Andreas Goldau, Investor Relations:

Good afternoon, and Ramadan Karim my name is Andreas Goldau and welcome to the Ooredoo's financial results call. Let me introduce my colleagues at Ooredoo group. The main speakers today are Aziz Ahmad M Aluthman Fakhroo who is joining us from Paris, and our Group CFO, Abdulla Ahmad Al Zaman, who is with us here in Doha. We have few more people joining for the Q&A session including Sheikh Mohammed Al Thani, Deputy CEO of the Ooredoo group, and CEO of Ooredoo Qatar, René Werner, our Chief Strategy Officer who will be joining us on Zoom, Ahmad Abulaziz Al Neama, our Group Regional CEO and Eyas Assaf, Deputy CFO. You might remember Ahmad and Eyas from previous calls in Indonesia and their roles as CEO and CFOs respectively.

The presentation begins with our strategy vision followed by key financial highlights and consolidated results presented by our group CEO, Aziz. Then the Opco section will be covered by our Group CFO, Abdulla. We do keep the presentation brief to allow sufficient time for your questions. The presentation is available on our website Ooredoo.com, as well as on this webcast.

Recording and transcription of the session has started already, and by attending this meeting you consent to being included. Please note the usual disclaimer on slide number two - and with that I hand over to our group CEO, Aziz.

Aziz Aluthman Fakhroo, Managing Director of Ooredoo Group:

Good morning, everyone. Thank you for joining, and Ramadan Karim for those who are fasting. It was great pleasure that we are welcoming you today to this Investor call for the first quarter of the year. We have a lot of changes in this presentation and also a lot of changes in the group. As you know on January 4, we actually closed our merger with Indosat, which led to some changes in accounting. You will see through the presentation some changes in the way we present our numbers since now Indosat is no more accounted as a subsidiary, but as a joint venture, and therefore is deconsolidated. We've also taken your feedback over the past few months, and we've revised the way we present our data and our numbers. Hopefully, you will appreciate a bit more granularity and a bit more transparency in our operational numbers.

On the first slide, here are our five strategic pillars. Today we will go through these pillars extremely quickly, but at our Capital Markets Day, we will dive deeply into each one of them, and going forward after that we'll always update you on key changes.

Our five key strategic pillars include 1) value-creation in our portfolio. This is symbolized, as I just mentioned, by the Ooredoo Indosat - CK Hutchison merger where we consolidated our position to create a stronger number two player in Indonesia. It's also our drive to become an asset light company with the carve out our towers. This is ongoing and we'll give you an update on that a bit later in the year, as well as, an update on our efforts on the data center .

2) The second pillar is excellence in customer experience. Historically, Ooredoo has always been very technology driven company. We are starting to shift our focus extensively to become a customer experience first company, and we hope that this will bring better appreciation in the markets we operate in.

Of course, what has been going on for one year now is our transformation effort, which is strengthening our core, driving operational efficiency across our core operation to drive better profitability and also top line value creation as you'll see in our numbers.

Evolving the core, so this is developing all the adjacency around our core where we can see future growth. Today, we're taking an example, which is mobile financial services. We have the mobile financial services platform available in five markets for a few years now. We're operating in Qatar, Oman, Tunisia, Myanmar and Maldives. The bulk of the customers are in Qatar, Tunisia and Myanmar. In 2021, we've derived $5 billion of transactions. Just to put this in perspective, the GSMA estimated total mobile financial transactions for 2021, in our geographic footprint, which is EMEA , at $14 billion. So, we are taking the Lion's share of that market and we believe that this an area of significant work , which our numbers prove it. We've grown 31% quarter-on-quarter from Q1 2021, and 36 % from Q1 2021 to 2022.

