



KPMG
4th Floor, HSBC Bank Building
MBD
PO. Box 641
PC. 112
Sultanate of Oman
Tel +968 24749600
Fax +968 24700839

Report to the Shareholders of Oman & Emirates Investment Holding Co. SAOG ("the company") of Factual Findings in connection with the Corporate Governance Report of the Company and application of the Corporate Governance practices in accordance with Capital Market Authority Code of Corporate Governance

We have performed the procedures prescribed in the Capital Market Authority ("CMA") Circular No. 16/2003 dated 29 December 2003 ("the Procedures") with respect to the Corporate Governance Report of the Company ("the Report") and its application of the Corporate Governance practices in accordance with the CMA Code of Corporate Governance issued under Circular No. 11/2002 dated 3 June 2002 and the revised CMA Code of Corporate Governance issued under CMA Circular 4/2015 dated 22 July 2015 (together the "Governance Code") set out on pages 1 to 13.

Our engagement was undertaken in accordance with the International Standard on Related Services applicable to agreed-upon procedures engagements. The Procedures were performed solely to assist the Shareholders in evaluating the Company's compliance with the Governance Code. The Procedures we performed were as follows:

1. Corroborated, as required, the matters disclosed in the Report by reference to: internal audit reports issued during the year ended 31 December 2018; Audit Committee and Board minutes of meetings held during the year ended 31 December 2018; and relevant supporting Company records.
2. Confirmed that the Report discloses matters discussed in the Board of Directors' report on review of the effectiveness of the Company's system of internal controls and that these matters were reported by Company's internal auditor to the Audit Committee during the year ended 31 December 2018.
3. Checked that the Report includes disclosures set out in Annexure 3 of the Governance Code.
4. Checked whether matters, if any, reported in the Auditors' report on the financial statements for the year ended 31 December 2018 relating to: Adequacy and efficacy of the internal control systems in place, going concern considerations, and the adequacy of policies and procedures set up by the Company were also included in the Auditor's presentation to the Audit Committee.
5. Read the Minutes of Board and Audit Committee meetings during the year ended 31 December 2018 to confirm that any matters of non-compliance with the Governance Code mentioned therein are also included in the Report.



As a result of performing the Procedures, we have no exception to report. We note that a non-compliance in respect of nomination of an independent director is disclosed in the Report.

Because the Procedures do not constitute either an audit or a review made in accordance with International Standards on Auditing or International Standards on Review Engagements, we do not express any assurance on the Company's Corporate Governance Report. Had we performed additional procedures or had we performed an audit or review of the Report in accordance with International Standards on Auditing or International Standards on Review Engagement, other matters might have come to our attention that would have been reported to you. This report is solely for the purpose set forth in the second paragraph of this report, and for inclusion, with the Report, in the Company's annual report, and is not to be used for any other purpose. This report relates only to the Company's Corporate Governance Report included in the Company's annual report for the year ended 31 December 2018 and does not extend to any financial statements or any other reports of the Company, taken as a whole.

A handwritten signature in blue ink, appearing to read 'Michael Collinson'.

Michael Collinson

13 March 2019

Oman & Emirates Investment Holding Co SAOG Corporate Governance Report - 2018

1. Company's Philosophy on Code of Corporate Governance

- 1.1 The management of Oman & Emirates Investment Holding Co SAOG (OEIHC) believes that setting the highest standards of Corporate Governance, as envisioned by Capital Market Authority (CMA) in the Code of Corporate Governance (Code) is not a matter of mere compliance but a useful mechanism to restructure the core corporate values. The implementation of the same is yet another important milestone for achieving an efficient, impartial and ethical system of functioning at the top management keeping in view the overall interests of the shareholders.
- 1.2 The mandatory disclosure requirement as spelt out in the Code not only enhances the degree of transparency in sharing of information with the stakeholders but also reinforces the broader role the Directors need to play for achieving corporate objectives in the midst of challenges and adversities. OEIHC's governance system has been fully integrated with ethical business practices and sound corporate culture manifested with values and transparent and impartial governing policies on continuous basis.
- 1.3 This report is prepared by the Management of OEIHC under over all guidance of Code of Corporate Governance issued by the Capital Market Authority (CMA) under their Circular No. E/4/2015 dated 22 July 2015 as amended by Circular E/10/2016, dated 1 December 2016.

