

ANNUAL REPORT

2 0 2 5





His Majesty
Sultan Haitham bin Tarik

ADDRESS:

Headquarter
PO Box 25, Rusayl 124, Sultanate of Oman

PHONE:

+(968) 2444 3100
+(968) 2444 6096

omancables@omancables.com

[in](#) [f](#) [@](#) [X](#)



Table of Contents

01 Introduction

About This Report
CEO's Message
About Oman Cables Industry SAOG
Our Vision, Mission & Core Values
Structure Ownership
Our Capabilities
Our Journey
Financial Highlights
Key ESG Highlights
2025 Stakeholder Engagements

02 Board of Directors

03 Management Team

04 Reports

Board of Directors Report
Corporate Governance Report
Management Discussion & Analysis Report

05 Financial Statements

Statements

06 Notes to the Parent Company and Consolidated Financial Statements

07 Auditors' Reports

Audit Report on Financials
Audit Report on Corporate Governance



INTRODUCTION

About The Report

The Board of Directors of Oman Cables Industry SAOG (Oman Cables) is pleased to present the Company's Annual Report for the financial year end 31 December 2025.

This Report, together with the accompanying audited financial statements, has been prepared in accordance with International Financial Reporting Standards (IFRS) and in compliance with the disclosure requirements of the Financial Services Authority (FSA) of the Sultanate of Oman and Muscat Stock Exchange (MSX).

The Annual Report presents an overview of Oman Cables' operational, financial, and governance performance for 2025. The Report outlines Oman Cables' Group strong financial results, revenue and profit growth, operational excellence and strategic investments, in addition to the continued focus on sustainability, innovation and our people.

As a publicly listed company, Oman Cables remains steadfast in delivering long-term shareholder value with a reinforced commitment to transparency, accountability and responsible leadership. Contributing to Oman Vision 2040, we continue to deliver as an enabler of the energy transition while remaining a trusted partner in powering infrastructure, industry and sustainable development across Oman and the region.

CEO's Message

"2025 reaffirmed our mandate to strengthen the region's infrastructure, invest with discipline and translate performance into sustainable value."



In the past year, we delivered record performance and sustained value creation, the outcome of deliberate focus through a period defined by constant movement. Against a backdrop of geoeconomic fragmentation, volatile metal prices and shifting trade conditions, Oman Cables Industry remained adaptive and disciplined. Clear direction and operational control ensured the stability and progress that made the year one of record achievement.

We commenced 2025 with a focused growth agenda aimed at reinforcing our leadership in medium and low voltage cable systems while accelerating the development of higher value solutions. In October 2025, we approved a RO 9.5 million investment, fully financed internally, to expand our Medium Voltage production capacity. With an expected payback within seven years, this investment strengthens manufacturing efficiency and enables us to meet rising demand driven by grid modernization and infrastructure expansion across the region.

The strength of this approach is reflected in our financial results. Group sales increased to RO 287.0 million, surpassing RO 268.7 million in 2024. EBITDA rose to RO 30.4 million and net profit reached over RO 24.2 million. Performance was supported by disciplined dynamic pricing coupled with cost control and a continued shift in our product mix toward differentiated, high-performance

offerings. In light of these results and our solid liquidity position, the Board of Directors has recommended a dividend of 95.5 baiza per share. This recommendation underscores our commitment to delivering consistent returns while preserving financial stability and funding future growth.

Environmental stewardship remains integral to how we operate. During the year, we achieved a 5 percent reduction in Scope 1 and 2 greenhouse gas emissions against the 2024 baseline. This progress speaks to focused efficiency measures and responsible production practices embedded across our operations. Sustainability is a core factor across our planning and investment decisions, securing the connection between environmental responsibility and long-term competitiveness.

Our achievements are supported by a robust governance framework. The Board of Directors exercised active oversight across financial performance, sustainability integration, enterprise risk management and compliance. Operating within a structured framework aligned with regulatory requirements, we maintained disciplined risk management practices, particularly in addressing metal price volatility and supply chain dynamics. Strong governance continues to provide stability and clarity as complexity increases across our markets.

Our continued investments in capability development and targeted training programs deepen expertise across the organization. Safety remains a non-negotiable priority, strengthened through our Zero and Beyond initiative and the systematic application of the 6S methodology. Embedding safety, accountability and continuous improvement into daily operations, we protect our workforce and sustain reliable performance.

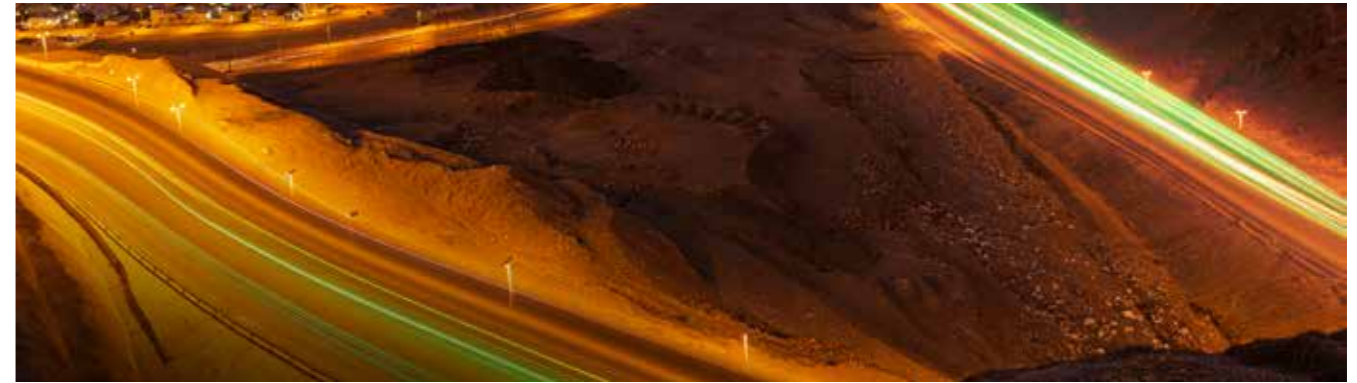
Looking forward, regional investment in renewable energy, grid optimization, mobility and digital infrastructure presents us with meaningful growth potential. While external uncertainty requires ongoing vigilance, our diversified portfolio, capital discipline and embedded sustainability practices position us to manage change with confidence and consistency. Our ambition is to further strengthen Oman Cables Industry's role as a trusted partner in enabling the region's energy and infrastructure development, while advancing high-value cable solutions that support the next generation of power networks. Through continued investment in capacity, technology and operational excellence, we aim to reinforce our leadership in delivering efficient and sustainable solutions for our customers and stakeholders.

I extend my appreciation to our shareholders for their continued trust, to the Board of Directors for their guidance and oversight and to our employees for their continued dedication. Their collective commitment ensures that Oman Cables Industry remains resilient, focused and well-positioned for the year ahead.

Sincerely,

Erkan Aydogdu

Chief Executive Officer
Oman Cables Industry



Oman Cables Industry SAOG, a public joint stock company listed on the Muscat Stock Exchange (MSX), is a leading cable manufacturer and solution provider headquartered in Oman. The company designs, manufactures and delivers a comprehensive portfolio of electrical products, including medium voltage power cables, low voltage power and control cables, instrumentation cables, pilot cables, overhead transmission line conductors and building wires. Beyond its core portfolio, Oman Cables Industry engineers specialize in cable solutions tailored to complex applications, demanding environmental conditions and precise customer specifications, supporting critical infrastructure and industrial development across diverse sectors.

Strategically partnered with Prysmian, the global leader in the cable systems sector, Oman Cables Industry serves as the regional operating platform across the Middle East, Africa, Russia and Turkey (MEART region) for the Group. Recognized among the Top Global Wire and Cable Producers, the company combines decades of technical expertise with operational scale and international reach. Established in 1984, Oman Cables Industry has built a strong regional presence, with representative offices across Oman, the UAE, Qatar, Bahrain, Saudi Arabia and an extended reach across India and Egypt.

The Group's manufacturing ecosystem is further supported by its subsidiaries, Oman Aluminium Processing Industries SPC (OAPIL) and Associated Cables Private Limited (ACPL). Its regional presence is supported by a network of distributors and partners spanning the Middle East, Africa, Turkey and India.

About Oman Cables Industry SAOG



Our Vision, Mission & Core Values



OUR VISION

We, at Oman Cables, ensure that through our product offering, we remain the leader in our industry in quality and performance, exceeding the expectations of our customers and shareholders.



OUR MISSION

We continuously strive for excellence in all aspects of our business through the integration of sustainable business development and innovation, enhancing shareholder value and outstanding customer service.



OUR CORE VALUES



Empowerment
A culture driven by shared values, open communications and accountability



Innovation
Cutting-edge innovation for sustainable growth, focusing on low environmental impact and safety



Excellence
Customer-centric solutions determined at setting an industry benchmark



Structure Ownership

Structure Ownership



Our Subsidiaries





Our Capabilities



OUR FACILITIES IN MUSCAT



PLANT 1



PLANT 2



PVC COMPOUNDING PLANT



OUR FACILITIES IN/ OUTSIDE OMAN



Oman Aluminium Processing Industries (OAPIL) – Sohar, Oman



Oman Aluminium Processing Industries SPC (OAPIL), based in Sohar, Oman, manufactures aluminium rods and overhead transmission line conductors supporting regional power infrastructure.

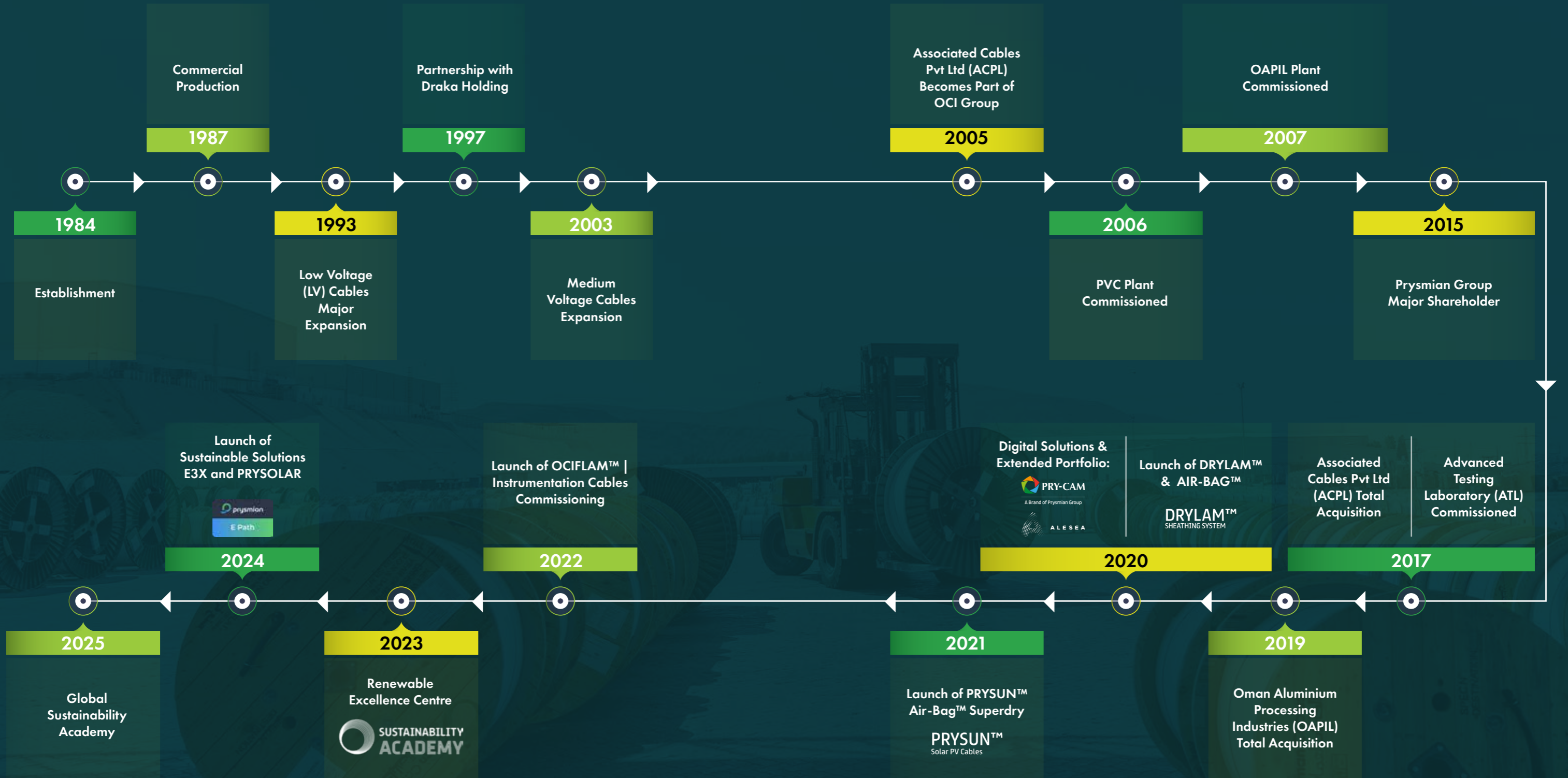
Associated Cables Private Limited (ACPL) – Mumbai & Chiplun, India



Associated Cables Private Limited (ACPL), based in India with offices in Mumbai and operations in Chiplun, manufactures power cables serving infrastructure and industrial markets.

Our Journey

CELEBRATING OVER 40 YEARS
A success story, a great challenge



Oman Cables Group Year-End 2025 Highlights



SALES
 287,020
 vs
 268,783
 (2024)




EBITDA
 30.402k
 vs
 28.724k
 (2024)




NET PROFIT
 24.267k
 vs
 22.622k
 (2024)




GHG EMISSIONS
-9.0%
Scope 1&2
 vs baseline 2024
 *OCI Parent Company




Financial Highlights



Key ESG Highlights







OUR VISION

Linking our Region to a Sustainable Future
We want to assure innovative energy through responsible production, by pursuing environmental, social, economic and responsible sustainability for all stakeholders and the planet.



OUR AMBITION

	<p>Climate Change Ambition (Environment)</p> <p>Contributing towards a low carbon Economy</p>		<p>Innovation Ambition (Technology)</p> <p>Embedding sustainability into our design and strategy</p>
	<p>Social Ambition (People)</p> <p>Empowering our people and the local communities</p>		<p>Role Model Ambition (Governance)</p> <p>Leading with integrity while driving transformative business and initiatives</p>

OCI Group supports and contributes to the



ACCELERATING SUSTAINABLE GOALS

2021-2024

Our Sustainability Journey started with one vision, concretizing our commitment to Sustainability while measuring and reporting our efforts.

2025 onwards

Leading by example, our Role Model Ambition serves as our guidance in our business practices, integrating Sustainability in all aspects.

KEY DRIVERS

Oman Vision
2040 & 2050
Net Zero Commitment

GCC National Priorities & Commitments

Prysmian Ambitions



2025 Stakeholder Engagements

Creating Sustainable Value



Sustainability Day 2025
Accelerating Sustainable Growth
Partnering for Shared Progress

Connecting with
200+
Stakeholders
to translate commitment into
outcome for sustained impact



A Greener Oman:
Restoring Nature, Building Resilience

Planted 520
mangrove trees that contributes
to 6,250 CO2e absorption and
collected 75 KG of waste



Side by Side
United for a Sustainable Future

Strengthening
strategic partnerships
with our customers and stakeholders
to enable a more sustainable future





BOARD OF
DIRECTORS



Cinzia Farisè
Chairman

Graduated in Economics, Cinzia Farisè is a C-Level Executive with experience in Energy & Mobility, with over 30 years in national and multinational companies, public and private, listed and unlisted. Today she is Executive VP at Prysmian, responsible for Power Grid and Electrification BUs, and Chairman of the Board at Oman Cables Industry Group. For Prysmian she is also Board Member at Prysmian UK, Prysmian China, Prysmian Australia & New Zealand, Prysmian Canada, Draka Elevator USA and Canada, Prysmian Hungary, Alesea.

From 2021 until 2024, she was Prysmian Regional CEO for Middle East, Africa, India, Russia & Turkey and Oman Cables Industry Group CEO. Always for Prysmian, she was CEO at Prysmian India and CEO at Prysmian Turkey, as well as Global VP Energy & Infrastructure, after being Business Unit Director at Prysmian Italy and Vice President at Prysmian Switzerland.

Previously, she was CEO at Trenord - the Italian railway company owned by Trenitalia and Ferrovie Nord and Chairman at TILO, a Swiss company owned by the Swiss Federal Railways and Trenord, managing cross-border rail connections.

She is Board Member at INBRE, a listed company active in the design, construction and management of hydroelectric plants in Italy, and Board Member at Finanziaria di Valle Camonica, the holding company contributing to the development of initiatives in the energy, real estate, financial and industrial sectors.

She is also Board Member at the Global Alliance for Sustainable Energy, President of the Scientific Committee at CIIM EurAsiaMed - The Confederation of Italian Entrepreneurs Worldwide based in Istanbul, and Member of the Advisory Board of Sultan Qaboos University, College of Engineering, in Oman.

She was Board Member and Chairman of the Nomination and Remuneration Committee at Italgas, the European leader in gas distribution, Board Member at CAL Concessioni Autostradali Lombarde, a company owned by ANAS and Infrastrutture Lombarde, which manages the most relevant motorway network of northern Italy and Board Member at TREVI Finanziaria Industriale, listed company world leader in subsoil engineering for special foundations, tunnel excavations, ground consolidation, and production of specialized machinery and equipment.

In 2018 in Milano, she was awarded the 'Merit & Talent' Award - dedicated to women who are changing the business world. More recently she has been awarded by the Turkish Economist for being among 'The 50 most powerful women CEO of Turkey and ranked n.6 among Best Female CEOs in the Middle East' – Fortune 500 Arabia in 2023.



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
Member of the Board of Directors

Holding a Master's degree in actuarial sciences from the University of Kent in the United Kingdom. He 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 Deputy CEO for Social Protection Affairs at the Social Protection Fund, overseeing the Social Protection sector within the organization.



Ian F. Prescott
Member of the Board of Directors

Ian F. Prescott has over 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, 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 at 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 provided invaluable graduate training as a base foundation for his career in the industry.



Fabrizio Rutschmann
Member of the Board of Directors

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 to 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.

He was the Chief Human Resources Officer from 2010 at Prysmian Group until 2024 and he was the Chief People & Corporate Services Officer – Snam Group until 1 November 2025, having more than 33 years of professional experience in leadership of human capital and change management.



Laura Figini
Member of the Board of Directors

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. She has over 26 years of professional experience in Finance and Administration management.

In 2021 she took a new step up in the Prysmian Group as she joined the Human Resources function, becoming as of date the Corporate and Business Units HR and Group DE&I and Wellbeing VP at Prysmian.



Yasser Al Rashdi
Member of the Board of Directors

He currently serves as Group Finance Director at ITHCA Group, where he oversees group-wide financial strategy, governance, and performance management. With over 24 years of professional experience in accounting, finance, and investment, largely within the Oman Investment Authority, he brings deep institutional expertise and disciplined financial leadership to the Board. Prior to his current role, he held the position of Senior Manager – Investment Transaction Support at the Oman Investment Authority, where he played a key role in supporting strategic investment transactions and strengthening institutional financial governance.

He previously served as a member of the Board of Directors of Oman Growth Fund and Al Jazeera Steel Products, contributing to board deliberations, financial oversight, and value-creation initiatives. He holds a bachelor's degree in accounting from Sultan Qaboos University and an MBA from Franklin University (USA). He has also completed executive education programs at leading institutions, including HEC Paris and PwC Academy, focusing on leadership, finance, and executive management.



MANAGEMENT
TEAM



Erkan Aydogdu
Chief Executive Officer

Erkan Aydogdu, Chief Executive Officer of Oman Cables and MEART, 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. Erkan 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, He 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 26 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.



Muhannad Al Lawati
Chief Operating Officer

Muhannad Al Lawati leads manufacturing and operational performance across Oman Cables Industry's facilities in Muscat, Sohar, and India. With over 16 years in the cable industry, he oversees multi-site production, quality, safety, and supply chain integration, driving Lean transformation, 6S deployment and digital performance initiatives across the production lines. He holds a degree in Mechanical and Manufacturing Engineering from Cardiff University and completed the National CEO Program at IMD Switzerland.



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. His career started 36 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.



Antonio Chiantore
Chief Commercial Officer

Antonio Chiantore leads global commercial operations at Oman Cables Industry (SAOG), overseeing revenue growth across more than 50 countries, with branches throughout the GCC and Egypt. He directs sales strategy, distribution networks, and key account management across regional and international markets.

With over 30 years of industry experience, he has led large-scale HV and EHV infrastructure projects and cross-border commercial expansion initiatives. He holds an engineering degree from the University of Naples Federico II and an MBA from SDA Bocconi University.



Giancarlo Esposito
Chief Strategy Officer

Giancarlo Esposito is Chief Strategy Officer at Oman Cables Industry SAOG and Regional Human Resources Director for Prysmian Group’s MEART region. With 28 years of international leadership experience across three continents, he has held senior roles within Stellantis Group, Whirlpool Corporation, Vodafone NV, and Prysmian Group.

He leads strategic planning and organizational development at Oman Cables while overseeing regional people strategy within Prysmian. Esposito holds degrees in Economics and Political Sciences, a PhD in Mathematics, and executive qualifications from SDOA and SDA Bocconi University.



Jad Atallah
Chief Legal & Governance, Investor Relations, Company Secretary and MEART Legal Director

Dr. Jad Atallah leads the legal, governance, and investor relations functions at Oman Cables Industry SAOG. He serves also as the Company Secretary to the Board of Directors, overseeing regulatory compliance, capital markets alignment, and corporate governance practices as a publicly listed company.

With over 21 years of experience in corporate law, securities compliance, and dispute resolution, he manages complex legal frameworks, enterprise risk exposure, and stakeholder transparency. Atallah holds a PhD, Master’s and Bachelor’s degrees in Law and is a certified corporate governance practitioner and an arbitrator.



Jehan Alagappan
Chief Strategy Officer, OAPIL

Jehan Alagappan is Chief Strategy Officer at Oman Aluminium Processing Industries SPC (OAPIL), responsible for corporate strategy, business planning and growth initiatives.

He oversees expansion projects, sustainability programs and performance improvement efforts, while representing the company in regional industry forums. Alagappan holds an MBA from the Indian Institute of Technology Madras and professional certifications including PMP and the CFA Institute Certificate in ESG Investing.



Vitthal Sawant
Research & Development Director

Vitthal Sawant leads Research and Development at Oman Cables Industry SAOG and holds regional R&D responsibility across the Middle East, Africa, Turkey, Russia, and India within the Prysmian platform. With more than 20 years of experience, he drives innovation, product engineering, and intellectual property expansion across multiple markets.

An inventor with 11 United States patents, he strengthens technology differentiation and sustainability-driven product advancement. He holds a Master of Technology degree from IIT Delhi and completed the Advanced Leadership Programme at SDA Bocconi University.



Ajaykummar Pilaai
Purchasing Director

Ajaykummar Pilaai is Purchasing Director at Oman Cables Industry SAOG and a member of the executive leadership team. He leads global procurement strategy, supplier governance and supply chain optimization across regional and international markets.

With over four decades of experience in strategic sourcing and materials management, he reinforces cost discipline, sourcing resilience, and supply continuity within large-scale manufacturing operations. Pilaai holds degrees in Engineering and master's in management science, along with a Diploma in Materials Management.



Rania Al Mazrouai
Audit & Compliance Director

Rania Al Mazrouai leads Internal Audit, Enterprise Risk Management, and Governance oversight at Oman Cables Industry SAOG. She also serves as Secretary to the Audit Committee, supporting Board-level regulatory alignment and strategic risk transparency.

With over a decade of experience across audit and financial control, including senior roles at KPMG and leading regional institutions, she drives the strengthening of internal control systems and risk governance to support sustainable growth and institutional resilience. She holds a bachelor's degree in finance (Honours) and professional certifications in audit and quality management.