This is driven all the partnerships. As you see, we've developed specific partnerships with Visa or Mastercard MoneyGram, paytm and GCash. We believe we have an exceptional platform for Mobile Financial Services (MFS). If you look at our footprints, they are divided basically in two blocks, we have the GCC countries Qatar, Oman and Kuwait which are mainly big 'remittance corridor , due to the predominance of expatriate workers in the country. And then we have countries like Tunisia and Algeria, which are countries with very low, banking penetration. Therefore, having a unified mobile financial services portfolio for all these countries will generate significant growth in the years to come, but again, at the capital markets, we will give you a bit more insight and a bit more in-depth analysis of our effort in this field.

I suggest we turn to the next slide.

In terms of real result, I won't dwell too much on this slide given that this is a quarter for quarter comparison between Q1 2022 and Q1 2021, as reported. As mentioned previously, on January 4 we closed the merger with Indosat and now are deconsolidating Indosat and therefore, I suggest you go to the next slide where we will be able to go through the numbers on a like-for-like comparison.

So on that slide, what you're seeing, we've adjusted to Q1 2021 numbers for proforma like-for-like comparison. We removed Indosat at the consolidated basis. So, what you're seeing is continued strong performance on the back of the transformation we engaged in last year. Top line witnessed a very healthy growth with 4% year-on-year. If we exclude the FX impact, we can see that it is grown by 7%. EBITDA margin saw a very healthy 42% growth year-on-year. Again, if we exclude FX impact, it's a growth of 4%. CapEx intensity has dropped to - 2.7% and this is highlighting our discipline in terms of CapEx.

Transformation effort continuing to generate additional free cash flows. Our free cash flows, just in Q1 have grown by 8% at QAR2 billion. And of course, a very strong net profit grown 241% year-on-year at QAR659 million. Our net debt to EBITDA is constantly dropping, we're at 1.3x, and our base is at 55 million. We'll go into more details for each of these sections. In terms of revenue, you will see that we've grown in every single market we operate in, with the exception of Algeria and Tunisia, this said, if we look at Algeria and Tunisia, in local currency, you can see that we've also grown in these markets.

A lot of our growth was also driven by data revenue. We've experienced a 10% data revenue growth across our portfolio and that's including Myanmar, which due to the geopolitical situation, suffered from a significant drop in data revenue due to blockage in the country of the data access by the government. So in total you will see that our revenue today stands at QAR5.5 billion.

Next Slide, you will see the same story for EBITDA. What you're seeing is a strong improvement in EBITDA in every single market due to our transformation effort that focuses on cost and efficiency, which resulted in a growth in every single market, in terms of EBITDA margin. You will notice, at a group level, there is a drop in profitability. This is led by a couple of items, one is in Q1 2022 we have all the one-off charges due to consultancy fees and fees linked to the transaction in Indonesia. Another item, is that in Q1 2021, we had a reversal of provisions for COVID-19, which we're not facing this year.

So, from an operational standpoint, if you take a look at every single market, we have a strong increase in profitability. Myanmar showed signs of recovery at 117%, but we are also noting a strong turn around in performance in Kuwait, Algeria, and Qatar.

Next slide, please.

In terms of net profit, our net profit for the period increased by 241% to QR 659 million due to improved operational performances across all the Opcos and fewer forex losses in Myanmar. Excluding FX impact, NP increased by 48%.

Next slide, please.

CapEx. So, we remain committed to our guidance to reduce CapEx by 10% for the year. You can see in the slide that we've broken down the CapEx by country so you have a bit better visibility. You have four countries where you have more CapEx and intensity in Q1 and that's Algeria, Palestine, Iraq and Qatar. Algeria's big bulk was delays in CapEx from last year due to custom clearance issues, so these are caught up in Q1.

In Iraq, we're seeing still some CapEx intensity due to the introduction of 4G. For Qatar, the additional CapEx is due to our data center exercise with Google and Microsoft. In all the other markets, you will see a drop in CapEx. This is mainly due to a couple of things including better cost on the general procurement of all the items, but also in Oman and Kuwait a reduction in the 5G investment as the bulk of it has been done in the last 18 months well, so we should see continued CapEx efficiencies for the year with a target of being 10% lower for the year at the end of the year.

