DHOFAR INTERNATIONAL DEVELOPMENT AND INVESTMENT HOLDING COMPANY SAOG AND ITS SUBSIDIARIES

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

Registered office and principal place of business:
P.O. Box: 2163, P.C. 211
Salalah
Sultanate of Oman

DHOFAR INTERNATIONAL DEVELOPMENT AND INVESTMENT HOLDING COMPANY SAOG AND ITS SUBSIDIARIES

CONSOLIDATED AND PARENT COMPANY FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

Contents

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INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF DHOFAR INTERNATIONAL DEVELOPMENT AND INVESTMENT HOLDING COMPANY SAOG

Report on the audit of the consolidated and separate financial statements

Opinion

We have audited the consolidated and separate financial statements (the 'financial statements') of Dhofar International Development and Investment Holding Company SAOG (the 'Parent Company'), and its subsidiaries (together referred to as 'the Group'), which comprise the statement of financial position as at 31 December 2023, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated financial position of the Group and the separate financial position of the Parent Company as at 31 December 2023, and their respective financial performance and cash flows for the year then ended in accordance with IFRS Accounting Standards.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the 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), together with the ethical requirements that are relevant to our audit of the financial statements in the Sultanate of Oman, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

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

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF
DHOFAR INTERNATIONAL DEVELOPMENT AND INVESTMENT HOLDING COMPANY SAOG
(continued)

Key audit matters (continued)

For each matter below, our description of how our audit addressed the matter is provided in that context.

Key audit matter	How our audit addressed the key audit matter
Valuation of unquoted and thinly traded quoted financial assets	
As at 31 December 2023, the Group had investments in: - Unquoted financial assets at fair value through profit or loss amounting to RO 18 million; and - Quoted financial assets at fair value through profit or loss, which are thinly traded, amounting to RO 1.13 million. These are classified as investments in equities and term deposits, as applicable, and accounted for in accordance with the requirements of IFRS 9. In assessing the fair value of above mentioned unquoted and thinly traded quoted financial assets, the management of the Group and Parent Company uses a variety of methods and makes assumptions that are based on market conditions existing at each reporting date. Most of the observable inputs required for the fair valuation process can be obtained from readily available market prices of comparable securities. Where observable market inputs are not available, or where, in the case of thinly traded financial assets, inputs that are available but may not be fully representative of underlying value, estimates are developed based on the most appropriate source data which are subject to a higher level of management judgement. We focused on this area due to the materiality of the balances involved and the potential effect on reported financial performance caused by the inherent judgments and uncertainties involved in determining fair values for unquoted and thinly traded quoted financial assets.	Our procedures in relation to the valuation of unquoted and thinly traded quoted financial assets carried at fair value through profit or loss were as follows: ▪ We reviewed the trading history of thinly traded quoted financial assets on a sample basis and analysed the shares traded during the year to test management's view that the market prices for these quoted financial assets may not reflect their true fair values; ▪ With the assistance of our internal valuation experts, we reviewed the appropriateness of the methodology, model and various inputs selected by management to calculate the fair values; ▪ Our internal valuation experts also tested the mathematical accuracy of management's valuation model and independently recalculated the discount rates applied to the cash flows in the mode; ▪ Inputs used in the determination of assumptions for the calculation of the fair values were tested by reference to the relevant sources, where applicable, including external data; and ▪ We tested the disclosures relating to the valuation of unquoted and thinly traded financial assets in the Group and Parent Company's financial statements, for completeness and accuracy, in accordance with IFRS Accounting Standards requirements.

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF
DHOFAR INTERNATIONAL DEVELOPMENT AND INVESTMENT HOLDING COMPANY SAOG
(continued)

Key audit matters (continued)

Key audit matter	How our audit addressed the key audit matter
Significant component audited by another Auditor	
The Group and Parent Company's investment in significant associates are accounted for under the equity method and audited by another auditor. We consider this area as a key audit matter due to the materiality of the balances involved.	Our key audit procedures in this area included the following: ▪ Obtained the responses to our group audit instructions to determine whether the auditors of significant associates have performed relevant audit procedures and gathered sufficient and appropriate evidence; ▪ Considered the component auditor's identified significant risks and audit approach and, evaluated the results of their work; and ▪ Considered the key audit matters of significant associates identified by their auditors and evaluated the impact on the consolidated and separate financial statements. ▪ Reviewed the Purchase Price Allocation exercise to determine the reasonableness of the recorded bargain gain upon the acquisition of a new associate.

Other information included in the Group's 2023 Annual Report

Those charged with governance and management are responsible for the other information. Other information consists of the information included in the Group's 2023 Annual Report but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the 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 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 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.

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF DHOFAR INTERNATIONAL DEVELOPMENT AND INVESTMENT HOLDING COMPANY SAOG
(continued)

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

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

In preparing the financial statements, management is responsible for assessing 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 Group or to cease operations, or has no realistic alternative but to do so.

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

Auditor's responsibilities for the audit of the financial statements

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

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 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 Group's internal control.

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

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INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF
DHOFAR INTERNATIONAL DEVELOPMENT AND INVESTMENT HOLDING COMPANY SAOG
(continued)

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

- 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 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 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 Group to cease to continue as a going concern.

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

- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

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

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

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

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF
DHOFAR INTERNATIONAL DEVELOPMENT AND INVESTMENT HOLDING COMPANY SAOG
(continued)

Report on other legal and regulatory requirements

We report that the financial statements of the Group as at and for the year ended 31 December 2023 comply in all material respects, with the applicable provisions of the Commercial Companies Law of the Sultanate of Oman, and the disclosure requirements for Public Joint Stock Companies issued by the Capital Market Authority.

The engagement partner on the audit resulting in this independent auditor's report is Mr. Karl Jackson.

CROWE MAK GHAZALI LLC

Karl Jackson
Engagement Partner

Muscat, Sultanate of Oman
14 March 2024

DHOFAR INTERNATIONAL DEVELOPMENT AND INVESTMENT HOLDING COMPANY SAOG AND ITS SUBSIDIARIES

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2023

	Note	Group 2023 RO	Parent Company 2023 RO	Group 2022 RO	Parent Company 2022 RO
INCOME					
Dividend income	5	**1,206,176**	**1,079,843**	1,310,175	1,235,228
Net revenue of a subsidiary	6	**333,205**	**-**	342,664	-
Realised gain on sale of financial assets at fair value through profit or loss	7(a)	**26,530**	**50,728**	2,580,218	2,588,770
Unrealised (loss)/gain on financial assets at fair value through profit or loss	7(b)	**(2,147,163)**	**(2,094,690)**	1,467,816	737,735
Interest income		**365,919**	**640,529**	395,450	625,180
Other income	7(c)	**671,255**	**105,630**	91,588	97,588
Total income/(loss)		**455,922**	**(217,960)**	6,187,911	5,284,501
EXPENSES					
Administrative and general expenses	8	**(2,488,326)**	**(1,754,510)**	(2,101,399)	(1,884,979)
Depreciation	18	**(162,715)**	**(63,124)**	(184,941)	(55,851)
Total expenses		**(2,651,041)**	**(1,817,634)**	(2,286,340)	(1,940,830)
Operating (loss)/profit		**(2,195,119)**	**(2,035,594)**	3,901,572	3,343,671
Finance costs		**(6,082,593)**	**(5,109,307)**	(6,586,120)	(5,861,703)
Deferred finance cost	24 (e)	**(1,430,325)**	**(1,430,325)**	(130,930)	(130,930)
Share of loss from subsidiaries	13 (a)	**-**	**(1,172,090)**	-	(735,104)
Share of profit from associates	14 (a)	**14,324,561**	**14,324,561**	12,666,898	12,666,898
Bargain gain on acquisition of associate	14 (a)	**3,181,006**	**3,181,006**	-	-
Profit for the period before tax		**7,797,530**	**7,758,251**	9,851,420	9,282,832
Income tax	9	**(39,279)**	**-**	(160,524)	(524)
Profit for the period		**7,758,251**	**7,758,251**	9,690,896	9,282,308
Other comprehensive income/(loss)					
Items that will not be subsequently reclassified to profit or loss					
Changes in fair value of financial assets through other comprehensive income	16 (a)	**(280,022)**	**-**	820,716	-
Share of other comprehensive (loss)/profit of subsidiairies	13 (a)	**-**	**(280,022)**	-	820,716
Share of other comprehensive profit/(loss) of associates	14 (a)	**696,982**	**696,982**	(257,240)	(257,240)
Other comprehensive income for the year		**416,960**	**416,960**	563,476	563,476
Total comprehensive income for the year		**8,175,211**	**8,175,211**	10,254,371	9,845,784
Basic earnings per share	26	**0.019**	**0.019**	0.024	0.023

The notes on pages 12 to 46 form an integral part of these financial statements.

DHOFAR INTERNATIONAL DEVELOPMENT AND INVESTMENT HOLDING COMPANY SAOG AND ITS SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION
AS AT31 DECEMBER 2023

	Note	Group 2023 RO	Parent Company 2023 RO	Group 2022 RO	Parent Company 2022 RO
ASSETS					
Cash and bank balances	10	**1,155,672**	**403,071**	1,363,226	451,773
Receivables and prepayments	11	**837,851**	**6,574,665**	682,247	3,393,169
Inventories		**9,777**	-	23,737	-
Financial assets at fair value through profit or loss					
- Investment in equities	12	**39,285,647**	**23,978,723**	41,926,907	26,240,597
- Investment in term deposits	15	**730,000**	**730,000**	1,830,000	1,830,000
Financial assets at fair value through other comprehensive income	16	**907,823**	-	1,188,461	-
Investment in subsidiaries	13	-	**1,104,534**	-	3,156,646
Investment in associates	14	**175,557,790**	**175,557,790**	166,331,229	166,331,229
Loan to subsidiary	17	-	**4,950,000**	-	4,950,000
Investment property		**247,212**	**247,212**	247,212	247,212
Property and equipment	18	**5,081,351**	**518,558**	5,217,730	552,893
Total assets		**223,813,123**	**214,064,553**	218,810,749	207,153,519
EQUITY AND LIABILITIES					
Equity					
Share capital	19	**54,472,000**	**54,472,000**	54,472,000	54,472,000
Legal reserve	20	**10,716,519**	**10,716,519**	9,940,694	9,940,694
General reserve	21	**7,070,404**	**7,070,404**	7,070,404	7,070,404
Investment revaluation reserve	22	**(3,087,847)**	**(3,087,847)**	(3,504,807)	(3,504,807)
Retained earnings		**63,772,686**	**63,364,099**	59,784,641	59,376,054
Total equity due to shareholders of the Parent Company		**132,943,762**	**132,535,175**	127,762,932	127,354,344
LIABILITIES					
Other liabilities	23	**848,922**	**526,010**	642,610	408,351
Income tax payable	9	**55,336**	-	169,383	-
Loans and borrowings	24	**89,965,103**	**81,003,368**	90,235,824	79,390,824
		90,869,361	**81,529,378**	91,047,817	79,799,175
Total equity and liabilities		**223,813,123**	**214,064,553**	218,810,749	207,153,519
Net assets per share	25	**0.325**	**0.324**	0.312	0.311

These financial statements were approved and authorised for issue by the Board of Directors on 12-03-2024 and signed on their behalf by:

DIRECTOR **DIRECTOR**

The notes on pages 12 to 46 form an integral part of these financial statements.

