



الأنوار للإستثمارات ش.م.ع
Al Anwar Investments SAOG

Rights Issue Prospectus

2025





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Villa No. 897, Way No. 3013, Shatti Al Qurum,
Post Box : 468, Postal Code : 131
Al Hamriya, Sultanate of Oman

RIGHTS ISSUE PROSPECTUS

Rights issue of 76,923,077 shares at a price of RO 0.066 per share (with a share price of RO 0.065 per share plus issue expenses of RO 0.001 per share)

RIGHTS TRADING PERIOD

Opening date: 20/02/2025
Closing date: 27/02/2025

RIGHTS SUBSCRIPTION PERIOD

Opening date: 23/02/2025
Closing date: 03/03/2025

ISSUE MANAGER

United Securities LLC
PO Box 2566, PC 112, Ruwi,
Sultanate of Oman
Ph: +968 2476 3300

LEGAL ADVISOR

Zaid Al Malki for advocacy and
legal consultancy
Ghala, Bawshar, Sultanate of Oman
Phone: 99000300

COLLECTING AGENT

United Securities LLC

PO Box 2566, PC 112, Ruwi,
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Sohar International Bank SAOG

PO Box 44, PC 114, Hai Al Mina, Sultanate of Oman
Tel: +968 24730000

Vision Securities

PO Box 712, PC 131, Al Hamriya,
Sultanate of Oman
Tel: +968 24760000

Financial Corporation Co. SAOG (Fincorp)

PO Box 782, PC 131, Sultanate of Oman
Tel: +968 24822330, 24822312

This Prospectus has been prepared in accordance with the applicable guidelines and instructions issued by the Financial Services Authority in the Sultanate of Oman. This Arabic version is the original version approved by the Financial Services Authority under its Administrative Decision No. [KH/1/2025] dated [04/02/2025]. The Prospectus has been translated into English, and in case of any discrepancy between the Arabic and English versions, the Arabic version shall prevail. The Financial Services Authority assumes no responsibility for the accuracy or adequacy of the data and information contained in this Prospectus and shall not be liable for any damage or loss resulting from reliance on or use of any part thereof by any person.





His Majesty
Sultan Haitham Bin Tarik Al Said





IMPORTANT NOTICE TO INVESTORS

The purpose of this Prospectus is to provide important information to potential investors who would wish to invest in the shares of Al Anwar investments SAOG (hereinafter referred to as “the shares”). It includes specific details of the offering of shares for each individual. Each offered share will be based solely on the information provided in this Prospectus. The objective of this Prospectus is to assist investors to make an appropriate decision with regard to the shares offered.

This prospectus is an important document which should be read carefully. Investors should not treat the content of the Prospectus as investment, tax or legal advice. The risk factors mentioned in Section 11 should be taken into consideration for reaching an investment decision. Investors are advised to consult with their professional advisors concerning the evaluation of the risks of the investment before making an application for the shares.

This Prospectus includes all material information and data and does not contain any misleading information, nor has any material information been omitted that could have a positive or negative impact on investors’ decision regarding whether to invest in the issued securities.

The Board of Directors and management of the Company are jointly and severally responsible for the integrity and adequacy of the information contained in this Prospectus and confirm that, to their knowledge, appropriate due diligence has been carried out in the preparation of this Prospectus and further confirm that no material information has been omitted, the omission of which would render this Prospectus misleading. In addition, some of the information of this Prospectus has been taken from publicly available sources which the management believes to be trustworthy. All summaries of documents or provisions of documents provided in this Prospectus should not be relied upon as being comprehensive statements in respect of such documents and are only to be seen as being a summary of such documents. Nevertheless, the management or any third party shall not be liable in respect to the accuracy or the completion of this information.

All investors are required to carefully review and examine this Prospectus to determine whether investing in the securities offered is appropriate, considering the information provided in its proper context. Investors should not consider this Prospectus as a recommendation from the issuer to subscribe to the offered securities. Each investor bears responsibility for obtaining independent professional advice regarding the investment in the offered securities and conducting an independent evaluation of the information and assumptions contained in this document, using any analysis or projections they deem appropriate concerning the investment in the offered securities.

It is essential to point out that no person has been authorized to make any statements or provide information on the Company or the shares other than the persons whose names are indicated in this Prospectus. Where any other person makes any statement or provides information in this Prospectus, it should not be taken as authorized by the Company, the Issue Manager, or the Legal Advisor.

ADDITIONAL IMPORTANT POINTS TO BE NOTED

This Prospectus contains relevant information deemed important and does not include any misleading information or omit any material information whose omission could materially affect an investor's decision regarding investment in the securities offered through this Prospectus. Summaries of documents or provisions included in this Prospectus should not be relied upon as comprehensive statements regarding these documents but should instead be considered merely as summaries of such documents.

References to documents

The summaries of documents, or of provisions contained in this Prospectus may not provide the complete details or summary thereof, and may not be exact reproductions of such documents or parts thereof, and should not be relied upon as being comprehensive summaries/statements in respect of such documents.

Scope of information

The information contained in this Prospectus is intended to provide a prospective Applicant with adequate information relating to the investment opportunity and background information on the rights issue contemplated hereby. However, this Prospectus does not necessarily contain all the information that a prospective Applicant may consider material. The content of this Prospectus is not to be construed as legal or tax advice or as a business or investment opportunity. Each prospective Applicant should consult their own lawyer, financial advisor, or tax advisor for legal, financial or tax advice in relation to any purchase of or proposed subscription for Offer Shares.

Investor due diligence

Prior to making any decision as to whether to subscribe for Offer Shares or not, prospective Applicants should read this Prospectus in its entirety. In making an investment decision, prospective applicants must rely upon their own examination of the terms of this Prospectus and the risks involved in making an investment.

Restrictions on the distribution of this Prospectus

The distribution of this Prospectus and the issue of the Offer Shares may, in certain jurisdictions, be restricted by law or may be subject to prior regulatory approvals. This Prospectus does not constitute an offer or an invitation by or on behalf of the Company to any person in any jurisdiction outside Oman to subscribe for any of the Offer Shares where such offer or invitation would be unlawful. The Company and the Issue Manager require persons into whose possession this Prospectus comes to inform themselves of, and to observe, all such restrictions. Neither the Company nor the Issue Manager nor any of their respective directors, managers, accountants, advisers, lawyers, or employees accepts any legal responsibility for any violation of any such restrictions on the sale, offer to sell or solicitation to subscribe for Offer Shares by any person, whether or not a prospective Applicant, in any jurisdiction outside Oman where such sale, offer to sell or solicitation to subscribe, would be unlawful.

Restrictions on the use of information contained in this Prospectus

The information contained in this Prospectus may not be published, duplicated, copied, or disclosed in whole or in part or otherwise used for any purpose other than in connection with the issue of the Offer Shares, without the prior written approval of the Company and the Issue Manager.



Disclaimer of implied warranties

Save and except as required under applicable Omani law and regulations, no representation or warranty, express or implied, is given by the Company or the Issue Manager, or any of their respective directors, managers, accountants, advisers, lawyers, employees or any other person as to the completeness of the contents of this Prospectus; or of any other document or information supplied at any time in connection with the Offer Shares; or that this Prospectus or any other such document or information has remained unchanged after the issue thereof

FORWARD LOOKING STATEMENTS

This Prospectus may contain certain “forward-looking statements”. These forward-looking statements can generally be identified by the use of forward-looking terminology, including terms such as “aim”, “anticipate”, “believe”, “expect”, “estimate”, “goal”, “intend”, “objective”, “plan”, “project”, “shall”, “will”, “will continue”, “will pursue”, their negative, or other words or phrases of similar meaning. Similarly, statements that describe the Company’s strategies, objectives, plans, or goals are also forward-looking statements.

All forward-looking statements are subject to risks, uncertainties, and assumptions that could cause actual outcomes, including among other things, the Company’s results of operations, financial condition, cash flows, liquidity, financial projections, and growth to differ materially from those contemplated by the relevant forward-looking statement.

Important factors that could cause actual results to differ materially from the Company’s expectations include but are not limited to:

- Inability to estimate future performance
- Inability of the Company to meet its debt service obligations
- Inability of the Company to meet its payment obligations
- Certain financing and/or operational and maintenance risks
- Access to adequate insurance to cover all potential losses
- Change in monetary and/or interest policies of Oman, local and/or international inflation, local and/or international interest rates
- Fluctuations in foreign exchange rates, equity prices, or other rates or prices
- The performance of the financial markets in Oman
- General political, economic, and business conditions in Oman which may have an impact on the Company’s business activities
- Changes in laws and/or regulation and/or conditions that may have a bearing on the position of the Company’s clients, and/or suppliers, or the sector in Oman
- Increased competition in the sector in Oman
- Changes in the economic and/or financial conditions of the Company’s clients, suppliers, and the sector

By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could be materially different from those that have been estimated.

None of the Company or the Issue Manager or any of their respective affiliates have any obligation to update or otherwise revise any statements in this Prospectus to reflect circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition or differ in actuality.

The above list is not exhaustive and for a further discussion of factors that could cause actual results to differ, see the Chapter on Risk Factors of this Prospectus.

The Company will adhere to the disclosure rules and regulations issued by the FSA, which includes



making timely disclosure regarding the Company's results of operation. The Company advises investors to track the information or announcements made by it through the MSX website at www.msx.om.

Presentation of Financial, Sectoral, and Market Information: Unless stated otherwise, the financial data in this Prospectus is derived from the Company's audited financial statements or its unaudited interim financial statements, in each case prepared in accordance with IFRS. Copies of the Company's financial statements are available on the MSX website (www.msx.om) and on the Company's website.

The Company's financial year commences on 1 April and ends on 31 March of each year. In this prospectus, any discrepancy between the total and the sum of the relevant amounts listed is due to rounding.

Currency of presentation

All references to "Rials" or "RO" or "OMR" are to Omani Rials, the official currency of Oman. 1 Omani Rial is comprised of 1,000 Bzs.

Summary and extracts of documents

Any summaries of documents or extracts of documents contained in this Prospectus should not be relied upon as being comprehensive statements in respect of such documents.

Industry and market data

Unless stated otherwise, industry and market data used throughout this Prospectus has been obtained from third-party industry publications and/or websites. Although it is believed that industry data used in this Prospectus is reliable, it has not been independently verified and therefore its accuracy and completeness is not guaranteed, and its reliability cannot be assured. Similarly, internal company reports, while believed to be reliable, have not been verified by any independent sources. The extent to which the market and industry data used in this Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data.



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1. Abbreviations and Definitions

Additional Shares	Additional Shares mean additional Offer Shares applied for by a Shareholder in addition to such Shareholder's rights entitlement
Allotment Date	The date on which FSA approves the allotment of Offer Shares to successful Applicants.
Applicant	Shareholders who are eligible as at the Record Date for subscription to the Rights Issue or a person who has purchased a rights entitlement through the MSX and who submits their completed Application Form to the Collecting Agent on or before the issue closing date
Application Form	The application form required to be completed by an Applicant for subscribing to the issue
Article of Association	The Articles of Association of the Company as approved by FSA and as registered with the MOCIIP. May be amended from time to time.
CBO	Central Bank of Oman
Dividend	Distribution per share made by the company to shareholders on a specific date
EGM	Extraordinary General Meeting of the shareholders
Financial Year	The period of twelve months starting on 1 April and ending on 31 March of that particular year.
FSA	Financial Services Authority, Sultanate of Oman.
FSA Law	The Corporate Governance Code for public listed companies issued vide FSA Circular No. E/4/2015 on 22 July 2015, as amended from time to time, and all other laws and regulations issued by FSA
Governing Laws	Laws of Sultanate of Oman
Issue Manager	United Securities LLC
Issue/ Rights Issue	The rights issue of the Shares made under this Prospectus
Issuer	Al Anwar Investments SAOG
KYC	Know your customer
MCDC	Muscat Clearing and Depository Company SAOC.
MOCIIP	Ministry of Commerce, Industry and Investment Promotion of the Sultanate of Oman.
MSX	Muscat Stock Exchange SAOC, Sultanate of Oman
Oman Business Day	Any day on which CBO and FSA Oman are open for business and does not include the official holidays of Sultanate of Oman
Prospectus	This Prospectus, as approved by the FSA.
Record Date	The date as on which the Shareholders whose names are registered in the MCDC records will be eligible to subscribe to the Rights Issue.
Subscription Price/ Issue Price	The subscription price per Offer Share, payable by an Applicant, as stated in this Prospectus.
Value added Tax (VAT)	Indirect Tax applied on goods and services supplied in Oman



2. Summary of the issue

Issuer	Al Anwar Investments SAOG
Commercial Registration number	1456652
Principal place of business	Villa No. 897, Way No. 3013, Shatti Al Qurum, P.O. Box 468, PC 131, Al Hamriya, Sultanate of Oman
Company duration	Unlimited
Authorized share capital	OMR 30,000,000
Issued Capital (pre-issue)	OMR 21,218,000 divided into 212,180,000 shares
Issued Capital (post-issue)	OMR 26,218,000 divided into 289,103,077 shares (assuming full subscription of the rights issue)
Issue Size	76,923,077 shares offered at OMR 0.066 per share aggregating to OMR 5,076,923
Issue Price	OMR 0.066 per share (with a share price of OMR 0.065 per share plus issue expenses of OMR 0.001 per share), payable in full on submission of Application Form
Purpose of the Issue	The purpose of the rights issue is to increase the paid-up capital of the company, and the funds thus raised will be used for new investments and enhance or expand existing investments.
Issue Subscription Period	23/02/2025 to 03/03/2025
Rights Trading Period	20/02/2025 to 27/02/2025
Rights Entitlement	Each eligible shareholder has the right to subscribe to the offered shares with preferential rights in proportion to their shareholding in the company as of the record date, with any fractional shares rounded down to the nearest whole number ("rights entitlement").

