



Welcome to Zain KSA

Q3 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.

● Introduction



Zain KSA established itself as a reliable telecom operator and a digital service provider whose services include **telecom services, 5G network, FinTech (Financial Technology), cloud computing, IoT solutions, fiber services, drones, and many others.**



Zain KSA is committed to the continuous development of its network and services in order to achieve the best customer service experience for individuals, the private sector and government institutions, in line with the goals of Saudi Vision 2030 and the digital transformation in the Kingdom which is to provide the services needed for a smart society and a better quality.

Our experienced and diverse Board of Directors and Executive Management team



Our Board of Directors



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



Bader Nasser Al Kharafi
Vice Chairman



Saud Abdullah AlBawardi



Kamil Hilali



Eng. Abdullah AlFaris



Ossama Matta



Saad Ibrahim AlMousa



Talal AlMamari



Eng. Saad AlSadhan
Acting CEO



Mehdi Khalifaoui
Chief Financial Officer



Tiago Rocha
Chief Commercial Officer



Haythem Bennaceur
Acting Chief Marketing Officer



Loluwah Alnowaiser
EVP of Human Resources



Eng. Fawaz Al-Homoud
Enterprise Risk and Information Security VP



Faisal Abdullah AlAssaf
VP of Legal Affairs & Governance

Our Executive Management



Eng. Abdulrahman AlMufadda
Chief Operations Officer



Maher AlFawaz
Chief Sales Officer



Maha AlQernas
EVP of Information Technology



Abdulaziz Al Subaie
Regulatory Affairs & Compliance Vice President



Eman Abdullah AlSaidi
VP of Corporate Communications



Eng. Saad bin Abdulrahman ALSadhan
Acting CEO

● Our Strategic Pillars

The below eight pillars come as a natural evolution and extension of the strategy Zain KSA has successfully delivered on as well as the expectations of stakeholders.



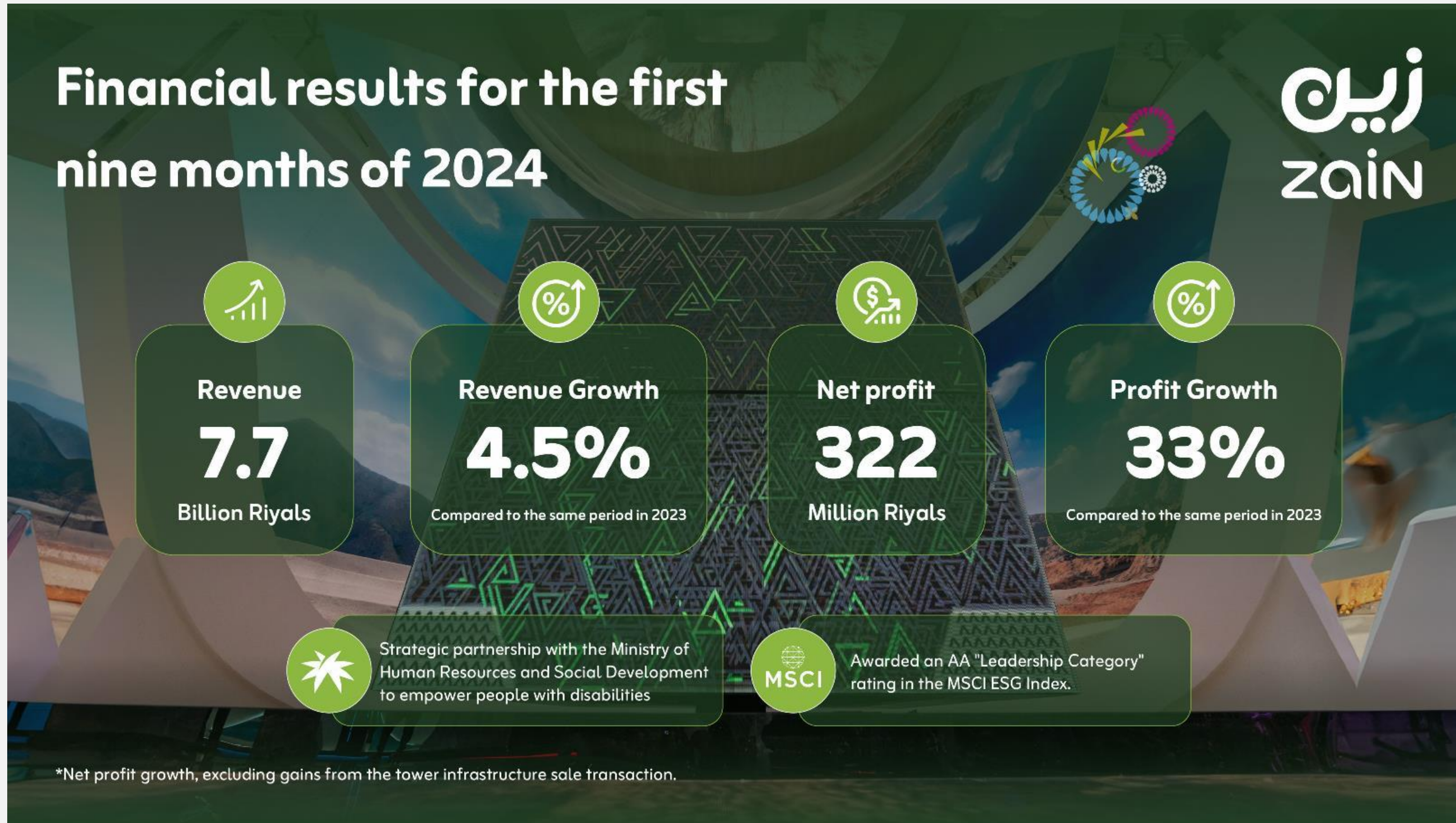
Creative positive impact outcomes that include improving profitability and cash position all while considering environmental and social disciplines.

Generate value from and for stakeholders by scaling our B2B offerings and customer base and outperform the market on the B2C side.

Adopting sustainable and innovate processes that will allow us to venture into new areas of business while leveraging gains from automation in the business.

Leveraging areas of strength, including human capital and 5G network leadership as enablers that propel the Zain KSA brand.

Financial Results



Tamam Finance Overview – Q3 YTD DATA

Tamam Finance, the fintech arm of Zain KSA, has swiftly reshaped shariah-compliant microfinance since its 2020 debut. Licensed by the Saudi Central Bank ("SAMA"), Tamam has achieved robust growth through financial inclusion and innovation, supporting Saudi Vision 2030's Financial Sector Development Program.

Key figures

Revenue 3Q YTD 24 SAR Mn 265.4	Revenue growth Vs. 3Q YTD 23 24%
Gross Margin 3Q YTD 24 85%	EBITDA 3Q YTD 24 SAR Mn 91.6
EBITDA Margin 3Q YTD 24 35%	Net profit 3Q YTD 24 SAR Mn 77.7
Net Profit Growth Vs 3Q YTD 23 72%	Downloads. 3Q YTD 24 Mn 2.66
Active Loan Book* 3Q24 SAR Mn 852	Customers Active 72,000

Tamam today



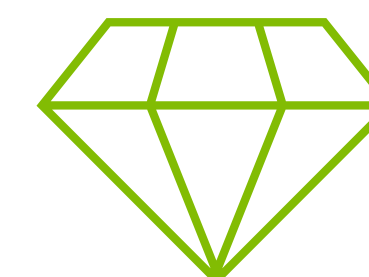
Customer journey
100% digital lending,
no documents required



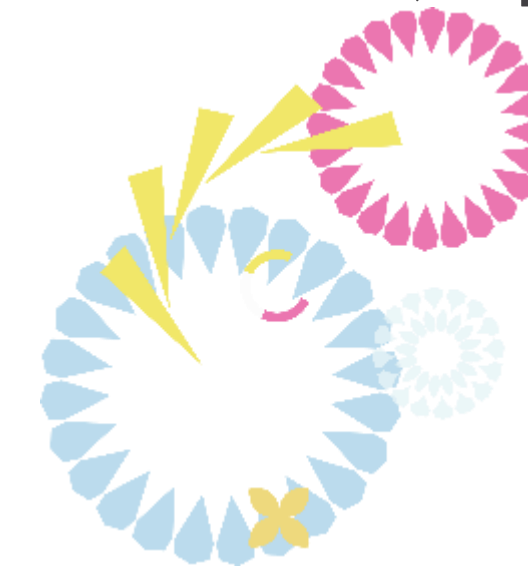
Cash and Installments
Finance
Multiple services
One platform



