



Etihad Etisalat Investor Relations

August 1, 2023

Earnings Presentation

Q2 2023

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Content

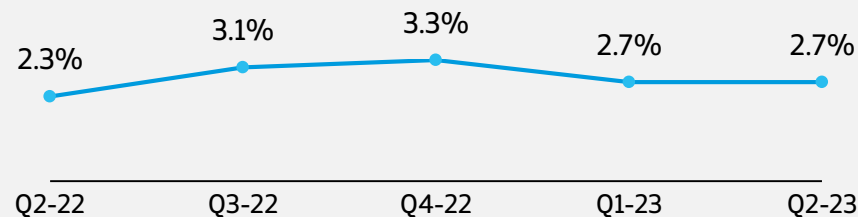
- Saudi Regulatory and Telecom Environment
- H1-23 in Review
- Strategy 2023+
- Operational Performance Highlights
- Financial Performance Highlights
- Key Financial Highlights
- APPENDIX: Sustainability at Mobily



Saudi Regulatory and Telecom Environment

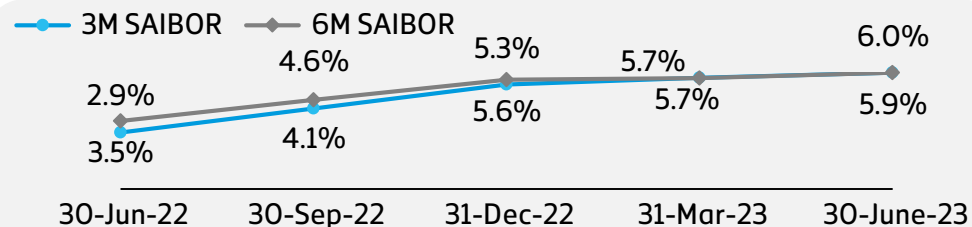
KSA annual inflation¹

2.7% YoY



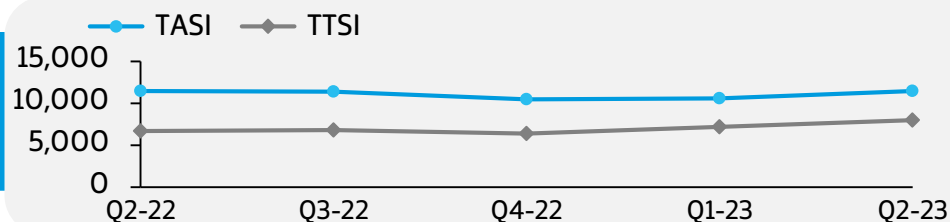
3M and 6M SAIBAOR

6.0% and **5.9%**



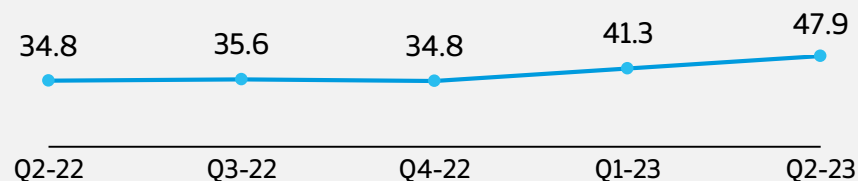
TASI and TTSI performance

+9% and **+25%** YTD



Mobily share price performance

+38% YTD



KSA median download speeds²



97.54 Mbps

Mobile

93.75 Mbps

Fixed broadband

Mobily achieved the lowest latency in KSA for Q1-23³



30 MS

Mobile internet

23 MS

Mobile 5G

12 MS

Fixed internet



From June 19 to June 29, during Hajj season, data consumption reached **49K** TB, with an average per capita consumption of **786** MB³



During Hajj season, Mobily's 5G coverage areas increased by **86%**; **133%** in 5G data traffic, **121%** in voice calls through 4G, **200%** in Int. calls, and **68%** in data consumption vs. 2022



