From 4SIGHT to 4WARD: Accelerating the company's evolution to TechCo

Zain is firmly committed to driving profitable, sustainable growth while creating value for all stakeholders. To achieve this, the Board and executive management implement forward-looking strategies to accelerate the evolution of digital ecosystems across its operations.

2019:

Zain launched its 4SIGHT corporate strategy in 2019, successfully achieving its goal over the past five years of transforming the company into a diverse digital services provider for consumers, governments, and businesses. The 4SIGHT strategy was built on two key strategic directions—Evolution of Telco and Growth Verticals—each supported by four fundamental pillars.

2025:

In December 2024, the company's leadership introduced the new '4WARD' corporate strategy, aimed at fast-tracking its transformation into a purpose-driven TechCo conglomerate.

Evolution of Telco

1. Digital Transformation

Zain has devised a comprehensive digital transformation framework that places customers at the center of everything we do. This framework focuses on developing relevant products that meet customer needs, investing in technology to support these innovations, and ensuring we have the right people in place to deliver on this vision.

Data plays a crucial role, allowing us to gain deeper insights into our customers and make informed decisions that enhance their experience. Additionally, we have implemented a communication strategy to effectively convey our promise to customers, ensuring alignment and engagement across all touchpoints.

Through this framework, we aim to exceed customer expectations, creating a dynamic digital ecosystem that supports our vision of growth and leadership in the digital space.

In 2024, Zain Group continued to drive digital transformation across its operations, further strengthening its commitment to innovation and technology leadership. The Group is committed to continuously enhance its digital capabilities, embracing modern technologies, and optimized processes to deliver enhanced value, supporting its vision for a fully integrated digital ecosystem that meets the evolving needs of all stakeholders. Zain believes that data is the ultimate enabler for AI, and is therefore focused on embracing a data-driven approach. This involves recognizing data as a key asset, adopting data management best practices to maximize its value, and fostering a culture of data literacy and analytical capability throughout our operations.

2. Enterprise and Government

Zain is dedicated to collaborating with organizations and governments to deliver essential connectivity and cutting-edge solutions that fuel business growth. Through close collaboration with ZainTECH, Zain's digital solutions provider, our B2B teams design and implement tailored, state-of-the-art solutions for both public and private sectors. This collaboration drives market development and enables cross-selling of advanced ICT services, setting Zain apart in the regional enterprise market. Additionally, Zain empowers smaller businesses by providing access to resources and services they need to thrive.

3. Fixed Connectivity

Zain is dedicated to driving digital transformation across societies by providing high-quality, secure broadband connectivity, serving as a catalyst for enhanced information access, education, healthcare, smart cities, and overall economic growth. Through its extensive fiber and 4G/5G networks, Zain ensures reliable fixed connectivity for both residential and business customers, including those in underserved areas, thereby bridging the digital divide. This approach fosters significant socio-economic benefits, such as improved educational, healthcare and smart city outcomes, greater digital inclusion, and expanded economic opportunities. By leveraging advanced technologies like 5G, 4G, and (FTTH), Zain continues to empower communities and drive sustainable development across its markets.

4. Portfolio Optimization

Zain Group continued its disciplined mergers and acquisition (M&A) approach and successfully concluded the acquisition of STS Arabia in 2024. This strategic move enables ZainTECH to expand its service offerings to enterprises and governmental bodies, access top talent, foster innovation, and enhance its competitive position across the region.

Additionally, the Group entered a landmark agreement with TASC and Ooredoo Group for the merging of up to 30,000 towers in Qatar, Kuwait, Jordan, Iraq, Algeria, and Tunisia, a pivotal step towards creating the largest towerco in the region. The operating model will provide passive infrastructure as a service, supporting the reduction of MENA's carbon footprint. This new joint venture advances Zain's vision of a MENA-wide towerco, focused on evolving into a smart telco and creating a value-focused portfolio by generating significant value and capital efficiencies that will empower the MENA's digital future.

Growth Verticals

1. ICT

ZainTECH, the digital solutions provider of Zain Group, offers comprehensive AI-powered services to accelerate growth for enterprises through monetization of data and digital assets in a sustainable manner. A competitive advantage for ZainTECH is the depth and breadth of its operations and solutions, which now span eight markets in the Middle East and Africa, and cover the entire ICT stack including cloud, cybersecurity, big data, IoT, AI, smart cities, modern infrastructure, drones and robotics, enterprise licensing, and emerging technologies, all under one roof.

In March 2024, ZainTECH announced during its participation at LEAP, the opening of its offices in Riyadh, strengthening its presence in Saudi Arabia. This expansion supports the Kingdom's Vision 2030 and highlights Zain Group's commitment to investing in technology and local talent.

In October 2024, ZainTECH showcased its AI-driven enterprise and sustainability solutions at GITEX Global, emphasizing how enterprises can achieve efficient and impactful returns from technology investment. During the event, ZainTECH entered into a series of significant technology agreements with leading regional and global entities, reflecting the company's commitment to enhancing its sustainability-focused service offerings and driving innovation The booth, designed with recycled materials, underscored the company's focus on sustainable practices and attracted significant interest.

2. Digital Infrastructure

Zain's partnership with TASC has newfound success with the inking of the latest TASC deal with Ooredoo Group, for up to 30,000 towers, which is set to close once regulatory approvals are received. The new towerco JV will be the largest in the region.

The JV will act as a platform where additional operators will be able to join, allowing the partners to unlock significant savings through realizing region-wide economies of scale, and consolidation of overlapping portfolios as well as investment in modern passive network infrastructure.

TASC activities have already had an impact on operations, both from an efficiency standpoint, as well as from a sustainability perspective. Building on its proof of concept activities from 2023, which yielded significant positive results, TASC has invested in a Power Train system upgrade, deploying more efficient and climate-friendly power generation solutions, including sustainable energy solutions such as solar. TASC also invested in upgrading the existing lead acid batteries into more efficient Lithium-Ion (LI) batteries as well as adopting an LI hybrid solution that is projected to drive significant diesel consumption reduction and reduce CO_2 emissions throughout the TASC network.

TASC has also marked success in acquiring new customers and providing collocation services to other operators, which leads to network densification and reduced carbon emissions.

In the coming few years, TASC will continue to invest a significant amount on network modernization initiatives, like the ones mentioned above.

3. Zain Fintech

In 2024, Zain scaled its fintech activities by expanding its suite of digital financial services, contributing to the evolution of the region's digital ecosystem. Leveraging the innovative products and services developed by FOO, a fintech solutions subsidiary of Zain Group, the telco continues to foster innovations within the fintech space. This is achieved through Tamam in Saudi Arabia, Zain Cash in Iraq and Jordan, Bede in Bahrain, and with the expected rollout of Bede in Kuwait and Sudan in 2025. Financial inclusion is at the core of Zain's fintech activities, where we intend to offer financial services to everyone, particularly the large unbanked and underbanked population in our region.

In Saudi Arabia, as a fast growing micro-lending platform, Tamam offers an end-to-end digital platform disbursing Murabaha financing within minutes. It expanded its offering to services such as digital installments with large and independent retailers, embedded finance through retail partnerships (Samsung), and targeted large employers with secured and easy HR-free approval loans.

In Iraq, Zain Cash continues to be the market leader, providing a variety of financial services to the population where it is estimated that 81% of the population are unbanked. The launch of international remittances in collaboration with Western Union was a major success, and security onboarding and transactional measures were increased using 3D Liveness Check technology for facial verification. We have also launched a pilot for virtual credit cards, allowing people to shop online without the need for a bank account.

In Jordan, Zain Cash is the market leader, controlling over 40% of digital payments in the market. The new app elevated customer experience, introducing new features such as cashbacks and other digital services. The credit card business has also expanded, filling a large gap present in the market. We are currently focused on unlocking new possibilities for corporate and small, medium enterprises (SMEs).

In Bahrain, Bede successfully launched with a focus on micro lending. Only a few months old, the team is focused on enhancing the customer experience, gradually building the loan book, and introducing new services in line with the Central Bank of Bahrain regulations.

In Kuwait, Bookeey offers basic payment services. The platform is going through a major digital transformation and we expect to relaunch the business under the new brand name Bede in Q1'25.

In Sudan, following the restoration of the network, the fintech offering is being revised along with a new technical partner and platform architecture. New go-to-market plans and strategy have been prepared for the launch of Bede Sudan in H1'25, subject to the ongoing conflict in the country.

Growth Verticals

4. Digital Services

The company's focus on building innovative digital services to create opportunities that bridge the digital divide, ensure business continuity, and advance socioeconomic development saw substantial progress during 2024.

Zain Ventures

Zain Ventures spearheads Zain's investment portfolio, with the aim of diversifying the company's activities and leveraging future investment opportunities. Zain expanded its relationship with regional and international venture capital funds and continued to diversify its portfolio through direct investments, offering the investors access to Zain's wide geographical reach and expansive customer base.

In 2024, Zain Ventures invested in:

- **Kadmos Capital**: A London-based investment firm dedicated to discovering deeptech companies and impactful technologies in Europe
- **Articul8**: Offers enterprise customers a full-stack, vertically optimized and secure generative artificial intelligence software platform. The platform delivers AI capabilities that keep customer data, training, and inference within the enterprise security perimeter
- **Intelmatix**: A Saudi-based AI software startup focusing on Decision Intelligence, building the region's first accessible decision-focused platform available as SaaS for SMEs and enterprises
- **xAI**: An AI company founded by Elon Musk in March 2023 with a mission to "understand the true nature of the universe". The company collaborates closely with Musk's other ventures, in what is referred to as the Muskonomy. In November 2023, xAI introduced Grok, a conversational chatbot integrated with the X platform

Dizlee

Dizlee: A Single Digital Hub

Dizlee, the digital services hub of Zain, is at the forefront of innovation and centralization in the telecommunications industry. With its wide-reaching impact across Zain's operating companies and groundbreaking initiatives, Dizlee has transformed how digital services are delivered, creating a streamlined, unified core for all Zain operations across the region, including Omantel, paving the way for a future centered around digital efficiency, accessibility, and tailored solutions for businesses of all sizes. As a dynamic API Platform and digital monetization ecosystem, DIZLEE offers innovative entertainment and gaming solutions, direct operator billing, messaging, digital authentication.

