



# Ooredoo Group

## Q1 2022 Results

28 April 2022



# Disclaimer

- Ooredoo (parent company Ooredoo Q.P.S.C.) and the group of companies which it forms part of (“Ooredoo Group”) cautions investors that certain statements contained in this document state Ooredoo Group management's intentions, hopes, beliefs, expectations, or predictions of the future and, as such, are forward-looking statements
- 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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- The Ooredoo Group undertakes no obligation to update publicly or otherwise any forward-looking statements, whether as a result of future events, new information, or otherwise



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# Vision >

## Ooredoo vision: Enriching people's digital lives

# Strategic Pillars >



Value-creating portfolio



Excellence in Customer Experience



Strengthen the core



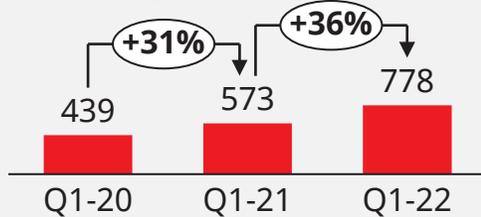
Evolve the core



People

# Mobile Financial Services >

Mobile Financial Service Customers (Thsd., 30-Days Active):



Thunes. 

VISA

 MoneyGram.

paytm 

 bKash

 GCash



Total transaction value in 2021:

Five billion USD

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# ORDS – Financial Achievements Q1 2022

## Revenue:



Excl. FX impact: -21%

## EBITDA:



Excl. FX impact: -26%

## EBITDA Margin:



## Capex Intensity:



## Free Cash Flow:

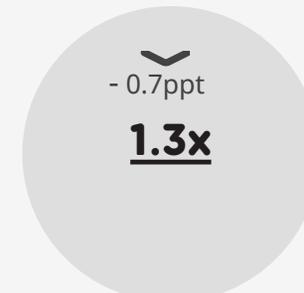


## Net Profit:



Excl FX QR 677m:  
+48% yoy

## Net Debt/EBITDA:



## Customers



# ORDS – Financial Achievements Q1 2022- Proforma\*

## Revenue:



Excl. FX impact: +7%

## EBITDA:



Excl. FX impact: +4%

## EBITDA Margin:



## Capex Intensity:



## Free Cash Flow:

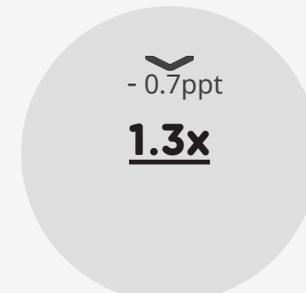


## Net Profit:



Excl. FX QR 677m:  
+48% yoy

## Net Debt/EBITDA:



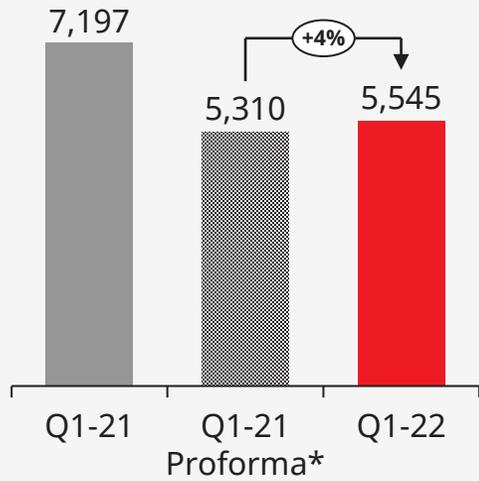
## Customers



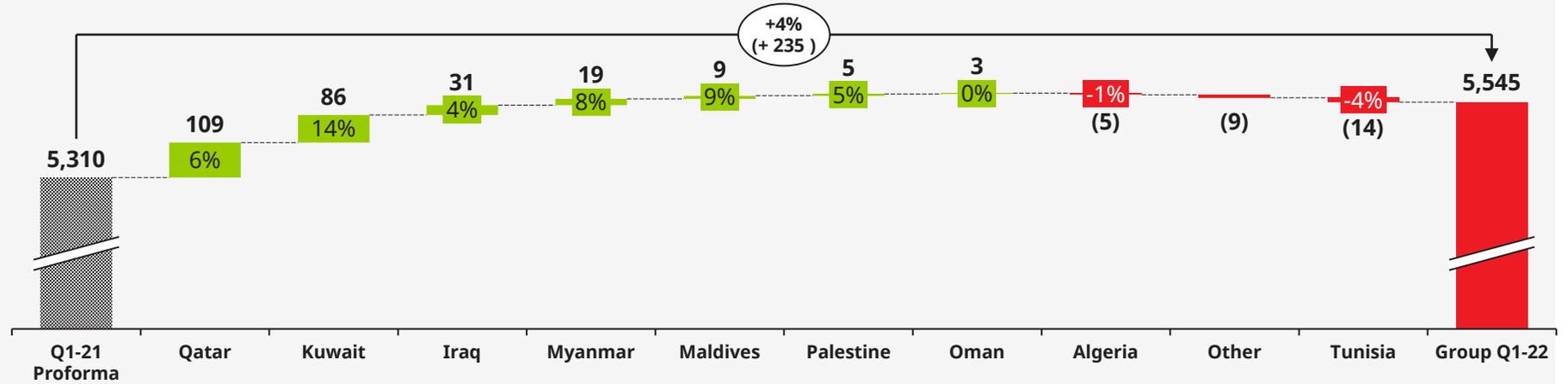
\*Post the IOH merger in Indonesia the accounting treatment of Ooredoo's previous largest international operation has changed. IOH Revenue, EBITDA, customers, and Capex are no longer consolidated, as the operation is now classified as a "joint venture company." For "a like for like" comparison, we have added these proforma data (excluding Indonesian operations in consolidation in Q1 2021)

# Revenue

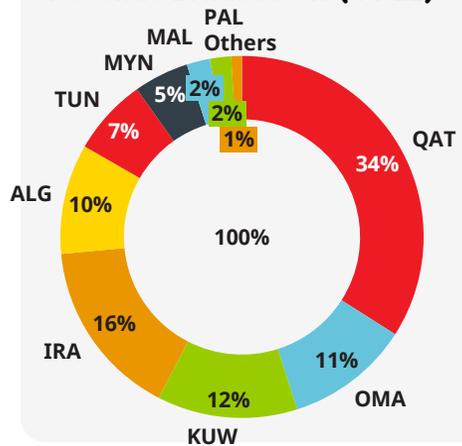
Group Revenue (QAR mn)



YoY Change , Amount (QAR mn) and %



Revenue Breakdown (Q1-22)



