

Q1 2018 results and business update

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Q1 2018 financial highlights

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Total revenue

(USD MILLION)

699

- 2.2% organic¹ YoY
- 7.0% reported YoY

Mobile customers

(MILLION)

102.6

+ 3.5 million YoY

EBITDA

(USD MILLION)

301

- 1.3% organic¹ YoY
- 9.5% reported YoY

EBITDA margin

(%)

43.0%

-1.2 p.p. YoY

- Total revenue declined organically 2.2% YoY:
 - ▶ Performance in Algeria and Bangladesh
 - ▶ Which was slightly offset by good revenue growth in Pakistan
- Mobile data revenue strong organic growth of 40% YoY
- EBITDA decreased organically by 1.3% YoY:
 - ▶ Lower EBITDA in Algeria and Bangladesh
 - ▶ Pakistan achieving strong EBITDA, 20% YoY organic growth
- Solid EBITDA margin of 43.0%
- Customer base grew 3.5% YoY, driven by continued customer increase in Pakistan and Bangladesh

Q1 2018 income statement

USD millions	1Q18	1Q17	Reported YoY
Service revenue	667.5	720.1	(7.3%)
-Of which mobile data revenue	127.2	95.4	33.2%
Other revenue	32.0	32.3	(1.0%)
Total operating Revenue	699.5	752.4	(7.0%)
Total expenses	(398.6)	(420.1)	(5.1%)
EBITDA	300.9	332.3	(9.5%)
Depreciation and amortization	(126.2)	(159.7)	(21.0%)
Loss on sold property, equipment, intangibles, goodwill and scrapping	(0.5)	(4.9)	(88.9%)
Impairment (loss) / reversal of impairment loss from assets	(1.3)	1.7	N/M
Technical services expense	(6.9)	(27.9)	(75.3%)
Other operating loss	(4.7)	(2.6)	82.1%
Operating profit	161.3	138.9	16.2%
Finance costs	(77.5)	(70.6)	9.7%
Finance income	1.6	3.5	(54.4%)
Net foreign exchange loss	(11.5)	(11.0)	3.9%
Profit before income tax	73.9	60.8	21.5%
Income tax expense	(35.7)	(59.6)	(40.1%)
Profit for the period	38.2	1.2	N/M
Attributable to:			
The owners of the parent	16.0	(26.2)	N/M
Non-controlling interests	22.2	27.4	(19.0%)
Profit for the period	38.2	1.2	N/M
EPS (USD)	0.01	0.00	N/M

▶ Mainly due to the reclassification of Deodar as disposal group held for sale and accelerated depreciation in Bangladesh a year ago

▶ Due to phasing out of technical costs recorded in Q1 2017 associated with the merger integration in Pakistan, the rollout and performance transformation costs for operations

▶ Mainly due to finance cost increase in Pakistan

Debt by entity

As at 31 March 2018

Net debt / LTM EBITDA

1.8x

Gross debt / LTM EBITDA

2.1x

Weighted average
cost of debt

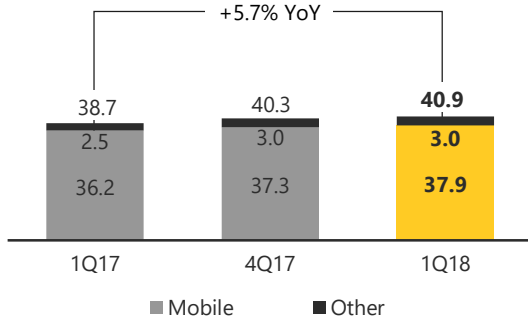
8.4%

Total gross debt (USD million)		Type of debt		
Entity		Loans	Bonds	Total
GTH Holding		234	-	234
GTH Finance BV		-	1,200	1,200
Pakistan		742	35	777
Banglalink		113	300	413
Algeria		131	-	131
Total Gross Debt		1,220	1,535	2,755

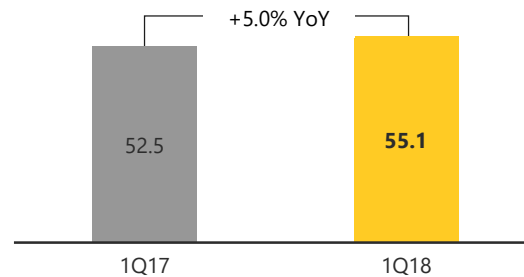
Q1 2018 OpCo performance

Pakistan: continued data-driven revenue growth and further margin expansion

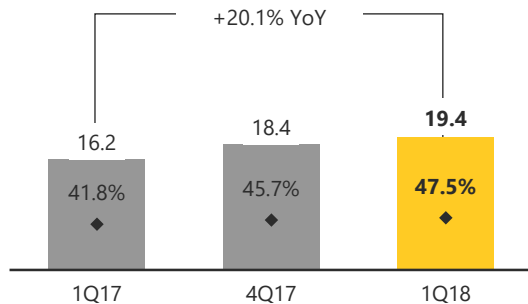
Total Revenue
(PKR BILLION)



