OmanCables
الكابلات العمانية

Oman Cables Industry SAOG

ANNUAL REPORT 2024

OmanCables
الكابلات العمانية

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HIS MAJESTY
SULTAN HAITHAM BIN TARIK

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BOARD OF DIRECTORS

Cinzia Farisè

Chairman

Graduated in Economics, Ms. Farisè is a manager with 30 years of experience in national and multinational companies, public and private, listed and non-listed. She has developed her career as Sales & Marketing Director, Business Unit Director and then as Chief Executive Officer, both in service companies and in industrial production companies. She has launched and managed start-up from green field, business development and downsizing projects, and has extensive experience in crisis management.

From 2014 to 2018 she was CEO of Trenord - the Italian railway company owned by Trenitalia and Ferrovie Nord and President of TILO - a Swiss company owned by the Swiss Federal Railways and Trenord, which manages cross-border rail connections. Ms. Farisè was a Board Member at several Board of Directors at Italgas, CAL Concessioni Autostradali Lombarde, TREVI Finanziaria Industriale. Since 2020, she is a Board Member of IN.BRE and also the Vice President of CIIM EurAsiaMed, The Confederation of Italian Entrepreneurs Worldwide, based in Istanbul and the Co-founder of the Italian Angels for Women Association.

Ms. Farisè was the Chief Executive Officer of Oman Cables Industry SAOG and the regional CEO of Prysmian MEART region during 2021- till Feb 2024, the time she was named to play a strategic role at the Prysmian Group headquarters with global responsibilities in the position of the Executive Vice President for Power Grids.

She was also appointed as Member of the Advisory Board of Sultan Qaboos University of Oman, College of Engineering.

In 2018 at Palazzo Marino in Milan she was awarded the 'Merit & Talent' Award, dedicated to women who are changing businesses, and more recently she has been awarded by the Turkish Ekonomist for being among 'The 50 most powerful women CEO of Turkey'.

Mohamed Al Lawati

Vice Chairman

Holds a bachelor's degree in mechanical engineering from University of Manchester, UK. He has 5 years engineering experience in Petroleum Development Oman (PDO). He has also held various positions in Oman Cables Industry SAOG for 5 years, latest as General Manager - Sales & Marketing and General Manager - Corporate Projects. Currently he is the Chief Executive Officer at Al-Saleh Group.

Shabib Al-Busaidi

Director

Mr. Al Busaidi has a Master's degree in actuarial sciences from the University of Kent in the United Kingdom.

Mr. Al-Busaidi started his carrier in the Financial Services Authority and Ministry of National Economy where he was involved in fields of Finance, Strategic planning and Statistics. Currently, he serves as the Acting Deputy CEO for Social Protection Affairs at the Social Protection Fund, overseeing the Social Protection sector within the organization.

Ian F.Prescott

Director

Ian Prescott has more than 30 years of international experience managing multi- billion dollar businesses and projects, spanning across the oil & gas, petrochemical, mining, power and water industries.

Ian is currently the CEO of Lamprell Energy Ltd., in the UAE where he also sits on the Board as a Director of a number of Group Companies, additionally he is also a non- executive Director of International Maritime Industries in Saudi Arabia. Before joining Lamprell, he was a senior executive for various multinational private and publicly listed companies. In his previous role Ian was the Senior Vice President McDermott International, where he led and had P&L responsibility for the strategic growth and development of the Asia Pacific business covering all onshore and offshore projects and operations across the entire APAC region.

Prior to that he held senior, executive management and board positions with SNC Lavalin Singapore, Global Process Systems Inc. and Aker Kvaerner Australia, demonstrating a particular expertise in developing and implementing strategies to re-establish companies operating under challenging circumstances. Ian began his career at Shell in the UK who sponsored him through University and also provided invaluable graduate training as a base foundation for his career in the industry.

Fabrizio Rutschmann

Dirctor

Graduate in Business Administration from Ca' Foscari University of Venice, with a specialization from SDA Bocconi University of Milan, Fabrizio Rutschmann began his career at the Electrolux Group, where he served in various Human Resources positions before becoming HR Director of one of Uni Credit's seven banks. Joining the Pirelli Group in 1999 as Human Resources Manager of the Tire Business Unit's Italian Division, Rutschmann became Pirelli's Chief HR Officer of the Group in 2006 till 2010. Before that, between 2003 and 2006 he served as Chief HR of Latin America Operations of Telecom Italia Mobile (TIM) based in Rio de Janeiro.

Within Pirelli he has also been General Manager of Pirelli Spain in 2009 and 2010. Mr. Rutschmann was the Chief Human Resources Officer from 2010 at Prysmian Group till 2024, and currently is the Chief People & Corporate Services Officer - Snam Group, having more than 32 years of professional experience in leadership of human capital and change management.

Laura Figini,

Director

Graduate in Business Administration from Bocconi University of Milano, with educational experiences at Ivey Business School in Ontario Canada and Harvard Online Business School, Laura Figini began her career at Pirelli Cables and Systems Group where she has led various Finance and Controlling positions as plant, business unit and corporate controller.

She has continued her career in the Prysmian Group as Chief Accountant of holding financial companies; since 2011 she has been the Planning and Reporting Director of Prysmian Group.

She has been working on several processes of acquisitions, first with Pirelli Group (Siemens, BICC, Nokia) then with Prysmian acquisition of Draka and General Cables Group, with a leading role in the financial integration process.

Ms. Figini has over 25 years of professional experience in the Finance and Administration management. In 2021 she took a new step up in the Prysmian Group as she joined the Human Resources function becoming HR Business Partner and Planning Director.

Yasser Al Rashdi

Director

Currently he is the Group Finance Director of ITHCA group after being a Senior Manager of Investment Transactional Support at Oman Investment Authority and has a membership in the Board of Directors of Oman Growth Fund.

He has experience of more than 22 years in the field of Accounts, Finance and Investment at Oman Investment Authority. On the Academic aspect, he obtained a Bachelor's degree in Accounting from Sultan Qaboos University, and MBA from the Franklin University (United States of America). He also joined Executive Programs provided by major educational institutions such as: HEC Paris University and PWC Academy in leadership, financial, and management fields.

02

Management Team

Erkan Aydogdu

Chief Executive Officer

Erkan Aydogdu, Chief Executive Officer of Oman Cables and MEART CEO of Prysmian, coming from his recent position as Chief Executive Officer of Oceania and Southeast Asia at Prysmian Group, bringing experience from previous roles at Prysmian Group, Türk Prysmian Kablo and Pirelli Cavi Italia. Mr. Aydogdu holds a 2015 - 2017 Global Executive MBA from SDA Bocconi University in Milan. With a robust skill set that includes Logistics, Continuous Improvement, R&D, Quality Assurance, Management and more,

Erkan Aydogdu holds a degree in Mechanical Engineering from Middle East Technical University in Turkey and Global Executive MBA from SDA Bocconi in Milan. Erkan has more than 25 years of experience in cable industry driving success in multiple business environments. He is committed, resilient in dynamic environments with a people centric attitude.

In 1997, he started his career at Prysmian Turkey in the Production Planning department. In 2000, he has been nominated as a Process Kaizen Engineer and moved to Italy, leading continuous improvement teams in Europe's different facilities. In 2003, he was appointed as Logistics Manager in Turkey. Erkan held various positions in Logistics, R&D, Operations between 2003 and 2014.

In 2013, he has completed "Achieving Breakthrough Customer Service" program at Harvard University which further empowered commercial perspective. In January 2015, he was promoted to CEO of Turkey, he demonstrated his strengths to deliver organizational objectives along with the empowerment of teams, enhancing customer satisfaction. In this period company has supplied Turkey's mega projects like Istanbul Airport, Yavuz Sultan Selim Bridge, Euroasia Tunnel and many others.
Mr. Marcelo De Paola

Marcelo has graduated in Business from Pontificia Universidade Catolica of Sao Paulo and he has an MBA in Finance at IBEMEC. His career started 35 years ago as a financial analyst at Pirelli. Along these years at the company he has been in charge of the financial, IT and corporate affair sectors, achieving the position of country manager. He has been in role of such activities in Brazil, Argentina, Italy and Mexico

He was further responsible for building the new SAP Process that has been implemented around the world. Moreover, while in Italy he was part of the team that made Prysmian's IPO and that defined the new group´s reporting model. He was previously assigned as Prysmian Group's CFO for the LatAm region. While in charge, Marcelo's duties comprised the company's accounting and treasury sections, financial planning, tax operations, as well as business support.

Muhannad Abdulamir Said Al Lawati

Chief Operating Officer

Graduated in Mechanical and Manufacturing Engineering from Cardiff University, UK. Having 16 years of experience in cables industry in production and operations.

He completed the National CEO Program in 2018 that was administrated by "IMD, Switzerland" and he is a board member in the Oman Manufacturers Association.

Antonio Chiantore

Chief Commercial Officer

With 34 years' experience in cable industry, covering international positions of Business, Sales and Marketing Director, General Manager, Operation Director, Logistic Director.

Jad Atallah

Chief Legal & Governance, Investor Relations and Company Secretary

With two decades of experience, serves as the principal legal counsel to the Company, its subsidiaries, senior management and the Board of Directors on a wide array of legal and regulatory matters, develops and executes advocacy plans to support business growth.

Jad oversees the corporate affairs being the Company Secretary, the legal department, which spans a number of functions including corporate governance, commercial law, employment law, capital market law, securities law, litigation, investigations. Jad also handles the role of Investor Relations, acting as a liaison between the Company and the investors, monitoring business climate and analyzing market trends.

Jad currently having also the extended legal affairs role at MEART region - Middle East, Africa, India, Russia & Turkey. Jad holds a PhD degree in Law from the Lebanese University Faculty of Law, Political, Administrative and Economics, with a focus on international environment laws. A master's degree in public law and a Bachelor of Law. Jad also is a certified arbitrator, compliance and corporate governance practitioner, and a graduate in Advanced Leadership Master from Bocconi University in Milan Italy.

Giancarlo Esposito

Chief Strategy Officer

With 27 years of experience across three continents covering human resources and organization in multiple companies including Stellantis Group, Whirlpool Corp, Vodafone NV and Prysmian Group.

Mr. Esposito is an economist by trade holding a bachelor's degree in economics at the University of Cassino, Bachelor Degree in Political Sciences at the Federico II university, PhD in Math at the University of Cassino, Post Graduated Master in Business and Administration with the SDOA (Italy) and Advanced Leadership Master with the Bocconi University.

Marcelo De Paola

Chief Financial Officer

Graduated in Business from Pontificia Universidade Catolica of Sao Paulo and he has an MBA in Finance at IBEMEC.

Marcelo´s career started 35 years ago as a financial analyst at Pirelli. Along these years at the company, he has been in charge of the financial, IT and corporate affair sectors, achieving the position of country manager. He has been in role of such activities in Brazil, Argentina, Italy and Mexico. He was further responsible for building the new SAP Process that has been implemented around the world.

Moreover, while in Italy he was part of the team that made Prysmian's IPO and that defined the new group´s reporting model. He was previously assigned as Prysmian Group's CFO for the LatAm region.

While in charge, Marcelo's duties comprised the company's accounting and treasury sections, financial planning, tax operations, as well as business support.

03

REPORTS

TO OUR VALUED SHAREHOLDERS,

Oman Cables Industry (SAOG) "Oman Cables" has the pleasure in submitting the report on the performance of the Parent Company and the Group for the year ended 31 December 2024.

Parent Company "Oman Cables"

The Group

Oman Cables and its two fully owned subsidiaries:

Associated Cables Private Ltd in India "ACPL".

Oman Aluminum Processing Industries SPC "OAPIL" in Sohar

3.1

BOARD OF DIRECTORS REPORT

The following are the Board of Directors of the Company:

Cinzia Farisè
Chairman

Mohamed Al Lawati
Vice Chairman

Laura Figini
Director

Yasser Al Rashdi
Director

Shabib Al-Busaidi
Director

Ian F. Prescott
Director

Fabrizio Rutschmann
Director

The Board and its committees conducted various meetings and directed the company operations

SUSTAINABLE GROWTH

Our Group is oriented towards sustainable growth, prioritizing the safety and wellbeing of our employees. Our commitment to a secure, healthy and safe work environment underpins our success and drives our innovation.

We aim to assure innovative energy through a responsible production, pursuing economic, environmental and social sustainability for all our stakeholders. Our Group is dedicated to sustainable growth, with a strong focus on environmental stewardship and the safety and wellbeing of our employees.

OPERATIONAL REVIEW

In addition to improved profitability, the Company remains committed to sustainability, with climate, social, and innovation goals as the core drivers of its strategy and vision.

These elements are integral to the corporate culture and business operations at all levels. The Company's profitability was further bolstered by prudent management of financial income and expenses, diversification into a broader range of high-value products, services, and solutions, and an expanded presence in international export markets.

Beyond being a cable producer, the Company leverages its leadership position as a technological enabler of the energy transition. It aims to anticipate customer needs by strengthening supplier engagement and focusing on continuous innovation. The Company utilizes its technological and industrial leadership to amplify its positive impact on the community.

SALES

Sales revenues of the Parent Company for 2024 are RO 200,990,803 as compared to RO 183,646,689 in 2023.

The sales of the Group were RO 268,782,636 compared to RO 248,164,991 in 2023.

PROFITABILITY

The Net Profit of the Parent Company for the year 2024 was RO 16,123,680 as compared to RO 13,461,087 in 2023. The increase in profitability is mainly due to product development, differentiation efforts both in the offered mix and geographical expansion, cost control and financial discipline.

The Net Profit of the Group in 2024 was RO 22,622,186 compared to RO 18,929,058 in 2023.

Two Subsidiaries:

Oman Aluminium Processing Industries SPC (OAPIL) | (FULLY OWNED SUBSIDIARY)

Associated Cables Private Limited (ACPL) | (FULLY OWNED SUBSIDIARY)

SUBSIDIARY

OMAN ALUMINIUM PROCESSING INDUSTRIES SPC (OAPIL)

(FULLY OWNED SUBSIDIARY)

During 2024, OAPIL continued to perform very well, both in terms of mix and profitability, OAPIL maintained its trajectory of increased profitability. This achievement is the result of a focus in the cost savings, an expanded market presence, and advantageous market dynamics. Additionally, the company's steadfast focus on managing fixed costs, optimizing financial income and expenditures, improving procurement efficiency, and exercising stringent control over working capital has significantly reinforced its financial performance.

SUBSIDIARY

ASSOCIATED CABLES PRIVATE LIMITED, INDIA "ACPL"

(FULLY OWNED SUBSIDIARY)

During 2024, ACPL's outcomes were marginally influenced by some additional cost compared with the same corresponding period in 2023. ACPL's ongoing strategy continues to be concentrated on diversifying and expanding into new market areas. Concurrently, with the support of the Group, the company remains focused on enhancing its operational efficiencies and cost-effective design measures to improve its competitive advantage.

OUR PEOPLE

We are a "People company," with our employees being the Group's most valuable assets, playing a crucial role in our ongoing sustainable development.

Our success is built on the continuous enhancement of our employees' skills and knowledge.

We invest heavily in people development, training, and talent-building programs, while also promoting diversity, inclusion, equity, and respect for human rights.

SAFETY AND WELL-BEING OF OUR PEOPLE

Our Group remains steadfast in prioritizing occupational health and safety. Oman Cables is dedicated to executing initiatives such as "Zero & Beyond" (aimed at eliminating all accidents, defects, and waste from our processes) and "6S" (a system designed to enhance productivity and safety in the workspace by adhering to the principles of sort, set in order, shine, standardize, sustain, and safety).

These initiatives focus on daily prevention to protect the health and safety of our people and to enhance safety awareness, which are essential for the continuity and success of our sustainable business.

The Lost Time Injury Frequency rate (LTI) is continuously monitored for the benefit of both our employees and the Company.

CORPORATE GOVERNANCE

The Company upholds high standards of Corporate Governance. The Board is supported by three committees: the Audit Committee, the Strategic Committee, and the Nomination and Remuneration Committee.

To assist management in daily operations, the Company has established internal systems and manuals, which are regularly reviewed and updated to comply with statutory requirements and align with organizational goals, ensuring transparency in all transactions.

The Company communicates with stakeholders and the public by regularly publishing its quarterly and annual results in the media, on the MSX website, and on the Company's website.

CORPORATE SOCIAL RESPONSIBILITY

Corporate Social Responsibility (CSR) refers to our Company's commitment towards our Community and its environment, as part of our social ambition driven by sustainability.

Social responsibility means for Oman Cables giving back to our Community, to our Stakeholders and to the Planet just as they give to us. It is intrinsic part of our commitment to enact a positive change for a better world.

Our CSR starts from the management approach which integrate financial, social and environmental responsibility at the core of our business operations and interactions with all our stakeholders.

In 2024 and in continuation to the previous years, the Company is planning to continue to operate covering several initiatives addressing four (4) chapters: Our People, Our Community, Our Innovation and the Ecosystem.

OUTLOOK

On a global scale, amidst the geoeconomic fragmentation of 2024, the Gulf region is well-positioned to navigate a decelerating global economy, with anticipated growth in the GCC region. However, there are potential risks, such as disruptions in trade flows that could lead to raw material inflation.

The region has the opportunity to accelerate investments in greener energy sources, potentially increasing renewable energy generation capacity through various projects, including onshore wind, solar, and green hydrogen, which support energy transition and decarbonization goals.

The Group remains focused on penetrating existing markets and streamlining operations to continue delivering value to stakeholders.

The management is committed to addressing the dynamic and competitive cable market by expanding the product portfolio with high value-added cables to differentiate its offerings. Operational excellence is crucial to the Group's success. A strong focus on sustainability is a priority, aiming to connect the sultanate and the region to a sustainable future by facilitating the transition to green energy.

DIVIDEND

Considering the guidelines issued by the Financial Services Authority, the liquidity requirements for the operational needs and the uninterrupted record of declaration of dividend, the Board proposes distributing a cash dividend to the shareholders.

Taking into account the financial performance of the Group, the Board recommends to distribute dividend equal to (91.5) baiza per share amounting to RO 8,207,550, to the shareholders registered as on the date of Annual General Meeting.

DIRECTORS REMUNERATION

The Board of Directors recommends to the shareholders at the Annual General Meeting to approve the total Directors' remuneration of RO 200,000 to be paid to the Board of Directors, in addition to the sitting fees for the year 2024. In recognition and appreciation of their efforts towards their responsibilities and for their continuous inputs, guidance and support to the management. It may be noted that the non-independent board members, that are Prysmian employees, have waived their portion of remuneration for 2024 and kept the money for the Company to use.

CONCLUSION

Our special thanks go to all our employees and to the management for their consistent hard work and wholehearted commitment to the Company, they are fundamental to our success.

We acknowledge with thanks to our local and global customers, business associates, the finance community, local communities and all other stakeholders for their continued support to the Company.

We wish the best for our beloved Oman to further develop under the leadership of His Majesty Sultan Haitham bin Tariq bin Taimur in good health and longevity.

CINZIA FARISÈ
Chairman | Oman Cables Industry (SAOG)
29 January 2025

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CORPORATE GOVERNANCE REPORT

COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

Oman Cables Industry SAOG (OCI) (The Company) is committed to adhere to the highest standards of Corporate Governance. OCI believes that the process of Corporate Governance enables it to control and direct the operations making it more efficient. Implementation of the Code of Corporate Governance protects all stakeholders of the company.

OCI's Corporate Governance Structure is based on the Code of Corporate Governance issued by Financial Services Authority (FSA).

The Directors and management of OCI adapts the following main pillars:

Transparency regarding sharing of information with stakeholders	Accountability towards stakeholders	Fairness in dealing with all Stakeholders
Responsibility to perform the duties with honesty and integrity	Acting with prudence, care & diligence	Placing the Company and community interests ahead of personal Interests

The Company's has applied the above principles through a combination of measures like:

- Instituting Internal Regulations and Operating Procedures - through the Human Resource Manual, Operations Manual for Finance, Sales and Marketing, Procurement and Supply Chain, documented Quality Management System and other policies.
- Monitoring adherence to the Internal Regulations and Operating procedures through frequent internal checks, conducting Internal and external Audit, carrying out regular Quality System, allowing customers to conduct quality and compliance.
- Regular management reviews and structured written reports by Management to the Board.
- Periodical communication with shareholders.
- Adherence to the process of nomination and election of Directors laid down by CMA, thus ensuring that the Board is constituted of skilled Directors to oversee the company operations.
- Ensuring the compliance with relevant laws and regulations.

