

## Statement of Financial Position as at 31 December 2021

31 December 2021  
BD '000

31 December 2020  
BD '000

ASSETS	31 December 2021 BD '000	31 December 2020 BD '000
<b>Current assets</b>		
Cash and banks	10,388	8,569
Trade receivables and other assets	16,424	15,760
Contract assets	5,422	4,433
Inventories	1,604	1,665
<b>Total current assets</b>	<b>33,838</b>	<b>30,427</b>
<b>Non-current assets</b>		
Trade receivables and other assets	1,823	1,400
Contract assets	2,418	1,640
Right-of-use assets	13,872	12,253
Property and equipment	67,265	66,430
Intangible assets	11,860	13,581
<b>Total non-current assets</b>	<b>97,238</b>	<b>95,304</b>
<b>Total assets</b>	<b>131,076</b>	<b>125,731</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable and other liabilities	32,803	30,731
Lease liabilities	3,191	3,128
Contract liabilities	2,559	1,747
<b>Total current liabilities</b>	<b>38,553</b>	<b>35,606</b>
<b>Non-current liabilities</b>		
Accounts payable and other liabilities	2,483	5,051
Lease liabilities	10,729	9,220
Provision for employees' end of service benefits	439	371
<b>Total non-current liabilities</b>	<b>13,651</b>	<b>14,642</b>
<b>Total liabilities</b>	<b>52,204</b>	<b>50,248</b>
<b>Equity</b>		
Share capital	36,800	36,800
Treasury shares	(754)	(754)
Treasury shares reserve	(6)	(6)
Share premium	3,032	3,032
Statutory reserve	13,380	12,823
Retained earnings	26,420	23,588
<b>Total equity</b>	<b>78,872</b>	<b>75,483</b>
<b>Total liabilities and equity</b>	<b>131,076</b>	<b>125,731</b>

## Statement of Profit or Loss and other Comprehensive Income

For the Year Ended 31 December, 2021

Year Ended 31 December

2021  
BD '000

2020  
BD '000

Revenue	64,785	61,992
Cost of revenue	(18,902)	(18,294)
<b>Gross profit</b>	<b>45,883</b>	<b>43,698</b>
Operating and administrative expenses	(24,195)	(21,517)
Depreciation of property and equipment	(9,881)	(9,157)
Depreciation of right-of-use assets	(3,663)	(4,102)
Amortization of intangible assets	(1,756)	(1,756)
Decrease / (increase) in expected credit losses on financial assets	62	(826)
<b>Operating profit</b>	<b>6,450</b>	<b>6,340</b>
Other income – net	135	115
Loss on currency translation adjustment	(43)	(31)
Interest income	108	227
Finance costs	(1,078)	(1,246)
<b>Profit for the year</b>	<b>5,572</b>	<b>5,405</b>
<b>Other comprehensive income</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income for the year</b>	<b>5,572</b>	<b>5,405</b>
<b>Basic and diluted earnings per share</b>	<b>15 Fils</b>	<b>15 Fils</b>

## Statement of Changes in Equity

For the Year Ended 31 December 2021

	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	Total BD '000
Balance, 31 December, 2019	36,800	(754)	(6)	3,032	12,282	20,907	72,261
Appropriation of dividends	-	-	-	-	-	(2,183)	(2,183)
Total comprehensive income for the year	-	-	-	-	-	5,405	5,405
Appropriation to statutory Reserve	-	-	-	-	541	(541)	-
<b>Balance, 31 December, 2020</b>	<b>36,800</b>	<b>(754)</b>	<b>(6)</b>	<b>3,032</b>	<b>12,823</b>	<b>23,588</b>	<b>75,483</b>
Appropriation of dividends	-	-	-	-	-	(2,183)	(2,183)
Total comprehensive income for the year	-	-	-	-	-	5,572	5,572
Appropriation to statutory Reserve	-	-	-	-	557	(557)	-
<b>Balance, 31 December, 2021</b>	<b>36,800</b>	<b>(754)</b>	<b>(6)</b>	<b>3,032</b>	<b>13,380</b>	<b>26,420</b>	<b>78,872</b>

## Statement of Cash Flows

For the Year Ended 31 December, 2021

Year Ended 31 December

2021  
BD '000

2020  
BD '000

<b>Cash flows from operating activities</b>		
Profit for the year	5,572	5,405
Adjustments for:		
Depreciation of property and equipment	9,881	9,157
Depreciation of right-of-use assets	3,663	4,102
Amortization of intangible assets	1,756	1,756
(Decrease) / increase in expected credit loss on financial assets	(62)	826
Provision / (reversal) for inventories	14	(495)
Finance costs	1,078	1,246
Gain on disposal of property, plant and equipment	(21)	-
Gain on termination of leases	(18)	(82)
Employees' end of service benefits	83	49
	<b>21,946</b>	<b>21,964</b>
Working capital changes:		
Net change in inventories	47	1,716
Net change in trade receivables and other assets	(970)	178
Net change in contract assets	(1,822)	1,235
Net change in accounts payable and other liabilities	2,961	1,160
Net change in contract liabilities	812	39
Cash generated from operating activities	22,974	26,292
End of service benefits paid	(15)	(27)
Interest expenses paid	(1,078)	(1,246)
<b>Net cash from operating activities</b>	<b>21,881</b>	<b>25,019</b>
<b>Cash flows from investing activities</b>		
Acquisition of property and equipment	(11,389)	(17,138)
Payment for intangible assets	(2,768)	(2,943)
Proceeds from disposal of property and equipment	21	-
<b>Net cash used in investing activities</b>	<b>(14,136)</b>	<b>(20,081)</b>
<b>Cash flows from financing activities</b>		
Repayment of principal portion of lease liabilities	(3,692)	(4,311)
Dividends paid to shareholders	(1,210)	(2,138)
Transfer of dividends to the regulator	(1,024)	(159)
<b>Net cash used in financing activities</b>	<b>(5,926)</b>	<b>(6,608)</b>
Net increase / (decrease) in cash and cash equivalents	1,819	(1,670)
Cash and cash equivalents, beginning of year	8,569	10,239
<b>Cash and cash equivalents, end of year</b>	<b>10,388</b>	<b>8,569</b>

The above Statement of Financial Position, Statement of Profit or Loss & Other Comprehensive Income, Statement of Cash Flows and Statement of Changes in Equity have been extracted from the Financial Statements of Zain Bahrain B.S.C. For the Year Ended 31 December 2021, which were approved by the Board of Directors and issued by Deloitte & Touche, Kingdom of Bahrain on 7 February 2022.