

## ***Ooredoo Kuwait Group announces recommended dividend of 15 fils per share Reports revenue of KWD 593 million in 2020***

**Kuwait City, Kuwait:** National Mobile Telecommunications Company K.S.C.P “Ooredoo” (Ticker: OOREDOO) announced today its financial results for year 2020:

### **Financial Highlights:**

	Quarterly Analysis			Full Year Analysis		
	Q4 2020	Q4 2019	% change	2020	2019	% change
Consolidated Revenue (KWD m)	151.1	163.5	-8%	592.8	633.5	-6%
EBITDA (KWD m)	45.3	58.1	-22%	196.9	232.6	-15%
EBITDA margin (%)	30%	36%	-	33%	37%	-
Net Profit attributable to NMTC (KWD m)	(2.5)	6.7	-137%	3.4	30.1	-89%
Consolidated Customers (m)	24.8	26.1	-5%	24.8	26.1	-5%

- Consolidated customer base decreased by 5% to 24.8 million in 2020, compared to 26.1 million in 2019.
- Revenues in KWD were impacted by lower sales in Kuwait (substantial support for local customers with free of charge services and plans), a decrease in Algerian revenue mainly due to the weak economic environment, currency devaluation, price competition and the impact of the Coronavirus and related business limitations across all operations. Consequently, consolidated revenue decreased by 6% to KWD 592.8 million for 2020, compared to KWD 633.5 million in 2019.
- EBITDA decreased by 15% in 2020 to KWD 196.9 million, compared to KWD 232.6 million in 2019.
- Net profit attributable to NMTC was KWD 3.4 million for 2020 compared with KWD 30.1 million in 2019, due to the decline in EBITDA
- The consolidated earnings per share was 7 fils for 2020, compared to 60 fils per share earned in 2019. The Board of Directors recommends a dividend payment of 15 fils per share, subject to shareholder approval at the General Assembly scheduled for 1 March 2021.

**Sheikh Mohammad Bin Abdullah Al Thani, Chairman of the Board of Directors commented:**

“2020 has been an unprecedented year in many ways, as the COVID-19 pandemic impacted nearly every aspect of our lives. During this period, we focused on the health and wellbeing of our employees and customers as well as supporting the communities in which we operate. Our efforts and service to the community was recognised by the Kuwait Red Crescent Society which honoured the voluntary role Ooredoo Kuwait employees performed to support society throughout the ongoing pandemic.

During the year we accelerated our digital transformation, focusing on expanding our digital customer acquisition channels and increasing the digital services available to our customers. This contributed to a significant growth in our digital user base and supported an increase in sales through the Ooredoo App in Kuwait. Our investments in technology and the customer experience, enabled us to maintain a healthy consolidated customer base of 24.8 million in 2020 compared to 26.1 million in 2019.

Our financial performance in 2020 was impacted by the economic slowdown resulting from the global pandemic, which deteriorated market conditions in some of our geographies. NMTC reported consolidated revenues of KWD 593 million in 2020 down from KWD 633 million in the previous year. Revenues improved sequentially from KWD 148 million in Q3 2020 to KWD 151 million in Q4 2020 indicating the start of a potential recovery. However, due to the uncertainty of the ongoing pandemic we remain cautiously optimistic and prudent in our approach.

The pressure from the top line impacted EBITDA and Net Profit attributable to NMTC, which was KWD 197 million and KWD 3 million, respectively.

In Kuwait, we continued to accelerate our digital strategy to create a seamless user experience and drive the growth of our digital customer base. In Tunisia, revenues increased by 4% to KWD 128 million despite challenging market conditions.

Our results in Algeria were impacted weak macroeconomic conditions, intense price competition and a 5% year on year depreciation of the Algerian Dinar.

In Palestine EBITDA increased 15% to KWD 11 million in 2020 compared to the previous year, driven by our ongoing efficiency and cost optimisation initiatives.

In Maldives’ our performance was impacted by the dampened tourism industry, which contributes to more than 40% of GDP, due to the COVID-19 pandemic.”

## **Review of Operations**

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

### **Ooredoo – Kuwait operations**

Ooredoo Kuwait Revenues were KWD 209.8 million in 2020, compared to KWD 231.3 million in 2019 and EBITDA was KWD 52.0 million in 2020 compared to KWD 72.4 million in 2019. Ooredoo Kuwait offered special benefits for workers in the ministries and governmental organisations to support their efforts in fighting the pandemic as well as free 5GB data a day and unlimited local calls for all its customers, during the COVID-19 crisis. Ooredoo Kuwait also witnessed a multi-fold increase in its digital user base and digital sales supported by an easy to use Ooredoo App.

### **Ooredoo - Tunisia**

Ooredoo's customer base in Tunisia decreased to 8.1 million customers in 2020. Revenues increased by 4% to reach KWD 127.7 million in 2020 compared to KWD 123.1 million in 2019. EBITDA decreased to KWD 54.7 million in 2020 compared to KWD 56.9 million in 2019 due to increased billing and collection cost reflecting a slowing economy.

### **Ooredoo – Algeria**

Customer base in Algeria decreased by 1% to 12.5 million in 2020 compared to 12.6 million in 2019. Business in Algeria was negatively impacted by the devaluation of the Algerian Dinar, a weak economic environment and intense price competition. Consequently, revenues decreased to KWD 190.0 million in 2020, compared to KWD 208.7 million in 2019. EBITDA was KWD 62.6 million in 2020, down from KWD 72.4 million in 2019. Algerian Dinar depreciated by 5% year on year.

### **Ooredoo - Palestine**

Customer base in Palestine stood at 1.3 million customers in 2020. Revenue increased by 3% to KWD 31.2 million in 2020, compared to KWD 30.2 million in 2019. EBITDA was strong, increasing 15% to KWD 10.5 million in 2020, compared to KWD 9.0 million in 2019, driven by operational efficiencies across the business.

### **Ooredoo - Maldives**

Ooredoo Maldives reported a 15% decrease in revenues to KWD 34.3 million in 2020, compared to KWD 40.2 million in 2019. EBITDA was KWD 17.0 million in 2020 compared to KWD 22.1 million in 2019. Ooredoo Maldives now serves a total of 349k customers.

For more information, please visit [www.ooredoo.com.kw](http://www.ooredoo.com.kw)

**-Ends-**

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**About Ooredoo Kuwait (NMTC)**

Commercially launched in December 1999, the Company's share price as of 31 December 2020 was KWD 0.627, giving a market valuation for Ooredoo (NMTC) of KWD 0.3 Billion.