OOREDOO Q.P.S.C.
DOHA - QATAR

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REVIEW REPORT FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2019

OOREDOO Q.P.S.C.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REVIEW REPORT
For the three-month period ended 31 March 2019

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INDEPENDENT AUDITOR'S REVIEW REPORT

The Board of Directors
Ooredoo Q.P.S.C.
Doha - Qatar

Introduction

We have reviewed the accompanying condensed consolidated interim statement of financial position of **Ooredoo Q.P.S.C.** (the "Company") and its subsidiaries (together the "Group") as at 31 March 2019, and the related condensed consolidated interim statements of profit or loss, condensed consolidated interim comprehensive income, condensed consolidated interim changes in equity and condensed consolidated interim cash flows for the three-month period then ended and summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and presentation of these condensed consolidated interim financial statements in accordance with International Accounting Standard 34 "Interim Financial Reporting". Our responsibility is to express a conclusion on these condensed consolidated interim financial statements based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of the condensed consolidated interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial statements are not prepared, in all material respects, in accordance with International Accounting Standard 34 "Interim Financial Reporting".

Doha – Qatar
29 April 2019

For Deloitte & Touche
Qatar Branch

ديلويت آند توش
محاسبون قانونيون
Public Accountants
DELOITTE & TOUCHE

M. Salha

Midhat Salha
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OOREDOO Q.P.S.C.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF PROFIT OR LOSS
For the three-month period ended 31 March 2019

	Note	***For the three-month period ended 31 March*** 2019 (Reviewed) QR.'000	*2018* *QR.'000*
Revenue	23	**7,191,893**	7,682,658
Operating expenses		**(2,630,956)**	(3,147,076)
Selling, general and administrative expenses		**(1,391,617)**	(1,467,511)
Depreciation and amortisation		**(2,147,468)**	(2,046,135)
Net finance costs		**(519,830)**	(423,743)
Impairment losses on goodwill, financial assets and other assets		**(155)**	119
Other income – net	4	**190,535**	227,779
Share in results of associates and joint ventures – net of tax	9	**3,653**	(18,999)
Royalties and fees	5	**(124,886)**	(137,934)
Profit before income tax		**571,169**	669,158
Income tax	14	**(103,071)**	(117,029)
Profit for the period		**468,098**	552,129
Profit attributable to:			
Shareholders of the parent		**420,466**	486,047
Non-controlling interests		**47,632**	66,082
		468,098	552,129
Basic and diluted earnings per share (Attributable to shareholders of the Parent) (Expressed in QR. per share)	6	**1.31**	1.52

The attached notes 1 to 27 form part of these condensed consolidated interim financial statements.

OOREDOO Q.P.S.C.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME
For the three-month period ended 31 March 2019

	Note	***For the three-month period ended 31 March***	
		2019	2018
		(Reviewed)	
	Note	***QR.'000***	*QR.'000*
Profit for the period		**468,098**	552,129
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Effective portion of changes in fair value of cash flow hedges	19	**(70)**	280
Share of other comprehensive income (loss) of associates and joint ventures	19	**(23,512)**	2,084
Foreign currency translation differences	19	**94,635**	189,945
Items that will not to be reclassified subsequently to profit or loss			
Net changes in fair value on investments in equity instruments designated as at FVTOCI	19	**(6,869)**	(39,238)
Net changes in fair value of employees benefit reserve	19	**522**	3,574
Other comprehensive income – net of tax		**64,706**	156,645
Total comprehensive income for the period		**532,804**	708,774
Total comprehensive income attributable to:			
Shareholders of the parent		**473,829**	647,925
Non-controlling interests		**58,975**	60,849
		532,804	708,774

The attached notes 1 to 27 form part of these condensed consolidated interim financial statements.

OOREDOO Q.P.S.C.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION
As at 31 March 2019

	Note	*31 March 2019* *(Reviewed)* *QR.'000*	*31 December 2018* *(Audited)* *QR.'000*
ASSETS			
Non-current assets			
Property, plant and equipment	7	**26,070,173**	27,207,493
Intangible assets and goodwill	8	**26,515,121**	26,656,686
Right-of-use assets	3a	**5,384,399**	-
Investment property		**50,797**	52,802
Investment in associates and joint ventures	9	**2,148,203**	2,146,946
Financial assets - equity instruments	10	**939,280**	947,237
Other non-current assets		**585,841**	858,994
Deferred tax assets		**646,018**	569,892
Contract cost and assets		**152,717**	151,806
Total non-current assets		**62,492,549**	58,591,856
Current assets			
Inventories		**701,482**	643,061
Contract costs and assets		**291,749**	312,070
Trade and other receivables		**7,931,992**	8,233,543
Bank balances and cash	11	**14,592,869**	17,493,273
		23,518,092	26,681,947
Assets held for sale		**13,414**	25,672
Total current assets		**23,531,506**	26,707,619
TOTAL ASSETS		**86,024,055**	85,299,475
EQUITY			
Share capital	12	**3,203,200**	3,203,200
Legal reserve		**12,434,282**	12,434,282
Fair value reserve		**575,874**	606,299
Employees' benefit reserve		**22,370**	22,031
Translation reserve	13	**(7,722,002)**	(7,805,451)
Other statutory reserves		**1,252,304**	1,252,304
Retained earnings		**11,872,089**	12,496,038
Equity attributable to shareholders of the parent		**21,638,117**	22,208,703
Non-controlling interests		**5,852,090**	5,968,984
Total equity		**27,490,207**	28,177,687

The attached notes 1 to 27 form part of these condensed consolidated interim financial statements.

