

**RENAISSANCE SERVICES SAOG
AND ITS SUBSIDIARIES**

**Report and consolidated financial statements
for the year ended 31 December 2025**

RENAISSANCE SERVICES SAOG AND ITS SUBSIDIARIES

Report and consolidated financial statements for the year ended 31 December 2025

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Independent auditor’s report to the Shareholders of Renaissance Services SAOG

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Report on the audit of the consolidated financial statements

Opinion

We have audited the consolidated financial statements (the “financial statements”) of **Renaissance Services SAOG and its subsidiaries** (the “Group”), which comprise the consolidated statement of financial position as at 31 December 2025, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

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

Basis for opinion

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

Key audit matters

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

Key audit matters	How our audit addressed the key audit matters
<p>Revenue recognition</p> <p>During the year, the Group recognized revenue of ₹ 108,215 thousand (2024: ₹ 107,872 thousand).</p> <p>Revenue is recognized by the Group when the services are rendered to the customer. Revenue is measured at fair value of consideration received or receivable.</p>	<p>Our procedures in relation to revenue recognition are as follows:</p> <ul style="list-style-type: none"> - We obtained an understanding of the process adopted by management relating to the recording of revenue and identified the key controls in this process. - We assessed the key controls to determine if they had been appropriately designed and implemented and tested these controls to determine if they were operating effectively.

**Independent auditor's report
to the Shareholders of
Renaissance Services SAOG (continued)**

Key audit matters (continued)

Key audit matters	How our audit addressed the key audit matters
<p>Revenue is a significant item in the consolidated financial statements and is a key performance indicator for the Group and thus requires significant audit effort. In addition, International Standards on Auditing require us to consider the risk of fraud in revenue recognition. Consequently, we have identified revenue recognition as a key audit matter</p> <p>The accounting policy relating to revenue recognition is set out in the material accounting policy information in note 3 to the consolidated financial statements.</p>	<ul style="list-style-type: none"> - We evaluated the Group's accounting policies against the requirements of IFRS Accounting Standards, our understanding of the business and related industry practices. - We understood the terms of the revenue contracts of the Group with their customers. - We reconciled the rates in the occupancy report, meal count sheets and service reports with the standard rate card. - We recalculated the accommodation and catering services revenue and performed a reconciliation of the recalculated revenue to service reports and to the accounting records. - We tested the accuracy of the information in the service reports to source documents on a sample basis. - We utilised our IT specialists to assist us in testing the accuracy and completeness of the occupancy reports. - We performed test of details on cash sales by verifying the daily cash reconciliations and tracing the cash sales to the bank statement on a sample basis. - We performed revenue cut-off procedures by selecting a sample of recorded revenue transactions before and after year-end to determine if the related revenue was recorded in the appropriate period. - We confirmed, on a sample basis, balances owed by customers and agreeing them to the accounting records. - We tested the elimination of intercompany revenue transactions as part of the consolidation process. - We assessed disclosures in the consolidated financial statements relating to this matter against the requirements of IFRS Accounting Standards.

Independent auditor's report to the Shareholders of Renaissance Services SAOG (continued)

Other information

The Board of Directors ("the Board") is responsible for the other information. The other information comprises the Chairman's Report, Corporate Governance report and CEO report that we obtained prior to the date of this auditor's report. The other information 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 and will not express any form of assurance conclusion thereon.

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

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards as issued by the IASB, the relevant requirements of the Financial Services Authority of the Sultanate of Oman and the applicable provisions of the Commercial Companies Law of 2019, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated 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 consolidated financial statements

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

Independent auditor's report to the Shareholders of Renaissance Services SAOG (continued)

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

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

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

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

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

Independent auditor's report to the Shareholders of Renaissance Services SAOG (continued)

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

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

Report on other legal and regulatory requirements

Further, we report that the consolidated financial statements comply, in all material respects, with the relevant disclosure requirements of the Financial Services Authority and the applicable provisions of the Commercial Companies Law of 2019.

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

Singhal

Sachin Singhal
Partner
CA (ICAI) Membership No. 502140



RENAISSANCE SERVICES SAOG AND ITS SUBSIDIARIES

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Consolidated statement of financial position as at 31 December 2025

	Notes	2025 €'000	2024 €'000
ASSETS			
Non-current assets			
Property and equipment	5	121,187	128,347
Right-of-use assets	6	4,055	3,914
Intangible assets	7	2,012	1,926
Deferred tax asset	18	622	696
Financial investments at FVTOCI	8	5,621	4,583
Total non-current assets		133,497	139,466
Current assets			
Financial investments at FVTPL	8	6,460	2,540
Inventories	10	3,782	4,598
Trade and other receivables	11	40,275	42,005
Cash and bank balances	12	13,846	17,078
Total current assets		64,363	66,221
Total assets		197,860	205,687
EQUITY AND LIABILITIES			
Equity			
Share capital	13	23,641	23,641
Share premium	13	26,936	26,936
Treasury shares	13	(6,983)	(7,008)
Reserves	13	10,740	9,810
Retained earnings		33,268	33,144
Equity attributable to owners of the parent company		87,602	86,523
Non-controlling interests	14	17,317	19,006
Total equity		104,919	105,529
LIABILITIES			
Non-current liabilities			
Borrowings	15	36,766	44,674
Lease liabilities	6	6,350	5,965
Deferred tax liability	18	-	13
Non-current payables		33	54
Provision for employees' end-of-service benefits	16	3,659	4,234
Total non-current liabilities		46,808	54,940
Current liabilities			
Borrowings	15	14,473	10,283
Lease liabilities	6	350	315
Trade and other payables	17	22,988	27,502
Provision for income tax	18	8,322	7,118
Total current liabilities		46,133	45,218
Total liabilities		92,941	100,158
Total equity and liabilities		197,860	205,687
Net assets per share (€)	22	0.411	0.406

Chairman

Director

Chief executive officer

Chief financial officer

The Parent Company's statement of financial position is presented as a separate schedule attached to these consolidated financial statements.

The accompanying notes form an integral part of these consolidated financial statements.

RENAISSANCE SERVICES SAOG AND ITS SUBSIDIARIES

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Consolidated statement of profit or loss and other comprehensive income for the year ended 31 December 2025

	Notes	2025 €'000	2024 €'000
Revenue	19	108,215	107,872
Operating costs	20	(93,006)	(87,797)
Gross profit		15,209	20,075
Administrative expenses	20	(6,361)	(6,818)
Investment and other income		738	1,082
Profit before finance cost and tax		9,586	14,339
Finance costs – net	21	(3,347)	(4,032)
Profit before tax		6,239	10,307
Taxation	18	(1,330)	(1,694)
Profit for the year		4,909	8,613
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Fair value gain on financial investments – debt		10	149
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Fair value gain/(loss) on financial investments – equity		1,034	(26)
Income tax relating to items that will not be reclassified subsequently to profit or loss		(114)	-
Other comprehensive income for the year		930	123
Total comprehensive income for the year		5,839	8,736
Profit for the year attributable to:			
Owners of the parent		6,539	10,436
Non-controlling interests	14	(1,630)	(1,823)
		4,909	8,613
Total comprehensive income for the year attributable to:			
Owners of the parent		7,469	10,559
Non-controlling interests	14	(1,630)	(1,823)
		5,839	8,736
Earnings per share attributable to owners of parent:			
Basic and diluted earnings per share (in €)	23	0.031	0.049

The Parent Company's statement of profit or loss and other comprehensive income is presented as a separate schedule attached to these consolidated financial statements.

The accompanying notes form an integral part of these consolidated financial statements.

RENAISSANCE SERVICES SAOG AND ITS SUBSIDIARIES

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Consolidated statement of changes in equity for the year ended 31 December 2025

	<u>Equity attributable to owners of the Parent Company</u>					<u>Total</u> ₹'000	<u>Non- controlling interests</u> ₹'000	<u>Total equity</u> ₹'000
	<u>Share capital</u> ₹'000	<u>Share premium</u> ₹'000	<u>Treasury shares</u> ₹'000	<u>Reserves</u> ₹'000	<u>Retained earnings</u> ₹'000			
At 1 January 2025	23,641	26,936	(7,008)	9,810	33,144	86,523	19,006	105,529
Profit for the year	-	-	-	-	6,539	6,539	(1,630)	4,909
Other comprehensive income for the year (note 13)	-	-	-	930	-	930	-	930
Total comprehensive income for the year	-	-	-	930	6,539	7,469	(1,630)	5,839
Shares traded through liquidity provider (note 13)	-	-	67	-	-	67	-	67
Reserve on trading through liquidity provider (note 13)	-	-	(42)	-	-	(42)	-	(42)
Dividend income from treasury shares	-	-	-	-	677	677	-	677
Dividend paid to shareholders of parent (note 13)	-	-	-	-	(7,092)	(7,092)	-	(7,092)
Dividend in non-controlling interests (note 14)	-	-	-	-	-	-	(59)	(59)
At 31 December 2025	23,641	26,936	(6,983)	10,740	33,268	87,602	17,317	104,919

The Parent Company's statement of changes in equity is presented as a separate schedule attached to these consolidated financial statements.

The accompanying notes form an integral part of these consolidated financial statements.

RENAISSANCE SERVICES SAOG AND ITS SUBSIDIARIES

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Consolidated statement of changes in equity for the year ended 31 December 2025 (continued)

	<u>Equity attributable to owners of the Parent Company</u>					Total ₺'000	Non- controlling interests ₺'000	Total equity ₺'000
	Share capital ₺'000	Share premium ₺'000	Treasury shares ₺'000	Reserves ₺'000	Retained earnings ₺'000			
At 1 January 2024	23,641	26,936	(6,853)	9,763	29,039	82,526	20,976	103,502
Profit for the year	-	-	-	-	10,436	10,436	(1,823)	8,613
Other comprehensive income for the year (note 13)	-	-	-	123	-	123	-	123
Total comprehensive income for the year	-	-	-	123	10,436	10,559	(1,823)	8,736
Shares traded through liquidity provider (note 13)	-	-	(147)	-	-	(147)	-	(147)
Reserve on trading through liquidity provider (note 13)	-	-	(8)	-	-	(8)	-	(8)
Movement in reserves (note 13)	-	-	-	(76)	76	-	-	-
Dividend income from treasury shares	-	-	-	-	685	685	-	685
Dividend paid to shareholders of parent (note 13)	-	-	-	-	(7,092)	(7,092)	-	(7,092)
Movement in non-controlling interests (note 14)	-	-	-	-	-	-	(147)	(147)
At 31 December 2024	23,641	26,936	(7,008)	9,810	33,144	86,523	19,006	105,529

The Parent Company's statement of changes in equity is presented as a separate schedule attached to these consolidated financial statements.

