

Middle East telcos performance benchmarks

Spring 2024



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Key Takeaways

Revenue Growth

- Annual revenue growth for Middle East telcos reached 5.3% in Q1-2024, up from 3.3% in Q1-2023.
- Approximately 77% of telcos reported revenue growth in Q1-2024, with eight achieving double-digit increases.

EBITDA Margin

- The average EBITDA margin stabilized at around 37.7% in Q1-2024 due to strong revenue growth and lower costs.
- In FY-2023, about 61% of telcos reported positive EBITDA growth.
- Eight telcos recorded double-digit EBITDA growth.

CAPEX Spending

- The majority of deployment and launch of the 5G network across most Middle Eastern countries is nearing completion and this resulted in reduced CAPEX spending in Q1-2024.
- CAPEX allocations are expected to stabilize as telcos complete their network deployments.
- Around 40% of the telcos reported declining YoY CAPEX spending in Q1-2024.
- Average CAPEX intensity declined by 110 basis points (bps) YoY to reach an average of ~8.1%.

ARPU Levels

- The average ARPU level declined slightly from USD \$12.8 in Q1-2023 to USD 12.6 in Q1-2024.
- Nearly ~57 percent of analysed telco's reported stagnant or declining YoY ARPU during this period.

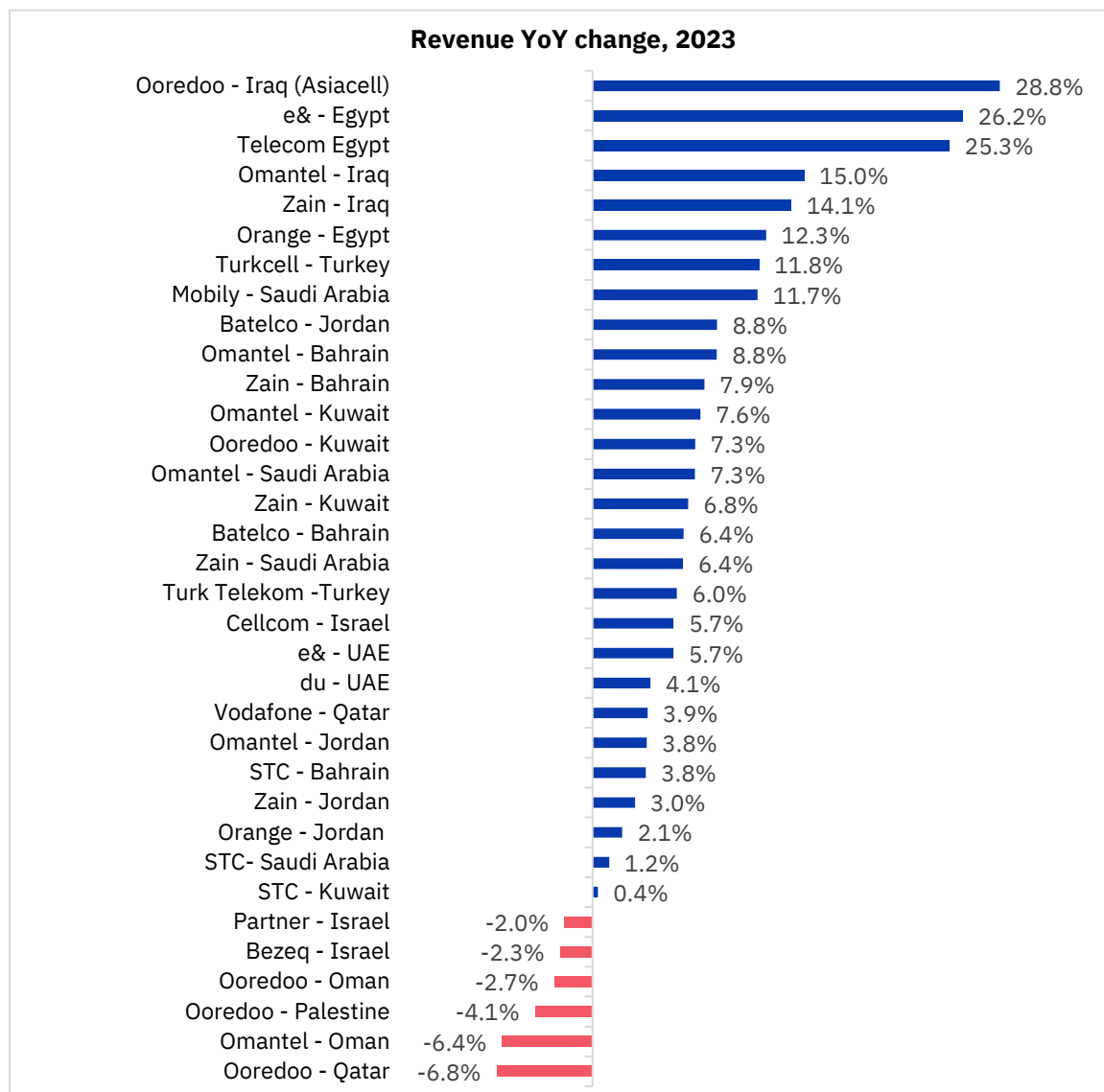
Revenue analysis of Middle East telcos: Q1-2024

Average revenue growth* for Middle East telcos increased from 3.3% in Q1-2023 to 5.3% in Q1-2024

In the first quarter of 2024, telecom companies in the Middle East region reported a total revenue of USD 17.2 billion, marking a year-over-year net new revenues of approximately USD 921.1 million.

Approximately 77% of telcos in Q1-2024 reported positive revenue growth, with 8 telcos achieving double-digit growth.

Exhibit 1: Revenue trend of telcos in the Middle East, Q1-2024



* Calculated basis 32 telcos excluding Turk Telekom and Turkcell, which changed its reporting structure from FY-2023 and has started to apply inflation accounting with TAS 29 Financial Reporting in Hyperinflation Economies

Source: Telco financials, Twimbit analysis

Ooredoo - Iraq (Asiacell)

Revenues rose by 28.8% year-over-year to USD 331.9 million (QAR 1.2 billion) in Q1-2024, driven by growth in customer base and higher data service usage driving ARPU growth.

