

EMTEL Group

Performance – H1 2024

Analyst Meeting

14 Aug 2024

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Krishnaduth (Kresh) Goomany
Group Chief Executive Officer



30+ Years Exp.

- ✓ Group Chief Executive Officer since January 2021
- ✓ Joined in 2014 as COO and Deputy CEO of Emtel

Experience



Sahoud Edoo
Group Chief Financial Officer



29+ Years Exp.

- ✓ Group Chief Financial Officer since November 2015 and MC Vision since September 2020
- ✓ Joined Emtel in 2015. Previously at Emtel (1995 -2010) and CFO of Millicom Tanzania

Experience



Agenda

01 **Business Highlights**

02 **Financial Review**

03 **Outlook**

04 **Q & A**

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Business Highlights

Key achievements

35th Anniversary (May-24)



Ookla Award (Jun-24)



Context

Macro-economic

- **Forex** volatility | scarcity
- Higher **interest rate** environment
- New measures : Corporate **Climate tax**

Key Takeaways

- Acceleration of Telecom Vertical**
- **Performance H1-24 vs H1-23**
 - Revenue¹ growth : + 8.1%
 - Service revenue¹ growth : + 12.2%
 - EBITDA² growth: + 16.6%
 - **Data Services** - The Growth driver
 - **blink** adoption and usage : double digit growth month on month
 - **Technopolis** : full annualized billing as from year 2024
 - **Award** : Fastest mobile network in Mauritius and East Africa

Key Business Outlook

<p>MC Vision transaction</p>	<p>blink</p>
<p>Regulatory SIM re-ekyc, MRA</p>	<p>Privy Council Judgement</p>

Commercial Highlights

Home Internet with TV (Jan-24)

eSIM Voyaz (Mar-24)

5G in Rodrigues (Apr-24)

UPI (Jun-24)

MEYER REZO + MEYER SPORT

Airbox5G EMTEL

Airbox5G (50M-3TB)

- +30 CHAINES TV CANAL+
- +30 CHAINES TV CANAL+ PACK SPORT

à 1300 RS/MOIS TV 4K

à 1700 RS/MOIS TV 4K

PLUG & PLAY

INSTALLATION GRATUITE

RESEAU 5G SEULEMENT A MAURICE

Disponible dans tous les showrooms **Emtel** et **CANAL+**

EMTEL Feel Free

eSIM VOYAZ
Votre Mobile data International

- Dans plus de 150 pays
- Pour tous les voyageurs
- Conservez votre numero WhatsApp

Get yours now!

For more details
+330 57 28 8970 | esimvoyaz@emtel.com

EMTEL5G

EMTEL 5G

ASTER DAN RODRIGUES !
PLI RAPID KI RAPID

Airbox5G

Internet pour votre maison

5G mobile data

ZIS KOT EMTEL

emtel.com/5g

Scan & Pay with blink in India

UPI QR CODE

BharatPe | **PhonePe** | **Google Pay** | **paytm**

Et more

MauCAS | **blink** | **UPI**

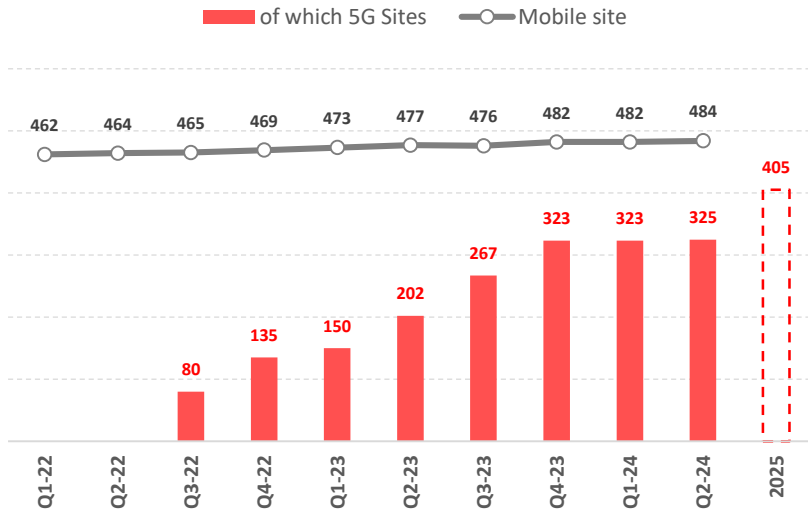
Download blink by Emtel

Google Play | **App Store** | **AppGallery**

Conditions Apply
EMTEL by Blink is a service by Emtel MTS Co. LLP which operates under a license from the Bank of India.