DHOFAR INTERNATIONAL DEVELOPMENT AND INVESTMENT HOLDING COMPANY SAOG
AND ITS SUBSIDIARIES

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2023

Group	**Share capital RO**	**Legal reserve RO**	**General reserve RO**	**Investment revaluation reserve RO**	**Retained earnings RO**	**Total RO**
At 1 January 2022	54,472,000	9,012,463	7,070,404	(1,790,884)	52,030,959	120,794,942
Profit for the year	-	-	-	-	9,690,896	9,690,896
Other comprehensive income/(loss)						
Changes in fair value of financial assets through other comprehensive income	-	-	-	820,716	-	820,716
Share of other comprehensive loss of associates	-	-	-	(257,240)	-	(257,240)
Transfer of revaluation reserve of a subsidiary on disposal of equities through OCI	-	-	-	(2,277,399)	2,277,399	-
Revaulation reserve adjustment of inter-subsidiary					(9,216)	(9,216)
Share of interest on associates companies Tier 1 capital securities to retained earnings	-	-	-	-	(3,277,166)	(3,277,166)
Transfer to legal reserve	-	928,231	-	-	(928,231)	-
At 31 December 2022	54,472,000	9,940,694	7,070,404	(3,504,807)	59,784,641	127,762,932
At 1 January 2023	**54,472,000**	**9,940,694**	**7,070,404**	**(3,504,807)**	**59,784,641**	**127,762,932**
Profit for the year	-	-	-	-	**7,758,251**	**7,758,251**
Other comprehensive income/(loss)						
Changes in fair value of financial assets through other comprehensive income	-	-	-	**(280,022)**	-	**(280,022)**
Share of other comprehensive income of associates	-	-	-	**696,982**	-	**696,982**
Share of interest on associate companies Tier 1 Capital Securities to retained earnings	-	-	-	-	**(2,994,381)**	**(2,994,381)**
Transfer to legal reserve	-	**775,825**	-	-	**(775,825)**	-
At 31 December 2023	**54,472,000**	**10,716,519**	**7,070,404**	**(3,087,847)**	**63,772,686**	**132,943,762**

The notes on pages 12 to 46 form an integral part of these financial statements.

DHOFAR INTERNATIONAL DEVELOPMENT AND INVESTMENT HOLDING COMPANY SAOG AND ITS SUBSIDIARIES

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2023

Parent Company	Share capital RO	Legal reserve RO	General reserve RO	Investment revaluation reserve RO	Retained earnings RO	Total RO
At 1 January 2022	54,472,000	9,012,463	7,070,404	(1,790,884)	52,030,959	120,794,942
Profit for the year	-	-	-	-	9,282,308	9,282,308
Other comprehensive income/(loss)						
Share of other comprehensive income of subsidiaries	-	-	-	820,716	-	820,716
Share of other comprehensive loss of associates	-	-	-	(257,240)	-	(257,240)
Revaluation reserve adjustment of inter-subsidiary					(9,216)	(9,216)
Share of interest on Associate companies Tier 1 Capital Securities to retained earnings	-	-	-	-	(3,277,166)	(3,277,166)
Transfer of revaluation reserve of a subsidary on disposal of equities through OCI	-	-	-	(2,277,399)	2,277,399	-
Transfer to legal reserve	-	928,231	-	-	(928,231)	-
At 31 December 2022	54,472,000	9,940,694	7,070,404	(3,504,807)	59,376,054	127,354,344
At 1 January 2023	**54,472,000**	**9,940,694**	**7,070,404**	**(3,504,807)**	**59,376,054**	**127,354,345**
Profit for the year	-	-	-	-	**7,758,251**	**7,758,251**
Other comprehensive income/(loss)						
Share of other comprehensive loss of subsidiaries	-	-	-	**(280,022)**	-	**(280,022)**
Share of other comprehensive income of associates	-	-	-	**696,982**	-	**696,982**
Share of interest on Associate companies Tier 1 Capital Securities to retained earnings	-	-	-	-	**(2,994,381)**	**(2,994,381)**
Transfer to legal reserve	-	**775,825**	-	-	**(775,825)**	-
At 31 December 2023	**54,472,000**	**10,716,519**	**7,070,404**	**(3,087,847)**	**63,364,099**	**132,535,175**

The notes on pages 12 to 46 form an integral part of these financial statements.

DHOFAR INTERNATIONAL DEVELOPMENT AND INVESTMENT HOLDING COMPANY SAOG AND ITS SUBSIDIARIES

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2023

	Group 2023 RO	Parent Company 2023 RO	Group 2022 RO	Parent Company 2022 RO
Cash flows from operating activities				
Receipt of dividends, rent and other income	**6,699,007**	**6,246,887**	4,626,046	6,734,843
Payments to creditors and employees	**(2,430,726)**	**(1,656,300)**	(2,164,406)	(1,493,044)
Proceeds from sale of investments	**612,300**	**94,387**	5,771,339	5,716,010
Proceeds from capital reduction by an investee company	**-**	**-**	506,010	506,010
Purchase of investments	**(873)**	**-**	-	-
Transaction cost paid	**(1,804)**	**(321)**	(23,800)	(13,902)
Interest received	**154,044**	**614,045**	196,985	190,422
Income tax refund received	**-**	**-**	9,286	-
Net cash from operating activities	**5,031,948**	**5,298,697**	8,921,460	11,640,339
Cash flows from investing activities				
Net movement in the fixed assets	**(23,038)**	**(23,038)**	(69,825)	(24,189)
Proceeds from sale of investments	**1,410,065**	**1,410,065**	9,673,395	-
Transaction cost paid on sale of investments	**(5,182)**	**(5,182)**	-	-
Proceeds from capital payback from a subsidairy	**-**	**-**	-	6,643,350
Term deposits - placement	**-**	**-**	(730,000)	(730,000)
Term deposits - redeemed	**1,100,000**	**1,100,000**	730,000	730,000
Net cash from investing activities	**2,481,844**	**2,481,844**	9,603,570	6,619,161
Cash flows from financing activities				
Deferred finance cost paid	**(1,062,075)**	**(1,062,075)**	-	-
Interest and other bank charges	**(5,991,547)**	**(5,049,594)**	(8,190,286)	(7,516,549)
Paid to and on behalf of subsidiaries	**(8,380)**	**(2,941,495)**	(273,024)	(917,024)
Term loan received	**82,000,000**	**82,000,000**	-	-
Repayment of long term loans	**(82,659,345)**	**(80,776,080)**	(11,014,920)	(11,014,920)
Net cash used in financing activities	**(7,721,347)**	**(7,829,244)**	(19,478,230)	(19,448,492)
Net changes in cash and cash equivalents during the year	**(207,555)**	**(48,702)**	(953,199)	(1,188,993)
Cash and cash equivalents at the beginning of the year	**1,363,227**	**451,773**	2,316,425	1,640,766
Cash and cash equivalents at the end of the year	**1,155,672**	**403,071**	1,363,226	451,773

The notes on pages 12 to 46 form an integral part of these financial statements.

1 Legal status and principal activities

Dhofar International Development and Investment Holding Company SAOG ('the Parent Company') was formed on 9 December 1987 by Ministerial Decree no. 127/87 and is registered in the Sultanate of Oman as a public joint stock company.

The Parent Company's main activity is investment in businesses, marketable securities and promotion of new projects and its shares are listed on Muscat Stock Exchange. The Parent Company holds investments in subsidiary and associate companies, the details of which are set out below;

	Shareholding percentage 2023	Shareholding percentage 2022	**Country of incorporation**	**Principal Activities**
Subsidiary companies				
Dhofar Investment and Real Estate Services Company LLC	**99.9%**	99.9%	Oman	Investments and real estate related activities
Garden Hotel LLC	**99.9%**	99.9%	Oman	Hospitality services
Dhofar International Energy Services Company LLC	**99%**	99%	Oman	Energy related activities
Associate companies				
Financial Services Company SAOG	**46.15%**	46.15%	Oman	Brokerage and investment services
Dhofar Insurance Company SAOG	**38.14%**	37.43%	Oman	Insurance services
Oman Investment and Finance Company SAOG	**37.98%**	37.98%	Oman	Meter reading, billing, collection, customer services and debt factoring for utility providers
Dhofar Food & Investment Company SAOG	**26.74%**	1.17%	Oman	Production and selling of dairy products
Salalah Medical Supplies Manufacturing Company LLC	**25%**	25%	Oman	Manufacture and sale of surgical disposables
Bank Dhofar SAOG	**24.09%**	24.38%	Oman	Banking services
Omani Gulf food Company LLC	**-**	30.77%	Oman	Manufacture and distribution of vegetable oil

2 Basis of preparation and adoption of new and amended IFRS Accounting Standards

Basis of preparation

a) The financial statements have been prepared on the historical cost basis, as modified to include the fair value of certain financial assets and liabilities.

2 Basis of preparation and adoption of new and amended IFRS Accounting Standards (continued)

Basis of preparation (continued)

b) Parent Company prepared consolidated financial statements by applying equity accounting as per IAS 27 - Separate Financial Statements and IAS 28 - Investments in Associates for accounting for its subsidiaries and associates respectively.

IFRS 10 further states that the fair value of the subsidiary at the deemed acquisition date is considered as the deemed consideration when measuring any goodwill or gain from a bargain purchase that arises from the deemed acquisition. The deemed acquisition is considered as a business combination as per IFRS 3 'Business Combinations' and the Parent Company has completed purchase price allocation exercise.

c) These financial statements for the year ended 31 December 2023 comprise the Parent Company and its subsidiaries (together "the Group") and the Group's interest in its associates. 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".

d) The Parent company in its EGM held on 21 June 2023 approved a merger with 'Oman Investment & Finance Co. SAOG (OIFC)' with swap ratio of 0.3488 shares in the Parent company. However, Capital Market Authority (CMA) through its decision 46/2023 dated 10 July 2023 suspended the implementation of merger till further decision. Please refer to note 14 for further details.

e) The Board of Directors of the Parent company in a meeting held on 29 May 2023 approved sale of Company's shares in its associate company, Omani Gulf Food Company LLC for an amount of RO 4,153,846 in favour of Dhofar Food & Investment Company SAOG and acquiring shares in Dhofar Food & Investment Company SAOG through a private placement price of 80 baizas per share as purchase consideration. The transaction completed on 24 July 2023.

Functional and presentation currency

The financial statements are presented in Omani Rials ('RO') which is the functional and presentation currency of the Parent Company and the Group. All figures have been rounded off to the nearest RO, unless otherwise stated.

