

Ooredoo Q.P.S.C.

Ooredoo Group Q1 2023 Revenue rose 2% to QAR 5.6 billion Reported EBITDA up 3% with a healthy 43% EBITDA margin

Doha, Qatar, 03 May 2023: Ooredoo Q.P.S.C. (“Ooredoo”) - Ticker: ORDS today announced its financial results for the three-month period ended 31 March 2023.

Highlights:

Consolidated Group	Quarterly Analysis		
	Q1 2023	Q1 2022	% Change
Revenue (QAR m)	5,635	5,545	+2%
EBITDA (QAR m)	2,408	2,333	+3%
EBITDA Margin (%)	43%	42%	+1pp
EBITDA (QAR m) - Normalized	2,351	2,333	+1%
EBITDA Margin (%) – Normalized	42%	42%	-
Net Profit attributable to Ooredoo Shareholders (QAR m)	961	671	+43%
Normalized Net Profit attributable to Ooredoo Shareholders (QAR m)	795	689	+15%
CAPEX (QAR m)	396	372	+6%
CAPEX/Revenue (%)	7%	7%	-
Free Cash Flow (QAR m)	2,012	1,961	+3%
Customers (m)	56.5	55.4	+2%

- **Revenue** grew 2% to **QAR 5.6 billion** in Q1 2023, compared to **QAR 5.5 billion** in Q1 2022 driven by mobile data, fixed B2B, wholesale and handsets
- **EBITDA** increased 3% to reach **QAR 2.4 billion**, with an accompanying EBITDA margin of **43%** supported by top-line growth and a one-off tower gain in Q1 2023 of QAR 56 million reported in IOH. EBITDA normalised for the IOH one-off gain.
- **CAPEX** for the quarter stood at **QAR 396 million**
- **Free Cash Flow** increased 3% to reach **QAR 2.0 billion** driven by EBITDA growth.
- **Delivered Net Profit** for the quarter of **QAR 961 million** compared to QAR 671 million in Q1 2022. **Normalized Net Profit** was **QAR 795 million** compared to QAR 689 million in Q1 2022, normalized for the foreign exchange impact, impairment of goodwill and two one-off items (QAR 446 million NMTC legal case gain and QAR 56 million gains from Indonesian tower sales)
- **Total Customer base** stood at **56.5 million**, with solid customer additions across all operations except for Myanmar which was affected by the introduction of new SIM card taxes

Operational highlights:



- In Kuwait, the court ruled in the number range case related to recovery of excess regulatory tariffs. It ordered a payment of KWD 43.8 million (~QAR 510 million) to NMTC, which is 92% owned by Ooredoo QPSC.
- Ooredoo Qatar launched Microsoft teams as a service for its business customers and announced the upcoming readiness of the innovative technology Fibre to the Room (FTTR), a new solution for home internet customers
- Bassam Al Ibrahim joined Ooredoo Oman as CEO effective 1 March 2023. He was previously CEO of Ooredoo Algeria
- Ooredoo Oman received the “Most Trusted Brand 2022” award by Apex media
- Asiacell received approval to use additional 5 MHz in the 2,100 MHz spectrum as of January 2023. The operation also launched a few initiatives such as a new loyalty program, launch of eSIM and Ramadan offers to enhance its focus on customer experience and retention efforts

Commenting on the results, HE Sheikh Faisal Bin Thani Al Thani, Chairman of Ooredoo, said:

“Ooredoo Group closed the first quarter of 2023 with outstanding results, boasting a revenue of QAR 5.6 billion and a remarkable increase in normalised net profit. This success bears testament to our commitment to deliver robust connectivity, exceptional customer experiences, and maximizing stakeholder value.

Our digital transformation strategy has been instrumental in our success, enabling us to effectively capitalize on market opportunities and position ourselves well for further growth. Our ability to remain agile and adapt to the rapidly changing nature of the markets in which we operate, positions us well for sustained progress and strong returns.

We are pleased to report that the recommendation by the BoD to distribute a cash dividend of QAR 0.43 per share has been approved by our shareholders during the AGM held on 7 March 2023.

Looking ahead, we will continue to explore strategic options that will unlock significant capital and maximize stakeholder value.”

Also commenting on the results, Aziz Aluthman Fakhroo, Managing Director of Ooredoo said:

“I am delighted that our reported revenue has seen a healthy growth of 2%, reaching QAR 5.6 billion. Our EBITDA margin improved by one percentage point to reach 43% which continues to demonstrate the solid operational execution as well as the dedication and hard work of all our employees, amidst many challenges. Our normalised Net Profit saw a noteworthy expansion of 15%. Through the quarter, we have remained committed to delivering outstanding customer experiences, which truly reflects our Company's unwavering dedication to excellence.

