

Vodafone Qatar P.Q.S.C.

Investor Presentation

Financial Performance:
Half year ended 30 June 2024

The background is a solid red color. It features several abstract, flowing, ribbon-like shapes in a slightly darker shade of red, creating a sense of movement. On the right side, there is a large, stylized graphic consisting of a solid red outline of a circle or ring, with a dotted pattern of small red dots filling the interior of the circle.

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Performance Highlights

Hamad Al-Thani
Chief Executive Officer



Key Messages



Strong Financial Results in H1 FY24

- **FY24 H1 Revenue QR 1,585m**
+2.2% Y/Y
- **FY24 H1 Net Profit is QR 293m**
+12.8% Y/Y



Continued Gains on Market Share

- **30.5% Revenue Market Share in FY24 Q1 TTM**
+2.6% Y/Y
- **43.6% Mobility Customer Market Share in FY24 Q1**
+2.9% Y/Y based on reported figures



Network Infrastructure Expansion

- **5G Experience**
87% of outdoor sites are 5G enabled
- **Next gen trials**
Achieved 10+Gbps speed on the 6GHz upper mid-band spectrum

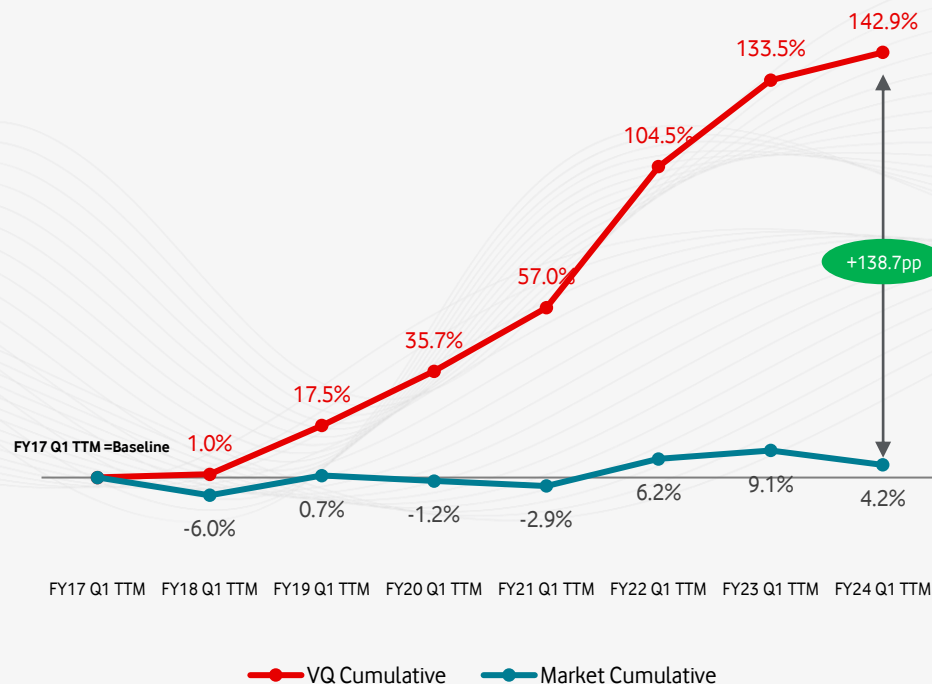


Focus on Enterprise Solutions

- **Stronger Service Revenue Mix**
>1/3 of service revenue coming from Managed Services, Wholesale, and Fixed services in H1 FY24 (+1.5pts Y/Y)
- **ICT & Managed Solutions**
Continuously enhancing our ability to deliver complex & scalable solutions.