OOREDOO Q.P.S.C.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION (CONTINUED)
As at 31 March 2019

	Note	31 March 2019 (Reviewed) QR.'000	31 December 2018 (Audited) QR.'000
LIABILITIES			
Non-current liabilities			
Loans and borrowings	16	**25,662,525**	27,479,441
Employees' benefits		**868,124**	825,611
Lease liabilities	3a, 18	**4,504,042**	-
Deferred tax liabilities		**355,531**	358,260
Other non-current liabilities		**1,568,579**	2,197,505
Contract liabilities		**11,098**	14,121
Total non-current liabilities		**32,969,899**	30,874,938
Current liabilities			
Loans and borrowings	16	**9,226,436**	9,279,920
Lease liabilities	3a, 18	**760,899**	-
Trade and other payables	17	**12,128,763**	13,330,351
Deferred income		**1,845,388**	1,940,644
Contract liabilities		**145,700**	145,132
Income tax payable		**1,456,763**	1,550,803
Total current liabilities		**25,563,949**	26,246,850
Total liabilities		**58,533,848**	57,121,788
TOTAL EQUITY AND LIABILITIES		**86,024,055**	85,299,475

Abdulla Bin Mohammed Bin Saud Al Thani
Chairman

Ali Shareef Al Emadi
Deputy Chairman

The attached notes 1 to 27 form part of these condensed consolidated interim financial statements.

OOREDOO Q.P.S.C.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY
For the three-month period ended 31 March 2019

	Attributable to shareholders of the parent									
	Share capital	***Legal reserve***	***Fair value reserve***	***Employees benefit reserve***	***Translation reserve***	***Other statutory reserves***	***Retained earnings***	***Total***	***Non – controlling interests***	***Total equity***
	QR.'000	***QR.'000***	***QR.'000***	***QR.'000***	***QR.'000***	***QR.'000***	***QR.'000***	***QR.'000***	***QR.'000***	***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 (Note 3a)	-	-	-	-	-	-	(262,925)	(262,925)	(10,811)	(273,736)
Adjusted balance as at 1 January 2019	**3,203,200**	**12,434,282**	**606,299**	**22,031**	**(7,805,451)**	**1,252,304**	**12,233,113**	**21,945,778**	**5,958,173**	**27,903,951**
Profit for the period	-	-	-	-	-	-	420,466	420,466	47,632	468,098
Other comprehensive income (loss)	-	-	(30,425)	339	83,449	-	-	53,363	11,343	64,706
Total comprehensive income (loss) for the period	-	-	(30,425)	339	83,449	-	420,466	473,829	58,975	532,804
Transaction with shareholders of the parent, recognised directly in equity										
Dividend for 2018	-	-	-	-	-	-	(800,800)	(800,800)	-	(800,800)
Transaction with non-controlling interest, recognised directly in equity										
Change in associate's non-controlling interest in its subsidiary	-	-	-	-	-	-	20,825	20,825	-	20,825
Dividends for 2018	-	-	-	-	-	-	-	-	(164,771)	(164,771)
Transaction with non-owners of the Group, recognised directly in equity										
Transfer to employee association fund	-	-	-	-	-	-	(1,515)	(1,515)	(287)	(1,802)
At 31 March 2019	**3,203,200**	**12,434,282**	**575,874**	**22,370**	**(7,722,002)**	**1,252,304**	**11,872,089**	**21,638,117**	**5,852,090**	**27,490,207**

The attached notes 1 to 27 form part of these condensed consolidated interim financial statements.

OOREDOO Q.P.S.C.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY (CONTINUED)
For the three-month period ended 31 March 2019

	Attributable to shareholders of the parent									
	Share capital	*Legal reserve*	*Fair value reserve*	*Employees benefit reserve*	*Translation reserve*	*Other statutory reserves*	*Retained earnings*	*Total*	*Non – controlling interests*	*Total equity*
	QR.'000	*QR.'000*	*QR.'000*	*QR.'000*	*QR.'000*	*QR.'000*	*QR.'000*	*QR.'000*	*QR.'000*	*QR.'000*
At 1 January 2018 – (restated)	3,203,200	12,434,282	522,873	(12,497)	(6,298,501)	1,202,508	12,000,973	23,052,838	6,532,272	29,585,110
Effect of change in accounting policy for:										
Initial application of IFRS 15 (restated)	-	-	-	-	-	-	229,544	229,544	(4,004)	225,540
Initial application of IFRS 9 (restated)	-	-	(120,818)	-	-	-	99,835	(20,983)	(17,320)	(38,303)
Adjusted balance as at 1 January 2018 (Note 27)	3,203,200	12,434,282	402,055	(12,497)	(6,298,501)	1,202,508	12,330,352	23,261,399	6,510,948	29,772,347
Profit for the period	-	-	-	-	-	-	486,047	486,047	66,082	552,129
Other comprehensive income	-	-	(35,323)	1,594	195,607	-	-	161,878	(5,233)	156,645
Total comprehensive income for the period	-	-	(35,323)	1,594	195,607	-	486,047	647,925	60,849	708,774
Transaction with shareholders of the parent, recognised directly in equity										
Dividend for 2017	-	-	-	-	-	-	(1,121,120)	(1,121,120)	-	(1,121,120)
Transaction with non-controlling interest, recognised directly in equity										
Change in associate's non-controlling interest of its subsidiary	-	-	-	-	-	-	695	695	-	695
Dividends for 2017	-	-	-	-	-	-	-	-	(154,196)	(154,196)
Transaction with non-owners of the Group, recognised directly in equity										
Transfer to employee association fund	-	-	-	-	-	-	(1,889)	(1,889)	(358)	(2,247)
At 31 March 2018 (Reviewed) (Restated) (Note 27)	3,203,200	12,434,282	366,732	(10,903)	(6,102,894)	1,202,508	11,694,085	22,787,010	6,417,243	29,204,253

The attached notes 1 to 27 form part of these condensed consolidated interim financial statements.

