National Aluminium Products Company SAOG and its subsidiary

Separate and consolidated financial statements for the year ended 31 December 2025

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National Aluminium Products Company SAOG and its subsidiary
Administration and contact details as at 31 December 2025

Commercial registration number	1220250
VAT registration number	OM1100025268
Board of Directors	Zakia Hassan Ehsan Al Naseeb (Chairman) Saed Saif Nasser Al Saadi Raffy Manoug Kozadjian Firas Bin Nasser Bin Hilal Al Harthi Hassan Abdowani Abdullah Salim Al Atiqi Majid Qamarudeen
Audit Committee	Raffy Manoug Kozadjian (Chairman) Saed Saif Nasser Al Saadi Majid Qamarudeen Firas Bin Nasser Bin Hilal Al Harthi
Nomination and Remuneration Committee	Zakia Hassan Ehsan Al Naseeb (Chairman) Mr. Hassan Abdowani Mr. Firas Bin Nasser Bin Hilal Al Harthi Abdullah Salim Al Atiqi
Executive Management	Robert Holtkamp (Chief Executive Officer) Sutanay Parida (Chief Operating Officer) Raees Ahmed (Chief Financial Officer) Asiya Al Zadjali (Hr & Administration Manager) Kodanda Pani P (IT Manager) Jalila Al Harthy (Supply Chain Manager)
Internal Auditors	Abu Timam Grant Thornton LLC
Legal Advisor	Rajab Al Kathiri & Partners Law Firm
Registered office	P.O.Box 15 Postal Code 124 Rusayl, Muscat, Sultanate of Oman
Bankers	Bank Muscat SOAG Ahli Bank SOAG Bank Dhofar SAOG Oman Arab Bank SAOG National Bank of Oman SAOG Sohar International Bank SOAG Development Bank SAOC
Auditors	BDO LLC Suites 601 & 602 Penthouse, Beach One Bldg. Way Number 2601, Shatti Al Qurum PO Box 1176, PC 112, Ruwi Muscat Sultanate of Oman

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Independent Auditor's Report to the Shareholders of National Aluminium Products Company SAOG

Report on the Audit of the Separate and Consolidated Financial Statements

Qualified Opinion

We have audited the separate and consolidated financial statements of National Aluminium Products Company SAOG ("the Parent Company") and its subsidiary (collectively referred to as "the Group"), which comprise the separate and consolidated statement of financial position as at 31 December 2025, and the separate and consolidated statements of profit or loss and other comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the separate and consolidated financial statements, including material accounting policy information.

In our opinion, except for the effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying separate and consolidated financial statements present fairly, in all material respects, the separate and consolidated financial position of the Parent Company and the Group as at 31 December 2025, and its separate and consolidated financial performance and its separate and consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB).

Basis for Qualified Opinion

As discussed in Note 16 to the separate and consolidated financial statements, the term loan of RO 8.2 million is classified under non-current liabilities in the separate and consolidated statement of financial position as at 31 December 2025. However, the Parent Company has not complied with the loan covenants, which, therefore, requires the entire loan to be classified under current liabilities in accordance with IAS 1 "*Presentation of Financial Statements*". If the loan had been classified correctly, current liabilities would have increased by RO 8.2 million, and non-current liabilities would have decreased by the same amount. Further, the Group has classified the entire loan as part of non-current liabilities, rather than splitting those amounts that needs to be paid within twelve months of the reporting date as part of current liabilities.

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 Separate and Consolidated Financial Statements* section of our report. We are independent of the Parent Company and the Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code) as applicable to audits of the separate and consolidated financial statements of public interest entities, together with the ethical requirements that are relevant to audits of the separate and consolidated financial statements of public interest entities in the Sultanate of Oman. 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 qualified opinion.

Material Uncertainty Relating to Going Concern

We draw attention to Note 3 in the consolidated financial statements, which indicates that the Group incurred a net loss of RO 0.673 million for the year ended 31 December 2025 and, as at that date, the Group's current liabilities exceeded its current assets by RO 6.053 million, excluding term loan of RO 8.24 million not classified under current liabilities, and the accumulated losses amounted to RO 6.698 million due to which its equity has been completely eroded. These events or conditions, along with other matters as stated in Note 3, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the separate and consolidated financial statements of the current period. These matters were addressed in the context of our audit of the separate and consolidated financial statements as a whole, and in forming our opinion thereon and we do not provide a separate opinion on these matters. In addition to the matters described in the *Basis for Qualified Opinion* and *Material Uncertainty Relating to Going Concern* sections we have determined the matters described below to be the key audit matters to be communicated in our report.

Impairment loss on trade receivables

Trade receivables (net) of the Group amounted to RO 7.545 million as at 31 December 2025 and is considered significant as this represents approximately 35% of the total assets. The measurement of Expected Credit Loss (ECL) by the management involves significant estimates and judgments.

Our response

Our audit procedures, amongst others, included:

- testing the accuracy of the aging of trade receivables on a sample basis;
- comparing the amounts received subsequent to the year-end against outstanding customer balances on a sample basis;
- evaluating the appropriateness of accounting policies adopted based on the requirements of IFRS 9, our business understanding and industry best practices;
- obtaining an understanding of management processes, systems and controls implemented, including control over ECL model;
- testing the relevant general IT and application controls over the key systems and assessing the reasonableness and appropriateness of the methodologies, assumptions and key inputs including macro-economic factors and weightages used in various components of ECL computation;
- testing the completeness and accuracy of data used in the calculation of ECL; and
- assessing the adequacy of the disclosures made in the consolidated financial statements.

Assessment of impairment of property, plant and equipment

Property, plant and equipment amounting to RO 9.504 million as at 31 December 2025 is significant to the Group as this represents approximately 44% of total assets. The Group has incurred significant losses during the current and previous years, which indicate potential impairment of its property, plant and equipment. Impairment assessment requires judgments and estimates towards future results of business including key assumptions like discount rate, growth rate, etc. The carrying value of assets is considered to be a key audit matter as the amount involved is significant and the judgments inherent in an impairment review.

Independent Auditor's Report to the Shareholders of
National Aluminium Products Company SAOG (continued)

Key Audit Matters (continued)

Assessment of impairment of property, plant and equipment (continued)

Our response

Our audit procedures amongst others, included:

- understanding and evaluating the design and implementation of controls for identification and assessment of any potential impairment related to property, plant and equipment;
- checking the mathematical accuracy of the impairment calculation;
- assessing the appropriateness of the methodology used in the impairment model, the input data and underlying assumptions used such as future level of operations, discount rate, etc. and considering historical performance vis-a-vis budgets;
- performing sensitivity analysis and evaluating whether any reasonably possible changes in assumptions could lead to impairment of property, plant and equipment;
- assessing the carrying value of property, plant and equipment as at the reporting date in accordance with IAS 36 "*Impairment of Assets*"; and
- evaluating the adequacy of the disclosures made in the consolidated financial statements.

Other Information

Management is responsible for the other information. The other information included in the Annual Report comprises the Board of Directors' Report, Management Discussion and Analysis Report and Code of Corporate Governance Report but does not include the separate and consolidated financial statements and our auditor's report thereon.

Our opinion on the separate and consolidated 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 identified above and, in doing so, consider whether the other information is materially inconsistent with the separate and consolidated 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. As described in the *Basis for Qualified Opinion* section above, the Company should have presented the term loans as part of current liabilities. We have concluded that the other information is materially misstated for the same reason with respect to the amounts or other items in the Board of Directors' Report and Management and Discussion Analysis Report affected by the failure to present term loans as part of current liabilities.

Responsibilities of Management and Those Charged with Governance for the Separate and Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the separate and consolidated financial statements in accordance with IFRS Accounting Standards as issued by the IASB and their preparation in compliance with the applicable disclosure requirements of the Financial Services Authority (FSA) and the applicable provisions of the Commercial Companies Law and Regulations of the Sultanate of Oman, and for such internal control as management determines is necessary to enable the preparation of the separate and consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the separate and consolidated financial statements, management is responsible for assessing the Parent Company's and the Group'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 management either intends to liquidate the Parent Company or the Group or to cease operations, or has no realistic alternative but to do so.

Responsibilities of Management and Those Charged with Governance for the Separate and Consolidated Financial Statements (continued)

Those charged with governance are responsible for overseeing the Parent Company's and the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Separate and Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the separate and consolidated 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 separate and consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the separate and consolidated 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 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 Parent Company's or the Group'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 separate and consolidated 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 Parent Company or the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the separate and consolidated financial statements, including the disclosures, and whether the separate and consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

Independent Auditor's Report to the Shareholders of
National Aluminium Products Company SAOG (continued)

Auditor's Responsibilities for the Audit of the Separate and Consolidated Financial Statements (continued)

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 actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the separate and consolidated 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 Other Legal and Regulatory Requirements

We report that, except for the matter described in the *Basis for Qualified Opinion* section of our report, and Note 3 and Note 4 of these separate financial statements, the separate financial statements of the Parent Company as at, and for the year ended, 31 December 2025, in all material respects, comply with the applicable provisions of the Commercial Companies Law and Regulations of the Sultanate of Oman and the relevant disclosure requirements of the FSA.

BDO

Muscat
12 March 2025

BDO LLC
P.O.Box: 1176
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Sultanate of Oman
Public Accountants & Management Consultants

B. Kapur

Bipin Kapur
Partner
M.No. 043615
Institute of Chartered Accountants of India (ICAI)

National Aluminium Products Companys SAOG and its subsidiary
Separate and consolidated statement of financial position
as at 31 December 2025
(Expressed in ﷼)

	Notes	Parent Company 2025	Parent Company 2024	Group 2025	Group 2024
Non-current assets					
Property, plant and equipment	7	9,503,339	9,951,592	9,504,519	9,953,933
Intangible assets	8	-	18,744	1,992	22,509
Right-of-use assets	9	858,316	901,777	865,394	916,909
Investment property	10	370,000	390,000	370,000	390,000
Investment in a subsidiary	10	31,500	31,500	-	-
Deferred tax asset	25	188,662	188,662	187,388	189,702
Total non-current assets		10,951,817	11,482,275	10,929,293	11,473,053
Current assets					
Inventories	12	2,240,994	2,145,565	2,240,994	2,145,565
Trade and other receivables	13	7,854,137	6,184,061	7,900,470	6,192,893
Cash and bank balances	14	489,858	61,000	591,358	156,359
Total current assets		10,584,989	8,390,626	10,732,822	8,494,817
Total assets		21,536,806	19,872,901	21,662,115	19,967,870
EQUITY AND LIABILITIES					
Capital and reserves					
Share capital	15	857,145	857,145	857,145	857,145
Revaluation reserve		1,104,779	1,305,157	1,104,779	1,305,157
Accumulated losses		(6,700,307)	(6,215,914)	(6,698,434)	(6,225,846)
Total capital and reserves		(4,738,383)	(4,053,612)	(4,736,510)	(4,063,544)
Liabilities					
Non-current liabilities					
Term loan	16	8,240,160	8,439,451	8,240,160	8,439,451
Lease liabilities	9	1,090,893	1,090,776	1,101,710	1,105,110
Employees' end-of-service benefits	23	268,587	255,498	270,606	256,964
Total non-current liabilities		9,599,640	9,785,725	9,612,476	9,801,525
Current liabilities					
Borrowings	16	8,859,751	8,017,511	8,859,751	8,017,511
Convertible loan	16	825,217	-	825,217	-
Lease liabilities	9	70,040	70,040	70,040	70,040
Trade and other payables	17	6,920,541	6,053,237	7,031,141	6,142,338
Total current liabilities		16,675,549	14,140,788	16,786,149	14,229,889
Total liabilities		26,275,189	23,926,513	26,398,625	24,031,414
Total equity and liabilities		21,536,806	19,872,901	21,662,115	19,967,870
Net deficit per share	27	(0.553)	(0.473)	(0.553)	(0.474)

