

# **ASYAD SHIPPING COMPANY SAOG AND ITS SUBSIDIARIES**

**CONSOLIDATED AND SEPARATE  
FINANCIAL STATEMENTS  
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2025**

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Madinat Al Sultan Qaboos  
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**Principal place of business:**

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Complex 261, Bawsher  
Muscat, Sultanate of Oman

# **ASYAD SHIPPING COMPANY SAOG AND ITS SUBSIDIARIES**

## **CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2025**

<b>Contents</b>	<b>Page</b>
Independent auditors' report	1 – 4
Board of Directors' report	5-6
Consolidated and separate statement of financial position	7
Consolidated and separate statement of profit or loss and other comprehensive income	8-9
Consolidated and separate statement of changes in equity	10-11
Consolidated and separate statement of cash flows	12
Notes to the consolidated and separate financial statements	13 – 72



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## Independent auditors' report

### To the Shareholders of Asyad Shipping Company SAOG

#### Report on the Audit of the Consolidated and Separate Financial Statements

#### Opinion

We have audited the consolidated and separate financial statements of Asyad Shipping Company SAOG ("the Parent Company") and its subsidiaries ("the Group"), which comprise the consolidated and separate statement of financial position as at 30 June 2025, the consolidated and separate statements of profit or loss and other comprehensive income, changes in equity and cash flows for the six month period then ended, and notes, comprising material accounting policies and other explanatory information.

In our opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the consolidated and unconsolidated financial position of the Group and the Parent Company as at 30 June 2025, and its consolidated and unconsolidated financial performance and its consolidated and unconsolidated cash flows for period then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards).

#### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Consolidated and Separate Financial Statements* section of our report. We are independent of the Group and Parent Company in accordance with the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code) together with the ethical requirements that are relevant to our audit of the consolidated and separate financial statements in the Sultanate of Oman, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate 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 (continued)

### Impairment assessment of carrying amounts of owned and leasehold vessels:

Refer to note 3.8 and note 5.2 (c) to the consolidated and separate financial statements.

The key audit matter	How the matter was addressed in our audit
<p>The Group and Parent Company is primarily engaged in vessel charter hire activities and ship management activities.</p> <p>As at 30 June 2025, the consolidated statement of financial position includes owned vessels with a total carrying value of RO 507 million (43% of group total assets) and leasehold vessels classified under right-of-use assets of RO 167 million (14% of group total assets).</p> <p>At each reporting date, management assesses whether there is any indication that its Cash Generating Units ("CGUs") of owned and leasehold vessels may be impaired. A CGU can be a single vessel or a group of vessels.</p> <p>If indicators are identified, management estimates the recoverable amounts of the relevant CGU(s) which will be the higher of the value-in-use or fair value less costs to sell.</p> <p>Value-in-use calculations are derived using discounted cash flow models.</p> <p>The assessment of the recoverable amount of these assets incorporates significant judgment and estimates by the management in respect of various factors such as freight and discount rates of the respective CGUs.</p> <p>Based on the assessment, management has concluded that there was no impairment in respect of owned vessels as at 30 June 2025. However, an impairment charge of RO 0.21 million was recognised on three of the leasehold product vessels as at 30 June 2025.</p> <p>We considered this to be a key audit matter for owned and leasehold vessels CGUs given the significant judgment and estimates involved in determining the recoverable amounts and uncertainty involved in the underlying assumptions. The key inputs and assumptions in determining the recoverable amounts included freight and discount rates.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>- We assessed the appropriateness of management's determination of CGUs, based on the requirements of International Accounting Standard ("AS") 36 'Impairment of Assets'.</li> <li>- Where impairment indicators existed, we evaluated the reasonableness of management's assumptions and estimates in determining the recoverable amount of the relevant Group's owned and leasehold vessels/CGUs, including freight and discount rates.</li> <li>- In particular, we performed procedures on management's value-in-use calculations, as deemed appropriate, including but not limited to: <ul style="list-style-type: none"> <li>i) Assessed the reasonableness of the assumptions used in the cash flow projections;</li> <li>ii) Assessed the reasonableness of the approach and inputs used to determine the terminal values;</li> <li>iii) Involved our specialists to assist us in evaluating the appropriateness of discount rates used by the management in its impairment assessment;</li> <li>iv) Tested the mathematical accuracy and logical integrity of the value-in-use calculations; and</li> <li>v) Evaluated management's sensitivity analysis that considered the impact of changes in assumptions on the outcome of the impairment assessment.</li> </ul> </li> <li>- We assessed the appropriateness of the related disclosures in the consolidated financial statements.</li> </ul>



## **Other Matter – Comparative Information**

The consolidated and separate statements of profit or loss and other comprehensive income, changes in equity, cash flows and notes for the six-month period then ended 30 June 2024 are unaudited.

## **Other Information**

Management is responsible for the other information. The other information comprises the Board of Directors' report.

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

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, 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 and Separate Financial Statements**

Management is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with IFRS Accounting Standards, and their preparation in compliance with the relevant requirements of the Financial Services Authority (formerly the Capital Market Authority) 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 and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, management is responsible for assessing the Group's and Parent Company'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 the Parent Company or to cease operations, or has no realistic alternative but to do so.

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

## **Auditors' Responsibilities for the Audit of the Consolidated and Separate Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 and separate financial statements.

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

Identify and assess the risks of material misstatement of the consolidated and separate 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.



## Auditors' Responsibilities for the Audit of the Consolidated and Separate Financial Statements (continued)

- 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 and Parent Company'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 or the Parent Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated and separate 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 auditors' report. However, future events or conditions may cause the Group or the Parent Company's to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate 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 communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' 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 these financial statements as at and for the period ended 30 June 2025, comply, in all material respects, with the:

- relevant requirements of the Financial Services Authority (formerly the Capital Market Authority); and
- applicable provisions of the Commercial Companies Law of 2019.

Mobeen Chaudhri

Date: 14 August 2025

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**Asyad Shipping Company S.A.O.G. and its Subsidiaries**  
**Consolidated**  
**Board of Directors Report**

**The Shareholders,  
Asyad Shipping Company S.A.O.G.  
Muscat,  
Sultanate of Oman**

After Compliments,

The Board of Directors submits their report and the consolidated and separate financial statements for the six-month period ended 30<sup>th</sup> of June 2025.

**1. Principal Activities**

Asyad Shipping Company S.A.O.G (the "Company" or "the Parent Company") and its subsidiaries together referred as (the "Group") are engaged in investment in ship owning companies, vessel charter hire, voyage activities, and ship management activities.

**2. Financial Position and Performance**

The Board is pleased to present the financial results for the six-month period ended 30 June 2025. The Group reported a net profit of **RO 20.2 million**, compared to **RO 27.7 million** for the same period in 2024. Operating profit for the period stood at RO 32.3 million, reflecting a decrease from RO 43.0 million in the first half of the previous year.

For the six-month period ended 30 June 2025, the Group reported gross revenue of RO 164.6 million, representing a decline compared to RO 180.5 million recorded during the corresponding period in 2024. This performance aligns with cyclic patterns of shipping industry and prevailing market conditions. Earnings per share attributable to the Parent Company owners were Baisa 3.44, compared to Baisa 4.87 for the corresponding period last year, in line with the overall profitability trend.

The group's total asset value as at 30<sup>th</sup> June 2025 is RO 1,184.3 million compared to RO 1,085.0 million on the 31<sup>st</sup> of December 2024, mainly due to the increase in property, vessels and equipment, right of use assets and trade receivables.

During the six-month period ended 30<sup>th</sup> June 2025, two newly built Product Tankers and two second hand Very Large Crude Carriers (VLCCs) had been acquired. During the six-month period ended 30<sup>th</sup> June 2025, payment amounting to RO 53.7 million has been made for these vessels acquired. Furthermore, we have made additional payments related to the newly built LNG and VLCC vessels acquired in 2023 and 2024, respectively.

Total liabilities of the Group increased to RO 729.1 million from RO 615.7 million in 2024 due to an increase in loans and borrowings, trade and other payables and lease liabilities.

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The Group's net worth declined to RO 455.2 million as of 30 June 2025, compared to RO 469.3 million in the previous year. The reduction is primarily attributable to dividend distributions during the period, partially offset by profit accumulation over the six-month period ended 30 June 2025.

### 3. Dividends

The Company declared dividends amounting to RO 32.2 million to its shareholders based on the audited financial statements as of December 31, 2023, and December 31, 2024. These dividends were paid during the first half of 2025.

### 4. Going Concern

As of 30<sup>th</sup> of June 2025, the Group has a current asset position of RO 188.4 million and current liability position of RO 203.4 million. the Group remains confident in its ability to meet its obligations as they fall due through the strength of its operating cash flows. Accordingly, the consolidated and separate financial statements are prepared on a going concern basis.

### 5. Ultimate Controlling Party

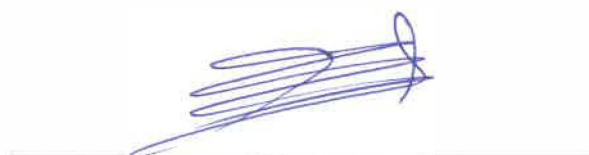
The Group is 80% owned by Asyad Group S.A.O.C (the "Immediate Parent Company"). Asyad Group S.A.O.C is 100% owned by the Oman Investment Authority which is ultimately owned by the Government of Sultanate of Oman (the "Ultimate Controlling Party").

### 6. Acknowledgements

We would like to take this opportunity to express our sincere gratitude to our valued customers, shareholders, government authorities, and dedicated employees for their continued support and commitment toward the successful implementation of our company's strategy and the achievement of our goals.

On behalf of the Board of Directors, management, and all our employees, we sincerely express our gratitude to His Majesty Sultan Haitham bin Tariq—may Allah protect him—for his wise leadership and vision.

**For and on behalf of the Board of Directors**



**Abdulrahman Salim Al Hatmi**  
Chairman of the Board of Directors  
Asyad Shipping Company S.A.O.G.

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**ASYAD SHIPPING COMPANY SAOG**  
**CONSOLIDATED AND SEPARATE STATEMENT OF FINANCIAL POSITION**  
**AS AT**

		Consolidated		Parent Company	
		30 June 2025	31 Dec 2024	30 June 2025	31 Dec 2024
		Audited RO'000	Audited RO'000	Audited RO'000	Audited RO'000
<b>ASSETS</b>					
<b>Non-current assets</b>	Note				
Property, vessels and equipment	7	662,682	627,025	134,660	77,415
Intangible assets	33	181	223	-	-
Right-of-use assets	8.1	167,348	123,701	30	31
Investment in subsidiaries	6.1	-	-	315,999	300,137
Investment in joint ventures	6.2	-	-	17,003	17,003
Equity-accounted investees	9	25,909	24,860	-	-
Finance lease receivables	10(a)	110,068	114,737	-	-
Loans receivable	10(b)	-	-	7,546	8,301
Derivatives	15	69	133	-	-
Fixed term deposits	10(f)	29,200	7,700	29,200	7,700
Deferred tax assets	29	497	503	474	479
		<b>995,954</b>	<b>898,882</b>	<b>504,912</b>	<b>411,066</b>
<b>Current assets</b>					
Finance lease receivables	10(a)	8,828	8,528	-	-
Loans receivable	10(b)	-	-	1,509	1,509
Trade receivables	10(c)	21,263	13,625	-	-
Derivatives	15	159	880	-	-
Contract assets	10(d)	3,125	4,775	-	-
Other financial assets at amortised cost	10(e)	3,941	8,382	181,397	173,749
Cash and cash equivalents	10(f)	30,278	33,957	5,919	14,493
Fixed term & margin deposits	10(f)	61,529	98,062	38,760	71,381
Other current assets	11	53,799	10,490	42,934	290
Inventories	30	5,431	7,417	-	-
		<b>188,353</b>	<b>186,116</b>	<b>270,519</b>	<b>261,422</b>
<b>Total assets</b>		<b>1,184,307</b>	<b>1,084,998</b>	<b>775,431</b>	<b>672,488</b>
<b>EQUITY AND LIABILITIES</b>					
<b>EQUITY</b>					
Share capital	12	130,219	130,219	130,219	130,219
Legal reserves	13	22,926	22,156	22,509	21,739
Cumulative changes in fair values		224	995	-	-
Retained earnings		282,351	297,398	33,803	59,084
<b>Equity attributable to the owners of the Company</b>		<b>435,720</b>	<b>450,768</b>	<b>186,531</b>	<b>211,042</b>
Non-controlling interests	34	19,464	18,521	-	-
<b>Total equity</b>		<b>455,184</b>	<b>469,289</b>	<b>186,531</b>	<b>211,042</b>
<b>LIABILITIES</b>					
<b>Non-current liabilities</b>					
Loans and borrowings	14	432,102	367,431	294,211	219,051
Employee end of service benefits	16	847	770	287	262
Derivatives	15	18	18	-	-
Lease liabilities	8.2	92,773	66,374	35	35
		<b>525,740</b>	<b>434,593</b>	<b>294,533</b>	<b>219,348</b>
<b>Current liabilities</b>					
Trade and other payables	17	31,280	23,095	286,338	238,463
Loans and borrowings	14	70,320	76,704	8,029	3,634
Income tax payable	29	21	160	-	-
Lease liabilities	8.2	81,399	69,194	-	1
Contract liabilities	31	20,363	11,963	-	-
		<b>203,383</b>	<b>181,116</b>	<b>294,367</b>	<b>242,098</b>
<b>Total liabilities</b>		<b>729,123</b>	<b>615,709</b>	<b>588,900</b>	<b>461,446</b>
<b>Total equity and liabilities</b>		<b>1,184,307</b>	<b>1,084,998</b>	<b>775,431</b>	<b>672,488</b>

The financial statements including notes from 1 to 37 were approved and authorised for issue in accordance with a resolution of the Board of Directors on 13 August 2025 and were signed on their behalf by:

  
Chairman

  
Director

The accompanying notes form an integral part of these financial statements.  
Independent auditors' report – page 1 to 4.



## ASYAD SHIPPING COMPANY SAOG AND ITS SUBSIDIARIES

## CONSOLIDATED AND SEPARATE STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Note	Consolidated For the six months period ended		Consolidated For the three months period ended		Parent Company For the six months period ended		Parent Company For the three months period	
		30 June 2025 RO'000 Audited	30 June 2024 RO'000 Unaudited	30 June 2025 RO'000 Unaudited	30 June 2024 RO'000 Unaudited	30 June 2025 RO'000 Audited	30 June 2024 RO'000 Unaudited	30 June 2025 RO'000 Unaudited	30 June 2024 RO'000 Unaudited
<b>Revenue</b>	19	<b>164,597</b>	180,514	<b>80,775</b>	94,107	<b>208</b>	208	<b>104</b>	104
Voyage operating costs	21	<b>(21,894)</b>	(28,235)	<b>(9,125)</b>	(14,268)	-	-	-	-
Charter hire expenses for short term vessel hires		<b>(10,916)</b>	(11,418)	<b>(5,411)</b>	(6,336)	-	-	-	-
Vessel operating costs	23	<b>(88,871)</b>	(87,186)	<b>(44,955)</b>	(44,844)	-	-	-	-
<b>Gross profit</b>		<b>42,916</b>	53,675	<b>21,284</b>	28,659	<b>208</b>	208	<b>104</b>	104
Other income		<b>896</b>	195	<b>321</b>	(368)	<b>462</b>	290	<b>86</b>	145
Dividend income	28	-	131	-	131	<b>14,263</b>	20,131	<b>14,263</b>	20,131
Commercial expenses	24	<b>(3,146)</b>	(3,729)	<b>(1,037)</b>	(1,559)	-	-	-	-
General and administrative expenses	25	<b>(7,429)</b>	(7,081)	<b>(4,571)</b>	(4,282)	<b>(5,276)</b>	(5,383)	<b>(2,889)</b>	(2,947)
Impairment (charge)/reversal on financial assets	10(g)	<b>(746)</b>	(183)	<b>(715)</b>	(89)	<b>6</b>	(12)	-	(11)
Impairment losses on right-of-use assets	8.1	<b>(208)</b>	-	<b>(208)</b>	-	-	-	-	-
<b>Operating profit</b>		<b>32,283</b>	43,008	<b>15,074</b>	22,492	<b>9,663</b>	15,234	<b>11,564</b>	17,422
Finance costs	26	<b>(15,685)</b>	(21,564)	<b>(7,368)</b>	(10,803)	<b>(4,058)</b>	(6,994)	<b>(1,880)</b>	(3,654)
Finance income	27	<b>2,565</b>	5,059	<b>785</b>	2,662	<b>2,097</b>	3,668	<b>755</b>	1,698
Share of results of equity-accounted-investees - net of tax	9	<b>1,049</b>	636	<b>481</b>	214	-	-	-	-
<b>Profit before tax</b>		<b>20,212</b>	27,139	<b>8,972</b>	14,565	<b>7,702</b>	11,908	<b>10,439</b>	15,466
Income tax (expenses) / credit	29	<b>(15)</b>	532	<b>(187)</b>	266	<b>(5)</b>	549	<b>(2)</b>	274
<b>Profit for the period</b>		<b>20,197</b>	27,671	<b>8,785</b>	14,831	<b>7,697</b>	12,457	<b>10,437</b>	15,740

## ASYAD SHIPPING COMPANY SAOG AND ITS SUBSIDIARIES

## CONSOLIDATED AND SEPARATE STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (continued)

	Note	Consolidated		Consolidated		Parent Company		Parent Company	
		For the six months period ended		For the three months period		For the six months period ended		For the three months period	
		30 June 2025	30 June 2024	30 June 2025	30 June 2024	30 June 2025	30 June 2024	30 June 2025	30 June 2024
		RO'000	RO'000	RO'000	RO'000	RO'000	RO'000	RO'000	RO'000
		Audited	Unaudited	Unaudited	Unaudited	Audited	Unaudited	Unaudited	Unaudited
<b>Other comprehensive loss</b>									
<i>Items that are or may be reclassified subsequently to profit or loss</i>									
Cash flow hedges – effective portion of changes in fair value *	15.1	(579)	403	(177)	199	-	-	-	-
Cash flow hedges – reclassified to profit or loss *	15.1	(206)	(1,422)	-	(890)	-	-	-	-
<b>Other comprehensive loss for the period, net of tax</b>		<b>(785)</b>	<b>(1,019)</b>	<b>(177)</b>	<b>(691)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
				-	-			-	-
<b>Total comprehensive income for the period</b>		<b>19,412</b>	26,652	<b>8,608</b>	14,140	<b>7,697</b>	12,457	<b>10,437</b>	15,740
<b>Profit attributable to:</b>									
Owners of the Company		<b>17,931</b>	25,363	<b>7,684</b>	13,660	<b>7,697</b>	12,457	<b>10,437</b>	15,740
Non-controlling interests	34	<b>2,266</b>	2,308	<b>1,101</b>	1,171	-	-	-	-
		<b>20,197</b>	27,671	<b>8,785</b>	14,831	<b>7,697</b>	12,457	<b>10,437</b>	15,740
<b>Total comprehensive income attributable to:</b>									
Owners of the Company		<b>17,160</b>	24,400	<b>7,521</b>	12,969	<b>7,697</b>	12,457	<b>10,437</b>	15,740
Non-controlling interests		<b>2,252</b>	2,252	<b>1,087</b>	1,171	-	-	-	-
		<b>19,412</b>	26,652	<b>8,608</b>	14,140	<b>7,697</b>	12,457	<b>10,437</b>	15,740
<b>Earnings per share</b>									
Basic and diluted earnings per share (RO Baisa)	20	<b>3.44</b>	4.87	<b>1.48</b>	2.62	<b>1.48</b>	2.39	<b>2</b>	3.02

\*The cash flow hedges do not have any tax impact as these relate to entities registered in jurisdictions where tax is not payable.

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

Independent auditor's report - page 1 to 4.