OOREDOO Q.P.S.C.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS
For the three-month period ended 31 March 2019

	Note	*For the three-month period ended 31 March* 2019 (Reviewed) QR.'000	2018 QR.'000
OPERATING ACTIVITIES			
Profit before income tax		**571,169**	669,158
Adjustments for:			
Depreciation and amortization		**2,147,468**	2,046,135
Dividend income		**(2,692)**	(11,104)
Impairment losses on goodwill, financial assets, right-of-use assets and other assets		**155**	(119)
Reversal of impairment of intangible assets			
Gain on disposal of investments at FVTPL		**(208)**	(295)
Changes in fair value of FVTPL investments		**1,477**	1,168
Gain on disposal of property, plant and equipment		**3,705**	(11,575)
Net finance cost		**519,830**	423,743
Provision for employees' benefits		**48,435**	85,795
Provision against doubtful debts		**64,949**	49,023
Share of results in associates and joint ventures – net of tax	9	**(3,653)**	18,999
Operating profit before working capital changes		**3,350,635**	3,270,928
Working capital changes:			
Changes in inventories		**(58,421)**	127,068
Changes in trade and other receivables		**(117,523)**	(537,802)
Changes in contract costs and assets		**19,410**	(19,865)
Changes in trade and other payables		**(957,649)**	(832,549)
Changes in contract liabilities		**(2,455)**	9,617
Cash from operations		**2,233,997**	2,017,397
Finance costs paid		**(520,508)**	(475,523)
Employees' benefits paid		**(19,844)**	(33,303)
Income tax paid		**(250,654)**	(120,316)
Net cash from operating activities		**1,442,991**	1,388,255
INVESTING ACTIVITIES			
Acquisition of property, plant and equipment		**(1,063,178)**	(882,003)
Acquisition of intangible assets		**(182,711)**	(214,880)
Additional investment in financial asset at FVTPL		**-**	(3,781)
Proceeds from disposal of property, plant and equipment		**31,990**	29,856
Proceeds from disposal of investments at FVTPL		**704**	997
Movement in restricted deposits		**(19,887)**	(402,452)
Movement in short-term deposits		**76,043**	428,628
Movement in other non-current assets		**(31,298)**	45,199
Dividend received		**12,176**	11,104
Interest received		**97,042**	89,677
Net cash used in investing activities		**(1,079,119)**	(897,655)

The attached notes 1 to 27 form part of these condensed consolidated interim financial statements.

OOREDOO Q.P.S.C.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS (CONTINUED)
For the three-month period ended 31 March 2019

	Note	***For the three-month period ended 31 March***	
		2019	*2018*
		(Reviewed)	
	Note	***QR.'000***	*QR.'000*
FINANCING ACTIVITIES (i)			
Proceeds from loans and borrowings		**1,952,515**	1,077,157
Repayment of loans and borrowings		**(3,911,047)**	(1,133,045)
Principal elements of lease payments	3a	**(228,833)**	-
Additions to deferred financing costs	15	**(1,654)**	(676)
Dividend paid to shareholders of the parent		**(800,800)**	(1,121,120)
Dividend paid to non-controlling interests		**(164,771)**	(154,196)
Movement in other non-current liabilities		**(84,946)**	(127,241)
Net cash used in financing activities		**(3,239,536)**	(1,459,121)
NET CHANGE IN CASH AND CASH EQUIVALENTS		**(2,875,664)**	(968,521)
Effect of exchange rate fluctuations		**21,025**	(76,087)
Cash and cash equivalents at 1 January		**16,533,142**	17,095,602
CASH AND CASH EQUIVALENTS 31 MARCH 2019	11	**13,678,503**	16,050,994

The attached notes 1 to 27 form part of these condensed consolidated interim 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.P.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") provides 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 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 condensed consolidated interim financial statements of the Group for three-month period ended 31 March 2019 were authorised for issuance in accordance with a resolution of the Board of Directors of the Group on 29 April 2019.

2 BASIS OF PREPARATION

The condensed consolidated interim financial statements for the three-month period ended 31 March 2019 have been prepared in accordance with International Accounting Standard 34 *Interim Financial Reporting* ("IAS 34").

The condensed consolidated interim financial statements are prepared in Qatari Riyals, which is the Company's functional and presentation currency and all values are rounded to the nearest thousands (QR.'000) except when otherwise indicated.

The condensed consolidated interim financial statements do not include all information and disclosures required in the annual consolidated financial statements and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2018. In addition, results for the three-month period ended 31 March 2019 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2019.

Judgments, estimates and risk management
The preparation of the condensed consolidated interim financial statements requires management to make judgments, estimates and assumptions that affects the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. The significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the Group's annual consolidated financial statements for the year ended 31 December 2018, except as mentioned in Note 3.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies used in the preparation of these condensed consolidated interim financial statements are consistent with those used in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2018, and the notes attached thereto, except for the adoption of certain new and revised standards, that became effective in the current period as set out below.

3.2 APPLICATOIN OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRSs)

(i) New and amended standards adopted by the Group

The Group adopted IFRS 16, Leases, which replaces the existing guidance on leases, including IAS 17, Leases, IFRIC 4, Determining whether an arrangement contains a lease, SIC 15, Operating leases – Incentives and ISC 27, Evaluating the substance of transactions in the legal for of a lease. The impact of the adoption of this standard and the new accounting policies are disclosed in Note 3a.

(ii) Revised standards

Effective for annual periods beginning on or after 1 January 2019

• Amendments to IFRS 9	*Prepayments Features with Negative Compensation*
• Amendments to IAS 28	*Investment in Associates and Joint Ventures: Relating to long-term interests in associates and joint ventures.*
• Amendments to IAS 19	*Employee Benefits Plan Amendment, Curtailment or Settlement*
• Annual Improvements to IFRSs 2015-2017	*Cycle Amendments to IFRS 3 Business Combinations, IFRS 11 Joint Arrangements, IAS 12 Income Taxes and IAS 23 Borrowing Costs*
• IFRIC 23	*Uncertainty over Income Tax Treatments*

(iii) New and revised standards and interpretations but not yet effective:

Effective for annual periods beginning on or after 1 January 2020

- Amendments regarding the definition of material
- Amendments to clarify the definition of a business
- Amendments to IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures (2011) relating to the treatment of the sale or contribution of assets from and investor to its associate or joint venture

3a. CHANGES IN ACCOUNTING POLICIES

IFRS 16 Leases – Impact of Adoption

The Group has applied IFRS 16, which replaces IAS 17 Leases and the related interpretations, with a date of initial application of 1 January 2019. IFRS 16 was issued in January 2016 and is effective for annual periods commencing on or after 1 January 2019. IFRS 16 stipulates that all leases and the associated contractual rights and obligations should generally be recognize in the Group's statement of financial Position, unless the term is 12 months or less or the lease relates to low value asset. Thus, the classification required under IAS 17 "Leases" into operating or finance leases is eliminated for Lessees. For each lease, the lessee recognizes a liability for the lease obligations incurred in the future. Correspondingly, a right to use the leased asset is capitalized, which is generally equivalent to the present value of the future lease payments plus directly attributable costs, including asset retirement obligations, and which is amortized over the useful life.

