



ريسوت للأسمنت
Raysut Cement

الشريك الإستراتيجي للنمو
Strategic Partner for Growth

RAYSUT CEMENT COMPANY SAOG AND ITS SUBSIDIARIES

CONDENSED INTERIM SEPARATE AND CONSOLIDATED FINANCIAL INFORMATION
FOR THE NINE MONTHS PERIOD ENDED
30 September 2024

Registered office and principal place of business:

Salalah – Raysut Industrial Area
P.O. Box 1020, PC 211
Salalah
Sultanate of Oman

Raysut Cement Company SAOG and its Subsidiaries

CONDENSED INTERIM SEPARATE AND CONSOLIDATED FINANCIAL INFORMATION
for the nine months period ended 30 September 2024

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Raysut Cement Company SAOG and its Subsidiaries

Condensed interim separate and consolidated statement of financial position
as at 30 September 2024

	Notes	Parent		Consolidated	
		30-Sep-2024	31-Dec-2023	30-Sep-2024	31-Dec-2023
		(unaudited)	(audited)	(unaudited)	(audited)
		RO	RO	RO	RO
ASSETS					
Non-current assets					
Goodwill	4	-	-	3,335,872	3,335,872
Property, plant and equipment	5	56,839,097	59,494,078	97,365,094	103,263,314
Right-of-use assets	6	2,155,911	2,324,213	5,736,575	6,067,534
Investment in associates	7	113,343	-	264,674	-
Investment in subsidiaries	8	30,025,940	30,025,940	-	-
Deferred tax asset		-	-	225,638	242,722
Total non-current assets		89,134,291	91,844,231	106,927,853	112,909,442
Current assets					
Inventories	10	16,431,617	13,555,010	22,780,180	20,716,057
Trade receivables	11	1,872,332	2,436,285	4,727,935	6,285,166
Financial assets at fair value through profit or loss	12	3,111,462	3,185,737	3,111,462	3,185,737
Prepayments, advances and other receivables	13	2,192,751	1,862,133	1,721,561	1,987,832
Cash and bank balances	14	855,430	411,727	1,353,338	1,687,943
Total current assets		24,463,592	21,450,892	33,694,476	33,862,735
Total assets		113,597,883	113,295,123	140,622,329	146,772,177
EQUITY AND LIABILITIES					
Equity					
Share capital	15	20,000,000	20,000,000	20,000,000	20,000,000
Share premium	16	13,456,873	13,456,873	13,456,873	13,456,873
Legal reserve	17	6,666,667	6,666,667	6,666,667	6,666,667
Asset replacement reserve	18	3,647,566	3,647,566	3,647,566	3,647,566
Voluntary reserve	19	6,352,434	6,352,434	6,352,434	6,352,434
Accumulated losses		(49,822,837)	(46,710,309)	(44,558,616)	(39,024,175)
Equity attributable to owners of the Parent		300,703	3,413,231	5,564,924	11,099,365
Non-controlling interest		-	-	354,737	439,961
Total equity		300,703	3,413,231	5,919,661	11,539,326
LIABILITIES					
Non-current liabilities					
Borrowings	20	27,329,625	29,289,525	37,438,478	40,310,251
Lease liabilities	21	2,018,462	2,429,927	5,968,067	6,433,947
Other liabilities	24.1	12,996,768	12,996,768	12,996,768	12,996,768
Deferred tax liability		1,513,000	1,513,000	1,513,000	1,513,000
End of service benefits	23	681,048	710,303	1,202,967	1,293,756
Total non-current liabilities		44,538,903	46,939,523	59,119,280	62,547,722
Current liabilities					
Borrowings	20	4,283,307	4,071,543	6,005,425	5,965,016
Lease liabilities	21	328,672	162,727	571,762	403,556
Trade and other payables	24	45,632,061	40,241,187	48,735,513	45,245,230
Other liabilities	24.1	12,322,158	12,322,158	12,322,158	12,322,158
Short term borrowings	25	6,192,079	6,144,754	7,874,453	8,596,110
Income tax payable		-	-	74,077	153,059
Total current liabilities		68,758,277	62,942,369	75,583,388	72,685,129
Total liabilities		113,297,180	109,881,892	134,702,668	135,232,851
Total equity and liabilities		113,597,883	113,295,123	140,622,329	146,772,177
Net assets per share	34	0.002	0.017	0.028	0.055

This condensed interim separate and consolidated financial information was approved by the Board of Directors on 9 November 2024 and signed on its behalf by:

Shabib Mohammed Al Darmaki
Chairman

Hilal Al Dhamri
Acting Chief Executive Officer

Ashraf Azmi Atmeh
Chief Financial Officer

The notes 1 to 39 form an integral part of this condensed interim separate and consolidated financial information.

Raysut Cement Company SAOG and its Subsidiaries

Condensed interim separate and consolidated statement of comprehensive income
for the nine months period ended 30 September 2024

	Notes	Parent				Consolidated			
		Nine months period ended		Quarter ended		Nine months period ended		Quarter ended	
		30-Sep-2024	30-Sep-2023	30-Sep-2024	30-Sep-2023	30-Sep-2024	30-Sep-2023	30-Sep-2024	30-Sep-2023
		(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)
		RO	RO	RO	RO	RO	RO	RO	RO
Revenue	26	26,628,812	28,744,066	9,467,842	8,506,951	48,821,533	49,300,183	17,249,834	15,798,870
Cost of sales	27	(21,714,526)	(21,061,248)	(7,375,415)	(6,342,978)	(43,298,114)	(40,233,997)	(14,397,280)	(13,065,726)
Gross profit		4,914,286	7,682,818	2,092,427	2,163,973	5,523,419	9,066,186	2,852,554	2,733,144
General and administrative expenses	28	(2,583,080)	(3,120,897)	(806,385)	(1,056,253)	(4,153,164)	(4,541,978)	(1,471,084)	(1,665,193)
Selling and distribution expenses	30	(2,582,428)	(2,803,568)	(913,757)	(835,037)	(3,050,429)	(3,394,279)	(1,060,872)	(1,022,811)
Other income	31	120,060	204,939	112,796	1,768	138,167	365,223	115,640	177,414
Operating (loss)/profit		(131,162)	1,963,292	485,081	274,451	(1,542,007)	1,495,152	436,238	222,554
Finance cost - net	32	(3,109,397)	(3,417,655)	(1,043,432)	(1,205,845)	(4,357,020)	(4,693,742)	(1,462,427)	(1,755,512)
Investment income	33	202,306	96,014	58,985	-	143,321	96,014	-	-
Share of profit from associate	7	-	-	-	-	210,316	-	210,316	-
Fair value loss on financial assets at FVTPL		(74,275)	(102,013)	(133,622)	(61,608)	(74,275)	(102,013)	(133,622)	(61,608)
Loss before tax		(3,112,528)	(1,460,362)	(632,988)	(993,002)	(5,619,665)	(3,204,589)	(949,495)	(1,594,566)
Income tax expense		-	(103,932)	-	-	-	(147,976)	13,605	(14,790)
Loss for the period		(3,112,528)	(1,564,294)	(632,988)	(993,002)	(5,619,665)	(3,352,565)	(935,890)	(1,609,356)
Other comprehensive income		-	-	-	-	-	-	-	-
Total comprehensive loss for the period		(3,112,528)	(1,564,294)	(632,988)	(993,002)	(5,619,665)	(3,352,565)	(935,890)	(1,609,356)
Attributable to:									
Owners of the Parent		(3,112,528)	(1,564,294)	(632,988)	(993,002)	(5,534,441)	(3,374,368)	(918,399)	(1,609,382)
Non-controlling interest		-	-	-	-	(85,224)	21,803	(17,491)	26
		(3,112,528)	(1,564,294)	(632,988)	(993,002)	(5,619,665)	(3,352,565)	(935,890)	(1,609,356)
Basic and diluted loss per share	35	(0.016)	(0.008)	(0.003)	(0.005)	(0.028)	(0.017)	(0.005)	(0.008)

The notes 1 to 39 form an integral part of this condensed interim separate and consolidated financial information.

Raysut Cement Company SAOG and its Subsidiaries

Condensed interim separate and consolidated statement of changes in equity
for the nine months period ended 30 September 2024

Parent	Share capital RO	Share premium RO	Legal reserve RO	Asset replacement reserve RO	Voluntary reserve RO	Accumulated losses RO	Total RO
At 1 January 2023	20,000,000	13,456,873	6,666,667	3,647,566	6,352,434	(43,987,082)	6,136,458
Total comprehensive loss for the year	-	-	-	-	-	(2,723,227)	(2,723,227)
At 31 December 2023	<u>20,000,000</u>	<u>13,456,873</u>	<u>6,666,667</u>	<u>3,647,566</u>	<u>6,352,434</u>	<u>(46,710,309)</u>	<u>3,413,231</u>
At 1 January 2024	20,000,000	13,456,873	6,666,667	3,647,566	6,352,434	(46,710,309)	3,413,231
Total comprehensive loss for the period - unaudited	-	-	-	-	-	(3,112,528)	(3,112,528)
At 30 September 2024 - unaudited	<u>20,000,000</u>	<u>13,456,873</u>	<u>6,666,667</u>	<u>3,647,566</u>	<u>6,352,434</u>	<u>(49,822,837)</u>	<u>300,703</u>

The notes 1 to 39 form an integral part of this condensed interim separate and consolidated financial information.

Raysut Cement Company SAOG and its Subsidiaries

Condensed interim separate and consolidated statement of changes in equity (continued)
for the nine months period ended 30 September 2024

Consolidated	Share capital RO	Share premium RO	Legal reserve RO	Asset replacement reserve RO	Voluntary reserve RO	Accumulated losses RO	Total RO	Non- controlling interest RO	Total RO
At 1 January 2023	20,000,000	13,456,873	6,666,667	3,647,566	6,352,434	(33,849,583)	16,273,957	344,622	16,618,579
Loss for the year	-	-	-	-	-	(5,174,592)	(5,174,592)	95,339	(5,079,253)
Total comprehensive loss for the year	-	-	-	-	-	(5,174,592)	(5,174,592)	95,339	(5,079,253)
At 31 December 2023	<u>20,000,000</u>	<u>13,456,873</u>	<u>6,666,667</u>	<u>3,647,566</u>	<u>6,352,434</u>	<u>(39,024,175)</u>	<u>11,099,365</u>	<u>439,961</u>	<u>11,539,326</u>
At 1 January 2023	20,000,000	13,456,873	6,666,667	3,647,566	6,352,434	(39,024,175)	11,099,365	439,961	11,539,326
Loss for the period	-	-	-	-	-	(5,534,441)	(5,534,441)	(85,224)	(5,619,665)
Total comprehensive loss for the period - unaudited	-	-	-	-	-	(5,534,441)	(5,534,441)	(85,224)	(5,619,665)
At 30 September 2024 - unaudited	<u>20,000,000</u>	<u>13,456,873</u>	<u>6,666,667</u>	<u>3,647,566</u>	<u>6,352,434</u>	<u>(44,558,616)</u>	<u>5,564,924</u>	<u>354,737</u>	<u>5,919,661</u>

The notes 1 to 39 form an integral part of this condensed interim separate and consolidated financial information.

