

Q1 2024

Results Presentation

1 May 2024



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Group Key Highlights

Hatem Dowidar, e& Group CEO

Executive Summary

Strong start for the year



173 million subscriber base, reflecting a net addition of 8.8 million subscribers



+9% growth in consolidated revenue due to strong performance across all verticals



+3% growth in consolidated EBITDA attributed to revenue growth and consistent control over costs



45% consolidated EBITDA margin attributed to growth of digital verticals with **49%** Telco EBITDA margin



7% growth year on year in net profit after tax & federal royalty



Key Developments Q1 2024

Continuous efforts to expand digital footprint

Group



e& and Vodafone join forces to support other operators with comprehensive cross boarder managed voice solutions



e& and Dell Technologies sign MOU to drive 5G innovation through Dell's Open Telecom Ecosystem Lab (OTEL)



e& and Huawei sign a strategic MoU to build green and energy efficient networks

e& enterprise



e& enterprise partners with ADSSA to launch the House Visit and Interviews Management System for social support services



e& enterprise rebrands UAE Trade Connect to "haifin", supporting its broader vision to expand beyond UAE



e& enterprise announces collaboration with Burjeel Holdings to advance telemedicine services



e& UAE



e& UAE and Cisco sign MoU to elevate connectivity and collaboration services for businesses in the UAE



e& UAE sets new benchmark as the first Middle East telco to deploy Microsoft Azure Operator Nexus and 5G Core solutions



e& UAE partners with AWS to elevate customer experiences with custom Generative AI

e& life



e& money unveils its new cutting-edge app, offering rich features, enhanced customer journeys, and personalised experience for customers



evision in partnership with DAZN Group launch MENA FAST channel 'DAZN combat' on OTT streaming platform STARZ ON across the MENA region



evision and Disney Star expand strategic collaboration to bring the best of South Asian Entertainment to audiences across MENA

Group Financial Highlights

Karim Bennis, e& Group CFO

e& reported solid financial performance....



AED 14.2 billion

Revenue

▲ 9.3% y-o-y in reported currency



AED 6.4 billion

EBITDA

▲ 3.1 % y-o-y in reported currency



~45%

EBITDA Margin

Telco on a Standalone basis reported ~49%



AED 2.3 billion

Net Profit

▲ 6.5% y-o-y

... maintaining resilient cash generation & a sound balance sheet



AED 4.7 billion

Operating Free Cashflow

▼ 7% y-o-y



33%

Operating Free Cashflow Margin

▼ 6 percentage points y-o-y

S&P Global
Ratings

AA- | Aa3

S&P | Moody's Credit Rating

MOODY'S

With a "Stable" outlook



0.62x

Net Debt/EBITDA

Lower than global telecom average

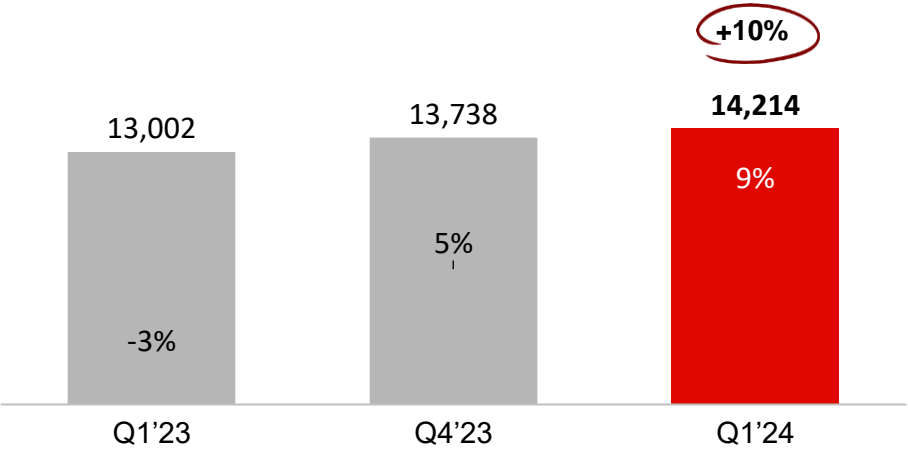
Group Revenue

Robust start to the year with growth across all businesses

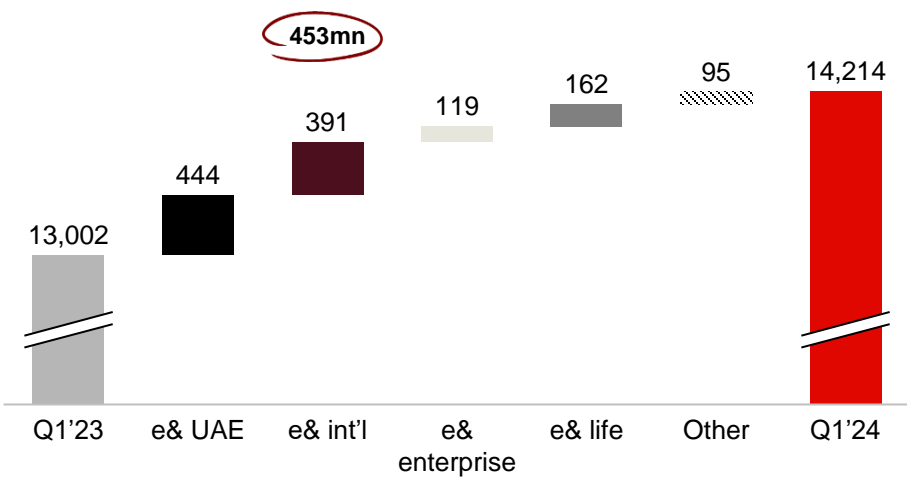
Key Highlights

- Revenue growth of 9.3% attributable to growth in all verticals
- Solid performance in e& UAE (+5.7%) attributed to ongoing commercial momentum and solid economic environment
- e& int'l growth of 8.4% due to:
 - MT Group - growth in Moov Africa and FBB in Morocco
 - Growth in Egypt due to strong growth of data and voice revenue
 - Growth in Pakistan largely due to strong performance in FBB, Mobile Data and Business Solutions
- Strong growth in e& enterprise attributed to accelerated momentum in KSA
- e& life revenue growth positively impacted by consolidation of Careem

Revenue (AED mn) & YoY Growth (%)



Sources of Revenue Variance (AED mn)



Revenue by Vertical (AED mn)

	Q1 2024		
e& UAE	8,211	↔	+6%
e& international	5,018	↔	+8% (circled)
e& enterprise	689	↔	+21%
e& life	447	↔	+57%

Year-on-Year Variance

	Reported Currency	Constant Currency
<div> </div>	+3%	0%
<div> </div>	+26%	+43%
<div> </div>	+7%	+14%

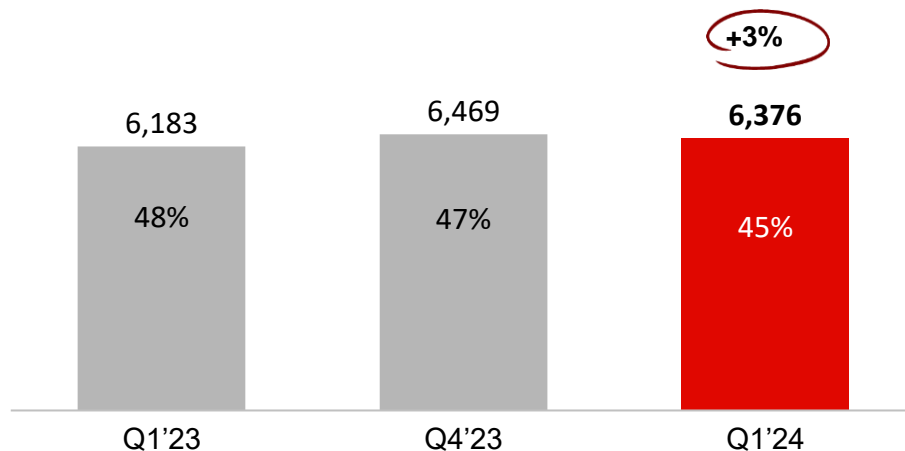
Group EBITDA

Strong EBITDA growth Y/Y; Higher contribution of digital revenues impacting EBITDA margin

