

**Bahrain Telecommunications  
Company BSC**

**CONDENSED CONSOLIDATED  
INTERIM FINANCIAL STATEMENTS**

**30 June 2024**

**Bahrain Telecommunications Company BSC**

**CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**for the six months ended 30 June 2024**

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**FINANCIAL HIGHLIGHTS (presented for information purposes only)  
for the six months ended 30 June 2024**

<b>Six months ended 30 June</b>	<b>Unit</b>	<b>2024</b>	<b>2023</b>	<b>Variation %</b>
Gross revenue	BD million	222.9	208.9	6.7%
Expenses	BD million	167.4	155.4	7.7%
Profit attributable to Beyon shareholders	BD million	38.6	37.9	1.7%
Return on net worth (Annualized)	%	13.9	14.0*	(0.7%)
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	23.3	22.9	1.7%

*\*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 30 June 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 30 June 2024;
- the condensed consolidated statement of profit or loss and other comprehensive income for the three-month and six-month periods ended 30 June 2024;
- the condensed consolidated statement of cash flows for the six-month period ended 30 June 2024;
- the condensed consolidated statement of changes in equity for the six-month period ended 30 June 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 30 June 2024 condensed consolidated interim financial statements are not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting'.

5 August 2024

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**as at 30 June 2024**

BD'000

	Note	30 June 2024 (reviewed)	31 December 2023 (audited)
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property and equipment		377,154	366,838
Right-of-use assets		55,890	55,606
Goodwill		137,770	137,775
Other intangible assets		157,026	162,461
Equity accounted investees		9,400	8,541
Deferred tax assets		6,487	6,375
Investments		57,774	35,371
Other non-current assets		10,834	6,706
<b>Total non-current assets</b>		<b>812,335</b>	<b>779,673</b>
<b>Current assets</b>			
Inventories		8,898	7,433
Trade and other receivables		165,757	142,201
Investments		24,539	291
Cash and bank balances	3	174,812	235,767
<b>Total current assets</b>		<b>374,006</b>	<b>385,692</b>
<b>Total assets</b>		<b>1,186,341</b>	<b>1,165,365</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Trade and other payables		50,324	60,769
Lease liabilities		45,294	45,776
Loans and borrowings	4	82,426	244,198
Deferred tax liabilities		5,533	5,729
<b>Total non-current liabilities</b>		<b>183,577</b>	<b>356,472</b>
<b>Current liabilities</b>			
Trade and other payables		218,386	207,027
Lease liabilities		9,836	8,627
Loans and borrowings	4	180,803	10,696
<b>Total current liabilities</b>		<b>409,025</b>	<b>226,350</b>
<b>Total liabilities</b>		<b>592,602</b>	<b>582,822</b>
<b>Net assets</b>		<b>593,739</b>	<b>582,543</b>
<b>EQUITY</b>			
Share capital		166,320	166,320
Statutory reserve		88,856	86,188
General reserve		44,000	44,000
Other reserves		(9,725)	(28,173)
Treasury shares		(4,423)	(4,428)
Retained earnings		258,258	268,404
<b>Total equity attributable to equity holders of the Company</b>		<b>543,286</b>	<b>532,311</b>
Non-controlling interest		50,453	50,232
<b>Total equity (Page 6 - 7)</b>		<b>593,739</b>	<b>582,543</b>

The condensed consolidated interim financial statements were approved by the Board of Directors on 5 August 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 six months ended 30 June 2024 BD'000

