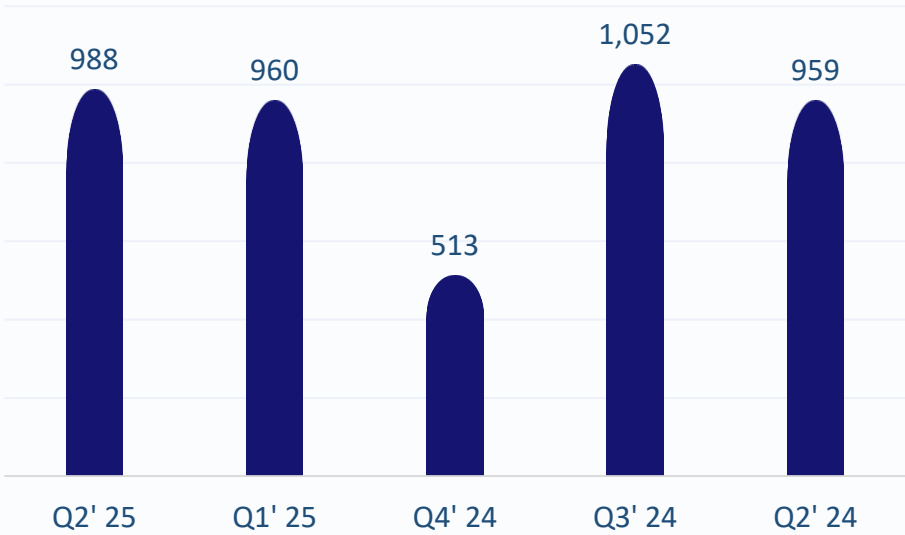


Ooredoo Group

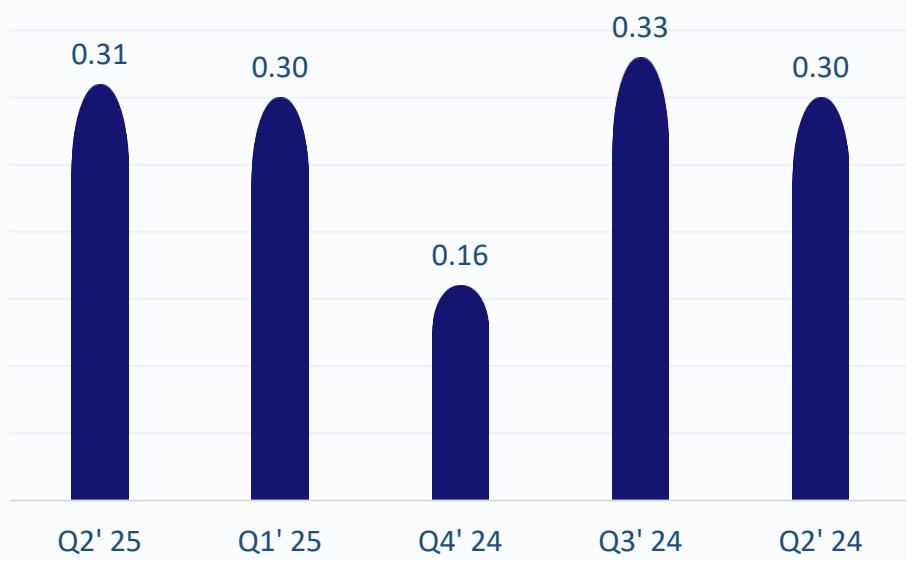
Executive Summary

- Ooredoo Group experienced a 4% increase in profits during the first half of 2025 compared to the same timeframe last year, totaling QAR 1,948.1 million, which is an approximate rise of QAR 76.6 million. The earnings per share (EPS) reached QAR 0.61, up from QAR 0.58.
- Second quarter profits rose by approximately 3% from the same quarter in 2024, reaching QAR 988 million.
- An An increase in profits can be attributed to the rise in other revenues, which shifted from a loss of around QAR 105 million at the end of June 2024 to a profit of about QAR 68 million. This change was driven by the recognition of foreign exchange gains and the absence of losses from asset disposals, in contrast to the same period last year.
- The investment group's losses decreased by approximately QAR 55 million, contributing to improved overall results. These losses are linked to the valuation of financial assets as shown in the income statement.
- Group revenue increased to QAR 11.9 billion in the first half of the year, reflecting a solid 4% yoy growth when excluding the effects of the Myanmar exit. This growth was supported by strong performances in Iraq, Algeria, Tunisia, Qatar, and Kuwait.
- The company functions across various Arab and international markets, which exposes it to the risks associated with exchange rate fluctuations, a factor that is evidently reflected in the company's profits.
- The company reported a foreign currency valuation gain of about QAR 521 million in the comprehensive income statement at the close of June 2025, following a loss of roughly QAR 30 million, highlighting the effect of this item on shareholders' equity.
- The loss balance of the foreign currency translation reserve reached around QAR 5.8 billion by the end of June, which is about 20% of the shareholders' equity. The company faces exchange rate risks associated with the Iraqi dinar, Algerian dinar, Tunisian dinar, Kuwaiti dinar, and Indonesian rupiah.
- Approximately 44% of the group's total profits come from pre-tax earnings in Qatar, while Iraq contributes about 26%.
- The parent company holds an ownership stake in its subsidiaries and affiliates that varies from 46% for its entity in Palestine to 92% for its operation in Kuwait. The ownership stakes in its companies are 64% in Iraq, 55% in Oman, 84% in Tunisia, and 74% in Algeria.
- The company boasts an active customer base of around 37.5 million subscribers, with roughly 33% located in Iraq, 29% in Algeria, 16% in Tunisia, and 8% in Qatar.

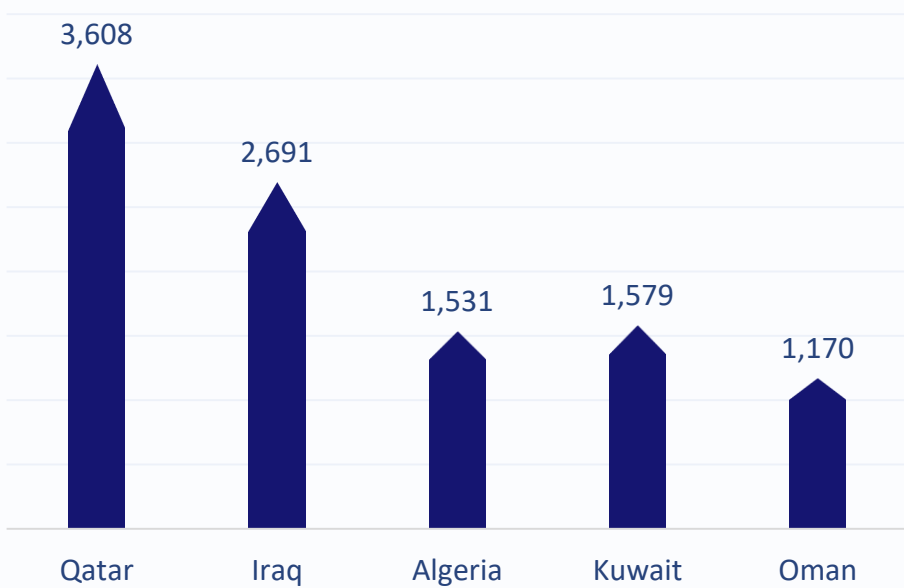
Quarterly Net Income (million)



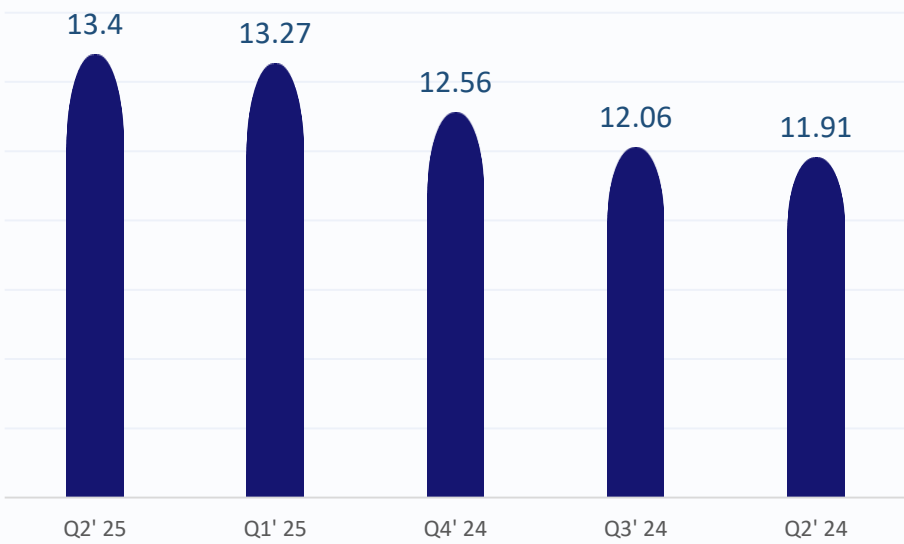
Quarterly EPS (QAR)