These separate and consolidated financial statements on pages 7 to 48 were approved and authorised for issue by the Board of Directors on 10 March 2026 and were signed on its behalf by:

Dr. Zakia Hassan Al-Naseeb
Chairman

Raffy Manoug Kozadjian
Director

Robert Holtkamp
Chief Executive Officer

National Aluminium Products Company SAOG and its subsidiary
Separate and consolidated statement of profit or loss and other comprehensive income for the year ended 31 December 2025
(Expressed in ⃁)

	Notes	Parent Company Year ended 31 December 2025	Parent Company Year ended 31 December 2024	Group Year ended 31 December 2025	Group Year ended 31 December 2024
Revenue	18	25,614,794	20,747,078	25,759,026	20,851,057
Cost of sales	19	(23,825,319)	(19,731,669)	(23,827,883)	(19,744,332)
Gross profit		1,789,475	1,015,409	1,931,143	1,106,725
Other income	20	141,589	113,814	145,687	121,843
General and administrative expenses	21	(741,269)	(770,779)	(778,189)	(802,221)
Selling and distribution expenses	22	(391,200)	(387,548)	(480,959)	(487,795)
Profit / (loss) from operations		798,595	(29,104)	817,682	(61,448)
Finance costs, net	24	(1,463,366)	(1,395,862)	(1,468,338)	(1,392,420)
Net change in fair valuation of investment property	10	(20,000)	(10,000)	(20,000)	(10,000)
Loss before tax for the year		(684,771)	(1,434,966)	(670,656)	(1,463,868)
Income tax	25	-	-	(2,310)	-
Net loss after tax for the year		(684,771)	(1,434,966)	(672,966)	(1,463,868)
Other comprehensive income					
Items that will not be reclassified to profit or loss					
Surplus on revaluation of buildings	7	-	174,213	-	174,213
Deferred tax impact on revaluation of buildings		-	(26,132)	-	(26,132)
Other comprehensive income for the year, net of tax		-	148,081	-	148,081
Total comprehensive loss for the year		(684,771)	(1,286,885)	(672,966)	(1,315,787)
Basic and diluted loss per share	26	(0.080)	(0.167)	(0.079)	(0.171)

National Aluminium Products Company SAOG and its subsidiary
Separate and consolidated statement of changes in shareholders' equity
for the year ended 31 December 2025
(Expressed in ⃁)

Parent Company	Notes	Share capital	Legal reserve	Revaluation reserve	Accumulated losses	Total
At 1 January 2024		857,145	-	1,356,219	(4,980,091)	(2,766,727)
Net loss after tax for the year		-	-	-	(1,434,966)	(1,434,966)
Surplus on revaluation of buildings, net of tax	7	-	-	148,081	-	148,081
Incremental depreciation, net of deferred tax	7	-	-	(199,143)	199,143	-
At 31 December 2024		857,145	-	1,305,157	(6,215,914)	(4,053,612)
Net loss after tax for the year		-	-	-	(684,771)	(684,771)
Incremental depreciation, net of deferred tax	7	-	-	(200,378)	200,378	-
At 31 December 2025		857,145	-	1,104,779	(6,700,307)	(4,738,383)

National Aluminium Products Company SAOG and its subsidiary
Separate and consolidated statement of changes in shareholders' equity
for the year ended 31 December 2025
(Expressed in ⃁)

Group	Notes	Share capital	Legal reserve	Revaluation reserve	Accumulated losses	Total
At 1 January 2024		857,145	-	1,356,219	(4,961,121)	(2,747,757)
Net loss after tax for the year		-	-	-	(1,463,868)	(1,463,868)
Surplus on revaluation of buildings, net of tax	7	-	-	148,081	-	148,081
Incremental depreciation, net of deferred tax	7	-	-	(199,143)	199,143	-
At 31 December 2024		857,145	-	1,305,157	(6,225,846)	(4,063,544)
Net loss after tax for the year		-	-	-	(672,966)	(672,966)
Incremental depreciation, net of deferred tax	7	-	-	(200,378)	200,378	-
At 31 December 2025		857,145	-	1,104,779	(6,698,434)	(4,736,510)

National Aluminium Products Company SAOG and its subsidiary
Separate and consolidated statement of cash flows
for the year ended 31 December 2025
(Expressed in ⃁)

	Notes	Parent Company Year ended 31 December 2025	Parent Company Year ended 31 December 2024	Group Year ended 31 December 2025	Group Year ended 31 December 2024
Operating activities					
Net loss before tax for the year		(684,771)	(1,434,966)	(670,656)	(1,463,868)
Adjustments for:					
Depreciation	7	784,427	778,089	785,588	779,246
Amortisation of intangible assets	8	18,744	22,640	20,517	24,413
Net change in fair valuation of investment property	10	20,000	10,000	20,000	10,000
Gain on sale of property, plant and equipment	20	(3,500)	(19,431)	(5,340)	(19,431)
Amortisation of right-of-use assets	9	43,461	43,457	51,515	43,457
(Reversal) / charge for inventory provision (net)	12	(31,921)	60,655	(31,921)	60,655
Provision / (reversal) for employees' end-of-service benefits	23	36,581	(8,999)	36,581	(7,533)
Finance income	24	-	(13)	-	(12,418)
Interest on lease liabilities	9	73,867	73,720	75,169	74,169
Finance costs	24	1,389,499	1,322,155	1,393,169	1,330,669
		1,646,387	847,307	1,674,622	819,359
Inventories	12	(63,508)	745,497	(63,508)	745,497
Trade and other receivables	13	(1,670,076)	709,996	(1,707,573)	691,363
Trade and other payables net of accrued interest	17	(102,376)	(998,775)	(83,245)	(1,011,360)
Cash generated from operating activities		(189,573)	1,304,025	(179,704)	1,244,859
Employees' end-of-service benefits paid	23	(23,492)	(65,434)	(22,939)	(65,434)
Net cash (used in) / generated from operating activities		(213,065)	1,238,591	(202,643)	1,179,425
Investing activities					
Purchase of property, plant and equipment	7	(336,174)	(227,748)	(336,174)	(227,748)
Proceeds from sale of property, plant and equipment		3,500	19,431	5,340	19,431
Finance income received	24	-	13	-	12,418
Net cash used in investing activities		(332,674)	(208,304)	(330,834)	(195,899)
Financing activities					
Proceeds from convertible loan	16	825,217	-	825,217	-
Net movement in borrowings		843,349	217,638	843,349	217,638
Payment of lease liabilities	9	(73,750)	(70,792)	(78,569)	(72,039)
Finance costs paid	24	(419,819)	(1,322,155)	(421,121)	(1,330,669)
Net cash from / (used in) financing activities		1,174,997	(1,175,309)	1,168,876	(1,185,070)
Net change in cash and cash equivalents		629,258	(145,022)	635,399	(201,544)
Cash and cash equivalents at the beginning of the year		(318,087)	(173,065)	(222,728)	(21,184)
Cash and cash equivalents at the end of the year		311,171	(318,087)	412,671	(222,728)
Cash and cash equivalents comprise:					
Cash on hand	14	241	31	1,935	358
Cash at bank :					
Current accounts	14	489,617	60,969	589,423	156,001
Bank overdraft	16	(178,687)	(379,087)	(178,687)	(379,087)
		311,171	(318,087)	412,671	(222,728)

Disclosures as required by IAS 7 - Statement of Cashflows have been shown in Note 32 to these separate and consolidated financial statements.

1 Legal status and principal activities

National Aluminium Products Company SAOG ("the Company" or "the Parent Company") is registered as an Omani public joint stock company on 14 January 1984 in accordance with the provisions of the Commercial Companies Law and Regulations of the Sultanate of Oman. The Parent Company has a 100% owned subsidiary, "Novel Aluminium Products Company LLC" ("the subsidiary"), an entity registered in the United Arab Emirates.

The Parent Company's principal place of business is located at Rusayl, Muscat, Sultanate of Oman.

The principal activities of the Parent Company and its subsidiary ("the Group") are manufacturing and sale of aluminium products.

2 Structure of the Group

The structure of the Group is as follows:

Name of the subsidiary	Country of incorporatio	Effective ownership interest 2025	2024	Principal activity
Novel Aluminium Products Company LLC	United Arab Emirates	100%	100%	Sale of aluminium products

3 Going concern

The Group has incurred a net loss of RO 672,966 for the year ended 31 December 2025. Further, as at 31 December 2025, the current liabilities exceeded the current assets by RO 6,053,327 and, as at that date, the Group's accumulated losses amounted to RO 6,698,434 which has completely eroded the share capital of the Parent Company. Despite these challenges, the Board of Directors believe that it is appropriate to prepare the financial statements on a going concern basis due the following:

- The Group has earned profit from operations of RO 817,682 for the year ended 31 December 2025.

- The management has submitted to the banks a revised ten-year cash flow projection, prepared on the assumption that the banks will agree to reschedule the loan repayment facilities over the 10-year period. During the year 2024, an amount of RO 8.5 million has already been restructured out of the total RO 17 million of bank borrowings and the banks have extended support of not receiving the interest during the year 2025. Negotiations are ongoing with the banks for the restructuring of the remaining balance, which is also expected to be extended over the same 10-year period. Subsequent to the year-end a common terms agreement was signed with three of the Company's lending banks.

- The Development Bank has extended a facility amounting to RO 2 million during the year 2025. As at 31 December 2025, the Company has unutilised facility available of RO 1.157 million from the same bank.
- The major shareholders have injected an amount of RO 0.8 million as convertible loan during the year 2025.

4 Basis of preparation

Statement of compliance

The separate and consolidated financial statements have been prepared in accordance with International Financial Reporting Standards and International Accounting Standards as issued by International Accounting Standards Board (collectively IFRS Accounting Standards) and the applicable provisions of the Commercial Companies Law (CCL) and Regulations (CCR) and relevant disclosure requirements of the Financial Services Authority (FSA) of the Sultanate of Oman.

In accordance with Article 91 of the CCL, the minimum issued share capital of a public joint stock company should be RO 2,000,000. As at the reporting date, the Company's share capital is RO 857,145, which is a non-compliance of the above article.

4 Basis of preparation (continued)

Statement of compliance (continued)

In accordance with Article 147 of the CCL of the Sultanate of Oman, the Board of Directors are required to convene an Extra-Ordinary General Meeting (EOGM) of the shareholders if the Company's accumulated losses exceeds 50% of its share capital. In this regard, the Company is in the process of finalising the plan to approve the measures to make the Group profitable. Accordingly, an EOGM is expected to be held in the year 2026.

Basis of measurement

The separate and consolidated financial statements have been prepared under the historical cost convention and going concern assumption, except for certain assets and liabilities which are stated at their fair values. The preparation of separate and consolidated financial statements is in conformity with IFRS Accounting Standards that requires the use of certain critical accounting estimates. It also requires management to exercise judgment in the process of applying the Parent Company's and the Group's accounting policies.

Functional currencies

The separate and consolidated financial statements are presented in Omani Rial (⃁), which is the functional and reporting currency of the Parent Company and the Group.

Adoption of new and revised IFRS

(a) Standards, amendments and interpretations effective and adopted in the annual period beginning on or after 1 January 2025

The following amendments to existing standards are effective for the reporting period beginning on or after 1 January 2025:

Standard or Interpretation	Title
Amendment to IAS 21	Lack of Exchangeability (Amendment to IAS 21-The Effects of Changes in Foreign Exchange Rates)

Lack of Exchangeability (Amendment to IAS 21-The Effects of Changes in Foreign Exchange Rates)

On 15 August 2023, the IASB issued Lack of Exchangeability which amended IAS 21-The Effects of Changes in Foreign Exchange Rates (the Amendments).

