



**Ithmaar Holding B.S.C.**

(Incorporated in the Kingdom of Bahrain under Commercial Registration No.: 15210)

**CIRCULAR TO SHAREHOLDERS OF ITHMAAR HOLDING B.S.C.**

**in relation to**

**CONSIDERATION AND APPROVAL OF THE RELATED PARTY RESOLUTION BY  
THE INDEPENDENT SHAREHOLDERS (AS DEFINED HEREIN) IN RELATION TO IN-KIND  
CONTRIBUTION AS PART OF RIGHTS ISSUE  
BY**

**DAR AL-MAAL AL ISLAMI TRUST INCLUDING ITS AFFILIATES ("DMIT" OR "MAJOR  
SHAREHOLDER")**

## 1. Definitions

For the purposes of this Circular, the following definitions apply throughout unless the context otherwise requires or is otherwise stated:

<b>Adviser's Report or Professional Independent Adviser's Report or PIA report</b>	The report dated 11 February 2026 issued by the Professional Independent Adviser to the Independent Shareholders of the Company containing their advice on the Related Party Resolution,
<b>Circular</b>	This Circular to Shareholders dated 11 February 2026 in relation to the Proposed Transaction and the Related Party Resolution enclosing, inter alia, the recommendation of the Board of the Company and Professional Independent Adviser's report
<b>Director</b>	A person holding office as a director of the Company on the Latest Practicable Date
<b>EGM</b>	Extraordinary General Meeting
<b>EGM result announcement Date</b>	5 March 2026 or such other date announced in consultation with the CBB
<b>Ithmaar Board or Board of Directors of the Company</b>	The Board of Directors of the Company as at the Latest Practicable Date
<b>Ithmaar Shareholders or Shareholders</b>	Registered holders of Ithmaar Shares as at the EGM Date which shall be 5 March 2026 or such other date as per requirements of the Commercial Companies Law, Bahrain promulgated by Decree no 21 of 2001 and any subsequent amendments to it
<b>Ithmaar Shares or Shares of Ithmaar or Ordinary Shares</b>	Ordinary shares in the Company as issued from time to time. The holder(s) of the shares have equal voting rights in the Company
<b>Latest Practicable Date</b>	10 February 2026, being the latest practicable date prior to the printing/publication of this Circular

<p><b>2. INTRODUCTION</b></p>	<p>The purpose of this Circular is to provide relevant information to the Independent Shareholders pertaining to the Proposed Transaction and the resolution to be approved by the Independent Shareholders to for in-kind contribution by DMIT in relation to rights issue (the "<b>Related Party Resolution</b>"), to set out the recommendation of the Board of the Company and the advice of the Professional Independent Adviser ("<b>PIA</b>") to the Shareholders other than DMIT, parties acting in concert with DMIT, and their connected persons and those who are not involved or interested in the Proposed Transaction (the "<b>Independent Shareholders</b>") and the Board of the Company in relation to the Proposed Transaction and the Related Party Resolution, and to provide notice of the EGM.</p>
<p><b>3. PROPOSED RECAPITALISATION TRANSACTION</b></p>	<p>As part of the capital restructuring of the Company, the Board of Directors of the Company are proposing certain initiatives in the upcoming EGM of 5 March 2026, namely:</p> <ul style="list-style-type: none"> <li>a. Cancellation of accumulated losses against outstanding shares and a reduction of share capital to reflect such cancellation of shares; and</li> <li>b. Rights issue as described below.</li> </ul> <p>The rights issue shall entail an offering of 386,267,098 new ordinary shares each having a nominal value of US\$ 0.25 per Share which shall be offered at the offer price of US\$ 0.25 per Share. The proposed offer shall be open to all Shareholders registered in the Company's share register on the record date for this board circular which is 5 March 2026. It is planned that each Shareholder shall be entitled to purchase one Share for every 1.02 Shares held as at the record date of the rights issue as will be described in the rights issue offering circular.</p> <p>Assuming that the proposed rights issue is subscribed in full by all shareholders, the expected book value per share of the Company will be approximately US\$0.14 per share, which is still lower than the subscription price and nominal value of US\$0.25 per share. However, the Major Shareholder is still committed to the subscription by subscribing partly in-kind and partly in cash and support the Company. The subscription by the Major shareholder will improve the equity of the Company even if some or all of the Independent Shareholders do not subscribe for their proportion of the new shares offered as part of the proposed rights issue.</p> <p>It is pertinent to note that in case the rights issue is subscribed only by the Major Shareholder, its beneficial shareholding will increase from its current 51.56% (net of treasury shares) to 68.31%. Accordingly, the requirement TMA-3.1 of the Takeovers, Mergers and Acquisitions Module of Volume 6 of the CBB Rulebook with respect to the obligation for the Major</p>

	<p>Shareholder to make a Mandatory Offer to the Shareholders of the Company will not be applicable.</p> <p>Ithmaar has appointed RSM as their Professional Independent Adviser ("PIA") for the purpose of reviewing the financial terms of the Recapitalisation including the proposed rights issue and making a recommendation to the Independent Shareholders on whether the anticipated in-kind contribution towards the rights issue (which, together with cash contribution, forms part of the total contribution) by the Major Shareholder, in context of the subscription price (nominal price) is not detrimental to the financial position of the Independent Shareholders and, as such, is fair and reasonable to the Independent Shareholders.</p> <p>Shareholders should, at a minimum, carefully and diligently consider the following before deciding on whether or not to approve the Proposed Transaction and the Related Party Resolution:</p> <ol style="list-style-type: none"> <li>the recommendation of the Board of the Company as contained in this Circular; and</li> <li>the advice of the Professional Independent Adviser as contained in the Adviser's Report (section 5 of this Circular).</li> </ol>
<p><b>4. RELATED PARTY RESOLUTION</b></p>	<p>Independent Shareholders are requested to vote on the Related Party Resolution approving the in-kind contribution from Major shareholder as part of the rights issue.</p> <p>For the purpose of voting on the Related Party Resolution, any parties presumed acting in concert with DMIT and their connected persons and any shareholder involved in or interested in the Proposed Transaction shall abstain from voting on the Related Party Resolution.</p> <p>Approval of the Related Party Resolution is a condition to DMIT's subscription to the proposed rights issue. <b>Accordingly, in the event that the Related Party Resolution is not passed by the Independent Shareholders, the Recapitalisation (i.e. the rights issue and cancellation of accumulated losses against share capital) will not take place.</b></p>
<p><b>5. VALUATION OF IN-KIND CONTRIBUTION FOR RIGHTS ISSUE</b></p>	<p>The in-kind contribution by the major shareholder, Dar Al-Maal Al-Islami Trust ("DMIT"), as part of the recapitalisation of Ithmaar Holding B.S.C., will consist of 100% of the equity interest in 7972440 Canada Inc. ("Canada Inc.").</p> <p>Canada Inc. is a Canadian company that holds ownership of the Des Grands Jardins Avenue and Saint-Louis Street property in Gatineau, Québec. The property represents a real estate holding of strategic value, comprising approximately 590 acres of land designated for subdivision development together with an office building of approximately 5,511 square feet (the "Land").</p>



	<p>Canada Inc. is legally owned by the Company through various subsidiaries on behalf of the Major Shareholders as the ultimate beneficial owners. The Major Shareholders plan to assign their rights in relation to Canada Inc. to the Company as their in-kind contribution to the rights issue thus giving Ithmaar indirectly both the legal and beneficial title to the entirety of the issued shares of Canada Inc and its assets, including the Land as well as all associated assets and rights in respect of Canada Inc and the historical investments and related funding.</p> <p>The Canadian property is earmarked for exit under one of two potential strategies:</p> <ul style="list-style-type: none"> <li>• The property may be disposed of on an “as-is” basis following the receipt of expected approvals for the revised subdivision master plan. This strategy is intended to crystallize planning-enhanced land value while avoiding execution, funding, construction cost escalation, and market absorption risks associated with large scale infrastructure delivery. An “as-is” disposal would enable an earlier exit and near term capital realization, while preserving value uplift achieved through de-risking rather than full development; or</li> <li>• Alternatively, pursue a medium term strategy involving attainment of the revised master plan, securing local project financing, funding selective infrastructure and phased development works. This approach would be designed to maximise the eventual exit outcome through a staged disposal process. This strategy would be pursued subject to prevailing market conditions, funding availability, municipal approval timelines, and the achievement of satisfactory risk adjusted return thresholds.</li> </ul> <p>Both strategies will be assessed in the context of prevailing market conditions, regulatory timelines, and funding availability, with the overriding objective of derisking the asset, optimising timing of disposal, and maximising value realisation for Ithmaar Holding.</p> <p>The land was valued by two independent real estate valuers, Cushman &amp; Wakefield and Groupe Proval Outaouais appointed by Ithmaar. Below is an extract of their valuation opinions.</p> <p><b>a. Cushman &amp; Wakefield's valuation opinion:</b></p> <p>As per the valuation report from Cushman &amp; Wakefield dated 27 January 2025 the valuation of the land was estimated to be Canadian Dollars 60,180,000 (equivalent to</p>
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	<p>approximately US\$ 43,941,460 based on exchange rate of 1.3695 published on CBB website as of 31 December 2025).</p> <p><b>b. Groupe Proval Outaouais's valuation opinion:</b></p> <p>As per the valuation report from Groupe Proval Outaouais dated 22 December 2025 the valuation of the land was estimated to be Canadian Dollars 55,040,000 (equivalent to approximately US\$ 40,188,401 based on exchange rate of 1.3695 published on CBB website as of 31 December 2025).</p> <p>The above valuations are based on recognized professional appraisal methodologies, including direct comparison and subdivision development analysis, and assume implementation of a revised subdivision master plan, subject to receipt of the relevant municipal and regulatory approvals. The valuations incorporate assumptions in relation to development phasing, infrastructure costs, environmental conservation requirements (including wetlands), absorption periods, and applicable discount rates, as set out in the respective valuation reports.</p> <p>The variance between the two valuation opinions primarily reflects differences in assumptions relating to development timing, cost inputs, and market absorption, rather than any divergence in the assessment of the underlying development potential of the land.</p>
<p><b>6. EFFECT OF THE PROPOSED TRANSACTION</b></p>	<p>Assuming that: (i) the capital reduction and rights issue is approved by the Shareholders; and (ii) and that the rights issue is subscribed to only by the Major Shareholders and shareholders acting in concert with them; then:</p> <p>(a) DMIT's beneficial shareholding will increase from 51.56% (net of treasury shares) to up to 68.31%;  (b) The Company's equity will increase by c.US\$50 million from its base following the capital reduction; and  (c) The shareholdings held by other shareholders not connected with DMIT will decrease by dilution from 48.44% to, potentially, 31.69%.</p> <p>As of Latest Practicable Date, the Company has issued only one class of shares being Ordinary Shares. There are no convertible instruments issued by the Company that provides voting rights in the Company.</p>