The accompanying notes form an integral part of these consolidated financial statements.

RENAISSANCE SERVICES SAOG AND ITS SUBSIDIARIES

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Consolidated statement of cash flows for the year ended 31 December 2025

	2025 ₹ '000	2024 ₹ '000
Cash flows operating activities		
Profit before income tax	6,239	10,307
Adjustments for:		
Depreciation of property and equipment	8,913	9,035
Impairment of property and equipment	-	88
Gain on disposal of property and equipment	(10)	(12)
Amortisation of right-of-use assets	172	97
Impairment of right-of-use assets	36	50
Gain on derecognition of lease	(4)	-
Amortisation of intangibles	14	14
Provision for slow moving and obsolete items	-	20
Allowance for expected credit losses	657	346
Fair value gain (Unrealised) on investments designated as FVTPL	(15)	(9)
Fair value gain (Realised) on investments designated as FVTPL	(111)	(197)
Provision for employees' end of service benefits	626	144
Interest charge on bank borrowings and lease liabilities	3,952	4,638
Investment income on FVTPL and FVTOCI instruments (dividend and interest)	(409)	(426)
Interest income on deposits	(711)	(656)
	<hr/>	<hr/>
Operating profit before changes in working capital:	19,349	23,439
Working capital changes:		
Inventories	816	(571)
Trade and other receivables	1,098	6,993
Trade and other payables (including non-current payable)	(4,535)	(4,322)
	<hr/>	<hr/>
Cash generated from operations	16,728	25,539
Payment of employees' end of service benefits	(1,201)	(1,052)
Income tax paid	(179)	(1,181)
	<hr/>	<hr/>
Net cash from operating activities	15,348	23,306
	<hr/>	<hr/>
Cash flows from investing activities		
Acquisition of property and equipment	(1,756)	(3,521)
Acquisition of intangible assets	(100)	(16)
Proceeds from disposal of property and equipment	13	54
Proceeds from disposal of investment designated as FVTOCI	6	2,435
Investment in instruments designated as FVTPL (net)	(3,794)	(436)
Investment income on FVTPL and FVTOCI instruments (dividend and interest)	409	426
Net movement in term deposits (including interest received)	712	(4,346)
	<hr/>	<hr/>
Net cash used in investing activities	(4,510)	(5,404)
	<hr/>	<hr/>
Cash flows from financing activities		
Dividends paid	(6,415)	(6,407)
Payment of lease liabilities (including interest)	(300)	(214)
Minority dividend	(59)	(147)
Deposit with liquidity provider	-	(200)
Finance cost paid	(3,363)	(3,990)
Short term loan (net)	6,534	-
Repayment of bank borrowings (excluding short term loan)	(10,467)	(9,739)
	<hr/>	<hr/>
Net cash used in financing activities	(14,070)	(20,697)
	<hr/>	<hr/>
Net change in cash and cash equivalents during the year	(3,232)	(2,795)
Cash and cash equivalents at beginning of the year	7,078	9,873
	<hr/>	<hr/>
Cash and cash equivalents at the end of the year (note 12)	3,846	7,078
	<hr/> <hr/>	<hr/> <hr/>

The Parent Company's statement of cash flows is presented as a separate schedule attached to these consolidated financial statements.

The accompanying notes form an integral part of these consolidated financial statements.

**Notes to the consolidated financial statements
for the year ended 31 December 2025**

1 Legal status and principal activities

Renaissance Services SAOG (“the Parent Company”) is registered as a public joint stock company registered and incorporated in the Sultanate of Oman. The business activities of Renaissance Services SAOG and its subsidiary companies (together referred to as “the Group”) include investing in companies and properties, providing turnkey and other contract services including accommodation solutions, facilities management, facilities establishment, contract catering, operations and maintenance services, training services, waste management and general trading and related activities.

The registered address of the Parent Company is PO Box 1676, Muttrah, Postal code 114, Sultanate of Oman.

2 Adoption of new and revised International Financial Reporting Standards (IFRS Accounting Standards) (IFRSs)

2.1 New and amended IFRS Accounting Standards that are effective for the current year

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

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

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

2.2 New and revised IFRS Accounting Standard in issue but not yet effective

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

New and revised IFRSs	Effective for annual periods beginning on or after
Amendments to IFRS 9 and IFRS 7 – Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Annual Improvements to IFRS Accounting Standards –Volume 11 - Amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 7 Financial Instruments: Disclosures and its accompanying Guidance on implementing IFRS 7, IFRS 9 Financial Instruments, IFRS 10 Consolidated Financial Statements, and IAS 7 Statement of Cash Flows	1 January 2026
Amendments to IFRS 9 and IFRS 7 – Contracts referencing Nature-dependent Electricity	1 January 2026
IFRS 18 Presentation and Disclosures in Financial Statements	1 January 2027
IFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027

**Notes to the consolidated financial statements
for the year ended 31 December 2025 (continued)**

2 Adoption of new and revised International Financial Reporting Standards (IFRS Accounting Standards) (IFRSs) (continued)

2.2 New and revised IFRS Accounting Standard in issue but not yet effective (continued)

New and revised IFRSs	Effective for annual periods beginning on or after
Amendment in IFRS 10 and IAS 28 – Sales or contributions of assets between an investor and its associate/joint venture	Effective date deferred indefinitely. However, early adoption is still permitted.

The Group anticipates that these new standards, interpretations and amendments will be adopted in the Group’s consolidated financial statements as and when they are applicable and adoption of these new standards, interpretations and amendments as highlighted in previous paragraphs, may have no material impact (except for IFRS 18 as stated below) on the consolidated financial statements of the Group in the period of initial application.

IFRS 18 Presentation and Disclosures in Financial Statements

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

IFRS 18 introduces new requirements to:

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

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

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

3. Accounting policies

Statement of compliance and basis of preparation

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS Accounting Standards) (IFRS) and the relevant disclosure requirements of the Financial Services Authority and the applicable provisions of the Commercial Companies Law 2019 of the Sultanate of Oman.

**Notes to the consolidated financial statements
for the year ended 31 December 2025 (continued)****3. Accounting policies (continued)****Statement of compliance and basis of preparation (continued)**

The separate statement of financial position, statement of profit or loss and other comprehensive income, changes in equity and cash flows of the Parent Company are provided in the attached schedule to the consolidated financial statements, in order to comply with the disclosure requirements of FSA. For a further understanding of the Parent Company's separate financial position and the results of its operations and the auditor's report on those financial statements, the schedule should be read in conjunction with the full set of separate financial statements of the Parent Company.

These consolidated financial statements have been prepared in Rials Omani (﷮) rounded to the nearest thousand, unless otherwise stated.

Items included in the 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 presentation currency.

These consolidated financial statements are prepared under the historical cost except for certain financial instruments measured at fair value. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

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

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

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

The preparation of these consolidated financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 4 to the consolidated financial statements.

The principal accounting policies are set out below:

**Notes to the consolidated financial statements
for the year ended 31 December 2025 (continued)****3. Accounting policies (continued)****Basis of consolidation**

The consolidated financial statements incorporate the financial statements of the Parent Company and entities controlled by the Group made up to 31 December each year. Control is achieved when the Group:

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

The Parent Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

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

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

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

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

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

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

**Notes to the consolidated financial statements
for the year ended 31 December 2025 (continued)****3. Accounting policies (continued)****Basis of consolidation (continued)**

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

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

Business combinations

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

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

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

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

**Notes to the consolidated financial statements
for the year ended 31 December 2025 (continued)****3. Accounting policies (continued)****Business combinations (continued)**

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

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

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

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

Goodwill

Goodwill is initially recognised and measured as set out above.

Goodwill is not amortised but is reviewed for impairment at least annually. For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

On disposal of a cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

**Notes to the consolidated financial statements
for the year ended 31 December 2025 (continued)**

3. Accounting policies (continued)

Property and equipment

Property and equipment are carried at cost less accumulated depreciation and any accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. Subsequent costs are included in the asset's 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 the item can be measured reliably.

Expenditure incurred to replace a component of an item of property and equipment that is accounted for separately is capitalised and the carrying amount of the component that is replaced is written off. Other subsequent expenditure is capitalised only when it increases future economic benefits of the related item of property and equipment. All other expenditure is recognised in the consolidated statement of profit or loss as incurred.

Depreciation is calculated based on the estimated useful lives of the applicable assets on a straight-line basis commencing when the assets are ready for their intended use. The estimated useful lives, residual values and depreciation methods are reviewed at each statement of financial position date, with the effect of any changes in estimate accounted for on a prospective basis. The estimated useful lives are as follows:

	Years
Buildings	5 - 40
Motor vehicles, furniture and fixtures	3 - 10
Machinery and equipment	3 - 15

Freehold land and properties under construction are not depreciated.

An item of property and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The gain or loss arising on the disposal or retirement of an item of property and equipment is determined as the difference between the net sales proceeds and the carrying amount of the asset and is recognised in the statement of profit or loss.

Capital work in progress

Capital work-in-progress is transferred to the related property and equipment when the construction or installation and related activities necessary to prepare the property and equipment for their intended use have been completed, and the property and equipment are ready for operational use.

