



**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 2020**

# OOREDOO Q.P.S.C.

## CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REVIEW REPORT

For the three-month period ended 31 March 2020

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QR. 83371

RN: 0688/SM/FY2020

## 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 2020, 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 2020

For Deloitte & Touche  
Qatar Branch

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





**OOREDOO Q.P.S.C.**

**CONDENSED CONSOLIDATED INTERIM STATEMENT OF PROFIT OR LOSS**  
For the three-month period ended 31 March 2020

	<u>Note</u>	<i>For the three-month period ended 31 March</i>	
		<i>2020</i>	<i>2019</i>
		<i>(Reviewed)</i>	
		<i>QR. '000</i>	<i>QR. '000</i>
Revenue	4	<b>7,295,301</b>	7,191,893
Operating expenses		<b>(2,703,926)</b>	(2,630,956)
Selling, general and administrative expenses		<b>(1,561,103)</b>	(1,391,617)
Depreciation and amortisation		<b>(2,083,589)</b>	(2,147,468)
Net finance costs		<b>(464,222)</b>	(519,830)
Impairment losses on goodwill, financial assets and other assets		<b>187</b>	(155)
Other income – net	5	<b>203,409</b>	190,535
Share in results of associates and joint ventures – net of tax	11	<b>(7,591)</b>	3,653
Royalties and fees	6	<b>(113,755)</b>	(124,886)
<b>Profit before income tax</b>		<b>564,711</b>	571,169
Income tax	16	<b>(138,929)</b>	(103,071)
<b>Profit for the period</b>		<b>425,782</b>	468,098
Profit attributable to:			
Shareholders of the parent		<b>386,753</b>	420,466
Non-controlling interests		<b>39,029</b>	47,632
		<b>425,782</b>	468,098
<b>Basic and diluted earnings per share</b>			
(Attributable to shareholders of the Parent)			
(Expressed in QR. per share)	7, 28	<b>0.12</b>	0.13

The attached notes 1 to 30 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 2020

	<u>Note</u>	<i>For the three-month period ended 31 March</i>	
		<i>2020</i>	<i>2019</i>
		<i>QR. '000</i>	<i>QR. '000</i>
<b>Profit for the period</b>		<b>425,782</b>	468,098
<b>Other comprehensive income</b>			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Effective portion of changes in fair value of cash flow hedges	22	(9,571)	(70)
Share of other comprehensive income (loss) of associates and joint ventures	22	3,196	(23,512)
Foreign currency translation differences	22	(1,603,969)	94,635
		-	
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Net changes in fair value on investments in equity instruments designated as at FVTOCI	22	51,339	(6,869)
Net changes in fair value of employees benefit reserve	22	8,221	522
<b>Other comprehensive income – net of tax</b>		<b>(1,550,784)</b>	64,706
<b>Total comprehensive income for the period</b>		<b>(1,125,002)</b>	532,804
Total comprehensive income attributable to:			
Shareholders of the parent		(882,335)	473,829
Non-controlling interests		(242,667)	58,975
		<b>(1,125,002)</b>	532,804

The attached notes 1 to 30 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 2020

		<i>31 March 2020</i>	<i>31 December 2019</i>
	<u>Note</u>	<i>(Reviewed) QR. '000</i>	<i>(Audited) QR. '000</i>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	8	<b>24,987,296</b>	27,045,039
Intangible assets and goodwill	9	<b>25,568,466</b>	26,319,887
Right-of-use assets	10	<b>5,845,624</b>	6,033,848
Investment property		<b>55,166</b>	58,007
Investment in associates and joint ventures	11	<b>1,806,456</b>	1,971,912
Financial assets - equity instruments	12	<b>958,450</b>	904,440
Other non-current assets		<b>640,289</b>	732,243
Deferred tax assets		<b>588,853</b>	658,851
Contract cost and assets		<b>183,612</b>	194,971
<b>Total non-current assets</b>		<b>60,634,212</b>	63,919,198
<b>Current assets</b>			
Inventories		<b>437,897</b>	557,305
Contract costs and assets		<b>399,362</b>	345,919
Trade and other receivables		<b>8,047,290</b>	8,360,840
Bank balances and cash	13	<b>13,734,755</b>	14,716,148
		<b>22,619,304</b>	23,980,212
Assets held for sale		<b>70,086</b>	82,212
<b>Total current assets</b>		<b>22,689,390</b>	24,062,424
<b>TOTAL ASSETS</b>		<b>83,323,602</b>	87,981,622
<b>EQUITY</b>			
Share capital	14	<b>3,203,200</b>	3,203,200
Legal reserve		<b>12,434,282</b>	12,434,282
Fair value reserve		<b>595,684</b>	550,809
Employees' benefit reserve		<b>14,004</b>	5,975
Translation reserve	15	<b>(8,636,286)</b>	(7,314,294)
Other statutory reserves		<b>1,299,489</b>	1,299,489
Retained earnings		<b>12,532,513</b>	12,947,508
<b>Equity attributable to shareholders of the parent</b>		<b>21,442,886</b>	23,126,969
Non-controlling interests		<b>5,577,434</b>	5,978,017
<b>Total equity</b>		<b>27,020,320</b>	29,104,986

The attached notes 1 to 30 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 2020

		<u>31 March</u> 2020 <i>(Reviewed)</i> QR. '000	<u>31 December</u> 2019 <i>(Audited)</i> QR. '000
	<u>Note</u>		
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Loans and borrowings	18	26,370,975	25,336,943
Employees' benefits	19	687,730	766,619
Lease liabilities	21	5,448,916	5,692,809
Deferred tax liabilities		282,993	340,468
Other non-current liabilities		2,178,907	2,658,393
Contract liabilities		9,975	11,481
<b>Total non-current liabilities</b>		<u>34,979,496</u>	<u>34,806,713</u>
<b>Current liabilities</b>			
Loans and borrowings	18	3,323,986	5,410,332
Lease liabilities	21	988,477	956,494
Trade and other payables	20	13,224,404	13,774,974
Deferred income		2,076,603	2,265,590
Contract liabilities		207,730	117,768
Income tax payable		1,502,586	1,544,765
<b>Total current liabilities</b>		<u>21,323,786</u>	<u>24,069,923</u>
<b>Total liabilities</b>		<u>56,303,282</u>	<u>58,876,636</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>83,323,602</u>	<u>87,981,622</u>