Our Infrastructure | 5G Leadership

Sites evolution



Phase 4

+ 80 sites 2025

5G | 4G

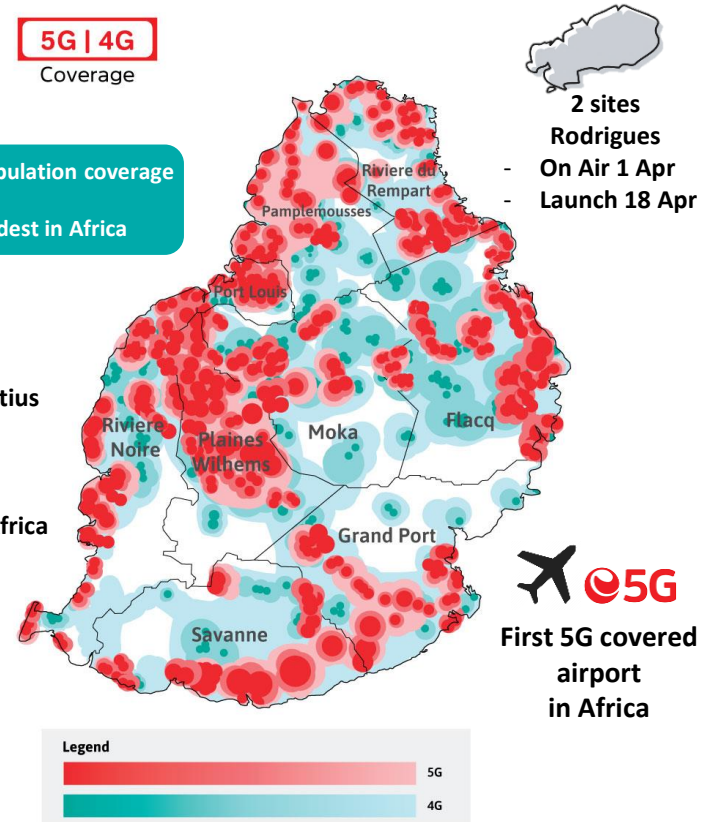
Coverage

78% population coverage

Widest in Africa

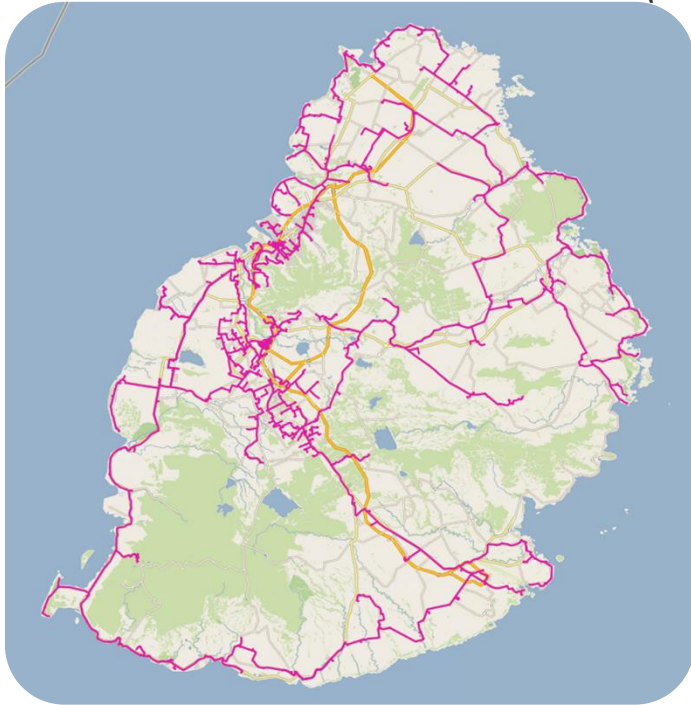
OOKLA Awards

- Fastest Mobile Network in Mauritius (2023 & 2024)
- Fastest Mobile Network in East Africa (2024)

