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<table>
<thead>
<tr>
<th>Agenda</th>
<th>Business Overview</th>
<th>Saleh Al-Abdooli</th>
<th>Chief Executive Officer</th>
<th>Etisalat Group</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Etisalat Group Financial Results</td>
<td>Serkan Okandan</td>
<td>Chief Financial Officer</td>
<td>Etisalat Group</td>
</tr>
<tr>
<td></td>
<td>Etisalat Group International</td>
<td>Hatem Dowidar</td>
<td>Chief Executive Officer</td>
<td>Etisalat International</td>
</tr>
<tr>
<td></td>
<td>Etisalat Group Strategy</td>
<td>Khalifa Alshamsi</td>
<td>Chief Corporate Strategy &amp; Governance Officer</td>
<td>Etisalat Group</td>
</tr>
<tr>
<td></td>
<td>Etisalat UAE Consumer</td>
<td>Khaled ElKouly</td>
<td>Chief Consumer Officer</td>
<td>Etisalat UAE</td>
</tr>
<tr>
<td></td>
<td>Etisalat UAE Business</td>
<td>Salvador Anglada</td>
<td>Chief Business Officer</td>
<td>Etisalat UAE</td>
</tr>
<tr>
<td></td>
<td>Etisalat Misr</td>
<td>Hazem Metwally</td>
<td>Chief Executive Officer</td>
<td>Etisalat Misr</td>
</tr>
<tr>
<td></td>
<td>Mobily</td>
<td>Salman Bin Abdulaziz Al Badran</td>
<td>Chief Executive Officer</td>
<td>Mobily</td>
</tr>
<tr>
<td></td>
<td>PTCL Group</td>
<td>Rashid Khan</td>
<td>Chief Executive Officer</td>
<td>PTCL Group</td>
</tr>
<tr>
<td></td>
<td>Closing Remarks</td>
<td>Saleh Al-Abdooli</td>
<td>Chief Executive Officer</td>
<td>Etisalat Group</td>
</tr>
</tbody>
</table>
Business Overview

Saleh Al-Abdooli
Chief Executive Officer
Etisalat Group
Our Group at a glance...

- **149 Million** Subscribers
- **52,186 Million** Revenue
- **26,370 Million** EBITDA @ 34% Margin
- **8,693 Million** Net Profit @ 17% Margin
- **17,475 Million** OFCF @ 33% Margin
- **80 Fils** Div. Per Share @ 80.0% payout ratio
- **AA-Aa3** Credit Rating*

*By S&P Global and Moody’s

**Source:** Etisalat Group

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**Mobile & Fixed Services**

- UAE
- Pakistan
- KSA
- Mauritania
- Morocco
- Mali
- Burkina Faso
- Gabon
- Egypt
- Cote d’Ivoire
- Benin
- Niger
- Togo
- Central Africa
- Afghanistan
- Chad

*All of Etisalat OpCos rank first or second in terms of value share with the exception of Cote d’Ivoire and Central Africa*
Etisalat Group enjoys the highest EBITDA % and one of the highest Net Profit % amongst peers, revenues are challenged predominantly by FX erosion in some markets.

### Key performance indicators (Comparison on 3m basis)

<table>
<thead>
<tr>
<th>Revenue growth: LCY4 (Q3 2019/ Q3 2018, % YoY)</th>
<th>EBITDA Margin (in %) (Q3 2019)</th>
<th>Net Profit Margin (in %) (Q3 2019)</th>
</tr>
</thead>
<tbody>
<tr>
<td>MTN 3)</td>
<td>16%</td>
<td>STC 19%</td>
</tr>
<tr>
<td>Telenor</td>
<td>7%</td>
<td>Vodacom 1) 18%</td>
</tr>
<tr>
<td>STC</td>
<td>6%</td>
<td>Etisalat 18%</td>
</tr>
<tr>
<td>Vodacom</td>
<td>4%</td>
<td>Zain 14%</td>
</tr>
<tr>
<td>Axiata</td>
<td>4%</td>
<td>MTN 3) 6%</td>
</tr>
<tr>
<td>Orange</td>
<td>3%</td>
<td>Ooredoo 6%</td>
</tr>
<tr>
<td>Zain</td>
<td>1%</td>
<td>Orange 3) 5%</td>
</tr>
<tr>
<td>Ooredoo</td>
<td>1%</td>
<td>Veon 2%</td>
</tr>
<tr>
<td>Vodafone</td>
<td>0%</td>
<td>MTN 3) 6%</td>
</tr>
<tr>
<td><strong>Etisalat</strong></td>
<td>-1%</td>
<td><strong>Vodafone</strong> 1.2) 1%</td>
</tr>
<tr>
<td>Singtel</td>
<td>-3%</td>
<td><strong>Telenor</strong> -2%</td>
</tr>
<tr>
<td>Veon</td>
<td>-4%</td>
<td><strong>Singtel</strong> -16%</td>
</tr>
</tbody>
</table>

Note 1: Vodafone, Vodacom EBITDA and Net Profit margin are based on the reported half-year results covering the period of Q2 and Q3 19

Note 2: Vodafone reported Net Profit is Vodafone Adjusted Net Profit, i.e. before exceptional items (for example impairments)

Note 3: MTN does not report financials in Q1 and Q3: performance of H1 19 are reported instead; Orange Net profit is based on H1 19

Note 4: With LCY is intended the evolution in the currency used by the Telecom Groups to report their financial results, not the performance on organic/ constant-currency basis

Source: Company reports, Etisalat International Strategy & Performance analysis
2019 was another positive year for the Group, with many key achievements that successfully translated our strategy & plans.

**Portfolio Related**

- Acquisition of *Tigo Chad* as part of MT Group.
- Record year in *Etisalat Misr* in terms of growth, supported by favorable FX movement.
- *PTCL Group* improving top line despite challenging conditions related to unfavorable FX movement and reinstatement of taxes.
- Enhanced *Synergy at Group level* in the areas of Wholesale and Procurement.

**Network Leadership**

- Enhancing of 4G and 3G coverage in all OpCos.
- Launch of 5G in UAE market.
- Launch of 8,200 KM of *submarine cable* to connect sub-Saharan subsidiaries of MT Group.
- UAE achieves the highest Global Household *Fiber* penetration.
- UAE recognized by Ookla® as the fastest *Mobile* network in the MENA Region, and the fastest *Fixed* broadband network in the Middle East, Africa & Arabian region (Etisalat ranked 2nd globally in mobile speed in Dec. 19).

**Digital Agenda**

- **Key wins** in the IoT, security, and cloud with key governmental and enterprise entities across all OpCos.
- Introduction of new *digital channels*, and enhancement of existing ones increased share of digital transactions in sales, recharges & payments, and care, mainly in UAE, KSA, and Pakistan markets.
- Launch of *e-Wallet* in UAE, the digital payment service, while registering growth in active users and transactions of Egypt and Pakistan mobile wallets (Egypt Cash and UPaisa).
- Acquisition of *Help AG* for cyber security solutions to enhance digital services portfolio.
- In FinTech, signing an agreement to create *UAE Trade Connect* platform to digitize trade in the UAE.
5G Commercial Launch in UAE stands out as a hallmark for Etisalat’s technological leadership and a key feat in 2019.
Etisalat was recognized by Ookla® as the fastest Mobile network in MENA, and the fastest Fixed broadband network in the Middle East, Africa & Arabian region.
We are the global leaders when it comes to fixed fiber network penetration for the 3rd consecutive year, hence enabling larger capacities, faster speeds, and diverse portfolio.

Source: IDATE for FTTH Council Europe, September 2018 Update (Announced on March 2019) covering economies with at least 200,000 households and greater than 1% household penetration - Percentage includes fiber to the curb.
Etisalat is the most valuable consumer brand in MEA for the 3rd consecutive year.

Source: Brand Finance Global 500, 2020
The Macroeconomic Environment Across the Footprint Offers both Opportunities to Exploit and Challenges to Mitigate

<table>
<thead>
<tr>
<th>Key Macro-Economic Drivers</th>
<th>Highlights</th>
</tr>
</thead>
</table>
| Economic outlook across our footprint is cautiously optimistic, against a backdrop of slowing global growth and heightened geo-political risks | • Overall population growth of ~2% across the footprint, mainly in tech-savvy youth and increased urbanization  
• Real GDP growth for 2020 is markedly different across the footprint ranging between 2.2% in KSA to 5.9% in Egypt  
• Forex devaluation uncertainties in Pakistan |
| ICT/Digital remains a pivotal element of our OpCo countries’ plans to boost economies | • ICT-driven transformative plans gaining scale and momentum e.g. Vision 2021 in UAE, Vision 2030 in KSA and Egypt |
| Oil price faces continued uncertainty along with several economic risks | • Softening global demand has pushed oil prices downwards  
• Brent oil average price is forecasted to drop in 2020  
• Global economic risks e.g. trade tensions |
| A range of sectors are set for growth | • Strong tourism growth expected across footprint driven in part by changes to VISA rules across a range of countries  
• Ongoing execution of infrastructural expansion projects across footprint e.g. Neom project in KSA and CPEC in Pakistan |

Source: Etisalat Corporate Strategy, IMF October 2019
CPEC stands for China Pakistan Economic Corridor
Several topics are expected to strongly evolve in the coming period, with varying implications on our industry & ecosystem.
Next Generation Connectivity

- 2020 will continue to witness accelerated 5G deployments across the globe, bringing faster data speeds and more reliable networks for Consumer & B2B devices, e.g. smart phones, tablets, wearables, smart home appliances, and IoT connectivity modems.

- By 2025, connectivity and traffic profiles will witness a large shift in virtue of 5G:
  - Mobile subscriptions will grow up to above 8.8 Billion (excluding cellular IoT).
  - 5G will account for over 20% of mobile subscriptions
  - 45% of global mobile data traffic will be carried by 5G networks

- 5G equipped devices will power data-intensive uses case in almost all industries, such as transportation, manufacturing, Smart City and others.

Source: Ericsson, GSMA
EB stands for Exabyte
By 2025, data monthly consumption will grow over 4 folds from 2019, with video accounting for over 76% of all mobile traffic.

Content consumption will change with the proliferation of immersive experience formats such as AR and 4K/8K, and multi sensory interfaces such as haptic wearables and smart speakers.

Growth in appetite for VoD is driving OCSs (Original Content Studios) and content aggregators to launch new platforms.

Competitive VoD market will open the door for advertising-subsidized packages to capture price-sensitive segments.

Source: Ericsson, Public Websites

EB stands for Exabyte
An expansion in use cases beyond Crypto-currencies and payments is expected.

Microsoft, Amazon, Samsung, IBM and many other vendors are democratizing Blockchain, with simplified ecosystem and BaaS (Blockchain as a Service) cloud platforms.

Gartner predicts Blockchain spectrum to mature around 2025.

Venture Capital investment in Blockchain reached $2.85 billion in 2018, an increase of 316% over 2017.

Worldwide spending on Blockchain solutions is forecast to reach $11.7 billion in 2022.

The business value added by Blockchain will surpass $176 billion by 2025 and $3.1 trillion by 2030.
**Autonomous Everything**

- Expansion of **autonomous use cases**: cars, taxis, drones, trucks and utility vehicles
- **Maturing ecosystem**, i.e. infrastructure and regulations
- Powered by Edge and Cloud computing
- Volumes of Autonomous Cars in specific will surpass 51,000 units in 2021 when personally owned autonomous cars reach individual buyers for the first time, and nearly 1 million units will be sold in 2025 across shared fleets and individually owned cars.”

---

**DUBAI’S AUTONOMOUS TRANSPORTATION STRATEGY**

**TRANSFORMING DUBAI TO AUTONOMOUS MODE BY 2030**

- 396 million increase in individual productivity hours (13%)  
- 900 million reduction in transportation costs per km (44%)  
- 1.5 billion reduction in environmental pollution (12%)  
- 18 billion increase in public transport efficiency ratio (20%)

---

**Autonomous Vehicle Sales by Region, 2020 - 2040 (000)**

- **AMERICAS**
- **EMEA**
- **APAC**

Source: IHS Markit, Public Sources
Moving forward, we will continue to push the implementation of our Group digital strategy “TARGET” across key priorities.

- **To Drive the Digital Future to Empower Societies**
- **Accelerate value generation through innovation & digitization**
- **Raise capabilities and develop talent across the Group**
- **Grow B2B/Digital across the footprint**
- **Expand portfolio in MENA and Knowledge Economies**
- **Transform Operating Companies into Strongholds**
For UAE, “NEXT” remains our guiding compass, which involves pursuing several other mission-critical focus areas.

~~Non-exhaustive~~

- **5G Roll-out & Network Modernization**
- **Digital Growth**
- **Supporting National Agenda**
- **Efficiency**
- **Digitalization**

*Accelerating Analytics, AI, and Automation tracks (AAA)*
Overall, Etisalat Group is determined to lead as a digital telco with enhanced efficiency, improved digitization and digital revenues as the key sustainable drivers for growth

- We are progressing steadily in delivering against our strategy, strategic objectives, and shareholders expectations.

- 2020 will witness larger focus on several priorities:
  - **Digital services revenue acceleration** for consumer & business as the key sustainable driver for growth.
  - Continued **growth and defense of core business** with strong focus on bundles, data, and recurring revenues.
  - **Efficiency enhancement** through streamlined and agile operations, the adoption of AI and RPA, predictive analytics and driving group wide synergy, which will support in mitigating the currency exposures in certain markets.
  - **Improved Digitization** through new and improved digital channels while stimulating adoption and usage, hence empowering customers and pushing self care while improving their experience.

- Sustaining our **technological leadership** and rolling out 5G network in UAE and selected markets is a main theme, infrastructure investments will continue at solid pace to support our digital transformation, support the delivery of business value and to enhance customer interactions.

- We will continue to invest in our **brand, talent and Group Family Culture** as key enablers for company growth.