Market Performance : Our profitability growth outperforms the Market

Indexed Cumulative EBITDA Growth



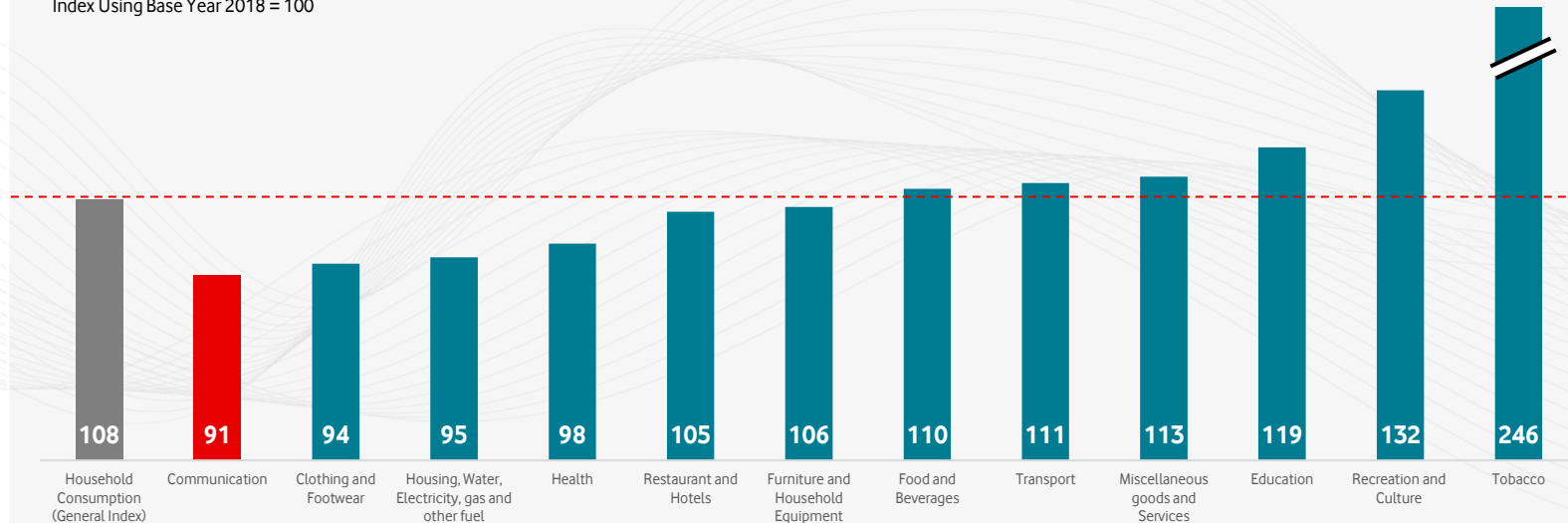
- We have achieved **+142.9% EBITDA growth** since FY17 Q1 on a TTM basis.
- In the same period overall Market EBITDA has increased by 4.2%.
- This is corresponding to **+138.7pp** outperformance adjusted for overall Market.

Market Performance : Industry is suffering pricing deflation

Telecom CPI has declined the most since 2018 among sectors tracked by Qatar PSA

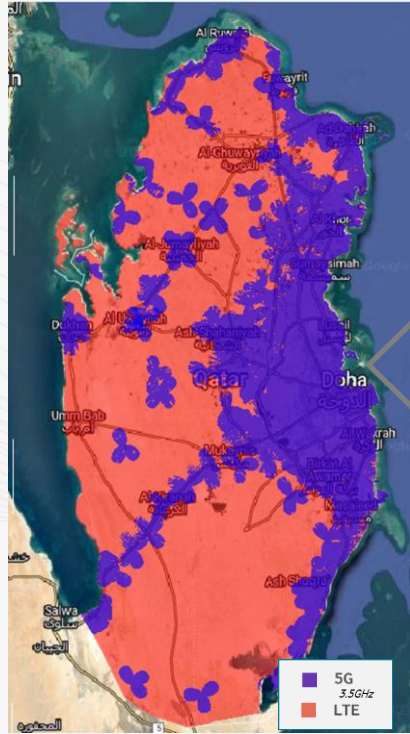
Consumer Price Index by Major Groups of Commodities and Services, May-2024

