

Ooredoo Q.P.S.C.

Ooredoo Group Proforma Revenue FY 2022 increased 4% to QAR 23 billion Board proposed a cash dividend of QAR 0.43 per share

Doha, Qatar, 13 February 2023: Ooredoo Q.P.S.C. (“Ooredoo”) - Ticker: ORDS today announced its financial results for the year ended 31 December 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 normalising for major non-recurring items.

Proforma Numbers	Normalised Proforma, excl. Indosat Ooredoo in Q4 2022*			Normalised Proforma excl. IO in FY 2022		
	Q4 2022	Q4 2021	% Change	FY 2022	FY 2021	% Change
Consolidated Revenue (QAR m)	5,845	5,653	3%	22,698	21,906	4%
EBITDA (QAR m)	2,273	2,317	-2%	9,129	9,274	-2%
EBITDA Margin (%)	39%	41%		40%	42%	
Net Profit attributable to Ooredoo Shareholders (QAR m)	722	643	12%	2,821	2,223	27%
CAPEX (QAR m)	1,174	1,270	-8%	2,729	3,084	-12%
CAPEX/Revenue (%)	20%	22%		12%	14%	
Free Cash Flow (QAR m)	1,099	1,048	5%	6,401	6,189	3%
Customers in million (consolidated)	56	58	-3%	56	58	-3%

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



Reported Numbers	Quarterly Analysis			Full Year Analysis		
	Q4 2022	Q4 2021	% Change	FY 2022	FY 2021	% Change
Consolidated Revenue (QAR m)	5,845	7,782	-25%	22,698	29,900	-24%
EBITDA (QAR m)	2,273	3,147	-28%	9,375	13,050	-28%
EBITDA Margin (%)	39%	40%		41%	44%	
Net Profit attributable to Ooredoo Shareholders (QAR m)	312	806	-61%	2,360	47	4931%
CAPEX (QAR m)	1,174	1,823	-36%	2,729	4,845	-44%
CAPEX/Revenue (%)	20%	23%		12%	16%	
Free Cash Flow (QAR m)	1,099	1,323	-17%	6,646	8,205	-19%
Customers in million (consolidated)	56	121	-54%	56	121	-54%

Financial highlights:

- **Proforma Revenue** for the full year ended 31 December 2022 rose by 4% to at QAR 22.7 billion, compared to QAR 21.9 billion in 2021
- **Group normalised EBITDA** for the period was QAR 9.1 billion with a corresponding EBITDA margin of 40%. The 2% EBITDA drop was driven by higher cost of sales and OPEX in Iraq and higher staff cost at Group level mainly due the implementation of a new, future ready, unified operating platform “OneOoredoo” and the “braveheart” transformation project, partially offset by stronger EBITDA performances in other markets.
- **CAPEX** for the period stood at **QAR 2.7 billion**
- **Normalised Free Cash Flow increased 3%** to reach **QAR 6.4 billion** driven by reduced CAPEX which was partially offset by reduced EBITDA
- **Normalised Net Profit** for the period stood at QAR 2.8 billion compared to QAR 2.2 billion in 2021. NP has been normalised in the same manner as EBITDA plus impairments and FX impact. Net Profit in 2021 included two major one-off items (QR 2.3 billion Myanmar impairment loss and QR 1.0 billion gain from Indonesian tower sales)
- **Consolidated customer base stood at 56 million**, driven by growth in most markets offset by a decline in Myanmar
- The Board recommends the distribution of a cash dividend of QAR 0.43 per share. This recommendation is based on healthy balance sheet, adequate liquidity, and overall solid operational performance.

Operational highlights:

- **Ooredoo Qatar achieved record-breaking Revenue** at the conclusion of the FIFA World Cup, a sporting mega-event, cementing its position as a world-leading telecommunications and ICT provider. Additionally, the company has named Sheikh Ali Bin Jabor Al Thani post period on 8 January 2023 as its new CEO.
- **S&P upgraded Ooredoo to ‘A/A-1’** on improved Free Cash generation; Outlook Stable post period on February 9
- On December 7, Ooredoo Kuwait becomes the first Kuwaiti telecoms company to integrate Apple Pay within its application



- On December 4, Ooredoo Maldives received Gold 100 award, which is a prestigious award given to the leading one hundred business entities in the Maldives
- On November 24, Ooredoo Algeria partnered with the Algerian National Bank to enable account holders to pay for Ooredoo services via ATM cash machines and the Wimpay e-banking service, which supports QR code payments and is available via a dedicated app at no extra charge. In December, the company won Best African Operator award and Best African CSR Initiative at the Telecom Review Leaders' Summit.
- Ooredoo Oman received the Best Middle Eastern Digital Customer Experience Award from Telecoms review, as well as achieving Bronze for "Excellence in Innovation in Technology Industries" at the Stevie Awards Middle East.
- Htar Thant Zin assumed her new role as Acting CEO of Ooredoo Myanmar, effective 1 November 2022

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

"Ooredoo Group ended the year 2022 with outstanding results, boasting a revenue of QAR 22.7 billion and a remarkable increase in normalised net profit. This success is a testament to our commitment to delivering robust connectivity, exceptional customer experiences, and maximizing shareholder value.

