

Business

Ooredoo Kuwait's consolidated revenue increased 4% to KD 306.1m in H1 2022

NMTC records strong performance of KD 112m of EBITDA for H1 2022

KUWAIT: National Mobile Telecommunications Company K.S.C.P "Ooredoo" (Ticker: OOREDOO) announced Tuesday its financial results for the half year ended 30 June 2022.

- Consolidated revenue increased by 4 percent to KD 306.1 million in H1 2022, compared to KD 294.7 million in H1 2021. Revenues were positively impacted by the gradual easing of restrictions in Kuwait, record revenue in Palestine and healthy market growth in Tunisia and Algeria.
- EBITDA increased by 7 percent in H1 2022 to KD 112.2 million, compared to KD 104.9 million in H1 2021.



Sheikh Mohammad Bin Abdullah Al-Thani

Abdulaziz Yaqoub Al-Babtain

Net profit attributable to NMTC increased to KD 20.8 million in H1 2022 from KD 7.0 million in H1 2021. Net profit growth was driven by solid operational and financial earnings from Ooredoo Kuwait, Ooredoo Tunisia, Ooredoo Algeria, Ooredoo Palestine and Ooredoo Maldives.

- The consolidated earnings per share was 42 fils per share for H1 2022, compared to 14 fils per share earned in H1 2021.
- Consolidated customer base increased to 24.1 million in H1 2022 compared by 23.9 million in H1 2021.

Sheikh Mohammad Bin Abdullah Al-Thani, Chairman of the Board of Directors commented: "NMTC reported further growth for the first half of the year, driven by record revenues in Palestine and healthy market growth in Tunisia and Algeria. Furthermore, the easing of COVID restrictions in Kuwait had positive impact on the Company's revenues for the period. Consolidated revenues stood at KD 306 million for H1 2022, a 4 percent increase compared to the same period last year, supported by a healthy EBITDA margin of 37 percent."

In Kuwait, the company further focused on driving operational efficiencies, resulting in 14 percent increase in revenue to KD 117 million, and 18 percent increase in EBITDA. Tunisia reported 2 percent revenue growth in local currency terms.

In Algeria, revenue increased 4 percent in local currency terms, and the company's customer base went up by 2 percent. Revenues in Palestine increased 6 percent to KD 18 million, and the company reported strong EBITDA increase of 12 percent, driven by operational efficiencies across the business. Finally, Ooredoo Maldives reported 10 percent increase in revenues and the Company now serves a total of 375 thousand customers.

The first half of 2022 is off to a solid start, as we continue to streamline efficiencies across the business, while remaining focused on digital transformation in our core markets. We look forward to our continued growth and remain optimistic about the remainder of the year."

Abdulaziz Yaqoub Al-Babtain, Ooredoo Kuwait's Chief Executive Officer, commented: "It goes without saying that Ooredoo has made quantum leaps in the world of telecommunication, technology, cybersecurity and security services, making it a well-reputed company with a leading position in the world of innovative digital services, information technology, internet and communications," Al-Babtain said. Al-Babtain added: "With the diversity of customer segments, we diversified our campaigns and marketing strategies to satisfy every segment. This led to an increase in the number of our customers, which mirrors their great trust in us which we take pride of."

"Cloud Service Provider" license

He pointed out, "Our keenness to provide innovative digital services made Ooredoo maintain its position as the first in providing the fastest internet network in Kuwait for the second year in a row, according to the Global Index Speed test by Ookla, the world leader in applications and data analyses of fixed and mobile Internet speed tests."

Al-Babtain further added: "We are also proud to be the first Telecom in Kuwait to obtain the Cloud Service Provider license from the Communication and IT Regulatory Authority. The "Cloud Service Provider" license, which is new in Kuwait, was issued to Ooredoo following an extensive review of the company's technical capabilities, cloud infrastructure robustness, security policies and safeguards, data handling and storage procedures as well as technical and security certifications. This achievement which represents a milestone in the history of Ooredoo Kuwait's Data Center was followed by obtaining Tier 3 certification in Kuwait, being the only one of its kind nationwide. The center is also fully equipped to provide exceptional experience in services and solutions such as managed hosting services, CPE, cloud services, NOC and SOC in addition to an array of other services. This comes to further reiterate the company's commitment to being the leader in information technology solutions."

tries at risk of poverty and even famine. Lebanon's capacity to store large quantities of wheat has also taken a blow after a deadly mega-blast at Beirut's port in August 2020 heavily damaged the country's main grain silos. The price of subsidized Arabic bread has gone up since the onset of an unprecedented economic crisis in Lebanon in 2019. Lebanese bakeries have begun rationing subsidized bread, with the government and bakeries trading blame for shortages. Bakeries accuse cash-strapped authorities of failing to provide enough subsidized flour, an accusation the economy ministry denies.

Caretaker Economy Minister Amin Salam accuses bakeries of hoarding subsidized flour and using it for unsubsidized products such as sweets. Lebanon is grappling with an unprecedented financial crisis, branded by the World Bank as one of the planet's worst since the 1850s.

The small Mediterranean country defaulted on its debt in 2020, the local currency has lost around 90 percent of its value on the black market, and the UN now considers four in five Lebanese to be living under the poverty line. — AFP

Lebanon approves \$150 million World Bank wheat loan

BEIRUT: Lebanon's parliament approved on Tuesday a \$150 million World Bank loan to import wheat, as shortages of subsidized bread intensify in the cash-strapped country, local media reported. Long lines have formed in front of bakeries and supermarkets where people wait hours for a bag of subsidized Arabic bread — in short supply as a years-long economic crisis depletes state coffers.

Lebanon imports 80 percent of its wheat from war-torn Ukraine, according to a representative of Lebanon's wheat importers.

But wheat-exporting powerhouse Ukraine has struggled to sell and sow its crops since Russia's invasion in February, putting consumers in poorer coun-



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EasyJet hit by aviation disruption but slashes loss

LONDON: British airline EasyJet on Tuesday said it took a sizeable financial hit from sector-wide disruptions, notably staff shortages, but still slashed quarterly losses as demand recovers. As airport staff shortages spark flight cancellations, EasyJet said in a statement that it booked a one-off charge totaling £133 million (\$160 million). That saw the airline post a pre-tax loss of £114 million in the group's third quarter, or the three months to the end of June.

However, that marked a major improvement from a loss of around £318 million for the same period of last year, as travel demand picked up from a

COVID-induced downturn. Third-quarter revenue increased more than eight-fold to £1.8 billion, while traffic rebounded close to pre-COVID levels. EasyJet chief executive Johan Lundgren said the carrier was hit by "short-term disruption issues", but that it was experiencing "the return to flying at scale".

Traffic surged more than seven-fold to 22 million passengers in the quarter after the lifting of COVID travel curbs. That was almost 90 percent of the group's 2019 capacity, before the pandemic ravaged the global aviation sector by grounding planes worldwide.

EasyJet said "the unprecedented ramp-up across the aviation industry, coupled with a tight labor market" had caused "widespread operational challenges culminating in higher levels of cancellations than normal". Despite the disruption, EasyJet operated 95 percent of its planned schedule in the quarter.

Airlines and airports are struggling to recruit staff having sacked thousands of workers as the world entered COVID pandemic lockdowns. — AFP

Financial Highlights:

	Quarterly Analysis			Half Year Analysis		
	Q2 2022	Q2 2021	% change	H1 2022	H1 2021	% change
Consolidated Revenue (KWD m)	153.2	148.6	3%	306.1	294.7	4%
EBITDA (KWD m)	56.4	54.1	4%	112.2	104.9	7%
EBITDA margin (%)	37%	36%	-	37%	36%	-
Net Profit attributable to NMTC (KWD m)	12.4	6.0	107%	20.8	7.0	197%
Consolidated Customers (m)	24.1	23.9	1%	24.1	23.9	1%

Ooredoo Business drives digital transformations

Al-Babtain continued: "As part of our clear strategy in pushing our business towards digital transformation, Ooredoo Business announced its collaboration with Huawei launching Ooredoo Cloud Connect in Kuwait, a new generation of cloud-optimized managed network services powered by the Huawei Cloud Campus MSP platform that aims at enabling businesses to keep up with the pace of ongoing innovations. Ooredoo Cloud Connect brings software defined networking (SDN), programmable networking and API-based operation to LAN and WAN services. Through this offering, customers will be able to maximize their performance, agility and flexibility for their businesses."

Embracing "The Digital Age"

Al-Babtain concluded: "Embracing the digital age and delivering products that keep up with the needs of our customers helped in our growth. These achievements are yet another milestone for the company's plans to further embrace digitalization and solidify its position as a leading local telecom service provider."

Strategic interest in the field of mobile financial services

With the ever-growing development and need of financial services worldwide, Ooredoo Kuwait has expressed its interest in perusing various opportunities in the area of Mobile Financial Services.

Review of operations

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

Ooredoo - Kuwait

Ooredoo Kuwait reported 14 percent increase in Revenue to KD 117.0 million in H1 2022 compared to KD 102.7 million in H1 2021. EBITDA increased 18 percent to KD 35.1 million in H1 2022 compared to KD 29.7 million in H1 2021, driven by operational efficiencies across the busi-

ness. Ooredoo's customer base in Kuwait increased to 2.6 million in H1 2022, up 14 percent compared to H1 2021.

Ooredoo - Tunisia

The Tunisian Dinar depreciated by 7.7 percent year-on-year, leading to a decrease in Revenues to KD 62.0 million in H1 2022 compared to KD 65.7 million in H1 2021. In local currency terms, revenues were up by 2 percent. EBITDA stood at KD 27.1 million in H1 2022. Ooredoo's customer base in Tunisia decreased to 6.9 million customers in H1 2022 compared to 7.2 million customers in H1 2021.

Ooredoo - Algeria

Ooredoo Algeria's customer base increased by 2 percent to 12.9 million in H1 2022 compared to 12.6 million in H1 2021. Business in Algeria was negatively impacted by the devaluation of the Algerian Dinar, which depreciated by 6.4 percent year on year. Consequently, revenue decreased to KD 90.7 million in H1 2022 compared to KD 92.6 million in H1 2021. In local currency terms, revenues were up by 4 percent. EBITDA stood at KD 33.2 million in H1 2022.

Ooredoo - Palestine

Revenue increased by 6 percent to KD 17.5 million in H1 2022, compared to KD 16.6 million in H1 2021. The business reported a strong EBITDA with an increase of 12 percent to KD 6.5 million in H1 2022 compared to KD 5.8 million in H1 2021, driven by operational efficiencies across the business. Customer base in Palestine increased by 5 percent to reach 1.4 million customers in H1 2022 compared to 1.3 million in H1 2021.

Ooredoo - Maldives

Ooredoo Maldives reported a 10 percent increase in revenues to KD 18.8 million in H1 2022, compared to KD 17.0 million in H1 2021. EBITDA improved by 16 percent to reach KD 10.3 million in H1 2022 compared to KD 8.9 million in H1 2021. Ooredoo Maldives now serves a total of 375 thousand customers.

Results for the First Half of 2022



Consolidated Revenue	+4%	306.1 KD Million
EBITDA	+7%	112.2 KD Million
EPS	+200%	42 Kuwaiti Fils