

Al Anwar Investments SAOG

Consolidated financial statements for the year ended 31 March 2026

Notes to the financial statements

1 ACTIVITIES

- a) Al Anwar Investments SAOG (“the Parent Company”) was incorporated on 20 December 1994 and is registered in the Sultanate of Oman as a public joint stock company. The Parent Company is principally engaged in holding, managing and monitoring strategic investments in financial, industrial, educational and other business enterprises.

The Parent Company and its subsidiaries are collectively referred to as “the Group” in these consolidated financial statements.

- b) At the end of the reporting period, the Group’s investments in subsidiaries and associates and their respective ownership interests are as follows:

<i>Subsidiaries:</i>	2026 and 2025 Holding %
Al Anwar International Investment LLC (AAIL)	100%
Al Anwar Taleem LLC (AAT)	100%
Al Anwar Hospitality SAOC (AAH)	100%
Al Anwar Industrial Investments SAOC (AAIS)	100%
<i>Associates:</i>	2026 and 2025 Holding %
Oman Chlorine SAOG (OC)	22.11%
The National Detergent Company SAOG (NDC)	25.24%
Arabia Falcon Insurance SAOG (AFI)	22.62%
Voltamp Energy SAOG (VE)	15.00%
National Biscuit Industries Limited SAOG (NABIL)	29.22%
Al Maha Ceramics SAOG (AMC)	18.74%
Alruwad International Education Services SAOC (ARIES)	43.51%
Hormuz Al Anwar Cement SAOC (HAAC)	40.00%

Further details of the Group’s subsidiaries and associates are set out in notes 6 and 7, respectively.

2 BASIS OF PREPARATION AND ADOPTION OF NEW AND AMENDED IFRS

2.1 Basis of preparation

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) issued by the International Accounting Standards Board (IASB), interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) and the relevant disclosure requirements of the Financial Services Authority and the requirements of the Commercial Companies Law of the Sultanate of Oman. The consolidated financial statements are presented in Omani Rials (﷮) and rounded off to the nearest thousand.

2.2 New and amended IFRS adopted by the Group

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

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

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

2.2 New and amended IFRS adopted by the Group (Continued)

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

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

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

- Amendments to IFRS 9 'Financial Instruments' and IFRS 7 'Financial Instruments: Disclosures' (Classification and measurement requirements of financial instruments and contracts referencing nature-dependent electricity)
- IFRS 19 'Subsidiaries without Public Accountability: Disclosures' (Reduced disclosures for eligible entities)
- Annual amendments to IFRS – Volume 11 amend the following:
 - IFRS 1 'First time adoption of IFRS' – Hedge accounting by a first time adopter;
 - IFRS 7 'Financial instruments: Disclosures' – Gain or loss on derecognition;
 - Guidance on implementing IFRS 7 – Credit risk disclosures and disclosure of deferred difference between fair value and transaction price;
 - IFRS 9 'Financial instruments' – Derecognition of lease liabilities and transaction price
 - IFRS 10 'Consolidated financial statements' – Determination of a 'de facto agent'
 - IAS 7 'Statement of cash flows' – Cost method
- IFRS 18 'Presentation and Disclosure in Financial Statements' replaces IAS 1 'Presentation of Financial Statements'. The new requirements on presentation and disclosure will provide information to better understand Group's financial performance, improve labelling, aggregation and disaggregation of information and disclosure of management-defined performance measures in the financial statements.

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

3 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

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

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

- *Classification of properties*

Management exercises judgement in determining whether a property should be classified as investment property, property and equipment or asset held for sale, based on the purpose for which the property is held and the manner in which the related economic benefits are expected to be realised.

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3 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

- *Classification of properties (Continued)*

In making this assessment, Management considers the relevant facts and circumstances, including the intended use of the property, whether the property is held for capital appreciation, rental income, owner-occupation, use in operations, or sale in the ordinary course of business or through a committed sale plan. Management also considers whether the property meets the definition of investment property under IAS 40, property and equipment under IAS 16, or asset held for sale under IFRS 5, as applicable.

Where the use of a property changes, Management reassesses the classification to ensure that the property continues to be presented in accordance with its current use and the relevant requirements of IFRS.

- *Classification of investments*

On acquisition of an investment, the Management decides on the classification of investments. This classification is based on the contractual cash flow characteristics and the Group's model for managing such investments.

- *Fair value of unquoted investments*

When the fair values of financial assets and financial liabilities recorded in the statement of financial position cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the adjusted net asset value method.

The adjusted net asset value of investment is based on the audited accounts. Based on the past practice and experience, the Management estimates that the results for such investments are not likely to be materially different from the results currently accounted in these financial statements.

The inputs to this method are derived from observable market data where available; however, when this is not feasible, Management applies judgement in establishing fair values. Any changes in the underlying assumptions could affect the reported fair values of these investments.

- *Different reporting dates of subsidiaries and associates*

Certain subsidiaries and associates have reporting periods that are different from that of the Group, as disclosed in notes 6 e) and 7 e), respectively.

In preparation of the consolidated financial statements and applying the equity method of accounting, Management uses the latest available financial information of these subsidiaries and associates and considers the impact of significant transactions and events occurring during the intervening period between their reporting dates and the Group's reporting date.

This assessment requires Management to apply judgement in determining whether any adjustments are required to the financial information of subsidiaries included in the consolidation financial statements, and to carrying amount of investments in associates or to the Group's share of their results. Management believes that appropriate adjustments, where material, have been made in these consolidated financial statements.

- *Assessment of significant influence*

In cases where the Group holds less than 20% of the voting rights in an investee, Management exercises significant judgement in determining whether the Group has significant influence in accordance with IAS 28 Investments in Associates and Joint Ventures.

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3 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

- *Assessment of significant influence (Continued)*

Management has assessed the level of influence that the Group has over Voltamp Energy SAOG and Al Maha Ceramics SAOG, and has determined that significant influence exists due to the Group's representation on the Board of Directors, participation in key decision-making processes and other relevant factors, notwithstanding that the Group's shareholding is below 20%. Accordingly, these investments have been classified as associates and accounted for using the equity method.

