

Ooredoo Group

Capital Markets Day 2016

Group Chief Procurement
Officer - Christian Linhart

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Doha, Qatar



Role of Strategic Sourcing at Ooredoo



Why do we do it?



What does Strategic Sourcing do?

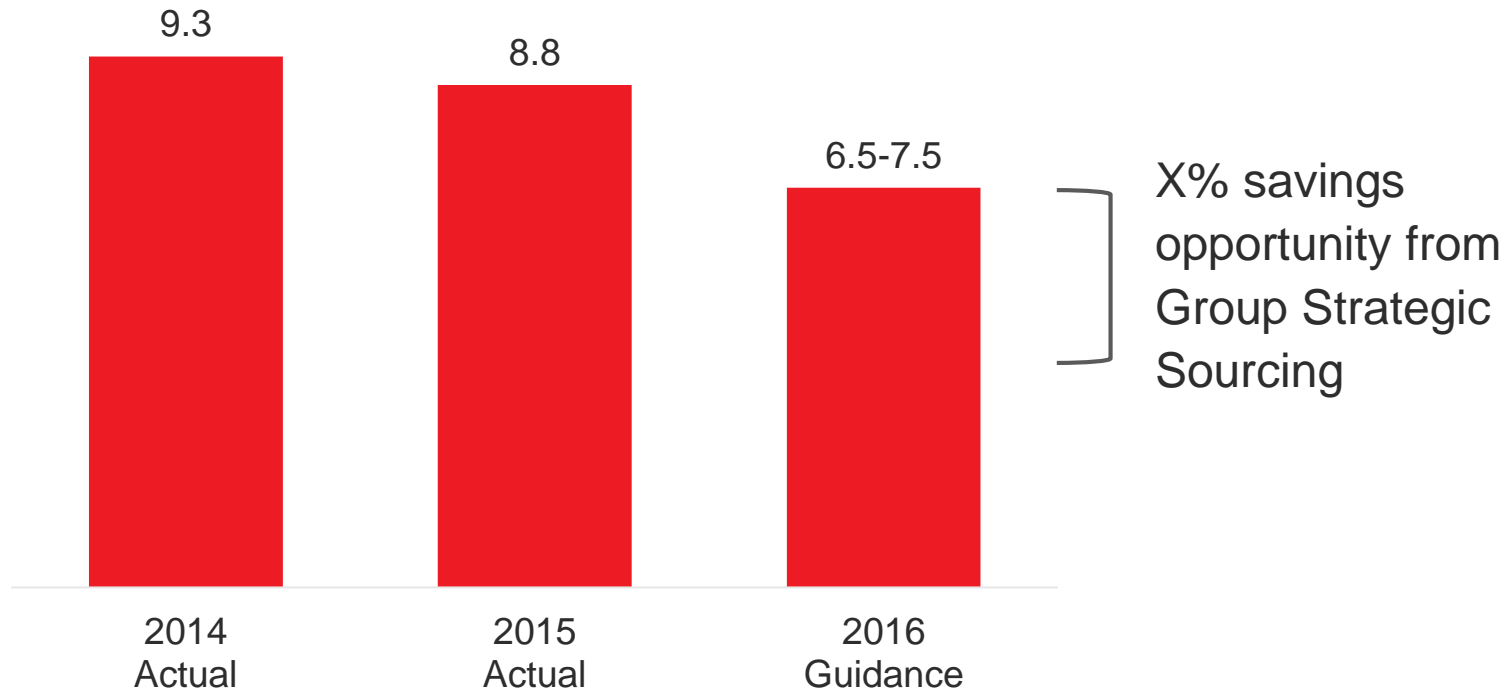


How do we do it?



Why do we do it?

Ooredoo CapEx Spend QAR Bn



Ooredoo will spend QAR 6.5-7.5Bn across the group – this can be optimized



What does Strategic Sourcing do?

Run better tenders

- Group led tenders on major categories (more than 50% of Group CapEx)
- Clear, independent & transparent tender process
- Multi-vendor final negotiations with willingness to “disrupt” current vendor ecosystem
- Top management engagement and support

Leverage group scale

- Using benchmark pricing from around group to achieve savings in other OpCos
- Aggregating demand for greater scale discounts
- Ring-fencing savings results flow to bottom line



How do we do it?



- Increased **visibility & transparency**



- **Best practices**



- **Best-in-class processes**



- Improved **vendor performance**



- **Group price levels across all OpCos**

Excellence in sourcing will support Ooredoo in staying competitive in the global environment



Examples of activities underway - RAN, Core and transmission in selected OpCos

Examples of big tenders across Ooredoo

TUNISIA

- RAN prices recently negotiated
- Significant price reductions achieved
- Best prices within the Group

QATAR

- RAN prices recently negotiated
- Significant price reductions achieved
- Best prices within the Group (for high configuration)

ALGERIA

- LTE/SWAP tender just completed
- Tender covered ~5,000 sites

KUWAIT

- RAN tender under way

INDONESIA

- High prices
- RAN tender under way
- Transport categories tender under way

IRAQ

- RAN tender under way
- Transport categories tender under way

MYANMAR

- RAN tender under way
- Transport categories tender under way

OMAN

- RAN tender under way
- Transport categories tender under way



Savings target of \$190m in 2016 through Strategic Sourcing

Estimated TCO savings in 2016

- Charging and Billing (Group)
- Gensets (Group)
- RAN/Core (OT, OA, OML)
- Managed Services (OA, OML)
- Managed Power (IO)
- IT Boost (OO, OK)



USD
\$190m

Note: (1) Selective, not exhaustive



Thank you

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