  
.....  
Faisal Bin Thani Al Thani  
Chairman

  
.....  
Nasser Mohammed Marafih  
Deputy Chairman

The attached notes 1 to 30 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 2020

	<i>Attributable to shareholders of the parent</i>							<i>Non – controlling interests</i>	<i>Total equity</i>	
	<i>Share capital</i>	<i>Legal reserve</i>	<i>Fair value reserve</i>	<i>Employees benefit reserve</i>	<i>Translation reserve</i>	<i>Other statutory reserves</i>	<i>Retained earnings</i>			<i>Total</i>
	<i>QR. '000</i>	<i>QR. '000</i>	<i>QR. '000</i>	<i>QR. '000</i>	<i>QR. '000</i>	<i>QR. '000</i>	<i>QR. '000</i>	<i>QR. '000</i>	<i>QR. '000</i>	
<b>At 1 January 2020</b>	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 period	-	-	-	-	-	-	386,753	386,753	39,029	425,782
Other comprehensive income (loss)	-	-	44,875	8,029	(1,321,992)	-	-	(1,269,088)	(281,696)	(1,550,784)
Total comprehensive income (loss) for the period	-	-	44,875	8,029	(1,321,992)	-	386,753	(882,335)	(242,667)	(1,125,002)
<b><i>Transaction with shareholders of the parent, recognised directly in equity</i></b>										
Dividend for 2019	-	-	-	-	-	-	(800,800)	(800,800)	-	(800,800)
<b><i>Transaction with non-controlling interest, recognised directly in equity</i></b>										
Change in associate's non-controlling interest in its subsidiary	-	-	-	-	-	-	639	639		639
Dividends for 2019	-	-	-	-	-	-	-	-	(157,615)	(157,615)
<b><i>Transaction with non-owners of the Group, recognised directly in equity</i></b>										
Transfer to employee association fund	-	-	-	-	-	-	(1,587)	(1,587)	(301)	(1,888)
<b>At 31 March 2020</b>	<b>3,203,200</b>	<b>12,434,282</b>	<b>595,684</b>	<b>14,004</b>	<b>(8,636,286)</b>	<b>1,299,489</b>	<b>12,532,513</b>	<b>21,442,886</b>	<b>5,577,434</b>	<b>27,020,320</b>

The attached notes 1 to 30 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 2020

	<i>Attributable to shareholders of the parent</i>							<i>Non – controlling interests (Restated)</i>	<i>Total equity (Restated)</i>	
	<i>Share capital</i>	<i>Legal reserve</i>	<i>Fair value reserve</i>	<i>Employees benefit reserve</i>	<i>Translation reserve</i>	<i>Other statutory reserves</i>	<i>Retained earnings (Restated)</i>			<i>Total (Restated)</i>
	<i>QR. '000</i>	<i>QR. '000</i>	<i>QR. '000</i>	<i>QR. '000</i>	<i>QR. '000</i>	<i>QR. '000</i>	<i>QR. '000</i>			<i>QR. '000</i>
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 29)	-	-	-	-	-	-	(416,503)	(416,503)	(10,827)	(427,330)
Adjusted balance as at 1 January 2019 (Note 29)	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 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
<i>Transaction with shareholders of the parent, recognised directly in equity</i>										
Dividend for 2018	-	-	-	-	-	-	(800,800)	(800,800)	-	(800,800)
<i>Transaction with non-controlling interest, recognised directly in equity</i>										
Change in associate's non-controlling interest in its subsidiary	-	-	-	-	-	-	20,825	20,825	-	20,825
Dividends for 2018	-	-	-	-	-	-	-	-	(164,771)	(164,771)
<i>Transaction with non-owners of the Group, recognised directly in equity</i>										
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	11,718,511	21,484,539	5,852,074	27,336,613

The attached notes 1 to 30 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 2020

	Note	<i>For the three-month period ended</i>	
		<i>31 March</i>	
		<i>2020</i>	<i>2019</i>
		<i>(Reviewed)</i>	
		<i>QR. '000</i>	<i>QR. '000</i>
<b>OPERATING ACTIVITIES</b>			
Profit before income tax		564,711	571,169
Adjustments for:			
Depreciation and amortization	8, 9, 10	2,083,589	2,147,468
Dividend income		-	(2,692)
Impairment losses on goodwill, financial assets, right-of-use assets and other assets		(187)	155
Gain on disposal of investments at FVTPL		-	(208)
Changes in fair value of FVTPL investments		(7,495)	1,477
(Gain) loss on disposal of property, plant and equipment		(10,896)	3,705
Net finance cost		464,222	519,830
Provision for employees' benefits		24,210	48,435
Provision against doubtful debts		97,636	64,949
Share of results in associates and joint ventures – net of tax	11	7,591	(3,653)
<b>Operating profit before working capital changes</b>		<b>3,223,381</b>	<b>3,350,635</b>
Working capital changes:			
Changes in inventories		119,408	(58,421)
Changes in trade and other receivables		228,040	(117,523)
Changes in contract costs and assets		(42,084)	19,410
Changes in trade and other payables		(1,072,214)	(957,649)
Changes in contract liabilities		88,456	(2,455)
<b>Cash from operations</b>		<b>2,544,987</b>	<b>2,233,997</b>
Finance costs paid		(544,210)	(520,508)
Employees' benefits paid		(21,242)	(19,844)
Income tax paid		(178,083)	(250,654)
<b>Net cash from operating activities</b>		<b>1,801,452</b>	<b>1,442,991</b>
<b>INVESTING ACTIVITIES</b>			
Acquisition of property, plant and equipment	8	(776,275)	(1,063,178)
Acquisition of intangible assets	9	(389,906)	(182,711)
Additional investment in associates		(2,302)	-
Acquisition of investment securities		(8,010)	-
Proceeds from disposal of property, plant and equipment		16,197	31,990
Proceeds from disposal of investments at FVTPL		119	704
Movement in restricted deposits		(17,175)	(19,887)
Movement in short-term deposits		194,061	76,043
Movement in other non-current assets		84,282	(31,298)
Dividend received		38,150	12,176
Interest received		79,577	97,042
<b>Net cash used in investing activities</b>		<b>(781,282)</b>	<b>(1,079,119)</b>