<p><b>7. THE PROFESSIONAL INDEPENDENT ADVISER'S REPORT</b></p>	<p>Unless otherwise defined in the section titled "Definitions" of this Circular, all capitalized terms in the summary below shall have the same meaning as defined in the Adviser's Report.</p> <p>A copy of the Adviser's Report dated 11 February 2026 from the Professional Independent Adviser to the Independent Shareholders of the Company is set out in section 2 of this Circular. Shareholders should read the following extracts in conjunction with and in the context of the full text of the Adviser's Report.</p> <p><b>Advice of the Adviser</b></p> <p>Based upon the preceding analysis as presented in this report, and after the careful consideration of the terms of the Proposed Transaction, we are of the opinion that the financial terms as detailed in the Circular are fair and reasonable.</p> <p>Accordingly, we recommend that the Independent Shareholders vote IN FAVOUR of the Proposed Transaction at the EGM.</p> <p><i>The full text of the letter from the Adviser's Report from the Professional Independent Adviser to the Independent Shareholders of the Company in respect of the Proposed Transaction is set out in section 2 to this Circular.</i></p>
<p><b>8. RECOMMENDATIONS OF THE BOARD OF DIRECTORS OF THE COMPANY</b></p>	<p><b>Ithmaar's Board Recommendation</b></p> <p>The Board of Ithmaar has carefully considered the terms of the Proposed Transaction and the advice of the Professional Independent Adviser.</p> <p>Based on such considerations, the Board of Directors, excluding Mr. Juma Hasan Abul and Sheikh Mohammed Abdullah Abdulkarim El Khereiji (who represent DMIT on the Board), recommend to the Independent Shareholders of the Company to vote IN FAVOUR of the Related Party Resolution in context of the Proposed Transaction.</p> <p>Shareholders are advised to read the Adviser's Report as set out in section 2 to this Circular before voting in favour of or against the Related Party Resolution in the EGM.</p> <p><b>Limitations</b></p> <p>In rendering their recommendations, the Company's Board has not had regard to general or specific investment objectives, financial situation, tax status or position, risk profiles or particular needs and constraints and circumstances of any individual Shareholder or group of Shareholders. As each Shareholder or group of Shareholders would have different investment objectives and profiles, the Board recommend that any individual Shareholder or group of Shareholders seek independent advice in the context of his specific investment portfolio, including his investment in Ithmaar, consult his stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.</p>

## 9. SHAREHOLDER RESPONSIBILITIES

### Compliance with Applicable Laws

The rights of the Independent Shareholders to vote on the Related Party Resolution with respect to the Proposed Transaction might be affected by the laws of the respective jurisdictions in which they are based. Accordingly, Shareholders should inform themselves about and observe any applicable legal requirements in their respective jurisdiction.

For the avoidance of doubt, the voting on Related Party Resolution is made available to all Independent Shareholders including those to whom the Circular, Professional Independent Adviser's report and any other relevant documents have not been, or will not be, sent.

Where there are potential restrictions on sending the Circular, Professional Independent Adviser's report and any other relevant documents to any jurisdiction, the Company reserves the right not to send the documents to Shareholders in such jurisdictions.

It is the responsibility of any Shareholder/Independent Shareholder who wishes to (i) request for the Circular, Professional Independent Adviser's report and any other relevant documents, or (ii) opts to vote in favour of or against the Related Party Resolution, to satisfy himself as to the full observance of the laws of the relevant jurisdiction in that connection, including the obtaining of any governmental or other consent which may be required, and compliance with all necessary formalities or legal requirements and the payment of any taxes, imposts, duties or other requisite payments due in such jurisdiction. In (i) requesting for the Circular, Professional Independent Adviser's report and any other relevant documents and/or (ii) voting in favour of or against the Related Party Resolution, the Shareholder/ Independent Shareholder represents and warrants to the Board that he is in full observance of the laws of the relevant jurisdiction in that connection, and that he is in full compliance with all necessary formalities or legal requirements. Any Shareholder who is in any doubt about his position should consult his professional adviser in the relevant jurisdiction.

### Copies of the Documents

Shareholders may, obtain copies of the Circular, Professional Independent Adviser's report, EGM Notice and proxy form and the documents available for inspection, during normal business hours post the EGM Announcement Date from the registered office of the Company at Office 91, Building 2080, Road 2825, Block 429, Al Seef, Manama, Kingdom of Bahrain, Manama, Kingdom of Bahrain.

### Notice

Ithmaar's Board reserves the right to notify any matter, including the fact that the voting on the Related Party Resolution at the EGM will be made, to any or all Shareholders by announcement on the Bahrain Bourse and Dubai Financial Market website in which case such notice shall be deemed to have been sufficiently given

	notwithstanding any failure by any Shareholder to receive or see such announcement or advertisement.
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**RSM Bahrain**

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 PO Box 11816  
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 Bahrain  
 T 973 17537787  
 rsm.bh

The Independent Shareholders,  
 Ithmaar Holding B.S.C.  
 Building 2080, Office 91, Street 2825,  
 Al Seef, 428,  
 Kingdom of Bahrain

Dear Sirs,

In accordance with our engagement letter dated 16 October 2025, RSM ("We" or "RSM") is writing to formally submit the enclosed Professional Independent Adviser's Report that provides an independent opinion to the Independent Shareholders in connection with the proposed Transaction in Ithmaar Holding:

- Reduction of share capital and cancellation of shares to offset accumulated losses in Ithmaar Holding B.S.C. ("Ithmaar" or the "Company" or the "Offeree")
- Recapitalization of Ithmaar Holding via offering of 386,267,098 new ordinary shares each having a nominal value of US\$ 0.25 per Share which shall be offered at the offer price of US\$ 0.25 per Share. The proposed offer shall be open to all Shareholders registered in the Company's share register on the record date with each Shareholder entitled to purchase one new share for every 1.02 share held as at the record date.
- In case the rights issue is subscribed only by the Major Shareholder, Dar Al-Maal Al-Islami Trust ("DMIT" or the "Offeror" or the "Major Shareholder") its beneficial shareholding will increase from its current 51.57% (net of treasury shares) to 68.31%. Accordingly, the requirement TMA-3.1 of the Takeovers, Mergers and Acquisitions Module of Volume 6 of the CBB Rulebook with respect to the obligation for the Major Shareholder to make a Mandatory Offer to the Shareholders of the Company will not be applicable.
- Proposed in-kind contribution by DMIT including its subsidiaries, related parties, and affiliates. The Major Shareholder plans to partly subscribe for the rights issue with an in-kind contribution via transfer of 100% equity interest in 7972440 Canada Inc. ("Canada Inc") and a cash contribution.

RSM has focused on assessing the fairness and reasonableness of the proposed Transaction and its adverse impact (if any) on minority shareholders. As part of the scope, We have reviewed the following:

- a) BoD report on proposed capital reduction and calculations pertaining to the cancellation of shares
- b) BoD report on proposed capital increase via rights issue
- c) BoD circular on in-kind contribution by the major shareholder as part of the rights issue
- d) Valuation of Canada Inc. by Cushman & Wakefield and by Groupe Proval
- e) Unaudited financials of Canada Inc. as on 31 December 2025
- f) Corporate tax filing by Canada Inc. as on 31 December 2024

This report forms an integral part of the shareholder circular and is submitted herewith for your review and records. Should you require any further information or clarification, please do not hesitate to contact us.