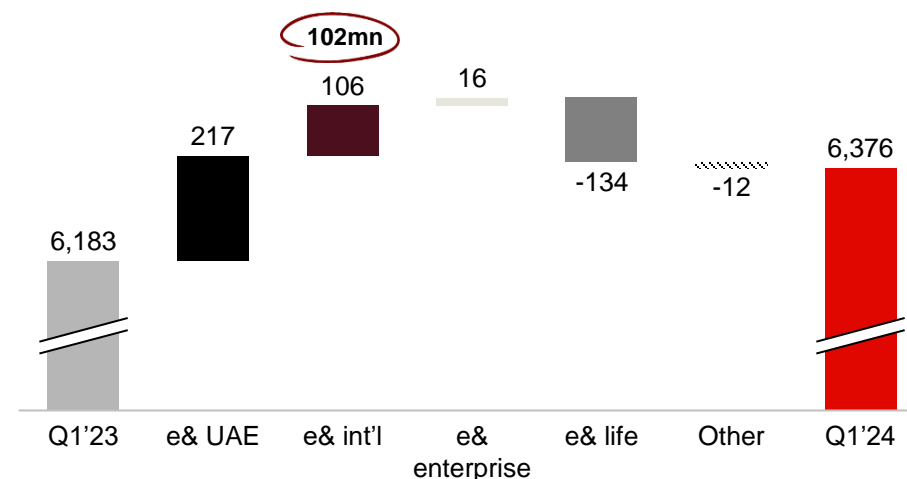
Key Highlights

- Strong EBITDA (+3.1%) attributable to the solid revenue growth
- EBITDA Margin of 45%, down y/y due to changes in revenue mix
- Telco EBITDA margin remained robust at 49%
- Strong EBITDA growth in the UAE supported by profitable revenue growth
- EBITDA growth in e& int'l mainly attributed to strong contribution from e& Egypt due to solid revenue growth
- e& enterprise EBITDA increased y/y 24% attributed to revenue acceleration
- e& life EBITDA impacted due to consolidation of Careem

EBITDA (AED mn) & Margin (%)



Sources of EBITDA Variance (AED mn)



EBITDA by Vertical (AED mn)

	Q1 2024		
e& UAE	4,229	↔	+5%
e& international	2,229	↔	+5%
e& enterprise	81	↔	+24%
e& life	-154	↔	n/a

Year-on-Year Variance

	Reported Currency	Constant Currency
Maroc Telecom	+2%	-1%
e& Egypt	+20%	+36%
optcl	-4%	+2%

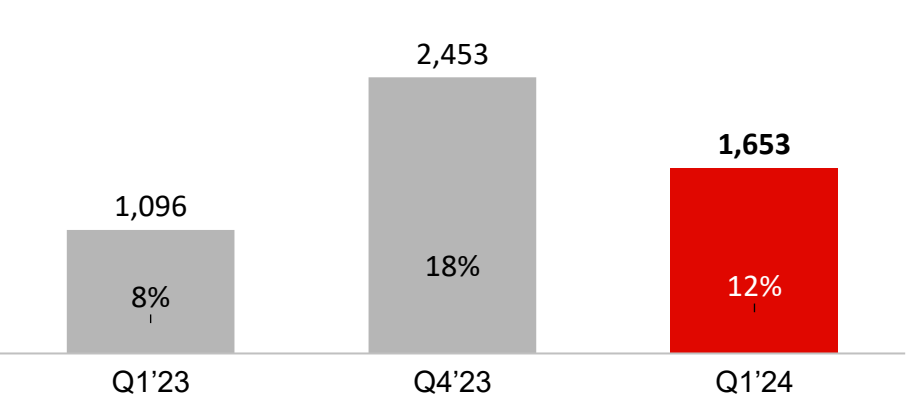
Group CAPEX

Focus on growth and networks modernization

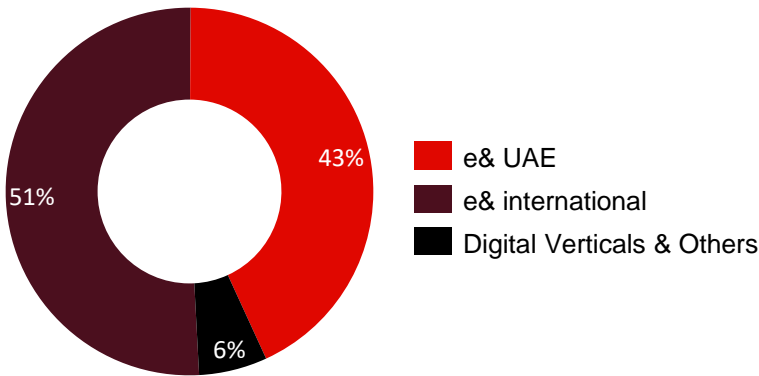
Key Highlights

- Higher capital spend y/y mainly due to telco verticals
- Capital spend in e& UAE focused on expansion of 5G network and network modernisation
- Higher capital spend in e& international attributed to MT Group and PTCL Group that focused on FTTH and mobile networks expansion across most markets

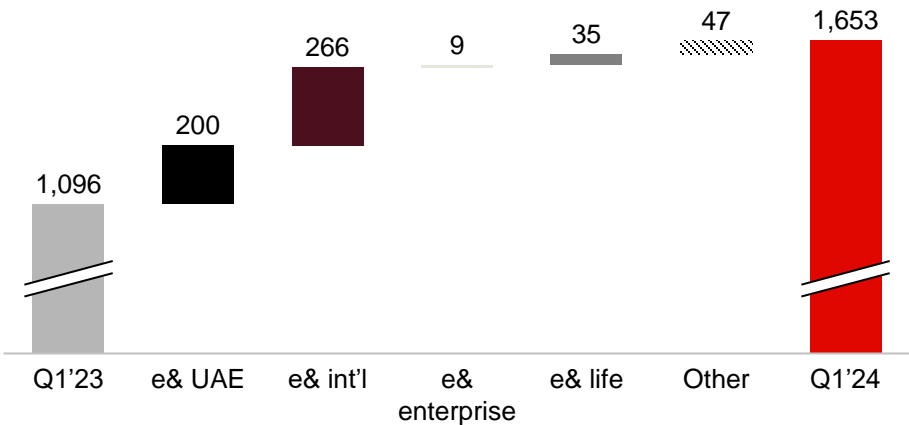
CAPEX (AED mn) & Intensity Ratio (%)



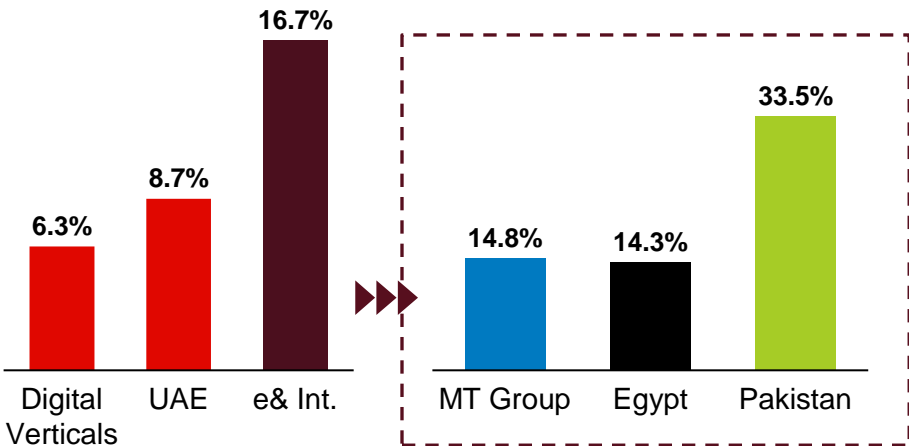
CAPEX Breakdown (Q1 2024)



Sources of CAPEX Variance (AED mn)



Q1 2024 Intensity Ratio by Key Operations (%)



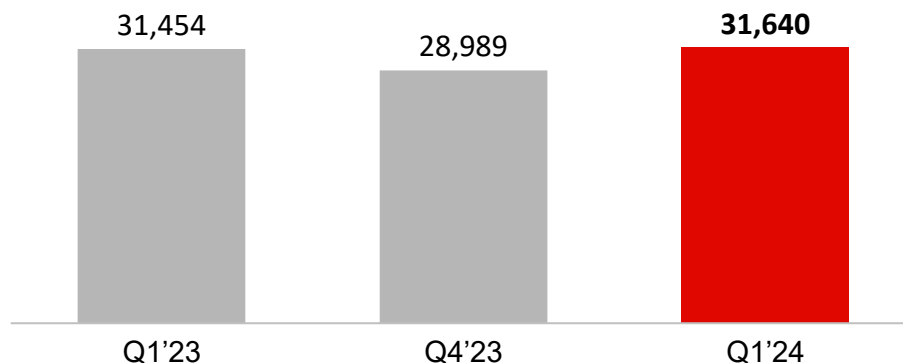
Group Financial Position

Strong liquidity position

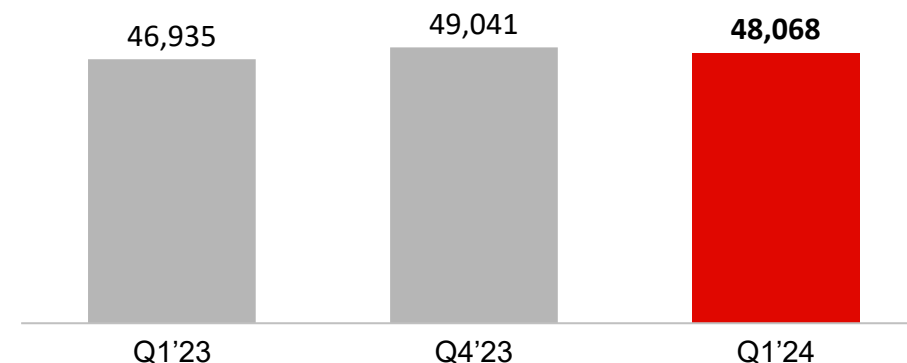
Key Highlights

- Cash balance improved since December 2023 on higher cashflow generation and efficient management of working capital.
- Lower debt balance compared to Dec 2023 attributed to repayment of maturing debt at opcos and holdco
- Leverage ratio stood at 0.62x LTM EBITDA as of March 2024
- Maintaining high investment grade credit ratings