Statement of compliance

The financial statements have been prepared in accordance with IFRS Accounting Standards issued by the International Accounting Standards Board (IASB), the interpretations issued by the International Financial Reporting Interpretation Committee (IFRIC), the disclosure requirements of the Capital Market Authority (CMA) and the requirements of the Commercial Companies Law of the Sultanate Oman.

New standards, amendments and interpretations to existing IFRS Accounting Standards effective 1 January 2023

The Group has adopted all standards and amendments for the first time for the annual reporting period beginning from 1 January 2023, while has accounted for and disclosed only the relevant and applicable standards and amendments:

Standards/Amendments to Standards	**Effective for annual periods beginning on or after**
IFRS 17 Insurance Contracts and Amendments to IFRS 17	01 January 2023
Definition of Accounting Estimates (Amendments to IAS 8)	01 January 2023
Disclosure of Accounting Policies (Amendment to IAS 1 and IFRS Practice Statement 2)	01 January 2023
Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12)	01 January 2023
Amendments to IAS 12 – International Tax Reform – Pillar Two Model Rules	01 January 2023

The Group has adopted all of the above new Standards and amendments, and it has accounted for and disclosed in the Financial Statements all the relevant requirements of the new Standards and amendments of existing standards that were applicable to the Group.

2 Basis of preparation and adoption of new and amended IFRS Accounting Standards (continued)

Standards, amendments and interpretations to existing IFRS Accounting Standards that are not yet effective

The forthcoming requirements of new Standard and Amendments to existing Standards are applicable for future reporting periods.

Standards/Amendments to Standards	Effective for annual periods beginning on or after
Amendment to IAS 1 – Classification of Liabilities as Current or Non-current	1 January 2024
Amendment to IFRS 16 – Lease Liability in a Sale and Leaseback	1 January 2024
Amendment to IAS 1 – Non-current Liabilities with Covenants	1 January 2024
Amendments to IAS 7 and IFRS 7 – Supplier Finance Arrangements	1 January 2024
Amendments to IAS 21 – Lack of Exchangeability	1 January 2025
Amendments to IFRS 10 and IAS 28 – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred indefinitely

The Group does not expect these amendments issued but not yet effective to have a material impact on the financial statements of the Group.

3 Material accounting policy information

The principal accounting policies applied in the preparation of the financial statements are set out below. These accounting policies have been consistently applied by the Group to all the period presented, unless otherwise stated.

Basis of consolidation

The consolidated financial statements comprise the financial statements of the Group and its subsidiaries as at 31 December 2023.

Subsidiaries

Subsidiaries are all entities (including special purpose entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquired entity and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets.

If the business combination is achieved in stages, the acquisition date fair value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date through profit or loss. Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with IFRS 9 either in profit or loss or as a change to other comprehensive income. Contingent consideration that is classified as equity is not remeasured, and its subsequent settlement is accounted for within equity.

3 Material accounting policy information (continued)

Basis of consolidation (continued)

Subsidiaries (continued)

Goodwill is initially measured as the excess of the aggregate of the consideration transferred and the fair value of non-controlling interest over the net identifiable assets acquired and liabilities assumed. If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognised in profit or loss. Goodwill is tested for impairment annually.

Inter-company transactions, balances, income and expenses on transactions between the Group companies are eliminated. Profits and losses resulting from inter-company transactions that are recognised in assets are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Profit or loss and each component of other comprehensive income are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Changes in ownership interests in subsidiaries without change of control

Transactions with non-controlling interests that do not result in loss of control are accounted for as an equity transaction. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

Disposal of subsidiaries

When the Group ceases to have control any retained interest in the entity is remeasured to its fair value at the date when control is lost, with the change in carrying amount recognised in statement of comprehensive income. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

Entities under common control

For the spin off or acquisition of the entities under common control, the assets and liabilities of the acquired subsidiaries are included in the consolidated financial statements at their book values from the date of change. The subsidiaries are deconsolidated from the date that control ceases.

3 Material accounting policy information (continued)

Basis of consolidation (continued)

Associates

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting. Under the equity method, the investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the date of acquisition. The Group's investment in associates includes goodwill identified on acquisition. Any excess over the fair value of net asset acquired in an acquisition is recognised as a 'bargain gain' and included in the statement of comprehensive income for the year in which the acquisition is completed.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate.

The Group's share of post-acquisition profit or loss is recognised in the statement of comprehensive income, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income with a corresponding adjustment to the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount adjacent to 'share of profit/(loss) of an associate' in the income statement.

Profits and losses resulting from upstream and downstream transactions between the Group and its associate are recognised in the Group's financial statements only to the extent of unrelated investor's interests in the associates. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

Consequent to the amendment in IAS 27, the Parent has adopted the equity method to account for its investment in associates and subsidiaries for the purpose of its separate financial statements.

Revenue recognition

- Interest income is recognised on a time proportion basis using the effective Interest method.

- Dividend income from financial assets at fair value through profit or loss is recognised in the statement of comprehensive income as part of dividend income when the Group's right to receive dividend is established.

- Dividend income from financial assets at fair value through other comprehensive income (equity instruments) are recognised in the statement of comprehensive income when the Group's right to receive dividend is established.

- Other income is recognised in income when the Group satisfies a performance obligation.

- Revenue for hospitality services for room revenue consists of the services rendered during the period, net of discounts and municipal and tourism taxes which is recognised on a daily basis over time based on occupancy. Further for food, beverages and other revenues are recognised at a point in time as and when goods are supplied or services rendered.

3 **Material accounting policy information** (continued)

Revenue recognition (continued)

Financial assets

i) *Classification*

The Group classifies its financial assets in the following categories: amortised cost, fair value through profit or loss ('FVTPL') and fair value through other comprehensive income ('FVOCI'). The classification of debt instruments depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. Management determines the classification of its financial assets at initial recognition.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

A debt instrument is measured at amortised cost if it meets both of the following conditions and it is not designated as 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.

A debt instrument is measured at FVOCI only if it meets both of the following conditions and is not designated as FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; 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.

The Group measures all its equity investments at fair value. When the Group's management elects to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss.

In addition, on initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

ii) *Business model assessment*

The Group makes an assessment of the objective of a business model in which an asset is held at a portfolio level as this drives the classification of financial assets and liabilities under IFRS 9. Business model reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. In particular, whether management's strategy focuses on earning contractual interest revenue, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of the liabilities that are funding those assets or realising cash flows through the sale of the assets;

3 Material accounting policy information (continued)

Financial assets (continued)

ii) *Business model assessment (continued)*

- how the performance of the portfolio is evaluated and reported to the Group's management;
- how managers of the business are compensated - e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales in prior periods, the reasons for such sales and its expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the Group's stated objective for managing the financial assets is achieved and how cash flows are realised.

Financial assets that are held for trading or managed and whose performance is evaluated on a fair value basis are measured at FVTPL because they are neither held to collect contractual cash flows nor held to both to collect contractual cash flows and to sell financial assets.

iii) *Assessment whether contractual cash flows are solely payments of principal and interest*

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making the assessment, the Group considers:

- contingent events that would change the amount and timing of cash flows;
- leverage features;
- prepayment and extension terms;
- terms that limit the Group's claim to cash flows from specified assets; and
- features that modify consideration of the time value of money.

iv) *Recognition and measurement*

Regular purchases and sales of financial assets are recognised on the trade-date - the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the statement of profit or loss. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. Financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income are subsequently measured at fair value.

3 Material accounting policy information (continued)

Financial assets (continued)

iv) *Recognition and measurement (continued)*

Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are presented in the statement of comprehensive income in the period in which they arise. Dividend income from financial assets at fair value through profit or loss is recognised in the statement of profit or loss as part of dividend income when the Group's right to receive dividend is established. Changes in the fair value of monetary and non-monetary securities classified as fair value through other comprehensive income are recognised in other comprehensive income. When equity securities classified as fair value through other comprehensive income are sold, the accumulated fair value adjustments are reclassified within equity. Dividends on equity instruments classified as fair value through other comprehensive income are recognised in the statement of comprehensive income when the Group's right to receive dividend is established.

Impairment of financial assets

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. The Group is exposed to credit risk if counterparties fail to make payments as they fall due in respect of bank balances. The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Group compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information. Examples of indicators include internal credit rating, external credit rating (if applicable) etc.

Property and equipment

Property and equipment is stated at historical cost less accumulated depreciation and impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of asset. The cost includes any other cost that is directly attributable to bringing the asset to a working condition for its intended use, and the cost of dismantling and removing the item and restoring the site on which they are located.

Subsequent costs are included in the assets' carrying amount or recognised 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 item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Buildings	25 and 40 years
Motor vehicles	3 years
Furniture, fixtures and equipment	3 - 5 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing the proceeds with carrying amount and are recognised in the statement of comprehensive income.

Investment property

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Group, is classified as investment property. Investment property also includes property that is being constructed or developed for future use as investment property.

3 Material accounting policy information (continued)

Investment property (continued)

All investments in properties are initially recognised at cost, being the fair value of the consideration given including acquisition charges associated with the investment. Subsequent to initial recognition, these properties are revalued to their fair values on an annual basis and any increase or decrease in the fair values is reflected in the statement of comprehensive income.

Goodwill

Goodwill arises on the acquisition of subsidiaries and associates and represents the excess of the consideration transferred over the Group's interest in net fair value of the net identifiable assets, liabilities and contingent liabilities of the acquiree and the fair value of the non-controlling interest in the acquiree.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the CGUs, or groups of CGUs, that is expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at the operating segment level. Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs to sell. Any impairment is recognised immediately as an expense and is not subsequently reversed.

Impairment of non-financial assets

Assets that have an indefinite useful life - for example, goodwill or intangible assets not ready to use - are not subject to amortisation or depreciation and are tested annually for impairment. Assets that are subject to amortisation or depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest and levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

Cash and cash equivalents

For the purpose of statement of cash flows, cash and cash equivalents includes cash in hand, deposits held at call with banks and other short-term highly liquid investments with original maturities up to three months or less. The cash flow statement has been prepared using direct method as per IAS 7 'Statement of Cash Flows'.

Payables and accruals

Liabilities are recognised for amounts to be paid for goods and services received, whether or not billed to the Group. They are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method.

Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised as interest expense in the statement of comprehensive income over the period of the borrowings using the effective interest rate method.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

3 Material accounting policy information (continued)

Employee benefits

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 as amended and in accordance with IAS 19, 'Employee Benefits'. 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. The accruals relating to annual leave, leave passage and end of service benefits are included in liabilities. Contributions to a defined contribution retirement plan and occupational hazard insurance for Omani employees in accordance with the Omani Social Insurances Law of 1991 are recognised as an expense in the statement of comprehensive income as incurred.

