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Michael Patrick Foley: Assalamu Alaikum, everybody and good morning and welcome to the Quarter-3, 2019 results publication and briefing from Grameenphone. Let me remind you at the beginning that those of you who have registered to be on this call have also received a password to be able to indicate their questions in real-time so that we can answer them at the end of the formal presentation. All the related materials are on the website and they should be ready for you at this point. So, let's get going.

Well, Grameenphone reported a solid financial performance in the 3rd quarter 2019 despite of very challenging regulatory environment. As an industry, we gained 5.6 million subscribers from the end of 2018, growing by 3.5%, ending with 162.6 million subscribers nationally, as reported by the regulator. During the same time, mobile data users grew by 7.4% to 98.1 million subscribers. Grameenphone gained about four hundred thousand subscribers ending with 75.7 million subscribers at the end of Quarter-3. We had a particularly challenging quarter due to the many risks and challenges we have with the regulator. As a result of which, our network roll-out slowed down and we were prevented from offering new products and campaigns. However, we continue to add pre-approved sites to our network resulting now in 9300 4G sites in the country. We take pride in being at the front tier of brining connectivity to the people of Bangladesh and we will continue to invest in the country to further aid the 'Digital Bangladesh' ambition. In the 3rd quarter, we added 1812 pre-approved 4G sites to our network. We were also recognized as the fastest network in Bangladesh and received the 'Ookla Speedtest Award' for the second consecutive year. We reached 11 million 4G users on our network and 4G conversion activities are rolling out in areas with newly launched 4G sites. This, along with competitive product offers and 4G SIM replacement offers. We not only continue to invest in our network, but we ensure that we are building a sustainable and resilient network. We improved our network downtime during bad weather by investing in replacing old batteries with new iron batteries on more than 2500 sites. In Quarter-3, however, we did experience increased competitiveness, even aggression on gross ads, market shares by the competitors driven mainly by the increased and supplementary duty to 10% and the SIM tax moving to 200 Taka. in order to protect GA market share, we have increased slightly our start-up commission in order to be able to respond rationally and in appropriate way to the competitive pressures. Due to the change in supplementary duty, we had to revise our entire product portfolio and this was initiated in the last quarter. We experienced a prolonged rainy season in Bangladesh followed by floods that lasted almost two months in many areas of the country. This negatively affected our performance mainly in July and during the Eid holiday in August. We had a prolonged holiday and bad weather.

While voice did not benefit from these holidays, we witnessed a significant increase in data usage giving a big boost in data revenue.

This is MyGP and we want to talk about this because it is an important clue as to how we are modernizing the way we manage our distribution and our relationship with our customers. This is a self-service application which is of all not only helping them avail GP services but it is also a lifestyle app being preferred by many customers. We have a very attractive customer value proposition and it is a very simple app to use. Not only are the basics like recharge an entire set of minutes and data packs available, we also have different offerings such as 10% bonuses and loyalty points and so on that are on here as well. We have also tied in non-telco services into this app like Bioscope, directly from within the MyGP app. We continue to offer personalized offers to our valued customers. This is why we see a 100% increase year-over-year in the active base and sales growth from MyGP. We also engage our customers in MyGP through contextual contents. So, during the Feni cyclone event earlier this year, we were able to update some of the apps on the phone in real-time providing people with updates on this issue. We have also worked on connecting blood donors during the recent dengue epidemic in the country as well as we were catering to the cricket loving population by providing live streaming of the World Cup. Of course, the regulatory landscape continues to be challenging for us. In an attempt to collect the disputed amount on the BTRC audit claim, and ignoring our requests for arbitration, on the 4th of July 2019, BTRC directed the international gateway operators to reduce GP's bandwidth capacity by 30%. This was subsequently withdrawn on the 17th of July as it was negatively impacting millions of our customers. However, on the 22nd of July 2019, the BTRC imposed operational restrictions by stopping No Objection Certificates for approvals of products and services and equipment import. In order to resolve this dispute on July 30, 2019, two arbitration applications were moved by GP before the Honorable High Court for appointment of BTRC arbitrator and for injunction against the suspension of the approval of the NOCs by the BTRC. In this case, the High Court is yet to give a decision. Meanwhile, on 14th of August 2019, a proposal letter was sent to the BTRC, for the withdrawal of the earlier demands based on the 2011 audit and the discontinuation of the earlier cases to remove any perceived roadblock on the current audit demand. This letter remains unanswered till today. On the 26th of August 2019, GP filed a Title Suit against the audit demand and on the 28th of August 2019, GP moved an application for injunction to the district court with the prayer to stay the suspension of NOCs and to restrain the BTRC from taking steps based on or pursuant to or for the realization or enforcement of the demand which was rejected by the District Court. Against the rejection order, on the 17th of September 2019, GP filed a civil appeal before the High Court Division. On September 5th, going back, the BTRC issued a show-cause notice to GP as to why GP's 2G and 3G licenses should not be cancelled. We responded in a timely manner to the show-cause notice on the 3rd of October 2019.

