



Saudi  
Arabia's  
Fastest  
Fixed  
Network

# Investor Presentation

Q1 2021



# Disclaimer



Expectations and projections regarding future performance of the company referenced in this presentation are 'forward-looking statements' within the meaning of applicable securities laws and regulations.

These are statements which the management believes are true at the time of their preparation based on available data and information and are subject to future events and uncertainties and to the successfully and timely execution of plans and strategies, that could cause actual results to differ materially from those anticipated in these forward-looking statements.

# 2021 Financial Results

5G  
ZAIN زين



Saudi  
Arabia's  
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Network



# Zain KSA Board of Directors



**HH Prince Naif Bin Sultan Bin Mohammed Bin Saud Al Kabeer  
Chairman**

A highly accomplished Saudi businessman with a vast experience in multiple industries, HH is also a board member of Almarai Company, Alyamamah Cement Company, Farabi Gulf Petrochemicals Company, Projects and Technical Contracting Establishment and Ashbal Al Arab Contracting Establishment.



**Bader Nasser Al Kharafi  
Vice Chairman**

A renowned regional economic identity, Mr. AlKharaf, is the Vice-Chairman of Zain Group Board of Directors since Feb. 2014. Furthermore, in March 2017, he was appointed Zain Group CEO. He also holds several executive roles in multiple businesses under Al Kharafi Group.



**Saud Bin Abdullah AlBawardi**

Mr. AlBawardi has more than 15 years of experience in the telecommunications and banking industries in Saudi Arabia. He has served in several senior executive positions in Zain KSA and in another operator in KSA.



**Hisham Mohammed Attar**

Mr. Attar has served as a board member in a number of companies, specializing in the field of investment and start-ups, including Body Masters and Amwal Alkhaleej.



**Raied Bin Ali Al Saif**

Mr. Al Saif is the director of investment and business development at the private office of the Prince Sultan bin Mohammed bin Saud Al-Kabeer Al Saud, where his department provides investment counseling services as well as overseeing business activities at joint ventures companies.



**Firas Oggar**

Mr. Oggar is a Board Member and Treasurer at The Association Of Corporate Counsels (ACC), Washington D.C. He is also the Head of Legal at Zain Group since 2017.



**Ossama Michael Matta**

Mr. Matta was appointed the key role of CFO of Zain Group in June 2010, having joined Zain in 2004 and quickly rising through the ranks. With more than 20 years track record in strategic financial transformation, he has solid relationships with banking institutions across the region.



**Martial Caratti**

Mr. Martial Caratti is a member of the Board of Directors of Zain Group since November 2017. He is also the Chief Financial Officer of Omantel since 2015. He has over 30 years of experience in the telecommunications industry in the Middle East and Europe.



**Mr. Kamil Hilali**

Mr. Kamil Hilali held the position of Chief Strategy Officer at Zain Group. Hilali has 18 years of experience and Hilali has a proven track record in developing corporate strategy and is currently managing Zain Group's digital transformation, information and communication technology, corporate development, digital infrastructure, wholesale, business development

# Zain KSA Management Team



Saudi Arabia's Fastest Fixed Network



**Eng. Sultan Bin Abdulaziz AlDeghaither - Zain KSA CEO**  
 Eng. AlDeghaither took over as CEO of Zain on July 1st, 2018. Having first joined Zain KSA in 2009 as Director of Network Planning. He spearheaded the development of Zain's network across the Kingdom to cover more than 98% of the populated areas.



**Mehdi Khalfaoui**  
**CFO**  
 Mr. Khalfaoui was appointed CFO in Feb-2017. Having more than 12 years of ICT sector experience



**Eng. Saad Al-Sadhan**  
**CBWO**  
 Eng. Al-Sadhan's professional career spans over 15 years in the telecom sector. AlSadhan began his journey with Zain in 2016 as Wholesale Senior Director.



**Eng. Abdulrahman Al-Mufadda - CTO**  
 Mr. AlMufadda has more than 15 years in the telecommunication sector. He was embarked on his role as Chief Technology Officer of Zain KSA in Feb. 2019.



