

Investors Presentation Q4 & FY 2018

Investor Relations

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- Environment
 - Regulatory and Telecom Environment
 - Performance Highlights
 - Major Highlights
 - Strategy
- Key Financial Highlights

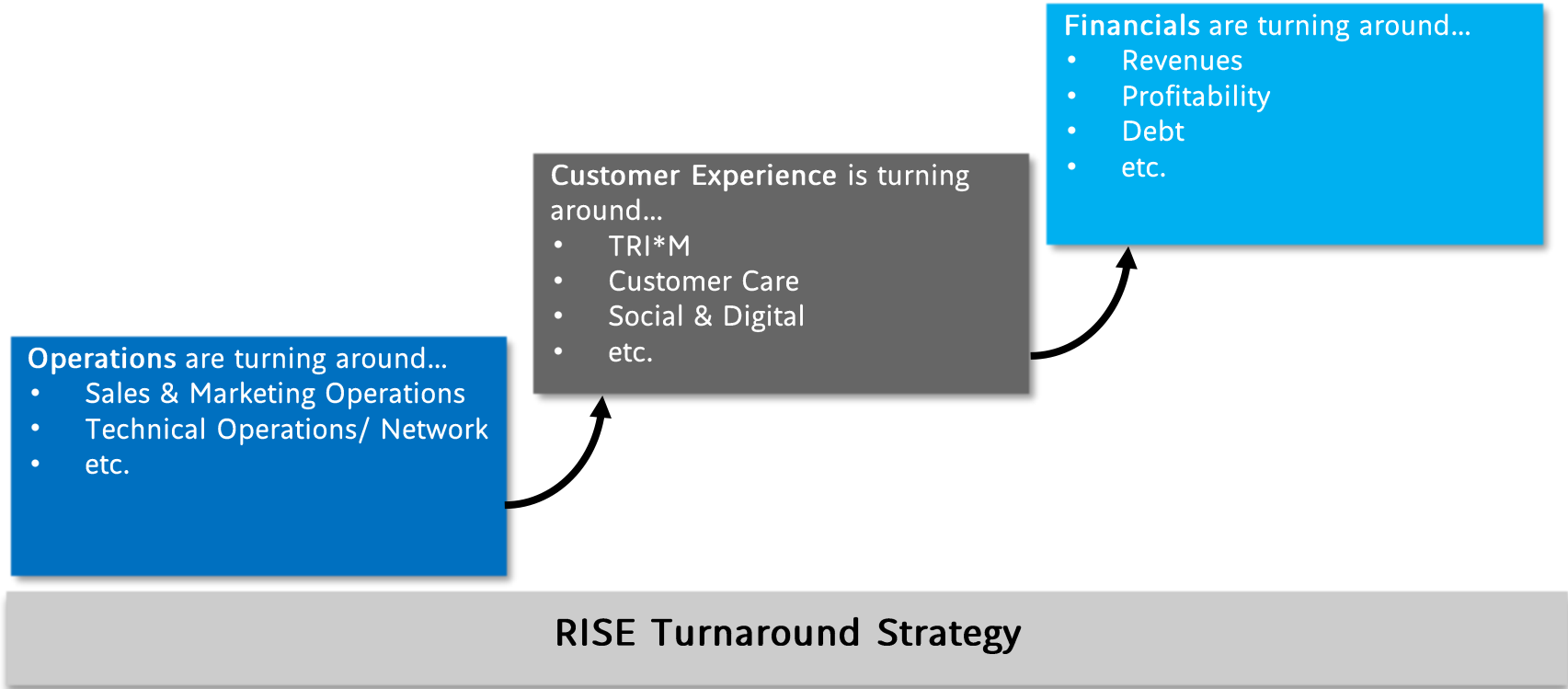
Regulatory and Telecom Environment

- Price rationalization
- Delay of e-SIM regulation
- Spectrum auction in the 800 and 1800 MHz bands
- New royalty fee regime with effect starting from 2018
- Settlement of previous disputes with the regulator in connection with government royalties and definition of new investment framework
- New active and passive sharing regulation
- Government expediting their efforts to improve digital infrastructure for the country
- Continuing the implementation of large governmental projects.

