



## Zain Bahrain's investments and infrastructure, main drivers of growth in Q3 2021

- *Steady 5% growth in operating profits with revenues growing 3% year-on-year for the 3<sup>rd</sup> quarter of 2021*
- *For the first nine-months of 2021, Zain Bahrain reported a healthy 18% net profit increase*
- *Operator accelerating product and service innovation to meet increasing digital market needs*
- *H.E. Shaikh Ahmed bin Ali Al Khalifa: "We are focused on expansion of 5G services across the Kingdom, investment in quality mobile coverage in new housing areas and sustainability initiatives."*

**Manama, Bahrain – 19 October, 2021:** Zain Bahrain (BSE: ZAINBH), a telecommunications industry innovator in the Kingdom, announces its financial results for the third quarter (Q3 2021) ending September 30, 2021. For the three months, Zain reported a net profit of BD1.613 million in Q3 2021, reflecting a steady 4% increase year-on-year (Y-o-Y) from a net profit of BD1.549 million for the same period in 2020. Earnings per share for Q3 2021 remained at 4 fils per share similar over the same period in 2020. Revenues for Q3 2021 amounted to BD15.291 million, a 3% increase as compared to BD14.833 million in Q3 2020. Operating profit in Q3 2021 saw an increase of 5% to BD1.825 million, as compared to BD1.746 million recorded in Q3 2020.

The steady profit and revenue increase was a result of further network expansion, investment in pioneering and first-to-market technology, and consistent product and service innovation to meet user demand. During Q3, Zain Bahrain accelerated its product and service offerings to meet increasing digital market needs, and focused on providing a seamless user experience in new housing areas in the Kingdom.

For the nine-month period ending September 30, 2021 year-to-date (YTD), Zain Bahrain reported net profit of BD 4.387 million, representing an 18.36% increase Y-o-Y from BD3.706 million for the same period in 2020. Earnings per share grew to 12 fils for the nine months in 2021 as compared to 10 fils in 2020 for the same period. Zain Bahrain generated revenues of BD48.020 million during the first nine months of 2021, an increase of 3.82% Y-o-Y as compared to BD46.252 million for the same period in 2020. Operating profit for the nine-month period in 2021 reached BD5.047 million, a 14.60% increase on the BD4.404 million recorded in 2020.

At a balance sheet level, Zain Bahrain's total equity as of 30 September 2021 grew to BD77.686 million, up by 5.29% from BD73.783 million for the same period in 2020. The value of the company's assets at the end of Q3 2021 stood at BD127.675 million, a slight increase of 4% from BD122.780 million as of 30 September 2020.

Commenting on the Q3 results, **Zain Bahrain Chairman, His Excellency Shaikh Ahmed bin Ali Al Khalifa** said, "Following Zain Bahrain's record profit increase in the second quarter of this year, we have continued to see steady growth into the third quarter of 2021. Earlier this quarter, we outlined our plans for continued investment in our 4G and 5G network expansions, showing our unwavering commitment to driving further digitalisation in Bahrain, and enhancing our customers' digital lives. We are strongly focused on expansion



of 5G services to new areas across the country, investing in reliable and quality mobile coverage and setting new precedents for customer experience during this quarter, through expanding our relationship with Ericsson to deploy their Radio Access Network (RAN) solution in the Kingdom.”

H.E. continued, “We remain passionate about addressing social challenges such as climate change by minimizing our environmental footprint, setting specific sustainable growth targets to reduce emissions, minimise waste, spread awareness, and mitigate the impact of climate-related risks. As part of these sustainability plans, we have invested in modernising our equipment rooms to outdoor-based enclosures that will reduce electricity consumption, space and operational complexity and decrease CO2 emissions.”

**H.E. Shaikh Ahmed concluded:** “Moving into the final quarter of 2021, we are firmly focused on continuing our network expansion plans throughout the Kingdom, both at a commercial and individual level. We are dedicating significant resources to ensure a seamless customer experience and our team is committed to meeting the surge in digital demand with network efficiency, innovation and sustainability.”

Zain Bahrain's full financial statements and financial results announcement press release are available on the Bahrain Bourse website, [www.bahrainbourse.com](http://www.bahrainbourse.com).

#### **Zain Bahrain’s key achievements in Q3 2021 included:**

##### **Investments in Network and Customer Experience:**

- Deployment of advanced 5G Carrier Aggregation in partnership with Ericsson to expand 4G and 5G coverage, and introduction of low and mid-band Carrier Aggregation for enhanced network capacity and user experience.
- Joining forces with Etisalat Group, STC, Mobily, and Du, from Emirates Integrated Telecommunications Company (EITC), to push forward the implementation of Open Radio Access Network (Open RAN) solutions to drive innovation for the ICT sector across the Middle East.
- Capitalize on the establishment of Zain Ventures and investment in the fast-growing FinTech innovators Pipe and Swvl to support their growth across Zain's regional footprint and beyond.
- The adoption of sustainable energy-efficient solutions through the use of outdoor enclosures, to improve the company’s environmental impact and encourage smart energy management.
- Expansion of Zain Bahrain’s 5G services to new housing areas including Salman Town, Khalifa City, East Hidd and Ramli Housing Area.

##### **Youth:**

- Hosting a congratulatory event for participants of Zain’s e-Waste recycling initiative in association with the Supreme Council for Environment, which generated over 10.5 tons of e-waste.
- Sponsored BIBAN, the Entrepreneurship themed Reality TV show

##### **Community and Social Responsibility:**

- In support of the Kingdom’s start-up ecosystem, hosting of the 8<sup>th</sup> edition of Zainnovate in partnership with Alkeri Partners, a Bahrain-based digital start-up foundry, and Oqal Angel Investors Network, the first Angel investor community in the KSA, covering Bahrain.
- Partnership with the Rotary Club of Adliya (RCA) to virtually host the 3<sup>rd</sup> edition of the '7ewar 3.0 Forum' youth initiative, to generate awareness amongst Bahraini youth of generational differences at the workplace in order to create a more productive work environment.



- Zain Bahrain signed a cooperation agreement with Bahrain Society for Training & Development (BSTD) to train young Bahraini women in the 20 – 24 age group to gain hands on experience in various departments.
- Signed an MOU with Nasser Vocational Training Center to exchange knowledge and enhance research and innovation opportunities.
- Partnered with Bahrain Deaf Society to teach sign language to Zain Bahrain employees

**Development:**

- Prominent business leaders were invited to deliver inspirational speeches and conduct interactive sessions for employees, such as: 'God-Given Gifts - 3Gs' by Bahraini counsellor and Coach Masooma Al Aali, 'Creating the Creative Idea' by Dr. Salah Meemar, 'Mastering Self- Motivation' by Khalil Alqaheri and 'Personal Resilience' by Nusaiba Almadani.
- Hosted a Masterclass session on cybersecurity for Zain Bahrain employees.

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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 and 5G 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 48.3 million active customers as at 30 June, 2021. With a commercial presence in seven countries, Zain operates in Kuwait, Bahrain, Iraq, Jordan, Saudi Arabia, Sudan, and South Sudan. In Morocco, Zain has a 15.5% stake in 'INWI,' through a joint venture. For more information, please email [info@bh.zain.com](mailto:info@bh.zain.com) or visit: [www.bh.zain.com](http://www.bh.zain.com)