

Board of Director's Report

On behalf of the Board of Directors of Gulf International Chemicals SAOG (GIC), I am pleased to present a brief report on the company's activities for the first quarter of 2026.

The Group's total revenue for the period under review was RO 409,693. The net profit after taxation amounted to RO 14,677, and the net asset per share stood at 126 Baiza.

During the first two months of this quarter, the business performed well, However, due to escalating regional developments starting March 2026, operations were affected in the month of March. Supply chain disruptions, including regional port restrictions and delays in procurement of key raw materials, led to higher costs, production challenges, and difficulties in serving customers. Some customers turned to alternative suppliers due to unavailability of our products. While the demand is there in the market during this period, it could not be fulfilled due to the effect of regional tensions and its affect on importing companies which import their key raw materials in the industry of construction chemicals. In addition, heavy rains and storms during the last ten days of March 2026 affected the company's operations in both Oman and UAE, causing minor damages and operational delays. These effects were not material, and normal operations were restored shortly after the rains subsided.

The outlook for the remainder of 2026 is conservative and cautious due to the ongoing regional uncertainty, supply chain disruptions, and intensified competition from dominant multinational companies are expected to constrain business growth for an extended period. Even after the situation stabilizes, the company expects that the recovery of normal supply chain operations and access to critical raw materials may take long period, which continues to weigh heavily on business performance. The company has, however, taken necessary measures to manage the situation and reduce its impact on operations as much as possible.

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