



الشركة الوطنية للمنظفات الصناعية ش.م.ع.ع.  
**The National Detergent Co. s.a.o.g.**

حاصلة على شهادة الأيزو 9001:2015  
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**DIRECTORS' REPORT**

Dear Shareholders,

On behalf of the Board of Directors and management, I am pleased to welcome you to the 46<sup>th</sup> Annual General Meeting of The National Detergent Co. SAOG and to present the Annual Report along with the Auditor's Report for the year 2025.

**The Highlights of 2025**

**Overall Company**

The National Detergent Co SAOG has achieved revenue of RO 24.26 million (2024: RO 24.52 million). Gross margins have declined to 32.7% from 35%. Overheads were on the higher side vis-a-vis last year due to higher input cost and marketing expenses. Net profit after tax stands at RO 423K as against profit of RO 1.39 mln for the year 2024. The newly established AquaPetro Chemical Division, serving the oil & gas and water treatment industries, is currently in its early stages, resulting in modest revenue and profitability. However, performance is expected to improve steadily in the coming years as the business scales up.

**The Consumer Products Division**

The Consumer Products Division registered RO 23.68 million in sales in the year 2025, versus last year's sales of RO. 23.88 million. This division was able to make a profit before tax of RO 912K. Despite aggressive spending by multinational companies and consumers buying economical alternatives, we were able to sustain our volumes; however, this was achieved at a higher cost.

The market share of our flagship brands, BAHAR and No. 1, has been maintained in 2025, reflecting strong hold of our portfolio. The introduction of new products in personal care range "FARAH" and in fabric care category has contributed to this. We continue to pursue holding our market share in both Oman and our export markets, reinforcing our position in the industry.

In 2025, The National Detergent Company SAOG (NDC) received several notable accolades:

- **Oman's Most Trusted Brand in FMCG** – BAHAR was honored with most trusted brand in FMCG sector in Oman.
- **Pioneering Home & Personal Care Manufacturing in Oman** – NDC selected as winner of OER Manufacturing Summit Awards.
- **Best Performing Company in the Small-Cap Category:** NDC was named the "Best Performing Company" in the Small-Cap category and Best FMCG Brand of the year at the OER Corporate Excellence Awards 2025.



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- **Best Influencer Marketing Award:** BAHAR won the "Best Influencer Marketing Award" at the Times Oman Marketing Impact (TOMI) Awards.
- **Top performing Omani Company Award:** NDC received this award from Alam Al Iktisaad.
- **CFO of the Year Award:** NDC CFO was honored with the CFO of the year 2025 award.
- **Honored by the Ministry of Manpower:** Recognized as one of the leading companies in North Al Batinah Governorate for maintaining strong Omanization practices and social welfare initiatives.
- **Honored by OQ Refineries & Petroleum Industries:** Awarded for outstanding achievement in Customer Engagement to APC Division, reflecting commitment to service excellence and stakeholder satisfaction.

These accolades reflect our unwavering commitment to excellence, innovation, and delivering exceptional value to our consumers and stakeholders.

#### **AquaPetro Chemical Division**

In the initial year of operation AquaPetro Chemicals division was able to generate the revenue of RO 583k however, due to lower tender activity in this year, the company could not generate positive bottom-line. AquaPetro Chemical Division enters 2026 with its technical and operational platform firmly established and early commercial validation achieved. The focus has shifted from capability build-up to disciplined execution and conversion.

AquaPetro Chemical has entered into a Technical Trial Agreement (TTA) with one of the major oil and gas player and product development is in the advance stage of finalization. Commercial traction has started from the other operators for demulsifier, membrane cleaners and antifoam reflecting APC's Manufacturing, formulations and delivery capability.

During the year 2025, APC has obtained second party accreditation (ISO/IEC 17025 & ISO 45001).

#### **Omanization**

The Company has maintained the Omanization rate at 46%, well above statutory requirement. The Company is making determined efforts to improve the Omanization at managerial level amongst other various levels of the organization. The organization has also put in place a comprehensive graduate engineering trainee and graduate management trainee programs to grow talent along with the organization. These trainees will be trained across functions and will be assigned to the best suited function on completion of training.



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#### Dividend

The Board of Directors has recommended a cash dividend of 25 Bz. per share and 5% Bonus Shares for the year 2025.

The details of the past dividends are below:

Financial Year	Cash Dividend	Stock Dividend
2024	Bzs. 50	
2023	Bzs. 25	NIL
2022	NIL	NIL
2021 (Bonus shares)	NIL	17.56%

#### Compliance with Internal Regulations and Control Systems

Your Company has established robust internal control systems aligned with best practices and commensurate with the size, scale, and increasing complexity of its operations. M/s. BDO LLP, an independent audit firm, was reappointed to conduct a comprehensive review of these internal control systems, with the Board and the Audit Committee providing regular and effective oversight throughout the process. The reviews conducted during 2025 confirmed that the Company's internal control framework is operating effectively and in full compliance with applicable requirements.

#### Outlook

The Company remains firmly focused on driving sustainable revenue growth through higher volumes, improved efficiencies, and enhanced margins. Strategic initiatives are underway to strengthen cost-efficient sourcing, address portfolio gaps, and further develop our human capital. These efforts are expected to support long-term value creation for all stakeholders.

We expect continued growth in sales volumes, supported by disciplined purchasing practices and an optimized country and product mix, to translate into improved volume growth in the periods ahead. While geopolitical developments in the Middle East pose challenges to supply-chain continuity, the Company remains proactive in managing risks through ongoing cost optimization and operational excellence, ensuring resilience in an evolving business environment.

#### Future Social Responsibility

The Company is proudly Omani and remains deeply committed to contributing to the social and educational development of the Sultanate. We will continue to actively participate in initiatives led by various government departments and to contribute time, financial resources, and expertise in support of programs that advance the well-being and long-term progress of Oman.



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**Acknowledgement**

The Board extends its deepest gratitude to His Majesty Sultan Haitham Bin Tariq. May Allah protect and guide him in his continued service to Oman and its people. We also express our sincere appreciation to the various Ministries and Government Departments for their steadfast support and collaboration, which continue to play a vital role in the Company's progress.

The Board wishes to convey heartfelt thanks to the shareholders of The National Detergent Co SAOG for their continued trust and confidence in the Company and its leadership.

Lastly, the Board acknowledges and thanks the Management and all Staff Members for their dedication and contributions during the financial year 2025. We look forward to building on this momentum and achieving continued growth and success in the years ahead.

  
**Mohamed Abdul Hussain Baqer Al Lawati**  
Chairman, Board of Directors  
The National Detergent Co SAOG



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Management Discussion and Analysis Report  
For the Year 2025

### Overview of Operations

The Company operates in the laundry, home care, personal care, oil & gas and specialty chemicals sectors through two primary business divisions: the Consumer Products Division and the AquaPetro Chemical (APC) Division.

The Consumer Products Division is engaged in the manufacture, marketing and distribution of detergent powders, liquid detergents, hand wash liquids, toilet soaps, fabric care, personal care and hygiene products, as well as other household and industrial cleaning products. The Company distributes its products both directly and through an established network of distributors across domestic and export markets. Detergent powders continue to account for a significant portion of the Company's overall revenue.

The APC Division is primarily involved in the manufacture and trading of specialty chemicals catering to the oil & gas, water treatment and related industrial sectors.

### Industry Structure and Outlook

The GCC detergent market is estimated at approximately 425,000 metric tonnes per annum, reflecting marginal growth over the previous year, supported by early signs of economic recovery in the region. The industry is characterized by the presence of three large multinational players alongside several regional and local manufacturers.

The market is broadly segmented into powder and liquid detergents, with powder detergents accounting for a dominant share. Based on pricing and quality, the market is further classified into premium, value and economic segments. Multinational companies dominate the premium and high-volume segments, while regional and local manufacturers primarily compete in the value and economy segments.

Overall market growth largely tracks population growth in the region. The category remains highly competitive and price sensitive, with excess manufacturing capacity and significant exposure to fluctuations in raw material and packaging costs. Despite these challenges, the Company has been able to maintain its market share in key markets across the GCC.

### Opportunities and Threats

The Company successfully maintained its market position across major product categories despite intensified competition and the gradual erosion of the traditional advantages of being a local manufacturer. Volume growth and market share gains were achieved in Kuwait and



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Bahrain, while distribution restructuring in KSA and increased brand presence in the UAE supported wider market penetration.

Key strategic focus areas identified to drive future growth include:

- New product development
- Brand image enhancement
- Effective promotional and communication strategies
- Geographic and channel expansion

However, several external factors pose ongoing challenges. Geopolitical developments, volatility in raw material prices, and supply chain disruptions may adversely impact growth prospects. Rising costs of raw and packaging materials, along with availability constraints, continue to exert pressure on margins.

The increasing dominance of modern trade formats has led to higher marketing and promotional spend requirements, negatively affecting profitability. In addition, excess industry capacity and intense price competition from both multinational and local manufacturers remain key concerns.

Further challenges include rising operational costs related to materials, freight, labour, utilities and regulatory compliance. Price controls in several markets, including Oman, restrict the Company's ability to pass on cost increases, adversely impacting margins. Stricter regulatory frameworks in key GCC markets—particularly KSA, Kuwait and the UAE—have increased the complexity and cost of export operations. Import duties imposed by KSA on goods originating from Oman have further constrained pricing competitiveness and impacted secondary sales volumes.

#### Risks and Concerns

Geopolitical uncertainty in the MENA region continues to pose macro-economic risks, particularly for international trade. Currency fluctuations and devaluation in non-GCC markets have resulted in a contraction of export sales in those regions.

The detergent industry operates largely on open credit terms. To remain competitive and support business expansion, the Company extends credit to customers in line with an approved credit policy, which is periodically reviewed to manage exposure within acceptable limits. During the year, the Company also enhanced its risk mitigation framework by securing trade credit insurance coverage across the GCC, thereby reducing exposure to receivables risk.



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### Internal Control Systems

The Company maintains an internal control framework appropriate to the size, scale and complexity of its operations. M/s BDO LLC, Oman, was appointed to review the adequacy and effectiveness of internal controls and compliance with established systems and procedures. The Audit Committee continues to oversee the internal audit process and monitors the effectiveness of the control environment.

### Operational Performance

The Consumer Products Division recorded marginally lower value sales compared to the previous year, although volume market share for the Bahar brand improved in selected GCC markets. In Oman, the Company successfully maintained its market share despite severe price competition.

Direct costs were on the higher side largely due to fixed input costs. Administrative and general expenses were kept under control despite higher employee-related costs. Sales and marketing expenses were higher due to launch of new products and SKU's and resultant increased costs. Finance costs were higher due to higher bank borrowings during the year, with borrowings largely comprising short-term working capital facilities.

The APC Division reported lower sales compared to the previous year, primarily due to reduced activity in the oil & gas and construction sectors. Higher fixed costs, including payroll, depreciation and finance expenses, adversely impacted on operating profitability. The Company continued to invest in manpower and operational capabilities and expects improved performance as sector activity recovers.

The profit before tax for the year stood at RO 500,661 compared to RO 1,641,980 in the previous year.

### Future Outlook

The stability in economic activity across the region provides cautious optimism for the coming years. However, excess industry capacity, geopolitical uncertainty and pricing pressures are expected to persist in the near term along with the impact of the imports from Iran, Jordan, UAE and China.