- Overall subscriber count increased by 5.6% YoY in Q1-2024 to 18 million.
- 15.3% YoY growth in ARPU to reach USD 6.1 (QAR 22.6) in Q1-2024.

e& - Egypt

Revenues rose by 26.2% year-over-year to USD 281.1 million (AED 1 billion) in Q1-2024, primarily due to impressive subscriber growth and price adjustments.

- Total subscriber count increased 13.7% YoY to reach 34.8 million in Q1-2024.
- Mobile revenue grew 25.9% YoY to USD 243.1 million (AED 912.1 million).
- Fixed revenue grew 9.3% YoY to USD 15.5 million (AED 82.1 million).
- Equipment revenue almost doubled with a ~192% YoY growth to USD 7.3 million (AED 27.5 million).

Telecom Egypt - Egypt

Revenues increased by 25.3% year-over-year, reaching USD 508.7 million (EGP 17.5 billion) in Q1-2024, driven by growth in subscriber numbers across three main segments.

- Fixed voice grew by 9% YoY to 12.8 million subscribers in Q1-2024.
- Broadband grew by 8.2% YoY to 9.6 million subscribers in Q1-2024.
- The mobile subscriber count grew from 12.4 million in Q1-2023 to 13 million in Q1-2024.

Data revenue growth contributed 62% to the overall revenue increase for Telecom Egypt. The company also experienced year-over-year (YoY) growth across various business segments:

- Home & Consumer Segment: Revenue increased by 39.3% YoY, reaching USD 172.1 million (EGP 5.9 billion).
- Enterprise Segment: Revenue grew approximately 18% YoY, totalling USD 58.1 million (EGP 2 billion).
- International Carrier Segment: Revenue rose by 41.8% YoY, amounting to USD 76.7 million (EGP 2.6 billion).
- International Customers & Networks Segment: Revenue increased by 42.3%, reaching USD 83.7 million (EGP 2.9 billion).

Domestic wholesale was the only segment to decline, with revenues decreasing by 28.2% to USD 50.4 million (EGP 1.7 billion).

Omantel - Iraq

Revenues increased 15% YoY to ~USD 252.2 million (RO 97.1 million) in Q1-2024, driven by:

- 15.1 % YoY growth in airtime, data & subscription revenue to USD 250.5 million (RO 96.4 million).

Zain - Iraq

Revenues grew by 14.1% to USD 252.9 million (KWD 77.8 million) in Q1-2024, driven by a rise in subscriber count and data revenue. The total number of subscribers increased by 2.7% to 18.7 million.

- Digital services and “oodi” accounted for ~16% of overall gross revenue.
- A 29% YoY growth in B2B revenue helped contribute to overall revenue growth.

Orange - Egypt

Revenues rose 12.3% YoY to USD 218.8 million (EUR 201 million) in Q1-2024, driven by growth in two key segments.

- Mobile subscribers grew 4.8% YoY to reach 29.6 million.
- Fixed broadband subscribers grew 9.1% YoY to 0.8 million.

Turkcell - Turkey

Revenues rose 11.8% YoY to USD 995.1 million (TL 30.8 billion) in Q1-2024, driven by Techfin Business and Turkcell Türkiye.

- Techfin Business: Revenues up 43.7% YoY to USD 48.8 million (TL 1.5 billion), representing 4.9% of total revenue.
- Turkcell Türkiye: Revenues up 13% YoY to ~USD 856.1 million (TL 26.5 billion), representing ~86% of total revenue.
 - Consumer business revenue increased 19.5% YoY to USD 634.2 million (TL 19.6 billion).
 - Corporate revenues declined 1.4% YoY to USD 168.7 million (TL 5.2 billion).
 - Wholesale revenues declined 6.1% YoY to USD 46.8 million (TL 1.5 billion).

Mobily - Saudi Arabia

Revenues increased 11.7% YoY to ~USD 1.2 billion (SAR 4.5 billion) in Q1-2024, driven by revenue growth in its consumer, business, and wholesale segment.

- Consumer segment rose 5.8% YoY to USD 738.5 million (SAR 2.8 billion).
- Business segment rose 14.1% YoY to USD 283.4 million (SAR 1.1 billion).
- Wholesale segment rose 22.3% YoY to USD 119.7 million (SAR 449 million).

The telco also experienced notable subscriber growth in Q1-2024.

- FTTH subscriber increased 7.2% YoY to 0.3 million.
- Mobile subscribers increased 6.4% YoY to 12.3 million (10.4 million prepaid subscribers and 1.9 million postpaid subscribers).

Ooredoo - Qatar

Revenues decreased 6.8% YoY to ~USD 498.4 million (QAR 1.8 billion) in Q1-2024, primarily due to key factors such as:

- Exclusion of one-time events like the FIFA 2022 contracts for B2B services, Ooredoo Financial Services, and the Data Centre business.

One-time events significantly boosted the revenue base in Q1-2023. Excluding these, normalized revenues show a 2% YoY decrease, impacted by a competitive environment that affected mobile, fixed services, and device revenue.

- Reductions in the subscriber count across fixed line and mobile segments

Fixed line segment - A drop in subscriber count by 10% YoY to ~3.1 million, along with a fall in ARPU levels by 2.4% YoY to USD 12 (QAR 43.6), led to a decline in revenues.

Mobile segment - Subscriber count declined by 10.2% YoY to 2.7 million due to a 15.8% reduction in prepaid subscribers and a decline in postpaid ARPU in Q1-2024.

Omantel - Oman

Revenue decreased 6.7% YoY to USD 396.7 million (RO 152.7 million) in Q1-2024, owing to declining transit voice and device revenues.