50,000 SAR
Maximum Loan
Value



80%
Loans less than
SAR15,000



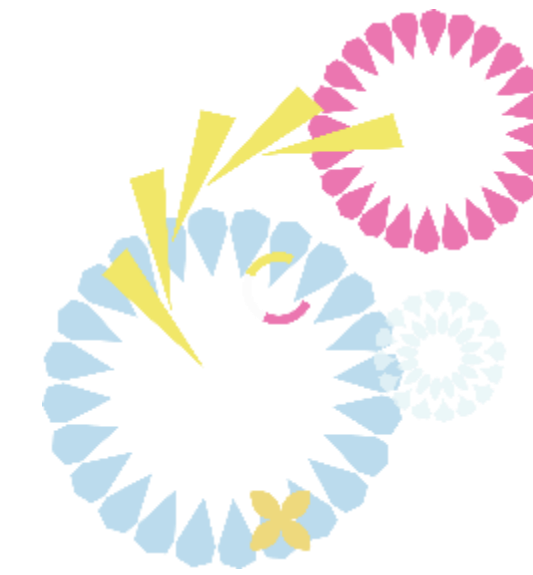
17 months
Average loan tenure



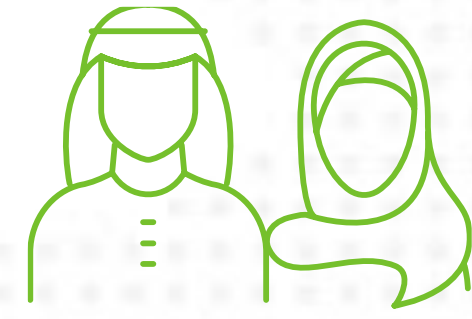
80%
Customers under
40 years old

*Islamic financing receivables including due interest

● Zain KSA Today



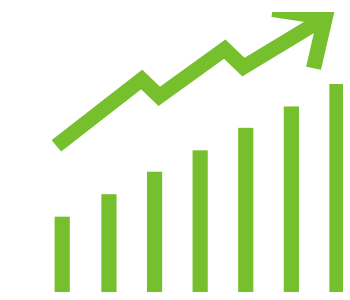
9.0 Million
Customers.



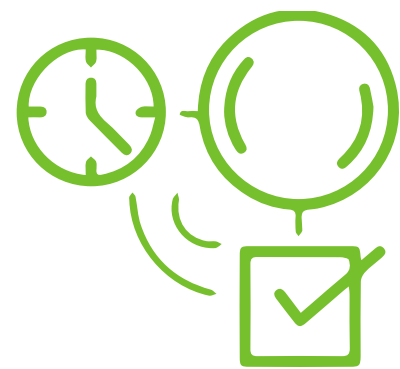
1,543 Zainers
Woman: 21 %
Local: 87%



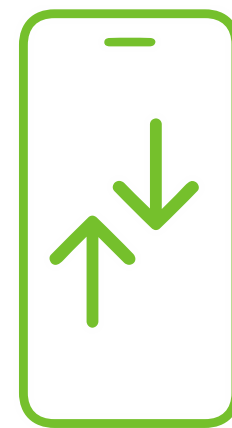
248 Shops
4,386 POS



47% Data Revenue
(Excluding SMS & VAS)



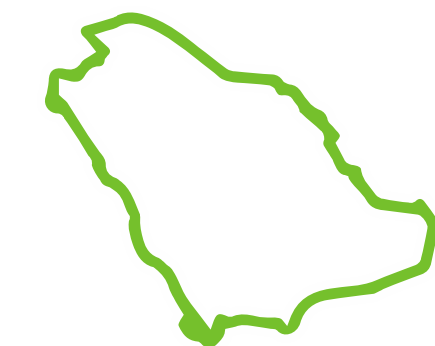
61 SAR
Blended ARPU



20,589 TB/Day
Average daily data traffic



99% **66%** **94%** **66.1%**
2G **3G*** **4G** **5G**
Population coverage



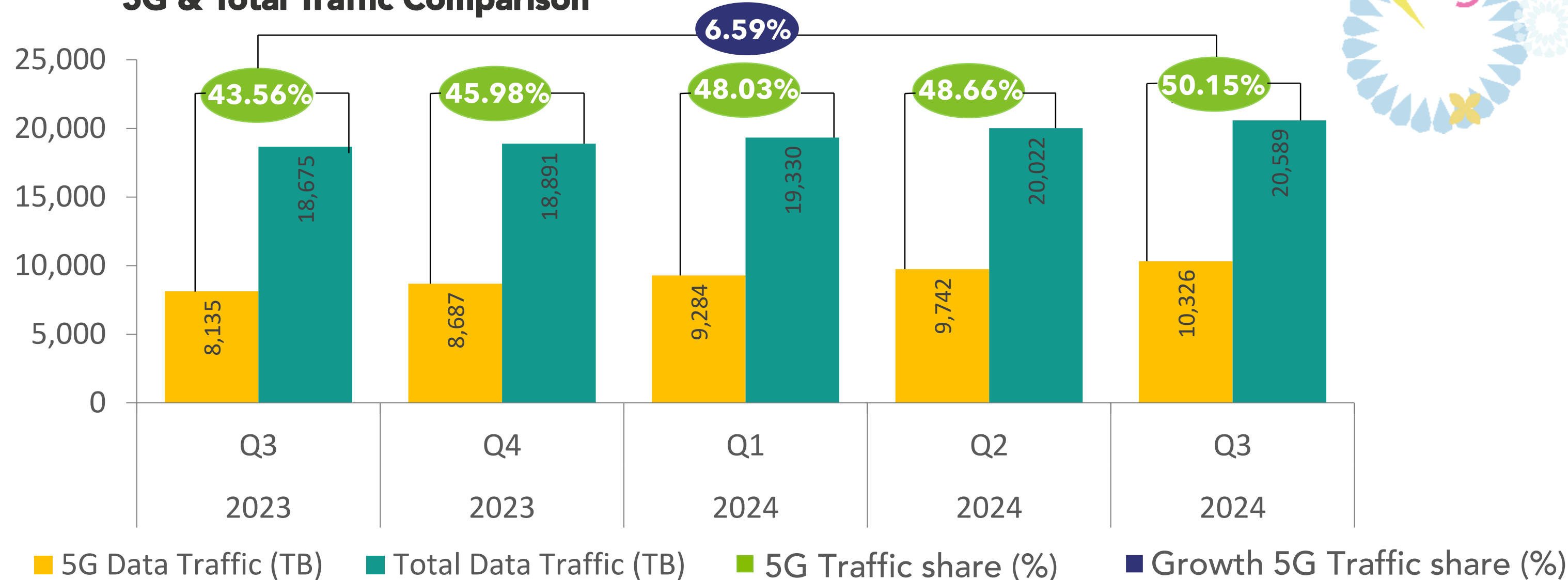
10385 Total number of sites
564 Cities covered by 3G
479 Cities covered by 4G
67 Cities covered by 5G

