

Chairman's Statement



“
We will continue our evolution to become a digital telecom, building a solid foundation for Mobily's future and driving the digital ecosystem.”

**H.E. Dr. Nabeel
Mohamed Al Amudi**
Chairman

This has been a remarkable year for Mobily. At the end of 2022, the Company rounded out another year of consistent growth. This success comes from our exceptional employees and Executive Management working together to successfully execute our GAIN strategy. Our strategic insight, *digital transformation*, and *operational excellence* shone brightly.

On a deeper level, our commitment to creating added value for our Stakeholders supported us in delivering exceptional performance and earning lasting trust. Our work to gain the confidence of shareholders, customers, partners, and employees allowed us to prosper through the current landscape and position Mobily for further growth ahead.

Achieving growth. Gaining lasting trust.

Seizing Opportunities

2022 was a year where Mobily stepped up and took advantage of opportunities. New disruptive technologies, such as big data, artificial intelligence, cloud services and Internet of Things (IoT) continued to disrupt businesses and industries. Within the telecoms market, the significant deployment and expansion of 5G coverage areas fueled data traffic and sales. During the 2022 Hajj season, Mobily witnessed a spike across several fronts, with increased 5G data traffic, voice calls through 4G, and international calls. Notably, the digital transformation of the public and private sectors further increased the use of cloud applications such as IoT and data centers.

Mobily is committed to providing the best technologies and digital solutions for its customers to enhance the digital economy and meet the objectives of the Saudi's Vision 2030. Once again, we led the rankings for speed and service, winning 2 Ookla Speedtest awards and earning recognition from Opensignal for consistency and quality in mobile speeds, as well as 5G and overall video experience.

Mobily has been collaborating with one of 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. Building on this successful test will enable Mobily to improve the experience of 5G customers by adding 100 MHz to our network, while setting a strong precedent for further innovations in this space moving forward.

Digital transformation is on top of the agenda for corporations globally, especially Mobily, which ventured further into the digital ecosystem this year, including through the launch of our fintech arm, Mobily Pay. Our partnership with Cisco will be game changing, as we prepare to build the region's largest IoT cloud platform, opening the door for a wide range of cloud-based innovation.

2 Ookla Speedtest awards and earning recognition from Opensignal

Strong mobilization and tight governance supported us to surpass progress targets for our IT transformation program,

with 11 projects successfully delivered. We upgraded a number of processes through digitization and automation.

Strategic GAINS

I am pleased to say we have successfully executed our GAIN strategy, which aimed to position Mobily as a better choice for our Stakeholders to unlock growth possibilities. This was the third and final year of the strategy, where we saw the fruits of our efforts pay off. We increased our market share. Our digitalization efforts led to increased engagement and growth of users, downloads, and other important KPIs. We further solidified our position with significant investments in 5G and digital infrastructure.

Mobily gained financially from the strategy, with improved revenues, margins and cash flow. We successfully optimized our bottom line through enriched customer experiences, digital transformation and infrastructure upgrades. We dynamically managed challenges, demonstrating resilience and continuing to grow. This comprehensive approach positioned the Company for a new era of prosperity.

3.8 Gbps industry-leading maximum download speed in MENA region

Transforming with the Kingdom

As a proud Saudi company, Mobily works in alignment with the ICT sector strategy as a crucial enabler to the Saudi Vision 2030 to develop the digital infrastructure. The Company's future is symbiotic with that of the Kingdom, where connectivity is the right of all citizens and the backbone of economic growth. Mobily is a key enabler to power the new digital economy of the Kingdom across all industries.

As we move forward in our growth journey, the new Mobily strategy will align further with the Saudi's Vision and strategy. We will continue our efforts to collaborate with the Government, stepping up more as a proactive partner to support government projects. We are gearing up to capture growth opportunities presented by regulatory enhancements in the fintech space. We will also play an important role in the Government's objective to increase the share of cashless payments in the Kingdom, as with the launch of Mobily Pay.

Driving a Sustainable Future

Hand in hand with our commitment to the Kingdom and our mandate to build the trust of all Stakeholders is our responsibility towards our environmental, social, and governance (ESG) framework. Our sustainability strategy is guided by and supportive of the ESG-related goals of Saudi Vision 2030, as well as the United Nations Sustainable Development Goals (SDGs).

This year, Mobyly introduced and began implementing its 3-year ESG strategy that aims to reflect our commitment towards achieving a sustainable future. The strategy incorporates socially and environmentally sustainable practices across our operations, in alignment with the SDGs.

In 2022, Mobyly made important strides in green energy, launching our first tower to generate energy through environmentally friendly sources that support the use of renewable energy to reduce carbon emissions, as part of our commitment to support the Saudi Green Initiative.

Our sustainability efforts helped to upgrade our MSCI ESG Index rating to BBB in the rating round of May 2022 and qualified us for inclusion in the FTSE Russell ESG rating. We also improved our corporate culture, boosted employee engagement, and created value for our shareholders.

Effective Governance and Risk Management

Mobyly's corporate governance approach creates long-term value for shareholders and all Stakeholders by promoting communication, transparency, and accountability. We strongly promote ethical behavior across the organization, enforced by our Code of Ethics and Professional Conduct established this year. Our updated Audit Committee Charter and related processes ensure our accounting practices are of the highest quality and integrity. Mobyly's diligent monitoring and management of risks supported our growth and resilience in 2022. Our risk management practices were integral in executing GAIN and remain an important part of our new strategy.

Our Vision for Accelerating Growth

Following the successful completion of GAIN, Mobyly is embarking on a new corporate strategy starting in 2023. The strategy will build upon our progress so far, capturing gains made in innovation and agility, while making significant investments in new infrastructure. It will support business continuity and sustainable growth by increasing market share and repositioning Mobyly as a leader in new trends in the telecom, media, and technology industry.

We will continue our evolution to become a digital telecom, building a solid foundation for Mobyly's future and driving the digital ecosystem.

Acknowledgements

On behalf of the Board of Directors, I wish to express my gratitude to our Executive Management and congratulate them on the successful execution of the GAIN strategy and the completion of another prosperous year.

Thank you to our strategic partners and shareholders for their continued support as we celebrate our 2022 achievements and look ahead to another year of strategic and financial growth.

Finally, I express deep gratitude and loyalty to The Custodian of the Two Holy Mosques and His Royal Highness, The Crown Prince, for their wise leadership and inspiring achievements towards Saudi Vision 2030.

