

omnivest

A Legacy of Success

Investor Presentation | 20 August 2024

Transforming Businesses
to Enrich Societies





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Our Purpose



Transforming Businesses to Enrich Societies

We are a purpose driven organization

Our purpose aligns with our strong belief that business can be a significant catalyst for creating scalable economic, social and environmental value. It provides clear direction for our daily actions; unites our people together; and guides us towards fulfilling our vision.

We **transform businesses** in ways that contribute to their growth and excellence. In addition to providing our affiliate companies with growth capital, we work closely with them to build their operational and technical expertise.

We strongly believe in the important role of business in **enriching societies**; our investment philosophy underpins that belief. Through our portfolio companies we provide societies with valuable services and solutions.





Board & Management



Progressive Board of Directors

with diverse experiences and committed to excellence

Guides and supports the management team to achieve superior and sustainable performance while adhering to the highest professional and ethical standards.



Khalid Muhammad AlZubair
Chairman



Khawla Al Harthi
Director



Muhammad Husam AlZubair
Director



Sheikh Khalid Al Khalili
Deputy Chairman



Najat Al Lawati
Director



Khalid Nasser Al Shamsi
Director



Brigadier Jamal Al Tai
Director



Dr. Rashid Al Balushi
Director



Hamad Mohammad Al Wahaibi
Director



Executive Management

leadership team with extensive experiences & performance-driven

DEDICATED

CREATIVE

AGILE

COLLABORATIVE

CHARACTER

CULTURE



AbdulAziz Al Balushi
Group Chief Executive Officer



Sanjay Kawatra
Deputy Group Chief Executive Officer



Badar Al Shanfari
Chief Investment Officer
(Private Equity)



AlWadhab Al Adawi
Chief Investment Officer
(GCM and AUM's)



Nasser Al Shibli
Chief Real Estate Officer



Waleed Al Yarubi
Chief People, Corporate Communications and Sustainability Officer



Evangelos Papadopoulos
Deputy Chief Executive Officer
Eastbridge Asia



Lo'ai Bataineh
Chief Executive Officer
Ominvest Capital, DIFC



Chetan Kejriwal
Chief Financial Officer



Muneer Al Mughairy
Chief Audit Officer



Sarah Lashkoo
Chief Legal, Compliance and Governance Officer



Nadir Ahmed
SVP – Risk and Economics Research



Marwa Al Kharusi
SVP – Human Resources and Admin



Major Milestones



Achieved Major Milestones over the recent years

2012

Acquired 11%
stake in **Oman Al
Arabia Fund**.

2016

Boosted NLGIC's capital
to grow regionally, thus
achieving market leadership
in Oman with significant
regional operations.

2015

Transformation of Ominvest
through **merger** with **ONIC
Holding**.
Diversification into insurance
sector.
Increase in parent company
assets from USD 275 MN to
USD 623 MN.

2017

Disposal of **non-core industrial**
investments resulting in
shareholder value accretion.
Formation of **U-Capital**.
Successful IPO of NLGIC and
Al Ahlia Insurance at attractive
valuations.
Expansion into **Education**
sector in the GCC.

2018

Optimized capital structure via issuance of
perpetual bonds.

National Finance merged with Orix Leasing,
resulting into a market leader.

Accumulated 9.99% stake in **Bank Muscat**, the
largest bank in Oman at attractive valuation.

Formation of **Jabreen Capital** as a private
equity arm of Ominvest.

2020

Completion of **Alizz Islamic Bank**
acquisition by **Oman Arab Bank**.

Sale of partial stake in Oman Arab Bank at
attractive valuation.

Successful listing of Oman Arab Bank.

Sold a portion of **treasury shares** at
attractive valuation & enhanced liquidity.

Acquired control over **U-Capital**, which in
turn acquired **Gulf Bader Capital Markets**.

IGI listing at NASDAQ and partial exit at 2x
book value.

2022

NLGIC completed a 100%
acquisition of **RSA Middle East**
with an aspiration to become a
leading multiline insurer in the
region.

Increased shareholding in **Takaful
Oman** to 56% and gained control.

Acquired controlling stake in a
niche tech company.

Launched mixed used
development "**La Vie**" in
Muscat Hills.

H1 2024

**Made two
profitable exits**
generating cashflows
of OMR 51 million.

**SPA signed for partial
disposal of GCC
school platform**.

2021

Issued **Perpetual Sukuk** amounting to USD 135m
by conversion of treasury shares.
Established a full-fledge office at Dubai International
Financial Centre (DIFC).
Launched **Global Capital Markets Programme** to
grow and diversify.
Expansion into **logistics sector** in USA and Europe
through Jabreen Capital.
New investments in **schools** and **real estate**.

