



# Welcome to Zain KSA

## Q2 2024 Earnings call



## ● 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.

# ● Our 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-Kharafi, 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.



**Ossama 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.



**Saud 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.



**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.



**Kamil Hilali**

Mr. Hilali held the position of Chief Strategy Officer at Zain Group. Hilali has 18 years of experience and 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, and business development.



**Saad Ibrahim AlMousa**

Mr. AlMousa is considered one of the pioneers in the world of business and finance, with over 20 years in the field. He has managed companies across multiple sectors, including ITC, services, industry, financial investments, and real estate



**Eng. Abdullah AlFaris**

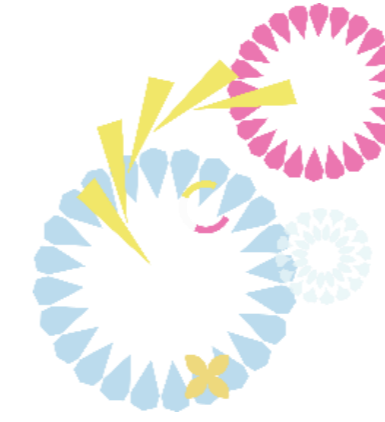
Eng. AlFaris is the Head of Vision Realization Office at the Ministry of Industry and Mineral Resources and has extensive experience in Government and Private Sectors in the field of Strategy, Execution, Transformation, Corporate Governance and Change Management.



**Talal AlMamari**

Mr. Talal Said Al Mamari is the Chief Executive Officer of Omantel since 29th June 2014. He has 26 years of experience in the telecom sector working for Omantel. Mr. Talal sits on the Board of different Companies and Investment Funds such as Zain Group, Oman Corporate Governance & Sustainability Centre, and Al Amal Fund.

# Our Executive Management



**Eng. Sultan Bin Abdulaziz AlDeghaither**  
Zain KSA CEO

Eng. AlDeghaither first joined Zain KSA in 2009 as Director of Network Planning and took over as CEO on July 1st, 2018; where he spearheaded the turnaround story of Zain KSA, extinguishing SAR 2B+ of accumulated losses and driving the market cap by three-fold; up until Zain KSA was ranked the 13th most powerful brand in Saudi. Eng. AlDeghaither also serves as the Managing Director of Tamam Finance Company Ltd. where his expertise is being leveraged to create a success story in the fintech space.



**Mehdi Khalfaoui**  
Chief Financial Officer

Mr. Khalfaoui was appointed CFO in Feb-2017. Having more than 16 years of ICT sector experience. During his tenure in Zain KSA, Mr. Khalfaoui has overseen and led the company capital restructuring with SAR 4.5 billion rights issue offering and more than SAR 15 billion debt refinancing.



**Eng. Saad Al-Sadhan**  
Chief Business and Wholesale Officer

Eng. Al-Sadhan's professional career spans over 19 years in the telecom sector. AlSadhan began his journey with Zain in 2016 as Wholesale Senior Director.



**Eng. Abdulrahman Al-Mufadda**  
Chief Operations Officer

Eng. AlMufadda has more than 19 years in the telecommunication sector. He was appointed the role of Chief Operations Officer on March 2024.



**Tiago Rocha**  
Chief Commercial Officer

Tiago has more than 16 years of experience working globally in leading position in the field of marketing. Tiago holds a Master degree in BA.



**Maher AlFawaz**  
Chief Sales Officer

Maher has over 18 years in the Network Engineering and Customer Care Services. Maher holds a BA in Electrical Engineering and an MBA.



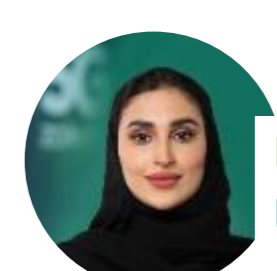
**Haythem Bennaceur**  
Acting Chief Marketing Officer

Haitham has 20 years in executive commercial positions from marketing, sales & distribution and digital transformation within the telecom industry. He was appointed to his position as CMO on March 2024.



**Eng. Salah Al-Ghamdi**  
EVP Strategy & Innovation

Eng. Salah has over 18 years of experience in the ICT sector. He was appointed as the EVP of Strategy and Innovation since March 2024.



**Loluwah Alnowaiser**  
EVP of Human Resources

Loluwah AlNowaiser is an HR expert, with an extensive practical experience, Miss. AlNowaiser was appointed to lead the HR Division as the Human Resources Vice President on Nov 2021 and promoted to EVP in 2024.



**Maha AlQernas**  
EVP of Information Technology

Maha AlQernas serves as the Executive Vice President of Information Technology in Zain. AlQernas holds a bachelor's degree in Information Technology from King Saud University, an MBA from Al-Yamamah University as well as multiple certificates.



**Eman Abdullah AlSaidi**  
VP of Corporate Communications

Eman has more than 12 years of experience working in the Communication field, with track record of effective marketing and communications. Alsaidi was appointed the role of VP of Corporate Communication on March 2024.



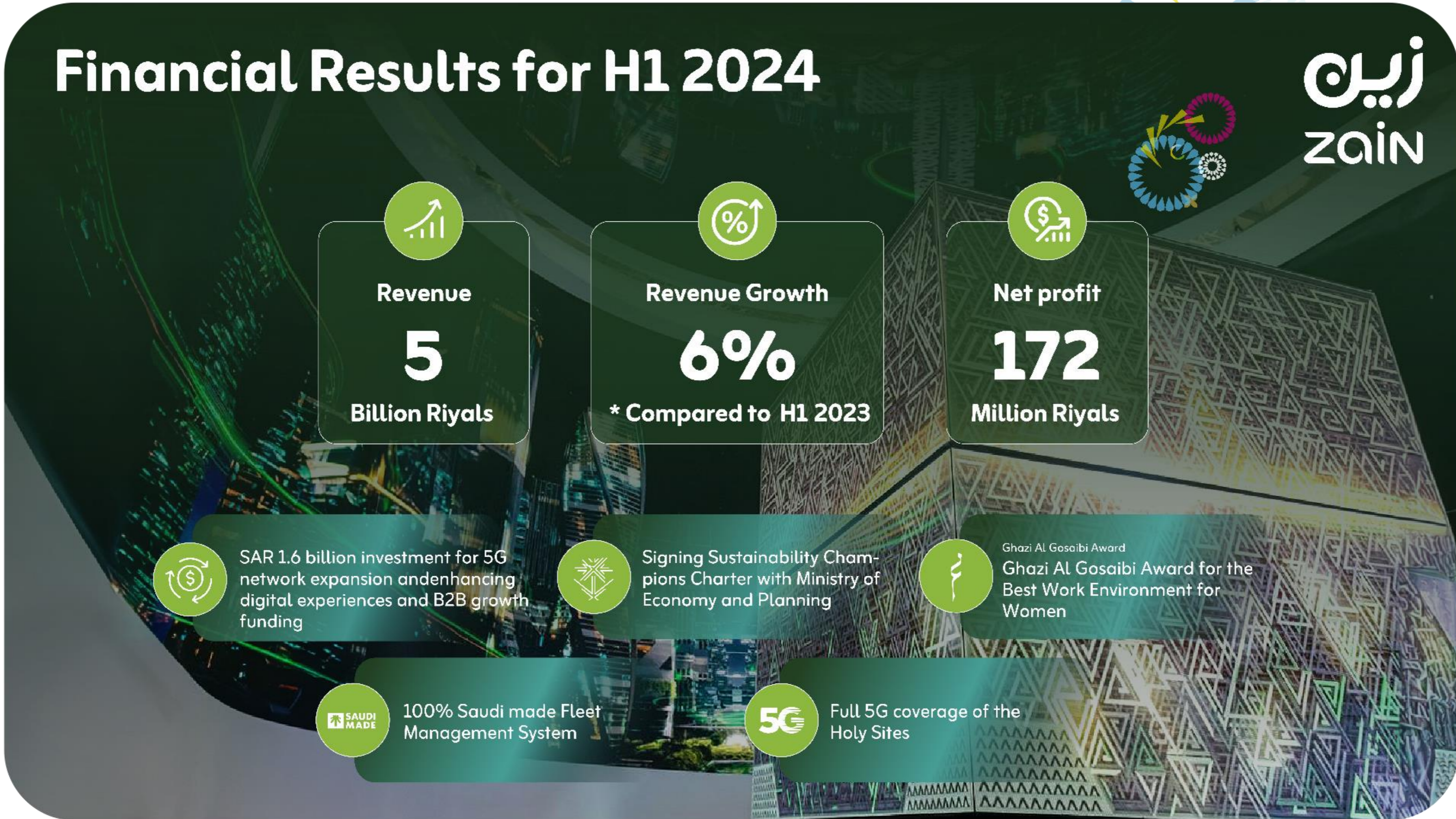
**Faisal Abdullah AlAssaf**  
VP of Legal Affairs & Governance

Faisal was appointed as VP of Legal Affairs and Governance in 2024 following his extensive career in working in legal departments in the Kingdom's leading enterprises.