The Amendments introduce requirements to assess when a currency is exchangeable into another currency and when it is not. The Amendments require an entity to estimate the spot exchange rate when it concludes that a currency is not exchangeable into another currency. The Amendments also introduce additional disclosure requirements when an entity estimates a spot exchange rate because a currency is not exchangeable into another currency.

These amendments have no effect on the financial statements of the Parent Company and the Group.

4 **Basis of preparation (continued)**

(b) **Standards, amendments and interpretations issued but not yet effective**

The following new/amended accounting standards and interpretations have been issued by IASB that are effective in future accounting periods and the Parent Company and the Group have decided not to adopt early:

Standard or Interpretation	Title	Effective for annual reporting period beginning on or after
Amendments to IFRS 9 and IFRS 7	Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Amendments to IFRS 9 and IFRS 7	Contracts Referencing Nature-dependent Electricity	1 January 2026
IFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
IFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027

The Parent Company and the Group are currently assessing the effect of these new accounting standards and amendments.

IFRS 18 *Presentation and Disclosure in Financial Statements,* which was issued by the IASB in April 2024 supersedes IAS 1 and will result in major consequential amendments to IFRS Accounting Standards including IAS 8 *Basis of Preparation of Financial Statements* (renamed from Accounting Policies, Changes in Accounting Estimates and Errors). Even though IFRS 18 will not have any effect on the recognition and measurement of items in the financial statements, it is expected to have a significant effect on the presentation and disclosure of certain items. These changes include categorisation and sub-totals in the statement of profit or loss, aggregation/disaggregation and labelling of information, and disclosure of management-defined performance measures.

5 **Material accounting policies**

A summary of the material accounting policies information adopted in the preparation of these separate and consolidated financial statements is set out below. These policies have been consistently applied to all the years presented, unless stated otherwise.

(a) **Consolidation**

(i) **Basis of consolidation**

The consolidated financial statements incorporate the financial statements of the Parent Company and its subsidiary, from the date that control effectively commenced until the date that control effectively ceased. Control is achieved when the Parent Company has the power to govern the financial and operating policies of the subsidiary so as to obtain benefits from its activities.

All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions are eliminated.

5 Material accounting policies (continued)

(a) Consolidation (continued)

(ii) Subsidiaries

Subsidiaries are all entities over which the Parent Company has control. The Parent Company controls an entity when it is exposed to or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Inter-company transactions, balances and unrealised gains on transactions between the Parent Company and its subsidiary are eliminated. Unrealised losses are also eliminated. Accounting policies of the subsidiary has been changed where necessary to ensure consistency with the policies adopted by the Parent Company.

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in consolidated shareholders' equity. Gains or losses on disposals to non-controlling interests are also recorded in consolidated shareholders' equity.

When the Parent Company ceases to have control, any retained interest in the subsidiary is re-measured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that subsidiary are accounted for as if the Parent Company had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

The Parent Company assesses the fair value of its investments in its subsidiary on a regular basis, taking into account relevant market data, financial performance of the subsidiary, and other available information. Any changes in the fair value of investments are recognised in the separate statement of profit or loss.

(b) Property, plant and equipment and capital work-in-progress

Freehold land is not depreciated as it is deemed to have an infinite useful life. Other items of property, plant and equipment are stated at historical cost or valuation 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 profit or loss 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 gains or losses arising on de-recognition of the asset is included in profit or loss in the year in which the item is derecognised.

Capital work-in-progress comprises projects under construction carried at cost less impairment, if any. Capital-work-in progress is not depreciated. Once the construction of assets is completed and it is put to use, they are capitalised in respective category of property, plant and equipment depending on their use and depreciated accordingly.

5 Material accounting policies (continued)

(b) Property, plant and equipment and capital work-in-progress (continued)

	Years
Buildings	20 - 40
Plant, machinery, dies and die tools	5 - 40
Extrusion and anodising plant	5 - 20
Office and other equipment	5
Furniture and fixtures	5
Motor vehicles	5
Computer equipment	5

Repairs and renewals are charged to profit or loss when the expenditure is incurred.

The residual values, useful lives and depreciation methods are reviewed at each financial year-end and adjusted prospectively, if appropriate.

Any revaluation surplus is credited to the property revaluation reserve included in shareholders' equity in the separate and consolidated statement of financial position, except to the extent that it reverses a revaluation decrease of the same asset previously recognised in profit or loss, in which case the increase is recognised in profit or loss. A revaluation deficit is recognised in profit or loss, except to the extent that it offsets an existing surplus on the same asset recognised in the property revaluation reserve.

(c) Intangible assets

After initial recognition intangible assets should be carried at cost less accumulated amortisation and impairment losses. The Parent Company and the Group acquired computer software licenses (Orion - ERP) which are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives of 5 years. Costs associated with maintaining computer software are recognised as an expense as incurred.

(d) Investment property

Investment property comprises completed property, property under construction or re-development held to earn rentals or for capital appreciation or both. Investment property is initially measured at cost including purchase price and transaction costs. Subsequent to initial recognition, investment property is stated at their fair value at the end of the reporting period. Gains or losses arising from changes in the fair value of investment property is included in the separate and consolidated statement of profit or loss in the period in which they arise. Subsequent expenditure is capitalised with the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Parent Company and the Group and the cost of the item can be measured reliably.

All other repairs and maintenance costs are expensed when incurred.

Investment property is derecognised when either they have been disposed off (i.e., at the date the recipient obtains control) or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Gains or losses arising on the retirement or disposal of an investment property is recognised in the profit or loss.

Transfers are made to investment property when, and only when, there is a change in use, evidenced by the end of owner occupation or commencement of an operating lease with another party. Transfers are made from investment property when, and only when, there is a change in use, evidenced by commencement of owner occupation or commencement of development with a view to sale. If owner-occupied property becomes an investment property, the Parent Company and the Group accounts for such property in accordance with the policy stated under property, plant and equipment up to the date of change in use.

5 Material accounting policies (continued)

(e) Inventories

Inventories are stated at the lower of cost and net realisable value. Net realisable value is the estimate of the selling price in the ordinary course of business less any incidental selling expenses. Cost of materials is based on the purchase price and includes expenditure incurred in acquiring inventories and bringing them to their existing location and condition. Where necessary, provision is made for obsolete, slow-moving and defective inventories.

- Cost of various categories of inventories is determined as follows:
- Raw materials are valued at weighted average cost;
- Cost of finished goods is valued, based on weighted average method, and includes direct costs of production and appropriate portion of production overheads based on normal capacity; and
- Work-in-process is valued at cost of raw materials, labour costs and other direct overheads.

(f) Cash and cash equivalents

For the purposes of the separate and consolidated statement of cash flows, cash and cash equivalents comprise cash on hand and bank balances, net of bank overdrafts. In the separate and consolidated statement of financial of position, bank overdrafts are included as part of current liabilities.

(g) Provisions

Provisions are recognised when the Group and the Parent Company have an obligation (legal or constructive) arising from a past event, and the costs to settle the obligation are both probable and able to be reliably measured.

(h) Employees' benefit liabilities

Payment is made to Omani Government's Social Protection Fund in accordance with Royal Decree number 52/2023 for Omani employees. Provision is made for amounts payable under the Sultanate of Oman's Labour Law in accordance with Royal Decree number 53/2023 applicable to non-Omani employees' accumulated periods of service at the end of the reporting period. This provision is classified as a non-current liability.

Employee entitlements to annual leave and air passage are recognised when they accrue to the employees and an accrual is made for the estimated liability for annual leave and air passage as a result of services up to the reporting date. The accruals relating to annual leave and air passage is disclosed as part of current liabilities.

(i) Revenue

Revenue of the Group and the Parent Company consists of sale of aluminium profiles and other items to a varying range of customers. Revenue is measured based on the consideration specified in a contract with a customer. Revenue is recognised at a point-in-time when control of the products has transferred, being when the products are delivered to the customers, the recovery of the consideration is probable and there is no unfulfilled obligation that could affect the customer's acceptance of the products.

(j) Other income

Other income is recognised on the accruals basis, unless recoverability is in doubt. Interest revenue is accrued on a time-basis at the Effective Interest Rate (EIR).

5 Material accounting policies (continued)

(k) Leases - the Group and the Parent Company as a lessee

The Group and the Parent Company assesses whether a contract is or contains a lease, at the inception of the contract. The Group and the Parent Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low-value assets. For these leases, the Group and the Parent Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

(l) Operating segments

An operating segment is a component of the Group and the Parent 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 Group's and the Parent Company's other components, whose operating results are reviewed regularly by the Group's and the Parent Company's chief operating decision maker to make decisions about resources allocated to the segment and assess its performance, and for which discreet financial information is available. Segment results that are reported to the chief operating decision maker include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

(m) Foreign currency transactions and balances

Transactions denominated in foreign currencies are translated into at the foreign exchange rates prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the end of the reporting period are translated into at the foreign exchange rates prevailing at that date. Foreign exchange differences arising on translation are recognised in profit or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the date when the carrying value was determined.

(n) Taxation

Income tax is provided for in accordance with the fiscal regulations of the Sultanate of Oman.

Income tax on the results for the year comprises current and deferred tax. Current tax is the expected tax payable on the taxable income for the year, using tax-rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred taxation is provided for all temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. It is calculated adopting a tax-rate that is the rate that is expected to apply to the periods when it is anticipated that the liabilities will be settled, and which is based on tax-rates (and laws) that have been enacted at the separate and consolidated statement of financial position date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the unused tax losses and credits can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefits will be realised.

(o) Dividend

The Board of Directors recommend to the shareholders the dividend to be paid out of the Group's profits. The Directors take into account appropriate parameters including the requirements of the Commercial Companies Law and Regulations, while recommending the dividend. Dividend distribution to the Parent Company's shareholders is recognised as a liability in the Group's and the Parent Company's consolidated and separate financial statements only in the period in which the dividends are approved by the Parent Company's shareholders.

5 Material accounting policies (continued)

(p) Directors' remuneration

The Parent Company follows the Commercial Companies Law and Regulations, and other latest relevant directives issued by the Financial Services Authority, with regards to determining the amount to be paid as Directors' remuneration. Directors' remuneration is charged to profit or loss in the year to which it relates.

(q) Financial instruments

Financial instruments are recognised when the Group and the Parent Company becomes a party to the contractual provisions of the instrument. A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

[A] Financial assets

The Group and the Parent Company determines the classification of its financial assets at initial recognition. The classification depends on the Group's and the Parent Company's business model for managing the financial assets and the contractual terms of the cash flows.

(i) Classification

The financial assets are classified in the following measurement categories:

a) those to be measured subsequently at fair value (either through other comprehensive income (FVOCI), or through profit or loss (FVTPL)); and

b) those to be measured at amortised cost.

For assets measured at fair value, gains and losses will either be recorded in the profit or loss or other comprehensive income. For investments in equity instruments, the Group and the Parent Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

(ii) Measurement

At initial recognition, the Group and the Parent Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed as incurred.

The Group and the Parent Company have classified fair value measurements 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:

- 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 (i.e. as prices) or indirectly (i.e. derived from prices) (Level 2); and
- inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

Debt instruments

Subsequent measurement of debt instruments depends on the Group's and the Parent Company's business model for managing the asset and the cash flow characteristics of the asset. The Group and the Parent Company classify debt instruments at amortised cost based on the below:

a) the asset is held within a business model with the objective of collecting the contractual cash flows;

b) the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR.