Furthermore, I am proud to announce that the company's credit rating has been upgraded by S&P Global to A/A-1 with stable outlook. This reflects the company's robust financial position. This upgrade is a testament to our commitment to delivering value to all our stakeholders and is a direct result of our improved free cash generation.

Driven by our digital transformation strategy, we are effectively capitalizing on market opportunities and are confidently poised for further success. Our ability to remain agile and adapt to the rapidly evolving nature of the markets in which we operate positions us well for continued growth and strong returns.

Finally, I am pleased to announce that the Board will recommend the distribution of a cash dividend of QAR 0.43 per share at the annual general meeting, taking place on 7 March 2023."

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

"I am thrilled to report a 27% increase of our normalised Net Profit reaching QAR 2.8 billion, our best result since 2013. Our Proforma revenues have experienced a remarkable growth of 4% to reach QAR 22.7 billion. Our EBITDA margin remains strong at a robust 40%. This is a testament to the exceptional challenging work and commitment of each one of our employees. Despite the challenges, we have consistently kept our sights set on delivering exceptional customer experiences - a true reflection of our company's unwavering commitment to excellence.

Qatar, our home market, performed exceptionally achieving record-breaking Revenue at the conclusion of the FIFA World Cup, cementing its position as a world-leading telecommunications and ICT provider. Ooredoo Qatar delivered an impressive performance in 2022, with reported revenue up 7% to QAR 8.0 billion. This was driven by growth in postpaid services, Ooredoo TV, ICT services and increased sale of devices. We also initiated 2023 by welcoming the newly appointed CEO Sheikh Ali Bin Jabor Al Thani, who will build on the strong foundations put in place by his predecessors and enable Ooredoo Qatar to continue to innovate and drive value creation in our home market.

Ooredoo Oman delivered solid performance in 2022 closing the year with a 5% growth in revenue, driven by a growth in postpaid, devices and wholesale revenues.



Asiacell's customer base experienced a significant increase of 7% in 2022 as many promotions such as free data bundles, add-on packages, World Cup roaming bundles, as well as bundle cards were rolled out.

Ooredoo Tunisia is becoming increasingly competitive in fiber because of its targeted strategy that has allowed it to win major projects, particularly in the private sector. The fibre rollout continues to make timely progress. Ooredoo Tunisia celebrates a successful year marked with a solid EBITDA margin of 44% in 2022."

Operational Review

Middle East

Ooredoo Qatar

Ooredoo Qatar delivered an impressive performance in 2022, with reported revenue up 7% to QAR 8.0 billion. This was driven by growth in postpaid services, Ooredoo TV and ICT services. EBITDA however saw a 1% drop mainly because of FIFA World Cup sponsorships.

Ooredoo Qatar saw a 14% increase in its customer base, with a 460 thousand customers activated above the normal rate only during Q4.

Overall, Ooredoo Qatar achieved record-breaking Revenue at the conclusion of the sporting mega-event, cementing its position as a world-leading telecommunications and ICT provider. It introduced the Hayya Sim, which was made available to keep visitors connected during the world's biggest sporting event. Ooredoo Qatar used a new AI-powered process of identity authentication and SIM card activation to speed up and simplify its onboarding process. The service deployed a sophisticated AI-based digital Know Your Customer technology to establish the real identity of users quickly and efficiently in the digital world.

Heading into 2023, Ooredoo Qatar welcomed its newly appointed CEO Sheikh Ali Bin Jabor Al Thani who will build on the strong foundations put in place by his predecessors and enable Ooredoo Qatar to continue to innovate and drive value creation in our home market.

Ooredoo Oman

Ooredoo Oman delivered solid performance in 2022 closing the year with a 5% growth in revenue, driven by a growth in postpaid revenues, devices revenues and wholesale revenues. EBITDA for the period increased 5% to QAR 1.3 billion, supported by a healthy EBITDA margin of 52%.

Ooredoo Oman's customer base increased to 3.0 million for the year ended 31 December 2022, compared to 2.9 million in 2021.

Testament to its continuous efforts to introduce innovative products, Ooredoo Oman received the Best Middle Eastern Digital Customer Experience Award from Telecoms review, as well as achieving Bronze for "Excellence in Innovation in Technology Industries" at the Stevie Awards Middle East.

Roll out of 5G continued and the Company reported almost six hundred sites in total at year end.

Ooredoo Kuwait

Ooredoo Kuwait reported a strong revenue of QAR 2.8 billion in 2022, which is a growth of 11% YoY. A 15% rise in EBITDA was recorded driven by growth in higher Service Revenue, supported by stable EBITDA margin of 30%.

