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**Board of Director’s Report**

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On behalf of the Board of Directors, I hereby present the first quarterly report ending 31 March 2026 of the Hotels Management Company International SAOG.

The company achieved the following financial results during the period:

- 1. The company generated total revenue of RO. 3,220,211 (vs. related period previous year RO. 2,942,783), which is an increase of 9.4% as compared to the corresponding period of the previous year in total revenue.
- 2. The company has Net income after income tax of RO 0.731 million vs. related period previous year net income of RO. 0.560 million. It shows an increase of 30 % as compared to the previous year of the same period.

**Achievement:**

- 1. 2026 started off extremely well, with a record month for revenue in January. This was the best January performance since the resort opened. All revenue-generating departments exceeded their budgets.
- 2. February followed suit, and the resort achieved well beyond budgeted revenues in all departments, despite the first 10 days of Ramadan falling in the latter part of the month. Well-in-advance communication about the happenings of Ramadan and its cultural importance to all our partners by September 2025 helped us achieve the same business levels in February, even during the Ramadan dates.
- 3. By mid-February, the hotel had secured 57% of the total yearly budgeted room revenue on the books, and 2026 was looking extremely positive. For the first 10 days of March, decent occupancy was maintained. However, cancellations began to mount due to the ongoing situation in the region, and the month closed well behind the initial forecast.

### **Outlook**

The resort has offered to amend bookings for future dates to all clients with confirmed bookings, and to offer flexible cancellation, to reassure our loyal guests and boost their confidence in the property.

Business levels are significantly affected by airline disruptions and by travel warnings issued by governments across all source markets due to the current unrest. Some partners and guests, especially repeat guests, have made use of the flexible cancellation terms, rescheduled their travel plans to Quarter 4, and adopted a wait-and-see stance.

The hotel has adopted a complete savings mode and is in constant touch with business partners to ensure it remains visible and ready to take on bookings as soon as the situation changes and clients want to book.

Oman was the least affected country in the region, with very minimal incidents due to the ongoing turmoil, and this will be a great boost to re-emphasize Oman's standing as a safe, secure and reliable destination for tomorrow's travelers.

The two-week ceasefire announced a couple of days ago brings great relief and hope for a return to normality in the region.

### **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 Stock exchange for their prudent supervising and guidance in 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**