

Earnings Release

Kuwait Telecommunications Company K.S.C.P.

3M - 2020

For the three months Ended 31 March 2020



stc's financial results

For the three months ended 31 March 2020

Kuwait Telecommunications Company (**stc**), a world-class digital leader providing innovative services and platforms to customers and enabling the digital transformation in Kuwait, announced its financial results for the three months ended 31 March 2020; whereby **stc**'s revenue reached KD 72.2 million, while the net profit reached KD 6.5 million.

stc's financial results for the three months ended 31 March 2020 reflect the effectiveness of the company's strategy in delivering outstanding results despite the increased competition.

These results also reflect **stc**'s focus on achieving outstanding customer experience, high quality of services as well as innovative promotions and solutions to meet customers' needs and aspirations. **stc**'s services and solutions are inspired by customers' confidence which motivates us to provide the best services with the highest possible quality.

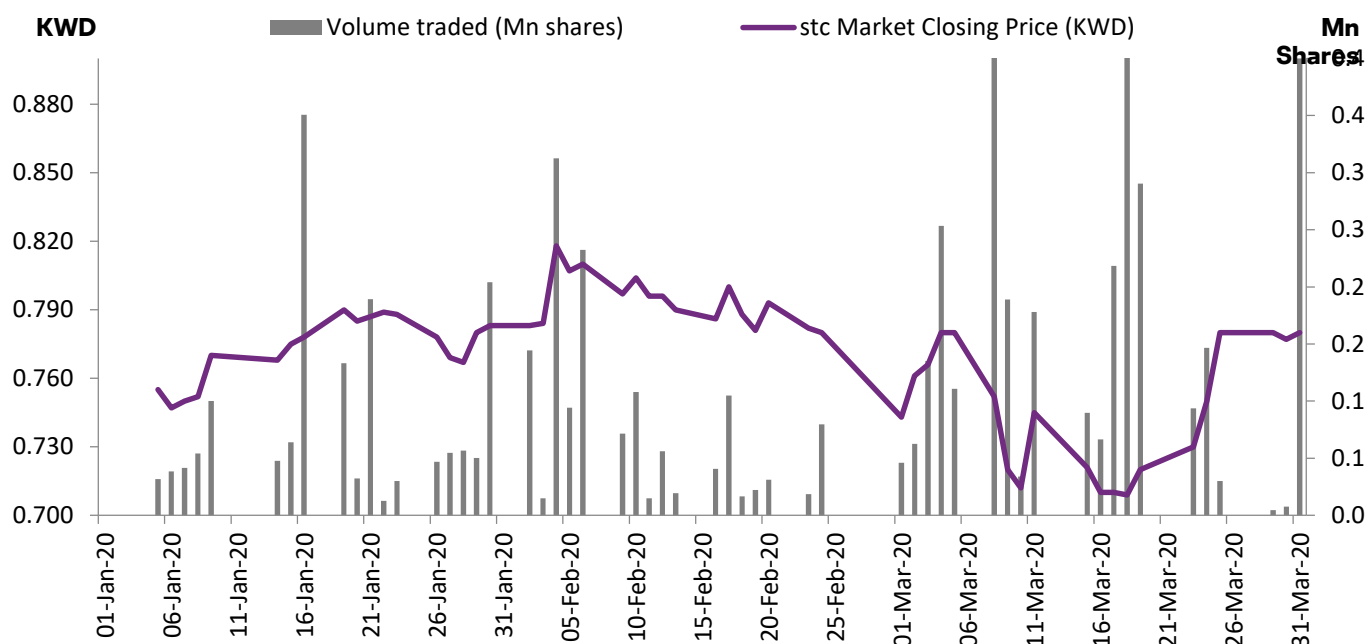
Key Figures & Ratios	3M-2019	3M-2020	Change
Subscribers (Mn)	2.04	1.94	-5.1%
Revenue (KD Mn)	66.6	72.2	8.3%
EBITDA	18.8	17.0	-9.7%
EBITDA Margin (%)	28%	24%	-4.7pt.
Net Profit (KD Mn)	9.6	6.5	-32.1%
Net Profit Margin (%)	15%	9%	-5.4pt.
EPS (Fils)	19	13	-32.1%
Equity (KD Mn)	181.6	196.9	8%
BVPS (Fils)	364	394	8%

Key Financial Highlights

- **stc**'s revenue increased by 8.3% during the three months ended 31 March 2020 to reach KD 72.2 million as compared to KD 66.6 million recorded in 2019.
- EBITDA witnessed a decline of 9.7% to reach KD 17.0 million during the three months ended 31 March 2020 compared to KD 18.8 million in 2019 due to higher Operating expenses mainly from bad debt provisions and increase in rents.
- EBITDA Margin reached 24% during the three months ended 31 March 2020 compared to 28% recorded during the same period in 2019.
- The net profit reached to KD 6.5 million (earning per share 13 fils) during the three months ended 31 March 2020 as compared to KD 9.6 million (earning per share 19 fils) recorded for same period in 2019.
- Shareholders' equity reached KD 196.9 million at the end of March 2020 with a growth rate of 8% compared to KD 181.6 million at the end of March 2019. **stc**'s customers' stood at 1.94 million by the end of March 2020.

YTD-2020 Stock

Performance and Indicators



Closing Price (KD)	High Price (KD)	Low Price (KD)	Volume Traded (Mn Shares)	Value Traded (KD Mn)	Number of Deals	Share Turnover (%)	YTD-2020 Return (%)
0.780	0.840	0.680	6.3	4.8	2,435	1.27%	-1.0%

Source: Boursa Kuwait,

Note: Data provided in the above table as of 31 March 2020.

About stc

Kuwait Telecommunications Company (**stc**), is a leading brand in the telecommunications industry established in December 2008 as a subsidiary of **stc** Group, the world-class digital leader, providing innovative services and platforms, and enabling the digital transformation of the region. With a share capital of KD 50 million, **stc** was listed on the Boursa Kuwait in December 2014. In 2019, **stc** has acquired 100% of the share capital of Qualitynet General Trading and Contracting Company - the leading Internet Service Provider in Kuwait.

stc strives to provide its customers, both consumers and enterprise (**stc** business), with a unique pool of products and services that satisfy their aspirations and cater to their needs. **stc** offers numerous opportunities in the fields of telecommunications, entertainment, information, digital and data transfer services, and delivers the best customer experience around the clock.

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 stc Kuwait

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