



Ooredoo Group

Q3 2021 Results

October 2021



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 - 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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**Indosat Ooredoo Hutch
Merger**

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Group Results

Key Highlights

Solid financial performance in challenging conditions



Revenue for the nine months ended 30 September 2021 stood at **QAR 22 billion, up 3%** compared to the same period last year

Mainly driven by growth in our home market Qatar, Indonesia, and Tunisia.
Excluding FX impact, revenue increased by 6%



Group EBITDA for the nine-month period was **QAR 10 billion** with a corresponding **EBITDA margin of 45%**, mainly driven by growth in Indonesia, Kuwait and Algeria.

The EBITDA growth rate stood at 7% and at 10% excluding FX impact



Group Net Profit attributable to shareholders turned negative mainly due to FX losses and the impairments in Myanmar. The negative impact was partly offset by profit from the sale and leaseback of Indosat Ooredoo's tower assets (QAR 1,000 million) and reversals of COVID-19 FX provision.

Excluding these one-offs and FX impact, Net Profit increased by 41%.



Consolidated **customer base increased by 2% to exceed 120 million** due to strong performances in Indonesia, Oman, Algeria, and Iraq



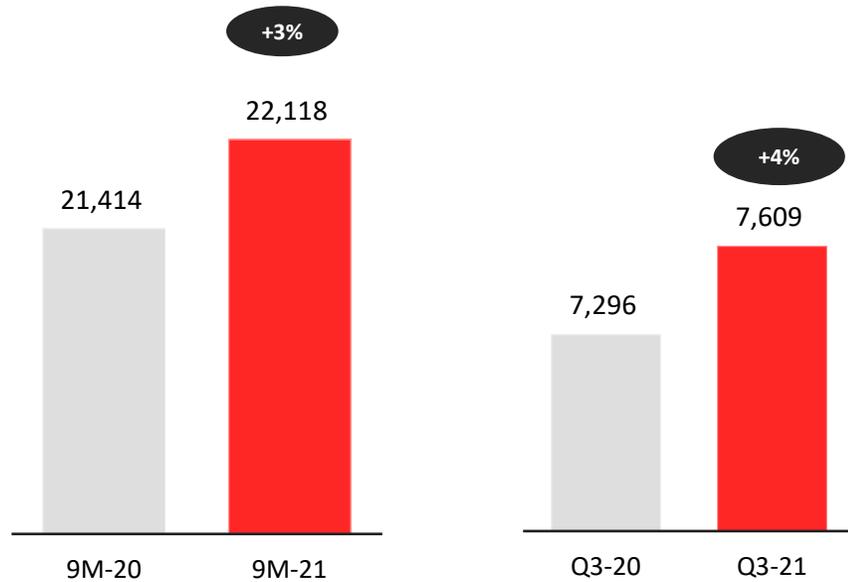
On September 16, **Ooredoo Group and CK Hutchison** announced the signing of definitive transaction agreements for the proposed merger of their respective telecommunications businesses in Indonesia

The merged entity, Indosat Ooredoo Hutchison, is set to become a stronger number two telco operator in the market

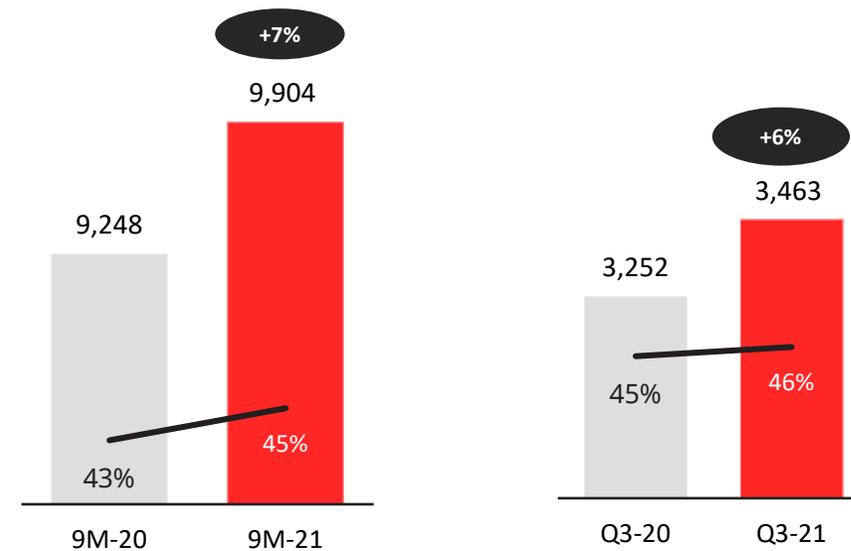
Group Results

Revenue and EBITDA

Revenue (QARm)



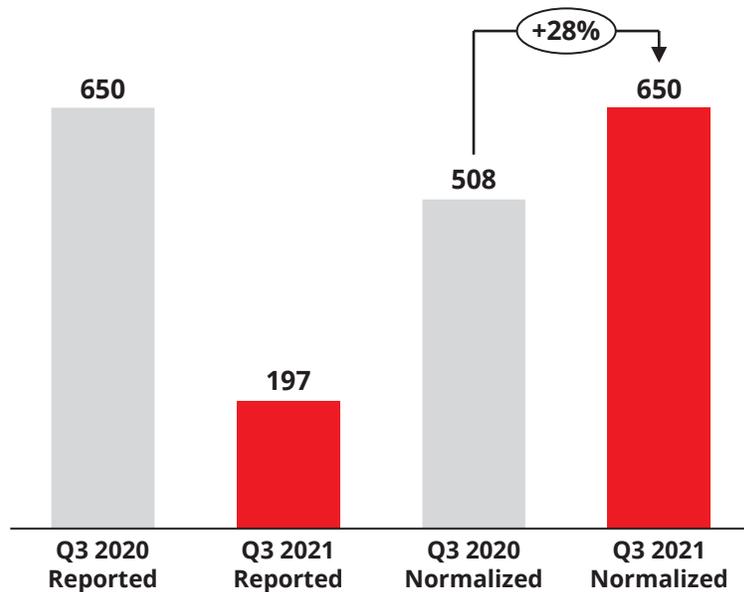
EBITDA (QARm) and EBITDA Margin



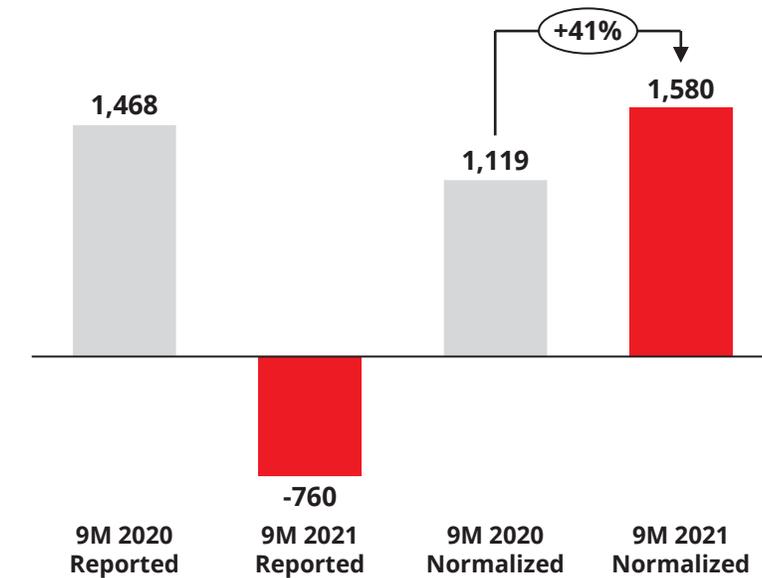
- **Healthy 3% Revenue growth** driven mainly by Qatar, Indonesia, and Tunisia
- **Strong EBITDA growth of 7%** mainly driven by Indonesia, Kuwait, and Algeria

Net Profit Attributable to Ooredoo shareholders (QARm)

Q3 Net Profit (QARm)



9M Net Profit (QARm)



- Group Net Profit turned negative mainly due to FX losses and the impairments in Myanmar. The negative impact was partly offset by profit from the sale and leaseback of Indosat Ooredoo's tower assets (QAR 1,000 million) and reversals of COVID-19 FX provision.
- Excluding these one-offs and FX impact, Net Profit increased by 41%.

