

Dear Shareholders,

On behalf of the Board of Directors, I am pleased to present the un-audited consolidated results of Al Anwar Investments SAOG (AAI) for the six-month period ended on 30 September 2021.

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

Net Income during the first six month has increased to OMR 1,244,000 from OMR 736,000 during the same period last year. In addition, AAI has achieved a consolidated net profit after tax of OMR 467,000 compared to a net loss after tax of OMR 38,000 during the same period last year.

The increase in reported income during the reporting period is mainly as a result of:

1. Increase in the value of AAI investments by OMR 290,000 compared to a net loss of OMR 55,000 during the same period last year
2. Increase of OMR 255,000 as a result of reclassifying Almondz Global Securities Ltd, India as an associate.

Net asset per share of the Group has increased to 156 Baisas per share on 30 September 2021 as against 154 Baisas per share on 30 September 2020.

Investment update

1. Al Maha Ceramics SAOG

The Company has reported revenue of OMR 4,875,651 for the six-month period ended on 30 June 2021, as compared with OMR 4,281,945 during the previous period, a growth of 14%. Net profit after tax for the period is OMR 1,225,901 as compared to OMR 695,163 in the previous period, a growth of 76%, which is mainly due to increase in sales revenue and effective cost control measures taken at various levels.

2. Voltamp Energy SAOG

The Company has reported revenue of OMR 11,683,718 for the six-month period ended on 30 June 2021, as compared with OMR 17,397,696 during the previous period, a decline of 33%. Net loss after tax (attributable to shareholders of Parent Company) for the period is OMR 320,187 compared to net loss of OMR 28,621 in the previous period. One of the subsidiaries of the Company, Voltamp Power SAOC has achieved a major milestone in manufacturing its first 500MVA / 220 kV class transformer which is one of its kind and the largest to be manufactured in GCC region during the period. The company has received good number of orders from Oil & Gas sector in both domestic and export market, however the abnormal increase in raw material prices recently is a cause of major concern.

3. Arabia Falcon Insurance Company SAOG

The Company has reported Gross Written Premium of OMR 11,269,122 during the six-month period ended on 30 June 2021 as compared to OMR 8,567,009 for the previous period, a growth of 32%. The Net profit after tax for the period is OMR 853,998 compared to OMR 654,518 in previous period, an increase of 30%. This is contributed by better underwriting income combined with lower operating expenses.

4. Al Ruwad International for Education Services SAOC

The Company has reported decline in revenue and profitability for the six-month period ended on 31 July 2021. This is primarily due to lower number of students enrolled in the school during the last academic year. The combined impact of Covid 19 and the challenging economic conditions had a considerable impact on private schools in Oman. Official statistics indicate that student enrollment in private schools in Oman has reduced from 116,483 to 78,529 in the 2020/21 school year (a decrease of over 33%).

The school is now approved to provide International Baccalaureate (IB) curriculum at all levels. This should improve the school's competitive position and support it in attracting higher number of students in future years.

5. National Biscuits Industries Ltd. SAOG

The Company has reported revenue of OMR 5,012,684 for the six months period ended on 30 June 2021, compared with OMR 5,762,147 during the previous period. Net profit after tax for the period is OMR 302,195 as compared to OMR 436,830 in the previous year, a decline of 31%. This is largely due to increase in cost of raw materials and rising logistic costs. Company has invested in a new Biscuit line which will add new capability to launch value added premium biscuit & cookies this will mitigate our reliance on the

shrinking market of traditional biscuits.

6. The National Detergent Co. SAOG

The Company reported revenues of OMR 8,980,034 for the six-month period ended on 30 June 2021, as compared with OMR 10,816,020 for the previous period, a reduction of 17%. Net profit for the period is OMR 141,379 as compared to OMR 715,657 in the previous period, a decline of 80%. Declined value of sales and increase in raw material prices are the main factors that affected financial performance of the company. To reduce this impact, NDC is focusing on controlling costs and introducing new products that closely meet consumers' needs.

