

DHOFAR INTERNATIONAL DEVELOPMENT AND INVESTMENT COMPANY SAOG AND ITS SUBSIDIARIES

CHAIRMAN'S REPORT FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2025

Dear Shareholders,

On behalf of the Board of Directors, I am pleased to present the Un-audited Financial Results of Dhofar International Development & Investment Company SAOG ("DIDIC") for the period ending 30th September 2025.

The merger between Oman Investment & Finance Company SAOG ("OIFC") and DIDIC was successfully completed, taking effect on July 1, 2025. The financial statements for the nine-month period ended September 30, 2025, reflect the impact of this merger. As a direct result of the merger, DIDIC now manages a diversified group structure, consisting of eight subsidiaries and six associate companies in addition to a significant trading portfolio and operations. Notably, the group's subsidiaries now include Dhofar Insurance Company SAOG and Dhofar Foods and Investment Company SAOG, both of which were associates up to 30 June 2025. Still among the associates, however, is Bank Dhofar SAOG which is now accompanied by Sohar International Bank SAOG as of 1 July 2025, in addition to four more companies. As a result of these changes and the other impacts of the merger that are reflected in these financial statements, the previous year's figures for the same period are not directly comparable.

As part of the Purchase Price Allocation (PPA) process following the merger, the Company recognized a provisional bargain gain amounting to RO 2.84 million, caused by the changes to the values of the assets and liabilities of the two companies that occurred while the merger was delayed. This gain has been accounted for in the current period's financial results. However, it should be emphasized that this figure is provisional and may be subject to change upon the final completion of the PPA exercise.

Group Consolidated Performance

During the nine months period ending 30th September 2025, Net Profits After Taxes were RO 14.514 million and the total comprehensive income attributable to our shareholders amounted to RO 14.661 million as compared to Net Profit of RO 5.065 million and total comprehensive income of RO 5.471 million for the same period in 2024. However, the previous year's figures are not comparable.

The Group ended the first nine months of 2025 with total assets of RO 572.927 million. The shareholders' equity as on 30th September 2025 was RO 169.199 million which includes retained earnings of 78.019 million.

Performance of Key Investments

Bank Dhofar, our banking associate, reported after tax net profit of RO 36.020 million for the nine months period ended 30 Sept 2025 as compared to RO 33.615 million for the same period in 2024, representing an increase of 7.15%. The net interest income recorded a marginal decrease of 0.60% closing at RO 72.107 million and income from Islamic financing activities increase to RO 16.984 million compared to RO 14.484 million during same period of 2024 registering an increase by 17.3%. Non-funded income for the period was 35.82% higher compared to same period last year mainly due to increase in net fees & commission income. Net loans and advances including Islamic financing witnessed an increase of 14% and reached RO 4.244 billion as at 30 Sept 2025 as compared to RO 3.733 billion as at 30 Sept 2024. Similarly, customer

deposits including Islamic deposits, increase by 13.15% compared to comparative period of last year. Total shareholders' equity in the bank registered an increase by 2.80%, increasing to RO 594.91 million from RO 578.725 million a year prior.

Sohar International, our other banking associate, reported after tax net profit of RO 70.718 million for the nine months period ended 30 Sept 2025 as compared to RO 76.219 million for the same period in 2024, representing a decrease of 7.22%. The net interest income recorded a decrease of 12.51% closing at RO 112.343 million while income from Islamic financing activities increased to RO 10.355 million compared to RO 8.280 million during same period of 2024 registering an increase by 25.06%. Non-funded income for the period was 25.64% higher compared to same period last year mainly due to increase in net fees & commission income. Net loans and advances witnessed an increase of 18.71% and reached RO 5.068 billion as at 30 Sept 2025 as compared to RO 4.269 billion as at 30 Sept 2024. Similarly, customer deposits increased by 12.49% compared to comparative period of last year. Total shareholders' equity in the bank registered an increase by 24.54%, increasing to RO 1118.72 million from RO 898.306 million a year prior.

Dhofar Insurance, our insurance subsidiary reported a growth of 3.85% in its insurance revenue RO 68.378 million from RO 65.840 million a year earlier for the nine months period. Also, its net insurance service results showed a marginal improvement of 0.72% from RO 2.388 million in the first nine months of 2024 to RO 2.406 million a year later. The Net insurance and investment results for 2025 is RO 4.700 million which is an increase of 35.39% as compared to the previous year. It also reported net profit of RO 3.399 million for the first nine months period of 2025 as compared to RO 2.408 million a year earlier recording a growth of 41.09%. The shareholders' equity has increased by 9%, from RO 38.454 million as at 30 September 2024 to RO 42.016 million as at 30th September 2025.

Dhofar Foods & Investment Company, our FMCG subsidiary has its revenue significantly improved in its group operations in the first nine months of 2025 by 24.47%, with gross profit showing an improvement in the first nine months of 2025 by 30.44% & achieving an operating profit of RO 1.644 million in 2025 as compared to operating loss of RO 1.375 million in 2024. The Net Loss which was RO 3.063 million for the same period in 2024 has reduced to RO 0.406 million in 2025.

Acknowledgements

On behalf of the board of directors, I would like to extend our gratitude to the leadership of the FSA, CBO and MOCI for their continued support. I would also like to thank the management teams of DIDIC, our subsidiaries, and associate companies for all their hard work and dedication.

Finally, we wish our country continued safety and stability under the wise leadership and guidance of His Majesty Sultan Haitham Bin Tarik, may God protect him and prolong his life.

Khalid Bin Mustahail Ahmed Al Mashani

Chairman