

Notes

(forming part of the unaudited, condensed interim consolidated financial statements)

1 Legal status and principal activities

Voltamp Energy SAOG ("the Parent Company") is registered in the Sultanate of Oman as a joint stock company. The Company, originally registered as a limited liability company was converted into a joint stock company with effect from 6 August 2008. The Company's shares were listed on Muscat Securities Market on 17 June 2008. Voltamp Transformers Oman SAOC, Voltamp Power SAOC and Voltamp Technology LLC ("the Subsidiaries"), registered in the Sultanate of Oman, are wholly-owned subsidiaries of the Company.

Parent company has a total of four subsidiaries in Saudi Arabia, Qatar and United Arab Emirates.

The principal activities of the Company and its Subsidiaries ("the Group") are manufacture, sale and distribution of transformers, low voltage switchgears and panels.

2 Significant Accounting Policies

The accounting policies applied in these condensed interim financial statements are the same accounting policies as applied to Financial Statements for the Company as included in the audit report issued on 25th February 2025.

3 Property, plant and equipment

Details of property, plant and equipment are set out in Schedule I.

4 Inventories	As on 30th September 2025 RO	As on 30th September 2024 RO	As on 31st December 2024 RO
Raw materials	7,893,295	7,997,192	8,786,384
Work in progress	5,802,116	2,937,379	4,505,031
Goods in transit	4,210,193	2,339,422	1,940,099
Finished goods	1,706,667	1,516,234	2,041,800
	19,612,271	14,790,227	17,273,314
Provision for slow moving and obsolete inventories	(2,174,746)	(2,310,635)	(2,067,643)
	17,437,525	12,479,592	15,205,671
	-	-	-

Movement in provision for slow moving and obsolete inventories:

1 January	2,067,643	1,778,743	1,778,743
Established during the period	132,987	531,892	346,974
Written back during the period	(25,884)	-	(58,074)
30 September	2,174,746	2,310,635	2,067,643

5 Investments

5(a) Investments at fair value through other comprehensive income

Quoted equity shares

Investment at FVOCI	-	26,380	23,489
---------------------	---	--------	--------

Movement in investments is disclosed as follows:

At the beginning of the year	23,489	173,792	173,792
Disposal of investment during the period	(25,657)	(522,878)	(522,878)
Fair value gain during the period	2,168	375,466	372,575
	-	26,380	23,489

Notes

(forming part of the unaudited, condensed interim consolidated financial statements)

5(b) Investments at fair value through profit or loss

Bank Muscat Money Market Fund	46,653	2,542,055	2,570,580
-------------------------------	---------------	-----------	-----------

Movement in investments is disclosed as follows:

At the beginning of the period / year	2,570,580	-	-
Subscribed during the period / year	4,950,000	2,500,500	3,500,500
Redeemed during the period / year	(7,500,000)	-	(1,000,000)
	24,438	-	24,154
Realised gain on redemption			
Fair value changes in investments during the period / year	1,635	41,555	45,926
	46,653	2,542,055	2,570,580

6 Trade and other receivables

	As on 30th September 2025 RO	As on 30th September 2024 RO	As on 31st December 2024 RO
Trade receivables	24,391,572	17,856,402	23,571,416
Less: provision for impairment	(2,460,733)	(1,621,536)	(1,759,073)
	21,930,839	16,234,866	21,812,343
Advance to suppliers	2,767,121	726,022	742,131
VAT Receivable	103,061	60,964	109,024
Advance Tax	52,650	15,931	12,703
Tax recoverable	-	156,230	162,533
Prepayments and other receivables	450,735	443,350	503,018
Less: ECL allowance	(45,718)	(45,718)	(45,718)
	25,258,688	17,591,645	23,296,034
Movement in provision for impairment:	-	-	-
1 January	1,804,791	1,819,828	1,819,828
Provided during the period	705,774	216,623	353,170
Written off during the period	(4,114)	(369,197)	(368,207)
Written back during the period	-	-	-
30 September	2,506,451	1,667,254	1,804,791

7 Bank deposits and cash and cash equivalents

Cash in hand and at bank	-		
Cash in hand	8,052	7,376	6,425
Cash at bank :			
Current account	4,429,099	1,252,107	554,078
Call deposit	792,636	925,190	-
	5,229,787	2,184,673	560,503

Interest rate on call deposits ranges from 0.5% to 4.75% per annum.