Index Using Base Year 2018 = 100

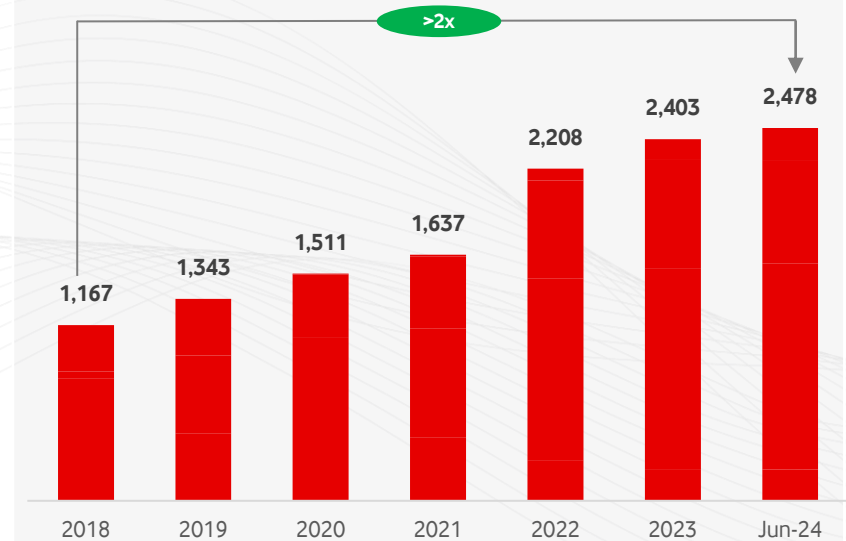


Infrastructure Update : Radio Access Network Expansion

Radio Access Network Coverage Map



Sites Expansion



- Majority of sites network wide are upgraded with 5G 2nd carrier increasing capacity and capability to the end user.
- 87% of Outdoor Sites are 5G Enabled

Financial Performance

Masroor Anjum
Chief Financial Officer



FY24 H1 : Key Highlights



Revenue growth continues

- Growth momentum continues with service revenue registering a growth of 2.8%



Focus on cost efficiency

- Despite growth in service revenue, expenses decline YoY driven by cost optimisation initiatives
- OPEX intensity further reduces by 0.6ppts YoY to 23.9%



Continuing profitability growth

- EBITDA QR 672m, 5.9% higher YoY
- EBITDA margin of 42.4%, jumps 1.5 ppts YoY
- Net profit QR 293m, grows 12.8% YoY



Robust underlying growth in cash flows

- 42.5% underlying increase in operating cash flows YoY, driven by working capital optimisation initiatives

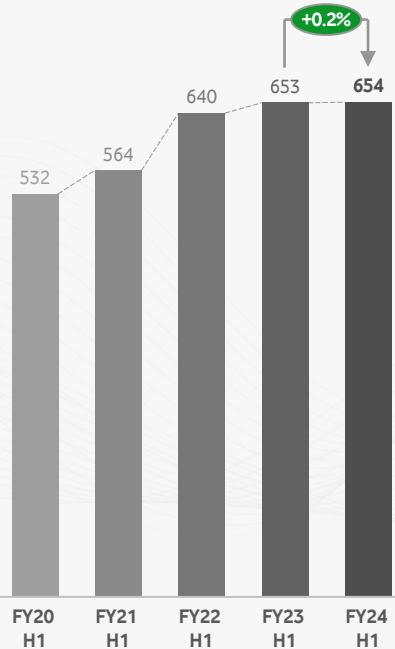
FY24 H1 Year on Year : Persistent Topline and Profitability Growth



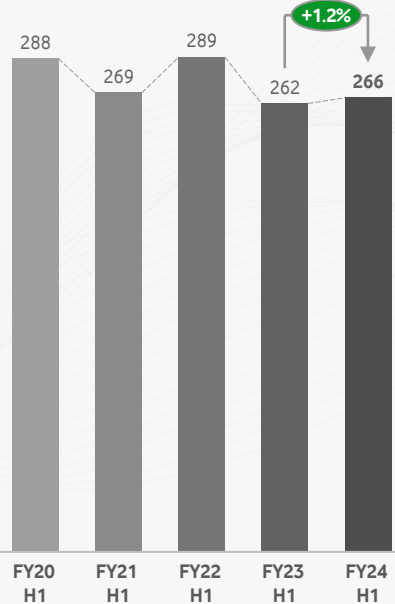
- Total revenue grew QR 34m (+2.2%) driven by growth across mobility, fixed and wholesale
- Expenses declined due to cost optimization initiatives
- EBITDA increased 5.9% primarily driven by service revenue growth
- Net profit grew 12.8% resulting from higher EBITDA

