

Zain Bahrain announces financial results for Q3 and nine-month period ended 30 September 2025

● **Total profit attributable to the shareholders of BD 1.64 million for the three months ended 30 September 2025, represents an increase of 1.1%**

Manama

Zain Bahrain (Ticker: ZAINBH), a leading telecommunications provider in the Kingdom, announced its financial results for the third quarter (Q3 2025) and the nine-month period ended 30 September 2025.

Q3 results

Zain Bahrain reported a total profit attributable to the shareholders of BD 1.64 million for the three months ended 30 September 2025, representing an increase of 1.1% from BD 1.62 million in Q3 2024. Basic and diluted earnings per share remained stable at 4 fils. Revenue increased to BD 19.5 million representing a growth of 2.7% compared to BD 19 million in

Q3 2024. EBITDA for Q3 2025 decreased by 5.4% reaching BD 6 million from BD 6.35 million in Q3 2024.

Nine-months

For the nine months ended 30 September 2025, Zain Bahrain reported a total profit attributable to the shareholders of BD 4.18 million, representing a 3.3% increase from BD 4.04 million in the same period as in 2024. Basic and diluted earnings per share for the nine months ended 30 September 2025 remained stable at 11 fils. Revenue for the nine months ended 30 September 2025 reached BD 60.75 million, an increase of 5.8% compared to BD 57.44 million for the same period in 2024. EBITDA for the nine months ended 30 September 2025 decreased by 5.8% to BD 17.09 million from BD 18.14 million in the prior period.

Zain Bahrain's balance sheet remains strong with a total equity of BD 88.73 million as of 30 September 2025, compared to BD 88.12 million for the year ended 31 December 2024, a slight increase of 0.7%. The Company's asset base stood at BD 135.39 million as of 30 September 2025, a reduction of 4.6% from BD 141.91 million as

of 31 December 2024.

Strategy

Commenting on the results, His Excellency Shaikh Ahmed bin Ali Al Khalifa, Zain Bahrain Chairman, said: "Zain Bahrain delivered a strong positive performance in the third quarter, a testament to the clarity and strength of its strategy. This achievement reflects the company's unwavering commitment to excellence in customer experience, supported by its state-of-the-art infrastructure and sustained strategic investments, which remain the pillars of Zain Bahrain's current success and future growth. We are pleased with the progress made across several strategic initiatives in this quarter; key highlights include the strategic agreement with Ericsson to expand and modernize its network as part of our USD 100 million investment plan over the next three years. This strategic investment ensures faster connections, enhanced indoor coverage, seamless video streaming, and advanced mobile internet experiences for our customers, while preparing the network for next-generation innovations, including innovative services

and advanced 5G applications.”

Zain Bahrain Chairman continued: "Bede also continued to expand its services, opening access to non-Bahrainis and strengthening its role as a financial enabler in the Kingdom. The new service reflects Bede's ongoing commitment to broadening its Sharia-compliant financial solutions built on innovation and flexibility, while empowering diverse segments of society across the Kingdom."

Additionally, Zain Business continued to empower enterprises by providing cutting-edge solutions, with new agreements signed leading organizations and institutions to support their digital transformation journeys.

We have also strengthened our insurance offerings by launching an enhanced version of Zain's comprehensive motor insurance service in partnership with Takaful International Company, delivering a simpler, faster, and more flexible digital experience for our customers. Customers can now insure their vehicles within minutes with installments."

Nationalization

The Chairman concluded: "Another significant milestone

this quarter was Zain Bahrain's recognition as a leading company in the field of workforce nationalization for the year 2025, by the Committee of Labor Ministers of the Gulf Cooperation Council (GCC) Countries, following its nomination by Bahrain Ministry of Labor. Zain's Bahrainization rate currently stands at an impressive 93.33%. This recognition adds to a series of accolades Zain Bahrain has received, having been consistently listed among the best employers of Bahrainis throughout 2024 and the second quarter of 2023 by the Ministry of Labor. Zain's Bahrain ongoing efforts in recruitment, training, and talent development continue to set it apart as a champion of national workforce advancement. These achievements reflect our unwavering commitment to investing in advanced

infrastructure, pioneering digital services, and, most importantly, community empowerment. We are committed to delivering exceptional services to our customers while enriching the lives of individuals, businesses, and society throughout the Kingdom. None of these achievements would be possible without our people, as their commitment is the driving force behind Zain Bahrain's success."