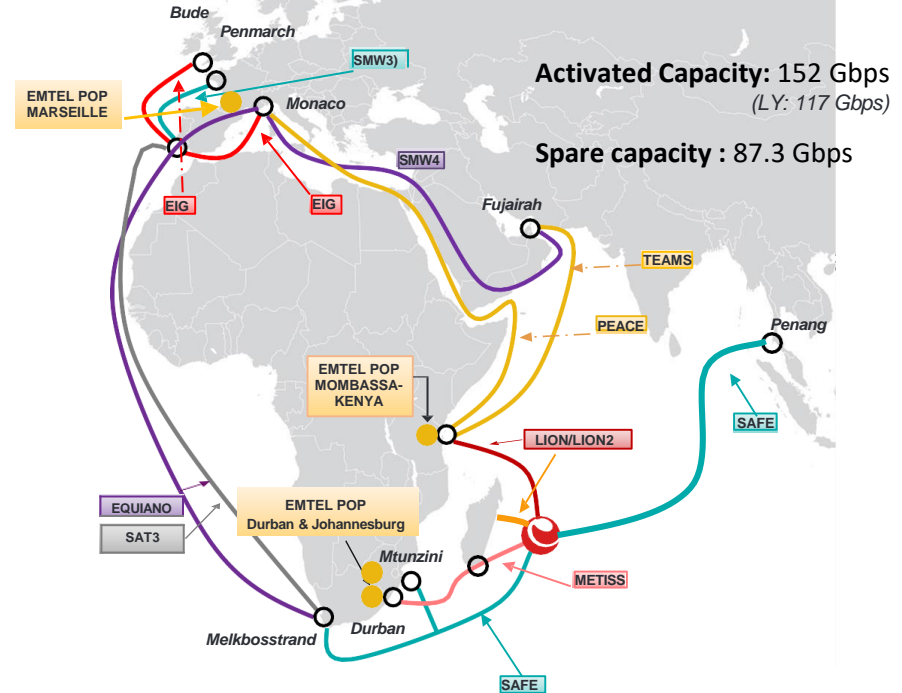


Local Fibre Footprint – 641 kms

(LY: 582 kms)



Resilient International Connectivity – Multi Route



PoP and Cross Connect in strategic locations

Well developed Data Centre infrastructure



About Emtel Data Centre

- **99.982%** uptime
- Since **2012**
- **State-of-the-art** Data Centre - critical for business continuity
- Carrier **Neutral**
- 1 MW power with **redundancy**
- Access to **all submarine cables** connecting Mauritius

Certifications & Compliance

- **ANSI/TIA-942-B Rated-3** both by Design and Construction
- **MS ISO 27001:2013 | 9001:2015**
- **Energy Efficient** Data Centre – EuCoC for Data Centre
- **GDPR** Compliant



