

CORPORATE GOVERNANCE REPORT

We are pleased to present the Corporate Governance Report of the Oman Oil Marketing Company SAOG (OOMCO) for the year ended 31st December 2022.

COMPANY'S PHILOSOPHY

The principles of Corporate Governance are the cornerstones of OOMCO. These principles ensure transparency, integrity and accountability, which are vital for the long and sustained growth of the Company.

Oman Oil Marketing Company is committed to adhere to the highest standards of Corporate Governance and fully supports the guidelines on Corporate Governance for Public Joint Stock Companies issued in 2015 and its subsequent amendments by the Capital Market Authority (CMA). The Company has a representation of five independent directors on its Board to complement and supplement the other two non-independent directors, the Executive Management and providing optimum mix of professionalism, knowledge, expertise and experience.

Our endeavour has always been to engage persons of eminence as directors who can contribute to corporate strategy, provide an external perspective and be a source of challenge and evaluation wherever appropriate. We have the good fortune of having directors whose contributions to the trade and industry are well acknowledged.

BOARD OF DIRECTORS

(a) Composition of the Board

The Board of Directors comprises of seven members, all the Directors are Non-Executive, Omani nationals and five of them are Independent directors. During the year 2018 CMA vide its "Code of Corporate Governance for Public Joint Stock Companies - amended definition of 'Independent director' and 'related parties'. The company complies with the CMA amended definition of Independent Directors.

Subject to the overall superintendence and control of the Board, the day to day management of the Company vests in the hands of the Executive Management team headed by Mr. Tarik Mohamed Sultan Al Junaidi, Chief Executive Officer and includes, MR. Musaab Faris Thabit Bingaradi,

Mr. Hussain Jamaa Ismail Bait Ishaq, Mr. Khamis Nasser Al Shuaibi, Mr. Amer Suhail Jaboob, Mr. Talib Omar Al Maadi, Mr. Mohammed Hussain Al Mujaini and Mr. Jaber Mansoor Al Wahaibi.

The CEO and CFO are a permanent invitee to the Board meetings of the Company. Senior Manager – Corporate Finance and Planning is the Company Secretary.

(b) Process of nomination of Directors

Directors are appointed for three years and retire by rotation and, if eligible, can offer themselves for re-election at the Annual General Meeting (AGM). There are arrangements for the filling of vacancies by the Board itself on a temporary basis. Individuals wishing to nominate themselves for election to Directorship to the Company's Board are required to complete and submit a nomination form to the Company at least two working days before the Annual General Meeting (AGM) of the Company. Notice of the AGM is published in the leading English and Arabic dailies at least two weeks in advance.

The process as laid down in the Commercial Companies Law and by the Capital Market Authority (CMA) in conjunction with the Articles of Association of the Company is adhered to. The Company has an induction program for Directors, which covers the business environment of the Company's businesses as well as specific Corporate Governance elements (e.g. Confidentiality, Disclosure of Interest etc.)

(c) Disclosures regarding appointment or re-appointment of Directors

There were no changes in the Board of Directors during the year.

(d) Number of Board meetings

The Company held Six Board meetings during the year, which ended on 31st December 2022. These were on 20nd February 2022, 6th March 2022, 11th May 2022, 7th August 2022, 10th November 2022 and 11th December 2022. The maximum interval between any two meetings not exceeding the CMA required interval of maximum of four months.

(e) Directors' attendance record and directorships held

See Table 1 for details.

Table 1: Details about Oman Oil Marketing's Board of Directors

Name of Director	Position	Board meetings held during the year	Board meetings attended during the year	Whether attended last AGM	Directorships in other Public Listed companies incorporated in Oman
Hilal Ali Saif Al Kharusi	Non-Executive and Non-Independent Director	6	5	Yes	-
Al Sayyida Rawan Ahmed Al-Said	Deputy Chairperson-Non Executive and Independent Director	6	6	Yes	-
Amal Suhail Salim Bahwan Al Mukhaini	Non-Executive and Independent Director	6	6	Yes	2
Ahmed Tufail Al-Rahman	Non-Executive and Independent Director	6	6	Yes	-
Saleem Pir Bakhsh Al Raisi	Non-Executive and Non-Independent Director	6	6	Yes	2
Mohammad Abubakar Al-Ghassani	Non-Executive and Independent Director	6	6	Yes	-
Moutaz Amur Mohamed Al Riyami	Non-Executive and Independent Director	6	6	Yes	-

Independent Director is as defined in eight principle of the Code of Corporate Governance.