Group Results

Free Cash Flow and Capital Expenditure

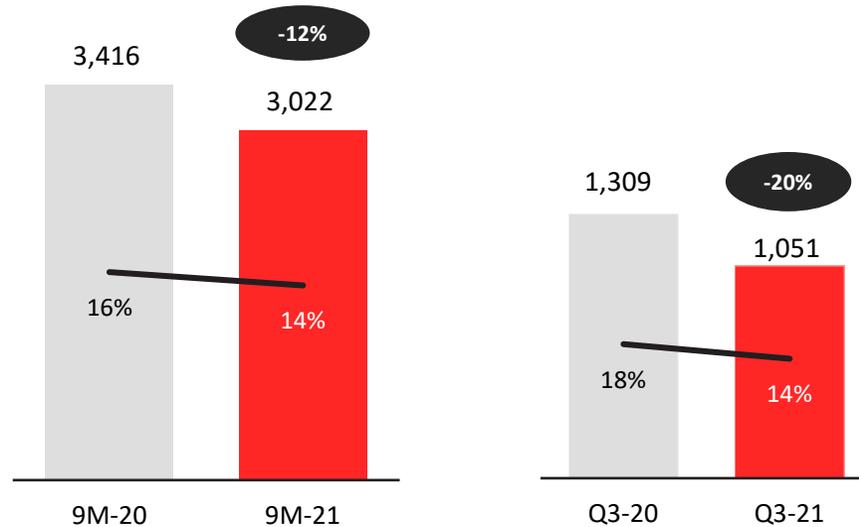
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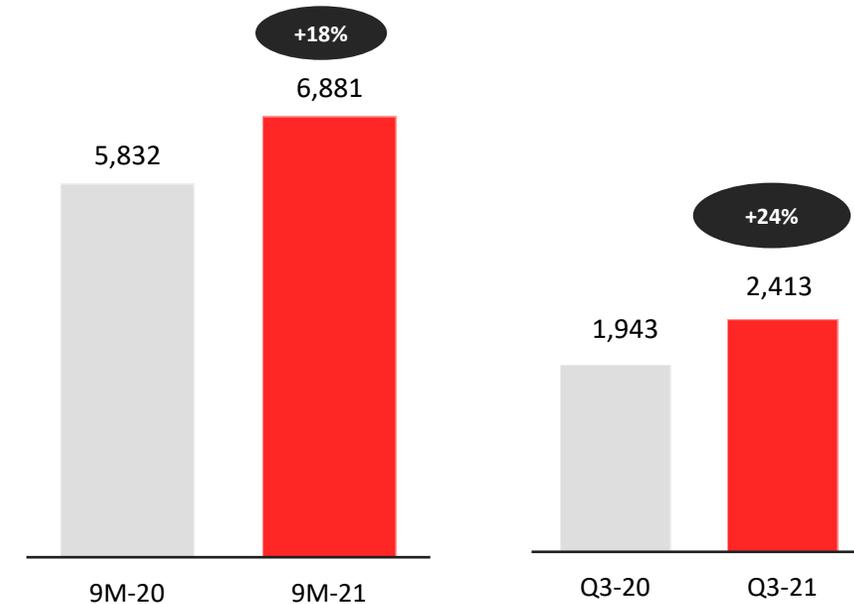
Operations review

Additional information

CAPEX (QARm) & CAPEX/ Revenue (%)



Free Cash Flow (QARm)



- **Capex in line with guidance** taking advantage of scale of Ooredoo Group and global sourcing strategy
- **Using new simplified definition of FCF (EBITDA-Tangible capex), strong positive FCF trend** due to higher EBITDA and lower capex

• Note: Free Cash Flow = (EBITDA minus tangible Capex)

Group Results

Total customers

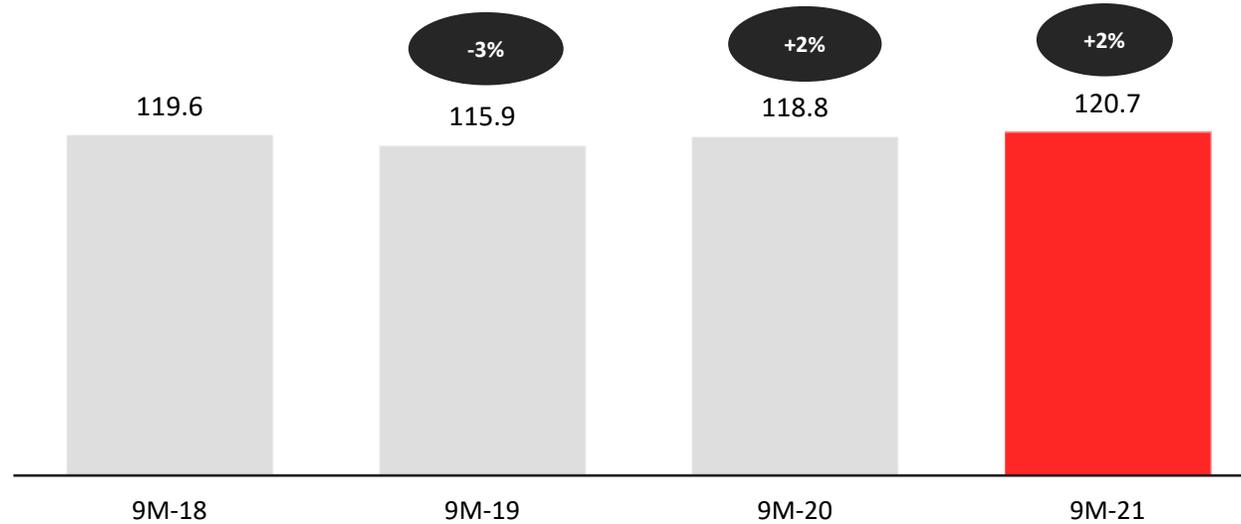
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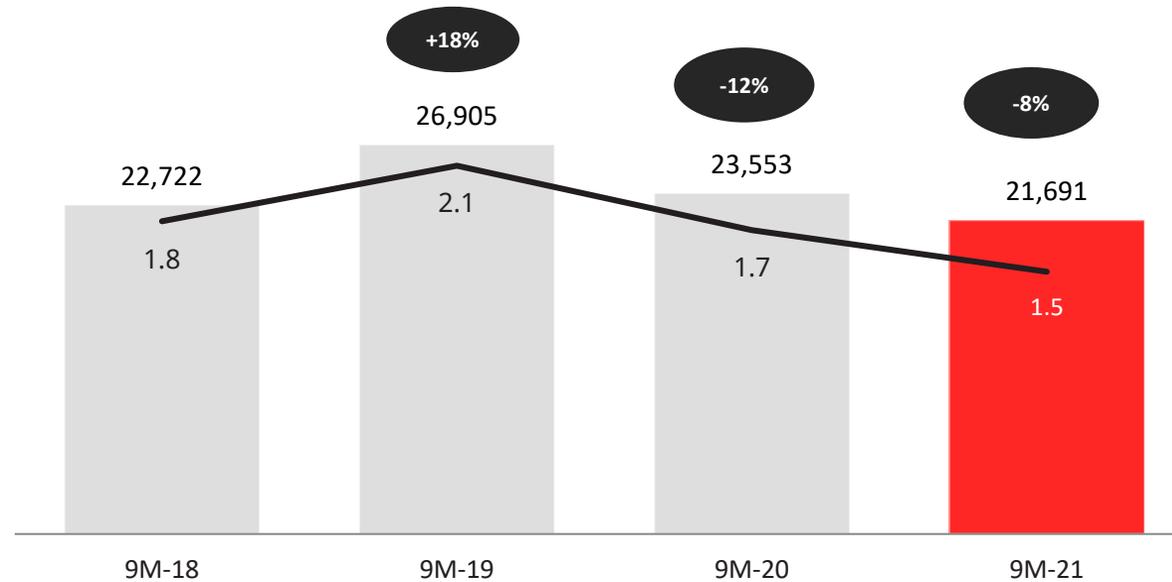
Additional information