**Eng. Sultan Bin Abdulaziz AlDeghather**  
**CEO**

# • H1 2024 Financial Results



- Operational Performance

1H24



First Operator to Provide Full  
5G Coverage of Holy Sites



Growth in Yaqoot revenue



Growth in B2B revenue.



Invest SAR 1.6 billion for 5G  
network expansion in the  
Kingdom

- **Tamam Growth**

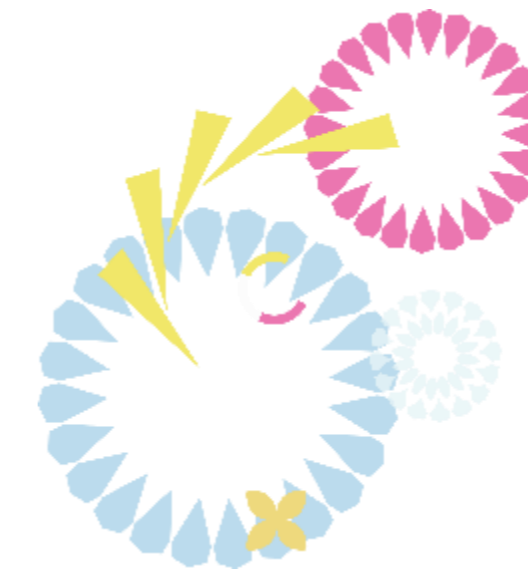


Revenue Growth

**22% growth in H1 24 Vs H1 23**

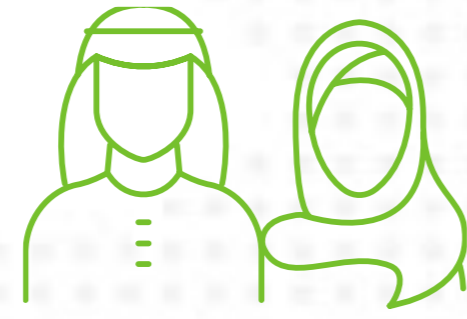


# ● Zain KSA Today



**8.99** Million

Costumers.



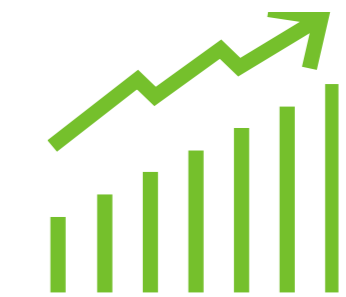
**1,559** Zainers

Woman: 21 %  
Local: 86%



**250** Shops

**4,834** POS



**47%** Data Revenue  
(Excluding SMS & VAS)



**62** SAR

Blended ARPU



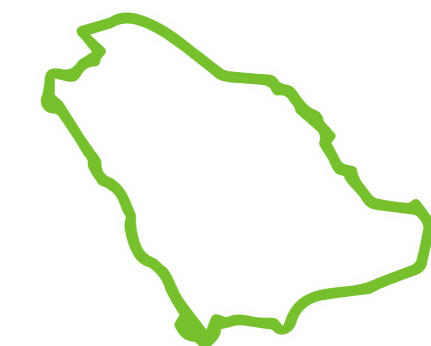
**20,022** TB/Day

Average daily data traffic



99% 66% 94% 65%  
2G 3G 4G 5G

Population coverage



10385 Total number of sites  
564 Cities covered by 3G  
479 Cities covered by 4G  
65 Cities covered by 5G

\*3G Population coverage is reduced due to the shutdown of 3G sites in Riyadh and Jeddah cities.

# ● 5G Network Expansion



**Investments worth 1.6 billion SAR to expand 5G network**

**100%**  
coverage of the Holy Sites

**66%**  
coverage of populated areas

**122**  
cities and provinces covered by 5G

**45%**  
of towers support 5G-Advanced

**5G**

**زيه ZAIN**

**Unique investments to empower nationwide digital transformation**

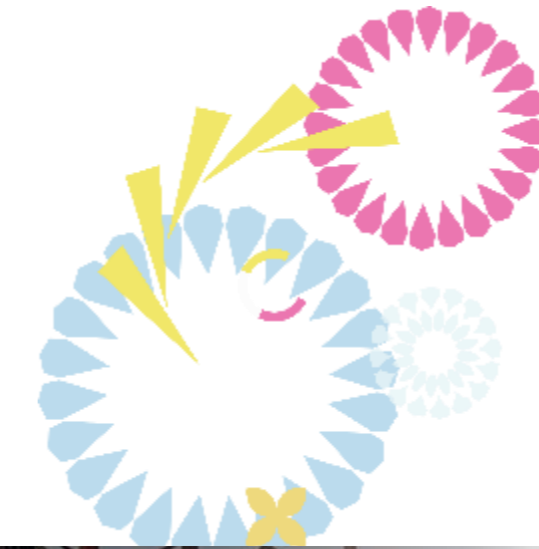
**زيه ZAIN**

aimed at

- Enhancing** the digital customer experience of individuals and enterprises
- Achieving** inclusive digital transformation in kingdom
- Contributing** to a sustainable digital economy
- Empowering** Enterprise Sector with innovative solutions and services

**5G**

# ● Hajj Season 1445



The first telecom operator to fully cover the holy sites with 5G

زيـن  
ZAIN

5G

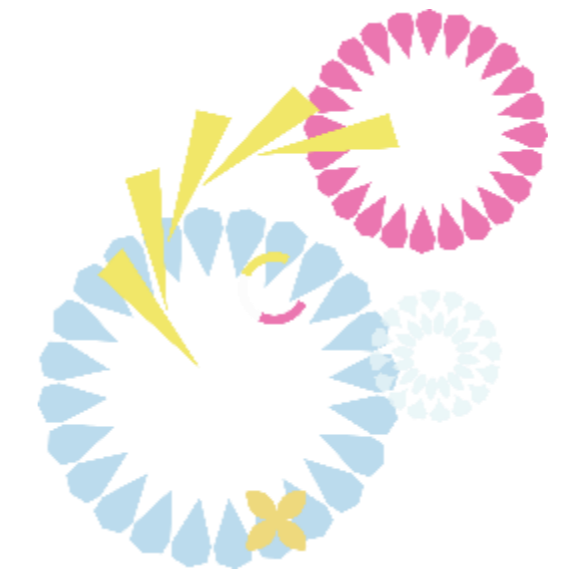
Exceptional efforts during Hajj Season 1445AH

Zain KSA first operator to fully cover Holy Sites in 5G

<b>+1100</b> 5G Towers	<b>+86%</b> Growth in 5G users	<b>+45%</b> Growth in 5G network data traffic	<b>+1250</b> Human Capital %45 Female	<b>+150</b> Points of Sale
<b>+325%</b> Growth in data transmission capacity	<b>+79%</b> Growth in data traffic	<b>+72%</b> Growth in roaming customers data traffic	<b>+46%</b> Growth in data users	<b>+41%</b> Growth in roaming customers

**Zain KSA the First Operator to Provide Full 5G Coverage of Holy Sites.**

● Zain KSA Contribution in Saudi Vision 2030



	<p><b>أول</b></p> <p>شبكة الجيل الخامس (5G) خالية من الانبعاثات الكربونية.</p>
<p><b>أجمل</b></p> <p>أبراج مطبوعة بتقنية الطباعة ثلاثية الأبعاد التي تحد من التشوه البصري.</p>	<p><b>أكبر</b></p> <p>شبكة كهربائية تعمل بالطاقة النظيفة كلياً من خلال 760+ ألف لوح شمسي.</p>

Zain KSA mentioned in Saudi Vision 2030 Report.

