



**Ooredoo Group**

**Capital Markets Day 2014**

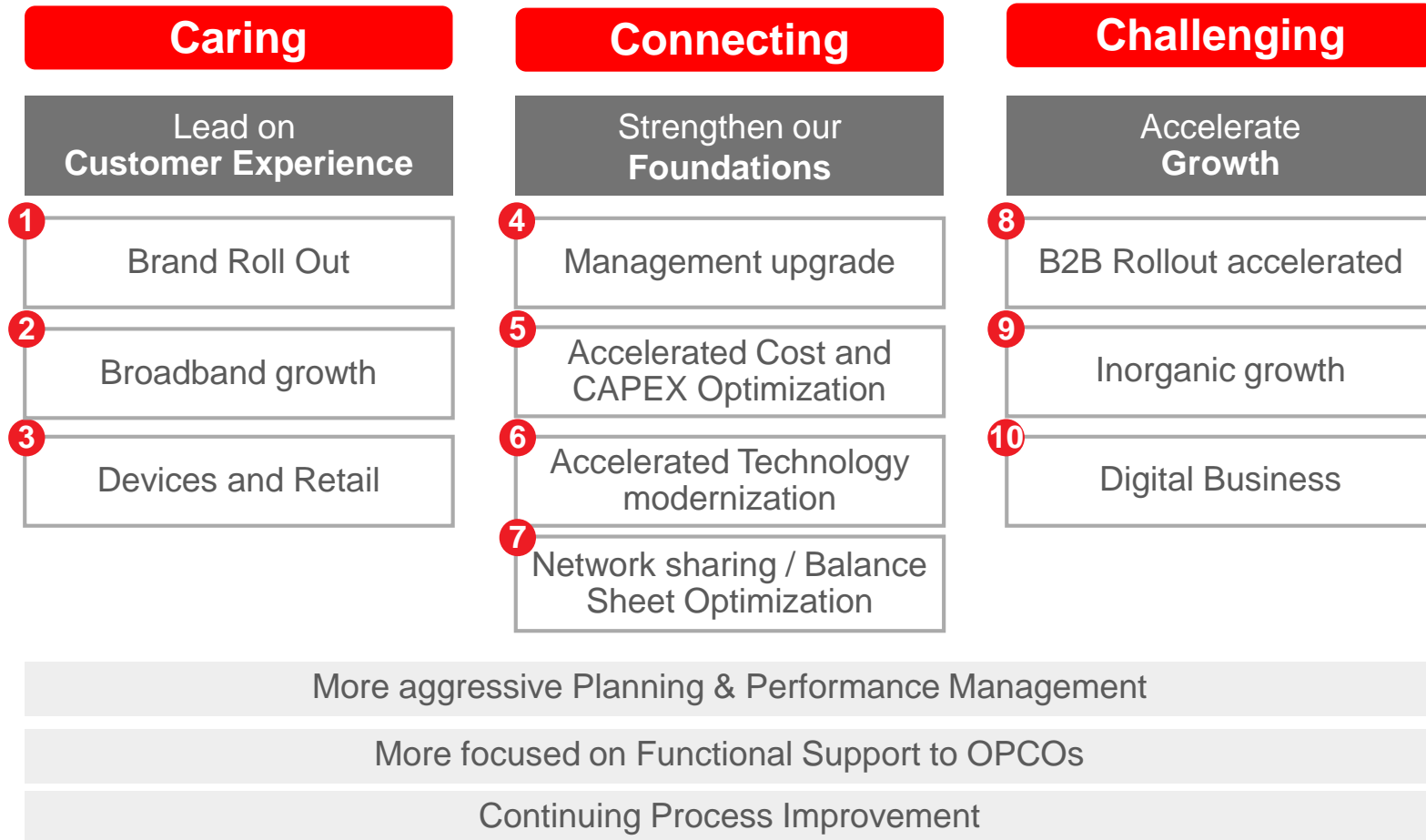
**Strategy Update, Jeremy Sell, OG CSO**

