

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUN 2025

1 Legal status and principal activities Dhofar Foods and Investment SAOG (Formerly known as Dhofar Cattle Feed Company SAOG) (“the Parent Company”) was formed in the year 1983 and is registered as a public joint stock company in the Sultanate of Oman. The Parent Company is engaged in the production and packaging of fresh and long life dairy, juices and mineral water products, animal feed, rearing cattle for beef meat and trading on equity investments and investing in private equity. Dhofar Poultry Company SAOC (“DPC”) is a 97.42 % owned subsidiary of the Parent Company, is a public joint stock company registered in the Sultanate of Oman and undertakes poultry operations involving hatching, growing and processing of poultry livestock which are sold directly to the retail market. International Plastic Industries Company LLC (“IPI”) is a 100% owned subsidiary of the Parent Company. It is a limited liability company registered in the Sultanate of Oman and is engaged in the sale of plastic products. A’ Safwah Food Industry LLC (“ASFI”) and A’Safwah Real Estate Investment LLC (“ASREI”) are 100% owned subsidiaries of the Parent Company. These subsidiaries have not commenced commercial operations and have accordingly not been consolidated in the Group financial statements. Omani Gulf Food Company LLC (Formerly “OVOD”) is a 100% owned subsidiary of the Parent Company. It is a limited liability company registered in the Sultanate of Oman and is engaged in the manufacture of vegetable oils. Dhofar Beverages and Foodstuff Company SAOG (“DBFC”) is an associate of the Parent Company. It is a public joint stock company registered in the Sultanate of Oman and is engaged in the manufacture and distribution of juices, soft drinks, energy drinks, mineral water, food products etc. The Parent Company holds 30.45% of the shares of DBFC. The consolidated financial statements of the Group include the results of operations and financial position of Dhofar Foods and Investment SAOG and its subsidiaries (together referred to as the “the Group”).

INTERIM CONDENSED STATEMENT OF FINANCIAL STATEMENT WERE APPROVED BY THE BOARD OF DIRECTORS ON 10-AUG-2025

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2 Basis of consolidation, basis of preparation and adoption of new and amended IFRS

Basis of consolidation The consolidated financial statements incorporate the financial statements of the Parent Company and its subsidiary up to the reporting date. Control is achieved where the Parent Company has the power over the investee, is exposed or has rights to variable returns from its involvement with the investee and has the ability to use its power to affect its returns. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed off during the year are included in the consolidated statement of comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary. If the Parent Company loses control of a subsidiary, the Parent Company derecognises the assets and liabilities of the former subsidiary from the statement of financial position and recognises the gain or loss associated with the loss of control attributable to the former controlling interest. Non-controlling interest represents the portion of profit or loss and net assets not held by the Group and are presented separately in the statement of comprehensive income and within equity in the consolidated statement of financial position.

3 Property, plant and equipment

a) The Parent company’s buildings (administration office, dairy plant and cattle sheds) at Garziz and Salhnout are constructed on lands leased from the Ministry of Agriculture and Fisheries under lease agreements expiring in November 2058 and November 2025 respectively.

b) The Parent company’s feed mill at Raysut is constructed on land leased from the Ministry of Housing and Transport expiring in 20 February 2025.

c) The freehold land is registered in the name of ASREI (a subsidiary), who holds it in trust for and on behalf of the Parent company. The freehold land has been pledged with a local commercial bank as security against credit facilities availed

d) The Parent company’s property, plant and equipment and DPC’s property, plant and equipment have been mortgaged as security against credit facilities availed

e) The Parent company’s property at Saham is mortgaged as security against credit facilities availed.

f) DPC Buildings are constructed on land leased from the Ministry of Housing and Urban Planning under lease agreements for a period of 10 years, ending in the year 2028

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g) IPI’s buildings are constructed on plot of lands leased from the Raysut Industrial Estate under lease agreements expiring in the years 2023, 2025 and 2037

h) The depreciation on property, plant and equipment for the year has been allocated as follows:

	Parent	Parent Group	Company	Group	Company	2025	2025	2024	2024	RO'	RO'	RO'	RO'	Cost
of sales	1,250,135	892,278	1,415,212	1,010,518	Selling and distribution	132,251	109,084	146,208	125,431	General and administration	98,846	45,470	124,604	54,789
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4 Investment in subsidiaries

	2025	2024	% Holding	Cost
Cost RO' RO' Omani Gulf Food Company SPC	100.00%	13,500,000	13,500,000	
Dhofar Poultry Company SAOC (“DPC”)	97.42%	3,481,709	3,481,709	
International Plastic Industries Company LLC (“IPI”)	100.00%	600,000	600,000	
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a) In the Parent Company’s financial statements, investments in subsidiaries are stated at cost less impairment.

b) The financial reporting date of the subsidiaries is 30 September, which is the same as that of the Parent Company.

c) The summarised financial position of the subsidiary which is not wholly owned by the Parent Company (DPC) is tabulated in note 8 (e).

d) The summarised audited financial information of the subsidiaries are as follows: