

OMAN CABLES INDUSTRY (SAOG)
Unaudited Results for six months period ended 30 June 2022

Report of the Board of Directors

Oman Cables Industry (SAOG) “Oman Cables” has the pleasure in submitting the report on the performance of the Parent Company and the Group for six months period ended 30 June 2022.

Parent Company: “Oman Cables”.

The Group: Oman Cables and its two fully owned subsidiaries: Oman Aluminum Processing Industries SPC in Sohar “OAPIL” and Associated Cables Private Ltd in India “ACPL”

Health and Safety of Employees

The Group strongly believes in protecting the health and safety of all employees. The Group operates in a complex and challenging industry, but its attitude to safety is simple: safety always takes priority.

The policies and procedures of the Group focus on a safe workplace, identifying hazards, assessing risks to safety and health, training staff with an overall goal of avoiding occupational diseases and reducing the frequency and severity of injuries.

The Group has completed the Covid 19 vaccination program for all employees and has extended the program to the families of the employees and continues implementing various projects aimed at protecting the health and safety of the employees such as 6S, Zero and beyond.

Group Performance

The Sales of the Group for the six months period ended 30 June 2022 was Rial Omani (RO) 135.98 million compared to RO 110.1 million for the same period last year, increase of 23.6%. The Group Net Profit after tax (NPAT), for the period is RO 4.9 million compared to RO 3.4 million during the same period in 2021, increase of 43.2%. The Earnings Before Interest, Tax, Depreciation and Amortization (EBITDA) for the period was RO 8.1 million compared to RO 6.1 million during the same period in 2021, increase of 33.9%.

Oman Cables (Parent) Performance

Sales of Oman Cables for the six months period ended 30 June 2022 was RO 95.7 million compared to RO 83.8 million in the same period last year, increase of 14.2%.

The NPAT for the six months period ended 30 June 2022 was RO 3.6 million as compared to RO 2.4 million for the same period in 2021, increase of 48.8%. EBITDA for the period was RO 5.9 million compared to RO 4.2 million during the same period in 2021, increase of 41.4%.

The recovery on business environment is visible in the first half with the support of increasing oil prices. The Company continues to work on a sustainable growth, to increase value through innovation, investing in people and knowledge and centering strategy on sustainability. All this while keeping fixed costs under control, improving enterprise risk management and strengthening financial discipline.

Oman Aluminum Processing Industries SPC, Sohar (OAPIL) (subsidiary) and Associated Cables Private Ltd (ACPL), India (Subsidiary)

OAPIL continues to focus on product mix while implementing various actions to mitigate the supply chain related challenges and constraints. The results for the six months ended 30 June 2022 have improved compared with the same period in 2021.

ACPL with the support of the Group continues to focus on Indian market wider with aim to increase market share while strengthening efficiencies and design to cost activities to gain competitiveness. The results of the first half are encouraging with a significant volume growth even if affected by the increase in the prices of raw material.

Oman Cables is recognizing the support extended by various Government Authorities and wish the best for our beloved Oman to further develop under the leadership of His Majesty Sultan Haitham bin Tariq.

On behalf of the Board of Directors
Oman Cables Industry SAOG

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**UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
(BALANCE SHEET)**