	Note	Six months ended 30 June		Three months ended 30 June	
		2024 (reviewed)	2023 (reviewed)	2024 (reviewed)	2023 (reviewed)
<b>REVENUE</b>	5	<b>222,936</b>	208,920	<b>112,477</b>	105,376
<b>EXPENSES</b>					
Network operating expenses		(81,974)	(71,331)	(41,419)	(36,100)
Staff costs		(28,244)	(27,107)	(14,139)	(13,774)
Depreciation, amortisation and tangible assets impairment		(33,665)	(33,971)	(16,615)	(16,754)
Impairment (loss) / reversal on trade receivables and contract assets		(961)	(318)	(133)	790
Other operating expenses		(22,518)	(22,641)	(11,630)	(11,483)
<b>Total expenses</b>		<b>(167,362)</b>	(155,368)	<b>(83,936)</b>	(77,321)
<b>Results from operating activities</b>		<b>55,574</b>	53,552	<b>28,541</b>	28,055
Finance and related income		4,478	3,902	2,068	1,870
Finance and related expense		(13,240)	(11,271)	(6,509)	(5,705)
Other income (net)		637	673	454	107
Share of profit from equity accounted investees (net)		849	608	481	295
<b>Profit before taxation</b>		<b>48,298</b>	47,464	<b>25,035</b>	24,622
Income tax expense		(4,358)	(4,757)	(2,466)	(2,198)
<b>Profit for the period</b>		<b>43,940</b>	42,707	<b>22,569</b>	22,424
<b>Other comprehensive income:</b>					
<b>Items that are or may be reclassified subsequently to profit or loss:</b>					
Foreign currency translation differences – foreign operations		(251)	3,198	50	2,090
Investment fair value changes (debt securities)		-	28	-	28
		<b>(251)</b>	3,226	<b>50</b>	2,118
<b>Items that will never be reclassified to profit or loss:</b>					
Investment fair value changes (equity securities)		18,806	4,497	(2,397)	2,889
		<b>18,806</b>	4,497	<b>(2,397)</b>	2,889
Total other comprehensive income, net of tax		<b>18,555</b>	7,723	(2,347)	5,007
<b>Total comprehensive income for the period</b>		<b>62,495</b>	50,430	<b>20,222</b>	27,431
<b>Profit for the period attributable to:</b>					
Equity holders of the Company		38,585	37,934	19,791	19,889
Non-controlling interest		5,355	4,773	2,778	2,535
		<b>43,940</b>	42,707	<b>22,569</b>	22,424
<b>Total comprehensive income for the period attributable to:</b>					
Equity holders of the Company		57,140	45,657	17,444	24,896
Non-controlling interest		5,355	4,773	2,778	2,535
		<b>62,495</b>	50,430	<b>20,222</b>	27,431
<b>Basic and diluted earnings per share (Fils)</b>	6	<b>23.3</b>	22.9	<b>12.0</b>	12.0

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 six months ended 30 June 2024**

BD'000

	Note	Six months ended 30 June	
		2024 (reviewed)	2023 (reviewed)
<b>OPERATING ACTIVITIES</b>			
Profit for the period		43,940	42,707
<b>Adjustment for:</b>			
Non-operating items, including tax		12,483	11,453
Share of profit from equity accounted investees, net		(849)	(608)
Depreciation, amortisation and tangible assets impairment		33,665	33,971
Impairment loss on trade receivables and contract assets		961	318
		90,200	87,841
<b>Working capital changes:</b>			
Increase in trade and other receivables		(19,792)	(12,767)
Increase in inventories		(1,470)	(1,936)
Increase / (decrease) in trade and other payables		2,631	(2,874)
<b>Cash generated from operating activities</b>		<b>71,569</b>	70,264
Taxes paid		(4,826)	(3,873)
Payment to charities		(1,294)	(1,690)
<b>Net cash from operating activities</b>		<b>65,449</b>	64,701
<b>INVESTING ACTIVITIES</b>			
Acquisition of property, equipment and intangibles, net of disposal		(48,421)	(64,519)
Acquisition of business, net of cash acquired		(2,217)	(880)
Net cash from (purchase) / sale of other investments		(9,505)	14,077
Interest and investment income received		4,741	4,212
<b>Net cash used in investing activities</b>		<b>(55,402)</b>	(47,110)
<b>FINANCING ACTIVITIES</b>			
Dividend paid		(47,378)	(33,497)
Payment of lease liabilities		(6,159)	(6,114)
Interest paid		(9,602)	(8,446)
Borrowings drawn, net		8,158	18,396
Acquisition of share-based payment treasury shares (net)		(107)	(9)
Sale of market making shares, net		112	741
<b>Net cash used in financing activities</b>		<b>(54,976)</b>	(28,929)
<b>Decrease in cash and cash equivalents during the period</b>		<b>(44,929)</b>	(11,338)
Cash and cash equivalents at 1 January		203,390	208,903
<b>Cash and cash equivalents at 30 June</b>	3	<b>158,461</b>	197,565