The attached notes 1 to 30 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 2020**

	<u>Note</u>	<i>For the three-month period ended 31 March</i>	
		<i>2020</i>	<i>2019</i>
		<i>(Reviewed)</i>	
		<i>QR. '000</i>	<i>QR. '000</i>
<b>FINANCING ACTIVITIES</b>			
Proceeds from loans and borrowings		<b>3,091,108</b>	1,952,515
Repayment of loans and borrowings		<b>(3,258,968)</b>	(3,911,047)
Principal elements of lease payments	21	<b>(241,747)</b>	(228,833)
Additions to deferred financing costs		<b>(219)</b>	(1,654)
Dividend paid to shareholders of the parent	17	<b>(800,800)</b>	(800,800)
Dividend paid to non-controlling interests		<b>(157,615)</b>	(164,771)
Movement in other non-current liabilities		<b>(479,486)</b>	(84,946)
<b>Net cash used in financing activities</b>		<b>(1,847,727)</b>	(3,239,536)
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>			
		<b>(827,557)</b>	(2,875,664)
Effect of exchange rate fluctuations		<b>57,054</b>	21,025
Cash and cash equivalents at 1 January		<b>13,353,881</b>	16,533,142
<b>CASH AND CASH EQUIVALENTS 31 MARCH (i)</b>	13	<b>12,583,378</b>	13,678,503

(i) Refer to Note 13 for details of non-cash transaction.



## OOREDOO Q.P.S.C.

### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS For the three-month period ended 31 March 2020

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#### 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 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 2020 were authorised for issuance in accordance with a resolution of the Board of Directors of the Group on 29 April 2020.

#### 2 BASIS OF PREPARATION

The condensed consolidated interim financial statements for the three-month period ended 31 March 2020 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 2019. In addition, results for the three-month period ended 31 March 2020 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2020.

##### *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, the key sources of estimation uncertainty and financial risk management objectives and policies were the same as those that applied to the Group’s annual consolidated financial statements for the year ended 31 December 2019, except those discussed in Note 3.2.1 and Note 30, which are primarily arising due to impact of Coronavirus (“COVID-19”).



## OOREDOO Q.P.S.C.

### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS For the three-month period ended 31 March 2020

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#### 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 2019, 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 and as disclosed in Note 3.2.

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

##### **(i) Revised standards**

Effective for annual periods beginning on or after 1 January 2020

- Amendments to IFRS 3 *Amendments to clarify the definition of a business*
- Amendments to IFRS 7 *Amendments regarding pre-replacement issues in the context of the IBOR reform.*
- Amendments to IFRS 9 *Amendments regarding pre-replacement issues in the context of the IBOR reform*
- Amendments to IAS 1, IAS 8 *Amendments regarding the definition of material*

##### **(ii) New and revised standards and interpretations but not yet effective:**

Effective for annual periods beginning on or after 1 January 2021

- Amendments regarding the classification of liabilities
- Original issue regarding IFRS 17 Insurance contracts
- 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 an investor to its associate or joint venture

#### 3.2 CHANGES IN ACCOUNTING POLICIES

##### 3.2.1 CHANGES IN JUDGMENT, ESTIMATES AND RISK MANAGEMENT

###### *Change in estimated useful life*

In 2019, one of the Group's subsidiaries, Asiacell Communications PJSC ("Asiacell") applied for a renewal of its mobile license for an additional period of 5 years, which was approved by CMC in 2020. As a result the useful life of the license from 15 years to 20 years. No additional cost was capitalized as the Authority has yet to provide the actual amount for renewal, which will be considered in subsequent quarters.

###### *Change in functional currency by Asiacell*

On 1 January 2020, Asiacell has changed its functional currency from US Dollar to Iraqi Dinar. The subsidiary changed its functional currency as it has met the requirements of IFRS.



## OOREDOO Q.P.S.C.

### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS For the three-month period ended 31 March 2020

#### 4 REVENUE

	<i>For the three-month period ended 31 March</i>	
	2020	2019
	<i>(Reviewed)</i>	
	<i>QR. '000</i>	<i>QR. '000</i>
Revenue from rendering of services	6,941,092	6,773,034
Sale of telecommunication equipment	305,406	345,969
Equipment rental revenue	48,803	72,890
	<b>7,295,301</b>	<b>7,191,893</b>
	<i>For the three-month period ended 31 March</i>	
	2020	2019
	<i>(Reviewed)</i>	
	<i>QR. '000</i>	<i>QR. '000</i>
At a point in time	305,406	345,969
Over time	6,989,895	6,845,924
	<b>7,295,301</b>	<b>7,191,893</b>

Management expects that the transaction price allocated to the unsatisfied contracts as at 31 March 2020, mainly relating to deferred income, will be recognized as revenue during subsequent period.