Hanin Al Shekaili
Marketing & Communication Director

Hanin Al Shekaili is Director of Marketing and Communication at Oman Cables Industry (SAOG), leading brand strategy, corporate communications, and stakeholder engagement across regional and international markets.

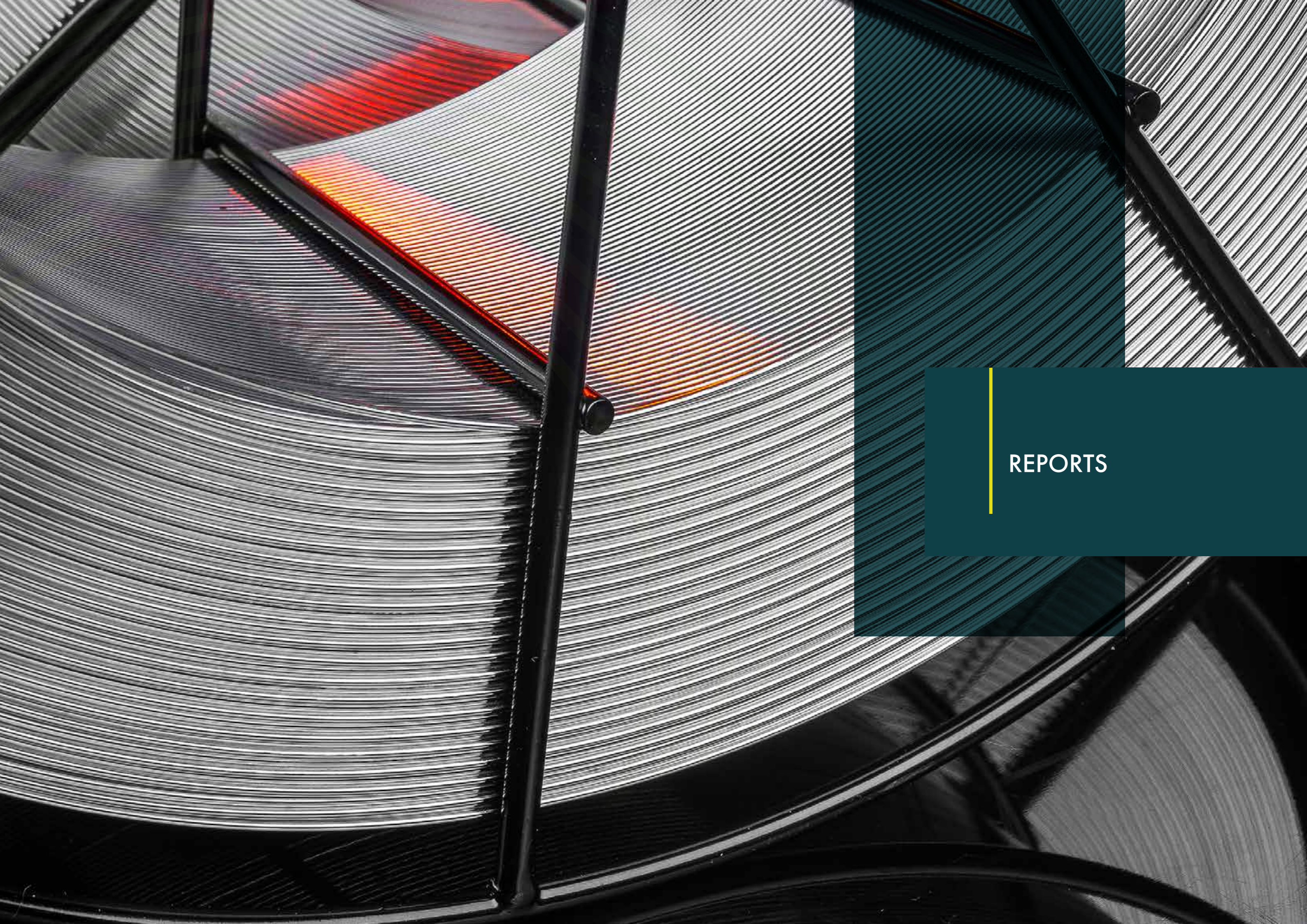
With over a decade of experience in global marketing and strategic communications, she drives corporate positioning, brand visibility, and integrated communications aligned with the company's growth and sustainability agenda.

She holds a bachelor's degree in chemical engineering and a diploma in Professional Marketing and Digital Strategy from the Chartered Institute of Marketing (CIM). She also serves as a digital marketing mentor with Udacity, supporting local talent development through the "Makeen" program delivered in collaboration with the Ministry of Transport, Communications and Information Technology.



Alia Cabañez
Regional Sustainability Coordinator

Alia Cabañez leads ESG reporting and sustainability disclosure initiatives for Oman Cables Industry SAOG, its subsidiaries and the Prysmian MEART region. She oversees alignment with international reporting standards, decarbonization data tracking and cross-functional sustainability coordination. She also serves as the regional DE&I Local Partner for Prysmian Group. She holds a Bachelor of Arts in Mass Communication and is pursuing certification in GRI reporting.



REPORTS

To our valued shareholders,

Oman Cables Industry (SAOG) ("Oman Cables") is pleased to submit this report on the operational and financial performance of the Parent Company and the Group for the financial year ended 31 December 2025. The report underscores our continued commitment to transparency and accountability and provides shareholders with an in-depth overview of the year's key achievements, progress, and strategic developments across the Parent Company and its subsidiaries.

Parent Company - "Oman Cables"

The Group - Oman Cables and its two fully owned subsidiaries: Oman Aluminum Processing Industries SPC in Sohar "OAPIL" and Associated Cables Private Ltd in India "ACPL".

Board of Directors

The following are the Board of Directors of the Company:

1. Cinzia Farise` – Chairman
2. Mohamed Al Lawati – Vice Chairman
3. Laura Figini
4. Yassir Al Rashdi
5. Shabib Al-Busaidi
6. Ian F. Prescott
7. Fabrizio Rutschmann

The Board of Directors and its committees convened regularly throughout the year, providing strategic direction and effective oversight of the Company's activities. Their active engagement reinforced robust governance practices, supported management in the execution of strategic business priorities, and advanced key initiatives aligned with the Group's long-term growth and profitability objectives. The Board's leadership was integral in guiding the Company's performance, fostering innovation, and strengthening its commitment to environmental and social responsibility, in alignment with the Group's overarching vision and values.

Sustainable Growth

The Group remains firmly committed to sustainable and responsible growth, placing the highest priority on the safety, health, and wellbeing of its employees. We recognize that a secure, supportive, and inclusive working environment is essential to our success and serves as a catalyst for innovation. By fostering a culture in which safety and wellbeing are fundamental principles, we enable our teams to perform at their highest potential and reinforce the long-term resilience of our operations.

In advancing innovative energy solutions, the Group continues to adopt responsible production practices, ensuring that economic, environmental, and social sustainability are embedded across all aspects of our activities. We remain dedicated to reducing our environmental footprint through strong stewardship, actively managing emissions, conserving resources, and integrating sustainable practices throughout our value chain.

Our commitment extends beyond regulatory compliance. We proactively engage employees, customers, suppliers, and the wider community to ensure that the value we create is both meaningful and enduring. Environmental and social responsibility are deeply anchored in our corporate culture and are central drivers of our strategic direction, reinforcing our position as a technological leader in the energy transition. Through these efforts, we continue to advance our vision of building a sustainable future for all stakeholders.

Operational Review

In 2025, the Company continued its strong trajectory of value creation and business enhancement. Revenue growth was driven by performance in the power grid segment, industrial and construction, oil & gas projects. This momentum was supported by the Company's disciplined approach to dynamic pricing, agile design-to-cost practices, and strict control of fixed costs. By leveraging a broad portfolio of high value-added products and services and extending its geographic footprint into new international markets, the Company successfully sustained its competitive positioning and delivered record performance.

Profitability was further strengthened through prudent financial management, encompassing optimized income and expenditure frameworks, and through the continued evolution of the product and service mix toward innovative, high-value solutions that address emerging market requirements. Strategic diversification, paired with maintaining domestic focus and enhancement in export activities, not only reinforced the Company's financial results for the year but also positioned it advantageously for growth opportunities.

The Company has approved in October 2025, an investment of approximately OMR 9.5 million financed internally, with a return on investment expected within seven years. The investment will expand the Medium Voltage cable production facilities, aimed at increasing capacity and efficiency. The investment aligns with the Company's growth strategy, being a local and regional leader as cables and solutions provider, contributing to Oman Vision 2040 and enabling the region's energy transition, driving the shift toward cleaner and more efficient infrastructure.

The Company's commitment to sustainability remains a central pillar of its operating model. Climate action, social responsibility, and a continued focus on innovation are deeply embedded in the corporate culture and shape decision-making across the organization. These principles enhance long-term resilience and ensure that strategic initiatives are aligned with environmental stewardship and positive societal impact.

More than a cable manufacturer, the Company leverages its technological leadership to support the energy transition and contribute to the development of advanced infrastructure systems. Through proactive collaboration with suppliers, early anticipation of customer needs, and a culture that encourages continuous improvement, the Company amplifies its contributions to the broader community. Its industrial expertise and innovation capabilities enable the delivery of solutions that advance a sustainable future and help shape the next generation of energy systems.

Sales

Sales revenues of the Parent Company for 2025 are RO 216,614,423 as compared to RO 200,990,803 in 2024. The sales of the Group were RO 287,019,854 compared to RO 268,782,636 in 2024.

Profitability

The Net Profit of the Parent Company for the year 2025 was RO 17,070,391 as compared to RO 16,123,680 in 2024. 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 2025 was RO 24,267,261 compared to RO 22,622,186 in 2024.



Subsidiary: Oman Aluminum Processing Industries SPC, Oman "OAPIL" (fully owned subsidiary)

In 2025, Oman Aluminum Processing Industries SPC (OAPIL) continued to deliver upward performance, mainly driven by product mix optimization, profitability, disciplined financial management and cost-efficiency initiatives, enabling OAPIL to successfully navigate market. OAPIL continue focusing on expanded market footprint, strengthening its presence and contributing to revenue growth.

The Company's financial resilience was reinforced through disciplined management of fixed costs, proactive optimization of financial income and expenditures, and enhancements in supply chain processes and competitive terms. Additionally, OAPIL maintained stringent oversight of working capital, ensuring effective resource utilization and strengthening liquidity.

These coordinated efforts not only improved the results but also positioned OAPIL for sustained long-term growth, supporting its continued commitment to operational excellence and its strategic role within the Group.



Subsidiary: Associated Cables Private Limited, India "ACPL" (fully owned subsidiary)

Associated Cables Private Limited (ACPL) continued delivering positive results compared to the same period in 2024. ACPL remained committed to pursuing opportunities to drive future growth.

With strong support from the Group, ACPL continued to advance operational efficiencies and implement cost-effective design initiatives. These actions helped reinforcing ACPL's competitive positioning within the industry. Through these focused efforts, ACPL continued to strengthen the base for sustainable long-term performance.



Our People

We proudly affirm our identity as a 'People Company,' recognizing that our employees are the Group's most valuable assets and the driving force behind our sustainable growth and long-term success. Their commitment, expertise, and innovative spirit form the cornerstone of our achievements. We remain dedicated to cultivating an environment in which every team member is empowered to excel.

Our strategy places strong emphasis on continuously developing the skills and capabilities of our workforce through substantial investments in people development, comprehensive training programs, and structured talent-building initiatives. We also actively promote a culture grounded in diversity, inclusion, equity, and unwavering respect for human rights, ensuring that all individuals are valued, supported, and given meaningful opportunities to contribute to our shared objectives.

By nurturing our people and supporting both their professional and personal growth, we create the conditions necessary for sustained excellence and collective success across the Group.



Safety and Well-being of our People

The Group remains steadfast in its commitment to occupational health and safety, recognizing that the wellbeing of our workforce is essential to sustaining long-term growth and achieving operational excellence. Oman Cables places the highest priority on proactive health and safety measures, continuously working to maintain a safe and healthy working environment across all operational sites.

In support of this commitment, the Company implements comprehensive safety programs, including the 'Zero & Beyond' initiative, which aims for the complete elimination of accidents, defects, and waste throughout our processes. This program is reinforced by the adoption of the '6S' methodology—sort, set in order, shine, standardize, sustain, and safety—which enhances workplace organization, strengthens safety culture, and contributes to improved operational efficiency and productivity.

Together, these initiatives foster a culture of daily vigilance and prevention. Through regular safety briefings, awareness campaigns, and continuous training, employees are empowered to actively identify and mitigate potential hazards. This approach is fundamental to protecting the health and safety of our teams and embedding safety consciousness as an integral element of our corporate culture.

Our dedication to safety excellence is further demonstrated through the continuous monitoring and analysis of the Lost Time Injury Frequency (LTI) rate. This key performance indicator allows us to assess the effectiveness of our safety practices, pinpoint areas requiring improvement, and apply targeted corrective actions. Maintaining a consistently low LTI rate not only safeguards our employees but also enhances operational continuity, reduces disruptions, and reinforces our reputation as a responsible and sustainable industry leader.

Corporate Governance

Oman Cables is committed to the highest standards of corporate governance, beginning at the Board level and permeating every layer of the organization. In line with the rules and regulations in place, the company applies a rigorous governance framework built on transparency, accountability, fairness, prudence, and responsible leadership. Through well-defined internal regulations, policies and procedures, robust oversight mechanisms and delegation of authorities, and diligent risk-management practices, Oman cables ensures ethical conduct, regulatory compliance, and the safeguard of all stakeholder interests. The Board's duties include overseeing the company's integrated performance including, but not limited to, financial, sustainability and ESG, risk management, and compliance with legal and regulatory requirements. Board committees operate under formally approved charters that reinforce disciplined decision-making and strengthen the Company's capacity to govern with integrity and foresight.

This governance foundation supports the company's long-term sustainable value creation, ensuring that decisions are made with care, diligence, and a clear focus on responsible growth. By integrating sustainability, operational excellence, environmental stewardship, and employee wellbeing into its oversight model, the company advances a resilient and responsible business strategy that delivers enduring benefits for shareholders, employees, customers, and the wider community.

Through the implementation of the solid governance measures, Oman Cables ensures that its governance practices remain compliant with regulatory expectations and support the long-term interests of its stakeholders. The Board of Directors provides strategic oversight of the Company's sustainability and ESG agenda, ensuring that environmental, social, and governance considerations are fully integrated into long-term planning, risk management, and corporate decision-making. Together, the Board and management ensure that the Company operates responsibly, creates long-term value, and contributes positively to its stakeholders and the wider community.



Corporate Social Responsibility

Oman Cables' Corporate Social Responsibility (CSR) is a strategic pillar embedded within the company approach, reflecting its commitment to sustainable growth and responsible business conduct. Guided by Oman Cables Sustainability Ambitions (Climate change, Innovation, People and Role Model), Oman Vision 2040 and the UN Sustainable Development Goals, Oman Cables' CSR initiatives are designed to generate long-term value for our stakeholders and the broader community by integrating financial, social, and environmental priorities into our core operations, measuring the impact and the social return in investment of all activities, creating a synergetic approach between CSR and ESG.

The company, in 2025, implemented a structured CSR plan through a dedicated committee, focusing on four key chapters: Our People, Our Community, Our Economic Empowerment, and our Ecosystem. This structured approach strengthens the company's reputation, builds stakeholder trust, and ensures that the actions and initiatives generate measurable social and environmental value, contributing to a more resilient, inclusive, and sustainable future for all.

As a responsible company, we recognize that CSR is not a static concept; it is a continuous journey of improvement, innovation, and accountability, an evolving and dynamic responsible commitment. As expectations from our stakeholders continue to grow, it is essential that we remain aligned with the latest local and international developments in responsible business practices and emerging approaches, to ensure that our CSR approach remains relevant, forward-looking, and impactful. Our commitment to responsible conduct drives us to strengthen our initiatives, enhance transparency, and uphold the highest ethical, social, and environmental standards. CSR is not only integrated into our corporate strategy, and environmental, social & economic sustainability, but it is also a value driver and competitive advantage, being a responsible company and preference for stakeholders, reflecting the market positioning of the company as a leader in sustainable infrastructure, advancing climate and biodiversity goals, link to business, stakeholders and community engagement, measuring and maximizing broader impact and social return on investment on CSR initiatives.

Outlook

As we look ahead to 2026, the global environment continues to be characterized by geoeconomic fragmentation and a general slowdown in economic activity. Despite these conditions, the region remains well-positioned to navigate prevailing challenges. The GCC is expected to sustain stable growth, supported by its inherent economic resilience and capacity to adapt. Nonetheless, the region must remain attentive to potential risks, including disturbances to international trade flows that may contribute to upward pressure on raw material costs, with a volatile metal price.

The region benefits from significant opportunities to accelerate investment in cleaner and more sustainable energy sources, mobility projects, data centers and grid infrastructure optimization. Ambitious initiatives in onshore wind, solar power, and green hydrogen are poised to expand renewable generation capacity, supporting both global decarbonization efforts and the region's long-term energy transition goals. These advancements further reinforce the region's growing leadership in sustainable development.

Within this evolving landscape, the Group remains firmly committed to delivering value to all stakeholders. Our strategic focus is on deepening our presence in existing markets while enhancing operational efficiency to maximize performance. Through ongoing analysis of market dynamics and agile adaptation, we ensure that our offerings remain competitive and aligned with customer expectations.

The company is fully dedicated to navigating the competitive cable industry by expanding the product portfolio, with a particular emphasis on high value-added cable solutions. This strategic direction strengthens our differentiation and enhances our ability to meet the evolving requirements of our customers. Operational excellence remains a core priority, underpinning continuous improvements across the organization.

Sustainability continues to be central to our strategy. Our commitment to environmental stewardship guides our efforts to support the Sultanate and the wider region in advancing toward a greener, more sustainable future.

Dividend

In line with the directives set forth by the Financial Services Authority, and after carefully considering the Group's liquidity requirements to ensure smooth operational continuity, the Board maintains its commitment to returning value to the shareholders. Accordingly, the Board is pleased to propose the distribution of a cash dividend for the year 2025.

Reflecting on the Group's robust financial performance and in recognition of our stakeholders' continued trust and support, the Board recommends distributing a dividend of 95.5 baiza per share, totaling RO 8,566,350. This dividend represents 95.5% of the face value of each share (RO 0.100) and will be paid to all shareholders registered as of the date of the Annual General Meeting.

This recommendation underscores our ongoing commitment to delivering sustainable value to our shareholders, while simultaneously ensuring that our operational and strategic needs continue to be met effectively, along with our investment and strategic plans, while maintaining a solid financial position.

Directors Remuneration

The Board of Directors recommends that shareholders, at the forthcoming Annual General Meeting, approve a total Directors' remuneration of RO 200,000 to be allocated to the Board. This proposal reflects the Board's unwavering dedication, strategic leadership, and the invaluable guidance and support they have continuously provided to management in steering the Company toward its objectives contributing to the Company's sustained growth and upholding the highest standards of governance.



Conclusion

As we conclude another year of progress and achievement, we extend our sincere appreciation to all our employees and management teams. Their efforts, resilience and unwavering commitment have been fundamental to the Group's continued success. It is through their collective efforts that we sustain our momentum in growth and innovation, ensuring the Group remains well-positioned to respond to the challenges and opportunities of an evolving industry landscape.

We also express our gratitude to our valued local and international customers, business partners, the financial community, local communities, and all stakeholders who have placed their trust in us. Your continued support and collaboration are essential to our journey, and we remain committed to strengthening these relationships to ensure shared success and long-term prosperity.

Looking ahead, we are filled with optimism for the future of our beloved Oman. We are confident that, under the wise and visionary leadership of His Majesty Sultan Haitham bin Tariq, the Sultanate of Oman will continue to flourish, achieving greater heights of development, stability, and well-being. We wish His Majesty enduring health, and the nation continued progress and prosperity.



Cinzia Farisè

Chairman
Oman Cables Industry SAOG
29 January 2026

Corporate Governance Report

Company's Philosophy on Code of Corporate Governance

Oman Cables Industry SAOG "Oman Cables" is committed to the highest standards of corporate governance, beginning at the Board level and permeating every layer of the organization. In line with the Financial Services Authority's "FSA" Code of Corporate Governance, rules and regulations in place, the Company applies a rigorous governance framework built on transparency, accountability, fairness, prudence, and responsible leadership. Through well-defined internal regulations, policies and procedures, robust oversight mechanisms and delegation of authorities, and diligent risk-management practices, Oman Cables ensures ethical conduct, regulatory compliance, and the safeguard of all stakeholder interests. The Board's duties include overseeing the company's integrated performance including, but not limited to, financial, sustainability and ESG, risk management, and compliance with legal and regulatory requirements. Board committees operate under formally approved charters that reinforce disciplined decision-making and strengthen the Company's capacity to govern with integrity and foresight.

This governance foundation supports the company's long-term sustainable value creation, ensuring that decisions are made with care, diligence, and a clear focus on responsible growth. By integrating sustainability, operational excellence, environmental stewardship, and employee wellbeing into its oversight model, the Company advances a resilient and responsible business strategy that delivers enduring benefits for shareholders, employees, customers, and the wider community.

Corporate Governance Principles:

Oman Cables' Board of Directors and executive management adhere to a defined set of governance principles designed to ensure ethical leadership, sound oversight, compliance with applicable Omani regulatory requirements, and references to international practices. These principles guide the Company's conduct, reinforce stakeholder confidence, and support sustainable long-term value creation:

- **Transparency:** Ensuring clear, timely, and accurate disclosure of relevant information to all stakeholders.
- **Accountability:** Taking responsibility for decisions, performance, and the effective stewardship of Company resources.
- **Fairness:** Treating all stakeholders equitably and without bias in all dealings and interactions.

- **Integrity and Honesty:** Performing duties in a manner consistent with the highest ethical standards.
- **Prudence, Care, and Diligence:** Exercising sound judgment, competence, and due care in all managerial and supervisory actions.
- **Prioritization of Company Interests:** Acting in the best interests of the Company and the wider community, ensuring that personal interests do not conflict with organizational objectives and interests.

Oman Cables has implemented these governance principles through a structured framework of internal controls, policies, and oversight mechanisms that ensure effective management, regulatory compliance, and alignment with stakeholder expectations. The key measures applied by the Company include:

- Establishing comprehensive internal regulations and operating procedures, including but not limited to Delegation of Authorities, Human Resources Policy, Finance Manual, Commercial Manual, Procurement and Supply Chain Manual, Information Security and Data Protection, Disclosure and Insider Trading Policy, Responsible Business Conduct Policies, Board and BoD committees' related Policies, Charters and Procedures, Related Party Policy, Hedging Policy, Enterprise Risk Management, Sustainability and ESG, Quality Management System, and other relevant policies.
- Monitoring adherence to internal regulations through regular internal checks and annual revision, internal and external audits, periodic Quality System audits, and customer-initiated quality and compliance assessments.
- Conducting regular management reviews and providing structured written reports from Management to the Board to ensure effective oversight and informed decision-making.
- Maintaining periodic communication with shareholders to foster transparency and engagement.
- Ensuring compliance with the FSA-mandated process for director nomination and election, thereby securing a Board composed of qualified and competent directors who can effectively oversee Company operations.
- Ensuring full compliance with applicable laws and regulations, reinforcing responsible governance and operational integrity.

The Company has established a robust governance and oversight framework through the adoption of key charters and policies, including the Audit Committee Charter, Internal Audit Charter, Strategic Committee Charter, and the Nomination and Remuneration Committee Charter. These governance instruments and terms of reference have been developed in full alignment with the requirements of the Financial Services Authority and have received formal approval from the Board of Directors. Collectively, they define the mandates, responsibilities, and operating principles of each committee, reinforcing the Company's commitment to transparency, ethical conduct, and sound risk management. Through the implementation of these measures, the Company ensures that its governance practices remain compliant with regulatory expectations and support the long-term interests of its stakeholders.

The Board of Directors provides strategic oversight of the Company's sustainability and ESG agenda, ensuring that environmental, social, and governance considerations are fully integrated into long-term planning, risk management, and corporate decision-making. The Board sets the overall direction, approves key terms of reference, and monitors performance against ESG objectives. The management is responsible for implementing this strategy by embedding sustainability practices across operations, monitoring compliance with relevant standards, and reporting ESG performance to the Board. Together, the Board and management ensure that the Company operates responsibly, creates long-term value, and contributes positively to its stakeholders and the wider community.