Total Customers (Millions)



- Growing customer numbers in **Indonesia, Oman, Algeria, and Iraq**

Net Debt (QARm) and Net Debt / EBITDA



- Net Debt to EBITDA ratio 1.5x reflects the positive trajectory of Net Debt reduction by the Group
- Lower end of the board guidance between 1.5 and 2.5x (bank covenant 4x)

Group Results

2021 Q3 performance summary

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Group Financials (QAR bn)	9M 2021 Actual	% Change 9M 2021 / 2020	2021 Full Year Guidance over 2020
Revenue	22.1	3.3%	-3% to +1%
EBITDA	9.9	7.1%	-3% to +1%
CAPEX	3.0	-11.5%	5bn to 6bn

- **9M Revenue and EBITDA both exceeding the guidance**
- Outlook for the remainder of the year depends on C19 developments in our markets
- Current **trends are healthy** and expected **to continue** in Q4, 2021

Merger of Indosat and H3I

Creating a stronger No. 2 telco in Indonesia



Indosat Ooredoo Hutchison

- Highly complementary businesses combining to create a new world-class digital telecom and internet company for Indonesia
- Combined pre-synergy implied enterprise value of c.US\$6.0bn¹
- Merger is beneficial for customers, shareholders and Indonesia
- Ongoing market consolidation, driven by Indonesian Government, will improve margins and result in the merged entity and industry being credit positive.

Compelling value creation for shareholders

Significant synergy



- Highly complementary networks
- Opex and lease savings: decommissioning of duplicated sites (c. 25-30% of combined sites)
- More efficient use of combined spectrum resources and increased scale to enhance capex savings
- Optimization of other duplicated infrastructure such as transmission as well as supporting IT systems



- Increased reach of combined brands and channels
- Leveraging best practices of both to increase efficiency in sales, marketing and distribution
- Increased scale to create opportunity for additional savings in spend related to providers and partners
- Optimization of G&A

Run-rate pre-tax synergies¹: c.US\$300~400mm; expected to be realized in 3-5 years

▪ Note: Assumed FX (USD / IDR) of 14,785. 1 Net of integration costs; it is expected that during the initial transition period there will be an integration cost required to ensure that the customer experience is always maintained and improved, before achieving run-rate synergies

Commitment to Indonesia & IOH and positive cash impact

Commitment to Indonesia and IOH

- The surviving company will be named as **Indosat Ooredoo Hutchison** and will remain listed on the Indonesian Stock Market, with Indosat Ooredoo Hutchison issuing new shares to H3I shareholders
- OG and CKH will become **joint controlling shareholders** in the merged entity - both financially strong shareholders committed to driving growth in the Indonesian telecoms industry.
- The **Government will retain a 9.6% shareholding**, PT Tiga Telekomunikasi Indonesia will hold a 10.8% shareholding, and other public shareholders will hold approximately 14.0% (assuming no dissention)
- New shareholding structure will ensure **improved financial strength and support credit metrics** by demonstrating **commitment of both shareholders** via **branding, company legal name and long-term plans with a five year lock up period**

Positive Cash impact for Ooredoo

- OG will receive **an ownership equalization payment of US\$387 million** from CK Hutchison
- The Indosat Ooredoo Board will consider declaring interim and final **dividends based on the proceeds from the tower sale in May 2021** (total deal consideration USD750 million) paid to all current Indosat Ooredoo shareholders. OG will receive its share of the dividend based on 65% shareholding net of expected deductions for withholding taxes
- Indosat Ooredoo shareholders who choose to dissent can be bought out at IDR 5,247 per share, the valuation of Indosat Ooredoo as per the IFA, which is net of the expected dividend. Ooredoo expects that this merger will create significant value going forward for all shareholders who remain invested in the business

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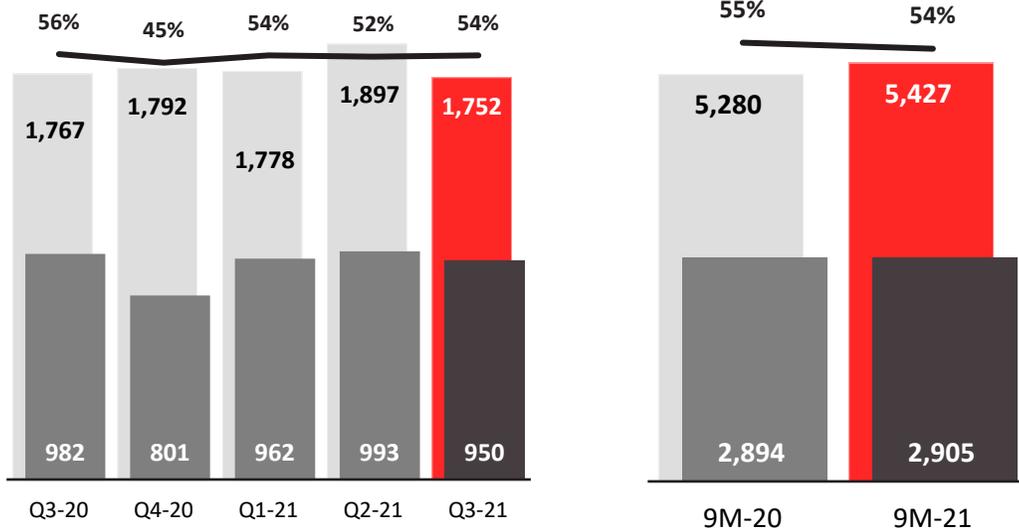
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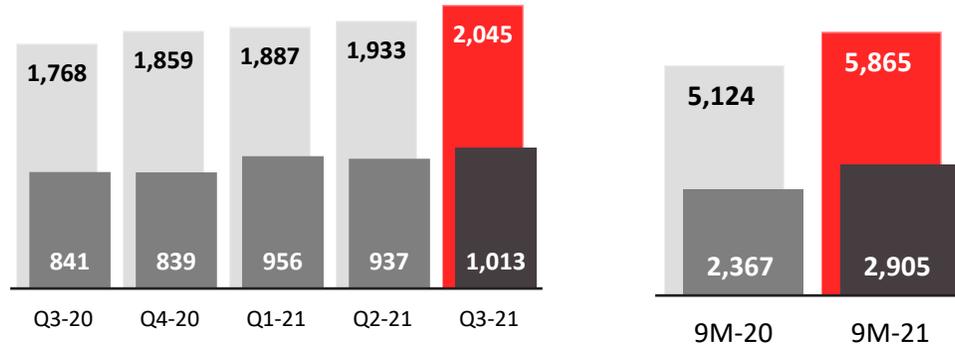
QARm

Revenue EBITDA EBITDA Margin

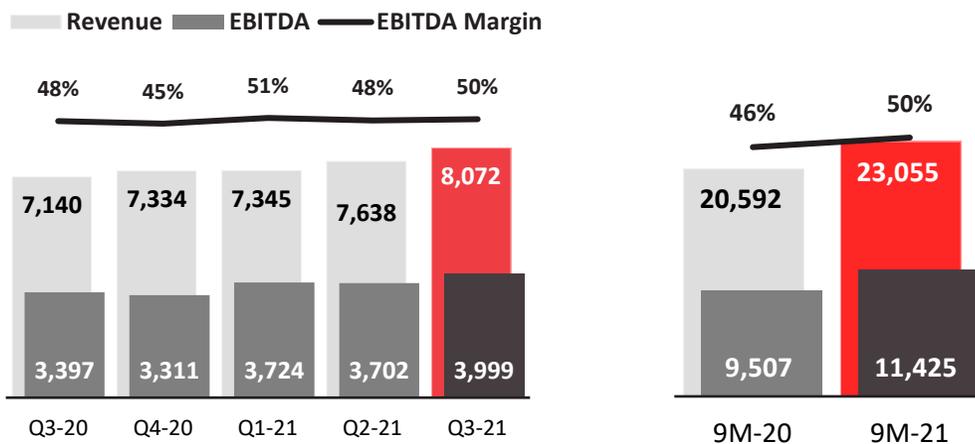


- **Strong No.1 position maintained** - Ooredoo' s fixed line and mobile networks in Qatar ranked among fastest globally
- **Revenue grew by 3%** compared to YTD 2020 mainly due to growth in Postpaid Services, Ooredoo TV, B2B revenue, MFS and higher sale of devices
- **Healthy EBITDA margin 54%**
- Customer number stood at 3.1m
- New partnership with Quest, the first and largest Qatari company specializing in eSports to launch its **own eSports brand, Ooredoo Nation - Gamers' Land**
- Launch of our new Aamali Build Your Own plans for Small Businesses, available using My Ooredoo Business Portal
- On September 30, Ooredoo Group announced title sponsorship of Qatar's first-ever Formula 1 race, officially named the **'Formula 1 Ooredoo Qatar Grand Prix'**
- Ooredoo Qatar was recognised as Microsoft's 'Qatar Partner of the Year' and by Moneygram as 'Partner of the decade'