Current and deferred income tax

The tax expense comprises current and deferred tax. Income tax expense is recognised in the statement of comprehensive income except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is calculated using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill, the initial recognition of assets or liabilities in a transaction that is not a business combination and that affect neither the accounting nor taxable profits, and difference relating to subsidiaries and jointly controlled entities to the extent that they probably will not reverse in foreseeable future.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Provisions

A provision is recognised in the statement of financial position when the Group has a present (legal or constructive) obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects the current market assessment of the time value of money and, where appropriate, the risks specific to the liability.

Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Executive, Nomination and Remuneration Committee (Executive Committee) that makes strategic decisions.

Foreign currency translation

Functional and presentation currency

Items included in the consolidated financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in 'Rial Omani', which is the Group's and the Parent Company's functional and presentation currency.

3 Material accounting policy information (continued)

Foreign currency translation (continued)

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income.

Directors' remuneration

The directors' remuneration is governed as set out in the Memorandum of Association of the Group, the Commercial Companies Law and regulations issued by the Capital Market Authority (CMA).

The Annual General Meeting shall determine and approve the remuneration and the sitting fees for the Board of Directors and its sub-committees from the net profits after deduction of taxes, legal and optional reserves and the funds allocated for capitalization and dividends provided that such fees shall not exceed RO 300,000 if the net profit is equal to or exceeding the profit realized in the previous financial year and has no accumulated losses or losses in the capital or shall not exceed RO 150,000 if the realized profit is less than the profit realized in the previous financial year and no losses in the capital. The sitting fees for each director shall not exceed RO 10,000 in one year.

Dividend distribution

Dividends are recommended by the Board after considering the profit available for distribution and the Group's future cash requirements and are subject to approval by the shareholders at Annual General Meeting. Dividends are recognised as a liability in the financial statements in the period in which they are approved by the shareholders.

4 Critical accounting estimates and judgements

Estimates and judgements are evaluated regularly and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that 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.

Fair value of financial instruments

The fair value of financial instruments which are unquoted and those quoted which are not traded in an active market (for example, unlisted securities) is determined by valuation techniques. Management uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the reporting date. For details of the key assumptions used and the impact of changes to these assumptions refer note 30.

Impairment of investment in equity accounted investees and subsidiaries

The Group reviews its investment in equity accounted investees and subsidiaries periodically and evaluates for objective evidence of impairment. Objective evidence includes the performance of equity accounted investee and subsidiaries, the future business model, local economic conditions and other relevant factors. Based on the objective evidences, the Group determines the need for impairment loss on investment in equity accounted investees and subsidiaries.

Impairment of goodwill

The Group tests annually whether goodwill has impaired, considering projected cashflows, terminal growth rate and discount factors. The recoverable amount of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of estimates.

Allowance for credit losses

Assessment whether credit risk on the financial assets has increased significantly since initial recognition and incorporation of forward-looking information in the measurement of expected credit losses.

5 Dividend income

	Group 2023 RO	Parent Company 2023 RO	Group 2022 RO	Parent Company 2022 RO
From financial assets at fair value through profit and loss	**1,206,176**	**1,079,843**	1,307,610	1,235,228
From financial assets at fair value through other comprehensive income	**-**	**-**	2,565	-
	1,206,176	**1,079,843**	1,310,175	1,235,228

6 Net revenue of a subsidiary

Net revenue of a subsidiary represents the Group net income from Garden Hotel LLC.

7 Realised and unrealised gain/(loss) on financial assets and other income

a) Realised gain/(loss) on sale of financial assets

	Group 2023 RO	Parent Company 2023 RO	Group 2022 RO	Parent Company 2022 RO
From investment in equities [note 12(a)]	**(36,531)**	**(12,333)**	2,577,438	2,585,990
From investment in associates	**63,061**	**63,061**	2,780	2,780
	26,530	**50,728**	2,580,218	2,588,770

b) Unrealised gain/(loss) on financial assets at fair value through profit or loss:

	Group 2023 RO	Parent Company 2023 RO	Group 2022 RO	Parent Company 2022 RO
Investment in equities through FVTPL[note 12(a)]	**(2,147,163)**	**(2,094,690)**	1,467,816	737,735

c) Other income

The other income includes additional receipts of RO 389,653 from Pound Capital representing the First Anti-Dumping Earn out resulting from the successful resolution of the anti-dumping cases regarding PET Sheet sales in the US by Octal Holding UK. Being the former shareholder of Octal these proceeds are being transferred to the Company as per Share Purchase Agreement. The Company is expected to receive further amounts as and when the other anti-dumping cases are concluded in the future.

8 Administrative and general expenses

	Group 2023 RO	Parent Company 2023 RO	Group 2022 RO	Parent Company 2022 RO
Staff related costs [see 8(a)]	**1,543,695**	**1,174,701**	1,392,145	998,880
Directors' remuneration and sitting fees [note 27(c)]	**223,800**	**202,800**	228,500	201,500
Occupancy and office related costs	**295,755**	**127,693**	270,273	131,061
Miscellaneous expenses	**425,076**	**249,316**	210,481	144,332
Impairment of interest receivable	**-**	**-**	-	409,206
	2,488,326	**1,754,510**	2,101,399	1,884,979

8 Administrative and general expenses (continued)

	Group 2023 RO	Parent Company 2023 RO	Group 2022 RO	Parent Company 2022 RO
a) **Staff related costs**				
Salaries and allowances	**1,070,815**	**837,443**	1,049,531	782,331
Other benefits	**338,743**	**226,687**	245,975	150,310
Social security costs	**63,762**	**45,545**	64,826	44,262
End of service benefits [note 23(a)]	**70,375**	**65,026**	31,813	21,977
	1,543,695	**1,174,701**	1,392,145	998,880

9 Taxation

The Group is liable to pay income tax at the rate of 15% (2022: 15%) of taxable income in accordance with the income tax law of the Sultanate of Oman.

Statement of comprehensive income:	Group 2023 RO	Parent Company 2023 RO	Group 2022 RO	Parent Company 2022 RO
Income tax - current period	**45,952**	-	160,000	-
Income tax-prior years	**(6,673)**	-	524	524
	39,279	-	160,524	524

The Parent Company's income tax assessments for the years up to 2020 have been finalised by the Tax Authority. Further, the tax assessments for subsidiaries, Dhofar investment and real estate Company LLC, Dhofar International Energy Services Company LLC and Garden Hotel LLC have been finalised for the years up to 2021, 2019 and 2020 respectively by the Taxation Authority. The Management believes that additional tax liability if any, that may arise on the completion of the assessments for the unassessed tax years for the Parent Company and the subsidiaries will not be material to the financial position of the Group at the end of the reporting period. The reconciliation of taxation on the accounting profit/(loss) for the year at 15% taxation charge in the financial statement is as follows:

	Parent Company 2023 RO	Parent Company 2022 RO
Accounting profit	**7,758,251**	9,282,832
Tax rate	**15%**	15%
Tax on accounting profit	**1,163,738**	1,392,425
Add/(less) tax effect of:		
Tax exempt revenue	**(2,297,795)**	(2,472,746)
Tax on disallowed expenses	**928,585**	1,066,384
Others	**375**	(1,050)
At 31 December (Tax loss)	**(205,097)**	(14,987)

10 Cash and bank balances

	Group 2023 RO	Parent Company 2023 RO	Group 2022 RO	Parent Company 2022 RO
Current accounts	**575,113**	**402,883**	394,169	320,740
Call deposits	**580,070**	**188**	967,467	131,033
Cash in hand	**489**	**-**	1,590	-
	1,155,672	**403,071**	1,363,226	451,773

Call deposit with a local bank (associate) earns interest at the rate of 0.8% per annum (2022: 0.8% per annum).

11 Receivables and prepayments

	Group 2023 RO	Parent Company 2023 RO	Group 2022 RO	Parent Company 2022 RO
Receivable, prepayments and deposits	**437,865**	**26,209**	401,302	22,017
Accrued income	**138,211**	**-**	136,895	-
Due from related parties [note 27(d)]	**24,314**	**24,314**	26,296	26,296
Due from associates [note 27(d)]	**237,461**	**237,461**	117,754	117,754
Due from subsidiaries [note 27(d)]	**-**	**6,286,681**	-	3,636,308
Allowance for impairment (note 8)	**-**	**-**	-	(409,206)
	837,851	**6,574,665**	682,247	3,393,169

Receivables and prepayments are due within one year.

12 Investment in equities at fair value through profit or loss

	Group 2023 RO	Parent Company 2023 RO	Group 2022 RO	Parent Company 2022 RO
Quoted securities				
Banking and investment sector	**15,793,916**	**14,758,551**	17,053,880	15,469,765
Services sector	**4,977,927**	**4,977,927**	6,587,819	6,583,719
Industrial sector	**563,105**	**560,391**	720,680	720,680
	21,334,948	**20,296,869**	24,362,379	22,774,164
Unquoted securities & subordinated advances				
Local	**17,950,699**	**3,681,854**	17,564,528	3,466,433
	39,285,647	**23,978,723**	41,926,907	26,240,597

a) Movement in equity investments at fair value through profit or loss is as follows:

	Group 2023 RO	Parent Company 2023 RO	Group 2022 RO	Parent Company 2022 RO
At 1 January	**41,926,906**	**26,240,597**	43,415,718	28,639,953
Sales proceeds during the year	**(612,977)**	**(88,501)**	(5,753,753)	(5,724,361)
Additions during the year	**7,369**	**746**	7,530	1,280
Interest receivable capitalised	**215,137**	**-**	212,158	-
Transfer to associates	**(67,095)**	**(67,095)**	-	-
Realised (loss)/gain during the year	**(36,531)**	**(12,333)**	2,577,438	2,585,990
Unrealised (loss)/gain during the year	**(2,147,164)**	**(2,094,690)**	1,467,816	737,735
	39,285,647	**23,978,723**	41,926,907	26,240,597

b) Quoted securities are investments listed on the Muscat Stock Exchange.

c) Investment in equities with the fair value of RO 18,712,987 (2022: RO 25,876,195) are pledged as security against credit facilities obtained from commercial banks (note 24).