# **ASYAD SHIPPING COMPANY SAOG AND ITS SUBSIDIARIES**

## **CONSOLIDATED SEPARATE STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 JUNE 2025**

### **CONSOLIDATED**

	Attributable to owners of the Company					Non-controlling interests	Total equity
	Share capital RO'000	Legal reserves RO'000	Cumulative changes in fair values RO'000	Retained earnings RO'000	Total RO'000	RO'000	RO'000
<b>Balance at 1 January 2024</b>	130,219	16,689	3,190	275,808	425,906	17,939	443,845
<b><i>Total comprehensive income for the period</i></b>							
Profit for the period	-	-	-	25,363	25,363	2,308	27,671
Other comprehensive loss for the period	-	-	(963)	-	(963)	(56)	(1,019)
	-	-	(963)	25,363	24,400	2,252	26,652
Transfer to legal reserves	-	1,246	-	(1,246)	-	-	-
<b><i>Transactions with owners of the Company</i></b>							
Dividends (note 14)	-	-	-	(20,000)	(20,000)	-	(20,000)
<b>Balance at 30 June 2024</b>	<u>130,219</u>	<u>17,935</u>	<u>2,227</u>	<u>279,925</u>	<u>430,306</u>	<u>20,191</u>	<u>450,497</u>
 <b>Balance at 1 January 2025</b>	 130,219	 22,156	 995	 297,398	 450,768	 18,521	 469,289
<b><i>Total comprehensive income for the period</i></b>							
Profit for the period	-	-	-	17,931	17,931	2,266	20,197
Other comprehensive loss for the period	-	-	(771)	-	(771)	(14)	(785)
	-	-	(771)	17,931	17,160	2,252	19,412
Transfer to legal reserves	-	770	-	(770)	-	-	-
<b><i>Transactions with owners of the Company</i></b>							
Dividends (note 14)	-	-	-	(32,208)	(32,208)	(1,309)	(33,517)
<b>Balance at 30 June 2025</b>	<u>130,219</u>	<u>22,926</u>	<u>224</u>	<u>282,351</u>	<u>435,720</u>	<u>19,464</u>	<u>455,184</u>

# **ASYAD SHIPPING COMPANY SAOG AND ITS SUBSIDIARIES**

## **CONSOLIDATED SEPARATE STATEMENT OF CHANGES IN EQUITY (continued)** **FOR THE PERIOD ENDED 30 JUNE 2025**

### **PARENT COMPANY**

	Share capital RO'000	Legal reserves RO'000	Cumulative changes in fair values RO'000	Retained earnings RO'000	Total RO'000
<b>Balance at 1 January 2024</b>	130,219	16,272	-	29,878	176,369
<b><i>Total comprehensive income for the period</i></b>					
Profit for the period	-	-	-	12,457	12,457
Other comprehensive loss for the period	-	-	-	-	-
	-	-	-	12,457	12,457
Transfer to legal reserves	-	1,246	-	(1,246)	-
<b><i>Transactions with owners of the Company</i></b>					
Dividends (note 14)	-	-	-	(20,000)	(20,000)
<b>Balance at 30 June 2024</b>	<u>130,219</u>	<u>17,518</u>	<u>-</u>	<u>21,089</u>	<u>168,826</u>

	Share Capital RO'000	Legal reserves RO'000	Cumulative changes in fair values RO'000	Retained Earnings RO'000	Total RO'000
<b>Balance at 1 January 2025</b>	130,219	21,739	-	59,084	211,042
<b><i>Total comprehensive income for the period</i></b>					
Profit for the period	-	-	-	7,697	7,697
Other comprehensive loss for the period	-	-	-	-	-
	-	-	-	7,697	7,697
Transfer to legal reserves	-	770	-	(770)	-
<b><i>Transactions with owners of the Company</i></b>					
Dividends (note 14)	-	-	-	(32,208)	(32,208)
<b>Balance at 30 June 2025</b>	<u>130,219</u>	<u>22,509</u>	<u>-</u>	<u>33,803</u>	<u>186,531</u>

The accompanying notes form an integral part of these consolidated and separate financial statements  
Independent auditor's report - page 1 to 4.

# **ASYAD SHIPPING COMPANY SAOG AND ITS SUBSIDIARIES**

## **CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE SIX MONTHS PERIOD ENDED 30 JUNE**

		<b>Consolidated</b>		<b>Parent Company</b>	
		<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	<b>Note</b>	<b>RO'000</b>	<b>RO'000</b>	<b>RO'000</b>	<b>RO'000</b>
		<b>Audited</b>	<b>Unaudited</b>	<b>Audited</b>	<b>Unaudited</b>
<b>Cash flows from operating activities</b>					
Profit before tax		<b>20,212</b>	27,139	<b>7,702</b>	11,908
<b>Adjustments for:</b>					
Impairment charge/(reversal) on financial assets	10(g)	<b>746</b>	183	<b>(6)</b>	12
Impairment losses on right of use assets		<b>208</b>	-	-	-
Depreciation and amortisation	7, 8, 33	<b>64,453</b>	63,197	<b>119</b>	118
Share of results of joint ventures and associate - net of tax	9	<b>(1,049)</b>	(636)	-	-
Provision for employees' end of service benefits	16	<b>123</b>	69	<b>71</b>	35
Finance income	27	<b>(2,565)</b>	(5,059)	<b>(2,097)</b>	(3,668)
Finance costs	26	<b>15,685</b>	21,564	<b>4,058</b>	6,994
Dividend income		-	(131)	-	-
		<b>97,813</b>	106,326	<b>9,847</b>	15,399
<b>Changes in:</b>					
Inventories		<b>1,986</b>	1,354	-	-
Trade receivables		<b>(8,567)</b>	(11,196)	-	-
Contract assets		<b>1,692</b>	988	-	-
Other financial assets at amortised cost		<b>4,513</b>	(1,626)	<b>(7,642)</b>	9,064
Other current assets		<b>(728)</b>	(8,006)	<b>(63)</b>	(169)
Trade and other payables		<b>8,183</b>	(15,353)	<b>33,613</b>	(18,909)
Contract liabilities		<b>8,400</b>	10,148	-	-
<b>Cash generated from/(used in) operating activities</b>		<b>113,292</b>	82,635	<b>35,755</b>	5,385
Interest paid (including interest portion of lease liabilities)		<b>(15,697)</b>	(21,705)	<b>(6,270)</b>	(6,955)
Employees' end of service benefit paid	16	<b>(46)</b>	(114)	<b>(46)</b>	(43)
Income tax paid	29	<b>(148)</b>	(1)	-	-
<b>Net cash from / (used in) operating activities</b>		<b>97,401</b>	60,815	<b>29,439</b>	(1,613)
<b>Cash flows from investing activities</b>					
Investment in subsidiaries		-	-	<b>(15,862)</b>	-
Acquisition of property, vessels and equipment		<b>(103,646)</b>	(2,088)	<b>(97,496)</b>	-
Fixed term and margin deposits invested		<b>(51,168)</b>	-	<b>(51,168)</b>	-
Fixed term and margin deposits matured		<b>65,716</b>	23,312	<b>61,804</b>	25,935
Dividends received		-	131	<b>14,263</b>	-
Receipts from finance lease receivables		<b>4,439</b>	4,186	-	-
Loans received		-	-	<b>755</b>	1,003
Interest received		<b>3,050</b>	5,059	<b>2,582</b>	3,667
<b>Net cash (used in)/from investing activities</b>		<b>(81,609)</b>	30,600	<b>(85,122)</b>	30,605
<b>Cash flows from financing activities</b>					
Proceeds from loans and borrowings	14	<b>77,000</b>	222,911	<b>77,000</b>	215,500
Repayments of borrowings	14	<b>(22,850)</b>	(251,543)	<b>(1,832)</b>	(217,332)
Lease payments -principal portion	8.4	<b>(44,254)</b>	(44,031)	<b>(1)</b>	-
Deferred finance cost payment	14	<b>(39)</b>	(249)	<b>(39)</b>	(249)
Dividend paid		<b>(33,517)</b>	(20,000)	<b>(32,208)</b>	(20,000)
<b>Net cash (used in)/generated from financing activities</b>		<b>(23,660)</b>	(92,912)	<b>42,920</b>	(22,081)
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(7,868)</b>	(1,497)	<b>(12,763)</b>	6,911
Cash and cash equivalents at 1 January		<b>33,957</b>	43,762	<b>14,493</b>	4,454
<b>Cash and cash equivalents at 30 June (note 10(f))</b>		<b>26,089</b>	42,265	<b>1,730</b>	11,365

The reconciliation of liabilities arising from financing activities is shown in note 14.

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

Independent auditor's report - page 1 to 4.

# ASYAD SHIPPING COMPANY SAOG AND ITS SUBSIDIARIES

## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

### 1 Legal status and principal activities

Asyad Shipping Company SAOG (the “Parent Company” or the “Company”) is public joint stock company registered in the Sultanate of Oman. Asyad Shipping Company SAOG (the “Company”) and its subsidiaries together referred as (the “Group”).

On 12 March 2025, the Company successfully listed its shares and become public joint stock Company. The immediate parent of the Company is Asyad Group SAOC (the “Immediate Parent Company”), a closed joint stock Company registered in the Sultanate of Oman which is wholly owned by the Oman Investment Authority (“OIA” or the shareholder) which is ultimately owned and controlled by the Government of the Sultanate of Oman. Asyad Group SAOC (“the Immediate Parent Company”) owns 80% of the shares of the Company and remaining 20% of the shares has been issued to the general public as part of the initial public offering during the period ended 30 June 2025.

The Group is engaged in investment in ship owning companies, vessel charter hire activities and ship management activities. The Group operates internationally.

### 2 Basis of preparation

#### 2.1 Statement of compliances

The consolidated and separate financial statements (together referred as the “financial statements”) have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and in compliance with the relevant requirements of the Financial Services Authority (formerly the Capital Market Authority) and the applicable provisions of the Commercial Companies Law of 2019.

The financial statements have been presented in Rial Omani (“RO”). All amounts have been rounded to the nearest thousand, unless otherwise indicated. The functional currency of the Company is US Dollars (“USD”) as this is the currency which determines the pricing of the Group's operational transactions including other primary indicators required to be considered under International Financial Reporting Standards. The Group translates the USD amounts to RO amounts at an exchange rate of USD 1 = RO 0.385. The exchange rate has been constant throughout the current and prior years, as the Rial Omani is pegged to the USD.

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 financial statements are presented in Rial Omani (RO), which is the Company’s presentation currency. All amounts have been rounded to the nearest thousand, unless otherwise indicated.

The financial statements are prepared under the historical cost convention modified where applicable for financial assets and financial liabilities carried at fair value and disclosed in financial statements.

The preparation of 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 financial statements are disclosed in note 5.

#### 2.2 New and amended standards adopted by the Group

The Group has adopted all new and revised standards and interpretations issued by the International Accounting Standards Board (IASB) and the IFRS Interpretations Committee (IFRIC) of the IASB that are relevant to its operations and effective for accounting periods beginning on 1 January 2025.

The following standards and interpretations apply for the first time to financial reporting periods commencing on or after 1 January 2025:

New accounting standards or amendments	Effective for annual periods beginning on or after
Lack of Exchangeability – Amendments to IAS 21	01 January 2025

The above standards and amendments do not have any material impact on the financial statements.

# ASYAD SHIPPING COMPANY SAOG AND ITS SUBSIDIARIES

## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

### 2 Basis of preparation (continued)

#### 2.3 New standards, amendments and interpretations not yet effective or adopted

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's financial statements are disclosed below. The Group intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

New accounting standards or amendments	Effective for annual periods beginning on or after
Classification and measurement of financial instruments IFRS 9 and IFRS 7	01 January 2026
Annual improvements to IFRS Accounting Standards – Volume 11	01 January 2026
IFRS 18 Presentation and disclosure in financial statements	01 January 2027
IFRS 19 Subsidiaries without Public Accountability: Disclosures	01 January 2027
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture - Amendments to IFRS 10 and IAS 28	Available for optional adoption/ effective date deferred indefinitely

There are no other IFRS standards, amendments or interpretations that are expected to have a material impact on the Group.

#### 2.4 Change in material accounting policies

The accounting policies applied in these financial statements are the same as those applied in the financial statements as at and for the Period ended 30 June 2024 and 31 December 2024.

### 3 Summary of material accounting policies

The Group's principal accounting policies are summarized below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### 3.1 Investment in subsidiaries and joint ventures

##### 3.1.1 Basis of consolidation

##### (a) Business combination

The Group accounts for business combinations under the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group. In determining whether a particular set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs.

The Group has an option to apply a 'concentration test' that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The optional concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in profit or loss immediately. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.



## ASYAD SHIPPING COMPANY SAOG AND ITS SUBSIDIARIES

### NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

#### 3 Summary of material accounting policies (continued)

##### 3.1 Investment in subsidiaries and joint ventures (continued)

##### 3.1.1 Basis of consolidation (continued)

###### (b) *Subsidiaries*

Subsidiaries are entities controlled by the Group. The Group 'controls' an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies.

###### (c) *Interest in equity-accounted investees*

The Group's interests in equity-accounted investees comprise interests in associates and a joint venture.

Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies. A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Interests in associates and the joint venture are accounted for under the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and OCI of equity-accounted investees, until the date on which significant influence or joint control ceases.

###### (d) *Transactions eliminated on consolidation*

Intra-group balances and transactions, and any unrealised income and expenses (except for foreign currency transaction gains or losses) arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

###### (e) *Loss of control*

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

###### (f) *Non-controlling interests*

NCI are measured initially at their proportionate share of the acquiree's identifiable net assets at the date of acquisition.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

##### 3.1.2 Investment in subsidiaries

Subsidiaries are all entities (including structured entities) over which the Company has control. The Company controls an entity when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Investments in subsidiaries in the separate financial statements are carried in the statement of financial position at cost less impairment losses, if any.

##### 3.1.3 Investment in associates

Associates are those entities in which the Company has significant influence, but not control, over the financial and operating policies. Investments in associates in the separate financial statements are carried in the statement of financial position at cost less impairment losses, if any.

# ASYAD SHIPPING COMPANY SAOG AND ITS SUBSIDIARIES

## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

### 3 Summary of material accounting policies (continued)

#### 3.1 Investment in subsidiaries and joint ventures (continued)

##### 3.1.4 Investment in joint ventures

A joint venture is an arrangement in which the Company has joint control and rights to the net assets of the investee. Investments in joint ventures in the Separate financial statements are stated at cost (which includes transaction costs) less provision for impairment in value of any individual investment.

#### 3.2 Property, vessels and equipment

##### (a) Owned assets

Items of property, vessel and equipment are stated at cost less accumulated depreciation and impairment losses, if any. Cost of marine vessels includes purchase price paid to third parties, including registration and legal documentation costs, all directly attributable costs incurred to bring the vessel into working condition at the area of planned use, mobilisation costs to the operating location, sea trial costs, significant rebuild expenditure incurred during the life of the asset and financing costs incurred during the construction period of vessels. Costs for other items of property, vessels and equipment include expenditure that is directly attributable to the acquisition of the asset. When parts of an item of property, vessels and equipment have different useful lives, they are accounted for as separate items of property, vessel and equipment.

##### (b) Subsequent expenditure

Expenditure incurred to replace a component of an item of property, vessels and equipment that is accounted for separately, including major inspection and overhaul expenditure is capitalised. Other subsequent expenditure is capitalised only when it increases the future economic benefits embodied in property, vessels and equipment. All other expenditure is recognised in the statement of comprehensive income as an expense as incurred. Costs incurred to refurbish owned assets are capitalised within property, vessels and equipment and then depreciated over the shorter of the estimated economic life of the related refurbishment or the remaining life of the vessel.

##### (c) Depreciation

Depreciation is charged to the statement of comprehensive income on a straight line basis over the estimated useful lives of items of property, vessels and equipment. The estimated useful lives of the property, vessels and equipment for the current and comparative periods are as follows:

	Years
Vessels	20 to 30
Dry docking costs	2½ to 5
Computer equipment	3
Motor vehicles	5
Furniture and fixtures	3 to 5
Buildings	50

The depreciation period for second-hand vessels is determined on the basis of the condition and age of the vessels at the time of acquisition, which is assessed subsequently at each reporting period end, but the depreciation period does not exceed 25 years from delivery from the shipyard.

##### (d) Assets under construction

Assets under construction is stated at cost and comprises all costs including borrowing costs directly attributable to bringing the assets under construction ready for their intended use. Assets under construction is transferred to property, vessels and equipment at cost on completion. No depreciation is charged on Assets under construction.

##### (e) Dry docking costs

The expenditure incurred on vessel dry docking, a component of property, vessels and equipment, is amortised over the period from the date of dry docking to the date on which the management estimates that the next dry docking is due which is generally between two and half to five years. Any gain or loss on disposal of an item of property, vessels and equipment is recognised in the consolidated statement of profit or loss.

## ASYAD SHIPPING COMPANY SAOG AND ITS SUBSIDIARIES

### NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

#### 3 Summary of material accounting policies (continued)

##### 3.3 Leases

###### (a) Group as a lessee

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the lessee under residual value guarantees
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The lease payments are discounted using the interest rate implicit in the lease, if that rate can be determined, or the Group's incremental borrowing rate. To determine the incremental borrowing rate, the Group:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Group, which does not have recent third-party financing, and
- makes adjustments specific to the lease, e.g. term, country, currency and security

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. The Group accounts for each lease component within the contract as a lease separately from non-lease components of the contract.

The lease term is considered to be the non-cancellable period for which the Group has the right to use an underlying asset. The lease term is adjusted for periods covered by an option to extend; if it is reasonably certain that the option will be exercised as well as periods covered by an option to terminate the lease; if it is reasonably certain that the option will not be exercised.

###### (b) Group as a lessor

At inception or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices. When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

## ASYAD SHIPPING COMPANY SAOG AND ITS SUBSIDIARIES

### NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

#### 3 Summary of material accounting policies (continued)

##### 3.3 Leases (continued)

###### *(b) Group as a lessor (continued)*

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease. If an arrangement contains lease and non-lease components, then the Group applies IFRS 15 to allocate the consideration in the contract.

The Group applies the derecognition and impairment requirements in IFRS 9 to the net investment in the lease. The Group further regularly reviews estimated unguaranteed residual values used in calculating the gross investment in the lease.

The Group recognises lease payments received under operating leases as income on a straight line basis over the lease term as part of charter hire income.

##### 3.4 Non-current assets (or disposal groups) classified as held-for-sale

Non-current assets (or disposal groups) are classified as assets held-for-sale when their carrying amount is to be recovered principally through a sale transaction and a sale is considered highly probable. They are stated at the lower of carrying amount and their fair value less costs to sell.

##### 3.5 Inventories

Inventories are valued at the lower of cost and net realisable value. Cost is determined applying the first-in, first-out and the average cost methods for bunker oil and lubricant oil respectively and includes all costs incurred in acquiring and bringing them to their present location and condition. Net realisable value is based on estimated selling price less any further costs expected to be incurred on completion and disposal.

##### 3.6 Financial instruments

###### 3.6.1 Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income (OCI), or through profit or loss), and
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

The Group classifies its financial assets as at amortised cost only if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect the contractual cash flows, and
- the contractual terms give rise to cash flows that are solely payments of principal and interest.

###### *Classification of financial assets at fair value through other comprehensive income*

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

## ASYAD SHIPPING COMPANY SAOG AND ITS SUBSIDIARIES

### NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

#### 3 Summary of material accounting policies (continued)

##### 3.6 Financial instruments (continued)

##### 3.6.1 Classification (continued)

- Equity securities which are not held for trading, and which the Group has irrevocably elected at initial recognition to recognise in this category. These are strategic investments and the Group considers this classification to be more relevant.
- Debt securities where the contractual cash flows are solely principal and interest and the objective of the Company's business model is achieved both by collecting contractual cash flows and selling financial assets.

##### 3.6.2 Recognition

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

##### 3.6.3 Derecognition

###### a) Derecognition of financial assets:

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group enters into transactions whereby it transfers assets recognised in its statement of financial position but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

###### b) Derecognition of financial liabilities:

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

##### 3.6.4 Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

###### *Debt instruments*

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses), together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss.

## ASYAD SHIPPING COMPANY SAOG AND ITS SUBSIDIARIES

### NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

#### 3 Summary of material accounting policies (continued)

##### 3.6 Financial instruments (continued)

##### 3.6.4 Measurement (continued)

- FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as separate line item in the statement of profit or loss.
- FVPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.

##### *Equity instruments*

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in other gains/(losses) in the statement of profit or loss as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

##### 3.6.5 Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the consolidated statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

##### 3.6.6 Impairment of financial assets

The Group assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

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 contract assets.

Impairment losses on trade receivables and contract assets are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

##### 3.6.7 Measurement of ECLs

ECLs are a probability weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the company in accordance with the contract and the cash flows that the Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset. The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk. Trade receivables 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, and a failure to make contractual payments.

## ASYAD SHIPPING COMPANY SAOG AND ITS SUBSIDIARIES

### NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

#### 3 Summary of material accounting policies (continued)

##### 3.7 Derivatives and hedging activities (continued)

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Group designates certain derivatives as either:

- hedges of the fair value of recognised assets or liabilities or a firm commitment (fair value hedges)
- hedges of a particular risk associated with the cash flows of recognised assets and liabilities and highly probable forecast transactions (cash flow hedges), or
- hedges of a net investment in a foreign operation (net investment hedges).

At inception of the hedge relationship, the Group documents the economic relationship between hedging instruments and hedged items including whether changes in the cash flows of the hedging instruments are expected to offset changes in the cash flows of hedged items. The Group documents its risk management objective and strategy for undertaking its hedge transactions.

Derivatives are only used for economic hedging purposes and not as speculative investments. However, where derivatives do not meet the hedge accounting criteria, they are classified as ‘held for trading’ for accounting purposes and are accounted for at fair value through profit or loss.

The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months. Trading derivatives are classified as a current asset or liability.

##### *Cash flow hedges that qualify for hedge accounting*

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in the cash flow hedge reserve within equity.

The gain or loss relating to the effective portion of the interest rate swaps hedging variable rate borrowings is recognised in profit or loss within finance cost at the same time as the interest expense on the hedged borrowings.

When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss at that time remains in equity until the forecast transaction occurs, resulting in the recognition of a non-financial asset such as inventory. When the forecast transaction is no longer expected to occur, the cumulative gain or loss and deferred costs of hedging that were reported in equity are immediately reclassified to profit or loss. The carrying amounts of the Group’s non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset’s recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses, are recognised in the statement of comprehensive income.

##### 3.8 Impairment of non-financial assets

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.

## ASYAD SHIPPING COMPANY SAOG AND ITS SUBSIDIARIES

### NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

#### 3 Summary of material accounting policies (continued)

##### 3.9 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects. Gains and losses on measurement of transactions with shareholders are recognised in equity.

##### 3.10 Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

##### 3.11 Dividend distribution

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

##### 3.12 Provisions

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

##### 3.13 Interest expense and income

Interest expense on borrowings is calculated using the effective interest rate method. Financing costs are recognised as an expense in the statement of comprehensive income in the period in which they are incurred.

Borrowing costs comprise interest payable on borrowings. 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. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the cost of those assets. All other borrowing costs are recognised as an expense in the period in which they are incurred.

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

##### 3.14 Income tax

Income tax is provided for in accordance with the fiscal regulations of the country in which the Group operates.

Income tax on the profit or loss for the period comprises current and deferred taxation. Income tax is recognised in the statement of comprehensive income except to the extent that it relates to items recognised directly in the equity or other comprehensive income.

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the period and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date.