2. Board of Directors

2.1 Composition of the Board

The Board comprises of 6 members pursuant to Article No. 22 of the Articles of Association of the Company and the composition of the Board is as under:

Nominated directly by:	No. of Members
The Government of Sultanate of Oman	2 Nos.
The Government of UAE	2 Nos.

Elected at Annual General meeting of the Company	No. of Members
From Oman	1 No.
From UAE	1 No.
Total	6 Nos



2.2 Functions of the Board of Directors

- a) The Board of Directors, who at the helm of affairs of the Company, manages and supervises the business activities and extends strategic guidance to the operating management in realizing the mission of the Company. The day-to-day management is delegated to a Chief Executive Officer by the Board, who further carries out the assigned duties through a team of executives, who are heading the various functions of the Company.
- b) The Board's duties and responsibilities encompass wide variety of functions of managing the affairs of the Company, and more specifically those as detailed under Principle 3 of the Code. A summary of the same is given as under:
 - (1) Approval of business plan, financial objectives, financial policies, investment strategies, action plans, internal regulations and implementation guidelines.
 - (2) Review of the operational and financial performance of the Company and also the performance of the Company's trading and other investments at periodic intervals.
 - (3) Overview of the performance of subsidiaries, associates and project companies and their financial requirements and obligations and deciding on extending the required level of support, if required.
 - (4) Approval of financial statements and other reports and submission to shareholders and other authorities as prescribed by the laws of the country.
 - (5) Fixing up authority levels and delegation of power to the executive management.
 - (6) Implementation of a transparent disclosure policy, including all transactions with Directors and the related parties and monitor its compliance.
 - (7) Reviewing material transactions with the related party, which are not in the ordinary course of business prior to the same being brought before the general meeting of the Company.
 - (8) Ensure compliance with the laws of the country through proper internal control systems.
 - (9) Nomination of executive, audit and other committees, specifying their roles, responsibilities and powers.
 - (10) Selection of Chief Executive Officer.
 - (11) All other matters specifically not delegated to the committees and executive management.



2.3 Current Directors as at 31.12.2018

Details of the Directors of the company who are holding their office as at 31 December 2018, their membership in other public joint stock companies in Sultanate of Oman and their attendance at various meetings of the company during 2018 are stated as under:

<p>1. Mr. Mohamed Darwish Al Khoori Chairman Executive Director, Operations Department, Abu Dhabi Investment Authority, UAE</p> <ul style="list-style-type: none"> - Nominated by Government of UAE - Non Executive/ Non-Independent Director - Chairman of other Boards - 1 - Member of other Boards – 1 - Member of other Board Committees - Nil - Attended all 7 Board meetings - Attended AGM 	<p>2. Mr. Saeed Al Habsi Vice Chairman Investment Director, Oman Investment Fund, Sultanate of Oman</p> <ul style="list-style-type: none"> - Nominated by Government of Sultanate of Oman w.e.f 28.03.2018 - Non Executive/ Independent Director - Chairman of other Boards - Nil - Member of other Boards – 1 - Member of other Board Committees - 1 - Attended all 5 Board meetings held after his appointment
<p>3. Mr. Saeed Khamis Al Mhieri Chief Development Officer, International Capital Trading, UAE</p> <ul style="list-style-type: none"> - Representing Public Shareholders of UAE w.e.f 28.03.2018 - Non Executive/ Independent Director - Chairman of other Boards - Nil - Member of other Boards – Nil - Member of other Board Committees – Nil - Attended 4 out of 5 Board meetings held after his appointment 	<p>4. Mr. Khalid Al Eisri Associate Director, National Pioneer Investment & Development LLC Oman Investment Fund, Sultanate of Oman</p> <ul style="list-style-type: none"> - Nominated by Government of Sultanate of Oman w.e.f 28.03.2018 - Non Executive/ Independent Director - Chairman of other Boards - Nil - Member of other Boards – 1 - Member of other Board Committees – 1 - Attended all 5 Board meetings held after his appointment
<p>5. Mr. Ahmed Salem Abdullah Al Neyadi Investment Associate, Abu Dhabi Investment Authority, UAE</p> <ul style="list-style-type: none"> - Nominated by Government of UAE w.e.f 28.03.2018 - Non Executive / Non-Independent Director - Chairman of other Boards - Nil - Member of other Boards - Nil - Member of other Board Committees - Nil - Attended all 5 Board meetings held after his appointment 	<p>6. Mr. Mohammad Al Khonji Chief Executive Officer Al Khonji Real Estate & Development LLC Sultanate of Oman</p> <ul style="list-style-type: none"> - Representing a Public Shareholder of the Sultanate of Oman w.e.f 28.03.2018 - Non Executive/Non-Independent Director - Chairman of other Boards - 1 - Member of other Boards – 3 - Member of other Board Committees - 3 - Attended 3 out of 5 Board meetings held after his appointment