#### 5 OTHER INCOME – NET

	<i>For the three-month period ended 31 March</i>	
	2020	2019
	<i>(Reviewed)</i>	
	<i>QR. '000</i>	<i>QR. '000</i>
Foreign currency gains – net	156,820	81,969
Dividend income	-	2,692
Rental income	8,099	7,194
Change in fair value of derivatives – net	21,484	(3,380)
Unrealised gain (loss) on equity investment at FVTPL	7,495	(1,477)
Miscellaneous income – net	9,511	103,537
	<b>203,409</b>	<b>190,535</b>



## OOREDOO Q.P.S.C.

### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS For the three-month period ended 31 March 2020

#### 6 ROYALTIES AND FEES

	<i>For the three-month period ended 31 March</i>	
	<b>2020</b>	2019
	<i>(Reviewed)</i>	
	<i>QR. '000</i>	<i>QR. '000</i>
Royalty (i)	<b>62,437</b>	68,516
Industry fees (ii)	<b>48,831</b>	51,533
Other statutory fees (iii)	<b>2,487</b>	4,837
	<b>113,755</b>	124,886

#### *Notes*

- (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.

#### 7 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.

	<i>For the three-month period ended 31 March</i>	
	<b>2020</b>	2019
	<i>(Reviewed)</i>	
Profit for the period attributable to shareholders of the parent (QR.'000)	<b>386,753</b>	420,466
Weighted average number of shares (In '000)*	<b>3,203,200</b>	3,203,200
Basic and diluted earnings per share (QR.)*	<b>0.12</b>	0.13

\*Refer to Note 28 for information on share split.



## OOREDOO Q.P.S.C.

### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS For the three-month period ended 31 March 2020

#### 8 PROPERTY, PLANT AND EQUIPMENT

	<i>31 March 2020</i>	<i>31 December 2019</i>
	<i>(Reviewed)</i>	<i>(Audited)</i>
	<i>QR. '000</i>	<i>QR. '000</i>
Net book value at beginning of the period / year	<b>27,045,039</b>	27,207,493
Initial application of IFRS 16	-	(880,280)
Additions	<b>776,275</b>	6,344,032
Disposals	<b>(5,243)</b>	(321,819)
Reclassification	<b>(10,016)</b>	(15,989)
Depreciation for the period / year	<b>(1,435,218)</b>	(5,707,580)
Exchange adjustment	<b>(1,383,541)</b>	419,182
	<b>24,987,296</b>	27,045,039
Carrying value at the end of the period / year	<b>24,987,296</b>	27,045,039

- (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 2020, Asiacell had received parcels of lands and buildings located in Baghdad and Sulaymaniah amounting to QR. 481,900 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 period, Asiacell appointed a third party consultant to review the status of these properties.
- (ii) Certain property, plant and equipment amounting to QR. 138,837 thousand (2019: QR. 138,837 thousand) are used as collaterals to secure the Group's borrowings.

Refer to Note 30 for the assessment and conclusion made as a result of COVID-19.

#### 9 INTANGIBLE ASSETS AND GOODWILL

	<i>31 March 2020</i>	<i>31 December 2019</i>
	<i>(Reviewed)</i>	<i>(Audited)</i>
	<i>QR. '000</i>	<i>QR. '000</i>
Net book value at beginning of the period / year	<b>26,319,887</b>	26,656,686
Additions	<b>744,936</b>	1,124,300
Disposals	<b>(58)</b>	(3,253)
Reclassification from property, plant and equipment (Note 8)	<b>10,016</b>	1,273
Amortisation for the period / year	<b>(363,079)</b>	(2,032,222)
Exchange adjustment	<b>(1,143,236)</b>	573,103
	<b>25,568,466</b>	26,319,887
Carrying value at the end of the period / year	<b>25,568,466</b>	26,319,887

- (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.

Refer to Note 30 for the assessment and conclusion made as a result of COVID-19.





## OOREDOO Q.P.S.C.

### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS For the three-month period ended 31 March 2020

#### 10 RIGHT-OF-USE ASSETS

The Group leases several assets including land and buildings, exchange and network assets, subscriber apparatus and other equipment, and Infeasible rights-of-use (IRU) assets. The average lease term is 2 to 20 years (2019: 2 to 20 years).

	<i>31 March 2020</i>	<i>31 December 2019</i>
	<i>(Reviewed)</i>	<i>(Audited)</i>
	<i>QR. '000</i>	<i>QR. '000</i>
Net book value at beginning of the period / year	<b>6,033,848</b>	5,619,868
Additions	<b>311,151</b>	1,595,425
Disposals	-	(162,476)
Amortisation during the year	<b>(282,451)</b>	(1,108,826)
Reduction on early termination	<b>(2,163)</b>	(11,638)
Exchange adjustment	<b>(214,761)</b>	101,495
	<b><u>5,845,624</u></b>	<u>6,033,848</u>
Carrying value at the end of the period / year		

Refer to Note 30 for the assessment and conclusion made as a result of COVID-19.

#### 11 INVESTMENT IN ASSOCIATES AND JOINT VENTURES

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

	<i>31 March 2020</i>	<i>31 December 2019</i>
	<i>(Reviewed)</i>	<i>(Audited)</i>
	<i>QR. '000</i>	<i>QR. '000</i>
Group's share in associates and joint ventures statement of financial position:		
Current assets	<b>985,936</b>	1,085,829
Non-current assets	<b>2,769,153</b>	3,009,595
Current liabilities	<b>(867,388)</b>	(743,909)
Non-current liabilities	<b>(1,931,546)</b>	(2,280,708)
	<b><u>956,155</u></b>	<u>1,070,807</u>
Net assets		
Goodwill	<b>850,301</b>	901,105
	<b><u>1,806,456</u></b>	<u>1,971,912</u>
Carrying amount of the investment		



## OOREDOO Q.P.S.C.

### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS For the three-month period ended 31 March 2020

#### 11. INVESTMENT IN ASSOCIATES AND JOINT VENTURES (CONTINUED)

	<i>For the three-month period ended</i>	
	<i>31 March</i>	
	<i>2020</i>	<i>2019</i>
	<i>(Reviewed)</i>	
	<i>QR. '000</i>	<i>QR. '000</i>
Share in revenues of associates and joint ventures	<u>489,913</u>	<u>553,898</u>
Share in results of associates and joint ventures – net of tax	<u>(7,591)</u>	<u>3,653</u>

#### 12. FINANCIAL ASSETS – EQUITY INSTRUMENTS

	<i>31 March</i>	<i>31 December</i>
	<i>2020</i>	<i>2019</i>
	<i>(Reviewed)</i>	<i>(Audited)</i>
	<i>QR. '000</i>	<i>QR. '000</i>
Investment in equity instruments designated at FVTOCI (i)	<u>886,156</u>	<u>828,789</u>
Financial assets measured at FVTPL	<u>72,294</u>	<u>75,651</u>
	<u>958,450</u>	<u>904,440</u>

The respective fair value of these investments is disclosed in Note 27.