CST concluded "Recycle Your Device" initiative, with **+100,000** devices collected with a MV of SAR **+30** mn³



H1-23 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

Mar 07

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

February 28

Mobily is the "Fastest Growing Telecoms Brand" in the 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

May 09

Mobily obtained the quality certificate of "Hyyak" beneficiary service centers

Mar 23

Graduation of Mobily Elite program participants

Mar 21

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

May 18

Mobily launched the High Potential Program "HiPo" to develop its employees skills and build an ambitious leadership generation

May 23

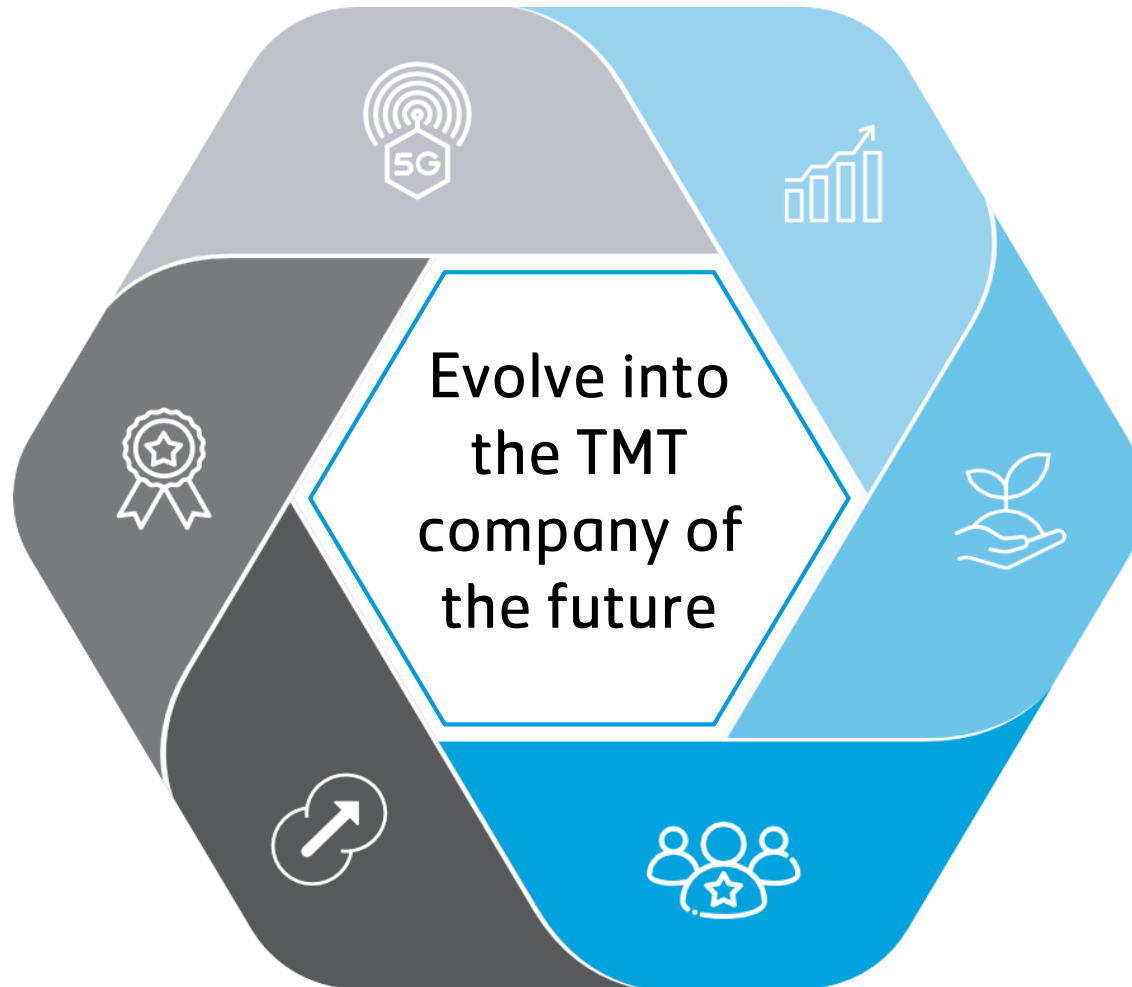
Mobily obtained (ISO 31022) certificate for Legal Risk Management