QARm

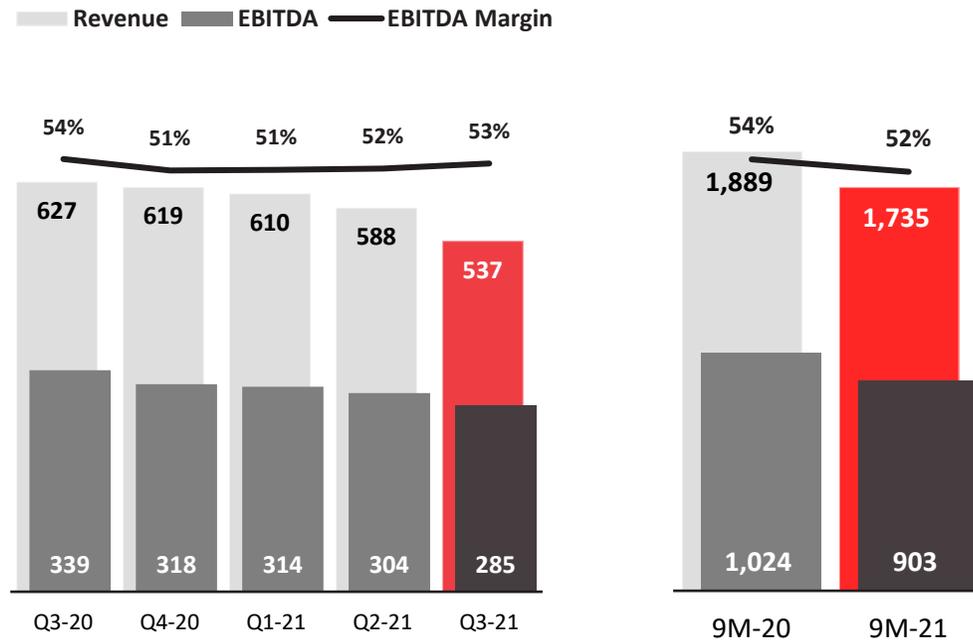


IDRbn



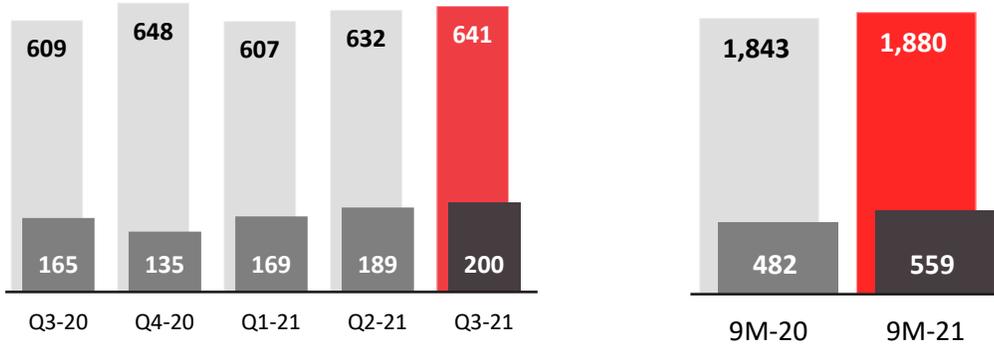
- Indosat Ooredoo continues to deliver strong growth, reporting a **14% increase in revenue to QAR 5.9 billion**
- EBITDA **increased by 23% to QAR 2.9 billion** mainly driven by solid top line growth and cost optimisation
- Healthy customer base growth **increased by 3%**
- 5G commercially launched in Surabaya, Solo and Jakarta
- Proposed merger between **Indosat Ooredoo and Hutchison**, objective to create a stronger number two player, targeting Run-rate pre-tax synergies¹: c. USD 300~400mm; expected in the mid term
- **Potential dividend payment** on proceeds of the tower deal (total deal consideration USD 750 million)

QARm

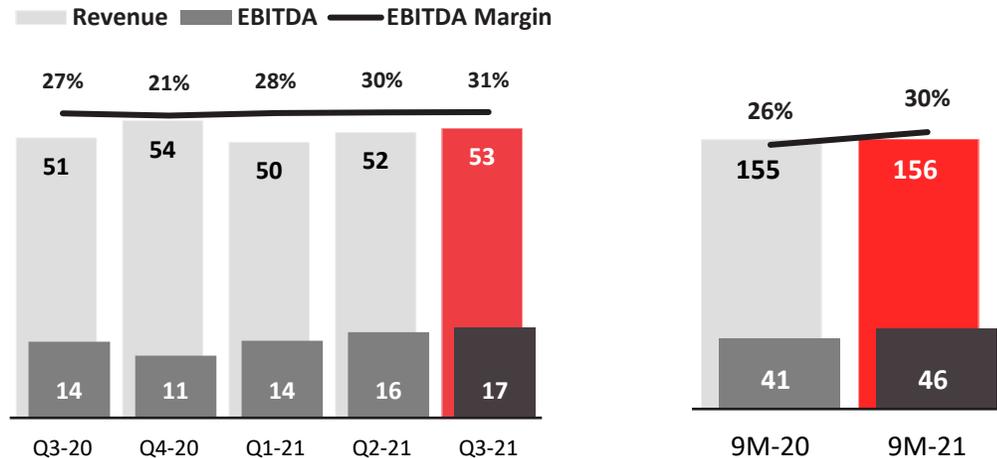


- COVID-19 pandemic contributed to a softening macroeconomic environment in Oman and revenues declined 8% yoy, due to lower consumer mobile prepaid revenue partially offset by postpaid revenue growth
- EBITDA for the period decreased 12%, mainly due to lower prepaid revenue. EBITDA margin stood at 52%
- **Customer base increased to 2.8m up 6%**
- Further 5G roll-out with over 580 sites in total as of end September
- In October, Northern Oman was hit by the devastating Tropical Cyclone 'Shaheen', impacting more than 400 of Ooredoo Oman's sites which recovered fully within seven days

