

## **.Directors Report**

On behalf of the Board of Directors, I am pleased to present the Un-audited results of the Company for the 1<sup>st</sup> Quarter 2015 (January – March 2015):-

### **Performance Highlights:**

	<b>Jan-Mar 2015 RO '000</b>	<b>Jan-Mar 2014 RO '000</b>	<b>Variance (%)</b>
<b>Sales</b>	<b>87,013</b>	76,645	<b>14%</b>
<b>Profit after tax</b>	<b>2,641</b>	2,409	<b>10%</b>
<b>Earnings per share</b>	<b>0.041</b>	0.037	<b>10%</b>
<b>Net Assets per share</b>	<b>0.780</b>	0.662	<b>18%</b>

### **Business segment:**

Oman Oil Marketing Company SAOG has recorded sales revenue of RO 87 million for the 3 months period of 2015, 14% higher compared to the same period last year.

The Retail Business sales volume grew due to the contribution of the introduced filling stations to the retail network at the end of 2014 and maturing of the existing stations as well as the stations located in residential areas.

The Commercial Business continued to perform positively with sales volume increasing significantly. This was achieved by securing new supply contracts as well as maintaining existing ones.

The Lubricant Business includes BP & Castrol products and Omanoil lubricant. The sales volume grew compared to the same period last year driven by constant demand. The Omanoil lubricants brand continued to have better recognition in the local and the foreign market with commendable volume.

The Aviation Business sales have increased significantly compared to the same period of last year as a result of the demand from operating airlines at Muscat International Airport.

### **Profit:**

The Profit after Tax for the period is RO 2.6 million (2014: RO 2.4 million). This was mainly achieved due to high sales from majority of the Business segment.

**Capital Expenditure:**

The company is continuing to develop and expand its filling station network in the Sultanate. As per the Company's plan, number of new stations will be commissioned during the second & third quarter of this year, which are currently under construction at various stages of completion.

**Health, Safety, Security and Environment (HSSE):**

In the first quarter of 2015, a road traffic accident involving one of our transporter contractors has occurred, resulting in a fatality. The incident was thoroughly investigated and lessons learned from this incident have been communicated to all transport contractors. Apart from this, there was no other serious health, safety or environmental issues during the period.

**Business Developments/ Outlook:**

- The favourable outlook of the Sultanate's economy, the growth in the demand for fuel is expected to be sustainable.
- The retail network development programme will continue focusing on quality sites to ensure long term sustainability and profitability.

On behalf of the Board of Directors and employees of the company, I would once again like to express our gratitude to His Majesty Sultan Qaboos bin Said for his inspired leadership and progressive vision that continues to lead the country along a road of growth and prosperity. And we pray Almighty Allah to bless him with health and wellness and longevity

**On behalf of the Board of Directors**

**Salim Abdullah Al Rawas**  
**Chairman**

**Muscat**  
**29th April 2015**