5 Material accounting policies (continued)

(q) Financial instruments (continued)

[A] Financial assets (continued)

(ii) Measurement (continued)

Equity instruments

If the Group and the Parent Company elects to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments continue to be recognised in profit or loss as other income when the Group's and the Parent Company's right to receive payments is established. There are no impairment requirements for equity investments measured at fair value through other comprehensive income. Changes in the fair value of financial assets at fair value through profit or loss are recognised in other income/(losses) in profit and loss as applicable.

(iii) De-recognition of financial assets

The Group and the Parent Company derecognises a financial asset when the contractual rights to the cash flows from the assets expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group and the Parent Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group and the Parent Company recognises its retained interest in the asset and associated liability for amounts it may have to pay. If the Group and the Parent Company retains substantially all the risks and rewards of ownership of the transferred financial asset, the Group and the Parent Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

(iv) Impairment

The Group and the Parent Company applies the Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the financial assets and credit risk exposure that are debt instruments and are measured at amortised cost e.g., loans, deposits, trade receivables.

ECL is the probability-weighted estimate of credit losses (i.e. present value of all cash shortfalls) over the expected life of the financial asset. A cash shortfall is the difference between the cash flows that are due in accordance with the contract and the cash flows that the Group and the Parent Company expects to receive. The ECL considers the amount and timing of payments and, hence, a credit loss arises even if the Group and the Parent Company expects to receive the payment in full but later than when contractually due. The ECL method requires assessing credit risk, default and timing of collection since initial recognition. This requires recognising allowance for ECL in profit or loss even for receivables that are newly originated or acquired.

Impairment of financial assets is measured as either 12-months ECL or life-time ECL, depending on whether there has been a significant increase in credit risk since initial recognition. '12-months ECL' represents the ECL resulting from default events that are possible within 12 months after the reporting date. 'Lifetime ECL' represents the ECL that results from all possible default events over the expected life of the financial asset.

Trade receivables are of a short-duration, normally less than 12 months, and hence the loss allowance measured as lifetime ECL does not differ from that measured as 12 months ECL. The Group and the Parent Company uses the practical expedient in IFRS 9 for measuring ECL for trade receivables using a provisioning matrix based on aging of trade receivables.

5 Material accounting policies (continued)

(q) Financial instruments (continued)

[A] Financial assets (continued)

(iv) Impairment (continued)

The Group and the Parent Company uses historical loss experience and derived loss rates based on the past twelve months and adjusts the historical loss rates to reflect the information about current conditions and reasonable and supportable forecasts of future economic conditions. The loss rates differ based on the aging of the amounts that are past due and are generally higher for those with the higher aging.

(v) Income recognition

Interest income

For all financial instruments measured at amortised cost and interest bearing financial assets, interest income is recognised using the EIR, which is the rate that discounts the estimated future cash receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset.

When a loan and receivable is impaired, the Group and the Parent Company reduces the carrying amount to its recoverable amount, being the estimated future cash flows discounted at the original EIR of the instrument, and continues unwinding the discount as interest income. Interest income on impaired financial assets is recognised using the original EIR.

Dividend income

Dividends receivable from financial instruments are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group and the Parent Company, and the amount of the dividend can be measured reliably.

[B] Financial liabilities

The Group and the Parent Company determines the classification of its financial liabilities at initial recognition. The classification depends on the business model for managing the financial liabilities and the contractual terms of the cash flows.

(i) Classification

The financial liabilities are classified in the following measurement categories:

a) those to be measured as financial liabilities at fair value through profit or loss; and

b) those to be measured at amortised cost.

(ii) Measurement

All financial liabilities are recognised initially at fair value. Financial liabilities accounted at amortised cost like borrowings are accounted at the fair value determined based on the EIR after considering the directly attributable transaction costs.

The Group and the Parent Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

The EIR method calculates the amortised cost of a debt instrument by allocating interest charge over the relevant EIR period. The EIR is the rate that exactly discounts estimated future cash outflow (including all fees and points paid or received that form an integral part of the EIR, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition. This category generally applies to borrowings, trade payables, etc.

5 Material accounting policies (continued)

(q) Financial instruments (continued)

[B] Financial liabilities (continued)

(ii) Measurement (continued)

The Parent Company's and the Group's financial liabilities comprise trade and other payables, lease liabilities, term loan, convertible loans, and bank borrowings.

(iii) Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

(iv) Impairment of non-financial assets

The carrying amount of the Parent Company's and the Group's assets or its cash generating unit, other than financial assets, are reviewed at each separate and consolidated statement of financial position date to determine whether there is any indication of impairment. A cash generating unit is the smallest identifiable asset group that generates cash flows that largely are independent from other asset and groups. If any such indication exists, the asset's recoverable amount is estimated. The recoverable amount of an asset or a cash generating unit is the greater of its value-in-use or fair value less costs to sell. An impairment loss is recognised whenever the carrying amount of an asset or its cash generating unit exceeds its estimated recoverable amount. Impairment losses are recognised as expense in profit or loss. Impairment losses are reversed only if there is an indication that the impairment loss may no longer exist and there has been a change in the estimates used to determine the recoverable amount.

(r) Bank borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the separate and consolidated statement of profit or loss and other comprehensive income over the period of the borrowings using the EIR method.

(s) Borrowing costs

Borrowing costs are expensed in the period in which they are incurred. However borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of the asset. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale.

(t) Basic and diluted earnings per share

The Group and the Parent Company presents basic and diluted earnings per share ("EPS") for its ordinary shares. Basic EPS is calculated by dividing the net profit or loss attributable to ordinary shareholders of the Parent Company by the weighted average number of ordinary shares outstanding during the year. Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares.

(u) Net assets per share

The Group and the Parent Company presents net assets per share for its ordinary shares. Net assets per share is calculated by dividing the net assets as at the year-end by the number of shares outstanding at the year-end.

6 Critical accounting estimates and key source of estimation uncertainty

Preparation of the separate and consolidated financial statements in accordance with IFRS Accounting Standards requires the Parent Company's and the Group's management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the separate and consolidated financial statements, and the reported amounts of revenue and expenses during the reporting period. The determination of estimates requires judgments which are based on historical experience, current and expected economic conditions, and all other available information. Actual results could differ from those estimates.

The most significant areas requiring the use of management estimates and assumptions in these separate and consolidated financial statements relate to:

(i) Impairment reviews

IFRS Accounting Standards requires management to undertake an annual test for impairment of indefinite lived assets and, for finite lived assets, to test for impairment if events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Impairment testing is an area involving management judgment, requiring inter alia an assessment as to whether the carrying value of assets can be supported by the net present value of future cash flows derived from such assets using cash flow projections which have been discounted at an appropriate rate. In calculating the net present value of the future cash flows, certain assumptions are required to be made in respect of highly uncertain matters including management's expectations of:

a) growth in earnings before interest, tax, depreciation and amortisation (EBITDA), calculated as adjusted operating profit before depreciation and amortisation;

b) timing and quantum of future capital expenditure;

c) long-term growth rates; and

d) selection of discount rates to reflect the risks involved.

Changing the assumptions selected by management, in particular the discount rate and growth rate assumptions used in the cash flow projections, could significantly affect the Parent Company's and the Group's impairment evaluation and hence results.

(ii) Economic useful lives of property, plant and equipment

The Group's and the Parent Company's property, plant and equipment are depreciated on a straight-line basis over their economic useful lives. The economic useful lives of property, plant and equipment are reviewed periodically by management. The review is based on the current condition of the assets and the estimated period during which they will continue to bring economic benefit to the Group and the Parent Company.

(iii) Classification of investments

In the process of applying the Group's and the Parent Company's accounting policies, the management decides on acquisition of an investment whether it should be classified as investments designated at fair value through profit or loss or fair value through other comprehensive income. The classification of each investment reflects the management's intention in relation to each investment and is subject to different accounting treatments based on such classification.

6 Critical accounting estimates and key source of estimation uncertainty

(iv) Fair value of investments

The Parent and the Group Company determines fair values of investments that are not quoted in active markets by using valuation techniques such as discounted cash flows and recent transaction prices. Fair value estimates are made at a specific point in time, based on market conditions and information about the investee companies. These estimates are subjective in nature and involve uncertainties and matters of significant judgment and therefore, cannot be determined with precision. There is no certainty about future events (such as continued operating profits and financial strengths). It is reasonably possible, based on existing knowledge, that outcomes within the next financial year that are different from assumptions could require a material adjustment to the carrying amount of the investments. In case where discounted cash flow models have been used to estimate fair values, the future cash flows have been estimated by the management based on information from and discussions with representatives of the management of the investee companies, and based on the latest available audited financial statements and un-audited management accounts.

(v) Impairment losses on trade receivables

Loss allowances for trade receivables are based on assumptions about risk of default and expected loss rates. The Group and the Parent Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's and Parent Company's past experience and historical data, existing market conditions as well as forward looking estimates at the end of each reporting period.

(vi) Provision for slow and non-moving inventories

The Group and the Parent Company creates a provision for obsolete and slow-moving inventories. Estimates of net realisable value of inventories are based on the most reliable evidence available at the time the estimates are made. These estimates take into consideration fluctuations of price or cost directly relating to events occurring subsequent to the separate and consolidated statement of financial position date to the extent that such events confirm conditions existing at the end of the reporting period.

(vii) Going concern

The management of the Group and the Parent Company reviews their financial position on a periodic basis and assesses the requirement of any additional funding to meet the working capital requirements and estimated funds required to meet the liabilities as and when they become due (refer to Note 3 and Note 4).

(viii) Contingent liabilities

By their nature, contingencies will only be resolved when one or more future events occur or fail to occur. The assessment of such contingencies inherently involves the exercise of significant judgment and estimates of the outcome of future events.

(ix) Taxation

Uncertainties exist with respect to the interpretation of tax regulations and the amount and timing of future taxable income. Given the wide range of business relationships and nature of the existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to the assumptions, could necessitate future adjustments to taxable income and expenses already recorded. The Group and the Parent Company establishes provisions, based on reasonable estimates, for possible consequences of finalisation of tax assessments of the Group and the Parent Company. The amount of such provisions is based on various factors, such as experience of previous tax assessments and differing interpretations of tax regulations by the taxable entity and the responsible Tax Authority.

6 Critical accounting estimates and key source of estimation uncertainty

(x) Fair value measurements

A number of assets and liabilities included in the Group's and the Parent Company's separate and consolidated financial statements require measurement at, and/or disclosure of, fair value. The fair value measurement of the Group's and the Parent Company's financial and non-financial assets and liabilities utilises market observable inputs and data as far as possible. The classification of an item into level 1, level 2 and level 3 hierarchy is based on the lowest level of the inputs used that has a significant effect on the fair value measurement of the item. Transfers of items between levels are recognised in the period they occur.

(xi) Significant judgment in determining the lease term of the contracts

The Parent Company and the Group determines the lease term as 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 Group and the Parent Company has an option, under some of its leases to lease the assets for additional terms. The Group and the Parent Company applies judgment in evaluating whether it is reasonably certain to exercise the option to renew. That is, it considers all relevant factors that create an economic incentive for it to exercise the renewal. After the commencement date, the Group and the Parent Company reassesses the lease-term if there is a significant event or change in the circumstances that is within its control and effects its ability to exercise (or not exercise) the option to renew or to terminate (e.g., a change in business strategy, construction of significant leasehold improvements or significant customisation to the leased assets).

