

In line with the Fourth National Telecommunications Plan:

Batelco Announces the Completion of its Legal Separation to Two Independent Entities during a High Level Press Conference

- *The Minister of Transportation and Telecommunications: An Increase in competition within the telecommunications sector thanks to His Majesty's Reform Project*
- *Batelco Chairman outlines the progress of the restructuring plans for both entities*

13th May, 2019 - Manama, Bahrain: The Minister of Transportation and Telecommunications, His Excellency Engineer Kamal bin Ahmed Mohamed, announced the completion of Batelco's legal separation process in implementation of the 4th National Telecommunication Plan (NTP4). This announcement was made during a press conference held 13 May in the presence of Batelco Chairman, Shaikh Abdulla bin Khalifa Al Khalifa, Acting Director of TRA, Shaikh Nasser bin Mohammed Al Khalifa, Batelco board members, executive management, stakeholders and officials from concerned parties.

On this occasion, the Minister of Transportation and Telecommunications commented: "Batelco, one of the leading telecommunication providers in the Kingdom, has completed the legal separation as part of the National Telecommunications Plan approved by the Council of Ministers in May 2016. The Ministry of Transportation and Telecommunications continues to provide its support to all telecommunication companies in the Kingdom of Bahrain, including Batelco."

"We have worked closely with Batelco to coordinate with all governmental entities and stakeholders in order to create comprehensive plans for the facilitation of the legal separation and restructuring of the two companies," added His Excellency.

"The new infrastructure company will work with the government to create a fiber optic network providing residents in all areas of the Kingdom with high-speed internet access. These developments come in line with the Economic Vision 2030, which focuses on the provision of high quality services in the Kingdom of Bahrain and will achieve the government's vision of the 4th National Telecommunications Plan," he added.

Batelco has recently announced the appointment of Mohamed Bubashait as the CEO of the new infrastructure company for National Broadband and Mikkel Vinter as the new

CEO of Batelco Bahrain, which will be the entity responsible for the retail and enterprise operations. The two separate entities will remain under the ownership of Batelco.

Batelco Chairman, Shaikh Abdulla bin Khalifa Al Khalifa confirmed the completion of the legal separation, including the restructuring of the executive management teams, separation of operations systems and human resources, in line with the NTP4 telecommunication guidelines and TRA Regulations.

Shaikh Abdulla also stressed on the importance of maintaining the best interests of the company and its stakeholders by stating, "It is a priority for the Board of Directors to achieve the highest possible returns as well as enriching future returns, and ensuring the continuous and sustainable success of the company in the long run."

"We also want to confirm that the restructuring of the Company, as part of the NTP4, is going to create new horizons for Batelco and opportunities to invest in digital technology and furthermore, create new and diverse revenue streams which is in line with the Kingdom's vision for the growth of the digital economy."

Acting General Director of the TRA, Shaikh Nasser bin Mohammed Al Khalifa said, "The legal separation project reflects the vision of His Majesty the King, His Royal Highness the Prime Minister and the Crown Prince, Deputy Supreme Commander and First Deputy Prime Minister to develop the growth and economic diversification of the telecommunication sector. It is thanks to the vision of our leadership that the Kingdom has received the highest level of international acclaim over the last few years, the latest being the Kingdom's ranking as fourth in the world according to the United Nation's Index of Communications Infrastructure."

"Through the regulatory framework of the 4th National Communication Plan, the success of this project is based on the competition of providing high-speed internet for the benefit of the consumer in order to provide them with unprecedented speeds of broadband services and support the business sector in order to make the Kingdom of Bahrain a strategic investment destination and a regional hub for trade and ICT," he added.

Shaikh Abdulla concluded the press conference by stressing the importance of continued cooperation between all concerned parties in order to achieve the objectives of the national project. "The company's policy and strategic plan reflect the future of the telecommunication sector and its aim to provide a free and fair atmosphere for competition in line with the Kingdom's vision."

Photo Caption: Minister of Transportation and Telecommunications, His Excellency Engineer Kamal bin Ahmed Mohammed, Chairman of Batelco, Shaikh Abdulla bin Khalifa Al Khalifa and Acting Director of TRA, Shaikh Nasser bin Mohammed Al Khalifa,

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This press release has been issued by Batelco Corporate Affairs department.
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About Batelco

Batelco Group is headquartered in the Kingdom of Bahrain and listed on the Bahrain Bourse. Batelco has played a pivotal role in the country's development as a major communications hub and today is the leading integrated communications' provider, continuing to lead and shape the local consumer market and the enterprise ICT market. Batelco has been growing overseas via investing in other market-leading fixed and wireless operators.

Batelco Group has evolved from being a regional Middle Eastern operation to become a major communications company with direct and indirect investments across 14 geographies, namely Bahrain, Jordan, Kuwait, Saudi Arabia, Yemen, Egypt, Guernsey, Jersey, Isle of Man, Maldives, Diego Garcia, St. Helena, Ascension Island and the Falkland Islands. www.batelco.com