

Zain Bahrain announces financial results for 1st Quarter of 2026

Reported 1% increase in total profit for the year attributable to the shareholders amounting to BD 1.18 million for Q1

● EBITDA also grew by 1.3% to reach BD 5.45 million.

● Revenue for Q1 2026 remained stable at BD 21.02 million.

Manama

Zain Bahrain, a leading Bahraini provider of innovative technologies and digital lifestyle experience, announced its financial results for the first quarter (Q1 2026).

Zain Bahrain reported a total profit attributable to the shareholders of BD 1.18 million for the three months ended 31 March 2026, representing an increase of 1% from BD 1.17 million in Q1 2025. Basic and diluted earnings per share remained stable at 3 fils. Revenue remained stable at BD 21.02 million compared to BD 21.01 million in Q1 2025. EBITDA for Q1 2026 increased by 1.3% reaching BD 5.45 million from BD 5.38 million in Q1 2025.

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Zain Bahrain maintained a high level of operational readiness, supported by our ongoing investment in digital transformation and resilient infrastructure, enabling more than 95% of our services to be available digitally, ensuring seamless and uninterrupted service delivery for our customers

HIS EXCELLENCY SHAIKH AHMED, ZAIN BAHRAIN CHAIRMAN



At the balance sheet level, Zain Bahrain's total equity as of 31 March 2026 accumulated to BD 88.59 million, down by 2.40% compared to BD 90.75 million as of 31 December 2025. The Company's asset base stood at BD 140.81 million as of 31 March 2026, a decrease of 4.7% from BD 147.79 million as of 31 December 2025.

His Excellency Shaikh Ahmed bin Ali Al Khalifa, Chairman of Zain Bahrain, expressed his profound gratitude and highest appreciation to His Majesty King Hamad bin Isa Al Khalifa for His Majesty's visionary leadership and prudent directives in implementing proactive and decisive measures that have safeguarded

the wellbeing of citizens and residents, while reinforcing the stability and resilience of the Bahraini economy, particularly in light of the evolving regional and global challenges.

He further extended his deep appreciation to His Royal Highness Prince Salman bin Hamad Al Khalifa for his steadfast commitment to ensuring business continuity and preserving the achievements of the labor market, thereby strengthening the national economy's ability to navigate uncertainty. These efforts underscore the government's forward-looking approach to sustaining economic stability, reinforcing resilience, and driving continued growth

despite prevailing challenges.

Zain Bahrain maintained a high level of operational readiness, supported by our ongoing investment in digital transformation and resilient infrastructure, enabling more than 95% of our services to be available digitally, ensuring seamless and uninterrupted service delivery for our customers. We also implemented flexible working models that enabled employees to work remotely, ensuring efficient business continuity.

As part of our social responsibility and in support of national efforts, the company provided free home and mobile internet access to selected online educational platforms, in addition

to providing fixed and mobile internet services for businesses to access a number of virtual meeting platforms, ensuring continuity of education and enabling students to continue their studies without interruption, while supporting employees in conducting their virtual meetings efficiently and maintaining business continuity. This reflects Zain's enduring commitment to supporting the community, strengthening national resilience, and reinforcing its role as a trusted and responsible national partner.

Zain Bahrain Chairman continued: "The company also achieved a number of strategic milestones, most notably the signing of the acquisition agreement for Infonas, a strategic step that supports our expansion in ICT and enterprise solutions and aligns with Zain Group's '4WARD - Progress with Purpose' strategy. Zain Bahrain was also recognized on the global stage during its participation at Mobile World Congress (MWC) Barcelona 2026 as the Kingdom's most awarded network, receiving 10 awards,

including Best Network in Bahrain for coverage, quality, and overall gaming experience. This recognition reflects the strength of our continued investments and our commitment to delivering a reliable, high-quality connectivity experience for our customers."

The Chairman concluded: "Our performance this quarter reflects the strength of our long-term strategy and our continued focus on delivering sustainable growth and shareholder value, while continuing to create greater value for our customers and reinforcing our role as a leading digital partner in Bahrain's transformation journey. Looking ahead, we remain focused on accelerating our transformation into a fully integrated digital ecosystem, expanding our enterprise capabilities, and delivering innovative solutions that support Bahrain's digital ambitions. We are confident that our strategic direction and strong operational foundation will continue to drive sustainable growth and long-term value for our customers' shareholders."



Zain Bahrain B.S.C. Three-Month Period Ended 31 March, 2026

Condensed Consolidated Statement of Financial Position as at 31 March, 2026

	31 March 2026 (Reviewed) BD '000	31 December 2025 (Audited) BD '000
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	31 March 2026 (Reviewed) BD '000	31 December 2025 (Audited) BD '000
ASSETS		
Current assets		
Cash and banks	9,498	13,232
Trade receivables and other assets	15,088	15,787
Contract assets	8,770	8,478
Inventories	2,205	3,100
Total current assets	35,561	40,597
Non-current assets		
Trade receivables and other assets	1,259	1,312
Contract assets	3,368	3,164
Right-of-use assets	20,289	20,379
Property and equipment	72,537	74,741
Intangible assets	7,791	7,597
Total non-current assets	105,244	107,193
Total Assets	140,805	147,790
LIABILITIES AND EQUITY		
Liabilities		
Current liabilities		
Trade and other payables	28,970	33,313
Lease liabilities	3,797	3,778
Contract liabilities	1,534	1,667
Total current liabilities	34,301	38,758
Non-current liabilities		
Trade and other payables	-	285
Lease liabilities	17,089	17,201
Provision for employees' end of service benefits	825	794
Total non-current liabilities	17,914	18,280
Total Liabilities	52,215	57,038
Equity		
Share capital	36,800	36,800
Treasury shares	(754)	(754)
Treasury shares reserve	(6)	(6)
Share premium	3,032	3,032
Statutory reserve	15,697	15,697
Retained earnings	32,705	34,797
Equity attributable to shareholders of the Company	87,474	89,566
Non-controlling interests	1,116	1,186
Total Equity	88,590	90,752
Total Liabilities and Equity	140,805	147,790