7 Property, plant and equipment

(a) The movement in property, plant and equipment is as set out below:

2025 Group	Buildings	Plant, machinery, dies, and die tools	Extrusion and anodising plant	Office and other equipment	Furniture and fixtures	Motor vehicles	Computer equipment	Capital work-in-progress	Total
Cost/revalued amount									
At 31 December 2024	7,603,193	21,013,757	4,998,777	562,592	212,748	92,276	482,774	39,372	35,005,489
Additions during the year	-	333,914	-	1,020	125	-	1,115	-	336,174
Transferred from capital work-in-progress	-	22,516	-	-	-	-	-	(22,516)	-
Disposals during the year	-	-	-	-	-	(27,450)	-	-	(27,450)
At 31 December 2025	7,603,193	21,370,187	4,998,777	563,612	212,873	64,826	483,889	16,856	35,314,213
Accumulated depreciation									
At 31 December 2024	3,946,266	14,784,174	4,998,777	560,849	211,119	92,276	458,095	-	25,051,556
Charge for the year	304,626	471,110	-	2,343	353	-	7,156	-	785,588
Disposals during the year	-	-	-	-	-	(27,450)	-	-	(27,450)
At 31 December 2025	4,250,892	15,255,284	4,998,777	563,192	211,472	64,826	465,251	-	25,809,694
Net book amount									
At 31 December 2025	3,352,301	6,114,903	-	420	1,401	-	18,638	16,856	9,504,519

7 Property, plant and equipment (continued)

2025

Parent Company

	Buildings	Plant, machinery, dies, and die tools	Extrusion and anodising plant	Office and other equipment	Furniture and fixtures	Motor vehicles	Computer equipment	Capital work-in-progress	Total
Cost/revalued amount									
At 31 December 2024	7,603,193	21,013,879	4,998,777	562,044	209,895	92,276	480,400	39,250	34,999,714
Additions during the year	-	333,914	-	1,020	125	-	1,115	-	336,174
Transferred from capital work-in-progress	-	22,394	-	-	-	-	-	(22,394)	-
Disposals during the year	-	-	-	-	-	(27,450)	-	-	(27,450)
At 31 December 2025	7,603,193	21,370,187	4,998,777	563,064	210,020	64,826	481,515	16,856	35,308,438
Accumulated depreciation									
At 31 December 2024	3,946,266	14,784,174	4,998,777	561,607	208,825	92,276	456,197	-	25,048,122
Charge for the year	304,626	471,110	-	1,182	353	-	7,156	-	784,427
Disposals during the year	-	-	-	-	-	(27,450)	-	-	(27,450)
At 31 December 2025	4,250,892	15,255,284	4,998,777	562,789	209,178	64,826	463,353	-	25,805,099
Net book amount									
At 31 December 2025	3,352,301	6,114,903	-	275	842	-	18,162	16,856	9,503,339

7 Property, plant and equipment (continued)

(a) The movement in property, plant and equipment is as set out below:

2024

Group	Buildings	Plant, machinery, dies, and die tools	Extrusion and anodising plant	Office and other equipment	Furniture and fixtures	Motor vehicles	Computer equipment	Capital work-in-progress	Total
Cost/revalued amount									
At 31 December 2023	7,428,980	21,383,922	4,998,777	562,592	212,748	92,276	470,389	38,460	35,188,144
Additions during the year	-	214,451	-	-	-	-	12,385	912	227,748
Disposals during the year	-	(584,616)	-	-	-	-	-	-	(584,616)
Revaluation surplus	174,213	-	-	-	-	-	-	-	174,213
At 31 December 2024	7,603,193	21,013,757	4,998,777	562,592	212,748	92,276	482,774	39,372	35,005,489
Accumulated depreciation									
At 31 December 2023	3,643,409	14,901,393	4,998,777	558,974	210,146	92,543	451,684	-	24,856,926
Charge for the year	302,857	467,397	-	1,875	973		6,411	-	779,513
Excess charge reversed	-	-	-	-	-	(267)	-	-	(267)
Disposals during the year	-	(584,616)	-	-	-	-	-	-	(584,616)
At 31 December 2024	3,946,266	14,784,174	4,998,777	560,849	211,119	92,276	458,095	-	25,051,556
Net book amount									
At 31 December 2024	3,656,927	6,229,583	-	1,743	1,629	-	24,679	39,372	9,953,933

7 Property, plant and equipment (continued)

2024

Parent Company

	Buildings	Plant, machinery, dies, and die tools	Extrusion and anodising plant	Office and other equipment	Furniture and fixtures	Motor vehicles	Computer equipment	Capital work-in-progress	Total
Cost/revalued amount									
At 31 December 2023	7,428,980	21,384,044	4,998,777	562,044	209,895	92,276	468,015	38,338	35,182,369
Additions during the year	-	214,451	-	-	-	-	12,385	912	227,748
Disposals during the year	-	(584,616)	-	-	-	-	-	-	(584,616)
Revaluation surplus	174,213	-	-	-	-	-	-	-	174,213
At 31 December 2024	7,603,193	21,013,879	4,998,777	562,044	209,895	92,276	480,400	39,250	34,999,714
Accumulated depreciation									
At 31 December 2023	3,643,409	14,901,393	4,998,777	559,841	208,425	92,543	450,261	-	24,854,649
Charge for the year	302,857	467,397	-	1,766	400		5,936	-	778,356
Excess charge reversed	-	-	-	-	-	(267)	-	-	(267)
Disposals during the year	-	(584,616)	-	-	-	-	-	-	(584,616)
At 31 December 2024	3,946,266	14,784,174	4,998,777	561,607	208,825	92,276	456,197	-	25,048,122
Net book amount									
At 31 December 2024	3,656,927	6,229,705	-	437	1,070	-	24,203	39,250	9,951,592

(b) At the end of the reporting period, plant and machinery and buildings with a carrying value of RO 7,454,752 (2024: RO 7,893,789) are mortgaged against the term loan and bank borrowings obtained from a local commercial bank (Note 16).

(c) The building was initially revalued by an independent property valuer on 19 August 2020 at a revalued amount of RO 4,700,000. The difference between the carrying amount and the revalued amount of RO 2,338,763 was taken to the revaluation reserve in the separate and consolidated shareholders' equity. A further revaluation was conducted on 25 February 2024, which reflected a revalued amount of RO 3,900,000 with the difference between the carrying amount and revalued amount of RO 174,213 also taken to revaluation reserve in the separate and consolidated shareholders' equity. Had the Group's buildings been measured on historical cost basis, their carrying amount would have been RO 2,052,567 (2024: RO 2,121,448).

(d) Capital work-in-progress represents costs incurred for expansion of die storage and plant which will be completed in the year 2026. During the year 2025, the management has incurred costs amounting to RO Nil (2024: RO 912).

7 Property, plant and equipment (continued)

(e) The depreciation charge has been allocated as follows:

	Parent Company		Group	
	Year ended 31 December 2025	Year ended 31 December 2024	Year ended 31 December 2025	Year ended 31 December 2024
Cost of sales (Note 19)	783,380	776,589	783,383	776,589
General and administrative expenses (Note 21)	1,047	1,498	2,205	2,656
	784,427	778,087	785,588	779,245

The Parent Company and the Group have performed an impairment testing and, concluded that, no provision for impairment is considered necessary to provide for any losses which may be sustained on the property, plant and equipment and capital-work-in progress.

8 Intangible assets

	Parent Company 2025	Parent Company 2024	Group 2025	Group 2024
Cost				
At 1 January and at 31 December	112,893	112,893	121,759	121,759
Accumulated amortisation				
At 1 January	94,149	71,509	99,250	74,837
Charge for the year (Note 19)	18,744	22,640	20,517	24,413
At 31 December	112,893	94,149	119,767	99,250
Net book amount				
At 31 December	-	18,744	1,992	22,509

The Parent Company and the Group has performed an impairment testing and, concluded that, no provision for impairment is considered necessary to provide for any losses which may be sustained on the intangible assets, other than that already provided.

9 Leases

a) Right-of-use assets - land and motor vehicles	Parent Company 2025	Parent Company 2024	Group 2025	Group 2024
Cost				
At 1 January	901,777	945,234	916,909	945,234
Modification during the year	-	-	-	15,132
Less: amortisation charge for the year (Note 19)	(43,461)	(43,457)	(51,515)	(43,457)
At 31 December	858,316	901,777	865,394	916,909

b) Lease - liabilities	Parent Company 2025	Parent Company 2024	Group 2025	Group 2024
At 1 January	1,160,816	1,157,888	1,175,150	1,157,888
Modification during the year	-	-	-	15,132
Add: interest on lease liabilities (Note 24)	73,867	73,720	75,169	74,169
Less: payments during the year	(73,750)	(70,792)	(78,569)	(72,039)
At 31 December	1,160,933	1,160,816	1,171,750	1,175,150
Lease liabilities	1,160,933	1,160,816	1,171,750	1,175,150
Less: current portion of lease liabilities	(70,040)	(70,040)	(70,040)	(70,040)
Non-current portion of lease liabilities	1,090,893	1,090,776	1,101,710	1,105,110

In the year 2020, the Parent Company entered into lease agreements for the land with the Madayn (Rusayl Industrial Estate) in the Sultanate of Oman. The lease terms for the land are 30 years with annual lease payments of ⃁ 70,792 (2024: ⃁ 70,792). The lease obligation has been discounted at an annual rate of 6.5%, the incremental borrowing rate .

During the year 2023, the Parent Company entered into a lease agreement for a motor vehicle, committing to a long-term lease period of four years. The lease obligation has been discounted at an annual rate of 6.5%.

The lease modification during the year 2024 represents modification in the lease payment of the subsidiary by ⃁ 15,132 , which has also affected the amount of lease liabilities and right-of-use-assets.

10 Investments

(a) *Investment property*

Investment property, being land, is stated at fair value and it is located at Al-Rusail phase 2, in Al Seeb, Plot No. 299 covering an area of 3,600 square meters. The fair value has been estimated based on an independent valuation undertaken by a professional property valuer dated 12 January 2026. The valuer holds a recognised relevant professional qualification and has recent experience in the locations and segments of the investment properties valued. The valuer has determined the fair value of the investment properties using a combination of an open market value and income capitalisation method as appropriate in accordance with International Valuation Standards.

	Parent Company		Group	
	Year ended 31 December 2025	Year ended 31 December 2024	Year ended 31 December 2025	Year ended 31 December 2024
At 1 January	390,000	400,000	390,000	400,000
Revaluation loss for the year	(20,000)	(10,000)	(20,000)	(10,000)
At 31 December	370,000	390,000	370,000	390,000

Details of the valuation of the investment property and the sensitivity analysis as at 31 December 2025 are as follows:

Name of the property	Name of surveyor	Value of investment property	Date of valuation	Impact on net profit arising on change in market price (+/- 5%)
Plot number 299, Rusail Industrial Estate, Al Seeb, Muscat	Anwar Al Mustakbel Al Modeya	370,000	12 January 2026	18,500

Details of the valuation of the investment property and the sensitivity analysis as at 31 December 2024 are as follows:

Name of the property	Name of surveyor	Value of investment property	Date of valuation	Impact on net profit arising on change in market price (+/- 5%)
Plot number 299, Rusail Industrial Estate, Al Seeb, Muscat	Anwar Al Mustakbel Al Modeya	390,000	2 January 2025	19,500

During the current year, the property has been stated at fair value of RO 370,000 (2024: RO 390,000) and, accordingly, an unrealised loss of RO 20,000 (2024: RO 10,000) has been recognised in profit or loss.

The fair value measurement of the investment property has been categorised as Level 3 fair value hierarchy based on the unobservable inputs of valuation techniques used. For the investment property, the current use of the property is the highest and best use.

10 Investments (continued)

(b) *Investment in a subsidiary:*

The Parent Company has the following subsidiary which is registered in the UAE:

	2025	2024
Novel Aluminium Products Company LLC, UAE	31,500	31,500

In the year 2021, the Parent Company established Novel Aluminium Products Company LLC ("the subsidiary") in the UAE. The Parent Company owns 100% of the share capital of the subsidiary.

The Parent Company has performed an impairment testing of its investment in the subsidiary and, has concluded that, no provision is considered necessary primarily because, based on forecasts prepared by the management of the subsidiary, it is projected that the subsidiary will be able to generate profits in the foreseeable future.