2023

Increased **shareholding in Bank Muscat to 15%**.
Increased shareholding in **International General Insurance (IGI)**
from 14.5% to 20.5%.
Highest ever dividend declaration - **105%**
Redemption of Ominvest **perpetual bonds (OMR 60.6 million)**.
Acquisition of 30% stake in **leading FINTECH company** in Oman.
Obtained category 3C license from DFSA and established Ominvest
Capital (DIFC) Limited.



Asset Diversification

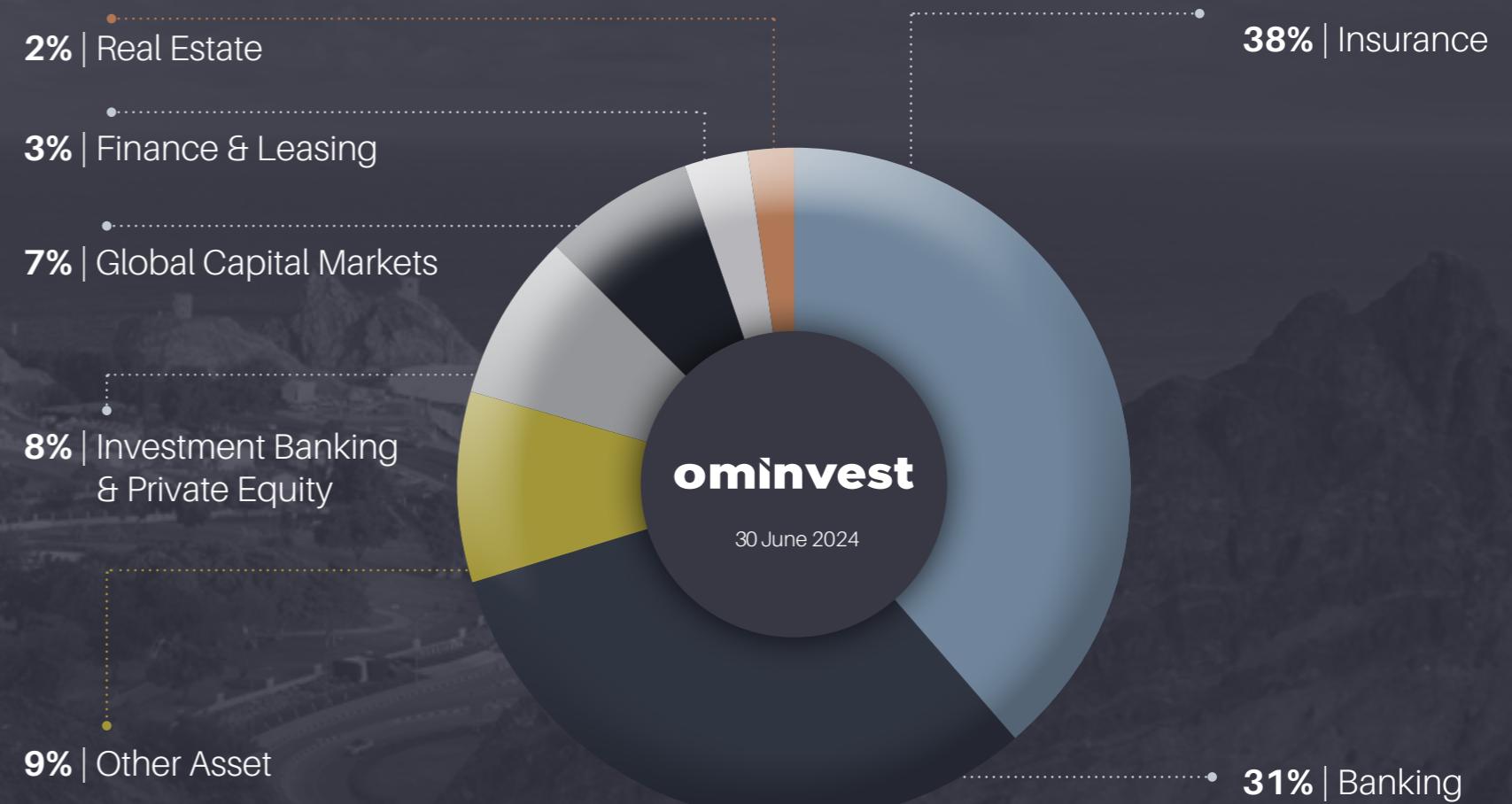




Ominvest actively diversifies its portfolio across sectors

- Diversification across companies, sectors and geographies is key to manage the concentration risks associated with large investments in single company and/or sector.
- We have successfully diversified away from the banking sector which comprised 97% of Group assets in 2014 compared to 31% presently.
- 39% of our group consolidated assets are outside Oman compared to less than 1% in 2014. Local assets have increased due to acquisition of Bank Muscat stake at attractive valuation. We continue to work prudently to enhance our geographical diversification.