Next slide, please.

Free cash flows. As you can imagine, a better top-line, a better EBITDA and a lower CapEx translates in very strong free cash flow accretion. What we're seeing is 8% growth as I mentioned and close to QAR2 billion of free cash flow in Q1 for the year. We note also a very strong performance in Kuwait and Oman as I mentioned before, this is mainly due to lower CapEx, intensity due to 5G and a slight decrease in free cash flow from Iraq and Algeria because they're still rolling out 4G in Iraq. You also see the 118 figure I have we mentioned previously, which accumulated due to consultancy costs linked to the transaction.

Customers. If you see, our customer base for the whole portfolio increased in every single market except Myanmar. Myanmar introduced a SIM tax this year, which has limited the addition of new customers and posed some attrition in the customer base. We've also seen a slight drop in customers in Oman, this is driven by the new entry of Vodafone that has just entered the market. We're actually very happy with how we were able to contain the entrance of Vodafone.

Lastly, I will discuss our first full-year guidance. We retain the same full-year guidance, where with revenue growth, even if we're ahead of currently our guidance, we retain the same guidance as the different factors that could affect the performance for the year. One is the general inflation, we're seeing across the world which could have an impact on energy costs, and also the impact in certain markets especially North African markets, which are quite hit by the Russia-Ukraine conflict given inflation in energy, but at the same time in the cost of food as most of their grains were imported from Russia and Ukraine.

Currently, we're not seeing any effects, on the contrary, we're seeing benefits from most of our oil producing markets, where we're seeing an uplift in GDP. So, guidance remains the same, revenue was between -2% to 2% for the year, EBITDA growth is between -3% and 1% and a CapEx between QAR275 to QAR325 billion that's a 10% increase over last year on proforma basis. I'll just spend a minute talking about Indosat Ooredoo Hutchison.

Indosat Ooredoo Hutchison integration process is going extremely smoothly and slightly better than anticipated. We're seeing some better results and synergy with nearly 20% of initiatives already completed and that has driven a slightly better profitability in Q1 versus our initial merger plan, so we're extremely happy with the integration process. We are also happy that we have spent a lot of time during the transaction, focusing on the governance between Ooredoo and Hutchison which resulted in a very smooth integration exercise. You will also see our subscriber base due to the merger has grown by nearly 35 million subscribers. And now, Indosat has went from 60 million, to 95 million subscribers, and that gives us the scale and the size to really push Indosat as a very strong player, but also give it the scale to develop the market further.

Last slide, I think this is quite straightforward as you can see, we were enjoying strong free cash flows plus the effect of the de-consolidation of Indosat, extremely strong liquidity and a very healthy net debt to EBITDA, we're actually below the guidance at 1.3. We have very good schedule of re-payment, which is spread over the next five years. The bulk of the debt source is from bonds and most of it is held in Qatar and at the group level, if you remember before we had quite a bit of debt Indosat mainly because it's quite hard for the Opcos to source local financing at competitive costs.

And we retain our stable outlook at A- for S&P and A2 stable for Moody's. With this, thank you and I'll handover for Abdulla Ahmad Al Zaman for the operational review.

Abdulla Ahmad Al Zaman, Group CFO :

Good morning and thank you for being here on the session today. I will be covering the operational performance of the nine of Opcos both in local currency and Qatari Riyal. First, I will be covering Qatar. The high revenue is due to growth in mobile and fixed and ICT revenue.

Year-on year growth is approximately 6%. Also, we have a higher EBITDA of 2% growth year- on- year. EBITDA margin is slightly below previous year, mainly due to the increase in sponsorship activity. The economy in Qatar is very healthy and benefitting from the increase in gas prices or oil prices. The population is also up by 7% year-on-year.

Kuwait

Kuwait's grew by 14% year-on-year revenue driven by COVID-19 recovery, improved overall economy and reversal of population decrease and a positive M&D trend.