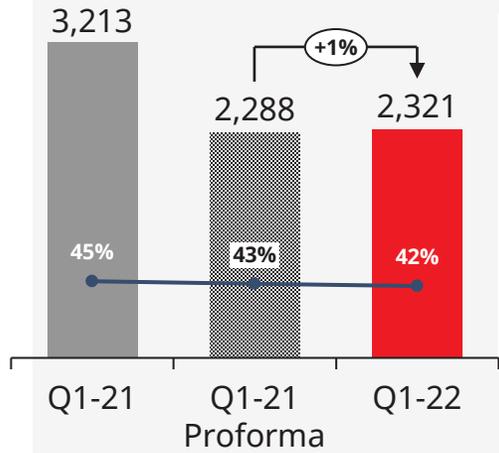
## Summary

- Group revenue year increased by 4% mainly supported by higher revenues in Qatar, Kuwait, Iraq, Myanmar, Maldives, Palestine, and Oman
- Healthy revenue growth in all operations in local currency terms
- Main growth is coming from Mobile Data

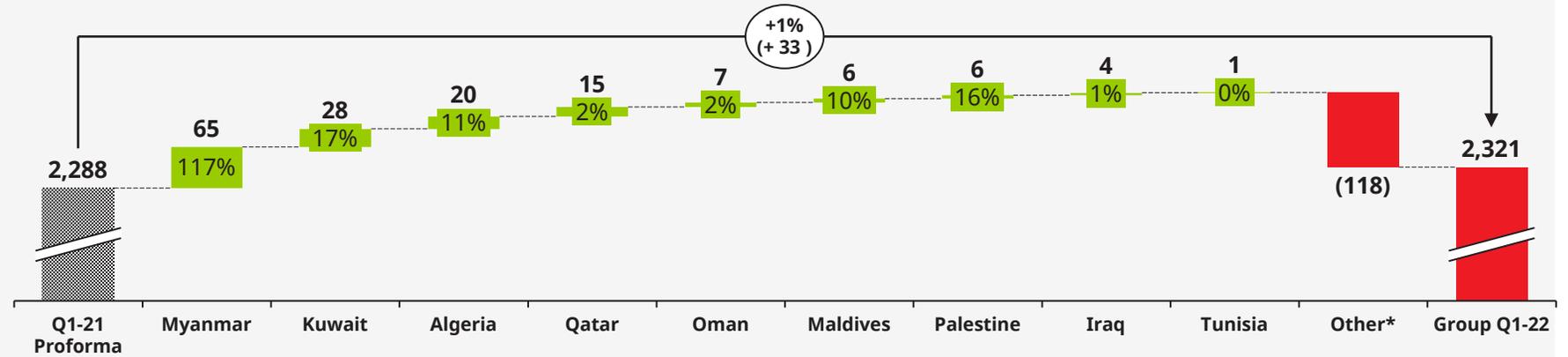
\* Note: 2021 Q1 proforma is excluding the consolidation of Indonesia

# EBITDA

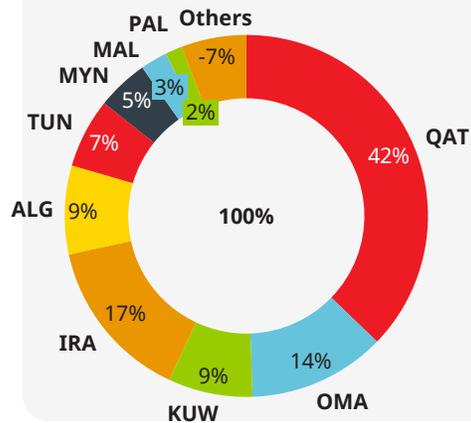
Group EBITDA (QAR mn) % EBITDA Margin



YoY Change Amount (QAR mn) and %



EBITDA Breakdown (Q1-22)



## Summary

- EBITDA growing across all operations
- Group EBITDA year on year increased by 1% driven by higher revenue and cost efficiencies partly offset by higher energy prices

# Net Profit

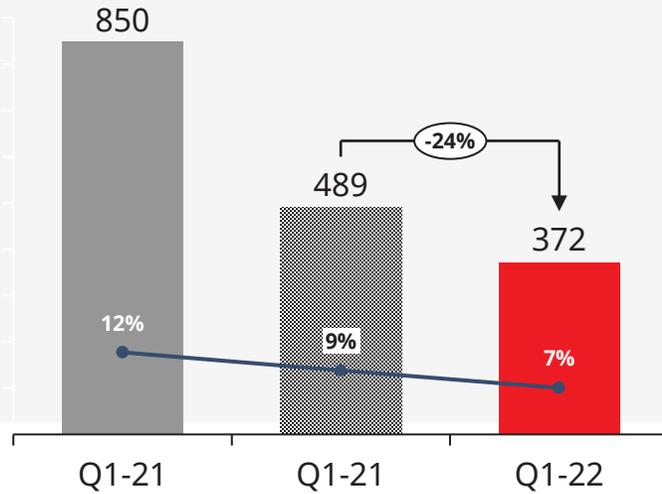
Q1-22 Net Profit Attributable to Ooredoo shareholders (QARmn)



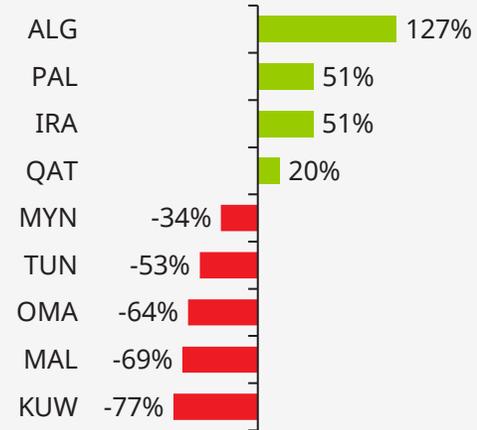
- Group Net Profit to Ooredoo increased by 241% yoy to QAR 659m supported by strong operational performance
- Normalized Net Profit to (with out FX) Ooredoo increased by 48% yoy to QAR 677m

# Capex

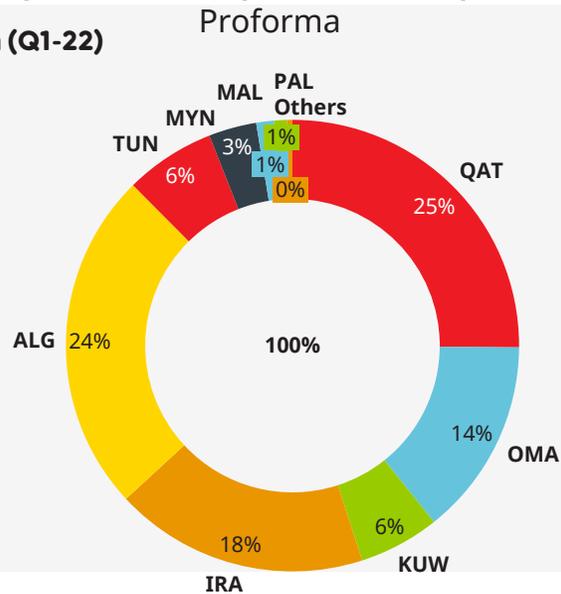
Group Capex (QAR mn) & Capex / Revenue %



