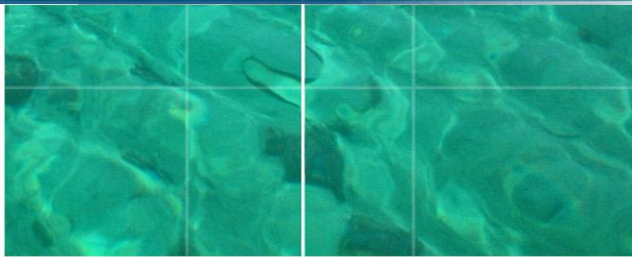


عمانتل  
Omantel

Transaction Presentation

13 November 2017



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No statement in the Document is intended to constitute a profit forecast for any period and no statement should be interpreted to mean that earnings or earnings per share will necessarily be greater or lesser than those for the relevant preceding financial periods for Omantel as appropriate.

# Omantel presenters



**Martial Caratti**  
Chief Financial Officer



**Gopinath Menon**  
General Manager, Strategic  
Finance



# The creation of a new regional leading digital powerhouse...

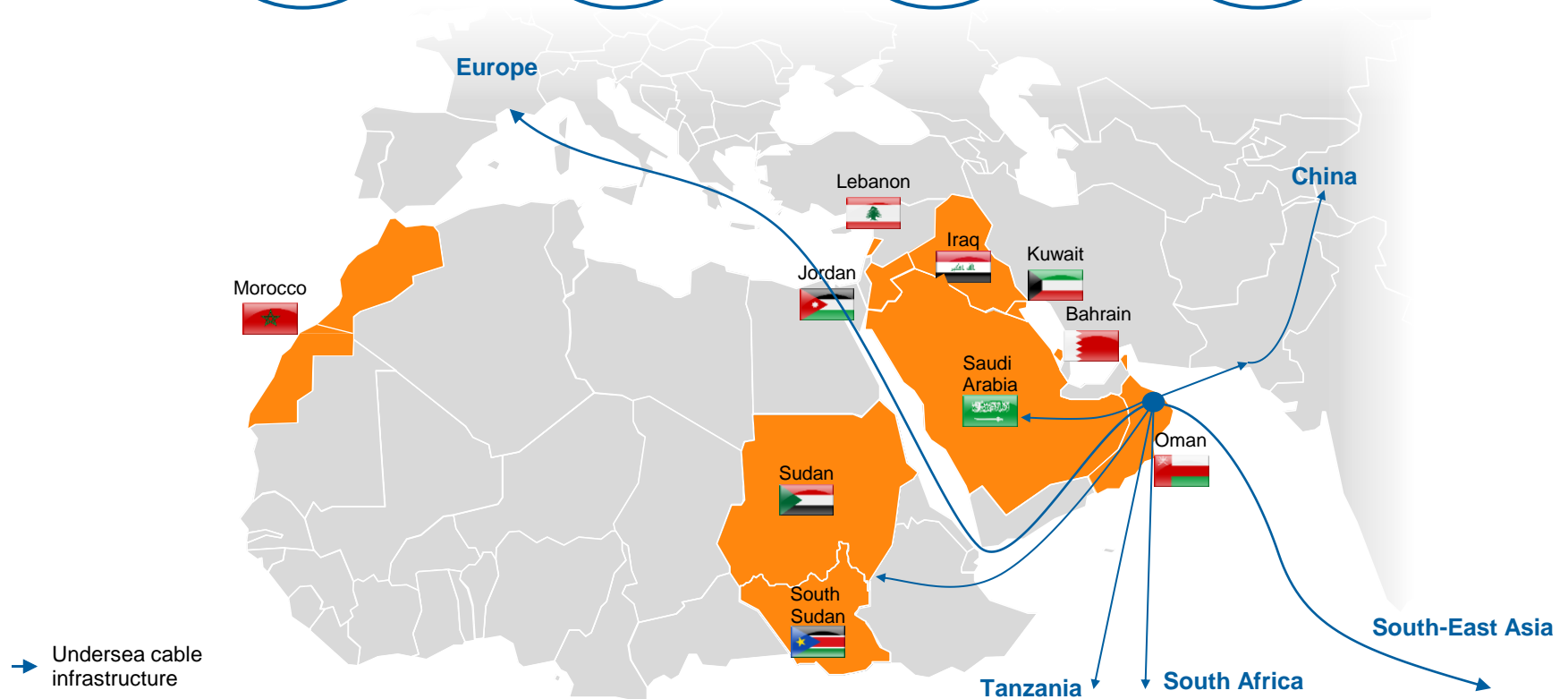
Access to 175m people across 10 markets

**Subscribers**  
11x  
to  
52m

**Revenue**  
4x  
to  
RO1.9bn

**EBITDA**  
4x  
to  
RO0.9bn

**Net income**  
3x  
to  
RO0.3bn



Note: Pro-forma 2016 Omantel consolidated KPIs and financials including Zain, EBITDA post royalty.  
37.1%-owned Zain KSA and 15.5%-owned Inwi are accounted for as equity investment.  
Zain customers include the following countries: Lebanon, Jordan, Sudan, South Sudan, Iraq, Kuwait, Bahrain and Saudi Arabia. Excludes Morocco.  
Population is based on IMF data as of 2016 and includes the following countries: Oman, Lebanon, Jordan, Sudan, South Sudan, Iraq, Kuwait, Bahrain, Saudi Arabia and Morocco.

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# ...through a Transformational Transaction

**\$2.2bn**  
fully debt financed  
transaction

**US\$846m**  
cash injected into Zain

**5 out of 8**  
Board seats

**21.9%**  
economic stake

**KWD 0.70**  
blended offer price per  
share

**Q4 '17**  
consolidation of  
financials

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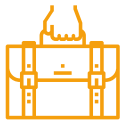


- ✓ **Leading** MENA telecom operator
- ✓ **Balanced** portfolio of growth and cash generative assets
- ✓ **Complementary** geographic footprint
- ✓ **Unique** convergence of management expertise and skillset
- ✓ **Significant** synergy potential

