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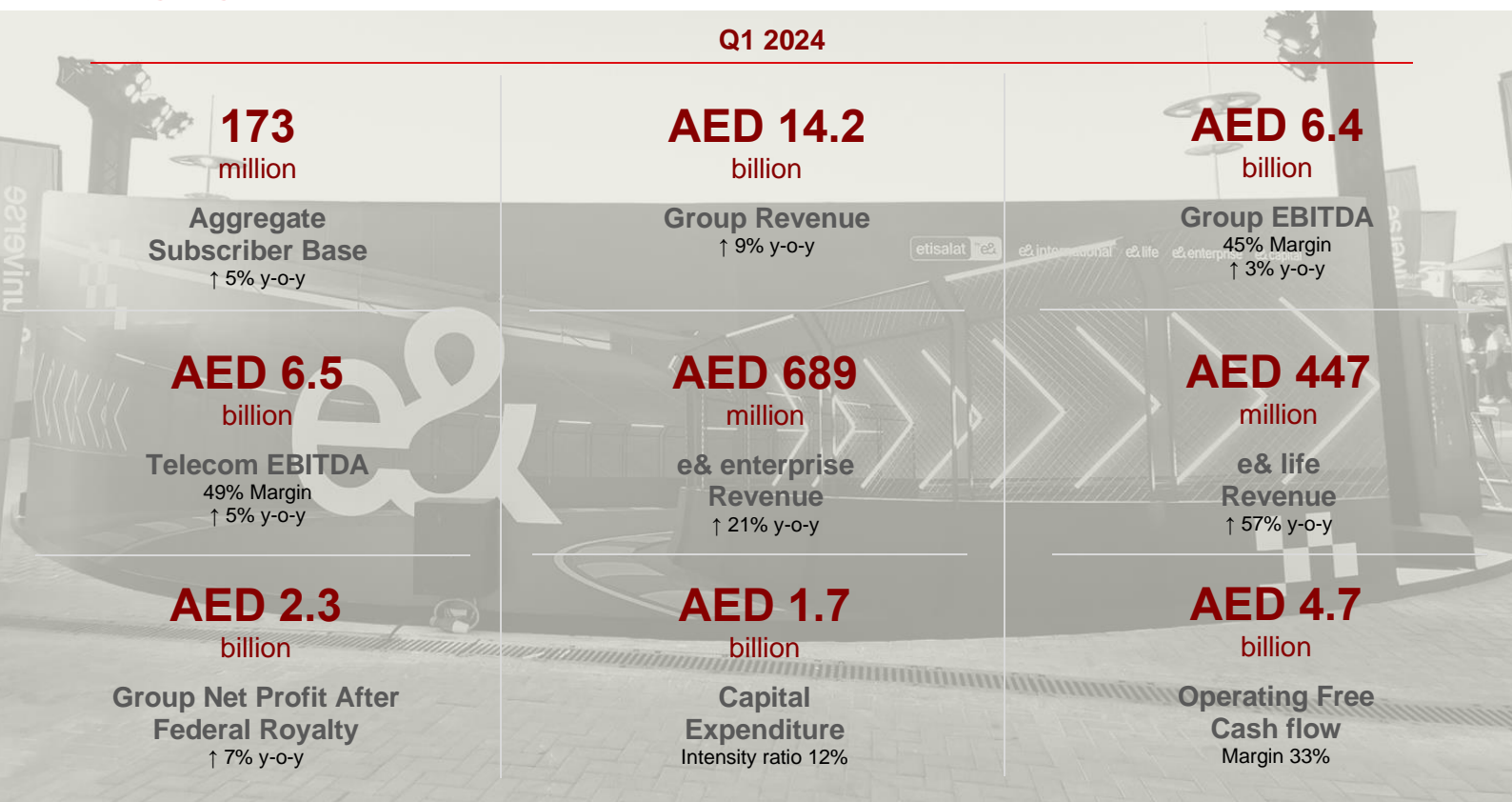
**Emirates Telecommunications Group
Company PJSC**

Earnings Release – First Quarter 2024

30 April 2024

e& generated strong growth across business verticals achieving record revenue and subscriber base.