Board of Directors:

The Board of Directors is elected by the Company's shareholders at the Annual General Meeting (AGM) every three years, ensuring a transparent governance process. The most recent Board election took place at the AGM on March 21, 2024, resulting in the appointment of seven directors, comprising four non-independent directors and three independent directors. This balanced composition promotes both oversight and diverse perspectives within the leadership.

At its inaugural meeting following the election, held on 21 March 2024, the Board of Directors elected Cinzia Farise` as Chairman and Mohamed Al Lawati as Vice Chairman, demonstrating a commitment to effective leadership. Additionally, Jad Atallah was appointed as the Company Secretary, supporting the Board in fulfilling its governance responsibilities.

To further strengthen its governance framework, the Board constituted key committees, including the Audit Committee, Nomination and Remuneration Committee, and the Strategy Committee, and appointed their respective members. These committees play a critical role in overseeing the Company's financial integrity, strategic direction, and people management. The next election for the Board of Directors is scheduled to take place at the AGM in March 2027, ensuring continued leadership continuity and accountability for a three-year term.

Over the course of the year in 2025, the Board held five meetings to actively monitor the Company's performance, assess progress against strategic priorities, and evaluate emerging risks and opportunities, especially in this fast-market and geopolitical circumstances. This consistent oversight ensured that all initiatives continued to support Oman Cables' long-term sustainable growth ambitions and remained aligned with responsible governance practices.

The following are the relevant details of the Directors and meetings' attendance during the year 2025.

Name	Designation	Category	Meetings Attended	AGM Attended	OGM Attended
Cinzia Farisè	Chairman	Non-Executive Non-independent	5	Yes	Yes
Mohamed Al Lawati	Vice Chairman	Non-Executive Non-Independent	5	Yes	Yes
Shabib Al Busaidi	Director	Non-Executive Independent	5	Yes	Yes
Ian F. Prescott	Director	Non-Executive Independent	5	Yes	No
Fabrizio Rutschmann	Director	Non-Executive Non-Independent	5	Yes	Yes
Laura Figini	Director	Non-Executive Non-Independent	5	Yes	Yes
Yasser Al Rashdi	Director	Non-Executive Independent	5	Yes	Yes

In 2025, the Board of Directors demonstrated its strong commitment to continuous learning and effective stewardship by engaging in several targeted development activities. In January, the Board held a two-day off-site retreat dedicated to long-term strategic planning, team building, and high-level governance discussions, including focused sessions between the Chairman and Independent Directors.

Recognizing the importance of staying informed on emerging global, regional and local topics, the Board also participated in specialized training and upskilling sessions. In April 2025, the members of the Board of Directors received an expert-led briefing on Sustainability and ESG Reporting and MSX 30 ESG Metrics, followed by a comprehensive session on Enterprise Risk Management, including an in-depth review of the international Risk Management Framework and evolving risk trends. These learning engagements reflect the Board's belief that continuous upskilling is essential to fulfilling duties with diligence, foresight, and responsibility.

The Company adheres to the definition of independent directors as outlined in the applicable rules and regulations for public joint stock companies, issued by the Financial Services Authority. This commitment ensures that Board composition aligns with best practices in governance, promoting transparency and objective oversight. There were no changes in the composition of the Board of Directors during 2025, as all members were elected at the Annual General Meeting held on March 21, 2024.

The Members of the Board of Directors hold the following positions in other Companies / Organizations, as of 31 December 2025:

Name of Director	Designation in other Companies
Cinzia Farisè Chairman	<ul style="list-style-type: none"> Advisory Board Member at Sultan Qaboos University College of Engineering Executive Vice President Power Grid and Electrification 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 at INIZIATIVE BRESCIANE SPA – Italy Board Member of FINANZIARIA DI VALLECAMONICA - 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 Founder and Board Member at OPERAZIONE VIVERE (NON-PROFIT) - Italy Doorways Srl – Partner Draka Elevator Products Inc. USA – Director Draka Elevator Products Inc. Canada – Director Prysmian Cables and Systems Canada Ltd. Canada – Director Prysmian MKM Magyar Kabel Muvek Kft. Hungary – Director
Mohamed Al Lawati Vice Chairman	<ul style="list-style-type: none"> Chief Executive Officer, Al-Saleh Group Director, ASE India Pvt. Ltd.
Shabib Al Busaidi Director	<ul style="list-style-type: none"> Director, Al Batinah Power Acting Deputy CEO for Social Protection Affairs at the Social Protection Fund
Ian F. Prescott Director	<ul style="list-style-type: none"> Chief Executive Officer/Director Lamprell Energy Limited, UAE Non-Executive Director Industrial Maritime Industries KSA
Fabrizio Rutschmann Director	<ul style="list-style-type: none"> Chief People & Corporate Services Officer, Snam Group – Italy till 1 November 2025
Laura Figini Director	<ul style="list-style-type: none"> Corporate and Business Units HR and Group DE&I and Wellbeing VP at Prysmian
Yasser al Rashdi Director	<ul style="list-style-type: none"> Group Finance Director of ITHCA group

Board Meetings held during the year:

During 2025, the company convened five Board Meetings on January 29, April 29, July 29, October 28, and December 10. These meetings were held either in person or via video conference, in line with the regulatory requirements. The Company Secretary, Jad Atallah, appointed in accordance with applicable regulatory requirements, ensured the effective coordination of Board and committee meetings throughout the year. This included organizing meeting schedules, managing logistics, and ensuring that each session was supported by a clear and comprehensive agenda. Detailed minutes were prepared for every meeting, accurately capturing discussions, deliberations, and all resolutions passed by the Board. Management provided required reports and presentations, which were carefully reviewed and discussed by the Directors to support informed and timely decision-making on key strategic and operational matters. The Board also dedicated significant attention to emerging matters, risks, opportunities and industry trends, thereby exercising strong oversight and providing continued strategic guidance to the Company.

Committees of the Board of Directors:

The Board of Directors and its Committees remain steadfast in their commitment to upholding the highest standards of corporate governance, transparency, and accountability across all areas of the Company's operations. Through strong collective leadership and rigorous oversight, the Board guides Oman Cables in delivering on its strategic objectives, enhancing operational excellence, and fostering sustainable long-term value creation. Their continued dedication to responsible governance ensures

that the Company not only sustains its position as an industry leader but also maintains a firm focus on environmental stewardship, social responsibility, and ethical business conduct.

Throughout the year, three distinct committees operated under the Board of Directors, each playing a crucial role in supporting the Board's governance and strategic oversight. These committees were formally established during the Board meeting held on March 21, 2024, immediately following the election of the new Board of Directors at the Annual General Meeting on the same day. By delegating specialized responsibilities to these committees, the Board ensured that its duties were carried out efficiently and with enhanced focus on critical areas. The three committees, each with clearly defined mandates, contributed significantly to effective decision-making, risk management, and the achievement of organizational objectives.

Audit Committee:

The Audit Committee—chaired by Yasser Al Rashdi, with members Laura Figini, Shabib Al-Busaidi, and Ian F. Prescott—plays a central role in supporting the integrity of Oman Cables' corporate governance framework. In accordance with applicable Omani regulations and recognized governance practices, the Committee exercises independent oversight over the Company's financial reporting processes, internal control systems, related-party transactions, risk management oversight and both internal and external audit activities. Its mandate encompasses ensuring the accuracy, completeness, and transparency of financial disclosures, as well as evaluating the effectiveness of the Company's risk-management and compliance practices. Through periodic reviews, constructive dialogue with management and auditors, and five meetings convened during the year, the Audit Committee reinforces accountability, ethical conduct, and robust financial governance, thereby strengthening stakeholder trust, ensuring that operating management consistently adheres to established standards and procedures.

Comprising four members, three of whom are Independent Directors, thereby forming a majority in its constitution, the Audit Committee is structured to maintain objectivity and impartial oversight, further reinforcing the integrity and transparency of the Company's financial reporting and internal controls.

Composition of the Committee:

Name	Designation	Meetings attended
Yasser Al Rashdi	Chairman - independent	5
Shabib Al Busaidi	Member - independent	5
Ian F. Prescott	Member - independent	5
Laura Figini	Member – non-independent	5

During the year 2025, the Audit Committee convened five meetings on the following dates: January 23, January 28, April 28, July 28 and October 27. Throughout these meetings, the Committee diligently fulfilled its responsibilities in accordance with the Board-approved charter and terms of reference, and the regulations set forth by the Financial Services Authority (FSA). The Committee conducted comprehensive reviews of the internal audit reports and risk management reports. Based on these evaluations, the Committee provided critical guidance and recommendations to executive management to support effective decision-making and risk mitigation. Additionally, the Audit Committee thoroughly examined the quarterly financial statements prior to their recommendation to the Board of Directors for approval, ensuring compliance with its charter, the assigned functions, and all relevant FSA rules and regulations. Rania Al Mazrouai, Head of Internal Audit, Risk and Compliance, continued to serve as the Secretary of the Audit Committee, facilitating seamless committee operations and ensuring effective documentation of proceedings.

Strategic Committee:

The Strategic Committee, chaired by Mohamed Al Lawati, with members Cinzia Farise`, Ian F. Prescott, and Fabrizio Rutschmann, plays a vital role in shaping the long-term strategic direction of Oman Cables. Operating in accordance with its charter and the governance requirements of the applicable regulations, the Committee provides structured, forward-looking oversight to ensure that the Company's strategic objectives remain robust, competitive, and aligned with global best practices.

Throughout the year, the Committee focused on evaluating the Company's medium- and long-term priorities, reviewing emerging market trends, technological developments, and sector-specific challenges. The Committee undertook detailed assessments of strategic initiatives, investment opportunities, and potential risks, ensuring that proposed actions are underpinned by sound analysis and aligned with shareholder value creation.

The Strategic Committee also engaged in regular dialogue with executive management, reviewing progress against the approved strategy, challenging underlying assumptions, and ensuring that resource allocation supports innovation, operational excellence, and sustainable growth. Scenario planning and resilience assessments formed part of the Committee's work, enabling the Company to anticipate shifts in its operating environment and adjust strategic pathways accordingly.

Through these activities, the Strategic Committee strengthened Oman Cables' competitiveness, supported the development of resilient and forward-looking strategies, and reinforced the Company's long-term sustainability, value creation, and market leadership.

The Strategic Committee consists of four experienced members from the Board of Directors, each bringing diverse expertise and insight to guide the company's strategic direction.

Composition of the Committee:

Name	Designation	Meetings attended
Mohamed Al Lawati	Chairman	4
Cinzia Farise`	Member	4
Fabrizio Rutschmann	Member	4
Ian F. Prescott	Member	4

During the year 2025, the Strategic Committee convened four meetings on the following dates: January 28, April 28, July 28 and October 27. Throughout these meetings, the Committee thoroughly evaluated comprehensive market studies presented by the management, focusing on various market segments as well as potential opportunities in new markets. In addition, the Committee engaged in detailed discussions regarding the company's long-term strategic plans and initiatives aimed at driving sustained growth and competitiveness. The Committee is supported by Jad Atallah as Committee Secretary coordinating its activities and ensuring effective documentation and communication.

Nomination and Remuneration Committee:

The Nomination and Remuneration Committee (Remco) is established to provide focused support and informed guidance on key matters relating to Board composition, leadership succession, and executive and company performance indicators remuneration, among other responsibilities. Remco is responsible for advising the Board on the structure and levels of remuneration for the members of the Board of Directors, and for overseeing the performance evaluation and compensation framework for Executive Management and the Chief Executive Officer. The Committee also plays a central role in the nomination, assessment, and selection of members of the Board of Directors and senior executives, through succession planning, ensuring that the Company attracts, develops, and retains high-caliber leadership aligned with its strategic needs.

Comprised of four Board members, the Nomination and Remuneration Committee leverages the diverse expertise and experience of its Directors to discharge its mandate effectively and uphold strong governance standards.

Composition of the Committee:

Name	Designation	Meetings attended
Shabib Al Busaidi	Chairman	3
Mohamed Al Lawati	Member	4
Fabrizio Rutschmann	Member	4
Laura Figini	Member	4

During the year 2025, the Nomination and Remuneration Committee convened four formal meetings to address key matters related to nominations, key performance indicators, compensation and other topics set by an annual plan. The meetings were held on January 28, April 28, July 28, and October 27, demonstrating the Committee's commitment to regular oversight and strategic decision-making. The Committee was supported by Giancarlo Esposito, Chief Strategy Officer, who served as the Secretary of the Committee, facilitating effective documentation and communication throughout the year.

Evaluating the performance of the BoD Committees:

Beyond being a continuous Board Committees performance evaluation, the Board of Directors has engaged an international leadership expert firm and global Board assessor "Heidrick & Struggles" for the Board Committees' performance evaluation for 2025.

With the aim to continuously strengthen long-term governance maturity, the internationally led assessment provided deeper, independent insights that extended beyond the annual Committee Evaluation and served as a valuable foundation for the comprehensive three-year Board Evaluation planned in the following year. This approach allowed the Board to clearly identify improvement areas, benefiting from globally benchmarked practices, and building a structured path of continuous enhancement. By integrating international expertise with annual induction programs, the Board ensures its members, and its Committees remain equipped with up-to-date global knowledge, enabling a robust culture of learning, evolution, and high-quality oversight.

The evaluator completed the evaluation process and submitted its report to the Board of Directors.

Process of nomination of the Directors:

The Company adheres to the Commercial Companies Law, the Code of Corporate Governance for Public Joint Stock Companies, and the decisions and circulars issued by the Financial Services Authority in this regard. The skills and competencies of each candidate nominated for a seat on the Board of Directors are reviewed, and the Company is committed to ensuring a Board consisting of individuals with the vision, diverse skills and experience, local and international, and required competencies.

Remuneration matters

Remuneration of the Board of Directors:

The remuneration of Board of Directors is approved by the Shareholders in the Annual General Meeting. The Company's Annual General Meeting held on 27 March 2025 approved the proposal of the Board of Directors to pay an amount of **₹ 200,000** as remuneration for the financial year ended on 31/12/2024, in addition to an amount of **₹ 59,600** for sitting fees.

The Board proposes to the shareholders in the Annual General Meeting scheduled to be held on 25 March 2026 to approve the disbursement of an amount of **₹ 200,000** (2025: **₹ 200,000**) as a remuneration to the Board of Directors for the financial year ended on 31 December 2025, in addition to the sitting fees for the year 2025.

The Members of the Board of Directors have no other pecuniary relationship or transaction with the company. The total remuneration and sitting fees paid/accrued to the Board of Directors in 2025, 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 and as articulated in the Remuneration Policy for Oman Cables' Board of Directors. Noting that the Members of the Board of Directors having positions at Prysmian forego the remuneration and sitting fees. The sitting fees are approved by the General Meeting of Shareholders on 27 March 2025 to be **₹ 700** per Board Meeting and General Meetings of Shareholders and **₹ 500** for BoD Committee Meeting.

The Company bear the expenses of the Members of the Board of Directors related to travel and accommodation for attending the meetings during the year.

Sitting fees and proposed Board of Directors Remuneration for financial year ended on 31 Dec 2025

Director	Sitting fees ₹	Remuneration ₹	Total ₹
Cinzia Farise`	6,900	34,484	41,384
Mohmad Al Lawati	8,900	27,586	36,486
Shabib Al Busaidi	8,900	27,586	36,486
Ian F. Prescott	8,700	27,586	36,286
Fabrizio Rutschmann	8,900	27,586	36,486
Laura Figini	9,400	27,586	36,986
Yasser Al Rashdi	7,400	27,586	34,986
Total	59,100	200,000	259,100

Operating Management Remuneration:

Salary and perquisites

Salary and perquisites of the five top senior officers paid / accrued during the year 2025 is **₹ 1,314,600**. This includes **₹ 828,896** as fixed component and **₹ 485,704** 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, ensuring that all terms and conditions are clearly outlined and mutually agreed upon. These contracts are fully compliant with the regulations set forth by the Ministry of Labor as well as the provisions of the Omani Labor Law. By adhering to these standards, the Company guarantees transparency, legal protection, and fair treatment for all employees throughout their tenure.

Details of non-compliance by the Company

No fines or penalties were imposed on the Company by either the Financial Services Authority (FSA) or the Muscat Stock Exchange (MSX) during the past three financial years. This demonstrates the Company's strong commitment to regulatory compliance and adherence to all applicable financial market rules and standards. The absence of such sanctions reflects the effectiveness of the Company's internal controls and governance practices throughout this period.

Means of Communication with Shareholders and Investors:

In accordance with the requirements and regulations of the Financial Services Authority and Muscat Stock Exchange, the Company ensures the timely and transparent dissemination of its financial information by publishing quarterly, half-yearly, nine-month, and annual financial results in two prominent local newspapers. These results are also promptly (within the regulatory timelines) uploaded to both the Muscat Stock Exchange website and the Company's official website at www.omancables.com, making them easily accessible to shareholders, investors, and the public.

The Company has established a robust disclosure policy supported by comprehensive procedures designed to ensure full compliance and effective monitoring of all disclosure obligations. These measures reinforce the Company's commitment to transparency, corporate governance, and the provision of accurate information to stakeholders.

Regarding the Annual Audited Accounts and following the required approvals and regulatory requirements, the Company publishes the audited financial statements in two local newspapers and makes them available on its website for maximum visibility, shareholder and investment community engagement. All significant events that may affect the Company's operations or financial position are promptly communicated to the Muscat Stock Exchange in accordance with regulatory requirements.

Additionally, the Annual Report contains a dedicated Management Discussion and Analysis section, offering stakeholders a comprehensive overview of the Company's performance, strategic direction, and key developments during the year.

Meeting held with the Investors and Analysts:

During 2025, the Company strengthened its commitment to transparency, market integrity and proactive stakeholder engagement by hosting two comprehensive meetings with investors and financial analysts, in accordance with applicable regulations. Recognizing the importance of open dialogue in supporting informed investment decisions, the Company issued public invitations through the Muscat Stock Exchange to ensure broad and fair participation by investors, analysts, and media representatives.

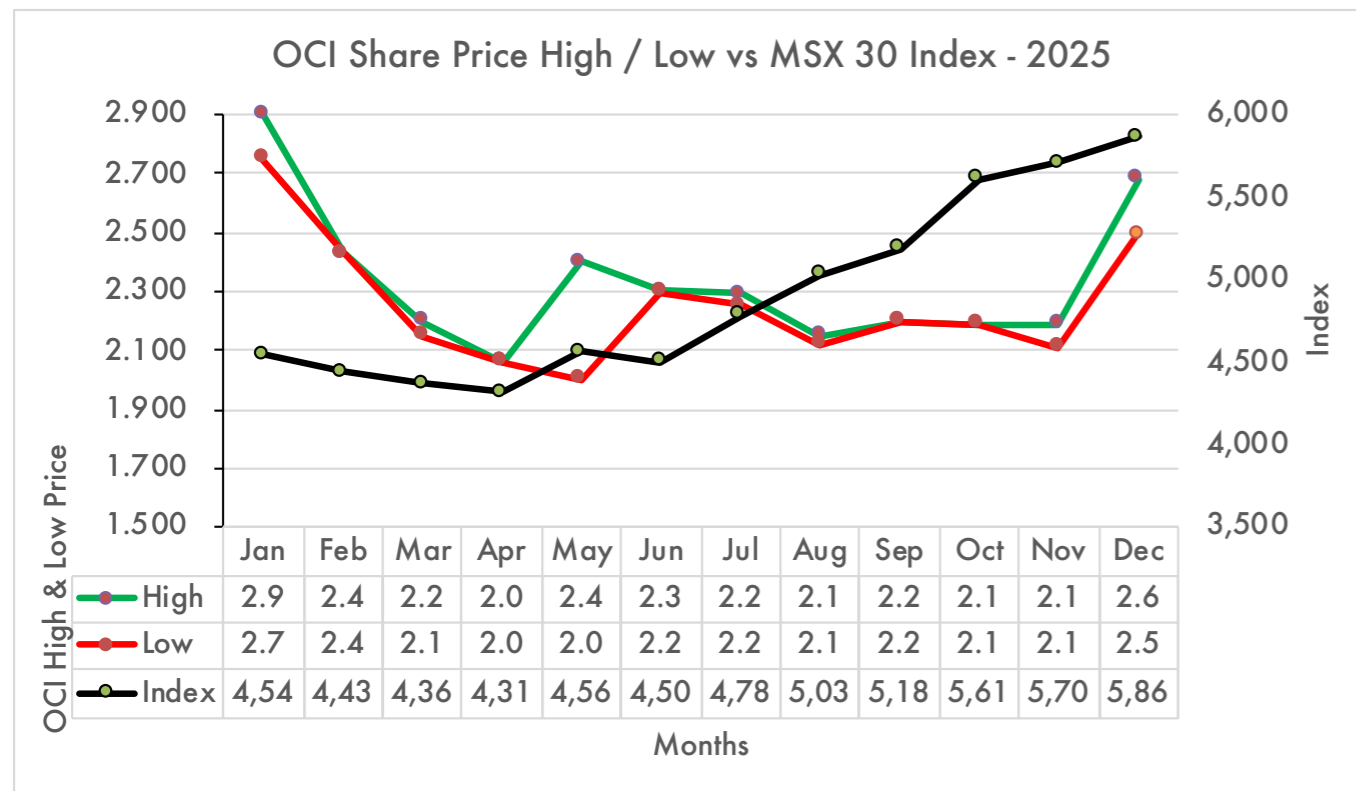
The first meeting, held on 5 February 2025, focused on the presentation and analysis of the audited financial statements for the year ended 31 December 2024. In addition to reviewing financial performance, management provided an overview of key strategic initiatives, operational priorities, and market outlook. This session encouraged active engagement, enabling participants to gain deeper clarity on the Company's performance drivers.

The second meeting, convened on 25 August 2025, attracted investors and analysts from within and outside the Sultanate. The discussion centered on the unaudited semi-annual financial statements for the period ended 30 June 2025, during which management addressed all questions raised and provided comprehensive insights on financial developments, business trends, and strategic considerations. These interactions enhanced transparency, reinforced stakeholder trust, and supported an informed market environment.

In line with regulatory obligations, recordings of both meetings were promptly published on the Muscat Stock Exchange disclosure platform and on the Company's website. This ensured equal access to information for all stakeholders and reaffirmed the Company's ongoing commitment to openness, timely disclosure, and effective communication with the investment community.

Market Price Data:

During the period 2025, the share price of **₹ 0.100** face value moved in the range of high of **₹ 2.900** to a low of **₹ 2.000**. The share price closed as on 31 December 2025 at **₹ 2.650**. The following chart illustrates the share price movements of the company compared to the MSX 30 Index.



The distribution of Major Shareholding as on 31 December 2025 is as follows (5% or more):

Shareholder	2025		2024	
	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	16,145,362	17.99
Social Protection Fund	5,841,419	6.51	5,841,419	6.51

The Company does not have any American Depositary Receipts (ADRs), Global Depositary Receipts (GDRs), and Warrants or any other Convertible Instruments, as on 31 December 2025 and hence the likely impact on equity is Nil. This demonstrates a stable capital structure, reducing potential volatility related to convertible securities. As a result, shareholders can be assured of the transparency and predictability of the Company's equity profile.

Areas of Non-Compliance of The Provisions of Corporate Governance:

The Company is fully compliant with all provisions of the Code of Corporate Governance, with no instances of non-compliance identified. This reflects the Company's strong commitment to maintaining the highest standards of transparency, accountability, and ethical conduct. By adhering strictly to corporate governance requirements, the Company fosters stakeholder confidence and supports long-term sustainability and trust in its operations.

Profile of Statutory Auditors – 2025

Deloitte

Deloitte & Touche (M.E.) LLP (“DME”) is the affiliate for the territories of the Middle East and Cyprus of Deloitte NSE LLP (“NSE”), a UK limited liability partnership and member firm of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee (“DTTL”). Deloitte refers to one or more of DTTL, its global network of member firms, and their related entities. DTTL (also referred to as “Deloitte Global”) and each of its member firms are legally separate and independent entities. DTTL, NSE and DME do not provide services to clients. Please see www.deloitte.com/about to learn more.

