Report of the Board of Directors

Oman Cables Industry (SAOG) has the pleasure in submitting the report on the performance of the parent company and the group for the nine month period ended 30 September 2016.

Oman Cables (Parent) Performance

Sales of Oman Cables for the nine month period ended 30 September 2016 was Rial Omani (RO) 152.3 million compared to RO 170.8 million in the same period last year. The decrease in sales of 10.8% is mainly attributable to the fall in prices of major raw materials viz. Copper.

The impact of current economic situation on the growth of infrastructure in the markets where Oman Cables operates is being closely monitored.

The Net Profit after tax for the nine month period ended 30 September 2016 was RO 12.3 million as compared to RO 11.8 million for the same period in 2015, increase of 3.9%. The Earnings before Interest, Tax, Depreciation and Amortization (EBITDA) for the period was RO 16.0 million compared to RO 15.8 million during the same period in 2015, increase of 1.3%.

Oman Aluminum Processing Industries LLC (OAPIL) (subsidiary)

The aluminum market is facing slowdown and is impacting the OAPIL results and the premiums are under pressure. The Sales and profitability for the nine month period ended 30 September 2016 is substantially lower compared to the same period in 2015. It may be noted that the year 2015 was an exceptional year for the Aluminum Rod premium levels.

Group Performance

The Sales of the Group for nine month period ended 30 September 2016 was RO 172.8 million compared to RO 210.6 million for the same period last year. The Group Net Profit after tax, (after deducting Non-Controlling Interest), for the period is RO 11.9 million compared to RO 13.0 million during the same period in 2015. The EBITDA for the period was RO 16.7 million compared to RO 17.9 million during the same period in 2015.

Oman Cables is recognizing the support extended by various Government Authorities and is grateful to His Majesty Sultan Qaboos bin Said for his able leadership and wish him the best of health.

Board of Directors
Oman Cables Industry (SAOG)