

**Bahrain Telecommunications
Company BSC**

**CONDENSED CONSOLIDATED
INTERIM FINANCIAL STATEMENTS**

31 March 2024

Bahrain Telecommunications Company BSC

**CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
for the three months ended 31 March 2024**

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**FINANCIAL HIGHLIGHTS (presented for information purposes only)
for the three months ended 31 March 2024**

Three months ended 31 March	Unit	2024	2023	Variation %
Gross revenue	BD million	110.5	103.5	6.7%
Expenses	BD million	83.4	78.0	6.9%
Profit attributable to Beyon shareholders	BD million	18.8	18.0	4.2%
Return on net worth (Annualized)	%	13.5	14.0*	(3.6%)
Weighted average number of shares outstanding during the period	Million	1,653	1,653*	0.0%
Basic and diluted earnings per share for the period	Fils	11.4	10.9	4.6%

**Based on actual figures for the year ended 31 December 2023*



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Independent auditors' report on review of the condensed consolidated interim financial statements

To the Board of Directors of
Bahrain Telecommunications Company BSC
Kingdom of Bahrain

Introduction

We have reviewed the accompanying 31 March 2024 condensed consolidated interim financial statements of Bahrain Telecommunications Company BSC (the "Company") and its subsidiaries (together the "Group"), which comprise:

- the condensed consolidated statement of financial position as at 31 March 2024;
- the condensed consolidated statement of profit or loss and other comprehensive income for the three-month period ended 31 March 2024;
- the condensed consolidated statement of cash flows for the three-month period ended 31 March 2024;
- the condensed consolidated statement of changes in equity for the three-month period ended 31 March 2024; and
- notes to the condensed consolidated interim financial statements.

The Board of Directors of the Company is responsible for the preparation and presentation of these condensed consolidated interim financial statements in accordance with IAS 34, 'Interim Financial Reporting'. Our responsibility is to express a conclusion on these condensed consolidated interim financial statements based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying 31 March 2024 condensed consolidated interim financial statements are not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting'.

8 May 2024

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
as at 31 March 2024

BD'000

	Note	31 March 2024 (reviewed)	31 December 2023 (audited)
ASSETS			
Non-current assets			
Property and equipment		365,058	366,838
Right-of-use assets		55,239	55,606
Goodwill		137,758	137,775
Other intangible assets		159,577	162,461
Equity accounted investees		8,922	8,541
Deferred tax assets		6,474	6,375
Investments		60,405	35,371
Other non-current assets		11,462	6,706
Total non-current assets		804,895	779,673
Current assets			
Inventories		9,672	7,433
Trade and other receivables		158,555	142,201
Investments		19,451	291
Cash and bank balances	3	208,499	235,767
Total current assets		396,177	385,692
Total assets		1,201,072	1,165,365
LIABILITIES			
Non-current liabilities			
Trade and other payables		54,797	60,769
Lease liabilities		44,665	45,776
Loans and borrowings	4	73,053	244,198
Deferred tax liabilities		5,634	5,729
Total non-current liabilities		178,149	356,472
Current liabilities			
Trade and other payables		254,689	207,027
Lease liabilities		9,369	8,627
Loans and borrowings	4	179,904	10,696
Total current liabilities		443,962	226,350
Total liabilities		622,111	582,822
Net assets		578,961	582,543
EQUITY			
Share capital		166,320	166,320
Statutory reserve		88,856	86,188
General reserve		44,000	44,000
Other reserves		(7,217)	(28,173)
Treasury shares		(4,573)	(4,428)
Retained earnings		238,467	268,404
Total equity attributable to equity holders of the Company		525,853	532,311
Non-controlling interest		53,108	50,232
Total equity (Page 6 - 7)		578,961	582,543

The condensed consolidated interim financial statements were approved by the Board of Directors on 8 May 2024 and signed on its behalf by:

Abdulla bin Khalifa Al Khalifa
Chairman

Ali bin Khalifa Al Khalifa
Deputy Chairman

Mikkel Vinter
Chief Executive Officer

The accompanying notes 1 to 12 are integral part of the condensed consolidated interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
for the three months ended 31 March 2024

