



OMAN & EMIRATES INVESTMENT HOLDING CO. SAOG

**UNAUDITED FINANCIAL RESULTS
(PERIOD ENDED 30TH JUNE 2024)**

**INVESTOR SESSION
11th SEPTEMBER 2024**



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- ➔ 4. Financial Statements for **period ending 30 June 2024**:
 - ➔ 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 2024**. 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 2023**. 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 ...





OVERVIEW

BUSINESS ENVIRONMENT 2024 AND OUTLOOK

1. Global Economy in 2024

- a. The outlook for 2024 will come with a **high degree of uncertainty under elevated geopolitical risks**, with the Russian war in Ukraine continuing and the **potential for a large-scale conflict in the Middle East** emerging. These conflicts will play out against the backdrop of many countries still facing challenges with above-normal inflation and lowered prospects for growth in economic activity.
- b. The **IMF projects global growth at 3.1% in 2024 and 3.2% in 2025** on account of greater-than-expected resilience in the United States and several large emerging market and developing economies, as well as fiscal support in China. The **forecast is below the historical average of 3.8%**, with elevated central bank policy **rates** to fight inflation, a withdrawal of **fiscal support** amid high debt weighing on economic activity, and **low underlying productivity growth**. With unwinding supply-side issues and restrictive monetary policy, **global headline inflation is expected to fall to 5.8% in 2024 and to 4.4% in 2025**.
- c. With disinflation and steady growth, the **likelihood of a hard landing has receded**, and **risks to global growth are broadly balanced**. Policymakers' near-term challenge is to successfully manage the final descent of inflation to target, calibrating monetary policy in response to underlying inflation dynamics and adjusting to a less restrictive stance.

2. GCC Outlook

- a. Looking ahead, there are **reasons to be optimistic about the potential economic performance of countries in the region**, given their commitment to **economic diversification** and their ability to adapt to changing market conditions. The **GCC states are poised to effectively navigate through a decelerating global economy**, aided by a loosening of OPEC+ oil production quotas, relatively strong growth in key Asian markets including in India and China, and continued government investment in the economy in line with the economic diversification goals. As a result, **GDP growth in 2024 is expected to strengthen at 3.7%**. While the region may not be entirely shielded from a global economic deceleration, reasons exist for cautious optimism.
- b. The Ministry of Finance expects **Oman's economy to achieve a growth of at least 3%** during 2024 while continuing to maintain **annual inflation at moderate levels, around 3%**, aiming to sustain financial, economic, and social **stability** in line with the Financial Framework of the 10th Five-Year Development Plan (2021-2025) and Oman Vision 2040. The IMF recently stated that **Oman's economic outlook remains favorable**. Supported by favorable oil prices and sustained reform momentum, Oman's economic recovery continues, and inflation remains contained with the government interventions through subsidies on food and fuel products



