

Chairman's Message

Dear Shareholders,

The Group delivered a positive overall performance during the first quarter of 2026, supported by strong fair value gain on investment recognized through Other Comprehensive Income (OCI), continued profitability at the Parent Company level, and encouraging operational improvements across several business divisions.

The Parent Company reported a net profit after tax of OMR 0.465 million, while total comprehensive income after OCI reached a strong OMR 3.25 million. At the Group level, despite operational pressures and start-up losses from newly established subsidiaries, the Group recorded positive total comprehensive income of OMR 2.46 million for the quarter.

Operationally, the quarter was impacted by lower export flour volumes, higher wheat procurement costs and lower capacity utilization in certain divisions. In addition, newly established subsidiaries, particularly FOOD Development Company, continued to incur planned ramp-up and market development costs during their early operational phase.

Nevertheless, the Macaroni, Packaging, Trading and Laboratory businesses demonstrated encouraging progress during the quarter, reflecting the benefits of ongoing operational and commercial improvement initiatives across the Group.

The Board and management remain focused on improving operational efficiency, strengthening margins, enhancing working capital management and accelerating the stabilization of new business ventures. Looking ahead, management expects gradual improvement in operating performance supported by recovery in export demand, improved capacity utilization and continued strategic execution across the Group.

On behalf of the Board, I thank our shareholders, employees, customers and business partners for their continued trust and support.

Warm regards,

Ahmed bin Abdullah Saeed Al Rawas
Chairman, Board of Directors
Salalah Mills Co. SAOG

14th May 2026