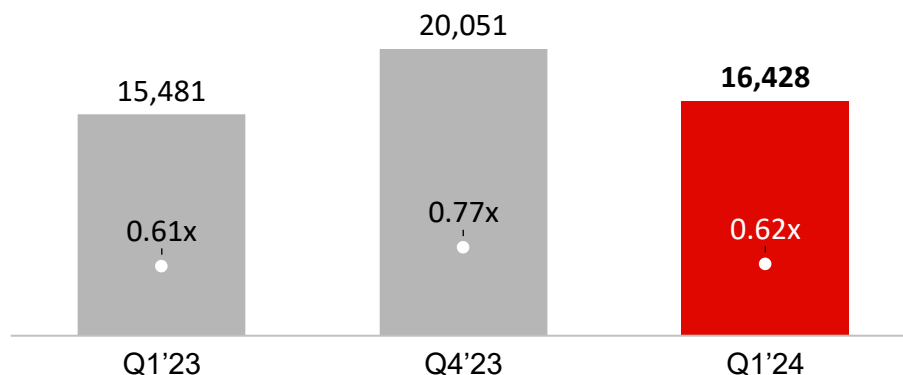
Cash & Cash Equivalents (AED mn)



Total Debt (AED mn)



Net Debt/(Cash) (AED mn) & Net Debt/EBITDA (x)



Investment Grade Credit Ratings

S&P Global
Ratings

Rating: AA-
Outlook: Stable

MOODY'S

Rating: Aa3
Outlook: Stable

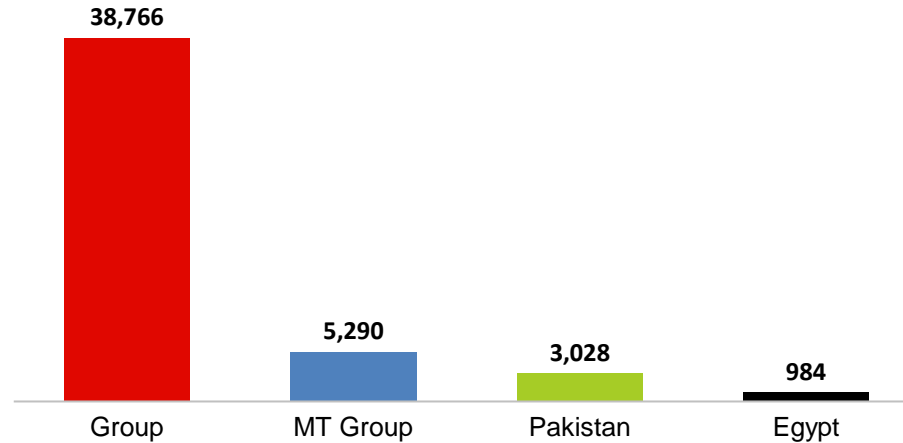
Group Debt Profile

Prudent debt management

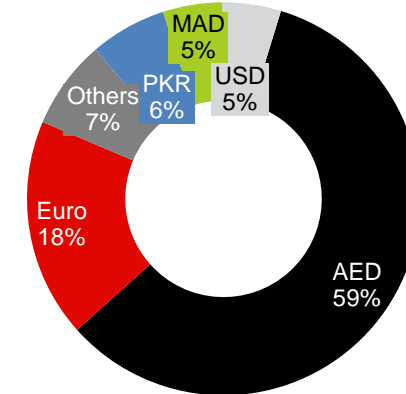
Key Highlights

- Total debt of AED 48.1 billion
- 81% of group debt is at holdco level, mostly in bank borrowings
- 63% of debt is in USD/AED
- Comfortable debt repayment schedule

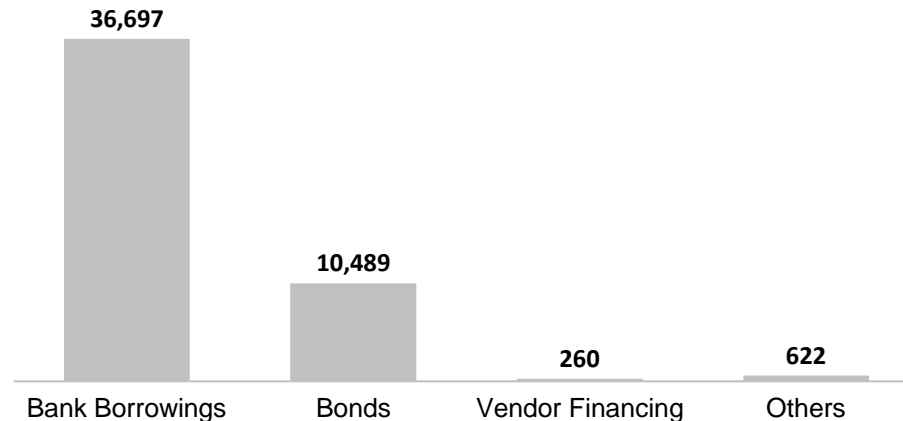
Borrowings by Operations (AED mn)



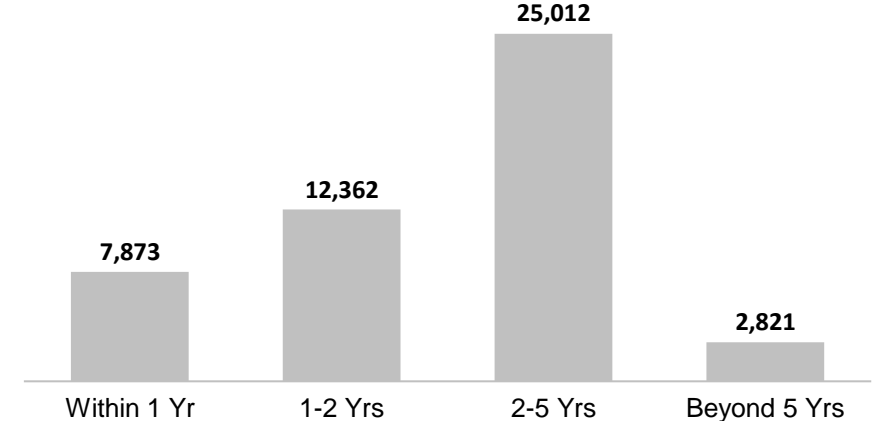
Borrowings by Currency (%)



Debt by Source (AED mn)



Repayment Schedule (AED mn)



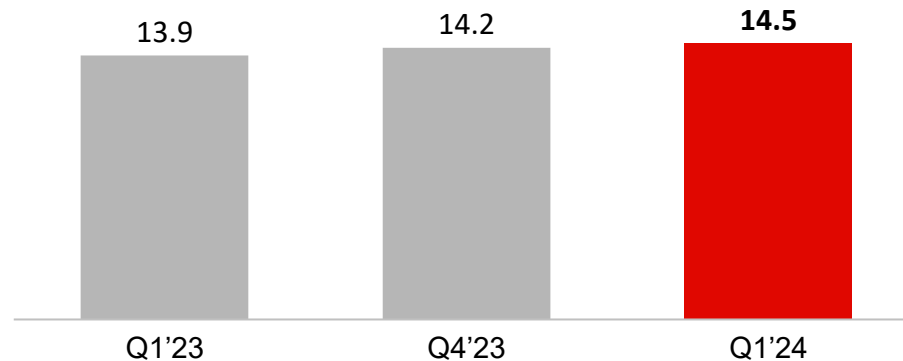
Performance by Vertical

Sustained consistent growth in revenue and EBITDA

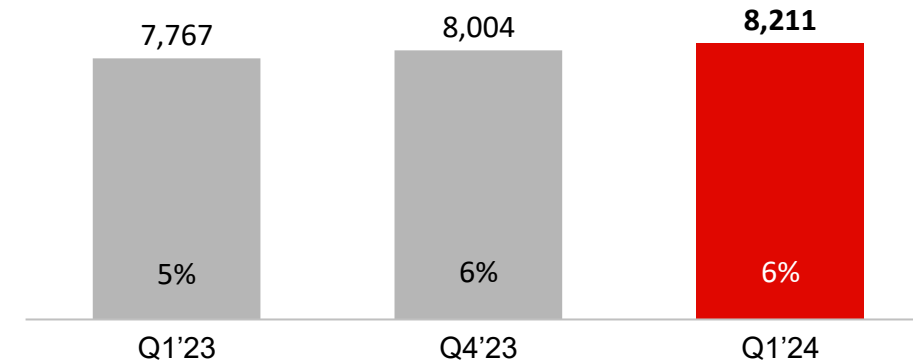
Key Highlights

- Profitable subscriber growth
- Continued solid topline growth driven by strong execution, robust commercial momentum and acceleration of digital products
- EBITDA growth driven by profitable revenue growth and continued focus on operational efficiency
- Stable EBITDA margin at 52% level despite changes in revenue mix
- Higher capital spending focused on network modernization and 5G coverage