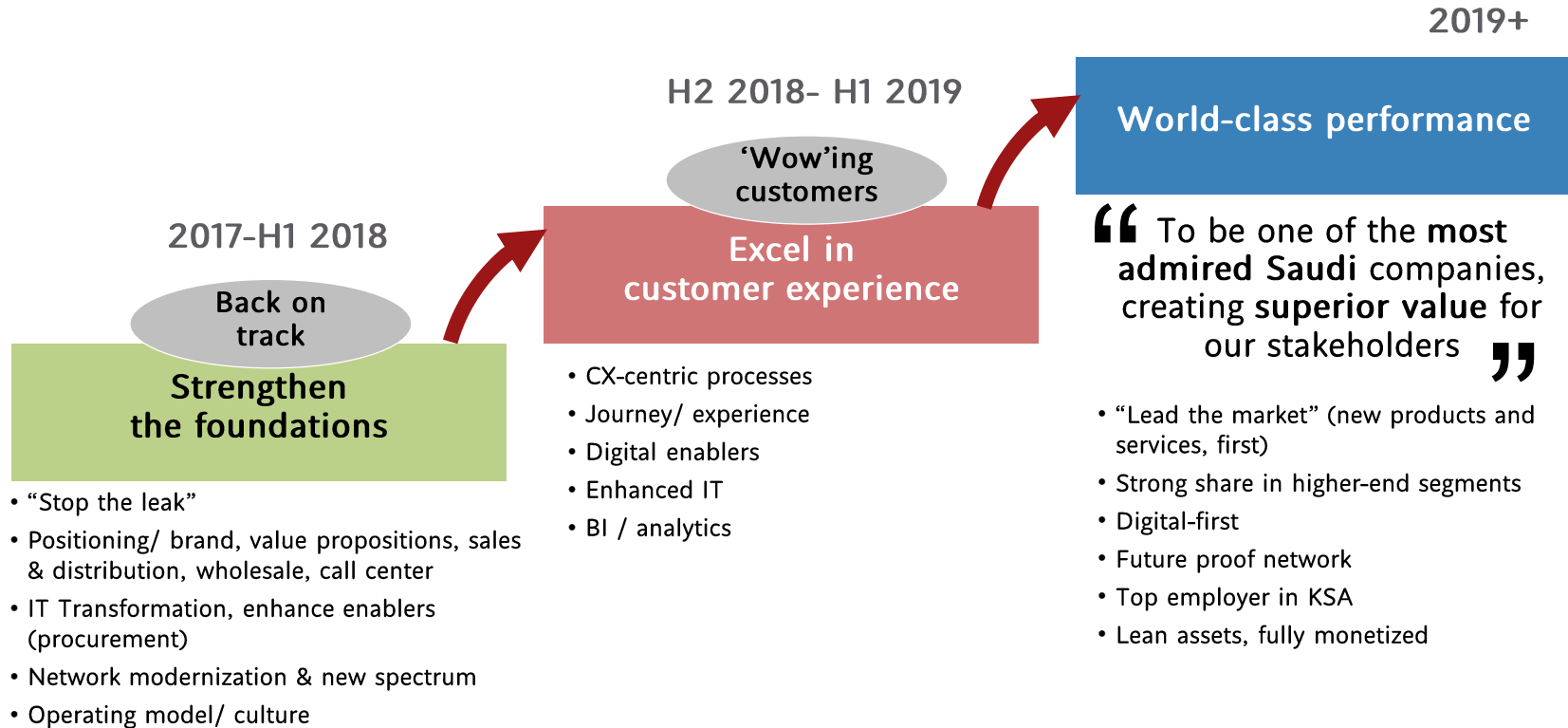
Performance Highlights

- The RISE turnaround strategy is yielding steady strong results: Mobily is on the right trajectory.
- Consistent strong performance:
 - 5th consecutive QoQ quarterly revenue growth
 - 3rd consecutive YoY quarterly revenue growth
 - 6th consecutive QoQ quarterly EBITDA growth, highest yearly EBITDA since 2013
 - 8th consecutive quarter of net debt reduction
 - 4th consecutive quarter of net result enhancement
 - Highest cash flow since 2011
 - Lowest net debt since 2012.
- Top line marked steady growth due to:
 - Price rationalization
 - Strong data and FTTH performance
 - Business segment market a strong performance especially in the government sector.
- Strong cash-flow generation and deleveraging: 2.1 BSAR of free cash flow, net debt reduction by 1.4 BSAR in 2018, net debt/EBITDA below 2.5 times, its lowest level since 2016.

