

Auditors Report	English 01/01/2025-31/12/2025
DISCLOSURE AUDITOR'S REPORT	
DISCLOSURE OF AUDITOR'S REPORT	
AUDITOR'S OPINION	
Unmodified Opinion	Yes
AUDITOR'S OPINION BASIS	
Opinion and basis of Opinion	Ref #1
Key Audit Matters	Ref #2
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Opinion

We have audited the separate and consolidated financial statements of Oman National Engineering and Investment Company SAOG (the “Parent Company”) and its subsidiaries (together the “Group”), which comprise the separate and consolidated statement of financial position as at 31 December 2025, and the separate and consolidated statements of profit or loss and other comprehensive income, separate and consolidated statement of changes in equity and separate and consolidated statement of cash flows for the year then ended, and notes to the separate and consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying separate and consolidated financial statements present fairly, in all material respects, the financial position of the Parent Company and the Group as at 31 December 2025, and its separate and consolidated financial performance and its separate and consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Separate and Consolidated Financial Statements section of our report. We are independent of the Parent Company and the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), together with the ethical requirements that are relevant to our audit of the separate and consolidated financial statements in the Sultanate of Oman, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the separate and consolidated financial statements of the current year. These matters were addressed in the context of our audit of the separate and consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Allowance for expected credit losses (ECL) on factoring and trade receivables (refer note 14)	
As at 31 December 2025, the Group's gross factoring and trade receivables amounted to RO 70.8 million. As disclosed in note 14, these represent a significant balance in the Group’s statement of financial position.	Our audit procedures included, amongst others: i. Obtaining an understanding of the Group’s process for recovering the receivables. ii. Obtaining an understanding of the Group’s process for estimating ECL. iii. Assessing the recoverability status by considering the subsequent receipts. iv. Testing the accuracy of the aging of receivables. v. Assessing the appropriateness and reasonableness of assumptions and estimates made by the management for ECL, against the requirement of IFRS 9. vi. Considering the adequacy of the related disclosures and assessed whether these are in accordance with the applicable IFRS Accounting Standards.
We considered the allowance for ECL on factoring and trade receivables as on 31 December 2025 as a key audit matter as it involves significant management judgement and estimates.	

Revenue recognition on long-term contracts and related contract assets (note 12 and 24)	
Revenue and related costs under long-term contracts are recognised when the performance obligation criteria is met over time by reference to the stage of completion of the contract. There is an inherent risk around the accuracy and completeness of revenue recorded due to involvement of management judgment in estimating the cost to complete the work.	Our audit procedures included, amongst others: i. Obtaining an understanding of the Group’s processes, design and implementation of internal controls related to revenue recognition. ii. Assessing the appropriateness of the Group's accounting policies related to revenue recognition and their compliance with IFRS Accounting Standards. iii. Obtaining an understanding of the underlying contracts. iv. Reviewing the progress reports, estimated costs to complete the projects and assessing their reasonableness. v. Performing re-calculation on the workings provided by the management to record revenue and related contract assets. vi. Reviewing the progress invoices raised to the customers, receipts from customers and other relevant underlying documents.

We have considered revenue recognition on long-term contracts as a key audit matter as it involves management judgement because of the timing of revenue recognition and long-term nature of the projects.

vii. Considering the adequacy of the related disclosures and assessed whether these are in accordance with the applicable financial and reporting standards.

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Other information included in the Group's 2025 Annual Report

Management is responsible for the other information. The other information comprises the Chairman's report, Management Discussion and Analysis Report and Code of Corporate Governance report, but does not include the separate and consolidated financial statements and our auditor's report thereon.

Our opinion on the separate and consolidated financial statements does not cover the other information and we do not express any form of assurance or conclusion thereon.

In connection with our audit of the separate and consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the separate and consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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Responsibilities of management and those charged with governance for the separate and consolidated financial statements

Management is responsible for the preparation and fair presentation of the separate and consolidated financial statements in accordance with IFRS Accounting Standards, the relevant requirements of the Financial Services Authority and the applicable provisions of the Commercial Companies Law and Regulations of the Sultanate of Oman, and for such internal control as management determines is necessary to enable the preparation of the separate and consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the separate and consolidated financial statements, management is responsible for assessing the Parent Company’s and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Parent Company or the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Parent Company's and the Group’s financial reporting process.

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Auditor’s responsibilities for the audit of the separate and consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the separate and consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these separate and consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

Identify and assess the risks of material misstatement of the separate and consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Parent Company’s and the Group's internal control.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Parent Company’s and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the separate and consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Parent Company and the Group to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the separate and consolidated financial statements, including the disclosures, and whether the separate and consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the separate and consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor’s report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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Report on other legal and regulatory requirements

In our opinion, these financial statements as at, and for the year ended 31 December 2025, in all material respects, comply with the applicable provisions of the Commercial Companies Law and Regulations of the Sultanate of Oman and relevant disclosure requirements of the Financial Services Authority.

Auditors Report	English
	01/01/2025-31/12/2025
DISCLOSURE OF AUDITOR'S DETAILS	
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Name of partner signing off auditor's report	Tom C Mathew
Registration number of partner signing off auditor's report	026192
Name of audit firm	Crowe Mak Ghazali LLC
Registration number of Audit firm	1488627