Therefore, each eligible shareholder has the right to purchase 36.2537 shares for every 100 shares they hold on the record date, with fractional shares rounded down to the nearest whole number, or 1 Offer Share for every 2.7583 shares they own on the record date, with fractional shares rounded down to the nearest whole number.

Eligibility for Subscription	<p>Subscription for the Rights Issue is open to the Shareholders whose names appear in the company's shareholder register with the MCD as on the Record Date. Persons who purchase the rights on the MSX within the rights entitlement trading period are also eligible to subscribe for the Offer Shares before the Rights Issue closes.</p> <p>The 'rights' representing ownership rights of Shareholders to subscribe to the Rights Issue may be traded on the MSX during the period prescribed for that purpose. A Shareholder has the option to either subscribe to the Rights Issue or sell the 'rights' entitlement on the MSX. The eligibility to subscribe for Offer Shares shall lapse in case the Shareholder neither exercises his right of subscription to the Rights Issue nor sells its 'rights' (whether fully or partially) on the MSX during the prescribed period.</p>
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Application for Additional Shares	Shareholders as on the Record Date may apply for Additional Shares and shall fill in the required details in the Application Form and submit it to Collecting Agent along with requisite subscription amount. A Shareholder who does not subscribe to his/her full rights entitlement or sells his/her rights entitlement (either in part or in full) is not eligible to apply for Additional Shares. A non-shareholder who has bought rights entitlement is not eligible to apply for Additional Shares. The application and allotment of Additional Shares shall be subject to the terms and conditions stipulated in Chapter 15.
Allotment	<p>The Offer Shares shall be allotted against valid Application Forms submitted by Applicants and investors who have acquired the Rights on the MSX, subject to the provisions of Chapter 15.</p> <p>The Offer Shares shall be allotted, and refunds will be made (if required) within 3 Business Days from the Allotment date and after obtaining FSA approval for allotment. The allotment of the issued shares and the additional shares (if any) will be announced by MDCD.</p>
Refund of Application Money	Refund of application money, if any, shall be made to the Applicants, within 3 Business Days of Allotment
Listing	The Company is already listed on the MSX, hence the Offer Shares shall also be listed on MSX.
Approvals for the Issue	<p>Approval of the Board of Directors under its resolution dated 06 November 2024</p> <p>Approval of the Financial Services Authority for the adoption of this Prospectus under its Administrative Decision [KH/1/2025] dated [04/02/2025]</p>
Financial Advisor & Issue Manager	United Securities LLC
Legal Advisor to the issue	<p>Zaid Al Malki for advocacy and legal consultancy</p> <p>Ghala, Bawshar, Sultanate of Oman</p> <p>Phone: 99000300</p> <p>Email: zaid@zaid-law.com</p>
Statutory Auditor for the fiscal year 2024	BDO, Oman



Collecting Agents

United Securities LLC
PO Box 2566, PC 112, Ruwi,
Sultanate of Oman
Ph: +968 2476 3300

Sohar International Bank SAOG
PO Box 44, PC 114, Hai Al Mina, Sultanate of Oman
Tel: +968 24730000

Vision Securities
PO Box 712, PC 131, Al Hamriya, Sultanate of Oman
Tel: +968 24760000

Financial Corporation Co. SAOG (Fincorp SAOG)
PO Box 782, PC 131, Sultanate of Oman
Tel: +968 24822330, 24822312

Rights trading starting date 20/02/2025

Rights trading closing date 27/02/2025

Issue subscription starting date 23/02/2025

Issue subscription closing date 03/03/2025

3. Use of proceeds and issue expenses

3.1 Use of proceeds

The purpose of the Rights Issue is to raise additional capital which will be used to fund new investments.

3.2 Estimated issue expenses

The estimated expenses for the Rights Issue are OMR 73,550, which represents approximately 1% of the gross proceeds, assuming full subscription. The issue price of OMR 0.066 includes OMR 0.001 allocated for these expenses, which will be borne by the shareholders. The following are some of the key issue expenses expected:

Particulars	Amount (OMR)
Financial advisor and Issue Manager fees	21,000
Legal advisor fees	5,250
FSA fees	5,250
MCDC fees	1,050
Marketing, advertising, printing, postage and publicity	5,250
Collecting Agent fee	15,750
Other expenses	20,000
Total estimated issue expenses	73,550

* These are estimates and may change as per actuals



4. Issuer objectives and approvals

4.1 A brief overview of the company

Established in 1994, Al Anwar Investments SAOG is one of the premier investment companies listed on the Muscat Stock Exchange (MSX). The Company's investments are diversified across various sectors such as banking, manufacturing, insurance and education. The Company's equity shares have been listed on the MSX since 1994. Its principal place of business is in Muscat and its registered office is at Villa No. 897, Way No. 3013, Shatti Al Qurum, PO Box 468, Postal Code 131, Al Hamriya, Sultanate of Oman. The Company's website address is www.alanwar.om and its telephone number is (+968) 24692503/04.

4.2 Objectives of the company as stated in its articles of association

The objectives of the Company for which it has been established is to carry on the business of making investments in companies inside and outside the Sultanate of Oman. In order for the Company to achieve its objectives, it shall have the right to conduct the following activities:

1. To own and acquire the following whether in the name of the Company or in other names to be determined by the Company:
 - a. Investment funds and securities activities (stocks, bonds and sukuks);
 - b. Renting and operating of self-owned or leased real estate (residential and non-residential);
 - c. Any intellectual property rights including patents, franchises, copyrights, trading concessions or others, in accordance with the regulating laws;
 - d. Any interests in any movables or goods;
 - e. Any other assets in which the Company deems it appropriate to invest in order to achieve its investment objectives.
1. Investing in securities, shares, convertible bonds, bills, liabilities, derivatives and any other securities in any other public shareholding company, closed public company, limited liability company, partnership companies and sole proprietorship company, whether inside or outside the Sultanate of Oman.
2. Acquiring an interest, or to participate in any way with the entities, institutions, or companies that carry out similar activities, which may assist the Company in achieving its objectives, whether inside or outside the Sultanate of Oman.
3. Owning the movables and real estate whether as owner, tenant or otherwise.
4. Owning patents, trademarks, concessions and other moral rights, and exploiting and leasing them to its subsidiaries and others.
5. Owning any other assets that the Company considers suitable for investment in order to achieve its investment purposes.

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6. Establish, promote, own and possess any of the above interests, whether through subscription, purchase, exchange, or contribute in any way to various projects, whether commercial, industrial or otherwise, whether those investments are fully paid or not paid in full and on the terms they deem appropriate.
7. Conduct feasibility studies and corporate advisory services for setting up new projects, establishing companies for this purpose, providing funds to them, seek partners for these projects.



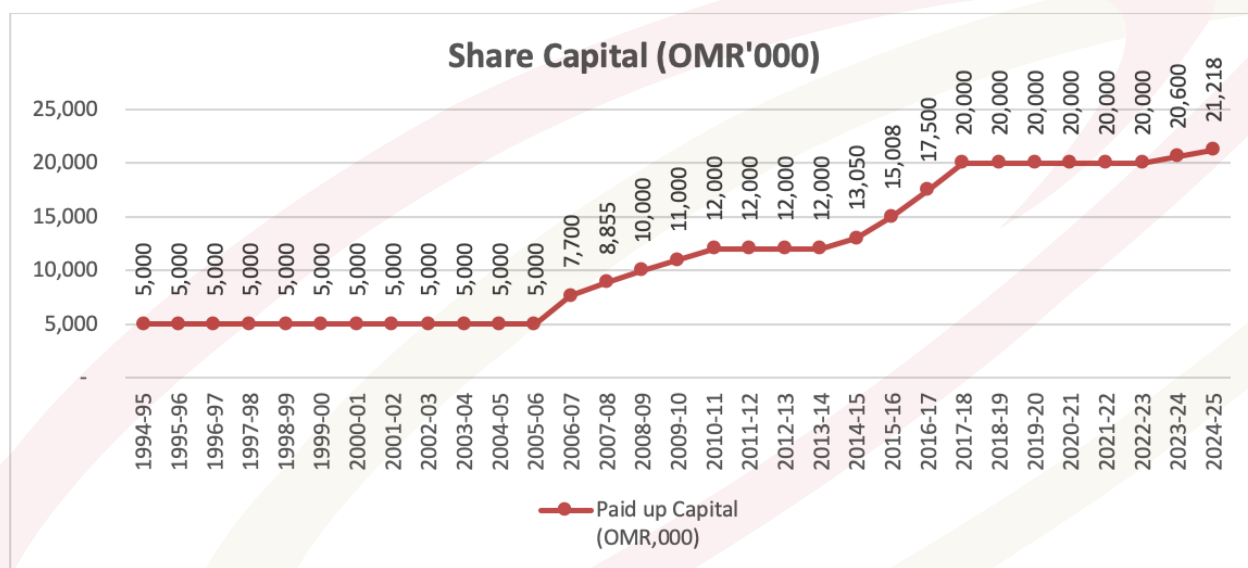
4.3 Approvals

The issue has been approved by:

1. Board of Directors under its resolution dated 06 November 2024
2. Financial Services Authority for the adoption of this Prospectus under its Administrative Decision [KH/1/2025] dated [04/02/2025]

5. Issuer's history of capital changes and major shareholders

5.1 Historical changes in AIC's equity capital



(#) A rights issue of OMR 2.7 million took place during the 2006-07 period.

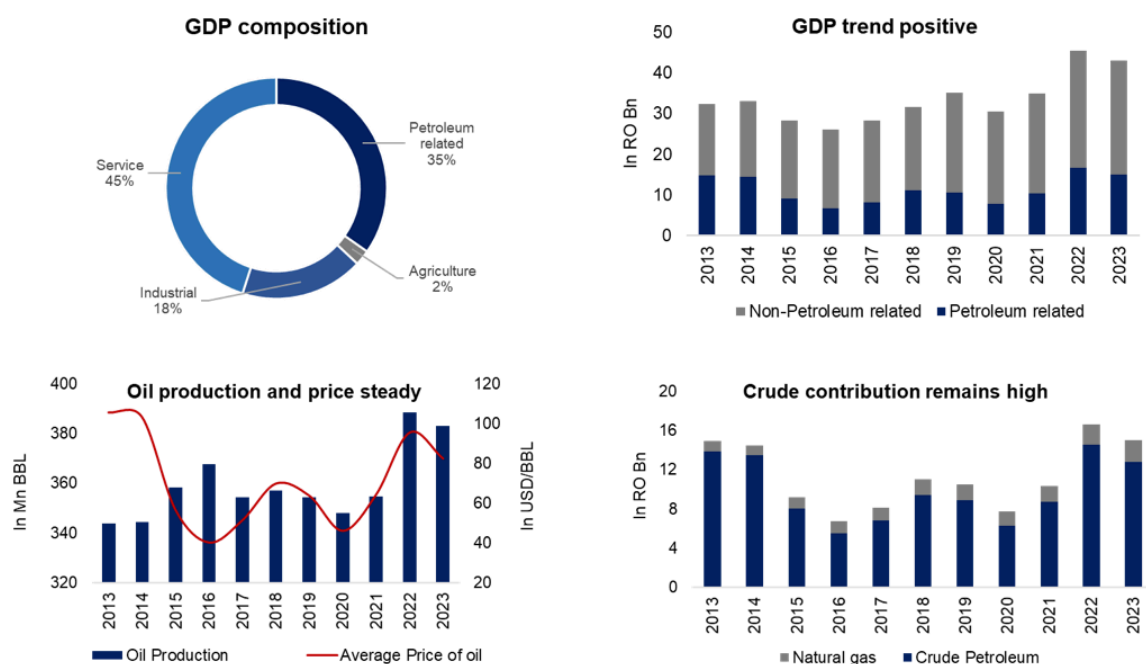
5.2 Major shareholders of the Company owning 5% or more of its share capital as on 30 September 2024

Shareholders	Number of shares	%
Fincorp Investment Company LLC	40,888,394	19.27
Brig (Rtd). Masoud Humaid Malik Al Harthy	23,139,937	10.91
Al Yousef Group LLC	11,442,582	5.39

6. Overview of the Oman economy

Oman is a country located at the cross roads of three major continents, Asia, Africa and Europe. The natural geographical advantage combined with long history of peaceful relations with neighbors has made the country unique in various ways. Investors both local and foreign have benefited from the accommodative regulations and welcoming attitude of the government. The country scores high on several human development indicators, ESG and other global standards. Oman is a country which is already well connected by roads with nearly 80,000kms of road network including highways covering an area of over 300k sq.km. The country is blessed with a young population, with more than 54% of the Omani citizens below the age of 24 years, out of which 1.1mn are below 14 years of age. Additionally, there is a constant influx of expats entering the country due to the economic buoyancy and availability of opportunities.