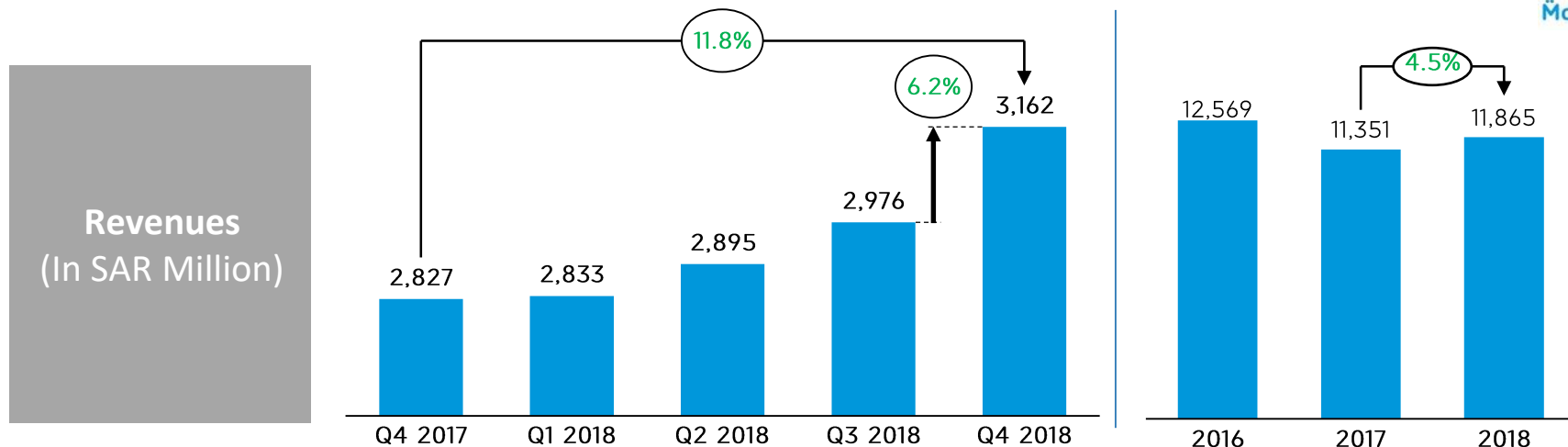
Major Highlights | Turnaround Delivering Sustainable Results