The Group has adopted IFRS 16 using the modified retrospective approach and has therefore not restated comparatives for the 2018 reporting period as permitted under the specific transitional provisions in the standard.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3a. CHANGES IN ACCOUNTING POLICIES (CONTINUED)

Upon transition to IFRS 16, the Group recognized QR. 5,526,233 thousand of right of use of assets, QR. 5,176,471 thousand of lease liabilities, recognizing the difference mainly in opening retained earnings as at 1 January 2019. These liabilities were measured at the present value of the remaining lease payments discounted using the lessee's incremental borrowing rate. The weighted average lessee's incremental borrowing rate applied to the lease liabilities on 1 January 2019 was 8.22%. IFRS 16 transition disclosures also require the Group to present the reconciliation. The off-balance sheet obligation as of 31 December 2018 are reconciled to the lease liabilities as of 1 January 2019, as follows:

	QR.'000
Operating lease commitment at 31 December 2018	**3,978,767**
Add: Operating lease commitment not included in the opening balance	**1,847,369**
Adjusted operating lease commitment at 31 December 2018	**5,826,136**
Discounted using the incremental borrowing rate as at 1 January 2019	**4,110,648**
Add: Finance lease liabilities recognized as at 31 December 2018	**887,538**
Less: Short term leases	**(179,352)**
Less: Leases of low value assets	**(403)**
Add / (less); Extension and termination options reasonably certain to be exercised	**411,415**
Less: Variable lease payments based on an index or a rate	**(53,375)**
Lease liabilities recognized as at 1 January 2019	**5,176,471**
Of which are:	
Non-current lease liabilities	**4,444,973**
Current lease liabilities	**731,498**

The associated right-of-use assets were measured on a modified retrospective basis. The Group has used a combined approach in recognizing its right-of-use assets. Certain right-of-use assets are measured as if the new rules had always been applied, whereas others were measured at the amount equal to the lease liability, further adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the statement of financial position as at the reporting period. There were no onerous lease contracts that would have required an adjustment to the right-of-use assets at the date of initial application.

The recognized right of use of assets relate to the following types of assets:

	31 March 2019	*1 January 2019*
	QR.'000	*QR.'000*
Land and buildings	**1,743,552**	**1,783,912**
Exchange and network assets	**3,484,935**	**3,548,801**
Subscriber apparatus and other equipment	**105,928**	**144,374**
Indefeasible rights-of-use (IRU)	**49,984**	**49,146**
Total right-of-use assets	**5,384,399**	**5,526,233**

As at transition date, the Group reclassified property, plant and equipment amounting to QR. 877,016 thousand to right-of-use assets (Note 7). During the three-month period ended 31 March 2019, additions to right-of-use assets amounted to QR. 86,749 thousand.

3. SIGNIFICANT ACCOUNTING POLICIES

3a. CHANGES IN ACCOUNTING POLICIES (CONTINUED)

The change in accounting policy affected the following items in the condensed consolidated interim statement of financial position on 1 January 2019:

	Increase (decrease)
	QR.'000
Financial statement line item	
Right-of-use assets	**5,526,233**
Property, plant and equipment	**(877,016)**
Deferred tax assets	**29,586**
Other non-current assets	**(297,223)**
Trade and other receivables	**(366,383)**
Retained earnings	**(262,925)**
Non-controlling interests	**(10,811)**
Lease liabilities	**5,176,471**
Other non-current liabilities	**(709,569)**
Trade and other payables	**(177,969)**

The change in accounting policy affected the following items in the condensed consolidated interim statement of profit or loss for the three-month period ended 31 March 2019:

	Increase (decrease)
	QR.'000
Financial statement line item	
Operating expenses	**201,850**
Selling, general and administrative expenses	**22,582**
Depreciation and amortisation	**(213,446)**
Net finance costs	**(72,453)**
Other income – net	**(282)**
Income tax	**8,028**
Profit for the period	**(53,721)**
Profit attributable to the shareholders	**(43,126)**
Profit attributable to non-controlling interest	**(10,595)**

Earnings per share decreased by QR. 0.13 per share for the three-month period ended 31 March 2019 as a result of the adoption of IFRS 16.

3. SIGNIFICANT ACCOUNTING POLICIES

3a. CHANGES IN ACCOUNTING POLICIES (CONTINUED)

IFRS 16 Leases – Accounting policies applied from 1 January 2019
A. Definition of leases
Under IFRS 16, 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.

Upon transition to IFRS 16, the Group elected to apply the practical expedient to grandfather the assessment of which transactions are leases, and accordingly applied IFRS 16 only to contracts that were previously identified as leases. Contracts that were not identified as leases under IAS 17 and IFRIC 4 were not reassessed for whether they constitute a lease. Therefore, the definition of a lease under IFRS 16 was applied only to contracts entered into or changed on or after 1 January 2019.

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.

Under IFRS 16, 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.

3. SIGNIFICANT ACCOUNTING POLICIES

3a. CHANGES IN ACCOUNTING POLICIES (CONTINUED)

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 condensed consolidated interim 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.

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.

For lease contracts lease contracts entered in to before 1 January 2019, IFRS 16 has been applied as below:

(i) Leases classified as operating leases under IAS 17
The Group has recognized lease liabilities in relation to leases which had previously been classified as operating leases under IAS 17. These lease liabilities were measured at the present value of the remaining lease payments, and discounted using the lessee's incremental borrowing rate as of 1 January 2019. Right-of-use assets are measured at either:

a. Their carrying amounts as if IFRS 16 had been applied since the commencement date, discounted using the lessee's incremental borrowing rate at the date of initial application.
b. An amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments.

The Group has applied the above approach for determining right-of-use assets on lease by lease basis.

The Group has used the following practical expedients when applying IFRS 16 to leases previously classified as operating leases under IAS 17 leases.

a. Applied a single discount rate to a portfolio of leases with similar characteristics
b. Relied on its assessment of whether leases are onerous applying IAS 37 immediately before the date of initial application, as an alternative to performing an impairment review under IAS 36.
c. Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term.
d. Excluded initial direct costs from measuring the right-of-use asset at the date of initial application.