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

Zain KSA Today

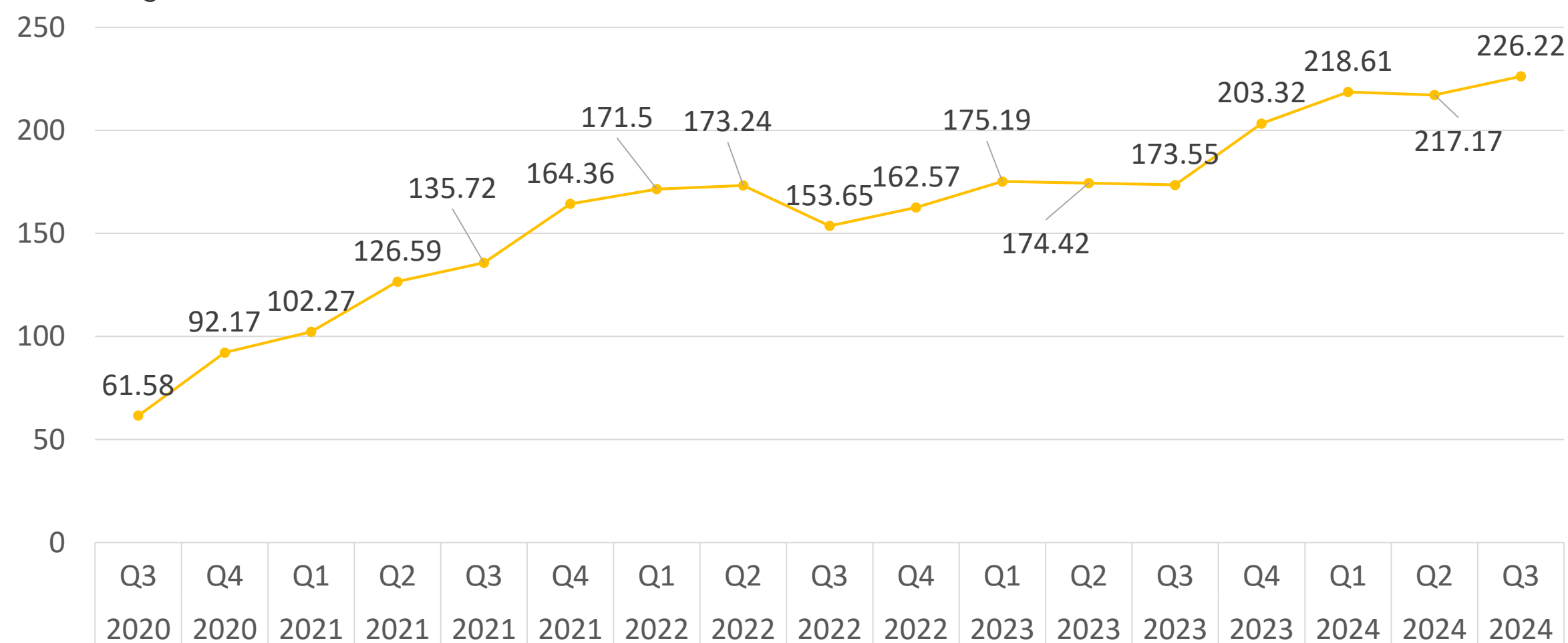


5G & Total Traffic Comparison



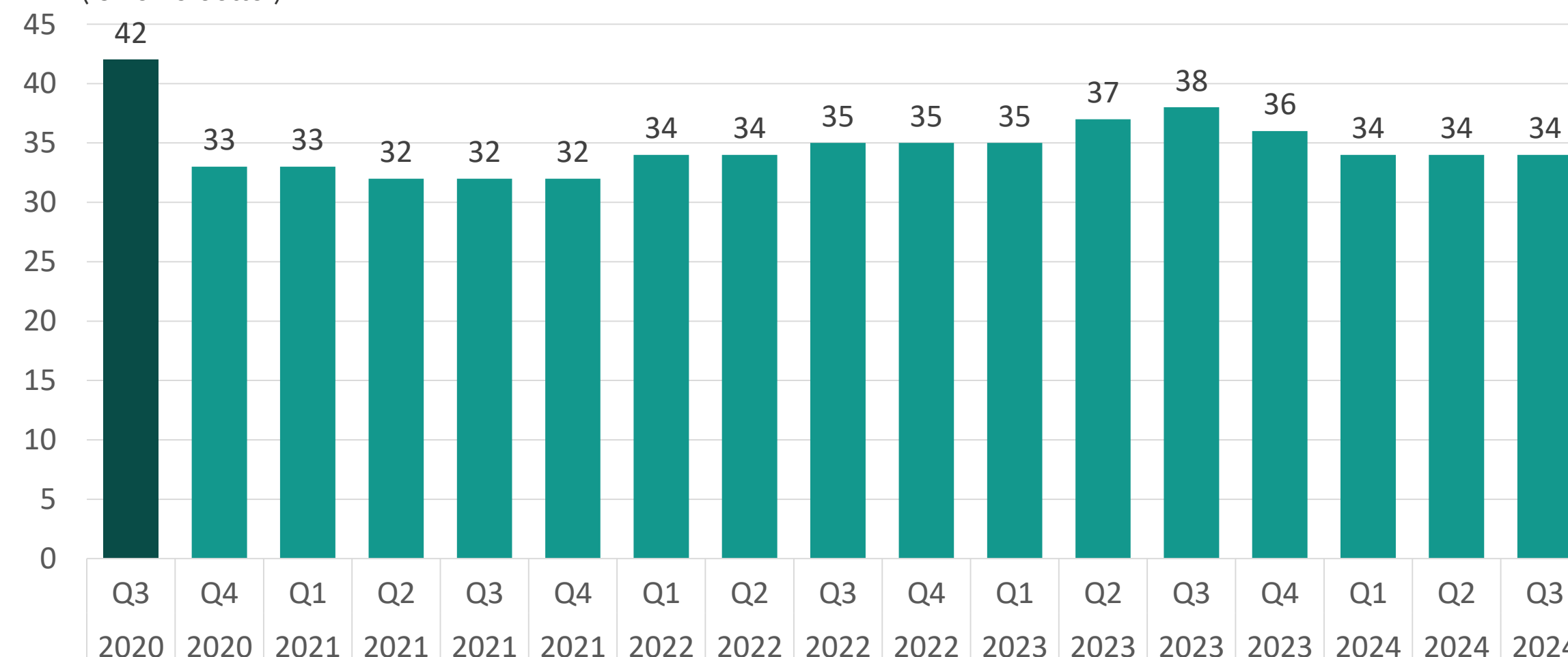
Data Throughput

*Quarterly data from Ookla
(higher is better)



Latency (ms)

*Quarterly latency from Ookla
(lower is better)



● Strategic partnerships



HRSD



With the aiming of Empower People with Disabilities

Etriqa



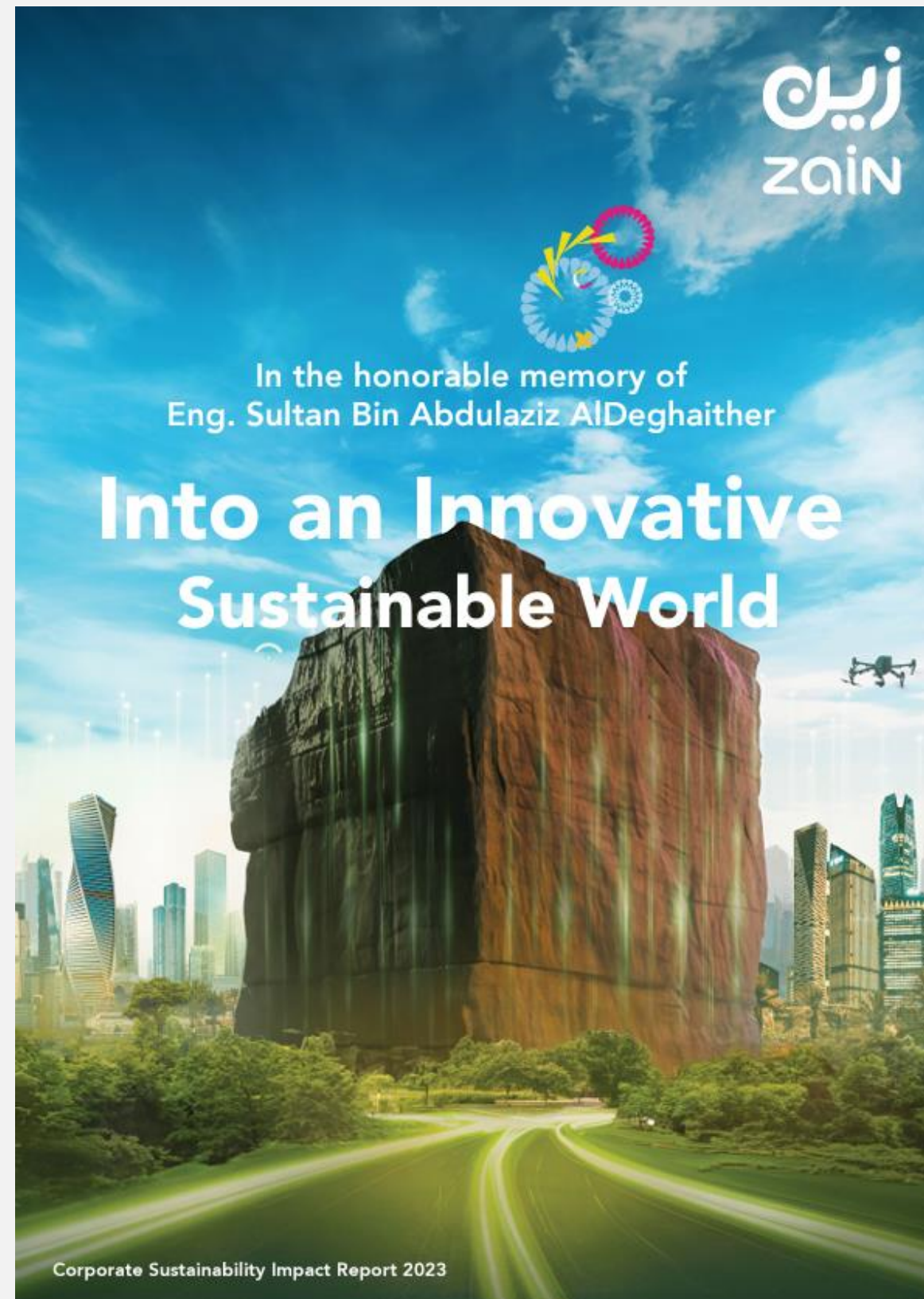
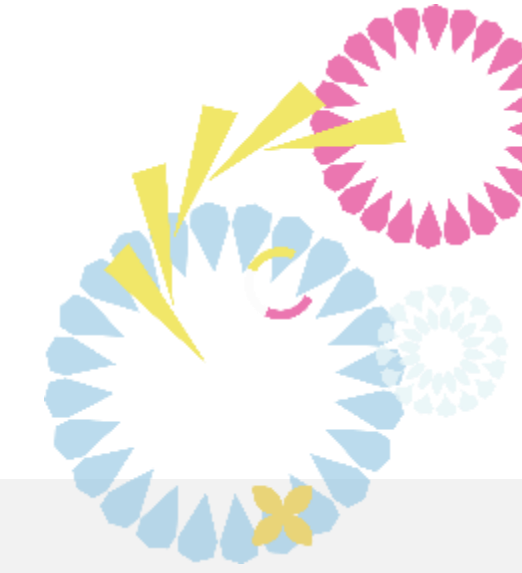
In order to Advance Circular Economy, Green Tech, and Carbon Reduction.