The Company has set up Audit Committee Charter, Internal Audit Charter, Disclosure and Insider Trading Policy, Strategic Committee Charter, Nomination and Remuneration Committee Charter all duly approved by the Board and which and are all based on the regulations of the Financial Services Authority.

SUSTAINABLE GROWTH

Our Group is dedicated to sustainable growth, with a strong focus on environmental stewardship and the safety and wellbeing of our employees. Our commitment to a secure, healthy, and safe work environment underpins our success and drives our innovation. We strive to ensure innovative energy through responsible production, pursuing economic, environmental, and social sustainability for all our stakeholders.

BOARD OF DIRECTORS

The Board of Directors is elected every three years by the shareholders of the Company at the Annual General Meeting (AGM). The Board was elected for a three-year term in the AGM held on 21 March 2024 and is constituted from seven (7) Directors, having four (4) non-independent Directors and three (3) Independent Directors.

The Board of Directors in its first meeting on 21 March 2024 after the election, has elected Ms. Cinzia Farisè as the Chairman of the Board of Directors and Mr. Mohamed Al Lawati as the Vice Chairman of the Board of Directors, and appointed Mr. Jad Atallah as the Company Secretary.

The Board of Directors also constituted and appointed the members of the Committees, Audit Committee, Nomination and Remuneration Committee and the Strategy Committee. Election of a new board of directors will be held in the AGM in March 2027 for a tenor of three years.
The Board held six meetings during the year; following are the relevant details of the Directors and meetings attendance during the year 2024.

Name	Designation	Category	No. of Board Meeting Attended	AGM Attended
Cinzia Farisè*	Chairman	Non-Executive Non-Independent	5	-
Fabio Romeo**	Chairman	Non-Executive Non-Independent	1	Yes
Mohamed Al Lawati	Vice Chairman	Non-Executive Non-Independent	6	Yes
Manal Al Ghazali***	Director	Non-Executive Independent	1	No
Shabib Al Busaidi**	Director	Non-Executive Independent	5	-
Christian Raskin*	Director	Non-Executive Independent	1	Yes
Ian F Prescott**	Director	Non-Executive Independent	5	-
Fabrizio Rutschmann	Director	Non-Executive Non-Independent	6	Yes
Laura Figini	Director	Non-Executive Non-Independent	6	Yes
Yasser Al Rashdi	Director	Non-Executive Independent	6	Yes

***a Board Member and Chairman from 21 March 2024**
****a Board Member till 21 March 2024**

The Board of Directors has received during the year a program focusing on the perspectives of Oman Economy. An induction also was made to the Board of Directors internally by several departments of OCI along with a training program done by a third party focusing on the GCC outlook and on Sustainability and ESG.

During the year 2024, the Board of Directors appointed an independent third party to evaluate and measure the performance of the committees formed by the Board of Directors (the Audit Committee, the Nominations and Remuneration Committee, and the Strategy Committee) in order to enhance the work of these committees and improve their performance in a way that reflects the optimal application of the principles of corporate governance issued by the Financial Services Authority.

The Company is applying the definition of independent directors as per the Code of Corporate Governance for Publicly Listed Companies announced by the Financial Services Authority. The table above shows the changes took place in the Board of directors during 2024.

THE BOARD OF DIRECTORS ALSO HOLD THE FOLLOWING POSITIONS IN OTHER COMPANIES / ORGANIZATIONS:

Name of Director	Designation in other Companies | Name of Company
Cinzia Farisè Chairman	- Advisory Board Member at Sultan Qaboos University College of Engineering - Executive Vice President Power Grids Prysmian, Global Executive with Strategic Responsibilities - Board Member at Prysmian Cables & Systems Limited, UK - Board Member at Prysmian Investment Company Ltd, China - Board Member at Prysmian Australia Pty Limited, Australia - Board Member at Prysmian New Zealand Limited, New Zealand - Board Member INIZIATIVE BRESCIANE SPA - Italy - Board Member at the Global Alliance for Sustainable Energy CIIM EURASIAMED (NON-PROFIT) -Turkey. - President of the Scientific Committee at the World Confederation of Italian Entrepreneurs - Istanbul, Turkey - OPERAZIONE VIVERE (NON-PROFIT) - Italy - Founder and Board Member Doorways Srl - Partner
Mohamed Al Lawati Vice Chairman	- Chief Executive Officer, Al-Saleh Group - Director, Al-Saleh Mauritius - Director, ASE India Pvt. Ltd.
Shabib Al Busaidi Director	- Director, Al Batinah Power - Acting Deputy CEO for Social Protection Affairs at the Social Protection Fund
Ian F. Prescott Director	- Chief Executive Officer/Director Lamprell Energy Limited, UAE - Manager - Lamprell Energy, Abu Dhabi - Manager - Maritime Industrial Services Co Ltd., Dubai - Manager - Maritime Industrial Services Company Ltd., Abu Dhabi - Non-Executive Director Industrial Maritime Industries KSA - Director - Lamprell Energy Limited, Isle of Man - Director - Maritime Offshore Limited (MOL), Isle of Man - Director - Maritime Offshore Construction Ltd (MOCL), Isle of Man - Director - Cleopatra Barges Limited, British Virgin Islands - Director - Lamprell Saudi Arabia LLC, KSA - Director - Lamprell Investment Holdings Limited, British Virgin Islands - Director - Maurlis International Ltd Inc, Panama - Director - AiFlux Limited, UAE (under Liquidation) - General Manager - Rig Metals (LLC), UAE - Shareholder Representative - Lamprell India Private Limited, India
Fabrizio Rutschmann Director	- Chief People & Corporate Services Officer, Snam Group - Italy
Laura Figini Director	- Group Labour Cost, Workforce Planning and People Analytics Director at Prysmian
Yasser AL Rashdi Director	- Group Finance Director of ITHCA group

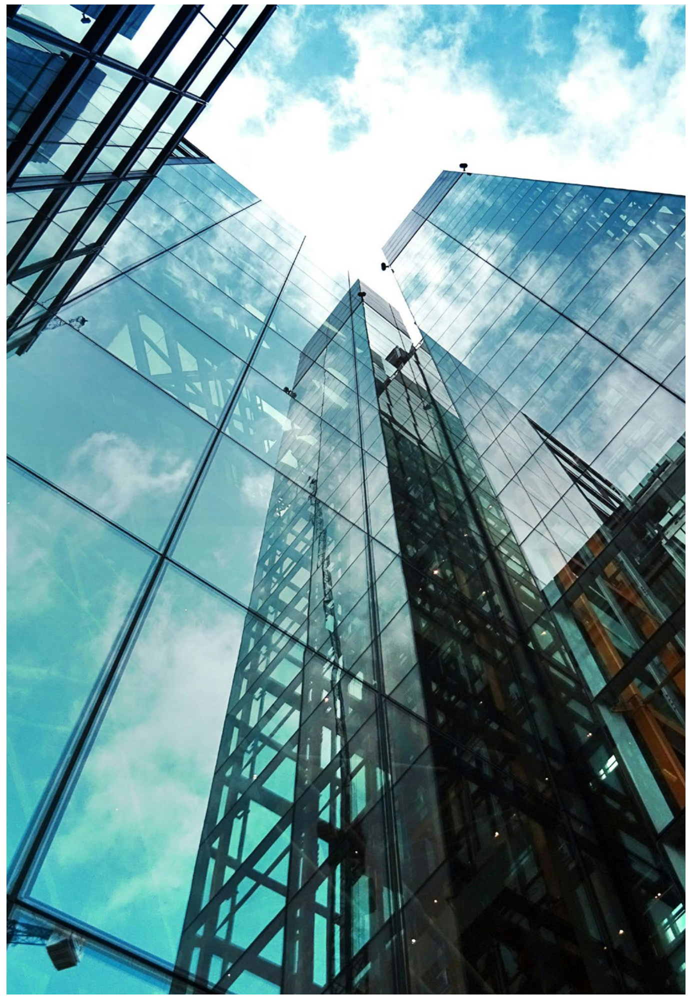
BOARD MEETINGS HELD DURING THE YEAR

During the year 2024, the company held six Board Meetings on the following dates:

25/1/2024, 21/3/2024, 30/4/2024, 23/7/2024, 22/10/2024 and 16/12/2024.

The Board took a set of resolutions related to the company's business. The meetings were conducted in-person or over video conference. The meetings were coordinated by the Company Secretary who was appointed as required by the applicable rules and regulations. The meetings were conducted with an agenda and proceedings were minuted.

Management reports were reviewed during the meeting. All related issues were also discussed regarding the operations of the company.



COMMITTEES OF THE BOARD OF DIRECTORS

During the year, there were three committees of the Board which provided able support to the Board for carrying out its responsibilities. The Board of Directors has constituted the Committees in its meeting held on 21 March 2024 after the election of the new Board of Directors in the AGM held on the same day 21 March 2024.

The three committees and their main responsibilities are as follows:

AUDIT COMMITTEE

In line with the regulations issued by the Financial Services Authority, the Company has formed an Audit Committee. The Audit Committee approves the audit plan for the year, reviews the report of Auditors, issues guidance to management and oversees that operating management is adhering to company policies.

The Audit Committee is comprised of four members including three Independent Directors constituting the majority of the Committee.

Name	Designation	No. of meetings attended
Yasser Al Rashdi	Chairman - independent	5
Manal Al Ghazali*	Chairman - independent	1
Christian Raskin*	Member - independent	1
Shabib Al Busaidi**	Member - independent	4
Ian F Prescott**	Member - independent	4
Laura Figini	Member - non-independent	5

*Member till 21 March 2024

**Member from 21 March 2024

During the year 2024, Audit Committee conducted five meetings on the following dates: 24/1/2024, 30/4/2024, 22/7/2024, 21/10/2024 and 19/12/2024.

The Committee carry out its functions in accordance with the policy approved by the Board in line with the resolutions issued by the Financial Services Authority. The Committee has reviewed the internal audit reports, risk management report and new ERP system during the period.

The Committee issued necessary guidance to the executive management. The Audit Committee reviewed the quarterly accounts before the same was put up to the Board of Directors for approval. In accordance with the functions assigned to the Committee, its charter, the rules and regulations issued by FSA in this regard.

Mrs. Rania Al Mazrouai, Head of Internal Audit and Compliance appointed as the Secretary of the Audit Committee.

STRATEGIC COMMITTEE

The Board has constituted "Strategic Committee" to develop and oversight the company's strategic plan and to maintain a cooperative, interactive strategic planning process with management, including the identification and setting of strategic goals and expectations.

The Strategic Committee comprised of four members from the Board of Directors. The following are the members of the Strategic Committee:

Name	Designation	No. of meetings attended
Mohamed Al Lawati	Chairman	4
Fabrizio Rutschmann	Member	4
Fabio Romeo*	Member	1
Cinzia Farisè**	Member	3
Ian F Prescott**	Member	3

*Member till 21 March 2024

**Member from 21 March 2024

During the year 2024, Strategic Committee conducted four meetings on the following dates: 24/1/2024, 29/4/2024, 22/7/2024 and 21/10/2024.

The Committee reviewed market studies on different market segments and new markets as presented by the management. The Committee discussed strategic plans for the company. Mr. Jad Atallah, Company Secretary appointed as the Secretary of the Committee.

NOMINATION AND REMUNERATION COMMITTEE

The Board constituted "Nomination and Remuneration Committee" (Remco) to assist and advise the Board on matters relating to the remuneration of the Board, and the performance and remuneration of Executive management and Chief Executive Officer along with assisting on nomination of Directors and senior executive management.

The Nomination and Remuneration Committee comprised of four board members. The following Directors are the members of the Nomination and Remuneration Committee:

Name	Designation	No. of meetings attended
Shabib Al Busaidi**	Chairman	3
Christian Raskin*	Chairman	1
Mohamed Al Lawati	Member	4
Fabrizio Rutschmann	Member	4
Laura Figini	Member	4

*Member till 21 March 2024

**Member from 21 March 2024

During the year 2024, the Nomination and Remuneration Committee conducted four meetings on the following dates: 23-Jan-2024, 29-Apr-2024, 22-Jul-2024 and 21-Oct-2024.

Mr. Giancarlo Esposito, Chief Strategy Officer is the Secretary of the Committee.

EVALUATING THE PERFORMANCE OF THE COMMITTEES FORMED BY THE BOARD OF DIRECTORS

In accordance with the third principle of the Corporate Governance Law for Public Joint Stock Companies issued by the Financial Services Authority, the Board of Directors appointed in 2024 an independent evaluator to measure the performance of the subcommittees of the Board of Directors (the Audit Committee, the Nomination and Remuneration Committee and the Strategy Committee).

The primary objective of this measurement is to evaluate committee performance to ensure committee members' effectiveness and efficiency with the regulations and policies adapted by the Company and to suggest improvement opportunities to enhance committee effectiveness and efficiency. The evaluator completed the evaluation process and submitted its report to the Board of Directors.

PROCESS OF NOMINATION OF THE DIRECTORS

The Company follows the Commercial Companies Law, Code of Corporate Governance and the guidelines issued by FSA in this regard. The Company has a succession planning guideline to support the Nomination and Remuneration Committee and the Board of Directors to have a nomination process based on diversity and inclusion, appropriate skills and experiences.

REMUNERATION MATTERS

Director's remuneration

The remuneration of Board of Directors is approved by the shareholders in the annual general meeting. The company's annual general assembly held on 21 March 2024 approved the proposal of the Board of Directors to pay an amount of (132,800) Omani Rials as remunerations for the financial year ended on 31/12/2023.

Two directors (Fabrizio Rutschmann and Laura Figini) forego their share of the year 2023 remuneration payable to them amounting to RO 57,942

The Board proposes to the shareholders in the Annual General Meeting scheduled to be held on 27 March 2025 to approve the disbursement of an amount of RO 200,000 (2023: RO 132,800) as a remuneration to the Company's Board of Directors for the financial year ended on 31 December 2024 plus the sitting fees against the attendance of the Board of Directors and Committees Meetings during 2024.

The Directors have no other pecuniary relationship or transaction with the company. The total remuneration paid/accrued to the Board of Directors in 2024, is as per the limit prescribed by the Regulation for Public Joint Stock Companies issued by Financial Services Authority on 25 February 2021, and in line with Code of Corporate Governance issued by Financial Services Authority.

Sitting fees and proposed Board of Directors Remuneration for financial year ended on 31 Dec 2024

Director	Sitting fees	Remuneration	Total
Cinzia Farisè**	5,000	27,132	32,132
Mohmad Al Lawati	8,900	27,796	36,696
Shabib Al Busaidi**	7,000	21,704	28,704
Ian F Prescott**	7,000	21,704	28,704
Fabrizio Rutschmann	8,900	27,796	36,696
Laura Figini	9,400	27,796	37,196
Yasser Al Rashdi	7,900	27,796	35,696
Fabio Romeo*	1,900	6,092	7,992
Manal Al Ghazali*	1,200	6,092	7,292
Cristian Raskin*	2,400	6,092	8,492
TOTAL	**59,600**	**200,000**	**259,600**

***Member till 21 March 2024**

****Member from 21 March 2024**

OPERATING MANAGEMENT REMUNERATION

Salary and perquisites

Salary and perquisites of the five top senior officers paid / accrued during the year 2024 is RO 1,048,042. This includes RO 873,950 as fixed component and RO 174,092 which is linked to the performance and part of a long-term share incentive program based on three years targets. The severance notice period of all senior employees ranges from one to three months, with end of service benefits payable as per Omani Labor Law.

Employment Contract

The Company enters into a formal contract of employment with each employee and such contracts are in line with the regulation of Ministry of Labor and Omani Labor Law.

Details of non-compliance by the Company

No fines were imposed by the Financial Services Authority (FSA) or Muscat Stock Exchange (MSX) during the last three financial years.

Means of Communication with Shareholders and Investors

As required by Financial Services Authority, the Company publishes its quarterly, half yearly, three quarterly and yearly financial results in two local newspapers. The financial results are also uploaded on the website of Muscat Stock Exchange and on the company's website www.omancables.com.
The company has appropriate disclosure policy and adequate procedures are in place to ensure implementation and monitoring of compliance of the policy.
Regarding the Annual audited accounts, after the Annual General Meeting's approval, such financial statements are published in two local newspapers. This information is also posted on the Company's website.

All relevant major events impacting the company are conveyed to Muscat Stock Exchange. The Annual Report contains a separate Management Discussion and Analysis report.

Meeting held with the Investors and Analysts

During the year 2024, the company held two interactive and direct meetings with investors and analysts, a public invitation was sent to via Muscat Stock Exchange inviting investors and media to attend and participate in the meeting.

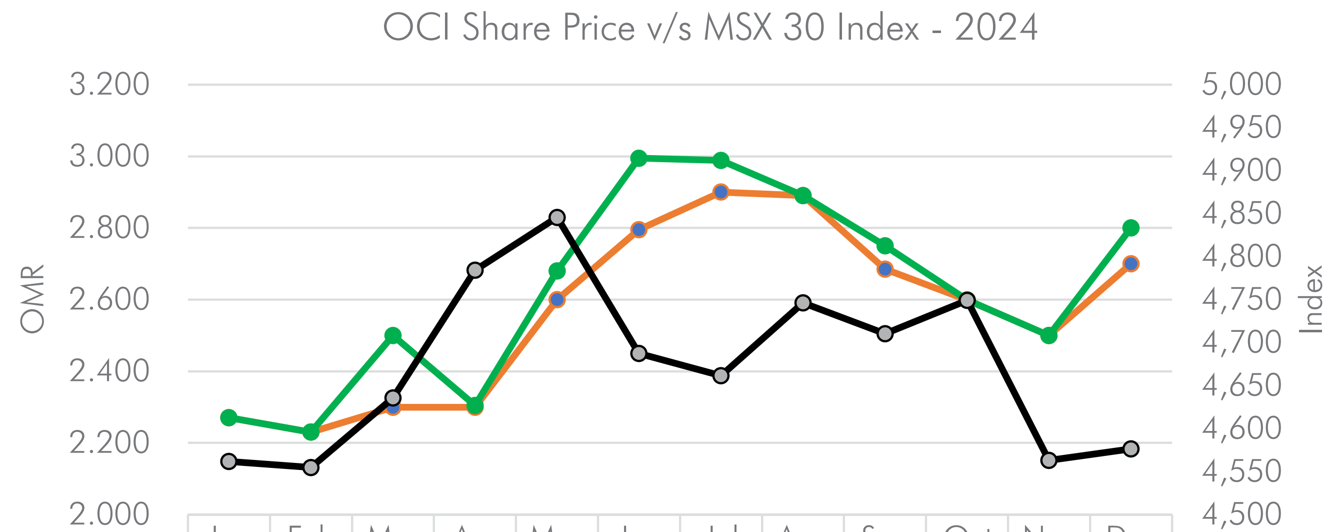
The first meeting was held on 5 February 2024. During the meeting, the audited financial statements for the year ended on 31 December 2023, the Company's plan and strategy were discussed.

The second meeting was also held with the participation of a group of investors and analysts from inside and outside the Sultanate. The meeting was held on 25 July 2024, during which the company's management discussed the unaudited semi-annual financial statements ending on 30 June 2024 and responded to the participants' questions and inquiries.

After the end of the two meetings, the company sent the recording files to the Muscat Stock Exchange for publication on its website. It also published the recording files on the company's website.

Market price data

During the period 2024 the share price of RO 0.100 face value moved in the range of high of RO 2.995 to a low of RO 2.230. The share price closed as on 31 December 2024 at RO 2.800.