# Bringing together a unique portfolio of leading Telecom operators with complementary features...

#1

in 6 out of 10 markets



Balanced and diversified portfolio



Strong brand presence and recognition



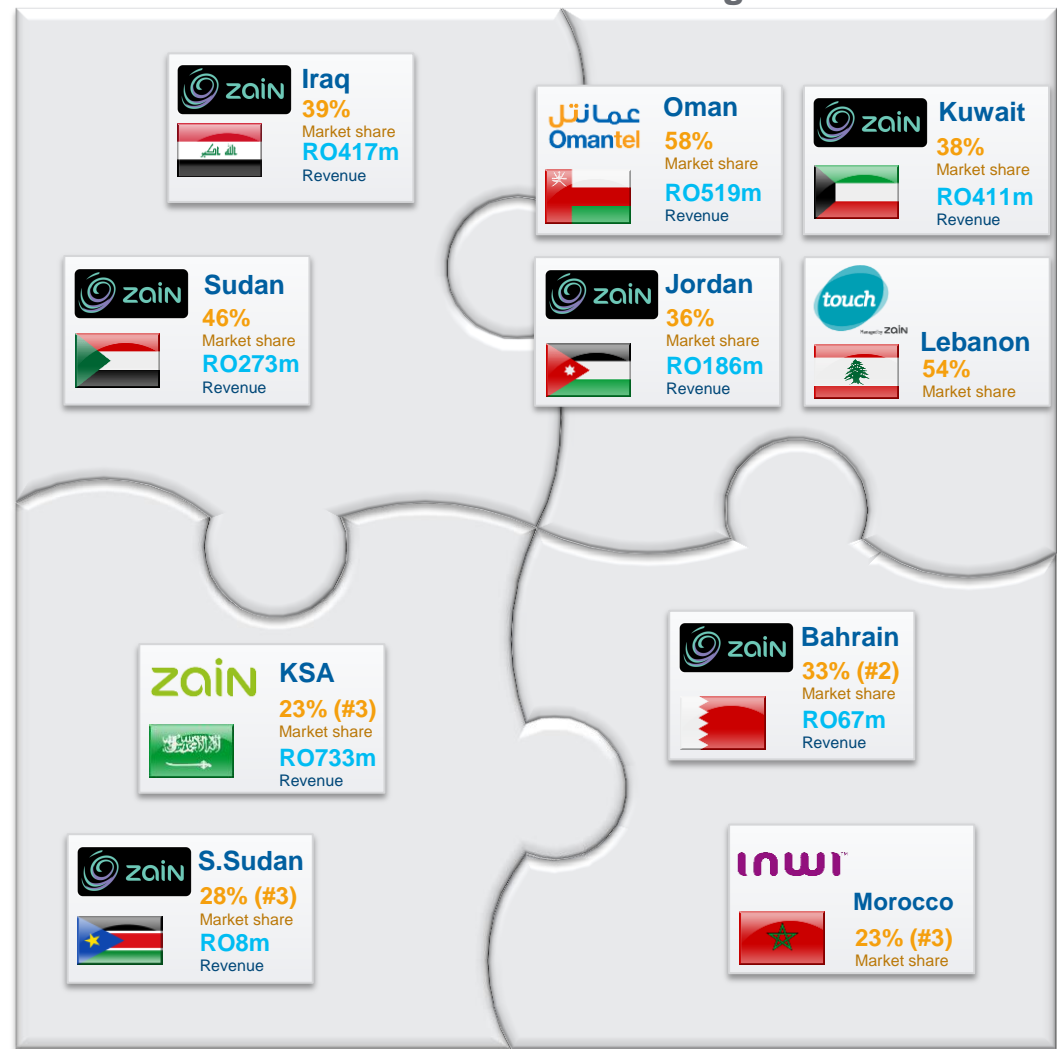
Strategic synergetic fit

#1 in the market

#2 or 3 in the market

Growth driven

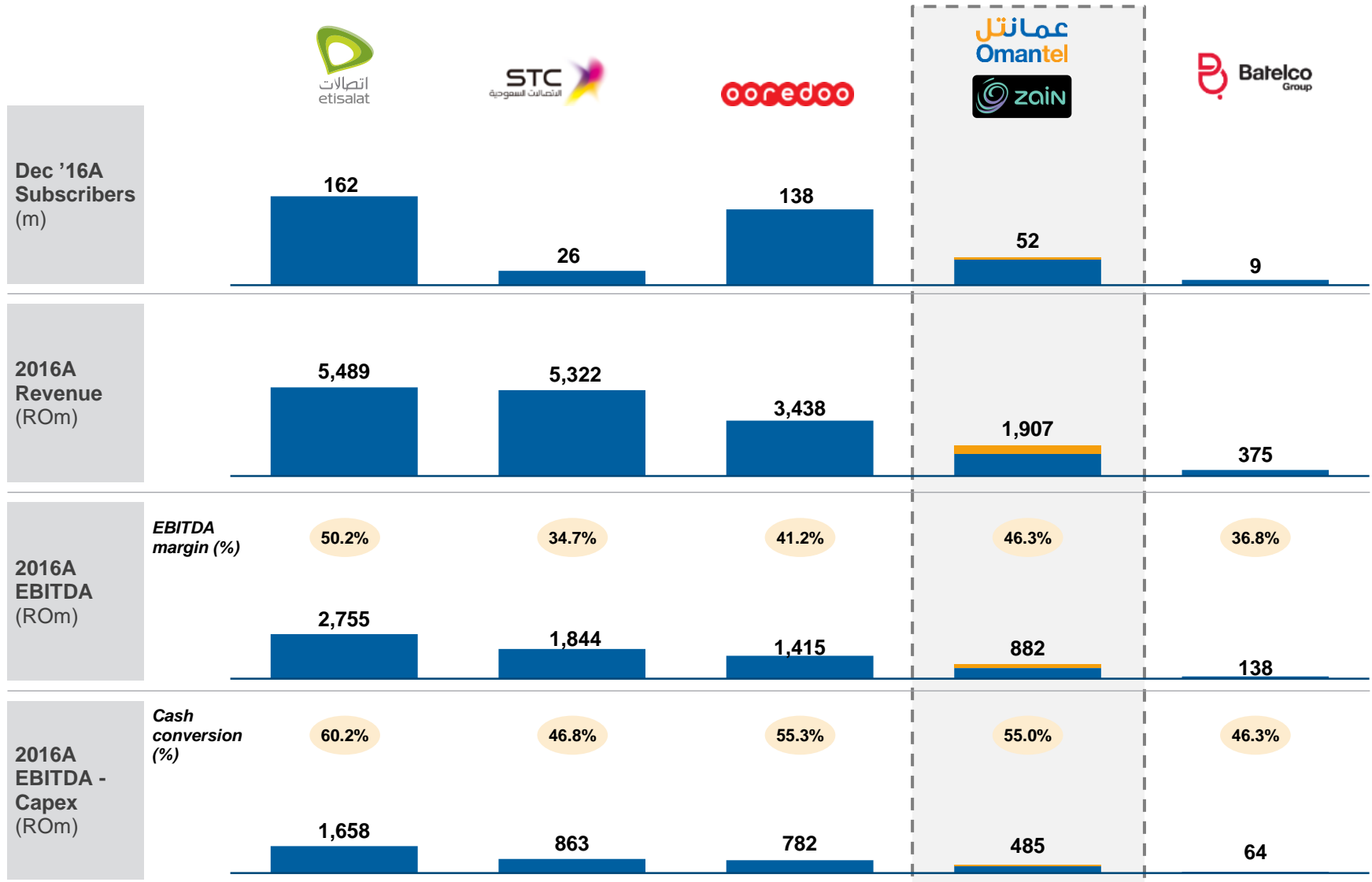
Cash generation driven



Source: Company information, Telegeography.