2.4 Past Directors during 2018

<p>1. H.H Marwan Bin Turki Al Said Chairman Director General of Developmental Research & Studies, The General Secretariat, Supreme Council for Planning, Sultanate of Oman</p> <ul style="list-style-type: none"> - Nominated by Government of Sultanate of Oman - Non Executive/ Independent Director - Chairman of other Boards - Nil - Member of other Boards – Nil - Member of other Board Committees - Nil - Attended both the Board meetings held before 28.03.2018 - Attended AGM - Chairman & Director till 28.03.2018 	<p>3. Mr. Khalfan Mohamed Salem Al Marar Deputy Director, Committees follow-up section, Managing Director Office, Abu Dhabi Investment Authority, UAE</p> <ul style="list-style-type: none"> - Nominated by Government of UAE - Non Executive/ Independent Director - Chairman of other Boards - Nil - Member of other Boards – Nil - Member of other Board Committees – Nil - Attended both the Board meetings held before 28.03.2018 - Attended AGM - Director till 28.03.2018
<p>3. H.E. Saif Khalfan Bin Sabt Chairman, Emirates Real Estate Investment Holding Co LLC, Umm Al Quwain, UAE</p> <ul style="list-style-type: none"> - Representing Public Shareholders of UAE - Non Executive/ Independent Director - Chairman of other Boards - 1 - Member of other Boards – 2 - Member of other Board Committees - 1 - Attended both the Board meetings held before 28.03.2018 - Attended AGM - Director till 28.03.2018 	<p>4. Mr. Salim Taman Al Mashani Chief Executive Officer, Dhofar Poultry Company SAOG, Sultanate of Oman</p> <ul style="list-style-type: none"> - Representing Public Shareholders of Sultanate of Oman - Non Executive / Independent Director - Chairman of other Boards - 1 - Member of other Boards - 2 - Member of other Board Committees - 2 - Attended both the Board meetings held before 06.03.2018 - Resigned as a Director on 6.03.2018

2.4.1 Nominated director

Mr. Anwar Al-Jabri
Chief Executive Officer
 National Pioneer Investment and Development Co.,
 Sultanate of Oman

Mr. Anwar Al Jabri was nominated by the Government of the Sultanate of Oman in the place of Mr. Mubarak Mohamed Bin Mubarak Al Dohani on 7 December 2017, but he did not assume office and was then replaced by a new nominee by the Government of the Sultanate of Oman on 28 March 2018.

2.5 Number of meetings held and dates of the meetings

Type	No.	Dates
Board meetings	7	11.01.2018, 01.03.2018, 28.03.2018, 06.05.2018, 31.07.2018, 07.11.2018 and 19.12.2018
Annual General meeting	1	28.03.2018

3. Audit and other committees

3.1 Audit Committee (AC)

a) Terms of reference

Audit Committee has been set up pursuant to Principle 10 of the Code. A summary of its responsibilities is as under:

- (1) Oversight of the quality and integrity of the financial statements.
- (2) Review of the Company's compliance with legal and regulatory requirements.
- (3) Short listing of the external and internal auditors of the Company.
- (4) Reviewing the annual plan and performance of the Company's internal audit function and its adequacy, and also the reports of the external auditors.
- (5) Monitoring various management reports, establishing accounting controls and reviewing the financial aspects of the executive management's activities.
- (6) Investigating any activity within the Company.
- (7) Seeking information from any employee.
- (8) Obtaining legal and professional advice.
- (9) Securing attendance of outsiders and experts as and when required.
- (10) Any other specific matter assigned by the Board.