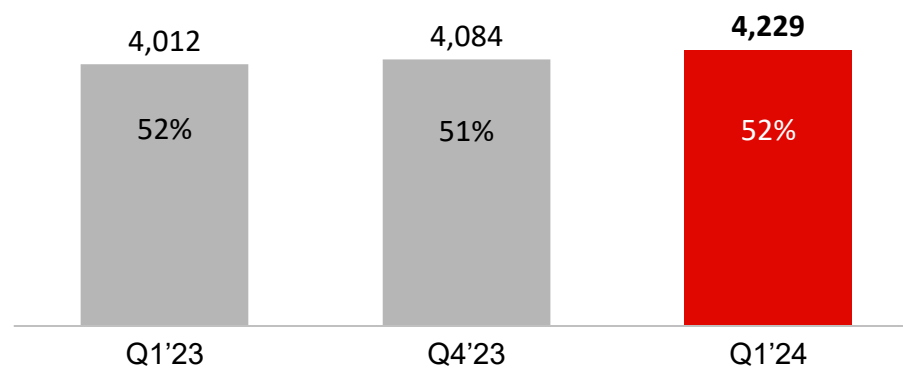
Subscribers (mn)



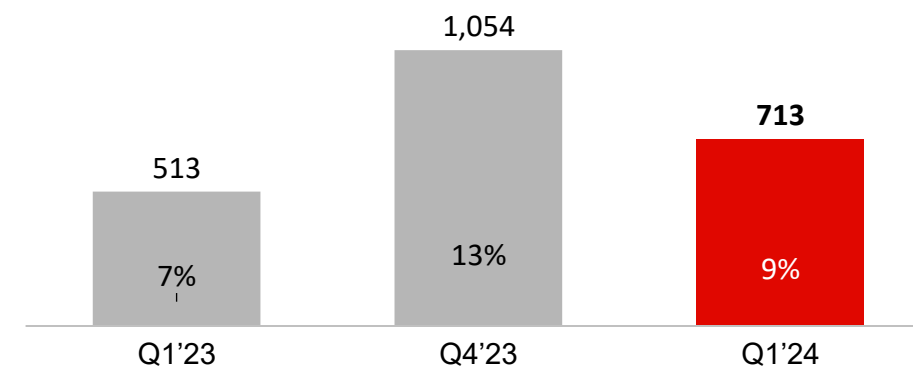
Revenue (AED mn) & YoY Growth (%)



EBITDA (AED mn) & EBITDA Margin (%)



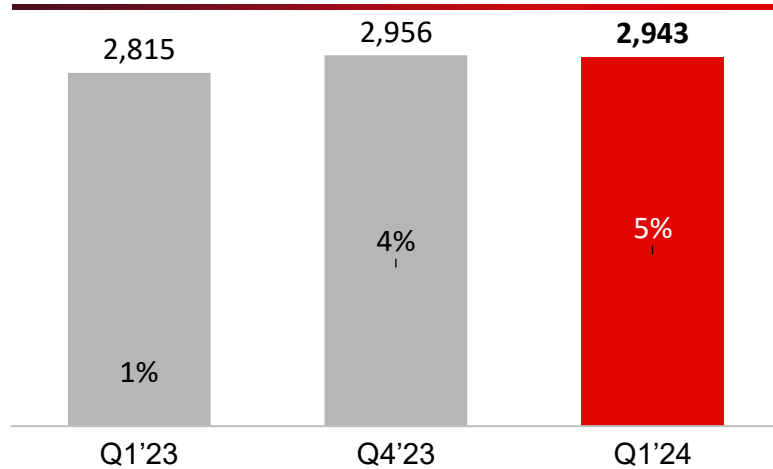
CAPEX (AED mn) & CAPEX / Revenue (%)



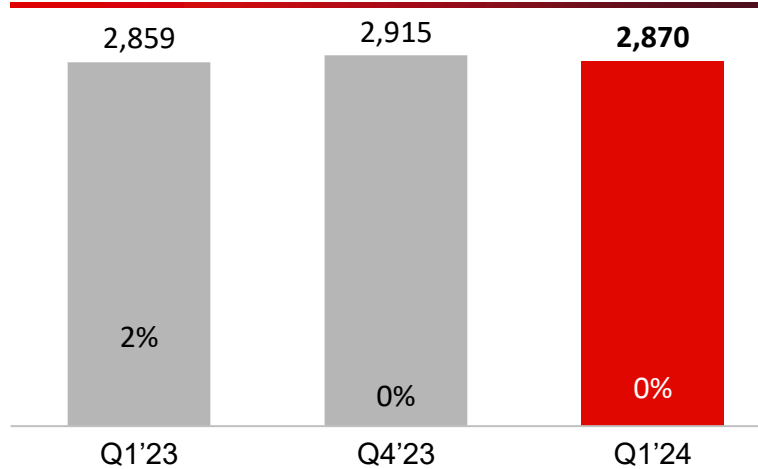
UAE Breakdown & Key KPIs

Strong results across the operational performance & subscriber gains

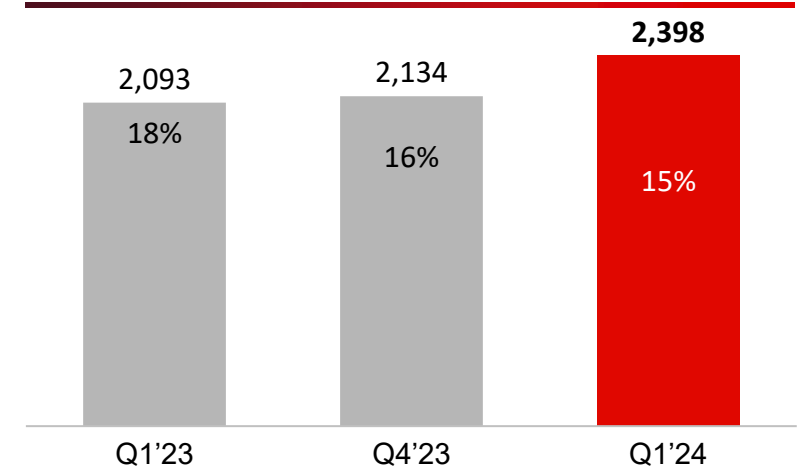
Mobile Revenue⁽¹⁾ (AED mn) & YoY Growth (%)



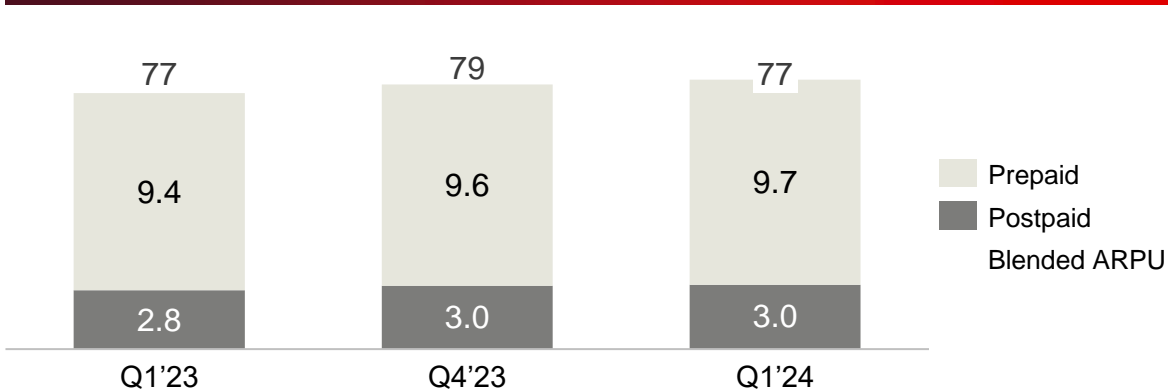
Fixed Revenue⁽²⁾ (AED mn) & YoY Growth (%)



