



Yalla 2021 Analyst Day Keynote and Panel Sessions Highlights

Sept 15th



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CONTENS

01

Analyst Day Agenda

02

Keynote Session - Mr. Hu: Digitalization Opportunity and Challenge in Middle East

03

Panel Session – Mr. Saeed: Overview of the Mobile App Industry

04

Panel Session – Mr. Sherif and Mr. Saeed: Electronic Games in the Middle East, Reality and Hope





Analyst Day Agenda



Analyst Day Agenda

10:00 AM	Welcome and Opening Remarks
10:15 AM	Meet Yalla Dubai Team
10:40 AM	Meet Yalla Users
11:00 AM	Break
11:20 AM	Keynote Session – Mr.Hu: Digitalization Opportunity and Challenge in Middle East
11:55 AM	Panel Session – Mr.Saeed: Overview of the Mobile App Industry
12:25 AM	Panel Session – Mr.Sherif and Mr.Saseed: Electronic Games in the Middle East, Reality and Hope
01:00 PM	Closing Remarks





Keynote Session

Mr. Hu: Digitalization Opportunity and Challenge in Middle East





G42 Cloud - Yalla



Dan Hu

CEO - G42 Cloud

In steering G42 Cloud to success, Dan's leadership is underpinned by three core values: **innovation**, **customer success** and **trust**. Dan's strategy for G42 Cloud is simple yet robust – to provide best-in-class, tailored industry solutions with security at the core; drive value from data through the power of AI and help customers unlock opportunities for growth and efficiency.

Prior to his role at G42 Cloud, Dan founded Alibaba in the MEA region. He took the company to new heights, building it from the ground up. His regional strategy took Alibaba across the Gulf, to the Levant and into Turkey and Africa. Before he joined Alibaba, Dan also worked with Huawei Middle East and 3M in China.

■ Middle East Digitalization Challenges

Challenge 1: High bandwidth cost

Average cost of broadband (per month in USD)



UAE: \$111.2



US: \$59.9



Singapore: \$33.3



China: \$12.3

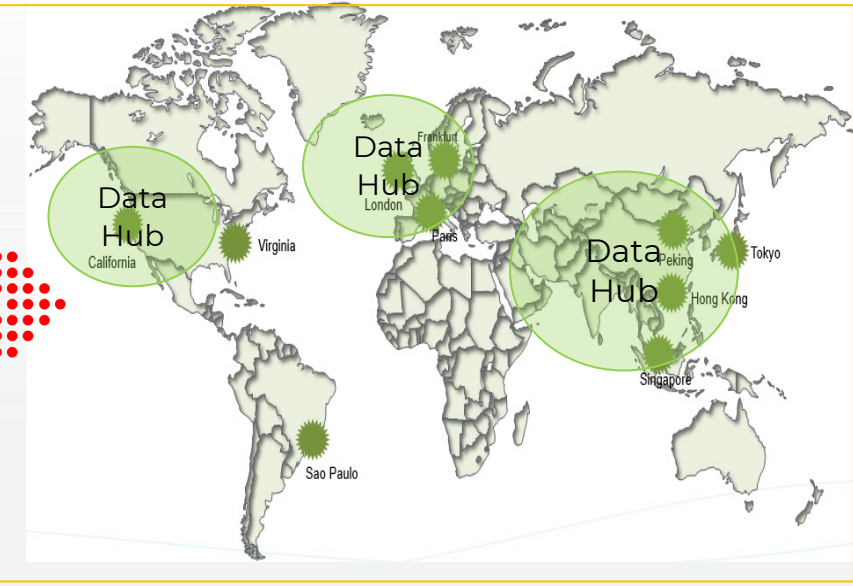
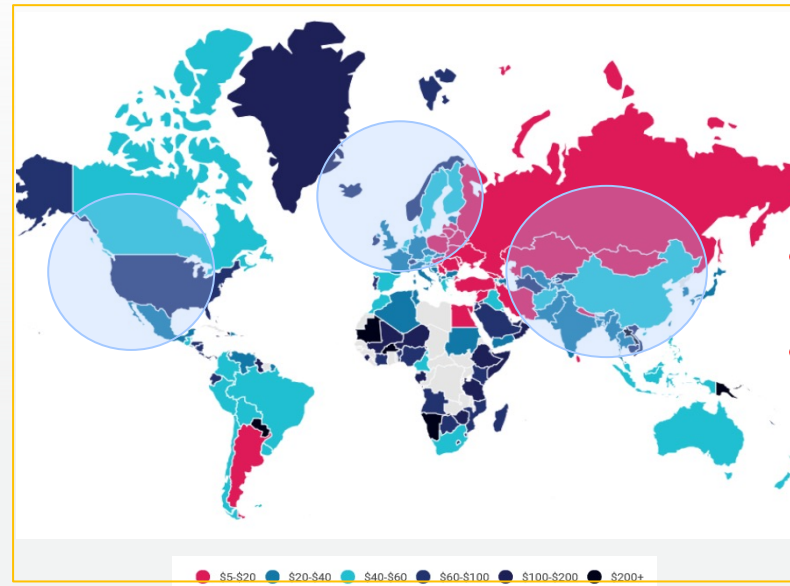