b) Composition of the Audit Committee

The Audit Committee comprises of 3 Directors of the Company including one with finance and accounting expertise. All members of the Audit Committee are independent and non executive. The attendance of the members at the Audit Committee meetings held during 2018 is as follows:

Current Members as at 31.12.2018

Names of members	Period		No. of meetings held	No. of meetings attended
	From	To		
Mr. Saeed Khamis Al Mheiri Chairman of the Committee	28.03.2018	Till date	4	4
Mr. Saeed Al Habsi*	19.12.2018	Till date	-	-
Mr. Ahmed Salem Abdullah Alneyadi	28.03.2018	Till date	4	4

Mr. Saeed Khamis Al Mheiri has finance and accounting background.

* Mr. Saeed Al Habsi replaced Mr. Khalid Al Eisri as AC member on 19.12.2018 and no AC meeting was held after his appointment till 31.12.2018.

Past Members during 2018

Names of members	Period		No. of meetings held	No. of meetings attended
	From	To		
Mr. Khalfan Mohamed Salem Al Marar Chairman of the Committee	01.01.2018	28.03.2018	2	2
Mr. Salem Taman Al Mashani	01.01.2018	06.03.2018	2	2
H.E. Saif Khalfan Bin Sabt	01.01.2018	28.03.2018	2	2
Mr. Khalid Al Eisri	28.03.2018	19.12.2018	4	3

Mr. Khalfan Mohamed Salem Al Marar had finance and accounting background

c) Meetings of Audit Committee held during the year

Type	No	Dates
Audit Committee meetings	6	11.01.2018, 01.03.2018, 12.04.2018, 06.05.2018, 31.07.2018 and 07.11.2018

d) Internal Control

- (1) The Audit Committee, on behalf of the Board has regularly reviewed the internal control environment of the Company. Audit Committee members have met the internal auditor on a regular basis to review the internal audit reports, recommendations and management comments thereupon.
- (2) The new full time Internal Auditor has been appointed in February 2018. Accordingly, he carried out the internal audit of the operations of the company.
- (3) Audit Committee members have also met the external auditors to review audit findings and management letter. The Audit Committee has met the internal and external auditors separately, without the presence of the management, as required under the Code of Corporate Governance. The Audit Committee has further briefed the Board about the effectiveness of internal controls in the Company. The Audit Committee and the Board are pleased to inform the shareholders that adequate and effective internal controls are in place and that there are no significant concerns.

3.2 Nomination, Remuneration and Executive Committee (NREC)

a) Terms of reference

- (1) Assist and advise the Board on matters relating to the remuneration of the Board.
- (2) Assist the Board in evaluation of performance and determining remuneration Chief Executive Officer and Executive management.
- (3) Assisting on nomination of Directors, appointment of Chief Executive Officer and senior executive management
- (4) Review the Company's performance on a regular basis.
- (5) Formulate the strategic objectives in line with the Company's mission.
- (6) Establish operating policies on functional activities of the Company – project and portfolio investments, finance & accounting, personnel and administration, etc.
- (7) Ensure that the Company is functioning in accordance with the Articles of Association and meeting all legal requirements.
- (8) Carry out any other activity as and when assigned by the Board of Directors.

b) Composition of the Nomination Remuneration and Executive Committee and attendance of members at the meetings

The Board of directors of the Company in their meeting held on 28.03.2018 formed the Nomination Remuneration and Executive Committee replacing and combining the previous executive committee and nomination remuneration committee. This Committee comprises of 3, non-Executive Directors. The attendance of the members of the Nomination Remuneration and Executive Committee meetings held during 2018 is as follows:-

Members as at 31.12.2018

Names of members	Period		No. of meetings held	No. of meetings attended
	From	To		
*Mr. Khalid Al Eisri Chairman of the Committee	10.12.2018	Till date	1	1
Mr. Ahmed Salem Abdullah Alneyadi	28.03.2018	Till date	5	5
Mr. Mohammad Al Khonji **	28.03.2018	Till date	5	4

*Mr. Khalid Al Eisri replaced Mr. Saeed Al Habsi on the NREC as member as per the board resolution in the board meeting held on 7.11.2018. Mr. Khalid was then appointed as Chairman of the NREC on 10.12.2018.