- *Share of unaudited results of associates*

Share of results in certain associates is based on the unaudited financial statements. Based on past practice and experience, the Management believes that the share of results based on the unaudited financial statements is not likely to be materially different from the audited results.

- *Impairment of non-financial assets*

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

For investments in associates, Management considers, among other factors, the financial position and performance of the investees, net asset values, market values where available, industry and sector outlook, future business plans, changes in economic conditions, and expected operating and financing cash flows.

Certain investments in associates had carrying amounts that exceeded their quoted market values as at the reporting date. Judgement was involved in assessing whether this represented an indicator of impairment, particularly for securities with limited market trading activity.

Based on its assessment of the available evidence, Management has concluded that an impairment loss of ~~£~~ 1.75 million has arisen during the year in respect of the investments in Alruwad International Education Services SAOC and Oman Chlorine SAOG (2025 - ~~£~~ 0.54 million), as disclosed in note 7 f).

- *Useful lives of property and equipment*

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

- *Allowance for expected credit losses*

For amounts due from associates, including loans, the Group assesses expected credit losses by considering the creditworthiness and financial position of the related parties, including their past repayment history, liquidity position, available financial information, expected future cash flows and relevant forward-looking macroeconomic information. Based on this assessment, the Group recognises allowance for expected credit losses, where applicable.

ECL on bank balances is determined using credit rating information supplied by independent rating agencies, where available. ECL on bank balances and dividend and other receivables are provided only if material to the financial statements.

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4 MATERIAL ACCOUNTING POLICY INFORMATION

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

a) Accounting convention

These consolidated financial statements have been prepared under the historical cost convention except for certain investments which are measured at fair value.

b) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Parent Company and its subsidiaries. All significant intra-group transactions, profits and balances are eliminated on consolidation, and all sales and profit figures relate to external transactions and balances only.

An entity over which the Group exercises control is classified as a subsidiary. Control is achieved where the Group has power over the investee, that exposes or gives rights to variable returns from its involvement with the investee, and the Group is able to use its power to affect the amount of returns from the investee. Generally control is achieved with a shareholding of more than one half of the voting rights over the relevant activities of the investee.

Non-controlling interests, if any, in the equity and results of a subsidiary are shown as separate items in the consolidated financial statements.

c) Investments in associates

Entities over which the Group exercises significant influence but not control are classified as associates.

Investments in associates are accounted in the consolidated financial statements by using the equity method. Investments in associates are initially recorded at cost and the carrying amount is increased or decreased to recognise the Group's share of the profits or losses of the associate after acquisition.

At the date of acquisition any excess of the cost of acquisition over the Group's share of the fair values of the identifiable net assets of the associate is recognised as goodwill and included in the carrying amount of the investment. The carrying amount of these investments is reduced to recognise any impairment of the value of the individual investment. If the Group's share of losses exceeds its interest in the investment, the carrying value of that investment is reduced to nil and the recognition of any further losses is discontinued unless the Group has an obligation to make further funding contributions to that associate.

The Group's share of post acquisition profits or losses is recognised in the statement of income and the share of post acquisition movements in other comprehensive income is recognised within other comprehensive income.

Where the reporting dates of associates differ from that of the Group, the latest available financial information is used for applying the equity method, provided the difference is not more than three months. Adjustments are made for significant transactions and events occurring up to the Group's reporting date, where material, and for any differences in accounting policies, where necessary. Dividend is reduced from the carrying value of the investment in the period in which the dividend is received.

d) Property and equipment

Items of property and equipment are stated at cost less accumulated depreciation and impairment losses. Where an item of property and equipment comprises major components having different useful lives, they are accounted for as separate items.

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4 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

d) Property and equipment (Continued)

Following initial recognition at cost, expenditure incurred to replace a component of an item of property and equipment which increases the future economic benefits embodied in the item of property and equipment is capitalised. All other expenditures are recognised in the statement of income as an expense when incurred.

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

Capital work-in-progress is stated at cost and includes all expenditures incurred on engineering, design work and costs directly attributable to the project engineering, procurement and construction / installation until such time the assets are put to use, when these will be allocated to property and equipment.

Freehold land and capital work in progress are stated at cost and not depreciated.

Depreciation is charged to the statement of income on a straight-line basis over the estimated useful economic lives of furniture, fixtures and office equipment of 5 years.

e) Financial assets

The Group's financial assets comprise equity securities, dividend and other receivables, amounts due from associates, loan to an associate and bank balances. These financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (FVOCI) and fair value through profit or loss (FVTPL).

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them.

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

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

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement

The subsequent measurement of financial assets across the various categories are analyzed as follows :

Financial assets at amortised cost:

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

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

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4 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

e) Financial assets (Continued)

Financial assets at amortised cost (Continued):

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

Equity instruments at fair value through other comprehensive income

Upon initial recognition, the Group can elect to classify irrevocably its equity investments, which are not held for trading, as equity instruments designated at FVOCI. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to the statement of income. Dividends are recognised in the statement of income when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity investments designated at FVOCI are not subject to impairment assessment.

Financial assets at fair value through profit or loss

The Group classifies the following financial assets at fair value through profit or loss (FVTPL):

- debt investments that do not qualify for measurement at either amortised cost or FVOCI;
- financial assets that are held for trading, and
- equity investments for which the Group has not elected to recognise fair value gains and losses through OCI.

Financial assets at FVTPL are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of income. Dividends on investments are recognised in the statement of income when the right of payment has been established.

Fair value measurement

The Group has 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).

The fair values of quoted investments are determined with reference to the closing prices in organized financial markets at the end of the reporting period.

The fair values of the non-quoted equity investments have been estimated using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same and discounted cash flow analysis making maximum use of market inputs and relying as little as possible on entity - specific inputs. Where it is impractical to use discounted cash flow analysis, the Group uses the net asset value or par value of the investments, as appropriate.