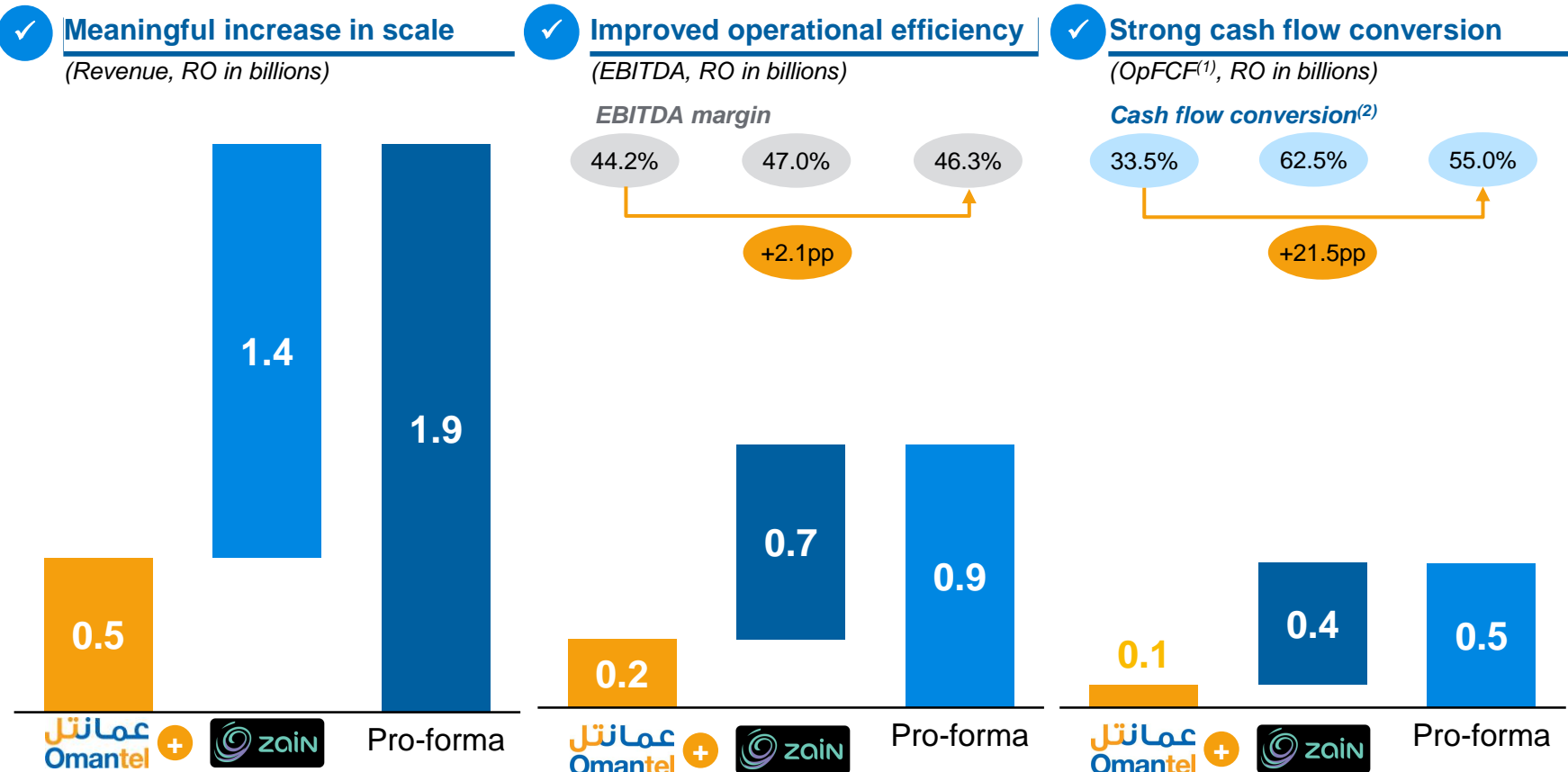
Note: OMR/USD exchange rate of 2.597.  
2016A revenues.