**May 12, 2014**

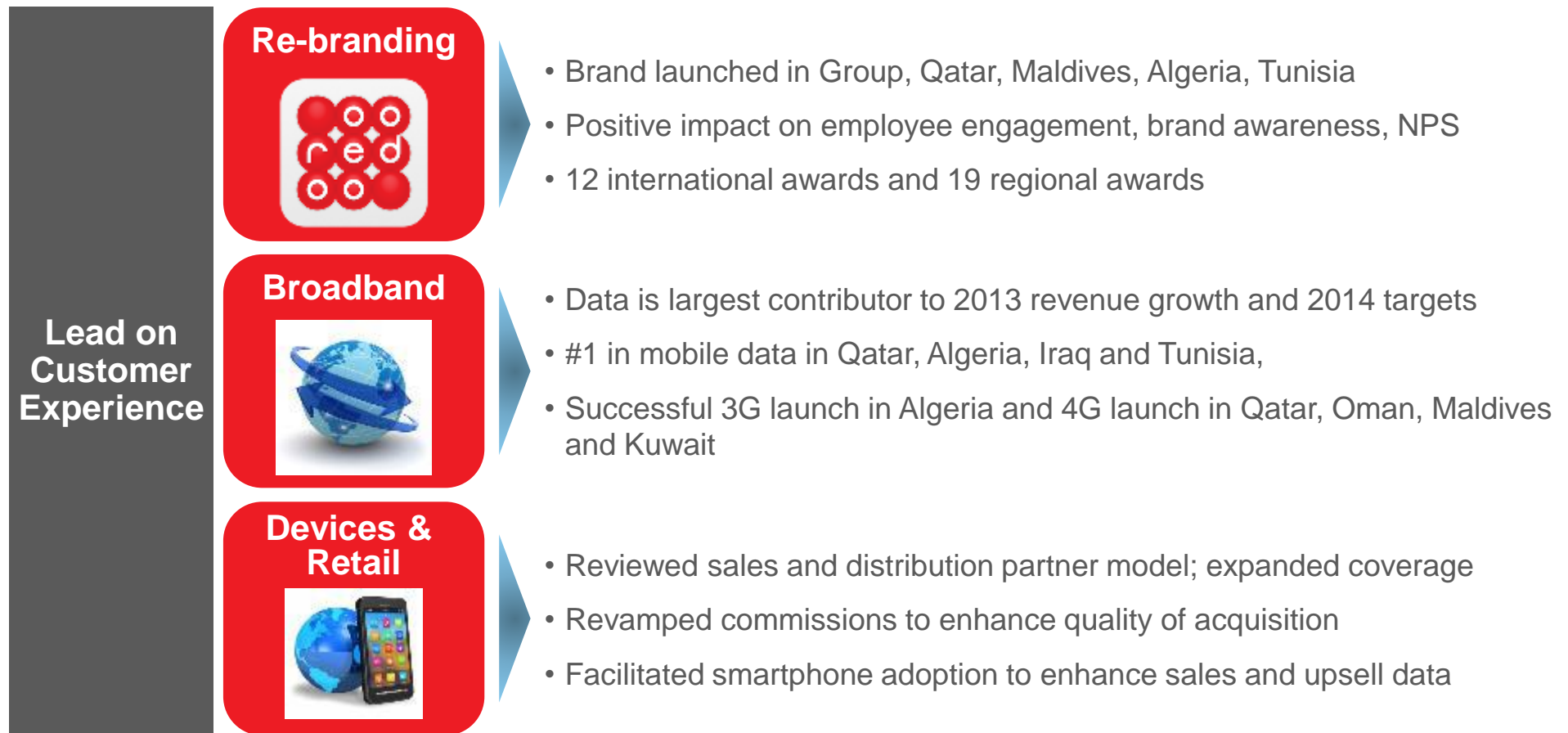


# The Ooredoo Way: Group Strategic Framework

## The Way