By exposing its APIs through the Dizlee platform, Zain removes a significant barrier to the development of profitable digital partnerships from across the globe, enhancing the time-to-market rollout of appealing entertainment and gaming services to our customers. The API platform allows Zain customers to connect with various services such as entertainment, education, social networking, and health.

The centralization allows for the seamless management of over 213 live services from 44 partners, ranging from digital advertising to an expanding API marketplace. Since launch in mid-2018, over 240 million transactions have been processed over the platform, generating US$372 million in gross revenue, highlighting its role as a crucial pillar in Zain's digital strategy.

In Q2 2024, Dizlee launched the region's first API marketplace, establishing a pioneering hub for digital transformation across various industries. Focused initially on Communication Platform as a Service (CPaaS) solutions, the marketplace provides tailored services for sectors like delivery, fintech, and insurance, including features such as number masking, call recording, and location sharing. Distinct in its adaptability and customer-centric approach, Dizlee's API marketplace allows enterprises to seamlessly integrate digital services that align with evolving business needs. Beyond industry-focused solutions, Dizlee is committed to inclusivity, offering accessibility features like indoor navigation for visually impaired users. This marketplace is a growing ecosystem of partnerships that drive innovation and value across the region, positioning Dizlee as a leading force for collaboration and digital progress.

In 2024, the following services were added to Dizlee:

- **Pikaboo**: Our all-in-one new exciting children's entertainment experience for families
- **AI Avatar**: Allows the user to change their visual identity thanks to the apps' AI avatar generator
- **Diva**: A digital interactive virtual assistant on chat supported by a healthcare specialist, which offers guides on fitness and wellness.

More details of Dizlee's services can be found in 'Products and Services' section on page 68.

zain ESPORTS

Zain esports

Throughout the year, Zain esports maintained its focus on the youth segment, actively exploring new opportunities for various broadband services. Hosting numerous tournaments and engagement activities, Zain esports showcased its commitment to the gaming community and provided a platform to nurture e-gaming talent regionally. This included the selection of Arabic-speaking commentators and promotion of local esports teams, aiming to propel their profile globally.

- Zain esports partnered with Riot Games to conduct a MENA League of Legends Server launch event, conducted at 15 venues across eight countries in the ME region over two days. Zain esports participated in five of them in Kuwait, Saudi Arabia, Bahrain, Jordan, and Iraq. The event reached over 2 million gaming and esports enthusiasts through Zain esports social media channels of League of Legends Arabia, and over 20 influencers who participated in the events
- Zain esports activations restarted for 2024 with an inaugural FC24 (previously known as FIFA) activation in Kuwait
- Zain esports acquired Kuwait based Duwaween Games to launch a series of tournaments across its operating companies, with a focus on popular regional card games

41
Tournaments concluded

67.9K
Number of participants

70.3M
Social media impressions

207.1K
Follower count across social media platforms

818.3K
Viewership across the channels

4WARD - *Progress with Purpose*

4WARD is Zain's new five-year sustainable corporate strategy that focuses on continuity, acceleration, collaboration and digital innovation, and is designed to foster value creation by fast-tracking the company's evolution from a predominantly mobile centric operator into a purpose driven technology entity. Zain looks to maximize its full potential as a customer-centric, future-proof, and impactful leading regional TechCo conglomerate.

The new '4WARD'- *Progress with Purpose* strategy comprises of four primary forces, each with three accelerators (thus 12 key accelerators) that will further progress Zain from being a Telco to a TechCo, to meet the ever-growing demand for superior and dynamic consumer and enterprise services:

1. Customer Delight:

Exceeding customer expectations by placing them at the heart of everything Zain does, achieved through delivering superior fixed and mobile connectivity experiences for consumers, businesses, communities, and governments, thus enhancing Zain's position as a provider of choice for all

2. Digital Zain:

Elevating digital capabilities and innovation to drive expansion and growth through the further development of Fintech activities; artificial intelligence (AI) and emerging technologies; and building out digital infrastructure further

3. Purpose and Action:

Ensuring that Zain's actions align with meaningful impact and responsibility, through Sustainability, Inclusion, Diversity, Equity and other ESG initiatives that lead to systemic change

4. Collaborative Growth:

Empowerment of the company's talented workforce, and fostering a culture of collaboration and partnerships to unlock opportunities and synergies across Zain's ecosystem