



Ominvest: A Legacy of Success

Investor Presentation – December 2023

23 April 2024

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Ominvest Overview

Transforming Businesses To Enrich Societies

We are a purpose driven organisation

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.



Integrity



Collaboration



Excellence



Innovation



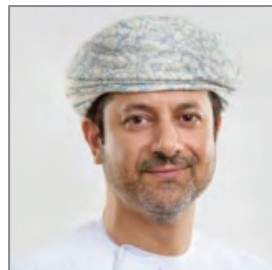
**Good
Citizenship**

Progressive Board of Directors

with high quality expertise across diverse areas



Khalid Muhammad AlZubair
Chairman



**Sheikh Khalid
Abdullah Al Khalili**
Deputy Chairman



**Engineer Jamal
Shamis Al Hooti**
Director



**Brigadier Jamal
Said Al Tai**
Director



**Muhammad Husam
AlZubair**
Director



**Dr. Rashid Ali Al
Balushi**
Director



**Khaula Hamood Al
Harthi**
Director



Najat Ali Al-Lawati
Director



**Evangelos
Papadopoulos**
Director

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

Executive management leaders with extensive experiences



AbdulAziz Al Balushi
Group Chief Executive Officer



Sanjay Kawatra
Deputy Group Chief Executive Officer



Badar Al Shanfari
Chief Investment Officer (Private Equity)



AlWadhah Al Adawi
Chief Investment Officer (GCM & AUMs)



Nasser Al Shibli
Chief Real Estate Officer



Waleed Al Yarubi
Chief People, Corp. Communications, & Sustainability Officer



Lo'ai Bataneh
CEO - OIHL, DIFC



Chetan Kejriwal
Chief Financial Officer



Muneer Al Mughairy
Chief Audit Officer



Sarah Lashkoo
Chief Legal, Compliance & Governance Officer



Nadir Ahmed
SVP, Risk & Economic Research



Marwa Al Kharusi
SVP, Human Resources & Admin

Dedicated

Creative

Agile

Collaborative

Character

Culture

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**.



Net profits

OMR **40.1** million



High quality and diverse portfolio assets

RO **1.3** billion



Consistently profitable with CAGR since 2001

16.9%



Uninterrupted cash dividend

9.8%
Dividend yield 2023



Listed investments constitute

84%



Leading investment company with market capitalization of

OMR **281** million



Return on equity 2023

18.4%



Portfolio turnover since 2020

Profitable Exits OMR	New Investments OMR
219	290
million	million



Healthy cashflow and moderately leveraged at

1.62



Led by a **progressive board** and a **capable management team** dedicated to enhancing value for all stakeholders

Achieved major milestones over the recent years

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

- 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**.

- Expansion into **Asian markets** for private equity investments via acquiring 43% stake in **East Bridge**, and established office in **Singapore**.

- 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**.

- 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 (RO 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.

2015 2016 2017 2018 2019 2020 2021 2022 2023

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

- 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.