Service Revenue : Continuous growth across all segments

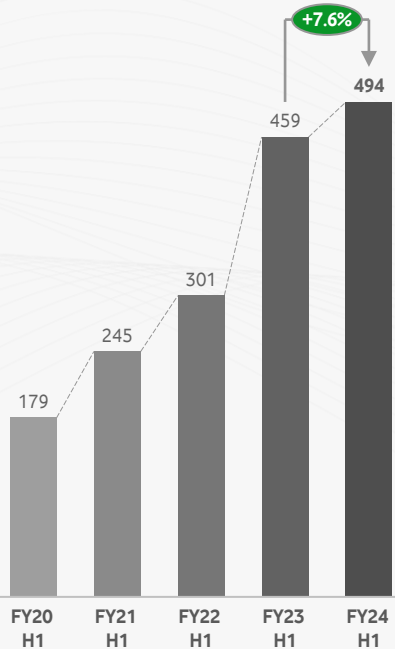
Postpaid



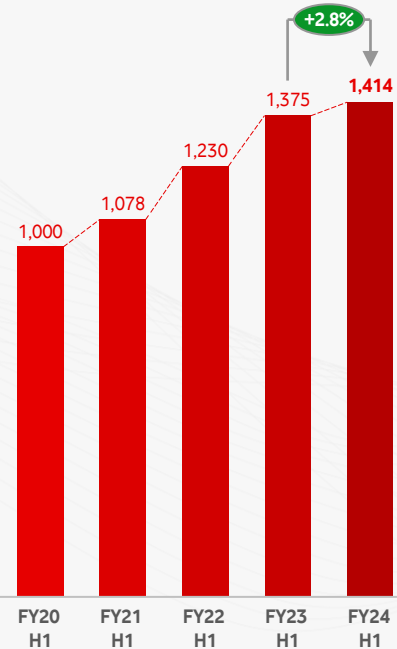
Prepaid



Managed services, wholesale & Fixed

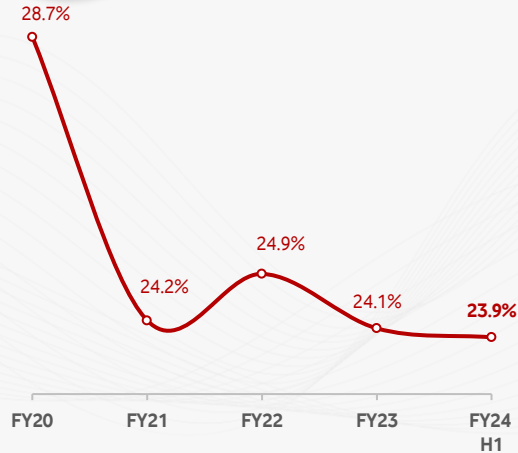


Total service revenue



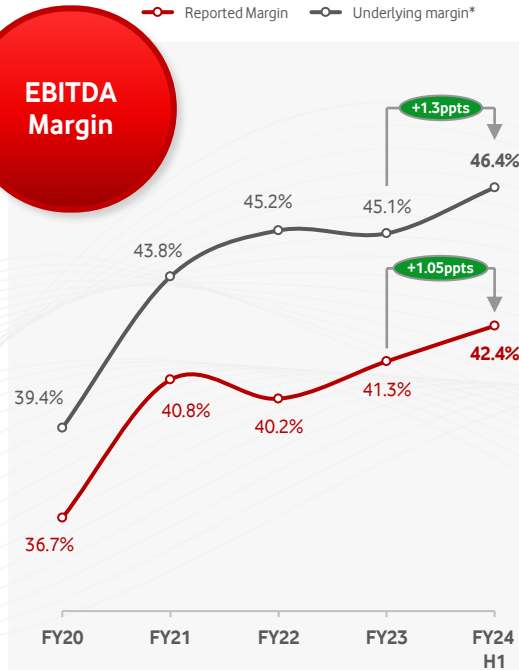
Margin Trends : Enhancing cost efficiency and profitability margins

OPEX Intensity



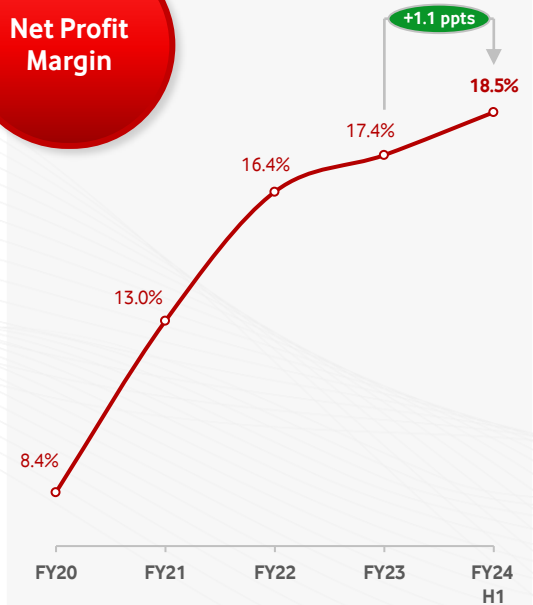
- **OPEX intensity** continues to decline driven by cost optimisation

EBITDA Margin



- **Reported EBITDA margin** at 42.4%, 1.1 ppts higher than FY23
- **Underlying EBITDA margin** of 46.4%, 1.3 ppts higher than FY23

Net Profit Margin



- **Net Profit margin** of 18.5% (1.1 ppts higher than FY23) led by growth in EBITDA