Emtel Data Centre TIER
3 ANSI TIA-942
Certification



Serves local Mauritian
and International
Customers



Strategically
located in a
flood-free area

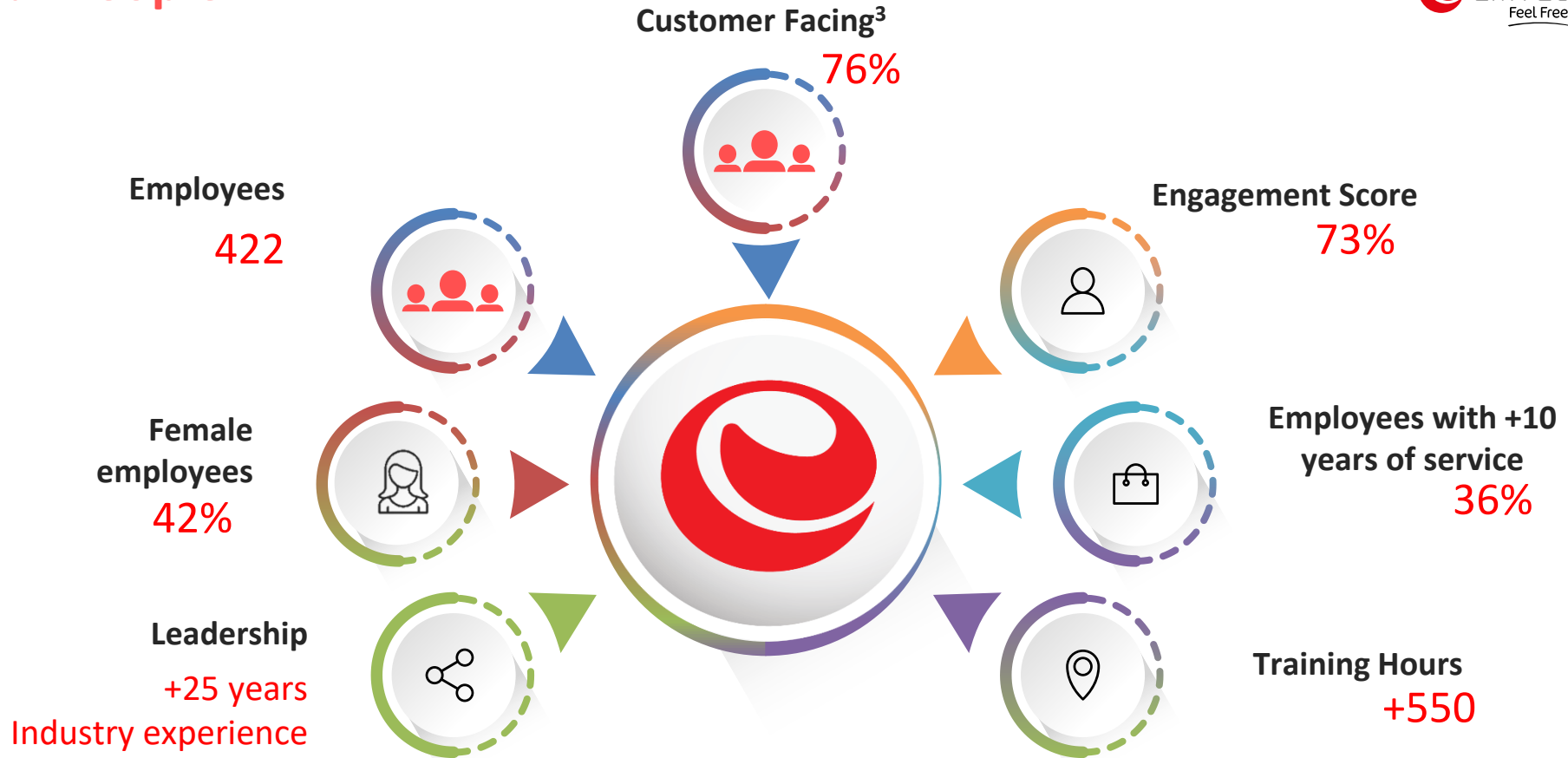


Host of a METISS
submarine cable
landing station

75% occupancy

(LY: 68%)

Our People



Social Inclusion

Drivers

- Poverty Alleviation
- Quality Education
- Quality Health

Environmental Preservation

- Addressing Climate Change
- Preserving Ecosystems & Natural Resources
- Responsible Waste Management
- Environmental Stewardship

Key Metrics (Jun-24)

CSR¹⁵
Investment



Rs 2.1m

NGO¹⁶
supported



29

Employee
participation



41%

e-waste



4.9 tons
recycled

waste



1.2 tons
recycled

Renewable



104 MWh
generated

2

Financial Review

Group Financial Performance - Snapshot

Group - Key highlights - 30 June 2024

	H1 2023	H1 2024
	Rs Million	Rs Million
Revenue ¹	1,642	1,775
Service Revenue ¹	1,473	1,653
EBITDA ²	700	816
Underlying operating profit ⁴	312	385
Underlying profit before tax ⁵	223	262
Profit before tax	241	188
Capital Expenditure ⁶	854	390
Net Debt ⁷	3,396	3,888



Highlights

- +8.1% growth on Total Revenue propelled by telecom segment
- +12.2% growth in Service Revenue
- Technopolis – first full year billing in 2024