12 Investment in equities at fair value through profit or loss (continued)

d) Details of investments in securities where the Group holds in excess of 10% of the investee company's share capital as at 31 December are set out below:

2023	Holding %	No. of securities	Fair Value RO	Cost RO
Dhofar University SAOC	**19**	**1,518,031**	**2,973,815**	**1,518,031**
National Packaging Factory LLC	**15**	**81,000**	**81,000**	**40,500**
2022				
Dhofar University SAOC	19	1,518,031	2,729,237	1,518,031
National Packaging Factory LLC	15	81,000	81,000	40,500

13 Investment in subsidiaries

a) The movement of investment in subsidiaries is as follows:

	Parent Company 2023 RO	Parent Company 2022 RO
At 1 January	**3,156,646**	10,303,496
Increase in share capital of a subsidiary	-	1,982,539
Reduction in share capital of a subsidiary	-	(6,643,350)
Revaluation reserve adjustment of inter-subsidiary	-	(9,216)
Share of loss for the year	**(1,172,090)**	(735,104)
Share of other comprehensive (loss)/income for the year	**(280,022)**	820,716
Dividend received	**(600,000)**	(2,562,435)
At 31 December	**1,104,534**	3,156,646

b) Dhofar Investment and Real Estate Services Company LLC (subsidiary) is an unlisted company registered in the Sultanate of Oman and engaged in investments and real estate related activities. The Parent Company holds 99.9% equity interest and the balance 0.1% is held by Dhofar International Energy Services Company LLC (subsidiary).

c) Garden Hotel LLC (subsidiary) is an unlisted company registered in the Sultanate of Oman and engaged in Hospitality Services. The Parent Company holds 99.9% of the equity interest and the balance 0.1% is held by Dhofar Investment and Real Estate Services Company LLC.

d) Dhofar International Energy Services Company LLC (subsidiary) is an unlisted company registered in the Sultanate of Oman and engaged in production and distribution of energy. The Parent Company holds 99% equity interest and the balance of 1% is held by Dhofar Investment and Real Estate Services Company LLC.

e) The Parent Company receives income in the form of dividends from its investments in subsidiaries, and there are no restrictions on the transfer of funds from these subsidiaries to the Parent Company.

f) The Parent Company is committed to provide financial or other support to its subsidiaries.

g) At the reporting date, the management has tested the investments in subsidiaries for impairment in accordance with IAS 36 "Impairment of Assets" and has concluded that there is no impairment losses at 31 December 2023, since the estimated recoverable amounts of these investments is higher than their carrying values.

h) Investment in subsidiaries is accounted for under equity method in Parent Company Separate financial statements using the information derived from the audited/un-audited financial statements of these subsidiaries for the year ended 31 December 2023.

14 Investment in associates

a) The movement of investment in associates is as follows:

	Group and Parent 2023 RO	Group and Parent 2022 RO
At 1 January	**166,331,229**	160,015,991
Transfer of shares from equities through profit & loss	**67,095**	587,886
Increase in shares through conversion	**549,800**	-
Conversion/redemption of DIC Bonds into shares	**(549,800)**	(549,800)
Sale of shares of an associate	**(1,410,065)**	-
Realised gain on sale of shares of an associate	**63,061**	-
Adjustment in fair value reserve of DIC Bonds	-	(35,305)
Share of profit for the year	**14,324,561**	12,666,898
Share of other comprehensive income/(loss) for the year	**696,982**	(257,240)
Bargain gain on acqusition of an associate	**3,181,006**	-
Dividend received during the year	**(4,701,698)**	(2,820,035)
Share of interest on Tier 1 Capital Securities	**(2,994,381)**	(3,277,166)
At 31 December	**175,557,790**	166,331,229

b) Investments in associates represent direct holding in the following;

31 December 2023 Group		**Holding %**	**Equity accounted value RO**	**Market value of listed companies RO**
Bank Dhofar SAOG	**BKD**	**24.09**	**139,097,120**	**115,481,215**
Oman Investment and Finance Company SAOG	**OIFC**	**37.98**	**10,967,080**	**6,709,500**
Dhofar Insurance Company SAOG (equity shares)	**DICS**	**38.14**	**13,968,660**	**10,366,305**
Dhofar Insurance Company SAOG (bonds)	**DICS - Bonds**	**54.98**	**1,099,600**	**1,099,600**
Financial Services Company SAOG	**FSC**	**46.15**	**1,415,985**	**1,643,077**
Salalah Medical Supplies Manufacturing Co. LLC	**SMSM**	**25.00**	**1,733,368**	**-**
Dhofar Food & Investment Co. SAOG	**DFIN**	**26.75**	**7,275,977**	**2,484,800**
			175,557,790	**137,784,497**

31 December 2022 Group		Holding %	Equity accounted value RO	Market value of listed companies RO
Bank Dhofar SAOG	BKD	24.38	136,923,721	127,849,837
Oman Investment and Finance Company SAOG	OIFC	37.98	10,287,710	11,700,000
Dhofar Insurance Company SAOG (equity shares)	DICS	37.43	11,044,300	8,185,083
Dhofar Insurance Company SAOG (bonds)	DICS - Bonds	54.98	1,649,400	1,649,400
Omani Gulf food Company LLC	OGFC	30.77	3,699,252	-
Financial Services Company SAOG	FSC	46.15	1,516,113	1,643,077
Salalah Medical Supplies Manufacturing Co. LLC	SMSM	25.00	1,210,733	-
			166,331,229	151,027,397

c) Certain shares in associates with a fair value of RO 116,335,904 (2022: RO 155,937,380) are pledged as, securities against credit facilities obtained from commercial banks by the Parent Company (note 24).

14 Investment in associates (continued)

d) Investment in bonds issued by Dhofar Insurance Company SAOG carries interest rate at 6% per annum payable on annual basis.

e) At the reporting date, the management has tested the investments in associates (including the related goodwill) for impairment in accordance with IAS 36 "Impairment of Assets" and has concluded that there is no impairment losses at 31 December 2023, since the estimated recoverable amounts of these investments is higher than their carrying values.

f) The Board of Directors of the Company resolved on 28 May 2023 to sell all of its shares in 'Omani Gulf Food Company, LLC (OGF)' for an amount of RO 4.154 million in favour of 'Dhofar Food & Investment Company, SAOG (DFIN)'. Simultaneously, DFIN has issued 51.924 million shares at price of RO 0.080 in favour of Company. The transaction completed on 24 July 2023 and the Company acquired shareholding of 26.745% in DFIN. Accordingly, DFIN became an associate as on 24 July 2023. The financial results of DFIN for the five months from August to Deccember 2023 has been included. The purchase price allocation as per IFRS 3 'Business Combination' is completed and results of disposal of OGF and acqusition of DFIN are as follows:

Sale of OGF	**RO**
Sale of 2 million shares in OGF	4,153,846
Less: Carrying value as on 24 July 2023	(3,893,372)
Realised gain on sale of OGF shares	**260,474**
Acquisition of DFIN	
Fair value of net assets of DFIN on acqusition date	**27,670,000**
Parent Company share of net assets acquired with a shareholding of 26.745%	7,400,342
Less: Cost of acquisition	(4,153,846)
Less: Transfer from previously held equity investment to associates	(65,490)
Bargain Gain on acquisition	**3,181,006**

g) The Company in its EGM held on 21 June 2023 approved the merger between the Company and 'Oman Investment & Finance Co. SAOG (OIFC)' by incorporation method. The Company decided to allocate additional 86.810 million shares for the shareholders of OIFC at swap ratio of 0.3488 shares in DIDIC. However, Capital Market Authority (CMA) through its decision 46/2023 dated 10 July 2023 suspended the implementation of merger. The final outcome of the merger is still unclear and therefore, no financial impact is provided in the financial statements of the company for the year ended 31 December 2023.

h) During the year, Dhofar Insurance Co. SAOG and Oman Investment & Finance Co. SAOG restated their financial statements for the year ended 31 December 2022. The net financial impact of these restatements were immaterial to the Group and adjusted in the current year.

i) Following is the summarised financial information for investment in associates derived from audited/un-audited financial statements of the associates for the year ended 31 December 2023, unless otherwise mentioned;

Summarised statement of financial position	**BKD 2023 RO '000**	**OIFC 2023 RO '000**	**DICS 2023 RO '000**	**OGFC 31-Jul-23 RO '000**	**FSC 2023 RO '000**	**SMSM 2023 RO '000**	**DFIN 2023 RO '000**	**Total 2023 RO '000**
Assets								
Cash and bank balances	125,931	4,403	15,765	1,457	760	1	5,025	**153,342**
Investments	459,477	123,632	39,792	-	4,358	665	13,852	**641,776**
Other assets	4,100,389	6,250	78,029	19,862	23	16,823	72,512	**4,293,888**
	4,685,797	**134,285**	**133,586**	**21,320**	**5,141**	**17,489**	**91,389**	**5,089,006**
Liabilities								
Financial liabilities	3,937,334	104,811	3,251	8,667	2,065	11,031	45,421	**4,112,579**
Other liabilities	15,509	63	93,707	843	8	748	4,383	**115,262**
	3,952,843	**104,874**	**96,958**	**9,510**	**2,073**	**11,779**	**49,804**	**4,227,841**
Adjustment in net assets	(155,500)	(531)	-	(1,346)	-	-	(14,380)	(171,757)
Net Assets	**577,454**	**28,880**	**36,628**	**10,464**	**3,068**	**5,709**	**27,205**	**689,408**

14 Investment in associates (continued)

Summarised statement of Comprehensive income	**BKD** 2023 RO '000	**OIFC** 2023 RO '000	**DICS** 2023 RO '000	**OGFC** 31-Jul-23 RO '000	**FSC** 2023 RO '000	**SMSM** 2023 RO '000	**DFIN** 2023 RO '000	**Total** 2023 RO '000
Net revenue	110,821	17,977	1,405	28,071	321,307	10,766	33,069	523,416
Investment and other income	1,751	1,485	7,782	(26)	81	3	871	11,947
Expenses	(68,797)	(13,142)	(1,856)	(27,472)	(321,698)	(7,822)	(33,834)	(474,621)
Profit before tax	**43,775**	**6,320**	**7,331**	**573**	**(310)**	**2,944**	**106**	**60,741**
Income tax	(5,017)	(477)	(1,175)	(42)	-	(440)	65	(7,087)
Profit after tax	**38,758**	**5,843**	**6,155**	**531**	**(310)**	**2,504**	**171**	**53,655**
Other comprehensive income	2,993	(1,269)	1,622	-	93	-	(642)	2,797
Total comprehensive income	**41,751**	4,574	7,777	**531**	(217)	2,504	**(471)**	**56,451**
Dividend received	3,653	270	588	-	-	191	-	4,702
Reconciliation of summarised financial information								
Opening net assets (after restatement if any)	**561,577**	**26,527**	**29,423**	**11,264**	**3,285**	**3,967**	-	**636,043**
Acquistion of an associate	-	-	-	-	-	-	**27,676**	**27,676**
Increase/(decrease) in share capital	-	-	**1,000**	**(11,795)**	-	-	-	**(10,795)**
Profit for the year/period	**38,758**	**5,843**	**6,155**	**531**	**(310)**	**2,504**	**171**	**53,652**
Other comprehensive income/(loss) for the year	**2,993**	**(1,269)**	**1,622**	-	**93**	-	**(642)**	**2,797**
Dividend	**(14,983)**	**(711)**	**(1,571)**	-	-	**(763)**	-	**(18,028)**
Proceeds Tier1 + Issuance + Prior periods	**(10,891)**	(979)	-	-	-	-	**14,380**	**2,510**
Closing net assets at 31 December	**577,454**	**29,411**	**36,628**	-	**3,068**	**5,709**	**41,585**	**693,855**
Property revaluation adjustment	-	(531)	-	-	-	-	(14,380)	(14,911)
Adjusted closing net assets at 31 December	**577,454**	**28,880**	**36,628**	-	**3,068**	**5,709**	**27,205**	**678,944**

14 Investment in associates (continued)

	BKD 2023 RO '000	OIFC 2023 RO '000	DICS 2023 RO '000	OGFC 2023 RO '000	FSC 2023 RO '000	SMSM 2023 RO '000	DFIN 2023 RO '000	Total 2023 RO '000
Interest in associates	24.09%	37.98%	38.14%	-	46.15%	25.00%	26.75%	
Share in closing net assets	139,097	10,966	13,969	-	1,416	1,427	7,276	174,151
Goodwill	-	1	-	-	-	306	-	307
Carrying value of associates	139,097	10,967	13,969	-	1,416	1,733	7,276	174,458
DICS - bonds								1,100
Carrying value of total investment in associates								175,558

15 Term deposits

	Group 2023 RO	Parent Company 2023 RO	Group 2022 RO	Parent Company 2022 RO
Term Deposit	730,000	730,000	1,830,000	1,830,000

The term deposit of RO 730k is placed with First Abu Dhabi Bank for a period of one year and carries interest at the rate of 3% per annum payable at maturity. This term deposit is under lien against the issuance of standby letters of credit obtained on behalf of a subsidiary.

