استثمر في عُمان
Invest OMAN

Livestock Fattening and Dairy Farm in Al Najd Agricultural Zone

Project Profile

Prepared By: إنجاز للتنمية Injaz Development, SIG, twimbit

Submitted to: Invest Oman, Sultanate of Oman

Rationale for this Opportunity

Why This Sector -Why Now?

Oman's livestock & dairy sector is at a strategic inflection point, with strong government-backed food security and self-sufficiency targets creating a compelling opportunity to scale domestic production, reduce import dependence, and capitalise on sustained growth in local demand.

Why Al Najd Agricultural Zone, Dhofar?

The zone combines access to **extensive agricultural land, groundwater resources, and feed cultivation potential** with government support for agricultural development, providing the **ideal ecosystem for a cost-efficient, vertically integrated dairy and cattle fattening operation.**

Where is the Gap?

Oman's **dependence on imported livestock and feed, coupled with water constraints for fodder cultivation and challenging climatic conditions,** has created a significant supply gap and a compelling opportunity to expand local production.

Why does this Project Matter?

The project directly strengthens food security, increases domestic production of both dairy and red meat, promotes agricultural investment, and improves supply chain resilience. By integrating Australian Holstein dairy production with Dhofari cattle fattening, the project maximises resource efficiency, diversifies revenue streams, and establishes a scalable platform for long-term sustainable growth.

Source: Industry analysis, Twimbit and SIG analysis

Livestock Sector: Poised to Support Sustainable Growth and Food Security Targets of Oman

Population:
5.4 mn (2025)

GDP at constant price:
OMR 39,295 mn (2025)

GDP per capita:
OMR 7.35K (2025)

...it is evident that Oman is accelerating livestock development to support the national food security goals

Number of agriculture and livestock projects approved under the 11th Five Year Plan (2026-2030)	**200** worth OMR ~200 mn in 2026
Rise in total dairy production in Oman, 2025	**252K** tons up by 4.6% YoY
Rise in red meat-producing animals in the country, 2025	**4.1** mn up by 2% YoY
Rise in total red meat production, 2025	**57K** tons up by 2% YoY

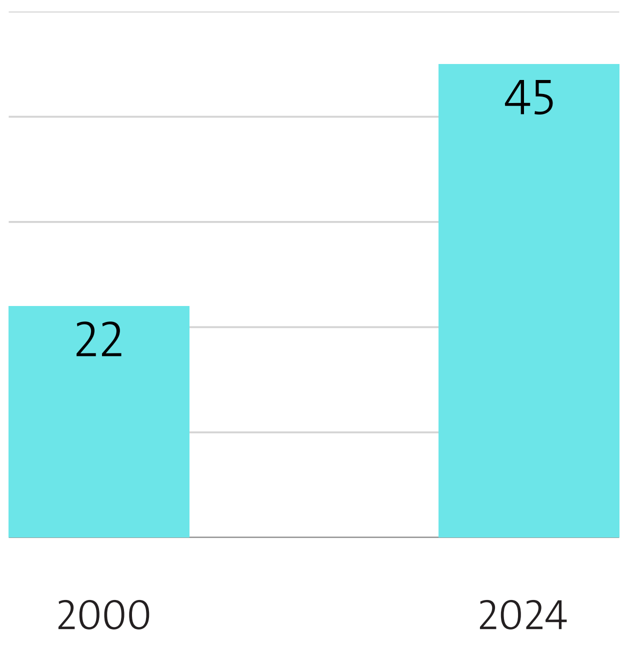
Source: Industry analysis, Twimbit and SIG analysis

Reliance on Imports: Red Meat and Milk Supply Gap Presents a Strong Opportunity for Investors in this Industry

استثمر في عُمان
Invest OMAN

Red Meat: Reducing Import Dependence Through Domestic

Red Meat self-sufficiency rate, 2000-2024, in %



- Self-sufficiency rates have steadily increased over two decades
- However, it still lies below 50%; it faces challenges such as rising demand and resource constraints like water and feed, resulting in heavy import dependence
- Between January and March 2026, Oman imported ~285,890 live animals, including 27,718 cattle and 258,172 sheep and goats, to meet the domestic red meat demand

Despite progress, Oman's reliance on imports for more than half of its red meat consumption highlights the need to set up livestock farms and foster animal husbandry in the country.