PERFORMANCE Q2 - 2024

CONDENSED INTERIM INCOME STATEMENT

	Note	Group				Parent Company			
		Period from 1 January 2024 to 30 June 2024 (Un-audited)	Period from 1 January 2023 to 30 June 2023 (Un-audited)	Period from 1 April 2024 to 30 June 2024 (Un-audited)	Period from 1 April 2023 to 30 June 2023 (Un-audited)	Period from 1 January 2024 to 30 June 2024 (Un-audited)	Period from 1 January 2023 to 30 June 2023 (Un-audited)	Period from 1 April 2024 to 30 June 2024 (Un-audited)	Period from 1 April 2023 to 30 June 2023 (Un-audited)
Net investment income/(loss)	21	1,008,180	750,376	72,692	388,329	753,463	416,047	(28,402)	154,785
Share of profit from investment in associates	10	812,788	363,844	509,567	203,351	695,362	182,125	391,304	118,250
Share of profit from investment in subsidiaries	11	-	-	-	-	88,789	151,600	16,428	108,090
Gross profit on sale of food products	22	109,372	167,730	33,220	69,569	-	-	-	-
Other income		102,858	28,283	2,016	11,206	68,000	-	-	-
Total income		2,033,198	1,310,233	617,495	672,455	1,605,614	749,772	379,330	381,125
Expenses									
Staff costs		(376,411)	(365,897)	(184,663)	(180,969)	(165,237)	(152,776)	(80,511)	(75,276)
Administrative expenses		(359,134)	(352,351)	(179,839)	(165,584)	(188,149)	(209,492)	(92,249)	(94,265)
Finance costs		(147,930)	(119,135)	(72,563)	(58,667)	(92,823)	(64,730)	(45,323)	(31,564)
Total expenses		(883,475)	(837,383)	(437,065)	(405,220)	(446,209)	(426,998)	(218,083)	(201,105)
Net profit before tax for the period		1,149,723	472,850	180,430	267,235	1,159,405	322,774	161,247	180,020
Income tax		-	(39,093)	-	(15,998)	-	-	-	-
Net profit after tax and total comprehensive income for the period		1,149,723	433,757	180,430	251,237	1,159,405	322,774	161,247	180,020
Net profit after tax attributable to:									
Parent Company		1,083,163	295,676	177,962	154,304	1,159,405	322,774	161,247	180,020
Non-controlling interest		66,560	138,081	2,468	96,933	-	-	-	-
		1,149,723	433,757	180,430	251,237	1,159,405	322,774	161,247	180,020
Earnings per share - basic and diluted	23	0.009	0.002	0.001	0.001	0.010	0.003	0.001	0.001



PERFORMANCE Q2 - 2024

CONDENSED INTERIM INCOME STATEMENT

30/6/2024
30/6/2023

PARTICULARS	30/6/2024 PARENT RO	30/6/2023 PARENT RO	Variance RO	%
Income				
Interest income	16	127	(111)	-87%
Rental income	70,932	78,404	(7,472)	-10%
Dividends income	396,865	453,426	(56,561)	-12%
Net income from financial assets at FVTPL	286,619	(107,557)	394,176	366%
Share of profit /(loss) from investments in Associates	695,362	182,125	513,237	282%
Share of profit /(loss) from investments in Subsidiaries	88,789	151,600	(62,811)	-41%
Other income	-	-	-	
Total income	1,538,583	758,125	780,458	↑ 103%
Expenses				
Staff costs	(165,237)	(152,776)	(12,461)	8%
Administrative expenses	(188,149)	(209,492)	21,343	-10%
Investments related expenses	(969)	(8,353)	7,384	-88%
Directors' remuneration	68,000	-	68,000	100%
Total expenses	(286,355)	(370,621)	84,266	↓ -23%
Net Operating Profit	1,252,228	387,504	864,724	↑ 223%
Finance costs	(92,823)	(64,730)	(28,093)	43%
Profit before tax for the year	1,159,405	322,774	836,631	↑ 259%
Income tax	-	-	-	
Profit after tax and total comprehensive income	1,159,405	322,774	836,631	↑ 259%
Basic and diluted earnings per share	0.010	0.003	0.007	

1. **Rental Income** Rental income decreased slightly due to tenants vacating the building.

2. **Dividend income:** decreased by RO 56K on account of maturity of amortised cost investment.

3. **Net Income from Financial Assets at FVTPL:** Increased due to realised gains of RO 79K and unrealised gains of 206K mainly from Al Wathba

4. **Share of profit from investment in Subsidiaries and Associates:** Oman Fiber Optics share of profit is RO 648K, Oman Hotels RO 47K for associates and for the Subsidiary Fincorp is RO 89K.

5. **Staff costs:** slightly increased by RO 12K.

6. **Administrative costs:** slightly decreased by RO 21K.

7. **Investment related expenses:** decreased by RO 7K.

8. **Directors Remuneration:** reversal of RO 68K.

9. **Finance costs:** increased by RO 28K due to higher debt compared to previous period.