Raysut Cement Company SAOG and its Subsidiaries

Condensed interim separate and consolidated statement of cash flows
for the nine months period ended 30 September 2024

	<u>Notes</u>	<u>Parent</u>		<u>Consolidated</u>	
		<u>30-Sep-24</u>	<u>30-Sep-23</u>	<u>30-Sep-24</u>	<u>30-Sep-23</u>
		<u>(unaudited)</u>	<u>(unaudited)</u>	<u>(unaudited)</u>	<u>(unaudited)</u>
		<u>RO</u>	<u>RO</u>	<u>RO</u>	<u>RO</u>
Cash flows from operating activities					
Loss before taxation		(3,112,528)	(1,460,362)	(5,619,665)	(3,204,589)
Adjustments for:					
Depreciation of property, plant and equipment	27 & 28	2,987,770	3,169,096	4,651,587	4,744,104
Depreciation of right-of-use assets	27 & 28	168,302	168,302	330,959	302,470
Reversal of provision in Impairment in associate	31	(113,343)	-	(113,343)	-
Share of profit from associates	7	-	-	(210,316)	-
Provision for / (reversal of) allowance for expected credit losses		-	(198,495)	37,729	(320,232)
Allowance for slow-moving inventories	27	90,000	90,000	113,670	113,670
End of service benefits		-	(9,864)	23,728	38,647
Interest expense	32	3,010,667	3,339,599	4,021,866	4,417,674
Interest expense on lease liabilities	32	123,480	136,813	351,599	335,467
Investment income	33	(202,306)	(96,014)	(143,321)	(96,014)
Fair value change in financial assets at FVTPL		74,275	102,013	74,275	102,013
Operating cash flows before working capital changes		<u>2,912,974</u>	<u>5,241,088</u>	<u>3,405,425</u>	<u>6,433,210</u>
Changes in:					
Trade receivables		563,953	110,876	1,519,502	(3,140,133)
Prepayments and other receivables		(330,618)	(1,241,675)	266,271	1,727,928
Inventories		(2,853,264)	(3,449,963)	(2,064,450)	(4,061,170)
Trade and other payables		5,973,237	4,274,985	4,167,094	11,086,892
Cash generated from operations		<u>6,266,282</u>	<u>4,935,311</u>	<u>7,293,842</u>	<u>12,046,727</u>
End of service benefits paid		(29,255)	(1,976)	(114,517)	(45,449)
Income tax paid		-	(103,932)	(61,898)	(103,932)
Net cash generated from operating activities		<u>6,237,027</u>	<u>4,829,403</u>	<u>7,117,427</u>	<u>11,897,346</u>
Cash flows from investing activities					
Dividend income	33	202,306	96,014	202,306	96,014
Net additions to property, plant and equipment		(332,789)	(165,130)	1,246,633	(210,245)
Net cash generated from/(used in) investing activities		<u>(130,483)</u>	<u>(69,116)</u>	<u>1,448,939</u>	<u>(114,231)</u>
Cash flows from financing activities					
Term loans (net of repayment)		(1,748,136)	(1,076,247)	(2,831,365)	(3,238,560)
Repayment of lease liabilities		(245,520)	(223,900)	(297,674)	(263,609)
Repayment of interest on lease liabilities		(123,480)	(136,813)	(351,599)	(335,467)
Movement in short term loans - net		111,747	623,296	(657,235)	(2,260,405)
Finance costs paid		(3,593,030)	(3,339,599)	(4,698,677)	(4,417,674)
Net cash used in financing activities		<u>(5,598,419)</u>	<u>(4,153,263)</u>	<u>(8,836,550)</u>	<u>(10,515,715)</u>
Net changes in cash and cash equivalents during the period		<u>508,125</u>	<u>607,024</u>	<u>(270,183)</u>	<u>1,267,400</u>
Cash and cash equivalents at the beginning of the period		(444,986)	(1,685,006)	831,230	(584,813)
Cash and cash equivalents at the end of the period	38	<u>63,139</u>	<u>(1,077,982)</u>	<u>561,047</u>	<u>682,587</u>

Raysut Cement Company SAOG and its Subsidiaries

Notes to the condensed interim separate and consolidated financial information
for the nine months period ended 30 September 2024

1. Legal status and principal activities

Raysut Cement Company SAOG (the "Parent Company" or the "Parent" or the "Company") was formed in 1981 by Ministerial Decision No. 7/81 and is registered in the Sultanate of Oman as a public joint stock company. The Company and its subsidiaries and associate (see below) are together referred to as the "Group".

The principal activities of the Parent Company are the production and sale of ordinary portland cement, sulphur resistant cement, oil well class 'G' cement and pozzolana well cement. The registered office of the Parent Company is at Salalah, P.O. Box 1020, Postal Code 211, Sultanate of Oman.

The principal activities of the subsidiaries and associate are set out below:

<u>Subsidiary companies</u>	<u>Country of incorporation</u>	<u>Shareholding percentage %</u>		<u>Principal activities</u>
		<u>30-Sep-2024</u>	<u>31-Dec-2023</u>	
Duqm Cement Factory LLC	Sultanate of Oman	100	100	Production and sale of cement
Pioneer Cement Industries ('Pioneer')	United Arab Emirates	100	100	Production and sale of cement
Pioneer Cement Industries Georgia Limited*	Georgia	100	100	Limestone quarry
Raysut Burwaqo Cement Company LLC ('RBCC')***	Sultanate of Oman	51	51	Wholesale of cement and plastic
Raysut Cement Company (Branch)**	United Arab Emirates	100	100	Limestone quarry
Raysut Cement Trading Madagascar***	Madagascar	100	100	Trading activity
Raysut Maldives Cement Private Limited	Republic of Maldives	75	75	Trading activity
Sohar Cement Factory SPC (formerly Sohar Cement Factory LLC)	Sultanate of Oman	100	100	Production and sale of cement
<u>Associate companies</u>	<u>Country of incorporation</u>	<u>Shareholding percentage %</u>		<u>Principal activities</u>
		<u>30-Sep-2024</u>	<u>31-Dec-2023</u>	
Mukalla Raysut for Manufacturing and Trading Company Limited	Republic of Yemen	49	49	Importing, exporting, packing and marketing of cement products.

This condensed interim financial information represents the results of operations of the Parent Company on a standalone basis and consolidated with its subsidiaries (the "Group").

*Pioneer Cement Industries Georgia Limited is a subsidiary of Pioneer Cement Industries.

**The Branch is held by Pioneer Cement Industries for the beneficial interest of the Parent Company. Accordingly, the condensed interim results of operations and condensed interim financial position of the Branch have been consolidated in this condensed interim separate and consolidated financial information.

***Raysut Burwaqo Cement Company LLC ('RBCC') and Raysut Cement Trading Madagascar are in-active and non-operative companies.

Notes to the condensed interim separate and consolidated financial information
for the nine months period ended 30 September 2024

2. Basis of preparation

This condensed interim separate and consolidated financial information for the Nine months period ended 30 September 2024 has been prepared in accordance with International Accounting Standard (IAS) 34 "Interim Financial Reporting", and the requirements set out in the rules for disclosures issued by the Financial Services Authority of the Sultanate of Oman. This condensed interim separate and consolidated financial information should be read in conjunction with the separate and consolidated financial statements for the year ended 31 December 2023, which have been prepared in accordance with International Financial Reporting Standards (IFRSs). This condensed interim separate and consolidated financial information does not contain all information and disclosures required for full financial statements prepared in accordance with IFRSs. In addition, results for the Nine months period ended 30 September 2024 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2024.

3. Material accounting policies

3.1 New and revised standards that are effective for annual periods beginning on or after 1 January 2024

Some accounting pronouncements which have become effective from 1 January 2024 and have therefore been adopted do not have a significant impact on the condensed interim separate and consolidated financial information.

3.2 Estimates

The preparation of condensed interim separate and consolidated financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this condensed interim separate and consolidated financial information the significant judgements made by management in applying the accounting policies and the key sources of estimation uncertainty were the same as those applied to the separate and consolidated financial statements for the year ended 31 December 2023.

3.3 Going concern assumption

During the Nine months period ended 30 September 2024, the Group has reported a loss of RO 5,619,665 and as at that date, the current liabilities exceeded current assets by RO 41,888,912. The Management is working under the guidance of the Board of Directors to improve its operations and believes it is appropriate to prepare the condensed interim separate and consolidated financial information on going concern basis based on the following:

- The Group's net equity is positive in the amount of RO 5,919,661 as at 30 September 2024;
- Group's net cash flows from operating activities are positive in the amount of RO 7,117,427 during the Nine months period ended 30 September 2024;
- The Management is further evaluating options of raising additional capital; and
- Various cost control measures have been implemented by the Management to improve the profitability of the Group.

As described above, the Management has a reasonable expectation that the Group will be able to arrange adequate resources or defer its financing outflows to continue in operational existence without a significant curtailment of its current level of activities for the foreseeable future. If, for any reason, the Group is unable to continue as a going concern, then this could have an impact on the Group's ability to realise assets at their recognized values and to extinguish liabilities in the normal course of business at the amounts stated in the condensed interim separate and consolidated financial information.

Raysut Cement Company SAOG and its Subsidiaries

Notes to the condensed interim separate and consolidated financial information
for the nine months period ended 30 September 2024

3. Material accounting policies (continued)

3.4 Investment in subsidiaries

Investments in subsidiaries are stated at cost less accumulated impairment losses, if any.

3.5 Investment in associate

Associates are entities over which the Company has significant influence but not control. Investments in associate is carried at cost less accumulated impairment losses, if any.

4. Goodwill

Goodwill was recognized as a result of acquisition of Pioneer Cement Industries, Sohar Cement Factory SPC (formerly Sohar Cement Factory LLC) and Raysut Maldives Cement Private Limited. Goodwill represents the excess of the cost of acquiring shares in these subsidiary companies over the aggregate fair value of the net assets.