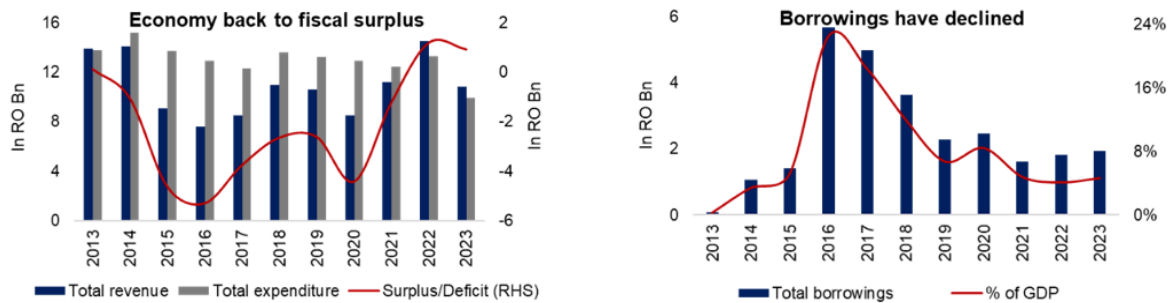
Oman has come out much stronger from the covid pandemic and the prospects going forward look more optimistic than it was before. Gross Domestic Product (GDP) at constant prices which is the most commonly used measure to evaluate a country's economy, grew by 1.3% in 2023 to OMR 37.7bn despite significant volatility in oil prices. The growth was mainly attributed to the increase in the value of non-oil activities from OMR 26.6 bn OMR in 2022 to OMR 27.3 bn at the end of last year, higher by 2.4%. Oil activities growth was flattish by about 0.4% from OMR 12.3 bn in 2022 to OMR 12.4 bn in 2023. The GDP per capita in 2022 stood at \$18,821 in 2023 which was a growth of 6.2% from the 2020 levels. The economy is well protected by a robust banking sector regulated by the Central Bank of Oman. Omani banking sector was one of the least affected with minimal disruptions and limited increase in bad loans. Further, the proactive policies of the regulator helped maintain the interest spreads despite huge gyrations in the global lending rates. Inflation has also remained stable at around 1.5% all through the pandemic largely due to the control over fuel and essential commodities prices.



*Source www.ncsi.gov.om

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We are witnessing a rise in the bidding of infrastructure projects especially via the PPP mode and with urgency not seen in the past. Air traffic has increased by 12% YoY in the 1H24 compared to the same period in the previous year and is expected to exceed the pre-pandemic highs. The economy also bounced back into the fiscal surplus territory post several years of being in the red. Government borrowing levels have reduced significantly and sovereign credit ratings have improved. There is little doubt that Oman is moving forward in the right direction and on a growth trajectory.



*Source www.ncsi.gov.om

Oman Vision 2040 has clearly benchmarked the areas of growth and provided clarity in terms of direction. It also placed measurable indicators to assess performance such as achieving a target of 90% in non-oil GDP, value of FDI to be at least 10% of GDP, 40% job share in private sector for Omanis etc. There is clarity in the national priorities, strategic objectives have been defined and policies are being formulated to achieve these goals. One of the main objectives of the Vision 2040 document is that it envisages modern urban clusters and sustainable cities which will require the latest infrastructure. Government has also earmarked certain sectors that have huge potential and they are receiving the required support to achieve their best such as tourism, manufacturing, mining and transport. Finally, post implementation, follow up and evaluation is also being undertaken regularly as evidenced by weekly, monthly, quarterly and annual reports prepared to monitor the progress.

Oman is clearly in a sweet spot and ready to ride the wave of prosperity. The country is blessed with natural resources, a formidable coastline, young demography, stable government and proactive policies. The current trend in the economy is sustainable and will offer long term growth across sectors.



7. Overview of the company and its business

7.1 An overview of Al Anwar's business and its major investments

Al Anwar Investments SAOG's (AAI) investments are diversified across various sectors such as banking, insurance, manufacturing, real estate and education.

The Company's vision is: "To achieve excellence and be a leader amongst the investment companies in the Middle East following the Private Equity model and delivering value to all the stakeholders"

The tables below illustrate the investments of the company as on 30th September 2024:

Name of the Company	Value (OMR'000)	Wtg (%)
Industrial	21,547	42%
Oman Chlorine SAOG	8,019	16%
National Detergent SAOG	5,514	11%
Voltamp Energy SAOG	3,738	7%
National Biscuit SAOG	2,422	5%
Al Maha Ceramics SAOG	1,849	4%
Others	6	0%
Banking	11,516	22%
Bank Dhofar SAOG	7,125	14%
Other Banks	4,391	9%
Investments	6,695	13%
Dhofar International Development & Investment Holding SAOG. (DIDIC)	6,574	13%
Others	121	0%
Education		
Al Ruwad International School SAOC	4,074	8%
Insurance		
Arabia Falcon Insurance SAOG	5,147	10%
Real Estate		
Land at Al Athaiba	2,281	4%
Others (Cash + Receivable)	230	0%
Total	51,490	100%

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7.2 Major investments

Name of the Investee company	AAIC ownership	Brief about the company
Associate Companies		
Oman Chlorine SAOG	22.11%	Oman Chlorine was incorporated during 1997 and started commercial operation during 2000. Oman Chlorine's plant is the largest privately owned chemical plant in Oman. In 2021 Oman Chlorine commissioned a brownfield expansion which added 30 DMT. The combined capacity of the Plant is 75 DMT. The plant produces Hydrochloric Acid, Caustic Lye (Liquid Caustic) & Sodium Hypochlorite. In addition to this, Oman Chlorine is a major shareholder of 2 large chloro-alkali plants which are located in UAE and Qatar.
The National Detergent Co. SAOG	25.24%	The National Detergent Company SAOG (NDC) is one of the leading manufacturing companies in the Sultanate of Oman since 1981. NDC manufactures and distributes a wide range of highly reputed and successful brands such as Bahar covering various segments like detergents powders, liquid detergents, soaps, shampoos, laundry aids and other household cleaners. NDC has five manufacturing units located in Sohar, Ghala and Rusayl Industrial area.
Arabia Falcon Insurance Company SAOG	22.62%	Arabia Falcon Insurance Co. (AFIC) was formed by the merger of two successful, long-standing insurance companies in Oman (Arabia Insurance Oman and Falcon Insurance SAOG) which was completed in March 2017. Product offerings include Motor Insurance, Travel Insurance, Property Insurance, Marine Cargo & Hull Insurance, Life Insurance, General Accident Insurance, Engineering Insurance, Liability Insurance, Aviation Insurance, and Medical Insurance.
Al Ruwad International for Education Services SAOC	43.51%	Founded in 2012, Ellesmere Muscat, formerly known as Alruwad International School, is a co-educational school located in Al Khoud and provides international education through its IB program to students from early years to 12th grade.
Voltamp Energy SAOG	20.00%	Voltamp manufactures an extensive range of power and distribution transformers, low voltage switchgears and packaged sub-stations at their manufacturing facilities in Sohar and Rusayl. With a capacity of 10,000 MVA, Voltamp has one of the largest facilities in the MENA region.
National Biscuits Industries Ltd. SAOG (NABIL)	29.22%	National Biscuits Industries Ltd SAOG is one of the oldest and leading manufacturers of Biscuits, Snacks & Wafers in Oman, established in the year 1982. The flagship brand "Nabil" maintains a significant market share in Oman and serves other consumers in over 40 countries across the world.
Al Maha Ceramics SAOG	18.74%	Al Maha Ceramics was set up in 2006 and is located at the Sohar Industrial area. Al Maha Ceramics is one of the largest ceramic tiles producing company in Oman. The product range of tiles includes glazed wall, floor, skirting, border & highlighter tiles in a variety of designs and shades.



Other Major Investments		
Dhofar International Development & Investment Holding Co. SAOG (DIDIC)	6.84%	The company was established in 1987 as a public joint stock company with the objective of economic development of the country along with generation of healthy returns for the shareholders. DIDIC major investments includes Bank Dhofar (24.38%), Dhofar Insurance SOAG (37.43%), OIFC (37.98%), and Financial Services Company SAOG (46.15%).
Bank Dhofar	1.51%	Bank Dhofar SAOG is an Oman-based financial institution. It is organized into three main business segments: Retail Banking, Corporate Banking, and Treasury and Investments. The Bank has a network of branches offering a variety of products and services designed to meet the diverse needs of consumers, small and medium size businesses and mid-market companies.

7.3 Investment Strategy

AAI 5-year strategy aims to increase its asset base to OMR 100 million. The strategy is focused on the following key objectives:

1. New investment in growth sectors:

AAI aims to capitalize on opportunities primarily in the banking sector. During the last 2 years investments in this sector has increased from 2% to 22% of its assets. This strategy has rewarded AAI with enhanced returns, higher dividends and diversified the portfolio of the Company. The Banking sector has been identified as a core sector for AAI due to the followings:

- Attractive returns: The sector is expected to generate healthy returns as Oman's economy recovers, Oman's credit rating improves and cost of deposits decline.
- Defensive Sector: The banking sector performed considerably better during last economic downturns than most other sectors. Therefore, the inclusion of the banking sector will allow for Al Anwar's portfolio to be more diversified and generate more consistent returns in the future.
- Higher liquidity: The sector is sufficiently liquid to allows for large investments to be executed or divested over a relatively short period of time
- Well-regulated sector: corporate governance and adoption of best practices is the highest among the sectors listed on the MSX.

As a result, AAI plans to increase its allocation to the banking sector to 40% of total assets by the end of 2028.

In addition to the banking sector AAI plans to invest in the industrial sector and in particular in companies which are expected to grow as economic conditions improve such as building materials, chemicals, equipment manufacturing and Food Manufacturing and Consumer Goods ("FMCG").

2. Enhance profitability of associates

AAI as an active investor is committed to enhancing the profitability of its associate by supporting the boards of its associate companies in implementing strong corporate governance, improving senior management capabilities, and optimizing operational costs. The strategy also focuses on expanding business capacity, pursuing mergers and acquisitions, and forming strategic partnerships to drive growth and foster synergies. As a result of the above initiatives and due to other favorable outcomes, the profits from a number of AAI associate companies have improved substantially in the last 3 years. A number of other initiatives are currently being executed by each of AAI associate companies which should lead to further enhancements of profits within the next 5 years.

3. Divestment and Portfolio Diversification:

AAI seeks to maximize returns by exiting investments which have matured and recycle the proceeds in investments which will enhance long-term returns and diversify its portfolio. Since April 2020, AAI has divested in OMR 14.6 million worth of investments. AAI is working on a number of other exits which are in various stages of execution and which should enhance AAI cash flow and profitability as they get executed.

4. Fund raising:

Al Anwar plans to raise additional funds to capitalize on existing investment opportunities. The fund-raising plan is as follows:

- OMR 10 million in 2 rights issues: the current right issue of OMR 5 million and another rights issue in 1.5-2 years of OMR 5 million.
- OMR 20-30 million in debt which may include a bond issue of OMR 10 million to be issued in the next 2 years and additional bank debt.