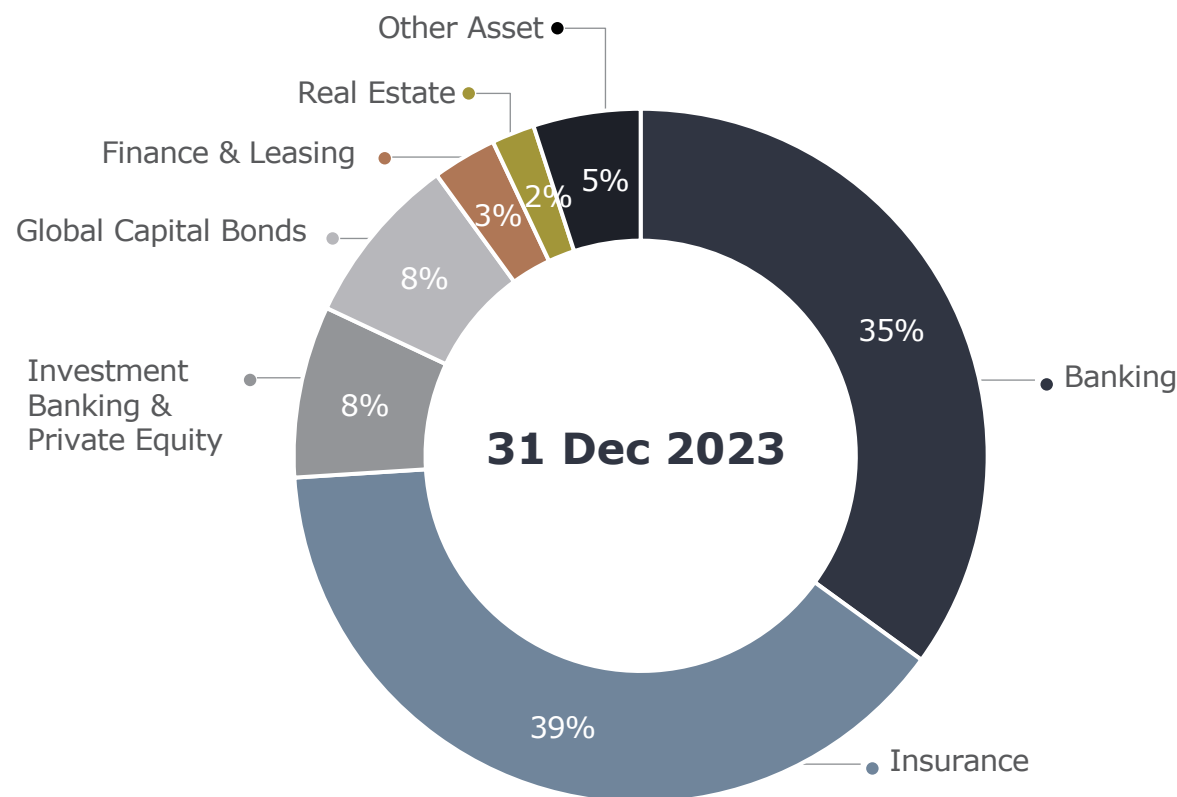
- Completion of **Alizz Islamic Bank** acquisition by **Oman Arab Bank**.
- **Sale of partial stake** in Oman Arab Bank at attractive valuation.
- **Successful listing** of Oman Arab Bank.
- Sold a portion of **treasury shares** at attractive valuation & enhanced liquidity.
- Acquired control over **U-Capital**, which in turn acquired **Gulf Bader Capital Markets**.
- **IGI** listing at NASDAQ and partial exit at 2x book value.

- **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.

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 25% presently.
- 34% of our group consolidated assets are outside Oman compared to less than 1% in 2014. We had an attractive opportunity to acquire additional stake in Bank Muscat during November 2023. We are now prudently working on enhancing our geographical diversification.

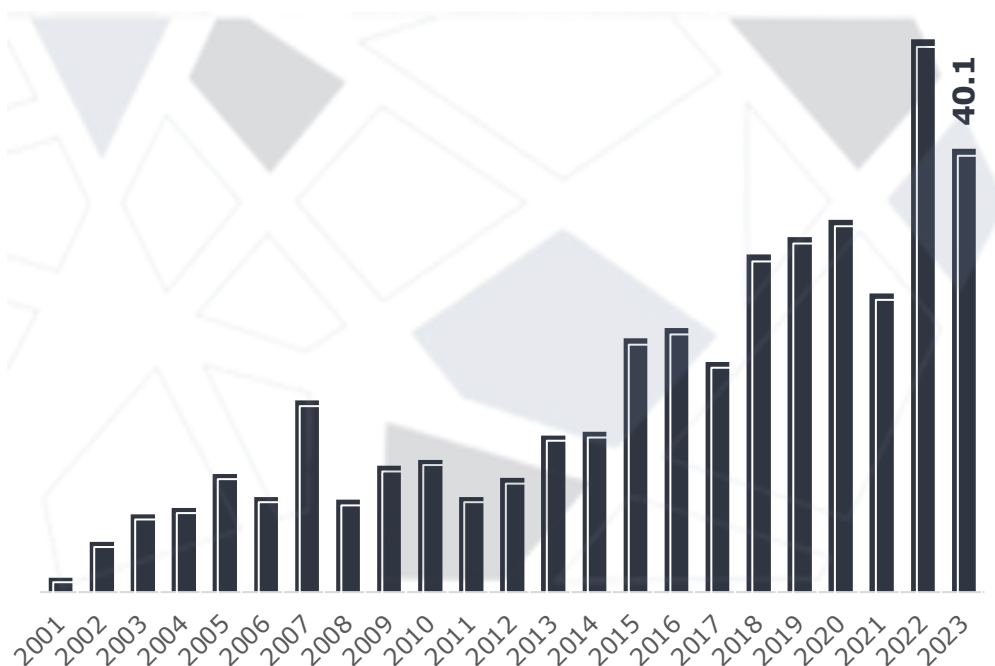
Diversification of Group's Consolidated Assets



