

Business

Ooredoo Kuwait Group reports revenue of KD 449m for 9 months ended 30 Sept 2021

EBITDA improved by 6% • Net profit to NMTC increased by 129%

KUWAIT: National Mobile Telecommunications Company K.S.C.P "Ooredoo" (Ticker: OOREDOO) announced yesterday its financial results for the nine months ended 30 September 2021.

Sheikh Mohammad Bin Abdullah Al-Thani, Chairman of the Board of Directors commented: "I am pleased to report a strong set of results for the first nine months of 2021, as market activity continues to improve due to the gradual easing of COVID-19 restrictions in some of our core markets.

strategy, which is focused on data monetization, customer acquisition and ARPU development. EBITDA increased by 20 percent driven by 11 percent higher revenue.

In the Maldives, EBITDA stood at KD 13 million and the business was recognized for its response to the pandemic with an award at the Stevie International Business Awards 2021. We are continuing to focus on cost optimization, enhancing our product portfolio and broadening our customer base across all our core markets," he added.



Sheikh Mohammad Bin Abdullah Al-Thani



Abdulaziz Yaqoub Al-Babtain



Review of operations

The Group's operational performance can be summarized as follows:

Ooredoo - Kuwait operations

Abdulaziz Yaqoub Al-Babtain, Ooredoo Kuwait's Chief Executive Officer said: The COVID-19 pandemic and a decline in Kuwait's population continued to put pressure on Ooredoo Kuwait's performance during 2021. However, with the gradual ease of travel restrictions, supported by the stabilization of oil prices, Kuwait's population has witnessed a slight uptick. With this, the company reported a slight increase in revenue of KD 155.7 million for the nine months ended 30 September 2021. EBITDA increased 14 percent, supporting an improved EBITDA margin of 30 percent, up from 26 percent compared to the same period last year. Ooredoo Kuwait's 5G rollout increased further

during the period. Ooredoo Kuwait's continued commitment to its customers through providing world-class services was recognized by the Stevie International Business Awards where the company was awarded a Gold Stevie in the 'Mobile On-Demand Application' category for the My Ooredoo App, as well as a Bronze Stevie for Ooredoo Kuwait's volunteer program in the 'Corporate Social Responsibility Program of the Year' category.

Ooredoo Kuwait announced that it won the title "Speedtest Awards Winner 2021" by Ookla, the company that operates the famous website Speedtest.net, a tool that measures network speed on users' devices. The awards are based on speed test results conducted by hundreds of thousands of actual smartphone users in Kuwait.

Ooredoo - Tunisia

Revenues increased by 6 percent to KD 100.6 million compared to KD 94.7 million for same nine-month period in 2020. EBITDA increased to KD 42.3 million. Ooredoo's customer base in Tunisia decreased to 7.2 million customers, due to a change in Ooredoo Tunisia's reporting methodology of its prepaid customer's base from the original life-cycle definition to the 90 days network activity definition to align with a common methodology across mobile operators within the country. This change translates into a drop in the reported customer base of approximately 1.6 million with no impact on the reported financials.

same nine-month period in 2020. Customer base in Algeria increased by 3 percent to 12.7 million compared to 12.3 million for the same period in 2020.

Ooredoo - Palestine

Revenues increased by 11 percent to KD 25.6 million for the nine months ended 30 September 2021, compared to KD 23.1 million for the same period in 2020. EBITDA was strong, increasing by 20 percent to KD 9.3 million, driven by operational efficiencies across the business. Customer base in Palestine increased by 3 percent to reach 1.4 million customers compared to 1.3 million for the same nine-month period in 2020.

Ooredoo - Algeria

Business in Algeria reported strong numbers despite the continued devaluation of the Algerian Dinar, which depreciated by 9 percent year on year. Revenues stood at KD 140.9 million. In local currency terms, revenues were up by 8 percent. EBITDA increased by 4 percent to KD 50.3 million compared to KD 48.5 million for the

Ooredoo - Maldives

Ooredoo Maldives reported 2 percent decrease in revenues to KD 25.7 million for the nine months ended 30 September 2021, compared to KD 26.3 million for the same period in 2020. EBITDA stood at KD 13.1 million. Ooredoo Maldives now serves a total of 363k customers.

