

Ooredoo Oman Performance 2017 Full year

Investor Presentation

1 March 2018
Conference Call



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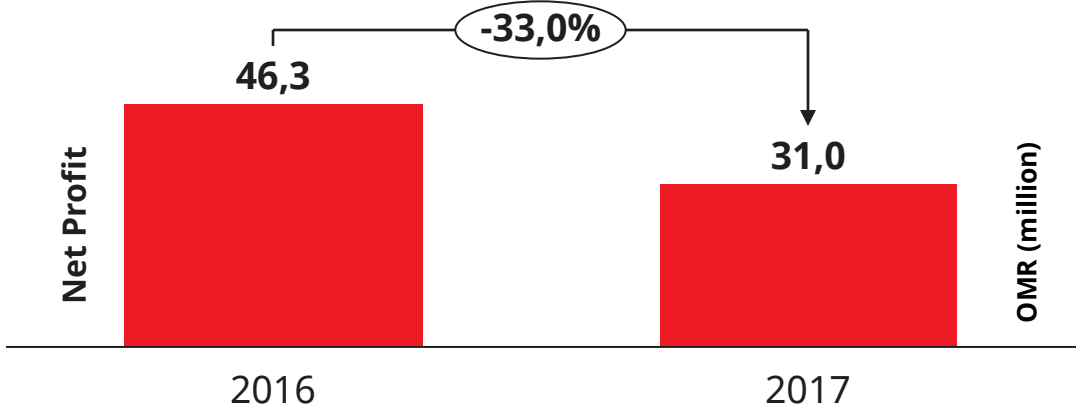
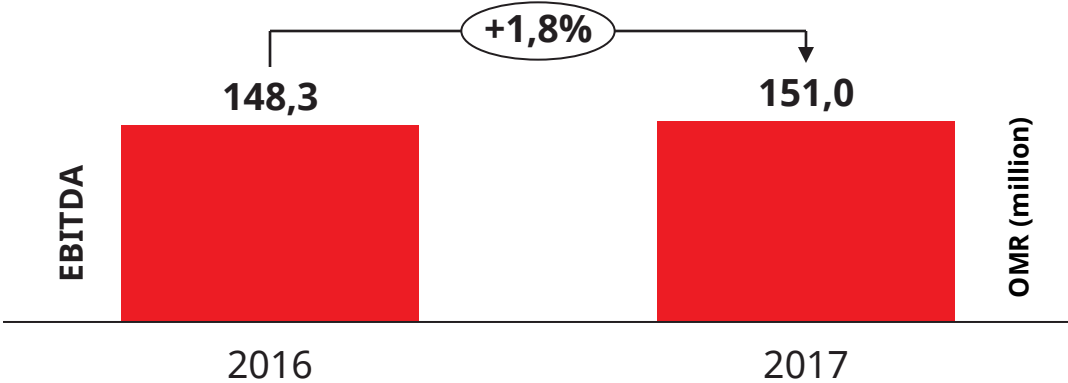
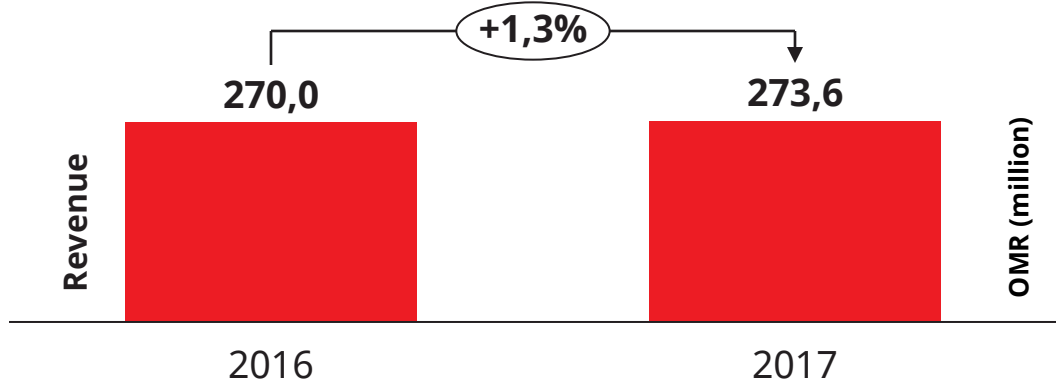
