

Dear Shareholders,

On behalf of your Board of Directors', it gives me great pleasure to present the Annual Report of Oman Oil Marketing Company SAOG (OOMCO) for the financial year ending on 31<sup>st</sup> of December 2021.

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

At OOMCO, our most valued resources are our employees, customers, and the communities we serve. We are dedicated to provide a safe work environment for our employees and customers, protecting the public, and preserving OOMCO properties and assets. During 2021, OOMCO has maintained a Zero Lost Time Injury safety record in 32 million working man-hours in Oman and Tanzania. However, the Company's subsidiary in KSA had witnessed one Lost Time Injury incident in the first quarter of 2021. Moreover, the Company's Total Recordable Injury Rate (TRIR) overall was stood at 0.4. Also, OOMCO achieved another Safety record for the fourth year continuously since it has not recorded any major road traffic accident in transporting its fuel across the sultanate where the Company crossed 117 million kilometers during the operations of fuel transportation last year. Moreover, OOMCO has not witnessed any fire or environmental accident in its overall facilities.

For the exceptional health conditions that the world in general and the Sultanate in particular faced, the Company has activated the Business Continuity Plan (BCP) to deal with the Covid-19 pandemic to mitigate and reduce the effects on the Company's employees and business. The Company has taken all necessary measures by activating the work from home with minimal office attendance and putting safety mechanisms into effect by holding workshops and hosting specialists from the health sector to educate employees about the epidemic, safety procedures and the importance of the vaccination. The Company has ensured the provision of two doses of vaccine to all its employees and outsourced employees. No outbreaks were recorded in all the Company's facilities and among its employees, and the Company was able to fulfill all its obligations to all its customers during this period by ensuring the maximal compliance with the decisions of the Covid-19 Supreme Committee. The BCP also had been activated during "Shaheen Hurricane" which aimed to return in a safe condition all the service stations that were exposed

directly to the impact of the Hurricane within a short period, which ensured the resuming of fuel supply in a record time of no more than six hours in most affected areas.

Our HSEQ culture is vivid across all our operations through a combination of policies and best practice. We strategically implement policies and audit our HSEQ management system, and developed performance reviews to identify areas required for improvement. OOMCO sustained its compliance with the four different Management system standards. ISO9001:2015 (Quality Management System), ISO14001:2015 (Environmental Management System), OHAS18001:2007 (Occupational Health & Safety Management System) and ISO27001:2013 (Information Security Management System).

As part of its commitment to deploy sustainable and clean energy at its operations, OOMCO has powered eight of its service stations with solar energy as part of environment care. OOMCO has also installed an Electric Vehicle (EV) charger at its second Green Service Station "SQU Mega service station". We are looking at the future of green motoring, in line with Oman's national strategy to adapt and reduce CO2 emissions as well as reducing electricity consumption.

### Financial Performance

Against the backdrop of a recovery in the economy despite the continuing adverse impact of COVID-19 pandemic, the OOMCO group generated sales revenue of OMR 560.7 Million in the year 2021, a rise of 27% compared with the previous year. The increase was mainly the results of higher sales in the retail & aviation businesses and the positive crude oil prices. The gross margin rose to OMR 37.74 Million compared to OMR 30.32 Million for the year 2020.

At OMR 6.81 Million, the OOMCO Group's operating profit for the year 2021 exceeded last year figure by OMR 4.42 Million. The OOMCO group earning before tax increase by OMR 4.38 Million while the earnings after tax increase by OMR 3.61 Million compared to the year 2020.

## Human Resources

OOMCO brand image, reputation and success are built on a foundation of personal and professional integrity. OOMCO has also become an employer of choice, offering premium employment and career development opportunities to a wide cross section of people.

OOMCO achieved an Omanisation ratio of 87% by end of 2021. This is a significant achievement as the field requires staff with specific skills to serve a wide spectrum of customers across the retail network and overall company's operations.

To continue raising our performance, we dedicate our efforts on developing the capacities of our human capital across our various businesses. we provide them with opportunities to enhance further their knowledge on specialized and specific competencies in addition to a wide range of applied, technical and creative skills.

We believe in growing our employee skills through consistent training programs, therefore we have launched OOMCO Management Coaching Program and OOMCO Succession Planning Program to equip our employees with the right skills and competencies. The e-learning platform has also been improved to include more than 60,000 training programs that can be accessed online through mobile applications.

As a young and energetic Omani organization that prides itself on being a pioneer in the Sultanate's energy sector and a valued partner in the development of its infrastructure, OOMCO continuously seeks to bolster its existing workforce. A key factor of its long-term corporate objectives, the Company recruits the right Omani talents on the right job at the right time to become the preferred employer of choice within the fuel marketing sector.

## Corporate Social Responsibility

Oman Oil Marketing company continued its efforts to support small and medium enterprises by continuing the support granted to entrepreneurs through the "Tasweeq" program during the previous year. Also, with the aim of empowering the Sultanate's youth, the company entered into an agreement with Studio Infox as a logistic partner to sponsor and support the production of a documentary project with the name of (Oman Up Close: Undiscovered Yet). The company ensure

to accommodate the opportunities of support that aims to achieve sustainable benefits to the community; one of the most important pillars of our CSR contribution during emergency situations. The company has contributed an amount of OMR 250,000 to the Oman Charitable Organization to support the affected families in many areas affected by "Shaheen Hurricane".

## 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 its new five-year plan (2022-2026), which is driven by significant diversity and dramatic growth on domestic and international spectrum and the transformation towards supplying of renewable energy.

New retail premium sites are to be launched with the ever-popular Ahlain convenience stores and other facilities in strategic locations nationwide as well as in Saudi Arabia and Tanzania.

The Commercial team is mobilized on securing supply to infrastructure projects as announced by the Government and the private sector: construction of various infrastructure related projects, upgrading of highways and roads will support demand for our products and services.

Challenges are expected; to face them at best and for the benefit of our customers, it is imperative that the Company continues to be innovative and undertake changes through new initiatives, thus sustaining its leadership. Your Company will improve its operational and service excellence, cost efficiency and realigning business strategies to cope with market uncertainties ahead.

Your Company will continue to focus on human capital development, IT systems reliability, and good HSEQ practices. Emphasis will be on cost efficiency and delivery without compromising on customer service and product quality. Customer Care will continuously be enhanced with the spirit of our motto "You trust, We care."

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 Ministry of Energy and Minerals, Ministry of Commerce, Industry and Investment Promotion, OQ, Ministry of Interior, Muscat Municipality, ROP and other Government authorities have had dealings with and our dealers, their staff and our own dedicated employees for their continued support. I would reiterate our unwavering commitment to the provision of the highest level of service at all times.

On behalf of all Board of Directors and all company employees, we pledge to Sultan Haitham bin Tariq bin Taimur, to continue serving Oman, following his order and tracing his approach.

Thank you.



**Hilal Ali Al Kharusi**  
**Chairman**

