

DIRECTORS' REPORT

FOR THE HALF YEAR ENDED 30TH JUNE 2025

Dear Shareholders,

The company has recorded total revenue of RO 3.627 Million (30th June 2024: RO 4.017 Million) and net profit after tax of RO 0.379 Million (30th June 2024: net profit after tax RO 0.543 Million) for the six months period ended 30th June 2025.

During the period under review the total revenue saw a decrease of 9.72% and net profit after tax a decrease of 30.15% as compared to the same period last year. This was mainly due to the full closure of the hotel from 1st June 2025 for hotel renovation project.

The hotel renovation project covering renovation of 200 guest rooms, corridor areas, some areas of Mechanical, Electrical & Plumbing (MEP) facilities and Sewage pipeline of Hotel Crowne Plaza – Muscat is progressing as per schedule. The hotel is expected to re-open for business from 1st September 2025. The total project cost is estimated to be approximately RO 4 Million. To finance this project the company has availed a term loan facility of RO 3 Million from a commercial bank and the balance amount will be funded through company's internal accruals.

In view of full closure of the hotel for renovation project, the total revenue and the profitability of the company would be impacted during the financial year 2025. However, the hotel would benefit from renovation in the long term. We hope after the successful completion of renovation, the hotel will offer superior quality rooms with better guest experience and able to withstand market competition for many more years to come. We believe this will add shareholder value and improve the financial performance of the company in coming years.

We express our deep appreciation and gratitude to His Majesty Sultan Haitham Bin Tariq Al Said for His Majesty's inspiring leadership and wise policies. We pray to the Almighty Allah to bless His Majesty with good health and strength to lead our nation to progress and prosperity. We would also like to thank the Ministry of Heritage and Tourism for implementing right policies to encourage growth in tourism sector in the Sultanate of Oman.

Ali Ahmed Al Najjar

Chairman