- Mobile revenue fell by 1.2% to USD 119.8 million (RO 46.1 million) due to a drop in prepaid subscribers. This decline outpaced gains in the postpaid segment and average revenue per user (ARPU).
- Fixed revenue increased by 0.8% to USD 95.6 million (RO 36.8 million), driven by higher ARPU and the addition of approximately 6,000 fixed broadband customers.
- Wholesale revenue decreased by 6.4% to USD 126 million (RO 48.5 million).
- Device revenue saw a 33% drop to USD 35.8 million (RO 13.8 million).

Ooredoo - Palestine

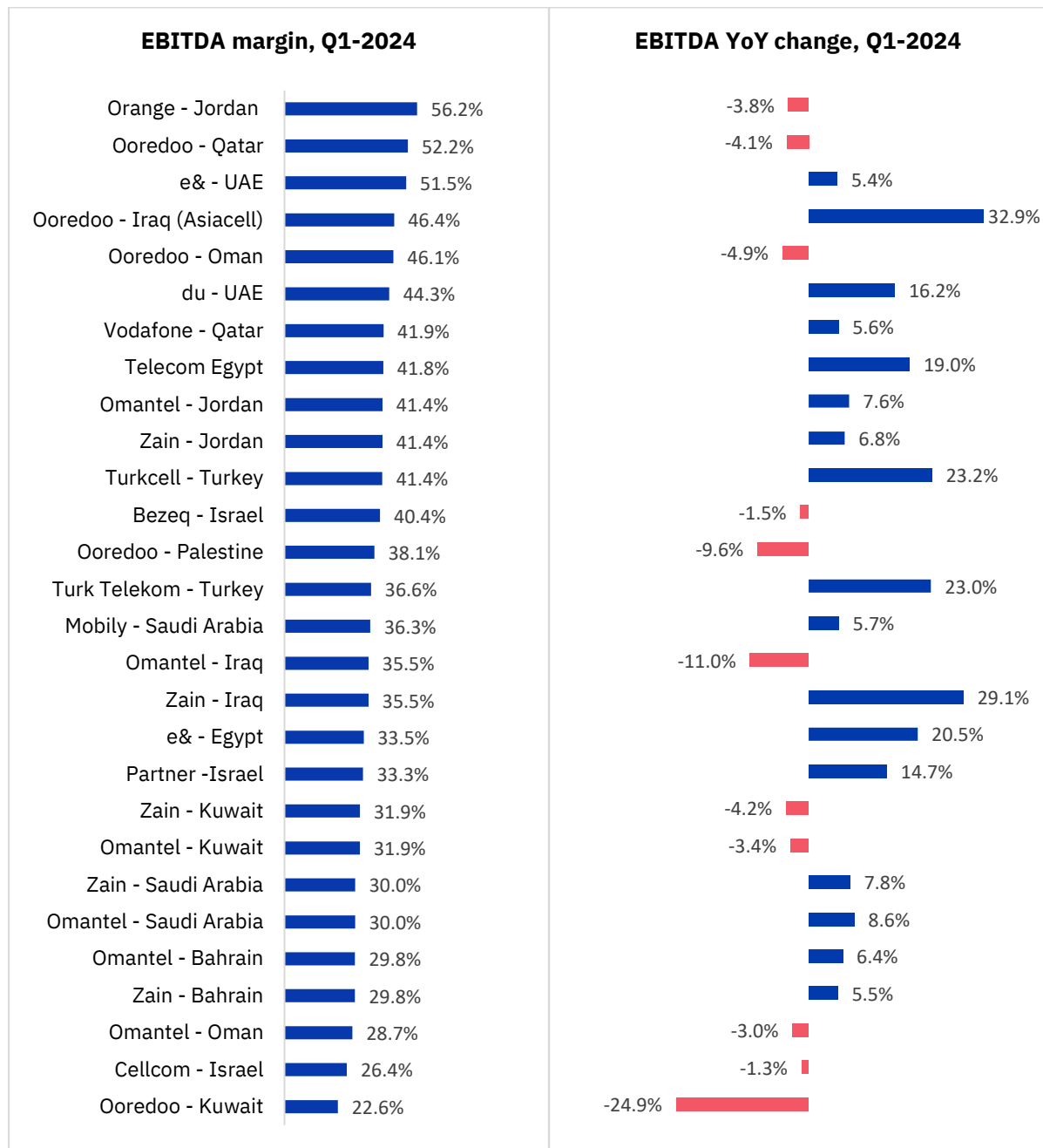
Revenues dropped by 4.1% to USD 26.5 million (QAR 96.5 million) in Q1-2024. This decline was primarily due to a challenging macroeconomic environment, including the impact of war and a 4% depreciation of the local currency against the US dollar.

EBITDA analysis of Middle East telcos: Q1-2024

Average EBITDA margin for Middle East telcos stabilised at ~37.7% in Q1-2024

In FY-2023, nearly 61% of telcos reported positive EBITDA growth, with 8 telcos recording double-digit EBITDA growth.

Exhibit 2: EBITDA and EBITDA margin trends of telcos in the Middle East, Q1-2024



Source: Telco financials, Twimbit analysis

Ooredoo - Iraq (Asiacell)

EBITDA increased by 32.9% to USD 154.1 million (QAR 561.3 million) due to higher revenue growth rates and data revenues. This resulted in an EBITDA margin of 46.4% in Q1 2024.

Zain - Iraq

EBITDA grew 29.1% YoY to USD 89.8 million (KWD 27.6 million) in Q1-2024 due to relatively higher revenue and net profit before interest and tax. This growth increased EBITDA margin from 31.4% in Q1-2023 to 35.5% in Q1-2024.

Turkcell - Turkey

EBITDA rose by 29.1% to USD 89.8 million (KWD 27.6 million) in Q1-2024, driven by higher revenue and net profit before interest and tax. This growth led to an increase in the EBITDA margin from 31.4% in Q1-2023 to 35.5% in Q1-2024.

Turk Telekom - Turkey

Due to several key factors, EBITDA increased by 23% YoY to reach USD 331.4 million (TL 10.3 billion) in Q1-2024.