16 Financial assets at fair value through other comprehensive income

	Group 2023 RO	Group 2022 RO
Quoted securities		
Quoted local	**493,373**	773,395
Unquoted local	**414,450**	415,066
	907,823	1,188,461

a) Movement in financial assets at fair value through other comprehensive income is as follows:

	Group 2023 RO	Group 2022 RO
At 1 January	**1,188,461**	10,047,171
Sales during the year	**(616)**	(9,679,426)
Fair value change	**(280,022)**	820,716
At 31 December	**907,823**	1,188,461

b) Quoted securities are listed on the Muscat Stock Exchange and fair values are based on level 1 inputs for fair value measurement. Fair values of unquoted securities is based on level 3 inputs for fair value measurement that are based on non-observable data.

17 Loan to Subsidiary

The Parent company has provided an un-secured term loan of RO 4.950 million (2022: RO 4.950 million), which carries interest at the rate of 6.55% p.a. (2022: 6.55% p.a.). The major portion of loan is repayable in the year 2025.

18 Property and equipment

Group	Land RO	Building RO	Motor vehicles RO	Furniture fixtures and equipment RO	Total RO
Cost					
At 1 January 2022	2,397,010	4,865,895	186,502	1,949,617	9,399,024
Additions	-	-	26,725	47,304	74,029
Disposals	-	-	(23,250)	-	(23,250)
At 31 December 2022	2,397,010	4,865,895	189,977	1,996,921	9,449,803
At 1 January 2023	**2,397,010**	**4,865,895**	**189,977**	**1,996,921**	**9,449,803**
Additions	-	-	**23,076**	**4,037**	**27,113**
Disposals	-	-	**(50,213)**	-	**(50,213)**
At 31 December 2023	**2,397,010**	**4,865,895**	**162,840**	**2,000,958**	**9,426,703**

18 Property and equipment (continued)

Group	Land RO	Building RO	Motor vehicles RO	Furniture fixtures and equipment RO	Total RO
Depreciation					
At 1 January 2022	-	1,987,510	180,442	1,902,430	4,070,382
Charge for the year	-	136,254	6,662	42,024	184,941
Related to disposals	-	-	(23,250)	-	(23,250)
At 31 December 2022	-	2,123,764	163,854	1,944,454	4,232,073
At 1 January 2023	**-**	**2,123,764**	**163,854**	**1,944,454**	**4,232,073**
Charge for the year	-	**134,942**	**11,356**	**16,417**	**162,715**
Relating to disposals	-	-	**(49,436)**	-	**(49,436)**
At 31 December 2023	**-**	**2,258,706**	**125,774**	**1,960,871**	**4,345,352**
Net book value					
At 31 December 2023	**2,397,010**	**2,607,189**	**37,066**	**40,087**	**5,081,351**
At 31 December 2022	2,397,010	2,742,131	26,123	52,467	5,217,730

Parent	Land RO	Building RO	Motor vehicles RO	Furniture fixtures and equipment RO	Total RO
Cost					
At 1 January 2022	197,010	1,155,196	117,463	184,505	1,654,174
Additions	-	-	26,725	1,667	28,392
Disposals	-	-	(23,250)	-	(23,250)
At 31 December 2022	197,010	1,155,196	120,938	186,172	1,659,316
At 1 January 2023	**197,010**	**1,155,196**	**120,938**	**186,172**	**1,659,316**
Additions	-	-	**23,076**	**6,489**	**29,565**
Disposals	-	-	**(50,213)**	-	**(50,213)**
At 31 December 2023	**197,010**	**1,155,196**	**93,801**	**192,661**	**1,638,668**
Depreciation					
At 1 January 2022	-	788,619	113,966	171,237	1,073,822
Charge for the year	-	46,208	4,099	5,543	55,851
Related to disposals	-	-	(23,250)	-	(23,250)
At 31 December 2022	-	834,827	94,815	176,780	1,106,423
At 1 January 2023	-	**834,827**	**94,815**	**176,780**	**1,106,423**
Charge for the year	-	**46,208**	**11,356**	**5,560**	**63,124**
Relating to disposals	-	-	**(49,436)**	-	**(49,436)**
At 31 December 2023	-	**881,035**	**56,735**	**182,340**	**1,120,110**
Net book value					
At 31 December 2023	**197,010**	**274,161**	**37,066**	**10,321**	**518,558**
At 31 December 2022	197,010	320,369	26,123	9,392	552,893

19 Share capital

The Parent Company's authorised, issued and fully paid-up share capital is as follows:

	Authorised		Issued and fully paid	
	2023 RO	2022 RO	**2023 RO**	2022 RO
Share capital	**75,000,000**	75,000,000	**54,472,000**	54,472,000

The issued share capital comprises 409.246 million shares (2022: 409.246 million shares). At 31 December 2023, Muscat Overseas Company LLC held 21.97% (2022: 21.97%) and Abdul Hafidh Salim Rajab Al Aujaili held 19.53% (2022: 19.53%) of the share capital of the Parent Company.

20 Legal reserve

In accordance with Article 132 of the Commercial Companies Law of the Sultanate of Oman, annual appropriations of 10% of the Parent Company's net profit for the year are to be transferred to this reserve until such time the legal reserve equals at least one third of the Parent Company's share capital. The legal reserve is not available for distribution.

21 General reserve

In accordance with Article 133 of the Commercial Companies Law of Oman, a company may establish optional reserve accounts which shall not exceed twenty percent (20%) of the net profits for each financial year, after deduction of taxes and the legal reserve. The ordinary general meeting may resolve to distribute dividends from such reserve.

22 Investment revaluation reserve

The unrealised gain or loss arising from a change in fair value of the financial assets through other comprehensive income of the Group, and subsidiaries of the Parent Company are transferred to this reserve until the investment is sold, matured or otherwise disposed of or until the investment is determined to be impaired at which time the cumulative gain or loss will be transferred to the statement of comprehensive income.

23 Other liabilities

	Group 2023 RO	**Parent Company 2023 RO**	Group 2022 RO	Parent Company 2022 RO
Due to related parties [note 27 (d)]	**33,908**	**35,103**	42,710	42,710
Payables and accruals	**613,209**	**339,781**	465,976	279,541
Employee end of services benefits [23 (a)]	**201,805**	**151,126**	133,924	86,100
	848,922	**526,010**	642,610	408,351

23 Other liabilities (continued)

a) This includes payable to non-Omani employees against their end of service benefits. Movement in the liability recognised for employees' end of service benefits is as under:

	Group 2023 RO	Parent Company 2023 RO	Group 2022 RO	Parent Company 2022 RO
At 1 January	**133,924**	**86,100**	105,908	64,123
Expense recognised during the period	**70,375**	**65,026**	31,813	21,977
Liability paid during the period	**(2,494)**	**-**	(3,797)	-
At 31 December	**201,805**	**151,126**	133,924	86,100

24 Loans and borrowings

	Group 2023 RO	Parent Company 2023 RO	Group 2022 RO	Parent Company 2022 RO
Long term loans – gross [refer notes (a), (b) & (c) below]	**90,961,735**	**82,000,000**	91,621,080	80,776,080
Issuance cost – net of amortisation [refer note (e) below]	**(996,632)**	**(996,632)**	(1,385,256)	(1,385,256)
Closing -net of issuance cost of loans	**89,965,103**	**81,003,368**	90,235,824	79,390,824

a) The Parent Company signed a syndicated term loan agreement with four local banks and the entire drawdown of the loan was made in January 2019. As per the agreement, the Company obtained two term loans (Loan 1 - RO 25 million and Loan 2 - RO 93 million). The interest is payable on a quarterly basis. Term loan 1 was fully repaid in December 2019 and Term loan 2 fully paid in June 2023.

b) The parent company signed a new long term loan agreement with three local banks and entire drawdown is made during June 2023. The long term loan amounting to RO 82 million (2022: nil) carry interest at fixed rate of 6.25% per annum (2022: nil). This interest rate is subject to review on quarterly basis. The loan is repayable on yearly basis with last payment being on June 2034.

c) The Dhofar International Energy Services Company, LLC, a subsidiary, has obtained term loans of RO 10.8 million (2022: RO 10.8 million) from a commercial bank in Sultanate of Oman. These loans were initially repayable in lump sum on 31 December 2022. These carry interest of 6.5% per annum (2022: 6.5% per annum) and are secured by corporate guarantee from the Parent Company. The subsidiary has negotiated the loan terms and major part of loan is payable on 31 December 2026.

d) These loans are secured against the investments of the Parent Company with a market value of RO 135,048,891 [note 12 (c) & 14 (c)] and certain properties.

e) The Parent company paid upfront fees for arrangement of syndicated loan. These fees are amortised over the term of loan as deferred finance cost. The movement in deferred finance cost is as follows:

24 Loans and borrowings (continued)

	Group and Parent Company	
	2023	2022
	RO	RO
At 1 January	**1,385,256**	1,520,462
Addition during the year	**1,041,701**	(4,276)
Write off / amortization during the year	**(1,430,325)**	(130,930)
At 31 December	**996,632**	1,385,256

f) The maturity profile of the long term gross loans (excluding interest) from commercial banks is as follows:

	Up-to 1 year	1 - 2 years	Above 2 years	Total
	RO	RO	RO	RO
2023				
Group				
Long term loans	**9,090,000**	**5,190,000**	**76,681,735**	**90,961,735**
2023				
Parent Company				
Long term loans	**7,790,000**	**3,690,000**	**70,520,000**	**82,000,000**
2022				
Group				
Long term loans	4,065,000	3,595,000	83,961,080	91,621,080
2022				
Parent Company				
Long term loans	2,065,000	2,295,000	76,416,080	80,776,080

25 Net assets per share

	Group	Parent Company	Group	Parent Company
	2023	2023	2022	2022
	RO	RO	RO	RO
Net assets attributable to equity holders	**132,943,762**	**132,535,175**	127,762,932	127,354,344
Number of shares	**409,246,316**	**409,246,316**	409,246,316	409,246,316
Net assets per share	**0.325**	**0.324**	0.312	0.311

26 Basic and diluted earnings per share

The calculation of basic and diluted earnings per share is based on the net profit for the year attributable to shareholders of the Parent Company and the weighted average number of shares outstanding during the year.