Strategy | 2018: The Year of Fixing the Foundations



Key Financial Highlights | Recovery of Annual Revenue Growth

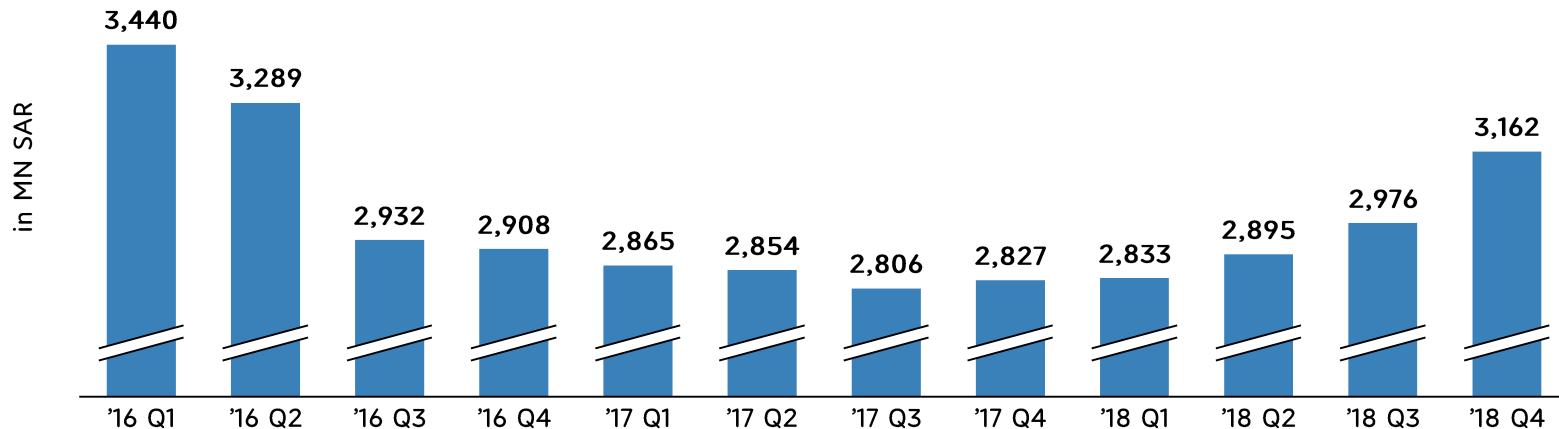


- Mobily continued to grow its quarterly revenues in Q4 2018 QoQ (6.2%) and YoY (11.8%)
- Mobily recorded its first year of growth in annual revenues since 2015: 4.5% (6.5%) without MTR impact
- Revenue growth is driven by the following:
 - Continued growth of subscribers base and improvement of subscribers mix
 - Continued growth in data revenues
 - Continued growth in business unit revenues
 - Continued growth in FTTH revenues

Key Financial Highlights | Regular Growth of Quarterly Revenues Since Q4-17

Revenues

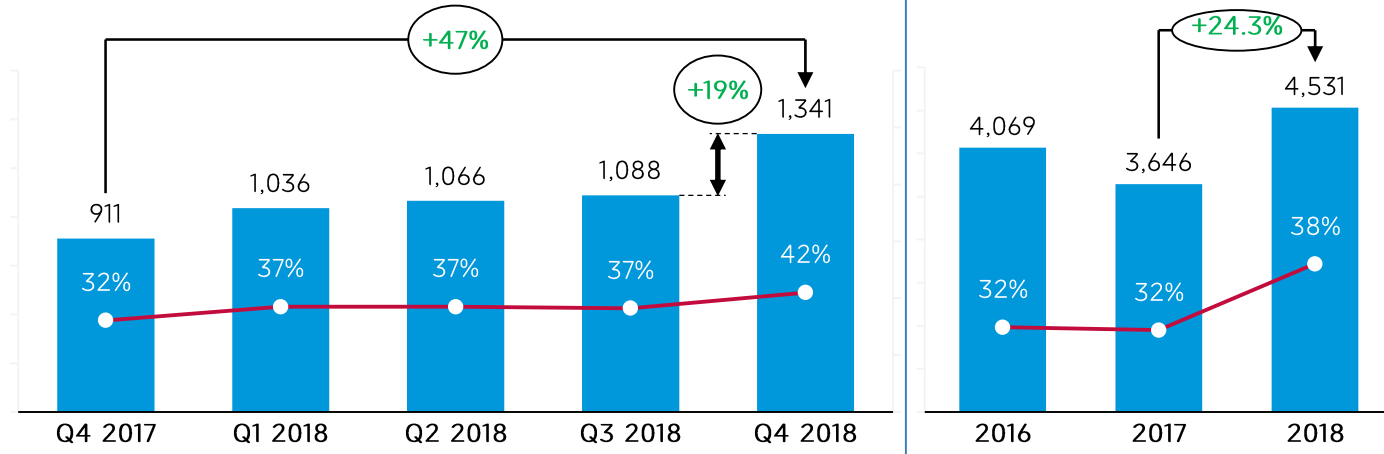
Δ QoQ	-4.4%	-10.9%	-0.8%	-1.5%	-0.4%	-1.7%	0.7%	0.2%	2.2%	2.8%	6.2%
Δ YoY				-16.7%	-13.2%	-4.3%	-2.8%	-1.1%	1.4%	6.1%	11.8%