- Reduced network and technology expenses due to lower energy costs, stable electricity tariffs, and decreased maintenance costs.
- Lower interconnection costs and a decline in international revenues.
- Improvements in both mobile and fixed line segments contributed to higher EBITDA.
 - Mobile EBITDA increased by ~52.6% YoY to USD 161.8 million (TL 5 billion).
 - Fixed line EBITDA increased by 3.9% YoY to USD 169.8 million (TL 5.3 billion).

Cumulatively, these factors resulted in an EBITDA margin increase of 500 bps to 36.6% in Q1-2024.

e& - Egypt

EBITDA grew by 20.5% YoY to reach USD 94.5 million (AED 347 million), driven by strong revenue performance in mobile, fixed, and equipment segments. In terms of constant currency, EBITDA grew by 36% YoY.

However, the EBITDA margin witnessed a marginal decline from 35.1% in Q1-2023 to 33.5% in Q1-2024 due to inflationary pressure.

Telecom Egypt - Egypt

EBITDA grew 19% YoY to reach USD 212.6 million (EGP 7.3 billion) driven by strong organic growth and strategic price adjustments.

Conversely, the EBITDA margin declined 220bps YoY to 41.8% in Q1-2024, owing to relatively higher growth in overall revenue than EBITDA growth.

du - UAE

EBITDA grew 16.2% YoY to USD 432.1 million (AED 1.6 billion) in Q1-2024, driven by increased gross margins and sustained opex control measures.

- Gross margin improvement were driven by higher revenues in mobile and fixed segments, improved revenue mix (increase in power plans) and termination of the beIN contract.
- Operating expenses declined 2.6% YoY to USD 668.2 million (AED 2.5 billion).

EBITDA margin reached 44.3% in Q1-2024 as compared to 39.7% in Q1-2023

Partner - Israel

EBITDA grew 14.7% YoY to USD 76.7 million (NIS 281 million), driven by factors such as increased fixed line service revenues. Other factors include:

- Decline in expenses for payments made to other communication operators.
- Decline in sales and marketing expenses.
- Increase in gross profit from equipment and other sales.

EBITDA margin increased from 28.4% in Q1-2023 to 33.3% in Q1-2024.

Ooredoo - Kuwait

EBITDA decreased by 24.9% to USD 47.1 million (QAR 171.7 million) in Q1-2024 due to a one-off debt provision. This led to a drop in the EBITDA margin by 970 basis points, reaching 22.6% in Q1-2024.

Omantel - Iraq

EBITDA declined 11% YoY to USD 89.6 million (RO 34.5 million) due to a 23.1% YoY reduction in net profit before interest and tax in Q1-2024. Following this, the EBITDA margin declined from 45.9% in Q1-2023 to 35.5% in Q1-2024.

Ooredoo - Palestine

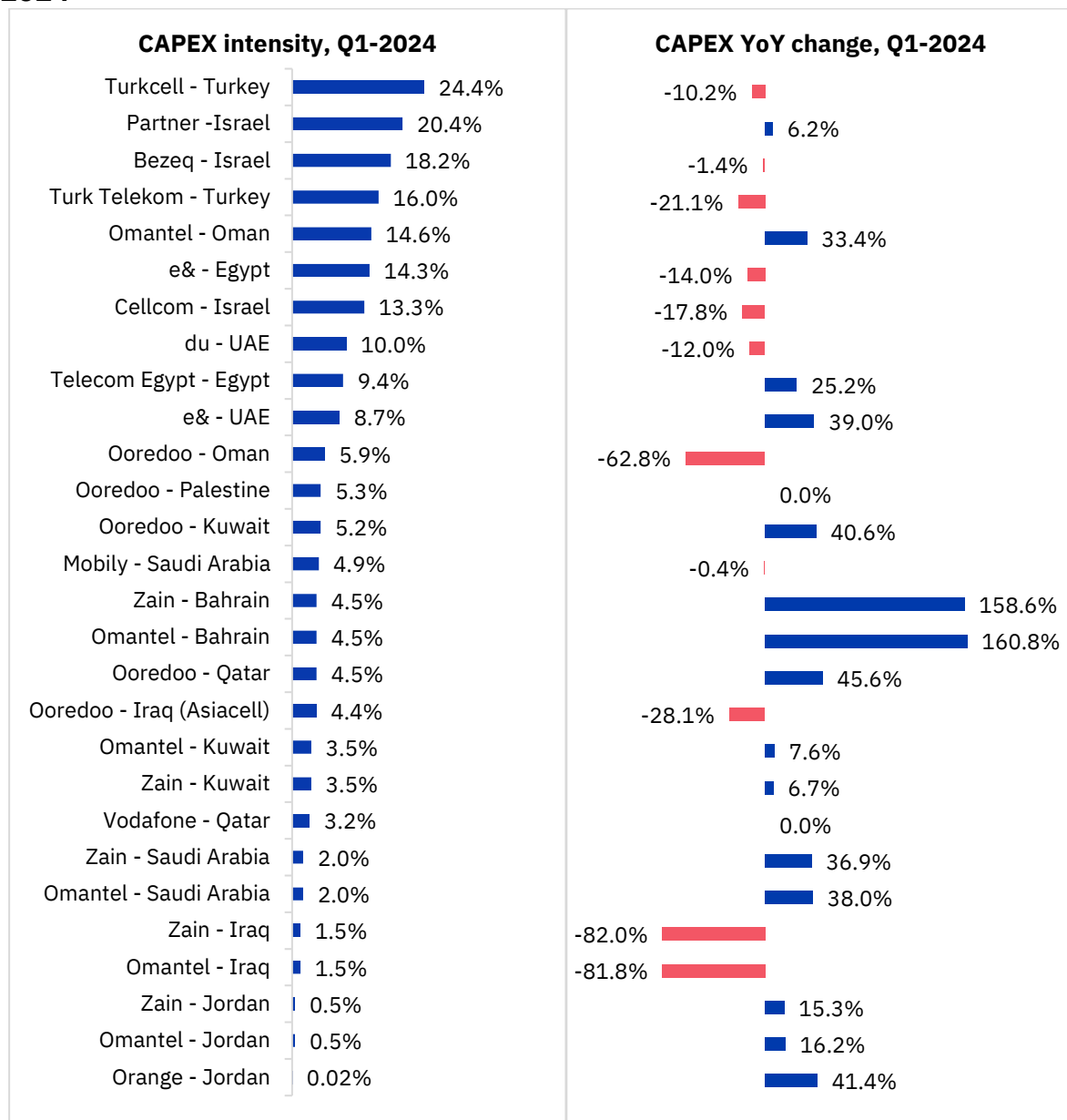
EBITDA dropped by 9.6% to USD 10.1 million (QAR 36.8 million), due to challenging market conditions and foreign exchange impacts. The EBITDA margin decreased to 38.1% in Q1-2024 from 40.4% in Q1-2023.

