

SUPPLEMENTARY DISCLOSURES RELATED TO THE IMPACT OF COVID-19 *(not reviewed)*

On 11 March 2020, the Coronavirus (COVID-19) outbreak was declared a pandemic by the World Health Organization (WHO) and has rapidly evolved globally. This has resulted in a global economic slowdown with uncertainties in the economic environment. This includes disruption to capital markets, deteriorating credit markets and liquidity concerns. Authorities have taken various measures to contain the spread including implementation of travel restrictions and quarantine measures. The Group is actively monitoring the COVID-19 situation, and in response to this outbreak, has activated its business continuity plan and various other risk management practices to manage the potential business disruption on its operations and financial performance. Based on above, the management is of the view that the Company will continue as a going concern entity for the next 12 months from the date of these condensed interim financial statements.

The pandemic has had some financial impact to the Group with relation to specific revenue streams and expense items. Key impact on the results of the Group are as follows:

- reduction in sale of mobile handsets by BD 2.4M (23%) year on year;
- reduction in roaming revenue by BD 4.4M (38%) year on year; and
- subsidy by Government of the Kingdom of Bahrain amounting BD 3.2M towards staff costs and BD 0.2M towards utilities, which amounts have been adjusted against the respective line items in the income statement for the period.

The above supplementary information is provided to comply with the CBB circular number OG/259/2020 (Reporting of Financial Impact of COVID-19), dated 14 July 2020. This information should not be considered as an indication of the results of the entire year or relied upon for any other purposes. Since the situation of COVID-19 is uncertain and is still evolving, the above impact is as of the date of preparation of this information. Circumstances may change which may result in this information to be out-of-date. In addition, this information does not represent a full comprehensive assessment of COVID-19 impact on the Group. This information has not been subject to a formal review by external auditors.