

Vodafone Qatar P.Q.S.C.

Investor Presentation

Financial Performance:
Nine months ended 30 September 2024

The background features a vibrant red color scheme with abstract, flowing, and layered shapes that create a sense of movement and depth. A prominent circular graphic element, composed of a dotted pattern, is positioned on the right side of the slide, partially overlapping the text area.

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Performance Highlights

Hamad Al-Thani
Chief Executive Officer



Key Messages



Robust Financial Results in FY24 Q3 YTD

- **FY24 Q3 YTD Revenue QR**
2,387m (+3.9% Y/Y)

- **FY24 Q3 YTD Net Profit QR**
437m (+11.5% Y/Y)



Yielding results despite market challenges

- **Market value remained stable Y/Y**

- **Revenue Market Share reached 30.7% in FY24 Q2 TTM**
+2.1pts Y/Y



Series of Innovative Launches

- **Instant SIM**
E2E digital self-activation journey enables customers to connect in seconds.

- **Postpaid Portfolio Revamp**
New portfolio of postpaid plans includes a suite features designed to enhance customers' mobile experience.



Planning for the Future

- **Diversification is on track**
Focused execution of strategy ICT/Managed services and FinTech delivering results.
- **Partnerships to unlock faster transformation**
Signed a partnership agreement with Microsoft to bring advanced digital capabilities to our consumer and enterprise segments.

New Launches : Wide range of Products and CX Upgrades in a Single Quarter

Telecom Features



Exclusive Unlimited Social Media Data



First time in Qatar, All Postpaid plans include Unlimited local minutes



First time in Qatar, one number Multi SIM is now available, no need for a second plan for your tablet



First time in Qatar our new Mute service allows you to control your privacy by making your phone appear switched off, while still receiving notifications of calls



First time in Qatar our new International Call Block service allows you to block unwanted international spam calls at a touch of a button

Value Added Services



iPass provides exclusive experiences and deals in five categories for our Unlimited+ Customers across 40 different locations



WELLNESS
PASS

Exclusive deals, and transformative wellness experiences.



LAHA
PASS

Tailored experiences across fashion, beauty, and leisure.



ENTERTAINMENT
PASS

Exciting group activities, family dining, and theme parks



FITNESS
PASS

Tailored for fitness activities, special offers, and experiences



BLACK
PASS

Premium offers, luxury experiences across dining, wellness, fitness, and high-end retail

Channel/Distribution



First time in the world with our new Instant SIM that you can instantly activate from +2,600 locations

Instant SIM



- **Self-activate** a new Prepaid or Postpaid connection
- **Simple and fast** process – just a smartphone & the Instant SIM pack needed.
- **Internet access** for activation included in the SIM
- **Flexibility** to choose between eSIM or Physical SIM

Financial Performance

Masroor Anjum
Chief Financial Officer



Key Highlights : Nine months ended 30 September 2024



Revenue growth continues

- Total revenue expanded by 3.9%
- Growth witnessed across all segments - prepaid, postpaid, fixed and projects & equipment sales



Focus on cost efficiency

- OPEX intensity further reduced to 23.3%
- Strategic cost optimization keeps expenses stable amid revenue growth