Deloitte is a leading global provider of audit and assurance, consulting, financial advisory, risk advisory, tax and related services. Our network of member firms in more than 150 countries and territories, serves four out of five Fortune Global 500® companies. Learn how Deloitte’s approximately 457,000 people make an impact that matters at www.deloitte.com.

DME is a leading professional services firm established in the Middle East region with uninterrupted presence since 1926. DME’s presence in the Middle East region is established through its affiliated independent legal entities, which are licensed to operate and to provide services under the applicable laws and regulations of the relevant country. DME’s affiliates and related entities cannot oblige each other and/or DME, and when providing services, each affiliate and related entity engages directly and independently with its own clients and shall only be liable for its own acts or omissions and not those of any other affiliate. The audit fees for 2025 amounted to **£ 29,000**.

Internal Audit:

To ensure effective governance, strong internal controls, and compliance with applicable laws and regulations, the Company maintains an independent, full-time Internal Audit function. The Internal Audit Department provides objective assurance and advisory services through systematic evaluation of the Company’s processes, risk management, and control environment. The function reports directly to the Audit Committee, in accordance with regulatory requirements and recognized professional standards. This structure enhances oversight, strengthens accountability, promotes transparency, and supports continuous improvement across the organization.

Quality Assurance in the Audit Department:

In alignment with the new IIA Global Internal Audit Standards, effective 9 January 2025, which establish a comprehensive framework for Quality Assurance and Improvement Programs (QAIP), the Internal Audit Department has developed and maintains a structured QAIP covering all aspects of the internal audit function. The program includes ongoing internal quality assessments conducted annually, as well as an independent external quality assessment performed at least once every four (4) years.

The results of both internal and external quality assessments are formally communicated to the Board of Directors and senior management. Such communications include:

- The Internal Audit function’s conformance with the IIA Global Internal Audit Standards and achievement of defined performance objectives.
- Compliance with applicable laws and regulatory requirements relevant to internal auditing.
- Action plans to address identified improvement opportunities and enhance the maturity and effectiveness of the Internal Audit function.

This approach ensures continuous improvement, strengthens governance oversight, and reinforces stakeholder confidence in the robustness and independence of the Company’s internal audit practices.

The Board of Directors Acknowledgement:

The Board of Directors confirms that no material events have occurred that would affect the Company's ability to continue its operations or undermine its status as a going concern in the upcoming financial year. The Company maintains comprehensive, formally documented systems and procedures across all business functions, ensuring consistency, clarity, and full compliance with applicable regulatory requirements. All Internal Regulations have been meticulously compiled, subject to rigorous internal review, and formally approved in line with the governance standards mandated in the Sultanate of Oman.

A robust and well-structured internal control system is in place to support operational excellence, strengthen risk-management capabilities, and safeguard the Company's assets. The Board of Directors and responsible BoD Committee conduct periodic evaluations of this internal control framework to ensure its continued adequacy, effectiveness, and alignment with the Company's strategic objectives and regulatory obligations. These evaluations help ensure that internal controls remain responsive to evolving risks and operational needs.

In addition, the Board has formally adopted and fully complies with the Information Security Policy Guidelines issued by the Financial Services Authority (FSA) and related Data Protection regulation. This demonstrates the Company's strong commitment to protecting information assets, enhancing cybersecurity maturity, and maintaining high standards of data governance throughout the organization.

The Board also ensures that the Company's financial statements are prepared in strict and consistent accordance with International Financial Reporting Standards (IFRS) issued by the IASB, the interpretations of the IFRIC, the provisions of the Commercial Companies Law of the Sultanate of Oman, and the full disclosure requirements prescribed by the Financial Services Authority. This rigorous approach fosters transparency, enhances financial reporting integrity, and ensures that all stakeholders receive accurate and reliable information.

The Board confirms that there have been no events or circumstances identified that could negatively impact the Company's ability to operate as a going concern or hinder its business continuity in the next financial year. This assurance reinforces the Company's commitment to sound governance, robust risk management, and long-term sustainable business.



Cinzia Farisè

Chairman
Oman Cables Industry SAOG
29 January 2026

Management Discussion & Analysis Report



Introduction

Oman Cables Industry (SAOG), a publicly listed joint stock company on the Muscat Stock Exchange (MSX), is recognized as one of the Sultanate of Oman's leading industrial manufacturers and a key player in the regional wire and cable sector. Established in 1984, the Company has developed a strong reputation for engineering, manufacturing, and delivering a fully integrated portfolio of electrical cables and related solutions designed to meet the needs of modern infrastructure, utilities, and industrial applications.

Its product range encompasses medium-voltage power cables, low-voltage power and control cables, instrumentation and pilot cables, overhead transmission conductors, and building wires, including specialized variants such as flame-retardant, low-smoke and fume (LSF), UV-resistant, anti-termite, and lead-sheathed constructions. These products position the Company among the most diversified cable producers in the region.

Beyond conventional cable manufacturing, Oman Cables offers integrated electrical and control solutions, including advanced systems and digital platforms, enabling customers to deploy high-performance, technologically advanced infrastructure. These offerings reflect the Company's ongoing commitment to innovation and customer-centric engineering excellence.

A key element of Oman Cables' strategic strength is its partnership with Prysmian Group, the global leader in the cable and energy transmission sector. This affiliation reinforces Oman Cables' position among the top global wire and cable producers, enabling access to worldwide R&D capabilities, advanced manufacturing technologies, and international best practices.

The Company maintains presence - beyond its headquarters and state-of-art manufacturing facilities in Oman - the company is present in UAE, Qatar, Bahrain, and the Kingdom of Saudi Arabia, supported by a broad distribution network across the wider region, covering the Middle East, Africa, Turkey, Russia, and India. This extensive footprint enhances its ability to meet the diverse requirements of infrastructure development and energy transition projects across multiple geographies.

Oman Cables is also the parent company of two wholly owned subsidiaries, Associated Cables Private Limited (ACPL) in India, and Oman Aluminum Processing Industries LLC (OAPIL) in Sohar Oman, strengthening the Group's integrated presence across the cable and downstream metal processing value chains.

Contributing to the Sultanate's long-term sustainability vision, Oman Cables plays a vital role in supporting renewable energy deployment, grid modernization, and the development of a greener, resilient future for the region. Through advanced products, technological leadership, and a strong commitment to operational excellence, the Company continues to deliver value to stakeholders while contributing to the region's evolving energy landscape.

Accelerating the Energy Transition

Oman Cables continues to advance the Sultanate's transition toward sustainable and low-carbon energy through a proactive, forward-looking strategy. Sustainability remains deeply embedded in the Company's operational and strategic framework, shaping decision-making across all business functions. By prioritizing environmental stewardship and aligning with global decarbonization trends and Oman's national sustainability objectives, the Company reinforces its commitment to supporting a greener and more resilient future.

To drive this commitment, Oman Cables has implemented an integrated energy management system focused on optimizing efficiency throughout the production cycle. Significant investments are being directed toward renewable energy infrastructure, the increased use of recycled and low-carbon raw materials, and the rollout of advanced waste-management initiatives. Collectively, these efforts enhance circularity, reduce the Company's environmental footprint, and strengthen progress toward a closed-loop manufacturing ecosystem.

Oman Cables' dedication to innovation is exemplified in its expanding portfolio of sustainable, high-performance products, which play a central role in enabling the global and regional energy transition. Recognizing that the shift to renewable energy depends on modern, resilient transmission and distribution systems, the Company continues to develop advanced grid-infrastructure solutions. These solutions support reliable energy dispatch from generation sources to end users, facilitate the integration of renewable resources, and accelerate the shift toward a low-carbon energy architecture.

The Company further builds upon the capabilities of its strategic partner, Prysmian, by embedding environmental, social, governance, and technological principles within its long-term strategy.

Oman Cables has emerged as a key Renewables Excellence Center for the Middle East, strengthening the region's transition toward a decarbonized energy system through advanced solutions in solar, wind, and hydrogen technologies. The Company offers wide innovative renewable energy products, enhancing grid-hardening and transmission infrastructure, critical enablers for integrating renewable energy into national and regional grids. Being the Renewables Excellence Center, Oman Cables supports the Sultanate and broader region by providing sustainable, high-performance cable technologies that strengthen energy security and accelerate the energy transition. As a leader in enabling that transition, Oman Cables has announced an investment in expanded MV capabilities in its facilities in Muscat, a cornerstone initiative in the company's broader growth strategy across the region.

Demonstrating leadership beyond its core business, Oman Cables has also established the Global Sustainability Academy in Muscat, a pioneering platform for education, knowledge exchange, and capacity building in sustainability. The Academy empowers employees, partners, and broader stakeholders by deepening awareness, promoting responsible practices, and fostering a culture of continuous learning. Through this initiative, the Company reinforces its long-term commitment to creating sustained value for the Sultanate, its communities, and future generations.

Opportunities and Threats

In the GCC markets where Oman Cables operates, demand for cable solutions continues to be shaped by large-scale infrastructure developments and energy-sector investments—both of which remain closely linked to government revenues and prevailing oil prices. The region's favorable demographics, rapid urbanization, and expanding population base reinforce long-term structural demand for power, construction, and utility infrastructure, providing a solid foundation for sustained cable market growth. At the same time, the accelerated rollout of national energy-transition programs—particularly in solar, wind, hydrogen, and grid-modernization projects—continues to elevate the requirement for advanced, high-performance cable technologies, even as certain projects progress at a more measured pace.

With oil prices holding supportive levels, GCC economies are positioned to maintain healthy GDP growth and macroeconomic resilience. The non-oil sector, driven by construction, manufacturing, and utilities, remains central to regional economic diversification strategies, underpinned by a robust pipeline of megaprojects and government-led infrastructure spending. These dynamics create significant opportunities for Oman Cables to supply specialized medium- and high-value cable solutions tailored to the evolving needs of both conventional and emerging market segments. Recent investments in the Group, further enhance capacity and efficiency, strengthening Oman Cables' ability to meet regional demand and support the GCC's infrastructure and energy-transition agenda.

Nevertheless, the Company continues to operate within a landscape characterized by potential risks, including geopolitical tensions, commodity-price volatility, and global supply-chain disruptions. Intensifying regional competition, evolving regulatory frameworks, and shifting customer expectations require ongoing innovation, agility, and operational discipline. By continuing leveraging its strong strategic partnership with Prysmian, providing access to global R&D capabilities, and by embedding sustainability, technological excellence, and responsible governance across its operating model, Oman Cables is well-equipped to pursue emerging growth opportunities while proactively mitigating risks across its GCC markets and beyond.

Segmentation and Differentiation

The cable industry continues to be characterized by strong competition, requiring clarity of strategy and a high degree of adaptability. In response, Oman Cables has maintained a disciplined approach centered on market segmentation and differentiation, positioning the Company for sustained long-term performance. Working closely with its strategic partner, Prysmian Group, Oman Cables benefits from shared technical expertise, innovation capabilities, and operational synergies that reinforce its commercial strategy across regional and international markets. This collaboration enables the delivery of tailored solutions that address the specific needs of diverse customer segments, strengthening the Company's competitive positioning and market reach.

Oman Cables continues to serve a broad and diversified customer base through its extensive portfolio of products, allowing it to effectively respond to evolving market requirements. This multi-segment approach has remained instrumental in preserving the Company's leadership across key sectors, supported by its ability to offer both standard cables and sophisticated, high-performance solutions for infrastructure, utilities, and advanced energy applications. This adaptability has reinforced Oman Cables' reputation for reliability, technical excellence, and innovation.

In 2025, the Company delivered strong results across all geographical markets and product families. This outcome reflects the Company's strategic focus on enabling the energy transition and meeting the increasing demand for sustainable, low-carbon solutions.

Profitability in 2025 was maintained at a good level, despite the headwinds, market pressure, metal volatility and uncertain geopolitical circumstances. This performance was driven by rigorous design-to-cost initiatives, continuous optimization of development and production processes, and steadfast adherence to quality standards. Oman Cables also managed unavoidable cost increases through transparent and responsible market adjustments, protecting financial stability while sustaining its innovation agenda. This disciplined approach to cost management, combined with a persistent focus on delivering superior customer value, positions the Company for continued resilience and growth amid a dynamic and competitive industry landscape.

Outlook

At our region and despite global uncertainties, Oman's domestic outlook for 2026 remains broadly positive with continuing GDP growth, supported by momentum in non-oil sectors, moderate inflation, underpinning stable operating conditions and contributing to a favorable macroeconomic environment. Across the wider Gulf region, the economic outlook is similarly constructive, driven by resilient demand, growth in non-oil sectors, and government investment in infrastructure, logistics, digital technologies, and diversified economic activities. These trends provide a supportive backdrop for continued demand in the cable industry, particularly in power, utilities, construction, and next-generation energy systems.

Within this context, Oman Cables remains committed to leveraging these favorable conditions while remaining vigilant and responsive to emerging risks. The Company will continue to rely on its comprehensive Enterprise Risk Management (ERM) framework to anticipate, assess, and mitigate potential threats across financial, operational, and market dimensions. At the same time, Oman Cables will maintain its emphasis on delivering superior, innovative, and sustainable cable solutions at competitive prices, reinforcing its market leadership and supporting national and regional progress toward a low-carbon future.

By sustaining a disciplined approach to risk management and strategically capitalizing on opportunities across both traditional demand centers and fast-growing renewable and digital infrastructure sectors, Oman Cables is well-positioned to navigate uncertainty, strengthen resilience, and drive long-term value creation for its stakeholders in 2026 and beyond.



Internal Control Systems and their Adequacy

Oman Cables has developed a comprehensive and resilient system of internal controls and operating procedures designed to safeguard its operations and ensure full compliance with applicable standards. These systems are reinforced through continuous oversight by a dedicated and professionally qualified internal audit function, complemented by independent reviews conducted by external statutory financial auditors and ISO certification bodies. This robust, multilayered assurance framework is further strengthened by regular assessments performed by multinational clients as part of their stringent pre-qualification and product-approval processes.

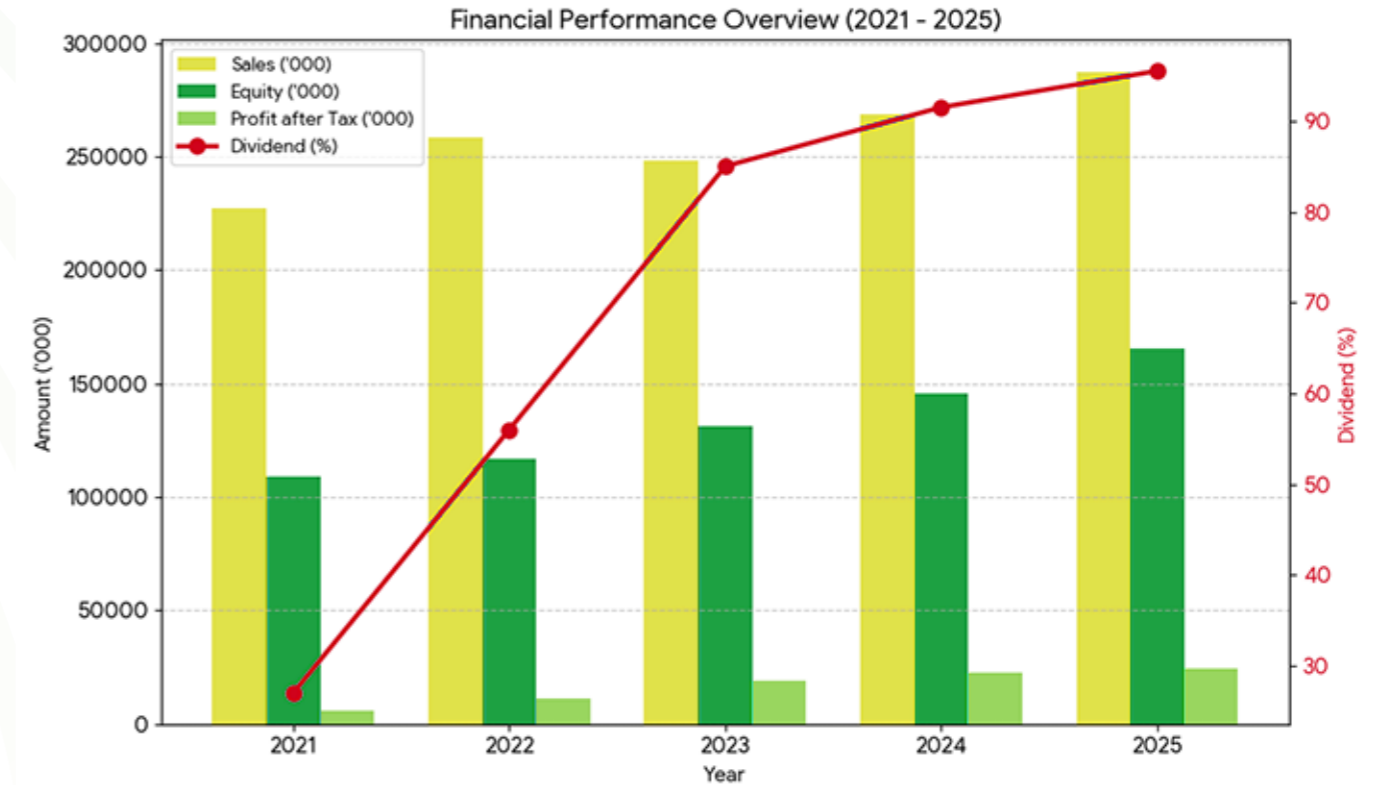
These audits cover all critical operational areas, with particular emphasis on adherence to Health, Safety, and Environmental (HSE) requirements. This rigorous approach ensures that Oman Cables not only complies with regulatory and industry standards but consistently upholds best practices in workplace safety, environmental stewardship, and sustainable operations. The Company's strong commitment to corporate governance is reflected in its adherence to strict ethical policies, transparency, and accountability across all levels of the organization.

By prioritizing customer satisfaction and continuously enhancing its internal control environment, Oman Cables reaffirms its dedication to operational excellence, effective risk management, and long-term value creation. This disciplined governance framework supports the Company's strategic objectives and reinforces its reputation as a trusted and responsible leader within the cable industry.



Sales and Profitability

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



	2021	2022	2023	2024	2025
Sales (₹' 000)	227,419	258,598	248,165	268,783	287,020
Profit after Tax (₹' 000)	5,973	11,173	18,929	22,622	24,267
Equity (₹' 000)	108,956	116,970	131,072	145,735	165,428
Dividend (%)	27%	56%	85%	91.5%	95.5%*

* recommended by the Board of Directors

Sustainability

Oman Cables continues to advance the Sultanate's transition toward sustainable and low-carbon energy systems through a structured, future-focused sustainability strategy. Sustainability is not merely a guiding principle—it is deeply embedded within the Company's culture, operating model, and decision-making processes. This foundational commitment ensures that environmental stewardship, social responsibility, and operational excellence remain integral to how the Company delivers value across its organization.

In its manufacturing operations, Oman Cables places strong emphasis on responsible and efficient energy use. The Company continues to expand the deployment of renewable energy, increase the use of recycled and low-carbon raw materials, and enhance circularity across production cycles. Continuous improvements in waste management and resource efficiency ensure the minimization of environmental impact while supporting the transition to sustainable industrial practices.

The Company's portfolio of advanced and sustainable cable solutions plays a pivotal role in enabling the energy transition locally, regionally, and across the wider markets. By delivering high-performance transmission and distribution technologies, Oman Cables ensures the reliable transfer of energy from production sites to consumption points, an essential prerequisite for integrating renewable resources into modern power grids. These capabilities support the development of resilient, future-ready infrastructure necessary for a decarbonized energy landscape.

Oman Cables' dedication to long-term value creation is further exemplified by the establishment of the Global Sustainability Academy in Muscat. The Academy is described as a first-of-its-kind initiative in Oman, designed to serve more than 30,000 Prysmian Group employees worldwide, along with local stakeholders, partners, and community institutions. It provides an integrated global platform for sustainability knowledge exchange, capacity building, and the development of practical solutions supporting Oman's energy transformation and economic diversification goals.

Conclusion

The Company and the Group delivered record results in 2025, reflecting the unwavering dedication of our teams to strengthening customer relationships, advancing innovation and product development, optimizing costs, and maintaining disciplined financial management. These achievements were further enabled by the continued trust and support of our stakeholders, as well as the strong partnerships we have cultivated with our valued customers across the region.

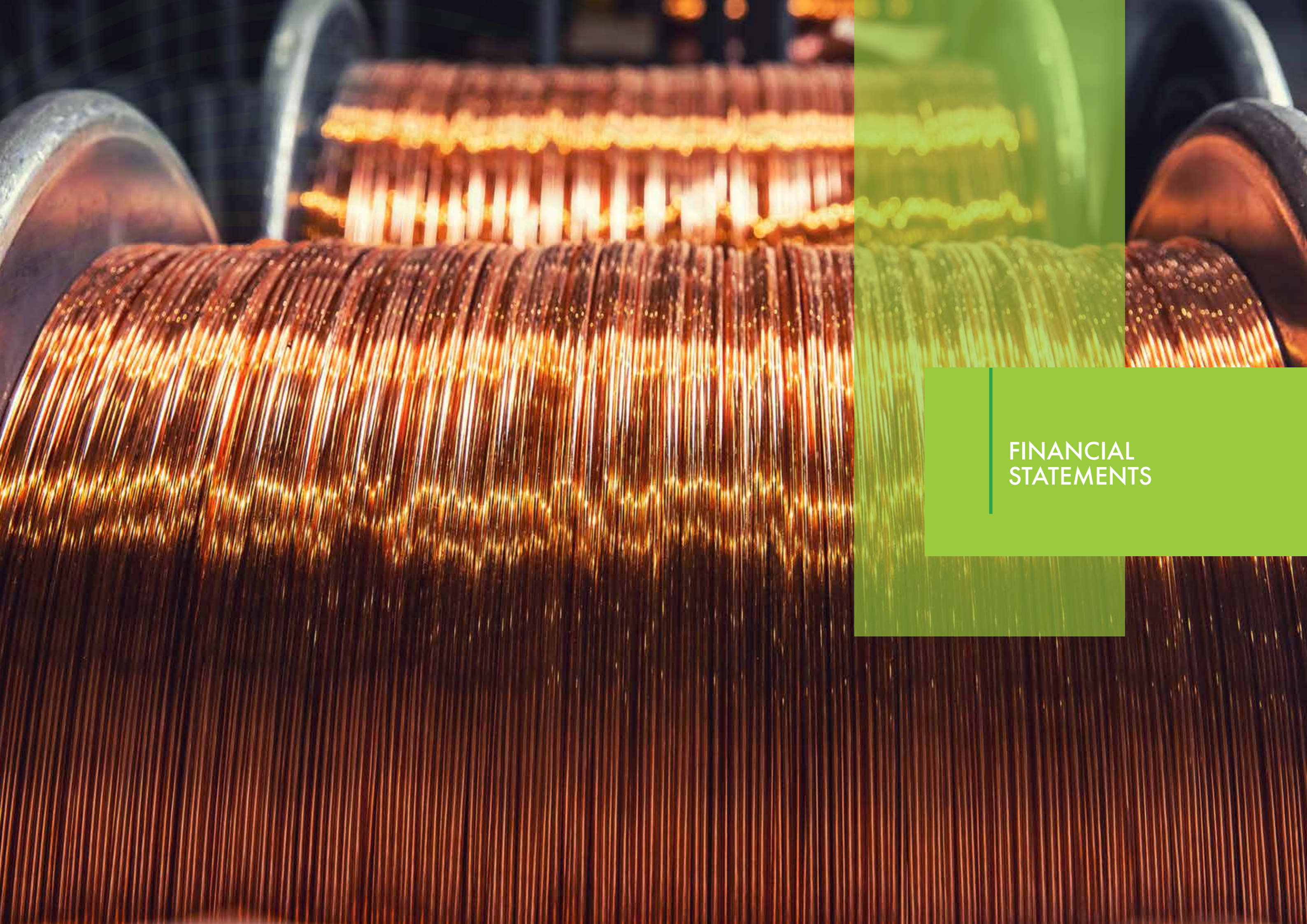
Looking ahead, the Company remains firmly committed to sustained and responsible growth, with sustainability positioned at the core of our long-term strategy. We continue to nurture a performance-driven, growth-oriented culture across all organizational levels, while advancing the integration of product portfolios and regional commercial teams to unlock new synergies. Our value proposition is anchored in sustainability and innovation, supported by a clear investment roadmap for the Group's three entities, a diverse pipeline of expansion initiatives, and a comprehensive ESG strategy aligned with science-based targets and the Sultanate's carbon-neutrality ambitions.

