

### Ooredoo Q1 2020 Investor Call Transcript

*April 30th, 2020*

Presentation

###### Operator

Ladies and gentlemen, welcome to Ooredoo Group First Quarter 2020 Financial Results Investor Call. I now hand over to Andreas Goldau from Ooredoo Group. Sir, please go ahead.

###### Andreas Goldau

*[Arabic greeting]*

Hello and welcome to Ooredoo’s financial results call. My name is Andreas Goldau from the Investor Relations team.

This call is slightly different from our usual format. Usually, we would be in the Ooredoo Tower in our office, but on this occasion we have the speakers dialing from various locations across Doha. Of course, we have Ajay, our Group CFO, and we have Andrew Kvålseth, our Chief Commercial Officer, and Sara Al-Sayed from the Investor Relations team. But we also have a new speaker joining us this time, Sheikh Mohammed Bin Abdulla Al Thani who has recently been appointed as Deputy CEO of the Ooredoo Group and he is also the acting CEO of Ooredoo Qatar since last month.

Let me introduce the new speaker, Sheikh Mohammed actually joined Ooredoo Qatar in 2009 in the finance department. His international career started when he joined the board of Ooredoo Kuwait in 2011 and in 2014 he actually became the CEO of Ooredoo Kuwait. He spent the last six years in Kuwait in charge of the operations there. Sheikh Mohammed is also the Chairman of the Board of Ooredoo Algeria and he is back in Qatar since last month. So what a time for his first investor call.

Sheikh Mohammed will start with a brief overview on the current pandemic situation and the impact that it has on Ooredoo's business. Then he will provide a brief summary of the Q1 results. As always, Ajay Bahri, our Group CFO, will provide more details on the financial numbers. In the end, we will allow ample time for your questions.

The presentation is available on our website at [www.ooredoo.com](http://www.ooredoo.com) and also on the webcast. Please do note the usual disclaimer on slide number two.

To begin, I will hand over to Sheikh Mohammed.

###### Mohammed Bin Abdullah Al Thani

Hi, everyone.

*[Arabic greeting]*

Ramadan Kareem to everyone. It's my pleasure speaking to you all, and Ramadan Kareem to you and your families, and I hope that you and your families are well and healthy during this difficult time.

As you all know the COVID-19 impact has been global and it has touched all business and across all sectors. We know that we are in a sector that's a little bit resilient and maybe less impacted compared to other sectors. We, here at Ooredoo Group and Ooredoo management, are very cautious and we are making our stakeholders, employees and customer our priority. We continue to make sure that their health and safety is a priority for us. Also, we make sure that, as Ooredoo, we are providing a better quality of connectivity for uninterrupted service and business across all our operations and OpCos.

Today, I speak on behalf of the entire management in the group and OpCos, that we are providing that services, despite the impact of this pandemic across all our 10 countries. We know that COVID-19 has had a global impact and has disrupted most businesses. As I said earlier, we are less impacted and Alhamdulillah, thanks be to God, that we are quite resilient going into this COVID-19 situation.

We know there have been some positive and negative impacts. I'm going to go through just the high-level points that I can highlight to you, and then I'll give a brief overview of our high-level first quarter results which will then be followed by a detailed presentation by the team members here.

We have been noticing that the aviation and the travel sectors have been impacted heavily, and that's really affecting our roaming revenue, and although roaming revenue is not that a big percentage of our total revenue. We know that across all our operations a large number of our shops are closed. However, that means our digital journey has been accelerated. These events are changing the behavior of customers and mentality and that fits with our vision as a digital provider.

Also, we have been cautious about the supply chain and production and thank God that we have good relationships with our suppliers and vendors.

There are some positives also. Our sector has been less impacted because every business; corporate and consumer; individuals, parents, kids are staying home, and are heavily dependent on the usage of telecom services and products. We see that from the massive data growth on our network, and by how things are evolving dramatically on the corporate side. We know that from the consumer side, kids and parents are using streaming videos and games. We know that in the schools there has been distance learning. Business have been communicating with each other through video conferencing and that's really caused a big jump in telecom services.

The events of the COVID-19 has reinforce for the corporate decision-makers how they are changing and accelerating, and looking into their entire infrastructure and how they are accelerating their move into ICT solutions and data centers and how they can be resilient and adapting to these exceptional circumstances.

