



PRESS RELEASE

INOVEST Announces Financial Results for the Year Ended 31st December 2022

Manama, Bahrain; March 1st 2023: INOVEST announced its financial results for the year ended 31st December 2022. For the fourth quarter, INOVEST showed a consolidated net loss attributable to the parent shareholders of US\$ 878 thousand in comparison to a net profit of US\$ 2.41 million for the same quarter of last year. Accordingly, there was a decline in Earning Per Share for the last quarter of 2022, which stood at a Loss Per Share of US cents 0.30 as compared to an Earning Per Share of US cents 0.81 for the same period in 2021. The decline is primarily due to a reversal in provisions in 2021 associated to a legal matter which was settled in INOVEST's favor. The net operating losses saw a positive change, having decline by 57% from a loss of US\$ 1.5 million in the last quarter of 2021 to a loss of US\$ 670 thousand for the last quarter of 2022, attributable to an increase in revenues in the Group's construction and real estate investment sector as well as in its management fees and services. As for operating expenses, they saw an 8% decline from US\$ 2.50 million to US\$ 2.29 million. Additionally, the consolidated operating income increased by 69% to reach US\$ 1.62 million in the last quarter of 2022 in comparison to US\$ 959 thousand for the same period last year.

INOVEST's financial results for the year ended December 31st, 2022, show a consolidated net profit attributable to parent shareholders of US\$ 923 thousand, compared to a profit of US\$ 746 thousand for the same period last year, an increase of 24%. The net profit for 2022 includes a reversal of provisions amounting to US\$1.3 million associated to a legal matter which was settled in INOVEST's favor. The Group accordingly reported that Basic and Diluted Earnings Per Share of the parent company as of December 31st 2022 amounted to US cents 0.31 as compared to Earnings of US cents 0.25 in 2021. This increase is the outcome of a significant improvement in the operating income within the Group's construction arm, and in the performance of its real estate investments. The consolidated net operating loss declined by 94% to reach US\$ 195 thousand in comparison to a loss of US\$ 3.34 million for the same period in 2021 due in large to an increase in revenues in the Group's construction and the real estate investments. Operating expenses saw a minor drop, by 1% as a result of stringent controls. The total operating income for the year ended December 31st, 2022, stood at US\$ 8.67 million, a 56% increase from the US\$ 5.57 million recorded in 2021.

In regard to the Group's key balance sheet indicators, the equity attributable to parent shareholders stood at US\$ 144 million in comparison to US\$ 143 million at the end of 2021. Within the same period, INOVEST reported a slight decrease in consolidated total assets of 1% to reach US\$ 240 million in comparison to US\$ 243 million at the end of 2021. On the liquidity front, INOVEST's cash and bank balances stood at 7% of the total consolidated assets. Accordingly, the cash and bank balances stood at US\$ 17.82 million in comparison to US\$ 26.38 million as at year end 2021, representing a 32% decline resulting from the settlement of financing facilities as well as a cash injection into new investments, and ongoing operational expenses.

Commenting on these results, INOVEST's Chairman, Mr. Mohammed Hamed Al Shalfan said, "On behalf of the Board of directors, we are pleased to close the 2022 fiscal year on a positive note. The steady improvement in our performance and the improvements in our operating income stem from our dedication to our key strategic objectives, and from our approach to achieving balanced growth. Going forward, we expect to continue our upward trajectory, through investments in various new businesses aimed at inclusive growth that ultimately benefits our key shareholders."

From his end, CEO of INOVEST, Mr. Yasser Al Jar confirmed INOVEST's positive outlook for the year to come noting, "We will strive to maintain and enhance our performance in 2023, a matter which we saw a marked improvement in 2022, specifically in our operating income, we expect to see significant developments in our assets under management, as well as an improvement in the performance of our current investment portfolio. We will also aim to focus efforts on direct investments at a Group level through our key subsidiaries and through select strategic partnerships."

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.invest.bh