

Management Report for three months ended 31 March 2026.

The first quarter of current year was reasonably stabilized from prevalence of ambiguity throughout the world, due to reciprocal tariffs levied by USA. In addition, due to festive season in this part of the world, company's tailoring business has improved in domestic and nearby markets, which has been a focus area for the company. These factors were amongst some of the reasons for better performance during the first quarter of current year.

However, tough challenges have started emerging from third month of the current quarter due to opening of war in the region. Leaving aside the increase in majority of input costs, logistics have been facing most challenges due to war in West Asia – Middle East region. Though performance in first quarter was better, the second quarter would be tougher due to overall anti-economic atmosphere resulted due to the war. Company has been taking all possible and swift actions, to minimize the adverse impact of prevalent situation in the region.

The management is confident that with various proactive measures it is taking, the company will pass through this difficult time.

Financial Results:

Revenue for the current period grew by five percent to OMR 1,325,454 as against the revenue of OMR 1,260,425 achieved during the same period of last year. The three-months period ended with a net profit of OMR 179,881 after taxes, as against a net profit after taxes of OMR 148,176 achieved during the similar period of last year.

Shareholders' fund:

Shareholders' fund as of 31 March 2026 was at OMR 2,410,802 as against OMR 2,219,534 as of 31 March 2025.

Operations:

During the three months of the current year, the company produced 423 metric tons of sewing thread as against 414 metric tons of sewing thread produced during same period of the last year. Export sales accounted for about seventy-five percent of total revenue (last year eighty-one percent).

Omanization & training:

Company is committed towards employment of Omani youths and awarding suitable training for their overall growth.

Acknowledgement:

On behalf of the Board of Directors and employees of the company, I would like to express our sincere gratitude to His Majesty Sultan Haitham bin Tarik for his wise leadership and generous support for the private sector.

On behalf of all the employees and Management, I also express our sincere gratitude to the Board of Directors for their guidance and support to the Management.

I would also like to place on record our gratitude to all employees for their dedication and hard work. We also thank the Ministry of Commerce, Industry and Investment promotion, other government authorities/ ministries, the Financial Services Authority, Muscat Stock Exchange, Muscat Clearing & Depository Co., and our bankers for their support.

Mithilesh Kumar Singh

General Manager