



Saudi
Arabia's
Fastest
Fixed
Network

Investor Presentation

Q3 2020



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 successful and timely execution of plans and strategies, that could cause actual results to differ materially from those anticipated in these forward-looking statements.

Q3-2020 Financial Results



Saudi
Arabia's
Fastest
Fixed
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زينة
ZAIN

وتستمر الربحية للربع التاسع على التوالي والجاي أزين!
Profitability continues for the 9th consecutive quarter
and the best is yet to come!

نمو إيرادات الشركة
عن الربع الثاني
The company's revenues surge
for the 2nd quarter

إطفاء غالبية الخسائر المتراكمة
Amortization of most of
the accumulated losses

224
مليون ريال
إجمالي أرباح لأول 9 أشهر
SAR Million
total profits for the 1st
9 months of 2020

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. Al-Kharaf, 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.



Scott Mark Gegenheimer

Mr. Gegenheimer, was appointed as Zain Group CEO in 2012 and thereafter from March 2017 as Group CEO-Operations. A telecom veteran with over 25 years of experience, he spent the last decade in various senior management and leadership positions across the globe regional operators.



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.



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.

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



**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



**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.



**Shatha AlNafeesa
CHRO**

Shatha assumed the position of CHRO at Zain KSA in September 2019, backed by more than 15 years of experience in the human resources 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



**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.



**Eng. Rayan AlTurki
Communication
VP**

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



**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. 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



**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



**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



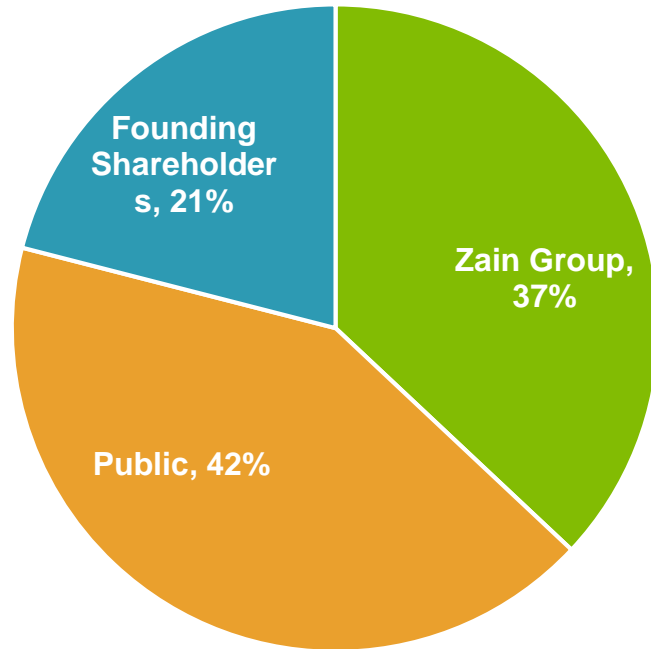
**Tiago Rocha
CMO**

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

Shareholder Structure



- ▶ Zain Group provides Zain KSA with operational, technical, brand financial support



Around 340,000
Shareholders

1 Faden Trading & Contracting Est.	5.97%
2 Saudi Plastic Factory Est.	5.84%
3 Abu Dhabi Investment House (ADIH)	2.14%
4 Almarai Co.	2.13%
5 HH Prince Sultan Bin Mohammed Bin Saud Al Kabeer Al Saud (Ashbal Al-Arab Contracting Est.)	2.13%
6 Al Jeraisy Development Co. Ltd.	1.06%
7 Architectural Elite Est. for Engineering & Contracting	0.56%
8 Al Sale Al Sharkiyah Co. Ltd.	0.53%
9 Rakisa Holding Co.	0.44%

Tadawul:	<u>7030</u>
Bloomberg:	<u>ZAINKSA:AB</u>
Issued Shares	583,729,175
Paid Capital:	SAR 5,837,291,750