** Mr. Mohammad Al Khonji was appointed as Chairman of the NREC from 28.03.2018 till 10.12.2018.

Past Directors of Nomination Remuneration Committee during 2018

Names of members	Period		No. of meetings held	No. of meetings attended
	From	To		
*Mr. Anwar Al Jabri Chairman of the Committee	01.01.2018	28.03.2018	-	-
Mr. Mohamed Darwish Al Khoori	01.01.2018	28.03.2018	-	-
Mr. Salem Taman Al Mashani	01.01.2018	06.03.2018	-	-
Mr. Saeed Al Habsi	28.03.2018	10.12.2018	5	5

*Mr. Anwar Al Jabri did not assume office as Director of the Company.

c) Meetings of Nomination and Remuneration Committee held during the year

Type	No	Dates
Nomination Remuneration and Executive Committee meetings	5	06.05.2018, 30.05.2018, 30.07.2018, 03.10.2018 and 10.12.2018

4. Process of nomination of Directors

- 4.1 Directors representing the Governments of Sultanate of Oman and UAE (Founder members category) are nominated by the respective Governments and their period of office is as determined by the respective Governments.
- 4.2 The Directors representing public shareholders are nominated by the shareholders at annual general meeting. The members thus elected hold office for a period of 3 years.
- 4.3 All Directors are appointed as per the provision laid down in the Commercial Companies Law by the Capital Market Authority enacted at the date of appointment and in conjunction with the Articles of Association of the Company.

Handwritten signature/initials

5. Remuneration matters

5.1 Details of remuneration to Directors

The Company has proposed RO 21,900 towards Director's remuneration for 2018 (2017: RO 31,000) and has paid sitting fees for the members for the board and the committees of RO 28,100 (2017: RO 19,000). Details of payments are as follows:-

Director Name	Board meeting sitting fee RO	Audit Committee sitting fee RO	Nomination Remuneration & Executive Committee sitting fee RO	Total RO	Director's remuneration RO
For Full Year					
Mr. Mohamed Darwish Al Khoori – Chairman	3,500	-	-	3,500	4,380
For Part of the year:					
a. Directors till 28.03.2018					
H.H Marwan Bin Turki Al Said – Chairman	1,000	-	-	1,000	1,095
H.E. Saif Khalfan Bin Sabt	1,000	600	-	1,600	821
Mr. Khalfan Mohamed Salem Al Marar	1,000	600	-	1,600	821
Mr. Salem Taman Al Mashani	1,000	600	-	1,600	821
b. Directors from 28.03.2018					
Mr. Saeed Al Habsi – Vice Chairman	2,500	-	1,500	4,000	3,285
Mr. Khalid Al Eisri	2,500	900	300	3,700	2,464
Mr. Ahmed Salem Abdullah Alneyadi	2,500	1,200	1,500	5,200	2,464
Mr. Mohammad Al Khonji	1,500	-	1,200	2,700	2,464
Mr. Saeed Khamis Al Mheiri	2,000	1,200	-	3,200	2,464
Total	18,500	5,100	4,500	28,100	21,900

5.2 Details of remuneration paid to top 5 officers

- The remuneration package of the executives is made up of a fixed and variable component. Fixed component includes salary, valued perquisites and retiral benefits. The variable component is performance-linked bonus, which is calculated based on pre-determined parameters of performance.
- During the year 2018 gross remuneration to the top 5 executives including variable components (excluding bonus) was RO 597,481. (2017: RO 595,774).
- Bonus amounting to RO 41,642 (2017: 39,167) was given to the top 5 executives of the Company.
- Travel expenses incurred on Directors for attending the Board and its committee meetings – RO 17,340. (2017: RO 12,933)
- Travel expenses incurred on top 5 executives towards official duties – RO 16,157. (2017 – RO 10,166)

5.3 Service contracts, notice period and severance fees

The severance notice period for Chief Executive Officer is six months and for managerial executives it is three months, with end of service benefits payable as per Omani Labor Law.

