

**BAHRAIN TELECOMMUNICATIONS  
COMPANY (BATELCO) B.S.C.****FINANCIAL HIGHLIGHTS  
FOR THE SIX MONTHS ENDED 30 JUNE 2021**

		2021	2020	Variation %
Gross revenue	BD million	198.2	189.8	4%
Expenses	BD million	148.9	142.4	(4.6%)
Profit attributable to Batelco shareholders	BD million	37.5	35.9	4.6%
Return on net worth (Annualized)	%	15.0	12.0	25%
Weighted average number of shares outstanding during the period	Million	1,655	1,656	(0.1%)
Basic and diluted earnings per share for the period	Fils	22.7	21.7	4.6%

**Condensed Consolidated Statement of Financial Position  
As at 30 JUNE 2021**

		30 JUNE 2021 (REVIEWED)	31 DECEMBER 2020 (AUDITED)	BD'000
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property and equipment		280,696	282,651	
Right-of-use assets		50,530	50,970	
Goodwill		137,716	137,504	
Other intangible assets		131,824	137,821	
Equity accounted investees		7,393	4,709	
Deferred tax assets		8,971	8,642	
Investments		27,749	20,071	
Other non-current assets		5,361	1,850	
<b>Total non-current assets</b>		<b>650,240</b>	<b>644,218</b>	
<b>Current assets</b>				
Inventories		9,692	8,255	
Trade and other receivables		150,855	143,887	
Investments		150	497	
Cash and bank balances		196,418	195,299	
<b>Total current assets</b>		<b>357,115</b>	<b>347,938</b>	
<b>Total assets</b>		<b>1,007,355</b>	<b>992,156</b>	
<b>LIABILITIES</b>				
<b>Non-current liabilities</b>				
Trade and other payables		23,130	19,832	
Lease liabilities		42,376	43,852	
Loans and borrowings		223,737	201,290	
Deferred tax liabilities		8,428	8,896	
<b>Total non-current liabilities</b>		<b>297,671</b>	<b>273,870</b>	
<b>Current liabilities</b>				
Trade and other payables		170,155	176,680	
Lease liabilities		7,429	7,185	
Loans and borrowings		5,574	22,339	
<b>Total current liabilities</b>		<b>183,158</b>	<b>206,204</b>	
<b>Total liabilities</b>		<b>480,829</b>	<b>480,074</b>	
<b>Net assets</b>		<b>526,526</b>	<b>512,082</b>	
<b>EQUITY</b>				
Share capital		166,320	166,320	
Statutory reserve		83,285	83,285	
General reserve		44,001	44,000	
Other reserves		(32,000)	(42,035)	
Treasury shares		(3,885)	(2,792)	
Retained earnings		230,216	224,390	
<b>Total equity attributable to equity holders of the Company</b>		<b>487,937</b>	<b>473,168</b>	
Non-controlling interest		38,589	38,914	
<b>Total equity</b>		<b>526,526</b>	<b>512,082</b>	

**Condensed Consolidated Statement of Comprehensive Income  
For the six months ended 30 June 2021**

	2021 (REVIEWED)	2020 (REVIEWED)	BD'000
<b>Revenue</b>	<b>198,163</b>	<b>189,796</b>	
<b>Expenses</b>			
Network operating expenses	(64,031)	(64,394)	
Staff costs	(26,154)	(22,800)	
Depreciation, amortization and tangible asset impairment	(36,150)	(34,391)	
Impairment loss on trade receivables and contract assets	(1,674)	(2,832)	
Other operating expenses	(20,880)	(17,941)	
<b>Total expenses</b>	<b>(148,889)</b>	<b>(142,358)</b>	
<b>Results from operating activities</b>	<b>49,274</b>	<b>47,438</b>	
Finance and related income	2,127	3,212	
Finance and related expenses	(5,769)	(8,574)	
Other income/ (expenses) (net)	625	546	
Share of loss from equity accounted investees (net)	(321)	(398)	
<b>Profit before taxation</b>	<b>45,936</b>	<b>42,224</b>	
Income tax expense	(4,133)	(2,246)	
<b>Profit for the period</b>	<b>41,803</b>	<b>39,978</b>	
<b>Total Other comprehensive income</b>			
<i>Items that are or may be reclassified to profit or loss</i>			
Foreign currency translation differences - foreign operations	709	(6,010)	
Investment fair value changes (debt securities)	57	(261)	
	<b>766</b>	<b>(6,271)</b>	
<i>Items that will never be reclassified to profit or loss:</i>			
Remeasurement of defined benefit asset including related tax	-	(4,414)	
Investment fair value changes (equity securities)	8,884	-	
	<b>8,884</b>	<b>(4,414)</b>	
<b>Other comprehensive income, net of tax</b>	<b>9,650</b>	<b>(10,685)</b>	
<b>Total comprehensive income for the period</b>	<b>51,453</b>	<b>29,293</b>	
<b>Profit for the period attributable to:</b>			
Equity holders of the Company	37,526	35,868	
Non-controlling interest	4,277	4,110	
	<b>41,803</b>	<b>39,978</b>	
<b>Total comprehensive income for the year attributable to:</b>			
Equity holders of the Company	47,176	25,182	
Non-controlling interest	4,277	4,111	
	<b>51,453</b>	<b>29,293</b>	
<b>Basic and diluted earnings per share (Fils)</b>	<b>22.7</b>	<b>21.7</b>	