GP has been continuing engagement with the authorities with a view to find a transparent and amicable solution to the story. On the 18th of September 2019, the Finance Minister, in the presence of the Minister of Post and Telecoms, the NBR Chairman, the BTRC Chairman and representatives of GP engaged in the matter in order to pursue a constructive path towards resolving the issue. It was expressed that the BTRC would withdraw the show-cause and impositions to resume normal operations immediately and that GP would suspend its legal efforts to facilitate a transparent process towards an amicable solution. Despite these constructive efforts by the team including the Minister of Finance, the BTRC has not lifted any of its operational impositions or the show-cause notice. On the 17th of October 2019, based on the civil appeal filed earlier by GP, the High Court Division passed an order restraining the BTRC for a period of two months from taking any steps on the basis of or pursuant to or for the realization or enforcement of the demand dated 2nd April 2019. The High Court Division also stayed for a period of two months the operation of the BTRC letter dated July 22nd regarding the suspension of the NOCs for importation of equipment/software, the suspension of tariff and service package approvals. This matter is now fixed for hearing on the 5th of November 2019. I wanted to go through a little bit of detail here so that you understand the chronology.

Moving on to the tower licensing. GP is currently assessing the possibility of re-opening the existing Tower Writ and also the possibility of challenging the process and the BTRC proposed agreement template. GP has followed the directive of BTRC in relating to towers to the letter. We have run an RFP process starting late last year. And on July 2019, we concluded the Service Level Agreement known as SLA with one of the four licensees, Edotco, and in compliance with the tower sharing guidelines, Edotco has submitted the negotiated Service Level Agreement to the BTRC for vetting. Despite many requests and two months having passed, the BTRC is yet to vet the SLA that we have negotiated in a commercial way between two parties with Edotco. In fact, contrary to the current guidelines, the BTRC has been trying to impose their own Master Service Level Agreement in the name of an SLA. A heavy debate on this took place on this topic in a meeting with the MNO and the ICT advisor on 15th of July 2019. Thereafter, the BTRC started the consultation process again, and asked all the Mobile Network Operators to provide feedback on the draft agreement prepared by the BTRC on the 20th of August. GP submitted its feedback and asked the BTRC to set the minimum SLA, not a mandatory document. On the 29th of August 2019, the BTRC alleged that due to the non-cooperation from us, the operators, implementation of the Tower Service Guideline had been delayed. It asked for the tower operators and the Mobile Network Operators to jointly prepare a full-fledged agreement and submit it to the BTRC by the 5th of September. We denied those allegations. We have been following the guidelines issued by the regulator itself last year and we asked the regulator to vet the submitted Service Level Agreement submitted by Edotco documenting the relationship between us and them. On the 8th of September 2019, an application was filed in the existing writ that we have on this issue with the BTRC to allow GP to build 279 critical sites. The hearing on this application will take place as per the accommodation of the Court. Sending a draft Master Service Level Agreement to the Mobile Network Operators and Tower Cos, the BTRC invited them for a meeting on October 6th, where the BTRC shared the complete Master Service Level Agreement including commercial terms. We reiterated our position that the guidelines indicate that this has to be a commercial agreement between an operator and a tower company. The meeting continued on 7th, 9th and 10th of October and GP did not participate in order to comply with relevant laws and not act in an anti-competitive manner. In that meeting, an SLA was agreed upon. But in the general terms of contract and conditions, the MNOs and Tower Cos could not reach to an agreement. I just want to make sure that you understand what I mean by that. There has been a tower guideline instituted last year. We do not like it because it removes our ability to build our own sites. But we have followed the letter of that directive, ran a competitive process, we picked an operator, developed the SLA, delivered the Service Level Agreement to the BTRC, and instead of accepting ours, they decided to build one that is less stringent more expensive.

Next slide, please. Supply chain sustainability is really important for us and as I travelled to see analysts around the world, they never fail to bring up, what is our position relative to these very important issues. So, we take, as an industry leader, special interest in SDG-10 which is about reducing inequalities. It is one of the global goals that is trending in the wrong direction. Inequality seems to be increasing in the world. But mobile is an opportunity to bring leveling technologies to everybody. We also know that it is important to equip suppliers with knowledge and tools that make sense for them and add value for them so that they can produce results for us in the shortest possible time. It makes more sense when we share success stories, organize suppliers' summits and training sessions. It is easier to convince them to be compliant when they see their business is growing and other businesses are growing for the right reasons. This is something we feel profoundly in Grameenphone and in the whole group that our job in markets like Bangladesh is to bring best practices not only to our own company, but to the supply chain that we work with. Not only are we conducting regular training, we conduct on-the-jobs trainings as well and all our findings, when we do inspections, are closed within 30 days of discovering. Due to the vigorous due diligence that we follow with vendors, we have a safer supply chain and we have no child labor ever reported in the last two years. We will continue to help our partners grow in an ethical and sustainable manner. With this in mind, I would like to introduce Jens Becker. You are meeting him for the first time. He is the new CFO, he joined in August and he has a long experience with T-Mobile, Poland and Deutsche Telecom. He is a German national. He joined us 8 weeks ago and he will now proceed with the rest of the presentation.

