



Board of Directors` Report

Dear Shareholders,

For myself and on behalf of my colleagues, the members of the Board of Directors, I have the pleasure to welcome you to the Ordinary General Assembly of your company and I am pleased to present to you the Annual Report of the Company for the financial year ending as at 31 December, 2019.

Performance of International Resorts Company:

The company management has successfully benefited from the stability enjoyed by the real estate sector during the year 2019 where the company has realized net operating earnings for the financial year ending as at 31 December, 2019 amounted to KD 558,035/- at the rate of 3.61 fils per share with a return rate of equity rights equal to 5.72% compared to the profits of the year 2018 that reached KD 465,795/- at the rate of 3.02 fils per share with a return rate of equity rights equal to 5.15%. Total liabilities have increased by the end of 2019 to reach KD 17,218,914/- compared to the total liabilities by the end of 2018 that amounted to KD 2,364,509/-

as a result of applying the new accounting standards. The company management has exerted considerable efforts to relatively maintain the overheads and administrative expenses which had amounted KD 326,271/- by the end of 2019 compared to a sum of KD 290,581/- for the year 2018.

Honorable Shareholders,

The company management is committed and continues to implement its strategy which was presented to you during the general assembly for the year 2013 in relation to the development of Al-Safat market. During the previous period, the company management has successfully completed all the capital expenditures related to the overall development works of the above real estate that amounted around KD1.5 million. Furthermore, the company management has successfully completed the targeted first phase of the renewal of the tenants` contracts, and we are currently getting ready for commencing the application of the second phase of the contracts renewal in preparation for arriving at the fair rental amount for all the market units in such a manner which shall realize the highest rate of profitability for the company and its shareholders.

In conclusion, I would like to extend our sincere thanks and gratitude to all our honorable shareholders for their confidence in the management of the company and we hope that Allah helps the company and its officials in charge to achieve better results in the coming years, by the grace of Allah.

We hope that Allah provides us with all success.

Best Regards,

Khalid Ali Al-Attal
Chairman of the Board of Directors