

COMPANY REPORT

Dear Shareholders,

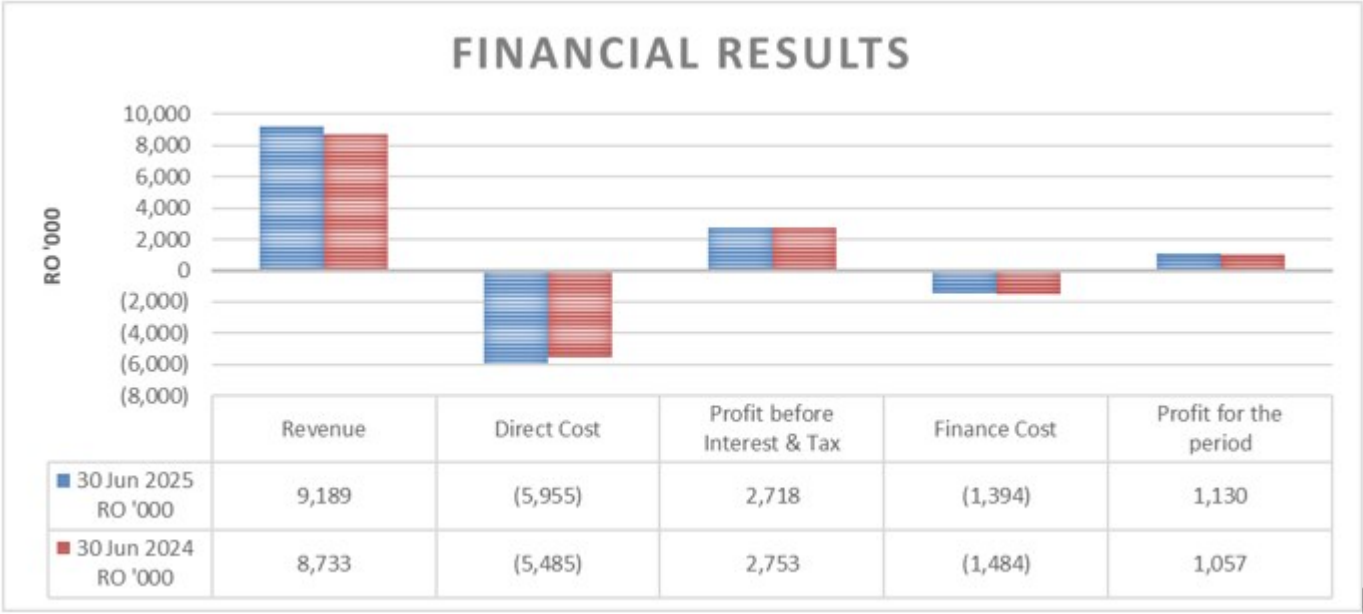
On behalf of the Board of Directors of Musandam Power Company SAOG (the "Company"), it's a pleasure to present the Company's Report for the six months period ended on 30th June 2025.

Operational Performance

During the period, the plant delivered approximately **173 GWh** to the Musandam grid, marking an increase of **7.84%** compared to **160 GWh** delivered during the same period in 2024. This improvement reflects continued operational efficiency and enhanced demand.

The plant achieved a high **reliability rate of 99.84%**, underscoring our commitment to operational excellence. Importantly, the company recorded **zero Lost Time Incidents (LTI)** during the period, extending our LTI-free streak to **1,349 days**. This achievement demonstrates our unwavering focus on **Health, Safety, Environment, and Quality (HSEQ)** standards.

Financial Performance



The Company reported a rise in revenue for the period ended 30th June 2025, primarily due to an increase in the **Capacity Charge**. This was driven by tariff adjustments resulting from price indexation and a corresponding increase in demand, as noted in the Operational Performance section.

Profit before interest and tax declined marginally by **1%** compared to the same period in 2024. This slight dip is mainly attributed to a modest rise in general and administrative expenses.

Overall, the net profit for the period ending June 2025 **increased by 7%** compared to the same period in June 2024. This improvement was primarily driven by a **6% reduction in finance costs**, in addition to the reasons mentioned earlier. This decline in finance costs was mainly due to decreased interest costs on the Senior Facility Interest cost as per the Facility Agreement.

As of 30 June 2025, the Company's share price stood at **Baizas 283**, compared to **Baizas 245** at the end of June 2024, reflecting improved investor confidence.

Corporate Social Responsibility

At Musandam Power, we believe in the power of inclusive and sustainable development. CSR remains a core pillar of our strategic vision, aimed at delivering value not only to shareholders but also to the communities in which we operate.

In line with directives from the **Financial Services Authority**, the Company allocated **R.O 4,000** from its CSR budget to the **Oman Charitable Organization (OCO)**. Additional contributions included:

- **R.O 6,200** to the **Directorate of Health Services** to support community health initiatives.
- **R.O 1,000** to the **Ministry of Education**, in support of an AI workshop benefiting students and educational staff.

Looking ahead, MPC is planning new initiatives focused on environmental education, including the distribution of **interactive awareness boards** on **carbon emission reduction** at key locations across Musandam.

Outlook

The Company will continue to adopt all reasonable and prudent measures to maintain the **highest standards** of health, safety, environmental compliance, reliability, and availability.

In alignment with **Oman Vision 2040** and the national goal of **carbon neutrality**, MPC is actively integrating sustainable practices into its operations and long-term strategy. This commitment reaffirms our role in supporting the Sultanate’s transition to a **low-carbon, resilient economy**.

Acknowledgment

On behalf of the Board of Directors, I extend our deepest appreciation to **His Majesty Sultan Haitham Bin Tarik Al Said** and the Government of Oman for their steadfast support of the private sector. Their continued commitment to creating an enabling business environment empowers us to contribute meaningfully to the Sultanate’s economic development and prosperity.

With sincere regards,

Abdulwahhab Al Hinai

Chairman of the Board