	Group	Parent Company	Group	Parent Company
	2023	2023	2022	2022
	RO	RO	RO	RO
Net profit for the year	**7,758,251**	**7,758,251**	9,690,896	9,282,308
Number of shares	**409,246,316**	**409,246,316**	409,246,316	409,246,316
Basic earnings per share	**0.019**	**0.019**	0.024	0.023

No figure for diluted earnings per share has been presented because the Company has not issued any instruments which would have an impact on earnings per share when exercised.

27 Related party transactions

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions.

The Parent Company and the Group has entered into transactions with its associates and other entities over which certain directors are able to exercise significant influence. The nature of the significant type of related party transactions during the period was as follows:

a) Transactions during the period

	Group 2023 RO	Parent Company 2023 RO	Group 2022 RO	Parent Company 2022 RO
Dividend income from associates	**4,705,125**	**4,701,698**	2,831,953	2,820,035
Dividend income from other related parties	**902,317**	**842,346**	855,011	802,234
Sale of shares through an associate	**1,504,451**	**1,504,451**	5,739,186	5,716,045
Interest income from a subsidiary	**-**	**493,321**	-	451,011
Interest income from an associate and other related parties	**82,477**	**79,623**	118,244	118,124
Interest expense to an associate and other related parties	**3,505,721**	**2,532,435**	3,556,385	2,958,754
Rent income from an associate	**72,960**	**72,960**	72,960	72,960
Insurance expenses paid	**53,993**	**53,993**	43,795	43,795
Short term advance to subsidiary	**-**	**2,933,114**	-	600,000
Brokerage and commission to an associates	**5,503**	**5,503**	13,983	13,902

b) Key management compensation

	Group 2023 RO	Parent Company 2023 RO	Group 2022 RO	Parent Company 2022 RO
Salaries and other short term employment benefits	**608,515**	**499,975**	500,623	419,218
Terminal benefits	**48,033**	**48,033**	18,023	18,023
Social security costs	**15,120**	**4,500**	12,465	4,500
	671,668	**552,508**	531,111	441,741

c) Directors' sitting fees and remuneration

	Group 2023 RO	Parent Company 2023 RO	Group 2022 RO	Parent Company 2022 RO
Directors sitting fees	**73,800**	**52,800**	88,500	61,500
Directors remuneration	**150,000**	**150,000**	140,000	140,000
	223,800	**202,800**	228,500	201,500

27 Related party transactions (continued)

d) Balances	Group 2023 RO	Parent Company 2023 RO	Group 2022 RO	Parent Company 2022 RO
Loans and borrowings from associate and other related party	**49,961,735**	**41,000,000**	51,796,032	40,996,032
Bank balances and term deposits with related parties	**690,379**	**100,367**	882,620	37,272
Due to related parties (note 23)	**35,103**	**35,103**	42,710	42,710
Due from related parties (note 11)	**24,314**	**24,314**	26,296	26,296
Due from associates (note 11)	**237,461**	**237,461**	117,754	117,754
Loan to a subsidiary (note 17)	-	**4,950,000**	-	4,950,000
Due from subsidiaries (note 11)	-	**6,286,681**	-	3,636,308

28 Commitments and contingent liabilities

	Group and Parent Company 2023 RO	Group and Parent Company 2022 RO
Guarantees issued by the Parent Company's banker	**693,000**	1,603,125
Corporate guarantees issued for subsidiaries and associates by the Company		
Omani Gulf food Company LLC	-	5,891,962
Dhofar International Energy Services Company LLC	**8,916,735**	10,800,000

29 Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, issue new shares or sell assets to reduce debt. The Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings as shown in the statement of financial position less cash and cash equivalents, including term deposits without lien. Total capital is calculated as 'equity' as shown in the statement of financial position plus net debt. The gearing ratios at 31 December is as follows:

	Group 2023 RO	Parent Company 2023 RO	Group 2022 RO	Parent Company 2022 RO
Loans and borrowings - gross	**90,961,735**	**82,000,000**	91,621,080	80,776,080
Less: cash and cash equivalent	**(1,155,672)**	**(403,071)**	(1,363,226)	(451,773)
Net debt	**89,806,063**	**81,596,929**	90,257,854	80,324,307
Total equity	**132,943,762**	**132,535,175**	127,762,932	127,354,344
Total capital	**222,749,825**	**214,132,104**	218,020,786	207,678,651
Gearing ratio	**40.32%**	**38.11%**	41.40%	38.68%

30 Fair value measurement

Following table analyses financial instruments carried at fair value, by valuation method. The different level of inputs for determining fair values are defined as follows:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets;
Level 2 - Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices); and
Level 3 - Inputs for the assets that are not based on observable market data (that is, unobservable inputs).

31 December 2023	**Level 1**	**Level 2**	**Level 3**	**Total**
Group	**RO**	**RO**	**RO**	**RO**
Investment in equities through profit & loss				
Quoted investments	**20,200,737**	-	**1,134,212**	**21,334,949**
Unquoted investments	-	-	**17,950,699**	**17,950,699**
Investment in equities through Other comprehensive income				
Quoted investments	**493,376**	-	-	**493,373**
Unquoted investments	-	-	**414,450**	**414,450**
Term deposits	**730,000**	-	-	**730,000**
Investment property	-	-	**247,212**	**247,212**
Total	**21,424,113**	-	**19,746,573**	**41,170,683**

31 December 2022	Level 1	Level 2	Level 3	Total
Group	RO	RO	RO	RO
Investment in equities through profit & loss				
Quoted investments	23,143,622	-	1,218,756	24,362,378
Unquoted investments	-	-	17,564,528	17,564,528
Investment in equities through other comprehensive income				
Quoted investments	773,396	-	-	773,396
Unquoted investments	-	-	415,065	415,065
Term deposits	1,830,000	-	-	1,830,000
Investment property	-	-	247,212	247,212
Total	25,747,018	-	19,445,561	45,192,579

31 December 2023	**Level 1**	**Level 2**	**Level 3**	**Total**
Parent Company	**RO**	**RO**	**RO**	**RO**
Investment in equities through profit & loss				
Quoted investments	**19,162,657**	-	**1,134,212**	**20,296,869**
Unquoted investments	-	-	**3,681,854**	**3,681,854**
Investment in term deposits - unquoted	**730,000**	-	-	**730,000**
Investment property	-	-	**247,212**	**247,212**
Total	**19,892,657**	-	**5,063,278**	**24,955,935**

30 Fair value measurement (continued)

31 December 2022 Parent Company	Level 1 RO	Level 2 RO	Level 3 RO	Total RO
Investment in equities through profit & loss				
Quoted investments	21,555,408	-	1,218,756	22,774,164
Unquoted investments	-	-	3,466,433	3,466,433
Investment in term deposits - unquoted	1,830,000	-	-	1,830,000
Investment property	-	-	247,212	247,212
Total	23,385,408	-	4,932,401	28,317,809

Investment in debts and Group's borrowings, carry commercial rate of interest and accordingly, approximate their fair value. The carrying amounts of financial assets and liabilities with a maturity of less than one year approximate their fair values.

Investment property stated at fair value (level 3), which has been determined based on the valuations performed by an independent external valuer. Fair value approximates to its carrying value as at 31 December 2023.

The following tables show the valuation techniques used in measuring Level 2 and Level 3 fair values for financial instruments measured at fair value in the statement of financial position, as well as the significant unobservable inputs used.

Measurement of fair values

Valuation techniques and significant unobservable inputs

Type	***Valuation Technique***	**Significant unobservable inputs**
Subordinate advances at FVTPL	*Option valuation:* Black-Scholes option valuation model that considers the principal amount of subordinated advance, its exercise price, balance period for exercise of option, risk free rate of return and the relative volatility. *Loan valuation:* Discounted cash flows valuation model that considers the present value of expected future cash flows using discount rate.	- Risk free rate of interest - Annualised volatility - Discount rate
Investment in equities at fair value through profit or loss	*Market approach:* The valuation model is based on market multiples derived from quoted prices of companies comparable to the investee.	- Selection of comparable securities.
Valuation of associate at acquistion	*Adjusted net asset value approach*	- Risk free rate of interest '- Discount rate

31 Financial risk management

The Group's activities expose it to a variety of financial risks: market risk (including interest rate risk, foreign currency risk, and price risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the performance.

The Board of Directors defines risk limits and sets suitable policies in this regard for management of credit risk, liquidity risk as well as market risk relating to the investment and liability management activities of the Group. Risk management is carried out by the management in accordance with documented policies approved by the Board of Directors of the Parent Company.

a) Market risk

(i) Interest rate risk

Interest rate risk is the uncertainty of future earnings resulting from fluctuations in interest rates. The risk arises when there is a mismatch in the assets and liabilities, which are subject to interest rate adjustment within a specified period. The Group is exposed to interest rate risk on its interest-bearing assets(term deposits, loan to subsidiary and convertible bonds) and liabilities (bank overdraft, short and long term loans). The Group carries out periodic analysis and monitors the market interest rates fluctuations taking into consideration the Group's needs. If required, the Group may negotiate the pricing, repay and re-borrow or encash and reinvest.