Yours faithfully,



**Anshul Deobhakta**  
 Senior Partner, RSM

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## Abbreviations and Definitions

Term	Definition
AGM	Annual General Meeting
Board of Directors (BoD)	Ithmaar Board or Board of Ithmaar
Bn	Billion
Canada Inc	7972440 Canada Inc. or the Asset – which holds ownership of the Des Grands Jardins Avenue and Saint- Louis Street property in Gatineau, Quebec
CBB	Central Bank of Bahrain
Circular or Circular to the Shareholders of Ithmaar Holding B.S.C.	Board Circular
Client or Ithmaar or Offeree or Company	Ithmaar Holding B.S.C.
DMIT or Major Shareholder or Offeror	Dar Al-Maal Al-Islami Trust including its subsidiaries, related parties, and affiliates
EGM	Extraordinary General Meeting
Latest Practicable Date	10 February 2026
Management	Management of Ithmaar Holding B.S.C.
MOIC	Ministry of Industry and Commerce
Mn	Mn
RSM	RSM / We
TMA	Takeovers, Mergers and Acquisitions
USD	United States Dollar
%	Percentage

**ADVISER'S REPORT FROM THE PROFESSIONAL INDEPENDENT ADVISERS TO THE INDEPENDENT  
SHAREHOLDERS OF IHTMAAR HOLDING B.S.C. IN RESPECT OF THE PROPOSED TRANSACTION**

**PROFESSIONAL INDEPENDENT ADVISER'S REPORT**

The Independent Shareholders,  
Ithmaar Holding B.S.C.  
Building 2080, Office 91, Street 2825,  
Al Seef, 428,  
Kingdom of Bahrain

Dear Sirs,

**PROFESSIONAL INDEPENDENT ADVISER'S REPORT TO THE INDEPENDENT SHAREHOLDERS OF ITHMAAR  
HOLDING B.S.C. (OFFEREE) IN RESPECT OF THE PROPOSED TRANSACTION AND RIGHTS ISSUE**

For the purpose of the report, all capitalized terms not otherwise defined herein, shall have the same meaning given to them in the Offeree Board Circular (the "Circular") dated 11 February, 2026 to be sent by the Board of Directors (the "Ithmaar Board" or "Board of Ithmaar") to the registered holders of shares (the "Shareholders") of Ithmaar Holding B.S.C. ("Client", "Ithmaar" or the "Offeree" or the "Company").

## 1. INTRODUCTION

As part of recapitalization, Ithmaar Holding B.S.C. intends the following:

- a. Cancellation of accumulated losses against outstanding shares and a reduction of share capital to reflect such cancellation of shares; and
- b. Increase in shares including recapitalization
- c. Issuance of new shares as part of a rights issue as described below.

The rights issue shall entail an offering of 386,267,098 new ordinary shares each having a nominal value of USD 0.25 per Share which shall be offered at the offer price of USD 0.25 per Share. The proposed offer shall be open to all Shareholders registered in the Company's share register on the Record Date. It is planned that each Shareholder shall be entitled to purchase one (1) Share for every 1.02 Share held as at the record date of the rights issue as will be described in the rights issue offering circular.

Consequent to the successful completion of the Proposed Transaction and in the event the rights issue is subscribed only by the Major Shareholder, Dar Al-Maal Al-Islami Trust ("DMIT" or "Offeror" or "Major Shareholder") including subsidiaries, related parties and affiliates will own 68.31% (net of treasury shares) stake in the Company.

RSM has been appointed by Ithmaar Board as the Professional Independent Adviser to advise the Independent Shareholders of Ithmaar on the in-kind contribution by major shareholder.

This report forms part of the Circular and sets out RSM's financial evaluation of the terms of the Proposed Transaction and RSM's recommendation thereon in relation to the rights issue for inclusion in the Circular.

## 2. PRINCIPLE TERMS OF THE BOARD CIRCULAR

The Board Circular (or the "Circular") to Shareholders dated 11 February 2026 relates to the Proposed Transaction and the Related Party Resolution and includes, inter alia, the Board's recommendation and the report of the Professional Independent Adviser.

### **Key terms of the Related party Resolution:**

Independent Shareholders must vote on a Related Party Resolution to approve the Major Shareholder's in-kind contribution for the rights issue.

For the purpose of voting on the Related Party Resolution, any parties presumed acting in concert with DMIT and their connected persons and any shareholder involved in or interested in the Proposed Transaction shall abstain from voting on the Related Party Resolution.

The rights issue and recapitalisation will only proceed if Independent Shareholders approve the Related Party Resolution. If it is not approved, the recapitalisation will not occur.

### **Valuation of in-kind contribution for rights issue:**

The in-kind contribution by the major shareholders, Dar Al-Maal Al-Islami Trust ("DMIT") and Islamic Investment Company of the Gulf (Bahamas) Limited ("IICG"), as part of the recapitalisation of Ithmaar Holding B.S.C., will consist of 100% of the equity interest in 7972440 Canada Inc. ("Canada Inc.").

Canada Inc. is a Canadian company that holds ownership of the Des Grands Jardins Avenue and Saint-Louis Street property in Gatineau, Québec. The property represents a real estate holding of strategic value, comprising approximately 590 acres of land designated for subdivision development together with an office building of approximately 5,511 square feet (the "Land").

Canada Inc. is legally owned by Ithmaar through its various subsidiaries on behalf of the Major Shareholders as the ultimate beneficial owners. The Major Shareholders plan to assign their rights in relation to Canada Inc. to Ithmaar as their in-kind contribution to the rights issue thus giving Ithmaar indirectly both the legal and beneficial title to the entirety of the issued shares of Canada Inc. and its assets, including the Land as well as all associated assets and rights in respect of Canada Inc and the historical investments and funding of it.

Ithmaar has undertaken the valuation of the Land by two leading real estate valuers as follows:

### **Cushman & Wakefield:**

The 'as is' market value of the property as on 27 January 2025 was 60.18 Mn Canadian dollars (equivalent to approximately USD 43.9 Mn as on the exchange rate of 1.3695 as published in CBB website as of December 31, 2025)

### **Groupe Proval:**

The 'as is' market value of the property as on 22 December 2025 was 55.04 Mn Canadian dollars (equivalent to approximately USD 40.2 Mn as on the exchange rate of 1.3695 as published in CBB website as of December 31, 2025)

The Canadian property is earmarked for exit under one of two potential strategies:

- The property may be disposed of on an "as-is" basis following the receipt of expected approvals for the revised subdivision master plan. This approach can be considered to enable an earlier exit, crystallising value at the stage of enhanced planning potential and providing Ithmaar Holding with near term realisation proceeds; or
- Alternatively, pursue a medium-term strategy involving attainment of the revised master plan, securing local project financing, funding selective infrastructure and phased development works. This approach would be designed to maximise the eventual exit outcome through a staged disposal process.

Both strategies will be assessed in the context of prevailing market conditions, regulatory timelines, and funding availability, with the overriding objective of derisking the asset, optimising timing of disposal, and maximising value realisation for Ithmaar.

### 3. TERMS OF REFERENCE

RSM ("We" or "Our") has been appointed to advise the independent shareholders of the Company, on the financial terms of the Proposed Transaction and provide an opinion on in-kind contribution by the Major Shareholder.

In formulating our opinion and recommendation, we have drawn upon the information, opinions and facts provided to us by the Ithmaar Board and members of management of the Company (the "**Management**"), relied on the information as set out in the Board Circular, financial calculation in relation to the cancellation of shares to write off accumulated losses, calculation of recapitalization of the Company along with the shares issued, audited financial statements of the Company, unaudited financial statements of Canada Inc. as on 31<sup>st</sup> December 2025 which holds ownership of the Des Grands Jardins Avenue and Saint-Louis Street property in Gatineau, Quebec (both together referred to as "Assets"), independent third-party valuation report of the Assets, provided by Cushman & Wakefield and Groupe Proval in connection to the Proposed Transaction. We have also relied on the information contained in various announcements made by the Company and DMIT, as well as other public announcements in relation to the Proposed Transaction. Whilst care has been exercised in reviewing the information we have relied upon, we have not independently verified the information and accordingly cannot and do not warrant, and do not accept the responsibility for the accuracy, completeness or adequacy of such information. Notwithstanding any of the foregoing, we have nevertheless made enquiries and used our judgement as we deemed necessary or appropriate in assessing relevant information and are not aware of any reason to doubt the reliability of the information.

It is not within our terms of reference to evaluate or comments on the legal, strategic and/or synergistic benefits and risks of accepting or rejecting the rights issue in context of the Proposed Transaction and the long-term prospects for the Company and its stakeholders. We are also not addressing the relative merits of the Proposed Transaction vis-a vis any alternative transactions previously considered by the Company or transactions that the Company may consider in the future, and as such, we do not express a view thereon. Such evaluations relating to the Company remains the sole responsibility of the Ithmaar Board and the Management, although we may, to the extent we deem appropriate or necessary, rely and draw upon their evaluations in arriving at our recommendations.

We are neither a party to the negotiations, if any, that led to the Proposed Transaction, nor were we involved in the deliberations leading up to the decision by the Ithmaar Board to enter into such negotiations and its subsequent actions relating thereto. We do not, by this report, warrant the merits of the Proposed Transaction other than to form a recommendation to the Independent Shareholders of the Company with respect of the rights issue in context of the Proposed Transaction. We were neither requested nor authorized to solicit, and we have not solicited, any indications of interest from any third-party with respect to the Company's shares.

RSM is not associated or connected with the Company, its directors, or presumed acting in concert with any of them and accordingly, we are considered eligible to give independent advice to the Independent Shareholders.

We have been advised by the Ithmaar Board that, to the best of their knowledge and belief, all material information in connection with the Proposed Transaction, the Company and rights issue have been disclosed to us and there are no omissions of which would render any information given to us to be untrue, misleading or inaccurate. We have relied upon assurances of the Ithmaar Board that the Circular has been reviewed by the Ithmaar Board (including those who may have delegated detailed supervision of the Circular) who have taken all responsible care to ensure that the facts stated and opinions expressed in the Circular (other than those expressed in this report) are fair and accurate in all material respects and that no material facts have been omitted which might cause the Circular to be misleading.

The scope of our appointment does not require us to express, and we do not express, a view on the future prospects of the Company. We are therefore not expressing any view herein as to the price at which the shares of the Company may trade if the Proposed Transaction is rejected by the Shareholders or the future financial performance of the Company.