His Excellency
Shaikh Ahmed bin
Ali Al Khalifa, Zain
Bahrain Chairman



Zain Bahrain B.S.C.

For the Three-Month & Nine-Month Period Ended 30 September, 2025

Condensed Consolidated Statement of Financial Position	30 September	31 December
	2025	2024
	(Reviewed)	(Audited)
	BD '000	BD '000
ASSETS		
Current assets		
Cash and banks	11,001	9,615
Trade receivables and other assets	16,417	16,747
Contract assets	7,791	7,073
Inventories	1,252	3,933
Total current assets	36,461	37,368
Non-current assets		
Trade receivables and other assets	152	175
Contract assets	2,386	2,510
Right-of-use assets	20,143	21,051
Property and equipment	68,088	71,716
Intangible assets	8,160	9,091
Total non-current assets	98,929	104,543
Total Assets	135,390	141,911
LIABILITIES AND EQUITY		
Liabilities		
Current liabilities		
Trade and other payables	23,331	29,363
Lease liabilities	3,799	4,002
Contract liabilities	1,558	1,748
Total current liabilities	28,688	35,113
Non-current liabilities		
Trade and other payables	285	587
Lease liabilities	16,928	17,384
Provision for employees' end of service benefits	757	706
Total non-current liabilities	17,970	18,677
Total Liabilities	46,658	53,790
Equity		
Share capital	36,800	36,800
Treasury shares	(754)	(754)
Treasury shares reserve	(6)	(6)
Share premium	3,032	3,032
Statutory reserve	15,136	15,136
Retained earnings	33,549	32,646
Equity attributable to owners of the Company	87,757	86,854
Non-controlling interests	975	1,267
Total Equity	88,732	88,121
Total Liabilities and Equity	135,390	141,911

Condensed Consolidated Statement of Profit or Loss and other Comprehensive Income	Three-Month Period Ended 30 September		Nine-Month Period Ended 30 September	
	2025	2024	2025	2024
	(Reviewed)	(Reviewed)	(Reviewed)	(Reviewed)
	BD '000	BD '000	BD '000	BD '000
Revenue	19,505	19,001	60,750	57,440
Cost of revenue	(5,432)	(5,509)	(19,424)	(17,574)
Operating and administrative expenses	(7,274)	(6,694)	(21,930)	(20,259)
Depreciation of property and equipment	(2,444)	(2,913)	(7,117)	(8,645)
Depreciation of right-of-use assets	(1,173)	(1,116)	(3,506)	(3,352)
Amortization of intangible assets	(562)	(562)	(1,687)	(1,687)
Expected credit losses on financial assets and contract assets	(794)	(446)	(2,302)	(1,465)
Operating profit	1,826	1,761	4,784	4,458
Finance income	93	124	245	283
Other income	27	50	36	155
Other expenses	(10)	(57)	(18)	(68)
Finance costs	(395)	(307)	(1,161)	(908)
Profit for the period	1,541	1,571	3,886	3,920
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	1,541	1,571	3,886	3,920
Total comprehensive income for the period				
Attributable to:				
Owners of the Company	1,640	1,622	4,178	4,044
Non-controlling interests	(99)	(51)	(292)	(124)
	1,541	1,571	3,886	3,920
Basic and diluted earnings per share	Fils 4	Fils 4	Fils 11	Fils 11