QARm

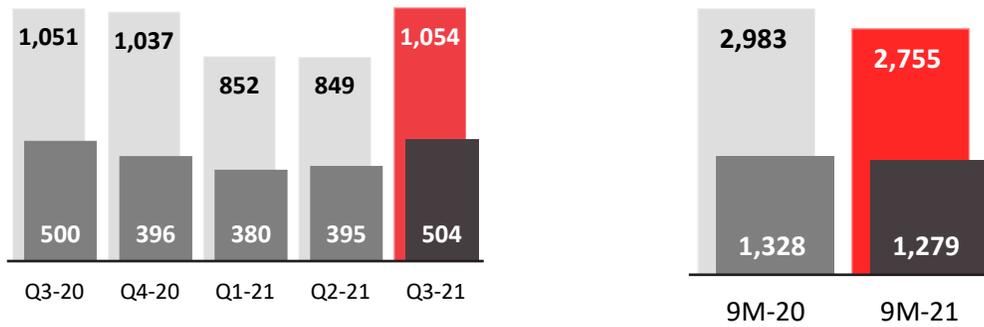


KWDm

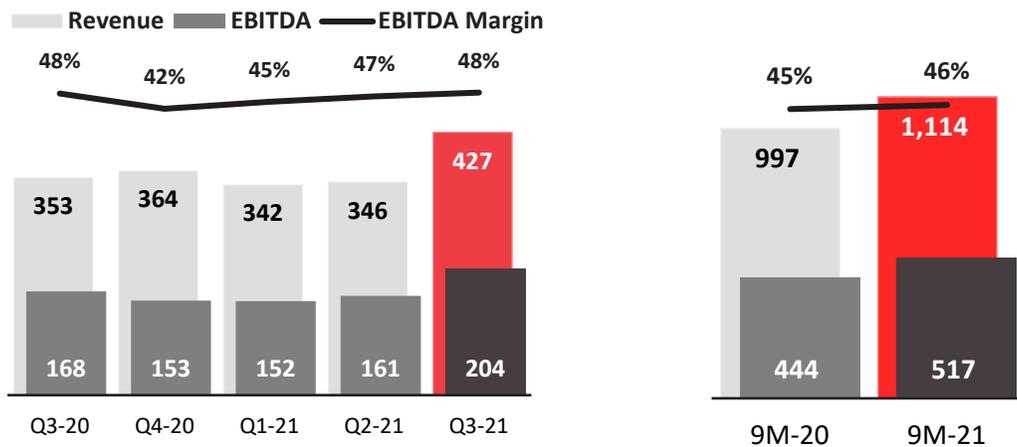


- COVID-19 pandemic continued to have a negative impact on Kuwait economy as well in Q3'21. Revenue pressure to continue for mid-term due to COVID 19, low pricing and economy slowdown
- Slight increase in revenue by 1% as compared to last quarter
- EBITDA Margin increased to 30% in 9M'21 compared to 26% last year
- Customer base in Q3 2021 reached 2.3 million
- Further 5G Roll out
- O. Kuwait awarded as the **"fastest network in Kuwait 2021"** by leading independent research company"
- Ooredoo Kuwait's continued commitment to its customers through providing world-class services was recognised by the Stevie International Business Awards. 'Mobile On-Demand Application' category for the My Ooredoo App, as well as a Bronze Stevie for Ooredoo Kuwait's volunteer program in the 'Corporate Social Responsibility Program of the Year' category

QARm



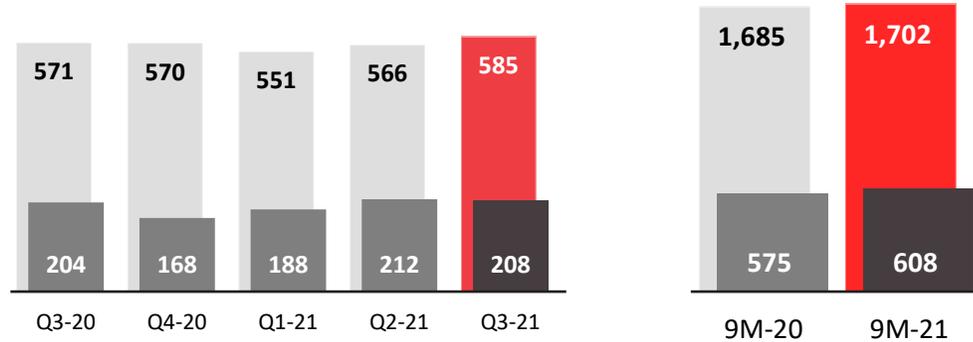
IQDbn



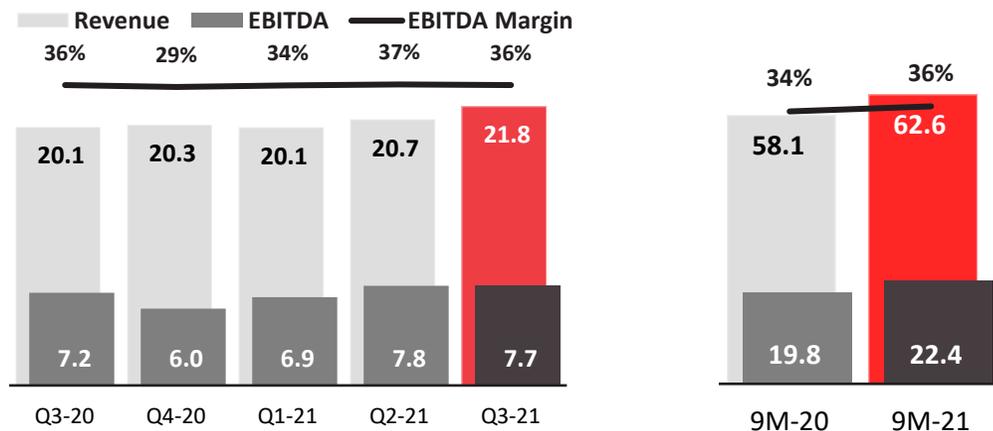
- Iraqi economy was impacted by weakening purchasing power following the 20% devaluation of the Iraqi Dinar and the effect of the COVID-19 pandemic
- Although we see a decline in QAR terms in **local currency terms Revenue increased by 12%**
- In Iraqi dinar terms EBITDA improved by 16%. EBITDA margins stood at 46%
- Customer base **increased by 7% to 15.2 million**
- Extending 4G coverage with more customers shifting from 3G to 4G

• 1 USD = 1,472 Iraqi Dinar (IQD)

QARm

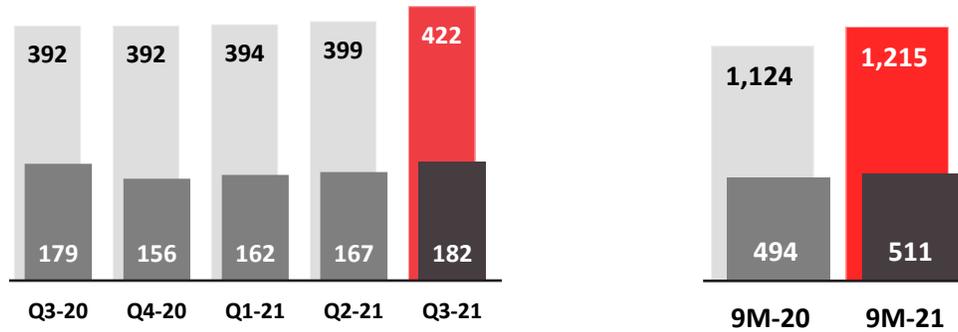


DZDbn

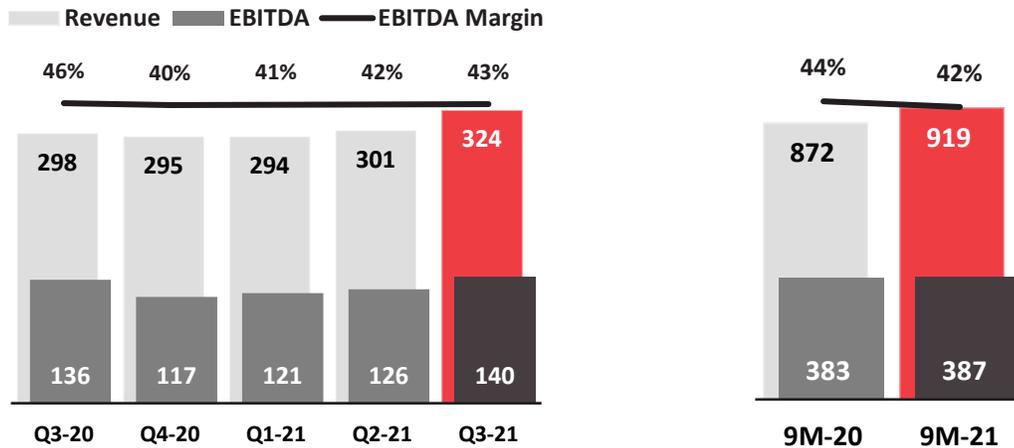


- Economic activity in Algeria is showing signs of a **slow recovery**, despite the continued depreciation of the Algerian Dinar (-7% yoy)
- While revenues stood flat at QAR 1.7 billion, in local currency terms **revenue increased by 8%**
- Ooredoo Algeria's **EBITDA increased by 6%**. The company's focus on efficiency and cost optimisation supported a healthy EBITDA margin of 36%.
- Customer base was 12.7 million in Q3 2021, up 3%
- New optimised version of Ooredoo Algeria's Yooz App. Yooz is a digital prepaid offer targeting Algerian youth to help them personalise their own data plans virtually and access exclusive digital content
- Ooredoo Algeria's network site availability stood very high despite forest wildfires. Ooredoo Algeria launched an initiative to support areas impacted by the forest fires

