Annual Report 2020

Digital Diversity for a New Era

ooredoo

بسم الله الرحمن الرحيم

"In the Name of Allah Most Gracious Most Merciful."

His Highness
Sheikh Tamim Bin Hamad Al Thani
Amir of the State of Qatar

Contents

Strong foundations for success

"This was a year unlike any other, which disrupted lives and challenged organisations. We can be proud that Ooredoo was ready to manage the impact of a shock like the global COVID-19 pandemic, and responded quickly, resolutely and with determination to keep our customers connected and enrich their digital lives."

H.E. Sheikh Faisal Bin Thani Al Thani

Chairman

Supporting our customers in challenging times

"The foundations we have built over time supported not only the introduction of new digital services, but also ensured that people stayed connected and engaged throughout this turbulent period."

Dear Shareholders,

2020 was a year unlike any other, when communities around the world faced unprecedented challenges as a result of the COVID-19 pandemic and the subsequent global disruption. Families were separated; businesses were forced to find new ways of working or suspend operations; schools were closed; and life as we knew it underwent intense change.

It was a year when our core promise – to enrich the digital lives of our customers – took on a new level of relevance. For organisations that required significant numbers of employees to work from home, Ooredoo networks provided a vital lifeline to ensure business continuity and remote productivity. For schools and universities, Ooredoo services enabled education to continue online. Communication between families and friends migrated to video chats, made possible by the hard work of Ooredoo engineers across our footprint. Even our entertainment options took on heightened importance, as our rich portfolio of content provided a welcome distraction during difficult times. For many, digital lives became the most vibrant part of a daily routine during the pandemic.

We are hugely grateful to our leadership team, our people and our partners for the creativity, collaboration and professionalism that enabled Ooredoo to enhance our networks and update our services to meet heightened demand during 2020. The foundations we have built over time supported not only the introduction of new digital services, but also ensured that people stayed connected and engaged throughout this turbulent period.

For Ooredoo as an organisation, 2020 was also a period of significant change. I was honoured in March to succeed H.E. Sheikh Abdulla Bin Mohammed Bin Saud Al Thani in the role of Chairman of the Board of Directors. Under his leadership, Ooredoo was transformed through restructuring and regional expansion, and I have been consistently impressed by the strength of the teams he built and the clarity of purpose he instilled across the company. Ooredoo's success in serving our customers and going above and beyond their expectations during this unprecedented year is a remarkable reflection of his legacy.

Looking ahead, we are confident that Ooredoo is well-positioned to thrive and grow as the world recovers from the disruption of 2020. We are a preferred provider of digital services for our customers, offering robust networks upon which people and companies can rely.

Resilient operations in 2020

Operations were impacted by the COVID-19 pandemic during the year. However, our balanced portfolio of assets and clear focus on digital services enabled the Ooredoo Group to mitigate negative impact and maintain stability.

Revenue declined by 4% year-on-year to QR 28.9 billion in 2020, due to the effect of pandemic restrictions which caused a reduction in handset sales and roaming business, as well as macroeconomic weakness in some of our markets. This was partially offset by growth in Indonesia, Myanmar and Palestine.

EBITDA declined by 6% year-on-year to QR 12.1 billion in 2020, impacted by lower revenues and challenging market conditions across most markets. The company maintained its focus on digitalisation and cost optimisation, which has been reflected in a healthy EBITDA margin of 42% for FY2020.

Group Net Profit attributable to Ooredoo shareholders decreased by 35% year-on-year to QR 1.1 billion in 2020, mainly due to lower EBITDA and one-off gains in 2019 from the Indosat Ooredoo tower sales. Data revenues account for more than 50% of total revenue, driven by our data leadership and digital transformation initiatives across the companies in which we operate.

Ooredoo Group maintains healthy cash reserves and liquidity levels, with a solid net profit of QR 1.1 billion.

Managing the impact of COVID-19

Across the GCC, in markets such as Qatar, Kuwait and Oman, we saw subdued market conditions resulting from lockdowns and fluctuating energy prices. In North Africa, Algeria and Tunisia both saw declines in tourism and oil production that resulted in a contraction in GDP. In Southeast Asia, markets such as Indonesia and Myanmar saw intense demand for broadband network improvements to support greater connectivity as a significant proportion of the population worked, studied and socialised remotely.

Every Ooredoo operation responded quickly and effectively to support our customers in the first half of the year. Initiatives such as Ooredoo Qatar's optimisation of data traffic flow across fixed and mobile networks, Ooredoo Oman's launch of a dedicated e-learning platform for home students, Ooredoo Kuwait's free data and call offer for government workers and Asiacell Iraq's data bonus and extended validity all ensured that people could stay connected. Ooredoo Palestine upgraded its support for educational institutions so that they could continue to provide lessons for children stuck at home.

Equally, in North Africa, Ooredoo Algeria's provision of free access to the Ministry of Health's COVID-19 portal and Ooredoo Tunisia's network support for hospitals and quarantine centres provided vital lifelines for their communities. In Indonesia, Indosat Ooredoo accelerated its network rollout plan to ensure resilience and improve uptime, while Ooredoo Myanmar supported the development of a digital app to support volunteers trying to prevent the spread of the disease and Ooredoo Maldives worked with the Ministry of Education to provide free data and easy access to key e-learning portals.

Ensuring safety was our highest priority. The majority of Ooredoo employees worked from home for a proportion of the year, as we took steps to ensure that they remained safe and were equipped with the tools they needed to support our customers. Productivity, engagement and innovation have all remained at high levels throughout this period as a result of our proactive management and investment in digital workplace tools. Equally, we took the decision to temporarily close some retail outlets at the beginning of the pandemic, reopening gradually so that we could ensure the highest standards of hygiene and social distancing. However, our online and digital channels have proved to be more popular and accessible than ever before.

Updating our strategy for a new era

As the long-term impact of COVID-19 became more apparent, we took the opportunity to review our operations and look for ways to mitigate the anticipated reduction in revenue.

In particular, we prioritised cost optimisation initiatives and the development of new distribution channels, leading to the development of our revised strategy for 2021. This strategy focuses on four key pillars: Core, Digital, Infrastructure and Portfolio.

One of our key areas of focus is digital, where we are working towards the development and enhancement of partnerships that will allow us to build leading digital services. Ooredoo Algeria's success in launching a new digital portfolio and video-on-demand platform during the year and the customer growth of Ooredoo Myanmar's 'My Ooredoo App' are two recent examples of our ambition in this area. Across our footprint, data traffic has risen throughout 2020 and more customers are moving towards digital channels, suggesting we are well on track to realise strong success from this strategy in 2021.

Dividends

In line with our stated dividend policy and in light of the unique challenges of 2020, the Board has decided to recommend to the General Assembly the distribution of a cash dividend of QR 0.25 per share.

The Board and Governance

In closing, I offer Ooredoo's sincere gratitude and appreciation to His Highness Sheikh Tamim Bin Hamad Al Thani, the Amir of the State of Qatar, for leading our nation through a challenging year and ensuring we emerge stronger, more resilient and more united than ever before. Ooredoo's greatest asset is the support of our home country, and we are proud to have grown even closer to our community through the trials of 2020. I would also like to thank the Board Members for their insight and leadership and particularly our employees, who have worked so hard and given so much during the year.

In conclusion, Ooredoo has been through an historic year, and emerged with positive expectations for the coming period. We have proven that our networks can expand to meet the highest levels of demand and keep pace with the progressive evolution of the underlying technology. The Ooredoo Group and its operating companies continue to work together to learn, adapt and develop new products and services that delight our customers. Our leadership team is ready and able to manage costs and maintain our market leadership.

We are proud of our work during this year, and proud to present this Annual Report to you, our stakeholders.

Faisal Bin Thani Al Thani
Chairman

14 February 2021

Strong progress in 2020

Dear Shareholders,

Looking back over 2020, I would firstly like to pay tribute to the entire Ooredoo team for their professionalism and commitment to excellence. With entire populations forced to stay home during nationwide lockdowns, Ooredoo delivered the networks and the packages that kept people connected and ensured that businesses could keep working.

Because of our teams' efforts, our networks and digital channels were more than capable of managing the surge in demand created by the COVID-19 crisis. Our people also worked hard throughout the year to enhance performance and ensure our networks were future-ready, so that we were prepared when communities began to recover and tentatively return to the 'new normal'. We continued to drive innovation in our digital portfolios, so that our customers had access to the latest digital services as and when they needed them.

"We maintained a stable financial position in 2020 - preserving healthy cash reserves and liquidity levels, and expanding our customer base – while developing commercial momentum through the year, ready to focus on the future post-pandemic."

Aziz Aluthman Fakhroo
Managing Director, Ooredoo Group

Strong progress in 2020, despite a challenging year

We maintained a stable financial position in 2020 – preserving healthy cash reserves and liquidity levels, and expanding our customer base – while developing commercial momentum through the year, ready to focus on the future post-pandemic.

Our revenues for 2020 were impacted by COVID-19, with revenue declining 4% to QR 28.9 billion for FY2020 as a result of macroeconomic weakness in some markets and a reduction in handset sales and roaming business. However, this was partially offset by growth in Indonesia, Myanmar and Qatar, which continued to deliver robust results in highly competitive environments. Indosat Ooredoo reported revenue growth of 4% for FY2020, for example, as it implemented a refreshed strategy of offering simple, relevant and transparent products. We were successful in optimising our cost base to absorb the pressure on revenue, resulting in a robust EBITDA margin of 42%. FY2020 Group EBITDA decreased by 6% year-on-year to QR 12.1 billion (FY 2019: QR 12.8 billion), due to the decline in revenues. Net Profit attributable to Ooredoo shareholders decreased by 35% to QR 1.1 billion (FY 2019: QR 1.7 billion), mainly due to the lower EBITDA and to one-off gains from Indosat Ooredoo's tower sales in 2019. Ooredoo Qatar saw strong returns from fixed and ICT services. Oman, Kuwait and Iraq all saw improved performance towards the end of the year, while Ooredoo Algeria and Ooredoo Tunisia laid the foundations for recovery through network investment and expansion of their digital portfolios.

These stable financial results, achieved against the backdrop of the COVID-19 pandemic, were only possible because of the digital strategy we have pursued – to make it easier for customers to find, buy and use our services online. Our relentless drive to digitise our core business ensured that a significant number of customers were already interacting and transacting with us online prior to the pandemic. It also meant that we had the technical foundation to absorb the rapid rise in online demand.

In addition to our stable financial performance, we made solid progress across several strategic areas including improving our networks, products, operational efficiencies and portfolio management. Key steps included:

Networks

- Providing 5G services in Qatar, Kuwait and Oman, deploying 5G infrastructure in Indonesia and completing the commercial launch of 5G services by Ooredoo Maldives in December 2020.
- Completing 4G LTE Turbo launches in Myanmar, deploying 4G infrastructure in Iraq, Tunisia and Algeria, and expanding Ooredoo Palestine's 3G network to the West Bank.

Products & services

- Reinforcing our leadership as a digital enabler through new services such as Ooredoo Oman's mobile wallet and Asiacell Iraq's new mobile app.
- Signing major partnerships with content providers to enhance our home entertainment services.
- Providing relief packages to customers who needed them most, offering free call minutes in Oman and free data packages and SIM delivery for students in Indonesia. This resulted in an improvement in customer loyalty across our footprint following the pandemic peak.
- Proactively supporting government initiatives to provide vital services such as Ooredoo Maldives' work with the Ministry of Education to support online classrooms and Ooredoo Algeria's provision of free access to real-time COVID-19 information with the Ministry of Health.

Operational efficiencies

- Accelerating progress on digital transformation, deploying a broad range of new tools to support working-from-home and online collaboration and development.
- Adopting a positive strategy to rebalance our employee base in Indosat Ooredoo to better reflect the changing needs of the Indonesian market.
- Enhancing online eShops, self-service and self-care channels to empower our customers and introducing WhatsApp, voice and social media customer service in some markets.

Portfolio management

- Entering an exclusive and non-legally binding Memorandum of Understanding with CK Hutchison in relation to a potential transaction to combine our respective businesses in Indonesia.

All these initiatives enabled us to strengthen our data leadership by achieving data revenues of more than 50% of total revenue, and to increase our customer base to 121 million by year-end, driven by strong growth in Indonesia and Myanmar in particular.

Looking to the future

Even in these exceptional times, we have demonstrated our ability and commitment to delivering shareholder value.

Our leadership team is confident we can continue this positive momentum into 2021 and beyond. We are reworking our channel mix, enhancing online customer services and promoting digitalisation to help simplify our cost structures in parallel with improving the customer experience.

We are also actively in discussion on several infrastructure agreements that will further reduce costs.

The trust that our performance and reliability has earned over the last 12 months, along with our deeper understanding of our customers' digital lives, positions us to increase customer lifetime value and grow our Average Revenue Per User (ARPU). We will continue to deepen our customers' trust by providing leading networks, the best digital channel experiences, and a wide range of digital service offerings.

From a consumer perspective, we are confident that demand for content, entertainment services, faster broadband and larger mobile bundles will continue to rise, balancing the impact from reduced roaming revenue, which is likely to continue to be a factor into 2021. Our investment in business services – cloud, Internet of Things and ICT – will also deliver improved margins.

Prudent, far-sighted management ensured that we had the cash reserves and liquidity levels necessary to absorb the impact of COVID-19. It is now the responsibility of everyone within the company to work hard to deliver the solid, sustainable returns that our shareholders expect.

Our strategy to deliver sustainable returns for 2021 and beyond is now based upon four pillars:

Core – We will continue to accelerate the performance of our core business – investing in our people, our networks and our services in order to win in the marketplace and maximise the return on our assets.

Digital – We are making it easier for our customers to find, buy and use our products online in order to attract and retain customers at a lower cost, driving value to our shareholders. We will also build leading digital services and explore new, previously unaddressed areas in order to drive top-line growth, and implement digitalisation across our company to be more efficient and agile.

Infrastructure – As we work to be more asset-light, we will extract optimal value from our infrastructure by executing network sharing and infrastructure deals.

Portfolio – We will adopt a proactive portfolio strategy that will drive, and derive, additional value across our footprint.

Equally, we will continue to work hard to ensure that our organisational culture is fast-moving, innovative and imaginative enough to stay ahead of the demand curve, and that Ooredoo continues to recruit, train and develop the next generation of talent from within our markets. It is a source of great pride for the whole management team that many young leaders stepped up and delivered during the COVID-19 crisis, and we will continue to invest in them.

I will close by joining our Chairman in thanking His Highness Sheikh Tamim Bin Hamad Al Thani, the Amir of the State of Qatar, for his wisdom and inspiration. I would also like to emphasise my personal thanks to all the Ooredoo employees whose dedication made such a difference in our customers' lives in this exceptional year.

Aziz Aluthman Fakhroo
Managing Director, Ooredoo Group

14 February 2021

Meet the Board of Directors

H.E. Sheikh Faisal Bin Thani Al Thani
Chairman

H.E. Sheikh Faisal Bin Thani Al Thani chairs the Board of Directors at Ooredoo Group since March 2020. He is also the Chief of Asia-Pacific & Africa Investments at Qatar Investment Authority (QIA), and the Chairman of the Board of Directors at Ooredoo Group.

In his role at QIA, one of the world's largest sovereign wealth funds, H.E. Sheikh Faisal Bin Thani Al Thani is responsible for leading the regional investments in multiple sectors and diversified asset classes in Asia, Africa, and the Middle East.

His Excellency has previously held the position of Chief Investment Officer at Qatar Foundation Endowment. He also played key leadership roles in the Investment Department at Qatar Central Bank. In addition, he was the Chairman of Qatar Banking Studies and Business Administration Secondary School and the Deputy Chairman of Vodafone Qatar, as well as being a Board member at Ahli Bank, Qatari Diar, Nakilat, Bharti Airtel and Siemens Qatar.

H.E. Sheikh Faisal Bin Thani Al Thani is currently the Chairman of Qatar First Bank, and Board member at Qatar Insurance Company, Deputy Chairman of Boyner Retail & Textile Investments Inc. in Turkey.

His Excellency holds a degree in Business Administration from Marymount University in the USA and an Executive MBA from HEC Paris.

Dr. Nasser Mohammed Marafih
Deputy Chairman

Dr. Nasser Mohammed Marafih has extensive experience in the telecommunications sector having joined Ooredoo in 1994 (under its earlier brand of 'QTel'). As Director – Strategic Planning, he was instrumental in the launch of GSM services in 1994, the introduction of the internet in 1996 and the privatisation of Ooredoo in 1999. Dr. Nasser served as CEO of Ooredoo from 2001 until 2015, spearheading global growth across the Middle East, North Africa and Southeast Asia. He currently serves on the boards of the United Nations Broadband Commission for Sustainable Development and the GSM Mobile for Development Foundation.

H.E. Mr. Turki Mohammed Al Khater
Member

H.E. Mr. Turki Mohammed Al Khater joined the Board in 2011. He currently holds a number of prominent positions, including President of the General Retirement and Social Insurance Authority, Chairman of the United Development Company (UDC), and Deputy Chairman of Masraf Al Rayan. He has previously held the position of Managing Director of Hamad Medical Corporation and Undersecretary of Health Ministry. He brings significant experience in business and finance to the Board.

Mr. Nasser Rashid Al Humaidi
Member

Mr. Nasser Rashid Al Humaidi, who joined the Board in 2011, has held various management,business technologies and digital transformation leadership roles in multi-industry sectors including utilities, telecoms, oil and gas, real estate and banking, and contributed to national steering committees, as well as advising on business and communications technologies. This diverse background brings a wealth of experience that contributes significantly to the Ooredoo Board.

Mr. Aziz Aluthman Fakhroo
Member and Ooredoo Group Managing Director

Mr. Aziz Aluthman Fakhroo was appointed as Managing Director of Ooredoo Group since November 2020, he has been a Board member of Ooredoo Group since 2011. He is currently also a Senior Advisor to the Minister of Finance. From 2014 to 2020, he served as Deputy Undersecretary for Budget, Treasury and Financial affairs at the Ministry of Finance. Previously (2007- 2014) he was the Co-head of Mergers and Acquisitions at Qatar Investment Authority (QIA) , where he lead some of the sovereign wealth fund's most high-profile deals. He is also a Board Member at Accor SA since 2015. He previously served as member of the Board of United Arab Shipping Company, Canary Wharf Group, Chelsfield LLP and CITIC Capital. Mr. Aziz Aluthman Fakhroo holds a Bachelor of Business Administration from ESLSCA University.

Sheikh Ali Bin Ghanim Bin Ali Abdullah Al Thani
Member

Sheikh Ali Bin Ghanim Bin Ali Abdullah Al Thani joined Ooredoo's Board of Directors in 2018. He is the owner and Chairman of Ali Bin Ghanim Al Thani Group. He currently serves on the Boards of several Qatari companies, including Qatar Islamic Bank, Doha Insurance Group, and the Centre for Arab Unity Studies. His Excellency's experience in business adds substantial value to the Ooredoo Board.

Mr. Abdulla Mubarak Al-Khalifa
Member

Mr. Abdulla Mubarak Al-Khalifa who joined the Board in 2018, is Group Chief Executive Officer of QNB. Prior to his current position, he was Executive General Manager – Chief Business Officer at QNB. He holds a bachelor's degree in business administration from Eastern Washington University in the USA, 1995. He brings strong business, finance and strategic planning experience to the Board.

Mr. Ibrahim Abdullah Al Mahmoud
Member

Mr. Ibrahim Abdullah Al Mahmoud joined Ooredoo's Board in March 2014. He has held board-level positions with a number of insurance companies and in academic organisations, including Qatar Foundation for Education, Science and Community Development and Calgary University in Qatar.

Eng. Essa Hilal Al Kuwari
Member

Eng. Essa Hilal Al Kuwari is the President of Qatar General Electricity & Water Corporation "KAHRAMAA". He is the Chairman of the Board of Qatar National Broadband Network (QNBN) and a Board member of NAKILAT. Beside his membership in various technical committees in the state, he represents Qatar as BoD member of Gulf Cooperation Council for Electricity Interconnection Authority (GCCIA), beside some other regional and international committees. Eng. Essa Hilal Al Kuwari also has some academic contributions, such as Chair of the Steering Committee of Texas A&M University's Smart Grid Centre – Qatar, Vice Chairman of Hamad Bin Khalifa University Board of Trustees and member of Qatar University's Advisory Council for the faculties of Engineering and Economics. Eng. Essa Bin Hilal Al Kuwari brings substantial business and technical expertise to the Board.

Mr. Yousef Al-Obaidly
Member

Mr. Yousef Al-Obaidly joined the Board in 2020. He is the CEO of beIN MEDIA GROUP ("beIN"). As one of the most respected executives in the world of sport and entertainment, Mr. Al-Obaidly manages the single largest portfolio of sports rights in the world as the head of beIN MENA, beIN SPORTS France, Americas and Asia-Pacific. He is also the CEO of Digiturk and responsible for MIRAMAX studios. Mr. Al-Obaidly is a board member of Paris Saint-Germain Football Club; Paris Saint-Germain Handball; Qatar Tennis Federation; Qatar Sports Investments and Qatar Satellite Company Es'hailSat. In January 2020, SportsPro Media named Mr. Al-Obaidly as one of only 10 "Influencers in the world of sport" whose work will be setting the global agenda in 2020, alongside the CEOs of Nike, Quibi and others. Mr. Al-Obaidly bring a wealth of experience in international business to the Board.

Delivering robust results

Ooredoo produced robust results in 2020, despite challenging circumstances due to the COVID-19 pandemic, with positive financial and operational performance across its markets.

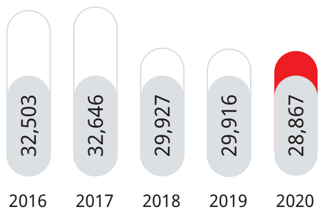
Digital transformation continues to be a key value driver for Ooredoo's business. Its leadership in this area enabled the company to seamlessly respond to the new operating environment and serve customers in a safe and convenient way, in spite of movement restrictions. The launch of new and exciting digital products helped to grow its customer base throughout the year, including the launch of mobile apps and digital wallet solutions.

The company successfully implemented its digital strategy throughout the year, with its customer base reaching a total of 121 million by year-end 2020.

Revenue

Amount in QR millions

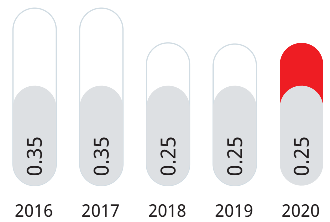
28,867



Dividend per share

Amount in QR (Note A)

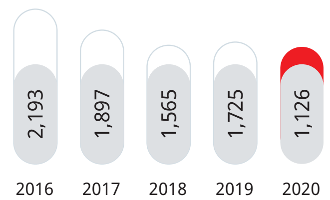
0.25



Net profit attributable to shareholders

Amount in QR millions

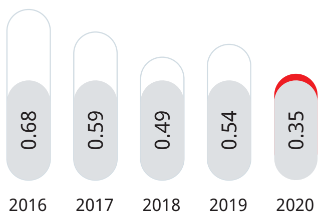
1,126



Earnings per share

Amount in QR

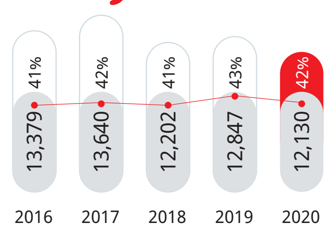
0.35



EBITDA & EBITDA margin

Amount in QR millions

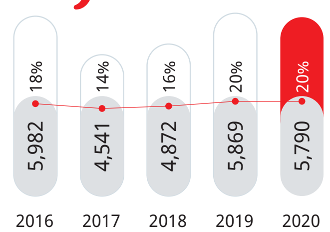
12,130



Capital expenditure & CapEx/revenue %

Amount in QR millions (Note B)

5,790



Note A - 2020 represents proposed dividend.
Note B - Capital expenditure does not include licence cost

Our assets

Our People

15,960

employees across the world

Robust infrastructure to ensure full customer support even when the majority of workforces across the world were operating remotely

Our Brand Value

Value in USD billions

3.5

A powerful brand with strong customer loyalty

Ranked 41st in the Brand Finance Top 50 Telecommunication Brands

Our Financial Assets

Amount in QR millions

28,201

Significant equity

Our Financial Assets

Amount in QR millions

24,177

Net financial debt

Our reach

Headquartered in Doha, Qatar, Ooredoo is an international telecommunications company with a consolidated global customer base reaching 121 million, as at 31 December 2020. Its operating network extends across 10 markets in the Middle East, North Africa and Southeast Asia.

Middle East

Ooredoo Group's operations in the Middle East region comprise Ooredoo Qatar, Ooredoo Oman, Ooredoo Kuwait, Asiacell Iraq and Ooredoo Palestine, which saw subdued market conditions in the first half of the year due to the effects of the pandemic. Ooredoo Qatar transitioned towards becoming a truly digital player during 2020, enabling rapid time-to-market for new services and a seamless customer experience. Ooredoo Kuwait optimised its network and converted 2G and 3G networks to 4G to give more capacity to users and provided the highest 5G internet speeds in Kuwait, while Ooredoo Oman launched 5G services and provided 24/7 digital access and support for customers. Asiacell Iraq began deploying 4G infrastructure across the country in preparation for its launch in 2021 and Ooredoo Palestine continued to enhance and expand its network during the year.

North Africa

Ooredoo's operations in North Africa comprise Ooredoo Algeria and Ooredoo Tunisia, markets which both experienced significant challenges in 2020 due to the COVID-19 pandemic. Ooredoo Algeria successfully provided customers with innovative solutions and services in a very competitive market, including the launch of a new digital offer portfolio, while Ooredoo Tunisia solidified its position as the number one telecommunications operator by market share, network speed and customer service, retaining more than 43% of the total Tunisian mobile market.

Southeast Asia

Ooredoo's operations in Southeast Asia comprise Indosat Ooredoo in Indonesia, Ooredoo Maldives and Ooredoo Myanmar, all of which saw significant demand for network services amid the COVID-19 lockdown. Indosat Ooredoo was the fastest-growing company in the Indonesian telecoms sector in 2020, while Ooredoo Myanmar extended Long-Term Evolution (LTE) services to cover more than 92.6% of the population with its nationwide 4G LTE Turbo launch, and Ooredoo Maldives introduced 5G services and expanded its SuperNet Broadband services to new areas.

	Ooredoo effective stake	Country population	Mobile penetration	Market share
Middle East				
Qatar[1]	100.0%	2.7 m	170%	64%
Kuwait[2]	92.1%	4.6 m	159%	36%
Oman	55.0%	4.5 m	140%	40%
Iraq	64.1%	40.1 m	93%	38%
Palestine[2]	45.4%	5.2 m	83%	31%
North Africa				
Algeria[2,4]	74.4%	44.2 m	92%	31%
Tunisia[2,5]	84.1%	11.8 m	124%	43%
Southeast Asia				
Indonesia	65.0%	270.2 m	126%	21%
Myanmar	100.0%	54.4 m	114%	24%
Maldives[2,3]	83.3%	0.4 m	175%	44%

1. Operations integrated within Ooredoo QPSC.; also holds 72.5% of Starlink Qatar.
2. Operations integrated within NMTC.
3. Holds 65% of WARF Telecom International Private Limited as a subsidiary.
4. 9% of Ooredoo Algeria is held directly by Ooredoo QPSC.
5. 15% of Ooredoo Tunisia is held directly by Ooredoo QPSC.

An agile, adaptable strategy

Ooredoo's vision is to **'Enrich people's digital lives'**, working to exceed the needs and expectations of consumer, business and governmental customers across our markets by delivering superior products, services, and customer experiences in the Digital Age. Our **Group values – Caring, Connecting,** and **Challenging** – extend across all Operating Companies, guiding every initiative and interaction.

In 2020, our vision and values provided an important foundation from which we managed the transformational impact of the COVID-19 pandemic. This impact resulted in disrupted operations and a significant shift in demand, as more customers relied upon their home connections to support work, education and entertainment during lockdowns. Ooredoo companies responded to the new environment by boosting networks and serving customers in a safe and convenient way.

The lessons of 2020 helped inform our ongoing strategic review, sharpening the importance of focusing on our points of differentiation in an increasingly competitive telecommunications landscape and keeping pace with the progressive generational evolution of our underlying technology.

To do this, our new strategy focuses on four key strategic pillars:

Core

We will continue to accelerate the performance of our core business – investing in our people, our networks and our services in order to win in the marketplace and maximise the return on our assets.

Digital

We are making it easier for our customers to find, buy and use our products online in order to attract and retain customers at a lower cost, driving value to our shareholders. We will also build leading digital services and explore new, previously unaddressed areas in order to drive top-line growth, and implement digitalisation across our company to be more efficient and agile.

Infrastructure

As we work to be more asset-light, we will extract optimal value from our infrastructure by executing network sharing and infrastructure deals.

Portfolio

We will adopt a proactive portfolio strategy that will drive, and derive, additional value across our footprint.

These strategic pillars are underpinned by critical capabilities:			
Our operating model	**Changes to our ways of working**	**Our talent, and how we manage it**	**Establishing effective transformation capabilities**

Overall ambition

Sustained growth and profitability through world-class market performance and digital services

Strategic pillars

Core
Capturing the full potential from our core

Digital Services
Building leading digital services

Infrastructure
Extracting optimal value through infrastructure and network sharing

Portfolio
Optimising our portfolio and accelerating strategic partnerships

Operating Model and Enablers

Updated Operational Model

Culture Empowerment

Invest in Talent Management

Transformation capability to orchestrate a change programme that is anchored at OpCos

Key moments of 2020

Ooredoo leveraged its position as a global digital leader to support communities, businesses and infrastructure during 2020, a year that was heavily impacted by the unprecedented global COVID-19 pandemic. Digital transformation was accelerated; business continuity was made possible by prudent planning; challenges were met and overcome; and teams across Ooredoo's footprint worked hard to keep people connected even when circumstances were keeping them apart.

JAN

Ooredoo Qatar Hosts Record-Setting Marathon

The 2020 Ooredoo Doha Marathon was a record-breaking success, with 5,000+ runners participating, making it the biggest-ever edition since its launch in 2013. Runners from more than 80 countries took part, with the youngest runner aged just five years old and the eldest an impressive 77. It would be one of the last major public sporting events held in Qatar in 2020, bringing together people from all walks of life.

FEB

Ooredoo Oman's License Renewed and Extended for 15 Years

Ooredoo Oman's license to provide mobile telecommunications services was renewed on 28 February 2020 and extended for 15 years through a Royal Decree, following approval from the Telecommunication Regulatory Authority (TRA).

MAR

Ooredoo Group Partners with HUAWEI to provide 5G Services in 5 Countries

Ooredoo Group cemented a partnership with HUAWEI to reach full 5G enablement of the Ooredoo Supernet across five key markets – Kuwait, Oman, Indonesia, Tunisia and Maldives – over the next five years. Full digital transformation and modernisation of existing mobile networks will be achieved through leveraging of HUAWEI's world-leading technology.

Ooredoo Tunisia Becomes Market Leader for Mobile Broadband

Ooredoo Tunisia became the market leader in mobile, mobile broadband and mobile data with more than 40% market share, taking the lead from its nearest competitor. The company remains the market leader for mobile data, with a 40% market share, and overall mobile market with a share of 43.1%.

Ooredoo Group Implements Working-from-Home Protocol in Face of Pandemic

With the pandemic situation worsening, Ooredoo Group implemented a Working-from-Home protocol across all operating companies. While the situation was unprecedented and developed at pace, Ooredoo's immediate, comprehensive response was made possible thanks to robust strategic planning in preceding years, which included extensive network enhancements and innovative digital transformation projects.

APR

Ooredoo Group Recognised Among World's Top 50 Telecoms Brands

Ooredoo was named one of the world's top 50 telecommunications brands for the fourth year in a row, maintaining its position at number 41 with a brand value worth more than USD 3.5 billion. The Group also maintained its Brand Rating status of AA+ for the second consecutive year. Ooredoo Group's total brand value – credited to its successful global rebranding programme, continued investment in high-speed networks and iconic advertising campaigns – has grown more than four-fold in recent years.

Ooredoo Oman Launches 5G Home Broadband

Ooredoo Oman successfully launched its 5G home broadband service, further improving home internet services for its customers. The 5G revolution in Oman continued with the exploration of cost-effective solutions to satisfy regulatory obligations for 5G site rollout and new license site obligations.

Ooredoo Group Rolls Out Support Programmes in Fight Against COVID-19

Companies across the Ooredoo Group devised and implemented a range of measures designed to support their communities as part of a Group-wide effort to help countries fight the ongoing impact of the COVID-19 pandemic. Measures included optimising network performance and enhancing internet speeds, with companies offering extra data, faster internet speeds, access to educational platforms, free trials of digital business solutions and much more to help customers cope with pandemic-induced restrictions on daily life.

MAY

Ooredoo Companies Extend Community Programmes During Holy Month

Taking into consideration the range of measures restricting public activities to help stop the spread of COVID-19, Ooredoo Group companies succeeded in rolling out comprehensive Ramadan campaigns that matched the public mood and provided practical help for people. Campaigns included distribution of hygiene kits, distribution of iftar meals, mass awareness campaigns and donations to charitable organisations, all under the slogan, 'Even if we can't be together, at least we can still be close'. The online advertising campaign reached 44 million video views, exceeding the records set in previous years.

JUN

Ooredoo Algeria Launches Integrated Voice and Data Offering

Ooredoo Algeria launched 'Dima', the first integrated voice and data offering in the Algerian telecommunications market, which includes a unique music and video streaming service. Six months post-launch, the offering accounted for 9.3% of Ooredoo Algeria's customer base, generating USD 2.8 million in revenue monthly.

Ooredoo Group Ranked 25th in Middle East Top 100 Companies 2020 by Forbes

Ooredoo Group was honoured by the prestigious global business brand Forbes, which included Ooredoo in its listing of the leading 100 enterprises in the Middle East region, ranking the Group at #25.

JUL

Ooredoo Wins Eight Awards at 2020 Asia Pacific Stevie Awards

Ooredoo Group operating companies scooped eight awards at the 2020 Asia Pacific Stevie Awards including awards for innovation in technology, customer service and management. Ooredoo Maldives won two Gold Stevies and one Silver Stevie; Ooredoo Myanmar won a Gold Stevie and three Bronze Stevies; and Indosat Ooredoo won a Bronze Stevie.

Ooredoo Qatar and Ericsson Reach Record Throughput

Ooredoo Qatar, working with technology giant Ericsson, successfully tested the 200MHz spectrum and achieved a record system throughput of 4.2Gbps, as part of the development and expansion of the 5G network. The technology, deployed within Ooredoo's network, uses advanced 5G and 4G carrier aggregation functionality, increasing the data rate per user by assigning multiple frequency blocks to the same user.

Ooredoo Group Extends Working-from-Home until Year End

Ooredoo Group extended its Work-From-Home procedures, enabling employees whose work does not require being on site to continue working remotely until the end of 2020. The programme to date has supported a more agile digital culture. This initiative was intended to leverage the insights of the pandemic situation into competitive advantage, paving the way to a more innovative working environment.

AUG

Ooredoo Kuwait Appoints New Chief Executive Officer

Ooredoo Group announced the appointment of Mr. Abdulaziz Yacoub Al-Babtain as Chief Executive Officer of Ooredoo Kuwait, effective 19 August 2020. Mr. Al-Babtain has more than 20 years' experience in telecommunications and was previously Chief Business Officer at Ooredoo Kuwait.

SEP

Ooredoo Wins 17 Stevie Awards and a Grand Stevie at 17th Annual International Business Awards

Ooredoo was named the winner of 17 Stevie Awards at the 17th Annual International Business Awards (IBAs), taking home three Gold, five Silver and eight Bronze Awards. The Stevie IBAs are held annually to honour the achievements and positive contributions of organisations worldwide. Thanks to the high number of awards won compared to other entrants, Ooredoo Group was awarded a Grand Stevie as part of the Best of the IBA Awards.

Asiacell Iraq's App Becomes Most-Downloaded Telecomms App in Iraq

Following a complete revamp, Asiacell Iraq's customer self-care app was named the most downloaded app by a telecommunications operator in Iraq at the end of Q3, with 2.7 million downloads. The app revamp formed part of the company's digital transformation strategy, enabling customers to perform even more transactions digitally.

OCT

Ooredoo Palestine Launches Self-Care App

Ooredoo Palestine launched the My Ooredoo App, designed to serve as a one-stop shop for customers to access Ooredoo services and manage their accounts digitally, and worked to increase its penetration of the customer base. Continuing its digital transformation, the company also launched new digital care channels including WhatsApp for business and ChatBot for Facebook Messenger, as well as its 24/7 Digital Care centre.

NOV

Ooredoo Qatar Revolutionises Postpaid Mobile Plans

Ooredoo Qatar launched Shahry Me, the first completely digital app-managed postpaid plan that enables customers to design their own postpaid plan based on individual needs. The plan is managed by an app that allows distribution and control of allowances, with up to five numbers managed under one plan.

Ooredoo Group Appoints New Managing Director

Ooredoo announced the appointment of Mr. Aziz Aluthman Fakhroo as Managing Director of Ooredoo Group effective 1 November 2020. Mr. Fakhroo has been a member of the Ooredoo Board of Directors since 2011 and is currently Deputy Undersecretary for Financial Affairs at the Ministry of Finance.

DEC

Ooredoo Group Announces Retirement of Group CEO

Ooredoo announced the retirement of Sheikh Saud Bin Nasser Al Thani, Chief Executive Officer of Ooredoo Group, effective 31 December 2020. Sheikh Saud had been with Ooredoo Group since 1990 in a wide range of senior positions and was one of the key figures in driving the company to new heights of global growth and digital excellence.

Ooredoo Maldives Rolls Out 5G

Ooredoo Maldives announced the commercial launch of its 5G services in the country, with the initial rollout covering a large percentage of the capital city of Malé, including key business hubs, hospitals and public spaces. The company also launched AirFibre, the first 5G-powered home broadband service in the Maldives providing speeds up to ten times faster than those previously available.

Awards and Industry Recognition

Ooredoo Group and its operating companies were recognised throughout 2020 for innovation, digital transformation, corporate social responsibility and organisational excellence, winning accolades at a wide range of prestigious global awards.

These awards reflect the unwavering drive and dedication of the company to uphold the highest of standards, even in the face of challenges such as the COVID-19 pandemic.

Highlights include:

February

- **Middle East Stevie Awards**

  Asiacell: Excellence in Innovation in Technology Industries, Silver winner

  Ooredoo Oman: Innovation in Technology Management, Planning & Implementation, Gold winner

  Ooredoo Oman: Innovative Use of Technology in Customer Service, Gold winner

  Ooredoo Tunisia: Innovation in Customer Service, Gold winner

  Ooredoo Oman: Excellence in Innovation in Technology Industries, Gold winner

- **IR Excellence Programme**

  Ooredoo Qatar: Best CEO

  Ooredoo Qatar: Best CFO

  Ooredoo Qatar: Best Investor Relations Officer

  Ooredoo Qatar: Best Overall IR

  Ooredoo Qatar: Best IR Website

- **Global Brands Magazine Awards**

  Ooredoo Qatar: Best 5G Mobile Network Operator

June

- **Frost & Sullivan Excellence Awards**

  Indosat Ooredoo: Excellence in Contact Centre Experience

  Indosat Ooredoo: Excellence in In-Store Experience

- **Global Brands Magazine Awards**

  Ooredoo Oman - Excellence in Digital Transformation & Innovation

July

- **APAC Stevie Awards**

  Ooredoo Maldives: Innovation in Shopping or E-commerce Apps, Gold winner

  Ooredoo Myanmar: Innovation in General Utility Apps, Bronze winner

  Ooredoo Maldives: Excellence in Innovation in Technology Industries, Silver winner

  Ooredoo Myanmar: Innovation in Community Relations or Public Service Communications, Bronze winner

  Ooredoo Myanmar: Innovation in Human Resources Management, Planning & Practice, Gold winner

  Ooredoo Myanmar: Innovation in Technology Management, Planning & Implementation, Bronze winner

  Ooredoo Maldives: Innovative Use of Technology in Customer Service, Gold winner

  Indosat Ooredoo: Innovative Use of Technology in Customer Service, Bronze winner

August

- **Asia Responsible Enterprise Awards**

  Indosat Ooredoo: Social Empowerment category

September

- **Stevie International Business Awards**

  Ooredoo Group: Grand Stevie Award

  Ooredoo Group: Company of the Year, Bronze winner

  Ooredoo Group: COVID-19 - Most Valuable Corporate Response, Bronze winner

  Ooredoo Qatar: Most Innovative Company of the Year, Gold winner

  Ooredoo Qatar: Technical Innovation of the Year, Silver winner

  Ooredoo Qatar: Telecommunications – Service, Silver winner

  Ooredoo Myanmar: Most Innovative Company of the Year, Silver winner

  Ooredoo Myanmar: COVID-19 - Most Valuable Corporate Response, Bronze winner

  Ooredoo Myanmar: Corporate Social Responsibility Programme of the Year, Bronze winner

  Ooredoo Oman: Corporate Social Responsibility Programme of the Year, Gold winner

  Indosat Ooredoo: Telecommunications – Service, Silver winner

  Ooredoo Kuwait: COVID-19 - Most Valuable Corporate Response, Bronze winner

  Ooredoo Kuwait: Mobile site and app awards for Business, Bronze winner

  Ooredoo Maldives: COVID-19 - Most Valuable Corporate Response, Bronze winner

  Ooredoo Maldives: Company of the Year in Telecommunications, Gold Winner

  Ooredoo Maldives: Most Innovative Company of the Year, Silver winner

  Ooredoo Maldives: Mobile site and app awards for Business, Bronze winner

- **Middle East Investor Relations Association (MEIRA) Awards**

  Ooredoo Group: Leading Corporate for Investor Relations – Qatar

  Ooredoo Group: Best Investor Relations Professional – Qatar

October

- **Stevie Women in Business**

  Ooredoo Maldives: Female Executive of the Year - Consumer Services - 11 to 2,500 Employees, Bronze winner

November

- **MENA Digital Awards**

  Ooredoo Oman: Best Application (Mobile/Tablet), Silver winner

  Ooredoo Kuwait: Best Application (Mobile/Tablet), Gold winner

- **Plug and Play Winter Summit 2020**

  Ooredoo Qatar: Internet of Things Excellence winner

December

- **MoneyGram Awards**

  Ooredoo Qatar: Global Partner of the Year

  Ooredoo Qatar: Digital Partner of the Year

Building leadership through digital diversity

Our balanced portfolio of operations, which includes mature markets such as Qatar, Oman and Kuwait as well as pioneer markets such as Indonesia, Iraq and Myanmar, worked as one in 2020 to support our customers through challenging times. Robust networks ensured that communities stayed connected, while our diverse digital channels kept customers informed, educated and entertained.

Ooredoo Qatar

“In a challenging year, I am exceptionally proud of how our organisation has been able to respond. We did not let the unprecedented conditions steer our digital vision off course; instead, we continued to develop our ambitious goal of providing a ground-breaking 5G network, rolling out yet further expansion in keeping with the innovative drive of Qatar National Vision 2030.”

Mohammed bin Abdulla Al Thani

CEO
Ooredoo Qatar

Overview

Ooredoo Qatar successfully navigated the COVID-19 pandemic while prioritising the health and safety of its employees and ensuring uninterrupted service for its customers. The company remained committed to its digital transformation strategy despite the challenges, expanding its 5G network and enhancing its product offering. It also supported the wider community during this difficult period.

Strong progress was made with its digital transformation strategy, as the company launched several new initiatives with the aim of creating an unrivalled customer experience across all its touchpoints and product offerings. Ooredoo Qatar upgraded its IT stack, enabling rapid time-to-market for new services and a seamless customer experience. Its technology initiatives were complemented by a cultural transformation to drive innovation and better serve the needs of tomorrow.

Ooredoo Qatar formed a number of new partnerships to deepen and expand its capabilities and meet the evolving needs of Qatar. The company partnered with VMWare to support the Ministry of Education and Higher Education’s digital transformation and to enhance its e-learning capabilities. Furthermore, Ooredoo Qatar was officially confirmed as a Microsoft Gold partner, and its partnership with Cisco Meraki enabled it to provide Business EDGE solutions to its enterprise customers across the country.

In 2020 Ooredoo Qatar’s 5G coverage extended to 93% of the population and its fibre network was expanded into newly developed areas. The company also modernised its mobile core network and IGW, and has been commissioned to provide network solutions for the Qrail and Lusail metro services.

To better serve its customers in the digital age and through the pandemic, Ooredoo Qatar launched an entirely digital mobile experience, Shahry Me; an app that allows customers to create and manage their own plans directly from their mobile devices. Similarly, Ooredoo Money, which offers a safe and convenient way to transfer money, continued to gain in popularity.

The company delivered high-quality digital content to its customers by becoming the first to launch Netflix, Apple TV and OSN/Disney+ in Qatar. Its Ooredoo ONE triple play offer - a bundled proposition of voice, internet and TV along with the state-of-the-art Orbi mesh technology access point - continues to be a great success, surpassing 500K registered users.

Ooredoo Qatar’s leadership of the business market was supported by the launch of several new products and services, including global connectivity services to support the Qatar Digital Economy by providing direct access to European data centres and IoT connect, and monitoring services to oversee all network connections in real time and track water and energy usage. The company also launched Quad Play, Business EDGE and vehicle tracking services.

Ooredoo Qatar’s results for 2020 were impacted by the COVID-19 pandemic, as consumption patterns changed during the movement restrictions and subdued international travel impacted roaming revenues. The company reported revenues of QR 7.1 billion in 2020, down 3% compared to the previous year. EBITDA for the year was QR 3.7 billion (2019: QR 4 billion) and EBITDA margins maintained at 52%, supported by a raft of cost optimisation initiatives including franchising shops, re-negotiating major content deals and an increased focus on digitalisation.

Ooredoo Qatar’s priorities during the pandemic were the health and safety of its people and ensuring seamless service for its customers in order to keep Qatar connected during this unprecedented period. The actions it took to support the community through the pandemic were recognised in an Ipsos poll, which identified Ooredoo Qatar as amongst the 10 most supportive brands in Qatar during the pandemic.

Ooredoo Qatar designed a number of offers and schemes to help alleviate some of the impact of the pandemic; doubling data allowances for prepaid and postpaid mobile customers, offering Ooredoo ONE customers free upgrades to higher internet speeds, and offering Business customers free speed boosts and increased bandwidth as well as free trials of Cisco’s work-from-home products. Ooredoo Qatar sought to support the wider community through the pandemic by educating community members on preventive measures and supporting the most vulnerable members of society. Ooredoo Qatar teamed up with leading influencers to deliver a sustained campaign on the importance of face masks, hygiene, social distancing and other measures. The company also supported frontline workers by providing employees of key Government Ministries with 100GB of free data and 10,000 local minutes.

Future Outlook

Ooredoo Qatar will continue to embrace technology and support the Qatar National Vision 2030. 5G and its myriad use cases will remain a key driver of the company’s ongoing success, as it adopts the latest technology to become a truly digital player.

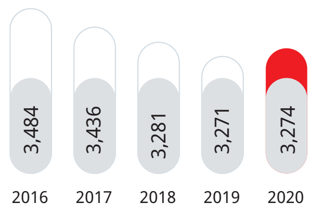
Ooredoo Qatar has developed a differentiated product offering that encompasses the entire communications needs of its customers. Going forward, the company’s product mix - which brings together home entertainment, mobile and fixed line services - will enable it to monetise greater convergence of fixed and mobile services.

Ooredoo Qatar’s cutting-edge digital platforms, complemented by its world-class and ever improving network, will enable the company to retain customers for the long-term and create opportunities to increase customer lifetime value and grow ARPUs.

Total customers

In thousands

3,274



Financial performance

	2016	2017	2018	2019	2020
Revenue QR millions	8,007	7,791	7,742	7,301	7,073
EBITDA QR millions	4,050	3,916	3,987	3,957	3,696
EBITDA margin	51%	50%	52%	54%	52%
Blended ARPU* QR	120.9	112.8	114.3	107.4	90.2
Employees	1,530	1,490	1,362	1,303	1,217

* Blended ARPU is for the three months ending 31 December.

