

National Gas Company SAOG and its Subsidiaries
Unaudited Separate and Consolidated Financial Statements

Notes to the separate and consolidated financial statements

1 Corporate information

National Gas Company SAOG (the "Parent Company" or the "Company") is registered under Commercial Companies Law, 2019 of the Sultanate of Oman with commercial registration number 1083171 as a joint stock company in the Sultanate of Oman. The Company was incorporated on 9 April 1979. The Company's registered address is PO Box 95, Postal Code 124, Rusayl, Sultanate of Oman. The Company has been established to operate Liquefied Petroleum Gas ("LPG") filling plants and is mainly engaged in the marketing and selling of LPG.

2 Statement of compliance and basis of preparation and consolidation

2.1 Statement of compliance and basis of preparation

The separate and consolidated financial statements of the Parent Company and the Group have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB).

These separate and consolidated financial statements have been prepared on the historical cost basis except for land and financial assets at fair value through other comprehensive income (FVOCI) that have been measured at fair value. The Group performs equity accounting for its investment in its associates and joint ventures in the consolidated financial statements and these investments are held at cost less impairment, if any, in the Parent Company's financial statements.

The financial statements have been presented in Rial Omani ("RO") which is the functional currency of the Parent Company and presentation currency for these separate and consolidated financial statements.

2.2 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Parent Company and its subsidiaries as at 31 March 2026. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect its returns.

When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee;
- Rights arising from other contractual arrangements; and
- The Group's voting rights and potential voting rights.

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2 Statement of compliance and basis of preparation and consolidation (continued)

2.2 Basis of consolidation (continued)

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary.

Profit or loss and other comprehensive income or loss of a subsidiary acquired or disposed of during the year are recognised from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the owners of the Parent Company and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance based on their respective ownership interest. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-Group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

- Derecognises the assets (including goodwill) and liabilities of the subsidiary;
- Derecognises the carrying amount of any non-controlling interest;
- Derecognises the cumulative translation differences recorded in other comprehensive income;
- Recognises the fair value of the consideration received;
- Recognises the fair value of any investment retained;
- Recognises any surplus or deficit in consolidated income statement; and
- Reclassifies the Parent Company's share of components previously recognised in other comprehensive income to consolidated income statement or retained earnings, as appropriate.

In the separate financial statements, the investment in the subsidiaries is carried at cost less impairment, if any.

The consolidated financial statements incorporate the financial information of following subsidiary companies in which the Group has a controlling interest:

		Ownership As at 31 March	
	Principal activity	2026	2025
Incorporated in Oman			
National Gas Developments SPC	Services	100%	100%
<u>Samahram Gas LLC</u>	<u>LPG distribution</u>	<u>80%</u>	<u>0%</u>
Incorporated in UAE			
NGC Energy LLC	LPG distribution	49%	49%
NGC Central Gas Systems LLC	Trading activity	49%	49%
Incorporated in KSA			
NGC Energy Saudi LLC	LPG Installations	100%	100%

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2 Statement of compliance and basis of preparation and consolidation (continued)

2.2 Basis of consolidation (continued)

Incorporated in Mauritius

Innovative Energy Holdings Mauritius	Investments	100%	100%
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Limited

Ownership
As at 31 March

Group Holdings

Incorporated in Malaysia

NGC Consolidated Holding SDN BHD Malaysia	Investments	100%	100%
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NGC Energy SDN BHD	LPG distribution	60%	60%
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NGC Energy LLC was formed for taking over commercial activities from NGC Energy FZE from 1 January 2015. To comply with local UAE laws, 51% of the shares in NGC Energy LLC were transferred to the local Emirati company whereas the Parent Company still holds the management control over the entity and all the variability of returns are with the Company. As per the strategic decision to exit from the LPG trading business from the UAE market, this entity has stopped its operation from the later part of 2022.

NGC Central Gas Systems LLC was formed in 2018 to expand the LPG and Equipment trading business in the region of Abu Dhabi. The Parent Company holds 49% shares with management control and all variability of returns are with the Company. As per the strategic decision to exit from the LPG trading business from the UAE market, this entity has stopped its operation from the later part of 2022 and it is currently under liquidation.

NGC Energy Saudi LLC was formed in November 2014 in the Kingdom of Saudi Arabia (KSA) and is primarily engaged in executing LPG installations in the KSA market.

The Group also holds control over NGC Consolidated Holding SDN BHD Malaysia, through their 100% stake in Innovative Energy Holdings Mauritius Limited which was incorporated in 2012. NGC Consolidated Holding SDN BHD Malaysia is a joint venture partner in NGC Energy SDN BHD with a holding of 60%, and Non-Controlling Interest in this respect is 40%.

National Gas Developments SPC was formed in 2024 in the Sultanate of Oman, and it is registered with the activities of self-storage facilities, renting and operating of self-owned or leased real estate, management of credit and own real estate, parking rental and management.

By a resolution of the Board of Directors dated 14 December 2025, the Group resolved not to proceed with the development of the truck rest area project due to viability. Accordingly, a termination agreement with the master lessor has been executed in respect of National Gas Developments SPC.

The financial effects arising from the termination of the project, including any directly attributable costs and obligations, have been recognized and measured in the financial statements of the Group.

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2 Statement of compliance and basis of preparation and consolidation (continued)
2.2 Basis of consolidation (continued)

In 30th April 2025, the Group acquired an 80% equity interest in Samahram Gas LLC, a limited liability company registered in the Sultanate of Oman. The acquired entity is primarily engaged in the refilling, supply, and installation of Liquefied Petroleum Gas (LPG) systems in the Dhofar region. As part of the acquisition, the Group obtained management control, thereby classifying Samahram Gas LLC as a subsidiary with effect from the acquisition date. The remaining 20% equity interest is held by the existing minority shareholders.

Transactions with non-controlling interests

The Group treats transactions with non-controlling interests as transactions with equity owners of the Group. For acquiring shares from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in goodwill / gain on bargain purchase. Gains or losses on disposals of shares to non-controlling interests are also recorded in equity.

When the Group ceases to have control or significant influence, any retained interest in the entity is remeasured to its fair value, 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 entity are accounted for as if the Group 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.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

3 Adoption of new and amended IFRS Accounting Standards
3.1 New Standards, Amendments and Interpretations to existing Accounting Standards that became effective on 01 January 2025

The following amendments to Standards and Interpretations have become effective for the first time for the reporting periods beginning on 01 January 2025:

Lack of Exchangeability (Amendments to IAS 21)

These amendments introduce a consistent framework for assessing when a currency is exchangeable into another currency. Where exchangeability is lacking, the amendments specify how an entity determines the exchange rate to be used and introduce additional disclosure requirements to enable users of the financial statements to understand the effects of any lack of exchangeability. Consequential amendments were also made to IFRS 1 First-time Adoption of International Financial Reporting Standards.

The application of these amendments did not have a material impact on the Parent Company's / Group's financial position, financial performance or cash flows.

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3 Adoption of new and amended IFRS Accounting Standards (continued)

3.2 Standards, Amendments and interpretations to existing IFRS Accounting Standards that have been issued but not yet effective

At the time of authorization of these financial statements, the following IFRS Accounting Standards, amendments to Standards, and Interpretations have been issued but not yet effective. In accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors, the Parent company/Group discloses information relevant to assessing the possible future effects of applying these requirements once effective. The Parent company/Group will adopt these standards, amendments and interpretations in future reporting years as indicated below:

Standard, Amendments to Standards and Interpretations	Effective for the annual periods beginning on or after
Amendments to IFRS 9 and IFRS 7 for: Contracts referencing Nature-dependant Electricity Generation	01 January 2026
Amendments to IFRS 9 and IFRS 7 for: Classification and Measurement of Financial Instruments	01 January 2026
Annual Improvements to IFRS Accounting Standards - Volume 11 (Clarifications and corrections in several standards, including IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7)	01 January 2026
IFRS 18: Presentation and Disclosures in Financial Statements (new standard) and consequential amendments of other related standards	01 January 2027
IFRS 19: Subsidiaries without Public Accountability: Disclosures (new standard)	01 January 2027

The management of the Parent Company/Group believes that the adoption of the above new standards, particularly IFRS 18, and the amendments to existing standards may have impact on the presentation of the amounts and disclosures in the financial statements of the future periods when such standards or amendments shall be adopted. The Parent Company/Group will continue to evaluate the impact before first-time application.

In line with evolving IFRS disclosure expectations, particularly those relating to emerging uncertainty-related disclosures encouraged by the IASB Illustrative Examples (issued November 2025), the Parent Company/Group continues to enhance reporting of financial statement uncertainties, including climate-related risks, where material.

4 Material accounting policy information

The material accounting policy information set out below have been applied consistently by the Parent Company / Group to all period presented in these financial statements.

4.1 Revenue recognition

The majority of the Group's revenue is derived from selling LPG with revenue recognised at a point in time when control of the goods has transferred to the customer. This happens generally when the goods are delivered to the customer.

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4 Material accounting policy information (continued)

4.1 Revenue recognition (continued)

The Group uses the following 5 steps model for revenue recognition.

1. Identifying the contract with a customer
2. Identifying performance obligation
3. Determining the transaction price
4. Allocating the transaction price to the performance obligation
5. Recognising revenue when / as performance obligations are satisfied

If the costs incurred to fulfil a contract are in the scope of other guidance, the Group accounts for such costs using the other guidance.

Group amortises the asset recognised for the costs to obtain and/or fulfil a contract on a systematic basis, consistent with the pattern of transfer of the good or service to which the asset relates. In the case of an impairment, Group recognises these losses to the extent that the carrying amount of the asset exceeds the recoverable amount.

The accounting policies of the Parent Company for the purpose of separate financial statements are the same as that of the Group unless otherwise stated.