- **Portfolio optimization** remain relevant, we will continue to pursue inorganic growth opportunities that meet our investment criteria.
Etisalat Group
Financial Results

Serkan Okandan
Chief Financial Officer
Etisalat Group
**Etisalat Group Financial Highlights**

<table>
<thead>
<tr>
<th>AED Million</th>
<th>Q4 2019</th>
<th>Growth YoY%</th>
<th>FY 2019</th>
<th>Growth YoY%</th>
<th>Growth YoY% Constant Exchange Rates</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>13,341</td>
<td>+2%</td>
<td>52,186</td>
<td>0%</td>
<td>+1%</td>
</tr>
<tr>
<td>EBITDA</td>
<td>6,277</td>
<td>+1%</td>
<td>26,370</td>
<td>+2%</td>
<td>+3%</td>
</tr>
<tr>
<td>EBITDA Margin</td>
<td>47%</td>
<td>-1pp</td>
<td>51%</td>
<td>+1pp</td>
<td>+1pp</td>
</tr>
<tr>
<td>Net Profit</td>
<td>1,963</td>
<td>-3%</td>
<td>8,693</td>
<td>+1%</td>
<td></td>
</tr>
<tr>
<td>Net Profit Margin</td>
<td>15%</td>
<td>-1pp</td>
<td>17%</td>
<td>0pp</td>
<td></td>
</tr>
<tr>
<td>Capex</td>
<td>4,014</td>
<td>+19%</td>
<td>8,895</td>
<td>+6%</td>
<td></td>
</tr>
<tr>
<td>Capex/Revenue</td>
<td>30%</td>
<td>+4pp</td>
<td>17%</td>
<td>+1pp</td>
<td></td>
</tr>
</tbody>
</table>

**Q4 2019 Highlights**

- Revenue decline Y/Y is attributed to unfavorable exchange rate movements in Pakistani Rupee and Moroccan Dirham, as well as reinstatement of tax on telecom services in Pakistan; Revenue grew in constant exchange rates by 3%
- EBITDA increase Y/Y is attributed to higher revenue
- EBITDA margin impacted by changes in revenue mix
- Net profit declined Y/Y impacted by one-off impairment charges
- Higher capital expenditure mainly attributed to the UAE operations.

**FY 2019 Highlights**

- Revenue decline Y/Y is attributed to unfavorable exchange rate movements in Pakistani Rupee and Moroccan Dirham, as well as reinstatement of tax on telecom services in Pakistan; Revenue grew in constant exchange rates by 1%
- EBITDA increase Y/Y is driven by lower termination and roaming costs, network costs, operating leases and general expenses
- Improvement in EBITDA margin
- Net profit increased Y/Y attributed to higher EBITDA, forex gain and higher net finance income
- Higher capital expenditure attributed to the UAE operations.
Etisalat Group Financial Highlights

Revenue Breakdown FY 2019 (AED m)
- MT: 25%
- UAE: 60%
- Pakistan: 6%
- Egypt: 7%
- Others: 2%

YOY Growth 0%

EBITDA Breakdown FY 2019 (AED m)
- MT: 27%
- UAE: 62%
- Pakistan: 4%
- Egypt: 5%
- Others: 1%

YOY Growth +2%
## Int’l Operations Financial Highlights FY 2019

### Revenue & EBITDA (AED m) / EBITDA Margin (%) / YoY Growth %

<table>
<thead>
<tr>
<th></th>
<th>FY 2019</th>
<th>Growth in AED</th>
<th>Growth in MAD</th>
</tr>
</thead>
<tbody>
<tr>
<td>MT Group</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue</td>
<td>13,221</td>
<td>-1%</td>
<td>+1%</td>
</tr>
<tr>
<td>EBITDA</td>
<td>7,214</td>
<td>+3%</td>
<td>+6%</td>
</tr>
<tr>
<td>EBITDA Margin</td>
<td>55%</td>
<td>+2pp</td>
<td>+2pp</td>
</tr>
<tr>
<td>Egypt</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue</td>
<td>3,430</td>
<td>+22%</td>
<td>+15%</td>
</tr>
<tr>
<td>EBITDA</td>
<td>1,354</td>
<td>+17%</td>
<td>+10%</td>
</tr>
<tr>
<td>EBITDA Margin</td>
<td>39%</td>
<td>-2pp</td>
<td>-2pp</td>
</tr>
<tr>
<td>Pakistan</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue</td>
<td>3,178</td>
<td>-17%</td>
<td>+2%</td>
</tr>
<tr>
<td>EBITDA</td>
<td>1,017</td>
<td>-19%</td>
<td>0%</td>
</tr>
<tr>
<td>EBITDA Margin</td>
<td>32%</td>
<td>-1pp</td>
<td>-1pp</td>
</tr>
</tbody>
</table>

### Revenue (AED m) / EBITDA (AED m) / EBITDA Margin (%)

- **FY 2019**: Revenue 13,221 AED, EBITDA 7,214 AED, EBITDA Margin 55%.
- **Growth**: Revenue in AED -1%, EBITDA +3%, EBITDA Margin +2pp.

### Charts

- **MT Group Growth**:
  - FY'17: Revenue 19,979 AED, EBITDA 9,067 AED, EBITDA Margin 45%.
  - FY'18: Revenue 20,694 AED, EBITDA 9,540 AED, EBITDA Margin 46%.
  - FY'19: Revenue 20,394 AED, EBITDA 9,736 AED, EBITDA Margin 48%.

- **Egypt Growth**:
  - FY'17: Revenue 3,430 AED, EBITDA 9,067 AED, EBITDA Margin 45%.
  - FY'18: Revenue 3,430 AED, EBITDA 9,540 AED, EBITDA Margin 46%.
  - FY'19: Revenue 3,430 AED, EBITDA 9,736 AED, EBITDA Margin 48%.

- **Pakistan Growth**:
  - FY'17: Revenue 3,178 AED, EBITDA 1,017 AED, EBITDA Margin 32%.
  - FY'18: Revenue 3,178 AED, EBITDA 1,017 AED, EBITDA Margin 32%.
  - FY'19: Revenue 3,178 AED, EBITDA 1,017 AED, EBITDA Margin 32%.
In FY’19 consolidated Y/Y revenue was stable attributed to unfavourable currency impact. In constant currency revenue grew Y/Y by 1%

• Growth in the UAE impacted by mobile prepaid segment and handset sales; However, it maintained strong performance in the fixed internet, TV, digital services and wholesale segment.

• Revenues from international consolidated operations decreased by 1%, resulting in 39% contribution to Group revenues:
  — Revenue growth in MT Group negatively impacted by currency and performance of International operations while benefited from the consolidation of Tigo Chad
  — Revenue growth in Egypt mainly attributed to strong growth in mobile broadband
  — Revenue growth in Pakistan negatively impacted by currency devaluation and slower growth in mobile segment
Group EBITDA

**EBITDA (AED m) & YoY Growth (%)**

<table>
<thead>
<tr>
<th></th>
<th>FY'18</th>
<th>FY'19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q4'18</td>
<td>6,222</td>
<td>6,754</td>
</tr>
<tr>
<td>Q3'19</td>
<td>6,754</td>
<td>6,277</td>
</tr>
<tr>
<td>Q4'19</td>
<td>6,277</td>
<td></td>
</tr>
<tr>
<td>FY'18</td>
<td>25,880</td>
<td></td>
</tr>
<tr>
<td>FY'19</td>
<td>26,370</td>
<td></td>
</tr>
</tbody>
</table>

- EBITDA Margin: 48% (Q4'18), 52% (Q3'19), 47% (Q4'19), 49% (FY'18), 51% (FY'19)
- Constant Cu Y/Y % growth:
  - Q4'18: -1% to +3%
  - Q3'19: +1% to +2%
  - FY'18: +2% to +1%

**EBITDA by Cluster (FY 2019)**

- Domestic vs. Int’l
- International

<table>
<thead>
<tr>
<th></th>
<th>FY'18</th>
<th>UAE</th>
<th>MT Group</th>
<th>Egypt</th>
<th>Pakistan</th>
<th>Others</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY'18</td>
<td>6,222</td>
<td>6,754</td>
<td>6,277</td>
<td>217</td>
<td>233</td>
<td>90</td>
</tr>
<tr>
<td>FY'19</td>
<td>6,754</td>
<td>6,277</td>
<td>6,277</td>
<td>242</td>
<td>90</td>
<td>26,370</td>
</tr>
</tbody>
</table>

**Sources of EBITDA Growth - FY 2019 vs FY 2018 (AED)**

- In FY'19 consolidated EBITDA increased Y/Y by 2%; in constant currency EBITDA increased Y/Y by 3%.
- EBITDA in the UAE positively impacted by higher revenue, lower cost of sales and adoption of IFRS 16.
- EBITDA of consolidated international operations increased Y/Y by 2%, resulting in 37% contribution to Group EBITDA:
  - Positive contribution from Maroc Telecom Group attributed to performance of both domestic and international operations
  - Positive contribution from Egypt due to higher revenues
  - Negative contribution from Pakistan impacted by currency devaluation and lower revenue

**Highlights**
**Group Capex**

**Capex (AED m) & Capex/ Revenue Ratio (%)**

- Q4'18: 3,363 (26%)
- Q3'19: 1,853 (14%)
- Q4'19: 4,014 (30%)
- FY'18: 8,379 (16%)
- FY'19: 8,895 (17%)

**Capex by Cluster (FY 2019)**

- **Domestic vs. Int’l**
  - UAE: 50%
  - Int’l: 50%

<table>
<thead>
<tr>
<th>Cluster</th>
<th>FY'18</th>
<th>UAE</th>
<th>MT Group</th>
<th>Egypt</th>
<th>Pakistan</th>
<th>Others</th>
<th>FY'19</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY'18</td>
<td>8,379</td>
<td>662</td>
<td>0</td>
<td>82</td>
<td>161</td>
<td>67</td>
<td>8,895</td>
</tr>
</tbody>
</table>

**Sources of Capex Growth - FY 2019 vs FY 2018 (AED)**

- In FY’19 consolidated capex increased Y/Y by 6% resulting in a Capex / Revenue ratio of 17%
- Higher capital spend in the UAE focused on deployment of 5G network, investment in data centres and network modernization
- Capital expenditure in international operations was stable Y/Y and contributed 50% to consolidated Group Capex:
  - Higher capex spend in local currency in MT Group attributed to the operations in Morocco
  - Higher capex in Egypt with focus on 4G deployment
  - Higher capex spend in Pakistan in local currency focused on completion of the fixed network modernization and mobile network enhancement
## Group Balance Sheet & Cash Flows

### Balance Sheet (AED m)

<table>
<thead>
<tr>
<th></th>
<th>Dec-18</th>
<th>Dec-19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash &amp; bank Balances</td>
<td>28,361</td>
<td>29,657</td>
</tr>
<tr>
<td>Total Assets</td>
<td>125,243</td>
<td>128,266</td>
</tr>
<tr>
<td>Total Debt</td>
<td>23,526</td>
<td>23,889</td>
</tr>
<tr>
<td>Net Cash / (Debt)</td>
<td>4,835</td>
<td>5,768</td>
</tr>
<tr>
<td>Total Equity</td>
<td>57,245</td>
<td>57,767</td>
</tr>
</tbody>
</table>

### Cash Flow (AED m)

<table>
<thead>
<tr>
<th></th>
<th>Dec-18</th>
<th>Dec-19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating</td>
<td>19,039</td>
<td>19,426</td>
</tr>
<tr>
<td>Investing</td>
<td>(7,764)</td>
<td>(8,603)</td>
</tr>
<tr>
<td>Financing</td>
<td>(10,122)</td>
<td>(9,678)</td>
</tr>
<tr>
<td>Net change in cash</td>
<td>1,154</td>
<td>1,145</td>
</tr>
<tr>
<td>Effect of FX rate changes</td>
<td>132</td>
<td>174</td>
</tr>
<tr>
<td>Reclassified as held for sales</td>
<td>(50)</td>
<td>(24)</td>
</tr>
<tr>
<td>Ending cash balance</td>
<td>28,361</td>
<td>29,657</td>
</tr>
</tbody>
</table>

### Investment Grade Credit Ratings

- **S&P Global**: AA- / Stable
- **Moody’s**: Aa3 / Stable

### Highlights

- Improved liquidity position with positive net cash position
- Slightly higher operating cash flow due to changes in working capital
- Higher investing cash flow attributed to higher network investment and 5G roll out.
- Lower financing cash outflow mainly attributed to higher proceeds from bank borrowings.

