Q4 2017 results and business update

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Q4 2017 financial highlights

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Total revenue
(USD MILLION)

724

- 3.0% organic[1] YoY
- 5.7% reported YoY

Mobile customers
(MILLION)

99.9

+ 1.6 million YoY

Underlying[2] EBITDA
(USD MILLION)

323

- 2.5% organic[1] YoY
- 5.0% reported YoY

Underlying[2] EBITDA margin
(%)

44.6%

+ 0.3 p.p. YoY

- Total revenue declined organically 3.0% YoY:
  - Performance in Algeria and Bangladesh
  - Which was slightly offset by growth in Pakistan
- Mobile data revenue organic growth of 26.3% YoY
- Underlying EBITDA decreased organically by 2.5% YoY:
  - Pakistan achieving strong underlying EBITDA, 24.5% YoY organic growth
  - Lower underlying EBITDA in Algeria and Bangladesh
- Solid underlying EBITDA margin of 44.6% and EBITDA margin of 42.3%
- Continued customer growth of 1.6% YoY, driven by customer additions in Pakistan and Bangladesh

[1] Revenue and EBITDA organic figures are non-IFRS financial measures that exclude the effect of foreign currency movements and other factors, such as businesses under liquidation, disposals, mergers and acquisitions
[2] Underlying EBITDA excludes transformation costs and material exceptional items

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Q4 2017 income statement

USD millions	4Q17	4Q16	Reported YoY
Service revenue	686.5	736.5	-6.8%
-Of which mobile data revenue	108.9	88.6	23.0%
Other revenue	37.6	31.3	20.3%
Total operating Revenue	**724.1**	**767.8**	**-5.7%**
Total expenses	(418.0)	(530.9)	-21.3%
EBITDA	**306.1**	**236.9**	**29.2%**
Depreciation and amortization	(124.2)	(160.5)	-22.6%
(Loss) / Gain on sold properity, equipment, intangibles, goodwill and scrapping	(1.7)	1.2	N/M
Impairment loss from assets	(0.5)	(8.6)	-94.6%
Technical services expense	(12.0)	(9.9)	22.0%
Other operating (loss) / gain	(15.7)	13.6	N/M
Operating profit	**152.0**	**72.6**	**109.3%**
Finance costs	(120.3)	(67.8)	77.3%
Finance income	2.9	3.3	-14.0%
Net foreign exchange (loss) / gain	(12.1)	50.1	N/M
Profit before income tax	**22.5**	**58.3**	**-61.4%**
Income tax expense	(137.6)	(23.1)	N/M
Profit (loss) for the period	**(115.1)**	**35.2**	**N/M**
Attributable to:			
The owners of the parent	(133.2)	7.3	N/M
Non-controlling interests	18.1	28.0	-35.4%
Profit for the period	**(115.1)**	**35.2**	**N/M**
EPS (USD)	(0.02)	0.01	N/M

Other revenue increased 20% mainly due to increase in sale of equipment and accessories in Pakistan

Total expenses decreased by 21% YoY as a result of the performance transformation program

Depreciation and amortization decreased 23% mainly due to the reclassification of Deodar as disposal group held for sale

Technical services expenses increased by 22% due to more support in Pakistan, however it decreased on an annual base by 5%

Other operating loss of 15.7 million mainly due to change in fair value of Pakistan contingent liability

Finance cost increased due to fair value adjustment of Pakistan put option

Foreign Exchange loss mainly due to the Pakistani Rupee depreciation coupled with the exclusion of the Egyptian pound devaluation gain that took place in Q4 2016

Income tax expense increased YoY due to applying a different minimum tax methodology in Pakistan coupled with an increase in withholding tax expense related to the dividends distributed by our Pakistani operation

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Debt by entity

As at 31 December 2017

Net debt / underlying[1] LTM EBITDA

1.7x

Gross debt / underlying[1] LTM EBITDA

2.0x

Weighted average cost of debt

8.2%

Total Gross Debt (USD million)	**Type of debt**		
Entity	**Loans**	**Bonds**	**Total**
GTH Holding	229	-	229
GTH Finance BV	-	1,200	1,200
Pakistan	790	42	832
Banglalink	-	300	300
Algeria	131	-	131
Total Gross Debt	**1,150**	**1,542**	**2,692**