QoQ: Quarter on Quarter, YoY: Year on Year

Key Financial Highlights | Highest EBITDA Since 2013

**EBITDA and
EBITDA Margin**
(In SAR Million)



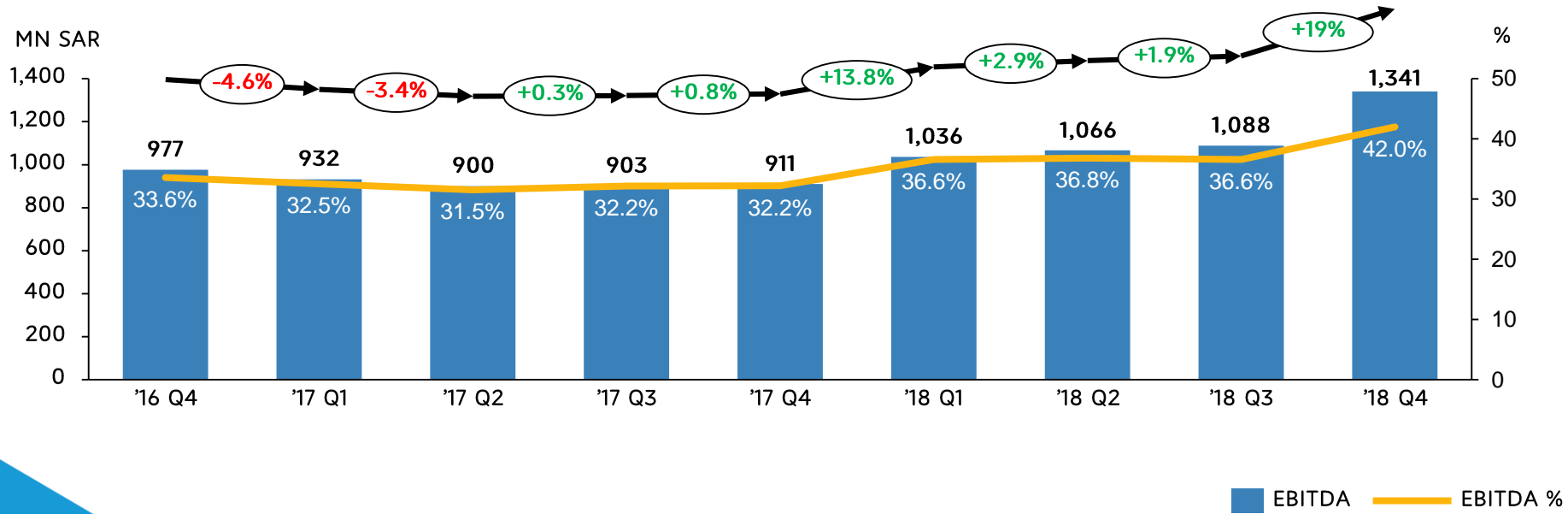
Q4 2018 EBITDA increased by 19% QoQ and 47% YoY to reach 1,341 MSAR (42% EBITDA margin)

2018 EBITDA increased by 24.3% reaching the highest EBITDA since 2013 (EBITDA margin 38%)

This is mainly due to the followings:

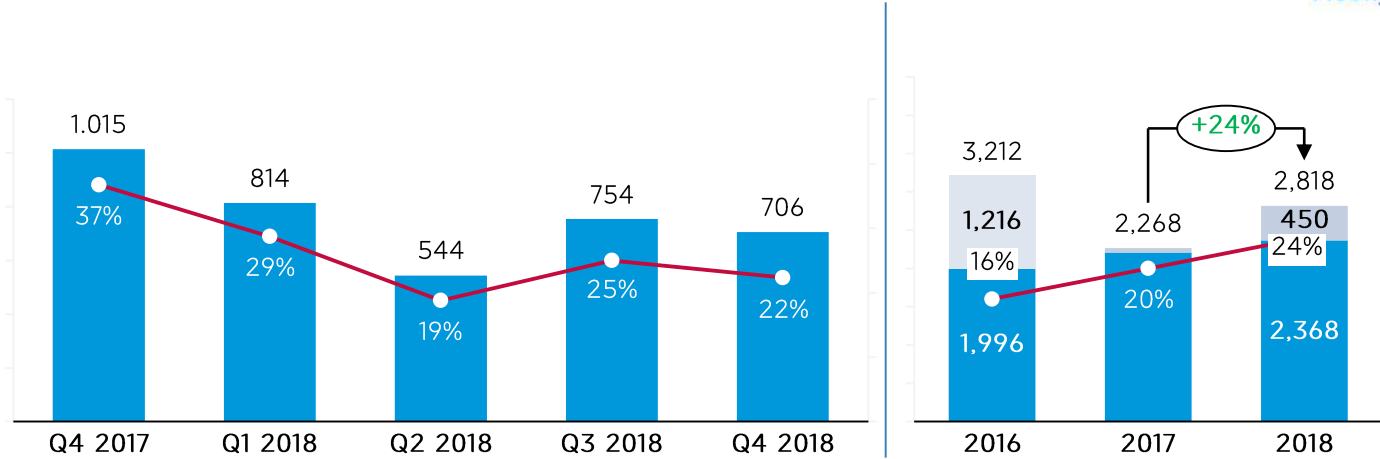
- Topline performance improvement
- Continuous efficiency in managing the operational expenses.
- The impact of implementing IFRS 9 and 15.
- The reversal of provisions related to government fees which exceeded the negative impact resulting from the new governmental fee regime.