BD'000

		Three months ended 31 March	
		2024 (reviewed)	2023 (reviewed)
	Note		
REVENUE	5	110,459	103,544
EXPENSES			
Network operating expenses		(40,555)	(35,231)
Staff costs		(14,105)	(13,333)
Depreciation, amortisation and tangible assets impairment		(17,050)	(17,217)
Impairment loss on trade receivables and contract assets		(828)	(1,108)
Other operating expenses		(10,888)	(11,158)
Total expenses		(83,426)	(78,047)
Results from operating activities		27,033	25,497
Finance and related income		2,410	2,032
Finance and related expenses		(6,731)	(5,566)
Other income (net)		183	566
Share of profit from equity accounted investees (net)		368	313
Profit before taxation		23,263	22,842
Income tax expense		(1,892)	(2,559)
Profit for the period		21,371	20,283
Other comprehensive income:			
Items that are or may be reclassified subsequently to profit or loss:			
Foreign currency translation differences – foreign operations		(301)	1,108
		(301)	1,108
Items that will not be reclassified to profit or loss:			
Investment fair value changes (equity securities)		21,203	1,608
		21,203	1,608
Other comprehensive income, net of tax		20,902	2,716
Total comprehensive income for the period		42,273	22,999
Profit for the period attributable to:			
Equity holders of the Company		18,794	18,045
Non-controlling interest		2,577	2,238
		21,371	20,283
Total comprehensive income for the period attributable to:			
Equity holders of the Company		39,696	20,761
Non-controlling interest		2,577	2,238
		42,273	22,999
Basic and diluted earnings per share (Fils)	6	11.4	10.9

Abdulla bin Khalifa Al Khalifa
Chairman

Ali bin Khalifa Al Khalifa
Deputy Chairman

Mikkel Vinter
Chief Executive Officer

The accompanying notes 1 to 12 are integral part of the condensed consolidated interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
for the three months ended 31 March 2024

BD'000

	Note	Three months ended	
		31 March	
		2024 (reviewed)	2023 (reviewed)
OPERATING ACTIVITIES			
Profit for the period		21,371	20,283
Adjustment for:			
Non-operating items, including tax		6,030	5,527
Share of profit from equity accounted investees (net)		(368)	(313)
Depreciation, amortisation and tangible assets impairment		17,050	17,217
Impairment loss on trade receivables and contract assets		828	1,108
		44,911	43,822
Working capital changes:			
Increase in trade and other receivables		(13,763)	(15,305)
Increase in inventories		(2,244)	(2,202)
Decrease in trade and other payables		(5,978)	(3,422)
Cash generated from operating activities		22,926	22,893
Taxes paid		(2,758)	(2,912)
Payment to charities		(610)	(1,293)
Net cash from operating activities		19,558	18,688
INVESTING ACTIVITIES			
Acquisition of property, equipment and intangibles, net of disposal		(17,765)	(31,682)
Acquisition of business, net of cash acquired		(1,534)	-
Net cash from (purchase) / sale of other investments		(25,278)	6,002
Interest and investment income received		2,190	2,549
Net cash used in investing activities		(42,387)	(23,131)
FINANCING ACTIVITIES			
Dividend paid		(1)	(2,051)
Payment of lease liabilities		(3,154)	(3,144)
Interest paid		(4,970)	(4,367)
Borrowings (repaid) / drawn, net		(2,068)	2,077
Acquisition of share- based payment treasury shares, net		(335)	(453)
Sale of market making shares, net		190	412
Net cash used in financing activities		(10,338)	(7,526)
Decrease in cash and cash equivalents during the period		(33,167)	(11,969)
Cash and cash equivalents at 1 January		203,390	208,903
Cash and cash equivalents at 31 March	3	170,223	196,934

The accompanying notes 1 to 12 are integral part of the condensed consolidated interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for the three months ended 31 March 2024

