

SEEF PROPERTIES REPORTS BD 4.52 MILLION NET PROFIT ATTRIBUTABLE TO PARENT FOR FINANCIAL YEAR ENDED 31 DECEMBER 2020

Board recommends cash dividends at 5% of nominal value amounting to BD 2.3 million

Manama - 17 February 2021: Seef Properties B.S.C. (Bahrain Bourse Trading Code: SEEF), recently announced its financial results for the financial year ended 31 December 2020, including the results of the fourth quarter of 2020.

The Company reported a net profit and comprehensive income of BD 0.88 million attributable to the parent during the fourth quarter of 2020, compared to BD 3.86 million for the same period of the previous year, with a decrease of 77.13% mainly attributable to revaluation of investment properties during these current conditions.

Diluted earnings per share attributable to the parent for the fourth quarter of 2020 amounted to 1.92 fils, compared to 8.39 fils for the same period the previous year. The Company's operating profits stood at BD 3.20 million for the fourth quarter of 2020, compared to BD 3.65 million for the same period in the previous year, with a decrease of 12.18%.

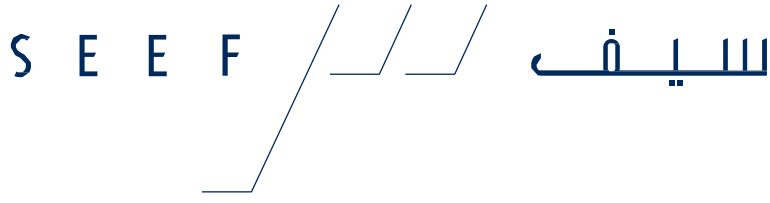
The Company also reported net profit and comprehensive income attributable to the parent of BD 4.52 million for the year ended 31 December 2020, compared to BD 10.93 million for the same period in 2019, with a decrease of 58.59%. This decrease when compared to last year is mainly attributable to the repercussions of the COVID-19 pandemic, which include reduction of income due to the introduction of the Tenant Support Fund of BD 1.5 million, closure of family entertainment centres and decrease in hotel apartment occupancy rates.

Diluted earnings per share attributable to the parent amounted to 9.84 fils for the year ended 31 December 2020, compared to 23.75 fils for the same period of the previous year. Operating profits for the year ended 31 December 2020 reached BD 10.40 million, compared to BD 15.13 million for the same period of the previous year, with a decrease of 31.23%.

The Company's total equity (after excluding the equity attributable to minority) for the year ended 31 December 2020 decreased by 1.54%, reaching BD 152.17 million, compared to BD 154.54 million for the same period of the previous year. Total assets for the year ended 31 December 2020 decreased by 0.60%, reaching BD 173.28 million, compared to BD 174.32 million for the same period of the previous year.

Based on the financial results, the Board of Directors is recommending to the General Assembly the distribution of cash dividends of 5%, amounting to a total of BD 2.3 million as well as the allocation of BD 0.17 million towards the Company's corporate social responsibility programme, in addition to transferring an amount of BD 0.49 million to the statutory reserve account.

Commenting on the financial results, the Chairman, Mr. Essa Mohamed Najibi said: "The last quarter of 2020 witnessed a gradual recovery in the real estate, retail and hospitality sectors. This is largely due to the measured return to normalcy witnessed recently and increasing levels of confidence in the local markets, which come as a direct result of key economic stimulus packages introduced by the Government under the wise leadership of His Royal Highness Prince Salman bin Hamad Al Khalifa, Crown Prince and Prime Minister, and its instrumental directives aimed at mitigating the impacts of the COVID-19 pandemic. Such commendable success was achieved by the Government through



prioritising the health and safety of citizens and residents alike, whilst limiting the disruption to the economy."

Furthermore, Mr. Najibi added: "To adapt to the changing realities and repercussions of COVID-19, the Company continued to follow a flexible and conservative strategy to achieve its strategic goals for 2020. This has enabled us to absorb the unfavorable circumstances whilst minimising our losses to the extent possible. The secret to our success also lies in our unwavering commitment to supporting our tenants, who represent the core of our business models. The Company was one of the first national institutions to announce tenant support across its commercial malls through the launch of a tenant support fund, which provided tenants significant aid to overcome the challenges of the pandemic while maintaining the momentum of their businesses. This step was undertaken to further enhance our sustainable partnership with our local, regional and global clients, with whom we built strong relationships, some spanning more than two decades."

