

OOREDOO Q.P.S.C.

MANAGEMENT REPORT ON THE CONSOLIDATED FINANCIAL INFORMATION

FOR THE FULL YEAR ENDED 31 DECEMBER 2018

FINANCIAL REVIEW

1. Customers, Revenue, Net Profit and Earnings per Share

Performance during the full year ended 31 December 2018 is reflected in the figures given below:

- I. Group consolidated total customers are 115 million (FY 2017: 164 million)
- II. Consolidated Revenue decreased by QAR 2,719 million, a decrease of 8% over 2017 to reach QAR 29,927 million.
- III. Net Profit Attributable to Ooredoo Shareholders decreased to QAR 1,565 million, -18% from QAR 1,897 million in 2017.
- IV. Earnings per Share for 2018 stood at QAR 4.89 (FY 2017: QAR 5.92)

2. Corporate Total Assets

The Group's total assets decreased by QAR 4,157 million from QAR 89,456 million as at 31 December 2017 to QAR 85,299 million as at 31 December 2018.

3. Capital Expenditure

The Group incurred QAR 4,872 million in capital expenditure during FY 2018 (QAR 4,541 million for 2017).

4. Dividends

The Board approved to raise a recommendation to the General Assembly regarding Dividend Distribution of 25% of the Nominal Value (Qatari Riyals 2.5 per share).

5. Capitalization of Reserves, Issue of Bonus Shares and Rights Issue

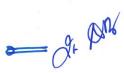
NA.

6. Strategic Developments

Wataniya Mobile was successfully rebranded to Ooredoo Palestine, enabling it to benefit from group derived synergies, leading to improvements in Ooredoo Palestine's commercial and technical operations.

Ooredoo Qatar became the first operator in the world to launch a live 5G network on the 3.5GHz spectrum band. The Ooredoo 5G service offers the latest network technology (5G NR), meaning much higher speeds, capacity and better latency than existing cellular systems.







7. Operational Highlights

Ooredoo Qatar

• Customers - 5 percent decrease in customer numbers to 3.3 million (FY 2017: 3.4 million)

• Revenue - QAR 7,742 million (FY 2017: QAR 7,791 million)

EBITDA - QAR 3,987 million (FY 2017: QAR 3,916 million)

International Operations

Key developments in the international operations during the reporting period are enumerated below:

i) Indosat Ooredoo - Indonesia

Customers 47 percent decrease in customer numbers to 58.1 million (FY 2017: 110.2 million)

Revenue - QAR 5,919 million (FY 2017: QAR 8,145 million)
EBITDA - QAR 1,969 million (FY 2017: QAR 3,728 million)

ii) Asiacell - Iraq

• Customers - 10 percent increase in customer numbers to 14.2 million (FY 2017: 12.9 million)

Revenue - QAR 4,449 million (FY 2017: QAR 4,490 million)
EBITDA - QAR 2,093 million (FY 2017: QAR 1,982 million)

iii) Ooredoo Kuwait (NMTC) - Kuwait, Tunisia, Algeria, the Maldives and Palestine

• Customers - 2 percent increase in customer numbers to 27.0 million (FY 2017: 26.3 million)

Revenue - QAR 8,017 million (FY 2017: QAR 8,374 million)
EBITDA - QAR 2,617 million (FY 2017: QAR 3,067 million)

iv) Ooredoo Oman

• Customers - 2 percent decrease in customer numbers to 3.0 million (FY 2017: 3.1 million)

Revenue - QAR 2,685 million (FY 2017: QAR 2,670 million)
EBITDA - QAR 1,463 million (FY 2017: QAR 1,429 million)

v) Ooredoo Myanmar

• Customers - 21 percent increase to 9.6 million customers (FY 2017: 7.9 million)

Revenue - QAR 1,262 million (FY 2017: QAR 1,324 million)
EBITDA - QAR 197 million (FY 2017: QAR 152 million)



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