Our Journey So Far:

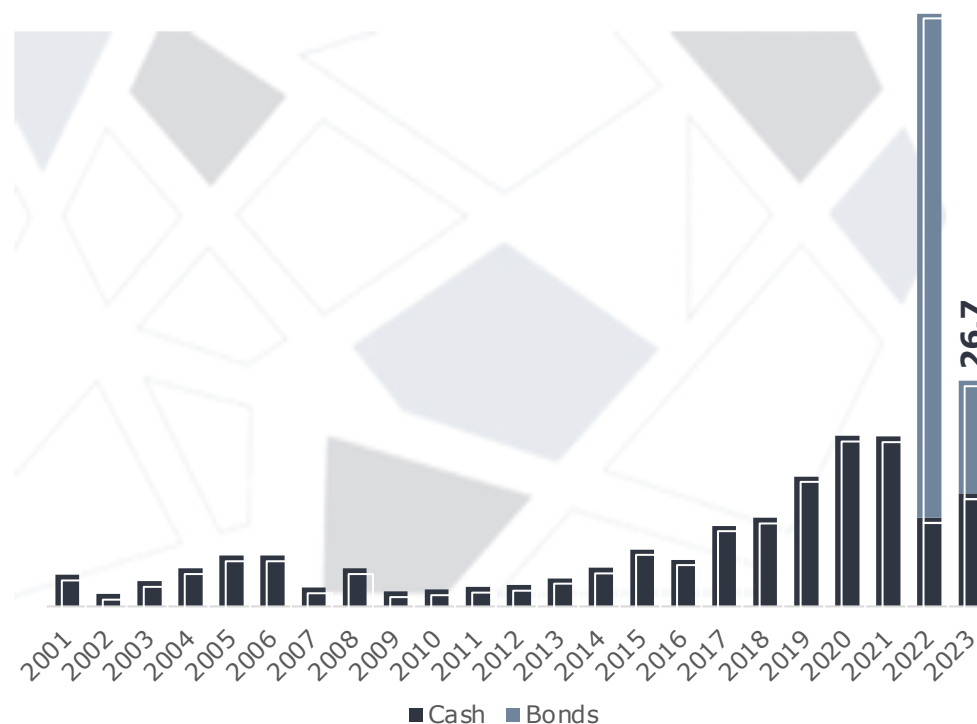
NET INCOME

(RO millions)



DIVIDENDS

(RO millions)



During the year, Ominvest reported a profit of RO 40.1 million, which translates to an ROE of 18.4%. The board of directors has recommended a 40% dividend distribution amounting to RO 26.7 million for 2023, comprising cash dividend of 20% and 20% in the form of mandatory convertible bonds.

The hybrid dividend is proposed to generously reward our esteemed shareholders as well as to continue fueling the growth of Ominvest. The proposed dividend is subject to the approval of shareholders in the Annual General Meeting.

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Key Highlights FY2023

Financial Performance 2023

	2023 (RO'000)	2022 (RO'000)
Total revenue	442,763	329,593
Total expenses	(395,989)	(278,849)
Profit before tax	46,774	50,744
Income tax expense	(2,990)	(1,401)
Profit for the year	43,784	49,343
Profit for the year attributable to:		
Equity holder of the Parent Company	40,122	49,813
Non-controlling interests	3,662	(470)
Profit for the year	43,784	49,343