QARm

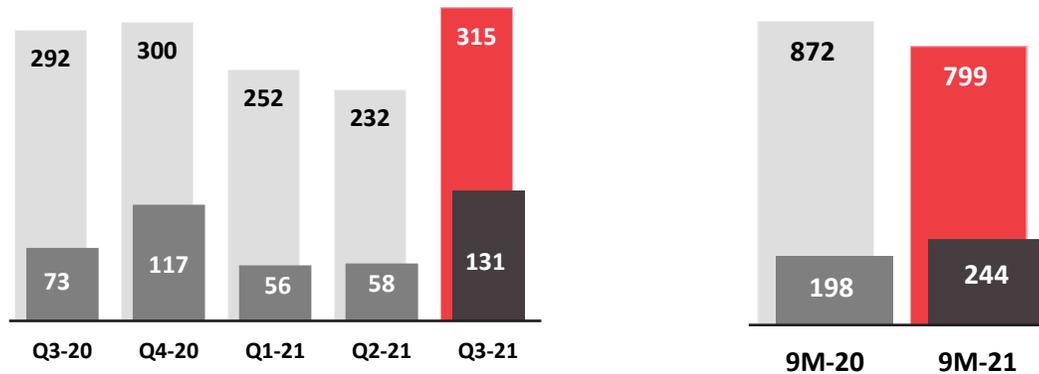


TNDm



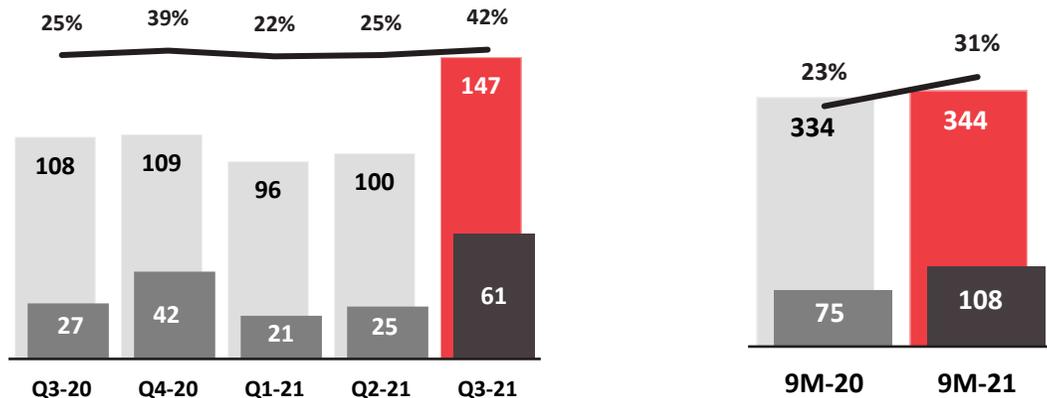
- Ooredoo Tunisia delivered **robust results** despite an increase in the number of COVID-19 cases, with **revenue** of QAR 1.2 billion for the nine months ended 30 September 2021, an **increase of 8%** compared to the same period last year
- EBITDA of QAR 511 million, up 3% compared to the same period last year, streamlining its operations through the digitisation of its sales and distribution channels
- Ooredoo Tunisia changed the reporting of its prepaid customer's base from the original life-cycle definition to 90 days network activity definition: customer base stood at 7.2 million. On a like for like comparison customer number increased by 12% yoy

QARm



MMKbn

Revenue EBITDA EBITDA Margin



- Authorities in Myanmar proclaimed a **one-year State of Emergency** in February 2021, which significantly impacted Ooredoo Myanmar's revenues
- Ooredoo Myanmar reported an 8% decline in revenue to QAR 799 million impacted by FX depreciation
- With slight easing of the data restrictions and the reinstatement of the pricing floor of the regulator, business improved in Q3
- **A 24% increase in EBITDA** to QAR 244 million, partly assisted by lower cost of sales.
- Customer base **increased by 2% to 13.3 million** yoy
- The Company launched a new game "Oomanji" on the My Ooredoo App which has been played over 25 million times since its launch, contributing to the 'My Ooredoo App' revenue



Thank you very much for your votes!

Double award winner at the MEIRA (Middle East Investor Relation Association) annual conference..

We always appreciate your feedback !



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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



George B. Challenor

*Executive Director, Treasury & Financing
Ooredoo Group*

- George joined Ooredoo in 2010 and currently leads the Treasury and Financing function at Ooredoo Group. He has immense expertise in the areas of Equity Debt Capital Markets and Asset Management and has held several senior positions in Financial and Banking Institutions including, Director and Chief Investment Officer of Multi Asset Class Solutions division, at Credit Suisse Asset Management (UK) Ltd. George is also on the Board of various Ooredoo Group companies
- George holds a Bachelor's degree in Business Administration from Bishop's University in Canada and Postgraduate Diploma in Economics from LSE. He is also a CFA Charter holder and a founding member of the CFA Society Doha

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

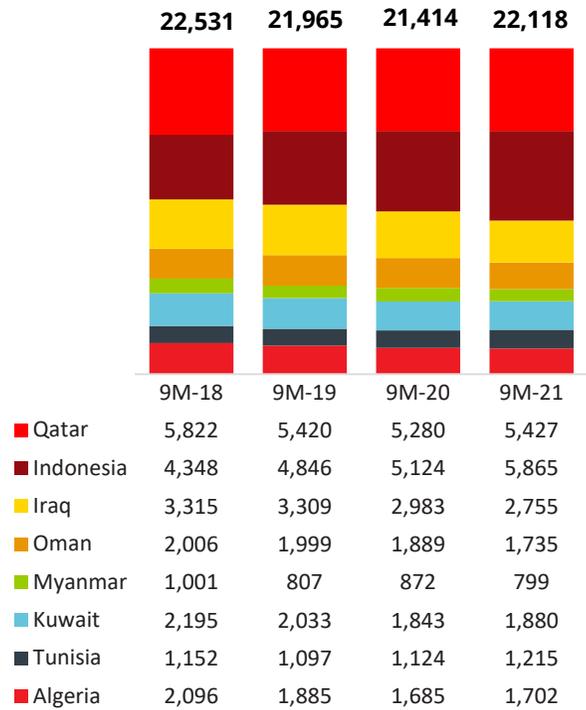
*Senior Director, Investor Relations
Ooredoo Group*

- 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

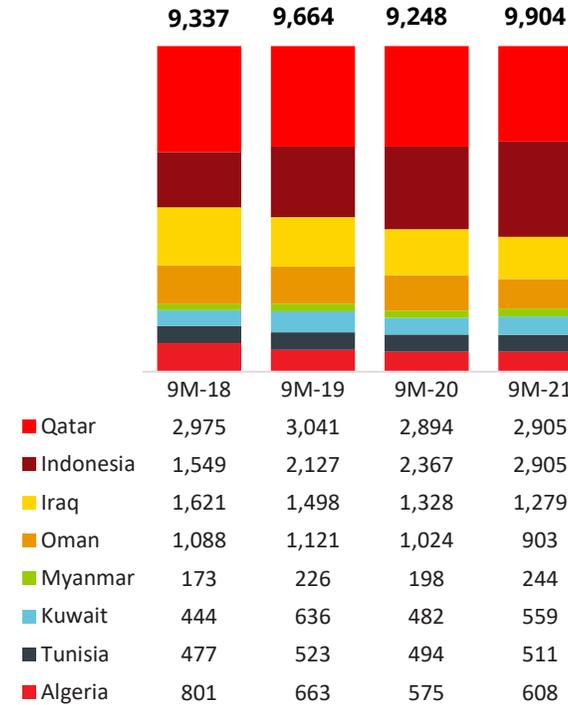
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Key Operations Importance to Group