The carrying amount of goodwill at the reporting date is allocated to each of the cash-generating units is as follows:

	Consolidated	
	<u>30-Sep-2024</u>	<u>31-Dec-2023</u>
	<u>(unaudited)</u>	<u>(audited)</u>
	<u>RO</u>	<u>RO</u>
Pioneer Cement Industries, UAE	45,798,586	45,798,586
Less: impairment loss	(45,798,586)	(45,798,586)
Sohar Cement Factory SPC (formerly Sohar Cement Factory LLC), Oman	818,482	818,482
Raysut Maldives Cement Pvt. Ltd., Maldives	2,517,390	2,517,390
	<u>3,335,872</u>	<u>3,335,872</u>

At 31 December 2023, management had tested the goodwill for impairment in accordance with IAS 36 *Impairment of Assets*. In the opinion of management, there is no change in the goodwill at the reporting date.

Raysut Cement Company SAOG and its Subsidiaries

Notes to the condensed interim separate and consolidated financial information
for the nine months period ended 30 September 2024

5. Property, plant and equipment

Parent	Land, buildings civil works and mines <u>RO</u>	Plant and machinery <u>RO</u>	Motor vehicles <u>RO</u>	Furniture and fixtures <u>RO</u>	Office equipment <u>RO</u>	Vehicles, equipment and tools <u>RO</u>	Lease hold vehicles <u>RO</u>	Capital work-in- progress <u>RO</u>	Total <u>RO</u>
Cost									
At 1 January 2023	37,188,858	89,721,575	314,135	255,601	1,684,646	10,103,823	240,100	12,684,622	152,193,360
Additions	-	-	-	-	-	-	-	417,880	417,880
Transfers	-	762,069	-	-	-	145,716	-	(907,785)	-
At 31 December 2023	<u>37,188,858</u>	<u>90,483,644</u>	<u>314,135</u>	<u>255,601</u>	<u>1,684,646</u>	<u>10,249,539</u>	<u>240,100</u>	<u>12,194,717</u>	<u>152,611,240</u>
At 1 January 2024	37,188,858	90,483,644	314,135	255,601	1,684,646	10,249,539	240,100	12,194,717	152,611,240
Additions	-	132,833	-	-	-	24,594	-	175,362	332,789
Disposals / write off	-	-	-	-	-	-	-	-	-
At 30 September 2024	<u>37,188,858</u>	<u>90,616,477</u>	<u>314,135</u>	<u>255,601</u>	<u>1,684,646</u>	<u>10,274,133</u>	<u>240,100</u>	<u>12,370,079</u>	<u>152,944,029</u>
Accumulated depreciation									
At 1 January 2023	23,155,128	56,181,758	309,134	238,716	1,386,636	7,445,425	205,775	-	88,922,572
Charge for the year	996,140	2,281,487	5,001	6,957	170,067	700,613	34,325	-	4,194,590
At 31 December 2023	<u>24,151,268</u>	<u>58,463,245</u>	<u>314,135</u>	<u>245,673</u>	<u>1,556,703</u>	<u>8,146,038</u>	<u>240,100</u>	<u>-</u>	<u>93,117,162</u>
At 1 January 2024	24,151,268	58,463,245	314,135	245,673	1,556,703	8,146,038	240,100	-	93,117,162
Charge for the period	745,584	1,658,018	-	4,688	93,051	486,429	-	-	2,987,770
At 30 September 2024	<u>24,896,852</u>	<u>60,121,263</u>	<u>314,135</u>	<u>250,361</u>	<u>1,649,754</u>	<u>8,632,467</u>	<u>240,100</u>	<u>-</u>	<u>96,104,932</u>
Net carrying value									
At 30 September 2024	<u>12,292,006</u>	<u>30,495,214</u>	<u>-</u>	<u>5,240</u>	<u>34,892</u>	<u>1,641,666</u>	<u>-</u>	<u>12,370,079</u>	<u>56,839,097</u>
At 31 December 2023	<u>13,037,590</u>	<u>32,020,399</u>	<u>-</u>	<u>9,928</u>	<u>127,943</u>	<u>2,103,501</u>	<u>-</u>	<u>12,194,717</u>	<u>59,494,078</u>

The property, plant and equipment are mortgaged against borrowings obtained from banks (Note 20).

Raysut Cement Company SAOG and its Subsidiaries

Notes to the condensed interim separate and consolidated financial information
for the nine months period ended 30 September 2024

5. Property, plant and equipment (continued)

Consolidated	Land, buildings civil works and mines RO	Plant and machinery RO	Motor vehicles RO	Lease hold vehicles RO	Furniture and fixtures RO	Office equipment RO	Vehicles, equipment and tools RO	Capital work-in- progress RO	Total RO
Cost									
At 1 January 2023	53,094,374	142,176,187	612,719	240,100	476,682	2,364,356	13,477,891	28,041,934	240,484,243
Additions	-	995	-	-	3,697	4,544	36,962	2,304,950	2,351,148
Transfers	-	762,069	-	-	-	-	158,003	(934,408)	(14,336)
At 31 December 2023	<u>53,094,374</u>	<u>142,939,251</u>	<u>612,719</u>	<u>240,100</u>	<u>480,379</u>	<u>2,368,900</u>	<u>13,672,856</u>	<u>29,412,476</u>	<u>242,821,055</u>
At 1 January 2024	53,094,374	142,939,251	612,719	240,100	480,379	2,368,900	13,672,856	29,412,476	242,821,055
Additions	3,223	301,193	-	-	272	1,717	24,594	175,362	506,361
Disposal	-	-	-	-	-	-	(10)	-	(10)
Transfers	-	-	-	-	-	-	-	(1,752,984)	(1,752,984)
At 30 September 2024	<u>53,097,597</u>	<u>143,240,444</u>	<u>612,719</u>	<u>240,100</u>	<u>480,651</u>	<u>2,370,617</u>	<u>13,697,440</u>	<u>27,834,854</u>	<u>241,574,422</u>
Accumulated depreciation									
At 1 January 2023	35,531,016	76,724,696	542,083	205,775	429,683	1,845,240	10,210,076	7,638,858	133,127,427
Charge for the year	1,660,505	3,592,347	16,745	34,325	15,000	180,772	930,620	-	6,430,314
At 31 December 2023	<u>37,191,521</u>	<u>80,317,043</u>	<u>558,828</u>	<u>240,100</u>	<u>444,683</u>	<u>2,026,012</u>	<u>11,140,696</u>	<u>7,638,858</u>	<u>139,557,741</u>
At 1 January 2024	37,191,521	80,317,043	558,828	240,100	444,683	2,026,012	11,140,696	7,638,858	139,557,741
Charge for the year	1,238,992	2,634,901	7,618	-	11,268	128,756	630,052	-	4,651,587
At 30 September 2024	<u>38,430,513</u>	<u>82,951,944</u>	<u>566,446</u>	<u>240,100</u>	<u>455,951</u>	<u>2,154,768</u>	<u>11,770,748</u>	<u>7,638,858</u>	<u>144,209,328</u>
Net carrying value									
At 30 September 2024	<u>14,667,084</u>	<u>60,288,500</u>	<u>46,273</u>	<u>-</u>	<u>24,700</u>	<u>215,849</u>	<u>1,926,692</u>	<u>20,195,996</u>	<u>97,365,094</u>
At 31 December 2023	<u>15,902,853</u>	<u>62,622,208</u>	<u>53,891</u>	<u>-</u>	<u>35,696</u>	<u>342,888</u>	<u>2,532,160</u>	<u>21,773,618</u>	<u>103,263,314</u>

Raysut Cement Company SAOG and its Subsidiaries

Notes to the condensed interim separate and consolidated financial information
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5. Property, plant and equipment (continued)

The limestone mining rights of Pioneer Cement Industries located in UAE and Georgia are included in property, plant and equipment in the amount of RO 485,367 (2023: RO 593,427).

Depreciation is allocated for the period/year as follows:

	<u>Parent</u>		<u>Consolidated</u>	
	<u>30-Sep-2024</u>	<u>31-Dec-2023</u>	<u>30-Sep-2024</u>	<u>31-Dec-2023</u>
	<u>(unaudited)</u>	<u>(audited)</u>	<u>(unaudited)</u>	<u>(audited)</u>
	<u>RO</u>	<u>RO</u>	<u>RO</u>	<u>RO</u>
Cost of sales	2,870,788	3,995,887	4,466,417	6,136,376
General and administrative expenses	116,982	198,703	185,170	293,938
	<u>2,987,770</u>	<u>4,194,590</u>	<u>4,651,587</u>	<u>6,430,314</u>

6. Right-of-use assets

<u>Parent</u>	<u>Leasehold properties</u>
<u>RO</u>	<u>RO</u>
Cost	
At 1 January 2023	3,446,229
At 31 December 2023	<u>3,446,229</u>
At 1 January 2024	3,446,229
At 30 September 2024	<u>3,446,229</u>
Accumulated depreciation	
At 1 January 2023	897,614
Charge for the year	224,402
At 31 December 2023	<u>1,122,016</u>
At 1 January 2024	1,122,016
Charge for the period	168,302
At 30 September 2024	<u>1,290,318</u>
Net carrying value	
At 30 September 2024	<u>2,155,911</u>
At 31 December 2023	<u>2,324,213</u>
Consolidated	
Cost	
At 1 January 2023	7,289,716
Additions	689,350
At 31 December 2023	<u>7,979,066</u>
At 1 January 2024	7,979,066
Additions	-
At 30 September 2024	<u>7,979,066</u>
Accumulated depreciation	
At 1 January 2023	1,470,252
Charge for the year	441,280
At 31 December 2023	<u>1,911,532</u>
At 1 January 2024	1,911,532
Charge for the period	330,959
At 30 September 2024	<u>2,242,491</u>
Net carrying value	
At 30 September 2024	<u>5,736,575</u>
At 31 December 2023	<u>6,067,534</u>

The Parent Company has been granted leasehold rights by late His Majesty Sultan Qaboos bin Said for the use of land, on which the factory has been constructed, for a period of thirty years from 1 July 1984. Current policy of the Ministry has changed from long term lease tenure to yearly lease. The Parent Company has applied for the extension of lease period and does so on yearly basis. The Parent Company has considered the lease term considering all relevant factors.

Buildings of the subsidiary, Pioneer Cement Industries, are constructed and the site development is carried out on a plot of land leased from RAK Investment Authority for a period of 25 years. Upon its expiry, the lease can be renewed for a further term and on the conditions to be decided by the parties at that time.