The Group also applied the following practical expedients on a lease by lease basis:

a. Applied the exemption not to recognize right-of-use assets and liabilities for leases with underlying assets assessed as low value.
b. Used hindsight when determining the lease term where the contract contains options to extend or terminate the lease.

(ii) Leases previously classified as finance leases
For leases that were previously classified as finance leases under IAS 17, the carrying amount of the right-of-use asset and the lease liability at 1 January 2019 are determined at the carrying amount of the lease asset and lease liability under IAS 17, immediately before 1 January 2019.

3. SIGNIFICANT ACCOUNTING POLICIES

3a. CHANGES IN ACCOUNTING POLICIES (CONTINUED)

C. As a lessor

The accounting policies applicable to the Group as a lessor in the comparative period are not materially different from IFRS 16. Accordingly, the Group accounted for its leases in accordance with IFRS 16 from the date of initial application, and is not required to make any adjustment on transition to IFRS 16 for leases in which it acts as a lessor, except for sub-leases.

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 condensed consolidated interim statement of profit or loss, on a straight line basis over the lease term.

Changes in judgment, estimate and risk management

The critical judgements and estimates used in the preparation of these condensed consolidated interim financial statements are consistent with those used in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2018, except for the changes highlighted below:

a. 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.
b. The present value of the lease payments is determined using the discount rate representing the incremental borrowing rate that a lessee would have to pay to borrow over a similar term, and with a similar security, the fund necessary to obtain an asset of a similar value to the right-to-use asset in a similar economic environment.
c. The Group accounts and identifies assets as a portfolio based on its similar characteristics and has applied the requirements of IFRS 16 on estimates and assumptions that reflect the size and composition of that portfolio.
d. The Group records full provision for any future costs of decommissioning for its right of use assets. The estimate for future costs is based on current economic environment, which management believes is a reasonable basis upon which to estimate the future liability. These estimates are reviewed regularly to take into account any material changes on the underlying assumptions.

4 OTHER INCOME – NET

	For the three-month period ended 31 March	
	2019	2018
	(Reviewed)	
	QR.'000	*QR.'000*
Foreign currency gains – net	**81,969**	172,188
Dividend income	**2,692**	11,104
Rental income	**7,194**	7,640
Change in fair value of derivatives – net	**(3,380)**	3,726
Unrealised loss on equity investment at FVTPL	**(1,477)**	(1,168)
Miscellaneous income – net	**103,537**	34,289
	190,535	227,779

5 ROYALTIES AND FEES

	For the three-month period ended 31 March	
	2019	2018
	(Reviewed)	
	QR.'000	*QR.'000*
Royalty (i)	**68,516**	76,171
Industry fees (ii)	**51,533**	56,271
Other statutory fees (iii)	**4,837**	5,492
	124,886	137,934

(i) Royalty is payable to the Government of the Sultanate of Oman based on 12% (2018: 12%) of the net of predefined sources of revenue and operating expenses.

(ii) The Group provides for a 12.5% (2018: 12.5%) industry fee on profits generated from the Group's operations in Qatar.

(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.

6 BASIC AND DILUTED EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the profit for the period attributable to the shareholders of the parent by the weighted average number of shares outstanding during the period.

There were no potentially dilutive shares outstanding at any time during the period and, therefore, the dilutive earnings per share is equal to the basic earnings per share.

	For the three-month period ended 31 March	
	2019	*2018*
	(Reviewed)	
	QR.'000	*QR.'000*
Profit for the period attributable to shareholders of the parent (QR.'000)	**420,466**	486,047
Weighted average number of shares (In '000)	**320,320**	320,320
Basic and diluted earnings per share (QR.)*	**1.31**	1.52

**Refer to Note 3a for impact of IFRS 16 adoption on basic and diluted earnings per share.*

7 PROPERTY, PLANT AND EQUIPMENT

	31 March 2019	*31 December 2018*
	(Reviewed) QR.'000	*(Audited) QR.'000*
Net book value at beginning of the period / year	**27,207,493**	29,474,307
Additions	**1,063,178**	4,936,631
Disposals	**(32,191)**	(113,716)
Reclassification to intangible assets (Note 8)	**(296)**	(137)
Reclassification to other non-current assets	**7,750**	-
Depreciation for the period / year	**(1,415,797)**	(5,982,369)
Exchange adjustment	**117,052**	(1,057,623)
Impairment provision during the period / year	**-**	(49,600)
Transfer to right-of-use assets (Note 3a)	**(877,016)**	-
Carrying value at the end of the period / year	**26,070,173**	27,207,493

(i) 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 March 2019, Asiacell had received parcels of lands and buildings located in Baghdad and Sulaymaniah amounting to QR. 440,440 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.

8 INTANGIBLE ASSETS AND GOODWILL

	31 March 2019	*31 December 2018*
	(Reviewed) QR.'000	*(Audited) QR.'000*
Net book value at beginning of the period / year	**26,656,686**	28,804,983
Additions	**202,640**	1,308,870
Disposals	**(3,504)**	(3,040)
Reclassification from property, plant and equipment (Note 7)	**296**	137
Amortisation for the period / year	**(453,760)**	(2,010,000)
Exchange adjustment	**112,763**	(1,434,504)
Impairment during the period / year	**-**	(9,760)
Carrying value at the end of the period / year	**26,515,121**	26,656,686

(i) Indefeasible rights of use (IRUs) are initially included in capital work in progress under property, plant and equipment once it meets the criteria for recognizing and measuring and subsequently transferred to intangibles once they are ready for intended use.

9 INVESTMENT IN ASSOCIATES AND JOINT VENTURES

The following table presents the summarised financial information of the Group's investment in associates and joint ventures.