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Low	2.2	2.2	2.3	2.3	2.6	2.7	2.9	2.8	2.6	2.5	2.5	2.7
High	2.2	2.2	2.5	2.3	2.6	2.9	2.9	2.8	2.7	2.5	2.5	2.8
Index	4,56	4,55	4,63	4,78	4,84	4,68	4,66	4,74	4,71	4,74	4,56	4,57

The distribution of Major Shareholding as on 31 December 2024 is as follows (5% or more):

	2024		2023	
	No of shares held	%	**No of shares held**	%
Draka Holding BV	45,899,610	51.17	45,899,610	51.17
Muhamad Mustafa Mukhtar Al Lawati	16,145,362	17.99	15,419,951	17.19
Social Protection Fund	5,841,419	6.51	5,394,117	6.01

The Company does not have any ADR/GDR/Warrants or any other Convertible Instruments, as on 31 December 2024 and hence the likely impact on equity is Nil.

Areas of non-compliance of the provisions of Corporate Governance

There are no areas in which the Company is non- compliant with the provisions of Code of Corporate Governance.

PROFILE OF STATUTORY AUDITORS - 2024

PwC is a network of firms with more than 370,393 people operating from 149 countries in 656 cities across the globe, making us the largest professional services provider in the world. We are committed to delivering quality services in Assurance, Tax and Advisory (which includes our Consulting, Deals and Strategy& practices) and Internal Firm Services. In doing so we help to build trust in society, enable our clients to make the most of opportunities and solve important business problems.

PwC has operated in the Middle East region for more than 40 years. Collectively, our Middle East network employs in the region of almost 12,000 people including over 499 partners and 766 directors working from 30 offices (in 22 locations) across 12 countries: Bahrain, Egypt, Iraq, Jordan, Kuwait, Lebanon, Libya, Oman, the Palestinian territories, Qatar, Saudi Arabia and the United Arab Emirates and 41% of our Middle East workforce is female.We are one of the fastest growing PwC member firms worldwide and the largest professional services firm in the Middle East. (www.pwc.com/me).

PwC is strongly committed to Oman where we are recognised as one of the leading providers of quality business advisory services. We have had a local practice in Oman since 1971 and now have 9 partners, 1 of whom is Omani and 5 directors and approximately 144 members of staff operating from our office in Muscat.

PwC refers to the PwC network and/or one or more of its member firms, each of which is a separate legal entity. Please see www.pwc.com/structure for further details.

The audit fees for 2024 amounted to RO 25,700 for the Company and RO 8,250 for its subsidiary Oman Aluminum Processing Industries SPC.

INTERNAL AUDITOR

In order to ensure the compliance with statutory regulations and internal controls, the company has a full-time internal audit unit, to carry on an independent assessment and reports to Audit Committee, in line with applicable rules and regulations.

QUALITY ASSURANCE ON AUDIT DEPARTMENT

The Internal Audit Department ("IAD") was externally assessed during the year by Insight for Financial, Business and Information Technology Consulting and Services LLC (Protiviti).

The principal objectives of the quality assurance were to assess IAD activity's conformance to The IIA's mandatory guidance of the International Professional Practices Framework ("IPPF"), evaluate the IAD activity's effectiveness in carrying out its mission and compliance with the CMA regulations. The overall opinion of the assessor was General Conformance on a scale of "generally conforms", "partially conforms," and "does not conform".

The external assessors rating of "Generally Conforms" is the top rating and means that an internal audit activity has a charter, policies, and processes that are judged to be in conformance with the Standards in all material aspects. The review report was presented to AC and Board of Directors.

BOARD OF DIRECTORS ACKNOWLEDGE THAT

The company has all its systems and procedures formally documented and in place. The company has "Internal Regulations" separately compiled, reviewed and approved as per regulatory requirements and complied with.

The company has internal control system, efficient and adequate, reviewed by the Board of Directors.

The Board of Directors introduced and complies with the Guidelines on Information Security Policy issued by Financial Services Authority.

The Board of Directors ensures that the financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) and the requirements of the Commercial Companies Law of the Sultanate of Oman and the rules for disclosure requirements prescribed by the Financial Services Authority.

There are no material events affecting the continuation of the Company and its ability to continue its operations during the next financial year.

CINZIA FARISÈ
Chairman | Oman Cables
Industry (SAOG)

3.3

MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT

INTRODUCTION

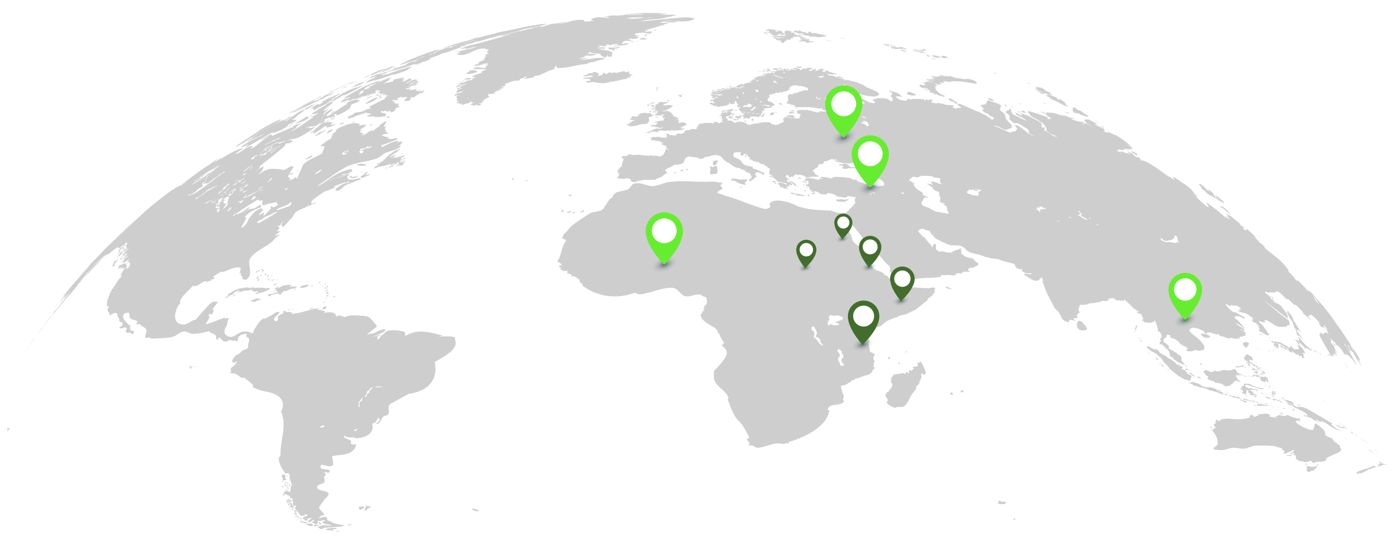
Oman Cables Industry (SAOG), a public joint stock company listed on Muscat Stock Exchange (MSX), is a leading cable manufacturer based in the Sultanate of Oman that develops, manufactures, and markets a wide range of electrical products, which include medium voltage power cables, low voltage power & control cables, instrumentation cables, pilot cables, overhead power transmission line conductors and building wires.

In addition, Oman Cables Industry provides not only cables but a complete solution, like control system, Homero and Alisea. With the strategical and technological partner and the majority shareholder Prysmian - a truly global worldwide group leader in the cable industry - Oman Cables ranks within the Top Global Wire and Cable Producers.

In
1984
Originally Established

Oman Cables Industry has offices located in Oman, UAE, Qatar, Bahrain and KSA.

The company also enjoys an extensive network of distributors and agents throughout the Middle East, Africa, Turkey, Russia& India (MEART) region.



ACCELERATING THE ENERGY TRANSITION

The Company has developed strategies to support the acceleration of the Sultanate's transition towards sustainable and green energy. At the core of Oman Cables, sustainability is integral to business operations across the entire organization.

Oman Cables ensures the sustainability of its production processes through efficient and effective energy management, investing in renewable energy resources, utilizing recycled raw materials and low-carbon products, managing waste effectively, and enhancing circularity.

The Company's innovative and sustainable products are pivotal in supporting the energy transition. This transition is closely linked to the ability to transmit and dispatch energy from production sites to consumption areas. Developing reliable and capable grid infrastructure for power transmission and distribution is essential for integrating renewables. Through its production, Oman Cables is a key enabler of this transition towards a decarbonized future energy system.

Oman Cables continues to build on the legacy of Prysmian by implementing the environmental, social, technology and governance pillars in its ESG strategy. Sustainability in Oman Cables is governed by a Sustainability Steering Committee that ensures that commitment to sustainability remains central to all operations. Oman Cables is actively investing in short, medium, and long-term initiatives to ensure compliance and consistency in achieving sustainability targets, contributing effectively to its the Sultanate's Oman Vision 2040 and 2050 net-zero decarbonization plan, as a key driver.

Oman Cables is committed to creating long-term value, exemplified by the establishment of the Global Sustainability Academy in Muscat, standing as the most inclusive tool to enhance knowledge in sustainability, empowering stakeholders with comprehensive insights and fostering a culture of environmental responsibility.

OPPORTUNITIES AND THREATS

In the GCC markets where OCI operates, cable supply is primarily driven by large projects, which are closely linked to oil prices and government revenues. These markets, characterized by favorable demographics and a growing population, present long-term opportunities for the cable industry, alongside the ongoing energy transition. With oil prices at their current levels, the GCC region is well-positioned to navigate GDP growth effectively. Additionally, the non-oil sector is expected to remain a key driver of the region's economy, supported by numerous construction projects, along with the energy transition projects acceleration.

SEGMENTATION AND DIFFERENTIATION

The cable market is highly competitive, and the Company is implementing a clear strategy focused on segmentation and differentiation. Oman Cables, in partnership with Prysmian Group, aims to leverage mutually beneficial synergies and capitalize on each other's strengths to maintain a successful commercial strategy both regionally and globally.

Oman Cables' approach of serving diverse markets with a wide range of products catering to various customer segments continues to be effective.

In 2024, Oman Cables performed well across all geographical segments and product categories, with the Renewables sector being the standout performer.

The primary focus for 2024 was on profitability, which was successfully achieved with an increased contribution margin, rising from 13.9% in 2023 to 14.2 in 2024. The main goals towards profitability included design-to-cost strategies and passing unavoidable cost increases onto the market.

OUTLOOK

With the ongoing geopolitical situation and recent disruptions in the Red Sea pose global risks to supply chains and trade flows, affecting the availability and transit times of containers, and causing price surges in commodities and goods. Although Oman and the GCC have not been significantly impacted by this crisis yet, the future developments and their effects on the global economy remain uncertain.

On the other hand, the domestic market is expected to remain stable according to the economic outlook. Oman Cables will stay vigilant, continue to manage risks through its well-established Enterprise Risk Management (ERM) function, and prioritize supplying superior, innovative, and green products at competitive prices.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The company has robust internal control systems and operating procedures in place. Operations are audited by a professional internal audit team, external statutory financial auditors, and ISO auditors. Additionally, OCI undergoes routine audits by multinational corporations as part of their stringent pre-qualification processes and product approvals.

These audits encompass compliance with operational activities and Health, Safety, and Environmental (HSE) standards. Oman Cables Industry is guided by strong Corporate Governance, adhering to strict ethical policies and prioritizing customer satisfaction.

SALES AND PROFITABILITY

The operational performance of the Group for the last 5 years is as below

	2020	2021	2022	2023	2024
Sales (RO' 000)	175,370	227,419	258,598	248,165	**268,783**
Profit after Tax (RO' 000)	2,294	5,973	11,173	18,929	**22,622**
Equity (RO' 000)	104,562	108,956	116,970	131,072	**145,735**
Dividend (%)	13%	13%	56%	85%	***91.5%**

* recommended by the Board of Directors

SUSTAINABILITY

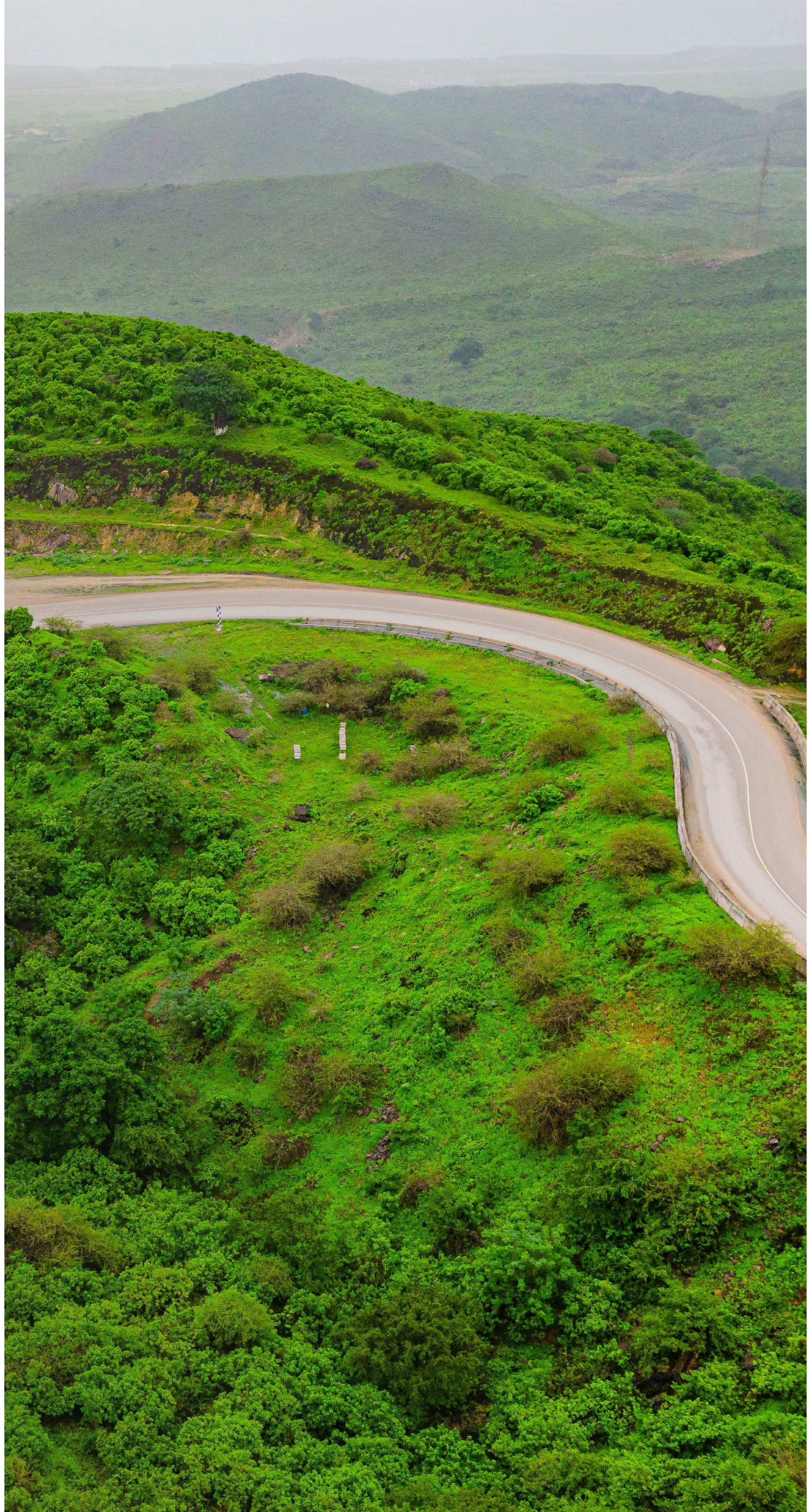
The Company has developed strategies to accelerate the Sultanate's transition towards sustainable and green energy. At the core of Oman Cables, sustainability is integral to business operations across the entire organization.

OCI ensures the sustainability of its production processes through efficient and effective energy management, maximizing the use of renewable energy resources, relying on recycled raw materials and low-carbon products, managing waste effectively, and enhancing circularity.

The Company's innovative and sustainable products are pivotal in supporting the energy transition. This transition is closely linked to the ability to transmit and dispatch energy from production sites to consumption areas. Developing reliable and capable grid infrastructure for power transmission and distribution is essential for integrating renewables. Through its production, OCI is a key enabler of this transition towards a decarbonized future energy system.

Oman Cables continues to build on the legacy of the Prysmian Group by implementing the environmental pillars of its regional ESG plan. The manufacturer's Regional Sustainability Steering Committee ensures that commitment to sustainability remains central to all operations. OCI is actively investing in short, medium, and long-term initiatives to ensure compliance and consistency in achieving science-based targets, aligned with the Sultanate's carbon neutrality vision and 2050 net-zero carbon plan.

OCI is committed to creating long-term value, exemplified by the establishment of the Sustainability Academy in Muscat. This academy provides education on sustainable development to the 29,000 employees of the Prysmian Group, aiming to raise awareness, prepare, and empower the sustainability leaders of tomorrow.



CONCLUSION

In 2024, the Company and the Group consistently increased profitability and net results, driven by the team's strong commitment to customer relationship management, innovation, product development, cost control, and strict financial discipline. This success was achieved with the robust support of all key stakeholders and excellent relationships with our prestigious customer base.

The Company is firmly dedicated to continued growth, with a solid focus on sustainability-driven growth. We are fostering a growth mindset at all levels, integrating product portfolios and sales teams within the region, and developing a value proposition centered on sustainability and innovation. This is supported by a clear investment plan for the three Group entities, numerous growth projects, and a comprehensive ESG plan.

The Executive Management, guided by the Board of Directors, is confident in our ability to continuously improve our market position and enhance stakeholder value. Our commitment to sustainability and innovation will drive our future success, ensuring we remain at the forefront of the industry.

Erkan Aydogdu

Chief Executive Officer
Oman Cables Industry (SAOG)

29 January 2025

04

Financial Statements

4.1

STATEMENTS

OMAN CABLES INDUSTRY SAOG AND ITS SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION AT 31 DECEMBER 2024

	Notes	Group 2024 RO	Parent Company 2024 RO	Group 2023 RO	Parent Company 2023 RO
ASSETS					
Non-current assets					
Property, plant and equipment	5(a)	**21,802,343**	**13,142,605**	21,353,407	13,786,799
Intangible asset	5(b)	**290,639**	**290,639**	341,281	341,281
Right-of-use assets	6 (a)	**3,319,203**	**1,709,999**	3,476,099	1,804,999
Investment in subsidiaries	7	**-**	**7,789,908**	-	7,789,908
Financial assets at amortized cost	8(a)	**1,000,000**	**1,000,000**	1,114,912	1,000,000
Financial assets at fair value through other comprehensive income	8(b)	**84,124**	**84,124**	151,142	151,142
Deferred tax assets	18	**355,334**	**410,120**	104,779	96,870
Total non-current assets		**26,851,643**	**24,427,395**	26,541,620	24,970,999
Current assets					
Inventories	9	**26,277,530**	**22,821,135**	24,500,131	22,355,019
Derivative financial instruments	17	**-**	**-**	600,615	600,615
Trade and other receivables	10	**67,165,376**	**49,469,969**	59,441,903	45,679,359
Short term deposits	11(b)	**49,249,279**	**39,849,050**	32,904,482	27,928,290
Cash and cash equivalents	11(a)	**16,115,214**	**15,390,144**	24,947,365	22,207,221
Total current assets		**158,807,399**	**127,530,298**	142,394,496	118,770,504
Total assets		**185,659,042**	**151,957,693**	168,936,116	143,741,503
EQUITY AND LIABILITIES					
Equity					
Share capital	12	**8,970,000**	**8,970,000**	8,970,000	8,970,000
Share premium	13	**977,500**	**977,500**	977,500	977,500
Legal reserve	14	**4,445,333**	**2,990,000**	4,445,333	2,990,000
General reserve	15	**19,039,702**	**17,886,763**	17,427,334	16,274,395
Retained earnings		**111,609,315**	**94,148,189**	98,223,997	87,261,377
Other reserves	17	**693,952**	**737,022**	1,027,675	1,334,299
Total equity		**145,735,802**	**125,709,474**	131,071,839	117,807,571
Non-current liabilities					
Deferred tax liability	18	**-**	**-**	146,249	-
Lease liabilities	6(b)	**3,536,340**	**1,822,581**	3,600,172	1,892,065
Employees' end of service benefits	19	**1,720,147**	**1,466,231**	1,810,383	1,564,198
Total non-current liabilities		**5,256,487**	**3,288,812**	5,556,804	3,456,263
Current liabilities					
Trade and other payables	20	**27,781,749**	**18,323,656**	28,261,640	19,655,679
Bank borrowings	21	**769,000**	**-**	-	-
Lease liabilities	6(b)	**281,433**	**185,108**	275,498	179,509
Derivative financial instruments	17	**1,251,330**	**1,194,467**	52,729	-
Taxation	18	**4,583,241**	**3,256,176**	3,717,606	2,642,481
Total current liabilities		**34,666,753**	**22,959,407**	32,307,473	22,477,669
Total liabilities		**39,923,240**	**26,248,219**	37,864,277	25,933,932
Total equity and liabilities		**185,659,042**	**151,957,693**	168,936,116	143,741,503
Net assets per share		**1.625**	**1.401**	1.461	1.313

The financial statements were authorised to issue in accordance with a resolution of the Board of Directors on 29 January 2025.

