



Zain Bahrain continues to show resilience in Q3 and enhances its network for the benefit of its customers in the new data era

- *Q3 results reflect resilience in performance despite unprecedented challenges*
- *Significant investment in 5G and 4G infrastructure resulting in enhanced experience*
- *Operator continues to successfully expand 5G network across the Kingdom*

Manama – October 25, 2020

Zain Bahrain, a leading telecommunications operator in the Kingdom, reported a rise in net profit to BD1.549 million (US\$4.108 million) in Q3 2020, a 21% increase year-on-year (Y-o-Y) from a net profit of BD1.283 million (US\$3.403 million) in Q3 2019. Revenue for Q3 2020 amounted to BD14.833 million (US\$39.345 million), down by 2.688% as compared to the BD15.243 million (US\$40.432 million) reported in Q3 2019. Earnings per share (EPS) in Q3 2020 reached 4 fils, up 33% from the 3 fils in Q3 2019. Operating profit for Q3 2020 reached BD1.746 million (US\$4.630 million), an increase of 13% Y-o-Y, compared to the BD1.538 million (US\$4.07 million) recorded in Q3 2019.

For the nine months ending September 30, 2020 year-to-date (YTD), Zain Bahrain reported net profit of BD3.706 million (US\$9.831 million), representing a 3% decrease Y-o-Y from BD3.815 million (US\$10.120 million) for the same period in 2019. Zain Bahrain generated revenues of BD46.252 million (US\$122.685 million) during the first nine months of 2020, an increase of 1% Y-o-Y. The revenue was driven by mobile data and broadband usage, as well as the continual expansion of the 5G network across the Kingdom. Earnings per share remained resilient at 10 fils for both nine-month periods in 2019 and 2020. Operating profit for the nine-month period in 2020 reached BD4.404 million (US\$11.681 million), a 5% decrease on the BD4.644 million (US\$12.29 million) recorded in 2019.

Shareholders equity stood at BD73.783 million (US\$195.712 million), up 4% Y-o-Y, from BD 70.806 million (US\$187.815 million) in 2019. Zain Bahrain's asset base as of September 30, 2020 stood at BD122.780 million (US\$325.675 million), up 6% Y-o-Y from BD116.064 million (US\$308.680 million) in 2019.

Commenting on the financial results, **His Excellency Shaikh Ahmed bin Ali Al Khalifa, Chairman of Zain Bahrain**, said, *"The recent commercial launch of 5G services offers incredible mobile experiences to our customers, accelerating new innovative business models and unlocking opportunities for many sectors. With the ever-increasing demand for mobile data and broadband services due to the unprecedented times we face, the resilience and capability of broadband networks has become even more critical for us. The Zain Bahrain team is working tirelessly to ensure that connectivity and communication services operate in a reliable, stable, and secure*



manner. The Q3 results are a testament to the fact that our customer and digital-first strategies are empowering our customers, and we are committed to increasing the capacity of broadband connections, enhancing network performance and digital services to cater for unprecedented levels of data usage. We would like to take this opportunity to thank the Government of Bahrain for its outstanding performance in handling the Covid-19 pandemic.”

Key achievements of Zain Bahrain in Q3 2020

- Expansion of Zain Bahrain’s 5G services footprint in the Kingdom accelerating business opportunities for many sectors.
- Significant investment in 5G and 4G infrastructure resulting in enhanced experience with faster internet speeds and improved indoor coverage.
- Enhancements in digital experience including upgrades to Zbot (AI web chat robot) and self-care channels resulting in double digit increase in usage.
- Launch of Zain delights program phase 2 offering more personalized relevant offers to Zain’s customers.
- B2B service and portfolio enrichment resulting in securing major new deals across the different sectors.
- Community support initiatives including continuation of providing free essential web access services to educational platforms for Zain’s home broadband customers, and providing to Sudanese nationals free minutes to contact their families and loved ones experiencing torrential flooding back home.
- Introduction of Zain Digital Natives Advancement Program for newly recruited Generation Z Bahraini employees as part of Zain Bahrain’s Youth Empowerment Program designed to empower Bahraini youth to elevate their digital & interpersonal skills.
- Zain Bahrain continues to be the Key Sponsor for the Bahrain Basketball Federation’s 13th season.
- Launch of ‘Aswat’, a platform dedicated to sponsoring speakers’ podcasts focusing on different topics of interests.

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About Zain Bahrain

Zain Bahrain, a telecommunications industry innovator focused on enhancing customer experience, was awarded a mobile telecom license on 22 April 2003 and commenced commercial operations on 28 December 2003. The operation promptly placed Bahrain on the world telecom map through the introduction of many mobile technology innovations that continue to this day with nationwide high-speed 4G LTE services being offered through the Kingdom's most advanced mobile network. Zain Bahrain, listed on the Bahrain Bourse (Ticker: ZAINBH), is part of Zain Group, a leading telecommunications operator across the Middle East and Africa, which provides mobile voice and data services to 7.6 million active customers as at 30 June 2020. With a commercial presence in eight countries, Zain operates in Kuwait, Bahrain, Iraq, Jordan, Saudi Arabia, Sudan, and



South Sudan. In Lebanon, the Group manages 'touch' on behalf of the government. In Morocco, Zain has a 15.5% stake in 'INWI,' through a joint venture. For more information, please email info@bh.zain.com or visit: www.bh.zain.com

Kindly Note:

The Q3 2020 financial statements and press release for Zain Bahrain (ZAINBH) will be available on Bahrain Bourse's website.