That also goes with our entire vision of how we can be a digital provider growing into: 5G installation, digital and IoT applications and ICT businesses.

This is a difficult time that has impacted the entire globe. It is affecting the entire consumer and business behavior and decision-makers. In Ooredoo, we are making sure that we are taking cautious steps that can place in a good situation to minimize the effect or the impact of this. However, we are not losing a bigger picture and long-term strategy that we are aspiring for. We will continue our investment and maintain our position across all our 10 markets.

There has been exponential traffic growth in our network, and we are in a good position today to manage that. We are adding more capacity to be resilient with this huge demand on our network.

I would love just to give a high-level overview on our Q1 results. Our Q1 results seem very positive, healthy, we grew our top line by 1% compared to last year, supported by growth in Indonesia and Tunisia. Our EBITDA is marginally below last year because of challenging markets in Algeria, Qatar and Kuwait and the COVID-19 impact.

Our net profit is down by 8% compared to last year, however, it’s offset by some favorable gain in forex exchange. Thanks God, our financial position and balance sheet is quite healthy. We have a good liquidity position and that gives us a more comfort how we can embrace and continue and striving for our mid- to long-term strategy of maintaining our position and continuing investment into our network and core business to provide a good and high quality of services for our stakeholders and customers.

That's it from my side. I would hand over to the team members now for further details. Thank you so much.

###### Ajay Bahri

Thank you, Sheikh Mohammed for your insights. I will get into the details of the financial results.

We can move to slide number nine. As already mentioned, the growth in revenue was driven by good performance of some of our OpCos. I'd like to highlight Indonesia and Tunisia, where the revenue grew 7% and 16%, respectively, driven by Indosat's refreshed strategy and the implementation of Ooredoo Tunisia's value creation plans. Growth in data consumption in Myanmar also contributed to revenue growth during the period. Challenging market conditions, certain one-off cost provisions, including for COVID-19 impacted in many of our territories, led to 5% decline in EBITDA year-on-year to QAR 3 billion. We are optimizing costs to mitigate the impact of this decline and to manage the impact that weak economies and changing consumer habits will have on our bottom line.

Let's move to the next slide, slide 10. Group net profit declined by 8% to QAR 387 million in quarter one 2020 compared to the same period last year, due to the reduction in EBITDA and COVID-19 provisions. Pre-foreign exchange, net profit benefited last year from spectrum refarming benefits in our company, and in this quarter, it was negatively impacted by one-off provisions for COVID-19 and also restructuring costs in Indosat. So that one-off cost in Indosat happened in quarter one, the benefit of that will come in coming quarters. Economic weakness as a result of COVID-19 lockdown is likely to have an impact on the economies where we operate and correspondingly will also have an impact on the performance of the operations. Having said that, we, as an industry, are better placed than other industries because of the increased demand for our products.

Moving to the next slide, capital expenditure and free cash flow. You'll see that CapEx for the period was QAR 811 million, a decline compared to last year. However, this is in line with our in-sourcing strategies designed to optimize CapEx by taking advantage of group's economies of scale and also partly related to timing of completion of certain projects. CapEx was mainly used for network upgrades and deployments. During the quarter, we upgraded our 4G network in Myanmar to the most advanced level in the country. In our home market in Qatar, we took another step towards nationwide 5G coverage by deploying spectrum-sharing sites, which enabled the running of 4G and 5G traffic simultaneously on the same frequency.

Our liquidity is good, and free cash flow increased 10% during the first quarter compared to the same period last year to 1.5 billion due to lower CapEx during the period.

Moving on to the next slide, total customers. Our customer base increased by 6% in Q1 2020 compared to the same period last year to 118 million customers driven by strong growth in Myanmar, Indonesia and Iraq.

Moving on to the next slide, net profit. We continue to maintain a healthy and well-balanced net debt to net profit. Net debt decreased by 10% to QAR 25 billion as we maintain our course of deleveraging. Our net debt to EBITDA ratio is at 1.8 times, which is well within our long-term guidance of between 1.5 and 2.5 and well below bank covenants of 4.5 times. Group debt remains mainly at the corporate level, like previous quarters, largely in Qatar, followed by Indonesia and then a smaller percentage allocated to the other OpCos. As a reminder, debt at the OpCo level is kept primarily in local currency.