Jens Becker: Thank you, Michael, and good morning everybody. So, let me start with giving you a snapshot about the Quarter-3. We had strong organic financial performance with continued growth momentum, specially on the top line along with a healthy profitability. Subscription and traffic revenue posted a growth of 6.7% year-on-year despite all the adverse impacts from the regulatory changes, namely, the increase on the supplementary duty, which has been increased from 5 to 10%, the SIM tax increase from 100 to 200 Taka and as well the restrictions that has been imposed on us on issuing NOCs, No Objection Certificates on importing telco equipment/software as well as on the tariff approval.

This quarter saw a quite strong EBITDA margin of 61.8%, which is 0.4 percentage points improvement against last year. On the EPS for this quarter, we stand at 5.38 Taka, Year To Date EPS increased by 2%. On the Capex side, we are with a Capex/Sales ratio now below 10%. Turning to the subscriber development, we currently have 75.7 million, which is 0.4 million net adds during this quarter and we saw the subscriber acquisition had been negatively impacted by the increased SIM tax, which I have mentioned before, the increase from 100 to 200 Taka, resulting into 0.9 million decrease to net adds compared to the last quarter, which had been 1.3 million. A marginal decrease of 0.1 percentage point in subscription market share from last quarter as of August 2019. We are at now 46.5%, where this was 46.6% last quarter.

Turning to the revenue picture, as you can see, we have 6.6% growth in total revenue, which is entirely driven by the 6.7% growth in the subscription and traffic revenue, which had been partly off set by the continued decline of the interconnection revenue. On an underlying basis, we would say that on our growth in subs and traffic. So, excluding all the unfavorable impacts of the regulatory changes, we would be more on a 9% year-on-year growth organically. The growth in subscription and traffic revenue, which was 2.2 billion Taka, was mainly driven by data with a share of 1.1 billion and voice of 0.9 billion. Data revenue contributed for this for 53% of the incremental revenue as a result of the continued 4G drive. Voice revenue had 3.9% growth, which is driven by 6% increase in the subscriber base, which has been partly offset by 3.2% decrease in the voice ARPU.

Turning to the data side, on the data revenue, we had 17.3% growth in data revenue, which was mainly driven by the 11.8% increase in data users, with 4.3 million net additions in data users from last year, the number of data users at the end of the period for this quarter stood at 40.6 million. The number of respective 4G data was 11 million. So, on this side, turning to the ARPU picture, with a 1.5 year-on-year decrease in service ARPU, which was mainly driven by the lower contribution from voice and interconnection and partly offset by higher contribution from data. Excluding this interconnection impact, ARPU would have only slightly decreased by 0.6%. On the data side, the year-on-year data ARPU has increased oppositely by 3.3%, which is a combination of 50.1% increase in the Average Megabyte Per User from 1.8 or 1.8 against 1.2 gigabyte in average and the decrease of 31.2% in the Average Price Per Megabyte.

So, turning on Opex and EBITDA. Opex for the quarter stood at 11.7 billion, where we see a continued focus from our side on the Opex efficiency. So, the year-on-year Opex/ Sales improved by 1.4 percentage points from 31.9% to 33.3% compared to Sales. On an underlying basis, the overall increase in Opex was mainly driven by revenue growth and profitability along with network expansion and partly offset by efficiencies on the market expand and operational maintenance cost. On the EBITDA side, this gives us a 7.3% EBITDA growth on a reported basis, which is 0.4 percentage point improvement on EBITDA margin from 61.3% to 61.8%. Regarding our investments, and Capex, with a continued investing in the 4G roll out strengthens the existing network in Quarter-3 2019. The Capex for the quarter stands at 2.1 billion BDT. Nevertheless, the Quarter-3 2019 Capex has been negatively impacted by the BTRC's restrictions on issuing the NOCs on importing telecom equipment/software, initiating new LCs, and release of already imported equipment from the port. So, the major capacity expansion plan in Quarter-3 got, therefore, deferred and delayed. On 4G related Capex, that stood at 0.6 billion with a 69% of population as of Quarter-3 2019. We have rolled out 1812 4G sites and 246 3G sites in Quarter-3. On the EPS and NPAT side, there is a decrease of 13.8% in the net profit after tax and the EPS on a reported basis, which is mainly due to a one-off on the tax provisions. Nevertheless, YTD EPS stand at 18.75 with a 2% year-on-year growth that we have posted Year To Date. On the cash side, there is 4.1 billion higher Operating Cash Flow in Quarter-3 in combination of 1.5 billion higher EBITDA and 2.6 billion lower EBITDA compared to last year. And the net debts to that minus 3.3 billion, a decrease in net debt from last quarter mainly due to the 8 billion lower SDL and 3.1 billion higher cash balance. So, then on, the last from my side, the last slide, as you can see, posting our total investment into the community here. So, since inception, we have here 357 billion Taka invested in total and made payment to the National Exchequer of more than 730 billion Taka whereof 61 billion only in the last 9 months of this year. And with this I finish the presentation.