

SHELL OMAN MARKETING

COMPANY SAOG



DIRECTORS’ REPORT FOR THE PERIOD ENDED 31 March 2026

In its meeting held on 29 April 2026, the Board of Directors approved the Company's unaudited financial results for the period ended 31 March 2026.

SUMMARY FINANCIALS

In OMR'000	Quarter			3 Months		
	Q1/26	Q1/25	%	2026	2025	%
Revenue	120,918	117,041	3%	120,918	117,041	3%
Gross profit	9,638	8,459	14 %	9,638	8,459	14 %
Add: Other income	1,148	1,057	9%	1,148	1,057	9%
Less: Selling, distribution and administrative expenses	(7,681)	(7,559)	2%	(7,681)	(7,559)	2%
Less: Financing and taxation	(989)	(902)	10%	(989)	(902)	10%
Profit and comprehensive income	2,116	1,055	101 %	2,116	1,055	101 %

- Three-month revenue was OMR 120.918 million, 3% higher than the same period last year, reflecting higher volumes in the period.
- Three-month gross profit rose to OMR 9.638 million, driven by disciplined execution of our profitability-focused business strategy.
- Three Months Profit and Comprehensive Income was OMR 2.116 million, 101% higher than the same period in 2025 due to higher gross margins as well as efficiency programmes.

BUSINESS PERFORMANCE

Mobility and Convenience Retail Business continued to deliver strong performance across its network, successfully servicing the evolving mobility needs of our customers. Aligned with our mission to improving our customers journeys; key milestones included reopening the upgraded Shell Al Ghubra service station, inaugurating Shell Select at Twin Saham expressway service station to complete our integrated offers in Batinah Expressway sites, and opening Shell Car Care Centre in Shell Sarooj service

station.

Throughout the quarter, the business continued to serve its customers without disruption, consistently maintaining safe, reliable, and seamless operations in line with the highest operational standards. The business ensured continuous availability of fuel, food and coffee, groceries, and services, catering effectively to our customers’ needs at critical and peak times.

The Business introduced Shell V-Power Racing 98, our highest-octane performance fuel, to the market. The launch took place at the Oman Automobile Association Drift Competition and received strong market interest. The product is currently available at two locations and will be rolled out in phases to additional sites across the Sultanate of Oman.

Meanwhile, the business continued to see encouraging growth in the food and coffee segment, with the introduction of a new range of Shell Café branded drinks and healthy bowls to cater to our customers’ evolving preferences and expanding the variety of Shell Café owned brands.

In the Shell GO+ Loyalty space, the business continued to offer improved value to its loyal customers, giving them more reasons to visit and return to Shell. The loyalty application has over 20 partnerships, providing customers with customised benefits across various segments, including Food & Beverages (F&B) outlets, cosmetics, entertainment, vehicle care, insurance, children’s stores and seasonal offers for our premium fuels.

Fleet Solutions Business

In the first quarter the business achieved several key commercial milestones. Two major contracts within the construction segment were successfully renewed, reinforcing long-term partnerships and ensuring continuity of volume in a critical sector. In addition, the business secured two new customers in the Oil and Gas segment, driven by the strategic expansion of the network within oilfield locations, which enhanced accessibility and strengthened Shell Oman’s presence in remote operating environments.

Looking ahead, additional growth levers will be deployed through new digital and commercial initiatives, alongside the planned expansion of top-loading infrastructure. This expansion is expected to enhance operational efficiency, improve customer convenience, and support further sustainable growth, reinforcing Shell Oman’s competitive position in the fleet mobility market.



Integrated Lubricants Business

The Commercial Lubricants business delivered a strong first quarter of the year, with shorter working hours, driven by seasonality. The business factored in seasonality and shifted to a tactical push in the month of March which enabled the business to pre-emptively deliver value earlier in the year. This included increasing inventory levels across multiple channels to mitigate potential supply risks, which was triggered by the emergence of the ongoing regional conflict and the expected disruption in regional supply chains in the second quarter.

Direct Channel witnessed strong delivery driven by higher offtake from existing customers and new customer wins. The strong positioning of the technical customer value propositions and premium focus helped improve margins vs. plan. In addition, the business delivered a strong engagement with 120+ key representatives from various industrial sectors in the Sultanate of Oman to showcase its sustainable portfolio as well as products for new sectors.

Indirect Channel (IC) continued its consistent growth trajectory, being a key contributor to the strong delivery of integrated lubricants margins of the first quarter; supported by the continued efforts to increase penetration of the online trade-loyalty platform and the launch of the new marketing initiative “van sales” in collaboration with Oman Trading Establishment (OTE). Additionally, the export market delivered an outstanding quarter with higher volumes despite the volatile environment across the region.

Lubricants Supply Chain & Exports Oman Lubricants Blending Plant delivered a strong performance underpinned by strong focus on Health, Safety Security and Environment (HSSE), operational discipline, balancing cost control, working capital optimization, and service excellence. Operational reliability remained high, supporting both local and export demand without disruption, with 98% On-Time-In-Full (OTIF).

Customer Operations delivered measurable improvements in service delivery, efficiency, and customer experience, reinforcing its role as a commercial enabler for the organization. The business improved customer feedback trends, particularly driven by accessibility and transaction speed, while data-driven insights enabled better performance tracking and proactive issue resolution. The business focus is to strengthened marketing intelligence as a key enabler to faster, data-driven decisions, allowing the business to respond proactively to changes in supply and demand and cost pressure.