Current tax also includes any tax arising from dividends. Current tax assets and liabilities are offset only if certain criteria are met

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that:



## ASYAD SHIPPING COMPANY SAOG AND ITS SUBSIDIARIES

### NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

#### 3 Summary of material accounting policies (continued)

##### 3.14 Income tax (continued)

- is not a business combination; and
- at the time of the transaction

- (i) affects neither accounting nor taxable profit or loss and
- (ii) does not give rise to equal taxable and deductible temporary differences;

- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and

- taxable temporary differences arising on the initial recognition of goodwill.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the unused tax losses and credits can be utilised. The carrying amount of deferred tax assets is reviewed at reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax assets and liabilities and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different taxable entities, but they intend to settle current tax assets and liabilities on a net basis or their tax assets and liabilities will be realised simultaneously. In determining the amount of current and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The assessment regarding adequacy of tax liability for open tax period relies on estimates and assumptions and may involve a series of judgments about future events. New information may become available that causes the Group to change its judgment regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

##### 3.15 Value added taxes

The Company recognises Value Added Tax in line with the rules and regulations set out in the VAT law set out by the Tax Authority of the Sultanate of Oman. The law requires all sales, supplies, services and consumptions within Oman eligible to 5% VAT. The sales, supplies and services outside Oman are subject to zero percent VAT. Revenue, expenses, assets and liabilities are recognised net of the amount of VAT, except where the VAT incurred on the purchase of assets or services is not recoverable from the tax authorities, in which case the VAT is recognised as part of the cost of acquisition of assets or as part of the expense item as applicable.

##### 3.16 Revenue recognition

###### (a) Revenue from contract with customers

The Group recognizes revenue from contracts with customers based on the five-step model as set out in IFRS 15 and is given below:

Step 1 – Identify the contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria that must be met;

Step 2 – Identify the performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer;

Step 3 – Determine the transaction price: The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties;

Step 4 – Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Group allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Group expects to be entitled in exchange for satisfying each performance obligation.

Step 5 – Recognize revenue when (or as) the entity satisfies a performance obligation.

The Group satisfies a performance obligation and recognizes revenue over time, if one of the following criteria is met:

- The Group's performance does not create an asset with an alternate use to the Group and the Group has an enforceable right to payment for performance completed to date;
- The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced;

## ASYAD SHIPPING COMPANY SAOG AND ITS SUBSIDIARIES

### NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

#### 3 Summary of material accounting policies (continued)

##### 3.16 Revenue recognition (continued)

###### (a) Revenue from contract with customers (continued)

- The customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs.

For performance obligations where none of the above conditions are met, revenue is recognized at the point in time at which the performance obligation is satisfied. Revenue is recognized when a customer receives the services.

The Group enters into following contracts with customers:

- Freight services – In case of freight arrangements including liner, revenue for shipping services is recognized over time as the customer benefits from the service received as it is being performed. The group identifies the performance obligation as the transport of goods from load port to discharge port. Thus, revenue is evenly accrued from the point of loading through to the point of completed discharge based upon the voyage days completed as a proportion of the expected total days of the voyage.
- Operation and maintenance services of vessels – Services provided for operation and maintenance of leased vessels.
- Vessel management services – It is a contract for providing crew management and ship maintenance management services to vessels chartered by the Group.

The revenue from contracts with customers has been disaggregated based on the type of service rendered as explained above. The Group disaggregates the revenue in the same manner while evaluating its financial performance.

Information about the Group's contracts is summarised below:

###### (i) Freight services

Contract for a freight services consists of a performance obligation to provide the freight with an integrated transportation service within a specified time period. The contract meets the criteria to recognize revenue over time because the charterer simultaneously receives and consumes the benefits of the Group's performance.

The Group uses the input method to measure the Group's progress towards satisfaction of performance obligations. The input method requires the Group to recognise revenue rateably over the estimated length of each voyage, calculated on a load-to-discharge basis. The revenue is recognised from the point of disconnection of hoses at the load port to the point of disconnection of hoses at the discharge port. The selected input method depicts the Group's performance towards complete satisfaction of the performance obligations since the duration of voyage can be estimated reasonably and it corresponds directly with the value to the customer of Group's performance completed to date.

Invoicing is as per transaction price (freight rate) agreed in the contract. The payment terms are short term in nature and accordingly, transaction price does not contain any significant financing component. Variable consideration which includes items such as demurrage/dispatch and speed bunker differentials revenue is included in transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved. Accumulated experience is used to estimate variable consideration using the expected value method.

The Group recognise a contract asset for services provided over time. Any amount previously recognised as a contract asset is reclassified to trade receivables at the point at which it is invoiced to the customer, which is generally raised upon complete satisfaction of performance obligation. The payment is due within 30 days from the date of invoice, Advances received are included in contract liabilities. Discounts are not considered as they are only given in rare circumstances and are never material.

Voyage expenses are capitalized between the previous discharge port, or contract date if later, and the next load port if they qualify as fulfilment costs under IFRS 15.

# ASYAD SHIPPING COMPANY SAOG AND ITS SUBSIDIARIES

## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

### 3 Summary of material accounting policies (continued)

#### 3.16 Revenue recognition (continued)

##### (a) Revenue from contract with customers (continued)

##### (i) Freight services (continued)

To recognize costs incurred to fulfil a contract as an asset, the following criteria shall be met: (i) the costs relate directly to the contract, (ii) the costs generate or enhance resources of the entity that will be used in satisfying performance obligations in the future and (iii) the costs are expected to be recovered. These costs which include, bunker charges, port costs, and commission expenses, are amortized between load port and discharge port since it is consistent with the transfer to the customer of the services.

No significant element of financing is deemed present as sales are made with a credit term of 30-60 days, which is consistent with market practice.

##### (ii) Operation and maintenance services

Operational and maintenance services pertain to the crew services and repairs-maintenance services for the vessels chartered. The performance obligation relating to such service element is satisfied overtime since the customer simultaneously receives and consumes the benefits of the Group's performance as the Group performs.

Revenue for the services is recognised for the amount to which the Group has right to invoice for the period, since the invoice amount corresponds directly with the value to the customer of the entity's performance completed to date. Receivable from the customer is booked at the same time when the consideration is unconditional, because only the passage of time is required before the payment is due. The invoice is raised monthly and is payable within 3 to 5 days from the date of receipt of invoice by the customer. The Group does not adjust the transaction price for time value of money as the period between the transfer of the promised goods or services to the customer and payment by the customer does not exceed one period and the sales are made with agreed credit terms which is in line with the relevant industry practice.

##### (iii) Vessel management services

The Group provides crew management and ship maintenance management services to vessels chartered by the Group. The contracts gives rise to a single performance obligations namely vessel management services. The performance obligation relating to such service is satisfied overtime since the customer simultaneously receives and consumes the benefits of the Group's performance.

Revenue for the services is recognised for the amount to which the Group has right to invoice for the period, since the invoice amount corresponds directly with the value to the customer of the entity's performance completed to date. Receivable from the customer is booked at the same time when the consideration is unconditional, because only the passage of time is required before the payment is due. The invoice is raised on a monthly basis and is payable within 3 to 5 days from the date of receipt of invoice by the customer. The Group does not adjust the transaction price for time value of money as the period between the transfer of the promised goods or services to the customer and payment by the customer does not exceed one period and the sales are made with agreed credit terms which is in line with the relevant industry practice.

##### (b) Dividend

Dividend income is recognised when the right to receive the dividend is established.

##### (c) Interest income

Interest income on financial assets at amortised cost and financial assets at FVOCI calculated using the effective interest method is recognised in the statement of profit or loss as part of other income.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

Interest income is presented as finance income where it is earned from financial assets that are held for cash management purposes. Any other interest income is included in other income.

## ASYAD SHIPPING COMPANY SAOG AND ITS SUBSIDIARIES

### NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

#### 3 Summary of material accounting policies (continued)

##### 3.17 Loans and borrowings

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

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

##### 3.18 Determination of fair values

Certain of the Group's accounting policies and disclosures require the determination of fair value, for financial assets at fair value through other comprehensive income (FVOCI), financial assets at fair value through profit or loss (FVPL), financial liabilities, derivatives and for non-financial assets and liabilities. The fair values have been determined for measurement and/or disclosure purposes.

Financial assets at FVOCI represent investment in unquoted security. At the reporting date, the Group did not hold any financial asset at FVPL. Financial liabilities consist of trade and other payables, interest bearing loans and borrowings, bank overdrafts and vessel deposits. Derivatives consist of interest rate swap agreements.

When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to the asset or liability.

The group's policy is to recognise transfers into and out of fair value hierarchy levels as at the end of the reporting period.

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the group is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

##### (a) Investments

For investments traded in organised financial markets, fair value is determined by reference to Stock Exchange quoted market bid prices at the close of business on the reporting date (Level 1). For unquoted investments, a reasonable estimate of the fair value is determined by reference to the market value of a similar investment or is based on other observable inputs (Level 2). The fair value for certain unquoted investments are classified as level 3 in the fair value hierarchy due to the use of unobservable inputs, including own credit risk. (Level 3).

##### (b) Other interest bearing items

The fair value of interest-bearing items is estimated based on discounted cash flows using market interest rates for items with similar terms and risk characteristics.

##### (c) Trade and other receivables

The fair value of trade and other receivables including cash and bank balances approximates to their carrying amount due to their short-term maturity.

# ASYAD SHIPPING COMPANY SAOG AND ITS SUBSIDIARIES

## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

### 3 Summary of material accounting policies (continued)

#### 3.18 Determination of fair values (continued)

##### (d) Derivatives

The fair value of interest rate swaps is calculated by discounting estimated future cash flows based on the terms and maturity of each contract and using market interest rates for a similar instrument at the measurement date. This calculation is tested for reasonableness through comparison with the valuations received from the parties issuing the instruments.

##### (e) Non-derivative financial liabilities

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date..

#### 3.19 Operating Segments

A reporting segment is a component of the Group that engaged in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. All operating segments' operating results are reviewed regularly by the Group's Chief operating decision makers about resources to be allocated to the segment and to assess its performance, and for which discrete financial information is available. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision makers (CODM). The Group has identified that the Board of Directors is the CODM in accordance with the requirements of IFRS 8 '*Operating Segments*'. The CODM reviews the performance of each reportable segment at least quarterly. Furthermore, the CODM is supported by senior management in the operational decision-making process.

The Group has the following five strategic divisions, which are its reportable segments. These divisions offer different services and are managed separately because they have different economic characteristics – such as trends in sales growth, rates of return, level of capital investment and have different marketing strategies.

The following summary describes the operations of each reportable segment.

Reportable segments	Operations
Gas shipping	Transporting liquified naturel gas (LNG) and liquified petroleum gas (LPG)
Crude shipping	Transporting crude oil
Products shipping	Transporting liquid cargoes, including refined petroleum and chemical products
Dry bulk shipping	Transporting raw materials, refined products and finished goods including Ore
Liner shipping	Offering container feedering solutions to main line operators (MLOs) and commercial liner services.

In addition, the Company also provides ship chartering, cargo and voyage management, and technical ship management services through its subsidiaries, including Oman Charter Company and Oman Ship Management Company, allowing it to offer full-fledged maritime transportation services of the highest industry standards. None of these segments met the quantitative thresholds for reportable segments at 30 June 2025 or 31 December 2024 and these have been reported in others as unallocated. The financial information about the segments is disclosed in note 35 to these financial statements.

## ASYAD SHIPPING COMPANY SAOG AND ITS SUBSIDIARIES

### NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

#### 4 Financial risk management

The Board of Directors have overall responsibility for the establishment and oversight of the Group's risk management framework. The Group's risk management policies 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 its 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 Audit Committee 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 Audit Committee 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 Audit Committee.

##### 4.1 Financial risk factors

###### (a) Market risk

Market risk is the risk that change in market prices, such as foreign exchange rates, interest rates and equity prices, 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 optimizing the return.

###### (i) Foreign currency risk

The Company's functional currency is USD. Most of transactions are in USD, however the Group does have financial instruments in foreign currencies, therefore is exposed to currency risk, which is not hedged.

###### (ii) Interest rate risk

###### *Risk management strategy*

The Group has obtained certain credit facilities from various international and local banks. These credit facilities bear interest at USD SOFR plus applicable margins. To manage this, the Group entered into interest rate swaps, in which the Group agrees to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed-upon notional principal amount. These hedging instruments are designated to hedge underlying debt obligations. The Group has also entered into interest rate collars, wherein the Group agrees to exchange, at specified intervals, the difference between the variable rate and the ceiling / floor rate (i.e when the variable rate breaches the ceiling / floor rate), calculated with reference to the agreed upon notional principal amount. The Group does not hedge 100% of its loans, therefore the hedged item is identified as a proportion of the outstanding loans up to the notional amount of the hedging instruments.

The Group enters into hedging instruments that have similar critical terms as the hedged item, such as reference rate, reset dates, payment dates, maturities and notional amount. As all critical terms matched during the period, the economic relationship was close to 100% effective. The Group applies hedge accounting to remove the accounting mismatch between the hedging instrument and the hedged item since all critical terms matched during the period and the economic relationship was close to 100% effective. This will effectively result in recognising interest expense at a fixed interest rate for the hedged floating rate loans.

Hedge ineffectiveness for hedging instruments may occur due to:

- the credit value/debit value adjustment on the hedging instruments which is not matched by the loan, and
- differences in critical terms between the interest rate swaps and loans.

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

There was no significant ineffectiveness during 30 June 2025 or 31 December 2024 in relation to the interest rate swaps.

# ASYAD SHIPPING COMPANY SAOG AND ITS SUBSIDIARIES

## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

### 4 Financial risk management (continued)

#### 4.1 Financial risk factors (continued)

(a) *Market risk (continued)*

(ii) Interest rate risk (continued)

The Group's bank deposits carry fixed rates of interest and therefore, are not exposed to interest rate risk. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group long-term debt obligations with floating interest rates.

At 30 June 2025, after taking into account the effect of hedging instruments, 2.46% (*Period ended 31 December 2024 – 10.45%*) of the Groups' total borrowings are at a fixed rate of interest. For the borrowings that are not hedged, if the interest rates on borrowings were to shift by +/- 0.5% there would be a maximum change in the profit for the period by RO 0.74 million (*Period ended 31 December 2024 - RO 0.79 million*).

The Parent Company does not have the interest rate swaps, however the effects of the interest rate swaps on the consolidated financial position and performance are as follows:

	Period ended 30 June 2025 RO'000	Period ended 31 December 2024 RO'000
Carrying amount of liability hedged	12,220	46,142
Notional amount	12,220	46,142
Maturity period	1-5 years	1-5 years
Hedge ratio (holding all other variables constant)	100%	100%
Change in fair value of outstanding hedging instruments since 1 January	(785)	(2,297)
Change in value of hedged item used to determine hedge effectiveness	785	2,297

# ASYAD SHIPPING COMPANY SAOG AND ITS SUBSIDIARIES

## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

### 4 Financial risk management (continued)

#### 4.1 Financial risk factors (continued)

##### (b) Price risk

As at 30 June 2025, the Group is not materially exposed to price risk.

##### (c) 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 obligation and arises principally from Group's receivables, contract assets, and financial assets at amortised cost.

Credit risk arises from cash and cash equivalents, contractual cash flows of debt investments carried at amortised cost and at fair value through other comprehensive income (FVOCI), favourable derivative financial instruments and deposits with banks and financial institutions, as well as credit exposures to outstanding receivables and contract assets.

The Group seeks to limit its credit risk with respect to its finance lease receivables, trade receivables and contract assets by monitoring outstanding receivable balances. The Group has a policy to deal only with credit worthy counter parties. If the customer independently rated, these ratings are used. Otherwise, if there is no independent rating, the Group assesses the credit quality of the customer, taking into account its financial position, past experiences, and other factors.

With respect to credit risk arising from the other financial assets of the Group, including cash and cash equivalents, the Group's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments. The Group limits its credit risk with regard to bank deposits by only dealing with banks with high credit rating. The Group also assesses the credit quality of the companies to whom loans have been advanced taking into account their financial position, past experience and other factors.

Concentration of credit risk arises when a number of counter-parties are engaged in similar business activities, or activities in the same geographic region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations of credit risk indicate the relative sensitivity of the Group's performance to developments affecting a particular industry or geographical location. The Group has significant concentrations of credit risk with financial assets at amortised cost, details of which are provided in the note below.

The Group evaluates the credit worthiness and business outlook of its customers and specifically those with significant finance lease receivable on periodic basis and makes appropriate provisions, where necessary.

Major classification of financial assets which are not measured at fair value as at is as follows:

	Consolidated				Parent Company			
	30 June		31 Dec		30 June		31 Dec	
	2025		2024		2025		2024	
	RO'000	%	RO'000	%	RO'000	%	RO'000	%
	Audited		Audited		Audited		Audited	
Trade receivables	22,912	8	14,345	5	-	-	-	-
Contract assets	3,153	1	4,845	2	-	-	-	-
Other financial assets at amortised cost	4,029	1	8,541	3	181,421	69	173,779	63
Cash and cash equivalents	30,278	11	33,957	12	5,919	2	14,493	5
Fixed term and margin deposits	90,729	34	105,762	36	67,960	26	79,081	29
Finance lease receivables	118,992	45	123,431	42	-	-	-	-
Loans receivable	-	-	-	-	9,055	3	9,810	3
	<b>270,093</b>	<b>100</b>	<b>290,881</b>	<b>100</b>	<b>264,355</b>	<b>100</b>	<b>277,163</b>	<b>100</b>



## ASYAD SHIPPING COMPANY SAOG AND ITS SUBSIDIARIES

## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

## 4 Financial risk management (continued)

## 4.1 Financial risk factors (continued)

## (c) Credit risk (continued)

Credit risk	Consolidated		Parent Company		Comments
	30 June	31 Dec	30 June	31 Dec	
	2025	2024	2025	2024	
	RO'000	RO'000	RO'000	RO'000	
	Audited	Audited	Audited	Audited	
Trade receivables	22,912	14,345	-	-	The Group has counterparties with good reputations and financial performance.
Contract assets	3,153	4,845	-	-	
Other financial assets at amortised cost	4,029	8,541	181,421	173,779	
Cash and cash equivalents	30,278	33,957	5,919	14,493	The Group liquidity is strictly placed with financial institution having credit rating or classified as systemically important financial institutions supported by Oman government.
Fixed term and margin deposits	90,729	105,762	67,960	79,081	
Finance lease receivables	118,992	123,431	-	-	Refer note 10 for details
Loans receivable	-	-	9,055	9,810	Refer note 10 for details

Gross carrying amount of bank balances, loan receivables and finance lease receivables by risk rating grades:

	Rating	Consolidated		Parent Company	
		30 June	31 Dec	30 June	31 Dec
		2025	2024	2025	2024
		RO'000	RO'000	RO'000	RO'000
		Audited	Audited	Audited	Audited
Abu Dhabi Islamic Bank	A1	2,109	665	1,311	408
Bank Nizwa SAOG	Ba1	8,085	10,216	8,085	10,216
Alizz Islamic Bank SAOC	Ba1	-	-	-	-
Ahli Bank SAOG	Ba1	-	-	-	-
Ahli United Bank KSCP	A2	4	1	4	-
Oman Arab Bank SAOG	Ba1	21,518	20,652	21,517	20,652
Sohar International SAOG	Ba1	619	12,311	619	12,311
Sohar Islamic	Ba1	8,062	7,853	8,062	7,853
Bank Muscat SAOG	Baa3	16,822	16,418	4,347	3,975
Societe General Bank	A1	21,969	21,934	-	-
First Abu Dhabi Bank - Oman Region	Aa3	2	2	2	2
Meethaq Islamic Banking - Corporate Banking	Baa3	41	28	1	5,293
National Bank of Oman SAOG	Ba1	65	25	65	25
Gulf International Bank BSC	A2	6,176	98	5,066	-
Mashreq Bank PSC	A3	193	194	-	-
Sumitomo Mitsui Banking Corporation	A1	3,442	3,778	-	-
Muzn Islamic Banking	Ba1	32	32	32	32
Standard Chartered Bank	A1	5,782	5,957	38	-
Qatar National Bank	Aa3	1	1	1	1
J.P. Morgan	Aa1	1,355	1,483	-	1
Al Misarah Islamic banking	Ba1	-	-	-	-
Bank Dhofar SAOG	Ba1	-	24,409	-	24,409
Oman Housing Bank	A2	24,729	8,396	24,729	8,396
National Finance Company	A2	-	5,266	-	-
<b>Bank balances</b>		<b>121,007</b>	<b>139,719</b>	<b>73,879</b>	<b>93,574</b>
Vale International SA	Ba2	118,992	123,431	-	-
<b>Financial assets at amortised cost</b>		<b>118,992</b>	<b>123,431</b>	<b>-</b>	<b>-</b>

## ASYAD SHIPPING COMPANY SAOG AND ITS SUBSIDIARIES

## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

## 4 Financial risk management (continued)

## 4.1 Financial risk factors (continued)

The stated rating is as per the global bank ratings by Moody's Investors Service. Although certain banks were unrated or not prime, management does not foresee any credit risk.

**Trade receivables ageing:**

At 30 June / 31 December, the ageing of trade receivables that was as follows:

	Consolidated		Parent Company	
	30 June	31 Dec	30 June	31 Dec
	2025	2024	2025	2024
	RO'000	RO'000	RO'000	RO'000
Not due	10,185	8,152	-	-
1-90 days past due	10,882	4,259	-	-
Above 91 days past due	1,845	1,934	-	-
	<b>22,912</b>	<b>14,345</b>	<b>-</b>	<b>-</b>

The group has trade receivable amounting to RO 1.8 million (Period ended 31 December 2024: RO 0.55 million) which is above 365 days.

## (d) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and liquid instruments, and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. At the end of the reporting period the Group had cash and cash equivalents [note 10 (f)] of RO 30.27 million (Period ended 31 December 2024 – RO 33.9 million) for managing liquidity risk. Due to the dynamic nature of the underlying businesses, group treasury maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors rolling forecasts of the group's liquidity reserve (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows. This is generally carried out at central level in accordance with practice and limits set by the group.

