



OMAN & EMIRATES INVESTMENT HOLDING CO. SAOG

**UNAUDITED FINANCIAL RESULTS
(PERIOD ENDED 30 JUNE 2022)**

**INVESTOR SESSION
28 AUGUST 2022**



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4. Financial Statements for period ending 30 June 2022:
 - a. The financial information reported in this presentation results from a review performed by the Independent Auditors of O&E and, therefore, is not the result of an audit conducted in accordance with International Standards on Auditing.
 - b. O&E, as Group, has consolidated the financial information of its subsidiaries based on management accounts of those subsidiaries as at and for the six-months period ended 30 June 2022. Consequently, the Independent Auditors of O&E were unable to determine whether any adjustments to these amounts were necessary.
 - c. Investments in unquoted securities of the Group are reported at their fair value of 31 December 2021. These investments are not revalued at the end of the current reporting period. Had these investments been revalued at the end of the current reporting period, the carrying value of these investments may differ from the reported amount. Consequently, no adjustments were made to these amounts.



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OVERVIEW

OMAN & EMIRATES INVESTMENT HOLDING CO. SAOG

Mission

Help realise the policies and fulfil the objectives of the Governments of Oman and United Arab Emirates in diversifying sources of non-oil based National Income and create socio-economic benefits through initiating, promoting, investing and implementing vital projects in various sectors of Industry.

Objectives

Strategic: Successful Technology Transfer and Absorption.

Social : Employment opportunities and training of Nationals.

Financial: Shareholder wealth creation.

Core Activity

Investment: funds in stocks, bonds and securities.

Project Development: Identification, Evaluation, Investment and Implementation.

shaping the future together ...



OMAN MEDICAL PROJECTS CO. SAOG



OMANI EURO FOOD INDUSTRIES CO. SAOG



DHOFAR FISHERIES INDUSTRIES CO. SAOG



OMAN FIBRE OPTIC CO. SAOG





PERFORMANCE Q2-2022

CONDENSED FINANCIAL POSITION – PROFIT OR LOSS

		Jan - Jun 2022	Jan - Jun 2021	Apr - Jun 2022	Apr - Jun 2021	Jan - Jun 2022	Jan - Jun 2021	Apr - Jun 2022	Apr - Jun 2021
	Notes	Group RO	Group RO	Group RO	Group RO	Parent RO	Parent RO	Parent RO	Parent RO
Rental income		56,205	19,539	30,541	9,769	56,205	19,539	30,541	9,769
Brokerage commission income		62,506	54,013	24,971	19,931	-	-	-	-
Dividends income		568,816	728,043	119,284	306,376	479,034	643,892	128,760	239,295
Realised gain on sale of financial assets	6	1,947,391	277,820	1,934,324	511,150	1,887,263	274,528	1,920,095	511,428
Unrealised gain /(loss) on financial assets at fair value through profit or loss – net	6	301,666	624,159	(428,330)	888,824	366,382	135,818	86,166	553,218
Gross profit on sale of food products	18	115,622	158,249	41,329	91,858	-	-	-	-
Share of (loss)/profit from associates & subsidiaries – net	8,9	(255,243)	361,487	(318,474)	(28,527)	(172,319)	494,958	(464,100)	100,003
Management fees		52,526	66,990	27,716	31,620	-	-	-	-
Other income		15,310	19,499	8,976	11,453	-	18,029	-	11,958
Total income		2,864,799	2,309,799	1,440,337	1,842,454	2,616,565	1,586,764	1,701,462	1,425,671
Expenses									
Staff costs		(388,123)	(445,943)	(201,737)	(202,545)	(157,958)	(193,811)	(83,897)	(82,381)
Administrative expenses		(350,102)	(325,035)	(175,877)	(159,504)	(195,311)	(201,069)	(97,301)	(106,737)
Investment related expenses		(5,301)	(5,301)	(10,037)	(2,665)	(5,301)	(5,301)	(10,037)	(2,665)
Total expenses		(743,526)	(776,279)	(387,651)	(364,716)	(358,570)	(400,181)	(191,235)	(191,783)
Net operating profit		2,121,273	1,533,520	1,052,686	1,477,738	2,257,995	1,186,583	1,510,227	1,233,888
Finance costs		(356,468)	(368,439)	(169,854)	(223,693)	(300,710)	(336,707)	(142,212)	(210,634)
Profit for the period before tax		1,764,805	1,165,081	882,832	1,254,045	1,957,285	849,876	1,368,015	1,023,254
Income tax		(15,869)	28,321	24,118	10,869	-	-	-	-
Profit for the period after tax		1,748,936	1,193,402	906,950	1,264,914	1,957,285	849,876	1,368,015	1,023,254
Attributable to:									
Owners of the parent company		1,884,652	844,738	1,316,460	1,034,034	1,957,285	849,876	1,368,015	1,023,254
Non-controlling interest		(135,716)	348,664	(409,510)	230,880	-	-	-	-
		1,748,936	1,193,402	906,950	1,264,914	1,957,285	849,876	1,368,015	1,023,254
Basic earnings per share	19	0.0155	0.007	0.011	0.0085	0.0161	0.0070	0.0112	0.0084