**Condensed Consolidated Statement of Cash Flows  
For the months ended 30 June 2021**

	2021 (reviewed)	2020 (Reviewed)	BD'000
<b>Operating Activities</b>			
Profit for the period	41,803	39,978	
<b>Adjustment for:</b>			
Non-operating items, including tax	7,150	7,062	
Share of loss from equity accounted investees	321	398	
Depreciation, amortization and tangible asset impairment	36,150	34,391	
Impairment loss on trade receivables and contract assets	1,674	2,832	
	<b>87,098</b>	<b>84,661</b>	
<b>Working capital changes:</b>			
Increase in trade and other receivables	(9,200)	(14,758)	
Increase in inventories	(1,434)	(1,056)	
decrease in trade and other payables	2,096	109	
<b>Cash generated from operating activities</b>	<b>78,560</b>	<b>68,956</b>	
Taxes paid	(3,798)	(3,484)	
Payment to charities	(528)	(4,117)	
<b>Net cash from operating activities</b>	<b>74,234</b>	<b>61,355</b>	
<b>Investing Activities</b>			
Acquisition of property, equipment and intangibles, net of disposal	(32,144)	(33,037)	
Net cash from (purchase) / sale of Investments	(32,969)	36,815	
Interest and investment income received	2,900	5,629	
<b>Net cash (used in) / from investing activities</b>	<b>(62,213)</b>	<b>9,407</b>	
<b>Financing Activities</b>			
Dividend paid	(31,912)	(31,929)	
Payment of lease liabilities	(6,652)	(4,596)	
Interest paid	(3,384)	(7,877)	
Borrowings / (repaid), net	5,561	(4,824)	
Acquisition of share-based payment treasury shares	(164)	(455)	
Purchase of market making shares	(929)	-	
<b>Net cash used in financing activities</b>	<b>(37,480)</b>	<b>(49,681)</b>	
<b>(decrease) / Increase in cash and cash equivalents during the period</b>	<b>(25,459)</b>	<b>21,081</b>	
Cash and cash equivalents at 1 January	143,457	86,410	
<b>Cash and cash equivalents at 30 June</b>	<b>117,998</b>	<b>107,491</b>	

**Condensed Consolidated Statement of Changes in Equity  
For the three months ended 30 June 2021**

	Equity attributable to equity holders of the Company										Non-controlling interest	Total equity
	Share capital	Statutory reserve	General reserve	Other Reserves			Treasury shares			Retained earnings		
				Foreign currency translation reserve	Investment fair value reserve	share based payment reserve	Market making shares	Share based payment treasury shares				
<b>At 1 January 2021</b>	166,320	83,285	44,000	(13,228)	(28,807)	-	(2,076)	(716)	224,390	473,168	38,914	512,082
<b>Profit for the year</b>	-	-	-	-	-	-	-	-	37,526	37,526	4,277	41,803
<b>Other comprehensive income</b>												
Foreign currency translation differences	-	-	-	707	-	-	-	-	2	709	-	709
Investment fair value changes	-	-	-	-	8,942	-	-	-	(1)	8,941	-	8,941
<b>Total other comprehensive income</b>	-	-	-	<b>707</b>	<b>8,942</b>	-	-	-	<b>1</b>	<b>9,650</b>	-	<b>9,650</b>
<b>Total comprehensive income for the period</b>	-	-	-	<b>707</b>	<b>8,942</b>	-	-	-	<b>37,527</b>	<b>47,176</b>	<b>4,277</b>	<b>51,453</b>
<b>Contributions and distributions</b>												
Final dividends declared for 2020	-	-	-	-	-	-	-	-	(27,308)	(27,308)	-	(27,308)
Donations approved for 2020	-	-	-	-	-	-	-	-	(4,392)	(4,392)	-	(4,392)
purchase of market making share	-	-	-	-	-	-	(929)	-	-	(929)	-	(929)
Acquisition of treasury shares	-	-	-	-	-	-	-	(164)	-	(164)	-	(164)
Equity-settled share-based payment	-	-	-	-	-	386	-	-	-	386	-	386
Transfer to general reserve	-	-	1	-	-	-	-	-	(1)	-	-	-
Dividends to non-controlling interest	-	-	-	-	-	-	-	-	-	-	(4,602)	(4,602)
<b>Total contributions and distributions</b>	-	-	<b>1</b>	-	-	<b>386</b>	<b>(929)</b>	<b>(164)</b>	<b>(31,701)</b>	<b>(32,407)</b>	<b>(4,602)</b>	<b>(37,009)</b>
<b>At 30 June 2021 (reviewed)</b>	<b>166,320</b>	<b>83,285</b>	<b>44,001</b>	<b>(12,521)</b>	<b>(19,865)</b>	<b>386</b>	<b>(3,005)</b>	<b>(880)</b>	<b>230,216</b>	<b>487,937</b>	<b>38,589</b>	<b>526,526</b>

The Condensed consolidated financial statements were approved by the Board of Directors on 29 July 2021 and signed on its behalf by:

Abdulla bin Khalifa Al Khalifa  
ChairmanRaed Abdulla Fakhri  
Deputy ChairmanMikkel Vinter  
Chief Executive Officer