Continuing profitability growth

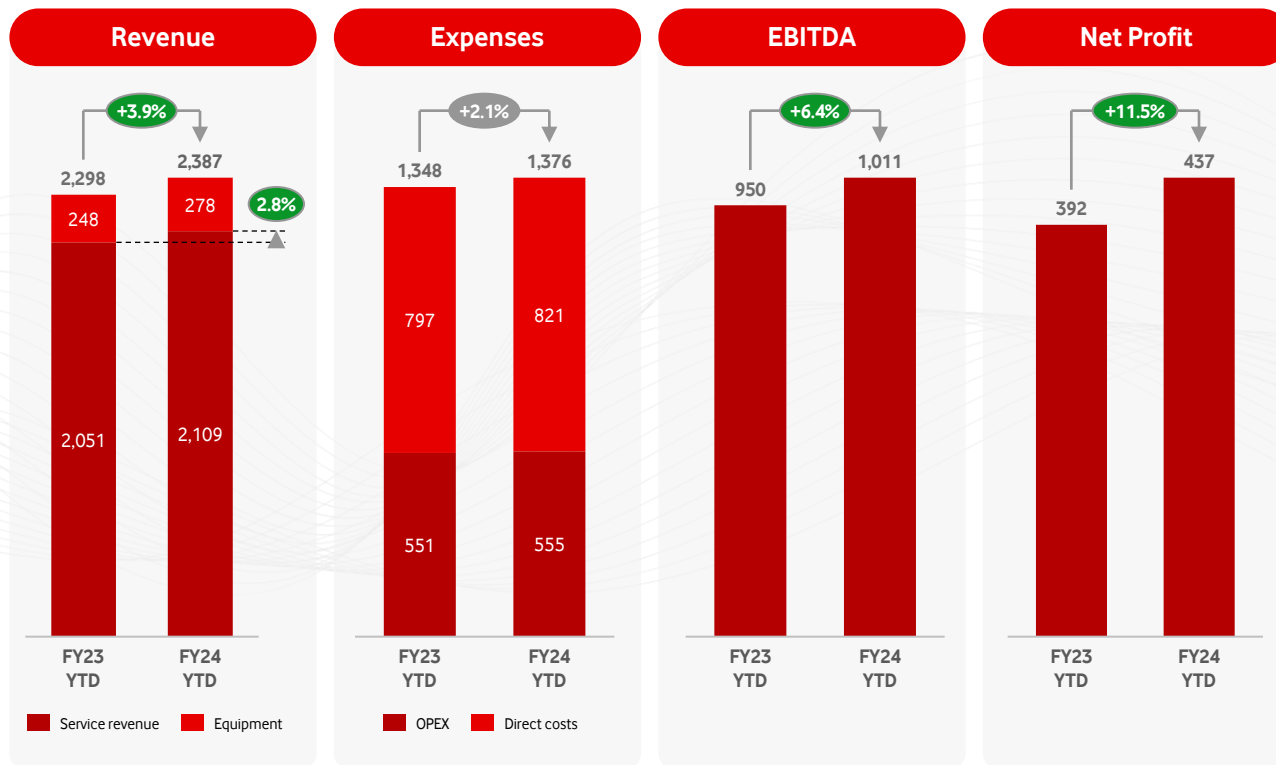
- EBITDA crossed QR 1 billion for the first time in nine months period, 6.4% increase YoY
- EBITDA margin of 42.3%, expands 1 ppts YoY
- Net profit QR 437m, grew 11.5% YoY



Robust underlying growth in cash flows

- 20% underlying increase in operating cash flows YoY, driven by working capital optimisation initiatives

FY24 Q3 YTD Year on Year : Persistent Topline and Profitability Growth



- Total revenue grew QR 89m (+3.9%) driven by growth across mobility and fixed coupled with higher handset sales
- Expenses higher primarily due to growth in revenue
- EBITDA increased 6.4% primarily driven by service revenue growth
- Net profit grew 11.5% resulting from higher EBITDA

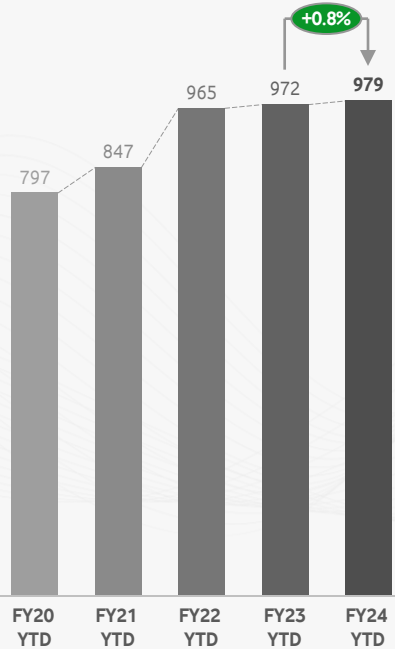
FY24 Q3 Year on Year : Growth momentum continues



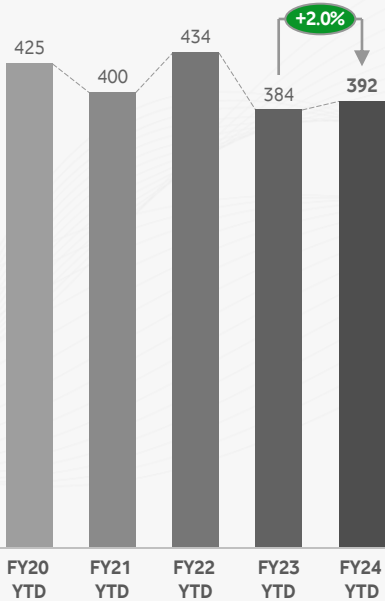
- Service revenue grew 2.8% YoY driven by growth across all segments – prepaid, postpaid and fixed
- Higher equipment revenue YoY mainly driven by projects
- Expenses higher primarily due to growth in revenue
- EBITDA increased 7.3% following higher service revenue
- Net profit grew 8.8% resulting from higher EBITDA

