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Gulf Hotels Group B.S.C. announces its financial results for the period of six-months ended 30 June 2026

Manama, Kingdom of Bahrain – 5 August 2026: Gulf Hotels Group B.S.C ("GHG" or "the Group") (Bahrain Bourse: GHG) today announced its financial results for the second quarter ("the quarter") and first six months of the year ("the period") ended 30 June 2026.

The company has achieved the following, during the **Second Quarter of 2026**:

Gulf Hotels Group reported today its net profit for the second quarter 2026 of BD 1.66 million compared to a net profit of BD 2.77 million for the second quarter 2025, with a decrease of BD 1.11 million representing 40%.

Earnings per share is 7 fils compared to 12 fils in the second quarter of last year.

Total comprehensive income of BD 1.97 million compared to BD 2.56 million for the second quarter of the previous year, with a decrease of BD 0.59 million representing 23%.

Revenue for the second quarter was BD 5.98 million, compared to BD 10.08 million for the same period last year, with a decrease of BD 4.1 million representing 41%.

The company has achieved the following, during the six months of 2026:

Net Profit of BD 2.81 million compared to a Net Profit of BD 5.22 million in the six months of the previous year, with a decrease of BD 2.41 million representing 46%. This decline was primarily driven by the regional geopolitical tensions experienced during the period, which adversely impacted air connectivity, travel activity, and the broader tourism sector across Bahrain and the wider region.

The earnings per share are 12 fils compared to 23 fils in the six months of last year.

Total comprehensive income of BD 3.05 million compared to BD 5.1 million for the six months of the previous year, with a decrease of BD 2.05 million representing 40%.

Revenue of BD 12.81 million, compared to BD 18.69 million for the same period last year, with a decrease of BD 5.88 million representing 31%.

The total equity (excluding minority interests) for the period of six months ended 30 June 2026 was BD 107.65 million compared to BD 110.25 million for the financial year ended 31st December 2025, with a decrease of BD 2.6 million representing 2.4%.

The total assets for the YTD reached BD 112.56 million compared to BD 116.98 million for the financial year ended 31st December 2025, with a decrease of BD 4.42 million representing 3.8%.

Chairman of Gulf Hotels Group, Mr. Fawzi Kanoo, commented: "As the region navigates a period of heightened geopolitical uncertainty, the Kingdom of Bahrain has demonstrated exceptional resilience under the wise leadership of His Majesty King Hamad bin Isa Al Khalifa and the sustained efforts of His Royal Highness Prince Salman bin Hamad Al Khalifa, the Crown Prince and Prime Minister, in preserving the Kingdom's stability, advancing its economic development, and reinforcing Bahrain's position as an attractive investment destination. We remain confident in Bahrain's long-term economic prospects and in the strength of its hospitality sector, which continues to benefit from government support aimed at fostering the growth of the industry."

Mr. Kanoo added: "Despite the challenging market environment, I am pleased to report that the Group achieved a net profit of BD 2.81 million for the first half of 2026. Sustaining profitability under these conditions reflects the strength of our operational discipline, the resilience of our diversified portfolio, and the effectiveness of our strategic approach. Looking ahead, we remain confident in the Group's long-term prospects and in its ability to grow through continued operational excellence, the pursuit of new opportunities, prudent capital allocation, and the further strengthening of Gulf Hotels Group's position as a leading hospitality company. We remain dedicated to delivering sustainable, long-term value to our shareholders and stakeholders alike."

Chief Executive Officer of Gulf Hotels Group, Mr. Ahmed Janahi stated: "The first half of 2026, and the second quarter in particular, was characterized by an exceptionally challenging operating environment for Bahrain's hospitality sector. Elevated regional geopolitical tensions had a significant adverse impact on air connectivity, traveler confidence, business activity, and tourism demand across Bahrain and the wider region. The postponement of the Bahrain Grand Prix (Formula One) meant that one of the Kingdom's most important annual demand drivers was absent during the quarter, placing additional pressure on both the market and the Group's performance. Compared with the first half of 2025, the market occupancy rate declined by approximately 36% from 57.3% in H1 2025 to 36.8% in H1 2026, while Revenue per Available Room (RevPAR) decreased by approximately 43%, highlighting the extraordinary scale and broad-based nature of the disruption experienced throughout the period. Our response was timely, disciplined, and strategically aligned with these prevailing market conditions. We implemented prudent cost and operational measures to reflect demand dynamics, safeguarding profitability, preserving liquidity, and ensuring the continued resilience and continuity of our operations."

Janahi further stated, "Despite these near-term market conditions, we have remained firmly committed to the execution of our 2026–2030 strategy, which focuses on expanding our asset-light business model and third-party hotel management platform in high-growth markets across the GCC, Africa, and the Indian Ocean region. During the period, we signed a Memorandum of Understanding with our Maldivian partner, Keiretsu Pvt Ltd, for the development of a luxury island resort in the Maldives. This marks the Group's first investment in the Indian Ocean hospitality market, one of the world's most prominent and established tourism destinations. We are also actively advancing several hotel management opportunities in Saudi Arabia and East Africa, with further announcements expected during the second half of 2026. In addition, the Group continued to advance its strategic expansion within the restaurant and catering operations. The opening of Takht Jamsheed at Marassi Galleria represented an important milestone in the brand's development, while preparations for its forthcoming location at Bayfront, Khobar, progressed as planned, reinforcing the Group's long-term objective of expanding its restaurant portfolio across the Kingdom of Saudi Arabia. Our Gulf Catering Company further strengthened its market position in Bahrain through the successful award of new contracts within the education sector, underpinned by strategic partnerships with the Royal College of Surgeons in Ireland – Medical University of Bahrain, the American University of Bahrain, and the Royal University for Women."

He concluded: "While the pace of recovery continues to be influenced by regional developments, traveler confidence, and the gradual restoration of international connectivity, our long-term strategic priorities remain unchanged. We will continue to navigate near-term market volatility with prudence and discipline, while selectively investing in opportunities that enhance and diversify the Group's portfolio. Supported by a strong balance sheet, a diversified asset base, and a disciplined growth strategy, Gulf Hotels Group remains well positioned to successfully navigate the current operating environment and deliver sustainable long-term value to its shareholders and stakeholders."

The full set of financial statements and the press release are available on Bahrain Bourse's website: www.bahrainbourse.com

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About Gulf Hotels Group

Gulf Hotels Group BSC is a public limited liability company quoted on the Bahrain Stock Exchange incorporated in 1967, under the name of Bahrain Hotels Company. The Group is chaired by Mr. Fawzi Kanoo and is led by a Board of distinguished, well-established, and influential businessmen. The vision of the Bahrain Hotels Company was to provide a standard of hospitality unrivalled on the Island, which was duly delivered with the opening of Bahrain's first 5-star property, the Gulf Hotel. 59 years later, this philosophy remains the same although the Group has continually expanded and upgraded its services to meet the modern-day demands. For more information, please visit www.gulfhotelsgroup.com.