---

Note: Debt represents interest bearing debt i.e. bonds, banks borrowings, vendor financing and other financial obligations. It excludes lease obligations.
Debt Profile: Diversified Debt Portfolio

### Borrowings by Operation Q4 2019 (AED m)

- **Group**: 14,260
- **MT Group**: 6,607
- **Pakistan**: 1,813
- **Egypt**: 1,209

### Borrowings by Currency Q4 2019 (%)

- USD: 24%
- Euro: 41%
- MAD: 17%
- Others: 18%

### Debt by Source Q4 2019 (AED m)

- **Bonds**: 11,607
- **Bank Borrowings**: 11,309
- **Vendor Financing**: 424
- **Others**: 548

### Repayment Schedule Q4 2019 (AED m)

- **Within 1 Yr**: 6,524
- **1-2 Yrs**: 6,303
- **2-5 Yrs**: 5,848
- **Beyond 5 Yrs**: 5,214

Note: Debt represents interest bearing debt i.e. bonds, banks borrowings, vendor financing and other financial obligations. It excludes lease obligations.
Group Dividends: Proposed DPS of AED 80 Fils for FY 2019

<table>
<thead>
<tr>
<th>Cash Dividends (AED m)</th>
<th>Dividends Per Share (AED)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017: 6,954</td>
<td>2017: 0.8</td>
</tr>
<tr>
<td></td>
<td>2018: 0.8</td>
</tr>
<tr>
<td></td>
<td>2019: 0.8</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Dividends Yield (%)</th>
<th>Dividend Payout Ratio (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017: 4.5%</td>
<td>2017: 82.7%</td>
</tr>
<tr>
<td>2018: 4.8%</td>
<td>2018: 80.7%</td>
</tr>
<tr>
<td>2019: 5.0%</td>
<td>2019: 80.0%</td>
</tr>
</tbody>
</table>

Proposed final dividends of 40 Fils per share bringing the full year dividends to 80 Fils per share is subject to shareholders approval in the AGM scheduled for 24 March 2020

Note: (1) Dividend yield is based on share per price as of 21 August 2019 and 9 February 2020
COUNTRY BY COUNTRY FINANCIAL REVIEW
UAE: Maintaining Profitability Margins While Investing in New Technologies

**Revenue (AED m) / YoY Growth (%)**

<table>
<thead>
<tr>
<th></th>
<th>Q4'18</th>
<th>Q3'19</th>
<th>Q4'19</th>
<th>FY'18</th>
<th>FY'19</th>
</tr>
</thead>
<tbody>
<tr>
<td>YoY growth %</td>
<td>-2%</td>
<td>-1%</td>
<td>2%</td>
<td>1%</td>
<td>0%</td>
</tr>
</tbody>
</table>

**EBITDA (AED m) / EBITDA Margin (%)**

<table>
<thead>
<tr>
<th></th>
<th>Q4'18</th>
<th>Q3'19</th>
<th>Q4'19</th>
<th>FY'18</th>
<th>FY'19</th>
</tr>
</thead>
<tbody>
<tr>
<td>EBITDA %</td>
<td>49%</td>
<td>54%</td>
<td>48%</td>
<td>52%</td>
<td>52%</td>
</tr>
</tbody>
</table>

**Net Profit (AED m) / Profit Margin (%)**

<table>
<thead>
<tr>
<th></th>
<th>Q4'18</th>
<th>Q3'19</th>
<th>Q4'19</th>
<th>FY'18</th>
<th>FY'19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Margin %</td>
<td>24%</td>
<td>27%</td>
<td>24%</td>
<td>26%</td>
<td>27%</td>
</tr>
</tbody>
</table>

**CAPEX (AED m) & CAPEX / Revenue Ratio (%)**

<table>
<thead>
<tr>
<th></th>
<th>Q4'18</th>
<th>Q3'19</th>
<th>Q4'19</th>
<th>FY'18</th>
<th>FY'19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capex/Revenue</td>
<td>22%</td>
<td>11%</td>
<td>12%</td>
<td>14%</td>
<td>14%</td>
</tr>
</tbody>
</table>
UAE: Revenue Breakdown and Key KPI's

**Mobile Revenues**
- **Q4’18**: 3,156 (−5% YoY)
- **Q3’19**: 3,069 (−3% YoY)
- **Q4’19**: 3,091 (−2% YoY)
- **FY’18**: 12,654 (AED m)
- **FY’19**: 12,307 (AED m)

**Fixed Revenues**
- **Q4’18**: 2,844 (4% YoY)
- **Q3’19**: 2,772 (−2% YoY)
- **Q4’19**: 2,854 (0% YoY)
- **FY’18**: 11,252 (AED m)
- **FY’19**: 11,315 (AED m)

**Other Revenues**
- **Q4’18**: 1,907 (−6% YoY)
- **Q3’19**: 1,866 (3% YoY)
- **Q4’19**: 2,110 (11% YoY)
- **FY’18**: 7,475 (AED m)
- **FY’19**: 7,844 (AED m)

**Mobile Subs**
- **Q4’18**: 98
- **Q3’19**: 97
- **Q4’19**: 97

**Fixed Broadband Subs**
- **Q4’18**: 511
- **Q3’19**: 518
- **Q4’19**: 504

---

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. Other 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.
Maroc Telecom: Expanding International Footprint
Morocco, Benin, Burkina Faso, CAR, CDI, Chad, Gabon, Mali, Mauritania, Niger & Togo

### Subscribers (m)

<table>
<thead>
<tr>
<th></th>
<th>Q4’18</th>
<th>Q3’19</th>
<th>Q4’19</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>60.7</td>
<td>67.6</td>
<td>67.5</td>
</tr>
</tbody>
</table>

### Revenue (AED m) / EBITDA Margin (%)

<table>
<thead>
<tr>
<th></th>
<th>Q4’18</th>
<th>Q3’19</th>
<th>Q4’19</th>
<th>FY’18</th>
<th>FY’19</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>52%</td>
<td>56%</td>
<td>52%</td>
<td>52%</td>
<td>55%</td>
</tr>
</tbody>
</table>

|       | 3,261 | 3,422 | 3,319 | 13,390 | 13,221 |

### CAPEX (AED m) & CAPEX/Revenue Ratio (%)

<table>
<thead>
<tr>
<th></th>
<th>Q4’18</th>
<th>Q3’19</th>
<th>Q4’19</th>
<th>FY’18</th>
<th>FY’19</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>23%</td>
<td>15%</td>
<td>25%</td>
<td>19%</td>
<td>20%</td>
</tr>
</tbody>
</table>

|       | 764   | 526   | 830   |       |       |

### Revenue Breakdown (FY 2019)

- **Domestic vs. Int’l**
  - **Morocco** 57%
  - **Int’l** 43%

### Capex Breakdown (FY 2019)

- **Domestic vs. Int’l**
  - **Morocco** 45%
  - **Int’l** 55%

- **New subsidiaries** 33%
  - **Historical subsidiaries** 67%
Egypt: Strong revenue growth and profitability

### Highlights

- Regulatory restrictions continue to negatively impact customer acquisitions
- Y/Y revenue growth across all segments
- Y/Y EBITDA growth with improvement in margin attributed to higher revenue and one-off settlement with other MNOs
- Capital spending increased and focused on 4G deployment and enhancement of network capacity
Pakistan: Maintained subscriber growth and revenue growth in local currency

<table>
<thead>
<tr>
<th>Subscribers (m)</th>
<th>Revenue (AED m) / EBITDA Margin (%)</th>
<th>CAPEX (AED m) &amp; CAPEX/Revenue Ratio (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q4'18 24.2</td>
<td>Q4'18 31% 903 11% 11%</td>
<td>Q4'18 61% 552 11%</td>
</tr>
<tr>
<td>Q3'19 25.2</td>
<td>Q3'19 30% 732 -25% -25%</td>
<td>Q3'19 41% 302 -19% -19%</td>
</tr>
<tr>
<td>Q4'19 25.9</td>
<td>Q4'19 27% 746 -19% -19%</td>
<td>Q4'19 48% 361 -7% -7%</td>
</tr>
<tr>
<td></td>
<td>FY'18 33% 3,849 -7% -7%</td>
<td>FY'18 30% 1,142 -18% -18%</td>
</tr>
<tr>
<td></td>
<td>FY'19 32% 3,178</td>
<td>FY'19 31% 981</td>
</tr>
</tbody>
</table>

Revenue Breakdown (FY 2019)

- PTCL 52%  
- Ufone 43%  
- Ubank 5%

USD / PKR FX Rate (PKR)

- Q4'18 138.9  
- Q3'19 156.4  
- Q4'19 154.9  
- FY'18 138.9  
- FY'19 154.9  

- YOY +11.5%  
- YOY +22.7%  

EoP: Average
### 2019 Actual Guidance: Met most of 2019 guidance

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue Growth %</td>
<td>Slightly lower</td>
<td>Around -1.0%</td>
<td>-0.4%</td>
</tr>
<tr>
<td>EBITDA Margin%</td>
<td>48% - 49%</td>
<td>50% - 51%</td>
<td>50.5%</td>
</tr>
<tr>
<td>EPS (AED)</td>
<td>0.99 - 1.02</td>
<td>1.00 - 1.02</td>
<td>1.00</td>
</tr>
<tr>
<td>CAPEX / Revenue %</td>
<td>18% - 19%</td>
<td>15% - 16%</td>
<td>17.0%</td>
</tr>
</tbody>
</table>
# 2020 Guidance: Investing in the future

<table>
<thead>
<tr>
<th>Financial KPI</th>
<th>Actual 2019 in AED</th>
<th>Guidance 2020 in AED</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue Growth %</td>
<td>-0.4%</td>
<td>Around -1%</td>
</tr>
<tr>
<td>EBITDA Margin%</td>
<td>50.5%</td>
<td>48% - 49%</td>
</tr>
<tr>
<td>EPS (1) (AED)</td>
<td>1.00</td>
<td>1.00 - 1.02</td>
</tr>
<tr>
<td>CAPEX / Revenue %</td>
<td>17.0%</td>
<td>18% - 19%</td>
</tr>
</tbody>
</table>

(1) EPS guidance excludes the impact of a potential share buyback
Hatem Dowidar

Chief Executive Officer
Etisalat International
International portfolio of 15 countries .... Etisalat is #1 or #2 in value share in most of the portfolio markets

<table>
<thead>
<tr>
<th>Country</th>
<th>Value Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>Niger</td>
<td>#1</td>
</tr>
<tr>
<td>Central African Republic</td>
<td>#3</td>
</tr>
<tr>
<td>Gabon</td>
<td>#2</td>
</tr>
<tr>
<td>Togo</td>
<td>#3</td>
</tr>
<tr>
<td>Cote d'Ivoire</td>
<td>#1</td>
</tr>
<tr>
<td>Saudi Arabia</td>
<td></td>
</tr>
<tr>
<td>Pakistan</td>
<td>#2/4</td>
</tr>
<tr>
<td>Afghanistan</td>
<td>#3</td>
</tr>
<tr>
<td>Morocco</td>
<td></td>
</tr>
<tr>
<td>Mauritania</td>
<td>#1</td>
</tr>
<tr>
<td>Mali</td>
<td></td>
</tr>
<tr>
<td>Niger</td>
<td></td>
</tr>
<tr>
<td>Togo</td>
<td></td>
</tr>
<tr>
<td>Chad</td>
<td>#1 or #2</td>
</tr>
<tr>
<td>Egypt</td>
<td>#3</td>
</tr>
<tr>
<td>Saudi Arabia</td>
<td></td>
</tr>
<tr>
<td>Pakistan</td>
<td>#3</td>
</tr>
<tr>
<td>Cote d'Ivoire</td>
<td></td>
</tr>
<tr>
<td>Moroccan Sahara</td>
<td></td>
</tr>
<tr>
<td>Mali</td>
<td></td>
</tr>
<tr>
<td>Niger</td>
<td></td>
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<tr>
<td>Togo</td>
<td></td>
</tr>
<tr>
<td>Chad</td>
<td></td>
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<tr>
<td>Egypt</td>
<td></td>
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<tr>
<td>Saudi Arabia</td>
<td></td>
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<tr>
<td>Pakistan</td>
<td></td>
</tr>
<tr>
<td>Cote d'Ivoire</td>
<td></td>
</tr>
<tr>
<td>Moroccan Sahara</td>
<td></td>
</tr>
<tr>
<td>Mali</td>
<td></td>
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<tr>
<td>Niger</td>
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<tr>
<td>Togo</td>
<td></td>
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<tr>
<td>Chad</td>
<td></td>
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<tr>
<td>Egypt</td>
<td></td>
</tr>
<tr>
<td>Saudi Arabia</td>
<td></td>
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<tr>
<td>Pakistan</td>
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<tr>
<td>Cote d'Ivoire</td>
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<tr>
<td>Moroccan Sahara</td>
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<td>Mali</td>
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<td>Togo</td>
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<td>Chad</td>
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<tr>
<td>Egypt</td>
<td></td>
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<tr>
<td>Saudi Arabia</td>
<td></td>
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<tr>
<td>Pakistan</td>
<td></td>
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<tr>
<td>Cote d'Ivoire</td>
<td></td>
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<tr>
<td>Moroccan Sahara</td>
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<td>Mali</td>
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<td>Niger</td>
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<tr>
<td>Togo</td>
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<td>Chad</td>
<td></td>
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<tr>
<td>Egypt</td>
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<tr>
<td>Saudi Arabia</td>
<td></td>
</tr>
<tr>
<td>Pakistan</td>
<td></td>
</tr>
<tr>
<td>Cote d'Ivoire</td>
<td></td>
</tr>
</tbody>
</table>

Note 1: Egypt is #2/4 in mobile market and #3/4 considering fixed and wholesale; Pakistan is #2/4 considering total market.
On its own, from a revenue perspective, Etisalat Int’l (aggregated) is already larger than many key Telecom Groups in MENA

- **Leading** (>12bn USD revenues)
  - STC
  - Singtel

- **Strong** (8 to 12bn USD revenues)
  - VEON
  - MTN
  - International aggregated

- **Challengers** (<8bn USD revenues)
  - Vodacom
  - Zain
  - Axiata

Note 1: Including Mobily (KSA), which is an associate and therefore not consolidated into Etisalat Group P&L

Source: Selected Telecom Group Investor relations, Etisalat Group Investor relations, Etisalat International S&P Analysis
At aggregated level, contribution of Int’l portfolio to Etisalat Group is steadily above 50% despite FX devaluation and exiting subscale markets

**Etisalat International revenues contribution (%)**

- **Aggregated 1)**
- **Consolidated**

<table>
<thead>
<tr>
<th>Year</th>
<th>Aggregated</th>
<th>Consolidated</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>53%</td>
<td>42%</td>
</tr>
<tr>
<td>2017</td>
<td>51%</td>
<td>40%</td>
</tr>
<tr>
<td>2018</td>
<td>51%</td>
<td>40%</td>
</tr>
<tr>
<td>2019</td>
<td>51%</td>
<td>39%</td>
</tr>
</tbody>
</table>


- **Significant growth in all 4 strongholds - MT Group, Mobily, Etisalat Misr and PTCL - reflected only at aggregated level**
- **Contribution impacted by EGP (end-2016) and PKR (2019) devaluation**

*Note 1: Including Mobily (KSA), which is an associate and therefore not consolidated into Etisalat Group P&L*

*Source: Etisalat Group Investor relations, Etisalat International S&P Analysis*
Etisalat Int’l continue to deliver strong performance and is a key contributor for Etisalat Group profitable growth

<table>
<thead>
<tr>
<th>Revenues (AED bn)</th>
<th>EBITDA (AED bn, %)</th>
<th>OFCF Proxy (AED bn, %)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Etisalat International aggregated perspective</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>31.1</td>
<td>32.3</td>
<td>33.6</td>
</tr>
</tbody>
</table>

