

Board of Directors Report

Dear Shareholders,

On behalf of the Board of Directors of Gulf International Chemicals SAOG (GIC), I am pleased to present you a brief report on the company's activities for the second quarter of 2025.

The Group's total revenue for the period under review was RO 799,386. The net profit after taxation amounted to RO 49,174 and the net asset per share stood at 125 Baiza.

During the second quarter of 2025, regional construction markets continued the slow pace. Both Oman and UAE markets are in oversupply and less demand situation for construction chemicals due to sharp reduction in construction projects which is mainly attributable to limited spending on construction and infrastructure projects.

However, several mega construction projects have been announced lately in Oman and it is likely that this will improve the local construction market once the construction of these projects starts in 2025-2028. The outlook for the remaining of year 2025 is very conservative due to unlikely immediate recovery and slow improvement in the purchasing power in the construction sector as it is mainly linked to the improvement of regional circumstances and improvement in the local investment climate and real estate market. Moreover, competition is now fierce as the dominant multinational companies (after the global mergers and acquisitions in the construction chemicals industry) seek greater market share in our markets.

On behalf of the Board of Directors, I would like to express our sincere gratitude to His Majesty's Government for its generous support and for paving the way for growth and prosperity.

Best Regards,

Board of Directors