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 six months ended 30 June 2024**

BD'000

2024	Equity attributable to equity holders of the Company												Non - controlling Interest	Total equity
	Note	Other Reserves						Treasury shares		Retained earnings	Total			
		Share capital	Statutory reserve	General reserve	Foreign currency translatio n 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	
<b>Profit for the period</b>		-	-	-	-	-	-	-	-	38,585	38,585	5,355	43,940	
<b>Other comprehensive income</b>														
Foreign currency translation differences		-	-	-	(251)	-	-	-	-	-	(251)	-	(251)	
Investment fair value changes		-	-	-	-	18,806	-	-	-	-	18,806	-	18,806	
<b>Total other comprehensive income</b>		-	-	-	(251)	18,806	-	-	-	-	18,555	-	18,555	
<b>Total comprehensive income for the period</b>		-	-	-	(251)	18,806	-	-	-	38,585	57,140	5,355	62,495	
<b>Contributions and distributions</b>														
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		-	-	-	-	-	-	112	-	-	112	-	112	
Acquisition of treasury shares		-	-	-	-	-	-	-	(335)	-	(335)	-	(335)	
Equity-settled share-based payment		-	-	-	-	-	(107)	-	228	-	121	-	121	
Transfer to statutory reserve		-	2,668	-	-	-	-	-	-	(2,668)	-	-	-	
Non-controlling interest recognised on acquisition		-	-	-	-	-	-	-	-	-	-	75	75	
Dividends to non-controlling interest		-	-	-	-	-	-	-	-	-	-	(5,209)	(5,209)	
<b>Total contributions and distributions</b>		-	2,668	-	-	-	(107)	112	(107)	(48,731)	(46,165)	(5,134)	(51,299)	
<b>At 30 June 2024 (reviewed)</b>		<b>166,320</b>	<b>88,856</b>	<b>44,000</b>	<b>(20,512)</b>	<b>10,335</b>	<b>452</b>	<b>(3,487)</b>	<b>(936)</b>	<b>258,258</b>	<b>543,286</b>	<b>50,453</b>	<b>593,739</b>	

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 six months ended 30 June 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		-	-	-	-	-	-	-	-	37,934	37,934	4,773	42,707
Other comprehensive income													
Foreign currency translation differences		-	-	-	3,198	-	-	-	-	-	3,198	-	3,198
Investment fair value changes		-	-	-	-	4,525	-	-	-	-	4,525	-	4,525
Total other comprehensive income		-	-	-	3,198	4,525	-	-	-	-	7,723	-	7,723
Total comprehensive income for the period		-	-	-	3,198	4,525	-	-	-	37,934	45,657	4,773	50,430
Contributions and distributions													
Final dividends declared for 2022	10	-	-	-	-	-	-	-	-	(31,447)	(31,447)	-	(31,447)
Donations approved for 2022	10	-	-	-	-	-	-	-	-	(2,245)	(2,245)	-	(2,245)
Sale of market making shares		-	-	-	-	-	-	741	-	-	741	-	741
Acquisition of treasury shares		-	-	-	-	-	-	-	(453)	-	(453)	-	(453)
Equity-settled share-based payment		-	-	-	-	-	(155)	-	444	-	289	-	289
Transfer to Statutory Reserve		-	2,128	-	-	-	-	-	-	(2,128)	-	-	-
Non-controlling interest recognised on acquisition		-	-	-	-	-	-	-	-	-	-	452	452
Dividends to non-controlling interest		-	-	-	-	-	-	-	-	-	-	(5,059)	(5,059)
Total contributions and distributions		-	2,128	-	-	-	(155)	741	(9)	(35,820)	(33,115)	(4,607)	(37,722)
At 30 June 2023 (reviewed)		166,320	86,188	44,000	(20,438)	(20,145)	549	(3,050)	(1,150)	256,635	508,909	46,121	555,030

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 six months ended 30 June 2024**