Let's move to slide 14. Revenue was at the upper end of the guidance we've given, whereas EBITDA came in below the outlook we gave. However, we recognize that as COVID-19 lockdowns continue and resulting impact that it will have on the global economy, the performance of our business may deviate from our guidance in the following quarters. At this stage, there is a lack of clear visibility and clear data to accurately project the impact of this. Therefore, we will update the guidance after Q2 when we will have a better visibility on the evolution of the situation.

Let's move to slide 16 for an operational review of our OpCos. Starting with Qatar our home market. Qatar continues to be our highest revenue generator. EBITDA margins, which were at a healthy 55% during the quarter came slightly lower compared to last year from the reduced revenue from prepaid services. However, sequentially, impact from B2B project revenue was offset by lower costs resulting in EBITDA margin improvement. We continue to make progress towards nationwide 5G coverage, as I said earlier, by deploying spectrum-sharing sites, which enable us to run both 4G and 5G traffic simultaneously on the same frequency. Now we have more than 100,000 customers signed up for the new Shahry 5G and Qatarna 5G plans while our content and entertainment services saw good growth with Ooredoo TV customers. We maintain our number one position in the country, and our network continues to be ranked among the fastest globally. During the quarter, we have launched several initiatives to support communities and businesses during this difficult time, including doubling data launches and providing higher speeds.

Moving on to the next slide, Indonesia. Indosat Ooredoo delivered robust growth powered by the implementation of its three-year strategy to create a more agile business with a sharper focus on its customers. Revenue for the quarter grew 8% year-on-year in local currency mainly driven by higher ARPUs due to a significant increase in data traffic. Indosat Ooredoo maintained strict cost discipline, which contributed to EBITDA growth of 9% for the first quarter of 2020 compared to the same period last year and a corresponding increase in EBITDA margin to 42% for the period, up from 41% in Q1 2019. Sequentially, the revenue was lower due to certain lower B2B project revenues in Q4 resulting in lower EBITDA. However, EBITDA margin improved sequentially as a result of cost optimizations, despite a one-off cost related to organization restructuring. Those of you who have attended our call yesterday would have heard more details about that. Indosat Ooredoo’s customer base grew by 5% to 56 million as we maintained our focus on developing a more loyal base with low levels of churn.

Moving on to Slide 18, Iraq. Asiacell reported a revenue growth of 1% to QAR 1.1 billion in quarter one 2020, while EBITDA increased marginally to QAR 473 million, a healthy EBITDA margin of 44%. Our customer base was up 5% as customers were able to avail of Asiacell’s services from the safety of their homes with the help of mobile buses, which delivered SIMs and scratch cards directly to people's homes. Sequentially, revenue declined due to seasonality. Quarter four had a positive impact because of the [Arba’een] festival in Iraq and also was impacted by COVID-19 shutdown. EBITDA margins improved compared to quarter four. Stable performance is the result of a good start to the quarter, offset by challenges driven by the continuation of the 2019 demonstrations, COVID-19 outbreak and drop in oil prices.

Moving to Oman, slide 19. Oman reported revenue of 638 million, down 2% compared to the same period last year, primarily due to prepaid mobile segment, which was offset by growth in the postpaid side, as well as growth in the fixed line business. EBITDA declined by 3%. However, effective cost management initiatives across the business enabled us to sustain a very healthy EBITDA margin at 56%. Ooredoo Oman's license was renewed for another 15 years period in February. The renewal fees of OMR 75 million will be paid in two instalments, one each in 2020 and '21. Sequentially, revenue declined due to lower device sales and prepaid revenue. This was partially offset by cost efficiencies resulting in decrease in EBITDA but improvement in EBITDA margin.

Let's move to slide 20, Kuwait. Revenue for the first quarter of 2020 was QAR 656 million compared to QAR 673 million in 2019. Kuwait's overall performance was impacted by the COVID-19 lockdown, adding pressure to an already competitive environment. Sequentially, the revenues declined 11%, including a large impact of lower handset sales as well, which is a low-margin business. The CMA in Kuwait has requested companies not to publish financial accounts until July 2020 and, therefore, the numbers we are disclosing today are a bit limited compared to our usual disclosures, focusing more on the revenue details. Ooredoo Kuwait offered all workers in the ministries and the governmental organization 5GB of free data a day and unlimited local calls in support of their efforts to contain the spread of COVID-19.

Moving now to slide 21, Algeria. A generally challenging economic environment intensified by the measures taken to curtail the spread of COVID-19 weighed down on our performance in Algeria. However, I would like to highlight that our performance in terms of EBITDA stabilized over the last few quarters, which saw an improvement in EBITDA margin sequentially. Ooredoo Algeria reported QAR 594 million in revenue in quarter one 2020, down 8% compared to the same period last year, but a more moderate 3% decline compared to quarter four 2019. Consequently, EBITDA for the period declined to 200 million compared to 261 million last year. Sequentially, EBITDA decline was only 2%. Ooredoo Algeria launched a comprehensive program to support the community during this period, which included the use of Ooredoo's digital platforms to raise awareness on COVID-19 prevention, in addition to the deployment of its e-learning platform to support the ongoing education of students during the crisis. Ooredoo Algeria also teamed up with the Red Crescent to distribute hygiene kits and help sanitize public spaces.

Moving on to the next slide, Tunisia. Tunisia delivered another robust set of results, despite challenging market conditions. Revenues grew 16% to QAR 382 million in quarter one. In local currency, the growth was 8%, so a good recovery in the currency there. It was driven by good performance in B2B, fixed wireless, and data segments. Consequently, EBITDA increased by 18%, 10% in local currency, again, benefiting from the currency improvement, supporting EBITDA margin improvement to 44%. Ooredoo Tunisia's customer base was unchanged at about 9 million, maintaining its position as the number one telecom player and customer market share. To support its customers during these challenging times, Ooredoo Tunisia launched new nightly data bundles and free mobicash cards.

Moving on to slide 23, Myanmar. Myanmar is seeing an evolution of its telecoms market towards 4G. As a result, data usage continues to drive revenue growth in the market. Ooredoo Myanmar reported revenue of QAR 284 million for the first quarter of 2020, up 9% compared to the same period last year. However, increased customer acquisition costs contributed to margins compression and a decline in EBITDA to 50 million in Q1 2020 compared to 2019. Sequentially, the quarterly performance also showed similar trends of revenue growth and pressure on EBITDA. The operational highlight for Ooredoo Myanmar is the upgrade of the country's most advanced 4G network, which uses the 900 megahertz band and reach the vast majority of Myanmar's population, contributing to a 43% increase in our customer base to 15 million, 15.6 million at the end of the quarter. The country's 3G and 4G networks continue to rank number one for speed in the country.

This concludes the presentation. I will now hand it back to the IR team.

###### Andreas Goldau

So questions can be asked on the webcast or via the phone if the operator could just explain how to ask them. Thank you.

Q&A

###### Operator

*[Operator instructions]*

Our first question comes from Nishit Lakhotia from SICO. Please go ahead.

###### Nishit Lakhotia

I have a couple of questions on the results. First, on the Qatar operations, I have seen it was weak. It looks like a bit weak operation if I look at it in terms of performance year-on-year. If I compare it with your competitor, it seems that the competitor has gained market share in the first quarter. So I wanted to get an idea on how is this competition environment right now within Qatar. Also, in terms of your voice revenues, are you seeing any material impact from more usage of, say, OTT apps? Also, on your mobile broadband, how is the impact from people working from home and using fixed broadband more? So that's my question on the Qatar operations.

Second, on the Kuwait. I know you're not sharing more details in terms of the performance below revenue, but if I look at the other component in your segment reporting, where you have clubbed Kuwait, Tunisia, Maldives and Palestinian operations, primarily, I see the profit before tax as a loss as a group bucket. So wanted to get a better understanding as to what is happening in this segment at a high level. If you can share something on that, it will be helpful.

Third, on the Algerian operations. It seems there was an issue with some cost retention of certain people in Algeria, which led to some management changes there. So is there any issues going forward in terms of any cost cutting measures that you can take from that angle in Algeria? Any update on that? Thank you

###### Ajay Bahri

Thank you for your questions. As far as Qatar is concerned, I think Qatar, of course, the competition has been intense in Qatar for a long time, and some quarters, we gain market share, some quarters Vodafone does. So I think the movement is not material. There are some changes, but nothing material we would say. We maintain our strong position in terms of network, in terms of mobile and fixed dominance as well.

On the OTT side, the impact is not material. As you are aware that OTT was not allowed in Qatar, and both Vodafone and us had implemented that. It was allowed earlier, much earlier, if you remember a couple of years back. Even when that change happened, the impact was not material. Any change in behavior like that is not expected to have a material impact. A lot of customers are on bundles, which includes data and minutes bundled together.

As far as the behavior of customers is concerned, you are right that a lot of customers are not moving around much. If someone is at home, then the default usage could flip back to the fixed line. That fixed line, on most of the houses does belong us. The benefit we see that, as you pointed out, was increased some revenues on Ooredoo TV side, but that is offset by a decrease in mobile broadband usage. There, too, the customers were on bundles. The impact would not be that material. People who are on pay-as-you-go, that's where the impact would be more. So it's a mixed bag, some positive, some negative, which comes out of that.

On the Kuwait side, unfortunately, I can't give you more details, but we do see a revenue trend over there. The lockdown in Kuwait has been there for some time now, so that obviously has had an impact in the revenues. I think you can probably expect that to impact the overall business as well, including… when we talk of COVID impact, we're talking about… I mentioned about provisions for COVID, they are primarily done in markets where we have postpaid customers, receivables and the expected credit loss is resent because of this. Those are spread across all the OpCos, including Kuwait, as you would imagine.

As far as Algeria is concerned, yes, there was a change of management, and we have now Mr. Bassam, who has gone there as Deputy General Manager. No concerns about the changes there. All the other top management is there, things are moving since Mr. Bassam has gone there, so no specific concerns as far as that's concerned. As far as any cost optimization initiatives are concerned, that's a process we follow in each OpCo, it is an overarching plan to look at all types of costs, and the implementation process in each of OpCo is merited on the business requirements there.

###### Operator

Our next question comes from Herve Drouet from HSBC. Please go ahead.

###### Herve Drouet

A few questions. First one is, have you seen any change in the dynamics in your operations since lockdown were in place and with the COVID-19 impact, especially on working capital, but also on bad debt? Do you see any delay in receivables coming from some corporates and especially SMEs?

Second question is regarding CapEx. Your Q1 CapEx looks relatively low, and you gave some explanation for that, but comparing with your guidance for the full year, there is a very large gap. You mentioned, at the same time, the disruption of the supply chain that may impact rollout. I was wondering as well if you believe, especially, the guidance you have given on CapEx may be too high compared with the current situation, and if you think there is room for decrease there.

Finally, back on Algeria. I was wondering, we have seen in previous quarters some kind of start of a stabilization on the financials. This quarter, that has shown a bit of renewed weakness. Do you think we have achieved trust now in Algeria and coming quarters, we might see stabilizing or starting to potentially have a bit of upside there or you still think it's too soon? Thank you.

###### Ajay Bahri

Let me take the first question, which is generically talking about COVID-19 impact. So as far as changes to prices are concerned, each operation has actually supported the economies and the governments during this time by providing a lot of free data to customers as required very often by regulators. This is the time when I think the telecom industry and Ooredoo is standing with the economies and the countries to support – whatever support is required to get the engine of the economies working. Initially, I think there has been a lot of free data given, free support given. I gave some examples in my presentation. Sheikh Mohammed also explained some of the examples of that. Yes, that is definitely there on a short-term basis, and that was required for a certain period of time by some regulators. But there is no sustained decrease in pricing, most of these are promotional in nature.

Working capital impact, I think it's a little early to talk about the impact of working capital right now. In the one month of lockdown, mostly in March, there is no significant impact on receivables. Having said that, we all know that these lockdowns are continuing, and these will have an impact on the ability for a lot of customers, SMEs to pay on time. And that's why the proactive thing done, as far as accounting is concerned, we've taken some provisions not based just on what we saw in March, but also anticipating some deterioration in the credit quality going forward, but these are uncharted territories, as you are aware. We all have to wait and see how this plays out in each market, and the dynamic might be different in each market. The good thing, overall, about our business is it's primarily a prepaid business for us in most of our operations. Some operations do have exposure to receivables, but not that large. Where we thought there was risk, we've proactively taken some provisions for that.

Your next question was CapEx. You're right, quarter one CapEx is low. Generally, quarter one is low for us in all quarters of all the years. Last year it was a little higher because Indosat was on a CapEx rollout for their catch-up on a number of sites. So I think the comparison with Q1 of last year probably shows the big decline, but there is no disruption, which is impacting materially our CapEx plans as we speak today, so most of the plans are working. However, again, it’s difficult to project how this will impact our plans if there is a sustained lockdown in some of our markets, but right now, we don't see a material impact on the supply chain.

Algeria performance, you're right, year-on-year, you do see a decline. Like I said, if you compare it with the last quarter, the decline is much less, and that's an indication of a little bit of stabilization of the performance of the company. So we see a lot of positive signs there. Unfortunately, with the COVID-19 impact in the country, and also to be cognizant of the fact that oil prices have gone down, that doesn't bode well for the economy there. But the company itself had a plan to turn around, has taken a lot of measures, including focusing on customers, products, distribution. All aspects were considered. So we see a stabilization there, for sure.

###### Operator

We have another question from Ziad Itani from Arqaam Capital. Please go ahead.

###### Ziad Itani

Just a couple of questions. First of all, on the Iraqi market, can you please give us some details on what are the terms of the five-year license expansion you got? How much did this help in terms of lowering the amortization cost?

###### Ajay Bahri

What has happened as of now is that the negotiations with the Government have started now, and that's where the process sits right now. The Government having… there's no full visibility in terms of when the details will be received back from the government, but it's work in progress right now. So once we have details of that, we can probably share more information and details. But what has happened in the meantime, a positive impact, which you might have seen in Zain’s results of Q4 is that there is a right to request for the license extension for another five years. I think that process has started. In terms of IFRS, there's a possibility to write-off your balance license cost over another five years' time. So the positive impact of that is built into below the EBITDA in quarter one itself.

###### Ziad Itani

So this is basically the main reason why we've seen roughly QAR 100 million lower depreciation and amortization in Asiacell in Q1.

###### Ajay Bahri

Approximately, that's not exactly the number. The number is slightly smaller than that. The main reason for that decrease comes from this lower amortization charge which, of course, will continue on every quarter basis.

###### Ziad Itani

Also what's happening in Iraq in terms of the 4G license? As well, I mean, looking at Q1, we've seen quite a strong drop in revenues and EBITDA sequentially. Any specific reason for that as well?

###### Ajay Bahri

See, what has happened in that technology, there's no clarity yet on when the 4G license will be issued. Of course, there was an expectation earlier that it is very imminent, and all the operators were actively working on that. But what has happened is that, with this COVID-19 situation, it's not clear now how imminent that is. Everyone is hoping it will happen. There's readiness from operators and the 4G ready deployment, but we will have to wait and see how that plays out.

As far as Q4 to Q1 is concerned, Q4, as you would recall, is always a good quarter because of the Arba’een festival in Iraq. That’s why you see a decline in revenue coming, primarily because of that and also partly because, in March, a strict curfew was imposed in Iraq. Unlike some other places, where the curfew was not as strict, in Iraq, it was a very strict curfew in March. That impacted the performance in the month of March, a little more than the other places.

###### Ziad Itani

One more question on Oman. Is there anything new with regards to a third player entering the market and tower sales if possible?

###### Ajay Bahri

There's no new news as such, I think it still stays as a third player will be entering the market. It just appears that there may be a delay of the launch of operations. There was a time when we were thinking it might happen sometime in the second half of the year. With this COVID-19, we believe that may be delayed into next year. But no specific news beyond what's in public domain today.

###### Ziad Itani

And on tower sales, anything with that regard?

###### Ajay Bahri

Tower sales, of course, we did the tower sales in Indonesia. We have done one batch. As you remember, we still have some more towers left in Indonesia. In the meantime, Axiata is also in the market with their towers. So down the line, we may look at it again, but not immediately. But that's part of the overall strategy to invest in the core network. It's not something that's happening right now.