*Financing arrangements*

The Group and the Parent Company had access to the undrawn borrowing facilities of RO 11.2 million (Period ended 31 December 2024 – RO 15.4 million) at the end of the reporting period.

Consolidated At 30 June 2025	Carrying amount RO'000	Contractual cash flows			Total RO'000
		Less than 1 year RO'000	1 to 5 years RO'000	More than 5 years RO'000	
<i>Non- derivative financial liabilities</i>					
Trade and other payables*	16,908	16,908	-	-	16,908
Loans and borrowings	499,739	74,327	263,171	210,401	547,899
Bank overdraft	4,189	4,189	-	-	4,189
Lease liabilities	174,172	88,688	98,866	66	187,620
	<b>695,008</b>	<b>184,112</b>	<b>362,037</b>	<b>210,467</b>	<b>756,616</b>

Consolidated At 31 December 2024	Carrying amount RO'000	Contractual cash flows			Total RO'000
		Less than 1 year RO'000	1 to 5 years RO'000	More than 5 years RO'000	

*Non- derivative financial liabilities*

Trade and other payables*	10,913	10,913	-	-	10,913
Loans and borrowings	445,846	96,294	225,784	275,889	597,967
Lease liabilities	135,568	74,710	70,158	67	144,935
	<b>592,327</b>	<b>181,917</b>	<b>295,942</b>	<b>275,956</b>	<b>753,815</b>

## ASYAD SHIPPING COMPANY SAOG AND ITS SUBSIDIARIES

## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

## 4 Financial risk management (continued)

## 4.1 Financial risk factors (continued)

Parent Company At 30 June 2025	Carrying amount RO'000	Contractual cash flows			Total RO'000
		Less than 1 year RO'000	1 to 5 years RO'000	More than 5 years RO'000	
<i>Non- derivative financial liabilities</i>					
Trade and other payables*	279,658	279,658	-	-	279,658
Loans and borrowings	298,499	19,367	195,351	168,865	383,583
Bank overdraft	4,189	4,189	-	-	4,189
Lease liabilities	35	2	9	66	77
	582,381	303,216	195,360	168,931	667,507

		Contractual cash flows			
Parent Company	Carrying amount	Less than 1 year	1 to 5 years	More than 5 years	Total
At 31 December 2024	RO'000	RO'000	RO'000	RO'000	RO'000
<i>Non- derivative financial liabilities</i>					
Trade and other payables*	232,121	232,121	-	-	232,121
Loans and borrowings	223,125	16,679	99,884	213,139	329,702
Lease liabilities	35	2	9	67	78
	455,281	248,802	99,893	213,206	561,901

\* Trade and other payables exclude accrued expenses.

The maturity profile of derivative financial instruments is given in note 15.

## 4.2 Capital risk management

The Group's objectives when managing capital is to safeguard the Group's ability to continue as a going concern, so that it can generate returns for members and benefits for other stakeholders.

The Group sets the amount of capital in proportion to risk. The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to members, return capital to members, issue new shares, or sell assets.

Consistent with others in the industry, the Group and the Parent Company monitors capital on the basis of the gearing ratio (debt to total equity).

	Consolidated 30 June 2025 RO'000 Audited	31 Dec 2024 RO'000 Audited	Parent Company 30 June 2025 RO'000 Audited	31 Dec 2024 RO'000 Audited
Debt*	678,100	581,414	302,723	223,160
Total equity	455,184	469,289	186,531	211,041
Debt to total equity ratio (times)	1.49	1.23	1.62	1.06

\* Debt includes term loans, loans from commercial banks, lease liabilities and excludes the deferred finance cost.

## ASYAD SHIPPING COMPANY SAOG AND ITS SUBSIDIARIES

### NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

#### 5 Critical accounting estimates and judgements

##### 5.1 Judgements

In the process of applying the Group's accounting policies, management has made the following significant judgements, apart from those involving estimations, which have the most significant effect in the amounts recognised in the financial statements:

###### *(a) Functional currency*

Management believe that using USD as functional currency realistically represents the economic substance of the underlying transactions, events and conditions. The Company's revenue, expenses and finances are dominated in USD. Therefore, the functional currency is USD.

###### *(b) Determination of cash generating unit*

Management has assessed the entire fleet for two specific category of vessel as a single CGU. Among other things, the judgement affects on which basis an impairment test is performed. The CGUs are considered to be the VLCC fleet and the Dry bulk fleet. When determining that the fleet of vessel forms one single CGU, Management has considered the degree of interdependency between the vessels operating in the fleet in respect of commercial decisions, operating synergies and financial efficiencies. Management has concluded that the interdependency is of such extent that the cash inflows are not largely independent from each other and that, consequently, the entire fleet forms one CGU. When determining that the CGU is not at a lower level than the vessel fleet, Management has attached importance to the fact that fleet is managed as a portfolio, where revenue is shared on a pool basis and the vessels in the fleet as well as the cashflows are largely interchangeable.

##### 5.2 Estimates and assumptions

The preparation of consolidated financial statements require management to make estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

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

###### *(a) Impairment of financial assets at amortised cost*

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses estimates in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's historical experience, existing market conditions as well as forward looking estimates at the end of each reporting period. Details of the key assumptions and inputs used are disclosed in the note 10(g).

###### *(b) Useful lives of property, vessels and equipment*

The useful lives, residual values and methods of depreciation of property, vessel and equipment are reviewed, and adjusted if appropriate, at each financial year end and on an ongoing basis. In the review process, the Group takes guidance from recent acquisitions, as well as market and industry trends. In accordance with its policy, the Group reviews the estimated useful lives and residual values of its property, vessel and equipment on an ongoing basis.

###### *(c) Impairment of vessels*

The Group determines whether its non-financial assets are impaired when there are indicators of impairment as defined in IAS 36. This requires an estimation of the value-in-use of the cash-generating unit ('the CGU'), which constitutes the carrying value of the fleet of vessels (including vessel components) as at 30 June 2025. Estimating the value-in-use requires the Group to make an estimate of the expected future cash flows from the CGU and also to choose a suitable discount rate in order to calculate the present value of those cash flows.

# ASYAD SHIPPING COMPANY SAOG AND ITS SUBSIDIARIES

## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

### 5 Critical accounting estimates and judgements (continued)

#### 5.2 Estimates and assumptions (continued)

##### (c) Impairment of vessels (continued)

The Group determines whether its non-financial assets are impaired when there are indicators of impairment as defined in IAS 36. This requires an estimation of the value-in-use of the cash-generating units ('the CGU'), which constitutes the carrying value of the fleet of vessels (including vessel components) as at 30 June 2025. Estimating the value-in-use requires the Group to make an estimate of the expected future cash flows from the CGU and also to choose a suitable discount rate in order to calculate the present value of those cash flows.

As a consequence of ongoing volatility in freight rates during 2025, the carrying value of the Group's Bulk fleet CGUs, LNG CGU vessel and leased dry bulk and product vessels CGUs have been assessed for impairment. As of 30 June 2025, management performed an impairment test of the recoverable amount of Group's owned Bulk and LNG CGU and leased bulk and Product vessels and the carrying value of the 3 Product vessels CGUs exceeded by RO 0.21 million resulting in impairment.

The carrying value of the Bulk CGU, LNG vessel and leased bulk and product fleet CGUs as at 30 June 2025 was RO 71.09 million. The assessment of the value in use of the Bulk, LNG vessel and Product fleet CGUs was based on the net present value of the expected future cash flows. The freight rate estimates are based on 10-year historical average rates and future outlook as described above and are consistent with the Groups business plans. The Group believes that the approach used for long-term rates appropriately reflects the cyclical nature of the shipping industry and is the most reliable estimate for the periods considered in the assessment.

The Group uses freight rate estimates based on 10-year historical average rates whereas in case of leased product business since, the Group do not have past 10 years business history in leased product vessels and considering volatility, the Group has used average market rates (considering future prospects) obtained from reputable brokers (i.e., MSI Horizon Services, Howerobinson).

The operating expenses and administrative expenses are adjusted for 2.57% per annum. The discount rate used for the bulk CGU and LNG vessel in the value in use calculation is based on a Weighted Average Cost of Capital (WACC) of 8.8% as of 30 June 2025 (31 Dec 2024 : 11.6%). However, for the leased vessels, the discount rate specific to the vessel has been used considering the appropriate rate for that investment, which is incremental borrowing rate. WACC is calculated by using a standard WACC model in which cost of equity, cost of debt and capital structure are the key parameters.

As of 30 June 2025, freight rates used in the value in use calculation are as follows:

- Owned Bulk fleet: USD/day 15,015
- Leased Bulk Vessels: USD/day 13,146
- LNG Vessel: USD/day 38,205
- Product fleet: USD/day 23,957

The vessels are expected to generate normal income for the entire duration of their useful life from the date of delivery from the shipyard. The Group has used forecasted cashflows for the average remaining life for the Bulk CGU, LNG Vessel and leased Bulk and Product fleet. The calculation of the value in use is sensitive to changes in the key assumptions which are related to the future development in freight rates, the discount rate applied as discounting factor in the calculations, the development in operating expenses. All other things being equal, the sensitivities to the value in use have been assessed as follows:

	Owned bulk CGU	Owned LNG CGU	Leased bulk CGU	Leased product CGU	Total
	RO'000	RO'000	RO'000	RO'000	RO'000
Increase/decrease in the freight rates of					
USD 1,000 per day	10,143	675	209	234	11,261
An increase in discount rate of 1%	4,254	1,493	12	27	5,786
An decrease in discount rate of 1%	4,786	1,672	12	27	6,497

The recoverable value (value in use) comes out to be RO 82.08 million for the owned bulk, LNG vessel and leased bulk CGUs. The value in use for these CGUs is RO 82.08 million accordingly the recoverable value is higher than the carrying value, hence no impairment is charged in the current period. However, recoverable value comes out to be RO 5.76 million for leased Product CGUs comparing to carrying value of RO 5.96 million resulting an impairment charge of RO 0.21 million for the six months period 30 June 2025.

## ASYAD SHIPPING COMPANY SAOG AND ITS SUBSIDIARIES

## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

## 6 Investment in subsidiaries and joint ventures

## 6.1 Investment in subsidiaries

Company name	Note	Country of incorporation	30 June 2025 Holding %	31 Dec 2024 Holding %	Parent Company Carrying value as at	
					30 June 2025 RO'000	31 Dec 2024 RO'000
					<b>Audited</b>	<b>Audited</b>
Oman Charter Company LLC	(i)	Sultanate of Oman	99.99%	99.99%	500	500
Oman Ship Management Company LLC	(ii)	Sultanate of Oman	99.99%	99.99%	500	500
Areej LNG Carrier S.A (AREJ)	(iii)	Republic of Panama	80%	80%	6,771	6,771
Tiwi LNG Carrier S.A (TIWI)	(iii)	Republic of Panama	80%	80%	6,771	6,771
Adam Maritime Transportation Company	(iii)	Marshall Islands	100%	100%	45,399	45,399
Dune LNG Carrier S.A (DUNE)	(iii)	Republic of Panama	80%	80%	12,865	12,865
Oryx LNG Carrier S.A (ORYX)	(iii)	Republic of Panama	60%	60%	3,634	3,634
Masirah Maritime Transportation Co. S.A	(iv)	Republic of Panama	100%	100%	1,387	1,387
Matrah Transportation Co. S.A.	(iv)	Republic of Panama	100%	100%	5,156	5,156
Al Amerat Transportation Company S.A	(iv)	Republic of Panama	100%	100%	4,637	4,637
Seeb Maritime Transportation Company	(v)	Marshall Islands	100%	100%	15,951	15,951
As-Suwaiq Maritime Transportation Company	(v)	Marshall Islands	100%	100%	5,592	5,592
Thamreit Maritime Transportation Company Ltd.	(v)	Marshall Islands	100%	100%	19,161	19,161
Ezki Maritime Transportation Company	(v)	Marshall Islands	100%	100%	3,918	3,918
Buka Maritime Transportation Company	(v)	Marshall Islands	100%	100%	5,344	5,344
Daba Maritime Transportation Company	(v)	Marshall Islands	100%	100%	15,070	15,070
Taqah Maritime Transportation Company	(v)	Marshall Islands	100%	100%	18,555	18,555
Vale Liwa Maritime Transportation Company S.A.	(vi)	Marshall Islands	100%	100%	9,317	9,317
Vale Sohar Maritime Transportation Company S.A.	(vi)	Marshall Islands	100%	100%	9,317	9,317
Vale Shinas Maritime Transportation Company S.A.	(vi)	Marshall Islands	100%	100%	9,317	9,317
Vale Saham Maritime Transportation Company S.A.	(vi)	Marshall Islands	100%	100%	9,317	9,317
Oman Container Line Inc.	(vii)	Republic of Panama	100%	100%	0.193	0.193
Saiq Maritime Transportation Company S.A. (Saiq)	(v)	Marshall Islands	100%	100%	8,103	8,103
Samail Maritime Transportation Company S.A. (Samail)	(v)	Marshall Islands	100%	100%	5,692	5,692
Muscat Silver Maritime Transportation Company S.A.	(viii)	Marshall Islands	100%	100%	4,726	4,726
Rustaq Silver Maritime Transportation Company S.A.	(viii)	Marshall Islands	100%	100%	4,534	4,534
Nakhal Silver Maritime Transportation Company S.A.	(viii)	Marshall Islands	100%	100%	4,508	4,508
Yanqul Silver Maritime Transportation Company S.A.	(viii)	Marshall Islands	100%	100%	3,540	3,540
Mahadah Silver Maritime Transportation Company S.A.	(viii)	Marshall Islands	100%	100%	4,142	4,142

## ASYAD SHIPPING COMPANY SAOG AND ITS SUBSIDIARIES

## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

## 6 Investment in subsidiaries and joint ventures (continued)

## 6.1 Investment in subsidiaries (continued)

Company name	Note	Country of incorporation	30 June 2025 Holding %	31 Dec 2024 Holding %	Parent Company Carrying value as at	
					30 June 2025 RO'000	31 Dec 2024 RO'000
					<b>Audited</b>	<b>Audited</b>
Muhut Silver Maritime Transportation Company S.A.	(viii)	Marshall Islands	100%	100%	4,200	4,200
Dank Silver Maritime Transportation Company S.A.	(viii)	Marshall Islands	100%	100%	3,357	3,357
Madha Silver Maritime Transportation Company S.A.	(viii)	Marshall Islands	100%	100%	3,376	3,376
Sadah Silver Maritime Transportation Company S.A.	(viii)	Marshall Islands	100%	100%	3,253	3,253
Khasab Silver Maritime Transportation Company S.A.	(viii)	Marshall Islands	100%	100%	3,276	3,276
Jabal Al Misht Maritime Transportation Company Limited	(ix)	Marshall Islands	100%	100%	1,778	1,778
Jabal Shams Maritime Transportation Company Limited	(ix)	Marshall Islands	100%	100%	1,779	1,779
Dalkut Maritime Transportation Company Limited	(v)	Marshall Islands	100%	100%	7,089	7,089
Sur Maritime Transportation Company Limited	(v)	Marshall Islands	100%	100%	7,053	7,053
Bahla Maritime Transportation Company Limited	(v)	Marshall Islands	100%	100%	7,074	7,074
Jabl Samhan Maritime Transportation Company Limited	(ix)	Marshall Islands	100%	100%	1,524	1,524
Jabl Kawr Maritime Transportation Company Limited	(ix)	Marshall Islands	100%	100%	1,382	1,382
Jabl Hafit Maritime Transportation Company Limited	(ix)	Marshall Islands	100%	100%	1,398	1,398
Jabl Harim Maritime Transportation Company Limited	(ix)	Marshall Islands	100%	100%	1,357	1,357
Jabl Al Rawdah Maritime Transportation Company Limited	(ix)	Marshall Islands	100%	100%	1,350	1,350
Asyad Lines LLC	(vii)	Oman	100%	100%	250	250
Wadi Bani Khalid Maritime Transportation Company Limited	(vii)	Marshall Island	100%	100%	4,009	4,009
Asyad Shipping PTE. LTD	(i)	Singapore	100%	100%	-	-
Wadi Duka Maritime Transportation Company Limited	(vii)	Marshall Island	100%	100%	2,658	2,658
		Sultanate of			250	250
Asyad Ship Management Company SPC	(x)	Oman	100%	100%		
Awabi Maritime Transportation Company Limited	(xi)	Marshall Island	100%	-	8,162	-
Qurayyat Maritime Transportation Company Limited	(xi)	Marshall Island	100%	-	7,700	-
					<b>315,999</b>	<b>300,137</b>

- (i) This subsidiary is a limited liability company engaged in hiring and chartering vessels.
- (ii) This subsidiary is a limited liability company engaged in providing ship management services.
- (iii) This subsidiary is limited liability companies engaged in owning and operating liquefied natural gas tankers, which are operating on long term time charters.

# ASYAD SHIPPING COMPANY SAOG AND ITS SUBSIDIARIES

## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

### 6 Investment in subsidiaries and joint ventures

#### 6.1 Investment in subsidiaries (continued)

- (iv) This subsidiary is limited liability companies engaged in owning and operating product tankers, which are operating on long-term time charter contracts.
- (v) This subsidiary own Very Large Crude Carriers (VLCCs) which are currently being operated in spot market.
- (vi) This subsidiary is formed in accordance with the Group's arrangement with a customer for chartering out four Very Large Ore Carriers (VLOC) on long-term time charter.
- (vii) This subsidiary is a limited liability company engaged in the liner business.
- (viii) This subsidiary was formed in accordance with the Group's arrangement with a customer to provide ten Medium Range ("MR 2") vessels which are chartered to a customer for 7 years extendable further for 3 years.
- (ix) This subsidiary is limited liability companies engaged in owning and operating bulk carriers, which are being operated in spot market.
- (x) This subsidiary is engaged in providing ship management services which was incorporated during the Period ended 31 December 2024. The company does not have started its operations yet.
- (xi) This subsidiary is incorporated during the period ended 30 June 2025. This subsidiary does not have started its operations yet. This subsidiary will operate in the crude segment.

#### 6.2 Investment in joint ventures

The Company has the following investments in joint ventures:

Company name	Country of incorporation	Holding	Opening carrying value 1 January 2025 RO'000	Impairment RO'000	Closing carrying value 30 June 2025 RO'000
<b>2025</b>		<b>%</b>			
Energy Spring LNG Carrier S.A. (i)	Republic of Panama	50	5,500	-	5,500
Duqm Maritime Transportation Company S.A. (ii)	Republic of Panama	50	4,937	-	4,937
Raysut Maritime Transportation Company S.A. (iii)	Republic of Panama	50	1,908	-	1,908
Al Musanah Maritime Transportation Company S.A. (iv)	Republic of Panama	50	3,109	-	3,109
Haima Maritime Transportation Company S.A. (v)	Republic of Panama	50	1,539	-	1,539
Liwa Maritime Transportation Company S.A. (vi)	Republic of Panama	50	10	-	10
			<b>17,003</b>	<b>-</b>	<b>17,003</b>
Company name	Country of incorporation		Opening carrying value 1 January 2024 RO'000	Impairment RO'000	Closing carrying value 31 Dec 2024 RO'000
<b>2024</b>		<b>%</b>			
Energy Spring LNG Carrier S.A. (i)	Republic of Panama	50	5,772	(272)	5,500
Duqm Maritime Transportation Company S.A. (ii)	Republic of Panama	50	4,937	-	4,937
Raysut Maritime Transportation Company S.A. (iii)	Republic of Panama	50	1,908	-	1,908
Al Musanah Maritime Transportation Company S.A. (iv)	Republic of Panama	50	3,109	-	3,109
Haima Maritime Transportation Company S.A. (v)	Republic of Panama	50	1,539	-	1,539
Liwa Maritime Transportation Company S.A. (vi)	Republic of Panama	50	10	-	10
			<b>17,275</b>	<b>(272)</b>	<b>17,003</b>



## ASYAD SHIPPING COMPANY SAOG AND ITS SUBSIDIARIES

### NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

#### 6 Investment in subsidiaries and joint ventures

##### 6.1 Investment in joint ventures (continued)

- (i) This company is a limited liability company and is engaged in owning and operating a liquefied natural gas tanker. The Company's investment in the shares of the joint venture and the sponsor support agreement are assigned in favour of a lender to the joint venture. During the year 2024, management has assessed the carrying value and recorded the provision for impairment amounting to RO 0.27 million (2023: nil). Principal place of business is Oman.
- (ii) On 29 November 2005, the Company along with Mitsui O.S.K. Lines formed a joint venture, Duqm Maritime Transportation Company S.A. for the primary purpose of acquiring, owning and operation of an a crude oil tanker. Principal place of business is Japan.
- (iii) On 23 June 2006, the Company along with Mitsui O.S.K. Lines formed a joint venture, Raysut Maritime Transportation Company S.A. for the primary purpose of acquiring, owning and operation of an LR2 tanker. Principal place of business is Japan.
- (iv) On 23 June 2006, the Company along with Mitsui O.S.K. Lines formed a joint venture, Al Musanah Maritime Transportation Company S.A. for the primary purpose of acquiring, owning and operating an LPG carrier vessel. Principal place of business is Japan.
- (v) On 23 June 2006, the Company along with Mitsui O.S.K. Lines formed a joint venture, Haima Maritime Transportation Company S.A. for the primary purpose of acquiring, owning and operation of a LR2 tanker. Principal place of business is Japan.
- (vi) On 21 June 2005, the Company along with Mitsui O.S.K. Lines formed a joint venture, Liwa Maritime Transportation Company S.A. for the primary purpose of operating vessels chartering business. Principal place of business is Japan.