Key Highlights



Abu Dhabi, United Arab Emirates – 30 April 2024: In the first quarter of 2024, e& delivered strong performance attributed to its resilient domestic performance and growth in international and digital operations.

First Quarter Highlights:

- ▶ **Aggregate subscriber base** reached **173** million, representing a year over year increase of **5%** in Q1 2024
- ▶ **EBITDA** increased year over year by **3%** in both reported and constant currency to AED **6.4** billion, translating to an EBITDA Margin of **45%**
- ▶ **CAPEX** increased year over year by **51%** to AED **1.7** billion, resulting in an intensity ratio of **12%**
- ▶ **Consolidated cash balance** amounted to AED **31.6** billion, leading to a net debt position of AED **16.4** billion and equivalent to Net Debt /EBITDA of **0.62x**
- ▶ **Revenue** increased year over year by a solid **9%** with a constant currency growth of **10%** to AED **14.2** billion fuelled by growth across domestic and international operations
- ▶ **Net profit after federal royalty** reached AED **2.3** billion, increasing year over year by **7%** with a net profit margin of **16%**
- ▶ **Operating free cashflow** reached AED **4.7** billion, with a margin of **33%**



Key Developments for Q1 2024

e& takes the lead in Brand Finance global brand ranking

With the successful transformation of e& to a technology group, e& has emerged into a leader of Middle Eastern and African (MEA) brands. The 2024 Brand Finance Global 500 Report unveiled at the World Economic Forum (WEF) in Davos confirmed e& as MEA's Fastest Growing Technology Brand and the most valuable brand portfolio in MEA.

e& named 'Great Place to Work'

e& has been named a Great Place to Work® by the Great Place to Work Institute in recognition of the company's efforts to fostering a positive, supportive, and engaging work environment for its employees.

Vodafone and e& collaborate for cross-border managed voice solutions

Vodafone and e& have joined forces to provide other operators with comprehensive, fully managed voice solutions to support their international voice traffic requirements and growth plans, as well as help meet the growing demand for voice over 4G/5G (VoLTE) services.

e&, SKT, DT, Singtel and SoftBank Corp. announce plan to establish a Joint Venture

Through the Joint Venture Company, the five companies plan to develop Large Language Models (LLMs) specifically tailored to the needs of telecommunications companies (telcos). The LLMs will be designed to help telcos improve their customer interactions via digital assistants and chatbots.

e& pledges \$6 billion to advance connectivity in 16 countries

e& pledged to invest \$6 billion between 2024-2026 in technological advancement, infrastructure development, and innovative digital solutions to extend meaningful connectivity to everyone. This investment is set to provide accessible and affordable network connectivity and digital services across 16 operating countries in Africa, Asia, and the Middle East.

e& enterprise partners with ADSSA

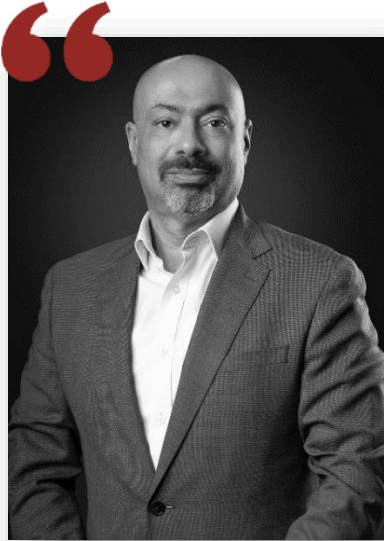
The Abu Dhabi Social Support Authority (ADSSA) announced the launch of the "House Visit and Interviews Management System", developed in partnership with e& enterprise. The initiative marks a significant milestone in ADSSA's continuous endeavours to drive digital transformation to enhance the efficiency and impact of its social support services for limited-income families in Abu Dhabi.

