

1. Legal status and principal activities

Oman National Engineering and Investment Company SAOG (the “Parent Company”) is a public listed joint stock company registered in the Sultanate of Oman on 9 August 1978. The registered business address of the Parent Company is P.O. Box 1393, Postal Code 112, Al Khuwair, Muscat, Sultanate of Oman. The shares of the Parent Company are listed on the Muscat Stock Exchange.

The Parent Company is engaged in operation and maintenance of power generation stations, desalination plants, hospital equipment, air conditioning plants, sewage treatment plants, contracts for meter reading and the billing of electricity and water and their subsequent collection, supply and installation of power generating equipment, construction of power supply lines and other related projects.

The Parent Company's principal place of business is located at Muscat, Sultanate of Oman.

The details and the principal activities of the subsidiary companies are set out below:

Name of subsidiary	Country of incorporation	Principal activity	Proportion of ownership interest
Tasdeed for Electronic Services LLC	Sultanate of Oman	Electronic payment facilities to the customers	50%
Oman National Training Institue SPC	Sultanate of Oman	Training in professional courses	100%
ONEIC Tameen SPC	Sultanate of Oman	Insurance services	100%
Oneic E-Business SPC	Sultanate of Oman	Wallet services	100%
National Medical and Healthcare Services LLC	Sultanate of Oman	Occupational health services	80%
Al Oula LLC	Sultanate of Oman	Manufacturer / Trader	80%
Oneic Media LLC	Sultanate of Oman	Media advertisement services	46%
Oneic Travel SPC	Sultanate of Oman	Travel services	100%

2. Basis of preparation

The unaudited condensed interim separate and consolidated interim financial statements have been prepared in accordance with the requirement of the International Accounting Standard (IAS) 34, 'Interim Financial Reporting'. They do not include all disclosure that would be required in a complete set of financial statements and should be read in conjunction with audit 2025 annual report.

3. Material Accounting Policy Information

The accounting policies used in the preparation of the unaudited interim condensed separate and consolidated financial statements are consistent with those applied in the preparation of the annual financial statements of the Company for the year ended 31 December 2025.

The unaudited interim condensed separate and interim financial statements do not contain all the information and disclosures as required for the financial statements prepared in accordance with the International Financial Reporting Standards.

4. Revenue

	Parent Company		Group	
	Period from 1 January 2026 to 31 March 2026 (un-audited)	Period from 1 January 2025 to 31 March 2025 (un-audited)	Period from 1 January 2026 to 31 March 2026 (un-audited)	Period from 1 January 2025 to 31 March 2025 (un-audited)
Projects EPC	5,763,267	5,507,149	5,763,267	5,507,149
Operations and maintenance	7,051,941	5,443,872	7,101,953	5,443,872
Commission and other revenue from billing of electricity and water	3,499,836	3,899,473	3,499,836	3,899,473
P&S	996,550	795,834	996,550	795,834
Training fee	-	-	27,188	91,226
Others	155,991	171,541	348,193	176,304
Less- Inter division sales	(178,673)	(126,820)	(178,673)	(126,820)
	<u>17,288,912</u>	<u>15,691,049</u>	<u>17,558,314</u>	<u>15,787,038</u>

5. Other income

	Parent Company		Group	
	Period from 1 January 2026 to 31 March 2026 (un-audited)	Period from 1 January 2025 to 31 March 2025 (un-audited)	Period from 1 January 2026 to 31 March 2026 (un-audited)	Period from 1 January 2025 to 31 March 2025 (un-audited)
Dividend income	103,138	459	105,333	2,648
Miscellaneous income	69,525	12,276	67,862	8,746
Rental income from investment properties	194,557	193,423	149,275	187,730
	<u>367,220</u>	<u>206,158</u>	<u>322,470</u>	<u>199,124</u>

6. Staff costs

	Parent Company		Group	
	Period from 1 January 2026 to 31 March 2026 (un-audited)	Period from 1 January 2025 to 31 March 2025 (un-audited)	Period from 1 January 2026 to 31 March 2026 (un-audited)	Period from 1 January 2025 to 31 March 2025 (un-audited)
Salaries, wages and allowances	5,199,794	4,842,450	5,467,754	4,934,440
Other staff benefits	355,551	361,915	387,498	369,182
End of service benefits	117,597	160,334	121,295	162,020
Contribution to defined retirement plan (PASI)	359,835	360,504	372,861	369,725
Staff accommodation rent	135,731	104,097	135,731	104,097
	<u>6,168,508</u>	<u>5,829,300</u>	<u>6,485,139</u>	<u>5,939,464</u>