(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 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 the condensed consolidated interim statement of profit or loss would not be consistent with the Group's strategy.

#### 13. CASH AND CASH EQUIVALENTS

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

	<i>For the three-month period ended</i>	
	<i>31 March</i>	
	<i>2020</i>	<i>2019</i>
	<i>(Reviewed)</i>	
	<i>QR. '000</i>	<i>QR. '000</i>
Bank balances and cash – net of impairment allowance	<u>13,734,755</u>	<u>14,592,869</u>
Bank overdraft	<u>(258,413)</u>	<u>(79,779)</u>
	<u>13,476,342</u>	<u>14,513,090</u>
Less: deposits with maturity more than three months	<u>(15,403)</u>	<u>(23,091)</u>
Less: restricted deposits	<u>(877,561)</u>	<u>(811,496)</u>
Cash and cash equivalents as per interim condensed consolidated statement of cash flows	<u>12,583,378</u>	<u>13,678,503</u>



## OOREDOO Q.P.S.C.

### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS For the three-month period ended 31 March 2020

#### 13 CASH AND CASH EQUIVALENTS (CONTINUED)

##### *Non-cash transaction*

- During the three-month period, the non-cash additions to intangible assets amounted to QR. 355,030 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 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 Group has recorded an impairment loss of QR. 302 thousand during the three-month period ended 31 March 2020 (2019: QR. 84 thousand).

#### 14 SHARE CAPITAL

	2020		2019	
	<i>No of shares (000)</i>	<i>QR.'000</i>	<i>No of shares (000)</i>	<i>QR.'000</i>
<b>Authorised</b>				
<i>Ordinary shares of QR. 1 each*</i>				
At 31 March / 31 December	<u>5,000,000</u>	<u>5,000,000</u>	<u>5,000,000</u>	<u>5,000,000</u>
<b>Issued and fully paid up</b>				
<i>Ordinary shares of QR. 1 each*</i>				
At 31 March / 31 December	<u>3,203,200</u>	<u>3,203,200</u>	<u>3,203,200</u>	<u>3,203,200</u>

\*Refer to Note 28 for information on share split.

#### 15 TRANSLATION RESERVE

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

#### 16 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:

	<i>For the three-month period ended 31 March</i>	
	<i>2020</i>	<i>2019</i>
	<i>(Reviewed)</i>	
	<i>QR.'000</i>	<i>QR.'000</i>
<b>Current income tax</b>		
Current income tax charge	<u>135,904</u>	156,614
<b>Deferred income tax</b>		
Relating to origination and reversal of temporary differences	<u>3,025</u>	<u>(53,543)</u>
	<u>138,929</u>	<u>103,071</u>

Refer to Note 30 for the assessment and conclusion made as a result of COVID-19.



## OOREDOO Q.P.S.C.

### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS For the three-month period ended 31 March 2020

#### 17 DIVIDEND

	<i>For the three-month period ended 31 March</i>	
	<i>2020</i>	<i>2019</i>
	<i>(Reviewed)</i>	
	<i>QR. '000</i>	<i>QR. '000</i>
Dividend declared and approved at the Annual General Meeting: Final Dividend for 2019, QR 0.25 per share* (2018: QR 2.50 per share)*	<b>800,800</b>	800,800

\*Refer to Note 28 for information on share split

#### 18 LOANS AND BORROWINGS

	<i>31 March 2020</i>	<i>31 December 2019</i>
	<i>(Reviewed)</i>	<i>(Audited)</i>
	<i>QR. '000</i>	<i>QR. '000</i>
Loans and borrowings	<b>29,868,770</b>	30,932,248
Less: deferred financing costs	<b>(173,809)</b>	(184,973)
	<b>29,694,961</b>	30,747,275

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

	<i>31 March 2020</i>	<i>31 December 2019</i>
	<i>(Reviewed)</i>	<i>(Audited)</i>
	<i>QR. '000</i>	<i>QR. '000</i>
Non-current portion	<b>26,370,975</b>	25,336,943
Current portion	<b>3,323,986</b>	5,410,332
	<b>29,694,961</b>	30,747,275

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. 30,289,045 as at 31 March 2020 (2019: QR. 31,942,380).

#### 19 EMPLOYEES' BENEFITS

Employees' benefits represent end of service benefits, pensions and other post-employment benefits, and long-term incentives in the form of incentive points.

The carrying amount of the liability arising from long-term incentive 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 payments approximates its fair value.