11 Related party transactions and balances

The Parent Company and the Group, in the ordinary course of business, deals with parties which fall within the definition of 'related parties' as contained in International Accounting Standard Number 24. The terms of these transactions are mutually agreed and approved by the management.

(a) Amounts due from the subsidiary

	Parent Company		Group	
	2025	2024	2025	2024
Novel Aluminium Products Company LLC, UAE (Note 13)	3,890,246	3,000,369	-	-
	3,890,246	3,000,369	-	-

(b) Details of the related party transactions are as follows:

	Parent Company		Group	
	Year ended 31 December 2025	Year ended 31 December 2024	Year ended 31 December 2025	Year ended 31 December 2024
Significant transactions with the subsidiary during the year are as follows :				
Revenue	9,827,789	7,091,525	-	-
Expenses	18,764	45,222	-	-
Key management compensation				
Short-term employment benefits	253,174	284,021	253,174	284,021
Employees' end-of-service benefits	11,779	8,067	11,779	8,067
	264,953	292,088	264,953	292,088
Directors' sitting fees (Note 21)	39,900	40,300	39,900	40,300

The amounts due from the subsidiary on account of transactions mentioned above, are unsecured, interest-free, arise in the ordinary course of business and have no fixed repayment terms.

12 Inventories	**Parent Company**		**Group**	
	2025	**2024**	**2025**	**2024**
Raw materials	21,060	161,259	21,060	161,259
Consumables	450,989	510,558	450,989	510,558
Work-in-progress	487,975	269,880	487,975	269,880
Spares and tools	1,009,387	1,069,502	1,009,387	1,069,502
Finished goods	429,015	353,909	429,015	353,909
Scrap	176,371	146,181	176,371	146,181
	2,574,797	2,511,289	2,574,797	2,511,289
Provision for slow-moving and obsolete inventories	(333,803)	(365,724)	(333,803)	(365,724)
	2,240,994	2,145,565	2,240,994	2,145,565

Movement in provision for slow-moving and obsolete inventories for the year ended 31 December is as follows:

	Parent Company		**Group**	
	Year ended 31 December 2025	**Year ended 31 December 2024**	**Year ended 31 December 2025**	**Year ended 31 December 2024**
At 1 January	365,724	305,069	365,724	305,069
(Reversed) / provided during the year (Note 19)	(31,921)	60,655	(31,921)	60,655
At 31 December	333,803	365,724	333,803	365,724

Commercial mortgage and assignment of insurance cover for inventories and receivables of ﷼ 8.883 million (refer Note 16).

13 Trade and other receivables	**Parent Company**		**Group**	
	2025	**2024**	**2025**	**2024**
Trade receivables	6,320,723	5,636,437	10,266,578	8,651,497
Due from a subsidiary (Note 11)	3,890,246	3,000,369	-	-
Trade and subsidiary receivables (gross)	10,210,969	8,636,806	10,266,578	8,651,497
Less: allowance for expected credit loss	(2,721,090)	(2,721,090)	(2,721,090)	(2,721,090)
Trade and subsidiary receivables (net)	7,489,879	5,915,716	7,545,488	5,930,407
Advances and deposits	336,973	230,644	336,973	230,644
Prepayments and other receivables	27,285	37,701	18,009	31,842
	7,854,137	6,184,061	7,900,470	6,192,893

(a) Trade receivables are generally on 30 to 90 days' credit terms. They are recognised at the original amounts which represent their fair values on initial recognition. The carrying amounts of the Parent Company's and the Group's trade receivables are primarily denominated in ﷼.

(b) The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable mentioned above. The Group and the Parent Company does not hold any collateral as security.

(c) The impairment in trade receivables is determined based on the ECL model and reviewed periodically. As at 31 December 2025, impairment allowance for trade receivables of the Parent Company and the Group amounted to ﷼ 2,721,090 (2024: ﷼ 2,721,290).

13 Trade and other receivables (continued)

(d) The Group and the Parent Company applies the IFRS 9 simplified approach to measure ECL using a lifetime ECL provision for trade receivables. To measure ECL on a collective basis, trade receivables are grouped based on similar credit risk and aging. The ECL rates are based on the Group's and the Parent Company's historical credit losses experienced over the three year period prior to the year-end. The historical losses are then adjusted for the current and forward-looking information on macro-economic factors affecting the Group's and the Parent Company's customers.

(e) At 31 December 2025, the lifetime ECL allowance for trade and subsidiary receivables is as follows:

Parent Company	**Upto 180 days past due**	**More than 180 days but less than 365 days past due**	**More than 365 days past due**	**Total**
Gross carrying amount	7,574,473	78,512	2,557,984	10,210,969
Less: loss allowance	84,594	78,512	2,557,984	2,721,090

At 31 December 2025, the lifetime ECL allowance for trade receivables is as follows:

Group	**Upto 180 days past due**	**More than 180 days but less than 365 days past due**	**More than 365 days past due**	**Total**
Gross carrying amount	7,630,082	78,512	2,557,984	10,266,578
Less: loss allowance	84,594	78,512	2,557,984	2,721,090

At 31 December 2024, the lifetime ECL allowance for trade and subsidiary receivables is as follows:

Parent Company	**Upto 180 days past due**	**More than 180 days but less than 365 days past due**	**More than 365 days past due**	**Total**
Gross carrying amount	5,918,303	80,093	2,638,410	8,636,806
Less: loss allowance	27,630	55,050	2,638,410	2,721,090

At 31 December 2024, the lifetime ECL allowance for trade receivables is as follows:

Group	**Upto 180 days past due**	**More than 180 days but less than 365 days past due**	**More than 365 days past due**	**Total**
Gross carrying amount	5,932,994	80,093	2,638,410	8,651,497
Less: loss allowance	16,337	66,343	2,638,410	2,721,090

(f) The movement in ECL allowance for impaired trade and subsidiary receivables is as below:

	Parent Company		**Group**	
	Year ended 31 December 2025	**Year ended 31 December 2024**	**Year ended 31 December 2025**	**Year ended 31 December 2024**
At 1 January and at 31 December	2,721,090	2,721,090	2,721,090	2,721,090

Commercial mortgage and assignment of insurance cover for inventories and receivables of ﷼ 8.883 million (refer Note 16).

14 Cash and bank balances

	Parent Company		Group	
	2025	2024	2025	2024
Cash on hand	241	31	1,935	358
Current account balances with banks	489,617	60,969	589,423	156,001
	489,858	61,000	591,358	156,359

The current account balances with banks are non-interest bearing and are denominated in ﷼. The management has concluded that no impairment is required on current account balances with banks.

15 Equity and reserves

Share capital

The Parent Company's authorised and issued and fully paid-up share capital comprises of 8,571,450 shares with a nominal value of ﷼ 0.100 each (2024: 8,571,450 shares of ﷼ 0.100 each).

	2025		2024	
	Number of shares	Amount	Number of shares	Amount
Ordinary shares of 100 baiza each	8,571,450	857,145	8,571,450	857,145

The shareholders of the Parent Company who own 5% or more of the shares, whether in their name or through a nominee account, are as follows:

	Shareholding %	
	2025	2024
Global Financial Investment Holding SAOG, Oman	20.59	20.59
Oman & Emirates Investment Holding Company SAOG, Oman	13.29	13.29
Ibrahim Abdullah Rashid Al Ismaili	11.67	8.93
Social Protection Fund	5.69	5.69
Muhammad Abdul Hussain Abdullah Al Lawati	5.62	1.44

Legal reserve

Article 132 of the Commercial Companies Law and Regulations of the Sultanate of Oman requires that 10% of the Parent Company's net profit be transferred to a non-distributable legal reserve until the amount of legal reserve becomes equal to one-third of the Parent Company's issued and fully paid-up share capital. The legal reserve in these consolidated financial statements also includes the legal reserve transferred by the subsidiary. The reserve is not available for distribution except in certain cases allowed in the Commercial Companies Law and Regulations of the Sultanate of Oman. During the year 2023, in accordance with the resolution passed by the shareholders in the Extra-Ordinary General Meeting, the Parent Company transferred the legal reserve amounting to ﷼ 1,119,048 to accumulated losses, under the capital restructuring plan approved by the shareholders. During the year ended 31 December 2025, as the Parent Company has reported a net loss, no amount has been transferred to the legal reserve (2024: ﷼ Nil).

16 Borrowings

	Parent Company		Group	
	2025	**2024**	**2025**	**2024**
Term loan	8,240,160	8,439,451	8,240,160	8,439,451
Loan against trust receipts	2,960,764	5,557,324	2,960,764	5,557,324
Short-term borrowings	5,720,300	2,081,100	5,720,300	2,081,100
Bank overdraft	178,687	379,087	178,687	379,087
Convertible loan	825,217	-	825,217	-
Total borrowings	17,925,128	16,456,962	17,925,128	16,456,962
Non-current portion of term loan	8,240,160	8,439,451	8,240,160	8,439,451
Current portion	8,859,751	8,017,511	8,859,751	8,017,511
Convertible loan	825,217	-	825,217	-
Total borrowings	17,925,128	16,456,962	17,925,128	16,456,962

(a) The Parent Company has borrowing facilities with its bankers for an amount of 16.45 million (2024: 16.45 million). The borrowing facilities carry interest rates ranging between 6.5% and 7.5% per annum (2024: between 6.5% and 7.5% per annum).

(b) During the year 2024, Bank Dhofar SAOG has transferred a partial loan of 1,025,000, originally classified under trust receipts and short-term loans to a long-term loan. The loan is repayable in 40 equal quarterly instalments of 25,625 each. Repayments under the revised loan facility commenced from 31 May 2024.

(c) During the year 2024, Bank Muscat SAOG transferred a loan of 3,450,000, originally classified under trust receipts and short-term loans to a long-term loan. The loan is repayable in 35 quarterly instalments of 95,900 each, with a final instalment of 93,500. Repayments under the revised loan facility commenced from 31 March 2025.

(d) During the year 2024, Oman Arab Bank SAOG has transferred a loan of 1,515,780, originally classified under trust receipts to a long-term-loan. The loan is repayable in 36 quarterly instalments of 42,105 each. Repayments under the revised loan facility commenced from 31 March 2024.

(e) During the year 2024, Ahli Bank SAOG has transferred a loan of 2,600,000, originally classified under trust receipts and short-term loan to a long-term-loan. The loan is repayable in 36 quarterly instalments of 72,778 each. Repayments under the revised loan facility commenced from 30 June 2025.

(f) The term loans and other bank borrowings are secured by:
Commercial mortgage and assignment of insurance cover over certain property, plant and equipment of 4.8 million, building of 2.45 million and inventories and receivables of 8.883 million.

(g) The term loan contains certain covenants, which, if not met, would result in the term loan becoming repayable on demand. The Parent Company has not complied with the required covenants; however, based on verbal communication with banks, the management is confident that the Parent Company's bankers will not exercise the option to expect the Parent Company to repay the loan on demand. Further, the Parent Company has reflected the entire term loan as part of non-current liabilities, rather than splitting it into current and non-current portions, as the management is in negotiations with the bankers to commence repayment of the term loan after one year from the separate and consolidated statement of financial position date.

(h) During the year 2025, the Parent Company has obtained a short-term financing amounting to 2 million from Development Bank SAOC towards letters of credit. The facility carry Interest rate of 6%. The short-term facilities are secured against secondary commercial mortgage over the plant and machinery of the Parent Company.