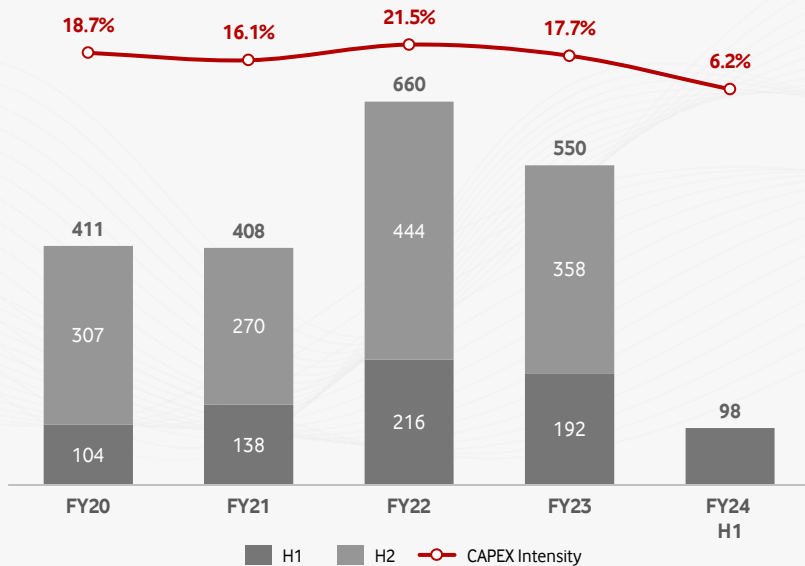
FY24 Q2 Year on Year : Growth momentum continues



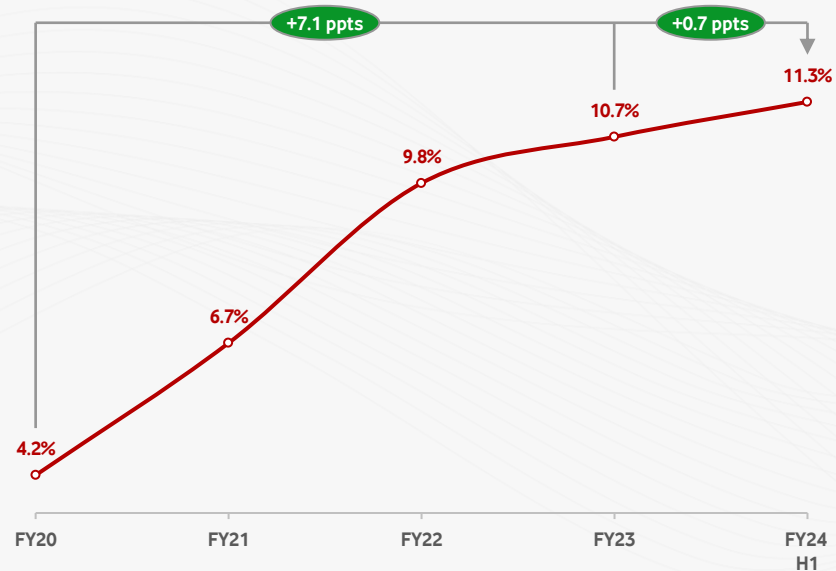
- Service revenue grew 3.2% YoY driven by growth across all segments – prepaid, postpaid, wholesale and fixed
- Lower equipment revenue YoY is driven by timing of projects
- Expenses lower despite increase in service revenue, mainly due to cost optimization initiatives
- EBITDA increased 6.4% following higher service revenue
- Net profit grew 13.1% resulting from higher EBITDA

Capital Expenditure : Investments driving profitable growth

Capital expenditure (CAPEX)

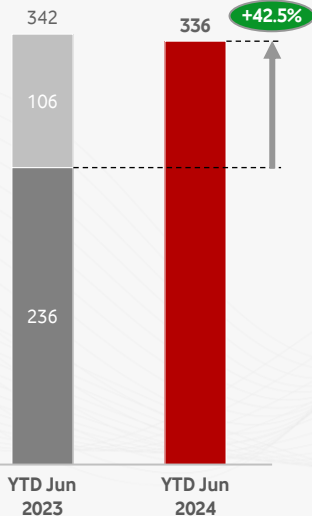


Return on capital employed (ROCE*)