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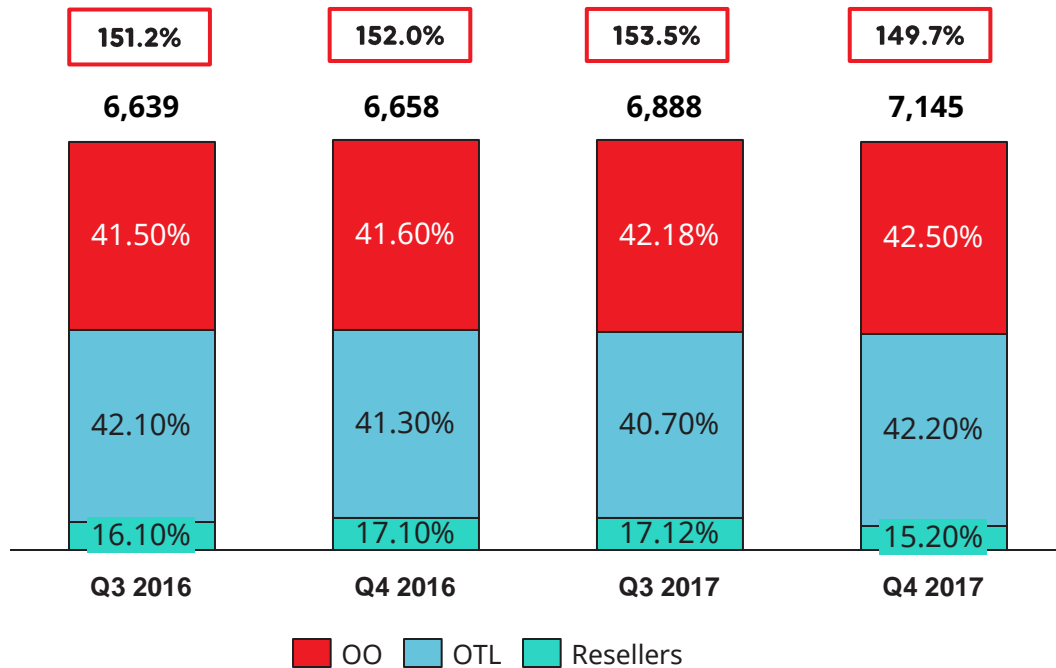
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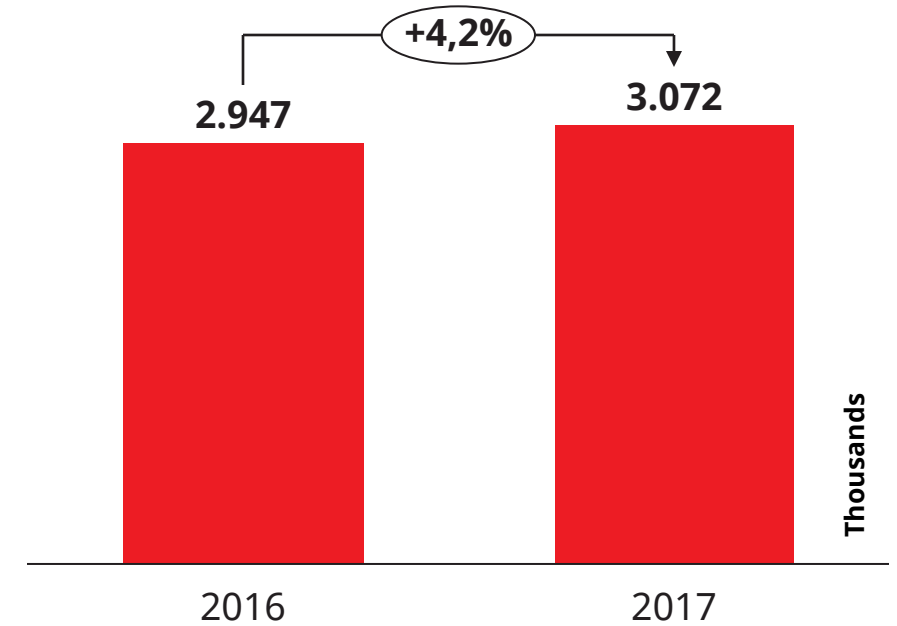
Full year 2017 - Revenue , EBTIDA, and Net Profit (NP)