CAPEX analysis of Middle East telcos: Q1-2024

CAPEX intensity declined to 8.1% of overall revenue for telcos in the Middle East as telcos curtail spending on new deployments and network expansion

Nearly 40% of telecom companies reported a decline in YOY CAPEX spending in Q1-2024, similar to Q1-2023 levels. CAPEX allocations are projected to stabilize as companies complete their 4G and 5G network deployments.

Exhibit 3: CAPEX and CAPEX intensity trends of telcos in the Middle East, Q1-2024



Source: Telco financials, Twimbit analysis

Zain - Bahrain

CAPEX spending surged from USD 0.9 million (KWD 0.3 million) in Q1-2023 to USD 2.3 million (KWD 0.7 million) in Q1-2024. This increase in CAPEX indicates continued intentions to strengthen its 4G and 5G infrastructure.

- The continued network expansion effort enabled a market penetration of 156% in Q1-2024.

CAPEX intensity increased from 1.9% in Q1-2023 to 4.5% in Q1-2024.

Omantel - Bahrain

CAPEX spending increased exponentially to USD 2.3 million (RO 0.9 million), indicating a CAPEX intensity increase of 260bps YoY to reach 4.5 million in Q1-2024.

Ooredoo - Qatar

Due to increased network investments and security management, CAPEX spending increased 45.6% YoY to USD 22.4 million (QAR 81.7 million) in Q1-2024. CAPEX intensity grew from 2.9% in Q1-2023 to 4.5% in Q1-2024.

Orange - Jordan

CAPEX spending increased 41.4% to USD 28.9 million (JD 20.5 million) in Q1-2024 due to its network expansion focus. CAPEX intensity grew from 14.9% in Q1-2023 to 20.6% in Q1-2024.

e& - UAE

CAPEX spending increased 38.9% YoY to USD 194.1 million (AED 713 million) due to its continued focus on 5G network deployment and modernisation. CAPEX intensity ratio increased 210 bps YoY to reach 8.7% in Q1-2024.

Omantel - Saudi Arabia

CAPEX spending increased 38% YoY to USD 13.7 million (RO 5.3 million) in Q1-2024. CAPEX intensity increased marginally from 1.6% in Q1-2023 to 2% in Q1-2024.

Zain - Saudi Arabia

With aims to strengthen its 5G network presence, CAPEX spending reported an increase of 36.9% YoY to USD 13.8 million (KWD 4.2 million) in Q1-2024. CAPEX intensity increased from 1.6% in Q1-2023 to 2% in Q1-2024.

Omantel - Oman

CAPEX spending increased 33.4% YoY to USD 57.9 million (RO 22.3 million) in Q1-2024. CAPEX intensity grew from 10.3% in Q1-2023 to 14.6% in Q1-2024.

Zain - Iraq

CAPEX spending declined sharply by 82% YoY to USD 3.9 million (KWD 1.2 million) in Q1-2024. CAPEX intensity fell from 9.8% in Q1-2023 to 1.5% in Q1-2024.

Omantel - Iraq

CAPEX spending dropped by 81.8% YoY to USD 3.9 million (RO 1.5 million) in Q1-2024, leading to a decline in CAPEX intensity of 1.5% in Q1-2024.

Ooredoo - Oman

Reduced spending on 5G and DSS (Data Security Standards) led to a CAPEX spending decline of 62.8% YoY to USD 9.9 million (QAR 36.1 million) in Q1-2024. CAPEX intensity declined from 15.6% in Q1-2023 to 5.9% in Q1-2024.

Ooredoo - Iraq (Asiacell)

Due to project timing, CAPEX spending decreased by 28.1% YOY to USD 14.7 million (QAR 53.7 million). CAPEX intensity dropped from 360 basis points year-on-year to 4.4% in Q1-2024.