Buildings of the subsidiary, Sohar Cement Factory SPC, are constructed and the site development is carried out on a plot of land leased from Ministry for a period of 25 years. Upon its expiry, the lease can be renewed for a further term and on the conditions to be decided by the parties at that time.

Raysut Cement Company SAOG and its Subsidiaries

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6. Right-of-use assets (continued)

In 2021, subsidiary Company, Duqm Cement Factory LLC, recognised right-of-use assets and lease liabilities relating to the leasehold land with a period of 30 years. Upon its expiry, the lease can be renewed for a further term and on same conditions.

Depreciation is allocated as follows:

	<u>Parent</u>		<u>Consolidated</u>	
	<u>30-Sep-2024</u>	<u>31-Dec-2023</u>	<u>30-Sep-2024</u>	<u>31-Dec-2023</u>
	<u>(unaudited)</u>	<u>(audited)</u>	<u>(unaudited)</u>	<u>(audited)</u>
	<u>RO</u>	<u>RO</u>	<u>RO</u>	<u>RO</u>
Cost of sales	135,667	180,889	246,005	328,007
General and administrative expenses	-	-	52,319	69,760
Selling and distribution expenses	32,635	43,513	32,635	43,513
	<u>168,302</u>	<u>224,402</u>	<u>330,959</u>	<u>441,280</u>

7. Investment in an associate

	<u>Parent</u>		<u>Consolidated</u>	
	<u>30-Sep-2024</u>	<u>31-Dec-2023</u>	<u>30-Sep-2024</u>	<u>31-Dec-2023</u>
	<u>(unaudited)</u>	<u>(audited)</u>	<u>(unaudited)</u>	<u>(audited)</u>
	<u>RO</u>	<u>RO</u>	<u>RO</u>	<u>RO</u>
Cost	113,343	113,343	113,343	113,343
Add: Share of profit at the beginning of year	-	-	210,316	
Less: Dividend received during the period			(58,985)	
Less: Impairment	-	(113,343)	-	(113,343)
	<u>113,343</u>	<u>-</u>	<u>264,674</u>	<u>-</u>

8. Investment in subsidiaries

	<u>Parent</u>		<u>Consolidated</u>	
	<u>30-Sep-2024</u>	<u>31-Dec-2023</u>	<u>30-Sep-2024</u>	<u>31-Dec-2023</u>
	<u>(unaudited)</u>	<u>(audited)</u>	<u>(unaudited)</u>	<u>(audited)</u>
	<u>RO</u>	<u>RO</u>	<u>RO</u>	<u>RO</u>
Pioneer Cement Industries, UAE			66,532,035	66,532,035
Less: Provision for impairment of investment			(52,522,928)	(52,522,928)
			<u>14,009,107</u>	<u>14,009,107</u>
Sohar Cement Factory SPC, Oman			12,524,568	12,524,568
Raysut Burwaqo Cement Company LLC, Somalia			102,000	102,000
Raysut Maldives Cement Private Ltd, Maldives			3,240,265	3,240,265
Raysut Cement Trading Madagascar			99	99
Less: Provision for impairment of investment			(99)	(99)
Duqm Cement Factory LLC, Oman			150,000	150,000
			<u>30,025,940</u>	<u>30,025,940</u>

On 30 December 2010, the Parent Company acquired 100% ordinary shares of Pioneer Cement Industries ('Pioneer'). Pioneer was incorporated on 24 September 2004 in Ras Al Khaimah, UAE.

On 19 May 2019, the Parent Company acquired 100% ordinary shares of Sohar Cement Factory SPC ('SCF'). SCF was incorporated on 14 September 2011 in Sohar, Sultanate of Oman as a limited liability company and converted to single person company in the year 2020.

Investment in Raysut Burwaqo Cement Company ('RBCC') represents 51% (2023: 51%) equity interest. RBCC was incorporated in January 2017 in the Sultanate of Oman. RBCC has not commenced its commercial operations as of the reporting date.

On 12 August 2020, the Parent Company acquired 75% ordinary shares of Raysut Maldives Cement Pvt Ltd ('Raysut Maldives') formerly Lafarge Maldives Cement Private Limited. Raysut Maldives was incorporated on 2 September 1998 in K' Male, Republic of Maldives.

Investment in Duqm Cement Factory LLC. ('DCF') represents 100% equity interest. DCF was incorporated in November 2019 in the Sultanate of Oman. DCF is a grinding unit in Duqm region which is under construction phase.

On 1 July 2021, the Parent Company acquired 100% ordinary shares of Raysut Cement Trading Madagascar. The Company is engaged in trading activity of Cement and related products.

Summarized financial information in respect of subsidiaries is set out below:

	<u>Total assets</u>	<u>Total liabilities</u>	<u>Net assets</u>	<u>Revenue</u>	<u>Profit / (loss)</u>
<u>30 September 2024</u>	<u>RO</u>	<u>RO</u>	<u>RO</u>	<u>RO</u>	<u>RO</u>
Pioneer Cement Industries	40,981,594	17,898,912	23,082,682	12,894,284	(2,181,194)
Sohar Cement Factory SPC	23,873,810	13,093,653	10,780,157	9,145,768	58,976
Raysut Burwaqo Cement Company	147,074	750	146,324	-	(750)
Raysut Maldives Cement Private Ltd.	2,259,718	1,127,567	1,132,151	1,624,489	(177,031)
Raysut Cement Trading Madagascar	768,883	1,897,704	(1,128,821)	-	-
Duqm Cement Factory LLC	8,399,947	11,179,864	(2,779,917)	-	(358,469)
	<u>Total assets</u>	<u>Total liabilities</u>	<u>Net assets</u>	<u>Revenue</u>	<u>Profit / (loss)</u>
	<u>RO</u>	<u>RO</u>	<u>RO</u>	<u>RO</u>	<u>RO</u>
31 December 2023					
Pioneer Cement Industries	44,844,138	19,580,264	25,263,874	18,312,410	(1,801,100)
Sohar Cement Factory SPC	25,335,438	14,614,255	10,721,183	15,472,140	(662,628)
Raysut Burwaqo Cement Company	149,074	2,000	147,074	-	(751)
Raysut Maldives Cement Private Ltd.	2,652,792	1,181,215	1,471,577	2,986,736	185,317
Raysut Cement Trading Madagascar	768,883	1,897,704	(1,128,821)	-	-
Duqm Cement Factory LLC	10,152,563	12,574,010	(2,421,447)	-	(193,575)

Raysut Cement Company SAOG and its Subsidiaries

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9. Financial assets at fair value through other comprehensive income

	<u>Parent</u>		<u>Consolidated</u>	
	<u>30-Sep-2024</u>	<u>31-Dec-2023</u>	<u>30-Sep-2024</u>	<u>31-Dec-2023</u>
	<u>(unaudited)</u>	<u>(audited)</u>	<u>(unaudited)</u>	<u>(audited)</u>
	<u>RO</u>	<u>RO</u>	<u>RO</u>	<u>RO</u>
Unquoted local equity investment	125,000	125,000	125,000	125,000
Less: provision for impairment	(125,000)	(125,000)	(125,000)	(125,000)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

10. Inventories

	<u>Parent</u>		<u>Consolidated</u>	
	<u>30-Sep-2024</u>	<u>31-Dec-2023</u>	<u>30-Sep-2024</u>	<u>31-Dec-2023</u>
	<u>(unaudited)</u>	<u>(audited)</u>	<u>(unaudited)</u>	<u>(audited)</u>
	<u>RO</u>	<u>RO</u>	<u>RO</u>	<u>RO</u>
Raw materials	1,093,933	1,050,798	1,821,064	1,410,794
Work-in-progress	11,743,542	8,939,884	13,377,399	11,632,819
Finished goods	2,968,709	3,164,538	4,057,747	4,003,094
Provision for inventories [note 10.1]	(3,413,267)	(3,413,267)	(3,413,267)	(3,413,267)
	<u>12,392,917</u>	<u>9,741,953</u>	<u>15,842,943</u>	<u>13,633,440</u>
Spares and consumables	7,056,772	6,741,129	10,939,774	10,971,484
Allowance for slow-moving spares [note 10.2]	(3,018,072)	(2,928,072)	(4,002,537)	(3,888,867)
	<u>16,431,617</u>	<u>13,555,010</u>	<u>22,780,180</u>	<u>20,716,057</u>

10.1 Movement in provision for inventories is as follows:

	<u>Parent</u>		<u>Consolidated</u>	
	<u>30-Sep-2024</u>	<u>31-Dec-2023</u>	<u>30-Sep-2024</u>	<u>31-Dec-2023</u>
	<u>(unaudited)</u>	<u>(audited)</u>	<u>(unaudited)</u>	<u>(audited)</u>
	<u>RO</u>	<u>RO</u>	<u>RO</u>	<u>RO</u>
At 1 January	3,413,267	3,413,267	3,413,267	3,413,267
Charge for the period/year	-	-	-	-
	<u>3,413,267</u>	<u>3,413,267</u>	<u>3,413,267</u>	<u>3,413,267</u>

10.2 Movement in allowance for slow-moving spares is as follows:

	<u>Parent</u>		<u>Consolidated</u>	
	<u>30-Sep-2024</u>	<u>31-Dec-2023</u>	<u>30-Sep-2024</u>	<u>31-Dec-2023</u>
	<u>(unaudited)</u>	<u>(audited)</u>	<u>(unaudited)</u>	<u>(audited)</u>
	<u>RO</u>	<u>RO</u>	<u>RO</u>	<u>RO</u>
At 1 January	2,928,072	2,808,072	3,888,867	3,490,537
Charge for the period/year	90,000	120,000	113,670	398,330
	<u>3,018,072</u>	<u>2,928,072</u>	<u>4,002,537</u>	<u>3,888,867</u>

11. Trade receivables

	<u>Parent</u>		<u>Consolidated</u>	
	<u>30-Sep-2024</u>	<u>31-Dec-2023</u>	<u>30-Sep-2024</u>	<u>31-Dec-2023</u>
	<u>(unaudited)</u>	<u>(audited)</u>	<u>(unaudited)</u>	<u>(audited)</u>
	<u>RO</u>	<u>RO</u>	<u>RO</u>	<u>RO</u>
Trade receivables	12,117,339	12,329,722	17,728,316	19,012,273
Due from related parties [note 39(a)]	13,215,925	13,567,495	11,469,004	11,820,268
	<u>25,333,264</u>	<u>25,897,217</u>	<u>29,197,320</u>	<u>30,832,541</u>
Less: allowance for expected credit losses on trade receivables	(11,123,536)	(11,119,136)	(13,878,910)	(13,952,806)
Less: allowance for expected credit losses on due from related parties	(12,337,396)	(12,341,796)	(10,590,475)	(10,594,569)
	<u>1,872,332</u>	<u>2,436,285</u>	<u>4,727,935</u>	<u>6,285,166</u>

