



Ooredoo Group

Q1 2021 Results

April 2021



Disclaimer

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- Ooredoo Group management wishes to further caution the reader that forward-looking statements are not historical facts and are only estimates or predictions. Actual results may differ materially from those projected as a result of risks and uncertainties including, but not limited to:
 - Our ability to manage domestic and international growth and maintain a high level of customer service
 - Future sales growth
 - Market acceptance of our product and service offerings
 - Our ability to secure adequate financing or equity capital to fund our operations
 - Network expansion
 - Performance of our network and equipment
 - Our ability to enter into strategic alliances or transactions
 - Cooperation of incumbent local exchange carriers in provisioning lines and interconnecting our equipment
 - Regulatory approval processes
 - Changes in technology
 - Price competition
 - Other market conditions and associated risks
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Group Results

Key Highlights

Solid financial performance in challenging conditions



Marginal year-on-year revenue decline of 1% to QAR 7.2 billion in Q1 2021 due to a negative FX impact. Despite the COVID-19 pandemic **excluding FX impact, revenue increased by 1%**, mainly driven by growth in our home market Qatar and in Indonesia.



EBITDA increased by 6% year-on-year to QAR 3.2 billion in Q1 2021, as the company maintains its focus on digitalization and cost optimisation. EBITDA margin increased to 45% from 41% in Q1 2020, supported by margin expansion in Indonesia, Kuwait, Iraq and Myanmar. **Excluding FX impact EBITDA increased by 9%.**



Group **Net Profit attributable** to Ooredoo shareholders decreased by 50% year-on-year to QAR 193 million in Q1 2021 mainly due to Foreign Exchange impact coming from Myanmar with an FX Loss in Q1 2021 versus an FX Gain in Q1 2020. **Excluding the FX impact the Net Profit increased by 120%.**



Data revenues account for more than 55% of total Revenue driven by data leadership and digital transformation initiatives across our operations.



Indosat Ooredoo signed a sale and leaseback agreement with PT EPID Menara Asset Co. for more than 4,200 telecommunications towers. For approx. USD 750 million.

Ooredoo Group successfully priced its **USD one billion issuance of senior unsecured Reg S/Rule 144A notes**. Notes mature on 8 April 2031, coupon of 2.625% per year.

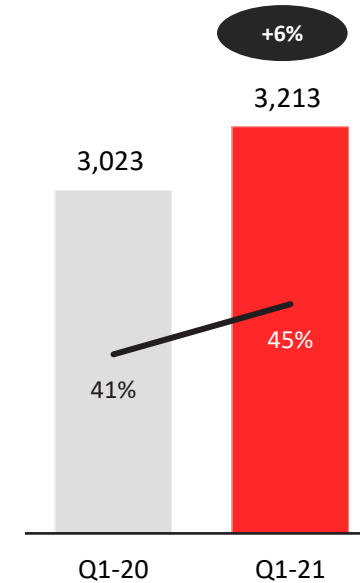
Group Results

Revenue and EBITDA

Revenue (QARm)

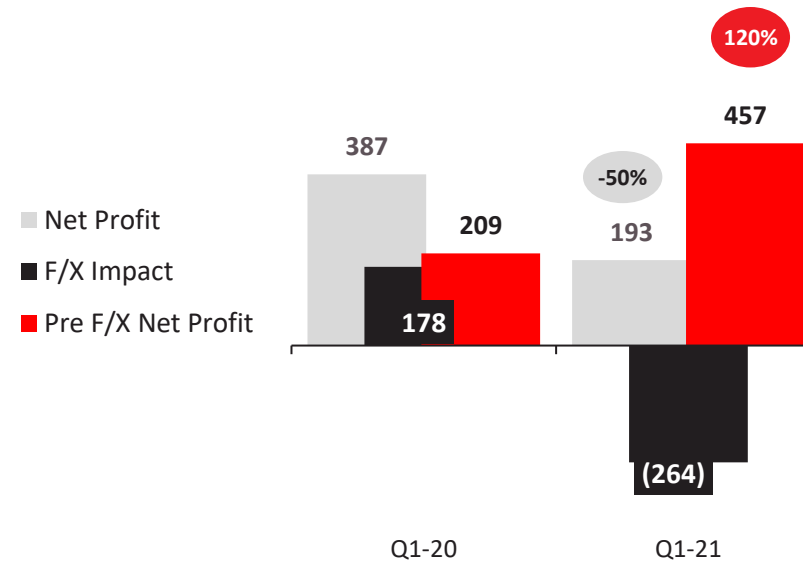


EBITDA (QARm) and EBITDA Margin



- Marginal year-on-year revenue decline of 1%, due to the COVID-19 pandemic impact and macroeconomic weakness in some markets, partially offset by growth in our home market in Qatar and in Indonesia. **Excluding FX impact Revenue increased by 1%**
- EBITDA margin increased to 45% in Q1 2021 from 41% in Q1 2020, supported by margin expansion in Indonesia, Kuwait, Iraq and Myanmar. 6% rise in EBITDA driven by focus on digitalization and cost optimisation. **Excluding FX impact EBITDA increased by 9%**, mainly due the weaker Iraqi and Algerian Dinar

Net Profit Attributable to Ooredoo shareholders (QARm)

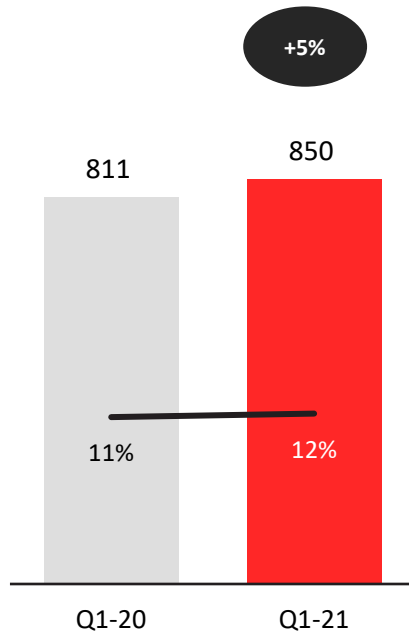


- Net Profit decreased by 50% year-on-year in Q1 2021 mainly due to Foreign Exchange impact coming from Myanmar with an FX Loss in Q1 2021 versus an FX Gain in Q1 2020. **Excluding the FX impact the Net Profit increased by 120%.**

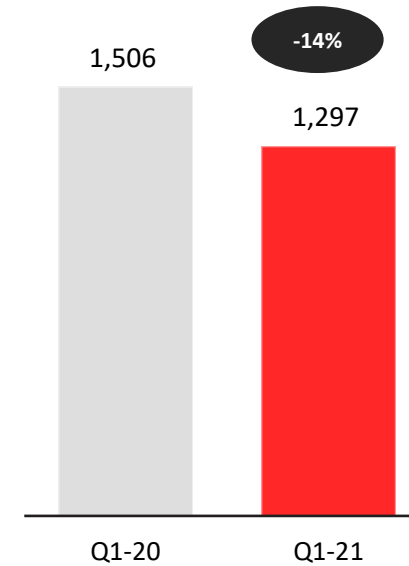
Group Results

Free Cash Flow and Capital Expenditure

CAPEX (QARm) & CAPEX/ Revenue (%)



Free Cash Flow (QARm)



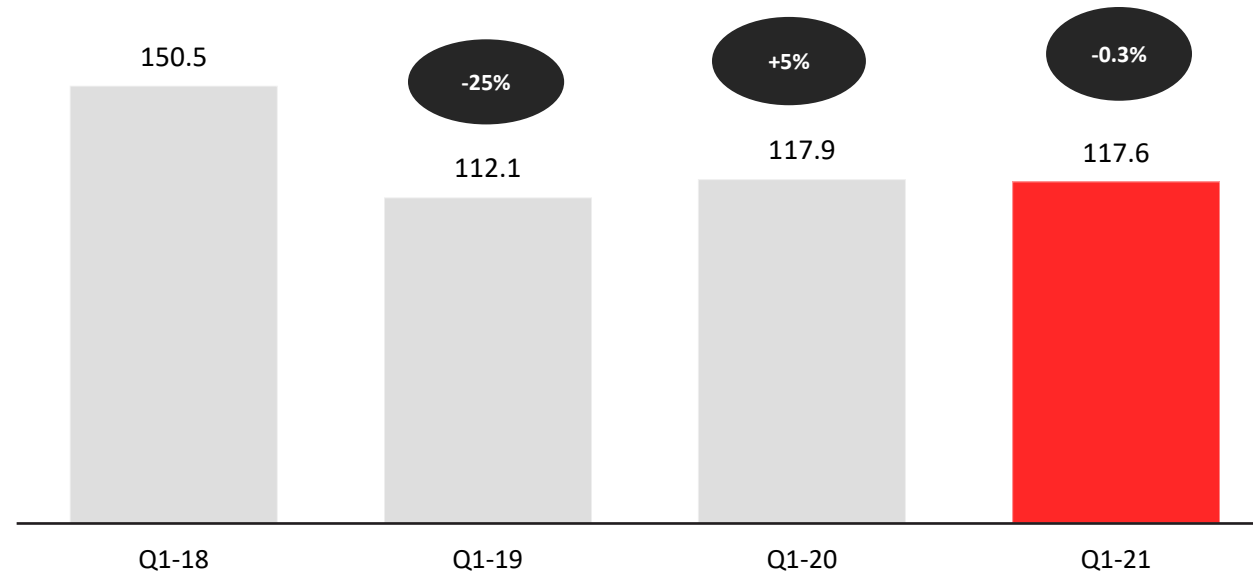
- Capex in line with guidance taking advantage of scale of Ooredoo Group and global sourcing strategy
- Healthy FCF of QR 1.3 bn, reduction due to lower Net Profit and a slight Capex increase