[1] Underlying EBITDA excludes transformation costs and material exceptional items

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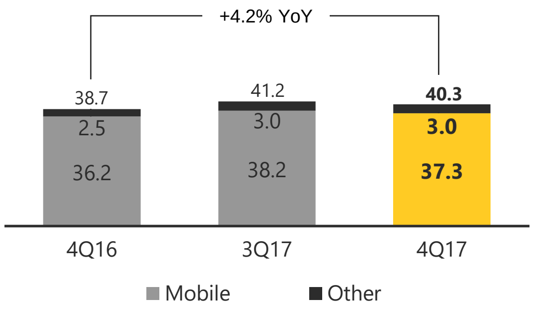
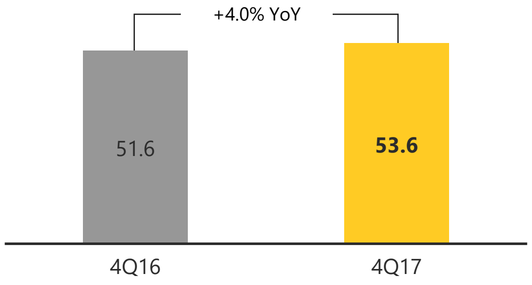
Q4 2017 OpCo performance

Pakistan: continuous growth and margin expansion

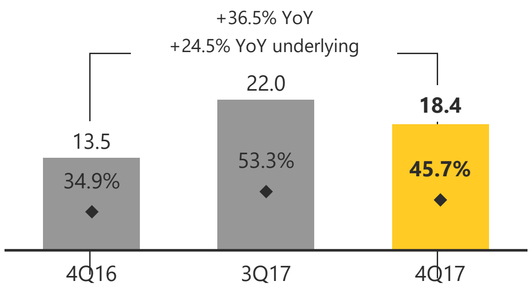
Total Revenue
(PKR BILLION)



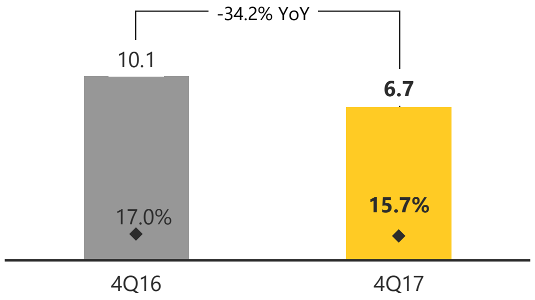
Mobile Customers
(MILLION)



EBITDA[1] and EBITDA Margin
(PKR BILLION AND %)



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



- Continued revenue growth, despite the aggressive market, fuelled by strong data revenue growth (+27.8% YoY)
- Network integration completed
  - overall sites reduced by >3 thousands
  - enabled 3G for ex-Warid and 4G/LTE for ex-Mobilink customers
- Strong underlying EBITDA YoY increase due to revenue growth and synergies
- Underlying EBITDA margin expansion to 48.1%, +7.8 p.p. YoY
  - +2.7 p.p. of Q4 margin impact due to release of historic SIM tax accruals
  - QoQ margin reduction by 7 p.p. mainly due to lower impact in Q4 vs Q3 from SIM tax accruals release

[1] Q4 2016 EBITDA negatively impacted by performance transformation costs of PKR 2.1 billion. Q4 2017 EBITDA negatively impacted by performance transformation costs of PKR 1 billion