8. Financial Review

8.1 Historical Statement of Income – Year ending 31 March

OMR 000'	March 21 12- Month	March 22 12- Month	March 23 12- Month	March 24 12- Month	Sept 2024 6-Months
SOP from associates	1,085	753	1,436	559	595
Dividend from Fair Value Investments	37	19	220	422	-
Realized profit/loss on sale of investment	(139)	(8)	489	640	449
Interest & other income	667	556	282	86	17
Operating Revenue	1,650	1,320	2,427	1,707	1,061
Employment, Overheads & CSR	(364)	(301)	(322)	(363)	(201)
Directors Sitting Fees & Remuneration	(62)	(76)	(70)	(135)	(119)
Operating Expenses	(426)	(377)	(392)	(498)	(320)
Operating Profit (EBITDA)	1,224	943	2,035	1,209	741
Finance Cost	(1,117)	(1,124)	(1,043)	(1,066)	(514)
Earning Before Tax (EBT)	107	(181)	992	143	227
Net change in value of investments at FVTPL	(282)	(460)	(638)	622	361
Write-off & Provisions	(100)	(200)	-	(233)	-
Net Profit	(275)	(841)	354	532	588
Comprehensive Income	(182)	13	1,615	1,036	182
Total Profit with Other Comprehensive Income	(457)	(828)	1,969	1,568	770
EPS (Baiza)	1	4	2	3	2

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8.2 Historical Balance sheet – Year ending 31 March

Statement of Financial position (in OMR '000)	March 21 12- Month	March 22 12- Month	March 23 12- Month	March 24 12- Month	Sept 2024 6-Months
Investments accounted for using equity method	30,972	31,460	31,048	30,915	30,763
Investment securities	15,353	11,073	14,176	13,241	18,217
Property, plant and equipment	2,254	2,270	2,308	2,274	2,284
Trade and other receivables	1,344	1,158	1,116	1,263	77
Cash and bank balances	63	88	183	85	149
Total assets	49,986	46,049	48,831	47,778	51,490
Issued capital	20,000	20,000	20,000	20,600	21,218
Statutory reserve	4,568	4,568	4,603	4,674	4,674
Other reserves	(476)	(463)	1,152	2,188	2,370
Retained earnings (accumulated Losses)	6,874	6,032	5,551	4,412	3,352
Total equity attributable to owners of parent	30,966	30,137	31,306	31,874	31,614
Total equity	30,966	30,137	31,306	31,874	31,614
Provisions for employee benefits	28	25	23	32	33
Trade and other payables	267	374	360	147	104
Borrowings	18,725	15,513	17,142	15,725	19,738
Total liabilities	19,020	15,912	17,525	15,904	19,875
Total equity and liabilities	49,986	46,049	48,831	47,778	51,490
Net assets per share (OMR)	0.155	0.151	0.157	0.155	0.149



8.3 Historical Statement of cash flow – Year ending 31 March

Statement of cash flows (in OMR '000)	March 21 12- Month	March 22 12- Month	March 23 12- Month	March 24 12- Month	Sept 2024 6-Months
CASH RECEIPTS FROM OPERATING ACTIVITIES					
Receipts from investment rental and other income	18	13	23	28	16
Other cash payments from operating activities	(263)	(465)	(469)	(435)	(352)
Net cash flows from (used in) operations	(245)	(452)	(446)	(407)	(336)
Dividends received	660	1,120	1,381	983	1,252
Interest received	544	519	259	58	-
Net cash flows from (used in) operating activities	959	1,187	1,194	634	916
CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES					
Proceeds from sales of property, plant and equipment	3	-	-	-	-
Purchase of property, plant and equipment	(67)	(18)	(39)	(3)	(10)
Proceeds from sales of other long-term assets classified as investing activities	69	3,192	3,582	6,010	1,766
Purchase of other long-term assets classified as investing activities	(141)	-	(4,428)	(3,256)	(5,076)
Net cash flows from (used in) investing activities	(136)	3,174	(885)	2,751	(3,320)
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES					
Proceeds from borrowings	11,100	12,800	20,750	6,300	8,400
Repayments of borrowings	(10,725)	(16,012)	(19,121)	(7,717)	(4,388)
Dividends paid	(1,200)		(800)	(1,000)	(1,030)
Interest paid	(1,117)	(1,124)	(1,043)	(1,066)	(514)
Net cash flows from (used in) financing activities	(1,942)	(4,336)	(214)	(3,483)	2,468
Net increase (decrease) in cash and cash equivalents	(1,119)	25	95	(98)	64
Cash and cash equivalents at beginning of period	1,182	63	88	183	85
Cash and cash equivalents at end of period	63	88	183	85	149

8.4 Comments on Historical Financial Statements

- a. Share of Profit (SoP): The share of profit for the first half of the current financial year is OMR 595k, significantly higher as compared to OMR 268k, achieved in the corresponding period last year. This is attributed to the successful turnaround of a number of associate companies including Voltamp energy SAOG, National Detergent SAOG, Arabia Falcon Insurance SAOG, and National Biscuit Ltd. SAOG which have contributed OMR 881k in Share Profits vs OMR 193k last year 6-month results. The SOP results were however impacted by the losses generated by Al Maha Ceramics SAOG, Al Ruwad School and the decline in profits of Oman Chlorine SAOG. These companies are currently in turnaround stage and have started to perform better as demonstrated in their Q3 2024 results.
- b. Dividends received: Dividends earned from investments (Associates and Fair Value) have improved from OMR 1058k in March 2021 to OMR 1252k in March 2024. Higher dividend is expected to be earned from the current year due to the higher expected profits generated by Al Anwar's associate companies. Please note that only dividends from Fair Value investments are recognized in the P&L. This is as per IFRS which requires that dividends from associate not to be include in the P&L since SOP is already recognized.
- c. Sale of Investments: AAI generated OMR 14.6 million of proceeds from investments exited since April 2020. The total profits generated from exiting these investments is OMR 1,431k.
- d. Operating expenses: Operating expenses increased over the 3-year period compared to 2021. This was primarily driven by hiring of new staff, the introduction of VAT in 2022.
- e. The company effective borrowing cost has increased in the last 3 years from around 6.0% in the year ending March - 2021, to about 6.3% in the year ending March 2024. This is due to the substantial increase in lending rates globally. It's worth noting that the Company has managed to keep its average borrowing costs lower than those of other publicly listed investment firms which reflects the role actively managing its borrowing costs. As of 30th September 2024, the company's total borrowings stood at OMR 19.7 million, with a debt-to-equity ratio of 0.62. This indicates a balanced approach to financing, with a healthy mix of debt and equity, ensuring financial stability and efficient capital structure.
- f. Fair Value changes: Over the past three years, the share price of DIDIC has experienced significant volatility, which has had a noticeable impact on fair value gains and losses. In the year ending in March 2022, the company recorded a fair value loss of OMR 1,503k. This was followed by a modest fair value gain of OMR 44k in the year ending March 2023, and a more substantial gain of OMR 619k in the year ending March 2024. As DIDIC's overall performance has improved, it is expected that the share price will stabilize and exhibit modest growth going forward. This stabilization is likely to reduce the level of fair value impact on the profit and loss statement, mitigating the fluctuations seen over the last few years.
- g. Other Comprehensive Income: The company has generated a profit of OMR 1.7 million (excluding dividends) from its investment in Bank Dhofar which has been recognized as Fair Value through Other Comprehensive Income (FVOCI) across the last 3 years. This contributed positively to the company's overall comprehensive income. Additionally, DIDIC's share price has returned to its 2021 levels, resulting in the reversal of loss of OMR 866k recorded in previous years.
- h. Total assets of the company have grown steadily in the last 3 years and reached OMR 51.5mn at



the end of Sept'24. OMR 30.7 mil (60% of assets) are classified as associate investments while the balance assets primarily consist of investment classified as fair value and a land located in Al Athaiba.

- i. Total shareholder Equity: The company's total equity attributable to the owners of the parent has demonstrated a consistent upward trend over the past four years, indicating a stable and improving financial position.
- j. Over the last three years, the company's Return on Equity (RoE), calculated based on net profit including other comprehensive income, has shown significant improvement. It grew from a negative 1.4% in 2021 to a positive 5.0% as of March 2024, highlighting a strong recovery and increasing profitability.
- k. Dividend issued to shareholders: The company has issued 8% dividends in each of the last 2 years through a combination of cash and stocks dividends and 4% cash dividend in the year prior.

9. Share price movement and dividend policy

9.1 SHARE PRICE MOVEMENT

The following table presents the movement in the share price of the Company for the period 1 April 2020 (1Q20) to 30 September 2024 (2Q24) as per MSX data.

Share Price (OMR)	Open	High	Low	Close
2024				
Q2	0.081	0.081	0.072	0.078
Q1	0.090	0.093	0.080	0.081
2023				
Q4	0.077	0.089	0.069	0.088
Q3	0.078	0.081	0.071	0.075
Q2	0.086	0.091	0.075	0.078
Q1	0.085	0.094	0.080	0.084
2022				
Q4	0.092	0.092	0.074	0.085
Q3	0.084	0.093	0.072	0.088
Q2	0.088	0.089	0.072	0.081
Q1	0.097	0.100	0.075	0.080
2021				
Q4	0.095	0.097	0.077	0.092
Q3	0.112	0.115	0.092	0.093
Q2	0.112	0.123	0.110	0.112
Q1	0.086	0.115	0.080	0.112
2020				
Q4	0.062	0.089	0.062	0.087
Q3	0.066	0.067	0.061	0.061
Q2	0.070	0.072	0.066	0.067
Q1	0.079	0.081	0.066	0.076



9.2 DIVIDEND POLICY

9.2.1. Objectives

This policy will provide for:

- Types of Dividends
- Authorities with respect to decision regarding dividend, and
- Basis of dividend decision

9.2.2. Types of Dividends

The company will declare dividends in following two types:

- Cash dividend
- Stock dividend

9.2.3. Authorities with respect to Dividend decision

- As permitted by governing statutes, the final approving authority for declaration of dividend will rest with shareholders to be exercised at Annual General Meeting conducted within 90 days of the close of year.
- Company shall engage the Muscat Clearing and Depository Company (MCDC) to distribute dividends.
- Dividends will be distributed to shareholders during the legal period of 14 days from the date of the approval of shareholders in AGM.

9.2.4. Authorities of Board and its Committee

- The Board will consider the recommendation given to them by the Nomination, Remuneration & Executive Committee (NR&EC), who will take into consideration the available profit for distribution, retained earnings, cash flow requirement, market price and expectation of the investors.
- The Board of Directors will have the authority to either accept the recommendation of the NR&EC or modify same as per the consensus of the Board.
- The Board will recommend the proposed dividend to the AGM, which will form basis for the approval by Shareholders.

9.2.5. Basis for declaration of dividend

Following aspects would be considered by NR&EC before taking a decision on proposed dividend: -

- Profit generated during the year
- Retained earnings from previous years
- History of dividend declared during previous years
- Available Cash Flow with company
- Retention of profit for reinvestment as per future investment plans
- Market trend

9.2.6. Distribution of dividends among the shareholders shall not be made in the following cases:

- If as a result of the distribution the company's ability to pay its debts and financial liabilities on time will be affected;
- If the distribution is a result of fictitious profits;
- If the company sustains a loss which has not been fully extinguished.
- No distribution shall be made except from the net profits after deduction of all the necessary costs, and setting aside the depreciations, appropriations and reserves which must be set aside, including any part of the profits allocated by the company for increase of the share capital.

9.2.7. Change in policy

The dividend policy can be changed by the Board, as and when required, except for the final authority of AGM to declare the dividend.

9.2.8. Alignment with Policy and Law:

The company will adhere to company policy, laws, and regulations to uphold ethical standards

9.2.9 Dividend History

Financial Year	Cash %	Cash (OMR)	Bonus Share (%)
2024	5.0%	0.005	3%
2023	5.0%	0.005	3%
2022	4.0%	0.004	0%
2020	6.0%	0.006	-
2019	10.0%	0.010	-
2018	12.5%	0.013	-
2017	10.0%	0.010	14.28%
2016	10.0%	0.010	16.61%
2015	-	-	15.00%
2015	10.0%	0.010	-
2014	-	-	8.75%
2014	10.0%	0.010	-
2014	6.0%	0.006	9.09%
2013	5.8%	0.006	-
2009	5.0%	0.005	10.00%
2008	8.0%	0.008	12.93%
2007	5.0%	0.005	15.00%
2007	5.0%	0.005	-
2006	5.0%	0.005	-
2005	7.5%	0.008	-



10. Related party transactions

Related Party	March 22	March 23	March 24	Sept 2024
	12- Month	12- Month	12- Month	6-Months
Muscat Electronics	149	137	-	145
Muscat Air Conditioning & Electronic	123	-	-	-
Arabia Falcon Insurance Company	9,371	9,879	10,442	2,701
Mustafa Sultan Office Technology Co. L.L.C.	-	1,350	2,978	-
Total	9,643	11,365	13,420	2,846

11. Risk factors

Investing in the Offer Shares comes with certain risks. Before making any investment decisions, potential investors should thoroughly assess and consider the risks associated with the Company's operations, including those outlined below, in conjunction with the details provided in this Prospectus. These risks could negatively affect the Company's business, financial status, or expected results, potentially leading to a partial or total loss of the investment. Furthermore, there could be additional risks and uncertainties not currently known or believed to be significant that may also adversely affect the Company.

The following risk factors are not exhaustive, as there may be other unknown risks or uncertainties that could impact the Company and its performance. Should any of these uncertainties materialize, the Company's actual results may differ significantly from current expectations. The Company plans to take necessary steps and implement measures to reduce these risks, except for those beyond its control, such as political or economic factors.

Investors should carefully evaluate whether an investment in the Offer Shares aligns with their financial goals and circumstances, based on the information provided in this Prospectus.

Significant Leverage

The Company has financed its investments through the Bank borrowings which have pledged almost entirety of the Company's assets. A significant portion of the Company's operating cashflows is expected to meet the financial servicing requirements of the Company's bank borrowings leaving limited amount available for dividend distributions. These facilities have been availed at floating interest rates and therefore any changes in the interest rates could have a material adverse impact on the Company's operations, financial condition, and results of operations.