Group Revenue driven by Telecom Vertical

Revenue

	H1 2023	H1 2024
	Rs Million	Rs Million
Emtel	1,646	1,748
Emtel MFS	2	9
Technopolis	0	22
Consolidation Adjustments	(7)	(5)
Group Total Revenue	1,642	1,775

EBITDA

	H1 2023	H1 2024
	Rs Million	Rs Million
Emtel	736	830
Emtel MFS	(31)	(25)
Technopolis	(1)	18
Consolidation Adjustments	(5)	(6)
Group Total EBITDA	700	816

EBITDA²

Rs 816m



↑ 116m
+ 16.6%

EBITDA Margin⁸

Revenue¹

Net Revenue⁹

46.0%

↑ +3.4%



50.9%

↑ +3.2%

Underlying operating profit⁴

Rs 385m



↑ 73m
+ 23.4%

Underlying profit before tax⁵

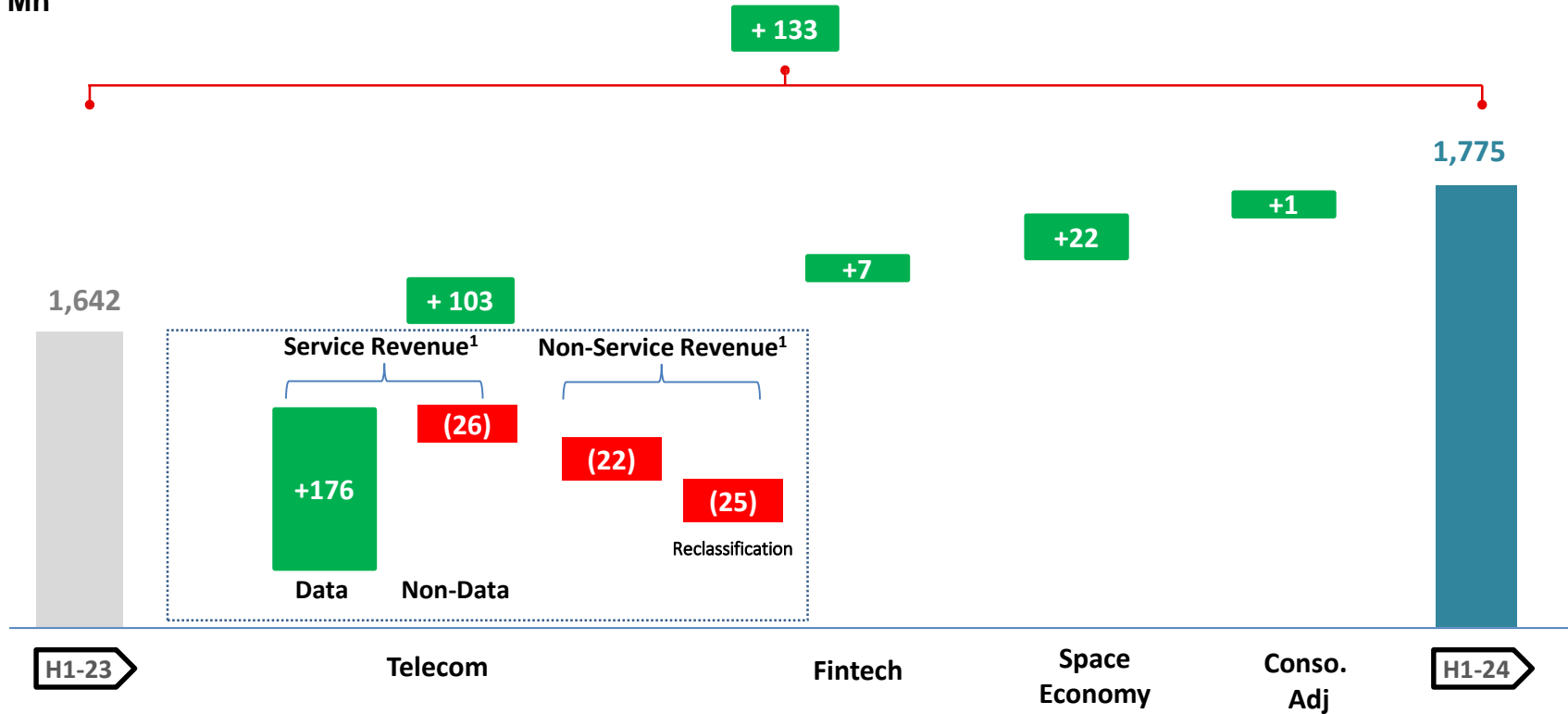
Rs 262m



↑ 39m
+ 17.5%