Information supplied to the Board

In order to facilitate proper governance, the following information amongst others was provided to the Board:

- Review of annual operating plans of businesses, capital budgets, updates
- Quarterly results of the Company and its operating divisions or business segments
- Key discussion points at the meeting of Audit Committee
- Materially important show cause, demand, prosecution and penalty notices
- Fatal or serious accidents or dangerous occurrences
- Any materially significant effluent or pollution problems

- Any materially relevant default in financial obligations to and by the Company or substantial non-payment for goods sold by the Company
- Any issue which involves possible public or product liability claims of a substantial nature
- Details of any joint venture or collaboration agreements
- Transactions that involve substantial payment towards goodwill, brand equity or intellectual property
- Significant labour problems and their proposed solutions
- Significant development in the human resources and industrial relations fronts
- Sale of material nature of investments, subsidiaries, assets which is not in the normal course of business
- Material details of foreign exchange exposure and the steps taken by management to limit the risks of adverse exchange rate movement and
- Non-compliance with any regulatory, statutory or listing requirements or shareholder services such as non-payment of dividend

The Board members of OOMCO are routinely presented with all information under the above heads whenever applicable and materially significant. These are submitted either as a part of the agenda well in advance of the Board meetings or are tabled in the course of the Board meetings or are tabled before the appropriate committees of the Board.

The Board has, as required under the Corporate Governance guidelines, adopted internal regulations – those include adoption of principles, policies and procedures and practices for doing business and conducting affair

(f) Materially significant related party transactions

There have been no materially significant related party transactions, pecuniary transaction or relationships between Oman Oil Marketing Company and its Directors for the year ended 31st December 2022 that may have had a potential conflict with the interests of the Company at large. All the transactions with Related Parties were at arm's length.

(g) Remuneration of Directors: sitting fees, salary, remuneration and perquisites

The remuneration policy is decided by the Board and approved in the Annual General Meeting with the intent of attracting and retaining the highest quality of industrialists/ professionals to

provide the Company with the right kind of strategic directions and improve operational efficiencies. Board Directors were paid RO 500/- for sitting at Board of directors meeting and RO 400/- for other sub committees as sitting fees for every meeting attended starting from 5th January 2022. **The Directors remuneration is governed and calculated as set out in the Commercial Companies Law and the regulations issued by the Capital Market Authority of Oman.**

Table 2: Remuneration paid/payable to Directors for the year 2022

Name of Director	Sitting Fees (OMR)
Hilal Ali Saif Al Kharusi (ii)	2,900
Al Sayyida Rawan Ahmed Al-Said (i)	5,400
Amal Suhail Salim Bahwan Al Mukhaini (ii)	4,200
Ahmed Tufail Al- Rahman (i)	5,400
Saleem Pir Bakhsh Al Raisi (iii)	4,600
Mohammad Abubakar Al-Ghassani (ii) (iii)	6,600
Moutaz Amur Mohamed Al Riyami (i) (ii) (iii)	8,600
TOTAL	37,700

Note:

- i. Includes sitting fees for Audit committee meetings
 - ii. Includes sitting fees for Investment Committee meetings
 - iii. Includes sitting fees for Nomination and Remuneration Committee meeting
- * The remuneration for the year ended 31st December 2022 is RO 300,000/- subject to Shareholder's approval at the Annual General Meeting which will be held on 30th of March 2023 at 7 pm Crowne Plaza / MCD platform

(h) Directorships in other listed companies and memberships of other committees

Table 3 gives details of Board Members' Directorships in other listed companies and memberships of other committees

Table 3: Particulars of Directorships in other Public Listed Companies & memberships of other committees