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4 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

f) Impairment

Financial assets

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

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

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

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

Write off

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

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

Non-financial assets

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

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

g) Cash and cash equivalents

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

h) Employees' end of service and other benefits

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

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

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4 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

i) Financial liabilities

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

j) Accruals and other payables

Accruals and other payables are recognized for amounts payable for services received, whether or not billed to the Group.

k) Provisions

A provision is recognised in the statement of financial position when the Group has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Where the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

l) Taxation

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

Current tax

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

Deferred tax

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

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

m) Foreign currency transactions

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

n) Leases

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

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4 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

o) Dividends

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

p) Directors' remuneration

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

q) Operating segments

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

r) Offsetting

Financial assets and financial liabilities are only offset and the net amount reported in the statement of financial position when there is a legally enforceable right to set off the recognised amounts and the Group intends to either settle on a net basis, or to realise the asset and settle the liability simultaneously.

s) Earnings per share

Earnings per share is calculated by dividing the net profit attributable to shareholders of the Group for the year by the weighted average number of ordinary shares outstanding during the year.

For the purpose of calculating earnings per share, bonus shares issued during the year are treated as if they had been issued at the beginning of the earliest period presented. Where a rights issue includes a bonus element, the weighted average number of shares is adjusted retrospectively by applying the appropriate bonus factor in accordance with IAS 33 Earnings per Share.

Where there are no dilutive potential ordinary shares, diluted earnings per share is the same as basic earnings per share.

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5 PROPERTY AND EQUIPMENT

Year 2026	Freehold land AED '000	Furniture, fixtures and office equipment AED '000	Capital work in progress AED '000 [note d]]	Total AED '000
Cost				
At 31 March 2025	1,958	42	322	2,322
Additions during the year	--	1	--	1
Written off during the year	--	(1)	--	(1)
At 31 March 2026	1,958	42	322	2,322
Depreciation				
At 31 March 2025	--	38	--	38
Charge for the year (note 19)	--	1	--	1
Relating to write offs	--	(1)	--	(1)
At 31 March 2026	--	38	--	38
Net book values				
At 31 March 2026	1,958	4	322	2,284
At 31 March 2025	1,958	4	322	2,284

Year 2025	Freehold land AED '000	Furniture, fixtures and office equipment AED '000	Capital work in progress AED '000 [note d]]	Total AED '000
Cost				
At 31 March 2024	1,948	47	322	2,317
Additions during the year	10	1	--	11
Disposals during the year	--	(6)	--	(6)
At 31 March 2025	1,958	42	322	2,322
Depreciation				
At 31 March 2024	--	43	--	43
Charge for the year (note 19)	--	1	--	1
Relating to disposals	--	(6)	--	(6)
At 31 March 2025	--	38	--	38
Net book values				
At 31 March 2025	1,958	4	322	2,284
At 31 March 2024	1,948	4	322	2,274

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The following further note apply:

- The freehold land is located in Azaiba, Sultanate of Oman and is registered in the name of related parties who hold it in trust for the benefit of the Group.
- The freehold land is mortgaged with a local commercial bank as security for the term loans and Islamic financing availed by the Parent Company [note 13 c)].

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5 PROPERTY AND EQUIPMENT (Continued)

- c) The fair value of the freehold land was assessed to be ~~2~~ 2 million by an independent valuer based on a valuation conducted in August 2025. At the end of the reporting period, the Management believes the fair value of the freehold land is not materially different from the carrying value.
- d) Capital work-in-progress at the end of the reporting period represents costs incurred for a 4-star hotel under construction on the Group's freehold land located in Azaiba, Sultanate of Oman.

6 INVESTMENTS IN SUBSIDIARIES

- a) Al Anwar International Investment LLC (AAIL) is registered as a limited liability company in the Sultanate of Oman and is engaged in investment related activities. The Parent Company holds 99.999% shareholding in AAIL's share capital and the remaining 0.001% is held in trust by a related party for the beneficial interest of the Parent Company.
- b) Al Anwar Taleem LLC (AAT) is registered as a limited liability company in the Sultanate of Oman and is engaged in investment related activities and intends to engage in education services. The Parent Company holds 99% shareholding in AAT's share capital and the remaining 1% is held in trust by related parties for the beneficial interest of the Parent Company.
- c) Al Anwar Hospitality SAOC (AAH) is registered as a closed joint stock company in the Sultanate of Oman and is intended to engage in hospitality related activities. The Parent Company holds 99% shareholding in AAH's share capital and the remaining 1% is held in trust by related parties for the beneficial interest of the Parent Company.
- d) Al Anwar Industrial Investments SAOC (AAIS) is registered as a closed joint stock company in the Sultanate of Oman and is intended to engage in investment related activities. The Parent Company holds 99% shareholding in AAIS's share capital and the remaining 1% is held in trust by related parties for the beneficial interest of the Parent Company.
- e) The financial year ending of the subsidiaries is 31 December and these consolidated financial statements incorporate the results of the subsidiaries for the year ended 31 December 2025.
- f) The summarised financial information of the subsidiaries, not adjusted for the proportion of ownership, is tabulated on page 34.

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7 INVESTMENTS IN ASSOCIATES

31 March 2026	Principal activities	Holding %	Carrying value S '000	Market value (MSX) S '000
Quoted				
Oman Chlorine SAOG (OC)	Manufacture of chemicals	22.11	6,914	3,447
The National Detergent Company SAOG (NDC)	Manufacture of detergents	25.24	5,403	3,483
Arabia Falcon Insurance SAOG (AFI)	Insurance services	22.62	5,481	3,272
Voltamp Energy SAOG (VE)	Manufacture of electrical equipment	15.00	3,740	26,680
National Biscuit Industries Limited SAOG (NABIL)	Manufacture of biscuit and snacks	29.22	2,755	1,591
Al Maha Ceramics SAOG (AMC)	Manufacture of ceramic tiles	18.74	1,845	2,731
			26,138	41,204
Unquoted				
Alruwad International Education Services SAOC (ARIES)	Educational services	43.51	2,125	N/A
Hormuz Al Anwar Cement SAOC (HAAC)	Manufacture of cements	40.00	--	N/A
			2,125	N/A
			28,263	41,204
31 March 2025				
			Carrying value S '000	Market value (MSX) S '000
Quoted				
Oman Chlorine SAOG (OC)	Manufacture of chemicals	22.11	7,989	6,010
The National Detergent Company SAOG (NDC)	Manufacture of detergents	25.24	5,423	3,659
Arabia Falcon Insurance SAOG (AFI)	Insurance services	22.62	5,192	2,687
Voltamp Energy SAOG (VE)	Manufacture of electrical equipment	15.00	2,894	8,303
National Biscuit Industries Limited SAOG (NABIL)	Manufacture of biscuit and snacks	29.22	2,600	1,239
Al Maha Ceramics SAOG (AMC)	Manufacture of ceramic tiles	18.74	1,830	1,288
			25,928	23,186
Unquoted				
Alruwad International Education Services SAOC (ARIES)	Education services	43.51	3,464	N/A
Hormuz Al Anwar Cement SAOC (HAAC) [note b)]	Manufacture of cements	40.00	--	N/A
			3,464	N/A
			29,392	23,186

