Investor Presentation Q3 2018

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Key Highlights Q3 2018

Challenging Environment

Mobily

Macro

- Inclusion of TASI in S&P Dow Jones indices (S&P DJI). Upgrading TASI from a standalone market to emerging market.
- SIBOR Increased QoQ (from 2.59% to 2.66%).
- GDP Growth:
  - Data on real GDP showed that the economy expanded by 1.6%, year-on-year
  - The oil sector improved by 1.3% (44% share of GDP), whilst non-oil GDP rose by 2.4%
  - Within the non-oil sector, private sector GDP went up 1.1% (39% share of GDP) and the government sector’s GDP rose significantly, by 4% (16% share of GDP)
- 2019 Preliminary Budget Report
  - In the near term, 2018 revenue is expected to total SR882 billion, a rise of SR99 billion compared to budgeted total of SR783 billion
  - Upward revisions in government revenue for 2019, by SR 135 billion, to SR978 billion was also announced
- Oil Prices:
  - In September 2018, average Brent crude oil price was $78.89 per barrel, compared to $72.57 per barrel in August of 2018
  - Brent oil prices closed the month at $83 per barrel, the highest daily average since early November 2014

Key Highlights Q3 2018

Challenging Environment

Telecom Market

- Price rationalization continues
- Strong Hajj season performance by Mobily
- Mobily signing agreements with Arriyadh Development Authority (ADA) to provide complete digital solutions for the Riyadh buses project.
- Government expediting their efforts to improve digital infrastructure for the country.
- Continuing the implementation of MOH Project HIS

Key Highlights Q3 2018

Challenging Environment

Mobily
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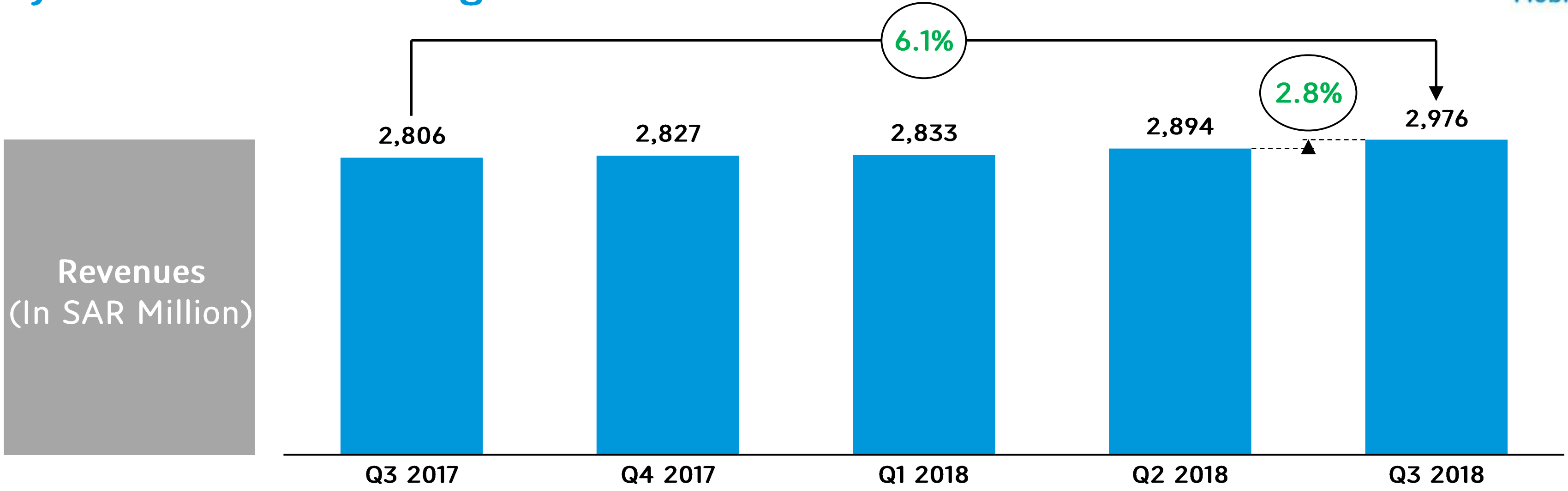
Q3 Performance Highlights