Service Revenue : Continuous growth across all segments

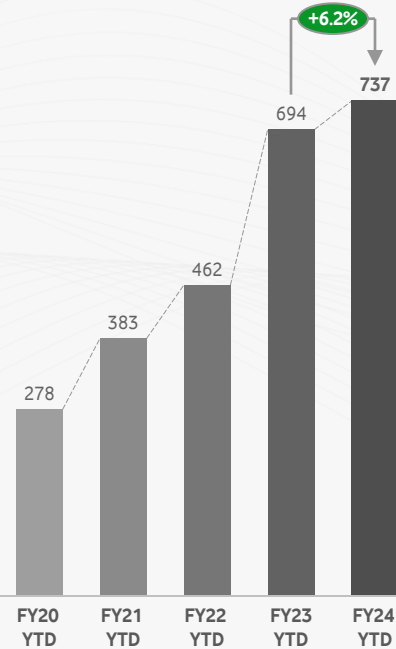
Postpaid



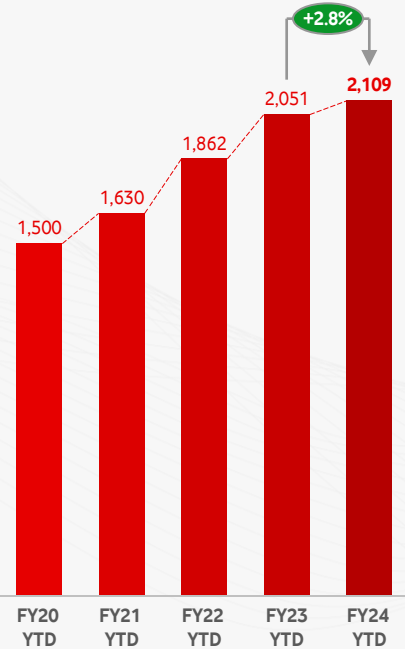
Prepaid



