



## PRESS RELEASE

# INOVEST Announces Financial Results for the First Quarter of 2021

**Manama, Bahrain; May 11<sup>th</sup> 2021:** INOVEST announced its financial results for the first three months of 2021, showing a consolidated net loss attributable to the parent shareholders of US\$ 74 thousand in comparison to a net profit of US\$ 4.59 million for the same quarter of last year. Accordingly, the Basic Loss Per Share for the first quarter of 2021, amounted to US cents (0.02) as compared to Earnings Per Share of US cents 1.55 for the same period in 2020. The decrease is primarily due to recoveries from credit losses recorded at a value of US\$5.86 million during the first quarter of last year. The net operating losses decreased from a loss of US\$ 1.15 million in the first quarter of last year to a loss of US\$ 278 thousand for the first quarter of 2021, attributable to an improvement in consolidated operating income as well as an effective reduction in operating expenses. Specifically, the consolidated operating income increased by 7% to reach US\$ 1.93 million in comparison to US\$ 1.80 million whilst the Group's operating expenses were reduced by 25%, standing at US\$ 2.21 million in 2021 in comparison to US\$ 2.95 million for the same period of 2020.

The Group's key balance sheet indicators remained relatively constant with the equity attributable to parent shareholders standing at US\$ 142.14 million in comparison to US\$ 141.62 million at the end of 2020. Within the same period, INOVEST reported consolidated total assets of US\$ 241.46 million, representing no significant change in comparison to US\$ 241.43 million at the end of 2020. On the liquidity front, INOVEST's cash and bank balances stood at 8% of the total consolidated assets. Accordingly, the cash and bank balances were at US\$ 19.42 million in comparison to US\$ 23.40 million as at year end 2020, representing a 17% decrease.

CEO of INOVEST, Mr. Yasser Al Jar, commented, "To begin, I would like to welcome and congratulate our newly elected Board of Directors on their recent appointment. We ask God Almighty to continue to guide us and them in bearing and delivering upon the shareholder confidence entrusted to us within the upcoming term." Mr. Al Jar further thanked the outgoing Board of Directors for their consistent support, and overarching belief in the company throughout a time of significant challenge; a faith which has reflected on the stability of the Group as a whole. Speaking on INOVEST's results, Mr. Al Jar said, "Although INOVEST has recorded a minor loss of US\$ 74 thousand this quarter, both the scale and timing of this loss are relatively expected considering the challenging market and socio-economic conditions being faced worldwide; this is more so highlighted against the fact that the Group's consolidated operating income has in fact increased by 7%." Mr. Al Jar further noted, "Although investment income has been partially impacted by the ongoing pandemic, our particular attention to efficiency at the Group level has meant operating expenses declined by US\$ 745 thousand, which is equivalent to a 25% drop in comparison to the same quarter of last year. Accordingly, the Group has recorded a 76% decrease in net operating losses, stemming from our commitment to the principle of sustainability in business through consistent growth and maximization of recurring revenue whilst effectively managing expenses. Our close assessment of future prospects indicates that we will be able to continue developing our recurrent revenue from existing investments whilst further controlling Group-wide expenses."

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](http://www.inovest.bh)