# **ASYAD SHIPPING COMPANY SAOG AND ITS SUBSIDIARIES**

## **NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS**

### **7 Property, vessels and equipment**

<b>Consolidated</b>	<b>Assets under Construction* RO'000</b>	<b>Vessels, dry-docking costs and other equipment RO'000</b>	<b>Computer equipment RO'000</b>	<b>Motor vehicles RO'000</b>	<b>Furniture and fixtures RO'000</b>	<b>Building RO'000</b>	<b>Total RO'000</b>
<b>Cost - Audited</b>							
Balance at 1 January 2025	70,884	1,347,065	1,160	30	881	7,488	1,427,508
Additions	57,400	3,665	-	-	-	-	61,065
Balance at 30 June 2025	128,284	1,350,730	1,160	30	881	7,488	1,488,573
<b>Accumulated depreciation and impairment – Audited</b>							
Balance at 1 January 2025	-	797,908	1,138	15	716	706	800,483
Depreciation	-	25,278	5	3	47	75	25,408
Balance at 30 June 2025	-	823,186	1,143	18	763	781	825,891
<b>Carrying amounts</b>							
<b>At 30 June 2025 - Audited</b>	<b>128,284</b>	<b>527,544</b>	<b>17</b>	<b>12</b>	<b>118</b>	<b>6,707</b>	<b>662,682</b>
<b>Cost – Audited</b>							
Balance at 1 January 2024	39,957	1,337,509	1,160	30	881	7,488	1,387,025
Additions	32,045	8,717	-	-	-	-	40,762
Disposals	-	(20)	-	-	-	-	(20)
Transfer to intangible assets	(259)	-	-	-	-	-	(259)
Transfer to vessels and dry docking	(859)	859	-	-	-	-	-
Balance at 31 December 2024	70,884	1,347,065	1,160	30	881	7,488	1,427,508
<b>Accumulated depreciation and impairment – Audited</b>							
Balance at 1 January 2024	-	748,446	1,129	9	621	556	750,761
Depreciation	-	49,475	9	6	95	150	49,735
Disposals	-	(13)	-	-	-	-	(13)
Balance at 31 December 2024	-	797,908	1,138	15	716	706	800,483
<b>Carrying amounts</b>							
<b>At 31 December 2024 - Audited</b>	<b>70,884</b>	<b>549,157</b>	<b>22</b>	<b>15</b>	<b>165</b>	<b>6,782</b>	<b>627,025</b>

# **ASYAD SHIPPING COMPANY SAOG AND ITS SUBSIDIARIES**

## **NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS**

### **7 Property, vessels and equipment (continued)**

<b>Parent Company</b>	<b>Assets under Construction* RO'000</b>	<b>Computer equipment RO'000</b>	<b>Motor vehicles RO'000</b>	<b>Furniture and fixtures RO'000</b>	<b>Building RO'000</b>	<b>Total RO'000</b>
<b>Cost – Audited</b>						
Balance at 1 January 2025	70,448	982	30	830	7,488	79,778
Additions	57,363	-	-	-	-	57,363
Balance at 30 June 2025	<u>127,811</u>	<u>982</u>	<u>30</u>	<u>830</u>	<u>7,488</u>	<u>137,141</u>
<b>Accumulated depreciation-Audited</b>						
Balance at 1 January 2025	-	965	15	677	706	2,363
Depreciation	-	-	3	40	75	118
Balance at 30 June 2025	<u>-</u>	<u>965</u>	<u>18</u>	<u>717</u>	<u>781</u>	<u>2,481</u>
<b>Carrying amounts</b>						
<b>At 30 June 2025 - Audited</b>	<u><u>127,811</u></u>	<u><u>17</u></u>	<u><u>12</u></u>	<u><u>113</u></u>	<u><u>6,707</u></u>	<u><u>134,660</u></u>
<b>Cost– Audited</b>						
Balance at 1 January 2024	38,729	982	30	830	7,488	48,059
Additions	31,719	-	-	-	-	31,719
Balance at 31 December 2024	<u>70,448</u>	<u>982</u>	<u>30</u>	<u>830</u>	<u>7,488</u>	<u>79,778</u>
<b>Accumulated depreciation– Audited</b>						
Balance at 1 January 2024	-	965	9	598	556	2,128
Depreciation	-	-	6	79	150	235
Balance at 31 December 2024	<u>-</u>	<u>965</u>	<u>15</u>	<u>677</u>	<u>706</u>	<u>2,363</u>
<b>Carrying amounts</b>						
<b>At 31 December 2024 -Audited</b>	<u><u>70,448</u></u>	<u><u>17</u></u>	<u><u>15</u></u>	<u><u>153</u></u>	<u><u>6,782</u></u>	<u><u>77,415</u></u>

## ASYAD SHIPPING COMPANY SAOG AND ITS SUBSIDIARIES

### NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

#### 7 Property, vessels and equipment (continued)

At 30 June 2025, vessels and dry-docking costs having carrying amount of RO 318 million (*Period ended 31 December 2024 – RO 328.43 million*) are pledged against borrowings availed by Group from banks. Details regarding the Group's obligations under its loan and its future commitments are set out in note 14.

\*It includes the cost of construction of two LNG and four VLCC and 2 MR tankers vessels and costs incurred up to 30 June 2025 totalled RO 121.8 million (*Period ended 31 December 2024: RO 66.96 million*). Borrowing cost amounting to RO 2.4 million (*Period ended 31 December 2024: RO 2.5 million*) is also capitalised during the six months period, using a capitalisation rate of 2.81 percent (*Period ended 31 December 2024: 5.8 percent*).

Depreciation expense for the period ended 30 June is charged as follows:

	Consolidated				Parent Company			
	For the six months period ended		For the three months period		For the six months period ended		For the three months period ended	
	30 June 2025	30 June 2024	30 June 2025	30 June 2024	30 June 2025	30 June 2024	30 June 2025	30 June 2024
	Audited RO'000	Unaudited RO'000	Unaudited RO'000	Unaudited RO'000	Audited RO'000	Unaudited RO'000	Unaudited RO'000	Unaudited RO'000
Vessel operating costs (note 23)	25,278	24,322	12,666	12,228	-	-	-	-
General and administrative expenses (note 25)	130	130	66	65	118	118	59	59
	<b>25,408</b>	<b>24,452</b>	<b>12,732</b>	<b>12,293</b>	<b>118</b>	<b>118</b>	<b>59</b>	<b>59</b>

#### 8 Leases

The Group has entered into long-term charter contracts for leasing vessels, which it further engages in operations for generating revenue. It has also leased land and building for administrative purposes. The vessel lease contracts are typically entered into for a period of 2 to 15 years and lease of land is for the period of 43 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes.

These liabilities are measured at the present value of the lease payments over the lease term, discounted using the lessee's incremental borrowing rate as at date of measurement which were between 3.7% and 7.42% (*Period ended 31 December 2024: 3.7% to 8.4%*) at the date of initial adoption.

The Group is not exposed to any future cash-flows from variable lease terms or residual value guarantees that are not reflected in the measurement of lease liabilities.

##### 8.1 Right-of-use asset

The statements of financial position and profit or loss shows the following amounts relating to lease of right of use assets:

Consolidated	Land RO'000 Audited	Properties RO'000 Audited	Vessels RO'000 Audited	Total RO'000 Audited
<b>2025</b>				
Balance at 1 January	31	51	123,619	123,701
Additions to right-of-use assets	-	-	82,858	82,858
Depreciation charge for the period	(1)	(32)	(38,970)	(39,003)
Impairment loss for the period	-	-	(208)	(208)
Balance at 30 June	<b>30</b>	<b>19</b>	<b>167,299</b>	<b>167,348</b>
<b>2024</b>				
Balance at 1 January	32	115	134,896	135,043
Additions to right-of-use assets	-	-	68,832	68,832
Depreciation charge for the period	(1)	(64)	(80,109)	(80,174)
Balance at 31 December	<b>31</b>	<b>51</b>	<b>123,619</b>	<b>123,701</b>

# **ASYAD SHIPPING COMPANY SAOG AND ITS SUBSIDIARIES**

## **NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS**

### **8 Leases (continued)**

#### **8.1 Right-of-use asset (continued)**

Parent Company	Land RO'000 Audited	Properties RO'000 Audited	Vessels RO'000 Audited	Total RO'000 Audited
<b>2025</b>				
Balance at 1 January	31	-	-	31
Depreciation charge for the period	(1)	-	-	(1)
Balance at 30 June	<u>30</u>	<u>-</u>	<u>-</u>	<u>30</u>
<b>2024</b>				
Balance at 1 January	32	-	-	32
Depreciation charge for the period	(1)	-	-	(1)
Balance at 31 December	<u>31</u>	<u>-</u>	<u>-</u>	<u>31</u>

#### **8.2 Movement in lease liabilities**

	Consolidated		Parent Company	
	30 June 2025 RO'000 Audited	31 Dec 2024 RO'000 Audited	30 June 2025 RO'000 Audited	31 Dec 2024 RO'000 Audited
<b>Balance at 1 January</b>	<b>135,568</b>	160,576	<b>36</b>	36
Additions during the period	<b>82,858</b>	68,832	-	-
Payments during the period	<b>(48,651)</b>	(102,446)	<b>(3)</b>	(2)
Interest expense for the period	<b>4,397</b>	8,606	<b>2</b>	2
<b>Balance at 30 June / 31 December</b>	<b><u>174,172</u></b>	<u>135,568</u>	<b><u>35</u></b>	<u>36</u>

The current and non-current classification of lease liabilities as of the reporting date is as follows:

	Consolidated		Parent Company	
	30 June 2025 RO'000 Audited	31 Dec 2024 RO'000 Audited	30 June 2025 RO'000 Audited	31 Dec 2024 RO'000 Audited
Current lease liabilities	<b>81,399</b>	69,194	-	1
Non-Current lease liabilities	<b>92,773</b>	66,374	<b>35</b>	35
	<b><u>174,172</u></b>	<u>135,568</u>	<b><u>35</u></b>	<u>36</u>

# ASYAD SHIPPING COMPANY SAOG AND ITS SUBSIDIARIES

## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

### 8 Leases (continued)

#### 8.3 Amounts recognised in profit or loss

	Consolidated				Parent Company			
	For the six months period ended		For the three months period		For the six months period ended		For the three months period ended	
	30 June 2025	30 June 2024	30 June 2025	30 June 2024	30 June 2025	30 June 2024	30 June 2025	30 June 2024
	Audited RO'000	Unaudited RO'000	Unaudited RO'000	Unaudited RO'000	Audited RO'000	Unaudited RO'000	Unaudited RO'000	Unaudited RO'000
Depreciation (note 25 and 23)	39,003	38,745	19,876	19,841	1	1	-	1
Interest on lease liabilities	4,397	4,396	2,303	2,163	2	2	-	2

#### 8.4 Amounts recognised in statement of cash flows for the period ended

	Consolidated		Parent Company	
	30 June 2025	30 June 2024	30 June 2025	30 June 2024
	RO'000	RO'000	RO'000	RO'000
	Audited	Unaudited	Audited	Unaudited
Total cash out flows for the leases				
Interest portion	4,397	4,396	2	2
Principal portion	44,254	44,031	1	-
	<u>48,651</u>	<u>48,427</u>	<u>3</u>	<u>2</u>

### 9 Equity-accounted investees

	30 June 2025 RO'000 Audited	31 December 2024 RO'000 Audited
Carrying amount of investments in consolidated financial statements		
Interest in joint venture*	<u>25,909</u>	<u>24,860</u>

The following table illustrates the movement of the Group investment in joint ventures:

	30 June 2025 RO'000 Audited	31 December 2024 RO'000 Audited
Balance at 1 January	24,860	24,226
Share of results of joint ventures – net of tax - note 9(a)	1,049	835
Other movements	-	(47)
Dividends received- note 9(a)	-	(154)
Balance at 30 June / 31 December	<u>25,909</u>	<u>24,860</u>

\*The details of the investment in joint ventures is given in note 6.1.

# ASYAD SHIPPING COMPANY SAOG AND ITS SUBSIDIARIES

## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

### 9 Equity-accounted investees (continued)

#### (a) Summarised financial information for joint ventures

The following table summarises the financial information of joint ventures as included in their own management financial statements. The table also reconciles the summarised financial information to the carrying amount of the Group's interest in joint ventures. Set out below is the summarised financial information for the joint ventures which are accounted for using the equity method.

#### Summarised statement of financial position:

	ENERGY	LIWA	RAYSUT	AL-MUSANAH	DUQM	HAIMA	Total
Percentage of ownership interest	50%	50%	50%	50%	50%	50%	
	RO'000	RO'000	RO'000	RO'000	RO'000	RO'000	RO'000
<b>As at 30 June 2025 - Audited</b>							
Non-current assets	9,708	-	7,219	12,613	-	7,193	36,733
Current assets							
- Cash and cash equivalents	405	5,059	1,722	3,375	188	1,399	12,148
- Other current assets	1,419	156	30	279	12,361	123	14,368
Non-current liabilities							
- Financial liabilities	-	-	-	(7,697)	-	-	(7,697)
Current liabilities							
- Financial liabilities (excluding trade and other payables and provisions)	-	(670)	-	(2,199)	-	-	(2,869)
- Other current liabilities	(133)	(582)	(36)	(116)	-	-	(867)
<b>Net assets (100%)</b>	<b>11,399</b>	<b>3,963</b>	<b>8,935</b>	<b>6,255</b>	<b>12,549</b>	<b>8,715</b>	<b>51,816</b>
Group's share of net assets (50%)	5,700	1,982	4,468	3,128	6,274	4,357	25,909
Carrying amount of interest in joint venture	5,700	1,982	4,468	3,128	6,274	4,357	25,909
<b>As at 31 December 2024 - Audited</b>							
Non-current assets	10,580	-	7,921	13,630	-	7,892	40,023
Current assets							
- Cash and cash equivalents	5,396	4,159	2,095	3,712	196	879	16,437
- Other current assets	1,714	329	36	361	12,069	72	14,581
Non-current liabilities							
- Financial liabilities	-	-	-	(8,796)	-	-	(8,796)
Current liabilities							
- Financial liabilities (excluding trade and other payables and provisions)	(6,270)	(967)	-	(2,199)	-	-	(9,436)
- Other current liabilities	(420)	(902)	(1,128)	(532)	(3)	(105)	(3,090)
<b>Net assets (100%)</b>	<b>11,000</b>	<b>2,619</b>	<b>8,924</b>	<b>6,176</b>	<b>12,262</b>	<b>8,738</b>	<b>49,719</b>
Group's share of net assets (50%)	5,500	1,309	4,462	3,088	6,131	4,370	24,860
Carrying amount of interest in joint venture	5,500	1,309	4,462	3,088	6,131	4,370	24,860

# ASYAD SHIPPING COMPANY SAOG AND ITS SUBSIDIARIES

## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

### 9 Equity-accounted investees (continued)

(a) Summarised financial information for joint ventures

#### Summarised statement of profit or loss and other comprehensive income:

For the six months period ended 30 June 2025 - Audited	ENERGY	LIWA	RAYSUT	AL-MUSANAH	DUQM	HAIMA	Total
	RO'000	RO'000	RO'000	RO'000	RO'000	RO'000	RO'000
Revenue	2,439	6,047	1,254	2,136	-	1,282	13,158
Operating costs	(1,029)	(4,702)	(542)	(680)	(5)	(618)	(7,576)
Depreciation	(1,013)	-	(702)	(1,094)	-	(687)	(3,496)
Finance income	-	-	-	-	291	-	291
Interest expense	2	-	-	(281)	-	-	(279)
Other non-operation income / (expenses)	-	-	-	-	-	-	-
Income tax	-	-	-	-	-	-	-
<b>Profit and total comprehensive income (100%)</b>	<b>399</b>	<b>1,345</b>	<b>10</b>	<b>81</b>	<b>286</b>	<b>(23)</b>	<b>2,098</b>
<b>Group's share of total comprehensive income (50%)</b>	<b>200</b>	<b>673</b>	<b>5</b>	<b>40</b>	<b>143</b>	<b>(12)</b>	<b>1,049</b>
<b>Dividend received by the group</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

For the Period ended 31 December 2024 - Audited	ENERGY	LIWA	RAYSUT	AL-MUSANAH	DUQM	HAIMA	Total
	RO'000	RO'000	RO'000	RO'000	RO'000	RO'000	RO'000
Revenue	4,448	11,241	2,508	4,749	-	2,508	25,455
Operating costs	(2,954)	(9,941)	(1,156)	(1,638)	(12)	(1,182)	(16,884)
Depreciation	(1,861)	-	(1,352)	(2,203)	-	(1,320)	(6,736)
Finance income	88	-	-	-	666	-	754
Interest expense	(1)	-	(5)	(907)	-	(5)	(918)
Other non-operation income / (expenses)	-	-	-	-	-	-	-
Income tax	-	-	-	-	-	-	-
<b>Profit and total comprehensive income (100%)</b>	<b>(280)</b>	<b>1,300</b>	<b>(5)</b>	<b>1</b>	<b>654</b>	<b>1</b>	<b>1,671</b>
<b>Group's share of total comprehensive income (50%)</b>	<b>(140)</b>	<b>650</b>	<b>(2)</b>	<b>-</b>	<b>327</b>	<b>-</b>	<b>835</b>
<b>Dividend received by the group</b>	<b>154</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>154</b>

During the six months period ended 30 June 2024, share of profit from Joint ventures is amounts to RO 0.63 million.



# ASYAD SHIPPING COMPANY SAOG AND ITS SUBSIDIARIES

## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

### 10 Financial assets

The Group holds the following financial assets:

	Consolidated		Parent Company	
	As at 30 June 2025		As at 30 June 2025	
	Non-current RO'000	Current RO'000	Non-current RO'000	Current RO'000
	Audited	Audited	Audited	Audited
Finance lease receivables - note (a)	110,068	8,828	-	-
Loans receivable - note (b)	-	-	7,546	1,509
	110,068	8,828	7,546	1,509
Trade receivables - note (c)	-	21,263	-	-
Contract assets - note (d)	-	3,125	-	-
Other financial assets at amortised cost - note (e)	-	3,941	-	181,397
Bank balances - note (f)	29,200	91,807	29,200	44,679
	139,268	128,964	36,746	227,585

	Consolidated		Parent Company	
	As at 31 Dec 2024		As at 31 Dec 2024	
	Non-current RO'000	Current RO'000	Non-current RO'000	Current RO'000
	Audited	Audited	Audited	Audited
Finance lease receivables - note (a)	114,737	8,528	-	-
Loans receivable - note (b)	-	-	8,301	1,509
	114,737	8,528	8,301	1,509
Trade receivables - note (c)	-	13,625	-	-
Contract assets - note (d)	-	4,775	-	-
Other financial assets at amortised cost - note (e)	-	8,382	-	173,749
Bank balances - note (f)	7,700	132,019	7,700	85,874
	122,437	167,329	16,001	261,132

#### (a) Finance lease receivables

Four of the Group's subsidiaries entered into 20 years lease arrangements for very large ore carriers (VLOCs) with a third party (lessee). The Group has determined, based on an evaluation of the terms and conditions of the arrangements, that it does not retain the significant risks and rewards of ownership of these VLOCs and therefore has accounted the time charter party agreements as finance lease arrangements.

**ASYAD SHIPPING COMPANY SAOG AND ITS SUBSIDIARIES**
**NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS**
**10 Financial assets (continued)**
**(a) Finance lease receivables (continued)**

	<b>Consolidated</b>		<b>Parent Company</b>	
	<b>30 June</b>	<b>31 Dec</b>	<b>30 June</b>	<b>31 Dec</b>
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	<b>RO'000</b>	<b>RO'000</b>	<b>RO'000</b>	<b>RO'000</b>
	<b>Audited</b>	<b>Audited</b>	<b>Audited</b>	<b>Audited</b>
<b>Non-current portion</b>	<b>110,068</b>	114,737	-	-
<b>Current portion</b>	<b>8,924</b>	8,694	-	-
Less: Expected credit loss allowance	<b>(96)</b>	(166)	-	-
[note 10(g)]				
	<b>8,828</b>	8,528	-	-

During six months period ended 30 June 2025, the Group recorded finance lease income of RO 7.6 million (*Period ended 30 June 2024: RO 8.1 million - unaudited*).

Future minimum lease receivables under finance lease together with the present value of the minimum lease receivables are as follows:

	<b>Consolidated</b>		<b>Parent Company</b>	
	<b>30 June</b>	<b>31 Dec</b>	<b>30 June</b>	<b>31 Dec</b>
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	<b>RO'000</b>	<b>RO'000</b>	<b>RO'000</b>	<b>RO'000</b>
	<b>Audited</b>	<b>Audited</b>	<b>Audited</b>	<b>Audited</b>
<b>Finance lease receivables</b>				
- Current	<b>8,924</b>	8,694	-	-
- Non-current	<b>110,068</b>	114,737	-	-
Total finance lease receivable	<b>118,992</b>	123,431	-	-
Undiscounted lease payments to be received				
Less than 1 year	<b>23,442</b>	23,384	-	-
1 to 2 years	<b>23,678</b>	23,500	-	-
2 to 3 years	<b>23,428</b>	23,855	-	-
3 to 4 years	<b>23,174</b>	23,002	-	-
4 to 5 years	<b>23,277</b>	23,346	-	-
More than 5 years	<b>72,548</b>	84,152	-	-
	<b>189,547</b>	201,239	-	-
Less : unearned finance income	<b>(70,555)</b>	(77,808)	-	-
	<b>118,992</b>	123,431	-	-

The receivable under finance lease arrangements is from a customer considered to be one of the largest ore producers in the world and therefore considered to be of good credit standing. Further, there are no past due finance lease receivables.

