

## Directors' Report

Dear Shareholders,

On behalf of the Board of Directors, please find hereunder the un-audited results of Oman Oil Marketing Company SAOG ("OOMCO") or ("Company") for the period ended 30<sup>th</sup> of June 2020.

All in "OMR"	YTD June 2020	YTD June 2019	Variance (%)
Sales	221,518,633	286,110,717	-22.6%
Other Income	1,016,317	1,133,677	-10.4%
Profit / (Loss) after tax	(377,285)	3,183,154	-112%
Earnings/(Loss) per share	(0.006)	0.049	-112%
Net Assets per share	1.121	1.149	-2.44%

### Financial Performance

The operations in the second quarter of 2020 remained very challenging due to covid-19 and additional license fee cost of OMR 446K (OMR 379K net of tax) for the year 2019, which resulted in a net loss of OMR 377K, a reduction 112% compared to the same period last year. The total turnover is reported at OMR 222 million, 22.6% less than the turnover of OMR 286 million as of 30<sup>th</sup> June 2019.

The drop-in turnover comes primarily from the loss of volume in retail and aviation businesses due to covid19 led travel restrictions.

### HSEQ-Technical & Sustainable Development

OOMCO has successfully completed 20 million Safe Man Hours without Lost Time Injuries (LTI) in May 2020 while maintaining its Total Recordable Injury Rate below 0.3%. The Company keeps on monitoring its business continuity plan to manage the impact of covid-19 while taking all required measures to ensure the safety of employees, contractors and customers.

### Business Development

In its efforts to safeguard the community's health and limit the spread of the covid-19, the Company has introduced a number of measures throughout its service stations and retail venues. Among those, and in-line with the regulations and advice set by the Supreme Committee for dealing with covid-19 and the Ministry of Health, rigorous sterilization procedures have been implemented at all touchpoints. In addition, OOMCO recently launched its "OOMCO World" App as well as other digital payment options, all designed to eliminate the need to handle cash thus offering customers safer and smarter ways to shop and re-fuel.

In another first, OOMCO has signed an agreement with Muscat Gases Company to sell and refill cooking gas cylinders through LPG retail units at selected service stations. The five-year partnership is the latest in a line of collaborations OOMCO has

secured to transform its service stations into integrated service hubs, and drive its customer engagement and growth.

## **Human Resources**

OOMCO has maintained an omanization rate of 86%. The Company continues to maintain a healthy work environment and a high level of employee engagement through conducting Engagement Surveys and working on the action plan to improve engagement further. Furthermore, and as a response to covid-19, OOMCO has implemented a “Work from Home” policy to ensure minimal attendance in office and ensure employees’ health while securing business continuity.

## **Corporate Social Responsibility**

As part of the Company commitment to support the country in the current situation and in collaboration with Sultan Qaboos University Hospital, OOMCO has purchased a device to test for corona virus. Furthermore, and joining hand with Royal Oman Police, the Company took part in the ROP campaign “combating drugs” through using the screens in the service stations in airing awareness videos.

## **Outlook**

Taking into account the current situation and its impact on the whole economy, OOMCO continues to innovate: it has developed new initiatives to ensure that it remains resilient. The Company will spare no efforts to advance all viable opportunities that will enhance the overall company performance in a sustainable way.

The Board and the Management are fully dedicated and committed to manage the challenges in 2020 and are confident that the Company will continue to deliver value to all our stakeholders.

## **Acknowledgments**

I would like to take this opportunity to thank all our customers, the government authorities, our dealers, their staff and our dedicated employees for their continued support.

On behalf of the Board of Directors, the management and all our employees, we would like to express our sincere gratitude and appreciation to His Majesty Sultan Haitham bin Tariq– Allah save him- and His Honorable Government. Under his wise leadership and guidance, Oman continues to be in the forefront path of prosperity, growth and development.

Thank you.

**On behalf of the Board of Directors  
Chairman of the Board**