

Press release



For immediate release

Ooredoo Q.P.S.C.

Ooredoo Group announced Revenue of QAR 17 billion for 9M 2022

Revenue up 4% and Free Cash Flow up 3%

Doha, Qatar, 26 October 2022: Ooredoo Q.P.S.C. (“Ooredoo”) - Ticker: ORDS today announced its financial results for the nine months ended 30 September 2022.

Financial Highlights:

Due to the merger of Indosat Ooredoo (IO) and Hutchison in Indonesia as of January 4, 2022, the accounting treatment of Ooredoo’s previous largest international operation has been changed. Indosat Ooredoo Hutchison (“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 a proforma table excluding the Indonesian consolidated results in 2021 and normalizing for major non-recurring items.

Proforma Numbers	Normalised Proforma, excl. Indosat Ooredoo in Q3 2021*			Normalised Proforma excl. IO in 9M 2021		
	Q3 2022	Q3 2021	% Change	9M 2022	9M 2021	% Change
Consolidated Revenue (QAR m)	5,767	5,563	4%	16,854	16,253	4%
EBITDA (QAR m)	2,302	2,483	-7%	6,856	6,956	-1%
EBITDA Margin (%)	40%	45%	n/a	41%	43%	n/a
Net Profit attributable to Ooredoo Shareholders (QAR m)	773	650	19%	2,100	1,580	33%
CAPEX (QAR m)	590	596	-1%	1,555	1,815	-14%
CAPEX/Revenue (%)	10%	11%		9%	11%	
Free Cash Flow (QAR m)	1,711	1,887	-9%	5,302	5,141	3%
Customers in million (consolidated)	55	58	-5%	55	58	-5%



Reported Numbers	Quarterly Analysis			9M Analysis		
	Q3 2022	Q3 2021	% Change	9M 2022	9M 2021	% Change
Consolidated Revenue (QAR m)	5,767	7,609	-24%	16,854	22,118	-24%
EBITDA (QAR m)	2,302	3,463	-34%	7,102	9,904	-28%
EBITDA Margin (%)	40%	46%	n/a	42%	45%	n/a
Net Profit attributable to Ooredoo Shareholders (QAR m)	574	197	192%	2,049	(760)	n/a
CAPEX (QAR m)	590	1,051	44%	1,555	3,022	49%
CAPEX/Revenue (%)	10%	14%		9%	14%	
Free Cash Flow (QAR m)	1,711	2,412	-29%	5,547	6,882	-19%
Customers in million (consolidated)	55	121	-54%	55	121	-54%

Normalised Proforma numbers excluding IO and major non-recurring items:

- **Revenue** for the nine-month period ended 30 September 2022 stood at **QAR 16.9 billion, an increase of 4%** compared to the same period last year.
- **Group EBITDA** for the period was **QAR 6.9 billion, a decrease of 1%**. EBITDA has been normalized for two Indonesian non-recurring items, i.e., the data centre deal in 2022 and the tower sale & lease back in 2021.
- **CAPEX** for the period stood at **QAR 1.6 billion**.
- **Free Cash Flow increased 3%** to reach **QAR 5.3 billion** mainly driven by lower CAPEX.
- **Net Profit** increased by 33% to reach **QAR 2.1 billion** for the nine months ended 30 September 2022. NP has been normalised in the same manner as EBITDA plus impairments and FX impact.
- **Consolidated customer base stood at 55 million**, driven by growth in most markets offset by a decline in Myanmar.

Operational highlights:

- On August 11, Ooredoo Group unveiled the Company's brand-new logo and tagline **"Upgrade Your World"**. The new tagline is about enabling human progress, reflecting the Company's commitment to keep improving, never standing still.
- On September 7, Ooredoo Group announced the planned **sale of its telecom business in Myanmar** to Nine Communications Pte. Ltd at an enterprise value of USD 576 million. The transaction is pending the usual regulatory approvals.
- On September 26, Ooredoo Group announced that it is potentially **carving out its tower portfolio**, comprising of approximately 20,000 towers, to extract optimal value from its infrastructure and create more value for customers and shareholders.
- On September 26, Ooredoo Group hosted its **'Upgrade your world – Upgrade your portfolio' Capital Markets Day**, which was led by its executive leadership team. The [virtual event](#) was attended by fund managers, financial analysts, retail investors and other key stakeholders.
- Post period, **Htar Thant Zin was appointed as Acting CEO for Ooredoo Myanmar**, she will assume her new role effective 1 November 2022.



- On October 24, Ooredoo won the “Best Investor Relations officer in Qatar” award at the annual conference at the **Middle East Investor Relations Association (MEIRA) Awards 2022** in Riyadh.

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

“Ooredoo Group further delivered strong results for the nine-month period ended 30 September 2022 with Revenue of QAR 17 billion and a return to Net Profit testament to our vision to provide robust connectivity, superior customer experiences, and increased shareholder value.

Led by our digital transformation strategy, we continue to leverage opportunities in the market, and I can confidently say that we are well positioned to see strong returns as we remain agile and adapt to the fast-changing nature of the markets in which we operate.”

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

“Ooredoo Group’s growth trajectory continues with the business delivering strong set of results, normalised Proforma Revenue grew by 4% to reach QAR 17 billion year to date.

The GCC markets have led that top line growth with increases in Kuwait by 12%, Oman 8% and Qatar by 6%.

Ooredoo Group’s strong focus on operational efficiencies and optimized Capex resulted in an EBITDA margin of 40% and a 3% improvement in Free Cash Flow over 9M 2021, despite inflationary headwinds in most of our markets, in the form of higher energy cost and currency depreciation.