India: \$13.6



Water Flow From High Point to Low Point In Physical World

Source: Cable.co.uk (The price of fixed-line broadband in 211 countries)



Data Flow From High Bandwidth Fee Area to Low Bandwidth Fee in Intelligent Digital World

Challenge 2: Interconnectivity issues between regional countries

Network Latency Comparison:

UAE (Dubai) VS Germany (Frankfurt)

UAE to Egypt

Germany to Egypt

164ms

(Through Frankfurt)

73ms

(Directly)

1. Latency in UAE is much higher than that in European countries

Despite connecting to neighbor countries within a shorter distance

2. Lack of network optimization

Inter region connection could be further improved

Challenge 3: Lack of Talents



UAE

296K

Higher Education Enrollment

67K

IT & Engineering



China

37M

Higher Education Enrollment

>1M

IT & Engineering



Saudi

1.6M

Higher Education Enrollment

197k

IT & Engineering



UK

2.5M

Higher Education Enrollment

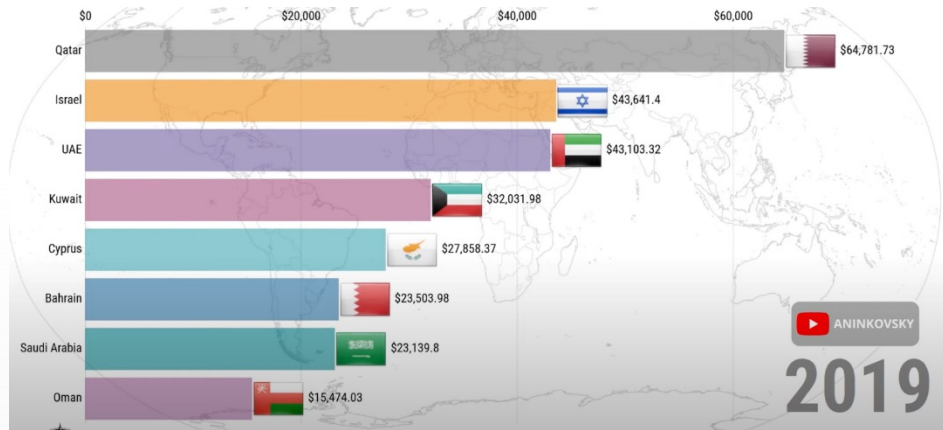
335k

IT & Engineering

Source: Saudi Arabia Education Report. Understanding Middle East Education (PwC Education and Skills Practice)