Details of gross exposure of trade receivables are set out below:

	<u>Parent</u>		<u>Consolidated</u>	
	<u>30-Sep-2024</u>	<u>31-Dec-2023</u>	<u>30-Sep-2024</u>	<u>31-Dec-2023</u>
	<u>(unaudited)</u>	<u>(audited)</u>	<u>(unaudited)</u>	<u>(audited)</u>
	<u>RO</u>	<u>RO</u>	<u>RO</u>	<u>RO</u>
Not due	968,603	1,250,018	2,851,382	3,132,798
Past due but not impaired	903,729	1,186,267	1,876,553	3,152,368
Past due and impaired	23,460,932	23,460,932	24,469,385	24,547,375
	<u>25,333,264</u>	<u>25,897,217</u>	<u>29,197,320</u>	<u>30,832,541</u>

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11. Trade receivables (continued)

The movement in allowance for impairment of trade receivables is as follows:

	Parent		Consolidated	
	30-Sep-2024	31-Dec-2023	30-Sep-2024	31-Dec-2023
	(unaudited)	(audited)	(unaudited)	(audited)
	RO	RO	RO	RO
At 1 January	23,460,932	22,451,815	24,547,375	22,774,676
Charge for the period/year	-	1,009,117	(77,990)	1,772,699
	<u>23,460,932</u>	<u>23,460,932</u>	<u>24,469,385</u>	<u>24,547,375</u>

12. Financial assets at fair value through profit or loss

	Parent and Consolidated	
	30-Sep-2024	31-Dec-2023
	(unaudited)	(audited)
	RO	RO
Fair value		
Bank Dhofar SAOG, Oman	2,700,829	2,752,437
Dhofar Insurance Company SAOG, Oman	143,333	166,000
Dhofar University SAOC, Oman	267,300	267,300
	<u>3,111,462</u>	<u>3,185,737</u>
Cost		
Bank Dhofar SAOG	1,229,700	1,229,700
Dhofar Insurance Company SAOG	29,600	29,600
Dhofar University SAOC	300,000	300,000
	<u>1,559,300</u>	<u>1,559,300</u>

Movement in fair value of financial assets at fair value through profit or loss is as follows:

	Parent and Consolidated	
	30-Sep-2024	31-Dec-2023
	(unaudited)	(audited)
	RO	RO
At 1 January	3,185,737	3,417,111
Fair value changes	(74,275)	(231,374)
	<u>3,111,462</u>	<u>3,185,737</u>

Bank Dhofar SAOG and Dhofar Insurance Company SAOG shares are pledged against short term borrowings (Note 25).

13. Prepayments, advances and other receivables

	Parent		Consolidated	
	30-Sep-2024	31-Dec-2023	30-Sep-2024	31-Dec-2023
	(unaudited)	(audited)	(unaudited)	(audited)
	RO	RO	RO	RO
Advances and deposits	3,048,730	3,207,572	4,660,590	4,694,364
Less: allowances for impairment	(2,980,166)	(2,985,451)	(3,920,048)	(3,920,048)
	<u>68,564</u>	<u>222,121</u>	<u>740,542</u>	<u>774,316</u>
Other receivables from related parties [note 39(b)]	23,117,000	22,663,484	15,804,632	15,804,632
Less: allowance for impairment [note 39(b)]	(21,227,881)	(21,222,596)	(15,804,632)	(15,804,632)
	<u>1,889,119</u>	<u>1,440,888</u>	<u>-</u>	<u>-</u>
Receivable from tax authorities	559,139	559,139	559,139	559,139
Less: allowance for impairment	(559,139)	(559,139)	(559,139)	(559,139)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Prepayments	-	-	92,333	83,773
VAT, net	235,068	199,124	268,777	483,393
Advances to staff	-	-	37,510	56,963
Other receivables	1,779,646	1,779,646	2,362,045	2,369,033
Less: Provision for impairment loss	(1,779,646)	(1,779,646)	(1,779,646)	(1,779,646)
	<u>-</u>	<u>-</u>	<u>582,399</u>	<u>589,387</u>
	<u>2,192,751</u>	<u>1,862,133</u>	<u>1,721,561</u>	<u>1,987,832</u>

Raysut Cement Company SAOG and its Subsidiaries

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13. Prepayments, advances and other receivables (continued)

The movement in allowance for impairment of advances and other receivables is as follows:

	<u>Parent</u>		<u>Consolidated</u>	
	<u>30-Sep-2024</u>	<u>31-Dec-2023</u>	<u>30-Sep-2024</u>	<u>31-Dec-2023</u>
	<u>(unaudited)</u>	<u>(audited)</u>	<u>(unaudited)</u>	<u>(audited)</u>
	<u>RO</u>	<u>RO</u>	<u>RO</u>	<u>RO</u>
At 1 January	26,546,832	25,868,700	22,063,465	21,879,039
Charge for the period/year	-	678,132	-	184,426
	<u>26,546,832</u>	<u>26,546,832</u>	<u>22,063,465</u>	<u>22,063,465</u>

14. Cash and bank balances

	<u>Parent</u>		<u>Consolidated</u>	
	<u>30-Sep-2024</u>	<u>31-Dec-2023</u>	<u>30-Sep-2024</u>	<u>31-Dec-2023</u>
	<u>(unaudited)</u>	<u>(audited)</u>	<u>(unaudited)</u>	<u>(audited)</u>
	<u>RO</u>	<u>RO</u>	<u>RO</u>	<u>RO</u>
Cash in hand	11,362	8,883	29,005	34,499
Cash at bank:				
Current accounts	842,620	398,362	1,322,885	1,648,962
Call deposits	1,448	4,482	1,448	4,482
	<u>855,430</u>	<u>411,727</u>	<u>1,353,338</u>	<u>1,687,943</u>

Call deposits are placed with the commercial banks at interest rates ranging from 0.5% to 1.5% (2023: 0.5% - 1.5%) per annum. There are no restrictions on bank balances at the time of approval of the condensed interim separate and consolidated financial information.

15. Share capital

	<u>Parent</u>	
	<u>30-Sep-2024</u>	<u>31-Dec-2023</u>
	<u>(unaudited)</u>	<u>(audited)</u>
	<u>RO</u>	<u>RO</u>
Authorised share capital	21,000,000	21,000,000
Issued and paid up share capital	20,000,000	20,000,000

The authorised share capital of the Parent Company represents 210,000,000 (2023: 210,000,000) ordinary shares of RO 0.100 each and issued and paid up share capital of the Parent Company represents 200,000,000 ordinary shares of RO 0.100 each.

The Shareholders who own 10% or more of the Parent Company's share capital are:

	<u>% Share holding</u>		<u>Shares held</u>	
	<u>30-Sep-2024</u>	<u>31-Dec-2023</u>	<u>30-Sep-2024</u>	<u>31-Dec-2023</u>
	<u>(unaudited)</u>	<u>(audited)</u>	<u>(unaudited)</u>	<u>(audited)</u>
Abu Dhabi Fund for Development, UAE	15.00	15.00	30,000,000	30,000,000
Social Protection Fund	14.97	-	29,946,009	-
Islamic Development Bank	11.71	11.71	23,415,000	23,415,000
Dolphin International	10.33	10.33	20,657,710	20,657,710
Schwenk Cement Nederland B.V.	10.00	10.00	20,001,001	20,001,001
	<u>62.01</u>	<u>47.04</u>	<u>124,019,720</u>	<u>94,073,711</u>
Others	37.99	52.96	75,980,280	105,926,289
	<u>100.00</u>	<u>100.00</u>	<u>200,000,000</u>	<u>200,000,000</u>

16. Share premium

In the years 1988, 1994, 2005 and 2006, the Parent Company made an offering of shares to the public at a premium. As a result of these offerings, a share premium account with an amount of RO 13,456,873 was established. Share premium account is not available for distribution.

17. Legal reserve

As per Article no 132 of Commercial Companies Law of the Sultanate of Oman, 2019 requires that 10% of the Parent Company's net profit be transferred to a non-distributable legal reserve until the amount of the legal reserve becomes equal to one-third of the Parent Company's issued share capital. During the period, the Parent Company has not transferred to these reserves as the stipulated limit has already been reached.

18. Asset replacement reserve

The Board of Directors had resolved that 5% of the Parent Company's net profit for the year be transferred to a reserve for the purpose of replacement of capital assets until the amount together with any other voluntary reserves reach one half of the Parent Company's issued capital. During the period, the Parent Company has not transferred to these reserves as the stipulated limit has already been reached.

19. Voluntary reserve

The Board of Directors had resolved that 10% of the Parent Company's net profit to be transferred to voluntary reserve. During the period, the Parent Company has not transferred to this reserve as the stipulated limit has already been reached.

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20. Borrowings

	<u>Parent</u>		<u>Consolidated</u>	
	<u>30-Sep-2024</u>	<u>31-Dec-2023</u>	<u>30-Sep-2024</u>	<u>31-Dec-2023</u>
	<u>(unaudited)</u>	<u>(audited)</u>	<u>(unaudited)</u>	<u>(audited)</u>
	<u>RO</u>	<u>RO</u>	<u>RO</u>	<u>RO</u>
Non-current portion				
Bank Nizwa SAOG	10,565,726	11,165,726	10,565,726	11,165,726
Bank Dhofar SAOG	3,300,000	3,899,377	3,300,000	3,899,377
Sohar International Bank	3,644,036	4,112,570	3,644,036	4,112,570
Al Masraf Bank	-	-	8,484,214	8,475,092
Ahli Bank SAOG	1,920,000	2,370,000	6,364,109	6,814,109
Alizz Bank	-	-	2,688,100	3,646,709
Loan from a subsidiary company	6,347,991	6,348,609	-	-
Taageer Finance	649,190	749,249	1,489,611	1,552,674
SME Development Fund	902,682	1,390,328	902,682	1,390,328
Transaction costs deferred	-	(746,334)	-	(746,334)
	<u>27,329,625</u>	<u>29,289,525</u>	<u>37,438,478</u>	<u>40,310,251</u>
Current portion				
Bank Nizwa SAOG	600,000	-	600,000	-
Bank Dhofar SAOG	1,200,000	1,200,623	1,200,000	1,200,623
Sohar International Bank	937,068	937,068	937,068	937,068
Al Masraf Bank	-	-	366,632	649,625
Ahli Bank SAOG	600,000	600,000	600,000	600,000
Alizz Bank	-	-	1,613,100	1,673,519
Loan from a subsidiary company	366,632	649,007	-	-
Taageer Finance	131,392	119,691	240,410	339,027
SME Development Fund	641,885	593,499	641,885	593,499
Transaction costs deferred	(193,670)	(28,345)	(193,670)	(28,345)
	<u>4,283,307</u>	<u>4,071,543</u>	<u>6,005,425</u>	<u>5,965,016</u>
	<u>31,612,932</u>	<u>33,361,068</u>	<u>43,443,903</u>	<u>46,275,267</u>

Parent

A loan of RO 32 million was obtained from Bank Dhofar SAOG which is repayable in 20 semi-annual variable instalments starting from December 2012. The loan is secured by a first pari pasu charge over fixed assets of the Parent Company and assignment of insurance policies along with other banks. In 2016, the term loan was converted into USD without changing the repayment schedule. In August 2021 loan outstanding of RO 5.1 million was rescheduled in 11 un-equal installments, repayment starting from December 2021 to December 2026. The rate of interest is 3 months LIBOR + 400 bps (presently SOFR + 400 bps) (with minimum all in interest rate of 5% per annum) applied and payable in quarterly installments. Repayment of the principal has not commenced yet and deferment of the principal repayment is extended by the bank up to September 2024.