**Sherif Tahoun**  
**CCO**  
 Mr. Tahoun's joined Zain KSA in 2014 having over 25 years of experience delivering business growth and transformation in large organizations



**Maher AlFawaz**  
**Chief Sales Officer**  
 Maher has over 14 years in the Network Engineering and Customer Care Services. Maher holds a BA in Electrical Engineering and an MBA



**Tiago Rocha**  
**CMO**  
 Tiago has more than 13 years of experience working globally in leading position in the field of marketing. Tiago holds a Master degree in BA



**Faris Al-Ribdi**  
**RA&C VP**  
 Faris began his journey with of Zain KSA as GM of Regulatory Affairs and Compliance in January 2018. His professional career spans 14 years in the ICT sector



**Eng. Al-Ghamdi**  
**Digital and Analytics VP**  
 Eng. Salah has over 15 years of experience in the ICT sector. He is leading the digital transformation of Zain KSA into a Digital Telco



**Eng. Rayan AlTurki**  
**Communication VP**  
 Mr. AlTurki has more than 15 years of experience in Marketing, Communication, and Branding



**Eng. Hamad Alkatheri**  
**Risk & InfoSec VP**  
 In his career, Eng. Alkatheri held several leadership positions in cybersecurity for a number of leading entities in the private and public sectors

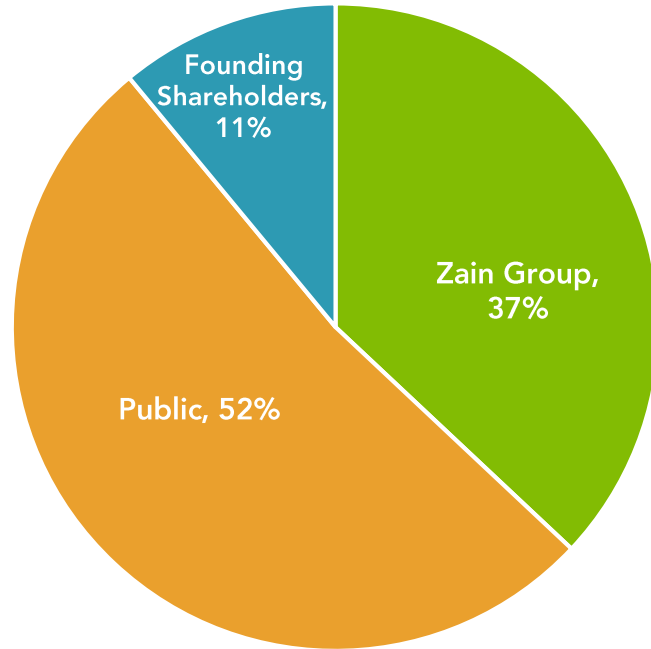


**Nada Alaa AlHarthi**  
**Business Affairs VP**  
 Nada assumed the position of Vice President, Business Affairs at Zain KSA, backed by a wide experience in planning, and strategy.



**Taghreed Bahdailah**  
**Investors Relations VP**  
 Taghreed is skilled in commercial banking and Islamic economics, with practical experience and, having graduated from Cambridge University in UK

# Shareholder Structure



**Around 326,000**  
Shareholders

► **Zain Group provides Zain KSA with operational, technical, brand financial support**

1 Faden Trading & Contracting Est.	2.98%
2 Saudi Plastic Factory Est.	2.93%
3 HH Prince Sultan Bin Mohammed Bin Saud Al Kabeer Al Saud	2.13%
4 Abu Dhabi Investment House (ADIH)	1.07%
5 Almarai Co.	1.06%
6 Al Jeraisy Development Co. Ltd.	0.53%
7 Architectural Elite Est. for Engineering & Contracting	0.28%
8 Al Sale Al Sharkiyah Co. Ltd.	0.27%
9 Rakisa Holding Co.	0.22%

<b>Tadawul:</b>	<b>7030</b>
<b>Bloomberg:</b>	<b>ZAINKSA:AB</b>
<b>Issued Shares:</b>	<b>898,729,175</b>
<b>Paid Capital:</b>	<b>SAR 8,987,291,750</b>

# Zain Saudi Arabia Today



**7.18 Million subscribers**



**1,434 Zainers**  
Saudi: 88%  
Woman: 12%



**245 shops  
2,597 POS**



**51% Data revenue**  
(Excluding SMS & VAS)



**75 SAR  
Blended ARPU**



**11,107 TB/Day**  
Average daily data traffic



**99% 98% 94% 61%**  
2G 3G 4G 5G  
Population coverage

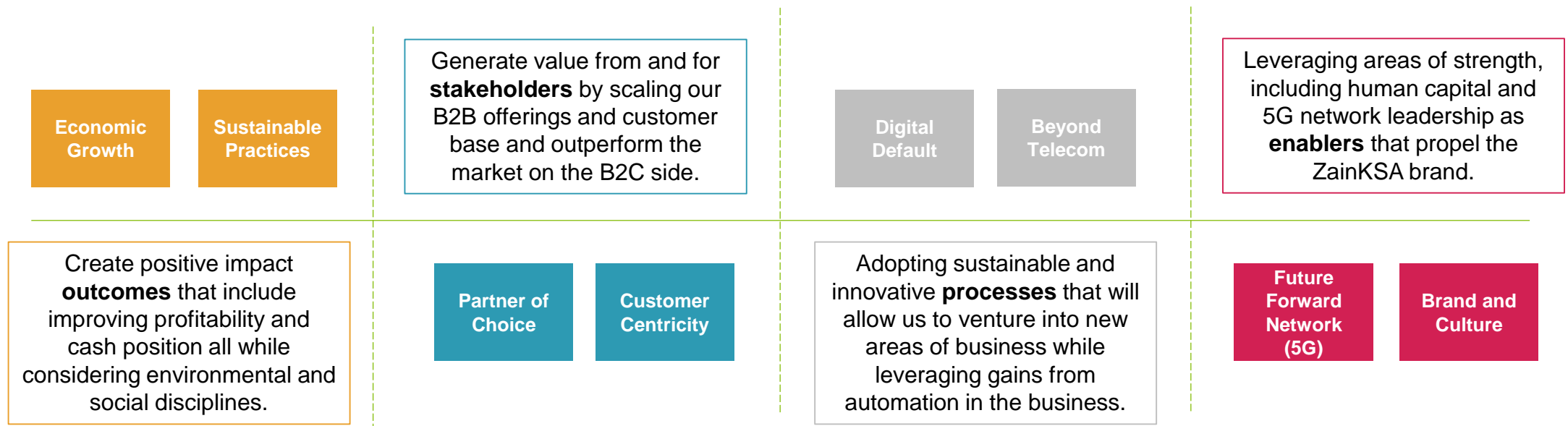


**9,980 Total number of sites**  
566 Cities covered by 3G  
479 Cities covered by 4G  
50 Cities covered by 5G

# Zain KSA's Strategic Pillars



We have updated our strategic pillars to continue delivering on areas of our competencies and expanded them to be more ESG focused. The below eight pillars come as a natural evolution and extension of the strategy ZainKSA has successfully delivered on as well as the expectations of stakeholders.