May 26

Mobily MSCI ESG index rating upgraded from "BBB" to "A"



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
- Enhanced digitization initiatives, business operational efficiency, and process automation

Consumer

- Increased network coverage and launched catered services to pilgrims during Hajj season
- 600% QoQ increase in Mobily Gamers subscribers
- Maintained efforts to achieve customer satisfaction

Wholesale and Carrier services

- Concluded connectivity service deals with national and international customers
- Increased infrastructure sharing deals
- Healthy growth in inbound roaming during Ramadan and Hajj seasons
- Renewed some of the international roaming agreements with competitive value



Financial Performance Highlights (SAR Million)



“Leadership in Enriching
your Digital World”

Strong achievements in our financial KPI's:

- Achieved the highest second-quarter Revenues and Net Income in the last 10 years
- Strong EBITDA level due to maintaining operational efficiency
- 38.1% YoY growth in Net Income
- Continuous infrastructure and digital investments drove a 9.6% YoY CAPEX increase

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

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

Revenues

SAR 4,248

+9.0% YoY

Net Income

SAR 497

+38.1% YoY

EBITDA

SAR 1,586

+7.4% YoY

CAPEX

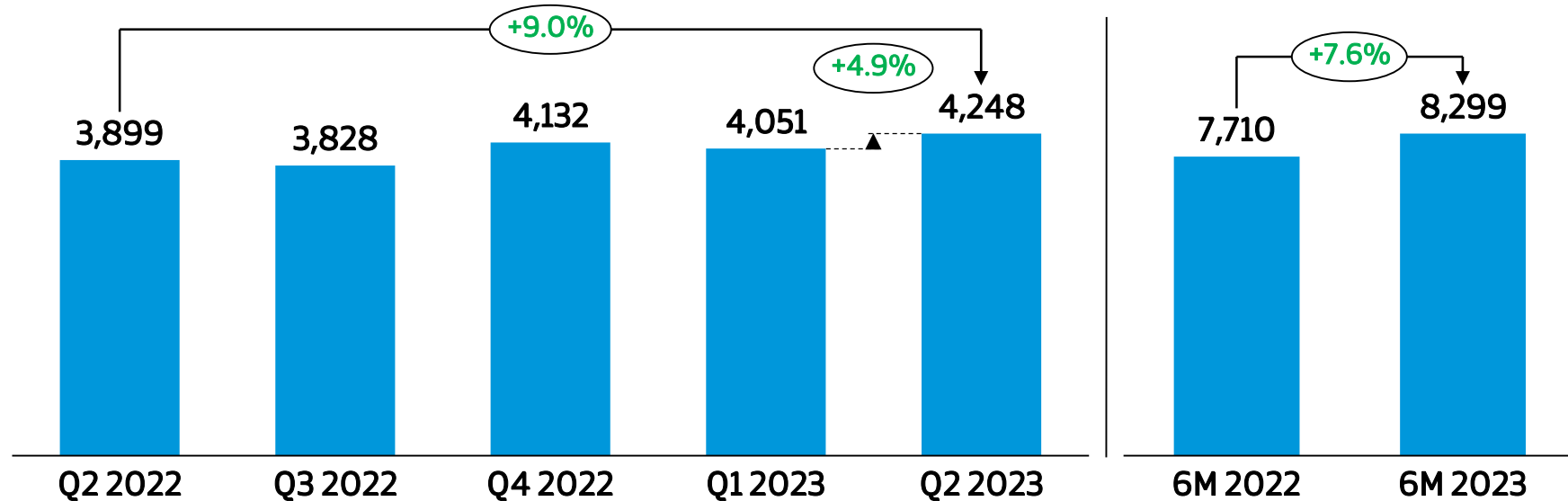
SAR 350

+9.6% YoY



Key Financial Highlights | Robust Revenue Growth

Revenues
(SAR Million)