6. Details of non-compliance by the Company

During the year no non compliance to the rules regulations set by Capital Market Authority was observed and the Company has not paid any fines or penalties for any violation. (2018: Nil, 2017: Nil)

7. Means of communication with the shareholders and investors

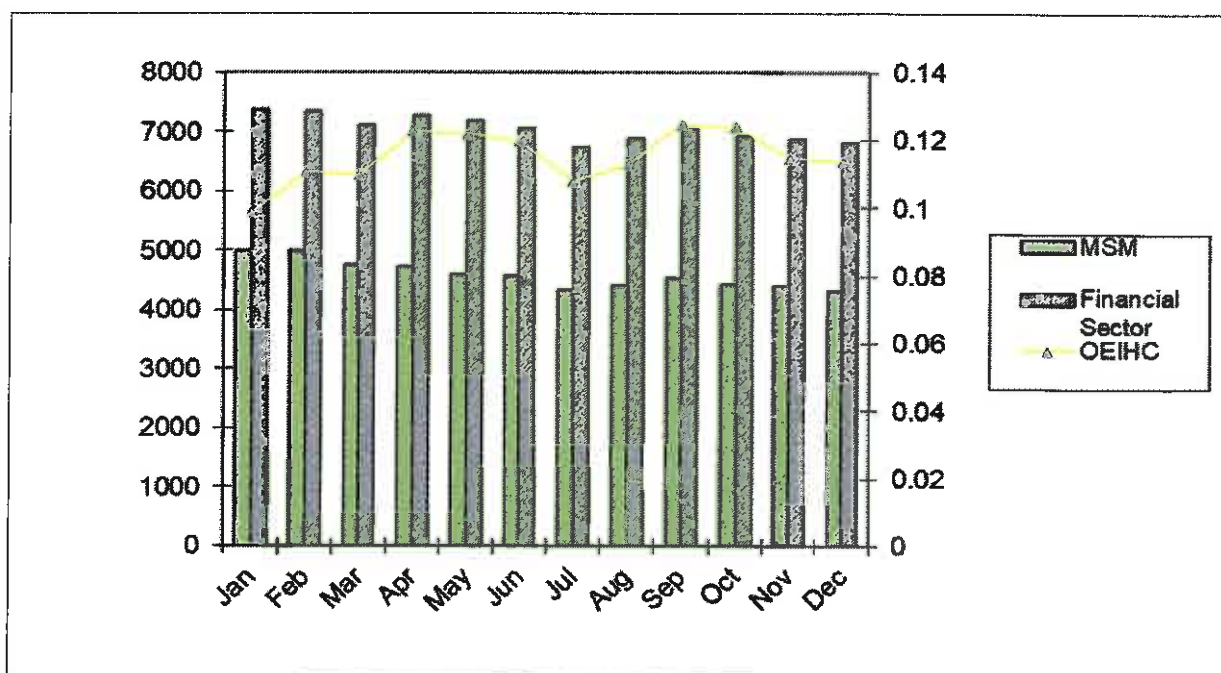
- 7.1 The quarterly results were published in local newspaper both in Arabic as well as in English. These financials were also posted on the website of Muscat Securities Market. In view of these publications, the results were not sent individually to the shareholders.
- 7.2 A separate Management Discussion and Analysis Report for the year 2018 forms part of the Annual Report.

8. Market price data

8.1 Market Price – High / Low Company's share in each month in MSM during the year 2018 is as under

Month	RO	
	Highest	Lowest
January	0.102	0.097
February	0.114	0.108
March	0.112	0.110
April	0.124	0.120
May	0.12-5	0.120
June	0.115	0.115
July	0.110	0.105
August	0.116	0.111
September	0.125	0.125
October	0.124	0.124
November	0.120	0.112
December	0.114	0.113

8.2 Performance in comparison to broad based index or MSM – Banks and Investment Sector:



The share price of OEIHC decreased by 37% during 2017 against a decrease of 2% in Banking and Investment Index and a decrease of 12% in MSM General Index.