Sustainability Champions Program



3 mentees were selected and signed the pledge and start the first session hosted by the MEP and UNGC

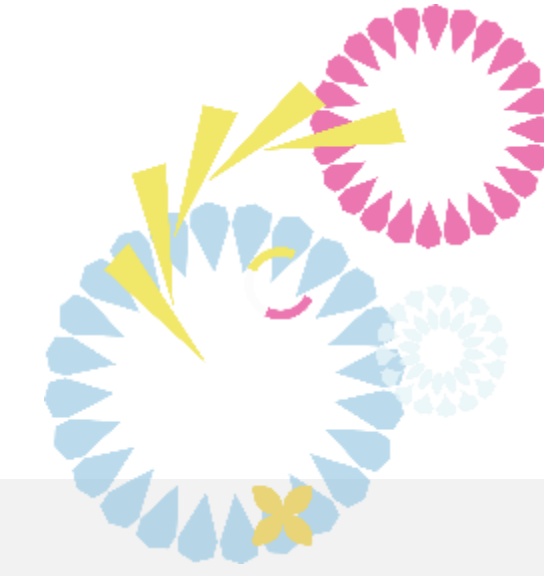
● Sustainability Impact Report 2023



- Launching the Corporate Sustainability Impact Report 2023.

Total Reach : **+49.2 M**

● Corporate Sustainability



Climate change

Climate change in SM and International days:

- 2023 Environmental Achievements

E-Waste:

+3000 Recycled devices with Etriqa



Inclusion

Back to School Initiative

Bags distributed in collaboration with Kalaf charity



Purple Saturday

Participate in Purple Saturday day

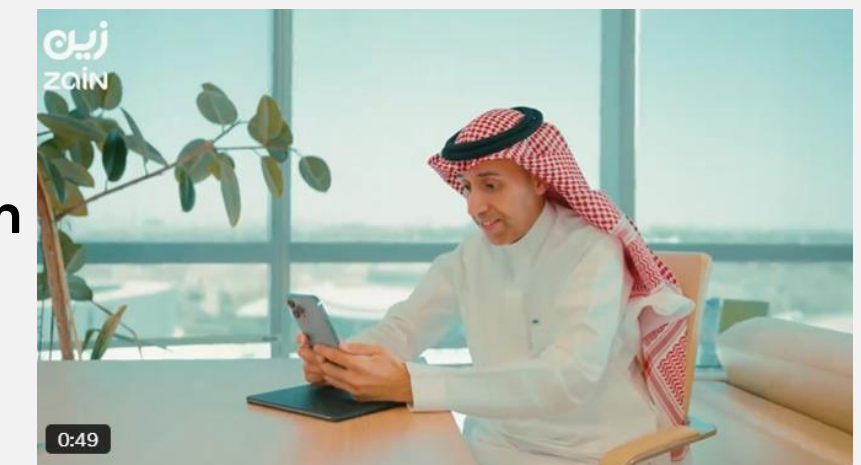
+600% increase in subscriptions



Be My Eyes Initiative

collaboration with Be My Eyes App aiming to ease the daily activity of blind people through the app along with