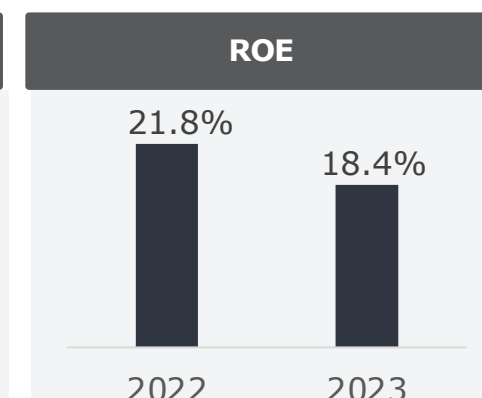
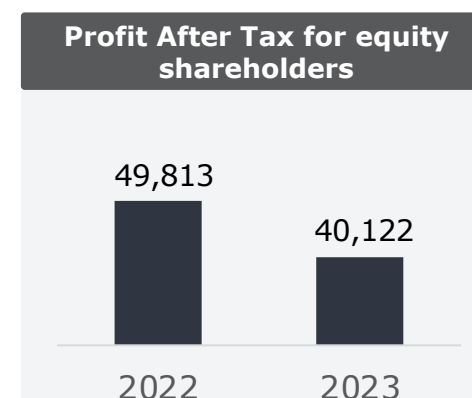
2023 Updates

Revenue contributions from our key segments was as follows:

	2023 (RO'000)	2022 (RO'000)
Insurance	372,517	245,011
Banking	32,086	33,393
Other investment income	38,160	51,189
Total revenues	442,763	329,593

The revenues for the year increased by 34% due to enhanced revenues from insurance subsidiary.

The decrease in profit compared to the previous year was due to Bank Muscat gain recorded in the previous year, which was almost equivalent to the special dividend of perpetual bonds received from Bank Muscat by us.



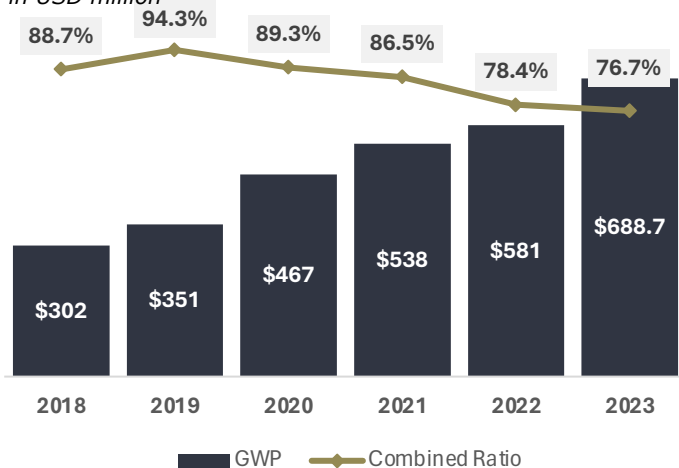
FY2023 Key Transactions

Increased stake in International General Insurance (IGI)

We strategically acquired an additional 6% stake in International General Insurance (IGI), increasing our shareholding to 20.5%. This acquisition resulted in the reclassification of IGI from a fair value investment to an associate. IGI is listed on the Nasdaq Capital Markets (Nasdaq: IGIC) and is an international specialist (re)insurance group known for its deep technical expertise in providing coverage across a diversified portfolio of specialty lines. The company boasts strong financial strength, with ratings of "A-" (Strong) from S&P Global Ratings and "A" (Excellent) from Am Best, along with a stable outlook.