Milk: Strategic Opportunity to Bridge Oman's Supply Gap

- While Oman has made significant progress in strengthening its dairy sector, **the country remains 96% self-sufficient in milk production as of 2025, leaving a 4% supply gap**
- Although relatively small, this deficit represents a commercially attractive opportunity, as it can be addressed through incremental domestic production without requiring a large-scale market transformation

Unlike the red meat sector, where expansion is constrained by limited fodder availability, longer production cycles, etc., dairy production offers faster scalability and recurring revenue potential, making it well-positioned to bridge the remaining supply gap. **Hence, it is recommended to adopt an integrated livestock and dairy farming model rather than a standalone red meat business operations.**

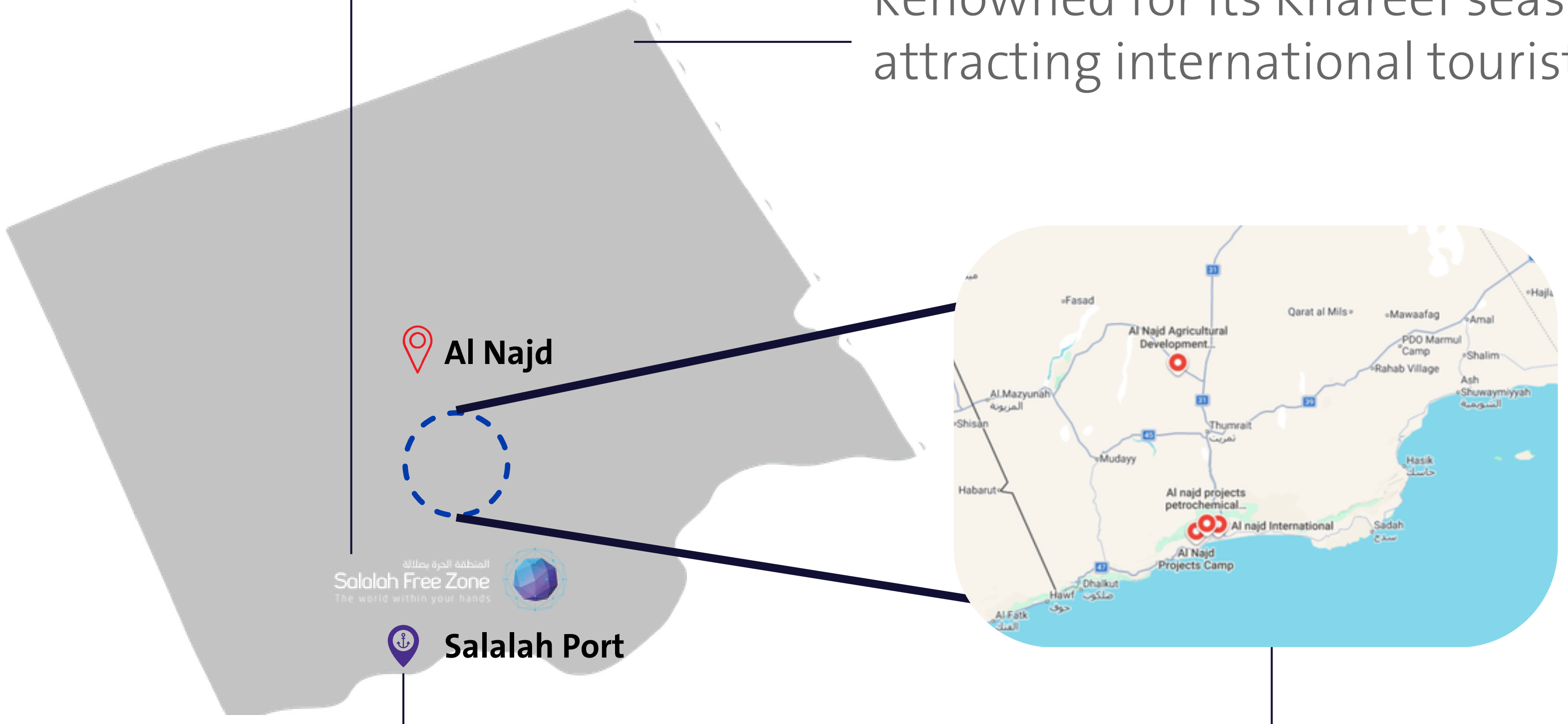
Source: Industry analysis, Twimbit and SIG analysis