The Company's strategic priorities remain focused on effective price management, expansion of product offerings, disciplined cost control, operational efficiencies, and the identification of new customers, channels and markets. These initiatives are expected to support sustainable and profitable growth over the medium to long term.

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The Board of Directors  
The National Detergent Company SAOG  
P O Box 3104, Postal Code 112  
Muscat, Sultanate of Oman

## **AGREED UPON PROCEDURES ON CODE OF CORPORATE GOVERNANCE**

### **Purpose of this Agreed-Upon Procedure Report and Restriction on Use and Distribution**

Our report is solely for the purpose of assisting the Board of Directors of The National Detergent Company SAOG ('the Company') in determining whether their Corporate Governance report is in compliance with the Code of Corporate Governance (the "Code") of Financial Services Authority (FSA) of the Sultanate of Oman as prescribed under FSA Circular No. E/10/2016 dated 1 December 2016. This report may not be suitable for another purpose.

### **Responsibilities of Management and the Board of Directors**

The Management and the Board of Directors have prepared the Corporate Governance report ("the Report") and remain solely responsible for it and are also responsible for identifying and ensuring that the contents of the Report comply with the Code. The Management and the Board of Directors have acknowledged that the agreed-upon procedures are appropriate and sufficient for the purpose of the engagement.

### **Responsibilities of the Practitioner**

We have conducted the agreed-upon procedures engagement in accordance with the *International Standard on Related Services (ISRS) 4400 'Agreed-Upon Procedures Engagements'*. An agreed-upon procedures engagement involves our performing the procedures that have been agreed with the Management and the Board of Directors, and reporting the findings, which are the factual results of the agreed-upon procedures performed. We make no representation regarding the appropriateness of the agreed-upon procedures. This agreed-upon procedures engagement is not an assurance engagement. Accordingly, we do not express an opinion or an assurance conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported.

### *Professional Ethics and Quality Control*

We have complied with the ethical requirements and the independence requirements in accordance with *International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code)*. Our firm applies *International Standard on Quality Control (ISQC) 1, Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements*, and accordingly, maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

**AGREED UPON PROCEDURES ON CODE OF CORPORATE GOVERNANCE (Continued)****Procedures and findings**

We have performed the procedures described below, which were agreed upon with the Management and the Board of Directors of The National Detergent Company SAOG on compliance with the Code:

<b>Procedures</b>	<b>Findings</b>
1. We obtained the Company's Corporate Governance report for the year ended 31 December 2025 and compared its contents to the minimum requirements of the FSA as set out in Annexure 3 of the Code.	No exceptions noted.
2. We obtained the details regarding areas of non-compliance, if any, with the Code identified in the Corporate Governance report for the year ended 31 December 2025.	No exceptions noted.

Additionally, we obtained written representations from the Management that there were no other areas of non-compliance with the Code for the year ended 31 December 2025, of which they were aware.

This report relates only to the accompanying Corporate Governance report of the Company to be included in its annual report for the year ended 31 December 2025 and does not extend to the Company's financial statements taken as a whole.

*Jeasad*      *Mona Sh*

19 February 2026





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**CORPORATE GOVERNANCE REPORT**  
**FOR THE YEAR 2025**

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## 1. CORPORATE GOVERNANCE PHILOSOPHY

The National Detergent Co. SAOG is committed to the highest standards of corporate governance in all its activities. Key elements in corporate governance including transparency, disclosure, internal control, risk management, internal and external communications of high standards are being practiced. The Board confirms that the Company follows the principles enlisted in the Financial Services Authority Code of Corporate Governance for Muscat Security Market Listed Companies.

The following is the status and progress on certain aspects of corporate governance.

## 2. BOARD OF DIRECTORS

**Composition:** The Company's Board is composed solely of Non-Executive Directors. The Board consists of seven members with experience in various disciplines including finance, industry, trading and general manufacturing. The present Board was elected at the Annual General Meeting held on 23<sup>rd</sup> March 2025 for three years in accordance with the rules and conditions for election of Directors prescribed for public joint stock companies. In line with the requirements of the Commercial Companies Law, the newly elected Board met separately to elect its Chairman and Vice-Chairman apart from reconstituting its committees. Besides, the Secretary to the Board was also duly nominated and elected. The Company has an induction program for Directors, which covers the wider business environment, the Company's specific businesses as well as specific corporate governance elements.

**Board Meetings and Details of Board Members:** During the year ended 31 December 2025, six meetings of the Board of Directors were held on the following dates i.e. 18<sup>th</sup> February, 24<sup>th</sup> March, 24<sup>th</sup> April, 24<sup>th</sup> July, 29<sup>th</sup> October and 30<sup>th</sup> December.

Name of the Director	Position	Independent	No. of Meetings attended	Whether attended last AGM
Mohamed Abdul Hussain Baqer Al Lawati	Chairman Non-Executive	No	6	Yes
Ghada Mohamed Al-Yousef	Vice Chairman Non-Executive	Yes	5	No
Khalid bin Abdullah bin Salim Al-Eisri	Non-Executive	Yes	6	Yes
Anand Budhia	Non-Executive	Yes	6	Yes
Mehdi Al Abduwani	Non-Executive	Yes	6	Yes
Hamza Mohamed Abdul Hussain Al Lawati	Non-Executive	No	5	No
Mohamed Gamaleldin Aly Nasser	Non-Executive	Yes	5	No



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Pramod Kumar Hiran*	Non-Executive	Yes	1	Yes
Abdullah Khalil Alkhonji*	Non-Executive	Yes	1	Yes
Majid Altaf Sulaiman Al Lawati*	Non-Executive	Yes	1	Yes

\* Board members till 23/03/2025

Other Directorships held in listed companies during the year:

Name of the Director	Name of the Company	Position Held
Mohamed Abdul Hussain Baqer Al Lawati	NIL	-
Ghada Mohamed Al-Yousef	NIL	-
Khalid bin Abdullah bin Salem Al-Eisri	National Biscuit Industries Voltamp Energy SAOG Oman Chlorine SAOG	Director
Anand Budhia	Muscat Insurance Co SAOG National Finance Co SAOG	Director
Mehdi Al Abduwani	NIL	-
Hamza Mohamed Abdul Hussain Al Lawati	NIL	-
Mohamed Gamaleldin Aly Nasser	NIL	-

**Directors' profiles:**

**Mr. Mohamed Abdul Hussain Baqer Al Lawati, Chairman:**

Graduate from Yarmouk University, Jordan having more than 30 years of experience in the field of trading, distribution, marketing, manufacturing and real estate. He is the chairman of M/s Bhacker Suleman Jaffer Co.

**Mrs. Ghada Mohamed Al-Yousef, Vice-Chairman**

Mrs. Ghada Mohammed Al Yousef is Chief Corporate Officer at Nama Electricity Supply Company SAOC and Deputy Chairperson of Nama Electricity Distribution Company SAOC. She holds an MBA from London Business School and brings strong experience in corporate governance, strategy, and entrepreneurial leadership.

**Mr. Anand Budhia, Director:**

A Chartered Accountant, Company Secretary and Cost Accountant from India having over 31 years of experience in the fields of corporate finance & investment, strategic management and review, corporate law, business planning and control in manufacturing and other sectors. He has been working in Oman for over 17 years. He is an independent Director of the Muscat Insurance Co. SAOG, National Finance Co. SAOG and a member of the Audit Committee, NREC and Director in other SAOC Companies.



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**Mr. Mehdi bin Mohammed Jawad Al Abduwani, Director:**

Mr. Mehdi has diverse experience in the fields of economic planning, banking services, corporate and finance management, and communications. He has extensive management experience and is familiar with corporate governance systems.

He held several key positions, including the Director General of Development Planning at the Supreme Council for Planning. In addition, he chaired a number of companies' boards of directors and sub-board committees. He was a board member of number of companies inside and outside the Sultanate. His last position was as Senior Vice President of the Oman Rail Company/INSHA a subsidiary of the Asyad Group.

Mr. Mehdi Al Abduwani holds a bachelor's degree in economics from Yarmouk University in Jordan and a postgraduate degree in development planning Techniques from the Netherlands,

**Mr. Hamza MAH Al Lawati**

Mr. Hamza is an MBA from the University of Manchester, a commerce graduate from Sultan Qaboos University. He is currently CEO of the Bhacker Suleman Jaffer Group Co.

**Mr. Khalid bin Abdullah bin Salem Al-Eisri, Director:**

He holds a bachelor's degree in finance from Sultan Qaboos University, and he is a Certified Financial Analyst (CFA) and has 20 years of experience in investment management and he is a member of the Board of Directors of several prominent companies. He is currently the Chief Executive Officer of Al Anwar Investments SAOG.

**Mr. Mohamed Gamaleldin Aly Nasser:**

Mr. Mohamed Gamaleldin is a Senior Corporate Legal, Compliance, Lawyer and Legal Consultant with 15+ years of diversified experience in the Middle East. He possesses in-depth knowledge and expertise in statutory and regulatory interpretation, got broad experience in transactional analysis, contracts management, advice and oversights in large corporate negotiations, Board director oversees the strategic direction and governance of organizations, ensuring it meets its objectives and remains accountable to stakeholders. Mr. Mohamed Gamaleldin holds a law degree (LLB), a master's degree (LLM) in private law (Arbitration) and is a member of BAR association.

**3. AUDIT COMMITTEE**

**Composition and Meetings:** The Committee was elected in March 2025 for three years, comprising of four non-executive directors and the majority of them are independent. The statutory auditors, internal auditors and the senior management personnel were invited to attend the meetings of the Committee as and when required. Besides, the Committee also met the external auditors independently during the year. The Committee met four times during the year ended 2025 on the following dates, 17<sup>th</sup> February 24<sup>th</sup> April, 22<sup>nd</sup> July, and 28<sup>th</sup> October.



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Name of the Member	No. of meetings Attended	Position
Khalid bin Abdullah bin Salim Al Eisri	4	Member/Chairman**
Anand Budhia	3	Member
Mehdi Al Abduwani	3	Member
Mohamed Gamaleldin Aly Nasser	3	Member
Pramod Kumar Hiran*	1	Chairman
Abdullah Khalil Alkhonji*	1	Member

\* Members of Audit Committee till 23/03/2025

\*\* Chairman of Audit Committee from 24/03/2025

**Role of Audit Committee:**

The role of the Audit Committee covers the matters specified under the Code of Corporate Governance, which includes: -

Overseeing the financial reporting process and disclosure of financial information in general and with particular reference to reviewing the annual and quarterly financial statements before submission to the Board.

Reviewing any change in accounting policy and practices and ensuring alignment with International Financial Reporting Standards (IFRS).

Reviewing the adequacy of the internal control systems through the reports of the internal and external auditors.

Reviewing risk management policies of the company and ensuring their adequacy.

Reviewing proposed transactions with related parties to make suitable recommendations to the Board.

Reviewing compliances in accordance with the Financial Services Authority, Commercial Law and other Laws applicable to the company.

Overseeing the internal audit function in general with particular reference to reviewing the scope of the internal audit plan for each year.

Considering the choice of statutory auditors, determining their fees and terms of engagement and recommending their appointment.

The Committee also holds discussions with the external and internal auditors independent of the management wherever necessary apart from serving as a channel of communication between the auditors and the Board.

**4. NOMINATION & REMUNERATION EXECUTIVE COMMITTEE**

The Company had in place a duly constituted Nomination & Remuneration Committee, in accordance with Corporate Governance, and an Executive Committee. Both committees were merged and named 'Nomination and Remuneration Executive Committee' (NREC) comprising five non-executive directors.

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The Committee met 3 times during the year 2025 on 19<sup>th</sup> January, 29<sup>th</sup> May, and 25<sup>th</sup> December. During the meetings the Committee discussed increment and ex-gratia bonus amount to the employees and key matters related to AquaPetro Chemical (APC). The Committee also discussed the budget for the year, new business proposals and future business expansion plans. The Committee members also discussed with the management significant market developments and major operational issues. The Committee is delegated with appropriate powers and authority for guiding the management in the smooth running of the operations of the Company.

Name of the Member	No. of meetings Attended	Position
Mohamed Abdul Hussain Baqer Al Lawati	3	Chairman
Ghada Mohamed Al-Yousef	2	Member
Mehdi bin Mohammed Jawad Al Abduwani	3	Member
Anand Budhia	3	Member
Hamza Mohamed Abdul Hussain Al Lawati	2	Member
Khalid bin Abdullah bin Salim Al -Eisri*	1	Member
Majid Altaf Sulaiman Al Lawati*	1	Member

\* Member of NREC till 23/03/2025.

**Role of Nomination & Remuneration Executive Committee:**

The role of the Nomination & Remuneration Executive Committee covers the matters specified under the Code of Corporate Governance, which includes:

- Prepare a succession plan for the executive management of the Company.
- Develop a policy or succession plan for the Board or at least the Chairman.
- Prepare a detailed description of the role and responsibilities of the Board members, including the Chairman, to facilitate acquainting members with their roles and measure their performance.
- Find competent people to join the Board on a temporary basis when a vacancy exists.
- Search for and nominate competent people for executive posts at the request of the Board.
- Prepare remuneration, allowance, and bonus policies for the executive management. Periodically review the above policies taking into consideration market conditions and the company's performance.
- To review and discuss budget for the year, new business proposal and future business expansion plan.
- To review and discuss with the management the significant market developments and major operational issues.



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6. REMUNERATION MATTERS

Sitting fees amounting to RO 54,100/- are incurred for meetings during the year.

Directors' name	Sitting fee (RO)
Mohamed Abdul Hussain Baqer Al Lawati	7,800
Ghada Mohamed Al-Yousef	5,500
Anand Budhia	8,400
Mehdi Al Abduwani	8,400
Hamza Mohamed Abdul Hussain Al Lawati	5,500
Mohamed Gamaleldin Aly Nasser	6,000
Khalid bin Abdullah bin Salim Al-Eisri	8,200
Pramod Kumar Hiran	1,500
Abdullah Khalil Al Khonji	1,400
Majid Altaf Sulaiman Al Lawati	1,400
<b>Total</b>	<b>54,100</b>

**Management Remuneration:** The salary, benefits, bonus, gratuity, and pension paid during the year to the top five officers are given below. Bonus/incentive/ex-gratia was paid after annual evaluation and achievement of key tasks, which were set at the beginning of each year. The service contracts are for a two-year term with a notice period of three months on either side.

Details	RO
Salaries	206,850
Allowance and perquisites	138,596
Bonus and commission	81,540
Terminal benefits / PASI	19,696
<b>Total</b>	<b>446,682</b>

**Management Profiles:**

- **Mr. Murali Sundar, Chief Executive Officer:** Holds a Bachelor degree of Engineering from Anna University and master's in business administration from University of Madras, India having more than 30 years of experience in various reputed companies.
- **Mr. Deepak Kumar Jain, Dy. CEO & CFO:** A Chartered Accountant from India and holds a master's in business administration (Finance) from University of Leicester, UK with additional qualifications of a professional Law Degree and Diploma in Computer Programming, having more than 35 years of experience with various multinational and reputed companies.



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The National Detergent Co. s.a.o.g.

حاصلة على شهادة الأيزو 9001:2015  
An ISO 9001:2015 Certified company

- **Mr. Anish Kumar, Head of Marketing:**  
Holds a science graduate degree from Madras Christian College with master's degree in business administration from National Institute of Technology Trichy, India having more than 27 years of work experience with multinational companies.
- **Mr. Babu Pezhery, Operations Manager:**  
Holds a Chemical Engineering degree from Thrissur Government Engineering College, India and having more than 24 years of experience in different FMCG companies in India and GCC.
- **Mr. Nasser Mansoor Al Rawahi, General Manager -Administration and Human Resources:**  
Holds a Diploma in Business Administration and has more than 32 years of experience in professional human resources management in Oman.

#### 7. FSA/MSM REGULATIONS

The Company has complied fully with FSA/MSM regulations during the last three years and no non-compliance is reported separately.

#### 8. MEANS OF COMMUNICATION WITH SHARE HOLDERS AND INVESTORS

The Company publishes quarterly results, in Arabic and English as per the FSA regulations. The electronic copy is submitted to FSA to host on their website for access by shareholders.

In accordance with Decision No. E/109/2022 issued on 17 July 2022 on Rules for Interaction between Public Joint Stock Companies, the Media, Investors and Analysts, the Company held two Investor relation sessions on 24 March 2025 and 18 August 2025, where it presented to the investor community the audited financial statements for the year ended 31 December 2024 and the unaudited financial statements for the period ended 30 June 2025 outlining its key strategic and business performance highlights as well as key points discussing the Company's goals and values.

The Management Discussion and Analysis Report forms a part of the Annual Report. The Company has its own website on which the Company profile as well as the financial results are updated. The website address is [www.ndcoman.com](http://www.ndcoman.com).

The dates of the Shareholders meeting held during the past two years are given below.

Financial Year	Date of Meeting	Type of Meeting	Venue	Time
2025	23 March 2025	OGM	Online	5:00 P.M.
2024	19 March 2024	OGM	Online	5:00 P.M.
2023	14 December 2023	EGM	Online	3:00 P.M.
2023	16 March 2023	OGM	Crown Plaza, Muscat	5:00 P.M.



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The National Detergent Co. s.a.o.g.

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#### 9. MARKET PRICE DATA

The details of the high and low prices of the company's shares traded in various months during 2025, the MSM share price index and the MSM index for industry sector shares traded are given below.

Month	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
High – RO	0.78	0.74	0.74	0.73	0.73	0.69	0.73	0.72	0.72	0.72	0.71	0.73
Low – RO	0.74	0.74	0.73	0.73	0.69	0.69	0.68	0.72	0.69	0.69	0.70	0.72
MSM Share Price index	4,543	4,436	4,367	4,316	4,561	4,501	4,781	5,030	5,182	5,610	5,706	5,867
MSM Index for Industry Sector Shares	5,409	5,832	5,548	5,961	6,565	6,469	6,905	7,010	7,031	7,233	7,273	7,846

#### 10. DISTRIBUTION OF SHAREHOLDING

Information on shareholders' holding more than 5% is furnished here below:

Shareholder	As on 31–Dec–2025	
	(%)	No of Shares held
Al Anwar Investments SAOG	24.9	4,975,701
Bhacker Suleiman Jaffer Company	13.7	2,748,825
Mr. Mohamed Abdul Hussain Baqer Al Lawati	10.0	2,008,898
Mr Waleed Omar Abdul Munim Al Zawawi	10.1	2,012,725
Legal Heirs of Late Mr. Redha Baqir Al Lawati	8.1	1,621,748
Mr. Mustaq Abdulla Jafer Al Salah	5.1	1,022,777
Ms. Areej Omar Bin Abdul Muniem Al Zawawi	5.0	1,006,362
Ms. Reem Omar Bin Abdul Muniem Al Zawawi	5.2	1,033,619

#### 11. AREAS OF NON-COMPLIANCE WITH PROVISIONS OF CORPORATE GOVERNANCE

The Company has complied with all other regulations of the FSA/MSM during 2025 and there are no penalties or strictures imposed on the company on any matter related to capital markets during the last three years.



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An ISO 9001:2015 Certified company

**12. PROFILE OF STATUTORY AUDITORS**

**About Moore**

The shareholders of the Company have appointed Moore Stephens as the external auditors for the financial year 2025, with an agreed total fee of RO 11,500 for conducting the statutory audit and reviewing the Corporate Governance Report.

Moore Stephens LLC, Oman is part of the Moore Global network, which is regarded as one of the world's major accounting and consulting networks, with its headquarters in London, consisting of more than 200 independent firms with over 563 offices and more than 37,000 people across 116 countries.

The Oman office commenced practice in the Sultanate of Oman in 1988. Over the years, the practice has developed considerably and now services a number of clients, including major listed companies, Groups, government organizations and Ministries providing either audit, tax or management consultancy services. The local staff strength is around 95, most of whom are qualified Chartered Accountants, internal auditors, and information systems auditors.

**13. AUDIT FEE TO AUDITORS**

Total audit fee for the annual audit paid / due to auditors was RO 11,500/- (RO Eleven Thousand Five Hundred only) including review report on corporate governance for the year 2025.

**14. RELATED PARTY TRANSACTIONS**

The transactions with related parties are disclosed in **note 14** to the Accounts in the Annual Report.

**15. COMPLIANCE WITH INTERNAL REGULATIONS AND CONTROL SYSTEM**

The Company understands its responsibility in preparing the financial statements in accordance with the applicable International Accounting Standards and the disclosure requirements of the Financial Services Authority and other applicable rules.

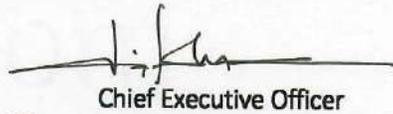
The company has been constantly monitoring and upgrading its internal control procedures and systems in compliance with the local laws and regulations. As a part of this process, the internal controls, procedures manuals and guidelines as recommended by the Financial Services Authority have been implemented from 2003 and time to time revised incorporating latest changes in local laws. The Board, through the appointment of an external firm as internal auditor, regular involvement of Audit committee in the review process and based on the periodical reports submitted by the internal auditor, have reviewed the internal controls and procedures adopted by the Company and found them to be adequate and effective.

We confirm according to our knowledge there are no material things that affect the continuation of the Company and its ability to continue its operations during the next financial year.

Mohamed Abdul Hussain Baqer Al Lawati

Murali Sundar Kothandaraman Arun

  
Chairman, Board of Directors

  
Chief Executive Officer

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# **The National Detergent Company SAOG**

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**Financial Statements  
31 December 2025**

**Registered office and principal place of business**

P O Box 3104  
Postal Code 112  
Sultanate of Oman

**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF  
THE NATIONAL DETERGENT COMPANY SAOG*****Report on the Audit of the Financial Statements*****Opinion**

We have audited the accompanying financial statements of The National Detergent Company SAOG, set out on pages 6 to 35, which comprise the statement of financial position as at 31 December 2025, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2025 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

**Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), together with the ethical requirements that are relevant to our audit of the Company's financial statements in the Sultanate of Oman, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

## **INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF THE NATIONAL DETERGENT COMPANY SAOG (Continued)**

### **Key Audit Matters (Continued)**

We have determined the following matters to be the key audit matters to be communicated in our report:

#### *a) Revenue recognition*

The revenue for the year amounted to ₺ 24.26 million. Revenue recognition is considered as a significant risk given the high volume of transactions and the use of significant estimates and judgements in determining the transaction price and identification of distinct performance obligations in accordance with IFRS 15. Accordingly, we have considered the revenue recognition as a key audit matter.