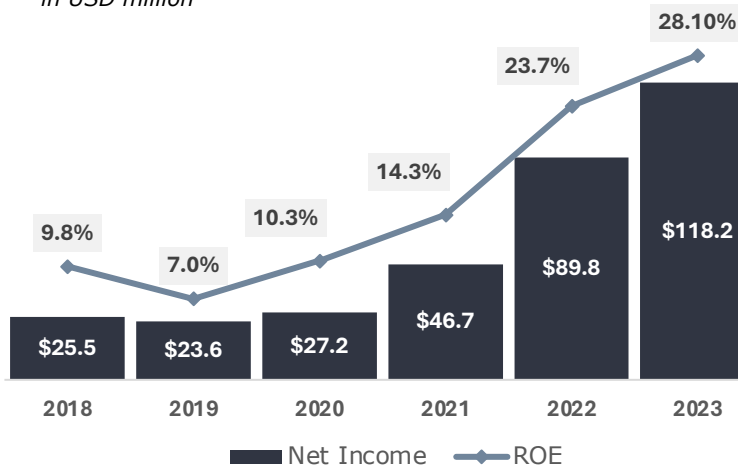
Accelerating Growth in GWP

in USD million



Profitability & ROE

in USD million

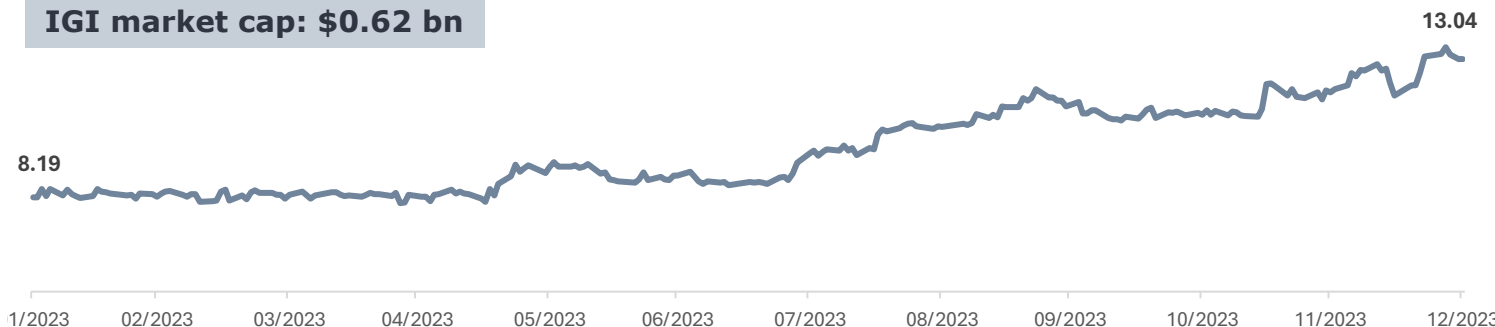


2023 Financial Performance Overview

- As of Dec 31, 2023, IGI had over \$1.83 bn of assets, and \$540.5m of equity.
- Gross written premiums of \$688.7m (growth of 18.3% from previous year).
- Net income surged to \$118.2m, up 32.5% from 2022, driven by a \$18.8m rise in underwriting income and a \$6.4m increase in net investment income.
- ROE of 28.1% in 2023, demonstrating consistent selective and disciplined underwriting, focusing on those lines with the strongest margins.
- Achieved a historic low combined ratio of 76.7% in 2023.