SIG twimbit

Dhofar: Agro-Climatic Advantage Supporting Livestock and Dairy Production

Home to the Salalah Free Zone, a key hub for manufacturing, logistics, and value-added industries

Renowned for its Khareef season, attracting international tourists



Proximity to Port of Salalah, a major container port and an international transshipment hub

Hosts Al Najd Agricultural Zone, dedicated to livestock and agricultural projects

Factors strengthening Dhofar's value proposition are as follows:

Government Efforts

- In Dec 2024, the Environmental Authority announced an initiative to restore grazing lands in western Dhofar during the period 2025-2030
- This initiative is aimed at improving livestock productivity, creating 1,500 green jobs, supporting more than 1,100 livestock breeders, and reclaiming about 10,000 hectares of degraded land

Favourable Topology

- Dhofar has the largest livestock population; its dense cattle concentration in the Jabal regions, supported by strong pastoral traditions, provides a reliable local supply base for calf fattening
- The Khareef-driven cool summers and seasonal pastures provide a more livestock-friendly climate than Oman's hotter inland regions

Source: Industry reporting, SIG and Twimbit analysis

Accessibility: Strategic Location and Seamless Connectivity

Additionally, Dhofar offers seamless connectivity, efficient export routes, cost-effective operations, and a resilient supply chain:

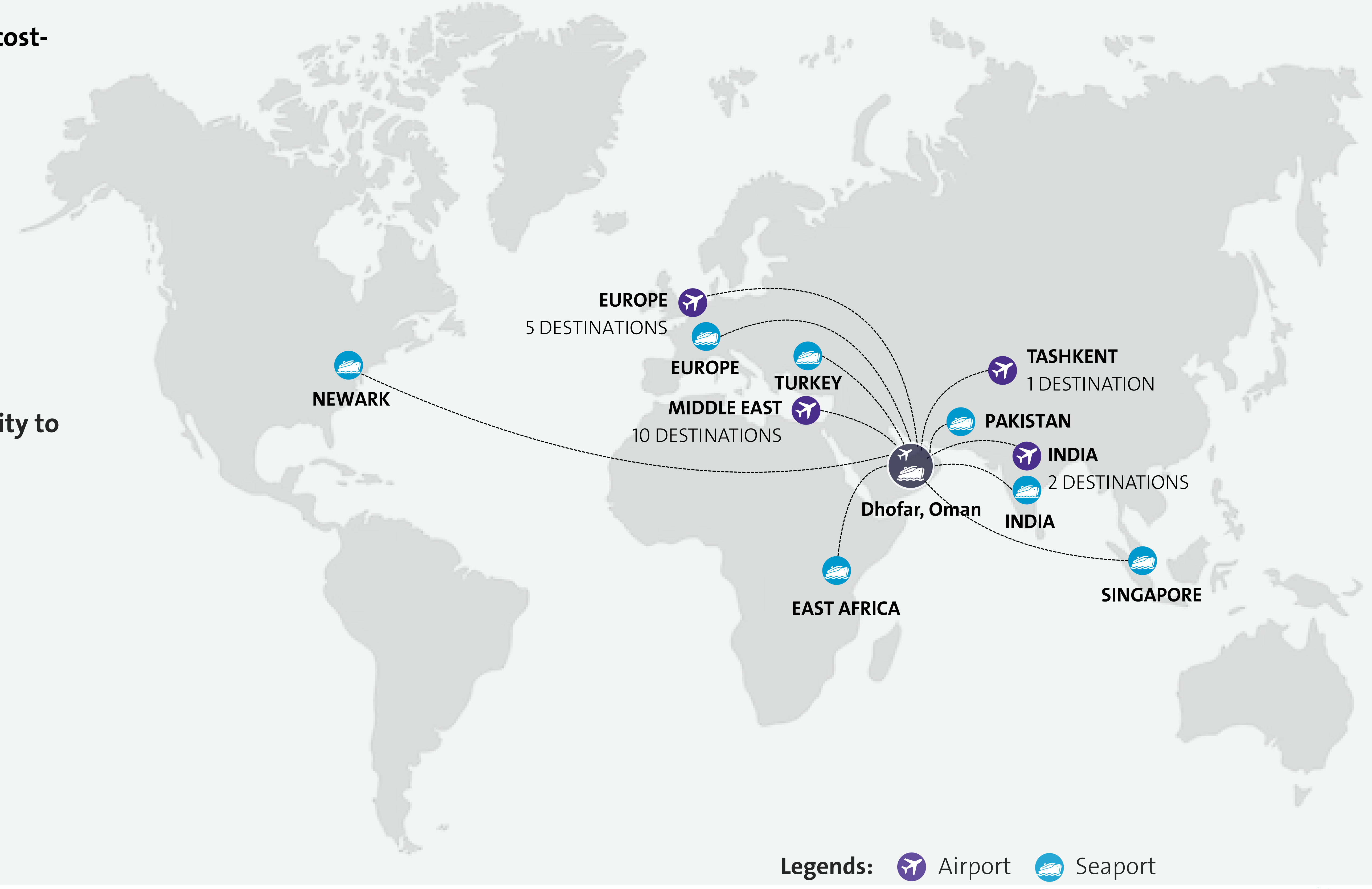
Domestically, Al Najd is also in proximity to major seaports and airports