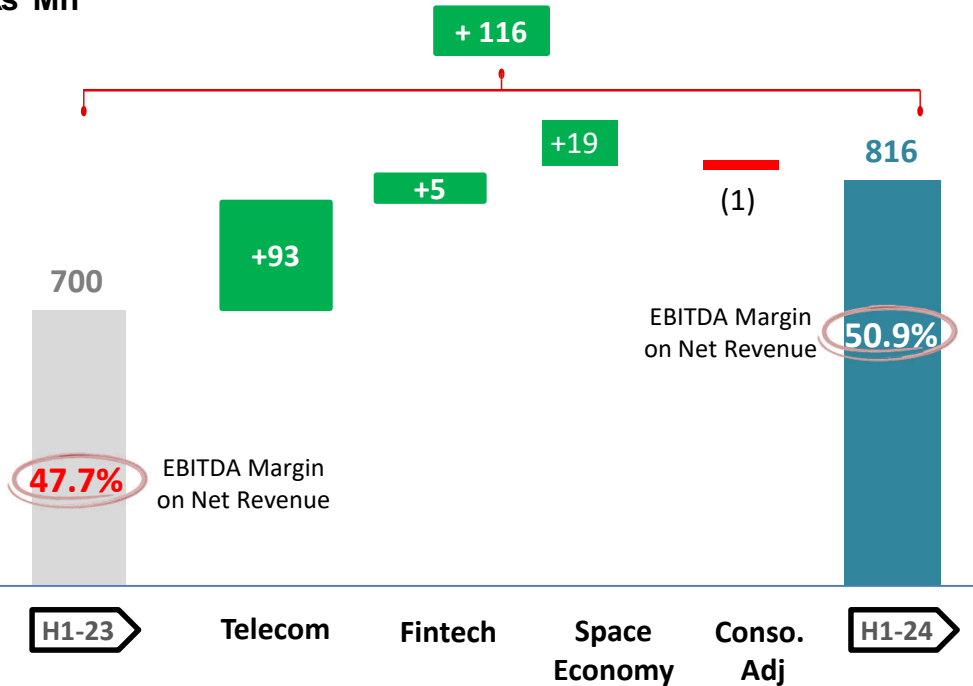
Revenue Growth Bridge – Positive growth in all segments

Rs' Mn



EBITDA Bridge – Strong growth propelled by data segment

Rs' Mn



Highlights

- Up by Rs 116m H1-24 vs H1-23
- Growth story driven by telecom vertical
- Sustained growth in telecom vertical across all data segments :

Mobile Data

- Growth led by our 5G coverage
- Increase in data adoption & consumption, ARPU
- 5G in Rodrigues

Home













- Adoption of Airbox high speed home internet
- Penetration of internet + entertainment

Enterprise

- Connectivity (Local & International)
- SME¹⁷
- Cybersecurity services
- Data Centre

