

GULF HOTELS GROUP 'DELIGHTED' WITH DECISION OF BAHRAIN TOURISM COMPANY TO ACCEPT ITS SHARE SWAP OFFER

Manama, Kingdom of Bahrain – 10 May 2016: Gulf Hotels Group (GHG), the leading provider of hospitality services in the Kingdom of Bahrain, today announced that it was delighted with the decision by the shareholders of Bahrain Tourism Company (BTC) to accept the Group's conditional share swap offer.

Chairman Farouk Almoayyed, said: "We would like to thank the shareholders of Bahrain Tourism Company for their trust and confidence in the Gulf Hotels Group. Acceptance of our share swap offer constitutes a significant development in the ongoing strategic growth and diversification of the Group's activities. Our shareholders' confidence in the Group and in the offer was reflected in our extraordinary general meeting which approved the increase in the Group's authorised and paid up capital, and the issuance of new shares that will be used in the share swap with BTC shareholders."

According to Chief Executive Officer & Director, Aqeel Raees: "The success of the offer means that GHG and BTC can jointly capitalise on operational synergies, and maximise economies of scale in all areas. This will enable us to compete more strongly with the growing number of hotel properties in Bahrain's extremely competitive hospitality sector.

Speaking on behalf of Securities & Investment Company (SICO), which is the Issue Adviser to GHG, Chief Executive Ms. Najla Al Shirawi said: "We are delighted to be working with GHG on this significant transaction, and would like to congratulate the Group on the success of its offer, which achieved a BTC-shareholder approval vote of over 88% in favour of GHG's offer. Our involvement reinforces SICO's track record as a leading provider of innovative corporate finance services to blue-chip entities in the GCC since 1997."

The share swap offer of one GHG share for 2.261 BTC shares, was managed in full compliance with the Takeovers, Mergers & Acquisition Module (TMA) of Rule Book Volume 6 of the Central Bank of Bahrain, and with regulatory requirements of the Bahrain Bourse.