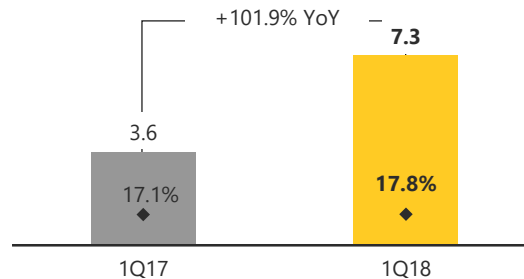
Mobile Customers
(MILLION)



EBITDA and EBITDA Margin
(PKR BILLION AND %)



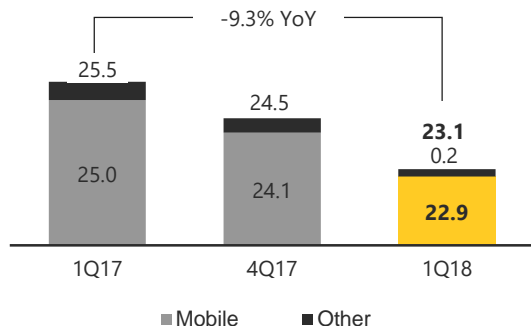
CAPEX excl. Licenses and LTM CAPEX/revenue
(PKR BILLION AND %)



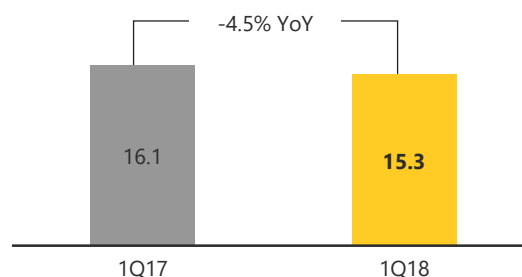
- Continued revenue YoY growth in Q1, despite the competitive market conditions, fuelled by strong data revenue growth (+34% YoY)
 - ▶ Positive impact from enabled 3G for ex-Warid and 4G/LTE for ex-Mobilink customers after completion of network integration in Q4 2017
 - ▶ Customer growth along with 4G/LTE expansion
- Double digit EBITDA YoY increase due to revenue growth, synergies and phasing-out of integration costs
 - ▶ EBITDA margin expansion +5.7 p.p. YoY and +1.8p.p. QoQ
- Capex excluding licenses YoY increased to support 4G/LTE network expansion

Algeria: challenging macro and competitive environment vs. sequential customer growth

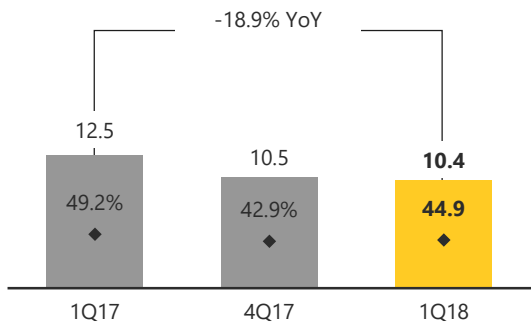
Total Revenue
(DZD BILLION)



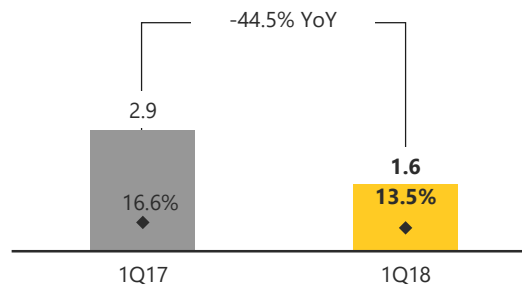
Mobile Customers
(MILLION)



EBITDA and EBITDA Margin
(DZD BILLION AND %)



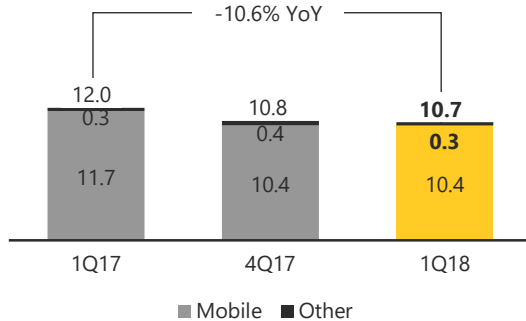
CAPEX excl. Licenses and LTM CAPEX/revenue
(DZD BILLION AND %)