Revenues increased **9.0%** YoY and **4.9%** QoQ to **SAR 4,248** million, marking the highest second-quarter Revenues level in the last **10** years:

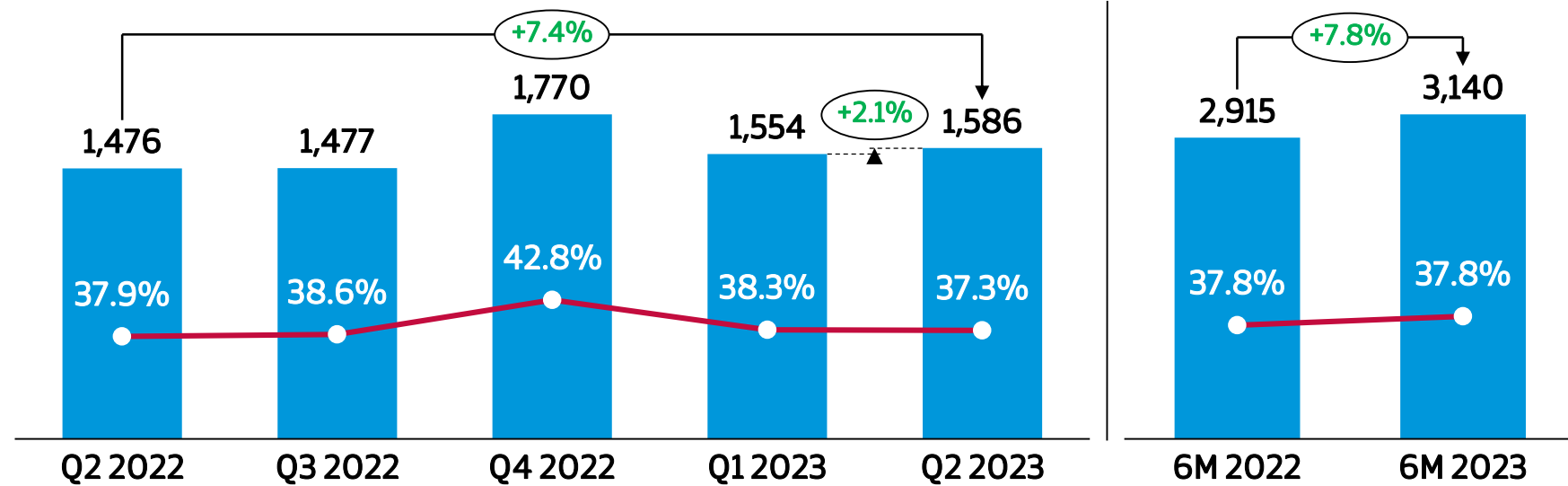
- The healthy growth in **Business** is a result of the digitalization efforts made to position the Kingdom as a digital hub, while the growth in **Consumer** is due to targeting higher market share which supported the overall subscriber base growth, and **Wholesale** growth was supported by competitive deals and efficient services

Revenues increased **7.6%** in H1 2023 to **SAR 8,299** million, driven by the growth of all revenue streams



Key Financial Highlights | Strong EBITDA Performance

EBITDA and EBITDA Margin (SAR Million)



EBITDA increased **7.4%** YoY and **2.1%** QoQ to **SAR 1,586** million:

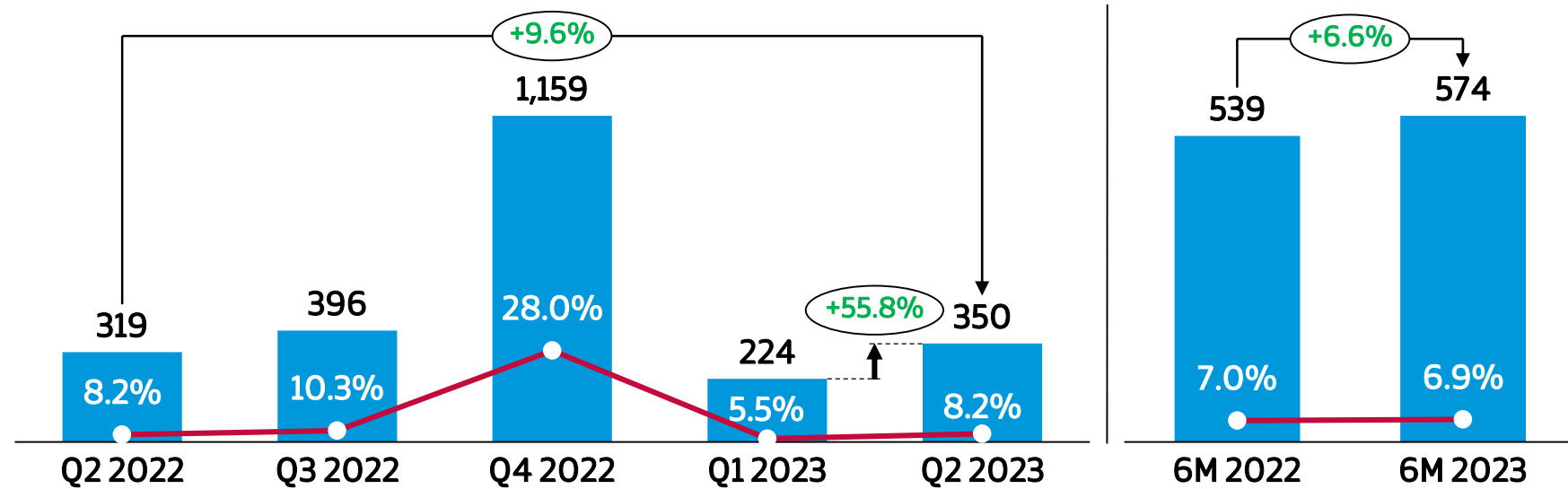
- Resilient top-line performance supported the YoY improvement in EBITDA
- As a result of ongoing operational efficiency measures, EBITDA margin was maintained at strong levels of **37.3%**

EBITDA increased **7.8%** in H1 2023 to **SAR 3,140**, and maintained EBITDA margin of **37.8%**



Key Financial Highlights | CAPEX Rationalization Continues

CAPEX and CAPEX/Revenues% (SAR Million)



CAPEX expanded **9.6%** YoY to **SAR 350** million:

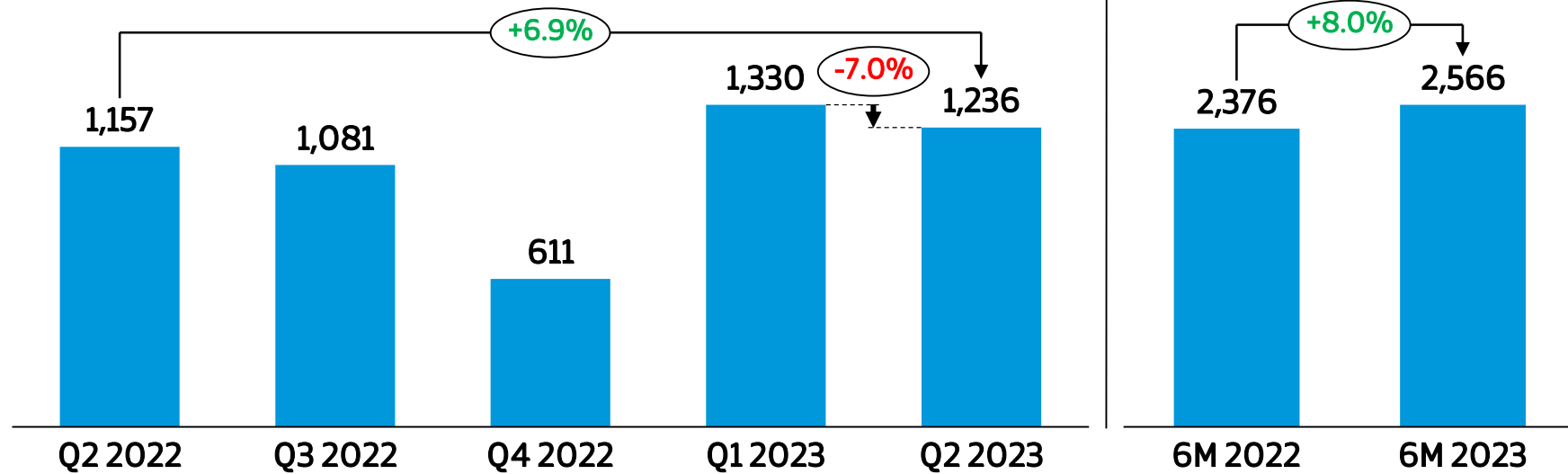
- Digital transformation and innovation in products and services were supported by the consistent rationalization of CAPEX
- 5G and network coverage, cloud, IoT, data centers, and digitization of our operations were the main investment drivers of CAPEX growth

CAPEX in H1 2023 reached **SAR 574** million, growing by **6.6%** compared to H1 2022



Key Financial Highlights | Healthy Cash Generation

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



Free Cash Flow increased **6.9%** YoY, primarily due to:

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

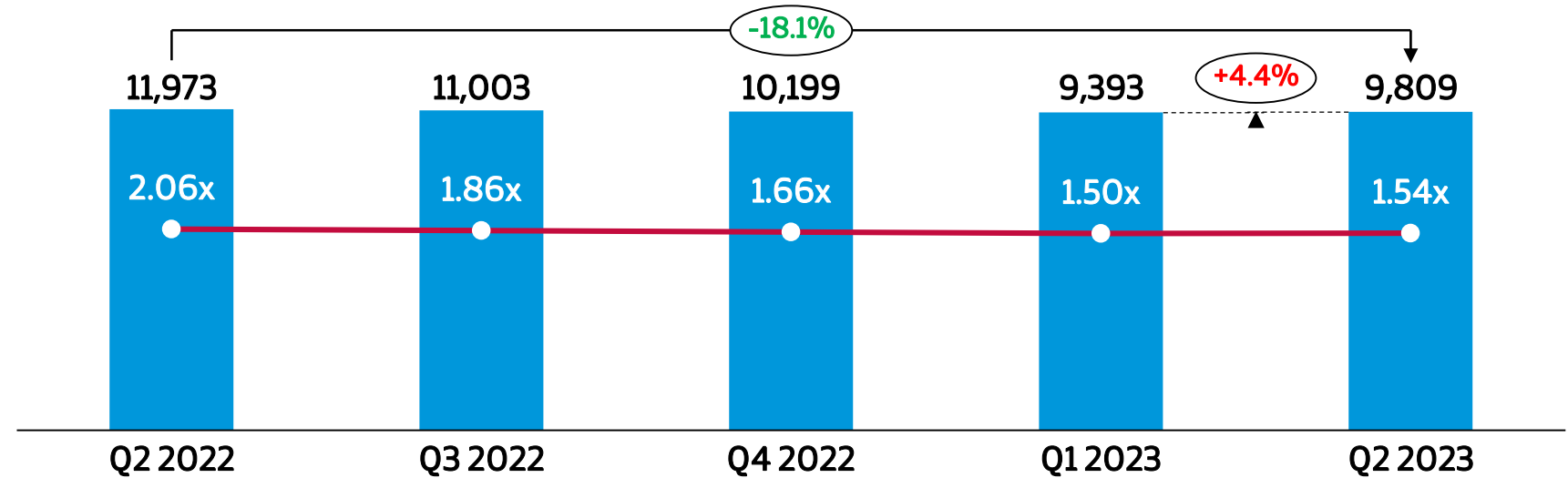
Free Cash Flow decreased **7.0%** QoQ despite solid EBITDA growth due to the increase in CAPEX