Note 1: Including Mobily (KSA), which is an associate and therefore not consolidated into Etisalat Group P&L
Source: Etisalat Group Investor relations, Etisalat International SGP Analysis
Double digit growth for challengers in KSA and Egypt, incumbents in Morocco and Pakistan defending market leadership but hit by one offs

Leadership position
Revenues: 36.5 bn MAD (+1% YoY)
EBITDA: 19.9 bn MAD (+6% YoY), 54% margin
Net Profit: 2.7 bn MAD (-55% YoY), 7.5% margin

Strong challenger, accelerating turnaround
Revenues: 13.4 bn SAR (+13% YoY)
EBITDA: 4.9 bn SAR (+9% YoY), 37% margin
Net Profit: 33m SAR, (from 123m Net losses in 2018), 0.2% margin

Profitable challenger
Revenues: 15.7 bn EGP (+15% YoY)
EBITDA: 6.2 bn EGP (+10% YoY), 40% margin
Net Profit: 1.2 bn EGP (+30% YoY), 12% margin

Incumbent, profitable integrated player
Revenues: 129.5 bn PKR (+2% YoY)
EBITDA: 41.4 bn PRK (+0% YoY), 32% margin
Net Profit: 2.4 bn PKR (-58% YoY), 2% margin

Note 1: Egypt is #2/4 in mobile market and #3/4 considering fixed and wholesale; Pakistan is #2/4 considering total market
Note 2: Negatively impacted by unfavorable FX movement and resulting high inflation
Note 3: Negatively impacted by Regulatory fine in Morocco
Source: Etisalat Group Investor relations, Etisalat International S&P Analysis
### Maroc Telecom growth story driven by appetite for Data in Morocco and West Africa subsidiaries

**Revenues YoY evolution**

<table>
<thead>
<tr>
<th>Year</th>
<th>Morocco</th>
<th>MT Group</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>-3.6%</td>
<td>-0.8%</td>
</tr>
<tr>
<td>2018</td>
<td>4.6%</td>
<td>3.0%</td>
</tr>
<tr>
<td>2019</td>
<td>1.3%</td>
<td>1.3%</td>
</tr>
</tbody>
</table>

- **Strong bet on 4G spectrum and fixed Network enhancement**
- **Investment in 3G and 4G license (Benin & Niger)**
- **Upgrade of access and transmission network to support Data and Voice growth (CDI)**
- **Expansion of the 4G network to 99% of overall sites along with investment in transmission backbone**
- **4G in Togo, Mali**
- **Moroccan operations continue to grow, lifted by steady increase of Data users and FTTH coverage**
- **Acquisition of Tigo Chad**
- **Global mobile license to Onatel (Burkina Faso) and launch of 4G**

**Source:** Etisalat Group Investor relations, Etisalat International SGP Analysis
Mobily turnaround completed and now unlocking growth opportunity in Saudi market

- Revenue growth QoQ
- Revenue growth YoY

<table>
<thead>
<tr>
<th>EBITDA Margin</th>
<th>Q1 17</th>
<th>Q2 17</th>
<th>Q3 17</th>
<th>Q4 17</th>
<th>Q1 18</th>
<th>Q2 18</th>
<th>Q3 18</th>
<th>Q4 18</th>
<th>Q1 19</th>
<th>Q2 19</th>
<th>Q3 19</th>
<th>Q4 19</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>33%</td>
<td>32%</td>
<td>32%</td>
<td>32%</td>
<td>37%</td>
<td>37%</td>
<td>37%</td>
<td>42%</td>
<td>40%</td>
<td>37%</td>
<td>38%</td>
<td>33%</td>
</tr>
</tbody>
</table>

RISE Strategy implemented
New Management in place
New Strategy to unlock growth potential

Turnaround Strategy anchored

Source: Etisalat Group Investor relations, Etisalat International S&P Analysis
Etisalat Misr is maintaining strong growth while investing in network infrastructure.

Revenues evolution – USD Million

- 2016: 1,108
- 2017: 683
- 2018: 771
- 2019: 942

EGP devaluation:
- 2016: -19
- 2017: 60
- 2018: 79
- 2019: 110

Hyperinflation

4th mobile player

Strong appetite for Data, especially Mobile Internet

Source: Etisalat Group Investor relations, Etisalat International S&P Analysis
In Pakistan, PTCL Group is stabilizing fixed business while gaining momentum in mobile

- Investment in Fixed Network transformation delivering value
- Strong growth in Business segment

**FY Revenues YoY**

<table>
<thead>
<tr>
<th>Year</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>%</td>
<td>-7.1%</td>
<td>-5.7%</td>
<td>-2.3%</td>
<td>0.7%</td>
<td>0.4%</td>
</tr>
</tbody>
</table>

**90 Days Subs**

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Q4 18</th>
<th>Q1 19</th>
<th>Q2 19</th>
<th>Q3 19</th>
<th>Q4 19</th>
</tr>
</thead>
<tbody>
<tr>
<td>4G</td>
<td>14.0%</td>
<td>14.2%</td>
<td>14.2%</td>
<td>14.2%</td>
<td>14.2%</td>
</tr>
<tr>
<td>3G</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2G</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- Ufone continued its acquisition drive to cross 23m subs and edging up its market share
- Launch of LTE services in Q1 2019

Source: Etisalat Group Investor relations, Etisalat International SGP Analysis
Strong discipline in portfolio development

1. Consolidation & Divestments
   - Continue optimizing footprint via in-market consolidation, acquisition of licenses and spectrum and bolt-on acquisitions
   - Divestments now largely completed and not a focus area

2. Opportunistic expansion in new geographies
   - Screen potential opportunities within target geographies
   - Opportunities must meet investment criteria, and based on strict business and financial rationale

3. Enhance offering with bolt-on opportunities
   - Explore new business development, strategic partnerships and Joint Ventures in selected areas (including in UAE)
   - Focus on Digital
   - Increasing focus on financial services

Source: Etisalat International
Way forward

- Continue stronghold strategy reinforcing position in our key markets
- Leverage on new services (for example digital, mobile financial services) to create additional streams to complement core revenues
- Explore growth through inorganic acquisitions which meet our investment criteria

Source: Etisalat International
Our Vision – “Drive the Digital Future to Empower Societies”
Which involves a progressive evolution into a portfolio of Digital Telcos

- **CORE PGS**
- **Lifestyle and Business Bundles**
- **DIGITAL PGS**
- **Strong Portfolio of B2B & B2C Digital PGS**

- **NETWORK & IT**
- **Modern & Digital Network & Modular/Agile IT**

- **CUSTOMER EXPERIENCE**
- **Simple, Personalized & Digital First Experience**

- **SUPPORT OPERATIONS**
- **Digital, Efficient and Agile Operations**

- **TALENT & CULTURE**
- **Digital Ready Workforce**

Source: Etisalat Corporate Strategy
Strategic summary

1. **Etisalat Group Strategic Synopsis**: Focus on strategic priorities to continually transform OpCos into “Strongholds”

2. **Etisalat UAE Strategic Synopsis**: Defend the Core, Grow Digital and Transform into an Agile, Digital and Efficient Organization

Source: Etisalat Corporate Strategy
The Macro-economic environment across the Footprint offers both opportunities to exploit and challenges to mitigate.

**Global Economic Snapshot:**

The Global Economic outlook is classified as “Fragile” and expected to grow by 2.5% in 2020.

Further, Global outbreak of coronavirus has significantly increased economic uncertainty.

---

**2020 Real GDP growth across the footprint** is cautiously optimistic with a range of 2.2% in KSA\(^2\) to 5.9% in Egypt\(^2\), countered by forex uncertainty and downward oil price pressure.

**Ongoing execution of infrastructural expansion projects** across footprint e.g. Neom project in KSA and CPEC in Pakistan.

**The population across our footprint** is expected to grow by ~2% with growth in tech-savvy youth population and increased urbanization.

**ICT/Digital remains a pivotal element of our OpCo countries’ plans** to boost economies e.g. Vision 2030 of KSA and Vision 2030 in Egypt.

---

Source: (1) World Bank January 2020, (2) IMF October 2019, Etisalat Corporate Strategy
### Key Telco/ICT drivers across the Etisalat Group footprint

**Core Market Drivers**

- **Huge demand for high speed data**
  - Driven by increasing demand of high quality content, gaming, smartphone penetration, increasing penetration of social media apps and digital online solutions

- **Challenging regulatory & legal framework**
  - Such as setting New Policies and Obligations
  - Lack of spectrum availability
  - New fees & taxes

- **Highly competitive markets**
  - Intense price war from traditional players
  - Increasing adoption of OTT substitutes
  - New potential licenses e.g. MVNO, IoT etc.

**Digital Growth**

- **Growth in B2B and B2C digital**
  - Digital transformation of industries drives growth in ICT/Digital B2B
  - Media and financial services drives B2C digital services growth

**Key Enablers**

- **Diverse technology landscape**
  - Advanced markets are deploying 5G along with network cloudification
  - Others are in the process of 3G to 4G and copper to fiber migration
  - All need to digitally transform

- **Increasing digital customer interactions**
  - Growth in tech-savvy population and smartphone penetration drives digital customer interactions
  - Telcos are promoting digital channels to improve experience and efficiency

*Source: Etisalat Corporate Strategy*
We continue our focused execution of the Etisalat Group, TARGET Strategy...

**Etisalat Group Strategy: TARGET**

- **T**: To Drive the Digital Future to Empower Societies
- **A**: Accelerate value generation through innovation and digitization
- **R**: Raise capabilities and develop talent across the Group
- **G**: Grow B2B/Digital across the footprint
- **E**: Expand portfolio in MENA and knowledge economies
- **T**: Transform operating companies into strongholds

*Source: Etisalat Corporate Strategy*
...with our current strategic priorities focused on Growth and Efficiency

OpCo Specific
- Mobily Digital Transformation
- PTCL-Ufone Synergies
- MT Group: West Africa Submarine Cable Launch

Cross-Group
- Network Modernization: Mobily, PTCL & Ufone
- Commercial Proposition Revamp: Mobily & EA
- PTCL Customer Experience Management Program
- Mobily 5G Readiness

Efficiency-Focused Strategic Priorities
- Network Active Sharing Study and Execution
- Network Energy Savings Solutions
- Maximize Wholesale and Procurement Synergies/Savings
- Efficient Spectrum Re-farming

Growth-Focused Strategic Priorities
- CVM Center of excellence
- SME Growth Program
- B2B Digital/ICT Services Growth
- Consumer Digital Support to Develop: Digital Channels & MFS, Gaming, Content Growth

Source: Etisalat International Strategy
In UAE, the Macro-Economic outlook remains modest and Expo 2020 is expected to provide a boost

UAE Leadership has set a digitally fueled Vision and has introduced multiple initiatives to ensure Vision realization

Pressure on UAE Oil Sector: weaker global demand driving oil prices down

Brent oil average price is forecasted to drop to USD58/B in 2020

Uncertain economic conditions ultimately driving weaker household and private consumption

Private consumption dropped from ~50% of Real GDP in 2010 to ~30% in 2018

Modest population growth rate, with shift to lower income groups

Population growth estimated at 1.3% a year, with >70% population in very low and low income groups

Expo expected to provide a boost, due to increased levels of activity driving investment

Non-oil growth could pick up to around 3% percent in 2020, on the back of Expo 2020 and fiscal stimulus

Continuous Increase in Federal Budget

2% budget increase in 2020 Versus 2019

Source: Etisalat Corporate Strategy, World Bank, IMF, Emirates NBD, EIU, Euromonitor
We observe five major market drivers that are shaping the future UAE Telco/ICT landscape:

1. Voice under pressure, evolving regulatory environment and increasing OTT substitution

2. Continued price-based competition and increased open competition in ICT/Digital Sector driving pressure on growth and margins

3. New technologies (5G, AI, Big Data, RPA, Blockchain) are transformative and Open Innovation models (e.g. cross-industry co-creation) are changing the ecosystem

4. Consumers embracing ‘digital-first’ lifestyles, driving growth opportunities in content (e.g. video, music, gaming) and digital adjacencies (e.g. financial services)

5. Digital transformation of public and private sector driving growth opportunities in the ICT/Digital segment (e.g. IoT, Cloud, Security, Megaprojects)

Source: Etisalat Corporate Strategy
Etisalat UAE response - 2020+ Strategic Pillars of our NEXT Strategy...

1. **Nurture and Defend Core Business**

2. **Enhance and Grow Digital Lines & Place Bets in (X-Step) Selected Adjacencies**

3. **Transform into an Agile, Digital and Efficient Organization**
   - Network & IT
   - Customer Experience
   - Processes & Ways of Working
   - Talent Pool

Source: Etisalat Corporate Strategy
...executed via a portfolio of strategic priorities...