- Mobily is on a good trajectory.
- The RISE turnaround strategy is yielding steady good results.
- Strong cash-flow generation and deleveraging net debt to be below the 3 times Net debt / EBITDA for the first time in years.
- Net Debt has been reduced by more than SAR 2.3 billion since the beginning of 2017.
- Reflecting strong consistency, In Q3 we marked a:
  - 4th consecutive QoQ revenue growth
  - 2nd consecutive YoY revenue growth
  - 5th consecutive QoQ EBITDA growth
  - 3rd consecutive QoQ cost reduction
- Top line marketed steady growth due to:
  - Price rationalization
  - Successful hajj seasons
  - Strong data and FTTH performance
  - Business segment market a strong performance especially in the government sector.

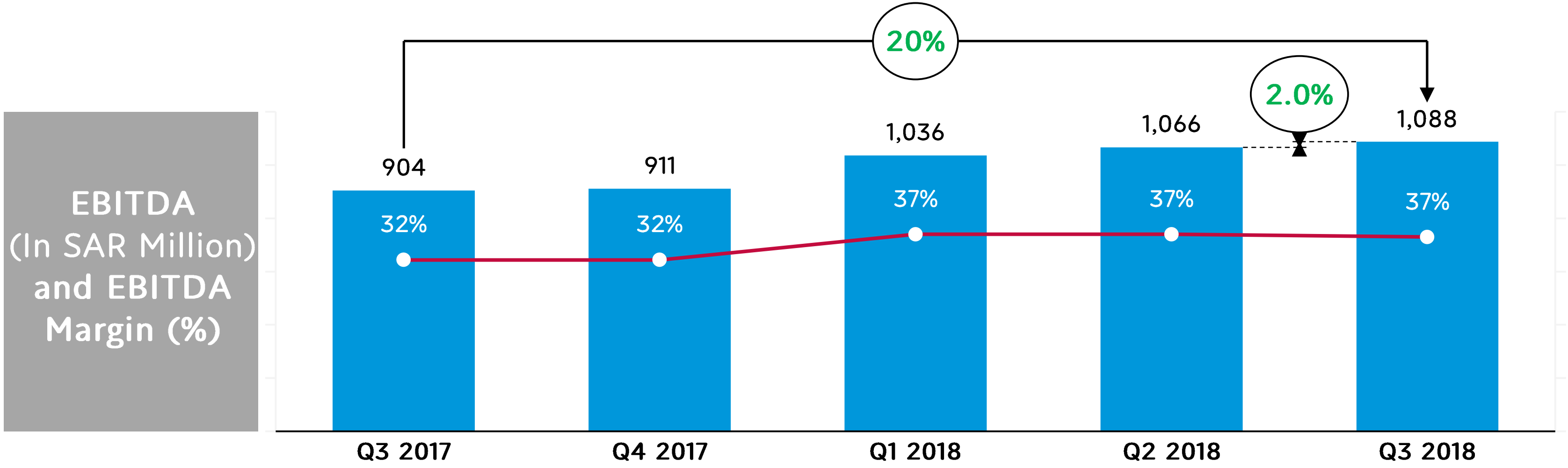
Revenues
Quarterly revenues confirming the continuation of the turn-around trend



- Mobily showed growth for the third consecutive quarter in revenues QoQ by %2.8 . In addition to a 6.1% YoY growth for the second consecutive quarter.
- Revenues growth was mainly driven by the improvement in consumer revenues, growth in FTTH sales and growth in business unit revenues driven by sales to government sectors.
- YoY growth was achieved despite the impact of the market, regulatory and economic challenges including the reduction of mobile termination rates.
- Without the impact of the reduction of Mobile interconnection rates, YoY revenues would have grown by 8%.