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7 INVESTMENTS IN ASSOCIATES (Continued)

The following further notes apply:

- a) The movement in the carrying value of investment in associates during the years 2025 and 2026 are set out on page 35.
- b) Investment in HAAC was fully impaired in earlier years. HAAC has commenced the liquidation process, which is expected to be completed during the next financial year.
- c) Investment in associates with a carrying value of ~~£~~ 27.65 million (2025 – ~~£~~ 26.28 million) are pledged as security for the term loans and Islamic financing availed by the Parent Company [note 13 c)].
- d) Investments in VE and AMC are considered by the Group to be investments in associates despite the Group holding less than 20% of their share capital, as Management considers that the Group has significant influence through representation on the Board, participation in key decision-making processes and other relevant facts and circumstances.
- e) The Group's share of results of associates is based on the audited financial statements of the respective associates for the year ended 31 December 2025, except for NABIL and ARIES for which the share of results is based on the unaudited financial statements for the periods ended 31 December 2025 and 31 January 2026 respectively.
- f) The Group assessed whether there were any indicators of impairment in respect of its investments in associates in accordance with IAS 28 and IAS 36. While certain listed associates had market values below their carrying amounts as at the reporting date, the quoted market prices on the Muscat Stock Exchange were not considered determinative in isolation due to limited trading volumes and illiquidity in certain securities.

Accordingly, the Management has assessed the net asset values, financial position and future outlook of the investments in associates at the end of the reporting period. Based on this assessment, impairment losses amounting to ~~£~~ 1.25 million (2025 – nil) for Oman Chlorine SAOG and ~~£~~ 0.50 million (2025 – ~~£~~ 0.54 million) for Alruwad International Education Services SAOC have been recognised in the statement of income for the year.

The summary of key assumptions and related sensitivity analysis used in Management's impairment assessment, using the discounted cash flow method over a five-year projection period, is as follows:

Key assumptions	Rate applied	Sensitivity Factor	Impact on profitability £ '000
OC			
EBITDA growth rate	3.28%	+/- 1%	+/- 524
Discount rate (WACC)	11.66%	+/- 0.5%	+/- 763
Terminal value growth rate	3.00%	+/- 0.25%	+/- 276
ARIES			
EBITDA growth rate	24.01%	+/- 1%	+ / - 22
Discount rate (WACC)	13.21%	+/- 0.5%	+ / - 145
Terminal value growth rate	0.50%	+/- 0.25%	+ / - 45
Discount for lack of marketability	25%	+/- 5%	+ / - 144

- g) The summarised financial information of the associates, not adjusted for the proportion of ownership, is tabulated on pages 36 and 37.

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8 INVESTMENTS AT FAIR VALUE

	FVOCI ﷼ '000	FVTPL ﷼ '000	2026 Total ﷼ '000	FVOCI ﷼ '000	FVTPL ﷼ '000	2025 Total ﷼ '000
Quoted investments						
National Bank of Oman SAOG	47,338	6,564	53,902	18,927	--	18,927
Dhofar International Development and Investment Holding SAOG	4,219	4,629	8,848	3,225	3,538	6,763
Bank Dhofar SAOG	--	--	--	6,490	--	6,490
	51,557	11,193	62,750	28,642	3,538	32,180
Unquoted investments						
Al Ritaj Investment Company KSC	--	74	74	--	72	72
Others	--	149	149	--	100	100
	--	223	223	--	172	172
	51,557	11,416	62,973	28,642	3,710	32,352

The following further notes apply:

- a) The movements in the carrying value of investments at FVOCI and FVTPL during the year are as follows:

	FVOCI ﷼ '000	FVTPL ﷼ '000	2026 Total ﷼ '000	FVOCI ﷼ '000	FVTPL ﷼ '000	2025 Total ﷼ '000
At the beginning of the year	28,642	3,710	32,352	10,028	3,213	13,241
Purchases during the year	17,880	6,950	24,830	19,626	573	20,199
Disposals during the year	(7,159)	(569)	(7,728)	--	(557)	(557)
Realised gain on disposals during the year	--	68	68	--	16	16
Fair value changes during the year [note b)]	12,194	1,257	13,451	(1,012)	465	(547)
At the end of the year	51,557	11,416	62,973	28,642	3,710	32,352

- b) The movement in fair value reserve attributable to the FVOCI investments during the year was as follows:

	2026 ﷼ '000	2025 ﷼ '000
At the beginning of the year	373	1,385
Fair value changes during the year [note a)]	12,194	(1,012)
Transfer of fair value reserve upon disposal of investments at FVOCI [refer note e below)]	(1,540)	--
At the end of the year	11,027	373

- c) Investments at fair value with a carrying value of ﷼ 53.09 million (2025 – ﷼ 30.08 million) are pledged as security for the term loans and Islamic financing availed by the Parent Company [note 13 c)].

