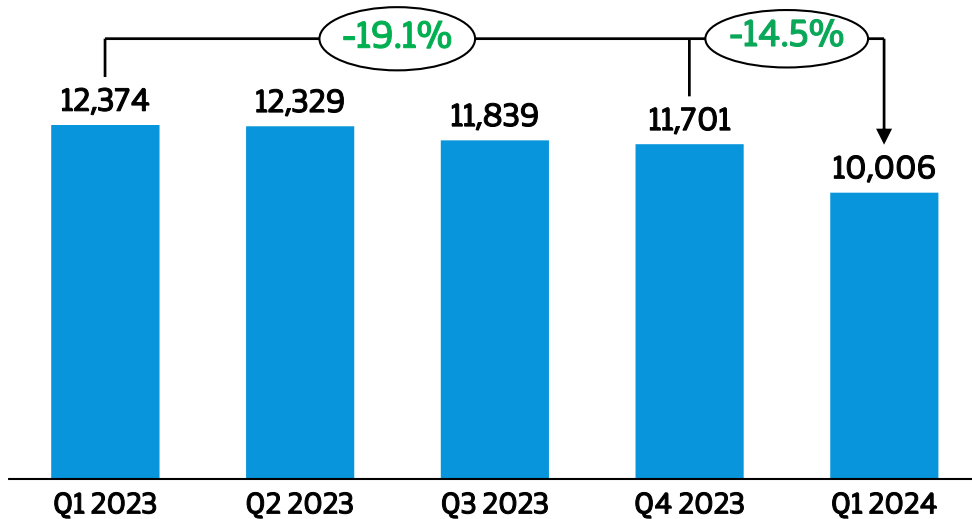
## Free Cash Flow (EBITDA – CAPEX) (SAR Million)



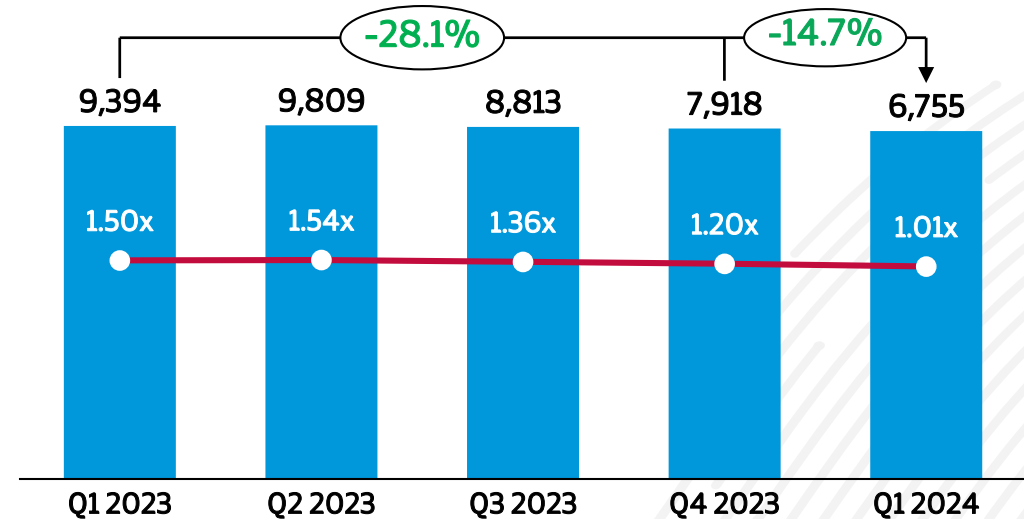
Free Cash Flow continued to exhibit solid growth, increasing by **6.7%** YoY and **187.3%** QoQ to reach **SAR 1,428** million due to strong EBITDA performance.

# Key Financial Highlights | Debt Reduction Success

## Gross Debt (SAR Million)



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

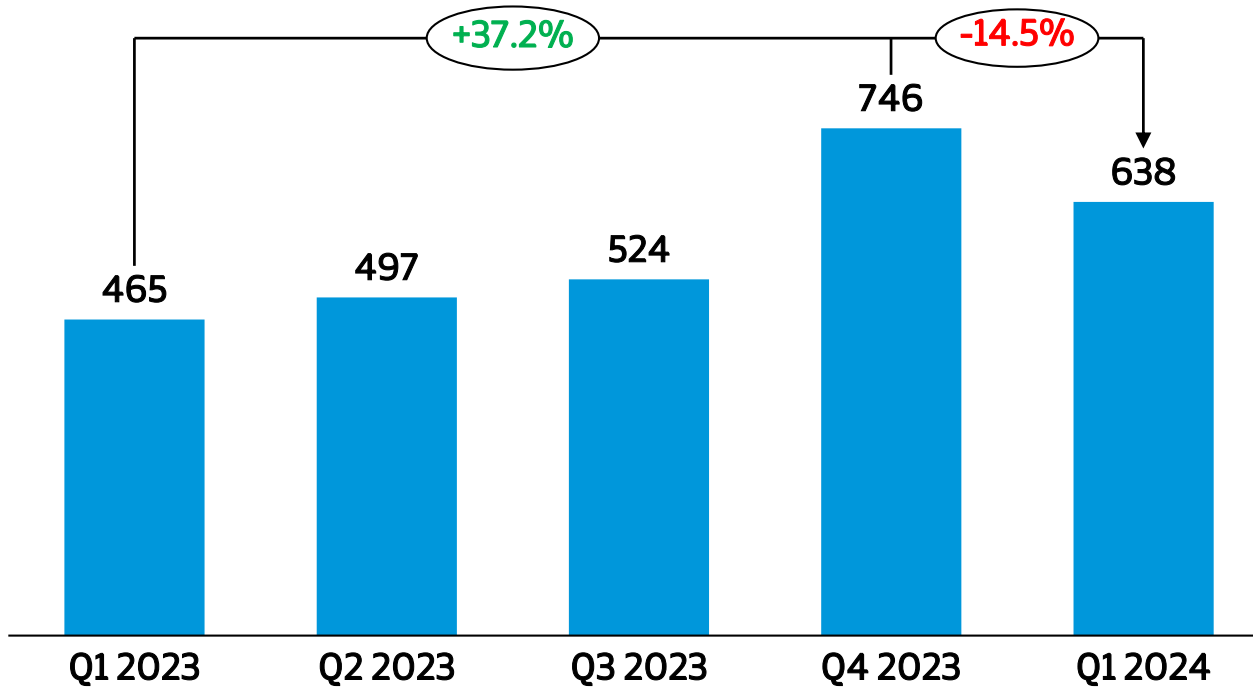


--- Net Debt/EBITDA

- Gross Debt declined by **(19.1%)** YoY and **(14.5%)** QoQ to reach **SAR 10,006** million
- Decline of **(28.1%)** YoY and **(14.7%)** QoQ as a result of Mobily's continued deleveraging plan
- Remarkable Net Debt/EBITDA ratio at **1.01x**
- In the past 12 months, Mobily has reduced its debt balance by more than **SAR 2.3** bn