- **Zain KSA Contribution in Saudi Vision 2030**



**The Digital Partner For Media Oasis in collaboration with Ministry of Media During World Economic Forum.**



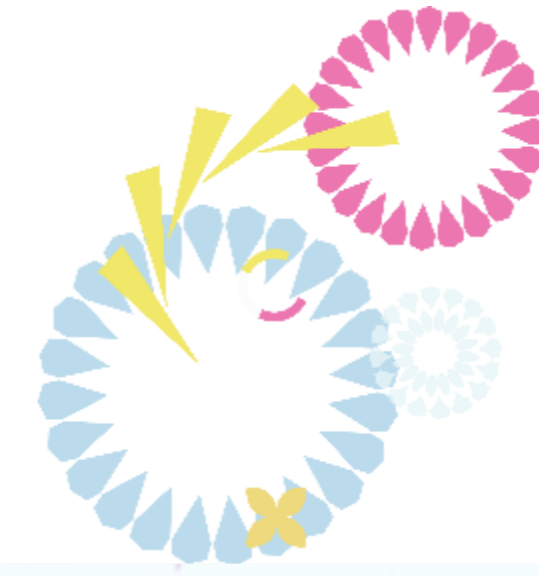
- **Zain KSA Contribution in Saudi Vision 2030**



**Zain KSA** signed a Sustainability Champions Pledge with Ministry of Economy and planning



- Ghazi Al-Gosaibi Award



**Zain KSA** won the Ghazi Al-Gosaibi Award for the Best Work Environment for Women.

- Zain KSA Empower National Talents



King Fahd University of Petroleum and Minerals



Prinses Noura University



# ● Sustainability



Child helpline awareness event



**60%**

increase in the calls



Kebar (phase one completed)