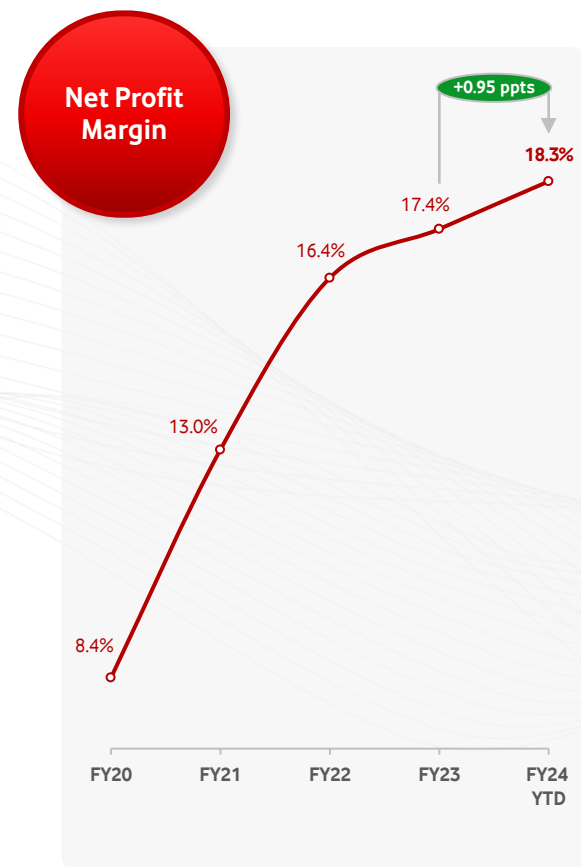
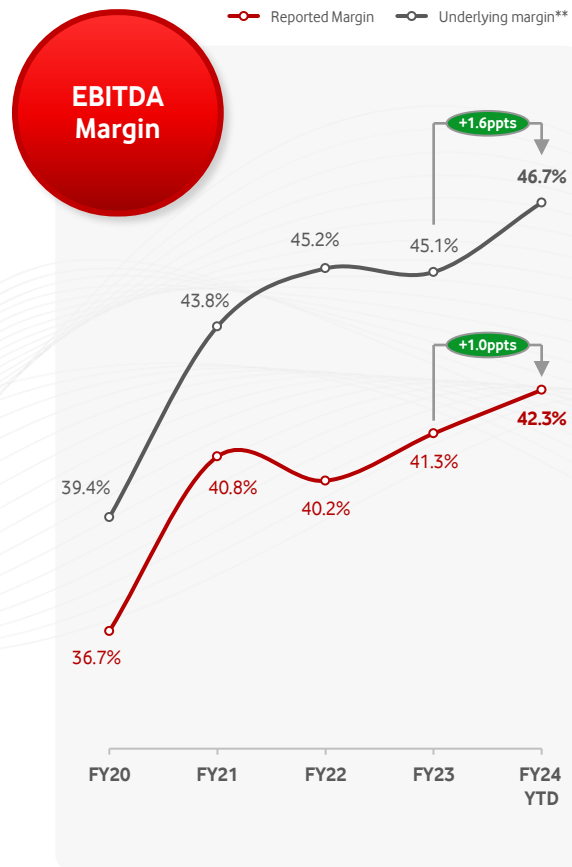
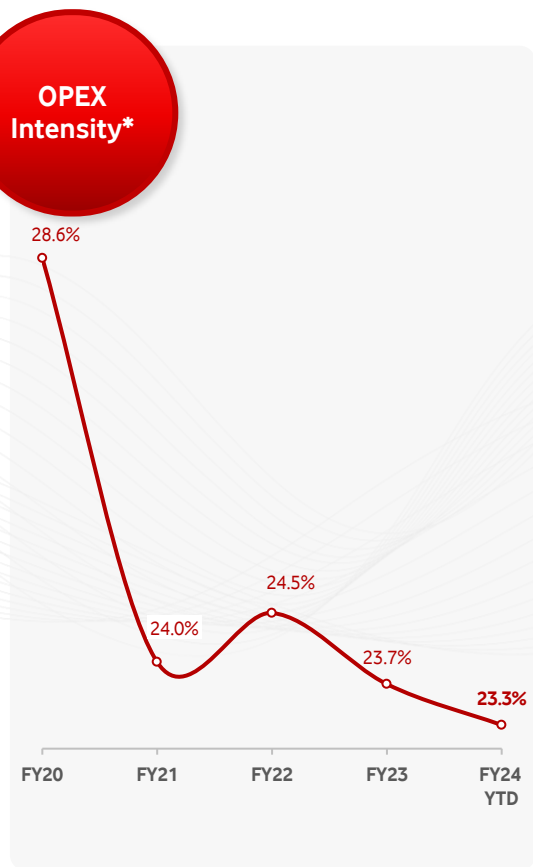
Managed services, wholesale & Fixed