A loan of RO 13.125 million at 7% interest was obtained from Sohar International Bank which was repayable in 14 equal semi-annual instalments starting from December 2016, to prepay loans that were at higher rate. The loan is secured by a first pari pasu charge over the fixed assets of the Parent Company and assignment of insurance policies along with other banks. In December 2021 outstanding loan RO 5.049 was rescheduled in 9 un-equal installments starting from September 2024, at a rate of interest of 7% per annum applied and payable in quarterly installments.

Wakala Bel Istithmar (financing by Investment agency) of RO 12 million was obtained through Islamic finance from a commercial bank and carries a profit rate of 6.35% per annum. The facility is secured against a first Pari pasu charge over fixed assets of the Parent Company. In December 2021, outstanding facility was rescheduled in 23 un-equal installments starting from March 2023, at a profit rate of 7% per annum applied and payable in quarterly installments. The loan was further rescheduled in 2023 with repayment of principal starting from September 2025 with 14 unequal quarterly instalments, with a profit rate of 7.50% p.a.

The Parent Company obtained a loan from one of the subsidiaries, Pioneer Cement Industries, which is repayable over 8 years with the first quarterly instalment payable in September 2019. The facility carries mark-up at 3 month EIBOR + 4% p.a. (minimum 5% p.a.).

The working capital overdraft of RO 3 million, initially acquired from Ahli Bank SAOG, was restructured in September 2022 into a term loan spanning 6 years. Repayment consists of 22 unequal quarterly installments commencing after the moratorium period ends in September 2023. This loan is secured by a pari-passu commercial mortgage on assets. The current interest rate stands at 6.5% (previously 7.00%) per annum, subject to semi-annual review.

Parent Company obtained term loan of RO 1 Million from Taageer Finance Company, repayable in 90 equal installments, with the annual interest rate of 8.06% p.a. The facility is secured against the mortgage of the equipment of the Company.

Parent Company obtained a term loan of RO 3 Million from SME Development Fund, repayable in 60 equal installments, with the annual interest rate of 5.79% per annum. The facility is secured against the mortgage of the plant and machinery of the subsidiary.

Subsidiary Companies

Pioneer Cement Industries, UAE

Pioneer Cement Industries, has obtained a commercial term loan facility from a local commercial bank repayable in 8 years with first quarterly instalment due in September 2019. The facility is secured against the commercial mortgage of the plant and machinery of the Company, promissory notes and corporate guarantee by the Parent Company and carries mark-up at 3 month EIBOR + 4% p.a. (minimum 6% p.a.).

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20. Borrowings (continued)

Sohar Cement Factory SPC, Oman

Diminishing Ijara'h facility of RO 11.5 million was obtained through Islamic finance from a commercial bank by Sohar Cement, carrying a profit rate of 6.25% (presently 7.50%) per annum on diminishing balances basis. The Ijara'h facility is repayable in 28 quarterly instalment of RO 410,715 each beginning from September 2019 and ending on March 2027. The Ijara'h facility is secured against i) sale undertaking of fixed assets by creditors; ii) Mortgage/ transfer from Usufruct/ assignment of Usufruct of the assets; iii) assignment of all Takaful proceeds or additions of the facility Agent as a loss payee; and (iv) corporate guarantee from the Parent Company.

Duqm Cement Factory LLC, Oman

A loan of RO 8.1 million was sanctioned from Ahli Bank SAOG for a period of 10 years and is repayable in 32 unequal quarterly instalments starting from end of moratorium period of 24 months starting from December 2020. In September 2022, the term loan was restructured for the amount utilized of RO 4.444 million with a capital moratorium of 2 years up to September 2024. The maturity of the loan will remain as per the initial loan agreement and the repayment will be in unequal quarterly installments.

The loan is secured by a i) usufruct mortgage over leased land where project is being constructed; ii) exclusive commercial mortgage over total Company assets covering 100% of facility exposure; iii) corporate guarantees of Raysut Cement Company SAOG, Sohar Cement Factory SPC and Pioneer Cement Industries. The rate of interest is 6.5% per annum to be reviewed semi annually.

Certain covenants as per terms of some banks as per the term agreement were not met at the reporting date and loan balances have continued to be classified consistently from the last year as the lenders have assured that facilities will not be recalled.

21. Lease liabilities

	<u>Parent</u>		<u>Consolidated</u>	
	<u>30-Sep-2024</u>	<u>31-Dec-2023</u>	<u>30-Sep-2024</u>	<u>31-Dec-2023</u>
	<u>(unaudited)</u>	<u>(audited)</u>	<u>(unaudited)</u>	<u>(audited)</u>
	<u>RO</u>	<u>RO</u>	<u>RO</u>	<u>RO</u>
Gross value of the lease liability against right-of-use assets	3,418,460	3,787,455	9,145,172	12,373,808
Future finance charges on finance leases	(1,071,326)	(1,194,801)	(2,605,343)	(5,536,305)
Present value of minimum lease payments	<u>2,347,134</u>	<u>2,592,654</u>	<u>6,539,829</u>	<u>6,837,503</u>
Maturity analysis of lease liabilities				
Due within 1 year – current portion	328,672	162,727	571,762	403,556
Due after one year but within five years	2,018,462	2,429,927	2,438,701	3,271,329
Due after five years	-	-	3,529,366	3,162,618
	<u>2,347,134</u>	<u>2,592,654</u>	<u>6,539,829</u>	<u>6,837,503</u>

22. Income tax

The Company is subject to income tax at the rate of 15% of the taxable income in accordance with the Income Tax Law of the Sultanate of Oman (2023: 15%).

23. End of service benefits

	<u>Parent</u>		<u>Consolidated</u>	
	<u>30-Sep-2024</u>	<u>31-Dec-2023</u>	<u>30-Sep-2024</u>	<u>31-Dec-2023</u>
	<u>(unaudited)</u>	<u>(audited)</u>	<u>(unaudited)</u>	<u>(audited)</u>
	<u>RO</u>	<u>RO</u>	<u>RO</u>	<u>RO</u>
At 1 January	710,303	532,595	1,293,756	1,112,866
Charge for the period/year	-	193,767	23,728	272,436
Adjustments	-	9,864	-	9,864
Paid during the period/year	(29,255)	(25,923)	(114,517)	(101,410)
	<u>681,048</u>	<u>710,303</u>	<u>1,202,967</u>	<u>1,293,756</u>

24. Trade and other payables

	<u>Parent</u>		<u>Consolidated</u>	
	<u>30-Sep-2024</u>	<u>31-Dec-2023</u>	<u>30-Sep-2024</u>	<u>31-Dec-2023</u>
	<u>(unaudited)</u>	<u>(audited)</u>	<u>(unaudited)</u>	<u>(audited)</u>
	<u>RO</u>	<u>RO</u>	<u>RO</u>	<u>RO</u>
Trade payables	30,394,480	26,845,141	36,800,724	33,936,411
Due to related parties [note 39(c)]	4,912,188	5,300,959	-	-
Accrued expenses	6,379,189	5,624,744	7,725,439	8,579,989
Customer advances	2,966,256	660,097	3,072,856	684,870
Accrued interest	858,189	1,440,552	858,189	1,535,000
Other payables	121,759	369,694	278,305	508,960
	<u>45,632,061</u>	<u>40,241,187</u>	<u>48,735,513</u>	<u>45,245,230</u>

24.1 Other liabilities

	<u>Parent</u>		<u>Consolidated</u>	
	<u>30-Sep-2024</u>	<u>31-Dec-2023</u>	<u>30-Sep-2024</u>	<u>31-Dec-2023</u>
	<u>(unaudited)</u>	<u>(audited)</u>	<u>(unaudited)</u>	<u>(audited)</u>
	<u>RO</u>	<u>RO</u>	<u>RO</u>	<u>RO</u>
Due after one year but within five years	12,996,768	12,996,768	12,996,768	12,996,768
Due within 1 year – current portion	12,322,158	12,322,158	12,322,158	12,322,158
	<u>25,318,926</u>	<u>25,318,926</u>	<u>25,318,926</u>	<u>25,318,926</u>

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25. Short term borrowings

	<u>Parent</u>		<u>Consolidated</u>	
	<u>30-Sep-2024</u>	<u>31-Dec-2023</u>	<u>30-Sep-2024</u>	<u>31-Dec-2023</u>
	<u>(unaudited)</u>	<u>(audited)</u>	<u>(unaudited)</u>	<u>(audited)</u>
	<u>RO</u>	<u>RO</u>	<u>RO</u>	<u>RO</u>
Short term loan	5,399,788	5,288,041	7,082,162	7,739,397
Overdrafts	792,291	856,713	792,291	856,713
	<u>6,192,079</u>	<u>6,144,754</u>	<u>7,874,453</u>	<u>8,596,110</u>

Parent Company

Short term loans are obtained from commercial banks carrying interest rates of 6% to 6.5% (2023: 6% to 6.5%) per annum for a period of 180 days and overdrafts are obtained from commercial banks at interest rates ranging from 5.5% to 6.5% (2023: 5.5% to 6.5%) per annum. The facilities are secured by the pledge of following securities:

- 1) Shares of Bank Dhofar SAOG and Dhofar Insurance SAOG 15,391,143 and 555,555 respectively (note 12).
- 2) Pari-Passu charge on commercial mortgage over the assets of the borrower.
- 3) Assignment of all insurance of all fixed assets (pari-passu with other lenders).