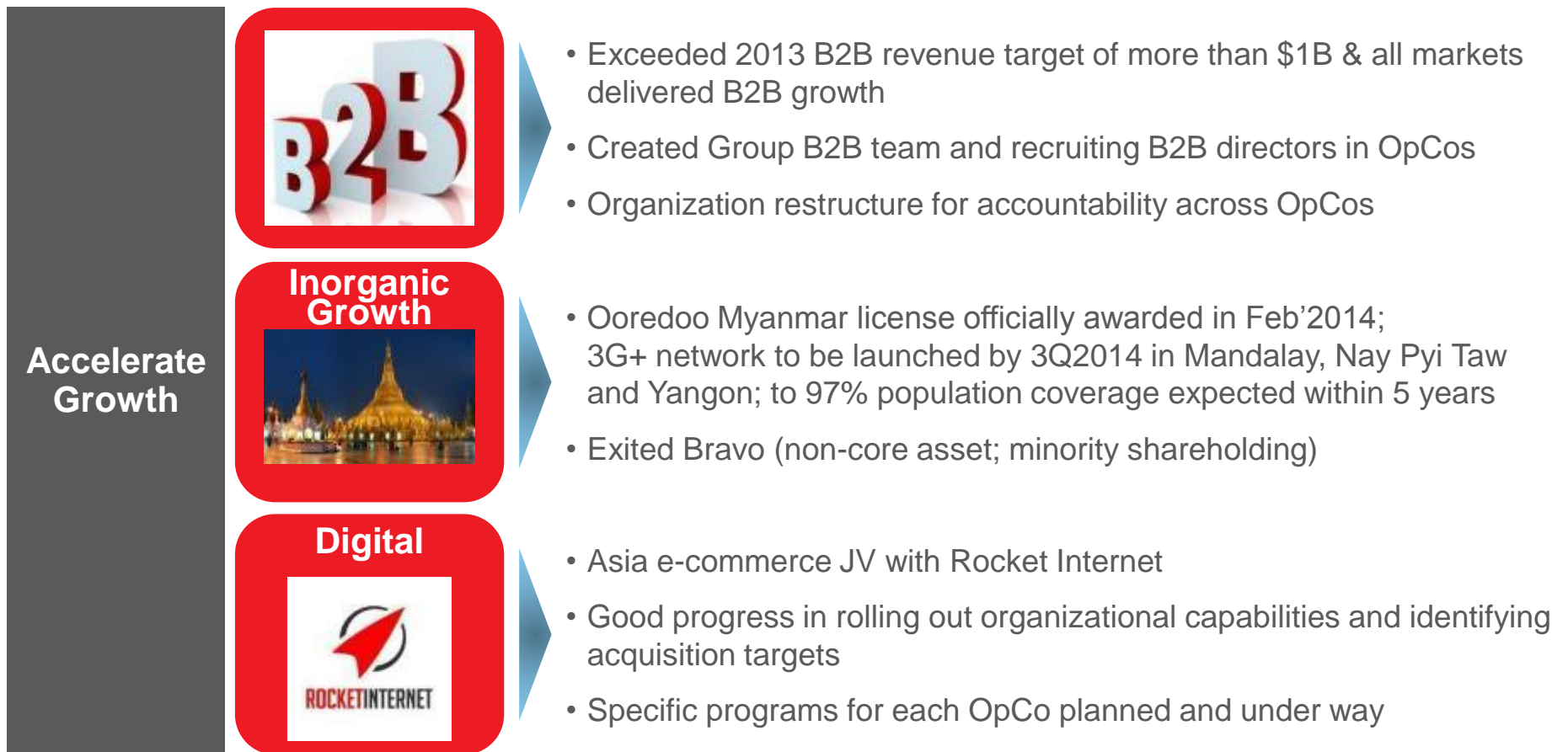
# Progress on Drive Strategy implementation: *Lead on Customer Experience*



