

**Board Of Directors Report**  
**for the Half year ended June 30, 2026**

Dear Shareholders,

On behalf of the Board of Directors, it gives me great pleasure to present the unaudited consolidated financial statements of A’Sharqiya Investment Holding Company (SAOG) and its subsidiary – Qalhat Real Estate Investments & Services SPC. (QREIS) - for the six-months period ended June 30, 2026, after it was approved by the Board of Directors meeting held on Wednesday, August 5th 2026 based on the recommendation of the Audit Committee as submitted by the Executive Management.

Overview of Operations and Financial Performance

A summary of the Company’s operating performance for the six-month period ending June 30, 2026 in comparison to the corresponding period in 2025 and the full year financial statements ended 2025 is presented below:

(RO in ‘000)

|                                      | June 30, 2026 | June 30, 2025 | % Increase/<br>(Decrease) | Dec 31st 2025 |
|--------------------------------------|---------------|---------------|---------------------------|---------------|
| Total Operating Income               | 671           | 923           | (27.29)                   | 1,379         |
| Unrealized gain on lease receivables | --            | --            | --                        | 3,257         |
| Profit after Tax (PAT)               | 266           | 475           | (43.90)                   | 3,393         |
| Total Assets                         | 24,018        | 19,055        | 26.04                     | 23,977        |
| Shareholder’s Equity                 | 19,587        | 15,216        | 28.72                     | 19,304        |

It may be noted from above; the Group’s operations for the period ending June 30, 2026, generated an income of RO 670,939 as compared to RO 922,751 for the corresponding period in 2025. The profit after tax arising from the Group’s operations during this period was aggregated to RO 266,299 as compared to RO 474,667 during the comparable period in 2025 reflecting a decrease of 43.90%.

During the 1st half of 2025, the Company, through its Subsidiary QRIES, renewed the lease agreement of its residential complex for a further period of five years with OLNG, as a continuation to its long-standing relationship with OLNG in providing a premium residential facility in Sur. On renewal of the lease agreement with OLNG, an unrealized gain of RO 3.257,064 has been recorded in the financial statement for the financial year ended 2025, in accordance with IFRS 16 standards. This is in reference to Leasehold property, following a valuation exercise done of the property. Hence the current year’s financials reflect the lease accounting valuation as prescribed by the IFRS 16 standards.

The total assets of the Group as of June 30, 2026, were RO 24,018,023, an increase of 26%. Shareholder Equity also increased by 28.72% to RO 19,586,892 from RO 15,216,138 in the same period last year.

The Book value per share of the Company's currently stands at Baizas 218 on June 30, 2026 as compared to Baizas 169 on June 30, 2025 and 214 Baiza at the end of the year 2025.

### **Company Outlook**

The company positioned its portfolio in the first half of 2026 on a conservative stance. The company has a diversified portfolio of Fixed income securities, investment in regional equities as well as investment in residential real estate which provides sustainable cash flows.

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 and for his continued support to the private sector in the country. It is truly encouraging to see the tireless efforts of the government to diversify its sources of income as much as possible, with the aim of building a flexible and diversified economy that does not rely solely on oil. I also thank the shareholders for their continued support and for the confidence reposed on the company. My appreciation also goes to the company's management and staff for their contributions and commitment to the company.

Mohammed Ali Mohammed Al Fannah

Chairman

August 05, 2026