BD'000

2024	Note	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	Total		
					Foreign currency translation reserve	Investment fair value reserve	Share based payment reserve	Market making shares	Share based payment treasury shares				
At 1 January 2024		166,320	86,188	44,000	(20,261)	(8,471)	559	(3,599)	(829)	268,404	532,311	50,232	582,543
Profit for the period		-	-	-	-	-	-	-	-	18,794	18,794	2,577	21,371
Other comprehensive income													
Foreign currency translation differences		-	-	-	(301)	-	-	-	-	-	(301)	-	(301)
Investment fair value changes		-	-	-	-	21,203	-	-	-	-	21,203	-	21,203
Total other comprehensive income		-	-	-	(301)	21,203	-	-	-	-	20,902	-	20,902
Total comprehensive income for the period		-	-	-	(301)	21,203	-	-	-	18,794	39,696	2,577	42,273
Contributions and distributions													
Final dividends declared for 2023	10	-	-	-	-	-	-	-	-	(42,195)	(42,195)	-	(42,195)
Donations approved for 2023	10	-	-	-	-	-	-	-	-	(3,868)	(3,868)	-	(3,868)
Sale of market making shares		-	-	-	-	-	-	190	-	-	190	-	190
Acquisition of treasury shares		-	-	-	-	-	-	-	(335)	-	(335)	-	(335)
Equity-settled share-based payment		-	-	-	-	-	54	-	-	-	54	-	54
Transfer to statutory reserve		-	2,668	-	-	-	-	-	-	(2,668)	-	-	-
Non-controlling interest recognised on acquisition		-	-	-	-	-	-	-	-	-	-	299	299
Total contributions and distributions		-	2,668	-	-	-	54	190	(335)	(48,731)	(46,154)	299	(45,855)
At 31 March 2024 (reviewed)		166,320	88,856	44,000	(20,562)	12,732	613	(3,409)	(1,164)	238,467	525,853	53,108	578,961

The accompanying notes 1 to 12 are integral part of the condensed consolidated interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for the three months ended 31 March 2024 (continued)

BD'000

2023	Equity attributable to equity holders of the Company											Non - controlling interest	Total equity
	Note	Share capital	Statutory reserve	General reserve	Other Reserves			Treasury shares		Retained earnings	Total		
					Foreign currency translation reserve	Investment fair value reserve	Share based payment reserve	Market making shares	Share based payment treasury shares				
At 1 January 2023		166,320	84,060	44,000	(23,636)	(24,670)	704	(3,791)	(1,141)	254,521	496,367	45,955	542,322
Profit for the period		-	-	-	-	-	-	-	-	18,045	18,045	2,238	20,283
Other comprehensive income													
Foreign currency translation differences		-	-	-	1,108	-	-	-	-	-	1,108	-	1,108
Investment fair value changes		-	-	-	-	1,608	-	-	-	-	1,608	-	1,608
Total other comprehensive income		-	-	-	1,108	1,608	-	-	-	-	2,716	-	2,716
Total comprehensive income for the period		-	-	-	1,108	1,608	-	-	-	18,045	20,761	2,238	22,999
Contributions and distributions													
Final dividends declared for 2022	10	-	-	-	-	-	-	-	-	(31,447)	(31,447)	-	(31,447)
Donations approved for 2022	10	-	-	-	-	-	-	-	-	(1,980)	(1,980)	-	(1,980)
Sale of market making shares		-	-	-	-	-	-	412	-	-	412	-	412
Acquisition of treasury shares		-	-	-	-	-	-	-	(453)	-	(453)	-	(453)
Equity-settled share-based payment		-	-	-	-	-	104	-	-	-	104	-	104
Transfer to statutory reserve		-	1,783	-	-	-	-	-	-	(1,783)	-	-	-
Dividends to non – controlling interest		-	-	-	-	-	-	-	-	-	-	(5,059)	(5,059)
Total contributions and distributions		-	1,783	-	-	-	104	412	(453)	(35,210)	(33,364)	(5,059)	(38,423)
At 31 March 2023 (reviewed)		166,320	85,843	44,000	(22,528)	(23,062)	808	(3,379)	(1,594)	237,356	483,764	43,134	526,898

The accompanying notes 1 to 12 are integral part of the condensed consolidated interim financial statements.