EBITDA increased by 17% also, a year-on-year. EBITDA margin increased to 29% in Q1 2022, to, higher revenue, and lower OpEx driven by lower manpower cost, marketing and advertisement cost. Customer base reached 2.6 million, which is 6% higher year-on-year, mainly driven by the segmentation of the prepaid. Mostly, the increase is coming from prepaid. Launch of MVNO is expected take place soon in Kuwait. This will lead to more pressure on the market price.

Algeria

Algeria showed an increase in revenue year-on-year by 5% in local currency, while reported revenue year-on-year, decreased in which is due to the currency depreciation by approximately 6%. Also, there is a new year to year, EBITDA increase by 11% due to higher revenue and lower cost. EBITDA margin improved also by 38% year-on-year.

Customer number increased to approximately 12.9 million, which is a 2% growth year-on-year driven by mobile postpaid.

Tunisia

Despite the higher inflation rate, the employment rate and the Russian and Ukraine war, which is impacting the fuel price and tourism in Tunisia in local currency, we see revenue increase by 3% year-on year, which is due to higher mobile revenue data, both in voice and data, both in consumer and B2B segments. Year-on-year revenue decreased in Qatari Riyal due to the effects of depreciation by 6% which is similar to the condition we have in Algeria.

Year-to-year EBITDA increased in local currency due to higher revenue. Higher EBITDA margin despite the increase in energy prices. Customer number increased by 135,000 reaching 7 million with a very strong performance and B2B growth due to our fiber strategy which allows us to win a major projects specially in the private sectors.

Iraq

Iraq, revenue increase by 5% year-on-year in local currency and 4% in Qatar Riyal terms driven by strong data revenues on the back of the 4G launch. Compared to previous quarter, the revenue is slightly lower mainly due to lower voice revenue. EBITDA year-on-year increased by 1% despite the high energy cost, and EBITDA margin slightly decreased due to less fibre capacities. 40% of the network has been upgraded with enhanced data speed of 4G+ plus. The economy's situation in Iraq is stable with good growth in the B2B segment, which probably represents 39%.

Oman

There is slight improvement on the revenue which was up to QAR613 million driven by growth in the wholesale. EBITDA and EBITDA margin increased as a result of revenue growth. Customer number decreased due to third player entrance to the market. Overall economy outlook improved due to higher oil prices and fixed royalty which increase to 10% from 7% effective January 2022.

Myanmar

Revenue year-on-year, increased by 8% driven by mobile revenue, data and voice. Revenue was down compared to the previous quarter Q4 2021 due to restrictions. EBITDA was higher by 117% year on year, which is an amazing growth. EBITDA margin was at 44%. Customer number dropped due to the SIM card tax the political situation in Myanmar

Maldives

Revenue increased also by 9% year-on-year due to core services. EBITDA increased by 10% year-on-year to QAR63 million, and EBITDA margin increased to 55% due to revenue increase and lower commissions. Customer base increased to 370,000 which is 3% year-on year increase.

On February 2, we appointed Mr. Khalid Al Hamadi as the new CEO in Ooredoo Maldives.

Palestine

Revenue increase by approximately 5% due to higher mobile data. EBITDA margin increased to 38% due to higher revenue and lower cost of sales. Customer number was 1.24 million and driven by prepaid and postpaid mobile.

Overall, and as Aziz has shown you earlier in the presentation, the performance of the nine opcos for the first quarter of 2022 was very good and very promising and hopefully, we can continue the momentum like that. Thank you.

Andreas Goldau, Investor Relations:

Thank you very much Abdulla. And I'd like to highlight a few of upcoming events. We have our Capital Markets Day scheduled 13th of September and hopefully welcoming you in Doha. It's going to be a hybrid event, o, in person, as well as online video conference is coming up. Starting right after Eid we have the Arqaam virtual conference, and then we have Bank of America Merrill Lynch conference beginning of June in the states and HSBC and Qatar exchange are hosting us in London.

I would also like to highlight that in the back of his presentation, you will see some additional new information including some KPIs from our commercial and technology team. And now, we're basically ready to start the Q&A part.