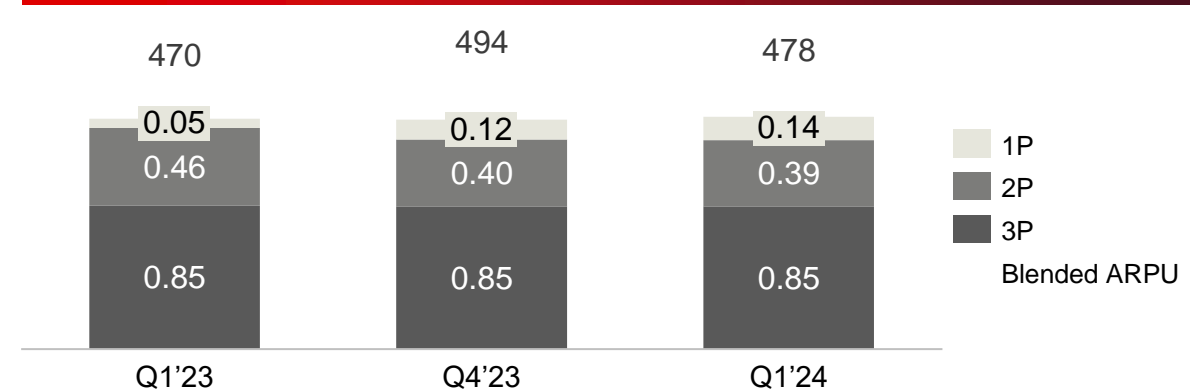
Other Revenue⁽³⁾ (AED mn) & YoY Growth (%)



Mobile Subs⁽⁴⁾ (mn) & ARPU⁽⁵⁾ (AED)



Fixed Broadband Subs⁽⁶⁾ (mn) & ARPU⁽⁷⁾



(1) Mobile revenues includes mobile voice, data, rental, outbound roaming, VAS, and mobile digital services

(2) Fixed revenues includes fixed voice, data, rental, VAS, internet and TV services

(3) Others Revenues includes ICT, managed services, wholesale (local and int'l interconnection, transit and others), visitor roaming, handsets and miscellaneous

(4) Mobile subscribers represents active subscriber who has made or received a voice or video call in the preceding 90 days, or has sent an SMS or MMS during that period

(5) Mobile ARPU ("Average Revenue Per User") calculated as total mobile revenue divided by the average mobile subscribers.

(6) Fixed broadband subscriber numbers calculated as total of residential DSL (Al-Shamil), corporate DSL (Business One) and E-Life subscribers.

(7) ARPL ("Average Revenue Per Line") calculated as fixed broadband line revenues divided by the average fixed broadband subscribers.

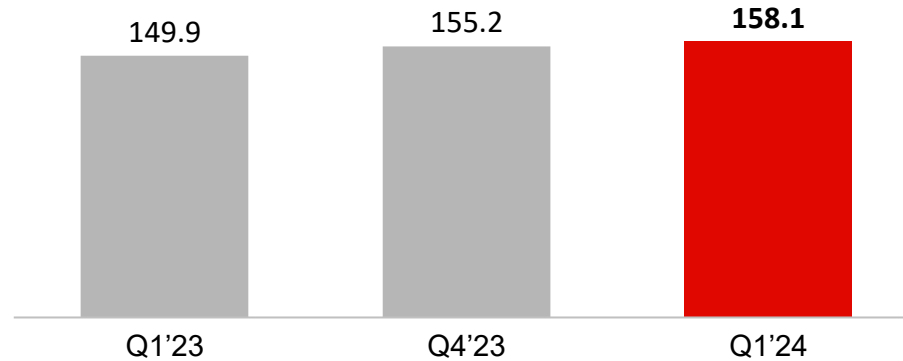
e& international

Outstanding financial and operational growth

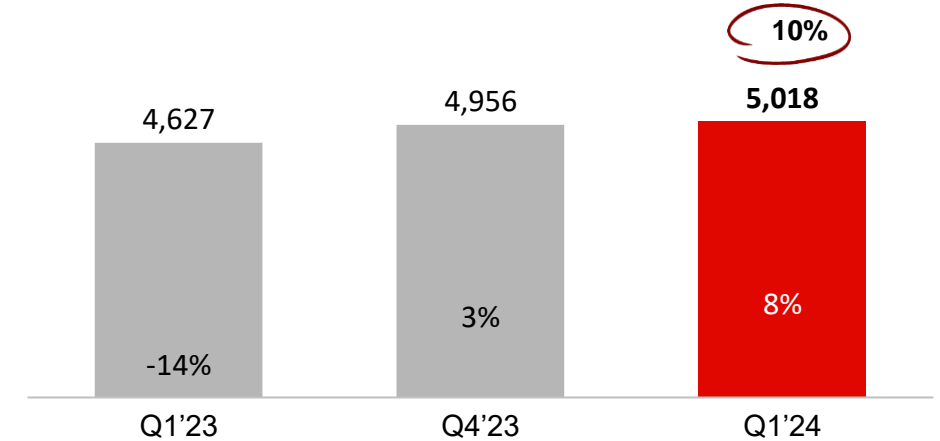
Key Highlights

- Consistent growth in subs, reaching 158.1 million
- Robust growth of 8.4% year over year to AED 5.0 billion, up 9.8% in constant currency, attributable to strong contribution from Egypt
- EBITDA reached AED 2.2 billion, growing 5% in constant currency.
- EBITDA Margins declined 1.5 pts as a result of heightened inflationary environment
- Higher capital spending y/y focused on enhancing networks capacities

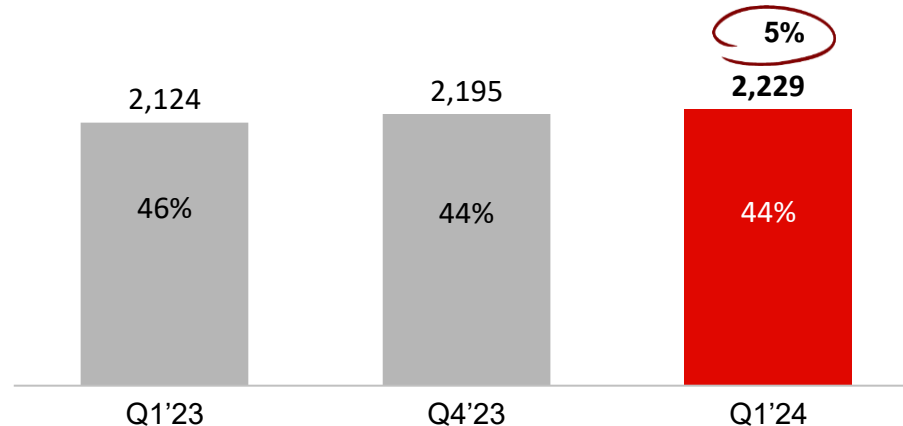
Subscribers (mn)



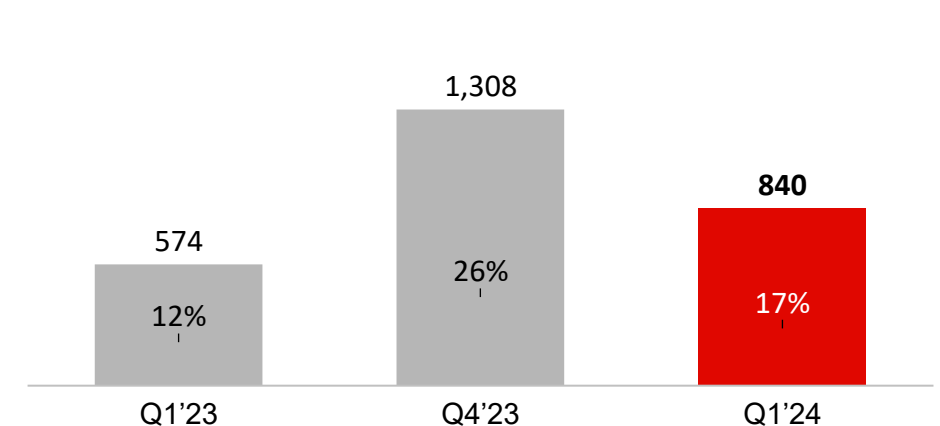
Revenue (AED mn) & YoY Growth (%)



EBITDA (AED mn) & EBITDA Margin (%)



CAPEX (AED mn) & CAPEX / Revenue (%)



