

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 31st of March 2024.

Health, Safety, Environment, Quality, Technical and Sustainable Development

OOMCO has maintained its safe operation record of 949K working hours from its last LTIR reported on first quarter 2024. OOMCO has established a road safety campaign plan in collaboration with OPAL and Civil Defense Authority. Moreover, OOMCO has participated in a fire drill with Oman airports company and other stakeholders at airport fuel firm. As part of business continuity and business growth, and with the experience of an external consultant, OOMCO has completed the business impact analysis and business continuity plan. Also, OOMCO has managed and aligned with RAFO (Royal air) the standards and requirements of HSE. In continuation with building robust management system, OOMCO maintained its compliance and conformance with 6 Management System (ISO) and 3 management systems for OOMCO Marine Fuel (DBT) which will support the business growth and international expansion.

OOMCO is continuing with its sustainability journey to reduce its carbon footprint as it produced 1790 MW cumulatively of electricity from Solar source in its 12 stations which consumed at its stations and fed the grid as well and recovered 1253 tons of CO₂. OOMCO is also moving steadily toward E-mobility and completed installation of 10 fast chargers and connecting major routes in Oman highway to become the widest network of EV chargers in Oman with total of 12 chargers. Also, OOMCO reached 24 Vapor Recovery units installed in its service stations which contributed directly in reducing the carbon by 839 tons.

Financial Performance

The OOMCO group generated sales revenue of OMR 192 Million in Q1 2024, a decrease of 4.8% as compared to Q1 2023. The group's decrease in revenue was mainly a result of the sales in the bunker fuel trade compared to the same period in the year 2023. At the Parent company level, the Q1 performance of 2024 was similar to the same period in 2023 sitting at OMR 173 Million. The gross margin of the group reduced to OMR 11.5 Million as compared to OMR 11.9 Million for the same period in 2023. The OOMCO group's operating profit for Q1 2024 reduced compared to last year by OMR 0.28 Million standing at OMR 2.05 Million and the group earnings after tax decreased by OMR 0.62 Million compared to Q1 2023 standing at OMR 0.79 million compared to Q1 2023.

Business Development

Growth with excellence is our strategy when it comes to expanding our footprint locally and internationally. Locally, OOMCO has opened 2 new service stations located in Sharqia North and Dhofar totaling 236 service stations by end of March. Internationally OOMCO opened 2 new service stations located in the Kingdom of Saudi Arabia,

Jedha totaling 32 service stations. The one-stop-shop service station caters to customers living in the metropolitan area. The service station features an exciting range of on-the-go shopping, and food and beverage offerings. This is in line with our vision to further our expansion plans and to expand our international reach with best-in-class services for all.

With its forward-thinking strategy, OOMCO strives to transform the industry with the introduction of innovative products and services across all aspects of the business, both locally and internationally. Building a brand that provides much more than only fuel, OOMCO is creating an unparalleled chain of service hubs that provide access to integrated offerings including quality shopping, food products and services.

Human Resources

The company continues its efforts to create the appropriate work environment in terms of the diversifying training methods between online platforms, class-based training and conferences. Also the company works on preparing the next generation of managers by implementing the succession planning program and leadership development programs.

The company believes in diversity in order to create a high performance working environment by attracting Omani and Expatriate talents, where the percentage of Omanization by end of the first quarter reached 91%

Corporate Social Responsibility

OOMCO launched its annual At'a charity campaign. In its seventh

year running, the campaign sought to serve those in need with a range of different charitable and sustainable initiatives. OOMCO completed Tmakon a program, to empower young Omanis to reach their full potential as emerging entrepreneurs. Tmakon aimed to build the capacity of Omani youth-led freelancer startups. It also enables participants to further develop innovative thinking and other relevant skills to run a business successfully.

Outlook

The future outlook of the national economy is positive and such is expected to reflect on the company performance. Moreover, your Company is pursuing with a five-year strategy (2022 – 2026) which shall reflect a clear growth road map that focuses on domestic and international growth as well future mobility, sustainability, renewable energy and with operation excellence frame work that aims for effective processes and optimize our operations efficiently.

OOMCO continues to innovate and develop 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.

Challenges are expected to face them at best and for the benefit of our customers, your Company will improve its operational and service excellence, cost efficiency and realigning business strategies to cope with market uncertainties ahead.

The Company is committed and prepared for future challenges, we are confident we will continue to deliver value to all 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

Chairman