e& group recommends a new dividend policy

e&'s BoD recommended a new progressive dividend policy with an incremental of 3 fils every year for the fiscal years 2024, 2025, and 2026 bringing the dividend per share to 89 fils by fiscal year 2026. Furthermore, the company will commit to maintain a minimum DPS of 80 fils (AED 0.80) for the tenor of this policy i.e. 2024 to 2026. This policy was approved during the General Assembly meeting held on 23 April 2024.

Change in the accounting treatment of Vodafone investment

e&'s investment in Vodafone, which was earlier accounted for as a financial instrument carried at Fair Value through OCI (FVOCI) under IFRS 9, will be accounted for using the equity method under IAS 28 effective from 19 February 2024.



**Statement from Hatem Dowidar,
Group Chief Executive Officer of e&**

“Our evolution as a tech-co that embraces the future is reflected in our Q1 financial results, building on the momentum of last year’s success. e&’s robust performance in Q1, with consolidated revenue growth of 9 per cent to AED 14.2 billion while consolidated EBITDA reached AED 6.4 billion, grew 3 per cent year-over-year. This is a testament of the strategic choices we’ve made in diversifying our portfolio, fortifying our brand, and cementing partnerships in our unrelenting efforts to digitally empower the people and communities we serve while maximising value creation for our shareholders.”

”

Subscribers

(Number in Thousands)	Q1 2024	Q1 2023	YoY
e& UAE	14,482	13,852	4.5%
e& international	158,094	149,915	5.5%
Total Aggregate Subscribers	172,576	163,767	5.4%

Aggregate subscribers as of 31 March 2024 reached a record-breaking 173 million, representing net additions of 8.8 million during the last 12-month period, driven by robust subscriber acquisition in Egypt, Pakistan, UAE and Moov Africa operations. Quarter over quarter subscriber base increased by 3.1 million subscribers.

In the **UAE**, we continued solidifying our presence through maintaining high quality services and diversifying our product offerings through continued digitization and data-driven analytics. As a result, our active subscriber base increased 4.5% year-over-to 14.5 million in the first quarter of 2024. The mobile subscriber base increased by 5.3% year on year to reach 12.8 million subscribers attributed to solid year on year growth in both the prepaid and postpaid segments, up year over year 4.1% and 9.2% respectively, driven by launch of attractive and unique offerings and enhanced customer experience. On the fixed platform, eLife subscriptions increased year on year by 5.1% to 1.2 million subscribers. Total broadband segment witnessed a slight increase to reach 1.4 million subscribers.

For **e& international**, total subscribers witnessed robust growth of 5.5% year over year to reach a total of 158.1 million subscribers. This highlight an additional 8.2 million subscribers acquired in the last 12-month period.

For **Maroc Telecom**, the subscriber base reached 77.1 million subscribers as of 31 March 2024, representing a year over year increase of 2.7%. This was primarily attributable to the improved subscriber base in Burkina Faso, Gabon, Ivory Coast, Benin, Togo, Niger, Chad and Central African Republic.

e& Egypt, expanded its customer base year over year by 13.7% to 34.8 million subscribers by adding 4.2 million subscribers.

In **Pakistan**, despite the economic backdrop, the subscriber base showcased a growth of 4.4% year over year to 27.7 million, attributed to the group enhancement of its digital experience and offerings and resulted in strong mobile and FTTH subscriber acquisition.