H1 2023 Free Cash Flow increased by **8.0%** compared to H1 2022 to reach **SAR 2,566** million



Key Financial Highlights | Ongoing Deleveraging

Net Debt and Net Debt/EBITDA (SAR Million)



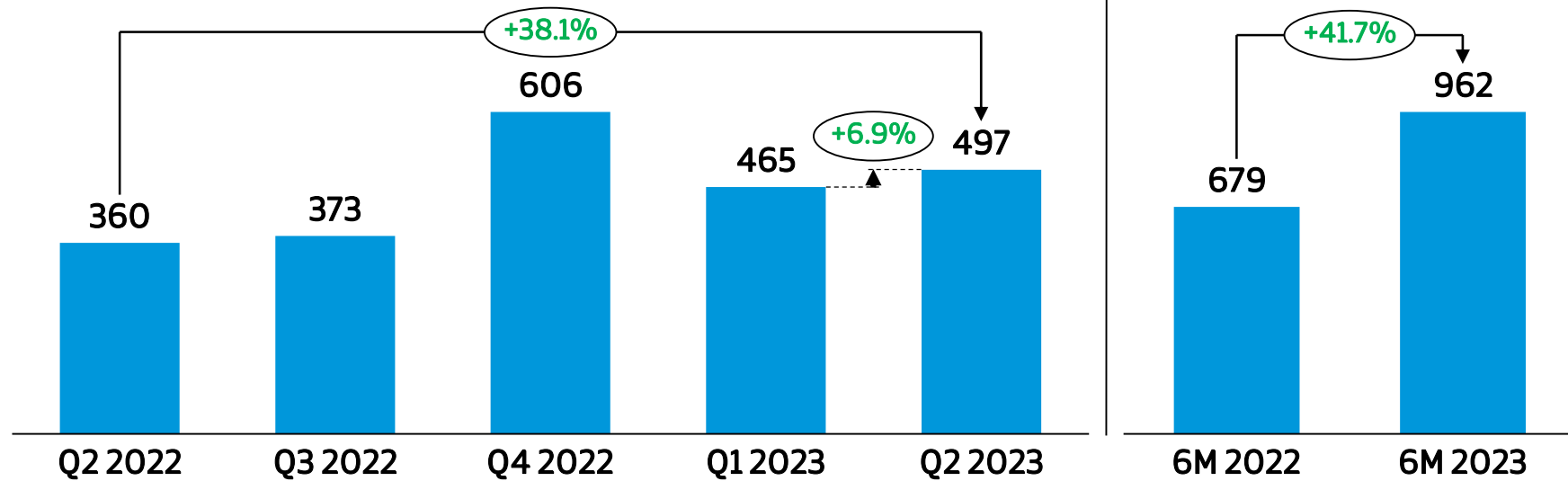
Net Debt and Net Debt/EBITDA performance:

- Steady Net Debt/EBITDA ratio at **1.54x** at the end of Q2 2023
- Strong EBTIDA performance during the period, increased **7.4%** YoY
- Mobily's ongoing deleveraging strategy



Key Financial Highlights | Sustained Profitability

Net Income (SAR Million)



Net Income increased by **38.1%** YoY and **6.9%** QoQ, marking the highest second-quarter Net Income level in the last **10** years, due to:

- Strong revenue growth of **9.0%** YoY, along with excellent EBITDA growth of **7.4%** YoY
- Growth in finance income, further deleveraging, and disciplined cost management