Domestic Seaport Connectivity

Salalah Port (~158 km)
Duqm Port (~586 km)

Domestic Airport Connectivity

Salalah Airport (~139 km)
Duqm Airport (~563 km)



Source: Twimbit and SIG analysis

Al Najd: The Ideal Destination in Dhofar for Integrated Livestock Projects

1 Scope of the Zone:

642.5 bn sq m — Agriculture & livestock	**2.2** trn sq m — Logistics area	**28.1** bn sq m — Industrial area

2 Financial Incentives:

- 15% corporate tax; 5% VAT; 100% foreign ownership
- Streamlined licensing & fast approvals
- 3 to 5-year grace period on usufruct fee payments.
- Low lease rates of OMR 50/acre for first 100 acres and 5 OMR/acre thereafter
- Access to the USD 5.1 bn Oman Future Fund for strategic investment projects
- Development Bank financing of up to USD 13-19 mn available for eligible FDI projects

3 Resource Availability:

96% of agricultural land is available with deep, fertile soils suitable for large-scale fodder cultivation, supporting a reliable feed supply for cattle fattening and dairy operations.

Good-quality groundwater is sourced from the Najd aquifer system, supported by shallow and deep wells, providing a dependable water supply for irrigation and livestock requirements.

4 Existing Business Ecosystem:

Established fodder farms, **including Hanfeet Farm, Dukhah Farm, and Wadi Bani Khaweeter Farm**, provide an existing agricultural base for the project.

Source: Al Najd Agricultural Zone Guide,Twimbit and SIG analysis

Infrastructure: Building a Large-scale Livestock Fattening and Dairy Farm in Al Najd Agricultural Zone

Spanning **1.8 mn sq m or 440 feddans**, this Livestock Fattening and Dairy Farm sets a benchmark for animal welfare, feed security, red meat & dairy production, and sustainable growth.

Integrated Infrastructure

~1.7 mn sq m, with ~93% of the site reserved for livestock, fodder cultivation, dairy farming, wells, and feed storage purposes, enabling efficient farm-to-market operations and year-round production.

Sustainability & Eco-friendly Design

Incorporates manure composting facilities of ~22K sq m for waste valorisation and efficient water management.

Scalability Growth Readiness

A scalable plan with 27K sq m reserved for future expansion and value-added dairy and meat processing.

Human-centric & Other Spaces

Includes an admin block & worker rest area (4K sq m) and a veterinary clinic (6K sq m) to support human and animal health.

Source: Twimbit and SIG analysis

Feasibility: Integrated Business Model and Diverse Revenue Streams

استثمر في عُمان
Invest OMAN

1 INITIAL PROCUREMENT (YEAR 2028)

A DHOFARI BEEF OPERATION (OMAN)

- Procure local Dhofari calves (~6 months old)
- ↓ 1,800 calves per batch
- ↓ Fattening operation
- ↓ 1.5 fattening cycles per year
- ↓ Annual sales: 2,700 fattened Dhofari cattle
- ↓ End market: Oman

B DAIRY OPERATION (AUSTRALIA - OMAN)

- Procure 750 pregnant Australian Holstein heifers (~2 years old)
- ↓ Enter milking herd
- ↓ Produce milk for Oman market