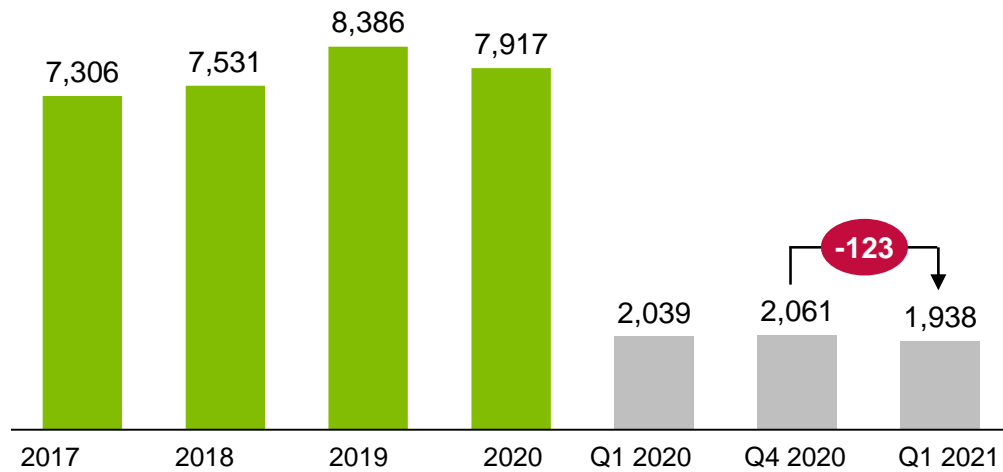




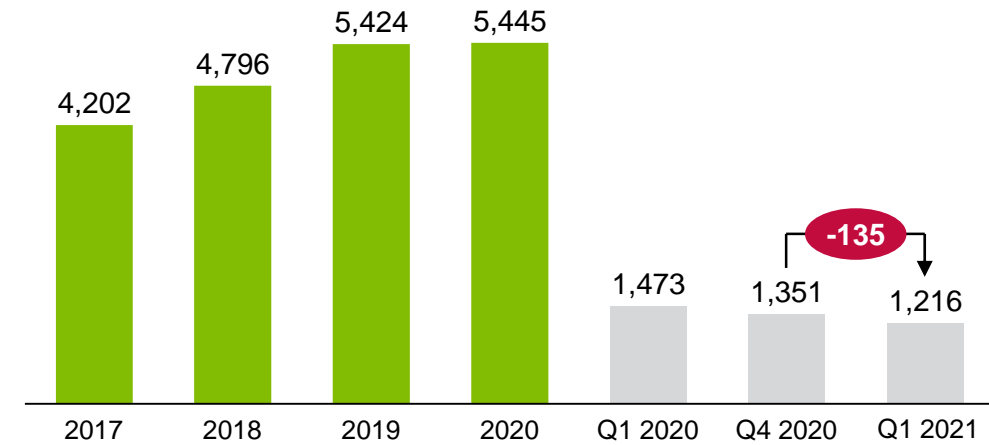
# Financial highlights



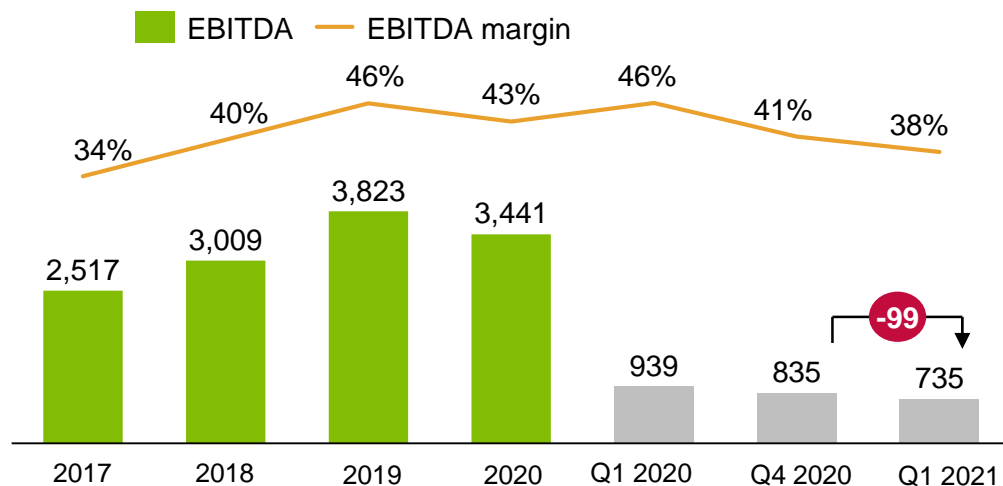
REVENUE [Million SAR]



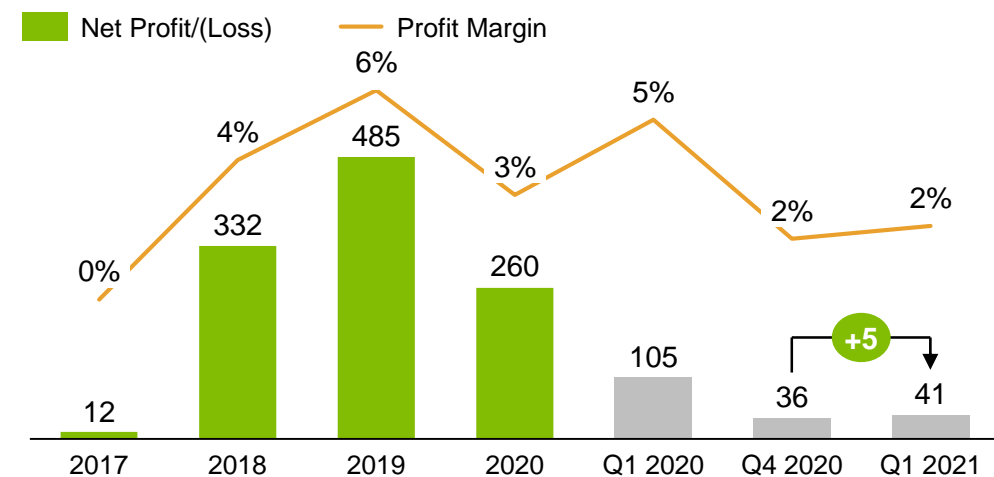
GROSS PROFIT [Million SAR]



