

Unaudited Consolidated Financial Statements

For the three months period Ended 31st March 2026

Board of Directors' Report

Dear Shareholders,

On behalf of the Board of Directors (“the Board”) of SMN Power Holding SAOG (“the Company”), I have the pleasure to present the Board of Directors' Report for the three months period ended 31st March 2026.

Corporate Governance

The Company has complied with the Code of Corporate Governance and applicable circulars issued by the Financial Services Authority (FSA).

Company's Operations

The Company continued its excellent performance in Health, Safety and the Environment (“HSE”) as providing a safe working environment is a key priority. The Board is pleased to share that during quarter one of 2026 (“Q1 2026”), the HSE performance was excellent with no Lost Time Accident (“LTA”) in line with previous years. As of 31st March 2026, a total of 6,249 LTA-free days were recorded at Al Rusail Power Company SAOC (“Al Rusail”), while SMN Barka Power Company SAOC (“SMN Barka”) achieved 6,725 days without any LTAs.

The commercial performance of both plants, SMN Barka and Al Rusail, is measured by their reliability, which is the ability to deliver the declared capacity as per the contracts signed with Oman Power and Water Procurement Company (OPWP).

During Q1 2026, the reliability at SMN Barka Plant was 99.14 % (99.18% in Q1 2025) for power and 90.03% (80.78% in Q1 2025) for water. The reliability at Al Rusail Power Plant was 99.26% (99.48% in Q1 2025) for the same period.

In addition and during Q1 2025, the Company produced an aggregate net power volume of 807.3 GWh (442.8 GWh in Q1 2025) and a total volume of 8,818,336 m³ of potable water was delivered (7,535,776.0 m³ in Q1 2025).

All necessary maintenance activities for key equipment were performed in accordance with Original Equipment Manufacturers’ recommendations, while applying the best industry standards and practices for health & safety and maintenance, during Q1 2026.

Financial Results

Total Revenues in Q1 2026 amounted to RO 15.79 million (RO 9.59 million in Q1 2025), representing an increase of RO 6.2 million compared to Q1 2025. Total Revenues include fixed revenues (Fixed Capacity Fees) and variable revenues (Fuel Charge and Variable Operating and Maintenance Charge). The Company generated a **consolidated net loss** of RO 1.92 million during Q1 2026 compared to a net loss of RO 0.77 million for Q1 2025 representing an increase in net loss of RO 1.15 million.

The increase in Loss Before Tax of RO 2.16 million in Q1 2026 is mainly due to the following variances compared to the same period in 2025:

Revenue (Increase by RO 6.20 million): The Company recorded higher energy and water output charges in Q1 2026 amounting to RO 13.13 million due to higher load factor.

Direct costs (Increase by RO 6.26 million): In line with above, this is mainly due to higher Energy consumption cost.

General and Administrative expenses (Increased by RO 0.11 million): This is mainly due to a one-off reversal of consultancy fees in 2025 (related to water/power bid).

Finance income and other income (Decreased by RO 1.09 million): This is mainly due to non-recurring item in Q1 2025 relating to the insurance claim recovered for Steam Turbine 2 outage RO 0.78 million and lower interest received from fixed deposits of RO 0.13M.

The reduction in **Non-Current Assets** is driven by the depreciation of the plant.

The increase in **Current Assets** is mainly due to increase in cash and bank balances for the settlements of trade and other payables.

Future Outlook

The Company will continue its focus on HSE and maintain excellent reliability at both plants.

Al Rusail, Gas Turbines 1 – 6, which were installed between 1984 to 1986, have retired from operation since 1st October 2021 as disclosed previously on MSX. Al Rusail had launched a competitive bidding process and sold these units. The decommissioning and dismantling process for these units has been initiated and is progressing well, taking the best HSE standards into consideration. Given progress to date, the dismantling of these units is expected to be completed by quarter two of 2026.

SMN Barka and Al Rusail are participating in the spot market, however, such participation has no material impact on the Company's revenue as both SMN Barka and Al Rusail have a PPA and revenues are not impacted by participation in the spot market.

The Annual General Meeting of the Company that was held on 30th March 2026 has approved a dividend distribution of RO 5.0 million to its shareholders which has been fully paid in April 2026. Furthermore, the Annual General Meetings of SMN Barka and Al Rusail held on 26th March 2026 have approved dividend distributions of OMR 1.15 million and 0.38 million respectively which have been fully paid to their shareholder (SMN Power Holding SAOG).

As Chairman of the Board, I would like to express my appreciation to our Shareholders, not only for their confidence, but also for their continued support and for the expertise they bring to the Company. The Board of Directors expresses its gratitude to Nama Power and Water Procurement Company (OPWP), Integrated Gas Company (IGC), APSR, FSA and other governmental and non-governmental bodies for their guidance and support.

Finally, on behalf of the Board, I would like to extend our deep appreciation and gratitude to His Majesty Sultan Haitham bin Tarik and His Government for their continued support and encouragement to the private sector by creating an environment allowing us to contribute effectively to the growth of the Sultanate of Oman.

Dr. Abdullah Al Yahya'ey

Chairman of the Board