**ASYAD SHIPPING COMPANY SAOG AND ITS SUBSIDIARIES**
**NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS**
**10 Financial assets (continued)**
*(b) Loans receivable*

	<b>Consolidated</b>		<b>Parent Company</b>	
	<b>30 June</b>	<b>31 Dec</b>	<b>30 June</b>	<b>31 Dec</b>
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	<b>RO'000</b>	<b>RO'000</b>	<b>RO'000</b>	<b>RO'000</b>
	<b>Audited</b>	<b>Audited</b>	<b>Audited</b>	<b>Audited</b>
Loan to subsidiary (i)	-	-	<b>9,055</b>	9,810
Less: Expected credit loss allowance [note 10(g)]	-	-	-	-
	<u>-</u>	<u>-</u>	<u><b>9,055</b></u>	<u>9,810</u>

- (i) Loans to subsidiary is secured, long term in nature and repayable in semiannual instalments and carry annual effective interest rates of SOFR plus 2.25% (31 Dec 2024 – SOFR plus 2.25%).

*(c) Trade receivables*

	<b>Consolidated</b>		<b>Parent Company</b>	
	<b>30 June</b>	<b>31 Dec</b>	<b>30 June</b>	<b>31 Dec</b>
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	<b>RO'000</b>	<b>RO'000</b>	<b>RO'000</b>	<b>RO'000</b>
	<b>Audited</b>	<b>Audited</b>	<b>Audited</b>	<b>Audited</b>
Trade receivables	<b>22,912</b>	14,345	-	-
Less: Expected credit loss allowance [note 10(g)]	<b>(1,649)</b>	(720)	-	-
	<u><b>21,263</b></u>	<u>13,625</u>	<u>-</u>	<u>-</u>

Due to the short-term nature of the trade receivables, their carrying amount approximates to their fair value.

# ASYAD SHIPPING COMPANY SAOG AND ITS SUBSIDIARIES

## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

### 10 Financial assets (continued)

#### (d) Contract assets

The Group has recognised the following assets related to contracts with customers:

	Consolidated		Parent Company	
	30 June 2025 RO'000 Audited	31 Dec 2024 RO'000 Audited	30 June 2025 RO'000 Audited	31 Dec 2024 RO'000 Audited
Contract assets	3,153	4,845	-	-
Less: Expected credit loss allowance [note 10(g)]	(28)	(70)	-	-
	<u>3,125</u>	<u>4,775</u>	<u>-</u>	<u>-</u>

The contract assets primarily relate to Group's right to consideration for work completed but not billed at the reporting date. The contract assets are transferred to receivables when the rights become unconditional. This usually occurs when the Group issues invoice to the customer.

#### (e) Other financial assets at amortised cost

	Consolidated		Parent Company	
	30 June 2025 RO'000 Audited	31 Dec 2024 RO'000 Audited	30 June 2025 RO'000 Audited	31 Dec 2024 RO'000 Audited
Due from related parties (note 18)	2,443	7,367	181,420	173,779
Other receivables	1,586	1,174	1	-
Less: Expected credit loss allowance [note 10(g)]	(88)	(159)	(24)	(30)
	<u>3,941</u>	<u>8,382</u>	<u>181,397</u>	<u>173,749</u>

#### (f) Bank balances

	Consolidated		Parent Company	
	30 June 2025 RO'000 Audited	31 Dec 2024 RO'000 Audited	30 June 2025 RO'000 Audited	31 Dec 2024 RO'000 Audited
Total bank balances	<u>121,007</u>	<u>139,719</u>	<u>73,879</u>	<u>93,574</u>
Fixed term deposits (With in 1 year) - (i)	38,250	71,381	38,250	71,381
Fixed term deposits (more than 1 year) - (i)	29,200	7,700	29,200	7,700
Margin deposits - (ii)	<u>23,279</u>	<u>26,681</u>	<u>510</u>	<u>-</u>
	<u>90,729</u>	<u>105,762</u>	<u>67,960</u>	<u>79,081</u>
Cash and cash equivalents as per statement of financial position	30,278	33,957	5,919	14,493
	<u>121,007</u>	<u>139,719</u>	<u>73,879</u>	<u>93,574</u>
Cash and cash equivalents	30,278	42,265	5,919	11,365
Less: Bank overdraft (note 14)	(4,189)	-	(4,189)	-
Cash and cash equivalents as per statement of cash flows	<u>26,089</u>	<u>42,265</u>	<u>1,730</u>	<u>11,365</u>

# ASYAD SHIPPING COMPANY SAOG AND ITS SUBSIDIARIES

## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

### 10 Financial assets (continued)

#### (f) Bank balances (continued)

- (i) Included in bank balances are deposits of RO 67.4 million (*Period ended 31 December 2024 – RO 79.08 million*) held with commercial banks and financial institutions in Sultanate of Oman. These deposits are denominated mainly in US Dollars and carry annual interest rates ranging between 4.6%-5.4% (*Period ended 31 December 2024 – 5.4%-6.7%*). Fixed term deposits also include accrued interest amounting to RO 0.88 million (*Period ended 31 December 2024: RO 1.37 million*).
- (ii) Certain subsidiaries are required to maintain service deposit balances to comply with the requirement of loans held with commercial banks in Sultanate of Oman, Japan and Europe. As of 30 June 2025, the balances in these service deposit accounts are denominated in US Dollars and amounted to RO 23.28 million (*Period ended 31 December 2024 - RO 26.68 million*). The Parent Company has service deposits amounted to RO 0.51 million (*Period ended 31 December 2024 – Nil*).

#### (g) Impairment of financial assets

##### Trade receivables and contract assets

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 contract assets.

To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has considered industry default rate forecasts issued by an external rating agency to incorporate forward-looking factor in its impairment assessment. The default rate forecasts issued by external agency are based on historic default rates for the industry and is adjusted for forward-looking macro-economic information (e.g., economic data from industry groups, associations or bodies). The Group has not experienced default from its customers over the past three years and accordingly the historical loss rate is 'nil' (*Period ended 31 December 2024 – 'nil'*) and therefore, the effective loss rate only consists of the forward looking factor (i.e. one year industry default forecast). Accordingly, loss rates and exposure at default are disclosed based on the industry wise classification of trade receivables and contract assets.

Trade receivables and contract 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, and a failure to make contractual payments for a period of greater than 365 days past due.

On that basis, the loss allowance for financial assets at amortised cost as at 30 June was determined as follows:

Consolidated	Amounts outstanding (RO'000)	Weighted average loss rates	Loss allowance (RO'000)
<b>As at 30 June 2025</b>			
Metals & Mining	121,983	0.13%	162
Energy: Oil & Gas	24,482	5.81%	1,423
Transportation: Cargo	2,621	10.53%	276
Total	<u>149,086</u>		<u>1,861</u>

**ASYAD SHIPPING COMPANY SAOG AND ITS SUBSIDIARIES**
**NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS**
**10 Financial assets (continued)**
*(g) Impairment of financial assets (continued)*

If the ECL percentages would have fluctuated by 1%, the following impact on profit would have been observed:

	<b>Consolidated</b>		<b>Parent Company</b>	
	<b>30 June</b>	<b>31 Dec</b>	<b>30 June</b>	<b>31 Dec</b>
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	<b>RO'000</b>	<b>RO'000</b>	<b>RO'000</b>	<b>RO'000</b>
	<b>Audited</b>	<b>Audited</b>	<b>Audited</b>	<b>Audited</b>
	<b>Increase /</b>	<b>Increase /</b>	<b>Increase /</b>	<b>Increase /</b>
	<b>Decrease</b>	<b>Decrease</b>	<b>Decrease</b>	<b>Decrease</b>
Other financial assets at amortised cost (note 10(e))	<b>40</b>	85	-	-
Trade receivables (note 10(c))	<b>229</b>	143	-	-
Contract assets (note 10 (d))	<b>31</b>	48	-	-
Finance lease receivables	<b>1,190</b>	1,234	-	-
<b>Consolidated</b>				
	<b>Amounts</b>	<b>Weighted</b>	<b>Loss allowance</b>	
	<b>outstanding</b>	<b>average loss</b>	<b>RO'000</b>	
	<b>RO'000</b>	<b>rates</b>		
<b>As at 31 Dec 2024</b>				
Transportation: Cargo	3,640	8.91%	324	
Energy: Oil & Gas	21,793	2.67%	581	
Metals & Mining	125,729	0.16%	210	
<b>Total</b>	<b>151,162</b>		<b>1,115</b>	

# ASYAD SHIPPING COMPANY SAOG AND ITS SUBSIDIARIES

## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

### 10 Financial assets (continued)

#### (g) Impairment of financial assets (continued)

*Financial assets at amortised cost including finance lease receivables other than trade receivables and contract assets*

Management considers 'low credit risk' for entities based on its significant increase in credit risk criteria. The Group considers a financial instrument to have experienced a significant increase in credit risk when one or more of the following quantitative, qualitative or backstop criteria have been met:

Quantitative criteria: A ratings downgrade by two notches for rated entities.

Qualitative criteria: Other instruments from unrated entities are considered to be low credit risk when they have a low risk of default and the issuer has a strong capacity to meet its contractual cash flow obligations in the near term.

Backstop: A backstop is applied and the financial instrument considered to have experienced a significant increase in credit risk if the borrower is more than 30 days past due on its contractual payments.

All of the Group's financial assets at amortised cost including finance lease receivables other than trade receivables and contract assets are considered to have low credit risk, and the loss allowance recognised during the period was therefore limited to 12 months expected losses. The Group holds the vessels underlying the time charter contracts for finance lease receivables as collateral against the finance lease receivables which has been factored in the loss given default.

#### *Movement in the allowance for impairment*

The movement in the allowance for impairment in respect of financial assets measured at amortised cost during the period was as follows.

	Consolidated		Parent Company	
	30 June 2025 RO'000 Audited	31 Dec 2024 RO'000 Audited	30 June 2025 RO'000 Audited	31 Dec 2024 RO'000 Audited
Balance at 1 January	1,115	1,123	30	50
Impairment charge / (reversal) during the period	746	(8)	(6)	(20)
Balance at 30 June / 31 December	<u>1,861</u>	<u>1,115</u>	<u>24</u>	<u>30</u>
Impairment charge/(reversal) on trade receivables	929	(59)	-	-
Impairment (reversal)/charge on contract assets	(42)	38	-	-
Impairment (reversal)/charge on other financial assets	(71)	49	(6)	5
Impairment reversal on loan receivables	-	(25)	-	(25)
Impairment reversal charge on finance lease receivables	(70)	(11)	-	-
Net impairment charge / (reversal) on financial assets	<u>746</u>	<u>(8)</u>	<u>(6)</u>	<u>(20)</u>

The expected credit loss allowance for bank balances as at 30 June 2025 (31 December 2024: immaterial) was not considered to be material and therefore not recognised in the financial statements at the reporting date.

During the six months period ended 30 June 2024, net impairment charge on financial assets is amounts to RO 0.18 million and RO 0.089 million for the group and parent company respectively.

# ASYAD SHIPPING COMPANY SAOG AND ITS SUBSIDIARIES

## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

### 11 Other current assets

	Consolidated		Parent Company	
	30 June	31 Dec	30 June	31 Dec
	2025	2024	2025	2024
	RO'000	RO'000	RO'000	RO'000
	Audited	Audited	Audited	Audited
Costs to fulfil contract (i)	183	303	-	-
Advances (ii)	50,540	7,199	42,905	266
Prepaid expenses	3,073	2,975	26	23
VAT receivables	3	13	3	1
	<b>53,799</b>	<b>10,490</b>	<b>42,934</b>	<b>290</b>

- (i) The amount of RO 0.3 million (*Period ended 31 December 2024: RO 0.14 million*) included in cost to fulfil contract at 31 December 2024 has been recognised as an expense in the six months period ended 30 June 2025 (30 June 2024: 0.13 million) in the voyage operating cost.
- (ii) It includes advances amounting to RO 43 million (31 Dec 2024: nil) paid towards purchase of two second-hand Very Large Crude Carriers (VLCC).

### 12 Share capital

	Consolidated and the Parent Company			
	Authorized share capital		Issued and fully paid	
	30 June	31 December	30 June	31 December
	2025	2024	2025	2024
	Audited	Audited	Audited	Audited
Shares capital RO'000	350,000	350,000	130,219	130,219
Number of shares	-	-	5,208,744,280	5,208,744,280

### 13 Legal reserves

As required by the Commercial Companies Law of the Sultanate of Oman, the Parent Company and two of its subsidiaries, incorporated in the Sultanate of Oman, transfer 10% of their profit for the year to this reserve until such time as the statutory reserve amounts to at least one third of the respective company's capital. The two Omani subsidiaries have discontinued such annual transfers as their reserves total one third of the respective subsidiary's issued share capital. The reserve is not available for distribution. During the six months period ended 30 June 2025, the Parent Company has transferred RO 0.77 million (*Period ended 31 December 2024 - RO 5.47 million*) to the legal reserve. The balance at the end of the year represents amounts relating to the Parent Company and its share of reserves of each of its two Omani subsidiaries below:

	30 June	31 December
	2025	2024
	RO'000	RO'000
	Audited	Audited
Relating to the Parent Company	22,509	21,739
Relating to the Omani subsidiaries	417	417
Consolidated legal reserves	<b>22,926</b>	<b>22,156</b>

### 14 Loans and borrowings

	Consolidated		Parent Company	
	30 June	31 Dec	30 June	31 Dec
	2025	2024	2025	2024
	RO'000	RO'000	RO'000	RO'000
	Audited	Audited	Audited	Audited
Term loans (i)	499,739	445,846	298,499	223,125
Bank overdraft	4,189	-	4,189	-
	<b>503,928</b>	<b>445,846</b>	<b>302,688</b>	<b>223,125</b>
Less: Deferred financing costs	(1,506)	(1,711)	(448)	(440)
Total loan amount	<b>502,422</b>	<b>444,135</b>	<b>302,240</b>	<b>222,685</b>



# ASYAD SHIPPING COMPANY SAOG AND ITS SUBSIDIARIES

## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

### 14 Loans and borrowings (continued)

	Consolidated		Parent Company	
	30 June 2025 RO'000 Audited	31 Dec 2024 RO'000 Audited	30 June 2025 RO'000 Audited	31 Dec 2024 RO'000 Audited
Current portion				
Term loans (i)	66,131	76,704	3,840	3,634
Bank overdraft	4,189	-	4,189	-
Total current portion of loans and borrowings	70,320	76,704	8,029	3,634
Non-current portion of loans and borrowings	432,102	367,431	294,211	219,051

- (i) The term loans are denominated in US Dollars and Rial Omani and are repayable in instalments of several denominations from quarterly to semi-annual repayments with the maturity period from 2025 till 2034. These loans are secured against registered mortgage of related vessels and certain other securities.

The loans are secured against the owned vessels of the Group having carrying value of RO 318 million (*Period ended 31 December 2024 – RO 328.43 millions*) that are assigned to the banks. The loans carry interest at variable rates based on SOFR with margins ranging from 1.7% to 5.7% per annum (*Period ended 31 December 2024: SOFR 1.7% to 5.7%*)

The loan amounts include the loan obtained from Immediate Parent Company amounting to RO 98.5 million (*Period ended 31 December 2024: RO 99 million*) which is repayable in ten years as per agreement carrying interest rate 5.7% per annum (2024: 5.7%).

The loan agreements contain certain restrictive covenants that include net debt, current ratio, tangible net worth, debt service, debt equity ratio, pattern of shareholding, payment of dividends, disposal of vessel, amendment to time charter party agreement and creation of charge over authorised security. The Group is required to comply with these financial covenants at the end of each annual and interim reporting period (semi annually). The group has complied with these covenants as at the reporting period.

For the consolidated financial statements, term loans also include accrued interest amounting to RO 3.91 million (*Period ended 31 December 2024: RO 4.17 millions*). For the separate financial statements, term loans also include accrued interest amounting to RO 0.176 million (*Period ended 31 December 2024: RO nil*).

In order to manage the interest rate risk, the Group has entered into certain interest rate hedging agreements, the details of which are set out in note 15.

#### Reconciliation of liabilities arising from financing activities

Consolidated	31 Dec 2024	Cash in flows	Cash out flows	Non-cash item	30 June 2025
	RO'000	RO'000	RO'000	RO'000	RO'000
Term loans*	441,680	77,000	(22,850)	-	495,830
Bank overdraft	-	4,189	-	-	4,189
Deferred finance cost	(1,711)	-	(39)	244	(1,506)
Lease liabilities	135,568	-	(48,651)	87,255	174,172
Liabilities arising from financing activities	575,537	81,189	(71,540)	87,499	672,685
Parent Company	31 Dec 2024	Cash in flows	Cash out flows	Non-cash item	30 June 2025
	RO'000	RO'000	RO'000	RO'000	RO'000
Term loans*	223,155	77,000	(1,832)	-	298,323
Bank overdraft	-	4,189	-	-	4,189
Deferred finance cost	(439)	-	(39)	30	(448)
Lease liabilities	36	-	(3)	2	35
Liabilities arising from financing activities	222,752	81,189	(1,874)	32	302,099

# ASYAD SHIPPING COMPANY SAOG AND ITS SUBSIDIARIES

## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

### 14 Loans and borrowings (continued)

\* It does not include the accrued interest.

Cash flows from financing activities include dividends paid during the period amounting to RO 32.21 million (*Period ended 31 December 2024 – RO 20 million*) which do not have any corresponding liability in the statement of financial position at the reporting date (*Period ended 31 December 2024: nil*). The Group has distributed the dividend during the period amounted to RO 32.21 million (*Period ended 31 December 2024: RO 20 million*). Dividend per share distributed during the period is RO 0.01 (based on 5.2 billion number of shares) *Period ended 31 December 2024 – RO 0.004*.

### 15 Derivative financial instruments

#### 15.1 Relating to subsidiaries

In accordance with the requirements of loan agreements with certain commercial banks and with a view to cap exposure to fluctuating interest rates, certain subsidiaries of the Group have entered into interest rate hedging agreements with commercial banks.

The table below shows the fair values of the derivative financial instruments, which are equivalent to the market values, together with the notional amounts analysed by the term to maturities.

The notional amounts (i.e. the amounts of underlying liability being hedged by the derivatives), reference rates or indices and the fixed rates at which liabilities are hedged are the basis upon which changes in the values of derivatives are measured.

	<b>Consolidated</b>		<b>Parent Company</b>	
	<b>30 June 2025 RO'000 Audited</b>	<b>31 Dec 2024 RO'000 Audited</b>	<b>30 June 2025 RO'000 Audited</b>	<b>31 Dec 2024 RO'000 Audited</b>
Loan balances covered by hedging arrangements	<b>12,220</b>	46,142	-	-
Interest rate swaps used for hedging – net assets/(liabilities)	<b>224</b>	995	-	-
Current portion - asset	<b>159</b>	880	-	-
Non-current portion - assets	<b>69</b>	133	-	-
Non current portion – liabilities	<b>(18)</b>	(18)	-	-
	<b>210</b>	115	-	-
Change in fair value of derivatives	<b>(785)</b>	(2,297)	-	-
Notional amounts by term to maturity:				
Notional amounts by term to maturity:				
Less than 1 year	<b>5,978</b>	19,396	-	-
2 to 5 years	<b>6,242</b>	26,746	-	-
	<b>12,220</b>	46,142	-	-

# ASYAD SHIPPING COMPANY SAOG AND ITS SUBSIDIARIES

## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

### 15 Derivative financial instruments (continued)

#### 15.1 Relating to subsidiaries (continued)

The following table illustrates the movement of the Group cash flow hedges:

	<b>Consolidated</b>		<b>Parent Company</b>	
	<b>30 June</b>	<b>31 Dec</b>	<b>30 June</b>	<b>31 Dec</b>
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	<b>RO'000</b>	<b>RO'000</b>	<b>RO'000</b>	<b>RO'000</b>
	<b>Audited</b>	<b>Audited</b>	<b>Audited</b>	<b>Audited</b>
Balance at 1 January	995	3,292	-	-
Credit for the period (note 27)	(206)	(2,344)	-	-
Changes in fair value	(579)	47	-	-
Balance at	<u>210</u>	<u>995</u>	<u>-</u>	<u>-</u>

### 16 Employees' end of service benefits

Movements in the liability recognised in the statement of financial position are as follows:

	<b>Consolidated</b>		<b>Parent Company</b>	
	<b>30 June</b>	<b>31 Dec</b>	<b>30 June</b>	<b>31 Dec</b>
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	<b>RO'000</b>	<b>RO'000</b>	<b>RO'000</b>	<b>RO'000</b>
	<b>Audited</b>	<b>Audited</b>	<b>Audited</b>	<b>Audited</b>
Balance at 1 January	770	880	262	367
Transfer to subsidiary	-	-	-	(124)
Charge during the period / year (note 22)	123	70	71	19
Paid during the period / year	(46)	(180)	(46)	-
Balance at 30 June/31 December	<u>847</u>	<u>770</u>	<u>287</u>	<u>262</u>

### 17 Trade and other payables

	<b>Consolidated</b>		<b>Parent Company</b>	
	<b>30 June</b>	<b>31 Dec</b>	<b>30 June</b>	<b>31 Dec</b>
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	<b>RO'000</b>	<b>RO'000</b>	<b>RO'000</b>	<b>RO'000</b>
	<b>Audited</b>	<b>Audited</b>	<b>Audited</b>	<b>Audited</b>
Amount due to related parties (note 18)	3,594	531	279,278	231,724
Trade payables	12,484	9,105	219	-
Accrued expenses	14,372	12,183	6,680	6,342
Withholding tax payable	511	408	-	-
Other payables	319	868	161	397
	<u>31,280</u>	<u>23,095</u>	<u>286,338</u>	<u>238,463</u>

### 18 Related parties

The Company enters into transactions with companies and entities that fall within the definition of a related party as contained in IAS 24 Related Party Disclosures. The Company maintains balances with these related parties which arise in the normal course of business from the commercial transactions at mutually agreed terms. Prices and terms of these transactions are on mutually agreed terms and conditions which are approved by the Company's management and Board of Directors.