8.3 Distribution of shareholding as of 31 December 2018

Range	No. of Shareholders	No. of Shares	% of Shareholders
0 – 1000	7,945	4,034,049	3.31%
1001 – 5000	8,953	14,703,076	12.06%
5001 – 10000	360	2,698,437	2.21%
10001 – 50000	317	6,754,608	5.54%
50001 – 100000	50	3,752,407	3.08%
Above 100001	74	89,932,423	73.79%
Total	17,879	121,875,000	100%

8.4 Shareholders holding more than 5% of the Share Capital as of 31 December 2018:

Abu Dhabi Investment Co, UAE	30%	36,562,500 Shares
Al Khonji Invest LLC & Group	17.44%	21,257,653 Shares

8.5 Outstanding GDRs / ADRs / Warrants or any convertible instruments, conversion date and likely impact on equity

The Company does not have any GDRs / ADRs / Warrants or any other convertible warrants as of 31 December 2018 and hence the likely impact on equity is Nil.

9. Specific areas of non-compliance with the provisions of corporate governance and reasons

During the year ended 2018, a non-compliance was noted in respect of the nomination form submitted by a Director, whereby he had erroneously declared himself as an independent Director, while in fact he was a Non-Independent Director with respect to corporate governance rules, due to which his Directorship was kept in abeyance from 17 October 2018 till 19 December 2018. However, upon the identification of the same by the Company's lawyer, the Director had rectified and amended his nomination form for resubmission, declaring himself as a Non-Independent Director. The subsequent rectification in the form was accepted by the Board and the lawyer of the Company and submitted to CMA. The Board has at all times remained quorate and validly constituted.

10. Corporate social activities and future plans

During 2018 the, Company has contributed RO 1,550 (2017: RO 1,750) as donations to various charitable organizations under its corporate social responsibility program. Similarly, an amount is budgeted towards social responsibilities in 2019.

11. Related Party Transactions

The transactions with the related parties are as defined in Principle 9 of the 'Code' and include certain normal contracts and transactions which are carried out in the ordinary course of business without any differential advantage accruing to the related party. These also include transactions such as granting of loans, guarantees, capital injections or transactions of similar nature, being extended in the capacity of a Parent Company or as a long term investor to its subsidiaries or associates or other investee companies. Shareholders' approval is taken for these prospective transactions in a year at the Annual General meeting on general basis but the exact nature of transactions with monetary value, etc in a financial year are being notified to the shareholders and post-facto approval is taken at the next AGM.

12. Professional profile of the statutory auditor

- 12.1 The shareholders of the Company appointed KPMG as its auditors for 2018. KPMG in Oman was established in 1973 and is part of KPMG Lower Gulf Limited. KPMG in Oman employs more than 180 people, amongst whom are five partners, six directors and 30 managers, including Omani nationals. KPMG is a global network of professional services firms providing Audit, Tax and Advisory services. We operate in 153 countries and territories and have 207,000 people working in member firms around the world. The independent member firms of the KPMG network are affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity. Each KPMG firm is a legally distinct and separate entity and describes itself as such.
- 12.2 KPMG was paid a total fee of RO 18,500 (2017: Ernst & Young – RO 17,500) [for audit and review of Corporate Governance Report for the year 2018 – RO 13,200 (2017 Ernst & Young – RO 12,400)] for review of quarterly accounts during 2018 – RO 5,300 (2017 – RO 5,100). This fee is related to the Parent Company only and not of the subsidiaries in Oman.
- 12.3 Other tax related professional services were rendered by Ernst & Young for 2018 – RO Nil (2017 – RO 1,216)].

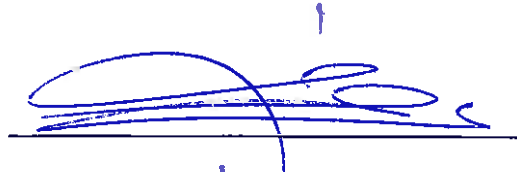


13. Acknowledgement by the Board of Directors

- 13.1 The Board of Directors confirms that the financial statements for 2018 have been prepared in accordance with the applicable standards and rules.
- 13.2 The Board of Directors, through the Audit Committee has reviewed the Company's system of internal controls and confirms that all controls are in place and fully effective.
- 13.3 The Board of Directors confirms they believe that there are no material matters which may affect the continuation of the Company and its ability to continue its operations during the next financial year.
-



Mohamed Darwish Al Khoori
Chairman
12 March 2019



Awad Mohammed Faraj Bamkhalef
Chief Executive Officer