**555**

participants

On ground training for elderly



**372**

volunteering hours

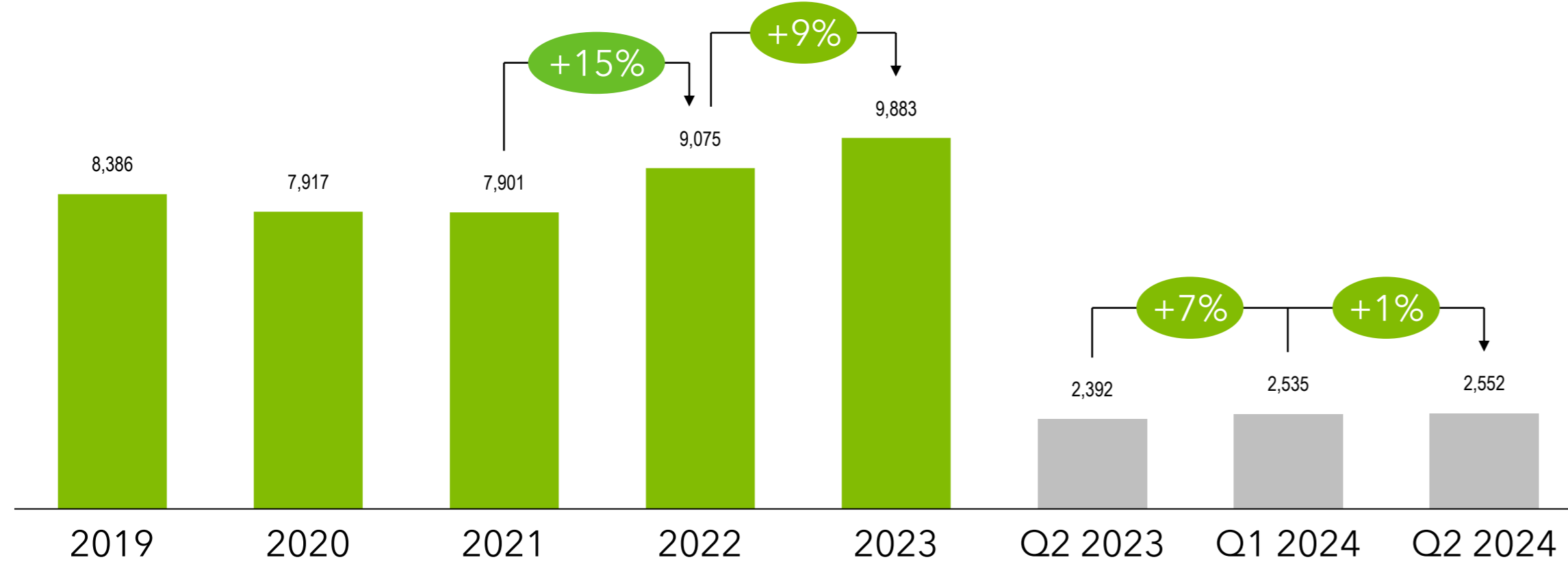


**Mehdi Khalifaoui**  
**CFO**

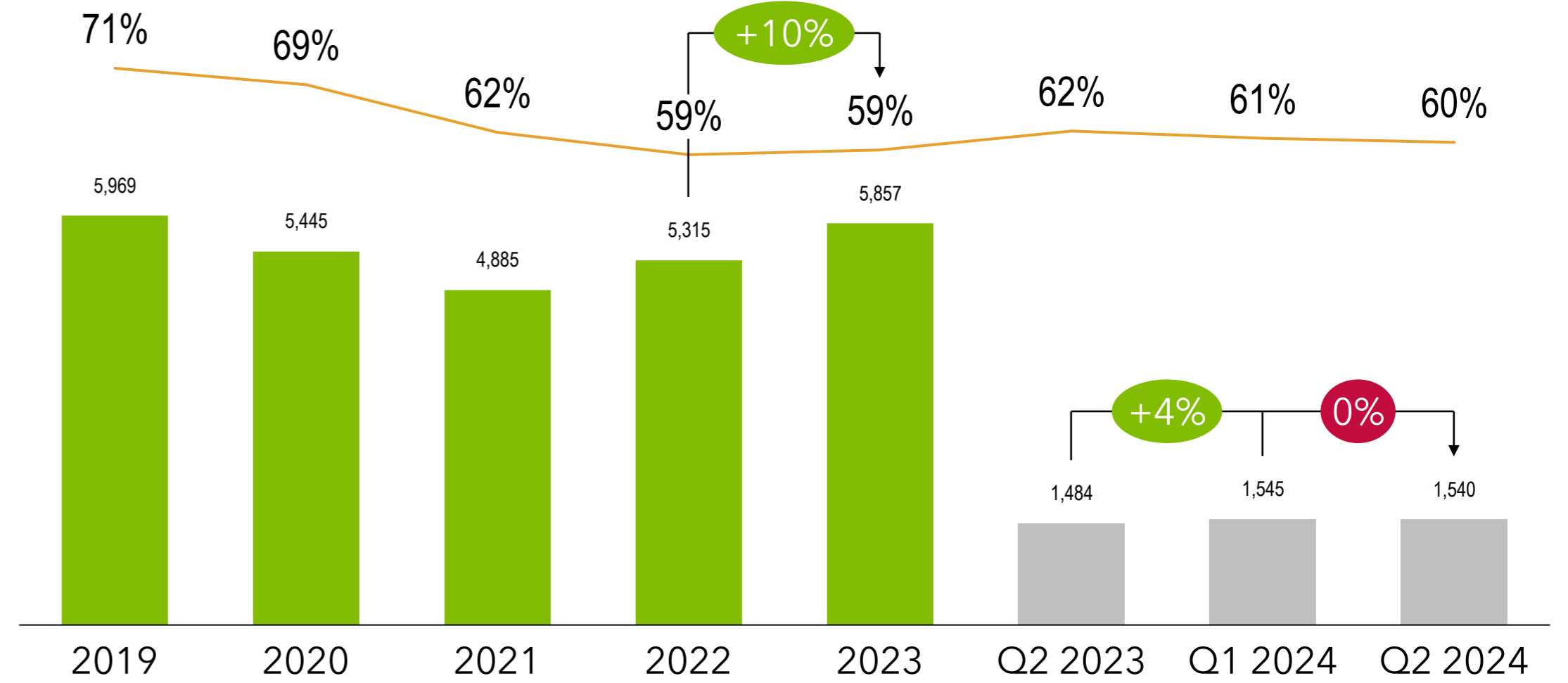
# Financial Highlights



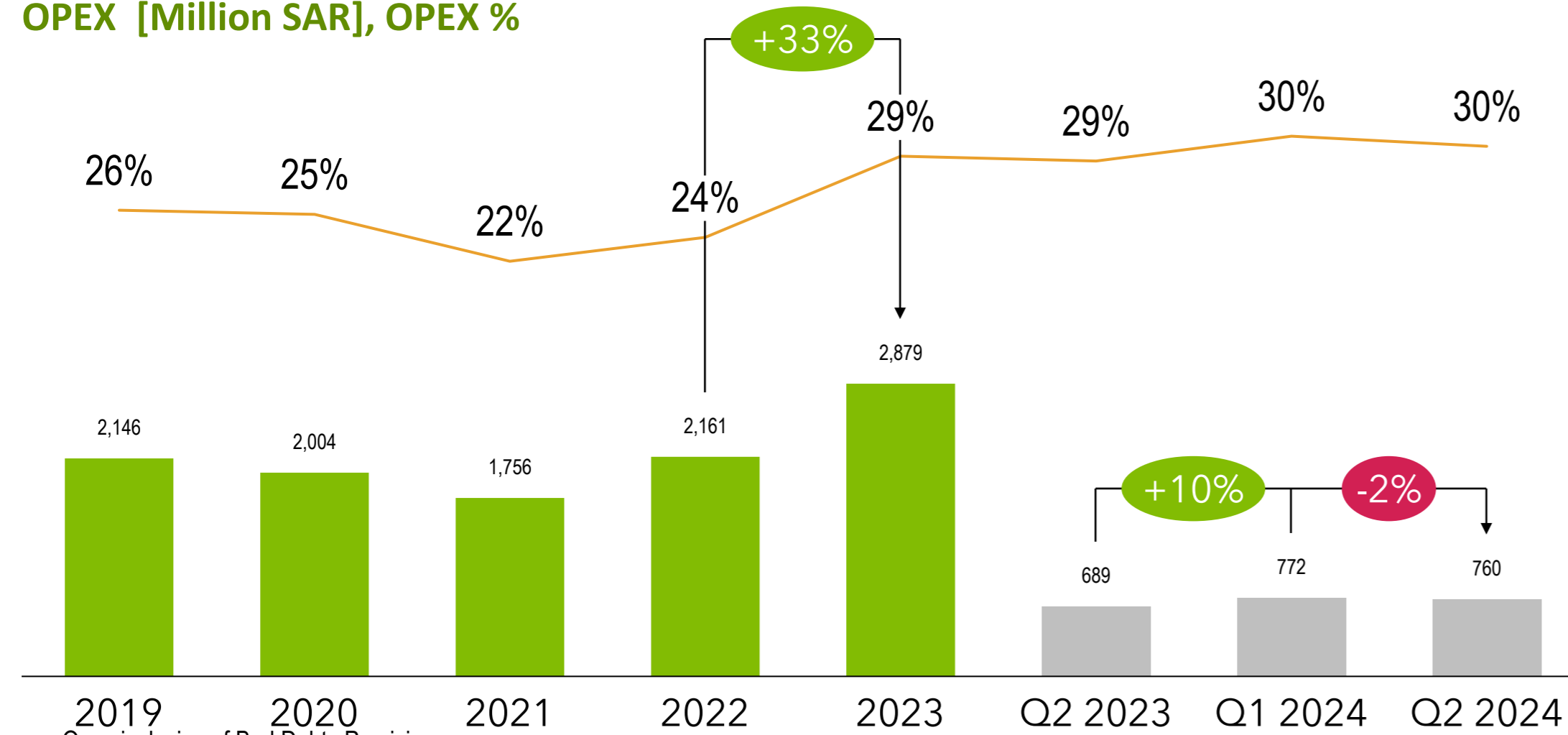
REVENUE [Million SAR]



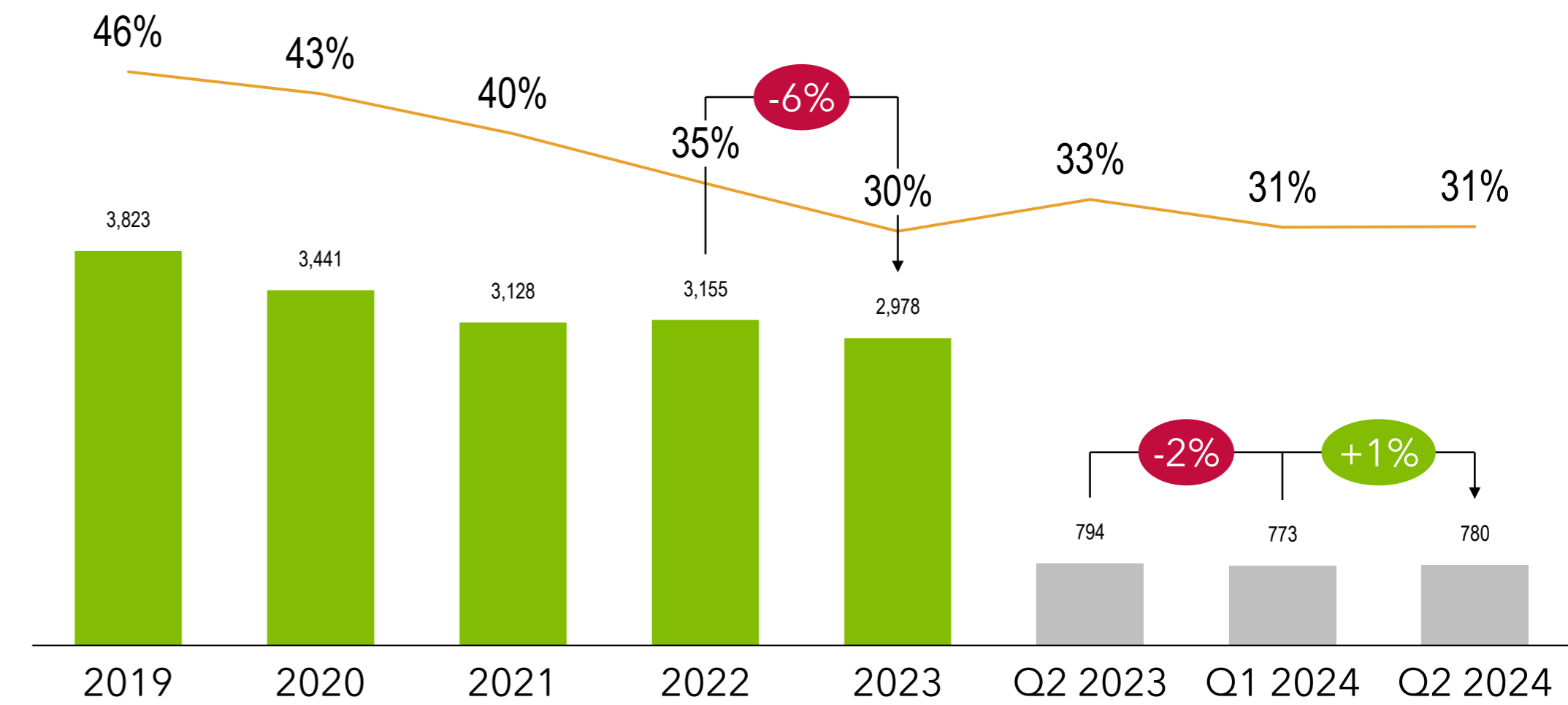
GROSS PROFIT [Million SAR]  
GROSS MARGIN %