PERFORMANCE Q2-2022

CONDENSED FINANCIAL POSITION – PROFIT OR LOSS

Particulars	30/6/2022 Parent RO	30/6/2021 Parent RO	Variation RO	%
→ Rental income	56,205	19,539	36,666	188%
→ Dividends income	479,034	643,892	(164,858)	-26%
→ Realised gain on sale of financial assets	1,887,263	274,528	1,612,735	587%
→ Unrealised gain /(loss) on financial assets at FVTPL – net	366,382	135,818	230,564	170%
→ Share of (loss)/profit from associates & subsidiaries – net	(172,319)	494,958	(667,277)	-135%
→ Other income	-	18,029	(18,029)	-100%
→ Total income	2,616,565	1,586,764	1,029,801	↑ 65%
Expenses				
Staff costs	(157,958)	(193,811)	35,853	-18%
Administrative expenses	(195,311)	(201,069)	5,758	-3%
Investment related expenses	(5,301)	(5,301)		0%
→ Total expenses	(358,570)	(400,181)	41,611	↓ -10%
Net operating profit	2,257,995	1,186,583	1,071,412	↑ 90%
Finance costs	(300,710)	(336,707)	35,997	-11%
Profit for the period before tax	1,957,285	849,876	1,107,409	↑ 130%
Income tax				
→ Profit for the period after tax	1,957,285	849,876	1,107,409	
Basic earnings per share	0.016	0.007	0.009	



