

Chairman's report

On behalf of the Board of Directors of Al Madina Investment Holding Company SAOG (the “Company” or the “Parent Company”), I am pleased to present the annual report and audited financial statements for the year ending March 31, 2026.

National Economy

The Omani economy is experiencing steady growth, supported by “Oman Vision 2040” where GDP recorded a predictable growth of 3.5% for the year 2026, with public debt declining to around 33% of GDP and improvement of the current account surplus. The economy is focused on revenue diversification, as the non-oil activities are playing an increasing role, and foreign direct investment exceeding 21 billion.

The Omani economy is showing a predictable growth of 3.5% in 2026, supported by the stability of the non-oil activities and the continuation of fiscal reforms, with the Sultanate ranking highly globally (39th) in the Index of Economic Freedom. The general budget shows expenditures of approximately 12 billion Omani Riyals and a limited deficit, with expectations of increased foreign direct investment and economic growth that is considered the highest in the Gulf region.

These indicators demonstrate the resilience of the Omani economy while facing the geopolitical changes and its ability to achieve sustainable growth.

Company Background Overview

Al Madina Investment Company SAOG has established many successful projects in various fields, including industrial, real estate, agricultural, financial and logistic services, in addition to the field of education, banking, finance, food commodities and a business center. It has also resorted to numerous investments in one of the associate companies, Al Madina Real Estate, through establishing malls and hotels with the latest models as well as focusing on tourism and constructing residential apartments, villas, etc. in the Sultanate of Oman. It has also participated in many other projects that had an impact on the Omani economy during a process spanning more than 20 years and some of them were exited after achieving their purpose.

Al-Madina Investment Holding Group, Al-Madina Real Estate and its subsidiaries play an important role in the economic value of the Sultanate through attracting foreign investments, establishing commercial entities in various sectors, which contributed and still contributes to

creating job opportunities and maximizing the market value of these investments, which indicates the great confidence that the group enjoys in the regional market.

The group is also working to attract more investments to the Sultanate in all economic sectors as the group's companies are following the best practices and implementing corporate governance standards.

The Board always strives to put Al-Madina Investment Holding Company at the highest level and to be one of the best companies.

Financial Overview

Consolidated results

The Group recorded a net loss of ~~o~~ 1,820,721 compared to a net loss of ~~o~~ 308,721 last year. The realized income amounted to ~~o~~ 573,342, a decrease by 25 %, compared to ~~o~~ 762,956 in the previous year.

The company recorded share in the profits of the associate companies to ~~o~~ 351,981 compared to losses of ~~o~~ 473,816 last year. The basic loss per share amounted to 22 baizas compared to a loss of 4 Baizas in the previous year.

Performance of the parent company

The parent company recorded a net loss of ~~o~~ 1,820,721 compared to a net loss of ~~o~~ 308,721 last year.

The realized income achieved from operating decreased by 17% to reach ~~o~~ 553,238 compared to ~~o~~ 667,881 in the previous year.

Expenses in general, have reached ~~o~~ 233,489 compared to ~~o~~ 194,754 last year

Interest costs decreased to reach ~~o~~ 640,623 compared to ~~o~~ 651,639 last year due to the repayment of loan installments with the bank.

Staff cost decreased slightly to reach ~~o~~ 111,983 compared to ~~o~~ 112,422 last year.

The change in the fair value of financial assets has increased through the income statement by 40% from last year to record a loss of ~~o~~ 818,818 compared to a loss of ~~o~~ 586,944 in the previous year.

The company recorded a change in the fair value of real estate investments profit amounting to ~~o.m.~~ 49,120 compared to loss of ~~o.m.~~ 63,802 last year and the basic loss was recorded to reach 22 Baizas per share compared to a loss per share of 4 Baizas in the previous year.

The company's investment portfolio

The subsidiary companies

- **Al-Madina Business Center LLC** is one of the subsidiaries of the parent company, which rents offices for companies and individuals and is located in Muscat Grand Mall. During this year, the business center maintained the level of revenues, as it recorded revenues of ~~o.m.~~ 156 thousand, compared to revenues of ~~o.m.~~ 144 thousand from last year.

