



## PRESS RELEASE

# INOVEST Announces Results for the First Quarter of 2018

**Manama, Bahrain; April 30<sup>th</sup>, 2018:** INOVEST Group announced its financial results for the first quarter of 2018, reporting a decline of 64% in consolidated net profit attributable to parent shareholders of US\$ 3 million as compared to a net profit of US\$ 8.2 million in the first quarter of 2017. The decline is predominantly due to the reversal of provisions taken in the first quarter of 2017. The Net Operating Profit increased by 46%, reaching US\$ 3 million in comparison to US\$ 2 million at the end of the first quarter of 2017. Earnings Per Share attributable to the equity shareholders of the parent company for the first quarter of 2018 amounted to US cents 1.06 compared to US cents 2.87 for the same time period in 2017. Equity Attributable to Parent Shareholders, increased marginally by 2.4% to stand at US\$125.4 million at the end of the first quarter of 2018 in comparison to US\$122.4 million at year end 2017. Total Assets remained stable, standing at an amount of US\$265 million.

Looking at INOVEST's key financial results indicate a consolidated operating income of US\$ 5.2 million in comparison to US\$ 4.7 million in the first quarter of last year; an improvement of 12%. Contributions to the increase in operating income were the result of growth in the fee and rental income associated to an increase in the Group's ownership in the BIW Labour Accommodations, during the second half of 2017. Meanwhile, INOVEST also showed savings of 15% within its consolidated operating expenses which stood at US\$ 2.2 million in comparison to US\$ 2.6 million in the first quarter of 2017. INOVEST's results further showed an improved liquidity position, with cash representing 10% of total assets. Accordingly, Cash and Bank Balances rose from US\$ 21.7 million to US\$27.3 million, reflecting an increase of 26%.

Commenting on the results, INOVEST Chairman of the Board of Directors, Dr. Omar Al Mutawa said, "We are pleased to be back on track within the very first quarter of 2018, with a noted improvement in our Net Operating Profit as a result of an increase in our consolidated operating income and concise management of consolidated operating expenses. As we have begun to do this quarter; this year, we intend to effectively manage operations to improve our performance and results, and more so to safeguard and further our shareholder values and rights in adherence to the highest standards." Dr. Al Mutawa added, "The Group's performance this quarter sets the stage for the months to come. It is our aim to develop and refine a solid business strategy that details specific strategic goals for the organization, as well as the utilization of the key resources within INOVEST towards the achievement of these strategic objectives. The team of professionals at INOVEST is central to this, as is effective asset and liquidity management, and a well-balanced risk calculated approach to our investment strategy. It is a predominant aim for us to build INOVEST up into a unique and sustainable model for development and growth which garners appropriate value contributions to our shareholders."

INOVEST Acting CEO, Yasser Al Jar, also commented on the Group results, "INOVEST is geared to continue the implementation of its strategic goals in a concerted manner, with the aim of delivering continued quarter on quarter growth in profitability, and consistently solid performance. This will be the basis for building a foundation that delivers steady returns to our shareholders. Accordingly, the management team undertook the deliberate effort of focusing on combining solid governance, with a review of key operational strategies and procedures, as well as specific business objectives in order to ascertain a new platform for strategic growth and development that enables sustainable profitability and returns from strategic partnerships and investment opportunities.

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### About INOVEST

Established in 2002 in the Kingdom of Bahrain, INOVEST is a Sharia'a compliant Category 1 investment firm regulated by the Central Bank of Bahrain and publicly listed on both the Bahrain Bourse and Boursa Kuwait. INOVEST's business spans three principle areas: direct investment, asset management, and real estate investment. Based in the Kingdom of

# INOVEST.

Bahrain, INOVEST is the parent company for Al Khaleej Development Company “Tameer” and Tamcon Contracting Co. For more information, please visit [www.inovest.bh](http://www.inovest.bh)