

BIW Labour Accommodation Co. and VKL Holdings to complete US\$140 million Labour Accommodation Project

Inovent, the founder and project manager of BIW Labour Accommodation project announced today that it had signed several agreements with VKL Holdings to complete its US\$140 million labour accommodation development within Bahrain Investment Wharf (BIW), Salman Industrial City-Hidd.

The BIW Labour Accommodation project is one of Inovent's value added investments, not only for its unique business proposition, but also for its value contribution to the industrial and social infrastructure in the Kingdom of Bahrain. The Labour Accommodation project, which was launched in 2007, is being developed on two identical adjoining plots of land, covering a total area of 120,000 square meters. Each of the plots is designed as a model residential gated compound with communal facilities and services providing a safe, secure, and hygienic living environment to accommodate more than 20,000 industrial workers serving in BIW and Salman Industrial City.

The first compound is comprised of 25 buildings of which 17 have been completed together with some of the key facilities including a supermarket, restaurant, clinic, and landscaped areas, collectively accommodating more than 7000 workers. The remaining 9 buildings within the compound have been partially developed and were on hold since 2010 as a result of the financial crisis that affected a great number of real estate projects.

Under the terms of the signed agreements, BIW Labour Accommodation Company has appointed Al Namal Contracting Co. (a subsidiary of VKL Holdings) to complete the construction works on the remaining 9 buildings within the first compound, which are expected to be completed by October 2016, and which will bring up the total capacity of the compound to 10,000 industrial workers.

Further to this, VKL Holdings also signed an agreement with BIW Labour Accommodation Company to invest in developing the second BIW Labour Accommodation Compound for an expected investment value of US\$70 million. The second compound will be identical to the first compound, albeit with some design modifications, and will accommodate an additional 10,000 industrial workers. Work will commence on this phase of development during the third quarter of 2016 and is expected to be completed within 24 months.

Commenting on the occasion Mr. Murad Al Ramadan, CEO of Inovent and Director of BIW Labour Accommodation Co. said, "These types of projects compliment the industrial infrastructure of the Kingdom of Bahrain, and encourage new business entrants to invest in the industrial sector. Inovent Group has invested more than US\$500 million in the industrial infrastructure of the Kingdom over the last 10 years, showcased in Bahrain Investment Wharf project including power stations, roads network, water and sewer networks, in addition to our investment in model labour accommodations, self storage, and office buildings; creating an ideal platform for industrial investors. Inovent also successfully attracted more than US\$800 million in local and foreign investments to the industrial area." Mr. Al Ramadan also added, "We are very pleased to be partnering with VKL Holdings in this regard; VKL Holdings has been a key investor in the Bahrain Investment Wharf project, since it's inception.

From his end, Dr. Varghese Kurian, Chairman of VKL Holdings said, “Construction is a highly competitive industry; our commitment to delivering reliable and professional workmanship to our clients and partners is unwavering. We are thrilled to be collaborating with Inovent on the completion of their Labour Accommodation project, as well as investing in the development of the second accommodation compound, and believe this to be a critical component to the growth and development of the industrial sector in Bahrain. As users of such accommodations and associated facilities, we have firsthand knowledge of the criteria required to meet the project’s mandate for developing a model residential community.” Dr. Kurian further noted, “It has always been part of our mandate to develop and invest in industries that are at the forefront of business; creating what we hope will be a sustainable economic footprint both locally and regionally.”

The completion of the BIW Labour Accommodation project is earmarked at a total value of US\$140 million and it serves to position BIW as an integrated one-stop industrial destination, providing businesses within the vicinity with a critical competitive advantage in terms of cost and business efficiencies. The provision of quality housing facilities for workers within an industrial zone aligns the level of support services in Bahrain’s key industrial areas with those seen in international industrial areas.

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About Inovent

Established in 2002, Inovent is a shariah compliant category 1 investment company regulated by the Central Bank of Bahrain. Inovent’s business spans three principle areas: direct investment, asset management, and real estate investment. Based in the Kingdom of Bahrain, Inovent is the parent company for Al Khaleej Development Company “Tameer” and Tamcon Contracting Co. Inovent has been listed on both the Bahrain Bourse and Kuwait Stock Exchange since 2005. For more information, please visit www.inovent.bh

About VKL Group

VKL Holdings and its associated subsidiary Al Namal Contracting & Trading Co. W.L.L. are amongst the most recognized local businesses with divisions in real estate, property development, property management, construction, health and hospitality. Al Namal Contracting is a leading “Grade A” construction company, having successfully completed a range of residential, industrial, and retail projects over the years and earning ISO 9000:2008 certifications. For more information, please visit <http://www.al-namal.com/>