Leases

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

Group as a lessee

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

**Notes to the consolidated financial statements
for the year ended 31 December 2025 (continued)****3. Accounting policies (continued)****Leases (continued)***Group as a lessee (continued)**Right of use assets*

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

Lease liabilities

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

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

Short-term leases and leases of low-value assets

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

Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the consolidated statement of profit or loss and other comprehensive income due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

**Notes to the consolidated financial statements
for the year ended 31 December 2025 (continued)****3. Accounting policies (continued)****Impairment of non-financial assets**

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

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

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

The recoverable amount of an asset or its cash generating unit is the greater of its value-in-use and its fair value less costs to sell. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of time value of money and risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the cash-generating unit).

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Financial instruments

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

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

Financial assets

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

**Notes to the consolidated financial statements
for the year ended 31 December 2025 (continued)****3. Accounting policies (continued)****Financial instruments (continued)****Financial assets (continued)**

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

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

All other financial assets are classified as measured at FVTPL.

Amortised cost and effective interest rate method

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

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

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

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

*Financial assets at fair value through other comprehensive income (FVTOCI)**Debt instruments designated as at FVTOCI*

Debt instruments that meet the following conditions are measured subsequently at fair value through other comprehensive income (FVTOCI):

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

Equity instruments designated as at FVTOCI

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

**Notes to the consolidated financial statements
for the year ended 31 December 2025 (continued)**

3. Accounting policies (continued)

Financial instruments (continued)

Financial assets (continued)

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

Equity instruments designated as at FVTOCI (continued)

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

Dividends on these investments in equity instruments are recognised in profit or loss in accordance with IFRS 9, unless the dividends clearly represent a recovery of part of the cost of the investment.

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

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

- Equity instruments that are held for trading.
- Equity investments for which the Group has not elected to recognize fair value gains and losses through other comprehensive income.
- Debt instruments with contractual cash flows not representing solely payments of principal and interest are mandatorily required to be measured at FVTPL; and
- The Fund evaluates the performance of bond portfolios which are designated at FVTPL (such as bond) using the fair value basis and the business model is neither to held to collect contractual cash flows nor held both to collect contractual cash flows and to sell financial assets.

Dividend income from equity instruments measured at FVTPL is recognised in the statement of profit or loss and other comprehensive income when the right to the payment has been established.

Reclassifications

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

Impairment of financial assets

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

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

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

**Notes to the consolidated financial statements
for the year ended 31 December 2025 (continued)****3. Accounting policies (continued)****Financial instruments (continued)****Financial assets (continued)***Impairment of financial assets (continued)*

A loss allowance for full lifetime ECL is required for a financial instrument if the credit risk on that financial instrument has increased significantly since initial recognition. For all other financial instruments, ECLs are measured at an amount equal to the 12-month ECL.

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

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

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

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

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

Credit-impaired financial assets

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

Derecognition of financial assets

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

**Notes to the consolidated financial statements
for the year ended 31 December 2025 (continued)****3. Accounting policies (continued)****Financial instruments (continued)****Financial assets (continued)***Derecognition of financial assets (continued)*

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

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

Financial liabilities

All financial liabilities are measured subsequently at amortised cost using the effective interest method.

Financial liabilities measured subsequently at amortised cost

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

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

Derecognition of financial liabilities

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

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

Classification as debt or equity

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

**Notes to the consolidated financial statements
for the year ended 31 December 2025 (continued)****3. Accounting policies (continued)****Financial instruments (continued)****Financial liabilities (continued)***Equity instruments*

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

Inventories

Inventories are valued at the lower of cost and net realisable value. Cost is determined applying the weighted average method depending on the category of inventory and includes all costs incurred in acquiring and bringing them to their present location and condition. Net realisable value signifies the estimated selling price in the ordinary course of business, less estimated costs of completion and selling expenses.

Cash and cash equivalents

Cash and cash equivalents comprise cash at hand, bank balances and short-term deposits with an original maturity of three months or less. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose of statement of cash flows.

Provisions

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

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

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

Employee benefits

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

**Notes to the consolidated financial statements
for the year ended 31 December 2025 (continued)****3. Accounting policies (continued)****Employee benefits (continued)**

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

Dividend distribution

Dividends are recognised as a liability in the year in which they are approved by the Group's shareholders.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. To the extent that variable rate borrowings are used to finance a qualifying asset and are hedged in an effective cash flow hedge of interest rate risk, the effective portion of the derivative is recognised in other comprehensive income and reclassified to profit or loss when the qualifying asset affects profit or loss. To the extent that fixed rate borrowings are used to finance a qualifying asset and are hedged in an effective fair value hedge of interest rate risk, the capitalised borrowing costs reflect the hedged interest rate. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

Treasury shares

Treasury shares represent the shares of the Parent Company that are held by the Group and liquidity provider. Treasury shares are measured at cost and deducted from equity.

Revenue recognition*Goods sold and services rendered*

Revenue from the sale of goods is recognised in the profit or loss when the control has been passed to the customer i.e. when goods are delivered and accepted by the customer and the amount of revenue can be measured reliably.

**Notes to the consolidated financial statements
for the year ended 31 December 2025 (continued)****3. Accounting policies (continued)****Revenue recognition (continued)**

Revenue from services rendered is recognised in the profit or loss over the period the service is provided to the customer as the customer simultaneously receives and consumes the benefits provided by the Group's performance as and when the Group performs. Revenue is recognized in proportion to the stage of completion of the transaction in the accounting period in which the services are rendered and the right to receive the consideration is established.

No revenue is recognised if there are significant uncertainties regarding the recovery of the consideration due, associated costs or the possible return of goods.

Contract Services

Revenues from provision of contract services, provision of accommodation services, providing facilities management, facilities establishment, contract catering, operations and maintenance services are recognized over the period service is provided to the customer as the customer simultaneously receives and consumes the benefits provided by the Group's performance as and when the Group performs.

Dividend income

Dividend income is recognised in the profit or loss on the date that the right to receive dividend is established.

Interest income

Interest income is recognised on the accrual basis using the effective interest rate method.

Directors' remuneration

The remuneration of the Parent Company's Board of Directors is accrued within the limits specified by the FSA and the requirements of the Commercial Companies Law of the Sultanate of Oman.

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

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

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

**Notes to the consolidated financial statements
for the year ended 31 December 2025 (continued)****3. Accounting policies (continued)****Taxation (continued)**

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

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates and laws prescribed by the Income tax laws of the Sultanate of Oman. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Earnings per share

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

Foreign currency

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

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

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

Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

4. Critical accounting estimates and judgements

The preparation of the financial statements in compliance with IFRS requires the management to make estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses and disclosure of contingent assets and contingent liabilities. Future events may occur which will cause the assumptions used in arriving at the estimates to change. The effects of any change in estimates are reflected in the financial statements as they become reasonably determinable.

Judgments and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Measurement of the expected credit loss allowance

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

At the reporting date, gross trade receivables were ~~€~~ 38.63 million (2024: ~~€~~ 41.40 million) and the provision for doubtful debts was ~~€~~ 2.78 million (2024: ~~€~~ 2.75 million). Any difference between the amounts actually collected in future periods and the amounts expected will be recognised in the profit or loss.

Useful lives of property and equipment

The costs of items of property and equipment are depreciated on a systematic basis over the estimated useful lives of the assets. Management has determined the estimated useful lives of each asset and/ or category of assets based on the following factors:

- Expected usage of the assets,
- Expected physical wear and tear, which depends on operational and environmental factors; and
- Legal or similar limits on the use of the assets.

Management has not made estimates of residual values for any items of property and equipment at the end of their useful lives as these have been deemed to be insignificant.

Impairment of tangible and intangible assets

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

The recoverable amount of an asset or CGU (Cash generating unit) is the greater of its value in use and its fair value less cost to sell. This requires an estimation of the value in use of the cash-generating units to which the goodwill is allocated. Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the cash-generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The carrying amount of the Group's tangible and intangible assets are disclosed in note 5 and 7 respectively.

**Notes to the consolidated financial statements
for the year ended 31 December 2025 (continued)****4. Critical accounting estimates and judgements (continued)****Key sources of estimation uncertainty (continued)****Leases***Discounting of lease payments*

The lease payments are discounted using the Group's incremental borrowing rate ("IBR"). Management has applied judgments and estimates to determine the IBR at the commencement of lease.

Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in the lease, therefore it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the fund necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific adjustment when the risk profile of the entity that enters into the lease is different to that of the entity and the lease does not benefit from a guarantee from the entity.

Judgements**Provision for tax**

The Group has exposure to income taxes as disclosed further in Note 18 to these consolidated financial statements. Significant judgement is involved in determining the provision for income taxes as there are certain transactions and computation for which the ultimate tax determination is uncertain. The Group recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. The tax authorities may disagree with the position taken by the Group and consequently impose additional taxes and penalties. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact income tax in the period in which such determination is made.

Leases*Determining the lease term*

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

RENAISSANCE SERVICES SAOG AND ITS SUBSIDIARIES

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Notes to the consolidated financial statements for the year ended 31 December 2025 (continued)

5. Property and equipment

	Freehold land and buildings	Machinery and equipment	Motor vehicles	Furniture and fixtures	Capital work-in- progress	Total
	₹ '000	₹ '000	₹ '000	₹ '000	₹ '000	₹ '000
Cost						
At 1 January 2024	182,319	23,226	2,270	5,702	6,068	219,585
Additions / transfers	6,624	2,311	285	173	(5,872)	3,521
Disposals / write off	-	(55)	(67)	(72)	-	(194)
At 1 January 2025	188,943	25,482	2,488	5,803	196	222,912
Additions / transfers	405	1,278	189	80	(196)	1,756
Disposals	-	(47)	(133)	(45)	-	(225)
At 31 December 2025	189,348	26,713	2,544	5,838	-	224,443
Accumulated depreciation						
1 January 2024	62,915	17,663	1,408	3,608	-	85,594
Charge for the year	6,049	2,155	297	534	-	9,035
Impairment during the year	-	88	-	-	-	88
Disposals / write off	-	(50)	(67)	(35)	-	(152)
At 1 January 2025	68,964	19,856	1,638	4,107	-	94,565
Charge for the year	6,100	1,937	337	539	-	8,913
Disposals/write off	-	(45)	(133)	(44)	-	(222)
At 31 December 2025	75,064	21,748	1,842	4,602	-	103,256
Net Book Value						
31 December 2025	114,284	4,965	702	1,236	-	121,187
31 December 2024	119,979	5,626	850	1,696	196	128,347

**Notes to the consolidated financial statements
for the year ended 31 December 2025 (continued)**

5. Property and equipment (continued)

- (i) Some of the Group's property and equipment with a carrying value of ~~£~~ 110.87 million are pledged against bank loans and bank borrowings as disclosed in note 15.
- (ii) During the year, the Group conducted a comprehensive impairment assessment of property and equipment related to a subsidiary, Renaissance Duqm Accommodation Company SAOC (RDAC). This assessment was necessitated due to reducing occupancy rates at the property. The impairment assessment was performed using RDAC's revenue projections and 9% discount rate and 2.5% terminal growth rate to determine the recoverable amount of the assets. RDAC's revenue projections indicate strong future cash inflows, driven by upcoming projects and increased industrialization within the Duqm Economic Free Zone. After evaluating these factors and assessing the underlying assumptions, management has concluded that no impairment is required for the year ended 31 December 2025.

