

NATIONAL MINERAL WATER COMPANY (SAOG)

DIRECTOR’S REPORT

13/05/2026

Dear Shareholders,

On behalf of the Board of Directors of National Mineral Water Company SAOG, I am pleased to present the unaudited financial statements for the three-month period ended 31 March 2026.

Business Environment

The Sultanate of Oman continues to demonstrate steady economic progress under Oman Vision 2040, supported by ongoing reforms aimed at enhancing economic diversification, encouraging private sector participation, and strengthening long-term financial sustainability. These developments continue to contribute positively toward creating a more resilient and growth-oriented business environment across the Sultanate.

Within this evolving landscape, the fast-moving consumer goods sector remains highly dynamic and competitive, driven by changing consumer preferences, increased market participation, and continued expansion across retail and distribution channels.

The Company continued to focus on strengthening its operational capabilities, improving commercial execution, enhancing customer engagement, and expanding market visibility across its product portfolio. Management also maintained emphasis on operational discipline, efficiency improvement, and strengthening the Company’s platform for sustainable long-term growth.

Review of Operations

The consolidated financial statements include the results and the financial position of the Parent Company, National Mineral Water Company SAOG, and its Subsidiary, National Distribution and Development Company LLC, for the Period ended 31 March 2026 (together referred to as the Group).

Sales and Operational Performance

The Parent Company recorded sales revenue of OMR 1,461,745 for the period ended 31 March 2026 compared to OMR 941,556 during the corresponding period in the previous year, representing a growth of 55%.

Operationally, the Company continued to focus on improving distribution effectiveness, optimizing operational efficiencies, and strengthening execution capabilities across its core business activities.

The Parent Company reported a net loss of OMR 352,447 for the period ended 31 March 2026 compared to a net loss of OMR 318,702 during the corresponding period in the previous year.

The operating environment during the period continued to be impacted by external market challenges, including intense competition from both local and imported products, volatility in raw material prices, elevated shipping and logistics costs, and broader regional geopolitical developments affecting global supply chains. Management continues to closely monitor these factors while maintaining focus on operational efficiency, cost management, and business continuity.

Future Outlook

Management remains cautiously optimistic regarding the Company’s future prospects. The Company will continue to focus on strengthening manufacturing efficiency, improving operational systems, enhancing route-to-market execution, and expanding distribution effectiveness to support broader market penetration and sustainable business growth.

The Board remains attentive to broader macroeconomic and regional developments, including geopolitical uncertainties, fluctuations in crude oil prices, rising raw material costs, and ongoing shipping and logistics challenges. Management will continue to pursue disciplined operational and financial management while maintaining focus on sustainable long-term shareholder value creation.

Internal Control System

The Board of Directors continues to review the effectiveness of the Company’s internal control systems and believes that the existing controls remain appropriate for the size and nature of the

Company’s operations.

Corporate Governance Code

The Company has complied with the directives of the Financial Services Authority regarding the Corporate Governance Code applicable to public joint stock companies.

Acknowledgement

On behalf of the Board of Directors, I would like to express our sincere appreciation to the management team and all employees for their continued efforts during this period.

We also extend our gratitude to our valued consumers, customers, business partners, bondholders, bankers, and shareholders for their continued confidence and support.

Furthermore, on behalf of the Board of Directors and the management team, we express our sincere gratitude and appreciation to His Majesty Sultan Haitham bin Tariq and his Government for their wise leadership and vision, which continue to support the development and prosperity of the Sultanate of Oman.

Khalid bin Hamed bin Hamood Al Busaidi

Chairman