Our audit procedures in this regard included:

- Assessing and evaluating the terms of the revenue contracts of the Company with the customers as well as the Company's accounting policies in accordance with the requirements of IFRS 15;
- Assessing the design and testing the operating effectiveness of relevant controls over the recognition of revenue;
- Performing test of controls to verify occurrence, completeness and accuracy of revenue transactions on a sample basis;
- Conducting analytical procedures on disaggregated data of revenue transactions during the audit period to identify any unusual trends warranting additional audit procedures;
- Performing revenue cut-off procedures by selecting a sample of invoices before and after year end to determine if revenue has been recorded in the appropriate period;
- Testing the appropriateness of accruals for various rebates and discounts as at the end of the reporting period; and
- Considering adequacy and appropriateness of related disclosures.

The additional information regarding the revenue recognized during the year is set out in notes 15 and 27 to the financial statements.

#### *b) Allowance for expected credit losses (ECL) and impairment of trade receivables*

The trade receivables amounting to ₺ 6.3 million (net of allowance for ECL) represents 19.44% of the total assets and is significant to the Company as on 31 December 2025. Accordingly, we have considered the estimation of allowance for ECL and impairment of trade receivables as a key audit matter.

Our audit procedures in this regard included:

- Obtaining an understanding of the Company's process for estimating ECL and assessing the appropriateness of the ECL methodology against the requirements of IFRS 9.
- Testing the key controls established by the Management to ensure identification of impaired debts.
- Obtaining the ageing analysis for receivables and testing, on a sample basis, its correctness.
- For a sample of trade receivables and past due debts, assessing the recoverability status by considering subsequent receipts.
- Considering adequacy and appropriateness of related disclosures.

The disclosures regarding the allowance for ECL and impairment of trade receivables are set out in notes 8 and 28 b) to the financial statements.

## **INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF THE NATIONAL DETERGENT COMPANY SAOG (Continued)**

### **Other information**

The Management and the Board of Directors are responsible for other information. The other information comprises the Chairman's report, Management Discussion and Analysis report and Corporate Governance Report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

### **Responsibilities of Management and the Board of Directors for the Financial Statements**

The Management and the Board of Directors are responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, the relevant requirements of the Commercial Companies Law of the Sultanate of Oman, the disclosure requirements for public joint stock companies issued by the Financial Services Authority and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management and the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Company's financial reporting process.

## **INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF THE NATIONAL DETERGENT COMPANY SAOG (Continued)**

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF  
THE NATIONAL DETERGENT COMPANY SAOG (Continued)**

**Auditor's Responsibilities for the Audit of the Financial Statements (Continued)**

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

***Report on the Regulatory Requirements***

The financial statements also comply, in all material respects, with the relevant requirements of the Commercial Companies Law of the Sultanate of Oman, and the disclosure requirements for public joint stock companies issued by the Financial Services Authority.

The engagement partner on the audit resulting in this independent auditor's report is Mr Prasad Inna.

For Moore Stephens LLC



Prasad Inna  
Partner



Membership No. – 117806  
ICAI, India.

19 February 2026

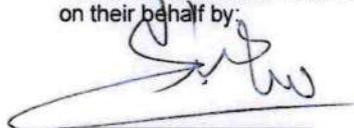


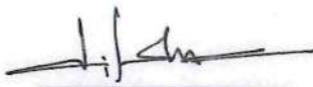
**The National Detergent Company SAOG**  
**Financial statements for the year ended 31 December 2025**

**Statement of financial position**

	Note	2025 ±	2024 ±
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	5	17,753,163	17,492,282
Right of use assets	6	2,238,499	2,209,951
<b>Total non-current assets</b>		<b>19,991,662</b>	<b>19,702,233</b>
<b>Current assets</b>			
Inventories	7	5,452,184	5,618,787
Trade and other receivables	8	6,750,389	6,528,563
Bank balances and cash	9	221,787	910,071
<b>Total current assets</b>		<b>12,424,360</b>	<b>13,057,421</b>
<b>Total assets</b>		<b>32,416,022</b>	<b>32,759,654</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	10	2,000,000	2,000,000
Share premium	11 a)	364,263	364,263
Legal reserve	11 b)	666,667	666,667
Revaluation reserve	11 c)	10,892,250	10,892,250
Retained earnings		3,107,362	3,684,237
<b>Total equity</b>		<b>17,030,542</b>	<b>17,607,417</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Non-current portion of lease liabilities	6 e)	2,338,407	2,254,746
Employees' end of service benefits	20 c)	861,078	770,518
Deferred tax liability	22	1,904,745	1,951,040
<b>Total non-current liabilities</b>		<b>5,104,230</b>	<b>4,976,304</b>
<b>Current liabilities</b>			
Current portion of lease liabilities	6 e)	141,215	112,074
Trade and other payables	12	5,815,870	6,253,206
Bank borrowings	13	4,200,334	3,500,000
Taxation	22	123,831	310,653
<b>Total current liabilities</b>		<b>10,281,250</b>	<b>10,175,933</b>
<b>Total liabilities</b>		<b>15,385,480</b>	<b>15,152,237</b>
<b>Total equity and liabilities</b>		<b>32,416,022</b>	<b>32,759,654</b>
<b>Net assets per share</b>	24	<b>0.852</b>	<b>0.880</b>

These financial statements were approved by the Board of Directors on 19 February 2026 and were signed on their behalf by:

  
 Chairman

  
 Chief Executive Officer

  
 Chief Financial Officer

The attached notes 1 to 29 form part of these financial statements.

**The National Detergent Company SAOG**  
**Financial statements for the year ended 31 December 2025**

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**Statement of comprehensive income**

	Note	2025 <u>Ⓐ</u>	2024 <u>Ⓐ</u>
<b>INCOME</b>			
Revenue from contracts with customers	15	24,261,516	24,519,448
Cost of sales	16	(16,323,366)	(15,892,767)
Gross profit		7,938,150	8,626,681
Other income	17	38,401	37,051
		7,976,551	8,663,732
<b>EXPENSES</b>			
General and administration	18	(1,588,353)	(1,617,976)
Selling and distribution	19	(5,488,795)	(5,078,550)
Finance charges	21	(398,742)	(325,226)
		(7,475,890)	(7,021,752)
Profit before taxation		500,661	1,641,980
Tax charge	22	(77,536)	(248,364)
<b>Net profit for the year</b>		<b>423,125</b>	<b>1,393,616</b>
<b>Basic earnings per share</b>	23	<b>0.021</b>	<b>0.070</b>

The attached notes 1 to 29 form part of these financial statements.

**The National Detergent Company SAOG**  
**Financial statements for the year ended 31 December 2025**

**Statement of changes in equity**

	Share capital (note 10)	Share premium [note 11 a)]	Legal reserve [note 11 b)]	Revaluation reserve [note 11 c)]	Retained earnings	Total
At 31 December 2023	2,000,000	364,263	632,835	10,892,250	2,824,453	16,713,801
Net profit and total comprehensive income for the year	--	--	--	--	1,393,616	1,393,616
Transfer to legal reserve	--	--	33,832	--	(33,832)	--
Dividend paid during the year	--	--	--	--	(500,000)	(500,000)
At 31 December 2024	2,000,000	364,263	666,667	10,892,250	3,684,237	17,607,417
At 31 December 2024	2,000,000	364,263	666,667	10,892,250	3,684,237	17,607,417
Net profit and total comprehensive income for the year	--	--	--	--	423,125	423,125
Dividend paid during the year	--	--	--	--	(1,000,000)	(1,000,000)
At 31 December 2025	2,000,000	364,263	666,667	10,892,250	3,107,362	17,030,542

The attached notes 1 to 29 form part of these financial statements.

**The National Detergent Company SAOG**  
**Financial statements for the year ended 31 December 2025**

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**Statement of cash flows**

	2025	2024
	<u>€</u>	<u>€</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	500,661	1,641,980
<i>Adjustments for:</i>		
Depreciation on property, plant and equipment	725,953	616,668
Depreciation of right of use assets	211,604	198,290
Finance costs	398,742	325,226
Gain on disposal of property, plant and equipment	(4,095)	(6,238)
Employees' end of service benefits	171,669	69,728
Operating profit before working capital changes	2,004,534	2,845,654
<i>Working capital changes:</i>		
Inventories	166,603	(2,065,606)
Trade and other receivables	(174,637)	791,178
Trade and other payables	(437,336)	(237,724)
Net cash generated from operations	1,559,164	1,333,502
Employees' end of service benefits paid	(81,109)	(82,601)
Tax paid	(310,653)	(206,412)
Net cash generated from operating activities	1,167,402	1,044,489
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Additions to property, plant and equipment	(1,034,023)	(1,040,276)
Proceeds from disposal of property, plant and equipment	4,095	6,238
Net cash used in investing activities	(1,029,928)	(1,034,038)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Finance charges paid	(256,151)	(184,820)
Net movement in bank borrowings	700,334	518,740
Dividend paid	(1,000,000)	(500,000)
Lease liabilities paid	(269,941)	(256,504)
Net cash used in financing activities	(825,758)	(422,584)
Net decrease in cash and cash equivalents during the year	(688,284)	(412,133)
Cash and cash equivalents at the beginning of the year	910,071	1,322,204
<b>Cash and cash equivalents at the end of the year</b>	<b>221,787</b>	<b>910,071</b>

The attached notes 1 to 29 form part of these financial statements.

# The National Detergent Company SAOG

## Financial statements for the year ended 31 December 2025

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### Notes to the financial statements

#### 1 ACTIVITIES

The National Detergent Company SAOG ("the Company") was formed in 1986 and is registered in the Sultanate of Oman as a public joint stock company. The Company's principal activity is the manufacture and sale of detergents, liquid soaps, and home care products.

#### 2 BASIS OF PREPARATION AND ADOPTION OF NEW AND AMENDED IFRS

##### 2.1 Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board (IASB), interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC), the relevant disclosure requirements of the Financial Services Authority and the requirements of the Commercial Companies Law of the Sultanate of Oman.

The financial statements are presented in Omani Rials.

##### 2.2 New and amended IFRS adopted by the Company

The financial statements have been drawn up based on accounting standards, interpretations and amendments effective at 1 January 2025. The Company has adopted the revised IAS 21 'The effects of changes in foreign exchange rates' issued by International Accounting Standards Board, which was effective for the current accounting period.

Amendments to IAS 21 specify how an entity should assess whether a currency is exchangeable, how to determine a spot exchange rate when exchangeability is lacking and introduce additional disclosure requirements relating to such circumstances.

The Management believes the adoption of the amendment has not had any material impact on the recognition, measurement, presentation and disclosure of items in the financial statements for the current accounting period.

##### 2.3 New and amended IFRS which are in issue but not yet effective

The new and amended standards and interpretations that are issued, but not yet effective, are disclosed below. The Company intends to adopt these standards and amendments, if applicable, when they become effective.

- Amendments to IFRS 9 'Financial Instruments' and IFRS 7 'Financial Instruments: Disclosures' (Classification and measurement requirements of financial instruments and contracts referencing nature-dependent electricity)
- Annual amendments to IFRS – Volume 11 amend the following:
  - IFRS 1 'First time adoption of IFRS' – Hedge accounting by a first time adopter;
  - IFRS 7 'Financial instruments: Disclosures' – Gain or loss on derecognition;
  - Guidance on implementing IFRS 7 – Credit risk disclosures and disclosure of deferred difference between fair value and transaction price;
  - IFRS 9 'Financial instruments' – Derecognition of lease liabilities and transaction price
  - IFRS 10 'Consolidated financial statements' – Determination of a 'de facto agent'
  - IAS 7 'Statement of cash flows' – Cost method
- IFRS 18 'Presentation and Disclosure in Financial Statements' replaces IAS 1 'Presentation of Financial Statements'. The new requirements on presentation and disclosure will provide information to better understand Company's financial performance, improve labelling, aggregation and disaggregation of information and disclosure of management-defined performance measures in the financial statements.

