

Directors' Report

On behalf of the Board of Directors, we are pleased to present to you the results of the Company for the three-month period ended March 31, 2026.

The first quarter of 2026 was characterized by a cautiously improving global economic environment, supported by moderating inflation and expectations of gradual monetary easing across key markets. However, geopolitical tensions and ongoing regional conflicts continued to create uncertainty, particularly through their impact on global trade routes, supply chains, and energy markets.

Regionally GCC economies demonstrated resilience despite these external pressures. Government spending remained strong, supported by oil prices that continued to sustain fiscal strength despite periodic volatility, while economic diversification efforts continued to drive non-oil sector growth. However, heightened geopolitical risks, including disruptions to key shipping routes, contributed to increased logistics costs and a more cautious investment environment.

Within this context, the Sultanate of Oman maintained positive economic momentum. Prudent fiscal management, ongoing structural reforms, and continued alignment with Oman vision 2040 objectives have reinforced economic stability. While the broader regional environment introduced some external pressures, Oman's domestic fundamentals and policy direction continued to support a stable and conducive operating environment.

The FY 2026 Oman budget has been formulated based on the market conditions prevailing at the time of preparation. While these factors present certain challenges, the budget is design to remain resilient, with well calibrated targets that support stability, economic diversification and sustainable growth.

With a well-diversified geographical presence across Oman, supported by 24 branches and a comprehensive product offering, the Company is strongly positioned to deliver innovative financial solutions to both Retail and SME segments. The company continues to enhance its technological capabilities in line with global digital transformation trends, enabling the delivery of best-in-class customer experiences.

During the first quarter of this year, the Company sustained its growth trajectory and reinforced its position as a leading player in Oman's Finance and Leasing sector. Building on the strong performance in 2025, the Company delivered stable results during the same period, reflecting continued demand across its core segments and the strength of its diversified portfolio.

Looking ahead, despite ongoing geopolitical risks, the Company remains well positioned to manage these uncertainties, supported by its strong capital base, proactive risk management framework, continued investment in digital capabilities and customer experience and a clear strategic focus on sustainable growth. We remain confident in the ability to navigate evolving market conditions while creating long-term value for stakeholders.

National Finance’s total regulatory capital of RO 144.13 million is the highest among Finance and Leasing Companies (FLCs) which gives us a strong base on which to build our business. Your company remains the largest Finance and Leasing Company in the Sultanate in terms of asset size, branch network, revenues and profit.

The operating profit (profit before provision and tax) was at RO 7.96 million (RO 5.96 million in March 2025), an increase of 33.42% during this period. The Net Investment in Lease was at RO 664.00 million (RO 652.72 million in December 2025), a growth of 1.73% during the period. Profit after tax was RO 3.83 million as compared to RO 3.31 million in March 2025 reflecting an increase of 15.76%.

The company remains committed to Omanisation. As of March 31, 2026, Omani nationals accounted for 391 of 421 employees, achieving an Omanisation rate of 92.87%, exceeding the national Omanisation target of 90%. We continue to invest in the development of national talent through targeted training, employee engagement, and leadership capability building to support sustainable growth.

Sustainability remains central to our strategy, guiding responsible value creation and positive economic, social, and environmental impact. During the quarter, we continued advancing our ESG framework and strengthening responsible lending through our sustainable finance offering.

Our CSR efforts remained active, including our Himmah employee volunteer program during Ramadan, through which we supported 120 families with food parcels, alongside ongoing partnerships supporting SMEs, youth and children. We also enhanced governance through improved policies, transparency, and accountability, reinforcing long-term value creation for stakeholders.

This quarter also saw the company receive an award as “Best SME Finance Company” by the Annual International Finance Awards. The award highlighted our ongoing dedication to empowering SME’s and building a resilient and sustainable economy.

We extend our sincere gratitude to our stakeholders, particularly our regulators and customer, for their continued trust and support. On behalf of the Board of Directors, we thank our employees for their dedication and commitment. Together, we remain focused on delivering sustainable growth, creating long-term shareholder value, and strengthening our position as a trusted leader in the sector.

Hani Muhammad Al Zubair

Chairman