Name of the Director	Other Directorships		Other Committee memberships	
	Name of the company	Position	Committee	Position
Hilal Ali Saif Al Kharusi	-	-	-	-
Sayyida Rawan Ahmed Al Said	-	-	-	-
Amal Suhail Salim Bahwan Al Mukhaini	1- Al Jazeera Steel Products Co. SAOG	Chairperson	Nomination & Remuneration Committee	Chairperson
	2- National Bank of Oman, SAOG	Chairperson	Executive Nomination & Remuneration Committee	Chairperson
Ahmed Tufail Al Rahman	1- Musandum Power Company SAOC	Chairperson	-	-
Saleem Pir Bakhsh Al Raisi	1- Oman Flour Mill CO. SAOG	Director	Executive & Investment Committee	Member
	2- Bank Nizwa	Director	Audit Committee IT & Cyber Security Committee	Member
Mohammed Abubakar Salim Al Ghassani	-	-	-	-
Moutaz Amur Mohamed Al Riyami	-	-	-	-

(i) Disclosures by the Board members

All details relating to financial and commercial transactions where Directors may have a pecuniary interest are provided to the Board, and the interested Directors neither participate in the discussion, nor do they vote on such matters.

(j) Committees of the Board

1) Audit Committee

The Audit Committee comprises of Three (3) Non-Executive Directors (3 are Independent). The members are as follows:

- a) Al Sayyida Rawan Ahmed Al Said – Chairperson
- b) Ahmed Tufail Al- Rahman – Member
- c) Moutaz Amur Mohamed Al Riyami - Member

The Company continues to derive immense benefit from the deliberation of the Audit. The Non-Executive Directors – are eminent professionals and have sound knowledge in Finance, Accounts and Company Law. The Chief Internal Auditor serves as the secretary to the Audit Committee. The CEO, the Chief Internal Auditor and the CFO are permanent invitees to the meeting. The Chairperson of the Audit Committee meeting briefs the Board on the outcomes of the Audit Committee meeting during the Board meeting.

Among the principal functions and duties of the Audit Committee are as follows:

- Overseeing the Company’s financial reporting process and disclosure of financial information to ensure that the financial statements are correct, sufficient and credible;
- Recommending the appointment and removal of external auditor, fixing of
- and approval for payment of any other services;
- Reviewing with management and external and internal auditors, the adequacy of internal control systems;
- Reviewing the Company’s financial and risk management policies; and

Examining reasons for substantial default in the payment to depositors, bond holders, shareholders (in case of non-payment of declared dividends) and creditors, if any;

Table 4: Audit Committees' attendance record

Name of Director	Position	No of meetings held during the year	No of meetings attended during the year
Al Sayyida Rawan Ahmed Al Said	Committee Chairperson	6	6
Ahmed Tufail Al- Rahman - Member	Member	6	6
Moutaz Amur Mohamed Al Riyami	Member	6	6

Further details on the Audit Committee including its activities during the year under review are contained in the Audit Committee report of this Annual Report.

2) Board Investment Committee

The Investment Committee comprises of three (3) Non-Executive Directors

- | | |
|----------------------------------|--------------|
| 1- Hilal Ali Saif Al Kharusi | Chairperson* |
| 2- Amal Suhail Bahwan | Member |
| 3- Mohammed Abubakar Al Ghassani | Chairperson |
| 4- Moutaz Amur Mohamed Al Riyami | Member |

*Mr. Hilal Ali Saif Al Kharusi member seized to be a memeber of the Board **Investment Committee** from 28th April 2022.

** Mr. Moutaz Amur Mohamed Al Riyami was appointed as a memeber of the Board **Investment Committee** members from 28th April 2022 and Mr. Mohammed Abubakar Al Ghassani was appointed as the Chairperson of the committee on the same date.

The Board Secretary also serves as the secretary to the Board Investment Committee and the Chief Executive Officer and CFO are a permanent invitee to the meeting.

The principle functions and duties of the Investment Committee are as follows:

To deliberate, review and recommend for approval of the Board on the merits of any new businesses to be set up or acquired or any investments proposals submitted to the Company.

- 2.1 To deliberate, review and recommend for approval to the Board the Long Term Plan, Annual Budget and any amendments to the long term plan.
- 2.2 To carry out any other functions as may be delegated and authorized by the Board.