Market Share – Market leadership and continuous growth in customer base

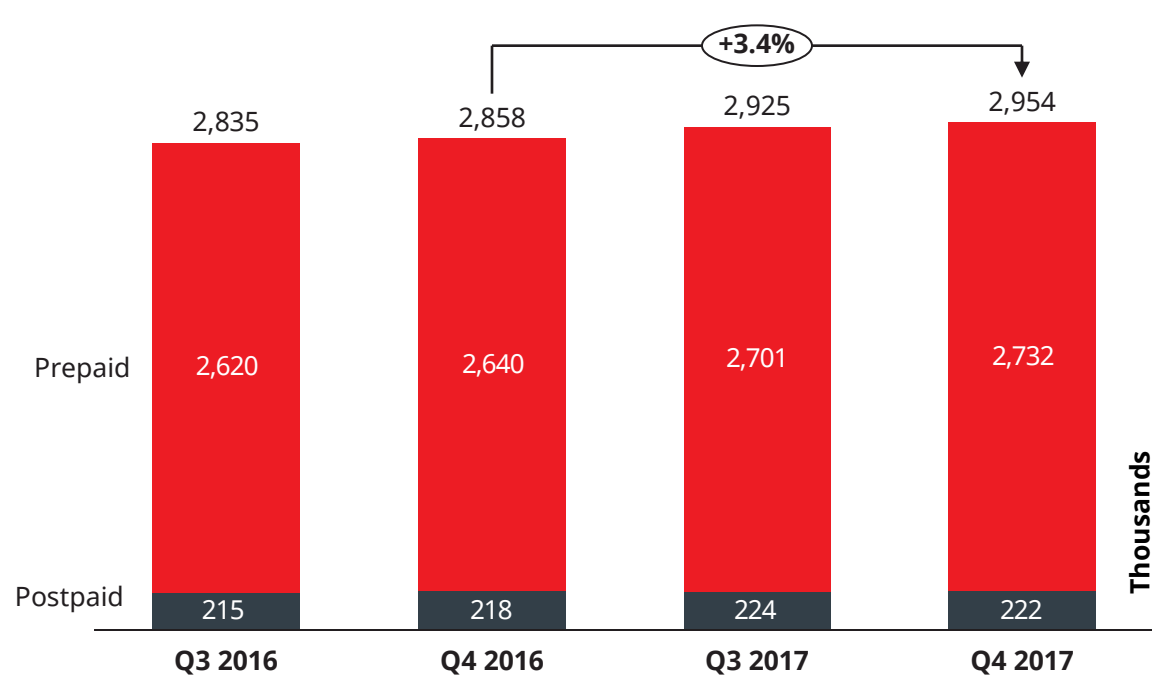


Oman Mobile Market Share - Customers

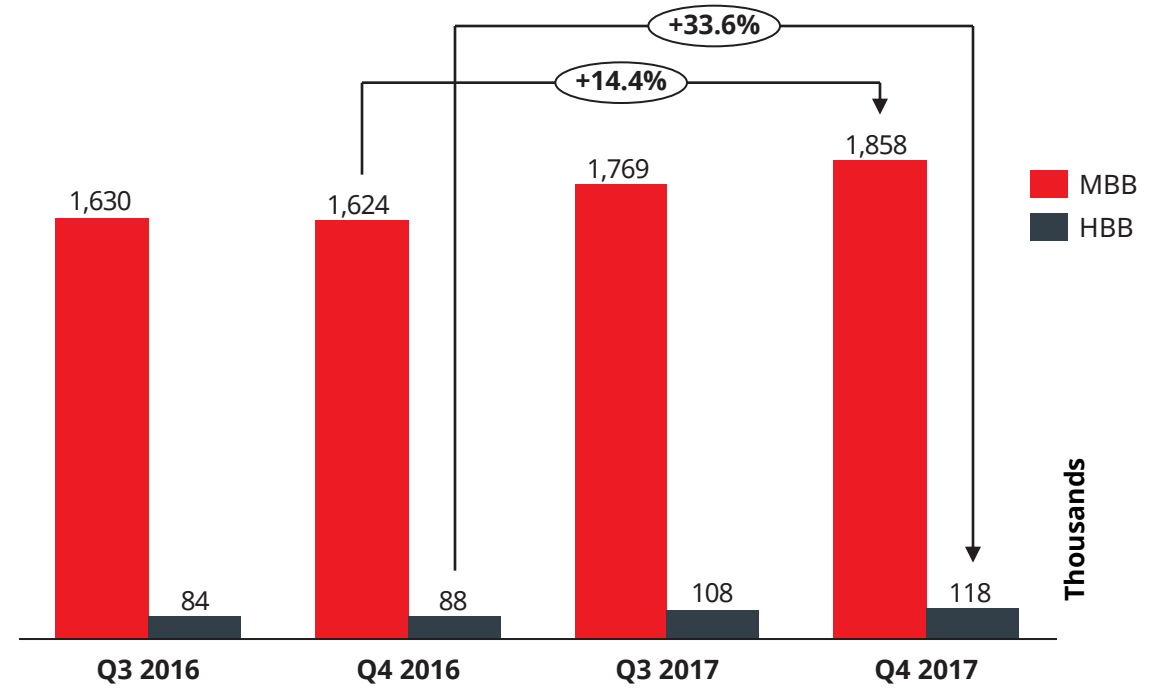


Ooredoo Oman Total Customers

Market Share – Impressive growth in both mobile and fixed segments



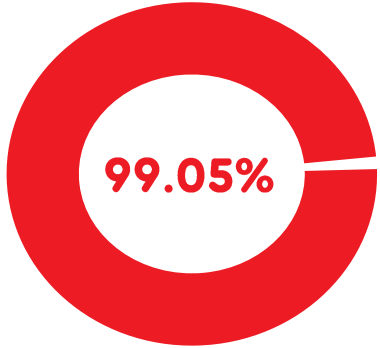
Ooredoo Oman Mobile Market Share - Customers