# ...Propelling Omantel in the Major League



Note: Pro-forma 2016 Omantel consolidated KPIs and financials including Zain, EBITDA post royalty. KSA (37.1%) and INWI (15.5%) are not consolidated and accounted for as equity investments.  
 Zain subscribers include the following countries: Lebanon, Jordan, Sudan, South Sudan, Iraq, Kuwait, Bahrain and Saudi Arabia. Excludes Morocco.  
 OMR/USD exchange rate of 2.597.

# Enhanced financial profile characterised by strong cash flow generation



**Strong cash flow generation to support healthy balance between deleveraging and return to shareholders**

Note: Pro-forma 2016 Omantel consolidated financials including Zain (excludes KSA and Morocco), EBITDA post royalty.

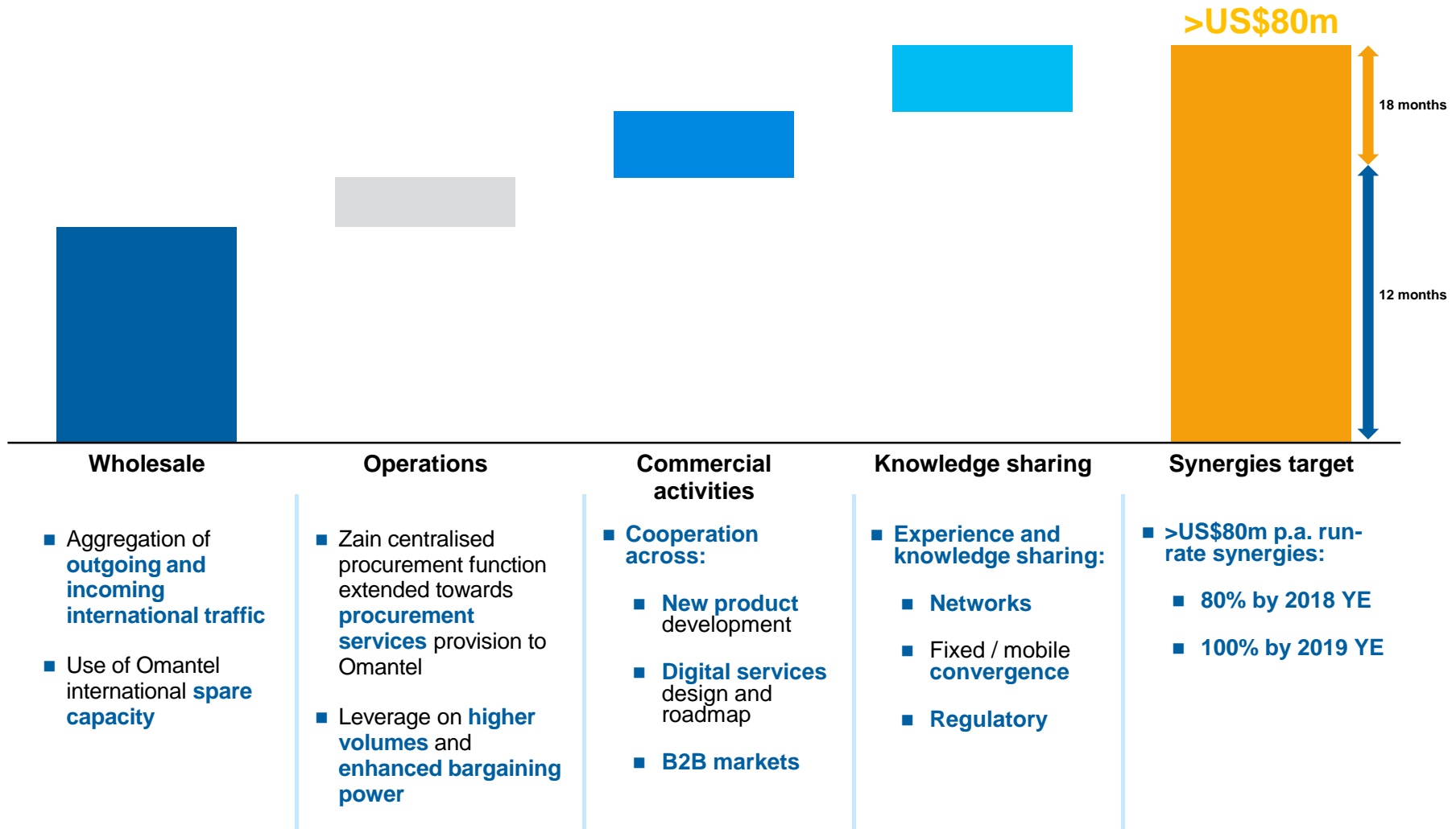
OMR/USD exchange rate of 2.597.