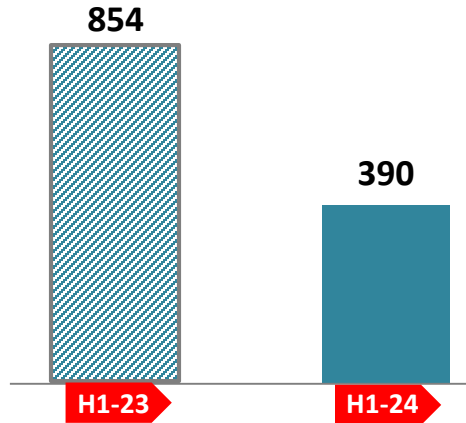
Telecom Vertical | H1-24 vs H1-23

Revenue growth

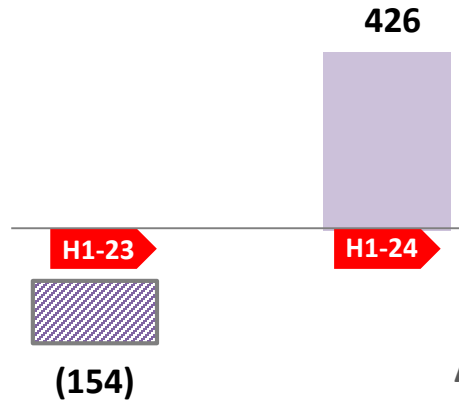
<p>Mobile Data</p>	<p>Data users</p>  <p>+7.3%</p>	<p>Data usage</p>  <p>+6.1%</p>	<p>5G Smartphones</p>  <p>16.5%</p>	<p>25.4%</p>
<p>Enterprise</p>	<p>Customers</p>  <p>+38.4%</p>	<p>Services sold</p>  <p>+22.2%</p>	<p>SME Customers</p>  <p>+5.8x</p>	<p>13.9%</p>
<p>Home</p>	<p>Internet + TV</p>  <p>+3.6k</p>	<p>Usage</p>  <p>+25.0%</p>	<p>Total base</p>  <p>+5.7%</p>	<p>11.2%</p>
<p>Voice & SMS</p>	<p>Local Minutes</p>  <p>(25.1%)</p>	<p>International Minutes</p>  <p>(10.7%)</p>	<p>SMS transactions</p>  <p>(22.5%)</p>	<p>(-5.7%)</p>

Capital Expenditure, Operating Free Cash Flow & Debt

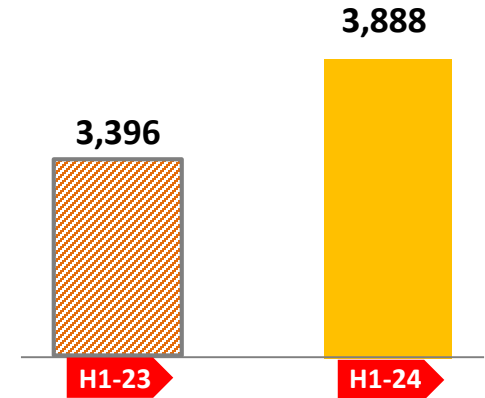
Capital Expenditure⁶
(Rs' million)



Operating Free Cash Flow¹⁰
(Rs' million)



Net Debt⁷
(Rs' million)