The depreciation charge has been allocated in the profit or loss as follows:

	2025 £ '000	2024 £ '000
Operating costs	8,767	8,926
Administrative expenses	146	109
	<u>8,913</u>	<u>9,035</u>

6. Right-of-use assets and lease liabilities

Right-of-use assets

Set out below are the carrying amount of right-of-use assets recognised and the movement during the year:

	2025 £ '000	2024 £ '000
At 1 January	3,914	3,967
Additions during the year	415	94
Amortisation	(172)	(97)
Impairment	(36)	(50)
Derecognised	(66)	-
At 31 December	<u><u>4,055</u></u>	<u><u>3,914</u></u>

**Notes to the consolidated financial statements
for the year ended 31 December 2025 (continued)**

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

Lease liabilities

Set out below are the carrying amount of lease liabilities and movement during the year:

	2025 ₹'000	2024 ₹'000
As at 1 January	6,280	6,049
Additions during the year	415	94
Accretion of interest	375	351
Payment	(300)	(214)
Derecognised	(70)	-
At 31 December	6,700	6,280
	2025 ₹'000	2024 ₹'000
Current	350	315
Non-current	6,350	5,965
	6,700	6,280

The following are the amounts recognised in statement of profit or loss:

	2025 ₹'000	2024 ₹'000
Amortization of right-of-use assets	172	97
Interest expense on lease liabilities	375	351
Impairment	36	50

7. Intangible assets

Intangible assets as at 31 December consisted of the following:

	2025 ₹'000	2024 ₹'000
Goodwill	1,900	1,900
Computer software (including under development)	112	26
At 31 December	2,012	1,926

**Notes to the consolidated financial statements
for the year ended 31 December 2025 (continued)**

7. Intangible assets (continued)

Movement in intangible assets during the year is as follows:

	Goodwill	Computer software	Software under development	Total
2025	₹'000	₹'000	₹'000	₹'000
At 1 January	1,900	26	-	1,926
Addition during the year	-	-	100	100
Amortisation during the year	-	(14)	-	(14)
At 31 December	1,900	12	100	2,012
2024				
At 1 January	1,900	24	-	1,924
Addition during the year	-	16	-	16
Amortisation during the year	-	(14)	-	(14)
At 31 December	1,900	26	-	1,926

Goodwill represents the excess of the cost of acquiring shares in a subsidiary company Tawoos Industrial Services Company SAOC (TISCO), over the aggregate fair value of the net assets acquired.

The Group tests annually whether goodwill has suffered any impairment. The recoverable amount of cash-generating unit (CGU) was based on value-in-use, determined by discounting future cashflows to be generated from the continuing use of the CGU. The recoverable amount was determined to be higher than its carrying value and accordingly, the Group is not required to recognise any impairment during the year.

Key assumptions used in value in use calculations

Discount rate	8.43%	Calculated using estimated risk-free rate of return adjusted for estimated equity market risk premium and the cost of debt, and includes the country risk
Terminal value growth rate	2%	Estimated based on management's assessment of the market having regard to macro-economic factors and the growth rates experiences in the recent past

8. Financial investments at FVTOCI and FVTPL

	2025	2024
	₹'000	₹'000
Financial investments at FVTOCI	5,621	4,583
Financial investments at FVTPL	6,460	2,540

**Notes to the consolidated financial statements
for the year ended 31 December 2025 (continued)**

8. Financial investments at FVTOCI and FVTPL (continued)

Investments at FVTPL includes investments in open end mutual funds held for trading and Investments at FVTOCI includes investment in equity, perpetual bonds and fixed income bonds (note 28).

The movement in investments during the year is as below:

	FVTOCI		FVTPL	
	2025 S'000	2024 S'000	2025 S'000	2024 S'000
At 1 January	4,583	6,895	2,540	1,898
Net (disposals)/ additions	(6)	(2,300)	3,794	436
Realised (loss)/ gain	-	(135)	111	197
Unrealised gain	1,044	123	15	9
At 31 December	5,621	4,583	6,460	2,540

9. Principal subsidiaries

The details of principal subsidiary companies are as follows:

Company	Country of incorporation	Percentage shareholding		Principal activities
		2025	2024	
Subsidiaries				
Tawoos Industrial Services Company SAOC (TISCO)	Sultanate of Oman	100%	100%	Contract catering, facilities management and establishment, operations and maintenance services
Renaissance Integrated Facilities Management Company SAOC (RIFM)	Sultanate of Oman	100%	100%	Facilities management
Renaissance Duqm Holding SAOC (RDH)	Sultanate of Oman	54.8%	54.8%	Holding company
Mekdam Tech Renaissance JV Trading & Services LLC	State of Qatar	50%	50%	Contract Catering

During the year 2024, the shareholders through a resolution in the EGM dated 30 July 2024 decided to liquidate RIFM. Liquidator has submitted his report to Ministry of Commerce, Industry and Investment Promotion (“MOCI”) for liquidation and awaiting final strike-off as at reporting date.

Subsidiary of RDH

Renaissance Duqm Accommodation Company SAOC (RDAC)	Sultanate of Oman	100%	100%	Build, own and operate permanent accommodation for contractors
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**Notes to the consolidated financial statements
for the year ended 31 December 2025 (continued)**

9. Principal subsidiaries (continued)

Company	Country of incorporation	Percentage shareholding		Principal activities
		2025	2024	
<i>Subsidiaries of TISCO</i>				
Rusail Catering and Cleaning Services LLC	Sultanate of Oman	100%	100%	Catering and cleaning services
Renaissance Sager Environmental Solutions LLC	Sultanate of Oman	51%	51%	Waste management
Renaissance Facilities Management Company LLC	Sultanate of Oman	100%	100%	Contract catering, facilities management
Renaissance Contract Services International LLC (RCSI)	Sultanate of Oman	100%	100%	Holding company

RCSI through its subsidiary in UAE provides catering and allied services

10. Inventories

	2025 AED '000	2024 AED '000
Consumables and spares	3,782	4,598

The Group holds a provision for obsolete stock of AED 0.02 million (2024: AED 0.02 million).

11. Trade and other receivables

	2025 AED '000	2024 AED '000
Trade receivables	38,632	41,404
Allowance for expected credit losses	(2,783)	(2,754)
	35,849	38,650
Other receivables and prepayments	3,804	2,341
Due from related parties (note 24)	181	371
Advance to suppliers	441	643
	40,275	42,005

The fair value of trade debtors and other receivables approximate their carrying amounts. The other classes within trade and other receivables do not contain impaired assets as the effect of ECL is minimal.

**Notes to the consolidated financial statements
for the year ended 31 December 2025 (continued)**

11. Trade and other receivables (continued)

Movement in the allowance for impairment of receivables is as follows:

	2025	2024
	₹'000	₹'000
At 1 January	2,754	2,413
Charge for the year	657	346
Amounts written off	(628)	(5)
At 31 December	2,783	2,754

Below is the ageing of trade receivables and the expected credit loss allowance based on provision matrix approach as at 31 December 2025 and 31 December 2024:

	Gross carrying amount ₹'000	ECL %	Lifetime ECL ₹'000	Net carrying amount ₹'000
31 December 2025				
Neither past due nor impaired	24,254	0.02	5	24,249
1 - 120 days	5,500	1.76	97	5,403
More than 120 days	8,878	30.20	2,681	6,197
	38,632		2,783	35,849
31 December 2024				
Neither past due nor impaired	29,935	0.09	26	29,909
1 - 120 days	4,296	5.14	221	4,075
More than 120 days	7,173	34.95	2,507	4,666
	41,404		2,754	38,650

Unimpaired receivables are expected, based on past experience, to be fully recoverable. It is not the practice of the Company to obtain collateral over receivables except certain customers and the vast majority are, therefore, unsecured.

The carrying amounts of the Group's majority of trade receivables (net of provision for expected credit losses) are denominated in the ₹.

**Notes to the consolidated financial statements
for the year ended 31 December 2025 (continued)**

12. Cash and bank balances

	2025 ₹'000	2024 ₹'000
Cash in hand	244	244
Cash at bank including fixed deposits	13,602	16,834
Cash and bank balances	13,846	17,078
Less: Deposits with original maturity of more than three months	(10,000)	(10,000)
Cash and cash equivalents	3,846	7,078

Deposits with original maturity of more than 3 months are excluded from cash and cash equivalents. These deposits are denominated in ₹ and carry the commercial interest rate.

The Group has credit facilities from commercial banks comprising overdrafts, letters of credit, guarantees, bill discounting and other advances. Certain of these facilities are secured by a charge over the Group's floating assets and buildings, a negative lien over some of the Group's assets, routing of receivables and insurance interests in certain assets and corporate guarantees. Bank overdrafts carry at commercial interest rate.

