

Etihad Etisalat Company (Mobily) successfully delivers the highest top- and bottom-line levels in the last 9 years

- Mobily achieves remarkable growth of 5.6% in revenues and 54.6% in net income for the year 2022 compared to last year
- The Company delivers the highest annual EBITDA¹ in the last 9 years with a resilient EBITDA¹ growth of 10.4% in 2022 compared to 2021, driven by topline performance in addition to the company's efficiency in managing its operations
- Strong growth in EBITDA¹ supported a continued healthy growth of 16.6% in Operational Cash Flow², reaching SAR 4.1 bn, despite CAPEX increase
- Mobily continued its efforts to reduce its debt portfolio and paid off more than SAR1.2 bn of its debt portfolio during the year, supporting an impressive downtrend in Net Debt/EBITDA ratio to reach 1.66x

Riyadh, Saudi Arabia: Etihad Etisalat Company ("Mobily" or the "Company"), a leading Saudi Arabian telecommunications services provider, announces its financial results for FY 2022, recording a net income of SAR 1.7 bn, a 54.6% increase compared to SAR 1.1 bn from last year, on the back of healthy growth in revenue coupled with margin improvement.

Financial Performance Highlights – FY 2022

- **Revenue** increased by 5.6% YoY to reach SAR 15,669 mn, driven by the growth of all revenue streams. Mobily's overall subscriber base continued to show solid growth
- **EBITDA¹** increased by 10.4% YoY to reach SAR 6,161 mn, mainly on the back of revenues growth. Mobily recorded strong **EBITDA margin** level at 39.3% compared to 37.6% last year
- **Net Income** recorded SAR 1,657 mn, representing a 54.6% YoY growth, owing primarily to sustained revenue growth and strong EBITDA¹ growth, as well as disciplined cost management despite a 20.2% YoY increase in finance charges, which reached SAR 607 million due to the increase in interest rates
- **CAPEX** amounted to SAR 2,093 mn, due to the achievement of strategic objectives with the continued roll-out of 5G, IoT investments, and increased FTTH coverage. As a result, CAPEX/revenue stood at 13.4% in 2022, compared to 14.1% in 2021
- **Operational Cash Flow²** increased by 16.6% to reach SAR 4,067 mn, compared to SAR 3,489 mn a year earlier, owing to the solid EBITDA¹ growth

1. EBITDA = Operating Income with Depreciation & Amortization and impairment of property and equipment added back

2. Operational Cash Flow = EBITDA minus CAPEX

3. Net debt = total debt including short term Murabaha minus cash & cash equivalents

Key performance highlights

	2022	2021	%Δ YoY
Revenue	15,669	14,834	5.6%
EBITDA ¹	6,161	5,581	10.4%
EBITDA margin	39.3%	37.6%	1.7%
Net Income	1,657	1,072	54.6%
CAPEX	2,093	2,092	0.1%
CAPEX/revenue	13.4%	14.1%	-0.7%
Operational Cash Flow ²	4,067	3,489	16.6%
Net debt ³	10,199	12,128	-15.9%
Net debt/EBITDA (x)	1.66x	2.17x	-

In SAR mn, unless stated otherwise

Eng. Salman Abdulaziz Al Badran, Chief Executive Officer commented:

"Our GAIN Corporate Strategy continued to accelerate and create value for our business and shareholders in the third and final year of its successful execution, thanks to our diverse and talented workforce, which delivered faster speeds, greater coverage, improved customer experience and satisfaction, and outstanding financial performance. Building on the strong momentum in the past years, Mobily continued to deliver an outstanding performance in 2022, achieving the highest annual revenues in the last nine years, with an overall revenue growth of 5.6% to reach SAR 15.7 bn, as we maintained momentum and expanded revenues across all revenue streams. We look forward to capitalizing on our performance and resilience to further diversify our revenue streams and digitalize our business."

Mr. Khalid Abdulrahman Abanami, Chief Financial Officer commented:

"Mobily's excellent financial performance and strong brand for 2022 give us confidence in our strategic direction and our ability to generate increasing value for our valued shareholders. We recorded a rise in net income of 54.6% to SAR 1.7 bn in 2022, while our EBITDA increased by 10.4% to reach SAR 6.2 bn. These strong results were primarily driven by revenue expansion and implementation of operational efficiency enhancement strategies executed throughout the year. With our continuous investment efforts in our human capital, infrastructure, and digitalization, we will accelerate our transformation and fulfill our role as a key enabler in achieving the objectives of the Kingdom's Vision 2030."