EBITDA, EBITDA MARGIN [Million SAR]



NET (LOSS) / PROFIT MARGIN [Million SAR]

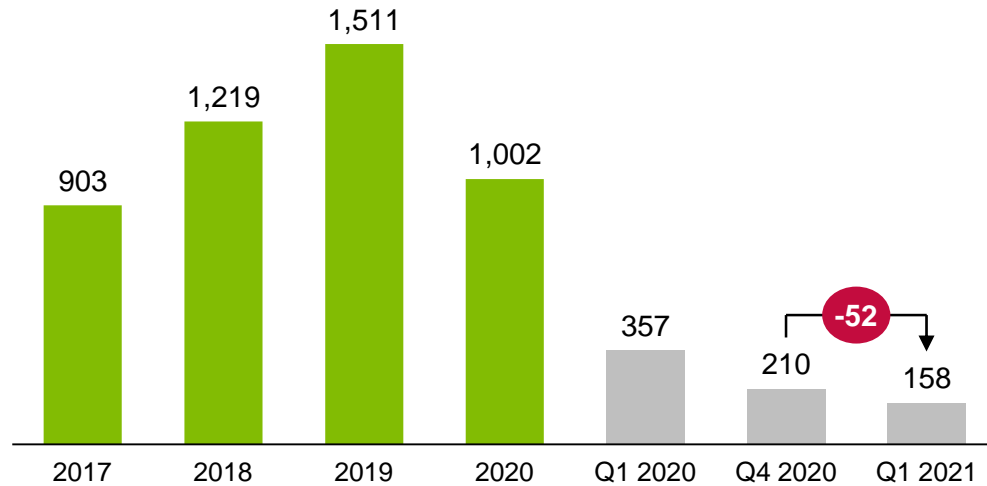


Certain comparatives figures have been reclassified to conform with the presentation in the current period.