16 Borrowings (continued)

(i) During the year 2025, the Company received a convertible loan of ﷼ 825,271 from two of its major shareholders in multiple tranches. The loan is convertible to equity within one year from the receipt date or earlier at the discretion of the shareholders. The loan carries interest at a rate of 7.5% per annum. The convertible loan agreement stipulates that the determination of conversion price from loan to equity shall be lower of the following:

1 - The average market price per share of the Company's equity over the six months preceding the effective date of the agreement;

2 - The book value per share as reflected in the audited financial statements; or

3 - The share price offered to any new investor.

If net book value is zero as at 31 December 2025 or negative at the time of conversion, the price shall be the lower of 1 and 3 above.

17 Trade and other payables

	Parent Company		Group	
	2025	**2024**	**2025**	**2024**
Trade payables	4,300,984	4,286,756	4,286,147	4,261,180
Accrued expenses	2,181,833	1,169,612	2,191,052	1,178,284
Other payables	361,945	523,668	478,163	523,668
Value-Added-Tax payable	75,779	73,201	75,779	179,206
	6,920,541	6,053,237	7,031,141	6,142,338

Trade and other payables are generally settled within 90 to 120 days of the suppliers' invoice date.

18 Revenue

	Parent Company		Group	
	Year ended 31 December 2025	**Year ended 31 December 2024**	**Year ended 31 December 2025**	**Year ended 31 December 2024**
Revenue recognised at a point-in-time:				
Aluminium products	22,669,443	18,185,049	22,813,675	18,289,028
Scrap sales	2,945,351	2,562,029	2,945,351	2,562,029
	25,614,794	20,747,078	25,759,026	20,851,057

19 Cost of sales

	Parent Company		Group	
	Year ended 31 December 2025	**Year ended 31 December 2024**	**Year ended 31 December 2025**	**Year ended 31 December 2024**
Raw materials and other materials consumed	21,058,582	17,023,215	21,058,582	17,023,215
Salaries and other employee related costs (Note 23)	1,326,287	1,207,465	1,326,387	1,207,565
Depreciation on property, plant and equipment (Note 7)	783,380	776,589	783,383	776,589
Other factory expenses	626,786	597,648	619,420	608,438
Amortisation of right-of-use assets (Note 9)	43,461	43,457	51,515	43,457
(Reversal of) / provision for slow-moving inventories (Note 12)	(31,921)	60,655	(31,921)	60,655
Amortisation of intangible assets (Note 8)	18,744	22,640	20,517	24,413
	23,825,319	19,731,669	23,827,883	19,744,332

20 Other income	Parent Company		Group	
	Year ended 31 December 2025	Year ended 31 December 2024	Year ended 31 December 2025	Year ended 31 December 2024
Insurance claims	2,653	-	2,653	-
Foreign exchange losses	(6,417)	(29,853)	(6,213)	(28,476)
Gain on sale of property, plant and equipment	3,500	19,431	5,340	19,431
Miscellaneous income	141,853	124,236	143,907	130,888
	141,589	113,814	145,687	121,843

21 General and administrative expenses	Parent Company		Group	
	Year ended 31 December 2025	Year ended 31 December 2024	Year ended 31 December 2025	Year ended 31 December 2024
Salaries and other employee related costs (Note 23)	478,653	497,641	494,742	517,123
Legal and professional fees	73,830	90,117	84,278	91,771
Repairs and maintenance	59,731	64,434	59,731	64,944
Directors' sitting fees (Note 11)	39,900	40,300	39,900	40,300
Communication expenses	18,408	20,115	21,894	23,465
Insurance expenses	7,509	6,916	7,509	6,916
Printing and stationery expenses	5,512	4,176	5,540	4,182
Depreciation on property, plant and equipment (Note 7).	1,047	1,498	2,205	2,656
Other expenses	56,679	45,582	62,390	50,864
	741,269	770,779	778,189	802,221

22 Selling and distribution expenses	Parent Company		Group	
	Year ended 31 December 2025	Year ended 31 December 2024	Year ended 31 December 2025	Year ended 31 December 2024
Freight forwarding expenses	276,394	263,146	314,444	302,479
Salaries and employee related costs (Note 23)	97,086	90,059	143,025	145,882
Advertisement and sales promotion expenses	3,599	4,712	3,942	4,712
Commission expenses	-	8,293	-	8,293
Other expenses	14,121	21,338	19,548	26,429
	391,200	387,548	480,959	487,795

23 Salaries and other employee related costs

Employee related costs included under cost of sales, general and administrative expenses and selling and distribution expenses comprise:

	Parent Company		Group	
	Year ended 31 December 2025	Year ended 31 December 2024	Year ended 31 December 2025	Year ended 31 December 2024
Wages and salaries	1,766,657	1,719,569	1,828,785	1,793,508
Contribution to Social Protection Fund	98,788	84,595	98,788	84,595
Increase / (decrease) in liability for employees' end-of-service benefits	36,581	(8,999)	36,581	(7,533)
	1,902,026	1,795,165	1,964,154	1,870,570

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

	Parent Company		Group	
	Year ended 31 December 2025	Year ended 31 December 2024	Year ended 31 December 2025	Year ended 31 December 2024
Cost of sales (Note 19)	1,326,287	1,207,465	1,326,387	1,207,565
General and administrative expenses (Note 21)	478,653	497,641	494,742	517,123
Selling and distribution expenses (Note 22)	97,086	90,059	143,025	145,882
	1,902,026	1,795,165	1,964,154	1,870,570

(b) *Employees' end-of-service benefits*

	Parent Company 2025	Parent Company 2024	Group 2025	Group 2024
At 1 January	255,498	329,931	256,964	329,931
Charge / (reversal) for the year	36,581	(8,999)	36,581	(7,533)
Payments during the year	(23,492)	(65,434)	(22,939)	(65,434)
At 31 December	268,587	255,498	270,606	256,964

24 Finance costs

	Parent Company		Group	
	Year ended 31 December 2025	Year ended 31 December 2024	Year ended 31 December 2025	Year ended 31 December 2024
Interest expense on bank borrowings	1,354,642	1,249,079	1,354,642	1,249,079
Interest expense on lease liabilities (Note 9)	73,867	73,720	75,169	74,169
Bank charges	34,857	73,076	38,527	81,590
Interest income	-	(13)	-	(12,418)
	1,463,366	1,395,862	1,468,338	1,392,420

Bank Muscat SAOG charged a default interest charge of RO 121,749 during the year 2025 (2024: RO 58,885), due to the overdue loan. This amount has been recorded as an expense, reflecting the penalty incurred on the trust receipt and short-term loan.

25 Income tax

The tax rate applicable to the Parent Company is 15% (2024: 15%) of the net taxable profits.

The tax rate applicable to Novel Aluminium Product Company LLC is 9% (2024: 9%) of the net taxable profits.

The determination of taxable income for the year takes into account adjustments for tax purposes, which includes items relating to both income and expenses and which are based on the current understanding of the existing tax laws, regulations and practices.

	Parent Company		Group	
Profit or loss	**Year ended 31 December 2025**	**Year ended 31 December 2024**	**Year ended 31 December 2025**	**Year ended 31 December 2024**
Tax- current year	-	-	2,310	-
Deferred tax	-	-	-	-
	-	-	2,310	-

Deferred tax asset arises on accounting of timing difference of depreciation, impairment allowance on trade receivables, slow-moving and obsolete inventories and brought forward tax losses. However, the deferred tax asset on carry forward losses has not been recognised to the extent of 1,342,281 as the future taxable profits may not be sufficient to adjust any further deferred tax asset, other than that already recorded in the financial statements. The movement is as follows:

	Parent Company		Group	
	2025	**2024**	**2025**	**2024**
Opening balance	188,662	214,794	189,702	215,834
Movement during the year	-	(26,132)	(2,314)	(26,132)
Closing balance	188,662	188,662	187,388	189,702

25 Income tax (continued)

Deferred tax asset/(liabilities)			
Parent Company	**At 1 January 2025**	**Recognised during the year**	**At 31 December 2025**
Property, plant and equipment	(440,463)	-	(440,463)
Provision for impairment of inventories	45,765	-	45,765
Impairment allowance on trade receivables	408,164	-	408,164
Fair value of investment property	(58,500)	-	(58,500)
Right-of-use assets and lease liabilities	31,898	-	31,898
Carry forward losses	236,100	-	236,100
Revaluation reserve	(34,302)	-	(34,302)
Net deferred tax asset	188,662	-	188,662

25 Income tax (continued)

Deferred tax asset/(liabilities) Parent Company	At 1 January 2024	Recognised during the year	At 31 December 2024
Property, plant and equipment	(414,331)	(26,132)	(440,463)
Provision for impairment of inventories	45,765	-	45,765
Impairment allowance on trade receivables	408,164	-	408,164
Fair value of investment property	(58,500)	-	(58,500)
Right-of-use assets and lease liabilities	31,898	-	31,898
Carry forward losses	236,100	-	236,100
Revaluation reserve	(34,302)	-	(34,302)
Net deferred tax asset	214,794	(26,132)	188,662

Deferred tax asset/(liabilities) Group	At 1 January 2025	Recognised during the year	At 31 December 2025
Property, plant and equipment	(439,423)	(2,314)	(441,737)
Provision for impairment of inventories	45,765	-	45,765
Impairment allowance on trade receivables	408,164	-	408,164
Fair value of investment property	(58,500)	-	(58,500)
Right-of-use assets and lease liabilities	31,898	-	31,898
Carry forward losses	236,100	-	236,100
Revaluation reserve	(34,302)	-	(34,302)
Net deferred tax asset	189,702	(2,314)	187,388

Deferred tax asset/(liabilities) Group	At 1 January 2024	Recognised during the year	At 31 December 2024
Property, plant and equipment	(413,291)	(26,132)	(439,423)
Provision for impairment of inventories	45,765	-	45,765
Impairment allowance on trade receivables	408,164	-	408,164
Fair value of investment property	(58,500)	-	(58,500)
Right-of-use assets and lease liabilities	31,898	-	31,898
Carry forward losses	236,100	-	236,100
Revaluation reserve	(34,302)	-	(34,302)
Net deferred tax asset	215,834	(26,132)	189,702

(b) **Reconciliation of income tax expense**

The relationship between the expected tax income based on the tax rates of 15% (2024: 15%) and the reported tax expense in the statement of profit or loss and other comprehensive income can be reconciled as follows:

25 Income tax (continued)

(b) Reconciliation of income tax expense (continued)

	Parent Company		Group	
	Year ended 31 December 2025	Year ended 31 December 2024	Year ended 31 December 2025	Year ended 31 December 2024
Net loss before income tax	(684,771)	(1,434,966)	(670,656)	(1,463,868)
Tax on accounting loss based on applicable rates	(102,716)	(215,245)	(100,598)	(219,580)
Add tax effect of:				
Deferred tax asset not recognised	102,716	215,245	102,908	219,580
	-	-	2,310	-

Parent Company

The income tax assessment of the Parent Company, has been finalised with the Tax Authority until the year 2021.

Subsidiary

The income tax assessment of Novel Aluminium Product Company LLC, has not been taken up by the Tax Authority, as this is the second year of corporate tax in the UAE.

The management considers that additional tax liability, if any, in respect of open tax years would not be material to the separate and consolidated financial position of the Parent Company and the Group as at 31 December 2025.

26 Basic loss per share

Basic loss per share is calculated by dividing the net loss attributable to the shareholders of the Parent Company for the year by the weighted average number of shares outstanding during the year.

	Parent Company		Group	
	Year ended 31 December 2025	Year ended 31 December 2024	Year ended 31 December 2025	Year ended 31 December 2024
Net loss for the year attributable to the equity holders of the Parent Company (RO)	(684,771)	(1,434,966)	(672,966)	(1,463,868)
Weighted average number of shares outstanding during the year (numbers)	8,571,450	8,571,450	8,571,450	8,571,450
Basic loss per share (RO)	(0.080)	(0.167)	(0.079)	(0.171)

No figure for diluted earnings per share has been presented as the Parent Company has not issued any instruments which would have an impact on the earnings per share when exercised.