Diversification of Group's Consolidated Assets





Our Journey So Far

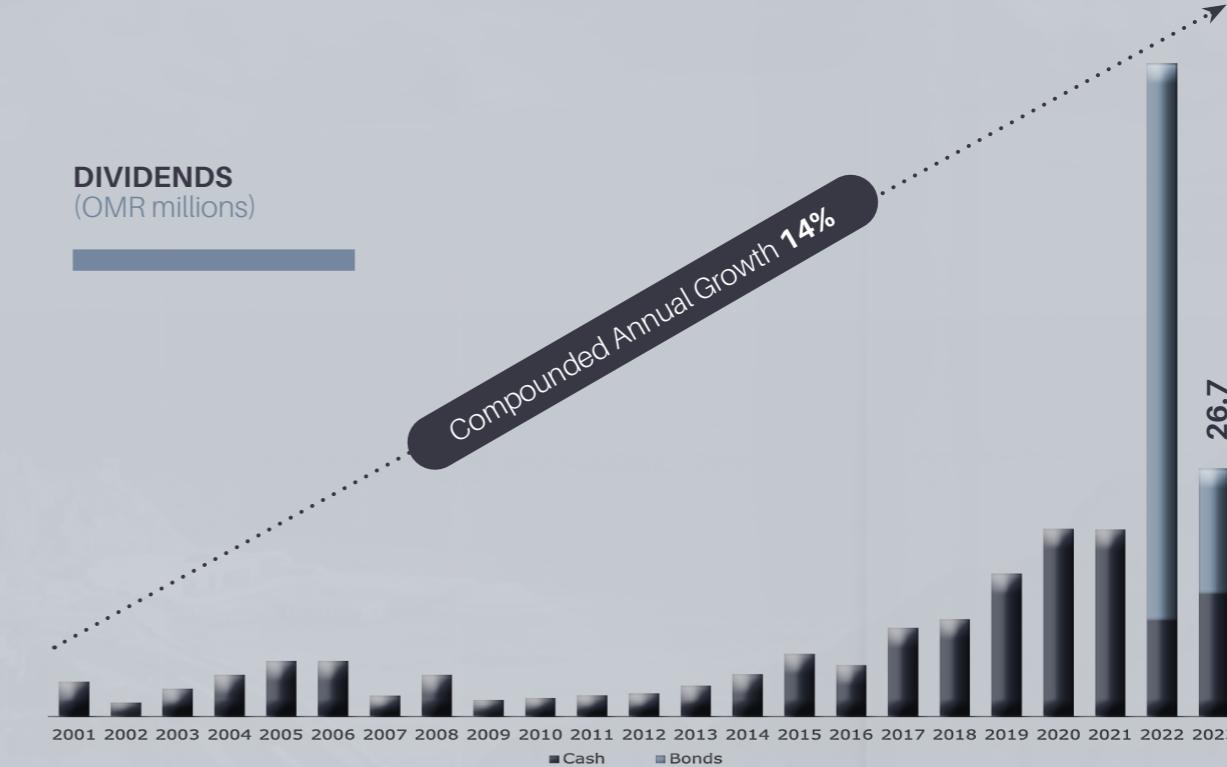


Our Journey So Far:

NET INCOME
(OMR millions)



DIVIDENDS
(OMR millions)



The company distributed 40% dividend amounting to OMR 26.7 million for 2023, comprising cash dividend of 20% and 20% in the form of mandatory convertible bonds. These bonds are listed on the Muscat Stock Exchange and carries an attractive annual coupon of 6.5%.

The hybrid dividend is to generously reward our esteemed shareholders as well as to continue **fueling the growth of Ominvest**.



Ominvest
Overview

Major Milestones
& Achievements

Asset
Diversification

Our Journey
So Far

**Ominvest at
a Glance**

Key Highlights
H1 2024

Sustainability
Highlights



Ominvest at a Glance



Ominvest at a Glance

Founded in 1983, Ominvest is one of the **largest listed investment** companies in the region and has been **consistently profitable** with an enviable track record of **uninterrupted dividend** payments to shareholders. Ominvest owns **high quality assets** in **diversified sectors** and have portfolio companies that are **market leaders**.