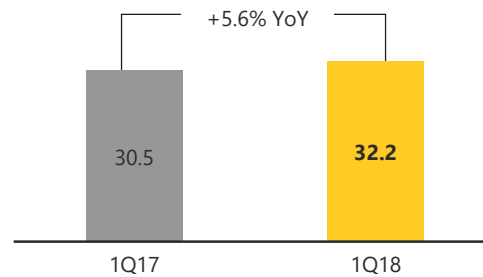
- Continuing macroeconomic and regulatory challenges
 - ▶ Economic slowdown and high inflation continue, along with import restrictions
 - ▶ New direct taxation since 1 January 2018
- Top line remains under pressure with customer base reduction YoY; however:
 - ▶ Change in customer base dynamic +2.4% QoQ through the success of new offers
 - ▶ Data revenue +80% YoY thanks to new commercial offers leveraging on 4G/LTE network leadership
- EBITDA decrease mainly as a result of revenue trend
 - ▶ Impact from 2018 finance law was broadly offset by positive YoY impact from partial MTR symmetry
 - ▶ However, QoQ EBITDA margin improvement

Bangladesh: continued competitive pressure impacting results, 4G/LTE successfully launched

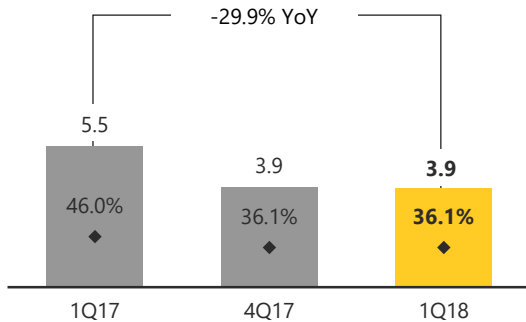
Total Revenue
(BDT BILLION)



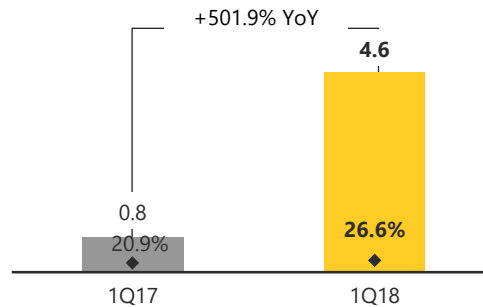
Mobile Customers
(MILLION)



EBITDA and EBITDA Margin
(BDT BILLION AND %)



CAPEX excl. Licenses and LTM CAPEX/revenue
(BDT BILLION AND %)



- Banglalink acquired additional spectrum in the 1800 and 2100 MHz bandwidth and 4G/LTE license
 - ▶ 4G/LTE launched in February, roll-out gaining pace with current population coverage at ~12%
- Revenue YoY trend deteriorated due to continued competitive pressure; however:
 - ▶ Customer growth (+5.6% YoY) supported by improved distribution (11,000 new outlets)
 - ▶ Data revenue +8% YoY, with acceleration of data customer growth at 21% YoY and doubled YoY data usage
- EBITDA decline due to revenue trend, customer acquisition costs and opex related to network expansion (e.g. maintenance, leasing, utilities)
 - ▶ However, EBITDA margin flat QoQ
- Capex increase driven by investments to improve network resilience and 4G/LTE sites roll-out

Q&A

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Further information

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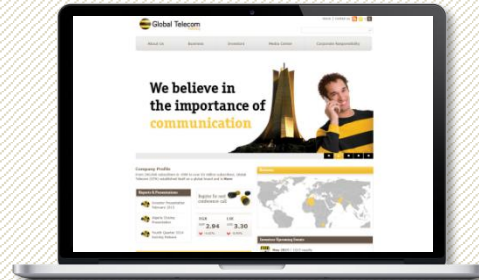
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Appendix

FOREIGN EXCHANGE RATES TO USD AS APPLIED TO THE FINANCIAL STATEMENTS

	Average rates			Closing rates		
	1Q18	1Q17	YoY	1Q18	1Q17	YoY
Egyptian Pound	17.67	17.83	-0.9%	17.65	18.18	-2.9%
Pakistan Rupee	114.08	109.93	3.8%	114.14	110.07	3.7%
Algerian Dinar	111.41	104.79	6.3%	115.71	104.83	10.4%
Bangladeshi Taka	83.08	79.50	4.5%	83.22	80.25	3.7%