Q1 2022 yoy (Change %)



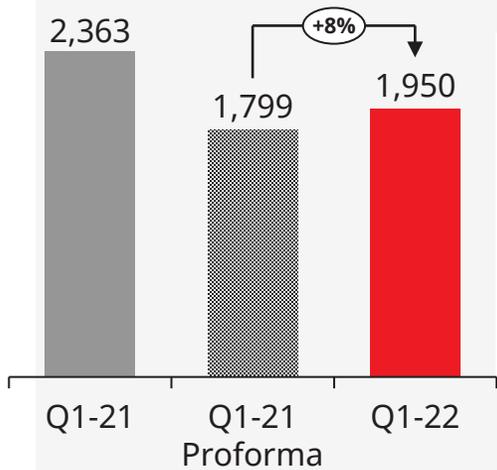
Capex Breakdown (Q1-22)



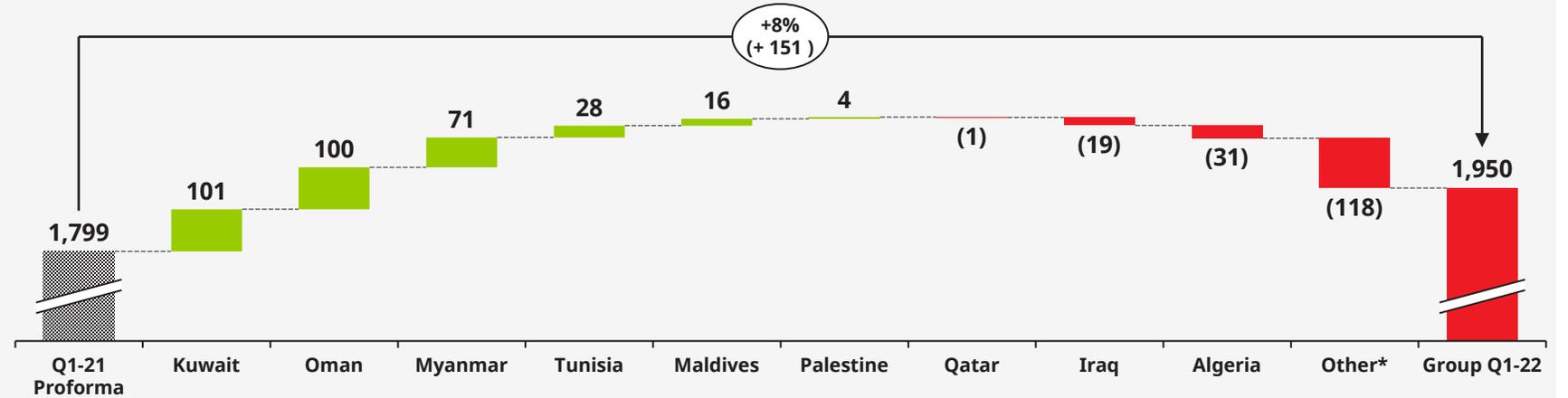
- Capex lower in Q1, 2022 yoy, FY expectation still in line with guidance as Capex traditionally increases during the year
- 5G investment moderated with decrease in network cost compared to previous years

# Free Cash Flow (FCF: EBITDA – Capex )

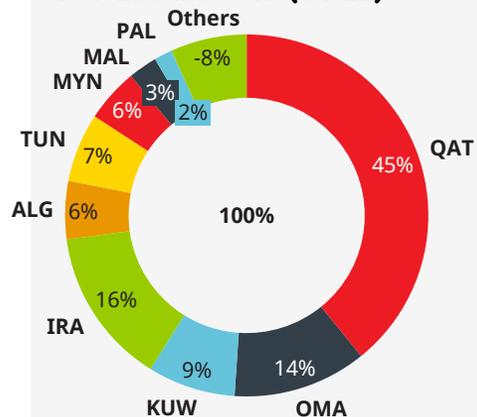
Group FCF (QAR mn)



YoY Change AAmount (QAR mn) and %



FCF Breakdown (Q1-22)



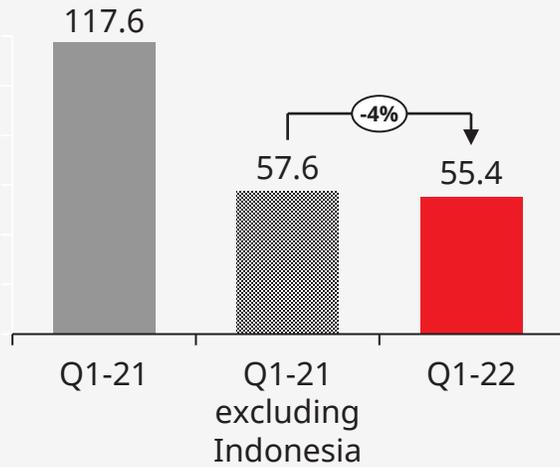
## Summary

- Improved operational performance and lower Capex led to an 8% FCF increase
- FCF in Qatar, Algeria and Iraq are lower due to higher Capex investments in Q1

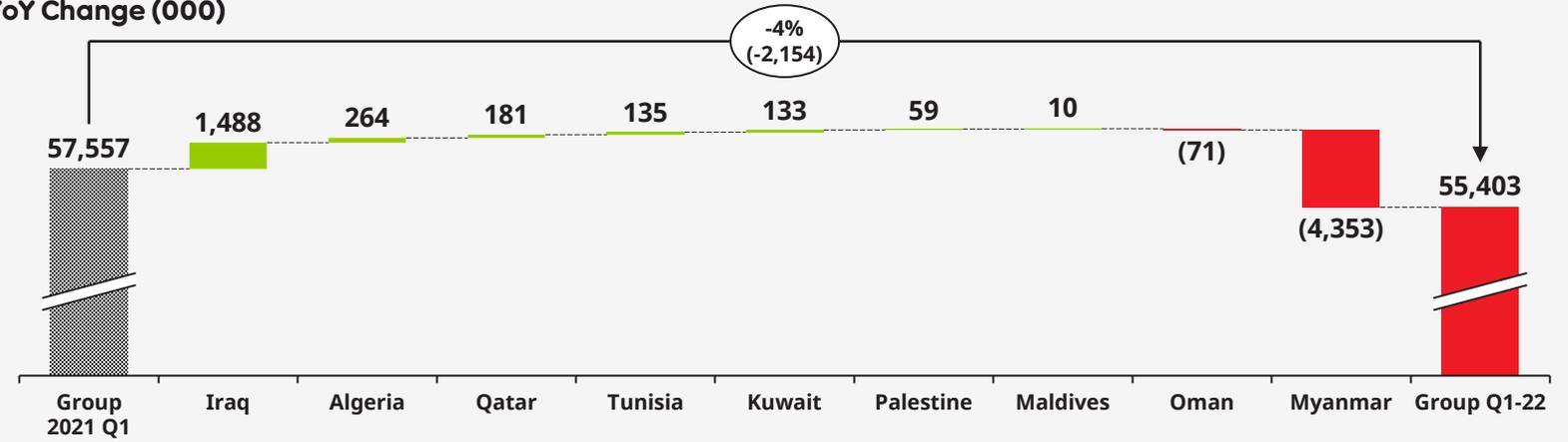
\*Others includes Group cost, share of results from associates including Indosat Ooredoo Hutchison Net Profit.