Subsidiary Company

Short term loan is obtained from commercial banks carrying an interest rate of 6% (2023: 6%) per annum for a period of 180 days.

26. Revenue

	<u>Parent</u>		<u>Consolidated</u>	
	<u>30-Sep-2024</u>	<u>30-Sep-2023</u>	<u>30-Sep-2024</u>	<u>30-Sep-2023</u>
	<u>(unaudited)</u>	<u>(unaudited)</u>	<u>(unaudited)</u>	<u>(unaudited)</u>
	<u>RO</u>	<u>RO</u>	<u>RO</u>	<u>RO</u>
Local sales	11,766,919	12,506,828	34,610,447	33,941,866
Export sales	14,861,893	16,237,238	14,211,086	15,358,317
	<u>26,628,812</u>	<u>28,744,066</u>	<u>48,821,533</u>	<u>49,300,183</u>

27. Cost of sales

	<u>Parent</u>		<u>Consolidated</u>	
	<u>30-Sep-2024</u>	<u>30-Sep-2023</u>	<u>30-Sep-2024</u>	<u>30-Sep-2023</u>
	<u>(unaudited)</u>	<u>(unaudited)</u>	<u>(unaudited)</u>	<u>(unaudited)</u>
	<u>RO</u>	<u>RO</u>	<u>RO</u>	<u>RO</u>
Raw materials consumed	2,017,292	2,753,018	8,942,493	7,374,101
Packing materials	1,013,841	1,280,586	1,623,816	1,534,500
Spares and consumables	1,075,350	1,537,940	1,894,633	2,139,605
Fuel, gas and electricity	11,799,978	12,102,331	19,506,361	22,205,679
Staff costs [note 29]	3,520,165	3,368,867	4,592,670	4,458,308
Depreciation	2,870,788	3,010,408	4,466,417	4,469,149
Depreciation on right-of-use assets	135,667	135,667	246,005	217,517
Other factory overheads	1,711,275	1,638,060	2,797,659	2,687,272
Purchased cement	-	-	721,811	728,891
Provision for slow moving spares	90,000	90,000	113,670	113,670
Movement in finished and semi-finished goods	(2,519,830)	(4,855,629)	(1,607,421)	(5,694,695)
	<u>21,714,526</u>	<u>21,061,248</u>	<u>43,298,114</u>	<u>40,233,997</u>

28. General and administrative expenses

	<u>Parent</u>		<u>Consolidated</u>	
	<u>30-Sep-2024</u>	<u>30-Sep-2023</u>	<u>30-Sep-2024</u>	<u>30-Sep-2023</u>
	<u>(unaudited)</u>	<u>(unaudited)</u>	<u>(unaudited)</u>	<u>(unaudited)</u>
	<u>RO</u>	<u>RO</u>	<u>RO</u>	<u>RO</u>
Staff costs [note 29]	1,733,160	1,614,666	2,415,757	2,207,137
Donations	-	12,540	-	12,540
Directors' fees and remuneration [note 39(f)]	25,743	173,500	35,186	180,245
Recruitment, training and seminars	5,614	6,490	5,614	6,490
Advertisement and business promotion	4,155	19,982	4,155	19,982
Travelling expenses	116,222	103,733	132,989	119,353
Communication expenses	34,089	15,347	72,215	51,997
Rent and utilities expenses	61,544	84,838	170,169	302,546
Depreciation	116,982	158,688	185,170	274,955
Depreciation of right-of-use assets	-	-	52,319	52,319
Professional fees	331,580	663,630	339,586	682,487
Legal expenses	112,913	136,912	244,541	362,086
Bank charges	6,854	44,353	45,097	102,945
Allowance for expected credit losses	-	-	37,729	-
Miscellaneous expenses	34,224	86,218	412,637	166,896
	<u>2,583,080</u>	<u>3,120,897</u>	<u>4,153,164</u>	<u>4,541,978</u>

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29. Staff costs

	<u>Parent</u>		<u>Consolidated</u>	
	<u>30-Sep-2024</u>	<u>30-Sep-2023</u>	<u>30-Sep-2024</u>	<u>30-Sep-2023</u>
	<u>(unaudited)</u>	<u>(unaudited)</u>	<u>(unaudited)</u>	<u>(unaudited)</u>
	<u>RO</u>	<u>RO</u>	<u>RO</u>	<u>RO</u>
Wages and salaries	4,378,525	4,460,947	5,195,701	4,604,865
Other benefits	588,430	333,449	1,467,601	1,822,932
Social security expense	286,370	189,137	321,399	189,137
End of service benefits [note 23]	-	-	23,728	48,511
	<u>5,253,325</u>	<u>4,983,533</u>	<u>7,008,428</u>	<u>6,665,445</u>

Staff costs are allocated as follows:

	<u>Parent</u>		<u>Consolidated</u>	
	<u>30-Sep-2024</u>	<u>30-Sep-2023</u>	<u>30-Sep-2024</u>	<u>30-Sep-2023</u>
	<u>(unaudited)</u>	<u>(unaudited)</u>	<u>(unaudited)</u>	<u>(unaudited)</u>
	<u>RO</u>	<u>RO</u>	<u>RO</u>	<u>RO</u>
Cost of sales [note 27]	3,520,165	3,368,867	4,592,670	4,458,308
General and administrative expenses [note 28]	1,733,160	1,614,666	2,415,757	2,207,137
	<u>5,253,325</u>	<u>4,983,533</u>	<u>7,008,427</u>	<u>6,665,445</u>

30. Selling and distribution expenses

	<u>Parent</u>		<u>Consolidated</u>	
	<u>30-Sep-2024</u>	<u>30-Sep-2023</u>	<u>30-Sep-2024</u>	<u>30-Sep-2023</u>
	<u>(unaudited)</u>	<u>(unaudited)</u>	<u>(unaudited)</u>	<u>(unaudited)</u>
	<u>RO</u>	<u>RO</u>	<u>RO</u>	<u>RO</u>
Export expenses	1,642,545	1,504,104	1,642,545	1,504,104
Shipping/terminal expenses	328,125	328,126	328,125	328,125
Transport charges	579,123	938,703	953,139	1,470,684
Depreciation on right-of-use assets	32,635	32,635	32,635	32,635
Others	-	-	93,985	58,731
	<u>2,582,428</u>	<u>2,803,568</u>	<u>3,050,429</u>	<u>3,394,279</u>

31. Other income

	<u>Parent</u>		<u>Consolidated</u>	
	<u>30-Sep-2024</u>	<u>30-Sep-2023</u>	<u>30-Sep-2024</u>	<u>30-Sep-2023</u>
	<u>(unaudited)</u>	<u>(unaudited)</u>	<u>(unaudited)</u>	<u>(unaudited)</u>
	<u>RO</u>	<u>RO</u>	<u>RO</u>	<u>RO</u>
Reversal of allowance for expected credit losses	-	198,495	-	320,232
Reversal of provision in impairment in associate	113,343	-	113,343	-
Other miscellaneous income	6,717	6,444	24,824	44,991
	<u>120,060</u>	<u>204,939</u>	<u>138,167</u>	<u>365,223</u>

32. Finance cost - net

	<u>Parent</u>		<u>Consolidated</u>	
	<u>30-Sep-2024</u>	<u>30-Sep-2023</u>	<u>30-Sep-2024</u>	<u>30-Sep-2023</u>
	<u>(unaudited)</u>	<u>(unaudited)</u>	<u>(unaudited)</u>	<u>(unaudited)</u>
	<u>RO</u>	<u>RO</u>	<u>RO</u>	<u>RO</u>
Interest expense on borrowings	2,839,667	3,169,473	3,850,866	4,247,548
Interest on overdrafts and others	171,000	170,126	171,000	170,126
Interest on lease liabilities	123,480	136,813	351,599	335,467
Net exchange (gain) / loss	(24,750)	(58,757)	(16,445)	(59,399)
	<u>3,109,397</u>	<u>3,417,655</u>	<u>4,357,020</u>	<u>4,693,742</u>

33. Investment income

	<u>Parent</u>		<u>Consolidated</u>	
	<u>30-Sep-2024</u>	<u>30-Sep-2023</u>	<u>30-Sep-2024</u>	<u>30-Sep-2023</u>
	<u>(unaudited)</u>	<u>(unaudited)</u>	<u>(unaudited)</u>	<u>(unaudited)</u>
	<u>RO</u>	<u>RO</u>	<u>RO</u>	<u>RO</u>
Dividend income on financial assets at FVTPL	143,321	96,014	143,321	96,014
Dividend income from associate	58,985	-	-	-
	<u>202,306</u>	<u>96,014</u>	<u>143,321</u>	<u>96,014</u>

34. Net assets per share

Net asset per share is calculated by dividing the net assets at the end of the reporting period by the number of shares outstanding at that day as follows:

	<u>Parent</u>		<u>Consolidated</u>	
	<u>30-Sep-2024</u>	<u>31-Dec-2023</u>	<u>30-Sep-2024</u>	<u>31-Dec-2023</u>
	<u>(unaudited)</u>	<u>(audited)</u>	<u>(unaudited)</u>	<u>(audited)</u>
Net assets (RO)	<u>300,703</u>	<u>3,413,231</u>	<u>5,564,924</u>	<u>11,099,365</u>
Number of shares outstanding	<u>200,000,000</u>	<u>200,000,000</u>	<u>200,000,000</u>	<u>200,000,000</u>
Net asset per share (RO)	<u>0.002</u>	<u>0.017</u>	<u>0.028</u>	<u>0.055</u>

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35. Basic and diluted loss per share

	<u>Parent</u>		<u>Consolidated</u>	
	<u>30-Sep-2024</u>	<u>30-Sep-2023</u>	<u>30-Sep-2024</u>	<u>30-Sep-2023</u>
	<u>(unaudited)</u>	<u>(unaudited)</u>	<u>(unaudited)</u>	<u>(unaudited)</u>
Net loss for the period (RO)	(3,112,528)	(1,564,294)	(5,534,441)	(3,374,368)
Weighted average number of shares	200,000,000	200,000,000	200,000,000	200,000,000
Basic and diluted loss per share	(0.016)	(0.008)	(0.028)	(0.017)

36. Commitments

	<u>Parent</u>		<u>Consolidated</u>	
	<u>30-Sep-2024</u>	<u>31-Dec-2023</u>	<u>30-Sep-2024</u>	<u>31-Dec-2023</u>
	<u>(unaudited)</u>	<u>(audited)</u>	<u>(unaudited)</u>	<u>(audited)</u>
	<u>RO</u>	<u>RO</u>	<u>RO</u>	<u>RO</u>
Capital commitments				
Civil and structural	21,760	393,502	21,760	393,502
Plant and machinery	22,100	38,000	22,100	38,000
Others	5,500	18,580	5,500	18,580
	<u>49,360</u>	<u>450,082</u>	<u>49,360</u>	<u>450,082</u>
Purchase commitments	<u>1,477,149</u>	<u>3,966,515</u>	<u>3,421,788</u>	<u>7,076,715</u>

Purchase commitments relates to the purchase orders of raw material, stores and spares and packing materials.