The combination of the inherent investment risk of the Company with its higher leverage could result in the Company being unable to meet its financial obligations and may have adverse effects on the Company's operations, financial condition, and results of operations.

As a part of availing these bank facilities, the Company is subject to certain financial covenants, the breach of which prevents the Company's ability to make certain payments including dividend distributions.

The banking facilities of the Company have been availed with a repayment schedule that can be met by the Company's operating cashflows based on historical performance.

Liquidity Risk

Liquidity risk refers to the potential difficulty the Company may face in fulfilling its financial commitments or obligations when they become due. A substantial portion of the Company's assets is tied up in long-term strategic investments, which may not be easily converted into cash on short notice to meet any urgent financial obligations.

The Company regularly monitors its liquidity needs and takes steps to ensure sufficient funds are available. This includes maintaining access to unused credit facilities with banks to cover any commitments as they arise.

Interest Rate Risk

Currently, the company's debt-to-equity ratio is 0.62, with a significant portion of its income allocated to interest repayments. Any increase in interest rates will negatively impact the company's earnings and cash flow. Although management cannot entirely control interest rate fluctuations, they regularly assess the debt portfolio and explore opportunities to pay down higher-cost debt when cash flow permits.

Challenging Macro-Economic Environment

The Company's business is focused on Oman and its results of operations are affected by economic conditions in Oman which, in turn, may be affected by regional and global economic conditions.

Oman's macro-economic environment faces ongoing challenges that can impact its business and investment climate. As a hydrocarbon-dependent economy, Oman is highly sensitive to fluctuations in global crude oil prices. When oil prices decline, it can significantly affect government revenues, limiting public spending on infrastructure and other sectors, thus dampening overall economic activity.

The Muscat Stock Exchange (MSX), although showing strong recent performance, remains vulnerable to external shocks. A challenging macro-economic environment could lead to reduced liquidity and increased volatility in the market.

These economic risks are exacerbated by regional geopolitical tensions and ongoing global inflationary pressures, which can have a ripple effect on consumer spending and business confidence. Hence, businesses and investors need to be aware of these potential risks when engaging in Oman's market.

The Company is making long-term strategic investments which it believes will deliver superior risk adjusted returns over various economic cycles.

Investment Risk

The operations and profitability of the Company are closely tied to the performance of its invested assets, primarily in equity shares. Equity investments are inherently volatile and carry a high degree of risk. This volatility means that the market value of the Company's investments may fluctuate significantly and might not always represent the intrinsic value of the underlying assets.

However, the Company's investment portfolio is focused on market-leading companies in Oman that have established a long track record of profitability. These companies have strong operational histories, providing a relatively stable foundation for the Company's investments. While there is always a risk that equity markets may not perform well, the emphasis on long-established, profitable firms can mitigate some of the risks associated with volatility and market fluctuations.

Concentration Risk

As of September 30, 2024, 86% of the Company's investment portfolio is allocated to long-term strategic investments, including subsidiaries and associates. Approximately 42% of this portfolio is concentrated in the manufacturing sector, creating exposure to sector-specific risks such as fluctuations in demand, regulatory changes, and economic shifts that could materially affect the Company's financial condition and results.

Despite this concentration, the Company's investments are focused on well-regulated, market-leading firms with a history of stable performance and profitability, offering some protection against sector risks. Moreover, in line with prudent risk management, the Company has decided to reduce its

concentration in the industrial sector to achieve better diversification in its portfolio, thereby mitigating potential vulnerabilities associated with the sector's overrepresentation.

Dependence on Dividends from Key Investments

A substantial portion of the Company's operating cash flows is generated from dividends. A significant decrease in dividend payouts from these investee companies could adversely affect the Company's operating cash flows, potentially jeopardizing its ability to meet financial obligations. In such scenarios, the Company may be compelled to liquidate some of its investments to generate necessary cash. If selling investments is not feasible, the Company could face challenges in fulfilling its financial commitments.

To mitigate the above risk, the Company primarily invests in underlying firms with a long history of profitability and consistent dividend distribution, which offers some assurance regarding the reliability of its cash flows.

Critical Accounting Estimates

The Company follows International Financial Reporting Standards (IFRS) to records and reports its financial statements and financial transactions. Management's judgment in selecting and applying these policies is crucial for accurately recording financial statements. Various factors can affect income recognition, expense allocation, asset recovery, and liability reduction.

However, changes in accounting standards or management judgments could lead to revised financial reports or the need for restatements of prior financial statements. The effectiveness of the Company's accounting policies and internal controls is essential for accurately presenting its financial position and operational results.

To manage these complexities, the Company has implemented robust policies and controls to ensure consistency in critical accounting estimates and judgments. These policies undergo approval of Board and annual reviews by both internal and external auditors, ensuring oversight and compliance.

Risks Related to Personnel Loss

The success of the Company hinges on the expertise of its Board, executive management, and staff. The company relies on its senior management for the implementation of its strategy and its day-to-day operations. If the company were unable to retain key members of its senior management and/or hire new qualified personnel in a timely manner, this could have an adverse effect on the operations of the company, its business and profits.

To address this challenge, the Company emphasizes the creation of robust human resource policies that foster employee satisfaction and motivation. It aims to cultivate a strong HR framework to attract qualified candidates for both replacement and growth opportunities. Furthermore, the Company is dedicated to the ongoing recruitment of Omani nationals and their professional development, which aligns with local employment regulations and helps build a skilled workforce.

By focusing on effective human resource management, the Company strives to mitigate the potential impacts of personnel turnover on its operations and ensure sustainable growth. The company also develops senior management succession plans to achieve a smooth transition.



Operational Risk

Operational risk refers to the potential for loss resulting from various factors, including Poor management or operational inefficiencies within portfolio companies, system failures, human errors, fraud, inadequate monitoring and control of intermediaries, insufficient security measures, interruptions in services by providers, and damage to physical assets. These risks can lead to significant operational losses, which may have adverse legal and regulatory consequences, as well as financial and reputational damage to the Company.

To effectively manage operational risk, organizations often implement robust risk management frameworks, including internal controls, regular audits, employee training, and contingency planning. By prioritizing these measures, the Company can reduce the likelihood of operational failures and mitigate potential impacts on its performance and reputation.

Risk Factors related to the Offer Shares following the listing

Share price fluctuation: After the listing of the Offer Shares on the MSX, the price of the Shares may fluctuate for various reasons and may go below the Issue Price.

Liquidity: There are no guarantees that an active market will exist in the shares on the MSX. To that extent, the Shareholders face the risk of holding shares that may not be actively traded.

Future increase of equity capital or capital securities: The Company, may, in the future, increase its equity capital through further issues of shares and/or may issue other capital securities. Such capital increase may be required to sustain the Company's business growth. Such capital increases could impact the price of the Shares on the MSX and/or potential dividends.

Market fluctuations: Market fluctuations and other factors may adversely affect the trading price of the shares regardless of the actual operating performance of the Company. All equity investments carry market risks to varying degrees. The value of any security can fall as well as rise depending on market conditions.

12. Organization and management

12.1 Company philosophy

The principles of Corporate Governance mainly deal with the way companies are led and managed, the role of the Board of Directors and the framework of internal controls. At Al Anwar Investments SAOG (AAIC), the Board supports the highest standards of Corporate Governance. The Board of Directors is responsible for approving and monitoring the Company's overall strategy and policies, including risk management policies, control systems, business plan and annual budget. The Management is responsible to provide the Board with appropriate and timely information to monitor and maintain effective control over strategic, financial, operational and compliance issues. The Board confirms that Al Anwar Investments SAOG applies the principles set out in the Financial Services Authority (FSA) Code of Corporate Governance for Public Listed Companies (the "Code") and other rules and guidelines issued by the FSA from time to time.

We follow "International Financial Reporting Standards (IFRS)" in the preparation of accounts and financial statements.

12.2 The Board of Directors

The Board has the full authority to perform all acts required for managing the Company as well as protecting and developing the Shareholders' interests pursuant to the Company's objectives in addition to securing the interests of other stakeholders. However, such authority is not extended to the operational matters and day-to-day affairs of the Company, which remain the responsibility of the executive management. The responsibilities and functions of the Board include the following:

- Approving the business and financial policies of the Company and its estimated budget in order to achieve its objects as well as maintaining and enhancing the rights of its Shareholders;
- Preparing, reviewing and updating from time to time the plans necessary for the accomplishment of the Company's goals and the performance of its activities in light of the objects for which it was incorporated;
- Carrying out disclosure procedures of the Company and monitoring their application in accordance with regulations issued by the FSA;
- Providing information to Shareholders in an accurate and timely manner in accordance with FSA disclosure regulations;
- Appointment of the CEO or the general manager as well as the appointment of key employees in the Company and specifying their competences and entitlements;
- Appraisal of the performance of the officers mentioned in the preceding paragraph and appraisal of the work carried out by the committees formed by the Board;
- Approval of the financial statements pertaining to the Company's business and the results of its activities which are submitted to it by the executive management every three months, so as to disclose its true financial position to the market;
- Inclusion, in the annual report submitted to the General Meeting, of a reasoned affirmation of the Company's ability to continue to carry on the activities prescribed for it and to achieve its aims;
- Appointment of the Board Secretary; and
- To include in the governance, report full statement on all amounts which a director might have received during the course of the year.

Article 185 of the CCL stipulates that the Board shall be prohibited from performing the following acts unless it is expressly authorized to do so by the Articles of Association of the Company or by a resolution of the ordinary General Meeting:

- Make donations, other than customary donations of small value, which the interest of the business requires.
- Create mortgages or a pledge on the assets of the Company, except for securing its debts incurred in the ordinary course of business.
- Guarantee the debts of third parties, with the exception of the guarantees that are entered into in the ordinary course of business with the objects of achieving the Company's objectives.

The Company shall be bound by all acts performed by its Board of Directors, its Chairman, Its CEO and all other executives (if any) as long as they act in the name of the Company and within the scope of their powers.

12.3 Composition of the Board of Directors

As on 30th September 2024, the Board consisted of seven directors who have varied backgrounds and experience and who individually and collectively exercise independent and objective judgement. The composition and the independence of the board of directors is in accordance with the Code and Regulation for Public Joint Stock Companies. The members were elected to the Board at the Annual General Meeting held on 26th June 2024 for a term of 3 years. Board composition as on 30th September 2024 are as follow:

Director	Position	Independent /non-independent
Brig. (Rtd.) Masoud Humaid Al Harthy	Chairman	Non-Independent
Dr. Shabir Moosa Al Yousef	Deputy Chairman	Non-Independent
Mr. Abdulredha Mustafa Sultan	Director	Independent
Mr. Qaboos Abdullah Al Khonji	Director	Non-Independent
H.H. Fahar Bin Fatik Al Said	Director	Independent
Mr. Faisal Mohamed Al Yousef	Director	Non-Independent
Mr. Abdullah Salim Al Khayari	Director	Independent

12.4 Profile of the Directors

Brig. (Rtd.) Masoud Humaid Al Harthy

Masoud Humaid Al Harthy is a retired brigadier from the Royal Guard of Oman. He holds a Bachelor Certificate in Army Science Management with an experience of 34 years in military services.

Masoud Al Harthy possesses a very solid experience in many fields including mining, manufacturing and infrastructure (drilling and blasting) industries with a track record of successfully establishing both local and regional projects (both green and brown field projects)

He is currently the Chairman of Al Anwar Investments SAOG, Al Maha Ceramics SAOG, FIPCO SAOC in addition to being Board member in several other Companies.

Dr. Shabir Moosa Al Yousef

He holds PhD and Master of Research in Economics from University of Essex (UK), MBA in Finance from University of Lincolnshire & Humberside (UK), Master of Science from Colorado School of Mines (U.S.A), and Bachelor's degree in Electronics and Communications from Sultan Qaboos University.

Previously, he held many senior positions such as Chief Executive Officer of Oman Investment & Finance Co. SAOG, General Manager of Damac Holding in U.A.E, Group General Manager Truck Oman LLC, and a Petroleum Engineer post in Petroleum Development Oman (PDO).

He is currently the Deputy Chairman of the Board of Al Anwar Investments SAOG, the Deputy Chairman of Al Maha Ceramics SAOG, the Deputy Chairman of Oman Chlorine SAOG, and a Board member in Arabia Falcon Insurance Company SAOG. He is also a Board Member of General Secretaire of the Tender Board of Oman.

Mr. Abdulredha Mustafa Sultan

He holds a Bachelor Degree in Commerce majoring in Finance from San Diego State University, USA. He is Deputy Chairman and Chairman Audit Committee of Al Jazeera Services Co. SAOG. He is Managing Director in Mustafa Sultan Enterprises LLC. He is a member of the Young Presidents' Organization. He is also the Honorary Consul of Finland in Oman. He is member of Omani British Society (OBS) since 1999 & currently a board member of OBS.

Mr. Qaboos Abdullah Al Khonji

Mr. Qaboos Al Khonji belongs from the esteemed Al Khonji family, renowned for its traditional business practices. He holds a Bachelor's degree in Business Administration from the United States and expanded extensive expertise across multiple industries, including Construction, Retail, Real Estate Development, Manufacturing, Investment Banking and the Hotel Industry.