2 DAIRY BREEDING CYCLE

Pregnant Holstein Heifers
↓
Calving
↓

50% Female Calves
- Retained for herd replacement (in phases as per requirement, refer to chart no. 3)
- Weaned for 6 months and sold to the market

50% Male Calves
↓
Weaned Calves (~6 months)
↓
Sold in the Market

3 HERD REPLACEMENT PROGRAM

2029-2033		2034	2035	CONTINUOS HERD RENEWAL
Female calves retained and raised	**2029** First batch of calves are born - all sold to market after 6 months **2030** Second batch - all sold **2031** Retained 130 female calves **2032** Retained 310 female calves **2033** Retained 310 female calves	**Phase 1:** 375 retained heifers added to the milking herd to replace one batch of cows	**Phase 2:** Additional 375 retained heifers added to replace the remaining milking herd	Replaces milking cows after 6-7 lactations/ pregnancies

Breeding method: Artificial insemination starting from the year 2029, as the initially procured ones are pregnant

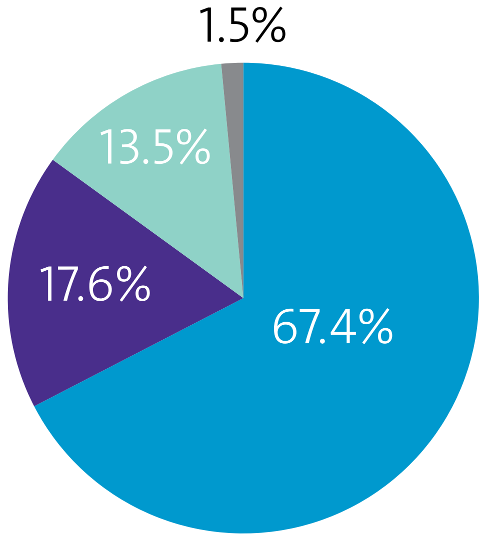
4 MANURE GENERATION

DHOFARI BEEF OPERATION | DAIRY HOLSTEIN OPERATION

ANIMAL WASTE → MANURE PRODUCTION → MANURE SALES

Manure is a natural byproduct from both operations, converted into a valuable organic fertiliser and sold to support sustainable agriculture in Oman

5 REVENUE BREAKDOWN (BY YEAR 2038)



Milk Sales	**67.4%**	Fattened Dhofari Cattle Sales	**17.6%**
Manure Sales	13.5%	Holstein Weaned Calf Sales	1.5%

Dairy (Milk Sales) is the primary revenue driver, providing stable and recurring cash flows.

Source: Twimbit and SIG analysis

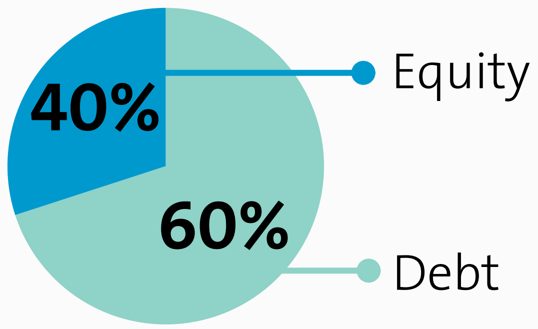
SIG twimbit

Financial Viability: Expected to Deliver an IRR of 24.2% with an Initial Investment of OMR 4.4 mn

استثمر في عُمان
Invest OMAN

The financial performance and projections are calculated for a total of 11 years, including 1 year of construction and 10 years of operations.

