

Report of Material Events

Dear Shareholders,

It is my pleasure, on behalf of the Board of Directors, to present to you the Unaudited Financial Statements of Salalah Mills Company and its subsidiaries for the 6 months period ending on 30th June 2025.

Sales

The total revenues of the Group during the first six months of 2025 were RO 45.117 million compared to RO 49.645 million made during the same period of last year, showing a decline of 9% because of the decline in volume of flour and pasta. The flour export volume declined by 11% and pasta export declined during the period under review. This decline is primarily attributable to stiff competition from Egypt and Turkey in Yemen and Somalia market.

Net Profit

The parent company made a net profit of RO 1.537 million in the first 6 months of the current year compared with a profit of RO 313 thousand made during the same period of last year, showing an increase of 391%. The increase in profit during the period is primarily attributable to dividend income of OMR 460 thousand from OQEP.

The Group made a net profit of RO 1.367 million during the first six months compared to RO 265 thousand made in the same period last year. The company incurred fair value loss of OMR 511 thousand on equity investment of OQEP which is recorded in Other Comprehensive Income.

Ahmed bin Abdullah Saeed Al Rawas

Chairman