In accordance with IAS 24 "Related Party Disclosures", the Group has applied the exemption for 'Government entities' and has elected not to disclose transactions with Government of Oman ("Government"), as the Government has control over the Group. However, the Group has disclosed transactions and balances with Government related entities which are individually or collectively significant.

# **ASYAD SHIPPING COMPANY SAOG AND ITS SUBSIDIARIES**

## **NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS**

### **18 Related parties (continued)**

Balances and transactions between the Company and its subsidiaries, which is a related party, have been eliminated on consolidation and are not disclosed in this note. The aggregate value of material transactions and balances with other related parties for the period ended were as follows:

#### **Compensation of key management personnel**

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

The details regarding remuneration of members of key management and directors' sitting fees for the period ended 30 June are as follows:

	Consolidated				Parent Company			
	For the six months period ended		For the three months period		For the six months period ended		For the three months period ended	
	30 June 2025	30 June 2024	30 June 2025	30 June 2024	30 June 2025	30 June 2024	30 June 2025	30 June 2024
	Audited RO'000	Unaudited RO'000	Unaudited RO'000	Unaudited RO'000	Audited RO'000	Unaudited RO'000	Unaudited RO'000	Unaudited RO'000
Short-term benefits	480	505	248	282	318	365	184	193
Post employment benefits	229	170	216	158	167	157	199	148
Directors sitting fees	144	110	137	107	144	110	137	107
	<b>853</b>	<b>785</b>	<b>601</b>	<b>547</b>	<b>629</b>	<b>632</b>	<b>520</b>	<b>448</b>

During the period, transactions with related parties are as follows:

	Consolidated				Parent Company			
	For the six months period ended		For the three months period		For the six months period ended		For the three months period ended	
	30 June 2025	30 June 2024	30 June 2025	30 June 2024	30 June 2025	30 June 2024	30 June 2025	30 June 2024
	Audited RO'000	Unaudited RO'000	Unaudited RO'000	Unaudited RO'000	Audited RO'000	Unaudited RO'000	Unaudited RO'000	Unaudited RO'000
<b>Income</b>								
Management fees from subsidiaries and joint ventures	398	375	199	191	208	208	101	101
Dividends from joint ventures and subsidiaries	-	-	-	-	14,263	20,131	14,263	20,131
Interest income from joint ventures and subsidiary companies	-	218	-	109	329	658	133	430
Rental income – Immediate parent Company and Fellow Subsidiary	188	150	93	55	188	150	93	55
<b>Costs</b>								
Cost recharge - Fellow subsidiary	4	-	-	-	4	-	-	-
Dry dock costs - Fellow subsidiary	527	-	527	-	-	-	-	-
Cost recharge (including interest on loan) - Immediate Parent Company	4,499	4,149	2,289	-	4,499	4,149	2,289	2,404
<b>Other Transactions</b>								
Dividend paid	32,208	20,000	22,330	20,000	32,208	20,000	22,330	20,000

# **ASYAD SHIPPING COMPANY SAOG AND ITS SUBSIDIARIES**

## **NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS**

### **18 Related parties (continued)**

The related party balances are as follows:

<b>Consolidated</b>	<b>Due from related parties</b>		<b>Due to related parties</b>	
	<b>30 June 2025 RO'000 Audited</b>	<b>31 December 2024 RO'000 Audited</b>	<b>30 June 2025 RO'000 Audited</b>	<b>31 December 2024 RO'000 Audited</b>
Joint ventures and associate	2,396	7,210	3,411	269
Immediate Parent Company	-	148	183	-
Fellow subsidiary	47	9	-	-
Ministry of Finance	-	-	-	261
<b>Total</b>	<b>2,443</b>	<b>7,367</b>	<b>3,594</b>	<b>530</b>

<b>Parent Company</b>	<b>Due from related parties</b>		<b>Due to related parties</b>	
	<b>30 June 2025 RO Audited</b>	<b>31 December 2024 RO Audited</b>	<b>30 June 2025 RO Audited</b>	<b>31 December 2024 RO Audited</b>
Subsidiaries, Joint ventures and associate	181,373	173,770	279,095	231,724
Immediate Parent Company	-	-	183	-
Fellow subsidiary	47	9	-	-
Ministry of Finance	-	-	-	261
<b>Total</b>	<b>181,420</b>	<b>173,779</b>	<b>279,278</b>	<b>231,985</b>

### **19 Revenue**

	<b>Consolidated</b>				<b>Parent Company</b>			
	<b>For the six months period ended</b>		<b>For the three months period</b>		<b>For the six months period ended</b>		<b>For the three months period ended</b>	
	<b>30 June 2025 Audited RO'000</b>	<b>30 June 2024 Unaudited RO'000</b>	<b>30 June 2025 Unaudited RO'000</b>	<b>30 June 2024 Unaudited RO'000</b>	<b>30 June 2025 Audited RO'000</b>	<b>30 June 2024 Unaudited RO'000</b>	<b>30 June 2025 Unaudited RO'000</b>	<b>30 June 2024 Unaudited RO'000</b>
Revenue from contracts with customers (note 19.1)	34,902	54,794	13,979	29,930	208	208	104	104
Operating lease income (note 19.2)	122,112	117,582	63,027	60,143	-	-	-	-
Finance lease income [note 10(a)]	7,583	8,138	3,769	4,034	-	-	-	-
	<b>164,597</b>	<b>180,514</b>	<b>80,775</b>	<b>94,107</b>	<b>208</b>	<b>208</b>	<b>104</b>	<b>104</b>

#### **19.1 Revenue from contracts with customers**

##### **Disaggregation of revenue from contracts with customers:**

In the following table, revenue from contracts with customers is disaggregated by primary nature of service lines.

	<b>Consolidated</b>				<b>Parent Company</b>			
	<b>For the six months period ended</b>		<b>For the three months period</b>		<b>For the six months period ended</b>		<b>For the three months period ended</b>	
	<b>30 June 2025 Audited RO'000</b>	<b>30 June 2024 Unaudited RO'000</b>	<b>30 June 2025 Unaudited RO'000</b>	<b>30 June 2024 Unaudited RO'000</b>	<b>30 June 2025 Audited RO'000</b>	<b>30 June 2024 Unaudited RO'000</b>	<b>30 June 2025 Unaudited RO'000</b>	<b>30 June 2024 Unaudited RO'000</b>
Freight income	31,010	49,815	12,011	26,867	-	-	-	-
Vessel operation and maintenance services	3,194	4,282	1,602	2,665	-	-	-	-
Vessel management services	698	697	366	398	208	208	104	104
	<b>34,902</b>	<b>54,794</b>	<b>13,979</b>	<b>29,930</b>	<b>208</b>	<b>208</b>	<b>104</b>	<b>104</b>

All the revenue is recognised over the time as the performance obligation is satisfied over time.

## ASYAD SHIPPING COMPANY SAOG AND ITS SUBSIDIARIES

### NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

#### 19 Revenue (continued)

##### 19.2 Operating lease income

The Group leases out the vessels on time charter. The Group has classified these leases as operating leases, because they do not transfer substantially all of the risks and rewards incidental to the ownership of the assets. The lease contracts contain terms and conditions designed to protect the Group's interest in the vessels, to protect its personnel and to ensure compliance with laws and regulations. These terms include specification of maximum limit of use, requirements to follow particular operating practices and requirement to inform the Group of changes in how an asset will be used.

##### Maturity analysis for lease payments to be received under operating lease

	As at 30 June	As at 31 Dec
	2025	2024
	RO'000	RO'000
	<b>Audited</b>	<b>Audited</b>
Less than one year	134,263	159,620
One to two years	25,572	32,878
Two to three years	9,327	15,026
Three to four years	6,200	8,766
Four to five years	-	1,525
<b>Total</b>	<b>175,362</b>	<b>217,815</b>

#### 20 Earnings per share

Earnings per share are calculated by dividing the net profit for the period attributable to the shareholders of the Parent Company by the weighted average number of shares in issue during the period as follows:

	Consolidated				Parent Company			
	For the six months period ended		For the three months period		For the six months period ended		For the three months period ended	
	30 June 2025	30 June 2024	30 June 2025	30 June 2024	30 June 2025	30 June 2024	30 June 2025	30 June 2024
	Audited	Unaudited	Unaudited	Unaudited	Audited	Unaudited	Unaudited	Unaudited
Profit attributable to the shareholders (RO'000)	17,931	25,363	7,684	13,660	7,697	12,457	10,437	15,740
Weighted average number of shares in millions for basic and diluted EPS at the end of reporting period	5,208	5,208	5,208	5,208	5,208	5,208	5,208	5,208
Basic and diluted earnings per share (RO baisa)	3.44	4.87	1.48	2.62	1.48	2.39	2	3.02

\*On 30 December 2024, the Board of Directors of the Company approved the change in the value of the Shares from one Omani Rial per Share to 25 Bzs per share resulting increase in the number of shares from 130,218,607 to 5,208,744,280. Due to increase in the number of shares, Basic and diluted earnings per share have been restated and disclosed for the six months period ended 30 June 2024.

#### 21 Voyage operating costs

	Consolidated				Parent Company			
	For the six months period ended		For the three months period		For the six months period ended		For the three months period ended	
	30 June 2025	30 June 2024	30 June 2025	30 June 2024	30 June 2025	30 June 2024	30 June 2025	30 June 2024
	Audited RO'000	Unaudited RO'000	Unaudited RO'000	Unaudited RO'000	Audited RO'000	Unaudited RO'000	Unaudited RO'000	Unaudited RO'000
Bunker charges - inventory consumption	8,727	12,617	3,252	6,510	-	-	-	-
Port charges	2,160	3,662	616	1,394	-	-	-	-
Voyage expenses	11,007	11,956	5,257	6,364	-	-	-	-
	<b>21,894</b>	<b>28,235</b>	<b>9,125</b>	<b>14,268</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

# **ASYAD SHIPPING COMPANY SAOG AND ITS SUBSIDIARIES**

## **NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS**

### **22 Staff costs**

	Consolidated				Parent Company			
	For the six months period ended		For the three months period		For the six months period ended		For the three months period ended	
	30 June 2025	30 June 2024	30 June 2025	30 June 2024	30 June 2025	30 June 2024	30 June 2025	30 June 2024
	Audited RO'000	Unaudited RO'000	Unaudited RO'000	Unaudited RO'000	Audited RO'000	Unaudited RO'000	Unaudited RO'000	Unaudited RO'000
Salaries, wages, and allowances	7,474	5,818	3,783	2,802	1,910	2,022	970	1,060
Employees' end of service benefits expenses (note 16)	123	69	85	36	71	35	59	19
Social security costs (PASI)	523	488	237	336	217	187	108	130
Other staff expenses	1,682	1,590	870	688	696	690	362	385
	<b>9,802</b>	<b>7,965</b>	<b>4,975</b>	<b>3,862</b>	<b>2,894</b>	<b>2,934</b>	<b>1,499</b>	<b>1,594</b>

Staff cost has been charged as follows:

General and administrative expenses (note 25)	4,727	4,514	2,975	2,815	2,894	2,934	1,499	1,594
Commercial expenses (note 24)	1,482	1,198	187	123	-	-	-	-
Vessel operating cost (note 23)	3,593	2,253	1,814	922	-	-	-	-
	<b>9,802</b>	<b>7,965</b>	<b>4,976</b>	<b>3,860</b>	<b>2,894</b>	<b>2,934</b>	<b>1,499</b>	<b>1,594</b>

### **23 Vessel operating costs**

	Consolidated				Parent Company			
	For the six months period ended		For the three months period		For the six months period ended		For the three months period ended	
	30 June 2025	30 June 2024	30 June 2025	30 June 2024	30 June 2025	30 June 2024	30 June 2025	30 June 2024
	Audited RO'000	Unaudited RO'000	Unaudited RO'000	Unaudited RO'000	Audited RO'000	Unaudited RO'000	Unaudited RO'000	Unaudited RO'000
Depreciation								
- owned assets (note 7)	25,278	24,322	12,666	12,228	-	-	-	-
- right-of-use assets	38,970	38,712	19,860	19,808	-	-	-	-
Manning cost (note 23.1)	16,291	15,473	8,397	7,616	-	-	-	-
Maintenance & repair	4,840	4,340	2,450	2,858	-	-	-	-
Insurance	1,259	2,170	473	1,104	-	-	-	-
Consumables & stores	2,144	2,081	1,064	1,173	-	-	-	-
Ship management fee	89	88	45	57	-	-	-	-
	<b>88,871</b>	<b>87,186</b>	<b>44,955</b>	<b>44,844</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

23.1 It includes staff cost for Omani seafarers amounts to RO 3.5 million (Period ended 30 June 2024: RO 2.25 million).

### **24 Commercial expenses**

	Consolidated				Parent Company			
	For the six months period ended		For the three months period		For the six months period ended		For the three months period ended	
	30 June 2025	30 June 2024	30 June 2025	30 June 2024	30 June 2025	30 June 2024	30 June 2025	30 June 2024
	Audited RO'000	Unaudited RO'000	Unaudited RO'000	Unaudited RO'000	Audited RO'000	Unaudited RO'000	Unaudited RO'000	Unaudited RO'000
Commission expenses	1,664	2,531	850	1,436	-	-	-	-
Commercial staff costs (note 22)	1,482	1,198	187	123	-	-	-	-
	<b>3,146</b>	<b>3,729</b>	<b>1,037</b>	<b>1,559</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

# ASYAD SHIPPING COMPANY SAOG AND ITS SUBSIDIARIES

## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

### 25 General and administrative expenses

	Consolidated				Parent Company			
	For the six months period ended		For the three months period		For the six months period ended		For the three months period ended	
	30 June 2025	30 June 2024	30 June 2025	30 June 2024	30 June 2025	30 June 2024	30 June 2025	30 June 2024
	Audited RO'000	Unaudited RO'000	Unaudited RO'000	Unaudited RO'000	Audited RO'000	Unaudited RO'000	Unaudited RO'000	Unaudited RO'000
Administrative staff costs (note 22)	4,727	4,514	2,975	2,815	2,894	2,934	1,499	1,594
Legal and professional expenses (note 25.1)	206	103	139	54	81	22	75	24
Repairs and maintenance	10	31	-	31	16	17	10	11
Information technology services	91	129	91	118	92	158	85	103
Depreciation - owned assets (note 7)	130	130	66	65	118	118	59	59
Amortisation – intangible assets (note 33)	42	-	21	-	-	-	-	-
Depreciation - right-of-use assets	33	33	16	33	1	1	-	1
Other administrative expenses (note 25.2)	2,169	2,117	1,255	1,146	2,074	2,133	1,161	1,158
Withholding tax expenses	21	24	8	20	-	-	-	(3)
	<b>7,429</b>	<b>7,081</b>	<b>4,571</b>	<b>4,282</b>	<b>5,276</b>	<b>5,383</b>	<b>2,889</b>	<b>2,947</b>

25.1 It includes audit service fee amounts to RO 0.06 million (Six months period ended 30 June 2024: RO 0.08 million).

25.2 It includes the management fee payable to Immediate Parent Company amounts to RO. 1.6 million (Six months period ended 30 June 2024: RO 1.15 million).

### 26 Finance costs

	Consolidated				Parent Company			
	For the six months period ended		For the three months period		For the six months period ended		For the three months period ended	
	30 June 2025	30 June 2024	30 June 2025	30 June 2024	30 June 2025	30 June 2024	30 June 2025	30 June 2024
	Audited RO'000	Unaudited RO'000	Unaudited RO'000	Unaudited RO'000	Audited RO'000	Unaudited RO'000	Unaudited RO'000	Unaudited RO'000
Interest on loans and borrowings	11,044	16,897	4,941	8,506	4,026	6,978	1,865	3,643
Interest expenses on lease liabilities (note 8.3)	4,397	4,396	2,303	2,163	2	2	-	2
Amortisation of deferred finance cost	244	271	124	134	30	14	15	9
	<b>15,685</b>	<b>21,564</b>	<b>7,368</b>	<b>10,803</b>	<b>4,058</b>	<b>6,994</b>	<b>1,880</b>	<b>3,654</b>

### 27 Finance income

	Consolidated				Parent Company			
	For the six months period ended		For the three months period		For the six months period ended		For the three months period ended	
	30 June 2025	30 June 2024	30 June 2025	30 June 2024	30 June 2025	30 June 2024	30 June 2025	30 June 2024
	Audited RO'000	Unaudited RO'000	Unaudited RO'000	Unaudited RO'000	Audited RO'000	Unaudited RO'000	Unaudited RO'000	Unaudited RO'000
Interest income on loan and bank deposits	2,001	3,637	739	1,772	2,097	3,668	755	1,698
Interest income on interest rate swap	206	1,422	-	890	-	-	-	-
Gain on swap breakage	358	-	46	-	-	-	-	-
	<b>2,565</b>	<b>5,059</b>	<b>785</b>	<b>2,662</b>	<b>2,097</b>	<b>3,668</b>	<b>755</b>	<b>1,698</b>

### 28 Dividend Income

28.1 Dividend income consist of the income received from subsidiaries.



# **ASYAD SHIPPING COMPANY SAOG AND ITS SUBSIDIARIES**

## **NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS**

### **29 Taxation**

Taxation represents the aggregate of the Omani income tax applicable to Group companies in accordance with Omani fiscal regulations. The tax authorities in the Sultanate of Oman follow the legal entity concept. There is no concept of Group taxation in Oman. Accordingly, each legal entity is taxable separately.

	<b>Consolidated</b>		<b>Parent Company</b>	
	<b>30 June</b>	<b>31 Dec</b>	<b>30 June</b>	<b>31 Dec</b>
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	<b>RO'000</b>	<b>RO'000</b>	<b>RO'000</b>	<b>RO'000</b>
	<b>Audited</b>	<b>Audited</b>	<b>Audited</b>	<b>Audited</b>
<b>Income tax expense</b>				
Current period	9	160	-	-
<b>Deferred tax expense</b>				
Origination and reversal of temporary differences	6	6,134	5	6,124
	<b>15</b>	<b>6,294</b>	<b>5</b>	<b>6,124</b>
<b>Non-current assets</b>				
Deferred tax asset	<b>497</b>	<b>503</b>	<b>474</b>	<b>479</b>

The movement in current taxation liability for the period comprises:

	<b>Consolidated</b>		<b>Parent Company</b>	
	<b>30 June</b>	<b>31 Dec</b>	<b>30 June</b>	<b>31 Dec</b>
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	<b>RO'000</b>	<b>RO'000</b>	<b>RO'000</b>	<b>RO'000</b>
	<b>Audited</b>	<b>Audited</b>	<b>Audited</b>	<b>Audited</b>
<b>Balance at 1 January</b>	<b>160</b>	<b>1</b>	<b>-</b>	<b>-</b>
Charge for the period	9	160	-	-
Paid during the period	(148)	(1)	-	-
<b>Balance at</b>	<b>21</b>	<b>160</b>	<b>-</b>	<b>-</b>

The reconciliation of tax on the accounting profit to tax charge in the consolidated income statement is given below. The applicable rate of tax is 15% (Period ended 31 December 2024 - 15%).

	<b>Consolidated</b>		<b>Parent Company</b>	
	<b>30 June</b>	<b>31 Dec</b>	<b>30 June</b>	<b>31 Dec</b>
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	<b>RO'000</b>	<b>RO'000</b>	<b>RO'000</b>	<b>RO'000</b>
	<b>Audited</b>	<b>Audited</b>	<b>Audited</b>	<b>Audited</b>
	<b>RO'000</b>	<b>RO'000</b>	<b>RO'000</b>	<b>RO'000</b>
Profit before tax	20,212	57,846	7,702	60,797
Tax on accounting profit before tax @ 15%	3,032	8,677	1,155	9,120
Less tax effect of:				
Tax effect of subsidiaries' results not subject to taxation	(1,853)	607	-	-
Tax-exempt income	(1,614)	(3,000)	(1,614)	(3,000)
Deductible	450	10	464	4
	<b>15</b>	<b>6,294</b>	<b>5</b>	<b>6,124</b>

As at 30 June 2025, the BEPS Pillar Two was not considered to be substantively enacted from the perspective of IAS 12 – Income Taxes since the corresponding regulations/ clarifications were yet to be prescribed.

## ASYAD SHIPPING COMPANY SAOG AND ITS SUBSIDIARIES

## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

## 29 Taxation (continued)

## Deferred tax assets

Consolidated	At 1 January 2025 RO'000	Charge for the period RO'000	At 30 June 2025 RO'000
<b>30 June 2025</b>			
Tax effect of accelerated depreciation	96	5	101
Provision for impairment losses on financial assets	(25)	1	(24)
Deferred tax on provision for impairment on investment in an associate	(116)	-	(116)
Deferred tax on provision for investment in joint ventures	(432)	-	(432)
Deferred tax on tax losses	(26)	-	(26)
<b>Net deferred tax asset</b>	<b>(503)</b>	<b>6</b>	<b>(497)</b>

Consolidated	At 1 January 2024 RO'000	Charge for the year RO'000	At 31 Dec 2024 RO'000
<b>31 Dec 2024</b>			
Tax effect of accelerated depreciation	84	12	96
Provision for impairment losses on financial assets	(16)	(9)	(25)
Deferred tax on provision for impairment on investment in an associate	(116)	-	(116)
Deferred tax on provision for investment in joint ventures	(391)	(41)	(432)
Deferred tax on tax losses	(6,198)	6,172	(26)
<b>Net deferred tax asset</b>	<b>(6,637)</b>	<b>6,134</b>	<b>(503)</b>

Parent Company	At 1 January 2025 RO'000	Charge for the period RO'000	At 30 June 2025 RO'000
<b>30 June 2025</b>			
Tax effect of accelerated depreciation	97	4	101
Provision for impairment losses on financial assets	(1)	1	-
Deferred tax on provision for impairment on investment in an associate	(116)	-	(116)
Deferred tax on provision for investment in joint ventures	(432)	-	(432)
Deferred tax on tax losses	(27)	-	(27)
<b>Net deferred tax asset</b>	<b>(479)</b>	<b>5</b>	<b>(474)</b>

Parent Company	At 1 January 2025 RO'000	Charge / (credit) for the year RO'000	At 30 June 2025 RO'000
<b>31 Dec 2024</b>			
Tax effect of accelerated depreciation	85	12	97
Provision for impairment losses on financial assets	(4)	3	(1)
Deferred tax on provision for impairment on investment in an associate	(116)	-	(116)
Deferred tax on provision for investment in joint ventures	(391)	(41)	(432)
Deferred tax on tax losses	(6,177)	6,150	(27)
<b>Net deferred tax asset</b>	<b>(6,603)</b>	<b>6,124</b>	<b>(479)</b>

At 30 June 2025, the Group has recognised deferred tax asset of RO 0.5 million (*Period ended 31 December 2024 – RO 0.5 million*). Based on management's assessment, the Group will have sufficient future taxable profits to substantially recover the asset over the next five years.