The Expected Credit Loss (ECL) on cash and cash equivalents as at 31 December 2025 and 31 December 2024 is not material to the consolidated financial statements.

13. Equity

Share capital

The authorised share capital of the Parent Company comprises of 1,500,000,000 shares of ₹0.100 each (2024: 1,500,000,000 shares of ₹0.100 each). At 31 December 2025, the issued and fully paid-up share capital comprised 236,410,000 ordinary shares of ₹0.100 each (2024: 236,410,000 ordinary shares of ₹0.100 each).

Details of shareholders, who own 10% or more of the Parent Company's share capital, are as follows:

	Number of shares '000		%	
	2025	2024	2025	2024
Tawoos LLC	27,381	27,381	11.58	11.58
Samir J Fancy	23,733	20,911	10.04	8.85

Share premium

The Group can utilise the share premium for issuing bonus shares.

**Notes to the consolidated financial statements
for the year ended 31 December 2025 (continued)**

13. Equity (continued)

Treasury shares

Treasury shares held by a subsidiary

These are shares held by a subsidiary of the Parent Company at the cost of ₺ 6.772 million (2024: ₺ 6.772 million). Dividend received on these treasury shares has been directly transferred to retained earnings and shown as movement in the consolidated statement of changes in equity. At 31 December 2025, the subsidiary held 22,559,241 shares (2024: 22,559,241 shares) in the Parent Company. The market value of these shares at 31 December 2025 was approximately ₺7.15 million (2024: ₺ 8.75 million).

Treasury shares held by a liquidity provider

In 2024, the Parent Company engaged a third-party licensed Liquidity Provider to facilitate the buying and selling of the Parent Company's own shares in the market, in accordance with the Market Maker regulations. As at 31 December 2025, the Liquidity Provider held 566,514 shares (2024: 644,839 shares) of the Parent Company's shares.

The profit or loss recognized on trading in the Company's own shares is recorded as "Reserve on trading in own shares". Included in the reserve is a net loss of ₺ 49,786 (2024: ₺ 8,246) realised during the period ended 31 December 2025.

As of 31 December 2025, the deposit available with liquidity provider is ₺ 70,534 (2024: ₺ 45,166), recorded under other current assets.

	Treasury shares – held by subsidiary ₺'000	Treasury shares – held by liquidity provider ₺'000	Reserve on trade of treasury shares ₺'000	Total ₺'000
At 1 January 2024	6,853	-	-	6,853
Transfer to liquidity provider	(81)	81	-	-
Trading in treasury shares	-	147	8	155
	6,772	228	8	7,008
At 1 January 2025	6,772	228	8	7,008
Trading in treasury shares	-	(67)	42	(25)
31 December 2025	6,772	161	50	6,983

**Notes to the consolidated financial statements
for the year ended 31 December 2025 (continued)**

13. Equity (continued)

Reserves

	Legal reserve	Fair value reserve	Other reserves	Total
	₹'000	₹'000	₹'000	₹'000
At 1 January 2024	9,139	542	82	9,763
Transfers from/ (to) retained earnings	6	-	(82)	(76)
Fair value gain on financial investments (net of tax)	-	123	-	123
1 January 2025	9,145	665	-	9,810
Fair value gain on financial investments (net of tax)	-	930	-	930
31 December 2025	9,145	1,595	-	10,740

Legal reserve

The Omani Commercial Companies Law of 2019 requires that 10% of an entity's net profit be transferred to a non-distributable legal reserve until the amount of legal reserve becomes equal to one-third of the entity's issued share capital. The legal reserve is not available for distribution.

Other reserve

A subsidiary of the Parent Company was required to maintain a capital expenditure reserve as per the terms of the facility agreement. With the facility amended and restated in the year 2024, the subsidiary is not required to maintain the reserve. Accordingly, the Group had transferred this reserve to retained earnings.

Dividend proposed and paid

For the year ended 31 December 2025, a cash dividend of ₹ 0.030 per share totaling to ₹ 7.092 million has been proposed by the Board of Directors of the Parent Company. Proposed dividends are subject to approval at the annual general meeting and are not recognized as a liability as at 31 December 2025.

For the year ended 31 December 2024, a cash dividend of ₹ 0.030 per share totaling to ₹ 7.092 million was paid to the Shareholders of the parent company as per approval received at the Annual General Meeting of parent company held on 27 March 2025.

**Notes to the consolidated financial statements
for the year ended 31 December 2025 (continued)**

14. Non-controlling interests

The movement in the balance related to non-controlling interest is as follows:

	2025	2024
	₺'000	₺'000
At 1 January	19,006	20,976
Dividends paid	(59)	(147)
Share of loss for the year	(1,630)	(1,823)
At 31 December	17,317	19,006

15. Borrowings

	Total	1 year or less	2 - 5 years	More than 5 years
	₺'000	₺'000	₺'000	₺'000
31 December 2025				
<i>Long term loans</i>				
Borrowings of Parent Company	5,467	5,467	-	-
<i>Borrowings of subsidiary companies:</i>				
RDAC	39,164	2,438	13,488	23,238
Subsidiary of TISCO	74	34	40	-
	44,705	7,939	13,528	23,238
<i>Short term loans and bank overdrafts</i>				
Borrowings of Parent Company	3,234	3,234	-	-
<i>Borrowings of subsidiary companies:</i>				
RDAC	1,300	1,300	-	-
TISCO	2,000	2,000	-	-
	6,534	6,534	-	-
	51,239	14,473	13,528	23,238
	Total	1 year or less	2 - 5 years	More than 5 years
	₺'000	₺'000	₺'000	₺'000
31 December 2024				
<i>Long term loans</i>				
Borrowings of Parent Company	14,351	8,991	5,360	-
<i>Borrowings of subsidiary companies:</i>				
RDAC	40,575	1,275	10,200	29,100
Subsidiary of TISCO	31	17	14	-
	54,957	10,283	15,574	29,100

**Notes to the consolidated financial statements
for the year ended 31 December 2025 (continued)**

15. Borrowings (continued)

Borrowings are disclosed in the consolidated statement of financial position as follows:

	2025	2024
	₺'000	₺'000
Non-current	36,766	44,674
Current liabilities	14,473	10,283
	51,239	54,957

Borrowings of Parent company

	2025	2024
	₺'000	₺'000
Long term loan	5,467	14,458
Short term loan and bank overdrafts	3,234	-
Deferred finance cost	-	(107)
	8,701	14,351

The Parent Company obtained a syndicated long-term loan (“the facility”) from commercial banks dated 4 July 2013. The total facility limit is ₺ 130 million. Out of this ₺ 90 million was drawn down on 21 August 2013. Subsequently the Parent Company cancelled the balance portion of ₺ 40 million in 2015. The facility carries commercial interest rate and is repayable in 52 quarterly installments as per the facility agreement. Interest rate is reset annually by the majority of lenders as per terms of the agreement. During the year, the balance unpaid portion of this loan was restructured to a single bank without any change in the term of the loan and the interest is fixed until the closure of the loan. The facility is secured by commercial and legal mortgage over certain properties of the Parent Company, account pledge with lead bank, routing of collections from the Parent Company’s business, routing of dividend income of the Parent Company and assignment of mortgage property insurance.

During the year, the Parent Company has availed short term loans and overdrafts as part of its working capital management at commercial interest rates, the balance of which at 31 December 2025 is ₺ 3.2 million.

A reconciliation between opening and closing balances of long-term loans in the consolidated statement of financial position for liabilities that result in financing cash flows is as follows:

	2025	2024
	₺'000	₺'000
At 1 January	14,351	22,617
Repayment made during the year	(8,991)	(8,450)
Amortisation of deferred finance cost	107	184
At 31 December	5,467	14,351

At the reporting date, the Parent Company has complied with the financial covenants as required under the facility agreement.

**Notes to the consolidated financial statements
for the year ended 31 December 2025 (continued)**

15. Borrowings (continued)

Borrowings of subsidiary company (RDAC)

RDAC signed a facility agreement dated 20 April 2015 with commercial banks and financial institutions in Oman amounting to ~~₹~~ 45,308,000 which has been fully drawn as at the reporting date. The costs incurred to arrange this facility amounted to ~~₹~~ 844,810 which is being amortised over the loan period at the effective interest rate. Under the terms of the facility agreement, the principal was repayable in 141 monthly instalments starting from 31 July 2017.

This facility agreement was amended and restated on 8 March 2021 to include another term loan for expansion, comprising of two tranches viz. ~~₹~~ 19,037,671 and ~~₹~~ 6,603,464, from the lenders under the original agreement. RDAC has fully drawn ~~₹~~ 19,037,671 under the first tranche of the expansion term loan until 31 December 2022. In December 2021, the subsidiary cancelled the second tranche of ~~₹~~ 6,603,464.

The costs incurred to arrange this facility amounted to ~~₹~~ 198,176 which is being amortised over the loan period at the effective interest rate. Under the terms of the facility agreement, the principal was repayable in 103 monthly instalments starting from 31 October 2021.

Further, this facility agreement was amended and restated on 12 December 2023 where the repayment structure and tenure were amended. The principal is repayable in 40 quarterly instalments starting from 12 March 2025. The costs incurred to arrange this facility amounted to ~~₹~~ 319,500 which is being amortised over the loan period at the effective interest rate.

The term loans are secured by mortgage over assets of the RDAC, routing of collections and assignment of mortgage property insurance. The term loans carry fix commercial interest rates, which are reset annually and are denominated in ~~₹~~.

At the reporting date, RDAC has complied with the financial covenant as required under the facility agreement.

During the year, RDAC has availed short term loan facilities of ~~₹~~ 1.3 million at commercial interest rates.

A reconciliation between opening and closing balances in the consolidated statement of financial position for liabilities that result in financing cash flows is as follows:

	2025 ₹ '000	2024 ₹ '000
At 1 January	40,575	41,737
Repayment made during the year	(1,519)	(1,275)
Amortisation of deferred finance cost	108	113
At 31 December	39,164	40,575

The carrying amounts of borrowings approximate to their fair values. Majority of the Group borrowings as at 31 December 2025 and 31 December 2024 are denominated in Rial Omani (~~₹~~).