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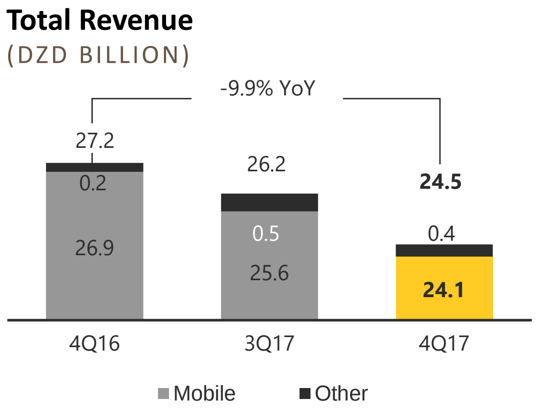
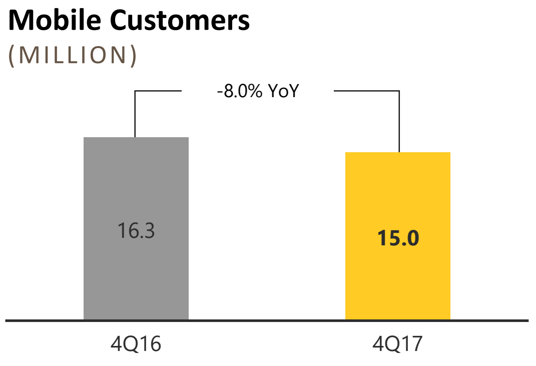
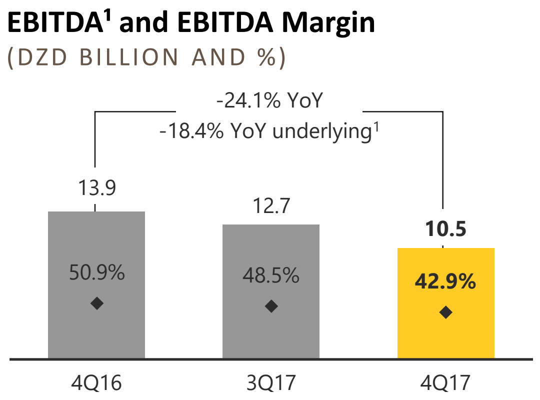
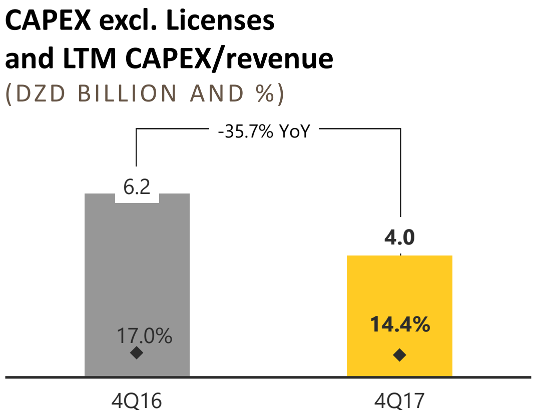
Algeria: data pricing competition continues, challenging macro environment









- Top line remains under pressure
  - Customer base decreased due to increased churn, fueled by high competitive pressure on data pricing
  - Data revenue +36% YoY with 4G/LTE network population coverage leadership
- Challenging macro environment
  - Economic slowdown coupled with continued high inflation and weakened currency
  - Telecom share of wallet under pressure from new taxes and food basket inflation
- Underlying EBITDA margin of 46.7%
  - The Finance law impact has contributed to a decrease of 2.4 p.p. of EBITDA margin, which would otherwise have been of 49.1%
- Mobile termination rate partial symmetry

[1] Q4 2016 EBITDA negatively impacted by performance transformation costs of DZD 0.2bn. Q4 2017 EBITDA negatively impacted by performance transformation costs of DZD 0.9bn