PERFORMANCE Q2-2022

CONDENSED FINANCIAL POSITION – BALANCE SHEET

		30 June 2022 Group RO	30 June 2021 Group RO	31 December 2021 Group RO	30 June 2022 Parent RO	30 June 2021 Parent RO	31 December 2021 Parent RO
Notes							
ASSETS							
Cash and cash equivalents	4	4,175,220	1,043,399	1,919,812	3,316,016	110,508	113,040
Trade and other receivables	5	1,513,920	1,204,554	1,075,767	42,010	58,308	40,850
Inventories		594,039	552,574	434,391	-	-	-
Financial assets at fair value through profit or loss	6	15,273,103	21,859,957	20,481,259	11,160,603	17,637,376	16,651,253
Investment in associates	7	15,608,817	17,785,168	16,100,249	13,911,100	15,782,784	14,110,383
Financial assets at amortised cost	8	2,104,660	2,115,350	2,109,961	2,104,660	2,115,350	2,109,961
Investment in subsidiaries	9	-	-	-	3,748,921	3,865,002	3,873,243
Property, plant and equipment	10	2,386,829	2,675,808	2,531,702	464,746	565,297	515,016
Investment properties	11	3,012,750	3,166,950	3,074,850	2,742,750	2,866,950	2,804,850
Right-of-use asset		43,577	116,190	43,577	-	-	-
Deferred tax asset		62,626	429,426	78,496	-	-	-
Total assets		44,775,541	50,949,376	47,850,065	37,490,806	43,001,575	40,218,596
EQUITY AND LIABILITIES							
Equity attributable to the owners of the parent							
Share capital	12	12,187,500	12,187,500	12,187,500	12,187,500	12,187,500	12,187,500
Legal reserve	13	4,991,892	4,921,214	4,991,892	4,062,500	4,062,500	4,062,500
Retained earnings		5,777,871	3,286,853	3,893,219	7,650,102	4,878,978	5,692,817
Equity attributable to the owners of the parent		22,957,263	20,395,567	21,072,611	23,900,102	21,128,978	21,942,817
Non-controlling interest		3,349,922	3,510,207	3,485,638	-	-	-
Total equity		26,307,185	23,905,774	24,558,249	23,900,102	21,128,978	21,942,817
LIABILITIES							
Bank overdrafts	4	285,532	1,782,977	630,160	217,525	1,708,891	562,017
Trade and other payables	15	2,020,021	1,892,248	2,054,192	916,830	587,721	812,952
Lease liability		53,454	139,392	53,454	-	-	-
Term loans	16	2,456,349	5,775,985	3,100,810	2,456,349	5,775,985	3,100,810
Loans from Governments	17	12,961,120	15,776,692	16,136,924	9,308,120	12,123,692	12,483,924
Deferred Government grant	17	691,880	1,676,308	1,316,076	691,880	1,676,308	1,316,076
Total liabilities		18,468,356	27,043,602	23,291,816	13,590,704	21,872,597	18,275,779
Total equity and liabilities		44,775,541	50,949,376	47,850,065	37,490,806	43,001,575	40,218,596
Net assets per share	20	0.188	0.167	0.173	0.196	0.173	0.180



PERFORMANCE Q2-2022

CONDENSED FINANCIAL POSITION – BALANCE SHEET

30/6/2022
31/12/2021

Particulars	30/6/2022 Parent RO	31/12/2021 Parent RO	Variation RO	%
ASSETS				
Cash and cash equivalents	3,316,016	113,040	3,202,976	2833.5%
Trade and other receivables	42,010	40,850	1,160	2.8%
Financial assets at FVTPL	11,160,603	16,651,253	(5,490,650)	-33.0%
Investment in Associates	13,911,100	14,110,383	(199,283)	-1.4%
Financial assets at amortised cost	2,104,660	2,109,961	(5,301)	-0.3%
Investment in Subsidiaries	3,748,921	3,873,243	(124,322)	-3.2%
Property, plant and equipment	464,746	515,016	(50,270)	-9.8%
Investment properties	2,742,750	2,804,850	(62,100)	-2.2%
Total assets	37,490,806	40,218,596	(2,727,790)	-6.8%
LIABILITIES				
Bank overdrafts	217,525	562,017	(344,492)	-61.3%
Trade and other payables	916,830	812,952	103,878	12.8%
Term loans	2,456,349	3,100,810	(644,461)	-20.8%
Loans from Governments	9,308,120	12,483,924	(3,175,804)	-25.4%
Deferred Government grant	691,880	1,316,076	(624,196)	-47.4%
Total liabilities	13,590,704	18,275,779	(4,685,075)	-25.6%
EQUITY ATTRIBUTABLE TO OWNERS OF PARENT				
Share capital	12,187,500	12,187,500	-	-
Legal reserve	4,062,500	4,062,500	-	-
Retained earnings	7,650,102	5,692,817	1,957,285	34.4%
Equity attributable to the owners of the parent	23,900,102	21,942,817	1,957,285	8.9%
Total equity and liabilities	37,490,806	40,218,596	(2,727,790)	
Net assets per share	0.196	0.180	0.016	
BORROWINGS				
Loans from Governments	10,000,000	13,800,000	(3,800,000)	-27.5%
Commercial borrowings	2,673,874	3,662,827	(988,953)	-27.0%
Total borrowings	12,673,874	17,462,827	(4,788,953)	-27.4%
Debt/ Equity ratio	0.53	0.80		