Our opinion is based upon market, economic, industry and other conditions prevailing on, and the information available to us as at 10 February 2026 (the "Latest Practicable Date"). Our opinion does not reflect any developments that may have occurred after the Latest Practicable Date, and we assume no responsibility to update, revise or reaffirm our opinion in the light of any subsequent development after the Latest Practicable Date that may in any way affect our opinion contained herein.

In arriving at our recommendations, we have not had regard to the general or specific investment objectives, tax position, financial situation, tax status, risk profiles or unique needs and constraints or particular circumstances of any individual stakeholder.

As different Shareholders would have different investment objectives and profiles, we advise the Ithmaar Board to recommend that any individual shareholder who may require advice in the context of his specific investment strategy should consult his stockbroker, bank manager, solicitor, accountant, tax Adviser or other professional Adviser.

This report is governed by, and construed in accordance with, the laws of the Kingdom of Bahrain, and is strictly limited to the matters stated herein and does not apply by implication to any other matter. Our recommendation in relation to the rights issue with respect to the Proposed Transaction should be considered in the context of the entirety of our report and the Circular.

#### 4. INFORMATION ABOUT THE OFFEREE

Ithmaar Holding B.S.C. was incorporated in the Kingdom of Bahrain under the Commercial Companies Law and registered with Ministry of Industry and Commerce ("MOIC") under the Commercial Registration number 15210-20 on 26 October 2016. Formerly, the Company was incorporated as an investment bank on 13 August 1984 and regulated by the Central Bank of Bahrain ("CBB"). The market capitalization of Ithmaar was USD 109 Mn (as on 20 January 2026).

Ithmaar directly owns two major subsidiaries, Ithmaar Bank B.S.C. (c) ("Bank"), an Islamic retail bank subsidiary which holds the core retail banking business, and IB Capital B.S.C (c), an Islamic investment subsidiary which holds investments and other non-core assets. The two subsidiaries are licensed and regulated by the Central Bank of Bahrain. The principal activities of the Company are a wide range of financial services, including retail, commercial, asset management, private banking, fund management and real estate development.

DarAl-Maal Al-Islami Trust ("DMIT") incorporated in the commonwealth of Bahamas is the ultimate parent company of Ithmaar.

Ithmaar's ordinary shares are listed on the Bahrain Bourse and Dubai Financial Market.

##### Consolidated financial position and results

The consolidated financial position of the **Company** as of 31 December 2024, together with the consolidated results for the year then ended is set out in the accompanying consolidated financial statements. The **Company** has reported a net profit of USD 33.7 Mn for the year ended 31 December 2024, as compared to a net profit of USD 13.3 Mn for 2023. The net profit attributable to shareholders of the Company is USD 10.5 Mn for 2024, as compared to a net loss of USD 9.3 Mn for 2023. Total assets as of 31 December 2024 amounted to **USD 6,847.4 Mn as compared to 31 December 2023 at USD 6,104.6 Mn**.

Ithmaar's financial performance has improved in recent quarters with consisted increase in net profits from operations decreasing accumulated losses. The company's board has launched a series of initiatives, including the potential sale and/or restructuring of non-core assets and a renewed focus on recovering financing exposures. However, the company's financial position continues to remain precarious, due to accumulated losses which are estimated to equal c. 109% of the paid-up capital.

##### Board of Directors

The following served as Directors of Ithmaar during the year ended 31 December 2024:

- a) HRH Prince Amr Mohammed Al-Faisal (Chairman)
- b) Tunku Yaacob Khrya
- c) Dr. Amani Khaled Bouresli
- d) Sheikh Mohamed Abdullah Abdulkarim El Khereiji
- e) Ms. Elham Ebrahim Abdulla Hasan
- f) Mr. Juma Hasan Ali Abul (Appointed effective 28 February 2024)

Subsidiaries	Ownership December 31, 2024	Country of Incorporation	Principal business activities
<b>Direct subsidiaries</b>			
Ithmaar Bank B.S.C.(c)	100.0%	Kingdom of Bahrain	Banking
IB Capital B.S.C. (c)	100.0%	Kingdom of Bahrain	Asset management
Faisal Private Bureau (Switzerland) S.A.	100.0%	Switzerland	Asset & wealth management
Shamil Financial (Luxembourg) S.A.	100.0%	Luxembourg	Investment holding
<b>Principal indirect subsidiaries</b>			
Faysal Bank Limited	67.0%	Pakistan	Banking
Ithmaar Development Company Limited	100.0%	Cayman Islands	Real Estate
Health Island WLL	50.0%	Kingdom of Bahrain	Real Estate
Dilmunia Development Fund I.L.P.	92.0%	Kingdom of Bahrain	Fund

Source: Audited Financial Statements

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## 5. INFORMATION ABOUT THE OFFEROR

Dar Al-Maal Al-Islami Trust (DMIT) was founded in 1981. It has an extensive network stretching over four continents, with well-integrated regional subsidiaries enabling it to respond to local business needs and conditions. Based on this geographic structure, the DMI Group and associates act as a financial bridge between the world's leading financial centres and Islamic countries. The Group comprises three main business sectors: Islamic banking, Islamic investment and Islamic insurance.

Islamic banking is exercised in different forms: commercial and retail banking in the Gulf region and other parts of the world; fund management and financial services in Switzerland and Jersey. Islamic investment companies are located in Bahrain, Egypt and Pakistan. There are also associated Islamic insurance companies based in Bahrain and Luxembourg, providing services to the Islamic communities in the Middle East and Europe.

The Board of Supervisors of DMI Trust directs and oversees the business of the Group. DMI Administrative Services S.A., located in Geneva, Switzerland, provides assistance to the Board of Supervisors, in particular in the areas of legal and financial control, audit and risk management and information technology.

DMI Trust is an institution that creates, maintains and promotes Islamic financial institutions. Asset management is one of the Group's core business activities. Clients' funds are invested prudently with the objective of optimal return as well as asset preservation. DMI has devised a comprehensive range of Islamic financial instruments to channel investors' funds into viable Sharia compatible operations and investments.

### Consolidated financial position and results

The consolidated financial position of the **DMIT** as of 31 December 2024, together with the consolidated results for the year then ended is set out in the accompanying consolidated financial statements. **DMIT** has reported a net profit of USD 30.6 Mn for the year ended 31 December 2024, as compared to a net profit of USD 31.0 Mn for 2023. Total assets as of 31 December 2024 amounted to USD 7,094.4 Mn as compared to 31 December 2023 at USD 6,350.0 Mn.

Subsidiaries	Ownership December 31, 2024	Country of Incorporation	Principal business activities
Islamic Investment Company of the Gulf (Bahamas) Limited	100.0%	Bahamas	Investment Banking
Ithmaar Holding B.S.C.	49.0%*	Kingdom of Bahrain	Retail Banking
Faysal Bank Limited	31.0%	Pakistan	Retail Banking
Ithmaar Development Company Limited	46.0%	Cayman Islands	Real Estate
Dilmunia Development Fund L.L.P.	42.0%	Kingdom of Bahrain	Real Estate
DMI Administrative Services SA	46.0%	Switzerland	Management Services
Ithmaar Bank B.S.C. (c)	46.0%	Kingdom of Bahrain	Banking
IB Capital B.S.C. (c)	46.0%	Kingdom of Bahrain	Asset Management

Source: Audited Financial Statements

\*Shareholding based on total outstanding shares. The shareholding net of Treasury shares is 51%

## 6. EFFECT OF THE PROPOSED TRANSACTION

The effect of the Proposed Transaction has been stated below:

Assuming that: (i) the capital reduction and rights issue is approved by the Shareholders; and (ii) and that the rights issue is subscribed to only by the Major Shareholders and shareholders acting in concert with them; then:

- (a) DMIT's beneficial shareholding will increase from 51.57% (net of treasury shares) to up to 68.31%;
- (b) The Company's equity will increase by c. USD 50.02 Mn from its base following the capital reduction; and
- (c) The shareholdings held by shareholders not connected with DMIT will decrease by dilution from 48.43% to, potentially, 31.69%.

As of Latest Practicable Date, the Company has issued only one class of shares being Ordinary Shares. There are no convertible instruments issued by the Company that provides voting rights in the Company.

*Note: Kindly refer to section 5 of the Board circular.*

## 7. HISTORICAL FINANCIAL ANALYSIS OF ITHMAAR HOLDING B.S.C.

### General Bases and Explanatory Statements

In the course of our analysis, we have relied on the following bases and explanatory statements:

- a) The audited financial statements of Ithmaar Holding B.S.C. for the year ended 31 December 2023, 2024, and YTD Sept'25 (latest available audited financial statement)
- b) The issued and fully paid-up share capital of the Company as on 31 December 2024 is USD 727.5 Mn comprising of 2,910.2 Mn shares of USD 0.25 each.
- c) The Company has treasury shares of USD 30.1 Mn comprising 120.6 Mn shares of USD 0.25 each as of December 2024.
- d) The information used in our assessment has been extracted, where available and/or applicable, from the Board Circular, annual reports and financial statements, announcements, Company website, Bahrain Bourse website and other publicly available information and reports. We make no representations or warranties, express or implied, as to the accuracy or completeness of such information.