Group has different streams of revenue. Revenue from all streams are recorded when control passes to the customer. Broadly, revenue of the Group can be divided into following main classifications :

Local sales: The Group is engaged in selling 3 products to local customers: LPG, lubricants, and cylinder. Following is the time when the revenue of each product is recorded.

- LPG: Revenue from local sale of LPG is recognised at a point in time when control of the goods is transferred to the customer. This is generally when the goods are delivered to the customer.
- Lubricant: Revenue from local sale of lubricant is recognised at a point in time when control of the goods is transferred to the customer. This is generally when the goods are delivered to the customer.

- Gas cylinder: Revenue from local sale of gas cylinder is recognised at a point in time when control of the goods is transferred to the customer. This is generally when the goods are delivered to the customer.

Export sales: For export sales, revenue is recorded when the control passes to the customer, i.e., when goods are delivered either to the port of departure or port of arrival, depending on the specific terms of the contract with a customer.

Franchisee fees: Revenue from franchisee fee is recognized on monthly basis as agreed on the contract with the customer since all the obligations are deemed to be satisfied at that point in time and the consideration received is non-refundable, the revenue arising therefrom is recognised on a straight-line basis at point in time.

Support service fees: Support service fee includes management services. Since these services are made available to the customers on 'as and when needed' basis, the revenue arising therefrom is recognised on a straight-line basis over the period of time such services are performed.

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4 Material accounting policy information (continued)

4.1 Revenue recognition (continued)

Project revenue: The Group measures its project completion status using survey method (input method) based on actual cost incurred relative to total estimated total cost. Revenue from such project is recognised over the period of project life if any of the following conditions are met:

- the customer simultaneously receives and consumes the benefits provided by the entity's performance as the entity performs;
- the entity's performance creates or enhances an asset (for example, work-in-progress) that the customer controls as the asset is created or enhanced;
- the entity's performance does not create an asset with an alternative use; and
- the entity has right to payment for performance completed to date.

Revenue from contracts with customers shall be segregated from revenue from other sources (e.g. finance income).

Dividend income

Dividend income is recognised when the right to receive dividend is established.

Interest income

Interest income is recognised as the interest accrues using the effective interest method.

4.2 Taxation

Taxation is provided in accordance with fiscal regulations applicable to each country of operation.

Deferred tax is provided using the liability method on all temporary differences at the reporting date. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on laws that have been enacted at the reporting date.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Income tax is recognised in the profit or loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

4.3 Property, plant and equipment

Property, plant and equipment are initially recognised at acquisition cost, including any costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of being operated in the manner intended by the Group. Property, plant and equipment are subsequently measured using the cost model i.e; cost less accumulated depreciation and impairment losses, except for land which is subsequently revalued, on an asset-by-asset basis, to their market values. Valuation of land is normally carried out every five years, on an open market value, for existing use basis. This period may be reduced for classes of land in respect of which market conditions have changed significantly. The carrying amounts, both those revalued and those measured at cost, are reviewed at each reporting date to assess whether they are recorded in excess of their recoverable amount. Where carrying values exceed this recoverable amount assets are written down to their recoverable amount.

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4 Material accounting policy information (continued)

4.3 Property, plant and equipment (continued)

When an asset is revalued, any increase in the carrying amount arising on revaluation is credited under revaluation reserve in other comprehensive income, except to the extent that it reverses a revaluation decrease of the same asset previously recognised in the profit or loss, in which case the increase is recognised in the profit or loss. A revaluation deficit is recognised in the profit or loss except to the extent that it offsets an existing surplus on the same asset recognised in the asset revaluation reserve.

Expenditure incurred to replace a component of an item of property, plant and equipment, that is accounted for separately, is capitalised and the carrying amount of the component that is replaced is written off. Other subsequent expenditure is capitalised only when it increases future economic benefits of the related item of property, plant and equipment. All other expenditure is recognised in the separate and consolidated statement of profit or loss as the expense is incurred.

Depreciation

Land and capital work-in-progress are not depreciated. The cost or valuation, less estimated residual value, of other property, plant and equipment is depreciated by straight line method over the estimated useful lives of the assets. Capital work-in-progress is transferred into appropriate asset categories when the assets is available for use and depreciation is provided from that date.

The rates of depreciation are based on the following estimated useful lives:

	2026 Years	2025 Years
Building	20	20
Plant and equipment	5-15	5-15
Tractors and trailers	5-10	5-10
Motor vehicles	4	4
Furniture and fittings	5	5
Software	3	3
Cylinders	10	10

An item of property, plant and equipment and any significant part is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the separate and consolidated statement of profit or loss when the asset is derecognised.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

Capital work-in-progress is stated at cost less impairment losses if any. All expenditure connected with specific assets incurred during the installation and construction period are carried under capital work-in progress. Cost may also include applicable borrowing costs. Capital work in progress is not depreciated until the asset is available for use.

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4 Material accounting policy information (continued)

4.4 Business combinations, goodwill and intangible assets

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date's fair value and the amount of any non-controlling interest in the acquiree. For each business combination, the acquirer measures the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition related costs incurred are expensed and included in administrative expenses.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, the previously held equity interest in the acquiree is remeasured at its acquisition date fair value and any resulting gain or loss is recognized in the consolidated statement of profit or loss.

Any contingent consideration is measured at fair value at the date of acquisition. If any obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognized for non-controlling interest over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the gain is recognised as bargain purchase gain in separate and consolidated statement of profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefits from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill forms part of a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed of in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generation unit retained.

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4 Material accounting policy information (continued)

4.5 Leases

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at inception date. The arrangement is assessed for whether fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement.

Group as a lessee

The Group considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'.

To apply this definition the Group assesses whether the contract meets three key evaluations which are whether:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Group;
- the Group has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract; and
- the Group has the right to direct the use of the identified asset throughout the period of use. The Group assess whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

Measurement and recognition

At lease commencement date, the Group recognises a right-of-use asset and a lease liability on the separate and consolidated statement of financial position. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

The Group depreciates the right-of-use asset on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Group also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date, the Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease, if that rate is readily available, or the Group's incremental borrowing rate.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed), variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

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4 Material accounting policy information (continued)

4.5 Leases (continued)

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

The Group has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term.

Group as a lessor

As a lessor the Group classifies its leases as either operating or finance leases. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of the underlying asset, and classified as an operating lease if it does not.

4.6 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants, when pricing the asset or liability, act in their economic best interest.

Underlying the definition of the fair value is the assumption that the Company is a going concern without any intention or requirements to curtail materially the scale of its operations or undertake a transaction on adverse terms.

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

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the separate and consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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4 Material accounting policy information (continued)

4.6 Fair value measurement (continued)

- Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the separate and consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

The fair value of financial instruments that are traded in active markets at each reporting date is determined by reference to quoted market prices or dealer price quotations (bid price for long positions and ask price for short positions), without any deduction for transaction costs.

For financial instruments not traded in an active market, the fair value is determined using appropriate valuation techniques. Such techniques include discounted cash flow analysis or other valuation models.

4.7 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the separate and consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

4.8 Inventories

Inventories are stated at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

Cost of inventories is determined on the first-in-first-out basis and includes all costs incurred in acquiring the inventories and bringing them to their existing location and condition.

4.9 Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs to sell and its value in use.

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4 Material accounting policy information (continued)

4.9 Impairment of non-financial assets (continued)

Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

Impairment losses of discontinued operations are recognised in the profit or loss in those expense categories consistent with the function of the impaired asset, except for property previously revalued where the revaluation was taken to other comprehensive income. In this case, the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the assets or CGUs recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the assets does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the profit or loss unless the asset is carried at revalued amount, in which case the reversal is treated as a revaluation increase in other comprehensive income.

4.10 Cash and cash equivalents

For the purpose of separate and consolidated statement of cash flows, cash and cash equivalents consist of cash in hand, bank balances, and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value and are held for the purpose of meeting short term cash commitments.

4.11 Employees' end of service benefits

The provision for end of service benefits is based upon the liability accrued in accordance with the terms of employment of the Group's employees at the reporting date, having regard to the requirements of the Oman Labour Law, Saudi Labour Law and UAE Labour Law.

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4 Material accounting policy information (continued)

4.11 Employees' end of service benefits (continued)

Government of Oman Social Insurance Scheme (the Scheme)

The Group contributes to the Special Protection Fund in respect of its Omani employees in accordance with the requirements of the Social Protection Law and related regulations applicable during the respective financial year. The Scheme is a defined contribution retirement plan administered by the Government of Oman.

Contributions to the Scheme are made by both the Group and its Omani employees at rates prescribed under the applicable laws and regulations for the relevant period. The Group recognizes its contributions as an expense in the period in which the related employee services are rendered and has no further obligations once such contributions have been paid to the Scheme.

Non-Omani employee terminal benefits

The provision for end of service benefits for non-Omani employees is made in accordance with the requirements of the Oman Labour Law, Saudi Labour Law and UAE Labour Law. This is an unfunded defined benefits retirement plan. Accrued non-Omani staff terminal benefits are payable on termination of employment.

4.12 Provisions, contingent liabilities and contingent assets

Provisions are recognised when present obligations will probably lead to an outflow of economic resources from the Group and they can be estimated reliably. Timing or amount of the outflow may still be uncertain.

A present obligation arises from the presence of a legal or constructive delegation that has resulted from past events, for example, legal disputes or onerous contracts. Restructuring provisions are recognised only if a detailed formal plan for the restructuring has been developed and implemented, or management has at least announced the plan's main features to those affected by it. Provisions are not recognised for future operating losses.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. Long term provisions are discounted to their present values, where the time value of money is material.

All provisions are reviewed at each reporting date and adjusted to reflect the current best estimate of the Company's management.

Any reimbursement that the Group can be virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset. However, this asset may not exceed the amount of the related provision.

Probable inflow of economic benefits to the Parent Company and Group that do not yet meet the recognition criteria of an asset are considered contingent assets.