Key Financial Highlights | Growth of quarterly EBITDA for the 6th Consecutive Quarter and Highest EBITDA Since 2013



Key Financial Highlights | Deployment of Intensive Capital Program

CAPEX/ CAPEX to revenues %
(In SAR Million)

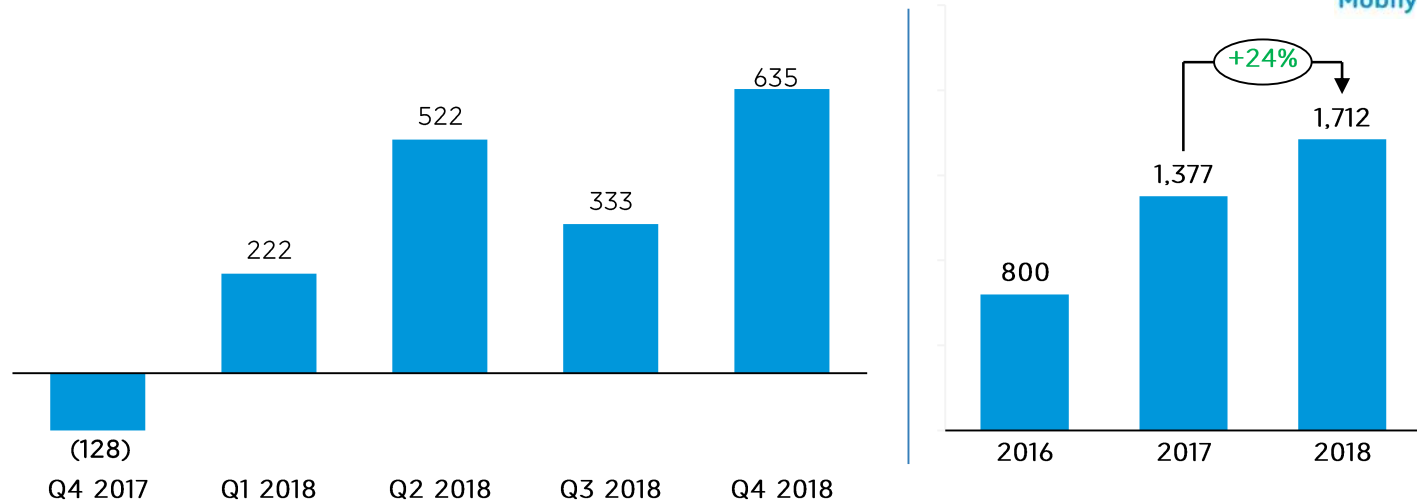


- Mobily continues the deployment of its modernization program to cope with the growth in data traffic and improve its customer experience
- Mobily acquired also in 2018 10 MHz block in the 1800 MHz and the 800 MHz bands
- Capex intensity (Capex to revenues) at 20% excluding spectrum and 23.8% including spectrum reflects the company commitment to its customers and the continuous improvement of quality of service

— CAPEX/Revenues% Spectrum capitalization
 CAPEX Capitalization from prior years

Key Financial Highlights | Highest Operational Cash Flow Since 2011

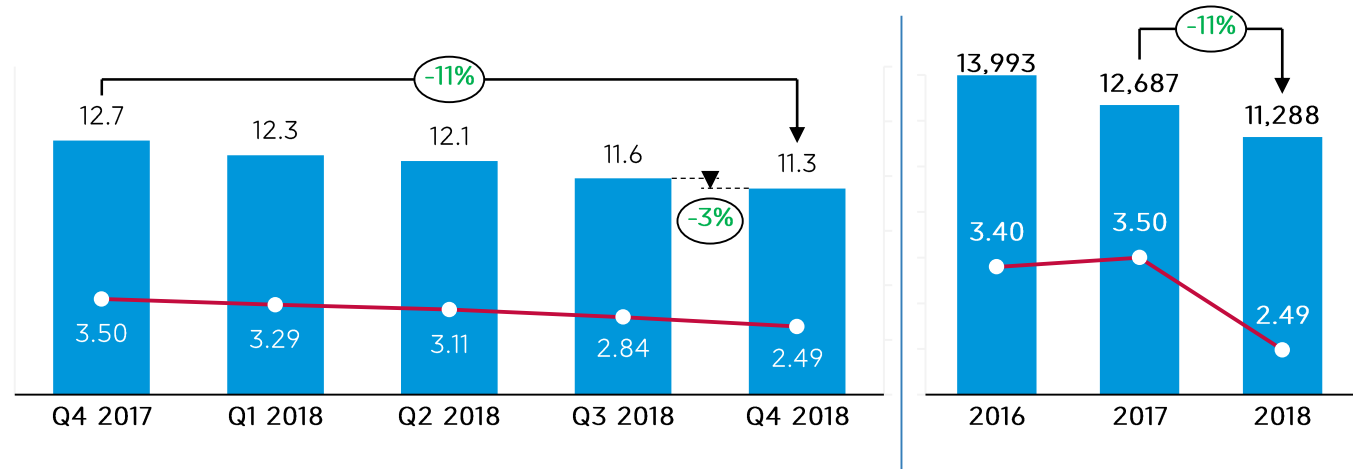
Operational Cash Flow (EBITDA – CAPEX)
(In SAR Million)