Condensed Consolidated Statement of Changes in Equity								
	Share-capital R\$ 100s	Treasury shares R\$ 100s	Treasury shares reserve R\$ 100s	Share premiums R\$ 100s	Statutory reserve R\$ 100s	Retained earnings R\$ 100s	Equity attributable to owners of the company R\$ 100s	Non-controlling interests R\$ 100s
								Total equity R\$ 100s
Balance, 31 December 2024 (Audited)	36,800	(754)	(6)	3,032	15,136	32,646	86,054	1,367
Appropriation of dividends	-	-	-	-	-	(2,273)	(2,273)	-
Total comprehensive income for the period	-	-	-	-	-	4,178	4,178	(292)
Balance, 30 September 2025 (Reviewed)	36,800	(754)	(6)	3,032	15,136	33,549	87,757	975
Balance, 31 December 2023 (Audited)	36,800	(754)	(6)	3,032	14,544	30,591	84,207	1,452
Appropriation of dividends	-	-	-	-	-	(3,275)	(3,275)	-
Total comprehensive income for the period	-	-	-	-	-	4,044	4,044	(124)
Appropriation to statutory reserve	-	-	-	-	-	-	-	-
Balance, 30 September 2024	36,800	(754)	(6)	3,032	14,544	30,591	84,207	1,452

Condensed Consolidated Statement of Cash Flows	Nine-Month Period Ended 30 September	
	2025 (Reviewed)	2024 (Reviewed)
	BD '000	BD '000
Cash flows from operating activities		
Profit for the period	3,886	3,920
Adjustments for:		
Depreciation of property and equipment	7,117	8,645
Depreciation of right-of-use assets	3,506	3,352
Amortization of intangible assets	1,687	1,687
Increase in expected credit losses on financial assets and contract assets	2,302	1,465
Provision for inventories	101	75
Finance income	(245)	(283)
Finance costs	1,161	908
Gain on termination of leases	(29)	(25)
(Gain) / loss on disposal of property and equipment	(25)	42
Provision for employees' end of service benefits	104	120
	<u>19,565</u>	<u>19,906</u>
Working capital changes:		
Net change in inventories	2,580	2,555
Net change in trade receivables and other assets	(1,989)	(3,505)
Net change in contract assets	(575)	(834)
Net change in trade and other payables	(1,333)	(2,574)
Net change in contract liabilities	(190)	34
Cash generated from operating activities	18,058	15,582
Finance costs paid	<u>(1,161)</u>	<u>(908)</u>
Net cash generated from operating activities	<u>16,897</u>	<u>14,674</u>
Cash flows from investing activities		
Payment for acquisition of property and equipment	(8,238)	(6,471)
Payment for intangible assets	(1,078)	(1,098)
Proceeds from disposal of property and equipment	30	55
Finance income	245	283
Deposits maturing after three months - net	1,200	-
Net cash used in investing activities	<u>(7,841)</u>	<u>(7,231)</u>
Cash flows from financing activities		
Movement of principal portion of lease liabilities	(3,195)	(3,108)
Dividends paid to shareholders	(3,275)	(3,275)
Net cash used in financing activities	<u>(6,470)</u>	<u>(6,383)</u>
Net increase in cash and cash equivalents	2,586	1,060
Cash and cash equivalents, beginning of period	7,415	5,822
Cash and cash equivalents, end of period	<u>10,001</u>	<u>6,882</u>
Cash and cash equivalents:		
Cash on hand and at banks	10,001	6,882
Short-term deposits at banks	<u>1,000</u>	<u>3,000</u>
Cash and bank balances	11,001	9,882
Less:		
Deposits with contractual maturity of more than three months	<u>(1,000)</u>	<u>(3,000)</u>
Cash and cash equivalents, end of period	<u>10,001</u>	<u>6,882</u>

The above Condensed 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 Financial Statements of Zain Bahrain B.S.C. for the Three-Month & Nine-Month Period Ended 30 September, 2025, which were approved by the Board of Directors and issued by KPMG, Kingdom of Bahrain on 22 October 2025.

Shaikh Ahmed Bin Ali Al Khalifa - Chairman

Mr. Bader AlKharafi – Board Member

KPMG - Financial Auditors