Key Highlights H1 2024

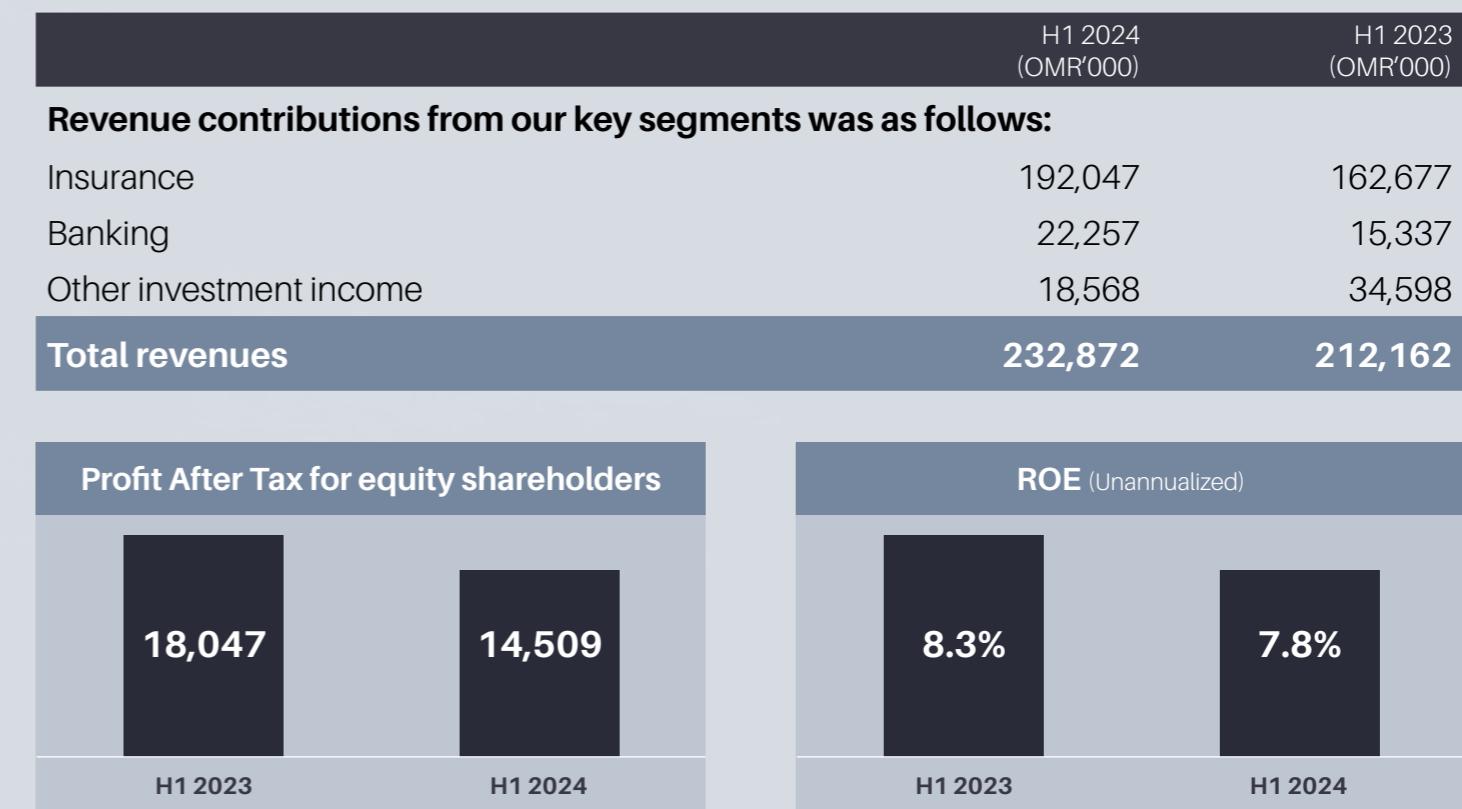


Financial Performance **H1 2024**

	H1 2024 (OMR'000)	H1 2023 (OMR'000)
Total revenue	232,872	212,162
Total expenses	(227,261)	(194,754)
Profit before tax	5,611	17,408
Income tax expense	1,561	(334)
Profit for the period	7,172	17,074
Profit for the period attributable to:		
Equity holders of the Parent Company	14,510	18,047
Non-controlling interests	(7,338)	(973)
Profit for the period	7,172	17,074