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8 INVESTMENTS AT FAIR VALUE (Continued)

d) The fair value hierarchy of the investments at FVOCI and FVTPL is as follows:

	FVOCI	FVTPL	2026 Total	FVOCI	FVTPL	2025 Total
	₭ '000	₭ '000	₭ '000	₭ '000	₭ '000	₭ '000
Level 1	51,557	11,193	62,750	28,642	3,538	32,180
Level 3	--	223	223	--	172	172
	51,557	11,416	62,973	28,642	3,710	32,352

e) During the year, the Group has sold its investment in Bank Dhofar SAOG which was designated at FVOCI, as a result of change in business strategy. The shares sold had a fair value of ₭ 7.159 million giving rise to a net cumulative gain recognized in fair value reserve of ₭ 1.54 million (2025 – not applicable) that was transferred to retained earnings during the year.

9 DIVIDEND AND OTHER RECEIVABLES

	2026 ₭ '000	2025 ₭ '000
Dividend receivable	2,976	1,729
Prepayments and other receivables	220	137
	3,196	1,866

10 SHARE CAPITAL

a) At the end of the reporting period, the issued and fully paid-up share capital of the Parent Company is ₭ 27,234,139 comprising 223,662,805 shares of ₭ 0.100 each and 74,890,126 shares of ₭ 0.065 each (2025 – share capital of ₭ 26,085,858 comprising 212,180,000 shares of ₭ 0.100 each and 74,890,126 shares of ₭ 0.065 each).

At the Extraordinary General Meeting held on 12 November 2025, the Shareholders of the Parent Company approved an increase in the Company's authorised share capital from ₭ 30 million to ₭ 50 million (2025 – not applicable).

b) During the year, the Shareholders approved the issuance of bonus shares of ₭ 1,148,281 comprising 11,482,805 ordinary shares of ₭ 0.100 each (2025 – bonus shares of ₭ 618,000 comprising 6,180,000 ordinary shares of ₭ 0.100 each and rights issue shares of ₭ 4,867,858 comprising 74,890,126 shares of ₭ 0.065 each).

c) Shareholders of the Parent Company who own 5% or more of the Parent Company's shares and the number of shares they hold at the end of the reporting period are as follows:

Name of the Shareholder	Number of shares	2026 % of holding	Number of shares	2025 % of holding
Fincorp Investments LLC	62,747,018	21.02	61,641,364	21.47
Brigadier (Retired) Masoud Humaid				
Malik Al Harthy	35,941,690	12.04	34,559,319	12.04
Al Yousef Group LLC	17,940,294	6.01	17,250,283	6.01
	116,629,002	39.07	113,450,966	39.52

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11 LEGAL RESERVE

Parent Company:

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

Group:

In accordance with Article 274 of the Commercial Companies Law of Oman, annual appropriation of 10% of the net profit for the year of the individual subsidiaries, is to be made to the legal reserve until the reserve equals one third of the share capital. The reserve is not available for distribution but can be utilized to set off against any accumulated losses.

12 OTHER RESERVES

Other reserves represent the Group's share in the associates' reserves and comprise the following:

	2026 ﷌ '000	2025 ﷌ '000
Revaluation reserve	899	1,379
Other reserves	182	(106)
	<u>1,081</u>	<u>1,273</u>

The following further notes apply:

a) The movement in associates' reserves during the year was as follows:

	2026 ﷌ '000	2025 ﷌ '000
At the beginning of the year	1,273	803
Share in reserves of the associates [notes 7 a) and 12 b)]	(426)	284
Share of movements in reserves of associates	234	--
Transfer to retained earnings on disposal of associate	--	186
At the end of the year	<u>1,081</u>	<u>1,273</u>

b) During the year, the Group reassessed the underlying assumptions supporting ARIES' land revaluation reserve. In view of the associate's operating challenges and uncertainties surrounding the valuation assumptions, the Group reversed its share of the associate's revaluation reserve amounting to ﷌ 480,786 [notes 7 a) and 12 a)].

13 TERM LOANS AND ISLAMIC FINANCING

	2026 ﷌ '000	2025 ﷌ '000
Term loans [note a)]	38,168	23,290
Wakala Bel Istithmar [note b)]	8,500	3,500
	<u>46,668</u>	<u>26,790</u>
Less: current portion of term loans and Islamic financing	(1,246)	(2,675)
Non-current portion of term loans and Islamic financing	<u>45,422</u>	<u>24,115</u>

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13 TERM LOANS AND ISLAMIC FINANCING (Continued)

The following further notes apply:

- a) Term loans were obtained by the Parent Company from local commercial banks and are subject to interest ranging from 5.55% to 6% per annum (2025 - 5.75% to 6.5% per annum). The term loans are repayable in accordance with the repayment schedules agreed with the respective banks, including periodic instalments and bullet repayments at maturity, where applicable.
- b) Wakala Bel Istithmar were obtained by the Parent Company from local Islamic banks and are subject to profit rates ranging from 6% to 6.5% per annum (2025 - 6.5% per annum). The wakala bel istithmar are repayable in two bullet instalments of **₹** 3,500,000 and **₹** 5,000,000 on 30 September 2027 and 31 December 2028, respectively.
- c) The term loans and Islamic financing and bank borrowings (note 14) are secured by the following:
 - mortgage over the freehold land and assignment of the related insurance cover in favor of the bank [note 5 b)];
 - undertaking to route cash flows, dividend receipts, and other transactions related to the investments financed by the respective loans through accounts maintained with the bank;
 - post-dated cheques in respect of certain Islamic facilities; and
 - pledge over certain investments detailed in [notes 7 c) and 8 c)] with a minimum market value coverage of 150% to 185% of the loan outstanding at all times.
- d) The term loans and Islamic financing and bank borrowings (note 14) are subject to certain restrictive covenants which, if violated, could permit the banks to cancel or reduce the facilities or impose penal charges [note 27 d)].
- e) The maturity profile of the non-current portion of term loans and Islamic financing based on the remaining period to maturity from the end of the reporting period is as follows:

	2026 ₹ '000	2025 ₹ '000
Between 1 to 2 years	4,872	3,921
Between 2 to 5 years	16,010	14,272
Above 5 years	24,540	5,922
	45,422	24,115

14 BANK BORROWINGS

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

Bank borrowings are availed against securities provided as detailed in note 13 c).