# The National Detergent Company SAOG

## Financial statements for the year ended 31 December 2025

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### Notes to the financial statements

#### 2 BASIS OF PREPARATION AND ADOPTION OF NEW AND AMENDED IFRS (Continued)

##### 2.3 New and amended IFRS which are in issue but not yet effective (Continued)

- IFRS 19 'Subsidiaries without Public Accountability: Disclosures' (Reduced disclosures for eligible entities)

Except for the adoption of IFRS 18, the Management believes the adoption of the other amendments is not likely to have any material impact on the recognition, measurement, presentation and disclosure of items in the financial statements for future periods.

#### 3 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In preparing the financial statements, the Management is required to make estimates and assumptions which affect reported income and expenses, assets, liabilities and related disclosures. The use of available information and application of judgement based on historical experience and other factors are inherent in the formation of estimates that are believed to be reasonable under the circumstances. Actual results in the future could differ from such estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected. In particular, estimates that involve uncertainties and judgements which have significant effect on the financial statements include:

- *Useful lives of property, plant and equipment*

The estimation of useful lives of property, plant and equipment is based on Management's assessment of various factors such as the supplier's technical estimates, operating cycles, the maintenance programs and normal wear and tear.

- *Provision for slow and non-moving inventories*

Provision for slow and non-moving inventories is based on Management's estimate of the realisable value of the inventories based on the Company's provisioning policy and historical experiences considering the usage of the inventories.

- *Allowance for expected credit losses (ECLs)*

The Company uses the flow-rate model to calculate ECLs for all trade receivables. The flow-rate method is based on the probability of a receivable progressing through successive stages of delinquency to write-off. Flow rates are calculated separately for exposures in different segments based on the common credit risk characteristics.

The ECL is initially based on the Company's historical observed default rates. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Company has identified the GDP growth, oil prices and inflation rates to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

ECL on bank balances is determined using credit rating information supplied by independent rating agencies, where available. ECL on other receivables is provided if the amount is deemed material.

# The National Detergent Company SAOG

## Financial statements for the year ended 31 December 2025

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### Notes to the financial statements

#### 3 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

- *Valuation of land*

Land is measured under revaluation model. The estimation of fair value of land at the end of the reporting period is based on independent valuation undertaken by professional valuers at periodic intervals (3 to 4 years) or when the Management believes the fair value of the land is materially different from its carrying value.

- *Estimation of the lease term and right of use assets*

The Management determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Management applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease by considering all relevant factors that create an economic incentive for it to exercise either the renewal or termination.

- *Incremental borrowing rate*

The Management applies judgement when electing the incremental borrowing rate to discount the lease liabilities.

- *Impairment of non-financial assets*

At the end of the reporting period, the Management has assessed if there are any indicators of impairment of non-financial assets (property, plant and equipment and right-of-use assets). Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The computation of value in use and fair value less costs to sell require the use of estimates.

The Management has concluded, based on assessment of available evidence, that impairment has not arisen in the carrying values of non-financial assets at the end of the reporting period.

- *Volume rebates*

The Company's expected volume rebates are analysed on a per customer basis for contracts that are subject to a single volume threshold. Determining whether a customer will likely be entitled to rebate will depend on the customer's historical rebates entitlement and accumulated sales to date.

#### 4 MATERIAL ACCOUNTING POLICY INFORMATION

The following accounting policies have been consistently applied in dealing with items considered material to the Company's financial statements.

##### a) Accounting convention

These financial statements have been prepared under the historical cost convention as modified by the measurement of land revaluation.

# The National Detergent Company SAOG

## Financial statements for the year ended 31 December 2025

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### Notes to the financial statements

#### 4 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

##### b) Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of the goods is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods.

Revenue from sale of finished goods is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the finished goods. The normal credit term is 60 to 90 days upon delivery.

##### Variable consideration

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated (e.g., fixed and progressive rebates). In determining the transaction price for the sale of finished goods, the Management considers the effects of variable consideration and consideration payable to the customer (if any).

If the consideration in a contract includes a variable amount, the Management estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. Some contracts for the sale of finished goods provide customers with fixed and progressive rebates which give rise to variable consideration.

##### Rebates

The Company offers two types of rebates i.e. fixed rebate and volume rebate.

##### *Fixed rebates*

Fixed rebates are extended for certain contracts against the overall value of sales undertaken and are irrespective of any criteria to be complied with. Fixed rebates are accounted simultaneously through a credit note when the revenue is accounted and effectively reduced from revenue.

##### *Volume rebates*

The Company provides volume or progressive rebates to certain customers once the quantity of products sold during the period exceeds a threshold specified in the contract. Rebates are offset against amounts payable by the customer. To estimate the variable consideration for the expected future rebates, the Company applies the most likely amount method for contracts with a single-volume threshold and the expected value method for contracts with more than one volume threshold.

The Company then applies the requirements on constraining estimates of variable consideration and recognises a refund liability for the expected future rebates. The Company reviews its estimate of expected returns at each reporting date and updates the amounts of the asset and liability accordingly.

**The National Detergent Company SAOG**  
**Financial statements for the year ended 31 December 2025**

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**Notes to the financial statements**

**4 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)**

**c) Property, plant and equipment**

Land is stated in the statement of financial position at revalued amounts, being the fair value on the basis of its existing use at the date of revaluation, less any impairment losses. Revaluations are performed with sufficient regularity by independent valuers such that the carrying amount does not differ materially from that which would be determined using fair values at the reporting date.

Any revaluation increase arising on the revaluation of land is credited to the revaluation reserve (net of deferred tax), except to the extent that it reverses a revaluation decrease previously recognised as an expense, in which case the increase is credited to the income statement to the extent of the decrease previously charged. A decrease in carrying amount arising on the revaluation is charged as an expense to the extent that it exceeds the balance, if any, held in the revaluation reserve relating to previous revaluation.

Other items of property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Where an item of property, plant and equipment comprises major components having different useful lives, they are accounted for as separate items of property, plant and equipment. Following initial recognition at cost, expenditure incurred to replace a component of an item of property, plant and equipment which increases the future economic benefits embodied in the item of property, plant and equipment is capitalised. All other expenditures are recognised in the statement of income as an expense as incurred.

Items of property, plant and equipment are derecognised upon disposal or when no future economic benefit is expected to arise from the continued use of the asset. Any gain or loss arising on de-recognition of the asset is included in the statement of income in the year the item is derecognized.

Land and capital work in progress are not depreciated. Depreciation is charged to the statement of income on a straight-line basis over the estimated useful lives of items of property, plant and equipment. The estimated useful economic lives are as follows:

	Years
Buildings	5 – 33
Plant and machinery	4 – 25
Furniture, fixtures and office equipment	3 – 5
Motor vehicles	4

**d) Inventories**

Inventories are stated at lower of cost and net realisable value. The cost of raw materials, packing materials, consumables and finished goods is determined using the weighted average price method and comprise expenditure incurred in the normal course of business in bringing the inventories to their present location and condition. Cost of finished goods includes cost of direct materials, direct labour and applicable direct overheads based on the normal operating capacity. Goods in transit, which are stated at cost, comprise their invoice value plus other charges paid thereon.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. Where necessary, provision is made for obsolete, slow-moving and defective inventories.

# The National Detergent Company SAOG

## Financial statements for the year ended 31 December 2025

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### Notes to the financial statements

#### 4 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

##### e) Financial assets

###### *Recognition and initial measurement*

The Company's financial assets comprise trade and other receivables, bank balances and cash. These financial assets are classified, at initial recognition, as subsequently measured at amortised cost. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them.

In order for a financial asset to be classified and measured at amortised cost, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

###### Financial assets at amortised cost:

The Company measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Interest income, if any, from these financial assets is included in finance income using the effective interest rate method. Impairment losses are presented as a separate line item in the statement of income.

##### f) Trade and other receivables

Trade receivables are amounts due from customers for goods sold in the ordinary course of business and represent the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). They are generally due for settlement within 60 to 90 days and therefore are all classified as current.

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing component, when they are recognised at fair value. The Company holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost.

##### g) Cash and cash equivalents

For the purpose of statement of cash flows, cash and cash equivalents consist of cash and bank balances with an original maturity of less than three months.

##### h) Provisions

A provision is recognized in the statement of financial position when the Company has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Where the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

# The National Detergent Company SAOG

## Financial statements for the year ended 31 December 2025

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### Notes to the financial statements

#### 4 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

##### i) Impairment

###### *Financial assets*

A financial asset is assessed at each reporting date to determine whether there is objective evidence that it is impaired. The Company measures the impairment using the expected credit loss (ECL) model for different categories of financial assets.

###### Trade receivables

The Company recognises allowance for expected credit losses (ECLs) applying a simplified approach for trade receivables at an amount equal to lifetime ECLs. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the trade receivables and the economic environment.

###### Other financial assets

For other financial assets, which are subject to impairment, the ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL).

For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a lifetime ECL is recognised for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default.

For bank balances and cash and other receivables, the ECL adjustments are made only if they are material.

###### Write off

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof.

The Company individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Company expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

###### *Non-financial assets*

At the end of each reporting period, the Management assesses if there is any indication of impairment of non-financial assets. If an indication exists, the Management estimates the recoverable amount of the asset or cash generating unit (CGU) and recognises an impairment loss in the statement of income.

The recoverable amount is assessed as higher of asset's or CGU's value in use (VIU) and fair value less costs to sell. In assessing the VIU, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects market assessments of the time value of money and other asset specific risks. The Management also assesses if there is any indication that an impairment loss recognized in prior years no longer exists or has reduced. The resultant impairment loss reversals are recognised immediately in the statement of income.

# The National Detergent Company SAOG

## Financial statements for the year ended 31 December 2025

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### Notes to the financial statements

#### 4 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

##### j) Employees' end of service and other benefits

Payment is made to the Government of the Sultanate of Oman's Social Protection Fund (SPF) as per Royal Decree number 52 / 2023 for Omani employees for retirement benefits and other contingencies, including maternity leave benefits for all employees.

Provision is made for amounts payable under the Sultanate of Oman's Labour Law as per Royal Decree number 53 / 2023 applicable to expatriate employees' accumulated years of service at the end of the reporting period.

##### k) Financial liabilities

Financial liabilities are initially measured at fair value and are subsequently measured at amortised cost.

##### l) Trade and other payables

Liabilities are recognised for amounts to be paid for goods and services received, whether or not billed to the Company.

##### m) Taxation

Taxation expense includes both current and deferred taxes, which are recognised in the statement of income. The tax associated with an item recognised in other comprehensive income or equity is recognised in other comprehensive income or equity respectively.

###### *Current tax*

Current tax is the expected tax payable in accordance with Sultanate of Oman's fiscal regulations based on the taxable income for the year using the rate that is applicable as at the reporting date. Current tax also includes any adjustments to the tax payable in respect of prior years.

###### *Deferred tax*

Deferred tax is recognized for all temporary differences between the carrying amounts of assets and liabilities and their tax bases. Deferred tax assets and liabilities are measured using the tax rates expected to apply in the period when the asset is realized or the liability is settled, based on tax rates enacted or substantively enacted at the reporting date.