EBITDA and EBITDA Margin

Continuation of the Improvement of Margins



Q3 2018 shows an increase in both EBITDA compared to Q3 2017 and Q2 2018 due to:

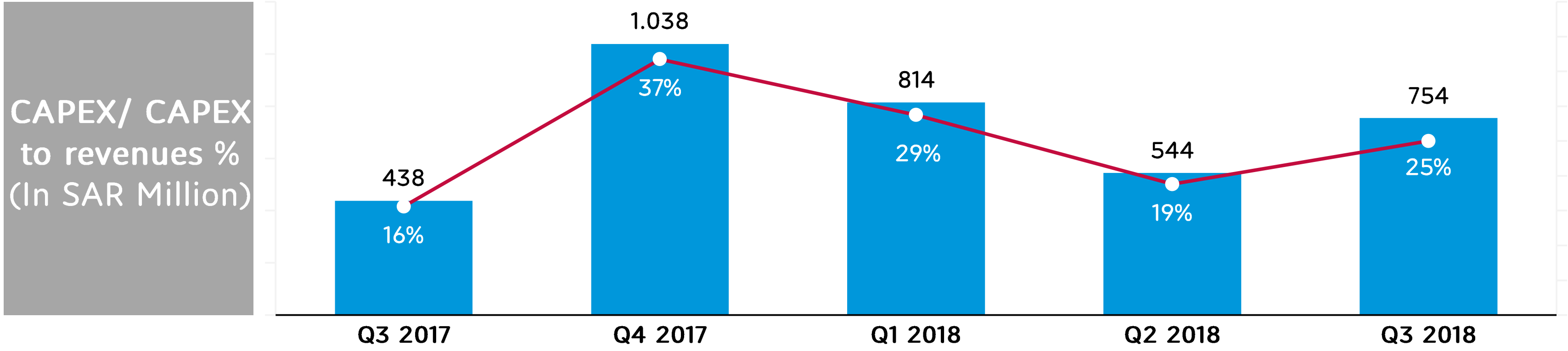
- Resilient topline performance
- Efficiency in managing its operational expenses
- Reclassification in Q3 of a provision of SAR 84 million (build in Q1 2018) from “pre-EBITDA” to “post-EBITDA”

YoY growth of quarterly EBITDA (+20%) due to the above in addition to:

- The decrease in general and administrative expenses.