## ASYAD SHIPPING COMPANY SAOG AND ITS SUBSIDIARIES

### NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

#### 29 Taxation (continued)

##### (a) *Asyad Shipping Company SAOG, Oman Ship Management Company LLC and Asyad Line LLC*

The tax rate applicable to the Company, Oman Ship Management Company LLC (the subsidiary company) and Asyad Line LLC (the subsidiary company) is 15% (*Period ended 31 December 2024 - 15%*). For the purpose of determining the tax expense for the year, the accounting profit has been adjusted for tax purposes. Adjustments for tax purposes include items relating to both income and expense. The adjustments are based on the current understanding of the existing tax laws, regulations and practices. The Company has no income tax payable as of reporting date (*Period ended 31 December 2024: Nil*) and subsidiaries has a tax payable of RO 0.021 million (*Period ended 31 December 2024: 0.16 million*) respectively in the current period.

##### (b) *Oman Charter Company LLC*

Oman Charter Company LLC is not subject to taxation in Oman in accordance with the Article 116 (1) of the Oman Income Tax Law amended by Royal Decree 68/2000. Accordingly, the company has not provided for any tax liability under the Oman Income Tax Law.

##### (c) *Asyad Shipping PTE Ltd.*

The tax rate applicable to Asyad Shipping PTE Ltd. (the subsidiary company- based in Singapore) is 17% (*Period ended 31 December 2024 - 17%*). For the purpose of determining the tax expense for the period, the accounting profit has been adjusted for tax purposes. Adjustments for tax purposes include items relating to both income and expense. The adjustments are based on the current understanding of the existing tax laws, regulations and practices. This subsidiary has tax payable of nil (*Period ended 31 December 2024: Nil*).

##### (d) *Panama subsidiaries*

The Group's subsidiaries registered in the republic of Panama, are exempt from tax on their income arising from owning, chartering and operating Panama registered vessels as per Panama fiscal regulations.

##### (e) *Marshall Islands subsidiaries*

The Group's subsidiaries registered in the republic of Marshall Islands, are exempt from tax on their income arising from owning, chartering and operating Marshall Islands registered vessels as per Marshall Islands fiscal regulations. However, some of the Group's subsidiaries are subject to tax tonnage on vessel and other than payment of registry fee, the subsidiaries are not bound to pay any further tax.

Deferred tax asset have not been recognised in respect of impairment on investment in subsidiaries of amounting to RO 190.8 million (*Period ended 31 December 2024: RO 190.80 million*) with tax effect of RO 28.62 million (*Period ended 31 December 2024: RO 28.62 million*), because it is not probable that future taxable profit will be available against which the Parent Company can use the benefits therefrom.

#### 30 Inventories

	<b>Consolidated</b>		<b>Parent Company</b>	
	<b>30 June</b>	<b>31 Dec</b>	<b>30 June</b>	<b>31 Dec</b>
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	<b>RO'000</b>	<b>RO'000</b>	<b>RO'000</b>	<b>RO'000</b>
	<b>Audited</b>	<b>Audited</b>	<b>Audited</b>	<b>Audited</b>
Bunker fuel	<b>2,048</b>	4,204	-	-
Lubricants	<b>3,383</b>	3,213	-	-
	<b>5,431</b>	7,417	-	-

30.1 Inventory consumed during the period is amounting to RO 9.54 million (30 June 2024: RO 13.51 million).

# ASYAD SHIPPING COMPANY SAOG AND ITS SUBSIDIARIES

## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

### 31 Contract liabilities

	Consolidated		Parent Company	
	30 June	31 Dec	30 June	31 Dec
	2025	2024	2025	2024
	RO'000	RO'000	RO'000	RO'000
	Audited	Audited	Audited	Audited
Contract liabilities	<b>20,363</b>	11,963	-	-

The contract liabilities primarily relate to the advance consideration received from customers for the charter hire be provided in future period. This will be recognised as revenue when the performance obligation will be satisfied which is expected to occur in period 2025. The amount of RO 11.96 million included in contract liability at 31 December 2024 has been recognised as income in six months period ended 30 June 2025 (Period ended 30 June 2024: RO 12.72 million).

### 32 Commitments and contingencies

#### 32.1 Contingencies

At 30 June 2025, the Company has guaranteed loans borrowed by its subsidiaries amounting to RO 172.62 million (Period ended 31 December 2024 – RO 184.73 million).

#### 32.2 Capital commitments

The Group has vessel purchase commitments of RO 344.29 million (31 December 2024: RO 325.27 million) as of 30 June 2025 which relates to 2 Liquefied Natural Gas (LNG), 4 Very Large Crude Carriers (VLCC) and 2 Medium Range (MR) tankers vessels under construction and 2 Second hand VLCC (2024: 2 LNG and 4 new VLCC vessels).

### 33 Intangible asset - software

	Consolidated		Parent Company	
	30 June	31 Dec	30 June	31 Dec
	2025	2024	2025	2024
	RO'000	RO'000	RO'000	RO'000
	Audited	Audited	Audited	Audited
<b>Cost</b>				
Opening balance	<b>259</b>	-	-	-
Additions	-	259	-	-
Closing balance	<b>259</b>	259	-	-
<b>Accumulated amortization</b>				
Opening balance	<b>36</b>	-	-	-
Amortisation for the period (note 25)	<b>42</b>	36	-	-
Closing balance	<b>78</b>	36	-	-
<b>Carrying amount</b>	<b>181</b>	223	-	-

33.1 The estimated useful life for software is 3 years.

# **ASYAD SHIPPING COMPANY SAOG AND ITS SUBSIDIARIES**

## **NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS**

### **34 Non – controlling interests**

The following table summarizes the information relating to each of the Group’s subsidiaries that has material NCI, before any intra Group eliminations.

<b>Period ended</b>	<b>AREJ</b>	<b>TIWI</b>	<b>DUNE</b>	<b>ORYX</b>	<b>Total</b>
<b>30 June 2025 - Audited</b>					
<b>NCI Percentage</b>	<b>20%</b>	<b>20%</b>	<b>20%</b>	<b>40%</b>	
	<b>RO’000</b>	<b>RO’000</b>	<b>RO’000</b>	<b>RO’000</b>	<b>RO’000</b>
Non-current assets	17,062	15,412	17,201	14,662	64,337
Current assets	5,764	5,420	2,427	5,068	18,679
Non-current liabilities	4	-	-	-	4
Current liabilities	(2,423)	(514)	(116)	(1,190)	(4,243)
<b>Net assets</b>	<b>20,407</b>	<b>20,318</b>	<b>19,512</b>	<b>18,540</b>	<b>78,777</b>
Carrying amount of NCI	4,081	4,064	3,903	7,416	19,464
Revenue	5,185	5,215	2,852	5,401	18,653
Profit	2,344	2,661	287	3,019	8,311
Other comprehensive loss	(25)	(20)	-	(12)	(57)
<b>Total comprehensive income</b>	<b>2,319</b>	<b>2,641</b>	<b>287</b>	<b>3,007</b>	<b>8,254</b>
Profit allocated to NCI	469	532	57	1,208	2,266
OCL allocated to NCI	(5)	(4)	-	(5)	(14)
Cashflows from operating activities	2,479	1,613	334	5,725	10,151
Cashflows from investing activities	(111)	(65)	(352)	(325)	(853)
Cashflows from financing activities	(3,462)	(3,506)	-	(2,945)	(9,913)
Net change in cash and cash equivalents	(1,094)	(1,958)	(18)	2,455	(615)

# **ASYAD SHIPPING COMPANY SAOG AND ITS SUBSIDIARIES**

## **NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS**

### **34 Non – controlling interests (continued)**

Period ended 31 December 2024 - Audited	AREJ	TIWI	DUNE	ORYX	Total
NCI Percentage	20%	20%	20%	40%	
	RO'000	RO'000	RO'000	RO'000	RO'000
Non-current assets	18,402	16,644	18,352	15,483	68,881
Current assets	5,697	4,706	1,447	3,091	14,941
Non-current liabilities	11	-	-	-	11
Current liabilities	(4,490)	(2,134)	(573)	(1,302)	(8,499)
Net assets	<u>19,620</u>	<u>19,216</u>	<u>19,226</u>	<u>17,272</u>	<u>75,334</u>
Carrying amount of NCI	<u>3,924</u>	<u>3,843</u>	<u>3,845</u>	<u>6,909</u>	<u>18,521</u>
Revenue	<u>10,591</u>	<u>10,603</u>	<u>5,794</u>	<u>11,028</u>	<u>38,016</u>
Profit	<u>4,983</u>	<u>4,937</u>	<u>925</u>	<u>5,815</u>	<u>16,660</u>
OCI	<u>184</u>	<u>176</u>	<u>-</u>	<u>75</u>	<u>435</u>
Total comprehensive income	<u>5,167</u>	<u>5,113</u>	<u>925</u>	<u>5,890</u>	<u>17,095</u>
Profit allocated to NCI	<u>997</u>	<u>987</u>	<u>185</u>	<u>2,326</u>	<u>4,495</u>
OCL allocated to NCI	<u>(37)</u>	<u>(35)</u>	<u>-</u>	<u>(30)</u>	<u>(102)</u>
Cashflows from operating activities	9,479	6,417	2,209	4,909	23,014
Cashflows from investing activities	(3,096)	389	1,256	(545)	(1,996)
Cashflows from financing activities	(4,686)	(6,884)	(3,465)	(8,457)	(23,492)
Net change in cash and cash equivalents	<u>1,697</u>	<u>(78)</u>	<u>-</u>	<u>(4,093)</u>	<u>(2,474)</u>

# ASYAD SHIPPING COMPANY SAOG AND ITS SUBSIDIARIES

## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

### 35 Operating Segments:

#### Information about reportable segments:

Information related to each reportable segment is set out below. Segment profit / (loss) before tax is used to measure performance because management believes that this information is the most relevant in evaluating the results of the respective segments relative to other entities that operate in the same industries.

Period ended 30 June 2025 - Audited	Gas Shipping RO'000	Crude Shipping RO'000	Products Shipping RO'000	Dry bulk Shipping RO'000	Liner Shipping RO'000	Others – unallocated RO'000	Total RO'000
Operating lease income	23,485	40,029	40,248	9,702	8,648	-	122,112
Revenue from contracts with customers	442	9,294	1,626	8,089	14,753	698	34,902
Finance lease income	-	-	-	7,583	-	-	7,583
<b>Gross revenue – external parties</b>	<b>23,927</b>	<b>49,323</b>	<b>41,874</b>	<b>25,374</b>	<b>23,401</b>	<b>698</b>	<b>164,597</b>
Voyage operating costs	(1,042)	(4,214)	(747)	(2,250)	(13,639)	(2)	(21,894)
<b>Time charter equivalent</b>	<b>22,885</b>	<b>45,109</b>	<b>41,127</b>	<b>23,124</b>	<b>9,762</b>	<b>696</b>	<b>142,703</b>
Charter hire expenses for short term leases	(2,353)	(3,488)	(2,271)	(2,676)	(128)	-	(10,916)
Vessel operating costs	(3,750)	(8,139)	(5,985)	(5,861)	(834)	(54)	(24,623)
Commercial expenses	(62)	(796)	(309)	(391)	(106)	(1,482)	(3,146)
General and administrative expenses	(4)	(5)	(2)	(1)	(463)	(6,749)	(7,224)
Other income	-	242	184	-	4	466	896
Dividend income	-	-	-	-	-	-	-
<b>Earnings before interest, tax, depreciation and amortization</b>	<b>16,716</b>	<b>32,923</b>	<b>32,744</b>	<b>14,195</b>	<b>8,235</b>	<b>(7,123)</b>	<b>97,690</b>
Depreciation and amortisation expenses	(6,938)	(19,446)	(27,371)	(4,628)	(5,870)	(200)	(64,453)
<b>Earnings before interest and tax</b>	<b>9,778</b>	<b>13,477</b>	<b>5,373</b>	<b>9,567</b>	<b>2,365</b>	<b>(7,323)</b>	<b>33,237</b>
Finance cost	(262)	(4,232)	(3,841)	(2,417)	(779)	(4,154)	(15,685)
Finance income	167	62	186	381	-	1,769	2,565
Net impairment losses on financial assets	-	(878)	(4)	76	25	35	(746)
Gain on sale of property, vessels and equipment	-	-	-	-	-	-	-
Net impairment losses on right-of-use assets	-	-	(208)	-	-	-	(208)
Share of results of joint ventures and associates	249	-	807	-	-	(7)	1,049
<b>Profit before tax</b>	<b>9,932</b>	<b>8,429</b>	<b>2,313</b>	<b>7,607</b>	<b>1,611</b>	<b>(9,680)</b>	<b>20,212</b>
Income tax expense	-	-	-	-	(3)	(12)	(15)
<b>Profit for the period</b>	<b>9,932</b>	<b>8,429</b>	<b>2,313</b>	<b>7,607</b>	<b>1,608</b>	<b>(9,692)</b>	<b>20,197</b>
<b>Period ended 30 June 2025 – Audited</b>							
<b>Assets</b>							
Property, vessels and equipment	177,472	284,737	108,239	51,015	27,930	13,289	662,682
Right of use assets	-	30,534	122,462	9,713	4,589	50	167,348
<b>Liabilities</b>							
Loan and borrowings	1,942	94,031	31,241	62,762	10,206	302,240	502,422
Lease Liabilities	-	31,548	121,427	9,753	11,386	58	174,172

# ASYAD SHIPPING COMPANY SAOG AND ITS SUBSIDIARIES

## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

### 35 Operating Segments

Period ended 30 June 2024 – Unaudited	Gas Shipping RO'000	Crude Shipping RO'000	Products Shipping RO'000	Dry bulk Shipping RO'000	Liner Shipping RO'000	Others – unallocated RO'000	Total RO'000
Operating lease income	25,316	32,708	45,243	12,902	1,413	-	117,582
Revenue from contracts with customers	393	15,352	2,426	10,214	25,613	796	54,794
Finance lease income	-	-	-	8,138	-	-	8,138
<b>Gross revenue – external parties</b>	<b>25,709</b>	<b>48,060</b>	<b>47,669</b>	<b>31,254</b>	<b>27,026</b>	<b>796</b>	<b>180,514</b>
Voyage operating costs	(74)	(5,792)	(936)	(2,436)	(18,991)	(6)	(28,235)
<b>Time charter equivalent</b>	<b>25,635</b>	<b>42,268</b>	<b>46,733</b>	<b>28,818</b>	<b>8,035</b>	<b>790</b>	<b>152,279</b>
Charter hire expenses for short term leases	(1,864)	(1,685)	(2,020)	(4,579)	(1,270)	-	(11,418)
Vessel operating costs	(4,008)	(7,224)	(6,018)	(5,447)	(1,250)	(205)	(24,152)
Commercial expenses	(92)	(1,109)	(622)	(701)	(7)	(1,198)	(3,729)
General and administrative expenses	(2)	(6)	(1,797)	(3)	(39)	(5,071)	(6,918)
Other income	-	-	-	-	-	195	195
Dividend income	-	-	-	-	-	131	131
<b>Earnings before interest, tax, depreciation and amortization</b>	<b>19,669</b>	<b>32,244</b>	<b>36,276</b>	<b>18,088</b>	<b>5,469</b>	<b>(5,358)</b>	<b>106,388</b>
Depreciation and amortisation expenses	(6,335)	(17,017)	(27,840)	(4,542)	(7,306)	(157)	(63,197)
<b>Earnings before interest and tax</b>	<b>13,334</b>	<b>15,227</b>	<b>8,436</b>	<b>13,546</b>	<b>(1,837)</b>	<b>(5,515)</b>	<b>43,191</b>
Finance cost	(729)	(5,251)	(3,768)	(3,376)	(1,432)	(7,008)	(21,564)
Finance income	504	248	281	797	-	3,229	5,059
Net impairment losses on financial assets	-	-	(215)	-	80	(48)	(183)
Gain on sale of property, vessels and equipment	-	-	-	-	-	-	-
Share of results of joint ventures and associates	-	-	-	-	-	636	636
<b>Profit before tax</b>	<b>13,109</b>	<b>10,224</b>	<b>4,734</b>	<b>10,967</b>	<b>(3,189)</b>	<b>(8,706)</b>	<b>27,139</b>
Income tax expense	-	-	-	10	-	522	532
<b>Profit for the year</b>	<b>13,109</b>	<b>10,224</b>	<b>4,734</b>	<b>10,977</b>	<b>(3,189)</b>	<b>(8,184)</b>	<b>27,671</b>
<b>Period ended 31 December 2024 - Audited</b>							
<b>Assets</b>							
Property, vessels and equipment	164,499	270,809	100,269	52,061	28,485	10,902	627,025
Right of use assets	-	38,787	63,641	12,197	8,993	83	123,701
<b>Liabilities</b>							
Loan and borrowings	7,056	99,454	34,228	69,115	11,572	222,709	444,134
Lease Liabilities	-	38,862	62,780	12,760	21,073	92	135,567

35.1 Segment revenue reported above represents revenue generated from external customers. There was no inter-segment revenue in the period (30 June 2024: nil).

35.2 Segmental gross revenue, profit for the period and relevant assets and liabilities disclosed above are matching to the consolidated financial statements.

35.3 Segmental assets and liabilities reported above reflects actual amounts related to these segments and there is no allocation within the segments.

35.4 There is no major customer who constitute more than 10% of the total revenues.

35.5 The Group's vessels are deployed throughout the world and are not concentrated in certain geographical areas. The Group's management does not consider the geographical distribution of the Group's operations to be relevant for their internal management analysis and therefore no geographical segment information has been disclosed.



# ASYAD SHIPPING COMPANY SAOG AND ITS SUBSIDIARIES

## NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

### 36 Fair value of assets and liabilities

#### *Fair value versus carrying amounts*

The fair values of other financial assets at amortised costs is close to the carrying value because of the short term nature of the financial assets; except for finance lease receivables, which are long term in nature and are exposed to fair valuation risk due to variability in underlying interest rate. The fair value of loans receivable approximate to their carrying value due to no significant difference between the current market interest rates when compared with the interest rates on which the loans were extended.

(a) *Fair value measurements recognised in the consolidated statement of financial position:*

Consolidated	Carrying amount				Fair value
	Fair value – Hedging instrument RO'000	Other financial assets RO'000	Other financial liabilities RO'000	Total RO'000	Level 3 RO'000
<b>Period ended 30 June 2025 - Audited</b>					
Finance lease receivables (note 10 (a))	-	118,992	-	118,992	118,992
Derivative instruments (note 15.1)	228	-	-	228	228
<b>Assets</b>	<b>228</b>	<b>118,992</b>	<b>-</b>	<b>119,220</b>	<b>119,220</b>
Derivative instrument	18	-	-	18	18
Loans and borrowings	-	-	502,422	502,422	502,422
<b>Liabilities</b>	<b>18</b>	<b>-</b>	<b>502,422</b>	<b>502,440</b>	<b>502,440</b>
<b>Period ended 31 December 2024 - Audited</b>					
Finance lease receivables (note 10 (a))	-	123,264	-	123,264	123,264
Derivative instruments (note 15.1)	1,013	-	-	1,013	1,013
<b>Assets</b>	<b>1,013</b>	<b>123,264</b>	<b>-</b>	<b>124,277</b>	<b>124,277</b>
Derivative instrument	18	-	-	18	18
Loans and borrowings	-	-	444,135	444,135	444,135
<b>Liabilities</b>	<b>18</b>	<b>-</b>	<b>444,135</b>	<b>444,153</b>	<b>444,153</b>
<b>Parent Company</b>					
	Fair value – Hedging instrument RO'000	Other financial assets RO'000	Other financial liabilities RO'000	Total RO'000	Level 3 RO'000
<b>30 June 2025- Audited</b>					
Loans and borrowings	-	-	302,240	302,240	302,240
<b>Liabilities</b>	<b>-</b>	<b>-</b>	<b>302,240</b>	<b>302,240</b>	<b>302,240</b>
<b>31 December 2024 – Audited</b>					
Loans and borrowings	-	-	222,685	222,685	222,685
<b>Liabilities</b>	<b>-</b>	<b>-</b>	<b>222,685</b>	<b>222,685</b>	<b>222,685</b>

## ASYAD SHIPPING COMPANY SAOG AND ITS SUBSIDIARIES

### NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

#### 36 Fair value of assets and liabilities (continued)

##### (b) Fair value hierarchy

Type	Valuation technique	Significant unobservable inputs
Derivative instrument (Interest rate swaps)	Market comparison technique: fair value is calculated by the respective financial institutions. (note 3.18)	Not applicable

There were no transfers between the levels during the current as well as the previous period.

#### 37 Subsequent events

37.1 As disclosed in note 11(ii), one of second-hand VLCC vessel has been received in July 2025.