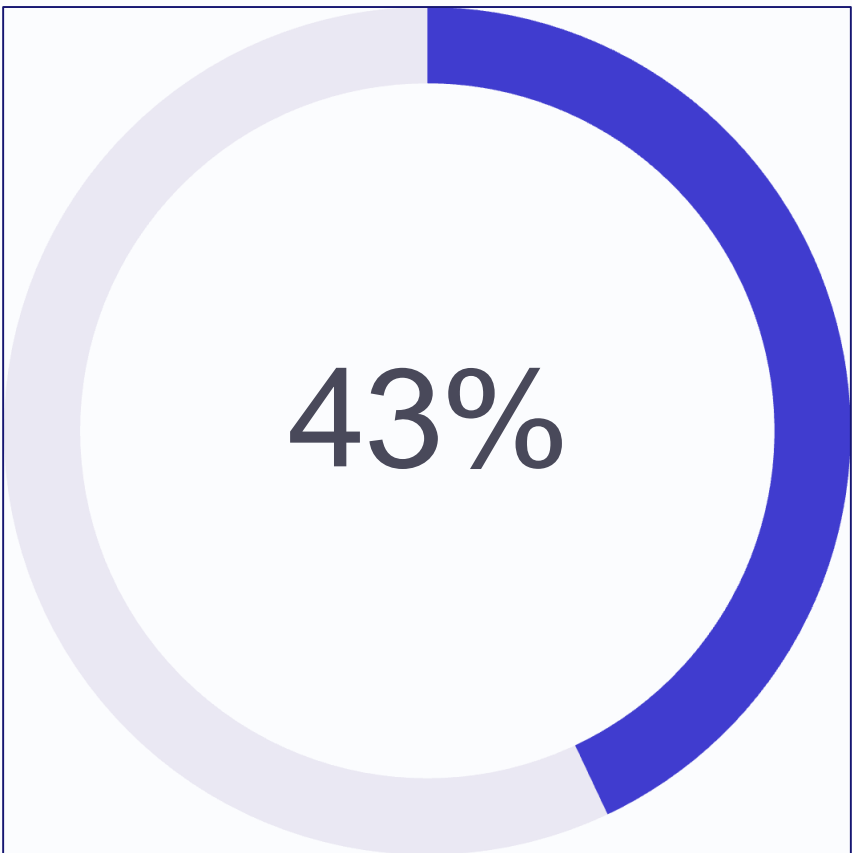
Revenues by Country (QAR m)