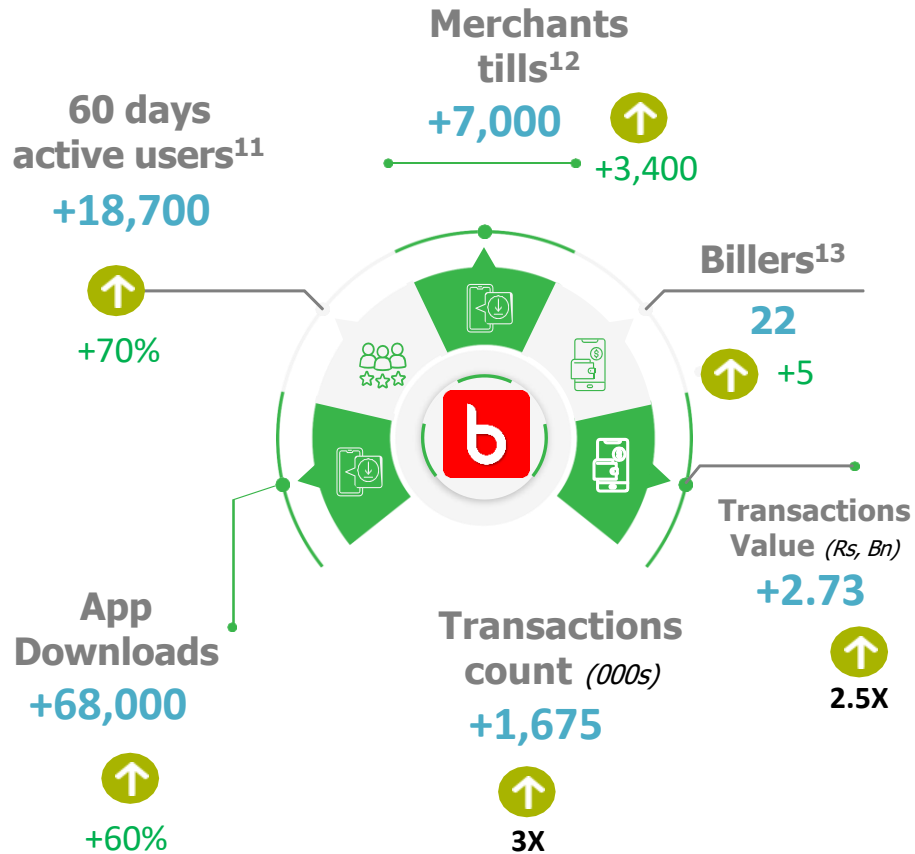
Average
Cost of debt

4.47%

4.78%

Fintech





Highlights

- Growing base , use cases, billers & merchants
- Transaction volume growth more than 3X.
- Key actions :
 - Launch of UPI¹⁴(use blink in India)
 - Signature of Agreement with MasterCard
 - New features (auto payment, self transfer)
- New services in the pipeline



Technopolis

August 2023

Contract Commencement

10

Year Contract with OneWeb



257,000m²

Land area



21

Purpose built satellite dish set up



Rs 461m

Land and infrastructure assets



Potential

- Strategically situated to host potential providers for ground stations for medium Earth orbit & low Earth orbit satellite systems
- Well located for a new submarine cable landing station
- Opportunity for additional data centre(s) and other businesses
- Land available for future development

3

Outlook

MCVision

- Share Purchase Agreement signed
- Shareholders Agreement finalised
- IBA Approval received
- Other regulatory approvals awaited
- Transaction expected to be completed before end Dec 24

Privy Council

- Judgement in 2017 - Award Rs554m
 - Judgement of Jan 24 hearing in favour of Emtel
 - +Interest & associated costs
- Untreated grounds of appeal to be remitted to the Supreme Court
 - Jan 2025

First half results
in line with
expectations

Growth in areas
of Capex spend :
Data Services

Continued growth
path in 5G & data
services

Strategic priority

- People
- Customer excellence
- Grow revenues
- Innovate
- Operational efficiency

Continue
Sustainability
Initiatives

Grow Adoption
& use cases on
blink

MCVision transaction

Privy Council case

¹Revenue comprise of service revenue and non service revenue. Service revenue are of a recurring nature and comprise of revenues from usage of mobile data, voice, sms, home internet, enterprise services and similar recurring revenues. Non service revenue comprises of sales of devices and tower rentals.

²EBITDA is earnings before interest, tax, depreciation, amortisation, and excluding other one off transactions and solidarity levy on revenue.

³Customer facing represent employees working on the front end and service our customers.

⁴Underlying operating profit is operating profit before solidarity levy on revenue, other gains and losses and other one off transactions.

⁵Underlying profit before tax is profit before tax adjusted for solidarity levy on revenue, other gains & losses and other one off transactions.

⁶Capital Expenditure represents the additions to property, plant, equipment and intangible assets during the period.

⁷Net Debt represents the total debts excluding leases less cash and cash equivalents.

⁸EBITDA Margin: (i) on Revenue¹ is the EBITDA over Revenue¹ and (ii) on Net Revenue⁹ is the EBITDA over Net Revenue⁹.

⁹Net revenue comprise of revenue less directly related costs; interconnect costs and cost of devices.

¹⁰Operating Free Cash Flow is EBITDA less Capital Expenditure.

¹¹Active users are the number of unique customers who did at least one financial transaction in the last 60 days.

¹²Merchant tills are cash registers or a computerised point of sale (POS) systems that are used to process customer transactions.

¹³Billers are organisations that issue bills for its customers and are registered on the payment platform.

¹⁴UPI refers to Unified Payment Interface which is an Indian instant payment system, enabled by the Government of India and the Bank of Mauritius, facilitating 'Scan and Pay' transactions between India and Mauritius through mobile apps available in both countries.

¹⁵CSR refers to Corporate Social Responsibility which is the amount invested in sustainability projects, including environmental preservation and social inclusion.

¹⁶NGO refers to Non-Governmental Organisation which operate as independent entities from the government, focusing on various social, environmental, and developmental issues.

¹⁷SME refers to Small and Medium Enterprise as defined in the Small and Medium Enterprise Act.

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Q&A

Thank You



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