1. **Nurture and Defend Core Business**
   - Maximize growth in broadband with increasing focus on 5G
   - Maximize value and loyalty of customer base via AI-driven value management and rich segmentation
   - Mitigate cannibalization impact of OTT/VoIP through tailored offers and recurring revenue (Post/Prepaid)
   - Expand E2E managed services portfolio on top of our connectivity
   - Enrich SMB value proposition via bundling core services with digital

2. **Enhance and Grow Digital Lines & Place Bets in (X-Step) Adjacencies**
   - Expand Etisalat Digital (IOT, Cloud, Security & Megaprojects) via best fit organic and inorganic moves (e.g. HelpAG value extraction)
   - Scale up Consumer moves into adjacencies e.g. Smiles, Gaming, eWallet
   - Enrich TV/Video Value Proposition and Experience
   - Create Core and Digital Integrated Lifestyle and Business Bundles

3. **Transform into an Agile, Digital and Efficient Organization**
   - Create a programmable, secure Network powered by Big Data, Cloud, AI, 5G, Slicing and Edge
   - Deliver a simple, personalized, digital first (Care and Sales) experience
   - Transition to agile at scale and develop new operating models e.g. increased innovation focus
   - Re-imagine and digitize Processes via Big Data, AI and RPA
   - Continue to build digital talent pool via digital ways of learning

Source: Etisalat Corporate Strategy
...powered by sustained technology leadership

- First in Region to Launch 5G
- Leading Portfolio of Digital/ICT Platforms
- Scaling up Big Data, AI and RPA Deployed Use Cases
- Modular IT Architecture based on Micro-services and APIs
- Significant Levels of Network Virtualization
- Building State of the Art Data Centres and Hybrid Cloud
- Continued FTTX\(^1\) & 4G Global Leadership
- Fastest Mobile and Broadband Network in Region\(^2\)

Source: Etisalat Technology; (1) FTTH Council; (2) Ookla
Of note, going forward, we are in the process of digitizing all aspects of our network...
...while transitioning to a fully digital centric operations model

Digital Up-skilling & CoEs
- e.g. Data Scientists, AI Specialists, RPA, 5G

Agile Software Factory
- e.g. Innovation, MVP, SCRUM, Cross-functional Team working

Zero Touch Network
- e.g. Widespread BOTs, Visualization, Self-service, Machine Learning AI Models

Digital Platform Operations
- e.g. IoT CC, SOC, IPTV Ops

Digital-Centric Operations
- e.g. AAA (Analytics, AI, Automation)

Digital-Centric Operations
- e.g. auto-planning, auto provisioning, self healing, auto ticketing

Source: Etisalat Technology
We remain committed to our Vision – “Drive the Digital Future to Empower Societies”, which targets the progressive transformation of our portfolio into Digital-Telcos.

We continue the execution of our “TARGET” Strategy at Group level with priorities focused on driving both growth and efficiency.

Our “NEXT” Strategy execution within the UAE is continuing at apace with strong focus on defending the core, growing digital lines and transformation of the Company.

Source: Etisalat Corporate Strategy
Q&A

Thank You
Khaled ElKouly
Chief Consumer Officer
Etisalat UAE

Etisalat UAE Consumer
In the mobile segment, postpaid continued to be the driver of growth allowing us to lock-in a larger share of revenues

Performance of Mobile services

- Despite the less favorable macroeconomic context, postpaid subs continued to grow with a YoY rate of 8%, growing their share in the base and allowing us to gradually reshape the business structure and growth profile.
- The major driver of growth was ‘Freedom’ plans, which was further fueled by the launch of Freedom Unlimited and introduction of Roam Like Home.

Strategic Priorities

- Sustain focus on our segmented approach in the development of propositions as well as on upselling/migrating prepaid customers to bundles or postpaid, aimed at improving our business resiliency.
- Improve loyalty via retention excellence and augment personalization efforts to reach, via the deployment of AI, segment of ‘one’ level.

Source: Etisalat Consumer
In the home segment, we continued to register solid growth in terms of subscribers and enhance customers’ ARPU.

Performance of Fixed services

### Performance Highlights

- Continued to register a solid growth in terms of both subscribers and ARPU, driven by an ongoing push for packages with higher speeds and enriched content.
- In line with UAE’s leadership vision to reach a top position globally in terms of internet speeds, Etisalat increased the entry-level speeds reaching 250 Mbps.

### Strategic Priorities

- Continue to monetize superior connectivity and network via several marketing campaigns throughout the year.
- Expand our portfolio of OTT services in the Digital Entertainment space by enhancing our content availability & delivery as well as customer reach, through partnerships and development of own platforms.
In addition, Etisalat was officially recognized as having the region’s fastest mobile and broadband network and...

Fastest mobile and broadband network in the region

Source: Ookla benchmarks
...as the most valuable consumer brand in MENA for the 3rd consecutive year

Most Valuable Consumer Brand in MENA in 2020

Source: Brand Finance Global 500, 2020
On Mobile, we developed innovative propositions designed around the evolving needs of our segments

Commercial Highlights - Freedom Unlimited and Wasel Go

<table>
<thead>
<tr>
<th>Positioning of Consumer UAE mobile propositions</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Emirati</strong></td>
</tr>
<tr>
<td><strong>White Collars</strong></td>
</tr>
<tr>
<td><strong>Single Professionals</strong></td>
</tr>
<tr>
<td><strong>Blue Collars</strong></td>
</tr>
<tr>
<td><strong>Youth</strong></td>
</tr>
<tr>
<td><strong>Visitors</strong></td>
</tr>
</tbody>
</table>

**Freedom Unlimited**

Launched **Freedom Unlimited**, offering Freedom postpaid customers, for the first time in the UAE, unlimited local and international calls on select plans.

**WaselGo**

Introduced **WaselGo**, an all-new plan offering roll-over for the first time in UAE by giving customers the access to weekly bundles of minutes and data.

Source: Etisalat Consumer
We launched “Freedom Unlimited” offering for the first time in the UAE, unlimited local and international calling on select plans and...

Commercial Highlights - Freedom Unlimited

Source: Etisalat Consumer
...introduced “Roam Like Home”, enabling Freedom users to enjoy a seamless roaming experience by using their local allowances while travelling abroad

Commercial Highlights - Roam Like Home

Source: Etisalat Consumer
In line with our customer-centric approach, we also reinforced and launched various other propositions and promotions to complement our portfolio.

Commercial Highlights - Other Launches & Promotions

- **Data**
  - Non-Exhaustive
    - Non Stop Data
    - Super data blocks

- **IDD**
  - Non-Exhaustive
    - International voice calling plans

- **Roaming**
  - Non-Exhaustive
    - Weekly combo
    - Hajj pack

- **Special occasions**
  - Non-Exhaustive
    - National Day promotion
    - Ramadan Bonus campaign

Source: Etisalat Consumer
On eLife, we provided higher internet speeds to significantly more HHs, in line with UAE’s vision to reach a top position in terms of speeds and...
...kept expanding our portfolio to adjacent home services, aiming to tap into major customer lifestyle trends

Commercial Highlights – eLife Cloud Gaming and Home Protection

Source: Etisalat Consumer
On Devices, we launched the region’s first 5G-enabled device and introduced ‘Upgrade Anytime’, as we continued to expand our portfolio.

Commercial Highlights – Reinforcement of Etisalat’s position as operator of choice

5G-enabled devices
Non-exhaustive

- Launched the first 5G smartphone in the MENA region and kept enhancing our portfolio of 5G-enabled devices

Upgrade Anytime
Introduced one of the best upgrade programs in the world, allowing customers to enjoy a free upgrade to Apple’s new generation phones 90 days from the subscription date

Portfolio expansion
Non-exhaustive

Source: Etisalat Consumer
Beyond the core, we introduced eWallet, a new digital payment service regulated and licensed by the Central Bank of UAE

Commercial Highlights – eWallet

Etisalat established a joint venture with Noor bank, to offer e-wallet services, a new digital payment service regulated and licensed by the Central Bank of the UAE, aimed at empowering UAE customers with safe, convenient, and flexible payment solutions using a mobile device.

Source: Etisalat Consumer
Also, opened up Smiles for everyone in UAE and launched a new credit card in partnership with CBD, which contributed to strong growth in users, getting us close to the mark of 2 million

Commercial Highlights - Smiles

Registered Smiles unique users (in ‘000s)

<table>
<thead>
<tr>
<th></th>
<th>Dec’18</th>
<th>Dec’19</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1,522</td>
<td>1,981</td>
</tr>
</tbody>
</table>

+30%
In the digital front, the adoption of our digital touch points continued at great speeds and reflected on their contribution to total sales & recharges

Operational Highlights - Digital Channels

Monthly Active users (30 days active)

- Mobile App
- Website

Dec'18 | Dec'19
---|---

Source: Etisalat Consumer
In Customer Care, the enhancements in our products and complaint handling processes combined with our automation efforts, led to significant operational efficiencies.

Operational Highlights - Customer Care

Call volumes
(handled by 101 agents)

-34%

Dec’18
Dec’19

Registered Complaints
(monthly average in thousands)

-33%

Dec’18
Dec’19

Source: Etisalat Consumer
In Sales, as a response to the TRA’s new guidelines, we implemented an aggressive roll-out plan of over 250 permanent kiosks to mitigate the impact on sales operations.

Operational Highlights - Sales

Opening up of permanent kiosks across UAE

- Inside supermarket & labor camps
- Inside community centers
- Inside large shopping centers & malls

Source: Etisalat Consumer
...and continued to focus on driving cost efficiencies in Retail, while maintaining our excellent customer satisfaction ratings.

Operational Highlights - Retail

Waiting Time
(monthly average)

<table>
<thead>
<tr>
<th>Year</th>
<th>Waiting Time</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td></td>
</tr>
<tr>
<td>2019</td>
<td>+29%</td>
</tr>
</tbody>
</table>

Retail Satisfaction
(top-2-boxes)

<table>
<thead>
<tr>
<th>Year</th>
<th>Retail Satisfaction</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>&gt;90%</td>
</tr>
<tr>
<td>2019</td>
<td>&gt;90%</td>
</tr>
</tbody>
</table>

Source: Etisalat Consumer
Finally, all our efforts on multiple fronts further strengthened the relationship with our customers, as reflected in the TRI*M score.

Operational Highlights - TRI*M

![Graph showing TRI*M score comparison between 2018 and 2019]

TRI*M score
(index, average of period)

Source: Etisalat Consumer
Q&A

Thank You
Business segment context is defined by a high pressure on core services due to market saturation, Etisalat’s high market share and high average prices.

**UAE Economy**

- **GDP projections**: 1.4%, 1.6%, 2.5% for 2018, 2019, 2020.
- **SMBs Evolution**: 223 in 2018, 211 in 2019, -5%.

**Technology**

- **Fixed-Mobile substitution**
- **Platform players**: IBM, Oracle, AWS, Microsoft.

**Competition**

- **Telco player**: du
- **ICT / Digital players**: IBM, HP, Atos, Cisco, GBM, Accenture, MORO, EmirCom, Emitec, Comguard, Atos, Accenture, GBM.

**Our Positioning**

- **Overall Revenue share %**: 28%, 72%.

**Regulations UAE**

- **Mobile registration**
- **Price Cap**
- **Bitsrteam**

**Source**: Etisalat Business

* GDP projections for the UAE reviewed downwards by the IMF, Emirates NBD
** National program for SME in the UAE
In 2018 we updated our vision and strategy to evolve our business to become a relevant digital player in the market.

**Our Vision**

To be the **Digital Solutions platform for Government & Businesses in a Hyper-connected world**

**Our Strategy**

- **Platform**: Building Platforms
- **Power**: Power to the user
- **Process**: Smarter & More Intelligent
- **People**: Scalable Learning Environment

**Our Goals**

- **Growth CAGR**
  - 2017: 5%
  - 2020: (Graph)

- **Digital Contribution % of Total Business Revenue**
  - 2020: (Graph)

- **Digital Transformation Index**
  - 2018: +80p.p
  - 2020: (Graph)

- **Customer Satisfaction Trim**
  - 2018: >80
  - 2020: (Graph)

Source: Etisalat Business
While transforming our business, we have been able to grow leveraging on digital services and enhancing customer experience.

### ICT/Digital Contribution

- **2018**: Excellent performance
- **2019**: Significant growth

### Customer Experience (TRIM)

- **2018**: High satisfaction
- **2019**: Improved even further

### Revenue (AED M)

- **2018**: Stable growth
- **2019**: Further increase

**Source**: Etisalat Business
In Mobile, we have defended our market share building platforms to create customer stickiness and minimize price erosion.

**Portfolio Evolution: transit towards data tariffs**
- New Business Ultimate Superfast (Q1 2018)
- Business First
- Unlimited Voice

**Platforms to maximize loyalty**
- Mobile Hub
  - Company shared plans
  - 93% renewals without price erosion
  - 116 Contracts
  - 81K Lines
- Mobile Services Center
  - Increased visibility
  - Control over every mobile price plan
  - New recommendation engine

**Flexibility & Price Control**
- Pricing Office
  - Full control over customer offers
  - +12K offers reviewed per year
- Bespoke framework
  - +815 Bespokes completed
  - 2 days average implementation time

**Net MNP Evolution ('000)**
- Source: Etisalat Business

**Customer base Evolution**
- 2017
- 2019

**Source:** Etisalat Business
In SMB, we have protected our revenues by bundling our connectivity with additional services and creating an e2e cloud digital offering.
We continued evolving from managed connectivity to E2E managed services

E2E Managed Services

Managed Voice

WiFi

Managed Security

From Premises to Cloud

Performance

Total No. of Links ('000)

2015
2019

+5%

Revenue (AED - Bn)

2015
2019

+3%

Managed Links over total (%)

2015
2019

+30 pp

Managed Service Revenues over Total (%)

2015
2019

+9 pp

Source: Etisalat Business
Etisalat Digital has continued to be our engine of growth supporting our customers in their digital transformation journey.

### Best Digital Experts

<table>
<thead>
<tr>
<th>Expert Category</th>
<th>Count</th>
<th>Nationality Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>+400 Experts</td>
<td></td>
<td></td>
</tr>
<tr>
<td>25 Nationalities</td>
<td></td>
<td>30% Business 70%</td>
</tr>
</tbody>
</table>

- Industry Experts
- Designers
- Enter. & Digital Architects
- Data Scientists
- Dig. Engineers
- Project Management

### Advanced Digital Platforms

- 13 Data Centers
- E1Cloud
- Global Cyber Security Center
- Video Cloud AI
- IoT Platform
- Command & Control Centres

### Agile Service Models

- 24/7 Operations
- Proactive Monitoring
- Integrated & Customizable
- Flexible Business Models

### References

**Cumulative Total Contract Value**

+7Bn

Source: Etisalat Business
We have built an e2e value proposition with a balanced contribution from the different business line.
In Expo we continue building the fastest, smartest and most connected site on earth

**Site Readiness**

**Infrastructure**
- Two on site pops
- 600KM+ Telecom Fiber 80%
- Mobile Deployment 52%

**Cloud**
- Multicloud AWS/E1C
- # of Virtual Machines +900

**Applications**
- # of Expo Applications 93%
- Ticketing & Access Control 75%
- Command & Control center Integration 50%

Source: Etisalat Business
We have continued to deliver Hassantuk project, our smart fire alarm system across the UAE having installed more than 10K villas so far

Smart Fire Alarm System for 7 emirates

Source: Etisalat Business

Value Chain

Maintenance & Support (5 year Warranty)

Marketing & Customer Acquisition

Survey & Installation (nationwide workforce)

Monitoring & Verification (Fire Alarms)

Field Visits

Marketing

Online Portal & App

Retail center & Roadshows

Appointment Center

Field Visit

Signal Receiving Center

APIs

Fire Alarm Application

Command & Control Center

Field Visits

Customer Support
In 2019 we built our AI Video Cloud Platform and we were awarded by Dubai Police to deliver Dubai Safe City project (Oyoon).