ROE %

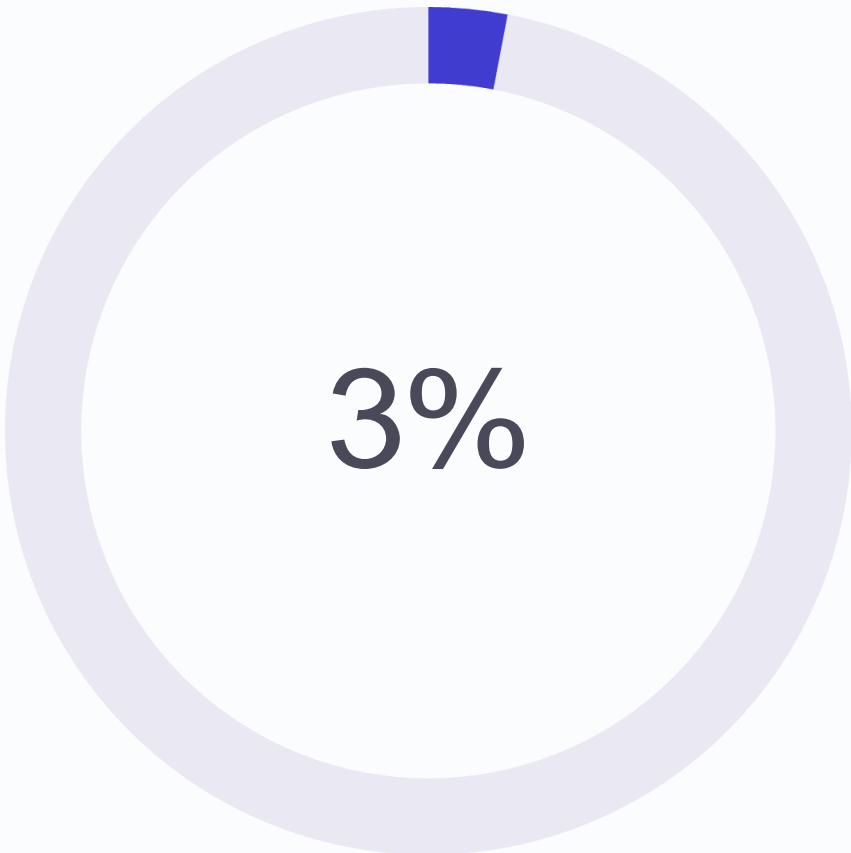


EBITDA & EBITDA Margin



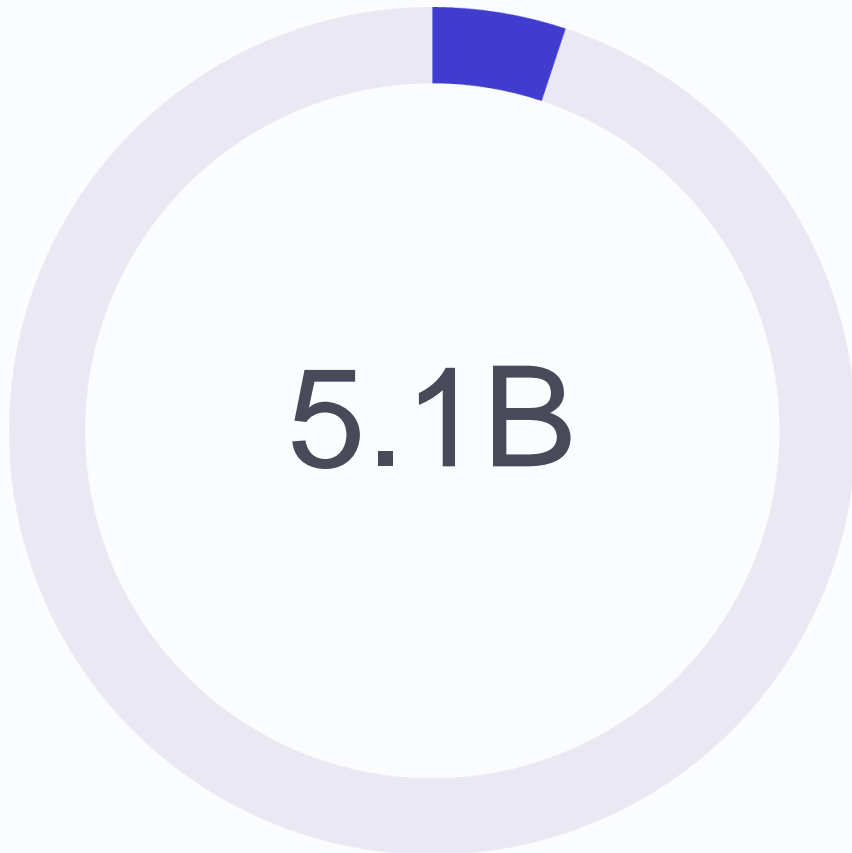
EBITDA Margin

Consistent Group EBITDA margin maintained at 43%



EBITDA Growth

YoY growth excluding Myanmar exit impact



EBITDA Value

Total EBITDA reached QAR 5.1 billion

Group EBITDA grew by 3% YoY excluding the impact of the Myanmar exit, reaching QAR 5.1 billion. EBITDA margin remained consistent at 43%.

Kuwait, Algeria, Iraq, Tunisia, and Maldives enhanced their contribution to overall Group profitability, reinforcing the benefits of our balanced portfolio.

Net Profit Growth

For H1 2025, we delivered sustainable net profit growth, underpinned by operational strength. Net profit increased by 4% YoY to reach QAR 1.9 billion.