PERFORMANCE Q2 - 2024

CONDENSED FINANCIAL POSITION – BALANCE SHEET

		Group			Parent Company		
	Notes	30 June 2024 (Un-audited)	30 June 2023 (Un-audited)	31 December 2023 (Audited)	30 June 2024 (Un-audited)	30 June 2023 (Un-audited)	31 December 2023 (Audited)
ASSETS							
Cash and bank balances	6	2,123,609	1,684,050	1,419,372	762,370	846,360	266,746
Trade and other receivables	7	1,599,351	1,665,218	1,307,712	352,706	55,122	74,976
Inventories	8	244,614	487,349	446,409	-	-	-
Investments at fair value through profit or loss	9	14,380,971	13,977,659	14,731,511	10,311,871	9,771,607	10,375,967
Investment in associates	10	16,600,477	15,860,042	16,444,544	14,777,232	14,111,182	14,611,372
Investment in subsidiaries	11	-	-	-	3,941,019	3,747,635	3,852,231
Financial assets at amortised cost	12	-	2,093,971	-	-	2,093,971	-
Investment property	13	2,764,350	2,888,550	2,826,450	2,494,350	2,618,550	2,556,450
Property, plant and equipment	5	1,860,932	2,121,627	1,993,075	285,727	366,095	326,283
Right-of-use assets		372,269	385,565	372,270	-	-	-
Deferred tax assets		61,069	39,274	61,071	-	-	-
		40,007,642	41,203,305	39,602,414	32,925,275	33,610,522	32,064,025
TOTAL ASSETS		40,007,642	41,203,305	39,602,414	32,925,275	33,610,522	32,064,025
EQUITY AND RESERVES							
Share capital	17	12,187,500	12,187,500	12,187,500	12,187,500	12,187,500	12,187,500
Legal reserve	18	5,062,733	4,991,892	5,062,733	4,062,500	4,062,500	4,062,500
Retained earnings		6,253,652	5,357,073	5,170,489	8,559,446	7,376,481	7,400,041
Total capital and reserves of the Parent Company		23,503,885	22,536,465	22,420,722	24,809,446	23,626,481	23,650,041
Non-controlling interest		3,447,050	3,313,811	3,380,490	-	-	-
TOTAL EQUITY AND RESERVES		26,950,935	25,850,276	25,801,212	24,809,446	23,626,481	23,650,041
LIABILITIES							
Lease liabilities		400,616	399,715	400,615	-	-	-
Bank borrowings	6	68,308	68,007	94,144	-	-	25,836
Term loan	14	2,463,314	1,860,657	2,629,917	2,463,314	1,860,657	2,629,917
Trade and other payables	15	1,471,469	1,871,650	2,023,526	652,515	623,384	758,231
Loan from Government	16	8,653,000	11,153,000	8,653,000	5,000,000	7,500,000	5,000,000
TOTAL LIABILITIES		13,056,707	15,353,029	13,801,202	8,115,829	9,984,041	8,413,984
TOTAL EQUITY AND LIABILITIES		40,007,642	41,203,305	39,602,414	32,925,275	33,610,522	32,064,025
Net assets per share	25	0.193	0.185	0.184	0.204	0.194	0.194



PERFORMANCE Q2 - 2024

CONDENSED FINANCIAL POSITION – BALANCE SHEET

30/6/2024
31/12/2023

PARTICULARS	30/06/2024 PARENT	31/12/2023 PARENT	Variance	%
ASSETS				
Cash and bank balances	762,370	266,746	495,624	186%
Trade and other receivables	352,706	74,976	277,730	370%
Financial assets at FVTPL	10,311,871	10,375,967	(64,096)	-1%
Investment in equity accounted investees	14,777,232	14,611,372	165,860	1%
Investment in subsidiaries	3,941,019	3,852,231	88,788	2%
Financial assets at amortised cost	-	-	-	0%
Property, plant and equipment	285,727	326,283	(40,556)	-12%
Investment properties	2,494,350	2,556,450	(62,100)	-2%
TOTAL ASSETS	32,925,275	32,064,025	861,250	↑ 3%
EQUITY				
Share capital	12,187,500	12,187,500	-	0%
Legal reserve	4,062,500	4,062,500	-	0%
Retained earnings	8,559,447	7,400,041	1,159,406	16%
Total equity	24,809,447	23,650,041	1,159,406	↑ 5%
LIABILITIES				
Bank overdrafts	0	25,836	(25,836)	-100%
Trade and other payables	652,515	758,231	(105,716)	-14%
Term loans	2,463,313	2,629,917	(166,604)	-6%
Loans from Government	4,648,526	4,648,526	-	0%
Deferred Government grants	351,474	351,474	-	0%
Total liabilities	8,115,828	8,413,984	(298,156)	↓ -4%
TOTAL EQUITY AND LIABILITIES	32,925,275	32,064,025	861,250	↑ 3%
Net assets per share	0.204	0.194	0	↑ 5%
BORROWINGS				
Loans From Governments	5,000,000	5,000,000	-	0%
Commercial Borrowings	2,463,313	2,629,917	(166,604)	-6%
Total Borrowings	7,463,313	7,629,917	(166,604)	↓ -2%
Debt / Equity Ratio	0.30	0.32		



30/6/2024
31/12/2023

PERFORMANCE Q2 - 2024

CONDENSED FINANCIAL POSITION – BALANCE SHEET

1. **Cash and Cash Equivalents:** Cash and Bank Balances have increased due to:

- Dividends received from Oman Fiber RO 529K and other dividend income RO 396K,
- Partially offset by payment of loan installments RO 200K, finance costs paid RO 92K and
- Operating expense RO 135K.

2. **Trade and other receivables:** Have increased significantly mainly due the receivable from Fincorp RO 275K for sale of investments (which was received subsequently in July 2024).

3. **Financial assets at FVTPL:** next slide.

4. **Investment in Associates:** increased due to:

- Net effect of total share of profits RO 695K (648K OFOC and 47K OHTC),
- Offset by dividend from OFOC RO 529K.

5. **Investment in Subsidiaries:** slight movement in subsidiaries mainly on account of Fincorp.

6. **Property, plant and equipment:**

- PP&E consists of buildings, furniture and fixtures, office equipment and motor vehicles;
- Movement is on account of depreciation charge for the year and purchase of office equipment.

7. **Investment properties:** : Investment property is carried at cost and changes represents periodic charge of depreciation of RO 62K charged for the period.

PARTICULARS	30/06/2024 PARENT	31/12/2023 PARENT	Variance	%
ASSETS				
→ Cash and bank balances	762,370	266,746	495,624	186%
→ Trade and other receivables	352,706	74,976	277,730	370%
→ Financial assets at FVTPL	10,311,871	10,375,967	(64,096)	-1%
→ Investment in equity accounted investees	14,777,232	14,611,372	165,860	1%
→ Investment in subsidiaries	3,941,019	3,852,231	88,788	2%
Financial assets at amortised cost	-	-	-	0%
→ Property, plant and equipment	285,727	326,283	(40,556)	-12%
→ Investment properties	2,494,350	2,556,450	(62,100)	-2%
TOTAL ASSETS	32,925,275	32,064,025	861,250	↑ 3%
EQUITY				
Share capital	12,187,500	12,187,500	-	0%
Legal reserve	4,062,500	4,062,500	-	0%
Retained earnings	8,559,447	7,400,041	1,159,406	16%
Total equity	24,809,447	23,650,041	1,159,406	↑ 5%
LIABILITIES				
Bank overdrafts	0	25,836	(25,836)	-100%
Trade and other payables	652,515	758,231	(105,716)	-14%
Term loans	2,463,313	2,629,917	(166,604)	-6%
Loans from Government	4,648,526	4,648,526	-	0%
Deferred Government grants	351,474	351,474	-	0%
Total liabilities	8,115,828	8,413,984	(298,156)	↓ -4%
TOTAL EQUITY AND LIABILITIES	32,925,275	32,064,025	861,250	↑ 3%
Net assets per share	0.204	0.194	0	↑ 5%
BORROWINGS				
Loans From Governments	5,000,000	5,000,000	-	0%
Commercial Borrowings	2,463,313	2,629,917	(166,604)	-6%
Total Borrowings	7,463,313	7,629,917	(166,604)	↓ -2%
Debt / Equity Ratio	0.30	0.32		



