

BOARD REPORT FOR THE YEAR ENDED 31st AUGUST 2023

Respected Shareholders

On behalf of the Board of Directors of Majan College SAOG (Majan University College), I am pleased to present this report on Majan's financial and operating performance and the accompanying financial statements for the year ended 31st August 2023.

Business Environment

While the Government has undertaken to reduce overall expenditure, spending on basic services such as education as a percentage of total expenditure has been the highest. Education got the highest 44% out of a total of 39% allocated for the basic services in Oman year 2023 budget. This measure reduces the challenges on the private higher education sector. The challenges posed by the increasing competition, however, put extensive pressures on revenue growth.

Business Associates

Guided by our vision and mission, Majan College SAOG (Majan University College) offers programmes at both undergraduate and postgraduate levels that address the needs of the local, regional and international markets in a competitive environment. Majan continues to enjoy a well-respected position among higher education institutions through its quality academic provisions. Majan maintains its academic long-standing partnership with the University of Bedfordshire in the United Kingdom which validates Majan's undergraduate programmes in business, English and information technology disciplines. Majan hosts four University of Bedfordshire Master programmes (MBA and Masters in Computer Science and International Human resource Management and Applied Linguistics). Majan also hosts the University of Bradford Doctor of business Administration programme (DBA).

Commitment to Quality

Majan was the first higher educational institution to be institutionally accredited by Oman Authority for Academic Accreditation and Quality Assurance of Education. It was accredited in December 2017 for a period of five years, now extended to six years. The reaccreditation process will take place in year 2024.

Majan goes through the institutional review by the University of Bedfordshire, an exercise that takes place every 5 years. The latest took place in year 2022 and the next review will be conducted in year 2027. The College maintains its commitment to enhance its academic provision and support to students through its transparent quality assurance measures.

Financial Performance

In comparison to the previous financial year, total income was decreased by 8% to be OMR 4.41 million. This was mainly from decrease in new undergraduate students and decrease in other miscellaneous & Investment income. Total expenses have increased by 6% to be OMR 3.82 million. This was mainly from increase in academic staffs to provide new programmes and increase in utilities consumption and face to face services & events after discontinuation of online learning. Therefore, net profit before tax and taxation decreased by 50% and 52% consecutively. Consequently, overall net profit after tax has decreased by 50% to be OMR 0.5 Million. Earnings per share has decreased from 11 Baiza per share to 6 Baiza per share.

Community Support

Majan recognizes its social responsibility and shares its resources with the Omani society through its contribution to the Ministry of Higher Education scholarships programme. As part of its training programme, Majan offers scholarships to its employees at the undergraduate and postgraduate programmes. Majan also operates a discount scheme for siblings and students with special needs and supports different charity organizations through its CSR budget and activities. A feature of its Human resource is the recruitment, training and retention of Omanis

Dividend

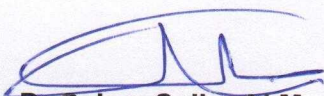
Considering the annual financial performance, the liquidity requirements for operational needs. The board of directors recommends this year to distribute 2.5% cash dividends on paid up capital, i.e., 2.5 Baisa per share to the shareholders registered as on the date of the annual general meeting. The board of directors also recommends this year to distribute 7.5% bonus shares on paid up capital, i.e., 0.075 shares for every share to the shareholders registered as on the date of the annual general meeting. This distribution results in an increase in the college paid up capital from OMR 9 million to OMR 9.675 million.

Future Outlook

Today Majan is well positioned in the private higher education sector and is highly regarded. Despite the competition in the education sector, the management believes that the demand for private higher education will continue to grow in the future. Majan has strong management since its inception and will continue on growth strategies that maximize shareholder value whilst maintaining sustainable quality higher education.

Appreciation

On behalf of the Board of Directors, I would like to express my appreciation and gratitude to his Majesty Sultan Haithambin Tariq for his unlimited support and guidance to higher education. Our sincere thanks to the Ministry of Higher Education, Research and Innovation for its support to the private higher education sector. This has resulted in tremendous growth in the sector. It is our intention that Majan College SAOG (Majan University College) continues to contribute to the achievement of the vision of the country by continuously improving and enriching the standards of its academic programmes and its resources.



Dr. Salam Salim Al Mur Al Kindi
Chairman