15 ACCRUALS AND OTHER PAYABLES

	2026 ₹ '000	2025 ₹ '000
Accrued interest and profit	119	86
Accruals and other payables	51	54
	170	140

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16 RELATED PARTY TRANSACTIONS AND BALANCES

The Group enters into transactions in the ordinary course of business with key management personnel (including Board of Directors), significant Shareholders (holding 10% or more interest in the Group) and entities in which the Group / key management personnel / significant Shareholders of the Group have significant influence or control. These transactions are entered into on terms and conditions approved by the Management and Board of Directors and subject to Shareholders' approval at the Annual General Meeting.

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

	2026 S '000	2025 S '000
Associates:		
Interest income on loan to an associate (note 17)	5	--
Directors' meeting attendance fee income (note 18)	77	31
General and administration	6	3
 Loan to an associate [note 16 d)]	 431	 --
Other related parties:		
General and administration	2	1

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

	2026 S '000	2025 S '000
Salaries and other related costs	206	189
Employees' end of service benefits and social security costs	12	7
Directors' remuneration and meeting attendance fees (note 19)	144	136
	<u>362</u>	<u>332</u>

c) The amounts due from associates are unsecured, not subject to interest and payable on demand (2025 – similar terms).

d) Loan to an associate is subject to interest at 8% per annum (2025 – not applicable) and is repayable in March 2028. Accordingly, it has been classified as non-current.

17 INVESTMENT INCOME

	2026 S '000	2025 S '000
Dividend income	1,466	911
Fair value changes in investments at FVTPL [note 8 a)]	1,257	465
Realised gain on sale of investments at FVTPL [note 8 a)]	68	16
Interest income on call deposit	6	--
Interest income on loan to an associate [note 16 a)]	5	--
Gain on partial disposal of investment in associates	--	1,358
	<u>2,802</u>	<u>2,750</u>

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18 OTHER INCOME

	2026 S '000	2025 S '000
Directors' meeting attendance fees income [note 16 a)]	77	31
Excess provision written back	7	40
	<u>84</u>	<u>71</u>

19 GENERAL AND ADMINISTRATION

	2026 S '000	2025 S '000
Salaries and employee related costs [note 20 a)]	286	262
Directors' remuneration and meeting attendance fees [note 16 b)]	144	136
Registration and renewals	33	28
Legal and professional	19	27
Value added tax	18	14
Rent	16	15
Corporate social responsibility	10	10
Depreciation on property and equipment (note 5)	1	1
Miscellaneous	58	27
	<u>585</u>	<u>520</u>

20 SALARIES AND EMPLOYEE RELATED COSTS

a) Salaries and employee related costs comprise:

	2026 S '000	2025 S '000
Salaries and other employee related costs	269	253
Cost of end of service benefits for expatriate employees (net)	6	(1)
Contributions to defined employee benefits scheme	11	10
	<u>286</u>	<u>262</u>

b) The movement in expatriate employees' end of service benefits liability recognised during the year is as follows:

	2026 S '000	2025 S '000
At the beginning of the year	31	32
Expense for the year (net)	6	(1)
Settled during the year	(8)	--
At the end of the year	<u>29</u>	<u>31</u>

21 FINANCE CHARGES

	2026 S '000	2025 S '000
Interest and profit on term loans and Islamic financing	2,280	1,001
Interest on bank borrowings	127	198
Bank charges	85	65
	<u>2,492</u>	<u>1,264</u>

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22 TAXATION

- a) Tax is provided at 15% (2025 – 15%) of the profits for the year adjusted for tax purposes. No provision for current tax has been made during the year as the Parent Company and its subsidiaries has incurred a tax loss (2025 – tax loss).
- b) During the year, tax assessments of AAIIIL and AAT for the year 2021 were finalized by the Tax Authority with no additional demand for tax.
- c) The status of the tax assessments of the Group which are yet to be completed by the Tax Authority is as follows:

Company	Years
Al Anwar Investments SAOG	2023 to 2025
Al Anwar International Investment LLC	2022 to 2024
Al Anwar Taleem LLC	2022 to 2024
Al Anwar Hospitality SAOC	2022 to 2024
Al Anwar Industrial Investments SAOC	2022 to 2024

The Management believes that the amount of additional taxes, if any, that may become payable on finalization of the assessments for the above tax years would not be material to the Group's financial position at the end of the reporting period.

- d) Deferred tax asset amounting to ~~£~~ 249,833 (2025 – ~~£~~ 564,913) in respect of carry forward tax losses and other deductible temporary differences has not been recognized unless it is probable that sufficient future taxable profits will be available against which these tax losses and deductible temporary differences can be utilised.

23 NET ASSETS PER SHARE

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

	2026	2025
Net assets (in £ '000)	48,803	37,418
Number of shares outstanding (in '000)	298,553	287,070
Net assets per share (in baisas)	163	130

24 BASIC EARNINGS PER SHARE

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

	2026	2025
Net profit for the year (in £ '000)	765	2,385
Weighted average number of shares outstanding during the year (in '000) (refer below note)	298,553	230,195
Basic earnings per share (in baisas) (as restated – see note)	3	10

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24 BASIC EARNINGS PER SHARE (Continued)

Note:

For the purpose of computation of the weighted average number of shares outstanding during the year, bonus shares are assumed to have been issued at the start of the earliest period presented in accordance with IAS 33, *Earnings per Share*. The comparative earnings per share information has been retrospectively adjusted to reflect the issue of bonus shares during the year.

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

25 OPERATING SEGMENTS

Management has determined the Group's operating segment based on the internal reports reviewed by the Board of Directors for the purpose of making strategic decisions and assessing performance.

The Group operates in one reportable segment, being investment holding and related activities, comprising investments in financial, industrial, educational and other business enterprises. Performance is assessed based on income earned from these investments, as included in the internal management reports reviewed by the Board of Directors. All relevant information relating to the primary segment is disclosed in the statement of income, statement of financial position and notes to the financial statements.