Revenue (QARm)



EBITDA (QARm)



Group Operations Breakdown

CAPEX & Customers

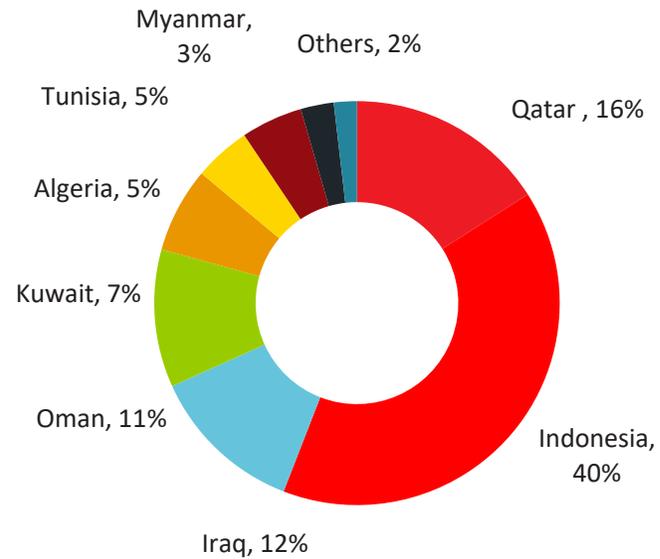
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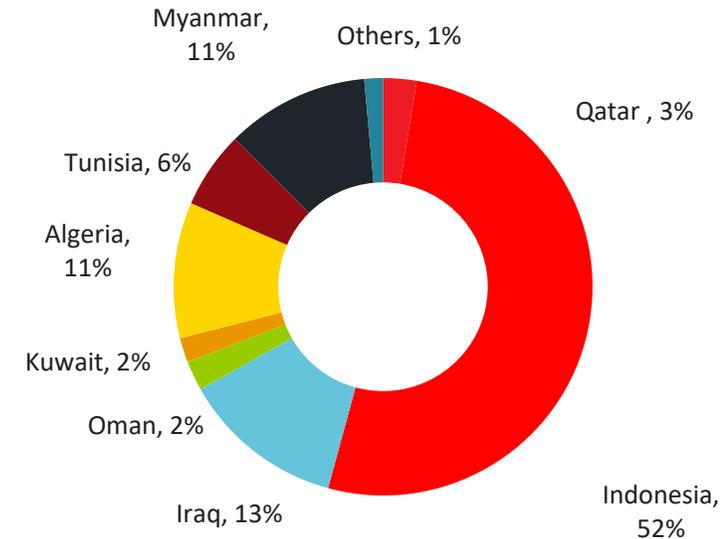
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CAPEX Breakdown (%)



9M 2021 CAPEX = QAR 3,022 million

Customer Breakdown (%)



9M 2021 Total Customers = 121 million

Group Operations Breakdown

Total Group Debt Breakdown

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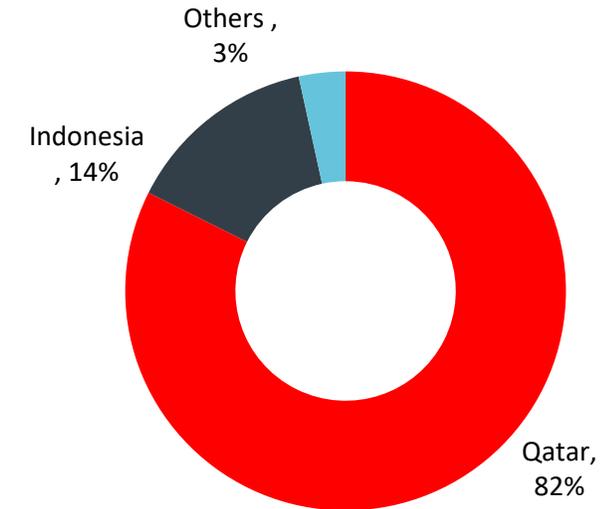
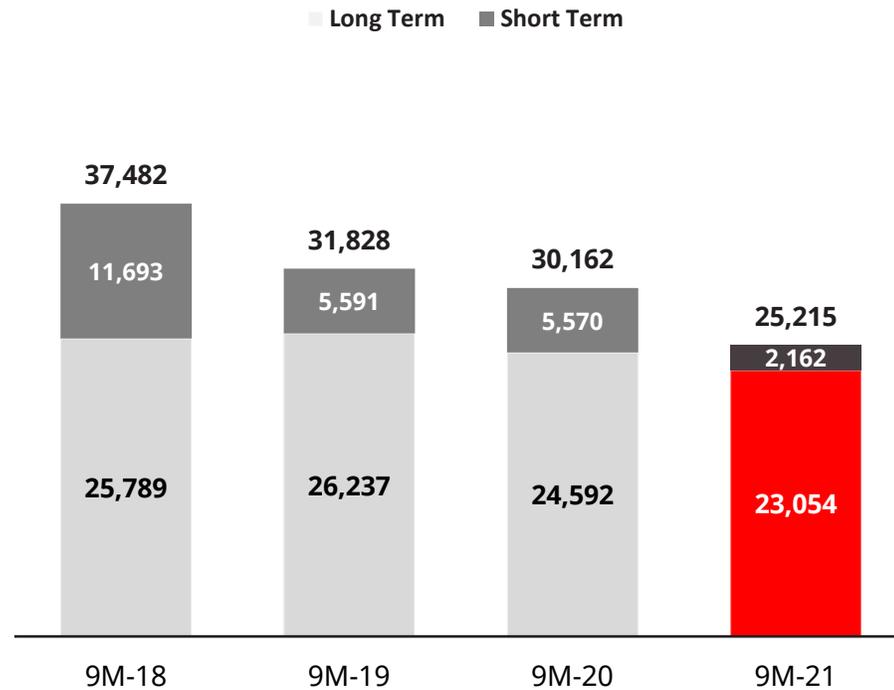
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Total Group Debt (QARm)

