

Asyad Shipping Company S.A.O.G. and its Subsidiaries
Consolidated
Board of Directors Report

The Shareholders,
Asyad Shipping Company S.A.O.G.
Muscat,
Sultanate of Oman

After Compliments,

The year 2025 was one of disciplined executions amid global uncertainty. While the maritime industry continued to navigate cyclical pressures and evolving geopolitical and trade dynamics, Asyad Shipping demonstrated resilience, strategic clarity, and financial strength.

Against a backdrop of tariff adjustments, shifting trade flows, and macroeconomic volatility, the Group remained focused on what we can control: operational excellence, prudent capital allocation, fleet optimization, and long-term value creation.

1. Delivering Resilient Financial Performance

Asyad Shipping Company S.A.O.G (the “Company” or “the Parent Company”) and its subsidiaries together referred as (the “Group”) reported a net profit of **56.44 million**, reflecting growth compared to 51.55 million in 2024, despite softer freight markets and moderated revenue levels of **336.39 million** (2024: 366.15 million).

Operating profit stood at **80.53 million** (FY 2024: 86.88 million), demonstrating the strength of our diversified fleet portfolio and disciplined cost management.

Earnings per share improved to **0.011** (FY 2024: 0.009), reinforcing our commitment to enhancing shareholder value even during cyclical market moderation.

Our balance sheet remains robust. Total assets increased to **1,235.15 million** (FY 2024: 1,085 million), reflecting continued investment in strategic fleet development. While total liabilities rose in line with growth financing activities, liquidity remains strong, and the Board confirms the Group’s financial statements are prepared on a “going concern” basis with confidence in the sustainability of our operating cash flows.

2. Strategic Fleet Renewal and Capital Discipline

Shipping business is inherently cyclical. Success in this industry is not defined by short-term peaks, but by disciplined positioning across cycles. During 2025, we accelerated our fleet modernization strategy:

- Acquisition of two newly built product tankers under construction
- Delivery of two VLCCs - *Qurayyat* and *Awabi*
- Acquisition of three dry bulk vessels scheduled for 2026 delivery
- Increase in **vessels acquired** (Newbuilt & Secondhand) from 6 to **11**
- As at year-end 2025, the Group’s fleet comprised **44 owned, 4 co-owned** (through joint ventures) and **32 chartered** vessels, compared to 43 owned, 4 co-owned and 33 chartered respectively in 2024

Capital expenditure during the year totaled **185.71 million**, reflecting our confidence in the long-term fundamentals of maritime trade and energy transportation.

Equally important was our decision to commence the **divestment of six vessels as part of a structured fleet optimization program**. This proactive rebalancing enhances asset efficiency, environmental performance, and capital productivity. One vessel was delivered to buyers during 2025, with remaining five vessels (4 LNGs and 1 VLCC) deliveries are expected in 2026.

This balanced approach, investing in modern assets while recycling capital from older tonnage, strengthens our competitive positioning and future earnings profile.

3. Commitment to Shareholder Returns

In line with our dividend policy and strong cash generation, the Group declared and paid dividends totaling **63.79 million** during 2025.

Our approach remains clear towards maintaining a sustainable dividend framework while preserving financial flexibility to fund strategic growth and navigate market volatility.

4. Governance and National Alignment

As a listed public joint stock company, we operate under the highest standards of transparency, governance, and accountability. The Company is 80% owned by Asyad Group S.A.O.C (the “Immediate Parent Company”), which is wholly owned by the Oman Investment Authority (the “Ultimate Controlling Party”), the sovereign wealth fund of the Sultanate of Oman.

We are proud to contribute to the national logistics and maritime vision of the Sultanate, supporting economic diversification while operating with commercial discipline and global competitiveness.

5. Outlook (Positioned for the Next Cycle)

While global trade patterns continue to evolve, early indicators toward the end of 2025 suggest gradual market stabilization. Structural drivers, energy security, commodity demand, and fleet supply dynamics continue to support medium to long-term maritime fundamentals.

Asyad Shipping enters 2026 with:

- A strengthened and modernized fleet
- A diversified operating model
- Strong liquidity
- Disciplined leverage
- Clear capital allocation priorities

We remain cautiously optimistic and strategically prepared to capture opportunities as markets recover.

6. Acknowledgements

We would like to take this opportunity to express our sincere gratitude to our valued customers, shareholders, government authorities, and dedicated employees for their continued support and commitment toward the successful implementation of our company’s strategy and the achievement of our goals.

On behalf of the Board of Directors, management, and all our employees, we sincerely express our gratitude to His Majesty Sultan Haitham bin Tariq—may Allah protect him—for his wise leadership and vision.

For and on behalf of the Board of Directors

Abdulrahman Salim Al Hatmi
Chairman of the Board of Directors
Asyad Shipping Company S.A.O.G.