

# Fairfax India Holdings Corporation

## News Release

*TSX Stock Symbol: FIH.U*

**TORONTO, August 9, 2021**

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### **FAIRFAX INDIA ANNOUNCES PRELIMINARY RESULTS OF SUBSTANTIAL ISSUER BID**

Fairfax India Holdings Corporation (“Fairfax India” or the “Company”) (TSX: FIH.U) announced today the preliminary results of its substantial issuer bid initially announced on June 15, 2021 (the “Offer”), pursuant to which the Company offered to purchase for cancellation a number of its subordinate voting shares (“Shares”) for an aggregate purchase price not to exceed US\$105 million at a purchase price of not less than US\$12.50 and not more than US\$15.00 per Share. The Offer expired at 5:00 p.m. (Toronto time) on August 6, 2021.

In accordance with the terms and conditions of the Offer, and based on the preliminary calculations from Computershare Investor Services Inc. (the “Depositary”), as depositary for the Offer, Fairfax India expects to take up and purchase for cancellation 7,046,979 Shares at a purchase price of US\$14.90 per Share (the “Purchase Price”) under the Offer, representing an aggregate purchase price of approximately US\$105 million. The Shares expected to be purchased under the Offer represent approximately 4.7% of the total number of Fairfax India’s issued and outstanding Shares and multiple voting shares before giving effect to the Offer. As of June 15, 2021, the date the Offer was announced, there were 119,323,756 Shares and 30,000,000 multiple voting shares issued and outstanding. After giving effect to the Offer, Fairfax India expects to have 112,276,777 Shares and 30,000,000 multiple voting shares issued and outstanding.

Based on preliminary results, 10,043,406 Shares were validly tendered and were not withdrawn pursuant to the Offer (including Shares tendered by notice of guaranteed delivery). As the Offer was oversubscribed, it is expected that shareholders who made auction tenders at or below US\$14.90 per Share and purchase price tenders will have the number of Shares purchased by Fairfax India prorated to approximately 91.7% of their successfully tendered Shares following the determination of the final results of the Offer (other than “odd lot” tenders, which are not subject to proration).

“We are pleased with the preliminary results of our substantial issuer bid,” said Prem Watsa, Chairman of Fairfax India. “This transaction has offered liquidity to those shareholders who participated in the Offer while, at the same time, being significantly accretive to the rest of our shareholders.”

Upon completion of the Offer, the Company expects its book value per share to increase from US\$19.26 (as at June 30, 2021) to approximately US\$20.00, representing an increase of approximately 3.8%, due solely to the impact of the Offer.

The full details of the Offer are described in the offer to purchase and issuer bid circular dated June 15, 2021, as well as the related letter of transmittal and notice of guaranteed delivery, copies of which were filed and are available on SEDAR at [www.sedar.com](http://www.sedar.com).

The number of Shares to be purchased under the Offer, the Purchase Price and the proration factor referred to above are preliminary, remain subject to verification by the Depositary and assume that all Shares tendered through notice of guaranteed delivery will be delivered within the two trading day settlement period. Fairfax India will announce the final results of the Offer following completion of take-up of the Shares.

**FAIRFAX INDIA HOLDINGS CORPORATION**  
**95 Wellington Street West, Suite 800, Toronto, Ontario, M5J 2N7 Telephone: 416-367-4755**

This press release is for informational purposes only and does not constitute an offer to buy or the solicitation of an offer to sell Shares.

### **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.

For further information, contact:                      John Varnell, Vice President, Corporate Affairs  
(416) 367-4755

*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 about the Offer, including the actual number of Shares to be taken up and paid for in connection with the Offer, the purchase price, the proration factor, the number of Shares and multiple voting shares expected to be issued and outstanding after completion of the Offer and the increase to the Company's book value per Share following completion of the Offer, and 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](http://www.sedar.com) and on the Company's website at [www.fairfaxindia.ca](http://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. Further details and descriptions of factors that may affect the Offer are disclosed in the offer to purchase and issuer bid circular dated June 15, 2021 and in Fairfax India's public filings with provincial or territorial securities regulatory authorities, which may be accessed on SEDAR's website at [www.sedar.com](http://www.sedar.com).*