Share Price Performance FY 2023

IGI market cap: \$0.62 bn

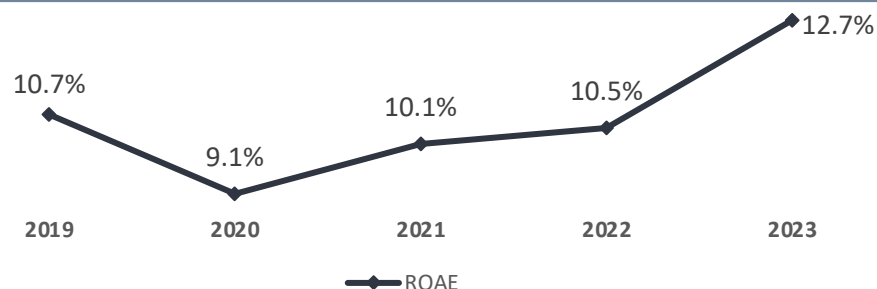


FY2023 Key Transactions

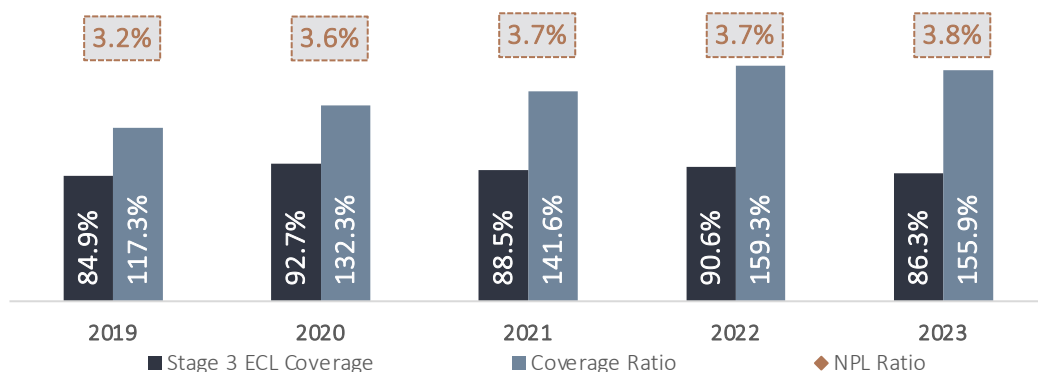
Increased stake in Bank Muscat

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. In 2023, the bank excelled due to customer-focused strategies, business growth, and efficiency. Economic improvements in Oman, including rising oil prices and government reforms, further supported its success. Bank Muscat continues to be the dominant bank in Oman with a market share of total assets of 34.1%.

ROAE



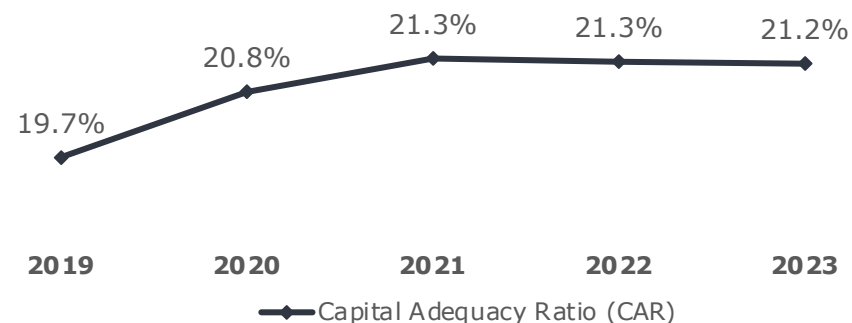
Asset Quality



2023 Financial Performance Overview

- The Bank's net profit for 2023 rose 5.8% to RO 212.5m, driven by improved operating performance.
- Net interest income, including Islamic financing, rose to RO 374.8m in 2023, up 8.7% from RO 344.9m in 2022. Non-interest income also increased to RO 138.0m in 2023, a 2.1% rise from RO 135.2m in 2022.
- Net loans and advances including Islamic financing receivables increased by 4.9% to RO 9,877m, driven by Corporate, Retail, and Islamic Banking segments.
- Customer deposits, including Islamic customer deposits, rose by 9.1% to RO 9,438m.
- The Bank's return on equity improved significantly from 10.45% in 2022 to 12.69% in 2023, driven by improved bottom-line and successful capital optimization in Nov 2022.

Robust CAR



FY2023 Key Highlights

Perpetual Bonds Redemption

In May 2023, Ominvest completed the redemption of its perpetual bonds, listed on the Muscat Stock Exchange, valued at RO 60.638m with a 7.75% interest rate. The bonds were redeemed on June 6, 2023, including principal and accrued interest, followed by their delisting. This action, reflecting Ominvest's strong financial health and liquidity, was a significant milestone in the Group's fiscal year.

Ominvest Capital, DIFC

We have successfully launched Ominvest Capital DIFC, the first Omani company to obtain a regulated 3C License from the DFSA. Operating within the DIFC, the subsidiary offers tailored services for institutional investors and high-net-worth individuals, focusing on Collective Investment Funds, Advisory Services, and Transaction Arrangements with Custody Services. Ominvest Capital DIFC aims to set new standards in financial services, contributing strategically to our portfolio and the regional economy.

Credit Rating

Capital Intelligence (CI) has upgraded our long-term international credit rating to 'BB+' and National rating to 'omAA', and our outlook was revised from positive to stable. CI mentioned that Ominvest's ratings continue to be supported by the Company's status as the leading listed investment company in the Sultanate of Oman and one of the largest in the GCC region. Other supporting factors include the good profitability recorded at the Total Comprehensive Income (TCI) level, the Company's still moderate leverage and debt-to-equity ratios, and the effective liquidity and high quality of the asset base as well as the maturity profile of 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.

FY2023 Key Highlights

Liva Group SAOG

During the year, our subsidiary in the insurance sector successfully rebranded as Liva Group (formerly known as National Life and General Insurance Company SAOG). The year 2023 marked the foundation year for Liva Group, representing new beginnings as one of the top ten insurance players across the GCC region following the successful combination of NLGIC Group and RSA Middle East. In line with our agreed strategy, Liva Group completed successful integrations of operations in the Sultanate of Oman, Kingdom of Saudi Arabia, and Kingdom of Bahrain.

