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 quarter ended 31 March 2017.

Oman Cables (Parent) Performance

Sales of Oman Cables for the quarter ended 31 March 2017 was Rial Omani (RO) 57.6 million compared to RO 52.4 million in the same period last year. The increase in sales is mainly reflecting the increase in the price of the copper content of sales and includes also an increase in volume.

The results of the quarter were impacted due to the continued competitive pressure on sales prices and tariffs as well as the impact of the absence of OAPIL dividend and increased Income tax rates.

As a result of the above factors, the Net Profit after tax for the quarter ended 31 March 2017 was RO 3.3 million as compared to RO 5.0 million for the same period in 2016. The Earnings Before Interest, Tax, Depreciation and Amortization (EBITDA) for the period was RO 4.8 million compared to RO 6.3 million during the same period in 2016.

Oman Aluminum Processing Industries LLC (OAPIL) (subsidiary)

The market in which OAPIL operates is facing a slowdown and the premiums level continue to languish at un-remunerative levels. Consequently, and in spite of an increase in volumes, the results for the quarter ended 31 March 2017 are negative compared to the same period in 2016.

Group Performance

The Sales of the Group for the quarter ended 31 March 2017 was RO 68.1 million compared to RO 61.5 million for the same period last year. The Group Net Profit after tax, (after deducting Non-Controlling Interest), for the period is RO 3.3 million compared to RO 4.7 million during the same period in 2016. The EBITDA for the period was RO 5.1 million compared to RO 6.3 million during the same period in 2016.

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

Board of Directors

Oman Cables Industry (SAOG)