As the Parent Company does not have any dilutive potential shares, the diluted loss per share is the same as the basic loss per share.

27 Net deficit per share

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

27 Net deficit per share (continued)

	Parent Company		Group	
	Year ended 31 December 2025	Year ended 31 December 2024	Year ended 31 December 2025	Year ended 31 December 2024
Net deficit attributable to the equity holders of the Parent Company (﷼)	(4,738,383)	(4,053,612)	(4,736,510)	(4,063,544)
Number of shares in issue at the year-end (numbers)	8,571,450	8,571,450	8,571,450	8,571,450
Net deficit per share (﷼)	(0.553)	(0.473)	(0.553)	(0.474)

28 Contingent liabilities and capital commitments

At the end of the reporting period, the Parent Company and the Group had contingent liabilities amounting to ﷼ 22,500 (2024: ﷼ 22,500) in respect of bank guarantees and outstanding letters of credit entered into in the normal course of business from which it is anticipated that no material liabilities will arise.

The Parent Company and the Group had no significant capital commitments outstanding as at 31 December 2025 (2024: ﷼ Nil).

29 Capital risk management

The capital is managed by the Parent Company in a way that it is able to continue to operate as a going concern while maximising returns to the shareholders.

The capital of the Parent Company consists of share capital, reserves and accumulated losses. The Parent Company manages its capital by making adjustments in dividend payments and bringing in additional capital in light of changes in business conditions.

30 Financial assets and liabilities and risk management

(a) Financial assets and liabilities

Financial assets and liabilities carried on the separate and consolidated statement of financial position include cash and bank balances, trade and other receivables, due from a subsidiary, bank borrowings, term loan, convertible loan, lease liabilities and trade and other payables. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item.

(b) Risk management

Risk management is carried out by the senior management under policies approved by the Board of Directors. The Parent Company and the Group identifies, evaluates and hedges financial risks in close co-operation with the Board of Directors. The Parent Company and the Group provides principles for overall risk management, as well as policies covering specific areas.

(c) Capital management

The primary objective of the management is to ensure that it maintains a healthy capital ratio in order to support its business and maximise shareholders' value.

The Parent Company and the Group manage their capital structure and make adjustments to it, in light of changes in economic conditions. No changes were made in the objectives, policies and processes during the years ended 31 December 2025 and 2024.

The Parent Company's and the Group's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk.

The Parent Company and the Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Parent Company and the Group includes within net debt, lease liabilities, bank borrowings, convertible loan and term loans, less cash and bank balances. Capital includes share capital, reserves and accumulated losses.

30 Financial assets and liabilities and risk management (continued)

(c) Capital management (continued)

	Parent Company		Group	
	2025	2024	2025	2024
Lease liabilities	1,160,933	1,160,816	1,171,750	1,175,150
Bank borrowings and term loans	17,099,911	16,456,962	17,099,911	16,456,962
Convertible loan	825,217	-	825,217	-
Less : cash and bank balances	(489,858)	(61,000)	(591,358)	(156,359)
Net debt	18,596,203	17,556,778	18,505,520	17,475,753
Share capital	857,145	857,145	857,145	857,145
Revaluation reserve	1,104,779	1,305,157	1,104,779	1,305,157
Accumulated losses	(6,700,307)	(6,215,914)	(6,698,434)	(6,225,846)
Total capital	(4,738,383)	(4,053,612)	(4,736,510)	(4,063,544)
Total capital and net debt	13,857,820	13,503,166	13,769,010	13,412,209
Gearing ratio	134.19%	130.02%	134.40%	130.30%

(d) Market risk

(i) Foreign exchange risk

Foreign exchange risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Parent Company and the Group are exposed to foreign exchange risk arising from various currency exposures. Significant portion of revenues and major operating costs are denominated in RO and indexed to the USD / RO exchange rates. The balance operating costs denominated in USD are covered by the fact that RO is pegged to the USD and has remained unchanged since the year 1986. As these foreign currencies are pegged against the RO, the management does not believe that the Parent Company and the Group are exposed to any material foreign exchange risk.

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in interest rates.

The Parent Company and the Group manage their exposure to interest-rate risk on short-term borrowings by ensuring that they are on a fixed-rate basis.

The Parent Company's and the Group's interest-rate risk arises from term loans and bank borrowings. The interest rates on term loans and bank borrowings are at commercial rates negotiated with the banks. Sensitivity analysis of interest rates is as follows: If the interest rates would have been 50 basis points higher or lower with all other variables held constant, the Parent Company's and the Group's net loss would increase or decrease by RO 89,626 (2024: RO 82,285) respectively.

(iii) Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

The Parent Company and the Group has no equity investments which can give rise to price risk.

30 Financial assets and liabilities and risk management (continued)

(e) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The Group and the Parent Company is potentially exposed to credit risk principally on its trade receivables, due from related parties and cash and cash equivalents. For trade receivables and due from related parties the significant concentration of credit risk is provided in Note 13 to the separate and consolidated financial statements. The credit risk on trade receivables and related parties is subjected to credit evaluations and an allowance for ECL is made for estimated irrecoverable amounts. The amounts presented in the separate and consolidated statement of financial position are net of provision for ECL. The bank balances are held with national and international banks with good credit ratings. An impairment assessment on bank balances has been performed and no impairment has been recognised.

(f) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

The Group's and the Parent Company's management monitors liquidity requirements on a regular basis and ensures that sufficient funds are available, including unutilised credit facilities with banks, to meet any future commitments. The Group and the Parent Company manage liquidity risk by maintaining adequate reserves, banking facilities and borrowing facilities and by continuously monitoring forecasted and actual cash flows.

The contractual maturity profile of financial liabilities is as follows:

Parent Company

Liabilities as at 31 December 2025	Total	Contractual cash flows	Less than 1 year	More than 1 year
Lease liabilities	1,160,933	1,800,802	80,562	1,720,240
Term loan	8,240,160	10,650,737	2,429,285	8,221,452
Bank borrowings	8,859,751	8,859,751	8,859,751	-
Convertible loan	825,217	825,217	887,108	-
Trade and other payables	6,920,541	6,920,541	6,920,541	-
	26,006,602	29,057,048	19,177,247	9,941,692

Liabilities as at 31 December 2024	Total	Contractual cash flows	Less than 1 year	More than 1 year
Lease liabilities	1,160,816	1,813,712	72,980	1,740,732
Term loan	8,439,451	11,133,101	1,518,327	9,614,774
Bank borrowings	8,017,511	8,326,655	8,326,655	-
Trade and other payables	6,053,237	6,053,237	6,053,237	-
	23,671,015	27,326,705	15,971,199	11,355,506

Group

Liabilities as at 31 December 2025	Total	Contractual cash flows	Less than 1 year	More than 1 year
Lease liabilities	1,171,750	1,825,513	86,736	1,738,777
Term loan	8,240,160	11,133,101	2,429,285	8,221,452
Bank borrowings	8,859,751	8,326,655	8,859,751	-
Trade and other payables	7,031,141	7,031,141	7,031,141	-
	25,302,802	28,316,410	18,406,913	9,960,229

30 Financial assets and liabilities and risk management (continued)

(f) Liquidity risk (continued)

Group (continued)

Liabilities as at 31 December 2024	**Total**	**Contractual cash flows**	**Less than 1 year**	**More than 1 year**
Lease liabilities	1,175,150	1,820,985	80,253	1,740,732
Term loan	8,439,451	11,133,101	1,518,327	9,614,774
Bank borrowings	8,017,511	8,326,655	8,326,655	-
Trade and other payables	6,142,338	6,142,338	6,142,338	-
	23,774,450	27,423,079	16,067,573	11,355,506

31 Operating segments

Parent Company

The Parent Company has only one reportable segment in accordance with IFRS 8. Segment information is, accordingly, presented in respect of the Parent Company's business segments. The primary format, business segments, is based on the Parent Company's management and internal reporting structure. The requirements of IFRS 8, paragraphs 31 to 34 relating to entity-wide disclosures have been covered under the Parent Company's separate statement of financial position, Parent Company's separate statement of profit or loss and other comprehensive income and also notes to these separate financial statements.

Group

Class of business

The Group has one reportable segment, as described below, which is the Group's strategic business unit. The strategic business unit offers different products and services and are managed separately because they require different skill sets and marketing strategies. The chief operating decision-maker is responsible for reviewing internal management reports. Details of the strategic business unit is disclosed as follows:

Supply of products:

Information regarding the results of the reportable segment is included below. Performance is measured based on the net loss before tax, as included in the internal management reports.

	Group	
Revenue	**Year ended 31 December 2025**	**Year ended 31 December 2024**
Supply - point-in-time		
Local (Oman)	9,239,769	6,376,956
Other GCC countries	15,704,083	12,422,409
Exports - others	815,174	2,051,692
	25,759,026	20,851,057

	Year ended 31 December 2025	**Year ended 31 December 2024**
Reportable segment assets	25,552,361	22,968,239
Capital expenditure	912	227,748
Reportable segment liabilities	26,398,625	24,031,414

31 Operating segments (continued)

Reconciliation of reportable segment revenues, profit or loss, assets and liabilities is as follows:

	2025	2024
Assets		
Total assets for reportable segments	25,552,361	22,968,239
Elimination of inter-company balances	(3,890,246)	(3,000,369)
Total assets	21,662,115	19,967,870
Liabilities		
Total liabilities for reportable segments	26,398,625	24,031,414

32 Notes supporting the separate and consolidated statement of cash flows

Transactions from financing activities shown in the reconciliation of liabilities from financing transactions is as follows:

2025 Particulars	At 1 January 2025	Cash inflows/ (outflows)	Non-cash changes	December 2025
Group				
Term loan	8,439,451	(199,291)	-	8,240,160
Borrowings	7,638,424	843,611	377,716	8,859,751
Lease liabilities	1,175,150	(78,569)	75,169	1,171,750
Parent Company				
Term loan	8,439,451	(199,291)	-	8,240,160
Bank borrowings	7,638,424	843,611	377,716	8,859,751
Lease liabilities	1,160,816	(73,750)	73,867	1,160,933

2024 Particulars	At 1 January 2024	Cash inflows/ (outflows)	Non-cash changes	December 2024
Group				
Term loan	2,620,000	(136,900)	5,956,351	8,439,451
Bank borrowings	13,240,237	354,538	(5,956,351)	7,638,424
Lease liabilities	1,157,888	(72,039)	89,301	1,175,150
Parent Company				
Term loan	2,620,000	(136,900)	5,956,351	8,439,451
Bank borrowings	13,240,237	354,538	(5,956,351)	7,638,424
Lease liabilities	1,157,888	(70,792)	73,720	1,160,816

33 Comparative figures

Certain comparative figures of the previous year have been either regrouped or reclassified, wherever necessary, in order to conform with the presentation adopted in the current years' separate and consolidated financial statements. Such regroupings or reclassifications did not affect previously reported separate and consolidated net loss or shareholders' equity.

34 Subsequent events

Impact of External Economic and Geopolitical Events

Management has assessed the potential impacts of recent global economic instability—including inflationary pressures, supply chain disruptions, elevated energy costs, interest rate changes, and climate-related events—on the Company's financial position, operations, and results. As of the date of signing these financial statements, no material effects have been identified on financial assets, inventories, cash flows, impairment assessments, or other key financial statement areas. The Company's operations in Oman remain resilient, with no breaches of debt covenants, onerous contracts, or going concern uncertainties arising from these factors. These financial statements reflect this evaluation, supported by ongoing monitoring for future developments.

There were no events occurring subsequent to 31 December 2025 and before the date of the approval that are expected to have a significant impact on these separate and consolidated financial statements.