

Investor Presentation

FY 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.



FY 2020 Financial Results



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.



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



Raied Bin Ali Al Saif

hief Strategy Officer at berience and Hilali has berience and Hilali has berience and Hilali has beroprorate strategy and digital transformation, chnology, corporate wholesale, 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





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

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

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



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.



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

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.

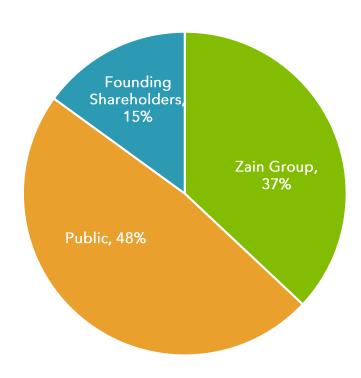


Taghreed Bahdailah Investors Relations VP

Taghreed is skilled in commercial banking and Islamic economics, with practical experience and, having graduated from Cambridge University in UK

Shareholder Structure





Around 329,000 Shareholders

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

1 Faden Trading & Contracting Est.	5.97%		
2 Saudi Plastic Factory Est.	2.93%		
3 Abu Dhabi Investment House (ADIH)	1.07%		
4 Almarai Co.	1.06%		
HH Prince Sultan Bin Mohammed Bin Saud Al Kabeer Al Saud (Ashbal Al-Arab Contracting Est.)	2.13%		
6 Al Jeraisy Development Co. Ltd.	0.85%		
7 Architectural Elite Est. for Engineering & Contracting	0.28%		
8 Al Sale Al Sharkiyah Co. Ltd.	0.27%		
9 Rakisa Holding Co.	0.22%		

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

Zain Saudi Arabia Today





7.01 Million subscribers



1,412 Zainers
Saudi: 88%
Woman: 12%



245 shops **3,858** POS



50% Data revenue (Excluding SMS & VAS)



76 SAR Blended ARPU



10,510 TB/Day Average daily data traffic



99% 98% 94% 61% 2G 3G 4G 5G

Population coverage



9,948 Total number of sites566 Cities covered by 3G479 Cities covered by 4G50 Cities covered by 5G

Zain KSA's Strategy





Vision

By 2021, become a leading informationcommunications company in KSA that enables people to benefit in a hyper-connected world.



Purpose

Play a leading role in the ongoing evolution of a digitally connected future for – people, businesses, and machines – and deliver value to all key stakeholders.



1 Maximize Value of Own User Base

- Deliver reasonable value and growth from mobile operations.
- Maximize data opportunity across consumer segments.
- Drive growth from postpaid & prepaid share of wallet on consumer.
- Big data leadership



2 Outperform Market Growth: Scale-up Digital Value Proposition

- Massively simplified ZainKSA products.
- · Omnichannel offering
- Digital apps scale-up.
- Micro market battlefields



3 Improve Efficiency& Capex Value Based Management

- Cost optimization program
- · Smart capex investment
- · Lean organization
- Structural reduction of capital intensity through network sharing



4 Improve Cash Management Discipline

- Improve profitability and cash position
- Working capital optimization through partners financing
- Strengthen the company credit metrics
- Reduce the company debt and financing cost saving



5 Professionalize and Scale-up B2B New Revenue Streams

- Soho/SME
 - Simple offers
 - Active salesforce
- Government projects
- · Very selective digital services
- Partnership



6 Venture Capital Investment

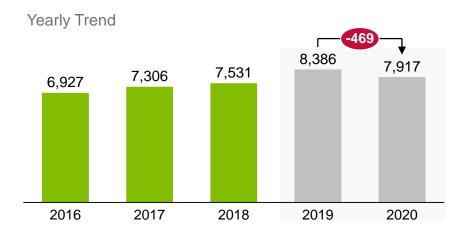
- Taking advantage of growth in technology
- Global diversification
- Partnership

7 Human Capital Development

Financial highlights

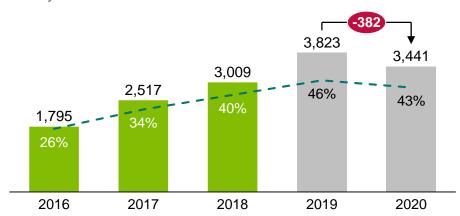


REVENUE [Million SAR]

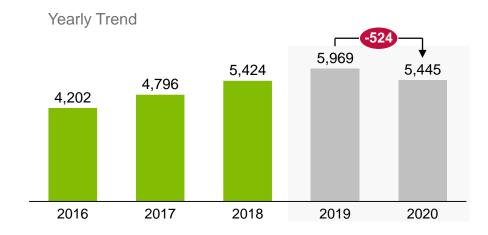


EBITDA, EBITDA MARGIN [Million SAR]

Yearly Trend

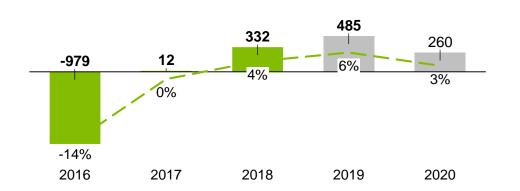


GROSS PROFIT [Million SAR]



NET)LOSS) / PROFIT MARGIN [Million SAR]

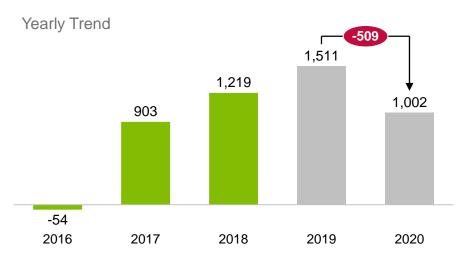
Yearly Trend



Financial highlights

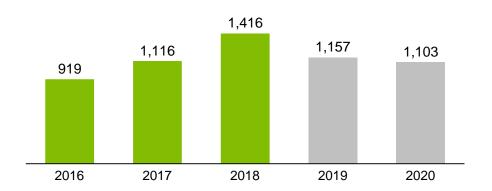


OPERATIONAL (LOSS/INCOME) [Million SAR]

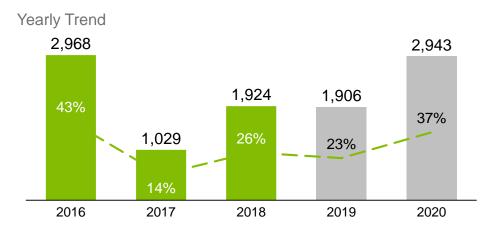


CASH BALANCE [Million SAR]

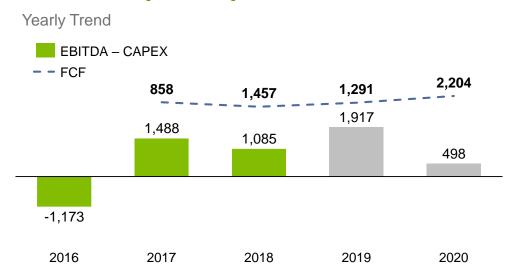
Yearly Trend



CAPEX, CAPEX/ REVENUES [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	1,828
Government Loan (MoF)	Ministry of Finance	4,039
Due to Shareholders	Founding shareholders	3,649
Junior Murabah Debt	Consortium of five banks	2,250



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

Capital Structure



- In Oct 2020, the shareholders approved to reduce the share capital through the cancelation of 135,000,000 shares. The share capital before the reduction amounted to SR 5,837,291,750 and the share capital after reduction was SR 4,487,291,750 by reducing of SR 1,350,000,000. The percentage change in share capital, after the share capital reduction ratio was 23.1%
- After that, the shareholders approved to increase the share capital through the issuance of 450,000,000 shares. The revised share capital after the right issue has been SR 8,987,291,750 by increasing the capital by SR 4,500,000,000; out of which Zain Group subscribed through a debt conversion of SR 1,667 million from the principal outstanding which is considered as a non-cash entry. The Percentage increase per share is 1.003 Rights per share.

Share capital	2020
Number of share as at 01 January 2020	583,729,175
Capital reduction	(135,000,000)
Total shares before the right issue	448,729,175
Issue of shares	450,000,000
Number of shares as at 31 December 2020	898,729,175

	2020	2019	2018
Net Debt	10,474,516	15,592,206	15,362,732
EBITDA	3,441,087	3,822,603	3,009,254
Debt/(debt+equity)	57.01%	80.32%	80.70%
Net debt/EBITDA	3.04	4.08	5.11

Ookla SpeedTest Award







ised 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





MEQYAS Q4





MEQYAS Q3





Telecom Review Awards





Riyadh 2034





Congratulations Riyadh



22nd ASIAN GAMES

RIYADH 2034

HOST CITY



5G Coverage



Zain KSA
 expands 5G
 network to
 cover all
 Kingdom's 13
 regions and 50
 cities





5G Carrier Aggregation

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





First all digital Micro Financing Platform

۵۲۰۲۰/۱۲/۳۱

١١/٥٠/٦٤١هـ

البنك المركزي السعودي يُعلن بدء إطلاق التراخيص لنشاط التمويل الاستهلاكي المُصغر

يُعلَّن البنك المركزي السعودي "ساما"، بدء إطلاق التراخيص لنشاط التمويل الاستهلاكي المُصغر، وذلك بعد الإعلان عن إصدار أول ترخيص لشركة ممارسة لهذا النشاط في المملكة، وهي شركة تمام للتمويل لممارسة نشاط التمويل الاستهلاكي المُصغر، كشركة مساهمة مقفلة برأس مال يبلغ (٢٠) مليون ريال، وذلك بعد نجاح فترة تجربتها عبر البيئة التجربيبة التشريعية للبنك المركزي ((Regulatory Sandboxالخاصة بالخدمات والمنتجات المالية المبتكرة في المملكة.

وتأتي هذه الخطوة، انطلاقًا من دور البنك المركزي الداعم لتمكين قطاع التمويل بالسماح بدخول أنشطة تمويلية جديدة لتعزيز ودعم القطاع، وجذب شريحة جديدة من المستثمرين والشركات من أصحاب رؤوس الأموال المتوسطة للعمل تحت إشرافه، وبشكل يضمن كفاءة عمل هذه الشركات من خلال الالتزام بما يصدره "ساما" من متطلبات رقابية وإشراقية تتعلق بحوكمة الشركات وإدارة المخاطر والالتزام وحماية العملاء، وبما يتوافق مع دور البنك المركزي في تعزيز الاستقرار المالي، ودعم فُرص النمو والتطور الافتصادي الذي تشهده المملكة نحو تحقيق أهداف رؤية المملكة المداكن.

وأكد البنك المركزي، سعيه المستمر لدعم قطاع شركات التمويل والتقنيات المالية، ورفع مستوى فاعلية ومرونة التعاملات المالية، إضافةً إلى تمكين وتشجيع الابتكار في الخدمات المالية المقدمة، وبما يُحقق أهداف "ساما" لتعزيز مستوى الشمول المالي في المملكة، وتمكين وصول الخدمات المالية بشكل سهل وآمن إلى جميع شرائح المجتمع.





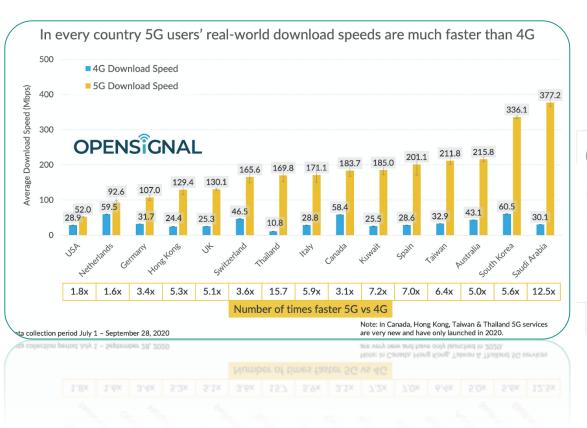


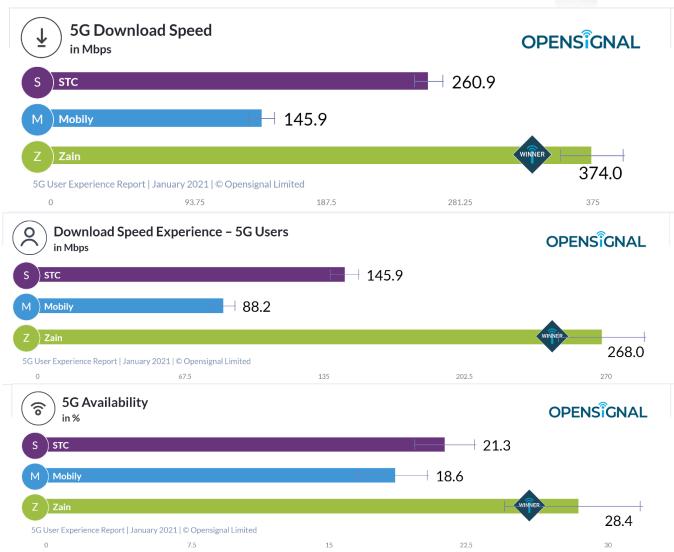
#البنك_المركزي_السعودي يُعلن بدء إطلاق التراخيص لنشاط التمويل الاستهلاكي المُصغر ...sama.gov.sa/ar-sa/News/Pag... #SAMA Arabia's Fastest