### Ithmaar Holding B.S.C. – Income Statement, Other Comprehensive Income schedule and key ratios

Income statement (USD 000's)	2023	2024	YTD Sept' 2025
Income from financing contracts	355,546	381,993	227,760
Income from Investments	364,457	472,925	272,676
Other Income – net	30,329	80,434	58,156
Finance expense on placements from financial and non-financial institution	(15,361)	(18,107)	(13,629)
<b>Net Income</b>	<b>734,971</b>	<b>917,245</b>	<b>544,963</b>
Share of loss from equity accounted investees	(2,425)	(6,934)	(1,010)
<b>Total Income</b>	<b>732,546</b>	<b>910,311</b>	<b>543,953</b>
<b>Expenses</b>			
Operating expenses	(163,802)	(197,794)	(158,568)
Depreciation & Amortization	(19,328)	(22,130)	(20,149)
Profit before impairment allowances, income attribution to quasi-equity and tax	549,416	690,387	365,236
Allowances for impairment and expected credit loss, net	(16,794)	(32,755)	7,054
<b>Profit before income attribution to quasi-equity and tax</b>	<b>532,622</b>	<b>657,632</b>	<b>372,290</b>
Net profit attributable to quasi-equity	(449,074)	(532,655)	(279,303)
<b>Profit before overseas tax</b>	<b>83,548</b>	<b>124,977</b>	<b>92,987</b>
Tax expense	(70,193)	(91,258)	(72,690)
<b>Profit for the year before discontinued operations</b>	<b>13,355</b>	<b>33,719</b>	<b>20,297</b>
Net results from discontinued operations	–	–	–
<b>Profit for the year</b>	<b>13,355</b>	<b>33,719</b>	<b>20,297</b>
Attributable to:			
Shareholder of the company	(9,311)	10,459	2,362
Non-controlling interest	22,666	23,260	17,935
<b>Profit for the year</b>	<b>13,355</b>	<b>33,719</b>	<b>20,297</b>

Source: Audited Financial Statements

Other Comprehensive Income (USD 000's)	2023	2024	YTD Sept' 2025
<b>Other Comprehensive Income</b>			
<b>Items that will not be classified to statement of income</b>			
Fair value changes on land and building	(111)	(647)	1,316
Attributable to quasi-equity	223	788	(875)
<b>Items that may subsequently be classified to statement of income</b>			
Exchange difference arising on translation of foreign operations	(50,401)	5,966	221
Fair value changes on investments in real estate	(736)	(931)	(1,757)
Fair value changes on investment in associates	(2,070)	1,185	511
Recycling of translation reserve on disposal of assets	5,744	–	–
Fair value changes on investments carried at fair value through OCI	19,750	32,514	(15,907)
Attributable to quasi-equity	26,731	(27,617)	12,259
<b>Total other comprehensive income for the year</b>	<b>(870)</b>	<b>11,258</b>	<b>(4,232)</b>
<b>Total Comprehensive Income (including Total Profit)</b>	<b>12,485</b>	<b>44,977</b>	<b>16,065</b>
Attributable to:			
Shareholder of the company	(234)	7,083	3,536
Non-controlling interest	12,719	37,894	12,529
<b>Total Comprehensive Profit for the year</b>	<b>12,485</b>	<b>44,977</b>	<b>16,065</b>

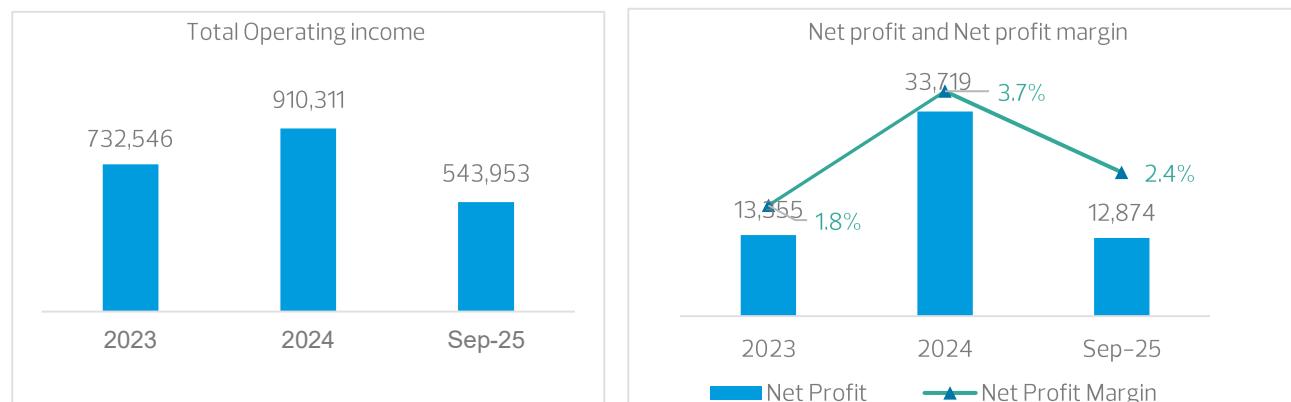
Source: Audited Financial Statements

Key Ratios	2023	2024	YTD Sept' 2025
Total Income Growth	44.6%	24.3%	(55.2%)
Cost-to-Income Ratio	25.0%	24.2%	32.9%
Net Profit Margin	1.8%	3.7%	2.4%
<b>Earnings per Share (USD Cents)</b>	<b>(0.32)</b>	<b>0.36</b>	<b>0.08</b>

Source: RSM Analysis, Audited Financial Statements

### Key Analysis

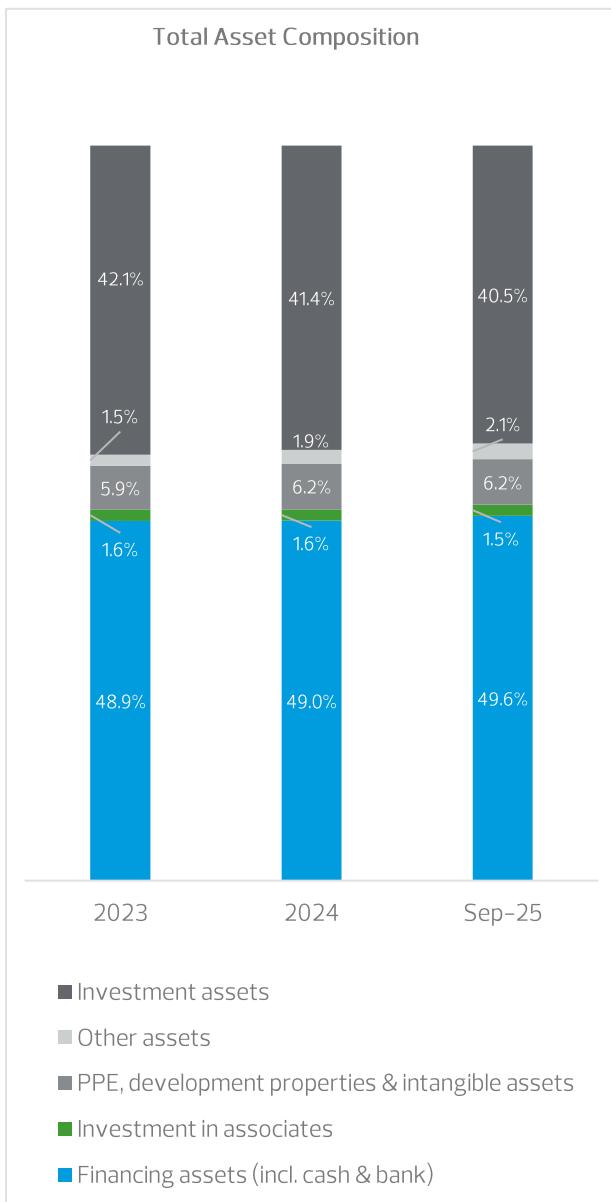
- Ithmaar's primary revenue streams are the income generated from financing contracts and investments, together representing more than 90% of the total income in 2023, 2024 and Sept'2025.
- Income from financing contracts consists of revenue generated from Murabaha and Tawarruq, Istisna and Musharaka financings.
- Musharaka financings income constitute the largest share in this income category at 66% of the income from financing contracts in 2023 and 2024. Note that due to limitation in the availability of detailed information on the break down details of financing contacts income, our analysis remains limited for Sept'2025.
- Income from investments consists of Ithmaar revenue from investment in real estate, associates and investment securities.
- Ithmaar's expenses are primarily driven by operating and general administrative costs, along with depreciation and amortization. Total costs rose moderately from USD 163.8 Mn in 2023 to USD 197.8 Mn in 2024, reflecting continued investment in operations. Operating costs stood at USD 158.6 Mn as of YTD Sept 2025.
- Overall, Ithmaar's profitability strengthened, rising to USD 33.7 Mn in 2024 from USD 13.3 Mn in 2023. The Company continued to deliver positive results, recording a profit of USD 20.3 Mn for YTD Sept 2025. Profit attributable to Ithmaar's shareholders increased to USD 10.5 Mn in 2024, compared to a loss of USD 9.3 Mn in 2023. Meanwhile, profit attributable to non-controlling interests rose marginally to USD 23.3 Mn in 2024 as compared to USD 22.7 Mn in 2023.



Balance Sheet (USD 000's)	2023	2024	YTD Sept' 2025
<b>Assets</b>			
Cash & bank balances with banks and central banks	367,962	439,459	402,216
Commodity placements with banks, financial and other institutions	12,977	118,506	153,436
Financing assets	2,606,574	2,794,953	3,027,017
Investment securities	2,323,480	2,634,441	2,722,969
Investment in associates	94,659	106,584	110,120
Other assets	93,835	127,697	153,581
Investment in real estate	243,638	200,482	203,023
Development properties	174,662	176,276	181,225
Property and equipment	169,236	232,179	248,693
Intangible assets	17,551	16,846	14,748
<b>Total Assets</b>	<b>6,104,574</b>	<b>6,847,423</b>	<b>7,217,028</b>
<b>Liabilities, Quasi-Equity and Owner's Equity</b>			
Customers' current accounts	1,724,829	1,981,786	2,352,080
Due to banks, financial and other institutions	1,189,988	1,718,905	1,385,800
Due to investors	8,652	-	-
Other liabilities	299,468	438,186	335,892
<b>Total Liabilities</b>	<b>3,222,937</b>	<b>4,138,877</b>	<b>4,073,772</b>
Equity of unrestricted investment account holders	2,719,498	2,527,680	2,960,515
<b>Total Liabilities &amp; equity of unrestricted investment account holders</b>	<b>5,942,435</b>	<b>6,666,557</b>	<b>7,034,287</b>
<b>Owner's Equity</b>			
Share capital	757,690	757,690	757,690
Treasury shares	(30,149)	(30,149)	(30,149)
Reserves	114,857	112,527	113,701
Accumulated losses	(838,063)	(828,650)	(826,288)
<b>Total Owner's Equity</b>	<b>4,335</b>	<b>11,418</b>	<b>14,954</b>
Non-controlling interest	157,804	169,448	167,787
<b>Total Equity</b>	<b>162,139</b>	<b>180,866</b>	<b>182,741</b>
<b>Total liabilities, equity of unrestricted investment account holders and total equity</b>	<b>6,104,574</b>	<b>6,847,423</b>	<b>7,217,028</b>

Source: Audited Financial Statements

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### Key Analysis

- Ithmaar's major assets consist of financing assets, investment securities, and cash and balances with banks and central banks.
- Financing assets consist of Murabaha and tawarruq financings, Musharaka financing, Istisna financings and Ijarah financing.
- The financing assets balance increased from USD 2.6 Bn in 2023 to USD 3.6 Bn as of Sept 2025 (net of allowance for impairment), reflecting continued portfolio growth.
- The allowance for impairment reduced from USD 214.9 Mn in 2023 to USD 207.4 Mn in Sept 2025, indicating an improvement in overall asset quality and credit risk management.
- Ithmaar's investment securities increased from USD 2.3 Bn in 2023 to USD 2.7 Bn in Sept 2025, driven by its increased investments in debt-type instruments. Debt-type instruments primarily consist of Sovereign Sukuk, representing more than 90% of their total composition in the review period of 2023, 2024 and YTD Sept 2025.
- The current account balances increased from USD 1.7 Bn in 2023 to USD 2.4 Bn in Sept 2025, recording an increase of approximately 36.4%.
- The due to banks, financial and other institutions liabilities increased from USD 1.2 Bn in 2023 to USD 1.4 Bn in Sept 2025 an increase of approximately 16.5%.
- Equity of unrestricted investment accountholders amounted to USD 2.9 Bn as of Sept 2025. This comprises of funds collected by the Group into a single investment pool and the Group, acting as an investment manager or Mudarib, invests these funds based on its own judgement.

## 8. EVALUATION OF THE TERMS OF THE PROPOSED TRANSACTION

In assessing the financial terms of the Proposed Transaction, we have taken into consideration the following parameters in respect of the Company:

- a) Historical financial performance analysis
- b) Market performance analysis of the share price of the Company on Bahrain Bourse
- c) Volume traded and liquidity of the shares of the Company on Bahrain Bourse
- d) Review and analysis of the capital reduction workings undertaken by the Company
- e) Independent valuation of reports for the Assets introduced in the Company as equity
- f) Review of the recapitalization plan and pro-forma equity summary as the Proposed Transaction is concluded
- g) Other relevant considerations which may have a significant bearing on our assessment of the Proposed Transaction and rights issue.

Our assessment is based on the assumption of the Company as a going concern. We have not assessed or estimated any liquidation value of the Company in our evaluation.

### a) Historical financial performance analysis

RSM has highlighted the analysis under "Historical Financial Analysis of Ithmaar Holding B.S.C." section of this "Professional Independent Adviser's Report".

### b) Market performance analysis of the share price of the Company on Bahrain Bourse

The stock of the Company is listed on Bahrain Bourse. As of 31 December 2025, listed price of the Company on Bahrain Bourse was USD 0.036 per share (USD 3.6 cents per share).



Source: Bahrain Bourse, Capital IQ

An analysis of the price and volume of Ithmaar Holding B.S.C. is set out below:

- ✓ As of 31 December 2025, the closing share price was USD 0.036 per share, and the shares were last traded as of 29 December 2025.

Shareholders are advised that the past trading performance of the shares of the Company should not, in any way, be relied upon as an indication or a promise of its future trading performance.

**c) Volume traded and liquidity of the shares of the Company on Bahrain Bourse**

- ✓ We note that the trading liquidity of the shares of the Company has been relatively thin with last shares traded on 29 December 2025 in Bahrain Bourse, when 20,000 shares were sold at USD 0.036 per share.

Source: Capital IQ

**d) Review and analysis of the capital reduction and rights issue workings undertaken by the Company**

Based on the assumption that the capital reduction is approved by the Shareholders and the rights issue is subscribed only by the Major Shareholders and shareholders acting in concert with it; then:

- ✓ The shareholding held by DMIT and parties acting in concert with it in aggregate will increase from 51.57% (net of treasury shares) to up to 68.31%.
- ✓ Following the capital reduction, the Company's equity is expected to increase by approximately USD 50.02 Mn from its base levels.
- ✓ The shareholdings held by shareholders not connected with DMIT will decrease by dilution from 48.43% to potentially 31.69%.

As of the Latest Practicable Date, the Company has issued only one class of shares being Ordinary Shares. There are no convertible instruments issued by the Company that provide voting rights in the Company.

**Total Owner's Equity and Number of issued shares before Capital reduction**

The table below provides a detailed breakup of Total Owner's equity as on 31 December 2024, which has been considered for capital reduction.

Particulars (as of December 31, 2024)		Figures in USD
Share capital	A	757,688,757
Treasury shares		(30,148,810)
Share Premium	B	149,085,354
General Reserve	C	50,726,501
Legal Reserve	D	43,391,453
Foreign Exchange Translation Reserve		(163,686,885)
Investment Fair Value Reserve		4,244,937
Real Estate Fair Value Reserve		28,765,955
Accumulated losses	E	(828,649,740)
<b>Total owner's equity</b>	<b>F</b>	<b>11,417,522</b>

Source: Client information, Audited Financial Statement

Particulars (as of December 31, 2024)		Number of shares
Total shares issued	G	3,030,755,027
Treasury shares		(120,595,238)

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Number of issued shares (net of Treasury shares)	H	2,910,159,789
Book value per share	I = F / H	USD 0.004

Source: Client information, Audited Financial Statement

#### Capital reduction

RSM has reviewed the cancellation of accumulated losses against the outstanding shares and a reduction of share capital to reflect such cancellation of shares:

Particulars (as of December 31, 2024)		Figures in USD
Accumulated Losses	E	(828,649,740)
Less: Eligible Reserves to be adjusted		
Share Premium	B	149,085,354
Legal Reserve	D	43,391,453
General Reserve ( <i>pro-rata based on set-off on accumulated losses</i> )	J	3,306,294
<b>Net accumulated losses to be cancelled</b>	<b>K = E + B + D + I</b>	<b>(632,866,639)</b>
Par value per share	L	0.25
<b>Cancelled shares (#)</b>	<b>M = K / L</b>	<b>2,531,466,555</b>

Source: Client information, RSM analysis, Audited Financial Statement

Particulars (as of December 31, 2024)	Per centage	Figures in USD
Share Capital (net of treasury shares)	93.5%	757,688,757
General Reserve	6.5%	50,726,501
<b>Total share Capital including General Reserves</b>	<b>100.0%</b>	<b>778,266,448</b>
<b>Reserve available for set-off on pro-rata basis*</b>	<b>J</b>	<b>3,306,294</b>

\* The Legal Reserve available for set-off is 6.5% of USD 50,726,501 as on 31 December 2024.

Source: Client information, RSM analysis, Audited Financial Statement

#### Total Owner's Equity and Number of issued shares after Capital reduction

Following the above capital reduction the revised Total Owner's Equity and the number of shares (net of treasury shares) are as follows:

Particulars (as of December 31, 2024)		Figures in USD
Share capital		94,673,308
Treasury shares		–
Share Premium		–
General Reserve		47,420,207
Legal Reserve		–
Foreign Exchange Translation Reserve		(163,686,885)
Investment Fair Value Reserve		4,244,937
Real Estate Fair Value Reserve		28,765,955
Accumulated losses		–
<b>Revised Total owner's equity</b>	<b>N</b>	<b>11,417,522</b>

Source: Client information, Audited Financial Statement

Particulars (as of December 31, 2024)		Number of shares
Total issued shares	O = H - M	378,693,233
Treasury shares		-
<b>Number of issued shares (net of Treasury shares)</b>	<b>P</b>	<b>378,693,233</b>
<b>Book value per share</b>	<b>Q = N / P</b>	<b>USD 0.03</b>

Source: Client information

#### e) Valuation of the Asset Contributed by the Major Shareholder as In-Kind Contribution

Dar Al-Maal Al-Islami Trust ("DMIT") along with its subsidiaries related parties, and affiliates – the major shareholders, plan to partly subscribe for the rights issue with an in-kind contribution via transfer of 100% equity interest in 7972440 Canada Inc. ("Canada Inc") and partly as a cash contribution in the proportion of approximately 75% and 25% respectively.