P PERFORMANCE Q2-2022

CONDENSED FINANCIAL POSITION – BALANCE SHEET

30 June 2022
30 June 2021

Particulars	30/6/2022 Parent RO	30/6/2021 Parent RO	Variation RO	%
ASSETS				
Cash and cash equivalents	3,316,016	110,508	3,205,508	2900.7%
Trade and other receivables	42,010	58,308	(16,298)	-28.0%
Financial assets at FVTPL	11,160,603	17,637,376	(6,476,773)	-36.7%
Investment in associates	13,911,100	15,782,784	(1,871,684)	-11.9%
Financial assets at amortised cost	2,104,660	2,115,350	(10,690)	-0.5%
Investment in subsidiaries	3,748,921	3,865,002	(116,081)	-3.0%
Property, plant and equipment	464,746	565,297	(100,551)	-17.8%
Investment properties	2,742,750	2,866,950	(124,200)	-4.3%
Total assets	37,490,806	43,001,575	(5,510,769)	-12.8%
LIABILITIES				
Bank overdrafts	217,525	1,708,891	(1,491,366)	-87.3%
Trade and other payables	916,830	587,721	329,109	56.0%
Term loans	2,456,349	5,775,985	(3,319,636)	-57.5%
Loans from Governments	9,308,120	12,123,692	(2,815,572)	-23.2%
Deferred Government grant	691,880	1,676,308	(984,428)	-58.7%
Total liabilities	13,590,704	21,872,597	(8,281,893)	-37.9%
EQUITY ATTRIBUTABLE TO OWNERS OF PARENT				
Share capital	12,187,500	12,187,500	-	-
Legal reserve	4,062,500	4,062,500	-	-
Retained earnings	7,650,102	4,878,978	2,771,124	56.8%
Equity attributable to the owners of the parent	23,900,102	21,128,978	2,771,124	13.1%
Total equity and liabilities	37,490,806	43,001,575	(5,510,769)	
Net assets per share	0.196	0.173	0.023	
BORROWINGS				
Loans from Governments	10,000,000	13,800,000	(3,800,000)	-27.5%
Commercial borrowings	2,673,874	7,484,876	(4,811,002)	-64.3%
Total borrowings	12,673,874	21,284,876	(8,611,002)	-40.5%
Debt/ Equity ratio	0.53	1.01		



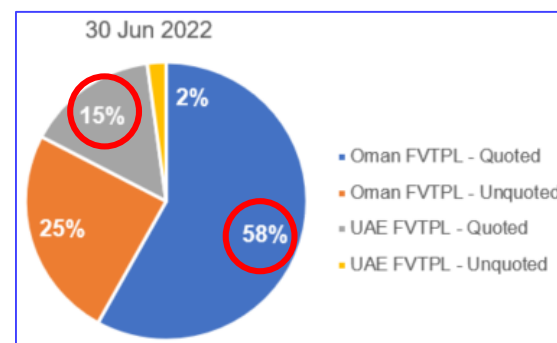
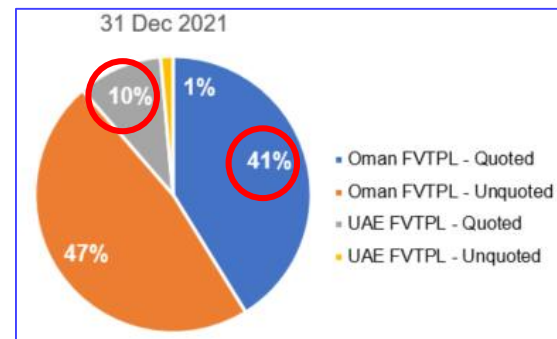
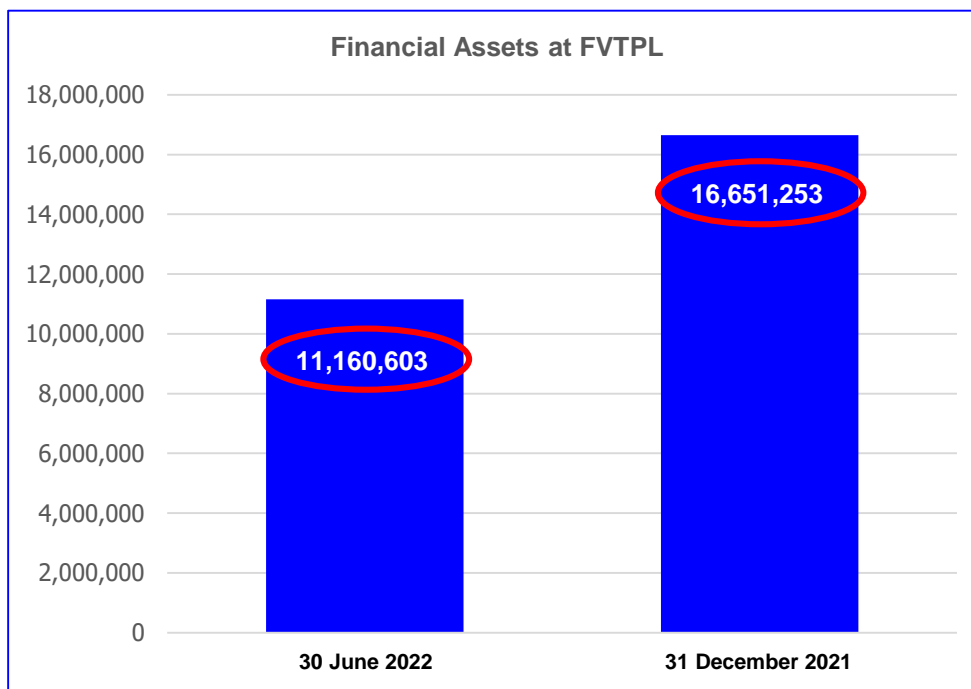
PERFORMANCE Q2-2022

