

# 2019 Capital Markets Day

Doha - Qatar

## Ooredoo Oman Updates

Ian Dench – Chief Executive Officer  
19 June, 2019



# Sultanate of Oman: Experience Oman

Oman is a wonderful combination of ageless heritage and modern life. A place where one can explore a traditional souq in the morning, and attend a world-class show at the renowned Royal Opera House Muscat in the evening.

Location : Middle East, bordering Arabian Sea, Gulf of Oman. Saudi Arabia on its Western border, Yemen on its Southern Border, and UAE on its Northern Borders.

Population : 4.67 million, 38% under 30 years old, Omani's 56.8% and Expatriate 43.2%

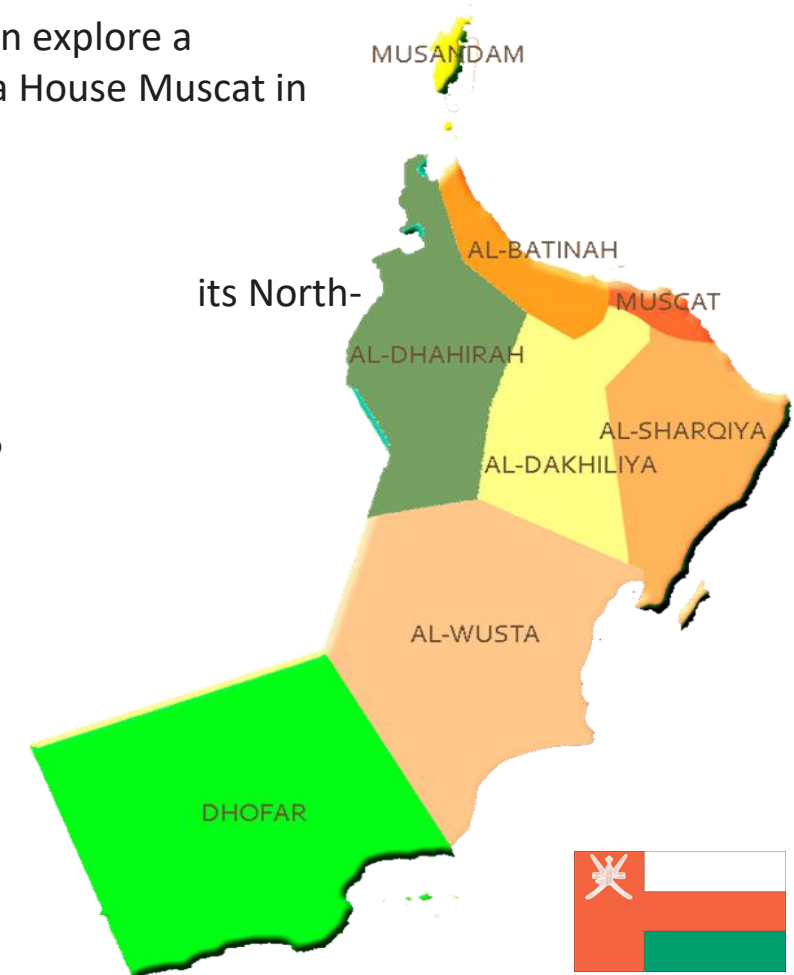
Size : 309,500 sq. km

Economy : Hydrocarbon based, strong movement to diversification  
Service Industry esp. tourism is displaying strong growth

GDP : USD 72.64 billion

1 Omani Rial = 2.6 USD

Source: NCSI, Oman



# Oman Telecom Sector Highlights

## Class 1 – Integrated Operators (Fixed, Mobile, Internet)

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## Class 2 – Mobile Resellers (MVNO)



## Internet Service Provider (ISP)



## International Gateway Operators

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تيووت telecom oman

Connect Arabia

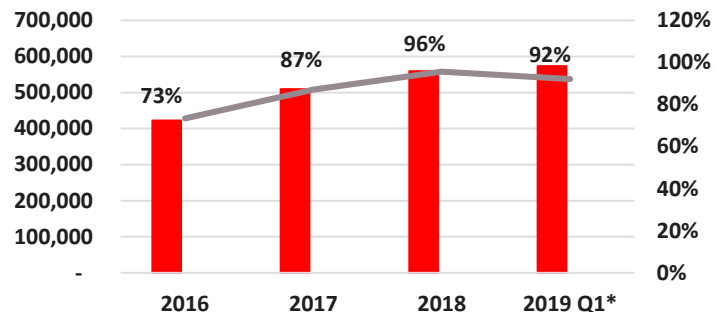


## Access Infrastructure Operator

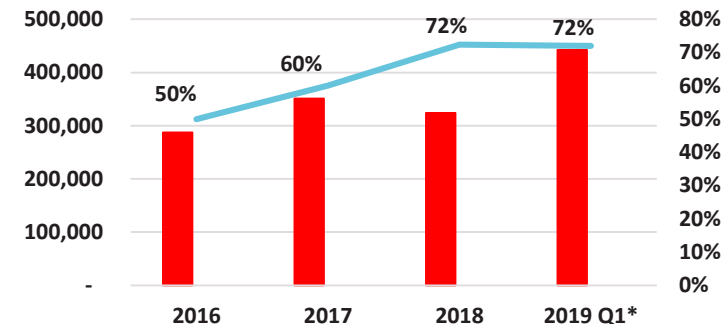


Oman Tower Co.