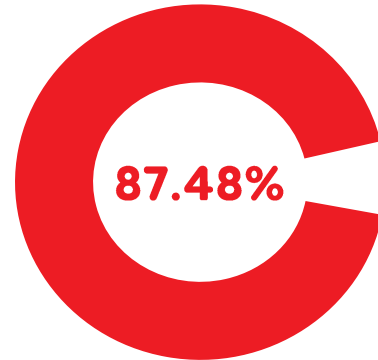
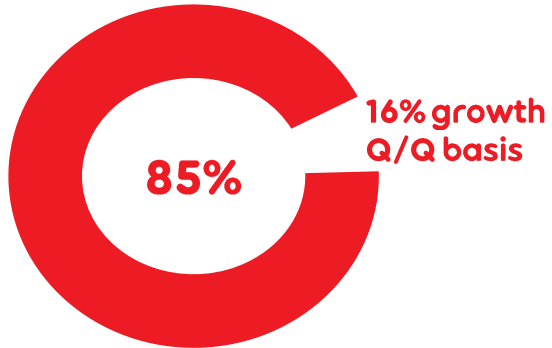
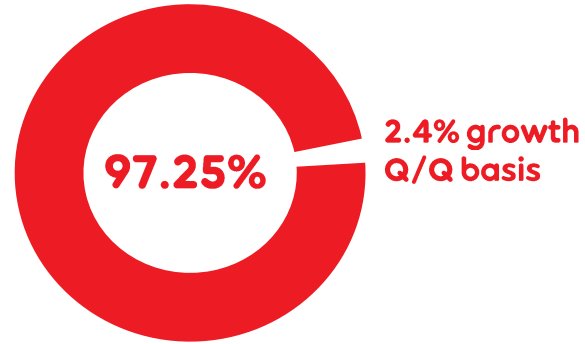
Ooredoo Oman MBB and HBB customers

Network Coverage – Rapid growth in 4G coverage

2G Population



3G Population



4G LTE Population

Fast HBB (households)

Network & IT focus areas:

- 900Mhz band re-arrangement project is completed providing cost efficiency & securing future proof usage for new technologies like LTE.
- Additional 450 mobile LTE collocation is in rollout phase providing 90% plus population coverage at completion.
- SWAP project for 525 sites “modernization” is in progress providing better 3G and 4G coverage to rural areas
- Building Oman’s first IOT network based on LoRa WAN technology.
- Roll out of FTTH Pops are in progress
- Launch of 2 new submarine cable system SMW5/AAE-1
- Launch point-of-presence in Marseille (Pop)
- Smart phone penetration reaching 80%

Achievements, Offers & Awards

- Achieved ISO 9001 certification to drive continual improvement within our own organizations.
- Increased franchise store footprint to 25
- New dedicated Super fast FTTH Contact center was launched to improve the customer experience for the FTTH customers
- Encouraging corporate customers to pay through digital channels
- E-Bill penetration reaching to 90% in 2017 compared to 85% in 2016 resulting in reduction of Billing Cost by 16% in 2017 compared to 2016
- Digital multi channel transformation improved the IVR utilization by 6% reaching to 76% in comparing to 70% in 2016.
- Ooredoo Oman app won 2 awards and have more than 2Mn Nojoom customers