Normalised Net Profit

Normalised Net Profit increased by 3% YoY to QAR 1.9 billion. normalised net profit is adjusted for foreign exchange, impairment and exceptional items.

(CAPEX)




CAPEX Increase




CAPEX/Revenue

The Group invested QAR 1.5 billion of CAPEX for H1 2025, a 49% increase YoY, primarily driven by strategic network and infrastructure investments in Iraq, Tunisia, Algeria, Kuwait, and Oman.




Revenue Growth

Expected revenue growth of between 2% to 3%



EBITDA Margin

Expected EBITDA margin in the low 40% range



CAPEX Projection

Full-year CAPEX is projected to range between QAR 4.5 billion to 5.0 billion as planned spending accelerates in the second half of the year

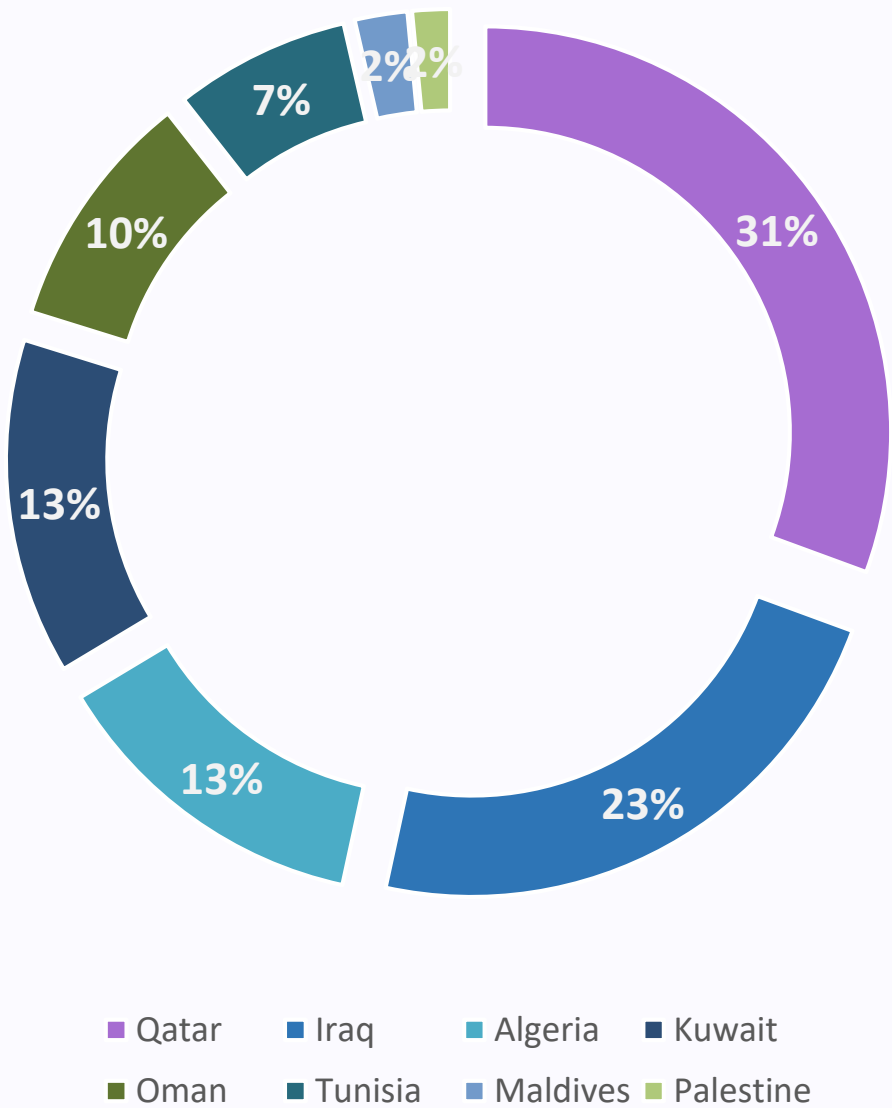
Operating Companies H1 2025 Highlights

OOREDOO GROUP	H1 2025	H1 2024	Q2 2025	Q2 2024
Revenue	11914	11797	6064	5934
EBITDA	5145	5114	2607	2568
EBITDA Margin	43%	43%	43%	43%
Net Profit	1948	1872	988	959