82 employees participate

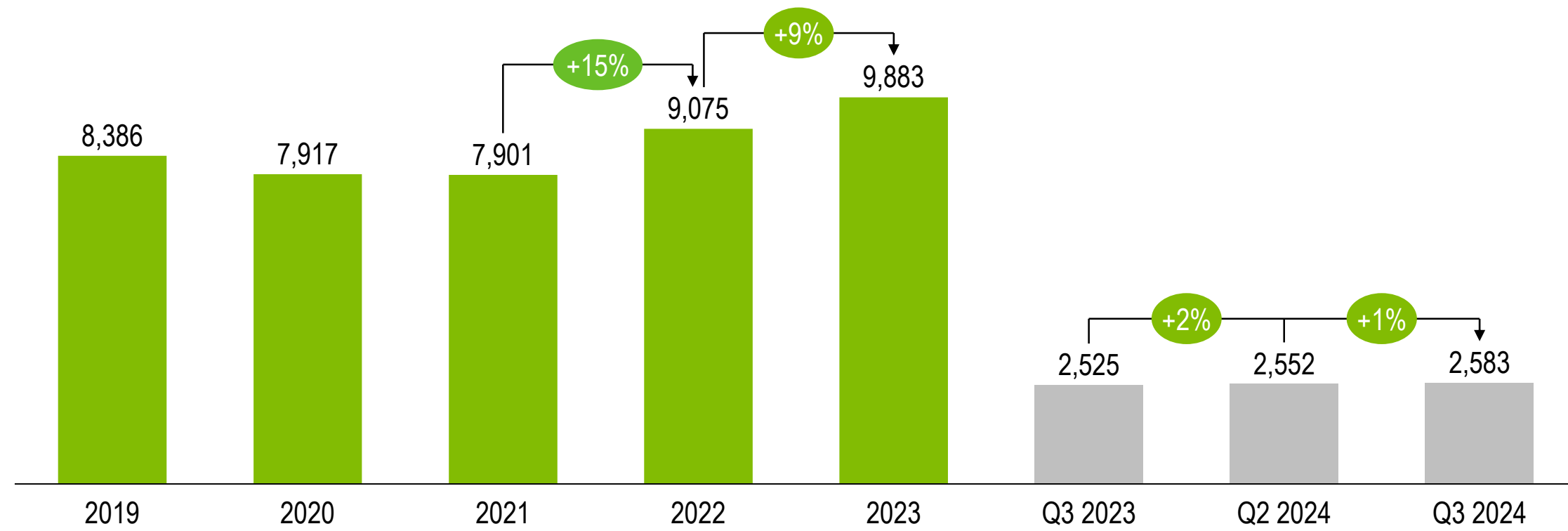




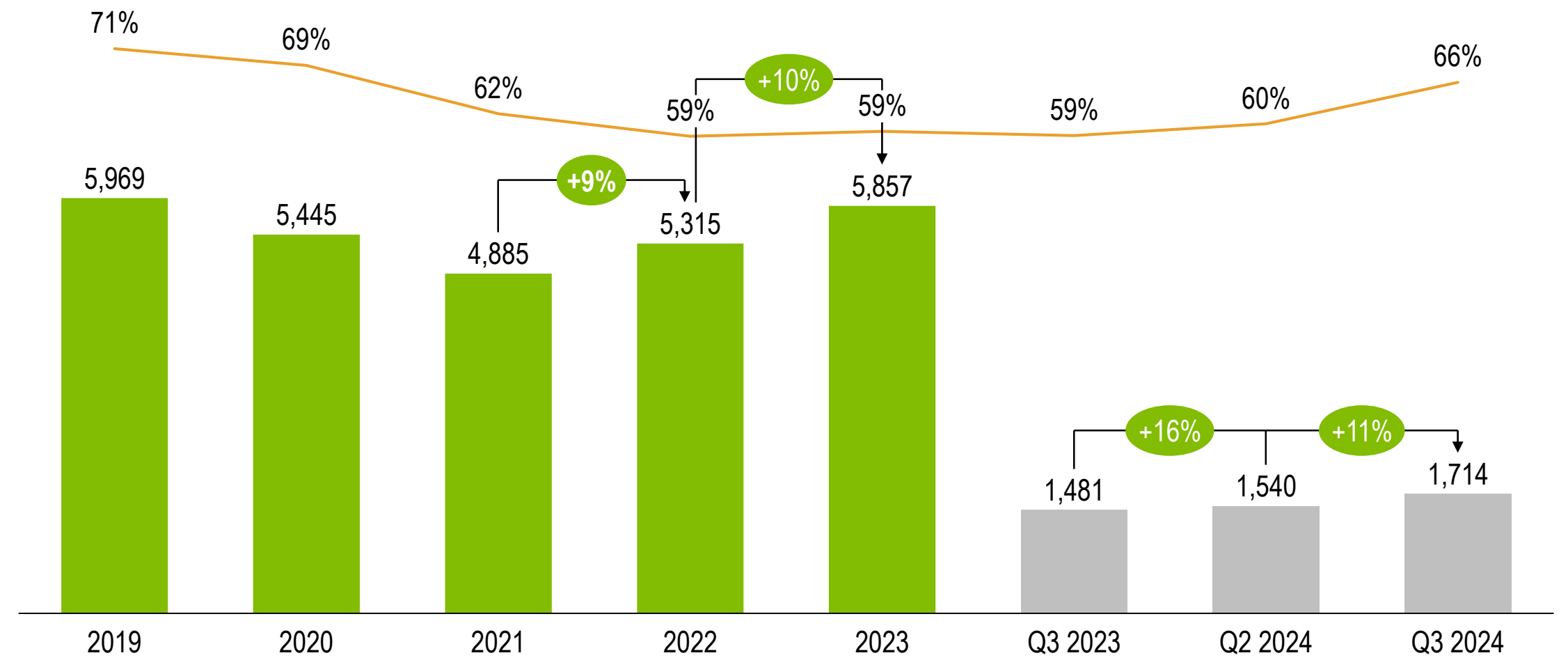
Mehdi Khalifaoui
CFO

Financial Highlights

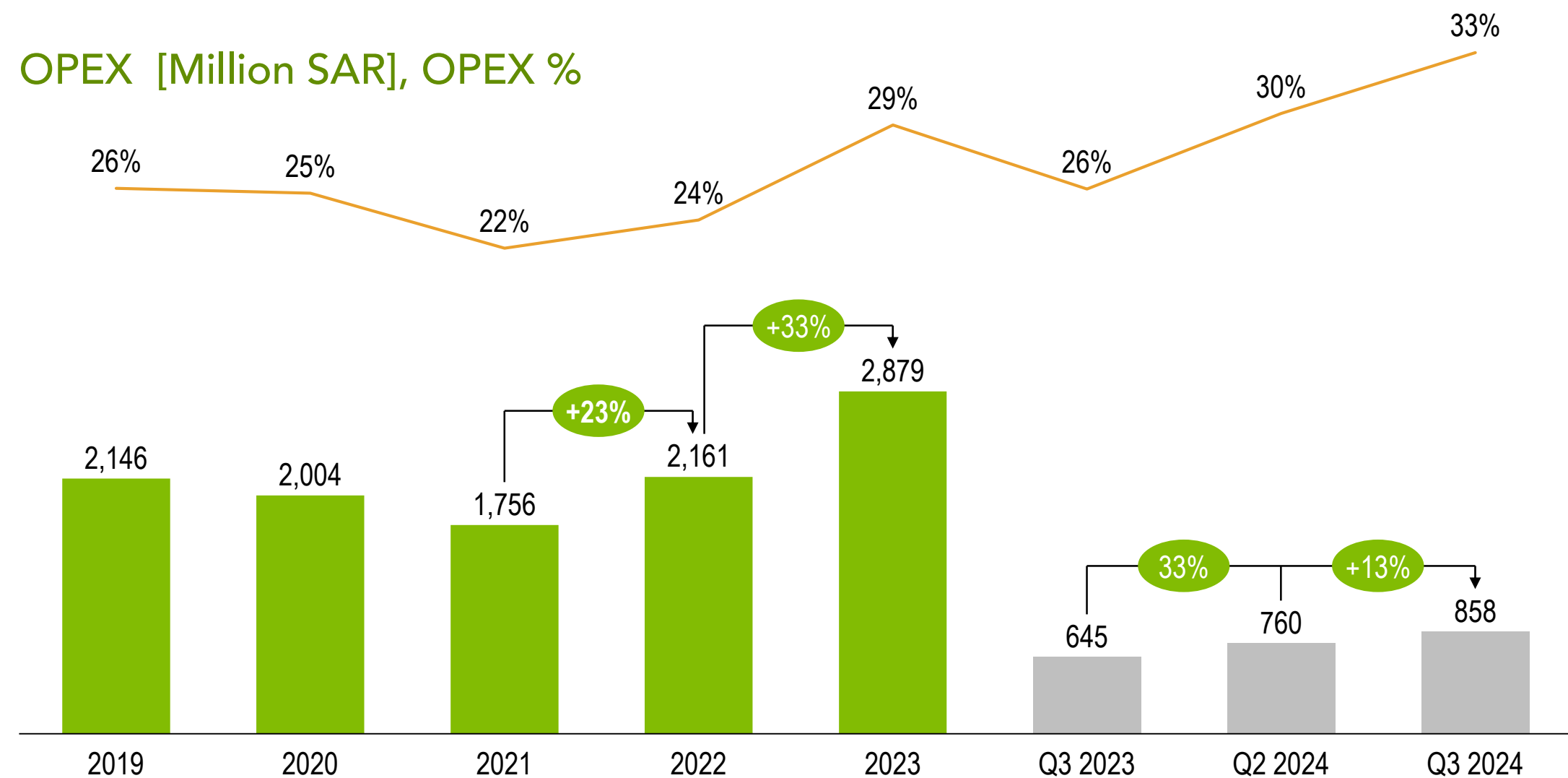
REVENUE [Million SAR]



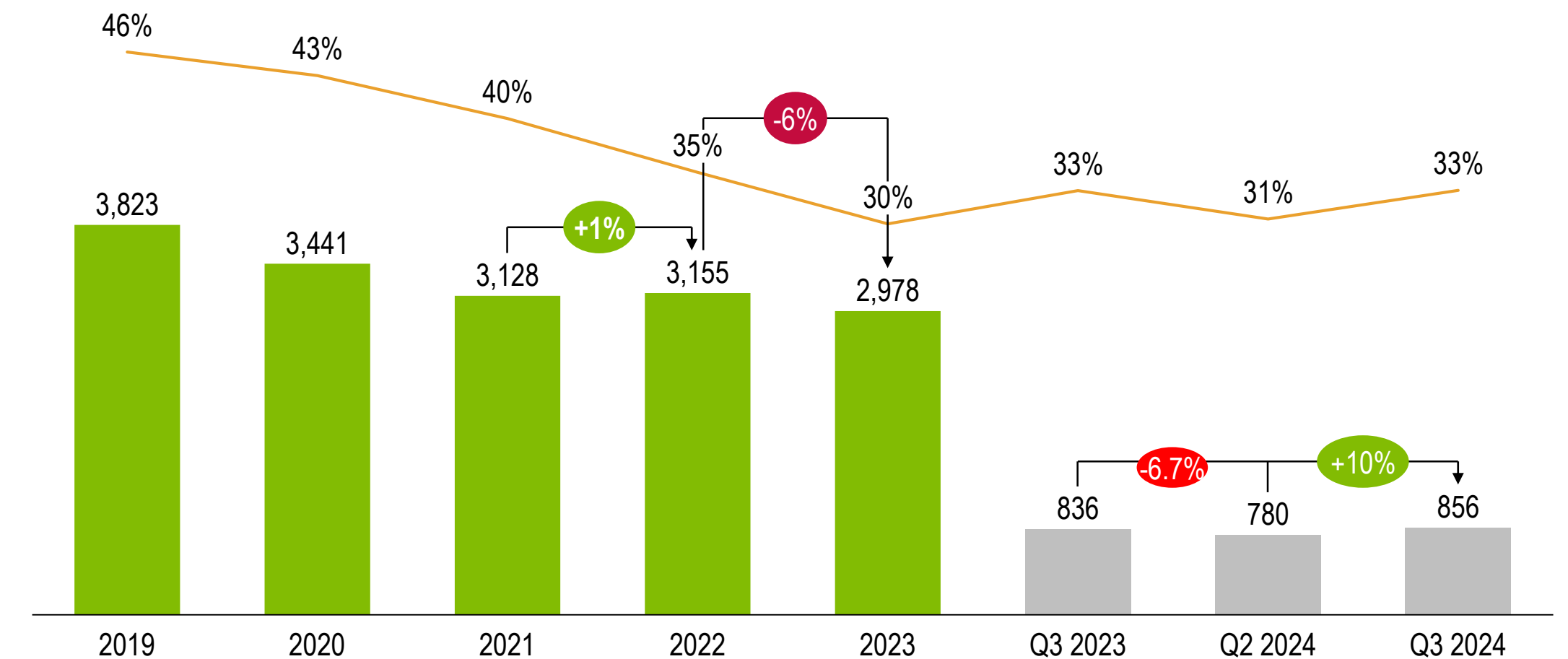
GROSS PROFIT [Million SAR]
GROSS MARGIN %



