

COMPANY REPORT

Dear Shareholders,

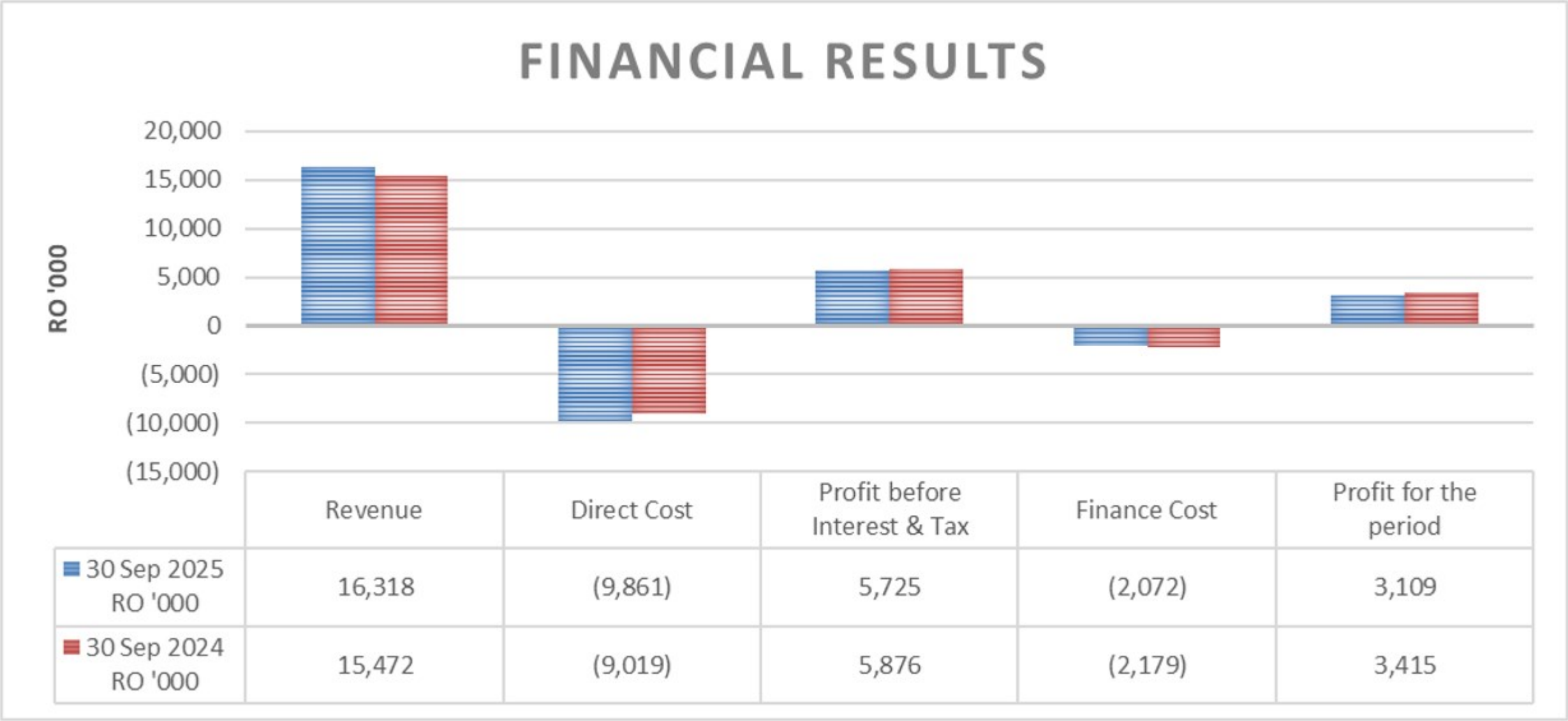
On behalf of the Board of Directors of Musandam Power Company SAOG (the "Company"), it's a pleasure to present the Company's Report for the nine months period ended on 30th September 2025.

Operational Performance

During the period, the plant delivered approximately **312 GWh** to the Musandam grid, marking an increase of **8.93%** compared to **286 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 99.89%**, underscoring our commitment to operational excellence. Importantly, the company recorded **zero Lost Time Incidents (LTI)** during the period, extending our LTI-free streak to **1,441 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 September 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 **3%** 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 September 2025 **decreased** by **9%** compared to the same period in 2024, primarily attributable to a **9%** rise in **direct costs** and an increase in **income tax expense** stemming from reduced utilization of tax loss carryforwards relative to the prior year. Additionally, a shift in the timing of consultancy expenditures, incurred in the first half of the current year versus near year-end in the prior year, resulted in a temporary adverse impact on the period's profitability. This decline was partially mitigated by lower finance costs, reflecting **reduced** interest expenses on the **Senior Facility** in line with the terms of the **Facility Agreement**.

As of 30 September 2025, the Company's share price stood at **Baizas 298**, compared to **Baizas 267** at the end of September 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.

MPC is in the process of funding one of the main halls to equip it with essential items and equipment to elevate the quality of events held at the hall and foster greater community engagement. This investment aims to improve the Hall's functionality, creating a more comfortable environment for various events and community activities.

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