Chairman's Report for the period ended September 30, 2022

Dear Shareholders,

On behalf of the Board of Directors, it gives me pleasure to present the unaudited consolidated financial statements of A'Sharqiya Investment Holding Company (SAOG) and its subsidiary – Qalhat Real Estate Investments & Services LLC. (QREIS) - For the nine-month period ended September 30, 2022.

Overview of Operations and Financial Performance

A summary of the consolidated operating and financial performance for the nine-month period ended September 30, 2022 in comparison with the corresponding period in 2021 and with the full year ended 2021is presented below:

(RO in '000)

Quarter ended September 30, 2022	Sep 30 2022	Sep 30 2021	% Increase/ (Decrease)	Full Year ended 2021
Total Operating Income	877	916	(4.3)	1,150
Profit after Tax (PAT)	356	465	(23.6)	531
Net change in Fair Value of FVOCI	86	1,853	(95.3)	1,383
Total comprehensive income/(loss)	442	2,318	(80.9)	1,913
Total Assets	18,670	18,892	(1.2)	18,659

The consolidated operations during the nine month period ended September 30, 2022 generated an income of RO 876,866 as compared to RO 915,993 during the corresponding period in 2021. Profit before tax decreased by 16.9% to RO 429,892 as against RO 517,501. The profit after tax arising from the company's operations is RO 355,623 as compared to RO 465,178 generated during the comparable period in 2021 - a decrease of 23.6%.

The increase in value of the company's investment portfolio under the 'fair value through other comprehensive income' (FVOCI) investments during the period has been RO 86,233 against RO 1,852,849 during the comparable period in 2021. The total comprehensive income has been RO 441,856 against RO 2,318,027 during the comparable period in 2021.

The total assets of the company as at September 30, 2022 is RO 18,670,032 vs RO 18,892,195 as at September 30, 2021. Net Assets per share is at RO 0.165 on September 30, 2022 as compared to RO 0.168 on September 30, 2021.

Investment and future Outlook

The global economy is expected to grow 3.2% in 2022 following a growth of 6.1% in 2021, as per IMF Economic Outlook (October 2022). Global inflation is forecast to rise from 4.7 percent in 2021 to 8.8 percent in 2022 but to decline to 6.5 percent in 2023 and to 4.1 percent by 2024. Global economic activity is experiencing a broad-based and sharper-than-expected slowdown, with inflation higher than seen in several decades.

The Company is currently reviewing its investment strategy and seeking new opportunities to improve the investment portfolio to weather the challenges by focusing on investments that aim to maximize the risk adjusted returns.

On behalf of the Board of Directors, I would like to express our sincere gratitude to His Majesty Sultan Haitham bin Tariq for his able leadership of the country. I also thank the shareholders for their continued support and confidence in the Company and its leadership. My appreciation also goes to the Company's management and all the stakeholders for their contributions and commitment.

Mohammed Ali Al Fannah

Chairman