Chairman

Chief Executive Officer

STATEMENT OF INCOME FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	Group 2024 RO	Parent Company 2024 RO	Group 2023 RO	Parent Company 2023 RO
Revenue	22	**268,782,636**	**200,990,803**	248,164,991	183,646,689
Cost of sales	23	**(231,613,996)**	**(174,686,084)**	(215,812,053)	(160,733,042)
Gross profit		**37,168,640**	**26,304,719**	32,352,938	22,913,647
Other income	24	**506,034**	**477,656**	883,388	768,923
Administrative expenses	25	**(6,676,347)**	**(5,225,026)**	(6,449,869)	(5,374,767)
Selling and distribution expenses	26	**(6,768,426)**	**(4,527,370)**	(5,700,498)	(3,785,811)
Net allowances for expected credit losses (Note 10 &11)		**18,726**	**18,726**	70,647	70,647
Operating profit		**24,248,627**	**17,048,705**	21,156,606	14,592,639
Finance costs	27	**(242,850)**	**(108,789)**	(262,457)	(112,268)
Finance income	27	**3,011,652**	**2,392,915**	1,565,211	1,455,728
Profit before income tax		**27,017,429**	**19,332,831**	22,459,360	15,936,099
Income tax expense	18	**(4,395,243)**	**(3,209,151)**	(3,530,302)	(2,475,012)
Profit for the year		**22,622,186**	**16,123,680**	18,929,058	13,461,087
Basic and diluted earnings per share attributable to ordinary equity holders of the parent company	28	**0.252**	**0.180**	0.211	0.150

	Group 2024 RO	Parent Company 2024 RO	Group 2023 RO	Parent Company 2023 RO
Profit for the year	**22,622,186**	**16,123,680**	18,929,058	13,461,087
Other comprehensive income				
Items that may be reclassified subsequently to statement of income or loss, net of tax:				
Net movement in hedging reserve, net of tax [Note 17(a)]	**(1,529,461)**	**(1,525,946)**	(719,168)	(753,655)
Net movement in foreign currency translation reserve, net of tax [Note 17 (c)]	**(22,460)**	**-**	(11,649)	-
Other comprehensive (loss) for the year	**(1,551,921)**	**(1,525,946)**	(730,817)	(753,655)
Total comprehensive income for the year	**21,070,265**	**14,597,734**	18,198,241	12,707,432

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2024

Group	Share capital RO	Share premium RO	Legal reserve RO	General reserve RO	Retained earnings RO	Other Reserves RO	Equity attributable to equity holders of the parent RO
	Attributable to the equity holders of the Parent Company						
Balance at 1 January 2023	8,970,000	977,500	4,445,333	16,081,225	85,664,248	831,584	116,969,890
Profit for the year	-	-	-	-	18,929,058	-	18,929,058
Other comprehensive (loss) / income	-	-	-	-	-	(730,817)	(730,817)
Total comprehensive income	-	-	-	-	18,929,058	(730,817)	18,198,241
Dividend for the year 2022 (Note 16)	-	-	-	-	(5,023,200)	-	(5,023,200)
Share based compensation reserve (Note 17 (b))	-	-	-	-	-	926,908	926,908
Transfer to general reserve (Note 15)	-	-	-	1,346,109	(1,346,109)	-	-
Balance at 31 December 2023	8,970,000	977,500	4,445,333	17,427,334	98,223,997	1,027,675	131,071,839
Balance at 1 January 2024	**8,970,000**	**977,500**	**4,445,333**	**17,427,334**	**98,223,997**	**1,027,675**	**131,071,839**
Profit for the year	**-**	**-**	**-**	**-**	**22,622,186**		**22,622,186**
Other comprehensive (loss) / income	**-**	**-**	**-**	**-**	**-**	**(1,551,921)**	**(1,551,921)**
Total comprehensive income	**-**	**-**	**-**	**-**	**22,622,186**	**(1,551,921)**	**21,070,265**
Dividend for the year 2023 (Note 16)	**-**	**-**	**-**	**-**	**(7,624,500)**	**-**	**(7,624,500)**
Share based compensation reserve (Note 17 (b))	**-**	**-**	**-**	**-**	**-**	**1,218,198**	**1,218,198**
Transfer to general reserve (Note 15)	**-**	**-**	**-**	**1,612,368**	**(1,612,368)**	**-**	**-**
Balance at 31 December 2024	**8,970,000**	**977,500**	**4,445,333**	**19,039,702**	**111,609,315**	**693,952**	**145,735,802**

Parent Company	Share capital RO	Share premium RO	Legal reserve RO	General reserve RO	Retained earnings RO	Other Reserves RO	Total RO
Balance at 1 January 2023	**8,970,000**	**977,500**	**2,990,000**	**14,928,286**	**80,169,599**	**1,263,794**	**109,299,179**
Profit for the year	-	-	-	-	13,461,087	-	13,461,087
Other comprehensive loss	-	-	-	-	-	(753,655)	(753,655)
Total comprehensive income	-	-	-	-	13,461,087	(753,655)	12,707,432
Dividend for the year 2022 (Note 16)	-	-	-	-	(5,023,200)	-	(5,023,200)
Share based compensation reserve (Note 17 (b))	-	-	-	-	-	824,160	824,160
Transfer to general reserve (Note 15)	-	-	-	1,346,109	(1,346,109)	-	-
Balance at 31 December 2023	8,970,000	977,500	2,990,000	16,274,395	87,261,377	1,334,299	117,807,571
Balance at 1 January 2024	**8,970,000**	**977,500**	**2,990,000**	**16,274,395**	**87,261,377**	**1,334,299**	**117,807,571**
Profit for the year	**-**	**-**	**-**	**-**	**16,123,680**	**-**	**16,123,680**
Other comprehensive income	**-**	**-**	**-**	**-**	**-**	**(1,525,946)**	**(1,525,946)**
Total comprehensive income	**-**	**-**	**-**	**-**	**16,123,680**	**(1,525,946)**	**14,597,734**
Dividend for the year 2023 (Note 16)	**-**	**-**	**-**	**-**	**(7,624,500)**	**-**	**(7,624,500)**
Share based compensation reserve (Note 17 (b))	**-**	**-**	**-**	**-**	**-**	**928,669**	**928,669**
Transfer to general reserve (Note 15)	**-**	**-**	**-**	**1,612,368**	**(1,612,368)**	**-**	**-**
Balance at 31 December 2024	**8,970,000**	**977,500**	**2,990,000**	**17,886,763**	**94,148,189**	**737,022**	**125,709,474**

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2024

	Group 2024 RO	**Parent Company 2024 RO**	Group 2023 RO	Parent Company 2023 RO
Operating activities				
Cash receipts from customers	**264,336,231**	**194,945,832**	270,452,981	198,899,892
Cash paid to suppliers and employees	**(244,573,943)**	**(179,537,265)**	(247,378,623)	(184,941,230)
Cash generated from operations	**19,762,288**	**15,408,567**	23,074,358	13,958,662
Income tax paid	**(3,717,606)**	**(2,639,422)**	(2,452,292)	(1,824,606)
Net cash inflows from operating activities	**16,044,682**	**12,769,145**	20,622,066	12,134,056
Investing activities				
Purchase of property, plant and equipment and intangible assets	**(3,571,607)**	**(1,428,865)**	(1,413,376)	(1,145,836)
Distribution of capital from investment securities	**67,018**	**67,018**	84,246	84,246
Proceeds from disposal of property, plant and equipment	**2,855**	**2,855**	3,630	1,141
Net movement in short term deposits	**(16,018,130)**	**(11,920,760)**	(20,972,427)	(15,996,235)
Interest received	**2,275,791**	**1,876,406**	1,705,622	1,611,161
Net cash used in investing activities	**(17,244,073)**	**(11,403,346)**	(20,592,305)	(15,445,523)
Financing activities				
Dividends paid to equity holders of the parent	**(7,624,500)**	**(7,624,500)**	(5,023,200)	(5,023,200)
Payment of lease obligation	**(262,674)**	**(172,674)**	(269,509)	(179,509)
Proceeds from short term loans	**3,620,041**	**-**	-	-
Short term loans repaid	**(2,940,721)**	**-**	(1,500,000)	-
Interest paid	**(424,906)**	**(385,702)**	(396,619)	(326,796)
Net cash used in financing activities	**(7,632,760)**	**(8,182,876)**	(7,189,328)	(5,529,505)
Net change in cash and cash equivalents during the year	**(8,832,151)**	**(6,817,077)**	(7,159,567)	(8,840,972)
Cash and cash equivalents at 1 January	**25,136,279**	**22,396,135**	32,295,846	31,237,107
Cash and cash equivalents at 31 December	**16,304,128**	**15,579,058**	25,136,279	22,396,135
Cash and cash equivalents at the end of the year comprise:				
Current accounts	**16,298,345**	**15,574,058**	25,130,742	22,391,021
Cash in hand	**5,783**	**5,000**	5,537	5,114
	16,304,128	**15,579,058**	25,136,279	22,396,135
Less: Allowances for expected credit losses	**(188,914)**	**(188,914)**	(188,914)	(188,914)
	16,115,214	**15,390,144**	24,947,365	22,207,221

Non-cash transactions:

i) Share based compensation at the Group and Parent Company level of RO 928,669 and RO 1,218,198 respectively (2023: of RO 926,908 and RO 824,160). Refer note: 25 (b) for details.

ii) Lease modification at the Group level of RO Nil (2023: RO 811,017) and lease cancellation at the Parent Company level of RO Nil (2023: RO 534,800). Refer note:6 for details.

The accompanying notes 1 to 34 form an integral part of these financial statements.

4.2

NOTES

OMAN CABLES INDUSTRY SAOG AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

1.LEGAL STATUS AND PRINCIPAL ACTIVITIES

Oman Cables Industry SAOG ("the Company" or "the Parent Company") is registered in the Sultanate of Oman as a public joint stock Company. The Company's principal activity is the manufacture and sale of electrical cables and conductors.

The Company holds 100% (2023:100%) shareholding in Oman Aluminium Processing Industries SPC which was incorporated in the Sultanate of Oman in the year 2008 and commenced operations from July 2010.

The Company holds 100% (2023:100%) shareholding in Associated Cables Private Limited, India which was registered in India in July 1973.

Draka Holding BV is the immediate parent and Prysmian S.p.A is the ultimate controlling party of Oman Cables Industry SAOG. Refer note 12 for other shareholders details.

These consolidated financial statements comprise the Parent Company and its subsidiaries (together referred to as "the Group"), the details of which are set out above. The separate financial statements represent the financial statements of the Parent Company on a standalone basis. The consolidated and separate financial statements are collectively referred to as "the financial statements".

2. ADOPTION OF NEW AND REVISED IFRS ACCOUNTING STANDARDS

2.1 NEW AND AMENDED STANDARDS AND INTERPRETATIONS

The Parent Company and the Group have applied the following amendments for the first time for their annual reporting period commencing 1 January 2024:

• Classification of Liabilities as Current or Non-current and Non-current liabilities with covenants - Amendments to IAS 1;
• Lease Liability in Sale and Leaseback - Amendments to IFRS 16; and
• Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7.

The amendments listed above did not have any material impact on the amounts recognised in the current and prior periods and are not expected to significantly affect the current or future periods.

2.2 NEW STANDARDS AND INTERPRETATIONS NOT YET ADOPTED

Certain new accounting standards and amendments to accounting standards have been published that are not mandatory for 31 December 2024 reporting periods and have not been early adopted by the Parent Company and the Group.

• Amendments to IAS 21 - Lack of Exchangeability (effective for annual periods beginning on or after 1 January 2025);
• Amendments to the Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7 (effective for annual periods beginning on or after 1 January 2026);
• IFRS 19 Subsidiaries without Public Accountability: Disclosures (effective for annual periods beginning on or after 1 January 2027); and
• IFRS 18 Presentation and Disclosure in Financial Statements (effective for annual periods beginning on or after 1 January 2027).

The Group and Parent Company is currently assessing the impact of these standards, amendments or interpretations on the current and future reporting period and on foreseeable future transactions.

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES

Statement of compliance

These financial statements have been prepared in accordance with IFRS Accounting Standards and the requirements of the Commercial Companies Law 2019 of the Sultanate of Oman and the Financial Services Authority ("FSA").

Basis of preparation

The material accounting policies applied in the preparation of these financial statements are set out below. The accounting policies stated below apply to the Parent Company and the Group unless otherwise mentioned in the accounting policies. The accounting policies have been consistently applied to both the years presented in these financial statements. These financial statements have been prepared on a going concern basis.

The financial statements are prepared under the historical cost convention except for Derivative financial instruments measured at fair value through other comprehensive income and have been presented in Rial Omani, which is the presentation and functional currency of the Group and the Parent Company.

Basis of consolidation

The financial statements comprise those of Oman Cables Industry SAOG and its subsidiaries as at 31 December each year. Subsidiaries are all entities over which the Group exercises control. Control is achieved when the Group:

• has power over the investee;
• is exposed, or has rights, to variable returns from its involvement with the investee; and
• has the ability to use its power to affect its returns.

The Group reassesses 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 listed above.

When the Group has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Group and to the non-controlling interests. Total comprehensive income of subsidiary is attributed to the owners of the Group and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

All intercompany assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

Investment in subsidiaries

Investments in subsidiaries is stated at cost less any impairment in the Parent Company's financial statements. The financial statements of the subsidiaries are incorporated into the consolidated financial statements of the Parent Company.

Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future
economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of income in the expense category that is consistent with the function of the intangible assets. The Group's intangible assets comprise computer software which is amortized over an estimated useful life of ten years.

Property, plant and equipment

Property, plant and equipment is stated at cost less accumulated depreciation and any impairment in value.

Capital work in progress is not depreciated. Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

	Years
Buildings	20
Plant and machinery	20
Electrical equipment and installations	10
Motor vehicles	4
Furniture, fixtures and fittings	4
Office equipment	4
Material handling equipment	10
Loose tools	10
Laboratory equipment	10

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets are written down to their recoverable amount, being the higher of their fair value less costs to sell and their value in use.

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 statement of income as the expense is incurred.

Property, plant and equipment (continued)

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of income in the year the asset is derecognised.

The asset's residual values, useful lives and methods of depreciation are reviewed, and adjusted if appropriate, at each financial year end.

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 makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value in use and 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. Where the carrying amount of an asset 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 or other available fair value indicators.

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 an indication exists, the Group makes an estimate of the recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot 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 a reversal is recognised in the statement of income.

Derivative financial instruments and hedge accounting

Derivatives are initially recognised at fair value on the date a derivative contract is entered into, and they are subsequently remeasured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument and, if so, the nature of the item being hedged. The Group designates its derivatives as hedges of a particular risk associated with the cash flows of recognised assets (cash flow hedges).

At inception of the hedge relationship, the group documents the economic relationship between hedging instruments and hedged items, including whether changes in the cash flows of the hedging instruments are expected to offset changes in the cash flows of hedged items. The Group documents its risk management objective and strategy for undertaking its hedge transactions. The fair values of derivative financial instruments designated in hedge relationships and movements in the hedging reserve in shareholders' equity are disclosed in note 33 and note 17 respectively. The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months.

Cash flow hedges that qualify for hedge accounting (continued)

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in the cash flow hedge reserve within equity. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss, within other gains/(losses).

The group uses forward contracts for its exposure to volatility in the underlying commodity prices. The group designates only the change in fair value of the forward contract related to the spot component as the hedging instrument. Gains or losses relating to the effective portion of the change in the spot component of the forward contracts are recognised in the cash flow hedge reserve within equity. The change in the forward element of the contract that relates to the hedged item is recognised within OCI in the costs of hedging reserve within equity.

Amounts accumulated in equity are reclassified in the periods when the hedged item affects profit or loss. Where the hedged item subsequently results in the recognition of a non-financial asset (such as inventory), both the deferred hedging gains and losses and the deferred time value of the option contracts or deferred forward points, if any, are included within the initial cost of the asset. The deferred amounts are ultimately recognised in profit or loss as the hedged item affects profit or loss (e.g. through cost of sales). When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss and deferred costs of hedging in equity at that time remains in equity until the forecast transaction occurs, resulting in the recognition of a non-financial asset such as inventory. When the forecast transaction is no longer expected to occur, the cumulative gain or loss and deferred costs of hedging that were reported in equity are immediately reclassified to profit or loss.

If certain derivative instruments do not qualify for hedge accounting, changes in the fair value of such derivative instruments are recognised immediately in profit or loss and are included in other gains/(losses).

Financial assets and financial liabilities

Financial assets
Initial recognition and measurement

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the company has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial asset with cash flow that are not SPPI are classified and measured at fair value through profit & loss irrespective of business model. The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows (CCF), selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect CCF while financial asset classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect CCF and selling.

Subsequent measurement
For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments);
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments);
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments); and
- Financial assets at fair value through profit or loss.

Below are the categories which are most relevant to the Group:
Financial assets at amortised cost:

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

(a) The asset is held within a "business model" whose objective is to hold assets to collect contractual cash flows.

(b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and profit (SPPI) on the principal amount outstanding.
The details of these conditions are outlined below. Further, financial assets carried at amortised cost are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Financing income, foreign exchange gains and losses and impairment are recognised in the profit or loss. Any gain or loss on derecognition is recognised in the profit or loss.

(a) Business model assessment

The Group determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective. The Group's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:
• How the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel.
• The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed; and
• How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected). The expected frequency, value and timing of sales are also important aspects of the Group's assessment.
The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Group's original expectations, the Group does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

(b) SPPI test

As a second step of its classification process the Group assesses the contractual terms of financial asset to identify whether they meet the SPPI test. 'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/discount).

The most significant elements of profit within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Group applies judgement and considers relevant factors such as the currency in which the financial asset is denominated, and the period for which the profit rate is set.

In contrast, contractual terms that introduce a more than de minimis exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement do not give rise to contractual cash flows that are solely payments of principal and profit on the amount outstanding. In such cases, the financial asset is required to be measured at FVTPL.

Financial assets at fair value through other comprehensive income (FVOCI):

(i) Debt instruments at FVOCI

The Group measures its debt instruments measured at FVOCI when both of the following conditions are met:

- The instrument is held within a business model, the objective of which is achieved by both collecting contractual cash flows and selling financial assets.
- The contractual terms of the financial asset meet the SPPI test.

FVOCI debt instruments are subsequently measured at fair value with gains and losses arising due to changes in fair value recognised in OCI. Financing income and foreign exchange gains and losses and impairment losses are recognised in statement of comprehensive income. On derecognition, cumulative gains or losses previously recognised in OCI are reclassified from equity to profit or loss. This category only contains units of Oman fixed income fund.

Financial assets and financial liabilities (continued)

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Group's consolidated statement of financial position) when:

The rights to receive cash flows from the asset have expired or the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Cash and cash equivalents

Cash and cash equivalents comprise cash at hand, bank balances and short-term deposits with an original maturity of three months or less, from the date of placement, net of bank overdraft. Bank borrowings that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows. Deposits which have a maturity beyond three months from the date of placement are classified as short term deposits on the statement of financial position.

Impairment of financial assets

The Group follows a forward-looking expected credit loss (ECL) approach for impairment losses for financial assets. The Group is required to record an allowance for ECLs for all debt financial assets not held at FV. The Group has applied the standard's simplified approach and has calculated ECLs based on lifetime expected credit losses on trade receivables and amounts due from related parties. The Group has established a provision matrix that is based on the Group's historical credit loss experience as adjusted for forward-looking factors.