Middle East Opportunities

A population of about 448M, some countries are among the richest in the world

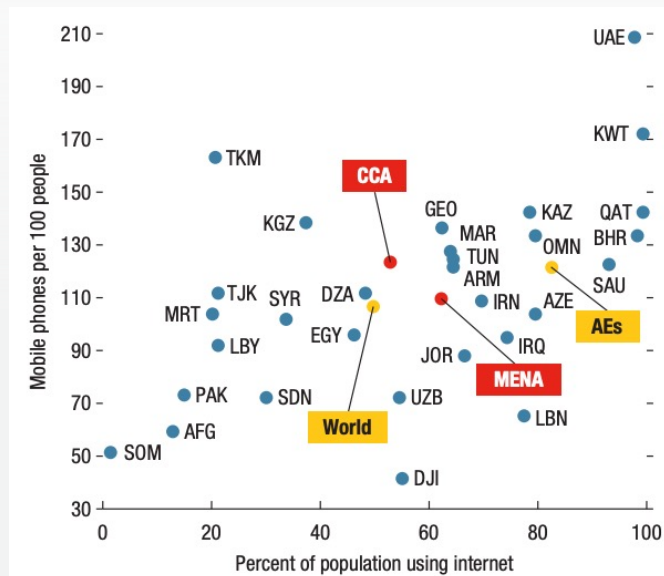


One of the highest rates of internet penetration among young people



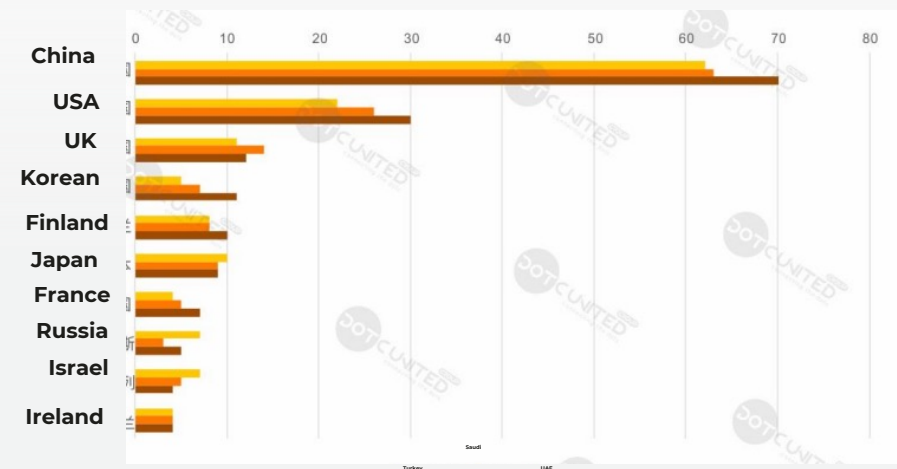
1. More than 28% of the population of the Middle East is aged between 15 and 29. Representing over 100 million young people

Country	Time spent online daily
UAE	7 hours, 49 minutes
Saudi Arabia	6 hours, 45 minutes
Egypt	8 hours, 10 minutes
US	6 hours, 30 minutes
China	6 hours, 30 minutes



Good Internet and mobile penetration rate

Lack of local content, most content from China or US



Notes: 2020 Q1 most popular mobile game APP downloads in ME

Source: E-Commerce in MENA Report (Bain & Company). Regional Economic Outlook Middle East and Central Asia 2021 (International Monetary Fund). 2020 Q1 ME mobile game APP market Report (DotC United Group)

■ My Understanding of Yalla

Yalla Business Model:

Decentralized chat room catering to local culture



Live Streaming

	Group Chat Room	Live Streaming
Interactive Mode	Decentralized many to many	Centralized 1 to many
MENA User Acceptance	Natural Relationship	Culturally not preferred
User Participation	All actively participate	All actively participate
Key KOL Risk	Low	High
Operational Model	Chat Room	Live streaming
User Scenario	Acquaintance/stranger casual social	Focus on specific contents



Thank You



Panel Session

Mr. Saeed: Overview of the Mobile App Industry



Panel Session

Mr. Saeed: Overview of the Mobile App Industry

- A Highly Experienced Telecom Executive

- He received an Executive MBA from American University of Sharjah (AUS) in 2003
- An Electrical Engineering BSC from Florida Institute of Technology (FIT) in 1991.
- He completed IMD PED1 and PED2 in 2009 (Program for Executive Development 1 and 2).
- His most recent job within Etisalat was the CEO of Etisalat in Egypt, after earlier positions including CEO of Etisalat Afghanistan.
- He was one of the early founders of Thuraya Satellite Telecommunications in 1997.
- He has his own private business and have established a company called Seattle Project Management Services.
- He is the founder of an HR platform and expert hub Youtilizer, and soon will also launch a co-working space platform.



Mr. Saeed Hamad Ibrahim Alhamli Alshamsi



Panel Session

Mr. Saeed: Overview of the Mobile App Industry

Q1: How does UAE's local mainstream society think about digital entertainment, including social media, livestreaming and mobile gaming?