CONDENSED FINANCIAL POSITION – ANALYSIS OF MAJOR ITEMS

1. FINANCIAL ASSETS AT FVTPL

JUNE 2022: RO 11,160,603 (DEC 2021: RO 16,651,253)

- ➔ 1. Variance RO 5.49M is due to disposal of investments in Oman with Octal Holding Company being the largest (carrying value RO 5.15 M) and others (carrying value RO 0.34M).
- ➔ 2. Realised gain of RO 1.89 M overall on sale during the period.
- ➔ 3. Net unrealised gain amounted to RO 327K on quoted investments in Oman (mainly in banking sector).
- ➔ 4. Unrealised gain of RO 39K on quoted investments in UAE (in insurance sector).
- ➔ 5. Quoted securities overall portfolio percentage increased by 22% during the period.





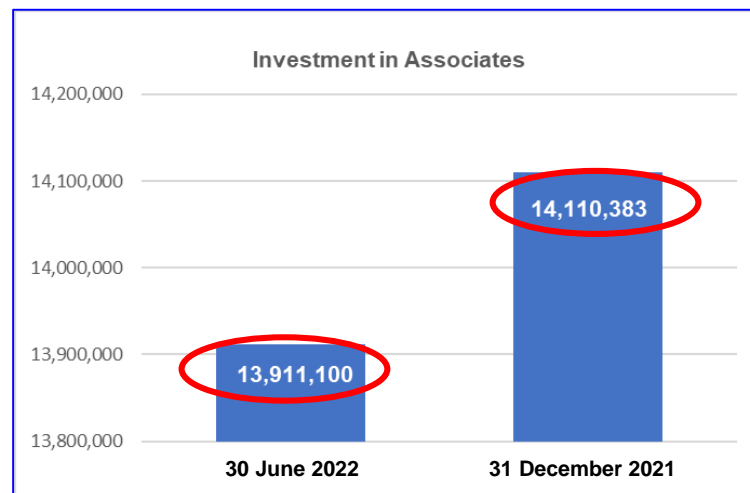
PERFORMANCE Q2-2022

CONDENSED FINANCIAL POSITION – ANALYSIS OF MAJOR ITEMS

2. INVESTMENT IN ASSOCIATES

JUNE 2022: RO 13,911,100
(DEC 2021: RO 14,110,383)

Investment in Associates declined by a net of RO 199K from the year end through share of loss (RO 88K), dividend received (RO 151K) and share of profit (RO 40K).