Operator share of Group

Indosat Ooredoo

“In 2020 Indosat Ooredoo was the fastest-growing company in the Indonesian telecoms sector. We strengthened our network and simplified our customer experience, whilst making every effort to support Indonesia in the fight against the COVID-19 pandemic. Our focus was on the health and safety of our people and the communities in which we operate. We supported distance learning with free data, and distributed masks and sanitiser to COVID-19 red zones. At the same time, we launched several new services for our customers and strengthened our B2B business to drive long-term value creation.”

Ahmad Abdulaziz Al Neama

CEO
Indosat Ooredoo

Overview

Indosat Ooredoo continued on its transformation journey, focusing on digitalisation and simplifying its consumer experience, which, despite the challenges brought on by the global pandemic, contributed to it becoming the fastest-growing company in the Indonesian telecoms sector in 2020. Throughout the crisis, Indosat Ooredoo maintained an unwavering focus on the health and wellbeing of its employees and customers, in addition to supporting the government with its initiatives to mitigate the pandemic's health and economic impact on the country.

In line with its strategy to transform the customer user experience, Indosat Ooredoo entered into several new partnerships to create a more engaging proposition. This included partnering with Google to bring in Myim3 on Google Assistant, enabling customers to digitally manage their accounts by voice, creating an entirely new way for the company to interact with customers. Similarly, the company also partnered with Facebook to bring its AI bot to WhatsApp, expanding its existing digital channels.
Indosat Ooredoo identified eight focus areas to bring simplicity to its product offering, aligned with its objective of providing customers with a Simple & Easy, Hassle & Worry-Free, Smart & Intuitive and Secure & Transparent user experience. The implementation of these initiatives has resulted in significant improvements to the company's customer satisfaction scores, with Indosat Ooredoo's Product Simplicity CSAT increasing 43% and its Product Transparency CSAT increasing 44%, contributing to the company's stellar growth during the year.
The B2B segment remains a key engine for Indosat Ooredoo's long-term growth as the company concentrates its effort on next-generation solutions such as smart cities and hybrid cloud services.
In 2020, Indosat Ooredoo expanded and enhanced its product offering through partnerships including collaborating with NetFoundry to offer Network as a Service (NaaS) solutions to its clients. These initiatives have enabled the company to secure several marquee contracts; key highlights include building a unified data centre for the largest oil company in Indonesia, in addition to the provision of managed services for five years as well as an Alibaba cloud migration project for Garuda Indonesia. Indosat Ooredoo was recognised for its 'Corporate Excellence in the Telecommunications & ICT Industry' at the Asia Pacific Enterprise Awards (APEA) 2020.

Indosat Ooredoo reported a robust set of results as it grew its top line whilst carefully managing its cost base. The company's revenues increased 4% to QR 7 billion compared to the same period last year, supported by solid data revenue performance, a testament to its improved network quality and simplified product offering. EBITDA grew to QR 3.2 billion, up 11% compared to the same period last year as the company maintained its cost discipline without compromising the quality of its offering. Indosat Ooredoo's customer base increased 2% to 60 million, driven by the company's extensive digital offerings.

With responsibility at the heart of Indosat Ooredoo's DNA, the company undertook a number of initiatives to support Indonesia through the COVID-19 pandemic. First and foremost, it ensured the health and wellbeing of its employees, becoming one of the first companies in Indonesia to institute a work from home policy in addition to initiating strict sanitation protocols across all its offices. Customers were supported through these challenging times with free SIM deliveries, enabling them to stay connected in a safe and socially distant manner. Indosat Ooredoo recognises the importance of education in empowering the next generation of leaders, and in order to support learners throughout the pandemic customers were given 30GB of free data to access online education from 60 universities. The company also launched educational packs offering discounts of up to 50% to enrol in educational platforms, and supported universities during these unprecedented times by providing free additional bandwidth capacity to accommodate lectures.

The company contributed to the broader community by distributing masks in COVID-19 red zones, as well as working with the government to distribute hand sanitiser to affected areas. Indosat Ooredoo's commitment to the community was recognised by the MORS Group as one of the 'Top Community Care Companies in Asia' at the Asia Corporate Excellence & Sustainability (ACES) Awards 2020.

Future Outlook

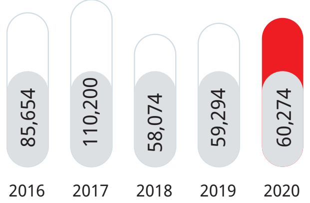
Indonesia remains a rapidly growing economy with a large population and an expanding middle class. In 2021 Indosat Ooredoo will continue to build on the success of its current strategy and focus on bringing a superior network experience complemented by an offering

that is relevant and affordable to its customers. An increasing demand for video streaming services on mobile devices presents a significant opportunity for Indosat Ooredoo drive data growth by investing in its network to offer a superior streaming experience.
Indosat Ooredoo will also further expand its B2B offering, utilising its existing platforms and core capabilities as it captures an increasing share of this growing segment. This will be a key engine for long-term growth whilst also providing diversification opportunities.

Total customers

In thousands

60,274



Financial performance

	2016	2017	2018	2019	2020
Revenue QR millions	7,994	8,145	5,919	6,728	6,983
EBITDA QR millions	3,724	3,728	1,969	2,899	3,205
EBITDA margin	47%	46%	33%	43%	46%
Blended ARPU* QR	6.7	5.0	6.1	7.3	8.3
Employees	4,421	4,391	3,700	3,708	3,104

* Blended ARPU is for the three months ending 31 December.

Operator share of Group

Ooredoo Kuwait

Despite the challenges of 2020, Ooredoo Kuwait reaffirmed its leadership position in the market, by expanding 5G coverage nationwide, enhancing our digital sales platforms, supporting customers with special offers and free services during the pandemic under the theme 'Stay safe! Stay home! Stay online!' and providing e-learning platforms allowing students across the country to continue their education."

Abdulaziz Yacoub Al-Babtain

CEO
Ooredoo Kuwait

Overview

Building on the success of previous years, Ooredoo Kuwait continued its 5G commercial rollout in 2020, reaching nationwide coverage, in line with the company's vision of empowering Kuwait's society by driving digital transformation and enriching people's digital lives. Ooredoo Kuwait was quick to react to the needs of customers during the pandemic and ensured the provision of uninterrupted connectivity services. As data usage increased more than calls, the company optimised its network and converted 2G and 3G networks to 4G to give more capacity to users. In addition, Ooredoo was the first to provide customers with the highest 5G internet speeds in Kuwait and witnessed an increase in market share to 36%.

Ooredoo Kuwait leveraged its profound digital expertise to enhance customer experience, retain customers and capture growth in a highly mature market through innovative and value-adding products. An example of such a product launched in 2020 is 'Shamel Pro', which offers customers unlimited benefits including non-stop 5G internet, calls, roaming internet and gift vouchers which enable them to stream the latest content such as music, video, and gaming services.

With enhanced services and self-care features rolled out to support the rapid digital adoption driven by the pandemic, the company saw a significant surge in digital sales and digital care. As a result, 'My Ooredoo App' reached one million monthly active users, and 'ANA', the award-winning digital mobile experience, increased its active base to four times its size in 2019. Digital sales across all company platforms increased fifteen-fold in 2020 compared to 2019, with 60% of bill payments and 40% of recharging transactions carried online.

Ooredoo Kuwait made good progress with its B2B strategy, starting with a revamp of its B2B website, and the launch of the first B2B e-shop in the country. Growth in the B2B segment was driven by the company's expanding ICT product offering, as well as enhanced business continuity solutions and remote work solutions. During 2020, the company signed partnerships to expand its ICT portfolio with companies such as Nutanix, Citrix, Batelco, and HPE. Among the new ICT solutions launched were Desktop as a service, Web Application Firewall and Virtual Desktop Infrastructure. During 2020, Ooredoo Kuwait B2B marked the milestone of 1,000 completed data centre operations with zero downtime.

The Covid-19 pandemic changed people's personal and work lives, with digital solutions being the main enabler of continuity of connection. Ooredoo Kuwait supported its employees, customers and the country through targeted campaigns and services. To support the efforts of workers in ministries and governmental organisations, Ooredoo offered special benefits such as 5GB of free data per day and unlimited local calls. For Covid-19 patients under quarantine and the medical staff treating them, Ooredoo Kuwait provided free SIMS and other gifts to quarantine centres in the country.

For students, Ooredoo Kuwait launched the 'Edunation' - a new-age e-learning platform, and the first of its kind in the country - to support schools and students in an unprecedented digital education environment.

For customers, Ooredoo Kuwait launched the 'Free minutes and internet, on us' campaign, activated as part of the company's efforts to support customers during the pandemic. Ooredoo Kuwait offered special free offers to help all customers stay connected at all times with the tagline 'Stay safe! Stay home! Stay online!'.

For enterprises and organisations, Ooredoo Kuwait offered efficient solutions to assist the implementation of working from home with a reliable, fast and stable connectivity which was critical for business continuity.

The company was recognised with several awards for its achievements to date, including the Stevie International Business Awards for the 'Most Valuable Corporate Responsive Award 2020' and 'CSR of the year 2020' for the Covid-19 response; the Telecom Review Award for the 'Best Rewards Award 2020' for the Nojoom Loyalty Programme; and the Digital Mena Award for 'Best App of the Year 2020' for My Ooredoo App.

Financially, Ooredoo Kuwait was impacted by the pandemic and resulting weakness in economic activity and consumer spending habits. Ooredoo Kuwait reported revenues of QR 2.5 billion for 2020, down 10% compared to the same period last year, due to softening macroeconomic conditions as a result of the COVID-19 pandemic as well as intense market competition. EBITDA for the period was QR 617 million, down 29% compared to the same period in 2019, due to the reduction in revenues. The company made good progress with the implementation of its cost-optimisation plans and was successful in absorbing some of the pressure on the top line.

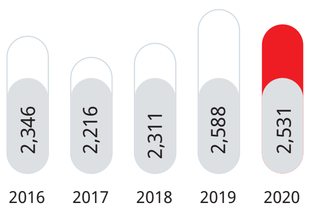
Outlook

The acceleration in adoption of digital services and products will continue in 2021, and Ooredoo Kuwait will focus on increasing the contribution from digital services and adjacent revenue streams. Demand for new Internet of Things applications and solutions will continue to soar, largely being driven by healthcare, smart offices, remote asset monitoring, and location-based services. Monetisation of 5G and cost optimisation will remain key company priorities for next year.

Total customers

In thousands

2,531



Financial performance

	2016	2017	2018	2019	2020
Revenue QR millions	2,382	2,675	2,905	2,772	2,492
EBITDA QR millions	614	652	662	867	617
EBITDA margin	26%	24%	23%	31%	25%
Blended ARPU* QR	66.5	72.7	68.8	58.5	59.3
Employees	1,018	1,140	1,225	1,132	1,363

* Blended ARPU is for the three months ending 31 December.

Operator share of Group

Ooredoo Oman

"Thanks to our digital leadership, Ooredoo Oman was well prepared to service the increase in data demand during the pandemic in 2020. Additionally, I am very proud of my team for launching 5G this year, especially during the lockdown, and we have ambitious rollout plans. We are strengthening our commitment to enrich our customers' digital lives, and to contribute to the economic and social prosperity of Oman by transforming consumer and business experiences through 5G-enabled technology."

Ian Dench

CEO
Ooredoo Oman

Overview

During 2020, Ooredoo Oman expanded its network, launched 5G services for consumers and businesses and provided 24/7 digital access and support for customers, enabling the country to remain connected during the pandemic and lockdown.

Following the introduction of 5G home plans in April 2020, several areas across the country were covered during the year, including Muscat, Al Batinah, Al Wusta, Ash Sharqiyah, Ad Dakhliyah, Ad Dhahriah and Dhofar, with more areas to be added in 2021. Additionally, Ooredoo Oman launched Internet Professional 5G business plans featuring a wide range of benefits - including speeds of up to 50Mbps, unlimited bandwidth, flexible contract terms and more - to an increasing number of companies across the Sultanate.

The pandemic accelerated Oman's digital transformation agenda in 2020. Thanks to Ooredoo Oman's resilience and adaptability, the company continued operations and provided customers with uninterrupted connectivity and service through the Contact Centre, eShop, eCare and other digital channels available 24/7. Interactions over digital channels doubled from Q1 2020 to Q3/Q4 2020.
Through Ooredoo Oman's award-winning app, customers were able to pay bills, recharge, subscribe to plans and utilise new digital services such as updating IDs, ordering products and services and raising and tracking trouble tickets and complaints. App recharges and bill payment transactions doubled in frequency from Q1 2020 to Q3 2020. Communication through social media channels also increased, and in particular over WhatsApp, where customers could place orders and raise queries, with several languages supported. Through the eShop, customers benefited from multiple services with home delivery anywhere in the Sultanate.
Ooredoo Oman also upgraded services available to business customers through its dedicated B2B digital channels. At the end of 2020, more than 40% of business customers were using the B2B mobile app, and the number of users on digital channels increased by 53% compared to 2019.
A highlight for 2020 was the introduction of the pay+ mobile wallet, which is a leading product in the Sultanate's evolving payment ecosystem intended to ensure that customers' lives remain simple, convenient and more importantly, digital. Since the onset of the pandemic, Ooredoo Oman has provided customers with free international remittance on the pay+ mobile wallet.

Another key customer-focused initiative was the revamp of Ooredoo Oman's postpaid portfolio featuring the introduction of contract-free digital plans with endless data, thereby eliminating two key customer pain points. This resulted in a two-fold increase in the consumer postpaid base in less than one year, and a 10% increase in customer market share. Ooredoo Oman also launched more entertainment services, such as STARZ PLAY, Google and Apple. This area grew by 200%+ compared to the year 2019.

During 2020, Ooredoo Oman secured important regulatory approvals to ensure its continued business success in the Sultanate. Ooredoo Oman's license to provide mobile telecoms services was renewed on 28 February 2020, and extended for a period of 15 years, through a Royal Decree following approval from the Telecommunications Regulatory Authority.

On 28 October 2020, data2cloud - an Ooredoo Oman subsidiary - received cloud certification from the Ministry of Transport, Communications and IT. This allows all government entities to host data with Ooredoo Oman, enabling the company to scale up this offering in the future. Capitalising on the capabilities of data2cloud, Ooredoo Business introduced new products and services within the ICT domain. These products include cloud services, video conferencing, email collaboration suite, cloud storage and contact centre solutions.

Financially, Ooredoo Oman was impacted negatively by the pandemic, with a weaker business environment and a shrinking expat market. Revenues declined 7% to QR 2.5 billion compared to the same period last year, due to a reduction in mobile revenues. Consequently, EBITDA for the period declined 10% to QR 1.3 billion compared to the same period last year. However, the company's cash position remains strong, with a good balance sheet and adequate liquidity position.

Ooredoo Oman supported employees, customers and communities during the pandemic. For employees, work from home initiatives were rolled out, and strict health and safety protocols were implemented across all office areas and shops. For students, Ooredoo Oman - in co-operation with the Ministry of Education - donated laptops and provided access to an online education portal and app-based learning solution through its enhanced digital tutorial app. For customers, Ooredoo Oman launched a number of offers, discounts and free benefits during the lockdown period, including free calls, extra data, faster speeds and a number of free add-ons. The company also provided free access to educational websites.

In 2020, Ooredoo Oman was recognised globally for its achievements and won several accolades, including Best Place to Work and Best Mobile App at the Global Economic Awards; Excellence in Digital Transformation & Innovation - Telecom Industry by Global Brands Magazine Awards; the Best Telecommunications Company and Most Innovative Digital Communications Provider by International Business Magazine Awards; and Innovation in Technology Management, Planning & Implementation - digital transformation and Innovative Use of Technology in Customer Service - Ooredoo App by Stevie Awards Middle East.

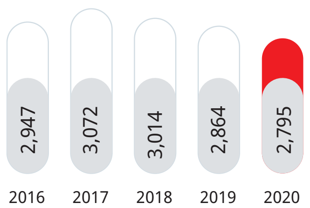
Outlook

Ooredoo Oman is committed to continuing the positive developments that have been seen throughout 2020 despite the pandemic and using them as building blocks for a world beyond COVID-19. This means not only strengthening the company's commitment to enriching customers' digital lives, but also expanding its contribution to the economic and social prosperity of Oman.
In 2021, demand for digital services will accelerate and Ooredoo Oman will maintain its strong market position thanks to its strong network, superior customer experience, an award-winning app and the best digital products and services in the Sultanate.

Total customers

In thousands

2,795



Financial performance

	2016	2017	2018	2019	2020
Revenue QR millions	2,639	2,670	2,685	2,703	2,509
EBITDA QR millions	1,404	1,429	1,463	1,490	1,341
EBITDA margin	53%	54%	54%	55%	53%
Blended ARPU* QR	66.6	62.6	60.1	54.7	50.4
Employees	1,056	1,044	968	1,022	983

* Blended ARPU is for the three months ending 31 December.

Operator share of Group

Asiacell Iraq

> **In 2020 we prepared our network for the launch of 4G as we look forward to entering a new stage in the evolution of Iraq's telecommunications landscape. We also accelerated our digital transformation strategy to provide our customers with seamless connectivity and service in the midst of the COVID-19 pandemic and supported the country through a number of initiatives to mitigate its impact. I extend my sincere thanks to the entire Asiacell Iraq team for their support and commitment."**

Amer Al Sunna

CEO
Asiacell Iraq

Overview

Asiacell Iraq made great strides with its digital transformation strategy and continued to play a significant role in Iraq's infrastructure development and modernisation. The company's contribution to the digital ecosystem of country was made evident during the COVID-19 pandemic, as it played a vital role in keeping people connected whilst promoting social distancing. The key priorities of Asiacell Iraq were the health and safety of its people and supporting the nation through this challenging period.

Driven by a need to offer a safe and convenient service during the pandemic, Asiacell Iraq accelerated its digital transformation programme in 2020. At the core of its programme is the customer experience and making it easier for customers to find, buy and use Asiacell Iraq's services digitally. The company adopted an omnichannel strategy, enabling customers to explore and purchase its products through both online and mobile channels as well as from its retail network. This was supported by the launch of its online store and the revamped Asiacell Iraq app, which became the most downloaded app by a telecoms operator in Iraq, with more than 2.7 million downloads by the third quarter of 2020. To facilitate social distancing during the pandemic, Asiacell Iraq's online experience was supplemented with home deliveries of SIM and scratch cards through its mobile buses.

Setting the stage for a new era of connectivity in Iraq, Asiacell Iraq began deploying its 4G infrastructure across the country in preparation for launch in January 2021. 4G is expected to transform the telecommunications landscape in Iraq, enabling the company to drive an increase in mobile data usage whilst offering new and exciting products to the market. The company also invested in improving its network reliability in order to offer its customers uninterrupted connectivity, including deploying nine new internet gateways and rolling out 1,100 kilometres of metro fibre in 15 major cities across the country.
As the economic landscape of Iraq continued to evolve, Asiacell Iraq positioned itself as a partner of choice of enterprise ICT and cyber-security solutions. The company enhanced its B2B capabilities by upgrading four of its data centres and deploying tier 3 data centre certifications, at two of its locations in Erbil and Sulayminya, becoming the first company in Iraq to do so. Asiacell Iraq remains a key enabler of Iraq's digital economy, providing a world-class network and infrastructure to connect local businesses to the global economy.

Movement restrictions designed to stem the spread of the COVID-19 pandemic impacted Asiacell Iraq's results, as consumer behaviour shifted and the economic slowdown resulted in reduced spending.

The company reported revenues of QR 4 billion in 2020, down 12% compared to the same period last year. EBITDA was down 13% to QR 1.8 billion. Cost optimisation initiatives, including the digitisation of manual processes across the customer life cycle, helped mitigate the impact and maintain the company's EBITDA margin at 44% in 2020.

In response to the COVID-19 pandemic, Asiacell Iraq's priority was the health and wellbeing of its people. The company initiated a work from home policy and reorganised its premises to maintain compliance with social distancing protocols. For its customers, several new offers were launched to help keep them connected through these challenging times, including offering free data during Ramadan and extended bill payment cycles for post-paid customers as well as doubling the quota on emergency credit. As a responsible business and an integral part of the community, Asiacell Iraq - in conjunction with the Civil Defence Directorate - undertook a campaign to sanitise public spaces in the Karbala governorate to reduce the spread COVID-19. The company also partnered with the Iraqi Red Crescent to distribute masks and hand sanitiser to final year students before their exams. Additionally, donations were made to the government to help support their efforts against the pandemic.

Future Outlook

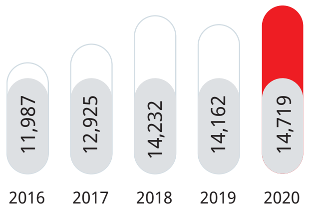
Asiacell Iraq will continue to leverage its market-leading infrastructure to offer its customers an unparalleled level of

service, as it lays the groundwork for the future of connectivity in Iraq with the launch of 4G. 4G is expected to bring a raft of new opportunities for Asiacell Iraq to drive data consumption and monetise its network. The company will continue the deployment of its digitalisation strategy, which will deliver value through both cost efficiencies and a better customer experience as well as developing its B2B segment to serve the country's growing enterprise needs.

Total customers

In thousands

14,719



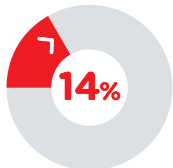
Financial performance

	2016	2017	2018	2019	2020
Revenue QR millions	4,217	4,490	4,449	4,572	4,020
EBITDA QR millions	1,923	1,982	2,093	2,040	1,765
EBITDA margin	46%	44%	47%	45%	44%
Blended ARPU* QR	30.3	29.9	26.8	29.2	22.3
Employees	2,747	2,773	2,832	3,167	2,833

* Blended ARPU is for the three months ending 31 December.

Operator share of Group

Customers



Revenue

EBITDA

CapEx

Ooredoo Algeria

“With a growing digital ecosystem, strong network and exceptional customer experience, Ooredoo Algeria capitalised on these advantages during 2020 to overcome the challenges brought by the pandemic. We continued to provide high data speed and connectivity to our loyal customer base, and launched innovative products and services. I would like to thank all staff working at Ooredoo Algeria for their hard work, dedication and commitment during these exceptional circumstances.”

Bassam Al Ibrahim

CEO
Ooredoo Algeria

Overview

Similar to other countries around the world, Algeria was impacted by the pandemic, subsequent lockdowns and economic slowdown. The situation accelerated the country’s digital transformation, though, with more people needing more access to data and digital services throughout the country.

Ooredoo Algeria prioritised its digital action plan and focused on four specific elements. Firstly, the company launched targeted marketing campaigns to help customers find Ooredoo products and offers online and to facilitate a shopping experience from the safety of their homes. Secondly, the company focused on developing and driving digital sales. The third element was digital care, through the upgrade of all self-care and digital channels, with new features on the mobile app facilitating payments and new purchases. The fourth element was new business and partnerships, through which Ooredoo Algeria is well-positioned to capture top-line opportunities that are adjacent to the core telco proposition and add new revenue streams.

Simultaneously, the company continued to provide customers with innovative solutions and services, in a very competitive market. In 2020, Ooredoo Algeria launched a new digital offer portfolio, entitled ‘Dima Ooredoo’, which includes Anaflix and Anazik streaming services for movies and music, featuring Western, Eastern and Algerian content. This has reinforced Ooredoo Algeria’s digital leadership and enabled it to better monetise content.

Another key initiative in 2020 was to give customers more flexibility under the new concept of ‘Take control’ to activate or deactivate, renew and convert monthly plans. This new concept was also deployed for B2B customers through the new offer ‘Elite’, by providing them with the option to choose and change their packages each month. Additionally, through the new ‘Data Share Pro’ offer, enterprise customers can share a large volume of data (up to 1TB) from a Master SIM to several employee SIMs.

To sustain the increase in data usage, and offer customers the best user experience possible, Ooredoo Algeria continued its investment in network upgrades and modernisation throughout 2020. The company accelerated 4G LTE rollout to 209 sites nationwide and increased transmission capacity by 10% across 20 Wilayas.

Beyond the provision of connectivity services, growing online shopping remained one of the most important innovations for Algerian customers.

In regard to the company’s response to the pandemic, the first priority was to ensure the health and safety of its employees. In March 2020, Ooredoo Algeria set up a teleworking procedure, allowing the majority of employees to work from home, with adequate technical support and assistance to make the switch to remote working as efficiently as possible.

Several measures were taken to minimise impact on customer experience, with the call centre and direct sales team providing continuity of service throughout the crisis period. Health and safety procedures were implemented for all staff operating from the office, in the shops or deployed in the field. Ooredoo’s procurement team succeeded in supplying staff with adequate means of protection despite the scarcity of these resources in the market at the onset of the public health crisis. Corporate social responsibility initiatives during 2020 were targeted at communities most impacted by the pandemic. In co-operation with the Algerian Red Crescent, the company helped to distribute hygiene kits, disinfection products and sanitary measure awareness material as well as collecting DZD 27 million for the organisation. Similar solidarity and awareness campaigns were also organised with the Algerian Muslim Scouts across the country. Additionally, DZD 15 million was donated to the Health Ministry to support efforts to fight the pandemic and 150 lines were granted to COVID-19 unit workers from the same sector. Ooredoo Algeria also launched a health protection campaign across TVC and digital channels, and promoted educational content and an e-learning platform.

Financially, Ooredoo Algeria was negatively impacted by the pandemic, especially during the first half of the year. Revenue declined to QR 2.3 billion in 2020, down 10% compared to 2019, partially due to the pandemic and the overall telecom market decline. Net profit was QR 1.8 million and CapEx was QR 538 million. In terms of revenue market share, Ooredoo Algeria occupied second place in the country, with 33% revenue market share.

Outlook

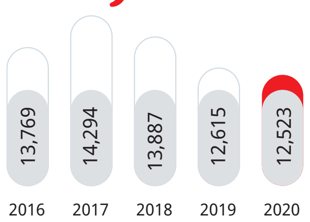
2020 accelerated Algeria’s digital transformation. New behaviours like e-commerce, online learning and

teleworking were quickly adopted by all Algerians, and 2021 will likely see a continuation of these trends. Digital services are expected to become an increasingly important source of revenue generation for the company; Ooredoo Algeria is well-placed to capture growth opportunities in the digital ecosystem, and will continue to provide customers with innovative services and products, while focusing on data monetisation and sales digitalisation.

Total customers

In thousands

12,523



Financial performance

	2016	2017	2018	2019	2020
Revenue QR millions	3,732	3,422	2,760	2,501	2,256
EBITDA QR millions	1,308	1,506	1,029	867	744
EBITDA margin	35%	44%	37%	35%	33%
Blended ARPU* QR	21.2	18.2	15.5	15.5	15.2
Employees	2,830	2,785	2,807	2,895	2,955

* Blended ARPU is for the three months ending 31 December.

Operator share of Group

Ooredoo Tunisia

2020 was a year of strategic progress, customer focus and community support for Ooredoo Tunisia. We demonstrated resilience and agility in overcoming the challenges of the COVID-19 pandemic and provided support to the Tunisian government to ensure the continuity of critical services and sectors for the health and wellbeing of the Tunisian people. As a result of the determination, dedication and diligence of our entire workforce through this unprecedented period, we have reaffirmed our leadership position in the Tunisian telecoms industry, strengthened ties with all our valued stakeholders and positioned Ooredoo Tunisia for sustainable growth in the years ahead."

Mansoor Rashid Al-Khater

CEO
Ooredoo Tunisia

Overview

During 2020, Ooredoo Tunisia solidified its position as the number one telecommunications operator by market share, network speed and customer service, while demonstrating the critical role it plays in the nation's digital infrastructure and social fabric. In the face of unprecedented health and economic conditions resulting from the COVID-19 pandemic, the company retained over 43% of the total Tunisian mobile market.

Ooredoo Tunisia's FILAALELI Strategy, launched in early 2020, aims to build on the company's strengths and accelerate growth through 15 strategic programmes in three categories; Drivers, Enablers and Transformation. In particular, it focused on consumer market leadership, distribution excellence, customer centricity, extending 4G leadership and B2B transformation during the year. In line with this strategic focus, customer-centric initiatives throughout the year sought to improve the customer journey across all channels and enhance customer satisfaction, ultimately fostering deeper customer relationships and increasing Ooredoo's brand equity in Tunisia. In recognition of the company's focus and dedication to customer excellence, it was honoured with the 'Best Customer Service 2021 – Telecommunications Sector' Award.

Ooredoo continued its network dominance by registering the fastest 4G mobile data speeds in the nation and maintained its commitment to continuous digital transformation with the number of digital consumer touchpoints growing at an accelerated pace throughout the year. Digital channels were optimised, and a range of new digital products and services were introduced to bolster the company's web and mobile proposition. In the consumer segment, the company ensured continuous access to services, with enhanced digital channels, new data bundles and more fixed connection options for a better home experience. It solidified its leadership in the gaming and Video on Demand (VoD) markets with the exclusive launch of 'Free Fire' and strategic partnerships with BeIN and OSN.

Ooredoo Tunisia's strategic response to the COVID-19 crisis consisted of six pillars – People, Operations, Media, Digital, Government and CSR – with a range of initiatives within each pillar. A crisis committee was formed, which held regular meetings through year-end to determine the best course of action for all stakeholders.

In line with government guidelines, the company mobilised quickly in the early days of the pandemic, enabling the majority of its employees to work from home, while ensuring they had the necessary technologies and support. These swift actions protected the health and safety of employees and customers, while ensuring business continuity and avoiding service disruptions. With the second wave in September, Ooredoo again responded swiftly and protected the health and safety of its employees and customers, by introducing health protocols in all its shops, increasing sanitation procedures and enabling obligatory use of masks and social distancing.

The company's proactive response to COVID-19 served to minimise the negative impact of the pandemic on its financial performance. Overall revenue increased 3% to QR 1.5 billion in 2020 compared to 2019, despite the absence of the tourism season and reduced wholesale activity following the implementation of government measures to control the spread of the virus. EBITDA was down 5% to QR 650 million compared to last year, due to reduced service revenue and higher operating expenses.

As a concerned and responsible corporate citizen, Ooredoo worked closely with the government and other partners throughout the year on a range of new and ongoing CSR initiatives. To help Tunisia in its fight against the spread and impact of COVID-19, Ooredoo supported the Tunisian government, including the Ministries of Health, Education and Telecommunications, with a range of critical response initiatives. It also provided free internet and data access for hospitals, universities and other selected customer segments; issued continuous health and safety awareness messages across a range of communications channels; and donated TND 800,000 (QR 1 million) to the 1818 Fund to fight the pandemic.

Future Outlook

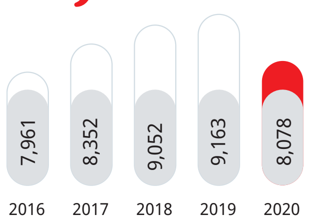
Looking ahead, Ooredoo Tunisia will seek to build on its leading market share and customer experience by continuing its digital transformation, introducing new value-added products and services, pushing the limits of network speed and quality and developing new opportunities and partnerships for greater impact and engagement with government, customers and the community.

It will look to achieve leadership in all governorates while enhancing its focus on the youth segment by launching an innovative digital-only brand. By revamping its eCommerce proposition with best-in-class solutions, seamless user experience and convergent offers, Ooredoo Tunisia will take a significant leap towards its ultimate ambition of becoming the first operator in the country to launch a dynamic digital marketplace and establish itself as Tunisia's operator of the future.

Total customers

In thousands

8,078



Financial performance

	2016	2017	2018	2019	2020
Revenue QR millions	1,714	1,530	1,526	1,476	1,516
EBITDA QR millions	686	606	595	682	650
EBITDA margin	40%	40%	39%	46%	43%
Blended ARPU* QR	14.0	11.9	12.3	11.2	12.5
Employees	1,613	1,600	1,585	1,560	1,591

* Blended ARPU is for the three months ending 31 December.

Operator share of Group

Ooredoo Myanmar

"2020 was an unprecedented and challenging year but thanks to Ooredoo Myanmar's network resilience, superior distribution, innovative products and digital leadership, we maintained our strategic direction and outperformed the competition. As Myanmar's leading digital enabler, we not only played a crucial role in keeping the country connected during these difficult times, but also supported the fight against the virus through various CSR initiatives. As the shift towards eCommerce and online lifestyles continue to be transformative forces for our society and business, our focus remains on providing innovative mobile financial services and enterprise business solutions to enable digital transformation and enrich the digital lives of our customers throughout the nation."

Rajeev Sethi

CEO
Ooredoo Myanmar

Overview

During 2020, Ooredoo Myanmar came together with its partners, the government and the wider community to minimise and mitigate the impact of COVID-19 across the nation. The resilience of the business became evident as the company acted quickly to overcome health, safety and security challenges. It also demonstrated innovation and agility in capitalising on opportunities that accelerated during the year in consumer digital content, streaming services, online gaming, eCommerce and other digital services, as well as enterprise demand reliable connectivity, ePayments and cybersecurity.
Throughout the year, Ooredoo Myanmar continued to invest in its market leading network, with LTE now covering over 93% of the population following the nationwide 4G LTE Turbo launch. Fiberisation expansion grew to 1,500 sites nationwide and modernisation of its enterprise data warehouse continued in line with plans for completion in 2021. Ooredoo Myanmar also accelerated its digital transformation by rolling out a wide assortment of value-added products and lifestyle enabling services for consumers, while continuously enhancing the resilience of its channels and overall customer experience. As customers increasingly moved from physical to digital, a new My Ooredoo app was launched while the website and other channels were enhanced with live chat, new features for online registrations, SIM purchase, home broadband and much more.

Mobile financial services continued to be a priority area, with a range of new initiatives launched to capture the more than 70% of the Myanmar population that remains unbanked. In addition, a range of exciting new partnerships with leading international and local players – including TikTok, YouTube and Facebook – was established to drive further consumer digital engagement. The company also launched 'APPathon', a virtual and digital design innovation challenge aimed at engaging and empowering Myanmar's youth to co-create the next generation of digital products and services.

In Enterprise, Ooredoo redoubled its customer acquisition and retention focus, delivering a number of new and prestigious fixed service accounts, associated mobile growth and an overall increase in the company's business footprint. In addition, a dedicated programme to grow its government vertical was launched, showing positive early results and significant promise for the future.

For these and other achievements related to its technological innovation, resilient corporate culture and CSR work in the community, Ooredoo Myanmar was honoured to receive a number of awards in 2020.

The year's strategic and operational progress came despite the health and economic impact of the COVID-19 pandemic. Ooredoo prepared its COVID-19 emergency plan and appointed a task force even before the pandemic reached Myanmar, allowing the company to be one of the first to implement remote working practices that resulted in minimal operational or service disruptions. Strict adherence to all government health and safety guidelines, as well as continuous employee awareness and education and the introduction of a dedicated online medical consultation service, led to 88% of surveyed employees agreeing with the statement that, 'Our leaders take proactive decisions to protect employee health and safety during COVID-19'.

The company worked closely with public and private sector partners to support critical services and communications across Myanmar. It worked to combat the spread of the virus through a wide range of measures, including a large-scale campaign to 'Stay Safe. Stay Connected'; the 'I am Ooredoo, I am available' campaign to facilitate new SIM registrations during lockdown; increases in data quotas and fee waivers; safety procedures and equipment in physical stores; and continuous customer support across all channels.

Financially, measures taken to counteract the impact of COVID-19 helped to deliver 10% increase in revenue to QR 1.2 billion in 2020 compared to last year. EBITDA also increased to QR 314 million for the year, mainly due to increase in sales and drop in operating expenses resulting from an aggressive cost optimisation and efficiency programme across the business.

As a socially responsible corporate citizen, Ooredoo Myanmar collaborated with the government throughout the year to ensure continuity of critical services across the nation. The company and its employees also donated emergency medical equipment to hospitals; more than 14,000 SIM cards and free data to healthcare and education workers; and their time and funds in local communities to help the people of Myanmar through this challenging period.

In addition, Ooredoo Myanmar continued to create positive change in the community through its various CSR initiatives and partnerships focused primarily on health and education. To mark its sixth anniversary in the country, it funded a new school building, the 40th it has funded to date. It also launched the Sustainable Enterprises and Agricultural Development (SEAD) and Innovation

Hub projects with UNDP Myanmar and continued to grow its strong partnerships with Daw Khin Kyi Foundation, Beyond Access, Tech Age Girls, Mobile Library and other worthy organisations and initiatives.

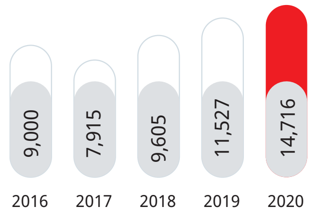
Outlook

In 2021, Ooredoo Myanmar will look to build on the initiatives and momentum of 2020 to drive revenue growth and profitability. It will also seek to capitalise on the shift in consumer behaviour by enhancing its digital channels, portfolio of innovative offerings and customer experience across all touchpoints.

Total customers

In thousands

14,716



Financial performance

	2016	2017	2018	2019	2020
Revenue QR millions	1,470	1,324	1,262	1,062	1,172
EBITDA QR millions	(9)	152	197	280	314
EBITDA margin	-1%	11%	16%	26%	27%
Blended ARPU* QR	12.2	15.0	8.7	7.9	6.8
Employees	939	966	914	836	849

* Blended ARPU is for the three months ending 31 December.

Operator share of Group

Ooredoo Palestine

"Ooredoo Palestine reported solid financial growth in 2020, advancing towards its strategic objectives. The company expanded and enhanced its network to provide 24/7 connectivity during the lockdown and thereafter, gained significant market share in the West Bank, and launched several initiatives and services to support its employees, customers and communities during the pandemic."

Dr. Durgham Maraee

CEO
Ooredoo Palestine

Overview

During 2020, Ooredoo Palestine increased revenues and profit and expanded its network coverage, while also supporting the communities in which it operates with targeted activities to alleviate the impact of the pandemic.

Financially, Ooredoo Palestine reported a 2% increase in revenues to QR 370 million, driven by increases in data revenue. Testament to the company's focus on the strategic transformation of the business over the past few years, EBITDA increased from QR 109 million to QR 125 million at full-year 2020. Additionally, the company succeeded in decreasing its financing cost through utilising its cash flow and cash balances for loan prepayments.

Despite the challenging economic conditions in the Palestinian market, and despite the global pandemic, Ooredoo Palestine reported a net profit of QR 27 million for the full-year 2020, compared with a QR 4 million in 2019. This result was driven by a combination of the company's revenue growth and its successful cost optimisation strategy.

Ooredoo Palestine continued to enhance and expand its network during the year, to meet the increase in service demand and provide connectivity to more customers in remote geographical areas. The company expanded the 3G network services in the West Bank, enhancing the quality of service and customer experience. This resulted in an increase in both new customers and 3G data services revenue. Ooredoo Palestine gained market share in comparison to last year, due to its leadership in mobile data, promotions, initiatives and successful retention plans, and is now the data leader in the Palestine mobile market for 2020.

Ooredoo Palestine's digital transformation journey was accelerated by the pandemic, with upgrades and improvements carried out at all levels including digital sales and digital care, in addition to digitising and automating the internal processes to maintain expansion in the market position. One such example is the 'Fawri Express' app, a dedicated mobile application which the company developed in 2020 to optimise and simplify SIM activation and personalisation processes, to digitise top-up and bundle activations. Through the app, Ooredoo Palestine can monitor sales transactions in real time, which helps evaluate channel performance and sales quality.

Internally, the company continued its digitalisation strategy, with one key highlight of the year being the automation of its purchasing cycle, with end-to-end solutions. Ooredoo Palestine also implemented new information security solutions (Privilege Access Management, Migration to Microsoft 365) to assure robust security management and minimise information security risks.

Ooredoo Palestine reinforced its brand presence across social and digital platforms, aiming to increase its digital presence and marketing effectiveness. In addition, a dedicated offering was launched through the 'My Account' application aiming to redirect customers toward digital channels. During the pandemic lockdown, the company heavily promoted the digital care centre to provide 24/7 support.

Ooredoo Palestine responded quickly and efficiently to the pandemic outbreak and lockdowns. Contingency plans covering all functions were fully activated to ensure business continuity. Significantly, 95% of the workforce worked from home during the lockdown, with some departments such as Customer Care operating fully from home. The company implemented strict protocols for employees whose work required their presence in offices or out in the field, in accordance with public health and safety standards, and social distancing regulations.

To ensure continuity in employee development programmes during the pandemic, the company provided employees with access to the LinkedIn Learning platform and continued its leadership development programme for select employees.

To support its customers during the pandemic, Ooredoo Palestine provided data bundles and free minutes, as well as extensions on payments for all government customers. To support the education system, Ooredoo Palestine introduced free E-learning services across the country and continued to sponsor Injaz Palestine, an organisation that hosts an annual event where students compete in the fields of innovation and entrepreneurship. The company and its employees also contributed to the governmental 'Waqfet Izz' fund to help ease the impact of COVID-19 on those most affected.

The Ministry of Communication and Information Technology announced the launch of the mobile number portability service at the end of September 2020, which enables customers to switch telecom provider while keeping the same phone number. This is a positive development for the company, with the potential to boost Ooredoo Palestine's market position and market share in the future.

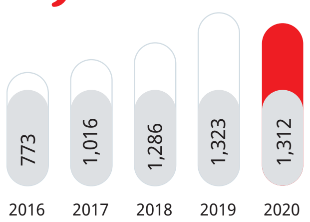
Outlook

Looking ahead to 2021, Ooredoo Palestine sees an opportunity to further increase its market position in the West Bank and Gaza Strip, capitalising on the high demand for telecoms services in the area and the launch of the mobile number portability by the regulator. Additionally, the focus remains on data monetisation, with new plans and bundles ready to launch according to customer trends.

Total customers

In thousands

1,312



Financial performance

	2016	2017	2018	2019	2020
Revenue QR millions	306	312	366	362	370
EBITDA QR millions	80	69	96	109	125
EBITDA margin	26%	22%	26%	30%	34%
Blended ARPU* QR	27.2	25.1	21.5	23.0	22.9
Employees	447	572	534	537	514

* Blended ARPU is for the three months ending 31 December.

Operator share of Group

Ooredoo Maldives

> During 2020 we prioritised the health and safety of our employees and customers; and launched several initiatives to support communities across Maldives and provide uninterrupted connectivity and access to the internet for everyone. 2020 will be remembered not for the obstacles that we had to overcome due to the pandemic, but for what we achieved as a company and for our support of the country and the people of Maldives in the face of these unprecedented challenges."

Najib Khan

MD & CEO
Ooredoo Maldives

Overview

Maldives was forced to close its borders in early 2020 due to the pandemic health crisis, bringing its flourishing tourism industry to a standstill. With tourism and related industries contributing to 40%+ of GDP, the pandemic created an immediate crisis for industry workers and the thousands of families and small businesses that directly and indirectly rely on tourism for their livelihood.
Access to the internet became a lifeline for the community during the lockdown period, with families relying on it for their everyday lives. Ooredoo Maldives' biggest priority was to utilise its technologies, nationwide network and innovative services to help the nation transition to the new way of living.

The company provided free data for customers, including free GBs and free connectivity for those in quarantine, emergency workers, public health authorities, students, teachers, government employees and more. Ooredoo Maldives also provided payment plans according to customer capabilities to continue using its services, to help them stay connected.

Ooredoo Maldives invested in scaling up its digital infrastructure. The m-Faisaa mobile banking app was upgraded with further functionalities added, and the company launched the 'Do it All from App' digital campaign to drive awareness about its features. Additionally, Ooredoo Maldives launched eSIMs through its digital channels, providing a 100% digital contactless journey for customers and catering to a growing market segment, with 28% of eSIM-capable devices in Maldives now using eSIM.

Ooredoo Maldives' e-commerce platform 'Moolee' provided small businesses with an instantly adoptable digital platform featuring a contactless experience to supply essentials to customers during lockdown. Moolee hosted 45 active merchants across Maldives, and Ooredoo offered the platform free of charge and provided free shipping.

Additional digital initiatives included the partnership with oDoc, Sri Lanka's leading telemedicine platform, which connects patients with doctors for online consultations which are universally accessible and affordable to all.

For enterprise clients, the company partnered with Huawei to launch Cloud services in the Maldives to provide an-easy-to-use computing platform for businesses. The company also launched innovative solutions such as Facebook Flex, Digital Hospitality Suite, Ooredoo Meet and more.
Despite the adverse impact of the pandemic on business, Ooredoo Maldives continued its investment plans. The company was the first to launch a commercial 5G network in the country in December, with the initial rollout covering a large percentage of the capital city, Malé, including key business hubs, hospitals and public spaces. The launch of AirFibre – the first 5G-powered home broadband services in the Maldives – increased internet speeds by up to ten times, and the company also expanded its SuperNet Broadband services to new areas, with fast speeds of up to 100Mbps.

The successful launch of the Maldives-Sri Lanka submarine cable (MSC) in 2020 permitted additional strengthening of the telecommunications infrastructure of the Maldives, while supporting the implementation of innovative and evolving technologies.

Ooredoo Maldives remained an active supporter of the community. In 2020, the company prioritised supporting the national pandemic response, including a donation of MVR 2.5 million towards medical equipment and Personal Protective Equipment to the Government of Maldives. Ooredoo launched the 'Visit Maldives Now' campaign to promote the country as a safe haven for visitors, targeting over 100 million customers across all of Ooredoo's global markets. Additionally, the company maintained customer engagement nationwide by organising virtual events such as the Eid Music Show and the 'Atholhu Dhuvun' virtual run event.

Financially, Ooredoo Maldives reported revenues of QR 407 million, EBITDA of QR 202 million and a net profit of QR 96 million. The pandemic had a negative material impact on the company's financial position, and specifically on roaming revenues and enterprise revenue, especially from the resort and guesthouse business sector. To mitigate the impact of the pandemic on the company's financial position, Ooredoo Maldives implemented effective cost controls and optimised operational expenditures and CapEx investments to maintain a good cashflow position. The company's digital offerings and increased digital penetration also helped to further optimise intermediate costs by eliminating recharge and collection commissions charged for non-digital transactions.

The company received many awards in 2020. At the Asia Pacific Stevie Awards, Ooredoo Maldives won two Gold Stevies for Innovation in Apps and Innovation in Customer Service and one Stevie Silver award for Innovation in Technology Industries. At the Stevie International Business Awards 2020, Ooredoo Maldives won the Gold Stevie for Company of the Year (Telecommunications - Medium-size); the Silver Stevie for Most Innovative Company of the Year - Up to 2,500 Employees; and two Bronze Stevies, both for Most Valuable Corporate Response and for Mobile Site & App Award (Business).

Ooredoo Maldives MD & CEO Najib Khan won one of the 2020 Asia-Pacific Stevie Awards for Asia's Most Inspiring Executives; and Dhiyana Afeef, Senior Manager Customer Care, won the Bronze Stevie Award for Female Executive of the Year. Ooredoo Maldives was named the Best Investor Relations Company Maldives 2020 at The Global Banking and Finance Review Awards.

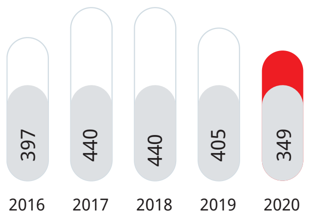
Outlook

Ooredoo Maldives is excited for what is next in 2021; leading the 5G evolution in the Maldives and harnessing the power of machine learning and the Internet of Things to cater to the needs and wants of the country's people and businesses. The pandemic accelerated the digital transformation of the country and Ooredoo Maldives' business alike, and this trend is expected to continue into 2021.

Total customers

In thousands

349



Financial performance

	2016	2017	2018	2019	2020
Revenue QR millions	381	435	461	481	407
EBITDA QR millions	206	236	237	264	202
EBITDA margin	54%	54%	52%	55%	50%
Blended ARPU* QR	48.6	53.3	52.3	56.2	60.5
Employees	331	345	359	370	366

* Blended ARPU is for the three months ending 31 December.

Operator share of Group

Transparency, responsibility, leadership

Corporate Governance Report

Ooredoo aims to be a leader in corporate governance and ethical business conduct by maintaining best practices, transparency and accountability to its stakeholders.