	31 March 2019	*31 December 2018*
	(Reviewed) QR.'000	*(Audited) QR.'000*
Group's share in associates and joint ventures statement of financial position:		
Current assets	**1,111,184**	1,129,156
Non-current assets	**3,059,727**	2,966,360
Current liabilities	**(716,455)**	(736,287)
Non-current liabilities	**(2,277,673)**	(2,178,034)
Net assets	**1,176,783**	1,181,195
Goodwill	**971,420**	965,751
Carrying amount of the investment	**2,148,203**	2,146,946

	For the three-month period ended 31 March	
	2019	*2018*
	(Reviewed)	
	QR.'000	*QR.'000*
Share in revenues of associates and joint ventures	**553,898**	433,427
Share in results of associates and joint ventures – net of tax	**3,653**	(18,999)

Intaleq Technology Consulting Services is a registered limited liability which was legally incorporated in the State of Qatar on 2 April 2018 as a joint venture between the Company and Aspire Zone Foundation. The joint venture is engaged in delivery, management operations and support of ICT systems supporting the stadiums for the 2022 FIFA World Cup.

10 FINANCIAL ASSETS – EQUITY INSTRUMENTS

	31 March 2019	*31 December 2018*
	(Reviewed)	*(Audited)*
	QR.'000	*QR.'000*
Investment in equity instruments designated at FVTOCI (i)	**848,197**	855,195
Financial assets measured at FVTPL	**91,083**	92,042
	939,280	947,237

The respective fair value of these investments is disclosed in Note 25.

(i) The Group have elected to designate these investments in equity instruments as at 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 consolidated statement of profit or loss would not be consistent with the Group's strategy.

11 CASH AND CASH EQUIVALENTS

For the purpose of the condensed consolidated interim statement of cash flows, cash and cash equivalents comprise the following items:

	For the three-month period ended 31 March	
	2019	*2018*
	(Reviewed)	
	QR.'000	*QR.'000*
Bank balances and cash – net of impairment allowance	**14,592,869**	17,324,637
Bank overdraft	**(79,779)**	-
	14,513,090	17,324,637
Less: deposits with maturity more than three months	**(23,091)**	(90,628)
Less: restricted deposits	**(811,496)**	(1,245,710)
	13,678,503	15,988,299
Related to assets held for sale	**-**	62,695
Cash and cash equivalents as per interim condensed consolidated statement of cash flows	**13,678,503**	16,050,994

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 QR. 84 thousand (2018: QR. 141 thousand) as loss allowances on these balances.

12 SHARE CAPITAL

	2019		*2018*	
	No of shares (000)	***QR.'000***	*No of shares (000)*	*QR.'000*
Authorised				
*Ordinary shares of QR. 10 each**				
At 31 March / 31 December	**500,000**	**5,000,000**	500,000	5,000,000
Issued and fully paid up				
*Ordinary shares of QR. 10 each**				
At 31 March / 31 December	**320,320**	**3,203,200**	320,320	3,203,200

**Refer to Note 26 for subsequent event update on nominal share price.*

13 TRANSLATION RESERVE

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

14 INCOME TAX

The income tax represents amounts recognised by the subsidiaries. The major components of the income tax expense for the period included in the condensed consolidated interim statement of profit or loss are as follows:

	For the three-month period ended 31 March	
	2019	*2018*
	(Reviewed)	
	QR.'000	*QR.'000*
Current income tax		
Current income tax charge	**156,614**	139,931
Deferred income tax		
Relating to origination and reversal of temporary differences	**(53,543)**	(22,902)
	103,071	117,029

15 DIVIDEND

	For the three-month period ended 31 March	
	2019	*2018*
	(Reviewed)	
	QR.'000	*QR.'000*
Dividend declared and approved at the Annual General Meeting: Final Dividend for 2018, QR 2.50 per share (2017: QR 3.50 per share)	**800,800**	1,121,120

16 LOANS AND BORROWINGS

	31 March 2019	*31 December 2018*
	(Reviewed) QR.'000	*(Audited) QR.'000*
Loans and borrowings	**35,082,580**	36,966,111
Less: deferred financing costs	**(193,619)**	(206,750)
	34,888,961	36,759,361

Presented in the condensed consolidated interim statement of financial position as follows:

	31 March 2019	*31 December 2018*
	(Reviewed) QR.'000	*(Audited) QR.'000*
Non-current portion	**25,662,525**	27,479,441
Current portion	**9,226,436**	9,279,920
	34,888,961	36,759,361

The fair value of the Group's loans and borrowings, which include loans and borrowings carried at fixed rates and floating rates, amounted to QR. 35,443,305 as at 31 March 2019 (2018: QR. 36,825,982).

17 TRADE AND OTHER PAYABLES

	31 March 2019 (Reviewed) QR.'000	*31 December 2018 (Audited) (Restated) QR.'000*
Trade payables	**3,231,836**	3,456,452
Accrued expenses	**6,493,695**	6,827,135
Interest payable	**367,408**	375,234
Profit payable on Islamic financing obligation	**3,871**	3,067
License costs payable	**280,840**	414,028
Amounts due to international carriers -net	**460,328**	470,024
Negative fair value of derivatives	**113,160**	83,273
Finance lease liabilities (i)	**-**	177,969
Cash settled share based payments	**65,960**	76,544
Other payables	**1,111,665**	1,446,625
	12,128,763	13,330,351

(i) Upon adoption of IFRS 16, finance lease liabilities were reclassified to lease liabilities (Note 18).

18 LEASE LIABILITIES

	31 March 2019 (Reviewed) QR.'000	*31 December 2018 (Audited) QR.'000*
At beginning of period / year	**-**	-
Initial application of IFRS 16	**4,288,933**	-
Reclassification of finance lease liabilities	**887,538**	-
Additions during the period / year	**86,749**	-
Interest expense on lease liability	**107,242**	-
Principal element of lease payments	**(228,833)**	-
Payment of interest portion of lease liability	**(18,850)**	-
Exchange adjustments	**142,162**	-
	5,264,941	-

	31 March 2019 (Reviewed) QR.'000	*31 December 2018 (Audited) QR.'000*
Non-current portion	**4,504,042**	-
Current portion	**760,899**	-
	5,264,941	-

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.

