

**Gulf Hotels Group Announces a Net Profit of BD 5.950 Million in 2019,
Shareholders' approved a Cash Dividend of 25%.**

Gulf Hotels Group's 50th Annual General Meeting was held on Wednesday 15th April 2020 at 12:00 pm via zoom online video conferencing platform, organized by Bahrain Clear. The meeting was presided over by the Chairman, Mr. Farouk Yousuf Almoayyed, and attended by the Board Members and representatives from the Ministry of Commerce, Central Bank of Bahrain, Bahrain Bourse and Auditors KPMG.

The Chairman announced that for the year ended 31st December 2019, GHG achieved a total Gross Operating Revenue of BD 38,570 Million compared to BD 35.111 Million in 2018, an increase of BD 3.459 Million or 9.85%. The Group generated a Net Profit of BD 5.950 Million in comparison with BD 6.922 Million in 2018 recording a decrease of BD 971K or 14%. The YTD decrease in the net profit resulted from a full year of depreciation from the Gulf Court Hotel Business Bay Dubai in 2019 compared to only 5 months in 2018. There was also a decrease in profits from Associates and Share Investments down by BD 160K. On the other hand, the Group total revenue had increased by BD 4.459M compared to the previous year and the cash profit for the year had also increased.

Chairman, Mr. Farouk Almoayyed, commented that the market in Bahrain had shown signs of improvement and all the Group's Bahrain based hotels had performed better than in 2018, however trading conditions in the Dubai market were extremely challenging. The Gulf Court Hotel Business Bay in Dubai, which picked up the 'Best Debut Hotel' in the 2019 Arabian Travel Awards, saw good occupancy in its first full year of operation but an ADR (Average Daily Rate) came much lower than expected due to an oversupply of hotel bedrooms in the market.

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Owners & Operators of:



Operators of:





Commenting on the current COVID-19 outbreak, Mr. Almoayyed stated that "local and international travel restrictions are weighing heavy on the hospitality sector, with little or no business travel or leisure guests to generate occupancy in hotels. Additionally, the closure of restaurants and other outlets is having a major impact on revenues and whilst we value the social and economic initiatives announced by the Government and the authorities' extensive efforts, I call on them to consider significant additional support for hotels and restaurants that are so badly hit by the crisis and will remain impacted for many months to come".

Group CEO Garfield Jones stated that "The Gulf Hotel has completed the renovation of Fusions restaurant and relaunched the outlet under the supervision of talented Bahraini chef, Tala Bashmi. 'Fusions by Tala' also features a stunning outdoor terrace overlooking Manama and whilst the outlet opened prior to the COVID-19 outbreak, a second reopening is planned once current restrictions are lifted".

He further commented that "The Group has signed a JV agreement with Gulf Air Group Holding to develop the new transit hotel at Bahrain International Airport. Work on the 84-unit property is in full flow and expected to open for business in Q3 2020".

Since the COVID outbreak, the Group is relentlessly mitigating the business and health risks, applying dynamic and proactive measures to maintain the business sustainability, to safeguard our employees and to ensure that we don't link the expansion cycle.