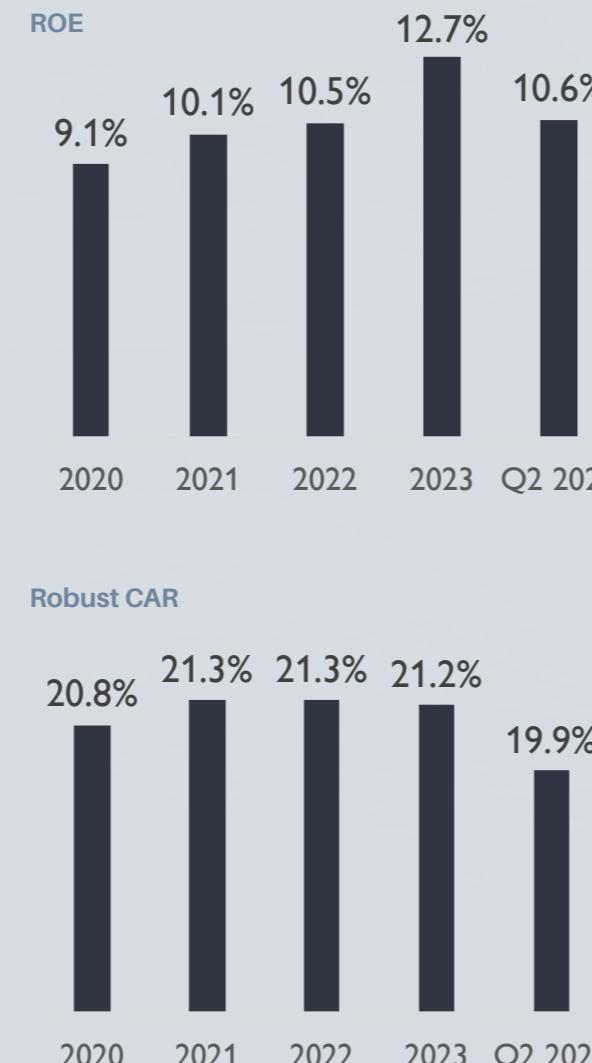
During H1-2024, the Ominvest Group's revenue increased by 10% to OMR 232.8 million as compared to OMR 212.1 million during the corresponding period in 2023, and the net profit attributable to Ominvest's shareholders decreased by 20% to OMR 14.51 million as compared to OMR 18.05 million during the corresponding period in 2023.

During the previous year, we had acquired additional stakes in Bank Muscat and International General Insurance. Both the investments have performed well and contributed positively to the bottom line of the company. However, Ominvest Group's performance has been impacted due to unprecedented torrential rains in the UAE resulting in weather claims losses of our insurance subsidiary, LIVA Group. The weather claims were contained due to LIVA Group's robust reinsurance treaties.





Bank Muscat



H1 2024 Financial Performance Overview

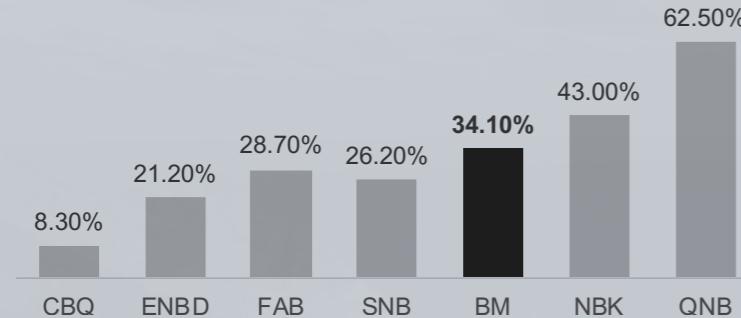
- Bank Muscat is a **leading financial services provider** in Oman with largest branch network and innovative offerings, holding total assets of over OMR 14 bn and maintaining a dominant domestic market share of over 34% by total loans and 45% by profitability
- In November 2023, the Ominvest Group acquired an **additional 5.87% stake** in Bank Muscat at an attractive price increasing our shareholding in the bank to 15%. This acquisition made Ominvest Group the second-largest shareholder in the bank.
- Oman's credit rating is expected to be **upgraded to investment grade** and MSX is gearing-up for **inclusion into the MSCI** and FTSE emerging market indices, which would boost passive & active investment flows. The biggest beneficiary of this action will be shareholders of Bank Muscat by way of increase in share market price.
- Bank Muscat's **profit increased by 7.5%** during H1-2024 to OMR 112.12 million compared to OMR 104.32 million in H1-2023.
- **Net interest income increased by 3.2%** to OMR 190.63 million and non-interest income increased by 13.2% to OMR 75.27 million, during H1-2024. These increases were due to overall improvement in various business lines and volume increase.
- During H1-2024, Bank Muscat paid a **dividend of OMR 116.3 million** representing 15.5% of the capital (2023 - 15%). Group's share in the dividend amounted to OMR 17.3 million.
- **Stable and experienced management** with proven track record of successful organic and inorganic growth