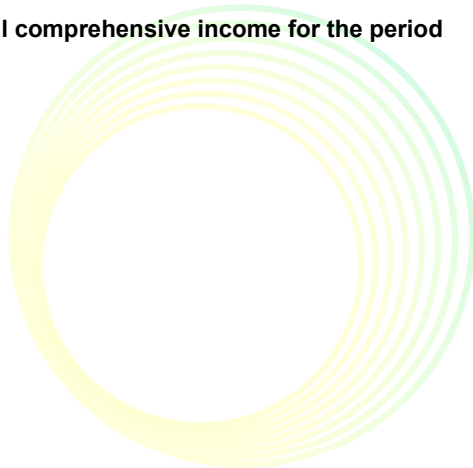
	As on 30 June 2022 Group RO'000	As on 30 June 2022 Parent Company RO'000	As on 31 December 2021 Group RO'000	As on 31 December 2021 Parent Company RO'000
ASSETS				
Non-current assets				
Property, plant and equipment	23,818	15,308	25,399	16,428
Right-of-use assets	3,373	2,422	3,473	2,494
Intangible asset	409	409	436	436
Investment in subsidiaries	-	7,802	-	6,387
Financial assets at amortized cost	1,006	1,000	1,010	1,000
Financial assets at fair value through other comprehensive income	244	244	244	244
Deferred tax assets	524	524	86	-
Total non-current assets	29,374	27,709	30,648	26,989
Current assets				
Inventories	25,385	20,500	26,925	22,214
Derivative financial instruments	-	-	2,830	2,830
Trade and other receivables	76,939	58,011	63,264	47,810
Cash and cash equivalents	29,904	28,377	18,409	18,330
Short term deposits	1,925	1,925	8,850	8,850
Total current assets	134,153	108,813	120,278	100,034
Total assets	163,527	136,522	150,926	127,023
EQUITY AND LIABILITIES				
Equity				
Share capital	8,970	8,970	8,970	8,970
Share premium	979	978	978	978
Legal reserve	4445	2,990	4,445	2,990
General reserve	15,222	14,069	15,222	14,069
Retained earnings	80,261	76,043	77,772	74,854
Other reserves	(1,712)	(2,970)	1,569	2,405
Total equity	106,715	100,080	108,956	104,266
Non-current liabilities				
Deferred tax liability	549	(8)	897	582
Leases liability	3,435	2,417	3,464	2,529
Employees' end of service benefits	1,419	1,243	1,422	1,259
Total non-current liabilities	5,403	3,652	5,783	4,370
Current liabilities				
Trade and other payables	41,475	28,271	28,894	17,298
Bank borrowings	3,682	-	5,197	-
Leases liability	172	172	262	172
Derivative financial instruments	3,493	3,493	572	-
Taxation	1,138	854	1,262	917
Total current liabilities	49,960	32,790	36,187	18,387
Total liabilities	55,363	36,442	41,970	22,757
Total equity and liabilities	163,527	136,522	150,926	127,023
Net assets per share	1.206	1.116	1.215	1.162

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UNAUDITED CONSOLIDATED INCOME STATEMENT

	6 Months ended 30 June 2022 Group	6 Months ended 30 June 2022 Parent Company	6 Months ended 30 June 2021 Group	6 Months ended 30 June 2021 Parent Company
	RO' 000	RO'000	RO'000	RO'000
Sales	135,978	95,654	110,054	83,781
Cost of sales	(123,460)	(87,137)	(101,825)	(78,050)
Gross profit	12,518	8,517	8,229	5,731
Other income	283	241	220	180
Administrative expenses	(2,669)	(2,176)	(2,887)	(2,404)
Selling and distribution expenses	(3,519)	(1,700)	(1,788)	(1,122)
Net allowances for credit loss	(235)	(235)	548	548
Operating profit	6,378	4,647	4,322	2,933
Finance costs	(718)	(529)	(352)	(184)
Finance income	133	133	146	144
Profit before income tax	5,793	4,251	4,116	2,893
Income tax expense	(883)	(640)	(689)	(467)
Profit for the period	4,910	3,611	3,427	2,426
Basic and diluted earnings per share attributable to ordinary equity holders of the parent company	0.055	0.040	0.038	0.027
Gross profit margin	9.21%	8.90%	7.48%	6.84%
Net profit margin	3.61%	3.78%	3.11%	2.90%

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UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	6 Months ended 30 June 2022 Group RO' 000	6 Months ended 30 June 2022 Parent Company RO'000	6 Months ended 30 June 2021 Group RO'000	6 Months ended 30 June 2021 Parent Company RO'000
Profit for the period	4,910	3,611	3,427	2,426
Other comprehensive income				
Items that may be reclassified subsequently to profit or loss, net of tax:				
Net movement in hedging reserve, net of tax	(3,298)	(5,375)	(532)	(392)
Net movement in foreign currency translation reserve, net of tax	17	-	(9)	-
Other comprehensive (loss)/ income for the period	(3,281)	(5,375)	(541)	(392)
Total comprehensive income for the period	1,629	(1,764)	2,886	2,034



OmanCables
الكابلات العمانية