Total Group Debt Breakdown

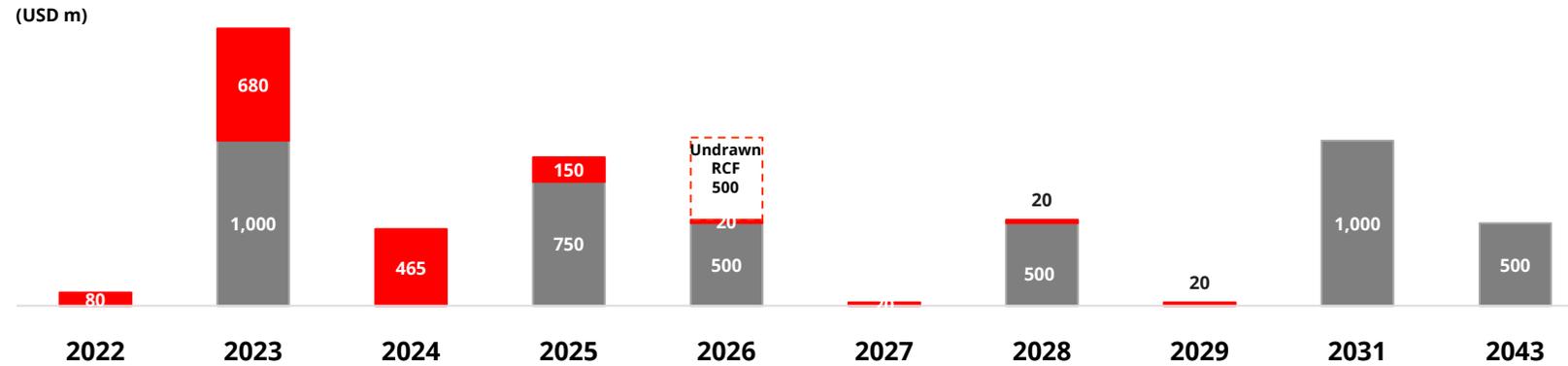


**Total Group debt reduction trajectory continuing
OPCO debt primarily in local currency**

• 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)				
Facility	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
KFW USD200mn Amortizing Loan	200	80	Libor + Spread	12-Jul-23	Fixed Rate Bonds due 2025	750	5.00%	19 Oct 2025	LSE
ICBC USD 100m Term Loan	100	100	3MLibor + Spread	08-Oct-23	Fixed Rate Bonds due 2026	500	3.75%	22 Jun 2026	ISE
BoC USD 150mn RCF	150	150	Libor + Spread	30-Oct-23	Fixed Rate Bonds due 2028	500	3.875%	31 Jan 2028	ISE
ICBC USD 100m Term Loan	100	100	3M Libor + Spread	31-Oct-23	Fixed Rate Bonds due 2031	1000	2.625%	08 April 2031	ISE
ICBC USD 100m Term Loan	100	100	3M Libor + Spread	13-Dec-23	Fixed Rate Bonds due 2043	500	4.50%	31 Jan 2043	ISE
DBS USD 300m RCF	300	275	Libor + Spread	16-May-24					
ADB Term loan Tranche 'A'	350	350	Libor + Spread	23-Mar-25					
KFW USD150mn Term Loan	150	120	Fixed Rate	28-Aug-25					
BoC USD 100m RCF	100	30	Libor + Spread	28-July 25					
USD 500mn RCF – Stan Chart	500	0	Libor + Spread	19-Apr-26					
ADB Term loan Tranche 'B'	150	150	Fixed Rate	14-Sep-29					
Total Loans	3,024	1,455			Total Bonds	4,250m			

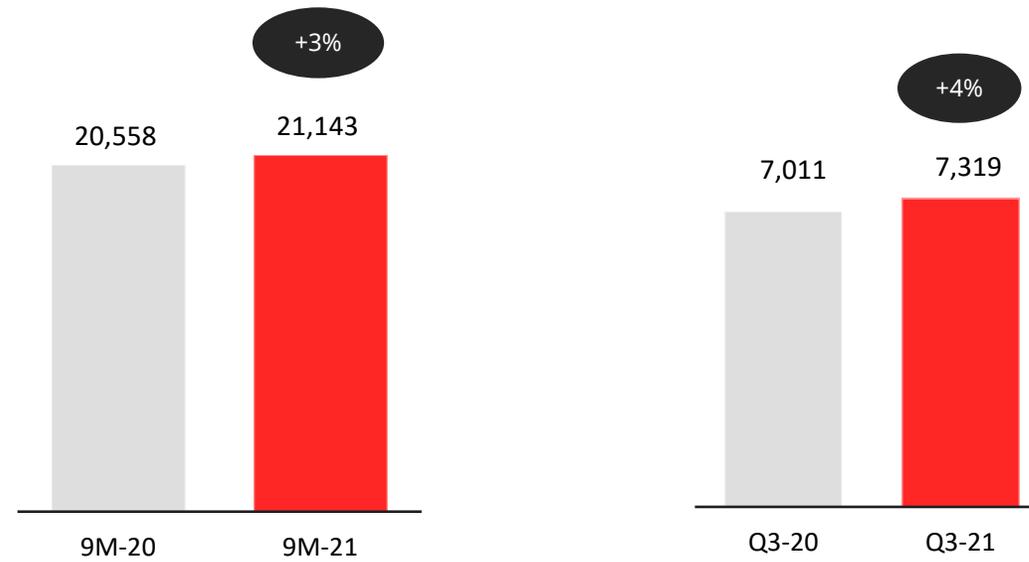
Total outstanding debt as at 30 Sept 2021 at Ooredoo Q.P.S.C. level

USD 5,705 million

Long term Debt Profile remains well balanced

* Based on the rates applicable for the usage levels

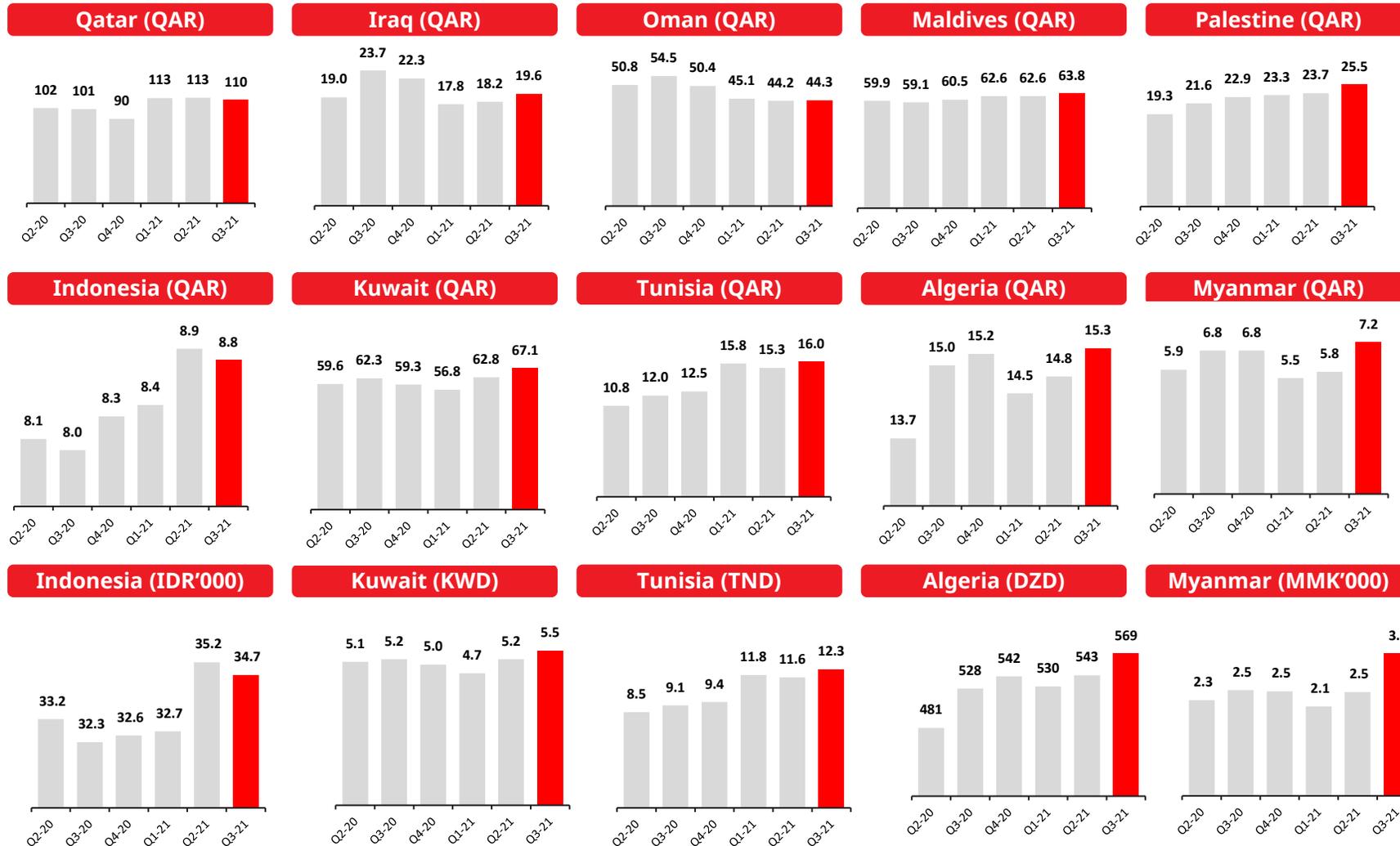
Service revenue (QARm)



Dividend policy

- 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

Blended ARPU



OPCOs Licence General Information

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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	5 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 01 February 2020	Indefinite
Maldives	18 August 2015 (VOIP)	17 August 2030	(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

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	Effective from 1st October 2021, the corporate tax rate is 22%.
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.

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Thank You

