

## Directors' Report

Dear Shareholders,

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

All in "OMR"	YTD September 2020	YTD September 2019	Variance (%)
Sales	331,583,500	437,857,746	(24)%
Other Income	1,412,355	1,702,394	(17)%
Profit / (Loss) after tax	4,611	5,207,109	(100)%
Earnings/(Loss) per share	0.007	81	(100)%
Net Assets per share	1.127	1.181	(4.57)%

### Financial Performance

The operations in the third quarter of 2020 remained very challenging due to covid19 and additional license fee cost of RO 446K (RO 379K net of tax) for the year 2019, which resulted in a net income of RO 5K, a reduction 100% compared to the same period last year. The total turnover is reported at OMR 332 million, 24% less than the turnover of OMR 438 million as of 30<sup>th</sup> September 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 maintained its zero LTIR for more than 23 million Man Hours as of end September 2020 with a remarkable figure below 0.3 as Total Recordable Injury Rate. 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 its employees, contractors and customers. Furthermore, as part of sustainability plan to reduce its carbon footprint, OOMCO has completed its second green service station at SQU with a new technology of complete Vapor Recovery System.

### Business Development

OOMCO is pleased to announce that the Company's Board of Directors in their meeting on September, 1st 2020 approved to enter a strategic partnership with OQ in order to explore business opportunities locally and internationally as well as rebranding the network of OOMCO service stations while using the OQ brand.

The company has launched the Virtual Basma Plus, a new mobile fuel payment as a smart system. Building on its popular prepaid fueling card, the user-friendly service now allows customers to pay for their fuel using their smartphone via the "OOMCO World" App thus opening up a whole world of benefits and rewards for its growing

number of users. As a market leader in the Sultanate's fuel supply chain, OOMCO continues to support the Sultanate's digital transformation, while aiming to be the most customer-centric fuel marketer in the region.

Continuing its efforts to instill a culture of sustainability in and out its service stations, Oman Oil Marketing Company has also signed an agreement with Oman Environmental Services Holding Company (be'ah) to launch the Reverse Vending Machine (RVM) initiative. This collaboration establishes a mutually beneficial partnership that fully aligns OOMCO's core values of social and environmental responsibility with be'ah's strategic goal of achieving landfill diversion and promote a circular economy across the Sultanate.

## **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, 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 at all times.

## **Corporate Social Responsibility**

Dedicated to uplift the community, particularly in light of the ongoing covid-19 pandemic, OOMCO has donated fuel card vouchers to medical volunteers. The gesture is part of an initiative launched by the Oman Medical Association (OMA) called Ma'afa for Oman, which established a temporary hospital in Al Amerat to treat covid-19 cases. Furthermore, as part of its commitment to create initiatives that enhance the capabilities of local talents, Oman Oil Marketing Company has continued its support to sponsor three postgraduate students within the college of Economic and Political Science at SQU for the third year.

## **Outlook**

Taking into account the current situation and its impact on the whole economy, Oman Oil Marketing Company continues to innovate: it has developed new initiatives to ensure that it remains resilient. The company will spare no efforts to enter 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 facing the challenges of 2020 and remain 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 own 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**

**Board Chairman**