# Progress on Drive Strategy implementation: *Strengthen our Foundations*



# Progress on Drive Strategy implementation: *Accelerate Growth*



# In 2014: 4 priorities to create value across the Group

## 1 Lead in Mobile Data



- From modernising networks to Best Technology Vision
- Protect revenues from OTTs by locking customers into integrated voice/SMS/ data packages
- Deliver The Best customer experience

## 2 Bigger Efficiencies



- Reviewing cost models across Group and OpCos to extract greater efficiencies and dramatically change cost model
- Re-energizing infrastructure sharing discussions with other players

## 3 Improve Performance Management & Governance



- Further cascading of new operating model
- Strengthened focus on performance management
- Implementing culture and change management

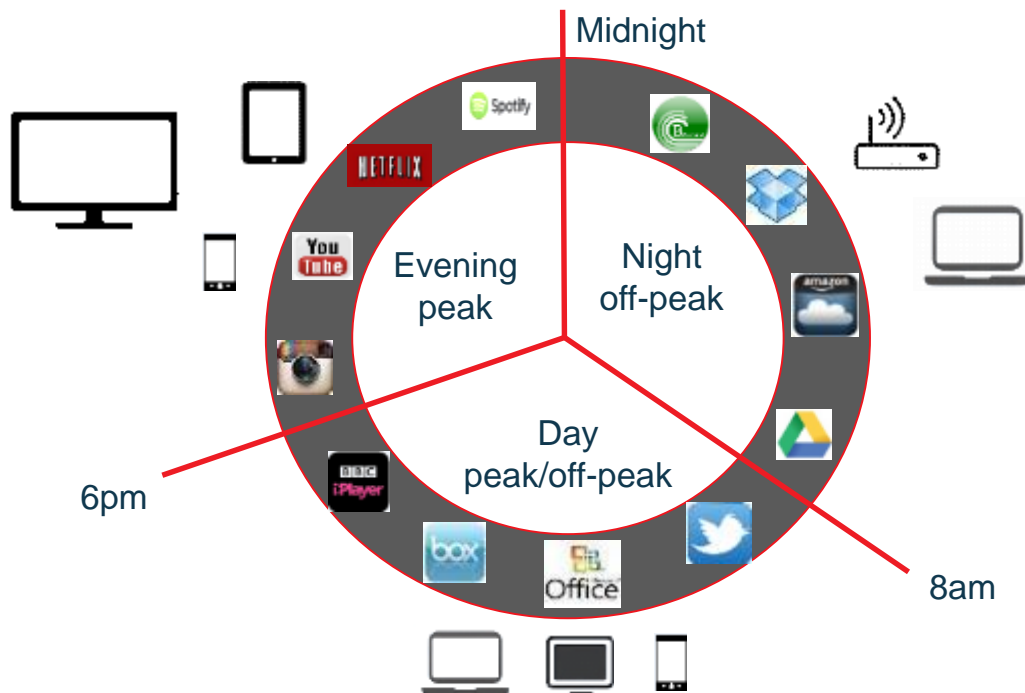
## 4 Be Smarter, not Bigger



- Extracting value creation opportunities exist across existing portfolio
- Focused, more controlled inorganic growth
- Lessening cash requirements and balance sheet stress

# Ooredoo data vision

Everyone connected, all the time



3 years from now...

> 1/2 customers using data

> 1/3 revenues from data

Overall data traffic increases exponentially

No. 1 in data experience in most markets

# Key levers for data growth

## Data user experience

- **End-to-end** user flow for optimised data experience (e.g. landing page, self-care app)
- **Best network** experience through fibre upgrade, network sharing etc.