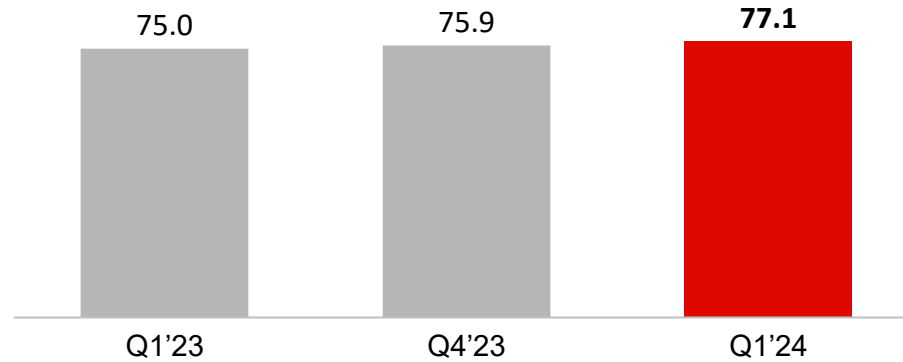
Maroc Telecom Group

Resilience despite regulatory and competitive operating environment

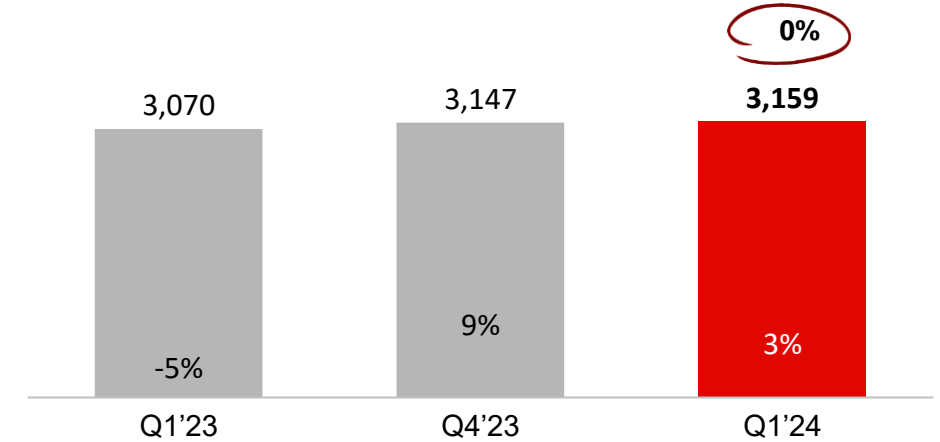
Key Highlights

- Solid year on year growth in subscriber base attributed to Moov Africa
- Stable revenue growth y/y attributed to decline in mobile revenue in Morocco that was compensated by growth in Moov Africa operations and FBB in Morocco
- EBITDA slightly higher y/y attributed to growth in Moroccan operations
- Healthy EBITDA margin at 53%
- Higher capital spending focused on expanding mobile and FTTH networks

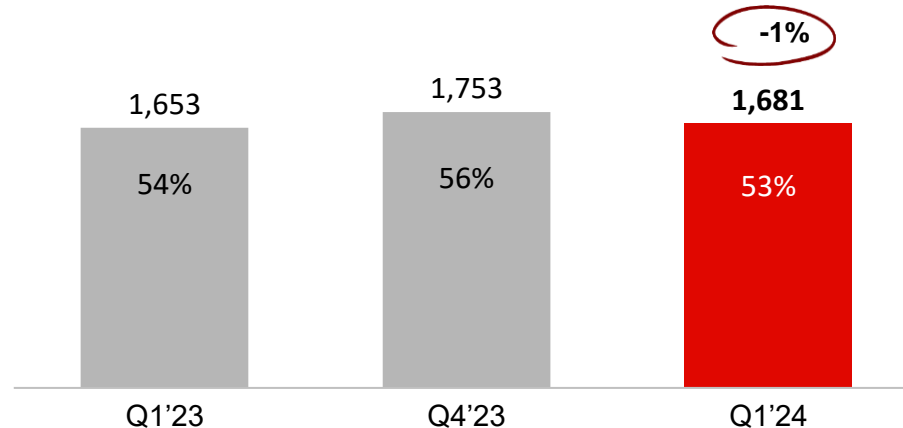
Subscribers (mn)



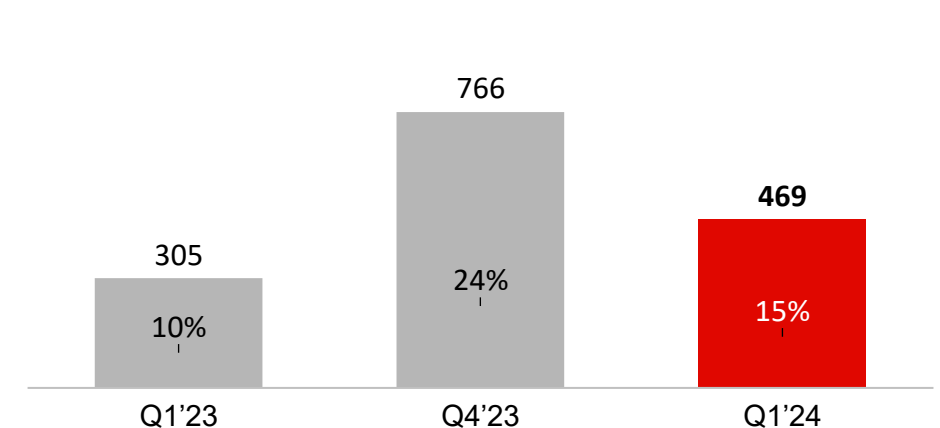
Revenue (AED mn) & YoY Growth (%)



EBITDA (AED mn) & EBITDA Margin (%)



CAPEX (AED mn) & CAPEX / Revenue (%)

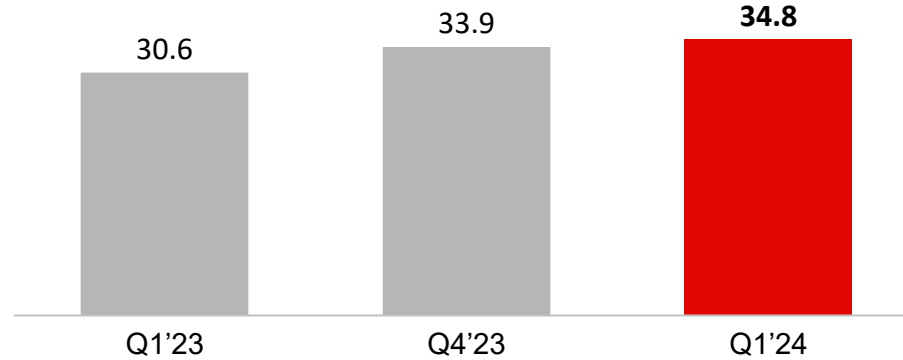


Outstanding growth in both reported & Constant currency

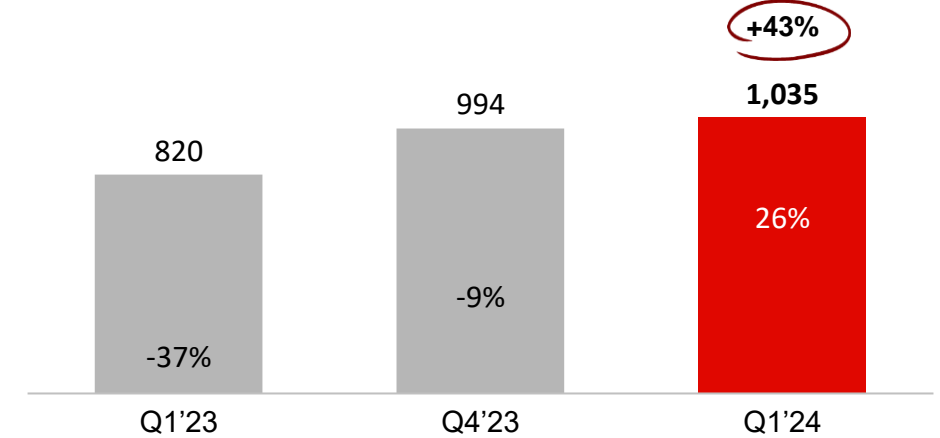
Key Highlights

- Strong subscriber growth despite economic backdrop
- Robust revenue growth in constant currency attributed to mobile data and voice services supported by price increase and subs growth
- EBITDA remained resilient growing y/y by 36% in constant currency attributed to higher revenue
- EBITDA margin slightly lower on inflationary impact
- Capital spending focused on network modernization and coverage

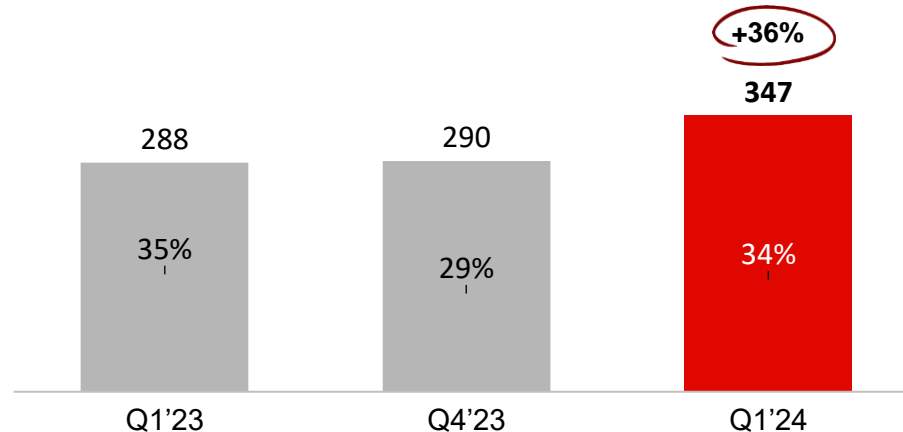
Subscribers (mn)