# Customers

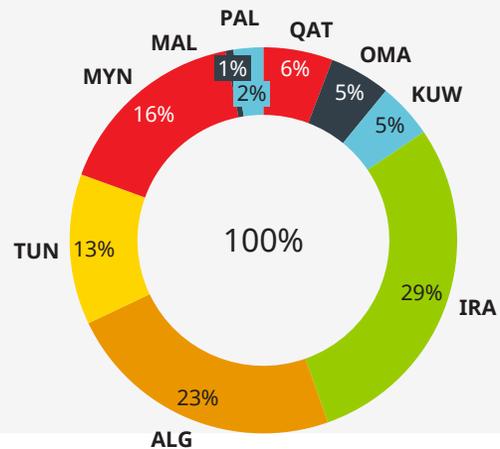
Total Customers (mn)



YoY Change (000)



Customers Breakdown (Q1-22)



## Summary

- Group customer numbers increased across the board except for Oman (3<sup>rd</sup> operator launched) and Myanmar (introduction of new SIM card taxes)
- Group customer numbers excluding Indonesia stood at 55.4 millions as of Q1'22

# Group Results

## 2022 performance summary & Guidance for 2022

Group Financials (QAR bn)	Q1 2022 Actual	% Change Q1 2022 /Q1 2021	% Change Q1 2022 /Q1 2021 Proforma*	2022 Full Year Guidance over 2021
Revenue	5.5	-23%	+4%	-2% to +2%
EBITDA	2.3	-28%	+1%	-3% to +1%
CAPEX	0.37	-56%	-24%	2.75bn to 3.25bn

### Summary

- Proforma Q1 Revenue and EBITDA both exceeding the guidance
- Capex lower than Q1 2021, Group Capex expected to ramp up later in the year

\* Proforma figures excluding Indonesia in 2021

# Indosat Ooredoo Hutchinson Q1 2022

Delivering a Strong 1Q'22 Performance to Start the Year



	1Q'21	1Q'22	Change
<b>Revenue</b> (IDR Bn)	7,345	10,873	<b>48.0%</b>
<b>EBITDA</b> (IDR Bn)	3,392	4,380	<b>29.1%</b>
<b>EBITDA Margin</b>	46.2%	40.3%	<b>-5.9%</b>
<b>Net-Profit</b> (Attributable to owners - IDR Bn)	172	129	<b>-25.2%</b>
<b>Net Debt to EBITDA</b>	1.13x	1.13x	<b>0.0x</b>

1Q'21 numbers pre-merger & 1Q'22 numbers post-merger.

## Integration Updates

### Focus

- Network Integration Acceleration
- Key Movers: Network, Sourcing, People & IT systems to Support Customer Touchpoints & Backend

### Milestones

9 Quarter Integration On Track  
**20%** of initiatives completed  
*(as of End March 2022)*

### Synergies

Synergies Ahead of Targets  
 Higher synergies realized compared to targets

5

## 1Q'22 Total Net New Customer Additions

**+34.6 Million**

**Net new customer additions YOY**

With ~95 million strong customer base, IOH is committed to bringing a differentiated customer experience, products and digital service for its customers



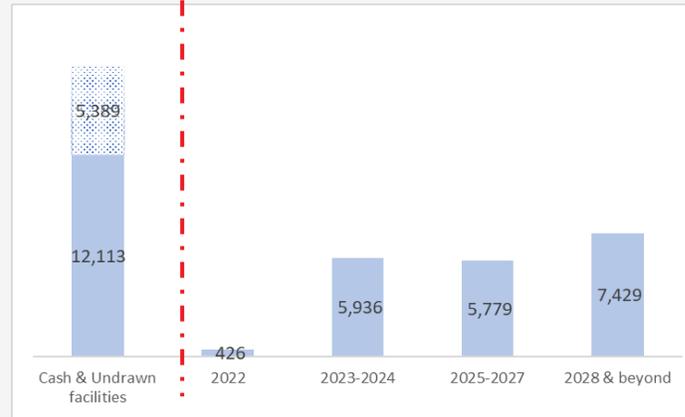
# Debt Profile

## Strong investment grade rating

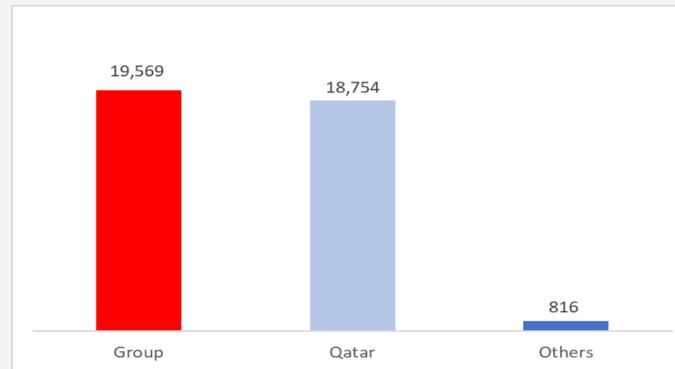
- **Net debt/ EBITDA ratio of 1.3x**, below current board guidance of 1.5 to 2.5x
- **Strong liquidity position** (combination of Cash and RCFs )
- **Balanced and long maturity profile**
- **Low interest rate risk** with high fixed rate debt component ~85%