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive. The shortfall is then discounted at an approximation to the asset's original effective interest rate.

The Group considers a financial asset in default when contractual payment is 120 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Inventories

Inventories are measured at the lower of cost and net realizable value. Cost shall comprise all costs of purchase (including taxes, transport, and handling) net of trade discounts received, costs of conversion (including fixed and variable manufacturing overheads) and other costs incurred in bringing the inventories to their present location and condition. Provision is made where necessary for obsolete, slow moving and defective items, based on Group management's assessment.

Cost is determined using the first-in-first-out (FIFO) method, except for metals held in inventories, which are valued based on weighted average cost method.

Costs of raw material

Raw material cost mainly includes direct material costs, such as:
- purchase price, net of trade discounts, rebates and other similar items,
- directly attributable import duties and other direct taxes,
- other costs directly attributable to the acquisition of finished goods, materials and services, including handling and transport costs; and
- Deferred gains/losses from hedging instruments.

Costs of work in progress and finished goods

Cost of work in progress and finished goods comprises the following elements:
- raw material and other direct material costs.
- direct labour, including employees' benefits (for example, pension costs) and indirect labour;
- normal amounts of wasted materials.
- variable production overheads, including, among others, indirect materials and energy costs; and
- fixed production overheads, including depreciation and maintenance of factory buildings, machineries and equipment, cost of factory management and administration.

Fixed production overheads are allocated to the cost of inventories on the basis of normal capacity of the plant.

Goods in transit are recorded when significant risks and rewards of ownership of the goods are transferred to the Group.

Financial liabilities
Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings and derivative financial instruments.

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss;
- Financial liabilities at amortised cost (loans and borrowings).

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of comprehensive income.

Employee benefits

Payment is made to the Omani Government Social Security scheme for Omani employees. The Group provides end of service benefits to its expatriate employees in accordance with the Oman labour law 2023 as amended. The entitlement to these benefits is based upon the employees' final salary and length of service. The expected costs of these benefits are accrued over the period of employment.

With respect to its national employees, the Group makes contributions to the Oman Government Social Security Scheme for its Omani employees calculated as a percentage of the employees' salaries. The Group's obligations are limited to these contributions, which are expensed when due.

Share-based payments

Prysmian S.p.A "the ultimate controlling party" granted equity shares to the employees of Oman Cables Industry SAOG and its subsidiary Oman Aluminium Processing Industries SPC.

The fair value of the shares granted to employees under the share-based payments plan is recognised as an expense over the relevant service period. The fair value is measured at the grant date of the shares and is recognised in equity under "other reserve". The number of shares expected to vest is estimated based on certain vesting conditions. The estimates are revised at the end of each reporting period, and adjustments are recognised in statement of income and the other reserve. Where shares are forfeited due to a failure by the employee to satisfy the service conditions, any expenses previously recognised in relation to such shares are reversed effective from the date of the forfeiture. Refer note:25(b) for details.

Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

Provisions

Provisions are recognised when the Group has an obligation (legal or constructive) arising from a past event, and the costs to settle the obligation are both probable and able to be reliably estimated. If the effect of the time value of money is material, provisions are discounted using a current pre tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Dividend on ordinary shares

Dividends on ordinary shares are recognised as a liability and deducted from equity when they are approved by the Group's shareholders.

Revenue recognition
Revenue from contracts with customers

Sale of electrical cables, rods and conductors

The Parent Company and the Group's principal activity is manufacturing and selling electrical cables, conductors and aluminum rods. The Parent Company and the Group have concluded that they are the principal in all their revenue arrangements because they typically control the goods before transferring them to the customers.

Revenue from sale of electrical cables is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the products.

The Parent Company and the Group consider whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of products, the Parent Company and the Group consider the effects of variable consideration.

The Parent Company and the Group do not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. Therefore, the Parent Company and the Group do not adjust any of the transaction prices for the time value of the money.

Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. These are ordinarily due for settlement within one year and therefore are classified as current. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognized at fair value. The Parent Company and the Group hold the trade receivables with the objective to collect the contractual cashflows and therefore measures them subsequently at amortized costs using the effective interest method.

Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

a) Right of use assets

The Group recognises right of use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right of use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right of use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. The recognised right of use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right of use assets are subject to impairment.

b) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in- substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., a change in future payments resulting from a change in index or rate used to determine such lease payments) or a change in the assessment to purchase the underlying asset.

c) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Finance costs and income

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. Interest expense on borrowings is calculated using the effective interest rate method. Financing costs are recognised as an expense in the statement of income in the period in which they are incurred. All other borrowing costs are recognised as an expense in the year in which they are incurred.

Interest income is recognised in the statement of income as it accrues, taking into account the effective yield on the asset.

Foreign currency translation

The Group financial statements are presented in Rial Omani, which is also the functional currency of the Parent Company and the Group's presentation currency.

Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Transactions in foreign currencies are initially recorded in the functional currency rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rate of exchange ruling at the reporting date. All differences are taken to the statement of income or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

On consolidation, the assets and liabilities of foreign operations are translated at the rate of exchange prevailing at the reporting date and their statement of income or loss are translated at exchange rates prevailing at the dates of the transactions. All resulting exchange differences are recognized as a separate component of equity.

Income tax

Taxation is provided for based on relevant tax laws of the respective countries in which the Group operates.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the reporting date, and any adjustment to tax payable in respect of previous years.
Deferred tax is provided, using the liability method, on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts.

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.

Deferred tax assets are recognised for all deductible temporary differences and carry-forward of unused tax assets and unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax assets and unused tax losses can be utilised.

The carrying amount of deferred tax assets are 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 income tax asset to be utilised.

Income tax relating to items recognised directly in equity is recognised in equity and not in the statement of income or loss.

Directors' remuneration

The Parent Company follows the Commercial Companies Law 2019 of Sultanate of Oman 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 income in the year to which it relates.

Segmental reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision-Maker ("CODM"). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors ('Board') that makes strategic decisions.

Earnings and net assets per share

The Group presents basic earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Group by the weighted average number of ordinary shares outstanding at reporting date.

Net assets per share is calculated by dividing the net assets attributable to ordinary shareholders of the Group by the number of ordinary shares outstanding at reporting date. Net assets for the purpose are defined as total equity.

4. MATERIAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of these financial statements requires the Directors to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

In the process of applying the Parent Company and the Group's accounting policies, the Directors have made various judgements. Those which the Directors have assessed to have the most significant effect on the amounts recognised in the financial statements have been discussed in the individual notes of the related financial statement line items.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are also described in the individual notes of the related financial statement line items below. The Parent Company and the Group based their assumptions and estimates on parameters available when these financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

4.1 MATERIAL JUDGEMENTS

In the process of applying the Group's accounting policies, the Directors has made the following judgments, which have the most significant effect on the amounts recognised in these financial statements:

Effectiveness of Hedge relationship

At the inception of the hedge, the Group documents the hedging strategy and performs hedge effectiveness testing to ascertain whether the hedge is effective. This exercise is performed at each reporting date to assess whether the hedge will remain effective throughout the term of the hedging instrument. Refer to note 17 for the cumulative changes in fair values of the Group's and the Parent Company's hedging instrument (commodity forward contracts).

Fair values

For investments and derivative financial instruments traded in organised financial markets, fair value is determined by reference to quoted market bid prices.

Parent Company and the Group as lessee determining the lease term of contracts with renewal and ermination options . The Parent Company and the Group determine the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Parent Company and the Group have the option, under some of its leases to lease the assets for additional terms. The Parent Company and the Group apply judgement in evaluating whether it is reasonably certain to exercise the option to renew. That is, they consider all relevant factors that create an economic incentive for it to exercise the renewal. After the commencement date, the Parent Company and the Group reassess the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise (or not to exercise) the option to renew or to terminate (e.g., a change in business strategy, construction of significant leasehold improvements or significant customization to the leased asset).

4.2 MATERIAL ESTIMATES AND ASSUMPTIONS

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Parent Company and the Group based its assumptions and estimates on parameters available when these financial statements were prepared.

Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Share-based payments

Estimating the fair value of shares under the equity settled share-based payment plan requires determination of the appropriate valuation model, which depends on the terms and conditions associated with the share-based payments plan. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected vesting period of the shares granted and the assumptions related to the market and non-market conditions present under the share-based payments plan. Refer to note 25 (b) for details.

Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Parent Company and the Group use judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Parent Company's and the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

At the reporting date, Group trade receivables were RO 67,382,020 (2023: RO 60,211,452), and the allowance for expected credit losses was RO 4,265,290 (2023: RO 4,284,016). Similarly, at the reporting date, the Parent Company's trade receivables were RO 51,033,225 (2023: RO 48,163,967), and the allowance for expected credit losses was RO 4,166,746 (2023: RO 4,185,472). Any difference between the amounts actually collected in future periods and the amounts expected will be recognised in the statement of income.

Impairment of inventories

Inventories are held at the lower of cost and net realisable value. When inventories become old or obsolete, an estimate is made of their net realisable value. For individually significant amounts this estimation is performed on an individual basis. Amounts which are not individually significant, but which are old or obsolete, are assessed collectively and a provision applied according to the inventory type and the degree of ageing or obsolescence, based on anticipated selling prices.

At the reporting date, the Group's gross inventories were RO 31,091,445 (2023: RO 29,175,517) and the provisions for slow moving and obsolete inventories of RO 4,813,915 (2023: RO 4,675,386) respectively. Similarly, the Parent Company's gross inventories were RO 26,118,834 (2023: RO 25,661,368) and the provisions for slow moving and obsolete inventories of RO 3,297,699 (2023: RO 3,306,349) respectively. Any difference between the amounts realised in future periods and the amounts expected will be recognised in the statement of income.

Useful lives of property, plant and equipment

The Group and the Parent Company determine the estimated useful lives of their property, plant and equipment for calculating depreciation. This estimate is determined after considering the expected usage of the asset or physical wear and tear. The Directors review the residual value and useful lives annually and future depreciation charge would be adjusted where they believe the useful lives differ from previous estimates.

5(a). Property, plant and equipment

Group 31 December 2024	Buildings	Plant and machinery	Electrical equipment & installations	Motor vehicles	Furniture, fixtures & fittings	Office equipment	Material handling Equipment	Loose tools	Laboratory equipment	Work in progress	Total
	RO	RO	RO	RO	RO	RO	RO	RO	RO	RO	RO
Cost											
At 1 January 2024	**18,288,752**	**45,712,231**	**2,574,672**	**155,049**	**671,908**	**1,803,977**	**3,398,886**	**634,637**	**3,128,909**	**254,030**	**76,623,051**
Additions	**296,233**	**2,261,635**	**9,253**	**-**	**104,337**	**172,751**	**195,078**	**65,667**	**248,341**	**208,379**	**3,561,674**
Transfers	**177,733**	**-**	**-**	**-**	**76,297**	**-**	**-**	**-**	**-**	**(254,030)**	**-**
Disposals	**-**	**(4,535)**	**-**	**-**	**-**	**(18,822)**	**(23,648)**	**-**	**-**	**-**	**(47,005)**
At 31 December 2024	**18,762,718**	**47,969,331**	**2,583,925**	**155,049**	**852,542**	**1,957,906**	**3,570,316**	**700,304**	**3,377,250**	**208,379**	**80,137,720**
Depreciation											
At 1 January 2024	**12,312,433**	**32,072,505**	**2,495,189**	**139,102**	**621,948**	**1,488,110**	**2,950,965**	**523,138**	**2,666,254**	**-**	**55,269,644**
Charge for the year	**795,569**	**1,870,606**	**16,476**	**6,394**	**54,388**	**140,188**	**95,705**	**6,568**	**126,421**	**-**	**3,112,315**
Disposals	**-**	**(4,381)**	**-**	**-**	**-**	**(18,751)**	**(23,450)**	**-**	**-**	**-**	**(46,602)**
At 31 December 2024	**13,108,002**	**33,938,730**	**2,511,665**	**145,496**	**676,336**	**1,609,547**	**3,023,220**	**529,706**	**2,792,675**	**-**	**58,335,377**
Carrying amount											
At 31 December 2024	**5,654,716**	**14,030,601**	**72,260**	**9,553**	**176,206**	**348,359**	**547,096**	**170,598**	**584,575**	**208,379**	**21,802,343**
At 31 December 2023	5,976,319	13,639,726	79,483	15,947	49,960	315,867	447,921	111,499	462,655	254,030	21,353,407

Depreciation charge of has been allocated in the income statement as below:

	2024	2023
Cost of sales	**2,911,345**	3,125,585
Administrative expenses	**200,970**	131,711
Total	**3,112,315**	3,257,296

5(a). Property, plant and equipment (continued)

Group 31 December 2023	Buildings	Plant and machinery	Electrical equipment & installations	Motor vehicles	Furniture, fixtures & fittings	Office equipment	Material handling Equipment	.oose tools	Laboratory equipment	Work in progress	Total
	RO	RO	RO	RO	RO	RO	RO	RO	RO	RO	RO
Cost											
At 1 January 2023	18,016,798	45,378,469	2,541,902	150,240	652,224	1,644,336	3,299,084	573,493	3,063,684	-	75,320,230
Additions	271,954	338,884	46,620	10,259	20,689	174,131	152,642	61,144	65,225	254,030	1,395,578
Disposals	-	(5,122)	(13,850)	(5,450)	(1,005)	(14,490)	(52,840)	-	-	-	(92,757)
At 31 December 2023	18,288,752	45,712,231	2,574,672	155,049	671,908	1,803,977	3,398,886	634,637	3,128,909	254,030	76,623,051
Depreciation											
At 1 January 2023	11,472,234	30,099,867	2,486,706	139,677	604,461	1,394,224	2,887,863	498,575	2,518,188	-	52,101,795
Charge for the year	840,199	1,976,949	22,333	4,874	18,487	108,350	113,474	24,563	148,066	-	3,257,295
Disposals	-	(4,311)	(13,850)	(5,449)	(1,000)	(14,464)	(50,372)	-	-	-	(89,446)
At 31 December 2023	12,312,433	32,072,505	2,495,189	139,102	621,948	1,488,110	2,950,965	523,138	2,666,254	-	55,269,644
Carrying amount											
At 31 December 2023	5,976,319	13,639,726	79,483	15,947	49,960	315,867	447,921	111,499	462,655	254,030	21,353,407

5(a). Property, plant and equipment (continued)

Parent Company **31 December 2024**	**Buildings**	**Plant and machinery**	**Electrical equipment and installations**	**Motor vehicles**	**Furniture, fixtures and fittings**	**Office equipment**	**Material handling equipment**	**Loose tools**	**Laboratory equipment**	**Work in progress**	**Total**
	RO	**RO**	**RO**	**RO**	**RO**	**RO**	**RO**	**RO**	**RO**	**RO**	**RO**
Cost											
At 1 January 2024	**13,110,316**	**31,389,107**	**1,598,697**	**117,794**	**468,191**	**1,174,534**	**2,932,577**	**349,515**	**2,957,426**	**254,030**	**54,352,187**
Additions	**245,737**	**468,735**	**9,253**	**-**	**98,454**	**154,016**	**116,418**	**39,021**	**78,919**	**208,379**	**1,418,932**
Transfers	**177,733**	**-**	**-**	**-**	**76,297**	**-**	**-**	**-**	**-**	**(254,030)**	**-**
Disposals	**-**	**(1,100)**	**-**	**-**	**-**	**(18,481)**	**(23,648)**	**-**	**-**	**-**	**(43,229)**
At 31 December 2024	**13,533,786**	**31,856,742**	**1,607,950**	**117,794**	**642,942**	**1,310,069**	**3,025,347**	**388,536**	**3,036,345**	**208,379**	**55,727,890**
Depreciation											
At 1 January 2024	**9,079,793**	**23,041,929**	**1,551,754**	**102,210**	**441,303**	**950,623**	**2,644,596**	**238,987**	**2,514,193**	**-**	**40,565,388**
Charge for the year	**541,509**	**1,206,831**	**12,465**	**6,311**	**41,379**	**90,743**	**62,010**	**15,493**	**86,137**	**-**	**2,062,878**
Disposals	**-**	**(1,099)**	**-**	**-**	**-**	**(18,432)**	**(23,450)**	**-**	**-**	**-**	**(42,981)**
At 31 December 2024	**9,621,302**	**24,247,661**	**1,564,219**	**108,521**	**482,682**	**1,022,934**	**2,683,156**	**254,480**	**2,600,330**	**-**	**42,585,285**
Carrying amount											
At 31 December 2024	**3,912,484**	**7,609,081**	**43,731**	**9,273**	**160,260**	**287,135**	**342,191**	**134,056**	**436,015**	**208,379**	**13,142,605**
At 31 December 2023	4,030,523	8,347,178	46,943	15,584	26,888	223,911	287,981	110,528	443,233	254,030	13,786,799

Depreciation charge of has been allocated in the income statement as below:

	2024	2023
Cost of sales	**1,924,445**	2,158,189
Administrative expenses	**138,433**	92,433
Total	**2,062,878**	2,250,622

5(a). Property, plant and equipment (continued)

Parent Company 31 December 2023	Buildings	Plant and machinery	Electrical equipment and installations	Motor vehicles	Furniture, fixtures and fittings	Office equipment	Material handling equipment	Loose tools	Laboratory equipment	Work in progress	Total
	RO	RO	RO	RO	RO	RO	RO	RO	RO	RO	RO
Cost											
At 1 January 2023	12,842,112	31,146,096	1,598,368	113,354	462,191	1,036,997	2,853,530	288,866	2,915,183	-	53,256,697
Additions	268,204	243,011	14,179	9,890	6,000	144,431	85,402	60,649	42,243	254,030	1,128,039
Disposals	-	-	(13,850)	(5,450)	-	(6,894)	(6,355)	-	-	-	(32,549)
At 31 December 2023	13,110,316	31,389,107	1,598,697	117,794	468,191	1,174,534	2,932,577	349,515	2,957,426	254,030	54,352,187
Depreciation											
At 1 January 2023	8,492,260	21,726,016	1,545,947	102,791	425,567	885,686	2,571,061	228,296	2,369,687	-	38,347,311
Charge for the year	587,533	1,315,913	19,657	4,868	15,736	71,830	79,889	10,691	144,506	-	2,250,623
Disposals	-	-	(13,850)	(5,449)	-	(6,893)	(6,354)	-	-	-	(32,546)
At 31 December 2023	9,079,793	23,041,929	1,551,754	102,210	441,303	950,623	2,644,596	238,987	2,514,193	-	40,565,388
Carrying amount											
At 31 December 2023	4,030,523	8,347,178	46,943	15,584	26,888	223,911	287,981	110,528	443,233	254,030	13,786,799

5(b). Intangible asset

	2024 Group RO	2024 Parent RO	2023 Parent RO	2023 Parent RO
Cost				
At 1 January	**562,497**	**562,497**	544,697	544,697
Additions	**9,933**	**9,933**	17,800	17,800
At 31 December	**572,430**	**572,430**	562,497	562,497
Accumulated amortization				
At 1 January	**221,216**	**221,216**	163,409	163,409
Charge for the year	**60,575**	**60,575**	57,807	57,807
At 31 December	**281,791**	**281,791**	221,216	221,216
Carrying amount				
At 31 December	**290,639**	**290,639**	341,281	341,281

The Group's intangible asset comprises computer software which is amortized over an estimated useful life of ten years.

6(a). Right of use assets

	2024 Group Land right-of-use	2024 Parent Land right-of-use	2023 Group Land right-of-use	2023 Parent Land right-of-use
At 1 January	**3,476,099**	**1,804,999**	3,297,071	2,375,095
Modification	**-**	**-**	335,921	(475,096)
Depreciation (Note 23)	**(156,896)**	**(95,000)**	(156,893)	(95,000)
At 31 December	**3,319,203**	**1,709,999**	3,476,099	1,804,999

6(b). Lease liabilities

	2024 Group RO Lease liabilities	2024 Parent RO Lease liabilities	2023 Group RO Lease liabilities	2023 Parent RO Lease liabilities
At 1 January	**3,875,670**	**2,071,574**	3,661,029	2,673,614
Modification	**-**	**-**	276,217	(534,800)
Finance cost (Note 26)	**204,777**	**108,789**	207,932	112,268
Payments	**(262,674)**	**(172,674)**	(269,508)	(179,508)
At 31 December	**3,817,773**	**2,007,689**	3,875,670	2,071,574
Current portion	**281,433**	**185,108**	275,498	179,509
Non-current portion	**3,536,340**	**1,822,581**	3,600,172	1,892,065
	3,817,773	**2,007,689**	3,875,670	2,071,574

7. Investment in subsidiaries (continued)

b. Associated Cables Private Limited, India (ACPL), (Incorporated in India)

The Company is registered in India, and is in the business of manufacturing and selling of electrical power cables, control cables and instrumentation cables.