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the Three-Month Period Ended 31 March 2026

	Three-Month Period Ended 31 March	
	2026 (Reviewed) BD '000	2025 (Reviewed) BD '000
Revenue	21,021	21,007
Cost of revenue	(6,873)	(7,532)
Operating and administrative expenses	(7,637)	(7,376)
Depreciation of property and equipment	(2,334)	(2,291)
Depreciation of right-of-use assets	(1,166)	(1,161)
Amortization of intangible assets	(562)	(562)
Expected credit losses on financial assets and contract assets	(1,061)	(719)
Operating profit	1,388	1,366
Finance income	103	89
Other income	32	3
Other expenses	(24)	(3)
Finance costs	(386)	(381)
Profit for the period	1,113	1,074
Other comprehensive income		
Total comprehensive income for the period	1,113	1,074
Total comprehensive income for the period		
Attributable to:		
Shareholders of the Company	1,183	1,172
Non-controlling interests	(70)	(98)
1,113	1,074	
Basic and diluted earnings per share		
	Fils 3	Fils 3

Condensed Consolidated Statement of Changes in Equity

For the Three-Month Period Ended 31 March 2026

	Share capital BD '000	Treasury shares BD '000	Treasury shares reserve BD '000	Share premium BD '000	Statutory reserve BD '000	Retained earnings BD '000	Equity attributable to owners of the company BD '000	Non-controlling interests BD '000	Total equity BD '000
Balance, 31 December 2025 (Audited)	36,800	(754)	(6)	3,032	15,697	34,797	89,566	1,186	90,752
Appropriation of dividends	-	-	-	-	-	(3,275)	(3,275)	-	(3,275)
Total comprehensive income for the period	-	-	-	-	-	1,183	1,183	(70)	1,113
Balance, 31 March 2026 (Reviewed)	36,800	(754)	(6)	3,032	15,697	32,705	87,474	1,116	88,590
Balance, 31 December 2024 (Audited)	36,800	(754)	(6)	3,032	15,136	32,646	86,854	1,267	88,121
Appropriation of dividends	-	-	-	-	-	(3,275)	(3,275)	-	(3,275)
Total comprehensive income for the period	-	-	-	-	-	1,172	1,172	(98)	1,074
Appropriation to statutory reserve	-	-	-	-	117	(117)	-	-	-
Balance, 31 March 2025 (Reviewed)	36,800	(754)	(6)	3,032	15,253	30,426	84,751	1,169	85,920

Condensed Consolidated Statement of Cash Flows

For the Three-Month Period Ended 31 March 2026

	Three-Month Period Ended 31 March	
	2026 (Reviewed) BD '000	2025 (Reviewed) BD '000
Cash flows from operating activities		
Profit for the period	1,113	1,074
Adjustments for:		
Depreciation of property and equipment	2,334	2,291
Depreciation of right-of-use assets	1,166	1,161
Amortization of intangible assets	562	562
Increase in expected credit losses on financial assets and contract assets	1,061	719
Provision for inventories	36	36
Finance income	(103)	(89)
Finance costs	386	381
Gain on termination of leases	(16)	(5)
Loss on disposal of property and equipment	1	-
Provision for employees' end of service benefits	31	50
	6,571	6,180
Working capital changes:		
Net change in inventories	859	2
Net change in trade receivables and other assets	(275)	(2,396)
Net change in contract assets	(522)	(56)
Net change in trade and other payables	(2,796)	(798)
Net change in contract liabilities	(133)	(36)
Cash generated from operating activities	3,704	2,896
Finance costs paid	(386)	(381)
Net cash generated from operating activities	3,318	2,515
Cash flows from investing activities		
Payment for acquisition of property and equipment	(4,958)	(3,727)
Payment for intangible assets	(1,059)	(1,078)
Proceeds from disposal of property and equipment	16	-
Finance income	103	89
Deposits maturing after three months	(1,300)	-
Net cash used in investing activities	(7,198)	(4,716)
Cash flows from financing activities		
Movement of principal portion of lease liabilities	(1,154)	(1,137)
Net cash used in financing activities	(1,154)	(1,137)
Net decrease in cash and cash equivalents	(5,034)	(3,338)
Cash and cash equivalents, beginning of period	13,256	7,458
Cash and cash equivalents, end of period	8,222	4,120
Cash and bank balances:		
Cash on hand and at banks	8,222	4,120
Deposits with contractual maturity of more than three months	1,300	2,200
Expected credit loss	(24)	(43)
Cash and bank balances	9,498	6,277

The above Consolidated Statement of Financial Position, Statement of Profit or Loss & Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows have been extracted from the Condensed Consolidated Interim Financial Statements of Zain Bahrain B.S.C. for the Three-Month Period Ended 31 March, 2026, which were approved by the Board of Directors and issued by KPMG, Kingdom of Bahrain on 4 May 2026.

Shaikh Ahmed Bin Ali Al Khalifa - Chairman

Mr. Bader AlKharafi - Board Member

KPMG - Financial Auditors