According to market insights, 99% of UAE's 9.4 million population are active on at least one social network, with an average of 3 hours spent daily on social media. An increase in demand for cost-effective communication platforms “Voice centric apps or VOIP” among individual and commercial users is driving growth in the market. Projected to exhibit a Voice app market growth rate of over 12% in the coming years. Revenue and competition among digital service & entertainment providers have increased, with video games topping movies and music combined in the area.

The mobile game revenue, generating the most revenue, hit \$44.7 billion in the first half of 2021, growing by 18% year over year for spending. It is estimated to grow to \$270 billion by 2030. Many more people are playing mobile games, and many new users are females. Egypt alone contributes to the mobile gaming industry with more than 16 million users that spend over 1 hour on gaming per day. 71% of Egypt's video gamers play on the mobile phones while the remaining use game consoles, PC and other devices.



Panel Session

Mr. Saeed: Overview of the Mobile App Industry

Q2: Does digital entertainment face any challenges from the tradition or culture. How do you think about the trend?

There are always going to be challenges in the digital entertainment industry related to culture and traditions, what seems acceptable in one region might not be in the other. And we have seen this with several popular games and digital content that were banned in our region, due to different reasons. These reasons can be summarized to being harmful, controversial, offensive, or inappropriate to the country and its people.

Although there will be certain constraints on the release of new digital content, we are seeing a shift in trends. With governments now taking an effective approach to understand, clarify, and distinguish the impact of not only different digital products but the features within these products on the region and the users, new content that was prohibited in the past could be allowed in the future, opening new opportunities to investors.



Panel Session

Mr. Saeed: Overview of the Mobile App Industry

Q3: Based on that, how's the local regulation? What's the regulators' opinion on this industry? Could you please introduce the regulation structure on the internet industry in the region?

In alignment with H.H Sheikh Mohammed Bin Rashid's vision, UAE has always been positioned as the ultimate destination for digital industry, coding & innovation, as evidenced by the 1 million graduates at the Arab Coders initiative, and the recently announced launch of the National Program for Coders, in partnership with global, Regional & LocalTech giants, including Yalla.

With respect to the fast-growing industry, the UAE is moving towards a modern view of digital entertainment and mobile gaming, offering great opportunities to companies who are looking to develop and publish locally tailored content & games. We can see that with Yalla, being fully authorized to operate using Telecom operators' networks across the UAE. But this has to be accompanied with rules and guidelines that ensure the security of the internet and protect end users from harmful and contrary content. These regulations and guidelines were set by the Telecom & Digital Government Authority (TDRA) under the Internet Access Management Regulatory Policy (Policy), It is leading the way with assisting digital initiatives & smart projects to take place in UAE and connect people locally & globally. TDRA & UAE's Telecom operators have set a milestone during 2020-21 with easing the authorization process through a totally digital experience for VoIP, and social networking mobile apps, as a part of UAE's vision to create an integrated digital city and a global destination for all innovative solutions in social networking, FinTech, VOD / Live Streaming domains.



Panel Session

Mr. Saeed: Overview of the Mobile App Industry

Q3 Cont.: Based on that, how's the local regulation? What's the regulators' opinion on this industry? Could you please introduce the regulation structure on the internet industry in the region?

In Egypt, in alignment with Egypt Vision 2030, and digital transformation strategy, the Ministry of Communications and Information Technology (MCIT) has embarked on building Digital Egypt. The government has given priority to coping up with technological leaps and creating a new state-of-the-art ecosystem through issuing a number of laws that regulate this sector which starts from building an ever expanding telecom infrastructure & ending with authorizing & supporting all digital initiatives that accelerate the digital transformation. MCIT is cooperating with the state's other sectors to reform the legislative environment, through proposing a number of laws. The cybercrime law, the intellectual property, consumer protection and e-signature laws have been enacted. In addition, Egypt has issued the Personal Data Protection Law, which is in line with international laws and the European Union's General Data Protection Regulation (GDPR), and the executive regulation implementing “the Anti-Cyber and Information Technology Crimes” Law.



Panel Session

Mr. Saeed: Overview of the Mobile App Industry

Q4: How does the mainstream or local regulator think about Yalla?