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
for the three months ended 31 March 2024**

BD'000

1 REPORTING ENTITY

Bahrain Telecommunications Company BSC (the "Company") is a Bahraini incorporated company listed on the Bahrain Bourse. The condensed consolidated interim financial statements as at and for the three months period ended 31 March 2024 comprise the condensed consolidated interim financial statements of the Company and its subsidiaries (collectively the "Group", "Beyon" and individually as "Beyon entity") and the Beyon's interests in equity accounted investees. The Group is principally engaged in the provision of public telecommunications and associated products and services.

2 BASIS OF PREPARATION**a) Statement of compliance**

The condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard 34 - 'Interim Financial Reporting'. These do not include all the information required for a complete set of IFRS financial statements and should be read in conjunction with the consolidated financial statements of the Group for the year ended 31 December 2023. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in Group's financial position and performance since the last annual consolidated financial statements as at and for the year ended 31 December 2023.

The condensed consolidated interim financial statements are reviewed, not audited.

b) Material accounting policies

The accounting policies and risk management framework applied by the Group in the preparation of the condensed consolidated interim financial statements are consistent with those applied in the preparation of the Group's last audited consolidated financial statements as at and for the year ended 31 December 2023, except for the adoption of relevant new IFRSs, amendments and interpretations issued by IASB that are effective for annual periods beginning on or after 1 January 2024. The impact of adoption of these new standards / amendments did not have a significant impact on the condensed consolidated interim financial statements.

c) Seasonality

Due to the effect of seasonal variations, the results reported in the condensed consolidated interim financial statements may not represent a proportionate share of the overall annual result. There is no significant effect from seasonal variations.

d) Judgements and estimates

In preparing these condensed consolidated interim financial statements, management make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. The significant judgements made by the management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those applied to the consolidated financial statements as at and for the year ended 31 December 2023.

3 CASH AND BANK BALANCES

Cash and bank balances include BD 38,276 (Dec 2023: BD 32,377) of short-term bank deposits with maturities exceeding three months, restricted cash and unclaimed dividends. These have been excluded from cash and cash equivalent in the condensed consolidated statement of cash flows.

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
for the three months ended 31 March 2024**

BD'000

4 LOANS AND BORROWINGS

Terms financing and overdraft facilities from banks include:

- (i) Long term loan facility with a total available amount of BD 58.5 million (2023: BD 58.5 million) has been utilised by a Beyon entity to fund the Company's working capital and license fees and is due to be settled by 2031. As at 31 March 2024, a total amount of BD 23.5 million (2023: BD 24.4 million) is outstanding against this facility out of which BD 3.5 million (2023: BD 3.5 million) is classified under current liabilities being due within the next 12 months;
- (ii) Long term loan facility with a total available amount of BD 8.0 million (2023: BD 8.0 million) has been obtained by a Beyon entity to fund the company's infrastructure and network requirements and is due to be settled by 2031. As at 31 March 2024, a total amount of BD 6.5 million (2023: BD 6.8 million) is outstanding against this facility out of which BD 1.0 million (2023: BD 1 million) is classified under current liabilities being due within the next 12 months;
- (iii) Long term loan facility with a total available amount of BD 12.8 million (2023: BD 12.8 million) has been obtained by a Beyon entity to fund the company's license fees and is due to be settled by 2031. As at 31 March 2024, a total amount of BD 12.2 million (2023: BD 12.7 million) is outstanding against this facility of which BD 1.8 million (2023: BD 1.8 million) is classified under current liabilities being due within the next 12 months;
- (iv) Long term loan facility with a total available amount of BD 8.0 million (2023: BD 8.0 million) has been obtained by a Beyon entity to fund the company's share in a joint venture and is due to be settled by 2031. As at 31 March 2024, a total amount of BD 7.7 million (2023: BD 8.0 million) is outstanding against this facility of which BD 1.1 million (2023: BD 1.1) is classified under current liabilities being due within the next 12 months;
- (v) Long term loan facility with a total available amount of BD 3.0 million (2023: BD 3.0 million) has been obtained by a Beyon entity in 2021 to finance the deferred capital payments and is due to be settled by May 2024. As at 31 March 2024, a total amount of BD 0.2 million (2023: BD 0.5 million) is outstanding against this facility of which BD 0.2 million (2023: BD 0.5 million) is classified under current liabilities being due within the next 12 months;
- (vi) Long term loan facility with a total available amount of BD 6.0 million (2023: BD 6.0 million) has been obtained by a Beyon entity in 2022. As at 31 March 2024, a total amount of BD 6.0 million (2023: BD 6.0 million) is outstanding against this facility of which full amount is classified under non-current liabilities being due from April 2025;
- (vii) Long term loan facility with a total available amount of BD 3.4 million (2023: BD 3.4 million) has been obtained by a Beyon entity in 2022. As at 31 March 2024, a total amount of BD 3.4 million (2023: BD 3.4 million) is outstanding against this facility of which full amount is classified under non-current liabilities being due from April 2025;
- (viii) Long term loan facilities with a total available amount of BD 11.3 million (2023: BD 11.3 million) has been obtained by a Beyon entity in 2023. As at 31 March 2024, a total amount of BD 7.2 million (2023: BD 7.2 million) is outstanding against this facility of which full amount is classified under non-current liabilities being due from April 2025;