"The Board of Directors and senior executives are entrusted with overseeing and managing Ooredoo Group, and this important responsibility requires commitment, objectivity and accountability from those in leadership positions.

Our role is to ensure the implementation of the highest governance principles and ethics in the company. We implement best practices in accordance with the requirements of stock markets in which Ooredoo is listed.

We assure our shareholders that the principles and policies of governance we implement are the basis for each decision we issue and procedure we implement at Ooredoo Group level."

Faisal Bin Thani Al-Thani
Chairman of the Board

1. Ooredoo values and corporate governance philosophy

Ooredoo's Board and management believe that good corporate governance practices contribute to the creation, maintenance and increase of shareholder value. Sound corporate governance principles are the foundation upon which the trust of investors is built, and are critical to growing a company's reputation for its dedication to both excellence and integrity.

In order to establish a distinct model of commitment and compliance, the Board of Directors has taken into account the provisions and principles set out in the Commercial Companies Law number 11 for 2015, and the Corporate Governance Code for Companies and Legal Entities listed on the main market issued by Qatar Financial Markets Authority and other relevant laws and regulations set by QFMA, taking these into consideration when drafting laws and regulations of the company to instill a culture of governance across the company, and in the practices of all of its employees with the best implementation of the adjudications of the code.

As Ooredoo continues its rapid growth and global expansion, it is particularly critical to demonstrate to its shareholders, customers, employees and communities the same high levels of commitment and good corporate citizenship that have earned it a strong reputation in Qatar.

Ooredoo aims to be a leader in corporate governance and ethical business conduct by maintaining best practices, transparency and accountability to its stakeholders. This includes a commitment to the highest standards of corporate governance, by regularly reviewing the governance structures and practices in place to ensure their effectiveness and consistency with local and international developments.

In addition, Ooredoo is keen on strengthening its corporate governance framework in compliance with the requirements of governance rules and relevant laws and regulations set by Qatar Financial Markets Authority (QFMA) through:

1. Updating and improving the company's articles of association.
2. Updating and improving governance policies and procedures guides.
3. Updating and implementation of the board's and sub-committees' charter.
4. Implementation of best practices adopted in the State of Qatar.
5. Updating and improving internal procedures, policies and processes.

As outlined in the report, we at Ooredoo affirm that we abide by the provisions of governance rules and relevant laws and regulations issued by QFMA, as well as disclosure requirements.

2. Role and Responsibilities of the Board of Directors

The primary role of the Board of Directors is to provide institutional leadership to the Company, within a framework of prudent and effective controls enabling risk to be assessed and managed. This role has been fully illustrated through the Articles of Association of the Company and its relevant by-laws, the Commercial Companies Law No. (11) for 2015 and Corporate Governance Code for Companies and Legal Entities listed on the main market issued by Qatar Financial Markets Authority, in particular articles (8) and (9), which were incorporated as a Charter of the Board in a special section of the Corporate Governance Manual.

The Board of Directors has the power and full authority to manage Ooredoo and its Group, and to pursue the primary objective of creating value for shareholders, with consideration given to the continuity of the Group's business and the achievement of corporate objectives. The Board is also concerned with maintenance of equity and justice among stakeholders in terms of timely disclosures and making information available to QFMA and the company's shareholders. The Board is also concerned with periodically reviewing the implementations of governance and compliance with developing the code of ethics, internal policies and the fundamental covenants which includes: 1) covenants of the Board and its committees, 2) policies to deal with concerned parties and shareholders, 3) the rules for qualified insider trading. As Ooredoo QSPC is both the parent company of the Ooredoo Group and an operating company in the State of Qatar, its Board of Directors has a dual role.

Within this framework, the Board of Directors undertakes major responsibilities and duties, including:

- **Vision and strategy:** determining and refining the Group vision and objectives, as well as those of Ooredoo, which are the foundation for all the actions and decisions of the Board and management.
- **Management oversight:** appointing the CEO, establishing his duties and powers, assessing his performance and determining his remuneration; nominating the Board members and the key officers of Ooredoo and its Group.
- **Financial and investment:** reviewing and approving reports and accounts and overseeing the Group and Ooredoo financial positions.
- **Governance and compliance:** preparing and adopting the corporate governance rules for Ooredoo and establishing guidelines for the governance of the Group.
- **Communication with stakeholders:** overseeing shareholder reporting and communications.
- **Annual training:** approving the annual plan of training and education in the Company that includes programs introducing the Company, its activities and Governance.
- **Board orientation:** procedures are laid down for orienting the new Board members of the Company's business and, in particular, the financial and legal aspects, in addition to their training, where necessary.

The Board of Directors is also responsible for disclosure of information to shareholders of Ooredoo in an accurate and timely manner. All shareholders can access information relating to the Company and its Board members and their qualifications. The Company also updates its website with all Company news continuously, in addition to including this information in the Annual Report presented to the General Assembly.

Based on the above, disclosure to stock markets in Qatar and Abu Dhabi where Ooredoo's stocks are listed, by means of quarterly reports and complete annual financial statements, reflects Ooredoo's commitment to the terms and conditions of relating stock markets.

Responsibilities of the Board have been outlined in the company's articles of association and the board's charter in compliance with the Company's Law and the Corporate Governance and Legal Entities System.

3. Board Members:

Ooredoo's Board of Directors has the following members:

1.	H.E. Sheikh Faisal Bin Thani Al Thani	Chairman	Non independent / non executive member
2.	Dr. Nasser Mohammed Marafih	Vice Chairman	Non independent / non executive member
3.	Eng. Essa Hilal Al Kuwari	Member	Non independent / non executive member
4.	Mr. Yousef Mohammed Al Obaidly	Member	Non independent / non executive member
5.	General Retirement & Social Insurance Authority, represented by H.E Mr. Turki Mohammed Al Khater	Member	Non independent / non executive member
6.	Mr. Aziz Aluthman Fakhroo	Member	Non independent / executive member
7.	Mr. Nasser Rashid Al Humaidi	Member	Independent / non executive member
8.	Ali Bin Ghanim Al-Thani Group represented by Sheikh Ali Bin Ghanim Al Thani	Member	Independent / non executive member
9.	Mr. Ibrahim Abdulla Al Mahmoud	Member	Independent / non executive member
10.	Qatar National Bank (QNB) represented by Mr. Abdulla Mubarak Al-Khalifa	Member	Independent / non executive member

In March 2020, Sheikh Faisal Bin Thani Al Thani (Chairman of the Board of Directors), Mr. Essa Hilal Al Kuwari (Board Member) and Mr. Yousef Mohammed Al Obaidly (Board Member) joined the Board of Directors.

Pursuant to Article (34) of the Company's Articles of Association, the Secretary of the Board shall be selected by the Board, which shall determine his duties and remuneration. The duties of the Board's secretary are contained in the Company's Corporate Governance Manual and Corporate Governance Code for Companies and Legal Entities listed on the main market issued by Qatar Financial Markets Authority.

4. Board Meetings:

Board meetings are conducted regularly, given that there should be no less than 6 Board meetings in the annual financial year, in accordance with Article (30) of the Company's Articles of Association and Article 104 of Commercial Companies Law No. 11 for 2015.

It is worth mentioning in this context that the Board of Directors held seven (7) meetings in 2020. It is also worth mentioning that the quorum for the Board's meetings has been fulfilled according to Commercial Company's Law No 11 for 2015, and the articles of association of the company, and the Corporate Governance Manual and the Legal Entities listed on the main market issued by QFMA.

In accordance with Ooredoo's Corporate Governance Manual, the Board conducts an annual evaluation of its performance on the individual and collective levels using a questionnaire specifically designed for this purpose, where the Board's collective performance is evaluated, as well as its members' performance, and that of its committees to investigate the familiarity of the Chairman and members of the Board with the duties as set forth in the Corporate Governance Manual and the Articles of Association of the Company, the Commercial Companies Law No. 11 for 2015, and the Corporate Governance Code issued by the Qatar Financial Markets Authority, as well as to inform them of the latest developments in the field of governance, and based on some requirements or the results of the evaluation process, development programmes are designed for each individual board member.
In case of real deficiency in the performance of a Board member, which was not resolved at the appropriate time, then the Board shall have the right to take the appropriate action in accordance with Law and Corporate Governance. In this regard, each Board member signs a declaration that he is fully familiar with the Corporate Governance Manual and the Corporate Governance Code for Companies and Legal Entities listed on the main market issued by Qatar Financial Markets Authority and that they are committed to implementing them as a Board member.

As for the senior executive management, an annual evaluation is undertaken using a Target Score Card at the Company's level, then at the level of the major sectors of the Company.

The Company shall comply with the rules and conditions that govern the disclosure and listing in markets. It shall also inform the Authority of any dispute that the Company is part of and is affecting its activities and shares, including litigation and arbitration, and shall disclose transactions or deals concluded with any related party.

Board Member Name	Number of Board Meetings Attended During 2020
H.E. Sheikh Faisal Bin Thani Al Thani	6
Dr. Nasser Mohammed Marafih	7
General Retirement & Social Insurance Authority, represented by H.E Mr. Turki Mohammed Al Khater	6
Mr. Nasser Rashid Al Humaidi	7
Mr. Aziz Aluthman Fakhroo	7
Ali Bin Ghanim Al-Thani Group represented by Sheikh Ali Bin Ghanim Al Thani	5
Qatar National Bank (QNB) represented by Mr. Abdulla Mubarak Al-Khalifa	7
Mr. Ibrahim Abdulla Al Mahmoud	3
Eng. Essa Hilal Al Kuwari	6
Mr. Yousef Mohammed Al Obaidly	6

5. Composition and Remuneration of the Board:

The Board of Directors is composed in accordance with Article 22 of the Company's Articles of Association. The Board of Directors consists of 10 members, nine (9) non-executive members, and one executive following the appointment of Mr. Aziz Aluthman Fakhroo as Ooredoo Group's Managing Director, five of whom, including the Chairman, shall be appointed by the Qatar Holding. The other five Board members are elected by secret ballot of the General Assembly according to the applicability of the terms of the nomination on them. A Board member's term is three years and may be renewed. To maintain minority's rights, Article 45 of the Articles of Association provides for that shareholders holding no less than 10% of the capital have the right to call for a General Assembly meeting.

The Company pursues separation between positions of the Chairman of the Board and any other executive position in the company, where H.E. Sheikh Faisal Bin Thani Al Thani is the Chairman, Mr. Aziz Aluthman Fakhroo is the Group Managing Director and responsible for its management, and Sheikh Mohammed Bin Abdullah Al Thani is the Deputy CEO of Ooredoo Group and the CEO of Ooredoo Qatar, with responsibility for its business in Qatar.

The value of the Board's remunerations for the period ending 31 December 2020 amounted to QR 14.4 million.

6. Conflict of Interests:

The Company adopts a policy that ensures the confidentiality and integrity any reports of illegal actions relating to employees and general performance measures, which are clarified in Ooredoo's Code of Business Conduct and Ethics. The Code includes the expected behavior of employees, particularly with regard to compliance with laws and regulations.

Employees must avoid: conflicts of interest, particularly in commercial transactions, business administration and activities; using the Company's assets, records, and information; and relationships with related parties outside the Company. No employee may accept or request gifts or bribes, loans or bonuses, prizes or commissions. The Company is resolved to combat all forms of conflicts of interest in addition to other matters.

Furthermore, the Company complies with Articles 108,109,110, and 111 of the Commercial Companies Law No. 11 for 2015 that states the following:

1. The Chairman or a Board member may not participate/engage in any business that competes with the company's business, or may not be involved, either on his/her own behalf or on others' behalf, in any type of business or activities in which the Company is engaged, otherwise the Company is entitled to ask him/her for compensation or take the ownership of the activities he/she is engaged in.
2. The Chairman, a Board member, or a Director is not permitted to practice any activity that is similar to the Company's activities, or to have any direct or indirect interest in contracts, projects and covenants made in favour of the Company.
3. The company may not offer a cash loan of any kind to any member of its Board of Directors or to guarantee any loan held by one of them with others, or make an agreement with banks or other credit companies to lend money to any of the Board members, or open a facility or guarantee a loan with other parties beyond the terms and conditions set by the Central Bank of Qatar. Agreements beyond the provisions of this Article will be considered null and void, and the company retains it rights to request compensation when necessary from the offending parties.
4. It is prohibited for the Chairman and the Board members or the company's staff to take advantage of any information delivered to his/her knowledge by virtue of his/her membership or position for the benefit of him/herself, his/her spouse, his/her children or any of his relatives to 4th degree either directly or indirectly, as a result of dealing in company securities of the company. Nor may they have any interest, directly or indirectly, with any entity conducting operations intended to make a change in the securities prices issued by the company, and this ban stays in effect for three years after the expiry of the person's membership in the Board of Directors or the expiry of his work in the company.

7. Duties of the Board of Directors

The role of the Board of Directors is to lead the company in a pioneering way within the framework of effective directives that allow for risk assessment and management. The Board of Directors has the authority and full power to manage the Company and continue business to fulfil the fundamental goal of upholding shareholders' rights, in addition to the following tasks:

1. Determine the terms of reference, duties, and powers of the Chief Executive Officer and assess his performance and remuneration.
2. Evaluate, withdraw and define the powers granted to the members of the Board of Directors and Board committees, and define ways of exercising the powers, and formulating a policy for that.
3. Monitor the performance of the senior executive management; review management plans in relation to the replacement process and the arrangements for remunerations of senior executive management.
4. Verify the appropriateness of organisational, administrative and accounting structures for the Company and its Group, with a focus on the internal control system.
5. Ensure adequate planning for the succession and replacement of senior executive management.
6. Provide recommendations to appoint, re-appoint or quarantine the auditor appointed by the shareholders on the basis of their consent during the Annual General Meeting of the Company, as recommended by the Audit and Risk Management Committee.
7. Direct members of the Board of Directors and provide them with continuous guidance through planning of the induction and guidance programmes. The Chairman of the Board is responsible for consistently providing induction and guidance programmes to Board members, to help them perform their duties and ensure they understand ongoing developments on Company issues.
8. Members of the Board of Directors are expected to be seriously committed to the Board and the Company, and also to develop and expand their knowledge of the Company's current operations and its main business, and to be available to contribute to the work of the Board and Committees.
9. Members of the Board of Directors and the senior executive management will be trained according to capacity.
10. Review and approval of company's major strategic plans and oversee its execution.

11. Oversee company's special corporate governance system and the extent of its abidance by the System of Corporate Governance and legal Entities listed on the main market.
12. Approval of the Guide of Executing the Company's Strategy and Objectives prepared by the higher executive management, which should include determination of means and tools of rapid communication with the authority and other regulatory parties, and all other parties concerned with governance including nominating a point of contact.
13. Establishing of internal control rules and controls, and of them through a written policy that regulates conflict of interests and resolves any situation conflict for all Board members and the higher executive management and shareholders. In addition to establishing a complete disclosure system which accomplishes justice and transparency, preventing the conflict of interests and taking advantage of information.
14. Developing precise policies for Board membership, according to applied laws.
15. Drafting of a written policy to organise and regulate the relationship between stakeholders and their rights.
16. Creation of policies and procedures for disclosure to shareholders, debitors, and stakeholders.
17. Invitation of all shareholders to attend the General Assembly Meeting according to the Companies' Law, and the company's articles of association.
18. Approval of the nominations related to appointments at the higher executive management, and the progression plan for these roles.
19. Creation of awareness programmes as necessary to spread a culture of auto-regulatory and risk management in the company.
20. Approval of a written and clear policy determining the basics and method of remunerating Board members and determining the remuneration and incentives of the higher executive management and the workers in the company according to principles of corporate governance and legal entities listed on the main market without any discrimination and achievement of approval by the General Assembly.

8. Liabilities of the Board

The Board is obliged to perform its duties and responsibilities, and is keen on doing the following:

1. Attend the meetings of the Board's and its committees, and not to retire the Board except for a necessity and at the appropriate time.
2. Hold high the interest of the company, partners, shareholders and all stakeholders, and favour it over their private interest.
3. Provide an opinion on the strategic issues of the company, its policy in the implementation of its projects, systems of accountability of employees, their resources, basic appointments and work standards.
4. Monitor the performance of the company in achieving its goals and objectives, and to review reports on its performance, including the annual, semi-annual and quarterly reports.
5. Supervise the development of the procedural rules for governance and work to ideally implement them in accordance with this system.
6. Benefit from their diverse skills and expertise to diversify their competencies and qualifications in managing the company in an efficient and productive manner, and to work to realise the interest of the company, partners, shareholders and other stakeholders.
7. Participate effectively in the Meetings of the Company's General Assembly and meet the demands of its members in a balanced and fair manner.
8. Refrain from giving any statements, data or information without prior written permission from the President or his authorised representative. The Council shall nominate the official spokesperson of the Company.
9. Disclose financial and commercial relationships and lawsuits that may negatively affect performing any functions assigned to the board.

9. Chairman of the Board's role and duties

The main function of the Chairman of the Board is to lead the board and ensure that the duties are undertaken as required by law and the relevant legislation, in addition to the following tasks:

1. Represent the Company in court, and in its relationship with others, and to communicate with them, and inform the Board of their views.
2. To chair the Board, selected committees, and General Assembly meetings, and run discussions as openly as possible, to encourage Board members to participate effectively in discussions that serve the interests of the Company.
3. Coordinate with the Chief Executive Officer and the heads of the committees and the Secretary of the Board of Directors to determine the schedule for Board and committee meetings, and other important meetings.
4. Coordinate with the Chief Executive Officer to ensure that information is provided to the Board of Directors, so that the Board can make appropriate decisions and follow-up their execution.
5. Review the timing and quality of delivery of supporting documentation to the management's suggestions to ensure an effective flow of information to the Board of Directors.
6. Guide and enhance the effectiveness of the Board of Directors and members, and assign tasks to them as required.
7. Review monthly results for the Company's business in coordination with the Chief Executive Officer.
8. Ensure that the Company has good relations with official and non-official departments, and with various media.
9. Issue the agenda for Board meetings, taking members' suggestions into account. Assess the performance of the Board annually, and the performance of its committees and members, possibly using a third-party consultancy to conduct the evaluation.
10. Encourage Board members to collectively and effectively take part in conducting the Board affairs to ensure that the Board is undertaking its responsibilities to achieve the interests of the company.
11. Find effective communications means with shareholders and convey their opinion to the Board.
12. Allow the opportunity to non-executive Board members to effectively take part in and encourage building constructive relationships between executive and non-executive Board members.
13. Keep the members always abreast of execution of the rulings of Corporate Governance and Legal Entities Order issued by the Authority.

The Chairman may delegate some of these powers to another member of the Board of Directors, or the Chief Executive Officer, or the Secretary of the Board.

10. Qualifications and Duties of the Board Secretary

The Board of Directors has appointed Sheikh Ali Bin Jabor Al-Thani as Secretary of the Board of Directors. Sheikh Ali holds a Bachelor's degree in law from Sharjah University (2010). In 2010, he became a legal advisor in the real estate sector, and in 2013 he joined Ooredoo and continued until he was appointed as Chief of Legal and Regulatory Department in Ooredoo Qatar in 2016 and in 2018, he was appointed in the position of Acting Chief of Corporate Governance for Ooredoo Group. In 2020, he was appointed as Group Chief Legal, Regulatory & Governance Officer.

The Board Secretary assists the Chairman and all Board members in executing their duties, and he commits to make sure the Board proceedings are carried out appropriately, including:

1. Preparation and revision of Board meetings' minutes
2. Filing of the Board's decisions in a well-maintained record according to meetings' numbers and the decisions according to its issue date.
3. Preserving the Board's meetings-related minutes, decisions, memorandums and reports on paper and in electronic formats.
4. Send meetings invitations to Board members with the meeting agenda two weeks prior to the meeting date, and receiving members' requests to add an item or more to the meeting agenda mentioning the date of its submission.
5. Full coordination between the Chairman of the Board and its members and concerned parties and stakeholders including shareholders and the administration and employees.
6. Provide the Chairman and members quick access to all company documents including its data and information.
7. Keep Board members' declaration of no combination between membership of the board and occupations from which they are prohibited, according to Companies Law and Corporate Governance System issued by the commission.

11. The Company's Irregularities

As a leading company in its own field, and in the telecommunication sector, Ooredoo Board of Directors and its top management are keen to implement all rules and regulations outlined in corporate governance and legal entities listed on the main market order issued by Qatar Financial Markets Authority and Commercial Companies Law No. (11) for 2015. Accordingly the company did not commit any irregularity during 2020.

There is no lawsuit against, or brought to court by the company, that is still pending with no ruling up to the date of preparing this Governance report.

12. Board Activities in 2020

In 2020, Ooredoo's Board of Directors achieved a number of key governance goals and supervised the implementation of a number of key successful initiatives, including:

- Approving the Group's performance report for 2019;
- Approving the Group's financial consolidated statements for 2019 and providing a recommendation to the General Assembly in this regard;
- Approving submitting a recommendation to the General Assembly regarding the appointment of Deloitte & Touche as the auditors of the Company for 2020;
- Approving the Governance Report for 2019 and providing a recommendation to the General Assembly in this regard;
- Approving distributing a cash dividend of 25% of the nominal share value, and the remunerations of the Chairman and members of the board, and providing a recommendation to the General Assembly in this regard;

- Approving the business plan of the Group for the years 2021, 2022 and 2023, as well as the budget and financing plan for 2021;
- Approving the financial strategy of the Group;
- Approving the recommendation submitted by the Nomination and Remunerations Committee to assess the performance of Ooredoo Group CEO and Ooredoo Qatar CEO during 2019;
- Approving a number of technical decisions related to investment opportunities;
- Following up on executing the Group strategy for the coming years, and allocating the necessary budget to do so; and
- Determining the permitted risk margin for the Group's companies.

13. Role of Board Committees

In order to make the decision-making process more efficient and to support the vision relating to corporate governance, the Board has three main committees: Executive Committee, Audit and Risks Committee and Nomination and Remuneration Committee. Each committee is composed of not less than three Board members (to be appointed by the Board), taking into account the experience and capabilities of each Board member participating in the committee. The Board may substitute the committee members at any time.

Each of the Board committees works in accordance with a written charter approved by the Board of Directors that clarifies its responsibilities and authorities. The charter of each committee has verified that it is in line with the Corporate Governance Code and Articles of Association of the Company and the Commercial Companies Law No. 11 for 2015, and the Corporate Governance Code of the Qatar Financial Markets Authority.

Board Committees

Committee	Name of Board member	Position
Executive Committee	H.E. Turki Mohammed Al Khater	Chairman
	Eng. Essa Hilal Al Kuwari	Member
	Mr. Yousef Mohammed Al Obaidly	Member
Audit and Risks Committee	Mr. Nasser Rashid Al-Humaidi	Chairman
	Mr. Abdulla Mubarak Al-Khalifa	Member
	Sheikh Ali Bin Ghanim Al Thani	Member
Nomination and Remuneration Committee	H.E. Turki Mohammed Al Khater	Chairman
	Sheikh Ali Bin Ghanim Al Thani	Member
	Mr. Essa Hilal Al Kuwari	Member

A. Executive Committee

The executive committee is comprised of three members and aims to ensure that decisions are made at the highest levels, to achieve the Company's objectives in a flexible and timely manner in accordance with the authority delegated to the committee by the Board of Directors.

The committee is also responsible for studying issues that need detailed and in-depth review before presenting to the Board for final decision. It also oversees Ooredoo's strategy and methods deployed for adopting financial and strategic investments.
In 2020 the committee completed a number of major projects:

- Reviewed investment opportunities and made recommendations to the Board of Directors;
- Reviewed subsidiaries' work plans and their budgets and provided recommendations to the board in this regard;
- Reviewed recommendations for awarding contracts, and took appropriate decisions;
- Reviewed the status of Ooredoo Group companies to determine suitability and its position in the markets in which it operates, and made recommendations to the Board of Directors;
- Reviewed the Company's investment portfolios;
- Reviewed the strategies of the Group's companies and set their priorities;
- Approved updating the financial limits of other parties (banks and financial institutions);
- Approved the Group work plan for 2021, 2022, and 2023 as well as approving 2021 budget, and providing a recommendation to the Board in this regard.
- Approved Ooredoo Group work plans for 2021, 2022, and 2023 as well as approved the 2021 budget, and provided a recommendation to the Board in this regard.
- Approved the financing strategy and plan for 2021 and provided a recommendation to the Board in this regard.
- Approved Ooredoo Qatar work plans for 2021, 2022, and 2023, as well as approved the 2021 budget and provided a recommendation to the Board in this regard.

The committee held seven (7) meetings in 2020.

According to the annual evaluation, the Board of Directors is satisfied with the committee's performance while executing its responsibilities and authorities, as well as the recommendations it provided during the year ending 31 December 2020.

Member's name	Number of the Executive Committee's Meetings the Member has attended during 2020
H.E. Mr. Mohammed Bin Essa Al Mohannadi	1
General Retirement & Social Insurance Authority, represented by H.E Mr. Turki Mohammed Al Khater	3
Dr. Nasser Mohammed Marafih	1
Mr. Abdulla Mubarak Al-Khalifa	1
Mr. Aziz Aluthman Fakhroo	4
Eng. Essa Hilal Al Kuwari	6
Mr. Yousef Mohammed Al Obaidly	6

B. Audit and Risks Committee

The committee comprises three independent members, and it assists Ooredoo's Board in overseeing the integrity of the Company's financial statements. It also provides consultancy to the Board on the efficiency and adequacy of internal control systems and arrangements for risk management. The committee is also responsible for ensuring that internal and external audit functions are independent and objective.

The committee reviews the annual internal audit and auditors' reports, and prepares reports on issues arising from auditing the Company and its subsidiaries, including management reaction; the level of cooperation and information provided during the audit process; and the usefulness of the audit report versus cost.

The committee also sets up communication channels between executive management and internal and external auditors.
In addition, the Committee reviews risk management reports, and advises the Board on all matters that need attention and seek a decision. The Committee also puts great emphasis on investigating any violations in the Group's companies.

In 2020 the committee completed a number of major works including:

- Reviewed the annual and quarterly internal audit reports regularly;
- Reviewed annual and quarterly Risk Management Report regularly;
- Reviewed the annual disclosure results for 2020;
- Reviewed the results of the Internal Audit Quality Assurance Review for Ooredoo and Group companies;
- Approved the internal audit department plan for Group based on risks for 2021;
- Approved the strategic plan to manage Group internal audit for 2021 – 2023;
- Approved quarterly financial statements, and reviewed the annual financial statements and submitted a recommendation to the Board;
- Reviewed the following Ooredoo policies and refered them to the Board:
  1. Anti-money laundering policy for Ooredoo Money services
  2. Policy for managing business customers' contracts
  3. Revised Fair Use policy
  4. Information Security Incident Management policy
  5. Insurance policy
  6. Protection of personal data privacy policy
  7. Revenue control policy

- Reviewed the following Ooredoo Group policies and charters, and submitted them to the Board of directors:
  1. Revised Fair Use policy
  2. Terms of Internal Control on Financial Report (ICOFR) policy
  3. Charters of the Group Management Committee (GMC) and Group Tender Committee (GTC)
- Approved the results of the performance index of the Group's internal audit department and Governance department for 2019;
- Approved the index of Group internal audit department performance, and the index for the performance of the Governance department for 2020;
- Approved the budget of the Governance department for 2020;
- Approved the budget of Group internal Audit department for 2021;
- Reviewed Group Internal Audit Department report on internal control according to the requirements of the company's governance order and entities listed on the market and refer it to the Board;
- Reviewed the internal and external implementation of recommendations of the Quality Assurance and Improvement Programme (QAIP);
- Reviewed the auditor's plan for the company's annual audit review for 2020.

The committee held eleven (11) meetings during 2020.

According to the annual evaluation, the Board of Directors is satisfied with the Committee's performance while executing its responsibilities and authorities, as well as the recommendations it provided during the year ending 31 December 2020.

Member's Name	Number of the Audit and Risk Management Committee's Meetings the member has attended during 2020
Mr. Nasser Rashid Al-Humaidi	11
Mr. Abdulla Mubarak Al-Khalifa	9
Sheikh Ali Bin Ghanim Al Thani	8

C. Nominations and Remunerations Committee

The committee comprises three members. It assists the Board in executing its responsibilities with regards to nominating and appointing Ooredoo Board members, and Board members of its subsidiaries, and determining the remuneration of the Chairman and members of the Board, and the remuneration of members of the senior executive management and employees. The committee also takes part in assessing the performance of the Board.

In 2020, the committee completed a number of major works:

- Approved performance index card for Ooredoo Group CxOs for 2020;
- Approved performance index card for Ooredoo Qatar CxOs for 2020;
- Approved the suggested changes to the organisational structure of Ooredoo Qatar's Digital Transformation department;
- Approved performance index card for Ooredoo Qatar for 2020, with a score of (4.2);
- Approved the proposal to merge the organisational structure for organisational, legal and governance affairs into a single division;
- Approved performance index card for Ooredoo Group (performance index card for Group CEO and Deputy Group CEO) for 2020;
- Approved performance index card for Ooredoo Qatar (performance index card for the CEO) for 2020;
- Approved the long term reward plan proposal for Ooredoo Qatar and Ooredoo Group;
- Approved moving Ooredoo Qatar's Human Resources department under the CEO;
- Approved the proposed changes to the organisational structure of Ooredoo Group and moved the Innovation department from Ooredoo Qatar to Ooredoo Group;

The committee held six (6) meetings during 2020.

According to the annual evaluation, the Board of Directors is satisfied with the committee's performance while executing its responsibilities and authorities, as well as the recommendations it provided during the year ending 31 December 2020.

Member's Name	Number of the Nomination and Remunerations Committee's Meetings the member has attended during 2020
General Retirement & Social Insurance Authority, represented by H.E Mr. Turki Mohammed Al Khater	6
Sheikh Ali Bin Ghanim Al Thani	3
Eng. Essa Hilal Al Kuwari	6

14. The Executive Management

The role of Executive Management is to manage the Company's business operations, which requires planning different developments' processes in adherence to the company's principles and practices. In addition, Executive Management is responsible for monitoring the development of financial performance and business plans. The Executive Management team reports to the Chief Executive Officer and Chief Operating Officer, with their performance monitored by the Board of Directors.

Executive Manager Name	Summary Curriculum Vitae
Mr. Aziz Aluthman Fakhroo Managing Director, Ooredoo Group	Mr. Aziz is Ooredoo Group's Managing Director and currently Deputy Undersecretary for Financial Affairs at the Ministry of Finance. Previously, he was Assistant Undersecretary for General Budget Affairs of the Ministry of Finance and Deputy Director in the Mergers and Acquisitions Department of Qatar Holding LLC - the strategic and direct investments arm of the Qatar Investment Authority. He was founder and Chief Operating Officer of Idealys. He currently represents Qatar Holding on the boards of United Arab Shipping Company, Canary Wharf Group, and Chelsfield LLP.
Sheikh Mohammed Bin Abdulla Al Thani Deputy Group CEO and CEO of Ooredoo Qatar	Sheikh Mohammed Bin Abdulla Al Thani is Ooredoo's Deputy Group Chief Executive Officer and Chief Executive Officer of Ooredoo Qatar since March 2020. He has over 16 years of experience in communications, digital transformation, finance and accounting, and has held various management positions within Ooredoo since he joined the company in 2009. Having a deep understanding of the operational and strategic perspectives of the contemporary telecom business amid its shift to digital, he has successfully redirected and reshaped the customer base, profitability, cost management and organisation across several Ooredoo operations in multiple markets. Most recently, Sheikh Mohammed was Chief Executive Officer of Ooredoo Kuwait, leading the company to reach key milestones including being the first to launch 5G commercially in Kuwait, the first in the region to deliver a 5G video call and the first operator in the country to provide a fully customisable digital mobile plan. He was behind the establishment of Ooredoo Kuwait's Data Centre and led the acquisition of FastTelco, placing the company as market leader and first in Kuwait to offer fixed-mobile convergence. Sheikh Mohammed is currently President Commissioner of Indosat Ooredoo. Previously, he was Ooredoo Qatar's Finance Director, where he led the Finance BU and the company's 3-year Strategic Business Plan and Annual Operating Plan. He holds a Master's degree in Finance and Accounting from the University of Cardiff, UK and a Bachelor's degree in Accounting from Qatar University.

Mr. Ajay Bahri
Group Chief Financial Officer

Ajay Bahri has been Chief Financial Officer of Ooredoo Group since November 2007. In his role, he looks after Ooredoo Group's investments, treasury, accounting services, financial systems and control, taxation and telecom economics.

Before joining Ooredoo Group, he worked for the professional services firm Ernst & Young, UAE-based communications company Etisalat, and chemicals and materials company W.R. Grace and Co.

Ajay holds a Bachelor's degree in Accountancy from India, and a Master's degree in Engineering from MIT. He is also certified as a Chartered Management Accountant in the UK, a Chartered Accountant in India, and a Certified Information Systems Auditor (non-practicing) in the US.

Sheikh Ali Bin Jabor Al-Thani
Group Chief Legal, Regulatory & Governance Officer

Sheikh Ali Bin Jabor Al-Thani is Group Chief Legal, Regulatory & Governance Officer since March 2020.

Most recently, he was Acting Chief of Corporate Governance for Ooredoo Group, from January 2018 to March 2020.

In his current role, he oversees Ooredoo' s global legal activities and policies, as well as ethics, brand protection, compliance and regulatory affairs, including process automation and anticipation of future transactional needs. He is responsible for the provision of progressive, strategic and proactive advice to the Board and Executive Management on all aspects of governance, policies, global legal compliance and regulatory frameworks across the group.

Sheikh Ali joined Ooredoo Group in 2013 and served in a number of roles, including Chief Legal and Regulatory Officer of Ooredoo Qatar.

Mr. Yousuf Abdulla Al Kubaisi
Chief Operating Officer,
Ooredoo Qatar

Mr. Yousef Abdullah Al Kubaisi was appointed Chief Operating Officer at Ooredoo Qatar in November 2015.

Mr. Al Kubaisi joined the company in 1987 and has held several managerial positions related to international telecommunication infrastructure, corporate services and legislative functions.

In June 2012, Mr. Al Kubaisi was appointed as Head of Corporate Sales and International Services at Ooredoo Qatar, where he helped the company expand its partnerships with many operators and global telecoms companies. In 2014, Mr. Al Kubaisi was appointed Chief Executive Officer of Ooredoo Global Services specialising in corporate sales. He has been instrumental in leading the company's growth internationally.

Mr. Al Kubaisi holds a bachelor's degree in Electrical Engineering from the University of Western Michigan in the United States of America.

Mr. Abdulla Ahmed Al-Zaman
Chief Finance Officer,
Ooredoo Qatar

Mr. Abdulla Ahmed Al-Zaman was appointed as Chief Finance Officer of Ooredoo Qatar in January 2018, after joining the Group in 2013 and holding multiple senior roles. He is responsible for facilitating organisational accountability and transparency, maintaining sustainable value for shareholders and other stakeholders. Mr. Al-Zaman has extensive experience in leadership roles within finance, both in telecommunications and other industries. He holds a bachelor's degree in Finance & Business Administration from California, USA, and an EMBA from the University of Hull, UK.

Mr. Mohammad Al-Kuwari
Chief Corporate Services Officer,
Ooredoo Qatar

Mr. Mohammed Al-Kuwari was appointed as Chief Corporate Services Officer of Ooredoo Qatar in January 2012, having joined the company in 2005. He is responsible for Human Resources, Procurement and Supply Chain, Building and Support Services and Operational Excellence. Mr. Al-Kuwari has more than 20 years of rich and diverse experience in HR, Procurement and Support Services. He has a bachelor's degree in Science – Business Administration from The American University, Washington DC.

Ms. Munera Fahad Al-Dosari
Chief Strategy Officer,
Ooredoo Qatar

Ms. Munera Fahad Al-Dosari was appointed as Chief Strategy Officer of Ooredoo Qatar in February 2017, after joining the Group in 2010. Ms. Al-Dosari is responsible for the formulation and implementation of Ooredoo Qatar's corporate strategy to help meet business plan and strategic goals. She has worked on various high-profile programmes and projects and has been instrumental in implementing industry-leading governance frameworks. Ms. Al-Dosari has a bachelor's degree in Electronic Engineering from University of Portsmouth and an Executive Specialised Master, Strategic Business Unit Management from HEC Paris, Qatar.

Mr. Günther Ottendorfer
Chief Technology & Infrastructure Officer,
Ooredoo Qatar

Mr. Günther Ottendorfer was appointed as Chief Technology and Infrastructure Officer of Ooredoo Qatar in January 2019, having 25 years of experience. He served during that period in top telecommunications companies such as Sprint, Telekom Austria, T-Mobile and Optus in Australia. Before joining Ooredoo he was Chief Operations Officer at Sprint Corporation USA.

Sheikh Nasser bin Hamad bin Nasser Al Thani
Chief Business Officer,
Ooredoo Qatar

Sheikh Nasser bin Hamad bin Nasser Al Thani was appointed as Chief Business Officer of Ooredoo Qatar in July 2017. In his current role he is responsible for end-to-end profit and loss accountability for Ooredoo Qatar's B2B portfolio including Connectivity, ICT and Mega Projects as well as the Qatar Data Centre. Sheikh Nasser has an MBA from the University of Wales, a bachelor's degree from Qatar University and has attended various Executive Development programmes from HEC Paris, London School of Economics and IMD Switzerland. He also holds a Telecoms Mini MBA from Telecoms Academy, United Kingdom.

Ms. Fatima Sultan Al Kuwari
Chief Consumer Officer,
Ooredoo Qatar

Ms. Fatima Sultan Al Kuwari was appointed CCO in November 2019, succeeding Mr. Damian Chappell. Prior to her appointment in this position, Ms. Al Kuwari was Ooredoo Group's Executive Director – Marketing, leading the Group's marketing function and driving commercial strategy and digital transformation journey to achieve substantial business growth. She holds a B.S. in Computer Science from Qatar University and an MBA specialising in Marketing from the University of Liverpool, UK.

Mohammed Al Emadi
Group Chief Audit Executive

Mr. Mohammed Al-Emadi was appointed as Group Chief Audit Executive (GCAE) in November 2011 and has successfully transformed the Internal Audit Function into a Group Internal Audit. He is responsible for providing assurance and consulting services to Ooredoo Qatar, Ooredoo Group and Starlink, as well as supporting Internal Audit functions in the Operating Companies. Mr Al-Emadi holds a bachelor's degree in Accounting from Qatar University and a Masters in Accounting and Finance from University of Southampton, UK.

- Total value of the remunerations to the executive management for the year ending on 31 December 2020 was equivalent to QR 40.6 million.
- The Board of Directors' evaluation of the performance of the Executive Management: Based on the annual evaluation, the Board of Directors is satisfied with the performance of the Executive Management while executing its responsibilities, authorities and recommendations which have been provided during the year ending 31 December 2020.

15. Corporate Governance Department

The Corporate Governance Department was established in 2008 and is responsible for assisting the management and Board in ensuring the efficiency and implementation of corporate governance policies and practices in Ooredoo and its Group.

In 2020, the Corporate Governance Department completed a number of major works:

- Monitored the implementation of Corporate Governance in all of Ooredoo Group companies;
- Reviewed the list of Ooredoo representatives on the Boards of the Group's companies;
- Adopted an employee disclosure procedure for non-Ooredoo interests;
- Monitored the publication of the Corporate Governance code in Group companies;
- Assisted the Board of Directors in the annual assessment and evaluation of adherence to the Code of Conduct;
- Management of Special Purpose Companies (SPVs);
- Worked on the company's policies and the roster of decision making;
- Compliance with the order of Corporate Governance and listed Legal Entities on the main market.

16. Internal audit objectives and activities

Providing independent and objective consultancy services drafted in a way that contributes to adding more value and improving Ooredoo's processes. The activity performed by the internal audit helps to achieve the company's objectives through a structured and systematic approach to assess and improve the effectiveness of risk management, monitoring and governance. Also, the Internal Audit department complies with the International Standards for the Professional Practice of Internal Auditing to provide practical instructions for the management of internal audit, planning, execution, and reporting activities, which are designed to add more value and improve Ooredoo processes/operations.

These tasks are performed under the supervision of the Audit and Risk Committee. There are clear instructions from the Board, Audit Committee, and Executive Management to all units to work in accordance with external and internal audit systems, and to respond to any issue or topic raised by auditors.

In 2020, the Internal Audit Department completed a number of major works:

- Prepared an internal risk-based audit plan;
- Reviewed and evaluated the operations, risk management and internal control framework through implementing the internal audit plan;
- Reviewed quarterly and annual Enterprise Risk Reports of Ooredoo Qatar and the Group and assessed the effectiveness of plans to reduce these risks;
- Complied with the Internal Audit Manual based on the International Standards for the Professional Practice of Internal Auditing to provide practical guidance to manage internal audit activity, planning, execution and reporting;
- Reviewed the quarterly Internal Audit Department reports in Group companies;
- Reviewed the annual Risk Internal Audit plans for Group companies; providing advice and consultation.
- Followed up on the execution of the Internal Audit Department programme to improve and control quality for internal audit departments in the Group and its companies;
- Coordinated between External Auditors, Audit Bureau Qatar and management;
- Supported operating companies' internal audit functions;
- Reviewed recommended policies to provide opinion on the efficiency of internal audit procedures;
- Planning and execution of a review for the effectiveness of internal control measures over financial reports (Internal Control Over Financial Report) for 2020.
- To ensure transparency and credibility, an investigation is held to look into any matters that draw the attention of the internal auditor, external auditor, or finance team, based on the nature of those issues.

We would also note that, based on the external review of the Quality Assurance & Improvement Programme of Group Internal Audit, Group internal audit activity generally conforms to the International Standards for the Professional Practice of Internal Auditing and the Institute of Internal Auditors Code of Ethics.

17. Supervising and Controlling the Group

Monitoring and supervision at Group level has separate lines for operating strategically and in financial control in a full review in each of the affiliated companies. This is done according to a regular cycle of visits and meetings of the executive management of the Group with the executive management of the affiliated companies, supported by a specific schedule for reports on internal performance. This detailed inspection of the performance of each operating company is considered a primary source of information, provided to shareholders through quarterly or annual reports. In addition, the Group reviews and comments on the decisions and actions of Boards and audit committees in each subsidiary. Supervision and control procedures vary between each of the subsidiaries in a way that reflects delegation of powers to the Board and the executive management for each company, however, each company is obliged to issue its reports on the Group level.

The process of unifying the Audit Committees' charters on Group level will ensure that Audit Committees are overseeing the system of internal control.

18. Risk management and internal control

Ooredoo has established a system for monitoring, managing and controlling internal and external risks, to determine risks and put plans to rectify them in order to protect the Company's investments and operations inside and outside Qatar. This system is designed to:

- Identify, assess, monitor and manage risks in the company; and
- Inform the Ooredoo Board of material changes to Ooredoo's risk profile.

The Board is responsible for establishing the risk management system and for reviewing the effectiveness of its implementation in Ooredoo and its Group. Management is responsible for systematically identifying, assessing, monitoring and managing material risks throughout the organisation. This system includes the Company's internal compliance and control systems. In addition, the Company has tight controls and well-established systems that control its transactions and relationships with related parties. Ooredoo Group implements a risk management policy at Group level, where it states that the Group's Board of Directors, supported by Audit and Risk Management Committee and Internal Audit Department, will review every quarter all risks that Ooredoo and its subsidiaries might face. Identifying risks that any of the operating companies might face is the responsibility of its executive management and employees, while the Group's Risk Management examines the risk ratings determined, and the action plans to address these risks. The internal audit department will undergo an independent review of Risk Management Department reports on quarterly basis, and present its opinion regarding the integrity of these reports to the Audit and Risk Management committee. The concerned department gathers all the potential risks and planned measures to mitigate these risks, and presents them to the Audit and Risk Management Committee.

The department then analyses the effectiveness of Ooredoo's risk management and compliance with internal control measures, as well as the effectiveness of their implementation.

Measures for identifying and managing risks vary between affiliated companies. However, these measures are being standardised and Ooredoo also implements a system to compare external markets with the procedures in place to manage risks, so that it is using the best practices.

High-level financial measurements are collected at Group level according to the recurring timetables, which might be monthly, quarterly, or yearly, depending on the details of these measurements. These measurements provide an indication as to the risks faced by each OpCo, with special attention to issues of cash and funding needs as well as the degree of endurance to be able to deal with the unexpected.

The Board also handles the responsibility of spreading the internal audit culture and oversees all concerned with the internal audit framework through regular reports submitted to the Board through internal audit (Risks and Internal Audit). The upper management bears the responsibility of coordinating and facilitating the execution of internal audit framework, and dealing with concerned issues. The upper management guarantees that all controls are working efficiently in all times, and will coordinate with different departments to rectify any points of weakness in the control system that internal audit jobs have reported at the proper time.

The Internal Audit department will continuously review how adequate internal audit framework is through the execution of the annual internal audit plan which is based on risks. In case the internal audit department determined weakness points in the internal audit order, the respective department shall devise a work plan to mitigate and rectify the shortage in a specific time frame. The priority of rectifying weakness points is defined on basis of the potential strength and impact of weak points on the company. The internal audit department prepares half yearly reports on the progress made in monitoring to the Audit and Risk Management committee and the upper management.

The management defined in 2020 the procedures of control on financial data and confirming the integrity of the design and implementation of these procedures. The internal Audit Department made a comprehensive review for these procedures to confirm how fit it is to implement, and the administration was notified of the results of the review and the required improvements. As of 31 December 2020, the company was not aware of any failures or points of weakness in the internal review system, and no emergencies with negative impact on the company's financial status took place.

19. Company's adherence to internal and external audit systems

The Company has appointed an external auditor and is working on adherence to internal and external audit systems. There are decisions and clear instructions from the Board of Directors, Audit Committee and senior executive management that emphasise the necessity for all sectors and departments of the Company to adhere to internal and external audit, and deal with all cases identified by the auditors.
With regard to technical and accounting reports, some observations are contained in the reports of the Internal Auditor, External Auditor and the Audit Bureau. These are being dealt with as appropriate.

Also, the Company has a policy to ensure staff protection and confidentiality in the event of informing them of any suspicious transactions. This policy has been included as part of the Code of Ethics and Business Conduct.

We would also like to point out that, based on the external evaluation of the Quality Assurance and Improvement Programme (QAIP) for the Group's Internal Audit and department and the annual self-evaluation, the activity of the Group's Internal Audit department is in line with the International Standards for the Professional Practice of Internal Auditing and the Charter of Professional Conduct of the International Institute of Internal auditors.

20. Availability of information

The Company guarantees for all shareholders the right to review all relevant information and disclosures through its website and annual reports that are made available to all shareholders. Shareholders can access all information relating to Board members and their qualifications, including the number of shares they own in the Company, their presidencies or membership on the boards of directors of other companies, as well as information on executive management of the Company. All stakeholders are entitled to access to all relevant information.

In Articles (45), (48), and (52) of the Company's Articles of Association, the rights of minority shareholders have been implicitly provided for:

- The Board of Directors may invite the Assembly to convene whenever the need arises, and shall call upon it whenever requested by the controller or a number of shareholders representing not less than 10% of its capital.
- The General Assembly shall convene at an extraordinary meeting upon the invitation of the Board, or upon a written request addressed to the Board by a number of shareholders representing not less than one quarter of the company shares.
- Decisions of the General Assembly issued in accordance with the Company's Articles of Association are binding for all shareholders, including those who are absent from them, those who disagree with the opinion, or those who are disqualified or deficient.

21. Dividend policy

Profits are distributed upon recommendation by the Board of Directors and a decision of the General Assembly of the Company in compliance with Article 61 of the Articles of Association of the Company.

22. Shareholder records

Subject to the provisions of Article 10 of the Company's Articles of Association, Article 159 of the Commercial Companies Law No. 11 for 2015, and Article 30 of the Corporate Governance Code issued by the Qatar Financial Markets Authority and at the direction of Qatar Exchange, the Company keeps true, accurate, and up-to-date records of the Company's shareholders via the central system for shareholders, run by the Stock Exchange.

Any shareholder or any related parties can look at the shareholders' register, and obtain all relevant information.