PERFORMANCE Q2 - 2024

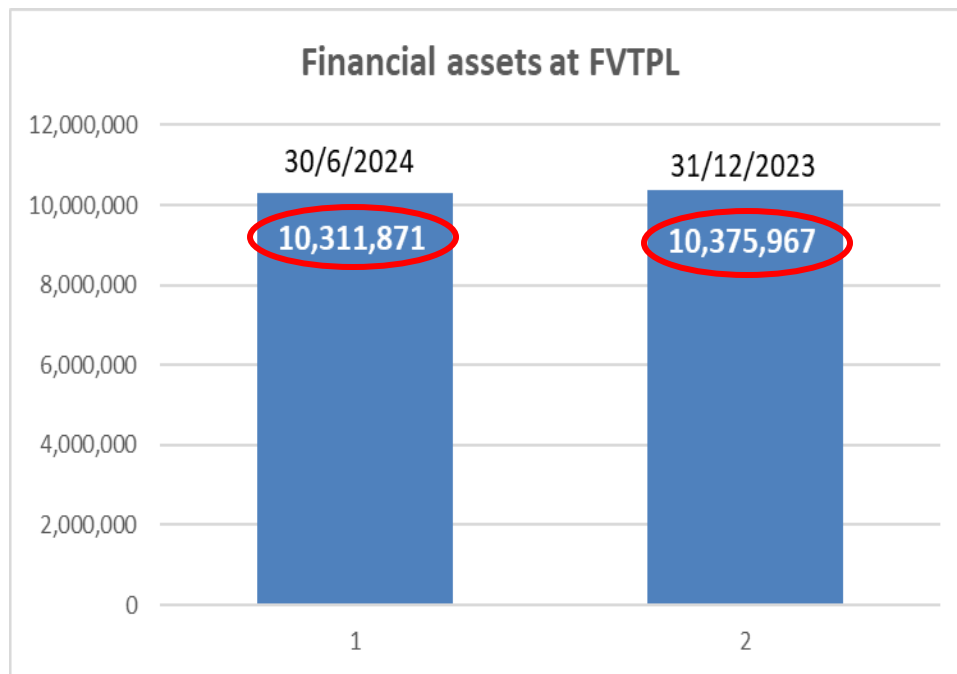
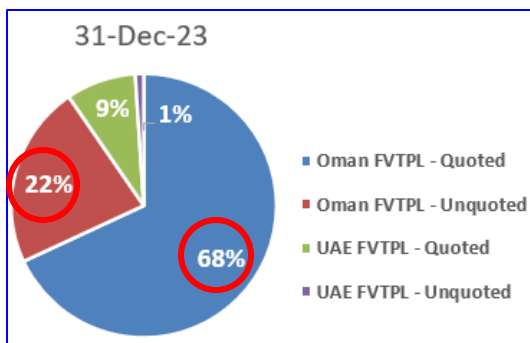
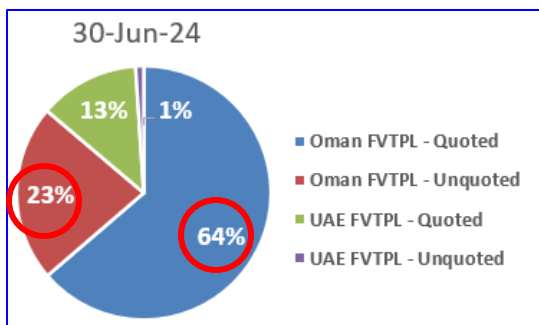
ANALYSIS OF MAJOR ITEMS

1. FINANCIAL ASSETS AT FVTPL JUN 2024: RO 10,311,871 (DEC 2023: RO 10,375,967)

1. Variance is mainly due to following reasons:

- a. Disposal of securities amounting to RO 271K;
- b. Net Fair Value gains of securities amounting to RO 207K; and

2. Asset class distribution:





PERFORMANCE Q2 - 2024

ANALYSIS OF MAJOR ITEMS

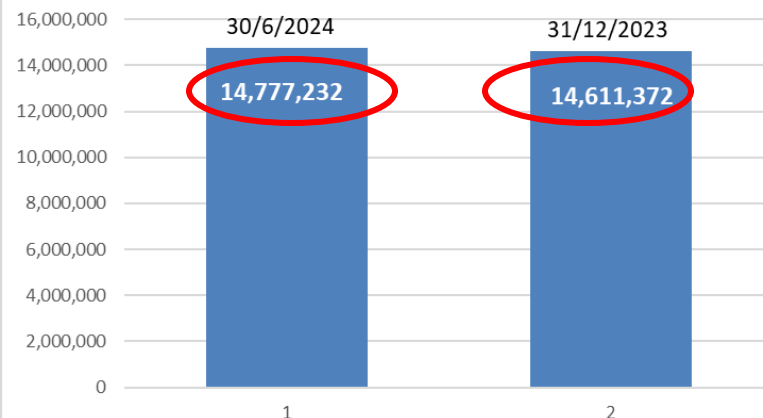
2. INVESTMENT IN ASSOCIATES

JUN 2024: RO 14,777,232
(DEC 2023: RO 14,611,372)

