Press Release

Al Ansari Financial Services PJSC Signs Agreement to Acquire BFC Group Holdings W.L.L. for USD 200 million

- AAFS signs an SPA to purchase BFCGH reflecting the Company's ambitions to expand its geographic presence and service portfolio to achieve sustainable growth.
- With this acquisition, AAFS is poised to become the leading provider of foreign exchange and remittance services across the Gulf Region with
  - A total of more than 410 branches across the UAE, Bahrain, Kuwait and India.
  - Combined workforce of approximately 6,000 employees (a 25% increase).
  - FY23 consolidated revenues of AAFS and BFCGH: ~USD 385 million (AED 1.4 billion) a 22% rise from AAFS reported revenue.
- The acquisition purchase price is USD 200 million (AED 735 million). AAFS intends to secure financing under customary market terms to finance the acquisition.
- The transaction closing remains subject to regulatory approvals and satisfaction of certain conditions precedent agreed between the parties.

Dubai, UAE – 30 July 2024: Al Ansari Financial Services PJSC ("AAFS" or the "Company") (DFM: ALANSARI), a leading integrated financial services group in the UAE, is pleased to announce that it has signed a Sales and Purchase Agreement ("SPA") to purchase 100% of BFC Group Holdings W.L.L., ("BFCGH"), a prominent foreign exchange and remittance group incorporated in Bahrain for a total acquisition purchase price of USD 200 million (AED 735 million). AAFS plans to secure financing under customary market terms to finance the acquisition.

The acquisition will enable AAFS to expand its geographic presence and become the largest remittance and exchange provider in the GCC region by branch network. The combined entity will have over 410 branches (a 60% increase on AAFS's current branch network) across the UAE, Bahrain, Kuwait, and India, supported by a workforce of approximately 6,000 employees (a 25% increase on AAFS's current workforce).

AAFS recognised BFCGH as a unique player due to its sizeable presence and significant market share across key GCC and Asian markets including Bahrain, Kuwait, and India. The acquisition is aligned with AAFS's strategic growth pillars of expanding its geographic presence, growing its physical branch network and enhancing its service portfolio. The integration of BFCGH with AAFS reinforces AAFS's market leadership and unlocks new avenues for sustainable growth, demonstrating AAFS's commitment to delivering long-term value to its shareholders.

The consolidated revenues of AAFS and BFCGH for FY 23 amounted to approximately USD 385 million (AED 1.4 billion), reflecting a 22% rise compared to AAFS's reported revenue.

Leveraging operating and cost synergies in the post-acquisition phase will significantly benefit AAFS. The transaction is anticipated to close by Q1 2025, pending the necessary legal and regulatory approvals in the relevant jurisdictions where BFCGH operates, and the satisfaction of certain conditions precedent agreed between AAFS and BFCGH.

Rashed Ali Al Ansari, Group CEO of Al Ansari Financial Services PJSC, remarked: “This strategic acquisition represents a pivotal moment in our growth trajectory, establishing our Company as the leading foreign exchange and remittance service provider in the Gulf region. By broadening our customer base and extending our services across the GCC and India, we aim to provide a wider audience with access to our comprehensive remittance and foreign exchange solutions. This move not only enhances our regional presence but also aligns with our broader strategy of diversification and expansion into new markets. Ultimately, this transaction is designed to deliver sustainable value and optimal returns for our shareholders.”

Ebrahim Nonoo, Managing Director and CEO of BFCGH, said, “We are excited to announce the acquisition of our company by Al Ansari Financial Services PJSC. This strategic move highlights the value and potential of our organisation and opens new opportunities for growth and innovation. Our team has worked tirelessly to build a strong foundation, and we are confident that Al Ansari Financial Services PJSC will continue to drive our mission forward, ensuring the best possible outcomes for our clients and stakeholders. We look forward to seeing the remarkable achievements that will undoubtedly result from this acquisition.”

Established in 1917, BFCGH was the first foreign exchange company and financial services institution in Bahrain and the GCC. It holds a leading position in foreign exchange and money transfer services in Bahrain.

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About Al Ansari Financial Services PJSC

Al Ansari Financial Services PJSC (the “Group”) is one of the leading integrated financial services groups in the UAE, with a history dating back to its establishment as a family business in 1966. The Group listed on the Dubai Financial Market in April 2023. The Group's integrated platform of diverse financial services includes inward and outward remittances, foreign exchange solutions, access to the Wage Protection System in the UAE, and other services such as bill collection and pre-paid cards, as well as payment technology solutions. The Group delivers value to its diverse customer base customers through its subsidiaries Al Ansari Exchange, Al Ansari Exchange Kuwait (full integration is currently ongoing), Worldwide Cash Express, CashTrans and Al Ansari Digital Pay.

For more information, visit: https://aafs.ae/

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