\* Approx. 98% of borrowings are in US dollars

## Repayment Schedule (QAR m\*)



## Borrowings by Operations (QAR m\*)



## Strong investment grade rating

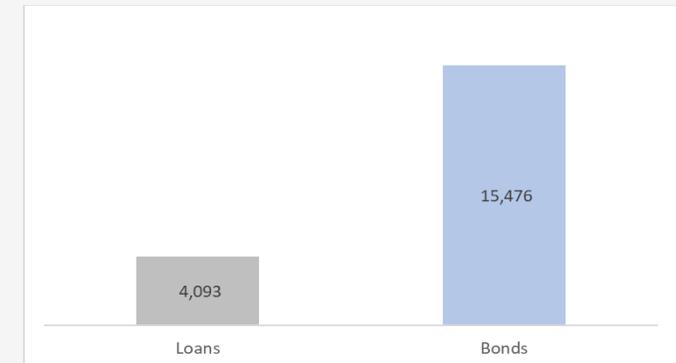
**S&P Global**

**A - / STABLE**

**MOODY'S**

**A2 / STABLE**

## Drawn debt by Source (QAR m\*)



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## Revenue



## EBITDA



## Mobile



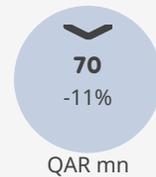
## Fixed



## Wholesale

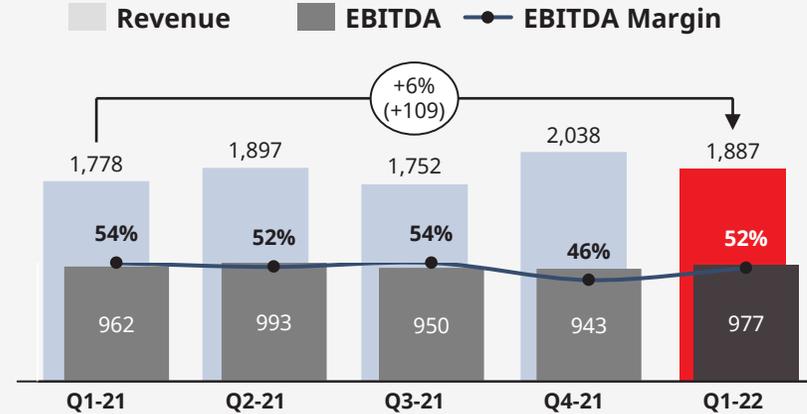


## Equipment



\*Revenue breakdown is based on Ooredoo Group definitions

## Quarterly Trend (QAR mn)



- **Revenue grew by 6% yoy** mainly due to growth in mobile, fixed and ICT revenues
- **Healthy EBITDA margin of 52%** in Q1'22
- **Customer** number stood at 3.2 millions (**+6%** yoy), +8% Ooredoo tv customers
- **New postpaid plans** incl. new, innovative features (WhatsApp,

- OSN, Urban points, more data & minutes)
- **IoT** connectivity enabler for **Toyota's new Lexus connected car services** in Qatar with KDDI launched
- MoU with Qatar Environment and Energy Research Institute (QEERI), part of Hamad Bin Khalifa University (HBKU), at

- Smart City Expo Doha 2022.**
- Implemented **world's first 5G Indoor shareable solution with Ericsson** (up to 1.5 gigabits p/s)
- Ooredoo 'Official Global Connectivity Services Provider' for **FIFA World Cup Qatar 2022.**

# Kuwait

## Revenue



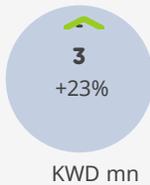
## EBITDA



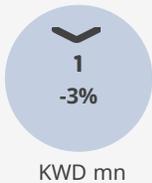
## Mobile



## Fixed



## Wholesale

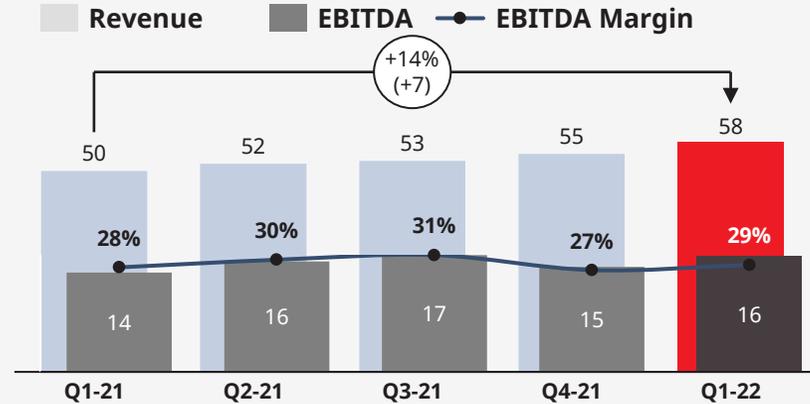


## Equipment



\*Revenue breakdown is based on Ooredoo Group definitions

## Quarterly Trend (KD mn)



- **Strong growth** yoy in **revenue by 14%** mainly driven by mobile voice and higher equipment sale in an overall improving economy
- **EBITDA increased 17%** driven by higher revenue and reduced cost
- **Customer** base reached 2.6 millions (**+6% yoy**) due to mobile business
- Revamped Ooredoo app used by more than 1.2 million customers
- New commerce platform “WANNA” launched geared towards generation Z users
- NMTC won the first (Jan 2022) and second degree (April 2022 Appeal Court) case about regulatory tariff levied on telecom operators. The claim amount is approx. QAR 528m, the case will still go to cassation court

# Algeria

## Revenue



QAR mn

## EBITDA



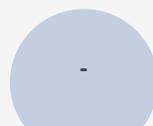
QAR mn

## Mobile



DZD mn

## Fixed



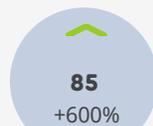
DZD mn

## Wholesale



DZD mn

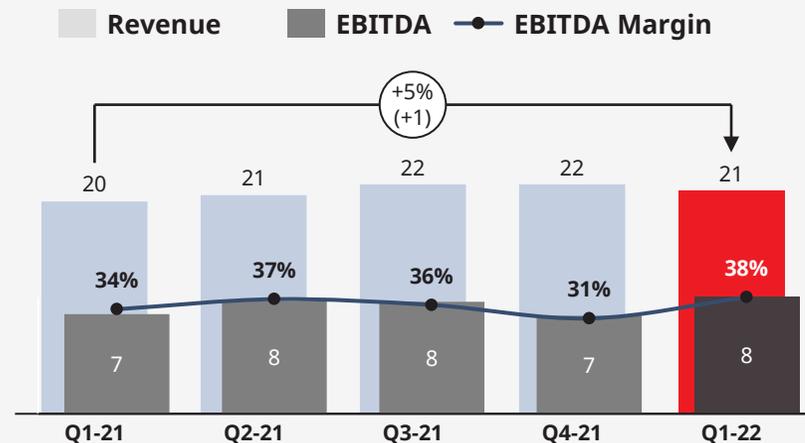
## Equipment



DZD mn

\*Revenue breakdown is based on Ooredoo Group definitions

## Quarterly Trend (DZD bn)



- **In local currency revenue increased by 5%**, driven by higher mobile revenue (data). Reported Revenue yoy decreased in QAR due to currency depreciation by 6%.
- **Yoy EBITDA increased 11%** due to higher revenue and lower cost, improved EBITDA margin of 38%.
- **Customer numbers** increased to 12.9 million (+2% yoy) driven by mobile (post-paid and pre-paid)