Aviation Business started the year strongly, successfully securing global contracts with airlines operating through Muscat and Salalah International Airports in collaboration with Shell Aviation Operating Units.

In Muscat, the business safely managed the refueling of multiple diverted flights, effectively preventing delays and operational impacts. Furthermore, the Aviation team responded swiftly to a sudden surge in Jet A-1 demand driven by increased national carrier flights, ensuring continuous fuel availability without compromising HSSE standards.

The business stands resilient during the ongoing geopolitical challenges, maintaining its focus on operational excellence, efficiency, and service reliability. The business ensured uninterrupted Jet A-1 fuel availability at Salalah Airport during a supply shutdown from Raysut terminal, preventing any disruption to airport operations or airline customers.

Overall, the Aviation business continued to demonstrate operational resilience, strong HSSE performance, and customer-focused service delivery, reinforcing its reliability as a key aviation fuel supplier at both Muscat and Salalah Airports.

Commercial Fuels Business performance reflected the phasing of several new project start-ups, with execution commencing later than originally planned, alongside seasonal moderation in customer activity during Ramadan and Eid holiday period. Despite these external pressures, the business continued to maintain a disciplined commercial approach and remained focused on supporting customers through consistent engagement and reliable service delivery.

Throughout the quarter, the business prioritized strengthening relationships with key customers and partners, ensuring seamless coordination and uninterrupted supply. This commitment enabled the successful renewal of one of the Company’s strategic contracts for an extended period, reinforcing customer confidence and securing continued business stability.

Operationally, the Business sustained its focus on delivering high-quality products with strict compliance to HSSE standards, ensuring safe, reliable, and on-time delivery across all operations. The business continues to pursue opportunities aligned with the Company’s long-term growth strategy while safeguarding service excellence in a dynamic market landscape.



Marine Business recorded a solid start to the year, achieving improved performance in the first quarter compared to same period Last year, supported by continued growth from the Marine reseller agreement with a local Small-Medium Enterprise (SME) and strong delivery from strategic government customers.

During the quarter, the focus remained on elevating the reseller’s capabilities through structured engagements, continuous training, and rigorous implementation of HSSE and product quality standards.

The business also strengthened its relationships with strategic partners, ensuring coordinated planning and reliable on-time delivery, while upholding the highest standards of safety and quality. Despite the ongoing geopolitical conditions, the business demonstrated strong, resilience, safe, reliable, and high-quality services without disruption to customer operations.

In parallel, efforts continued to optimize supply chain efficiency and diversify marine fuels & lubricants offering, enabling competitive delivery and ensuring sustained value creation for customers operating across Oman’s major ports.



HEALTH, SAFETY, SECURITY AND ENVIRONMENT (HSSE)

The 2026 HSSE strategy has been established to continue strengthening the company’s journey of care for people, the environment, and the community. The strategy is built on three key pillars: Risk Management, Assurance, and Simplification, aimed at proactively managing risks, reinforcing compliance, and enabling efficient operations.

During the first quarter, the Company sustained an outstanding HSSE performance, achieving: Zero harm to people, Significant Injuries or Fatalities (SIF) and Zero process safety leaks, which reflect the strong commitment across businesses and operations, supported by close collaboration with internal teams, contractors, and external stakeholders. The focus on prevention, awareness, and disciplined execution has been critical in maintaining safe and reliable operations.

Q1 2026 Performance Highlights:

1. A series of targeted initiatives were implemented to strengthen risk management across the operations, with a strong focus on: Road Safety and Fatigue Management and Training and Capability Building.
2. Assurance and Compliance remained a key focus during the quarter, with the execution of targeted activities under the HSSE Assurance Plan to strengthen operational safety, asset integrity, and emergency readiness through cross-business first line assurance checks were carried out.

These assurance activities enhanced risk visibility, ensured compliance with HSSE requirements, and supported safe and reliable business continuity.

3. Simplification and Standardization

Progress continued to simplify processes and reduce administrative complexity, enabling timely and risk-based decisions and strengthening safe and effective operations.



CORPORATE SOCIAL RESPONSIBILITY

As a responsible corporate citizen, the Company continued to build on its strategic corporate social responsibility themes which are Environment, Health, and Community Skills and Enterprise Development as part of its three-year Social Investment Strategy (2024-2026). This is done through the delivery of its planned initiatives as well as regularly addressing requests from local entities and charitable organizations. The Company also proactively collaborates with important stakeholders and partners to deliver its social aspiration through different initiatives.

During the first quarter, in line with its community outreach efforts and to share the spirit of giving during the holy month of Ramadan, the Company led an initiative of distributing Iftar boxes to customers visiting multiple service stations in different parts of the Sultanate of Oman.

We, at Shell Oman, would like to reaffirm our commitment as part of this nation to stand shoulder to shoulder with our partners and stakeholders in the Sultanate and work to power its progress together in line with Oman Vision 2040 and Shell’s Powering Progress Strategy. We will continue to serve Oman and its people under the leadership of His Majesty Sultan Haitham Bin Tarik and to support his vision for the Sultanate.



Ali Al Janabi

Chairman, Shell Oman Marketing Company SAOG

Muscat, 29 April 2026