## OOREDOO Q.P.S.C.

### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS For the three-month period ended 31 March 2020

#### 20 TRADE AND OTHER PAYABLES

	<i>31 March 2020</i>	<i>31 December 2019</i>
	<i>(Reviewed)</i>	<i>(Audited)</i>
	<i>QR. '000</i>	<i>QR. '000</i>
Trade payables	2,703,432	2,727,934
Accrued expenses	7,520,743	8,410,414
Interest payable	257,464	315,986
Profit payable on Islamic financing obligation	5,729	7,245
License costs payable	773,124	355,101
Amounts due to international carriers -net	497,567	489,513
Negative fair value of derivatives	143,629	98,760
Long term incentive points-based payments	135,084	108,868
Other payables	1,187,632	1,261,153
	<b>13,224,404</b>	<b>13,774,974</b>

#### 21 LEASE LIABILITIES

	<i>31 March 2020</i>	<i>31 December 2019</i>
	<i>(Reviewed)</i>	<i>(Audited)</i>
	<i>QR. '000</i>	<i>QR. '000</i>
Net book value at beginning of the period / year	6,649,303	-
Initial application of IFRS 16	-	4,709,986
Reclassification of finance lease liabilities	-	887,538
Additions during the period / year	311,151	2,014,735
Interest expense on lease liability	123,653	451,996
Principal element of lease payments	(241,747)	(1,265,585)
Payment of interest portion of lease liability	(74,405)	(171,325)
Reduction on early termination	(2,340)	(11,757)
Exchange adjustments	(328,222)	33,715
Carrying value at the end of the period / year	<b>6,437,393</b>	<b>6,649,303</b>
	<i>31 March 2020</i>	<i>31 December 2019</i>
	<i>(Reviewed)</i>	<i>(Audited)</i>
	<i>QR. '000</i>	<i>QR. '000</i>
Non-current portion	5,448,916	5,692,809
Current portion	988,477	956,494
	<b>6,437,393</b>	<b>6,649,303</b>

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.



## OOREDOO Q.P.S.C.

### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS For the three-month period ended 31 March 2020

#### 21 LEASE LIABILITIES (CONTINUED)

	<i>31 March 2020</i>	<i>31 December 2019</i>
	<i>(Reviewed)</i>	<i>(Audited)</i>
	<i>QR. '000</i>	<i>QR. '000</i>
<b>Maturity analysis</b>		
Not later than 1 year	1,426,174	1,429,929
Later than 1 year and not later than 5 years	4,286,228	4,219,386
Later than 5 years	2,979,050	3,394,521
Less: unearned finance income	<u>(2,254,059)</u>	<u>(2,394,533)</u>
	<u><b>6,437,393</b></u>	<u><b>6,649,303</b></u>

#### 22 COMPONENTS OF OTHER COMPREHENSIVE INCOME

	<i>For the three-month period ended 31 March</i>	
	<i>2020</i>	<i>2019</i>
	<i>(Reviewed)</i>	
	<i>QR. '000</i>	<i>QR. '000</i>
<i>Items that may be reclassified subsequently to profit or loss</i>		
<i>Cash flow hedges</i>		
Income arising during the period	(9,571)	(82)
Deferred tax effect	<u>-</u>	<u>12</u>
	<u>(9,571)</u>	<u>(70)</u>
Share of changes in fair value of cash flow hedges	<u><b>3,196</b></u>	<u>(23,512)</u>
<i>Foreign exchange reserve</i>		
Foreign exchange translation differences – foreign operations	<u>(1,603,969)</u>	<u>94,635</u>
<i>Items that will not be reclassified subsequently to profit or loss</i>		
<i>Fair value reserve</i>		
Net changes in fair value of equity investments at fair value through other comprehensive income	<u>51,339</u>	<u>(6,869)</u>
<i>Employees benefit reserve</i>		
Net movement in employees benefit reserve	<u>8,221</u>	<u>522</u>
<b>Other comprehensive income for the period – net of tax</b>	<u><b>(1,550,784)</b></u>	<u><b>64,706</b></u>

#### 23 COMMITMENTS

	<i>31 March 2020</i>	<i>31 December 2019</i>
	<i>(Reviewed)</i>	<i>(Audited)</i>
	<i>QR. '000</i>	<i>QR. '000</i>
<b>Capital expenditure commitments not provided for</b>		
Estimated capital expenditure contracted for at the end of the financial reporting period / year but not provided for	<u>3,393,233</u>	<u>3,203,745</u>
Letters of credit	<u><b>193,040</b></u>	<u><b>185,014</b></u>



## OOREDOO Q.P.S.C.

### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS For the three-month period ended 31 March 2020

#### 24 CONTINGENT LIABILITIES AND LITIGATIONS

	<i>31 March 2020</i>	<i>31 December 2019</i>
	<i>(Reviewed)</i>	<i>(Audited)</i>
	<i>QR. '000</i>	<i>QR. '000</i>
<b>Contingent liabilities</b>		
Letters of guarantees	<u>796,014</u>	<u>827,153</u>
Claims against the Group not acknowledged as debts	<u>22,242</u>	<u>22,242</u>

#### Litigations

All other litigations position reported in the Group's annual consolidated financial statements as at 31 December 2019 have not materially changed as at 31 March 2020.

Refer to Note 30 for the assessment and conclusion made as a result of COVID-19.

#### 25 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. 505,406 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. 9,497 thousand (2019: QR. 8,741 thousand).

(iii) Industry fee (Note 6) 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.

The compensation and benefits related to Board of Directors and key management personnel amounted to QR. 94,092 thousand for the three-month period ended 31 March 2020 (2019: QR. 90,553 thousand), and end of service benefits amounted to QR. 4,996 thousand for the three-month period ended 31 March 2020 (2019: QR. 3,781 thousand). The remuneration to the Board of Directors and key management personnel has been included under the caption "Selling, general and administrative expenses".



## OOREDOO Q.P.S.C.

### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS For the three-month period ended 31 March 2020

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#### 26 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. *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 Middle East and North African (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 mentioned 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.

In prior period, 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.