ISO Certification
9001:2015



Stevie Awards – Best
New App

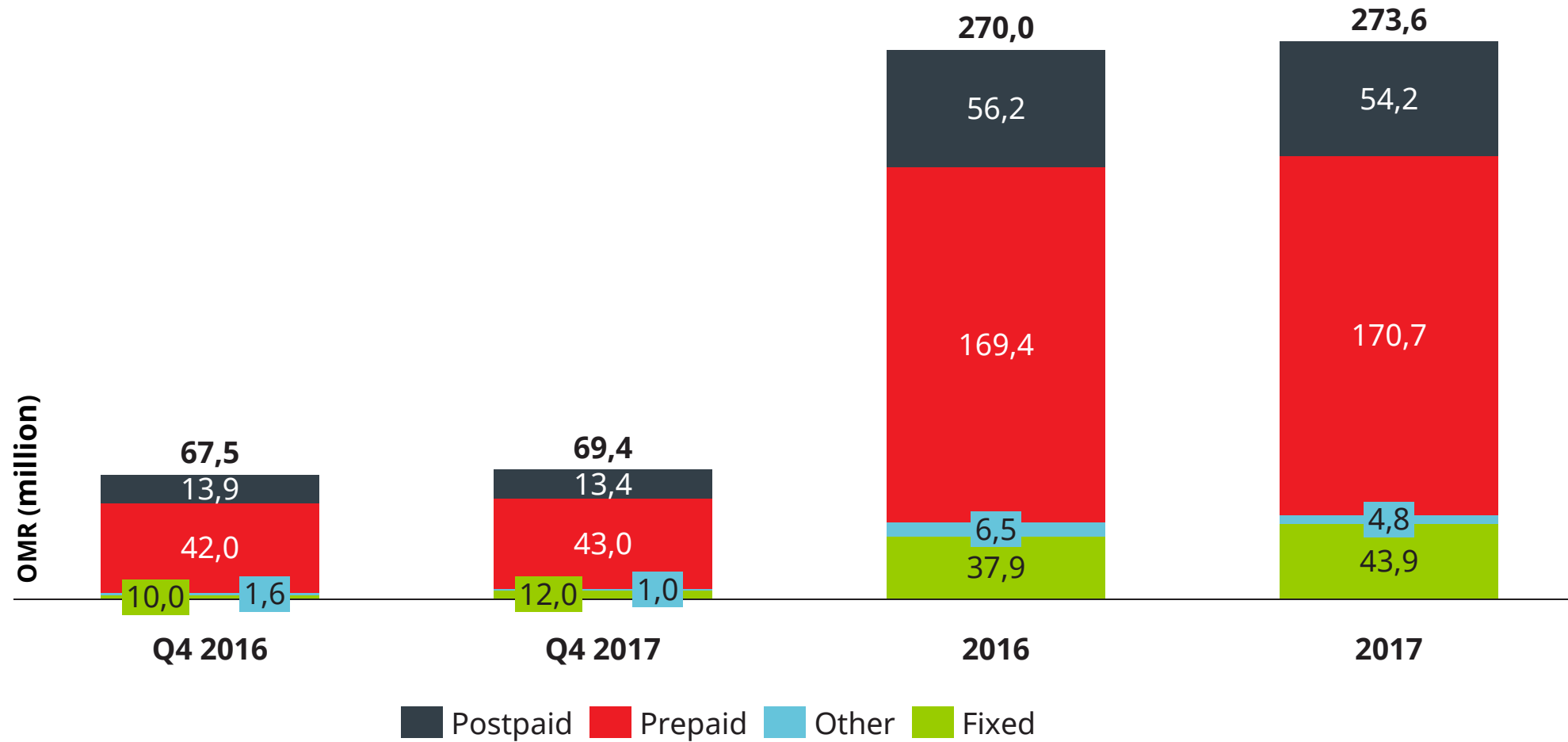


Best Digital Experience (OO
App) by Customer
Experience Management in
Telecoms

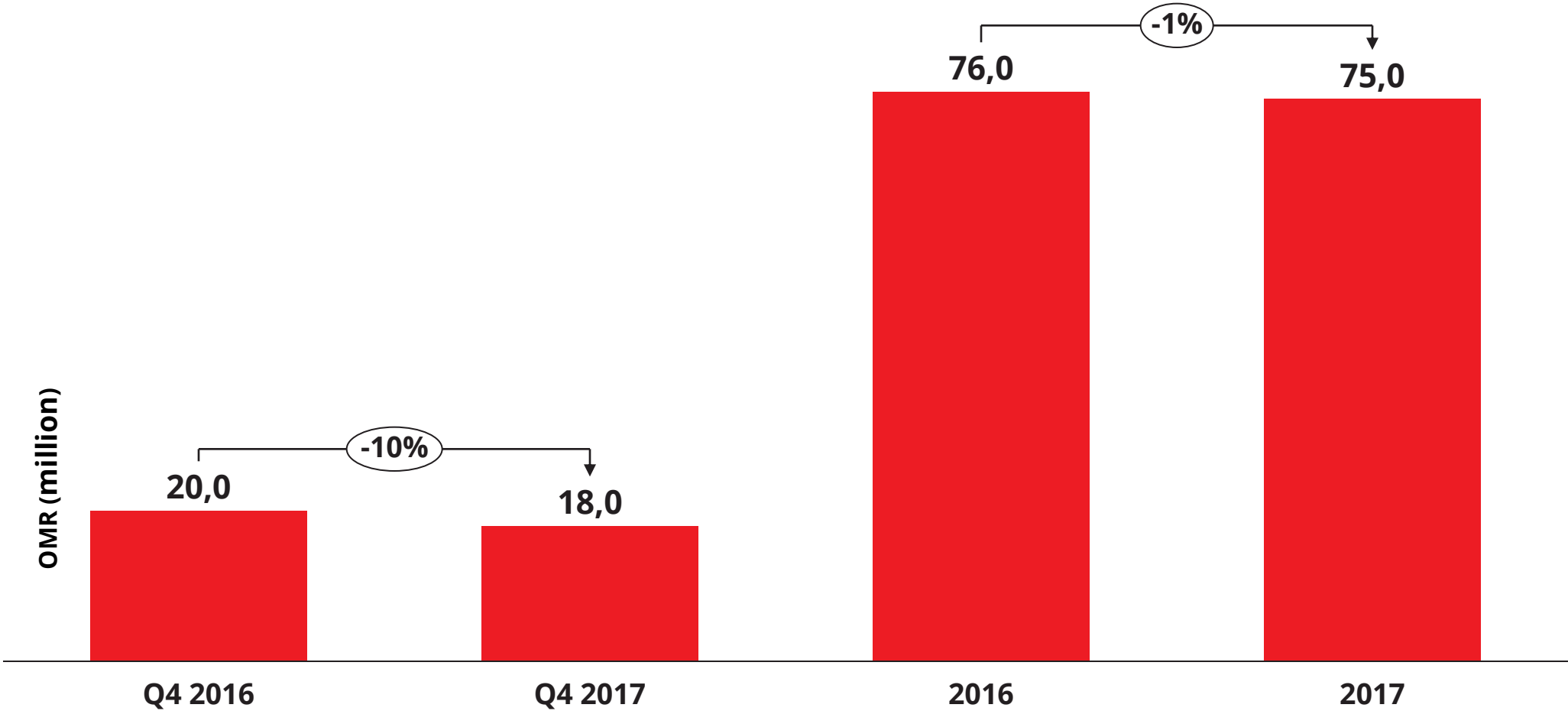


Most Customer Friendly
Telecom Provider 2017 by
International Finance
Magazine (IFM)