18 LEASE LIABILITIES (CONTINUED)

	31 March 2019	*31 December 2018*
	(Reviewed)	*(Audited)*
	QR.'000	*QR.'000*
Maturity analysis		
Not later than 1 year	**1,149,122**	-
Later than 1 year and not later than 5 years	**3,503,458**	-
Later than 5 years	**2,451,804**	-
Less: unearned finance income	**(1,839,443)**	-
	5,264,941	-

19 COMPONENTS OF OTHER COMPREHENSIVE INCOME

	For the three-month period ended 31 March	
	2019	*2018*
	(Reviewed)	
	QR.'000	*QR.'000*
Items that may be reclassified subsequently to profit or loss		
Cash flow hedges		
Income arising during the period	**(82)**	308
Deferred tax effect	**12**	(28)
	(70)	280
Share of changes in fair value of cash flow hedges	**(23,512)**	2,084
Foreign exchange reserve		
Foreign exchange translation differences – foreign operations	**94,635**	189,945
Items that will not be reclassified subsequently to profit or loss		
Fair value reserve		
Net changes in fair value of equity investments at fair value through other comprehensive income	**(6,869)**	(39,238)
Employees benefit reserve		
Net movement in employees benefit reserve	**522**	3,574
Other comprehensive income for the period – net of tax	**64,706**	156,645

20 COMMITMENTS

Capital expenditure commitments not provided for	***31 March 2019 (Reviewed) QR.'000***	*31 December 2018 (Audited) QR.'000*
Estimated capital expenditure contracted for at the end of the financial reporting period / year but not provided for	**4,125,337**	2,818,880
Letters of credit	**188,165**	232,735

21 CONTINGENT LIABILITIES AND LITIGATIONS

	31 March 2019 (Reviewed) QR.'000	*31 December 2018 (Audited) QR.'000*
Contingent liabilities		
Letters of guarantees	**584,163**	570,176
Claims against the Group not acknowledged as debts	**20,373**	6,899

Litigations
All other litigations position reported in the Group's annual consolidated financial statements as at 31 December 2018 have not materially changed as at 31 March 2019, except for the potential claim of a local regulator against one of the Group's subsidiaries.

22 RELATED PARTY DISCLOSURES

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 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. 510,230 thousand (2018: QR. 429,015 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. 8,741 thousand (2018: QR. 7,922 thousand).

(ii) Industry fee (Note 5) 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.

22 RELATED PARTY DISCLOSURES (CONTINUED)

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.

The compensation and benefits related to Board of Directors and key management personnel amounted to QR. 90,553 thousand for the three-month period ended 31 March 2019 (2018: QR. 96,972 thousand), and end of service benefits amounted to QR. 3,781 thousand for the three-month period ended 31 March 2019 (2018: QR. 5,059 thousand). The remuneration to the Board of Directors and key management personnel has been included under the caption "Selling, general and administrative expenses".

23 REVENUE

	For the three-month period ended 31 March	
	2019	2018
	(Reviewed)	
	QR.'000	*QR.'000*
Revenue from rendering of services	**6,773,034**	7,006,603
Sale of telecommunication equipment	**345,969**	604,846
Equipment rental revenue	**72,890**	71,209
	7,191,893	7,682,658

24 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 mainly 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 organized into business units based on their geographical area covered, and has seven 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. *NMTC group* is a provider of mobile telecommunication services in Kuwait and elsewhere in the Middle East and North African (MENA) region. NMTC group includes balances of Ooredoo Kuwait, Ooredoo Tunisia, Ooredoo Algeria, Wataniya Palestine, Ooredoo Maldives PLC and others. Management believe that presenting NMTC as one segment will provide the most relevant information to the users of the consolidated financial statement of the Group, as NMTC is a public listed company in Kuwait and it presents detailed segment note in its consolidated financial statements, which are publically available;
4. Indosat Ooredoo is a provider of telecommunication services such as cellular services, fixed telecommunications, multimedia, data communication and internet services in Indonesia.
5. *Ooredoo Oman* is a provider of mobile and fixed telecommunication services in Oman;
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.

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.

24 SEGMENT INFORMATION (CONTINUED)

Operating segments

The following table present revenue and profit information regarding the Group's operating segments for the three-month period ended 31 March 2019 and 2018:

For the three-month period ended 31 March 2019 (Reviewed)

	Ooredoo Qatar QR.'000	*Asiacell QR.'000*	*NMTC 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	**1,753,533**	**1,067,004**	**1,625,493**	**1,432,807**	**634,869**	**254,485**	**4,843**	**-**		**6,773,034**
Sale of telecommunications equipment	**41,593**	**-**	**199,990**	**63,016**	**9,909**	**1,571**	**29,890**	**-**		**345,969**
Revenue from use of assets by others	**4,590**	**-**	**1,809**	**60,580**	**3,278**	**2,633**	**-**	**-**		**72,890**
Inter-segment	**34,397**	**3,209**	**22,968**	**775**	**1,872**	**913**	**55,122**	**(119,256)**	**(i)**	**-**
Total revenue	**1,834,113**	**1,070,213**	**1,850,260**	**1,557,178**	**649,928**	**259,602**	**89,855**	**(119,256)**		**7,191,893**
Timing of revenue recognition										
At a point in time	**65,585**	**-**	**199,990**	**63,016**	**9,909**	**1,571**	**31,806**	**(25,908)**		**345,969**
Over time	**1,768,528**	**1,070,213**	**1,650,270**	**1,494,162**	**640,019**	**258,031**	**58,049**	**(93,348)**		**6,845,924**
	1,834,113	**1,070,213**	**1,850,260**	**1,557,178**	**649,928**	**259,602**	**89,855**	**(119,256)**		**7,191,893**
Results										
Segment profit (loss) before tax	**458,946**	**134,328**	**252,235**	**(100,528)**	**124,370**	**(133,198)**	**(38,667)**	**(126,317)**	**(ii)**	**571,169**
Depreciation and amortisation	**219,204**	**334,487**	**399,578**	**687,748**	**167,191**	**209,010**	**3,933**	**126,317**	**(iii)**	**2,147,468**
Net finance costs	**233,663**	**4,070**	**30,889**	**189,909**	**7,025**	**54,392**	**(118)**	**-**		**519,830**

OOREDOO Q.P.S.C.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
For the three-month period ended 31 March 2019

24 SEGMENT INFORMATION (CONTINUED)

For the three-month period ended 31 March 2018 (Reviewed)