Executive Management, guided by the strategic direction of the Board of Directors, is confident in the Company's ability to further reinforce its market position and deliver enhanced value to all stakeholders. By embedding sustainability, fostering innovation, and investing in talent and capability-building initiatives, including the flagship Sustainability Academy, we continue to strengthen the foundations for long-term value creation. These efforts position Oman Cables to play a leading role in advancing the nation's energy transition and to set new benchmarks for operational excellence and industry leadership, contributing to a greener and more resilient energy future.



Erkan Aydogdu

Chief Executive Officer
Oman Cables Industry (SAOG)
Date: 29 January 2026



FINANCIAL
STATEMENTS

Parent Company and Consolidated Statement of Financial Position as at 31 December 2025

		Group 2025	Parent Company 2025	Group 2024	Parent Company 2024
	Notes				
ASSETS					
Non-current assets					
Property, plant and equipment	5	22,402,557	13,259,532	21,802,343	13,142,605
Intangible asset	6	229,235	229,235	290,639	290,639
Right-of-use assets	7	5,277,444	3,730,136	3,319,203	1,709,999
Investment in subsidiaries	8	-	7,789,908	-	7,789,908
Financial assets at amortized cost	9	-	-	1,000,000	1,000,000
Financial assets at fair value through other comprehensive income	9	36,622	36,622	84,124	84,124
Deferred tax assets	10	255,516	222,651	355,334	410,120
Total non-current assets		28,201,374	25,268,084	26,851,643	24,427,395
Current assets					
Financial assets at amortized cost	9	1,000,000	1,000,000	-	-
Inventories	11	25,060,750	21,776,095	26,277,530	22,821,135
Derivative financial instruments	20	1,796,174	1,289,563	-	-
Trade and other receivables	12	62,907,588	46,080,789	67,165,376	49,469,969
Short term deposits	13	59,990,542	46,867,875	49,249,279	39,849,050
Cash and cash equivalents	14	30,761,804	26,566,035	16,115,214	15,390,144
Total current assets		181,516,858	143,580,357	158,807,399	127,530,298
Total assets		209,718,232	168,848,441	185,659,042	151,957,693
EQUITY AND LIABILITIES					
Equity					
Share capital	15	8,970,000	8,970,000	8,970,000	8,970,000
Share premium	16	977,500	977,500	977,500	977,500
Legal reserve	17	4,445,333	2,990,000	4,445,333	2,990,000
General reserve	18	20,746,741	19,593,802	19,039,702	17,886,763
Retained earnings		125,961,987	101,303,991	111,609,315	94,148,189
Other reserves	20	4,326,622	3,707,240	693,952	737,022
Total equity		165,428,183	137,542,533	145,735,802	125,709,474
Non-current liabilities					
Employees' end of service benefits	21	1,943,089	1,664,135	1,720,147	1,466,231
Lease liabilities	7	5,697,210	3,888,379	3,536,340	1,822,581
Total non-current liabilities		7,640,299	5,552,514	5,256,487	3,288,812
Current liabilities					
Lease liabilities	7	255,553	247,976	281,433	185,108
Derivative financial instruments	20	-	-	1,251,330	1,194,467
Bank borrowings	22	-	-	769,000	-
Trade and other payables	23	31,407,648	22,008,971	27,781,749	18,323,656
Taxation	10	4,986,549	3,496,447	4,583,241	3,256,176
Total current liabilities		36,649,750	25,753,394	34,666,753	22,959,407
Total liabilities		44,290,049	31,305,908	39,923,240	26,248,219
Total equity and liabilities		209,718,232	168,848,441	185,659,042	151,957,693
Net assets per share	30	1.844	1.533	1.625	1.401

Chairman

Chief Executive Officer

The accompanying notes form an integral part of the parent company and consolidated financial statements.

Parent Company and Consolidated Statement of Profit or Loss and Other Comprehensive Income for the Year Ended 31 December 2025

		Group 2025	Parent Company 2025	Group 2024	Parent Company 2024
	Notes				
Revenue					
Revenue	24	287,019,854	216,614,423	268,782,636	200,990,803
Cost of sales					
Cost of sales	25	(248,794,143)	(188,559,123)	(231,613,996)	(174,686,084)
Gross profit					
Gross profit		38,225,711	28,055,300	37,168,640	26,304,719
Other income					
Other income	26	93,628	10,050	506,034	477,656
Administrative expenses					
Administrative expenses	27	(6,620,226)	(5,218,943)	(6,676,347)	(5,225,026)
Selling and distribution expenses					
Selling and distribution expenses	28	(6,115,327)	(5,178,800)	(6,768,426)	(4,527,370)
Net allowances for expected credit losses					
Net allowances for expected credit losses		49,400	(5,460)	18,726	18,726
Finance costs					
Finance costs	29	(399,932)	(171,114)	(242,850)	(108,789)
Finance income					
Finance income	29	3,474,502	2,747,559	3,011,652	2,392,915
Profit before income tax					
Profit before income tax		28,707,756	20,238,592	27,017,429	19,332,831
Income tax expense					
Income tax expense	10	(4,440,495)	(3,168,201)	(4,395,243)	(3,209,151)
Profit for the year					
Profit for the year		24,267,261	17,070,391	22,622,186	16,123,680
Other comprehensive income					
Items that may be reclassified subsequently to profit or loss:					
Net movement in hedging reserve, net of tax	20	2,590,379	2,112,019	(1,529,461)	(1,525,946)
Net movement in foreign currency translation reserve, net of tax	20	(21,143)	-	(22,460)	-
Other comprehensive profit/(loss) for the year					
Other comprehensive profit/(loss) for the year		2,569,236	2,112,019	(1,551,921)	(1,525,946)
Total comprehensive income for the year					
Total comprehensive income for the year		26,836,497	19,182,410	21,070,265	14,597,734
Earnings per share attributable to owners of parent:					
Basic and diluted earnings per share					
Basic and diluted earnings per share	30	0.271	0.190	0.252	0.180

The accompanying notes form an integral part of the parent company and consolidated financial statements.

Parent Company and Consolidated Statement of Changes in Equity for the Year Ended 31 December 2025

Group	Attributable to the equity holders of the Parent Company							Total equity
	Share capital	Share premium	Legal reserve	General reserve	Retained earnings	Other reserves		
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 expense	-	-	-	-	-	(1,551,921)	(1,551,921)	
Total comprehensive income / (expense)	-	-	-	-	22,622,186	(1,551,921)	21,070,265	
Dividend for the year 2023 (Note 19)	-	-	-	-	(7,624,500)	-	(7,624,500)	
Share based compensation reserve (Note 27)	-	-	-	-	-	1,218,198	1,218,198	
Transfer to general reserve (Note 18)	-	-	-	1,612,368	(1,612,368)	-	-	
At 1 January 2025	8,970,000	977,500	4,445,333	19,039,702	111,609,315	693,952	145,735,802	
Profit for the year	-	-	-	-	24,267,261	-	24,267,261	
Other comprehensive income	-	-	-	-	-	2,569,236	2,569,236	
Total comprehensive income	-	-	-	-	24,267,261	2,569,236	26,836,497	
Dividend for the year 2024 (Note 19)	-	-	-	-	(8,207,550)	-	(8,207,550)	
Share based compensation reserve (Note 27)	-	-	-	-	-	1,063,434	1,063,434	
Transfer to general reserve (Note 18)	-	-	-	1,707,039	(1,707,039)	-	-	
At 31 December 2025	8,970,000	977,500	4,445,333	20,746,741	125,961,987	4,326,622	165,428,183	

Parent Company	Share capital	Share premium	Legal reserve	General reserve	Retained earnings	Other reserves	Total equity
	At 1 January 2024	8,970,000	977,500	2,990,000	16,274,395	87,261,377	1,334,299
Profit for the year	-	-	-	-	16,123,680	-	16,123,680
Other comprehensive expense	-	-	-	-	-	(1,525,946)	(1,525,946)
Total comprehensive income / (expense)	-	-	-	-	16,123,680	(1,525,946)	14,597,734
Dividend for the year 2023 (Note 19)	-	-	-	-	(7,624,500)	-	(7,624,500)
Share based compensation reserve (Note 27)	-	-	-	-	-	928,669	928,669
Transfer to general reserve (Note 18)	-	-	-	1,612,368	(1,612,368)	-	-
At 1 January 2025	8,970,000	977,500	2,990,000	17,886,763	94,148,189	737,022	125,709,474
Profit for the year	-	-	-	-	17,070,391	-	17,070,391
Other comprehensive income	-	-	-	-	-	2,112,019	2,112,019
Total comprehensive income	-	-	-	-	17,070,391	2,112,019	19,182,410
Dividend for the year 2024 (Note 19)	-	-	-	-	(8,207,550)	-	(8,207,550)
Share based compensation reserve (Note 27)	-	-	-	-	-	858,199	858,199
Transfer to general reserve (Note 18)	-	-	-	1,707,039	(1,707,039)	-	-
At 31 December 2025	8,970,000	977,500	2,990,000	19,593,802	101,303,991	3,707,240	137,542,533

The accompanying notes form an integral part of the parent company and consolidated financial statements.

Parent Company and Consolidated Statement of Cash Flows for the Year Ended 31 December 2025

	Group 2025	Parent Company 2025	Group 2024	Parent Company 2024
Cash flows operating activities				
Profit before income tax	28,707,756	20,238,592	27,017,429	19,332,831
Adjustments for:				
Depreciation of property, plant and equipment	3,175,508	2,029,484	3,112,315	2,062,878
Depreciation of right-of-use assets	184,419	122,523	156,896	95,000
Amortization of intangibles	61,404	61,404	60,575	60,575
(Gain)/loss on disposal of property, plant and equipment	(915)	817	(2,855)	(2,855)
(Reversal)/provision for slow moving and obsolete items	(7,392)	(7,392)	138,529	(8,650)
Reversal of allowance for expected credit losses	(102,395)	(28,544)	(18,726)	(18,726)
Share based expenses	1,063,434	858,199	1,218,198	928,669
Provision for employees' end of service benefits	395,998	328,111	84,201	44,248
Finance cost	399,932	171,114	242,850	108,789
Finance income	(3,474,502)	(2,747,559)	(3,011,652)	(2,392,915)
Operating profit before changes in working capital:	30,403,247	21,026,749	28,997,760	20,209,844
Working capital changes:				
Inventories	1,224,172	1,052,432	(1,915,928)	(457,466)
Trade receivables	4,360,183	3,417,724	(7,704,747)	(3,771,884)
Trade and other payables	3,625,899	3,685,315	(479,891)	(1,332,023)
Cash generated from operations	39,613,501	29,182,220	18,897,194	14,648,471
Payment of employees' end of service benefits	(173,056)	(130,207)	(174,437)	(142,215)
Income tax paid	(4,358,855)	(3,113,169)	(3,717,606)	(2,639,422)
Net cash from operating activities	35,081,590	25,938,844	15,005,151	11,866,834
Cash flows from investing activities				
Purchase of property, plant and equipment and intangibles	(3,776,621)	(2,147,228)	(3,571,607)	(1,428,865)
Proceeds from disposal of property, plant and equipment	1,814	-	3,278	3,103
Proceed from unquoted investments	47,502	47,502	67,018	67,018
Investment in short term deposits – Other than related party	18,126,612	21,849,050	(16,344,797)	(11,920,760)
Investment in short term deposits – Related party	(28,867,875)	(28,867,875)	-	-
Financial assets at amortised cost	-	-	114,912	-
Interest received	3,417,720	2,748,256	3,050,141	2,392,767
Net cash used in investing activities	(11,050,848)	(6,370,295)	(16,681,055)	(10,886,737)
Cash flows from financing activities				
Dividends paid to equity holders of the parent company	(8,207,550)	(8,207,550)	(7,624,500)	(7,624,500)
Payment of lease liabilities including interest	(275,108)	(185,108)	(262,674)	(172,674)
Finance cost paid	(132,494)	-	(38,073)	-
(Repayment)/proceed of bank borrowing	(769,000)	-	769,000	-
Net cash used in financing activities	(9,384,152)	(8,392,658)	(7,156,247)	(7,797,174)
Net change in cash and cash equivalents	14,646,590	11,175,891	(8,832,151)	(6,817,077)
Cash and cash equivalents at the beginning of the year	16,115,214	15,390,144	24,947,365	22,207,221
Cash and cash equivalents at the end of the year – Note 14	30,761,804	26,566,035	16,115,214	15,390,144

The accompanying notes form an integral part of the parent company and consolidated financial statements.



**Notes to the Parent
Company and
Consolidated Financial
Statements**

Notes to the parent company and consolidated financial statements

for the year ended 31 December 2025

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 Parent Company's principal activity is the manufacture and sale of electrical cables and conductors.

The Parent Company holds 100% (2024:100%) 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 Parent Company holds 100% (2024:100%) shareholding in Associated Cables Private Limited, India which was registered in India in July 1973 and commenced operations from 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 to Note 15 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".

These financial statements are presented in Rial Omani (﷋) and rounded to the nearest ﷋. Foreign operations are included in accordance with the policies set out in Note 3.

2. Application of new and amended IFRS Accounting Standards**2.1 New and amended IFRS Accounting Standards that are effective for the current year**

In the current year, the Parent Company and the Group has applied following amendments to IFRS Accounting Standards issued by the IASB which is mandatorily effective for an annual period that begins on or after 1 January 2025. Its adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

Amendment to IAS 21 – The Effects of Changes in Foreign Exchange Rates titled Lack of Exchangeability

The Parent Company and the Group has adopted the amendments to IAS 21 for the first time in the current year. The amendments specify how to assess whether a currency is exchangeable, and how to determine the exchange rate when it is not.

Notes to the parent company and consolidated financial statements

for the year ended 31 December 2025

2. Application of new and amended IFRS Accounting Standards (continued)**2.2 New and revised IFRS Accounting Standard in issue but not yet effective**

At the date of authorisation of these financial statements, the Parent Company and the Group has not applied the following new and revised IFRS Accounting Standards that have been issued but are not yet effective:

New and revised IFRSs	Effective for annual periods beginning on or after
Amendments to IFRS 9 and IFRS 7 – Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Annual Improvements to IFRS Accounting Standards –Volume 11 - Amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 7 Financial Instruments: Disclosures and its accompanying Guidance on implementing IFRS 7, IFRS 9 Financial Instruments, IFRS 10 Consolidated Financial Statements, and IAS 7 Statement of Cash Flows	1 January 2026
Amendments to IFRS 9 and IFRS 7 – Contracts referencing Nature-dependent Electricity	1 January 2026
IFRS 18 Presentation and Disclosures in Financial Statements	1 January 2027
IFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendment in IFRS 10 and IAS 28 – Sales or contributions of assets between an investor and its associate/joint venture	Effective date deferred indefinitely. However, early adoption is still permitted.

The Directors do not anticipates that the adoption of standards listed above will have a material impact on the financial statements of the Parent Company and the Group in the future periods, except if indicated below.

Notes to the parent company and consolidated financial statements

for the year ended 31 December 2025

2. Application of new and amended IFRS Accounting Standards (continued)**2.2 New and revised IFRS Accounting Standard in issue but not yet effective (continued)****IFRS 18 Presentation and Disclosures in Financial Statements**

IFRS 18 replaces IAS 1, carrying forward many of the requirements in IAS 1 unchanged and complementing them with new requirements. In addition, some paragraphs from IAS 1 have been moved to IAS 8 and IFRS 7. Furthermore, the IASB has made minor amendments to IAS 7 and IAS 33 *Earnings per Share*.

IFRS 18 introduces new requirements to:

- present specified categories and defined subtotals in the statement of profit or loss.
- provide disclosures on management-defined performance measures (MPMs) in the notes to the financial statements.
- improve aggregation and disaggregation.

An entity is required to apply IFRS 18 for annual reporting periods beginning on or after 1 January 2027, with earlier application permitted. The amendments to IAS 7 and IAS 33, as well as the revised IAS 8 and IFRS 7, become effective when an entity applies IFRS 18. IFRS 18 requires retrospective application with specific transition provisions.

The Directors of the Group anticipate that the application of these amendments may have an impact on the Group's consolidated financial statements in future periods.

Notes to the parent company and consolidated financial statements

for the year ended 31 December 2025

3. Accounting policies**Statement of compliance**

The parent company and consolidated financial statements have been prepared in accordance with International Financial Reporting Standards as issued by the IASB (IFRS Accounting Standards) and the requirements of the Commercial Companies Law 2019 of the Sultanate of Oman and comply with the disclosure requirements of the Financial Services Authority ("FSA").

Basis of preparation

These parent company and consolidated financial statements are prepared under the historical cost convention except for certain financial instruments (including derivative financial instruments) measured at fair value and have been presented in Rial Omani (﷮), which is the presentation and functional currency of the Parent Company and the Group.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly: and
- Level 3 inputs are unobservable inputs for the asset or liability.

The principal accounting policies of the Parent Company and the Group applied in the preparation of these financial statement are set out below:

Going concern

The Directors have, at the time of approving the parent company and consolidated financial statements, a reasonable expectation that the Parent Company and the Group has adequate resources to continue in operational existence for the foreseeable future. Thus, the Parent Company and the Group have applied the going concern basis of accounting in preparing the parent company and consolidated financial statements.

Notes to the parent company and consolidated financial statements

for the year ended 31 December 2025

3. Accounting policies (continued)**Basis of consolidation**

The consolidated financial statements incorporate the financial statements of the parent company and entities controlled by the Group made up to 31 December each year. 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
- 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 considers that 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, including:

- the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders
- potential voting rights held by the Group, other vote holders or other parties
- rights arising from other contractual arrangements
- any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the group loses control of the subsidiary. Specifically, the results of subsidiaries acquired or disposed of during the year are included in profit or loss from the date the group gains control until the date when the Group ceases to control the subsidiary.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with the Group's accounting policies.

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

Notes to the parent company and consolidated financial statements

for the year ended 31 December 2025

3. Accounting policies (continued)**Basis of consolidation (continued)**

Non-controlling interests in subsidiaries are identified separately from the Group's equity therein. Those interests of non-controlling shareholders that are present ownership interests entitling their holders to a proportionate share of net assets upon liquidation may initially be measured at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement is made on an acquisition-by-acquisition basis. Other non-controlling interests are initially measured at fair value. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity.

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

Changes in the Group's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Parent Company.

When the Group loses control of a subsidiary, the gain or loss on disposal recognised in profit or loss is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), less liabilities of the subsidiary. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as required/permitted by applicable IFRS Accounting Standards). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IFRS 9 Financial Instruments when applicable, or the cost on initial recognition of an investment in an associate or a joint venture.

Notes to the parent company and consolidated financial statements

for the year ended 31 December 2025

3. Accounting policies (continued)**Business combinations**

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interest issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value at the acquisition date, except that:

- deferred tax assets or liabilities and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with IAS 12 Income Taxes **and IAS 19 Employee Benefits** respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with IFRS 2 *Share-based Payment* **at the acquisition date (see below); and**
- assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations* **are measured in accordance with that standard.**

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

When the consideration transferred by the Group in a business combination includes a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

Notes to the parent company and consolidated financial statements

for the year ended 31 December 2025

3. Accounting policies (continued)**Business combinations (continued)**

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Other contingent consideration is remeasured to fair value at subsequent reporting dates with changes in fair value recognised in profit or loss.

When a business combination is achieved in stages, the Group's previously held interests in an acquired entity that is an associate or a joint venture, or a joint operation that constitutes a business, is remeasured to its acquisition-date fair value and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss, where such treatment would be appropriate if that interest were disposed of.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

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

Notes to the parent company and consolidated financial statements

for the year ended 31 December 2025

3. Accounting policies (continued)**Property, plant and equipment (continued)**

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. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other expenditure is recognised in the statement of profit and loss as the expense is incurred.

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 profit and loss in the year the asset is derecognised.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Impairment of non-financial assets

At the end of each reporting date, the Group reviews the carrying amounts of its tangible assets (or cash generating units) to determine whether there is any indication that those assets have suffered impairment. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment (if any).

The loss arising on an impairment of an asset is determined as the difference between the recoverable amount and carrying amount of the asset and is recognised immediately in statement of profit or loss and other comprehensive income.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount and the increase is recognised as income immediately, provided that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised earlier.

Notes to the parent company and consolidated financial statements

for the year ended 31 December 2025

3. Accounting policies (continued)**Impairment of non-financial assets (continued)**

The recoverable amount of an asset or its cash generating unit is the greater of its value-in-use and its fair value less costs to sell. 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 time value of money and risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the cash-generating unit). Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

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 and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

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.

Notes to the parent company and consolidated financial statements

for the year ended 31 December 2025

3. Accounting policies (continued)**Leases (continued)**

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.

The incremental borrowing rate depends on the term, currency and start date of the lease and is determined based on a series of inputs including: the risk-free rate based on government bond rates; a country-specific risk adjustment; a credit risk adjustment based on bond yields; and an entity-specific adjustment when the risk profile of the entity that enters into the lease is different to that of the Group and the lease does not benefit from a guarantee from the Group.

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 unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

Notes to the parent company and consolidated financial statements

for the year ended 31 December 2025

3. Accounting policies (continued)**Financial instruments**

Financial assets and financial liabilities are recognised in the parent company and consolidated statement of financial position when the parent company and Group becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the parent company and consolidated statement of profit or loss.

Trade receivables with no provisional price features and where there is no significant financing component, are initially recognised at their transaction price. Subsequently, provisionally priced trade receivables and derivatives are carried at fair value and trade receivables that do not contain provisional price features, other financial assets are carried at amortised cost.

Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace. All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

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

- The asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are classified as measured at FVTPL.

Amortised cost and effective interest rate method

Bank balances and cash, financial assets at amortized cost, short term deposits and trade and other receivables (except advances to suppliers) are measured at amortised cost using the effective interest method, less any impairment.

Notes to the parent company and consolidated financial statements

for the year ended 31 December 2025

3. Accounting policies (continued)**Financial assets (continued)**

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance.

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income over the relevant period.

The effective interest rate (EIR) is the rate that exactly discounts estimated future cash flows of the financial instrument through the expected life of the financial instrument or, where appropriate, a shorter period, to the net carrying amount of the financial asset or financial liability. The future cash flows are estimated taking into account all the contractual terms of the instrument.

Equity instruments designated as at FVTOCI

On initial recognition, the Group may make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments as at FVTOCI. Designation at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognised by an acquirer in a business combination. Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the investments revaluation reserve.

The cumulative gain or loss will not be reclassified to profit or loss on disposal of the equity investments, instead, they will be transferred to retained earnings.

Financial assets at fair value through profit and loss (FVTPL)

The Group classifies the following financial assets at fair value through profit or loss:

- Debt instruments with contractual cash flows not representing solely payments of principal and interest are mandatorily required to be measured at FVTPL.

Reclassifications

If the business model under which the Group holds financial assets changes, the financial assets affected are reclassified. The classification and measurement requirements related to the new category apply prospectively from the first day of the first reporting period following the change in business model that results in reclassifying the Group's financial assets. During the current financial year and previous accounting period, there was no change in the business model under which the Group holds financial assets and therefore no reclassifications were made.