Mr. Qaboos holds directorship positions in several prominent SAOG / SAOC / LLC companies in Oman. He serves as the Deputy Chairman of the Board and Chairman of NREC for Financial Corporation Co. SAOG (Fincorp). Additionally, he holds the position of Deputy Chairman of the Investor's Committee at FINCORP Al Amal Fund and serves on the Board of Oman Chlorine SAOG and Al Anwar Investment SAOG.

As Chairman of Al Binaa Constructions & Industry SAOC and Deputy Chairman of Al Khonji Real Estate Development SAOC (AQAR), Oman Hotels & Tourism Co. SAOC, Desert Night Resort SAOC, and Al Sharqiya Hotels & Tourism Co. SAOC, where Mr. Qaboos performs key leadership roles. He also serves as a Board Member for Al Anwar Industrial Investments SAOC.

Furthermore, Mr. Qaboos holds the positions of Deputy Chairman for Al Khonji Group LLC and Al Khonji Invest LLC.

In his past roles, Mr. Qaboos served as General Manager at Moosa Abdul Rahman Hassan & Co. from 2000 to 2002. He also held the position of Deputy Chairman of the Board at OIFC SAOG from 2008 to 2014. Additionally, he served as a Board Member at various companies, including Taageer Finance Co. SAOG (2008 - 2014), Al Maha Ceramics Co. SAOG (2010 - 2023), and Al Anwar Hospitality SAOC (2022 - 2024).



H.H. Fahar Bin Fatik Al Said

Holds a Bachelor's degree in Business Administration from Anglia Ruskin University in the United Kingdom. He also holds a Diploma in International Business Administration from the London School of Business and Finance. H.H is currently Director of the Branch Affairs Department in State Audit Institution of Sultanate of Oman, Chairman of the Board of Directors of Fahar Bin Fatik LLC, Vice Chairman of the Board of Directors of Fatik Bin Fahar Group companies, Honorary chairman of Oman food Bank (DAYMA) and Board member of Ubar Hotels & Resorts SAOG (Oman).

Mr. Faisal Mohamed Al Yousef

Faisal Al Yousef is the CEO of Al Yousef Group LLC (AYG). He joined the group after working with Ernst & Young (Chartered Accountants) in Oman and the UAE as an Audit specialist. He is a Fellow of Chartered Certified Accountant (ACCA, UK) and also holds an Executive MBA from Oxford university (Said Business School) a BSc in Economics from SOAS (University of London), UK. He also holds an Advance Diploma in insurance from the Bahrain Institute of Banking and Finance. Faisal Al Yousef represents AYG on the boards of various investee companies, including Chairman of Muscat Finance, Chairman of Al Ruwad International for Education Services and Deputy Chairman of Cactus Premier Drilling Services and Truck Oman Oil and Gas Services and a Board member of Bank Dhofar, and Al Anwar Investments. He is also the Executive Director of Muscat Electronics. Throughout Faisal Al Yousef's career he was involved with at least three green field projects. Two of these are today listed on the Muscat Stock Exchange. Faisal Al Yousef brings with him two decades of experience in banking and finance and insurance and investments through his participation as a past Board Member and investor representative of various companies.

Faisal is also involved with a number of voluntary works including the Oman Tennis Association and Board of Governors of the Government Schools in Matrah.

Mr. Abdullah Salim Al Khayari

He holds an MBA in Finance from Leeds University, UK, and a Bachelor's degree in Economics from the University of Arkansas at Little Rock, USA.

He boasts thirty years of rich experience in the Banking and Financial Services Industry. This includes sixteen years in the Banking Examination Department as a Senior Bank Examiner/Chief Examiner, four years in Treasury and investments, and nine years in Licensing of financial institutions, encompassing Banks, Finance & Leasing Companies, and Money Exchange Companies.

Process of nomination of the Directors

The company follows the provisions of the Commercial Companies Law and Financial Services Authority Law & Regulations in respect of nomination of the members of the Board of Directors.

12.5 Board Committees

12.5.1 Nomination, Remuneration & Executive Committee (NR&EC)

NR&EC is a sub-committee of the Board consists of following three directors:

Dr. Shabir Moosa Al Yousef	Chairman
Mr. Qaboos Abdullah Al Khonji	Member
Mr. Faisal Mohamed Al Yousef	Member

The NR&EC is delegated powers and authority to facilitate the smooth running of the operations of the Company and exercise all the responsibilities of the Board which are beyond the authority of the management and within the limits set out in the Manual of Authority approved by the Board. The NR&EC is governed by the terms of reference (Charter) approved by the Board. The working plan of the committee is approved by the Board every year. The committee's responsibilities are as follows:

- a. Assisting the general meeting in the nomination of proficient directors and the election of the fit for the purpose.
- b. Look for and nominate qualified persons to act as interim directors on the board in the event of a seat becoming vacant.
- c. Reviewing and approving all investment proposals recommended by management and to recommend to Board for approval.
- d. Reviewing and recommending annual budgets to the board and review performance of the company and analyzing deviations.
- e. Develop a succession policy or plan for the board or at least the chairperson.
- f. Prepare detailed job descriptions of the role and responsibilities for directors including the chairperson so that it will be easy to advise members of their roles and responsibilities and measuring their performance.
- g. Assist the board in selecting the appropriate and necessary executives for the executive management as required or directed by the board.
- h. Reviewing remuneration of staff, recommending increments and bonus of staff to the Board for their approval.
- i. Prepare a bonus, allowances and incentive policy for the executive management.
- j. Review such policies periodically, taking into account market conditions and company performance.
- k. Assist the Board in approving performance evaluation criteria and monitoring of Board performance evaluation process.

12.5.2 Audit Committee (AC)

The Audit Committee (AC) is a sub-committee of the Board, comprising of the following three non-executive directors:

Mr. Abdulredha Mustafa Sultan	Chairman
H.H. Fahar Bin Fatik Al Said	Member
Mr. Abdullah Salim Al Khayari	Member

The Audit Committee is constituted in accordance with the provision of the Regulation for Public Joint Stock Companies issued by Financial Services Authority (FSA). Audit Committee Chairman is an Independent Director and all the members are Independent Directors.

All the members are experienced and have sound knowledge of risk management, governance, finance and accounting. The terms of reference (Charter) of the Audit Committee are in accordance with the Regulation for Public Joint Stock Companies issued by FSA. The working plan of the committee is approved by the Board every year. The committee's responsibilities are as follows:

- a. Considering the aspects relating to the appointment of external auditors including their fees and terms of engagement.
- b. Reviewing the details of the audit plan of the audit firms and the results of the audit process as to whether or not the auditors have had full access to all relevant documents to perform their job.
- c. Ensuring there is in place adequate procedures to detect and prevent any cases of financial fraud or forgery, to ensure adoption of appropriate accounting policies and principles in accordance with international accounting standards that demonstrate the real financial position of the company.
- d. Oversight of the internal audit function through an approved audit plan, considering the reports of the internal auditor, ensuring the internal auditor have full access to the relevant documents and reviewing the efficiency of internal audit function regularly.
- e. Reviewing the risk management policy of the company and the adequacy of internal control systems through the regular reports of internal and external auditors or appoint external consultants in this field.
- f. Reviewing the annual and quarterly financial statements before issue, review of the reservations of the external auditor on the draft financial statements, if any, and ensuring compliance with international accounting standards and disclosure requirements prescribed by the FSA.
- g. Serving as a channel of communication between the board and the external auditor and internal auditor.
- h. Reviewing the proposed transactions with related parties to make suitable recommendations to the board.
- i. Reviewing the report of the external valuer of the internal auditor and submit to the board of directors together with their recommendations and disclose the summary of the results of valuation process as part of the governance report.
- j. Proposing wages and remunerations and financial and in-kind benefits for the employees of the internal audit unit.

12.6 Profile of the Top management personnel with executive roles

The members of the management of the company are appointed with proper contracts clearly defining the terms of reference.

Khalid Abdullah Al Eisri - Chief Executive Officer

He is Chartered Financial Analyst (CFA) and holds a Bachelor's degree in Finance from Sultan Qaboos University. He has more than 18 years of experience in investment management and corporate advisory. Prior to joining Al Anwar Investments, he held the position of Acting Senior Manager at the Oman Investment Authority.

Mr. Khalid is a director in National Biscuit Industries Ltd SAOG, National Detergent Co SAOG, Voltamp Energy SAOG, and Al Ruwad International for Education Services SAOC. He also held directorship in several companies such as RAK Ceramics, Al Hosn Investment Company, Oman Growth Fund, Oman & Emirates Investment Holding Company, Ubar Capital, United Finance and Gulf Mushroom Production Company and Oman Chlorine SAOG.

Dhiraj Chidwal, Manager – Internal Audit & Risk Management, Board Secretary

Dhiraj Chidwal is a Chartered Accountant with accreditations from the Institute of Chartered Accountants of India and Certified Public Accountant (CPA) from USA. He has more than twenty-two years of experience in the field of Internal Audit, Finance and Accounting. Prior to Al Anwar, he worked for one of leading private bank in India as Chief Manager, Internal Audit. He has extensive experience in the Internal Audit of Banking and Finance sector.

Mubarak Al Ghazali, Manager - Administration & Compliance

Has more than 29 years of experience in insurance, management, HR, administration and corporate governance and compliance. Holds General Diploma certificate and certificate in Human Resource Management. He Attended several training courses, workshops in various fields like Governance and compliance, HR, Executive Management skills, effective leadership and other areas. Also attended many conferences and seminars organized by Muscat Stock Exchange, Financial Services Authority, Omani Securities Association, Oman Centre for Governance and Sustainability and other government and private bodies. He is currently a board member in Al Anwar Hospitality SAOC. Held previously directorship in Al Anwar Industrial Investments SAOC. He also has extensive experience in establishing companies in all their legal forms.

Ahmed Ibrahim, Assistant Finance Manager

Ahmed Ibrahim boasts an MBA in Financial Markets from the Institute for Market Studies (IEB Spain) and a Bachelor of Commerce from Zaqaziq University (Egypt). With a robust career spanning 24 years across banking, advertising, detergent manufacturing, and investment companies, he brings a wealth of expertise to the table. His forte lies in meticulously overseeing and optimizing financial and treasury operations.

12.7 Means of communication with the Shareholders and investors

- a. An announcement of the invitation to attend the Annual General Meeting of shareholders, which contains all the details of the audited financials, Directors' Report and other reports, is sent through the channels approved by the Financial Services Authority.



- b. The Quarterly results of the company as per IFRS, are prepared by the management for every quarter, reviewed by the Audit Committee, approved by the Board and also published in the Newspapers as per the directives of FSA. Copies are made available to shareholders on request. Results are also uploaded on the website of Muscat Stock Exchange (MSX).
- c. Pursuant to the Executive Regulations of the FSA, AAI has disclosed the initial quarterly and annual un-audited financial results within 15 days from the end of the period.
- d. Important Board decisions are disclosed to the investors through MSX from time to time. The company has its official website, www.alanwar.om for its investors. The website is updated from time to time.
- e. In compliance with the regulations of the FSA, the company conducted discussion sessions for shareholders, investors, and analysts twice a year. The link to these sessions was disclosed on MSX, and the video recordings of the sessions were uploaded to the company's website.
- f. The Management Discussion and Analysis Report forms part of the Annual Report.

12.8 Corporate Social Responsibility (CSR)

Al Anwar Investments SAOG is committed to support the society and environment. During the year, company has contributed OMR 10,000 towards CSR.

12.9 Professional Profile of the Statutory Auditors

BDO LLC, the statutory auditors of the Company, have been operating in the Sultanate of Oman since 1976. BDO LLC is an independent and legally distinct member firm of BDO International Limited. BDO, one of the leading professional services firms, providing industry focused Assurance, Tax and Advisory services, has over 111,000 employees working in a global network of 1,800 offices situated in 164 countries and territories.

BDO LLC is accredited by the Financial Services Authority to audit publicly listed joint stock companies (SAOGs) in Oman. The fees for auditing the financial statements for the year ended March 31, 2024 and the report on compliance with the corporate governance law amounted to OMR 8,000.

12.10 Internal Auditor

Company has a full time qualified and experienced Internal Auditor who works under the supervision of the Audit Committee. External quality assessment of the Internal Audit Unit (IAU) has been carried out during the year and their overall assessment is that the activities of IAU "Generally Conforms" with the Standards and the Code of Ethics as per guidelines issued by The Institute of Internal Auditors (IIA).

12.11 Details of non-compliance by the Company

No penalties have been imposed by FSA or MSX or any other statutory bodies on the company during the year 2023-24

13. Price justification

Al Anwar is a well-established and growing investment company in Oman with three decades of successful operations. The value of the assets as on the year ending date 31 Mar 2024 stood at OMR 48mn, while the profits were at OMR 532k. The book value of the company stood at OMR 0.155 as of 31 March 2024, while the stock price traded at 73 baisa as on 05 November 2024 at a discount of 53%. The Company is offering Rights Shares at a price of OMR 0.066 per share. The management and other parties concerned have taken into account various qualitative and quantitative factors of the company and also considered the future potential based on the investments pursued in order to arrive at the price. The Company believes that the Rights Issue is in the best interest of the Company and the Shareholders.