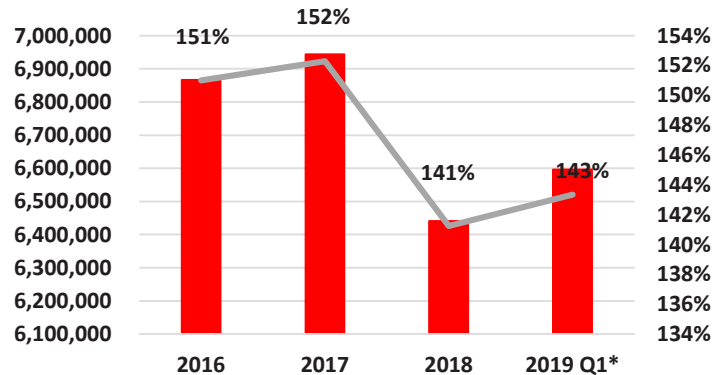
## Fixed Voice Market (% Household)



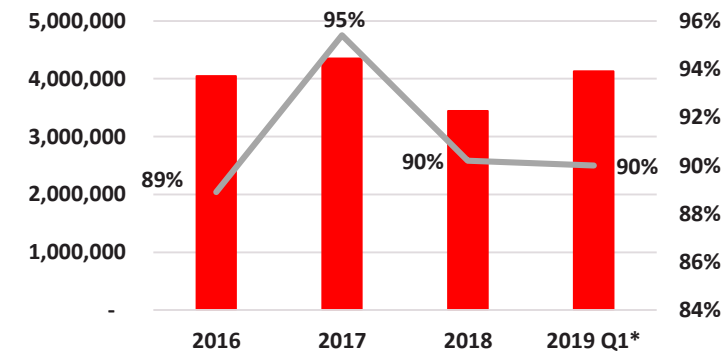
## Fixed Internet Market (% Household)



