

# Group CEO's Message

## **This has been an exceptional year. We delivered robust financial performance and business growth across all our operations during 2021.**

We are at the dawn of a new and exciting chapter in our Group's growth journey to create a bright, digital future that empowers individuals and societies. I am proud of how far we have come in 2021, and I look forward to yet another fruitful year ahead.

Throughout 2021, the Group connected more individuals, businesses, and societies and provided more digital services than ever before. If 2020 was primarily about delivering on our commitment to our customers and maintaining the resilience of our networks, 2021 was mainly about restructuring our operations to become more agile, more competitive, and more responsive to customer needs. We partnered with governments and enterprises to deploy large scale projects (megaprojects) and rolled out cyber-security, cloud, Internet of Things (IoT) and Artificial Intelligence (AI) services. We built reliable infrastructure and developed rich ecosystems that enabled innovation and entrepreneurship. This was made possible thanks to our people who have demonstrated what truly matters for telecommunications and technology companies – keeping individuals, businesses and societies connected while delivering an outstanding customer experience and continuously innovating in technology and services.

## **Embracing the new normal in the digital age**

The Group is accelerating its transformation into a customer-centric, digitally-driven global technology conglomerate. We are building on our successes in ideating, designing, and executing digital solutions for businesses, governments, and individuals, forging strategic partnerships, and attracting the best talent in our footprint and beyond. For decades, we have been leaders in bringing the latest technology to the public. In recent years, we have been reliable partners for entrepreneurs and innovators while never faltering as reliable partners for economic and business development to governments and stakeholders.

## **Celebrating strong business performance**

We achieved a strong business performance in 2021 alongside multiple achievements. e& is now the strongest telecom brand in the world, the first telecom brand from MEA to achieve this accolade. Such recognition is a fine demonstration of our resilience when we work together to fuel our ambitions while empowering societies. We also witnessed an outstanding year for the Group due to our collective efforts to maximise value from the core telecommunications business, expand and solidify our leadership in our footprint and the region, and grow adjacencies both organically and through acquisitions.

Here are some highlights of our financial results.

- Consolidated revenues for the Group increased by 3.2% to AED 53.3 billion. Consolidated Net Profit amounted to AED 9.3 billion, representing a 3.2% increase YoY. Consolidated EBITDA amounted to AED 26.7 billion, representing a YoY increase of 1.0% and resulting in an EBITDA margin of 50.1%.
- Across our footprint, we have shown strong financial performance compared with 2020 despite persistent challenges in the markets in which we operate, including stringent regulatory measures and uneven recovery rates from the COVID-19 pandemic. The robust revenue growth was attributed to recovery in the UAE and continued improvement in international operations.
- We witnessed a strong, double-digit revenue growth of 21% by Etisalat Misr. PTCL Group operations experienced revenue growth of 6% across all segments.

e&'s ESG rating was upgraded from BBB to A by MSCI Global Index after we launched the sustainability framework and enhanced policies in line with international best practices, including implementing a Gender Equity Framework in benefits in the UAE.

Finally, e& has accelerated its plans to decarbonise activities by reducing GHG by 2030. We will continue our efforts to provide safe, efficient, and environmentally responsible products and services that help mitigate climate change.

## **Realising our aspirations through our main business pillars**

Our achievements in 2021 are clear indicators that we are well-placed to realign our business operations by evolving into e&. The creation of specialist business pillars – Telecoms, e& life, e& enterprise, and e& capital – will best serve our customer segments and shareholders by upholding our reputation as the shapers of the future and enablers of societal progress.

We are ready to hyperscale, operate in new geographies, build a unique network of partnerships, refine our business models, and diversify our revenue streams to add more value.

We are pursuing new, fast-growing business models in the digital space for both our consumer and enterprise segments for further accelerated growth. We will implement the next phase of the core transformation of our Etisalat UAE operations by delivering an outstanding digital customer experience.

## Confidence in a brighter digital future

As we place digitalisation and next-generation technologies at the core of our business moving forward, we will meld e&'s telecoms and technology capabilities for the benefit of all our stakeholders. We will move at full throttle to take advantage of value-adding partnerships and fruitful ventures. We are ready to bring the full potential of the digital world to our customers across all segments.

The e& Group and I are grateful to the UAE Leadership for inspiring us to reach new heights and for its unwavering support in our transformation into a Group that is digitally fit for the future. We are also grateful to our investors, shareholders and customers as they continue to trust in our vision and our ability to deliver on this vision.

We will continue to move onward and upward, expanding into new technologies and maintaining our competitiveness as a global technology and investment conglomerate.

**“We witnessed an outstanding year due to our collective efforts to maximise value from the core business, solidify our leadership in our footprint, and grow adjacencies both organically and through acquisitions”**

**Hatem Dowidar**  
Group Chief Executive Officer