(i) At reporting date, management of the Parent Company performed an analysis of internal and external indicators of impairment for both subsidiaries and have not noted any impairment indicators.

(ii) Investments in subsidiaries have been eliminated against the share capital and reserves of the subsidiaries in the consolidated financial statements.

8. Other financial assets

(a) Financial assets at amortised cost

Financial assets at amortised costs comprise investment in Development Bonds Issue No. 51 issued by the Central Bank of Oman for the Government of the Sultanate of Oman in December 2016. The bonds are for a period of 10 years with a fixed interest rate of 5.5% per annum. The movement during the year pertain to the long term deposits held by one of the subsidiary company and matured during the year. The Directors believe that the expected credit loss is immaterial at reporting date.

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

	2024 Group and Parent Company		2023 Group and Parent Company	
	Market value RO	**Cost RO**	Market value RO	Cost RO
Unquoted investments (refer note below)	**84,124**	**84,124**	151,142	151,142
At 31 December	**84,124**	**84,124**	151,142	151,142

During the year, the balance has decreased on account of capital distribution (net) of RO 67,018 (2023: net investment of RO 84,246) in units of Oman Fixed Income Fund.

9. Inventories

	2024		2023	
	Group	**Parent Company**	Group	Parent Company
	RO	**RO**	RO	RO
Raw materials	**6,541,724**	**5,920,761**	6,973,059	6,538,903
Spares, consumables and scrap	**3,652,040**	**1,821,473**	3,541,902	1,821,473
Finished goods	**17,899,886**	**15,926,479**	15,664,393	14,664,213
	28,093,650	**23,668,713**	26,179,354	23,024,589
Work-in-progress	**2,806,725**	**2,431,281**	2,976,104	2,636,779
Goods in transit	**191,070**	**18,840**	20,059	-
	31,091,445	**26,118,834**	29,175,517	25,661,368
Less: provision for slow moving and obsolete items	**(4,813,915)**	**(3,297,699)**	(4,675,386)	(3,306,349)
At 31 December	**26,277,530**	**22,821,135**	24,500,131	22,355,019

The movement in the provision for slow moving inventories is as follows:

	2024		2023	
	Group	**Parent Company**	Group	Parent Company
	RO	**RO**	RO	RO
At 1 January	**4,675,386**	**3,306,349**	4,240,734	3,027,216
Provision recognized / (reversed) for the year	**138,529**	**(8,650)**	434,652	279,133
At 31 December	**4,813,915**	**3,297,699**	4,675,386	3,306,349

10. Trade and other receivables

	2024		2023	
	Group	**Parent Company**	Group	Parent Company
	RO	**RO**	RO	RO
Trade receivables	**62,239,453**	**49,520,194**	53,353,358	45,957,247
Amount due from related parties (Note 30)	**5,142,567**	**1,513,031**	6,858,094	2,206,720
Less: allowance for credit losses	**(4,265,290)**	**(4,166,746)**	(4,284,016)	(4,185,472)
	63,116,730	**46,866,479**	55,927,436	43,978,495
Advances	**826,830**	**638,467**	1,520,986	878,022
Other receivables	**2,999,580**	**1,742,787**	1,277,048	106,409
Prepayments	**222,236**	**222,236**	716,433	716,433
	67,165,376	**49,469,969**	59,441,903	45,679,359

10. Trade and other receivables (continued)

Movements in the allowance for impairment of receivables were as follows:

	2024		2023	
	Group	**Parent Company**	Group	Parent Company
	RO	**RO**	RO	RO
At 1 January	**4,284,016**	**4,185,472**	4,731,328	4,628,936
Add: (Reversal) / charge for the year (Note 24)	**(18,726)**	**(18,726)**	(70,647)	(70,647)
Less: Written off during the year	**-**	**-**	(376,665)	(372,817)
At 31 December	**4,265,290**	**4,166,746**	4,284,016	4,185,472

As per the credit policy of the Group, customers are extended a credit period of up to four months in the normal course of business.

A total expected credit loss provision of RO 4,301,183 and RO 4,202,639 (2023 – RO 4,284,016 and RO 4,185,472 respectively) has been made against the gross trade receivable including related parties balances of the Group and the Parent Company respectively.

The expected credit loss rate ('ECL') for the trade receivables and due from related parties based on their age profile is provided below:

Group	**Total**	**Current**	**More than 30 days past due**	**More than 90 days past due**	**More than 120 days past due**	**More than 180 days past due**	**More than 365 days past due**
	RO	**RO**	**RO**	**RO**	**RO**	**RO**	
ECL		**0.03%**	**4.16%**	**-**	**14.60%**	**87.78%**	**100.00%**
2024	**67,382,020**	**60,074,274**	**3,228,422**	**-**	**3,901**	**149,150**	**3,926,273**
ECL		0.07%	3.76%	9.94%	17.97%	86.91%	100%
2023	60,211,452	45,798,431	8,896,397	1,022,046	708,984	245,358	3,540,236
Parent							
ECL		**0.03%**	**4.16%**	**-**	**14.60%**	**87.78%**	**100%**
2024	**51,033,225**	**43,764,868**	**3,189,033**	**-**	**3,901**	**149,150**	**3,926,273**
ECL		0.07%	3.76%	9.94%	17.97%	86.91%	100%
2023	48,163,967	34,643,498	8,003,845	1,022,046	708,984	245,358	3,540,236

At the reporting date, 50% of the Parent Company's trade receivables are due from 9 customers (2023 - 50% from 9 customers). At the reporting date, 58% of the Group's trade receivables are due from 15 customers (2023- 52% from 11 customers). The Parent Company has generated 8% (2023: 12%) of its total revenue from one customer during the year.

Due to the short term nature of the receivables, their carrying values approximate their fair values.

11. Cash and bank balances

(a) Cash and cash equivalents

	2024		2023	
	Group RO	**Parent Company RO**	Group RO	Parent Company RO
Cash in hand	**5,783**	**5,000**	5,537	5,114
Current accounts in banks	**16,298,345**	**15,574,058**	25,130,742	22,391,021
Less: allowance for credit losses	**(188,914)**	**(188,914)**	(188,914)	(188,914)
	16,115,214	**15,390,144**	24,947,365	22,207,221

(b) Short term deposits

	2024		2023	
	Group RO	**Parent Company RO**	Group RO	Parent Company RO
Short term deposits	**49,249,279**	**39,849,050**	32,904,482	27,928,290
	49,249,279	**39,849,050**	32,904,482	27,928,290

Short term deposits are placed with commercial banks in Oman with maturity period ranging from six months to one year and interest rate ranging from 4% to 6%. The expected credit loss on these balances is immaterial at the reporting date.

Cash and bank balances are denominated in Rial Omani, US Dollars, Euro and various GCC currencies and are mainly with commercial banks in Sultanate of Oman.

12. Share capital

The Parent Company's authorised share capital comprises 120,000,000 shares of 100 baisa each (2023 - 120,000,000 shares of 100 baisa each).

The Parent Company's issued and fully paid up share capital comprises 89,700,000 shares of 100 baisa each (2023 - 89,700,000 shares of 100 baisa each).

Shareholders who own 5% or more of the Parent Company's share capital at the reporting date and the number of shares they hold are as follows:

	2024		2023	
	No of shares held	**%**	No of shares held	%
Draka Holding BV	**45,899,610**	**51.17%**	45,899,610	51.17%
Muhamad Mustafa Mukhtar Al Lawati	**16,145,362**	**17.99%**	15,419,951	17.19%
Social Protection Fund	**5,841,419**	**6.51%**	5,394,117	6.01%

13. Share premium

Share premium represents the excess of amounts received over the nominal value of shares issued to shareholders during 1998.

14. Legal reserve

As per the Commercial Companies Law of the Sultanate of Oman, 10% of the net profit of the respective companies have to be transferred to a non-distributable legal reserve until the amount of the legal reserve becomes equal to one-third of issued share capital of the respective companies.

The Parent Company and OAPIL have discontinued such transfers as their respective legal reserve have reached the statutory requirement of minimum of one third of the share capital.

15. General reserve

This reserve represents a distributable reserve initially created at 31 December 2001, to address any impact of unforeseen events in view of the Parent Company's growing operations. 10% (2023 - 10%) of the net profit of the Parent Company has been transferred to this reserve during the year. The transfer is subject to the approval of the shareholders at the forthcoming Annual General Meeting.

16. Dividend per share

During the year, dividends of 85 baisa (2023: 56 baisa) per share totalling RO 7,624,500 (2023: RO 5,023,200) relating to the year 2023 were declared and paid.

The Board of Directors have recommended a dividend of 91.5 baisa (2023: 85 baisa) per share for the year 2024 amounting to RO 8,207,550 (2023: RO 7,624,500), subject to the approval of the shareholders at the forthcoming Annual General Meeting.

17. Other reserves

The following denotes the breakup of other reserves at reporting dates:

	2024		2023	
	Group RO	**Parent Company RO**	Group RO	Parent Company RO
Hedging reserve (Net) (a)	**(1,063,631)**	**(1,015,297)**	465,830	510,649
Share based compensation reserve (b)	**2,145,106**	**1,752,829**	926,908	824,160
Foreign currency translation reserve (c)	**(387,013)**	**-**	(364,553)	-
Financial assets at FVOCI reserve (d)	**(510)**	**(510)**	(510)	(510)
	693,952	**737,022**	1,027,675	1,334,299

17. Other reserves (continued)

a) Hedging reserve - The Parent Company and the Group enter into derivative (forward) contracts to hedge any risks arising from fluctuations in metal prices. The movement in the hedging reserve (cash flow) is as under:

	2024		2023	
	Group RO	**Parent Company RO**	Group RO	Parent Company RO
At 1 January	**465,830**	**510,649**	1,184,997	1,264,304
Fair value adjustments during the year	**(1,322,085)**	**(1,320,827)**	(347,195)	(298,529)
Realized loss / (gain) on settled contracts transferred to inventories	**(395,075)**	**(384,289)**	(289,789)	(365,034)
Related deferred tax liability	**-**	**-**	(90,092)	(90,092)
Related deferred tax asset	**187,699**	**179,170**	7,909	-
At 31 December	**(1,063,631)**	**(1,015,297)**	465,830	510,649
Change in fair value through OCI – net of tax	**(1,529,461)**	**(1,525,946)**	(719,168)	(753,655)

Any positive or negative fair value adjustments of commodity forward contracts designated as cash flow hedges will be included in the subsequent period on the maturity of the contracts, as cost of inventories and ultimately as cost of sales in the statement of income.

Group

The Group has cashflow derivatives in the nature of commodity forward contracts included in its current assets of RO NIL (2023 – RO 600,615). The Group also has cashflow derivatives in the nature of commodity forward contracts included in its current liabilities of RO 1,251,330 (2023 – RO 52,729).

The cumulative changes in fair value relating to the unrealised gain / loss in commodity forward contracts of RO 1,251,330 included in current liabilities (2023 – RO 600,615 included in current assets and RO 52,729 included in current liabilities) is mainly on account of differences between the original values of the forward commodity contracts entered into by the Group in the normal course of business and the market value of these contracts as at the reporting date.

Parent Company

The Parent Company has cashflow derivatives in the nature of commodity forward contracts included in its current liability of RO 1,194,467 (2023 – RO 600,615 included in current assets).

The cumulative change in fair value relating to the unrealised loss / gain in commodity forward contracts of RO 1,194,467 included in current liabilities (2023 – RO 600,615 included in current assets) is mainly on account of differences between the original values of the future commodity contracts entered into by the Parent Company in the normal course of business and the market value of these contracts as at the reporting date. Derivatives are only used for economic hedging purposes and not as speculative instruments.

a) Hedging reserve (continued)

Hedge effectiveness

Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments, to ensure that an economic relationship exists between the hedged item (inventory) and hedging instrument (commodity forward contracts).

The Parent Company and the Group endeavours to enter into hedge relationships where the critical terms of the hedging instrument are matched with the hedged item. The Group therefore performs a qualitative assessment of effectiveness. If changes in circumstances effect the terms of the hedged item such that the critical terms no longer match with the critical terms of the hedging instrument, the Parent Company and the Group use the hypothetical derivative method to assess effectiveness. Ineffectiveness may arise if the timing of the forecast transaction changes from what was originally estimated. There was no hedge ineffectiveness in relation to the commodity forward contracts for 2024 and 2023.

Instruments used by the Parent Company and the Group

The Parent Company and the Group are exposed to cashflow risk arising from fluctuations in the prices of its primary raw materials namely copper, aluminium and lead. The risk is hedged with the objective of minimizing the volatility of committed inventory purchases and sales.

Effects of hedge accounting on the financial position and performance

	2024		2023	
	Group RO	**Parent Company RO**	Group RO	Parent Company RO
Carrying amount (current asset)	**-**	**-**	600,615	600,615
Carrying amount (current liability)	**1,251,330**	**1,194,467**	52,729	-
Notional amounts (net derivative position at year end)	**26,654,678**	**24,649,044**	8,956,042	10,169,863
Maturity Date	**January 2025 to July 2025**	**January 2025 to July 2025**	January 2024 to April 2024	January 2024 to April 2024
Hedge ratio	**1:1**	**1:1**	1:1	1:1

Sensitivity

The Group and the Parent Company are exposed to changes in the market rate of the underlying commodities that form part of the raw materials. The sensitivity of equity reserve to changes in the underlying commodity market prices (since the derivative has been designated as an effective hedge) is as follows:

	2024		2023	
	Group RO	**Parent Company RO**	Group RO	Parent Company RO
Increase in the market price of commodities by 5% - gain / (loss)	**(1,120,669)**	**(1,023,240)**	445,850	509,378
Decrease in the market price of commodities by 5% - gain / (loss)	**(1,265,155)**	**(1,167,726)**	(431,202)	(494,730)

b) This represents the share-based compensation reserve linked to employees share plan. This reserv is used to recognise:

- the grant date fair value of shares issued to employees but not yet vested
- the grant date fair value of shares issued to employees
- the grant date fair value of deferred and matching shares granted to employees but not yet vested.

Refer note 25(b) for details.

c) Foreign currency translation reserve

	2024		2023	
	Group RO	**Parent Company RO**	Group RO	Parent Company RO
At 1 January	**364,552**	**-**	352,903	-
Translation loss during the year	**22,460**	**-**	11,649	-
At 31 December	**387,013**	**-**	364,552	-

d) Financial assets at FVOCI reserve

	2024		2023	
	Group RO	**Parent Company RO**	Group RO	Parent Company RO
At 1 January and 31 December	**(510)**	**(510)**	(510)	(510)

18. Taxation

	2024		2023	
	Group RO	**Parent Company RO**	Group RO	Parent Company RO
Statement of income				
Current year income tax charge	**4,583,241**	**3,253,117**	3,717,606	2,543,500
Deferred tax:				
Temporary differences	**(187,998)**	**(43,966)**	(187,304)	(68,488)
Income tax expense reported in the statement of income or loss	**4,395,243**	**3,209,151**	3,530,302	2,475,012

The following is a reconciliation of income taxes calculated on accounting profits at the applicable tax rates with the income tax expense:

	2024		2023	
	Group RO	**Parent Company RO**	Group RO	Parent Company RO
Profit before income tax	**27,017,429**	**19,332,831**	22,459,360	15,936,099
Income tax as per rates (15%)	**4,052,614**	**2,899,925**	3,368,904	2,390,415
Others	**342,629**	**309,226**	161,398	84,597
Net tax expense	**4,395,243**	**3,209,151**	3,530,302	2,475,012

18. Taxation (continued)

Statement of financial position	2024		2023	
	Group RO	**Parent Company RO**	Group RO	Parent Company RO
Current liability				
Opening balance	**3,717,606**	**2,642,481**	2,558,288	1,923,587
Charge for the year	**4,583,241**	**3,253,117**	3,611,610	2,543,500
Payments	**(3,717,606)**	**(2,639,422)**	(2,452,292)	(1,824,606)
Closing Balance	**4,583,241**	**3,256,176**	3,717,606	2,642,481

Deferred tax

Deferred taxes are calculated on all temporary differences under the liability method using a principal tax rate of 15% (2023: 15%). The net deferred tax liability and deferred tax charge in the statement of comprehensive income are attributable to the following items;

	2024		2023	
	Group RO	**Parent Company RO**	Group RO	Parent Company RO
Non-current liabilities				
Deferred tax liabilities / (asset):				
At 1 January	**146,249**	**(96,870)**	281,142	104,617
Movement for the year	**(501,583)**	**(313,250)**	(134,893)	(201,487)
At 31 December	**(355,334)**	**(410,120)**	146,249	(96,870)

The deferred tax liability comprises the following temporary differences:

	2024		2023	
	Group RO	**Parent Company RO**	Group RO	Parent Company RO
Tax effect of depreciation	**978,662**	**920,637**	1,271,793	965,126
Tax effect of provisions	**(1,157,932)**	**(1,155,170)**	(1,215,643)	(1,156,880)
Tax effect of IFRS 16	**11,635**	**3,583**	7,916	4,792
Tax effect of commodity hedging	**(187,699)**	**(179,170)**	82,183	90,092
	(355,334)	**(410,120)**	146,249	(96,870)

The group has deferred tax assets on the commodity hedges of RO 187,699 (2023: Deferred tax liability of RO 82,183).

Following is the total movement of deferred tax assets / liabilities:

	2024		2023	
	Group RO	**Parent Company RO**	Group RO	Parent Company RO
Non-current asset				
Deferred tax asset				
At 1 January	**104,779**	**96,870**	13,995	-
Movement for the year	**250,555**	**313,250**	90,784	96,870
At 31 December	**355,334**	**410,120**	104,779	96,870

The tax authorities in Oman follow the legal entity concept. There is no concept of group taxation in Oman. For the entities registered in Oman, the applicable tax rate is 15% (2023: 15%). For the purpose of determining the taxable result for the year, the accounting profit has been adjusted for tax purposes. Adjustments for tax purposes include items relating to both income and expense. The adjustments are based on the current understanding of the existing tax laws, regulations and practices.

Parent Company

The tax rate applicable to the Parent Company is 15% (2023: 15%). For the purpose of determining the tax expense for the year ended 31 December 2024, the accounting profit has been adjusted for tax purposes. Adjustments for tax purposes include items relating to both income and expenses. After giving effect to these adjustments, the average effective tax rate is estimated to be 16.60% (2023: 15.53%). The difference between the applicable tax rates of 15% (2023: 15%) and the effective tax rate of 16.60% arises due to the tax effect of income not considered to be taxable and the expenses that are not considered to be deductible. The adjustments are based on the current understanding of the existing tax laws, regulations and practices. Assessments of the Parent Company with the tax department have been completed up to the year 2020.

Subsidiaries

Oman Aluminum Processing Industries SPC

The tax rates applicable to the company is 15% (2023:15%). For the purpose of determining the taxable result for the year, the accounting loss has been adjusted for tax purposes. Adjustments for tax purposes include items relating to both income and expense. The adjustments are based on the current understanding of the existing tax laws, regulations and practices.

The Company has made a taxable profit during the year. The average effective tax rate is 15.27% (2023: 15.27%). The Company's tax assessments have been agreed with the taxation authorities up to tax year 2020.

Associated Cables Pvt Ltd

The tax rate applicable is 27.8% (2023: 27.8%). Assessments with the tax department have been completed up to the financial year 2023-24 (assessment year: 2024-2025).