Revenue – Increase in Revenue is driven by growth of Data

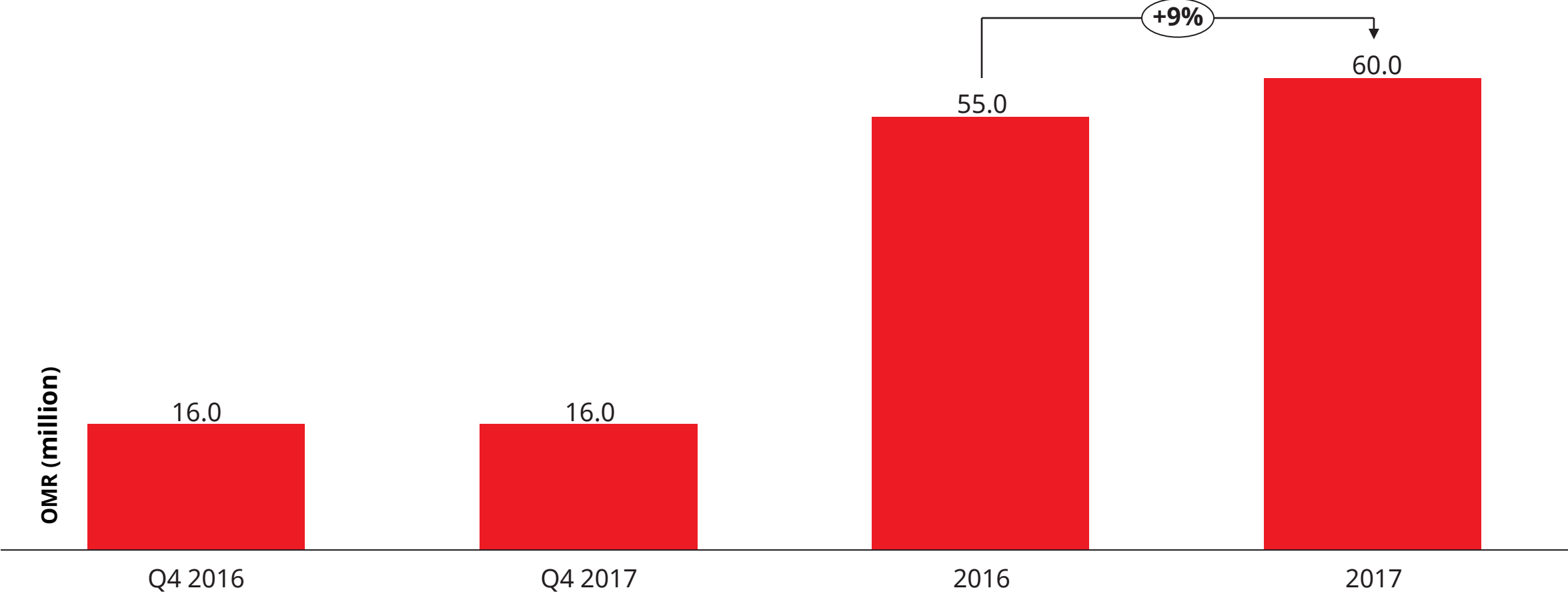


Operating Expenses –lower interconnection cost due to lower usage as well as lower cost associated with premium SMS and customer acquisition expenses