7. Operating costs

	Parent Company		Group	
	Period from 1 January 2026 to 31 March 2026 (un-audited)	Period from 1 January 2025 to 31 March 2025 (un-audited)	Period from 1 January 2026 to 31 March 2026 (un-audited)	Period from 1 January 2025 to 31 March 2025 (un-audited)
Materials and spares	3,062,581	2,253,670	3,071,905	2,290,758
Sub-contracts and consultancy charges	4,595,803	4,715,551	4,488,482	4,631,742
Travelling expenses	74,535	38,149	74,719	38,989
Fuel and vehicle maintenance	494,774	302,019	503,515	302,156
Rent, electricity and water charges	447,450	327,168	454,735	327,168
Repair and maintenance expenses	98,761	96,315	116,331	98,612
Manpower deductions	106	2,521	111	2,578
Miscellaneous expenses	274,201	177,895	280,986	177,465
Communication expenses	87,564	97,504	87,564	97,504
Marketing and advertisement	61,522	63,920	84,686	63,166
Professional charges	55,379	31,719	55,379	31,719
Less: Inter-division purchases	(178,673)	(126,820)	(178,673)	(126,820)
	<u>9,074,003</u>	<u>7,979,611</u>	<u>9,039,740</u>	<u>7,935,037</u>

8. General and administrative expenses

	Parent Company		Group	
	Period from 1 January 2026 to 31 March 2026 (un-audited)	Period from 1 January 2025 to 31 March 2025 (un-audited)	Period from 1 January 2026 to 31 March 2026 (un-audited)	Period from 1 January 2025 to 31 March 2025 (un-audited)
Bank charges	150,979	161,315	154,591	163,653
Miscellaneous expenses	94,816	71,293	145,065	71,293
Professional charges	6,985	21,167	9,339	22,017
Loss on disposal of property, plant and equipment	940	3,754	940	3,754
Board sitting fees	8,300	7,100	17,850	10,100
Travelling expenses	11,470	8,120	14,175	8,120
Marketing and advertisement	4,974	2,058	5,974	2,058
	<u>278,464</u>	<u>274,807</u>	<u>347,934</u>	<u>280,995</u>

9. Finance costs - net

	Parent Company		Group	
	Period from 1 January 2026 to 31 March 2026 (un-audited)	Period from 1 January 2025 to 31 March 2025 (un-audited)	Period from 1 January 2026 to 31 March 2026 (un-audited)	Period from 1 January 2025 to 31 March 2025 (un-audited)
Interest on borrowings	705,538	543,256	710,224	543,256
Foreign exchange loss	1,103	37,066	1,116	37,066
Interest income	(19,068)	(20,346)	(19,068)	(20,346)
	<u>687,573</u>	<u>559,976</u>	<u>692,272</u>	<u>559,976</u>

INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION, 31-03-2026
Oman National Engineering and Investment Company SAOG

10. Property, plant and equipment

Parent Company	Land and buildings	Plant and machinery	Furniture and fixtures	Computer and accessories	Tools and equipment	Motor vehicles	Capital work in progress	Total
Cost or revaluation								
As at 1 January 2025	12,220,368	9,552,041	652,699	3,381,146	1,592,539	3,661,886	414,044	31,474,723
Additions / transfers during the year	3,323	1,627,687	61,417	323,967	116,197	1,053,800	(253,717)	2,932,674
Revaluation surplus	426,678	-	-	-	-	-	-	426,678
Disposals during the year	-	-	(32,311)	(7,768)	(11,015)	(152,150)	-	(203,244)
As at 31 December 2025	12,650,369	11,179,728	681,805	3,697,345	1,697,721	4,563,536	160,327	34,630,831
Accumulated depreciation								
As at 1 January 2025	4,310,089	4,450,955	571,904	2,456,120	1,216,450	2,566,035	-	15,571,553
Charge for the year	179,793	333,944	37,383	357,031	152,660	251,914	-	1,312,725
Relating to disposals	-	-	(29,319)	(6,896)	(10,323)	(137,277)	-	(183,815)
As at 31 December 2025	4,489,882	4,784,899	579,968	2,806,255	1,358,787	2,680,672	-	16,700,463
Net book value								
As at 31 December 2025	8,160,487	6,394,829	101,837	891,090	338,934	1,882,864	160,327	17,930,368

