

Condensed Interim Statement of Financial Position
as at 30 September 2020

| | (Unaudited) 30 September 2020 BD '000 | (audited) 31 December 2019 BD '000 |
|--|--|---|
| ASSETS | | |
| Current assets | | |
| Cash and cash equivalents | 11,698 | 10,239 |
| Trade receivables and other assets | 20,466 | 22,106 |
| Inventories | 1,630 | 2,886 |
| Total current assets | 33,794 | 35,231 |
| Non-current assets | | |
| Trade receivable and other assets | 3,131 | 3,366 |
| Right-of-use assets | 11,698 | 12,763 |
| Property and equipment | 60,137 | 52,042 |
| Intangible assets | 14,020 | 15,337 |
| Total non-current assets | 88,986 | 83,508 |
| Total assets | 122,780 | 118,739 |
| LIABILITIES AND EQUITY | | |
| Liabilities | | |
| Current liabilities | | |
| Accounts payable and other liabilities | 29,762 | 23,453 |
| Lease liabilities | 3,016 | 3,806 |
| Contract liabilities | 1,979 | 1,708 |
| Total current liabilities | 34,757 | 28,967 |
| Non-current liabilities | | |
| Accounts payable and other liabilities | 5,051 | 7,819 |
| Lease liabilities | 8,828 | 9,343 |
| Provision for employees' end of service benefits | 360 | 349 |
| Total non-current liabilities | 14,239 | 17,511 |
| Total liabilities | 48,996 | 46,478 |
| Equity | | |
| Share capital | 36,800 | 36,800 |
| Treasury shares | (754) | (754) |
| Treasury shares reserve | (6) | (6) |
| Share premium | 3,032 | 3,032 |
| Statutory reserve | 12,653 | 12,282 |
| Retained earnings | 22,059 | 20,907 |
| Total equity | 73,784 | 72,261 |
| Total liabilities and equity | 122,780 | 118,739 |

Condensed Interim Statement of Profit or Loss And Other Comprehensive Income (Unaudited)
Three-Month and Nine-Month Periods Ended 30 September, 2020

| | Three-month period ended September 30 | | Nine-month period ended September 30 | |
|--|---------------------------------------|------------------|--------------------------------------|------------------|
| | (Unaudited) 2020 | (Unaudited) 2019 | (Unaudited) 2020 | (Unaudited) 2019 |
| | BD '000 | BD '000 | BD '000 | BD '000 |
| Revenue | 14,833 | 15,242 | 46,252 | 45,789 |
| Cost of revenue | (4,142) | (4,121) | (13,384) | (13,310) |
| Gross profit | 10,691 | 11,121 | 32,868 | 32,479 |
| Operating and administrative expenses | (5,330) | (5,734) | (16,558) | (15,709) |
| Depreciation of property and equipment | (2,274) | (2,380) | (6,797) | (7,236) |
| Amortization of right-of-use assets | (1,121) | (747) | (3,252) | (2,874) |
| Amortization of intangible assets | (439) | (439) | (1,317) | (932) |
| Expected credit losses on financial assets | (80) | (259) | (716) | (986) |
| Provision for inventory obsolescence | 297 | (24) | 174 | (98) |
| Operating profit | 1,744 | 1,538 | 4,402 | 4,644 |
| Other income/ (expenses) – net | 70 | 11 | 93 | (166) |
| Loss on currency translation adjustment | (10) | (3) | (18) | (8) |
| Interest income | 71 | 79 | 182 | 184 |
| Finance costs | (327) | (343) | (953) | (839) |
| Profit for the period | 1,548 | 1,282 | 3,706 | 3,815 |
| Other comprehensive income | - | - | - | - |
| Total comprehensive income for the period | 1,548 | 1,282 | 3,706 | 3,815 |
| Basic and diluted earnings per share | Fils 4 | Fils 4 | Fils 10 | Fils 10 |

