

Oman Flour Mills Company SAOG and its Subsidiaries Consolidated Financial Statements of the Subsidiaries and the Parent Company for the period ended 31 March 2026:

1) Revenue from contract with customers

	OFM Group		Oman Flour Mills	
	2026	2025	2026	2025
	RO	RO	RO	RO
Sales of flour products:				
Local	9,956,650	9,103,820	9,539,553	8,644,138
Export	979,126	1,445,533	965,118	1,439,150
Related party sales	111,455	122,208	757,159	706,997
Sales of feed products:				
Local	19,322,112	17,756,782	19,263,738	17,688,847
Export	352,133	451,798	352,133	451,798
Sales of bakery products:				
Local	4,432,643	4,355,609	-	-
Export	244,967	512,846	-	-
Revenue from services	271,013	214,081	-	-
	35,670,099	33,962,677	30,877,701	28,930,930

2) Cost of sales

	OFM Group		Oman Flour Mills	
	2026	2025	2026	2025
	RO	RO	RO	RO
Cost of raw materials consumed	25,203,957	22,966,787	23,728,738	21,302,759
Less: Government subsidy [note 23(d)]	(290,777)	(464,543)	(290,777)	(464,543)
	24,913,180	22,502,244	23,437,961	20,838,216
Employee salaries and its associated costs (note 10)	1,445,697	1,375,417	673,538	644,335
Depreciation on property, plant and equipment [note 17(e)]	907,966	805,321	381,402	378,769
Depreciation on right-of-use assets	63,625	8,109	39,343	-
Provision for slow and non-moving inventories (note 22)	100,429	14,451	96,565	-
Other overheads	1,460,003	1,572,315	1,149,176	1,314,759
	28,890,900	26,277,857	25,777,985	23,176,079

3) Selling and distribution expenses

	OFM Group		Oman Flour Mills	
	2026 RO	2025 RO	2026 RO	2025 RO
Employee salaries and associated costs (note 10)	875,694	902,321	137,030	108,369
Advertising, sales promotion and other overheads	329,108	400,521	72,205	166,963
Vehicle expenses	266,511	240,852	379	149
Depreciation [note 17(e)]	22,588	25,866	485	222
	<u>1,493,901</u>	<u>1,569,560</u>	<u>210,099</u>	<u>275,703</u>

4) General and administration expenses

	OFM Group		Oman Flour Mills	
	2026 RO	2025 RO	2026 RO	2025 RO
Employee salaries and its associated costs (note 10)	1,135,192	1,047,259	745,105	636,762
Professional fees	64,807	131,369	41,036	80,593
Repairs and maintenance	32,764	35,274	17,535	21,780
Depreciation [note 17(e)]	96,180	83,555	42,033	45,469
Rent, utilities and insurance	42,870	125,014	2,477	2,415
Corporate social responsibility	27,111	57,794	27,111	57,794
Directors' remuneration	(76,699)	44,050	(76,699)	44,050
Communication expenses	43,999	28,780	8,378	3,468
Directors' meeting attendance fees [note 34(a)]	3,150	3,675	-	-
Travelling expenses	28,892	30,270	16,838	24,888
Amortization of intangible assets (note 19)	2,982	2,301	-	-
Miscellaneous	406,745	567,004	286,732	340,009
	<u>1,807,993</u>	<u>2,156,345</u>	<u>1,110,546</u>	<u>1,257,228</u>

5) Employee salaries and its related costs

(a) Employee salaries and its related costs are included in the statement of income and are analyzed as follows:

	OFM Group		Oman Flour Mills	
	2026	2025	2026	2025
	RO	RO	RO	RO
Cost of sales (note 7)	1,445,697	1,375,417	673,538	644,335
Selling and distribution expenses (note 8)	875,694	902,321	137,030	108,369
General and administration expenses (note 9)	1,135,192	1,047,259	745,105	636,762
	3,456,583	3,324,997	1,555,673	1,389,466

(b) Employee salaries and its related costs included under cost of sales, selling and distribution, general and administration expenses comprise:

	OFM Group		Oman Flour Mills	
	2026	2025	2026	2025
	RO	RO	RO	RO
Salaries, wages and other benefits	3,133,198	3,029,873	1,416,229	1,275,694
Contributions to defined retirement plan for Omani employees	235,596	204,234	116,845	95,339
Provision for employee's end of service benefits obligations (note 32)	87,789	90,890	22,599	18,433
	3,456,583	3,324,997	1,555,673	1,389,466

c) The movements in expatriate employees' end-of-service benefits liability recognized in the statement of financial position are as follows:

	OFM Group		Oman Flour Mills	
	2026	2025	2026	2025
	RO	RO	RO	RO
At 1 January	1,013,344	940,957	189,005	147,253
Charge for the year (note 10)	75,807	76,575	23,540	18,433
Transferred from a Subsidiary	-	-	-	-
Payments made during the year	(6,958)	(39,970)	-	(1,235)
At 31 March	1,082,193	977,562	212,545	164,451

6) Other income

	OFM Group		Oman Flour Mills	
	2026 RO	2025 RO	2026 RO	2025 RO
Rental income	15,750	(25,810)	15,750	(25,810)
Dividend income	53	-	53	-
Miscellaneous	56,672	54,237	16,500	16,522
	72,475	28,427	32,303	(9,288)

7) Other gains/(losses)

	OFM Group		Oman Flour Mills	
	2026 RO	2025 RO	2026 RO	2025 RO
Fair value changes in investments at fair value through profit or loss	390,983	(250,000)	390,983	(250,000)
Gain on disposal of property, plant and equipment	(35,857)	-	(35,857)	-
	355,126	(250,000)	355,126	(250,000)

8) Finance income and costs

	OFM Group		Oman Flour Mills	
	2026 RO	2025 RO	2026 RO	2025 RO
Finance income				
Interest on amounts due from a related party	89,203	70,826	295,224	207,949
Interest income on deposits	283,126	134,028	283,126	134,028
	372,329	204,854	578,350	341,977
Finance costs				
Interest on leases	(124,327)	(3,663)	(118,129)	-
Portfolio management fees	(1,370)	-	(1,370)	-
Interest on amounts due to RP	(96,869)	(96,635)	-	-
Interest on bank borrowings	(588,507)	(596,390)	(519,095)	(569,884)
	(811,073)	(696,688)	(638,594)	(569,884)
Net finance costs	(438,744)	(491,834)	(60,244)	(227,907)

9) **Income tax**

	OFM Group		Oman Flour Mills	
	2026	2025	2026	2025
	RO	RO	RO	RO
Statement of comprehensive income				
Current tax in respect of current year	593,938	556,837	573,363	538,895
Adjustment to current year tax	(22,314)	-	(22,314)	-
Deferred tax (release)/ charge in respect of current year	69,175	-	69,175	
	640,799	556,837	620,224	538,895
Statement of financial position				
The movement in the current taxation liability as follows:				
Beginning of the year	2,159,833	1,632,507	2,144,674	1,605,628
Charge for the year	640,799	556,837	620,224	538,895
Payment during the year	(3,169)	(1,598,313)	(3,169)	(1,598,313)
At the end of the year	2,797,463	591,031	2,761,729	546,210

10) **Property, plant and equipment**

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

	OFM Group		Oman Flour Mills	
	2026	2025	2026	2025
	RO	RO	RO	RO
Cost of sales (note 7)	835,233	797,865	381,402	378,769
Selling and distribution (note 8)	22,588	25,866	485	222
General and administration expenses (note 9)	97,748	86,628	42,033	45,469
	955,569	910,359	423,920	424,460

11) Inventories

	OFM Group		Oman Flour Mills	
	2026 RO	2025 RO	2026 RO	2025 RO
Raw materials	16,593,163	20,690,237	15,876,021	20,061,514
Finished goods	1,431,333	1,922,082	783,442	1,136,795
Packing materials and spares	1,818,040	1,985,052	960,745	1,069,355
Work in progress	14,284	6,779		
	19,856,820	24,604,150	17,620,208	22,267,664
Provision for slow and non-moving inventories [note a) below]	(1,222,617)	(1,075,400)	(1,056,703)	(856,717)
	18,634,203	23,528,750	16,563,505	21,410,947

The movement in the provision for slow and non-moving inventories is as below:

	OFM Group		Oman Flour Mills	
	2026 RO	2025 RO	2026 RO	2025 RO
At 1 January	1,116,263	1,210,504	960,138	997,684
Reversed during the year	9,789	(135,104)	-	(140,967)
Provisions during the year	96,565	-	96,565	-
At 31 March	1,222,617	1,075,400	1,056,703	856,717

12) Trade and other receivables

	OFM Group		Oman Flour Mills	
	2026 RO	2025 RO	2026 RO	2025 RO
Trade receivables	22,408,228	22,805,240	14,405,151	15,589,911
Less: allowance for expected credit losses (ECL) [see note (b) below]	(3,366,390)	(2,789,388)	(1,348,650)	(1,300,021)
	19,041,838	20,015,852	13,056,501	14,289,890
Advances to suppliers	9,595,468	9,397,612	9,353,475	9,108,761
Subsidy receivable [note (d) below]	2,294,071	3,642,851	2,263,350	3,642,851
Advances, other receivables and prepayments	4,633,381	3,714,032	3,892,344	2,680,700
	35,564,758	36,770,347	28,565,670	29,722,202

The movement in allowance for expected credit losses against trade receivables is as below:

	OFM Group		Oman Flour Mills	
	2026 RO	2025 RO	2026 RO	2025 RO
At 1 January	3,346,658	2,627,465	1,375,158	1,157,926
Written off	(229,526)	-	(229,526)	
Provision/(reversal) for impairment during the year	249,258	161,923	203,018	142,095
At 31 March	<u>3,366,390</u>	<u>2,789,388</u>	<u>1,348,650</u>	<u>1,300,021</u>

13) Cash and cash equivalents

	OFM Group		Oman Flour Mills	
	2026 RO	2025 RO	2026 RO	2025 RO
Cash in hand	121,681	742,320	-	-
Cash at bank	22,578,100	19,020,069	19,530,868	17,503,441
	<u>22,699,781</u>	<u>19,762,389</u>	<u>19,530,868</u>	<u>17,503,441</u>

14) Short term deposits

	OFM Group		Oman Flour Mills	
	2026 RO	2025 RO	2026 RO	2025 RO
Short term deposits	<u>4,500,000</u>	<u>7,500,000</u>	<u>4,500,000</u>	<u>7,500,000</u>

15) Bank borrowings

	OFM Group		Oman Flour Mills	
	2026	2025	2026	2025
	RO	RO	RO	RO
Non-current				
Term loan 1	6,424,000	21,865,909	-	-
Term loan 2	1,909,607	340,996	-	-
Term loan 3	-	-	-	-
	8,333,607	22,206,905	-	-
Less: unamortised transaction cost	(25,681)	(144,967)	-	-
	8,307,926	22,061,938	-	-
Less: current portion	(830,000)	(2,971,959)	-	-
Total non-current portion	7,477,926	19,089,979	-	-
	-	-	-	-
Current				
Current portion of term loans	830,000	2,971,959	-	-
Loans against trust receipts	45,616,345	51,526,028	45,496,723	51,319,330
Short term loan	2,247,121	2,338,599	-	-
Bank overdraft	413,033	502,929	-	-
	49,106,499	57,339,515	45,496,723	51,319,330

16) Trade and other payables

	OFM Group		Oman Flour Mills	
	2026	2025	2026	2025
	RO	RO	RO	RO
Trade payables	7,318,331	8,683,917	4,535,970	5,416,215
Accrued expenses and other payables	10,545,372	11,855,195	7,266,415	9,753,605
Amounts due to related parties n	451,342	515,509	1,298,838	1,110,059
Directors' remuneration	50,001	337,500	50,001	337,500
	18,365,046	21,392,121	13,151,224	16,617,379