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
for the three months ended 31 March 2024

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4 Loans and borrowings (continued)

- (ix) Long term loan facility with a total available amount of BD 169.4 million (2023: 169.4 million), of which BD 169.4 million is outstanding as of 31 March 2024 (2023: BD 169.4 million) was obtained by the Company to fund its bond repayment in May 2020 and is due to be settled by one bullet payment in 2024. The full amount is classified under current liabilities;
- (x) Long term loan facility with a total available amount of BD 75.4 million (2023: BD 75.4 million), of which BD 14.1 million is outstanding as of 31 March 2024 (2023: BD 14.1 million) was obtained by the Company to fund its project for regional connectivity starting from May 2023. 55% of the principal amount is to be repaid on quarterly basis starting from end of the Grace period of 3 years and 45% of the principal amount is to be settled by bullet payment in 2033;
- (xi) The import loan facility with a total available amount of BD 4.5 million (2023: BD 4.5 million) is obtained by a Beyon entity to support its capital expenditure requirements and is due to be settled within 365 days from the amounts drawn down. The amount drawn at the balance sheet date amounted to BD 2.8 million (2023: BD 2.8 million) and is classified under current liabilities; and
- (xii) The import loan facility with a total available amount of BD 0.6 million (2023: Nil) is obtained by a Beyon entity at 9% fixed interest rate and is due to be settled within 90 days from the amounts drawn down. The amount drawn at the balance sheet date amounted to BD 0.1 million (2023: Nil) and is classified under current liabilities.

The above facilities carry interest rate at SOFR or relevant benchmarks plus margins. The interest rates ranged from 7.2% to 11.9% at 31 March 2024 (2023: 7.3% to 12%).

5 REVENUE

a) Disaggregation of revenue

Revenue by major products

	Three months ended 31 March	
	2024 (reviewed)	2023 (reviewed)
Mobile telecommunication services	52,189	49,108
Data communication circuits	17,707	16,119
Fixed broadband	18,842	19,330
Fixed line telecommunication services	4,398	4,683
Wholesale services	7,736	7,783
Others	9,587	6,521
	110,459	103,544

Revenue by timing of recognition

	Three months ended 31 March	
	2024 (reviewed)	2023 (reviewed)
Products transferred at a point in time (Equipment revenue)	10,959	8,546
Products and services transferred over time (Revenue from provision of services)	99,500	94,998
	110,459	103,544

For a further break down of total revenue by the Group's key geographical segments, please refer to note 12.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
for the three months ended 31 March 2024

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5 Revenue (continued)

b) Contract balances

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers.

	31 March 2024 (reviewed)	31 December 2023 (audited)
Receivables and contract assets (<i>included in trade and other receivables</i>)	115,382	109,198
Contract liabilities (included in Trade and other payables)	20,644	27,602

The contract assets primarily relate to the Group's rights to consideration for work completed but not billed at the reporting date. The contract assets are transferred to receivables when the rights become unconditional. This usually occurs when the Group issues an invoice to the customer. The contract liabilities primarily relate to the advance consideration received from customers for which revenue is recognised over time as the related performance obligations are fulfilled within 1 year.