(1) Defined as (EBITDA - Capex).

(2) Defined as (EBITDA - Capex) / EBITDA.

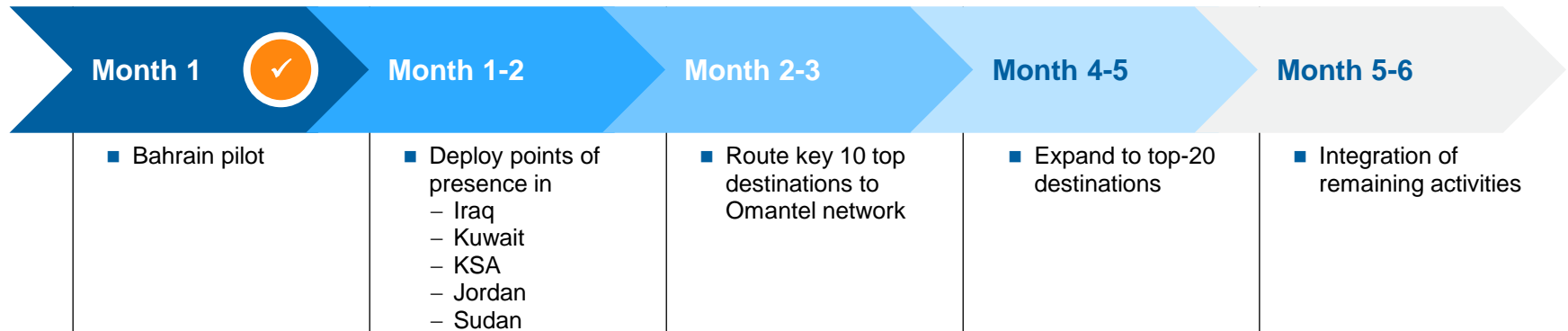


# We are geared-up to ensure timely synergies realisation...



# ...with Bahrain synergy pilot on track and other countries to follow

- Efficient management of **international voice and internet traffic**
- **Other countries of operations** will be added within the **next 12 months**
- **Operational and commercial synergies** will be examined and detailed out



# New organisation to support value creation

## New Board composition

- **Five Omantel board representatives, of which one already appointed in September**
  - Giving Omantel control of the Board of Directors of Zain as well as financial consolidation

## Integrated management structure

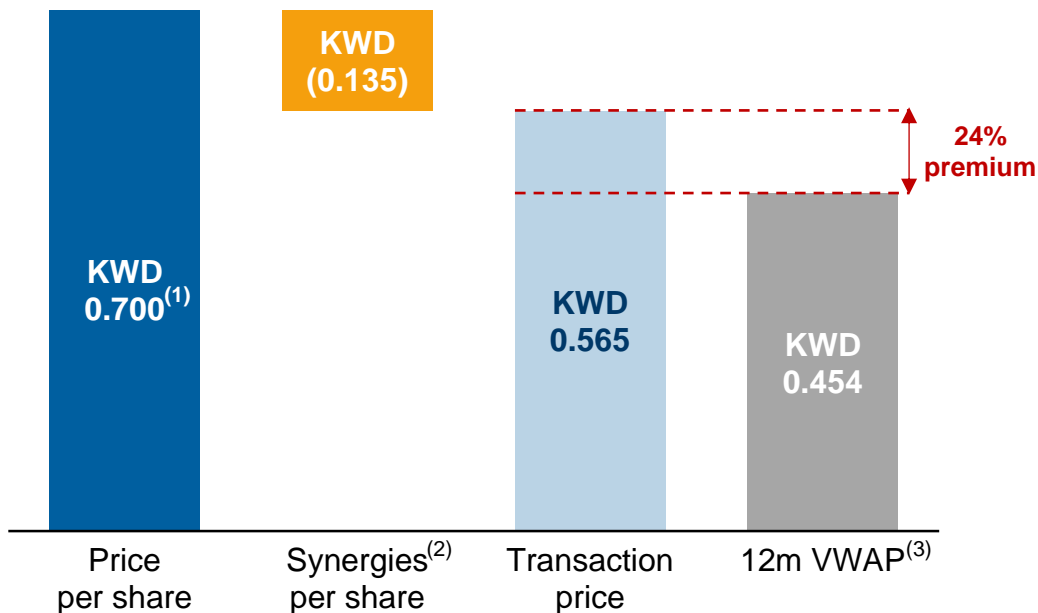
- **Maintain Zain current corporate organisation**
- **Enhance coordination** between Zain and Omantel

## Implementation of synergies

- **Adequate structures** to secure a **successful integration** and ensure **timely synergies delivery**
- **Synergy integration committee** facilitating cooperation between Omantel and Zain management

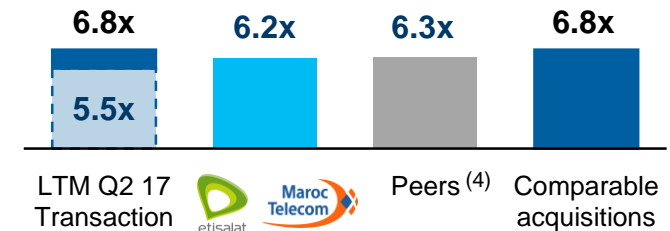
# Economics supported by Board control and strong synergies potential

## Price per Zain share

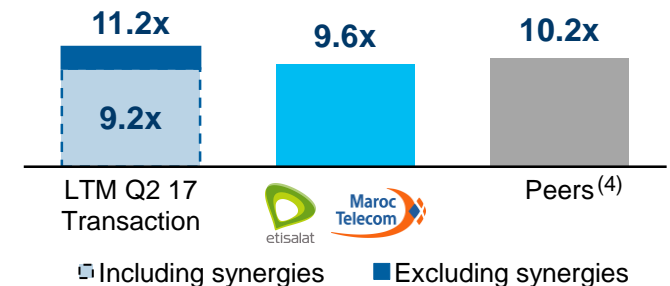


- Pro-forma for synergies 50% share, price paid per share equates to KWD0.565
- Implies 24% premium over 12-month VWAP, reflecting control

## EV / EBITDA



## EV / (EBITDA – Capex)



- Transaction implies 5.5x EV/LTM Q2 17 EBITDA 2017 multiple (6.8x excluding synergies)

Note: EBITDA post royalty.

(1) Blended price per share assuming acquisition of total 948m shares for the total consideration of KWD 664m.

(2) Estimated by taking 50% of run-rate synergies value capitalised at peer EV / (2017E EBITDA-Capex) multiple of 10.8x per 948m shares acquired.

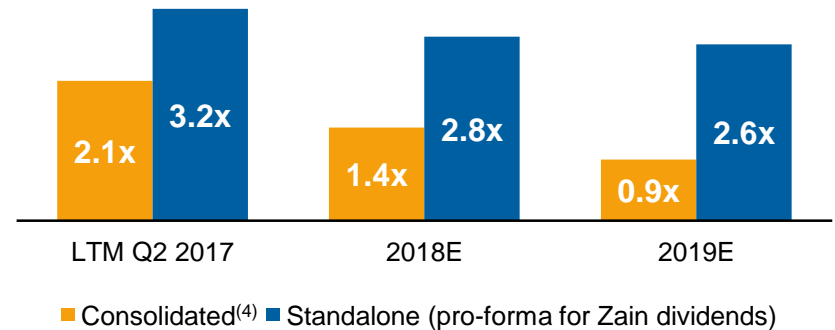
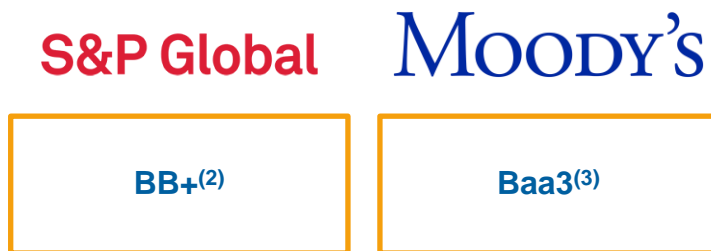
(3) 12-month VWAP prior to the announcement on 26 October 2017.

(4) Peers trading median as of 7 November 2017. Peers include Emirates Telecommunications, Mobily, Ooredoo and STC for EV / 2017E EBITDA multiples. Peers include Emirates Telecommunications, Ooredoo and STC for EV / (2017E EBITDA – Capex) multiples.