7. Oman Chlorine SAOG

The Oman Chlorine Group has reported revenue of OMR 8,383,000 for the six-month period ended on 30 June 2021 as compared with OMR 7,963,000 in the previous period, a growth of 5%. The net loss (attributable to Parent Company Shareholders) for the period is OMR 318,000 as compared to profit of OMR 48,000 in the previous period.

This significant decline in profitability is mainly on account of losses reported by the subsidiaries located in UAE and Qatar. The Oman operation reported a net profit of OMR 853k compared to previous period profit of OMR 695k, an increase of 23%. The expansion of its current plant in Sohar from 45 to 75 tons per day is scheduled to come in to production by third quarter of 2021.

Union Chlorine LLC, UAE, a subsidiary, has declared net loss of OMR 879,000 during the six-month period ended on 30 June 2021 compared to loss of OMR 350,000 in previous period. The parent company's share of loss is OMR 526,000. The decrease in revenue was because of lower volume in our caustic soda lye, Hypo and calcium chloride prills. Recently a major contract for supply of Hydrochloric Acid was awarded by the major Oil and gas producer in UAE for five years, this will significantly improve the revenue, EBITDA and Net profit of the company upon the commencement of the deliveries expected in Q4 2021.

Gulf Chlorine WLL, Qatar, a subsidiary, has declared a net loss of OMR 1,258,000 during the six-month period ended 30 June 2021 compared to a loss of OMR 855,000 in previous period. The parent company's share of loss is OMR 642,000. The projected commissioning of the Calcium Chloride Plant by Q3 2021 by the joint venture "United

Chemicals”, should help company to enhance the plant capacity utilization and improve performance. By end of June the plant started operating at 100% capacity. The Company entered a non-breakable sole supply contract with major MNC in oil & Gas sector for supply of our products for 18 months starting from June 2021.

8. Almondz Global Securities Ltd, India

AAI hold 11.94% equity of the Company; this was previously classified as investment at “fair value through profit or loss account” and carried at market value till 31 March 2021. With effect from 24 June 2021 AAI has been able to exercise significant influence on the Board of Directors of the Company, as a result it been reclassified as an Associate company and accounted in accordance with our accounting policy for Associates.

The Company has reported revenue from operation of OMR 1,953,000 for the 6 months period ended on 30 June 2021, as compared with OMR 1,437,000 during the previous period, a growth of 36%. Net profit after tax for the period is OMR 620,000, substantial higher from OMR 32,000 in the previous period.

9. 9. Dhofar International Development and Investment Holding SAOG (DIDIC),

- 10.** In the previous years, investment in DIDIC was classified partly as “Fair value through the profit and loss” (FVTPL) and partly as Fair value through other comprehensive income” (FVOCI). According to the Board’s decision, the entire investment in DIDIC is strategic, and accordingly it has been fully reclassified as investment at FVOCI. This correction in presentation has been made as a prior year adjustment under IAS 8.

DIDIC has reported income of OMR 4,224,481 for the six-month period ended on 30 June 2021, as compared with OMR 241,354 for the previous period. Net profit for the period is OMR 3,614,675 as compared to OMR 45,412,091. The six-month comparative of last year included a one-time deemed acquisition gain of subsidiaries and associates of OMR 43,361,639.

Future Outlook

Oman's economy is expected to continue to improve as restrictions related to Covid-19 ease and oil prices recover from the lows witnessed in prior years. S&P Global Ratings has revised Oman’s rating outlook to positive from stable, citing its improving fiscal

position, progress on reforms and rising oil prices.

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

- continue to support and pro-actively manage our investment companies and,
- take advantage of investment opportunities which can arise during these challenging economic times.

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

Thanks, and Appreciation

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

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

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

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

For & on behalf of the Board of Directors of

Al Anwar Investments SAOG

Masoud Humaid Malik Al Harthy

Chairman

November 11, 2021