OPEX [Million SAR], OPEX %



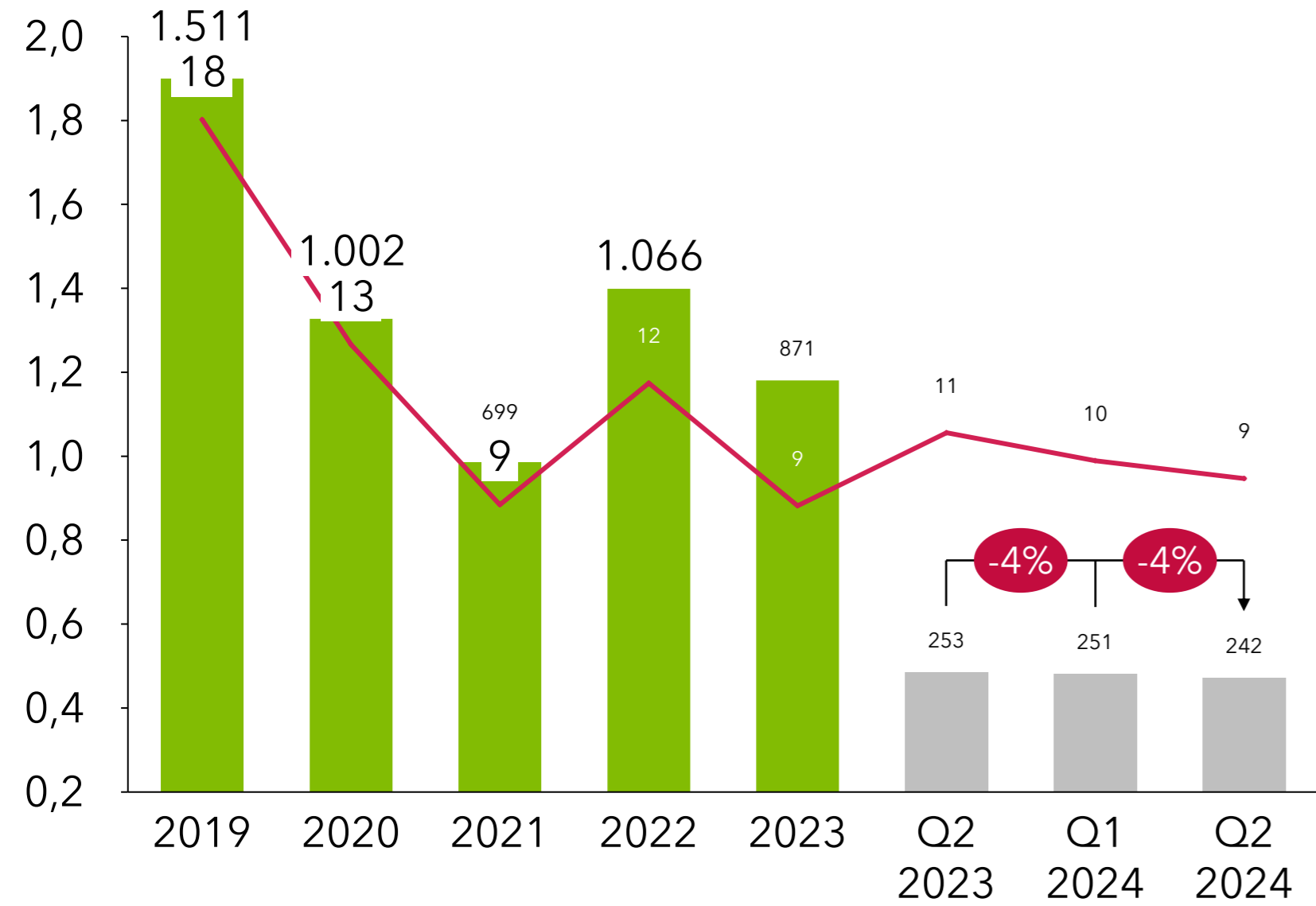
EBITDA, EBITDA MARGIN [Million SAR]