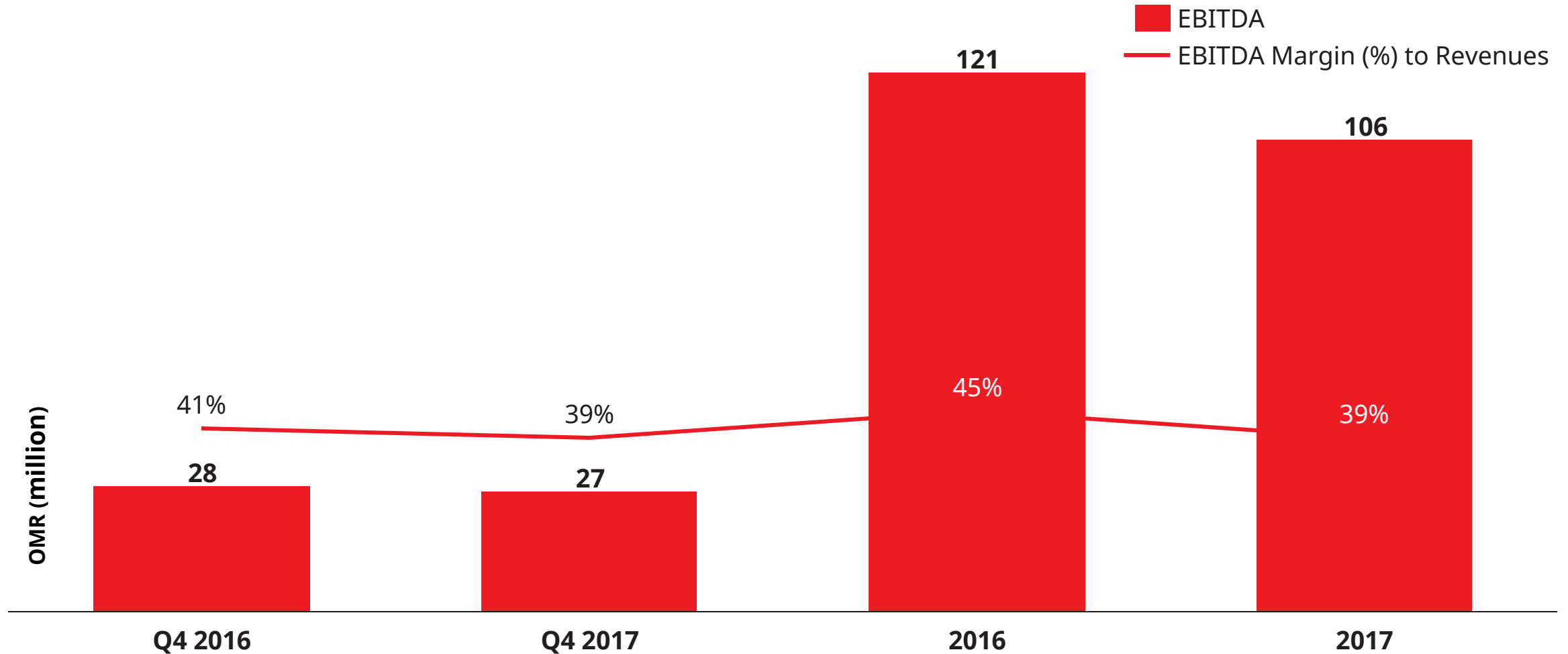


Selling General and Administrative Expenses (SG&A)

Impacted lower sales and marketing expenses and lower bad debt for receivables in the Q4 2017

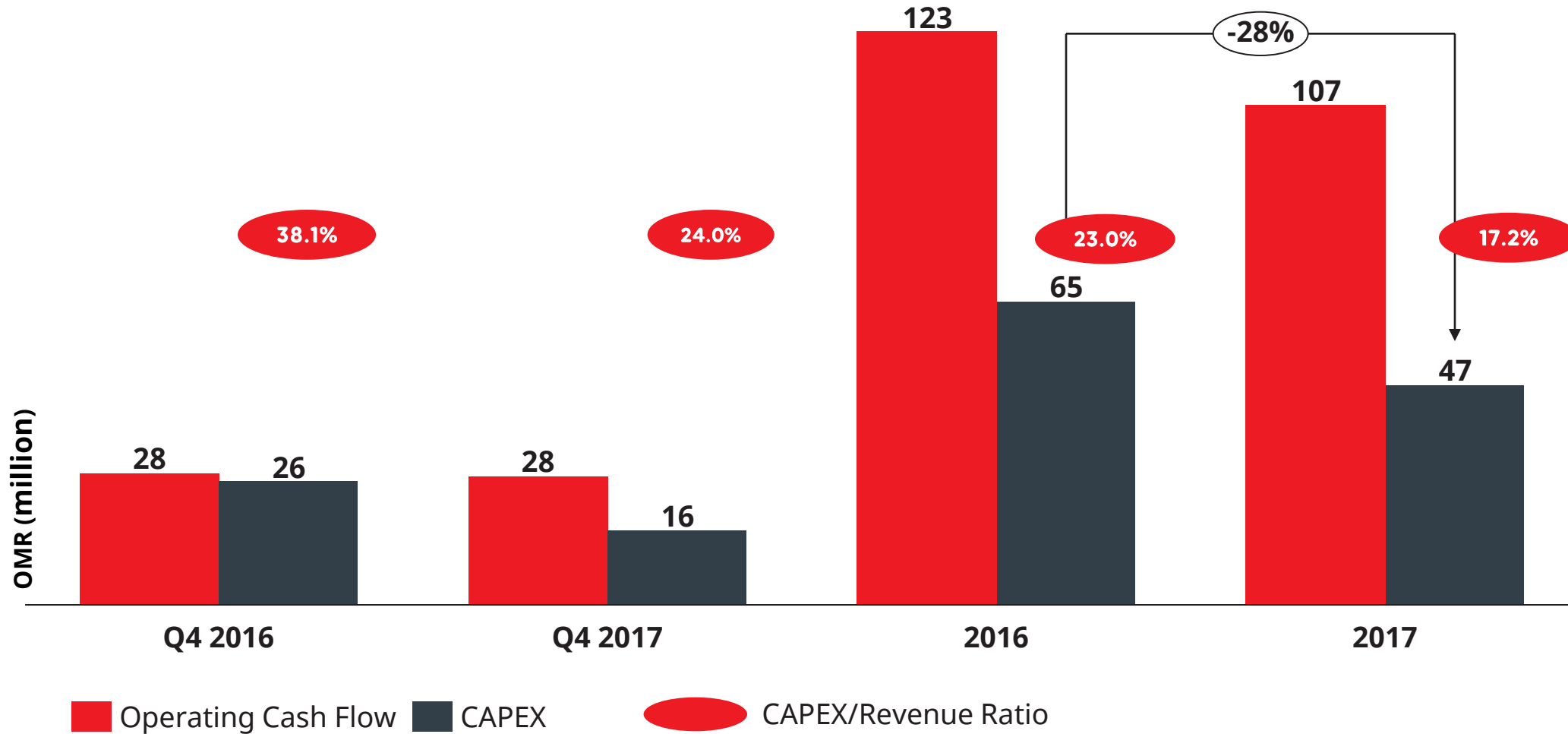


Adjusted EBITDA* - Impacted by increase in Royalties from 7% to 12% and other expenses