Notes

(forming part of the unaudited, condensed interim consolidated financial statements)

8 Selling, administrative and general expenses

	As on 30th September 2025 RO	As on 30th September 2024 RO
Indirect employee costs	2,880,284	2,213,511
Marketing expenses	841,445	412,295
Allowance for expected credit losses	705,774	215,633
Depreciation on property, plant & equipment	291,652	242,908
Directors' remuneration & sitting fees	283,652	167,951
Bank Charges	238,704	172,254
Legal and professional charges	155,192	130,607
Traveling expenses	146,814	109,534
Foreign currency exchange loss	144,036	-
Amortisation on intangible assets	124,519	122,977
Royalty	112,442	74,792
Repairs and maintenance expenses	78,688	43,514
Vehicle running expenses	63,611	61,941
Annual general meeting expenses	36,146	29,790
Insurance expenses	31,166	29,929
Communication costs	31,706	27,654
Printing and stationery expenses	17,824	12,475
Corporate social responsibilities	2,205	1,000
Loss on disposal of property, plant and equipment	1,305	-
Directors' Training Expenses	-	1,500
Miscellaneous expenses	70,551	83,318
	6,257,716	4,153,583.00

9 Cost of sales

	As on 30th September 2025 RO	As on 30th September 2024 RO
Cost of raw materials	29,053,460	15,045,004
Direct employee costs	2,354,660	1,633,863
Freight Charges	1,555,851	434,874
Provision for impairment	107,103	531,892
Utilities	145,403	127,844
Depreciation on property, plant & equipment	352,568	349,333
Depreciation on right-of-use assets	85,133	65,430
Scrap Sales	(97,283)	(150,697)
Other direct expenses	268,047	137,110
	33,824,942	18,174,653

10(a) Share capital

At 30 September 2025, the Company's issued and paid-up share capital comprises 93,613,162 ordinary shares (2024: 81,402,750) of RO 0.100 each.

The Shareholders of the Company who own 5% or more of the shares, whether in their name or through a nominee account, are as follows:

	Holding %	
	As on 30th September 2025	As on 31 December 2024
SABCO LLC	20.00	20.00
Social protection fund	15.34	15.34
Al Anwar Investments SAOG	15.00	20.00
Al Majaz Investments Co. LLC	7.53	12.32

10(b) Share premium

During 2008, the Company issued 15,000,000 ordinary shares of RO 0.100 each, for consideration of RO 0.542 per share, including RO 0.440 as share premium and RO 0.002 towards issue expenses. The total share premium collected was RO 6,600,000 against which the net amount collected towards issue expenses amounted to RO 313,655; the net amount of RO 6,286,345 was considered under share premium account. During the years 2010, 2012, 2017, 2018 and 2025, the Company issued 5,000,000, 5,500,000, 10,285,000, 10,617,750 and 12,210,410 bonus shares respectively of RO 0.100 each, in the total amount of RO 4,361,316 out of share premium account. The net amount of RO 1,925,029 (2024 : RO 3,146,070) is carried in equity as share premium.

Notes

(forming part of the unaudited, condensed interim consolidated financial statements)

11 Legal reserve

Article 106 of the Commercial Companies Law of 1974 requires that 10% of a company's net profit be transferred to a non-distributable legal reserve until the amount of legal reserve becomes equal to one-third of the company's issued share capital. The legal reserve in these consolidated financial statements also includes the transfer to legal reserve in respect of the subsidiaries.

12 Bank borrowings

	As on 30th September 2025	As on 30th September 2024	As on 31 December 2024
	RO	RO	RO
Bank overdraft	685,847	1,973,319	1,077,436
Loans against trust receipts	3,115,907	2,833,851	2,945,070
Short term loans	400,000	-	700,000
	4,201,754	4,807,170	4,722,506

The Parent Company has borrowing facilities utilization, in the amount of RO 0.084 million (31-12-2024: RO 0.12 million). The borrowing facilities carry interest at commercial rates . The Company has given corporate guarantees in the amount of RO 49.3 million (31-12-2024: RO 39.5 million) to secure bank facilities of subsidiaries for nil consideration.