Questions and Answers

Andreas Goldau, Investor Relations:

So, you can ask your questions on Zoom, if you raise your hand, then I can open your microphone or you can use the Q&A function and type your questions there. For people who are dialing in on the phone, you just push *9 to ask your questions. So, with that, I am going to open the floor for any questions.

Please remember to raise your hand and then I can open the microphone or type your question in the Q&A section. I see the first question now coming from Ziad Itani and I'm just going to read it out. What is your plan regarding cash now, that you are below your title net debt to a EBITDA ratio.

Aziz Aluthman Fakhroo, Managing Director of Ooredoo Group:

So, I'll take this one. Look it’s a good problem to have, but it's still a problem. We actually have very strong free cash flows and had a series of one-off events that generated quite a bit of additional cash which is bringing our leverage below guidance. What we will see is during Capital Markets Day, we will bring a series of initiatives, where we will highlight the use of these proceed to deliver additional growth for the group.

Some of which you already know with is if you look at TowerCo., this is a strong value creation exercise but will require a bit of cash due to friction passed at the creation of the TowerCo. Another one is expansion of our data center activities and last but not least as we've touched on is the MFS business where we're reforming it as a one unified app across all OpCos and driving it through the different OpCos will require some cash. We're also using part of the cash to strengthen our core and everywhere we see possible to strengthen our fiberization, or potential small acquisitions, or in any of these segments: fiber, MFS, or any adjacencies where we can strengthen each OpCos in the relative market, but again, I know you've been asking this question. We'll come back at the investor market day with a full plan and we can have much more clarity from that.

Andreas Goldau, Investor Relations:

Thank you Aziz. We got to have one question here in the chat function. First one already covered with regard to our debt situation. There's a follow-up question. Do you plan to expand in other markets internationally and if yes, which markets would you consider exploring?

Aziz Aluthman Fakhroo, Managing Director of Ooredoo Group:

So currently we have no expansion plan as is. Of course, we remain opportunistic, if any opportunities do arise. If these opportunities will be quite selective in the type of geographies, and these are the geographies where we currently see significant strengths and synergies with our current operation, so I would probably predominantly in EMEA but currently we don't see any acquisition opportunities at the time being.

Andreas Goldau, Investor Relations:

Great, thank you. Then we got a question from [inaudible] – he wants to know our run rate for [inaudible] and our financing costs, low EBITDA costs in our [inaudible] basically.

Speaker:

The run rate for this year is a sustainable one, is not a one-time adjustment and is in alignment with our CapEx guidance, that we announced this year that our CapEx is going to be lower than [inaudible]. And this is also highlighted by Aziz, Abdullah that we are also following a smart CapEx investment therefore we are expecting the run rate, the current depreciation, amortization to keep going in the same run rate for this year as lower. And for finance, the run rate is sustainable and we expect to go lower in the future and next few years.

Andreas Goldau, Investor Relations:

I'm going to scramble the order of the questions a bit but since you've been talking about cutbacks [inaudible] would like to know why is CAPEX down and what's going to be the future run rate?

Abdulla Al Zaman, Group Chief Financial Officer:

For the first quarter, we cannot judge our performance on the first quarter but as per the expectation over three plus nine, we're going to meet the outlook of our CapEx, but you know it's a first quarter [inaudible] order to get engaged with the project, but we probably will meet our outlook. We don't see from the three plus nine anything that will go beyond the budget.

Aziz Aluthman Fakhroo, Managing Director of Ooredoo Group:

Maybe a bit of expansion, but looking forward, we are reducing our CapEx by around 10% and this is driven by many factors - one is better CapEx discipline, two is cost optimisation as we're seeing price of equipment currently still reducing and leveraging our group procurement to enhance our procurement unit cost but also what we've seen is in the core markets where the past years, we had quite a high CapEx intensity, which was Qatar, Oman and Kuwait for the 5G roll out. Now these rollouts are coming to an end and at a lower price point, so this should drive a lower CapEx intensity for the years to come.