Table 5: Board Investment Committees' Attendance record

Name of Director	Position	No of meetings held during the year	No of meetings attended during the year
Hilal Ali Saif Al Kharusi	Chairperson	5	1
Amal Suhail Salim Bahwan Al Mukhaini	Member	5	3
Mohammed Abubakar Salim Al Ghassani	Chairperson	5	5
Moutaz Amur Mohamed Al Riyami	Member	5	4

3) Board Nomination and Remuneration Committee

The Company set up a Remuneration Committee in 2011 and it comprises of three (3) Non-Executive Directors:

- | | |
|----------------------------------|-------------|
| a) Moutaz Amur Mohamed Al Riyami | Chairperson |
| b) Saleem Pir Bakhsh Al Raisi | Member |
| c) Mohammed Abubakar Al Ghassani | Member |

The GM - Shared Services serves as the secretary to the Board Nomination and Remuneration Committee and the Chief Executive Officer is permanent invitees to the meeting.

Among the principle functions and duties of the Board Nomination and Remuneration Committee are as follows:

- (a) In the case of board directors, nominated proficient directors and the election of the fit candidate.
- (b) Develop a succession plan for the board or at least for the chairperson.
- (c) Prepare detailed document of the role and responsibilities for the directors including the chairperson. This will facilitate orientate directors toward their tasks and roles.
- (d) Appraise the performance of the board members and the sub-committees.
- (e) In the case of the CEO, recommending to the Board the appointment, remuneration, reward framework, KPI as well as assessment thereof.
- (f) In the case of the Executive Management and based on the recommendation of the CEO, approving the appointment, termination or acceptance of resignation, remuneration, reward framework, and key performance indicators (KPI) as well as assessment thereof.
 - (i) The BNRC Board of Remuneration will interview the final three recommended candidates- for each job.
 - (ii) The BNRC Board of Remuneration have the authority to attend any interview for Executive Management post and shall nominate any other board member to attend.
 - (iii) The BNRC Board of Remuneration shall invite any other board member in the final interview of any Executive Management role whenever required.
- (g) Ensuring an appropriate succession plan is in place at all times for the CEO and Executive Management.
- (h) Reviewing the qualifications and work experience of any individual being nominated to be appointed to the Executive Management.
- (i) Reviewing and oversee human resource policies and Omanisation plans.
- (j) Reviewing and ensure the existence of a remuneration framework that adequately addresses Company needs in attracting and retaining competent employees taking into account market trends and practices.

- (k) Interviewing any member of the Executive Management upon resignation or termination from the Company.
- (l) Review the terms of reference and approve the appointment of any consultant to be retained by the Company to conduct any remuneration survey.
- (m) Approve the participation of the Company in any remuneration survey conducted by third parties.
- (n) The BNRC shall submit to the Board an annual plan and action.
- (o) Any other tasks that may be assigned by the Board from time to time.

Table 6: Board Nomination and Remuneration Committees' attendance record

Name of Director	Position	No of meetings held during the year	No of meetings attended during the year
Moutaz Amur Mohamed Al Riyami	Chairperson	4	4
Saleem Pir Bakhsh Al Raisi	Member	4	4
Mohammed Abubakar Al Ghassani	Member	4	4

Director's Training

The Board recognises the importance of training as a continuous education process for the Directors in order to ensure that the Directors stay abreast of the latest developments in corporate governance practices, business environment and new challenges, and to equip the Directors with the necessary knowledge and skills to enable them to fulfil their responsibilities and effectively discharge their duties. The Board also strives to enhance the culture and practices of good corporate governance.

MANAGEMENT & REMUNERATION

Recruitment and remuneration of the CEO is finalised by the Board or a sub-committee of the Board.

With respect to the selection of the key executives (other than contractors), a selection process applied within the Company is used. The job of each executive and each other salaried employee of the Company is assigned an internal “Job Level” designation, based on the person’s duties and responsibilities, the degree of special skill and knowledge required and other similar factors. Each job level is assigned a job rate. This job rate is determined with reference to surveys and other conditions. This system is in widespread use within the industry and adjusted from time to time. The same applies for evaluation of staff where a comprehensive performance appraisal system is implemented.

The Remuneration Package of Executives, other than those recruited as contractors, is made up of basic salary, annual bonus, contributions to Provident Fund/PASI or end of service benefit and additional allowances and perquisites.