	Ooredoo Qatar	*Asiacell*	*NMTC*	*Indosat Ooredoo*	*Ooredoo Oman*	*Ooredoo Myanmar*	*Others*	*Adjustments and eliminations*		*Total*
	QR.'000	*QR.'000*	*QR.'000*	*QR.'000*	*QR.'000*	*QR.'000*	*QR.'000*	*QR.'000*		*QR.'000*
Revenue										
Revenue from rendering of telecom services	1,744,298	1,071,685	1,708,422	1,445,905	653,208	353,466	29,619	-		7,006,603
Sale of telecommunications equipment	51,554	-	367,290	21,851	2,310	174	161,667	-		604,846
Revenue from use of assets by others	4,562	-	943	60,262	4,129	1,313	-	-		71,209
Inter-segment	160,388	3,785	41,284	1,318	1,678	530	38,561	(247,544)	(i)	-
Total revenue	1,960,802	1,075,470	2,117,939	1,529,336	661,325	355,483	229,847	(247,544)		7,682,658
Timing of revenue recognition										
At a point in time	51,554	-	367,290	21,851	2,310	174	161,667	(146,156)		458,690
Over time	1,909,248	1,075,470	1,750,649	1,507,485	659,015	355,309	68,180	(101,388)		7,223,968
	1,960,802	1,075,470	2,117,939	1,529,336	661,325	355,483	229,847	(247,544)		7,682,658
Results										
Segment profit (loss) before tax	401,316	219,569	264,066	(140,327)	117,585	(2,820)	(54,287)	(135,944)	(ii)	669,158
Depreciation and amortisation	212,373	339,723	404,751	586,889	154,059	205,303	7,093	135,944	(iii)	2,046,135
Net finance costs	235,472	6,846	18,493	150,594	3,742	8,224	372	-		423,743

24 SEGMENT INFORMATION (CONTINUED)

(i) Inter-segment revenues are eliminated on consolidation.

(ii) Segment profit before tax does not include the following:

	For the three-month period ended 31 March	
	2019	*2018*
	(Reviewed)	
	QR.'000	*QR.'000*
Amortisation of intangibles	**126,317**	135,944

(iii) Amortisation relating to additional intangibles identified from business combination was not considered as part of segment expense.

24 SEGMENT INFORMATION (CONTINUED)

The following table presents segment assets of the Group's operating segments as at 31 March 2019 and 31 December 2018.

	Ooredoo Qatar QR.'000	*Asiacell QR.'000*	*NMTC 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 March 2019 (Reviewed)	**16,492,012**	**9,767,883**	**20,299,833**	**15,982,158**	**3,934,942**	**7,133,246**	**3,904,335**	**8,509,646**	**86,024,055**
At 31 December 2018(Audited)	18,693,034	9,850,453	19,661,685	15,256,760	3,890,053	5,438,759	4,037,784	8,470,947	85,299,475

(i) Goodwill amounting to QR. 8,509,646 (31 December 2018: QR 8,470,947 thousand) was not considered as part of segment assets.

25 FAIR VALUES OF FINANCIAL INSTRUMENTS

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; and

Level 3: Unobservable inputs for the asset or liability.

The following table provides the fair value measurement hierarchy of the Group's financial asset and liabilities at 31 March 2019 and 31 December 2018:

	31 March 2019	***Level 1***	***Level 2***	***Level 3***
	QR.'000	***QR.'000***	***QR.'000***	***QR.'000***
Assets				
Financial assets measured at fair value				
FVTOCI	**848,197**	**-**	**229,895**	**618,302**
FVTPL	**91,083**	**2,101**	**88,980**	**2**
Derivative financial instruments	**646**	**-**	**646**	**-**
Other assets for which fair value is disclosed				
Trade and other receivables	**4,356,007**	**-**	**-**	**4,356,007**
Bank balances and cash	**14,592,869**	**-**	**-**	**14,592,869**
	19,888,802	**2,101**	**319,521**	**19,567,180**
Liabilities				
Other financial liabilities measured at fair value				
Derivative financial instruments	**113,160**	**-**	**113,160**	**-**
Cash settled share-based payments	**198,709**	**-**	**198,709**	**-**
Other financial liability for which fair value is disclosed				
Loans and borrowings	**35,443,305**	**22,628,464**	**12,814,841**	**-**
	35,755,174	**22,628,464**	**13,126,710**	**-**

	31 December 2018	*Level 1*	*Level 2*	*Level 3*
	QR.'000	*QR.'000*	*QR.'000*	*QR.'000*
Assets				
Financial assets measured at fair value				
FVTOCI	855,195	-	236,894	618,301
FVTPL	92,042	3,377	88,662	3
Derivative financial instruments	264	-	264	-
Other assets for which fair value is disclosed				
Trade and other receivables	4,232,095	-	-	4,232,095
Bank balances and cash	17,493,273	-	-	17,493,273
	22,672,869	3,377	325,820	22,343,672
Liabilities				
Other financial liabilities measured at fair value				
Derivative financial instruments	83,273	-	83,273	-
Cash settled share-based payments	187,561	-	187,561	-
Other financial liability for which fair value is disclosed				
Loans and borrowings	36,825,982	21,693,684	15,132,298	-
	37,096,816	21,693,684	15,403,132	-

There were no transfers among Levels 1, 2, and 3 for the three-month period ended 31 March 2019 and for the year ended 31 December 2018.

26 EVENT AFTER THE REPORTING DATE

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 not yet been implemented pending completion of certain legal formalities, as at the end of the reporting period.

27 RESTATEMENT OF COMPARATIVE INFORMATION

Certain comparative information have been restated in order to account for the amendments and changes in relation to the initial application of IFRS 15 and IFRS 9. The restatement impacted the condensed consolidated interim statement of changes in equity for the three-month period ended 31 March 2018.

	Adjusted balance as at 1 January 2018 (As previously reported)	*Restatement*	*Adjusted balance as at 1 January 2018 (Restated)*
	QR.'000	*QR.'000*	*QR.'000*
Fair value reserve	**429,712**	**(27,657)**	**402,055**
Retained earnings	**12,238,704**	**91,648**	**12,330,352**
Non-controlling interests	**6,557,572**	**(46,624)**	**6,510,948**