The two tables below show the major shareholders and shares held by members of the Board.

Table 1: Shares Held by Major Shareholders

Name of Board Member	Country	Number of Shares	Percentage
Qatar Holding	Qatar	1,655,808,420	51.7%
General Retirement & Social Insurance Authority	Qatar	405,289,213	12.7%
Abu Dhabi Investment Authority	United Arab Emirates	320,319,940	10.0%
General Military Retirement and Social Insurance Authority	Qatar	62,299,336	1.9%

Table 2: Shares held by members of the Board

Name of the Board Member	Number of Shares	Country	Beneficiary Name
General Retirement & Social Insurance Authority represented by H.E. Mr. Turki Mohammed Al Khater	405,289,213	Qatar	General Retirement & Social Insurance Authority
H.E. Mr. Turki Mohammed Al Khater	50,000	Qatar	H.E. Mr. Turki Mohammed Al Khater
Qatar National Bank (QNB) represented by Mr. Abdulla Mubarak Al-Khalifa	25,027,600	Qatar	Qatar National Bank (QNB)
Mr. Ibrahim Abdulla Al Mahmoud	62,000	Qatar	Mr. Ibrahim Abdulla Al Mahmoud
Mr. Nasser Rashid Al Humaidi	50,000	Qatar	Mr. Nasser Rashid Al Humaidi
Dr. Nasser Mohammed Marafih	32,000	Qatar	Dr. Nasser Mohammed Marafih

23. Fair treatment of shareholders and voting rights

According to the provisions of Article 16 of the Company's Articles of Association, which states that "each share shall give its holder equal proprietary rights as other shareholders, without any discrimination, in the Company's assets and equal rights to receive dividends as herein-after provided", the dividend will be distributed to the shareholders.

According to the provisions of Article 42 of the Company's Articles of Association, each shareholder has the right to attend the General Assembly, either personally or by proxy.

24. Employees of the Company

The human resources policy adopted and applied by the Company is prepared in accordance with the provisions of the Labour Law No. 14 of 2004, and related ministerial decisions which serve the interests of the Company and its employees, and takes into account at the same time the principles of justice, equality, and non-discrimination on the basis of gender, race, or religion.

Key functions of HR include recommending and developing necessary training plans and submit them for Board approval.

25. The Company's achievements

In 2020, the Company achieved a number of key milestones, including:

- Ooredoo Group announcing revenue of QR 28.9 billion for FY 2020; a net profit of QR 1.1 billion.
- Maintaining the value of the Ooredoo brand, which remained at 41st place in the global Brand Finance top ranking for telecoms companies, with a brand value of US$3.5 billion.
- Being ranked as the 25th leading company in Forbes magazine's 'Top 100 Companies 2020,' as one of the top three regional telecommunications operators.
- Rolling out a robust response to the challenges of the COVID-19 pandemic, including Ooredoo Algeria working with the Red Crescent to distribute hygiene kits and sanitise public spaces; Ooredoo Tunisia launching new nightly data bundles and free mobicash cards; Ooredoo Kuwait offering frontlines workers free internet access; and Ooredoo Qatar offering free bandwidth upgrades for educational customers and 100GB of data for frontline workers.
- Launching initiatives to support the communities in most need of assistance during the pandemic public health crisis, with a focus on the medical and education sectors. Initiatives included donating ventilators, defibrillators, patient monitors and other emergency medical equipment to hospitals in Myanmar; donating laptops to students and providing access to online education portals and app-based learning solutions in Oman and Algeria; as well as targeted customer relief packages and support, featuring complementary data and bill payment flexibility across several markets.
- Implementing various initiatives to protect the health and wellbeing of employees and customers by adopting a work-from-home policy for non-frontline staff, enhanced sanitisation of premises and mandatory use of PPE including masks across markets.
- Expanding on its position as a data experience leader in the countries where it operates. 4G services are available to customers in 8 out of 10 Ooredoo markets; 5G services are available in Qatar, Kuwait (launched in 2019) and Maldives (launched in 2020), with roll-out ongoing in Oman and scheduled for Tunisia.
- Maintaining a strong focus on the business sector, with revenue generated from business customers maintained at 18% of total revenues by the end of 2020 in spite of COVID-19 pandemic, reflecting Ooredoo's ongoing investment in services for business customers.
- Updating the Ooredoo Ramadan campaign to reflect the challenges of the times, with the message "Even if we can't be together, at least we can still be close". The campaign reached 44 million video views, exceeding the records set in previous years.
- Ensuring that various home entertainment data plans, including Ooredoo Qatar's 'All-In-One' Home Service, were bolstered by partnership with leading content providers.
- Transitioning marketing strategy from physical outdoor advertising to target digital advertising in key markets; increasing the adoption of digital channels such as the 'My Ooredoo' app and boosting home product deliveries.
- Ensuring network readiness for increased fixed line and data usage, and increased monitoring to adequately re-distribute network traffic as work transitioned from business areas to residential areas.
- Appointing Mr. Aziz Aluthman Fakhroo as the new Managing Director of Ooredoo Group in November 2020.

- Appointing new leadership to key operations, including Mr. Abdulaziz Yacoub Al-Babtain as CEO of Ooredoo Kuwait.
- Introducing new digital offerings including Ooredoo Oman's mobile wallet, Pay+, developed in conjunction with National Bank of Oman, and Asiacell Iraq's new mobile app, which has become the most downloaded app by a telecom operator in Iraq.
- Continuing work with brand ambassador Lionel Messi across seven markets in the Middle East and South East Asia, reaching more than 40 million people.
- Ooredoo Kuwait continuing to develop and improve its offering for its customer base and in September celebrated 1,000 days of data centre services with no downtime.
- Ooredoo Tunisia reaffirming its position as the leading telecom player (measured by customer market share), by launching its updated "My Ooredoo App" it aimed to boost its digital offering.
- Receiving recognition in the 2020 Stevie International Business Awards, with 17 awards including a 'Grand Stevie' as part of the 'Best of the IBA Awards' and three gold awards for Ooredoo Qatar, Ooredoo Oman and Ooredoo Maldives.
- Winning 'Leading Corporate for Investor Relations – Qatar' and 'Best Investor Relations Professional – Qatar' at the 2020 Middle East Investor Relations Association (MEIRA) awards.
- Evolving the Group's CSR approach of focusing on Environmental and Social Governance.
- Ooredoo Myanmar increasing the monthly active My Ooredoo App users from 1.5 million to 3.4 million, as part of its ongoing digital transformation, and increasing its FB market share by 5.9% thanks to the nationwide launch of the LTE network.
- Ooredoo Algeria achieving a revenue turnaround in 2020 after several years of decline, thanks to a comprehensive transformation programme throughout the year.
- Asiacell Iraq managing to increase the revenue market share by 0.7%, in addition to increasing customer market share by 1%.
- Ooredoo Qatar being named by market researchers Ipsos as being among the top ten companies providing the best response to the pandemic situation in Qatar.
- The expansion of 3G network services in Palestine's West Bank by Ooredoo Palestine, enhancing the quality of service and customer experience.
- Indosat Ooredoo being the fastest-growing operator in Indonesia in 2020, with a significant increase in market share year-on-year.
- The accelerating of 4G LTE rollout in Ooredoo Algeria to include a further 209 sites nationwide, and the increasing of transmission capacity by 10% across 20 Wilayas.
- The continuing of investment in network expansion by Ooredoo Myanmar, with LTE reaching coverage of 92.6% of the population following the nationwide 4G LTE Turbo launch.
- The introduction of SIM sales through an end-to-end digital experience by Ooredoo Tunisia, leading to a three-fold increase in the number of SIMs sold.
- Indosat Ooredoo leveraging its MyIM3 platform to take a quantum leap in digital services, improving customer convenience and lifetime value.
- The launching of AirFibre - the first 5G-powered home broadband service in the Maldives, made possible by Ooredoo's launch of 5G - by Ooredoo Maldives, providing speeds up to ten times faster.

26. Parties Concerned

The company has strict controls and deep-rooted regulations which govern its activities in going into deals or relationships with parties concerned. Also, the company's policy prohibits the Chairman and Members of the Board from making any deals for selling or buying the company's shares during the period specified by Qatar Stock Exchange, until the company's financial results are disclosed to the public and it is confirmed none of the parties concerned has made any deals during ban periods during 2010.

There was no significant transactions with the related parties in the Company registry that required shareholder approval as of 31 December 2020. In all cases, the transactions of related parties whether important transactions or else are disclosed in the Governance report which is prepared in compliance with article (122) of Qatari commercial companies law No (11) for 2015, and article (56) of the articles of association and article (122) of QFMA code. It is also presented as part of the audited financial indicators framework towards the end of the year to endorse it in the Annual General Meeting. For more details, readers can refer to the audited consolidated financial statements at the end of the year ended 31 December 2020, which is presented at the end of the Annual Report and considered an integral part of this Corporate Governance Report.

Information on the deals with concerned parties can be obtained by referring to the note complementing the consolidated audited financial statements for the year ended on 31 December 2020.

27. Social Responsibility

Corporate Social Responsibility (CSR) focuses on ethical, social and environmental issues. Ooredoo is committed to ethical and legal standards in terms of practicing its activities and contributing to economic development and improving the quality of living conditions of the company's employees and their families, as well as the local community and society as a whole. It also works to respond to the demands of stakeholders and the environment in which they operate.

Ooredoo believes that CSR is an investment in society. It works to engage management and employees in CSR activities. The company is keen to invest in the local community in Qatar, as well as in the communities in which it operates.

As for the Social and Sporting Activities Support Fund DAAM, Ooredoo is bound by Law No. 13 of 2008 and its amendments in Law no. 8 of 2011, and the total amount paid reached QR 467,751 thousand and the amount due for payment is QR 39,296 thousand. More information on this is included in the audited financial results.

Based on our belief that Ooredoo can enrich customers' digital lives and stimulate human development, the company works hard to ensure that everyone in its markets is able to take full advantage of our leading networks.

The Company is committed to the United Nations' Goals of Sustainable Development. Ooredoo supports those goals in a number of areas across many initiatives, including projects to eradicate extreme poverty, improve human life and work to create a healthier world in the future. Details of these initiatives can be found in the Social Responsibility section of the Ooredoo Annual Report 2020.

28. Management's Report on Internal Control Over Financial Reporting

The Board of Directors of Ooredoo QPSC and its consolidated subsidiaries is responsible for establishing and maintaining ade¬quate internal control over financial reporting (ICOFR). Our internal control over financial reporting is a process de¬signed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the firm's consolidated financial statements for external reporting purposes in accordance with International Financial Reporting Standards (IFRS). ICOFR includes our disclosure controls and controls designed to prevent and detect misstatements.

We have conducted an evaluation of the **design, implementation and the operating effectiveness** of internal control over financial reporting, as of December 31, 2020, based on the framework and the criteria established in Internal Control – Integrated Framework (2013), issued by the Committee of Sponsoring Organisations of the Treadway Commission ("COSO").
We have covered all the material business processes in our assessment of internal control over financial reporting as of December 31, 2020.

The Company's auditor, Deloitte & Touche – Qatar Branch, an independent accounting firm, has issued an reasonable assurance report on our assessment of ICOFR.

A. Risks in Financial Reporting

The main risks in financial reporting are that either financial statements do not present a true and fair view due to inad¬vertent or intentional errors (fraud) or the publication of financial statements is not done on a timely basis. A lack of fair presentation arises when one or more financial statement amounts or disclosures contain misstatements (or omissions) that are material. Misstatements are deemed material if they could, individually or collectively, influence economic decisions that users make on the basis of the financial statements.

To confine those risks of financial reporting, the Group has established ICOFR with the aim of provid¬ing reasonable but not absolute assurance against material misstatements and conducted an assessment of the effec¬tiveness of the Group's internal control over financial reporting based on the COSO framework. COSO recommends the establishment of specific objectives to facilitate the design and evaluate adequacy of a control system.

The COSO Framework includes 5 components, and17 basic principles.

The 5 (five) components and 17 (seventeen) basic principles are:

- **Control environment**
  1. The organisation demonstrates a commitment to integrity and ethical values
  2. The board of directors demonstrates independence from management and exercises oversight of the development and performance of internal control
  3. Management establishes, with board oversight, structures, reporting lines, and appropriate authorities and responsibilities in the pursuit of objectives
  4. The organisation demonstrates a commitment to attract, develop, and retain competent individuals in alignment with objectives
  5. The organisation holds individuals accountable for their internal control responsibilities in the pursuit of objectives

- **Risk assessment**
  6. The organisation specifies objectives with sufficient clarity to enable the identification and assessment of risks relating to objectives.
  7. The organisation identifies risks to the achievement of its objectives across the entity and analyzes risks as a basis for determining how the risks should be managed.
  8. The organisation considers the potential for fraud in assessing risks to the achievement of objectives.
  9. The organisation identifies and assesses changes that could significantly impact the system of internal control.

- **Control activities**
  10. The organisation selects and develops control activities that contribute to the mitigation of risks to the achievement of objectives to acceptable levels.
  11. The organisation selects and develops general control activities over technology to support the achievement of objectives.
  12. The organisation deploys control activities through policies that establish what is expected and procedures that put policies into action.

- **Information and communication**
  13. The organisation obtains or generates and uses relevant, quality information to support the functioning of internal control.
  14. The organisation internally communicates information, including objectives and responsibilities for internal control, necessary to support the functioning of internal control.
  15. The organisation communicates with external parties regarding matters affecting the functioning of internal control.

- **Monitoring**
  16. The organisation selects, develops, and performs ongoing and/or separate evaluations to ascertain whether the components of internal control are present and functioning.
  17. The organisation evaluates and communicates internal control deficiencies in a timely manner to those parties responsible for taking corrective action, including senior management and the board of directors, as appropriate.

Controls covering each of the 17 principles and five components have been identified and documented.

As part of designing and establishing ICOFR, management has adopted and addressed the following financial statement objectives:

- Existence / Occurrence - assets and liabilities exist and transactions have occurred.
- Completeness - all transactions are recorded, account balances are included in the financial statements.
- Valuation / Measurement - assets, liabilities and transactions are recorded in the financial reports at the appropriate amounts.
- Rights and Obligations and ownership - rights and obligations are appropriately recorded as assets and liabilities.
- Presentation and disclosures - classification, disclosure and presentation of financial reporting is appropriate.

However, any internal control system, including ICOFR, no matter how well conceived and operated, can provide only reasonable, but not absolute assurance that the objectives of that control system are met. As such, disclosure controls and procedures or systems for ICOFR may not prevent all errors and fraud. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs.

B. Organisation of the Internal Control System

Functions Involved in the System of Internal Control over Financial Reporting

Controls within the system of ICOFR are performed by all business functions and infrastructure functions with an in¬volvement in reviewing the reliability of the books and records that underlie the financial statements. As a result, the operation of ICOFR involves staff based in various functions across the organisation.

Controls to minimise the Risk of Financial Reporting Misstatement

The system of ICOFR consists of a large number of internal controls and procedures aimed at minimizing the risk of misstatement of the financial statements. Such controls are integrated into the operating process and include those which:

- are ongoing or permanent in nature such as supervision within written policies and procedures or segregation of duties,
- operate on a periodic basis such as those which are performed as part of the annual financial statement preparation process,
- are preventive or detective in nature,
- have a direct or indirect impact on the financial statements themselves. Controls which have an indirect effect on the financial statements include entity level controls and IT general controls such as system access and deployment controls whereas a control with a direct impact could be, for example, a reconciliation which directly supports a balance sheet line item,
- feature automated and/or manual components. Automated controls are control functions embedded within system processes such as application enforced segregation of duty controls and interface checks over the completeness and accuracy of inputs. Manual internal controls are those operated by an individual or group of individuals such as authorisation of transactions.

C. Measuring Design, Implementation and Operating Effectiveness of Internal Control

The Group has undertaken a formal evaluation of the adequacy of the design, implementation and operating effectiveness of the system of ICOFR. This evaluation incorporates an assessment of the design, implementation and operating effectiveness of the control environment as well as indi¬vidual controls which make up the system of ICOFR taking into account:

- The risk of misstatement of the financial statement line items, considering such factors as materiality and the susceptibility of the particular financial statement item to misstatement.
- The susceptibility of identified controls to failure, considering such factors as the degree of automation, complexity, and risk of management override, competence of personnel and the level of judgment required.

These factors, in aggregate, determine the nature and extent of evidence that management requires in order to be able to assess whether or not the system of ICOFR is effective. The evidence itself is generated from pro¬cedures integrated within the daily responsibilities of staff or from procedures implemented specifically for purposes of the ICOFR evaluation. Information from other sources also form an important component of the evaluation since such evidence may either bring additional control issues to the attention of management or may corroborate findings.

The evaluation has included an assessment of the design, implementation, and operating effectiveness of controls within various processes including financing assets, investments in securities / associates / subsidiaries, treasury, fixed assets, other assets, customer deposits, sukuk financing, borrowing, other liabilities, equity, staff costs, expected credit losses (ECL), depreciation, other expenses, General Ledger and Financial Reporting. The evaluation also included an assessment of the design, implementation, and operating effectiveness of Entity Level Controls, Information Technology General and Application Controls, and Disclosure Controls.

As a result of the assessment of the design, implementation, and operating effectiveness of ICOFR, management did not identify any material weaknesses and concluded that ICOFR was appropriately designed, implemented, and operated effectively as of December 31, 2020.

QR. 83371

RN: 1637/SM/FY2020

Independent Assurance Report, to the Shareholders of Ooredoo Q.P.S.C. (the "Company") and its subsidiaries (referred together as the "Group") on the Board of Directors' Statements on Compliance with the applicable Qatar Financial Markets Authority Laws and relevant legislations including the Governance Code for Companies & Legal Entities Listed on the Main Market

In accordance with Article 24 of the Governance Code for Companies & Legal Entities Listed on the Main Market Issued by the Qatar Financial Markets Authority ("QFMA") Board pursuant to Decision No. (5) of 2016, we have carried out a limited assurance engagement over the Board of Directors' Statements on Compliance (the "Directors' Statements on Compliance") of the Group with the applicable QFMA Laws and relevant legislations including the Governance Code for Companies & Legal Entities Listed on the Main Market (the "Code") included in the relevant sections of the Annual Corporate Governance Report as at 31 December 2020.

Responsibilities of the directors and those charged with governance

The Board of Directors of the Group is also responsible for preparing the Directors' Report that covers, at the minimum, the requirements of Article 4 of the Code.

In Sections 1, 2, 13, 15, 16 and 18 of the Annual Corporate Governance Report, the Board of Directors provides its Directors' Statements on Compliance with the applicable QFMA Laws and relevant legislations including the Code.

Our Responsibilities

Our responsibilities are to issue a limited assurance conclusion on whether anything has come to our attention that causes us to believe that the Directors' Statements on Compliance does not present fairly, in all material respects, the Group's compliance with the QFMA Law and relevant regulation including the Code.

We conducted our engagement in accordance with International Standard on Assurance Engagements 3000 (Revised) 'Assurance Engagements Other Than Audits or Reviews of Historical Financial Information' issued by the International Auditing and Assurance Standards Board ('IAASB').

This standard requires that we plan and perform our procedures to obtain limited assurance about whether anything has come to our attention that causes us to believe that the Directors' Statements on Compliance, taken as a whole, is not prepared in all material respects in accordance with the applicable QFMA Laws and relevant legislations including the Code. The applicable QFMA Laws and relevant legislations including the Code comprises the criteria by which the Group's compliance is to be evaluated for purposes of our limited assurance conclusion.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. We did not perform procedures to identify additional procedures that would have been performed if this were a reasonable assurance engagement.

Our limited assurance procedures comprise mainly of inquiries of management and inspection of supporting policies, procedures, and other documents to obtain an understanding of the processes followed to identify the requirements of the applicable QFMA Laws and relevant legislations including the Code (the 'requirements'); the procedures adopted by management to comply with these requirements; and the methodology adopted by management to assess compliance with these requirements. When deemed necessary, we observed evidences gathered by management to assess compliance with the requirements.

Inherent limitations

Non-financial performance information is subject to more inherent limitations than financial information, given the characteristics of the subject matter and the methods used for determining such information.

Because of the inherent limitations of certain qualitative criteria in the application of the relevant QFMA Laws and relevant legislations including the Code, many of the procedures followed by entities to adopt governance and legal requirements depend on the personnel applying the procedure, their interpretation of the objective of such procedure, their assessment of whether the compliance procedure was implemented effectively, and in certain cases would not maintain an audit trail.

Our Independence and Quality Control

In carrying out our work, we have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour and the ethical requirements that are relevant in Qatar. We have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

Our firm applies International Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Other information

The Board of Directors is responsible for the other information. The other information comprises the Annual Corporate Governance Report (but does not include the Directors' Statements on Compliance, which we obtained prior to the date of this auditor's report.

Our conclusion on the Directors' Statements on Compliance with applicable QFMA Laws and relevant legislations including the Code does not cover the other information and we do not, and will not express any form of assurance conclusion thereon.

In connection with our engagement to report on the Directors' Statements on Compliance, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the Directors' Statements on Compliance or our knowledge obtained in the engagement, or otherwise appears to be materially misstated.

If, based on the work we have performed, on the other information that we obtained prior to the date of this report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Conclusions

Based on our limited assurance procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the Directors' Statements of Compliance with the applicable QFMA Laws and relevant legislations including the Code included in Sections 1, 2, 13, 15, 16 and 18 of the Annual Corporate Governance Report, in all material respects, is not fairly stated as at 31 December 2020.

Doha – Qatar
14 February 2021

For Deloitte & Touche
Qatar Branch

Midhat Salha
Partner
License No. 257
QFMA Auditor License No. 120156

QR. 83371

RN: 1638/SM/FY2020

Independent Assurance Report, to the Shareholders of Ooredoo Q.P.S.C., on the Board of Directors' Report on the Design, Implementation and Operating Effectiveness of Internal Control over Financial Reporting.

In accordance with Article 24 of the Governance Code for Companies & Legal Entities Listed on the Main Market Issued by the Qatar Financial Markets Authority ("QFMA") Board pursuant to Decision No. (5) of 2016, we have carried out a reasonable assurance engagement over The Board of Directors' Report on the evaluation of Design, Implementation and Operating Effectiveness of Internal Control over Financial Reporting (the 'Directors' ICFR Report') as of 31 December 2020.

Responsibilities of the directors and those charged with governance

The Board of Directors of Ooredoo Q.P.S.C. (the "Company") and its subsidiaries (together the "Group") is responsible for implementing and maintaining effective internal control over financial reporting. This responsibility includes: designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates and judgements that are reasonable in the circumstances.

The Group has assessed the design, implementation and operating effectiveness of its internal control system as of 31 December 2020, based on the criteria established in the Internal Control — Integrated Framework 2013 issued by the Committee of Sponsoring Organisations of the Treadway Commission (the "COSO Framework").

The Group's assessment of its internal control system is presented by the Board of Directors in the form of the Directors' ICFR Report, which includes:

- A description of the controls in place within the Components of Internal Control as defined by the COSO Framework;
- A description of the scope covering material business processes and entities in the assessment of Internal Control over Financial Reporting;
- A description of control objectives;
- Identification of the risks that threaten the achievement of the control objectives;
- An assessment of the design, implementation and operating effectiveness of Internal Control over Financial Reporting; and
- An assessment of the severity of design, implementation and operating effectiveness of control deficiencies, if any noted, and not remediated at 31 December 2020.

Our Responsibilities

Our responsibility is to express a reasonable assurance opinion on the fairness of the presentation of the "Directors' ICFR Report" presented in the Annual Corporate Governance Report, based on the criteria established in the COSO Framework, including its conclusion on the effectiveness of design, implementation and operating effectiveness of Internal Control over Financial Reporting as at 31 December 2020.

We conducted our engagement in accordance with International Standard on Assurance Engagements 3000 (Revised) 'Assurance Engagements Other Than Audits or Reviews of Historical Financial Information' issued by the International Auditing and Assurance Standards Board ('IAASB'). This standard requires that we plan and perform our procedures to obtain reasonable assurance about whether the Directors' ICFR Report is fairly presented. The COSO Framework comprises the criteria by which the Group's Internal Control over Financial Reporting is to be evaluated for purposes of our reasonable assurance opinion.

An assurance engagement to issue a reasonable assurance opinion on the Directors' ICFR Report involves performing procedures to obtain evidence about the fairness of the presentation of the Report. Our procedures on the Directors' ICFR Report included:

- Obtaining an understanding of the Group's components of internal control as defined by the COSO Framework and comparing this to the Directors' ICFR Report;
- Obtaining an understanding of the Group's scoping of significant processes and material entities, and comparing this to the Directors' ICFR Report;
- Performing procedures to conclude on the risk of material misstatement within significant processes considering the nature and value of the relevant account balance, class of transaction or disclosures and comparing this to the Directors' ICFR Report;
- Obtaining Management's testing of the design, implementation and operating effectiveness of internal control over financial reporting, and evaluating the sufficiency of the test procedures performed by management and the accuracy of management's conclusions reached for each internal control tested;
- Independently testing the design, implementation and operating effectiveness of internal controls that address significant risks of material misstatement and reperforming a proportion of management's testing for normal risks of material misstatement.
- Assessing of the severity of deficiencies in internal control which are not remediated at 31 December 2020, and comparing this to the assessment included in the Directors' ICFR Report, as applicable.

As part of this engagement, we have directed and supervised the performance of procedures by auditors of all significant components of the Group, and have obtained sufficient appropriate audit evidence regarding the design, implementation and operating effectiveness of internal controls of material entities or business activities within the Group to express a conclusion on the Group's ICFR. We remain solely responsible for our evaluation and conclusion.

A process is considered significant if a misstatement due to fraud or error in the stream of transactions or financial statement amount would reasonably be expected to affect the decisions of the users of financial statements. For the purpose of this engagement, the processes that were determined as significant are: Entity Level Controls, Revenue Post-paid, Revenue Prepaid, Procurement, Treasury, Financial and Non-Financial Investments, Payroll, Fixed Assets, Right-of-use Assets, Lease Liabilities, Tax, Financial reporting and disclosures, Information Technology Controls, Operating Expenses and Cost of Sales.

The procedures to test the design, implementation and operating effectiveness of internal control depend on our judgement including the assessment of the risks of material misstatement identified and involve a combination of inquiry, observation, reperformance and inspection of evidence. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion on the fairness of the presentation of the Directors' ICFR Report.

Meaning of Internal Control over Financial Reporting

An entity's internal control over financial reporting is a system designed to prevent errors and fraud in the financial reporting process and in the preparation of financial statements in accordance with International Financial Reporting Standards. An entity's internal control over financial reporting includes those policies and procedures that:

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the entity;
2. ensure receipts and expenditures of the entity are being made only in accordance with authorizations of the management of the entity;
3. ensure transactions are recorded as necessary to permit preparation of financial statements in accordance with the International Financial Reporting Standards, and
4. ensure prevention or timely detection of unauthorized acquisition, use, or disposition of the entity's assets that could have a material effect on the financial statements, which would reasonably be expected to impact the decisions of the users of financial statements.

Inherent limitations

Because of the inherent limitations of Internal Control over Financial Reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Therefore, Internal Control over Financial Reporting may not prevent or detect all errors or omissions in processing or reporting transactions and consequently cannot provide absolute assurance that the control objectives will be met.

In addition, projections of any evaluation of the Internal Control over Financial Reporting to future periods are subject to the risk that the internal control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Our Independence and Quality Control

In carrying out our work, we have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour and the ethical requirements that are relevant in Qatar. We have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. The firm applies International Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Opinion

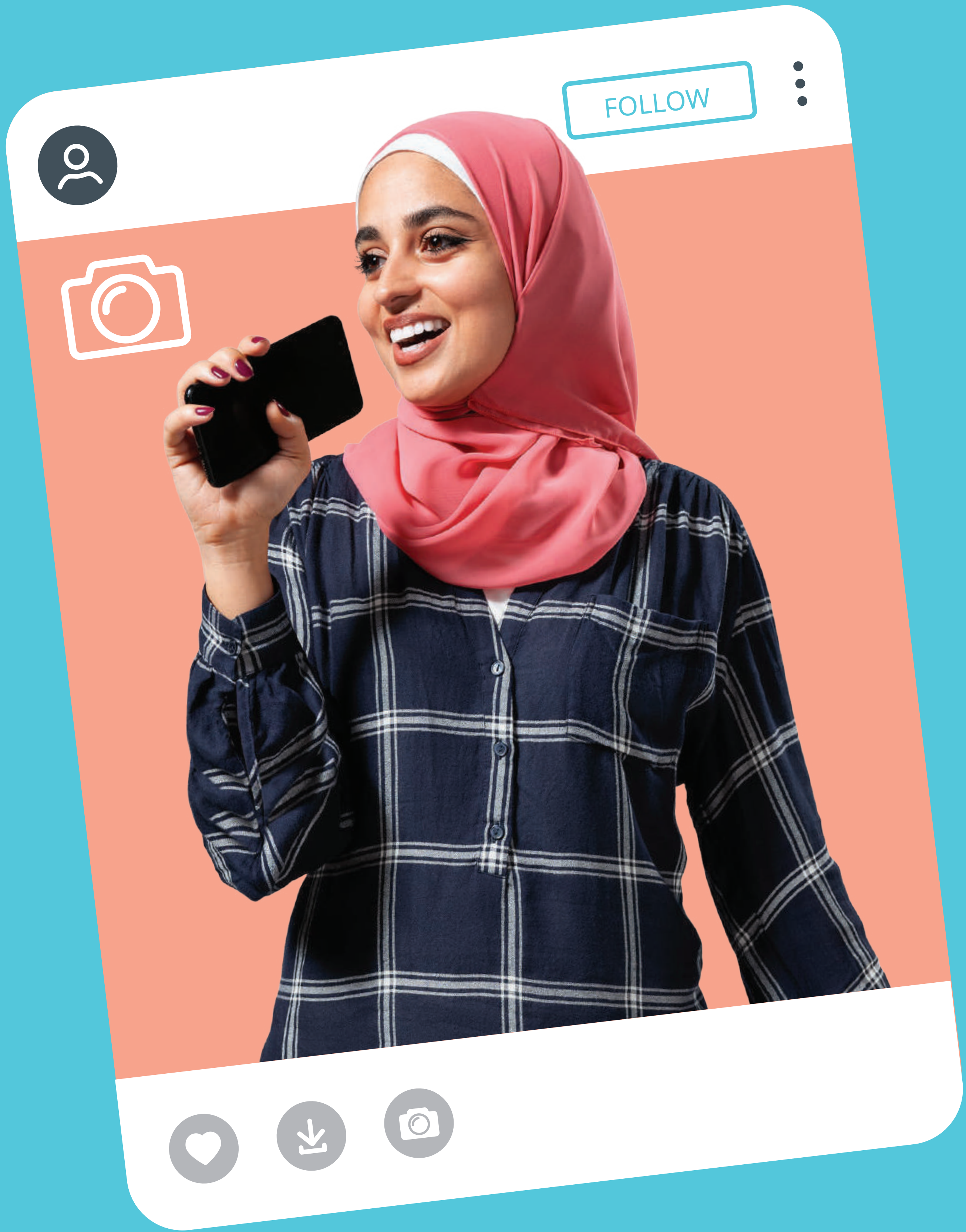
In our opinion the Directors' ICFR Report presented in the Annual Corporate Governance Report, is fairly stated, in all material respects, based on the criteria established in the COSO Framework, including its conclusion on the effectiveness of design, implementation and operating effectiveness of Internal Control over Financial Reporting as of 31 December 2020;

Doha – Qatar
14 February 2021

For Deloitte & Touche
Qatar Branch

M. Salha

Midhat Salha
Partner
License No. 257
QFMA Auditor License No. 120156



Building a sustainable legacy

Our Social Responsibility

At Ooredoo, we are committed to leveraging our expertise in mobile technology to bring about positive social and economic change. Across our international footprint, we are working to become digital enablers, helping people to reach their potential and making a real difference in the communities we serve.

Developing our people

Ooredoo's approach to Corporate Social Responsibility

As part of our corporate social responsibility strategy, Ooredoo is committed to the United Nations Sustainable Development Goals (SDGs), which aim to eradicate extreme poverty, fight inequalities and injustice and create an all-round healthier world for tomorrow. While our impact relates to many of the goals, our approach is focused on three key areas: ensuring healthy lives and promoting wellbeing for all; achieving gender equality; and building resilient infrastructure, promoting inclusive and sustainable industrialisation and fostering innovation.

This approach is embedded into our business model, strategy and operations. Our sustainability framework outlines our five main focus areas: creating digital opportunities and providing community care; creating ethical economic opportunity; safeguarding our customers; developing our people; and protecting our environment.

Digital opportunities and community care

- Digital Opportunities
- Community Care and Procurement
- Safeguarding Human Rights

As a community-focused company, we are guided by a vision of using our services to enrich people's lives and stimulate human growth. We believe in the power of mobile technology; specifically, mobile broadband, as an enabler, to bring about social and economic progress. Ooredoo is committed to providing digital opportunities to its customers, and to enhancing speed, coverage and availability of its networks.
The Group has made a formal commitment to supporting the development of the communities in which it operates; supporting and promoting healthcare, education and social and economic development.

Ooredoo commits to ensuring the integration of environmental and social factors in the supply chain, as part of its Guidelines for Ethical Conduct and Fair Practices.

Creating ethical economic opportunity

- Corporate Governance
- Prevention of Anti-Competitive Practices
- Prevention of Corruption and Bribery

As a company, we are committed to an ethical approach across the business as a whole. Ooredoo's Code of Business Conduct and Ethics includes a formal commitment to the prevention of anti-competitive practices. Ooredoo's personnel may not enter into any agreements or discussions with competitors that have the effect of fixing or controlling prices, dividing and allocating markets or territories, or boycotting suppliers or customers.

The same Code also includes a formal commitment to preventing corruption, conducting business in a manner that does not create a conflict of interest in professional dealings and prohibiting the acceptance of gifts.

Safeguarding our customers

- Customer Security and Privacy
- Responsible Relationships with Customers

At Ooredoo, safeguarding our customers' personal data is of the utmost importance. We undertake to deliver on our promises to our customers while adopting industry best practices related to data security and information.

Ooredoo is committed to ensuring customer data privacy and security, and protecting the privacy of customer information, in its Customer Charter and Privacy Policy. Ooredoo is also ISO 20000-1:2011 certified for excellence in information technology service management systems (SMS) and ISO 27001:2013 certified for information security management systems.

Ooredoo is ISO 9001 certified and has made a formal commitment to ensure responsible customer relations in its Customer Charter. Ooredoo commits to improve its customer service.

Developing our people

- Ensuring Equality and Opportunity
- Training and Professional Development
- Health and Safety

Ooredoo recognises the importance of harnessing the human potential without causing harm.

Ooredoo's Code of Business Ethics includes a formal commitment to promote equal opportunity and to ensure employees are treated fairly. The Group also commits to investing in the development of Qatari nationals, including young national leaders, focusing on training, development and support opportunities.

The Group has made a formal commitment to addressing health and safety in its Quality, Health, Safety and Environment Management (QHSE) Systems policy, committing to identifying and assessing all health and safety hazards and managing associated risks.

Protecting our environment

- Conserving Resources

At Ooredoo, we are committed to the highest standards of environmental protection. As an industry leader, we are working to the best of our ability to reduce our ecological footprint.

Ooredoo Group's QHSE Systems policy includes a formal commitment to environmental management, with the Group committed to minimising the impacts of its operation on the environment through reducing energy consumption; conserving and optimising energy use; reducing atmospheric emissions related to energy consumption; and reducing hazardous and non-hazardous waste. The Group is also committed to conserving resource use by decreasing the use of materials, operating within a 100% paper-free environment.

"At Ooredoo, safeguarding customers' personal data is of the utmost importance. We promise to deliver on our customers' aspirations while adopting industry best practices related to data security and information."

Corporate social responsibility across our footprint

Ooredoo Group's corporate social responsibility (CSR) focus in 2020 was firmly on alleviating the negative impact of the COVID-19 pandemic. Each operating company rolled out a comprehensive programme of support initiatives to ensure citizens and residents could continue daily life as much as possible and communities could work towards recovery and a 'new normal'.

Ooredoo Qatar

Ooredoo Qatar shouldered its responsibility to the communities it served during the pandemic with initiatives designed to ensure maximum spread of information and ready availability of essentials. The company teamed up with high-profile influencers to deliver a sustained campaign on the importance of face masks, hygiene, social distancing and other preventive measures, and organised drives to distribute masks and sanitisers. Ooredoo Qatar also enabled frontline workers to stay connected, providing employees of key government Ministries with free data and local minutes. The company's efforts in supporting its communities through the pandemic were recognised by global market research and public opinion specialist Ipsos, which identified Ooredoo Qatar as one of the top 10 most supportive brands in the country during the pandemic.

The company succeeded in continuing its commitment to sustainability even in the face of lockdown restrictions, carrying out a series of beach clean-up events and installing charging stations for electric vehicles at its premises. Ooredoo Qatar also continued its ongoing commitments, including the annual Ramadan and Eid Al Adha campaigns, which involved distributing iftar and Eid gifts to vulnerable members of the community. It also continued to support invaluable community organisations, such as Qatar Cancer Society.

Indosat Ooredoo

Indosat Ooredoo took a practical approach to supporting the country during the pandemic situation, working with the Indonesian National Board for Disaster Management (BNPB) to distribute masks, hand sanitisers, and deploying mobile washing stations in COVID-19 'red zones'. Furthermore, the company also collaborates with the local government to distribute staple foods to underserved communities in areas badly affected by the spread of the virus. To support students accessing education remotely, customers were given 30GB free data to access e-learning platform from more than 300 universities, while universities were provided with extra bandwidth capacity for free, to accommodate lectures. The company's commitment to its communities during the pandemic earned global recognition by UN Women as the winner of 'COVID-19 Action' category at the UN Women 2020 Asia-Pacific WEPs Awards - Indonesia.

Ooredoo Kuwait

Ooredoo Kuwait focused its CSR efforts on supporting citizens and residents directly affected by coronavirus, distributing SIMs and gifts to COVID-19 patients and staff treating them at dedicated facilities in the country. To help schools and students transition to – and manage – the new, unprecedented digital learning environment, the company launched 'Edunation', a new-age e-learning platform and the first of its kind in the country.

Ooredoo Oman

To help support continued access to education, Ooredoo Oman joined hands with the Ministry of Education to launch an e-learning platform for the academic year 2020/2021 that creates virtual classrooms for students to learn remotely, as well as enabling discussion forums for teachers and administrators to share best practices and monitor growth and development in line with international indexes. The company also provided access to app-based learning solutions through its enhanced digital tutorial app. Ooredoo Oman donated vital medical supplies to hospitals around the Sultanate to help protect frontline staff for their protection, and to enable them to continue to provide essential patient care. The company worked closely with the Ministry of Health to identify and meet the specific requirements of healthcare facilities across the country as the situation developed.

Asiacell Iraq

Asiacell Iraq's presence in 2020 was highly prominent in the community and the country overall. The company implemented various initiatives to help the country through the pandemic, from supporting the health sector to helping young people with their online education. Asiacell Iraq's efforts to support the country and its communities were both financial and practical; the company made sizeable donations of IQD 750 million to the Iraqi government and USD 500,000 to the Kurdistan Regional Government. On the practical level, the company organised a sanitisation drive in Karbala governorate to help reduce the spread of COVID-19, while working with the Iraqi Red Crescent to distribute masks and sanitisers to students before their final exams.

Asiacell Iraq also undertook food basket distribution initiatives to help economically disadvantaged families avoid hardship during the lockdown period. To support the e-learning initiatives that took place due to the COVID-19 situation, Asiacell Iraq offered free data packages to students for their online learning and courses. Furthermore, multiple sanitisation and health awareness campaigns were organised by Asiacell Iraq teams across all Iraqi governorates. In addition, the company initiated a virtual clinic and health services centre at Bardarash refugee camp in Duhok, connecting to medical doctors at FMC as the most advanced hospital in Iraq for free medical consultation.

Ooredoo Algeria

A generous financial donation to the Health Ministry, to help enable the quarantine of repatriated Algerians, formed the cornerstone of Ooredoo Algeria's efforts to support the fight against the pandemic in the country. This donation was backed up by a comprehensive programme of practical support for communities; distribution of hygiene kits, disinfection, placement of social distancing signage, education campaigns and e-learning platforms. Educational initiatives helped Algerians manage remote learning, such as the launch of an online teaching project and the provision of free access to government teaching platforms. In the healthcare sector, the company offered free access to websites and toll-free lines providing information, advice and guidance on coronavirus.

Ooredoo Tunisia

Ooredoo Tunisia engaged with the Tunisian government in 2020 to provide support for the Ministries of Health, Education and Telecommunications as they, in turn, supported Tunisia's communities in the fight against COVID-19 with a range of critical response initiatives. The company provided free internet and data access for hospitals, universities and other key sectors, ensuring continued reliable connectivity. Recognising its responsibility to the community as a major provider of communications, Ooredoo Tunisia issued continuous health and safety awareness messages across a range of its channels. The company donated DT 800,000 to the 1818 Fund to help with its valuable work battling the pandemic and its impact on the country and its citizens and residents.

Ooredoo Myanmar

Ooredoo Myanmar collaborated closely with the Myanmar government throughout 2020 to ensure critical services could continue despite strict lockdown conditions. Widening its scope to include practical support for communities, the company donated emergency equipment to hospitals; provided SIM cards and free data to healthcare and education workers; and contributed time and funds to local communities in need. Continuing its commitment to creating positive change in healthcare and education, Ooredoo Myanmar funded a new school building – the 40th to date – and launched the Sustainable Enterprises and Agricultural Development (SEAD) and Innovation Hub projects with UNDP Myanmar. The company also continued to grow and strengthen its partnerships with organisations and initiatives such as the Daw Khin Kyi Foundation, Beyond Access, Tech Age Girls and Mobile Library.

Ooredoo Palestine

Ooredoo Palestine helped support online learning with the introduction of free e-learning services, enabling students across the country to continue accessing education. Donations were provided from both the company and its employees to the government's Waqfet Izz fund, set up to help ease the impact of COVID-19 on those most affected. To share information and advice related to COVID-19, the company launched an awareness campaign through its digital channels in the early stages of the pandemic. Outside pandemic response initiatives, Ooredoo Palestine continued to sponsor Injaz Palestine, an innovation and entrepreneurship organisation for students. Furthermore, the company maintained its commitment to protecting the environment with continuation of initiatives such as sustainable disposal of batteries and generator consumables.

Ooredoo Maldives

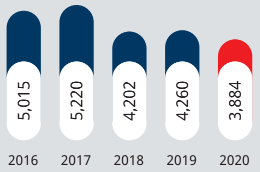
Ooredoo Maldives prioritised helping the country – with its economy heavily dependent on tourism – get back on its feet in the aftermath of the detrimental economic effects seen in the country due to global lockdowns. The company launched the 'Visit Maldives Now' campaign to help promote the country as a safe haven for visitors and kickstart a return to tourism. Ooredoo Maldives partnered with Ministry of Education to provide easy access to educational tools such as Google Classroom, Microsoft Teams, Moodle, and Zoom for online classes. Free internet support was also provided for government institutions and other stakeholders who are part of the national emergency response for COVID-19. Ooredoo Maldives endeavoured to maintain customer engagement and connect communities by organising virtual events such as the Eid Music Show and a first-of-its-kind virtual run, 'Atholhu Dhuvun'. Offering practical support to the country in its fight against COVID-19, the company provided a donation of MVR 2.5 million towards medical equipment and personal protective equipment (PPE) to the Government of Maldives. The company also donated Intubation Boxes to National Disaster Management Authority, to help separate health workers from patients, to prevent the risk of infection through virus particles.

Leveraging strengths to maintain market leadership

Financial Review

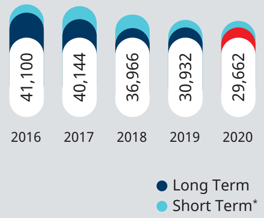
EBIT
Amount in QR millions

3,884



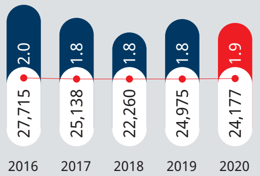
Total Group Debt
Amount in QR millions (Note B)

29,662



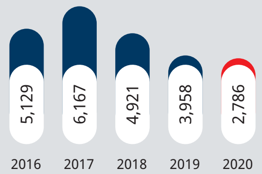
Net Debt & Net Debt/EBITDA
Amount in QR millions (Note C)

24,177



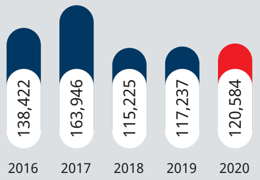
Free Cash Flow
Amount in QR millions (Note D)

2,786



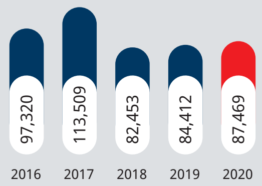
Total Customers
in Thousands

120,584

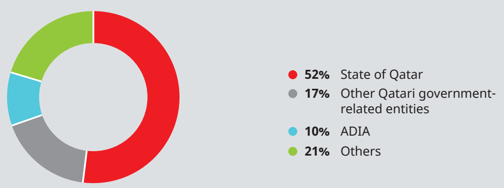


Proportional Customers
In Thousands (Note E)

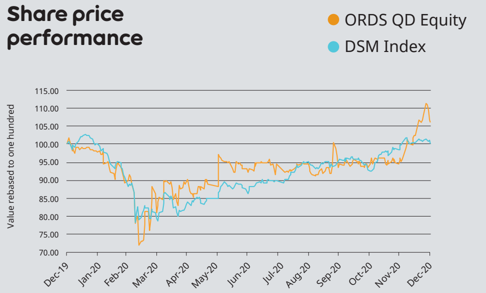
87,469



Company ownership profile



Share price performance



Note A **Dividend payout ratio** = cash dividend / net profit to Ooredoo shareholders.

Note B **Short term debt** includes debt with a maturity of less than twelve months.

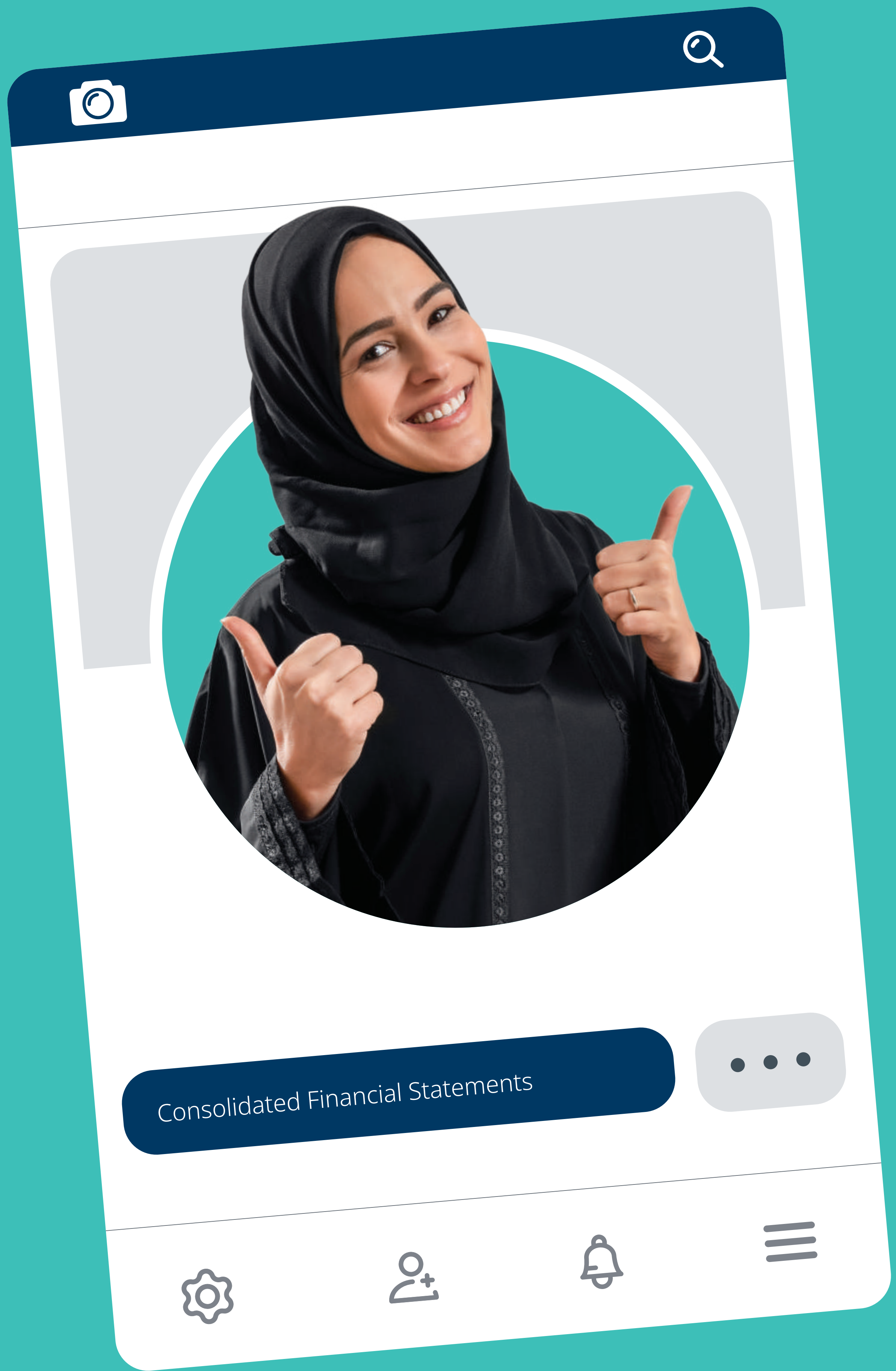
Note C **Net Debt** = total loans and borrowings + lease liabilities + vendor financing + contingent liabilities (letters of guarantee + letters of credit) less cash (excluding restricted cash and cash held below BBB+ rating).