# Tunisia

## Revenue



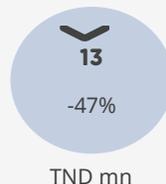
## EBITDA



## Mobile



## Fixed



## Wholesale

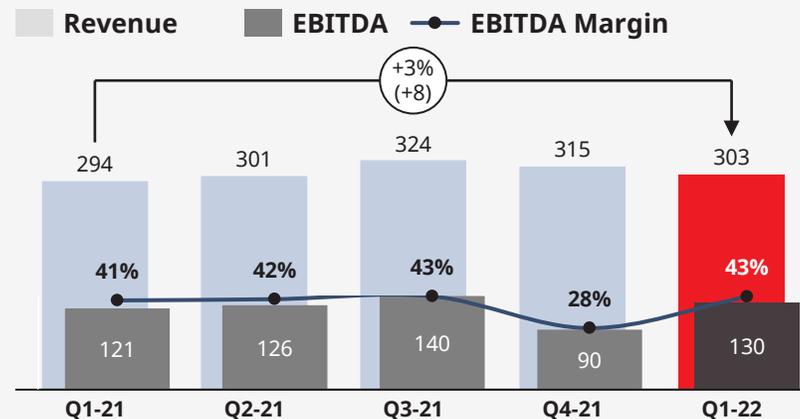


## Equipment



\*Revenue breakdown is based on Ooredoo Group definitions

## Quarterly Trend (TND mn)



- In **local currency revenue increased by 3%**, higher mobile revenue (data) both in Consumer and B2B segment. Reported yoy Revenue decreased in QAR due to Fx depreciation by 6%.
- EBITDA in local currency increased year on year due to higher revenue and better cost control resulting in **higher EBITDA margin (43%)** despite of recent increase in energy prices
- Customer numbers increased by 135K reaching to 7 million, both in post-paid and pre-paid mobile
- One million Digital MAU (Monthly active users) on My Ooredoo app in March '22

# Iraq

## Revenue



## EBITDA



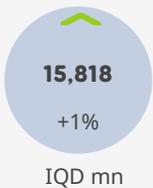
## Mobile



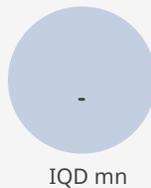
## Fixed



## Wholesale

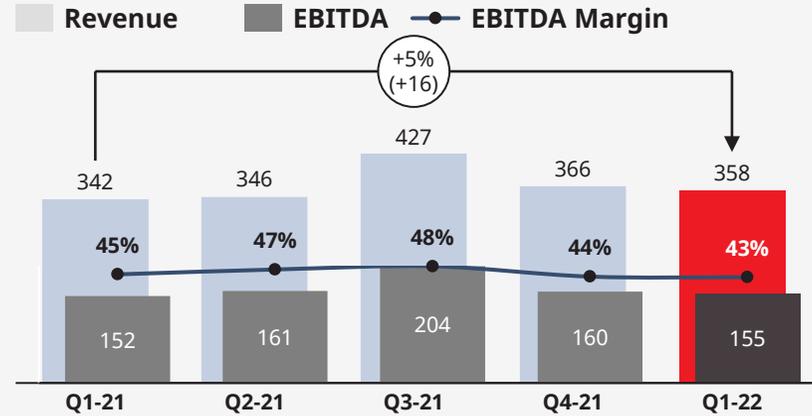


## Equipment



\*Revenue breakdown is based on Ooredoo Group definitions

## Quarterly Trend (IQD bn)



- **Revenue** increased year on year **4%** driven by data business, B2B and 4G+ launch
- **EBITDA** yoy increased by **1%** to QAR 383mn despite higher energy costs
- **Intense competition** in the market with unlimited data packages
- **Customer number increased by 10%** to 16.1 millions
- Extended 4G coverage to 100% of sites, upgraded the network with **enhanced data speed (4G+)**

# Oman

## Revenue



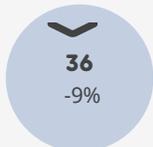
QAR mn

## EBITDA



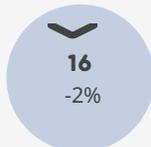
QAR mn

## Mobile



OMR mn

## Fixed



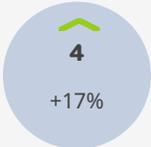
OMR mn

## Wholesale



OMR mn

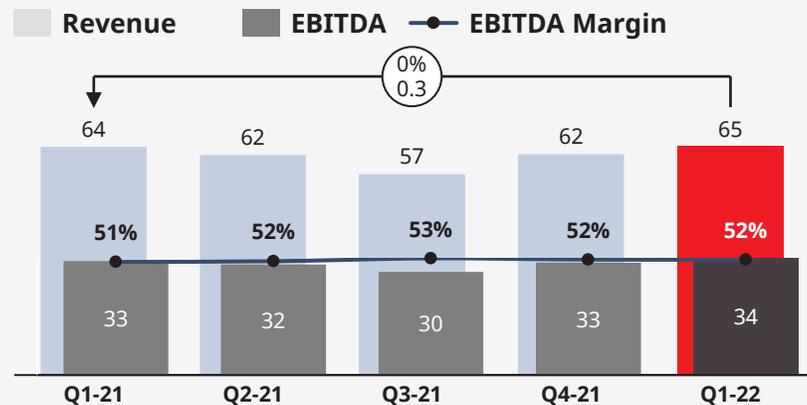
## Equipment



OMR mn

\*Revenue breakdown is based on Ooredoo Group definitions

## Quarterly Trend (OMR mn)



- **Revenue** year on year **increased** to QAR 613mn, growth in wholesale
- **EBITDA margin increased to 52%** as a result of revenue growth and better cost control
- Customer number decreased due to third entrant
- Overall economic outlook improving with higher oil prices
- Leading 4G network (according to independent third-party). Awarded 'Best Telecommunications Company Oman 2022' (by Global Business Magazine Awards)

