Board of Directors' Report – 30th June 2026

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 1st April to 30th June 2026.

Change in Financial Year End and Basis of Comparison

This report presents the first quarterly results under the new financial year, covering the three-month period from 1 April 2026 to 30 June 2026. In line with IFRS requirements on changes in reporting period and the comparability of financial information, Group and Parent results are compared against the corresponding three-month calendar period of April to June 2025, Subsidiaries and Associates results are compared on the same calendar-quarter basis, listed investments: valued and compared at the market price prevailing, unquoted investments: compared against the most recently available audited year-end accounts. The Board believes this basis provides shareholders with the most meaningful and consistent comparison available during this transitional reporting period.

Financial Results:

The Company (Group & Parent) recorded **Net Losses** of **RO (1,612,619)** and **RO (1,516,405)** respectively during this period, compared to (Group & Parent) Net Profits of RO 282,512 and RO 419,788 respectively during the same period April to June in 2025.

The reported net loss is attributable to movements in the quoted market price of the Company's investments, resulting in an unrealized fair value adjustment recognized in accordance with IFRS, not any structural deterioration in the Company's core businesses or financial position.

Stock Market Indices:

MSX decreased by 8.09% while ADX and DFM increased by 2.98% and 9.59% respectively, compared to a decrease of 1.65% while ADX and DFM increased by 5.72% and 10.61% respectively during the same period in 2025.

Net Equity, Investments and Borrowing:

The Net Equity of the Group decreased by **(5.91%)** from RO 27.268 million at 31.3.2026 to RO 25.656 million at 30.6.2026 (30.06.2025: RO 23.208 million). The Net Equity of the Parent decreased **(5.18%)** from RO 29.266 at 31.3.2026 to RO 27.749 million at 30.6.2026 (30.6.2025: RO 25.024 million).

The Total Investment Values of the Group and the Parent Company were RO 34.546 million and RO 31.621 million respectively as at 30.6.2026 (30.6.2025: Group RO 30.159 million and RO 27.396 million).

ص.ب: ٢٢٠٥، روي، الرمز البريدي: ١١٢، سلطنة عمان، هاتف: ٢٤٠٣٦٨٠٠ website: www.omanemirates.com - س.ت رقم: ١/٤١١٤١/١
P.O. Box: 2205, Ruwi, Postal Code 112, Sultanate of Oman, Tel.: 24036800, website: www.omanemirates.com, C.R. No. 1/41141/1

The total borrowing of the Group and the Parent Company increased to RO 11.465 million and RO 7.688 million respectively as at 30.06.2026 (30.06.2025: Group RO 10.555 million and Parent RO 6.845 million).

Share Capital Increase

Distribution of 5% bonus shares was approved by the Annual General Meeting held on 7th July 2026 resulting in an increase in the Company's share capital from RO 12,187,500 to RO 12,796,875 effected through the capitalization of RO 609,375 from retained earnings, being a reclassification within shareholders' equity.

Shareholder Loans to Related Parties

Convertible loans and interests accrued to investee companies to support their funding requirements and future growth stood at RO 1,576,934 at end of this period.

Performance of Group Companies:

Fincorp:
The subsidiary recorded a profit of RO 28.746K during the three-month period ending 31st March 2026 and O&E's share of profit was RO 14.717K. The Board and Management, supported by an appointed independent consultant and legal adviser, have continued their thorough review of a legacy matter relating to brokerage account balances originating in 2023, and have made significant progress in substantiating account accuracy and containing any residual impact. As part of this prudent, ongoing process, and further to the RO 600,000 provision for claims taken in 2024, additional provisions of RO 867,016 for claims and RO 606,563 for trade receivables were taken in 2025, in line with the independent financial consultant's report.

The Company has also completed the full audit of all requirements set by the Financial Services Authority, with the assigned Auditor's verification final report submitted to the Authority on 21 July 2026, marking the substantive closure of this regulatory review.

Omani Euro Food Industries Company SAOG:
The subsidiary recorded a loss of RO (119)K during the period ended 31st March 2026 resulting in RO (96)K share of loss for O&E on consolidation of group results. The new Board at the helm of the company is addressing the decline in sales through improved working relationships with the major clients and more focused distribution. Key elements of plant and machinery in the factory are being upgraded along with quality controls, essential for maintaining high standards of production. The capital contributions are envisaged by the major shareholders in the form of convertible debt.

Oman Hotels and Tourism Company SAOC
This Associate recorded a profit of RO 286K during the period ending 31st March 2026 resulting in RO 90K share of profit for O&E. With global hotel industry continuing to navigate challenges, the company's core business has not yet picked momentum up compounded by delays in 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. The profit recorded during the period 31 March 2026 was RO 291K resulting in RO 61K share of profit for O&E. O&E also received a dividend of RO 529K during the year from this Associate.

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.

Mohamed Abdullah Al Khonji
Chairman
10th August 2026