Note D **Free cash flow** = net profit plus depreciation, amortization and interest on lease liability less capex and lease liability payment; net profit adjusted for extraordinary items.

Note E **Proportional customers** represent the customers for each operating company, multiplied by the effective stake in that operating company.

Note F **Net Debt to EBITDA** ratio computed as per the bank covenant.

		2020	2019	% change 2019 to 2020	2018	% change 2018 to 2020
Operations						
Revenue	QR millions	28,867	29,916	-4%	29,927	-4%
EBITDA	QR millions	12,130	12,847	-6%	12,202	-1%
EBITDA margin	Percentage	42%	43%		41%	
Net profit attributable to Ooredoo shareholders	QR millions	1,127	1,725	-35%	1,565	-28%
Earnings per share (EPS) - basic and diluted	QR	0.35	0.54		0.49	
Cash dividend declared per share	QR	0.25	0.25		0.25	
Dividend payout ratio (Note A)	Percentage	71%	46%		51%	
Operational cash flow	QR millions	11,111	11,760	-6%	7,867	41%
Capital expenditure	QR millions	5,790	5,869	-1%	4,872	19%
Employees	Number	15,960	16,717	-5%	16,469	-3%
Financial position						
Total net assets	QR millions	28,201	29,105	-3%	28,178	0%
Net debt (Note C)	QR millions	24,177	24,975	-3%	22,260	9%
Net debt to EBITDA	Multiples	1.9	1.8		1.8	
Free cash flow (Note D)	QR millions	2,786	3,958	-30%	4,921	-43%
Market capitalisation	QR millions	24,088	22,679	6%	24,024	0%
Customers						
Wireless postpaid (incl. wireless broadband)	Thousands	5,838	5,288	10%	5,235	12%
Wireless prepaid	Thousands	113,926	111,072	3%	109,165	4%
Fixed line (incl. fixed wireless)	Thousands	820	877	-7%	825	-1%
Total customers	Thousands	**120,584**	**117,237**	**3%**	**115,225**	**5%**



Solid performance, robust results

Consolidated Financial Statements

Contents

INDEPENDENT AUDITOR'S REPORT

QR. 83371
RN: 1636/SM/FY2020
The shareholders of Ooredoo Q.P.S.C.
Doha, Qatar

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Ooredoo Q.P.S.C. (the "Company"), and its subsidiaries (together the "Group") which comprise the consolidated statement of financial position as at 31 December 2020, and the consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2020, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRSs").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants ("IESBA Code") together with the other ethical requirements that are relevant to our audit of the Group's consolidated financial statements in the State of Qatar, and we have fulfilled our other ethical responsibilities. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

Key audit matters	How our audit addressed the key audit matters
Revenue recognition and related IT systems	
The Group reported revenue of QR. 28,866,565 thousand from telecommunication related activities. We have considered this as a key audit matter due to the estimates and judgments involved in the application of the revenue recognition accounting standards; and there is an inherent risk around the accuracy and occurrence of revenue recorded given the complexity of IT systems and the impact of changing pricing models to revenue recognition (tariff structures, incentive arrangements, discounts etc.). Refer to the following notes of the consolidated financial statements: • Note 3.4 – Summary of significant accounting policies; • Note 4 – Revenue; • Note 20 – Contract costs and assets; • Note 42 – Significant accounting judgments and estimates; • Note 44 – Segment information; and • Note 48 – Impact of COVID-19	We tested revenue through a combination of controls testing, data analytics and substantive audit procedures covering, in particular: • Updating our understanding of the significant revenue processes and identifying the relevant controls (including IT systems, interfaces and reports); • Understanding and assessing the impact of COVID-19 pandemic, including impact of remote working, changes in access rights, approval workflows, change management, and application controls due to business process changes; • Performing automated and manual controls tests and substantive tests, to ascertain accuracy and completeness of revenue; • Testing IT general controls, covering pervasive IT risks around access security, change management, data center and network operations; • Testing IT application controls around input, data validation and processing of transactions; • Testing new controls / modified IT controls impacted by COVID-19 changes for period impacted, as applicable • Assessing and testing the Group's revenue accounting policies, including the key judgments and estimates applied by management in consideration of the requirements of IFRSs; • Performing data analysis and analytical reviews on significant revenue streams; and • Testing and validating the controls implemented on the revenue recognition software. Further, we instructed and ensured that the component auditors of the Group's significant entities have performed the audit procedures specified above, as applicable. We also assessed the overall presentation, structure and content of revenue related disclosures in notes 3.4, 4, 20, 42, 44 and 48 to the consolidated financial statements against the requirements of IFRSs.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

Key audit matters	How our audit addressed the key audit matters
Impairment of intangible assets and goodwill	
The Group's total assets include intangible assets and goodwill of QR. 26,454,938 thousand, which represents 30% of total assets. We have considered their carrying value as a key audit matter because the evaluation of the recoverable amount of the intangible assets and goodwill requires significant judgments and estimates, especially of the assumptions used in determining the discounted future cash flows and utilization of relevant assets. Refer to the following notes to the consolidated financial statements: • Note 3.2 – Basis of consolidation; • Note 3.4 – Summary of significant accounting policies; • Note 13 – Intangible assets and goodwill; • Note 42 – Significant accounting judgments and estimates; and • Note 48 – Impact of COVID-19	We tested the impairment assessment models and the key assumptions used by management with the involvement of our valuation specialists. Our audit procedures included the following: • Understanding the business process for the impairment assessment, identifying the relevant internal controls and testing their design, implementation and operating effectiveness of controls over the impairment assessment process, including indicators of impairment; • Evaluating whether the cash flows in the models used by management to calculate the recoverable value are in accordance with requirements of IAS 36 Impairment of Assets; • Obtaining and analyzing the approved business plans for each such asset (or CGU, as applicable) to assess accuracy of the computations and the overall reasonableness of key assumptions; • Compared actual historical cash flow results with previous forecasts to assess forecasting accuracy; • Assessing the methodology used by the Group to estimate the Weighted Average Cost of Capital ("WACC") and benchmarking that with discount rates used by other similar businesses and external sector related guidelines; • Benchmarking assumptions on long term growth rates of local GDP and long term inflation expectations with external sources of data published by global monetary agencies; and • Where appropriate based on our risk assessment, we have challenged key assumptions used by the Group, reviewed management's sensitivity scenarios and assessed the adequacy of related disclosure, including COVID-19 impact, if any. We performed sensitivity analysis on the key assumptions used by management, by involvement of valuation specialists, to understand the extent to which these assumptions need to be adjusted before resulting in additional impairment loss. Further, we instructed and ensured that the component auditors of the Group's significant entities have performed the audit procedures specified above, as applicable We assessed the overall presentation, structure and content of the related disclosures in notes 3.2, 3.4, 13, 42 and 48 to the consolidated financial statements against the requirement of IFRSs.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

Key audit matters	How our audit addressed the key audit matters
Provisions and contingent liabilities from tax, legal and other regulatory matters	
The Group operates in multiple jurisdictions that exposes it to various tax, legal and other regulatory matters. We have considered this as a key audit matter because of the following: • There is a risk of non-compliance with the regulatory requirements and laws which includes, but not limited to, environmental and taxation laws. Such non-compliance may have a financial impact (i.e., provision, contingent liabilities, etc.) on the components and might also affect the component's ability to continue as going concern. • The accounting of these matters require significant judgments by management in estimating the provisions and related disclosures in accordance with IFRS. Refer to the following notes to the consolidated financial statements: • Note 3.4 – Summary of significant accounting policies; • Note 19 – Income tax; • Note 38 – Contingent liabilities; • Note 42 – Significant accounting judgments and estimates: and • Note 48 – Impact of COVID-19	In responding to the risks in these matters, our audit procedures included the following: • Understanding the Group's policies in addressing tax, legal and regulatory requirements; • Assessing the adequacy of the design, implementation and operating effectiveness of controls over the appropriateness and completeness of provisions; • Discussing open matters with the Group's tax, legal and regulatory teams; • Reading external legal opinions and other relevant documents supporting management's conclusions on these matters, where available; • Obtaining direct confirmation and/ or discussing with Group's legal counsel and tax advisors regarding material cases, where applicable; and • Where appropriate based on our risk assessment, we have assessed management's position in estimating the provisions, evaluated management's assessment of the Group's ability to continue as going-concern and assessed the sufficiency of the Group's disclosure, including COVID-19 impact, if any. Further, we instructed and ensured that the component auditors of the Group's significant entities have performed consistent audit procedures as per above, as applicable. We assessed the overall presentation, structure and content of the related disclosures in notes 3.4, 19, 38, 42 and 48 to the consolidated financial statements against the requirements of IFRSs.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

Other Information

Management is responsible for the other information. The other information comprise Chairman's Message, Group CEO's Message, Operational and Financial Highlights, Our Reach, Our Businesses, Corporate Governance Report, Financial Review, which we obtained prior to the date of this auditor's report and the annual report, which is expected to be made available to us after that date. The other information does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance or conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRSs, applicable provisions of Qatar Commercial Companies Law and the Company's Articles of Association and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risk, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than the one resulting from error, as fraud may involve collusion, forgery, intentional omission, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosure is inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law and regulations preclude public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Further, as required by the Qatar Commercial Companies Law, we report the following:

- We are of the opinion that proper books of account were maintained by the Company, physical inventory verification has been duly carried out and the contents of the director's report are in agreement with the Company's accompanying consolidated financial statements.
- We obtained all the information and explanations which we considered necessary for the purpose of our audit.
- To the best of our knowledge and belief and according to the information given to us, no contraventions of the applicable provisions of Qatar Commercial Companies Law and the Company's Articles of Association were committed during the year which would materially affect the Group's consolidated financial position or its consolidated financial performance.

Doha – Qatar
14 February 2021

For Deloitte & Touche
Qatar Branch

M. Salha

Midhat Salha
Partner
License No. 257
QFMA Auditor License No. 120156

ديلويت آند توش
DELOITTE & TOUCHE
Public Accountants

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended 31 December 2020

	Note	**2020 QR.'000**	2019 QR.'000
Revenue	4	**28,866,565**	29,915,541
Operating expenses	5	**(10,806,132)**	(11,031,177)
Selling, general and administrative expenses	6	**(5,966,048)**	(6,094,186)
Depreciation and amortisation	7	**(8,245,460)**	(8,587,649)
Net finance cost	8	**(1,895,576)**	(2,087,666)
Impairment losses on goodwill, financial assets and other assets	12, 13, 16, 23	**(448,535)**	(345,767)
Other income – net	9	**470,615**	1,311,572
Share of results in associates and joint ventures – net of tax	16	**35,276**	57,072
Royalties and fees	10	**(385,676)**	(491,637)
Profit before income tax		**1,625,029**	2,646,103
Income tax	19	**(203,099)**	(422,091)
Profit for the year		**1,421,930**	2,224,012
Profit attributable to:			
Shareholders of the parent		**1,126,475**	1,724,826
Non-controlling interests		**295,455**	499,186
		1,421,930	2,224,012
Basic and diluted earnings per share (Attributable to shareholders of the parent) (Expressed in QR. per share)	11	**0.35**	0.54

This statement has been prepared by the Company and stamped by the Auditors for identification purposes only

DELOITTE & TOUCHE
Doha- Qatar
14 FEB 2021
Signed for Identification Purposes Only

The accompanying notes 1 to 48 form part of these consolidated financial statements

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2020

	Note	**2020 QR.'000**	2019 QR.'000
Profit for the year		**1,421,930**	2,224,012
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Effective portion of changes in fair value of cash flow hedges	26	**(5,584)**	(4,446)
Share of other comprehensive loss of associates and joint ventures	26	**(15,757)**	(27,211)
Foreign currency translation differences	26	**(863,769)**	572,849
Items that will not be reclassified subsequently to profit or loss			
Net changes in fair value on investments in equity instruments designated as FVTOCI	26	**(67,953)**	(12,616)
Net changes in fair value of employees' benefits reserve	26	**(29,956)**	(3,658)
Other comprehensive (loss)/income – net of tax		**(983,019)**	524,918
Total comprehensive income for the year		**438,911**	2,748,930
Total comprehensive income attributable to:			
Shareholders of the parent		**464,681**	2,169,270
Non-controlling interests		**(25,770)**	579,660
		438,911	2,748,930

The accompanying notes 1 to 48 form part of these consolidated financial statements

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2020

	Note	2020 QR.'000	2019 QR.'000
ASSETS			
Non-current assets			
Property, plant and equipment	12	**26,120,103**	27,045,039
Intangible assets and goodwill	13	**26,454,938**	26,319,887
Right-of-use assets	14	**6,710,353**	6,033,848
Investment property	15	**46,581**	58,007
Investment in associates and joint ventures	16	**1,695,507**	1,971,912
Financial assets – equity instruments	17	**789,007**	904,440
Other non-current assets	18	**740,343**	732,243
Deferred tax assets	19	**643,104**	658,851
Contract costs and assets	20	**188,830**	194,971
Total non-current assets		**63,388,766**	63,919,198
Current assets			
Inventories	21	**397,802**	557,305
Contract costs and assets	20	**367,209**	345,919
Trade and other receivables	22	**7,612,862**	8,360,840
Bank balances and cash	23	**15,678,488**	14,716,148
		24,056,361	23,980,212
Assets held for sale		**291,934**	82,212
Total current assets		**24,348,295**	24,062,424
TOTAL ASSETS		**87,737,061**	87,981,622
EQUITY			
Share capital	24	**3,203,200**	3,203,200
Legal reserve	25 (a)	**12,434,282**	12,434,282
Fair value reserve	25 (b)	**410,925**	550,809
Employees' benefits reserve	25 (c)	**(11,273)**	5,975
Translation reserve	25 (d)	**(7,869,693)**	(7,314,294)
Other statutory reserves	25 (e)	**1,304,333**	1,299,489
Retained earnings		**13,277,770**	12,947,508
Equity attributable to shareholders of the parent		**22,749,544**	23,126,969
Non-controlling interests		**5,451,279**	5,978,017
TOTAL EQUITY		**28,200,823**	29,104,986

The accompanying notes 1 to 48 form part of these consolidated financial statements

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

As at 31 December 2020

	Note	2020 QR.'000	2019 QR.'000
LIABILITIES			
Non-current liabilities			
Loans and borrowings	28	**24,325,514**	25,336,943
Employees' benefits	29	**757,163**	766,619
Lease liabilities	32	**6,263,940**	5,692,809
Deferred tax liabilities	19	**301,438**	340,468
Other non-current liabilities	30	**2,550,753**	2,658,393
Contract liabilities	33	**8,247**	11,481
Total non-current liabilities		**34,207,055**	34,806,713
Current liabilities			
Loans and borrowings	28	**5,189,283**	5,410,332
Lease liabilities	32	**1,096,463**	956,494
Trade and other payables	31	**15,613,600**	13,774,974
Deferred income	27	**2,154,890**	2,265,590
Contract liabilities	33	**192,456**	117,768
Income tax payable		**1,082,491**	1,544,765
Total current liabilities		**25,329,183**	24,069,923
TOTAL LIABILITIES		**59,536,238**	58,876,636
TOTAL EQUITY AND LIABILITIES		**87,737,061**	87,981,622

Faisal Bin Thani Al Thani
Chairman

Nasser Mohammed Marafih
Deputy Chairman

This statement has been prepared by the Company and stamped by the Auditors for identification purposes only

DELOITTE & TOUCHE
Doha-Qatar
14 FEB 2021
Signed for Identification Purposes Only

The accompanying notes 1 to 48 form part of these consolidated financial statements

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the year ended 31 December 2020

	Attributable to shareholders of the parent									
	Share capital QR.'000	Legal reserve QR.'000	Fair value reserve QR.'000	Employees' benefits reserve QR.'000	Translation reserve QR.'000	Other statutory reserves QR.'000	Retained earnings QR.'000	Total QR.'000	Non – controlling interests QR.'000	Total equity QR.'000
At 1 January 2020	3,203,200	12,434,282	550,809	5,975	(7,314,294)	1,299,489	12,947,508	23,126,969	5,978,017	29,104,986
Profit for the year	-	-	-	-	-	-	1,126,475	1,126,475	295,455	1,421,930
Other comprehensive loss	-	-	(89,147)	(17,248)	(555,399)	-	-	(661,794)	(321,225)	(983,019)
Total comprehensive income (loss) for the year	-	-	(89,147)	(17,248)	(555,399)	-	1,126,475	464,681	(25,770)	438,911
Realized gain on FVTOCI investment recycled to retained earnings	-	-	(50,737)	-	-	-	50,737	-	-	-
Transactions with shareholders of the parent, recognised directly in equity										
Dividend for 2019 (Note 34)	-	-	-	-	-	-	(800,800)	(800,800)	-	(800,800)
Transfer to other statutory reserves	-	-	-	-	-	4,844	(4,844)	-	-	-
Transactions with non-controlling interest, recognised directly in equity										
Change in associate's non-controlling interest of its subsidiary	-	-	-	-	-	-	639	639	-	639
Dividend for 2019	-	-	-	-	-	-	-	-	(500,667)	(500,667)
Transactions with non-owners of the Group, recognised directly in equity										
Transfer to employee association fund	-	-	-	-	-	-	(1,587)	(1,587)	(301)	(1,888)
Transfer to social and sports fund	-	-	-	-	-	-	(40,358)	(40,358)	-	(40,358)
As at 31 December 2020	**3,203,200**	**12,434,282**	**410,925**	**(11,273)**	**(7,869,693)**	**1,304,333**	**13,277,770**	**22,749,544**	**5,451,279**	**28,200,823**

The accompanying notes 1 to 48 form part of these consolidated financial statements

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)
For the year ended 31 December 2020

	Attributable to shareholders of the parent									
	Share capital QR.'000	Legal reserve QR.'000	Fair value reserve QR.'000	Employees' benefits reserve QR.'000	Translation reserve QR.'000	Other statutory reserves QR.'000	Retained earnings QR.'000	Total QR.'000	Non – controlling interests QR.'000	Total equity QR.'000
At 1 January 2019	3,203,200	12,434,282	606,299	22,031	(7,805,451)	1,252,304	12,496,038	22,208,703	5,968,984	28,177,687
Effect of change in accounting policy for:										
Initial application of IFRS 16	-	-	-	-	-	-	(416,503)	(416,503)	(10,827)	(427,330)
Adjusted balance as at 1 January 2019	3,203,200	12,434,282	606,299	22,031	(7,805,451)	1,252,304	12,079,535	21,792,200	5,958,157	27,750,357
Profit for the year	-	-	-	-	-	-	1,724,826	1,724,826	499,186	2,224,012
Other comprehensive income (loss)	-	-	(43,634)	(3,079)	491,157	-	-	444,444	80,474	524,918
Total comprehensive income (loss) for the year	-	-	(43,634)	(3,079)	491,157	-	1,724,826	2,169,270	579,660	2,748,930
Realized gain on FVTOCI investment recycled to retained earnings	-	-	(11,856)	-	-	-	11,856	-	-	-
Employee benefits reserve recycled to retained earnings	-	-		(12,977)	-	-	12,977	-	-	-
Transactions with shareholders of the parent, recognised directly in equity										
Dividend for 2018 (Note 34)	-	-	-	-	-	-	(800,800)	(800,800)	-	(800,800)
Transfer to other statutory reserves	-	-	-	-	-	47,185	(47,185)	-	-	-
Transactions with non-controlling interest, recognised directly in equity										
Change in subsidiary's non-controlling interest	-	-	-	-	-	-	(317)	(317)	(491)	(808)
Change in associate's non-controlling interest of its subsidiary	-	-	-	-	-	-	8,831	8,831	-	8,831
Dividend for 2018	-	-	-	-	-	-	-	-	(559,022)	(559,022)
Transactions with non-owners of the Group, recognised directly in equity										
Transfer to employee association fund	-	-	-	-	-	-	(1,515)	(1,515)	(287)	(1,802)
Transfer to social and sports fund	-	-	-	-	-	-	(40,700)	(40,700)	-	(40,700)
As at 31 December 2019	3,203,200	12,434,282	550,809	5,975	(7,314,294)	1,299,489	12,947,508	23,126,969	5,978,017	29,104,986

The accompanying notes 1 to 48 form part of these consolidated financial statements

CONSOLIDATED STATEMENT OF CASH FLOWS
For the year ended 31 December 2020

	Note	2020 QR.'000	2019 QR.'000
OPERATING ACTIVITIES			
Profit before income tax		**1,625,029**	2,646,103
Adjustments for:			
Depreciation and amortisation	7	**8,245,460**	8,587,649
Dividend income	9	**(68,501)**	(8,003)
Impairment losses on goodwill, financial assets and other assets	12, 13, 16, 23	**448,535**	345,767
Gain on disposal of investments designated as FVTPL		**26**	109
Changes in fair value of investments designated as FVTPL		**(10,733)**	18,640
Gain on disposal of property, plant and equipment		**(142,789)**	(89,880)
Gain on disposal of an investment in associate		**(21,407)**	-
Net finance costs	8	**1,895,576**	2,087,666
Provision for employees' benefits	29	**135,380**	151,363
Allowance for impairment of trade receivables	6	**308,354**	231,337
Share of results in associates and joint ventures – net of tax	16	**(35,276)**	(57,072)
Operating profit before working capital changes		**12,379,654**	13,913,679
Working capital changes:			
Changes in inventories		**159,503**	85,756
Changes in trade and other receivables		**440,087**	(217,209)
Changes in contract costs and assets		**(15,149)**	(77,014)
Changes in trade and other payables		**901,939**	887,622
Changes in contract liabilities		**71,454**	(30,004)
Cash from operations		**13,937,488**	14,562,830
Finance costs paid		**(1,961,274)**	(2,126,334)
Employees' benefits paid	29	**(161,355)**	(170,382)
Income tax paid		**(704,088)**	(506,014)
Net cash from operating activities		**11,110,771**	11,760,100

The accompanying notes 1 to 48 form part of these consolidated financial statements

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)
For the year ended 31 December 2020

	Note	2020 QR.'000	2019 QR.'000
INVESTING ACTIVITIES			
Acquisition of property, plant and equipment	12	**(5,626,943)**	(5,657,301)
Acquisition of intangible assets	13	**(562,173)**	(478,536)
Additional investments in associates		**(2,686)**	(16,272)
Additional investment in financial assets – equity instruments		**(8,011)**	(6,555)
Proceeds from disposal of property, plant and equipment		**343,939**	167,898
Proceeds from disposal of investments designated as FVTPL		**65,817**	21,344
Proceeds from disposal of an investment in associate		**79,872**	-
Movement in restricted deposits		**(75,666)**	(68,777)
Movement in short-term deposits		**76,511**	(110,330)
Movement in other non-current assets		**(14,452)**	(174,152)
Dividend received		**132,687**	119,387
Interest received		**253,360**	316,427
Net cash used in investing activities		**(5,337,745)**	(5,886,867)
FINANCING ACTIVITIES (i)			
Acquisition of non-controlling interest		**-**	(808)
Proceeds from loans and borrowings		**8,244,131**	10,141,788
Repayments of loans and borrowings		**(9,205,411)**	(16,664,562)
Principal element of lease payments	32	**(1,280,481)**	(1,265,585)
Additions to deferred financing costs	28	**(3,614)**	(30,028)
Dividend paid to shareholders of the parent	34	**(800,800)**	(800,800)
Dividend paid to non-controlling interests		**(500,667)**	(559,022)
Movement in other non-current liabilities		**(344,326)**	364,467
Net cash used in financing activities		**(3,891,168)**	(8,814,550)
NET CHANGE IN CASH AND CASH EQUIVALENTS		**1,881,858**	(2,941,317)
Effect of exchange rate fluctuations		**(626,256)**	(237,944)
Cash and cash equivalents at 1 January		**13,353,881**	16,533,142
CASH AND CASH EQUIVALENTS AT 31 DECEMBER	23	**14,609,483**	13,353,881

(i) Refer to Note 23 for details of non-cash transactions.

(ii) Refer to note 47 for the reconciliation of liabilities arising from financing activities.

The accompanying notes 1 to 48 form part of these consolidated financial statements

1. REPORTING ENTITY

Qatar Public Telecommunications Corporation (the "Corporation") was formed on 29 June 1987 domiciled in the State of Qatar by Law No. 13 of 1987 to provide domestic and international telecommunication services within the State of Qatar. The Company's registered office is located at 100 Westbay Tower, Doha, State of Qatar.

The Corporation was transformed into a Qatari Shareholding Company under the name of Qatar Telecom (Qtel) Q.S.C. (the "Company") on 25 November 1998, pursuant to Law No. 21 of 1998.

In June 2013, the legal name of the Company was changed to Ooredoo Q.S.C. This change had been duly approved by the shareholders at the Company's extraordinary general assembly meeting held on 31 March 2013.

The Company changed its legal name from Ooredoo Q.S.C. to Ooredoo Q.P.S.C. to comply with the provisions of the new Qatar Commercial Companies Law issued on 7 July 2015.

The Company is a telecommunications service provider licensed by the Communications Regulatory Authority ("CRA") (formerly known as Supreme Council of Information and Communication Technology (ictQATAR)) to provide both fixed and mobile telecommunications services in the state of Qatar. As a licensed service provider, the conduct and activities of the Company are regulated by CRA pursuant to Law No. 34 of 2006 (Telecommunications Law) and the Applicable Regulatory Framework.

The Company and its subsidiaries (together referred to as the "Group") provide domestic and international telecommunication services in Qatar and elsewhere in the Asia and Middle East and North African (MENA) region. Qatar Holding L.L.C. is the immediate and ultimate Parent Company of the Group.

In line with an amendment issued by Qatar Financial Markets Authority ("QFMA"), effective from May 2018, listed entities are required to comply with the Qatar Financial Markets Authority's law and relevant legislations including Governance Code for Companies & Legal Entities Listed on the Main Market (the "Governance Code"). The Group has taken appropriate steps to comply with the requirements of the Governance Code.

The consolidated financial statements of the Group for the year ended 31 December 2020 were authorised for issue in accordance with a resolution of the Board of Directors of the Group on 14 February 2021.

2. BASIS OF PREPARATION

a) Statement of compliance

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRSs") as issued by the International Accounting Standards Board ("IASB"), applicable provisions of Qatar Commercial Companies Law and the Company's Articles of Association.

b) Basis of measurement

The consolidated financial statements have been prepared on a historical cost basis except for the following:

- Equity instruments, classified as Fair Value Through Other Comprehensive Income ("FVTOCI") and Fair Value Through Profit and Loss ("FVPTL"), are measured at fair value;
- Derivative financial instruments are measured at fair value;
- Liabilities for long term incentive points-based payments arrangements are measured at FVTPL; and
- Asset held for sale are measured at the lower of its carrying amount or fair value less cost to sell.

Historical cost is based on the fair value of the consideration, which is given in exchange for goods and services. The methods used to measure fair values are discussed further in note 40.

c) Functional and presentation currency

These consolidated financial statements are presented in Qatari Riyals, which is the Company's functional currency. All the financial information presented in these consolidated financial statements has been rounded off to the nearest thousand (QR.'000) except where otherwise indicated.

2. BASIS OF PREPARATION (CONTINUED)

d) Use of estimates and judgments

The preparation of consolidated financial statements in conformity with IFRSs requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the consolidated financial statements is included in note 42.

3. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements comprise the financial statements of Ooredoo Q.P.S.C. and its subsidiaries. The accounting policies set out below have been applied consistently to all the periods presented (except as mentioned otherwise) in these consolidated financial statements, and have been applied consistently by the Group entities, where necessary, adjustments are made to the financial statements of the subsidiaries to bring their accounting policies in line with those used by the Group.

3.1 GOING CONCERN

The directors have, at the time of approving the consolidated financial statements, a reasonable expectation that the Group have adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the consolidated financial statements.

3.2 BASIS OF CONSOLIDATION

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (including structured entities) and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the company, other vote holders or other parties
- rights arising from contractual arrangements; and
- any additional facts and circumstances that indicate that the company has or does not have the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit and loss and other comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributable to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.2 BASIS OF CONSOLIDATION (CONTINUED)

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

a) Business combinations and goodwill

The Group accounts for business combinations using the acquisition method when control is transferred to the Group. The consideration transferred in the acquisition is measured at fair value, as are the identifiable net assets acquired, and any amount of any non-controlling interest in the acquiree. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in consolidated statement of profit or loss immediately. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Any contingent consideration payable is measured at fair value at the acquisition date. If the contingent consideration is classified as equity, then it is not remeasured and settlement is accounted for within equity. Contingent consideration classified as an asset or liability that is a financial instrument and within scope of IFRS 9 Financial instruments, is measured at fair value with changes in fair value recognised in the consolidated statement of profit or loss in accordance with IFRS 9. Other contingent consideration that is not within the scope of IFRS 9 is measured at FV at each reporting date with changes in fair value are recognised in profit or loss.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognized for non-controlling interests and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group reassess whether we correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognized at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognized in profit or loss.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group report in the consolidated financial statements provisional amounts for the items for which the accounting is incomplete. During the measurement period, which is no longer than one year from the acquisition date, the provisional amounts recognized at acquisition date are retrospectively adjusted to reflect new information obtained about facts and circumstances that existed as of the acquisition date and, if known, would have affected the measurement of the amounts recognized as of that date. During the measurement period, the Group also recognize additional assets or liabilities if new information is obtained about facts and circumstances that existed as of the acquisition date and, if known, would have resulted in the recognition of those assets and liabilities as of that date.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of our cash-generating units, or CGUs, that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill acquired in a business combination has yet to be allocated to identifiable CGUs because the initial accounting is incomplete, such provisional goodwill is not tested for impairment unless indicators of impairment exist and we can reliably allocate the carrying amount of goodwill to a CGU or group of CGUs that are expected to benefit from the synergies of the business combination. Where goodwill has been allocated to a CGU and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative values of the disposed operation and the portion of the CGU retained.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.2 BASIS OF CONSOLIDATION (CONTINUED)

b) Non-controlling interests ("NCI")

NCI are measured at their proportionate share of the acquiree's identifiable net assets at the acquisition date. Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

c) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

d) Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognised in consolidated statement of profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

e) Interests in associates and joint ventures

Associates are those entities in which the Group has significant influence, but not control or joint control. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

Interests in associates and joint ventures are accounted for using the equity method. They are recognised initially at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of associates and joint ventures less any impairment in the value of individual investments. Losses of the associates and joint ventures in excess of the Group's interest are not recognised unless the Group has incurred legal or constructive obligations on their behalf. The carrying values of investments in associates and joint ventures are reviewed on a regular basis and if an impairment in the value has occurred, it is written off in the period in which those circumstances are identified.

Any excess of the cost of acquisition over the Group's share of the fair values of the identifiable net assets of the associates and joint ventures at the date of acquisition is recognised as goodwill and included as part of the cost of investment. Any deficiency of the cost of acquisition below the Group's share of the fair values of the identifiable net assets of the associates and joint ventures at the date of acquisition is credited to the consolidated statement of profit or loss in the year of acquisition.

The Group's share of associates' and joint ventures' results is based on the most recent financial statements or interim financial statements drawn up to the Group's reporting date. For one of the Group's joint ventures, the Group accounts for its share in the results, assets and liabilities of its joint venture, which is an investment entity and applies fair value measurement to its subsidiaries, using equity method of accounting.

Profits and losses resulting from upstream and downstream transactions between the Group (including its consolidated subsidiaries) and its associate or joint venture are recognised in the Group's consolidated financial statements only to the extent of unrelated group's interests in the associates or joint ventures.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.2 BASIS OF CONSOLIDATION (CONTINUED)

f) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with associates and joint ventures are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

The subsidiaries of the Group, incorporated in the consolidated financial statements of Ooredoo Q.P.S.C. are as follows:

			Group effective shareholding percentage	
Name of subsidiary	Principal activity	Country of incorporation	2020	2019
Ooredoo Investment Holding S.P.C.	Investment company	Bahrain	**100%**	100%
Ooredoo International Investments L.L.C	Investment company	Qatar	**100%**	100%
Ooredoo Group L.L.C.	Management service company	Qatar	**100%**	100%
Ooredoo South East Asia Holding S.P.C	Investment company	Bahrain	**100%**	100%
West Bay Holding S.P.C.	Investment company	Bahrain	**100%**	100%
Ooredoo Asian Investments Pte. Ltd.	Investment company	Singapore	**100%**	100%
Al Dafna Holding S.P.C.	Investment company	Bahrain	**100%**	100%
Al Khor Holding S.P.C.	Investment company	Bahrain	**100%**	100%
IP Holdings Limited	Investment company	Cayman Islands	**100%**	100%
Ooredoo Myanmar Tower Holding Co.	Investment company	Cayman Islands	**100%**	100%
wi-tribe Asia Limited	Investment company	Cayman Islands	**100%**	100%
Ooredoo Asia Pte. Ltd.	Investment company	Singapore	**100%**	100%
Ooredoo International Finance Limited	Investment company	Bermuda	**100%**	100%
MENA Investcom S.P.C.	Investment company	Bahrain	**100%**	100%
Omani Qatari Telecommunications Company S.A.O.G. ("Ooredoo Oman")	Telecommunication company	Oman	**55.0%**	55.0%
Starlink W.L.L.	Telecommunication company	Qatar	**72.5%**	72.5%
National Mobile Telecommunications Company K.S.C.P ("Ooredoo Kuwait")	Telecommunication company	Kuwait	**92.1%**	92.1%
Wataniya International FZ – L.L.C.	Investment company	United Arab Emirates	**92.1%**	92.1%
Al-Bahar United Company W.L.L. ("Phono")	Telecommunication company	Kuwait	**92.1%**	92.1%
Al Wataniya Gulf Telecommunications Holding Company S.P.C.	Investment company	Bahrain	**92.1%**	92.1%
Ooredoo Maldives PLC	Telecommunication company	Maldives	**83.3%**	83.3%
WARF Telecom International Pvt. Ltd.	Telecommunication company	Maldives	**59.9%**	59.9%
Wataniya Telecom Algerie S.P.A. ("Ooredoo Algeria")	Telecommunication company	Algeria	**74.4%**	74.4%
Ooredoo Consortium Ltd.	Investment company	Malta	**92.1%**	92.1%
Duqm Data Centre SAOC (i)	Telecommunication company	Oman	**39.0%**	39.0%

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.2 BASIS OF CONSOLIDATION (CONTINUED)

f) Transactions eliminated on consolidation (continued)

			Group effective shareholding percentage	
Name of subsidiary	Principal activity	Country of incorporation	2020	2019
Ooredoo Tunisia Holdings Ltd.	Investment company	Malta	**92.1%**	92.1%
Ooredoo Malta Holdings Ltd.	Investment company	Malta	**100%**	100%
Ooredoo Tunisie S.A.	Telecommunication company	Tunisia	**84.1%**	84.1%
Wataniya Palestine Mobile Telecommunications Public Shareholding Company ("Ooredoo Palestine") (ii)	Telecommunication company	Palestine	**45.4%**	45.4%
Raywood Inc.	Investment company	Cayman Islands	**100%**	100%
Newood Inc.	Investment company	Cayman Islands	**100%**	100%
Midya Telecom Company Limited ("Fanoos") (iii)	Telecommunication company	Iraq	**49.0%**	49.0%
Al-Rowad General Services Limited	Investment company	Iraq	**100%**	100%
Asiacell Communications PJSC	Telecommunication company	Iraq	**64.1%**	64.1%
wi-tribe Limited	Investment company	Cayman Islands	**86.1%**	86.1%
Barzan Holding S.P.C.	Investment company	Bahrain	**100%**	100%
Laffan Holding S.P.C.	Investment company	Bahrain	**100%**	100%
Zekreet Holding S.P.C.	Investment company	Bahrain	**100%**	100%
Ooredoo Myanmar Ltd.	Telecommunication company	Myanmar	**100%**	100%
Al Wokaer Holding S.P.C.	Investment company	Bahrain	**100%**	100%
Al Wakrah Holding S.P.C.	Investment company	Bahrain	**100%**	100%
Ooredoo Tamweel Ltd.	Investment company	Cayman Islands	**100%**	100%
Ooredoo IP L.L.C.	Management service company	Qatar	**100%**	100%
Ooredoo Global Services L.L.C	Management service company	Qatar	**100%**	100%
Seyoula International Investments W.L.L	Investment company	Qatar	**100%**	100%
Fast Telecommunications Company W.L.L.	Telecommunication company	Kuwait	**92.1%**	92.1%
Ooredoo Myanmar Fintech Limited	Telecommunication company	Myanmar	**100%**	100%
OIH Investment L.L.C.	Investment company	Qatar	**100%**	100%
Al Wokaer East L.L.C.	Investment company	Qatar	**100%**	100%
Barzan East L.L.C.	Investment company	Qatar	**100%**	100%
Ooredoo Financial Services L.L.C	Investment company	Qatar	**100%**	100%
Al Wakra East L.L.C.	Investment company	Qatar	**100%**	100%
OSEA Investment L.L.C.	Investment company	Qatar	**100%**	100%
PT. Indosat Tbk ("Indosat Ooredoo")	Telecommunication company	Indonesia	**65.0%**	65.0%
Indosat Singapore Pte. Ltd.	Management service company	Singapore	**65.0%**	65.0%
PT Indosat Mega Media	Telecommunication company	Indonesia	**64.9%**	64.9%
PT Starone Mitra Telekomunikasi	Telecommunication company	Indonesia	**65.0%**	65.0%
PT Aplikanusa Lintasarta (iv)	Telecommunication company	Indonesia	**47.0%**	47.0%
PT Lintas Media Danawa (iv)	Investment company	Indonesia	**32.9%**	32.9%
PT Interactive Vision Media	Telecommunication company	Indonesia	**64.9%**	64.9%
PT Portal Bursa Digital (iv)	Investment company	Indonesia	**40.3%**	40.3%

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.2 BASIS OF CONSOLIDATION (CONTINUED)

(i) The Group has the power, indirectly through Omani Qatari Telecommunications Company S.A.O.G. ("Ooredoo Oman") by virtue of Ooredoo Oman having more than 51% of the voting interest or control in this company, to which exposes the Group to variable return from its investment and gives ability to affect those returns through its power over them, hence, this company has been considered as a subsidiary of the Group.

(ii) The Group holds 45.4% (2019: 45.4%) of Ooredoo Palestine and has established control over the entity as it can demonstrate power through its indirect ownership of National Mobile Telecommunications Company K.S.C.P. ("NMTC") by virtue of NMTC having more than 51% of the voting interests in Wataniya Palestine Mobile Telecommunications Public Shareholding Company ("Ooredoo Palestine"). This exposes and establishes rights of the Group to variable returns and gives ability to affect those returns through its power over Ooredoo Palestine. Wataniya Palestine was rebranded to Ooredoo Palestine in 2018 (although the legal name remains Wataniya Palestine).

(iii) The Group incorporated Raywood Inc ("Raywood"), a special purpose entity registered in Cayman Islands with 100% (2019: 100%) voting interest held by the Group to carry out investment activities in Iraq. Raywood acquired 49% voting interest of Midya Telecom Company Limited ("Fanoos") in Iraq. Although the Group holds less than a majority of the voting rights of Fanoos, the Group can still demonstrate its power by virtue of shareholders' agreement entered into between Raywood and Fanoos, Iraq. This arrangement exposes the Group to variable returns and gives the ability to affect those returns over Fanoos.

(iv) The Group has the power, indirectly through PT Indosat Tbk ("Indosat Ooredoo") by virtue of Indosat Ooredoo having control over these companies. This exposes the Group to variable returns from their investment and gives ability to affect those returns through its power over them. Hence, these companies have been considered as subsidiaries of the Group.

3.3 APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRSs)

3.3.1 New and amended IFRSs that are effective for the current year

The following new and revised IFRSs, which became effective for annual periods beginning on or after 1 January 2020, have been adopted in these consolidated financial statements.

Impact of the initial application of Interest Rate Benchmark Reform amendments to IFRS 9 and IFRS 7.
In September 2019, the IASB issued Interest Rate Benchmark Reform (Amendments to IFRS 9, IAS 39 and IFRS 7).

These amendments modify specific hedge accounting requirements to allow hedge accounting to continue for affected hedges during the period of uncertainty before the hedged items or hedging instruments affected by the current interest rate benchmarks are amended as a result of the on-going interest rate benchmark reforms.

The amendments are relevant to the Group given that it applies hedge accounting to its benchmark interest rate exposures.

The Group has floating rate debt, linked to USD LIBOR (bank loans), which it has partially cash flow hedged using floating to fixed interest rate swaps. The amendments permit continuation of hedge accounting even though there is uncertainty about the timing and amount of the hedged cash flows due to the interest rate benchmark reforms. The adoption has not had any material impact on the disclosures or on the amounts reported in these consolidated financial statements.

The amendments also introduce new disclosure requirements to IFRS 7 for hedging relationships that are subject to the exceptions introduced by the amendments to IFRS 9. The new disclosure requirements are presented in note 39.

The Group will continue to apply the amendments of IFRS 9 until the uncertainty on timing and impact to the underlying cash flows arising from the interest rate benchmark reforms ended.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.3 APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRSs) (CONTINUED)

3.3.1 New and amended IFRSs that are effective for the current year (continued)

Impact of the initial application of Covid-19-Related Rent Concessions Amendment to IFRS 16
In May 2020, the IASB issued Covid-19-Related Rent Concessions (Amendment to IFRS 16) that provides practical relief to lessees in accounting for rent concessions occurring as a direct consequence of COVID-19, by introducing a practical expedient to IFRS 16. The practical expedient permits a lessee to elect not to assess whether a COVID- 19-related rent concession is a lease modification. A lessee that makes this election shall account for any change in lease payments resulting from the COVID-19-related rent concession the same way it would account for the change applying IFRS 16 if the change were not a lease modification.

The practical expedient applies only to rent concessions occurring as a direct consequence of COVID-19 and only if all of the following conditions are met:

a) The change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;
b) Any reduction in lease payments affects only payments originally due on or before 30 June 2021 (a rent concession meets this condition if it results in reduced lease payments on or before 30 June 2021 and increased lease payments that extend beyond 30 June 2021); and
c) There is no substantive change to other terms and conditions of the lease.

In the current financial year, the Group has applied the amendment to IFRS 16 (as issued by the IASB in May 2020).

Their adoption has not had any material impact on the disclosures or on the amounts reported in these consolidated financial statements.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.3 APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRSs) (CONTINUED)

3.3.2 New and revised IFRSs applied with no material effect on the consolidated financial statements

The following new and revised IFRSs, which became effective for annual periods beginning on or after 1 January 2020, have been adopted in these consolidated financial statements. The application of these revised IFRSs has not had any material impact on the amounts reported for the current and prior years but may affect the accounting for future transactions or arrangements.

New and revised IFRSs	Effective for annual periods beginning on or after
Amendments to References to the Conceptual Framework in IFRS Standards	1 January 2020

The Group has adopted the amendments included in Amendments to References to the Conceptual Framework in IFRS Standards for the first time in the current year. The amendments include consequential amendments to affected Standards so that they refer to the new Framework. Not all amendments, however, update those pronouncements with regard to references to and quotes from the Framework so that they refer to the revised Conceptual Framework. Some pronouncements are only updated to indicate which version of the Framework they are referencing to (the IASC Framework adopted by the IASB in 2001, the IASB Framework of 2010, or the new revised Framework of 2018) or to indicate that definitions in the Standard have not been updated with the new definitions developed in the revised Conceptual Framework.

The Standards which are amended are IFRS 2, IFRS 3, IFRS 6, IFRS 14, IAS 1, IAS 8, IAS 34, IAS 37, IAS 38, IFRIC 12, IFRIC 19, IFRIC 20, IFRIC 22, and SIC-32.

Amendments to IFRS 3 *Definition of a business*	1 January 2020

The Group has adopted the amendments to IFRS 3 for the first time in the current year. The amendments clarify that while businesses usually have outputs, outputs are not required for an integrated set of activities and assets to qualify as a business. To be considered a business an acquired set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs.

The amendments remove the assessment of whether market participants are capable of replacing any missing inputs or processes and continuing to produce outputs. The amendments also introduce additional guidance that helps to determine whether a substantive process has been acquired.

The amendments introduce an optional concentration test that permits a simplified assessment of whether an acquired set of activities and assets is not a business. Under the optional concentration test, the acquired set of activities and assets is not a business if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar assets. The amendments are applied prospectively to all business combinations and asset acquisitions for which the acquisition date is on or after 1 January 2020. There is no business acquisition for the year ended 31 December 2020.

Amendments to IAS 1 and IAS 8 *Definition of material*	1 January 2020

The Group has adopted the amendments to IAS 1 and IAS 8 for the first time in the current year. The amendments make the definition of material in IAS 1 easier to understand and are not intended to alter the underlying concept of materiality in IFRS Standards. The concept of 'obscuring' material information with immaterial information has been included as part of the new definition.

The threshold for materiality influencing users has been changed from 'could influence' to 'could reasonably be expected to influence'. The definition of material in IAS 8 has been replaced by a reference to the definition of material in IAS 1. In addition, the IASB amended other Standards and the Conceptual Framework that contain a definition of 'material' or refer to the term 'material' to ensure consistency.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.3 APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRSs) (CONTINUED)

3.3.3 New and revised IFRSs in issue but not yet effective and not early adopted

New and revised IFRSs	Effective for annual periods beginning on or after
Amendments to IFRS 3 – *Reference to the Conceptual Framework*	1 January 2022

The amendments update IFRS 3 so that it refers to the 2018 Conceptual Framework instead of the 1989 Framework. They also add to IFRS 3 a requirement that, for obligations within the scope of IAS 37, an acquirer applies IAS 37 to determine whether at the acquisition date a present obligation exists as a result of past events. For a levy that would be within the scope of IFRIC 21 Levies, the acquirer applies IFRIC 21 to determine whether the obligating event that gives rise to a liability to pay the levy has occurred by the acquisition date.

Finally, the amendments add an explicit statement that an acquirer does not recognise contingent assets acquired in a business combination.

The amendments are effective for business combinations for which the date of acquisition is on or after the beginning of the first annual period beginning on or after 1 January 2022. Early application is permitted if an entity also applies all other updated references (published together with the updated Conceptual Framework) at the same time or earlier.

Amendments to IAS 16 – *Property, Plant and Equipment—Proceeds before Intended Use*	1 January 2022

The amendments prohibit deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced before that asset is available for use, i.e. proceeds while bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Consequently, an entity recognises such sales proceeds and related costs in profit or loss. The entity measures the cost of those items in accordance with IAS 2 Inventories.