Our joint venture, Indosat Ooredoo Hutchison (“IOH”), remains on track to hit its targets outlined at the start of 2022. IOH will report Q3 results on 28 October 2022.

We remain focused on our growth and look forward to continuing to deliver long term value for our shareholders, customers, and the markets in which we operate.”

Operational Review

Middle East

Ooredoo Qatar

Ooredoo Qatar saw good growth during the period. Reported revenue was up 6% year-on-year to QAR 5.7 billion (9M 2021: QAR 5.4 billion), driven by growth in post-paid services, sales of Ooredoo tv, Ooredoo financial and B2B services. EBITDA reached QAR 2.8 billion (9M 2021: QAR 2.9 billion), with EBITDA margin at 50%. Service revenue was up by 6% year-on-year, while the mobile customer base grew by 2%. Of note, interest in FIFA World Cup Qatar 2022™ had a marked impact on sales of the Ooredoo ONE home service, with the customer base growing 18% year-on-year. Total customer number reached 3.2 million.

The company continued to diversify its B2B services portfolio during the period, launching the Microsoft Intune solution for business customers and supporting Microsoft’s Qatar data centre regional launch. In addition, the company launched new packages for enterprise vehicle tracking and a range of special short-term cyber-security packages to help businesses protect themselves against DDoS attacks and web-related attacks during FIFA World Cup Qatar 2022™. In addition, Ooredoo Qatar launched Apple Pay on Ooredoo App, extending the range of financial services. More than 50% of customers used the Ooredoo App as their main channel for transactions during the period.



Ooredoo Oman

Ooredoo Oman reported revenues of QAR 1.9 billion, up 8%, primarily driven by higher wholesale revenue and device sales. EBITDA for the period increased 9% to QAR 983 million, supported by a healthy EBITDA margin of 53%.

Ooredoo Oman remains dedicated to providing innovative products to its customers and in testament to its contributions, the company won the award for Technology Solutions in the Telecommunications Sector at the Middle East Technology Excellence Awards 2022.

Ooredoo Kuwait

Kuwait's economy continued to improve primarily driven by the lifting of all COVID-19 restrictions as well as the stability in oil prices. Ooredoo Kuwait reported a 12% increase in revenue to QAR 2.1 billion and an increase in EBITDA of 13%, supported by a stable EBITDA margin of 30%.

In line with Ooredoo's strategy to provide uninterrupted digital solutions to its customers, Ooredoo Kuwait launched its new FIBER+ (FTTR) solution and rolled out 42 new sites during the quarter to provide greenfield coverage in residential areas, which led to an improved user experience for B2B and VIP customers.

Asiacell – Iraq

Asiacell reported revenue of QAR 2.7 billion, a decrease of 2%, due to the ongoing intense competition in Iraq.

Asiacell's EBITDA dropped by 7% due to lower revenue and higher energy costs.

Q3 2022 has been the strongest quarter of the year in terms of Revenue and EBITDA.

During the quarter, Asiacell launched its new E-Shop "Asiamall", as well as its "YallaShoot" campaign, to enhance customer satisfaction.

The Company's customer base stands at 17.1 million, an increase of 13%.

North Africa

Ooredoo Algeria

Ooredoo Algeria reported revenue of QAR 1.7 billion during the period and EBITDA increased by 3% to QAR 625 million. In local currency terms revenue and EBITDA increased by 4% and 10%, respectively.

The Company remains focused on efficiency and cost optimisation which supported its healthy EBITDA margin of 38%.

Ooredoo Algeria's customer base increased by 2% to 13.0 million.

Ooredoo Tunisia

Ooredoo Tunisia reported revenue of QAR 1.1 billion, a decrease of 8% for the period. In local currency terms revenue increased 2%, despite a decline in the Tunisian economy and currency depreciation of 10%.

The Company reported an EBITDA of QAR 497 million for the period.

Ooredoo Tunisia's customer number increased to 7.2 million at the end of September, with the Company maintaining its leadership in the mobile market.

Asia



Indosat Ooredoo Hutchison

The merger between Indosat Ooredoo and 3 Indonesia closed on January 4, resulting in the formation of Indosat Ooredoo Hutchison (IOH) - now considered a joint venture, as opposed to a subsidiary. With this, Ooredoo Group only recognizes 33% of IOH's profits as a contribution towards the Group's net income, and no longer consolidates the Company's revenue or EBITDA contribution.

IOH reports their Q3 results on 28 October 2022.

Ooredoo Myanmar

Despite the ongoing shutdown of internet services in parts of Sagaing region and the tax increase on data services Ooredoo Myanmar reported flat revenues of QAR 798 million and a 30% increase in EBITDA due to strict cost control. In local currency terms revenue was up by 19%.

In September, 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 regulatory approvals in Myanmar.

Ooredoo's Q3 2022 financial statements will be available on its website, accessible at: <http://www.ooredoo.com>.

Ooredoo Q.P.S.C. has announced the amendment of its **Q3 20200 Financial Results' conference call** to be held on **31 October 2022 14:00**, instead of the previously announced Date of 1st November 2022. **Pre-registration is required** at this link: <http://ore.do/ir-call>. Conference Call details are provided to investors upon registration.

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. Serving consumers and businesses in ten countries, Ooredoo delivers leading data experience through a broad range of content and services via its advanced, data-centric mobile and fixed networks.

Ooredoo generated revenues of QAR 30 billion as of 31 December 2021. Its shares are listed on the Qatar Stock Exchange and the Abu Dhabi Securities Exchange.