OPEX [Million SAR], OPEX %



EBITDA [Million SAR]
EBITDA MARGIN %

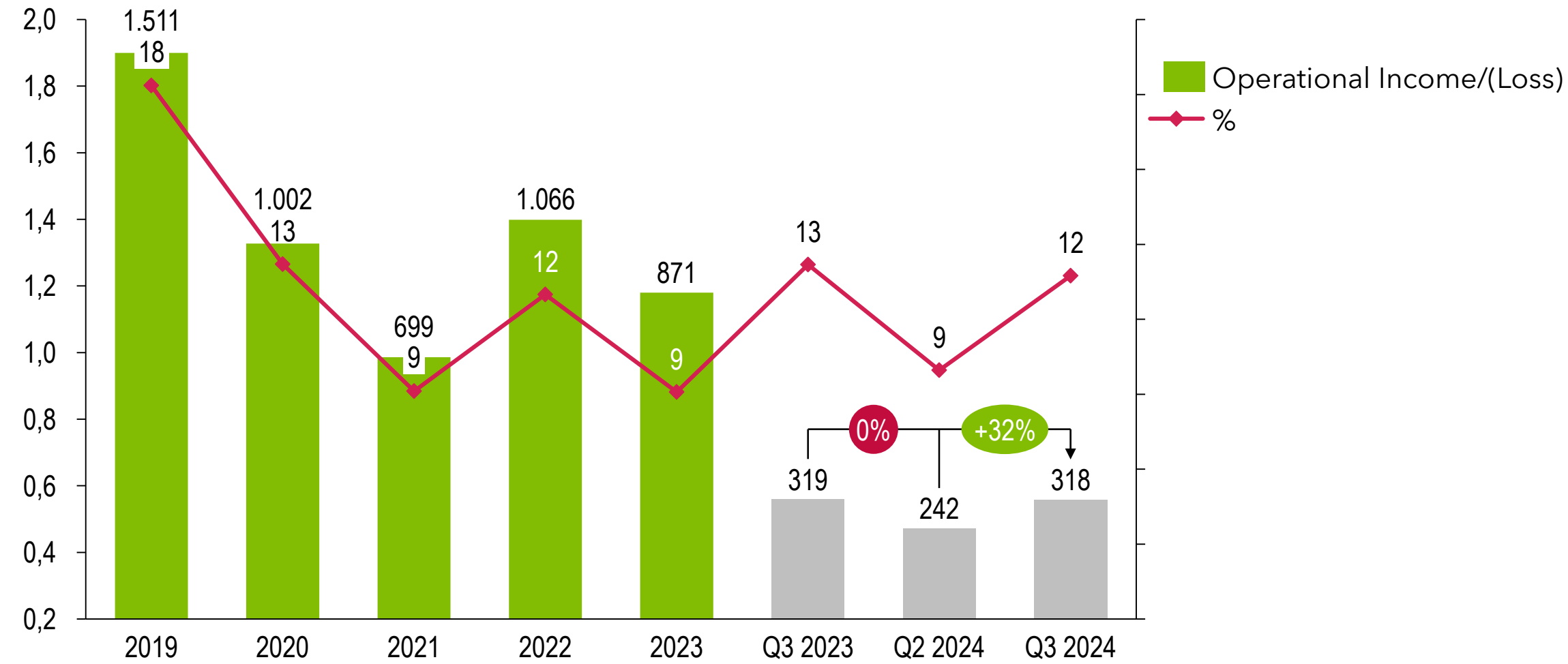


• Opex inclusive of Bad Debts Provision

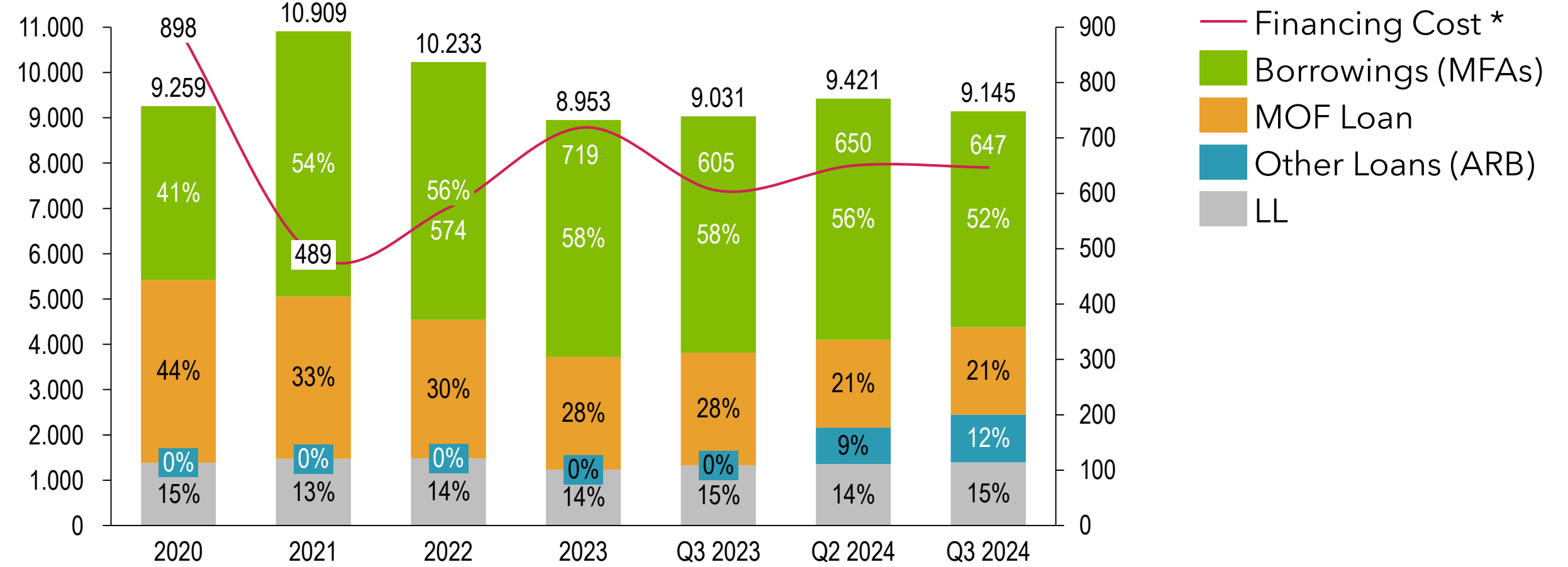


Financial Highlights

OPERATIONAL INCOME [Million SAR]