Fixed Network

Zain KSA as a Global 5G Benchmark



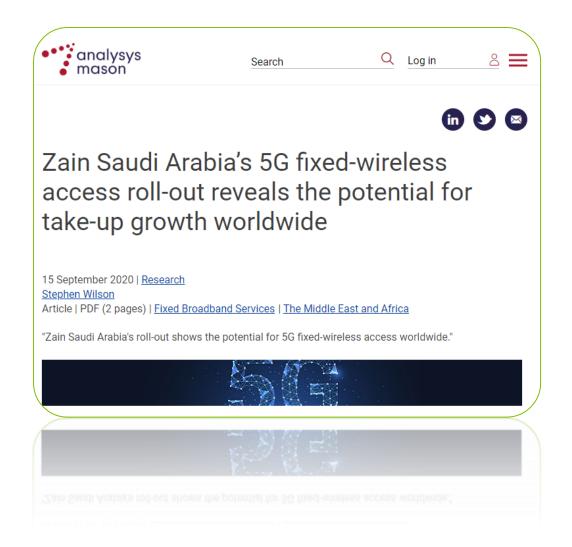




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https://www.opensignal.com/2020/10/13/benchmarking-the-global-5g-user-experience-october-update
https://www.opensignal.com/reports/2021/01/saudiarabia/mobile-network-experience-5g

Zain KSA as a Global 5G Benchmark







Zain Innovation Center



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



Capital Restructure



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



Back to School



Education package



Partnership with CITC



Covid-19 Social Responsibility



Awareness, B2B offers, Students and Teacher offers













5G Social Engagement





Co-creating our 5G network expansion with our audience (customers and non customers), by asking them to vote for what city to be covered by Zain 5G next.

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Other Q3 News









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

28 DECEMBER 2020





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:







Ali Jitawi

Click here to register

We look forward to your valuable attendance!







بالشراكة مع الهيئة السعودية للمدن الصناعية ومناطق التقنية «مدن».

«زين السعودية» تغطّي مدينة الدمام الصناعية الثانية بشبكة الجيل الخامس 5G 2020-11-25 18:03:08

أعلنت شركة "زين السعودية" عن نجاحها، بالتعاون مع الهيئة السعودية للمدن الصناعية ومناطق التقنية (مدن)، في تغطية مدينة الدمام الصناعية الثانية بشبكة الجيل الخامس 5G، وبالتالي بات أكثر من ١٢ مصنعاً سعودياً وعالمياً يمكنهم التمتع بخدمات شبكة الجيل الخامس من "زين السعودية" وغيرها من خدمات الدعم الفنى والمساندة.





CEO interview with Bloomberg





Partnerships





More Information



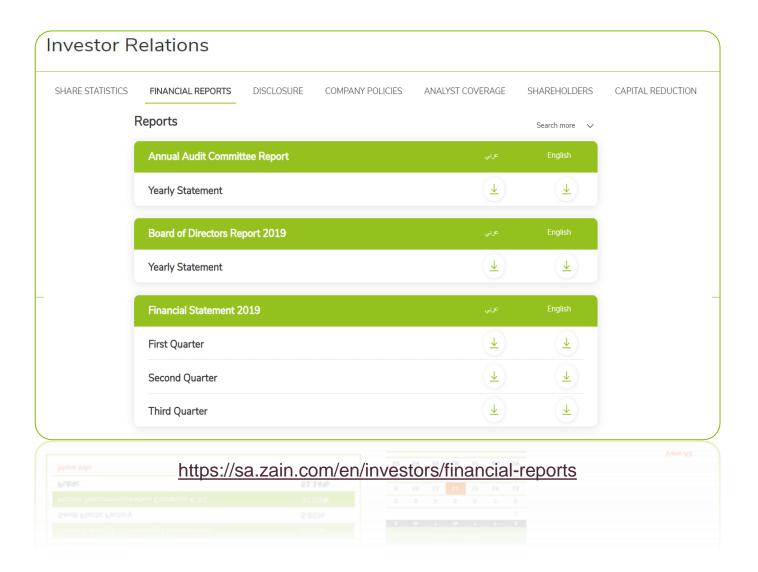
For more information, please visit our website or contact us through:



investor.relations@sa.zain.com



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Thank You