Andreas Goldau, Investor Relations:

Great, then there's some questions regarding the strong EBITDA and revenue performances. If we maybe start with the EBITDA performance, especially in Myanmar, Kuwait, and Algeria. Is it post COVID resurgent or something else?

Abdulla Al Zaman, Group Chief Financial Officer:

It's driven by our strong performance on the revenue. And this is due to the transformation, the initiative that we have done last year and we have initiated, and we see today the output of all these initiatives and also the optimizations when it comes to our OpEx, therefore we see a very good EBITDA level today.

Andreas Goldau, Investor Relations:

And on the revenue [inaudible] is asking if there's a softness in Tunisia and Algeria?

Abdulla Al Zaman, Group Chief Financial Officer:

In local currency, there is a very good as I said, when I showed it to you earlier, a performance in the local currency is very good and it's a meeting the budget and maybe exceeding in some of the elements, but due to currency depreciation, which is approximately 6%, is impacting overall [inaudible]. But to the local currency, I keep emphasizing it's a very good progress.

Andreas Goldau, Investor Relations:

And there's a question on Asiacell, the Iraqi market. What's the competition like? What's the site uptimes especially considering the history with the security situation?

Abdulla Al Zaman, Group Chief Financial Officer:

Well, Iraq is considered the main contributor to our OpCos. Today we see there is a strong performance also from Iraq. I will not talk about the security performance, but we see there is stability and a strong economy coming from Iraq, which is contributing to our topline.

Andreas Goldau, Investor Relations:

Excellent. Then there is a question about the 5G licenses, and I just pass that directly in the interest of time. So we were the first country to launch 5G globally in 2018 in Qatar, followed by Kuwait, Oman, the Maldives – I know we are running 5G on a few sites in Indonesia as well. For the other markets there's no 5G license yet.

So that covers the question [inaudible] and there's a follow-up question from Arqaam from Ziad - what's your view on Myanmar? Are you fully committed to this market in the long term? Would you consider an exit if the situation doesn't improve, and can you repatriate cash out of Myanmar?

Abdulla Al Zaman, Group Chief Financial Officer:

Today, we are fully committed as a shareholder to this operation, I would say, and we can see the operation in Myanmar is improving, but we are always open for adding opportunity.

Aziz Aluthman Fakhroo, Managing Director of Ooredoo Group:

And in other words, on Myanmar, we've been pushing Myanmar to be as much as possible self funded and some [inaudible] and we actually managed to renegotiate some of our tower leases there at a lower rate and especially converting it to local currency as you've highlighted there's pressure on foreign currency in Myanmar and we're trying to keep CapEx and OpEx to the minimum possible in Myanmar for the time being.

Andreas Goldau, Investor Relations:

There's a question on Oman. How do you recognize wholesale revenue? Will this grow with the competition if Vodafone gains market share? And what are typical margins?

Abdulla Al Zaman, Group Chief Financial Officer:

Well, it's the market I would say, Vodafone they have the right to earn a share of the market. But today, we have three years contract on the wholesale, and [inaudible] competition of market. Of course, we are positioning ourselves and we expect that Vodafone will take some shares but that does not mean that we are going to let go of our topline easily. We are also finding other source of revenue that we are emphasizing on in order to offset any drop of our revenue.

Andreas Goldau, Investor Relations:

Excellent. And there's a question regarding Algeria. We noticed a jump in terms of the EBITDA and a drop in revenue. What is this to do with?

Aziz Aluthman Fakhroo, Managing Director of Ooredoo Group:

So, Algeria as mentioned, the revenue has increased in local currency. So there is no drop, the drop is just driven by FX impact. And EBITDA profitability is driven by a stringent review of our OpEx.

Andreas Goldau, Investor Relations:

Great. [inaudible] would like to know, are there any new developments with regards to tower sales like you've done in Indonesia. And a follow-up question is any management guidance to mitigate FX impact on the US dollar compared to other countries Currencies?