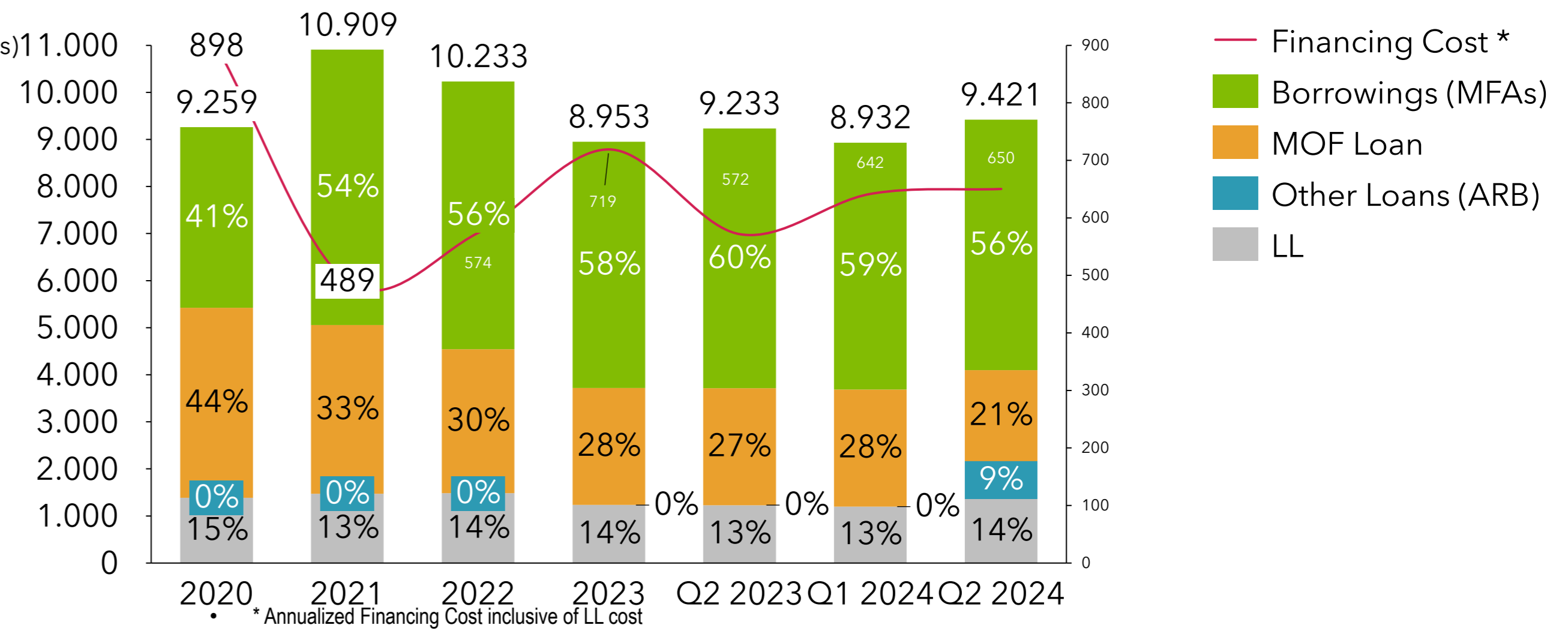
• Opex inclusive of Bad Debts Provision

# Financial Highlights

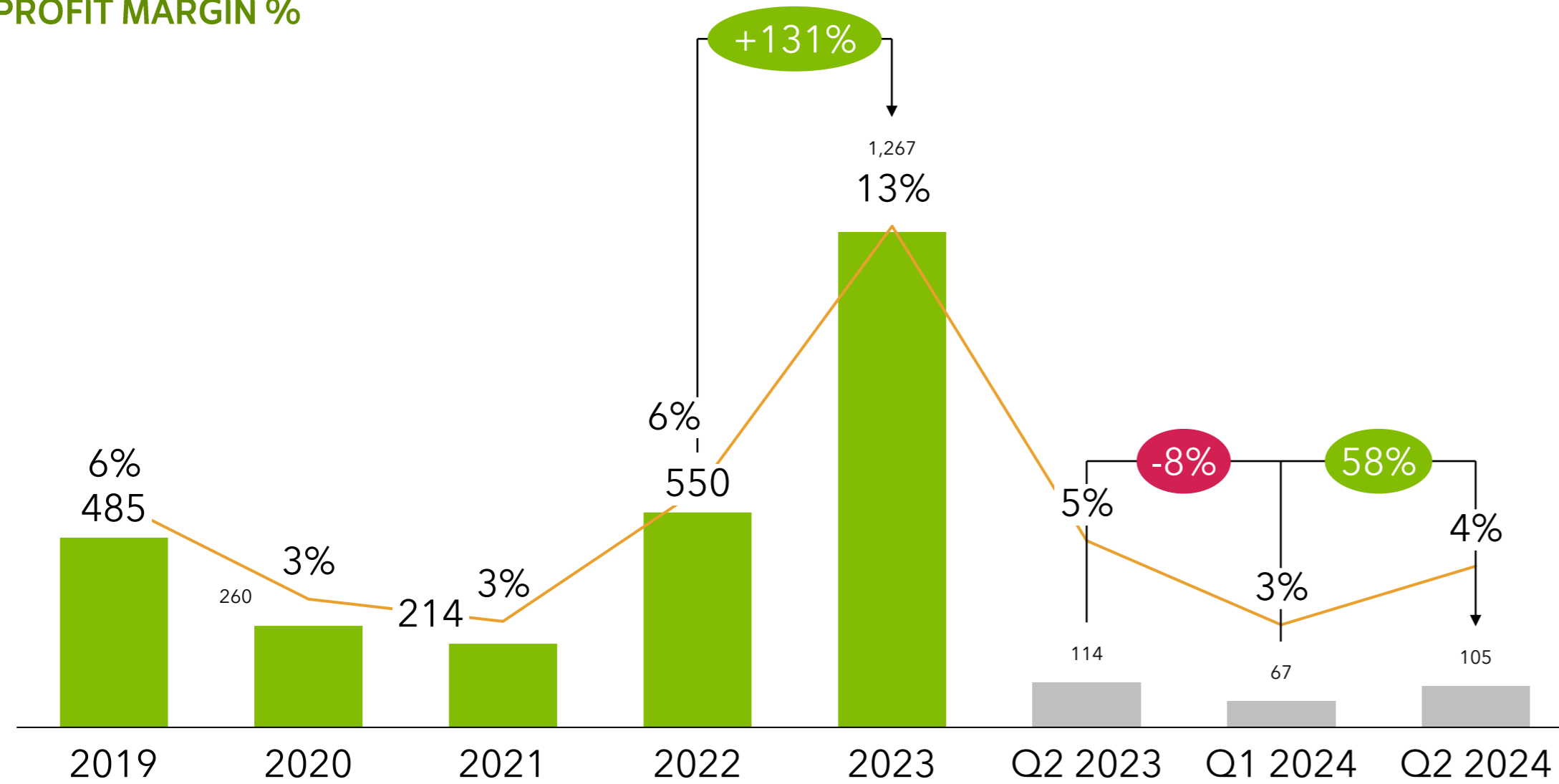
OPERATIONAL INCOME) [Million SAR]



Debts [Million SAR]  
Financing cost [Million SAR]