Ooredoo Kuwait's customer base increased by 8% to 2.7 million for the year ended 31 December 2022, compared to 2.5 million in 2021.



Ooredoo Kuwait's integration of Apple Pay within the MyOoredoo App improved the payment experience for Apple users and was heavily utilised following its launch. The first to launch Apple Pay within the Kuwaiti telecoms sector. Additionally, Ooredoo Kuwait continues to invest in the improvement of its 5G services and has most recently launched fifty sites improving coverage and experience.

Asiacell – Iraq

Asiacell reported solid Revenue for the year 2022, reaching a total of QAR 3.7 billion. However, the EBITDA saw a decrease of 6% mainly due to higher lease line and energy cost.

Customer base experienced a significant increase of 7% in 2022 as promotions such as free data bundles, add-on packages, World Cup roaming bundles, as well as bundle cards were rolled out.

During Q4 2022, data traffic saw a notable increase of 6% in data and 18% data users, following the launch of unlimited weekly and daily bundles. Total number of sites increased further leading to population coverage of 100%, 98%, and 97% in 2G, 3G, and 4G, respectively. The number of app users also saw a remarkable boost.

Ooredoo Palestine

In face of political and economic difficulties, Ooredoo Palestine displayed robust revenue growth in 2022. The company reported total revenues of QAR 421 million, a 3% increase, driven by higher revenue from postpaid services.

EBITDA for the period increased 4% to QAR 155 million underpinned by higher total revenues with an increased data revenue component.

Ooredoo Palestine launched an advanced platform "Voice of Customer" to measure CSAT trends and capture customer feedback across different touch points to drive improvements and enhance customer's experience. The company also added new 3G radio sites and conducted network upgrades in the West-Bank.

North Africa

Ooredoo Algeria

Recovering from a challenging market environment in 2021, Ooredoo Algeria ended 2022 with a stable EBITDA margin of 35%. Reported Revenue was down 2% due to FX depreciation. In Algerian Dinar Revenue increased by 3%.

Ooredoo Algeria saw a 2% growth in its customer base to reach 13.0 million customers in 2022 compared to 12.8 million in a year prior.

As a part of efforts to enhance digital services, Ooredoo Algeria collaborated with Algerian National Bank and signed an agreement to work together to promote digital services. The partnership will enable account holders to pay for Ooredoo services via ATM cash machines and the Wimpay e-banking service, which supports QR code payments and is available via a dedicated app at no extra charge. Ooredoo Algeria has additionally rolled out new 4G sites offering 16% additional capacity on 4G network.

Ooredoo Algeria continued to maintain high positions in the Data Network Performance benchmarks.

Ooredoo Tunisia

Ooredoo Tunisia revenues stood at QAR 1.5 billion for the year ended 31 December 2022, compared to QAR 1.6 billion in 2021. In local currency Revenue increased by 1%. EBITDA was up by 4% in 2022 to reach QAR 651 million, which was driven by settlement of one-off costs in 2021. EBITDA margin rose five percentage points to 44% in 2022 from the previous year. Tunisian customer increased 3% to reach 7.1 million.



Special promotions contributed to positive performance this year. Among them are the student bundle, the World Cup roaming bundle, the new application Ooredoo Express, and the reduction in price of data bundles during the World Cup. Data traffic also saw significant growth particularly because of the price reductions.

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 fibre 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.

With their numbers set to be made public soon, we would like to take a moment to acknowledge this impressive milestone and commend the dedicated efforts of all those involved in making this partnership a resounding success.

IOH reports their FY results on 13 February 2023.

Ooredoo Maldives

Ooredoo Maldives closed the year with revenue of QAR 454 million, an increase of 8% compared to 2021. The Company reported 17% increase in EBITDA to QAR 244 million for the year ended 31 December 2022, compared to QAR 208 million in 2021.

In line with its vision to enhance customer experience through digitalization, Ooredoo Maldives upgraded "Evee" – the first ever Artificial Intelligence powered Digital Care Assistant in the Maldives, enabling customers to interact in the local language, Dhivehi. The company also upgraded Ooredoo Super App with more interactive and user-friendly designs, further enhancing the customer journey, enabling easy access to selfcare services, online shopping, "m-Faisaa" services, and communicate with us through Live Chat.

Testament to its efforts in establishing a digital Maldives and enriching the lives of our customers, Ooredoo Maldives received the Gold 100 award, a prestigious award given to the leading one hundred business entities in the Maldives.

Ooredoo Myanmar

Despite the ongoing shutdown of internet services in parts of Sagaing region and the tax increase on data services to 15%, Ooredoo Myanmar reported flat revenues of QAR 1.0 billion and a 7% increase in EBITDA supported by strong ARPU growth. In local currency terms Revenue was up by 15%

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 regulatory approvals in Myanmar.

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



For further information:

Email: IR@ooredoo.com

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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 23 billion as of 31 December 2022. Its shares are listed on the Qatar Stock Exchange and the Abu Dhabi Securities Exchange.