Turk Telekom - Turkey

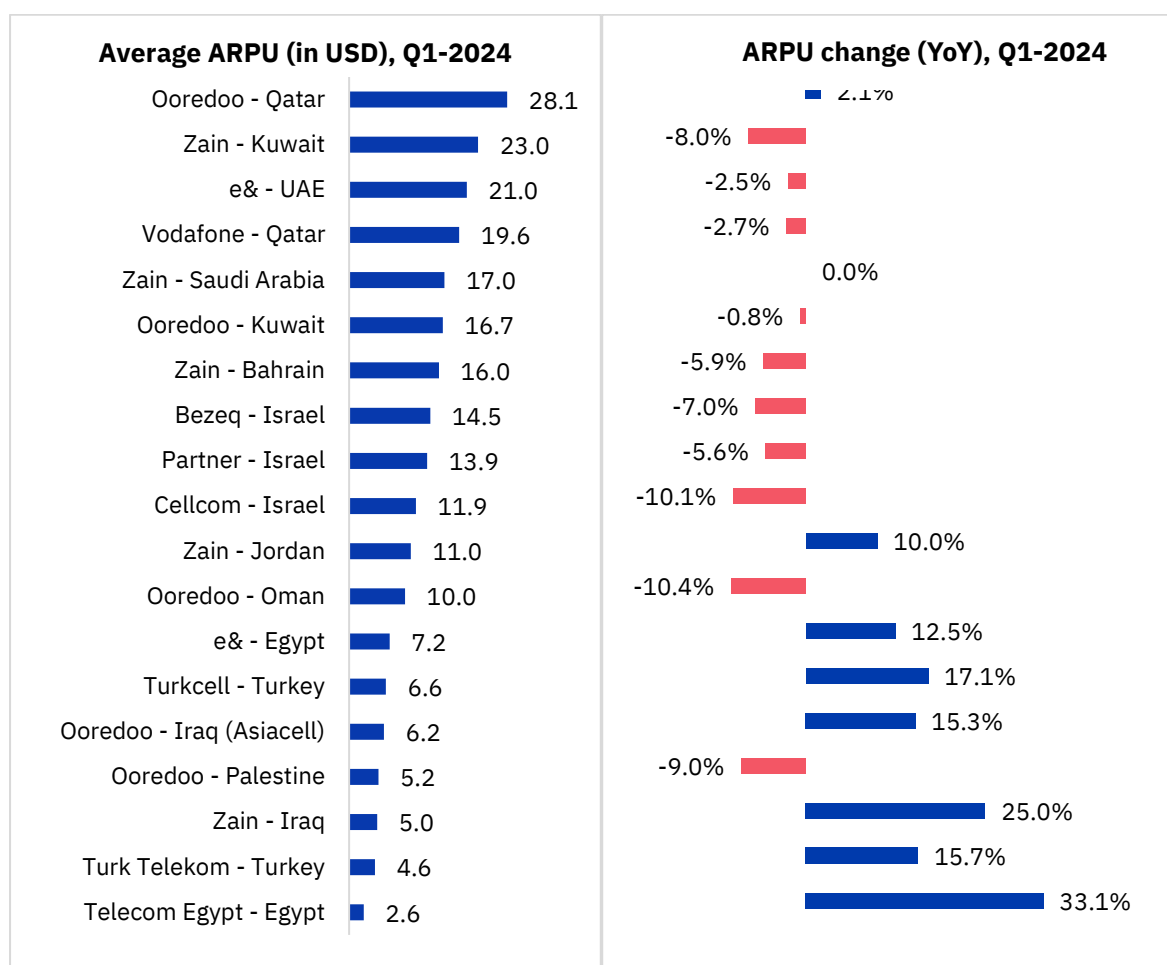
CAPEX decreased by 21.1% YOY to USD 144.4 million (TL 4.5 billion) in Q1-2024, influenced by the Ramadan celebration. CAPEX intensity fell from 21.4% in Q1-2023 to 16% in Q1-2024.

ARPU analysis of Middle East telcos: Q1-2024

Competitive intensity and a challenging macroeconomic environment led to stagnant ARPU

Nearly 57% of Middle East telcos reported stagnant or declining year-on-year ARPU growth in Q1-2024. Around 26% of the 19 telcos maintained stable ARPU levels, with YOY changes ranging from -3% to 3%. Notable examples include Ooredoo - Qatar, e& - UAE, Vodafone - Qatar, Zain - Saudi Arabia, and Ooredoo - Kuwait.

Exhibit 4: ARPU trends of telcos in the Middle East, Q1-2024



Note:

1. For Average ARPU (in USD), the average currency conversion rate for the period Jan-March 2024 has been considered.
2. For Zain, Reported ARPU values in USD have been considered
3. ARPU estimated to Etisalat Bahrain
4. For Turkcell, ARPU reported is excluding M2M. Turkcell historically recorded all TV-related revenue under Turkcell Superonline and presented the related ARPU under fixed residential ARPU. Since its TV business has become a separate standalone subsidiary and in order to reflect this change, it has shifted mobile OTT TV ARPU from fixed residential ARPU into mobile ARPU starting from Q3-2020. Mobile TV revenues are generated by mobile subscribers. IPTV revenues will continue to be recorded under Turkcell Superonline and included under residential fixed ARPU. Moreover, starting from Q121, as a consequence of the change in reportable segments, commission revenues resulting from equipment and accessories sales have been excluded from mobile ARPU. In order to maintain comparability, Turkcell provided revised ARPU data for the last three years, revised to reflect this change.

Source: Telco financials, Twimbit analysis

Telecom Egypt - Egypt

ARPU increased 33.1% YoY to USD 2.6 (EGP 90) in Q1-2024, driven by increased contribution from mobile data usage.

Zain - Iraq

ARPU increased 25% YoY to USD 5, driven by increased contribution from data revenue.

Turkcell - Turkey

ARPU increased by 17.1% YOY to USD 6.6 (TL 203.1) in Q1-2024 due to the telco's focus on innovative and comprehensive tariffs. ARPU, including M2M, rose by 15.5% year-on-year to USD 5.8 (TL 180.2) in Q1-2024. Additionally, the telco adjusted its ARPU calculation methodology following the TV business becoming a separate subsidiary.

- Average data consumption per user increased from 16.2GB in Q1-2023 to 17.8 GB in Q1-2024.

Although data consumption from non-4.5G users declined marginally by 1.6% to 6.2GB per user in Q1-2024, the ~8% YoY increase in data consumption by 4.5G users to reach 8GB in Q1-2024 negated the impact.

Ooredoo - Iraq (Asiacell)

ARPU increased 15.3% YoY to USD 6.2 (QAR 22.6) in Q1-2024, driven by an increase in customer base and uptake of data services.

e& - Egypt

ARPU increased 63% YoY to USD 7.2 (AED 26.6) in Q1-2024, driven by higher data and voice revenue from subscriber growth and price hikes.

Zain - Jordan

ARPU increased 10% YoY to reach USD 11 in Q1-2024.

