

## **BCFC AGM Approves 50% cash dividends**

Bahrain Commercial Facilities Company B.S.C. (“BCFC”) has reported outstanding results in 2017. The total consolidated net profits of BD 20.7 million are 4% higher than the BD 19.9 million earnings of 2016. These results represent a return of 15% on shareholders’ equity (2016: 16%). The Ordinary Annual General Meeting (AGM), held on 27th March 2018, approved a cash dividend of 50% of share nominal value of 50 Fils per share of total BD8,057,155 after obtaining the CBB’s prior approval. Profit for the fourth quarter of 2017 was BD 6.3 million (2016: BD5.3 million).

Mr. Abdulrahman Yusuf Fakhro, the Chairman of the Board, stated that “On behalf of the Board, I express our appreciation to our customers and shareholders for their continuing loyal support and confidence and to all our employees for their commitment and hard work that have resulted in this excellent performance”.

Commenting on the exceptional results, Dr. Adel Hubail, Chief Executive Officer stated that “The Group’s sustained growth and profitability reflects the clarity of its unique value proposition in the niche markets identified in all its businesses, synergy amongst all its business segments and continuity of its sound risk management practices”.

Then, he highlighted the business performance of each line of business. Bahrain Credit, achieved a net profits of BD 17.5 million (2016: 14.5 million) and new loans of BD 161 million (2016: BD 158 million) resulting in 9% growth in the loan portfolio to BD 294 million (2016: BD 270 million). Meanwhile, imtiaz credit card achieved a major milestone of surpassing seventy thousand cards in issuance. The quality of the portfolio remained a key priority with the non-performing loans at 3.49% of the total loan portfolio which are adequately provided.

National Motor Company W.L.L. (“NMC”) registered a consolidated net profit of BD 2.26 million for the year ended 31 December 2017 (2015: BD 1.85 million) the results are outstanding, considering that Bahrain

market has witnessed continuation of contraction in the new car sales. The reduction in sales have resulted in overall inventory built-up and erosion of margins. Despite these trends, National Motor Company was able to retain its market share.

T'asheelat Real Estate Services Company S.P.C. ("TRESKO") had an outstanding year and registered a net profit of BD 449 thousand (2016: BD 2.6 million). The Company's performance was significantly affected by the delay in receiving regulatory approvals on its BD 9.5 million Tasheelat Al Muharraaq Project, which left the Company with very limited inventory of lands available for sale. The Company managed to receive all such approvals in the last month and liquidated 25% of the project. The Company's success can be attributed to its strategy of building a diversified source of income through managing large land projects, acquiring selected investment properties with steady rental yields and income from valuation and brokerage services.

Tas'heelat Insurance Services Company W.L.L. ("TISCO") showed further growth in its operations and achieved a net profit of BD 610 thousand (2016: BD 1,080 thousand). During the year, the Company arranged for more than 23 thousand motor insurance policies. The company has taken prudent steps to diversify its portfolio and income streams by introducing new innovative products.

Tas'heelat Automotive Company has successfully completed its second full year of operations and has reported a profit of BD 54 thousand for its GAC operations. Despite many challenges in the automotive industry, the GAC Motor cars have been widely accepted by the customers because of its high-tech features and economic fuel consumptions. Since inception the Company has sold approximately 1,000 cars and positioned GAC as an undisputed leader amongst all the Chinese automotive brands in Bahrain.

During the year, the Company has successfully issued a new USD 125 million syndicated loan with dual maturities of 2 and 5 years. The new loan was raised at very competitive pricing to replace maturing USD 55 million term loan facility and to fund business expansion. The Group is

operating at a low leverage of 1.7 which will facilitate further expansions and growth plans.

The Company, in line with its 2016-2018 strategic plan, shall continue to focus on its key markets and look for opportunities that will further increase the shareholders' value. He then expressed his appreciation to the Board of Directors for their unlimited support and guidance, to all the employees for their commitment and hard work that has resulted in this excellent performance and the continuing support and co-operation received from the government ministries and organizations of Bahrain.

The Shareholders also held an Extraordinary General Meeting to approve the amendments to the company's Articles of Association to be in line with the requirements of the new amended provisions of the Commercial Companies Law, subject to obtaining necessary regulatory approvals.