Employees’ notice period and severance fees are specified in the standard employment contract entered into by the Company with the staff. Generally, the employment contract carries three month notice period. A severance fee is payable to an employee if the employee is terminated with less than the agreed notice period.

The annual bonus is determined with reference to the extent of achievements against challenging performance targets. The targets taken into account include financial, operational, social and environmental objectives.

During the year 2022 the total cost of the top seven executives of the Company was approximately OMR 949,993 /-

(a) Shareholders Means of communication with shareholders and investors

The Company has its own website and all vital information relating to the Company, its business and performance, including quarterly results and official press releases are posted for all interested parties. The Company’s website address is www.oomco.com. The detailed and full set of quarterly results is also posted on the **Muscat Stock Exchange (MSX)** website www.msx.gov.om or is made available to any shareholder requesting the same to the Company or the MSX.

The summary of quarterly, half-yearly and the annual results of the Company's performance together with the Director's Report outlining the business performance, current issues and concerns as also other communication to shareholders (notice of general meetings, dividend payment) are published in leading newspapers both Arabic and English. The Directors scrutinise these announcements at their Board meetings prior to publication to ensure that they are accurate and present a clear assessment of the Company's affairs.

Furthermore, the Company entertains specific meetings with analysts and shareholders, upon request and as appropriate.

(b) Dividend policy

The Company's dividend policy is to remit the optimum amount of profit, in any operating year to Shareholders. If, in accordance with the business plans, funds and profits were likely to be available, the Company would like to pay a dividend. In line with this policy, the dividend distribution shall be decided in AGM on 30th March 2023 and the pay-out shall be in April 2023. The dividend pay-out would take into account major investment plans, working capital requirements or other constraints.

(c) Details of non-compliance by the Company

The Company has complied with all matters relating to the capital market and the listing arrangements and no significant material penalties or strictures have been imposed on the Company by the CMA/MSX or any statutory authority during the period of this report.

(d) General body meetings

The Company's Annual Report together with the Notice cum Agenda for the Annual General Meeting (AGM) contains sufficient written clarifications on each item on the agenda of the AGM so that Shareholders are suitably briefed on matters that are to be discussed to enable their effective participation there at. The Directors encourage Shareholders to attend and participate in the Annual General Meeting.

Questions posed - where possible are answered in detail either at the General Meeting itself or thereafter. Shareholders are welcomed to raise queries by contacting the Company at any time throughout the year and not just at the General Meetings.

Details of the last three Annual General Meetings are given in Table 7

Table 7: Date, time and venue of the last three AGMs

Financial year (ended)	Date	Time	Venue
31 st December 2019	31 st May 2020	3:00 PM	Online MCD Platform
31 st December 2020	29 th March 2021	3:00 PM	Online MCD Platform
31 st December 2021	28 th March 2022	5:00 PM	Crowne Plaza Hotel

The Annual General Meeting for the financial year ended December 31st 2022 is scheduled to be held as per details below:

Date : 30th, March 2023
Venue : Crowne Plaza Hotel
Time : 7:00 PM

(e) Stock Data

Table 8 gives the monthly high and low prices and volumes of Oman Oil Marketing Company shares in the Muscat Stock Exchange (MSX) for the year ended 31st December 2022

Table 8: Monthly share price data and volumes at MSX

Year 2022	High	Low	Volume
January	0.9000	0.8520	17,809
February	0.9040	0.8480	1,041,318
March	0.9560	0.8320	33,950
April	0.8720	0.8320	3,858
May	0.8680	0.8040	650,156
June	0.8800	0.8000	47,330

July	0.8800	0.8200	532,662
August	1.0200	0.8800	275,928
September	1.0000	1.0000	11,000
October	0.9400	0.9000	472,784
November	1.0000	0.9000	16,761
December	0.9880	0.9000	198,273