6 EARNINGS PER SHARE

	Three months ended 31 March	
	2024 (reviewed)	2023 (reviewed)
Profit for the period attributable to equity holders of the Company	18,794	18,045
Weighted average number of shares outstanding during the period (million)	1,653	1,652
Basic and diluted earnings per share (Fils)	11.4	10.9

7 COMMITMENTS AND CONTINGENCIES**a) Capital commitments**

The Group has capital commitments as at 31 March 2024 amounting to BD 87.4 million (31 December 2023: BD 67.9 million).

b) Guarantees

- (i) As at 31 March 2024, the Group's banks have issued guarantees amounting to BD 7.7 million (31 December 2023: BD 3.0 million) and letters of credit amounting to BD 28.2 million (31 December 2023: BD 5.0 million).
- (ii) The Group has furnished a comfort letter for BD 1.9 million (31 December 2023: BD 1.9 million) to Telecommunications Regulatory Commission, Jordan for providing a financial guarantee for the subsidiary companies operating in Jordan.

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
for the three months ended 31 March 2024**

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*7 Commitments and Contingencies (continued)***c) Staff housing loans**

The Company offers loan assistance to its Bahraini employees for the acquisition of residential properties. The loans are funded through a local bank and secured by a guarantee issued by the Company. The policy of providing staff housing loan guarantees was discontinued in 2007. The Company bears 75% (2023: 75%) of the loan interest. At 31 March 2024, the Company had an outstanding guarantee of BD 0.2 million (31 December 2023: BD 0.2 million) towards housing loans to staff.

d) Other contingencies

In the normal course of business, legal cases are filed by staff and counterparties against the Group and also by the Group against their suppliers/ vendors. The Group's legal department engages with in-house legal counsel and external legal counsel depending on the nature of the cases. A periodic assessment is carried out to determine the likely outcome of these legal cases and is reported to the senior management and the Board of Directors. In addition to this, due to the complexity of operations, the Group also received notification for penalty, deemed breach of relevant telecommunication regulations and other relevant legislations in the given jurisdiction where the Group operates.

As at 31 March 2024, the Group is defending these legal cases including penalties. Based on the advice of the Group's legal counsel including external legal counsel, as applicable, sufficient appropriate provisions have been recorded. No further detailed disclosures regarding contingent liabilities arising from any such claims are being made by the Group as the Directors believe that such disclosures may be prejudicial to the Group's legal position.

8 FAIR VALUE

The Group's financial assets and financial liabilities are measured at amortised cost except for certain investments, which are carried at fair value. Fair value is the price that would be received to sell our asset or paid to transfer a liability in an ordinary transaction between market participants and the measurement date.

Underlying the definition of fair value is a presumption that an enterprise is a going concern without any intention or need to liquidate, curtail materially the scale of its operations or undertake a transaction on adverse terms.

Fair value hierarchy

The Group measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measures:

- (i) Level 1: Quoted market price (unadjusted) in an active market for an identical instrument.
- (ii) Level 2: Valuation techniques based on observable inputs, either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using; quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data.
- (iii) Level 3: Valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
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8 Fair Value (continued)

The table below analyses financial instruments measured as at 31 March 2024, by the level in the fair value hierarchy into which the fair value measurement is categorized:

	Fair value				Total carrying amount
	Level 1	Level 2	Level 3	Total fair value	
31 March 2024					
Financial assets at fair value through profit and loss (FVTPL)					
Investments – equity securities	-	-	1,900	1,900	1,900
Financial assets at fair value through OCI (FVOCI)					
Investments – debt and equity securities	47,918	197	24,594	72,709	72,709
31 December 2023					
Financial assets at fair value through Profit and Loss (FVTPL)					
Investments – equity securities	-	-	1,900	1,900	1,900
Financial assets at fair value through OCI					
Investments – debt and equity securities	22,952	295	5,268	28,515	28,515

The bonds have been fair valued using its quoted prices. Other loans and borrowings are repriced at frequent intervals and hence the carrying value is a reasonable approximation of its fair value. The Group has not disclosed the fair value for financial instruments such as short-term trade and other receivables, trade and other payables and cash and bank balances, because their carrying amounts are a reasonable approximation of fair values.