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4 Material accounting policy information (continued)

4.12 Provisions, contingent liabilities and contingent assets (continued)

No provision is recognised if an outflow of economic resources as a result of present obligations is not probable. Such situations are disclosed as contingent liabilities unless the outflow of resources is remote.

4.13 Foreign currencies transactions and translations

Transactions denominated in foreign currencies are translated to Rial Omani at the foreign exchange rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to Rial Omani at exchange rates prevailing at that date. Foreign exchange differences arising on translation are recognised in the separate and consolidated statement of profit or loss. Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currency are translated using the exchange rate at the date of the transaction.

The functional currency of foreign subsidiaries, based in the United Arab Emirates, Kingdom of Saudi Arabia, Malaysia and Mauritius, are UAE Dirhams, Saudi Riyal, Malaysia Ringgits (RM) and US Dollars (USD), respectively. As at the reporting date, the assets and liabilities of these subsidiaries are translated into the presentation currency of the Group (Rial Omani) at the rate of exchange prevailing at the reporting date and their statement of profit or loss and other comprehensive income is translated at the average exchange rates for the year. Foreign exchange differences arising on translation are recognised in the consolidated other comprehensive income.

4.14 Directors' remuneration

The Parent Company follows the Commercial Companies Law (as amended), and other relevant directives issued by FSA, in regard to determination of the amount to be paid as Directors' remuneration. Directors' remuneration is charged to the statement of profit or loss in the year to which it relates.

4.15 Dividend distribution

Dividend distributions payable to shareholders are included in other liabilities only when the dividends have been approved in a general meeting prior to the reporting date.

4.16 Non-current assets / disposal group / classified as held-for-sale and discontinued operations

The Group classifies non-current assets and disposal groups as held-for-sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Such non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

The criteria for held-for-sale classification is regarded as met only when the sale is highly probable and the asset or disposal group is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of reclassification.

Equity accounting for investment in associate ceases once such investments have been classified and included as held-for-sale.

Profit or loss from discontinued operations comprises the post-tax profit or loss of discontinued operations and the post-tax gains or loss recognised on the remeasurement of fair value less cost to sell or on the disposal group constituting the discontinued operations.

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4 Material accounting policy information (continued)

4.17 Bank borrowings

Borrowings are initially recognised 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 as interest expense in the separate and consolidated statement of profit or loss over the period of the borrowings using the effective interest method. Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

4.18 Financial instruments

Recognition and de-recognition

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument. Financial liabilities are not recognised unless one of the parties has performed its part of the contract or a contract is the derivative contract. Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and initial measurement of financial assets

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with IFRS 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable). Transaction cost attributable to financial assets at fair value through profit or loss is recognised in statement of profit or loss when incurred.

Financial assets, other than those designated and effective as hedging instruments, are classified into the following categories:

- amortised cost;
- fair value through profit or loss (FVTPL); or
- fair value through other comprehensive income (FVTOCI).

In the periods presented the Group does not have any financial assets categorised as FVTPL.

The classification is determined by both:

- the entity's business model for managing the financial asset; and
- the contractual cash flow characteristics of the financial asset.

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented separately in the statement of profit or loss.

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4 Material accounting policy information (continued)

4.18 Financial instruments (continued)

Subsequent measurement of financial assets

Financial assets at amortised cost

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVTPL):

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows; and
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

Financial assets at fair value through profit or loss (FVTPL)

Financial assets that are held within a different business model other than 'hold to collect' or 'hold to collect and sell' are categorised at FVTPL. All derivative financial instruments fall into this category, except for those designated and effective as hedging instruments, for which the hedge accounting requirements apply.

Financial assets at fair value through other comprehensive income (FVTOCI)

Equity instrument which are not held for trading or issued as contingent consideration in business combination, and for which the Group has made an irrevocable election at initial recognition to recognise changes in fair value through other comprehensive income rather than profit or loss, are designated at gain value through OCI. This election is made on an investment-by-investment basis.

Debt instruments where the contractual cash flows are solely principal and interest and the objective of the Group's business model is achieved both by collecting contractual cash flows and selling financial assets are designated at FVTOCI. The Group's FVTOCI investments include quoted investments carried at fair value through other comprehensive income.

Impairment of financial assets

The impairment model applies to financial assets measured at amortized cost, contract assets receivables, lease receivables and debt investments at FVTOCI, but not on investments in equity instruments.

Under IFRS 9, loss allowance are measured on either of the following bases:

- 12 months ECL: these are ECLs that result from possible default events within 12 months after the reporting date; and
- Lifetime ECL: these are ECLs that result from all possible default events over the expected life of a financial instrument.

The Group measures loss allowance at an amount equal to lifetime ECLs, except for the following, which are measured as 12 months ECLs:

- Financial assets that are determined to have low credit risk at the reporting date; and
- Finance assets for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

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4 Material accounting policy information (continued)

4.18 Financial instruments (continued)

General approach

General approach is a three-stage approach to measuring ECL. Assets migrate through the three stages based on the change in credit quality since initial recognition. Financial assets with significant increase in credit risk since initial recognition, but not credit impaired, are transitioned to stage 2 from stage 1 and ECL is recognized based on the probability of default (PD) of the counter party occurring over the life of the asset. All other financial assets are considered to be in stage 1 unless it is credit impaired and an ECL is recognized based on the PD of the customer within next 12 months. Stage 3 would cover financial assets that have objective evidence of impairment at the reporting date. Financial assets are assessed as credit impaired when there is a detrimental impact on the estimated future cash flows of the financial asset.

Significant increase in credit risk

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

The Group considers a financial asset to be in default when the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held) or based on the certain delinquency period (days past due).

Simplified approach

The Group applies simplified approach to measuring credit losses, which mandates recognition of lifetime expected loss allowance for trade receivables without significant financing component. Under simplified approach, there is no need to monitor for significant increases in credit risk and the Group will be required to measure lifetime expected credit losses at all times.

Measurement of ECLs

ECLs are a probability weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset. The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

Credit - impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

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4 Material accounting policy information (continued)

4.18 Financial instruments (continued)

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. 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.

Contract assets

Contract assets represent the gross unbilled amount expected to be collected from customers for contract work performed to date. It is measured at cost plus profit recognised to date less progress billing and recognised losses. Cost includes all expenditure related directly to specific projects and an appropriate allocation of fixed and variable overheads incurred.

Contract assets are presented as part of current assets in the statement of financial position for all contracts in which costs incurred plus recognised profits exceed progress billing. If progress billing exceed costs incurred plus recognised profits, then difference is presented as contract liabilities as part of the current liabilities in the statement of financial position.

Contract liabilities

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

Presentation of impairment

Loss allowance for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets. Impairment losses related to financial assets are presented separately in the separate and consolidated statement of profit or loss and other comprehensive income.

Classification and measurement of financial liabilities

Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Group designated a financial liability at fair value through profit or loss.

Subsequently, financial liabilities are measured at amortised cost using the effective interest rate method except for derivative and financial liabilities designated at FVTPL, which are carried subsequently at fair value with gains or loss recognised in profit or loss.

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in the separate and consolidated statement of profit or loss and other comprehensive income are included within 'finance costs' or 'finance income'.

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5 Significant management judgement in applying accounting policies and estimation uncertainty

When preparing the separate and consolidated financial statements, management makes a number of judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. The actual results may differ from the judgement, estimates and assumptions made by management.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised in the year in which estimates are revised and in future period affected.

Significant management judgments

The following are significant judgements made by management in applying the accounting policies of the Group that have the most significant effect on these separate and consolidated financial statements.

Going concern

The Group's management has made an assessment of the Group's ability to continue as a going concern and is satisfied that the Group has the resources to continue in business for the foreseeable future. Furthermore, the management is not aware of any material uncertainties that may cast significant doubt upon the Group's ability to continue as a going concern. Therefore, the separate and consolidated financial statements continue to be prepared on the going concern basis.

Recognition of deferred tax

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 existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Group establishes provisions, based on reasonable estimates, for possible consequences of finalisation of tax assessments of the Group.

Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Estimation uncertainty

Information about estimates and assumptions that may have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below.

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5 Significant management judgement in applying accounting policies and estimation uncertainty
(continued)

Useful lives of property, plant and equipment

Depreciation is charged so as to write off the cost of assets over their estimated useful lives. The calculation of useful lives is based on management's assessment of various factors such as the operating cycles, the maintenance programs, and normal wear and tear using its best estimates.

Provision for expected credit losses

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

Allowance for slow moving inventories

Allowance for slow moving inventories is based on management's assessment of various factors such as the usability, maintenance programs, and normal wear and tear using best estimates.

Impairment of goodwill

Goodwill are tested for impairment annually and at other times when such indicators exist. This requires an estimation of the value in use of the cash generating units to which goodwill is allocated.

When value in use calculations are undertaken, management must estimate the expected future cash flows from the asset or cash-generating unit and choose a suitable discount rate in order to calculate the present value of those cash flows.