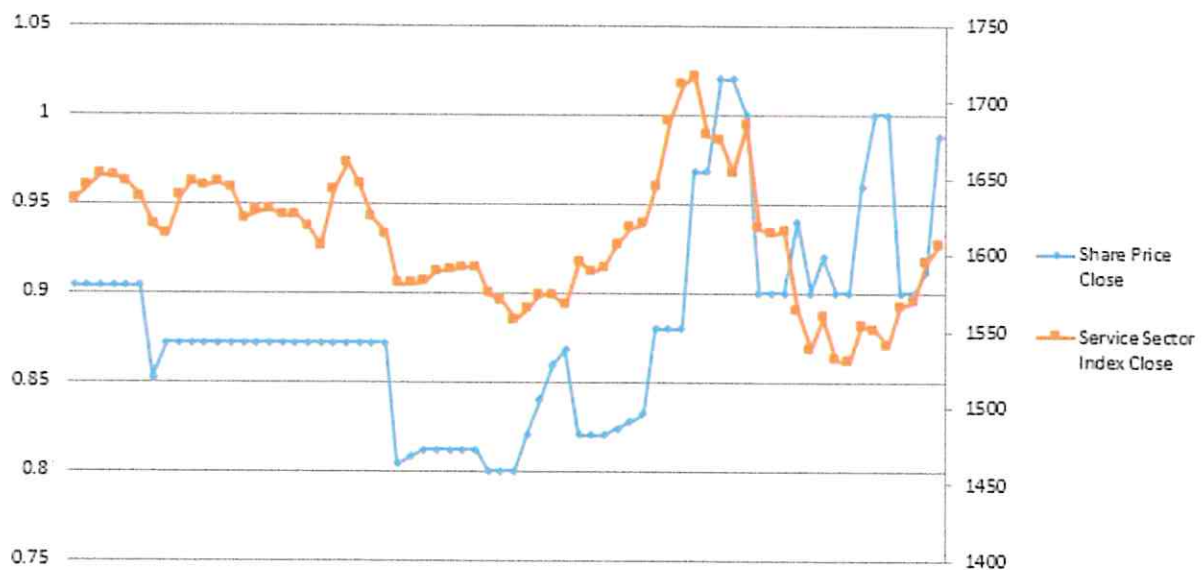
Note: High and low are in Riyal Omani per traded share. Volume is the total monthly volume of trade (in numbers) in Oman Oil Marketing shares on the MSX.

Performance in comparison to broad based service sector index of Muscat Stock Exchange

Chart A plots the performance of the Company's shares against the broad based Services sector index of the Muscat Stock Exchange (MSX) for the year 2022.

Chart A: MSX Service Sector Index vs. Oman Oil Marketing in 2022

MSM Service Sector Index vs Oman Oil Marketing Share Price in 2022



Distribution of shareholding – Review

OQ SAOC holds 49% of the shares, whereas 51% of the shares are held by investors or traded at the Muscat Stock Market. In line with the Commercial Companies Law and the Company's Articles of Association, 3,225,000 shares of the Company have a preferential characteristic, in that they are multi-vote shares. Oman Oil Company owning these multi-vote shares thereby is able to cast 34,830,000 votes (51.4%) at the General Meetings of the Company. However, this will not itself enable them to control an Extraordinary General Meeting of the Company. **Table 9** gives the distribution pattern of shareholding of Oman Oil Marketing Company as on December 31st, 2022 and **Table 10** lists the names of the top ten shareholders in the Company on the same date with the number of shares owned and percentage of holding (*the top ten shareholders are determined based on holdings in single account and not multiple accounts*).

Table 9: Distribution of shareholding by size class as on 31st December 2022

Holdings	Shareholders		Shares	
	Number	% of Total	Number	% to Total
Up to 5000	747	80.41%	1,131,033	1.85%
5,001 - 10,000	78	8.40%	561,800	0.92%
10,001 - 20,000	34	3.66%	482,092	0.79%
20,001 - 30,000	11	1.18%	266,432	0.43%
30,001 - 40,000	10	1.08%	337,760	0.55%
40,001 - 50,000	5	0.54%	234,196	0.38%
50,001 - 100,000	20	2.15%	1,592,009	2.60%
100,001 - 200,000	5	0.54%	716,550	1.17%
200,001 - 300,000	6	0.65%	1,484,730	2.42%
300,001 - 500,000	3	0.32%	1,303,396	2.13%
500,001 - 1,000,000	3	0.32%	1,418,969	2.32%
1,000,001 - 2,000,000	1	0.11%	1,930,466	3.15%
2,000,001 and above	6	0.65%	49,815,567	81.30%
	929	100%	61,275,000	100%