19. Employees' end of service benefits

Movement in the liability towards end of service benefits recognised in the statement of financial position is as follows:

	2024		2023	
	Group RO	**Parent Company RO**	Group RO	Parent Company RO
At 1 January	**1,810,383**	**1,564,198**	1,481,240	1,294,158
Accrued during the year (Note 25(a)	**84,201**	**44,248**	400,870	332,674
Employees' end of service benefits paid	**(174,437)**	**(142,215)**	(71,727)	(62,634)
At 31 December	**1,720,147**	**1,466,231**	1,810,383	1,564,198

In accordance with the provisions of IAS 19, the management has carried out an exercise to assess the present value of its obligations as at 31 December 2024 and 2023, using the projected unit credit method, in respect of employees' end of service benefits payable under the Oman Labour Law. Under this method an assessment has been made of an employee's expected service life with the Group and the expected basic salary at the date of leaving the service. Management has assumed average increment / promotion costs in line with the operating performance of the Group and expected future outlook. The expected liability at the date of leaving the service has been discounted to net present value using a discount rate of 6.5% (2023 – 6.5%).

20. Trade and other payables

	2024		2023	
	Group RO	**Parent Company RO**	Group RO	Parent Company RO
Trade payables	**13,524,262**	**9,770,224**	15,848,666	8,508,600
Amount due to related parties (Note 30)	**5,120,079**	**1,495,877**	1,030,189	1,724,527
Other payables	**1,747,573**	**1,257,500**	4,584,281	4,169,444
Accruals	**7,389,835**	**5,800,055**	6,798,504	5,253,108
	27,781,749	**18,323,656**	28,261,640	19,655,679

21. Bank borrowings

	2024		2023	
	Group RO	**Parent Company RO**	Group RO	Parent Company RO
Short term loan	**769,000**	**-**	-	-
	769,000	**-**	-	-

Oman Aluminium Processing Industries SPC has obtained a short term loan during the year from a commercial bank in Sultanate of Oman at an interest rate of 5.8% (2023: Nil).

22. Revenue

Disaggregation of revenue

Revenue is recognised at the point in time and has been disaggregated based on the geographical region from which its derived. The geographical distribution of revenue based on the reports reviewed by the key decision makers (Board of directors) is disclosed in Note 29.

23. Cost of sales

	2024		2023	
	Group RO	**Parent Company RO**	Group RO	Parent Company RO
Cost of materials consumed	**217,277,529**	**164,287,134**	201,054,905	150,222,973
Employee costs (Note 25(a))	**6,644,403**	**5,574,831**	6,412,702	5,185,503
Depreciation (Note 5(a))	**2,911,345**	**1,924,445**	3,125,584	2,158,190
Depreciation on right of use assets (Note 6)	**156,896**	**95,000**	156,893	95,000
Electricity and water	**2,124,704**	**1,387,810**	2,086,683	1,335,432
Stores, consumables, repairs and maintenance	**1,447,716**	**747,137**	1,779,490	948,004
Provision for slow moving inventories (Note 9)	**138,529**	**(8,650)**	434,652	279,133
Other direct costs	**912,874**	**678,377**	761,144	508,807
	231,613,996	**174,686,084**	215,812,053	160,733,042

24. Other income

	2024		2023	
	Group RO	**Parent Company RO**	Group RO	Parent Company RO
Income on call deposits	**452,914**	**452,914**	417,449	417,449
Insurance claim	**12,137**	**12,137**	2,241	2,241
Management fee from related parties	**5,531**	**5,531**	238,780	328,780
Gain on sale of property, plan and equipment	**2,855**	**2,855**	1,161	1,139
Other operating income	**32,597**	**4,219**	223,757	19,314
	506,034	**477,656**	883,388	768,923

25. Administrative expenses

	2024		2023	
	Group RO	**Parent Company RO**	Group RO	Parent Company RO
Employee costs ((Note 25(a))	**4,543,741**	**3,547,748**	4,369,599	3,699,106
Repairs and maintenance	**337,416**	**311,607**	338,441	313,787
Legal and professional charges	**320,817**	**183,555**	274,275	133,193
Directors' remuneration (Note 30)	**212,058**	**212,058**	141,443	141,443
Deprecation (note 5(a))	**200,970**	**138,433**	131,711	92,434
Travelling	**141,822**	**73,739**	137,153	73,553
Contributions to local organization	**116,538**	**115,180**	96,179	96,179
Communication	**95,336**	**47,697**	120,352	69,176
Insurance	**66,694**	**63,680**	130,488	116,685
Amortization of intangible asset	**60,575**	**60,575**	57,807	57,807
Printing and stationery	**30,731**	**19,907**	34,064	21,235
Vehicle running and maintenance	**24,305**	**24,305**	10,636	10,635
Other sundry expenses	**525,344**	**426,542**	607,721	549,534
	6,676,347	**5,225,026**	6,449,869	5,374,767

25 (a) Employee costs

	2024		2023	
	Group RO	**Parent Company RO**	Group RO	Parent Company RO
Salaries and other benefits	**10,586,541**	**8,748,891**	10,084,945	8,252,557
Share based payment cost {25(b)}	**1,218,198**	**928,669**	926,908	824,160
Contributions to defined retirement plan for Omani employees	**476,047**	**409,222**	424,541	367,539
Employees end of service benefits (Note 19)	**84,201**	**44,248**	400,870	332,674
	12,364,987	**10,131,030**	11,837,264	9,776,930

25 (b) Share based payment plan

(i) Long term incentive plan (LTI 2023-2025)

On 19 April 2023, the shareholders of Prysmian S.p.A approved an equity-settled share-based plan. This has been extended to certain employees of Oman Cables Industry SAOG and its subsidiary Oman Aluminum Processing SPC (OAPIL). The plan is based on three years vesting period from 01 January 2023 to 31 December 2025 and provides for the award of equity shares of Prysmian S.p.A without any recharge to Oman Cables and its subsidiary (OAPIL). The plan involves the allocation of a number of shares calculated according to the achievement of operational, economic and financial performance conditions of Prysmian S.p.A.

The plan consists of the following components: Performance shares, Deferred shares and Matching shares. The Performance shares component consists of the free allocation of shares to participants subject to the achievement of certain performance conditions, measured over a three-year period and subject to continued employment. The vesting period is three years (2023-2025), with disbursement of the shares envisaged in 2026. 20% of the shares credited, net of those sold to cover tax and contributions as applicable, will be subject to lock-up until 31 December 2027, during which these shares can not be disposed off.

(i) Long term incentive plan (LTI 2023-2025) (continued)

The Deferred share component requires employees to accept that 50% of their gross bonus accrued for the years 2023, 2024 and 2025 is settled in shares subject to the achievement of certain economic and financial performance KPIs of Prysmian S.p.A. The Matching share component is combined with the deferred shares and consists of the free allocation to participants of 0.5 additional shares for each allocated deferred share.

In accordance with IFRS 2, the shares allotted have been measured at their grant date fair value. The fair value of shares related to performance shares, for the entire period of the plan vesting in 2026 has been calculated using the following assumptions:

Grant date	19 April 2023
Residual life at grant date (in years)	3 years
Exercise price	-
Estimated fair value of share (market based) at grant date	EURO 21.99 / RO 9.26
Estimated fair value of share (non market based) at grant date	EURO 28.43 / RO 11.98

As regards deferred and matching shares awarded in 2023 and vesting in 2026, estimated fair value has been calculated using the following assumptions:

Grant date	19 April 2023
Residual life at grant date (in years)	3 years
Exercise price	-
Estimated fair value of share (non market based) at grant date	EURO 28.43 / RO 11.98

As regards deferred and matching shares awarded in 2024 and vesting in 2026, estimated fair value has been calculated using the following assumptions:

Grant date	19 April 2024
Residual life at grant date (in years)	2 years
Exercise price	-
Estimated fair value of share (non market based) at grant date	EURO 40.73 / RO 16.30

(ii) Bonus shares

During the year, Prysmian S.p.A has granted 25,350 (2023: 38,885) shares to the employees of the Group (16,265 to the employees of the Parent Company (2023: 32,835) and 9,085 to the employees of OAPIL (2023: 6,050)) on 22 May 2024. These shares were vested and awarded immediately on the date of the grant without any recharge.

(iii) Employee share purchase plan – YES

On 28 April 2021, the shareholders of Prysmian S.p.A approved the plan for employees to purchase shares at favorable conditions, related to three annual purchase cycle (2022, 2023 and 2024), without any recharge. In the current year, this has been extended to the employees of Oman Cables Industry SAOG and its subsidiary Oman Aluminum Processing SPC (OAPIL). The plan has offered the opportunity to employees to purchase Prysmian's ordinary shares on preferential terms, with a maximum discount of 25% on the share market price, given in the form of treasury shares, except for certain managers for whom the discount is 15%, and the executive directors and key management personnel, for whom the discount is 1% on the share price.

(iii) Employee share purchase plan – YES (continued)

The shares purchased by participants, as well as those received by way of discount and entry bonus, are subject to a retention period of 36 months from the date of purchase, during which they cannot be sold. All those employees who signed up to the plan have also received an entry bonus of eight free shares, only available with their first-time purchase during the same financial year.

During the year, 12,979 shares were purchased by the employees of the Group (12,674 shares were purchased by the employees of the Parent Company and 305 shares were purchased by the employees of OAIP) on 25th September 2024 and 3rd December 2024 at a fair value of RO 26.27 and RO 24.86 respectively which was the approximate share price.

Share purchase date	25 September 2024 3 December 2024
End of retention period	25 September 2027 3 December 2027

Movement of the shares granted and exercised during the year under share based payment plans is as follows:

	2024		2023	
	Group	**Parent Company**	Group	Parent Company
As at 1 January	**84,392**	**82,023**	-	-
Change in expected participations	**9,073**	**3,340**	-	-
Granted during the year	**38,634**	**28,939**	123,277	114,858
Exercised during the year*	**(38,634)**	**(28,939)**	(38,885)	(32,835)
As at 31 December	**93,465**	**85,363**	84,392	82,023
Exercisable at 31 December	**-**	**-**	**-**	**-**

* This represents 25,350 shares awarded during the year, which vested immediately at an estimated fair value of RO 23.11 which was the approximate share price as of the date of the grant. Refer note (ii) for details

Based on the computation as per the parameters above, costs of RO 928,669 and RO 1,218,199 have been recognised as "employee costs" in the statement of income with a corresponding credit to "other reserve" of the Parent Company and the Group respectively, as follows for the fair value of shares vested and shares granted under these plans.

	2024		2023	
	Group	**Parent Company**	Group	Parent Company
	RO	**RO**	RO	RO
Long term Incentive (LTI) plan	**464,247**	**403,086**	325,958	316,710
Bonus shares	**629,830**	**404,110**	600,950	507,450
YES Plan	**124,121**	**121,473**	-	-
	1,218,198	**928,669**	926,908	824,160

26. Selling and distribution expenses

	2024 Group RO	2024 Parent Company RO	2023 Group RO	2023 Parent Company RO
Marketing expenses	**5,467,951**	**3,391,522**	4,549,496	2,803,334
Employee costs (Note 25(a))	**1,176,843**	**1,008,451**	1,054,963	892,321
Advertisement and sales promotion	**57,356**	**61,121**	53,569	50,881
Travelling	**66,276**	**66,276**	42,470	39,275
	6,768,426	**4,527,370**	5,700,498	3,785,811

27. Finance costs and finance income

	2024 Group RO	2024 Parent Company RO	2023 Group RO	2023 Parent Company RO
Interest on lease liabilities (Note 6)	**204,777**	**108,789**	207,932	112,268
Other finance expenses	**38,073**	**-**	54,525	-
	242,850	**108,789**	262,457	112,268
Interest from bond ((Note 8(b))	**(55,000)**	**(55,000)**	(55,000)	(55,000)
Interest from fixed deposits	**(2,782,932)**	**(2,185,842)**	(1,334,955)	(1,212,845)
Other finance income	**(173,720)**	**(152,073)**	(175,256)	(187,883)
	(3,011,652)	**(2,392,915)**	(1,565,211)	(1,455,728)

28. Basic and diluted earnings per share

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

	2024 Group	2024 Parent Company	2023 Group	2023 Parent Company
Net profit for the year (RO)	**22,622,186**	**16,123,680**	18,929,058	13,461,087
Weighted average number of shares outstanding during the year	**89,700,000**	**89,700,000**	89,700,000	89,700,000
Basic and diluted earnings per share (RO)	**0.252**	**0.180**	0.211	0.150

As the Parent Company do not have any dilutive potential shares, the diluted earnings per share is the same as the basic earnings per share.

29. Segmental reporting

The Directors have determined the operating segments based on the reports reviewed by the chief operating decision-maker (“CODM”) (Board of directors) that are used to make strategic decisions. The Group companies are engaged in the manufacturing and selling of electrical cables and conductors, which is considered as the business segment. Accordingly, there is one operating segment in the Group.

The breakdown of geographical revenue generated by the segment is presented below.

Geographical segments

The geographical distribution of revenue and receivables based on the reports reviewed by the Board of directors is disclosed below:

	2024 Group RO	2024 Parent Company RO	2023 Group RO	2023 Parent Company RO
Local sales	**83,560,927**	**72,874,193**	95,184,337	76,746,162
MENA region *	**129,389,664**	**109,090,235**	90,812,025	72,756,882
Others	**55,832,045**	**19,026,375**	62,168,629	34,143,645
	268,782,636	**200,990,803**	248,164,991	183,646,689

* Middle East North Africa (MENA) includes sales to UAE, Saudi Arabia, Qatar, Kuwait, Bahrain, Jordan, Egypt and Yemen.

Trade receivables (including related parties)	2024 Group RO	2024 Parent Company RO	2023 Group RO	2023 Parent Company RO
Oman	**22,431,872**	**16,660,230**	25,292,342	20,281,044
MENA region	**36,932,189**	**30,538,280**	23,063,231	20,857,095
Others	**8,017,959**	**3,834,715**	11,855,879	7,025,828
	67,382,020	**51,033,225**	60,211,452	48,163,967

30. Related party transactions and balances

The Group has entered into transactions with shareholders, directors, key management personnel and entities in which certain directors of the Parent Company and the subsidiaries have an interest. In the ordinary course of business, the Group sells goods to related parties and procures goods and services from related parties at mutually agreed prices.

During the year, the Parent Company and Group entered into transactions with related parties. The nature of significant related party transactions and the amounts involved were as follows:

30. Related party transactions and balances (continued)

Group	2024 Sales and other income	2024 Purchases and other expenses	2023 Sales and other income	2023 Purchase and other expenses
	RO	**RO**	RO	RO
Fellow subsidiaries of the ultimate Parent	**10,629,847**	**1,754,251**	14,695,468	2,960,505
	10,629,847	**1,754,251**	14,695,468	2,960,505
Parent Company				
Fellow subsidiaries of the ultimate Parent	**10,629,847**	**1,754,251**	14,695,468	2,960,505
Subsidiaries	**255,586**	**5,070,935**	202,014	5,349,315
	10,885,433	**6,825,186**	14,897,482	8,309,820

The sales and other income in the Parent Company and the Group includes management fee from fellow subsidiaries of RO 300,305 (2023 – RO 338,780).

Compensation of key management personnel

The key management personnel compensation for the year comprises:

	2024 Group RO	2024 Parent Company RO	2023 Group RO	2023 Parent Company RO
Short term employment benefits	**1,808,184**	**1,432,243**	1,574,200	1,378,455
End of service benefits	**36,011**	**23,142**	10,949	46,562
Directors' remuneration	**212,058**	**212,058**	141,443	141,443
Employees shares based payment	**299,562**	**238,401**	252,396	243,148
	2,355,815	**1,905,844**	1,978,988	1,809,608

Directors' remuneration

	2024 Group RO	2024 Parent Company RO	2023 Group RO	2023 Parent Company RO
Laura Figini	**37,196**	**37,196**	28,971	28,971
Mohamed Al Lawati	**36,696**	**36,696**	28,971	28,971
Fabrizio Rutschman	**36,696**	**36,696**	28,971	28,971
Yasser Al Rashdi	**35,696**	**35,696**	28,971	28,971
Cinzia Farisè	**32,132**	**32,132**	-	-
Shabib Al Busaidi	**28,704**	**28,704**	-	-
Ian Prescott	**28,704**	**28,704**	-	-
Christian Raskin	**8,492**	**8,492**	28,971	28,971
Manal Said Al Ghazaliya	**7,292**	**7,292**	28,072	28,072
Fabio Ignazio Romeo	**7,992**	**7,992**	27,073	27,073
	259,600	**259,600**	200,000	200,000

The Parent Company and the Group have made a provision for directors' remuneration of RO 259,600 at 31 December 2024 (2023- RO 200,000).

	2024 Group RO	2024 Parent Company RO	2023 Group RO	2023 Parent Company RO
Amounts due from related parties				
Fellow subsidiaries of the ultimate Parent	**5,142,567**	**1,513,031**	6,858,094	2,206,720
Amounts due to related parties:				
Fellow subsidiaries of the ultimate Parent	**5,120,079**	**1,004,534**	1,030,189	1,030,189
Subsidiaries	**-**	**491,343**	-	694,338
	5,120,079	**1,495,877**	1,030,189	1,724,527

The amounts due from and due to related parties are as per the contractual terms agreed between the Parent Company/ Group with the related parties. There have been no guarantees given in respect of amounts due from or due to related parties.

At the reporting date, the entire due from related parties is due from 11 related parties (2023 – 12 related parties). Amounts due from related parties were assessed by the management and an ECL provision of RO 8,501 (2023:10,420) has been established at reporting date.

31. Commitments and contingent liabilities

Commitments

	2024 Group RO	2024 Parent Company RO	2023 Group RO	2023 Parent Company RO
Capital commitments	**1,072,158**	**709,898**	2,687,625	753,404
Letters of credit	**17,315,808**	**9,615,808**	15,860,971	8,170,971

Contingencies

	2024 Group RO	2024 Parent Company RO	2023 Group RO	2023 Parent Company RO
Letters of guarantee	**18,058,276**	**17,131,979**	16,178,918	14,905,557

As at reporting date, the Group had contingent liabilities in respect of bank and other guarantees arising in the ordinary course of business from which it is anticipated that no material liabilities will arise.

32. Financial instruments and related risk management

The Group's principal financial liabilities other than derivatives, comprise borrowings, lease liabilities, trade and other payables and derivatives. The main purpose of these financial liabilities is to raise finances for the Group's operations. The Group principal financial assets comprise trade and other receivables, cash and bank, short-term deposits and derivatives that arrive directly from its operations. The Group also holds investments at fair value through other comprehensive income, investments at amortised cost and enters into derivative transactions.

The Group's activities expose it to various financial risks, primarily being, credit risk, market risk (including currency risk, interest rate risk, and commodity & equity price risk) and liquidity risk. The Group's risk management is carried out internally in accordance with the policies approved by the Board of Directors.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer fails to meet its contractual obligations and arises principally from the Group's receivables.

Credit risk primarily arises from credit exposures to customers, including outstanding receivables and committed transactions. The Group has a credit policy in place and exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed for all customers requiring credit over a certain amount. The Group deals with banks with satisfactory credit rating and with respect to customers by setting credit limits for individual customers and monitoring outstanding receivables.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The exposure to credit risk at the reporting date is on account of:

	2024		2023	
	Group RO	**Parent Company RO**	Group RO	Parent Company RO
Trade receivables and due from related parties	**67,382,020**	**51,033,225**	64,513,229	51,318,214
Derivative financial instruments	**-**	**-**	1,487,050	1,487,050
Bank balances	**65,358,710**	**55,234,194**	44,021,280	42,964,456
	132,740,730	**106,267,419**	110,021,559	95,769,720

The Parent Company has receivables from the derivative financial instruments from two international broker counterparties which have a rating of A1 and Ba1 as per the credit ratings as published by Moody's investor's service at the reporting date.