Notes to the parent company and consolidated financial statements

for the year ended 31 December 2025

3. Accounting policies (continued)**Financial assets (continued)***Impairment of financial assets*

The Group recognises loss allowances for expected credit losses on all its financial assets. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

ECLs are required to be measured through a loss allowance at an amount equal to:

- 12-month ECL, i.e. loss allowance at an amount equal to 12 month ECL at the current reporting date; or
- Full lifetime ECL, i.e. lifetime ECL that result from all possible default events over the life of the financial instrument.

The Group always recognises lifetime ECL for trade receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date

When estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue costs or effort. This includes both quantitative and qualitative information and analysis, based on Group's historical experience and informed credit assessment and including forward-looking information.

The Group considers an asset to have low credit risk when its credit risk rating is equivalent to the globally understood definition of investment.

Notes to the parent company and consolidated financial statements

for the year ended 31 December 2025

3. Accounting policies (continued)**Financial assets (continued)**

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date.

ECLs are a probability-weighted estimate of the present value of credit losses. These are measured as the present value of the difference between the cash flows due to the Group under the contract and the cash flows that the Group expects to receive arising from the weighting of future economic scenarios, discounted at the asset's EIR.

Credit-impaired financial assets

A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Credit-impaired financial assets are referred to as Stage 3 assets. At each reporting date, the Group assesses whether financial assets carried at amortised costs are credit-impaired. A financial asset is credit impaired when one or more events that have a detrimental impact in the estimated future cash flows of the financial asset have occurred.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in parent company and consolidated statement of profit or loss and other comprehensive income.

Notes to the parent company and consolidated financial statements

for the year ended 31 December 2025

3. Accounting policies (continued)**Financial liabilities***Financial liabilities measured subsequently at amortised cost*

Financial liabilities that are not designated as FVTPL, are measured subsequently at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in parent company and consolidated statement of profit or loss and other comprehensive income.

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs. The repurchase of equity instruments issued by the group is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of equity instruments issued by the Group.

Notes to the parent company and consolidated financial statements

for the year ended 31 December 2025

3. Accounting policies (continued)**Taxation**

The income tax expense represents the sum of current and deferred income tax expense.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax provisions as prescribed by the income tax laws of the Sultanate of Oman.

A provision is recognised for those matters for which the tax determination is uncertain but it is considered probable that there will be a future outflow of funds to a tax authority. The provisions are measured at the best estimate of the amount expected to become payable. The assessment is based on the judgement of the Group supported by previous experience in respect of such activities.

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the parent company and consolidated financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination or for transactions that give rise to equal taxable and deductible temporary differences) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the reporting date.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Notes to the parent company and consolidated financial statements

for the year ended 31 December 2025

3. Accounting policies (continued)**Taxation (continued)**

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered

Current tax and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Inventories

Inventories are measured at the lower of cost and net realizable value. 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 incurred in bringing the inventories to their present location and condition; 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,

Notes to the parent company and consolidated financial statements

for the year ended 31 December 2025

machineries and equipment, cost of factory management and administration.

3. Accounting policies (continued)**Inventories (continued)**

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.

Net realisable value represents the estimated selling price less all estimated costs of completion and the estimated costs necessary to make the sale, for example, costs to be incurred in marketing, selling and distribution.

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 20 and Note 34 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

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).

Notes to the parent company and consolidated financial statements

for the year ended 31 December 2025

3. Accounting policies (continued)**Derivative financial instruments and hedge accounting (continued)**

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).

The Group discontinues hedge accounting only when the hedging relationship (or a part thereof) ceases to meet the qualifying criteria (after rebalancing, if applicable). This includes instances when the hedging instrument expires or is sold, terminated or exercised. The discontinuation is accounted for prospectively. Any gain or loss recognised in other comprehensive income and accumulated in cash flow hedge reserve at that time remains in equity and is reclassified to profit or loss when the forecast transaction occurs. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in the cash flow hedge reserve is reclassified immediately to profit or loss.

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 parent company and consolidated 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 parent

Notes to the parent company and consolidated financial statements

for the year ended 31 December 2025

company and consolidated statement of financial position.

3. Accounting policies (continued)**Employee benefits**

Contributions to a defined contribution retirement plan for Omani employees, in accordance with the Oman social insurance scheme, are recognised as an expense in the profit or loss as incurred.

End of service benefits are accrued in accordance with the terms of employment of the Group's employees at the reporting date, having regard to the requirements of the Oman Labour Law 2003, (for employees working in Oman). Employee entitlements to annual leave and leave passage are recognised when they accrue to employees and an accrual is made for the estimated liability arising as a result of services rendered by employees up to the reporting date. These accruals are included in current liabilities, while that relating to end of service benefits is disclosed as a non-current liability. The entitlement to these benefits is based upon the employees' salary and length of service, subject to completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment.

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 determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of the number of equity instruments that will eventually vest. 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 parent company and consolidated statement of profit and income and other comprehensive 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 to Note:27(b) for details.

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting statement of financial position date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those

Notes to the parent company and consolidated financial statements

for the year ended 31 December 2025

cash flows.

3. Accounting policies (continued)**Provisions (continued)**

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

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.

Earnings and net assets per share

The Group presents basic and diluted earnings per share data for its ordinary shares. Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Parent Group by the weighted average number of ordinary shares outstanding during the year, adjusted for own shares held. Diluted earnings per share is calculated by adjusting the profit and loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares.

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.

Revenue recognition*Revenue from contracts with customers*

Revenue is measured based on the consideration to which the Group expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties.

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.

Notes to the parent company and consolidated financial statements

for the year ended 31 December 2025

3. Accounting policies (continued)**Revenue recognition (continued)**

For certain products, the sales price is determined on a provisional basis at the date of sale as the final selling price is subject to movements in market prices up to the date of final pricing, normally ranging from 30 to 90 days after initial booking (provisionally priced sales). Revenue on provisionally priced sales is recognised based on the estimated fair value of the total consideration receivable. The revenue adjustment mechanism embedded within provisionally priced sales arrangements has the character of a commodity derivative. Accordingly, the fair value of the final sales price adjustment is re-estimated continuously and changes in fair value are recognised as an adjustment to revenue. In all cases, fair value is estimated by reference to forward market prices.

A receivable is recognised by the Group when the goods are delivered to the customer as this represents the point in time at which the right to consideration becomes unconditional.

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.

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 parent company and consolidated statement of profit and loss and other comprehensive 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 parent company and consolidated statement of profit and loss and other comprehensive income as it accrues, taking into account the effective yield on the asset.

Notes to the parent company and consolidated financial statements

for the year ended 31 December 2025

3. Accounting policies (continued)**Foreign currency**

In preparing the parent company and consolidated financial statements of the Parent Company and the Group, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing on the dates of the transactions. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences are recognised in profit or loss in the period in which they arise except as otherwise stated in the Standards.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets.

For the purpose of presenting parent company and consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated at exchange rates prevailing on the reporting date. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the date of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in a separate component of equity.

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.

Notes to the parent company and consolidated financial statements

for the year ended 31 December 2025

4. Critical accounting judgments and key sources of estimation uncertainty

In applying the Group's accounting policies, which are described in Note 3, the Directors are required to make judgements (other than those involving estimations) that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying the Group's accounting policies

The following are the critical judgements, apart from those involving estimations (which are presented separately below), that the Directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the parent company and consolidated 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 20 for the cumulative changes in fair values of the Group's and the Parent Company's hedging instrument (commodity forward contracts).

Parent Company and the Group as lessee determining the lease term of contracts with renewal and termination 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).

Notes to the parent company and consolidated financial statements

for the year ended 31 December 2025

4. Critical accounting judgments and key sources of estimation uncertainty (continued)**Key sources of estimation uncertainty**

The key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

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 27 (b) for details.

Impairment of receivables

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 ~~₹~~ 66,562,942 (2024: ~~₹~~ 67,382,020), and the allowance for expected credit losses was ~~₹~~ 4,162,895 (2024: ~~₹~~ 4,265,290). Similarly, at the reporting date, the Parent company's trade receivables were ~~₹~~ 50,129,038 (2024: ~~₹~~ 51,033,225), and the allowance for expected credit losses was ~~₹~~ 4,138,202 (2024: ~~₹~~ 4,166,746). Any difference between the amounts actually collected in future periods and the amounts expected will be recognised in the parent company and consolidated statement of profit or loss and other comprehensive 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.

OMAN CABLES INDUSTRY SAOG AND ITS SUBSIDIARIES

Notes to the parent company and consolidated financial statements

for the year ended 31 December 2025

4. Critical accounting judgments and key sources of estimation uncertainty (continued)**Impairment of inventories (continued)**

At the reporting date, the Group's gross inventories were ₹ 29,867,273 (2024: ₹ 31,091,445), and the provisions for slow moving and obsolete inventories of ₹ 4,806,523 (2024: ₹ 4,813,915) respectively. Similarly, the Parent Company's gross inventories were ₹ 25,066,402 (2024: ₹ 26,118,834), and the provisions for slow moving and obsolete inventories of ₹ 3,290,307 (2024: ₹ 3,297,699) respectively. Any difference between the amounts realised in future periods and the amounts expected will be recognised in the parent company and consolidated statement of profit or loss and other comprehensive 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.

OMAN CABLES INDUSTRY SAOG AND ITS SUBSIDIARIES

Notes to the parent company and consolidated financial statements

for the year ended 31 December 2025

5. Property, plant and equipment

Group	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
Cost											
At 1 January 2025	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
Additions	465,029	883,970	102,007	479	40,992	123,399	142,529	37,092	97,149	1,883,975	3,776,621
Transfers	34,214	169,859	3,397	-	909	-	-	-	-	(208,379)	-
Disposals	(30,685)	(51,839)	-	(1,646)	(111,705)	-	(10,000)	-	-	-	(205,875)
At 31 December 2025	19,231,276	48,971,321	2,689,329	153,882	782,738	2,081,305	3,702,845	737,396	3,474,399	1,883,975	83,708,466
Accumulated depreciation											
At 1 January 2025	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
Charge for the year	786,910	1,920,352	15,158	5,418	59,061	148,911	100,705	32,396	106,597	-	3,175,508
Disposals	(30,685)	(51,602)	-	(1,614)	(111,075)	-	(10,000)	-	-	-	(204,976)
At 31 December 2025	13,864,227	35,807,480	2,526,823	149,300	624,322	1,758,458	3,113,925	562,102	2,899,272	-	61,305,909
Carrying amount At 31 December 2025	5,367,049	13,163,841	162,506	4,582	158,416	322,847	588,920	175,294	575,127	1,883,975	22,402,557

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

	2025	2024
Cost of sales (Note 25)	2,962,118	2,911,345
Administrative expenses (Note 27)	213,390	200,970
Total	3,175,508	3,112,315

Capital work-in-progress mainly includes advances to contractors and suppliers for the Extruder line machine and High Temperature Low Sag (HTLS) project which involves producing advanced conductors with higher current capacity to improve power transmission efficiency. Commercial production is expected to begin in second quarter of fiscal year 2026.

OMAN CABLES INDUSTRY SAOG AND ITS SUBSIDIARIES

Notes to the parent company and consolidated financial statements
for the year ended 31 December 2025**5. Property, plant and equipment (continued)**

Group	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
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
Accumulated 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)	-	-	-	(46,582)
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

OMAN CABLES INDUSTRY SAOG AND ITS SUBSIDIARIES

Notes to the parent company and consolidated financial statements
for the year ended 31 December 2025**5. Property, plant and equipment (continued)**

Parent Company	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
Cost											
At 1 January 2025	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
Additions	375,072	520,981	102,007	-	30,286	28,931	132,530	26,042	62,444	868,935	2,147,228
Transfers	34,214	169,859	3,397	-	909	-	-	-	-	(208,379)	-
Disposals	(18,217)	-	-	-	(111,705)	-	-	-	-	-	(129,922)
At 31 December 2025	13,924,855	32,547,582	1,713,354	117,794	562,432	1,339,000	3,157,877	414,578	3,098,789	868,935	57,745,196
Accumulated depreciation											
At 1 January 2025	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
Charge for the year	523,956	1,156,968	11,937	5,350	51,910	106,291	64,973	19,398	88,701	-	2,029,484
Disposals	(18,215)	-	-	-	(110,890)	-	-	-	-	-	(129,105)
At 31 December 2025	10,127,043	25,404,629	1,576,156	113,871	423,702	1,129,225	2,748,129	273,878	2,689,031	-	44,485,664
Carrying amount											
At 31 December 2025	3,797,812	7,142,953	137,198	3,923	138,730	209,775	409,748	140,700	409,758	868,935	13,259,532

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

	2025	2024
Cost of sales (Note 25)	1,865,759	1,924,445
Administrative expenses (Note 27)	163,725	138,433
Total	2,029,484	2,062,878

Capital work-in-progress mainly includes advances to contractors and suppliers for the Extruder line machine which involves producing advanced conductors with higher current capacity to improve power transmission efficiency. Commercial production is expected to begin in first quarter of fiscal year 2026.

OMAN CABLES INDUSTRY SAOG AND ITS SUBSIDIARIES

Notes to the parent company and consolidated financial statements
for the year ended 31 December 2025**5. Property, plant and equipment (continued)**

Parent Company	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
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
Accumulated 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

OMAN CABLES INDUSTRY SAOG AND ITS SUBSIDIARIES

Notes to the parent company and consolidated financial statements
for the year ended 31 December 2025**6. Intangible asset**

	2025		2024	
	Group	Parent Company	Group	Parent Company
Cost				
At 1 January	572,430	572,430	562,497	562,497
Additions	-	-	9,933	9,933
At 31 December	572,430	572,430	572,430	572,430
Accumulated amortization				
At 1 January	281,791	281,791	221,216	221,216
Charge for the year (Note 27)	61,404	61,404	60,575	60,575
At 31 December	343,195	343,195	281,791	281,791
Carrying amount				
At 31 December	229,235	229,235	290,639	290,639

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

7. Right-of-use assets and lease liabilities**(i). Right of use assets**

	2025		2024	
	Group	Parent Company	Group	Parent Company
At 1 January	3,319,203	1,709,999	3,476,099	1,804,999
Modification	2,142,660	2,142,660	-	-
Depreciation (Note 25)	(184,419)	(122,523)	(156,896)	(95,000)
At 31 December	5,277,444	3,730,136	3,319,203	1,709,999

(ii). Lease liabilities

	2025		2024	
	Group	Parent Company	Group	Parent Company
At 1 January	3,817,773	2,007,689	3,875,670	2,071,574
Modification	2,142,660	2,142,660	-	-
Interest expense (Note 29)	267,438	171,114	204,777	108,789
Payments	(275,108)	(185,108)	(262,674)	(172,674)
At 31 December	5,952,763	4,136,355	3,817,773	2,007,689
Current portion	255,553	247,976	281,433	185,108
Non-current portion	5,697,210	3,888,379	3,536,340	1,822,581
	5,952,763	4,136,355	3,817,773	2,007,689

OMAN CABLES INDUSTRY SAOG AND ITS SUBSIDIARIES

Notes to the parent company and consolidated financial statements

for the year ended 31 December 2025

7. Right-of-use assets and lease liabilities (continued)

Effective 1 June 2025, the Parent Company entered into a revised lease agreement with the lessor. The amendment introduced incremental rent provisions, extended the lease term, and incorporated an additional leased area. As a result, the revised lease maturity date is 31 December 2049.

The Group has leased land for factory premises. Leases of lands generally have lease term between 20 to 30 years (2024: 20 to 30 years). The Group's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Group is restricted from assigning and subleasing the leased assets.

The Parent Company has leased land for factory premises, at Rusayl Industrial Area, from Rusayl Industrial City (RIC), under agreements that expire by 31 December 2049.

OAPIL (Oman Aluminum Processing Industries SPC) had entered into a lease agreement in respect of its factory premises. The lease term is thirty years as per the lease agreement starting from 2021 until 2050.

The following are the amounts recognised in the statement of profit or loss and other comprehensive income:

	2025		2024	
	Group	Parent Company	Group	Parent Company
Depreciation expense of rights-of-use assets (Note 25)	184,419	122,523	156,896	95,000
Interest expense on lease liabilities (Note 29)	267,438	171,114	204,777	108,789
Total amount recognized in statement of profit or loss and other comprehensive income	451,857	293,637	361,673	203,789

OMAN CABLES INDUSTRY SAOG AND ITS SUBSIDIARIES

Notes to the parent company and consolidated financial statements

for the year ended 31 December 2025

8. Investment in subsidiaries

Name of the subsidiary	2025		2024	
	% Holding	Carrying value	% Holding	Carrying value
Oman Aluminium Processing Industries SPC (a)	100%	5,426,660	100%	5,426,660
Associated Cables Private Limited (b)	100%	2,363,248	100%	2,363,248
		7,789,908		7,789,908

- a) The subsidiary was incorporated in Oman in 2008 and commenced commercial operations from July 2010. The subsidiary manufactures aluminum rods and overhead conductors.
- b) The subsidiary 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.

OMAN CABLES INDUSTRY SAOG AND ITS SUBSIDIARIES

Notes to the parent company and consolidated financial statements

for the year ended 31 December 2025

9. 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 Parent Company and will be matured in 2026. The Directors believe that the expected credit loss is immaterial at reporting date.

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

	2025		2024	
	Group and Parent		Group and Parent	
	Company		Company	
	Market value	Cost	Market value	Cost
	<u>₹</u>	<u>₹</u>	<u>₹</u>	<u>₹</u>
Unquoted investments (refer to note below)	<u>36,622</u>	<u>36,622</u>	<u>84,124</u>	<u>84,124</u>

During the year, the balance has decreased on account of capital distribution (net) of ₹ 47,502 (2024: net investment of ₹ 67,018) in units of Oman Fixed Income Fund.

10. Taxation**a) Recognised in the consolidated and parent company statement of financial position and presented in the consolidated and parent company statement of profit or loss and other comprehensive income**

Presented in consolidated and parent company statement of financial position as:

	2025		2024	
	Group	Parent Company	Group	Parent Company
	<u>₹</u>	<u>₹</u>	<u>₹</u>	<u>₹</u>
Current tax liability				
At 1 January	<u>4,583,241</u>	<u>3,256,176</u>	<u>4,137,305</u>	<u>2,642,459</u>
Charge for the year	<u>4,797,907</u>	<u>3,353,442</u>	<u>4,163,542</u>	<u>3,253,139</u>
Payments	<u>(4,394,599)</u>	<u>(3,113,171)</u>	<u>(3,717,606)</u>	<u>(2,639,422)</u>
At 31 December	<u>4,986,549</u>	<u>3,496,447</u>	<u>4,583,241</u>	<u>3,256,176</u>

OMAN CABLES INDUSTRY SAOG AND ITS SUBSIDIARIES

Notes to the parent company and consolidated financial statements

for the year ended 31 December 2025

10. Taxation (continued)**Recognised in consolidated and parent company statement of profit or loss and other comprehensive income:**

	2025		2024	
	Group	Parent Company	Group	Parent Company
	<u>₹</u>	<u>₹</u>	<u>₹</u>	<u>₹</u>
Current tax	<u>4,797,907</u>	<u>3,353,442</u>	<u>4,163,542</u>	<u>3,253,139</u>
Deferred tax	<u>(357,412)</u>	<u>(185,241)</u>	<u>231,701</u>	<u>(43,988)</u>
Income tax expense	<u>4,440,495</u>	<u>3,168,201</u>	<u>4,395,243</u>	<u>3,209,151</u>

b) Reconciliation of income tax expense

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

	2025		2024	
	Group	Parent Company	Group	Parent Company
	<u>₹</u>	<u>₹</u>	<u>₹</u>	<u>₹</u>
Profit before tax of	<u>28,707,756</u>	<u>20,238,592</u>	<u>27,017,429</u>	<u>19,332,831</u>
Income tax as per rates (15%)	<u>4,306,164</u>	<u>3,035,789</u>	<u>4,052,614</u>	<u>2,899,925</u>
Others	<u>134,331</u>	<u>132,412</u>	<u>342,629</u>	<u>309,226</u>
Income tax expense	<u>4,440,495</u>	<u>3,168,201</u>	<u>4,395,243</u>	<u>3,209,151</u>

OMAN CABLES INDUSTRY SAOG AND ITS SUBSIDIARIES

Notes to the parent company and consolidated financial statements

for the year ended 31 December 2025

c) Deferred tax

Deferred taxes are calculated on all temporary differences under the liability method using a principal tax rate of 15% (2024: 15%). The net deferred tax liability and deferred tax charge in the parent company and consolidated statement of profit or loss and other comprehensive income are attributable to the following items:

	2025		2024	
	Group	Parent Company	Group	Parent Company
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Deferred tax (liabilities)/asset:				
At 1 January	355,334	410,120	(146,249)	96,870
Movement for the year	<u>(99,818)</u>	<u>(187,469)</u>	<u>501,583</u>	<u>313,250</u>
At 31 December	<u>255,516</u>	<u>222,651</u>	<u>355,334</u>	<u>410,120</u>

The deferred tax of the Group comprises the following temporary differences:

Group	At 1 January 2025	Recognised in profit or loss	Recognised in other comprehensive income	At 31 December 2025
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Tax effect of depreciation	(978,662)	12,484	-	(966,178)
Tax effect of provisions	1,157,932	231,995	-	1,389,927
Tax effect of right-of-use assets and lease liabilities	(11,635)	112,933	-	101,298
Tax effect of commodity hedging	<u>187,699</u>	<u>-</u>	<u>(457,230)</u>	<u>(269,531)</u>
	<u>355,334</u>	<u>357,412</u>	<u>(457,230)</u>	<u>255,516</u>

Group	At 1 January 2024	Recognised in profit or loss	Recognised in other comprehensive income	At 31 December 2024
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Tax effect of depreciation	(1,271,793)	293,131	-	(978,662)
Tax effect of provisions		1,215,643	(57,711)	1,157,932
Tax effect of right-of-use assets and lease liabilities		(7,916)	(3,719)	(11,635)
Tax effect of commodity hedging		<u>(82,183)</u>	<u>-</u>	<u>269,882</u>
		<u>(146,249)</u>	<u>231,701</u>	<u>269,882</u>
				<u>355,334</u>

OMAN CABLES INDUSTRY SAOG AND ITS SUBSIDIARIES

Notes to the parent company and consolidated financial statements

for the year ended 31 December 2025

10. Taxation (continued)**c) Deferred tax (continued)**

The deferred tax of the Parent Company comprises the following temporary differences:

Parent Company	At 1 January 2025	Recognised in profit or loss	Recognised in other comprehensive income	At 31 December 2025
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Tax effect of depreciation	(920,637)	128,181	-	(792,456)
Tax effect of provisions	1,155,170	(7,456)	-	1,147,714
Tax effect of right-of-use assets and lease liabilities	(3,583)	64,516	-	60,933
Tax effect of commodity hedging	<u>179,170</u>	<u>-</u>	<u>(372,710)</u>	<u>(193,540)</u>
	<u>410,120</u>	<u>185,241</u>	<u>(372,710)</u>	<u>222,651</u>

Parent Company	At 1 January 2024	Recognised in profit or loss	Recognised in other comprehensive income	At 31 December 2024
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Tax effect of depreciation	(965,126)	44,489	-	(920,637)
Tax effect of provisions	1,156,880	(1,710)	-	1,155,170
Tax effect of right-of-use assets and lease liabilities	(4,792)	1,209	-	(3,583)
Tax effect of commodity hedging	<u>(90,092)</u>	<u>-</u>	<u>269,262</u>	<u>179,170</u>
	<u>96,870</u>	<u>43,988</u>	<u>269,262</u>	<u>410,120</u>

e) Current status of tax assessments

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% (2024: 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.

OMAN CABLES INDUSTRY SAOG AND ITS SUBSIDIARIES

Notes to the parent company and consolidated financial statements

for the year ended 31 December 2025

10. Taxation (continued)**Parent Company**

The tax rate applicable to the Parent Company is 15% (2024: 15%). For the purpose of determining the tax expense for the year ended 31 December 2025, 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 15.65% (2024: 16.60%). The difference between the applicable tax rates of 15% (2024: 15%) and the effective tax rate of 15.65% 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 2021. Management of the Parent Company is of the opinion that additional taxes, if any, related to the open tax years would not be significant to the financial position as at 31 December 2025.