Table 10: Top 10 shareholders as on 31st December 2022

Holdings	Shares Number	% of no. of shares
OQ SAOC	28,380,000	46.32
Civil service Pension Fund	8,463,202	13.81
General Authority for Social Insurance	4,655,853	7.60
General State Reserve -1	3,297,843	5.38
Suhail Salim Abdullah Mukhaini Bahwan	2,717,800	4.44
Ministry of Defense Pension Fund	2,300,869	3.75
Middle East Investment SAE	1,930,466	3.15
Diwan of the Social Court-Pension Fund	787,891	1.29
General State Reserve -3	631,078	1.03
Oman National Investments Development Company SAOC	476,396	0.78
Total including Preference Share	53,641,398	87.54

Outstanding GDRs/ADRs/Warrants/Convertible instruments and their impact on equity

Not applicable for Oman Oil Marketing Company

Unclaimed Dividends

Under the Commercial Companies Law and CMA guidelines, dividends that are unclaimed for a period of more than six months from the date of payment statutorily get transferred to the Investor Trust Fund administered by the Capital Market Authority. *Table 11* gives the details of dividend payment since 2004 and the corresponding months when such unclaimed dividends were transferred to the stated Fund. All claims subsequent to the date of transfer for dividends not received need to be referred to the Muscat Clearing and Depository Company.

Table 11: Details of unclaimed dividend transferred to the Investor Trust Fund

Year	Dividend			Month of transfer	
	%	Total Amount	Amount Claimed		Amount transferred
2004	30.0	1,935,000	1,925,685	9,315	October-05
2005	45.0	2,902,500	2,893,469	9,031	October-06
2006	47.5	3,063,750	3,040,022	23,728	October-07
2007	47.5	3,063,750	3,039,924	23,826	October-08
2008	35.0	2,257,500	2,251,143	6,357	October-09
2009	35.0	2,257,500	2,250,813	6,687	October-10
2010	42.0	2,709,000	2,700,964	8,036	October-11
2011	62.0	3,999,000	3,972,962	26,038	October-12
2012	70.0	4,515,000	4,503,847	11,153	October-13
2013	70.0	4,515,000	4,445,445	69,555	October-14
2014	60.0	3,870,000	3,825,702	44,298	October -15
2015	60.0	3,870,000	3,802,963	67,037	October -16
2016	60.0	3,870,000	3,855,007	14,992	October-17
2017	60.0	3,870,000	3,778,764	91,236	October -18
2018	60.0	3,870,000	3,845,180	24,820	October -19
2019	60.0	3,870,000	3,858,875	11,125	October -20
2021	40.0	2,580,000	2,569,655	10,345	October -22
Total		59,340,000	58,859,094	480,905	

*No dividend was paid for the year 2020

Professional Profile of the Statutory Auditors

The shareholders of the Company appointed KPMG as its auditors for 2022. KPMG LLC in Oman was established in 1973 and is part of KPMG Lower Gulf Limited. KPMG in Oman employs more than 150 people, amongst whom are five partners and seven directors, including Omani nationals. KPMG is a global network of professional services firms providing Audit, Tax and Advisory services. It operates in 145 countries and territories and have 236,000 people working in member firms around the world. KPMG Lower Gulf is part of KPMG International Cooperative's global network of professional member firms.

Audit fees

KPMG billed an amount of RO 22,750/- towards professional services rendered to the Company for the year 2022 including the cost for review of the for review of Corporate Governance Report.

AUDITOR'S REPORT ON FACTUAL FINDINGS ON CORPORATE GOVERNANCE

As required, the Auditors' have issued a separate report on Factual Findings on the Company's Corporate Governance Report and the application of Corporate Governance practices, which is annexed to this report.

ACKNOWLEDGEMENT BY THE BOARD

As required by the Code of Corporate Governance the Board of Directors hereby confirms the following:

- That it is the responsibility of the Board to ensure that the Financial Statements are in accordance with applicable standards and rules.
- That the internal control systems are adequate and efficient and that it has complied with all internal rules and regulations.

That there is no material items that effect the continuation of the company and its ability to continue its operations during the next financial year.

Hilal Ali Saif Al Kharusi

Chairman

Tarik Mohamed Sultan Al Junaidi

CEO