The amendments also clarify the meaning of 'testing whether an asset is functioning properly'. IAS 16 now specifies this as assessing whether the technical and physical performance of the asset is such that it is capable of being used in the production or supply of goods or services, for rental to others, or for administrative purposes.

If not presented separately in the statement of comprehensive income, the financial statements shall disclose the amounts of proceeds and cost included in profit or loss that relate to items produced that are not an output of the entity's ordinary activities, and which line item(s) in the statement of comprehensive income include(s) such proceeds and cost.

The amendments are applied retrospectively, but only to items of property, plant and equipment that are brought to the location and condition necessary for them to be capable of operating in the manner intended by management on or after the beginning of the earliest period presented in the financial statements in which the entity first applies the amendments.

The entity shall recognise the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the beginning of that earliest period presented.

The amendments are effective for annual periods beginning on or after 1 January 2022, with early application permitted.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.3 APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRSs) (CONTINUED)

3.3.3 New and revised IFRSs in issue but not yet effective and not early adopted (continued)

New and revised IFRSs	Effective for annual periods beginning on or after
Annual Improvements to IFRS Standards 2018–2020 Cycle Amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 9 Financial Instruments, and IFRS 16 Leases	1 January 2022

The Annual Improvements include amendments to four Standards.

IFRS 1 First-time Adoption of International Financial Reporting Standards
The amendment provides additional relief to a subsidiary which becomes a first-time adopter later than its parent in respect of accounting for cumulative translation differences. As a result of the amendment, a subsidiary that uses the exemption in IFRS 1:D16(a) can now also elect to measure cumulative translation differences for all foreign operations at the carrying amount that would be included in the parent's consolidated financial statements, based on the parent's date of transition to IFRS Standards, if no adjustments were made for consolidation procedures and for the effects of the business combination in which the parent acquired the subsidiary. A similar election is available to an associate or joint venture that uses the exemption in IFRS 1:D16(a).

The amendment is effective for annual periods beginning on or after 1 January 2022, with early application permitted.

IFRS 9 *Financial Instruments*
The amendment clarifies that in applying the '10 per cent' test to assess whether to derecognise a financial liability, an entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf.

The amendment is applied prospectively to modifications and exchanges that occur on or after the date the entity first applies the amendment.

The amendment is effective for annual periods beginning on or after 1 January 2022, with early application permitted.

IFRS 16 *Leases*
The amendment removes the illustration of the reimbursement of leasehold improvements.

As the amendment to IFRS 16 only regards an illustrative example, no effective date is stated.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.3 APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRSs) (CONTINUED)

3.3.3 New and revised IFRSs in issue but not yet effective and not early adopted (continued)

New and revised IFRSs	Effective for annual periods beginning on or after
Amendments to IAS 37 – *Onerous Contracts—Cost of Fulfilling a Contract*	1 January 2022

The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract consist of both the incremental costs of fulfilling that contract (examples would be direct labour or materials) and an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract).

The amendments apply to contracts for which the en tity has not yet fulfilled all its obligations at the beginning of the annual reporting period in which the entity first applies the amendments. Comparatives are not restated. Instead, the entity shall recognise the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings or other component of equity, as appropriate, at the date of initial application.

The amendment is effective for annual periods beginning on or after 1 January 2022, with early application permitted.

Amendments to IAS 1 – *Classification of Liabilities as Current or Non-current*	1 January 2023

The amendments to IAS 1 affect only the presentation of liabilities as current or non-current in the statement of financial position and not the amount or timing of recognition of any asset, liability, income or expenses, or the information disclosed about those items.

The amendments clarify that the classification of liabilities as current or non-current is based on rights that are in existence at the end of the reporting period, specify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability, explain that rights are in existence if covenants are complied with at the end of the reporting period, and introduce a definition of 'settlement' to make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services.

The amendments are applied retrospectively for annual periods beginning on or after 1 January 2023, with early application permitted.

Amendments to IFRS 10 and IAS 28 – *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*	Effective date not yet to be set

The amendments to IFRS 10 and IAS 28 deal with situations where there is a sale or contribution of assets between an investor and its associate or joint venture. Specifically, the amendments state that gains or losses resulting from the loss of control of a subsidiary that does not contain a business in a transaction with an associate or a joint venture that is accounted for using the equity method, are recognised in the parent's profit or loss only to the extent of the unrelated investors' interests in that associate or joint venture. Similarly, gains and losses resulting from the remeasurement of investments retained in any former subsidiary (that has become an associate or a joint venture that is accounted for using the equity method) to fair value are recognised in the former parent's profit or loss only to the extent of the unrelated investors' interests in the new associate or joint venture.

The effective date of the amendments has yet to be set by the Board; however, earlier application of the amendments is permitted. The directors of the Company anticipate that the application of these amendments may have an impact on the Group's consolidated financial statements in future periods should such transactions arise.

Management anticipates that these new standards, interpretations and amendments will be adopted in the Group's consolidated financial statements as and when they are applicable and adoption of these new standards, interpretations and amendments, may have no material impact on the consolidated financial statements of the Group in the period of initial application.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue

Revenue is measured at an amount that reflects the considerations, to which an entity expects to be entitled in exchange for transferring goods or services to customer, excluding amounts collected on behalf of third parties. Revenue is adjusted for expected discounts and volume discounts, which are estimated based on the historical data or forecast and projections. The Group recognizes revenue when it transfers control over goods or services to its customers.

Revenue from telecommunication services mainly consists of access charges, airtime usage, messaging, interconnect fees, data and connectivity services, connection fees and other related services. Services are offered separately or as bundled packages along with other services and/ or devices.

For bundle packages, the Group accounts for individual products and services separately if they are distinct i.e. if a product or service is separately identifiable from other items in the bundled package and if a customer can benefit from it. The consideration is allocated between separate product and services (i.e. distinct performance obligations, "PO") in a bundle based on their stand-alone selling prices.

The stand-alone selling prices are determined based on the observable price at which the Group sells the products and services on a standalone basis. For items that are not sold separately (e.g. customer loyalty program) the Group estimates standalone selling prices using other methods (i.e. adjusted market assessment approach, cost plus margin approach or residual approach).

The Group principally obtains revenue from following key segments:

Mobile services
Mobile service contracts typically consist of specific allowances for airtime usage, messaging and data, and connection fees. In this type of arrangement, the customer simultaneously receives and consumes the benefits as the Group performs the service. Thus, the revenue is recognized over the period as and when these services are provided.

Fixed services
The Group offers fixed services which normally include installation and configuration services, internet connectivity, television and telephony services. These services are bundled with locked or unlocked equipment, such as router and/ or set-top box. Similar to mobile service contracts, fixed service revenue with locked equipment are recognized over the contract period, whereas revenue recognition for unlocked equipment is upon transfer of control to the customer.

Sale of unlocked devices
Devices such as smart phones, tablets, Mi-Fis that are sold separately and are not bundled with mobile/ fixed service contracts have standalone value to the customer and are unlocked devices. The revenue from sale of unlocked devices is recognized upon transfer of control to the customer.

Interconnection service
Revenue from the interconnection of voice and data traffic with other telecommunications operators is recognised at the time of transit across our network.

Revenue from transit services
The Group determines whether it will be acting as principal or an agent on these types of arrangements and accordingly recognises gross revenue if it is a principal, and net revenue if it is an agent.

Customer loyalty schemes
The Group has concluded that it is acting as an agent on customer loyalty scheme arrangements which are redeemed through its partners hence revenue is accounted on net basis.

The Group concluded that the loyalty scheme gives rise to a separate performance obligation because it generally provides a material right to the customer. The Group allocates a portion of the transaction price to the loyalty scheme liability based on the relative standard standalone selling price of loyalty points and a contract liability is recognised until the points are redeemed or expired.

Value-added services
The Group has offerings where it provides customers with additional content, such as music and video streaming and SMS services, as Value-Added Services (VAS). On this type of services, the Group determines whether they are acting as a principal and accordingly recognizes gross revenue if it is a principal, and net revenue if it is an agent.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)
3.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue (continued)

Connection fees
The Group has concluded that connection fees charged for the activation of services will be recognized over the contract period. The connection fees that is not considered as a distinct performance obligation shall form part of the transaction price and recognised over the period of service.

Multi elements arrangements (Mobile contract plus handset)
The Group has concluded that in case of multiple elements arrangements with subsidized products delivered in advance, the component delivered in advance (e.g. mobile handset), will require recognition of a contract asset. Contract asset primary relates to the Group's right on consideration for services and goods provided but not billed at the reporting date.

Installation cost, commissions to third party dealers, marketing expenses
The Group has concluded that commissions and installation costs meet the definition of incremental costs to acquire a contract or a costs to fulfil a contract. The Group has capitalized these expenses as contract cost assets and amortized as per portfolio approach. Recognized contract assets will be subject to impairment assessment under IFRS 9 requirements.

Upfront commission
The Group has concluded that the sale of prepaid cards to dealers or distributors where the Group retains its control over the prepaid cards is assessed as a consignment arrangement. Thus, the Group shall not recognize revenue upon sale to dealers or distributors but upon utilisation or expiration of prepaid cards. Consequently, the commission arising from the sale of prepaid card is recognized as an expense.

In cases where the Group transfers its control over the prepaid cards to dealers, distributors or customers, the Group has concluded that the upfront commission qualifies as a consideration payable to a customer and therefore will be treated as a reduction of the transaction price. Similarly, the Group shall recognise revenue only upon utilization or expiration of prepaid cards.

Commission income
When the Group acts in the capacity of an agent rather than as the principal in the transaction, the revenue recognised is the net amount of commission made by the Group.

Ancillary service income
Revenue from ancillary services is recognised when these services are provided.

Significant financing component
The Group has decided to recognize interest expense at appropriate annual interest rate over the contract period and total transaction price including financing component is recognized when equipment is delivered to customer.

Contract assets and liabilities
The Group has determined that contract assets and liabilities are to be recognised at the performance obligation level and not at the contract level and both contract assets and liabilities are to be presented separately in the consolidated financial statements. The Group classifies its contract assets and liabilities as current and non-current based on the timing and pattern of flow of economic benefits.

Discounts and promotions
The Group provides various discounts and promotions to its customers, which may be agreed at inception or provided during the contract term. The impact and accounting of these discounts and promotions vary and may result in recognition of contract asset.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leases

A. Definition of leases
The Group assesses whether a contract is or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

a. The contract involves the use of an identified asset – this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
b. The Group has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
c. The Group has the right to direct the use of the asset. The Group has the right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Group has the right to direct the use of the asset if either:
   (i) The Group has the right to operate the asset; or
   (ii) The Group designed the asset in a way that predetermines how and for what purpose it will be used.

B. As a lessee
The Group leases several assets including sites, office buildings, shops, vehicles and others. The average lease term is 2 to 20 years. The lease agreements do not impose any covenants but leased assets may not be used as security for borrowing purposes.

The Group recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate over a period of lease term. Generally, the Group uses its incremental borrowing rate as the discount rate.

The lease term determined by the Group comprises non-cancellable period of lease contracts, periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option.

Lease payments included in the measurement of the lease liability comprise the following:

a. Fixed payments; and
b. Lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group presents right-of-use assets, which do not meet the definition of investment property, separately from other assets and also separately presents lease liabilities, in the consolidated statement of financial position. The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases of all class of underlying assets that have a lease term of 12 months or less, or those leases which have low-value underlying assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leases (continued)

The Group has elected not to separate non-lease components from lease components and instead accounts for each lease component and associated non-lease components as a single lease component.

C. As a lessor
The Group performs an assessment of each lease on inception. If a lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset, it is classified as a finance lease, otherwise, it is classified as an operating lease. The Group also considers certain indicators, such as whether the lease is for the major part of the economic life of the asset, as a part of its assessment.

The operating leases entered in to by the Group mainly relate to tower sharing arrangements, which have a lease term of 2 to 15 years. The lessee does not have an option to purchase the asset at the expiry of the lease period, and the unguaranteed residual values do not represent a significant risk for the Group.

The Group has also entered in finance lease arrangements for optical fiber agreements, which have a lease term of 15 to 20 years.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. The lease classification of a sub-lease is assessed with reference to the right-of-use asset arising from the head lease, and not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the claimed exemption, the sub-lease is classified as an operating lease.

When an arrangement contains lease and non-lease components, the Group applies IFRS 15 Revenue from Contracts with Customers to allocate the consideration in the contract. The Group recognises lease payments received under operating leases as income in the consolidated statement of profit or loss, on a straight line basis over the lease term.

Other income - net

Other income represents income generated by the Group that arises from activities outside of the provision for communication services and equipment sales. Key components of other income are recognised as follows:

Fair value gains
Fair value gains on financial assets at fair value through profit or loss, gains on the remeasurement to fair value of any pre-existing interest in an acquire in a business combination and gains on hedging instruments that are recognised in the consolidated statement of profit or loss.

Dividend income
Dividend income is recognised when the Group's right to receive the dividend is established.

Other expenses
Other expenses comprise of fair value losses on financial assets at fair value through profit or loss, losses on hedging instruments that are recognised in consolidated statement of profit or loss and reclassifications of net losses previously recognised in consolidated statement of comprehensive income.

Foreign exchange gain and losses
Foreign currency gains and losses on financial assets and financial liabilities are reported on a net basis as either finance income or finance cost depending on whether foreign currency movements are in a net gain or net loss position.

Taxation

Some of the subsidiaries, joint ventures and associates are subject to taxes on income in various foreign jurisdictions. Income tax expense represents the sum of current and deferred tax.

Current income tax
Current income tax assets and liabilities for the current year and prior years are measured at the amount expected to be recovered from or paid to the taxation authorities.

The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the financial reporting year and any adjustment to tax payable in respect of previous years.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Taxation (continued)

Deferred income tax
Deferred income tax is provided based on temporary differences at the end of the financial reporting year between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences, except:

- where the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit or loss nor taxable profit or loss; and
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unutilised tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unutilised tax losses can be utilised except:

- Where the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit or loss nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred income tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred income tax assets is reviewed at each end of the financial reporting year and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised. Unrecognised deferred income tax assets are reassessed at each end of the financial reporting year and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the end of the financial reporting year.

Deferred income tax assets and deferred income tax liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

Current and deferred tax for the year
Current and deferred income tax are recognized in profit or loss, except when they related to items that are recognized in other comprehensive income or directly in equity, in which case, the current deferred tax are also recognized in other comprehensive income or directly in equity respectively. Where current tax or deferred income tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Tax exposure
In determining the amount of current and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. This assessment relies on estimates and assumptions and may involve a series of judgments about future events. New information may become available that causes the Group to change its judgments regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)
3.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net finance cost

Finance income comprises interest income on funds invested that is recognised in the consolidated statement of profit or loss. Interest income is recognised as it accrues in profit or loss, using effective interest method.

Finance costs comprise interest expense on lease liabilities and borrowings, unwinding of the discount on provisions recognised in consolidated statement of comprehensive income.

Property, plant and equipment

Recognition and measurement
Property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. Assets in the course of construction are carried at cost, less any impairment.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The costs of self-constructed assets include the following:

- The cost of materials and direct labour;
- Any other costs directly attributable to bringing the assets to a working condition for their intended use;
- When the Group has an obligation to remove the asset or restore the site, an estimate of the costs of dismantling and removing the items and restoring the site on which they are located; and
- Capitalized borrowing costs.

Cost also includes transfers from equity of any gain or loss on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in consolidated statement of profit or loss.

Capital work-in-progress is transferred to the related property, plant and equipment when the construction or installation and related activities necessary to prepare the property and equipment for their intended use have been completed, and the property and equipment are ready for operational use.

Transfer to investment property
When the use of property changes from owner-occupied to investment property, the property is reclassified accordingly at the carrying amount on the date of transfer in accordance with cost model specified under IAS 40.

Expenditure
Expenditure incurred to replace a component of an item of property, plant and equipment that is accounted for separately is capitalised and the carrying amount of the component that is replaced is written off. Other subsequent expenditure is capitalised only when it increases future economic benefits of the related item of property, plant and equipment. All other expenditure is recognised in the consolidated statement of profit or loss as incurred.

Depreciation
Items of property, plant and equipment are depreciated on a straight line basis in the consolidated statement of profit or loss over the estimated useful lives of each component. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term. Land is not depreciated.

Depreciation of these assets commences from the date that they are installed and are ready for use, or in respect of internally constructed assets, from the date that the asset is completed and ready for use. The estimated useful lives of the property, plant and equipment are as follows.

Buildings	5 – 40 years
Exchange and networks assets	5 – 25 years
Subscriber apparatus and other equipment	2 – 10 years

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property, plant and equipment (continued)

Depreciation (continued)

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets are written down to their recoverable amount, being the higher of their fair value less costs to sell and their value in use.

Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in the consolidated statement of profit or loss in the year the asset is derecognised. The asset's residual values, useful lives and method of depreciation are reviewed, and adjusted if appropriate, at each financial year end.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed as incurred. Borrowing costs consist of interest and other costs that the Group incurs in connection with the borrowing of funds.

Government grants

Government grants are not recognized until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognized in profit or loss on a systematic basis over the periods in which the Group recognizes as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets (including property, plant and equipment) are recognized as deferred income in the consolidated statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognized in profit or loss in the period in which they become receivable.

The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

Intangible assets and goodwill

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is reflected in the consolidated statement of profit or loss in the year in which the expenditure is incurred.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life is reviewed at each financial year. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the consolidated statement of profit or loss in the expense category consistent with the nature of the intangible asset.

Research and development

Expenditure on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, is recognised in profit or loss as incurred.

Development activities involve a plan or design for the production of new or substantially improved products and processes. Development expenditure is capitalised only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Group intends to and has sufficient resources to complete development and to use or sell the asset. The expenditure capitalised includes the cost of materials, direct labour, overhead costs that are directly attributable to preparing the asset for its intended use, and capitalised borrowing costs. Other development expenditure is recognized in profit or loss as incurred. Capitalised development expenditure is measured at cost less accumulated amortisation and any accumulated impairment losses.

Indefeasible rights of use ("IRU")

IRUs correspond to the right to use a portion of the capacity of a terrestrial or submarine transmission cable granted for a fixed period. IRUs are recognised at cost as an asset when the Group has the specific indefeasible right to use an identified portion of the underlying asset, generally optical fibres or dedicated wavelength bandwidth, and the duration of the right is for the major part of the underlying asset's economic life. They are amortised on a straight line basis over the shorter of the expected period of use and the life of the contract which ranges between 10 to 15 years.

Capital work-in-progress related to IRU is initially presented as part of property, plant and equipment. When the construction or installation and related activities necessary to prepare the IRU for their intended use and operations have been completed, the related IRU will be transferred from property, plant and equipment to intangible assets.

The useful lives of intangible assets are assessed to be either finite or indefinite.

Goodwill

Goodwill represents the excess of the cost of the acquisition over the fair value of identifiable net assets of the investee at the date of acquisition which is not identifiable to specific assets.

Goodwill acquired in a business combination from the acquisition date is allocated to each of the Group's cash-generating units, or groups of cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units.

Each unit or group of units to which the goodwill is allocated:

- represents the lowest level within the Group at which the goodwill is monitored for internal management purposes; and
- is not larger than a segment based on the Group's operating segments as determined in accordance with IFRS 8, Operating Segments.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)
3.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)
Intangible assets and goodwill (continued)

A summary of the useful lives and amortisation methods of Group's intangible assets other than goodwill are as follows:

		License costs	*Customer contracts and related customer relationship*	*Brand / Trade names*	*IRU, software and other intangibles*
Useful lives	:	Finite (10 – 50 years)	Finite (2 – 8 years)	Finite (6 – 25 years)	Finite (3 – 15 years)
Amortisation method used	:	Amortised on a straight line basis over the periods of availability	Amortised on a straight line basis over the periods of availability.	Amortised on a straight line basis over the periods of availability	Amortised on a straight line basis over the periods of availability
Internally generated or acquired	:	Acquired	Acquired	Acquired	Acquired

Investment property
Investment properties are properties held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purpose. Investment properties are initially measured at cost. Cost includes expenditure that is directly attributable to the acquisition of the investment property. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and amortisation. Depreciation and amortisation of investment properties are computed using the straight line method over the estimated useful lives (EUL) of assets of twenty (20) years.

When the use of a property changes such that it is reclassified as property and equipment, its fair value at the date of reclassification becomes its cost for subsequent accounting.

Investment properties are depreciated on straight line basis using estimated useful life of 20 years.

Investment properties are derecognised when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of an investment property are recognised in the consolidated statement of profit or loss in the year of retirement or disposal.

Fair value measurement
For measurement and disclosure purposes, the Group determines the fair value of an asset or liability at initial measurement or at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)
3.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)
Fair value measurement (continued)

The principal or the most advantageous market must be accessible to the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

Fair value for measurement and/ or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of IFRS 2; leasing transactions that are within the scope of IFRS 16 and measurements that have some similarities to fair value, but are not fair value, such as net realisable value in IAS 2 or value in use in IAS 36.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting date.

Financial instruments
Financial assets and financial liabilities are recognised in the Group's consolidated statement of financial position when the Group becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in consolidated statement of profit or loss.

Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis.

Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at amortised cost or fair value through other comprehensive or fair value through profit and loss, depending on the classification of the financial assets.

Classification of financial assets
(i) Debt instruments designated at amortised cost

Debt instruments that meet the following conditions are measured subsequently at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)
3.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)
Financial instruments (continued)
Financial assets (continued)

Amortised cost and effective interest rate method
The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost and at FVTOCI. For financial instruments other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired. For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset. If, in subsequent reporting periods, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset.

(ii) Debt instruments designated as FVTOCI

Debt instruments that meet the following conditions are measured subsequently at fair value through other comprehensive income (FVTOCI):

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(iii) Equity instruments designated as FVTOCI

On initial recognition, the Group may make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments as FVTOCI. Designation as FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognised by an acquirer in a business combination.

Investments in equity instruments as FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the fair value reserve. The cumulative gain or loss will not be reclassified to consolidated statement of profit or loss on disposal of the equity investments, instead, they will be transferred to retained earnings.

Dividends on these investments in equity instruments are recognised in consolidated statement of profit or loss unless the dividends clearly represent a recovery of part of the cost of the investment.

(iv) Financial assets FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI are measured at FVTPL. Specifically:

- Investments in equity instruments are classified as FVTPL, unless the Group designates an equity investment that is neither held for trading nor a contingent consideration arising from a business combination as FVTOCI on initial recognition.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in the consolidated statement of profit or loss.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)
3.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)
Financial instruments (continued)
Financial assets (continued)

Foreign exchange gains and losses
The carrying amount of financial assets that are denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period. Specifically:

- for financial assets measured at amortised cost that are not part of a designated hedging relationship, exchange differences are recognised in profit or loss in the 'other income – net' line item (note 9);
- for debt instruments measured at FVTOCI that are not part of a designated hedging relationship, exchange differences on the amortised cost of the debt instrument are recognised in profit or loss in the 'other income – net' line item (note 9). As the foreign currency element recognised in profit or loss is the same as if it was measured at amortised cost, the residual foreign currency element based on the translation of the carrying amount (at fair value) is recognised in other comprehensive income in the investments revaluation reserve;
- for financial assets measured at FVTPL that are not part of a designated hedging relationship, exchange differences are recognised in profit or loss in the 'other income – net' line item as part of the fair value gain or loss ; and
- for equity instruments measured at FVTOCI, exchange differences are recognised in other comprehensive income in the investments revaluation reserve.

Impairment of financial assets
The Group recognises a loss allowance for expected credit losses ("ECL") on investments in debt instruments that are measured at amortised cost or at FVTOCI, trade and other receivables, contract assets, as well as on financial guarantee contracts. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group recognises lifetime ECL for trade and other receivables and contract assets. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the reporting date.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

(i) Significant increase in credit risk
In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

For financial guarantee contracts, the date that the Group becomes a party to the irrevocable commitment is considered to be the date of initial recognition for the purposes of assessing the financial instrument for impairment. In assessing whether there has been a significant increase in the credit risk since initial recognition of a financial guarantee contracts, the Group considers the changes in the risk that the specified debtor will default on the contract.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

(ii) Definition of default
The Group employs statistical models to analyse the data collected and generate estimates of probability of default ("PD") of exposures with the passage of time. This analysis includes the identification for any changes in default rates and changes in key macro-economic factors across various geographies of the Group. For trade receivables, the average credit terms are 30-90 days.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets (continued)

(iii) Credit-impaired financial assets
A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

(a) significant financial difficulty of the issuer or the borrower;
(b) a breach of contract, such as a default or past due event;
(c) the lender of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession that the lender would not otherwise consider;
(d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
(e) the disappearance of an active market for that financial asset because of financial difficulties.

(iv) Measurement and recognition of expected credit losses
The measurement of expected credit losses is a function of the probability of default, loss given default and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date; for financial guarantee contracts, the exposure includes the amount drawn down as at the reporting date, together with any additional amounts expected to be drawn down in the future by default date determined based on historical trend, the Group's understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate.

For a financial guarantee contract, as the Group is required to make payments only in the event of a default by the debtor in accordance with the terms of the instrument that is guaranteed, the expected loss allowance is the expected payments to reimburse the holder for a credit loss that it incurs less any amounts that the Group expects to receive from the holder, the debtor or any other party.

The Group recognises an impairment gain or loss in consolidated statement of profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at FVTOCI, for which the loss allowance is recognised in other comprehensive income and accumulated in the fair value reserve, and does not reduce the carrying amount of the financial asset in the consolidated statement of financial position.

(v) Write-off policy
The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery.

Derecognition of financial assets
The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in consolidated statement of profit or loss. In addition, on derecognition of an investment in a debt instrument classified as FVTOCI, the cumulative gain or loss previously accumulated in the fair value reserve is reclassified to consolidated statement of profit or loss. In contrast, on derecognition of an investment in equity instrument which the Group has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the fair value reserve is not reclassified to consolidated statement profit or loss, but is transferred to retained earnings.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (continued)

Financial assets (continued)

Derecognition of financial assets (continued)

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognised where:

- the contractual rights to receive cash flows from the asset have expired;
- the Group retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass-through' arrangement; or
- the Group has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Financial liabilities
All financial liabilities are measured either at FVTPL or at amortised cost using the effective interest method.

Financial liabilities at FVTPL
Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on changes in fair value recognised in the consolidated statement of profit or loss to the extent that they are not part of a designated hedging relationship. The net gain or loss recognised in the consolidated statement profit or loss incorporates any interest paid on the financial liability.

However, for financial liabilities that are designated as FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in consolidated statement of comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in the consolidated statement of profit or loss. The remaining amount of change in the fair value of liability is recognised in consolidated statement of profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognised in consolidated statement of comprehensive income are not subsequently reclassified to consolidated statement of profit or loss; instead, they are transferred to retained earnings upon derecognition of the financial liability.

Gains or losses on financial guarantee contracts issued by the Group that are designated by the Group as FVTPL are recognised in consolidated statement of profit or loss.

Financial liabilities measured at amortised cost
Financial liabilities, that are not designated as FVTPL, are measured subsequently at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Financial guarantee contract liabilities
A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contract liabilities are measured initially at their fair values and, if not designated as at FVTPL and do not arise from a transfer of an asset, are measured subsequently at the higher of:

- the amount of the loss allowance determined in accordance with IFRS 9 (see financial assets above); and
- the amount recognised initially less, where appropriate, cumulative amortisation recognised in accordance with the revenue recognition policies set out above.

Foreign exchange gains and losses
For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments. These foreign exchange gains and losses are recognised in the 'other income – net' line item in profit or loss (note 9) for financial liabilities that are not part of a designated hedging relationship. For those which are designated as a hedging instrument for a hedge of foreign currency risk foreign exchange gains and losses are recognised in other comprehensive income and accumulated in a separate component of equity.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured at FVTPL, the foreign exchange component forms part of the fair value gains or losses.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (continued)

Financial liabilities (continued)

Derecognition of financial liabilities
The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in consolidated statement of profit or loss.

Derivative financial instruments
Derivatives are recognised initially at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship. A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability.

Hedge Accounting

The Group may designates certain derivatives as hedging instruments in respect of interest rate risk as cash flow hedges. Hedges of foreign exchange risk on firm commitments are accounted for as cash flow hedges.

At the inception of the hedge relationship, the Group documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument is effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk, which is when the hedging relationships meet all of the following hedge effectiveness requirements:

- there is an economic relationship between the hedged item and the hedging instrument;
- the effect of credit risk does not dominate the value changes that result from that economic relationship; and
- the hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item.

If a hedging relationship ceases to meet the hedge effectiveness requirement relating to the hedge ratio but the risk management objective for that designated hedging relationship remains the same, the Group adjusts the hedge ratio of the hedging relationship (i.e. rebalances the hedge) so that it meets the qualifying criteria again.

Share capital

Ordinary shares
Ordinary shares are classified as equity. The bonus shares and rights issued during the year are shown as an addition to the share capital. Issue of bonus shares are deducted from the accumulated retained earnings of the Group. Any share premium on rights issue are accounted in compliance with local statutory requirements.

Dividend on ordinary share capital
Dividend distributions to the Group's shareholders are recognized as a liability in the consolidated financial statements in the period in which the dividend are approved by the shareholders. Dividend for the year that are approved after the reporting date of the consolidated financial statements are considered as an event after the reporting date.

Earnings per share

The Group presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the parent by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, which comprise convertible notes and share options granted to employees, if any.

Where the effect of the assumed conversion of the convertible notes and the exercise of all outstanding options have anti-dilutive effect, basic and diluted EPS are stated at the same amount.

Inventories

Inventories are stated at the lower of cost and net realisable value.

The cost of inventories is based on the weighted average principle, and includes expenditure incurred in acquiring the inventories and other costs incurred in bringing them to their existing location and condition

Net realisable value is based on estimated selling price less any further costs expected to be incurred on completion and disposal.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)
3.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Provisions

Provisions are recognized when the Group has a present legal or constructive obligation as a result of a past event, and it is probable that the Group will be required to settle that obligation. Provisions are measured as a best estimate of the expenditure required to settle the obligation at the reporting date, and are discounted to present value where the effect is material.

Decommissioning liability
The Group recognises a decommissioning liability where it has a present legal or constructive obligation as a result of past events, and it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount of obligation can be made.

The Group records full provision for the future costs of decommissioning for network and other assets. When the liability is initially recognised, the present value of the estimated costs is capitalised by increasing the carrying amount of the related network and other assets to the extent that it was incurred by the development/ construction.

Changes in the estimated timing or cost of decommissioning are dealt with prospectively by recording an adjustment to the provision and a corresponding adjustment to network and other assets. Any reduction in the decommissioning liability and, therefore, any deduction from the asset to which it relates, may not exceed the carrying amount of that asset. If it does, any excess over the carrying value is taken immediately to the consolidated statement of profit or loss.

If the change in estimate results in an increase in the decommissioning liability and, therefore, an addition to the carrying value of the asset, the Group considers whether this is an indication of impairment of the asset as a whole, and if so, tests for impairment. If, the estimate for the revised value of network and other assets net of decommissioning provision exceeds the recoverable value, that portion of the increase is charged directly to expense.

Over time, the discounted liability is increased for the change in present value based on the discount rate that reflects current market assessments and the risks specific to the liability. The periodic unwinding of the discount is recognised in the consolidated statement of profit or loss as a finance cost.

The Group recognises neither the deferred tax asset in respect of the temporary difference on the decommissioning liability nor the corresponding deferred tax liability in respect of the temporary difference on a decommissioning asset.

End of service benefits
The Group provides end of service benefits to its employees. The entitlement to these benefits is based upon the employees' final salary and length of service, subject to the completion of a minimum service period, calculated under the provisions of the Labour Law and is payable upon resignation or termination of the employee. The expected costs of these benefits are accrued over the period of employment.

Pensions and other post-employment benefits
Pension costs under the Group's defined benefit pension plans are determined by periodic actuarial calculation using the projected-unit-credit method and applying the assumptions on discount rate, expected return on plan assets and annual rate of increase in compensation.

The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in other comprehensive income. The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in the consolidated statement of profit or loss.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Provisions (continued)

Pensions and other post-employment benefits (continued)

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

With respect to the Qatari nationals, the Company makes contributions to Qatar Retirement and Pension Authority as a percentage of the employees' salaries in accordance with the requirements of respective local laws pertaining to retirement and pensions. The Company's share of contributions to these schemes, which are defined contribution schemes under IAS – 19 Employee Benefits are charged to the consolidated statement of profit or loss.

Long-term incentive plan

The Group provides long term incentive points (the "benefit") to its employees under the long term incentive plan. The entitlement to these benefits is based on employee performance and the overall performance of the Group, subject to fulfilling certain conditions ("vesting conditions") under documented plan and is payable upon end of the vesting period (the "exercise date"). The benefit is linked to the performance of employees and the Group, and the Group proportionately recognise the liability against these benefits over the vesting period through the consolidated statement of profit or loss, until the employees become unconditionally entitled to the benefit.

The fair value of the liability is reassessed on each reporting date and any changes in the fair value of the benefit are recognized through the consolidated statement of profit or loss.

Once the benefit is settled in cash at the exercise date, the liability is derecognised. The amount of cash settlement is determined based on number of factors including the number of incentive points awarded, the Company's operating performance based on predetermined targets and the Company's share price performance over the vesting period. On breach of the vesting conditions, the liability is derecognised through the consolidated statement of profit or loss.

Foreign currency transactions

Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Transactions in foreign currencies are initially recorded by the Group entities at their respective functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency spot rate of exchange ruling at the end of the financial reporting year.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. Foreign currency differences arising on retranslation are recognised in the consolidated statement of profit or loss, except for differences arising on the retranslation of fair value through other comprehensive income which are recognised in other comprehensive income.

Translation of foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated to Qatari riyals at exchange rates at the reporting date. The income and expenses of foreign operations are translated to Qatari Riyals at exchange rates at the dates of the transactions.

Foreign currency differences are recognised in other comprehensive income, and presented in the foreign currency translation reserve in equity. However, if the operation is a non-wholly-owned subsidiary, then the relevant proportionate share of the translation difference is allocated to the non-controlling interests. When a foreign operation is disposed of such that control or significant influence is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to the consolidated statement of profit or loss as part of the gain or loss on disposal.

When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation while retaining control, the relevant proportion of the cumulative amount is reattributed to non-controlling interests. When the Group disposes of only part of its investment in an associate that includes a foreign operation while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to consolidated statement of profit or loss.

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely in the foreseeable future, foreign exchange gains and losses arising from such a monetary item are considered to form part of a net investment in a foreign operation and are recognised in other comprehensive income, and presented in the translation reserve in equity.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Impairment of non-financial assets

The carrying amounts of the Group's non-financial assets, other than inventories are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

An impairment loss is recognized if the carrying amount of an asset or its cash-generating unit exceeds its estimated recoverable amount. Impairment losses are recognized in the consolidated statement of profit or loss.

Impairment losses recognized in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit (group of units) on a pro rata basis. Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Segment reporting

Segment results that are reported to the Group's Chief Operating Decision Maker ("CODM") include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Financial information on operating segments is presented in note 44 to the consolidated financial statements.

Events after the reporting date

The consolidated financial statements are adjusted to reflect events that occurred between the reporting date and the date when the consolidated financial statements are authorised for issue, provided they give evidence of conditions that existed at the reporting date. Any post year-end events that are non-adjusting events are discussed on the consolidated financial statements when material.

4. REVENUE

The Group derives its revenue from contracts with customers for the transfer of goods and services over time and at a point in time in the following revenue streams. The disclosure of revenue by streams is consistent with the revenue information that is disclosed for each reportable segment under IFRS 8 (see note 44).

	2020 QR.'000	2019 QR.'000
Revenue from rendering of telecommunication services	27,403,213	28,238,146
Sale of telecommunications equipment	1,271,023	1,380,006
Revenue from use of assets by others	192,329	297,389
	28,866,565	29,915,541
Timing of revenue recognition		
At a point in time	1,271,023	1,380,006
Overtime	27,595,542	28,535,535
	28,866,565	29,915,541

Management expects that the transaction price allocated to the unsatisfied contracts as at 31 December 2020, mainly relating to deferred income (Note 27), will be recognized as revenue during 2021 and 2022.

5. OPERATING EXPENSES

	2020 QR.'000	2019 QR.'000
Outpayments and interconnect charges	2,189,702	2,404,144
Regulatory and related fees	2,488,716	2,516,260
Rentals and utilities – network	1,168,026	1,158,179
Network operation and maintenance	2,297,286	2,160,914
Cost of equipment sold and other services	2,620,389	2,752,919
Provision for obsolete and slow moving inventories	42,013	38,761
	10,806,132	11,031,177

6. SELLING, GENERAL AND ADMINISTRATIVE EXPENSES

	2020 QR.'000	2019 QR.'000
Employee salaries and associated costs	3,258,375	3,207,576
Marketing costs and sponsorship	708,591	876,631
Commission on cards	693,455	581,063
Legal and professional fees	175,268	267,905
Rental and utilities	104,653	111,192
Allowance for impairment of trade receivables	308,354	231,337
Repairs and maintenance	87,168	86,961
Other expenses	630,184	731,521
	5,966,048	6,094,186

7. DEPRECIATION AND AMORTISATION

	2020 QR.'000	2019 QR.'000
Depreciation of property, plant and equipment	5,513,189	5,707,580
Depreciation of investment property	11,426	9,511
Amortisation of intangible assets	1,503,210	1,761,732
Amortisation of right-of-use assets	1,217,635	1,108,826
	8,245,460	8,587,649

8. NET FINANCE COSTS

	2020 QR.'000	2019 QR.'000
Finance cost		
Interest expenses	1,412,699	1,815,641
Profit on Islamic financing obligation	48,808	52,745
Amortisation of deferred financing costs (Note 28)	41,398	52,158
Interest cost on lease liability	541,159	451,996
Other finance charges	105,621	32,271
	2,149,685	2,404,811
Finance income		
Interest income	(254,109)	(317,145)
Net finance costs	1,895,576	2,087,666

9. OTHER INCOME – NET

	2020 QR.'000	2019 QR.'000
Foreign currency-gain – net	137,396	156,306
Dividend income	68,501	8,003
Rental income	31,775	31,464
Change in fair value of derivatives – net	(22,374)	(10,661)
Unrealised gain on equity investments at FVTPL	10,733	(18,640)
Miscellaneous income – net (i)	244,584	1,145,100
	470,615	1,311,572

(i) In 2019, a gain of approximately QR. 668,000 thousand arising from sale and leaseback transaction entered into by one of the Group's subsidiaries, Indosat Ooredoo (Note 12, 14).

10. ROYALTIES AND FEES

	2020 QR.'000	2019 QR.'000
Royalty (i)	**235,401**	276,634
Industry fees (ii)	**145,823**	198,361
Other statutory fees (iii)	**4,452**	16,642
	385,676	491,637

i. Royalty is payable to the Government of the Sultanate of Oman based on 12% of the net of predefined sources of revenue and interconnection expenses to local operators for mobile license and 7% for fixed license.

ii. In accordance with its operating licenses for Public Telecommunications Networks and Services granted in Qatar by ictQATAR, now referred to as the Communications Regulatory Authority (CRA), the Company is liable to pay to the CRA an annual industry fee which is calculated at 12.5% of adjusted net profit on regulated activities undertaken in Qatar pursuant to the licenses.

iii. Contributions by National Mobile Telecommunications Company K.S.C.P. to Kuwait Foundation for the Advancement of Sciences ("KFAS"), National Labour Support Tax ("NLST") and Zakat are included under other statutory fees.

11. BASIC AND DILUTED EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the profit for the year attributable to shareholders of the Parent by the weighted average number of shares outstanding during the year. There were no potentially dilutive shares outstanding at any time during the year and therefore, the diluted earnings per share is equal to the basic earnings per share.

	2020	2019
Profit for the year attributable to shareholders of the parent (QR.'000)	**1,126,475**	1,724,826
Weighted average number of shares (in '000)	**3,203,200**	3,203,200
Basic and diluted earnings per share (QR.)	**0.35**	0.54

12. PROPERTY, PLANT AND EQUIPMENT

	Land and buildings QR.'000	Exchange and networks assets QR.'000	Subscriber apparatus and other equipment QR.'000	Capital work in progress QR.'000	Total QR.'000
Cost					
At 1 January 2019	8,358,632	57,049,975	7,668,791	2,825,108	75,902,506
Initial application of IFRS 16	(1,516,679)	(104,098)	(203,203)	-	(1,823,980)
Additions	11,495	1,135,361	118,203	5,078,973	6,344,032
Transfers	34,613	1,417,801	188,370	(1,640,784)	-
Disposals	(313,883)	(1,964,581)	(271,368)	(16)	(2,549,848)
Reclassification	245,278	2,591,652	106,610	(2,964,319)	(20,779)
Exchange adjustment	161,462	1,125,193	133,050	60,254	1,479,959
At 31 December 2019	6,980,918	61,251,303	7,740,453	3,359,216	79,331,890
Additions	42,741	938,878	74,532	4,570,792	5,626,943
Transfers	203,288	3,949,779	473,639	(4,626,706)	-
Disposals	(33,098)	(1,267,586)	(420,256)	(4,088)	(1,725,028)
Reclassification	90,461	(40,912)	(107)	(226,534)	(177,092)
Exchange adjustment	(161,780)	(1,794,979)	(24,734)	(64,806)	(2,046,299)
At 31 December 2020	**7,122,530**	**63,036,483**	**7,843,527**	**3,007,874**	**81,010,414**
Accumulated depreciation					
At 1 January 2019	4,639,808	38,305,090	5,750,115	-	48,695,013
Initial application of IFRS 16	(820,409)	(25,667)	(97,624)	-	(943,700)
Provided during the year	355,083	4,578,483	774,014	-	5,707,580
Disposals	(203,106)	(1,788,702)	(236,221)	-	(2,228,029)
Reclassification	(9,497)	39,462	(34,755)	-	(4,790)
Exchange adjustment	119,156	838,601	103,020	-	1,060,777
At 31 December 2019	4,081,035	41,947,267	6,258,549	-	52,286,851
Provided during the year	328,241	4,490,105	694,843	-	5,513,189
Impairment during the year	95,084	-	-	-	95,084
Disposals	(32,776)	(1,075,598)	(415,673)	-	(1,524,047)
Reclassification	43,317	(1,683)	1,770	-	43,404
Exchange adjustment	(39,301)	(1,461,715)	(23,154)	-	(1,524,170)
At 31 December 2020	4,475,600	43,898,376	6,516,335	-	54,890,311
Carrying value At 31 December 2020	**2,646,930**	**19,138,107**	**1,327,192**	**3,007,874**	**26,120,103**
At 31 December 2019	2,899,883	19,304,036	1,481,904	3,359,216	27,045,039

(i) In 2018, exchange and network assets included finance lease assets recognized on account of sale and lease back transaction of one of the Group's subsidiaries, Indosat Ooredoo, which form part of right-of-use assets at 31 December 2019.

(ii) Asiacell reached an agreement with a local bank wherein it received properties in exchange for the equivalent value of the bank deposits. As at 31 December 2020, Asiacell had received parcels of lands and buildings located in Baghdad and Sulaymaniah amounting to QR.397,379 thousand (2019: QR.481,900 thousand). Currently, the legal title is transferred to a related party of Asiacell and it will be transferred in the name of Asiacell upon completing legal formalities. However, the Group has obtained an indemnity letter from the related party that these assets are under the Group's control and the ownership will be transferred upon completing the legal formalities. During the year Asiacell appointed a third party consultant to review the status of these properties.

(iii) Certain property, plant and equipment amounting to QR.84,209 thousand (2019: QR.138,837 thousand) are used as collaterals to secure the Group's borrowings.

13 INTANGIBLE ASSETS AND GOODWILL

	Goodwill QR.'000	License costs QR.'000	Customer contracts and related customer relationship QR.'000	Brand / Trade names QR.'000	IRU, software and other intangibles QR.'000	Total QR.'000
Cost						
At 1 January 2019	9,013,897	28,915,099	604,311	2,539,330	3,796,620	44,869,257
Additions	-	912,835	-	-	211,465	1,124,300
Disposals	-	-	-	-	(94,174)	(94,174)
Reclassification	-	-	-	-	1,273	1,273
Exchange adjustment	287,093	412,683	26,325	75,311	15,855	817,267
At 31 December 2019	9,300,990	30,240,617	630,636	2,614,641	3,931,039	46,717,923
Additions	-	1,437,254	-	-	163,445	1,600,699
Disposals	-	-	-	-	(21,861)	(21,861)
Reclassification	-	-	-	-	226,641	226,641
Exchange adjustment	12,601	(586,995)	(4,455)	(56,176)	(53,078)	(688,103)
At 31 December 2020	**9,313,591**	**31,090,876**	**626,181**	**2,558,465**	**4,246,186**	**47,835,299**

13. INTANGIBLE ASSETS AND GOODWILL (CONTINUED)

	Goodwill QR.'000	License costs QR.'000	Customer contracts and related customer relationship QR.'000	Brand/ Trade names QR.'000	IRU, software and other intangibles QR.'000	Total QR.'000
Accumulated amortisation and impairment losses						
At 1 January 2019	542,950	13,012,974	603,971	1,546,112	2,506,564	18,212,571
Amortisation / impairment during the year	-	1,641,603	339	84,261	306,019	2,032,222
Disposals	-	-	-	-	(90,921)	(90,921)
Exchange adjustment	19,978	146,519	26,326	37,970	13,371	244,164
At 31 December 2019	562,928	14,801,096	630,636	1,668,343	2,735,033	20,398,036
Amortisation / impairment during the year	312,100	1,086,755	-	81,921	334,534	1,815,310
Disposals	-	-	-	-	(21,692)	(21,692)
Reclassification	-	-	-	-	423	423
Exchange adjustment	5,987	(727,982)	(4,455)	(42,234)	(43,032)	(811,716)
At 31 December 2020	**881,015**	**15,159,869**	**626,181**	**1,708,030**	**3,005,266**	**21,380,361**
Carrying value At 31 December 2020	**8,432,576**	**15,931,007**	**-**	**850,435**	**1,240,920**	**26,454,938**
At 31 December 2019	8,738,062	15,439,521	-	946,298	1,196,006	26,319,887

13. INTANGIBLE ASSETS AND GOODWILL (CONTINUED)

i. Impairment testing of goodwill

Goodwill acquired through business combinations has been allocated to individual cash generating units (CGUs) for impairment testing as follows:

Cash generating units	Carrying value 2020 QR.'000	Carrying value 2019 QR.'000
Ooredoo Kuwait	585,284	587,715
Ooredoo Algeria	1,804,919	2,125,951
Ooredoo Tunisie	2,564,911	2,466,955
Indosat Ooredoo	3,144,443	3,162,271
Asiacell	291,383	353,408
Ooredoo Maldives	29,613	29,739
Others	12,023	12,023
	8,432,576	8,738,062

Goodwill was tested for impairment as at 31 December 2020. The recoverable amount of the CGUs was determined based on value in use calculated using cash flows projections by management covering a period of five years.

During the year, the Group has recorded an impairment loss against certain assets since their recoverable amount was lower than their carrying value.

ii. Key Assumptions used in value in use calculations

Key Assumptions
The principal assumptions used to determine value-in-use include long-term cash flows, discount rates, terminal value growth rate estimates, EBITDA growth rate and CAPEX. The assumptions are constructed based upon historic experience and management's best estimate of future trends and performance and take into account anticipated efficiency improvements over the forecasted period.

Forecast revenue growth rates
Forecast revenue growth rates are based on past experience and management's best estimate of future trends in the market including number of customers, penetrations, average revenue per users, new products and services.

Operating profits
Operating profits are forecast based on historical experience of operating margins and management's best estimate of future trends including new revenue streams, cost saving initiatives and expected efficiency improvements.

Discount rates
Discount rates reflect management's estimate of the risks specific to each unit. Discount rates are based on a weighted average cost of capital for each CGU and ranged from 7.6% to 17% (2019: 8.4% to 16.6%). In determining the appropriate discount rates for each unit, the yield local market ten-year government bond is used, where available. If unavailable, yield on a ten-year US Treasury bond and specific risk factors for each country has been taken into consideration.