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**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 six months period ended 30 June 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 16,351 (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 six months ended 30 June 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 30 June 2024, a total amount of BD 22.6 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 30 June 2024, a total amount of BD 6.3 million (2023: BD 6.8 million) is outstanding against this facility out of which BD 1 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 30 June 2024, a total amount of BD 11.8 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 30 June 2024, a total amount of BD 7.4 million (2023: BD 8.0 million) is outstanding against this facility of which BD 1.1 million (2023: BD 1.1 million) is classified under current liabilities being due within the next 12 months;
- (v) 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 30 June 2024, a total amount of BD 6.0 million (2023: BD 6.0 million) is outstanding against this facility of which BD 0.2 million (2023: BD Nil) is classified under current liabilities being due within the next 12 months;
- (vi) 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 30 June 2024, a total amount of BD 3.4 million (2023: BD 3.4 million) is outstanding against this facility of which BD 0.1 million (2023: BD Nil) is classified under current liabilities being due within the next 12 months;
- (vii) 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 30 June 2024, a total amount of BD 7.2 million (2023: BD 7.2 million) is outstanding against this facility of which BD 0.2 million (2023: BD Nil) is classified under current liabilities being due within the next 12 months;
- (viii) 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 30 June 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;

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**for the six months ended 30 June 2024**

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*4 Loans and borrowings (continued)*

- (ix) Long term loan facility with a total available amount of BD 75.4 million (2023: BD 75.4 million), of which BD 25.7 million is outstanding as of 30 June 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;
- (x) 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 3.5 million (2023: BD 2.8 million) and is classified under current liabilities; and
- (xi) The import loan facility with a total available amount of BD 0.6 million (2023: BD 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 0.4 million (2023: BD 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 30 June 2024 (2023: 7.3% to 12.0%).

**5 REVENUE**

**a) Disaggregation of revenue**

Revenue by major products	Six months ended 30 June		Three months ended 30 June	
	2024 (reviewed)	2023 (reviewed)	2024 (reviewed)	2023 (reviewed)
Mobile telecommunication services	104,085	98,945	51,896	49,837
Data communication circuits	35,198	32,473	17,491	16,354
Fixed broadband	37,564	38,706	18,722	19,376
Fixed line telecommunication services	8,637	9,237	4,239	4,554
Wholesale services	17,118	16,146	9,382	8,363
Others	20,334	13,413	10,747	6,892
	<b>222,936</b>	<b>208,920</b>	<b>112,477</b>	<b>105,376</b>

  

Revenue by timing of recognition	Six months ended 30 June		Three months ended 30 June	
	2024 (reviewed)	2023 (reviewed)	2024 (reviewed)	2023 (reviewed)
Products transferred at a point in time (Equipment revenue)	21,642	16,729	10,683	8,183
Products and services transferred over time (Revenue from provision of services)	201,294	192,191	101,794	97,193
	<b>222,936</b>	<b>208,920</b>	<b>112,477</b>	<b>105,376</b>

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

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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.

	<b>30 June 2024 (reviewed)</b>	<b>31 December 2023 (audited)</b>
Receivables and contract assets (included in trade and other receivables)	120,872	109,198
Contract liabilities (included in Trade and other payables)	20,592	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

	<b>Six months ended 30 June</b>		<b>Three months ended 30 June</b>	
	<b>2024 (reviewed)</b>	2023 (reviewed)	<b>2024 (reviewed)</b>	2023 (reviewed)
Profit for the period attributable to equity holders of the Company	38,585	37,934	19,791	19,889
Weighted average number of shares outstanding during the period (million)	1,653	1,653	1,653	1,653
<b>Basic earnings per share (Fils)</b>	<b>23.3</b>	22.9	<b>12.0</b>	12.0

## 7 COMMITMENTS AND CONTINGENCIES

## a) Capital commitments

The Group has capital commitments as at 30 June 2024 amounting to BD 67.0 million (31 December 2023: BD 67.9 million).

## b) Guarantees

- (i) As at 30 June 2024, the Group's banks have issued guarantees amounting to BD 1.9 million (31 December 2023: BD 3.0 million) and letters of credit amounting to BD 4.9 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.

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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 30 June 2024, the Company had an outstanding guarantee of BD 0.1 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 30 June 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.

