



PRESS RELEASE

INOVEST Announces Financial Results for the Third Quarter of 2021

Manama, Bahrain; November 10th 2021: INOVEST announced its financial results for the third quarter of 2021, showing a consolidated net profit attributable to the parent shareholders of US\$ 12 thousand, a decrease of 97% in comparison to a net profit of US\$ 420 thousand for the same quarter of last year. Accordingly, there was a slight Earning Per Share for the third quarter of 2021, US cents 0.004 as compared to Earnings Per Share of US cents 0.140 for the same period in 2020. The relative decrease is primarily due to a decline in revenues in the Group's construction and real estate investment sector associated to a drop in rental revenue from residential properties. The net operating loss declined from a profit of US\$ 329 thousand in the third quarter of last year to a loss of US\$ 2 thousand for the third quarter of 2021, attributable to the aforementioned reasons associated to declining rental revenues, whilst noting a significant 32% decrease in operating expenses from US\$ 2.70 million to US\$ 1.82 million. Additionally, the consolidated operating income declined by 39% to reach US\$ 1.82 million in the third quarter of 2021 in comparison to US\$ 3.00 million for the same period last year.

INOVEST's financial results for the first nine months of 2021, show a consolidated net loss attributable to parent shareholders of US\$1.66 million, compared to profit of US\$ 5.21 million for the same period last year. The Group also reported that Basic and Diluted Loss Per Share of the parent company in the first nine months of 2021 amounted to US cents (0.56) as compared to Earnings of US cents 1.75 in 2020. This decrease is the outcome of a gain on a settlement with an investor and reversal of a provision in the nine months of the last year, as well as lower income from construction contracts and real estate investments. Within the first nine months of 2021, the consolidated net operating loss increased by 330%, reaching a loss of US\$ 1.80 million in comparison to a loss of US\$ 419 thousand for the same period in 2020 due in large to the aforementioned reasons as well as a decline in other income. The total operating income for the first nine months of 2021 reached US\$ 4.61 million, a 39% decline on the US\$ 7.61 million recorded in 2020.

In regard to the Group's key balance sheet indicators, the equity attributable to parent shareholders stood at US\$ 140.64 million in comparison to US\$ 141.62 million at the end of 2020. Within the same period, INOVEST reported a slight increase in consolidated total assets of US\$ 243.21 million in comparison to US\$ 241.43 million at the end of 2020. On the liquidity front, INOVEST's cash and bank balances stood at 11% of the total consolidated assets. Accordingly, the cash and bank balances stood at US\$ 27.85 million in comparison to US\$ 23.40 million as at year end 2020, representing a 19% increase.

It is noted that this press release and INOVEST'S financial results are available on Bahrain Bourse and Boursa Kuwait's websites, and that INOVEST is listed under the respective ticker/trading codes "INOVEST\$" and "INOVEST/817".

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About INOVEST

Established in 2002 in the Kingdom of Bahrain, INOVEST is a Category 1 Investment Firm (Shari'a Principles) regulated by the Central Bank of Bahrain and publicly listed on both Bahrain Bourse and Boursa Kuwait. INOVEST's business spans three principle areas: direct investment, asset management, and real estate investment. Based in the Kingdom of Bahrain, INOVEST is the ultimate parent company for Al Khaleej Development Company "Tameer", Bahrain Investment Wharf "BIW" and Tamcon Contracting Co. For more information, please visit www.inovest.bh