	Land and buildings	Plant and machinery	Furniture and fixtures	Computer and accessories	Tools and equipments	Motor vehicles	Capital work in progress	Total
Cost or revaluation								
As at 1 January 2026	12,650,369	11,179,728	681,805	3,697,345	1,697,721	4,563,536	160,327	34,630,831
Additions / transfers during the period	-	-	-	1,521	9,000	121,290	139,071	270,882
Disposals during the period	-	-	-	(650)	-	(9,400)	-	(10,050)
As at 31 March 2026	12,650,369	11,179,728	681,805	3,698,216	1,706,721	4,675,426	299,398	34,891,663
Accumulated depreciation								
As at 1 January 2026	4,489,882	4,784,899	579,968	2,806,255	1,358,787	2,680,672	-	16,700,463
Charge for the period	41,558	115,770	8,342	83,690	27,788	76,139	-	353,287
Relating to disposals	-	-	-	(650)	-	(8,460)	-	(9,110)
As at 31 March 2026	4,531,440	4,900,669	588,310	2,889,295	1,386,575	2,748,351	-	17,044,640
Net book value								
As at 31 March 2026	8,118,929	6,279,059	93,495	808,921	320,146	1,927,075	299,398	17,847,023

INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION, 31-03-2026
Oman National Engineering and Investment Company SAOG

10. Property, plant and equipment (continued)

Group	Land and buildings	Plant and machinery	Furniture and fixtures	Computer and accessories	Tools and equipments	Motor vehicles	Capital work in progress	Total
Cost or revaluation								
As at 1 January 2025	12,228,368	9,552,041	676,780	3,837,245	1,597,069	3,666,436	414,195	31,972,134
Additions / transfers during the year	3,323	1,627,687	245,051	339,255	853,583	1,053,800	805,424	4,928,123
Revaluation surplus	426,678	-	-	-	-	-	-	426,678
Disposals during the year	-	-	(32,311)	(7,768)	(11,015)	(152,150)	-	(203,244)
As at 31 December 2025	12,658,369	11,179,728	889,520	4,168,732	2,439,637	4,568,086	1,219,619	37,123,691
Accumulated depreciation								
As at 1 January 2025	4,312,748	4,450,956	588,604	2,506,209	1,218,785	2,570,084	-	15,647,386
Charge for the year	180,593	333,944	49,989	430,975	200,365	251,989	-	1,447,855
Relating to disposals	-	-	(28,678)	(6,875)	(10,323)	(137,277)	-	(183,153)
As at 31 December 2025	4,493,341	4,784,900	609,915	2,930,309	1,408,827	2,684,796	-	16,912,088
Net book value								
As at 31 December 2025	8,165,028	6,394,828	279,605	1,238,423	1,030,810	1,883,290	1,219,619	20,211,603
	Land and buildings	Plant and machinery	Furniture and fixtures	Computer and accessories	Tools and equipments	Motor vehicles	Capital work in progress	Total
Cost or revaluation								
As at 1 January 2026	12,658,369	11,179,728	889,520	4,168,732	2,439,637	4,568,086	1,219,619	37,123,691
Additions / transfers during the period	-	-	-	1,521	114,754	121,290	337,629	575,194
Disposals during the period	-	-	-	(1,300)	-	(9,400)	-	(10,700)
As at 31 March 2026	12,658,369	11,179,728	889,520	4,168,953	2,554,391	4,679,976	1,557,248	37,688,185
Accumulated depreciation								
As at 1 January 2026	4,493,341	4,784,900	609,915	2,930,309	1,408,827	2,684,796	-	16,912,088
Charge / transfer for the period	41,755	115,770	18,043	102,214	53,096	76,139	-	407,017
Relating to disposals	-	-	-	(1,300)	-	(8,460)	-	(9,760)
As at 31 March 2026	4,535,096	4,900,670	627,958	3,031,223	1,461,923	2,752,475	-	17,309,345
Net book value								
As at 31 March 2026	8,123,273	6,279,058	261,562	1,137,730	1,092,468	1,927,501	1,557,248	20,378,840

11. Investment in subsidiaries

The investment in the subsidiaries are stated at cost less impairment. The Parent Company has performed an impairment assessment of its investment in the subsidiaries and, has concluded that, no impairment allowance is considered necessary.