# Myanmar

## Revenue



QAR mn

## EBITDA



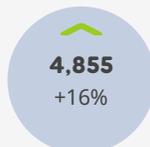
QAR mn

## Mobile



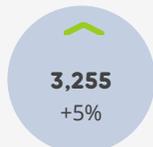
MMK mn

## Fixed



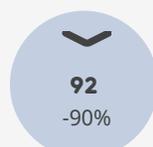
MMK mn

## Wholesale



MMK mn

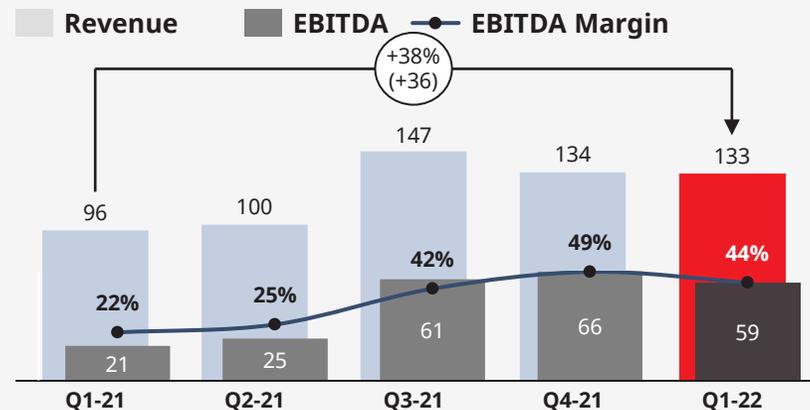
## Equipment



MMK mn

\*Revenue breakdown is based on Ooredoo Group definitions

## Quarterly Trend (MMK bn)



- **Revenue** year on year **increased by 8%**, driven by mobile revenue (data and voice)
- **EBITDA increased** due to higher revenue and better cost controls.
- Customer numbers declined to 9 million, drop of 33% mainly due to higher SIM card taxes and impact of the political situation
- Restrictions on data traffic implemented by the regulator in Q1 for the entire Sagaing state
- Higher taxes and fees in data have impacted data consumption significantly, voice usage increased
- Oomanji game in My Ooredoo App continued to deliver strong results, played 87 million times

# Maldives

## Revenue



## EBITDA



## Mobile



## Fixed



## Wholesale

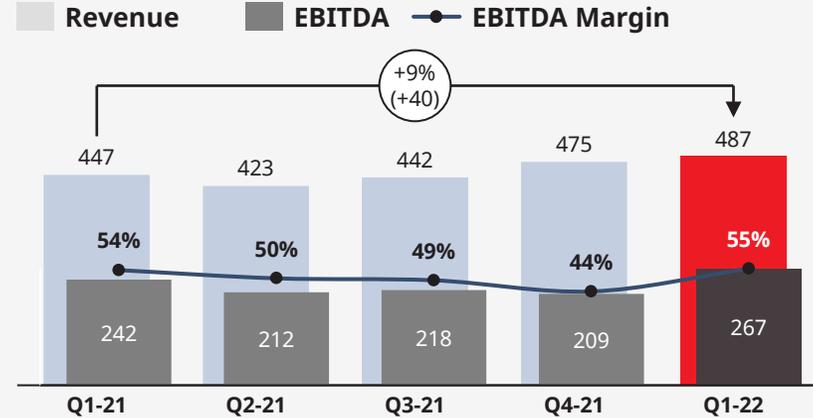


## Equipment



\*Revenue breakdown is based on Ooredoo Group definitions

## Quarterly Trend (MVR mn)



- **Revenue increased by 9%** yoy supported by improved macroeconomic situation in the country
- **EBITDA increased by 10%** yoy to QAR 63mn and EBITDA margin increased to 55% supported by cost programs
- **Customer** base increased to 370k in Q1'22, **up 3% yoy**
- On February 2, Khalid Hassan Al-Hamadi appointed of as new Chief Executive Officer of Ooredoo Maldives.

# Palestine

## Revenue



QAR mn

## EBITDA



QAR mn

## Mobile



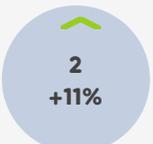
USD mn

## Fixed



USD mn

## Wholesale



USD mn

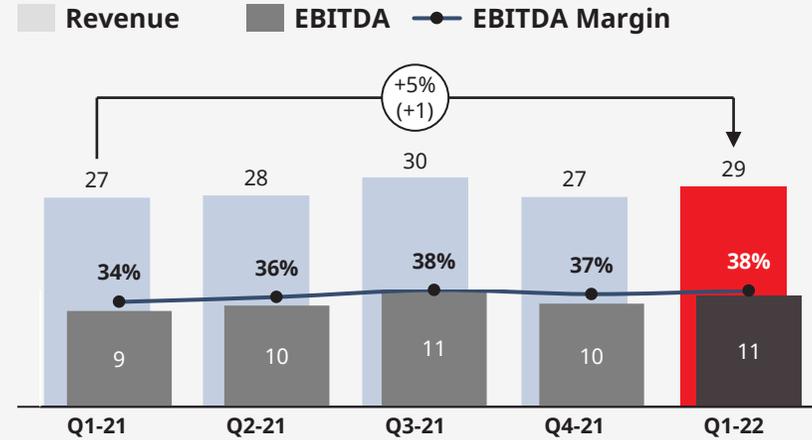
## Equipment



USD mn

\*Revenue breakdown is based on Ooredoo Group definitions

## Quarterly Trend (USD mn)



- Revenue year on year increased by 5% due to higher mobile data
- EBITDA margin increased to 38% due to higher revenue and lower cost of sales
- Customer numbers increased to 1.4 million, driven by pre-paid and post-paid mobile



## **2022 Ooredoo Capital Markets Day**

**13<sup>th</sup> September 2022 (TBC)**

(Hopefully welcoming you IRL in Doha, more details in due course)



## **Upcoming conferences:**

- 16-18 May, Arqaam Virtual conference
- June 1-3 ,BoA/ML Debt Equity Conference, USA
- June 6-8, Qatar Exchange and HSBC London conference



Q&A



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# KPIs technology

Country	Total Sites	4G Sites as % of total towers	4G Population Coverage %	5G Population coverage %	Total Data Volume GB	4G Contribution in total traffic %	Data Volume Grow %
ALGERIA	6,133	77.82%	74.60%	n/a	216,893,960	77.12%	32.46%
IRAQ	7,361	96.73%	92.49%	n/a	75,802,676	76.51%	67.78%
KUWAIT	2,642	99.92%	96.72%	81%	255,274,477	72.59%	11.96%
MALDIVES	711	98.73%	100%	12%	10,809,241	87.88%	75.89%
MYANMAR	5,873	99.05%	90.37%	n/a	71,676,726	95.81%	-52.97%
OMAN	2,665	92.68%	97.88%	48.83%	137,496,317	68.81%	19.78%
QATAR	3,125	90.21%	99.50%	99.50%	84,180,001	83.55%	7.88%
TUNISIA	2,635	86.26%	98.00%	n/a	139,599,065	86.82%	20.21%
PALESTINE*	978	64.03%	93.00%	n/a	10,747,706	99.35%	10.02%
<b>Total</b>	<b>32,123</b>	<b>89.08%</b>			<b>1,002,480,169</b>	<b>77.30%</b>	<b>9.66%</b>

\* Palestine has only 3G coverage, all figures from Palestine column are referring to 3G, not 4G