Budgeted Capex
The cash flow forecasts for budgeted capital expenditure are based on past experience and include the ongoing capital expenditure required to continue rolling out networks in emerging markets, providing enhanced voice and data products and services, and meeting the population coverage requirements of certain licenses of the Group. Capital expenditure includes cash outflows for the purchase of property, plant and equipment and other intangible assets.

Long-term cash flows and working capital estimates
The Group prepares cash flow forecasts for the next five years, derived from the most recent annual business plan approved by the Board of Directors.

The business plans take into account local market considerations such as the number of subscribers, roaming revenue, average revenue per user, operating costs, taxes, capital expenditure, and EBITDA. The growth rate does not exceed average long-term growth rate for the relevant markets and it ranges from 3.4% to 7.5% (2019: 2.75% to 5.5%)

14. RIGHT-OF-USE ASSETS

	Right-of-use assets				
	Land and buildings QR.'000	Exchange and network assets QR.'000	Subscriber apparatus and other equipment QR.'000	Indefeasible rights-of-use (IRU) QR.'000	Total QR.'000
Cost					
Initial application of IFRS 16 at 1 January 2019	2,822,800	3,892,212	231,053	72,005	7,018,070
Additions	907,695	676,331	7,603	3,796	1,595,425
Reduction on early termination	(6,532)	(8,477)	(15,008)	(1,835)	(31,852)
Disposals	(181,650)	-	-	-	(181,650)
Exchange adjustment	80,866	65,541	8,275	121	154,803
At 31 December 2019	3,623,179	4,625,607	231,923	74,087	8,554,796
Additions	1,111,984	707,432	25,568	13,571	1,858,555
Reduction on early termination	(60,087)	(35,978)	(3,340)	(1,632)	(101,037)
Reclassification	(90,461)	40,912	-	-	(49,549)
Exchange adjustment	(21,836)	129,260	(2,747)	3,778	108,455
At 31 December 2020	4,562,779	5,467,233	251,404	89,804	10,371,220
Accumulated amortisation					
Initial application of IFRS 16 at 1 January 2019	981,963	297,721	98,893	19,625	1,398,202
Provided during the year	482,428	557,810	60,397	8,191	1,108,826
Reduction on early termination	(1,226)	(2,201)	(14,952)	(1,835)	(20,214)
Disposals	(19,174)	-	-	-	(19,174)
Exchange adjustment	41,732	6,554	4,835	187	53,308
At 31 December 2019	1,485,723	859,884	149,173	26,168	2,520,948
Provided during the year	521,795	638,049	46,364	11,427	1,217,635
Reduction on early termination	(36,656)	(7,229)	(3,043)	(1,633)	(48,561)
Reclassification	(43,827)	-	-	-	(43,827)
Exchange adjustment	8,776	4,890	(499)	1,505	14,672
At 31 December 2020	1,935,811	1,495,594	191,995	37,467	3,660,867
Carrying value At 31 December 2020	2,626,968	3,971,639	59,409	52,337	6,710,353
At 31 December 2019	2,137,456	3,765,723	82,750	47,919	6,033,848

Following the election of the Group not to recognize right-of-use assets and lease liabilities for short-term and low-value leases, QR. 381,083 thousand (2019: QR. 374,334 thousand) and QR. 2,463 thousand (2019: QR. 2,850 thousand), respectively, were recognized as expenses during the year. Moreover, variable lease payments which were recognized as expenses during 2020 amounted to QR. 4,397 thousand (2019: QR. 4,255 thousand).

15. INVESTMENT PROPERTY

	2020 QR.'000	2019 QR.'000
Cost		
At 1 January	170,593	151,087
Transfer from property, plant and equipment	-	19,506
At 31 December	170,593	170,593
Accumulated depreciation		
At 1 January	112,586	98,285
Transfer from property, plant and equipment	-	4,790
Provided during the year	11,426	9,511
At 31 December	124,012	112,586
Carrying value At 31 December	46,581	58,007

Investment property comprises of the portion of the Group's head quarter building rented to a related party.
There was a valuation exercise performed by an external valuer, independent valuers not connected with the Group. The valuation conforms to International Valuation Standards. Management believe that the fair value investment property is approximately QR. 224,162 thousand (2019: QR. 237,244 thousand), which is higher than the carrying value at reporting dates. The fair value was determined based on the market comparable approach that reflects recent transaction prices for similar properties/ other methods. The fair value hierarchy for valuation of investment property is categorized under level 2.
The property rental income earned by the Group from its investment property, all of which is leased out under operating leases, amounted to QR. 31,775 thousand (2019: QR. 31,464 thousand).

16. INVESTMENT IN ASSOCIATES AND JOINT VENTURES

The Group has the following investment in associates and joint ventures:

Associate / Joint Venture companies	Principal activity	Classification	Country of incorporation	Effective ownership 2020	2019
Navlink, Inc., a Delaware Corporation	Managed Service Provider delivering technology solutions in the enterprise data market	Associate	United States of America	38%	38%
Asia Mobile Holdings Pte Ltd ("AMH")	Holding company	Associate	Singapore	25%	25%
PT Multi Media Asia Indonesia	Satellite based telecommunication services	Associate	Indonesia	17%	17%
MEEZA QSTP LLC	Information technology services	Associate	Qatar	20%	20%
PT Citra Bakti, Indonesia	Product certification and testing	Associate	Indonesia	-	9%
Titan Bull Holdings Limited	Holding Company	Associate	Cayman Islands	18%	18%
Monetix SPA	Electronic Banking	Associate	Algeria	19%	19%
SB ISAT Fund, L.P.	Investment Management	Associate	Cayman Islands	28%	28%
PT Palapa Satelit Nusa Sejahtera	Satellite Telecommunication Operator and Services	Associate	Indonesia	-	23%
Mountain Indosat Company Ltd ("MCL")	Business Incubation and Digital Services	Associate	Hong Kong	48%	29%
PT Satera Manajemen Persada Indonesia	Telecommunication Services and Equipment Provider	Associate	Indonesia	32%	32%
PT Artajasa Pembayaran Elektronis	Electronic payment services	Associate	Indonesia	-	26%
Asia Internet Holding S.a r.l.,	Holding Company	Joint venture	Luxembourg	50%	50%
Intaleq Technology Consulting & Services W.L.L	Technical services for Sports venues and events	Joint venture	Qatar	55%	55%

16. INVESTMENT IN ASSOCIATES AND JOINT VENTURES (CONTINUED)

The following table is the summarised financial information of the Group's investments in the associates and joint ventures:

	Associates 2020 QR.'000	Joint ventures 2020 QR.'000	Total 2020 QR.'000	Associates 2019 QR.'000	Joint ventures 2019 QR.'000	Total 2019 QR.'000
Group's share of associates and joint ventures statement of financial position:						
Current assets	986,498	30,845	1,017,343	1,041,366	44,463	1,085,829
Non-current assets	2,595,048	36,474	2,631,522	2,957,771	51,824	3,009,595
Current liabilities	(573,044)	(3,534)	(576,578)	(740,543)	(3,366)	(743,909)
Non-current liabilities	(2,293,955)	-	(2,293,955)	(2,280,708)	-	(2,280,708)
Equity attributable to owners of the Company	714,547	63,785	778,332	977,886	92,921	1,070,807
Goodwill	917,175	-	917,175	901,105	-	901,105
Carrying amount of the investments	1,631,722	63,785	1,695,507	1,878,991	92,921	1,971,912
Group's share of associates' and joint ventures' revenues and results:						
Revenues	1,128,522	45	1,128,567	1,686,758	34	1,686,792
Profit/(loss) for the year	56,144	(20,868)	35,276	64,622	(7,550)	57,072

In 2020, the Group received dividend from associates amounting to QR. 64,186 thousand (2019: QR.111,384 thousand).

16.1. The significant balance of investment in associates relates to Asia Mobile Holdings Pte Ltd. ("AMH") and PT Artajasa Pembayaran Elektronis. During the year, management has performed impairment assessment of AMH based on the indicators and currently available information. The Group has applied value-in-use approach to determine the recoverable amount of the investment in AMH and no impairment was noted. The Group has used WACC of 6.53% and terminal growth rate of 3.6% in their business model. Management has incorporated their effective share in AMH, based on the estimated unaudited financial information of AMH, in the Group's consolidated financial statements.

16.2. During 2019, the Group recognised an impairment loss allowance of QR. 78,000 thousand on one of its associates.

Although the Group holds less than 20 per cent effective holding of equity shares of certain entities, the Group exercises significant influence by virtue of its contractual right to appoint directors to the board of directors of that entity.

17. FINANCIAL ASSETS – EQUITY INSTRUMENTS

	2020 QR.'000	2019 QR.'000
Investment in equity instrument designated as FVTOCI (i)	703,178	828,789
Financial assets measured at FVTPL (i)	85,829	75,651
	789,007	904,440

The respective fair value of these investments is disclosed in note 40.

Note
(i) The Group's financial assets comprise of investments in telecommunication related companies, hedge funds, private equity and venture capital funds. The investment in hedge funds is fair valued through statement of profit or loss.

Other investments are fair valued through other comprehensive income. The Group has elected to designate these investments in equity instruments as FVTOCI as these investments are held for medium to long-term strategic purposes and not held for trading. Further, management believe that recognising short-term fluctuations in these investments' fair value in the consolidated statement of profit or loss would not be consistent with the Group's strategy.

18. OTHER NON-CURRENT ASSETS

	2020 QR.'000	2019 QR.'000
Prepaid rentals	-	540
Other long term advances (i)	596,111	633,703
Others	144,232	98,000
	740,343	732,243

(i) Mainly relates to long-term advances for property, plant and equipment and claim for tax refund receivables

19. INCOME TAX

Income tax represents amounts recognised by subsidiary companies. The major components of income tax expense for the years 2020 and 2019 are:

	2020 QR.'000	2019 QR.'000
Current income tax		
Current income tax charge	359,616	452,051
Adjustments in respect of previous years' income tax	(117,802)	47,925
Deferred income tax		
Relating to origination and reversal of temporary differences	(38,715)	(77,885)
Income tax included in the consolidated statement of profit or loss	203,099	422,091

The Company is not subject to income tax in the State of Qatar. The tax rate applicable to the taxable subsidiaries is in the range of 10% to 37% (2019: 10% to 37%). For the purpose of determining the taxable results for the year, the accounting profit of the companies were adjusted for tax purposes. Adjustments for tax purposes include items relating to both income and expense allowed in accordance with respective tax laws of subsidiaries.

19. INCOME TAX (CONTINUED)

The adjustments are based on the current understanding of the existing laws, regulations and practices of each subsidiaries' jurisdiction. In view of the operations of the Group being subject to various tax jurisdictions and regulations, it is not practical to provide a detailed reconciliation between accounting and taxable profits together with the details of the effective tax rates. As a result, the reconciliation includes only the identifiable major reconciling items. The Group tax reconciliation is presented as follows:

	2020 QR.'000	2019 QR.'000
Profit before tax	1,625,029	2,646,103
Profit of parent and subsidiaries not subject to corporate income tax	(559,458)	(1,119,738)
Profit of parent and subsidiaries subject to corporate income tax	1,065,571	1,526,365
Add:		
Allowances, accruals and other temporary differences	(101,706)	(418,455)
Expenses and income that are not subject to corporate tax	859,234	822,256
Depreciation – net of accounting and tax	184,117	463,491
Unrealised tax losses brought forward	(16,128)	(2,045)
Taxable profit of subsidiaries and associates that are subject to corporate income tax	1,991,088	2,391,612
Income tax charge at the effective income tax rate of 18% (2019: 19%)	359,616	452,051

	Consolidated statement of financial position		Consolidated statement of profit or loss	
	2020 QR.'000	2019 QR.'000	2020 QR.'000	2019 QR.'000
Accelerated depreciation for tax purposes	132,623	231,967	16,887	50,820
Losses available to offset against future taxable income	224,929	231,464	(3,533)	5,839
Allowances, accruals and other temporary differences	277,141	173,838	2,344	(2,467)
Deferred tax origination on purchase price allocation	(293,027)	(318,886)	23,017	23,693
Deferred tax asset / deferred tax income – net	341,666	318,383	38,715	77,885

Reflected in the consolidated statement of financial position as follows:

	2020 QR.'000	2019 QR.'000
Deferred tax asset	643,104	658,851
Deferred tax liability	(301,438)	(340,468)
	341,666	318,383

19. INCOME TAX (CONTINUED)

Movement of deferred tax asset – net

	2020 QR.'000	2019 QR.'000
At 1 January	**318,383**	211,632
Initial adoption of IFRS 16	**-**	31,742
Deferred tax income during the year	**38,715**	77,885
Deferred tax on other comprehensive income (loss)	**10,254**	1,054
Exchange adjustment	**(25,686)**	(3,930)
At 31 December	**341,666**	318,383

20. CONTRACT COSTS AND ASSETS

	2020 QR.'000	2019 QR.'000
Current	**367,209**	345,919
Non-Current	**188,830**	194,971
	556,039	540,890

Contract costs and assets primarily relates to the Group's right on consideration for goods and services provided but not billed at the reporting date. The Group has determined that contract costs and assets are to be recognised at the performance obligation level and not at the contract level.

21. INVENTORIES

	2020 QR.'000	2019 QR.'000
Subscribers' equipment	**248,013**	344,535
Other equipment	**218,327**	245,984
Cables and transmission equipment	**71,977**	103,585
	538,317	694,104
Less: Provision for obsolete and slow moving inventories	**(140,515)**	(136,799)
	397,802	557,305

Inventories consumed are recognised as expense and included under operating expenses. These amounted to QR. 1,639,355 thousand (2019: QR. 1,744,093 thousand).

Movement in the provision for obsolete and slow moving inventories is as follows:

	2020 QR.'000	2019 QR.'000
At 1 January	**136,799**	106,269
Provided during the year	**42,013**	38,761
Amounts written off	**(31,300)**	(16,743)
Exchange adjustment	**(6,997)**	8,512
At 31 December	**140,515**	136,799

22. TRADE AND OTHER RECEIVABLES

	2020 QR.'000	2019 QR.'000
Trade receivables – net of impairment allowances	**2,785,952**	3,117,478
Other receivables and prepayments – net of impairment allowances	**3,590,069**	3,654,651
Unbilled subscribers revenue – net of impairment allowances	**736,542**	936,294
Amounts due from international carriers – net of impairment allowances	**500,184**	652,184
Net prepaid pension costs	**115**	233
	7,612,862	8,360,840

At 31 December 2020, trade receivables amounting to QR. 1,977,434 thousand (2019: QR. 1,849,915 thousand) were impaired and fully provided for.

At 31 December, the ageing of trade receivables – net of impairment allowances is as follows:

	Trade receivables – days past due					
31 December	**< 30 days QR.'000**	**30 – 60 days QR.'000**	**60-90 days QR.'000**	**90-365 days QR.'000**	**> 365 days QR.'000**	**Total QR.'000**
2020	1,058,939	321,862	150,679	589,936	664,536	2,785,952
2019	925,994	441,007	363,377	543,263	843,837	3,117,478

Unimpaired receivables are expected on the basis of past experience to be fully recoverable. It is not the practice of the Group to obtain collateral over receivables and the vast majorities are therefore, unsecured.
The average credit period on sales of goods and rendering of services varies from 30 to 90 days depending on the type of customer and local market conditions. No interest is charged on outstanding trade receivables.
The Group always measures the loss allowance for trade receivables at an amount equal to lifetime ECL using the simplified approach. The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date. The Group has recognised a loss allowance of QR. 308,354 thousand (2019: QR. 231,337 thousand) against trade receivables.

The following table details the risk profile of trade receivables based on the Group's provision matrix. As the Group's historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status is not further distinguished between the Group's different customer base.

	Trade receivables – days past due					
31 December 2020	**< 30 days QR.'000**	**30 – 60 days QR.'000**	**60-90 days QR.'000**	**90-365 days QR.'000**	**> 365 days QR.'000**	**Total QR.'000**
Expected credit loss rate	5%	9%	18%	32%	70%	42%
Estimated total gross carrying amount at default	1,112,416	354,864	184,833	864,354	2,246,919	4,763,386
Lifetime ECL	53,477	33,002	34,154	274,418	1,582,383	1,977,434

22. TRADE AND OTHER RECEIVABLES (CONTINUED)

	Trade receivables – days past due					
31 December 2019	< 30 days QR.'000	30 – 60 days QR.'000	60-90 days QR.'000	90-365days QR.'000	> 365 days QR.'000	Total QR.'000
Expected credit loss rate	6%	7%	9%	35%	63%	37%
Estimated total gross carrying amount at default	987,453	475,912	398,324	832,435	2,273,269	4,967,393
Lifetime ECL	61,459	34,905	34,947	289,172	1,429,432	1,849,915

The below table shows the collective assessment of movement in lifetime ECL that has been recognised for trade and other receivables in accordance with the simplified approach set out in IFRS 9.

	2020 QR.'000	2019 QR.'000
Balance as at 1 January	**1,849,915**	1,688,461
Allowance for impairment (Note 6)	**308,354**	231,337
Amounts written off	**(161,843)**	(103,478)
Amounts recovered	**(5,556)**	(937)
Foreign exchange gains and losses	**(13,436)**	34,532
Balance as at 31 December	**1,977,434**	1,849,915

23. CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the consolidated statement of cash flows comprise the following items:

	2020 QR.'000	2019 QR.'000
Bank balances and cash – net of impairment allowance (i, ii)	**15,678,488**	14,716,148
Bank overdraft	**-**	(292,417)
	15,678,488	14,423,731
Less:		
Deposits with maturity of more than three months (iii)	**(132,953)**	(209,464)
Restricted deposits (iv)	**(936,052)**	(860,386)
Cash and cash equivalents as per consolidated statement of cash flows at 31 December (v)	**14,609,483**	13,353,881

(i) Bank balances and cash equivalents include deposits maturing after three months amounting to QR. 3,381,000 thousand (2019: QR. 3,305,000 thousand). The Group is of the opinion that these deposits are readily convertible to cash and are held to meet short-term commitments

(ii) Deposits are made for varying periods depending on the immediate cash requirements of the Group and earn interest on the respective deposit rates ranging from 0.06% to 12.31% (2019: 1.21% to 12.75%).

(iii) Deposits with maturity of more than three months were reclassified from bank balances and cash.

(iv) During the year 2016, the Communications and Media Commission (CMC) sent letters which restricted Asiacell from using certain bank accounts with a balance of QR 189,994 thousand as of 31 December 2020. On 31 January 2021, Asiacell deposited all the disputed amounts to CMC. Asiacell has also started procedures to release the restrictions on these balances. The remaining balance pertains to certain restricted bank deposits maintained for dividend payments, restricted cash deposits with banks related to issuance of bank guarantees, and the restricted cash related to the derivative financial instruments between the Group and a local bank.

(v) Certain cash and cash equivalents are used as collaterals to secure the Group's obligations.

23. CASH AND CASH EQUIVALENTS (CONTINUED)

Non-cash transaction

During the year, the non-cash additions to intangible assets amounted to QR. 1,038,526 thousand.

Balances with banks are assessed to have low credit risk of default since these banks are highly regulated by the central banks of the respective countries. Accordingly, the management of the Group estimates the loss allowance on balances with banks at the end of the reporting period at an amount equal to 12 month ECL. None of the balances with banks at the end of the reporting period are past due, and taking into account the historical default experience and the current credit ratings of the bank, the management of the Group have assessed that there is impairment and have recorded impairment allowance accordingly.

24. SHARE CAPITAL

	2020		2019	
	No of shares (000)	**QR.'000**	No of shares (000)	QR.'000
Authorised Ordinary shares of QR 1* each At 31 December	**5,000,000**	**5,000,000**	5,000,000	5,000,000
Issued and fully paid up Ordinary shares of QR 1* each At 31 December	**3,203,200**	**3,203,200**	3,203,200	3,203,200

*Refer to note 46 for information on share split.

25. RESERVES

a) Legal reserve

In accordance with Qatar Commercial Companies Law No. 11 of 2015 and the Company's Articles of Association, 10% of the profit of the Company for the year should be transferred to the legal reserve until such reserves reach 50% of the issued share capital. During 2008, an amount of QR. 5,494,137 thousand, being the net share premium amount arising out of the rights issue was transferred to legal reserve. During 2012, an amount of QR. 5,940,145 thousand, being the net share premium amount arising out of the rights issue was transferred to legal reserve.

The reserve is not available for distribution except in the circumstances stipulated in the Qatar Commercial Companies Law and the Company's Articles of Association.

b) Fair value reserve

The fair value reserve comprises the cumulative net change in the fair value of financial assets - equity instruments as FVTOCI and effective portion of qualifying cash flow hedges.

	2020 QR.'000	2019 QR.'000
Fair value reserve of financial assets - equity instruments as FVTOCI	**451,101**	569,644
Cash flow hedge reserve	**(40,176)**	(18,835)
	410,925	550,809

c) Employees' benefits reserve

Employment benefits reserve is created on account of adoption of revised IAS – 19 Employee benefits. Employee benefits reserve comprises actuarial gains (losses) pertaining to defined benefit plans.

d) Translation reserve

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

e) Other statutory reserves

In accordance with the statutory regulations of the various subsidiaries, a share of their respective annual profits should be transferred to a non-distributable statutory reserve.

26. COMPONENTS OF OTHER COMPREHENSIVE INCOME

	2020 QR.'000	2019 QR.'000
Items that may be reclassified subsequently to profit or loss **Cash flow hedges**		
Losses arising during the year	**(5,584)**	(4,486)
Deferred tax effect	**-**	40
	(5,584)	(4,446)
Share of changes in fair value of cash flow hedges from associates and joint ventures	**(15,757)**	(27,211)
Foreign exchange reserve		
Foreign exchange translation differences – foreign operations	**(863,769)**	572,849
	(863,769)	572,849
Items that will not be reclassified subsequently to profit or loss **Fair value reserve**		
Net changes in fair value on investments in equity instruments designated as FVTOCI	**(67,953)**	(12,616)
	(67,953)	(12,616)
Employees' benefits reserve		
Net movement in employee benefits reserve	**(40,210)**	(4,672)
Deferred tax effect	**10,254**	1,014
	(29,956)	(3,658)
Other comprehensive (loss)/income for the year – net of tax	**(983,019)**	524,918

27. DEFERRED INCOME

Deferred income pertains to unearned revenue from services that will be provided in future periods. It primarily includes revenue from the unused and unutilized portion of prepaid cards sold. The sale of prepaid cards is deferred until such time as the customer uses the airtime, or the credit expires.

28. LOANS AND BORROWINGS

Presented in the consolidated statement of financial position as:

	2020 QR.'000	2019 QR.'000
Non-current liabilities		
Secured loan	**58,415**	143,992
Unsecured loan	**9,922,241**	6,755,480
Islamic Finance	**396,708**	430,516
Bonds	**14,065,021**	18,143,632
Less: Deferred financing costs	**(116,871)**	(136,677)
	24,325,514	25,336,943
Current liabilities		
Secured loan	**53,713**	67,924
Unsecured loan	**1,071,065**	3,757,035
Islamic Finance	**31,381**	259,046
Bonds	**4,063,575**	1,082,207
Bank overdraft	**-**	292,416
Less: Deferred financing costs	**(30,451)**	(48,296)
	5,189,283	5,410,332
	29,514,797	30,747,275

The deferred financing costs consist of arrangement and other related fees. Movement in deferred financing costs was as follows:

	2020 QR.'000	2019 QR.'000
At 1 January	**184,973**	206,750
Additions during the year	**3,614**	30,028
Amortised during the year (Note 8)	**(41,398)**	(52,158)
Exchange adjustment	**133**	353
At 31 December	**147,322**	184,973

28. LOANS AND BORROWINGS (CONTINUED)

The loans and borrowings presented in the consolidated financial position consist of the following:

Type	Currency	Nominal Interest / Profit rate	Year of maturity	2020 QR.'000	2019 QR.'000
Bonds	IDR	7.40% to 11.20%	Mar 20 to Jul 29	**2,652,215**	3,749,458
Bonds	USD	3.25% to 5.00%	Feb 21 to Jan 43	**15,476,381**	15,476,381
Islamic Finance Obligation	IDR	8.00 to 11.20%	Jun 20 to Jul 29	**428,089**	689,562
Secured Loans	USD	LIBOR + 3.00% to 6.25%	Jan 20 to Feb 23	**112,128**	211,916
Unsecured Loans	IDR	2% to 8.95%	Dec 21 to Feb 24	**1,111,684**	1,251,901
Unsecured Loans	KWD	CBK + 0.60% - 0.65%	May 21 to Nov 22	**143,640**	432,739
Unsecured Loans	MMK	9% to 12%	Mar 20 to Jul 21	**202,398**	177,514
Unsecured Loans	TND	TMM Rate + 1.1% to 1.75%	Jun 20 to Jun 24	**204,605**	342,734
Unsecured Loans	DZD	5.00% to 5.15%	Dec 24 to Jul 26	**181,969**	-
Unsecured Loans	USD	LIBOR + 0.88% to 5.69%	Immediate to Sep 29	**9,149,010**	8,307,627
Bank overdraft	DZD	4% to 4.90%	Feb 21 to Jun 21	**-**	292,416
				29,662,119	30,932,248
Less: Deferred financing costs				**(147,322)**	(184,973)
Total				**29,514,797**	30,747,275

(i) Loans and borrowings are availed for general corporate and operational purposes , financing working capital requirements and repayment or refinancing of existing borrowing facilities.

(ii) Bonds are listed on London, Irish and Indonesia Stock Exchanges. Certain bonds are unconditionally and irrevocably guaranteed by Ooredoo Q.P.S.C.

(iii) Islamic Finance includes notes issued under Sukuk Trust Programme on the Indonesia Stock Exchange.

29. EMPLOYEES' BENEFITS

	2020 QR.'000	2019 QR.'000
Employees' end of service benefits	**492,707**	518,782
Long term incentive points-based payments	**201,897**	222,859
Defined benefit pension plan/ Labour Law No. 13/2003	**143,638**	120,990
Other employee benefits	**22,543**	12,856
Total employee benefits	**860,785**	875,487
Current portion of long term incentive points-based payments (Note 31)	**(103,622)**	(108,868)
Employees' benefits – non current	**757,163**	766,619

	2020 QR.'000	2019 QR.'000
At 1 January	**875,487**	902,155
Provided during the year	**135,380**	151,363
Paid during the year	**(161,355)**	(170,382)
Other comprehensive income/(loss)	**40,210**	(1,014)
Relating to discontinued operation	**-**	(20,440)
Exchange adjustment	**(28,937)**	13,805
At 31 December	**860,785**	875,487

29. EMPLOYEES' BENEFITS (CONTINUED)

The carrying amount of the liability arising from long term incentive points-based payments is determined by the achievement of certain performance targets and share price of the Company. As at the reporting date, the carrying amount of liability arising from long term incentive points-based payments approximates its fair value.

The details of the benefit plans operated by one of the Group's subsidiaries are as follows:

Plan A - Post-retirement healthcare plan

One of the subsidiaries, Indosat Ooredoo provides post-retirement healthcare benefits to its employees who leave after the employees fulfill the early retirement requirement. The immediate family of employees who have been officially registered in the records of the company are also eligible to receive benefits. The post-retirement healthcare plan was terminated in 2019.

Plan B - Defined Benefit Pension Plan - Labour Law No. 13/2003

Indosat Ooredoo, Lintasarta and IMM also accrue benefits under Indonesian Labor Law No. 13/2003 ("Labor Law") dated 25 March 2003. Their employees will receive the benefits under this law or the defined benefit pension plan, whichever amount is higher.

Plan C - Defined Benefit Pension Plan

The subsidiaries, Indosat Ooredoo, Satelindo and Lintasarta provide defined benefit pension plans to their respective employees under which pension benefits to be paid upon retirement. A state-owned life insurance company, PT Asuransi Jiwasraya ("Jiwasraya") manages the plans. Pension contributions are determined by periodic actuarial calculations performed by Jiwasraya.

Based on the agreement, a participating employee will receive:

- Expiration benefit equivalent to the cash value at the normal retirement age, or
- Death benefit not due to accident equivalent to 100% of insurance money plus cash value when the employee dies not due to accident, or
- Death benefit due to accident equivalent to 200% of insurance money plus cash value when the employee dies due to accident.

Actuarial assumptions

The actuarial valuations were prepared by an independent actuary, using the projected-unit-credit method, the following were the principal actuarial assumptions at the reporting date.

29. EMPLOYEES' BENEFITS (CONTINUED)

Actuarial assumptions (continued)

	2020			2019		
	Plan A	**Plan B**	**Plan C**	Plan A	Plan B	Plan C
Annual discount rate	-	**7.50%-8.00%**	**8.0%-8.5%**	8.5%	7.50%-8.00%	8.0%-8.5%
Increase in compensation	-	**6.5%**	**3.0%-9.0%**	-	6.5%	3.0%-9.0%
Mortality rate	-	-	**TMI 2011**	-	-	TMI 2011

Movement in net defined benefit (asset) liability

The following table shows the reconciliation from the opening balances to the closing balances for net defined benefit liability (asset) and its components.

	2020			2019		
	Plan A QR.'000	**Plan B QR.'000**	**Plan C QR.'000**	Plan A QR.'000	Plan B QR.'000	Plan C QR.'000
At 1 January	-	**125,324**	**(10,212)**	136,522	96,153	(10,835)
Included in profit or loss						
Interest cost	-	**8,722**	**(4,013)**	3,073	8,283	(4,638)
Service cost	-	**10,823**	**4,164**	2,137	10,381	5,063
Curtailment gain	-	-	-	(60,256)	-	-
Immediate recognition of past service cost – vested benefit	-	**(11,720)**	**52**	-	2,731	-
Cost of employee transfer	-	-	-	-	-	-
	-	**7,825**	**203**	(55,046)	21,395	425
Included in other comprehensive income						
Other comprehensive income	-	**28,778**	**11,432**	(2,256)	6,113	815
Other movements						
Contribution	-	-	-	-	-	(126)
Benefit payment	-	**(12,134)**	**(10,696)**	(82,303)	(2,387)	-
Refund	-	-	**963**	-	-	276
Exchange adjustment	-	**(918)**	**7,488**	3,083	4,050	(767)
	-	**(13,052)**	**(2,245)**	(79,220)	1,663	(617)
At 31 December	-	**148,875**	**(822)**	-	125,324	(10,212)
Current portion	-	**5,237**	**(115)**	-	4,334	(233)
Non-current portion	-	**143,638**	**(707)**	-	120,990	(9,979)

Plan assets comprises investments in shares of stocks and properties, mutual fund, time deposits, debt securities, long-term investment in shares of stock and property. The plan asset has diverse investments and does not have any concentration risk.

Significant actuarial assumptions for the determination of the defined benefit obligation is discount rate. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

29. EMPLOYEES' BENEFITS (CONTINUED)

Sensitivity analysis on defined benefit obligation

Quantitative sensitivity analysis for each 1% change in the following significant assumptions as of 31 December 2020 are as follows:

	Impact of change in assumptions to defined benefit obligation	
	Increase	**Decrease**
Pension benefit cost		
Discount rate	Decrease by 4.21% - 6.83%	Increase by 4.54% - 8.01%
Obligation under Labor Law		
Discount rate	Decrease by 8.42% - 10.99%	Increase by 9.73% - 12.78%

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the changes in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

In presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognized in the consolidated statement of financial position. There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

Each year a study is performed in which the consequences of the strategic investment policies are analysed in terms of risk-and-return profiles. There has been no change in the processes used by the Group to manage its risks from prior periods.

30. OTHER NON-CURRENT LIABILITIES

	2020 QR.'000	2019 QR.'000
License cost payables (i)	**1,643,092**	1,587,053
Site restoration provision	**124,419**	86,968
Deferred gain on leases	**21,517**	58,734
Others (ii)	**761,725**	925,638
	2,550,753	2,658,393

(i) This represents amounts payable to Telecom regulators in Indonesia, Oman, Palestine and Myanmar for license charges.

(ii) This mainly consist of long-term procurement payables

31. TRADE AND OTHER PAYABLES

	2020 QR.'000	2019 QR.'000
Trade payables	**3,959,703**	2,727,934
Accrued expenses (i)	**8,127,544**	8,410,414
Interest payable	**275,424**	315,986
Profit payable on Islamic financing obligation	**4,594**	7,245
License costs payable	**1,286,535**	355,101
Amounts due to international carriers -net	**514,689**	489,513
Negative fair value of derivatives	**136,457**	98,760
Long term incentive points-based payments (Note 29)	**103,622**	108,868
Other payables	**1,205,032**	1,261,153
	15,613,600	13,774,974

(i) This mainly consist of accrual for operating and capital expenditure including provision for legal and tax cases

32. LEASE LIABILITIES

	2020 QR.'000	2019 QR.'000
At January 1	**6,649,303**	-
Initial application of IFRS 16 at 1 January 2019	**-**	4,709,986
Reclassification of finance lease liabilities	**-**	887,538
Additions during the year	**1,858,555**	2,014,735
Interest expense on lease liability	**541,159**	451,996
Principal element of lease payments	**(1,280,481)**	(1,265,585)
Payment of interest portion of lease liability	**(351,682)**	(171,325)
Reduction on early termination	**(35,901)**	(11,757)
Exchange adjustments	**(20,550)**	33,715
	7,360,403	6,649,303

	2020 QR.'000	2019 QR.'000
Non-current portion	**6,263,940**	5,692,809
Current portion	**1,096,463**	956,494
	7,360,403	6,649,303

The Group does not face a significant liquidity risk with regard to its lease liabilities. Lease liabilities are monitored by the Group's treasury function

	2020 QR.'000	2019 QR.'000
Maturity analysis		
Not later than 1 year	**1,647,188**	1,429,929
Later than 1 year and not later than 5 years	**4,931,930**	4,219,386
Later than 5 years	**3,603,245**	3,394,521
Less: unearned finance cost	**(2,821,960)**	(2,394,533)
	7,360,403	6,649,303

33. CONTRACT LIABILITIES

	2020 QR.'000	2019 QR.'000
Current	**192,456**	117,768
Non-current	**8,247**	11,481
	200,703	129,249

(i) A contract liability mainly arises in respect of the Group's customer loyalty points scheme ("loyalty points"). As these loyalty points provide a benefit to customers that they would not receive without entering into a purchase contract, the promise to provide loyalty points to the customer is a separate performance obligation. The revenue related to unsatisfied or partially satisfied performance obligations is expected to be realized within two years of the reporting date.

There were no significant changes in the contract liability balances during the reporting period.

34. DIVIDEND

Dividend paid and proposed

	2020 QR.'000	2019 QR.'000
Declared, accrued and paid during the year Final dividend for 2019, QR. 0.25 per share (2018: QR. 0.25 per share)	**800,800**	800,800
Proposed for approval at Annual General Meeting (Not recognized as a liability as at 31 December) Final dividend for 2020, QR. 0.25 per share (2019: QR. 0.25 per share)	**800,800**	800,800

The proposed final dividend will be submitted for formal approval at the Annual General Meeting.

35. DERIVATIVE FINANCIAL INSTUMENTS

Derivatives not designated as hedging instruments

The Group uses cross currency swap contracts, currency forward contracts and interest rate swaps to manage some of the currency transaction exposure and interest rate exposure. These contracts are not designated as cash flow, fair value or net investment hedges and are accounted for as derivative financial instruments:

	Notional amounts	
	2020 QR.'000	2019 QR.'000
Cross currency swaps	**36,415**	72,830
Currency forward contracts	**436,980**	145,660
Interest rate swaps	**327,735**	436,980
Fair value derivatives	**305,609**	304,931
	1,106,739	960,401

	Fair values			
	2020		2019	
	Derivative Assets QR.'000	Derivative Liabilities QR.'000	Derivative Assets QR.'000	Derivative Liabilities QR.'000
Cross currency swaps	**-**	**3,220**	-	339
Currency forward contracts	**-**	**28,212**	-	6,077
Interest rate swaps	**-**	**9,806**	-	4,222
Fair value derivatives	**-**	**93,740**	-	88,122
	-	**134,978**	-	98,760

At 31 December 2020, the Group has interest rates swaps entered into with a view to limit its floating interest rate term loans and currency forward contract that effectively limits change in exchange rate for a future transaction.

The table below shows the fair values of derivative financial instruments held as cash flow hedges together with the notional amounts:

	Derivative Liabilities QR.'000	Derivative Assets QR.'000	Notional Amounts QR.'000
31 December 2020			
Currency forward contracts	1,479	-	36,754
	1,479	-	36,754

36. OPERATING LEASE ARRANGEMENTS

At the date of statement of financial position, the Company has outstanding commitments under non-cancelable operating leases, which fall due as follows:

	2020 QR.'000	2019 QR.'000
Future minimum lease payments:		
Not later than one year	**44,631**	91,776
Later than one year and not later than five years	**3,688**	3,922
Total short term and low value leases for at 31 December	**48,319**	95,698

Upon adoption of IFRS 16, certain operating lease commitments were identified and considered. The leases are related to short term and low value leases. The above commitments were adjusted accordingly in the calculation of operating lease commitments.

37. COMMITMENTS

Capital expenditure commitments not provided for

	2020 QR.'000	2019 QR.'000
Estimated capital expenditure contracted for at the end of the financial reporting year but not provided for:	**2,642,749**	3,203,745
Letters of credit	**206,190**	185,014

38. CONTINGENT LIABILITIES

	2020 QR.'000	2019 QR.'000
Letters of guarantees	**760,170**	827,153
Claims against the Group not acknowledged as debts	**25,978**	22,242

Litigation and claims

The Group is from time to time a party to various legal actions and claims arising in the ordinary course of its business. The Group does not believe that the resolution of these legal actions and claims will, individually or in the aggregate, have a material adverse effect on its financial condition or results of operations, except as noted below.

(a) Proceedings against PT Indosat Mega Media relating to misuse of radio frequencies

In early 2012, the Attorney General's Office in Jakarta (the "AGO") initiated corruption proceedings against PT Indosat Mega Media ("IM2"), a 99 per cent owned subsidiary of PT Indosat Tbk., a subsidiary of the Group, for unlawful use of a radio frequency band allocation that had been granted to Indosat. On 8 July 2013, the Indonesia Corruption Court imposed a fine against IM2 in a related case against the former President Director of IM2. Both the former President Director of IM2 and the AGO lodged appeals to the Jakarta High Court. A written decision of the Supreme Court was received in January 2015 which confirmed that the Supreme Court had upheld the former President Director of IM2 prison sentence of eight years and that the fine against IM2 of approximately QR 473.4 million (USD130 million) had been reinstated.

On 16 March 2015, the former President Director of IM2 submission of judicial review was officially registered at the Corruption Court. Since the Criminal Case Verdict and the Administrative Case Verdict were contradictory, BPKP (State Audit Bureau) filed on 16 March, 2015 a Judicial Review on the Administrative Case in order to annul the previous Administrative Case Verdict. Due to the BPKP's Judicial Review, on 13 October, 2015 the Supreme Court has issued a verdict (on Administrative Case) which stated that the BPKP audit report held by BPKP is valid. On the Supreme Court's official website, the Supreme Court on 4 November, 2015 issued a verdict (on Criminal Case) that rejected the Judicial Review submitted by the former President Director of IM2. PT Indosat Tbk. is preparing a second judicial review for the Criminal Case.

On 28 March 2016, the former President Director of IM2 and IM2 filed a tort lawsuit of unlawful act against Ministry of Communication and IT (MOCIT) and BPKP at the Central Jakarta District Court. On 22 November 2016, the Central Jakarta District Court dismissed the lawsuit. On 15 August 2017, an appeal was lodged with the Jakarta High Court on which gave a ruling against MOCIT and BPKP, as stated on its official website. Further, MOCIT and BPKP filed an appeal to the Supreme Court against the ruling. On 24 July, 2018, the Supreme Court rejected MOCIT and BPKP's cassation request.

38. CONTINGENT LIABILITIES (CONTINUED)

Litigations and claims (continued)

a) Proceedings against PT Indosat Mega Media relating to misuse of radio frequencies (continued)

On 26 June 2019, BPKP submitted Judicial Review request against Cassation decision. Indosat's contra memorandum of Judicial Review was submitted on 31 July 2019 and former President Director of IM2 and IM2's contra memorandum of Judicial Review was submitted on 18 September 2019.

Based on information on the Supreme Court's website dated 13 May 2020, the Supreme Court ruled in favor of BPKP. This means that IM2 lost the case and that the decision to fine IM2 still stands.
The Group has provided adequate provision for this case.

(b) Tax demand notices against Asiacell

As at the reporting date, one of the Group's subsidiaries, Asiacell Communication PJSC ("ACL") was subject to tax demand notice by the General Commission for Taxes, Iraq (the "GCT") for the years from 2004 to 2007 for an amount of QR. 225million, 2008 amounting to QR. 118 million, 2009-2010 amounting to QR. 205 million, 2015-2016 amounting to QR. 152 million and 2017 amounting to QR. 90 million, and 2019 amounting to QR.16 million. Asiacell has raised an objection against each of these claims. The Group has set up adequate provision against these claims and management is of the view that Asiacell has strong grounds to challenge each of these claims.

(c) Proceedings against Asiacell relating to regulatory fee

On 10 June 2014, the Communications and Media Commission ("CMC") issued a letter notifying the Company that the structure of the Company in relation to ownership of the shares in its capital does not fulfill the License requirements as an Iraqi Company to pay 15% of its gross revenue as a regulatory fee, as per license agreement.

Consequently the CMC requested the Company to pay a regulatory fee of 18% of gross revenues instead of 15%. The amount requested by CMC was QR. 276 million (USD 76 million) from the period that the CMC is claiming that the Iraqi ownership had changed until the end of first half of 2013. The Company has made an appeal against this claim. On 11 November 2014, the CMC issued a letter notifying the Company that they revised the claim relating to the additional 3% and that the total new amount from June 2012 to 30 June 2014 should be equal to QR. 370.7 million (USD 101.8 million). The Company has a full provision against this claim amounting to QR. 675.9 million (USD 185.6 million). In January 2016, the Erbil Court of Cassation has issued a final decision in favor of the Company.

In July 2014, Asiacell disputed the CMC's decision and appealed it to the CMC Appeal Board and subsequently to the Iraqi courts on the basis that Asiacell is entitled to benefit from the 3% discount in the regulatory fee as it's an Iraqi Company with a majority Iraqi Shareholder. The dispute progressed from the Court of First Instance to the Kurdistan Court of Cassation, which, on 27 January 2016, ruled in favor of Asiacell and concluded that the CMC is not entitled to apply the 18% license fee to Asiacell as it is an Iraqi company with Iraqis owning more than 84% of its shares. Asiacell implemented the court decision at the Karadda Execution Office in Baghdad.

On 4 February 2016, the CMC sent a letter for restricted use of certain bank accounts of Asiacell, for CMC's benefit. This is against a disputed amount for which the company already has a court decision in their favor.

In June 2017, the Iraqi Ministry of Finance raised a "third party objection" case at Erbil Court against its own decision. On 9 August 2017, the Court dismissed the objection and confirmed its past decision. After an appeal, the Cassation Court, on 17 October 2017, ruled against the Ministry of Finance and confirmed the decision in favor of Asiacell.

As part of the licence's extension negotiations, Asiacell and CMC have concluded the terms and conditions of the licence extension, for 8 years. The only pending points is related to the 3% licence fee dispute in which Asiacell deposited 100% of the disputed amount at a CMC bank account until a final settlement is reached.

(d) Proceedings against Asiacell relating to universal services fee

On 7 December 2017, the Communication and Media Commission ("CMC") issued a letter notifying Asiacell and other MNOs letters asking them to hold 1.5% of their 2017 Revenues (excluding local interconnection cost) as a Universal Service Fee ("USF"). The CMC will provide further information in the USF regulation that will be issued soon. USF is a license obligation included in Asiacell's License.

The 2017 – 2019 USF cost, calculated at 1.5% of Asiacell's revenue, was QR 197.3 million (USD 49.1 million) The Company has a full provision, as at 31 December 2019, against this claim.

38. CONTINGENT LIABILITIES (CONTINUED)

Litigations and claims **(continued)**

(d) Proceedings against Asiacell relating to universal services fee **(continued)**

On 19 July 2018, Asiacell received the 2nd letter asking it to provision the 1.5% USF from the end of the 2nd anniversary of the license term (2009) and inform CMC of the provisioned amount within 14 days from receiving the letter. The cost of this decision is around QR 691 million (USD 190 million).

On 13 March 2019, CMC amended its US Policy and Regulation. Main amendment is related to forcing MNOs to open an actual US bank account at specific banks determined by CMC. The US Department, which the amendment established, will manage the US Accounts. Asiacell complied with this request.

CMC sent Asiacell a final warning letter to pay USF 2009-2016 amounts. Asiacell replied and requested a meeting to win time. It is expected that CMC will link this payment to Asiacell licence extension.

No provision has been made for the retroactive claim as of 31 December 2020 as the Company has strong grounds to challenge this retrospective USF claims.

(e) Tax demand notices against Indosat Ooredoo

As at the reporting date, one of the Group's subsidiaries, Indosat Ooredoo was subject to tax demand assessments by the Indonesia Tax Authority for the Value Added Tax (VAT) claims from years 2009 to 2018 for an amount of QR. 190 million, Corporate tax claims from years 2007 to 2018 amounting to QR. 443 million and Withholding tax from years 2012-2019 amounting to QR. 545 million. The Group has set up adequate provision against these claims and management is of the view that Indosat Ooredoo has strong grounds to challenge each of these claims.

(f) Preliminary tax notification issued on Wataniya Telecom Algeria

In July 2017, the tax authorities started a tax audit covering the period from 2013 to 2016. On 24 December 2018, a final notification for the year 2013 was received by Ooredoo Algeria for QR. 65 million and a final tax notification for the years 2014 to 2016 for an amount QR. 45 million.

The Group has set up adequate provision against these claims and management is of the view that Ooredoo Algeria has strong grounds to challenge each of these claims.

(g) Tax notification issued to Ooredoo Tunisie

Ooredoo Tunisie received a preliminary tax notification covering the period from 2013-2017. The total amount claimed by Tax Authority is QR. 135 million.

The Group has set up adequate provision against these claims and management is of the view that Ooredoo Tunisia has submitted an objection to the Tax Authority and has strong grounds to challenge each of these claims.

(h) Proceeding against Ooredoo Palestine

On 23 October 2017, The Regulator issued a letter notifying Ooredoo Palestine to pay the second payment of the license acquisition fee of amounting QR 291 million (USD 80 million) due to the fact that Ooredoo Palestine reached 700 thousand subscribers. The license sets up a third license payment of QR. 488 million (USD 134 million) when Ooredoo Palestine reaches 1 million subscribers.

In September 2019, the Minister of Finance and Minister of MTIT issued a letter notifying Ooredoo Palestine to pay QR. 779 million (USD 214 million) which is the remaining unpaid second and third payment of license fee. These second and third payments are subject to the assignment of the 2G and 3G spectrum and the actual launch of these services in West Bank and Gaza.

The Group has set up adequate provision against these claims and management is of the view that Ooredoo Palestine has strong grounds to challenge these claims.

(i) Algeria Central Bank against Ooredoo Algeria

In late 2016, Algeria Central Bank ("ACB") conducted a review over Ooredoo Algeria money transfers outside Algeria and currency exchange. The review claims that Ooredoo Algeria has committed money transfer and foreign exchange regulations violations during 2013-2014. Accordingly, Algeria's public persecution along with the Algerian Ministry of Finance has initiated a criminal investigation against Ooredoo Algeria in December 2018. The investigation includes 14 misdemeanor cases against Ooredoo Algeria in relation to money transfer from the Company's export bank account and roaming repatriation of funds without complying with the central bank's processes. In February and March 2019, the criminal court convicted Ooredoo Algeria with 13 (out of 14) misdemeanor cases and sentenced the Company to pay a total of QR 325 million (USD 89.3 million) in fines and compensation.