**Notes to the consolidated financial statements
for the year ended 31 December 2025 (continued)**

16. Provision for employees' end-of-service benefits

The amount of unfunded benefits recognised in the consolidated statement of financial position are determined as follows:

	2025 ₺'000	2024 ₺'000
At 1 January	4,234	5,142
Net contribution during the year	626	144
Payments during the year	(1,201)	(1,052)
At 31 December	3,659	4,234

17. Trade and other payables

	2025 ₺'000	2024 ₺'000
Trade payables	10,270	9,951
Accrued expenses, provisions, and other payables	12,561	17,329
Due to related parties	157	222
	22,988	27,502

18. Income tax

The income tax expense relates to tax payable on the profits earned by the Group calculated in accordance with the taxation laws and regulations of various countries in which the Group operates.

	2025 ₺'000	2024 ₺'000
Tax expense for the year comprises of:		
<i>Current year</i>	1,439	2,237
<i>Prior years</i>	(56)	(22)
<i>Deferred tax</i>	(53)	(521)
	1,330	1,694
Provision for income tax comprises of:		
<i>Current year</i>	1,439	2,237
<i>Prior years</i>	6,883	4,881
	8,322	7,118

**Notes to the consolidated financial statements
for the year ended 31 December 2025 (continued)**

18. Income tax (continued)

Reconciliation of tax charge is as follows:

	2025	2024
	₹'000	₹'000
Profit before income tax	6,239	10,307
Add: Loss before income tax of Group entities operating in non-taxable jurisdictions	3,873	4,156
Profit before income tax of Group entities operating in taxable jurisdictions	10,112	14,463
Tax at domestic tax rate (15%/ 9% as applicable)	1,517	2,169
Tax effect of expenses that are not deductible in determining taxable profit	90	1,020
Tax effect of allowable expenses/ exempt income and carry forward losses	(277)	(1,495)
Tax expense for the year	1,330	1,694

Movement in tax provision is as follows:

	2025	2024
	₹'000	₹'000
As 1 January	7,118	6,084
Charge for the year	1,383	2,215
Paid during the year	(179)	(1,181)
At 31 December	8,322	7,118

In the Parent Company and subsidiaries, the tax assessment for certain years have not yet been finalised by the tax authorities. However, the Group believes that adequate provisions have been made for potential tax exposures.

The Parent Company had a carry forward of tax losses, mainly arising through loss on divestment claimed in the tax year 2019. During the year 2023, assessment order for the year 2019 was issued and the tax authority disallowed the loss claimed. The Parent Company filed its objection against this order, and parallelly requested for abeyance of tax payment which was accepted by the tax authority.

In the year 2024, the tax authority upheld the decision of disallowing the loss in 2019 on the grounds that the deregistration of the divestment was completed in 2021. Subsequently the Parent Company claimed the tax losses relating to the divestment by filing revised tax return for the year 2021 and paid the taxes as per the objection decision for tax year 2019. Further, the Parent Company submitted the Grievance against the objection decision with Tax Grievance Committee.

Parent company has adequate tax provision to cover the tax exposure which may arise from the final assessment of the losses relating to the divestment.

The Parent Company's tax assessment for the tax years 2021 to 2024 has not yet been finalized with the tax authority. The Parent Company believe that its accruals for tax liabilities as at 31 December 2025 are adequate, for all open tax years and ongoing objection proceedings, based on its assessment of various factors, including interpretations of tax laws and prior experience.

**Notes to the consolidated financial statements
for the year ended 31 December 2025 (continued)**
18. Income tax (continued)

The Parent Company has filed appeals to the Court against certain adjustments made by the Tax Authority in the assessments related to tax years 2012, 2013 & 2015. The main issues under appeal are disallowances relating to balancing allowance on assets disposed and some specific expenses. During the year, the Parent company decided not to pursue this case further.

The Group has adequate provisions at 31 December 2025 against the tax liabilities, which may arise due to adjustments made by Tax Authority during the assessment proceedings of any of the subsidiaries.

Deferred taxation

Deferred taxation is calculated on all temporary differences using a principal tax rate of 15% (2024 - 15%). The net deferred tax asset in the statement of financial position and net deferred tax reversal and charge in the statement of profit or loss and other comprehensive income respectively are attributable to the following items:

	At 1 January ₺'000	Charged/ (reversed) to statement of profit or loss ₺'000	Charged/ (reversed) to other comprehensive income ₺'000	At 31 December ₺'000
Deferred tax asset				
2025				
Property and equipment	(347)	256	-	(91)
Provisions	697	(46)	-	651
Leases	13	-	-	13
Investments at FVTPL	(1)	5	-	4
Carry forward losses	334	(175)	-	159
Unrealised gain on investments held at FVTOCI	-	-	(114)	(114)
	<u>696</u>	<u>40</u>	<u>(114)</u>	<u>622</u>
2024	<u>₺'000</u>	<u>₺'000</u>	<u>₺'000</u>	<u>₺'000</u>
Property and equipment	156	(503)	-	(347)
Provisions	106	591	-	697
Leases	4	9	-	13
Investments at FVTPL	-	(1)	-	(1)
Carry forward losses	330	4	-	334
	<u>596</u>	<u>100</u>	<u>-</u>	<u>696</u>

**Notes to the consolidated financial statements
for the year ended 31 December 2025 (continued)**

18. Income tax (continued)

	At 1 January ₺'000	Charged/ (reversed) to the statement of profit or loss ₺'000	Charged/ (reversed) to the other comprehensive income ₺'000	At 31 December ₺'000
Deferred tax liability				
2025				
Property and equipment	13	(13)	-	-
2024	₺'000	₺'000	₺'000	₺'000
Property and equipment	518	(503)	-	15
Provisions	(83)	81	-	(2)
	435	(422)	-	13

19. Revenue

	2025 ₺'000	2024 ₺'000
<i>Period of time</i>		
Revenue from accommodation, catering and other services	100,953	100,776
<i>Point in time</i>		
Revenue from other services	7,262	7,096
	108,215	107,872

20. Operating and administrative expenses

Profit before tax from operations for the year is after charging:

	2025 ₺'000	2024 ₺'000
Staff costs	42,588	40,269
Cost of food and consumables	31,379	29,496
Provision for expected credit losses (note 11)	657	346
Depreciation / amortization	9,099	9,146

In 2024, the Group made a provision for share of losses of the non-controlling shareholder of the subsidiary Mekdam Tech Renaissance JV Trading & Services LLC, amounting to ₺1.18 million.

**Notes to the consolidated financial statements
for the year ended 31 December 2025 (continued)**

21. Finance costs - net

	2025 € '000	2024 € '000
Interest expense on borrowings and lease liabilities	3,952	4,638
Bank and other charges	106	50
Interest income on deposits	(711)	(656)
	<u>3,347</u>	<u>4,032</u>

22. Net assets per share

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

	2025 € '000	2024 € '000
Net assets	104,919	105,529
Non-controlling interest	(17,317)	(19,006)
	<u>87,602</u>	<u>86,523</u>
Equity attributable to the owners of the Parent Company		
Number of shares		
Number of shares at 31 December ('000)	236,410	236,410
Treasury shares ('000) (note 13)	(23,126)	(23,204)
	<u>213,284</u>	<u>213,206</u>
Number of shares at 31 December ('000)		
Net assets per share (€)	<u>0.411</u>	<u>0.406</u>

23. Earnings per share

Basic and diluted

Basic earnings per share is calculated by dividing the net profits for the year attributable to the shareholders of the Parent Company by the weighted average number of shares in issue during the year excluding ordinary shares purchased by the Group and held as treasury shares as follows:

**Notes to the consolidated financial statements
for the year ended 31 December 2025 (continued)**

23. Earnings per share (continued)

	2025 ₹'000	2024 ₹'000
Net profit for the year attributable to the shareholders of the Parent Company	<u>6,539</u>	<u>10,436</u>
<i>Weighted average number of shares</i>		
Weighted average number of ordinary shares ('000)	<u>236,410</u>	236,410
Less: weighted average number of treasury shares ('000)	<u>(23,138)</u>	(23,010)
	<u>213,272</u>	<u>213,400</u>
Earnings per share expressed in ₹		
Basic and diluted earnings per share for the year	<u>0.031</u>	<u>0.049</u>

There were no outstanding potential ordinary shares at the reporting date.

24. Related parties

Related parties, as defined in International Accounting Standard 24: Related Party Disclosures, include associate companies, major shareholders, directors and other key management personnel of the Company, and entities controlled, jointly controlled or significantly influenced by such parties

The significant related party transactions during the year are as follows:

	2025 ₹'000	2024 ₹'000
Income		
Services rendered and sales	<u>502</u>	<u>632</u>
Expenses		
Services received and purchases	<u>688</u>	<u>682</u>
Directors' remuneration and sitting fees		
Remuneration and sitting fees	<u>206</u>	<u>213</u>
Investments at FVTPL		
Investment at FVTPL (net)	<u>2,200</u>	<u>-</u>

Remuneration and fees above relate only to the Parent Company.

**Notes to the consolidated financial statements
for the year ended 31 December 2025 (continued)**

24. Related parties (continued)

Compensation of key management personnel

The remuneration of key management personnel during the year are as follows:

	2025 ₺'000	2024 ₺'000
Short-term benefits	837	861
Employees' end-of-service benefits	38	45
	<u>875</u>	<u>906</u>

Balances outstanding with related parties are as follows:

	2025 ₺'000	2024 ₺'000
<i>Due from related parties:</i>		
Common directorship and entities related through KMPs or individuals	<u>181</u>	<u>371</u>
<i>Due to related parties:</i>		
Common directorship and entities related through KMPs or individuals	<u>157</u>	<u>222</u>
<i>Investment at FVTPL:</i>		
Entities related through KMP	<u>3,241</u>	<u>913</u>

Outstanding balances at the year-end arise in the normal course of business. For the year ended 31 December 2025 and 2024, the expected credit loss on amount due from related party balances are not material to the consolidated financial statements as a whole and accordingly, no adjustment has been incorporated in the consolidated financial statements.