CAPEX/CAPEX to Revenues

Continuation of the deployment of the network modernization

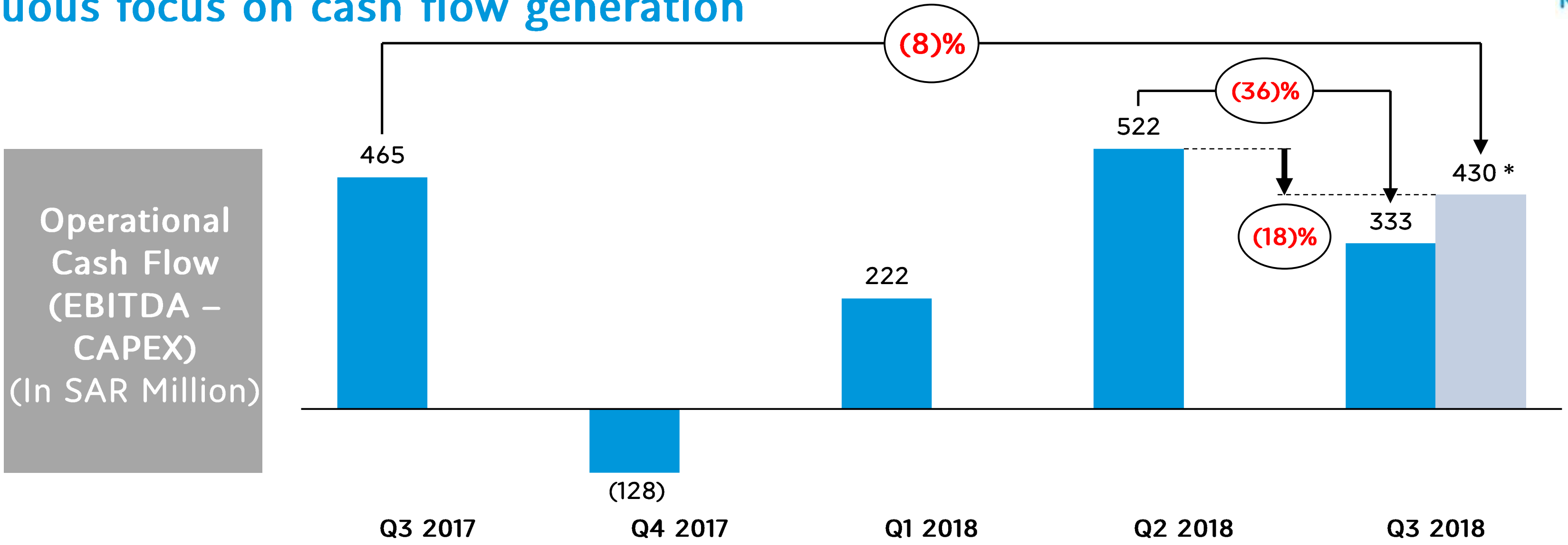


- Continuous development of network modernization project with sustained capex intensity of SAR 754 million or 25% to revenues for Q3.
- Capex YTD at SAR 2.11 billion (SAR 1.66 billion excluding licenses fee amount to SAR 451 million) reflecting a capitalization ratio of (capex to revenue) of 24% (19% excluding the licenses fee)

CAPEX/Revenues%   CAPEX

Operational Cash Flow

Continuous focus on cash flow generation

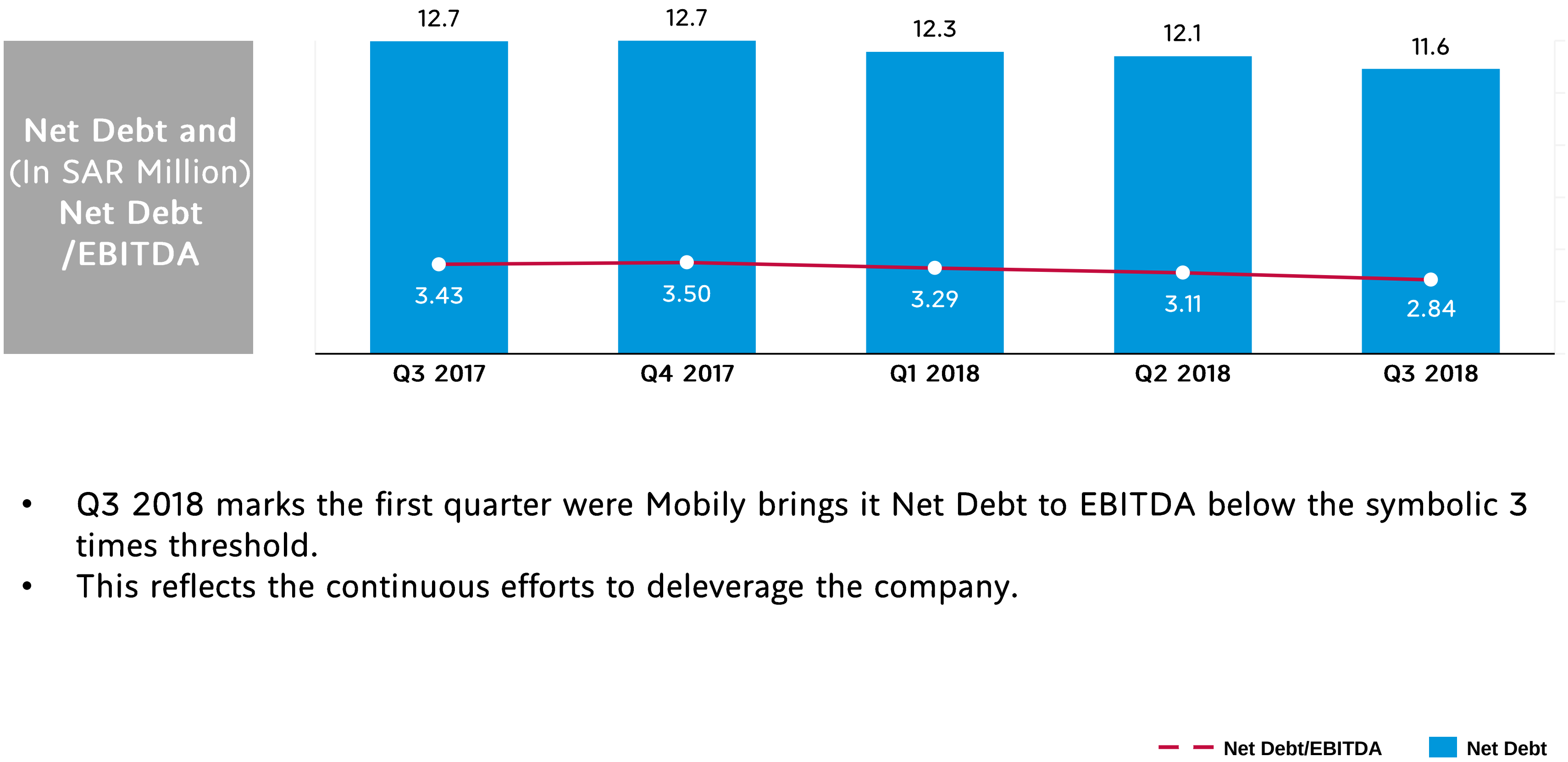


- YTD Operational Cash Flow (EBITDA-CAPEX) decreased to SAR 1.1 billion versus SAR 1.5 billion for the same period in 2017 due to the spectrum capitalization impact.
- Taking out the impact of spectrum capitalization in Q1 and Q3 2018 operational cash flow would have amounted to SAR 1,527 million an increase by 2% compared to the same period last year.
- Operational Cash Flow decreased in Q3 by 8% QoQ (excluding spectrum fees), YoY OCF decreased by 8%.

*Operational cash flow excluding capitalization of spectrum fee.

Net Debt /Net Debt to EBITDA

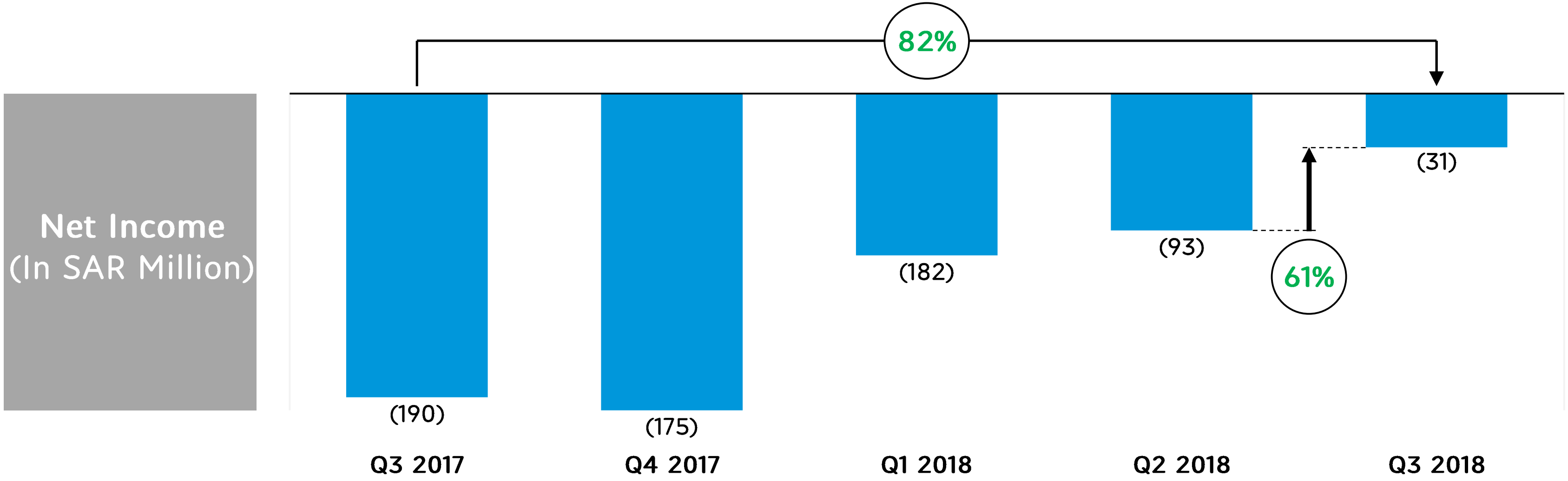
Continuation of Deleveraging



- Q3 2018 marks the first quarter were Mobily brings it Net Debt to EBITDA below the symbolic 3 times threshold.
- This reflects the continuous efforts to deleverage the company.

Net Income

Continuing loss reduction YoY & QoQ



Mobily succeeded for the third consecutive quarter in reducing its losses, as Q3 2018 net losses decreased by 82% and shows a net losses of SAR 31 million compared to loss of SAR 190 million in Q3 2017 due to:

- Strong revenue progression
- OPEX optimization and improved EBITDA

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