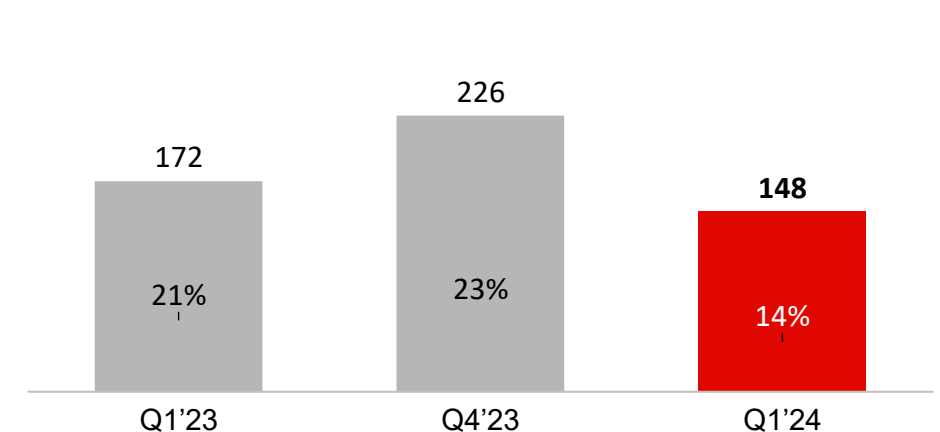
Revenue (AED mn) & YoY Growth (%)



EBITDA (AED mn) & EBITDA Margin (%)



CAPEX (AED mn) & CAPEX / Revenue (%)



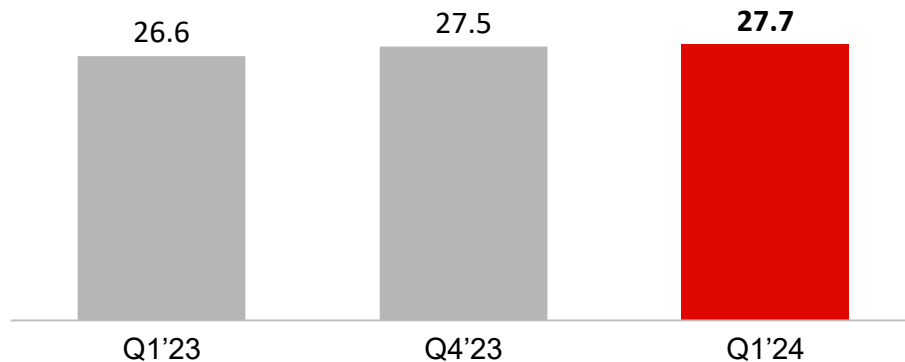
Growth Y/Y in constant currency

Inflation and energy costs impacting profitability margin

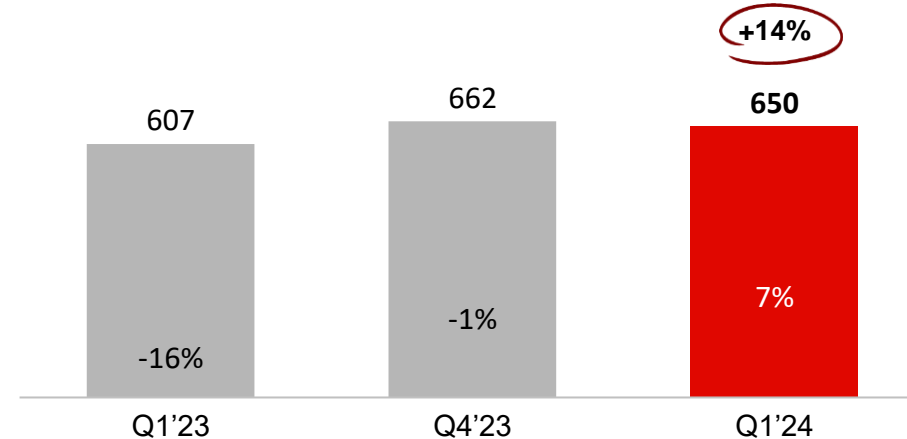
Key Highlights

- Growth y/y in mobile and FTTH subscribers
- Revenue growth in constant currency attributed to strong performance in fixed and mobile segments
- Fixed line segment growth of 13% mainly driven by FBB and business solutions segments
- Ufone delivered strong revenue growth of 27%, boosted by mobile data and leveraging its network expansion
- EBITDA increased in constant currency despite higher energy costs
- Higher capital spending focused on networks capacity and expansion

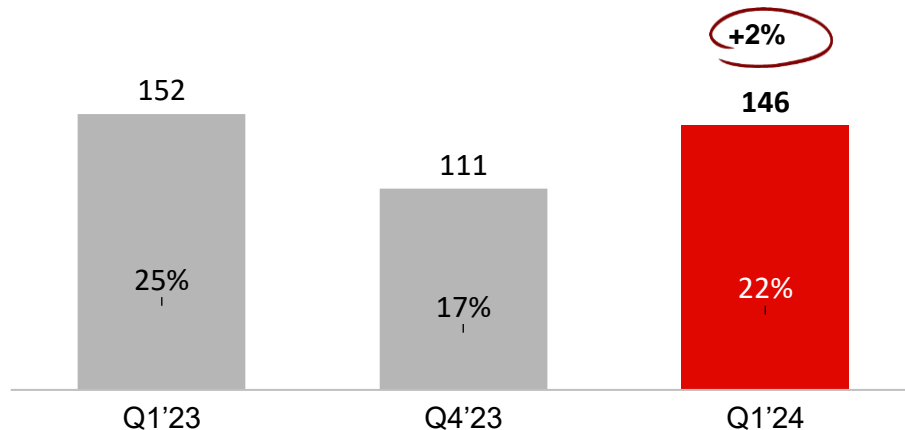
Subscribers (mn)



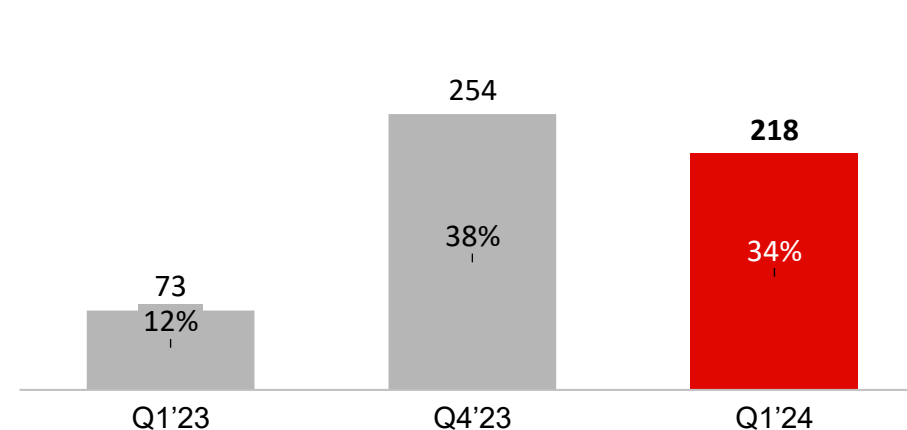
Revenue (AED mn) & YoY Growth (%)



EBITDA (AED mn) & EBITDA Margin (%)



CAPEX (AED mn) & CAPEX / Revenue (%)