Leases - determination of the appropriate discount rate to measure lease liabilities

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use assets in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

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6 Property, plant and equipment

Parent Company

	Freehold land	Building	Plant and equipment	Tractors and trailers	Motor vehicles	Furniture and fittings	Software	Capital work-in- progress	Total
At 1 January 2025	4,584,450	2,122,613	3,004,062	1,801,956	129,999	417,945	64,770	21,459	12,147,254
Additions	-	-	-	-	-	1,563	-	73,846	75,409
Disposals	-	-	(283)	(28,160)	-	-	-	-	(28,443)
At 31 March 2025	4,584,450	2,122,613	3,003,779	1,773,796	129,999	419,508	64,770	95,305	12,194,220
At 1 January 2026	3,665,000	2,142,301	3,049,782	1,765,670	129,999	431,193	84,772	56,592	11,325,309
Additions	-	20,806	504	21,017	-	8,471	-	(23,377)	27,421
At 31 March 2026	3,665,000	2,163,107	3,050,286	1,786,687	129,999	439,664	84,772	33,215	11,352,730

	Freehold land RO	Building RO	Plant and equipment RO	Tractors and trailers RO	Motor vehicles RO	Furniture and fittings RO	Software RO	Capital work-in- progress RO	Total RO
Accumulated depreciation:									
At 1 January 2025	-	1,714,147	2,749,880	1,504,608	107,286	369,469	57,859	-	6,503,249
Charge for the year	-	9,894	19,681	14,677	2,302	4,244	990	-	51,788
Related to disposals	-	-	(16)	(13,376)	-	-	-	-	(13,392)
At 31 March 2025	-	1,724,041	2,769,545	1,505,909	109,588	373,713	58,849	-	6,541,645
At 1 January 2026	-	1,753,736	2,799,200	1,497,950	116,491	386,642	65,707	-	6,619,726
Charge for the year	-	10,253	13,417	14,232	2,278	4,249	2,404	-	46,833
Net book value:									
At 31 March 2026	3,665,000	399,118	237,669	274,505	11,230	48,773	16,661	33,215	4,686,171
At 31 March 2025	4,584,450	398,572	234,234	267,887	20,411	45,795	5,921	95,305	5,652,575

In the opinion of management, there is no objective evidence that the above assets are impaired as at 31 March 2026 (2025: Nil).

Parent Company's fair value reserve of the Land is RO 2,979,098 (2025: RO 3,760,631). If the land had been carried at cost, the carrying amount at 31 March 2026 would have been RO 154,531 (2025: RO 154,531).

Parent Company's depreciation cost is allocated to cost of revenue for RO 38,073 (2025: RO 44,448) and Administrative and selling expenses for RO 8,760 (2025: RO 7,340)

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6 Property, plant and equipment (continued)

Group

	Freehold land	Building	Plant and equipment	Tractors and trailers	Motor vehicles	Furniture and fittings	Software	Cylinders	Capital work-in-	Total
Cost / revalued amount:										
At 1 January 2025	7,127,711	2,264,432	18,369,002	1,780,839	423,676	1,046,615	70,571	13,792,973	719,184	45,595,003
Exchange difference on translation	21,233	197	128,021	-	2,301	4,975	-	115,153	5,511	277,391
Additions	-	-	753	-	-	1,563	-	-	417,823	420,139
Disposals	-	-	(283)	(28,160)	-	-	-	-	-	(28,443)
Transfers	-	-	261,529	-	-	3,229	-	217,102	(481,860)	-
At 31 March 2025	7,148,944	2,264,629	18,759,022	1,752,679	425,977	1,056,382	70,571	14,125,228	660,658	46,264,090
At 1 January 2026	6,466,020	2,367,362	20,924,216	1,942,364	535,503	1,131,984	90,573	16,133,937	923,768	50,515,727
Exchange difference on translation	11,430	106	71,511	-	1,435	2,727	-	65,859	3,422	156,490
Additions	-	20,806	549	21,017	-	8,471	-	-	362,676	413,519
Transfers	-	-	187,887	29,137	-	22,724	-	309,746	(549,494)	-
Reclassification	-	(33,332)	-	21,117	-	-	-	-	-	(12,215)
At 31 March 2026	6,477,450	2,354,942	21,184,163	2,013,635	536,938	1,165,906	90,573	16,509,542	740,372	51,073,521

NGC Energy Malaysia's property, plant and equipment with a carrying amount of RM 153,239,911 (2025: RM 151,839,700) are pledged as security for the borrowings (Note 19).

Group CWIP assets consists of Project installations and Plant related installations for amounts incurred upto respective period end.

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6 Property, plant and equipment (continued)

Group

	Freehold land RO	Building RO	Plant and equipment RO	Tractors and trailers RO	Motor vehicles RO	Furniture and fittings RO	Software RO	Cylinders RO	Capital work- in-progress RO	Total RO
Accumulated depreciation:										
At 1 January 2025	-	1,766,153	12,508,535	1,483,491	297,263	797,575	61,105	8,891,632	-	25,805,754
Exchange difference on translation	-	121	82,495	-	1,508	3,452	-	75,293	-	162,869
Charge for the year	-	11,916	281,945	14,677	13,577	21,642	1,323	254,860	-	599,940
Related to disposals	-	-	(16)	(13,376)	-	-	-	-	-	(13,392)
At 31 March 2025	-	1,778,190	12,872,959	1,484,792	312,348	822,669	62,428	9,221,785	-	26,555,171
At 1 January 2026	-	1,827,650	14,796,748	1,573,305	391,516	906,776	70,286	10,941,090	-	30,507,371
Exchange difference on translation	-	70	49,067	-	1,008	2,072	-	45,285	-	97,502
Charge for the year	-	13,112	313,433	18,487	15,178	24,543	2,737	305,989	-	693,479
At 31 March 2026	-	1,807,500	15,159,248	1,612,909	407,702	933,391	73,023	11,292,364	-	31,286,137
Net book value:										
At 31 March 2026	6,477,450	547,442	6,024,915	400,726	129,236	232,515	17,550	5,217,178	740,372	19,787,384
At 31 March 2025	7,148,944	486,439	5,886,063	267,887	113,629	233,713	8,143	4,903,443	660,658	19,708,919

Group's fair value reserve of the Land is RO 3,387,482 (2025: RO 4,133,009). If the land had been carried at cost, the carrying amount at 31 March 2026 would have been RO 2,158,055 (2025: RO 1,834,341).

Group's depreciation cost is allocated to cost of revenue for RO 652,135 (2025: RO 564,149) and Administrative and selling expenses for RO 41,345 (2025: RO 35,791)

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7 Right-of-use assets

The carrying amounts of right-of-use assets recognised and the movements during the year are as follows:

	Parent Company		Group	
	2026	2025	2026	2025
	RO	RO	RO	RO
Gross carrying amount:				
As at 1 January	345,784	345,784	4,522,798	3,619,318
Exchange rate differences	-	-	17,051	27,330
Addition	-	-	-	229,379
Disposal	-	-	-	(16,151)
At 31 March	345,784	345,784	4,539,849	3,859,876
Accumulated depreciation and impairment:				
As at 1 January	240,246	184,048	1,957,345	1,540,087
Exchange rate differences	-	-	7,180	11,624
Depreciation	14,049	14,050	98,166	86,807
Disposal	-	-	-	(16,151)
At 31 March	254,295	198,098	2,062,691	1,622,367
Carrying amount as at 31 March	91,489	147,686	2,477,158	2,237,509

Depreciation (Right of used assets)

	Parent Company		Group	
	2026	2025	2026	2025
	RO	RO	RO	RO
Depreciation considered under Cost of Revenue	7,293	7,294	76,887	65,932
Depreciation considered under Administrative and selling expenses	6,756	6,756	21,279	20,875
At 31 March	14,049	14,050	98,166	86,807

The table below describes the nature of the Group's leasing activities by type of right-of-use assets recognised in the separate and consolidated statement of financial position:

Right-of-use assets	Number of right-of-use assets leased	Range of remaining term	Number of leases with extension option	Number of leases with termination options
Land	7	1-5 years	7	-
Building	9	1-5 years	9	-

8 Financial assets at fair value through other comprehensive income (FVTOCI)

	Parent Company		Group	
	2026	2025	2026	2025
As at 1 January	1,010,448	824,396	1,010,448	824,396
Fair value changes	314,488	(15,700)	314,488	(15,700)
At 31 March	1,324,939	808,696	1,324,939	808,696

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8 Financial assets at fair value through other comprehensive income (FVTOCI) (continued)

Investments at FVTOCI can be analysed based on sectors as below:

	Parent Company and Group		Parent Company and Group	
	2026	2026	2025	2025
	RO	RO	RO	RO
Insurance	24,407	107,634	24,407	81,729
Investment	44,233	386,741	24,171	214,684
Banking	159,541	509,759	159,541	299,066
Telecommunication	32,604	30,821	32,602	16,891
Services	223,272	289,984	223,272	196,326
At 31 March	484,057	1,324,939	463,993	808,696

9 Investment in subsidiaries

	Parent Company	
	2026	2025
	RO	RO
Innovative Energy Holdings Mauritius Ltd, Mauritius	8,639,262	8,639,262
NGC Energy Saudi LLC, KSA	1,385,924	872,619
National Gas Developments SPC, Oman	100,000	100,000
Samahram Gas LLC	384,524	-
At 31 March	10,509,710	9,611,881
Less : Impairment on Subsidiary Company	(100,000)	-
At 31 March	10,409,710	9,611,881

During the year, following movements have occurred for impairment in subsidiaries :-

	Parent Company	
	2026	2025
	RO	RO
Opening	100,000	-
At 31 March	100,000	-

The ownership interest in subsidiaries are as under:

	Country of incorporation	Ownership interest	
		2026	2025
Innovative Energy Holdings Mauritius Ltd, Mauritius	Mauritius	100%	100%
NGC Energy Saudi LLC, KSA	KSA	100%	100%
National Gas Developments SPC, Oman	Oman	100%	100%
Samahram Gas LLC	Oman	80%	-

The subsidiaries' principal place of business and country of incorporation are the same. The Group follows the same financial year-end.

During the year, following movements have occurred in subsidiaries:

	Parent Company	
	2026	2025
	RO	RO
At 1 January	10,409,710	9,611,881
At 31 March	10,409,710	9,611,881

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9 Investment in subsidiaries (continued)

Summary of financial results of subsidiaries containing significant non-controlling interest (NCI)

Set out below is summarised financial information for each subsidiary that has non-controlling interests that are material to the group. The amounts disclosed for each subsidiary are before inter-company eliminations.