## Mobile Voice Market (% Population)

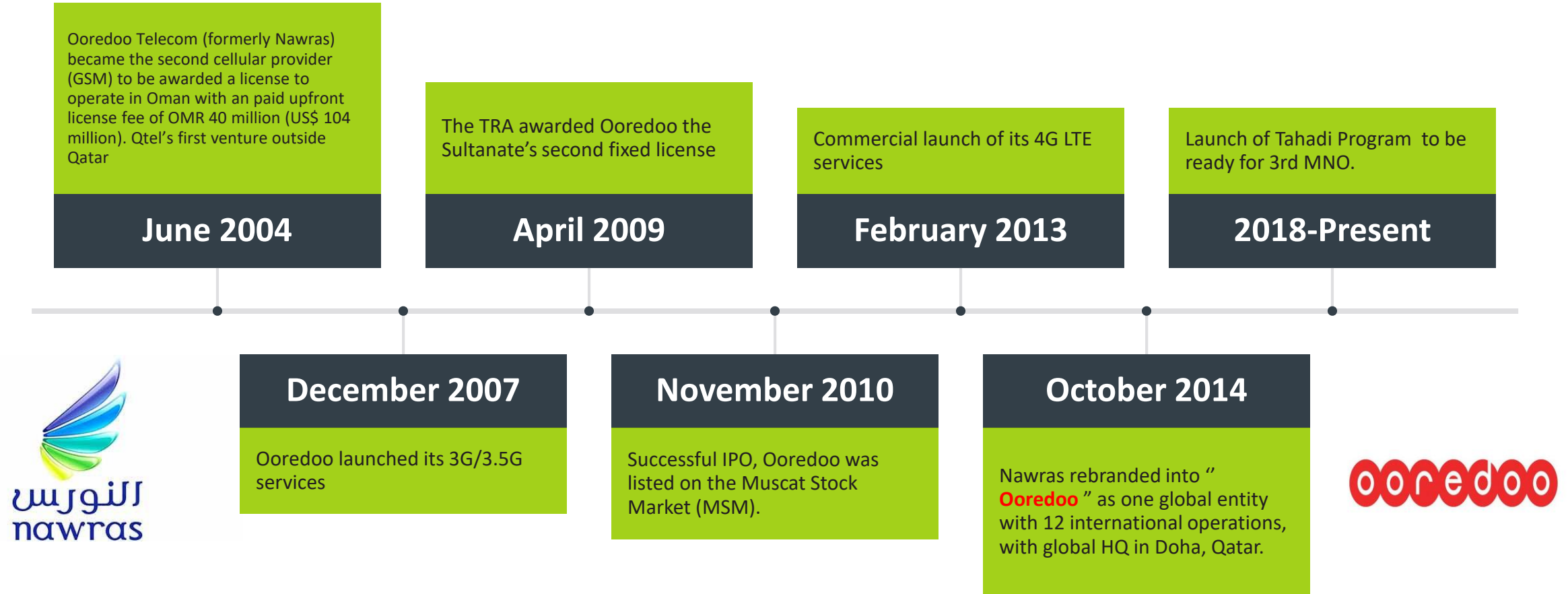


## Mobile Broadband Market (% Population)



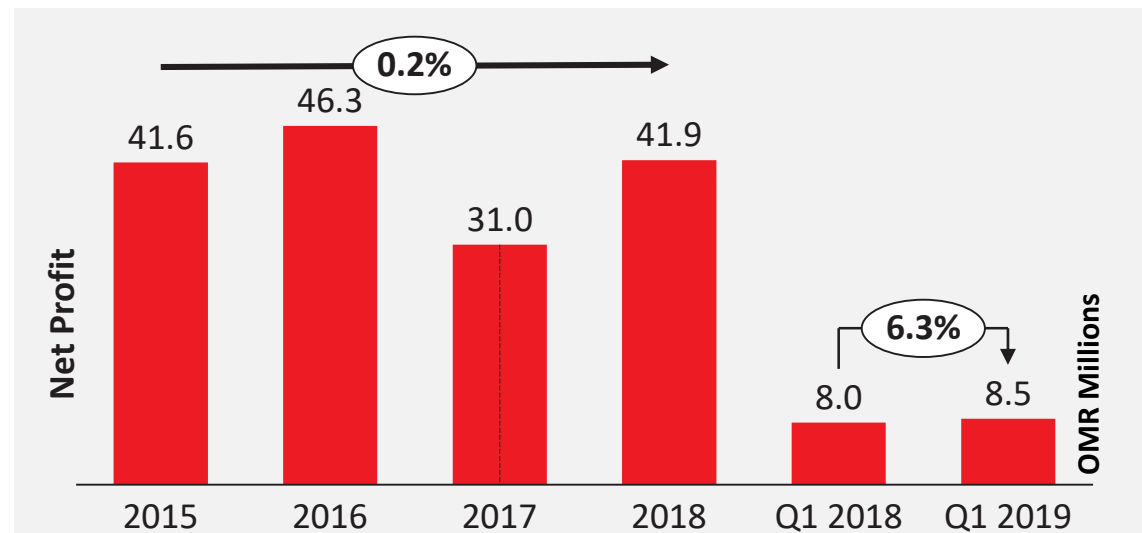
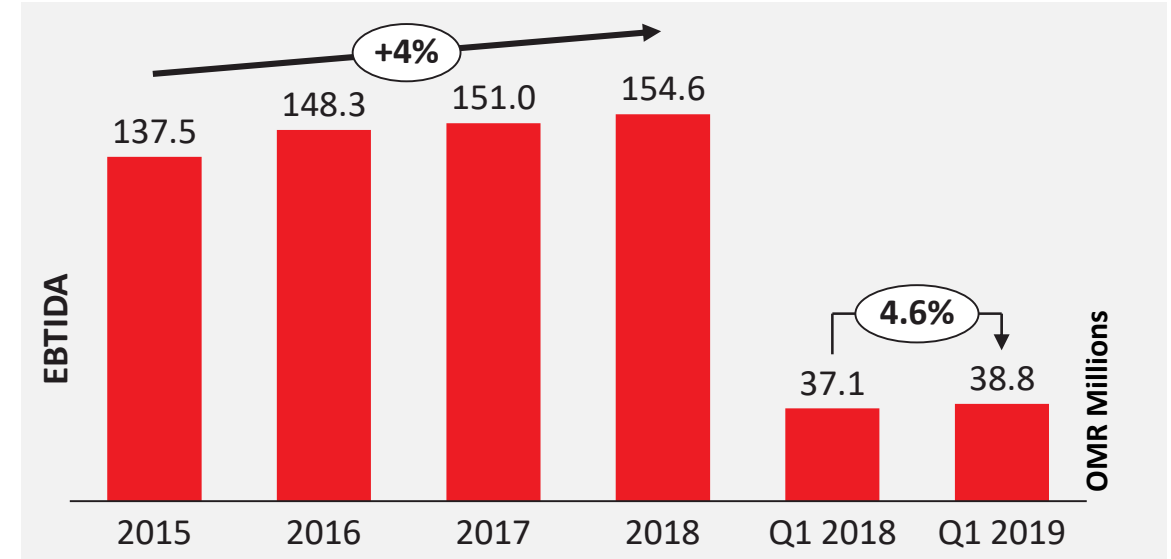
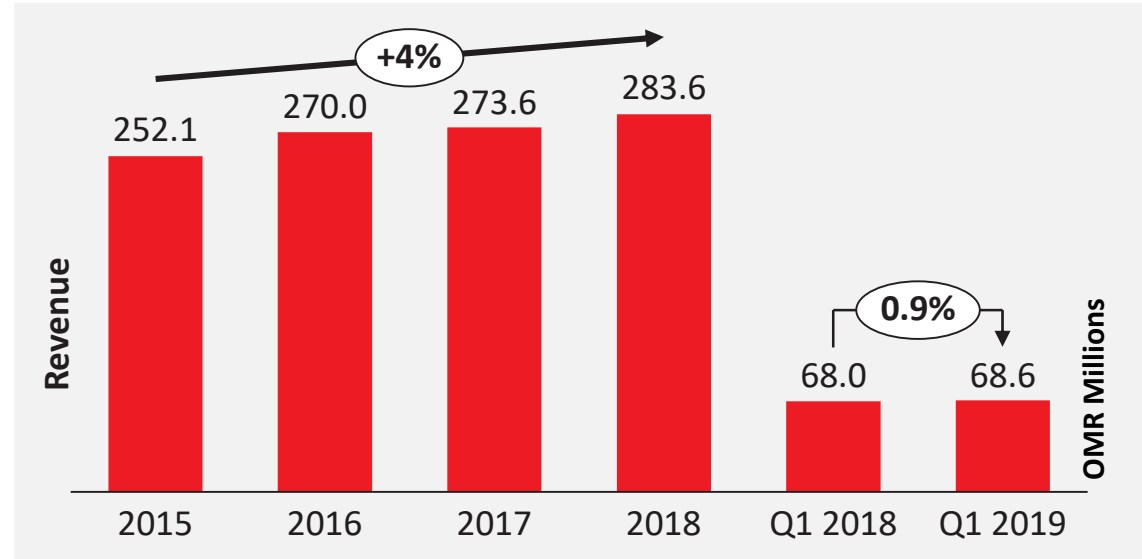
Source: TRA Oman  
Q1 2019 are indicative numbers