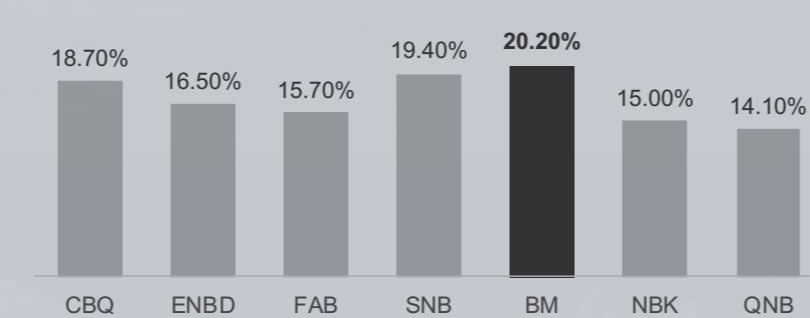
Bank Muscat

Dominant domestic bank in the region as of 31 March 2024

Domestic market share - assets



Total CAR

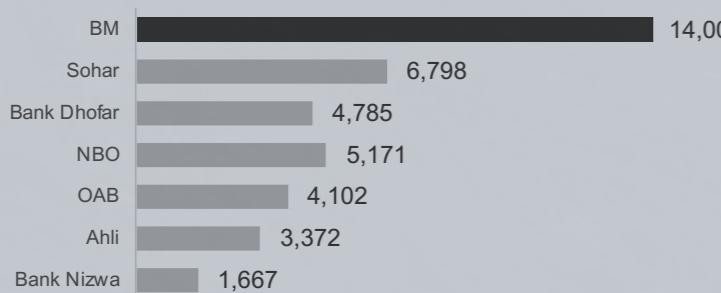


Net interest margin over average assets



Unchallenged leading market position in Oman as of 31 March 2024

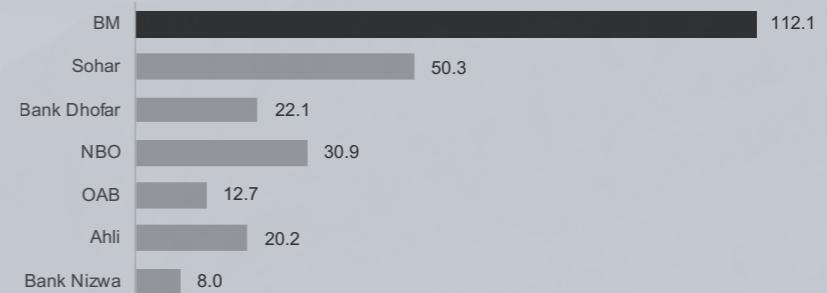
Total assets RO mn



Gross loans RO mn



Net profit RO mn (H1 – 2024)





International General Insurance (IGI)

Gross Written Premiums
OMR 265.1 MN

Combined Ratio
76.7%

Net Profit
OMR 45.5 MN

ROE
28.1%

All details pertaining to FY 2023

Share Price Performance FY 2023-2024



International General Insurance (IGI), our associate in insurance sector, is an international specialty insurance and reinsurance group, registered in Bermuda and listed on the Nasdaq Capital Markets under the symbol "IGIC".

