



PRESS RELEASE

VODAFONE QATAR REPORTS 22% INCREASE IN NET PROFIT TO QR 144 MILLION FOR 2019

Board recommends distribution of a cash dividend of 5% of the nominal share value

Doha, Qatar, 3 February 2020: Vodafone Qatar P.Q.S.C. ("Vodafone Qatar" or the "Company") announced its financial results for the full year ended 31 December 2019, which reflect the continued improvement in the Company's financial and operational performance.

2019 Key Highlights:

- Service revenue increased by 2.4% year-on-year to QR 1,949 million
- Total Revenue increased by 1% year-on-year to QR 2,125 million
- EBITDA increased by 21% year-on-year to QR 709 million
- Net Profit increased by 22% year-on-year to QR 144 million
- Mobile customers increased to 1.74 million
- Board of Directors recommends distribution of a cash dividend of 5% of the nominal share value

Financial Summary

The Company reported its second consecutive profitable year with Net Profit of QR 144 million, a 22% increase compared to the previous year.

Total revenue increased by 1% year-on-year to reach QR 2,125 million driven by higher demand for the Company's Postpaid and broadband services. Service Revenue grew by 2.4% to reach QR 1,949 million. Vodafone Qatar is now serving 1.74 million mobile customers with solid growth coming from the Postpaid and Fixed product plans.

EBITDA for the reported period stood at QR 709 million representing an increase of 21% compared to last year, positively impacted by higher service revenue, lower costs and the adoption of International Financial Reporting Standard (IFRS) 16. Consequently, EBITDA Margin improved by 5.6 percentage points to reach 33.4%.

Based on the strong financial performance of the Company during the year and its objective to enhance shareholders' value, the Board of Directors recommended the distribution of a cash dividend of 5% of the nominal share value, i.e. QR 0.05 per share, which will be presented at the Company's next Annual General Assembly for approval.



Commenting on the results, Vodafone Qatar's Chairman, H.E. Mr. Abdulla Nasser Al Misnad, said, "Vodafone Qatar sustained profitable growth for the second year in a row, finishing 2019 with eight consecutive quarters of higher year-on-year revenue. This clearly demonstrates a winning strategy that focuses on strengthening and growing our core business and bringing innovative digital services and solutions to market."

Our significant investments in network and technology infrastructure that includes the Company's roll out of its live 5G commercial network which is close to completion in Doha, yielded stellar results, and most importantly, is supporting the realisation of a digital society under the Qatar National Vision 2030.

My sincere appreciation to the government, valued shareholders, customers, as well as to our dedicated employees for their tireless efforts and commitment. I am very confident that we are well positioned to sustain these sound financial results in 2020 and beyond."

Mr. Rashid Fahad Al Naimi, Vodafone Qatar Managing Director added, "These excellent results highlight Vodafone Qatar's success in implementing strategic plans, that are dynamic in meeting with the sweeping changes in the ICT sector. It is our focus on innovation and seeking new revenue streams, upgrading our networks to 5G and driving efficiencies that allows us to consistently deliver strong operational results and enhancing shareholder value."

H.E. Sheikh Hamad Abdulla Jassim Al Thani, CEO, Vodafone Qatar, elaborated, "We take great pride in our role of being at the forefront of the digital era and 2019 was a transformative year in this regard. The foundation of this lies in our world-class infrastructure. In 2019, we significantly expanded our live 5G network to cover key areas across the country, expanded our fixed access network and launched the first dedicated Internet of Things network, NB-IoT."

To emphasize our customer promise of delivering an unmatched experience, we launched our successful GigaHome and GigaBusiness broadband services along with GigaTV-our premium entertainment service, in addition to the country's first 5G plans. These investments in both our underlying infrastructure layer and new products and services, have enabled us to diversify our revenue mix to a much healthier level than where we stood a couple of years ago.

Looking to the future, our ambition stretches well beyond what we have already achieved. It is an ambition deeply rooted in our leadership role in connecting today's ideas with tomorrow's technology."

In QR million (unless otherwise stated)	Yearly Analysis		
	12 months ended		YoY Growth (%)
	31-Dec-2019	31-Dec-2018	
Total Mobile Customers(000)	1,737	1,720	1%
Total Revenue	2,125	2,101	1%
Service Revenue	1,949	1,904	2%
EBITDA	709	584	21%
EBITDA Margin (%)	33.4%	27.8%	5.6pp
Net Profit	144	118	22%

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About Vodafone Qatar P.Q.S.C

Vodafone Qatar P.Q.S.C. ("Vodafone Qatar") provides a comprehensive range of services including voice, messaging, data, fixed communications, IoT and ICT managed services in the State of Qatar, for both consumers and businesses alike. The Company commenced commercial operations in 2009 and has 1.74 million customers as of 31 December 2019. Its state-of-the-art network infrastructure is expanding to cover key locations in the country with fibre connectivity and 5G, along with an extensive digital ecosystem, which will contribute to Qatar's continued growth and prosperity. Vodafone Qatar's vision is deeply rooted in its mission to connect today's ideas with the technologies of tomorrow by pioneering digital innovation and becoming people's first choice in telecom and digital services. Please visit www.vodafone.qa for more details.

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