

Board of Directors’ Report – 31st March 2025

Dear Shareholders,

On behalf of the Board, I take this opportunity to present the financial performance of Oman & Emirates Investment Holding Co SAOG for the three months period ended 31st March 2025.

Financial Results:

The Company (Group & Parent) recorded **Net Profits** of **RO 116,349** and **RO 227,112** respectively during the period, compared to (Group & Parent) Net Profits of RO 905,202 and RO 925,796 respectively during same period in 2024.

Stock Market Indices:

During the period MSX, ADX and DFM decreased by 4.58%, 0.53% and 1.21% respectively, compared to MSX and DFM increased by 2.68% and 4.59% respectively, while ADX decreased by 3.65% during the same period in 2024.

Net Equity, Investments and Borrowing:

The Net Equity of the Group and the Parent Company increased by **0.51%** and **0.93%** respectively. The Net Equity of the Group increased from RO 22.784 million at 31/12/2024 to RO 22.900 million at 31/3/2025 (RO 23.326 million at 31/03/2024). The Net Equity of the Parent increased from RO 24.351 at 31/12/2024 to RO 24.578 million at 31/03/2025 (RO 24.576 million at 31/3/2024).

The Total Investment Values of the Group and the Parent Company were RO 31.033 million and RO 29.002 Million respectively as at 31.3.2025 (Group RO 31.516 Million and RO 29.533 Million at 31/3/2024).

The total borrowing of the Group and the Parent Company reduced to RO 10.901 Million and RO 7.180 Million respectively as at 31.03.2025 (Group RO 11.385 Million and RO 7.664 Million at 31/03/2024).

Performance of Group Companies:

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Fincorp:

The subsidiary recorded a loss of RO 216.67K during the three-month period ended 31st March 2025 and O&E’s share of loss was RO 111K. The report prepared by the independent forensic auditor appointed to review and assess discrepancies in the brokerage accounts identified a provision for claims amounting to RO 700K. The board and Management of FINCORP are working diligently to resolve the issue, and the verification of these balances is expected to be completed during 2025.

Omani Euro Food Industries Company SAOG:

The subsidiary recorded a loss of RO 137K during the period ended 31st March 2025 resulting in RO 111K share of loss on consolidation in the Parent Company books where the investment has been fully impaired. Efforts continue to implement the turnaround plan with strategic initiatives, including process efficiencies, product innovation, and targeted marketing efforts to reposition the company for sustainable profitability.

Oman Hotels and Tourism Company SAOC

The Associate recorded a profit of RO 227K during the period ended 31st March 2025 resulting in RO 72K share of profit for O&E. With global hotel industry continuing to navigate challenges, the company’s core business has not yet picked up momentum, particularly with the Ruwi hotel renovation completion pending financial injections. Its Associate Company, United Finance Company SAOG, is engaged in leasing and financial services and performs steadily contributing to the profit.

Oman Fiber Optics Company SAOC

This Associate Company consistently generates profits and has been one of the highest dividend payers in O&E’s investment portfolio for several years. Based on the first quarter results, the profit recorded during the period was RO 507K resulting in RO 106K share of profit for O&E.

Acknowledgement:

On behalf of the Board, I take this opportunity to convey our heartfelt gratitude to the Governments of the Sultanate of Oman and United Arab Emirates for their support to our Company, the stock market authorities, banks, shareholders and employees for their guidance, cooperation and efforts.

Dr. Abdullah Al Harthy

Vice Chairman

12th May 2025

