

REPORT OF THE BOARD OF DIRECTORS FOR THE
SIX MONTHS PERIOD ENDED 30TH JUNE 2025

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On behalf of the Board of Directors, I am pleased to present the unaudited interim results of the Company for the six-month period ended 30th June 2025.

Financial Performance

During the period under review, the Company achieved sales revenue of RO 13,209,472 compared to RO 12,468,951 for the same period in 2024, reflecting a year-on-year growth of 6%.

The growth has been recorded in volume and price respectively and sales volume showed improvement in key markets. However, the pressure on input costs was evident during the period and this has impacted on the bottom line as compared to the previous year.

The Profit before tax for the period stood at RO 557,535 compared to RO 891,394 during the same period last year.

Our flagship brand, **BAHAR**, maintained its market share during the period, in the declining category across the region.

Omanization

The Company continues its efforts to enhance Omanization across all levels of the organization, including senior and middle management. These efforts are supported by training and development programs. During the quarter, the Omanization percentage remained above 45%.

Compliance and Internal Controls

The Company maintains a robust internal control system, appropriate to the size and nature of its operations. Internal audits are conducted periodically by an internationally recognized audit firm, and the Audit Committee regularly reviews financial and operational performance. The Company remains fully compliant with all applicable local laws and regulations.

Outlook

Looking ahead, the Company is focused on sustaining revenue growth while maintaining control over input costs. However, prices of certain key raw materials and freight have been on the rise due to disruption in supply chain due to geo-political issues in the region. Additionally, uncertainty persists around the potential imposition of further tariffs by the United States on certain countries. The company has revamped its personal care portfolio and is launching new personal care products along with other innovative fabric cleaning products. However, we expect the 2nd half to be challenging for the business due to an increase in input cost and any further disruption in the supply chain could lead to further increase in costs.

Acknowledgements

On behalf of the Board of Directors and myself, I extend our deep appreciation to **His Majesty Sultan Haitham bin Tarik** – may Allah protect him – for his continued support and encouragement to the industrial sector in the Sultanate of Oman.

We also thank the various Ministries for their cooperation and guidance. Our sincere gratitude goes to our shareholders for their continued trust in the Board, as well as to our auditors, bankers, customers, and business partners for their unwavering support. We express our heartfelt thanks to our employees for their commitment and dedication to the Company’s success.

Mohamed Abdul Hussain Baqer Al Lawati
Chairman, Board of Directors

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