

Report of the Board of Directors to the Shareholders

The Board of Directors is pleased to present the 35th Annual Report since the formation of the company, highlighting the activities and results of the year ended December 31, 2013.

We are pleased to inform our Shareholders that during 2013, Crowne Plaza Bahrain started full renovation of 50% of its Rooms. The newly renovated Rooms are designed with muted color palettes and an electric mix of stylish modern furniture with complete technology offering.

The Project of the new 5 Stars Hotel has completed 85% of scheme design drawing, following an extensive Operators Tender, we are now in negotiation with the preferred Five Star Operator and should be able to announce completion of Management Agreement soon.

Net Profit of the company for the year 2013 amounted to BD 1,087,341 . Equity of the shareholder amounted to BD 31,560,922 as compared to BD 30,535,257 as a result of the reasons set out above.

The Board of Directors proposes the following appropriations:

BAHRAINI DINARS	
Cash Dividends of 15 percent (15 fils per share for shares traded)	985,090
Donations to charity	15,000
Retained earnings after appropriations	87,251

The Board of Directors also propose directors' remuneration of BD. 64,000.-

The Board of Directors would like to express its deep gratitude and sincere appreciation to His Majesty King Hamad Bin Isa Al Khalifa, King of the Kingdom of Bahrain, HRH Prince Khalifa Bin Salman Al Khalifa, the Prime Minister and to HRH Prince Salman Bin Hamad Al Khalifa, the Crown Prince and Deputy Supreme Commander of the Bahrain Defense Force, and to the Ministers of the Kingdom of Bahrain for their continuing support and encouragement.

We also wish to reiterate our gratitude and appreciation to our respected clients for their support and finally, we are pleased to convey our appreciation and thanks to the company's Chief Executive Officer and all employees for their sincere efforts towards developing the business of the Company.

Qassim Mohammed Fakhroo
Chairman

19 February 2014