Model for Modern Safe City

- Abandoned Objects
- Overcrowds
- Driving Behavior
- Wrong Way
- B&W Listing

Correlating Events

- Face Recognition
- Plate Recognition
- Behavior Analysis
- People Counting
- Heat Mapping

Running Advanced Analytics

- Gathering visual information

Oyoon Project

- Video Cloud Platform
- > 10,000 Cameras
- Analytics & Forensic Analysis
- Central Video Recording
- Managed Services & Connectivity

Additional Pipeline

- Touristic areas
- Airports
- Roads
- Public Transport
- Shopping Areas

Source: Etisalat Business
We have also secured our first smart district reference at JLT

**Scope**

- Water Quality Monitoring
- Smart Parking System
- District Unified Command & Control Center
- Environmental Monitoring
- Smart Lighting Control System
- Community Portal & App
- Smart Building Management System
- Waste Management
- Smart Kiosk & Public Wifi
- Smart District Platform

**Key facts**

- **5** Smart Buildings with +20,000 connectivity points
- **1,000** car slots under Smart Parking system
- **50** water quality and environmental monitoring sensors
- **800** Smart Lamps
- **5** Smart Kiosks
- **78** Waste Management bins

Source: Etisalat Business
This year, we have executed our first inorganic move with the acquisition of Help AG, a trusted security specialist company.

**Help AG**
- +100 Employees
- Portfolio

**Help AG/ED Value Chain**
- Strategic Consulting
- System Integration
- Network Security
- Managed Security
- Cyber Security
- OT Security
- Technical Support

**Existing ED**
**Reinforced ED/Help AG**
**New Capability Help AG**

**Benefits**
- Leading player and unlock additional value
- Speed
- Scale
- Skills
- Credentials

Source: Etisalat Business
We are investing in new sources of growth with the international expansion in KSA and launching UAE Trade connect

**Etisalat Digital KSA Office establishment and operational launch in Q2**

**Blockchain JV with 8 Banks**

8 Banks joined the UAE Trade Connect (UTC) platform in efforts to digitize trade in the UAE

**Opportunities in KSA**

- selat
- NEOM
- Qiddiya
- Ministry of Interior
- Saudi Aramco

**Security Operations with Help AG KSA**

Source: Etisalat Business
Through our #FutureNow program we have continued fostering innovation and we will be opening a second hub in Abu Dhabi.

**Co- Creation Lab**
- 31 Design Thinking Workshops
- 194 Service Concepts Created

**#FutureNow Calls**
- 17 Challenges Launched

**IoT Partnership Program**
- 20 IoT Companies Onboarded

**Open Innovation Center**
- +650 Visits since 2018

*Source: Etisalat Business*
We are executing our internal digital transformation around 6 pillars with the objective to become a digital division by 2021.

**1.** We are transforming our offering.

**2.** Expanding to digital channels.

**3.** Making our digital channels the preferred option for our customers.

**4.** We are also automating our internal processes.

**5.** Putting more intelligence into our sales.

**6.** Changing the way we work.

---

**Orders to be raised through Digital Channels**

- 2018: 6%
- 2021: 70%

**Digital payments Allocation**

- 2018: 25%
- 2021: 70%

**Reduction in call landing to agents**

- 2018: 0%
- 2021: 70%

---

Source: Etisalat Business

Aspirations
Conclusions and Way Forward

1. We are progressing in our transformation journey to become a digital telco.

2. We continue protecting our core services by adding value with new digital and managed services while delivering superior customer experience.

3. We are launching “Business Edge” as the best in class SMB platform to grow in this segment.

4. Etisalat Digital has consolidated as Etisalat’s engine of growth and we will accelerate further through geographic and inorganic moves.

Source: Etisalat Business
Thank You
# EM 2019 PERFORMANCE

Progressing steadily towards higher shareholders expectations by enhancing company value drivers

<table>
<thead>
<tr>
<th>Year</th>
<th>Revenue Growth</th>
<th>Net Profit Margin</th>
<th>Net Profit Growth</th>
<th>Consumer Growth</th>
<th>EBU Growth</th>
<th>Mobile Internet Revenue Growth</th>
<th>Mobile Internet Traffic Growth</th>
<th>ARPU Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>15%</td>
<td>14%</td>
<td>53%</td>
<td>16%</td>
<td>24%</td>
<td>50%</td>
<td>74%</td>
<td>17%</td>
</tr>
<tr>
<td></td>
<td>39.5%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- **2019**: 33% LOWER DEBT BALANCE Vs 2018
- INTERCONNECTION SETTLEMENT 10 YEARS OF LEGAL DISPUTES END
- GATED COMMUNITY LICENSES TRIPLE PLAY ACTIVATED

- #1 African Operator
- #1 Revenue Growth Rate vs. competition
- #1 App Rating
- #1 Network TRI*M
- #1 Retail TRI*M Q4-19
- #2 Overall NPS
Positive macroeconomic outlook despite manageable challenges

<table>
<thead>
<tr>
<th>NETWORK INVESTMENTS</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Frequent investments needed to cater for increasing data traffic and any new technology</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>DIGITIZATION</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Expanding on digital &amp; reinforcing operational efficiency</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>MARKET REGULATIONS &amp; COMPETITION</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Channel restrictions and state development tax on new lines; coupled by high competition &amp; (WE) sole control over infrastructure</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>ECONOMIC REFORMS</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Economic reforms and associated impact on expenditures</td>
<td></td>
</tr>
</tbody>
</table>

**GROWTH MOMENTUM**
- Egypt is #1 in Population among Arab countries (~51%<24 years)
- IMF expectation for real GDP to grow by 5.9% in ’20 vs. 5.6% in ’19

**POSITIVE INDICATORS**
- Egypt’s unemployment rate fell to 7.5% in Jun’ 2019 compared with 9.9% in Jun’18, recording the lowest figure since 1999
- The CBE monetary policy took down inflation from its highest of 33% in July 2017 to 7.1% in Dec 2019 (13.9% 2019 average)
- EGP/USD appreciated to 15.85 in Jan-20 vs.17.93 in Dec’18
- Interest rates fell by 450 basis points in 2019 (from 17.75% to 13.25%)

**INTERNATIONAL TESTIMONIAL**
- IMF completed the 5th and final review worth $2bn under the 3 years Extended Fund Facility (bringing total disbursements to $12bn)
- Egypt is the 5th fastest growing nation brand (49th in 2019 vs. 54th in 2018) as per Brand Finance’s list of the most valuable nation brands

**STABILITY AND MEGA PROJECTS**
- Fitch and Moody’s upgraded Egypt’s credit rating to B+ and B2 respectively with a stable outlook
- Egypt’s tourism revenues reached USD 12.57bn in 2019 recording a growth of 28.2% compared with 2018
- Egypt is undertaking various Mega projects signaling for political stability and allowing for many investment opportunities

**OUTLOOK IMF 2024**
- 2024: 6.0% REAL GDP 2019: 5.6%
- 2024: 7.0% INFLATION 2019: 13.9%
- 2024: 5.4% UNEMPLOYMENT 2019: 7.5%

**Egyptian Telecom industry landscape continues to offer promise and opportunity while posing challenges & risks to be managed**

### Market Attractiveness
STC signed an MOU to acquire **Vodafone’s** stake in **Vodafone Egypt** which reaffirms investors’ confidence in the Egyptian market.

### Mobile Market Growth
**Mobile** market sustains **strong growth (~14% in 2019)**\(^1\) **outpacing** overall GDP and many other industries.

### Youth
Egypt’s mass population of **youth** is one of the **main growth pillars** for telecom, **EM is the 1st operator** in Egypt to launch a full **digitally customizable tariff** gaining traction among youth.

### Digitization
**Digitization** became one of the main enablers & opportunities in the market. **EM** building its digital capabilities to **enhance** its **OpEx** and **CapEx structure**, while driving new **revenue streams**.

### LTE
**LTE significant** and **healthy traffic growth** in the market. **EM data traffic**\(^2\) **grew by 50%** in 2019.

### Enterprise
**Enterprise market growth** (**EM** EBU revenue grew by ~24% in 2019) supported by country’s mega projects. EM signed a new contract for New Capital smart control systems installation, & triple play services for Cairo Festival City.

### Adjacencies
**Opportunity** to export **ICT services**, business **process outsourcing**, microfinance, and **mobile money** services (EM Cash Wallet transactions and value increased by 112% & 131% respectively in 2019).

---

**Source:** 1 Estimate  2: EM data traffic incl. MI, ADSL, MBB, & NR
Over the past four years Etisalat Misr claimed & reinforced its market position by outpacing market growth.

**COMPETITION LANDSCAPE**

<table>
<thead>
<tr>
<th>Company</th>
<th>Revenue Growth</th>
<th>Revenue Growth 1</th>
<th>EBITDA Margin</th>
<th>MOBILE REVENUE 1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Etisalat Misr</td>
<td>15%</td>
<td>8%</td>
<td>26.1%</td>
<td>24.7%</td>
</tr>
<tr>
<td>Orange</td>
<td>8%</td>
<td>14.5%</td>
<td>29%</td>
<td>33%</td>
</tr>
<tr>
<td>Vodafone</td>
<td>14.5%</td>
<td>24.7%</td>
<td>44.4%</td>
<td>44.7%</td>
</tr>
<tr>
<td>WE</td>
<td>28%</td>
<td>39.5%</td>
<td>1.9%</td>
<td>2.7%</td>
</tr>
</tbody>
</table>

**Focusing on Customer Growth**
Focusing on Customer Growth through differentiated and digitized offerings, while concentrating on high value segment, and gated communities services.

**Aiming to accelerate digital development**
Aiming to accelerate digital development and provide innovative solutions and unmatched customer experience.

**Focusing on high value and data segments**
Focusing on high value and data segments, adopting more-for-more proposition approach, while adopting a Digital First approach driving structural cost reduction.

**Hammering on 1st national brand, 1st integrated operator**
Hammering on 1st national brand, 1st integrated operator (fixed & ADSL bundling) while directing spending towards systems and digital transformation.

Sources: Eni Financials | Vodafone & Orange release | Q4 estimated for WE 2019 | 2019 Q4 Vodafone EBITDA estimate | 2019 Orange EBITDA estimate
External environment effectively managed with favorable outcomes

Settlement of Interconnect Legal Disputes

Ending 10 years of interconnection tariff disputes

Results of this settlement process:
- A settlement agreement between EM & VF Egypt
- A settlement agreement between EM & OR Egypt
- Symmetrical interconnection termination rates for at least 5 yrs

Gated community license

Comprehensive Telecom Offering

License allowed EM to provide **Triple play services** in closed compounds, i.e. Cairo Festival City

Premium Telecommunications Services:
- Access networks infrastructure
- Network infrastructure sharing with other operators
- Fiber optics
- Internet
- Fixed line
- Video on Demand (VoD)
- Surveillance cameras
- Value added services (VAS)
**EM COMMERCIAL PERFORMANCE**

**Maintained our strong performance in consumer and enterprise segments while leading the way to digital transformation**

<table>
<thead>
<tr>
<th>Enablers</th>
<th>Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Consumer</strong></td>
<td></td>
</tr>
<tr>
<td>Increasing <strong>uptake</strong> of well positioned segmented market platforms contributing to robust growth</td>
<td></td>
</tr>
<tr>
<td><strong>Mass</strong></td>
<td><strong>High Value</strong></td>
</tr>
<tr>
<td>![Mass segmentation icon]</td>
<td>![High Value segmentation icon]</td>
</tr>
</tbody>
</table>

| **Enterprise** | |
| Enterprise sales transformation efforts along with distinct propositions accelerated growth year-on-year |
| • EBU segment showing an accelerated **growth** of 24% driven by SMB & connectivity |
| • Acquiring gated community license considered as a main pillar for EBU arm revenue growth |
| ![Enterprise segmentation icon] | ![Easy Business Choice logo] |

**16% CONSUMER REVENUE GROWTH**
Vs 10% last year

**24% EBU REVENUE GROWTH**

GSM, connectivity, solutions & mobile broadband all contribute to a remarkable EBU y-o-y revenue growth

Solutions revenue includes strategic themes, and gated communities
## EM Digital Performance

### Enablers

<table>
<thead>
<tr>
<th>Performance</th>
<th>Customer Experience</th>
<th>Operational Efficiency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Digital Touch points</td>
<td>Focused on building digital capabilities, phasing uptake &amp; extending digital across all platforms</td>
<td>Focused on implementing a company-wide digital transformation program, developing smart processes &amp; promoting efficient operations</td>
</tr>
<tr>
<td>Digital purchases</td>
<td></td>
<td>IT Digitized Operations</td>
</tr>
<tr>
<td>Digital CVM</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rich content</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Performance

<table>
<thead>
<tr>
<th>Customer Experience</th>
<th>Operational Efficiency</th>
</tr>
</thead>
<tbody>
<tr>
<td>My Etisalat App</td>
<td></td>
</tr>
<tr>
<td>Web dashboard</td>
<td></td>
</tr>
<tr>
<td>I-pipe self care</td>
<td></td>
</tr>
<tr>
<td>M-commerce &amp; e-shop</td>
<td></td>
</tr>
<tr>
<td>I-Pipe &amp; RTIM</td>
<td></td>
</tr>
<tr>
<td>Sports, Music &amp; Games</td>
<td></td>
</tr>
</tbody>
</table>