13 Trade and other payables

	As on 30th September 2025	As on 30th September 2024	As on 31 December 2024
	RO	RO	RO
Trade payables	5,221,735	6,207,686	9,163,818
Goods in transit payable	4,169,495	2,331,592	1,876,026
VAT Payable	98,465	225,394	195,641
Proposed Directors' Remuneration	225,000	112,500	300,000
Accrued expenses	4,497,785	2,061,258	1,941,263
Deferred warranty revenue	355,648	290,553	356,712
Advances from the customers	6,396,150	9,481,859	10,260,186
	20,964,278	20,710,842	24,093,646

14 Income tax

The tax rate applicable to the Group's taxable profit is 15% on taxable profit (2024: 15%) . The determination of taxable income for the year takes into account adjustments for tax purposes, which includes items relating to both income and expense and which are based on the current understanding of the existing tax laws, regulations and practices.

15 Employee costs

	As on 30th September 2025	As on 30th September 2024
	RO	RO
a) Employee related costs included under cost of sales and general and administrative expenses comprise:		
Wages and salaries	4,102,341	3,261,976
Other benefits	821,828	363,945
Contribution to defined retirement plan (PASI)	133,409	107,305
Increase in liability for unfunded defined benefit retirement plan (Gratuity)	177,366	114,148
	5,234,944	3,847,374
Employee related costs are allocated as follows:		
Cost of Sales (Note-9)	2,354,660	1,633,863
Selling, administrative and general expenses (Note-8)	2,880,284	2,213,511
	5,234,944	3,847,374
b) End of service benefits	As on 30th September 2025	As on 30th September 2024
		As on 31 December 2024
1 January	815,197	747,167
Expenses for the period	177,366	114,148
Settled during the period	(59,065)	(64,830)
30 September	933,498	796,485
		815,197

Notes

(forming part of the unaudited, condensed interim consolidated financial statements)

16 Related party transactions

The Group has entered into transactions with Directors and entities in which certain Directors of the Parent Company and the subsidiary have an interest. In the ordinary course of business, the company sells goods to the related parties and procures goods and services from the related parties. These transactions are entered into on terms and conditions, which the directors believe could be obtained on an arms' length basis from the independent third parties.

During the period the related party transactions, which are subject to shareholders' approval at the forthcoming Annual General Meeting, are as follows:-

	As on 30th September 2025	As on 30th September 2024
Royalty charges	112,442	74,792
Directors' remuneration, sitting fee and training	283,652	169,451

17 Basic earnings per share

Basic earning per share is calculated by dividing the net profit of the Group for the year by the number of shares outstanding during the period as follows:

	As on 30th September 2025	As on 30th September 2024
Net profit for the period (RO)	8,081,114	2,575,073
Number of shares outstanding (Nos.)	93,613,160	81,402,750
Basic earnings per share	0.086	0.032

18 Net assets per share

Net assets per share are calculated by dividing the net assets at the reporting date by the number of shares outstanding as follows:

19 Intangible Assets

	Technology transfer fee RO	Type tests and Product Development Cost RO	Capital work in progress RO	Total RO
Cost				
As at 1 January 2025	831,572	1,542,844	213,351	2,587,767
Additions during the period	-	-	68,983	68,983
Transfers during the period	-	62,109	(62,109)	-
30th September 2025	831,572	1,604,953	220,225	2,656,750
Amortisation				
As at 1 January 2025	695,377	1,401,106	-	2,096,483
Charge for the period	63,941	60,578	-	124,519
30th September 2025	759,318	1,461,684	-	2,221,002
Net book value				
30th September 2025	72,254	143,269	220,225	435,748
30th September 2024	157,509	161,417	41,574	360,500
31st December 2024	136,195	141,738	213,351	491,284

20 Other income

	As on 30th September 2025 RO	As on 30th September 2024 RO
Gain on disposal of property, plant and equipment	-	1,952
Interest income	161,150	111,103
Dividend income on investment at FVOCI	-	1,626
Miscellaneous income	11,684	8,735
Foreign currency exchange gain	26,633	18,357
	199,467	141,773