Deferred tax assets are only recognised to the extent that it is probable that future taxable profits will be available for which the losses can be utilised in the future. This assumption is reviewed at the end of each reporting period. Deferred tax assets are reduced to the extent it is no longer probable that future taxable profits will occur.

##### n) Refund liabilities

A refund liability is recognized when the Company receives consideration from a customer and expects to refund some or all of that consideration to the customer.

A refund liability is measured at the amount of consideration received (or receivable) for which the Company does not expect to be entitled (i.e. amounts not included in the transaction price). The refund liability (and corresponding change in the transaction price) shall be updated at the end of each reporting period for changes in circumstances. For consideration that is expected to be refunded through rebates or slotting fees, a refund liability, a right of return asset (and corresponding adjustment to income) is recognised.

# The National Detergent Company SAOG

## Financial statements for the year ended 31 December 2025

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### Notes to the financial statements

#### 4 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

##### o) Contract liabilities

A contract liability is the obligation to transfer goods to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

##### p) Leases

The Company leases its factory and office premises, staff accommodation and vehicles under various leasing arrangements. Contracts may contain both lease and non-lease components. The Company allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices unless it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Leases are recognised as right of use assets and corresponding liabilities at the date at which the leased asset is available for use by the Company. Lease liabilities include (wherever applicable) the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the Company under residual value guarantees
- the exercise price of a purchase option if the Company is reasonably certain to exercise the option, and
- penalties for terminating the lease, if the lease term reflects the Company exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the Company's incremental borrowing rate is used.

Lease payments are allocated between the principal and interest cost. The interest cost is charged to the statement of income over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right of use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liabilities;
- any lease payments made at or before the commencement date less any lease incentives received;
- any initial direct costs, and
- restoration costs, if applicable.

Right of use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the right of use assets are depreciated over the underlying asset's useful life.

Payments associated with short-term leases and of low-value assets are recognised on a straight-line basis as an expense in the statement of income.

# The National Detergent Company SAOG

## Financial statements for the year ended 31 December 2025

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### Notes to the financial statements

#### 4 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

##### q) Foreign currency transactions

Transactions denominated in foreign currencies are translated to Rial Omani at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the end of the reporting period are translated to Rial Omani at the foreign exchange rates ruling at that date. Foreign exchange differences arising on translation are recognised in the statement of income.

##### r) Fair value hierarchy

The Company has classified fair value measurements for financial and non-financial assets on a recurring basis using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

The Company has classified fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (ie as prices) or indirectly (ie derived from prices) (Level 2); and
- inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

The fair value measurement of the non-financial asset (land) takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

##### s) Operating segments

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components whose operating results are reviewed regularly by the Company's Board of Directors to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

##### t) Dividends

The Board of Directors recommend to the Shareholders dividend to be paid out of Company's accumulated profits. The Company's Board of Directors take into account appropriate parameters including the requirements of the Commercial Companies Law of Oman and other relevant directives issued by FSA while recommending the dividend. Dividends are recognized as a liability only in the period in which the dividends are approved by the Shareholders.

##### u) Directors' remuneration

The Company follows the Commercial Companies Law of the Sultanate of Oman, and other latest relevant directives issued by FSA, in regard to determination of the amount to be paid as Directors' remuneration and meeting attendance fees. Directors' remuneration and meeting attendance fees are charged to the statement of income in the year to which they relate.

# The National Detergent Company SAOG

## Financial statements for the year ended 31 December 2025

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### Notes to the financial statements

#### 5 PROPERTY, PLANT AND EQUIPMENT

- a) The movement in the balances relating to property, plant and equipment during the years 2025 and 2024 are set out on pages 33 and 34 respectively.
- b) Buildings have been constructed on freehold land and plots of land leased from Madayn in the Rusayl Industrial Estate and Sohar Industrial Estate under leasing arrangements as detailed in note 6 a).
- c) Land is revalued based on market value as determined by registered independent valuer in the year 2022. At the end of the reporting period, the Management believes that the fair value of the freehold land is not materially different from its carrying value.

The fair value of the land was assessed based on the market comparable approach that reflects recent transaction prices of similar properties. The fair value hierarchy level for the land has been determined using the level 3 hierarchy [note 4 r)].

- d) Had the land been carried under the cost model, the carrying value of land would have been ~~685,589~~ (2024 – ~~685,589~~).
- e) The depreciation for the year has been allocated as follows:

	2025	2024
	<del>685,589</del>	<del>685,589</del>
Cost of sales (note 16)	640,417	536,906
General and administration (note 18)	85,536	79,762
	725,953	616,668

- f) Capital work in progress at the end of the reporting period represents costs incurred for the purchase of the Enterprise Resource Planning System (ERP). The ERP system is expected to be implemented in January 2026.

#### 6 LEASES

- a) At the end of the reporting period, the leasing arrangements entered into by the Company as a lessee are as follows:
  - Leasing arrangements for the office premises, staff accommodation and warehouses. For the leases that are for short term, the Company has opted to recognise the lease expense on a straight-line basis as permitted by IFRS 16.
  - Leasing arrangements for the plots of factory land in the Rusayl and Sohar Industrial Estates in the Sultanate of Oman. The lease term is 25 to 30 years. [note 5 b)].
  - Leasing arrangements for vehicles. The lease term is 4 to 5 years.

**The National Detergent Company SAOG**  
**Financial statements for the year ended 31 December 2025**

**Notes to the financial statements**

**6 LEASES (Continued)**

b) The movement in the right of use assets during the year is as follows:

<b>Year ended 31 December 2025</b>	Land	Vehicles	Total
	⌚	⌚	⌚
At the beginning of the year	1,988,345	221,606	2,209,951
Additions during the year	--	240,152	240,152
Less: Depreciation for the year [note g)]	(82,429)	(129,175)	(211,604)
<b>At the end of the year</b>	<b>1,905,916</b>	<b>332,583</b>	<b>2,238,499</b>

<b>Year ended 31 December 2024</b>	Land	Vehicles	Total
	⌚	⌚	⌚
At the beginning of the year	895,835	198,782	1,094,617
Lease modifications during the year	1,174,938	--	1,174,938
Additions during the year	--	138,686	138,686
Less: Depreciation for the year [note g)]	(82,428)	(115,862)	(198,290)
<b>At the end of the year</b>	<b>1,988,345</b>	<b>221,606</b>	<b>2,209,951</b>

c) The depreciation charge on the right of use assets for the year has been allocated as follows:

	2025	2024
	⌚	⌚
Cost of sales (note 16)	82,429	82,428
Selling and distribution (note 19)	129,175	115,862
	<b>211,604</b>	<b>198,290</b>

d) The movement in the lease liabilities during the year is as follows:

	2025	2024
	⌚	⌚
At the beginning of the year	2,366,820	1,169,294
Additions during the year	240,152	138,686
Lease modifications during the year	--	1,174,938
Interest on lease liabilities [note g)]	142,591	140,406
Paid during the year	(269,941)	(256,504)
<b>At the end of the year</b>	<b>2,479,622</b>	<b>2,366,820</b>

e) At the end of the reporting period, lease liabilities are analysed as follows:

	2025	2024
	⌚	⌚
Non-current portion	2,338,407	2,254,746
Current portion	141,215	112,074
	<b>2,479,622</b>	<b>2,366,820</b>

**The National Detergent Company SAOG**  
**Financial statements for the year ended 31 December 2025**

**Notes to the financial statements**

**6 LEASES (Continued)**

- f) The contractual maturity analysis of the undiscounted cash flows of the lease liabilities is as follows:

	2025	2024
	<u>₹</u>	<u>₹</u>
Upto 1 year	284,340	200,930
Between 1 year to 5 years	813,737	701,937
More than 5 years	3,638,194	3,780,130
	4,736,271	4,682,997

- g) The amounts included in the statement of income relating to leases comprise:

	2025	2024
	<u>₹</u>	<u>₹</u>
Depreciation	211,604	198,290
Interest on lease liabilities (note 21)	142,591	140,406
Short term lease expense	178,033	147,103

- h) The total cash outflow for long term leases amounted to ₹ 269,941 (2024 – ₹ 256,504).

**7 INVENTORIES**

	2025	2024
	<u>₹</u>	<u>₹</u>
Raw materials	2,181,588	2,923,146
Finished goods	1,873,292	1,624,949
Packaging materials	821,641	837,675
Consumables and spares	237,949	203,364
Work in progress	29,221	14,570
Goods in transit	471,636	206,961
	5,615,327	5,810,665
Less: provision for slow and non-moving inventories [note b)]	(163,143)	(191,878)
	5,452,184	5,618,787

The following further notes apply:

- a) At the end of the reporting period, finished goods represent 28 days of annual sales (2024 – 24 days of annual sales).
- b) The movement in provision for slow and non-moving inventories during the year is as follows:

	2025	2024
	<u>₹</u>	<u>₹</u>
At the beginning of the year	191,878	141,878
(Reversed) / provided during the year (note 16)	(17,546)	50,000
Written off during the year	(11,189)	--
At the end of the year	163,143	191,878

**The National Detergent Company SAOG**  
**Financial statements for the year ended 31 December 2025**

**Notes to the financial statements**

**8 TRADE AND OTHER RECEIVABLES**

	2025	2024
	<del>₹</del>	<del>₹</del>
Trade receivables	7,270,348	6,982,468
Less: allowance for expected credit losses [note b)]	(968,116)	(968,116)
	<u>6,302,232</u>	<u>6,014,352</u>
Amounts due from related parties [note 14 c)]	366	493
Advance to suppliers	230,551	441,317
Prepayments	180,972	34,908
Deposits	8,201	8,201
Other receivables	28,067	29,292
	<u>6,750,389</u>	<u>6,528,563</u>

The following further notes apply:

- a) Trade receivables are non-interest bearing and are generally on terms of 60 to 90 days credit (2024 – similar terms)
- b) The movement in allowance for expected credit losses is as follows:

	2025	2024
	<del>₹</del>	<del>₹</del>
At the beginning of the year	968,116	908,116
Established during the year (note 18)	--	60,000
At the end of the year	<u>968,116</u>	<u>968,116</u>

- c) The information about the credit exposure for trade receivables is detailed in note 28 b).

**9 BANK BALANCES AND CASH**

	2025	2024
	<del>₹</del>	<del>₹</del>
Bank balances	220,097	901,458
Cash in hand	1,690	8,613
	<u>221,787</u>	<u>910,071</u>

**10 SHARE CAPITAL**

- a) At the end of the reporting period, the authorized, issued and fully paid-up share capital of the Company is ~~₹~~ 2,000,000 comprising 20,000,000 shares of ~~₹~~ 0.100 each (2024 – share capital of ~~₹~~ 2,000,000 comprising 20,000,000 shares of ~~₹~~ 0.100 each). Subsequent to the end of the reporting period, the Board of Directors have proposed to increase the authorised share capital of the Company to ~~₹~~ 4 million, subject to Shareholders' approval.
- b) Shareholders of the Company who own 10% or more of the Company's shares and the number of shares they hold at the end of the reporting period are as follows:

	Number of shares	2025 % of holding	Number of shares	2024 % of holding
Al Anwar Investments SAOG	4,975,701	24.88	4,975,701	24.88
Bhacker Suleiman Jaffer Company	2,748,825	13.74	2,748,825	13.74
Waleed Omar Abdul Munim Al Zawawi	2,012,725	10.06	2,012,725	10.06
Mohammed Abdul Hussain Bhacker Al Lawati	2,008,898	10.04	2,008,898	10.04

# The National Detergent Company SAOG

## Financial statements for the year ended 31 December 2025

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### Notes to the financial statements

#### 11 RESERVES

##### a) *Share premium*

Share premium relates to the amounts arising on account of a business combination when former Bausher Chemicals SAOG was merged with the Company in the year 2005.