Financial Highlights

- Consolidated revenue increased to KD 449 million in the nine months ended 30 September 2021, compared to KD 442 million for the same period in 2020. Revenues in KD were positively impacted by the gradual easing of restrictions in Kuwait, healthy Tunisian growth, record quarterly revenue in Palestine, and strong numbers in Algeria in local currency terms.
- EBITDA increased by 6 percent in the nine months ended 30 September 2021 to KD 161 million, compared to KD 152 million for the same period in 2020.
- Consolidated customer base decreased by 5 percent to 23.9 million in the nine months ended 30 September 2021, compared to 25.3 million for the same period in 2020 mainly due to a change in customer reporting methodology in Tunisia.
- Net profit attributable to NMTC was KD 13.4 million in the nine months ended 30 September 2021, representing a strong growth of 129 percent compared to KD 5.9 million for the same period in 2020. Net profit growth was supported by solid operational and financial earnings from Ooredoo Kuwait, Ooredoo Algeria, Ooredoo Tunisia, Ooredoo Palestine and Ooredoo Maldives.
- The consolidated earnings per share were 26.8 fils per share for the nine months ended 30 September 2021, compared to 11.7 fils per share earned for the same period in 2020.

US new homes sales soar 14% in September

WASHINGTON: Sales of new homes in the United States soared 14 percent last month from August as buyers snapped up real estate despite high prices and scarce supply, the government reported yesterday. New home sales hit an annual rate of 800,000 in September, seasonally adjusted, far above August's pace, according to the Commerce Department, which also reported supply becoming scarcer and prices climbing.

The US real estate market has boomed since the start of the COVID-19 pandemic thanks to the dislocations of the virus and low mortgage rates enabled by

the Federal Reserve's zero rates policy.

The market has been predicted to lose some of its spark as high prices and supply shortages take their toll. Despite the better than expected September data, Nancy Vanden Houten of Oxford Economics predicted that dynamic would ultimately play out as the year draws to a close. "We expect new home sales to move mostly sideways over the rest of 2021 as strong demand and low mortgage rates are tempered by high prices and construction backlogs," she wrote in an analysis.

The stock of homes dipped last month to a 5.7-month supply at the current sales pace, down 12.3 percent from August and reversing gains in recent months as builders raced to catch up with demand.

That fueled another jump in the median sales price to \$408,800, a new all-time high. Sales jumped the most in the Northeast with a 32.3 percent gain, while the South saw an increase of 17.5 percent. The West saw a more modest 8.2 percent rise, while sales in the Midwest dipped 1.5 percent. — AFP



SOUTH SAN FRANCISCO: A worker stands on the roof of a new home under construction in South San Francisco, California.— AFP

China's Liu and US Treasury's Yellen hold 'candid' call

BEIJING: China's Vice Premier Liu He held a call with US Treasury Secretary Janet Yellen yesterday to discuss trade issues, with both sides highlighting points of concern in their relationship as they try to tread a new path after the upheaval of the Donald Trump era. In a video call, the two held "pragmatic, candid and constructive exchanges on the macroeconomic situation and cooperation in multilateral and bilateral fields", said China's commerce ministry in a statement.

Liu expressed concern about US tariffs and sanctions, and its treatment of Chinese companies, the statement said. Relations between Beijing and Washington

nosedived under former president Donald Trump, who imposed tariffs on Chinese products worth billions of dollars in 2018, citing trade practices he deemed as "unfair." After Joe Biden took power in January, he launched a review of the US trade strategy and tariffs initiated by Trump. But his administration also says that China's massive state subsidies for national companies, intellectual property theft and other factors create a heavily uneven playing field in trade.

According to a readout of the call from the US Treasury, Yellen "frankly raised issues of concern" in the meeting and the two sides recognized that "developments in our two economies have important implications for the global economy".

Earlier this month, US Trade Representative Katherine Tai spoke to Liu for a second time to discuss Chinese commercial practices. Last week China promised the World Trade Organization it would further open its vast market, with a swift counter from Washington that it believed Beijing showed "no inclination to change". — AFP

Financial Results for the 9 months of 2021

+129%

NET PROFIT to NMTC

+6%

EBITDA

448.5
KD Million

Consolidated Revenue

23.9
Million customers

Consolidated Customer Base



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