Subsidiaries**Oman Aluminum Processing Industries SPC**

The tax rates applicable to the subsidiary is 15% (2024: 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 subsidiary has made a taxable profit during the year. The average effective tax rate is 14.89% (2024: 15.27%). The subsidiary's tax assessments have been agreed with the taxation authorities up to tax year 2021. Management of the subsidiary is of the opinion that additional taxes, if any, related to the open tax years would not be significant to the financial position as at 31 December 2025.

Associated Cables Private Limited

The tax rate applicable is 28.92% (2024: 27.8%). Assessments with the tax department have been completed up to the financial year 2023-24 (assessment year: 2024-2025). Management of the subsidiary is of the opinion that additional taxes, if any, related to the open tax years would not be significant to the financial position as at 31 December 2025.

OMAN CABLES INDUSTRY SAOG AND ITS SUBSIDIARIES

Notes to the parent company and consolidated financial statements

for the year ended 31 December 2025

11. Inventories

	2025		2024	
	Group	Parent Company	Group	Parent Company
Raw materials	6,669,926	6,206,143	6,541,724	5,920,761
Spares and consumables	3,736,854	1,821,473	3,652,040	1,821,473
Finished goods	15,764,791	14,210,820	17,899,886	15,926,479
	26,171,571	22,238,436	28,093,650	23,668,713
Work-in-progress	3,562,950	2,695,214	2,806,725	2,431,281
Goods in transit	132,752	132,752	191,070	18,840
	29,867,273	25,066,402	31,091,445	26,118,834
Less: provision for slow moving and obsolete items	(4,806,523)	(3,290,307)	(4,813,915)	(3,297,699)
At 31 December	25,060,750	21,776,095	26,277,530	22,821,135

The movement in the provision for slow moving and obsolete items is as follows:

	2025		2024	
	Group	Parent Company	Group	Parent Company
At 1 January	4,813,915	3,297,699	4,675,386	3,306,349
(Reversal)/provision during the year (Note 25)	(7,392)	(7,392)	138,529	(8,650)
At 31 December	4,806,523	3,290,307	4,813,915	3,297,699

OMAN CABLES INDUSTRY SAOG AND ITS SUBSIDIARIES

Notes to the parent company and consolidated financial statements

for the year ended 31 December 2025

12. Trade and other receivables

	2025		2024	
	Group	Parent Company	Group	Parent Company
Trade receivables other than related parties:				
- At amortised cost	58,919,351	44,416,230	60,973,850	49,520,194
- At fair value through profit or loss	-	-	1,265,603	-
Amounts due from related parties (Note 32)				
- At amortised cost	5,038,086	4,613,303	2,717,280	1,513,031
- At fair value through profit or loss	1,506,000	-	2,425,287	-
Less: allowance for credit losses	(4,162,895)	(4,138,202)	(4,265,290)	(4,166,746)
	61,300,542	44,891,331	63,116,730	46,866,479
Advances	143,419	111,578	826,830	638,467
Other receivables	1,197,220	811,473	2,999,580	1,742,787
Prepayments	266,407	266,407	222,236	222,236
	62,907,588	46,080,789	67,165,376	49,469,969

Movements in the allowance for expected credit loss were as follows:

	2025		2024	
	Group	Parent Company	Group	Parent Company
At 1 January	4,265,290	4,166,746	4,284,016	4,185,472
Less: Reversal for the year	(102,395)	(28,544)	(18,726)	(18,726)
At 31 December	4,162,895	4,138,202	4,265,290	4,166,746

As per the credit policy of the Group, customers are extended a credit period of up to four months (2024: four month) in the normal course of business.

OMAN CABLES INDUSTRY SAOG AND ITS SUBSIDIARIES

Notes to the parent company and consolidated financial statements

for the year ended 31 December 2025

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
2025							
ECL %		0.06%	3.55%	13.21%	86.70%	86.70%	100%
ECL (₹)	4,162,895	37,415	128,041	6,206	324,105	206,835	3,460,293
Gross (₹)	66,562,942	58,839,681	3,603,604	46,976	373,824	238,564	3,460,293
2024							
ECL %		0.03%	5.87%	-	14.60%	87.78%	100%
ECL (₹)	4,265,290	18,022	189,501	-	570	130,924	3,926,273
Gross (₹)	67,382,020	60,074,274	3,228,422	-	3,901	149,150	3,926,273
Parent							
2025							
ECL %		0.03%	3.55%	13.21%	86.70%	86.70%	100%
ECL (₹)	4,138,202	12,722	128,041	6,206	324,105	206,835	3,460,293
Gross (₹)	50,129,038	42,405,777	3,603,604	46,976	373,824	238,564	3,460,293
2024							
ECL %		0.03%	3.01%	-	14.60%	87.78%	100%
ECL (₹)	4,166,746	13,129	95,850	-	570	130,924	3,926,273
Gross (₹)	51,033,225	43,764,868	3,189,033	-	3,901	149,150	3,926,273

At the reporting date, 55% of the Parent Company's trade receivables are due from 13 customers (2024: 50% from 9 customers). At the reporting date, 52% of the Group's trade receivables are due from 15 customers (2024: 58% from 15 customers).

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

OMAN CABLES INDUSTRY SAOG AND ITS SUBSIDIARIES

Notes to the parent company and consolidated financial statements

for the year ended 31 December 2025

13. Short term deposits

	2025		2024	
	Group	Parent Company	Group	Parent Company
Short term call deposit with a related party	28,867,875	28,867,875	-	-
Short term deposits with banks	31,122,667	18,000,000	49,249,279	39,849,050
	59,990,542	46,867,875	49,249,279	39,849,050

During the year, short term call deposit is placed with a fellow subsidiary of the Ultimate Parent Company which is repayable on demand with interest rate of 5.3% (2024: Nil%).

Short term deposits are placed with commercial banks in Oman with maturity period ranging from three months to one year and interest rate ranging from 4% to 6% (2024: 4% to 6%). The expected credit loss on these balances is immaterial at the reporting date.

14. Cash and cash equivalents

	2025		2024	
	Group	Parent Company	Group	Parent Company
Cash in hand	5,546	5,000	5,783	5,000
Current and call accounts in banks including short term deposits (Note 13)	40,998,167	36,783,953	16,298,345	15,574,058
Less: allowance for credit losses	(241,909)	(222,918)	(188,914)	(188,914)
	40,761,804	36,566,035	16,115,214	15,390,144
Less: Deposits with original maturity of more than three months	(10,000,000)	(10,000,000)	-	-
Cash and cash equivalents	30,761,804	26,566,035	16,115,214	15,390,144

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.

OMAN CABLES INDUSTRY SAOG AND ITS SUBSIDIARIES

Notes to the parent company and consolidated financial statements

for the year ended 31 December 2025

15. Share capital

The Parent Company's authorised share capital comprises 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 (2024: 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 as of the reporting date are as follows:

	2025		2024	
	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%	16,145,362	17.99%
Social Protection Fund	5,841,419	6.51%	5,841,419	6.51%

16. Share premium

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

17. 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.

18. 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% (2024: 10%) of the net profit of the Parent Company has been transferred to this reserve during the year.

OMAN CABLES INDUSTRY SAOG AND ITS SUBSIDIARIES

Notes to the parent company and consolidated financial statements

for the year ended 31 December 2025

19. Dividend per share

During the year, dividends of 91.5 baisa (2024: 85 baisa) per share totalling ~~₹~~ 8,207,550 (2024: ~~₹~~ 7,624,500) relating to the year 2024 were declared and paid.

The Board of Directors have recommended a dividend of 95.5 baisa (2024: 91.5 baisa) per share for the year 2025 amounting to ~~₹~~ 8,566,350 (2024: ~~₹~~ 8,207,550), subject to the approval of the shareholders at the forthcoming Annual General Meeting.

20. Other reserves

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

	2025		2024	
	Group	Parent Company	Group	Parent Company
Hedging reserve (net of tax) (a)	1,484,462	1,096,722	(1,063,631)	(1,015,297)
Share based compensation reserve (b)	3,208,540	2,611,028	2,145,106	1,752,829
Foreign currency translation reserve (c)	(365,870)	-	(387,013)	-
Financial assets at FVOCI reserve (d)	(510)	(510)	(510)	(510)
	4,326,622	3,707,240	693,952	737,022

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:

	2025		2024	
	Group	Parent Company	Group	Parent Company
At 1 January	(1,063,631)	(1,015,297)	465,830	510,649
Fair value adjustments during the year	5,256,064	4,743,301	(1,322,085)	(1,320,827)
Realized gain on settled contracts transferred to inventories	(2,438,440)	(2,437,742)	(395,075)	(384,289)
Related deferred tax asset	(269,531)	(193,540)	187,699	179,170
At 31 December	1,484,462	1,096,722	(1,063,631)	(1,015,297)
Change in fair value through OCI – net of tax	2,590,379	2,112,019	(1,529,461)	(1,525,946)

OMAN CABLES INDUSTRY SAOG AND ITS SUBSIDIARIES

Notes to the parent company and consolidated financial statements

for the year ended 31 December 2025

20. Other reserves (continued)**a) Hedging reserve (continued)**

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 parent company and consolidated statement of profit or loss and other comprehensive income.

Group

The Group has cashflow derivatives in the nature of commodity forward contracts included in its current assets of ~~₹~~ 1,796,174 (2024: ~~₹~~ 1,251,330 included in current liabilities).

The cumulative changes in fair value relating to the unrealised gain / loss in commodity forward contracts of ~~₹~~ 1,796,174 included in current assets (2024: ~~₹~~ 1,251,330 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 assets of ~~₹~~ 1,289,563 (2024: ~~₹~~ 1,194,467 included in current liabilities).

The cumulative change in fair value relating to the unrealised loss / gain in commodity forward contracts of ~~₹~~ 1,289,563 included in current assets (2024: ~~₹~~ 1,194,467 included in current liabilities) 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.

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).

OMAN CABLES INDUSTRY SAOG AND ITS SUBSIDIARIES

Notes to the parent company and consolidated financial statements

for the year ended 31 December 2025

20. Other reserves (continued)
Hedge effectiveness (continued)

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 2025 and 2024.

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

	2025		2024	
	Group	Parent Company	Group	Parent Company
Carrying amount (current asset)	1,796,174	1,289,563	-	-
Carrying amount (current liability)	-	-	1,251,330	1,194,467
Notional amounts (net derivative position at year-end)	19,352,273	16,092,472	26,654,678	24,649,044
Maturity date	January 2026 to July 2026	January 2026 to July 2026	January 2025 to July 2025	January 2025 to July 2025
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:

	2025		2024	
	Group	Parent Company	Group	Parent Company
Increase in the market price of commodities by 5% - gain / (loss)	2,227,650	2,089,822	1,485,516	1,232,452
Decrease in the market price of commodities by 5% - gain / (loss)	(2,227,650)	(2,089,822)	(1,485,516)	(1,232,452)

OMAN CABLES INDUSTRY SAOG AND ITS SUBSIDIARIES

Notes to the parent company and consolidated financial statements

for the year ended 31 December 2025

20. Other reserves (continued)
b) Share-based compensation reserve

This represents the share-based compensation reserve linked to employees share plan. This reserve 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 to Note 27 (b) for details.

c) Foreign currency translation reserve

	2025		2024	
	Group	Parent Company	Group	Parent Company
At 1 January	387,013	-	364,553	-
Translation (loss)/gain during the year	(21,143)	-	22,460	-
At 31 December	365,870	-	387,013	-

d) Financial assets at FVOCI reserve

	2025		2024	
	Group	Parent Company	Group	Parent Company
At 1 January and 31 December	(510)	(510)	(510)	(510)

21. Employees' end of service benefits

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

	2025		2024	
	Group	Parent Company	Group	Parent Company
At 1 January	1,720,147	1,466,231	1,810,383	1,564,198
Accrued during the year [Note 27(a)]	395,998	328,111	84,201	44,248
Employees' end of service benefits paid	(173,056)	(130,207)	(174,437)	(142,215)
At 31 December	1,943,089	1,664,135	1,720,147	1,466,231

OMAN CABLES INDUSTRY SAOG AND ITS SUBSIDIARIES

Notes to the parent company and consolidated financial statements

for the year ended 31 December 2025

22. Bank borrowings

	2025		2024	
	Group	Parent Company	Group	Parent Company
	<u>₹</u>	<u>₹</u>	<u>₹</u>	<u>₹</u>
Short term loan	-	-	769,000	-

Oman Aluminium Processing Industries SPC (OAPIL) has obtained a short term loan during the year 2024 from a commercial bank in Sultanate of Oman at an interest rate of 5.8% which was fully repaid in current year. The subsidiary has unutilised credit limits of ₹ 25,125,374 (2024: ₹ 21,714,391) as at reporting date.

23. Trade and other payables

	2025		2024	
	Group	Parent Company	Group	Parent Company
	<u>₹</u>	<u>₹</u>	<u>₹</u>	<u>₹</u>
Trade payables	17,102,334	8,996,661	11,654,950	7,900,912
Amounts due to related parties (Note 32)	2,369,130	2,464,846	5,120,079	1,495,877
Other payables	1,666,240	1,291,414	1,747,573	1,257,500
Accruals	10,269,944	9,256,050	9,259,147	7,669,367
	<u>31,407,648</u>	<u>22,008,971</u>	<u>27,781,749</u>	<u>18,323,656</u>

24. 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 31.

OMAN CABLES INDUSTRY SAOG AND ITS SUBSIDIARIES

Notes to the parent company and consolidated financial statements

for the year ended 31 December 2025

25. Cost of sales

	2025		2024	
	Group	Parent Company	Group	Parent Company
	<u>₹</u>	<u>₹</u>	<u>₹</u>	<u>₹</u>
Cost of materials consumed	234,140,112	178,050,974	217,277,529	164,287,134
Employee costs [Note 27(a)]	6,851,833	5,549,516	6,644,403	5,574,831
Depreciation (Note 5)	2,962,118	1,865,759	2,911,345	1,924,445
Depreciation on right-of-use assets (Note 7)	184,419	122,523	156,896	95,000
Electricity and water	1,950,726	1,398,895	2,124,704	1,387,810
Stores, consumables, repairs and maintenance	1,775,271	929,460	1,447,716	747,137
(Reversal)/charge for provision of slow moving inventories (Note 11)	(7,392)	(7,392)	138,529	(8,650)
Other direct costs	937,056	649,388	912,874	678,377
	<u>248,794,143</u>	<u>188,559,123</u>	<u>231,613,996</u>	<u>174,686,084</u>

26. Other income

	2025		2024	
	Group	Parent Company	Group	Parent Company
	<u>₹</u>	<u>₹</u>	<u>₹</u>	<u>₹</u>
Income on call deposits	-	-	452,914	452,914
Insurance claim	6,685	-	12,137	12,137
Management fee from related parties	-	-	5,531	5,531
Gain/(loss) on sale of property, plant and equipment	915	(817)	2,855	2,855
Other operating income	86,028	10,867	32,597	4,219
	<u>93,628</u>	<u>10,050</u>	<u>506,034</u>	<u>477,656</u>

OMAN CABLES INDUSTRY SAOG AND ITS SUBSIDIARIES

Notes to the parent company and consolidated financial statements

for the year ended 31 December 2025

27. Administrative expenses

	2025		2024	
	Group	Parent Company	Group	Parent Company
Employee costs [(Note 27(a))]	4,377,365	3,450,644	4,543,741	3,547,748
Repairs and maintenance	357,948	314,523	337,416	311,607
Legal and professional charges	276,554	167,901	320,817	183,555
Directors' remuneration (Note 32)	200,672	200,672	212,058	212,058
Depreciation (Note 5)	213,390	163,725	200,970	138,433
Travelling	149,061	106,293	141,822	73,739
Contributions to local organization	117,396	117,396	116,538	115,180
Communication	80,141	49,082	95,336	47,697
Insurance	177,328	152,217	66,694	63,680
Amortization of intangible asset (Note 6)	61,404	61,404	60,575	60,575
Printing and stationery	16,365	13,757	30,731	19,907
Vehicle running and maintenance	25,660	25,418	24,305	24,305
Other expenses	566,942	395,911	525,344	426,542
	6,620,226	5,218,943	6,676,347	5,225,026

27 (a) Employee costs

	2025		2024	
	Group	Parent Company	Group	Parent Company
Salaries and other benefits	10,569,335	8,548,043	10,586,541	8,748,891
Share based payment cost [27(b)]	1,063,434	858,199	1,218,198	928,669
Contributions to defined retirement plan for Omani employees	505,359	418,495	476,047	409,222
Employees end of service benefits (Note 21)	395,998	328,111	84,201	44,248
	12,534,126	10,152,848	12,364,987	10,131,030

OMAN CABLES INDUSTRY SAOG AND ITS SUBSIDIARIES

Notes to the parent company and consolidated financial statements

for the year ended 31 December 2025



27. Administrative expenses (continued)**(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.

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 /  9.26
Estimated fair value of share (non-market based) at grant date	EURO 28.43 /  11.98

OMAN CABLES INDUSTRY SAOG AND ITS SUBSIDIARIES

Notes to the parent company and consolidated financial statements

for the year ended 31 December 2025

27. Administrative expenses (continued)**(b) Share based payment plan (continued)****(i) Long term incentive plan (LTI 2023-2025) (continued)**

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 / ₪ 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	18 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 / ₪ 16.30

As regards deferred and matching shares awarded in 2025 and vesting in 2026, estimated fair value has been calculated using the following assumptions:

Grant date	April 2025 16
(Residual life at grant date (in years)	year 1
Exercise price	-
Estimated fair value of share (non-market based) at grant date	18.16 ₪ / EURO 40.84

(i) Bonus shares

During the year, Prysmian S.p.A has granted 24,703 (2024: 25,350) shares to the employees of the Group (17,805 to the employees of the Parent Company (2024: 16,265) and 6,898 to the employees of OAPIL (2024: 9,085)). These shares were vested and awarded immediately on the date of the grant without any recharge.

OMAN CABLES INDUSTRY SAOG AND ITS SUBSIDIARIES

Notes to the parent company and consolidated financial statements

for the year ended 31 December 2025

27. Administrative expenses (continued)**(ii) Employee share purchase plan – YES**

On 16 April 2025, the shareholders of Prysmian S.p.A approved the plan for employees to purchase shares at favorable conditions, related to three annual purchase cycle (2025 to 2027), 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% (2024: 25%) on the share market price, given in the form of treasury shares, except for certain managers for whom the discount is 15% (2024: 15%), and the executive directors and key management personnel, for whom the discount is 1% (2024: 1%) on the share price.

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 three free shares (2024: eight free shares), only available with their first-time purchase during the same financial year. This provision does not apply to senior executives who are not entitled to receive entry bonus.

During the year, 5,890 (2024: 12,979) shares were purchased by the employees of the Group, 5,196 (2024: 12,674) shares were purchased by the employees of the Parent Company and 694 (2024: 305) shares were purchased by the employees of OAPIL on 12th November 2025 (2024: 25th September 2024 and 3rd December 2024) at a fair value of ~~₪~~ 37.81 (2024: ~~₪~~ 26.27 and ~~₪~~ 24.86) respectively which was the approximate share price.

	2025	2024
Share purchase date	12 November 2025	25 September 2024 3 December 2024
End of retention period	12 November 2028	25 September 2027 3 December 2027

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

	2025		2024	
	Group	Parent Company	Group	Parent Company
At 1 January	93,465	85,363	84,392	82,023
Change in expected participations	(25,929)	(24,040)	9,073	3,340
Granted during the year	30,593	23,001	38,634	28,939
Exercised during the year*	(30,593)	(23,001)	(38,634)	(28,939)
At 31 December	67,536	61,323	93,465	85,363
Exercisable at 31 December	-	-	-	-

OMAN CABLES INDUSTRY SAOG AND ITS SUBSIDIARIES

Notes to the parent company and consolidated financial statements

for the year ended 31 December 2025

27. Administrative expenses (continued)**(ii) Employee share purchase plan – YES (continued)**

* This represents 24,703 (2024: 25,350) shares awarded during the year, which vested immediately at an estimated fair value of ~~₹~~ 38.38 (2024: ~~₹~~ 23.11) which was the approximate share price as of the date of the grant.

Based on the computation as per the parameters above, costs of ~~₹~~ 858,199 and ~~₹~~ 1,063,434 (2024: ~~₹~~ 928,669 and ~~₹~~ 1,218,199) have been recognised as “employee costs” in the parent company and consolidated statement of profit or loss and other comprehensive 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.

	2025		2024	
	Group	Parent Company	Group	Parent Company
Long term incentive (LTI) plan	518,907	456,373	464,247	403,086
Bonus shares	484,104	348,212	629,830	404,110
YES Plan	60,423	53,614	124,121	121,473
	<u>1,063,434</u>	<u>858,199</u>	<u>1,218,198</u>	<u>928,669</u>

28. Selling and distribution expenses

	2025		2024	
	Group	Parent Company	Group	Parent Company
Marketing and freight expenses	4,572,771	3,803,556	5,467,951	3,391,522
Employee costs [Note 27(a)]	1,304,928	1,152,688	1,176,843	1,008,451
Sales promotion	152,995	147,596	57,356	61,121
Travelling	84,633	74,960	66,276	66,276
	<u>6,115,327</u>	<u>5,178,800</u>	<u>6,768,426</u>	<u>4,527,370</u>

OMAN CABLES INDUSTRY SAOG AND ITS SUBSIDIARIES

Notes to the parent company and consolidated financial statements

for the year ended 31 December 2025

29. Finance costs and finance income

	2025		2024	
	Group	Parent Company	Group	Parent Company
Interest on lease liabilities (Note 7)	(267,438)	(171,114)	(204,777)	(108,789)
Other finance expenses	(132,494)	-	(38,073)	-
	<u>(399,932)</u>	<u>(171,114)</u>	<u>(242,850)</u>	<u>(108,789)</u>
Interest from bond	55,000	55,000	55,000	55,000
Interest from fixed deposits	2,180,297	1,482,167	2,782,932	2,185,842
Other finance income	1,239,205	1,210,392	173,720	152,073
	<u>3,474,502</u>	<u>2,747,559</u>	<u>3,011,652</u>	<u>2,392,915</u>
	<u>3,074,570</u>	<u>2,576,445</u>	<u>3,011,652</u>	<u>2,392,915</u>

30. Basic and diluted earnings per share and net assets per share**a. 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.

	2025		2024	
	Group	Parent Company	Group	Parent Company
Net profit for the year (₹)	24,267,261	17,070,391	22,622,186	16,123,680
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 (₹)	0.271	0.19	0.252	0.180

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.

OMAN CABLES INDUSTRY SAOG AND ITS SUBSIDIARIES

Notes to the parent company and consolidated financial statements

for the year ended 31 December 2025

30. Basic and diluted earnings per share and net assets per share (continued)**b. Net assets per share**

Net assets per share is calculated by dividing the net assets attributable to the shareholders of the Company by the number of shares outstanding at the year-end, as follows:

	2025		2024	
	Group	Parent Company	Group	Parent Company
Net assets (₹)	165,428,183	137,542,533	145,735,802	125,709,474
Number of shares outstanding	89,700,000	89,700,000	89,700,000	89,700,000
Net assets per share (₹)	1.844	1.533	1.625	1.401

31. 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. The CODM reviews the business as a single integrated operation for the purpose of resource allocation and assessing performance. The manufacturing processes, distribution channels, and classes of customer for all products are interrelated and managed as a whole. Consequently, the Group has one reportable operating segment, which is the manufacturing and selling of electrical cables and conductors.

OMAN CABLES INDUSTRY SAOG AND ITS SUBSIDIARIES

Notes to the parent company and consolidated financial statements

for the year ended 31 December 2025

31. Segmental reporting continued)

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

Geographical segments

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

Revenue	2025		2024	
	Group	Parent Company	Group	Parent Company
Local sales	106,221,826	77,196,992	83,560,927	72,874,193
MENA region *	125,226,788	110,608,461	129,389,664	109,090,235
Others	55,571,240	28,808,970	55,832,045	19,026,375
	287,019,854	216,614,423	268,782,636	200,990,803

* Middle East North Africa (MENA) includes sales to United Arab Emirates, Kingdom of Saudi Arabia, Qatar, Kuwait, Bahrain, Jordan, Egypt and Yemen.