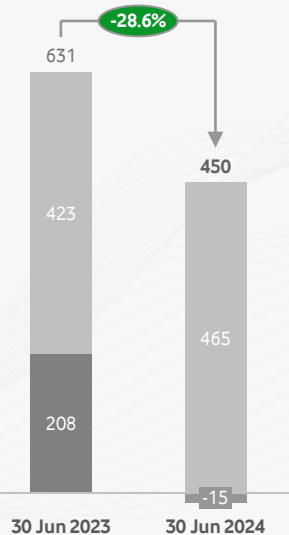
FY24 H1 Year on Year : Driving robust cash flows

Operating Cash flow*



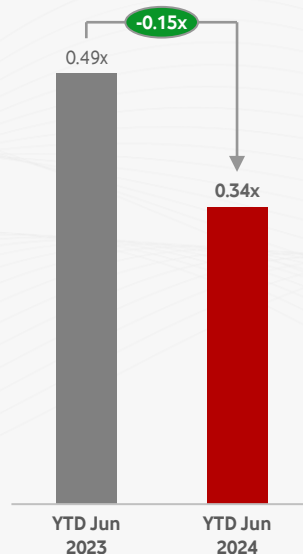
■ World cup & one off collections

Net Debt



■ Dividend

Net Debt to EBITDA **



- 1 Underlying operating cash flow increased 42.5% reflecting strong collections and working capital optimization initiatives
- 2 Despite higher dividend pay-out for FY23, net debt decreased due to strong OFCF
- 3 Net debt to EBITDA ratio continues to decline reaching 0.34x

FY24 H1 Year on Year : Statutory results summary

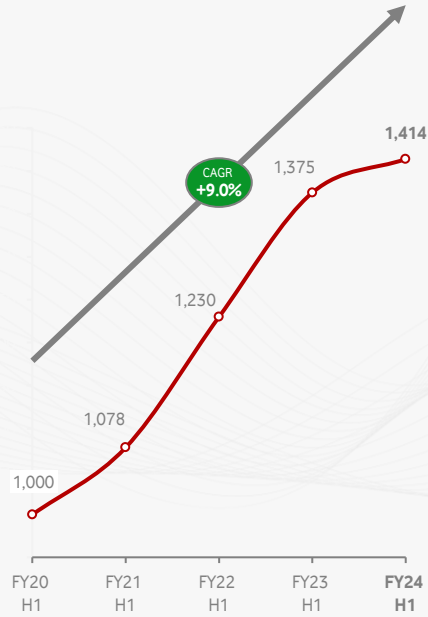
QR millions (unless otherwise stated)

	30 Jun 24	30 Jun 23	YoY
Consumer revenue	819	797	21
Enterprise, equipment and other revenues	766	753	13
Total revenue	1,585	1,551	34
Direct costs	(534)	(536)	2
Operational expenses	(379)	(380)	1
Depreciation and amortisation	(320)	(316)	(4)
Borrowing cost	(19)	(23)	5
Other financing costs (net)	(10)	(9)	(1)
Profit before tax related fees	323	286	38
Tax related fees	(30)	(26)	(4)
Profit for the period	293	260	33
Basic and diluted earnings per share (in QR)	0.069	0.061	0.008

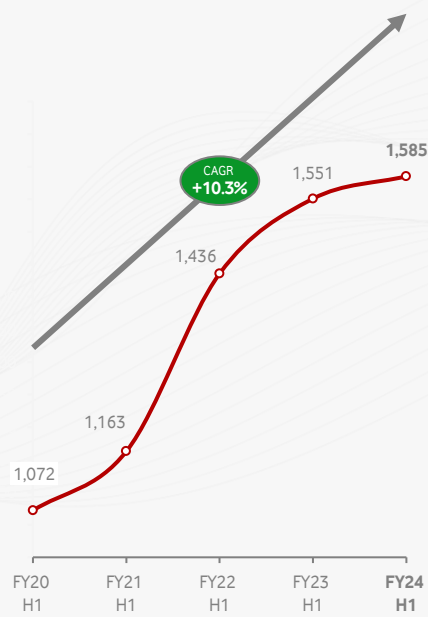
- Total revenue grew QR 34m (+2.2%) driven by growth across mobility, fixed and wholesale
- Expenses declined due to cost optimization initiatives
- Financing costs lower due to impact of lower net debt