### Key Performance Indicators

- **Customer Experience**
  - Engaged customers, unique engaged base monthly, MN
  - Dec’19 vs Mar’19: +19%

- **Operational Efficiency**
  - Chat bot utilization: 72%
  - IVR Utilization: 71%
  - AHT reduction: 60%

- **IT Digitized Operations**
  - Digitization impact: ~EGP 0.5bn
  - Digitalization impact of ~EGP 0.5bn in revenues & cost savings

### Digitalization

- **Economic Digitization**
  - Performance
    - My Etisalat App
    - Web dashboard
    - I-pipe self care
  - Digital touch points
    - Digital CVM
    - Rich content
  - Performance
    - 71% UNIQUE DIGITAL USERS GROWTH '19 vs '18
    - 131% WALLET CASH GROWTH '19 vs '18
    - 64% REAL-TIME CVM campaigns online vs. offline
    - 8.5mn ETISALAT SPORTS BASE VS. 5.3MN IN DEC-18
    - 2.8mn SONGS 9 CONTENT PROVIDERS
    - 60% chat bot utilization
    - 72% AHT reduction

- **Customer Experience**
  - EM MOBILE APP
    - Best Rated Operator App
    - 4.6 vs 4.2
  - EM DIGITAL PERFORMANCE
    - Customer Care Productivity Boost via Digital
    - 81% OPEX/CAPEX SAVINGS IT VIRTUALIZATION USE CASE
    - Operates one of the most solid transactional IVRs in the region
    - Adopted WATSON Chabot system
    - RPA reduced global handling time & needed FTEs

- **Operational Efficiency**
  - 2.8mn SONGS 9 CONTENT PROVIDERS
  - 81% OPEX/CAPEX SAVINGS IT VIRTUALIZATION USE CASE
  - 71% IVR Utilization
  - 60% chat bot utilization
  - 72% AHT reduction

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  - 8.5mn ETISALAT SPORTS BASE VS. 5.3MN IN DEC-18
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- **Data**
  - 72% AHT reduction
  - 60% chat bot utilization
  - 81% OPEX/CAPEX SAVINGS IT VIRTUALIZATION USE CASE
  - 71% IVR Utilization
  - 2.8mn SONGS 9 CONTENT PROVIDERS

- **Global Impact**
  - Digitization impact of ~EGP 0.5bn in revenues & cost savings
**Network Performance**

- Total sites in 2019 > 7,500 sites
- Total expansions of 3G/4G reached 12,741 with growth of ~96% over 2018
- 4G Throughput reached ~18.2 MBPs

**Investment Appetite**

- In light of huge traffic growth, EM plans to invest ~EGP10 bn in the coming 3 years and keep upgrading network efficiency by investing in latest technologies to maintain service quality and customer satisfaction
**ENVIRONMENT**

Management focus on allocating efforts and appropriate resources to manage & interact effectively with external environment.

---

**BEYOND 2020**

---

**WIN CUSTOMER**

Continue the journey of propositions differentiation with 1st to market moves offering a progressive experience.

---

**SHAREHOLDERS**

Continue delivering value to shareholders despite challenging market conditions & increasing competition, focusing on cash flow & dividends.

---

**DIGITIZATION**

- Expanding on digital self service and digital core propositions & optimizing cost.
- Utilizing digital assets to actively play in content, E-commerce & M-commerce services.

---

**ADJACENCIES**

- Expand on enterprise mega projects & new services (IoT, Triple Play, fixed services, gated communities & financial services).

---
Q&A

Thank You
**Major Highlights | 2019 Key achievements**

- SEC awarded smart meter project to a consortium of Etihad Etisalat Co. (Mobily) and Al- Fanar Construction for the central and eastern parts of the Kingdom, The project will start on Dec. 19 and is expected to be completed by March 30, 2023
- Mobily successfully conducted 5G site tests in cooperation with Ericsson
- Signing and launch of the First Joint ICT Academy Agreement with Huawei
- Mobily and Ericsson signed an agreement to reinforce advanced IoT solutions and new generation Networks
- Signed a financing agreement with Alinma Bank to replace existing debt, and for general corporate purposes, including capital expenditure
- Signed a SAR 7.6 billion refinancing agreement with a group of Saudi Banks with the purpose of replacing the existing syndicate financing and reducing the cost of financing with better financing Terms and Conditions
“Empower the Digital Economy to Unlock Possibilities”

• Strong achievement in our financials KPI’s:
  o The highest annual revenue growth in the last 4 years.
  o The highest EBITDA level in the last 6 years.
  o The first annual net profit in the past 5 years.

• Steady growth of topline:
  o Growth in Data and Business Unit revenues
  o Continued growth of subscribers base and improvement of subscribers mix

• The highest operational cash flow (EBITDA-CAPEX) since 2011, improved by 28%, reached SAR 2,187 mn for the period
Total mobile subscriptions in Saudi Arabia reached 41.63 MN, with a voice penetration rate of 124.6%.

Overall mobile download speed improved by 15.1% to 41.2 Mbps, versus Q2 2019.*

Mobily recorded the lowest number of complaints for voice, data and fixed line services among the three operators in the first three quarters of 2019.*

3M SAIBOR and LIBOR decreased at the end of 2019 to reach 2.23 and 1.90 respectively.

6M SAIBOR and LIBOR decreased at the end of 2019 to reach 2.26 and 1.90 respectively.

The Council of Ministers has endorsed a five-year strategy for the communications and information technology sector “ICT Sector strategy 2023”

Total number of Hajj pilgrims in 1440H (2019) rose to 2.49 million, up by 5% over 2018.

* CITC telecom service provider rating index
Comprehensive settlement agreement have been signed with government agencies to settle all the old disputes.

New stricter tariff approval procedure by CITC.

Spectrum auction 1

CITC proposed a new CPF. Methodology resulting in increase of CITC fees.

FUP release

Dependency Fees implementation

Unblocking of VoIP

Campaign against illegal expatriates (i.e. resulting in shrinkage of customer base)

Award of FTTH subsidy under National Broadband Fund to selected market players

IDD - TRIO cancellation

MTR reduction

Mandatory national Roaming in USF Areas

Enforcing CPR implementation

Mandatory national Roaming in USF Areas

New stricter tariff approval procedure by CITC

Spectrum auction 2

Obligation to pay for Internet filtering system

Enforcing one bill cycle

CITC site Sharing

Adjust. down of regulated international prices floor

MTR reduction by 45% effective Jun 2020

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Approval of ICT Strategy 2023

New MVNO & IOT VNO licensing framework in discussion

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**KSA Market** | KSA economy is a key global player

**GDP 2019* (nominal)**

<table>
<thead>
<tr>
<th>Rank</th>
<th>Country</th>
<th>GDP (BN USD)</th>
</tr>
</thead>
<tbody>
<tr>
<td>18th</td>
<td>SA</td>
<td>762</td>
</tr>
<tr>
<td>29th</td>
<td>AE</td>
<td>428</td>
</tr>
<tr>
<td>40th</td>
<td>EG</td>
<td>299</td>
</tr>
<tr>
<td>42nd</td>
<td>PK</td>
<td>278</td>
</tr>
<tr>
<td>58th</td>
<td>MA</td>
<td>121</td>
</tr>
</tbody>
</table>

**KSA GDP Growth**

- 2018a: +0.4%
- 2019a: +2.0%
- 2020p: +2.0%

**KSA Telecom Market**

- Founded 1998
- Incumbent full service telecom operator offering landline, mobile, internet services, data network
- 70% revenue market share***

- Founded 2004
- 2nd mobile service telecom operator offering mobile, internet services, data network
- 19% revenue market share***

- Founded 2008
- 3rd mobile service telecom operator offering mobile, internet services, data network
- 12% revenue market share***

(*) IMF 2019 est. for selected countries, in BN USD. Ranking trend compared to 2018.  
(***) Revenue market share: operator annual statements FY 2019 in Jan/Feb 2020, STC excl. 3.691 MSAR of other operating segments STC Kuwait, STC Bahrain, STC Solutions, Intigral, STC Specialized (Specialized by STC), Sapphire, Aqalat, Towers Co. and STC Pay.
**KSA Market** | Saudi market presents many opportunities related to government and B2B

- **Vibrant Society**
  - Privatization (i.e. Aramco IPO etc.)
  - Government Reforms (i.e. Improvement in governance & transparency etc.)
  - Housing (i.e. Increase housing ownership & coverage etc.)

- **Thriving Economy**
  - Public Investment Fund (i.e. Hub for KSA investment abroad etc.)
  - Small & Medium Enterprises (i.e. Job creation, supporting SME entrepreneurship etc.)
  - Subsidies & Taxes (i.e. Better utilization by redirecting subsidies to the needy, no taxes on citizens etc.)

- **Ambitious Nation**
  - Tourism (i.e. Umrah & Hajj pilgrims etc.)
  - Expatriates (i.e. Improve quality of life, give right to own real estate etc.)
  - Military (i.e. Localize military equipment spending to create more job opportunities etc.)
  - Diversification (i.e. Privatization of state owned assets, public private partnerships etc.)
  - Others (i.e. Improving the business environment, enhancing the quality of cultural activities etc.)
  - Education (i.e. Revamp of the system to link with market needs etc.)
  - Social (i.e. Lower unemployment, increase household savings & life expectancy etc.)
Network | 4G rollout continues. Speed increased by +69%

Speed Test LTE (2019)
KSA Overall

Source: Ookla. Download speed. Speed shown in Mb/s
**Digitization |** The eShop and Mobily App have digitized our customer interfaces

**Mobile App Users**

- **+115%**

**eShop Transactions**

- **+1,838%**

**Mobily App Appstore Rating**

- **4.7**
- **4.7**
- **↑ 3.1**
- **↑ 3.4**

**Digital Recharge %**

- **+93%**

**Note:** Unique mobile app user per month (app user can have multiple sessions MSISDNs under his profile). eShop incl. eshop and self-service kiosks.
Commercial | Performance improvement continues across Consumer, Business and Wholesale business areas

Consumer
- Service Revenue YoY
- Margin YoY
- Active Base YoY
- Postpaid Gross Adds YoY
- YOY Hajj Gross Adds 2019/2018

Business
- BU Operations Revenues
- BU Margins
- BU Collection

Wholesale
- MVNO Revenues
- Data Revenues
- Inbound Revenues
- Voice Transit revenues
- Gross Margin
Numerous tailored propositions for prepaid, postpaid, broadband data push and FTTH have driven growth.
Hajj 2019 | Hajj was a success across the board for Mobily

Total Gross Adds
‘000 activations
2018 2019

Total Revenue
‘000 SAR
2018 2019

Total Data Traffic
‘000 TB
2018 2019

Speed Test LTE (Hajj 2019)
(Mbps)

Better Data Experience:
Mobily has managed to deliver better DL speed data user experience by 33% despite the traffic growth.

Better Speech KPIs:
Improvement in CS calls drop by 30% was achieved despite the reduction of 2G frequency bands.

Better Paging Success Ratio:
Paging SR enhanced in Haram by 2% after applying several actions.

All values apply to Hajj seasons 2018 or 2019
Key Financial Highlights | Revenues Growth And Strong EBITDA

<table>
<thead>
<tr>
<th>Year</th>
<th>Revenues (In SAR Million)</th>
<th>EBITDA and EBITDA Margin (In SAR Million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>11,351</td>
<td>4,069</td>
</tr>
<tr>
<td>2018</td>
<td>11,865</td>
<td>4,531</td>
</tr>
<tr>
<td>2019</td>
<td>13,450</td>
<td>4,947</td>
</tr>
</tbody>
</table>

- **Revenues Growth:** +13%
- **EBITDA Growth:** 9.2%
- **EBITDA Margin:**
  - Pre IFRS16: 32%
  - IFRS16: 38%
  - Impact: -4.7%
  - Pre IFRS16 EBITDA: 4,318
  - IFRS16 EBITDA: 4,947

*Revenue and EBITDA figures are presented in SAR Million.*
Key Financial Highlights I CAPEX Intensity and Operational Cash Flow Growth

**CAPEX/ CAPEX to revenues %** (In SAR Million)

<table>
<thead>
<tr>
<th>Year</th>
<th>CAPEX/CAPEX</th>
<th>Change %</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>2,208</td>
<td>20%</td>
</tr>
<tr>
<td>2018</td>
<td>450</td>
<td>+17%</td>
</tr>
<tr>
<td>2019</td>
<td>2,760</td>
<td>-2%</td>
</tr>
</tbody>
</table>

**Operational Cash Flow (EBITDA - CAPEX)** (In SAR Million)

<table>
<thead>
<tr>
<th>Year</th>
<th>Operational Cash Flow</th>
<th>Change %</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>1,377</td>
<td></td>
</tr>
<tr>
<td>2018</td>
<td>1,712</td>
<td>-9%</td>
</tr>
<tr>
<td>2019</td>
<td>2,187</td>
<td>28%</td>
</tr>
</tbody>
</table>
Key Financial Highlights I Net Debt And First Positive Net Profit

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

- 2017: 12,687 (3.50x)
- 2018: 11,288 (2.49x)
- 2019: 10,569 (2.45x)

Net Income (Loss)
(In SAR Million)

- 2017: (709)
- 2018: (123)
- 2019: 31
GAIN Strategy 2020+ | New corporate strategy leads the path to growth in 2020 and beyond

Purpose
To be the Better Choice to Unlock Possibilities

How
By Empowering the Digital Economy

By Being The Everyday Hero

Priorities

G
Grow Core Revenues

A
Accelerate Digital Revenue Streams

I
Implement & Optimize Efficient Delivery

N
Nurture a Positive Experience for All
GAIN Strategy 2020+ | Focus on growth and transformation

- Grow the core by focusing more on high value segment
- Engage with customers in a digital way
- Enter into new business areas (e.g. fintech)
- Increase B2B share by focusing on prioritized verticals

- Advanced Analytics: Improve decision making based on near real-time insights
- Platform Play & Agile IT: Enable a large ecosystem of partners across the value chain
- Integrated Gigabit Network: Provide seamless access with more focus on virtualization and network slicing
- Digital Operating Model: Asset monetization, governance, culture, capability development etc.
GAIN Strategy 2020+ | Mobily undergoes a transformation to ensure successful implementation of GAIN

Transformation Workstreams

Commercial Push | Digitalization & Customer Exp. | Technology Transformation | Cost Optimization | Culture & Brand Positioning | Transformation Office

Leading to...