Notes

(forming part of the unaudited, condensed interim consolidated financial statements)

21 Right-of-use assets

	As on 30th September 2025 RO	As on 30th September 2024 RO	As on 31st December 2024 RO
Cost			
As at 1 January	2,903,325	2,332,369	2,332,369
Addition during the period	-	-	665,861
Depreciation for the period	(85,133)	(65,430)	(94,905)
Net book value	2,818,192	2,266,939	2,903,325

22 Lease Liabilities

	As on 30th September 2025 RO	As on 30th September 2024 RO	As on 31st December 2024 RO
As at 1 January	3,309,951	2,677,479	2,677,479
Additions during the period	-	-	665,861
Interest on lease liabilities	118,020	94,039	134,961
Paid during the period	(103,978)	(105,745)	(168,350)
	-	-	-
30 September	3,323,993	2,665,773	3,309,951
Lease Liabilities	3,323,993	2,665,773	3,309,951
Less: current portion of lease liabilities	17,135	127,842	16,449
Non-current portion of lease liabilities	3,306,858	2,537,931	3,293,502

23 Contingencies and Commitments

Outstanding guarantees and letters of credit with banks relating to contractual performance in the ordinary course of business amounted to RO 24.350 million (31-12-2024: RO 20.329 million). At 30th September 2025, the Group had capital commitments amounting to RO 1.975 million (31-12-2024: RO 2.766 million).

24 Term Deposit

Term deposits are placed by the Subsidiary, Voltamp Power SAOC, with local financial institutions, carrying interest at commercial rates and have maturity period of less than one year from the date of placement. Accordingly, they have been classified as current assets.

25 Comparatives

Comparative figures have been reclassified, wherever necessary, to conform to the presentation adopted in these financial statements for the current period.

26 Investment in Subsidiaries

Subsidiaries	Activities	Holding %	Parent Company	
			September 30, 2025 RO	December 31, 2024 RO
VTO	Manufacture, sale and distribution of transformers	99.99%	2,025,835	2,025,835
VPS	Manufacturing and servicing of power transformers	81.45%	5,999,850	5,999,850
VTs	Manufacture, design and sales and distribution of low voltage switchgears and panels	99.90%	229,770	229,770
NTCL	Manufacture, sale, and distribution of transformers in the Kingdom of Saudi Arabia	49%	229,874	22,826

The investments in subsidiaries are carried at 'cost' in the separate financial statements of the Parent Company

Notes

(forming part of the unaudited, condensed interim consolidated financial statements)

Schedule -I: Property, Plant & Equipment

	Leasehold improvement land	Factory building	Plant and equipment	Furniture, fixture and office equipment	Motor vehicles	Capital work in progress	Total
	RO	RO	RO	RO	RO	RO	RO
<i>Cost</i>							
1 January 2025	673,817	7,674,839	9,498,703	1,353,704	223,481	1,469	19,426,013
Addition during the period	-	57,494	181,808	103,155	23,630	895,835	1,261,922
Transfers during the period	-	-	-	-	-	-	-
Disposals during the period	-	(16,152)	(64,430)	(99,902)	-	-	(180,484)
30th September 2025	673,817	7,716,181	9,616,081	1,356,957	247,111	897,304	20,507,451
<i>Depreciation</i>							
1 January 2025	173,664	2,997,508	6,169,417	1,085,332	190,111	-	10,616,032
Charge for the period	20,983	198,670	353,447	62,692	8,427	-	644,219
Relating to disposals	-	(15,630)	(63,697)	(99,516)	-	-	(178,843)
30th September 2025	194,647	3,180,548	6,459,167	1,048,508	198,538	-	11,081,408
<i>Net book values</i>							
30th September 2025	479,170	4,535,633	3,156,914	308,449	48,573	97,304	9,426,043
30th September 2024	507,148	3,890,936	3,285,680	204,400	35,108	680,178	8,603,450
31st December 2024	500,153	4,677,331	3,329,286	268,372	33,370	1,469	8,809,981