

Press Release

The Guinea Conakry ministry of telecommunications issued on the 9th of October 2018 a decision to cancel the mobile operation licence of Intercel Company, one of sudatel group of companies.

The decision also dictates the liquidation of Intercel within one month from the issuance date of the decision.

To be clear, this decision by The Guinea Conakry ministry of telecommunications had preceded sudatel group announcement of their decision not to renew its licence.

Sudatel group had arrived at this decision due to prohibitive condition made by the ministry during a recent discussion meeting in which the ministry demanded a 100 million U.S dollars licence renewal fees and a 2G network upgrade to 3G.

This amount is extremely high compared to neighbouring markets and it would be much better to be invested in the groups other successful operating networks.

The decision not to renew the licence is in sync with sudatel directions during it is last General Assembly and Board meeting.

Furthermore, sudatel formed special committees to review Intercel and the dire conditions of telecommunication market in Guinea Conakry as a whole, had found that there are 5 operating networks in spite of the limited number of inhabitants. One of the operators stopped working and the others suffer serious financial "setbacks".

Accordingly, Intercel, Sudatel operating network in Guinea Conakry has been losing from 10 to 15 million U.S dollars consecutively, which negatively impacted the overall Sudatel Group financial performance, in addition to affecting the positive results due to successes by the operating networks in Sudan, Senegal & Mauritania.

To make an already difficult situation more complicated in Guinea Conakry, Sudatel had invested in 2015 on new equipment intended for network expansion, only to discover that the vender withdrew from the project due to U.S sanctions and therefore, the efforts to improve the situation failed.

It is worth mentioning that Sudatel Group discloses its financial performance in Khartoum Stock Exchange & Abu Dhabi Securities Exchange regularly and with complete transparency, which indicates 50 million U.S dollars net profit for four years consecutively.

The financial reports of the group are endorsed by the offices of the Sudan national chamber, and the international accountants (Saudi Arabia), in addition to Earnest & Young for West Africa operations specially Guinea Conakry.

We are all aware that Earnest & Young is one of the four largest auditing firms in the world.

Moreover, the group has implemented the new international auditing standard (701) for the first time and it's considered as one of the first companies to do so in the region. This new standard is known for its increased transparency for disclosures.

We would like to assure all that the Group is steadily moving forward in implementing our shareholders vision & the strategic targets of the board represented by members from inside & outside Sudan.

Sudatel Group thanks all its customers & subscribers and greatly appreciate the exemplary effort of all its employees in the group for the huge role in developing the telecommunication sectors in the respective countries in which the group operates.