The company will proceed with the development plan for the business center and will work to increase the returns during the coming period.

- **Gulf Marks Trading Company SAOC** is one of the subsidiaries of the parent company and it works in the field of trademarks. During the upcoming period, the liquidation works for this company will be carried out as a result of the accumulated losses secondary to the Corona pandemic and the closure of restaurants.

- **Al Mithaq Al Raida Trading Company LLC** is one of the subsidiaries of the parent company and it works in the field of health. Since the company has stopped practicing its activities during the past years due to the accumulation of losses, secondary to the Corona pandemic, some medical devices have been sold to reduce losses.

Associate companies

Al-Madina Real Estate Company SAOC

Al Madina Real Estate Company announced a gross income of ~~o.m.~~ 4.9 million in December 2025 compared to ~~o.m.~~ 3.43 million in December 2024 with an increase rate of 42% and the operative profits have increased to amount of ~~o.m.~~ 2.565 million compared to ~~o.m.~~ 1.613 million for the year 2024, an increase rate of 59%.

During the year 2025, Al Madina Real Estate Company recorded a net losses of ~~o.m.~~ 1.919 million compared to a profit of ~~o.m.~~ 2.584 million for 2024 .

Distributions

The company has distributed bonus shares of 5% of the company's capital for the financial year ending on March 31, 2022, and since the company's restructuring in 2001 due to fluctuations of the financial markets in the region, the company has maintained a good level of performance.

During those previous periods, the company distributed cash dividends to shareholders with a total percentage of about 105% of its capital at that time, estimated at about ~~o.m.~~

4.2 million, in addition to the distribution of bonus shares with a total of 64% of the company's capital at that time, i.e. a total distribution to shareholders amounted to 169% of the company's capital.

Corporate Governance

The company's annual report will include a detailed corporate governance report audited by the company's auditor.

The company confirms its commitment towards the corporate governance charter issued by the Financial Services Authority and the Board of Directors pledges to implement the best practices of disclosure, transparency and accountability.

Future prospects

The International Monetary Fund (IMF) estimates indicated that the Omani economy recorded a growth by 3.5 percent in 2026, despite the 0.5 percentage point decrease from previous estimates due to global market volatility. This growth is supported by the stability of non-oil activities and the continued implementation of fiscal reforms.

The company's board of directors believes that 2026 will be an exciting year, witnessing an improvement in the macroeconomic situation. This aligns with IMF projections which estimates that inflation rates in the Sultanate of Oman will reach approximately 1.7 percent in 2026, reflecting stable price levels and the effectiveness of economic policies in achieving oil prices higher than those projected in the budget.

The Company's Board assures the shareholders, as mentioned in the company's corporate governance report and the management and analysis discussion report by the CEO, that the company has effective internal control systems and a strong administrative system that enables it to continue to perform its business. The Board of Directors is also fully aware of its responsibility to prepare the financial statements on a fair basis in accordance with the international accounting standards, the requirements of Commercial Companies Law No. 18/2019 and the requirements of the Financial Services Authority.

Thanks and gratitude

The Board of Directors would like to express its sincere gratitude to His Majesty Sultan Haitham bin Tariq, for his insightful vision towards leading Oman on the path of goodness and growth. We are also pleased to express our sincere appreciation for the prudent management pursued by the wise government in light of the renewed renaissance under the patronage of, His Majesty, May God bless him, and the country is proceeding with confident steps towards progress, development and growth. The company continues to support the measures taken by the Sultanate's government in its efforts to preserve the economic situation of the country.

I would also like to extend my sincere thanks and appreciation to all the shareholders for their continuous trust and commitment towards the company and to my fellow Board members for their loyalty despite the challenges that we all faced during the year. I would also like to express my sincere thanks and appreciation to the Financial Services Authority, the Ministry of Commerce, Industry and Investment Promotion and other regulatory authorities for their continuous support of the company.

Finally, I would like to thank the company's management and employees for their loyalty and dedication towards their work

Said bin Saleh Al Jabri
Chairman