- Mobily continues to deliver consistently strong cash flow
- 2018 Operational cash flow reached 1.7 BSAR one of the highest during the last years reflecting the focus of the company on generating cash

Key Financial Highlights | Lowest Net Debt Since 2012

Net Debt and Net Debt/EBITDA
(In SAR Million)

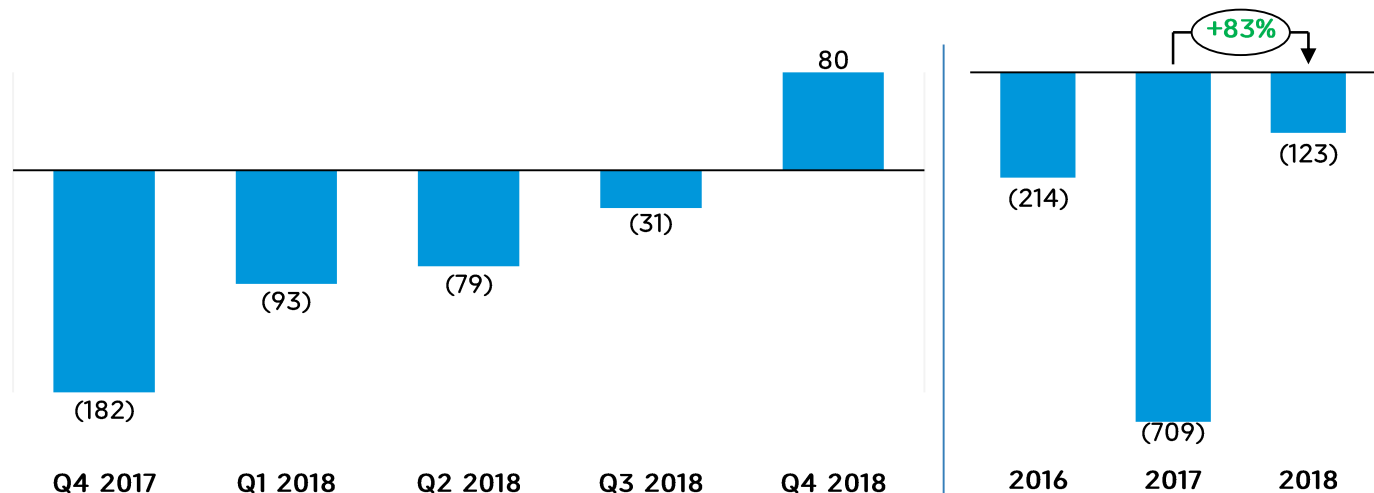


- 2018 marks the year where Mobily brings its Net Debt to EBITDA below the symbolic 2.5 times threshold.
- During the last two years Mobily has reduced its net debt by SAR 2.7 billion and in 2018 Mobily successfully reduced its net debt by SAR 1.4 billion

— Net Debt/EBITDA ■ Net Debt

Key Financial Highlights | Net Loss Turnaround

Net Income
(In SAR Million)



- Mobily succeeded in reducing its net losses by 82.7% at the end of 2018, where the net loss at the end of 2018 amounted to SAR 123 million versus net loss of SAR 709 million at the end of 2017.
- Mobily succeeded in reaching a positive net profit for the first time since Q2 2016 where Q4 2018 net profit reached SAR 80 million versus losses at SAR 182 million in Q4 2017 and versus losses at SAR 31 million in Q3 2018.

Q & A

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