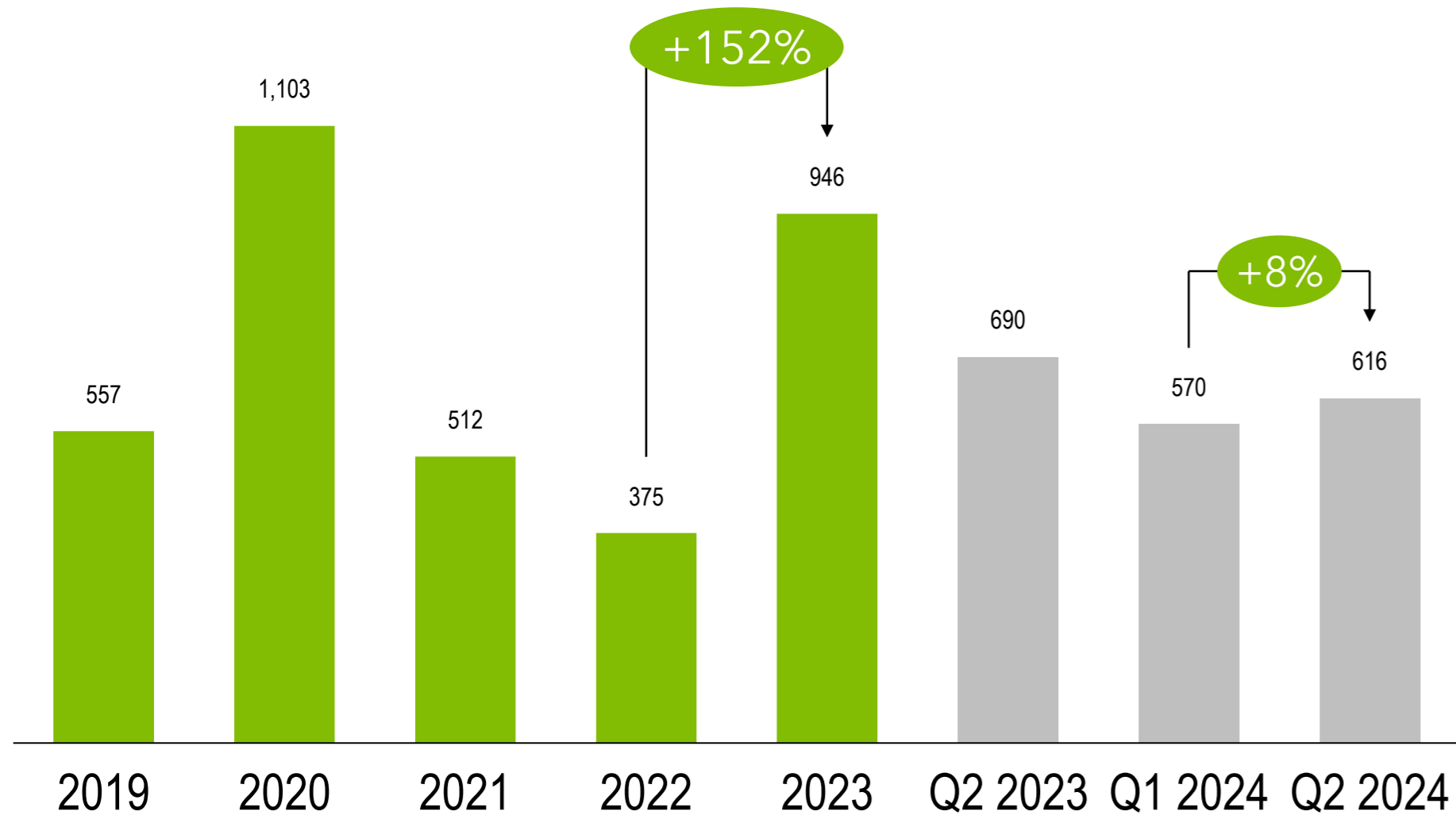


NET PROFIT [Million SAR]  
PROFIT MARGIN %

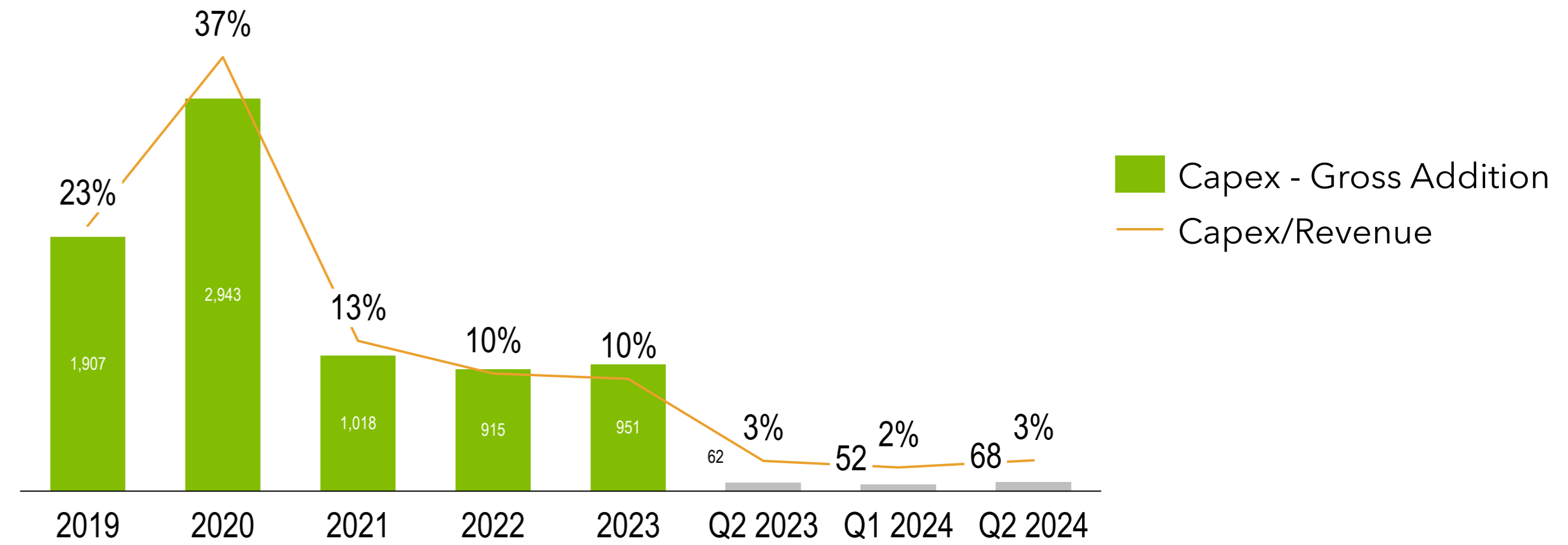


# Financial Highlights

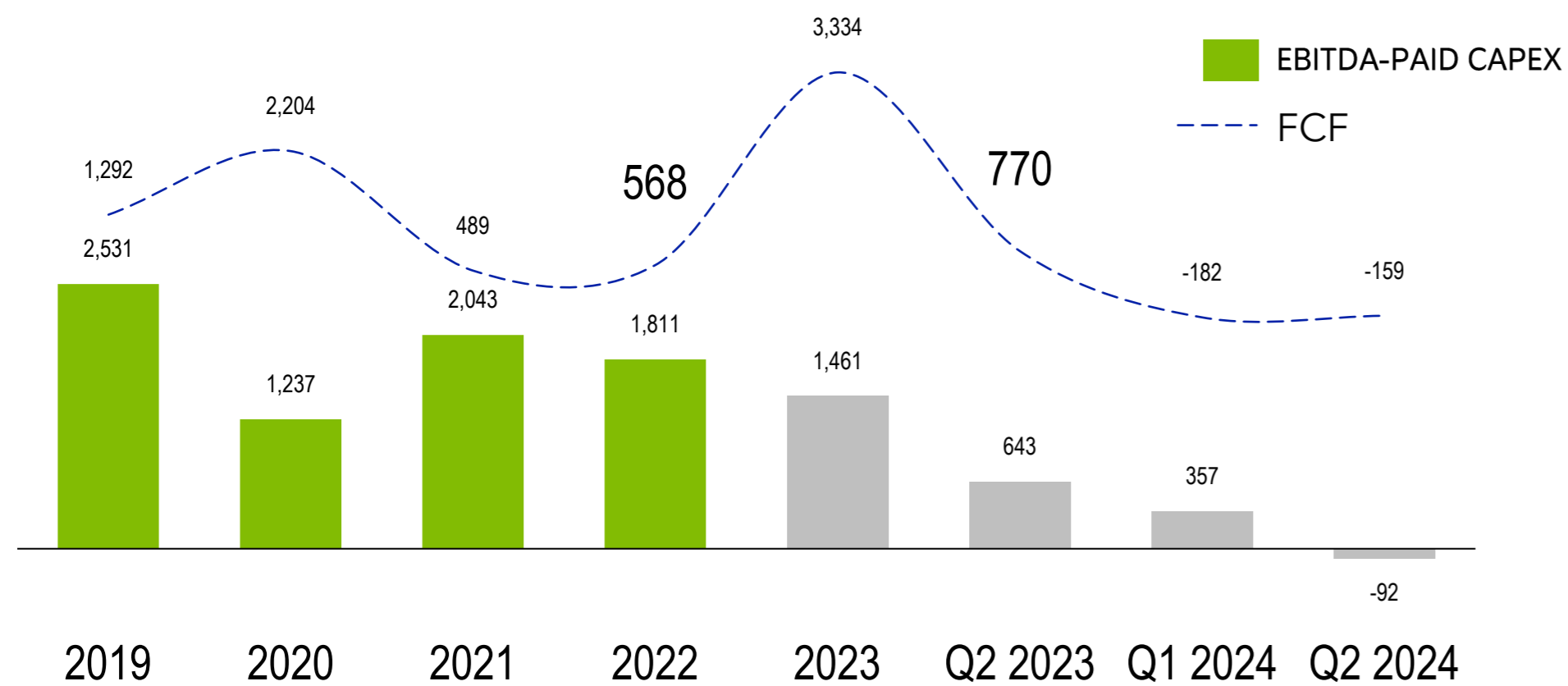
CASH BALANCE [Million SAR]



CAPEX, CAPEX/ REVENUES [Million SAR]



EBITDA - CAPEX [Million SAR]  
FREE CASH FLOW (FCF)



• PAID CAPEX relevant to fixed and intangible assets



# Company Debt

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

## Zain Saudi Arabia borrowings summary

Description	Party	Outstanding Amount in Million SAR
Murabaha Facility Arrangement (MFA)	Consortium of eight banks	5,323
Government Loan (MoF)	Ministry of Finance	1,934
CAPEX Facility	Al-Rajhi Bank	552
Receivables discounting (with recourse)	Al-Rajhi Bank	251
<b>Total</b>		<b>8,060</b>

- Amounts in Million SAR
- Balances exclusive of accrued interests – inclusive of debts arrangements fee

	Q2 2024	Q1 2024	2023	2022	2021	2020	2019	2018
Net Debt *	7,444	7,165	6,842	8,777	9,009	9,088	14,227	14,218
Equity	10,314	10,649	10,591	9,800	9,042	8,729	4,103	4,012
EBITDA	3,026	3,094	2,978	3,155	3,128	3,441	3,823	3,009
Debt/(Debt +Equity)	44%	42%	42%	48%	51%	54%	79%	80%
Net Debt/EBITDA	2.46	2.32	2.30	2.78	2.88	2.64	3.72	4.72
Debt/(Debt + LL +Equity)**	48%	46%	46%	52%	55%	57%	80%	80%
Net Debt/EBITDA **	2.91	2.70	2.71	3.30	3.37	3.04	4.11	4.72

- Amounts in Million SAR
- \* Net Debt amounts revised to remove the SHL balances in 2024 period only

\*\* inclusive of LL. LL recording started in 2019 as per IFRS 16 adoption.



