

SELECTED NOTES FORMING OF THE FINANCIAL STATEMENTS

1 LEGAL STATUS AND PRINCIPAL ACTIVITIES.

Al Maha Ceramics SAOG ("the company") is registered in the Sultanate of Oman as a public joint stock company. The company's principal activity is the manufacture and sale of Ceramic Tiles.

2 SIGNIFICANT ACCOUNTING POLICIES

a) The accounting policies in these condensed interim financial statements are the same accounting policies as applied to financial statements for the company as included in the Audit report issued on 26 February 2025.

b) Estimates & Judgements

The interim condensed financial statements for this period are prepared in accordance with IAS 34 which requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. In preparing these condensed consolidated interim financial statements, the significant judgments made by management in applying the accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements as at and for the year ended 31 December 2024.

3 NON-RECURRING ITEMS

During the period under review there were no major non-recurring items.

4 SEGMENTAL REPORTING

A segment is a distinguishable component of the Company that is engaged in providing products or services (business segment) or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments.

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance, has been identified as the strategic decisions maker. The Company's sole operating activity is disclosed in note1 to the financial statements and is managed as one business segment. The Chief Executive Officer reviews internal management reports on a monthly basis. Performance is measured based on the profit before income tax, as included in the internal management reports. Virtually all revenue is generated from one geographical segment.

The Chief Executive Officer considers the business of the Company as one operating segment and monitors accordingly.

5 STATEMENT OF COMPLIANCE

The condensed interim financial statements have been prepared in accordance with IAS 34 'Interim Financial Reporting'. They do not include all of the information required for full annual financial statements and should be read in conjunction with the financial statements for the year ended 31 December 2024.

6 PROPERTY, PLANT AND EQUIPEMENT

Cost	Building on Lease hold	Plant & Machinery	Heavy Equipment	Furniture & Fixtures	Motor Vehicles	Capital Work in progress	Total
At 1 Jan 2025	3,217,563	10,601,263	456,438	443,007	58,712	13,703	14,790,686
Additions during the period	-	-	-	341	-	19,519	19,860
Transfers	-	16,400	-	-	-	(16,400)	-
Disposal	-	-	-	-	-	-	-
At 30th June'2025	3,217,563	10,617,663	456,438	443,348	58,712	16,822	14,810,546
Depreciation							
At 1 Jan 2025	2,495,382	7,108,467	380,684	432,735	32,306	-	10,449,574
Additions during the period	80,440	275,477	8,499	2,365	6,170	-	372,952
Disposal	-	-	-	-	-	-	-
At 30th June'2025	2,575,822	7,383,944	389,184	435,100	38,476	-	10,822,526
Net Book Value at 30th June'2025	641,742	3,233,724	67,254	8,248	20,236	16,822	3,988,020
Net Book Value at 31st Dec'2024	722,181	3,492,796	75,754	10,272	26,406	13,703	4,341,112

7 RELATED PARTY TRANSACTION

Related parties represent parent company, partners and key management personnel of the Company, and entities controlled, jointly controlled or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the Board / Shareholders.

During the period, the Company has entered into transactions with Shareholders and entities in which certain Shareholders or Directors of the Company have an interest. In the ordinary course of business, the Company procures goods and services from related parties. These transactions are entered at mutually agreed terms.

During the period, the related party transactions were as follows:

	June'2025	June'2024
	RO	RO
Purchases	712,790	76,150
Revenue	54,616	--
Other services & insurance etc.	2,379	2,523

The amounts due to related parties are interest free and are repayable on demand.

	June'2025	June'2024
	RO	RO
Amounts from related party	--	113,196
Amounts due to related party	321,943	2,523

8 CONTINGENCIES AND COMMITMENTS

(a) CONTINGENCIES

The Company has outstanding letters of credit and acceptance at the end of the reporting period amounting to RO 120,118/- (2024: RO 91,477/-) in the ordinary course of business.

INTERIM CONDENSED STATEMENT OF FINANCIAL STATEMENT WERE APPROVED BY THE BOARD OF DIRECTORS ON 30- 07 -2025

The Company has outstanding guarantees at the end of the reporting period amounting to RO 75,000 (2024: RO 75,000).

(b) COMMITMENTS

The Company has entered into a long-term operating lease agreement with the Public Establishment for Industrial Estates for a period of 25 years on the land over which buildings are being constructed.

Under the terms of the lease, the future rental payments are as follows:

	2025 RO	2024 RO
<i>Amounts committed:</i>		
Up to one year	127,824	127,824
Two to five years	415,431	511,298
Above five years	-	31,957
	<u>543,255</u>	<u>671,079</u>

At 30 June 2025, the Company had commitments towards purchases of property, plant and equipment amounting to RO Nil (2024: RO 14,435/-).

9 BORROWINGS

	2025 RO	2024 RO
Overdraft	103,592	-
Short Term Loan / Bill Discounting	100,000	-
	<u>203,592</u>	<u>-</u>

10 SUBSEQUENT EVENTS

No material events took place subsequent to the interim period ended 30 June 2025.

11 SHARE CAPITAL

The share capital consists of 55,000,000 fully paid ordinary shares of RO 0.100 each (2024: 55,000,000 ordinary shares of RO 0.100 each) and are held as follows:

	Authorised		Issued and fully paid	
	2025	2024	2025	2024
	RO	RO	RO	RO
Share capital	<u>10,000,000</u>	<u>10,000,000</u>	<u>5,500,000</u>	<u>5,500,000</u>

At the end of the reporting period, the shareholders of the company who own 10% or more of the Company shares are as follows:

	2025		2024	
	No. of shares	%	No. of shares	%
Al Anwar Investments SAOG	10,306,121	18.74	10,306,121	18.74
Brig. (Rtd) Masoud Humaid Al Harthy	9,609,181	17.47	8,198,604	14.91
Oman Investment Authority/2	6,469,871	11.763	6,469,871	11.763

12 NET ASSET PER SHARE

Net Assets per share is calculated by dividing the shareholders' funds at the end of the reporting period by number of shares outstanding as follows:

2025	2024
------	------

Shareholders' equity	<u>7,659,713</u>	<u>7,450,406</u>
Number of shares issued	<u>55,000,000</u>	<u>55,000,000</u>
Net asset per share	0.139	0.135

13 COMPARATIVES

Certain comparative figures have been reclassified to conform to the presentation adopted in these financial statements.