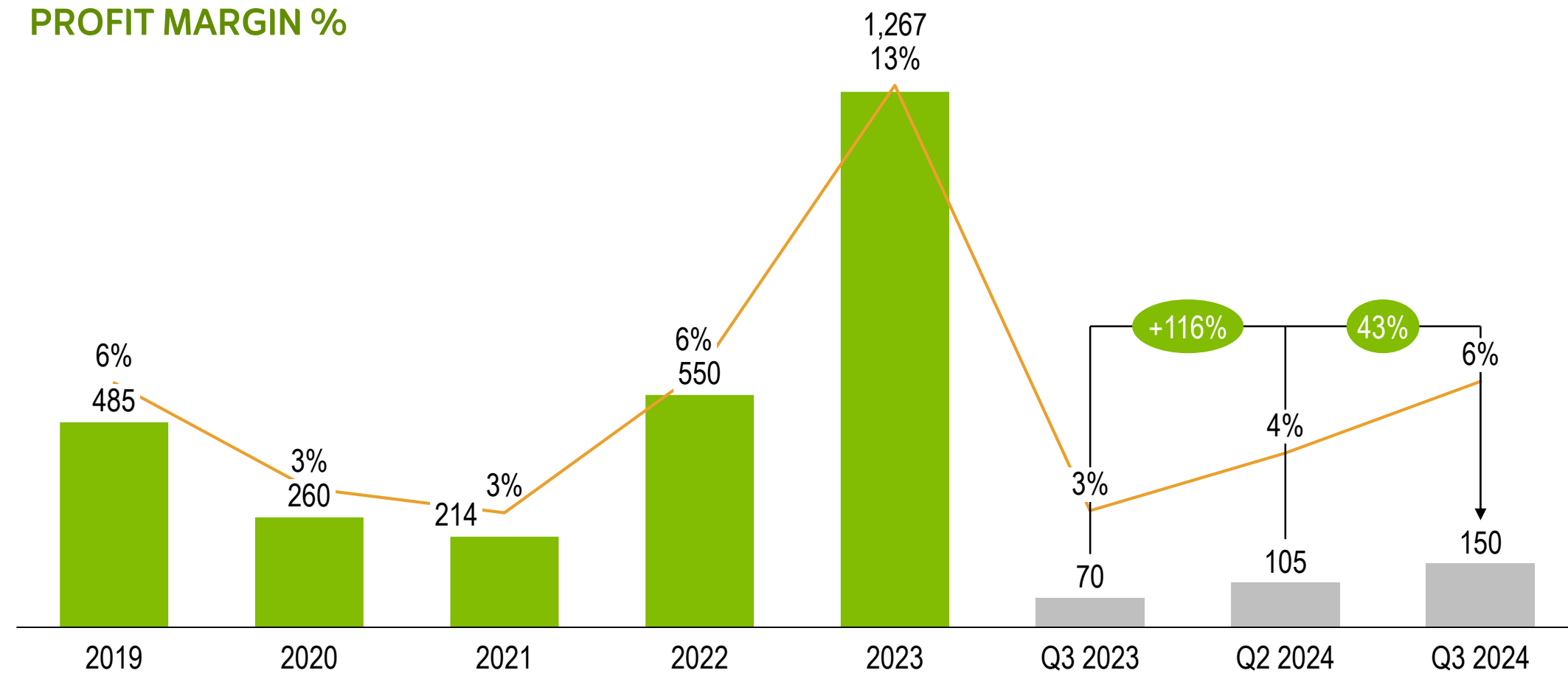
Debts [Million SAR] Financing cost [Million SAR]



* Annualized Financing Cost inclusive of LL cost, exclusive of spectrum financing costs.

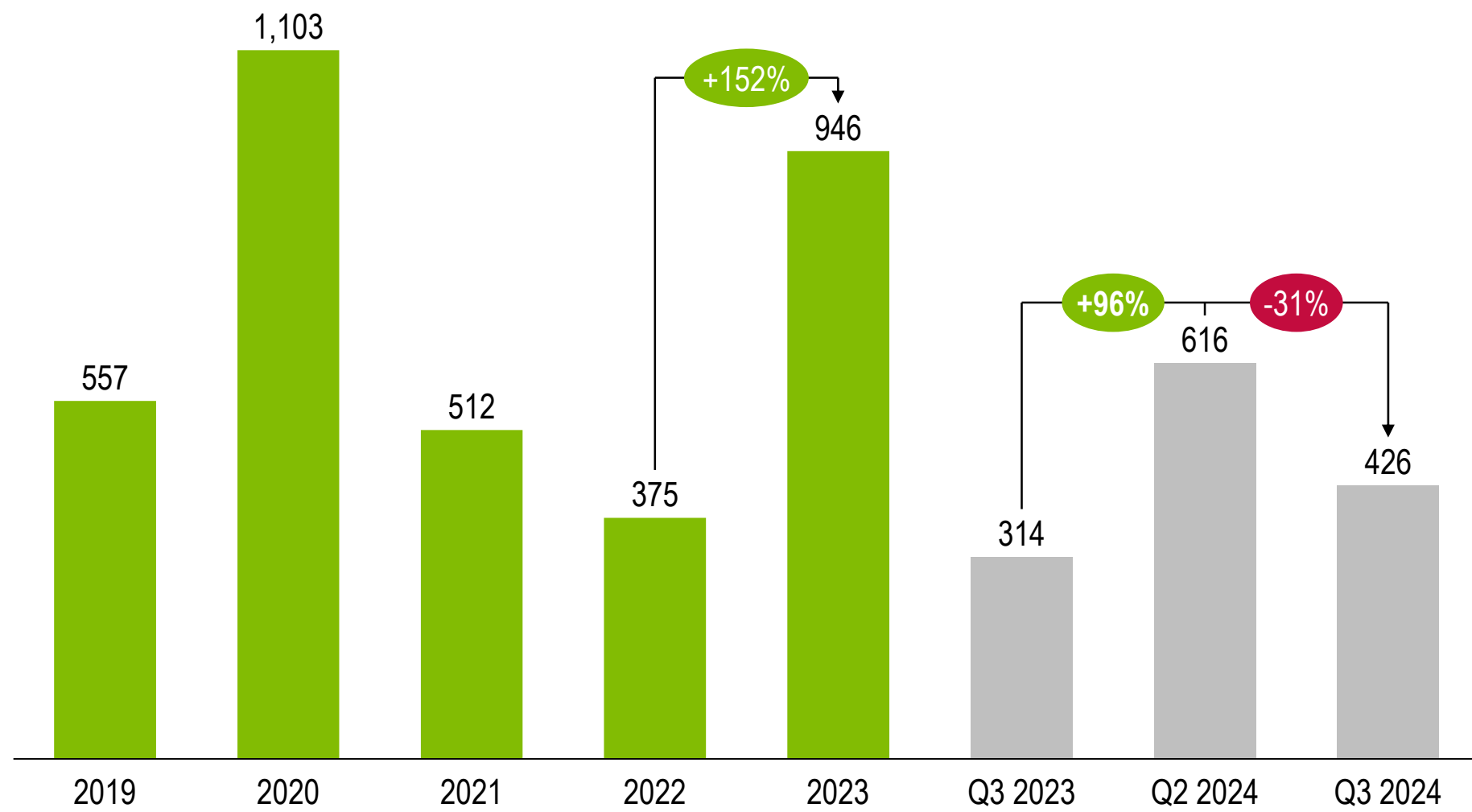
NET PROFIT [Million SAR]