26 PROPOSED DIVIDEND

Subsequent to the end of the reporting period, the Board of Directors have proposed a dividend of 8% for the year ended 31 March 2026, comprising cash dividend of 5 baisas per share and bonus shares of 3 shares for every 100 shares held (2025 – 8% dividend comprising cash dividend of 4 baisas per share and bonus shares of 4 shares for every 100 shares held), which is subject to the approval of the Shareholders at the forthcoming Annual General Meeting.

27 FINANCIAL RISK AND CAPITAL MANAGEMENT

The Group is exposed to various financial risks, primarily being, market risk (currency risk, interest / profit rate risk and price risk), credit risk and liquidity risk arising from the financial instruments it holds. The risk management is carried out internally in accordance with the approval of the Board of Directors.

a) Market risk

Currency risk

Foreign currency risk arises as the value of recognized assets and liabilities denominated in other currencies fluctuate due to changes in foreign exchange rates. The Group invests in foreign markets and holds investments denominated in currencies other than the Omani Rials. The Group's assets and liabilities are not materially impacted by currency risk, since the Omani Rial and most GCC currencies in which the Group invests are pegged to the US Dollar.

Interest / profit rate risk

The Group is exposed to interest / profit rate risk on its interest-bearing assets (call deposits and loan to an associate) and liabilities (term loans and Islamic financing and bank borrowings). The Management manages its exposure to interest / profit rate risk by obtaining the financing facilities at the most competitive rates and monitoring the changes in interest / profit rates on a periodic basis.

For every 0.5% change in interest / profit rate, the net impact on the statement of income will be ~~Rs~~ 239,462 (2025 – ~~Rs~~ 143,950) based on the interest / profit bearing assets and liabilities at the end of the reporting period.

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27 FINANCIAL RISK AND CAPITAL MANAGEMENT (Continued)

a) Market risk (Continued)

Price risk

The Group's quoted investments are subject to price risk arising from uncertainties about future prices of equities. Price risk is managed through the diversification of the investments, thereby avoiding concentration of investments in individual securities.

The Group's quoted investments are traded on the Muscat Stock Exchange and have been fair valued based on latest available quoted prices (Level 1 hierarchy).

Assuming that:

- the indexes would have changed by 5%;
- the Group's equity instruments move according with the historical correlation with the respective indexes; and
- all other variables are constant,

the equity would have changed by ~~o~~ 3,137,531 (2025 – ~~o~~ 1,609,046) as a result of the change in fair value of quoted equity investments.

The Group's investment in certain unquoted entities are recorded on the basis of net asset values of those investments. The management considers that the carrying value of these investments approximate to their fair values as significant portfolio of the underlying assets and liabilities of the investee companies is either at fair value or are in cash and cash equivalents where fair value approximate the carrying value. Therefore, unadjusted net assets value is representative of fair value of these investments (Level 3 hierarchy).

These investments are subject to uncertainties arising from the performance of the respective investments and the valuation of their underlying assets and liabilities.

Assuming all variables remain constant, a 5% change in the net asset value of these unquoted investments, the equity would have changed by ~~o~~ 11,153 (2025 – ~~o~~ 8,573).

b) Credit risk

Credit risk primarily arises from credit exposures for outstanding dividend and other receivables, amounts due from associates and loan to an associate. The status of outstanding dues is monitored on an ongoing basis. The carrying value of dividend and other receivables approximate their fair values due to the short-term nature of those receivables.

Amounts due from associates and loan to an associate

Amounts due from related parties (including dues from associates and loan to an associate) are expected to have low credit risk. Accordingly, no expected credit losses on such dues have been provided.

Dividend and other receivables

Expected credit losses on dividend and other receivables have not been provided as the impact is not expected to be material at the end of the reporting period.

Bank balances

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

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27 FINANCIAL RISK AND CAPITAL MANAGEMENT (Continued)

c) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting obligations associated with its financial liabilities as they fall due.

The Group manages liquidity risk by maintaining adequate bank balances and available banking facilities and by monitoring expected cash flows, dividend receipts, investment realisations and repayment obligations. Accordingly, the Management does not consider the Group to be exposed to significant liquidity risk.

The maturity analysis in respect of the term loans and Islamic financing has been provided in note 13 e). All other financial liabilities are repayable within 6 months from the end of the reporting period.

d) Capital management

The Group's objectives when managing capital are:

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

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

In the context of managing capital, the Group has covenanted with banks providing external debt to maintain certain financial and non-financial requirements [note 13 d)]. At the end of the reporting period, the Group has obtained a waiver for the debt service coverage non-compliance from the bank.

28 COMPARATIVES

Previous year figures have been regrouped or reclassified, wherever necessary, so that they conform to the presentation adopted in these consolidated financial statements for the current year.

29 GEOPOLITICAL DEVELOPMENTS AND RELATED INVESTMENT CONSIDERATIONS

Towards the end of the year and subsequent to the end of the reporting period, geopolitical developments in certain parts of the Middle East have created uncertainty in regional markets and investor sentiment, which could affect liquidity, valuation inputs, market prices of listed investments and the financial performance of investee companies.

The Group's investment portfolio is primarily exposed to entities operating in the Sultanate of Oman. Management has assessed the impact of these developments on the Group's investment portfolio, liquidity and financial position as at 31 March 2026. Based on information available up to the date of authorisation of these financial statements, no material impact requiring adjustment has been identified. The situation continues to evolve, and Management continues to monitor any potential impact on the Group's investments and financial position.

