

Fairfax India Holdings Corporation

News Release

TSX Stock Symbol: FIH.U

TORONTO, August 5, 2021

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FAIRFAX INDIA ANNOUNCES FILING OF PROSPECTUS BY CHEMPLAST SANMAR LIMITED

Fairfax India Holdings Corporation (“Fairfax India” or the “Company”) (TSX: FIH.U) announces that Chemplast Sanmar Limited (“CSL”), a subsidiary of Sanmar Chemicals Group (“Sanmar”) has filed a red herring prospectus with the Registrar of Companies in connection with its initial public offering (the “IPO”).

As previously announced by Fairfax India on May 3, 2021, CSL may raise in the IPO up to INR 38.5 billion (approximately \$519 million at current exchange rates), comprised of a primary issuance of fresh equity shares of up to INR 13 billion (\$175 million) and a secondary sale of CSL equity shares by the Sanmar group aggregating up to INR 25.5 billion (\$344 million).

CSL has set an initial offering price range of between INR 530 and INR 541 per equity share (between \$7.14 and \$7.29 per equity share at current exchange rates) in respect of the equity shares of CSL to be issued and sold in the IPO.

Fairfax India currently owns 398,853 equity shares of Sanmar, representing a 42.9% equity interest in Sanmar (on a fully-diluted basis) and, therefore, a 42.9% indirect equity interest in CSL prior to the completion of the IPO. It is anticipated that, following completion of the IPO, Fairfax India (through Sanmar) will own an approximate 23.6% indirect equity interest in CSL based on the terms of the IPO.

As at June 30, 2021, Fairfax India had valued its equity interest in Sanmar at \$438.5 million. Assuming successful completion of the IPO, and assuming an offering within the price range noted above, the value of Fairfax India’s equity interest in Sanmar will remain unchanged.

CSL is a leading specialty chemicals manufacturer in India with a focus on specialty paste PVC resin and custom manufacturing of starting materials and intermediates for the pharmaceutical, agro-chemical and fine chemical sectors. CSL also wholly-owns Chemplast Cuddalore Vinyls Limited, the second largest manufacturer of suspension PVC resin in India. Sanmar is the ultimate holding company of CSL.

About Fairfax India

Fairfax India is an investment holding company whose objective is to achieve long term capital appreciation, while preserving capital, by investing in public and private equity securities and debt instruments in India and Indian businesses or other businesses with customers, suppliers or business primarily conducted in, or dependent on, India.

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This press release may contain forward-looking statements within the meaning of applicable securities legislation. Forward-looking statements may relate to the Company’s or an Indian investment’s future outlook and anticipated events or results and may include statements regarding the financial position, business strategy, growth strategy,

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budgets, operations, financial results, taxes, dividends, plans and objectives of the Company. Particularly, statements regarding future results, performance, achievements, prospects or opportunities of the Company, an Indian investment, or the Indian market are forward-looking statements. In some cases, forward-looking statements can be identified by the use of forward-looking terminology such as “plans”, “expects” or “does not expect”, “is expected”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates” or “does not anticipate” or “believes”, or variations of such words and phrases or state that certain actions, events or results “may”, “could”, “would”, “might”, “will” or “will be taken”, “occur” or “be achieved”.

Forward-looking statements are based on our opinions and estimates as of the date of this press release, and they are subject to known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, level of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking statements, including but not limited to the following factors: the COVID-19 pandemic; oil price risk; geographic concentration of investments; foreign currency fluctuation; volatility of the Indian securities markets; investments may be made in foreign private businesses where information is unreliable or unavailable; valuation methodologies involve subjective judgments; financial market fluctuations; pace of completing investments; minority investments; reliance on key personnel and risks associated with the Investment Advisory Agreement; lawsuits; use of leverage; significant ownership by Fairfax may adversely affect the market price of the subordinate voting shares; weather risk; taxation risks; emerging markets; multilateral instrument; economic risk; and trading price of subordinate voting shares relative to book value per share risk. Additional risks and uncertainties are described in the Company’s annual information form dated March 5, 2021 which is available on SEDAR at www.sedar.com and on the Company’s website at www.fairfaxindia.ca. These factors and assumptions are not intended to represent a complete list of the factors and assumptions that could affect the Company. These factors and assumptions, however, should be considered carefully.

Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The Company does not undertake to update any forward-looking statements contained herein, except as required by applicable securities laws.