1. EBITDA = Operating Income with Depreciation & Amortization and impairment of property and equipment added back

2. Operational Cash Flow = EBITDA minus CAPEX

3. Net debt = total debt including short term Murabaha minus cash & cash equivalents

Business Performance Highlights

Over the year, Mobily remained committed to driving innovation and growth by launching new products and streamlining operations, in accordance with its strategy of accelerating digital revenue streams while implementing and optimizing efficient delivery of products, services, and solutions.

In line with the overarching GAIN strategy, Mobily has been focused on capturing market share in Saudi's dynamic telecoms landscape and continuing to accelerate expansions of its 5G services across various strategic locations by the end of 2022, covering more than 80% of the Kingdom's 6 major cities. The Company has been collaborating with its blue-chip partners to achieve the fastest connection in the Middle East and North Africa (MENA) region – reaching an industry-leading maximum download speed of 3.8 Gbps by integrating 5G frequencies, which will enable Mobily to improve its 5G customer experience.

Mobily's Fiber-to-the-Home (FTTH) services continued to deliver value in 2022. The Company accelerated the rollout of open access FTTH utilization and succeeded in expanding customer base growth YoY, demonstrating sustained high demand for premium home services.

The Company continued to promote digitization across key segments; in March, Mobily Pay had received the Saudi Central Bank's (SAMA) license to conduct payments and Electronic Wallets Businesses. Mobily Pay is a digital e-wallet offering a complete set of customizable services, including card payments, wallet-to-wallet transfers, local and international bank transfers, bill payments, and sending gifts. The Mobily Pay value proposition is based on a Cost-Efficient operation, innovative product management & leveraging multiple strong partnerships from financial industry to provide superior quality customized services to offer customers practical financial services. In September, Mobily successfully completed the commercial launch of Mobily Pay, as part of Mobily's commitment to continue supporting the digital transformation process in the Kingdom.

Etihad Etisalat Company (Mobily) Board of Directors stated that they have full confidence in the company's growth potential, service quality, strategic ambitions, and value for shareholders. With its advanced technical and operational skills, Mobily remains committed to creating new opportunities by acting as a key enabler for the Kingdom's digital economy, in line with the Kingdom's Vision 2030.

– ENDS –

The condensed consolidated financial statements for the year ended 31st December 2022 will be available through Mobily's Investor Relations Website, and Mobily's IR App on smartphones and tablets, after being published on the Saudi Exchange website.

About Etihad Etisalat Company

Etihad Etisalat Company (Mobily) is a leading Saudi Arabian telecommunications services provider that caters to three main sectors: individuals, business, and carriers. Mobily has one of the largest wireless networks by coverage in Saudi Arabia and the region, one of the widest fiber-to-the-home (FTTH) networks, and one of the largest data center systems in the world. The Company was both established and listed on the Saudi Exchange in 2004. It has a share capital of SAR 7,700 mn, divided into 770 mn shares of SAR 10 each.

Investor Relations & Media Enquiries

Etihad Etisalat

Email: IRD@mobily.com.sa

Phone Number: [+966 56 031 4099](tel:+966560314099)

Website: www.mobily.com.sa

Investor Relations App



Disclaimer

This document has been prepared by Mobily (the "Company") solely for presentation purposes. The information contained in this document has not been independently verified and no representation or warranty, expressed or implied, is made as to, and no reliance should be placed on the fairness, the accuracy, the completeness or the correctness of the information contained herein. None of the Company or any of its respective affiliates, advisors or representatives shall have any liability whatsoever for any direct or indirect loss whatsoever arising from any use of this document, or contents, or otherwise arising in connection with it. This document does not constitute an offer or invitation to purchase any share or other security in the Company and neither it nor any part of it shall form the basis of, or be relied upon in connection with, any contract or commitment whatsoever. Before making any investment decision, an investor should consider whether such an investment is suitable for his particular purposes and should seek the relevant appropriate professional advice. Any decision to purchase shares or other securities in the Company is the sole responsibility of the investors. Certain information contained in this document consists of forward-looking statements reflecting the current view of the Company with respect to future events. They are subject to certain risks, uncertainties and based on certain assumptions. Many factors could make the expected results, performance or achievements be expressed or implied by such forward-looking statements (including, but not limited to, worldwide economic trends, economic and political climate of Saudi Arabia, the Middle East and changes in business strategy and various other factors) to be materially different from the actual historical results, performance achieved by the company. Should one or more of the risks or uncertainties materialize or should the underlying assumptions prove different stock movements or performance achievements may vary materially from those described in such forward-looking statements. Recipients of this document are cautioned not to place any reliance on these forward-looking statements. The Company undertakes no obligation to republish revised forward looking statements to reflect changed events or circumstances.