37. Contingent liabilities

	<u>Parent</u>		<u>Consolidated</u>	
	<u>30-Sep-2024</u>	<u>31-Dec-2023</u>	<u>30-Sep-2024</u>	<u>31-Dec-2023</u>
	<u>(unaudited)</u>	<u>(audited)</u>	<u>(unaudited)</u>	<u>(audited)</u>
	<u>RO</u>	<u>RO</u>	<u>RO</u>	<u>RO</u>
Letters of credit	-	27,704	-	27,704
Guarantee and performance bond	490,000	490,000	533,658	533,658
Relating to litigations	3,925,918	500,000	3,925,918	627,793
	<u>4,415,918</u>	<u>1,017,704</u>	<u>4,459,576</u>	<u>1,189,155</u>

38. Cash and cash equivalents

	<u>Parent</u>		<u>Consolidated</u>	
	<u>30-Sep-2024</u>	<u>31-Dec-2023</u>	<u>30-Sep-2024</u>	<u>31-Dec-2023</u>
	<u>(unaudited)</u>	<u>(audited)</u>	<u>(unaudited)</u>	<u>(audited)</u>
	<u>RO</u>	<u>RO</u>	<u>RO</u>	<u>RO</u>
Cash in hand	11,362	8,883	29,005	34,499
Cash at bank :				
Current accounts	842,620	398,362	1,322,885	1,648,962
Call deposits	1,448	4,482	1,448	4,482
Total cash and bank balances [note 14]	<u>855,430</u>	<u>411,727</u>	<u>1,353,338</u>	<u>1,687,943</u>
Bank overdrafts [note 25]	(792,291)	(856,713)	(792,291)	(856,713)
Cash and cash equivalents	<u>63,139</u>	<u>(444,986)</u>	<u>561,047</u>	<u>831,230</u>

39. Related party transactions and balances

Related parties include the shareholders, key management personnel, subsidiaries, associates and entities under common control. The Group has entered into transactions with its executive officers, directors, subsidiaries, associates and entities in which certain directors of the Group have an interest. In the ordinary course of business, the Group sells goods to related parties and purchases goods from, occupies the premises of and receives services from related parties. These transactions are entered into at mutually agreed terms and conditions.

Amounts due from related parties at the end of the reporting period are as follows:

39 (a) Due from related parties (trading receivables):

	<u>Parent</u>		<u>Consolidated</u>	
	<u>30-Sep-2024</u>	<u>31-Dec-2023</u>	<u>30-Sep-2024</u>	<u>31-Dec-2023</u>
	<u>(unaudited)</u>	<u>(audited)</u>	<u>(unaudited)</u>	<u>(audited)</u>
	<u>RO</u>	<u>RO</u>	<u>RO</u>	<u>RO</u>
Associate Company:				
Mukalla Raysut for Manufacturing and Trading Company Limited	888,889	1,240,153	888,889	1,240,153
Less: Allowance for impairment	(10,360)	(14,454)	(10,360)	(14,454)
Related parties:				
Raysut Maldives	21,923	22,229	-	-
Less: Allowance for impairment	(21,923)	(22,229)	-	-
Raysut Madagascar	1,724,998	1,724,998	-	-
Less: Allowance for impairment	(1,724,998)	(1,724,998)	-	-
RCC Trading DMCC	10,580,115	10,580,115	10,580,115	10,580,115
Less: Allowance for impairment	(10,580,115)	(10,580,115)	(10,580,115)	(10,580,115)
	<u>878,529</u>	<u>1,225,699</u>	<u>878,529</u>	<u>1,225,699</u>

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39. Related party transactions and balances (continued)

39 (b) Due from related parties (other receivables):

	<u>Parent</u>		<u>Consolidated</u>	
	<u>30-Sep-2024</u>	<u>31-Dec-2023</u>	<u>30-Sep-2024</u>	<u>31-Dec-2023</u>
	<u>(unaudited)</u>	<u>(audited)</u>	<u>(unaudited)</u>	<u>(audited)</u>
	<u>RO</u>	<u>RO</u>	<u>RO</u>	<u>RO</u>
Related parties:				
Raysea Navigation S.A	2,322,719	2,322,719	2,322,719	2,322,719
Less: Allowance for impairment	(2,322,719)	(2,322,719)	(2,322,719)	(2,322,719)
Sohar Cement Factory SPC	473,314	470,964	-	-
Less: Allowance for impairment	(5,516)	(5,489)	-	-
RCC Trading DMCC	10,475,564	10,475,564	10,475,564	10,475,564
Less: Allowance for impairment	(10,475,564)	(10,475,564)	(10,475,564)	(10,475,564)
RCC Holding Company	78,208	78,208	78,208	78,208
Less: Allowance for impairment	(78,208)	(78,208)	(78,208)	(78,208)
RCC MSG Somaliland	32,963	32,963	32,963	32,963
Less: Allowance for impairment	(32,963)	(32,963)	(32,963)	(32,963)
Duqm Cement Factory LLC	6,839,054	6,387,888	-	-
Less: Allowance for impairment	(5,417,733)	(5,412,475)	-	-
Associate Company:				
Mukalla Raysut for Manufacturing and Trading Company Limited	2,895,178	2,895,178	2,895,178	2,895,178
Less: Allowance for impairment	(2,895,178)	(2,895,178)	(2,895,178)	(2,895,178)
	<u>1,889,119</u>	<u>1,440,888</u>	<u>-</u>	<u>-</u>

Amounts due to related parties at the end of the reporting period are as follows:

39 (c) Due to related parties:

	<u>Parent</u>		<u>Consolidated</u>	
	<u>30-Sep-2024</u>	<u>31-Dec-2023</u>	<u>30-Sep-2024</u>	<u>31-Dec-2023</u>
	<u>(unaudited)</u>	<u>(audited)</u>	<u>(unaudited)</u>	<u>(audited)</u>
	<u>RO</u>	<u>RO</u>	<u>RO</u>	<u>RO</u>
Subsidiary Companies:				
Pioneer Cement Industries	4,769,997	5,156,768	-	-
Raysut Burwago Cement Co. LLC	142,191	144,191	-	-
	<u>4,912,188</u>	<u>5,300,959</u>	<u>-</u>	<u>-</u>

Amounts due from/due to related parties are unsecured, interest free and have no fixed repayment terms.

39 (d) The following transactions were carried out with related parties:

	<u>Parent</u>		<u>Consolidated</u>	
	<u>30-Sep-2024</u>	<u>30-Sep-2023</u>	<u>30-Sep-2024</u>	<u>30-Sep-2023</u>
	<u>(unaudited)</u>	<u>(unaudited)</u>	<u>(unaudited)</u>	<u>(unaudited)</u>
	<u>RO</u>	<u>RO</u>	<u>RO</u>	<u>RO</u>
Sale of goods and services:				
Subsidiary Companies:				
Raysut Maldives Cement (Pvt) Ltd	650,807	898,109	-	-
Associate Company:				
Mukalla Raysut for Manufacturing and Trading Company Limited	2,930,090	3,384,562	2,930,090	3,384,562
Entities related to directors:				
Galfar Engineering and Contracting S.A.O.G*	4,008	-	4,008	-
Galfar Aspire Readymix LLC*	12,431	-	12,431	-
Purchase of goods and services:				
Subsidiary Companies:				
Pioneer Cement Industries	21,296	-	-	-
Entities related to directors:				
Dhofar Insurance Company S.A.O.G*	755,135	927,434	755,135	956,882
Expenses paid:				
Subsidiary Companies:				
Pioneer Cement Industries	466,340	212,973	-	-
Duqm Cement Factory LLC	451,166	153,111	-	-
Sohar Cement Factory SPC	2,350	19,154	-	-
Raysut Burwago Cement Co. LLC	2,000	1,200	-	-
Dividend Income				
Associate Company:				
Mukalla Raysut for Manufacturing and Trading Company Limited	58,985	-	-	-

39 (e) Due from and due to entities related to directors:

	<u>Parent</u>		<u>Consolidated</u>	
	<u>30-Sep-2024</u>	<u>31-Dec-2023</u>	<u>30-Sep-2024</u>	<u>31-Dec-2023</u>
	<u>(unaudited)</u>	<u>(audited)</u>	<u>(unaudited)</u>	<u>(audited)</u>
	<u>RO</u>	<u>RO</u>	<u>RO</u>	<u>RO</u>
Due from entities related to directors:				
Galfar Engineering and Contracting S.A.O.G*	-	52,075	-	52,075
Galfar Aspire Readymix LLC*	-	143,047	-	143,047
	<u>-</u>	<u>195,122</u>	<u>-</u>	<u>195,122</u>
Due to entities related to directors:				
Dhofar Insurance Company S.A.O.G*	-	1,216,176	-	1,216,176
	<u>-</u>	<u>1,216,176</u>	<u>-</u>	<u>1,216,176</u>

*Entity was a related party for the part of the period upto May 2024, and it was a related party during the period ended 2023.

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39. Related party transactions and balances (continued)

39 (f) Key management compensation:

	<u>Parent</u>		<u>Consolidated</u>	
	<u>30-Sep-2024</u>	<u>30-Sep-2023</u>	<u>30-Sep-2024</u>	<u>30-Sep-2023</u>
	<u>(unaudited)</u>	<u>(unaudited)</u>	<u>(unaudited)</u>	<u>(unaudited)</u>
	<u>RO</u>	<u>RO</u>	<u>RO</u>	<u>RO</u>
Board sitting fees [note 28]	24,500	61,000	24,500	61,000
Directors' travelling allowance [note 28]	1,243	-	1,243	-
Directors' remuneration [note 28]	-	112,500	-	119,245
Salaries, allowances and performance bonus paid to Executive officers	300,781	224,854	300,781	224,854
End of service benefits	-	3,035	-	3,035

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, including any director (whether executive or otherwise).