Canada Inc. is a Canadian company that holds ownership of the Des Grands Jardins Avenue and Saint-Louis Street property in Gatineau, Québec, which includes ownerships of the following subject properties (the "Assets"):

- ✓ Seven contiguous vacant plots with the total area of approximately 25.7 Mn square feet or 590.5 acres of land designated for subdivision development, located along the Saint-Louis Street in Gatineau, Quebec.
- ✓ Office building of 5,511 square feet on a site of 40,510 square feet or 0.93 acres is located in Grands Jardins.
- ✓ Several vacant plots of land located along Grands Jardins and Tache streets with an approximate total area of 139 thousand square feet.

The Management has shared the following documents for Canada Inc. to support the value of in-kind equity contribution:

- ✓ Independent valuation report by Cushman & Wakefield
- ✓ Independent valuation report by Groupe Proval Outaouais
- ✓ Unaudited financial statements as on 31st December 2025
- ✓ Corporate Taxpayer Summary dated 31st December 2024

The Assets have been earmarked for exit under one of two potential strategies:

- ✓ The properties may be disposed of on an "as-is" basis following the receipt of expected approvals for the revised subdivision master plan. This strategy is intended to crystallize planning-enhanced land value while avoiding execution, funding, construction cost escalation, and market absorption risks associated with large scale infrastructure delivery. An "as-is" disposal would enable an earlier exit and near-term capital realization, while preserving value uplift achieved through de-risking rather than full development; or
- ✓ Alternatively, pursue a medium-term strategy involving attainment of the revised master plan, securing local project financing, funding selective infrastructure and phased development works. This approach would be designed to maximise the eventual exit outcome through a staged disposal process. This strategy would be pursued subject to prevailing market conditions, funding availability, municipal approval timelines, and the achievement of satisfactory risk adjusted return thresholds.

#### Valuation Summary

The Assets were valued by two independent real estate valuers, Cushman & Wakefield and Groupe Proval Outaouais appointed by Ithmaar. Below is an extract of their valuation opinions.

- a. Cushman & Wakefield's valuation opinion: As per the valuation report from Cushman & Wakefield dated 27 January 2025 the valuation of the land was estimated to be Canadian Dollars 60,180,000. (equivalent to approximately USD 43,943,045, based on exchange rate of 1.3695 as published in CBB website as of 31<sup>st</sup> December 2025).

b. Groupe Proval Outaouais's valuation opinion: As per the valuation report from Groupe Proval Outaouais dated 22 December 2025 the valuation of the land was estimated to be **Canadian Dollars 55,040,000**. (equivalent to approximately USD 40,189,850 based on exchange rate of 1.3695 as published in CBB website as of 31<sup>st</sup> December 2025).

#### **Cushman & Wakefield's valuation summary of the Assets**

Cushman & Wakefield has considered the cost, sales comparison and income capitalization approach for arriving at the valuation of the Assets. Each of these approaches have been considered to develop an opinion on the market value of the subject properties.

- ✓ Under the development scenario for the vacant plots of land:
  - i. Approximately 22.8% of the land shall be used for development of residences
  - ii. Around 2.0% shall be used for commercial development
  - iii. The remaining area of the vacant plot of land shall be used for community, parks, roadways and natural & conservation areas.
- ✓ Based on the comparable data, price rates demonstrated by the market data range from low of CAD 19.2 per square feet (equivalent to USD 14.0 per square feet, based on exchange rate of 1.3695 as published in CBB website as of 31<sup>st</sup> December 2025) to a high of CAD 49.0 per square feet (equivalent to USD 35.8 per square feet, based on exchange rate of 1.3695 as published in CBB website as of 31<sup>st</sup> December 2025) with an average price of CAD 32.5 per square feet (equivalent to USD 23.7 per square feet, based on exchange rate of 1.3695 as published in CBB website as of 31<sup>st</sup> December 2025).
- ✓ With respect to commercial land, the demonstrated unitary rates range between CAD 5.5 per square feet (equivalent to USD 4 per square feet, based on exchange rate of 1.3695 as published in CBB website as of 31<sup>st</sup> December 2025) to c. CAD 111.0 per square feet (equivalent to USD 81 per square feet, based on exchange rate of 1.3695 as published in CBB website as of 31<sup>st</sup> December 2025). However, based on the market demand and potential, Cushman & Wakefield has suggested a unitary price of CAD 25.0 per square feet (equivalent to USD 18.2 per square feet, based on exchange rate of 1.3695 as published in CBB website as of 31<sup>st</sup> December 2025).
- ✓ Based on the above sales data, Cushman & Wakefield has projected total sales income for the subject property over the next five-year period. Associated cost such as development cost, municipal taxes, legal & professional fees, management fees and other costs have been deducted to arrive at the Net Operating Income.
- ✓ The Net Operating Income has been discounted at 15.0% to arrive at the value of the subject land of CAD 58,660,000 (equivalent to USD 42.8 Mn, based on exchange rate of 1.3695 as published in CBB website as of 31<sup>st</sup> December 2025).
- ✓ The valuation of the office building has been estimated using the replacement cost method. The associated land is valued using a similar approach highlighted above. The total market value of the land and building is estimated at CAD 1,520,000 (equivalent to USD 1.1 Mn, based on exchange rate of 1.3695 as published in CBB website as of 31<sup>st</sup> December 2025).

Particulars (property valued as on 27 January 2025, USD to CAD as on 31 December 2025)	Market value (CAD)	Market Value (USD)
<b>Land valuation</b>		
Land value	58,660,000	42,831,606
Land value per square feet (net developable area)	9.60	
Land value per square feet (gross area)	2.48	
<b>Cost approach</b>		
Office building	1,520,000	1,109,854
Conclusion per square feet of gross built-up area	275.81	
<b>Final value – Total</b>	<b>60,180,000</b>	<b>43,941,460</b>

CAD converted to USD based on exchange rate of 1.3695 as published in CBB website as of 31<sup>st</sup> December 2025

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## Groupe Proval Outaouais's valuation summary of the Assets

Groupe Proval has valued the Assets of Canada Inc at CAD 55,040,000 (equivalent to USD 40,188,401, based on exchange rate of 1.3695 as published in CBB website as of 31<sup>st</sup> December 2025). This is subject to an estimated variance of +/- 5% in line with established practice and assumes a sales lead time of up to 12 months.

Groupe Proval used a combination of the following approaches to value the Assets –

- ✓ Direct Comparison Approach to value the available land bank which was divided into various categories based on projected use and based on published sales data on similar properties in the municipality of Gatineau over the preceding 24 months.
- ✓ The Subdivision Development Method (cash flow analysis) was then used whereby the unit cost of development was estimated, and adjustments were made for taxes and legal / professional costs to arrive at an estimated value of the vacant lots.
- ✓ The existing commercial building was valued using a Replacement Cost approach.

### Value of the Asset (Available Land Bank)

Please find below the breakup of the overall land bank into land parcels based on intended use and their respective current value based on direct comparison with sale of similar properties in Gatineau over the preceding 24 months.

Category based on Intended Use	Land Area (sq feet)	% of total Area	Unit Rate (CAD / sq feet)
<b>Land valuation by type of property</b>			
Single family detached/semi-detached	1,634,057	6.35%	58.83
Single family townhouse/rowhouse	1,287,358	5.01%	68.33
Triplex Detached / Semi-detached	378,276	1.47%	45.48
Multi-residential – 16 to 34 units	968,962	3.77%	40.00
Commercial Land	465,034	1.81%	25.00
Institutional Sales	285,814	1.11%	7.24
Road / infrastructure	1,881,823	7.32%	N/A
Parks and Green Spaces	260,837	1.01	N/A
Undeveloped Land	18,558,150	72.15%	N/A
<b>Total</b>	<b>25,720,311</b>	<b>100%</b>	

(Source: Group Proval report dated 22 December 2025)

### Subdivision Analysis

Groupe Proval has assumed that the divided land bank would be broken up into 943 lots based on intended use and sold over a period of five (5) years and would involve development costs to build the required infrastructure such as roads, water main connections, and other utilities. Groupe Proval has assumed unit development costs of CAD 35,000 per lot based on area averages and by utilizing industry sources such as the Marshall Valuation Service cost guide. The valuers have also assumed road construction costs CAD 1,000 per linear foot resulting in estimated total road costs of c. CAD 37.64 Mn. An additional, an upfront investment of c. CAD 45 Mn has been assumed for connecting water and sewer services to public infrastructure. Other development costs assumed include legal and professional fees (3%), management fees (3%) and present value discount rate of 15% based on market benchmarks.

Based on the above calculations the total value of the undeveloped land banks has been estimated at CAD 49,640,000 (USD 36,245,498 based on conversion rate of 1.3695 as published in CBB website as on 31 December 2025). This converts to unit rate of CAD 9.89 per square foot of net land area or CAD 1.93 per square foot of gross land area.

#### Estimated Value of Asset (Available Land Bank)

Particulars (property valued as on 22 December 2025, USD to CAD as on 31 December 2025)	Market value (CAD)	Market Value (USD)
<b>Land valuation</b>		
Land value	49,640,000	36,245,498
Land value per square feet (net developable area)	9.89	
Land value per square feet (gross area)	1.93	
<b>Cost approach for Office Building</b>	1,960,000	1,431,128
<b>Value of other land parcels</b>	3,440,000	2,511,775
<b>Final value – Total</b>	<b>55,040,000</b>	<b>40,188,401</b>

Source: Groupe Proval report, RSM analysis

#### RSM's opinion on valuation summary of the Assets

We believe that the valuation methodologies used by both **Cushman & Wakefield** and **Groupe Proval** are in line with international best practices. The variance between the two valuation opinions primarily reflects differences in assumptions relating to development timing, cost inputs, and market absorption, rather than any divergence in the assessment of the underlying development potential of the land.

The above valuations are based on recognized professional appraisal methodologies and are subject to the following assumptions –

- Both valuations rely on the Subdivision approach based on the development of the land bank and sale over five years. The estimated unit sales prices for different types of land parcels (based on end-use) have been estimated using data on sale of comparable land parcels. The commercial building has been valued based on cost approach.
- Development would involve a medium-term exit over a five-year period and a expedited sale of the entire land bank may lead to a lower realization depending on prevalent market conditions.
- Valuation is contingent upon receiving the necessary development approvals from the city of Gatineau. Failing to secure the same or imposition of a general moratorium on construction might lead to a downward revision of the value.
- The valuation also assumes that necessary project financing would be secured to fund infrastructure and phased development works.
- Cushman & Wakefield's valuation was published **in January 2025** and might need to be updated to reflect current market situation.
- We have reviewed the legal opinion shared by the Major Shareholder, which confirms the following:
  - Title of the land is in the name of Canada Inc.
  - The title deeds are free from all encumbrances
  - There is no litigation against Canada Inc. as of 31 December 2025

Please note that RSM has not independently verified the sources or veracity of the data including sales data on benchmark properties, cost of infrastructure and other development. Our opinion on the valuation is primarily based on the valuation methodology used by both Cushman & Wakefield and by Groupe Proval.

### Estimated Value of Canada Inc

We have estimated the value of the Major Shareholder's in-kind contribution using a Net Asset Value approach using the valuation reports from Cushman & Wakefield and Groupe Proval and the unaudited financial statements of Canada Inc. (as on 31 December 2025).

Estimated Value of Canada Inc. (financial statement dated 31 December 2025)	CAD	USD
Shareholder's Equity	17,685,688	12,913,974
Receivables Assigned to Shareholder	1,747,937	1,276,332
Mortgage Payable to Shareholder	21,596,902	15,769,917
<b>Total (A)</b>	<b>41,030,527</b>	<b>29,960,224</b>
Value of Land Bank	57,610,000	42,066,448
Less: Transaction cost & illiquidity discount (14%) on potential sale value of Land Bank	(6,913,200)	(5,047,974)
Less: Carrying Value of Land in Canada Inc.'s books	(38,800,878)	(28,332,149)
<b>Estimated Upside (B)</b>	<b>11,895,922</b>	<b>8,686,325</b>
Less: Potential Tax Impact (C)	(1,576,210)	(1,150,938)
<b>Net Asset Value – D = A + B – C</b>	<b>51,350,239</b>	<b>37,495,611</b>

**Note:** the transaction cost & illiquidity discount shall include sales commission, tax on the commission, legal/notary fees, certificates and admin costs and potential discount due to illiquid nature of the asset etc.

The estimated Net Asset Value of Canada Inc. is estimated to be CAD 51.4 Mn (USD 37.5 Mn), based on the following:

- Value of Land Bank – CAD 57.6 Mn (USD 42.1 Mn) based on the average valuation as per Cushman & Wakefield and Groupe Proval.
- Book value of Land Bank as per Canada Inc.'s Financial Statements as on 31 December 2025 – CAD 38.8 Mn (USD 28.3 Mn)
- Estimated upside of CAD 11.9 Mn (USD 8.7 Mn)
- Estimated Taxes Due on Sale of Property – CAD 1.6 Mn (USD 1.2 Mn). This is based on the assumption that the capital gains would be taxed at 26.5% of Inclusion Amount (calculated as 50% of Capital Gains).
- Estimated transaction cost and illiquidity discount of CAD 6.9 Mn (USD 5.0 Mn) equal to 12% of value of Land Bank which includes brokerage cost of 5–6%, buyer transfer tax of 0.5–1.5%, illiquidity discount of 5–6% and other minor costs including notary and registration fees, professional survey costs, etc.
- The financial statements also include receivables due to shareholder of CAD 1.7 Mn (USD 1.3 Mn) and mortgage payable to shareholder of CAD 21.6 Mn (USD 15.8 Mn).

Please note that the unaudited financial statements of Canada Inc. (as of 31 December 2025) were provided by the Management and we have not undertaken any due diligence on the same.

As of the reporting date, Ithmaar's shareholders' equity stands at USD 11.4 Mn, predominantly derived from its holdings in Faysal Bank Limited (FBL), Pakistan. This equity base, however, is exposed to potential erosion arising from periodic revaluations of underlying assets, which could affect the company's capital adequacy and financial stability.

To address this risk and fortify its balance sheet, Ithmaar intends to raise an **additional c. USD 97 Mn in equity**, via issuance of approximately 386.3 Mn new shares, each with a face value of USD 0.25 per share. Consequent to the successful completion of the Proposed Transaction and in the event the Rights issue is subscribed only by the Major Shareholder, Dar Al-Maal Al-Islami Trust ("DMIT" or "Offeror") including subsidiaries, related parties and affiliates will own 68.31% (net of treasury shares) stake in the Company with ownership of other shareholders diluted to approximately 31.69%. In such a case the total amount raised via the issuance of new shares is projected to be c. USD 50 Mn.

This capital augmentation is expected to:

- ✓ Strengthen Ithmaar's financial resilience and risk-bearing capacity,
- ✓ Reduce reliance on asset revaluation gains as a source of equity; and

✓ Support strategic growth initiatives

The proposed equity raise will provide Ithmaar with a robust and stable capital structure, enabling sustainable growth while safeguarding shareholder value. The proposed recapitalization plan also offers several advantages for independent shareholders:

✓ **Strengthened Balance Sheet**

- i. By increasing the equity base, Ithmaar reduces its reliance on asset revaluations, which can fluctuate and erode capital.
- ii. A stronger balance sheet enhances the stability and sustainability of shareholder value, lowering financial risk.

✓ **Protection Against Dilution of Value**

- i. Raising equity now prevents potential erosion of existing shareholders' stakes due to declining asset valuations.
- ii. Independent shareholders benefit from a more secure and resilient equity position in the company.

✓ **Support for Growth and Profitability**

- i. The additional capital provides funding for strategic investments, business expansion, and operational improvements.
- ii. Increased growth potential can translate into higher future returns and dividends for shareholders.

✓ **Enhanced Market and Investor Confidence**

- i. A well-capitalized company is viewed more favourably by investors and lenders, potentially improving market perception and share valuation. The book value per share shall increase from USD 0.004 per share to USD 0.11 per share, post cancellation and recapitalization of shares.
- ii. Independent shareholders indirectly benefit from this positive signal to the market, which can support share price stability.

The recapitalization plan entails rights issue of 200,074,952 new ordinary shares, each offered at the par value of USD 0.25 per share, to be subscribed by the Major Shareholder. The Major Shareholder is committed to the subscription by subscribing partly in-kind and partly in-cash to strengthen the equity of the Company.

Particulars		Values in USD
Total Assets – reflecting the market value of the Assets		
Less:		
Liabilities		
<b>Net Asset Value of Canada Inc.</b>	<b>A</b>	<b>37,495,611</b>
Add:		
Contribution in cash	B	12,519,590
Total contribution in-kind and cash	C = A+B	50,015,201
Par Value per share	D	USD 0.25
<b>No of rights issue shares to be issued</b>	<b>C/D</b>	<b>200,060,806</b>

Source: Audited Financial Statement of Canada Inc., Independent Valuers' Reports, Client information, RSM analysis

Particulars (All figures in USD)	After Capital Reduction	Capital Increase / New Rights Issue	Post Rights Issue
Share capital	94,673,308	50,015,201	144,688,510
Treasury shares	-		-
Share Premium	-		-
General Reserve	47,420,207		47,420,207
Legal Reserve	-		-
Foreign Exchange Translation Reserve	(163,686,885)		(163,686,885)
Investment Fair Value Reserve	4,244,937		4,244,937
Real Estate Fair Value Reserve	28,765,955		28,765,955
Accumulated losses	-		-
<b>Revised Total owner's equity</b>	<b>11,417,522</b>	<b>50,015,201</b>	<b>61,432,723</b>

Source: Client information, RSM analysis

Particulars (All figures in number of shares #)	After Capital Reduction	New Rights Issue	Post Rights Issue
Major shareholder total shares	195,262,045	200,060,806	395,322,850
Other shareholders	183,431,188	-	183,431,188
<b>Revised Total owner's equity</b>	<b>378,693,233</b>	<b>200,060,806</b>	<b>578,754,039</b>

Source: Client information, RSM analysis

## 9. OUR OPINION

Based upon the preceding analysis as presented in this report, and after careful consideration of the terms of the Proposed Transaction, we are of the opinion that the financial terms as detailed in the Circular are fair and reasonable. Accordingly, we recommend that the independent shareholders vote in favour of the Proposed Transaction at the Extraordinary General Meeting ("EGM").

The opinion is provided solely for the benefit of the Independent Shareholders of the Company and its Board of Directors in their evaluation of the financial terms of the Proposed matters related thereto. The recommendation to be made by the Ithmaar Board to the Shareholders shall remain the responsibility of the Ithmaar Board.

**This opinion is governed by, and shall be construed in accordance with, the laws of the Kingdom of Bahrain, and is strictly limited to the matters explicitly addressed herein. It does not, and should not, be interpreted as applying, by implication or otherwise, to any matters not expressly covered in this Report.**

Yours Faithfully

For / on and behalf of

**RSM**