Total Capital Invested



OMR 4.4 mn

2028

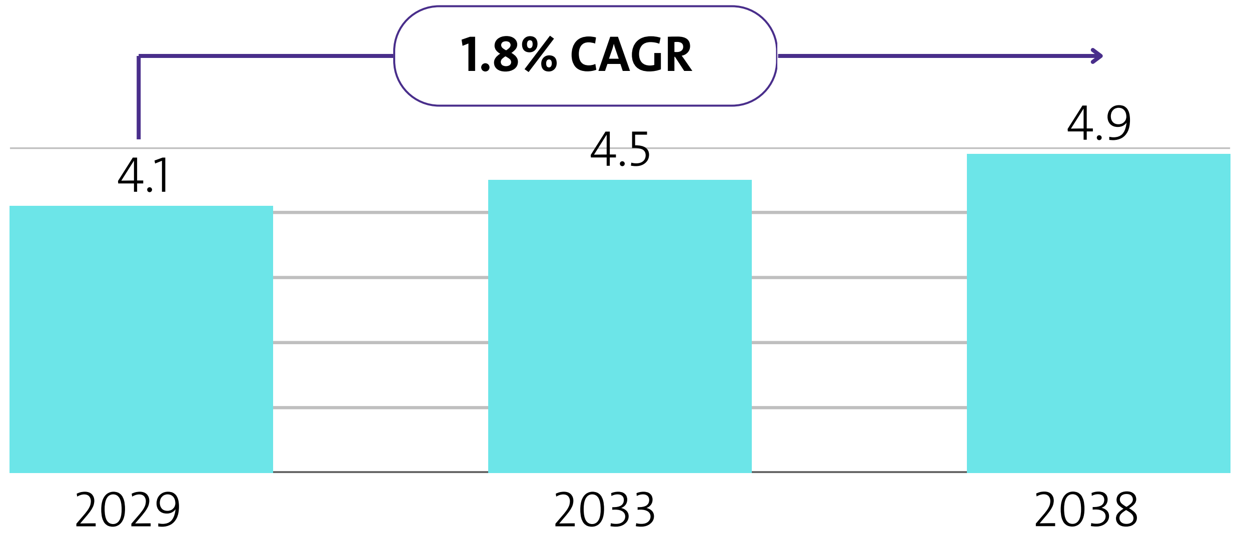
Key Investment Highlights

24.2% IRR

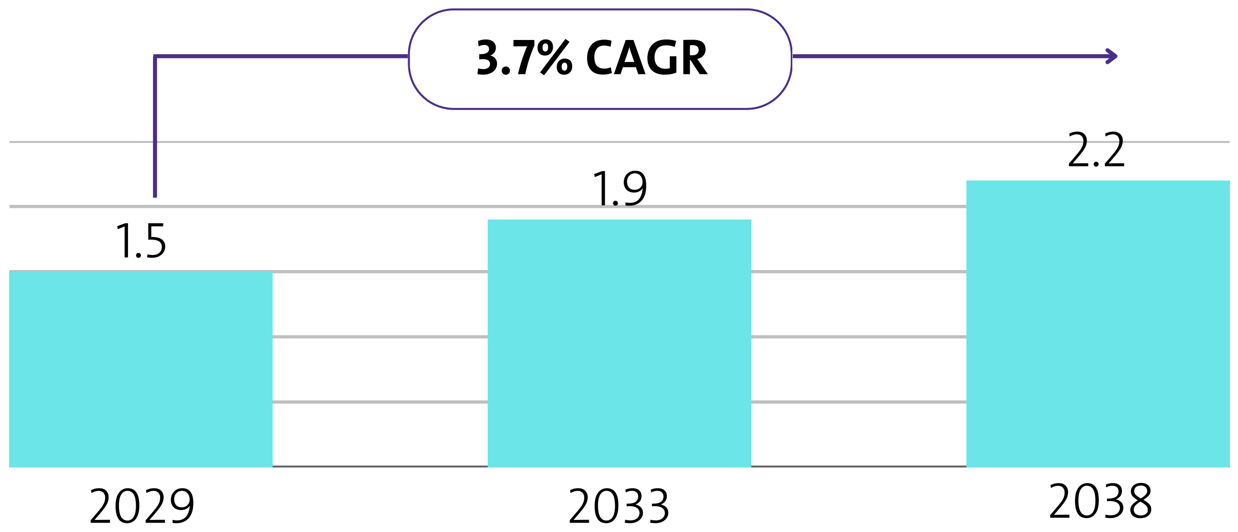
Payback Period

5 years **11** months

Projected Revenue, 2029-2038, in OMR mn



EBITDA, 2029-2038, in OMR mn



Profitability Metrics

33.8%
Net Profit Margin
2029-2038 average

42.0%
Operating Profit Margin
2029-2038 average

OMR 4.2 mn
Net Present Value
2029-2038

1.40
Benefit Cost Ratio
2029-2038

Source: Twimbit and SIG analysis

Note: Year 2028: Construction phase; Year 2029 onwards: Operational phase

SIG twimbit

استثمر في عُمان
Invest OMAN

THANK YOU

SIG twimbit