Aziz Aluthman Fakhroo, Managing Director of Ooredoo Group:

So for the tower Co we'll give you the full update probably in a quarter or so and especially at the capital investor day. We're currently finalizing our exercise internally to carve out all our towers as a wholly owned subsidiary and then we will look at what is best monetization strategy for partial retain of control or minority stake and country by country was a block.

This is still being reviewed and assessed and we'll come back to you with more detail on this as the process evolves. When it comes to Foreign Exchange impact, a lot of the countries we operate in, it's extremely hard to hedge the foreign exchange. The benefit we are seeing right now is if you look at Algeria, Iraq Qatar, Oman, Kuwait, these are all commodity and oil driven countries. Therefore, their foreign currency is actually performing quite well.

Andreas Goldau, Investor Relations:

Excellent.

And there's a question on the Iraqi ARPU. Why is that Asiacell's ARPU under pressure, down 10% year on year, despite the 4G launch and improved mobility? Wasn't their gradual price pick up after the 20% currency devaluation in December 2020?

And you also mentioned 100% of the sites are 4G ready - can we expect that CapEx will drop in future? Any changes in royalties?

Abdulla Al Zaman, Group Chief Financial Officer:

We have no update on the royalty in case there will be any change, but CapEx, as Aziz just has mentioned, we are optimizing our CapEx for the future. In terms of ARPU, this is due to competition, yes, our cost of sales going up and this probably will impact certain [inaudible].

Andreas Goldau, Investor Relations:

In Iraq, we have seen the return of unlimited Data packages.

Okay. Question from Qatar – [inaudible] is asking about the coverage of the football stadiums. Is the network infrastructure exclusively for Ooredoo? Or you sharing with any other operator?

Sheikh Mohammed Bin Abdulla Bin Mohammed Al Thani, Deputy Group Chief Executive Officer and Chief Executive Officer of Ooredoo Qatar:

We are the main strategic partner [inaudible] for the stadium that is hosting the games. However, in this stadium we are sharing infrastructure and that's where the customers can benefit from both providers.

Andreas Goldau, Investor Relations:

Excellent. Then there's a question from an analyst [inaudible] She is covering Asiacell and she is referring to the Zain Q1 presentation and they mentioned a tower deal with Asiacell expected to be completed within 2022. Can you comment on this?

Aziz Aluthman Fakhroo, Managing Director of Ooredoo Group:

We can't comment on that transaction, which is led by one of our competitors. We are aware following the market, we actually see it as a good thing if Zain concludes a transaction in Iraq, it will set the precedent and facilitate all regulatory approvals for us.

Andreas Goldau, Investor Relations:

Great. Then there is another question from Ziad from Arqaam. It seems in the B2B and ICT segment, you are registering very strong growth across the board. The same goes for mobile money. Are there any plans to carve out and IPO these in the future?

Aziz Aluthman Fakhroo, Managing Director of Ooredoo Group:

So again, I'll ask you guys to be a bit patient and we'll come back during the capital investor day. We'll give you a very clear roadmap of what our intention is with those towers, mobile financial services, data centers - all these core businesses and how we will optimize the capital structure.

Andreas Goldau, Investor Relations:

Excellent.

I think we covered all the questions that I see on the screen here at the moment.

There's another question on Indonesia coming in. Indosat remains profitable despite margin integration cost – can we expect profits to increase as synergies are kicking in and further support EBITDA?

Aziz Aluthman Fakhroo, Managing Director of Ooredoo Group:

With Indonesia, we're very happy, we're a bit ahead of the plan, so as you're seeing there is profitability in Q1. At the same time, we have significant integration costs, which we mentioned. We're still sticking to our guideline that we're looking at a run rate between $300 million to $400 million of sustained synergies on an annual run rate starting from year 3 to year 5.

Andreas Goldau, Investor Relations:

Excellent. Now, we've got a live question from the HSBC analyst [inaudible]. Your question please.