13.1 Qualitative factors

- 1) The Company is one of the leading investment companies in Oman, with investment across various diverse sectors.
- 2) Over the past 30 years, the company has successfully invested, exited and promoted several companies under the able management of a highly experienced board and professionally qualified management team.
- 3) AAIC focusses on both growth and value with significant importance to risk management.
- 4) In order to capitalize on the upcoming opportunities, the Company has prepared itself adequately and the additional capital will be used to enhance existing and add new investments, thereby building a robust portfolio.

13.2 Quantitative Factors

Period	Avg. closing price (OMR)	Discount of rights price
1 month	0.074	10.8%
3 month	0.080	17.5%
6 month	0.082	19.5%
9 month	0.080	17.5%
12 month	0.079	16.5%
* Data as of 05 November 2024		

The Subscription Price of OMR 0.066 per share is at a discount of 10.8% to the 1-month average closing price and the share price as on 05 November 2024 (73 baizas per share) and at a discount of 16.5% to 1-year average closing price of OMR 0.079 per share. In addition, the book value of the shares of the Company as on 30 September 2024 was OMR 0.149 per share. The Board of Directors of the Company have therefore agreed to offer the Rights Issue of shares to the shareholders of the Company at an attractive, discounted price of OMR 0.066 per share, including OMR 0.001 towards issue expenses.



14. Rights and liabilities of shareholders

This Chapter summarizes the rights and liabilities of Shareholders in an Omani public joint stock company, effective as at the date of this Prospectus. The description provided hereafter is only a summary and neither purports to give a complete overview of the rights and liabilities of Shareholders nor of relevant provisions of Omani law or the FSA circulars. Additionally, this Chapter should not be considered as legal advice regarding these matters. A copy of the Articles of Association is available from the corporate office of the Company.

14.1 Shareholders' Liability

The liability of the Shareholders shall be limited to the payment of the value of the Shares for which he/ she subscribes, and he/she shall not be responsible for the debts of the Company except within the limits of the value of the Shares he/she subscribes.

In case new Shares are issued without stipulating the full payment of the value on Subscription, payment of the remainder of each Share's value shall be affected at the time and in the manner to be determined by the Board of Directors, provided that each Shareholder shall receive at least 14 days' notice specifying the time and place of payment.

14.2 Shareholders' Rights

All the Shares shall enjoy equal and inherent (attached) rights in the ownership thereof which in accordance with the CCL are:

- I. The right to receive dividends declared by the general meeting.
- II. The preferential right of Subscription for new Shares
- III. The right to share in the distribution of the Company's assets upon liquidation
- IV. The right to transfer Shares in accordance with the applicable law.
- V. The right to inspect the Company's balance sheet, profit and loss statement and register of Shareholders.
- VI. The right to receive notice of and the right to participate and vote in all general meetings in person or by proxy (each Shareholder will have one vote for each ordinary share owned).
- VII. The right to apply for annulment of any resolution made by the general meetings or the Board of Directors, which is contrary to the law or the Articles of Association or other internal regulations of the Company.
- VIII. The right to institute actions against the Directors and auditors of the Company on behalf of the shareholders or on behalf of the Company pursuant to Article 208 of the CCL; the right to take legal proceedings before the competent court in accordance with Article 207 of the CCL.
- IX. The right to approach the FSA (provided that the move is supported by Shareholders who own at least 5% of the Shares), to exercise its authority to suspend resolutions of the general meeting which are passed in favor of, or against, any category of Shareholders or in the interests of the members of the Board of Directors or others.

14.3 Ownership & Transfer of Shares

Ownership and transfer of Shares shall be entered in the registers of the MCDC. In case of the death of a Shareholder the person whose name stands next in the register, where the deceased was a joint holder, shall be deemed by the Company to be the representative of the joint owners of the Shares. If the deceased was a sole holder, his/her legal personal representatives shall be the only persons recognized by the Company as having any title to his/her Shares, but nothing contained herein shall release the estate of a deceased joint holder from any liability in respect of any Share which had been held jointly by him with other persons.

14.4 Reports and Statements to be Sent to the Shareholders

Within 60 days from the end of the financial year, the Board of Directors shall prepare a report containing the Company's financial position and the financial position of its subsidiaries as well as any net profits to be distributed to shareholders, any changes to the business of the Company or of its subsidiaries, and anything that may have influenced the Company's position or its ability to continue to practice all of its activities and achieve its objectives, as well as any other data listed in the Executive Regulation. The report shall also address the Company's compliance with governance and sustainability requirements and must be signed by the Chairman or Vice-Chairman of the Board of Directors, a member of the Board of Directors and the CEO.

The Company's auditor shall also prepare a report in accordance with IFRS (International Financial Reporting Standards) that states the true financial position of the Company.

Copies of the above-mentioned reports shall be sent to the FSA before approving the agenda of the Annual General Meeting, if such reports have not been reviewed at the Annual General Meeting, approval of such reports shall be deemed null and void.

A summary of the audited financial statements, the report of the Board of Directors and the report of the auditors shall, likewise, be sent to each Shareholder and any person entitled to attend together with the invitation to attend the meeting of the ordinary Annual General Meeting at least 15 days prior to the meeting. The annual financial statements will also be disclosed through the electronic transmission system hosted on the MSX website. These reports as well as the Annual General Meeting decisions shall be filed with the Commercial Registrar within seven days of the Annual General Meeting date.

In the event that the Board of Directors identifies an error in the financial statements before the Annual General Meeting, it shall correct such error and send a notice to this effect to each Shareholder and any person entitled to attend prior to such meeting. The Board of Directors shall provide the FSA with a copy of the corrected report and file such copy with the Commercial Registrar within seven days of it being sent to the FSA. If the Board of Directors does not correct such error before the Annual General Meeting, consideration of the financial statements in question shall be postponed to another meeting, unless the error is not material. The Board shall also provide relevant authorities with revised copies of the report and file such copy with the Commercial Registrar within seven days of it being sent to the FSA.

The Board of Directors will also prepare unaudited quarterly financial statements for the first, second and third quarter of each Financial Year. These statements will also be disclosed through the MSX website. The Company will also publish the unaudited quarterly financial statements as directed by the FSA.



15. Subscription conditions and procedures

15.1 Eligibility for Subscription

The subscription to the offered shares as a rights issue is open to all eligible shareholders and to any person who purchases all or part of the rights of eligible shareholders.

Every Shareholder as on the Record Date is entitled to approximately 36.2537 Offer Shares for every 100 shares held as on the Record Date i.e., 1 Offer Share against approximately every 2.7583 shares held on Record Date, duly rounded down in the case of fractional entitlements.

The rights entitlement will be listed on the MSX and can be sold or purchased through the MSX.

15.2 Rights subscription Period and Issue Price

Issue opens on – 23/02/2025

Issue closes on – 03/03/2025

The rights entitlement will lapse if a valid application is not submitted during the issuance period.

The right to purchase rights shares and any right to subscribe to such shares will expire if a correct subscription application is not submitted within the subscription period. Failure to submit a subscription application for the offered shares during the subscription period will be considered a waiver of the rights to subscribe to the rights shares.

Issue Price: OMR 0.066 per share of the offering.

15.3 Trading of Rights

The rights entitlement is tradable on the MSX in accordance with applicable laws of the FSA and the MSX. Such rights can be traded i.e., bought and sold during its trading period. The buyer of such rights shall contact and co-ordinate with the Issue Manager to collect the requisite Application Form, fill it and submit it to the Collecting Agent, together with application money and required documents on or before the Issue closing date in accordance with the terms contained in this Prospectus. Unexercised rights shall lapse at the end of the subscription period.

15.4 Subscription for Additional Shares

1. Only shareholders entitled to subscribe to the rights issue as on the Record Date shall be entitled to subscribe to Additional Shares.
2. A Shareholder who does not subscribe to his/her full rights entitlement or sells his/her rights entitlement (either partially or in full) is not eligible to apply for Additional Shares.
3. A non-shareholder who buys rights entitlement, is not eligible to apply for Additional Shares.
4. Shareholders validly subscribing to their full entitlement of Offer Shares can apply for Additional Shares;
5. Shareholders who want to apply for Additional Shares should indicate it by writing the desired number of Additional Shares in their Application Form and make the required payment with submission of Application Form to the Collecting Agent;

Rights Issue Prospectus - 2025

6. The minimum Additional Shares that can be applied for is one Offer Share with the maximum up to a number such that the total application (including original entitlement, rights purchased and Additional Shares) does not exceed the entire Rights Issue size;
7. Additional Shares will be allotted simultaneously with the Offer Shares, subject to FSA approval.
8. If the total Additional Shares applied for is more than the under-subscription (before considering additional shares) in the Rights Issue, each Applicant will be allotted Additional Shares on a prorata basis proportionate to the number of Additional Shares applied for, and the balance will be refunded;
9. If the total Additional Shares applied by Applicants is less than the under-subscription (before considering Additional Shares) in the Rights Issue, all eligible Applicants will be allotted full Additional Shares applied by them;
10. If there is any balance under-subscription even after allotment of Additional Shares, then the Board of Directors as per its decision, shall offer the remaining shares for public or private subscription or close the Rights Issue at the level of total actual subscription received

The decision of the Issue Manager, in consultation with the FSA, shall be final and binding in respect of the allotment of Shares, including additional shares.

Note: Applicants should ensure that their post-rights issue shareholding is within the shareholding limits prescribed in the laws of Oman.

Here is an example using hypothetical numbers to illustrate the allocation of additional shares:

Details	Shares
Rights Issue Offering	100,000,000
Subscribed Shares	90,000,000
Unsubscribed Shares	10,000,000
Applications for Additional Shares	15,000,000
Allocation of Unsubscribed Shares Proportionally Based on Applications for Additional Shares ($10,000,000 / 15,000,000 = 67.66\%$)	10,000,000
Refund of Surplus Amounts for Unallocated Shares to Shareholders	5,000,000

According to this example, a person who applies for 3,000 additional shares will be allocated 2,000 shares.

15.5 Subscription on Behalf of Minor Children

1. An individual of age less than 18 years as on Record Date will be considered a minor.
2. Only a father may subscribe on behalf of his minor child(ren).
3. If a Subscription is made on behalf of a minor by any person other than the minor's father, the person submitting the Subscription shall be required to attach a valid Sharia (Legal) Power of Attorney issued by the competent authorities authorizing him to deal in the funds of the minor through sale, purchase and investment.



15.6 Minimum and Maximum Application

The minimum application can be for one Share and the maximum application for each shareholder (including original rights entitlement, rights entitlement purchased and Additional Shares) cannot exceed the entire Rights Issue size.

15.7 Particulars of the Bank Account

1. Each Applicant shall be required to furnish the particulars of his/her bank account (registered in the name of the Applicant). The Applicant shall not use the bank account number of any other person except in case of minor children only.
2. If the bank account of the Applicant is registered with a bank other than the one receiving the Subscription, he/she shall be required to submit a document in evidence of correctness of the bank account particulars as provided for in the Application Form. This can be done by submitting any document from the Applicant's bank which clearly shows the account number and name of the account holder (Applicant), such as an account statement issued by the bank or a letter/ document issued by the Applicant's bank containing the aforesaid information. The Applicant shall ensure that such evidence submitted is readable in a clear manner. The Applicant is not obliged to submit evidence of his/her bank account if he/she is subscribing through the bank wherein he/she maintains his/her account. In this case, the bank receiving the Subscription shall verify and confirm the Applicant's account details in its specific system and procedure.
3. The bank account provided in the Application Form would be used only for refunds.
4. The Application Form containing the bank account number of a person other than the Applicant shall be rejected except with respect to applications made on behalf of minor children that contain the bank account particulars of their father.

15.8 Documentation Required

1. Copy of Applicant's personal Civil ID/Passport/Commercial Registration certificate, as applicable.
2. Submission of a document confirming correctness of the bank account details written in the Application Form, only if the Subscription is through a bank other than the one with whom the Applicant has his/her bank account.
3. Copy of a valid Power of Attorney duly endorsed by the competent legal authorities in the event the Subscription is on behalf of another person.
4. In case of applications by juristic persons (non-individuals), which are signed by a person in his/ her capacity as an authorized signatory, a copy of adequate and valid documentation should be attached.