1. Movement in investment in associates on account of:

- Oman Fibre Optic share of dividend received of RO 529K and share of profit of RO 648K and
- Oman Hotel share of profit of RO 47K.

Investment in Equity Accounted Investees

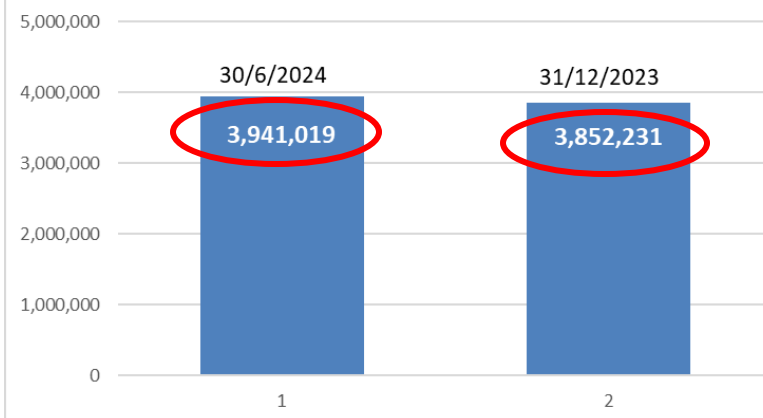


3. INVESTMENT IN SUBSIDIARIES

JUN 2024: RO 3,941,019
(DEC 2023: RO 3,852,231)

- O&E follows equity accounting for its Subsidiaries and change represents the share of profit / (loss) from these.
- The movement in Subsidiaries was mainly on account of Fincorp.

Investment in subsidiaries





PERFORMANCE Q2 - 2024

ANALYSIS OF MAJOR ITEMS

4. BANK OVERDRAFTS JUN 2024: RO Nil (DEC 2023: RO 25,836)

→ During the period, the Parent Company's overdraft of RO 26K was cleared.

5. TRADE AND OTHER PAYABLES JUN 2024: RO 652,515 (DEC 2023: RO 758,231)

→ Payables decreased by RO 106K due to an amount of RO 68K reversal of provision for director's remuneration.

6. TERM LOAN JUN 2024: RO 2,463,314 (DEC 2023: RO 2,629,917)

→ During the period, term loan was reduced by an amount of RO 166K.

7. LOAN FROM GOVERNMENTS JUN 2024: RO 5000,000 (DEC 2023: RO 5000,000)

→ The next repayment tranche of RO 2.5 million is due in Q4-2024.



PERFORMANCE Q2 - 2024

ANALYSIS OF MAJOR ITEMS

8. DIVIDEND INCOME

JUN 2024: RO 396,865 (JUN 2023: RO 453,426)



Total dividend income of RO 396,865K was received mainly from banking and insurance investments.

9. NET (LOSS)/ PROFIT FROM FINANCIAL ASSETS AT FVTPL

JUN 2024: RO 286,619 (JUN 2023: RO (107,557))



The overall net income from financial assets at FVTPL was RO 287K (Realised Profit RO 79,838 and Unrealised Profit RO 206,781).

10. RENTAL INCOME

JUN 2024: RO 70,932 (JUN 2023: 78,404)



During the period, 2 tenants left the building.

11. SHARE OF PROFIT/(LOSS) FROM ASSOCIATES & SUBSIDIARIES - NET

JUN 2024: RO 784,151 (JUN 2023: RO 333,725)



Oman Fibre Optic Co. SAOC RO 648,329,
Oman Hotels & Tourism Co. SAOC RO 47,033 and
Fincorp RO 88,788.



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3. QUESTIONS



THANK YOU