12. Inventories

	Parent Company			Group		
	31 March 2026 (un-audited)	31 March 2025 (un-audited)	31 December 2025 (audited)	31 March 2026 (un-audited)	31 March 2025 (un-audited)	31 December 2025 (audited)
Material and consumables	1,603,282	1,105,538	1,528,798	1,623,475	1,105,698	1,547,041
Less: Provision for slow moving inventories	(159,353)	(160,109)	(160,109)	(159,353)	(160,109)	(160,109)
	1,443,929	945,429	1,368,689	1,464,122	945,589	1,386,932

13. Trade and other receivables

	Parent Company			Group		
	31 March 2026 (un-audited)	31 March 2025 (un-audited)	31 December 2025 (audited)	31 March 2026 (un-audited)	31 March 2025 (un-audited)	31 December 2025 (audited)
Factoring arrangement receivables	53,010,683	55,068,223	48,902,082	52,979,424	55,068,223	48,902,082
Trade receivables	18,343,877	19,061,820	21,633,971	18,703,249	19,319,839	21,905,563
Less : provisions for doubtful debts	(8,347,936)	(8,347,936)	(8,347,936)	(8,347,936)	(8,347,936)	(8,347,936)
Trade debtors (net)	63,006,624	65,782,107	62,188,117	63,334,737	66,040,126	62,459,709
Gross amount due from contract customers	23,178,912	14,007,624	18,985,743	23,178,912	14,007,624	18,985,743
Contract work in progress	14,028,706	9,882,728	14,680,662	14,269,902	9,896,957	14,865,175
Current portion of investments	1,100,000	-	1,100,000	1,100,000	-	1,100,000
Retention on project contracts	1,344,411	437,167	1,009,711	1,344,411	437,167	1,009,711
Advance paid to suppliers	3,513,382	1,576,080	2,140,124	3,562,855	1,607,318	2,438,507
Prepayments	378,521	582,759	693,161	552,177	590,963	745,396
Sundry receivable	2,372,065	2,077,849	1,817,353	2,191,820	2,065,822	1,651,364
Less: provision for other receivables	(11,300)	(11,300)	(11,300)	(11,300)	(11,300)	(11,300)
	108,911,321	94,335,014	102,603,571	109,523,514	94,634,677	103,244,305

14. Share capital

The authorised share capital is RO 15,000,000 comprising of 150,000,000 shares of RO 0.100 each and paid up share capital is RO 15,000,000 comprising of 150,000,000 shares of RO 0.100 each (2025: 150,000,000 shares of RO 0.100 each).

15. Term loans, bank overdraft and other borrowings

	Parent Company			Group		
	31 March 2026 (un-audited)	31 March 2025 (un-audited)	31 December 2025 (audited)	31 March 2026 (un-audited)	31 March 2025 (un-audited)	31 December 2025 (audited)
(a) Term loan						
Long term loan from bank	18,264,000	24,029,877	18,216,539	18,264,000	24,029,877	18,216,539
Less: due within a year classified as current	(16,992,000)	(15,181,877)	(15,696,539)	(16,992,000)	(15,181,877)	(15,696,539)
	<u>1,272,000</u>	<u>8,848,000</u>	<u>2,520,000</u>	<u>1,272,000</u>	<u>8,848,000</u>	<u>2,520,000</u>
(b) Loan against specific projects						
Term loan	26,992,239	24,224,175	27,225,993	28,216,389	24,224,175	28,342,023
Less: due within a year classified as current	(3,053,140)	(1,954,878)	(2,872,601)	(3,053,140)	(1,954,878)	(2,872,601)
	<u>23,939,099</u>	<u>22,269,297</u>	<u>24,353,392</u>	<u>25,163,249</u>	<u>22,269,297</u>	<u>25,469,422</u>
(c) Bank borrowings						
Short term borrowings	34,683,931	19,197,016	25,425,461	34,683,931	19,197,016	25,533,581
Bank overdraft	2,201,492	4,584,536	1,137,741	2,235,085	4,584,536	1,187,275
	<u>36,885,423</u>	<u>23,781,552</u>	<u>26,563,202</u>	<u>36,919,016</u>	<u>23,781,552</u>	<u>26,720,856</u>

16. End of service benefits

	Parent Company			Group		
	31 March 2026 (un-audited)	31 March 2025 (un-audited)	31 December 2025 (audited)	31 March 2026 (un-audited)	31 March 2025 (un-audited)	31 December 2025 (audited)
Movements in the liability recognised at the reporting date is as follows:						
Opening balance	2,275,253	2,007,265	2,007,265	2,289,238	2,012,792	2,012,792
Provided during the period/year	117,597	160,334	536,508	121,295	162,020	542,736
Payments made during the period/year	(62,332)	(67,764)	(268,520)	(65,181)	(63,524)	(266,290)
Closing balance	2,330,518	2,099,835	2,275,253	2,345,352	2,111,288	2,289,238