	Samahram Gas		NGC Energy SDN BHD	
	2026	2025	2026	2025
	RO	RO	RO	RO
Non-current assets	426,154	-	11,215,183	23,313,820
Current assets	335,398	-	9,723,761	11,762,113
Non-current liabilities	(307,360)	-	(3,811,095)	(3,592,060)
Current liabilities	(145,353)	-	(9,979,302)	(11,849,907)
Net assets	308,839	-	7,148,547	19,633,966
Net assets attributable to NCI	61,768	-	2,859,420	7,853,586
Revenues	287,507	-	16,893,391	18,921,846
Profit for the quarter	1,936	-	(155,165)	19,473
Profit/(Loss) for the period allocated to NCI	387	-	(62,066)	7,789

Goodwill

Goodwill arose on the acquisition of Shell Malaysia Trading's LPG business by NGC Energy SDN BHD and acquisition of Samahram Gas LLC by the Parent Company, being the fair value of consideration paid over net assets acquired.

Goodwill is allocated, at acquisition, to the Cash-Generating Unit (CGU) that is expected to benefit from the business transfer. A CGU to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. The recoverable amount of a CGU is determined based on the value in use calculations using cash flow projections from financial budgets approved by management covering a five-year period. The pre-tax discount rate applied to the cash flow projections are 14% per annum (2025: 14%). Cash flow beyond the terminal period is extrapolated using the growth rate of 2% (2025: 2%).

Below is the carrying amount of goodwill:

	2026	2025
	RO	RO
At 1 January	8,141,213	7,260,293
Net change in foreign exchange	32,640	60,614
At 31 March	8,173,853	7,320,907

10 Assets / liabilities of disposal group / non-current assets held-for-sale

Investment in subsidiaries

During the year 2022, the Board of Directors of the Parent Company resolved to dispose its investment in NGC Central Gas Systems LLC (NGCCGS) and also stop further operations in NGC Energy LLC (UAE) (NGCEL) by selling its assets. NGCCGS is under liquidation currently.

The assets and liabilities related to above mentioned disposals / disposal groups for the quarter ended 31 March 2026 and 31 March 2025 are as follows;

Parent Company

	2026	2025
	RO	RO
NGC Energy LLC, UAE	31,527	31,527
NGC Central Gas System, UAE	21,053	21,053
	52,580	52,580
Less: Loss on remeasurement to fair value less cost to sell	(52,580)	(52,580)
Net non-current assets classified as held-for-sale	-	-

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10 Assets / liabilities of disposal group / non-current assets held-for-sale (continued)

Group	2026 RO	2025 RO
Assets:		
Property, plant and equipment	100,000	226,506
Trade and other receivables	138,727	296,776
Cash and bank balances	39,041	22,221
	277,768	545,503
Liabilities:		
Accounts payable and accruals	30,541	25,814
	30,541	25,814

11 Inventories

	Parent Company		Group	
	2026 RO	2025 RO	2026 RO	2025 RO
LPG	73,461	56,865	511,553	667,156
Finished goods	238,854	366,647	243,489	373,951
Cylinders and accessories	177,034	81,911	177,034	81,911
Plant and other spares	192,761	205,170	343,514	309,522
Project inventory	166,363	135,226	198,136	175,154
Work-in-progress	-	1,406	10,811	35,428
Less: Provision for obsolescence and slow-moving inventory	(20,918)	(10,918)	(20,918)	(10,918)
	827,555	836,307	1,463,619	1,632,204

12 Trade and other receivables

Non-current

	Parent Company		Group	
	2026 RO	2025 RO	2026 RO	2025 RO
Trade receivables	193,660	276,840	193,660	276,840
Less: provision for expected credit losses	-	-	-	-
	193,660	276,840	193,660	276,840

Current

	Parent Company		Group	
	2026 RO	2025 RO	2026 RO	2025 RO
Trade receivables	2,553,566	2,789,389	6,434,703	6,507,293
Less: provision for expected credit losses	(559,790)	(570,639)	(1,292,913)	(1,292,754)
	1,993,776	2,218,750	5,141,790	5,214,539
Advance for purchases	104,428	122,400	595,529	217,926
Contract assets	-	-	718,854	856,672
Claims for Government subsidy	-	-	4,286,785	5,831,414
Amounts due from related parties (note 24)	1,134,406	1,070,868	-	-
Accrued income	54,394	42,961	58,350	89,131
Other receivables	120,265	182,357	354,896	356,244
Tax paid under appeal	3,487	3,487	3,487	3,487
Deposits	-	-	283,215	252,129
	3,410,756	3,640,823	11,442,906	12,821,542

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12 Trade and other receivables (continued)

Movement in the provision for expected credit losses are as follows:

	Parent Company			Group	
	2026 RO	2025 RO	2026 RO		2025 RO
At 1 January	623,325	570,639	1,292,754		1,235,031
Less: Reversed during the period	(50,000)	-	-		-
Provision write off	(13,535)	-	-		(1,562)
Exchange rate fluctuation	-	-	159		17,078
March	559,790	570,639	1,292,913		1,292,754

13 Cash and bank balances

	Parent Company		Group	
	2026 RO	2025 RO	2026 RO	2025 RO
Cash in hand	25,833	58,621	28,607	60,818
Cash at banks - current account	289,927	379,489	1,471,637	1,568,002
Cash at banks - short term deposits	-	-	238,909	217,415
	315,760	438,110	1,739,153	1,846,235

There are no restrictions on bank balances at the time of approval of these separate and consolidated financial statements.

14 Share capital

The authorised share capital comprises 120,000,000 shares of RO 0.100 each (2025: 120,000,000 of RO 0.100 each). The issued and fully paid-up share capital is RO 8,500,000 comprising 85,000,000 shares of RO 0.100 each (2025: 85,000,000 of RO 0.100 each).

The details of major shareholders, who hold 9% or more of the Parent Company's shares, at the reporting date, are as follows:

	Number of shares		% holding	
	2026	2025	2026	2025
A' Sharqiya Investments SAOG	10,937,856	10,937,856	12.87	12.87
Social Protection Fund	8,376,282	8,376,282	9.85	9.85

15 Share premium

The Parent Company during 2014 issued 15,561,414 rights shares of RO 0.375 each (including RO 0.275 each as premium) to the existing shareholders. The related details are set out below:

	RO
Total share premium collected	4,279,386
Less: issue expenses	(13,506)
Share premium balance	4,265,880
Transfer to legal reserve during 2014	(478,248)
Bonus share issued in 2018	(1,000,000)
Bonus share issued in 2019	(1,000,000)
At 31 March 2026	1,787,632

16 Legal reserve

As required by the Commercial Companies Law of 2019, as amended, the Parent Company transfers 10% of its profit for the year to legal reserve until such time the legal reserve amounts to at least one third of the Parent Company's share capital. The reserve is not available for distribution. Since the Parent Company has incurred a loss of the year no appropriation has been made to the legal reserve account.

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17 Other reserves

- (i) Other reserves include a general reserve of the Parent Company, which is created in accordance with the Commercial Companies Law of 2019, as amended. The annual appropriation is made at the rate not exceeding 20% of the profit for the year after deduction of taxes and the statutory reserve, and the reserve shall not exceed one half of the share capital of the Parent Company. This reserve is a distributable reserve.
- (ii) Other reserves also include statutory reserve of NGC Energy LLC, NGC Central Gas System LLC, and NGC Energy SDN BHD amounted to RO 7,895, RO 2,775 and RO 228,345 respectively (2025: RO 7,895, RO 2,775 and RO 208,213 respectively).

18 Revaluation reserve

This represents the surplus on the revaluation of freehold land, net of tax and is not available for distribution until the related asset have been disposed off.

19 Borrowings

	Parent Company		Group	
	2026	2025	2026	2025
	RO	RO	RO	RO
Bank Overdraft (Note 19.1)	196,638	461,888	196,638	462,607
Islamic revolving credits (Note 19.2)	-	-	3,139,749	5,161,955
Short term loans (Note 19.3)	2,294,993	2,094,795	2,294,993	2,094,795
Long term loans (Note 19.4)	480,311	-	686,053	-
Total borrowings	2,971,942	2,556,683	6,317,433	7,719,357

	Parent Company		Group	
	2026	2025	2026	2025
	RO	RO	RO	RO
Bank Overdraft	196,638	461,888	196,638	462,607
Islamic revolving credits	-	-	3,139,749	5,161,955
Current portion of loans	2,361,245	2,094,795	2,425,173	2,094,795
Non-current portion of loans	414,059	-	555,873	-
Total borrowings	2,971,942	2,556,683	6,317,433	7,719,357

The weighted average effective interest rates of the borrowings by the subsidiary are as follows:

	Group	
	2026	2025
	%	%
Interest rate - Revolving credits	5.36	5.96

- 19.1 Bank overdrafts are availed from a commercial bank for working capital requirements on revolving credit basis. Bank overdrafts are unsecured and repayable on demand and carry markup at 6.5% to 7.85% per annum (2025: 6.35% to 7.97% per annum).
- 19.2 The Islamic revolving credits are secured by first ranking charge over 100% of the shares of the Subsidiary Company, first ranking debentures incorporating fixed and floating charges over all assets of the Company, both present and future, charge and assignment by way of security over the designated bank accounts, first fixed charge over the memorandum of lease for LPG filling plants in Pasir Gudang and Port Dickson. The Islamic revolving credits are also secured against the corporate guarantee issued by the ultimate holding company and Kumpulan Perangsang Selangor Berhad, the holding company of a corporate shareholder.
- 19.3 Short term loans are secured from commercial banks and carry interest ranging from 5.5% to 6.5% (2025: 5.5% to 6.5%) per annum. The Company has agreed to the banks that minimum 20% sales turnover should be routed through the designated current account.