Revenue

(AED Million)	Q1 2024	Q1 2023	YoY
e& UAE	8,211	7,767	5.7%
e& international	5,018	4,627	8.4%
Maroc Telecom Group	3,159	3,070	2.9%
e& Egypt	1,035	820	26.2%
PTCL Group	650	607	7.0%
Etisalat Afghanistan	174	130	33.7%
e& enterprise	689	570	21.0%
e& life	447	285	57.0%
Others ¹	-151	-246	-38.4%
Consolidated Revenue	14,214	13,002	9.3%

Consolidated reported revenue amounted to AED 14.2 billion, representing a solid increase of 9.3% compared to the same period last year. Growth was attributed to the strong performance of all operations including the newly established digital space of e& enterprise and e& life.

¹) Others include non-telco and non-digital revenue streams and adjustments related to the reporting period.

e& UAE, revenue increased 5.7% year over year reaching AED 8.2 billion. This performance is attributed to the successful execution of consumer and business strategy and growth in the UAE’s non-oil economy. Mobile segment maintains its growth trajectory with a 4.6% year over year growth to reach AED 2.9 billion due to the increase in subscribers as a result of increase in population, launch of new product offering, increased uptake of bundled offers and growth in outbound roaming. Fixed segment revenue slightly increased by 0.4% year over year reaching AED 2.9 billion impacted by discontinuation of BeIN channels. Revenue growth is supported by new propositions such as Business Pro and Home Wireless services resulting in higher internet and data services. Other segment revenue increased year over year by a solid 14.6% to AED 2.4 billion due to increase in wholesale and handset revenues.

e& international reported revenue increased by 8.4% year over year owing to strong operations across all key markets. At constant exchange rates, revenues increased by 9.8% year over year with a mixed impact of foreign exchange movements due to Moroccan Dirham (MAD), CFA franc and Afghan afghani (AFN) appreciation, while Egyptian Pound (EGP) & Pakistani rupee (PKR) reported depreciated average rates across the quarter.

Maroc Telecom consolidated revenue for the first quarter of 2024 amounted to AED 3.2 billion increasing 2.9% year over year, mainly attributable to strong performance in Moov Africa. In local currency, revenue was flat year over year. In Morocco, revenue declined year over year by 1.3% in local currency. The mobile segment revenue decreased by 4.2% year over year driven by service revenue being under pressure as a result of persistently unfavorable regulatory and competitive environment. This decline was partially offset by strong growth in fixed segment that increased by 3.1% year on year supported by 7.6% growth in fixed broadband. Revenue from international operations “Moov Africa” increased by 0.8% year over year in Moroccan Dirham, despite reduction in call termination rates, mainly due to strong growth of mobile data and fixed-line internet, which was also partially subdued by the appreciation of the MAD against the CFA.

Egypt revenue increased year over year by 26.2% to reach AED 1.0 billion. This growth was mainly attributed to higher data and voice revenue supported by subscriber growth and price hikes. In constant currency, revenues saw outstanding year on year growth, up 43.1% versus the same comparable period the year prior.

In **Pakistan**, reported revenue reached AED 0.65 billion with an increase of 7.0% compared to Q1 2023. Revenue growth was largely due to strong performance in the consumer segment, boosted by significant growth in fixed broadband, mobile data and business solutions. In local currency, revenue grew 14.0% year over year.

e& enterprise, reported strong year over year growth, up 21.0% to reach AED 0.7 billion. This was predominantly due to organic & inorganic growth in various business segments, including cloud services, cybersecurity, and IoT.

e& life witnessed robust revenue growth of 57.0% increase year over year to reach AED 0.45 billion. Growth was mainly due to the recent consolidation of Careem Everything App.

Direct Cost

(AED Million)	Q1 2024	Q1 2023	YoY
Direct Cost of Sales	4,218	3,693	14.2%
Direct Cost of Sales	4,218	3,693	14.2%

Consolidated direct cost amounted to AED 4.2 billion in the first quarter of 2024, up 14.2% year over year. As a percentage of revenue, direct cost of sales reached 30% of revenue this quarter as opposed to 28% in the same period the previous year, a 2 percentage points increase year over year. This increase is mainly attributed to higher handset cost to support growth in sale of smart living devices.

Operating Expenses

(AED Million)	Q1 2024	Q1 2023	YoY
Staff Costs	1,247	1,112	12.2%
Depreciation & Amortisation	1,751	1,762	-0.6%
Network & Related Costs	752	694	8.3%
Marketing Expenses	272	199	36.8%
Other OpEx ²	1,374	1,240	10.8%
Total OpEx	5,396	5,008	7.8%

Consolidated operating expenses increased by 7.8% compared to the same period of the previous year, mainly driven by the consolidation of the new acquired entities under digital verticals as well as the impact of inflationary pressure leading to higher staff costs, marketing expenses, and other operating expenses. As percentage of revenue, operating expense declined slightly year-over-year by 0.5 percentage point to 38%. The Group will continue to focus on rationalizing its spent to encounter inflationary pressures in tandem with enhancing its operational and financial performance.

Key components of operating expenses are:

- **Staff expenses** increased year over year by 12.2% to AED 1.2 billion. As a percentage of revenue, staff expenses remained relatively unchanged at 8.8%.
- **Depreciation and Amortisation** declined year over year by 1% to AED 1.8 billion. As a percentage of revenue, depreciation and amortization expenses declined by 1 percentage point versus Q1 2023.
- **Network costs** increased by 8.3% year over year to AED 0.8 billion as a result of higher energy prices. As a percentage of revenue, network costs remained relatively unchanged year over year at 5.3%.
- **Marketing expenses** increased year over year by 36.8% to AED 0.3 billion. As a percentage of revenue, marketing expenses was relatively stable at 1.9%.
- **Other operating expenses** increased by 10.8% year over year to AED 1.4 billion, mostly attributed to the spike in consultancy cost with 77% year over year. As a percentage of revenue, other operating expenses was stabled at 9.7%.

EBITDA

(AED Million)	Q1 2024	Q1 2023	YoY
e& UAE	4,229	4,012	5.4%
e& international	2,229	2,124	5.0%
Maroc Telecom Group	1,681	1,653	1.7%
e& Egypt	347	288	20.4%
PTCL Group	146	152	-4.2%
Etisalat Afghanistan	55	30	83.1%
e& enterprise	81	65	24.2%
e& life	-154	-20	671.5%
Others	-10	2	-511.4%
Consolidated EBITDA	6,376	6,183	3.1%

2) Other operating expenses include regulatory expenses, consultancy costs, operating lease rentals, IT Costs, and others

EBITDA Margin (%)	Q1 2024	Q1 2023	YoY
e& UAE	52%	52%	-0.2 pp
e& international	44%	46%	-1.5 pp
Maroc Telecom Group	53%	54%	-0.6 pp
e& Egypt	34%	35%	-1.6 pp
PTCL Group	22%	25%	-2.6 pp
Etisalat Afghanistan	32%	23%	8.6 pp
e& enterprise	12%	11%	0.3 pp
e& life	-34%	-7%	-27.4 pp
EBITDA Margin	44.9%	47.6%	-2.7 pp

Group reported consolidated EBITDA for the first quarter of 2024 increased 3.1% year over year to reach AED 6.4 billion attributed to healthy upside in revenues. EBITDA margin was impacted by changes in revenue mix as we execute our strategy to grow digital verticals. As a result, consolidated EBITDA margin reached 45% while consolidated Telco EBITDA margin remained solid at 49%.

In the **UAE**, EBITDA for the first quarter was AED 4.2 billion, representing a 5.4% increase year over year and leading to an EBITDA margin of 52%, consistent with the first quarter of the previous year. The increase in EBITDA is primarily attributed to strong focus on profitable revenue growth and continued cost efficiency.

e& international's EBITDA rose 5.0% year over year to AED 2.2 billion due to higher revenues, resulting in EBITDA margin of 44% lower by 1 percentage point vs prior year due to inflationary pressure and unfavourable movement in Pakistani Rupees and Egyptian pound against AED.

Maroc Telecom Group reported EBITDA during this quarter grew 1.7% to AED 1.7 billion. The margin slightly declined 0.6 percentage point year over year, reaching 53%. In Moroccan Dirhams, EBITDA increased slightly by 0.4% as EBITDA growth in Morocco of 1.4% was partially offset by EBITDA decline in Moov Africa -0.9% due to devaluation of CFA against MAD.

In **Egypt**, EBITDA reached AED 0.35 billion that marked an increase of 20.4% compared to last year. In constant currency EBITDA grew 36%. The growth was attributed to the healthy performance across main revenue streams. EBITDA margin reached 34%, 1.6 percentage point lower than the previous quarter of last year due to inflationary pressure.

In **Pakistan**, EBITDA declined year over year 4.2% to AED 146 million impacted by unfavorable foreign exchange rate of PKR against AED. In local currency, EBITDA grew year over year by 1.8%. EBITDA growth was impacted by higher direct and operating cost elements due to inflationary pressure driven by unfavorable macroeconomic conditions.

e& enterprise EBITDA increased 24.2% year over year to AED 81 million, which serves as a testament to the vertical's resilience and profitable growth profile.

e& life witnessed as expected negative EBITDA of AED 154 million mainly as a result of the consolidation of Careem Everything App that is still investing in the growth of the business.

Net Profit After Federal Royalty

(AED Million)	Q1 2024	Q1 2023	YoY
Consolidated Net Profit	2,330	2,187	6.5%
Earnings Per Share (AED)	0.27	0.25	6.5%
Net Profit Margin	16%	17%	-0.4 pp

Consolidated net profit after federal royalty attributed to the owners of the company saw strong growth in the first quarter of 2024, increasing year over year by 6.5% to reach a record AED 2.3 billion and net profit margin of 16%. This growth is mainly attributed to higher EBITDA and share of results from associates.

Earnings per share (EPS) amounted to AED 0.27 in the first quarter.

CAPEX

(AED Million)	Q1 2024	Q1 2023	YoY
e& UAE	713	513	38.9%
e& international	840	574	46.3%
<i>Maroc Telecom Group</i>	469	305	53.9%
<i>e& Egypt</i>	148	172	-14.1%
<i>PTCL Group</i>	218	73	197.2%
<i>Etisalat Afghanistan</i>	5	24	-78.0%
Other	99	9	1056.3%
Group CAPEX	1,653	1,096	50.7%

Intensity Ratio (%)	Q1 2024	Q1 2023	YoY
e& UAE	9%	7%	2.1 pp
e& international	17%	12%	4.3 pp
<i>Maroc Telecom Group</i>	15%	10%	4.9 pp
<i>e& Egypt</i>	14%	21%	-6.7 pp
<i>PTCL Group</i>	34%	12%	21.5 pp
<i>Etisalat Afghanistan</i>	3%	18%	-15.4 pp
Group Intensity Ratio	12%	8%	3.2 pp

Consolidated capital expenditure increased 50.7% year over year to AED 1.65 billion in Q1 2024 resulting in a capital intensity ratio of 12%, 3.2 percentage points higher versus the same period of the prior year. Capital investment continued to focus on providing the best experience to our customers by modernising our networks and deploying the latest technologies.

In the **UAE**, capital expenditure during the quarter amounted to AED 0.7 billion, a 38.9% increase in comparison to the same period last year. Capital intensity ratio was 9%, 2.1 percentage points higher when compared to the same quarter of the prior year. Capital spending in the UAE focused on 5G deployment and network modernisation aimed at enhancing customers' experience.

Capital expenditures in **e& international** in the first quarter of 2024 increased by 46.3% compared to the same period last year to AED 0.8 billion, resulting in capital intensity ratio of 16.7%, up 4 percentage points. International operations represented 51% of the Group's total consolidated capital expenditure.

Maroc Telecom capital expenditure for the first quarter increased in AED by 53.9% year over year to AED 0.5 billion, resulting in a capital intensity ratio of 15%. Capital spending increased year over year in local currency in Morocco by 26.9% and in Moov Africa's operations by 71.4%. Capital spending focused on expanding fibre-to-the-home (FTTH) and 4G mobile networks coverage and increasing network capacity to cater for the higher data customer demand.

In **Egypt**, capital expenditure for the first quarter decreased by 14.1% year over year to AED 0.1 billion resulting in a capital intensity ratio of 14%, which was 6.7 percentage points lower than the same period of the prior year. Capital spending focused on 4G deployment and upgrading of network capacity.

In **Pakistan**, capital expenditure for the first quarter increased by 3.0x year over year to AED 0.2 billion resulting in a capital intensity ratio of 34%, 21.5 percentage points higher than the comparable period in the prior year. Capital spending focused on expansion of FTTH network and enhancement of the mobile and fixed network’s capacity.

Debt

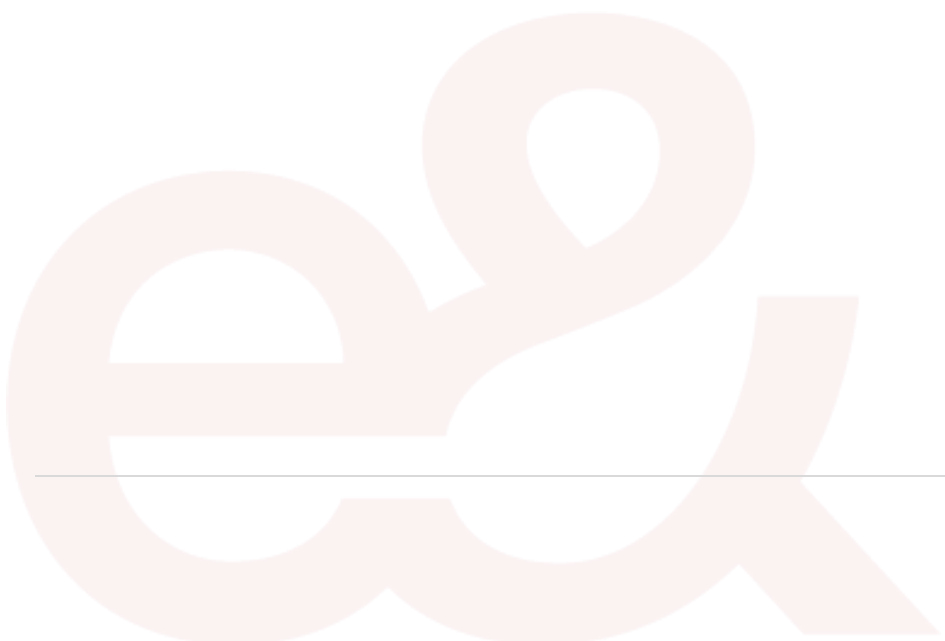
Total consolidated gross debt amounted AED 48.1 billion as of 31 March 2024, as compared to AED 49.0 billion as of 31 December 2023; a decrease of AED 1.0 billion as a result of repayment of bank borrowings.

Consolidated debt breakdown by operations as of March 2024 is as following:

- Group (AED 38.8 billion)
- Maroc Telecom Group (AED 5.3 billion)
- PTCL Group (AED 3.0 billion)
- e& Egypt (AED 1.0 billion)

Around 84% of the debt balance is of a long-term maturity that is due after 1 year. Currency mix of borrowings is 59% in AED, 18% in Euros, 5% in USD and 19% in other currencies.

Consolidated cash balance amounted to AED 31.6 billion as of 31 March 2024 leading to a net debt position of AED 16.4 billion and a Net Debt /EBITDA ratio of 0.62x.



Key Financial Highlights

P&L Statement:

(AED million)	Q1 2024	Q1 2023	YoY
Revenue	14,214	13,002	9.3%
EBITDA	6,376	6,183	3.1%
EBITDA Margin (%)	44.9%	47.6%	-2.7 pp
Federal Royalty	-1,345	-1,342	0.2%
Net Profit	2,330	2,187	6.5%
Net Profit Margin (%)	16.4%	16.8%	-0.4 pp

Balance Sheet:

(AED million)	31 Mar 2024	31 Dec 2023
Cash & Bank Balances	31,640	28,989
Total Assets	147,652	146,904
Total Debt	48,068	49,041
Net Debt	-16,428	-20,051
Total Equity	50,902	51,074

Cashflow Statement:

(AED million)	Q1 2024	Q1 2023
Operating	5,178	3,928
Investing	-748	-3,650
Financing	-1,328	-1,303
Net change in cash	3,102	-1,025
Effect of FX rate changes	-451	-361
Ending cash balance	31,640	28,989

Foreign Exchange Rate

	Average Rates			Closing rates		
	Q1'23	Q1'24	YOY	Q1'23	Q1'24	YOY
EGP - Egyptian Pound	0.1243	0.1091	-12.2%	0.1192	0.0775	-35.0%
SAR - Saudi Riyal	0.9783	0.9793	0.1%	0.9784	0.9792	0.1%
CFA - Central African Franc	0.0060	0.0061	1.1%	0.0061	0.0060	-0.9%
PKR - Pakistani Rupee	0.0140	0.0132	-5.9%	0.0129	0.0132	2.1%
AFA - Afghanistan Afghani	0.0409	0.0498	21.7%	0.0418	0.0499	19.4%
MAD - Moroccan Dirham	0.3564	0.3666	2.9%	0.3596	0.3643	1.3%

Reconciliation of non-IFRS Financial Measurements

We believe that EBITDA is a measurement commonly used by companies, analysts and investors in the telecommunications industry, which enhances the understanding of our cash generation ability and liquidity position and assists in the evaluation of our capacity to meet our financial obligations. We also use EBITDA as an internal measurement tool and, accordingly, we believe that the presentation of EBITDA provides useful and relevant information to analysts and investors.

Our EBITDA definition includes revenue, staff costs, direct cost of sales, regulatory expenses, operating lease rentals, repairs and maintenance, general financial expenses, and other operating expenses.

EBITDA is not a measure of financial performance under IFRS, and should not be construed as a substitute for net earnings (loss) as a measure of performance or cash flow from operations as a measure of liquidity. The following table provides a reconciliation of EBITDA, which is a non-IFRS financial measurement, to Operating Profit before Federal Royalty, which we believe is the most directly comparable financial measurement calculated and presented in accordance with IFRS.

(AED m)	Q1 2024	Q1 2023
EBITDA	6,376	6,183
Depreciation & Amortization	-1,751	-1,762
Exchange Gain/(Loss)	-267	-263
Share of Associates and JV's results	453	141
Impairment and other losses	-0.5	-18
Operating Profit before Royalty	4,810	4,281

Disclaimer

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Where this Presentation contains summaries of documents, those summaries should not be relied upon and the actual documentation must be referred to for its full effect.

This Presentation includes certain “forward-looking statements”. Such forward looking statements are not guarantees of future performance and involve risks of uncertainties. Actual results may differ materially from these forward-looking statements.

About e&

e& is an international, blue-chip organisation with operations in 32 countries across the Middle East, Africa and Asia. It is one of the leading technology group with one of the largest market capitalisations among global telcos. It is a highly rated organisation with ratings from Standard & Poor's and Moody's (AA-/Aa3).

The Group's shareholding structure consists of 60% held by the Emirates Investment Authority and 40% free float. e& (Ticker: EAND) is quoted on the Abu Dhabi Securities Exchange (ADX).

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