## Reload boosters & rewards

- **1:1 targeting** based on reload profile with offers matching users' needs
- **Temporary credit facility**, rewards for **engagement** with partners (e.g. app download, advertising)

## Smartphone bundles

- **Device destination** for low- to high-end smartphones
- **Full proposition** including airtime, data plans, device protection, buyback & trade-in

## Fixed mobile convergence

- **Fixed-line services** already offered in Qatar, Indonesia, Tunisia, Oman
- **Aim for truly converged** experience e.g. hybrid access, small cells/Wifi, data pooling etc.

# Exciting data launches in 2014

**Qatar: 4G, S5, etc.**



**Indosat: 3G+ 42Mbps**



**Oman: 4G**



**Kuwait: 4G device bundles**



# Case study: Mobile data monetization at Nawras - *Initiatives*

## Network modernisation

- Network modernization
- 3G capacity tripled!
- 3G speed doubled!
- Launch of 4G LTE



## Smartphone push

- Multiple smartphone campaigns
- Interest-free financing through Bank Muscat



## Innovative data bundles

- Launched Whatsapp weekly data bundles
- Introduced 4G speed bundles



## Promotional activities

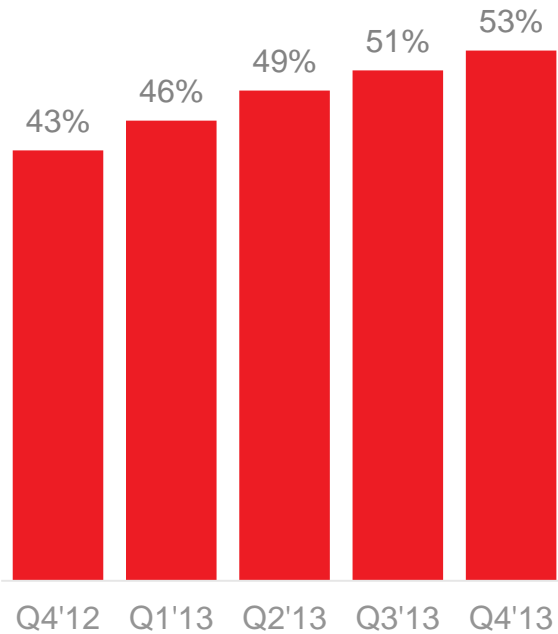
- Try and buy promotions
- Data boosters



# Case study: Mobile data monetization at Nawras - *Impact*

## High smartphone penetration

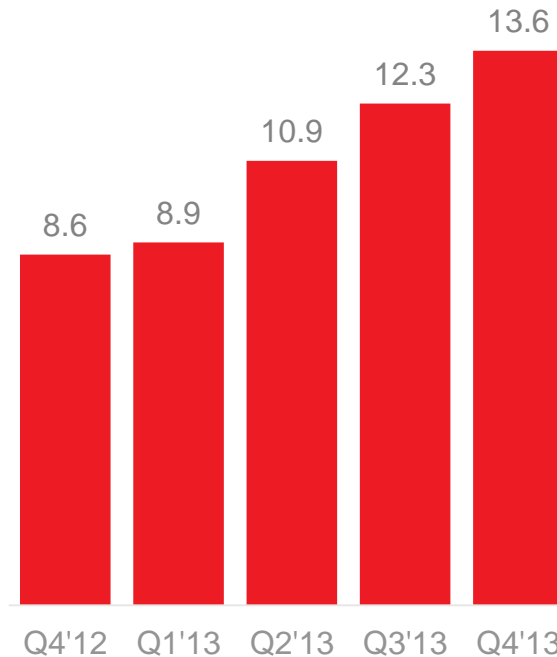
Smartphones Penetration (%)



- 53%+ smartphone penetration
- 77% of smartphone using data
- 31% small screen AUPU growth in 2013