9 RELATED PARTIES

a) Transactions with related parties

The Company qualifies as a government related entity under the definitions provided in the Revised IAS 24. The Group provides telecommunication services to various Government and semi government organisation and companies in the Kingdom of Bahrain. The Group also avails various services from Government and semi government organisation and companies in the Kingdom of Bahrain. Such transactions are in the normal course of business and are not considered to be individually significant in terms of size.

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9 *Related Parties (continued)***b) Transactions with key management personnel**

Key management personnel comprise the Board of Directors and key members of management having authority and responsibility for planning, directing and controlling the activities of the Group. During the period, the Group paid the following compensation to the key management personnel.

	Three months ended 31 March	
	2024 (reviewed)	2023 (reviewed)
Short-term employee benefits	418	381
Long-term employee benefits	25	51
Post-employment benefits	43	23
Total key management personnel compensation	486	454
Directors' remuneration (including sitting fees)	152	176

10 APPROPRIATIONS

The shareholders of the Company in their meeting held in March 2024 approved a final cash dividend of BD 42.2 million and donations of BD 3.6 million in respect of 2023, which were affected during the period.

11 COMPARATIVES

The comparative figures have been regrouped, where necessary, in order to conform to the current period's presentation. Such regrouping did not affect the previously reported profit, comprehensive income for the period or total equity.

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12 SEGMENT INFORMATION*Operating segments*

The Group's operations are segregated between Bahrain, Jordan, Maldives, Sure Group and others. Others include Yemen and other group operations. Segment information disclosed for the three months ended 31 March 2024 is as follows:

Segment revenue and profit	For the three months ended 31 March 2024 (reviewed)							For the three months ended 31 March 2023 (reviewed)						
	Bahrain	Jordan	Maldives	Sure Group	Others	Inter - segment elimination	Total	Bahrain	Jordan	Maldives	Sure Group	Others	Inter - segment elimination	Total
Revenue (external customers)	53,063	26,138	17,079	14,179	-	-	110,459	49,853	24,020	15,987	13,684	-	-	103,544
Inter-segment revenues	170	271	-	-	-	(441)	-	6	109	-	-	-	(115)	-
Profit/ (loss)	11,521	1,890	4,997	2,972	(9)	-	21,371	11,195	2,133	4,465	2,490	-	-	20,283

Segment assets & liabilities	As at 31 March 2024 (reviewed)							As at 31 December 2023 (audited)						
	Bahrain	Jordan	Maldives	Sure Group	Others	Inter - segment elimination	Total	Bahrain	Jordan	Maldives	Sure Group	Others	Inter - segment elimination	Total
Non-current assets	310,431	324,043	103,483	74,547	6,749	(14,358)	804,895	283,902	324,686	104,743	74,540	6,490	(14,688)	779,673
Current assets	227,274	72,059	82,429	24,042	2,931	(12,558)	396,177	221,736	68,156	84,099	23,188	2,956	(14,443)	385,692
Total assets	537,705	396,102	185,912	98,589	9,680	(26,916)	1,201,072	505,638	392,842	188,842	97,728	9,446	(29,131)	1,165,365
Non-current liabilities	24,939	134,428	29,187	13,439	-	(23,844)	178,149	189,885	143,419	29,222	13,673	-	(19,727)	356,472
Current liabilities	302,333	104,904	30,819	14,981	86	(9,161)	443,962	92,261	94,480	38,405	16,296	117	(15,209)	226,350
Total liabilities	327,272	239,332	60,006	28,420	86	(33,005)	622,111	282,146	237,899	67,627	29,969	117	(34,936)	582,822
Net assets	210,433	156,770	125,906	70,169	9,594	6,089	578,961	223,492	154,943	121,215	67,759	9,329	5,805	582,543