Total service revenue

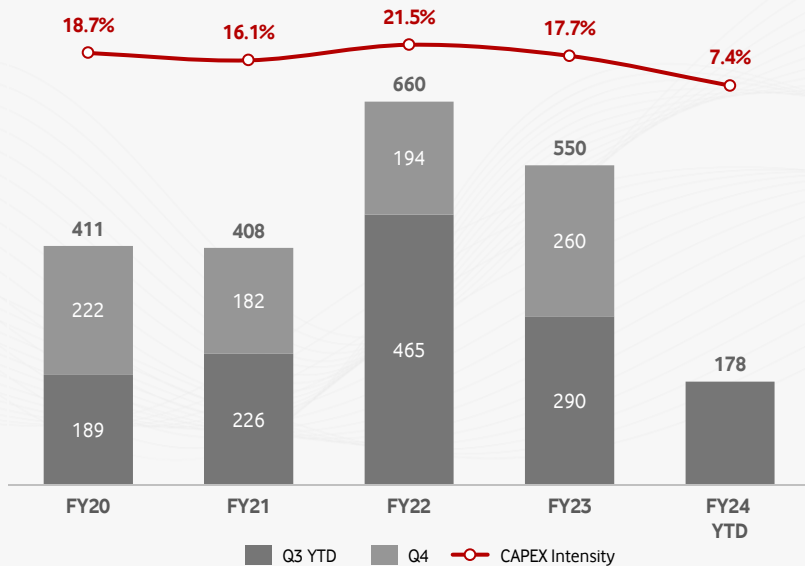


Margin Trends : Enhancing cost efficiency and profitability margins

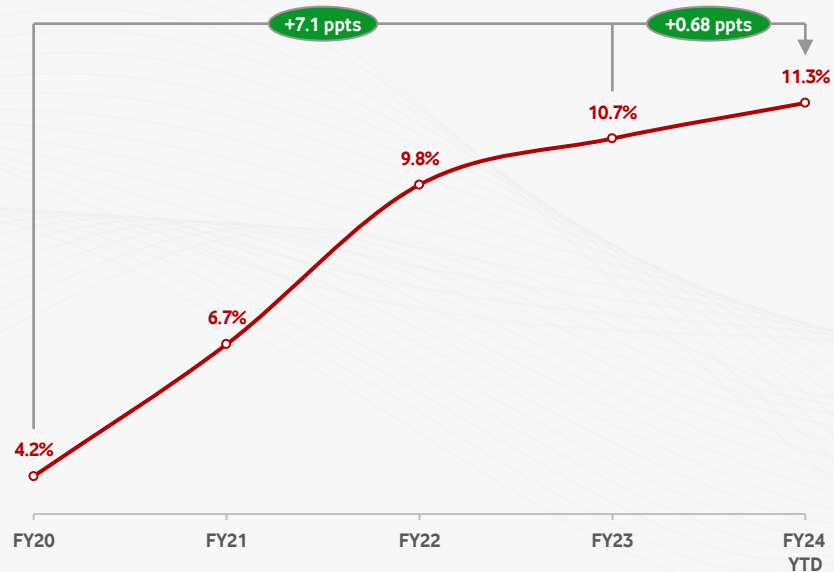


Capital Expenditure : Investments driving profitable growth

Capital expenditure (CAPEX)

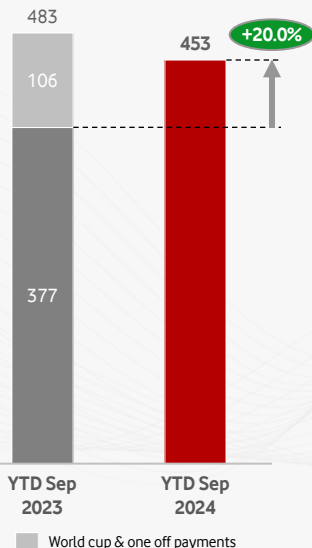


Return on capital employed (ROCE*)

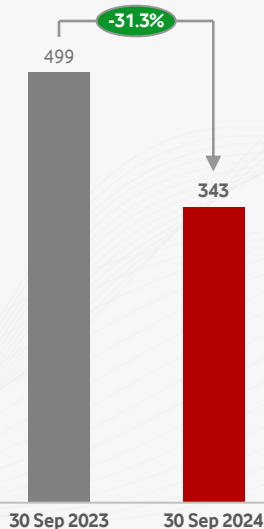


FY24 Q3 YTD Year on Year : Driving robust cash flows

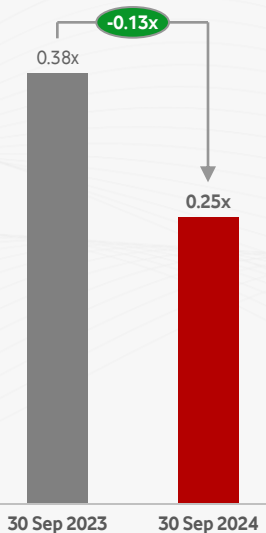
Operating Cash flow*



Net Debt



Net Debt to EBITDA **



- 1 Underlying operating cash flow increased 20% reflecting strong collections and working capital optimization initiatives
- 2 Despite higher dividend pay-out for FY23, net debt decreased due to strong cash flow
- 3 Net debt to EBITDA ratio continues to decline reaching 0.25x