In Q1 2023, Qatar, our primary market, has once again demonstrated its excellence as a leading telecommunications and ICT provider. Ooredoo Qatar achieved a 3% increase in revenue, reaching QAR 1.9 billion. The Revenue uptick can be attributed to B2B fixed services, Ooredoo tv, Ooredoo Financial Services and handset sales.

Ooredoo Oman has delivered a 2% increase in Revenue in Q1 2023 backed by postpaid services, wholesale revenues, and devices. We are delighted to announce the appointment of Bassam Al Ibrahim as the new CEO of Ooredoo Oman, effective from 1 March 2023.”

Ooredoo Kuwait delivered a 2% YoY Revenue expansion.

Asiacell reported a considerable 6% Revenue surge YoY while Ooredoo Maldives Revenue climbed by 5% YoY.



Operational Review

Middle East

Ooredoo Qatar

Ooredoo Qatar started the quarter well and is setting the scene for a successful year, recording a YoY increase of 3% in Revenue to QAR 1.9 billion in Q1 2023. This was driven by growth in B2B fixed services, Ooredoo tv, Ooredoo Financial Services and handset sales. EBITDA improved by 1% YoY with a healthy margin of 51%.

Ooredoo Qatar customer base stood at 3.4 million, up by 6% YoY with a slight decline of 250 thousand customers compared to Q4 2022, as anticipated after the World Cup.

Overall, Ooredoo Qatar kicked off the year with several transformations to its services, a first in Qatar. It launched Microsoft teams as a new service for its business customers and announced the upcoming readiness of innovative technology Fibre to the Room (FTTR), a new revolutionary solution for home internet customers. Most recently, during the holy month of Ramadan, Ooredoo launched a few CSR activities under its campaign 'Connecting and Giving.'

Ooredoo Oman

Ooredoo Oman's Revenue amounted to QAR 624 million representing an increase of 2% YoY, driven by postpaid services, wholesale revenues, and devices. EBITDA for the period decreased by 8% YoY to QAR 294 million, impacted by lower margin.

Ooredoo Oman's customer base increased to 3.0 million representing a 7% growth YoY.

Ooredoo Oman received the "Most Trusted Brand 2022" award by Apex media, demonstrating Ooredoo's Oman's customer-centric focus bearing testament to operation's commitment to meet the evolving needs of its customers by offering both highly digitized and personalised experiences.

Roll out of 5G continued, with 5G population coverage reaching almost 40%.

Ooredoo Kuwait

Ooredoo Kuwait increased Q1 2023 revenue to QAR 709 million with a growth of 2% YoY. Additionally, the Company recorded a 16% increase in EBITDA YoY, with the EBITDA margin reaching 32%. This solid performance is backed by the growth in revenue and effective cost management.

The case regarding number range has been resolved, with the court ruling in favor of NMTC. As a result, a total of KWD 43.8 million (~QAR 510 million) has been paid to NMTC, which is 92% owned by Ooredoo QPSC.

The customer base has grown 8% YoY, reaching a total of 2.8 million. This increase has benefited from the favorable macroeconomic conditions brought about by stable oil prices and export revenues.

Ooredoo Kuwait have achieved several notable accomplishments. The Company has been recognized for providing the "Best Customer Experience in the Telecom Industry for the Year 2022" by the Future Foundation Awards.

Additionally, Ooredoo Kuwait has become the first operator in the Kuwaiti market to launch Google Pay. The Company has also completed a trial for "Advanced 5G," demonstrating its readiness for a future launch of this technology.

Asiacell – Iraq



In Iraq two key decisions were implemented by Government, namely the removal of the 20% VAT on any recharge and the strengthening of the official exchange rate.

Asiacell reported solid Revenue growth of 6% YoY in Q1 2023, reaching a total of QAR 938 million with an increase in EBITDA of 10% YoY due to growth from B2C and B2B revenue.

Customer base delivered a solid increase of 6% in Q1 2023 to reach 17.0 million customers due to an enhanced focus on the customer experience and retention efforts through launching new initiatives such as a new loyalty program, launch of eSIM and Ramadan offers.

Iraq successfully hosted the "Gulf" football tournament (Khaliji Cup), which brought about an increase in inbound roamers & data traffic for Asiacell.