Reconciliation of movements of liabilities to cash flows arising from financing activities:

	Parent Company		Group	
	Bank overdrafts	Loans and borrowings	Bank overdrafts	Loans and borrowings
At 1 January 2026	437,252	2,190,741	437,252	3,718,028
- Exchange rate fluctuations	-	-	-	5,995
- Proceeds/(Repayment) of loan and borrowings	-	170,504	-	1,840,899
- Change in bank overdraft	(240,614)	-	(240,614)	-
At 31 March 2026	196,638	2,361,245	196,638	5,564,922

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19 Borrowings (continued)

19.3 Short term loans (continued)

	Parent Company		Group	
	Bank overdrafts	Loans and borrowings	Bank overdrafts	Loans and borrowings
At 1 January 2025	461,813	1,832,157	461,813	7,424,578
- Exchange rate fluctuations	-	-	-	210,155
- Proceeds from loan and borrowings	-	262,638	-	(377,983)
- Change in bank overdraft	794	-	794	-
At 31 March 2025	462,607	2,094,795	462,607	7,256,750

- 19.4 Long term loan is secured in Year 2025 from commercial bank for acquisition of subsidiary company which carry interest of 6.5% per annum. The facility is secured by pledge over MSX listed shares, promissory note, negative pledge letter and assigning of rentals.

	Parent Company		Group	
	2026 RO	2025 RO	2026 RO	2025 RO
Term loan	480,311	-	686,053	-
Less current portion	(66,252)	-	(130,180)	-
Non-current portion	414,059	-	555,873	-

Parent Company	Payments due					Total
	Within one year RO	1 - 2 years RO	2 - 3 years RO	3 - 4 years RO	Beyond 4 years RO	
31 March 2026						
Undiscounted long term loan	36,636	40,878	45,249	49,555	193,715	366,034
Finance charges	29,616	25,374	21,003	16,697	21,588	114,277
Discounted long term loan	95,868	91,626	87,255	78,642	161,402	480,311

Group Company	Payments due					Total
	Within one year RO	1 - 2 years RO	2 - 3 years RO	3 - 4 years RO	Beyond 4 years RO	
31 March 2026						
Undiscounted long term loan	111,842	112,168	107,428	69,649	193,715	594,802
Finance charges	18,338	18,012	17,579	15,734	21,588	91,251
Discounted long term loan	130,180	130,180	125,007	85,383	215,303	686,053

20 Lease liabilities

	Parent Company		Group	
	2026 RO	2025 RO	2026 RO	2025 RO
Current	35,687	58,348	298,973	309,602
Non-current	102,577	124,965	2,270,693	1,942,953
	138,264	183,313	2,569,666	2,252,555

Parent Company	Minimum lease payments due				
	Within one year RO	1 - 2 years RO	2 - 3 years RO	3 - 4 years RO	Total RO
31 March 2026					
Undiscounted lease liabilities	41,926	30,417	79,438	-	151,781
Finance charges	(6,239)	(4,647)	(2,631)	-	(13,517)
Lease liabilities	35,687	25,770	76,807	-	138,264

31 March 2025					
Undiscounted lease liabilities	66,492	52,971	39,465	41,846	200,774

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Finance charges	(8,144)	(5,147)	(3,112)	(1,058)	(17,461)
Lease liabilities	58,348	47,824	36,353	40,788	183,313

20 Lease liabilities (continued)

Group	Minimum lease payments due						Total
	Within one year	1 - 2 years	2 - 3 years	3 - 4 years	4 - 5 years	After 5 years	
	RO	RO	RO	RO	RO	RO	
31 March 2026							
Undiscounted lease liabilities	836,195	436,379	454,831	353,427	302,250	1,179,508	3,562,590
Finance charges	(310,101)	(150,748)	(129,082)	(107,584)	(89,355)	(206,054)	(992,924)
Lease liabilities	526,094	285,631	325,749	245,843	212,895	973,454	2,569,666
31 March 2025							
Undiscounted lease liabilities	410,910	393,734	382,149	322,356	247,188	1,615,981	3,372,318
Finance charges	(154,393)	(136,180)	(117,206)	(97,996)	(83,533)	(530,455)	(1,119,763)
Lease liabilities	256,517	257,554	264,943	224,360	163,655	1,085,526	2,252,555

	Parent Company		Group	
	2026	2025	2026	2025
	RO	RO	RO	RO
Movement in lease liabilities				
At on 1 January	158,038	202,613	2,648,878	2,083,783
Additions	-	-	-	229,379
Disposals	-	-	-	-
Payments	(21,704)	(21,738)	(139,995)	(382,232)
Interest expense	1,930	2,438	50,516	42,714
Exchange rate fluctuations	-	-	10,267	15,874
At 31 March	138,264	183,313	2,569,666	1,989,518

21 Staff terminal benefits

	Parent Company		Group	
	2026	2025	2026	2025
	RO	RO	RO	RO
At 1 January	204,272	189,055	242,436	215,396
Charge for the year	15,971	7,315	18,861	10,275
Paid during the year	(8,631)	(1,000)	(8,631)	(1,545)
At 31 March	211,612	195,370	252,666	224,126

22 Accounts payable and accruals

	Parent Company		Group	
	2026	2025	2026	2025
	RO	RO	RO	RO
Trade creditors	282,600	322,458	3,272,955	3,914,856
Accrued expenses	818,184	1,108,724	2,553,248	2,368,067
Other creditors	130,013	108,672	2,602,136	2,001,735
Amounts due to related parties (note 24)	-	-	95,144	-
	1,230,797	1,539,854	8,523,483	8,284,658

23 Net assets per share

Net assets per share are calculated by dividing the equity attributable to the owners of the Parent Company at the reporting date by the number of shares outstanding as follows:

	Parent Company		Group	
	2026	2025	2026	2025
	RO	RO	RO	RO
Net assets (RO)	16,790,752	17,196,025	18,863,807	18,690,238
Number of shares outstanding at 31 March	85,000,000	85,000,000	85,000,000	85,000,000
Net assets per share (RO)	0.198	0.202	0.222	0.220

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24 Related party balances and transactions

The Group has related party relationships with entities over which certain shareholders and Directors are able to exercise significant influence. The Group also has related party relationships with its Directors and senior management. In the ordinary course of business, such related parties provide goods and render services to the Group.

Prices and terms for transactions with related parties, which are entered into in the normal course of business, are on the agreed terms and conditions. Details of related parties balances and transactions (including transactions and balances with related parties as a result of common directorship) for the year ended 31 March 2026 and 31 March 2025 are as follows:

	Parent Company		Group	
	2026 RO	2025 RO	2026 RO	2025 RO
Due from subsidiaries	2,918,314	2,341,552	-	-
Less: provision for expected credit losses	(1,783,908)	(1,270,684)	-	-
Amount due from related parties (net) - Note 12	1,134,406	1,070,868	-	-
Non-current portion of loan to related parties	242,200	557,015	-	-
Current portion of loan to related parties	-	42,748	-	-
Amounts due to related parties (Note 22)	-	-	95,144	-

Transactions with related parties during the year were as follows:

	Parent Company		Group	
	2026 RO	2025 RO	2026 RO	2025 RO
Sales (from)/to subsidiaries - net	(63,662)	8,601	-	-
Expenses charged - net	46,726	101,964	-	-
Temporary loan	153,120	-	-	-
Interest expenses	4,344	8,907	-	-
Other expenses	46,561	(4,760)	-	-
Directors' remuneration and sitting fees	(10,000)	(10,000)	(53,578)	(47,972)

Provision for related party balances

Movement in the provision for expected credit losses for related parties are as follows:

	Parent Company	
	2026 RO	2025 RO
At 1 January	1,783,908	1,204,144
Less: Reversal of provision for ECL	-	(83,460)
At 31 March	1,783,908	1,270,684

Compensation of key management personnel

Key management personnel are those persons having direct authority and responsibility for planning, directing and controlling the activities of the Group.

	Parent Company		Group	
	2026 RO	2025 RO	2026 RO	2025 RO
Senior management remuneration	71,411	80,538	168,863	229,029

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25 Revenue

	Parent Company		Group	
	2026	2025	2026	2025
	RO	RO	RO	RO
Revenue from contracts with customers				
Sale of LPG	2,376,051	2,475,296	18,944,049	20,896,306
Sales other products	429,269	298,527	793,863	284,170
Other income	9,035	5,775	102,998	26,372
	2,814,355	2,779,598	19,840,910	21,206,848
Revenue from other sources				
Vehicle hire charges and rental income	18,486	6,906	401,230	482,044
	18,486	6,906	401,230	482,044
	2,832,841	2,786,504	20,242,140	21,688,892

26 Cost of revenue

		Parent Company		Group	
		2026	2025	2026	2025
	Notes	RO	RO	RO	RO
COGS LPG :					
Opening stock		25,500	22,077	358,786	452,798
Local purchases		1,788,062	1,926,734	9,998,656	(3,756,055)
Imports		-	-	5,689,617	21,808,928
Closing stock		(73,461)	(56,865)	(511,553)	(667,156)
		1,740,101	1,891,946	15,535,506	17,838,515
Other direct expenses					
COGS other products		332,558	235,973	628,165	236,929
Direct labour costs	28.1	170,046	174,947	414,386	386,761
Depreciation - direct		38,073	44,448	652,135	564,151
Depreciation on right-of-use assets - direct		7,293	7,294	76,887	65,931
Plant repair and maintenance expenses		5,756	18,241	699,559	566,110
Fuel and vehicle maintenance expenses		132,075	124,749	146,601	126,885
Transportation expenses		25,200	6,808	451,687	393,494
Other plant related expenses		25,247	21,191	661,884	641,120
Insurance expenses		24,436	25,711	64,410	58,838
Utilities expenses		11,604	14,233	17,706	21,671
Short term lease rent expenses		1,740	400	44,974	38,153
		2,514,129	2,565,941	19,393,900	20,938,558

