

Ithmaar Holding reports results for the period Total assets up 7.1%

MANAMA, BAHRAIN – 11 May 2021 – Ithmaar Holding B.S.C. (Trading symbol: ITHMR), a Bahrain-based holding company, announced its financial results for the three-month period ended 31 March 2021.

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 for the period.

Ithmaar Holding reported a net profit attributable to equity holders for the three-month period ended 31 March 2021 of US\$8.86 million, compared to the net loss attributable to equity holders of US\$22.58 million for the same period in 2020, mainly due to improvement in assets performance, lower impairment provisions compared to previous period. Earnings Per Share (EPS) for the period was positive US Cents 0.30, compared to negative US Cents 0.78 for the same period in 2020.

Overall, the Company's results show a net profit for the three-month period ended 31 March 2021 of US\$13.85 million compared to the net loss of US\$18.18 million in the same period in 2020.

Ithmaar Holding's total owners' equity increased to US\$34.08 million as at 31 March 2021, a 130.9 percent increase compared to US\$14.76 million as at 31 December 2020, mainly due to income attributable to shareholders as well as improvements in the Pakistan Rupee's exchange rates. Accumulated losses, as at 31 March 2021, stood at US\$824.16 million and amount to 109 percent of the share capital.

The Company's Balance Sheet remains stable, with total assets increasing to US\$8.98 billion as at 31 March 2021, a 7.1 percent increase compared to US\$8.38 billion as at 31 December 2020.

In line with Ithmaar Holding's strategy of creating value for its shareholders, the Board of Directors is working on various initiatives to improve the capital position, which will strengthen the Company's consolidated equity. As part of this strategy, Ithmaar Holding and the Bank of Bahrain and Kuwait (BBK) signed a Memorandum of Understanding (MoU) in September 2020 on the potential acquisition by BBK of Ithmaar Bank's Bahrain operations as well as specific assets of IB Capital, a wholly-owned subsidiary of Ithmaar Holding. The plans, which are currently in the due diligence phase, will require shareholders and regulatory approvals.

Ithmaar Holding's investment portfolio comprises major financial institutions such as Ithmaar Bank, Faysal Bank Limited Pakistan, BBK and Solidarity Group Holding, in addition to several other non-financial investments including Naseej and Ithmaar Development Company.

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

-ENDS-

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 Bank provides a diverse range of Sharia-compliant products and services that cater to the financing and investment needs of individuals and 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 BBK, Ithmaar Development Company Limited, Solidarity (an Islamic insurance company) and Naseej.