## OOREDOO Q.P.S.C.

### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the three-month period ended 31 March 2020

#### 26 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 2020 and 2019:

*For the three-month period ended 31 March 2020 (Reviewed)*

	<i>Ooredoo Qatar</i>	<i>Asiacell</i>	<i>Ooredoo Algeria</i>	<i>Indosat Ooredoo</i>	<i>Ooredoo Oman</i>	<i>Ooredoo Myanmar</i>	<i>Others</i>	<i>Adjustments and eliminations</i>	<i>Total</i>
	<i>QR. '000</i>	<i>QR. '000</i>	<i>QR. '000</i>	<i>QR. '000</i>	<i>QR. '000</i>	<i>QR. '000</i>	<i>QR. '000</i>	<i>QR. '000</i>	<i>QR. '000</i>
<b>Revenue</b>									
Revenue from rendering of telecom services	1,702,397	1,083,966	586,247	1,622,442	608,123	279,378	1,058,539	-	6,941,092
Sale of telecommunications equipment	19,009	-	1,571	8,993	24,351	866	250,616	-	305,406
Revenue from use of assets by others	4,848	-	-	34,810	4,393	2,938	1,814	-	48,803
Inter-segment	40,881	716	6,574	2,394	1,318	487	77,111	(129,481) (i)	-
<b>Total revenue</b>	<b>1,767,135</b>	<b>1,084,682</b>	<b>594,392</b>	<b>1,668,639</b>	<b>638,185</b>	<b>283,669</b>	<b>1,388,080</b>	<b>(129,481)</b>	<b>7,295,301</b>
Timing of revenue recognition									
At a point in time	44,593	-	1,571	8,993	24,351	866	262,347	(37,315)	305,406
Over time	1,722,542	1,084,682	592,821	1,659,646	613,834	282,803	1,125,733	(92,166)	6,989,895
	<b>1,767,135</b>	<b>1,084,682</b>	<b>594,392</b>	<b>1,668,639</b>	<b>638,185</b>	<b>283,669</b>	<b>1,388,080</b>	<b>(129,481)</b>	<b>7,295,301</b>
<b>Results</b>									
Segment profit (loss) before tax	<b>478,140</b>	<b>231,314</b>	<b>4,267</b>	<b>(127,781)</b>	<b>99,127</b>	<b>53,232</b>	<b>(66,799)</b>	<b>(106,789) (ii)</b>	<b>564,711</b>
Depreciation and amortisation	<b>213,258</b>	<b>239,065</b>	<b>188,382</b>	<b>687,217</b>	<b>181,424</b>	<b>215,333</b>	<b>252,121</b>	<b>106,789 (iii)</b>	<b>2,083,589</b>
Net finance costs	<b>180,973</b>	<b>326</b>	<b>8,637</b>	<b>192,320</b>	<b>7,909</b>	<b>58,316</b>	<b>15,741</b>	<b>-</b>	<b>464,222</b>

\*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 the three-month period ended 31 March 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



## OOREDOO Q.P.S.C.

### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS For the three-month period ended 31 March 2020

#### 26 SEGMENT INFORMATION (CONTINUED)

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

	<i>Ooredoo Qatar</i> QR. '000	<i>Asiacell</i> QR. '000	<i>Ooredoo Algeria</i> QR. '000	<i>Indosat Ooredoo</i> QR. '000	<i>Ooredoo Oman</i> QR. '000	<i>Ooredoo Myanmar</i> QR. '000	<i>Others</i> QR. '000	<i>Adjustments and eliminations</i> QR. '000	<i>Total</i> QR. '000
Revenue									
Revenue from rendering of telecom services	1,753,533	1,067,004	618,240	1,432,807	634,869	254,485	1,012,096	-	6,773,034
Sale of telecommunications equipment	41,593	-	22,714	63,016	9,909	1,571	207,166	-	345,969
Revenue from use of assets by others	4,590	-	-	60,580	3,278	2,633	1,809	-	72,890
Inter-segment	34,397	3,209	3,289	775	1,872	913	74,801	(119,256) (i)	-
<b>Total revenue</b>	<b>1,834,113</b>	<b>1,070,213</b>	<b>644,243</b>	<b>1,557,178</b>	<b>649,928</b>	<b>259,602</b>	<b>1,295,872</b>	<b>(119,256)</b>	<b>7,191,893</b>
Timing of revenue recognition									
At a point in time	65,585	-	22,714	63,016	9,909	1,571	209,082	(25,908)	345,969
Over time	1,768,528	1,070,213	621,529	1,494,162	640,019	258,031	1,086,790	(93,348)	6,845,924
	<b>1,834,113</b>	<b>1,070,213</b>	<b>644,243</b>	<b>1,557,178</b>	<b>649,928</b>	<b>259,602</b>	<b>1,295,872</b>	<b>(119,256)</b>	<b>7,191,893</b>
Results									
Segment profit (loss) before tax	458,946	134,328	82,368	(100,528)	124,370	(133,198)	131,200	(126,317) (ii)	571,169
Depreciation and amortisation	219,204	334,487	171,046	687,748	167,191	209,010	232,465	126,317 (iii)	2,147,468
Net finance costs	233,663	4,070	9,399	189,909	7,025	54,392	21,372	-	519,830



## OOREDOO Q.P.S.C.

### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS For the three-month period ended 31 March 2020

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#### 26 SEGMENT INFORMATION (CONTINUED)

- (i) Inter-segment revenues are eliminated on consolidation.
- (ii) Segment profit before tax does not include the following:

	<i>For the three-month period ended 31 March</i>	
	<i>2020</i>	<i>2019</i>
	<i>(Reviewed)</i>	
	<i>QR. '000</i>	<i>QR. '000</i>
Amortisation of intangibles	<u><b>(106,789)</b></u>	<u>(126,317)</u>

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



## OOREDOO Q.P.S.C.

### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the three-month period ended 31 March 2020

#### 26 SEGMENT INFORMATION (CONTINUED)

The following table presents segment assets of the Group's operating segments as at 31 March 2020 and 31 December 2019.