Mobily achieved **41.7%** increase in H1 2023 Net Income reaching **SAR 962** million

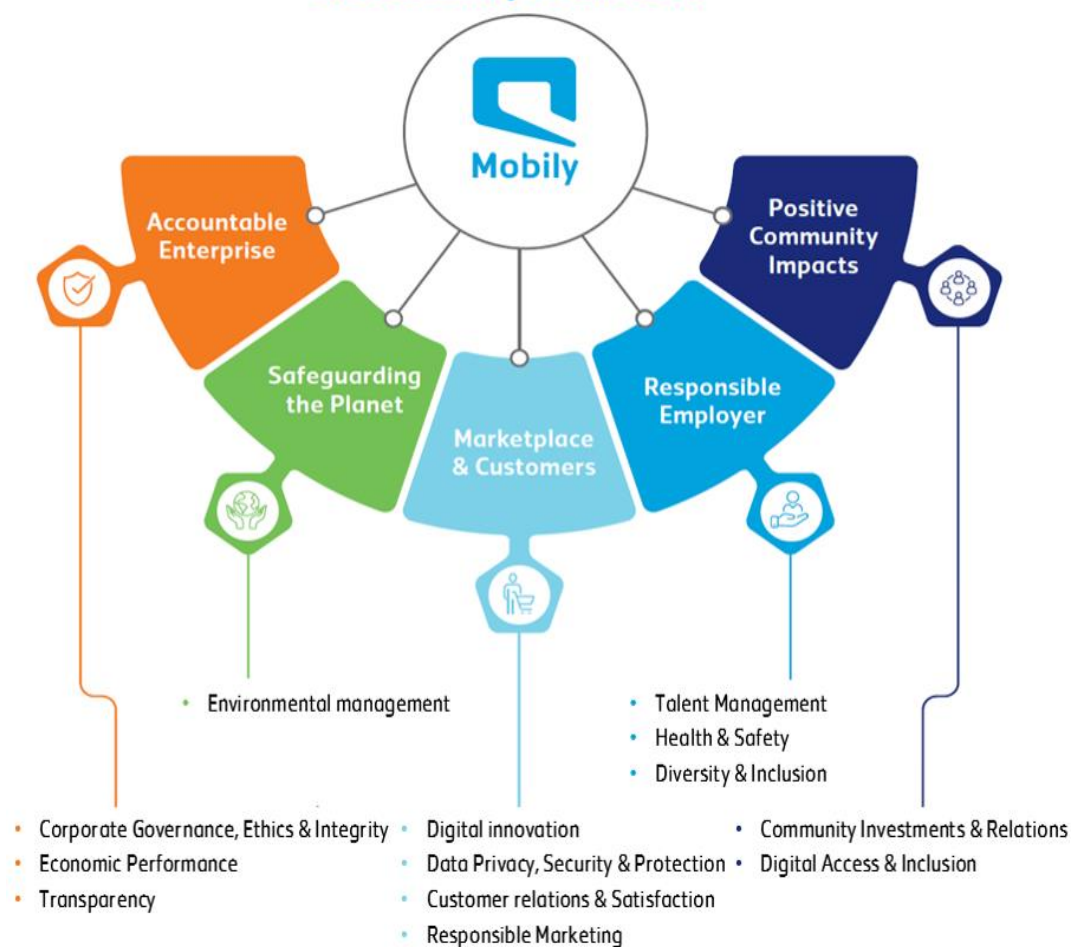


Q&A



APPENDIX: Sustainability at Mobily

Sustainability Framework



Aligning with National and International Frameworks



Saudi Vision 2030



Saudi ICT Strategy 2023



Global Reporting Initiative



SDG's



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





Thank you



Mobily IR Webpage
Mobily Investor
Relations Webpage



Mobily IR App
Mobily Investor
Relations Application

E-mail

IRD@mobily.com.sa

