

Oasis Capital registers profit in first quarter

By ARTHUR MACDONALD , Posted on » Thursday, April 28, 2011

MANAMA; Oasis Capital Bank managed to make a profit in the first quarter of the year, having gone into the black last year.

The bank, which has just completed its second full year in operations, turned round a loss of \$5.4 million in 2009 to a profit of \$7.5m last year.

In the first quarter, it posted a profit of \$646,000 against last year's first three month loss of \$1.78m.

Chief executive officer Dr Farid Al Mulla said that they had a number of interesting prospects in the pipeline and would be looking to raise money for a number of opportunities.

The bank has an investment in three student accommodations in London which had high occupancy rates and were producing a good cash flow and they intended letting two of the three out to visitors to the Olympics next year while leaving one for students studying during the break.

"We have led a consortium of investors in completing a \$90m round of funding for Capital Spring, a US company focusing on the franchising fast food sector," he said.

"Fast foods account for 22 per cent of retail sales in the US coming in at \$860 billion and it is an industry that is growing by about \$15bn to \$20bn a year. We will be looking to raise further funds to invest in this project from across the Gulf," he said.

He said the bank would probably already have raised more money already had it not been for the unrest in Bahrain.

"We have also invested in a special effects cinematics business called Flintstone," he said.

"More and more films are using special effects and this is another venture we could have raised more money for earlier if it had not been for the recent disruption," he said.

The bank's fourth key investment is in commercial real estate in Bristol, UK.

"The return of stability to Bahrain is crucial for the industry but I remain confident that Oasis Capital Bank can progress forward," he said.

"The high oil price will be positive for business and will help mend private balance sheets.

"Oasis is in a good position with strong liquidity and very good capital adequacy," he said.