##### b) *Legal reserve*

In accordance with Article 132 of the Commercial Companies Law of Oman, annual appropriation of 10% of the net profit for the year has been made to the legal reserve until the reserve equals one third of the Company's share capital. The reserve is not available for distribution but can be utilized to set off against any accumulated losses and increasing the Company's share capital by issuing shares.

The transfer during the year has been restricted to an amount which enables the reserve to equal the prescribed minimum amount.

##### c) *Revaluation reserve*

The revaluation reserve represents the excess of revalued amount over the cost arising on revaluation of land. At the end of the reporting period, the revaluation reserve is stated net of deferred tax liability of ~~o~~ 1,922,162 (2024 – ~~o~~ 1,922,162). The revaluation reserve is not available for distribution.

#### 12 TRADE AND OTHER PAYABLES

	2025	2024
	<del>o</del>	<del>o</del>
Trade payables	2,758,260	2,673,334
Amounts due to related parties [note 14 c)]	61,913	118,874
Accruals	2,389,576	2,682,591
Other payables	606,121	778,407
	5,815,870	6,253,206

#### 13 BANK BORROWINGS

Bank borrowings at the end of the reporting period represent bank overdraft, loan against trust receipt and short term loans which are obtained from local commercial banks in the Sultanate of Oman and carry interest at commercial rates. The interest rates are subject to re-negotiation with the banks upon renewal of the facilities, which generally takes place on an annual basis.

The facility agreements contain certain restrictive covenants which, if violated, could permit the bank to cancel or reduce the facilities or impose penal charges [note 28 d)].

#### 14 RELATED PARTY TRANSACTIONS

The Company enters into transactions in the ordinary course of business with key management personnel (including Board of Directors), significant Shareholders (holding 10% or more interest in the Company) and entities in which the key management personnel / significant Shareholders of the Company have significant influence or control.

These transactions are entered into on terms and conditions approved by the Management and Board of Directors and subject to Shareholders' approval at the Annual General Meeting.

**The National Detergent Company SAOG**  
**Financial statements for the year ended 31 December 2025**

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**Notes to the financial statements**

**14 RELATED PARTY TRANSACTIONS (Continued)**

a) The nature and volume of significant related party transactions were as follows:

	2025	2024
	<u>€</u>	<u>€</u>
Revenue from contracts with customers	962	766
Cost of sales	214,090	179,751

b) The key management personnel compensation for the year comprises:

	2025	2024
	<u>€</u>	<u>€</u>
Salaries and other related costs	426,986	354,202
Employees' end of service benefits and social security costs	19,696	17,185
Directors' remuneration and meeting attendance fees (note 18)	54,100	125,200
	<u>500,782</u>	<u>496,587</u>

c) The amounts due from and due to related parties are unsecured, repayable on demand and not subject to interest (2024 – similar terms).

**15 REVENUE FROM CONTRACTS WITH CUSTOMERS**

	2025	2024
	<u>€</u>	<u>€</u>
Local sales	13,491,306	13,608,225
Export sales	10,770,210	10,911,223
	<u>24,261,516</u>	<u>24,519,448</u>

Note:

In accordance with the disclosure requirements of IFRS 15, the Company presents its revenue net of expenses which are incidental to the revenue generation. These expenses are mainly in the nature of fixed rebates for distributors and hypermarket customers.

**16 COST OF SALES**

	2025	2024
	<u>€</u>	<u>€</u>
Cost of materials consumed	11,025,556	10,686,445
Salaries and employee related costs [note 20 a)]	2,382,358	2,336,688
Freight and handling charges	1,168,702	1,179,270
Depreciation on property, plant and equipment [note 5 e)]	640,417	536,906
Utilities	390,831	448,495
Repairs and maintenance	259,724	277,896
Depreciation on right of use assets [note 6 c)]	82,429	82,428
(Reversal) / provision for slow and non-moving inventories [note 7 b)]	(17,546)	50,000
Other direct costs	390,895	294,639
	<u>16,323,366</u>	<u>15,892,767</u>

**The National Detergent Company SAOG**  
**Financial statements for the year ended 31 December 2025**

**Notes to the financial statements**

**17 OTHER INCOME**

	2025	2024
	<u>Ⓐ</u>	<u>Ⓐ</u>
Scrap sales	34,306	26,798
Gain on disposal of property, plant and equipment	4,095	6,238
Miscellaneous	--	4,015
	38,401	37,051

**18 GENERAL AND ADMINISTRATION**

	2025	2024
	<u>Ⓐ</u>	<u>Ⓐ</u>
Salaries and employee related costs [note 20 a)]	1,081,917	969,817
Repairs and maintenance	124,930	120,969
Depreciation on property, plant and equipment [note 5 e)]	85,536	79,762
Legal and professional	80,027	79,313
Directors' remuneration and meeting attendance fees [note 14 b)]	54,100	125,200
Communication	45,805	50,403
Travelling	36,091	39,104
Printing and stationery	6,683	5,571
Allowance for expected credit losses [note 8 b)]	--	60,000
Miscellaneous	73,264	87,837
	1,588,353	1,617,976

**19 SELLING AND DISTRIBUTION**

	2025	2024
	<u>Ⓐ</u>	<u>Ⓐ</u>
Sales promotion and advertisement	3,891,490	3,649,672
Salaries and employee related costs [note 20 a)]	1,138,589	1,057,424
Depreciation on right-of-use assets [note 6 c)]	129,175	115,862
Miscellaneous	329,541	255,592
	5,488,795	5,078,550

**20 SALARIES AND EMPLOYEE RELATED COSTS**

a) Salaries and employee related costs are allocated as follows:

	2025	2024
	<u>Ⓐ</u>	<u>Ⓐ</u>
Cost of sales (note 16)	2,382,358	2,336,688
General and administration (note 18)	1,081,917	969,817
Selling and distribution (note 19)	1,138,589	1,057,424
	4,602,864	4,363,929

b) Salaries and employee related costs include the following:

	2025	2024
	<u>Ⓐ</u>	<u>Ⓐ</u>
Cost of end of service benefits for expatriate employees	171,669	69,728
Contributions to defined employee benefits scheme	171,648	143,143
	343,317	212,871

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**Notes to the financial statements**

**20 SALARIES AND EMPLOYEE RELATED COSTS (Continued)**

- c) The movements in expatriate employees' end of service benefits liability during the year are as follows:

	2025	2024
	<u>€</u>	<u>€</u>
At the beginning of the year	770,518	783,391
Expense for the year	171,669	69,728
Settled during the year	(81,109)	(82,601)
<b>At the end of the year</b>	<b>861,078</b>	<b>770,518</b>

**21 FINANCE CHARGES**

	2025	2024
	<u>€</u>	<u>€</u>
Interest on bank borrowings	256,151	184,820
Interest on lease liabilities [note 6 g)]	142,591	140,406
	<u>398,742</u>	<u>325,226</u>

**22 TAXATION**

	2025	2024
	<u>€</u>	<u>€</u>
<b>Statement of income</b>		
Current tax [note d)]	123,831	310,653
Deferred tax credit [note e)]	(46,295)	(62,289)
	<u>77,536</u>	<u>248,364</u>
<b>Statement of financial position</b>		
<i>Non-current liabilities</i>		
Deferred tax liability [note e)]	<u>1,904,745</u>	<u>1,951,040</u>
<i>Current liabilities</i>		
Current year	<u>123,831</u>	<u>310,653</u>

The following further notes apply:

- a) Tax is provided at 15% (2024 – 15%) on the profit for the year adjusted for taxation purposes.
- b) During the year, the tax assessment for the year 2021 was finalised by the Tax Authority with no additional demand for tax.
- c) The tax assessments for the years 2022 to 2024 have not been finalised by the Tax Authority. The Management believes that the tax assessed, if any, in respect of unassessed tax years would not be material to the Company's financial position at the end of the reporting period.

**The National Detergent Company SAOG**  
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**Notes to the financial statements**

**22 TAXATION (Continued)**

- d) The reconciliation of tax on the accounting profit with the current tax charge in the financial statements is as follows:

	2025	2024
	<u>Ⓓ</u>	<u>Ⓓ</u>
Tax on accounting profit	75,099	246,297
<i>Add tax effect of:</i>		
Depreciation	37,963	33,462
Provisions	(2,632)	16,500
Others	13,401	14,394
<b>Current year tax charge</b>	<b>123,831</b>	<b>310,653</b>

- e) The deferred tax liability and the deferred tax credit in the statement of comprehensive income is attributable to the following items:

	Accelerated tax depreciation	Revaluation of land	Provisions and others	Total
	<u>Ⓓ</u>	<u>Ⓓ</u>	<u>Ⓓ</u>	<u>Ⓓ</u>
At 31 December 2023	259,868	1,922,162	(168,701)	2,013,329
Credited to the statement of income	(33,462)	--	(28,827)	(62,289)
<b>At 31 December 2024</b>	<b>226,406</b>	<b>1,922,162</b>	<b>(197,528)</b>	<b>1,951,040</b>
At 31 December 2024	226,406	1,922,162	(197,528)	1,951,040
Credited to the statement of income	(37,963)	--	(8,332)	(46,295)
<b>At 31 December 2025</b>	<b>188,443</b>	<b>1,922,162</b>	<b>(205,860)</b>	<b>1,904,745</b>

**23 BASIC EARNINGS PER SHARE**

Basic earnings per share is calculated by dividing the net profit for the year by the weighted average number of shares outstanding during the year as follows:

	2025	2024
Net profit for the year (in Ⓓ)	423,125	1,393,616
<b>Weighted average number of shares in issue during the year</b>	<b>20,000,000</b>	<b>20,000,000</b>
<b>Basic earnings per share (in Ⓓ)</b>	<b>0.021</b>	<b>0.070</b>

As there are no dilutive potential shares, the diluted earnings per share are identical to the basic earnings per share.

**The National Detergent Company SAOG**  
**Financial statements for the year ended 31 December 2025**

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**Notes to the financial statements**

**24 NET ASSETS PER SHARE**

Net assets per share is calculated by dividing the net assets at the end of the reporting period by the number of shares outstanding as follows:

	2025	2024
Net assets (in ₪)	17,030,542	17,607,417
Number of shares outstanding	20,000,000	20,000,000
Net assets per share (in ₪)	0.852	0.880

**25 COMMITMENTS**

At the end of the reporting period, the Company had the following outstanding commitments in the normal course of business:

	2025	2024
	₪	₪
Purchase commitments	314,895	1,833,115
Capital commitments	95,053	364,034
	409,948	2,197,149

**26 CONTINGENCIES**

- a) At the end of the reporting period, the Company has outstanding bank guarantees and performance and bid bonds amounting to ₪ 210,728 in the ordinary course of business (2024 – ₪ 164,437).
- b) As of 31 December 2025, there are commercial dispute cases outstanding against the Company which is currently ongoing in Primary and Appeal courts. Although the Management has established provision for the estimated claim at the end of the reporting period, the ultimate outcome of the claim cannot be determined accurately.

The Company believes these claims can be successfully defended based on discussion with the legal consultants, and the probability of any material additional liability on the Company is remote.

