

Ithmaar Holding announces Q1 2023 results and shareholders approved plans to improve the capital of the Company

MANAMA, BAHRAIN – 6 June 2023 – Ithmaar Holding B.S.C. (Trading symbol Bahrain Bourse and Dubai Financial Markets: ITHMR), a Bahrain-based holding company, announced its financial results for the three-month period ended 31 March 2023. The announcement, by Ithmaar Holding Chairman His Royal Highness Prince Amr Al Faisal, follows the review and approval of the Board of Directors of the Company's consolidated interim financial results.

Ithmaar Holding reported a net loss attributable to equity holders for the three-month period ended 31 March 2023 of US\$3.01 million compared to the net profit of US\$1.14 million reported for the same period in 2022. Earnings Per Share (EPS) for the three-month period ended 31 March 2023 were negative US Cents 0.10, compared to US Cents 0.04 for the same period in 2022. Operating income for the three-month period ended 31 March 2023 was US\$53.66 million, a 10 percent decrease compared to the US\$59.59 million reported for the same period in 2022.

Moreover, Ithmaar Holding reported Total net profit for the three-month period ended 31 March 2023 was US\$2.05 million, a decrease of 68 percentage compared to the net profit of US\$6.47 million reported for the same period in 2022. The decrease compared to previous period is mainly due to foreign exchange impact relating to the Group's strategic investments

Ithmaar Holding's total owners' equity stood at US\$1.10 million as at 31 March 2023, a 76 percent decrease compared to US\$4.57 million as at 31 December 2022. Accumulated losses, as at 31 March 2023, stood at to US\$831.76 million and amount to 110 percent of the share capital. Total assets stood at US\$5.45 billion as at 31 March 2023, 10 percent lower than US\$6.06 billion as at 31 December 2022. This is mainly due to foreign exchange impact during the period resulting from the Company's strategic investment.

At an Extraordinary General Meeting on 4 June 2023, Ithmaar Holding shareholders approved plans to improve the capital of the Company. The initiative, that was proposed by the Board of Directors, includes injection of Tier 1 Capital of up-to \$200 million which will be subject to legal and regulator's approval. The proposed initiative will strengthen the Company's consolidated equity and will allow to implement the strategic objectives of the company, which will contribute towards achieving a turnaround financial performance for the upcoming years.

This press release and the full set of consolidated financial statements are available on the Bahrain Bourse website.

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About Ithmaar Holding:

Ithmaar Holding B.S.C. (“Ithmaar Holding or Ithmaar”) is licensed as an investment firm and regulated by the Central Bank of Bahrain (CBB) and is listed on the Bahrain Bourse, and Dubai Financial Market.

Ithmaar Holding owns two wholly-owned subsidiaries Ithmaar Bank B.S.C (closed) (Ithmaar Bank), an Islamic bank subsidiary which holds the core corporate banking business, and IB Capital B.S.C. (closed) (IB Capital), an investment firm subsidiary, which holds investments and other non-core assets. The two subsidiaries are licensed and regulated by the CBB.

Ithmaar Bank provides a diverse range of Sharia-compliant products and services that cater to the financing and investment needs of institutions. Ithmaar also maintains a presence in overseas markets through its subsidiary, Faysal Bank Limited (Pakistan) and locally through Dilmunia Development Fund I L.P.

IB Capital maintains a presence in regional and overseas markets through its investments including in associated companies. These include Bahrain-based Ithmaar Development Company Limited, and Naseej.