ARPU in QAR

Country	ARPU
Qatar	102.9
Oman	36.3
Kuwait	63.6
Tunisia	16.5
Algeria	18.0
Maldives	63.4
Palestine	17.6

Revenue contribution by country



Stock Info		
Weight in QSE index	4.99%	
Current Market Price	12.80	
Shares Outstanding (Mn)	3,203	
Market Cap (Mn)	41,001	
52-Wk High (24 Apr 25)	13.80	
52 Wk Low (5 Aug 24)	10.11	
Average Trading Price YTD	11.98	
Per Share Data		
EPS Trailing 12M	1.10	
EPS Annualized	1.22	
EPS expected	1.12	
Book Value Per Share	8.90	
Dividends Per Share €	0.65	
Valuation Ratios		
P/E using TTM EPS	11.64	
P/E using Ann EPS	10.49	
P/E using expected EPS	11.43	
Average PE during 2020	10.89	
P/BV	1.44	
Dividends Yield	5.08%	
Key Financials	H1 ' 25	H1 ' 24
Operating Income (Mn)	2,756	2,649
Net Profit (Mn)	1,948	1,872
Net equity (Mn)	28,522	26,609
Total Assets (Mn)	61,951	56,344
Total Loans (Mn)	15,304	12,539
Total Cash& Deposits (Mn)	15,426	11,481
Financials Ratios	H1 ' 25	H1 ' 24
ROE (LTM)	13.7%	14.1%
ROC	9.7%	9.6%
Net Income Margin	16.4	13.3
T.Debt / Equity	47.0%	47.6%
EBITDA / Interest Exp.	7.9%	7.4%

Stock Performance	Ooredoo	Index
YTD Return	10.82%	5.47%
1 Month Return	0.18%	3.53%
6 Month Return	0.93%	4.39%
1 Year	22.84%	9.62%
Share Holdings Pattern		
Qatar Investment Authority		53.28%
Retirement & Pension fund		12.73%
Emirate of Abu Dhabi		10.00%
Geographic ownership		
Qatar		80.6%
UAE		12.2%
USA		3.6%
Ownership Type		
Sovereign Wealth Fund		77.2%
Pension funds		15.8%
Investment Advisor		5.5%

	2023	2024	2025 e	2026 f	2027f
Enterprise Value	41,211	38,085	42,068	43,100	39,800
P/E ratio	12.1x	10.8x	10.2x	10.8x	10.0x
PBR	1.38x	1.31x	1.22x	1.28x	1.16x
EV / Revenue	1.78x	1.61x	1.71x	1.62x	1.55x
EV / EBITDA	4.24x	3.91x	4.24x	4.11x	3.92x
EV / EBIT	8.03x	7.02x	7.12x	6.83x	6.12x

Valuation

We recommend Buying

We use A DCF model and comparable valuation.

Our analysis indicates the fair value of the stock ranges between

QAR 14.20 and 14.80

DCF Model Assumptions:

- Growth rate: We expect the company to grow in earnings between 3% and 4%.
- Cost of equity ranging between 8.25% and 8.75%.
- Terminal Value: The growth rate in perpetuity is 3.0%.

Key Risks to Consider

- Intensifying Competition: The telecommunications industry is highly competitive in Qatar, where Ooredoo holds a significant market share, as well as in international markets like Oman and Iraq. This leads to pricing pressures, lower profit margins, and challenges in maintaining market share.
- Currency Devaluation: Conducting business across various countries exposes Ooredoo to fluctuations in foreign exchange rates and the potential risk of currency devaluation, which may affect the reported revenues and profits when converted into Qatari Riyals.
- Exposure to High Country Risk Markets: Ooredoo functions in various regions, such as Iraq, Algeria, Tunisia, Palestine, and the Maldives, which are vulnerable to geopolitical instability and economic fluctuations. This situation may result in pressures for currency devaluation and interruptions in operations.

Disclaimer

Qatar Securities Company has prepared this report to provide an unbiased analysis of the business's performance. It's important to note that the assessment is based on assumptions that may vary in interpretation and may not be entirely accurate. This document focuses on evaluating the company's financial status, not as a solicitation to buy or sell. There may be a conflict of interest since this stock is part of investment portfolios managed by Qatar Securities Company.

Ramzi Qasmieh.

Financial Advisor.

+974 44255272.

ramzi.qasmieh@qsc.qa.