# Key Financial Highlights | Continuous Profit Generation

## Net Income (SAR Million)

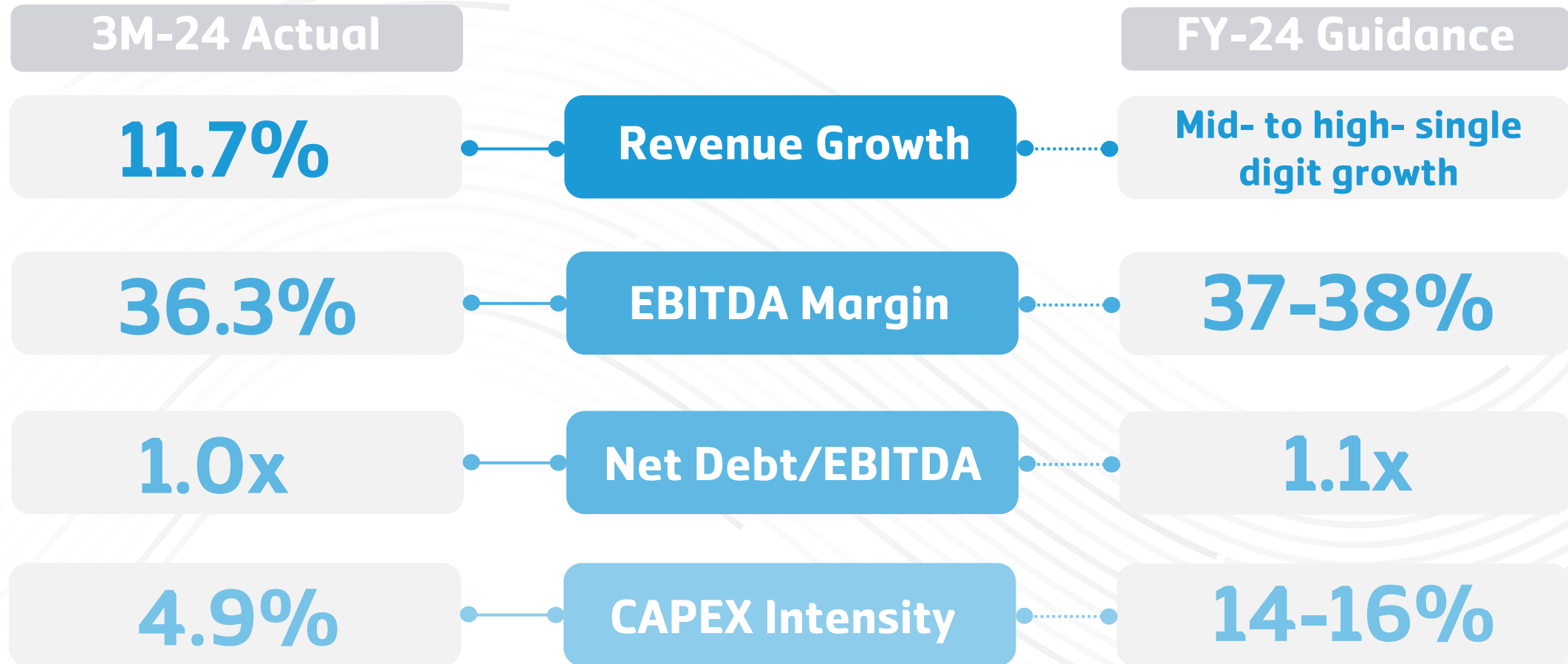


Net Income increased by **37.2%** YoY to reach **SAR 638** million:

- Robust revenue growth of **11.7%** YoY, coupled with a strong EBITDA growth of **5.7%** YoY

Net Income decreased by **(14.5%)** QoQ as Q4 2023 figure includes a positive contingent liability provision reversal of **SAR 202** million.

# Towards Achieving Our FY-24 Performance Guidance...





# Q&A

# APPENDIX: Sustainability at Mobily



## Aligning with National and International Frameworks



## Mobily Contribution to the Sustainable Development Goals work



## ESG 2023 Performance at a Glance



Upgraded to 'A' in MSCI ESG Index –first Saudi Telecom to achieve this rating



Launched Mobily Recycling Initiative to promote the circular economy



Launched Mobily's new 'RISILIENT' cybersecurity strategy for 2023-27



+59,000 hours of structured employee learning materials and courses



Sponsored Monsha'at's Biban 23 to support the Kingdom SMEs sector



# Thank you



**Mobily IR Webpage**  
Mobily Investor  
Relations Webpage



**Mobily IR App**  
Mobily Investor  
Relations Application

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