

OMAN OIL MARKETING COMPANY SAOG

Directors' Report

Dear Shareholders,

On behalf of the Board of Directors', please find hereunder the Un-audited results of Oman Oil Marketing Company SAOG for the period ended 31st of March 2019.

	OMR YTD March 2019	OMR YTD March 2018	Variance (%)
Sales	141,948,827	145,908,340	-2.7%
Profit after tax	1,129,622	1,813,299	-37.7%
Earnings per share	18	28	-37.7%
Net Assets per share	1.117	1.062	-5.2 %

Financial Performance

The first quarter of 2019 has been challenging with 37.7% reduction in profits compared to same period last year. The total sales value is reported at OMR 142 million, showing a decrease by OMR 4 million against a sales turnover of OMR 146 million as of March 2018.

The turnover drop comes primarily from the loss of volume in aviation business which has also impacted our overdue balance.

HSEQ-Technical & Sustainable Development

During the first Quarter we conducted our first "Safety Meeting with Contractors" while launching a contractor safety program and agreeing on the implementation of a new IVMS system. Furthermore, emergency preparedness drills conducted in service stations and construction sites to evaluate response capability.

As part of its efforts to spread vehicle safety awareness in local communities, OOMCO designed a specific program to educate children on the best road safety policies. In the first quarter of 2019, the program was conducted for two days accommodating 320 children.

Business Development

Oman Oil Marketing Company continues to expand its international footprint with operations in Saudi Arabia and soon Tanzania to deliver its innovative services.

During the first quarter of 2019, the company celebrated 15 triumphant years of successfully transforming the fuel industry into fully integrated service hubs, while contributing to the Sultanate's economy. The company currently holds a leadership position with over 39% market share in Oman.

Oman Oil Marketing Company is the proud organizer of the first International Drifting Championship for the second consecutive year that took place at the Oman

Automobile Association arena. This competitive event consisted of three rounds, attracting over 18,000 drifting enthusiasts.

In line with growth plan and in addition to the two other branches in the Sultanate at Ghubra Beach and Ghala service stations, Oman Oil Marketing Company opened the third Café Amazon branch at its Muscat Expressway service station.

Human Resources

The Company's Training Academy played a major role on upgrading the capabilities of its employees. The new training plan was designed after analyzing the needs of our employees. The Company has also introduced online training programs whenever deemed efficient.

Corporate Social Responsibility

As part of the Company's commitment to enhance the quality of life of the people in Oman, an agreement was signed with the Oman Lawyers Association (OLA) to support the 'Fak Kurba' program. The initiative, now in its sixth edition, assists with the release of debtors and gives them the opportunity to rebuild their lives.

Outlook

With the positive trend of oil prices and improved economic outlook Oman Oil Marketing Company continues to be innovative and undertakes changes through new investment opportunities to ensure that it remains resilient and ahead of competitors. 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 for the challenges in 2019 and are 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 Qaboos bin Said 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.

Mulham Al Jarf

Board Chairman