

TSX Stock Symbol: FIH.U

TORONTO, May 11, 2023

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FIRST QUARTER FINANCIAL RESULTS

(Note: All dollar amounts in this press release are expressed in U.S. dollars except as otherwise noted. The financial results are derived from financial statements prepared using the recognition and measurement requirements of International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS"), except as otherwise noted, and are unaudited. This press release contains certain non-GAAP and other financial measures, including book value per share and cash and marketable securities, that do not have a prescribed meaning under IFRS and may not be comparable to similar financial measures presented by other issuers. See "Glossary of non-GAAP and other financial measures" in the company's Interim Report for the three months ended March 31, 2023 for further details).

Fairfax India Holdings Corporation (TSX: FIH.U) announces a net loss of \$55.5 million in the first quarter of 2023 (\$0.40 net loss per diluted share), compared to net earnings of \$56.0 million in the first quarter of 2022 (\$0.38 net earnings per diluted share).

Highlights for the first quarter of 2023 included the following:

- Net change in unrealized losses on investments of \$56.3 million, principally from a decrease in the fair value of the company's investments in Sanmar (\$50.7 million), Fairchem Organics (\$35.6 million), IIFL Securities (\$14.4 million) and NCML common shares (\$11.8 million), partially offset by an increase in the fair value of the company's investments in BIAL (\$54.1 million), NSE (\$7.0 million) and CSB Bank (\$6.1 million). The net change in unrealized losses on investments included reversals of unrealized gains on Other Public Indian Investments (\$6.4 million) and 360 ONE (\$3.0 million) recorded in prior periods as a result of sales.
- Net realized gains on investments of \$4.1 million primarily related to realized gains on sales of Other Public Indian Investments (\$6.4 million) and 360 ONE (\$3.5 million), partially offset by a realized loss recorded on the conversion of NCML compulsorily convertible debentures into NCML common shares (\$5.8 million).
- The company continued to buy back shares under its normal course issuer bid and during the first three months of 2023 purchased for cancellation 454,948 subordinate voting shares at a net cost of \$5.8 million (\$12.85 per subordinate voting share). Subsequent to March 31, 2023, the company purchased for cancellation 826,321 subordinate voting shares for a net cost of \$10.7 million (\$13.00 per subordinate voting share) under the terms of an automatic share purchase plan.
- The company recorded a performance fee recovery of \$14.5 million for the first quarter of 2023 and at March 31, 2023 had accrued \$27.2 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.
- At March 31, 2023 common shareholders' equity was \$2,598.3 million, or book value per share of \$18.85, compared to \$2,642.0 million, or book value per share of \$19.11, at December 31, 2022, a decrease of 1.4%, primarily related to a net loss during the first quarter of 2023, partially offset by unrealized foreign currency translation gains.

Subsequent to March 31, 2023, the company entered into an agreement to acquire an additional 3.0% equity interest in BIAL for cash consideration of \$75.0 million. The transaction is expected to close in the second quarter of 2023, subject to certain closing conditions. The company also agreed to acquire an additional 7.0% equity interest in BIAL for cash consideration of \$175.0 million, subject to the satisfaction of certain performance conditions by BIAL which will be assessed subsequent to October 31, 2023.

Fairfax India is in strong financial health, with cash and marketable securities of approximately \$326 million.

There were 138.2 million and 139.7 million weighted average common shares outstanding during the first quarters of 2023 and 2022 respectively. At March 31, 2023 there were 107,815,952 subordinate voting shares and 30,000,000 multiple voting shares outstanding.

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

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: COVID-19 pandemic and the conflict in Ukraine; 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; MLI; 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 10, 2023 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.