- The launch of 5G services in December 2023 resulted in increased data usage.
- Data revenue grew from 2% YoY in Q1-2023 to 7% YoY in Q1-2024, accounting for 52% of total revenue in Q1-2024. The growth in data revenue is attributed to higher ARPU in Q1-2024.

Ooredoo - Oman

ARPU declined 10.4% YoY to USD 10 (QAR 36.3) in Q1-2024. The intense competition also resulted in a decrease in prepaid and postpaid ARPU.

- Prepaid ARPU declined 12.0% to USD 5.1 (QAR 18.7) in Q1-2024.
- Postpaid ARPU declined 5.4% to USD 25.6 (QAR 89.8) in Q1-2024.

Cellcom - Israel

ARPU for the Israel-based telco declined by 10.1% YoY to USD 11.9 (NIS 43.7) owing to challenging operating environment.

Ooredoo - Palestine

ARPU declined 9% YoY to USD 5.2 (QAR 19.1) due to a challenging operating environment.

Zain - Kuwait

ARPU declined 8% YoY to USD 23 in Q1-2024, owing to a decline in contribution from data revenue.

- Data contribution to overall revenue declined from 38% in Q1-2023 to 36% in Q1-2024.

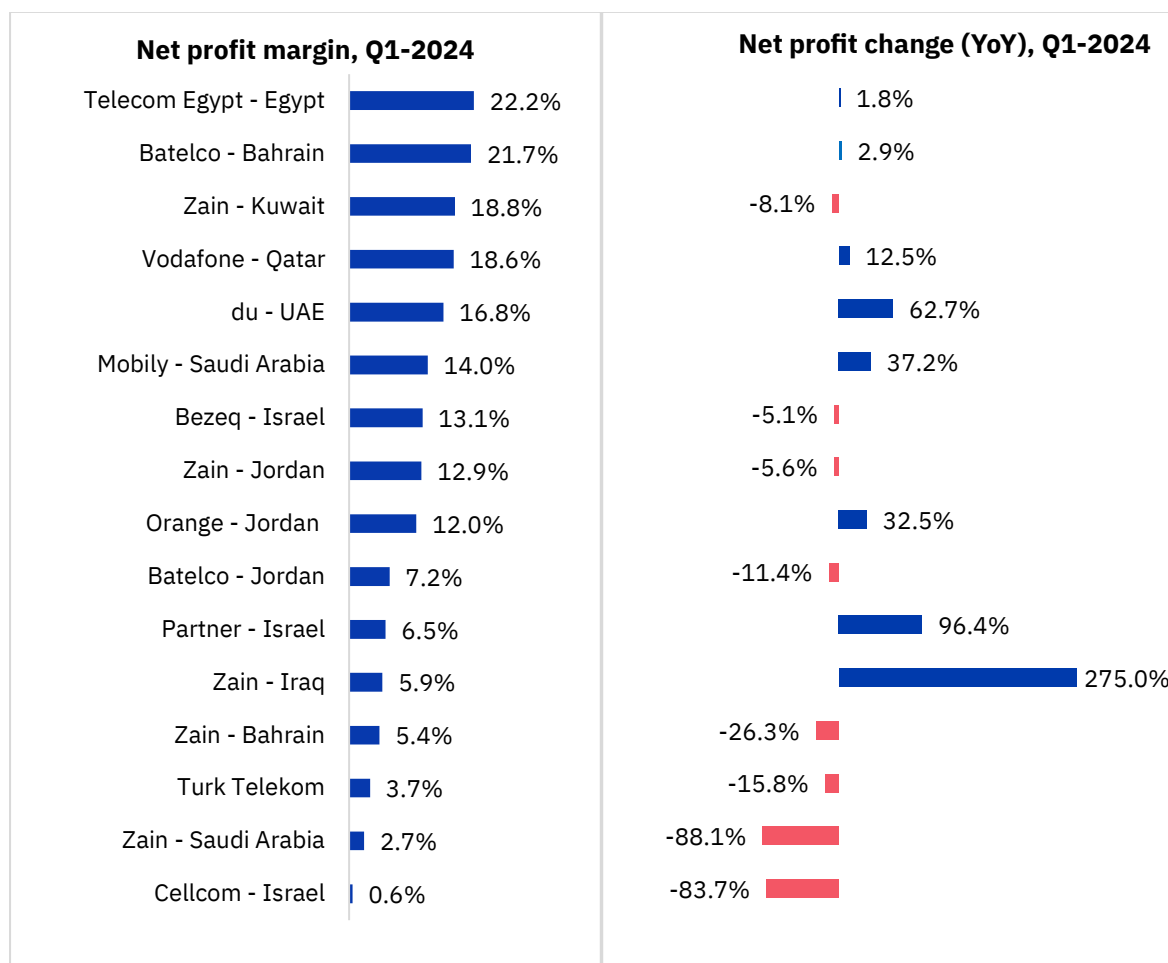
The telco also plans to shut down its 3G technology operations by year-end 2024.

Profitability analysis of Middle East telcos: Q1-2024

Telcos in the Middle East faced profitability challenges owing to increasing costs

Out of the 16 telcos analysed, 50% of the telcos reported net profit growth in Q1-2024 compared to ~68% of the telcos in Q1-2023. As a result, the average net profit margin also declined 120bps to 11.4% in Q1-2024.

Exhibit 5: Net profit trends for telcos in the Middle East, Q1-2024



Source: Telco financials, Twimbit analysis

Zain - Iraq

Net profits surged exponentially from USD 4 million in Q1-2023 to USD 15 million in Q1-2024 due to:

- Increased tower sales of USD 30 million during H1-2023.
- Total CAPEX spending declined from USD 22 million in Q1-2023 to USD 4 million in Q1-2024.

The net profit margin grew from 1.9% in FY-2022 to ~9% in FY-2023.

Partner - Israel

Net profit increased 96.4% YoY to reach USD 15 million (NIS 55 million) in Q1-2024, owing to a decline in total cost of revenues and OPEX (operating expenses).