# Journey from Nawras to Ooredoo Oman



# Consistent Growth in Revenue, EBTIDA, and Net Profit (NP)

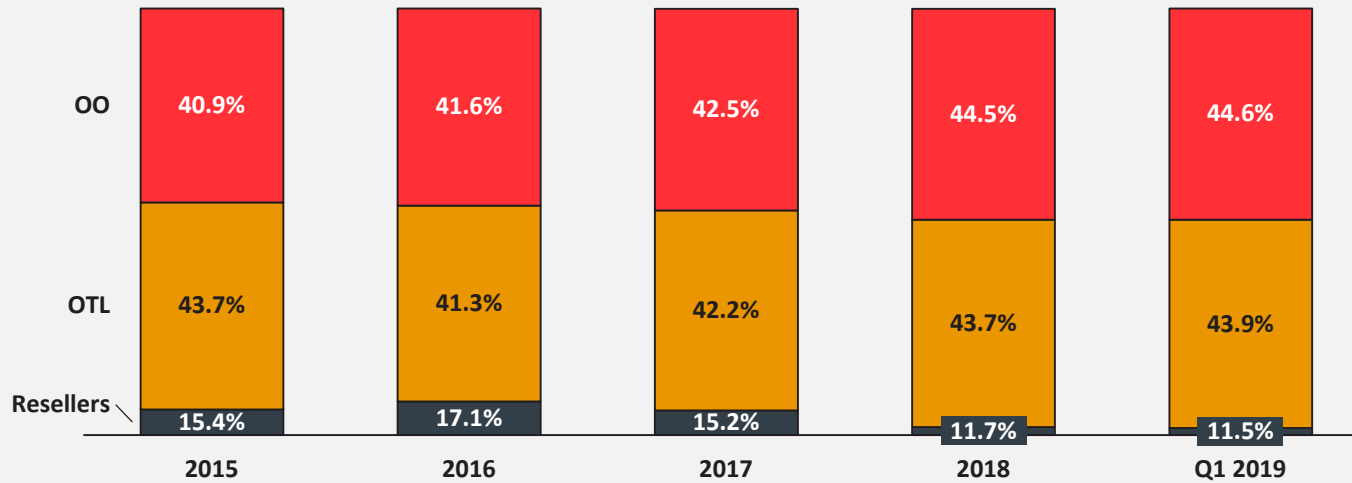
Data represent 65% of overall Revenues.



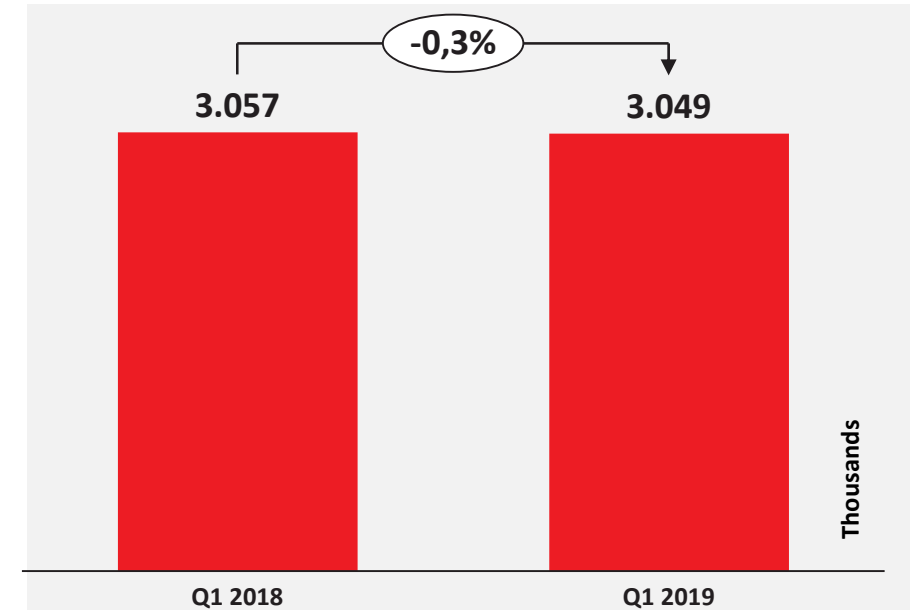
2017 NP was impacted by increase in Royalty (12% from 7%), Corporate Income Tax (15% from 12%) and With Hold Tax (levied on all services)

# Market Share: Mobile Market Leadership

Captured 44.6% share of Mobile market, 50.4% with Friendi MVNO



Sultanate of Oman Mobile Market Share - Customers

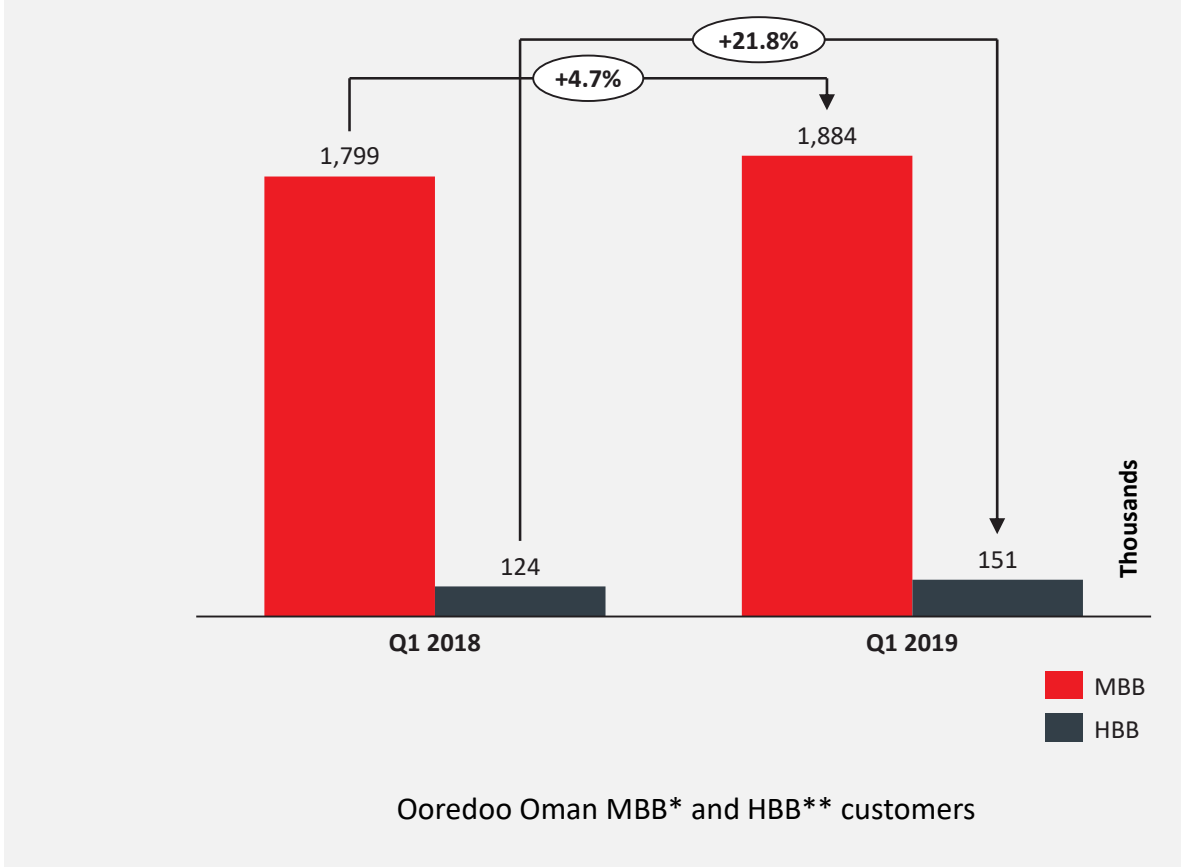
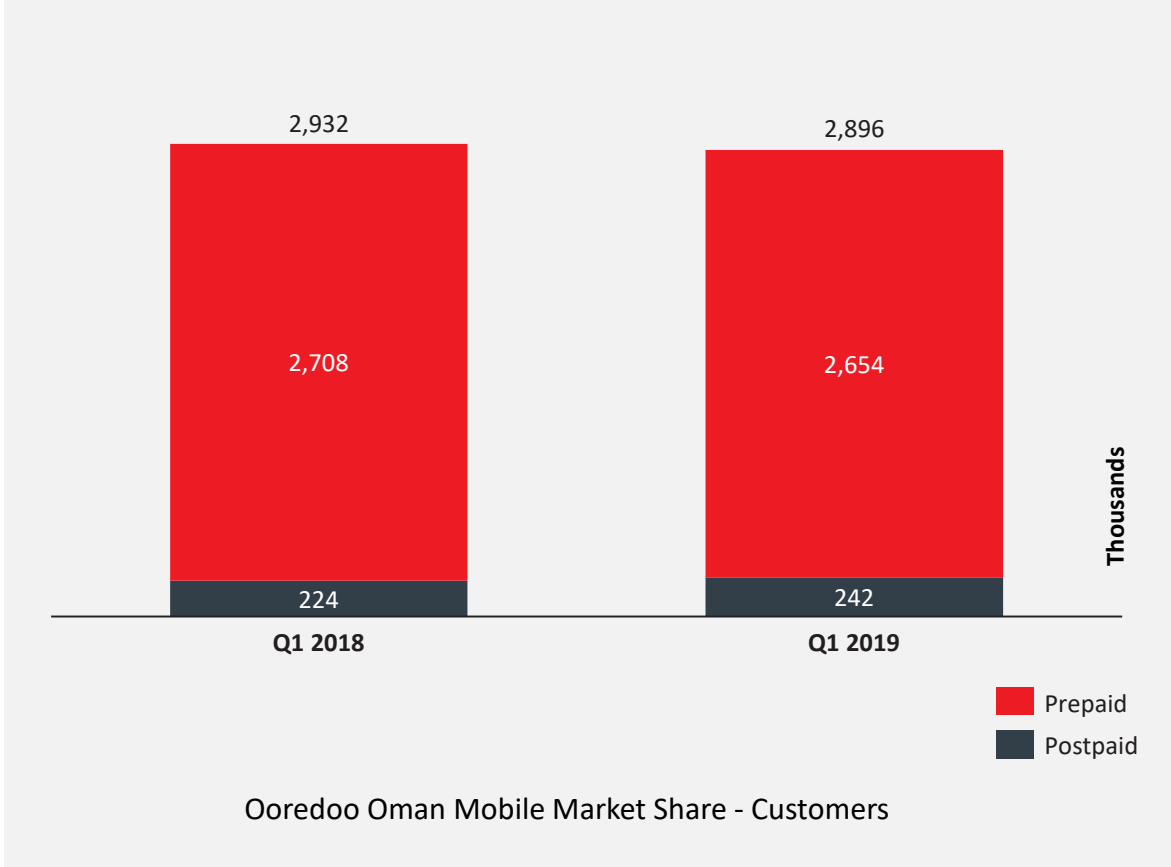


Ooredoo Oman Total Customers

\* Q1 2018 OO Total Customers are pre TRA (march 2018) directive on start kit restrictions.

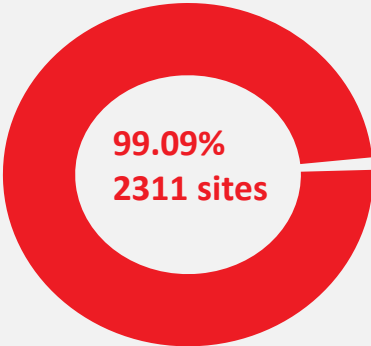
# Market Share Growth

Strong growth in the Fixed segments with Fixed Wireless (LTE -TD) & Super Fibre.

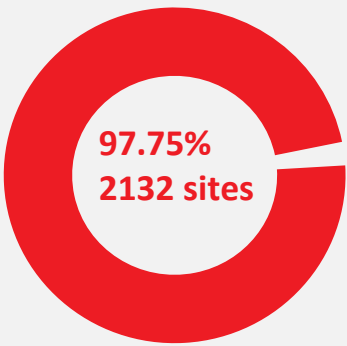


# Network Coverage: Rapid Growth in 4G coverage

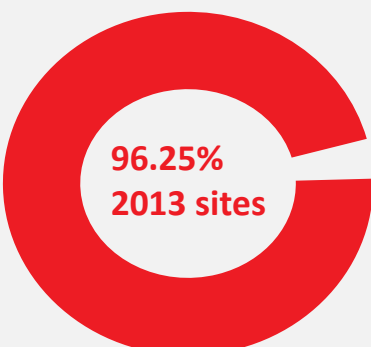
2G - % Population



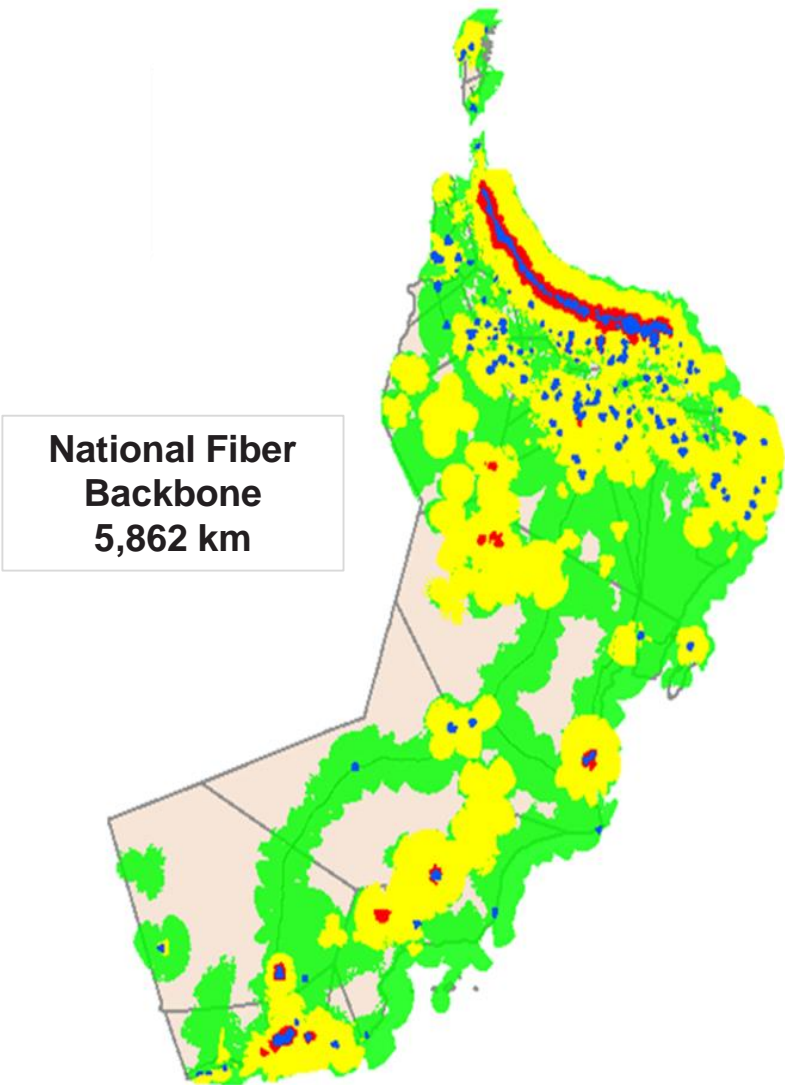
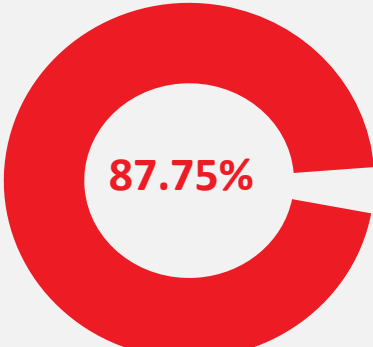
3G - % Population



4G LTE - % Population

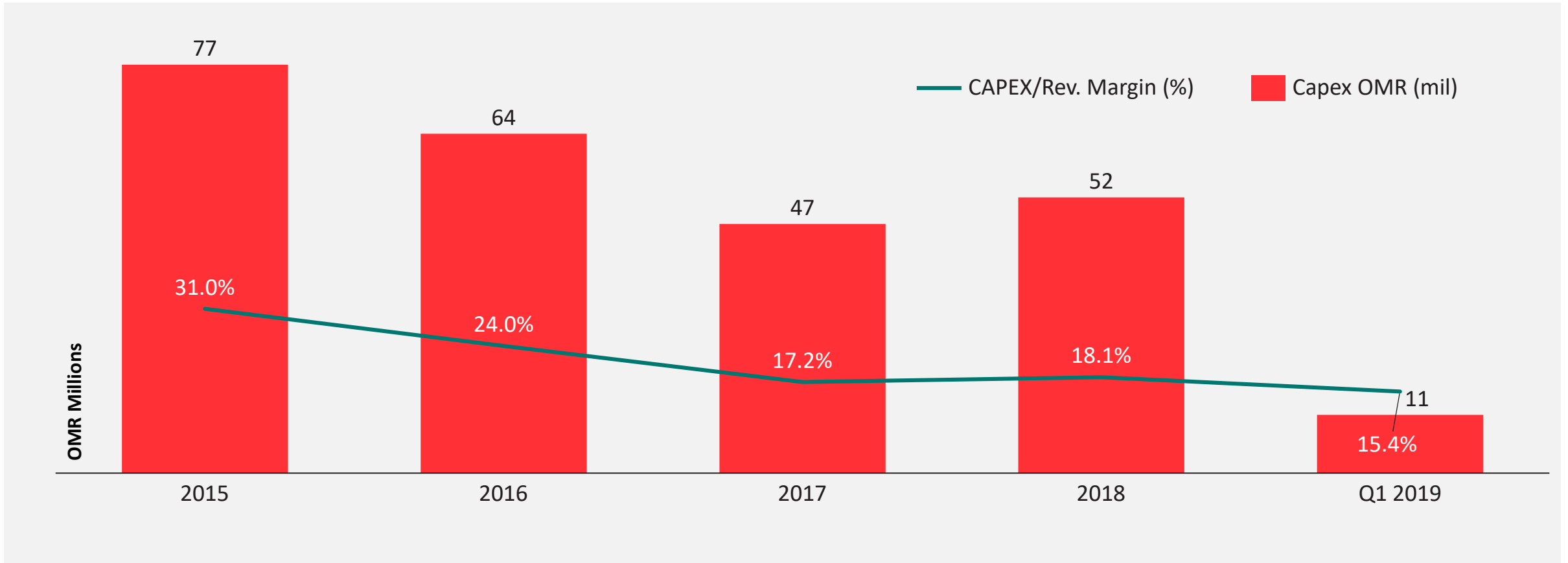


Fast HBB - % Households



# CAPEX

Major 4G Network Expansion accomplished; achieving savings through Group Sourcing.



# 2018-2019: Achievements & Awards



Long-term agreement signed with Friendi, part of the Virgin Mobile Middle East & Africa group.



Awarded fastest mobile network - Ookla H1 2018.



Joint cooperation agreement signed with NBO for financial services.



Increase use of digital channels – Chatbot & Social media - decreasing calls to call center by ~49% YoY.



Official launch of D2C data center.



Ooredoo app (1 million downloads, ~650K active users & application rating of 4.2 out of 5).

GBA - Digital Transformation Award 2019.



Best Digital Brand Campaign Oman 2019 – Be Digital.



Transform MENA award: Best rebrand of Digital property – New Shababiah.



Maintaining market leadership across key metric such as Brand Equity Index (BEI) & CSAT.

# Successful Campaigns, Commercial Edges and Segmentation (B2C)



# Successful Campaigns, Commercial Edges and Segmentation (B2B)

**Be on the fast track**

Connect your business using our unlimited Internet solutions, and be ahead of the game.

Be Digital



**Be with the smarter choice – Shahry Business Packs**

Be Digital



**One-stop business communications solution for just RO 29**

Maktabi - your office in a box



**Be with your customers at all times**

Be Digital



**Elevate your business with our cloud solutions**



**Be connected to your business**

Be Digital



**Be aware of cyber-attacks and protect your employees and business**

Be Digital



**Keep your digital data secured and prevent attacks with VAPT**

Be Digital



**Be in control of your telecom account**

Be Digital



# 2019 -2020 Regulatory framework



## Third Mobile Operator

***Itqan Tech Development LLC (“Itqan”) leading a process of forming a consortium to establish 3<sup>rd</sup> Mobile Operator.***

Vodafone to become ‘strategic partner’ for third mobile operator in Oman

“signing of a memorandum of understanding between the company owned by a local consortium of investment funds and between Vodafone (as a strategic partner) for obtaining the third operator license to provide mobile public telecommunications services in the Sultanate”



## 5G Frequency for Mobile and Fixed Network

Reaching agreement with TRA on a unified 5G, 3.5GHz Frequency Range with (100 MHz) Band of both Fixed and Mobile Requirements



## Oman Tower Company

Joint venture between Oman 70 Holding Company, ActivCO, and Oman Broadband Company to build telecommunications infrastructure to be utilized by all licensed operators in Oman. About 600 towers to be build in next five years.

# Ooredoo Oman's Strategic Focus

## "Enriching Customers Digital Lives"



### **Great Network**

*Network Expansion to cater capacity and coverage*



### **Awesome Digital Experience**

*Digital Reach to Customer (App)*



### **Best Price Innovation & Value**

*Lead in price innovation and value*



### **Accelerate new business opportunities**

*Diversify sources of value*

# Great Network



- ✓ Data Experience Leadership
- ✓ Additional Carriers
- ✓ Indoor Coverage to cater capacity
- ✓ Regional hotspots (eg Salalah)
- ✓ Microwave to Fiber
- ✓ VSAT to Ruralstar

- ✓ FTTH with OBC
- ✓ LTE TDD
- ✓ Massive MIMO
- ✓ Fiber to new Developments

- ✓ 5G to drive data utilizations starting with FWA
- ✓ TRA approved the spectrum Jun/19 for mobile and FWA
- ✓ Target commercial launch 19/20


# Awesome Digital Experience

## DIGITAL SALES

 Growth on Digital Shababiah – Oman's first fully Digital plan



Higher activity levels / Higher ARPU

 Offer Online Channel attractiveness with EXCLUSIVE Online ONLY offers Watch GT with the P30



400% increase in sales over prev. campaign  
Pre-orders ran out of stock within 1 week  
Increase in traffic by 250%

## DIGITAL CARE

 Driving APP recharges



20% increase in daily recharge volumes  
31% increase in recharge values

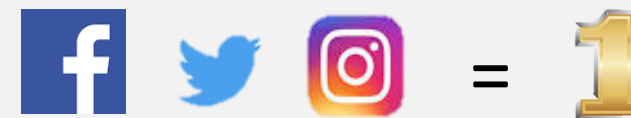
 APP Growth Focus



200K new users acquired to the APP  
4M redemptions through the APP  
7 Point increase in CSAT for APP

## DIGITAL MARKETING

 Social Media Engagement



Achieved #1 position across social channels

 Use of relevant regional SM influencers



Consistent leadership in Brand Equity Index

# Best Price Innovation & Value

## POSTPAID

- First fully Digital Post paid plan with no contract & loads of data



- Introduced Weekend data for Post paid leading to higher adoption & usage.



## PREPAID

- Shababiah MIX: Build own plan via app based on individual voice and data needs.



- Unlimited Data offers: Data, Video & Music to drive higher revenue via RTA and Smart CVM activities.



## Home

- Faster fibre speed offers to acquire incremental new customers to HBB.



- Bundle higher rental home internet plans with more value such as FREE mesh device & discounted TV offers.



# Accelerate new business opportunities

## *Creating New Value Chain & Services*



### Internet of Things (IoT)

- IoT, primarily in the industrial and logistics industries, using different types of wireless connection (WIFI, GPRS, WiMAX, Bluetooth, etc.), mobile device users can keep in touch anywhere in the world where GSM/Fixed (Wifi) networks are available.
- M2M technology, provides the ability to collect critical business data on an ongoing basis. It maintains a constant relationship between all electronic active devices within the organization.



### Augmented & Virtual Reality (AR & VR)

- Tourism, Medical, Classroom, and research centers, virtual 3D tour for potential customers
- Popular application like Anatomyou allows you to make a real 3D tour of the human body. This software can be successfully used even in school curricula.



### Cloud Services

- Providing services related with colocation, virtual software provisioning esp, to SME, Schools, Universities on Oracle/SAP ERP suites, Microsoft Office/Sharepoint, etc..
- Providing Cloud Data security services/firewalls
- Bundle packages with connectivity
- Bandwidth prioritization to ensure optimum throughput when required.
- Upsell for home broadband users to use web based MS office, storage, email suites, etc.



### Smart Cities/Campuses

- Partnering with local municipalities/colleges to provide citywide smart city/campus solution (Hotspots, smart energy utilization, smart metering, online security, monitoring of air quality. etc..)



### Mobile Financial Services

- Online Money Transfer/wireless money transfer
- eTrade (B2B and B2C, M2M)
- Mobile payment system



### Media & Entertainment

- Communication with customers and other partners via social platforms
- Better quality (4K) of content, speed of streaming. download, and latency
- Connectivity across multiple sites (live air )
- Intelligent advertising to cater targeted audience.



# Thank You

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