Liva Group's net profit for the year ended 31 December 2023, increased by 108% to reach RO 6.4m compared to RO 3.08m in 2022. The Group's revenue grew strongly by 43% to RO 310m during the year compared to RO 217m in 2022. Liva Group's insurance service results increased by 65% to RO 9m during the year compared to RO 5.4m in 2022. Insurance service results were impacted by extrinsic market factors influencing claims frequency and severity across various markets and business lines. Liva Group maintained its market-leading position in Oman and achieved significant portfolio rebalancing, optimization, and diversification to improve long-term profitability.

Liva Group's reaffirmed AM Best Rating of A- in January 2024 sets a solid foundation for the Group as it commences delivery of its 2024 plans. In line with regulatory expectations, Liva Group has fully implemented IFRS 17 Insurance Contracts, which replaces IFRS 4.

Oman Arab Bank

Our associate in the banking sector reported consolidated profit of RO 20.6m for the year ended 31 December 2023, up 27% compared to RO 16.2m in 2022, driven by good growth in its core operating and notable improvement in loan recoveries. Oman Arab Bank's net loans and advances, including Islamic Finance, increased by 7% to RO 3,275m at December 2023 compared to RO 3,067m in 2022. Customer deposits increased by 12% to RO 3,375m compared to RO 2,992m in 2022. The growth in loans and deposits was considerably higher than the market growth, enabling the bank to grow its market share.

National Finance

National Finance (NFC) continued to focus on writing good quality business with improved margins and reported an increase of 9.95% in profit to RO 11.11m for the year ended December 2023 compared to RO 10.13m in 2022. NFC repaid its perpetual bonds amounting to RO 18.2m on the first call date. NFC new issuance this year which was RO 35m and over subscribed by 80%.The company continued to adopt a prudent approach to credit approvals, keeping in view the overall macroeconomic scenario and perceived increase in credit risk.

FY2023 Key Highlights

LA VIE

Muscat Resorts, our real estate subsidiary, has successfully launched the 'LA VIE' project. 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. The meticulously revitalized 18-hole golf course, managed by the renowned Troon, was inaugurated on 1 September 2023, promising an unparalleled golfing experience. Construction of the hotel and residential units is progressing ahead of schedule. Encouraging pre-launch sales of the residential units demonstrate the strong acceptance of the project within the community.

Liquidity Position

- **Proactive treasury management:** We are actively engaged in the dynamic management of our treasury operations guided by prudent policies. We diligently monitor and optimize our financial resources to ensure stability and growth.
- **Significant shareholding:** We maintain substantial blocks of shares in various entities, often accompanied by control premiums or significant influence. These holdings consistently command premium valuations in comparison to prevailing market prices. Our recent divestments serve as a testament to the value of these holdings, showcasing their ability to generate favourable returns.
- **Strong liquidity position:** Our liquidity position remains robust, with sufficient cash reserves. We have recently completed two divestments, generating cash inflows exceeding RO 50m. One divestment has concluded, while we have signed a Sales and Purchase Agreement for another and await routine regulatory approvals.
- **Diversified borrowing portfolio** with strong level of trust, confidence mutual respect. During Q1 – 2024, we have created limits of around RO 100 million.
- **Strategic leverage ratio:** While maintaining a prudent debt-to-equity ratio, we recognize the potential benefits of strategically increasing leverage. With careful consideration, leverage can be elevated to 1.75 times, serving as a means to amplify performance and capitalize on favourable market conditions while ensuring prudent risk management practices remain at the forefront of our financial strategy.

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

Ominvest 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 Ominvest.



Developed an organisation-wide ESG Framework focusing on Sustainable Operations and Responsible & Impact Investing.



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



Appointed ESG Champions across 9 Group companies to manage and implement ESG efforts and initiatives. Engagement plan with regular meetings to monitor and evaluate have been set.



Developed first Sustainability Report in accordance with GRI, the most widely recognized sustainability reporting standards. Currently finalizing our second Sustainability Report for 2023.

Aligned ESG Framework to various **sustainability standards** including



Stakeholder Capitalism framework by





Thank You

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