25. Commitments and contingent liabilities

	2025 ₺'000	2024 ₺'000
Commitments		
Capital expenditure commitments	<u>179</u>	<u>438</u>
Contingent liabilities		
Letters of guarantee	<u>13,083</u>	<u>11,556</u>

Contingent liabilities represent guarantees e.g., bid bonds, performance bonds, refund guarantee retention bonds etc., which are issued by banks on behalf of Group companies to customers and suppliers under the non-funded working capital lines with the banks. These lines are secured by the corporate guarantee of various Group entities. The amounts are payable only in the event when certain terms of contracts with customers or suppliers are not met.

**Notes to the consolidated financial statements
for the year ended 31 December 2025 (continued)**

25. Commitments and contingent liabilities (continued)

As of 31 December 2025, there are certain legal cases against the Group with no material impact. The Group's management has reviewed their position pertaining to these claims and after discussion with their external lawyer, believes that these claims can be defended in the court of law.

26. Segment reporting

Management has determined the operating segments based on the reports reviewed by the key decision makers that are used to make strategic decisions. The Group is engaged in one business segment as mentioned below:

Contract services include contract services, accommodation solutions, and integrated facilities management (IFM) services.

Performance is measured based on segment profit after income tax, as included in the internal management reports that are reviewed by the CEO (chief operating decision-maker). The amounts provided to them with respect to total assets are measured in a manner consistent with that of the consolidated financial statements. These assets are allocated based on the operations of the segment.

Geographical segments

Revenue and non-current assets based on the geographical location of the business activities is as follows:

	Revenue		Non-current assets	
	2025	2024	2025	2024
	₹ '000	₹ '000	₹ '000	₹ O'000
Oman	98,841	99,854	126,372	133,715
Middle East (excluding Oman)	9,374	8,018	882	472
	<u>108,215</u>	<u>107,872</u>	<u>127,254</u>	<u>134,187</u>

Information about major customers

Included in revenues arising from contract services revenue segment are revenues of approximately ₹13.16 million (2024: ₹5.05 million) which arose from sales to the Group's largest customer. No other single customers contributed 10 per cent or more to the Group's revenue in either 2025 or 2024.

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

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

**Notes to the consolidated financial statements
for the year ended 31 December 2025 (continued)****27. Financial risk management****Financial risks factors**

The Group has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital.

Risk management framework

The Board of Directors have overall responsibility for the establishment and oversight of the Group's risk management framework. Group's senior management are responsible for developing and monitoring the Group's risk management policies and report regularly to the Board of Directors on their activities. The Group's current financial risk management framework is a combination of formally documented risk management policies in certain areas and informal risk management practices in others.

The Group's risk management policies (both formal and informal) are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through their training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Group Audit and Risk Committee (ARC) oversees how management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Group ARC is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the ARC.

The Group's principal financial liabilities comprise bank loans, accounts payables and accruals and balances due to related parties. The main purpose of these financial liabilities is to raise finance for the Group's operations. The Group has various financial assets such as accounts and other receivables, advance to suppliers, financial investments, bank balances and cash, and due from related parties which arise directly from its operations.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's receivable from customers, other receivables, due from related parties, and balances with bank.

**Notes to the consolidated financial statements
for the year ended 31 December 2025 (continued)**
27. Financial risk management (continued)
Credit risk (continued)

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

	2025	2024
	<u>₹</u> '000	<u>₹</u> '000
Investment in debt instruments (note 8)	6,640	2,711
Trade and other receivables (net of ECL) (note 11)	35,849	38,650
Due from related parties (note 24)	181	371
Bank balances (note 12)	13,602	16,834
	<u>56,272</u>	<u>58,566</u>

Trade receivables and due from related parties

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the demographics of the Group's customer base, including the default risk of the industry and country in which the customers operate, as these factors may have an influence on credit risk. Geographically the credit risk is significantly concentrated in Oman.

The Group has established credit policies and procedures that are considered appropriate and commensurate with the nature and age of receivables.

As per the credit policy of the Group, customers are extended a credit period of up to 120 days in the normal course of business. The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external ratings (if available) or to historical information about counterparty default rates:

	2025	2024
	<u>₹</u> '000	<u>₹</u> '000
<i>Trade debtors</i>		
<i>Counterparties without external credit rating</i>		
Not due	24,254	29,935
Past due below 4 months	5,500	4,296
Past due over 4 months	8,878	7,173
	<u>38,632</u>	<u>41,404</u>

The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and due from related parties. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristic and the days past due. The expected loss rates are based on payment profiles of the trade receivables and corresponding historical credit loss experience which are adjusted to reflect current and forward-looking information based on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has identified Gross Domestic Product of Oman to be the most relevant factor and accordingly, adjust the historical loss rates based on expected changes in the factor. The ageing and risk profile of the trade receivables based on the Group's provision matrix are detailed in note 11.

**Notes to the consolidated financial statements
for the year ended 31 December 2025 (continued)****27. Financial risk management (continued)****Credit risk (continued)***Trade receivables and due from related parties (continued)*

Financial assets are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group.

Balances with banks

The Group limits its exposure to credit risk by placing balances only with reputable financial institutions. Management considers the credit risk exposure to be minimal as the Group only deals with reputable banks. Management does not expect any losses to arise from non-performance by these counterparties.

Other financial assets at amortised cost

Other financial assets at amortised cost include due from related parties and investment in debt instruments. Other financial assets at amortised cost are considered to have low credit risk, and the loss allowance considered during the year was therefore limited to 12 months expected losses. Management believes that the expected credit loss on the above category of financial assets is not material and hence no loss allowance was made for such financial assets at 31 December 2025 and 2024.

Management has considered ECL provision on term deposit balances based on external credit ratings of the banks.

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always 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. The Group limits its liquidity risk by ensuring bank facilities are available. The Group's credit terms require the amounts to be paid within 90 days from the date of invoice. Accounts payable are also normally settled within 90 days of the date of purchase.

Typically the Group ensures that it has sufficient cash on demand 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. As of 31 December 2025, the Group has sufficient undrawn facilities to its meet its obligations as they fall due.

The table below analyses the Group's non-derivative financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. Derivative financial liabilities are included in the analysis if their contractual maturities are essential for an understanding of the timing of the cash flows. The amounts disclosed in the table are the contractual undiscounted cash flows.

**Notes to the consolidated financial statements
for the year ended 31 December 2025 (continued)**
27. Financial risk management (continued)
Liquidity risk (continued)

31 December 2025	Carrying amount ₹'000	Contractual cash flows ₹'000	Up to 1 year ₹'000	2 years to 5 years ₹'000	More than 5 years ₹'000
<i>Non-derivative financial liabilities</i>					
Borrowings	51,239	63,726	16,829	20,414	26,483
Lease liabilities	6,700	20,310	350	1,478	18,482
Trade and other payables (including non-current payables)	22,988	22,993	22,755	38	-
	80,927	107,029	39,934	21,930	44,965
<hr/>					
31 December 2024	Carrying amount ₹'000	Contractual cash flows ₹'000	Up to 1 year ₹'000	2 years to 5 years ₹'000	More than 5 years ₹'000
<i>Non-derivative financial liabilities</i>					
Borrowings	54,957	73,448	13,634	24,987	34,827
Lease liabilities	6,280	20,088	315	1,016	18,757
Trade and other payables (including non-current payables)	27,556	27,566	27,502	64	-
	88,793	121,102	41,451	26,067	53,584
	88,793	121,102	41,451	26,067	53,584

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The Group avails opportunities of restructuring of existing financial liabilities, in order to manage market risks. All such transactions are carried out within the guidelines set by the Board of Directors of the Group.

Foreign exchange risk

Foreign exchange risk is the risk of loss arising from adverse movements in foreign exchange rates. Foreign exchange risks may arise through the unexpected changes in exchange rates that may alter the value of non-OMR denominated cash payments from group's non-OMR assets and liabilities on and off the consolidated statement of financial position.

Substantially all of the Group's operating, investing and financing activities are denominated in Rial Omani (₹) and Dirhams, except certain payables include amounts due in foreign currencies which are pegged to US Dollars accordingly the impact of foreign currency risk on the Group's consolidated financial statements is considered to be insignificant.

**Notes to the consolidated financial statements
for the year ended 31 December 2025 (continued)**

27. Financial risk management (continued)

Market risk (continued)

Interest rate risk

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations carrying floating interest rates.

The Group's policy is to manage its interest rate exposure through using a mix of fixed and variable interest rate debts.

As at 31 December 2025, the Group's borrowings included ₺39,164 thousand (2024: ₺40,575 thousand) long term loan at variable rate of interest.

Profile

At the reporting date the interest rate profile of the Group's interest-bearing financial instruments was:

	Carrying amount	
	2025	2024
	₺'000	₺'000
Fixed rate instruments		
Financial assets – deposits	10,000	10,000
Financial liabilities	12,075	14,382
Variable rate instruments		
Financial liabilities	39,164	40,575

Fair value sensitivity analysis for fixed and variable rate instruments

The sensitivity of the consolidated statement of profit or loss and other comprehensive income to reasonably possible changes in interest rates, with all other variables held constant is the effect of the assumed changes in interest rates on the Group's profit for one year, based on the fixed and variable rate financial assets and financial liabilities held at 31 December 2025.

The following table demonstrates the sensitivity of the consolidated statement of profit or loss and other comprehensive income to reasonably possible changes in interest rates, with all other variables held constant:

	Increase (+)/ decrease (-) in Basis Points	Effect on profit for the year 2025 ₺'000	Effect on profit for the year 2024 ₺'000
Long term loans	(+) 15	(67)	(82)
Deposits	(-) 15	(15)	(15)

**Notes to the consolidated financial statements
for the year ended 31 December 2025 (continued)**

27. Financial risk management (continued)

Market risk (continued)

Other market price risk

Equity price risk arises from FVOCI securities. Management of the Group monitors the mix of debt and equity securities in its investment portfolio based on overall economic environment. Material investments within the portfolio are managed on an individual basis.