# Optimised financing structure



- ✓ **Ratings maintained**
- ✓ **Fast deleveraging (including synergies)**

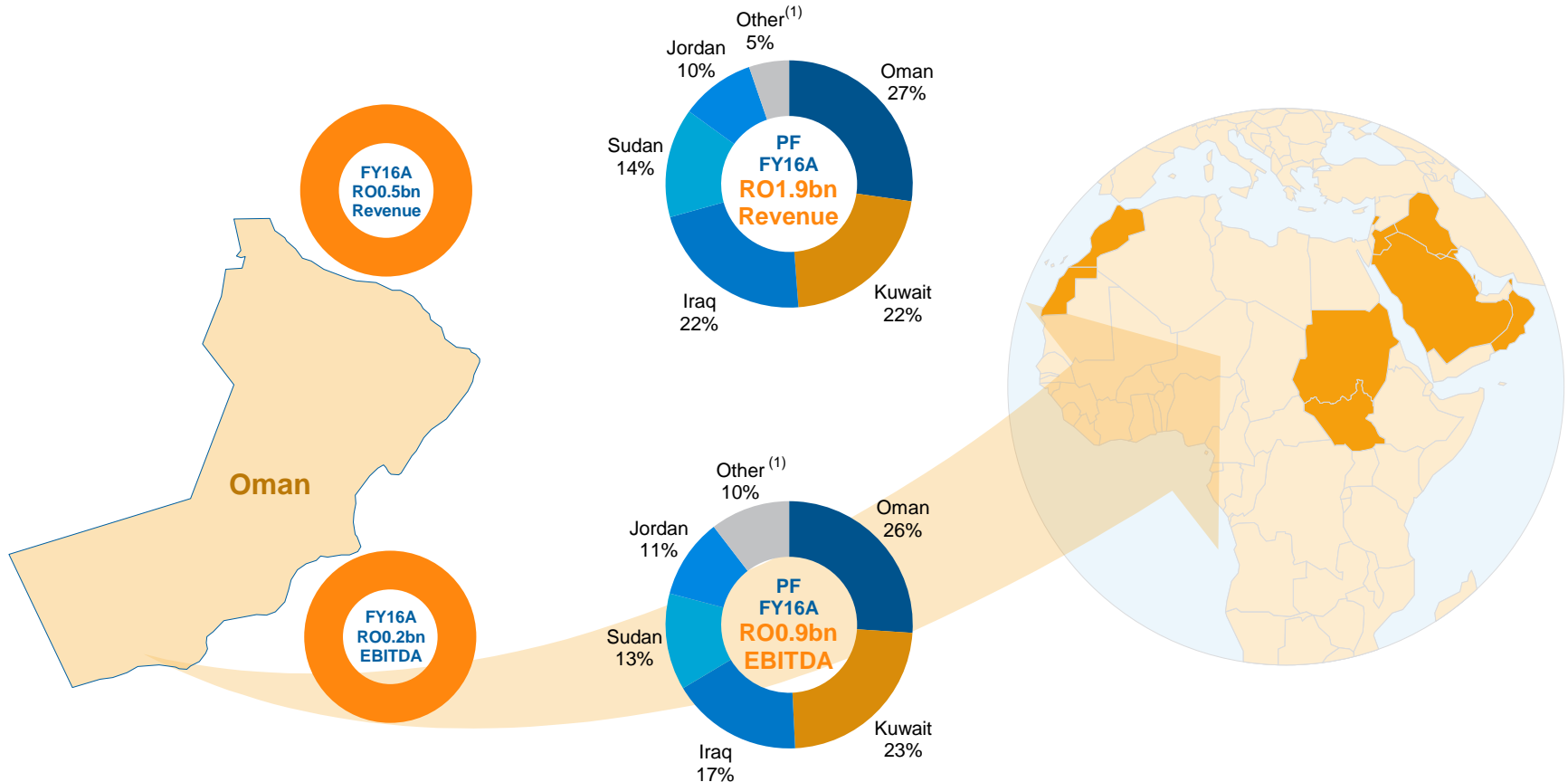


(1) Financing amounts to \$2.25bn including transaction costs.  
 (2) S&P update, November 1<sup>st</sup> 2017.  
 (3) Moody's Rating Action, October 31<sup>st</sup> 2017.  
 (4) Based on full consolidation of Zain Group and taking into account synergies, EBITDA post royalty. Zain KSA and Inwi accounted for as equity investments.



# Transformation into a leading regional operator

## From a single country incumbent to a major MENA operator



Note: Omantel financials reflecting Parent company financials. EBITDA post royalty. KSA (37.1%) and Morocco (15.5%) are not consolidated and accounted for as equity investments. OMR/USD exchange rate of 2.597.

(1) Other includes Bahrain, Lebanon, South Sudan and Zain HQ.

Q&A