The Parent Company has generated 8% (2024: 8%) of its total revenue from one customer during the year.

Trade receivables	2025		2024	
	Group	Parent Company	Group	Parent Company
Oman	23,673,882	12,709,774	22,431,872	16,660,230
MENA region	32,648,663	30,112,961	36,932,189	30,538,280
Others	10,240,397	7,306,303	8,017,959	3,834,715
	66,562,942	50,129,038	67,382,020	51,033,225

Since there is a single reportable segment, the totals for the segment measures reviewed by the CODM are equal to the corresponding amounts in the Group's consolidated financial statements. Accordingly, no reconciliations are presented. Substantially all of the Group's noncurrent assets are located in Oman

- The CODM primarily evaluates performance using revenue and profit for the Group.
- Segment information is prepared on a basis consistent with the accounting policies applied in these consolidated financial statements. There are no allocations between segment revenue and expenses.
- As the Group has a single reportable segment, there are no intersegment sales. All revenue is from external customers.

OMAN CABLES INDUSTRY SAOG AND ITS SUBSIDIARIES

Notes to the parent company and consolidated financial statements

for the year ended 31 December 2025

32. 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:

Group	2025		2024	
	Sales and other income	Purchases and other expenses	Sales and other income	Purchase and other expenses
	<u>₹</u>	<u>₹</u>	<u>₹</u>	<u>₹</u>
Fellow subsidiaries of the Ultimate Parent	<u>19,734,476</u>	<u>3,472,136</u>	<u>10,629,847</u>	<u>1,754,251</u>
Parent Company				
Fellow subsidiaries of the Ultimate Parent	<u>19,734,476</u>	<u>3,472,136</u>	<u>10,629,847</u>	<u>1,754,251</u>
Subsidiaries	<u>216,643</u>	<u>2,773,824</u>	<u>255,586</u>	<u>5,070,935</u>
	<u>19,951,119</u>	<u>6,245,960</u>	<u>10,885,433</u>	<u>6,825,186</u>

The sales and other income in the Parent Company and the Group includes management fee from fellow subsidiaries of ₹ 151,545 (2024: ₹ 300,305).

Compensation of key management personnel

The key management personnel compensation for the year comprises:

	2025		2024	
	Group	Parent Company	Group	Parent Company
	<u>₹</u>	<u>₹</u>	<u>₹</u>	<u>₹</u>
Short term employment benefits	<u>1,597,830</u>	<u>1,278,505</u>	<u>1,808,184</u>	<u>1,432,243</u>
End of service benefits	<u>50,615</u>	<u>35,670</u>	<u>36,011</u>	<u>23,142</u>
Directors' remuneration	<u>200,672</u>	<u>200,672</u>	<u>212,058</u>	<u>212,058</u>
Employees shares based payment	<u>162,712</u>	<u>100,117</u>	<u>299,562</u>	<u>238,401</u>
	<u>2,011,829</u>	<u>1,614,964</u>	<u>2,355,815</u>	<u>1,905,844</u>

OMAN CABLES INDUSTRY SAOG AND ITS SUBSIDIARIES

Notes to the parent company and consolidated financial statements

for the year ended 31 December 2025

32. Related party transactions and balances (continued)**Directors' remuneration**

	2025		2024	
	Group	Parent Company	Group	Parent Company
	<u>₹</u>	<u>₹</u>	<u>₹</u>	<u>₹</u>
Laura Figini	<u>36,986</u>	<u>36,986</u>	<u>37,196</u>	<u>37,196</u>
Mohamed Al Lawati	<u>36,486</u>	<u>36,486</u>	<u>36,696</u>	<u>36,696</u>
Fabrizio Rutschman	<u>36,486</u>	<u>36,486</u>	<u>36,696</u>	<u>36,696</u>
Yasser Al Rashdi	<u>34,986</u>	<u>34,986</u>	<u>35,696</u>	<u>35,696</u>
Cinzia Farisé	<u>41,384</u>	<u>41,384</u>	<u>32,132</u>	<u>32,132</u>
Shabib Al Busaidi	<u>36,486</u>	<u>36,486</u>	<u>28,704</u>	<u>28,704</u>
Ian Prescott	<u>36,286</u>	<u>36,286</u>	<u>28,704</u>	<u>28,704</u>
Christian Raskin	<u>-</u>	<u>-</u>	<u>8,492</u>	<u>8,492</u>
Manal Said Al Ghazaliya	<u>-</u>	<u>-</u>	<u>7,292</u>	<u>7,292</u>
Fabio Ignazio Romeo	<u>-</u>	<u>-</u>	<u>7,992</u>	<u>7,992</u>
	<u>259,100</u>	<u>259,100</u>	<u>259,600</u>	<u>259,600</u>

The Parent Company and the Group have made a provision for directors' remuneration of ₹ 259,100 31 December 2025 (2024: ₹ 259,600).

	2025		2024	
	Group	Parent Company	Group	Parent Company
	<u>₹</u>	<u>₹</u>	<u>₹</u>	<u>₹</u>
Amounts due from related parties (Note 12):				
Fellow subsidiaries of the Ultimate Parent	<u>6,544,086</u>	<u>4,564,209</u>	<u>5,142,567</u>	<u>1,457,179</u>
Subsidiaries	<u>-</u>	<u>49,094</u>	<u>-</u>	<u>55,852</u>
	<u>6,544,086</u>	<u>4,613,303</u>	<u>5,142,567</u>	<u>1,513,031</u>
Short term call deposit (Note 13):				
Short term call deposit with a fellow subsidiary	<u>28,867,875</u>	<u>28,867,875</u>	<u>-</u>	<u>-</u>
Amounts due to related parties (Note 23):				
Fellow subsidiaries of the Ultimate Parent	<u>2,369,130</u>	<u>2,351,445</u>	<u>5,120,079</u>	<u>1,004,534</u>
Subsidiaries	<u>-</u>	<u>113,401</u>	<u>-</u>	<u>491,343</u>
	<u>2,369,130</u>	<u>2,464,846</u>	<u>5,120,079</u>	<u>1,495,877</u>

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. A bank guarantee was issued by the financial institution of the Ultimate Parent Company in favour of the Parent Company for a short-term call deposit.

At the reporting date, the entire due from related parties is due from 12 related parties (2024: 11 related parties). Amounts due from related parties were assessed by the management and an ECL provision of ₹ 46,974 (2024: ₹ 8,501) has been established at reporting date.

Notes to the parent company and consolidated financial statements

for the year ended 31 December 2025

33. Financial instruments and related risk management

The Group's principal financial liabilities, 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, financial assets at amortized cost, cash and bank balance, short-term deposits and derivatives that arrive directly from its operations. The Group also holds financial assets at fair value through other comprehensive income, fair value through profit or loss and financial assets at amortized cost.

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:

	2025		2024	
	Group	Parent Company	Group	Parent Company
Trade and other receivables – net of ECL	62,497,762	45,702,804	66,116,310	48,609,266
Short term deposits	59,990,542	46,867,875	49,249,279	39,849,050
Bank balances – net of ECL	30,756,258	26,561,035	16,109,431	15,385,144
	153,244,562	119,131,714	131,475,020	103,843,460

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

Notes to the parent company and consolidated financial statements

for the year ended 31 December 2025

33. Financial instruments and related risk management (continued)

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

	Fitch/Moody's ratings	2025		2024	
		Group	Parent Company	Group	Parent Company
Ahli Bank	B – Fitch	61,841	61,841	230,438	230,438
Bank Dhofar	B – Fitch	11,000,894	8,008,884	22,596,836	19,354,741
Bank Muscat	BBB- – Fitch	30,976,638	19,137,847	19,012,545	15,410,961
Sohar International	B – Fitch	1,373,753	1,204,206	1,798,354	1,717,612
First Abu Dhabi bank	A – Fitch	77,835	77,835	6,127,844	6,127,844
HSBC Bank	A – Fitch	2,852,388	2,379,689	732,107	438,902
National Bank of Oman	B – Fitch	10,714,328	9,201,281	8,664,437	5,757,547
Oman Arab Bank	Baa3 – Moody's	4,720,997	4,712,370	6,385,063	6,385,063
Kotak Bank	Not rated	342,160	-	-	-
		62,120,834	44,783,953	65,547,624	55,423,108

The expected credit loss on the above balances amounting to 241,909 for the Group and 222,918 for the Parent Company (2024: 188,914 for the Group and the Parent Company) has been recognised in the parent company and consolidated financial statements at the reporting date.

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. At the reporting date the Group's exposure to interest rate risk is insignificant.

Notes to the parent company and consolidated financial statements

for the year ended 31 December 2025

33. Financial instruments and related risk management (continued)*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
2025	+5%	(3,712)
	-5%	3,712
2024	+5%	(4,494)
	-5%	4,494

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.

Notes to the parent company and consolidated financial statements

for the year ended 31 December 2025

33. Financial instruments and related risk management (continued)**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.

Group	Carrying value	Less than 3 months	3 to 6 months	6 months to 1 year	More than 1 year	Total
2025						
Trade and other payables	27,372,278	25,028,918	1,688,003	655,357	-	27,372,278
Amount due to related parties	2,369,130	1,776,554	120,874	471,702	-	2,369,130
Derivative financial instruments	1,796,174	1,796,174	-	-	-	1,796,174
Lease liabilities	5,952,763	85,374	25,875	144,304	9,576,688	9,609,743
	37,490,345	28,687,020	1,834,752	1,271,363	9,576,688	41,147,325
2024						
Trade and other payables	20,914,097	18,830,508	2,003,519	80,070	-	20,914,097
Amount due to related parties	5,120,079	4,818,531	161,493	140,055	-	5,120,079
Derivative financial instruments	1,251,330	1,251,330	-	-	-	1,251,330
Lease liabilities	3,817,773	87,922	22,500	137,554	4,655,542	4,903,518
	31,103,279	24,988,291	2,187,512	357,679	4,655,542	32,189,024

Parent Company	Carrying value	Less than 3 months	3 to 6 months	6 months to 1 year	More than 1 year	Total
2025						
Trade and other payables	18,252,711	15,909,351	1,688,003	655,357	-	18,252,711
Amount due to related parties	2,464,846	1,872,270	120,874	471,702	-	2,464,846
Derivative financial instruments	1,289,563	1,289,563	-	-	-	1,289,563
Lease liabilities	4,136,355	92,554	-	92,554	7,863,780	8,048,888
	26,143,475	19,163,738	1,808,877	1,219,613	7,863,780	30,056,008
2024						
Trade and other payables	15,570,279	13,486,690	2,003,519	80,070	-	15,570,279
Amount due to related parties	1,495,877	1,194,329	161,493	140,055	-	1,495,877
Lease liabilities	2,007,689	92,554	-	92,554	2,935,458	3,120,566
	19,073,845	14,773,573	2,165,012	312,679	2,935,458	20,186,722

Notes to the parent company and consolidated financial statements

for the year ended 31 December 2025

34. 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 and excluding prepayments and advances to supplier), 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 and excluding advances from customers and VAT), 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:

	2025		2024	
	Group	Parent Company	Group	Parent Company
Financial assets				
At amortised cost				
Trade receivables and due from related parties – net of ECL	60,991,762	45,702,804	62,425,420	48,609,266
Financial assets at amortized cost	1,000,000	1,000,000	1,000,000	1,000,000
Short term deposits	59,990,542	46,867,875	49,249,279	39,849,050
Bank balances - net of ECL	30,756,258	26,561,035	16,109,431	15,385,144
At fair value				
Derivative Financial instruments	1,796,174	1,289,563	-	-
Trade receivables and due from related parties	1,506,000	-	2,425,287	-
Investments at fair value through OCI	36,622	36,622	84,124	84,124
	156,077,358	121,457,899	131,293,541	104,927,584
Financial liabilities				
At amortised cost				
Trade payables and due to related parties	29,741,408	20,717,557	26,034,176	17,066,156
Bank borrowings	-	-	769,000	-
Lease liabilities	6,099,547	4,283,139	3,817,773	2,007,689
Derivative financial instruments	-	-	1,251,330	1,194,467
	35,840,955	25,000,696	31,872,279	20,268,312

Notes to the parent company and consolidated financial statements

for the year ended 31 December 2025

34. Fair values of financial instruments (continued)

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 through other comprehensive income as described in Note 9 and are under level 2 fair value measurement category.

Financial assets measured at fair value

	Total	Level 1	Level 2	Level 3
2025				
Group				
Financial assets at fair value through other comprehensive income	36,622	-	36,622	-
Amounts due from related parties at fair value through profit or loss	1,506,000	-	1,506,000	-
Derivative financial instrument	1,796,174	-	1,796,174	-
Parent Company				
Financial assets at fair value through other comprehensive income	36,622	-	36,622	-
Derivative financial instrument	1,289,563	-	1,289,563	-
	Total	Level 1	Level 2	Level 3
2024				
Group				
Financial assets at fair value through other comprehensive income	84,124	-	84,124	-
Trade receivables other than related parties at fair value through profit or loss	1,265,603	-	1,265,603	-
Amounts due from related parties at fair value through profit or loss	2,425,287	-	2,425,287	-
Derivative financial instrument	1,251,330	-	1,251,330	-
Parent Company				
Financial assets at fair value through other comprehensive income	84,124	-	84,124	-
Derivative financial instrument	1,194,467	-	1,194,467	-

During the reporting years ended 31 December 2025 and 31 December 2024, there were no transfers between Level 1, Level 2 and Level 3 fair value measurements.

OMAN CABLES INDUSTRY SAOG AND ITS SUBSIDIARIES

Notes to the parent company and consolidated financial statements

for the year ended 31 December 2025

35. 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, share premium, legal and other reserves, general reserves and retained earnings. There has been no change in the Group's objectives, policies or process during the year ended 31 December 2025 and 31 December 2024.

36. Commitments and contingent liabilities**Commitments**

	2025		2024	
	Group	Parent Company	Group	Parent Company
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Capital commitments	<u>1,941,023</u>	<u>856,580</u>	<u>1,072,158</u>	<u>709,898</u>
Letters of credit	<u>15,130,435</u>	<u>7,324,683</u>	<u>17,315,808</u>	<u>9,615,808</u>

Contingencies

	2025		2024	
	Group	Parent Company	Group	Parent Company
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Letters of guarantee	<u>17,887,869</u>	<u>17,178,178</u>	<u>18,058,276</u>	<u>17,131,979</u>

OMAN CABLES INDUSTRY SAOG AND ITS SUBSIDIARIES

Notes to the parent company and consolidated financial statements

for the year ended 31 December 2025

37. Approval of parent company and consolidated financial statements

The parent company and consolidated financial statements were approved by the Board of Directors and authorised for issue on 29 January 2026.



AUDITORS
REPORTS

Audit Report on Financials



Deloitte & Touche (M.E.) & Co. LLC
 Minaret Al Qurum Building, Level 6
 Al Qurum
 P.O. Box 258, Postal Code 112
 Muscat
 Sultanate of Oman

 Tel: +968 22354300 | Fax: +968 22354333
 www.deloitte.com
 Tax Card No. 8055024 | VATIN OM1100000087

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

1

Report on the audit of the parent company and consolidated financial statements

Opinion

We have audited the parent company and consolidated financial statements (the "Financial Statements") of **Oman Cables Industry SAOG** (the "Parent Company") and its subsidiaries (the "Group"), which comprise the parent company and consolidated statement of financial position as at 31 December 2025, and the parent company and consolidated statement of profit or loss and other comprehensive income, parent company and consolidated statement of changes in equity and parent company and consolidated statement of cash flows for the year then ended, and notes to the parent company and consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying parent company and consolidated financial statements present fairly, in all material respects, the financial position of the Parent Company and of the Group as at 31 December 2025, and their financial performance and their cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the parent company and consolidated financial statements* section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code)*, as applicable to audits of financial statements of public interest entities, together with the ethical requirements that are relevant to audits of the financial statements of public interest entities in the Sultanate of Oman. We have fulfilled our other ethical responsibilities in accordance with these requirements and IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other matter

The parent company and consolidated financial statements for the year ended 31 December 2024, were audited by another auditor who expressed an unmodified opinion on those statements on 29 January 2025.

Key audit matters

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

Audit Report on Financials



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

2

Key audit matters (continued)

Key audit matter	How our audit addressed the key audit matter
<p>Revenue recognition</p> <p>During the year, the Parent Company and the Group recognized revenue amounted to ₹ 217 million and ₹ 287 million respectively. The Parent Company and the Group generates revenue from manufacture and sale of electrical cables and conductors.</p> <p>Revenue from sale of electrical cables and conductors is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the products. Revenue is measured at the fair value of consideration received or receivable.</p> <p>We have identified revenue recognition as a key audit matter as a result of the following:</p> <ul style="list-style-type: none"> The quantitative significance of the amount in the parent company and consolidated financial statements; ISAs require us to consider the risk of fraud in revenue recognition; and The level of audit effort required. <p>Revenue is a significant item in the parent company and consolidated financial statements and is a key performance indicator for the Parent Company and the Group. ISAs require us to consider the risk of fraud in revenue recognition. Consequently, we have identified revenue recognition as a key audit matter.</p> <p>The accounting policy relating to revenue recognition is set out in the summary of accounting policy information in Note 3 to the parent company and consolidated financial statements.</p>	<p>Our procedures in relation to revenue recognition are as follows:</p> <ul style="list-style-type: none"> We obtained an understanding of the process adopted by management relating to the recording of revenue and identified the key controls in this process. We assessed the key controls, including the general information technology controls, to determine if they had been appropriately designed and implemented and tested these controls to determine if they were operating effectively. We evaluated the accounting policies against the requirements of IFRS Accounting Standards and our understanding of the business. We understood the terms of the revenue contracts of the Parent Company and the Group with their customers. For a sample of sales recorded during the year, verify that recorded transaction amounts reflect the correct prices as agreed with the supporting documents. For a sample of sales recorded during the year, reviewed the delivery documents to ensure that said transactions recorded correctly. We performed substantive analytical procedures on revenue, including completeness of revenue, by applying statistical regression analysis using cost of sales as a predicting variable We performed revenue cut-off procedures by selecting a sample of recorded revenue transactions before and after year-end to determine if the related revenue has been recorded in the appropriate period. We confirmed, on a sample basis, balances owing by customers and agreeing them to the accounting records. We assessed the disclosure in the parent company and consolidated financial statements against the requirements of IFRS Accounting Standards.

Audit Report on Financials

Deloitte.

Independent auditor's report to the Shareholders of Oman Cables Industry SAOG (continued) 3

Other information

The Board of Directors ("the Board") is responsible for the other information. The other information comprises the Report of the Board of Directors, Management Discussion and Analysis Report and Corporate Governance Report that we obtained prior to the date of this auditor's report. The other information does not include the parent company and consolidated financial statements and our auditor's report thereon. The annual report, which is expected to be made available to us after that date.

Our opinion on the parent company and consolidated 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 the parent company and consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the parent company and consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed 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.

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

Management is responsible for the preparation and fair presentation of the parent company and consolidated financial statements in accordance with IFRS Accounting Standards as issued by the IASB, 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 management determines is necessary to enable the preparation of parent company and consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's responsibilities for the audit of the parent company and consolidated financial statements

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

Audit Report on Financials

Deloitte.

Independent auditor's report to the Shareholders of Oman Cables Industry SAOG (continued) 4

Auditor's responsibilities for the audit of the parent company and consolidated financial statements (continued)

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

- Identify and assess the risks of material misstatement of the parent company and consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Parent company's and Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Parent Company and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the parent company and consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Parent Company and Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the parent company and consolidated financial statements, including the disclosures, and whether the parent company and consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the Group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the Group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the Group audit. We remain solely responsible for our audit opinion.

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

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

Audit Report on Financials

Deloitte.

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

5

Auditor's responsibilities for the audit of the parent company and consolidated financial statements (continued)

From the matters communicated with the those charged with the governance, we determine those matters that were of most significance in the audit of the parent company and consolidated financial statements of the current year 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, we report that the parent company and consolidated financial statements comply, in all material respects, with the relevant disclosure requirements of the Financial Services Authority and the applicable provisions of the Commercial Companies Law of 2019.

Deloitte & Touche
Deloitte & Touche (M.E.) & Co. LLC
Muscat, Sultanate of Oman
29 January 2026

Singhal
Sachin Singhal
Partner
CA (ICAI) Membership No. 502140



Audit Report on Corporate Governance

Deloitte.

Deloitte & Touche (M.E.) & Co. LLC
Minaret Al Qurum Building, Level 6
Al Qurum
P.O. Box 258, Postal Code 112
Muscat
Sultanate of Oman

Tel: +968 22354300 | Fax: +968 22354333
www.deloitte.com
Tax Card No 8055024 | VATIN OM110000087

TRICTLY PRIVATE & CONFIDENTIAL

he Shareholders
oman Cables Industry SAOG
O Box 25, PC 124
Muscat
Sultanate of Oman

Purpose of the Agreed Upon Procedures Report and Restriction on Use and Distribution

ur report is solely for the purpose of assisting the directors of **Oman Cables Industry SAOG** (the "Company") in performing agreed procedures on the Corporate Governance Report of the Company prepared based on the requirements of the Code of Corporate Governance (the "Code") of the Financial Services Authority ("FSA") (erstwhile Capital Market Authority) of the Sultanate of Oman, 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.

ur report is intended solely for the **Oman Cables Industry SAOG** (the "Engaging Party") and should not be used by, or distributed to, any other parties. Our report is not to be used for any other purpose, recited or referred to in any document, copied or made available (in whole or in part) to any other person without our prior written express consent. We accept no duty, responsibility or liability to any other party in connection with the report or this agreed upon procedures engagement. This report relates only to the matters specified below and does not extend to any financial statements of **Oman Cables Industry SAOG** taken as a whole.

Responsibility of the Engaging Party

ur Engaging Party has acknowledged that the agreed upon procedures are appropriate for the purpose of the engagement.

ur Engaging Party is responsible for the subject matter on which the agreed upon procedures are performed

Practitioner's Responsibilities

We have conducted the agreed upon procedures engagement in accordance with the International Standard on Related Services 4400 (Revised), *Agreed Upon Procedures Engagements*. An agreed upon procedures engagement involves our performing the procedures that have been agreed with the Engaging Party, and reporting the findings, which are the actual results of the agreed upon procedures performed. We make no representation regarding the appropriateness of the agreed upon procedures.

ur agreed upon procedures engagement is not an assurance engagement. Accordingly, we do not express an opinion or an assurance conclusion.

ad we performed additional procedures, other matters might have come to our attention that would have been reported.

Audit Report on Corporate Governance



Professional Ethics and Quality Control

We have complied with the ethical requirements of the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code") and the independence requirements in accordance with local laws.

Our firm applies International Standard on Quality Management ("ISQM") 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*, and accordingly, maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Procedures and Findings

We have performed the procedures described below, which were agreed upon with the Engaging Party in the terms of engagement letter dated 14 December 2025:

	Procedures	Findings
1	We obtained the Corporate Governance Report issued by the Board of Directors and checked if the items listed in Annexure 3 of the Code are included in the Corporate Governance Report.	No findings noted


You have acknowledged that the agreed upon procedures are appropriate for the purpose of the engagement.

This report is based on the information provided to us by the management of the Engaging Party. We did not subject the information contained in our report or given to us by management to checking or verification procedures except to the extent expressly stated above. This is normal practice when carrying out such limited scope procedures, but contrasts significantly with, for example, an audit. The procedures we performed were not designed to and are not likely to reveal fraud.

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 2025 and does not extend to the parent company and the group's financial statements taken as a whole.

All monetary amounts noted are in **Oman Rial** ~~₹~~ unless otherwise stated.

Very truly yours,


Deloitte & Touche (M.E.) & Co. LLC
Muscat, Sultanate of Oman
29 January 2026





[in](#) [f](#) [@](#) [X](#)
omancables.com

Copyright 2026 Oman Cables Industry SAOG (OCI).