The table below shows the balances with banks categorised by short term credit ratings as published by Moody's investor's service at the reporting date:

		2024		2023	
	Moody's ratings	**Group RO**	**Parent Company RO**	Group RO	Parent Company RO
Ahli Bank	Not rated	**230,438**	**230,438**	17,115	17,115
Bank Dhofar	NP	**22,596,836**	**19,354,741**	22,870,376	18,399,635
Bank Muscat	NP	**19,012,545**	**15,410,961**	1,831,049	664,056
Sohar International	NP	**1,798,354**	**1,717,612**	1,900,995	1,794,569
First Abu Dhabi bank	P1	**6,127,844**	**6,127,844**	6,120,652	6,120,652
HSBC Bank	P2	**732,107**	**438,902**	234,959	27,747
National Bank of Oman	NP	**8,664,437**	**5,757,547**	23,874,008	22,295,647
Oman Arab Bank	NP	**6,385,063**	**6,385,063**	999,889	999,889
KOTAK Bank	Not rated	**-**	**-**	186,181	-
		65,547,624	**55,423,108**	58,035,224	50,319,310

The ECL on the above bank balances amounting to RO 188,914 for the parent and the Group (2023 - RO 188,914 for the parent and the group) has been recognised in the financial statements at the reporting date.

Changes in liabilities arising from financing activities of the Group

	1 January 2024 RO	**Cash flows RO**	**Changes in fair value RO**	**Other RO**	**31 December 2024 RO**
Current lease liabilities (Note 6)	**179,509**	**(179,509)**	**-**	**185,108**	**185,108**
Short term loan	**-**	**769,000**	**-**	**-**	**769,000**
Non-current lease liabilities (Note 6)	**3,600,172**			**(63,832)**	**3,536,340**
Derivatives	**52,729**	**-**	**1,198,601**	**-**	**1,251,330**
	3,832,410	**589,491**	**1,198,601**	**121,276**	**5,741,778**

	1 January 2023 RO	Cash flows RO	Changes in fair value RO	Other RO	31 December 2023 RO
Current lease liabilities (Note 6)	261,643	(261,643)	-	179,509	179,509
Short term loans	1,500,000	(1,500,000)	-	-	-
Non-current lease liabilities (Note 6)	3,404,751	-	-	195,421	3,600,172
Derivatives	93,302	-	(40,573)	-	52,729
	5,259,696	(1,761,643)	(40,573)	374,930	3,832,410

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: interest rate risk, currency risk, commodity price risk and other price risk, such as equity risk. Financial instruments affected by market risk include loans and borrowings, deposits and derivative financial instruments.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Group is exposed to interest rate risk on its interest-bearing assets and liabilities (short term bank deposits, investment security at amortised cost, bank borrowings, lease liabilities and term loans). The management manages the interest rate risk by constantly monitoring the changes in interest rates and availing lower interest-bearing facilities.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group operates in international markets and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US dollar, Euros, Pound sterling and all GCC currencies.

The majority of the Group's financial assets and financial liabilities are either denominated in local currency viz. Rial Omani. As the Omani Rial is pegged to the US Dollar and major GCC currencies, balances in these currencies are not considered to represent significant currency risk. Hence the management believes that there would not be a material impact on the profitability if these foreign currencies weaken or strengthens against the Omani Rials with all other variables held constant.

	Change in Euro rate	Effect on profit before tax
	RO	RO
2024	**+5%**	**(4,494)**
	-5%	**4,494**
2023	+5%	(6,552)
	-5%	6,552

Commodity price risk

The Group and Parent is affected by the volatility of certain commodities. Its operating activities require the ongoing purchase and manufacturing of electric cables and therefore require a continuous supply of copper, aluminium, and lead. Due to the significantly increased volatility of the price of the underlying, the Board of Directors has developed and enacted a risk management strategy regarding commodity price risk and its mitigation.

To manage metal price fluctuation risk, the management uses forward contracts to hedge any significant risks arising from fluctuations in metal prices. Forward contracts have maturities of less than one year after the reporting date.

Equity price risk

The Group and Parent is exposed to price risk related to quoted investments held by the Group and traded in organized financial markets. To manage its price risk arising from investments in equity, the Directors continuously monitor the market and the key factors that affect stock market movements. The Directors believe that the impact of price fluctuation on the quoted investments will not be material considering the amount of quoted investments at the reporting date. At the reporting date the Group's exposure to equity price risk is insignificant.

Liquidity risk

The Group maintains sufficient cash balances and approved bank credit limits to meet its obligations as they fall due for payment and is therefore not subjected to significant liquidity risk.

The table below summarizes the maturities of the Group and Parent Company's undiscounted financial liabilities based on contractual payment dates.

Parent Company	Less than 3 months RO	3 to 6 months RO	6 months to 1 year RO	More than 1 year RO	Total RO
2024					
Trade and other payables	**14,744,190**	**2,003,519**	**80,070**	**-**	**16,827,779**
Amount due to related parties	**1,194,329**	**161,493**	**140,055**	**-**	**1,495,877**
Derivative financial instruments	**1,194,467**	**-**		**-**	**1,194,467**
Lease liabilities	**92,554**	**-**	**92,554**	**2,935,458**	**3,120,566**
	17,225,540	**2,165,012**	**312,679**	**2,935,458**	**22,638,689**
2023					
Trade and other payables	15,535,834	2,308,717	85,748	-	17,930,299
Amount due to related parties	1,342,067	382,460	-	-	1,724,527
Lease liabilities	89,755	-	89,755	3,280,806	3,460,316
	16,967,656	2,691,177	175,503	3,280,806	23,115,142

Group	Less than 3 months RO	3 to 6 months RO	6 months to 1 year RO	More than 1 year RO	Total RO
2024					
Trade and other payables	**20,578,081**	**2,003,519**	**80,070**	**-**	**22,661,670**
Amount due to related parties	**4,818,531**	**161,493**	**140,055**	**-**	**5,120,079**
Derivative financial instruments	**1,251,330**	**-**	**-**	**-**	**1,251,330**
Lease liabilities	**115,054**	**22,500**	**137,554**	**4,655,542**	**4,930,650**
	26,762,996	**2,187,512**	**357,679**	**4,655,542**	**33,963,729**

	Less than 3 months RO	3 to 6 months RO	6 months to 1 year RO	More than 1 year RO	Total RO
2023					
Trade and other payables	17,889,784	2,308,717	86,601	-	20,285,102
Amount due to related parties	1,342,067	382,460	-	-	1,724,527
Derivative financial instruments	52,729	-	-	-	52,729
Lease liabilities	112,255	22,500	134,755	6,859,988	7,129,498
	19,396,835	2,713,677	221,356	6,859,988	29,191,856

33. Fair values of financial instruments

Fair values

Financial instruments comprise financial assets, financial liabilities and derivatives. Financial assets comprises bank balances, short term deposits, trade receivables (including due from related parties), investments at amortised cost and investments at fair value through other comprehensive income. Financial liabilities comprises trade and other payables (including due to related parties), bank borrowings and lease liabilities. Derivative financial instruments relate to forward commodity contracts.

The Group and the Parent Company's financial assets and liabilities are summarised as below:

Financial assets	**2024** Group RO	Parent Company RO	2023 Group RO	Parent Company RO
At amortised cost				
Trade receivables and due from related parties	**67,382,020**	**51,033,225**	60,211,452	48,163,967
Investments at amortised cost	**1,000,000**	**1,000,000**	1,114,912	1,000,000
Short term deposits	**49,249,279**	**39,849,050**	32,904,482	27,928,290
Bank balances	**16,298,345**	**15,574,058**	25,130,742	22,391,021
At fair value				
Investments at fair value through OCI	**84,124**	**84,124**	151,142	151,142
Derivative financial instruments	**-**	**-**	600,615	600,615
	134,013,768	**107,540,457**	120,113,345	100,235,035

Financial liabilities	**2024** Group RO	Parent Company RO	2023 Group RO	Parent Company RO
At amortised cost				
Trade payables and due to related parties	**18,644,341**	**11,266,101**	16,878,855	10,233,127
Bank borrowings	**769,000**	**-**	-	-
Lease liabilities	**3,817,773**	**2,007,689**	3,875,670	2,071,574
Derivative financial instruments	**1,251,330**	**1,194,467**	52,729	
	24,482,444	**14,468,257**	20,807,254	12,304,701

Due to the short term nature of the financial assets and financial liabilities, their fair values are not materially different from their carrying values at the reporting date. In case of financial liabilities which are non-current, their rate of discounting approximates the current market rate of interest and hence their fair values also approximate their carrying values at the reporting date.

Fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

As at 31 December, the Group had investments at fair value thorough other comprehensive income as described in note 8 and are under level 2 fair value measurement category.

Financial assets measured at fair value

2024	**Total RO**	**Level 1 RO**	**Level 2 RO**	**Level 3 RO**
Parent Company				
Financial assets at fair value through other comprehensive income (Note 8A)	**84,124**	**-**	**84,124**	**-**
Derivative financial instrument (Note 17)	**1,194,467**	**-**	**1,194,467**	**-**
Group				
Financial assets at fair value through other comprehensive income (Note 8a)	**84,124**	**-**	**84,124**	**-**
Derivative financial instrument (net) (Note 17)	**1,251,330**	**-**	**1,251,330**	**-**

2023	Total RO	Level 1 RO	Level 2 RO	Level 3 RO
Parent Company				
Financial assets at fair value through other comprehensive income (Note 8a)	151,142	-	151,142	-
Derivative financial instrument (Note 17)	600,615	-	600,615	-
Group				
Financial assets at fair value through other comprehensive income (Note 8A)	151,142	-	151,142	-
Derivative financial instrument (net) (Note 17)	600,615	-	600,615	-

During the reporting years ended 31 December 2024 and 31 December 2023, there were no transfers between Level 1, Level 2 and Level 3 fair value measurements.

Due to the short term nature of the financial assets and financial liabilities, their fair values are not materially different from their carrying values at the reporting date. In case of financial liabilities which are non-current, their rate of discounting approximates the current market rate of interest and hence their fair values also approximate their carrying values at the reporting date.

Fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

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Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

As at 31 December, the Group had investments at fair value thorough other comprehensive income as described in note 8 and are under level 2 fair value measurement category.

Financial assets measured at fair value

2024	**Total RO**	**Level 1 RO**	**Level 2 RO**	**Level 3 RO**
Parent Company				
Financial assets at fair value through other comprehensive income (Note 8A)	**84,124**	**-**	**84,124**	**-**
Derivative financial instrument (Note 17)	**1,194,467**	**-**	**1,194,467**	**-**
Group				
Financial assets at fair value through other comprehensive income (Note 8a)	**84,124**	**-**	**84,124**	**-**
Derivative financial instrument (net) (Note 17)	**1,251,330**	**-**	**1,251,330**	**-**

2023	Total RO	Level 1 RO	Level 2 RO	Level 3 RO
Parent Company				
Financial assets at fair value through other comprehensive income (Note 8a)	151,142	-	151,142	-
Derivative financial instrument (Note 17)	600,615	-	600,615	-
Group				
Financial assets at fair value through other comprehensive income (Note 8A)	151,142	-	151,142	-
Derivative financial instrument (net) (Note 17)	600,615	-	600,615	-

During the reporting years ended 31 December 2024 and 31 December 2023, there were no transfers between Level 1, Level 2 and Level 3 fair value measurements.

34. Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern and benefit other stake holders. The management's policy is to maintain a strong capital base so as to maintain creditor and market confidence and to sustain future development of the business.

Management is confident of maintaining the current level of profitability by enhancing top line growth and prudent cost management. The Group is not subject to externally imposed capital requirements.

The capital structure of the Group comprises of the share capital, legal and other reserves and retained earnings. There has been no change in the Group's objectives, policies or process during the year ended 31 December 2024 and 31 December 2023.

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Auditors Reports

5.1

AUDIT REPORT ON FINANCIALS

Independent auditor's report to the shareholders of Oman Cables Industry SAOG

Report on the audit of the financial statements

Our opinion

In our opinion, the financial statements of Oman Cables Industry SAOG (the "Parent Company") and the consolidated financial statements of the Parent Company and its subsidiaries (together, the "Group") present fairly, in all material respects, the respective financial positions of the Parent Company and the Group as at 31 December 2024, and their respective financial performance and their respective cash flows for the year then ended in accordance with IFRS Accounting Standards.

What we have audited

The financial statements of the Parent Company and the consolidated financial statements of the Group (together "these financial statements") comprise their respective:

- statement of financial position as at 31 December 2024;
- statement of income for the year then ended;
- statement of comprehensive income for the year then ended;
- statement of changes in equity for the year then ended;
- statement of cash flows for the year then ended; and
- notes to these financial statements, comprising material accounting policy information and other explanatory information.

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 these financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code) and the ethical requirements that are relevant to our audit of these financial statements in the Sultanate of Oman. We have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

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Independent auditor's report to the shareholders of Oman Cables Industry SAOG (continued)

Our audit approach

Overview

Key Audit Matter	• Derivative financial instruments and Hedge accounting (Parent Company and the Group)

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in these financial statements. In particular, we considered where the directors made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on these financial statements as a whole, taking into account the structure of the Group and the Parent Company, the accounting processes and controls, and the industry in which the Group and the Parent Company operate.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of these financial statements of the current period. These matters were addressed in the context of our audit of these 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
Derivative financial instruments and Hedge accounting (Parent Company and the Group) The Parent Company and the Group enter into derivative financial instrument contracts to manage their exposure to the fluctuations in the underlying commodity prices. These derivative financial instruments contracts have been accounted for as effective cash flow hedges.	Our procedures in relation to the valuation of the derivative financial instruments, accounting of these instruments as effective hedges and the related disclosures in these financial statements included: • Understanding and evaluating the overall process related to the valuation of derivative financial instruments and their classification as effective cash flow hedges; • Evaluating the appropriateness of the Parent Company's and the Group's hedge documentation;

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Independent auditor's report to the shareholders of Oman Cables Industry SAOG (continued)

Our audit approach (continued)

Key audit matters (continued)

Key audit matter	How our audit addressed the Key audit matter
As at 31 December 2024, the Parent Company and the Group had derivative financial instruments with carrying amounts of RO 1,194,467 and RO 1,251,330 within their current liabilities, respectively. The total changes in fair value of the derivative financial instruments for the year ended 31 December 2024 was a loss of RO 1,525,946 and RO 1,529,461 at the Parent Company and the Group level, respectively. These have been accounted as other comprehensive income and recorded within a separate component of equity (hedging reserve within 'Other reserves'). The closing balance of the hedging reserve as at 31 December 2024 was RO (1,015,297) and RO (1,063,631) in the Parent Company and the Group, respectively. We focused on this area because of the number of contracts, their measurement and the complexity related to hedge accounting. Further, the consideration of hedge effectiveness involves a significant degree of judgement. The accounting policy and the judgements involved in relation to the derivative financial instruments and hedge accounting are disclosed in Note 3 and Note 4 respectively. The year end derivative financial instrument balances and closing hedging reserve balance are included within Note 17 and Note 33 to the financial statements.	• Obtaining confirmations from the counterparties (brokers) for all open derivative financial instruments which denote their fair values and the unrealised gain/loss on all open contracts at the year end; • Performing test of controls over the hedge accounting process; • Involving our internal valuation experts to test, on a sample basis, the fair valuation of the derivative financial instruments at the year end and the appropriateness of their designation as effective cash flow hedges; • Assessing the appropriateness of the disclosures made in these financial statements with respect to the derivative financial instruments and hedge accounting in accordance with IFRS Accounting Standards.

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Independent auditor's report to the shareholders of Oman Cables Industry SAOG (continued)

Other information

The directors are responsible for the other information. The other information comprises the Report of the Board of Directors, Management Discussions and Analysis Report and Corporate Governance Report for 2024 (but does not include these financial statements and our auditor's report thereon), which we obtained prior to the date of this auditor's report, and the Group's Annual Report, which is expected to be made available to us after that date.

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

In connection with our audit of these 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 these financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, 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.

When we read the Group's Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the directors.

Responsibilities of the directors for these financial statements

The directors are responsible for the preparation and fair presentation of these financial statements in accordance with IFRS Accounting Standards and their preparation in compliance with the relevant requirements of the Financial Services Authority of the Sultanate of Oman and the applicable provisions of the Commercial Companies Law of 2019, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing these financial statements, the directors are responsible for assessing the Parent Company and 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 they either intend to liquidate the Parent Company and the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of these financial statements

Our objectives are to obtain reasonable assurance about whether these 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 financial statements.

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Independent auditor's report to the shareholders of Oman Cables Industry SAOG (continued)

Auditor's responsibilities for the audit of these financial statements (continued)

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

- Identify and assess the risks of material misstatement of these 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/or the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' 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/or 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 these 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 these financial statements, including the disclosures, and whether these 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 Parent Company and/or the Group as a basis for forming an opinion on these 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 the directors 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 the directors 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.

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Independent auditor's report to the shareholders of Oman Cables Industry SAOG (continued)

Auditor's responsibilities for the audit of these financial statements (continued)

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of these 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.

Report on other legal and regulatory requirements

Further, as required by the relevant requirements of the Financial Services Authority of the Sultanate of Oman and the applicable provisions of the Commercial Companies Law of 2019, we report that these financial statements have been prepared and comply, in all material respects, with those requirements and provisions.

M. Lalwani

Mahesh Lalwani
Partner
29 January 2025

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AUDIT REPORT ON CORPORATE GOVERNANCE

Agreed-upon procedures report on factual findings in connection with the Corporate Governance report

To the Board of Directors of Oman Cables Industry SAOG

Purpose of this Agreed-upon Procedures Report

Our report is solely for the purpose of assisting the directors of Oman Cables Industry SAOG (the "Company") in determining whether their Corporate Governance Report is in compliance with the Code of Corporate Governance (the "Code") of the Financial Services Authority of the Sultanate of Oman ("FSA"), as prescribed in the FSA Circular No. E/10/2016 dated 1 December 2016 (together the "Governance Code") and may not be suitable for another purpose.

Responsibilities of the directors

The directors of the Company have prepared the Corporate Governance Report ("the Report") and remain solely responsible for it, and are also responsible for identifying and ensuring that the contents of the Report comply with the Code. The directors are also responsible for determining that the scope of the agreed-upon procedures is appropriate and sufficient for the purposes of the engagement.

Our Responsibilities

We have conducted the procedures agreed with the Company, and set out below, in accordance with the International Standard on Related Services (ISRS) 4400 (Revised), *Agreed-Upon Procedures Engagements*. An agreed-upon procedures engagement involves performing the procedures that have been agreed with the Company, and reporting the findings, which are the factual results of the agreed-upon procedures performed. We make no representation regarding the appropriateness or sufficiency of the agreed-upon procedures.

This agreed-upon procedure engagement is not an audit or assurance engagement made in accordance with generally accepted auditing or assurance standards, the objective of which would be the expression of assurance on the contents of the Report. Accordingly, we do not express such assurance.

Had we performed additional procedures, or had we performed an audit or assurance engagement on the Report, other matters might have come to our attention that would have been reported.

Professional Ethics and Quality Control

We have complied with the relevant ethical requirements, including International Independence Standards, in the International Code of Ethics for Professional Accountants (IESBA Code) issued by the International Ethical Standards Board for Accountants.

We apply the International Standard on Quality Management (ISQM) 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

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Procedures and Findings

We have performed the procedures described below, which were agreed with the Company in the terms of our engagement letter dated 29 July 2024, on the compliance of the Report with the Code for the year ended 31 December 2024.

No.	Procedures	Findings
(a)	We obtained the Corporate Governance Report issued by the Board of Directors and compared its contents to the minimum requirements of the FSA as set out in Annexure 3 of the Code.	No exceptions noted.
(b)	We obtained from the Company details of the areas of non-compliance with the Code identified by the Company, as set out in its Board minutes and in its non-compliance checklist, and compared these with those included in the Report in the section "Details of non-compliance and penalties, together with the reasons for such non-compliance for the year ended 31 December 2024". Additionally, we obtained written representations from the directors that there were no other areas of non-compliance with the Code for the year ended 31 December 2024, of which they were aware.	No exceptions noted.

Our report is intended solely for the purpose set forth in the first paragraph of this report and for your information and is not to be used for any other purpose.

This report relates only to the accompanying Corporate Governance Report of the Company to be included in its annual report for the year ended 31 December 2024 and does not extend to the Company's financial statements taken as a whole.

PricewaterhouseCoopers

29 January 2025
Muscat, Sultanate of Oman

C.R. No 1230865 PricewaterhouseCoopers LLC

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