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8 *Fair Value (continued)*

The table below analyses financial instruments measured as at 30 June 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	
<b>30 June 2024</b>					
<b>Financial assets at fair value through profit and loss (FVTPL)</b>					
Investments – equity securities	-	-	1,896	1,896	1,896
<b>Financial assets at fair value through OCI (FVOCI)</b>					
Investments – debt and equity securities	45,500	197	29,846	75,543	75,543
<b>31 December 2023</b>					
<b>Financial assets at fair value through Profit and Loss (FVTPL)</b>					
Investments – equity securities	-	-	1,900	1,900	1,900
<b>Financial assets at fair value through OCI</b>					
Investments – debt and equity securities	22,952	295	5,268	28,515	28,515

There were no transfers between levels 1, 2 and 3 during the period. The increase in level 3 investments is primarily due to the acquisition of debt securities amounting to BD 24.3 million. The fair value of this instrument corresponds to its carrying value. Other debt securities have been fair valued using its quoted prices. 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.

	<b>Six months ended</b>	
	<b>30 June</b>	
	<b>2024</b> <b>(reviewed)</b>	2023 <b>(reviewed)</b>
Short-term employee benefits	783	700
Long-term employee benefits	59	236
Post-employment benefits	81	132
<b>Total key management personnel compensation</b>	<b>923</b>	1,068
<b>Directors remuneration (including sitting fees)</b>	<b>305</b>	329

**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.

In board meeting dated 5 August 2024, an interim dividend of 13.5 fils per share has been approved by the directors. These financial statements do not reflect this interim dividend payable.

**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 six months ended 30 June 2024 is as follows:

	For the six months ended 30 June 2024 (reviewed)							For the six months period ended 30 June 2023 (reviewed)						
	Bahrain	Jordan	Maldives	Sure Group	Others	Inter - segment elimination	Total	Bahrain	Jordan	Maldives	Sure Group	Others	Inter - segment elimination	Total
<b>Segment revenue and profit</b>														
Revenue (external customers)	108,916	51,935	33,882	28,203	-	-	222,936	101,298	48,296	31,641	27,685	-	-	208,920
Inter-segment revenues	328	558	-	-	-	(886)	-	6	305	-	-	-	(311)	-
Profit/(loss)	23,864	3,960	9,976	5,976	164	-	43,940	23,030	4,384	9,695	5,605	(7)	-	42,707

  

	As at 30 June 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
<b>Segment assets &amp; liabilities</b>														
Non-current assets	320,192	322,975	102,296	74,853	6,359	(14,340)	812,335	283,902	324,686	104,743	74,540	6,490	(14,688)	779,673
Current assets	203,318	71,427	82,206	23,729	3,515	(10,189)	374,006	221,736	68,156	84,099	23,188	2,956	(14,443)	385,692
<b>Total assets</b>	<b>523,510</b>	<b>394,402</b>	<b>184,502</b>	<b>98,582</b>	<b>9,874</b>	<b>(24,529)</b>	<b>1,186,341</b>	<b>505,638</b>	<b>392,842</b>	<b>188,842</b>	<b>97,728</b>	<b>9,446</b>	<b>(29,131)</b>	<b>1,165,365</b>
Non-current liabilities	42,741	127,745	28,547	13,379	-	(28,835)	183,577	189,885	143,419	29,222	13,673	-	(19,727)	356,472
Current liabilities	260,858	107,907	35,358	14,139	123	(9,360)	409,025	92,261	94,480	38,405	16,296	117	(15,209)	226,350
<b>Total liabilities</b>	<b>303,599</b>	<b>235,652</b>	<b>63,905</b>	<b>27,518</b>	<b>123</b>	<b>(38,195)</b>	<b>592,602</b>	<b>282,146</b>	<b>237,899</b>	<b>67,627</b>	<b>29,969</b>	<b>117</b>	<b>(34,936)</b>	<b>582,822</b>
<b>Net assets</b>	<b>219,911</b>	<b>158,750</b>	<b>120,597</b>	<b>71,064</b>	<b>9,751</b>	<b>13,666</b>	<b>593,739</b>	<b>223,492</b>	<b>154,943</b>	<b>121,215</b>	<b>67,759</b>	<b>9,329</b>	<b>5,805</b>	<b>582,543</b>