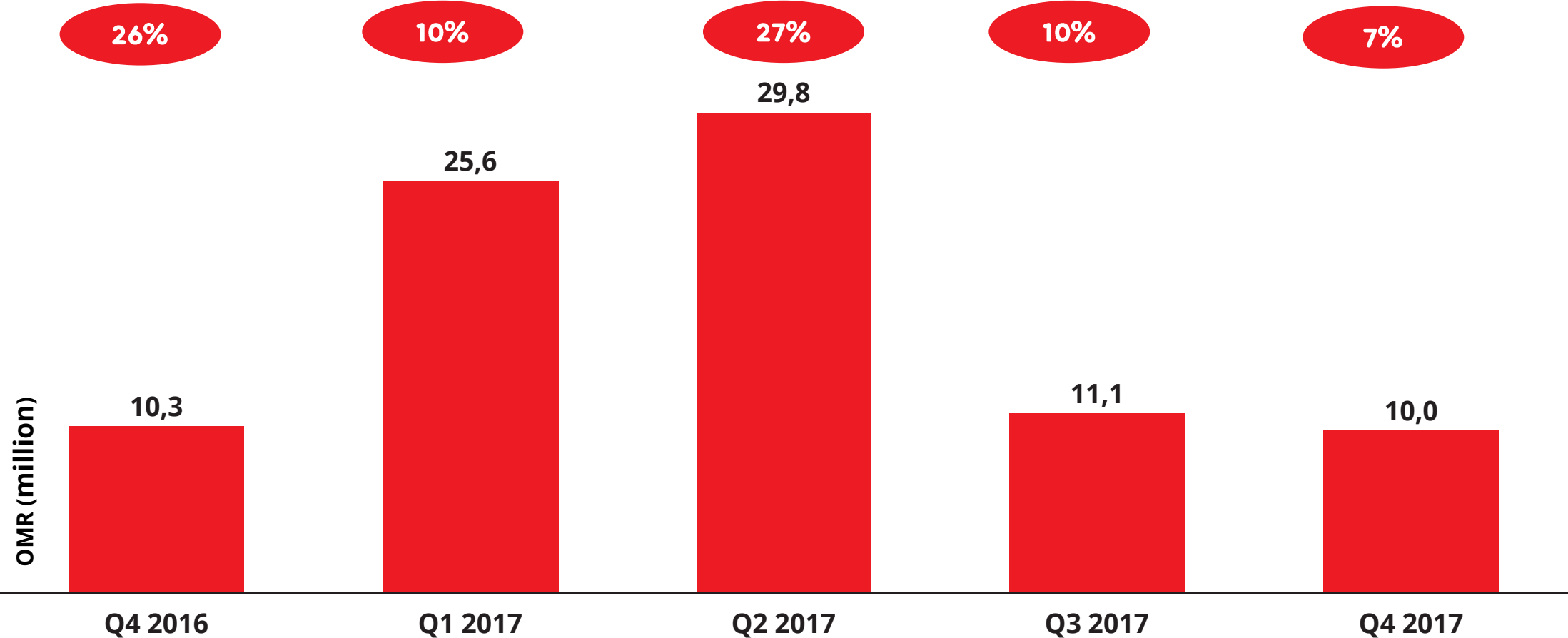


*Adj. EBITDA = Revenues - Operating Expenses - General and Administrative Expenses (including service fees) - royalty - other expenses

Operating cash flow before working capital Impacted by lower income and saving achieved through group sourcing on CAPEX



Net Debt/Annualized Adj. EBITDA – Improvement in leverage



Note: Adj. EBITDA = Revenues – Operating Expenses – General and Administrative Expenses (including service fees) – royalty

Summary

■ Market

- 4.2% growth in total number of customers.
- Revenue growth from year to year by 1.3%
- Revenue growth is driven by increases in both mobile and fixed data revenue.
- Net profit decline by 33.0% due to increase in royalty, other expenses fees and corporate tax

■ Commercial and operational

- Data represents 57% of overall revenues, increase of almost 6% YoY
- 2017 was a year in which we focused on our commitment to investing in the digital future of both telecommunications and the country
- Speeds of up to 1Gbps and unlimited data, the rollout started with over 1,500 homes being connected in Muscat, followed by rapid expansion across Muscat and beyond.
- Launched cloud services & ICT
- Reach to the customers is being expanded through own and franchising stores all over the Sultanate.

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Thank You