

Board of Director’s Report



On behalf of the Board of Directors, I hereby present the second quarterly report ending 30 June 2025 of the **H**otels **M**anagement **C**ompany **I**nternational SAOG.

The company achieved the following financial results during the period:

1. The company generated total revenue of RO. 4.882 million (vs. related period previous year RO. 4.522 million) which is a increase of 7.97% as compared to the corresponding period of the previous year in total revenue.
2. The company has Net income after income tax of RO 0.452 million vs. related period previous year net income of RO. 0.499 million. It shows a decrease of 9.42% as compared to the previous year of the same period.

Achievement:

The first six months were among the best-performing periods for The Chedi Muscat since the pandemic. After completing half a year, The Chedi has not only achieved its budgeted figures but has also surpassed them, with a 2% increase in overall revenue and 9% in room revenue. These results were achieved without compromising its leading position within its competitive set.

The Chedi’s main source markets remain stable, and it maintains its popularity and customer base in these markets through various sales, marketing, and PR activities.

The resort consistently aims to provide unobtrusive and genuine service to its guests. The low staff turnover and their loyalty continually help The Chedi sustain its top position on Tripadvisor and similar customer feedback platforms, which contributes to its success and helps retain its loyal clientele.

The resort has been nominated for numerous prestigious awards such as the World Travel Awards, the World Spa Awards, Travel + Leisure - World's Best Awards, Condé Nast Readers’ Choice Awards, the World Culinary Awards, Destination Deluxe, Forbes Travel Guide, among others.

Outlook

This summer started off with a great performance in June. The Chedi managed to achieve its room revenue budget for the month, and the coming months look positive despite the recent political developments in the region.

Oman Air is making positive progress in its turnaround strategy, increasing its network to 25 countries and 44 routes. A new route to Amsterdam and a future direct flight to Japan will significantly boost Oman’s tourist arrivals. From 1st July, Oman Air will commence flying to Amsterdam, providing a major advantage to travellers not only from the Netherlands but also from the entire Benelux region.

The Ministry of Heritage and Tourism has launched a bold new initiative by directly targeting travellers from French-speaking Europe. The campaign focuses specifically on France, Belgium, and Switzerland—three high-potential markets with strong outbound travel trends and a growing interest in authentic, culturally immersive destinations. This innovative promotional effort will position the Sultanate as a premier destination where timeless cultural heritage meets stunning natural beauty and exceptional hospitality.

GCC Grand Tours Visa, the unified visa set to be introduced soon, will enable visitors to travel freely across Saudi Arabia, the United Arab Emirates (UAE), Oman, Qatar, Bahrain, and Kuwait. It aims to simplify regional travel, eliminate administrative barriers, and attract more international tourists to the Gulf.

Appreciation

The members of the Board of Directors join me in acknowledging sincere thanks to our valued guests and shareholders for their continuous confidence in our hotel.

We wish to convey our sincere thanks and appreciation to the Ministry of Heritage and Tourism, the Ministry of Commerce, Industry and investment Promotion, Financial Service Authority and Muscat exchange for their prudent supervising and guidance on our endeavors.

We also convey our sincere thanks to the management and staff for their great job and efforts.

We salute and pledge our allegiance to His Majesty Sultan Haitham bin Tariq Al Said as he takes the country on continued progress and prosperity.

The Chairman

Hotels Management Company International SAOG