



Press Release



For immediate release
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Batelco Announces the Appointment of SICO as Market Maker on its Shares

Manama, Bahrain: Batelco Group (ticker : BATELCO) today announced the appointment of SICO BSC (c) as the designated market maker for Batelco with respect to the company's ordinary shares listed on the Bahrain Bourse; based on the approval received from the Central Bank of Bahrain (the "CBB") on December 26, 2018 and Batelco's shareholders during their general meeting held on March 29, 2018.

The approval will enable SICO to manage the market making activity with the prime objective of creating a dynamic two-way market that will enhance liquidity and reflect more accurately the true value of Batelco's shares. The market making mandate will be subject to holding no more than 3% of the total issued shares

Batelco Group CEO Ihab Hinnawi said that the successful implementation of Batelco's transformational strategy has led to the Group's strong performance throughout 2018. "The objective of entering into the market making program is to enhance liquidity over time to reflect the share's intrinsic value and the company's solid performance," said Mr. Hinnawi.

"We are extremely honoured to be working with a market heavyweight such as Batelco which is the largest listed telecom in Bahrain with a market cap of approximately USD 1.2 bn and a current 6.2% weightage on the Bahrain Bourse All Share Benchmark Index," said Najla Al Shirawi, CEO of SICO. We are certain that any increase in Batelco's share liquidity will enhance investors interest in a stock that trades at a PE of c.7.6x (annualised), which is cheaper than other GCC telecom peers and at the same time offers high Dividend Yield of c.9%. Accordingly, active market making purpose will be to reduce such a valuation discount."

The current market making agreement between Batelco and SICO will commence on January 20, 2019 and will remain in effect until June 26, 2019 with the option to extend subject to CBB approval.

-Ends-

This press release has been issued by Batelco Corporate Communications & Marketing Department. For further information, please contact Public.Relations@btc.com.bh / Fax +973 17611898

About Batelco:

Batelco Group is headquartered in the Kingdom of Bahrain and listed on the Bahrain Bourse. Batelco has played a pivotal role in the country's development as a major communications hub and today is the leading integrated communications' provider, continuing to lead and shape the local consumer market and the enterprise ICT market. Batelco has been growing overseas via investing in other market-leading fixed and wireless operators.

Batelco Group has evolved from being a regional Middle Eastern operation to become a major communications company with direct and indirect investments across 14 geographies, namely Bahrain, Jordan, Kuwait, Saudi Arabia, Yemen, Egypt, Guernsey, Jersey, Isle of Man, Maldives, Diego Garcia, St. Helena, Ascension Island and the Falkland Islands.

www.batelco.com

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About SICO

SICO is a leading regional asset manager, broker, and investment bank, with more than USD 1.8 bn in assets under management (AUM). Today SICO operates under a wholesale banking licence from the Central Bank of Bahrain and also oversees two wholly owned subsidiaries: an Abu Dhabi-based brokerage firm, SICO Financial Brokerage and a specialised regional custody house, SICO Fund Services Company (SFS). Headquartered in the Kingdom of Bahrain with a growing regional and international presence, SICO has a well-established track record as a trusted regional bank offering a comprehensive suite of financial solutions, including asset management, brokerage, investment banking, and market making, backed by a robust and experienced research team that provides regional insight and analysis of more than 90 percent of the region's major equities. Since inception in 1995, SICO has consistently outperformed the market and developed a solid base of institutional clients. Going forward, the bank's continued growth will be guided by its commitments to strong corporate governance and developing trusting relationships with its clients. The bank will also continue to invest in its information technology capabilities and the human capital of its 100 exceptional employees.

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