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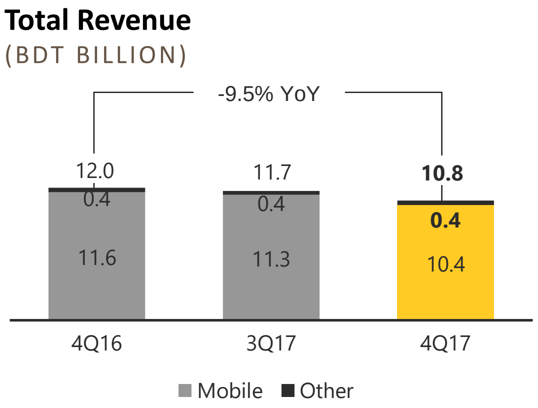
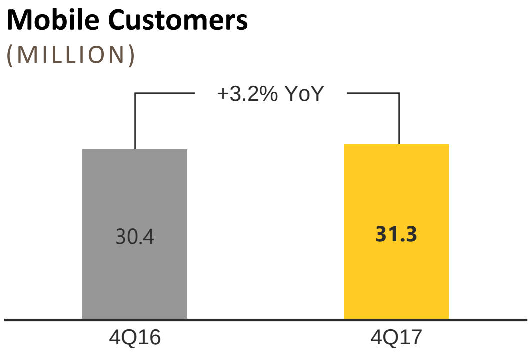
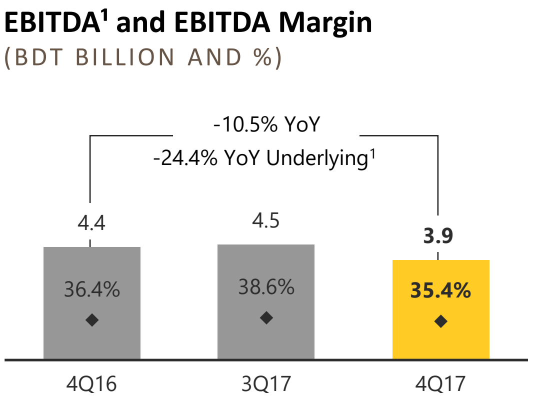
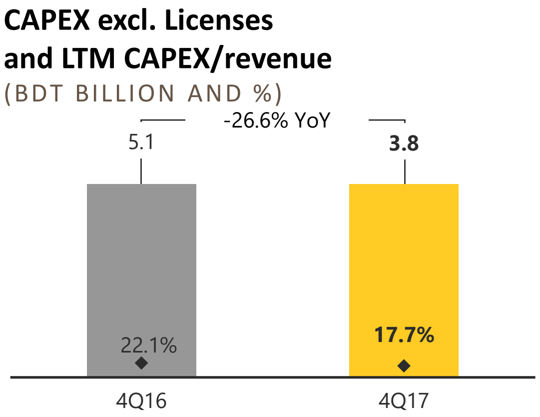
Bangladesh: continued competitive pressure impacting results









- Revenue YoY trend deteriorated vs Q3 2017
  - Continued competition on customer acquisition driving multi-SIM and diluted share of wallet
  - Data revenue +14.6% YoY, with acceleration of data customer growth at 13.4% YoY
- Underlying EBITDA decline due to revenue trend and technology expenses to improve network availability
  - 3G network availability substantially restored at year-end
- Underlying EBITDA margin at 35.8%
- Banglalink acquired additional spectrum and 4G/LTE license, positioning the company for the turnaround

[1] Q4 2016 EBITDA negatively impacted by performance transformation of BDT 0.8bn.

Q&A

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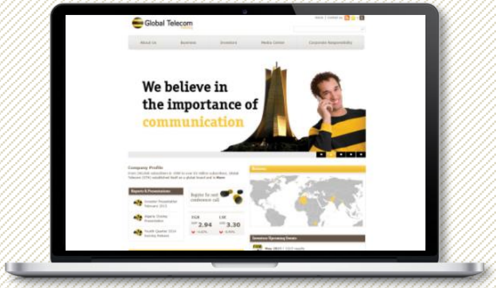

Appendix

FOREIGN EXCHANGE RATES TO USD AS APPLIED TO THE FINANCIAL STATEMENTS

	Average rates			Closing rates		
	4Q17	4Q16	YoY	4Q17	4Q16	YoY
Egyptian pound	17.71	14.54	21.8%	17.78	18.14	-2.0%
Pakistan Rupee	114.77	110.58	3.8%	114.76	110.40	4.0%
Algerian Dinar	106.42	104.78	1.6%	110.70	104.37	6.1%
Bangladeshi Taka	82.32	78.62	4.7%	82.69	78.92	4.8%

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