**27 OPERATING SEGMENTS**

The Management identifies operating segments based on a business perspective. The following summary describes the operations in the Company's reportable segments.

*Consumer division*

Consumer division which includes manufacture and sale of detergents, liquid soaps, and home care products. The Board has considered the segment on the basis of the products sold and transfer of risk and reward to the customers.

*Other business division*

Other business division which includes aqua petrochemical division and sulphonation division are not separately reportable and has been grouped as other division. The two business divisions have been aggregated given the similar nature of the products and the production processes.

# The National Detergent Company SAOG

## Financial statements for the year ended 31 December 2025

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### Notes to the financial statements

#### 27 OPERATING SEGMENTS (Continued)

Performance is measured based on profitability earned, as included in the internal management reports that are reviewed by the Board of Directors. For the purpose of allocating resources between segments the Board of Directors monitors the assets attributable to each segment. All assets are allocated to reportable segments except for certain receivables and cash and cash equivalents. Assets used jointly by reportable segments are allocated based on the revenue earned by individual reportable segments. There is no inter-segment revenue.

Information regarding the results of each reportable segment is set out on page 35.

#### 28 FINANCIAL RISK AND CAPITAL MANAGEMENT

The Company's activities expose it to various financial risks, primarily being, market risk (including currency risk and interest rate risk), credit risk and liquidity risk. The risk management is carried out internally in accordance with the approval of the Board of Directors.

##### a) Market risk

###### *Currency risk*

The Company is exposed to foreign exchange risk arising from currency exposure primarily with respect to US Dollar, UAE Dirham, Saudi Riyals, Bahraini Dinars, Qatari Riyals, Euro and GBP. As majority of the financial assets and liabilities are either denominated in Rial Omani or currencies pegged against Rial Omani, the Management does not believe that the Company is exposed to any material currency risk. The exposure to Euro and GBP currency was not material to the Company's financial position at the end of the reporting period.

At the end of the reporting period, bank balances amounting to **₹** 159,029 (2024 – **₹** 65,145), trade receivables amounting to **₹** 3,576,867 (2024 – **₹** 3,651,980) and trade payables amounting to **₹** 1,535,588 (2024 – **₹** 1,656,493) are denominated in foreign currencies.

###### *Interest rate risk*

The Company is exposed to interest rate risk on its interest-bearing liabilities (bank borrowings). The Company manages its exposure to interest rate risk by ensuring that significant borrowings are on a fixed rate basis. Additionally, the Company borrows at interest rates on commercial terms and constantly monitors the changes in interest rates and avails lower interest-bearing facilities.

For every 0.5% change in interest rate, the impact on the statement of comprehensive income will approximate to **₹** 21,002 (2024 – **₹** 17,500) based on the level of financial liabilities at the end of the reporting period.

##### b) Credit risk

###### Trade receivables

Credit risk primarily arises from credit exposures to customers, including outstanding receivables and committed transactions. The Company has a credit policy in place and exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount.

The Company has obtained security for credit exposure on certain trade receivables in the form of bank guarantees, security deposits, postdated cheques and credit guarantees issued through Credit Oman SAOC which can be called upon if the counter party is in default under the terms of the agreement.

# The National Detergent Company SAOG

## Financial statements for the year ended 31 December 2025

### Notes to the financial statements

#### 28 FINANCIAL RISK AND CAPITAL MANAGEMENT (Continued)

##### b) Credit risk (Continued)

The carrying value of trade receivables approximate their fair values due to the short-term nature of those receivables.

##### *Expected credit losses (ECL)*

The Company applies the IFRS 9 simplified approach to measuring ECL which uses a lifetime expected loss allowance for all trade receivables. To measure the ECL, the Company uses the flow-rate method for trade receivables. The flow-rate method is based on the probability of a receivable progressing through successive stages of delinquency to write-off. Flow rates are calculated separately for exposures in different segments based on the common credit risk characteristics.

The Company derives its expected credit loss rates using a payment profile of sales and the corresponding historical credit losses experienced within this period.

The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. On that basis, the loss allowance was determined as follows for trade receivables:

Year 2025	Trade receivables	Expected loss rate	Loss allowance
	Ⓓ	%	Ⓓ
Current	4,197,837	3.37	141,377
0 – 90 days	2,196,760	5.57	122,264
91 – 180 days	235,859	27.38	64,583
181 days and above	639,892	100.00	639,892
	7,270,348		968,116

Year 2024	Trade receivables	Expected loss rate	Loss allowance
	Ⓓ	%	Ⓓ
Current	4,477,837	3.42	152,938
0 – 90 days	1,756,182	5.75	101,016
91 – 180 days	64,228	75.98	48,798
181 days and above	684,221	97.24	665,364
	6,982,468		968,116

ECL on other receivables has not been provided as the amounts involved are not considered to be material.

##### Amounts due from related parties

Amounts due from related parties are expected to have low credit risk. Accordingly, no expected credit losses on such dues have been provided.

##### Bank balances

Credit risk from bank balances maintained in current accounts with local commercial banks are managed by ensuring balances are maintained with reputed banks only. The ECL on bank balances are not expected to be material to the Company's financial position at the end of the reporting year and have accordingly not been provided.

**The National Detergent Company SAOG**  
**Financial statements for the year ended 31 December 2025**

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**Notes to the financial statements**

**28 FINANCIAL RISK AND CAPITAL MANAGEMENT (Continued)**

**c) Liquidity risk**

The Company maintains sufficient bank balances to meet its obligations as they fall due for payment and is therefore not subject to significant liquidity risk. Therefore, the Management believes it is not subject to significant liquidity risk.

The maturity analysis in respect of the leases has been provided in note 6 f). All other financial liabilities are repayable within 6 months from the end of the reporting period.

**d) Capital management**

The Company's objectives when managing capital are:

- to safeguard its ability to continue as a going concern, so that it can continue to provide returns for Shareholders and benefits for other stakeholders, and
- to provide an adequate return to Shareholders by pricing services and goods commensurate with the level of risk.

The Company sets capital in proportion to risk and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to the Shareholders, return capital to Shareholders or raise additional capital.

In the context of managing capital, the Company has also covenanted with banks providing external debt to maintain specified ratios (note 13). At the end of the reporting period, the Company is in material compliance with the covenants.

**29 PROPOSED DIVIDEND**

Subsequent to the end of the reporting period, the Board of Directors have proposed a dividend of 30% for the year ended 31 December 2025, comprising cash dividend of 25 baisas per share and stock dividend of 5 shares for every 100 shares held (2024 – 50% dividend comprising cash dividend of 50 baisas per share), which is subject to the approval of the Shareholders at the forthcoming Annual General Meeting.

**The National Detergent Company SAOG**  
Financial statements for the year ended 31 December 2025

**Notes to the financial statements**

**5 PROPERTY, PLANT AND EQUIPMENT (Continued)**

Year 2025	Land	Buildings	Plant and machinery	Furniture, fixtures and office equipment	Motor vehicles	Capital work in progress [note 5 f)]	Total
<b>Cost or revaluation</b>							
At 31 December 2024	13,500,000	4,465,431	8,825,923	835,862	88,759	425,117	28,141,092
Additions during the year	--	144,480	495,653	55,420	15,700	275,581	986,834
Disposals during the year	--	(10,789)	(54,333)	(205)	(6,150)	--	(71,477)
Transfers during the year	--	571,818	--	--	--	(571,818)	--
At 31 December 2025	13,500,000	5,170,940	9,267,243	891,077	98,309	128,880	29,056,449
<b>Depreciation</b>							
At 31 December 2024	--	3,326,816	6,498,750	749,944	73,300	--	10,648,810
Charge for the year	--	210,466	463,863	44,738	6,886	--	725,953
Relating to disposals	--	(10,789)	(54,333)	(205)	(6,150)	--	(71,477)
At 31 December 2025	--	3,526,493	6,908,280	794,477	74,036	--	11,303,286
<b>Net book values</b>							
At 31 December 2025	13,500,000	1,644,447	2,358,963	96,600	24,273	128,880	17,753,163
At 31 December 2024	13,500,000	1,138,615	2,327,173	85,918	15,459	425,117	17,492,282

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Financial statements for the year ended 31 December 2025

**Notes to the financial statements**

**5 PROPERTY, PLANT AND EQUIPMENT (Continued)**

Year 2024	Land	Buildings	Plant and machinery	Furniture, fixtures and office equipment	Motor vehicles	Capital work in progress	Total
<b>Cost or revaluation</b>							
At 31 December 2023	13,500,000	4,415,533	8,307,374	799,425	135,033	13,157	27,170,522
Additions during the year	--	49,898	528,824	36,437	--	425,117	1,040,276
Disposal during the year	--	--	(23,432)	--	(23,774)	--	(47,206)
Written off during the year	--	--	--	--	(22,500)	--	(22,500)
Transfers during the year	--	--	13,157	--	--	(13,157)	--
At 31 December 2024	13,500,000	4,465,431	8,825,923	835,862	88,759	425,117	28,141,092
<b>Depreciation</b>							
At 31 December 2023	--	3,150,467	6,133,068	704,928	113,385	--	10,101,848
Charge for the year	--	176,349	389,114	45,016	6,189	--	616,668
Relating to disposals	--	--	(23,432)	--	(23,774)	--	(47,206)
Relating to write-off	--	--	--	--	(22,500)	--	(22,500)
At 31 December 2024	--	3,326,816	6,498,750	749,944	73,300	--	10,648,810

<b>Net book values</b>							
At 31 December 2024	13,500,000	1,138,615	2,327,173	85,918	15,459	425,117	17,492,282
At 31 December 2023	13,500,000	1,265,066	2,174,306	94,497	21,648	13,157	17,068,674

**The National Detergent Company SAOG**  
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**Notes to the financial statements**

**27 OPERATING SEGMENTS (Continued)**

	2025	Consumer division 2024	AquaPetro chemical division 2024	2025	2025	Total 2024
	✚	✚	✚	✚	✚	✚
Revenue						
- Local	12,908,135	13,328,810	279,415	13,491,306	13,608,225	
- Exports	10,770,210	10,555,185	356,038	10,770,210	10,911,223	
<b>Total revenue</b>	<b>23,678,345</b>	<b>23,883,995</b>	<b>635,453</b>	<b>24,261,516</b>	<b>24,519,448</b>	
Other income	38,401	37,051	--	38,401	37,051	
Cost of sales	(15,507,079)	(15,052,181)	(840,586)	(16,323,366)	(15,892,767)	
Overheads	(6,929,142)	(6,650,968)	(45,558)	(7,077,148)	(6,696,526)	
Operating profit / (loss)	1,280,525	2,217,897	(250,691)	899,403	1,967,206	
Finance costs	(368,651)	(310,500)	(14,726)	(398,742)	(325,226)	
Profit / (loss) before tax	911,874	1,907,397	(265,417)	500,661	1,641,980	
Tax charge				(77,536)	(248,364)	
<b>Net profit for the year</b>				<b>423,125</b>	<b>1,393,616</b>	
<b>Segment assets</b>						
Property, plant and equipment	13,708,815	13,497,521	3,994,761	17,753,163	17,492,282	
Right of use assets	2,164,167	2,126,328	83,623	2,238,499	2,209,951	
Inventories	5,287,997	5,519,692	99,095	5,452,184	5,618,787	
Trade receivables	6,249,925	5,962,045	52,307	6,302,232	6,014,352	
Unallocable assets				669,944	1,424,282	
<b>Total assets</b>				<b>32,416,022</b>	<b>32,759,654</b>	