15.9 Mode of Subscription

1. The Applicant shall be required to fill in the Application Form for the Subscription and furnish all his/ her particulars including the Shareholder Number available with MCDG, Civil ID Number/ Passport Number/Commercial Registration Number or similar details.
2. The Applicant shall be responsible for furnishing all his/her particulars, ensuring correctness and validity of the information provided in the Application Form. While emphasizing on it, the Collecting Agent has been instructed to accept only those Application Forms that comply with all requirements provided in the Application Form and Prospectus.
3. Before filling the Application Form, the Applicant should read the Prospectus and read the conditions and procedures governing the subscription with total care and importance.
4. The Applicant shall submit the Application Form to the Collecting Agent along with the payment towards the Offer Shares (including any Additional Shares) and also ensure that the documents in support of the information furnished are enclosed.
5. The payment for the Subscription should be made by the Applicant in Omani Rials only. Payment in any other currency may cause rejection of application.
6. In case of payment through bank transfer, the Applicant is responsible for ensuring successful transfer of Subscription amount to Collecting Agent within the Subscription period and attach a copy of the bank transfer confirmation with his/her Application Form.
7. Payment of the value of the Subscription can be made by cash/cheque/bank transfer to the following account:

Account name: United Securities LLC
Account No: 01015775426001
Bank Name: Bank Dhofar
SWIFT Code: BDOFOMRUXXX
IBAN: OM680250001015775426001

15.10 Availability of Duplicate Application Forms

Only the original Application Form downloaded from the web link sent to eligible Shareholders by MCD should be used. If any eligible Shareholder does not receive the original Application Form, such person must contact the Issue Manager or the Collecting Agent sufficiently in advance of the Subscription closing date to obtain a duplicate Application Form. Applicants submitting a duplicate Application Form should not use the original Application Form, even if it is received/found subsequently. In case of violation of this requirement, both the Application Forms may be rejected. In case multiple applications are submitted with different collecting agents, all such Application Forms may be rejected.



15.11 Collecting Agent

The applications for Subscription shall be accepted by the Collecting Agents during their official working hours only. The Collecting Agents shall accept the Application Form for Subscription after confirmation of compliance with the procedure and subject matter in line with the requirements as provided for in the Prospectus. Hence, the Collecting Agent must instruct the Applicants to comply and fulfil all requirements stated in the Application Form and the Prospectus.

The Applicant shall be responsible for submission of his/her Application Form, together with full payment to the Collecting Agent before closing of the period for Subscription. In this regard, the Collecting Agent shall have the right not to accept any Application Form that reaches it after its official working hours on Subscription closing date.

15.12 Acceptance of the Applications

The Collecting Agent shall neither receive nor accept the applications for Subscription under the following circumstances:

1. If the Application Form does not bear the signature and stamp (if applicable) of the Applicant.
2. In case of failure to pay the value of the Offer Shares subscribed in accordance with the conditions provided for in the Prospectus.
3. If the value of the Offer Shares subscribed is paid through cheque and it is dishonored for whatever reason.
4. If the Application Form does not bear the Applicant's investor number available with MDCD.
5. If the investor account number furnished in the Application Form is incorrect.
6. If there is more than one Application Form with the same Applicant's name, all of them shall be rejected.
7. If there is more than one Application Form with same investor number, all of them shall be rejected.
8. If the supporting documents referred to in the Prospectus are not enclosed with the Application Form.
9. If the Application Form does not contain all particulars of the bank account of the Applicant.
10. If the bank account details of the Applicant in the Application Form are found to be incorrect.
11. If the bank account details provided in the Application Form are found to be not relevant to the Applicant.
12. In case of failure to attach Power of Attorney with Application Form as provided for in the Prospectus in respect of the person who subscribes and signs on behalf of another person.
13. If the application is incomplete in any respect or has not complied with the legal and organizational requirements as provided for in the Prospectus.

If the Collecting Agent observes, after receipt of the Application Form and before expiry of the time

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schedule prescribed for handing over the Application Forms in final form to the Issue Manager, that the application has not complied with the legal or other requirements as provided in the Prospectus, then the Collecting Agent shall take due efforts to contact the Applicant so as to correct the detected mistake. In case of failure to have the mistake corrected within the period referred to, the Collecting Agent shall return the Application Form to such Applicant together with the Subscription amount.

15.13 Refusal/ Rejection of Applications

The Issue Manager may reject the Subscription application under any of the conditions referred to above, after securing approval of the FSA and submission of a report furnishing the details of the applications that are required to be rejected and reasons behind such rejection.

15.14 Enquiry and Complaints

Applicants seeking clarification or to file complaints about allotment or rejected applications or refunds may contact the branch of the Collecting Agent where the Application Form was submitted. In case of absence of response from the branch, the Applicant may contact the person concerned as hereunder:

Name: Ayman Al Lawati
Company: United Securities LLC
Address: PO Box 2566, Postal Code 112, Sultanate of Oman
Tel: 00968 2476 3337
Email: ayman@usoman.com

If the Collecting Agent fails to arrive at a solution or settlement with the Applicant, it shall refer it to the Issue Manager, and keep the Applicant updated. The Applicant shall keep in touch only with the Collecting Agent to know the outcome.

15.15 Issue Manager's Contact

Name: Ayman Al Lawati / Osama Shihab
Company: United Securities LLC
Address: Post Box 2566, P C 112, Ruwi, Sultanate of Oman
Tel: +968 24763337 / 24763329
Email: ayman@usoman.com / osama@usoman.com

15.16 Restrictions on Shareholding

Shareholders must comply with the contribution ratios specified in the company's bylaws, Omani laws, and any regulations or circulars issued by the Central Bank of Oman and/or any applicable regulatory requirements (collectively referred to as the "Contribution Ratio").

If it is likely that the applicant's contribution ratio will exceed the specified ratios, the applicant must obtain all required approvals for such an excess contribution before submitting the application form. The applicant must attach a copy of the relevant approval for the excess contribution to their application form.



Notwithstanding anything to the contrary in this Prospectus, the allocation of the offering shares under the preferential rights issuance, and the rights of eligible shareholders (and any buyer of their rights) under this agreement, shall be interpreted accordingly.

15.17 Payments for Additional Shares

The payment for Additional Shares shall be made at the time of submission of Application Form to the Collecting Agent. If the Applicant fails to pay for any Additional Shares pursuant to the Application Form, the application will be rejected.

15.18 Allotment & Refund

The Offer Shares shall be allotted, and refunds will be made (if required) within 3 Business Days from allotment, after obtaining FSA approval for the same. The Applicant, after the announcement of the allotment, shall ensure that the allotted Shares are appearing in its account with MCDC.

Refunds (if any) shall be made to the Applicant's bank account as provided in the Application Form net of the bank charges and for refunds in foreign currency, as per the foreign exchange rate between OMR and the currency of the respective country, at the date such refund is made.

In case of any discrepancy, the Collecting Agent / Issue Manager should be contacted immediately.

15.19 Responsibilities of Shareholders/ Applicants in Rights Issue

A Shareholder as on the Record Date who sells his/her Rights Issue entitlement through the MSX will lose his/her right to subscribe to the Offer Shares to that extent. Furthermore, such shareholders cannot apply for Additional Shares.

An investor who buys the rights entitlement through the MSX should exercise his/her/its right to subscribe to the Offer Shares by submitting his/her/its Application Form (which can be obtained from Issue Manager) to the Collecting Agent before the Subscription closing date. Such investors are not eligible to apply for Additional Shares unless they are also Eligible Shareholders.

15.20 Issuer's Rights

The Issuer reserves the right to withdraw/cancel the Issue prior to the listing date for any reasons including in the event of any unforeseen development adversely affecting the economic and regulatory environment, any force majeure condition including any change in applicable law, etc. If the Issue is withdrawn or cancelled, the received Subscription amounts will be refunded in full, without any interest or further liability.

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15.21 Proposed Timetable

The following is only an indicative proposed timetable for the Issue:

Activity	Date*
Approval of prospectus by the FSA	04/02/2025
Date of publication of announcement: After approval of the Prospectus, at least five working days before the Record Date, the Issuer must publish an advertisement approved by FSA in at least one daily newspaper in Arabic, notifying the Shareholders and other investors of the Rights Issue. The advertisement must include a summary of the Prospectus including the volume and ratio of the increase in the capital, issue price, the Record Date, Collecting Agent, Subscription period and the period for the trading of the rights entitlement.	05/02/2025
Record Date: Shareholders registered in MCDG records as at this date are eligible for Subscription to the Rights Issue as holders of the rights.	13/02/2025
Service of Notices on the Shareholders: At least three days before the Subscription Opening Date, and not more than 15 days from the publication of the announcement the Issue Manager shall send written or electronic notices to each Shareholder at the address recorded in the Shareholders record advising of the Rights Issue together with the approved Prospectus and an application form. The notice will specify the rights entitlement that may be subscribed, the Subscription Period and the Rights Trading Period.	17/02/2025
Listing of the rights entitlement (Rights Trading Opening Date): The Issuer and the Issue Manager in collaboration with MCDG and MSX will carry out the procedures for listing of the rights for trading on MSX within five working days from the Record date. A record of holders of the rights shall be prepared for the purposes of the trading of the rights within the specified period. The rights shall be separated from the Shares and shall be traded separately	20/02/2025
Date of commencement of Subscription (Issue Open Date)	23/02/2025
End of trading of the rights (Rights Trading Closing Date)	27/02/2025
End of Subscription period (Issue Close Date)	03/03/2025
Allotment approval: Submission of Subscription results to FSA by Issue Manager to obtain FSA approval on the proposed allotment.	06/03/2025
Listing and allotment: The new Offer Shares shall be allotted and listed on the MSX within 6 working days of the Subscription Closing Date.	12/03/2025

* The actual dates may vary.



15.22 Responsibilities and Obligations

The Issuer, Issue Manager, Legal Advisor, Collecting Agents and the MDCDC shall abide by the responsibilities and duties specified under the Regulations issued by the FSA and shall comply with any other responsibilities and obligations set out in the agreements entered into between them. The parties concerned shall be required to take remedial measures with regard to the damages arising from any negligence committed in the performance of the functions and responsibilities assigned to them. In such event the Issue Manager shall liaise with relevant authorities such as FSA and MSX for taking suitable steps and measures for repairing such damages.

16. Undertakings

16.1 Al Anwar Investment SAOG

The Board of Directors of the Company jointly and severally undertake that:

1. The information provided in this Prospectus is true and complete.
2. Due diligence was done to ensure that no material information has been omitted, the omission of which would render this prospectus misleading.
3. All provisions of the Securities Law promulgated by Royal Decree 46/2022, the Executive Regulations to the Capital Market Law issued pursuant to FSA Decision 1/2009 (as amended), the Commercial Companies Law promulgated by Royal Decree 18/2019 and the Public Joint Stock Company Regulations to the Commercial Companies Law issued pursuant to FSA Decision 27/2021 and the rules and regulations issued thereunder have been complied with.

Signed on behalf of the Board of Directors:

Name	Signature

16.2 Issue Manager

Pursuant to our responsibilities under the Commercial Companies Law and the Executive Regulations of the Capital Market Law thereof and the directives issued by the Financial Services Authority (FSA), we have reviewed all relevant documents and other material required for the preparation of the Prospectus pertaining to the Rights Issue.

The Board of Directors of Al Anwar Investment SAOG shall bear the responsibility for the validity and correctness of the information provided in this Prospectus, and they have confirmed that no material information has been omitted from it, the omission of which would render this Prospectus misleading.

We do confirm that we have taken necessary due care as required by our profession with regard to the Prospectus that has been prepared under our supervision. On the basis of the review work referred to above and discussions held with the Issuer, its Directors, officials and other related parties with regard to the subject matter of the Issue and contents of the documents submitted to us, we confirm as under:

1. We have taken necessary and reasonable care to ensure that the information given to us by the Issuer and that contained in the Prospectus are consistent with the facts available in the documents and other material pertaining to the Issue.



2. To the best of our knowledge and on the basis of our perusal and information given to us by the Issuer, the Issuer has not omitted any material information, the omission of which would render the Prospectus misleading.
3. This Prospectus and the Issue to which it relates is consistent with all the rules and terms of disclosure stipulated for in Financial Services Authority Law, the Executive Regulations of the Financial Services Authority Law, the Securities Law, and prospectus models applied by FSA, and is in conformity with the Commercial Companies Law and the Public Joint Stock Company Regulations to the Commercial Companies Law and decisions issued in this regard.
4. The information contained in this Prospectus in Arabic (with its unofficial translation in English) is correct, reasonable, and adequate as per our perusal to assist the investor in taking an appropriate decision whether or not to invest in the securities offered.

Signed on behalf of the Issue Manager:

Name	Signature

16.3 Legal Advisor to the Issue

The Legal Advisor, whose name appears below, hereby confirms that all the procedures undertaken with regard to the offering of the securities, the subject matter of this Prospectus are in line with the laws and legislations related to the Issuer's business the Commercial Companies Law, the Public Joint Stock Company Regulations, the Securities Law, the regulations and directives issued thereunder, the requirements and rules for the issuance of securities issued by the Financial Services Authority, the Issuer's Articles of Association, and the resolutions of the general meeting and the Board of Directors of the Issuer.. The Issuer has secured all the consents and approvals of the official authorities required to carry out the activities which is the subject matter of this Prospectus.

Signed on behalf of the Legal Advisor:

Name	Signature
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