17. Trade and other payables

	Parent Company			Group		
	31 March 2026 (un-audited)	31 March 2025 (un-audited)	31 December 2025 (audited)	31 March 2026 (un-audited)	31 March 2025 (un-audited)	31 December 2025 (audited)
Factoring arrangement payables	22,595,920	28,709,571	21,334,085	22,595,920	28,709,571	21,362,291
Trade payables including due to related parties balance	7,489,111	7,106,888	10,404,523	7,002,815	6,696,695	10,094,003
Accrued contract expenses	14,598,589	12,593,511	16,539,862	15,344,839	13,013,844	17,123,800
Provision for staff benefits	1,567,744	1,537,065	1,671,066	1,613,988	1,561,273	1,707,441
Advance from customers	8,391,800	5,993,076	8,688,814	8,515,612	6,023,076	8,634,268
Other creditors and accruals	857,777	662,133	620,273	849,724	676,244	716,329
Retention money payable	798,864	490,230	734,310	798,864	490,230	734,310
VAT payable, net	172,210	220,738	419,042	187,050	213,079	422,089
	56,472,015	57,313,212	60,411,975	56,908,812	57,384,012	60,794,531

18. Earnings per share

	Parent Company		Group	
	31 March 2026 (un-audited)	31 March 2025 (un-audited)	31 March 2026 (un-audited)	31 March 2025 (un-audited)
Net profit for the period attributable to shareholders of the parent	914,061	767,770	682,934	753,812
Weighted average number of ordinary shares outstanding during the period	150,000,000	150,000,000	150,000,000	150,000,000
Earnings per share (RO) attributable to shareholders of the parent	0.006	0.005	0.005	0.005

The earnings per share is calculated by dividing the profit attributable to shareholders of the Parent Company for the period by the weighted average number of shares outstanding during the period. For the purpose of computation of the weighted average number of shares outstanding during the period, bonus shares are assumed to have been issued at the start of the earliest period presented in accordance with the provisions of IAS 33, 'Earnings per share'.

The Company does not have any dilutive potential ordinary shares in issue at the period end, thus, the diluted earnings per share is identical to the basic earnings per share.

19. Net assets per share

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

	Parent Company			Group		
	31 March 2026	31 March 2025	31 December 2025	31 March 2026	31 March 2025	31 December 2025
	(un-audited)	(un-audited)	(audited)	(un-audited)	(un-audited)	(audited)
Net assets	33,905,799	30,392,476	33,706,507	33,177,570	30,310,338	33,183,140
Ordinary shares outstanding at the reporting date	150,000,000	150,000,000	150,000,000	150,000,000	150,000,000	150,000,000
Net assets per share (RO)	0.226	0.203	0.225	0.221	0.202	0.221

20. Contingencies and Commitments

	Parent Company			Group		
	31 March 2026	31 March 2025	31 December 2025	31 March 2026	31 March 2025	31 December 2025
	(un-audited)	(un-audited)	(audited)	(un-audited)	(un-audited)	(audited)
Contingencies:						
Bank guarantees	38,406,765	24,172,450	39,285,515	38,536,765	24,172,450	39,378,515
The bank guarantees were issued in the normal course of business.						
Commitments:						
Letter of credit	5,062,446	1,893,733	7,205,339	5,062,446	1,893,733	7,978,139
Purchase commitments	42,640,718	21,597,360	40,359,713	43,101,196	21,597,360	40,435,904
Capital commitments	8,897,318	2,042,434	592,501	10,044,031	2,042,434	1,743,910

21. Segment reporting

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. For management purpose, the Parent Company is organised into seven operating divisions. These divisions are the basis on which the Parent Company reports its segment information.

	Parent Company	
	Period from 1 January 2026 to 31 March 2026	Period from 1 January 2025 to 31 March 2025
	(un-audited)	(un-audited)
Project EPC	5,763,267	5,507,149
Operations and maintenance	7,051,941	5,443,872
Billing revenue	3,499,836	3,899,473
P&S	996,550	795,834
Others	453,687	365,423
Shared Income	69,524	8,522
Inter Segment	(178,673)	(126,820)
Total Revenue	17,656,132	15,893,453
Project EPC	5,513,183	5,490,659
Operations and maintenance	6,327,719	4,979,080
Billing cost	3,036,571	2,963,939
P&S	945,030	780,875
Others	362,107	424,228
Shared Expenses	736,134	613,722
Inter Segment	(178,673)	(126,820)
Total Expenses	16,742,071	15,125,683
Profit for the period	914,061	767,770