

DHOFAR INTERNATIONAL DEVELOPMENT AND INVESTMENT COMPANY SAOG AND ITS SUBSIDIARIES

CHAIRMAN’S REPORT FOR THE THREE MONTHS ENDED 31 MARCH 2026

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 3^{1st} March 2026.

The merger between Oman Investment & Finance Company SAOG (“OIFC”) and DIDIC was successfully completed, taking effect on July 1, 2025. As a direct result of the merger, DIDIC now manages a diversified group structure, consisting of nine 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. 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.

Group Consolidated Performance

During the three months period ending 31^{1st} March 2026, Net Profits After Taxes were RO 18.450 million and the total comprehensive income attributable to our shareholders amounted to RO 23.128 million as compared to Net Profit of RO 3.741 million and total comprehensive income of RO 1.857 million for the same period in 2025. However, the previous year’s figures are not comparable.



The Group ended the first three months of 2026 with total assets of RO 588.307 million. The shareholders’ equity as on 31st March 2026 was RO 218.807 million which includes retained earnings of 97.432 million.

Performance of Key Investments

Bank Dhofar, our banking associate, has continued its strong momentum into 2026. For the first quarter ended 31 March 2026, the Bank reported a 12.40% growth in operating income, reaching to 46.23 million, an increase of 5.1 million compared to 41.13 million recorded during the same period in 2025. Interest income and income from Islamic financing rose to 72.65 million, reflecting a 2.36% increase over the corresponding period in 2025. Additionally, net fee and other income grew significantly by 32.52%, from 12.03 million in Q1 2025 to 15.94 million in Q1 2026. The Bank’s operating profit before expected credit losses stood at 24.87 million, marking a 20.12% increase from 20.70 million reported in the same period of the previous year. Net profit for the period amounted to 13.22 million, increased by 8.78% compared to 12.16

million recorded in Q1 2025. Total operating expenses for the period increased by 4.57%, reaching to 21.36 million as against 20.42 million reported in Q1 2025. Despite the increase in overall cost, the cost-to-income ratio for Q1 2026 improved to 46.20%, compared to 49.66% in Q1 2025, reflecting increased operational efficiency. The Bank recognized expected credit losses (net of recoveries) of 9.55 million during the period, representing a 49.13% increase compared to 6.40 million reported for the same period last year. As at 31 March 2026, net loans and advances (including Islamic finance receivables) reached to 4.29 billion marking a year on year growth of 5.22% from 4.08 billion as at 31 March 2025, and increased by 2.80% from 4.18 billion reported as at 31 December 2025. Customer deposits reached to 4.35 billion as at 31 March 2026, reflecting a 4.47% increase from 4.16 billion reported for the same period last year, and increased by 5.68% from 4.12 billion reported as of 31 December 2025.

Sohar International, our other banking associate, the profit for the three-month period ended 31 March 2026 increased by 21% to 26.1 million compared to the same period last year. Total operating income increased by 30% to 71.3 million with increases in net interest income, net profit income and other operating income. Total operating expenses increased by 35% to 33.3 million reflecting the Bank’s continued investment in our branch operation in the Kingdom of Saudi Arabia as well as continued strategic investments in Omani talent, technology and expanding our international reach. Total assets increased by 32% to 9,638 million compared to 31 March 2025 of which loans, advances and financing (net) increased by 45% to 6,516 million. Customer deposits increased by 33% to 7,433 million resulting in an 88% net loan/deposit ratio. The 35% increase in total equity of 302 million compared to 31 March 2025 includes 200 million from the perpetual tier 1 capital issuance in September 2025 and 31 million net unrealized gains on equity investments.

Dhofar Insurance, our insurance subsidiary, recorded Gross Written Premium of 30.753 million for the period ended 31st March 2026 compared to 32.150 million in the same period last year. During the period under review, the Company continued to improve the overall portfolio balance, driven by prudent underwriting. Insurance Revenue for the Period ended 31st March 2026 was 24.402 million against 23.802 million during the same period the previous year, which represents 3% growth. The Insurance Service Results were reported at 1.700 million compared to 1.633 million during the same period last year, a growth of 4%. Investment income was 1.904 million for the period ended 31st March 2026 as against 1.164 million for the last year during the same period, a growth of 63.57%. The investments classified under ‘fair value through other comprehensive income’ registered a profit of 1.240 million for the period ended 31st March 2026 as against a loss of 0.303 million in the same period last year. Net Profit after Tax increased by 41% for the period ended 31st March 2026 to 2.673 million as against 1.900 million in the same period last year.

Dhofar Foods & Investment Company, our FMCG subsidiary has its revenue significantly improved in its group operations in the first three months of 2026 by 16.25%, with gross profit showing an improvement in the first three months of 2026 by 18.36% & achieving an operating profit of RO 1.497 million in 2026 as compared to operating profit of RO 0.969 million in 2025. The Net Profit which was RO 0.487 million for the same period in 2025 has increased to RO 1.446 million in 2026.

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