	<i>Ooredoo Qatar</i>	<i>Asiacell</i>	<i>Ooredoo Algeria</i>	<i>Indosat Ooredoo</i>	<i>Ooredoo Oman</i>	<i>Ooredoo Myanmar</i>	<i>Others</i>	<i>Adjustments and eliminations</i>	<i>Total</i>
	<i>QR.'000</i>	<i>QR.'000</i>	<i>QR.'000</i>	<i>QR.'000</i>	<i>QR.'000</i>	<i>QR.'000</i>	<i>QR.'000</i>	<i>QR.'000</i>	<i>QR.'000</i>
<b>Segment assets (i)</b>									
<b>At 31 March 2020 (Reviewed)</b>	<b><u>15,023,193</u></b>	<b><u>9,662,630</u></b>	<b><u>4,102,171</u></b>	<b><u>14,536,185</u></b>	<b><u>4,552,357</u></b>	<b><u>7,051,507</u></b>	<b><u>11,527,435</u></b>	<b><u>16,868,124</u></b>	<b><u>83,323,602</u></b>
At 31 December 2019 (Audited)	<u>15,708,374</u>	<u>9,592,206</u>	<u>4,459,738</u>	<u>17,637,300</u>	<u>4,168,799</u>	<u>6,733,000</u>	<u>11,671,230</u>	<u>18,010,975</u>	<u>87,981,622</u>

- (i) Goodwill and other intangibles arising from business combinations amounting to QR. 16,868,124 thousand (31 December 2019: QR. 18,010,975 thousand) were not considered as part of segment assets.

**OOREDOO Q.P.S.C.**
**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**For the three-month period ended 31 March 2020**
**27 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 2020 and 31 December 2019:

	<i>31 March</i>			
	<i>2020</i>	<i>Level 1</i>	<i>Level 2</i>	<i>Level 3</i>
	<i>QR. '000</i>	<i>QR. '000</i>	<i>QR. '000</i>	<i>QR. '000</i>
<b>Assets</b>				
<b>Financial assets measured at fair value</b>				
FVTOCI	886,156	-	240,162	645,994
FVTPL	72,294	1,516	70,776	2
Derivative financial instrument	17,629	-	17,629	-
<b>Other assets for which fair value is disclosed</b>				
Trade and other receivables	4,135,845	-	-	4,135,845
Bank balances and cash	13,734,755	-	-	13,734,755
	<u>18,846,679</u>	<u>1,516</u>	<u>328,567</u>	<u>18,516,596</u>
<b>Liabilities</b>				
<b>Other financial liabilities measured at fair value</b>				
Derivative financial instruments	143,629	-	143,629	-
Long term incentive points-based payments	217,468	-	217,468	-
<b>Other financial liability for which fair value is disclosed</b>				
Loans and borrowings	30,289,045	19,371,496	10,917,549	-
Other non-current liabilities	1,265,886	-	-	1,265,886
Lease liabilities	6,437,393	-	-	6,437,393
Trade and other payables	5,424,948	-	-	5,424,948
	<u>43,778,369</u>	<u>19,371,496</u>	<u>11,278,646</u>	<u>13,128,227</u>
<i>31 December</i>				
	<i>2019</i>	<i>Level 1</i>	<i>Level 2</i>	<i>Level 3</i>
	<i>QR. '000</i>	<i>QR. '000</i>	<i>QR. '000</i>	<i>QR. '000</i>
<b>Assets</b>				
<b>Financial assets measured at fair value</b>				
FVTOCI	828,789	-	210,487	618,302
FVTPL	75,651	1,362	74,286	3
<b>Other assets for which fair value is disclosed</b>				
Trade and other receivables	4,705,956	-	-	4,705,956
Bank balances and cash	14,716,148	-	-	14,716,148
	<u>20,326,544</u>	<u>1,362</u>	<u>284,773</u>	<u>20,040,409</u>
<b>Liabilities</b>				
<b>Other financial liabilities measured at fair value</b>				
Derivative financial instruments	98,760	-	98,760	-
Long term incentive points-based payments	222,859	-	222,859	-
<b>Other financial liability for which fair value is disclosed</b>				
Loans and borrowings	31,942,380	21,071,722	10,870,658	-
Other non-current liabilities	1,587,053	-	-	1,587,053
Lease liabilities	6,649,303	-	-	6,649,303
Trade and other payables	5,156,932	-	-	5,156,932
	<u>45,657,287</u>	<u>21,071,722</u>	<u>11,192,277</u>	<u>13,393,288</u>

There were no transfers among Levels 1, 2, and 3 for the three-month period ended 31 March 2020 and for the year ended 31 December 2019.

## OOREDOO Q.P.S.C.

### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS For the three-month period ended 31 March 2020

#### 28 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.

Consequently, weighted average number of shares outstanding and the computed Earnings per Share (EPS) have been retrospectively adjusted (Note 7). The number of ordinary shares were adjusted from 320,320,000 to 3,203,200,000, as a result of which the EPS was adjusted from QR. 1.31 to QR. 0.13 for the three-month period ended 31 March 2019.

#### 29 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 16. The restatement impacted the condensed consolidated interim statement of changes in equity for the three-month period ended 31 March 2019.

	<i>Adjusted balance as at 1 January 2019 (As previously reported)</i>	<i>Restatement</i>	<i>Adjusted balance as at 1 January 2019 (Restated)</i>
	<u>QR. '000</u>	<u>QR. '000</u>	<u>QR. '000</u>
Retained earnings	12,233,113	(153,578)	12,079,535
Non-controlling interests	5,958,173	(16)	5,958,157

#### 30 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 condensed interim consolidated financial statements:

##### *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 three-month period ended 31 March 2020 against the budget and industry benchmarks and that conclude the impairment assessment as at 31 December 2019 remains unchanged. Refer to Note 9.

The Group has also considered any impairment indicators and any significant uncertainties impacting its inventories, property, plant and equipment (Note 8), and right-of-use assets especially arising from any change in lease terms (Note 10) and concluded that there is no material impact of COVID-19.

## OOREDOO Q.P.S.C.

### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS For the three-month period ended 31 March 2020

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#### 30 IMPACT OF COVID-19 (CONTINUED)

##### *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 expected credit losses (“ECLs”) as at 31 March 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 three-month period ended 31 March 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 three-month period ended 31 March 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 16.

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 23.

##### *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 interim condensed 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 2020.