



PRESS RELEASE

INOVEST Announces Financial Results for the First Half of 2023

Manama, Bahrain; August 7th 2023: INOVEST announced its financial results for the second quarter and first half of 2023, showing a consolidated net profit attributable to the parent shareholders of US\$ 458 thousand in comparison to a net profit attributable to the parent shareholders of US\$ 150 thousand for the same quarter of 2022, a growth of 205%. Accordingly, the Basic Earnings Per Share for the second quarter of 2023 increased to US cents 0.15 as compared to an Earning Per Share of US cents 0.05 for the same period in 2022. The change is primarily due to an increase in management fees, income from investments, and other income with the enhanced results of associates and joint ventures, and the decrease in operating expenses. The net operating income stood at US\$ 670 thousand in the second quarter of this year in comparison to a loss of US\$ 1.02 million for the second quarter of 2022. The consolidated operating income increased by 107% to reach US\$ 2.60 million in comparison to US\$ 1.26 million; whilst the Group's operating expenses were reduced by 15%, standing at US\$ 1.93 million in the second quarter of 2023 in comparison to US\$ 2.27 million for the same period of 2022.

INOVEST's financial results for the first half of 2023 show a consolidated net profit attributable to parent shareholders of US\$ 561 thousand, as compared to US\$ 1.44 million for the same period last year, a decrease of 61%. The Basic and Diluted Earnings Per Share of the parent company in the first six months of 2023 amounted to US cents 0.19 as compared to Earnings Per Share of US cents 0.49 in 2022. This is primarily attributed to provision reversals in 2022 for legal cases. Within the first half of 2023, the consolidated net operating profit increased by 258%, reaching US\$ 945 thousand in comparison to US\$ 264 thousand for the same period of 2022 due to the increase in management fees, income from investments, and other income with the enhanced results of associates and joint ventures, and the decrease in operating expenses. Furthermore, the consolidated operating income for the six months of 2023 increased by 7% to reach US\$ 5.03 million in comparison to US\$ 4.70 million for the same period last year.

Regarding the Group's key balance sheet indicators, the equity attributable to parent shareholders stood at US\$ 144.397 million at the end of the first half of the current year, in comparison to US\$ 143.836 million at the end of 2022. Within the same period the consolidated total assets reported a slight decrease and stood at US\$ 239.368 million in comparison to US\$ 240.327 million at the end of 2022. On the liquidity front the cash and bank balances stood at 5% of the total consolidated assets, in comparison to 7% last year. To that end, the cash and bank balances stood at US\$ 12.288 million, in comparison to US\$ 17.819 million for the end of 2022, representing a 31% decline resulting from the settlement of financing facilities, development of new projects and ongoing operational 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\$" for Bahrain Bourse and "INOVEST/817" for Boursa Kuwait.

-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 development. 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