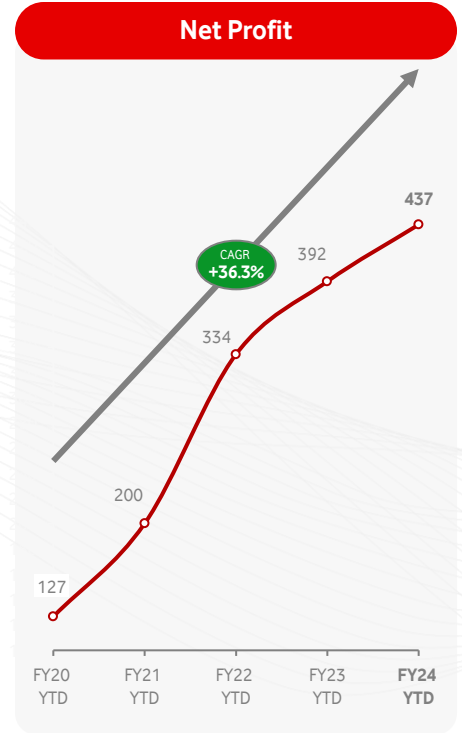
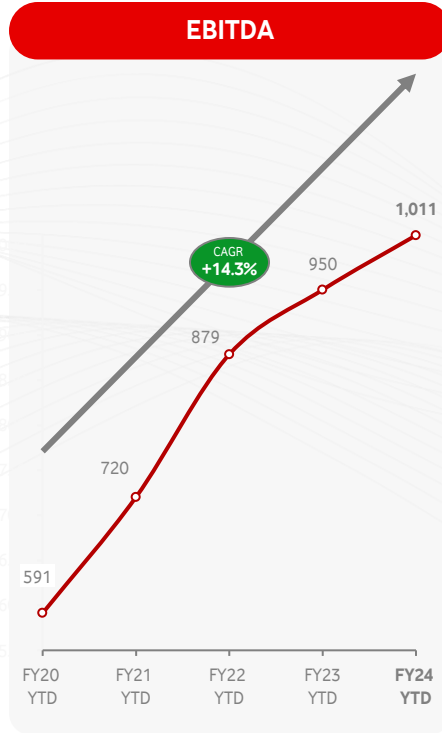
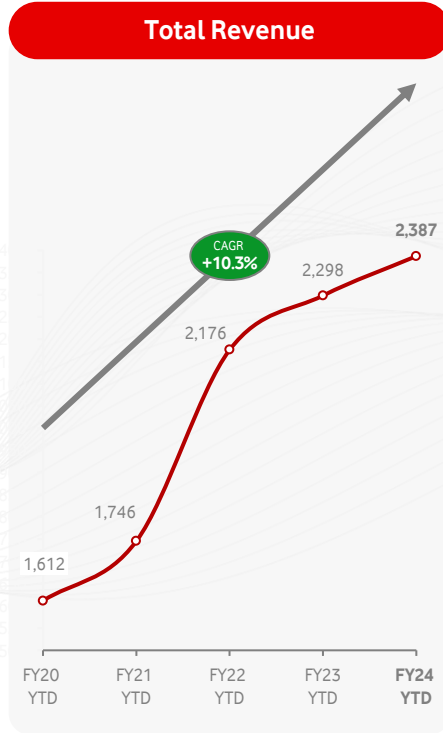
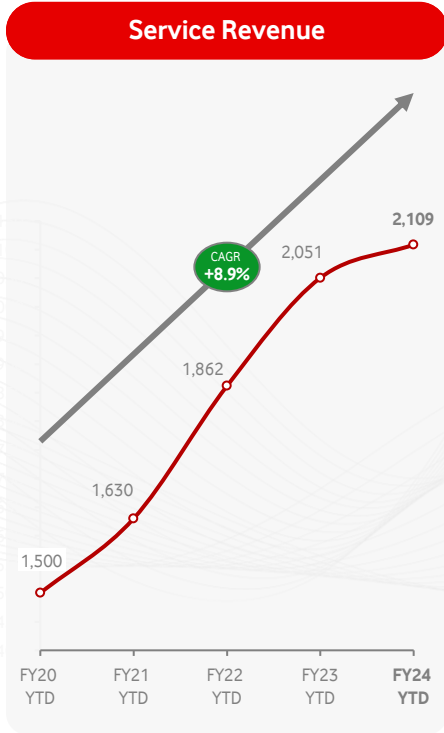
FY24 Q3 YTD Year on Year : Statutory results summary

QR millions (unless otherwise stated)

| | 30 Sep 24 | 30 Sep 23 | YoY |
|---|--------------|--------------|--------------|
| Consumer revenue | 1,219 | 1,187 | 32 |
| Enterprise, equipment and other revenues | 1,168 | 1,111 | 56 |
| Total revenue | 2,387 | 2,298 | 89 |
| Direct costs | (821) | (797) | (24) |
| Operational expenses | (555) | (551) | (5) |
| Depreciation and amortisation | (492) | (473) | (19) |
| Borrowing cost | (27) | (34) | 7 |
| Other financing costs (net) | (11) | (14) | 2 |
| Profit before tax related fees | 481 | 430 | 51 |
| Tax related fees | (44) | (38) | (6) |
| Profit for the period | 437 | 392 | 45 |
| Basic and diluted earnings per share (in QR) | 0.103 | 0.093 | 0.010 |

- Total revenue grew QR 89m (+3.9%) driven by growth across mobility and fixed coupled with handsets sale
- Growth in direct costs corresponds to growth in equipment revenue. Expenses (excl. equipment) lower due to cost optimization initiatives
- Financing costs lower due to impact of lower net debt resulting from strong cash flow

Key Financial Performance Indicators



FY24 Guidance

| Financial KPIs | FY23 Results | FY24 Guidance |
|--------------------------|--------------|-----------------|
| Total revenue | QR 3,111m | + YoY% |
| EBITDA Margin | 41.3% | + 0.5 to 1 ppts |
| Earnings Per Share (EPS) | 0.128 | + 8% - 12% |
| CAPEX intensity | 17.7% | 12% - 14% |

Q&A



For more information visit our website:

www.vodafone.qa/en/investor-relations

Or email us:

InvestorRelationsQatar@vodafone.qa

APPENDIX



Consolidated Statement of Income

| QR m (unless otherwise stated) | Nine months ended | | |
|---|-------------------|--------------|--------------|
| | 30 Sep 24 | 30 Sep 23 | YoY |
| Consumer revenue | 1,219 | 1,187 | 32 |
| Enterprise, equipment and other revenues | 1,168 | 1,111 | 56 |
| Total revenue | 2,387 | 2,298 | 89 |
| Interconnection and other direct expenses | (797) | (782) | (15) |
| Network and other operational expenses | (350) | (353) | 3 |
| Employee salaries and benefits | (205) | (197) | (8) |
| Depreciation of property, plant and equipment | (258) | (246) | (12) |
| Amortisation of intangible assets | (149) | (142) | (6) |
| Depreciation of right-of-use assets | (86) | (84) | (1) |
| Expected credit losses | (24) | (15) | (9) |
| Finance costs | (27) | (34) | 7 |
| Other financing costs | (22) | (22) | 0 |
| Other income | 11 | 8 | 2 |
| Profit before tax related fees | 481 | 430 | 51 |
| Tax related fees | (44) | (38) | (6) |
| Profit for the period | 437 | 392 | 45 |
| Basic and diluted earnings per share (in QR) | 0.103 | 0.093 | 0.010 |

- Total revenue grew QR 89m (+3.9%) driven by growth across mobility and fixed coupled with handsets sale
- Interconnect and other direct expenses increase corresponds to higher equipment revenue
- Expenses (excl. equipment) lower due to cost optimization initiatives
- Financing costs lower due to impact of lower Net Debt

Consolidated Statement of Financial Position

| QR m (unless otherwise stated) | 30 Sep 24 | 31 Dec 23 | Var |
|---|--------------|--------------|--------------|
| Property, plant and equipment | 1,826 | 1,934 | (109) |
| Intangible assets | 3,917 | 4,037 | (120) |
| Right-of-use assets | 376 | 429 | (52) |
| Receivables, prepayments and contract costs | 235 | 267 | (32) |
| Total non-current assets | 6,354 | 6,667 | (313) |
| Inventories | 26 | 34 | (8) |
| Receivables, prepayments and contract costs | 517 | 457 | 60 |
| Cash and bank balances | 160 | 130 | 30 |
| Total current assets | 703 | 621 | 82 |
| Total assets | 7,057 | 7,288 | (231) |
| Share capital | 4,227 | 4,227 | - |
| Legal reserve | 183 | 158 | 25 |
| Retained earnings | 488 | 552 | (64) |
| Total equity | 4,898 | 4,936 | (39) |
| Loans and borrowings | 475 | 325 | 150 |
| Lease liabilities | 260 | 315 | (55) |
| Provisions | 119 | 110 | 8 |
| Total non-current liabilities | 854 | 751 | 103 |
| Loans and borrowings | 28 | 105 | (77) |
| Lease liabilities | 159 | 156 | 3 |
| Trade and other payables | 1,118 | 1,340 | (222) |
| Total current liabilities | 1,305 | 1,601 | (295) |
| Total equity and liabilities | 7,057 | 7,288 | (231) |

Assets

- Property, plant & equipment and intangible assets decreased by QR 229m due to depreciation and amortization of QR 406m offset by CAPEX of QR 178m
- Right of use assets decreased by QR 52m as a result of depreciation QR 86m offset by new leases QR 33m
- Receivables, prepayments and contract costs QR 28m higher due to project prepayments

Equity

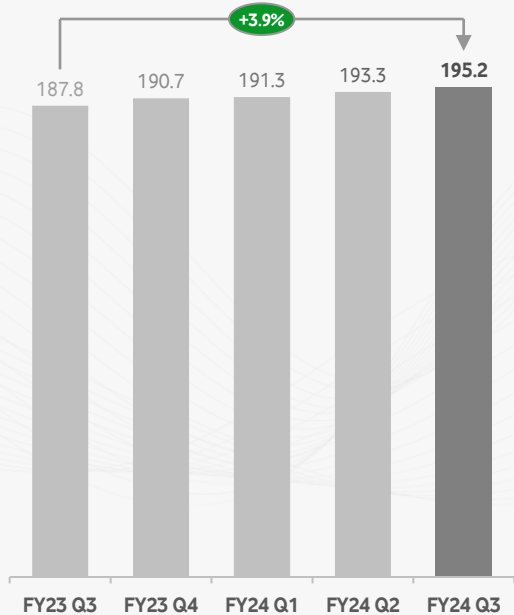
- Equity decreased by QR 39m due to dividend payment QR 465m, social and sports fund accrual QR 11m offset by profit for the period QR 437m