...an increase in market share in high value and B2B segments and entry to new areas of growth

...an end-to-end digital experience for customers at par with the best in KSA

...being the #1 network in KSA in terms of QoS and future-proof IT

...enhanced EBITDA margin and profitability

...a winning culture & significant improvement in brand equity / ranking

...acceleration of strategy execution & upskilling of relevant capabilities
Outlook | In summary, our journey will enable us to grow sustainably and to transform ourselves for the future

1. As we find new ways to grow, we will not lose our existing momentum

2. Growth will be sustainable and profitable

3. Sustainable competitive advantages will be built around specific areas

4. The whole organization rallies around the strategy with collaborative culture

5. We will deliver the strategy through exceptional execution and strong capabilities
Thank You
Q&A
Rashid Khan
Chief Executive Officer
PTCL Group
2019 was a challenging year as Pakistan entered into the IMF plan resulting into a tough macro-economic situation with rising taxation, significant rupee devaluation, high inflation and shrinking growth.
PTCL Group - Key Highlights FY 2019

2% growth in consolidated revenue; mainly impacted due to regulatory changes in 2019
Organic annual consolidated revenue growth is 3.5%

<table>
<thead>
<tr>
<th>Consolidated Revenue [PKR]</th>
<th>Consolidated EBITDA [PKR]</th>
<th>Consolidated Net Profit [PKR]</th>
</tr>
</thead>
<tbody>
<tr>
<td>129 Bn</td>
<td>41 Bn</td>
<td>2.4 Bn</td>
</tr>
<tr>
<td>▲ 2.1%</td>
<td>▼ 1.0%</td>
<td>▼ 58%</td>
</tr>
</tbody>
</table>

Source: Company records
Key Strategic & Operational Highlights

- PTCL revenue grew by 0.4% supported by improvement in customer experience, Corporate Services, DSL, FTTH & IPTV

- FTTH subs grew by 159%, complimented by 172% revenue growth

- Sub base crossed 23 Mn by net addition of 1.8 Mn and ~1Mn data subs with market share increasing to 14.2%

- Network upgraded by addition of 2,400 LTE, 800 3G upgrades and 100 new coverage sites

- 48% revenue growth supported by increase in deposit base by 13% and loan base by 27%

- Branch network grew to 201 with addition of 60 new branches in 2019

Source: Company records
Country Highlights

A growing and young population with a lot of potential

5th
Largest Country by Population
[Annual growth rate of 2.4%]

150mn
Population Below Age 30

1.1%
Spend on Telecom from GDP

Source: Pakistan Bureau of Statistics
Pakistan’s economic outlook remains challenging with inflationary pressures affecting consumer spending

IMF plan has led to tough policy decisions

**GDP**
PKR 38.5 Trillion

**CPI**
Inflation
11.6%
[set to decline in the future]

**USD-Rupee parity stable**
[PKR/$ 154.9]

**Risk Rating**
Moody’s B3 stable
S&P Stable

Source: Pakistan Bureau of Statistics
Telecom Market - Subscribers and Penetration

Significant opportunity in fixed line broadband segment for growth

Mobile Subscribers & Penetration

As % of Population

77.7% Penetration

Mobile
165 Million
[3G/4G 76 Million]

Fixed Broadband Subscribers & Penetration

As % of Households

5.6% Penetration

1 Fixed Broadband
1.86 Million

1 Only includes DSL and FTTH
Source: PTA & Economic Survey of Pakistan
PTCL Group holds 2nd position with 24% of the market value share

Total market value - PKR 545 bn

Market map by competitor – PKR Bn

1. Includes digital services, fixed wireless dongles business
2. PTCL Group Revenue includes standalone revenue of PTCL and Ufone Only

Source: PTA, Financial statements, Management Estimates
Environmental Scan

- Highly competitive 4 player mobile landscape
- Growing FTTH market with 7 active players
- Telecom sector continues to be highly taxed & regulated
- Successful 5G trials conducted by 2 mobile operators
- Leading mobile operators exploring FTTH market
PTCL Group - Key Financial Highlights

YoY growth of 2% in Revenue and stable EBITDA

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue / Revenue Growth (%)</td>
<td>127 (+2%)</td>
<td>129</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Profit / Profit Margin (%)</td>
<td>5.7 (-58%)</td>
<td>5%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>EBITDA / EBITDA Margin (%)</td>
<td>41.5 (33%)</td>
<td>41.4 (32%)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capex &amp; Capex/Revenue (%)</td>
<td>29%</td>
<td>32%</td>
</tr>
</tbody>
</table>

Source: company records
PTCL growth drivers & challenges 2019

FTTH remained the star performer with 172% YoY revenue growth

Corporate, Carrier and Wholesale businesses continued significant growth

Operational excellence led to reduction in MTTR, improvement in service KPIs leading to improvement in TRIM scores

Limited coverage footprint in high SEC areas & stiff competition in low-end of the market
PTCL - Key Financial Highlights

YoY change in EBITDA

YoY EBITDA and Net Profit were -5% and -13% respectively, due to increase in SAC, Cable & Media Bandwidth Charges, Network Maintenance, Fuel and Power Rates and Staff Cost mainly on account of inflation and currency devaluation.
PTCL Revenue Growth

YoY revenue has increased by 0.4% in 2019, while normalized revenue grew by 0.7%.

% Change in Revenue YoY

- 2015: -7.1%
- 2016: -5.7%
- 2017: -2.5%
- 2018: 0.7%
- 2019: 0.4%
- 2019 Normalized: 0.7%

Source: Company records
Revenue Segments Composition and Growth - 2019 Vs 2018

Growth Segment revenue contribution 62%

Declining Segments Revenue contribution 38%

Source: Company records
PTCL - Key Operational Highlights

Significant growth in FTTH Business

- **FTTH Subscribers ('000)**
  - 2018: 14
  - 2019: 36
  - Growth: +159%

- **FTTH Revenue (PKR Bn)**
  - 2018: 0.3
  - 2019: 0.7
  - Growth: +172%

Source: Company records
PTCL - Key Operational Highlights

Increase in ARPUs based on shifting of subscribers on higher bandwidth packages

**Subs DSL (# in ‘000)**

- 2018: 1,436
- 2019: 1,418

**DSL Customer Breakup (# in ‘000)**

- Dec-18:
  - Less than 4 Mbps: 607
  - 4 Mbps & Above: 830

- Dec-19:
  - Less than 4 Mbps: 332
  - 4 Mbps & Above: 1,086

Source: Company records
PTCL Corporate Business

Overall 6% growth mainly driven by 14% increase in growing segments which includes Data, Data centers & Cloud Services

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2019</th>
<th>Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>PKR Mn</td>
<td>PKR Mn</td>
<td>%</td>
</tr>
<tr>
<td>Growth Services</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Data</td>
<td>4,113</td>
<td>4,475</td>
<td>+9%</td>
</tr>
<tr>
<td>Data Center</td>
<td>406</td>
<td>506</td>
<td>+25%</td>
</tr>
<tr>
<td>Cloud Services</td>
<td>167</td>
<td>362</td>
<td>+117%</td>
</tr>
</tbody>
</table>

Source: Company records
Carrier & Wholesale Business

15% growth in Carrier Business mainly driven by 50% growth in IP Bandwidth Services and 12% growth in DPLC.

Growth Services

<table>
<thead>
<tr>
<th>Service</th>
<th>2018</th>
<th>2019</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>IP Bandwidth</td>
<td>2,417</td>
<td>3,625</td>
<td>+50%</td>
</tr>
<tr>
<td>DPLC</td>
<td>3,109</td>
<td>3,487</td>
<td>+12%</td>
</tr>
<tr>
<td>Co-location</td>
<td>1,500</td>
<td>1,592</td>
<td>+6%</td>
</tr>
</tbody>
</table>

Source: Company records
Ufone continued its growth trajectory in 2019

- Significant revenue growth helped beat the no. 2 operator
- Continuous acquisition drive led to increase in market share to 14.2%
- Re-farmed the existing spectrum to launch LTE to fulfil growing data demand
- Bridged 3G coverage gap vs competition by expanding footprint to 84% of network
Ufone key financial highlights

Strong topline organic growth of 6.8% & improvement in EBITDA

<table>
<thead>
<tr>
<th></th>
<th>Revenue / Revenue Growth (%)</th>
<th>EBITDA / EBITDA Margin (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(PKR bn)</td>
<td>(PKR bn)</td>
</tr>
<tr>
<td></td>
<td>2018</td>
<td>2019</td>
</tr>
<tr>
<td>Revenue / Revenue Growth</td>
<td>57.8</td>
<td>58.3</td>
</tr>
<tr>
<td></td>
<td>+0.8%</td>
<td>+5%</td>
</tr>
<tr>
<td>Net Profit /Profit Margin</td>
<td>-2</td>
<td>-7%</td>
</tr>
<tr>
<td></td>
<td>102%</td>
<td>34%</td>
</tr>
<tr>
<td></td>
<td>2018</td>
<td>2019</td>
</tr>
<tr>
<td>Capex &amp; Capex/Revenue</td>
<td>17</td>
<td>15</td>
</tr>
<tr>
<td></td>
<td>-14%</td>
<td>25%</td>
</tr>
</tbody>
</table>

Source: Company records
Ufone Normalized Revenue Growth

<table>
<thead>
<tr>
<th>Year</th>
<th>Revenue (PKR bn)</th>
<th>Revenue Growth (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>57.8</td>
<td>+0.8%</td>
</tr>
<tr>
<td>2019</td>
<td>58.3</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Year</th>
<th>Normalized Revenue (PKR bn)</th>
<th>Normalized Revenue Growth (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>53.9</td>
<td></td>
</tr>
<tr>
<td>2019</td>
<td>57.6</td>
<td>+6.8%</td>
</tr>
</tbody>
</table>

Source: Company records
Spectrum re-farming & investment led to data subscriber growth

Market share improved from 14% to 14.2%

90 Days Subscribers (Mn)

<table>
<thead>
<tr>
<th>Period</th>
<th>Market Share %</th>
<th>2G</th>
<th>3G</th>
<th>4G</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q4 18</td>
<td>14.0%</td>
<td>21.6</td>
<td>8.3</td>
<td>13.2</td>
<td>33.1</td>
</tr>
<tr>
<td>Q1 19</td>
<td></td>
<td>22.3</td>
<td>7.8</td>
<td>13.6</td>
<td>33.7</td>
</tr>
<tr>
<td>Q2 19</td>
<td></td>
<td>22.6</td>
<td>7.0</td>
<td>13.7</td>
<td>33.3</td>
</tr>
<tr>
<td>Q3 19</td>
<td></td>
<td></td>
<td>7.0</td>
<td>13.7</td>
<td>20.7</td>
</tr>
<tr>
<td>Q4 19</td>
<td></td>
<td></td>
<td>7.0</td>
<td>13.7</td>
<td>20.7</td>
</tr>
</tbody>
</table>

YoY Subs Growth (Dec’19 vs Dec’18)

- 241%*
- 24%
- 7%

Source: Company records

*represents Q4 ’19 vs Q1 ’19 Growth
Ubanks Key Financial Highlights 2019

YoY 48% growth in revenue

Revenue / Revenue Growth (%)

<table>
<thead>
<tr>
<th>(PKR Mn)</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>4,582</td>
<td>6,773</td>
</tr>
</tbody>
</table>

+48%

Operating Profit / Operating Profit Margin (%)

<table>
<thead>
<tr>
<th>(PKR Mn)</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>855</td>
<td>308</td>
</tr>
</tbody>
</table>

-64%

Net Profit / Profit Margin (%)

<table>
<thead>
<tr>
<th>(PKR Mn)</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>547</td>
<td>254</td>
</tr>
</tbody>
</table>

-54%

Capital Adequacy Ratio (%)

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>19.1%</td>
<td>16.8%</td>
</tr>
</tbody>
</table>


Source: Company records
Ubank - Key Operational Highlights 2019

Loan base and deposit base grew, supported by expansion in branch network from 141 to 201 outlets.

### Loan Customers & Loan Portfolio

<table>
<thead>
<tr>
<th>Year</th>
<th>Loan Customers ('000)</th>
<th>Loan Portfolio (PKR Bn)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>2016</td>
<td>6</td>
<td>11</td>
</tr>
<tr>
<td>2017</td>
<td>11</td>
<td>188</td>
</tr>
<tr>
<td>2018</td>
<td>17</td>
<td>287</td>
</tr>
<tr>
<td>2019</td>
<td>22</td>
<td>314</td>
</tr>
</tbody>
</table>

### Deposits Customers and Deposits

<table>
<thead>
<tr>
<th>Year</th>
<th>Deposit Customers ('000)</th>
<th>Deposits (PKR Bn)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>153</td>
<td>1</td>
</tr>
<tr>
<td>2016</td>
<td>318</td>
<td>8</td>
</tr>
<tr>
<td>2017</td>
<td>435</td>
<td>12</td>
</tr>
<tr>
<td>2018</td>
<td>621</td>
<td>21</td>
</tr>
<tr>
<td>2019</td>
<td>840</td>
<td>23</td>
</tr>
</tbody>
</table>

Source: Company records
Strategic Priorities / Way Forward

- Build FTTH network & improve retention by further enhancing experience
- Build/grow ICT, corporate & wholesale segments
- Focus on spectrum acquisition to address underserved subscriber base
- Further expand 4G footprint to grow data subscribers
- Grow microfinance business aggressively while keeping NPL in check
- Digitize loan disbursement process into mobile wallets
Q&A

Thank You
Closing Remarks

Saleh Al-Abdooli
Chief Executive Officer
Etisalat Group
Thank You