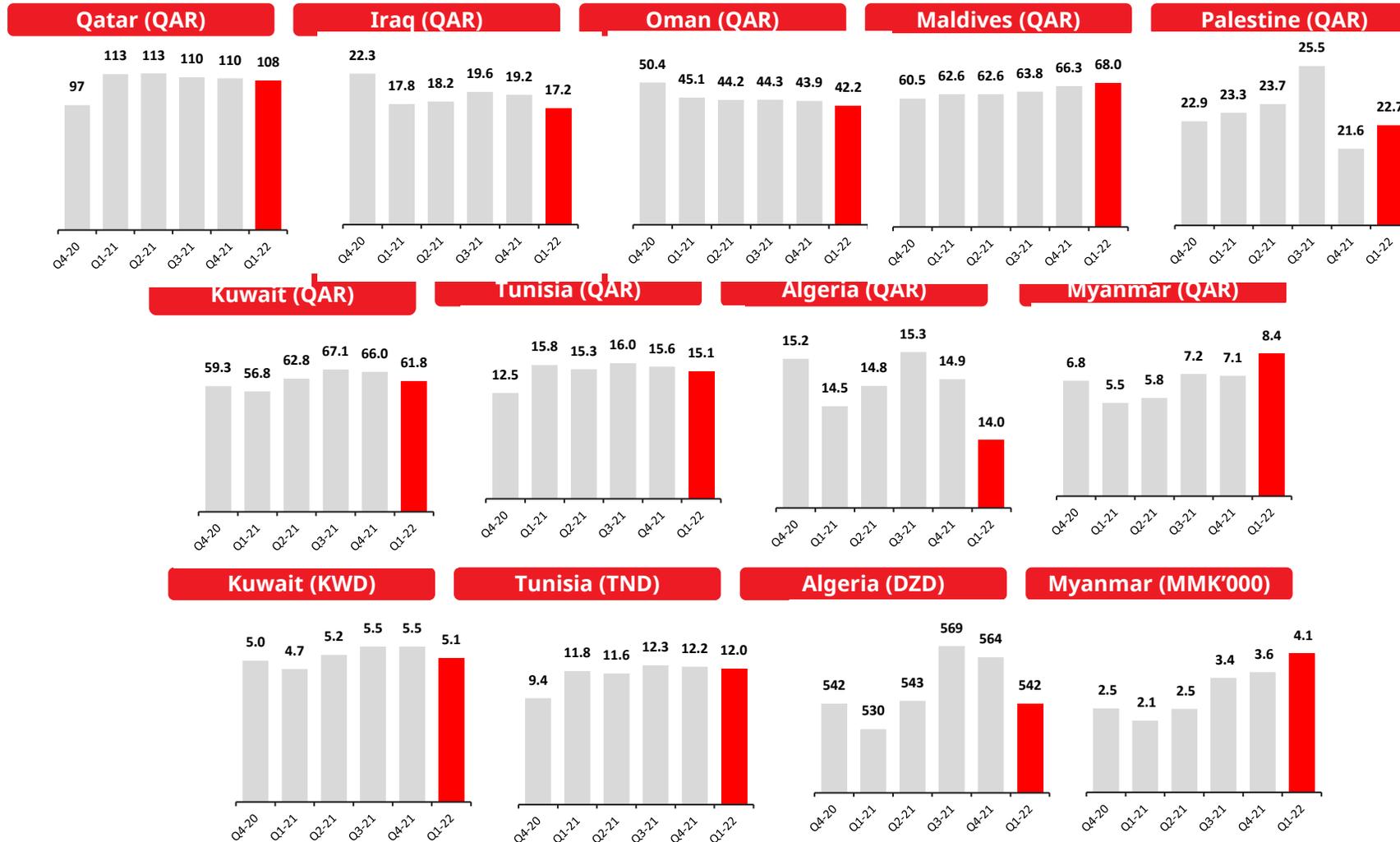
# KPIs Commercial

Country	Churn Mobile	Churn Fixed	NPS	Data users ('000)	MyOoredoo App users ('000)	Digital recharge	RMS (*)	Number of complaints per 1000 subs
Algeria	0.7%	-	25	7,080	55	95%	48.8% (*)	1
Iraq	1.8%	-	30	7,425	1,456	25%	55.9% (*)	1
Kuwait	3.3%	-	24	1,831	1,003	41%		8
Maldives	4.7%	0.9%	(**)	221	169	33%	42.6%	3
Myanmar	9.1%	0.04%	(**)	5,422	2,409	31%		1
Oman	0.71%	0.9%	31	2,660	953	32%		2
Qatar	3.4%	1.5%	28	2,094	1,063	40%	72.3%	7
Tunisia	1.3%	0.2%	17	3,548	763	28%	36.9%	5
Palestine	2.3%	-	(**)	286	113	97%		4

(\*) RMS is for the prior quarter; RMS for Algeria is bilateral with Djezzy; Iraq is bilateral with Zain

(\*\*) NPS for Maldives, Palestine and Myanmar is available on bi-annual basis

# Blended ARPU



# 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**

# OPCOs Licence General Information

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[Additional information](#)

Country	Fixed Licence		Mobile Licence	
	Issuance Date	Expiry Date	Issuance Date	Expiry Date
<b>Qatar</b>	7 October 2007	6 October 2032	7 October 2007	6 October 2027
<b>Kuwait</b>	--	--	13 October 1997 Emiri Decree	Indefinite
<b>Iraq</b>	--	--	30 August 2007	29 August 2030
<b>Oman</b>	6 June 2009	5 June 2034	23 February 2020	22 February 2035
<b>Algeria</b>	--	--	2G: 14 Jan. 2004 3G: 02 Dec. 2013 4G: 04 Sep. 2016	2G: 13 Jan. 2024 3G: 01 Dec. 2028 4G: 03 Sep. 2031
<b>Tunisia</b>	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
<b>Indonesia</b>	17 March 2003	Indefinite	March 1993 01 February 2020	Indefinite
<b>Maldives</b>	18 August 2015 (VOIP)	17 August 2030	(20 yr extension to existing license)	31 January 2035
<b>Palestine</b>	--	--	14 March 2007	10 September 2029
<b>Myanmar</b>	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	The Tax Rate is 22% for tax year 2022 onwards
Indonesia	22%	5 years	
Iraq	15%	5 years	
Kuwait	15%	3 years	GCC companies (including NMTC) are exempted , but are subjected to 4.5% Zakat, KFAS & National Labour Support Tax on consolidated profits
Maldives	15%	5 years	
Myanmar	22%	3 years	
Oman	15%	5 years	
Palestine	20%	5 years	
Qatar	10%	5 years	No corporate income tax is levied on a corporate entity that is wholly owned by Qatari nationals and GCC nationals that are resident in Qatar and companies listed on Qatar Exchange
Singapore	17%	Indefinitely	
Tunisia	35%	5 years	35% tax rate applies to oil companies, banks, financial institutions including insurance companies and telecommunication companies, 2% Social Solidarity Contribution Fee to finance Social Security Fund is applicable to Company subject to CIT rate of 35%



**Thank You**