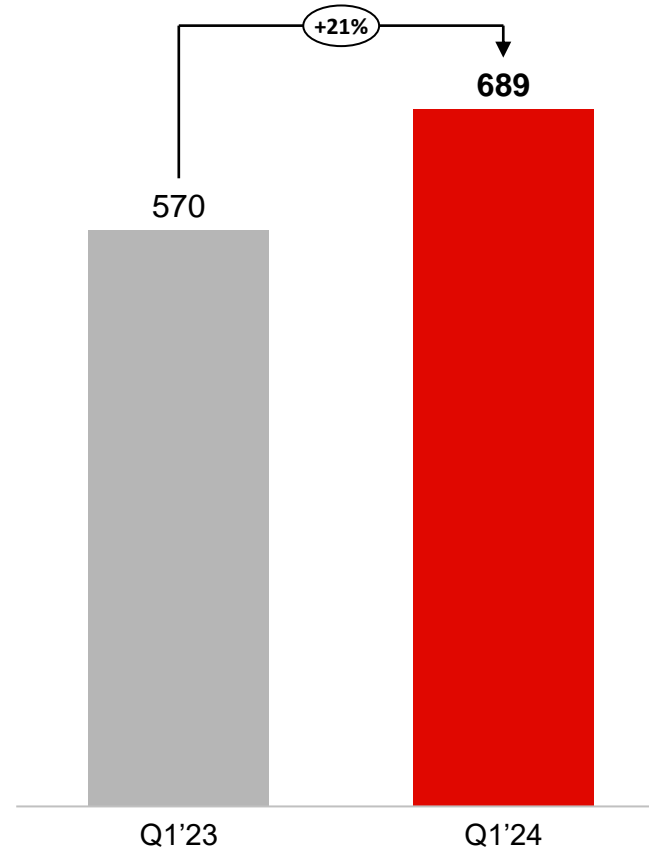


Double digit growth overall with strong momentum in KSA

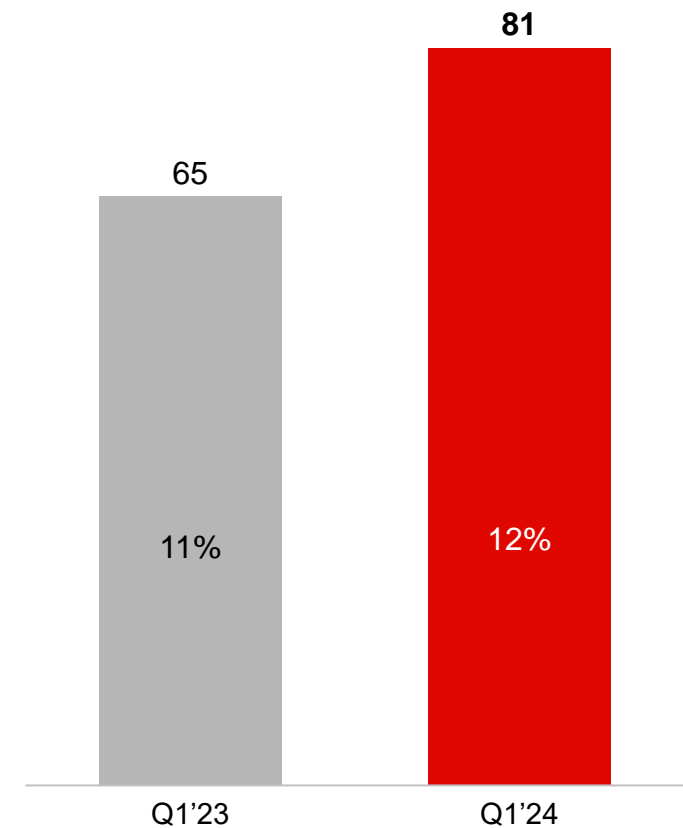
e& enterprise Highlights

- Outstanding revenue growth which funneled down to solid EBITDA growth
- Solid Cybersecurity growth, fueled by Saudi Arabia
- Important digital transformation reference with UAE Ministry of Justice deal signed
- GenAI capabilities embedded in our offering with *AI for Energy* and *AI for Hassantuk*
- UTC rebranded to Haifin, our UAE based blockchain platform connecting 15 banks and fintechs

Revenue (AED mn) & YoY Growth (%)



EBITDA (AED mn) & EBITDA Margin (%)

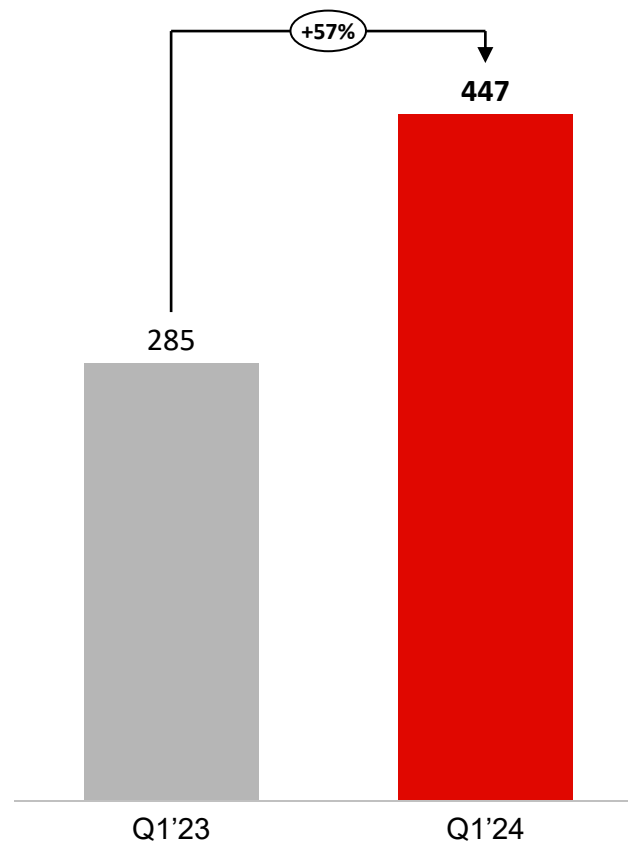


Strong revenue traction across e& life segments in Q1'24

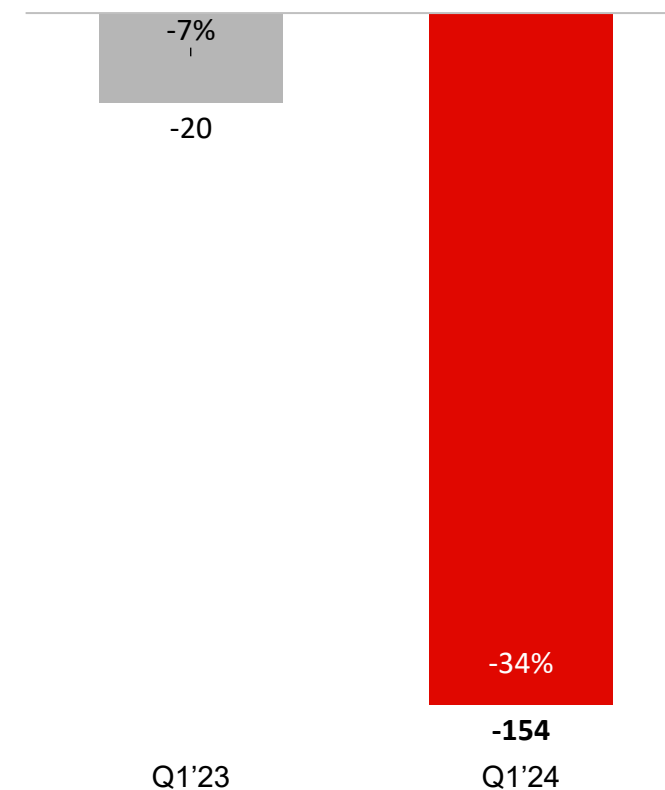
e& life Highlights

- e& life demonstrated strong revenue growth in Q1'2024 attributable to both organic and inorganic growth (+57% y/y)
- Traction was strong across all e& life companies, and especially robust within e& money and Careem
- EBITDA is tracking as planned due to investments in growth business; Y/Y is lower due to consolidation of Careem

Revenue (AED mn) & YoY Growth (%)



EBITDA (AED mn) & EBITDA Margin (%)



Careem



Careem Technology MAU reached a record of **524K** in Mar'24, **2.2M** inc. rides (+31% YoY)

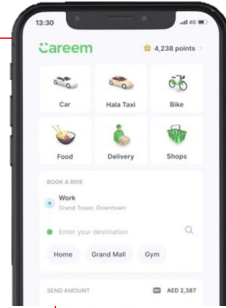


CAREEM FOOD ABU DHABI

Successfully launched Food in Abu Dhabi in February 2024



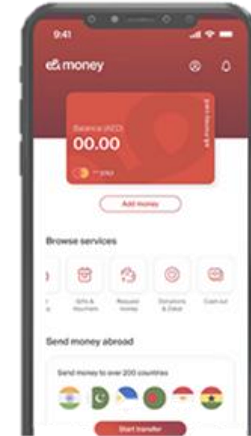
+ 283% Growth from digital remittances over last quarter



e& money

360°
RE-LAUNCH

1M+
USERS
Cumulative
Registered Users



1.7M+
Downloads

2X
MAU vs 2023
Monthly Active
Users

e& life

evision STARZPLAY

4.8M+
USERS

Combined entertainment
entity across IPTV and OTT

1.1M+
STARZ ON INSTALLS
Since launch in Nov'23



FY2024 Guidance:

Overall Q1 performance is in line with full year guidance

			Q1 2024 Actual	FY 2024 Guidance
Telecom	Revenue Growth Y-o-Y In Constant Currency (%)	▶	+7%	Mid-Single Digit
	EBITDA Margin (%)	▶	49%	~49%
	CAPEX Intensity Ratio (%)	▶	12%	~16%
e& enterprise	Revenue Growth Y-o-Y In Constant Currency (%)	▶	+21%	Strong Double Digit
	EBITDA Margin (%)	▶	12%	~13%
e& life	Revenue Growth Y-o-Y In Constant Currency (%)	▶	+57%	~2x
	EBITDA Margin (%)	▶	Negative	Negative
Group	Earnings Per Share (AED)	▶	0.27	~1.2

we are&