Analyst:

Yes. Hi. Thanks for taking my question. So, couple questions my side - Firstly, given such a strong performance in Q1, I'm a bit surprised that you haven't changed, upgraded your guidance for the year. That's the first one.

Secondly, I heard and read in your release as well about the impact of fuel costs on the margins. So, if you could quantify that firstly how big is fuel costs, generally, in your markets? What's the range like average and the range? And secondly, what kind of impact did you see from the fuel costs alone on the margins during the quarter?

Aziz Aluthman Fakhroo, Managing Director of Ooredoo Group:

I'll take this for the bit of guidance, and you sort of answered your own question. Why we're not updating our guidance as much as we are starting the year of very strong foot, strong footing and operationally we're very confident, there are quite a bit of unknowns now at the beginning of this year driven mainly by logistic issues around the world, inflation and also the impact and the repercussion in certain markets of the war Russia and Ukraine, which is impacting energy costs but also inflation in the local markets were operating in.

So this is why remaining conservative on our guidance. In terms of fuel cost, it's hard for us to give you a breakdown market by market. We have a sort of, in our portfolio a semi hedge. So as I mentioned, a lot of the countries we operate in are also oil producers. So countries like Qatar, Oman and Kuwait, energy costs are not that volatile versus market costs. Countries like Iraq, Tunisia and Algeria have much more volatility and are much more sensitive to market moves.

Analyst:

So what's the range? If you could share that? Of fuel costs?

Abdulla Al Zaman, Group Chief Financial Officer:

We have not quantified it across our footprint honestly, but I would say one of the major OpCo that is getting impacted from the fuel increase is Iraq. But we have not quantified if I'm being very frank right now.

Speaker:

And the price is still going up and down, it's not stable and it's very difficult to quantify it for the time being.

Rene Werner, Chief Strategy Officer:

But also, just a note in our footprint, we have several markets where fuel costs are subsidized, and we have basically price guarantees in the respective markets. Other markets are very different. For us obviously, the connection and powering our sites is the key activity. And that means we have to kind of have fuel where the energy grids are partly less stable than in another country. And Iraq is one point where we have actually the need to run more sides on the [inaudible] as a backup to ensure that our customers have good experience and network reliability.

Andreas Goldau, Investor Relations:

Thank you very much Rene. So, more questions coming in - one from [inaudible]. One, what is your sensitivity towards the rising interest rates?

Abdulla Al Zaman, Group Chief Financial Officer:

This I need the treasury to answer that.

Andreas Goldau, Investor Relations:

We actually got some comments here.

Speaker:

As you know that, our 85% of all that is a fixed interest rate. Therefore, is ours is less because 85% of our data is fixed.

Andreas Goldau, Investor Relations:

And of course, cash balance is also benefiting positively.

Then a question from Ziad. What's the update on the legal number range case in Kuwait, we're talking about QAR500 million. When can we expect the final ruling and what are the plans for the cash one-off dividend for Ooredoo Kuwait?

Speaker:

We have won 2 court cases, which is restrengthening our position and that's quite positive in our numbers. However, still the final verdict to go and there is no specific timeline for that issue.

Andreas Goldau, Investor Relations:

And so the case can still go to the court of cassation.

All right, and I don't see any more raised hands, nor questions in the Q&A or chat function.

Then I would like to thank you very much for your participation. As I mentioned before, we have additional information at the back of the deck and we are very much looking forward to your feedback on the new format for disclosure.

I would also like to refer to our investor relations website for any future updates and looking forward to your future participation.

Our next update is probably happening with the first half results at the end of July. As I’ve said, thank you for your interest in Ooredoo and wish you Eid Mubarak. All the best.

Aziz Aluthman Fakhroo, Managing Director of Ooredoo Group:

Thank you, everyone and wishing you all also Eid Mubarak. Maybe a last comment, as we’re revamping our presentation, we’ll try to keep it evolving. If you have any key comments, we’re very happy to take them on board. Thank you.