



## **Report of Board of Directors for the period ended 30 June 2024**

On behalf of the Board of Directors of Omani Packaging Company SAOG, we are pleased to report on the Company's unaudited financial results for the period ended 30 June 2024.

### **Turn over**

Company achieved a sales turnover of RO 5,037,521 against RO 5,614,704 of the corresponding period of the previous year.

### **Reliance on Suppliers and Customers**

Degree of reliance includes one customer in Oman and two suppliers from GCC & one supplier from overseas, contributing more than 10% total sales and purchase of raw materials respectively.

### **Financial performance**

Company has achieved a net profit of RO 320,015 against RO 435,938 before tax provision for the corresponding period of year 2024.

Unit Sales realisation has reduced during the half year period and the selling prices continue to be under pressure with increased supply of corrugating manufacturers.

Increase in input cost mainly paper, affected margins as company is unable to increase selling prices due to competition resulted in reduction in overall profitability.

Export sales to GCC has been very low due to stiff price competition and payment delays.

### **Future out look**

The international prices of paper are highly volatile and increase in input cost shall result in reduction of overall profitability. The delay in payment by major customers shall adversely affect the working capital and cash flow of the company.

Company is reviewing the market potential in current scenario and trying to follow prudent steps to maintain the market share, sales realization and profitability.

We would like to express our sincere heartfelt gratitude to His Majesty Sultan Haitham Bin Taimur for the encouragement and support given by his government and pray to Almighty God to provide Oman and its people peace and prosperity under His Majesty's wise leadership.

We also take this opportunity to thank all customers, shareholders and staff for their continued support and confidence in the Company.

Bakhit Said Salim Al Shanfari  
Chairman  
Board of Directors