Board of Directors' Report – 30 September 2026

Dear Shareholders,

On behalf of the Board of Directors, I am pleased to present the financial performance of Oman & Emirates Investment Holding Co SAOG for the six months period 1 April to 30 September 2026.

Change in Financial Year End and Basis of Comparison

This report presents the second quarter results under the new financial year, covering the six-month period from 1 April 2026 to 30 September 2026. In line with IFRS requirements on changes in reporting period and the comparability of financial information, Group and Parent results are compared with the corresponding six-month period from April to September 2025. Subsidiaries and Associates results below are based on their June 2026 reporting periods, reflecting the alignment of reporting information following the change in O&E's financial year. Listed investments are valued at applicable reporting-date market prices, while comparisons for unquoted investments: refer to the most recently available audited year-end accounts. These different reporting dates and bases should be considered when reviewing the information presented.

Financial Results:

The Company (Group & Parent) recorded **Net Losses** of **RO (1,608,405)** and **RO (1,387,296)** respectively for the six months ended 30 September 2026, compared to (Group & Parent) Net Profits of RO 1,334,901 and RO 1,579,272 respectively during the same period April to September in 2025.

The reported net loss reflects unrealised fair value losses arising from movements in the quoted market prices of the Company's investments, recognized in accordance with IFRS. These valuation movements should be considered alongside the operating performance of the underlying businesses when assessing the Company's overall performance and financial position.

Stock Market Indices:

During the period, the MSX declined by 7.36% while the ADX and DFM increased by 5.77% and 9.68% respectively, compared to an increase of 13.22% in MSX while ADX and DFM increased by 6.32% and 13.20% respectively during the same period in 2025.

Net Equity, Investments and Borrowing:

The Net Equity of the Group decreased by **(8.13%)** from RO 27.268 million at 31 March 2026 to RO 25.051 million at 30 September 2026 (30 September 2025: RO 24.332 million). The Net Equity of the Parent decreased **(6.82%)** from RO 29.266 at 31 March 2026 to RO 27.269 million at 30 September 2026 (30 September 2025: RO 26.254 million).

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Tax Card No. : 8113249, VATIN OM1100092401 رقم البطاقة الضريبية : ٨١١٣٢٤٩، ضريبة القيمة المضافة OM1100092401

The total value of investments held by the Group and the Parent Company amounted to RO 37.513 million and RO 32.546 million respectively, at 30 September 2026 (30 September 2025: RO 31.243 million and RO 28.664 million).

Total borrowings of the Group and the Parent Company increased to RO 12.034 million and RO 8.229 million respectively at 30 September 2026 compared with RO 10.387 million and RO 6.665 million respectively at 30 September 2025.

Share Capital Increase

At the Annual General Meeting held on 7th July 2026, shareholders approved a 5% bonus share issue, increasing the Company's share capital from RO 12,187,500 to RO 12,796,875. The increase was effected through the capitalization of RO 609,375 from retained earnings and represents a reclassification within shareholders' equity.

Shareholder Loans to Related Parties

Convertible loans advanced to investee companies together with accrued interest, totaled RO 1,684,624 at 30 September 2026. These loans support the funding requirements and future growth of the investee companies.
In relation to NAPCO, O&E formally exercised its contractual right to convert its outstanding shareholder loan to equity in accordance with the shareholder loan agreement and the relevant shareholders' resolution. The conversion remains subject to completion of the applicable regulatory and statutory procedures, including obtaining the necessary approvals.

Performance of Group Companies:

Fincorp:
Fincorp reported a profit of RO 120,600 for the six months ended 30 June 2026. O&E recognised a share of profit of RO 88,060 for the nine months ended 30 September 2026, reflecting Fincorp's consolidation of Fincorp Al Amal Fund from 23 July 2026, when it acquired control.

For the legacy brokerage balances dating from 2023, Fincorp added RO 168,723 to the claims provision, transferred RO 124,469 from trade payables and paid RO 795,326 against the provision during the six months ended 30 September 2026. The closing provision of RO 770,049 remains subject to estimation uncertainty while client reconciliations and settlement discussions continue.

The independent verification report was submitted to the Financial Services Authority on 21 July 2026. Management continues to engage with the Authority on outstanding matters and remediation.

Omani Euro Food Industries Company SAOG:
The subsidiary recorded a loss of RO (273,000) during the period ended 30 June 2026 resulting in a loss attributable to O&E of RO (221,000) on consolidation of group results. The new Board at the helm of the company is addressing the decline in sales by strengthening relationships with the major customers and improving distribution. Selected plant and machinery in the factory are being upgraded alongside improvements to quality controls, to maintain 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 99,000 for the period ended 30 June 2026 with O&E's share of profit amounting to RO 32,000. With global hotel industry continuing to navigate challenges, the company's core business has not yet picked momentum up, while completion of the Ruwi Hotel renovation has been delayed pending additional funding. Its Associate, United Finance Company SAOG, which provides leasing and financial services, continues to contribute to profitability.

Oman Fiber Optics Company SAOC
This Associate has consistently generated profits and has been one of the highest dividend paying investments in O&E's portfolio for several years. The profit recorded during the period 30 June 2026 was RO 1.676 million resulting in RO 351,000 share of profit for O&E. O&E also received a dividend of RO 529,000 during the year from this Associate.

Acknowledgement:

On behalf of the Board, I express our heartfelt gratitude to the Governments of the Sultanate of Oman and the United Arab Emirates for their continued support to our Company. We also thank the stock market authorities, banks, shareholders and our employees for their commitments and efforts.

Mohamed Abdullah Al Khonji
Chairman
12th November 2026