27 Administrative and selling expenses

		Parent Company		Group	
		2026	2025	2026	2025
	Note	RO	RO	RO	RO
Employee related costs	28.1	185,735	182,421	491,282	487,117
Depreciation - indirect		8,760	7,340	41,345	35,791
Depreciation on right-of-use assets - indirect		6,756	6,756	21,279	20,875
Office expenses		54,958	57,129	113,406	93,256
Professional charges		9,171	5,858	89,730	54,430
General expenses		1,550	3,367	20,518	11,309
Communication expenses		6,664	6,911	13,194	15,563
Printing and stationery expenses		115	3,551	2,236	5,660
Advertisement expenses		-	300	-	300
Donations		8,000	8,000	7,855	9,151
Rent expense		-	-	31,968	19,941
Repairs and maintenance expenses		2,736	3,575	3,578	4,657
Directors' remuneration and sitting fees		10,000	10,000	53,578	47,972
Business travel expenses		3,907	4,699	26,539	25,567
Withholding tax		2,906	125	2,906	317
Marketing and publicity expenses		849	1,540	11,172	22,619
		302,107	301,572	930,586	854,525

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28 Employees costs

	Parent Company		Group	
	2026	2025	2026	2025
	RO	RO	RO	RO
Wages and salaries	264,388	267,246	674,330	627,606
Other employee benefit costs	57,612	64,578	190,106	212,580
Social security costs	17,810	18,229	23,250	23,417
Provision for staff terminal benefits (Note 21)	15,971	7,315	17,982	10,275
	355,781	357,368	905,668	873,878

28.1 Allocation of employees costs

	Parent Company		Group	
	2026	2025	2026	2025
	RO	RO	RO	RO
Cost of revenue (Note 26)	170,046	174,947	414,386	386,761
Administrative & Selling expenses (Note 27)	185,735	182,421	491,282	487,117
	355,781	357,368	905,668	873,878

29 Other income - net

	Parent Company		Group	
	2026	2025	2026	2025
	RO	RO	RO	RO
Interest income	8,664	12,463	13,149	19,706
Dividend income	55,256	45,704	55,256	45,704
Miscellaneous income	491	14,917	719	15,150
Gain/(loss) on disposal of property, plant and equipment	-	(4,784)	-	(4,784)
Reversal of provision for ECL (note 24)	50,000	-	50,000	-
	114,411	68,300	119,124	75,776

30 Income taxes

The Tax Authority in Oman follow the legal entity concept. There is no concept of group taxation in Oman. Accordingly each legal entity is taxable separately.

The tax rate applicable to all taxable entities of the Group ranges between from 15% to 24% (2025: 15% to 24%) on the taxable income. For the purpose of determining the tax expense for the year, the accounting profit of each individual legal entity has been adjusted for tax purposes. Adjustments for tax purposes include items relating to both income and expense.

	Parent Company		Group	
	2026	2025	2026	2025
	RO	RO	RO	RO

Separate and consolidated statement of profit or loss:

The tax charge for the year comprises:

Current year tax	-	-	47,199	83,973
	-	-	47,199	83,973
Deferred tax	(208)	-	(79,945)	(75,401)
	(208)	-	(32,746)	8,572

	Parent Company		Group	
	2026	2025	2026	2025
	RO	RO	RO	RO
Deferred tax liability / (asset):				
At 1 January	145,512	341,436	1,910,690	2,175,906
Movement through profit or loss	(208)	-	(79,945)	(75,401)
Exchange difference on translation	-	-	6,986	15,002
At 31 March	145,304	341,436	1,837,731	2,115,507

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30 Income taxes (continued)

The deferred tax comprises the following temporary differences:

	Parent Company		Group	
	2026	2025	2026	2025
	RO	RO	RO	RO
Separate and consolidated statement of other comprehensive income:				
Revaluation of land	(526,570)	(664,488)	(646,683)	(774,011)
Separate and consolidated statement of profit or loss:				
Provision for expected credit losses	97,089	89,542	253,229	227,550
Related party provisions	271,958	186,514	271,958	186,514
Brought forward losses	-	52,449	-	52,449
ROUA and lease liability	7,009	6,132	64,936	120,794
Net book value of fixed assets	5,211	(11,585)	(1,861,072)	(1,928,803)
Deferred tax liability	381,267	323,052	(1,270,949)	(1,341,496)
Deferred tax liability - net	(145,303)	(341,436)	(1,917,632)	(2,115,507)

	Parent Company		Group	
	2026	2025	2026	2025
	RO	RO	RO	RO
Current liability:				
Opening	13,569	-	43,632	27,422
Current year tax	-	-	47,199	83,973
Prior years / repayment	-	-	(38,850)	(79,414)
Exchange rate differences	-	-	112	533
	13,569	-	52,093	32,514

A reconciliation of tax charge is set out below:

	Parent Company		Group	
	2026	2025	2026	2025
	RO	RO	RO	RO
(Loss) / profit before tax (including from discontinued operations)	85,159	(44,381)	(189,481)	(192,429)
Income tax expense at the rates mentioned above	-	-	47,199	83,973
Relating to (reversal) / origination of deferred tax liability	(208)	-	(79,945)	(75,401)
	(208)	-	(32,746)	8,572

The tax returns of the Parent Company for the years 2022 to 2024 have not yet been agreed with the Tax Authority at the Ministry of Finance. Management is of the opinion that additional taxes, if any, related to the open tax years would not be significant to the Parent Company's financial position as at 31 March 2026.

Further, the tax assessment for the year 2020 has been completed by the Tax Authority in the year 2024, the objection filed by management is also settled in Year 2025. Final assessment report for the Year 2020 is awaiting.

The tax assessment of subsidiaries incorporated in jurisdictions outside Oman are at different stages. Management is of the opinion that any additional taxes that may be assessed would not be significant to the Group financial position as at 31 March 2026.

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31 Discontinued operations

As detailed in note 2.2 and note 10 to the separate and consolidated financial statements, the Parent Company / Group has classified investments in NGC Energy LLC and NGC Central Gas Systems LLC (subsidiaries) as held-for-sale.

Summarised statement of profit or loss for the year ended 31 March 2026 and 31 March 2025 related to the above mentioned assets disposed-off and disposal groups are as follows:

	Parent Company		Group	
	2026	2025	2026	2025
	RO	RO	RO	RO
Revenue	-	-	-	-
Cost of revenue	-	-	(4,737)	(4,737)
Gross loss	-	-	(4,737)	(4,737)
Administrative expenses	-	-	(5,974)	(4,388)
Operating loss	-	-	(10,711)	(9,125)
Other income - net	-	-	-	(144)
Finance costs	-	-	(55)	(254)
Provision for expected credit losses	-	-	-	-
Loss before tax	-	-	(10,766)	(9,523)
Income tax	-	-	-	-
Loss after tax	-	-	(10,766)	(9,523)
Loss for the year from discontinued operations	-	-	(10,766)	(9,523)

32 Earnings / (loss) per share

The basic earnings per share is calculated by dividing the profit of the Group and Parent Company for the year attributable to the Owners of the Parent Company, by the weighted average number of shares outstanding.

	Parent Company		Group	
	2026	2025	2026	2025
	RO	RO	RO	RO
(Loss) / profit attributable to equity holders of the Parent Company				
- From continued operations	85,367	(44,381)	(84,290)	(199,267)
- From discontinued operation	-	-	(10,766)	(9,523)
(Loss) / profit attributable to ordinary equity holders of the Parent Company	85,367	(44,381)	(95,056)	(208,790)
Weighted average number of shares	85,000,000	85,000,000	85,000,000	85,000,000
Basic (loss) / earnings per share (RO)				
From continuing operations	0.001	(0.001)	(0.001)	(0.002)
From discontinued operations	-	-	(0.0001)	(0.0001)
Basic (loss) / earnings per share (RO)	0.001	(0.001)	(0.001)	(0.0025)

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

33 Segment reporting

The Group's only significant business segment is the marketing and selling of LPG.

Geographic information

Revenues from external customers

	Group	
	2026	2025
	RO	RO
Oman	3,046,171	2,788,198
Other GCC countries	317,866	(14,245)
Asia	16,878,103	18,914,939
	20,242,139	21,688,892

This includes revenue earned by the entity classified as held for sale (note 31) as at the reporting date.

34 Commitments

		Parent Company		Group	
		2026	2025	2026	2025
	Notes	RO	RO	RO	RO
Capital commitments	34.1	52,435	24,200	2,151,748	1,871,335

34.1 This relates to the various expenditure to be incurred on the development of property, plant and equipment.

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35 Contingencies

35.1 Performance guarantees

	Notes	Parent Company		Group	
		2026 RO	2025 RO	2026 RO	2025 RO
Performance guarantees	35.2	995,490	807,710	995,490	807,710

35.2 Bank guarantees are provided by the scheduled banks on behalf of the Parent Company for the various related party transactions initiated by the Parent Company and its related parties.

35.3 The Defendant is counterclaiming for costs of the claim, interest on amounts found due to the Defendant and damages for the trial has been concluded on 13 November 2024. Subsequently, the Company and the defendant filed their written submissions and reply submissions.

Following the High Court's decision and subsequent appeal process, the Defendant ("as Respondent") and the Company ("as Appellant") attended the Court of Appeal case management on 30 January 2026, during which the hearing date previously set for 21 January 2026 was vacated. The appeal hearing is now fixed for 10 September 2026.

35.4 At 31 March 2026 the Parent Company and Group had contingent liabilities in respect of guarantees arising in the ordinary course of business from which it is anticipated that no material liabilities will arise amounting to RO 995,490 (2025: RO 807,710).

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36 Financial instruments risk

Overview

The Group has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

This note presents information about the group exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital. Further quantitative disclosures are included throughout these separate and consolidated financial statements.

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework and is responsible for developing and monitoring the Group's risk management policies.

(a) Credit risk

Credit risk arises from bank balances, contractual cash flows of debt investments carried at amortised cost, derivative financial instruments and deposits with banks and financial institutions, as well as credit exposures to wholesale and retail customers, including outstanding receivables.

