



Zain Bahrain reports resilient 2020 financial results with annual net profit up 3% to BD5.4 million

- 4th quarter net profit up an impressive 17% to reach BD1.698 million
- H.E. Shaikh Ahmed bin Ali Al Khalifa: “Robust growth reflects resilient strategies, successful business approach, and talented human resources”

Manama, Bahrain – 16 February, 2021

Zain Bahrain (BSE: ZAINBH), a leading telecommunications provider in the Kingdom, announces its financial results for the fourth quarter (Q4 2020) and full year ended 31 December 2020.

For Q4 2020, the operator reported net profit of BD1.698 million for the three-month period ending, up an impressive 17% from BD1.454 million for the same period in 2019. Earnings per share for the quarter reached 5 fils up from 4 fils in Q4 2019. Revenues for the same period decreased by 8% from BD17.106 million to BD15.739 million. Operating profit in Q4 2020 amounted to BD1.936 million, up 14% from BD1.697 million recorded in Q4 2019.

For the 12-month period ending 31 December 2020, Zain Bahrain reported a net profit of BD5.404 million, representing an annual 3% increase from BD5.269 million compared to the year ended 31 December 2019. Earnings per share for the year stood at 15 fils compared to 14 fils in 2019, a 3% increase. Zain Bahrain generated revenues of BD61.991 million compared to BD62.894 million in 2019, a 1% annual decline. Operating profit for the period was stable at BD6.339 million, compared to BD6.340 million for 2019.

On the balance sheet level, Zain Bahrain's total equity at the end of 2020 amounted to BD75.482 million, up 4% from BD72.260 million in 2019. The value of the company's assets at the end of 2020 amounted to BD125.731 million, up by 6% from BD118.738 million as of 31 December, 2019.

Zain Bahrain's Board of Directors is recommending distributing annual dividends to shareholders representing 6% of the company's paid-up capital, equivalent to 6 fils per share, subject to the AGM approval.

Commenting on the remarkable results, **Zain Bahrain Chairman, His Excellency Shaikh Ahmed bin Ali Al Khalifa** said, “Despite the challenges brought about by the pandemic, 2020 was another year of growth for our company thanks to our resilient policies and business approach and the dedicated efforts of our human talents. As a leading telecom operator in the Kingdom, Zain Bahrain continued to deliver on its promise to



provide the best technology and solutions, ensure the best customer service, and meet the growing demands of an increasingly digital market."

H.E. Shaikh Ahmed added, *"In 2020, we were proud to have launched and expanded our 5G commercial services, offering incredible mobile experiences to our customers, accelerating new innovative business models and unlocking opportunities for many sectors. And in a year that saw online service channels and remote support take a center stage, we improved our smart branch self-service machines, enhanced our AI web chat robot zBot, and launched the Be Safe initiative to enable customers to utilize all Zain Bahrain's digital channels in a secure manner from the relative safety of their homes."*

"As we enter a new year, Zain Bahrain will continue to strengthen its product portfolio and content ecosystem and play a key role in developing Bahrain into a leading technology and economic hub in the region in line with the Kingdom's 2030 Vision," Shaikh Ahmed concluded.

The full financial statements and Zain Bahrain's financial results announcement press release are available on the Bahrain Bourse website, www.bahrainbourse.com.

Zain Bahrain's key achievements in 2020 included:

Investments in Network and Customer Experience:

- Launch and expansion of Zain Bahrain's 5G commercial services in the Kingdom to accelerate business opportunities for numerous 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 WhatsApp business channel backed by Zbot

Product and Services:

- Launch of Zain delights program phase 2 offering more personalized and relevant offers to Zain's customers.
- B2B service and portfolio enrichment resulting in securing major new deals across different sectors.
- Remote Teleworker solution
- Launch of AI Zain Postpaid platform

Youth:

- Launch of 'Zain esports', reconfirming the company's evolution to a digital services provider.



- Zain Bahrain continues to be the Key Sponsor for the Bahrain Basketball Federation's 13th season.
- Launch of Youth proposition
- Introduction of Zain Digital Natives Advancement (Z-DNA) Program for newly recruited Generation Z employees in Bahrain as part of Zain Bahrain's Youth Empowerment Program.

Keeping our customers safe and connected:

- Launch of free internet access for home broadband customers to online educational platforms, to enable students to continue their education virtually during the COVID-19 outbreak. Zain Bahrain provided all students using its home broadband services with free access to selected educational platforms, which included: Google Classroom, Google Hangout, Microsoft Teams, University of Bahrain Black Board, <https://www.edunet.bh/>, and eduNET.BH app.
- Launch of the 'Stay at Home' campaign to boost innovative local start-ups in cooperation with Flat6Labs Bahrain.
- Launch of the 'Be Safe' initiative, enabling customers to utilize all Zain Bahrain's digital channels to complete their services in a secure manner from the safety of their own homes. Virtual channels include Zain app, Zain zBot (interactive live chat), Zain E-shop portal www.eshop.bh.zain.com, and Zain Smart Branch available in 10 different locations.

Community:

- Contribution of US\$300,000 to Fena Khair initiative to help address COVID-19 challenges.
- Support of The Supreme Council for Women's national campaign 'Together for Bahrain's Safety', providing sanitizers and cleaning products to needy families and other vulnerable people in Bahrain.
- Community support initiatives including providing Sudanese nationals with free minutes to contact their families and loved ones experiencing torrential flooding back in their home country.
- Signing and becoming part of the advisory board in the GSMA's global effort to launch the 'Principles for Driving the Digital Inclusion of Persons with Disabilities.'

Development:

- Launch of 'Aswat', a platform dedicated to sponsoring speakers' podcasts focusing on different topics of interest.
- Continuation of the TALKS series whereby prominent business leaders deliver inspirational speeches and interactive sessions to groups of our employees.
- Sponsorship of and participation in many events dedicated to women's empowerment such as the Women Empowerment initiative and the "Women in Tech" internship program.

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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 48.9 million active customers as at 30 September 2020. 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 or visit: www.bh.zain.com