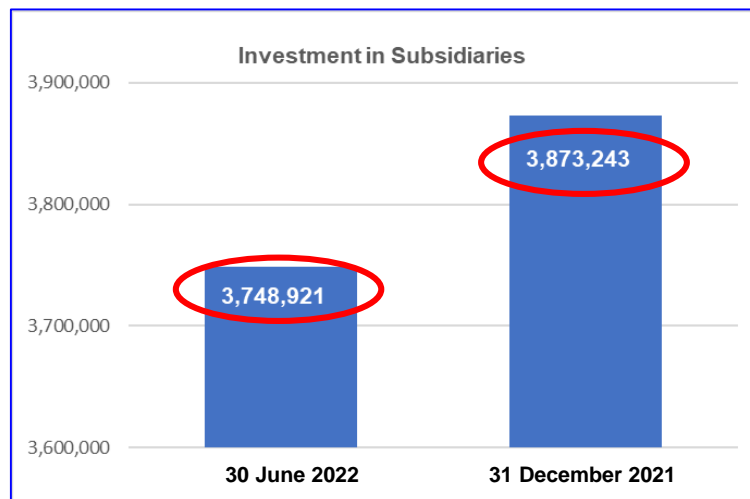


3. INVESTMENT IN SUBSIDIARIES

JUNE 2022: RO 3,748,921
(DEC 2021: RO 3,873,243)

1. O&E follows equity accounting for its subsidiaries and any change represents the share of profit / (loss) from its subsidiary.

2. During the period ended 30 June 2022, share of loss from its subsidiary amounted to RO 124K .





PERFORMANCE Q2-2022

CONDENSED FINANCIAL POSITION – ANALYSIS OF MAJOR ITEMS

4. BANK OVERDRAFTS JUNE 2022: RO 217,525 (DEC 2021: RO 562,017)

→ During the period, the Parent Company's overdraft reduced by RO 344K.

5. TRADE AND OTHER PAYABLES JUNE 2022: RO 916,830 (DEC 2021: RO 812,952)

→ The net increase of RO 104K is mainly due to penal interest accrued on overdue repayment of loan from Governments partially offset by repayment of current obligations.

6. TERM LOAN JUNE 2022: RO 2,456,349 (DEC 2021: RO 3,100,810)

→ Parent Company's term loans were reduced by RO 645K.

7. LOAN FROM GOVERNMENTS JUNE 2022: RO 9,308,120 (DEC 2021: RO 12,483,924)

→ The Parent Company repaid a loan of RO 3,800,000.

8. DIVIDEND INCOME JUNE 2022: RO 479,034 (JUNE 2021: RO 239,295)

→ Total dividend income of RO 479K was received mainly from banking, education and insurance investments.



PERFORMANCE Q2-2022

CONDENSED FINANCIAL POSITION – ANALYSIS OF MAJOR ITEMS

9. NET PROFIT FROM FINANCIAL ASSETS AT FVTPL JUNE 2022: RO 2,253,645 (JUNE 2021: RO 410,346)

→ The overall net gain of RO 1.84 M contributed from securities resulted from a combination of un-realised gain (RO 0.676 M), decline in the fair value of securities during the period (RO 0.29M) and the net realised gain from sale of Octal Holding Company (RO 1.92 M).

10. RENTAL INCOME JUNE 2022: RO 56,205 (JUNE 2021: RO 19,539)

→ During the period, 13 units were rented (occupancy 62%) compared to 4 units rented out during the period ended 30 June 2021 which has resulted in increase in the rental income.

11. SHARE OF (LOSS)/PROFIT FROM ASSOCIATES & SUBSIDIARIES - NET JUNE 2022: (RO 172,319) (JUNE 2021: RO 494,958)

→ During the period, the Parent Company recorded net share of loss of RO 172K from Associates (RO 48K) and Subsidiaries (RO 124K).

12. STAFF COST JUNE 2022: RO 157,958 (JUNE 2021: RO 193,811)

→ Staff costs reduced by 18.5% compared to same period in 2021 due to reduction in staff numbers.



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5. QUESTIONS



PERFORMANCE Q2-2022

CONDENSED FINANCIAL POSITION – ANALYSIS OF MAJOR ITEMS