## Strong growth in data revenues

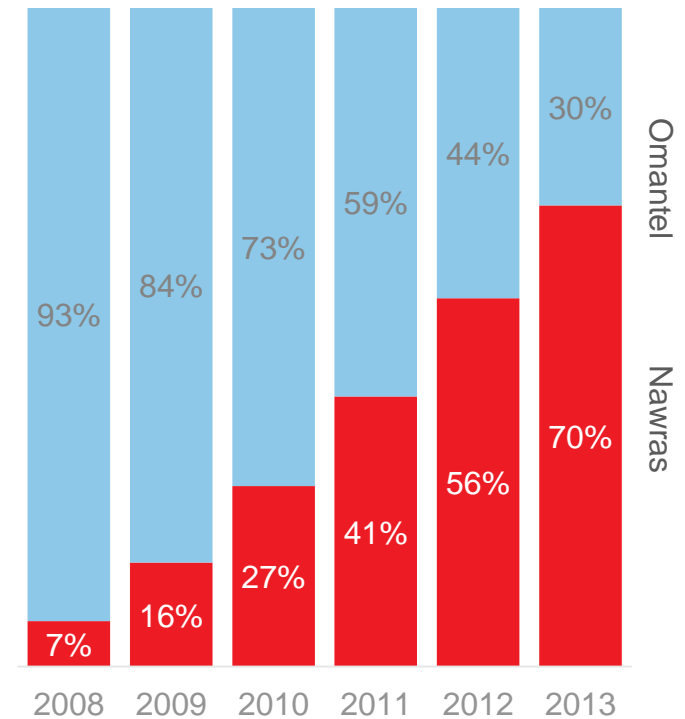
Mobile data revenues (m OMR)



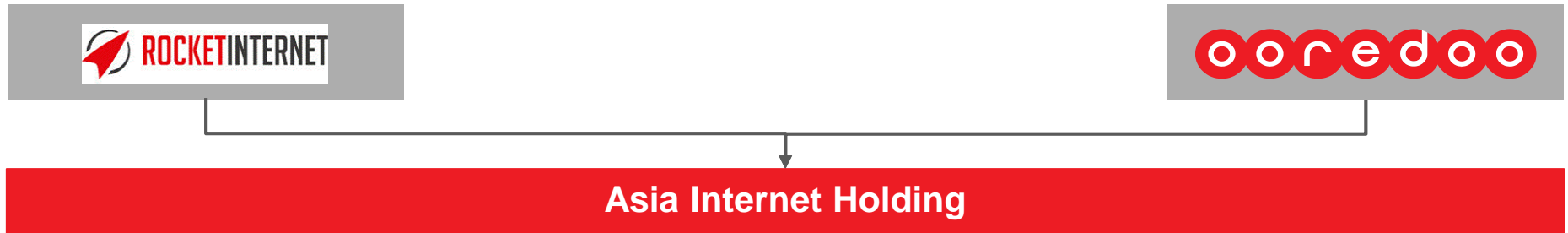
- 58% YoY data revenues growth (Q4 '13)
- 40%+ data penetration

## Strong growth in data revenue share

Mobile data revenue shares (non-SMS, in%)



# Partnership with Rocket Internet



- Executing on our strategy to invest in new businesses
- 50/50 JV to build online businesses in Asia
- Ventures ranging from e-Commerce and marketplaces, to lead generation and payments
- JV covering 15 markets including Indonesia, Myanmar, Singapore, Pakistan, Philippines, Vietnam, Thailand and Australia
- Transaction expected to close during second quarter of 2014



APH Target Countries



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  - Our ability to manage domestic and international growth and maintain a high level of customer service
  - Future sales growth
  - Market acceptance of our product and service offerings
  - Our ability to secure adequate financing or equity capital to fund our operations
  - Network expansion
  - Performance of our network and equipment
  - Our ability to enter into strategic alliances or transactions
  - Cooperation of incumbent local exchange carriers in provisioning lines and interconnecting our equipment
  - Regulatory approval processes
  - Changes in technology
  - Price competition
  - Other market conditions and associated risks
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Upcoming  
events

2014 1H Results – August 2014 *TBD*