Ooredoo Palestine

Ooredoo Palestine reported total revenue of QAR 101 million in Q1 2023, a 4% decrease YoY. The decrease is attributable to the local currency depreciation (10%) against US dollar (reporting currency).

EBITDA for the period increased 2% YoY to QAR 41 million. The increase was driven by disciplined cost control leading to a strong EBITDA margin of 40%.

The customer base grew by 33 thousand and reached 1.4 million, bringing about a YoY increase of 2%.

Ooredoo Palestine launched numerous promotions and offers in the first quarter of 2023, among them the launch of the new post-paid product "Family Plan".

North Africa

Ooredoo Algeria

Ooredoo Algeria ended Q1 2023 with a solid EBITDA margin of 39% reflecting management's focus on cost control measures. Strong appreciation of the Algerian Dinar helped deliver 5% higher revenue YoY.

Ooredoo Algeria delivered a growth of 1% YoY in its customer base to reach 13.0 million customers in Q1 2023 primarily driven by B2C prepaid.

Ooredoo Algeria has additionally rolled out new 4G sites offering additional capacity on 4G network, maintaining high positions in the Data Network Performance benchmarks.

Ooredoo Tunisia

Ooredoo Tunisia revenues came in at QAR 344 million in Q1 2023, compared to QAR 380 million in Q1 2022 representing a 9% drop YoY driven by a soft economic environment with reduced customer purchasing power. The Tunisian dinar depreciated 6%, in local currency terms Revenue dropped 3%. EBITDA was down by 39% in Q1 2023 impacted by pressure on top line and an increase in provisions for doubtful receivables. Tunisian customer base increased by 2% YoY to reach 7.1 million in Q1 2023.

Ooredoo Tunisia is becoming more competitive in fiber because of its targeted strategy that has allowed it to win major projects, particularly in the private sector. The fiber rollout continues to make timely progress.

Asia

Indosat Ooredoo Hutchison (IOH)

It has been a year since the merger between Indosat Ooredoo and 3 Indonesia took place, officially forming Indosat Ooredoo Hutchison (IOH) on January 4th, 2022. This strategic partnership has been a



tremendous success, resulting in IOH being recognized as a joint venture, rather than a subsidiary. As a result, Ooredoo Group now only recognizes a 33% contribution to its EBITDA from IOH's profits. IOH's performance has exceeded all expectations, delivering results even better than originally planned.

IOH reported their Q1 2023 results on 28 April 2023. In local currency, the operation delivered solid results with double-digit revenue growth of 10%, EBITDA up by 19% with an accompanying EBITDA margin of 50%, demonstrating a healthy operating leverage. The customers base stood at 98.5 million for the quarter.

Ooredoo Maldives

Ooredoo Maldives concluded Q1 2023 with a Revenue of QAR 121 million, an increase of 5% YoY. Revenue growth was supported by mobile, fixed and roaming.

During Q1 2023, EBITDA rose by 6% YoY to QAR 67 million, driven by higher revenue and effective cost control, resulting in solid EBITDA margin of 55%.

During the period, Ooredoo Maldives achieved several milestones particularly contributing to its digitalization efforts. Ooredoo Maldives partnered with Microsoft to enable business to take advantage of innovative technology and software solutions and launched a multi-location secure connectivity solution for businesses. Additionally, Ooredoo Maldives launched several exciting software and promotions during the holy month of Ramadan.

Ooredoo Myanmar

Despite the challenging business environment characterized by the ongoing shutdown of internet services in Upper Myanmar, high inflation rates and high electricity outages, Ooredoo Myanmar demonstrated resilience and achieved a 2% revenue growth YoY in local currency. The expansion was primarily fueled by the performance of the mobile revenue segment encompassing voice and data services, which was accomplished despite the unfavorable trading conditions.

In September 2022, Ooredoo Group announced the sale of its telecom business in Myanmar to Nine Communications Pte. Ltd at an enterprise value of USD 576 million and total equity consideration of USD 162 million. This transaction is an important milestone in line with the Group's strategic decisions to focus on markets where Ooredoo is leading. The sale is subject to customary closing conditions, including ongoing regulatory approvals in Myanmar.

For further information:

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About Ooredoo

Ooredoo is an international communications Company operating across the Middle East, North Africa, and Southeast Asia. It serves consumers and businesses in ten countries, delivering Ooredoo a broad range of content and services through its advanced, data-centric mobile and fixed networks.

As of 31 December 2022, Ooredoo generated revenues of QAR 23 billion. Its shares are listed on the Qatar Stock Exchange and the Abu Dhabi Securities Exchange.