Yalla has done a great job building & tuning its products over time, in a way that is compatible with regulations set by Telecom Regulatory Authorities in Middle East. Yalla provides secure, safe social networking experience that's on-par with regional regulators' requirements and the highest international privacy standards. Therefore, regulators are considering Yalla to be a secure & private Arabian social platform that's growing bigger every single day.

Q5: What type of products do you think would be more easily accepted in the region, and what do you recommend companies avoid?

I would say any product that provides a valuable service or promotes a healthy & socially entertaining environment respecting the region's rules, values, culture and beliefs is accepted and welcomed. And any product that promotes violence, harms or offends the people and their culture, or contradicts with their values and beliefs is a product worth avoiding. We've seen this with a wide range of popular digital products, from those that only provide specific services to those that encourage social interaction, as well classic, casual and highly competitive games in the strategy and RPG genres that all share social platforms and elements.



Panel Session

Mr. Saeed: Overview of the Mobile App Industry

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- State Of Social Media 2021 Report by Crowd Analyzer.





Panel Session

Mr. Sherif and Mr. Saeed: Electronic Games in the Middle East, Reality and Hope



Panel Session

Mr. Sherif and Mr. Saeed: Electronic Games in the Middle East, Reality and Hope

Founder and CEO of Saeed Ali Al Taher Advocates and Legal Consultants Secretary
General of the Emirates Electronic Sports Association

- Bachelor of Laws at Cairo University.
- Post-graduate studies at HULL University in the UK.
- Legal advisor to many local and foreign companies inside and outside the UAE.
- Legal researcher in the Government of Sharjah.
- Director of the Legal Department at Ali Mohamed Taher Group of Companies.
- Member of the Emirates Association for Lawyers and Legal.
- Member of the Emirates Association for Human Rights. • Member of the Arab Lawyers Union.
- Arbitrator at the Dubai International Arbitration Center (DIAC).
- Arbitrator at the Emirates Center for Sports Arbitration. • Arbitrator at Ain Shams Law Center for Commercial Arbitration - Arab Republic of Egypt.
- Member of the Board of Directors of the UAE Students Club in Cairo and Chairman of the Sports Committee.
- International chess referee.



Mr. Saeed Ali Mohamed Taher



Panel Session

Mr. Sherif and Mr. Saeed: Electronic Games in the Middle East, Reality and Hope

Q1: In your opinion, in the future, what type of games will continue to be favoured by users in MENA? What kind of companies will have better opportunities to grow in this market?

From my point of view, the continued preference of a certain game among young people depends on several factors, the first of which is the attractiveness and constant update of the game and managing this interest by methods to increase competition and attract more users to renew ideas and invigorate the communities. I am fully confident that the esports sector will witness large and successive changes rapidly as there are no fixed rules to control this sector, but I can say that in the Arab world, we need now more than ever to create Arabic esports content, as there are golden opportunities out there for Arab providers including Yalla Group.

Yalla is based in the UAE, meaning it has an excellent opportunity to provide a purely Arab product that competes with global content, taking into account the recognized Arab principles and values. In this respect, I would like to express my pride and happiness at being with you today. Hence, I invite you to enhance your cooperation with the Emirates E-Sports Association and we are ready to support you and share your products with young users in the UAE and the Arab Gulf, as well as in the Arab region.



Panel Session

Mr. Sherif and Mr. Saeed: Electronic Games in the Middle East, Reality and Hope

Q2: In your opinion, in the gaming field, what are some initiatives that Yalla can possibly give it a try?

As I said it earlier, Yalla Group has a great opportunity to promote engagement in Arab societies, especially in the field of esports, and to take accelerated steps to attract a larger number of users, meaning that I am one of the most loyal followers of the Yalla Apps like Yalla Live and Yalla Ludo. I see it achieving very distinct results and enjoying the trust from users, as well as the trust of the regulatory bodies given Yalla's user friendly standards and controls. Therefore, the most important sector that has a larger segment of active users, remains the esports.

Here are some initiatives that can be launched in the next phase:

- Local, regional and international tournaments that attract all players
- Community initiatives to train young people on programming, managing and organizing game competitions
- Initiatives to raise awareness on the importance of sports and the gaming industry



Panel Session

Mr. Sherif and Mr. Saeed: Electronic Games in the Middle East, Reality and Hope

Vice President of the Arab Federation of Electronic Games
President of the Egyptian Federation of Electronic Games
Editor-in-chief of Al Ahram Al Iqtisadi & LoghatAlasr Magazines

- Bachelor of Business Administration Cairo University
- Editor-in-chief of Al-Ahram Al-Iqtisadi and Loghat Alasr magazines (Al_x0002_Ahram Foundation)
- Egyptian Federation President of Electronic Games
- Vice President of the Arab Federation Previous experience:
- Media researcher at Nile Media Centers (Nile Journal for Media Studies)
- Founding President of Computer News 1996
- Journalist in Al Yaum news
- Journalist in Al-Ahram Al-Arabi
- Journalist in Loghat Alasr
- Adviser to the Minister of Administrative Development of Egypt
- Journalist in Al-Ahram



Mr. Sherif Abdel-Baqi



Panel Session

Mr. Sherif and Mr. Saeed: Electronic Games in the Middle East, Reality and Hope

Q1: Could you please give us an introduction of the gaming market in MENA? What's the market potential, and what are some most popular type of games in this area? Did you receive any feedback regarding Yalla? How do people think of Yalla in the industry?

First of all, I would like to thank Yalla Group Ltd. for having me over. This is an evidence that Yalla is moving in the right direction and proves that its plans are on the right track in the Arab region.

In my opinion, the Middle East is a promising market for esports thanks to the demographics nature of the regional countries, which are characterized by being young nations. In Egypt for example, the young people account for 65% of the total population estimated at 110 million people. The percentage of people using of mobile phones reaches 100% of the total population.

According to the latest international studies, the size of the global market for electronic gaming may reach \$175 billion by the end of 2021, keeping in mind that the share of the African and Middle Eastern region was \$6.2 billion in 2020.

However, this share is very small considering the population of the region and the available capabilities. We are working in the Arab Federation to develop this sector and promote its role to maximize investments in electronic games in the Arab region and the Middle East.



Panel Session

Mr. Sherif and Mr. Saeed: Electronic Games in the Middle East, Reality and Hope

Q1: Could you please give us an introduction of the gaming market in MENA? What's the market potential, and what are some most popular type of games in this area? Did you receive any feedback regarding Yalla? How do people think of Yalla in the industry?

We have already taken several steps and initiated discussions with stakeholders. For example, we conducted a series of meetings with Yalla Group Ltd and are looking forward to taking advantage of its various platforms to make it one of the most important platforms approved for Arab tournaments in the future. Speaking of the most popular games in Egypt, we can say that PUBG, Fortnite, FIFA, PES, League of Legends are most popular online games among others.

I personally think that Yalla group, although it has not participated in sporting events yet, has become one of the major online game solutions providers in the Middle East in particular.

We, in the Arab Esports Federation and local federations, whether in Egypt, the UAE or Saudi Arabia, are ready cooperate constructively with Yalla to make the most of its apps and achieve as much thoughtful innovation as possible in the Arab region.



Panel Session

Mr. Sherif and Mr. Saeed: Electronic Games in the Middle East, Reality and Hope

Q2: Could you please talk about the regulation? What's the government's attitude to e-games? And policy or supports you have seen from the government? How is this related to teenagers in MENA?

“The government’s attitude towards e-sports has been very positive where official e-sports federations have been established in each country to strengthen their presence on the global esports map. The federations were able to persuade the Arab League to organize the first championship for member states in 2020 where 16 countries competed in 3 games. • However, this support must proceed at a faster and more dynamic pace in the coming period, so that users don’t move towards western platforms seeking digital entertainment without any Arab competition in this highly competitive field.”

“The Arab digital entertainment sector has become in need of new partnerships with digital entertainment content providers in order to promote games of Arab origin among the largest segment of young people. • There are currently discussions with digital entertainment providers in the Arab world to create Arab tournaments across these platforms. • It should be noted here that the Arab Esports Federation supports platforms of an Arab nature especially the ones that express the culture and value of Arab societies. In addition, the Arab Federation does believe that the digital entertainment sector and Arab electronic games harbor great and promising investment opportunities.”



Panel Session

Mr. Sherif and Mr. Saeed: Electronic Games in the Middle East, Reality and Hope

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THANK YOU!