

Ithmaar Holding reports Q1 2022 profits

MANAMA, BAHRAIN – 14 May 2022 – Ithmaar Holding B.S.C. (Trading symbol Bahrain Bourse and Dubai Financial Markets: ITHMR), a Bahrain-based holding company, reported profits for the first quarter of the year as it announced its financial results for the three-month period ended 31 March 2022. 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 financial results.

Ithmaar Holding reported a net profit attributable to equity holders for the three-month period ended 31 March 2022 of US\$1.14 million, an 87.2 percent decrease compared to the net profit of US\$8.86 million reported for the same period in 2021. Total net profit for the three-month period ended 31 March 2022 was US\$6.47 million compared to the net profit of US\$13.85 million reported for the same period in 2021. Earnings Per Share (EPS) for the three-month period ended 31 March 2022 were US Cents 0.04, compared to US Cents 0.30 for the same period in 2021.

Operating income for the three-month period ended 31 March 2022 was US\$55.30 million, a 14.7 percent increase compared to the US\$48.23 million reported for the same period in 2021.

Ithmaar Holding's total owners' equity stood at US\$29.22 million as at 31 March 2022, a 22.6 percent decrease compared to US\$37.76 million as at 31 December 2021. Accumulated losses, as at 31 March 2022, stood at US\$801.52 million and amount to 106 percent of the share capital. Total assets remained stable at US\$9.26 billion as at 31 March 2022, 2.5 percent higher than US\$9.03 billion as at 31 December 2021.

At an Extraordinary General Meeting on 17 March 2022, Ithmaar Holding shareholders approved plans to sell some of the Company's key assets in Bahrain to Al Salam Bank (Bahrain Bourse Trading Code "SALAM", Dubai Financial Market Trading Code "SALAM_BAH"). The assets include Ithmaar Holdings' ownership stake in both BBK (Bahrain Bourse Trading Code: "BBK") and Solidarity Group Holding, one of the largest takaful groups globally and the parent of Solidarity Bahrain (Bahrain Bourse Trading Code: "SOLID"), as well as the consumer banking business of Ithmaar Bank, a Bahrain-based Islamic bank and a wholly-owned subsidiary of Ithmaar Holding. As the plans were

approved by Ithmaar Holding shareholders, the presentation of the underlying assets in the Company's consolidated financial statements have changed accordingly. When the plans are implemented, Ithmaar Holding will retain a well-diversified portfolio of international and local financial and other assets, which include banking businesses in Bahrain and Pakistan. Ithmaar Bank, which will remain a wholly-owned subsidiary of Ithmaar Holding, will continue as an Islamic bank that is licensed and regulated by the CBB and exclusively focused on corporate banking and related services, particularly the fast-growing SME, following approval of relevant authorities.

The assets and liabilities subject to the above transaction have been presented separately as 'held-for-sale' in the consolidated financial information in accordance with the relevant accounting standards.

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 retail bank subsidiary which holds the core retail 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 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.