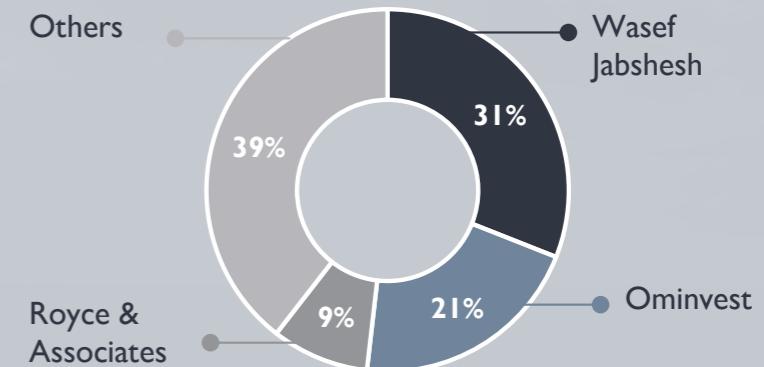
Highly-Rated by AM Best



Highly-Rated by S&P



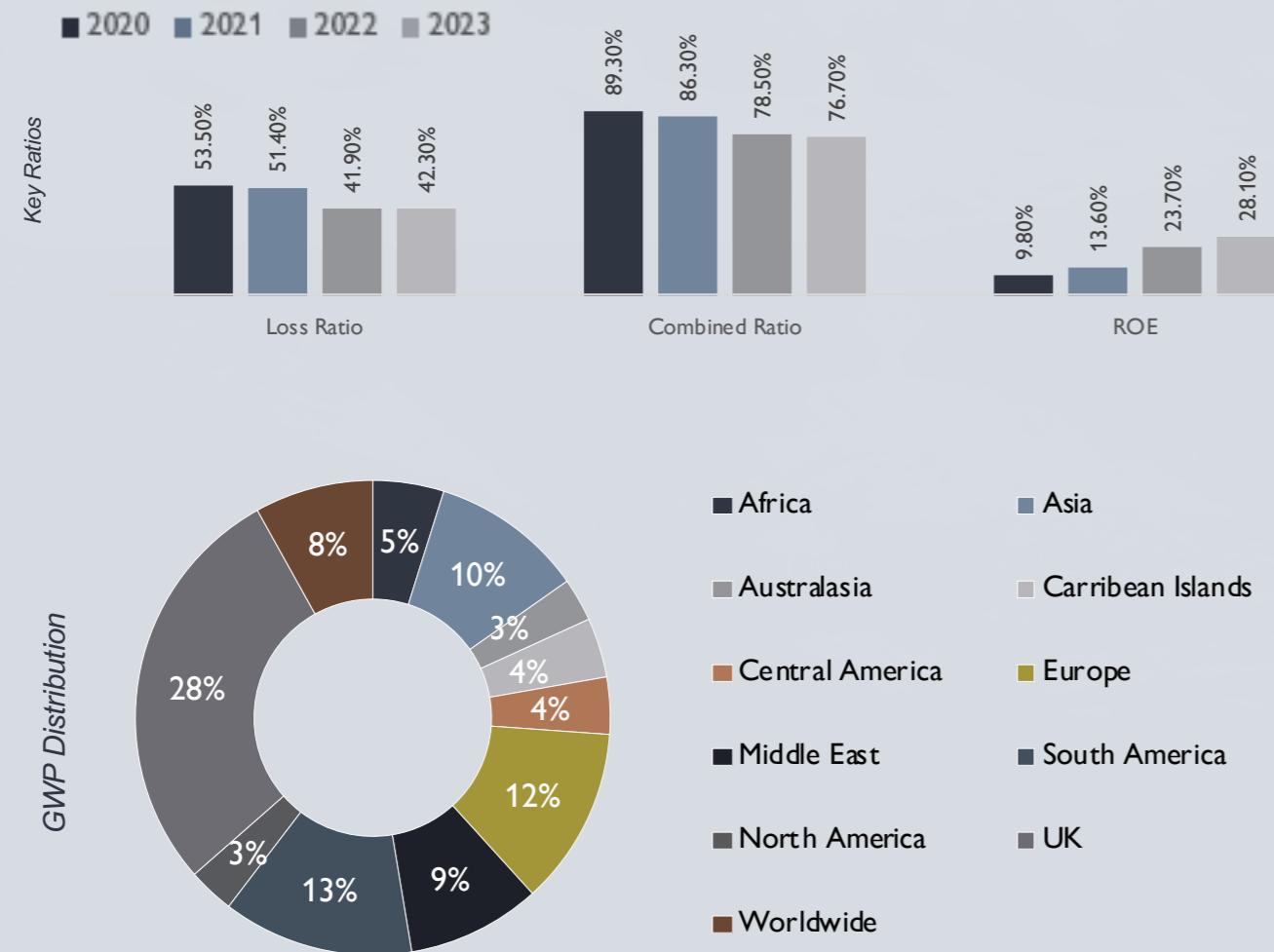
NASDAQ-listed international specialist reinsurance group with deep technical expertise providing coverage across a diversified portfolio of specialty lines



RO '000	2021	2022	2023	CAGR
Gross premium written	210	224	265	12%
Net premium earned	133	145	172	14%
Net underwriting income	41	57	70	31%
Investment income	6	5	19	77%
Net profit	17	34	45	64%
Total assets	559	608	708	13%
Total liabilities	404	450	499	11%
Total equities	155	158	208	16%



International General Insurance (IGI)



H1 2024 Financial Performance Overview

- IGI had **strong half yearly result**, in spite of a more active loss environment during the second quarter, most notably in property and offshore energy books. IGI's net income for the period ended 30 June 2024 decreased by 5% to USD 70.7 million from USD 74.4 million during the corresponding period in 2023.
- The combined ratio for the period ended was 77.7% and the **annualized core operating return on average equity was 26%**. These results demonstrated IGI's commitment to selective and disciplined underwriting practices, emphasizing lines of business with the most robust margins.
- Since we acquired additional shares in IGI the **share price has almost doubled**.
- IGI paid special **cash dividend of USD 0.50 per share**, alongside the regular dividend of USD 0.01 for FY 2023, reflecting its strong financial performance and commitment to delivering shareholder value. The dividend yield on our investments in IGI is 6.2%. Omininvest received cash dividend of RO 1.88 million. Further, they have paid USD 0.05 as interim dividend for FY 2024



Liva Insurance Group

PAT Evolution YoY



Market correction following weather claims in UAE present growth opportunities

- Increasing profitability** through hardening market trends and tariff increases
- Increasing revenue** supported by consumer behavioral shifts towards trustworthy insurers and opportunity to capture further demand from insolvent companies

