



PRESS RELEASE

INOVEST Announces Financial Results for Third Quarter of 2022

Manama, Bahrain; November 10th, 2022: INOVEST announced its financial results for the third quarter of 2022, showing a consolidated net profit attributable to parent shareholders of US\$ 0.36 million in comparison to a net profit of US\$ 0.012 million for the same quarter of last year. Accordingly, the Basic Earnings Per Share for the third quarter of 2022, rose to US cents 0.12 as compared to US cents zero for the same period in 2021. This stems primarily from positive contributions in the construction and real estate business, as well as a reversal of a previously taken provision against expected legal actions which have since been concluded as a result of court rulings in favor of Inoest during the first half of 2022. In addition to that, the fee for management and other services has almost doubled compared to last year quarter. The net operating profit stood at US\$ 0.21 million in the third quarter of this year in comparison to a loss of US\$ 0.002 million for the third quarter of 2021, attributable to same reason mentioned above except for the provision reversal. The consolidated operating income increased by 29% to reach US\$ 2.35 million for the third quarter of 2022 in comparison to US\$ 1.82 million whilst the Group's operating expenses increased slightly by 17%, standing at US\$ 2.13 million in the third quarter of 2022 in comparison to US\$ 1.81 million for the same period of 2021.

INOVEST's financial results for the first nine months of 2022 show a consolidated net profit attributable to parent shareholders of US\$ 1.80 million, as compared to loss of US\$ 1.66 million for the same period last year. The Group also reported that Basic and Diluted Earnings Per Share of the parent company in the first nine months of 2022 amounted to US cents 0.61 as compared to Loss per share of US cents 0.56 in 2021. This increase is primarily attributed to an improvement in revenues from the real estate and contracting sector, as well as a reversal of a previously taken provision. Additionally, INOVEST maintained specific control over expenses across its business. Within the first nine months of 2022, the consolidated net operating profit increased by 126%, reaching a profit of US\$ 0.48 million in comparison to a loss of US\$ 1.80 million for the same period of 2021 due in large to the aforementioned reasons except for the provision reversal. Furthermore, the consolidated operating income for the nine months of 2022 increased by 53% to reach US\$ 7.05 million in comparison to US\$ 4.61 million last year.

In regard to the Group's key balance sheet indicators, the equity attributable to parent shareholders stood at US\$ 144.89 million in comparison to US\$ 143.09 million at the end of 2021. Within the same period, INOVEST reported a slight decrease by 0.30% in consolidated total assets which stood at US\$ 242.81 million in comparison to US\$ 243.48 million at the end of 2021. On the liquidity front, INOVEST's cash and bank balances stood at around 9% of the total consolidated assets. To that end, the cash and bank balances stood firm at US\$ 21.84 million.

Commenting on these results, INOVEST's Chairman, Mr. Mohammed Hamed Al Shalfan said, "We are very pleased to report INOVEST's continued delivery of positive results, a clear indication of the relevance of our business strategy. One of the key elements of this strategy has been the reactivation of Al Khaleej Development Company "Tameer" as the Group's real estate development arm. Significant strides have been taken to enable Tameer to strengthen its presence in the real estate sector and to manage and expand an assorted portfolio of real estate assets. On another level, our investment in association with Sumou Holding in the Dannat Resort, located in Half Moon Bay along the shoreline of the Eastern Province in the Kingdom of Saudi Arabia, has seen solid progress; value added revisions to the masterplan are well underway as is the appointment of service providers for superstructure and infrastructure development. As for our investments in other sectors, INOVEST is in the final stages of assessing an acquisition opportunity in the healthcare sector, which falls in line with the company's key corporate objectives."

From his end, CEO of INOVEST, Mr. Yasser Al Jar noted, “Our positive current results stem from our approved Group strategy, in which we have endeavored to create sustainable growth platforms to propel our performance and deliver positive results in a calculated manner. The significant improvement in our operating income and net operating income in comparison to the same time last year is a reflection of those strategic measures. This has in turn had a clear impact in sustaining our shareholder equity such that our reserves and retained earnings have approached the US\$ 26 million boundary, a clear enhancement of our Group solvency status. We are confident that our objectives for the year will be met, and that we will reap its benefits in the forthcoming stages of our corporate journey.”

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”.

-Ends-

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