The Group and Parent Company is exposed to interest rate risk with respect to financial assets and liabilities having variable interest rates if the interest rate were to shift by 50 basis points, there would have been an increase/decrease in the interest expense of nil for the Group (2022: nil for the Group). As of the reporting date, most of the Group's assets and certain borrowings are at fixed interest rate. As these loans are carried at amortised cost, any changes in applicable market interest rates would have no effect on the Group's incomes/expenses. The table below analyses the Group's net assets/liabilities subject to variable and fixed interest rates:

Group	Fixed interest rate RO	Variable interest rate RO	Total RO
31 December 2023			
Financial assets			
Bank balances	1,155,183	-	1,155,183
Investment in associate (bonds)	1,099,600	-	1,099,600
Term deposits	730,000	-	730,000
Total	2,984,783	-	2,984,783
Financial liabilities			
Loans and borrowings -gross	(90,961,735)	-	(90,961,735)
Net liabilities	(87,976,952)	-	(87,976,952)

Parent Company	Fixed interest rate RO	Variable interest rate RO	Total RO
31 December 2023			
Financial assets			
Bank balances	403,071	-	403,071
Investment in associate (bonds)	1,099,600	-	1,099,600
Loan to a subsidiary	4,950,000	-	4,950,000
Term deposits	730,000	-	730,000
Total	7,182,671	-	7,182,671
Financial liabilities			
Loans and borrowings -gross	(82,000,000)	-	(82,000,000)
Net liabilities	(74,817,329)	-	(74,817,329)

31 Financial risk management (continued)

a) Market risk (continued)

(i) Interest rate risk (continued)

	Fixed interest rate RO	Variable interest rate RO	Total RO
Group			
31 December 2022			
Financial assets			
Bank balances	1,361,636	-	1,361,636
Investment in associate (bonds)	1,649,400	-	1,649,400
Term deposits	1,830,000	-	1,830,000
Total	4,841,036	-	4,841,036
Financial liabilities			
Loans and borrowings -gross	(91,621,080)	-	(91,621,080)
Net liabilities	(86,780,044)	-	(86,780,044)
Parent Company			
31 December 2022			
Financial assets			
Bank balances	451,773	-	451,773
Investment in associate (bonds)	1,649,400	-	1,649,400
Loan to a subsidiary	4,950,000	-	4,950,000
Term deposits	1,830,000	-	1,830,000
Total	8,881,173	-	8,881,173
Financial liabilities			
Loans and borrowings -gross	(80,776,080)	-	(80,776,080)
Net liabilities	(71,894,907)	-	(71,894,907)

(ii) Price risk

Price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether these changes are caused by factors specific to the individual security, or its issuer, or factors affecting all securities in the market. The Group is exposed to equity price risk with respect to its quoted financial assets. This arises from financial assets held by the Group for which prices in the future are uncertain. The Group's policy is to manage price risk through diversification and selection of securities and other financial instruments within specified limits set by the Board. The Group's policy requires that the overall market position for trading portfolio is monitored on a daily basis by the Group's General Manager and quarterly by the Investment Committee. The Group's strategic financial assets are monitored quarterly by Investment Committee and the Board. After the adoption of equity accounting for associates in 2020, the associates are not exposed to price risk.

31 Financial risk management (continued)

a) Market risk (continued)

(ii) Price risk (continued)

The table below summarises the impact of increase/decreases of the equity index on the gains/losses on the quoted equity securities including the investments in associates which are recorded at fair value in the Parent company books, on the assumption that the equity index had increased/decreased by 5% with all other variables held constant:

	Group 2023 RO	**Parent Company 2023 RO**	Group 2022 RO	Parent Company 2022 RO
MSX Index				
Financial assets at fair value through profit or loss	**1,066,747**	**1,014,843**	1,218,119	1,138,708
Financial assets at fair value through other comprehensive income	**24,669**	**-**	38,670	-
	1,091,416	**1,014,843**	1,256,789	1,138,708

(iii) Foreign currency risk

Foreign currency risk is the risk arising from future commercial transactions or recognised financial assets or liabilities being denominated in a currency that is not the Group's functional currency.

The majority of foreign currency transactions are in US Dollars or in currencies linked to the US Dollar. The rate of exchange between the Rial Omani and the US Dollar has remained unchanged since January 1986.

b) Credit risk

The Group takes on exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. The Group is exposed to credit risk on term deposit, receivables and bank balances. Loss allowances are provided for expected credit losses at the reporting date, if any. The Group monitors receivables on a regular basis and ensures bank balances and deposits are placed with reputable financial institutions. Concentrations of credit risk indicate the relative sensitivity of the Group's performance to developments affecting a particular industry or geographical location. The maximum exposure to credit risk at the reporting date was:

	Group 2023 RO	**Parent Company 2023 RO**	Group 2022 RO	Parent Company 2022 RO
Bank balances	**1,155,183**	**403,071**	1,361,636	451,773
Loan to a subsidiary	**-**	**4,950,000**	-	4,950,000
Investment in term deposits	**730,000**	**730,000**	1,830,000	1,830,000
Receivables (excluding prepayments)	**399,986**	**6,548,456**	252,633	3,344,856
	2,285,169	**12,631,527**	3,444,269	10,576,629

The Group limits its credit risk with regard to investment in term deposits and bank balances by dealing predominantly with rated banks. The table below shows the term deposits and bank balances with the counterparties analysed by rating:

31 Financial risk management (continued)

b) Credit risk (continued)

Bank ratings	Rating Agency	Group 2023 RO	Parent Company 2023 RO	Group 2022 RO	Parent Company 2022 RO
P-1	Moody's	**739,863**	**739,863**	1,833,197	1,833,197
P-3	Moody's	**162,100**	**-**	-	-
NP	Moody's	**983,220**	**393,208**	1,358,439	448,576
		1,885,183	**1,133,071**	3,191,636	2,281,773

The rest of the balance in "cash and cash equivalents" is cash in hand.

It is not the practice of the Group to obtain collateral over receivables and these are, therefore, unsecured. Credit risk is limited to the carrying value of financial assets in the statement of financial position.

c) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach in managing liquidity is to ensure, as far as possible, to have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of credit facilities and the ability to close out market positions.

Due to the dynamic nature of the underlying businesses, management aims at maintaining flexibility in funding by keeping credit lines available. Typically the Group ensure that it has sufficient cash on demand and facilities available to meet expected operational expenses including the servicing of financial obligations. This excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters. In addition the Group has access to credit facilities.

The table below analyses the Parent company's and Group's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Group	Carrying amount RO	Less than 3 months RO	3 to 12 months RO	Above 1 year RO	No fixed maturity RO
At 31 December 2023					
Long term loans -gross	**90,961,735**	**-**	**9,090,000**	**81,871,735**	**-**
Other liabilities and tax payable	**904,258**	**630,445**	**72,008**	**-**	**201,805**
	91,865,993	**630,445**	**9,162,008**	**81,871,735**	**201,805**
Future interest payable	**38,760,890**	**1,464,363**	**4,536,315**	**32,760,212**	**-**

31 Financial risk management (continued)

c) Liquidity risk (continued)

	Carrying amount	Less than 3 months	3 to 12 months	Above 1 year	No fixed maturity
Group	RO	RO	RO	RO	RO
At 31 December 2022					
Long term loans -gross	91,621,080	-	4,065,000	87,556,080	-
Other liabilities and tax payable	811,994	623,993	69,981	-	118,020
	92,433,074	623,993	4,134,981	87,556,080	118,020
Future interest payable	37,527,581	1,368,139	4,117,966	32,041,475	-

	Carrying amount	**Less than 3 months**	**3 to 12 months**	**Above 1 year**	**No fixed maturity**
Parent Company	**RO**	**RO**	**RO**	**RO**	**RO**
At 31 December 2023					
Long term loans -gross	**82,000,000**	**-**	**7,790,000**	**74,210,000**	**-**
Other liabilities	**526,010**	**302,876**	**72,008**	**-**	**151,126**
	82,526,010	**302,876**	**7,862,008**	**74,210,000**	**151,126**
Future interest payable	**37,287,039**	**1,319,863**	**4,099,639**	**31,867,536**	**-**

	Carrying amount	Less than 3 months	3 to 12 months	Above 1 year	No fixed maturity
Parent Company	RO	RO	RO	RO	RO
At 31 December 2022					
Long term loans -gross	80,776,080	-	2,065,000	78,711,080	-
Other liabilities	408,351	252,270	69,981	-	86,100
	81,184,431	252,270	2,134,981	78,711,080	86,100
Future interest payable	36,825,581	1,195,043	3,589,062	32,041,475	-

The above liabilities are categorised into their respective contractual maturities. In order to manage its liquidity risk, the group may roll over existing facilities, borrow new funds or liquidate its securities to repay.

32 Segment information

The Investment Committee makes the strategic resource allocations on behalf of the Group. The Group has determined the operating segments based on the reports reviewed by the Investment Committee that makes strategic decision. The Investment Committee considers the business as three sub-portfolios as below.

The reportable operating segments derive their income by seeking investments/funds to achieve targeted returns consummate with an acceptable level of risk within each portfolio. These returns consist of interest, dividends and gains on the appreciation in value of investments. The 'strategic investments' include investments in subsidiaries and associates except Garden Hotel, LLC which is shown in 'Hospitality'. All other equity investments and debt portfolio is in included in 'Non-strategic Investments'

32 Segment information (continued)

The segment information provided to Investment Committee for the reportable business segments is as follows:

Group **At 31 December 2023**	**Strategic Investments RO**	**Non-strategic Investments RO**	**Hospitality RO**	**Un-allocated RO**	**Total RO**
Dividend income	-	1,098,042	108,134	-	1,206,176
Net revenue from Subsidiary	-	-	333,205	-	333,205
Gain/(loss) on sale of financial assets at fair value through profit or loss	63,061	(24,533)	(11,998)	-	26,530
Unrealized loss on financial assets at fair value through profit or loss	-	(2,141,012)	(6,151)	-	(2,147,163)
Interest income	-	-	-	365,919	365,919
Other income	-	-	3,236	668,019	671,255
Segment total income	63,061	(1,067,503)	426,426	1,033,938	455,922
Administrative and general expenses	-	-	(368,096)	(2,120,230)	(2,488,326)
Depreciation	-	-	(99,591)	(63,124)	(162,715)
Finance cost	-	-	-	(6,082,593)	(6,082,593)
Deferred finance cost	-	-	-	(1,430,325)	(1,430,325)
Share of profit from associates	14,324,561	-	-	-	14,324,561
Bargain gain on acqusition	3,181,006	-	-	-	3,181,006
Segment profit for the year	17,568,628	(1,067,503)	(41,261)	(8,662,334)	7,797,530
Segment assets	175,557,790	39,285,647	5,801,518	3,168,168	223,813,123
Segment liabilities	-	-	5,917,531	84,951,830	90,869,361
Capital expenditures	-	-	-	29,563	29,563

Net revenue from subsidiary represents gross revenue of RO 381,665 and direct costs of RO 48,460 from Garden Hotel.

32 Segment information (continued)

Group At 31 December 2022	Strategic Investments RO	Non-strategic Investments RO	Hospitality RO	Un-allocated RO	Total RO
Dividend income	-	1,253,098	57,077	-	1,310,175
Net revenue from Subsidiary	-		342,664	-	342,664
Gain on sale of financial assets at FVTPL	-	2,580,218	-	-	2,580,218
Unrealized gain on FVTPL	-	1,186,028	281,788	-	1,467,816
Interest income	-	-	-	395,450	395,450
Other income	-	-	-	91,588	91,588
Segment total income	-	5,019,344	681,529	487,038	6,187,911
Administrative and general expenses	-	-	(427,171)	(1,674,228)	(2,101,399)
Depreciation	-	-	(129,090)	(55,850)	(184,940)
Finance cost	-	-	-	(6,586,120)	(6,586,120)
Amortisation of deferred	-	-	-	(130,930)	(130,930)
Share of profit from associates	12,666,898	-	-	-	12,666,898
Segment profit for the year	12,666,898	5,019,344	125,268	(7,960,090)	9,851,420
Segment assets	166,331,229	41,926,907	6,247,402	4,305,212	218,810,749
Segment liabilities	-	-	5,984,258	85,063,560	91,047,818
Capital expenditures	-	-	45,637	28,392	74,029

Net revenue from subsidiary represents gross revenue of RO 375,976 and direct costs of RO 33,312 from Garden Hotel.