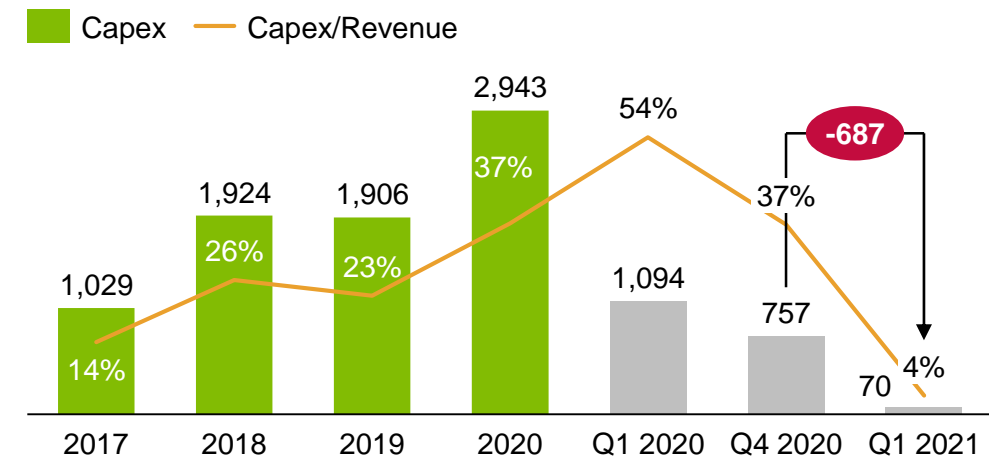
# Financial highlights



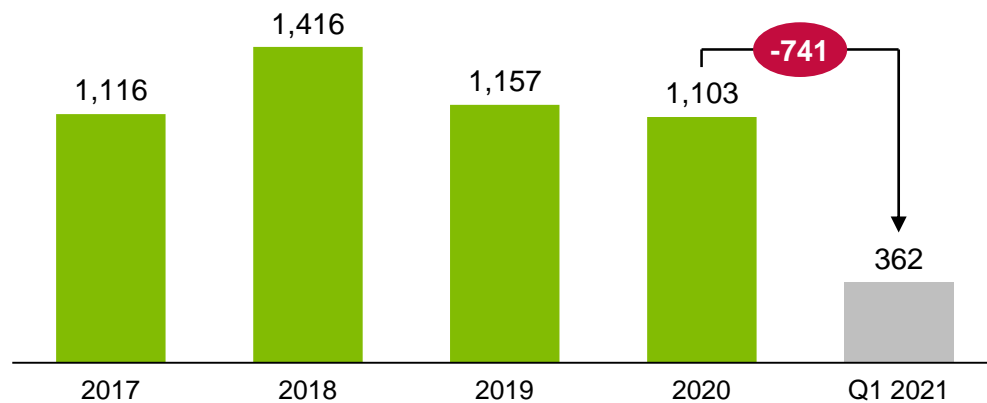
OPERATIONAL (LOSS/INCOME) [Million SAR]



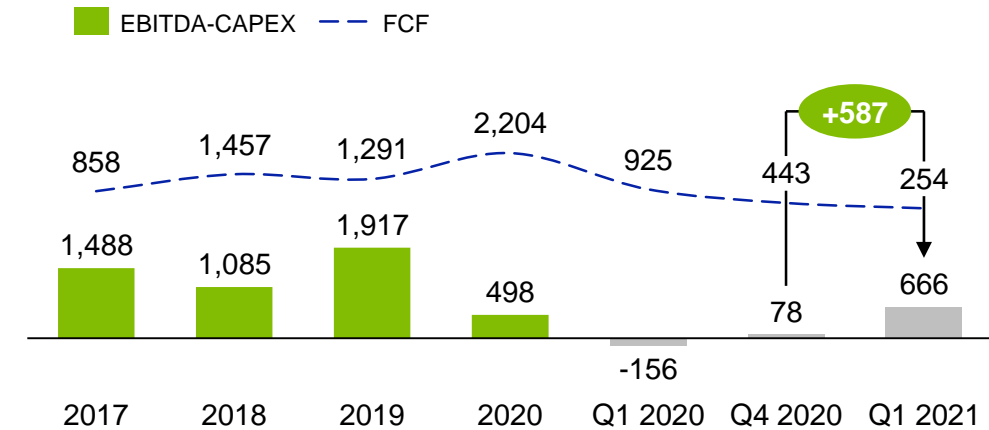
CAPEX, CAPEX/ REVENUES [Million SAR]



CASH BALANCE [Million SAR]



EBITDA – CAPEX [Million SAR]



# Company Debt



► With financial support from financial institutions, shareholders, and the Ministry of Finance  
**Zain Saudi Arabia borrowings summary**

Description	Party	Outstanding Amount
Murabaha Facility Arrangement (MFA)	Consortium of eight banks	2,935
Government Loan (MoF)	Ministry of Finance	4,039
Due to Shareholders*	Founding shareholders	1,620
Junior Murabah Debt	Consortium of five banks	2,250

\* Due to Shareholders do not bear interest

	Q1 2021	2020	2019	2018
Net Debt*	10,556,092	10,474,516	15,592,206	15,362,732
EBITDA	735,490	3,441,087	3,822,603	3,009,254
Debt/(Debt+Equity)	55.38%	57.01%	80.32%	80.70%
Net Debt/EBITDA (Annualized)	3.26	3.04	4.08	5.11

\* Net Debt includes due to shareholders



## Evolve cost transformation initiatives

- Opportunity to approach business differently
- Increasing efficiencies to lower operating costs
- Aligning businesses to changing customer behavior



## Taking Proactive Financial Measures

- Increased capex guidance while implementing efficient cost measures



## Committed investment in key capital projects

- Network investment including 5G and expanding fiber
- Technology and content investment

# Ookla SpeedTest Award

The main graphic features a large, glowing green and yellow background with light trails. In the top left is the ZAIN logo (Arabic 'زين' and 'ZAIN'). In the center is a large, dark blue award trophy icon with a speedometer symbol and the text 'SPEEDTEST AWARDS by OOKLA FASTEST FIXED NETWORK 2020'. To the right of the trophy, the text reads: 'We got it The **Fastest Fixed Network** Award For the 2<sup>nd</sup> time in Saudi'. In the bottom left is the 5G logo. At the bottom right, there is a small disclaimer: 'Based on analysis by Ookla® of Speedtest Intelligence® data for Q1 – Q2 2020 and Q3 – Q4 2020. Ookla trademarks used under license and reprinted with permission.'