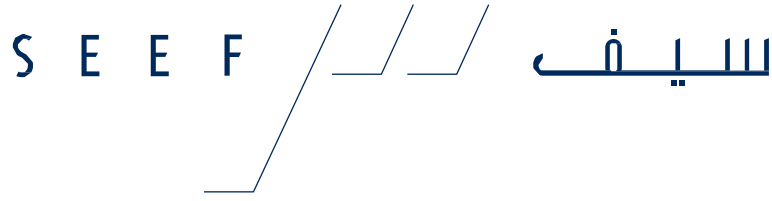
Mr. Najibi also stated: "As the new year begins, we remain optimistic and look forward to witnessing the gradual recovery of all sectors, business models and investment portfolios in the Kingdom, and for the restoration of the commercial, hospitality, real estate and retail sectors to their state prior to the outbreak of the pandemic. The Company will continue to uphold its national role of contributing to the development of the national economy and support its growth via expanding the horizons of retail, tourism and entertainment sectors in the Kingdom. The Company also reiterates its full commitment to comply with all recent directives and measures introduced by the Government and the concerned authorities to ensure the health and safety of citizens and residents."

"Finally, I would like to take this opportunity to thank the Company's management and staff members for being instrumental to the process of navigating the COVID-19 crisis with utmost efficiency and professionalism," the Chairman added.

For his part, the Company's Chief Executive Officer, Mr. Ahmed Yusuf added: "Thanks to the pivotal decisions taken by the Board of Directors and its balanced business strategy, the Company was able to preserve its gains and maintain healthy partnerships with clients and shareholders, despite the extraordinary global circumstances transpiring from the COVID-19 outbreak, which necessitated that all businesses adapt to the new market challenges and pandemic realities".

Mr. Yusuf further explained that the outbreak of the pandemic had a big impact on the Company's operations in the retail and hospitality sectors, as well as the entertainment sector, the latter of which facing full closure and cessation of business since March 2020 to date. He also noted that the retail sector, as seen through the operation of the Company's malls, has reported partial recovery in the last quarter of 2020 due to the gradual growth in confidence amongst consumers and visitors due to the availability of safe and healthy shopping environments in the local markets. Throughout the COVID-19 crisis, the Company has ensured that all the necessary precautionary and preventive measures are taken, including comprehensive disinfection and sterilisation procedures at all facilities and common areas of the malls, with strict implementation of all decisions issued by the Government in this regard.

Mr. Yusuf said: "Our malls have remained open to all shoppers throughout 2020, continuing to provide a unique shopping experience to all visitors, despite the challenges imposed by the pandemic. We also maintained excellent occupancy rates, and Seef Malls across the Kingdom continue to attract reputed regional and international brands, with announcement of new tenants and brands that are entering Bahrain for the first time in 2021, tailored to meet the needs and aspirations of local and regional shoppers. The Company will also strive to further improve the shopping experience for shoppers and visitors via the introduction of more promotional campaigns and new activities that will ensure a distinctive experience for shoppers and tenants alike."



Commenting on the latest developments of the multi-purpose Al Liwan project in Hamala, Mr. Yusuf noted that the project is proceeding in accordance with the preset plan and has not been affected by the repercussions of the pandemic, affirming that the construction works have reached their final stages. He also indicated that leasing in the project is steadily progressing at the present time, attracting regional and international brands, and Al Liwan will soon become an exceptional commercial, residential and entertainment icon in the Northern Governorate.

Note to Editor:

The press release and the full audited financial statements are available on Bahrain Bourse website on www.bahrainbourse.com.

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About Seef Properties:

Seef Properties B.S.C was established in the year 1999 as a public shared company listed on Bahrain Bourse and its operations are headquartered in the Kingdom of Bahrain, becoming a leader in the retail, hospitality, entertainment and real estate development sectors on the level of the Kingdom. Today, Seef Properties manages a large portfolio of assets, promoting its position as a distinguished commercial brand. The vision of Seef Properties is centered to its constant strives to become a leading real estate company in innovation and diversity, driven by the implementation of the highest standards and values to achieve its goal in excellence, and the satisfaction of shareholders, partners and clients. The Company's message is centered to the development, acquisition and management of a real estate investment portfolio that serves the retail, entertainment and hospitality sectors.