Key Financial Performance Indicators

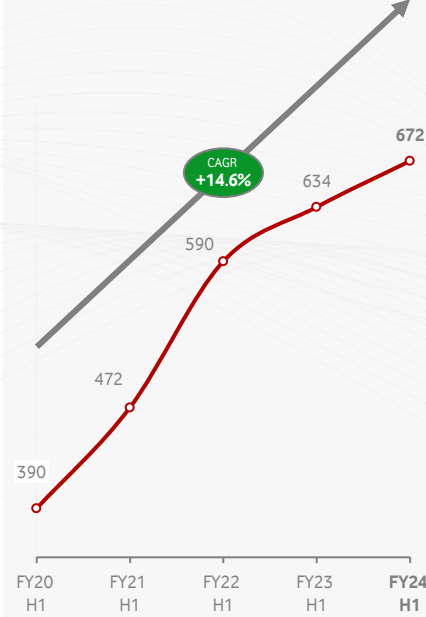
Service Revenue



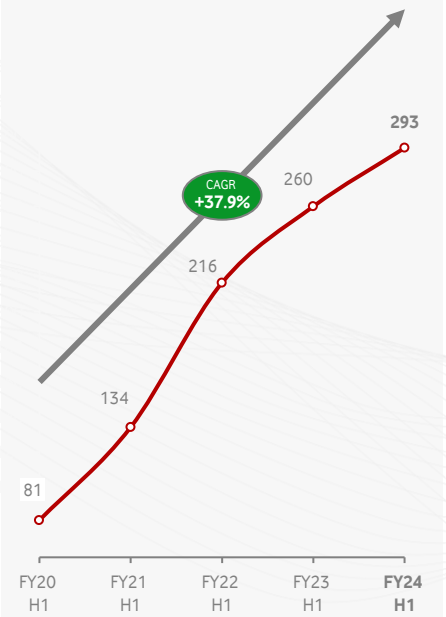
Total Revenue



EBITDA



Net Profit



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)	Six months ended		
	30 Jun 24	30 Jun 23	YoY
Consumer revenue	819	797	21
Enterprise, equipment and other revenues	766	753	13
Total revenue	1,585	1,551	34
Interconnection and other direct expenses	(517)	(523)	6
Network and other operational expenses	(239)	(243)	4
Employee salaries and benefits	(140)	(138)	(3)
Depreciation of property, plant and equipment	(164)	(166)	2
Amortisation of intangible assets	(98)	(94)	(4)
Depreciation of right-of-use assets	(57)	(56)	(1)
Expected credit losses	(17)	(13)	(4)
Finance costs	(19)	(23)	5
Other financing costs	(15)	(15)	0
Other income	4	6	(1)
Profit before tax related fees	323	286	38
Tax related fees	(30)	(26)	(4)
Profit for the period	293	260	33
Basic and diluted earnings per share (in QR)	0.069	0.061	0.008

- Total revenue grew QR 34m (+2.2%) driven by growth across mobility, fixed and wholesale
- Expenses declined due to cost optimization initiatives
- Finance costs lower due to impact of lower net debt

Consolidated Statement of Financial Position

QR m (unless otherwise stated)	30 Jun 24	31 Dec 23	Var
Property, plant and equipment	1,854	1,934	(81)
Intangible assets	3,953	4,037	(84)
Right-of-use assets	393	429	(36)
Receivables, prepayments and contract costs	219	267	(48)
Total non-current assets	6,419	6,667	(248)
Inventories	44	34	10
Receivables, prepayments and contract costs	476	457	19
Cash and bank balances	144	130	14
Total current assets	664	621	43
Total assets	7,083	7,288	(205)
Share capital	4,227	4,227	-
Legal reserve	175	158	17
Hedging reserve	(2)	-	(2)
Retained earnings	356	552	(196)
Total equity	4,755	4,936	(181)
Loans and borrowings	590	325	265
Lease liabilities	265	315	(50)
Provisions	116	110	6
Total non-current liabilities	971	751	221
Loans and borrowings	4	105	(101)
Lease liabilities	176	156	20
Trade and other payables	1,176	1,340	(164)
Total current liabilities	1,356	1,601	(245)
Total equity and liabilities	7,083	7,288	(205)

Assets

- Property, plant & equipment and intangible assets decreased by QR 165m due to depreciation and amortization of QR 263m offset by CAPEX of QR 98m
- Right of use assets decreased by QR 36m as a result of depreciation QR 57m offset by new leases QR 22m
- Receivables, prepayments and contract costs QR 29m lower due to higher projects collections