17) Related parties

	OFM Group		Oman Flour Mills	
	2026 RO	2025 RO	2026 RO	2025 RO
Revenue				
<i>Subsidiaries:</i>				
Sale of grains to SFM	-	-	150,551	-
Sale of flour to AFI	-	-	601,928	706,997
Sale of feed to BPO	-	-	43,765	-
<i>Related parties:</i>				
Sale of feed to Modern Poultry Farms Company SAOC (MPF)	983,213	1,091,183	983,213	1,091,183
Sale of feed to Sohar Poultry Company SAOC (SPC)	882,447	723,536	882,447	723,536
Sale of feed to Mazoon Dairy Company SAOC (MDC)	775,114	175,964	775,114	175,964
Sale of feed to Gulf International Poultry Farms (GIPF)	2,326,379	2,379,911	2,326,379	2,379,911
			-	
Other income				
<i>Subsidiaries:</i>				
Interest in income from SFM	-	-	137,226	137,123
Interest income from BPO	-	-	68,795	59,918
Other related parties				
Interest income from MDF	12,021	10,906	12,021	10,906
Interest income from Mazoon	77,183	-	77,183	-
			-	-
Expenses				
<i>Subsidiaries:</i>				
Laboratory services fee to AIS	-	-	(168,800)	(168,600)
Processing fees SFM	-	-	(104,997)	(187,081)
Shared Services AI	-	-	(11,400)	(11,400)
<i>Related party:</i>				
Purchase of packing material from Gulf Plastics Company SAOC	(79,090)	(39,256)	(79,090)	(39,256)

Amounts due from subsidiaries and related parties at the end of the reporting period are as follows:

	OFM Group		Oman Flour Mills	
	2026 RO	2025 RO	2026 RO	2025 RO
Subsidiaries:				
Sohar Flour Mills Company LLC	-	-	9,174,809	7,686,090
Atyab Investments LLC	-	-	3,982,466	3,801,098
Omaus Ply Limited	-	-	7,700	-
Bio Products LLC	-	-	728,805	4,739,897
Atyab Food Industries LLC	-	-	1,332,550	1,279,450
	-	-	15,226,330	13,006,535
Affiliated companies:				
Modern Poultry Farms Company SAOC	1,528,814	1,552,712	1,517,095	1,540,993
Mazoon Dairy Company SAOC	5,338,225	5,386,954	5,181,648	5,230,377
Modern Dairy Factory LLC	115,837	285,546	115,837	285,546
Gulf International Poultry Farms	3,746,662	3,654,607	3,746,662	3,654,607
Sohar Poultry Company SAOC	1,261,910	1,007,433	1,253,058	998,581
Oman Oil Seeds Company SAOC	43,510	37,868	-	-
Oman Fisheries Company SAOG	16,897	16,897	-	-
Atyab IFFCO Poultry LLC	-	6,466	-	1,466
Arabian Food Production Company	798	798	-	-
Al' Bashayer Meat Company SAOC	2,998	89,661	-	86,663
A'Naama Poultry SAOC	-	113,095	-	113,095
Bread House LLC	8,672	8,672	8,672	8,672
Omani National Livestock Development Company SAOC	2,810	4,251	1,679	3,120
Non-current receivables - Mazoon	(5,222,728)	-	(5,222,728)	
	6,844,405	12,164,960	6,601,923	11,923,120

Amounts due to related parties at the end of the reporting period are as follows:

	OFM Group		Oman Flour Mills	
	2026 RO	2025 RO	2026 RO	2025 RO
Subsidiaries:				
Sohar Flour Mills LLC	-	-	(1,213,181)	(989,364)
Bioproducts	-	-	(13,703)	-
Atyab Food Industries LLC	-	-	(21,969)	(21,969)
Atyab International Services LLC	-	-	(34,700)	(85,392)
	-	-	(1,283,553)	(1,096,725)
Affiliated companies:				
Sohar Vegetables Oils LLC	(727,855)	-	-	-
		-	-	
Modern Dairy Factory	(3,851)	(3,851)	(3,851)	(3,851)
Gulf Plastic	(11,434)	(9,483)	(11,434)	(9,483)
	(743,140)	(13,334)	(15,285)	(13,334)

Shareholder loans receivable as follows:

	OFM Group		Oman Flour Mills	
	2026 RO	2025 RO	2026 RO	2025 RO
Subsidiaries:				
Sohar Flour Mills Company LLC	-	-	2,998,004	2,998,000
Bio Products Oman LLC	-	-	6,200,000	4,500,000
	-	-	9,198,004	7,498,000
Affiliated companies:				
Modern Dairy Factory LLC	750,000	500,000	750,000	500,000