# OpenSignal Awards



**زین**  
zain

## Zain 5G Network

Wins 3 New Awards

**WINNER**

**BEST 5G AVAILABILITY**

**WINNER**

**BEST 5G DOWNLOAD SPEED**

**WINNER**

**BEST 5G DOWNLOAD EXPERIENCE**

**OPENSIGNAL**

\*OpenSignal Awards – Saudi Arabia: 5G User Experience Report, January 2021

# Other News

## Zain KSA's 5G supports an ICT-powered economy in line with Saudi Vision 2030

28 DECEMBER 2020



Saudi Arabia's Fastest Fixed Network



**Thursday, 21 January**  
4:00 - 5:30 pm KSA time

### "OPPORTUNITIES OF THE 5G FIXED WIRELESS ACCESS"

We are delighted to invite you to our virtual event in partnership with Nokia, and Telecom Review magazine, where we will discuss Zain KSA's 5G network deployment and the 5G Fixed Wireless Access solutions and prospects in Saudi Arabia.

During the event, Zain KSA will shed light on its 5G FWA journey with Nokia, evaluating its contribution to the Kingdom's ICT roadmap, as outlined by Saudi Vision 2030, and overviewing its advantages on businesses and individuals alike.

#### Our speakers:



Zain KSA CTO  
Eng. Abdulrahman AlMufaddah



Zain CBT Head  
Ali Jitawi

[Click here to register](#)

We look forward to your valuable attendance!



# Other News



In partnership with the Saudi Authority for Industrial Estates and Technology Zones (MODON).

Zain Saudi Arabia covers the second industrial city of Dammam with the 5G network

- ▶ “Zain Saudi Arabia” announced its success, in cooperation with the Saudi Organization for Industrial Estates and Technology Zones (MODON), in covering Dammam Second Industrial City with the 5G network. Consequently, more than 612 Saudi international factories can enjoy the fifth generation services from” Zain Saudi Arabia”, and other technical support services.



# Zain KSA takes the lead in the Game Mode

Zain KSA's internet is the Fastest in FIFA21, League of Legends, and DOTA 2



A green rectangular advertisement. At the top left is the ZAIN logo (Arabic 'زين' and English 'ZAIN'). To its right, the text reads 'Zain KSA' and 'The Fastest Internet Response For Gaming'. At the bottom, there are three logos: 'EA SPORTS FIFA 21', 'DOTA 2', and 'LEAGUE OF LEGENDS'.



# Mawhiba Partnership



Zain KSA becomes Scientific Partner of 'National Olympiad for Scientific Creativity'.



# Zain KSA Launches GeForce NOW Beta in Saudi



Zain KSA is partnering with NVIDIA, the leader in accelerated computing, to launch the first 5G cloud gaming platform GeForce NOW in Saudi Arabia. GeForce NOW is a cloud gaming service that streams PC games from popular digital game stores – including Steam, Epic Games Store, and soon GOG.com – which gamers can conveniently access on multiple devices without the need for any particular hardware.



# Red sea agreement

Zain KSA signs exclusive agreement for 5 years with The Red Sea Development Company aiming for nationwide digital transformation.

The first construction area covered by 5G in the Middle East



# B2B leased line

Zain KSA launches 1st 5G B2B leased line to enable Enterprises

The first operator to offer this service in the Kingdom



# Guinness



We have entered Guinness World Record with the corporation of Aleradah Organization for talented People with Disability through an awareness campaign held during the 2020's International Day of Disabled Persons.



# More Information

For more information, please visit our website or contact us through:











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## Investor Relations

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Yearly Statement		
Board of Directors Report 2019	عربي	English
Yearly Statement		
Financial Statement 2019	عربي	English
First Quarter		
Second Quarter		
Third Quarter		

<https://sa.zain.com/en/investors/financial-reports>



Q & A



**Thank You**