Liabilities

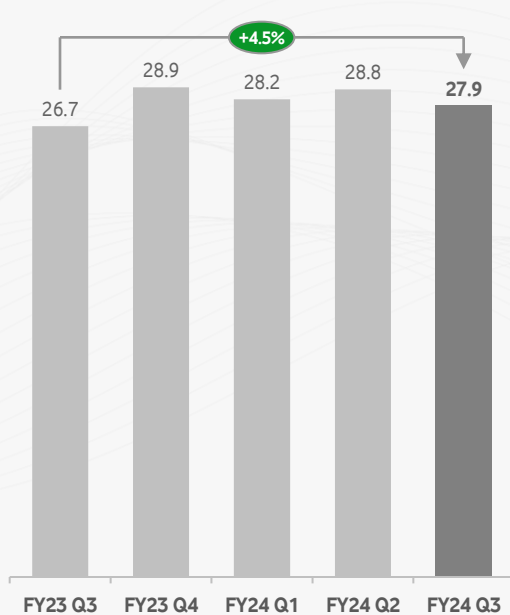
- Loans and borrowings QR 73m higher due to drawdown for dividend payments
- Lease liabilities QR 52m lower due to settlements QR 100m offset by new leases QR 33m and interest unwinding QR 15m
- Trade and other payables decreased by QR 222m due to timing of CAPEX and other vendor payments

Mobility ARPU

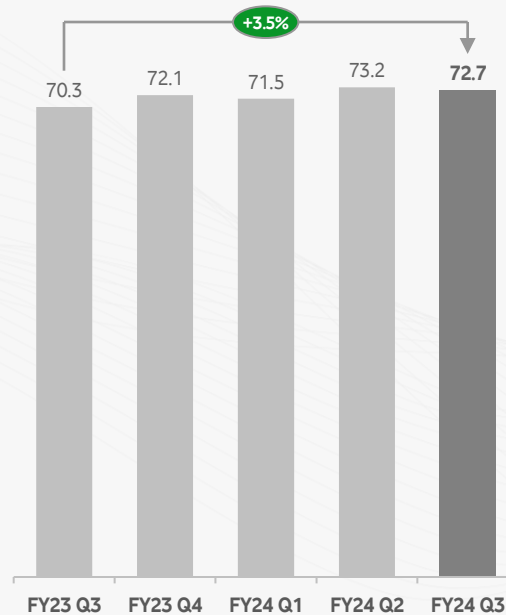
Postpaid



Prepaid

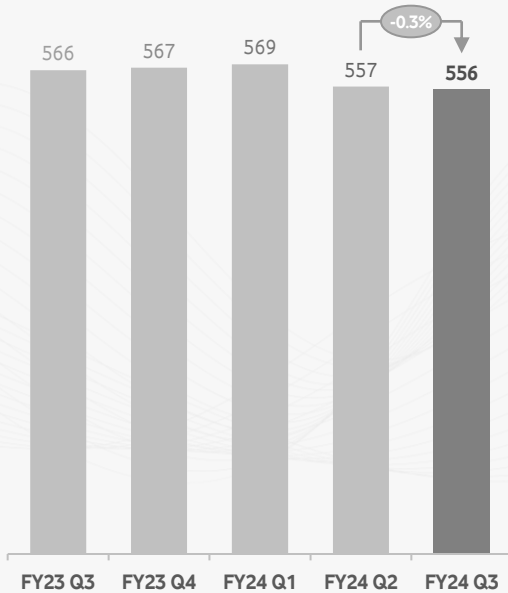


Total Mobility

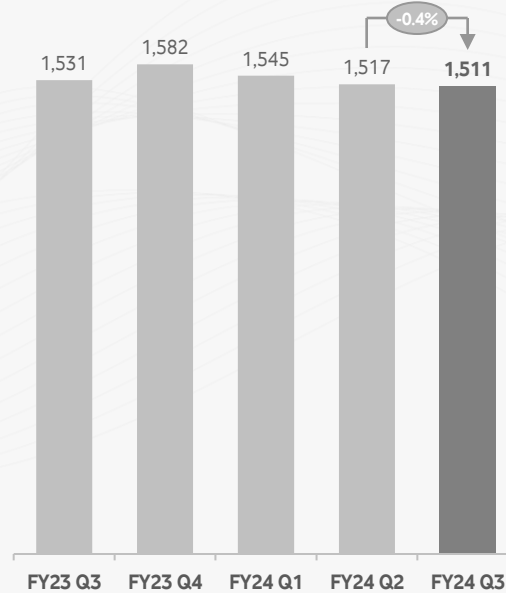


Mobility Subscribers

Postpaid



Prepaid



Total Mobility