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6 INVESTMENTS IN SUBSIDIARIES (Continued)

f) (Continued)

The summarized financial information of the subsidiaries as extracted from the latest available accounts at 31 December 2025, not adjusted for proportion of ownership and inter-company eliminations, is as follows:

	2025 S '000	AAIIL 2024 S '000	2025 S '000	AAT 2024 S '000	2025 S '000	AAH 2024 S '000	2025 S '000	AAIIS 2024 S '000
Income	55	457	57	40	--	--	--	--
Net profit / (loss) after tax	51	456	56	39	(1)	(1)	(1)	(1)
Other comprehensive income	176	311	6	16	--	--	--	--
Total comprehensive income	227	767	62	55	(1)	(1)	(1)	(1)
Assets								
Non-current assets	5,863	3,961	626	589	323	323	--	--
Current assets	5,143	3,764	134	109	160	160	459	460
Total assets	11,006	7,725	760	698	483	483	459	460
Liabilities								
Current liabilities	9,033	5,978	1	1	1	1	1	1

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7 INVESTMENTS IN ASSOCIATES (Continued)

a) (Continued)

The movement in the carrying value of investment in associates during the year is as follows:

Year 2026	OC S '000	NDC S '000	AFI S '000	VE S '000	NABIL S '000	AMC S '000	ARIES S '000	Total S '000
Carrying value								
At 31 March 2025	7,989	5,423	5,192	2,894	2,600	1,830	3,464	29,392
Share of profit / (loss) for the year	255	109	515	1,829	300	56	(358)	2,706
Share in reserves of the associate [note 12 b)]	--	--	55	--	--	--	(481)	(426)
Dividend for the year	(80)	(129)	(281)	(983)	(145)	(41)	-	(1,659)
Impairment loss [note 7 f)]	(1,250)	--	--	--	--	--	(500)	(1,750)
At 31 March 2026	6,914	5,403	5,481	3,740	2,755	1,845	2,125	28,263
Year 2025	OC S '000	NDC S '000	AFI S '000	VE S '000	NABIL S '000	AMC S '000	ARIES S '000	Total S '000
Carrying value								
At 31 March 2024	7,852	5,323	4,918	4,068	2,383	2,105	4,266	30,915
Share of profit / (loss) for the year	338	352	359	1,086	290	(275)	(262)	1,888
Share in reserves of the associate [note 12 b)]	43	--	149	92	--	--	--	284
Disposal during the year	--	--	--	(1,925)	--	--	--	(1,925)
Share of interest in associates directly recognised in retained earnings	32	--	--	--	--	--	--	32
Dividend for the year	(276)	(252)	(234)	(427)	(73)	--	--	(1,262)
Impairment loss [note 7 f)]	--	--	--	--	--	--	(540)	(540)
At 31 March 2025	7,989	5,423	5,192	2,894	2,600	1,830	3,464	29,392

Al Anwar Investments SAOG

Consolidated financial statements for the year ended 31 March 2026

Notes to the financial statements

7 INVESTMENTS IN ASSOCIATES (Continued)

g) (Continued)

The summarized financial information of the significant associates as extracted from the latest available accounts, not adjusted for proportion of ownership, is as follows:

Year 2026	OC 31 December 2025 S '000	NDC 31 December 2025 S '000	AFI 31 December 2025 S '000	VE 31 December 2025 S '000	NABIL 31 December 2025 S '000	AMC 31 December 2025 S '000	ARIES 31 Jan 2026 S '000
Revenue / income	27,021	24,262	25,502	72,951	19,327	6,970	2,086
Net profit / (loss) after tax	1,154	423	2,277	12,192	1,031	297	(821)
Other comprehensive income	--	--	240	--	--	--	--
Total comprehensive income attributable to associate's Shareholders	1,154	423	2,517	12,192	1,031	297	(821)
Assets							
Non-current assets	76,860	19,992	37,016	16,001	7,577	6,006	7,517
Current assets	10,737	12,424	44,690	51,743	10,432	5,661	925
Total assets	87,597	32,416	81,706	67,744	18,009	11,667	8,442
Liabilities							
Non-current liabilities	40,937	5,104	21,646	4,250	1,407	2,403	3,026
Current liabilities	14,284	10,281	36,365	28,359	7,651	1,616	2,448
Total liabilities	55,221	15,385	58,011	32,609	9,058	4,019	5,474
Total net assets (equity)	32,376	17,031	23,695	35,135	8,951	7,648	2,968
Attributable to non-controlling interest	(7,790)	--	--	(3,747)	--	--	--
Attributable to the Shareholders of the associate	24,586	17,031	23,695	31,388	8,951	7,648	2,968
Holding % in the associate	22.11	25.24	22.62	15.00	29.22	18.74	43.51
Share in net assets of the associate	5,436	4,299	5,360	4,708	2,615	1,433	1,291
Carrying value as at 31 March 2026	6,914	5,403	5,481	3,740	2,755	1,845	2,125

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Consolidated financial statements for the year ended 31 March 2026

Notes to the financial statements

7 INVESTMENTS IN ASSOCIATES (Continued)

g) (Continued)

Year 2025	OC 31 December 2024 S '000	NDC 31 December 2024 S '000	AFI 31 December 2024 S '000	VE 31 December 2024 S '000	NABIL 31 December 2024 S '000	AMC 31 December 2024 S '000	ARIES 31 Jan 2025 S '000
Revenue / income	34,424	24,519	21,762	41,553	19,494	4,929	2,360
Net profit / (loss) after tax	1,530	1,394	1,585	5,281	993	(1,465)	(603)
Other comprehensive income	193	--	659	373	--	--	--
Total comprehensive income attributable to associate's Shareholders	1,723	1,394	2,244	5,654	993	(1,465)	(603)
Assets							
Non-current assets	76,443	19,702	29,290	13,139	7,090	5,061	7,752
Current assets	14,077	13,057	34,742	45,133	9,687	4,225	1,058
Total assets	90,520	32,759	64,032	58,272	16,777	9,286	8,810
Liabilities							
Non-current liabilities	41,489	4,976	15,631	4,250	1,356	779	2,699
Current liabilities	17,012	10,176	26,190	30,101	7,000	1,155	2,323
Total liabilities	58,501	15,152	41,821	34,351	8,356	1,934	5,022
Total net assets (equity)	32,019	17,607	22,211	23,921	8,421	7,352	3,788
Attributable to non-controlling interest	(7,335)	--	--	(1,877)	--	--	--
Attributable to the Shareholders of the associate	24,684	17,607	22,211	22,044	8,421	7,352	3,788
Holding % in the associate	22.11	25.24	22.62	15.00	29.22	18.74	43.51
Share in net assets of the associate	5,458	4,444	5,024	3,307	2,461	1,378	1,648
Carrying value as at 31 March 2025	7,989	5,423	5,192	2,894	2,600	1,830	3,464