38. CONTINGENT LIABILITIES (CONTINUED)
Litigations and claims (continued)

(i) Algeria Central Bank against Ooredoo Algeria **(continued)**

During 2020, the Group have provided QR 13 million (USD 3.8 million) provision for 11 cases related to the export bank account violations.

In 2020, Ooredoo Algeria have won Ericsson case at the first Instance court and was appealed by Treasury to the appeal case. The Group believes that Ooredoo Algeria is in a strong position due to wining the first instance court decision, therefore the amount of QR 312 million (USD 85.5 million) is not provided for.

39. FINANCIAL RISK MANAGEMENT

Objectives and policies

The Group's principal financial liabilities, other than derivatives, comprise loans and borrowings, finance leases, and trade payables. The main purpose of these financial liabilities is to raise finance for the Group's operations. The Group has various financial assets such as trade receivables, investments and cash and short-term deposits, which arise directly from its operations.

The Group also enters into derivative transactions, primarily interest rate swaps, cross currency swaps and forward currency contracts. The purpose is to manage the interest rate and currency risks arising from the Group's operations and its sources of finance.

The main risks arising from the Group's financial instruments are market risk, credit risk, liquidity risk and operational risk. The Board of Directors reviews and agrees policies for managing each of these risks which are summarized below:

Market risk

Market risk is the risk that changes in market prices, such as interest rates, foreign currency exchange rates and equity prices will affect the Group's profit, equity or value of its holding of financial instruments. The objective of market risk management is to manage and control the market risk exposure within acceptable parameters, while optimizing return.

Interest rate risk

The Group's financial assets and liabilities that are subject to interest rate risk comprise bank deposits, loans receivable, investment measured at fair value through other comprehensive income, loans payables and borrowings. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's financial assets and liabilities with floating interest rates and fixed interest instruments maturing within three months from the end of the financial reporting year.

The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. To manage this, the Group enters into interest rate swaps, in which the Group agrees to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed upon notional amount. The swaps are designated to hedge underlying debt obligations. At 31 December 2020, after taking into the effect of interest rate swaps, approximately 68% of the Group's borrowings are at a fixed rate of interest (2019: 68%).

The following table demonstrates the sensitivity of the consolidated statement of profit or loss and equity to reasonably possible changes in interest rates by 25 basis points, with all other variables held constant. The sensitivity of the consolidated statement of profit or loss and equity is the effect of the assumed changes in interest rates for one year, based on the floating rate financial assets and financial liabilities held at 31 December. The effect of decreases in interest rates is expected to be equal and opposite to the effect of the increases shown.

39. FINANCIAL RISK MANAGEMENT (CONTINUED)

Interest rate risk (continued)

	Effect on consolidated statement of profit or loss +25bp QR.'000	Effect on consolidated statement of changes in equity +25 bp QR.'000
At 31 December 2020		
USD LIBOR	**(19,848)**	-
Others	**(3,973)**	-
At 31 December 2019		
USD LIBOR	(19,864)	-
Others	(5,231)	-

The Group has closely monitored the market and the output from the various industry working groups managing the transition to new benchmark interest rates. This includes announcements made by the IBOR regulators. The regulators have made clear that, at the end of 2021, it will no longer seek to persuade, or compel, banks to submit IBORs.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities and the Group's net investment in foreign subsidiaries.

The Group had the following significant net exposure denominated in foreign currencies.

	2020 QR.'000 Assets (Liabilities)	2019 QR.'000 Assets (Liabilities)
Indonesian Rupiah (IDR)	**5,204,437**	5,429,219
Kuwaiti Dinar (KD)	**15,545,503**	16,391,058
US Dollars (USD)	**(2,591,477)**	(2,229,049)
Euro (EUR)	**118,244**	202,093
Great British Pounds (GBP)	**8,947**	(668)
Tunisian Dinar (TND)	**3,369,811**	3,259,695
Algerian Dinar (DZD)	**1,611,978**	1,815,222
Iraqi Dinar (IQD)	**2,878,975**	950,924
Myanmar Kyat (MMK)	**1,245,241**	1,540,213
Maldivian Rufiyaa (MVR)	**246,691**	265,849
Singapore Dollar (SGD)	**1,428,150**	1,389,182
United Arab Emirates Dirham (AED)	**976,504**	872,526
Others	**(79,443)**	1,904

39. FINANCIAL RISK MANAGEMENT (CONTINUED)

Foreign currency risk (continued)

The following table demonstrates the sensitivity to consolidated statement of profit or loss and equity for a reasonably possible change in the following currencies against Qatari Riyal, with all other variables held constant, of the Group's profit due to changes in the fair value of monetary assets and liabilities and the Group's equity on account of translation of foreign subsidiaries.

The effect of decreases in foreign exchange rates is expected to be equal and opposite to the effect of the increases shown:

	Effect on consolidated statement of profit or loss		Effect on consolidated statement of changes in equity	
	2020 + 10% QR.'000	2019 + 10% QR.'000	**2020 + 10% QR.'000**	2019 + 10% QR.'000
Indonesian Rupiah (IDR)	**-**	-	**520,444**	542,922
Kuwaiti Dinar (KD)	**2,198**	2,457	**1,552,352**	1,636,649
US Dollars (USD)	**(298,711)**	(262,988)	**39,563**	40,083
Euro (EUR)	**5,502**	10,972	**6,323**	9,237
Great British Pounds (GBP)	**895**	(67)	**-**	-
Tunisian Dinar (TND)	**-**	-	**336,981**	325,970
Algerian Dinar (DZD)	**885**	978	**160,313**	180,544
Iraqi Dinar (IQD)	**-**	8,172	**287,898**	86,920
Myanmar Kyat (MMK)	**12,468**	7,213	**112,056**	146,809
Maldivian Rufiyaa (MVR)	**-**	-	**24,669**	26,585
Singapore Dollar (SGD)	**-**	-	**142,815**	138,918
United Arab Emirates Dirham (AED)	**-**	-	**97,650**	87,253

Equity price risk

The following table demonstrates the sensitivity of the fair value reserve to reasonably possible changes in quoted equity share prices, with all other variables held constant. The effect of decreases in equity prices is expected to be equal and opposite to the effect of the increases shown.

	Changes in equity indices	Effect on consolidated statement of changes in equity QR.'000
2020		
Indonesia Stock Exchange (IDX)	**10%**	**202**
2019		
Indonesia Stock Exchange (IDX)	10%	136

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Group's exposure to credit risk is as indicated by the carrying amount of its assets which consist principally of trade receivables, bank balances, financial assets at FVTOCI, financial assets at FVTPL and loans receivable and positive fair value of derivatives.

39. FINANCIAL RISK MANAGEMENT (CONTINUED)

Credit risk (continued)

The Group provides telecommunication services to various customers. It is the Group's policy that all customers who obtain the goods and / or services on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis and the purchase of service limits are established for each customer, which are reviewed regularly based on the level of past transactions and settlement. The Group's maximum exposure with regard to the trade receivables net of allowance for impairment as at 31 December is as follows:

	2020 QR.'000	2019 QR.'000
Qatar	1,430,088	1,729,509
Other countries	1,355,864	1,387,969
	2,785,952	3,117,478

With respect to credit risk arising from the other financial assets, the Group's exposure arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments are as follows:

	2020 QR.'000	2019 QR.'000
Bank balances (excluding cash on hand)	15,233,493	14,495,099

The Group reduces the exposure of credit risk arising from bank balances by maintaining bank accounts in reputed banks, and 59% (2019: 41%) of bank balances represents balances maintained with local banks in Qatar with a rating of at least BBB+. Credit risk arising from derivative financial instruments is at any time, limited to those with derivative assets, as recorded on the consolidated statement of financial position. With gross settled derivatives, the Group is also exposed to settlement risk.

	2020 QR.'000	2019 QR.'000
Amounts due from international carriers	500,184	652,184
Unbilled subscriber revenue	736,542	936,294
	1,236,726	1,588,478

The exposure of credit risk from amounts due from international carriers is minimal as the amounts are driven by contractual arrangements. For unbilled revenues, this is automatically billed based on the customers billing cycle and thus have a very minimal credit risk.

Credit risk measurement

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information. Especially the following indicators are incorporated:

- internal credit rating;
- external credit rating (as far as available);
- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the borrower's ability to meet its obligations;
- actual or expected significant changes in the operating results of the borrower;
- significant increases in credit risk on other financial instruments of the same borrower;
- significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements; and
- significant changes in the expected performance and behavior of the borrower, including changes in the payment status of borrowers in the group and changes in the operating results of the borrower.

Macroeconomic information (such as market interest rates or growth rates) is incorporated as part of the internal rating model. Irrespective of the outcome of the above assessment, the Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 to 90 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

39. FINANCIAL RISK MANAGEMENT (CONTINUED)

Credit risk management (continued)

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. As at 31 December 2020, the Group's maximum exposure to credit risk without taking into account any collateral held or other credit enhancements, which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties and financial guarantees provided by the Group arises from the carrying amount of the respective recognised financial assets as stated in the consolidated statement of financial position. Considering the Group's large and unrelated customer base, the concentration of credit risk is limited.

Credit risk grades

Credit risk grades are defined using qualitative and quantitative factors that are indicative of risk of default. These factors vary depending on the nature of the exposure and the type of borrower. Exposures are subject to on-going monitoring, which may result in an exposure being moved to a different credit risk grade.

The tables below detail the credit quality of the Group's financial assets, as well as the Group's maximum exposure to credit risk by credit risk rating grades:

31 December 2020	External credit rating	Internal credit rating	12-month or lifetime ECL	Gross carrying amount QR.'000	Loss allowance QR.'000	Net carrying amount QR.'000
Cash and bank balances	Caa1 – Aa1	N/A	12-month ECL	15,683,698	(5,210)	15,678,488
Trade receivables (i)	N/A	Note (i)	Lifetime ECL (simplified approach)	4,763,386	(1,977,434)	2,785,952

31 December 2019	External credit rating	Internal credit rating	12-month or lifetime ECL	Gross carrying amount QR.'000	Loss allowance QR.'000	Net carrying amount QR.'000
Cash and bank balances	Caa1 – Aa1	N/A	12-month ECL	14,721,596	(5,448)	14,716,148
Trade receivables (i)	N/A	Note (i)	Lifetime ECL (simplified approach)	4,967,393	(1,849,915)	3,117,478

(i) For trade receivables, the Group has applied the simplified approach in IFRS 9 to measure the loss allowance at lifetime ECL. The Group determines the expected credit losses on these items by using a provision matrix, estimated based on historical credit loss experience based on the past due status of the debtors, adjusted as appropriate to reflect current conditions and estimates of future economic conditions. Accordingly, the credit risk profile of these assets is presented based on their past due status in terms of the provision matrix. Note 22 includes further details on the loss allowance for these assets respectively.

The carrying amount of the Group's financial assets at FVTPL and FVTOCI, as disclosed in note 17, has no credit risk. The Group holds no collateral over any of these balances.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet financial obligations as they fall due. The Group's approach to managing liquidity risk is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of the Group's own reserves and bank facilities. The Group's terms of sales require amounts to be paid within 30 to 90 days from the invoice date.

39. FINANCIAL RISK MANAGEMENT (CONTINUED)

Liquidity risk (continued)

The table below summarizes the maturity profile of the Group's financial liabilities at 31 December based on contractual undiscounted payments:

	On demand QR.'000	Less than 1 year QR.'000	1 to 2 years QR.'000	2 to 5 years QR.'000	> 5 years QR.'000	Total QR.'000
At 31 December 2020						
Loans and borrowings	**291,188**	**6,010,988**	**6,181,136**	**14,351,701**	**8,118,385**	**34,953,398**
Trade payables	**-**	**3,959,703**	**-**	**-**	**-**	**3,959,703**
License costs payable	**-**	**1,359,303**	**614,539**	**916,464**	**883,098**	**3,773,404**
Lease liabilities	**-**	**1,647,189**	**1,837,102**	**3,094,825**	**3,603,247**	**10,182,363**
Other financial liabilities	**-**	**754,768**	**222,694**	**-**	**-**	**977,462**
	291,188	**13,731,951**	**8,855,471**	**18,362,990**	**12,604,730**	**53,846,330**

	On demand QR.'000	Less than 1 year QR.'000	1 to 2 years QR.'000	2 to 5 years QR.'000	> 5 years QR.'000	Total QR.'000
At 31 December 2019						
Loans and borrowings	292,417	6,526,863	5,651,562	13,548,591	11,636,159	37,655,592
Trade payables	-	2,727,934	-	-	-	2,727,934
License costs payable	-	408,618	299,281	897,841	1,231,864	2,837,604
Lease liabilities	-	1,429,929	1,730,768	2,488,618	3,394,522	9,043,837
Other financial liabilities	-	697,141	200,959	-	-	898,100
	292,417	11,790,485	7,882,570	16,935,050	16,262,545	53,163,067

Capital management

The Group manages its capital to ensure that it will be able to continue as a going concern while maximizing the return to shareholders through the optimization of the debt and equity balance. The Group makes adjustments to its capital structure, in light of changes in economic and business conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, or issue new shares. No changes were made in the objectives, policies or processes during the year ended 31 December 2020 and 31 December 2019.

Equity includes all capital and reserves of the Group that amounted to QR. 28,200,823 thousand at 31 December 2020 (2019: QR. 29,104,986 thousand).

The Group's management reviews the capital structure of the Group on a semi-annual basis. As part of this review, the committee considers the cost of capital and the risks associated with each class of capital. The gearing ratio as at 31 December 2020 is 75% (2019: 78%).

Gearing ratio

The gearing ratio at year end was as follows:

	2020 QR.'000	2019 QR.'000
Debt (i)	**36,875,200**	37,396,578
Cash and bank balances	**(15,678,488)**	(14,716,148)
Net debt	**21,196,712**	22,680,430
Equity (ii)	**28,200,823**	29,104,986
Net debt to equity ratio	**75%**	78%

(i) Debt is the long term debt obtained and lease liabilities, as detailed in note 28 and 32, respectively.

(ii) Equity includes all capital and reserves of the Group that are managed as capital.

40. FAIR VALUES OF FINANCIAL INSTRUMENTS

Fair values

Set out below is a comparison by class of the carrying amounts and fair value of the Group's financial instruments that are carried in the consolidated financial statements:

	Carrying amounts		Fair values	
	2020 QR.'000	2019 QR.'000	**2020 QR.'000**	2019 QR.'000
Financial assets				
Financial assets – equity instruments	**789,007**	904,440	**789,007**	904,440
Trade and other receivables	**4,022,678**	4,705,956	**4,022,678**	4,705,956
Bank balances and cash	**15,678,488**	14,716,148	**15,678,488**	14,716,148
Financial liabilities				
Loans and borrowings	**29,514,797**	30,747,275	**31,449,173**	31,942,380
Other non-current liabilities	**1,643,092**	1,587,053	**1,643,092**	1,587,053
Derivative financial instruments	**136,457**	98,760	**136,457**	98,760
Long term incentive points-based payments	**201,897**	222,859	**201,897**	222,859
Trade and other payables	**7,245,977**	5,156,932	**7,245,977**	5,156,932
Income tax payable	**1,082,491**	1,544,765	**1,082,491**	1,544,765

The following methods and assumptions were used to estimate the fair values.

- Cash and short-term deposits, trade receivables, trade payables, and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.
- Long-term fixed-rate and variable-rate receivables are evaluated by the Group based on parameters such as interest rates, specific country risk factors, and individual creditworthiness of the customer and the risk characteristics of the financed project. Based on this evaluation, allowances are taken to account for the expected losses of these receivables. At the end of the reporting period, the carrying amounts of such receivables, net of allowances, approximate their fair values.
- Fair value of quoted investments is based on price quotations at the end of the reporting period. The fair value of loans from banks and other financial debts, as well as other non-current financial liabilities is estimated by discounting future cash flows using rates applicable for similar risks and maturity profiles. Fair values of unquoted financial assets are estimated using appropriate valuation techniques.
- The Group enters into derivative financial instruments with various counterparties, principally financial institutions with investment grade credit ratings. Derivatives valued using valuation techniques with market observable inputs are mainly interest rate swaps, foreign exchange forward, contracts for differences and currency swaps. The most frequently applied valuation techniques include forward pricing and swap models using present value calculations. The models incorporate various inputs including the credit quality of counter parties, foreign exchange spot and forward rates and interest rate curves.

Fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique.

Level 1: Quoted prices (unadjusted) prices in active markets for identical assets or liabilities that the Group can access at the measurement date.

Level 2: Inputs other than quoted prices included within level 1 that are observable for the assets of liability, either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability.

40. FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

Fair value hierarchy (continued)

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities at 31 December 2020 and 31 December 2019:

	31 December 2020 QR.'000	Level 1 QR.'000	Level 2 QR.'000	Level 3 QR.'000
Assets:				
Financial assets measured at fair value:				
FVTOCI	703,178	-	214,567	488,611
FVTPL	85,829	2,017	83,809	3
	789,007	2,017	298,376	488,614
Liabilities:				
Other financial liabilities measured at fair value				
Derivative financial instruments	136,457	-	136,457	-
Other financial liability for which fair value is disclosed				
Loans and borrowings	31,528,169	20,409,536	11,118,633	-
	31,664,626	20,409,536	11,255,090	-

	31 December 2019 QR.'000	Level 1 QR.'000	Level 2 QR.'000	Level 3 QR.'000
Assets				
Financial assets measured at fair value				
FVTOCI	828,789	-	210,487	618,302
FVTPL	75,651	1,362	74,286	3
Derivative financial instruments				
	904,440	1,362	284,773	618,305
Liabilities				
Other financial liabilities measured at fair value				
Derivative financial instruments	98,760	-	98,760	-
Other financial liability for which fair value is disclosed				
Loans and borrowings	31,942,380	21,071,722	10,870,658	-
	32,041,140	21,071,722	10,969,418	-

There is no transfer from Level 1, 2 and 3 during the financial period.

For fair value measurements categorised within Level 2 and 3 of the fair value hierarchy, the fair values are determined using appropriate valuation techniques, which include the use of mathematical models, such as discounted cash flow models and option pricing models, comparison to similar instruments for which market observables prices exist and other valuation techniques. Valuation techniques uses incorporate assumptions regarding discount rates, estimates of future cash flows as other factors.

41. RELATED PARTY DISCLOSURES

Related party transactions and balances

Related parties represent associated companies including Government and semi Government agencies, associates, major shareholders, directors and key management personnel of the Group, and companies of which they are principal owners. In the ordinary course of business, the Group enters into transactions with related parties. Pricing policies and terms of transactions are approved by the Group's management. The Group enters into commercial transactions with the Qatar Government related entities in the ordinary course of business in terms of providing telecommunication services, placement of deposits and obtaining credit facilities etc.

a) Transactions with Government and related entities

As stated in Note 1, Qatar Holding L.L.C. is the Parent Company of the Group, which is controlled by Qatar Investment Authority. The Group enters into commercial transactions with the Government and other Government related entities in the ordinary course of business, which includes providing telecommunication services, placement of deposits and obtaining credit facilities. All these transactions are at arm's length and in the normal course of business. Following are the significant balances and transactions between the Company and the Government and other Government related entities.

(i) Trade receivables include an amount of QR. 554,739 thousand (2019: QR. 772,653 thousand) receivable from Government and Government related entities.

(ii) The most significant amount of revenue from a Government related entity was earned from a contract with the Ministry of Foreign Affairs, amounting to QR. 93,474 thousand (2019: QR. 81,531 thousand).

(iii) Industry fee (Note 10) pertains to the industry fee payable to CRA, a Government related entity.

In accordance with IAS 24 Related Party Disclosures, the Group has elected not to disclose transactions with the Qatar Government and other entities over which the Qatar Government exerts control, joint control or significant influence. The nature of transactions that the Group has with such related parties relates to provision of telecommunication services.

b) Transactions with Directors and other key management personnel

Key management personnel comprise the Board of Directors and key members of management having authority and responsibility of planning, directing and controlling the activities of the Group.

Director's remuneration including committee fees of QR.18,593 thousand was proposed for the year ended 31 December 2020 (2019: QR. 19,909 thousand). The compensation and benefits related to Board of Directors and key management personnel amounted to QR. 394,716 thousand for the year ended 31 December 2020 (2019: QR. 379,888 thousand), and end of service benefits QR. 15,529 thousand for the year ended 31 December 2020 (2019: QR. 25,289 thousand). The remuneration to the Board of Directors and key management personnel has been included under the caption "Selling, general and administrative expenses".

42. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the consolidated financial statements in compliance with IFRS requires the management to make estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses and disclosure of contingent assets and contingent liabilities. Future events may occur which will cause the assumptions used in arriving at the estimates to change. The effects of any change in estimates are reflected in the consolidated financial statements as they become reasonably determinable.

Judgments and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Judgments

In the process of applying the Group's accounting policies, management has made the following judgments, apart from those involving estimations, which have the most significant effect on the amounts recognized in the consolidated financial statements:

Classification of associates, joint ventures and subsidiaries

The appropriate classification of certain investments as subsidiaries, associates and joint ventures requires significant analysis and management judgment as to whether the Group exercises control, significant influence or joint control over these investments. This may involve consideration of a number of factors, including ownership and voting rights, the extent of Board representation, contractual arrangements and indicators of de facto control.

Recognition of revenue

Management considers recognizing revenue over time, if one of the following criteria is met, otherwise revenue will be recognized at a point in time:

a) the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;

b) the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or

c) the Group's performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date.

42. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES (CONTINUED)

Capitalisation of costs

Management determines whether the Group will recognise an asset from the costs incurred to fulfil a contract and costs incurred to obtain a contract if the costs meet all the following criteria:

a) the costs relate directly to a contract or to an anticipated contract that the Group can specifically identify;

b) the costs generate or enhance resources of the Group that will be used in satisfying performance obligations in the future; and

c) the costs are expected to be recovered.

Such asset will be amortised on a systematic basis that is consistent with the transfer to the customer of the goods or services to which the asset relates.

Credit risk measurement

The assessment of credit risk of a portfolio of assets entails further estimations as to the likelihood of defaults occurring, of the associated loss ratios and of default correlations between counterparties. The Group measures credit risk using Probability of Default ("PD"), Exposure at Default ("EAD") and Loss Given Default ("LGD").

Contract variations

Contract variations are recognised as revenues only to the extent that it is probable that they will not result in a significant reversal of revenue in subsequent periods. Management considers prior experience, application of contract terms and the relationship with the customers in making their judgment.

Contract claims

Contract claims are recognised as revenue only when management believes that only to the extent that it is probable that they will not result in a significant reversal of revenue in subsequent periods. Management reviews the judgment related to these contract claims periodically and adjustments are made in the future periods, if assessments indicate that such adjustments are appropriate.

Judgments in determining the timing of satisfaction of performance obligations

Per note 4, the Group generally recognise revenue over time as it performs continuous transfer of control of these services to the customers. Because customers simultaneously receives and consumes the benefits provided by these services and the control transfer takes place over time, revenue is also recognised based on the extent of service transfer/ completion of transfer of each performance obligation. In determining the method for measuring progress for these POs, we have considered the nature of these services as well as the nature of its performance.

For performance obligations satisfied at a point in time, the Group considers the general requirements of control (i.e. direct the use of asset and obtain substantially all benefits) and the following non-exhaustive list of indicators of transfer of control:

- Entity has present right to payment
- Customer has legal title
- Entity has transferred legal possession
- Customer has significant risk and rewards
- Customer has accepted the asset

In making their judgment, the directors considered the detailed criteria for the recognition of revenue set out in IFRS 15 and, in particular, whether the Group had transferred control of the goods to the customer. Following the detailed quantification of the Group's liability in respect of rectification work, and the agreed limitation on the customer's ability to require further work or to require replacement of the goods, the directors are satisfied that control has been transferred and that recognition of the revenue in the current year is appropriate, in conjunction with the recognition of an appropriate warranty provision for the rectification costs.

Principal versus agent

Significant judgments are made by management when concluding whether the Group is transacting as an agent or a principal. The assessment is performed for each separate revenue stream in the Group. The assessment requires an analysis of key indicators, specifically whether the Group:

- carries any inventory risk;
- has the primary responsibility for providing the goods or services to the customer;
- has the latitude to establish pricing; and
- bears the customer's credit risk.

These indicators are used to determine whether the Group has exposure to the significant risks and rewards associated with the sale of goods or rendering of services. For example, any sale relating to inventory that is held by the Group, not on consignment, is a strong indicator that the Group is acting as a principal.

42. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES (CONTINUED)

Determining the lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension and termination options are included in several leases across various classes of right-of-use assets across the Group. These terms are used to maximise operational flexibility in terms of managing contracts. In cases where lease contracts have indefinite term or are subject to auto renewal, lease term is determined considering the business case and reasonably certain renewal of lease.

Assets held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset (or disposal group) is available for immediate sale in its present condition.

In making judgement, management must be committed to the sale which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

When the Group is committed to a sale plan involving loss of control of a subsidiary, all of the assets and liabilities of that subsidiary are classified as held for sale when the criteria described above are met, regardless of whether the Group will retain a non-controlling interest in its former subsidiary after the sale.

A portion of assets relating to Artajasa Pembayaran Elektronis ("APE"), a subsidiary of Indosat Ooredoo before 2017, were classified as held for sale in 2017 following the approval by the Extraordinary General Shareholders' Meeting of APE in order to divest portion of Indosat Ooredoo's investment based on requirements of local jurisdiction. The classification resulted in loss of Indosat Ooredoo's control over APE and it was classified as an associate. Subsequently, on 28 May 2020, the Board of Commissioners of Lintasarta approved the plan to sell Indosat Ooredoo's entire investment in APE's shares. The related assets held for sale are measured at the lower of carrying amount or fair value less cost to sell.

Estimates

The key assumptions concerning the future and other sources of estimation uncertainty at the financial position date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Impairment of non-financial assets

The Group assesses whether there are any indicators of impairment for all non-financial assets at each reporting date. Goodwill and other indefinite life intangibles are tested for impairment annually and at other times when such indicators exist.

The factors that the Group considers important which could trigger an impairment review include the following:

- significant or prolonged decline in the fair value of the asset;
- market interest rates or other market rates of return on investments have increased during the period, and those increases are likely to affect the discount rate used in calculating the asset's value in use and decrease the asset's recoverable amount materially;
- significant underperformance relative to expected historical or projected future operating results;
- significant changes in the manner of use of the acquired assets or the strategy for overall business; and
- significant negative industry or economic trends.

The Group determines an impairment loss whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount has been determined based on value in use calculations. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset base of the cash-generating unit being tested. The recoverable amount of investment is determined based on the net present value of future cash flows, management assumptions made, including management's expectations of the investment's:

- growth in earnings before interest, tax, depreciation and amortisation ("EBITDA"), calculated as adjusted operating profit before depreciation and amortisation;
- timing and quantum of future capital expenditures;
- long term growth rates ranges during discrete period and terminal period; and
- the selection of discount rates reflects the risks involved.

The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash inflows and the growth rate used for extrapolation purposes. Refer note 16 for the impairment assessment for investment in an associate.

42. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES (CONTINUED)

Impairment of non-financial assets (continued)

In the case of goodwill and intangible assets with indefinite lives, at a minimum, such assets are subject to an annual impairment test and more frequently whenever there is an indication that such asset may be impaired. This requires an estimation of the value in use of the cash-generating units to which the goodwill is allocated. Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the cash-generating unit and to choose a suitable discount rate in order to calculate the present value of those cash flows (Note 13).

Useful lives of property, plant and equipment and investment property

The Group's management determines the estimated useful lives of its property, plant and equipment and investment properties based on the period over which the assets are expected to be available for use. The estimated useful lives of property, plant and equipment and investment properties are reviewed at least annually and are updated if expectations differ from previous estimates due to physical wear and tear and technical or commercial obsolescence on the use of these assets. It is possible that future results of operations could be materially affected by changes in these estimates brought about by changes in factors mentioned above. A reduction in the estimated useful lives of property, plant and equipment and investment properties would increase depreciation expense and decrease noncurrent assets.

Useful lives of intangible assets

The Group's management determines the estimated useful lives of its intangible assets for calculating amortisation. This estimate is determined based on the expected pattern of consumption of future economic benefits embodied in the asset.

Provision and contingent liabilities

The Group's management determines provision on best estimate of the expenditure required to settle the present obligation as a result of the past event at the reporting date.

The Group's management measures contingent liabilities as a possible obligation depending on whether some uncertain future event occurs or a present obligation but payment is not probable or the amount cannot be measured reliably.

Decommissioning liability

The Group records full provision for the future costs of decommissioning for network and other assets. The assumptions based on the current economic environment have been made, which management believes are a reasonable basis upon which to estimate the future liability. These estimates are reviewed regularly to take into account any material changes to the assumptions. However, actual decommissioning costs will ultimately depend upon future market prices for the necessary decommissioning works required that will reflect market conditions at the relevant time. Furthermore, the timing of decommissioning is likely to depend on when the network assets cease to produce at economically viable rates. This, in turn, will depend upon future technologies, which are inherently uncertain.

Fair value of unquoted equity investments

Where the fair value of financial assets and financial liabilities recorded in the consolidated statement of financial position cannot be derived from active markets, they are determined using valuation techniques including the discounted cash flows model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. The judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Deferred tax assets

Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the losses can be utilised. The Group believes that sufficient taxable profit will be available to allow or part of the deferred tax assets to be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

Impairment of inventories

Inventories are held at the lower of cost and net realisable value. When inventories become old or obsolete, an estimate is made of their net realisable value. For individually significant amounts, this estimation is performed on an individual basis. Inventories which are not individually significant, but which are old or obsolete, are assessed collectively and a provision applied according to the inventory type and the degree of ageing or obsolescence, based on historical selling prices.

Licences and spectrum fees

The estimated useful life is generally the term of the licence unless there is a presumption of renewal at negligible cost. Using the licence term reflects the period over which the Group will receive economic benefit. For technology specific licences with a presumption of renewal at negligible cost, the estimated useful economic life reflects the Group's expectation of the period over which the Group will continue to receive economic benefit from the licence. The economic lives are periodically reviewed taking into consideration such factors as changes in technology. Historically any changes to economic lives have not been material following these reviews.

42. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES (CONTINUED)

Uncertain tax exposures

In certain circumstances, the Group may not be able to determine the exact amount of its current or future tax liabilities or recoverable amount of the claim refund due to ongoing investigations by, or discussions with the various taxation authorities. In determining the amount to be recognized in respect of uncertain tax liability or the recoverable amount of the claim for tax refund related to uncertain tax positions, the Group applies similar considerations as it would use in determining the amount of a provision to be recognized in accordance with IFRIC 23 Uncertainty over Income Tax Treatment, IAS 37 Provisions, Contingent Liabilities and Contingent Assets and IAS 12 Income Taxes.

Estimation of financial information

The Group accounts for its investment in associate using equity accounting as required by IAS 28. For the investment where information is not available at the reporting date, the Group has estimated the financial information based on the historical trends, quarterly financial information, budgets and future forecasts. Management believes that estimated financial information is reasonable.

Customer loyalty programme

The Company allocates a portion of the transaction price to the loyalty programme based on relative standalone selling price ("SSP"). The Company estimates the SSP of loyalty points by estimating the weighted average cost for redemption of the points based on the actual value of the products redeemed during the year. Inputs to the models include making assumptions about expected redemption rates and the mix of products that will be available for redemption in the future.

Business model assessment

Classification and measurement of financial assets depends on the results of the SPPI and the business model test. The Group determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgment reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Group monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Group's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

Significant increase in credit risk

As explained in note 3, ECL are measured as an allowance equal to 12-month ECL for stage 1 assets, or lifetime ECL assets for stage 2 or stage 3 assets. An asset moves to stage 2 when its credit risk has increased significantly since initial recognition. IFRS 9 does not define what constitutes a significant increase in credit risk. In assessing whether the credit risk of an asset has significantly increased the Group takes into account qualitative and quantitative reasonable and supportable forward looking information.

Calculation of loss allowance

Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions.

When measuring ECL the Group uses reasonable and supportable forward looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other.

Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancements.

Fair value measurement

Some of the Group's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or a liability, the Group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Group engages qualified external valuers to perform the valuation. The management/ valuation committee if any works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model. Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in respective notes.

43. SUMMARISED FINANCIAL INFORMATION OF SUBSIDIARIES WITH MATERIAL NON – CONTROLLING INTERESTS

The following table summarizes the information relating to each of the Group's subsidiaries that have material non-controlling interests, before any intra-group eliminations:

	Asiacell QR.'000	NMTC* QR.'000	Indosat Ooredoo QR.'000	Ooredoo Oman QR.'000
31 December 2020				
Non-current assets	**4,028,695**	**11,369,194**	**15,495,866**	**3,910,737**
Current assets	**4,955,081**	**3,255,966**	**2,344,927**	**604,329**
Non-current liabilities	**(70,431)**	**(3,240,500)**	**(8,310,953)**	**(674,057)**
Current liabilities	**(5,690,634)**	**(4,780,743)**	**(6,330,358)**	**(1,403,617)**
Net assets	**3,222,711**	**6,603,917**	**3,199,482**	**2,437,392**
Carrying amount of NCI	**1,158,270**	**1,427,282**	**1,391,662**	**1,097,668**
Revenue	**4,019,839**	**7,039,902**	**6,983,284**	**2,508,775**
Profit	**725,674**	**82,638**	**(150,762)**	**201,271**
Profit allocated to NCI	**260,813**	**33,726**	**(38,599)**	**89,345**

	Asiacell QR.'000	NMTC* QR.'000	Indosat Ooredoo QR.'000	Ooredoo Oman QR.'000
31 December 2019				
Non-current assets	4,296,512	11,794,449	15,037,448	3,298,525
Current assets	5,446,791	3,472,561	3,129,350	886,819
Non-current liabilities	(151,614)	(3,269,276)	(8,499,951)	(439,057)
Current liabilities	(5,482,301)	(5,122,495)	(6,224,950)	(1,265,885)
Net assets	4,109,388	6,875,239	3,441,897	2,480,402
Carrying amount of NCI	1,476,949	1,490,241	1,462,534	1,119,253
Revenue	4,572,388	7,591,631	6,727,520	2,703,084
Profit	524,423	416,387	423,632	321,416
Profit allocated to NCI	188,482	64,478	158,586	143,775

* This includes the Group's subsidiaries with material non-controlling interest (NCI) within NMTC sub-group (Wataniya Telecom Algerie S.P.A. ("Ooredoo Algeria"), Ooredoo Tunisie S.A. ("Ooredoo Tunisia"), Wataniya Palestine Mobile Telecommunications Public Shareholding Company ("Ooredoo Palestine"), before any intra-group eliminations.

44. SEGMENT INFORMATION

Information regarding the Group's reportable segments is set out below in accordance with IFRS 8 Operating Segments. IFRS 8 requires reportable segments to be identified on the basis of internal reports that are regularly reviewed by the Group's Chief Operating Decision Maker ("CODM") and used to allocate resources to the segments and to assess their performance.

The Group is engaged in a single line of business, being the supply of telecommunications services and related products. The majority of the Group's revenues, profits and assets relate to its operations in the MENA. Outside of Qatar, the Group operates through its subsidiaries and associates and major operations that are reported to the Group's CODM are considered by the Group to be reportable segment. Revenue is attributed to reportable segments based on the location of the Group companies. Inter-segment sales are charged at arms' length prices.

For management reporting purposes, the Group is organised into business units based on their geographical area covered, and has six reportable segments as follows:

1. Ooredoo Qatar is a provider of domestic and international telecommunication services within the State of Qatar;
2. Asiacell is a provider of mobile telecommunication services in Iraq;
3. Indosat Ooredoo is a provider of telecommunication services such as cellular services, fixed telecommunications, multimedia, data communication and internet services in Indonesia.
4. Ooredoo Oman is a provider of mobile and fixed telecommunication services in Oman;
5. Ooredoo Algeria is a provider of mobile and fixed telecommunication services in Algeria;
6. Ooredoo Myanmar is a provider of mobile and fixed telecommunication services in Myanmar; and
7. Others include some of the Group's subsidiaries which are providers of wireless and telecommunication services.

NMTC group is a provider of mobile telecommunication services in Kuwait and elsewhere in the MENA region. NMTC group includes balances and results of Ooredoo Kuwait, Ooredoo Tunisia, Ooredoo Algeria, Wataniya Palestine, Ooredoo Maldives PLC and others. In 2020, based on the recent information and circumstances, management reassessed and concluded that each of the aforementioned entity represents a separate operating segment and should be assessed individually whether it meets the criteria of IFRS 8 Operating Segments, as a reportable segment. If not, such is reported as part of "Others".

Management monitors the operating results of its operating subsidiaries separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss of these reportable segments. Transfer pricing between reportable segments are on an arm's length basis in a manner similar to transactions with third parties.

The Group has written down its assets to its recoverable amount and recorded an impairment loss when the recoverable amount of assets is lower than its carrying amount.

44. SEGMENT INFORMATION (CONTINUED)

Operating segments

The following tables present revenue and profit information regarding the Group's operating segments for the year ended 31 December 2020 and 2019:

Year ended 31 December 2020

	Ooredoo Qatar QR.'000	Asiacell QR.'000	Ooredoo Algeria QR.'000	Indosat Ooredoo QR.'000	Ooredoo Oman QR.'000	Ooredoo Myanmar QR.'000	Others QR.'000	Adjustments and eliminations QR.'000		Total QR.'000
Revenue										
Revenue from rendering of telecom services	6,751,825	4,018,558	2,223,543	6,814,718	2,375,379	1,155,769	4,063,421	-		27,403,213
Sale of telecommunications equipment	110,569	-	7,300	29,257	108,290	3,050	1,012,557	-		1,271,023
Revenue from use of assets by others	15,008	-	-	136,123	21,501	11,414	8,283	-		192,329
Inter-segment	195,106	1,281	24,759	3,186	3,605	1,281	301,371	(530,589)	(i)	-
Total revenue	**7,072,508**	**4,019,839**	**2,255,602**	**6,983,284**	**2,508,775**	**1,171,514**	**5,385,632**	**(530,589)**		**28,866,565**
Timing of revenue recognition										
At a point in time	276,243	-	7,300	29,257	108,290	3,050	1,072,057	(225,174)		1,271,023
Over time	6,796,265	4,019,839	2,248,302	6,954,027	2,400,485	1,168,464	4,313,575	(305,415)		27,595,542
	7,072,508	**4,019,839**	**2,255,602**	**6,983,284**	**2,508,775**	**1,171,514**	**5,385,632**	**(530,589)**		**28,866,565**
Results										
Segment profit (loss) before tax*	**1,922,718**	**688,586**	**28,704**	**(145,200)**	**353,899**	**(330,892)**	**(153,892)**	**(738,894)**	**(ii)**	**1,625,029**
Depreciation and amortisation	**897,171**	**908,108**	**681,346**	**2,722,584**	**712,637**	**900,254**	**996,857**	**426,503**	**(iii)**	**8,245,460**
Net finance costs	**711,626**	**4,595**	**35,885**	**816,489**	**37,610**	**222,862**	**66,509**	**-**		**1,895,576**

* Segment profit / loss before tax is determined after deducting all expenses attributable to the segment including depreciation, amortisation and impairment of assets and finance cost.

** During 2020, the Group has reassessed its level of aggregation of its segment information under IFRS 8, Operating Segments for NMTC Group and as described above. The Group has revised and concluded that each of NMTC's subsidiary is a separate operating segment and hence accounted and disclosed individually. This has been reflected in the current and comparative periods.

44. SEGMENT INFORMATION (CONTINUED)

Year ended 31 December 2019

	Ooredoo Qatar QR.'000	Asiacell QR.'000	Ooredoo Algeria QR.'000	Indosat Ooredoo QR.'000	Ooredoo Oman QR.'000	Ooredoo Myanmar QR.'000	Others QR.'000	Adjustments and eliminations QR.'000		Total QR.'000
Revenue										
Revenue from rendering of telecom services	7,054,139	4,562,709	2,430,787	6,328,123	2,574,223	1,041,864	4,246,301	-		28,238,146
Sale of telecommunications equipment	121,487	-	47,760	152,706	104,799	5,203	948,051	-		1,380,006
Revenue from use of assets by others	19,112	-	-	242,840	16,710	11,610	7,117	-		297,389
Inter-segment	105,974	9,679	22,037	3,851	7,352	3,187	325,668	(477,748)	(i)	-
Total revenue	7,300,712	4,572,388	2,500,584	6,727,520	2,703,084	1,061,864	5,527,137	(477,748)		29,915,541
Timing of revenue recognition										
At a point in time	185,527	-	47,760	152,706	104,799	5,203	988,399	(104,388)		1,380,006
Over time	7,115,185	4,572,388	2,452,824	6,574,814	2,598,285	1,056,661	4,538,738	(373,360)		28,535,535
	7,300,712	4,572,388	2,500,584	6,727,520	2,703,084	1,061,864	5,527,137	(477,748)		29,915,541
Results										
Segment profit (loss) before tax*	1,974,869	693,815	81,686	412,708	506,476	(889,668)	316,904	(450,687)	(ii)	2,646,103
Depreciation and amortisation	895,539	1,320,187	743,295	2,711,410	677,581	818,055	971,182	450,400	(iii)	8,587,649
Net finance costs	828,041	48,620	142,023	799,450	30,324	239,918	(710)	-		2,087,666

* Segment profit / loss before tax is determined after deducting all expenses attributable to the segment including depreciation, amortisation and impairment of assets and finance cost.

44 SEGMENT INFORMATION (CONTINUED)

Note:
(i) Inter-segment revenues are eliminated on consolidation.
(ii) Segment profit before tax does not include the following:

	2020 QR.'000	2019 QR.'000
Amortisation of intangibles	**(426,794)**	(450,687)
Impairment of intangibles	**(312,100)**	-
	(738,894)	(450,687)

(iii) Amortisation relating to additional intangibles identified from business combination was not considered as part of segment expense.
The following table presents segment assets of the Group's operating segments as at 31 December 2020 and 2019.

	Ooredoo Qatar QR.'000	Asiacell QR.'000	Ooredoo Algeria QR.'000	Indosat Ooredoo QR.'000	Ooredoo Oman QR.'000	Ooredoo Myanmar QR.'000	Others QR.'000	Adjustments and Eliminations QR.'000	Total QR.'000
Segment assets (i)									
At 31 December 2020	**18,362,392**	**8,859,177**	**3,949,676**	**17,314,280**	**4,496,988**	**6,839,523**	**10,640,763**	**17,274,262**	**87,737,061**
At 31 December 2019	15,708,374	9,592,206	4,459,738	17,637,300	4,168,799	6,733,000	11,671,230	18,010,975	87,981,622
Capital expenditure (ii)									
At 31 December 2020	**916,715**	**1,309,303**	**538,156**	**2,269,327**	**1,284,587**	**188,272**	**721,282**	**-**	**7,227,642**
At 31 December 2019	1,577,191	360,563	580,918	3,344,921	538,958	419,756	646,025	-	7,468,332

Note:
(i) Goodwill and other intangibles arising from business combination amounting to QR. 17,274,262 thousand (31 December 2019: QR. 18,010,975 thousand) was not considered as part of segment assets.
(ii) Capital expenditure consists of additions to property, plant and equipment and intangibles excluding goodwill and assets arising from business combinations.

45. CONTRIBUTION TO SOCIAL AND SPORTS FUND

According to Qatari Law No. 13 for the year 2008 and the related clarifications issued in January 2010, the Group is required to contribute 2.5% of its annual net profits to the state social and sports fund. The clarification relating to Law No. 13 requires the payable amount to be recognised as a distribution of income. Hence, this is recognised in statement of changes in equity.
During the year, the Group appropriated an amount of QR. 40,358 thousand (2019: QR. 40,700 thousand) representing 2.5% of the net profit generated from Qatar Operations.

46. SHARE SPLIT

On 19 March 2019, the Extraordinary General Meeting of the Company approved the par value of the ordinary share to be QR. 1 instead of QR. 10, as per the instructions of Qatar Financial Markets Authority, and amendment of the related Articles of Association. The share split has been implemented on 4 July 2019 and this has led to an increase in the number of authorized shares from 500,000,000 shares to 5,000,000,000 ordinary shares and the total number of issued and fully paid up shares increased from 320,320,000 shares to 3,203,200,000 ordinary shares.

47. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

	1 January 2020 QR.'000	Financing cash flows (i) QR.'000	Non-cash changes (ii) QR.'000	Other changes (iii) QR.'000	31 December 2020 QR.'000
Loans and borrowings (Note 28)	30,639,831	(961,280)	-	(16,432)	29,662,119
Deferred financing costs (Note 28)	(184,973)	(3,614)	41,398	(133)	(147,322)
Other non-current liabilities (Note 30)	2,658,393	(344,326)	-	236,686	2,550,753
Lease liabilities (Note 32)	6,649,303	(1,280,481)	2,343,263	(351,682)	7,360,403

Notes:
(i) The financing activities in the statement of cash flows mainly include the cash flows from loans and borrowings and other non-current liabilities.
(ii) The non-cash changes pertain to the amortisation of deferred financing costs.
(iii) Other changes include exchange adjustments and reclassification.

48. IMPACT OF COVID-19

On 11 March 2020, COVID-19 was declared as pandemic by the World Health Organisation and is causing disruptions to businesses and economic activities. The fiscal and monetary authorities, both domestic and international, have announced various support measures across the globe to counter possible adverse implications. The Group will continue to closely monitor as the situation progresses and has activated its business continuity planning and other risk management practices to manage the potential business operations disruption and financial performance in 2020.

COVID-19 has brought about uncertainties in the global economic environment. In light of the rapidly escalating situation, the Group has considered whether any adjustments and changes in judgments, estimates and risk management are required to be considered and reported in the consolidated financial statements. The Group's business operations remain largely unaffected by the current situation. Below are the key assumptions about the future and other key sources of estimation that may have a significant risk of causing a material adjustments to the consolidated financial statements.

48. IMPACT OF COVID-19 (CONTINUED)

Impairment of non-financial assets
The Group has performed a qualitative assessment for its investment in CGUs, considering the minimal impact of COVID-19 on entities operating in telecommunication sector, and compared the actual results for the year ended 31 December 2020 against the budget and industry benchmarks and that conclude the impairment assessment as at 31 December 2019 remains unchanged.

The Group has also considered any impairment indicators and any significant uncertainties impacting its property, plant and equipment (Note 12), investment property (Note 15) and right-of-use assets, especially arising from any changes in lease term (Note 14) and concluded that there is no material impact of COVID-19.

Expected Credit Losses ("ECL") and impairment of financial assets
The uncertainties caused by COVID-19 have required the Group to reassess the inputs and assumptions used for the determination of ECLs as at 31 December 2020. The Group has updated the relevant forward-looking information of its international operations with respect to; the weightings of the relevant macroeconomic scenarios of the respective market in which it operates; significant increase in credit risk; and assessing the indicators of impairment for the exposures in potentially affected sectors. As a result, the Group has appropriately recorded a provision on impacted assets for the year ended 31 December 2020.

Further, due to volatility of foreign exchange rates, the Group has also assessed the impact of COVID-19 on foreign exchange rates of the countries it operates in and recorded an appropriate adjustment towards the estimated forex loss on its financial assets and liabilities for the year ended 31 December 2020.

Income tax, commitments and contingent liabilities
One of the Group's subsidiaries had adjusted its income tax based on the revision corporate tax directives issued by the local regulatory authority. Refer to Note 19.

Further, the Group has assessed the impact of any operational disruptions, including any contractual challenges and changes in business or commercial relationships among the Group entities, customers and suppliers, to determine if there is any potential increase in contingent liabilities and commitments. Refer to Note 37 and 38.

Going concern
The Group has performed an assessment of whether it is a going concern in the light of current economic conditions and all available information about future risks and uncertainties. The projections have been prepared covering the Group's future performance, capital and liquidity. The impact of COVID-19 may continue to evolve, but at the present time the projections show that the Group has sufficient resources to continue in operational existence and its going concern position remains largely unaffected and unchanged from 31 December 2019. As a result, these consolidated financial statements have been appropriately prepared on a going concern basis.

The Group will continue to closely monitor the impact of COVID-19 as the situation progresses to manage the potential business disruption COVID-19 outbreak may have on its 'operations and financial performance in 2021.