• Note: Free Cash Flow = (Net Profit+ Depreciation+ Amortization+ ROU IFRS16 amortization + interest - Capex- lease payments under IFRS-16). Capex includes investment in tangible and intangible assets (excluding spectrum, license and leased assets capitalized under IFRS-16)

Group Results

Total customers

Total Customers (millions)

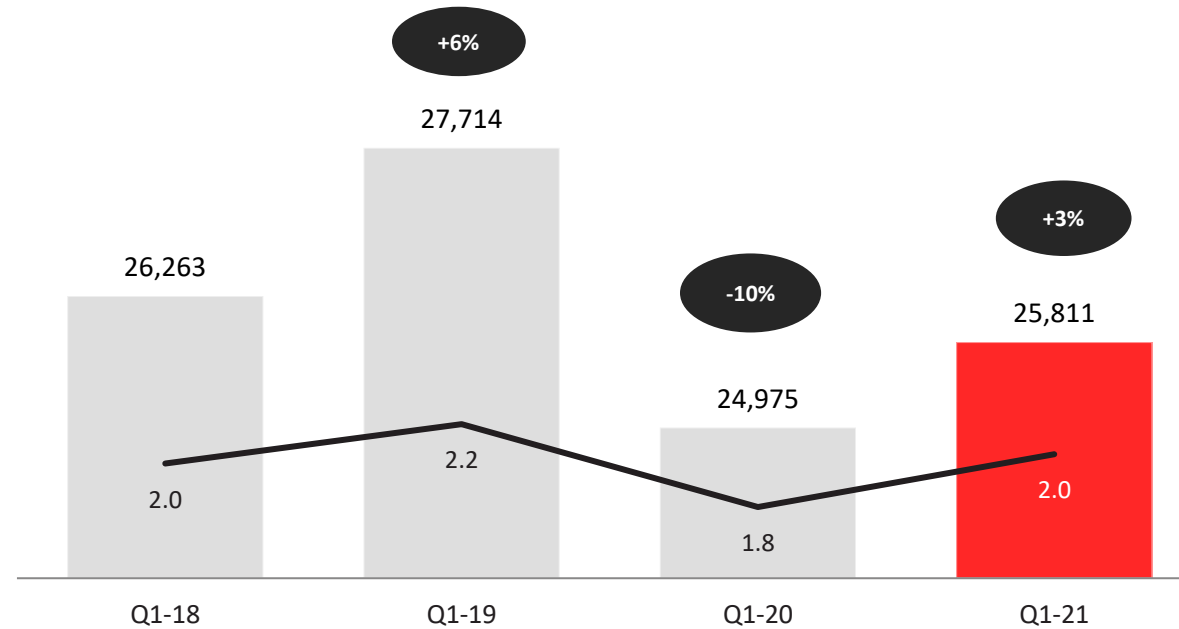


- Slight drop in customer numbers partially offset by an increase in Indonesia, Iraq, Oman and Algeria
- Sequential drop is mainly due to a new methodology in Tunisia

Group Results

Net debt

Net Debt (QARm) and Net Debt / EBITDA



- Group Net Debt increased mainly due to regulatory and license payments in Oman and Iraq and seasonal payment of dividend
- Middle of the board guidance between 1.5 and 2.5x (bank covenant 4.5x)

Group Results

2021 Q1 performance summary

Group Financials (QAR bn)	2021 Actual	% Change 2021 / 2020	2021 Full Year Guidance over 2020
Revenue	7.2	-1.3%	-3% to +1%
EBITDA	3.2	6.3%	-3% to +1%
CAPEX	850	+5%	5bn to 6bn

- Q1 Revenue within guidance, EBITDA is better than projected
- Capex in Q1 seasonably low
- Outlook for the remainder of the year depends on C19 developments in our markets

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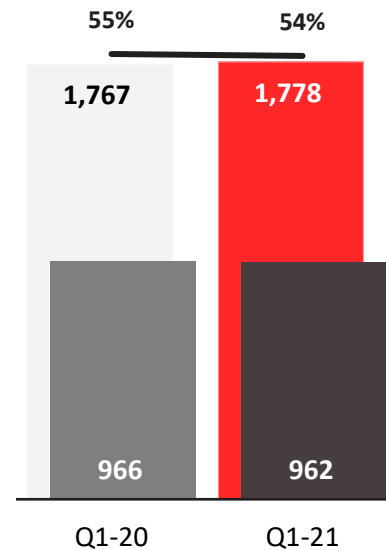
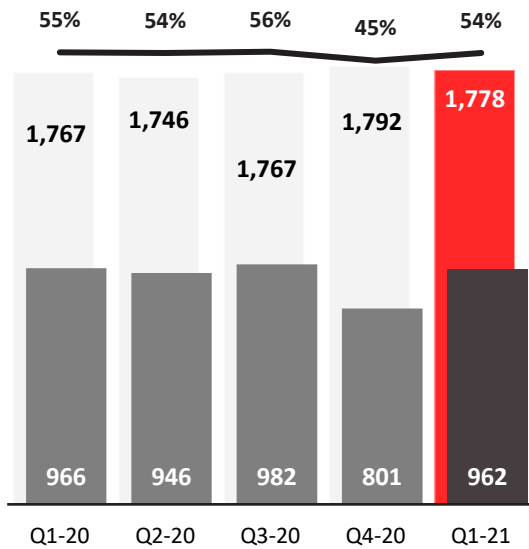
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Additional information



QARm

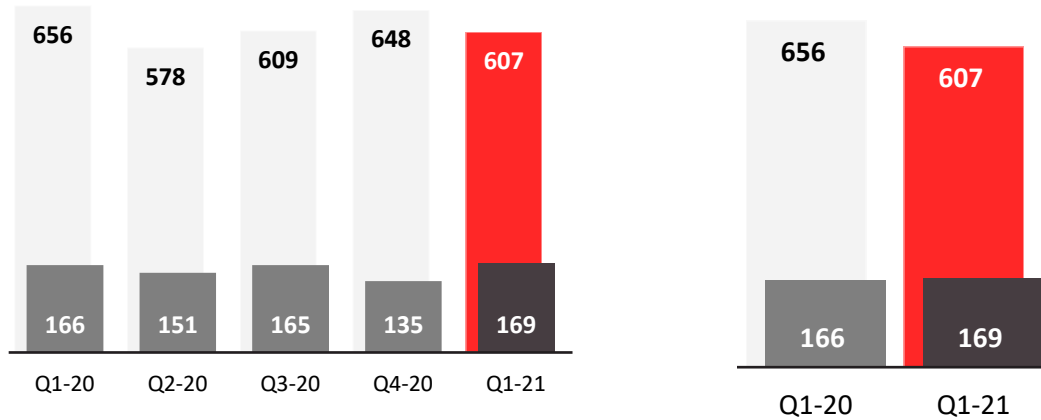
Revenue EBITDA EBITDA Margin



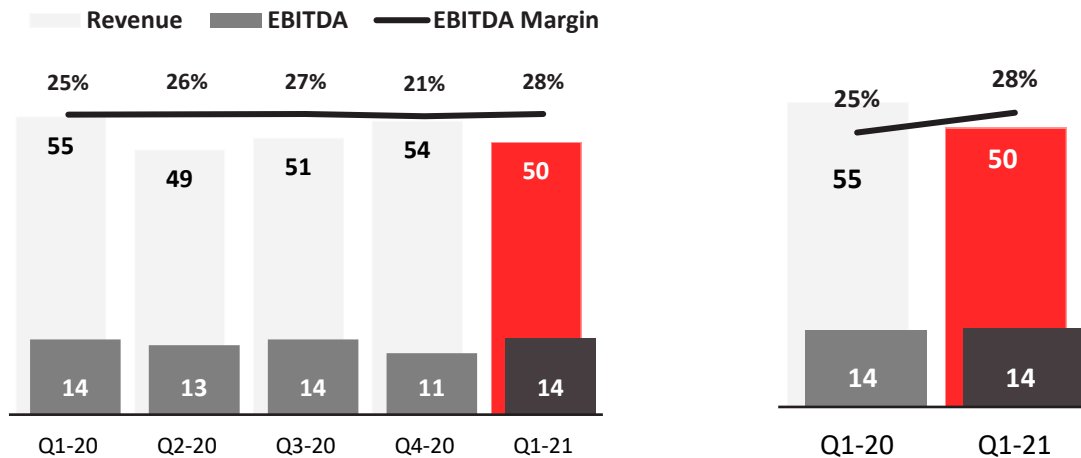
- **Strong No.1 position maintained** - Ooredoo's fixed line and mobile networks in Qatar ranked **among fastest globally**
- **Revenue grew by 0.6% compared to Q1 2020**
- EBITDA stood at QAR 962 million, while **EBTIDA margin remained stable at 54%**
- Customer number stood at 3 million (3.2 million in Q1 2020), reflecting a cleanup of the base and to accommodate pre-to-post customer migrations as a result of customer value management activities
- The Ooredoo ONE 'All-In-One' Home Service was a key factor in the growth of the Ooredoo tv customer base, which grew by 1% yoy
- Ooredoo Fibre rollout program's success continues and now has **479k homes connected across the country**
- Ooredoo Qatar recognised as 'Global Partner of the Year' and 'Digital Partner of the Year' by leading money transfer company **MoneyGram**.
- Successful community programmes included the Ooredoo Virtual Marathon, which drew a strong response in February 2021

• 1 USD = 3.6415 Qatari Riyal (QAR)

QARm



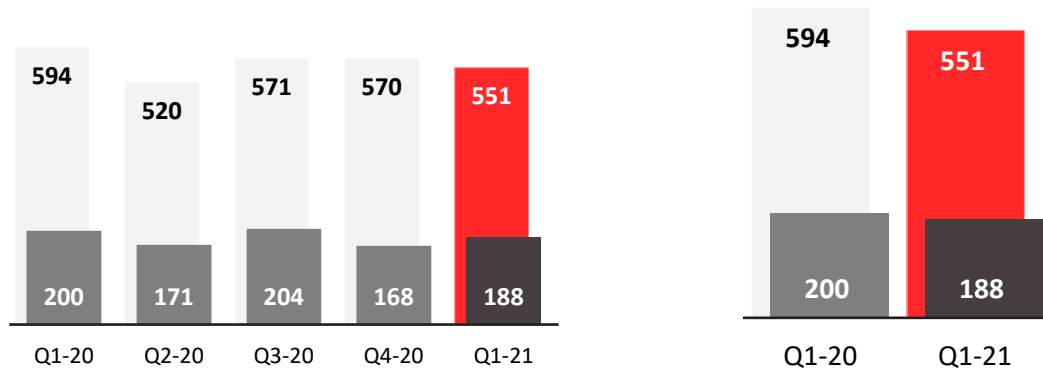
KWDm



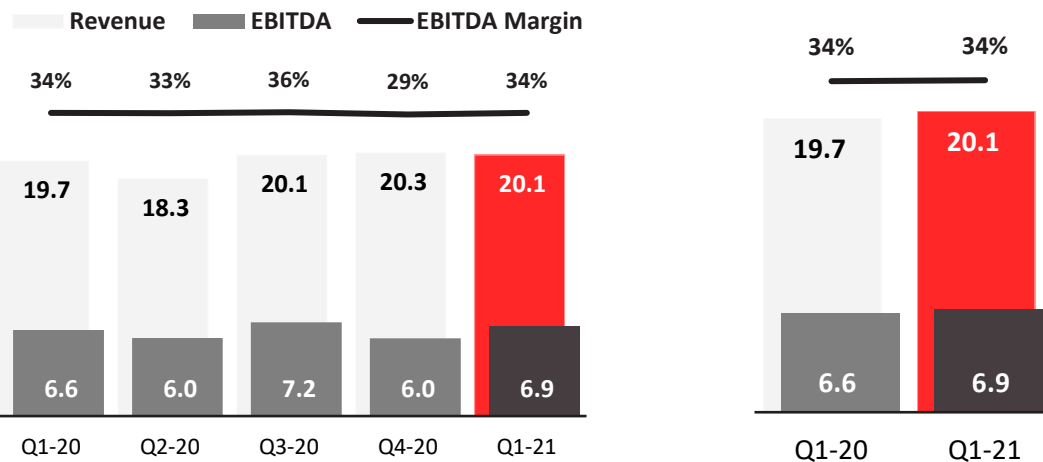
- COVID-19 pandemic contributed to a softening macroeconomic environment in Kuwait and **revenues declined 8%** to QAR 607 million yoy
- **EBITDA for the period increased 2%** to QAR 169 million, due to cost savings in spite of revenue decline as compared to the same period in the previous year. As result, EBITDA margin improved to 28% in Q1 2021 from 25%
- Overall population reach a 30 year low level in Kuwait with a **sharp decrease in expat numbers**. Customer base in Q1 2021 was 2.4 million (Q1 2020: 2.5 million),
- **Positive MNP trend in Q1 2021**
- Ooredoo Kuwait was awarded the “**Best Internet Service Provider**” at the annual Service Hero Awards for the year 2020. The company remained focused on launching new and innovative products for its customers, signing an **MoU with the National Bank of Kuwait (NBK)** to develop digital services, products and solutions that contribute to enriching customer experiences

• 1 USD = 0.3027 Kuwait Dinar (KWD)

QARm



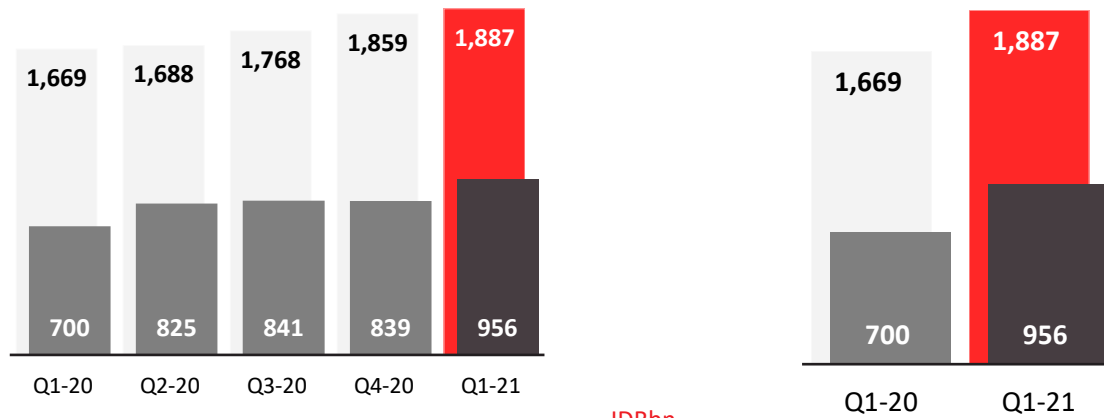
DZDbn



- Ooredoo Algeria delivered a **healthy set of results** during the first quarter of 2021, despite a challenging macroeconomic environment and a 9% depreciation of the Algerian Dinar
- **Revenues increased in local currency terms 2%** in Q1 2021 yoy, supported by re opening of businesses and the bundling of offers in the “My Ooredoo” App and the launch of plans targeting SOHOs and SMEs
- **34% EBITDA margin maintained** due to cost saving and digital efficiencies
- **Customer base** was 12.7 million in Q1 2021, **up 3%** compared to the same period in the previous year. Leadership position in customer satisfaction maintained

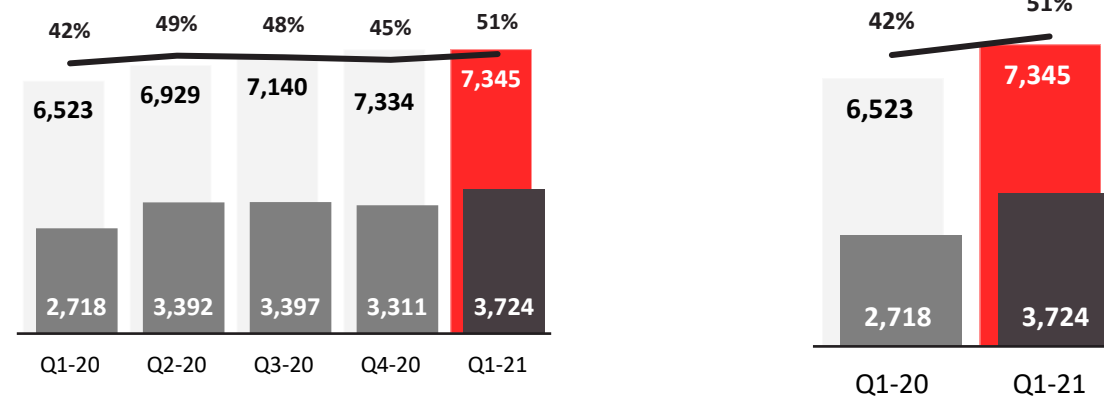
• 1 USD = 133 Algerian Dinar (DZD)

QARm



IDRbn

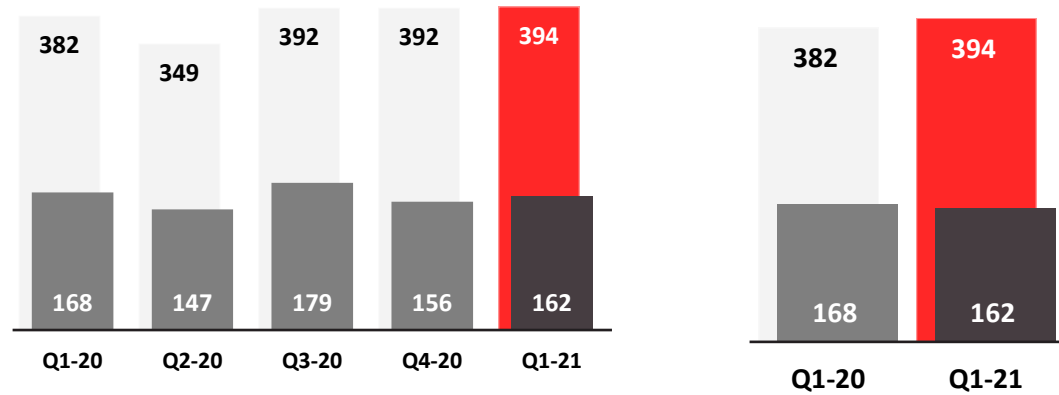
Revenue EBITDA EBITDA Margin



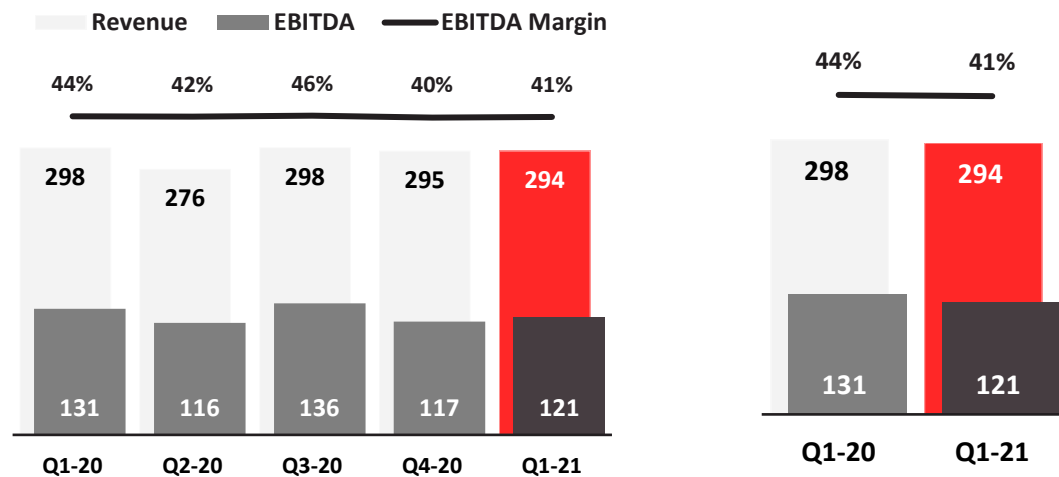
- **Stellar performance by Indosat Ooredoo, Revenue increased by 13%** to QAR 1.9 billion yoy. Growth was driven by the strong performance in cellular revenues supported by a rebound in the enterprise business
- **EBITDA increased by 36%** compared to the same period in the previous year, due to a combination of top line growth and cost optimisation measures
- **Customer base increased 7%** to 60.0 million in Q1 2021 compared to the same period in the previous year
- Indosat Ooredoo signed a **sale and leaseback agreement** with PT EPID Menara Asset Co (“Edge Point Indonesia”) for more than 4,200 telecommunications towers. The transaction is valued at USD 750 million and forms part of Ooredoo Group’s strategy to move to a more efficient and flexible asset light model unlocking the trapped value of its infrastructure portfolio. The transaction is expected to close in Q2
- On April 28, Ooredoo Group extended the **exclusivity period of the non-legally binding MoU with CK Hutchison to Jun 30, 2021**, in relation to a potential transaction to combine their respective telecommunications businesses in Indonesia. This extension will provide more time to complete the ongoing due diligence and negotiate the final terms of a possible combination of the entities

1 USD = 14,172 Indonesia Rupiah (IDR)

QARm



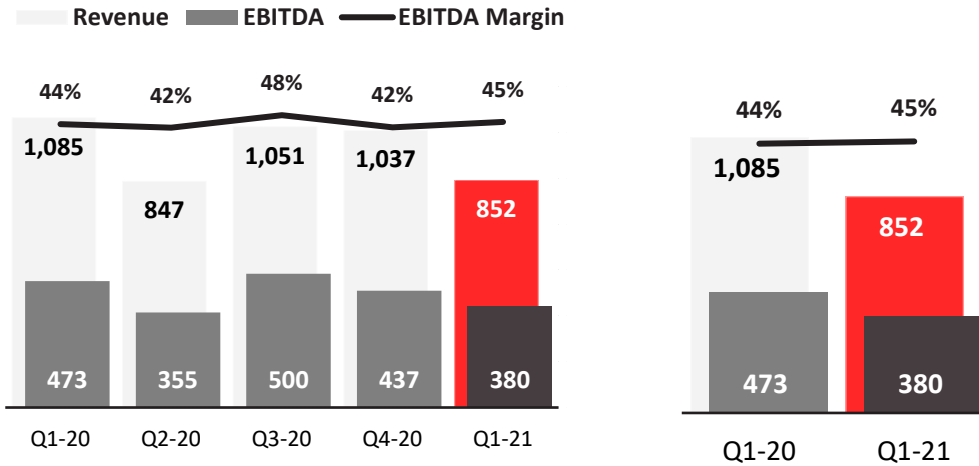
TNDm



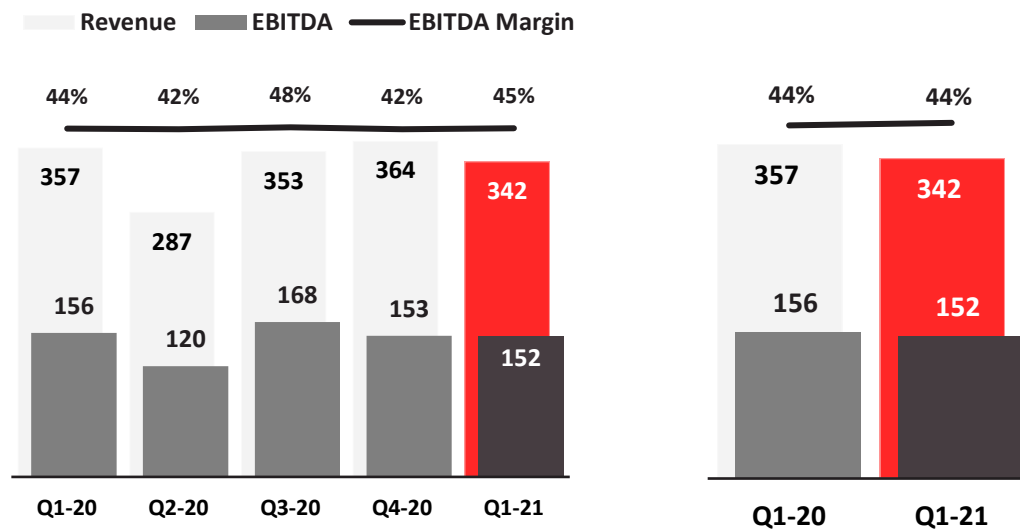
- Reported revenues of QAR 394 million in Q1 2021, an **increase of 3%** compared to the same period in the previous year supported by **favorable FX trends**.
- EBITDA of QAR 162 million in Q1 2021, down 3% yoy with a **healthy EBITDA margin of 41%** in Q1 2021
- Ooredoo Tunisia changed the reporting of its prepaid customer's base from the original life-cycle definition to the 90 days network activity definition, to align with the standard reporting methodology used in Tunisia.. **Customer base stood at 6.9 million**
- Ooredoo passport bundles revamped, BeIN service launched
- Increasing Digital sales and Digital Care helped to enhance mobile market leadership

• 1 USD = 2.722 Tunisian Dinar (TND)¹

QARm

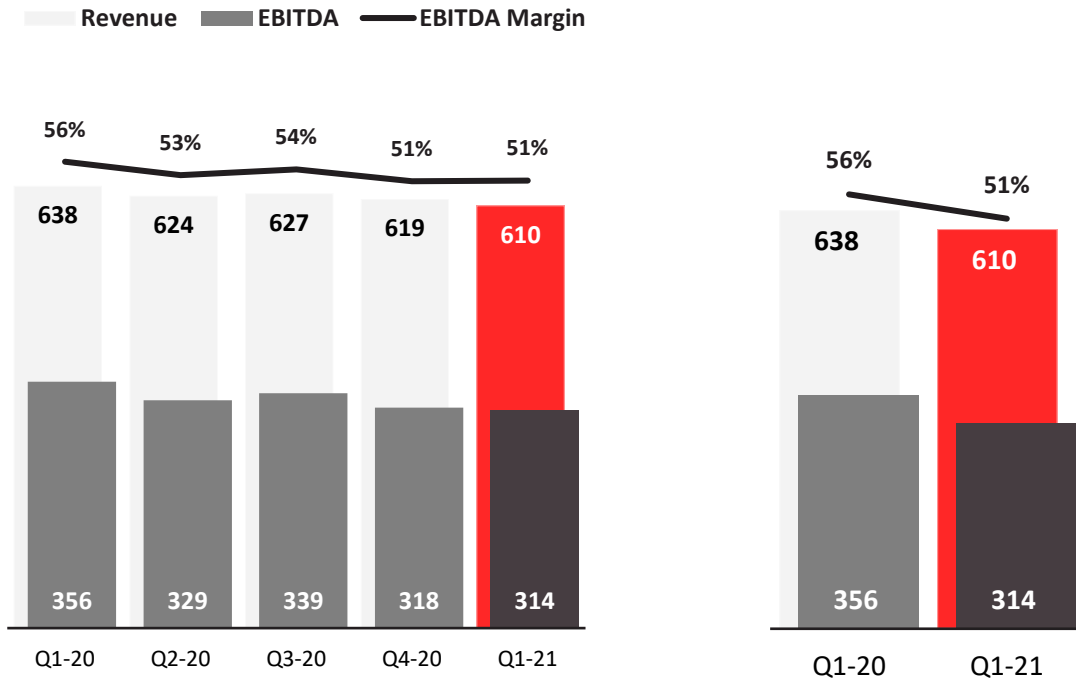


IQD bn



- Iraqi economy was impacted by weakening purchasing power following the 17% devaluation of the Iraqi Dinar and the effect of the COVID-19 pandemic
- Revenue of QAR 852 million during the first quarter of 2021 compared to QAR 1,085 million for same period in the previous year mainly due currency devaluation
- EBITDA declined 20% to QAR 380 million in Q1 2021 compared to the same period in the previous year. **Healthy EBITDA margin of 45%** maintained
- Customer base of 14.6 million (Q1 2020: 14.5 million)
- **Successful launch of 4G** and new partnerships with OSN and LaLiga, enabling the company to offer bundled services and increase data usage
- Starting 2021, the Company signed with CMC an annex worth of \$234 m to renew the Company license for 8 years (5 years ending August 2027 in addition to a 3 years extra period ending August 2030)

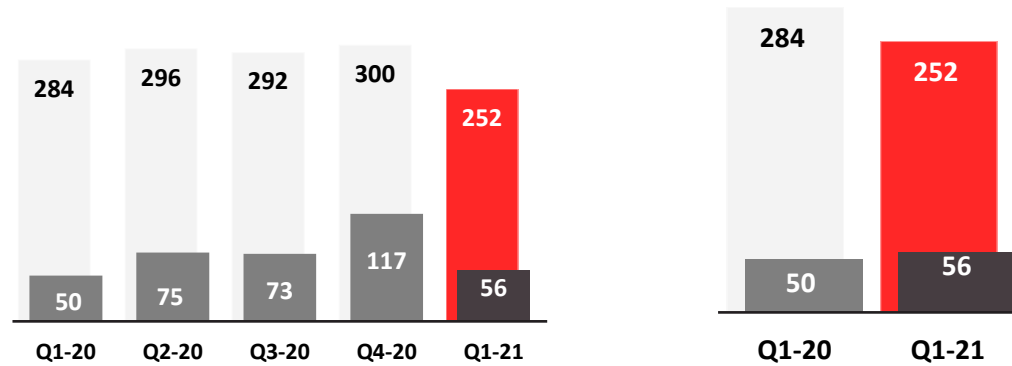
QARm



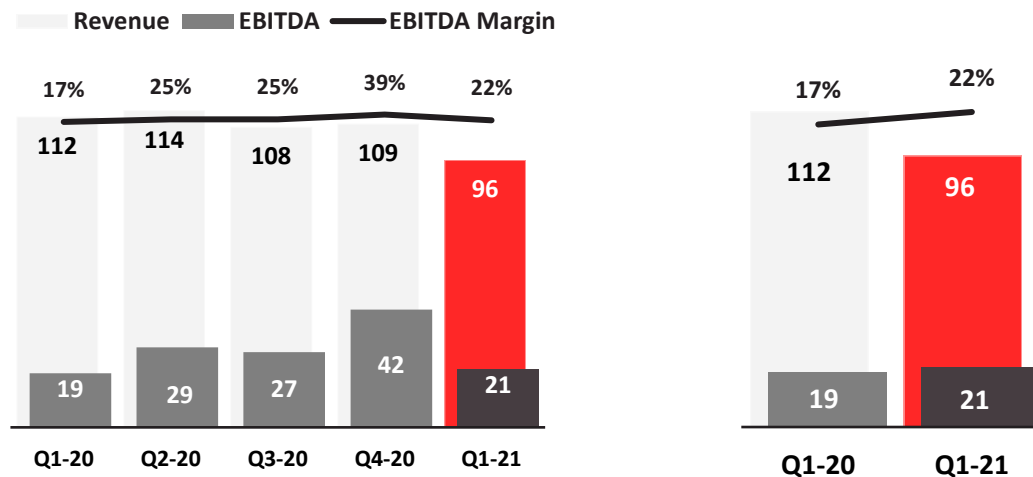
- Covid 19 restrictions and partial lockdowns during Q1 lead to a 4% Revenue decline yoy
- A reduction in prepaid revenue which was partially offset by post paid revenue gains
- EBITDA declined 12% to QAR 314 million during the first quarter of 2021 yoy. The company remains committed to managing its overall cost structure
- Ooredoo Oman's **customer base increased by 2%** of 2.9 million in Q1 2021 compared to the same period in the previous year,
- Post period: **launch 5G mobile services in April 2021**
- The Omani Government implemented a 5% Value Added Tax (VAT) as of 16 April 2021, Ooredoo Oman has successfully implemented VAT in line with Government requirements

• 1 USD = 0.38463 Omani Rial (OMR)1

QARm



MMKbn



- Political developments in Myanmar including **restrictions on mobile and wireless broadband** impacted Ooredoo Myanmar's performance in Q1 2021
- Q1 2021 Revenues declined of 11% yoy, as restrictions impacted data revenues which were partially offset by an increase in voice revenues
- **12% increase in EBITDA** to QAR 56 million in Q1 2021 yoy due to cost saving initiatives which included optimising data centres, energy consumption as well as contract renegotiations
- **Fx declined steeply by 11%** in Q1-2021 from Dec-2020 level
- Customer base decreased by 14% to 13.4 million in the first quarter of 2021 compared to the same period last year
- Ooredoo Myanmar also launched a number of initiatives to support the community including its "donate a recharge" program where customers who have an extra balance can donate it alongside Ooredoo Myanmar, which donates MMK 5 million daily to customers who need a top-up

• 1 USD = 1.402 Myanmar Kyat (MMK)

Hot off the press : Ooredoo's first ESG report has just been published





2021 upcoming events (tbc)

- Arqaam Capital 8th MENA Investors Conference, May 24 to 26, 2021
- BoA/ML EM conference June 1st-4th
- Ooredoo Group 1H 2021 results : July 28th (tbc)

Institutional Investor Survey



A few simple steps to vote:

1. Access the II portal through the login page: <https://voting.institutionalinvestor.com/welcome>
2. In My Surveys, select Emerging EMEA 2021
3. Select Voting Area: Sales, Corporate Access, Trading & Execution, and Research
4. For Research, select Category, then Firm and Analyst you wish to vote
5. Please Rate Your Service and Save

*If you need to register to vote, click [here](#) and select Sign Up

It's that time of the year again, the Institutional Investor Survey has kicked off. We are kindly requesting your support

Vote [here](#) please

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Today's Presenters



Mr. Aziz Aluthman Fakhroo

*Managing Director
Ooredoo Group*

- Mr. Aziz Aluthman Fakhroo was appointed as Managing Director of Ooredoo Group in 2020, and has been a Board Member since 2011. He is currently also a Senior Advisor to Qatar's Minister of Finance, and a Board Member at Accor SA
- Previously he served as Deputy Undersecretary for Budget, Treasury and Financial affairs at the Ministry of Finance, and as Co-head of M&A at Qatar Investment Authority (QIA)
- Mr. Aziz holds a Bachelor of Business Administration from ESLSCA Business School in Paris



Sheikh Mohammed Al Thani

*Deputy Group CEO and Chief Executive Officer of
Ooredoo Qatar*

- Sheikh Mohammed joined Ooredoo in 2009 and was Chief Executive Officer of Ooredoo Kuwait before being appointed as Deputy Group CEO and CEO of Ooredoo Qatar. He is currently the Chairman of the Board of Directors of Ooredoo Kuwait and President Commissioner of Indosat Ooredoo
- Sheikh Mohammed holds a Master's degree in Finance and Accounting from the University of Cardiff, UK and a Bachelor's degree in Accounting from Qatar University



Mr. Abdulla Ahmed Al-Zaman

*Ooredoo Group CFO
Ooredoo Group*

- Mr. Abdulla Ahmed Al-Zaman was appointed as Chief Finance Officer ooredoo Group in March 2021. Previously he CFO at Ooredoo Qatar since January 2018, after joining the Group in 2013 and holding multiple senior roles. He is responsible for facilitating organisational accountability and transparency, maintaining sustainable value for shareholders and other stakeholders.
- Mr. Al-Zaman has extensive experience in leadership roles within finance, both in telecommunications and other industries. He holds a bachelor's degree in Finance & Business Administration from California, USA, and an EMBA from the University of Hull, UK.

Today's Presenters



Sara Al Sayed

*Specialist, Investor Relations
Ooredoo Group*

- Sara joined Ooredoo in 2013 and is currently working in the Investor Relations team. Prior to joining the Investor Relations division, she spent 7 years in Ooredoo's group finance department
- She holds a Bachelor's degree in Marketing and International Business from Qatar University and a CIRO Certificate from MEIR



Andreas Goldau, CFA

*Senior Director, Investor Relations
Ooredoo Group*

- Andreas joined Ooredoo in 2009 and holds the role of Head of Investor Relations. Andreas is a CFA Charter holder and has a Diploma in Business Management from the University of Mannheim, Germany
- He has more than 15 years of experience in managing and setting up Investor Relations functions with companies listed in the US, Europe, Middle East and Japan



Ajay Bahri

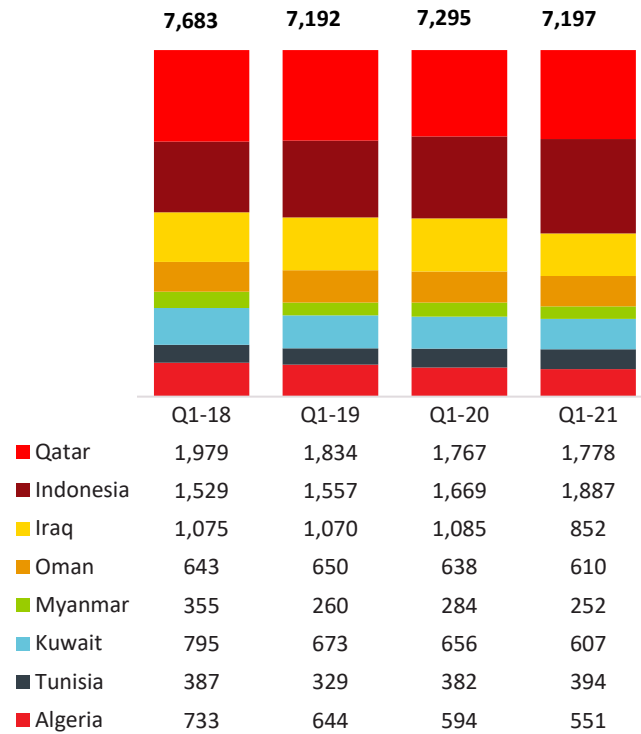
*Advisor to the Managing Director of the
Ooredoo Group*

- Ajay joined Ooredoo in 2003 and has held various positions in Ooredoo prior to assuming the position of Group CFO from 2007 to March 2021. Ajay is also on the Board of various Ooredoo Group companies
- Ajay holds a Bachelor's degree in Accountancy from India, and a Master's degree in Engineering from MIT. He is as a Chartered Management Accountant, UK and a Chartered Accountant, India

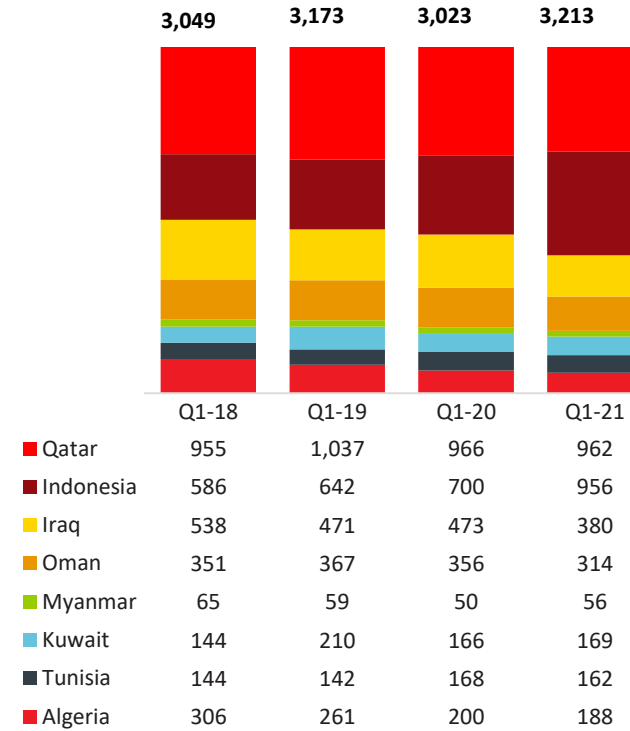
Additional Information

Key Operations Importance to Group

Revenue (QARm)



EBITDA (QARm)



Group Operations Breakdown

CAPEX & Customers

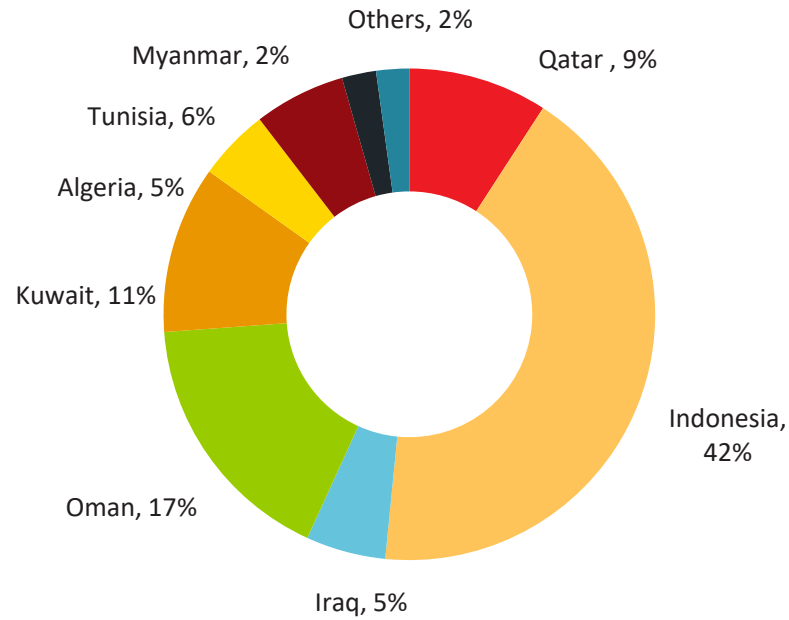
Overview

Results review

Operations review

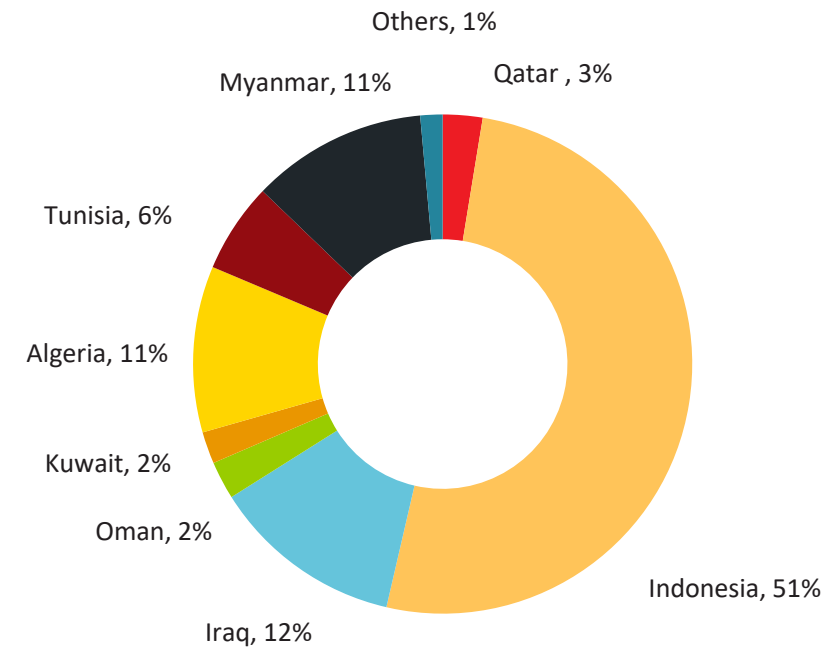
Additional information

CAPEX Breakdown (%)



Q1 2021 CAPEX = QAR 850 million

Customer Breakdown (%)

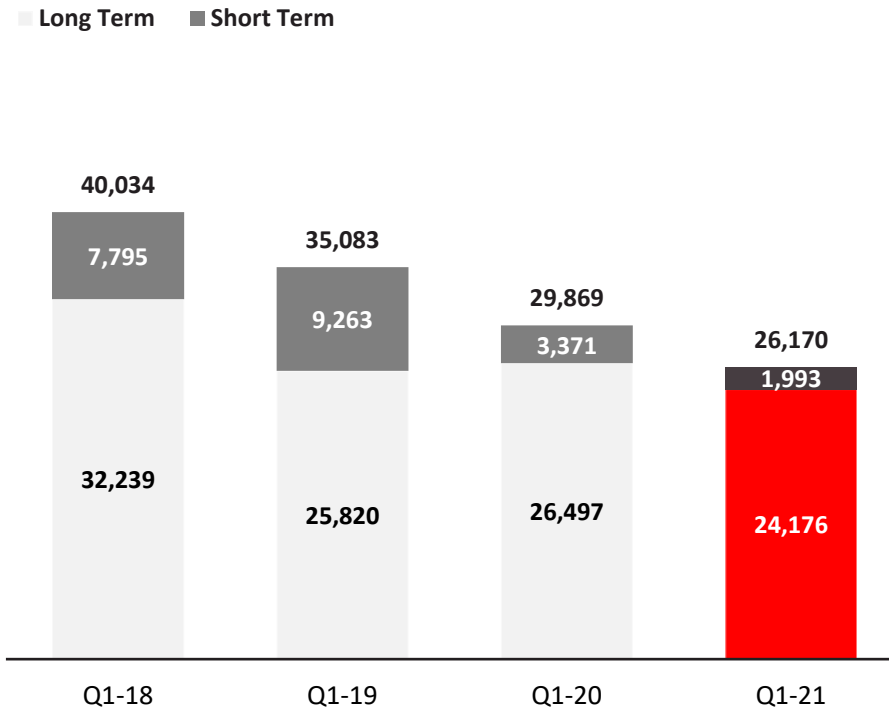


Q1 2021 Total Customers = 118 million

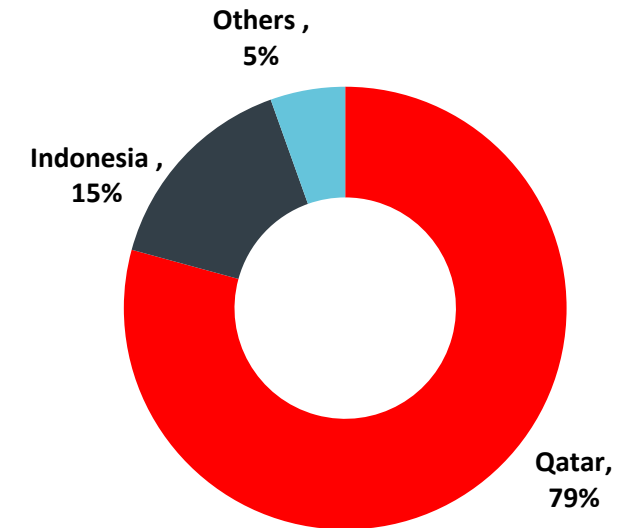
Group Operations Breakdown

Loans and Borrowings Breakdown

Total Group Debt (QARm)



Total Group Debt Breakdown

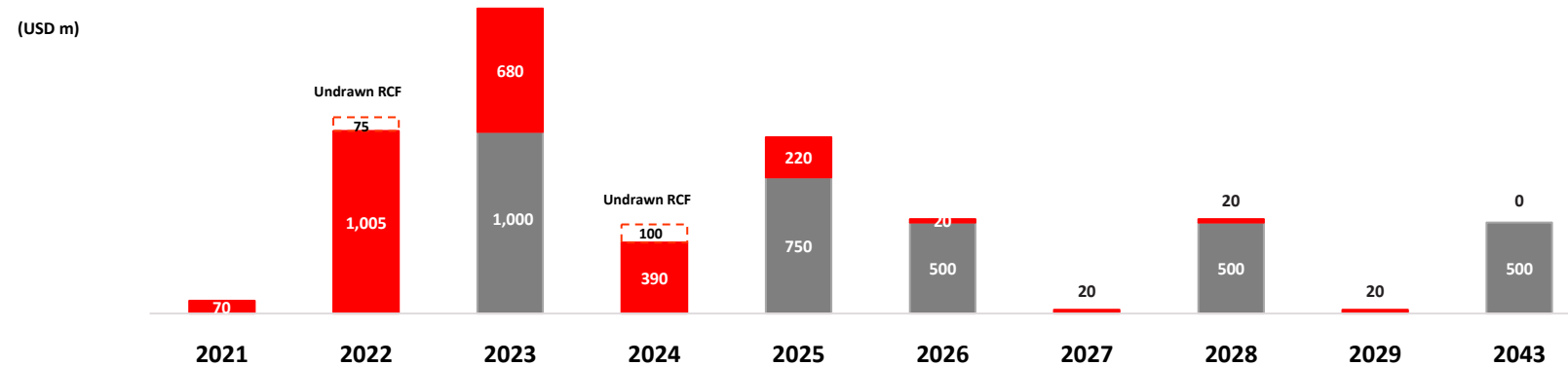


Loans and Borrowings reduced, well balanced profile
OpCo debt primarily in local currency

• Note: Qatar debt includes Ooredoo International Finance Ltd. and Ooredoo Tamweel Ltd.

Group Results

Debt Profile – Ooredoo Q.P.S.C. level

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Loans (in USD m)					Bonds (in USD m)				
	Amount	Usage	Rate *	Maturity		Issue Amount	Interest	Maturity	Listed in
QNB QAR3bn RCF	824	0	QAR MM rate	31-Jan-22	Fixed Rate Bonds due 2023	1,000	3.25%	21 Feb 2023	ISE
USD150mn Term Loan	150	150	1.58%	28-Aug-25	Fixed Rate Bonds due 2025	750	5.00%	19 Oct 2025	LSE
USD1bn RCF	1,000	925	Libor+ 140 bps	07-Jun-22	Fixed Rate Bonds due 2026	500	3.75%	22 Jun 2026	ISE
USD200mn Amortizing Loan	200	120	Libor + 117 bps	12-Jul-23	Fixed Rate Bonds due 2028	500	3.875%	31 Jan 2028	ISE
USD 100m Term Loan	100	100	Libor + 125 bps	08-Oct-23	Fixed Rate Bonds due 2043	500	4.50%	31 Jan 2043	ISE
USD 150mn RCF	150	150	Libor + 130 bps	30-Oct-23					
USD 100m Term Loan	100	100	Libor + 125 bps	31-Oct-23					
USD 100m Term Loan	100	100	Libor + 125 bps	13-Dec-23					
USD 300m RCF	300	200	Libor + 95 bps	16-May-24					
ADB Term loan Tranche 'A'	350	350	Libor + 115bps	23-Mar-25					
ADB Term loan Tranche 'B'	150	150	3.096%	14-Sep-29					
USD 100m RCF	100	100	Libor + 1.30%	28-July 25					
Total Loans	3,524	2,445			Total Bonds	3,250m			

Total outstanding debt as at 31 December 2020 at Ooredoo Q.P.S.C. level

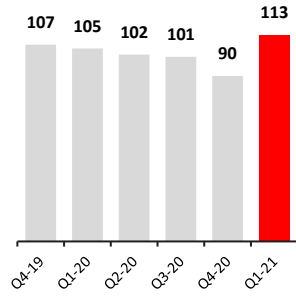
USD 5,695 million

Long term Debt Profile remains well balanced | USD 1bn bond repaid in Feb 2021 from existing cash

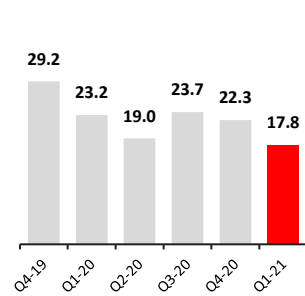
* Based on the rates applicable for the usage levels

Blended ARPU

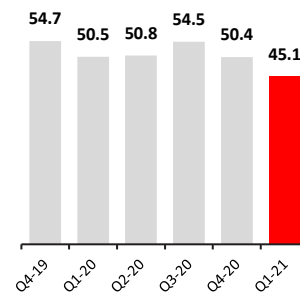
Qatar (QAR)



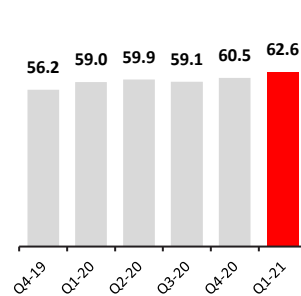
Iraq (QAR)



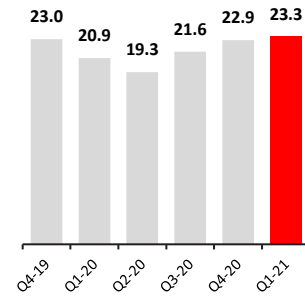
Oman (QAR)



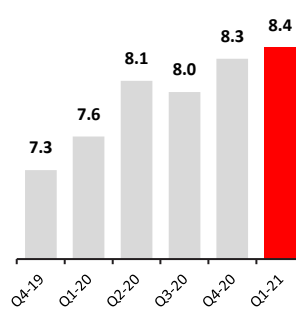
Maldives (QAR)



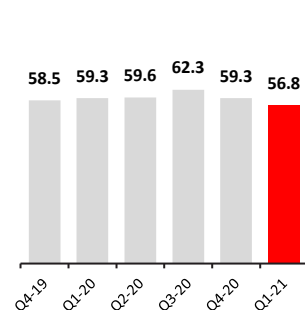
Palestine (QAR)



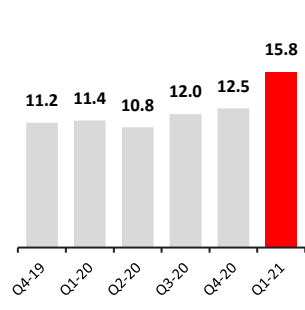
Indonesia (QAR)



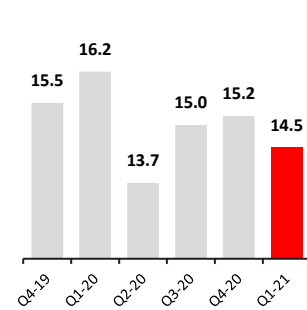
Kuwait (QAR)



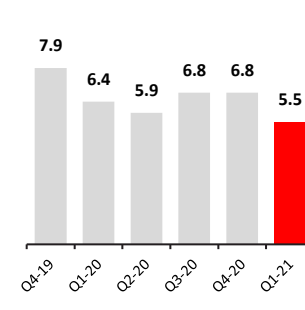
Tunisia (QAR)



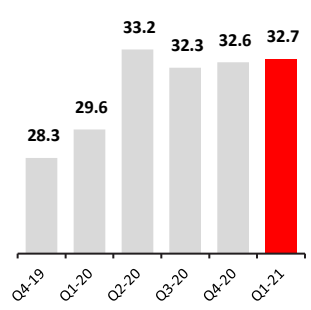
Algeria (QAR)



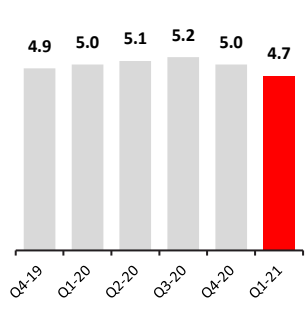
Myanmar (QAR)



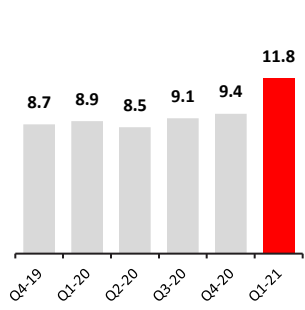
Indonesia (IDR'000)



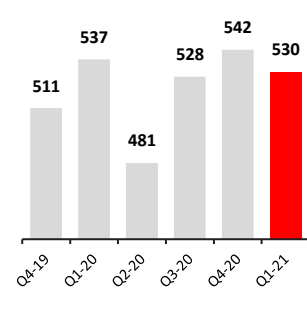
Kuwait (KWD)



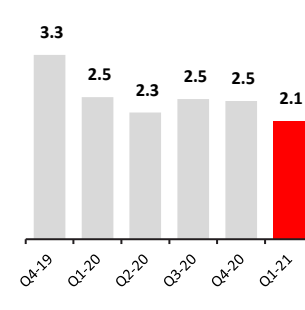
Tunisia (TND)



Algeria (DZD)



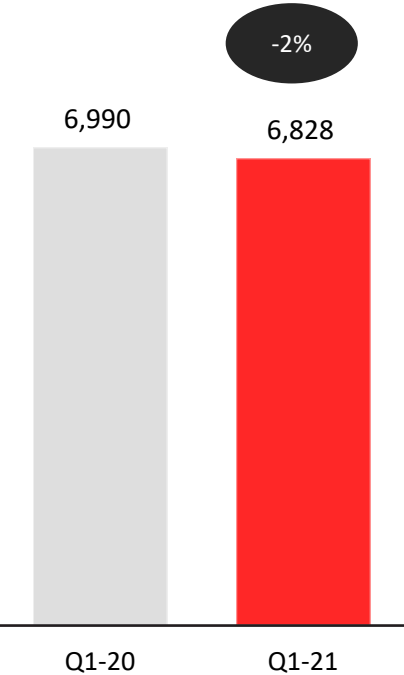
Myanmar (MMK'000)



- The Ooredoo Board has approved a **sustainable and progressive dividend policy** for the company, aiming for a dividend **payout in the range of 40% to 60% of normalized earnings**

Service Revenue

Service revenue



Statutory Corporate Tax Rates

Markets	Statutory Tax Rate	Losses C/Fwd Allowed	
Algeria	26%	4 years	
Indonesia	22%	5 years	The Tax Rate is 22% for tax years 2020 and 2021, 20% for tax year 2022 onwards
Iraq	15%	5 years	
Kuwait	15%	3 years	GCC companies (including NMTC) are exempted and are subjected to 4.5% Zakat, KFAS & National Labour Support Tax on consolidated profits
Maldives	15%	5 years	
Myanmar	25%	3 years	
Oman	15%	5 years	
Palestine	20%	5 years	
Qatar	10%	3 years	Qatari/GCC owned companies and companies listed on Qatar Exchange are exempt
Singapore	17%	Indefinitely	
Tunisia	35%	5 years	1) 25% is the standard tax rate; 2) 35% tax rate applies to oil companies, banks, financial institutions including insurance companies and telecommunication companies, 3) 2% Solidarity Social Contribution Fee to finance Social Security Fund is applicable as of FY 2019.

OPCOs Licence General Information

Overview

Results review

Operations review

Additional information

Country	Fixed Licence		Mobile Licence	
	Issuance Date	Expiry Date	Issuance Date	Expiry Date
Qatar	7 October 2007	6 October 2032	7 October 2007	6 October 2027
Kuwait	--	--	13 October 1997 Emiri Decree	Indefinite
Iraq	--	--	30 August 2007	29 August 2030
Oman	6 June 2009	6 June 2034	23 February 2020	22 February 2035
Algeria	--	--	2G: 14 Jan. 2004 3G: 02 Dec. 2013 4G: 04 Sep. 2016	2G: 13 Jan. 2024 3G: 01 Dec. 2028 4G: 03 Sep. 2031
Tunisia	May 2012	May 2027	2G: 14 May 2017 3G: 24 May 2012 4G: 15 March 2016	2G: 13 May 2022 3G: 23 May 2027 4G: 14 March 2031
Indonesia	17 March 2003	Indefinite	March 1993	Indefinite
Maldives	18 August 2015 (VOIP)	17 August 2030	01 February 2020 (20 yr extension to existing license)	31 January 2035
Palestine	--	--	14 March 2007	10 September 2029
Myanmar	5 February 2014	04 February 2029	05 February 2014	04 February 2029

ooredoo

Thank You