Zain Saudi Arabia Today



6.95 Million subscribers



1,421 Zainers
Saudi: 87%
Woman: 12%



255 shops
3,087 POS



51% Data revenue
(Excluding SMS & VAS)



79 SAR
Blended ARPU



9,899 TB/Day
Average daily data traffic



99% **98%** **94%** **55%**
2G 3G 4G 5G
Population coverage



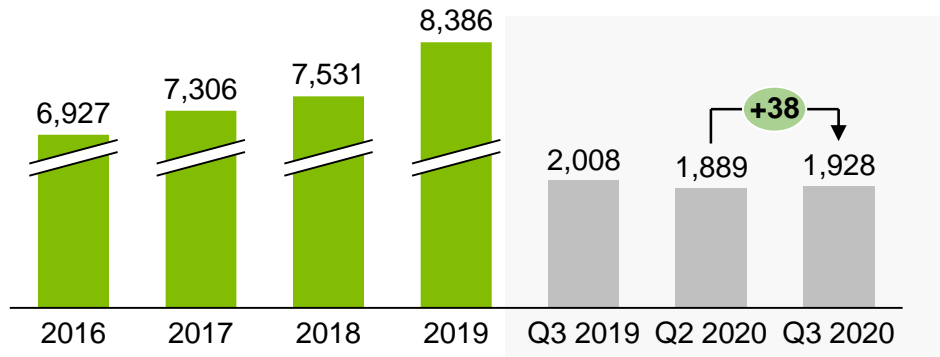
9,890 Total number of sites
566 Cities covered by 3G
479 Cities covered by 4G
47 Cities covered by 5G

Financial highlights



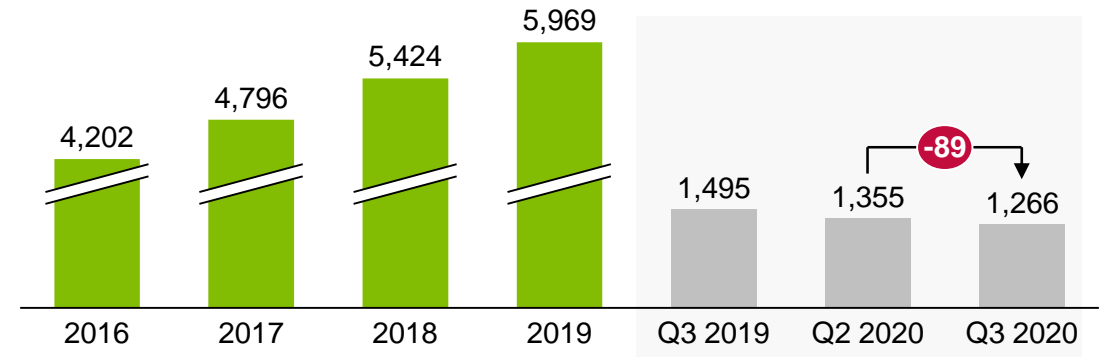
REVENUE [Million SAR]

Yearly Trend



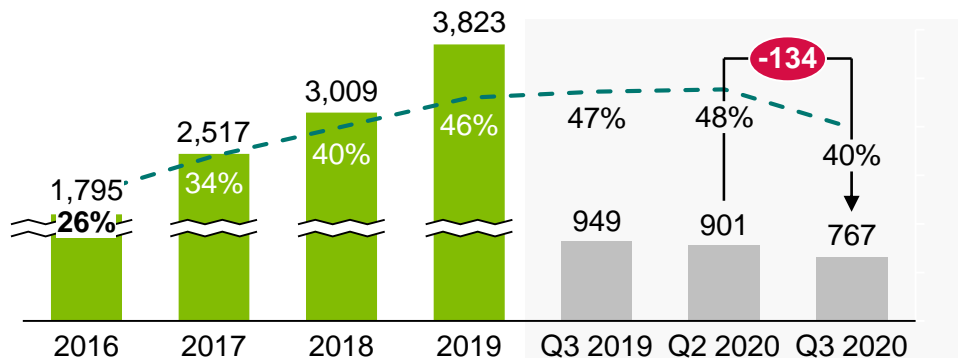
GROSS PROFIT [Million SAR]

Yearly Trend



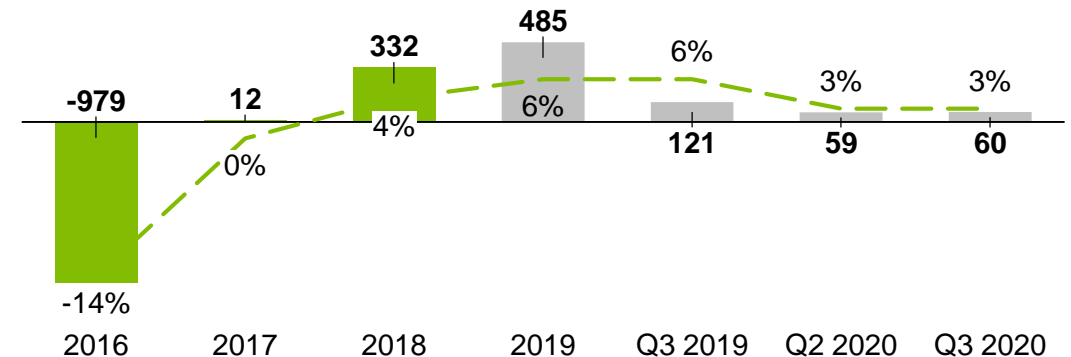
EBITDA, EBITDA MARGIN [Million SAR]

Yearly Trend



NET (LOSS) / PROFIT MARGIN [Million SAR]

Yearly Trend

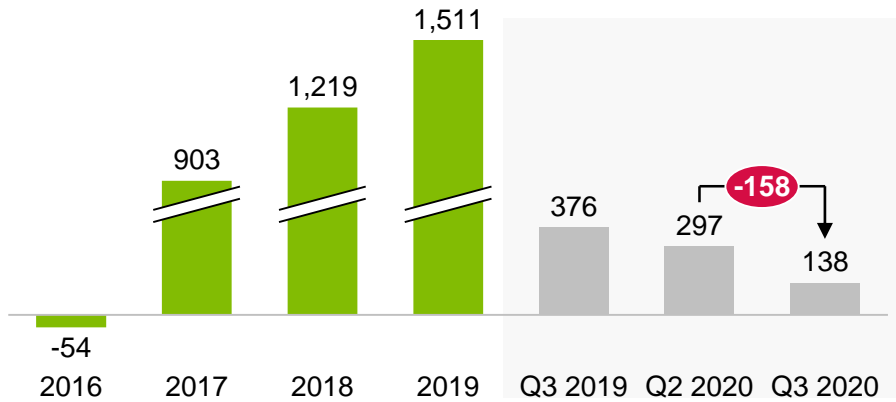


Financial highlights



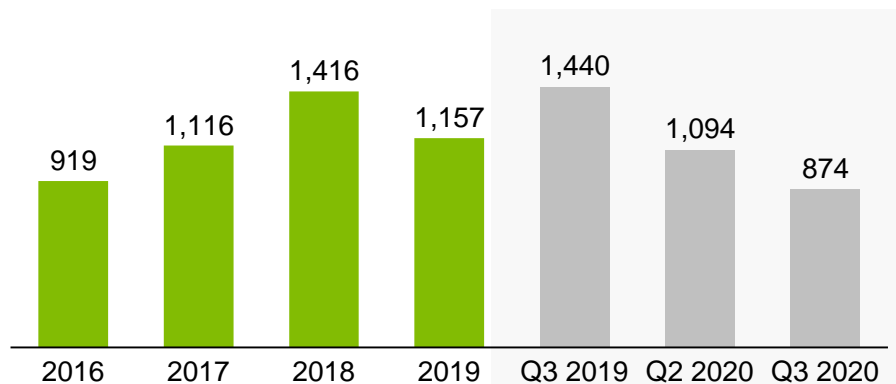
OPERATIONAL (LOSS/INCOME) [Million SAR]

Yearly Trend



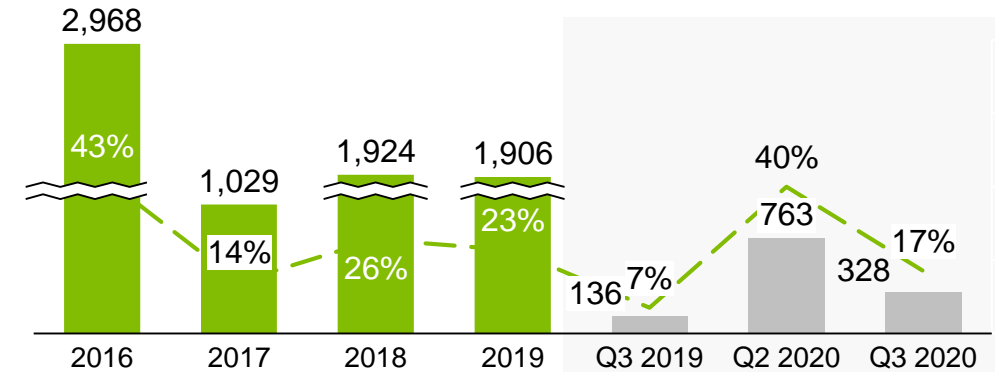
CASH BALANCE [Million SAR]

Yearly Trend



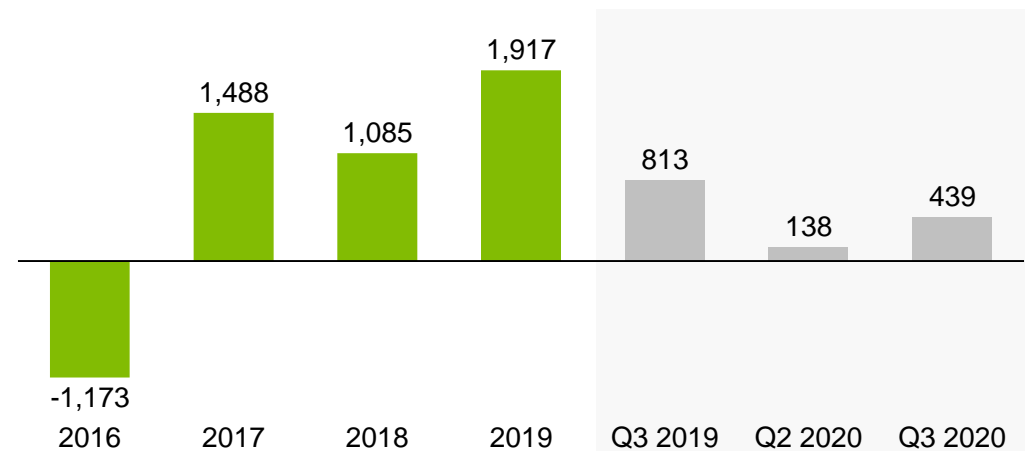
CAPEX, CAPEX/ REVENUES [Million SAR]

Yearly Trend



EBITDA – CAPEX [Million SAR]

Yearly Trend



Company Debt



► With financial support from financial institutions, shareholders, and the Ministry of Finance

Zain Saudi Arabia borrowings summary

Description	Provider	Outstanding Amount [Million SAR]
Junior Murabah Debt	Consortium of five banks	2,250
Murabaha Facility Arrangement (MFA)	Consortium of eight banks	3,724
Government Loan (MoF)	Ministry of Finance	4,039
Due to Shareholders	Founding shareholders	5,806



Evolve cost transformation initiatives

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



Committed investment in key capital projects

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



Taking Proactive Financial Measures

- Increased capex guidance while implementing efficient cost measures

Zain in the lead

- ▶ Once again, Zain KSA is remarkably recognized, as per MEQYAS report from CITC

زین
ZAIN

أكدنا صدارتنا حسب تقرير "مقياس" من هيئة الاتصالات وحصلنا على
We are taking the lead according to the Meqyas report by CITC and we were recognized for

أفضل تجربة للألعاب الإلكترونية
The best experience for online games

أفضل تجربة لتطبيقات العمل عن بعد
The best experience for virtual meeting apps

أسرع إنترنت ثابت
The fastest fixed network

أفضل أداء للجيل الخامس في المناطق
The best performance for 5G across the regions

أكبر عدد للمحافظات المغطاة بالجيل الخامس
The number of provinces covered with 5G

12 من أصل 13 out of

27 محافظات Provinces

المركز الأول

* مرفق لكم تقرير "مقياس"
* Attached is the "Meqyas" report

5G Coverage



- ▶ Zain KSA expands 5G network to cover all Kingdom's **13** regions and **47** cities



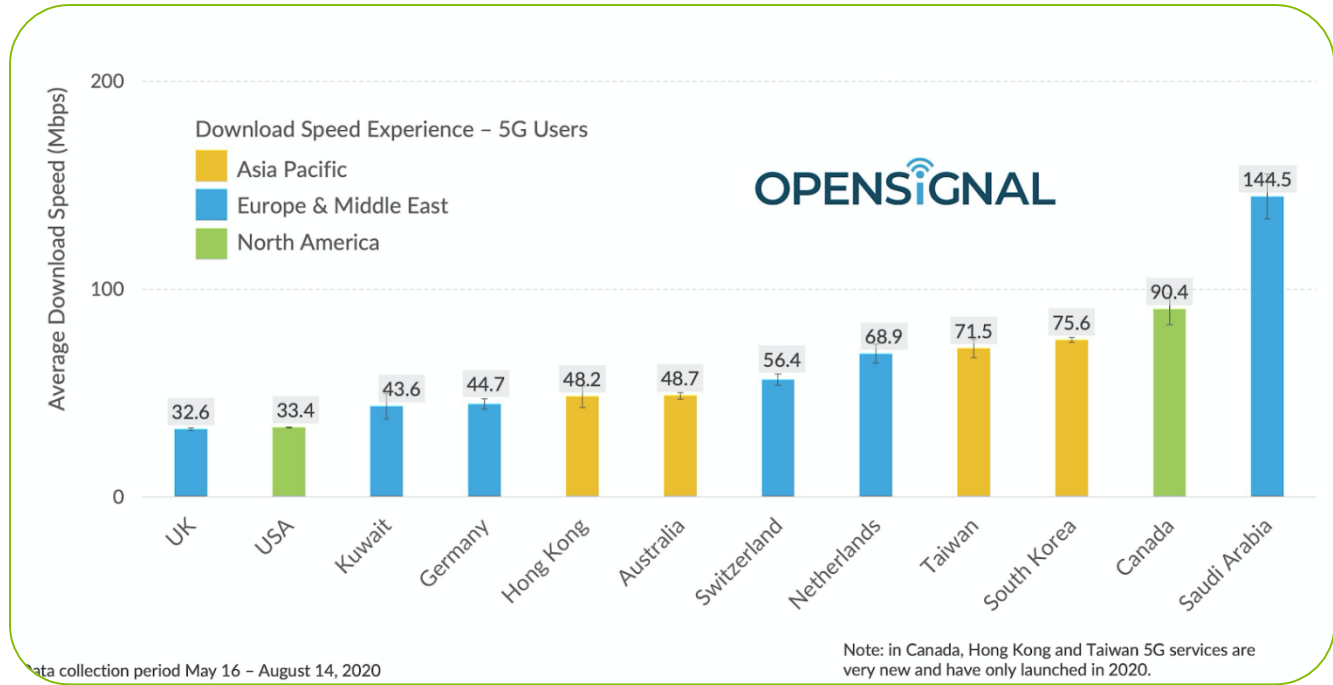
5G Carrier Aggregation



- ▶ Zain KSA is the first telecom operator in the world to provide 5G carrier aggregation



Zain KSA as a Global 5G Benchmark



analysys mason

Search Log in

in

Zain Saudi Arabia's 5G fixed-wireless access roll-out reveals the potential for take-up growth worldwide

15 September 2020 | [Research](#)
[Stephen Wilson](#)
 Article | PDF (2 pages) | [Fixed Broadband Services](#) | [The Middle East and Africa](#)

"Zain Saudi Arabia's roll-out shows the potential for 5G fixed-wireless access worldwide."

Zain Innovation Center

- ▶ MCIT: “We are pleased to collaborate with Zain's Innovation Center to support innovation and digital entrepreneurship in the Kingdom.”

زين ZAIN @ZainKSA · 36m
نفخر بالتعاون مع #وزارة_الاتصالات_وتقنية_المعلومات بما يساهم في تطوير بيئة الابتكار وريادة الأعمال لنحقق معا #رؤية_المملكة_2030

#معا_لمجتمع_تقني
#زين_السعودية

وزارة الاتصالات وتقنية المعلومات @McitGovSa · 2h
تحقيقًا لرؤية مستقبلية توفر بيئة تقنية مناسبة لرواد الأعمال والشركات الناشئة؛ نسعد بتعاوننا مع مركز الابتكار التابع لشركة زين لدعم الابتكار وريادة الأعمال الرقمية في المملكة.
#وطن_طموح_وطن_رقمي

شراكة لدعم الابتكار وريادة الأعمال الرقمية
أوجه التعاون:

- تمكين رواد الأعمال والشركات الناشئة من خلال أنشطة مراكز الابتكار
- توفير البيئة التقنية المناسبة لرواد الأعمال والشركات الناشئة
- توفير نماذج الأعمال في تقنيات الجيل الخامس

Capital Restructure



- ▶ CMA approves Zain Saudi's capital reduction and rights issue requests

A screenshot of a tweet from the Capital Market Authority (@SaudiCMA_En). The tweet text reads: 'The Capital Market Authority approves Mobile Telecommunication Company Saudi Arabia's request to reduce its capital and subsequently increasing it by way of Rights Issue' followed by the URL 'bit.ly/3k3h5q5'. The tweet is dated '5:10 PM · Sep 10, 2020' and was posted via 'Sprout Social'.

 **Capital Market Authority** ✓
@SaudiCMA_En

The Capital Market Authority approves Mobile Telecommunication Company Saudi Arabia's request to reduce its capital and subsequently increasing it by way of Rights Issue
bit.ly/3k3h5q5

5:10 PM · Sep 10, 2020 · Sprout Social

A blurred screenshot of a tweet, likely a duplicate of the one above, showing the same text and URL but with low contrast and readability.

Back to School

العطاء الرقمي
Attaa Digital



Saudi Arabia's
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زين السعودية @ZainKSA · 6h

لأن مستقبلنا يبدأ بيد طلابنا وطالباتنا، نتشرف بشراكتنا في **#كلنا_عطاء** وتوفير باقة التعليم الإضافية للبيانات اللامحدودة لبوابة عين ومنصة مدرستي وحضور الحصص الدراسية عن بعد لدعمهم في رحلتهم الى **#عالم_جديد**

bit.ly/3hzUkcw

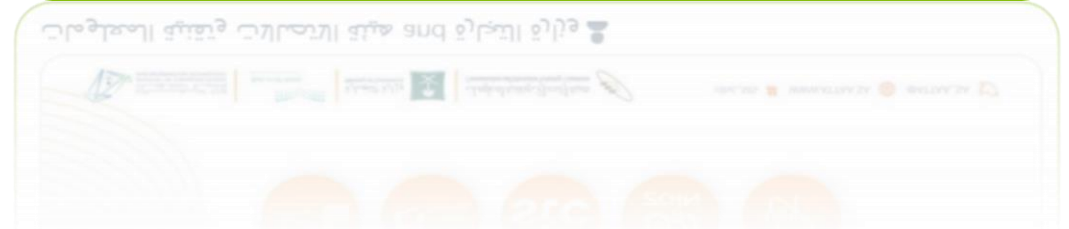


مبادرة العطاء الرقمي
@Attaa_SA

شكرًا شركاء العطاء على تقديم عروض خاصة للطلاب والطالبات .. بعطائكم المتجدد نبدأ العام الدراسي الجديد متطلعين لبدايات مدهلة
#كلنا_عطاء

Translate Tweet

وزارة التجارة and هيئة الاتصالات وتقنية المعلومات



5G Social Engagement

#جيبوا_لنا_زين5G



64.5M Social Impressions
27K Total Mentions
24K Unique Authors

A funny comeback to an influencer gained high RTs and Zero negative replies

Replying to @ZainKSA

وادمي

الدوامي

الزلفي

64,323 votes · Final results
8:17 PM · Jul 11, 2020

@alhotanet · Jul 8
Replying to @ZainKSA
مبروك وصلتنا 13 منطقة
طيب كم رتويت ويجي الدور علينا في #حوظة_بنّي_تميم ؟
6 291 43

@ZainKSA · Jul 8
الله يبارك فيك و أبشر بعزك
وصلوها 1000 ريتويت خلال 48 ساعة
و تبشرون فيه
81 1.3K 125

ناصر العودة @NASEER_OB · Jul 10
بالله سيروا علينا في تربة

@ZainKSA · Jul 10
دام الوضع اكشن .. غالين والطلب رخيص
بنزيد مدينة نوصل لها #زين5G
أكثر مدينة تجيب ريتويت قبل نهاية يوم السبت تبشر فيه
التحدي بين:
المجمعة
@smazuifi ماشاء الله ..

38 24 46

@ZainKSA · Jul 10
تستاهل تربة وأهلها بس لنا يومين مضيعينها من وصفك
665 518 802

Our tweets with the 7 cities got high organic RTs and engagement as well

Other Q3 News

زين
ZAIN

مقابلة الرئيس التنفيذي مع Telecom Review Magazine CEO interview with Telecom Review Magazine



[اضغط هنا للاطلاع](#) على مقابلة الرئيس التنفيذي
م. سلطان بن عبد العزيز الدغيثر مع مجلة Telecom Review
التي استعرض من خلالها إنجازات زين السعودية ومن أبرزها
إطلاق أكبر شبكة جيل خامس في الشرق الأوسط وأوروبا
وأفريقيا.

[Click here to view](#) the Chief Executive Officer
Eng. Sultan bin Abdulaziz Aldeghaither's exclusive
interview with Telecom Review magazine speaking about
the achievements of Zain KSA, most prominent of which is
the launch of the largest 5G network in the Middle East,
Europe and Africa.

[CEO Interview with Telecom Review](#)

هيئة الاتصالات وتقنية المعلومات
Communications and Information Technology Commission



stc
موبايلي
mobily

الاتصالات المتكاملة
INTEGRATED TELECOM

Open Access **Go-Live** with all operators

More Information



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











 investor.relations@sa.zain.com

 +966 59 244 8888

Investor Relations

SHARE STATISTICS FINANCIAL REPORTS DISCLOSURE COMPANY POLICIES ANALYST COVERAGE SHAREHOLDERS CAPITAL REDUCTION

Reports Search more ▾

Annual Audit Committee Report	عربي	English
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>

A screenshot of the Zain investor relations website, displaying a table of financial data and a navigation menu.

Q & A



Thank You