###### Ziad Itani

But nothing's happening in Oman with that?

###### Ajay Bahri

Nothing specific in Oman. They have the Oman Tower Company already established there. And the other ones were building all new towers now. So the new tower build is with the tower company, although in theory, the operators also have a right to build. But it just makes sense not to duplicate infrastructure that doesn't need to be to duplicated.

###### Ziad Itani

But what about selling the current towers that you own?

###### Ajay Bahri

See, that in theory, that is possible, and nothing much is happening as of yet. If there's a possibility to monetize that asset, definitely, it's something we will look at, but nothing is happening actively on that side right now. Although, it can happen. Given that they have a tower company established there, and it really depends how the appetite there is in terms of the right valuations and indeed the right pricing, but that is not very actively happening right now. And I think a lot of these things are already slowed down because the COVID situation, and I think we'll have to wait a little bit before things like this will pick up.

###### Operator

We have no further questions by phone.

###### Andreas Goldau

In this case, I think we can take some questions from the webcast. Sara, do you want to read out the questions from Al Rayan and NBK Capital, I think there are a couple pending.

###### Sara Al-Sayed

A question from Al Rayan.

“Did the company provide discounts on any packages? If yes, what is the financial impact of these, and how long will it continue?”

###### Mohammed Bin Abdullah Al Thani

Across the -- all operations, and of course, we are working with our clients and customers, and we always make sure that we are in constant communication to make sure that we have a mutual benefit among both parties. So we are looking into this as a partnership with our clients, and that's something we cannot quantify as of today financially.

###### Sara Al-Sayed

Another question from NBK Capital.

“Are there still any discussions with the regulator in Qatar to extend the license similar to what was extended to Vodafone?”

###### Mohammed Bin Abdullah Al Thani

###### Actually, always a discussion with the regulator there, honestly, there is no such active, concrete discussion on that aspect. However, with this unknown or uncertainty of COVID-19, there has been multiple discussions with the regulator, and we are looking into so many fees and licenses that we are having with the regulator. But there's no such active concrete discussion on that specific aspect as of today because of the COVID-19, and things are happening dramatically for the last few weeks and months. But that's something we are discussing in general aspect of all fees and things that we are having with the regulator to look at and review our relationship with the business.

###### Operator

Our next question comes from Dalal Darwich from Arqaam Capital. Please go ahead.

###### Dalal Darwich

I have just one last question, if I may. Regarding normalized EPS in Q1, so can you please share with us how much do you see it? Because there's like around QAR 200 million in other income. So if you can tell us to what do you see as normalized EPS and if you think the dividend policy that was just implemented can be revised.

###### Ajay Bahri

So we don't disclose normalized EPS in our quarterly disclosures. Having said that, you can see the impact of FX out of the [203], right? Also, if you look at the COVID itself, whether it is one-off should be factored for normalized or not, something we haven't given the thought. So it will be something we will assess, I think, later in the year as things stabilize. The policy itself is like a guidance given by the board, how they intend to share the proceeds of profits between shareholders and reinvesting in the business. Of course, there is no intention to change the policy right now, it's too early, but if there's unusual activities, which we believe COVID-19 is, it would definitely be factored into the analysis.

###### Operator

We have no further questions for the moment by phone.

Conclusion

###### Andreas Goldau

Thank you very much. Then before we close the call, I would just like to point out two events that are coming up, two conferences. Of course, we are not traveling at the moment, but fortunately, there are virtual conferences, and Ooredoo is planning on doing one-on-one meetings at the Citi Conference in London, although we're going to be in Doha. That's going to take place on the 18th and 19th May. And we're also going to be available virtually at the Bank of America Merrill Lynch conference from the 2nd to the 4th June. So if you are interested in participating, please talk to your broker, and we are happy to answer any questions.

If you have any feedback on this call or any follow-up questions, feel free to reach out to the Investor Relations team. Otherwise, I would like to thank you for joining this call.

I want to thank all the speakers, and we are looking forward to your future participation at our next update. First half results, including the updated guidance is probably going to happen around the end of July.

Thank you very much, again, for your continued interest in Ooredoo.