- Cost of revenues declined 5.4% YoY to USD 175.6 million (NIS 643 million) due to the decrease in cellular services cost by 15.2%.
- Operating expenses (SG&A) declined 8.1% YoY to USD 33.8 million (NIS 124 million) due to an OPEX reduction in cellular and fixed line services.

The net profit margin increased from 3.3% in Q1-2023 to 6.5% in Q1-2024.

du - UAE

Net profit increased 62.7% YoY to USD 164.2 million (AED 602.9 million) in Q1-2024, mainly reflecting higher EBITDA.

- Operating expenses declined ~2.6% YoY to USD 668.2 million (AED 2.5 billion).

The net profit margin increased by 600 bps YoY to 16.8% in Q1-2024.

Mobily - Saudi Arabia

Net profit 37.2% YoY to USD 170 million (SAR 637.8 million) in Q1-2024 due to robust revenue and EBITDA growth.

- A moderate decline of 3.1% in finance expenses also contributed to overall profit growth.

The net profit margin increased by 260 bps YoY to 14% in Q1-2024.

Orange - Jordan

Net profit increased 32.5% YoY to USD 16.8 million (JD 11.9 million) in Q1-2024 due to lower costs associated with depreciation and amortisation of assets.

- Earning before Interests & Taxes for the telco increased by 42.4% to reach USD 16.8 million (JD 18.8 million) in Q1-2024 because of increased revenues and decreased operating expenses.

Net profit margin increased from 9.2% in Q1-2023 to 12.0% in Q1-2024.

Zain - Saudi Arabia

Net profit declined by 88.1% YoY to USD 18 million in Q1-2024 due to:

- The restatement and recognition of the full gain from the tower transaction in Q1-2023.

Excluding the tower transaction, net profit for Q1-2024 would have grown by around 39%.

The net profit margin declined from 23.8% in Q1-2023 to 2.7% in Q1-2024.

Cellcom - Israel

Net profit fell by 88.1% year-on-year to USD 1.9 million (NIS 7 million) in Q1-2024 due to higher costs associated with selling services.

- Cost of revenues increased 6.5% YoY to reach USD 219.8 million (NIS 805 million) in Q1-2024.

The net profit margin declined by 360 bps YoY to 0.6% in Q1-2024.

Zain - Bahrain

Net profit declined by 26.3% YoY to USD 2.8 million in Q1-2024, owing to higher costs associated with depreciation and amortisation of assets.

The net profit margin declined from 7.9% in Q1-2024 to 5.4% in Q1-2024.

Turk Telekom - Turkey

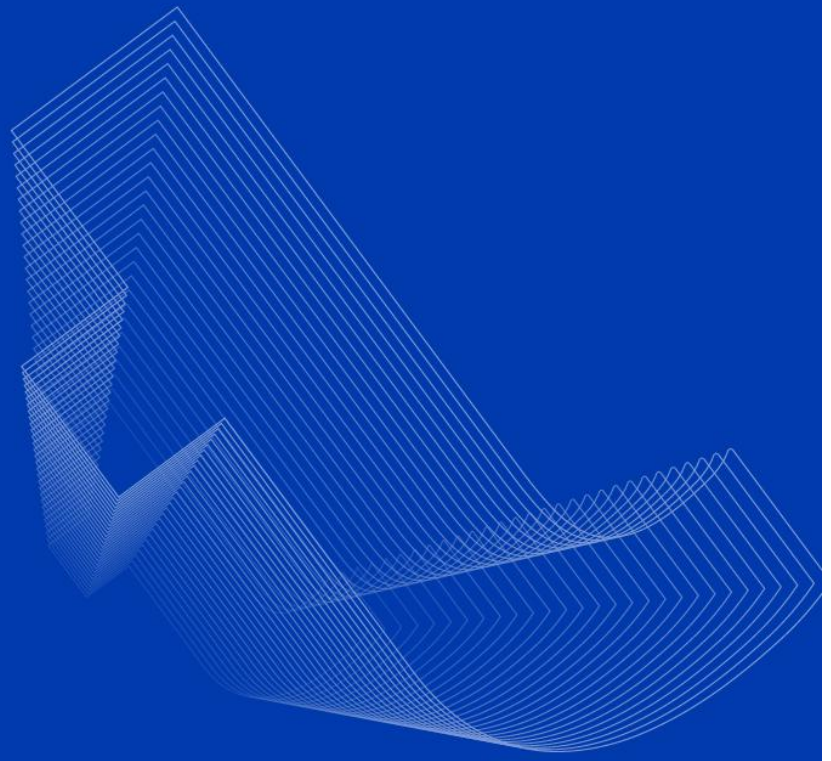
Net profit declined by 15.8% YoY to USD 33.7 (TL 1 billion) million in Q1-2024 due to higher finance expenses.

- Net financial expenses saw an 87.3% year-on-year increase from USD 97.4 million (TL 3 billion) in Q1-2023 to USD 182.4 million (TL 5.6 billion) in Q1-2024.
- This rise is attributable to changes in monetary policies, where CRBT raised market interest rates, leading to a significant variance in net financial expenses.

The net profit margin declined from 4.5% in Q1-2023 to 3.7% in Q1-2024.

Research Methodology and Assumptions

- The "Middle East Telcos Performance Benchmarks - Spring 2024" report offers crucial insights into the performance of telecom companies. It analyses key financial indicators such as Revenues, EBITDA, CAPEX, ARPU, and Net Profits for Q1 2024 (January - March 2024).
- This report utilizes data collected from telecom firms and extensive secondary research. Twimbit follows a calendar year for its data analysis, with FY representing January to December.
- To maintain consistency and enable accurate comparisons, the report applies a constant currency conversion rate, reflecting the average USD exchange rate for January - March 2024.
- The report evaluates Revenue and EBITDA for 34 and 28 telecom companies, respectively. CAPEX and ARPU analyses cover data from 28 and 19 companies, respectively. Net profitability assessment is based on data from 16 telecom firms.
- Blended mobile ARPU has been incorporated wherever relevant for a more holistic view.



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