

TSX Stock Symbol: *FIH.U*

TORONTO, November 4, 2021

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THIRD QUARTER FINANCIAL RESULTS

(Note: All dollar amounts in this news release are expressed in U.S. dollars except as otherwise noted. The financial results are prepared using the recognition and measurement requirements of International Financial Reporting Standards, except as otherwise noted, and are unaudited.)

Fairfax India Holdings Corporation (TSX: FIH.U) announces net earnings of \$131.9 million in the third quarter of 2021 (\$0.85 net earnings per diluted share), compared to net earnings of \$77.7 million in the third quarter of 2020 (\$0.52 net earnings per diluted share), reflecting increased net realized and unrealized gains on investments, partially offset by increased performance fees, provision for income taxes, and decreased net foreign exchange gains.

Highlights for the third quarter of 2021 included the following:

- Net change in unrealized gains on investments of \$113.2 million, principally from an increase in market prices of the company's investments in the public companies IIFL Wealth (\$66.9 million), Fairchem Organics (\$45.7 million), IIFL Finance (\$34.6 million), IIFL Securities (\$25.4 million), and an increase in the fair value of the company's investment in the private company NSE (\$8.8 million), partially offset by a decrease in market price of the company's investment in the public company CSB Bank (\$28.1 million). The net change in unrealized gains on investments also included a reversal of unrealized gains on an investment in Other Public Indian Investments of \$47.3 million recorded in prior periods as a result of its sale.
- Net realized gains on investments of \$59.1 million primarily related to the sale of an investment in Other Public Indian Investments resulting in a realized gain since inception of \$58.9 million.
- In accordance with the Investment Advisory Agreement, which provides for the payment of a performance fee of 20% of the increase in book value per share in excess of a hurdle rate of 5% per annum, the company recorded a performance fee of \$18.6 million for the third quarter of 2021 and at September 30, 2021 had accrued \$117.1 million to the benefit of Fairfax Financial Holdings. The performance fee, if any, will only be finally determined on December 31, 2023 at the end of the three year measurement period.
- On August 11, 2021 the company completed its substantial issuer bid, pursuant to which the company purchased for cancellation 7,046,979 subordinate voting shares for aggregate consideration of \$105.0 million (\$14.90 per subordinate voting share). In addition, the company continued to buy back shares under its normal course issuer bid and in the first nine months of 2021 purchased for cancellation 886,728 subordinate voting shares at a net cost of \$10.8 million (\$12.14 per subordinate voting share).
- On September 16, 2021 the company completed the sale of approximately 11.5% of its interest in Anchorage Infrastructure Investments Holdings Limited for gross proceeds of 9.5 billion Indian rupees (\$129.2 million). As part of the transaction, Fairfax India transferred 43.6% of its equity interest in BIAL such that it is held through Anchorage.
- On September 16, 2021 Fairfax India entered into an agreement to acquire, in aggregate, a 67.0% equity interest in Maxop Engineering Company Private Limited ("Maxop") in two transactions. In the initial transaction, Fairfax India will invest approximately 2.2 billion Indian rupees (approximately \$30 million at current exchange rates) for a 51.0% equity interest in Maxop and, in the second transaction, will invest up to

approximately 2.7 billion Indian rupees (approximately \$36 million at current exchange rates) for an additional 16.0% equity interest. The initial transaction is expected to close in the fourth quarter of 2021 and the second transaction is expected to close in the second half of 2022. The transaction is subject to customary closing conditions. Maxop is a precision aluminum die casting and machining solution provider for aluminum die casting components used by the automotive and industrial sectors, with customers in India, Asia, North America and Europe. Maxop is based in New Delhi and operates with four plants in Manesar, Haryana and two plants in Jaipur, Rajasthan.

- At September 30, 2021 common shareholders' equity was \$2,894.9 million, or book value per share of \$20.37, compared to \$2,446.9 million, or book value per share of \$16.37, at December 31, 2020, an increase of 24.4% (an increase of 29.5% prior to accounting for the performance fee recorded during the first nine months of 2021), primarily related to net earnings and the impact of share purchases for cancellation during the first nine months of 2021, partially offset by unrealized foreign currency translation losses as a result of the weakening of the Indian rupee relative to the U.S. dollar.

Fairfax India remains in strong financial health, with undeployed cash and marketable securities of approximately \$310 million.

There were 145.5 million and 150.4 million weighted average common shares outstanding during the third quarters of 2021 and 2020 respectively. At September 30, 2021 there were 112,083,127 subordinate voting shares and 30,000,000 multiple voting shares outstanding.

Fairfax India's detailed third quarter report can be accessed at its website www.fairfaxindia.ca.

In presenting the company's results in this news release, management has included book value per basic share. Book value per basic share is calculated by the company as common shareholders' equity divided by the number of common shares outstanding.

Fairfax India Holdings Corporation 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, 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.