Interim Statement of Changes in Equity (Unaudited)

| Nine-Month Period Ended | Share capital | Treasury shares | Treasury shares reserve | Share premium | Statutory reserve | Retained earnings | Total |
|---|---------------|-----------------|-------------------------|---------------|-------------------|-------------------|---------------|
| 30 September 2020 | BD '000 | BD '000 | BD '000 | BD '000 | BD '000 | BD '000 | BD '000 |
| Balance, December 31, 2019 | 36,800 | (754) | (6) | 3,032 | 12,282 | 20,907 | 72,261 |
| Dividends declared | - | - | - | - | - | (2,183) | (2,183) |
| Total comprehensive income for the period | - | - | - | - | - | 3,706 | 3,706 |
| Appropriation to statutory reserve | - | - | - | - | 371 | (371) | - |
| Balance, September 30, 2020 | 36,800 | (754) | (6) | 3,032 | 12,653 | 22,059 | 73,784 |
| Balance, December 31, 2018 | 36,800 | (754) | (6) | 3,032 | 11,755 | 19,386 | 70,213 |
| Transition adjustment on adoption IFRS 16 | - | - | - | - | - | (1,402) | (1,402) |
| Balance as restated, January 1, 2019 | 36,800 | (754) | (6) | 3,032 | 11,755 | 17,984 | 68,811 |
| Dividends declared | - | - | - | - | - | (1,819) | (1,819) |
| Total comprehensive income for the period | - | - | - | - | - | 3,815 | 3,815 |
| Appropriation to statutory reserve | - | - | - | - | 382 | (382) | - |
| Balance, September 30, 2019 | 36,800 | (754) | (6) | 3,032 | 12,137 | 19,598 | 70,807 |

Condensed Interim Statement of Cash Flows
Nine-month period Ended 30 September, 2020

| | Nine-month period ended September 30 | |
|--|--------------------------------------|------------------|
| | (Unaudited) 2020 | (Unaudited) 2019 |
| | BD '000 | BD '000 |
| Cash flows from operating activities | | |
| Profit for the period | 3,706 | 3,815 |
| Adjustments for: | | |
| Depreciation of property and equipment | 6,797 | 7,236 |
| Amortization of right-of-use assets | 3,252 | 2,874 |
| Amortization of intangible assets | 1,317 | 932 |
| Expected credit losses on financial assets | 716 | 986 |
| Provision for inventory obsolescence | (174) | 98 |
| Finance costs | 953 | 839 |
| Interest income | (182) | (184) |
| Provision for employees' end of service benefits | 38 | 50 |
| Other income (net) | (78) | 196 |
| | 16,345 | 16,842 |
| Working capital changes: | | |
| Net change in inventories | 1,430 | 1,481 |
| Net change in trade receivable and other assets | 1,159 | (753) |
| Net change in accounts payable and other liabilities | (3,743) | (1,862) |
| Net change in contract liabilities | 271 | 150 |
| Payments for employees' end of service benefits | (27) | (13) |
| Interest expense | (953) | (839) |
| Net cash generated from operating activities | 14,482 | 15,006 |
| Cash flows from investing activities | | |
| Acquisition of property and equipment | (7,642) | (243) |
| Payment for intangible assets | - | (3,104) |
| Interest received | 182 | 184 |
| Net cash used in investing activities | (7,460) | (3,163) |
| Cash flows from financing activities | | |
| Repayment of principal portion of lease liabilities | (3,414) | (3,083) |
| Dividends paid | (2,149) | (1,758) |
| Net cash used in financing activities | (5,563) | (4,841) |
| Net increase in cash and cash equivalents | 1,459 | 7,002 |
| Cash and cash equivalents, beginning of period | 10,239 | 5,045 |
| Cash and cash equivalents, end of period | 11,698 | 12,047 |
| Non-cash transactions: | | |
| Dividends declared not yet settled at the reporting date | 202 | 199 |
| Payable write off against credit note | - | 754 |

The above Interim Statement of Financial Position, Interim Statement of Profit or Loss & Other Comprehensive Income, Interim Statement of Cash Flows, and Interim Statement of Changes in Equity have been extracted from the Financial Statements of Zain Bahrain B.S.C. for the Nine-Month period ended 30 September 2020, which were approved by the Board of Directors and issued by Deloitte & Touche, Kingdom of Bahrain on October 25, 2020.