Capital 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 benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Group's capital employed consists mainly of capital, retained earnings and long-term debt. Management believes that the current level of capital is sufficient to sustain the Group's continuing operations and to safeguard its ability to continue as a going concern. The Group's debt to adjusted capital ratio at the end of the reporting period was as follows:

	2025 ₹'000	2024 ₹'000
Borrowings	51,239	54,957
Cash and bank balances	(13,846)	(17,078)
Net debt	<u>37,393</u>	<u>37,879</u>
Equity	<u>104,919</u>	<u>105,529</u>
Capital and net debt	<u>142,312</u>	<u>143,408</u>
Gearing ratio (%)	<u>26.27%</u>	<u>26.41%</u>
Net Debt to equity ratio	<u>0.36</u>	<u>0.36</u>

There were no changes in the Group's approach to capital management during the year. As disclosed in note 15 to the consolidated financial statements, the Group is subject to certain financial covenants from its borrowing arrangements.

**Notes to the consolidated financial statements
for the year ended 31 December 2025 (continued)**

28. Financial instruments

Financial instruments by category

	2025	2024
	₺'000	₺'000
Assets		
<i>Financial assets at FVTOCI</i>		
Financial Investments	5,621	4,583
<i>Financial assets at FVTPL</i>		
Financial investments	6,460	2,540
<i>Financial assets at amortised cost</i>		
Trade receivables (net of ECL)	35,849	38,650
Due from related parties	181	371
Cash and bank balances	13,846	17,078
	<u>61,957</u>	<u>63,222</u>
	₺'000	₺'000
Liabilities		
<i>Financial liabilities at amortised cost</i>		
Borrowings	51,239	54,957
Due to related parties	157	222
Trade and other payables (including non-current payables)	22,740	27,334
Lease liabilities	6,700	6,280
	<u>80,836</u>	<u>88,793</u>

Fair value hierarchy

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

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

	Level 1	Level 2	Level 3	Total
	₺'000	₺'000	₺'000	₺'000
31 December 2025				
Investments at FVTOCI	5,190	-	431	5,621
Investments at FVTPL	6,460	-	-	6,460
	<u>11,650</u>	<u>-</u>	<u>431</u>	<u>12,081</u>

**Notes to the consolidated financial statements
for the year ended 31 December 2025 (continued)**

28. Financial instruments (continued)

Fair value hierarchy (continued)

	Level 1 S'000	Level 2 S'000	Level 3 S'000	Total S'000
31 December 2024				
Investments at FVTOCI	4,159	-	424	4,583
Investments at FVTPL	2,540	-	-	2,540
	6,699	-	424	7,123
	6,699	-	424	7,123

There were no transfers between levels 2 and 3 during the year. The fair values of financial liabilities are determined using similar valuation techniques and assumptions as used for the year ended 31 December 2025. The fair values of other financial instruments are not materially different from their carrying values.

29. Events after the reporting date

The Group's board has approved acquisition of 100% shares of Socat LLC, an entity registered under the commercial companies' law of Oman at S 1,356 thousand on 12 January 2026 as part of its inorganic growth prospects.

30. Going concern

The directors have at the time of approving the consolidated financial statements, a reasonable expectation that the Group have adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the consolidated financial statements.

31. Approval of consolidated financial statements

The consolidated financial statements were approved by the Board of Directors and authorised for issue on 19 February 2026.

RENAISSANCE SERVICES SAOG AND ITS SUBSIDIARIES

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Schedules to the consolidated financial statements

Statement of financial position (Parent Company) as at 31 December 2025

	2025 ₺'000	2024 ₺'000
ASSETS		
Non-current assets		
Property and equipment	40,706	44,644
Investment in subsidiaries	39,739	39,844
Deferred tax asset	142	71
Financial investments at FVTOCI	5,621	4,583
Total non-current assets	86,208	89,142
Current assets		
Financial investments at FVTPL	4,855	1,740
Inventories	915	1,305
Trade and other receivables	18,404	18,171
Cash and bank balances	8,760	12,239
Total current assets	32,934	33,455
Total assets	119,142	122,597
EQUITY AND LIABILITIES		
EQUITY		
Share capital	23,641	23,641
Share premium	26,936	26,936
Treasury shares held by the liquidity provider	(180)	(247)
Reserve on trading in treasury shares	(50)	(8)
Legal reserve	7,880	7,880
Fair value reserve	1,595	665
Retained earnings	37,143	33,292
Total equity	96,965	92,159
LIABILITIES		
Non-current liabilities		
Borrowings	-	5,360
Provision for employees' end of service benefits	697	1,455
Total non-current liabilities	697	6,815
Current liabilities		
Borrowings	8,701	8,992
Trade and other payables	4,660	7,695
Provision for income tax	8,119	6,936
Total current liabilities	21,480	23,623
Total liabilities	22,177	30,438
Total equity and liabilities	119,142	122,597
Net assets per share (₺)	0.411	0.391

Schedules to the consolidated financial statements(continued)

Statement of profit or loss and other comprehensive income (Parent Company)
for the year ended 31 December 2025

	2025 ₹'000	2024 ₹'000
Revenue	43,432	38,841
Operating costs	(31,964)	(23,185)
Gross profit	11,468	15,656
Investment and other income	3,567	4,451
Administrative expenses	(2,577)	(4,671)
Profit before finance cost and tax	12,458	15,436
Finance cost – net	(390)	(996)
Profit before tax	12,068	14,440
Taxation	(1,125)	(1,686)
Profit for the year	10,943	12,754
Other comprehensive income		
<i>Items that may be reclassified subsequently to profit or loss in subsequent periods</i>		
Fair value gain on financial investments – debt	10	149
<i>Items that will not to be reclassified to profit or loss in subsequent periods</i>		
Fair value gain on financial investments - equity	1,034	(26)
Income tax relating to items that will not be reclassified to profit or loss in subsequent periods	(114)	-
Other comprehensive income for the year	930	123
Total comprehensive income for the year	11,873	12,877
Basic and diluted earnings per share (₹)	0.046	0.054

RENAISSANCE SERVICES SAOG AND ITS SUBSIDIARIES

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Schedules to the consolidated financial statements (continued)

Statement of changes in equity (Parent Company) for the year ended 31 December 2025

	Share capital ₹'000	Share premium ₹'000	Treasury shares held by the liquidity provider ₹'000	Reserve on trading in treasury shares ₹'000	Legal reserve ₹'000	Fair value reserve ₹'000	Retained earnings ₹'000	Total ₹'000
1 January 2024	23,641	26,936	-	-	7,880	542	27,630	86,629
Profit for the year	-	-	-	-	-	-	12,754	12,754
Other comprehensive income for the year	-	-	-	-	-	123	-	123
Total comprehensive income for the year	-	-	-	-	-	123	12,754	12,877
Treasury shares traded through Liquidity provider	-	-	(247)	(8)	-	-	-	(255)
Dividend paid	-	-	-	-	-	-	(7,092)	(7,092)
1 January 2025	23,641	26,936	(247)	(8)	7,880	665	33,292	92,159
Profit for the year	-	-	-	-	-	-	10,943	10,943
Other comprehensive income for the year	-	-	-	-	-	930	-	930
Total comprehensive income for the year	-	-	-	-	-	930	10,943	11,873
Treasury shares traded through Liquidity provider	-	-	67	(42)	-	-	-	25
Dividend paid	-	-	-	-	-	-	(7,092)	(7,092)
31 December 2025	23,641	26,936	(180)	(50)	7,880	1,595	37,143	96,965

RENAISSANCE SERVICES SAOG AND ITS SUBSIDIARIES

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Schedules to the consolidated financial statements (continued)

Statement of cash flows (Parent Company) for the year ended 31 December 2025

	2025 ₹ '000	2024 ₹ '000
Cash flows operating activities		
Profit before income tax	12,068	14,440
Adjustments for:		
Depreciation of property and equipment	4,593	4,266
(Gain)/ loss on disposal of property and equipment	(5)	(2)
Provision for impairment of investment in a subsidiary	-	505
Allowance for expected credit losses	221	2,509
Fair value gain (Unrealised) on investments designated as FVTPL	(3)	(4)
Fair value gain (Realised) on investments designated as FVTPL	(48)	(164)
Dividend from subsidiaries and investment income	(3,409)	(3,426)
Provision for employees' end of service benefits	47	137
Interest charge on bank borrowings and lease liabilities	923	1,381
Interest income on deposits	(554)	(417)
Operating profit before changes in working capital:	13,833	19,225
Working capital changes:		
Inventories	390	(406)
Trade and other receivables	(429)	(4,964)
Trade and other payables	(3,035)	(1,244)
Cash generated from operations	10,759	12,611
Payment of employees' end of service benefits	(805)	(326)
Income tax paid	(127)	(1,109)
Net cash from operating activities	9,827	11,176
Cash flows from investing activities		
Acquisition of property and equipment	(655)	(2,701)
Proceeds from disposal of property and equipment	5	2
Investment in instruments designated as FVTPL (net)	(3,064)	(695)
Proceeds from disposal of investment designated as FVTOCI	6	2,435
Dividend and other investment income received	3,409	3,426
Movement in subordinated loan to a subsidiary	105	(594)
Net movement in term deposits (including interest received)	555	(4,584)
Net cash generated from/ (used in) investing activities	361	(2,711)
Cash flows from financing activities		
Dividends paid	(7,092)	(7,092)
Deposit with liquidity provider	-	(300)
Finance cost paid	(817)	(1,195)
Short term loan (net)	3,234	-
Inter-company loan	-	6,994
Repayment of bank borrowings (excluding short term loan)	(8,992)	(8,450)
Net cash used in financing activities	(13,667)	(10,043)
Net change in cash and cash equivalents during the year	(3,479)	(1,578)
Cash and cash equivalents at beginning of the year	4,239	5,817
Cash and cash equivalents at the end of the year	760	4,239