

## Directors' Report

### Dear Shareholders,

On behalf of the Board of Directors, I am pleased to present the un-audited consolidated results of Al Anwar Investments SAOG (AAI) for the three -month period ended on 30 June 2024.

### Financial Overview of Al Anwar Investments Group ("AAI")

The Company reported a net profit of OMR 679,000 for the three-month period ended on 30 June 2024 as against a net profit of OMR 947,000 for the period ended on 30 June 2023.

The total comprehensive income for the three-month period ended on 30 June 2024 was OMR 1,281,000 as against OMR 2,460,000 for the period ended on 30 June 2023.

Net asset per share of the Group as of 30 June 2024 is 151 Baisas per share as against 159 Baisas per share on 30<sup>th</sup> June 2023.

### Investment update

#### 1. Al Maha Ceramics SAOG

The Company has reported revenue of OMR 1,296,730 for the three-month period ended on 31 March 2024 as compared with OMR 2,020,330 during the previous period, a decline of 36%. Net Loss after tax for the period was OMR 549,590 as compared to a profit of OMR 109,567 in the previous period. This is primarily attributed to several factors, including fierce competition from imported tiles and increased logistics costs due to geopolitical tensions in the region. Additionally, the company recorded a share of loss of OMR 433,057 from associate, Al Hael Ceramics LLC, primarily due to delays in the commencement of production of porcelain tiles.

#### 2. Voltamp Energy SAOG

The Company has reported revenue of OMR 6,538,459 for the three-month period ended on 31 March 2024, as compared with OMR 4,471,607 during the previous period, an increase of 46% mainly on account of strategic initiatives taken on control of cost and better order book. Net profit after tax (attributable to shareholders of Parent Company) for the period was OMR 627,224 compared to net loss of OMR 607,896 in the previous period as a result of improved cost of sales.

AAI has sold its 4.68% stake in the company during the first quarter and recorded a realised gain of OMR 434,497. At the existing shareholding of 20%, our Board believes that AAI is still having significant influence on the company hence the investment continues to be classified as an Associate.

#### 3. Arabia Falcon Insurance Company SAOG

The Company has reported Insurance Revenue of OMR 5,025,598 during the three -month period ended on 31 March 2024 as compared to OMR 5,515,740 for the previous period, a decreased of 8.9%. The Net profit after tax for the period was OMR 630,518 compared to loss of OMR 352,698 in the previous period, a growth of 279%, due to the improvement in the technical results and lower claims recorded in Q1 2024 compared with same quarter last year.

#### 4. Al Ruwad International for Education Services SAOC

The Company has reported lower revenue for the three months period ended on 30 April 2024. This is primarily due to lower number of students enrolled in the school during academic year. The school signed a Governance agreement with Ellesmere College, UK on 4th November 2022. This should improve the school's competitive position and support it in attracting higher number of students in future years.

#### **5. National Biscuits Industries Ltd. SAOG**

The company recorded a Net Revenue of OMR 4,628,000 for the three months period ended on 31<sup>st</sup> March 2024 as compared to OMR 3,870,000 for the previous period, an increase of 19.6%. The net profit after tax for the period was 314,000 as compared to OMR 192,000 in the previous period, an increase of 63.5%.

#### **6. The National Detergent Co. SAOG**

The Company has reported revenue of OMR 6,445,697 for the three-month period ended on 31 March 2024, as compared with OMR 5,600,752 for the previous period, a growth of 15%. Net profit for the period was OMR 394,791 compared to profit of OMR 151,013 in the corresponding period of last year, an increase of 161%. The company exercised control over costs including materials cost, which has contributed to an improvement in the profitability of the company compared to last year corresponding period. The Company's flagship brand BAHAR is maintaining its market position in Oman. The sales have also grown in both Oman as well in Export markets during the period.

#### **7. Oman Chlorine SAOG**

The Oman Chlorine Group (Consolidated) has reported revenue of OMR 8,555,000 for the three-month period ended on 31 March 2024 as compared with OMR 7,894,000 in the previous period, a growth of 8.4%. The enhanced capacity of the Plant coupled with maintaining the capacity utilization at high level at 102.7% has enabled the parent company to maintain its performance. Net Profit (attributable to Parent Company Shareholders) for the period was OMR 424,000 as compared to profit of OMR 810,000 in the previous period, a decline of 47.7%, due to decline in caustic flakes prices globally, and increase in finance cost as a result of increase interest rates globally.

### **Future Outlook**

Oman's economy is expected to continue to improve as oil prices recovers from the lows witnessed in prior years. S&P Global Ratings has revised Oman's rating outlook to positive from stable, citing improving fiscal position, progress on reforms and rising oil prices.

AAI has maintained a prudent and active approach towards managing its investment portfolio. Our objective this year is to:

continue to support and pro-actively manage our investment companies and,

take advantage of investment opportunities available in the market

We are confident that AAI and its Group companies will continue to play a pivotal role in Oman's economic growth, create job opportunities for Omani nationals.

### **Thanks, and Appreciation**

On behalf of the Board of Directors, I would like to take this opportunity to express our greetings and good wishes to His Majesty Sultan Haitham bin Tarik, and pray to Allah to grant him and his government success to lead the country and the people to greater prosperity and progress.

The Board records its sincere appreciation to Ministry of Commerce and Industry and Investment Promotion, Capital Market Authority, Muscat Stock Exchange, Bankers, Auditors for their continued support to AAI and the group companies.

I would also like to express my sincere appreciation to the Board of Directors of all Al Anwar associate companies for direction given to the managements of the respective companies. I place on record my sincere thanks and appreciation for the dedicated efforts of the management team and all employees of the group companies.

I would also like to convey my sincere thanks to the Shareholders of AAI for the confidence they have reposed in the company and its Board.

For & on behalf of the Board of Directors of

**Al Anwar Investments SAOG**

**Masoud Humaid Malik Al Harthy**

Chairman