# ● Company Debt



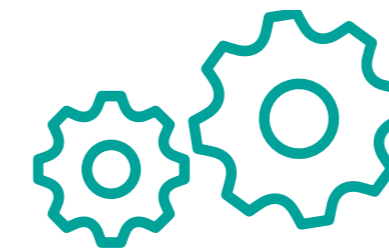
## Evolve cost transformation initiatives

- 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



# Q&A



# • More Information



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

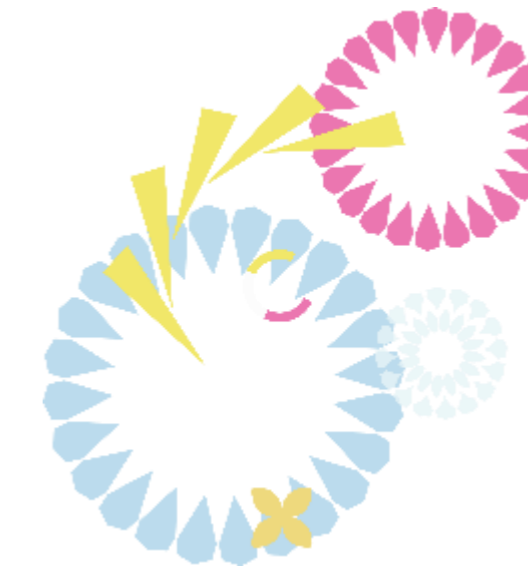


[investor.relations@sa.zain.com](mailto:investor.relations@sa.zain.com)

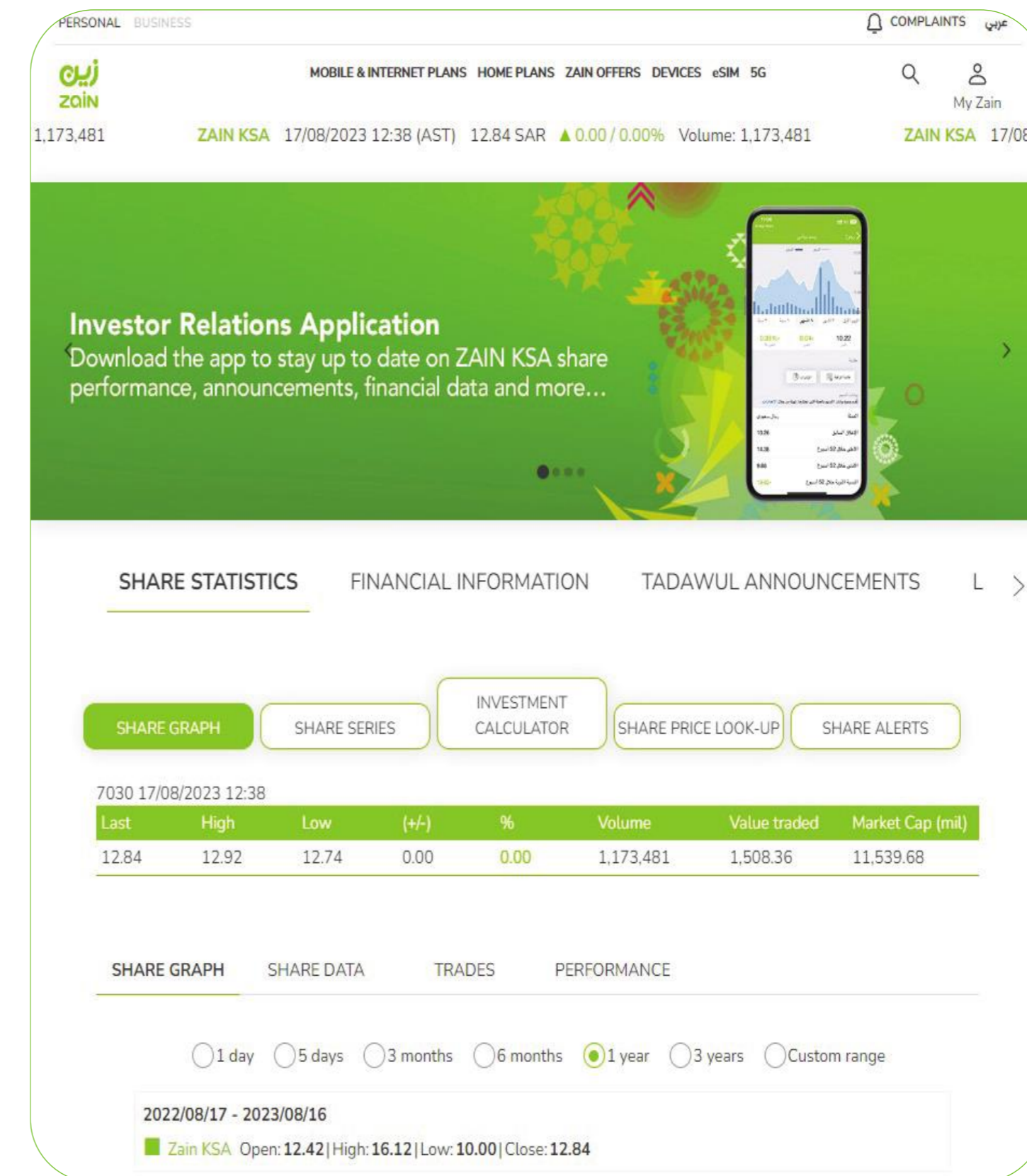


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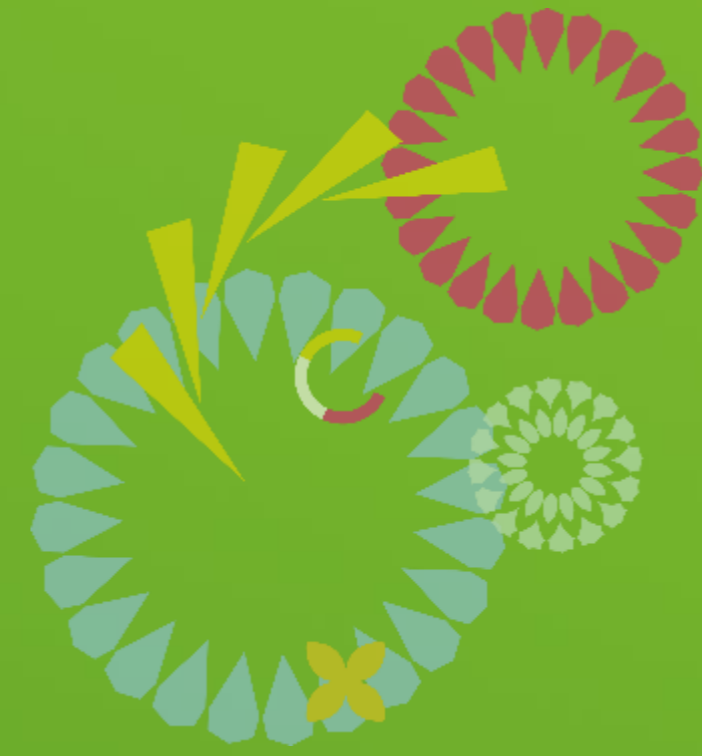
## Investor Relations app



## Investor Relations



<https://sa.zain.com/en/investors/share-statistics>



**Thank You**