Equity

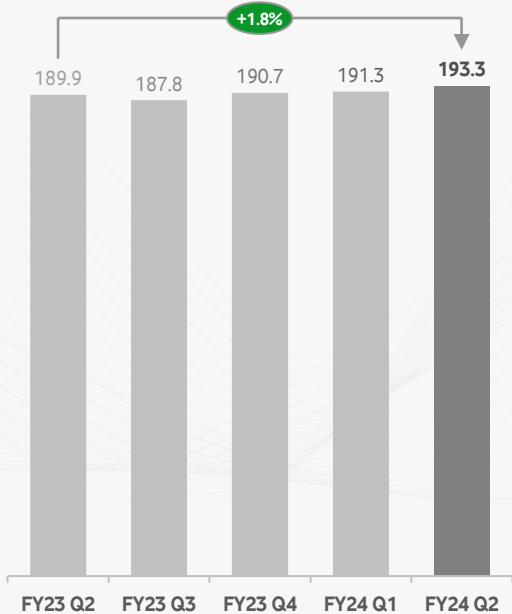
- Equity decreased by QR 181m due to dividend payment QR 465m, social and sports fund accrual QR 7m and impact of hedging reserve QR 2m partially offset by profit for the period QR 293m

Liabilities

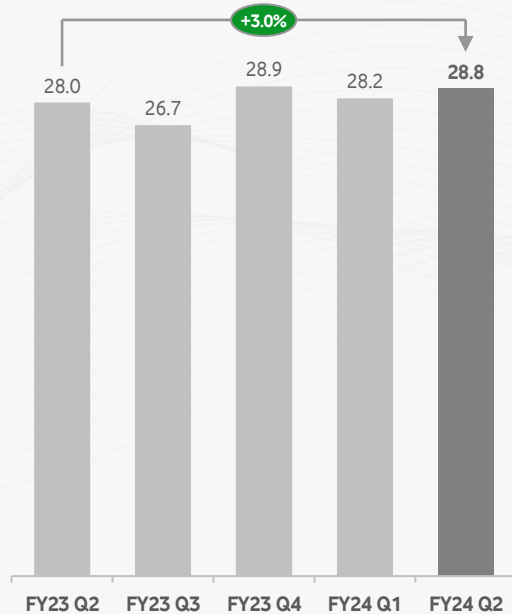
- Loans and borrowings QR 164m higher due to drawdown for dividend payment
- Lease liabilities QR 30m lower due to settlements QR 62m offset by new leases QR 22m and interest unwinding QR 10m
- Trade and other payables decreased by QR 164m due to CAPEX and regulatory payments

Mobility ARPU

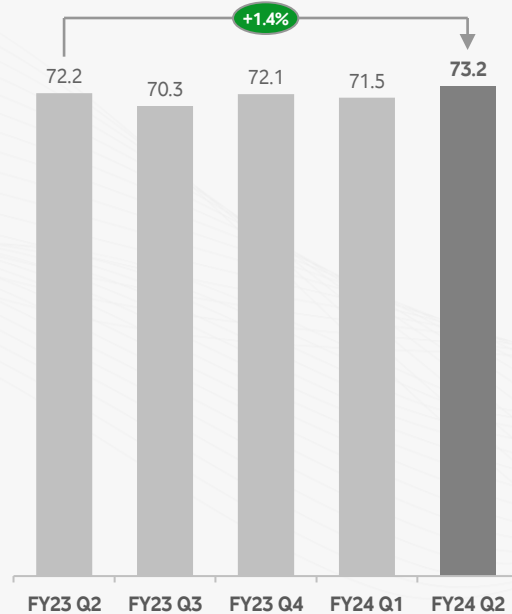
Postpaid



Prepaid



Total Mobility

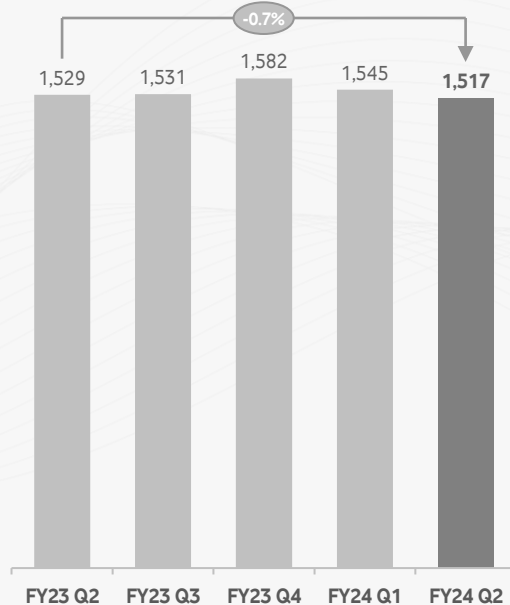


Mobility Subscribers

Postpaid



Prepaid



Total Mobility