PROFIT MARGIN %

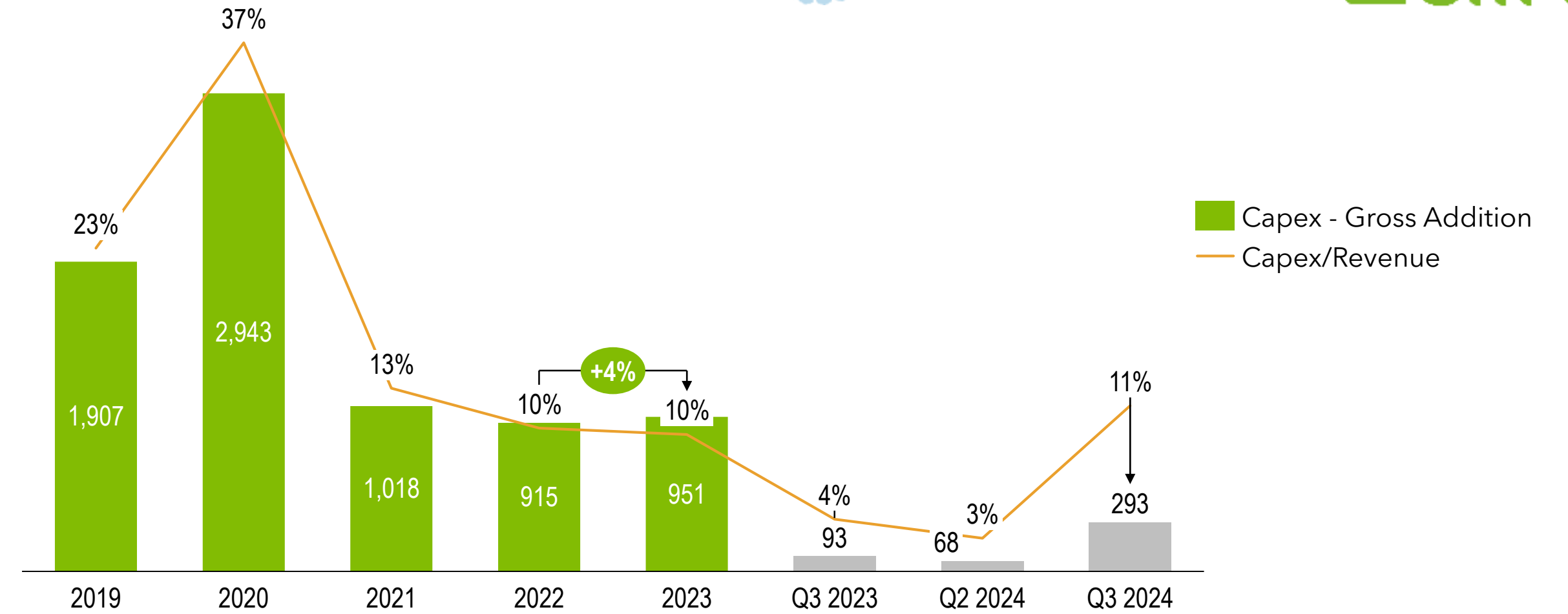


Financial Highlights

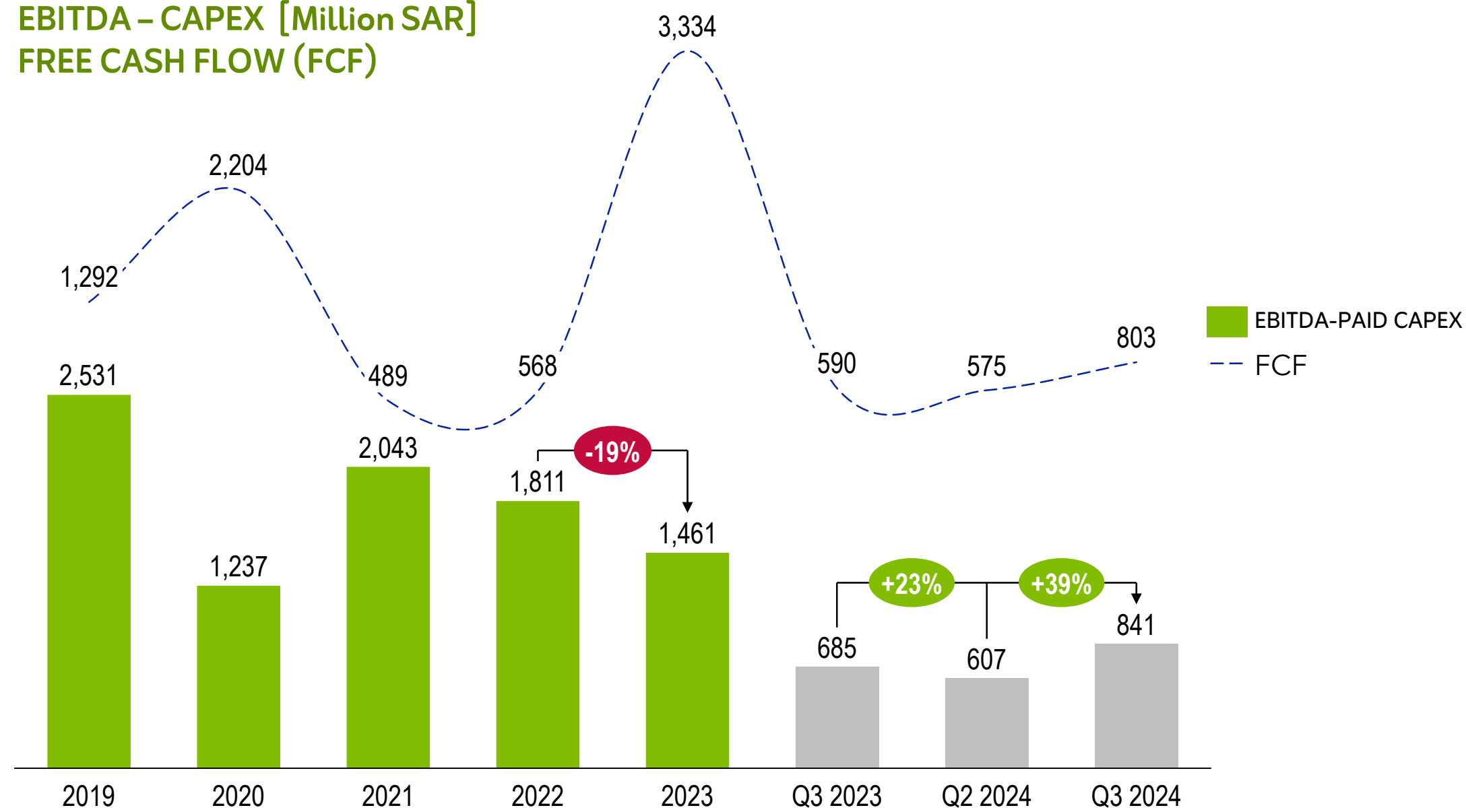
CASH BALANCE [Million SAR]



CAPEX [Million SAR]
CAPEX/ REVENUES %



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	4,765
Government Loan (MoF)	Ministry of Finance	1,934
CAPEX Facility	Al-Rajhi Bank	554
Receivables discounting (with recourse)	Al-Rajhi Bank	500
Total		7,753

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

	Q3 2024	Q2 2024	Q1 2024	2023	2022	2021	2020	2019	2018
Net Debt *	7,327	7,444	7,165	6,842	8,777	9,009	9,088	14,227	14,218
Equity	10,447	10,314	10,659	10,591	9,800	9,042	8,729	4,103	4,012
EBITDA	3,058	3,026	3,094	2,978	3,155	3,128	3,441	3,823	3,009
Debt/(Debt + Equity)	43%	44%	42%	42%	48%	51%	54%	79%	80%
Net Debt/EBITDA	2.40	2.46	2.32	2.30	2.78	2.88	2.64	3.72	4.72
Debt/(Debt + LL + Equity)**	47%	48%	46%	46%	52%	55%	57%	80%	80%
Net Debt/EBITDA **	2.85	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.





Q&A

• More Information



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Investor Relations app



Investor Relations

PERSONAL BUSINESS COMPLAINTS عربي

MOBILE & INTERNET PLANS HOME PLANS ZAIN OFFERS DEVICES eSIM 5G

1,173,481 ZAIN KSA 17/08/2023 12:38 (AST) 12.84 SAR ▲ 0.00 / 0.00% Volume: 1,173,481 My Zain ZAIN KSA 17/08/2023

Investor Relations Application

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SHARE STATISTICS FINANCIAL INFORMATION TADAWUL ANNOUNCEMENTS

SHARE GRAPH SHARE SERIES INVESTMENT CALCULATOR SHARE PRICE LOOK-UP SHARE ALERTS

7030 17/08/2023 12:38

Last	High	Low	(+/-)	%	Volume	Value traded	Market Cap (mil.)
12.84	12.92	12.74	0.00	0.00	1,173,481	1,508.36	11,539.68

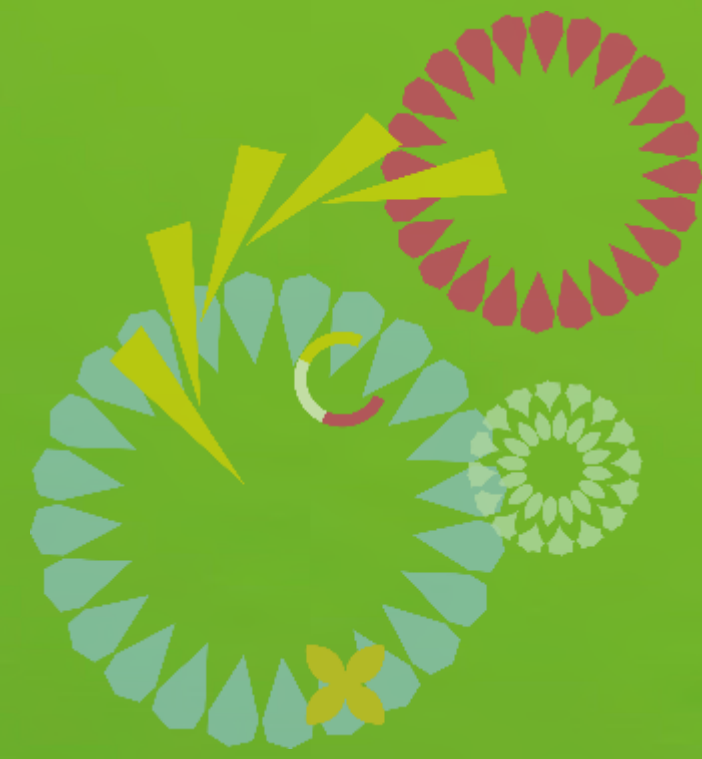
SHARE GRAPH SHARE DATA TRADES PERFORMANCE

1 day 5 days 3 months 6 months 1 year 3 years Custom range

2022/08/17 - 2023/08/16

Zain KSA Open: 12.42 | High: 16.12 | Low: 10.00 | Close: 12.84

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



Thank You