H1 2024 Financial Performance Overview

- A pioneering insurance leader in the GCC, focused on growth, diversification, and a customer-centric approach, supported by multiple industry awards. LIVA is **8th largest** insurance company in GCC
- LIVA Group reported an insurance service revenue of **OMR 156.84 million** for H1 2024, reflecting a 3% growth over previous period. This increase was particularly driven by a notable 41% growth in the UAE in Personal and Commercial lines, following new strategic partnerships and price increases and growth of Commercial lines due to strengthened broker relations.
- LIVA Group faced significant challenges due to multiple **unexpected adverse weather events** in the first half of 2024. The most severe event was the extraordinary torrential rains in the UAE and Oman in April 2024. The UAE experienced its heaviest rainfall in 75 years, leading to widespread flooding, which severely impacted the insurance sector in UAE.
- LIVA's robust **reinsurance agreements** helped reduce these claims, protecting the group from much higher net claims and resulted in net claims of OMR 23.7 million. This led to an overall loss of OMR 15.9 million for the period ended 30 June 2024.
- Excluding the impact of weather events, LIVA Group has demonstrated significant improvement in performance, with an after-tax profit (PAT) of OMR 7.8 million compared to loss of OMR 1 million in the same period in 2023.



H1 2024 Key Highlights

Oman Arab Bank



Oman Arab Bank SAOG (OAB) our associate in the banking sector, reported consolidated **profit of OMR 12.70 million** for the period ended 30 June 2024, **up 10.1%** compared to OMR 11.54 million during the corresponding period in 2023, driven by a strong growth in its core operations. OAB's **net loans and advances**, including Islamic finance, **increased by 6.9% to OMR 3.48 billion** at 30 June 2024 compared to OMR 3.26 billion as at 30 June 2023. **Customer deposits increased by 9.2% to reach OMR 3.49 billion** at 30 June 2024 compared to OMR 3.26 billion at 30 June 2023. The growth in loans and deposits were considerably higher than the market growth enabling the Bank to grow its market share. OAB's capital adequacy ratio reached 15.5%. Alizz Islamic Bank SAOC, a fully owned subsidiary of OAB, has consistently increased its profits and assets since the merger with OAB in 2020.

National Finance



National Finance Company SAOG (NFC), our associate in the leasing sector continues to focus on writing good quality business with improved margins and reported an **increase of 8.3% in profit to OMR 5.85 million** for the period ended 30 June 2024 compared to OMR 5.41 million during the corresponding period in 2023. **Loan book grew by 9.3% reaching OMR 592.5million**. NFC's **market share** of investment in leases is 49.5% and in profitability is 56%. In April 2024 NFC raised OMR 35 million through perpetual bonds with an annual coupon rate of 7.75%. The perpetual bond issue was 1.8 times oversubscribed demonstrating strong investor' confidence.

Credit Rating



Capital Intelligence (CI) has reaffirmed our long-term international credit rating to '**BB+**' and National rating to '**omAA**', with **stable outlook**.

CI mentioned that Ominvest's ratings continue to be supported by the Company's status as the leading listed investment company in Oman, and as one of the largest in the GCC region. Other supporting factors are the Company's moderate leverage and debt to equity ratios, effective liquidity position and high quality of the asset base, as well as the maturity profile of the debt funding base. In terms of non-financial supporting factors, the Company has a strong and experienced management team, a well-defined strategy and investment philosophy, robust governance, and solid risk management architecture.



H1 2024 Key Highlights



LA VIE

Muscat Resorts LLC, our real estate subsidiary, had successfully launched the 'LA VIE' project in 2023. This venture includes the development of a golf course, hotel, and residential units. Located in the emerging urban center of Madinat Al Irfan, the project occupies a prime spot in Muscat. Construction of the hotel and residential units is progressing ahead of schedule. Encouraging sales of the residential units demonstrates the strong acceptance of the project within the community.





Sustainability Highlights





We commit to integrating sustainable practices across our operations and investment activities

Omininvest has recently embarked on its ESG journey with a vision to become a leading **responsible investor**. To date, we have made many strides in sustainability including:



Established a centralised function to support in setting a sustainability strategy and monitor its implementation across Omininvest.



Developed an organisation-wide ESG Framework focusing on Sustainable Operations and Responsible & Impact Investing. This framework is supported by comprehensive ESG policies and a robust Governance structure.



Integrated ESG factors into the investment process, and embedded sustainability principles deep into Omininvest's DNA



Appointed ESG Champions across Omininvest Group Companies to manage and implement ESG efforts and initiatives.



Developed the first two Sustainability Reports (2022 and 2023) in accordance with GRI standards. Both reports underscore Omininvest's dedication to transparency and showcase our performance across ESG matrices.



Alignment ESG Strategy: We are currently reviewing and updating our ESG Strategy to align with industry best practices, emerging regulations, and evolving business objectives.

Aligned ESG
Framework to various
sustainability
standards including





Thank you

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