



**Gulf Hotels Group B.S.C. announces its financial results for the period of
Three-months ended 31st March 2021.**

Company has achieved the following, during the first Quarter of 2021:

Net Loss of BD 207,119 compared to a profit of BD 1.072 million in the first quarter of the previous year, with a decrease of 1.280 million.

The loss per share is 1 fils compared to earnings of 5 fils in the first quarter of last year.

Total comprehensive loss of BD 157,078, compared to a profit of BD 606,280 for the first quarter of the previous year, with a decrease of BD 763,358.

Gross Profit of BD 1.788 Million, compared to BD 3.250 Million for the same period in last year, with a decrease of BD 1.463 Million or 45%.

Revenue of first quarter BD 4.460 Million, compared to BD 7.653 Million for the same period in last year, with a decrease of BD 3.194 million or 41.73 %.

The total equity (excluding minority interests) for the year was BD 98.205 Million compared to BD 100.622 Million in last year, with a decrease of 2.417 million or 2.40 %.

The total assets for the YTD reached BD 117.561 Million compared to BD 118.780 Million in the previous year, with a decrease of 1.219 million or 1.03 %.



The decrease in the net profit for the first quarter in comparison to the same period last year resulted mainly from decreases in revenue due to various restrictions introduced to combat the spread of Covid-19. Those restrictions were first introduced in March 2020 so the first two months of last year were largely unaffected by the pandemic. During Q1 of 2021, in addition to restrictions limiting the number of visitors to the Kingdom, further restrictions were again placed on the operation of restaurants and hospitality services, which negatively impacted on the Group's revenues. The decrease in Net Operating Profit is also impacted by the drop in Profit from Associates by BD 123K and a Management fees reduction of BD 134K.

In contrast to most of 2020, no government support is available for salaries and other major costs in 2021

The Chairman, Mr. Farouk Almoayyed stated "Towards the end of 2020 we were optimistic that the worst of the pandemic had passed and that restrictions would ease early in 2021, however a second wave and an increase in the number of daily infections led to a continuation of constraints which again impacted heavily on the hospitality industry. Notwithstanding this, we commend the government on their vaccination program which ranks amongst the best in the world and will soon lead to the easing of restrictions". He further reiterated that "Whilst the impact of the pandemic on the Company's result has been significant, the tremendous efforts of the Board and the Group's management in reducing costs has ensured a positive result before depreciation and impairment".

Adding to comments of the Chairman, CEO Garfield Jones stated "Whilst the concentration of the management team has been on efforts to control overhead costs, we also celebrated the soft-opening of the new



transit hotel within Bahrain International Airport in March 2021. The hotel, consisting of 84 rooms and sleeping pods, is a great addition to the new airport and has received many positive comments. Whilst the operation of the hotel commenced, the spa located within the hotel remained closed due to Covid restrictions, however this is expected to open in Q2 2021”.

The full set of financial statements and the press release are available on Bahrain Bourse’s website.