(i) Risk management

Credit risk is managed on a group basis. For banks and financial institutions, only independently rated parties with a range of rating of between Aa3 to Baa3 are accepted based on Moody's independent rating.

If individual customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the board. The compliance with credit limits by individual customers is regularly monitored by line management.

Sales to retail customers are required to be settled in cash or using major credit cards, mitigating credit risk. There are no significant concentrations of credit risk, whether through exposure to individual customers, specific industry sectors and / or regions.

(ii) Impairment of financial asset

The Group has following types of financial assets that are subject to the expected credit loss model:

- Trade receivables
- Amounts due from related parties
- Advances to related parties
- Loan to related parties

While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

Trade receivables

The group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a life-time expected loss allowance for all trade receivables.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

The expected loss rates are based on the payment profiles of sales over a period of 36 months before 31 March 2026 and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has identified the GDP, inflation rate and oil barrel rate of the countries in which it sells its goods and services to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

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36 Financial instruments risk (continued)

Trade receivables (continued)

On that basis, the loss allowance as at 31 March, was determined as follows for trade receivables:

Parent

31 March 2026	Current	More than 30 days past due	More than 60 days past due	More than 120 days past due	Total
Expected credit loss %	0.95%	2.47%	8.45%	56.28%	21.92%
Gross carrying amount of trade receivables (RO)	844,362	613,760	166,978	928,316	2,553,416
Loss allowance	8,032	15,164	14,113	522,481	559,790

Group

Continued operations

31 March 2026	Current	More than 30 days past due	More than 60 days past due	More than 120 days past due	Total
Expected credit loss %	0.43%	1.26%	3.08%	46.53%	20.09%
Gross carrying amount of trade receivables (RO)	1,961,990	1,320,996	457,640	2,693,927	6,434,553
Loss allowance (RO)	8,504	16,693	14,113	1,253,603	1,292,913

Discontinued operations

31 March 2026	Current	More than 30 days past due	More than 60 days past due	More than 120 days past due	Total
Expected credit loss %	0%	0%	0%	86.25%	86.25%
Gross carrying amount of trade receivables (RO)	-	-	-	891,599	891,599
Loss allowance (RO)	-	-	-	768,988	768,988

Parent

31 March 2025	Current	More than 30 days past due	More than 60 days past due	More than 120 days past due	Total
Expected credit loss	1.38%	5.00%	5.63%	62.49%	20.50%
Gross carrying amount of trade receivables (RO)	1,457,610	199,996	287,090	839,154	2,783,850
Loss allowance	20,080	9,994	16,166	524,399	570,639

Group

Continued operations

31 March 2025	Current	More than 30 days past due	More than 60 days past due	More than 120 days past due	Total
Expected credit loss	0.60%	2.36%	4.19%	56.07%	19.88%
Gross carrying amount of trade receivables (RO)	3,409,105	487,550	385,545	2,219,554	6,501,754
Loss allowance	20,552	11,523	16,166	1,244,513	1,292,754

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36 Financial instruments risk (continued)

(a) Credit risk (continued)

Trade receivables (continued)

Group

Discontinued operations

31 March 2025	Current	More than 30 days past due	More than 60 days past due	More than 120 days past due	Total
Expected credit loss %	0%	0%	0%	69.25%	69.25%
Gross carrying amount of trade receivables (RO)	-	-	-	922,720	922,720
<u>Loss allowance (RO)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>638,988</u>	<u>638,988</u>

Trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the group, and a failure to make contractual payments for a period of greater than 120 days past due.

Impairment loss on trade receivables are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

Balances with banks

The Group limits its exposure to credit risk by placing balances with international and local banks. Given the profile of its bankers, management does not expect any counter party to fail to meet its obligations. The bank balances are held with the banks and financial institutions of repute.

Impairment of cash and cash equivalents has been measured on a 12-month expected loss basis and reflects the short maturities of the exposures. The Group considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties.

Due from related parties

The Company applies IFRS 9 General Model approach to measure expected credit losses which uses 3 stage model to recognise expected credit loss depending upon the credit risk of the counter party.

To measure the expected credit loss, the Company assess the probability of default by the counter as a result of default event that are possible within 12 months after reporting date. The Company also assess the financial position of the counter party if it has sufficient liquid asset to pay off the balance if repayment is made on demand. In addition, the Company also determines the loss given default of the amounts due from related parties.

(b) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

Parent	Contractual cash flows		
	Carrying amount	Less than one year	1 – 5 years
31 March 2026			
Trade creditors	282,600	282,600	-
Other creditors	130,013	130,013	-
Long term loans	480,311	66,252	414,059
Short term loans	2,294,993	2,294,993	-
Lease Liabilities	151,781	41,926	109,855
<u>Bank overdraft</u>	<u>196,638</u>	<u>196,638</u>	<u>-</u>
	<u>3,536,336</u>	<u>3,012,422</u>	<u>523,914</u>

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36 Financial instruments risk (continued)

(b) Liquidity risk (continued)

Parent

	Carrying amount	Contractual cash flows Less than one year	1 – 5 years
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31 March 2025

Trade creditors	322,458	322,458	-
Other creditors	108,672	108,672	-
Short term loans	2,094,795	2,094,795	-
Lease Liabilities	200,774	66,492	134,282
Bank overdraft	461,888	461,888	-
	<u>3,188,587</u>	<u>3,054,305</u>	<u>134,282</u>

Group

	Carrying amount	Contractual cash flows Less than one year	1 – 5 years
--	-----------------	--	-------------

31 March 2026

Trade creditors	3,272,955	3,272,955	-
Other creditors	2,602,136	2,602,136	-
Long term loans	686,053	130,180	555,873
Short term loans	5,434,742	5,434,742	-
Lease Liabilities	3,562,590	836,195	2,726,395
Bank overdraft	196,638	196,638	-
	<u>15,850,258</u>	<u>12,567,990</u>	<u>3,282,268</u>

Group

	Carrying amount	Contractual cash flows Less than one year	1 – 5 years
--	-----------------	--	-------------

31 March 2025

Trade creditors	3,914,856	3,914,856	-
Other payables	2,001,735	2,001,735	-
Short term loans	2,094,795	2,094,795	-
Lease Liabilities	3,372,318	410,910	2,961,408
Bank overdraft	462,607	462,607	-
	<u>11,846,311</u>	<u>8,884,903</u>	<u>2,961,408</u>

(c) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Currency risk

The Group is exposed to foreign currency transactions mainly due to its subsidiary in Malaysia. Should there be any fluctuation of +/- 1% in the foreign exchange rate the impact would be +/- RO 20,528 (2025: RO 31,010) on the foreign currency translation reserve of the Group.

Sovereign risk

The LPG is made available to the Parent Company from four sources at different rates by the Ministry of Energy and Minerals. Presently, the Group is allocated more from the costlier source. Any further increase in allocation from the costlier source will adversely affect the profitability of the Group.

Notes to the separate and consolidated financial statements

36 Financial instruments risk (continued)

(c) Market risk (continued)

Equity price risk

Equity price risk arises from FVTOCI securities. The Group has maintained the portfolio of FVTOCI securities listed at Muscat Securities Market. Material investments within the portfolio are managed on an individual basis and all buy and sell decisions are approved by the Board of Directors.

Sensitivity analysis - equity price risk

The following table demonstrates the sensitivity of the Group's equity to a 5% change in the price of its equity holdings, assuming all other variables in particular foreign currency rates remain constant.

	Effect on 5% increase RO	Effect on 5% decrease RO
31 March 2026	66,247	(66,247)
31 March 2025	40,435	(40,435)

(d) Interest rate risk

The Group is exposed to rate risk on its bank overdraft facility obtained at commercial rates of interest. Further, the Group has short-term bank deposit, which are interest bearing and exposed to changes in market interest rates. The group has term loans with fixed interest rates.

The Group manages its exposure to interest rate risk by ensuring that significant borrowings are on a fixed rate basis. The Group borrows at interest rates on commercial terms and manages the interest rate risk by constantly monitoring the changes in interest rates and availing lower interest bearing facilities.

37 Capital management

The primary objective of the Group's capital management is to ensure that it maintains healthy capital ratios in order to support future development of the business and maximise shareholder value. The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. Group's capital mix comprises only the shareholder's equity. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the year ended 31st March 2026.

38 Fair value measurement

The fair value of financial assets and liabilities at the reporting date approximates their carrying amount in the separate and consolidated statement of financial position.

Fair value hierarchy

The following table shows the level within the hierarchy of non-financial assets measured at fair value on a recurring basis.

Parent

	Level 1 RO	Level 2 RO	Level 3 RO
2026			
Financial assets at fair value through OCI	1,324,939	-	-
Freehold land	-	3,665,000	-
2025			
Financial assets at fair value through OCI	808,696	-	-
Freehold land	-	4,584,450	-

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38 Fair value measurement (continued)

Group

	Level 1 RO	Level 2 RO	Level 3 RO
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2026

Financial assets at fair value through OCI

1,324,939

-

-

Freehold land

-

6,477,450

-

	Level 1 RO	Level 2 RO	Level 3 RO
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2025

Financial assets at fair value through OCI

808,696

-

-

Freehold land

-

7,148,944

-

Assets	Valuation technique	Significant observable inputs	Sensitivity of inputs to the fair value
Land	Open market basis considers the selling Price per square feet of land within a reasonably recent period of time in determining the fair value of land being revalued. This involves evaluation of event active market prices of similar assets, making appropriate adjustments for difference in size, nature and location of the land.	Price per square feet	Estimated fair value increase / (decrease) if : price per square feet increase / (decrease)

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All the listed equity securities are denominated in RO and are publicly traded in Oman. Fair values have been determined by reference to their quoted bid prices at the reporting date.

During the reporting period, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into and out of Level 3 fair value measurements.

39 Comparative figures

Certain comparative information has been reclassified to conform to the presentation adopted in these separate and consolidated financial statements. Such reclassifications do not affect previously reported net profit or shar