ASYAD SHIPPING COMPANY SAOG (UNDER TRANSFORMATION) AND ITS SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

Registered office:	Principal place of business:
P.O. Box 104, Postal Code 118	Bawsher Heights, Building No. 1/171
Madinat Al Sultan Qaboos	Complex 261, Bawsher
Bousher, Muscat	Muscat, Sultanate of Oman

ASYAD SHIPPING COMPANY SAOG (UNDER TRANSFORMATION) AND ITS SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

Contents **Page**

Contents	Page
Independent auditors' report	1 – 4
Board of Directors' report	5-7
Consolidated statement of financial position	8
Consolidated statement of profit or loss and other comprehensive income	9
Consolidated statement of changes in equity	10
Consolidated statement of cash flows	11
Notes to the consolidated financial statements	12 – 63

KPMG LLC
Children's Public Library Building
4th Floor, Shatti Al Qurum
P O Box 641, PC 112
Sultanate of Oman
Tel. +968 24 749600, www.kpmg.com/om

Independent auditors' report

To the Shareholder of Asyad Shipping Company SAOG (under transformation)

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Asyad Shipping Company SAOG (under transformation) ("the Company") and its subsidiaries ("the Group"), which comprise the consolidated statement of financial position as at 31 December 2024, the consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising material accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2024, and its consolidated financial performance and its consolidated cash flows for year 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 Financial Statements* section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' *International* Code of Ethics for Professional Accountants *(including International Independence Standards)* (IESBA Code) together with the ethical requirements that are relevant to our audit of the consolidated 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 financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters (continued)

Impairment assessment of carrying amounts of owned and leasehold vessels:

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

The key audit matter	How the matter was addressed in our audit
The Group is primarily engaged in vessel charter hire activities and ship management activities. As at 31 December 2024, the consolidated statement of financial position includes owned vessels with a total carrying value of RO 542 million (50% of group total assets) and leasehold container vessels classified under right-of-use assets of RO 8.99 million (0.83% of group total assets). 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. 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. Value-in-use calculations are derived using discounted cash flow models. 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. Based on the assessment, management has concluded that there was no impairment in respect of owned and leasehold vessels as at 31 December 2024. 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.	Our audit procedures included the following: - We assessed the appropriateness of management's determination of CGUs, based on the requirements of International Accounting Standard ("AS") 36 'Impairment of Assets'. - 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; - In particular, we performed procedures on management's value-in-use calculations, as deemed appropriate, including but not limited to: i) Assessed the reasonableness of the assumptions used in the cash flow projections; ii) Assessed the reasonableness of the approach and inputs used to determine the terminal values; iii) Involved our specialists to assist us in evaluating the appropriateness of discount rates used by the management in its impairment assessment; iv) Tested the mathematical accuracy and logical integrity of the value-in-use calculations; and v) Evaluated management's sensitivity analysis that considered the impact of changes in assumptions on the outcome of the impairment assessment. - We assessed the appropriateness of the related disclosures in the consolidated financial statements.

Other Information

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

Our opinion on the consolidated 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 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 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 Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated 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 financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 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 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 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 internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group consolidated 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 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 year ended 31 December 2024, 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: 13 March 2025

KPMG

KPMG LLC

KPMG LLC
Children's Public Library Building
4th floor, Shatti Al Qurum
P O Box 641, PC 112
Sultanate of Oman
CR.No: 1358131

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 submit their report and the consolidated financial statements for the year ended 31st of December 2024.

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 report a net profit of RO 51.6 million for the year ended 31st of December 2024. This is compared to the net profit for the year 2023 of RO 39.5 million. The group achieved an operating profit level of RO 86.90 million in 2024 compared to RO 65.6 million in 2023.

During the year, the gross revenue for Asyad Shipping Company and its subsidiaries increased to RO 366.1 million in 2024 from RO 363.7 million in 2023. Earnings per share for the Parent Company owners during the year 2024 were RO 0.009 compared to earnings per share of RO 0.007 in 2023 based on the total number of shares.

The group's total asset value at year-end 2024 is RO 1,085.0 million compared to RO 1,164.6 million in the previous year, mainly due to the decrease in property, vessels and equipment, right of use assets and cash and bank deposits.

During 2024, four newly built VLCC vessels were acquired that are under construction where one installment was paid in Q3 2024, moreover, we have made further payments related to two newly built LNG vessels that were acquired in 2023. Total liabilities of the Group decreased to RO 615.7 million from RO 720.7 million in 2023 due to a decrease in interest bearing loans and borrowings, trade and other payables and lease liabilities.

The net worth of the Company increased from RO 443.8 million in the previous year to RO 469.3 million as of 31st December 2024 as a result of an increase in profits for the year.

3. Dividends

The Company declared dividends of RO 20 million to its shareholder based on the audited financial statements of 31st of December 2023 which have been paid during the year ended 31st December 2024.

Subsequent to the year dated 16th of February 2025, the Company declared dividends of RO 9.9 million to its shareholder based on the audited financial statements of 31st of December 2023 which have been paid in February 2025.

4. Going Concern

As of 31 December 2024, the Group has a current asset position of RO 186.1 million and current liability position of RO 181.1 million. The Group is confident that it will be able to meet its obligations as and when they fall due through its operations for the coming year. Accordingly, these consolidated financial statements are prepared on a going concern basis.

5. Governance

Asyad Shipping Company S.A.O.G was established in 2003 with a vision to be the first-choice partner in maritime transportation, and a mission to offer reliable, efficient and competitive shipping solutions to our clients. Asyad Shipping Company S.A.O.G is owned by Asyad Group S.A.O.C.

The governance structure supports close coordination between the Board of Directors and executive management across the organization. The shareholders exercise their rights at the Annual General Meeting("AGM") which is the supreme governing body of the company. The Annual general meeting elects the Board of Directors, appoint the statutory auditors, approve the annual auditors report and any reserve matters.

As part of its governance framework and in line with the approved Operating Model of Asyad Group, the company adheres to the Asyad Group Service Level Agreement.

6. Ultimate Controlling Party

The Group is 100% 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").

7. Future of the Company

Going forward in 2025, the Company will continue the steady growth position in the regional market by expanding its fleet size across all segments. The company will follow its diversification plan of the fleet to offer more competitive activities in the industry. Taking advantage of the change in rates, chartering contracts can be negotiated to increase the revenue of the company. Additionally, the Company is committed to achieving its long-term growth plans, with 6 vessels under construction expected to be operational in 2026/2027. Strategies and plans for fleet expansion and diversification are set to ensure the company is on the right path to achieving its vision.

Asyad Shipping Company SAOG

T +968 2440 0900 | F +968 24400922
PO Box 104, P.C. 118, Muscat, Sultanate of Oman (C.R. 1723154)

asyad.om

The Company can extend its role to become a key player in the global supply chain realm, not only through seagoing transportation but also by integrating its services along the supply chain to maximize value, access cargo, and generate additional sources of income. Asyad Shipping Company can focus on reducing costs by using its strong presence in the region and advanced technology. By improving shipping routes, using data to predict demand, and better managing its fleet, Asyad Shipping Company aims to reduce fuel use, minimize delays, and control operational costs.

Asyad Shipping Company's vision is to position itself as the trusted partner in maritime in global markets and the preferred national carrier for Oman-based companies. The Company's decision to go public through the Initial Public Offering (IPO) will enhance its stability by becoming a regulated entity, boosting market confidence and expanding opportunities for securing long-term contracts. The Company's success will depend on engaging key stakeholders, offering competitive and dependable shipping solutions, securing government support, and nurturing long-term relationships with major industry players.

8. Auditor

The consolidated financial statements have been audited by KPMG LLC.

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.

ASYAD SHIPPING COMPANY SAOG (UNDER TRANSFORMATION) AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER

	Note	2024 RO	2023 RO
ASSETS			
Non-current assets			
Property, vessels and equipment	7	**627,024,474**	636,264,448
Intangible assets	33	**223,766**	-
Right-of-use assets	8.1	**123,700,312**	135,043,072
Equity-accounted investees	9	**24,860,022**	24,225,986
Finance lease receivables	10	**114,736,646**	123,430,807
Loans receivable	10	-	7,462,926
Derivatives	15	**133,280**	748,196
Fixed term deposits	10(f)	**7,700,000**	-
Deferred tax assets	29	**503,353**	6,637,032
		898,881,853	933,812.467
Current assets			
Finance lease receivables	10	**8,527,822**	7,626,320
Loans receivable	10	-	58,960
Trade receivables	10(c)	**13,624,191**	12,763,879
Derivatives	15	**879,522**	2,561,620
Contract assets	10(d)	**4,775,317**	2,386,634
Other financial assets at amortised cost	10(e)	**8,382,027**	4,113,853
Cash and cash equivalents	10(f)	**33,957,332**	51,996,653
Fixed term & margin deposits	10(f)	**98,062,192**	123,806,285
Other current assets	11	**10,490,580**	16,149,721
Inventories	30	**7,416,680**	9,308,908
		186,115,663	230,772,833
Total assets		**1,084,997,516**	1,164,585,300
EQUITY AND LIABILITIES			
EQUITY			
Share capital	12	**130,218,607**	130,218,607
Legal reserves	13	**22,156,028**	16,688,720
Cumulative changes in fair values		**995,180**	3,190,270
Retained earnings		**297,397,882**	275,807,514
Equity attributable to the owners of the Company		**450,767,697**	425,905,111
Non-controlling interests	34	**18,521,109**	17,939,417
Total equity		**469,288,806**	443,844,528
LIABILITIES			
Non-current liabilities			
Loans and borrowings	14	**367,430,699**	435,941,893
Employee end of service benefits	16	**770,000**	879,927
Derivatives	15	**17,899**	17,899
Lease liabilities	8.2	**66,373,789**	76,137,948
		434,592,387	512,977,667
Current liabilities			
Trade and other payables	17	**23,095,719**	42,179,389
Loans and borrowings	14	**76,703,989**	68,427,679
Income tax payable	29	**159,600**	860
Lease liabilities	8.2	**69,194,050**	84,438,257
Contract liabilities	31	**11,962,965**	12,716,920
		181,116,323	207,763,105
Total liabilities		**615,708,710**	720,740,772
Total equity and liabilities		**1,084,997,516**	1,164,585,300

The consolidated 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 March 2025 and were signed on their behalf by:

Chairman

Director

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

ASYAD SHIPPING COMPANY SAOG (UNDER TRANSFORMATION) AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER

	Note	2024 RO	2023 RO
Revenue	19	**366,148,116**	363,716,786
Voyage operating costs	21	**(52,383,504)**	(81,701,427)
Charter hire expenses for short term vessel hires		**(24,805,367)**	(28,642,839)
Vessel operating costs	23	**(183,020,086)**	(170,570,497)
Gross profit		**105,939,159**	82,802,023
Other income	28	**394,140**	7,476,561
Dividend income		**1,364,048**	147,570
Commercial expenses	24	**(6,791,761)**	(8,089,015)
General and administrative expenses	25	**(14,032,744)**	(12,597,265)
Impairment reversal on financial assets	10(g)	**7,424**	105,296
Impairment losses on right-of-use assets	8.1	**-**	(22,325,594)
Gain on sale of property, vessels and equipment		**3,110**	18,041,449
Operating profit		**86,883,376**	65,561,025
Finance costs	26	**(39,004,060)**	(42,353,634)
Finance income	27	**9,131,897**	13,105,172
Share of results of equity-accounted-investees - net of tax	9	**835,160**	997,611
Profit before tax		**57,846,373**	37,310,174
Income tax (expenses) / credit	29	**(6,293,581)**	2,179,193
Profit for the period		**51,552,792**	39,489,367
Other comprehensive loss			
Items that are or may be reclassified subsequently to profit or loss			
Cash flow hedges – effective portion of changes in fair value *	15.1	**46,812**	(2,823,420)
Cash flow hedges – reclassified to profit or loss *	15.1	**(2,343,826)**	(4,387,675)
Other comprehensive loss for the period, net of tax		**(2,297,014)**	(7,211,095)
Total comprehensive income for the period		**49,255,778**	32,278,272
Profit attributable to:			
Owners of the Company		**47,057,676**	34,976,765
Non-controlling interests	34	**4,495,116**	4,512,602
		51,552,792	39,489,367
Total comprehensive income attributable to:			
Owners of the Company		**44,862,586**	27,847,580
Non-controlling interests		**4,393,192**	4,430,692
		49,255,778	32,278,272
Earnings per share			
Basic and diluted earnings per share	20	**0.009**	0.007

*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 financial statements

Independent auditor's report - page 1 to 4.

ASYAD SHIPPING COMPANY SAOG (UNDER TRANSFORMATION) AND ITS SUBSIDIARIES

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

	Attributable to owners of the Company						
	Share capital RO	**Legal reserves RO**	**Cumulative changes in fair values RO**	**Retained earnings RO**	**Total RO**	**Non-controlling interests RO**	**Total equity RO**
Balance at 1 January 2023	130,218,607	11,708,469	10,319,455	283,811,000	436,057,531	17,666,725	453,724,256
Total comprehensive income for the period							
Profit for the period	-	-	-	34,976,765	34,976,765	4,512,602	39,489,367
Other comprehensive loss for the period	-	-	(7,129,185)	-	(7,129,185)	(81,910)	(7,211,095)
			(7,129,185)	34,976,764	27,847,580	4,430,692	32,278,272
Transfer to legal reserves	-	4,980,251	-	(4,980,251)	-	-	-
Transactions with owners of the company							
Dividends (note 14)	-	-	-	(38,000,000)	(38,000,000)	(4,158,000)	(42,158,000)
Balance at 31 December 2023	130,218,607	16,688,720	3,190,270	275,807,514	425,905,111	17,939,417	443,844,528

	Attributable to owners of the Company						
	Share Capital RO	**Legal reserves RO**	**Cumulative changes in fair values RO**	**Retained Earnings RO**	**Total RO**	**Non-controlling interests RO**	**Total equity RO**
Balance at 1 January 2024	**130,218,607**	**16,688,720**	**3,190,270**	**275,807,514**	**425,905,111**	**17,939,417**	**443,844,528**
Total comprehensive income for the period							
Profit for the period	-	**-**	-	**47,057,676**	**47,057,676**	**4,495,116**	**51,552,792**
Other comprehensive loss for the period			**(2,195,090)**	-	**(2,195,090)**	**(101,924)**	**(2,297,014)**
	-	**-**	**(2,195,090)**	**47,057,676**	**44,862,586**	**4,393,192**	**49,255,778**
Transfer to legal reserves	-	**5,467,308**	-	**(5,467,308)**	-	-	-
Transactions with owners of the Company							
Dividends (note 14)	**-**	**-**	**-**	**(20,000,000)**	**(20,000,000)**	**(3,811,500)**	**(23,811,500)**
Balance at 31 December 2024	**130,218,607**	**22,156,028**	**995,180**	**297,397,882**	**450,767,697**	**18,521,109**	**469,288,806**

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

ASYAD SHIPPING COMPANY SAOG (UNDER TRANSFORMATION) AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER

	Note	2024 RO	2023 RO
Cash flows from operating activities			
Profit before tax		**57,846,373**	37,310,174
Adjustments for:			
Impairment reversal on financial assets	10(g)	**(7,424)**	(105,296)
Gain on sale of property, vessels and equipment		**(3,110)**	(18,041,449)
Impairment losses on right of use assets		**-**	22,325,594
Depreciation and amortisation	7, 8, 33	**129,945,199**	121,896,806
Share of results of joint ventures and associate - net of tax	9	**(835,160)**	(997,611)
Provision for employees' end of service benefits	16	**70,483**	397,258
Finance income	27	**(9,131,897)**	(13,105,172)
Finance costs	26	**39,004,060**	42,353,634
Dividend income		**(1,364,048)**	(147,570)
		215,524,476	191,886,368
Changes in:			
Inventories		**1,892,228**	2,890,858
Trade receivables		**(800,950)**	5,873,332
Contract assets		**(2,427,049)**	6,032,765
Other financial assets at amortised cost		**(4,317,136)**	446,676
Other current assets		**5,659,141**	643,407
Trade and other payables		**(19,964,069)**	6,784,613
Contract liabilities		**(753,955)**	9,736,433
		194,812,686	224,294,452
Interest paid (including interest portion of lease liabilities)		**(39,153,941)**	(41,674,020)
Employees' end of service benefit paid	16	**(180,410)**	(90,644)
Income tax paid	29	**(1,162)**	(73,223)
Net cash from operating activities		**155,477,173**	182,456,565
Cash flows from investing activities			
Acquisition of property, vessels and equipment		**(39,834,771)**	(64,304,947)
Proceeds from sale of property, vessels and equipment		**10,781**	74,821,413
Fixed term and margin deposits invested		**(88,375,949)**	(44,530,654)
Fixed term and margin deposits matured		**106,042,791**	-
Dividends received		**1,518,048**	2,457,570
Loans received		**7,546,675**	-
Receipts from finance lease receivables		**7,803,260**	7,050,584
Interest received		**9,509,148**	13,105,172
Net cash generated from / (used in) investing activities		**4,219,983**	(11,400,862)
Cash flows from financing activities			
Proceeds from loans and borrowings	14	**222,911,250**	6,930,000
Repayments of borrowings	14	**(274,262,325)**	(72,831,258)
Lease payments -principal portion	8.4	**(93,839,974)**	(69,563,967)
Deferred finance cost payment	14	**(498,815)**	-
Dividend paid	14	**(23,811,500)**	(42,158,000)
Net cash used in financing activities		**(169,501,364)**	(177,623,225)
Net decrease in cash and cash equivalents		**(9,804,208)**	(6,567,522)
Cash and cash equivalents at 1 January		**43,761,540**	50,329,062
Cash and cash equivalents at 31 December (note 10(f))		**33,957,332**	43,761,540

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

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

Independent auditor's report - page 1 to 4.

ASYAD SHIPPING COMPANY SAOG (UNDER TRANSFORMATION) AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 Legal status and principal activities

Asyad Shipping Company SAOG (under transformation) (the "Company") and its subsidiaries together referred as (the "Group") are engaged in investment in ship owning companies, vessel charter hire activities and ship management activities. The Group operates internationally.

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

2 Basis of preparation

2.1 Statement of compliances

The consolidated financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and applicable requirements of the Commercial Companies Law of 2019.

The consolidated financial statements have been presented in Rial Omani ("RO"). 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 consolidated financial statements are presented in Rial Omani (RO), which is the Company's presentation currency.

The consolidated 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 consolidated 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 2024.

The following standards and interpretations apply for the first time to financial reporting periods commencing on or after 1 January 2024:

New accounting standards or amendments	Effective for annual periods beginning on or after
Classification of Liabilities as Current or Non-current and Non-current Liabilities with covenants – Amendments to IAS 1	01 January 2024
Supplier Finance Arrangements - Amendment to IAS 7 and IFRS 7	01 January 2024
Lease liability in a sale and leaseback - Amendments to IFRS 16	01 January 2024

The above standards and amendments do not have any material impact on the Group 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
Lack of Exchangeability – Amendments to IAS 21	01 January 2025
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 Group's financial statements as at and for the year ended 31 December 2023.

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 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.

3 Summary of material accounting policies (continued)

3.1 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 year 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.

3.2 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.

3 Summary of material accounting policies (continued)

3.2 Property, vessels and equipment (continued)

(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 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.

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.

3 Summary of material accounting policies (continued)

3.3 Leases (continued)

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.

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 Summary of material accounting policies (continued)

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 Company 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:

- Equity securities which are not held for trading, and which the Company has irrevocably elected at initial recognition to recognise in this category. These are strategic investments and the Company 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

3 Summary of material accounting policies (continued)

3.6 Financial instruments (continued)

3.6.3 Derecognition (continued)

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 consolidated 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.

- 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.

3 Summary of material accounting policies (continued)

3.6 Financial instruments (continued)

3.6.4 Measurement (continued)

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 Company 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.

3.7 Derivatives and hedging activities

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).

3 Summary of material accounting policies (continued)

3.7 Derivatives and hedging activities (continued)

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.

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 Summary of material accounting policies (continued)

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 year 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 year 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 year 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 year 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:
- 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;

3 Summary of material accounting policies (continued)

3.14 Income tax (continued)

• 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 year 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;

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.

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 year 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 year 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.

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.

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 31 December 2024 or 31 December 2023 and these have been reported in others as unallocated. The financial information about the segments is disclosed in note 35 to these 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.

Financial assets at amortised cost	**Currency**	**2024 RO**	2023 RO	**Comment**
Loans receivable (note 10 (b))	Japanese Yen	**-**	1,993,637	If foreign currency were to shift by +/- 0.5% there will be a change in the profit and equity for the year is nil *(2023: RO 10,453)*

4 Financial risk management (continued)

4.1 Financial risk factors (continued)

(a) Market risk (continued)

(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 year 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 2024 or 2023 in relation to the interest rate swaps.

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 31 December 2024, after taking into account the effect of hedging instruments, 10.45% *(2023 – 20.12%)* 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 0.79 million *(2023 - RO 1.9 million).*

The effects of the interest rate swaps on the Group's financial position and performance are as follows:

	2024 **RO**	2023 RO
Carrying amount of liability hedged	**46,142,349**	99,192,607
Notional amount	**46,142,349**	99,192,607
Maturity period	**1-5 years**	5-10 years
Hedge ratio (holding all other variables constant)	**100%**	100%
Change in fair value of outstanding hedging instruments since 1 January	**(2,297,014)**	(7,129,185)
Change in value of hedged item used to determine hedge effectiveness	**2,297,014**	7,129,185

4 Financial risk management (continued)

4.1 Financial risk factors (continued)

(b) Price risk

As at 31 December 2024, 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:

	31 December 2024		31 December 2023	
	RO	**%**	RO	%
Trade receivables	**14,344,583**	**5**	13,543,633	4
Contract assets	**4,845,249**	**2**	2,418,200	1
Other financial assets at amortised cost	**8,541,272**	**3**	4,224,136	1
Cash and cash equivalents	**33,957,332**	**12**	51,996,653	16
Fixed term and margin deposits	**105,762,192**	**36**	123,806,285	37
Finance lease receivables	**123,430,807**	**42**	131,234,067	39
Loans receivable	**-**	**-**	7,546,675	2
	290,881,435	**100**	334,769,649	100

ASYAD SHIPPING COMPANY SAOG (UNDER TRANSFORMATION) AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

4 Financial risk management (continued)

4.1 Financial risk factors (continued)

(c) Credit risk (continued)

Credit risk	2024 RO	2023 RO	Comments
Trade receivables	**14,344,583**	13,543,633	The Group has counterparties with good reputations and financial performance.
Contract assets	**4,845,249**	2,418,200	
Other financial assets at amortised cost	**8,541,272**	4,224,136	
Cash and cash equivalents	**33,957,332**	51,996,653	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	**105,762,192**	123,806,285	
Finance lease receivables	**123,430,807**	131,234,067	Refer note 10 for details
Loans receivable	-	7,546,675	Refer note 10 for details

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

	Rating	2024 RO	2023 RO
Abu Dhabi Islamic Bank	A1	**665,171**	1,052,885
Bank Nizwa SAOG	Ba1	**10,216,465**	15,824,340
Alizz Islamic Bank SAOC	Ba1	**2**	9,959,575
Ahli Bank SAOG	Ba1	**-**	237,474
Ahli United Bank KSCP	A2	**773**	3,251
Oman Arab Bank SAOC	Ba1	**20,652,202**	19,548,486
Sohar International SAOG	Ba1	**12,311,261**	6,037,362
Sohar Islamic	Ba1	**7,853,228**	16,073,534
Bank Muscat SAOG	Baa3	**16,417,564**	15,387,136
Societe General Bank	A1	**21,933,637**	15,269,923
First Abu Dhabi Bank - Oman Region	Aa3	**2,012**	2,938
Meethaq Islamic Banking - Corporate Banking	Baa3	**27,509**	92,901
National Bank of Oman SAOG	Ba1	**25,311**	-
Gulf International Bank BSC	A2	**98,453**	100,332
Mashreq Bank PSC	A3	**193,566**	196,255
Sumitomo Mitsui Banking Corporation	A1	**3,777,824**	7,138,053
Muzn Islamic Banking	Ba1	**31,654**	8,063,024
Standard Chartered Bank	A1	**5,957,138**	14,519,706
Qatar National Bank	Aa3	**750**	11,989,407
J.P. Morgan	Aa1	**1,482,557**	1,392,570
Al Misarah Islamic banking	Ba1	**-**	11,557,508
Bank Dhofar SAOG	Ba1	**24,408,808**	19,299,194
Oman Housing Bank	A2	**8,395,639**	2,057,084
National Finance Company	A2	**5,268,000**	-
Bank balances		**139,719,524**	175,802,938
OJV Cayman 3 Limited	Unrated	**-**	1,993,637
Al-Musanah Maritime Transportation Company S.A.	Unrated	**-**	5,553,038
Vale International SA	Ba1	**123,430,807**	131,234,067
Financial assets at amortised cost		**123,430,807**	138,780,742

ASYAD SHIPPING COMPANY SAOG (UNDER TRANSFORMATION) AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

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 31 December, the ageing of trade receivables that was as follows:

	2024	2023
	RO	RO
Not due	**8,150,897**	3,323,679
1-90 days past due	**4,259,272**	7,362,348
Above 91 days past due	**1,934,414**	2,857,606
	14,344,583	13,543,633

Trade receivable amounting to RO 0.55 million (2023: RO 0.66 million) 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 33,957,332 *(2023 – RO 51,996,653)* 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 had access to the undrawn borrowing facilities of RO 15.4 million *(2023 – RO 15.2 million)* at the end of the reporting period.

		Contractual cash flows			
	Carrying amount	**Less than 1 year**	**1 to 5 years**	**More than 5 years**	**Total**
At 31 December 2024	**RO**	**RO**	**RO**	**RO**	**RO**
Non- derivative financial liabilities					
Trade and other payables	**10,912,844**	**10,912,844**	**-**	**-**	**10,912,844**
Loans and borrowings	**445,846,203**	**96,293,626**	**225,783,968**	**275,888,575**	**597,966,169**
Bank overdraft	**-**	**-**			**-**
Lease liabilities	**135,567,839**	**74,709,797**	**70,157,897**	**66,987**	**144,934,681**
	592,326,886	**181,916,267**	**295,941,865**	**275,955,562**	**753,813,694**

		Contractual cash flows			
	Carrying amount	Less than 1 year	1 to 5 years	More than 5 years	Total
At 31 December 2023	RO	RO	RO	RO	RO
Non- derivative financial liabilities					
Trade and other payables	32,856,000	32,856,000	-	-	32,856,000
Loans and borrowings	497,894,222	85,136,688	247,612,003	333,023,513	665,772,204
Bank overdraft	8,235,113	8,235,113	-	-	8,235,113
Lease liabilities	160,576,205	89,774,738	83,161,687	66,960	173,003,385
	699,561,540	216,002,539	330,773,690	333,090,473	879,866,702

4 Financial risk management (continued)

4.1 Financial risk factors (continued)

* 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 monitors capital on the basis of the gearing ratio (debt to total equity)

	2024 RO	2023 RO
Debt*	**581,414,042**	666,705,540
Total equity	**469,288,806**	443,844,528
Debt to total equity ratio (times)	**1.239**	1.502

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

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 Critical accounting estimates and judgements (continued)

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 31 December 2024. 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 2024 and the losses in the bulk fleet CGU, the carrying value of the Group's Bulk fleet CGU have been assessed for impairment.

The Group uses freight rate estimates based on 10 years historical average rates.

The carrying value of the Bulk fleet CGU as at 31 December 2024 was RO 45.75 million.

The assessment of the value in use of the Bulk fleet CGU was based on the net present value of the expected future cash flows. The freight rate estimates are based on 10 years historical average rates and are consistent with the Group's 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 operating expenses and administrative expenses are adjusted for 2.6% per annum. The discount rate used in the value in use calculation is based on a Weighted Average Cost of Capital (WACC) of 11.6% as of 31 December 2024. 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 31 December 2024, the 10 years historical average spot freight rates used in the value in use calculation are as follows:

- Bulk fleet: USD/day 15,195 (consisting of 7 Bulk's with DWT around 63,000)

5 Critical accounting estimates and judgements (continued)

5.2 Estimates and assumptions (continued)

(c) Impairment of vessels (continued)

The vessels are expected to generate normal income for the entire duration of their useful life from the date of delivery from the shipyard taking into consideration the dry dock time. Given the current age profile of the underlying vessels, the average remaining life would be 16 years to 20 years for the Bulk fleet. The Group has used forecasted cashflows for the average remaining life for the Bulk 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 WACC applied as discounting factor in the calculations.

All other things being equal, the sensitivities to the value in use have been assessed as follows:

- An increase/decrease in the freight rates of USD 1,000 per day would result in an increase/decrease in the value in use of RO 8.96 million in the Bulk fleet;
- An increase in WACC of 1% would result in a decrease in the value in use of RO 3.67 million. A decrease in WACC of 1% would result in an increase in the value in use of RO 4.10 million.
- An increase in inflation of 1 % would result in an increase in the value in use of RO 3.88 million. A decrease in inflation of 1% would result in a decrease in the value in use of RO 4.36 million.

As outlined above, the impairment test has been prepared on the basis that the Group will continue to operate its vessels as a fleet in the current set-up.

The management has considered the Clarkson's shipping reports for ascertaining fair values of the bulk fleet CGU that was adjusted for the age of the vessels. The recoverable value comes out to be RO 85.92 million after adjusting cost to sell. The value in use for bulk fleet CGU is RO 58.17 million accordingly the recoverable value is higher than the carrying value of bulk fleet CGU, hence no impairment is charged in the current period.

Impairment of right-of-use vessels:

During the period ended 31 December 2023, due to ongoing volatility in freight rates in container segment, the carrying value of the Group's leased container vessels CGUs have been assessed for impairment. These leases were taken out when demand for capacity relative to supply was at a peak and since the supply gap has reduced significant rates drops have meant these particular vessels were no longer as economical when the leases were agreed. As of 31 December 2023, management performed an impairment test of the recoverable amount of Group's leased container vessels and the carrying value of the 4 CGUs exceeded the recoverable amount for four of the Groups leased container vessels by RO 22.33 million resulting in impairment. During the current period ended 31 December 2024, there is no indicator for impairment as disclosed above.

6 Investment in subsidiaries

Company name	**Note reference**	**Country of incorporation**	**% Holding 2024**	% Holding 2023
Oman Charter Company SAOC	(i)	Sultanate of Oman	99.99%	99.99%
Oman Ship Management Company SAOC	(ii)	Sultanate of Oman	99.99%	99.99%
Areej LNG Carrier S.A (AREJ)	(iii)	Republic of Panama	80%	80%
Tiwi LNG Carrier S.A (TIWI)	(iii)	Republic of Panama	80%	80%
Adam Maritime Transportation Company	(iii)	Marshall Islands	100%	100%
Dune LNG Carrier S.A (DUNE)	(iii)	Republic of Panama	80%	80%
Oryx LNG Carrier S.A (ORYX)	(iii)	Republic of Panama	60%	60%
Masirah Maritime Transportation Co. S.A	(iv)	Republic of Panama	100%	100%
Matrah Transportation Co. S.A.	(iv)	Republic of Panama	100%	100%
Al Amerat Transportation Company S.A	(iv)	Republic of Panama	100%	100%
Seeb Maritime Transportation Company	(v)	Marshall Islands	100%	100%
As-Suwaiq Maritime Transportation Company	(v)	Marshall Islands	100%	100%
Thamreit Maritime Transportation Company Ltd.	(v)	Marshall Islands	100%	100%
Ezki Maritime Transportation Company	(v)	Marshall Islands	100%	100%
Buka Maritime Transportation Company	(v)	Marshall Islands	100%	100%
Daba Maritime Transportation Company	(v)	Marshall Islands	100%	100%
Taqah Maritime Transportation Company	(v)	Marshall Islands	100%	100%
Vale Liwa Maritime Transportation Company S.A.	(vi)	Marshall Islands	100%	100%
Vale Sohar Maritime Transportation Company S.A.	(vi)	Marshall Islands	100%	100%
Vale Shinas Maritime Transportation Company S.A.	(vi)	Marshall Islands	100%	100%

ASYAD SHIPPING COMPANY SAOG (UNDER TRANSFORMATION) AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

5 Investment in subsidiaries (continued)

Company name	Note reference	Country of incorporation	% Holding 2024	% Holding 2023
Vale Saham Maritime Transportation Company S.A.	(vi)	Marshall Islands	100%	100%
Oman Container Line Inc.	(vii)	Republic of Panama	100%	100%
Saiq Maritime Transportation Company S.A. (Saiq)	(v)	Marshall Islands	100%	100%
Samail Maritime Transportation Company S.A. (Samail)	(v)	Marshall Islands	100%	100%
Muscat Silver Maritime Transportation Company S.A.	(viii)	Marshall Islands	100%	100%
Rustaq Silver Maritime Transportation Company S.A.	(viii)	Marshall Islands	100%	100%
Nakhal Silver Maritime Transportation Company S.A.	(viii)	Marshall Islands	100%	100%
Mahadah Silver Maritime Transportation Company S.A.	(viii)	Marshall Islands	100%	100%
Muhut Silver Maritime Transportation Company S.A.	(viii)	Marshall Islands	100%	100%
Yanqul Silver Maritime Transportation Company S.A.	(viii)	Marshall Islands	100%	100%
Dank Silver Maritime Transportation Company S.A.	(viii)	Marshall Islands	100%	100%
Madha Silver Maritime Transportation Company S.A.	(viii)	Marshall Islands	100%	100%
Sadah Silver Maritime Transportation Company S.A.	(viii)	Marshall Islands	100%	100%
Khasab Silver Maritime Transportation Company S.A.	(viii)	Marshall Islands	100%	100%
Jabal Al Misht Maritime Transportation Company Limited	(ix)	Marshall Islands	100%	100%
Jabal Shams Maritime Transportation Company Limited	(ix)	Marshall Islands	100%	100%
Dalkut Maritime Transportation Company Limited	(v)	Marshall Islands	100%	100%
Sur Maritime Transportation Company Limited	(v)	Marshall Islands	100%	100%
Bahla Maritime Transportation Company Limited	(v)	Marshall Islands	100%	100%
Jabl Samhan Maritime Transportation Company Limited	(ix)	Marshall Islands	100%	100%
Jabl Kawr Maritime Transportation Company Limited	(ix)	Marshall Islands	100%	100%
Jabl Hafit Maritime Transportation Compnay Limited	(ix)	Marshall Islands	100%	100%
Jabl Harim Maritime Transportation Company Limited	(ix)	Marshall Islands	100%	100%
Jabl Al Rawdah Maritime Transportation Company Limited	(ix)	Marshall Islands	100%	100%
Asyad Lines LLC	(vii)	Sultanate of Oman	100%	100%
Wadi Bani Khalid Maritime Transportation Company Limited	(vii)	Marshal Island	100%	100%
Asyad Shipping PTE. LTD	(i)	Singapore	100%	100%
Wadi Duka Maritime Transportation Company Limited	(vii)	Marshal Island	100%	100%
Asyad Ship Management Company SPC	(x)	Sultanate of Oman	100%	-

(i) This subsidiary is a closed joint stock company engaged in hiring and chartering vessels.

(ii) This subsidiary is a closed joint stock company engaged in providing ship management services.

(iii) These subsidiaries are limited liability companies engaged in owning and operating liquefied natural gas tankers, which are operating on long term time charters.

(iv) These subsidiaries are limited liability companies engaged in owning and operating product tankers, which are operating on long-term time charter contracts.

(v) These companies own Very Large Crude Carriers (VLCCs) which are currently being operated in spot market.

(vi) These subsidiaries are 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 container business.

(viii) These subsidiaries were 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) These subsidiaries are 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 is incorporated during the period. The company does not have started its operations yet.

ASYAD SHIPPING COMPANY SAOG (UNDER TRANSFORMATION) AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

7 Property, vessels and equipment

	Assets under Construction* RO	Vessels, dry-docking costs and other equipment RO	Computer equipment RO	Motor vehicles RO	Furniture and fixtures RO	Building RO	Total RO
Cost							
Balance at 1 January 2024	**39,957,007**	**1,337,508,950**	**1,159,719**	**30,096**	**881,494**	**7,487,801**	**1,387,025,067**
Additions	**32,044,965**	**8,717,329**	**-**	**-**	**-**	**-**	**40,762,294**
Disposals	**-**	**(20,431)**	**-**	**-**	**-**	**-**	**(20,431)**
Transfer to intangible assets	**(259,438)**	**-**	**-**	**-**	**-**	**-**	**(259,438)**
Transfer to vessels and dry docking	**(859,398)**	**859,398**	**-**	**-**	**-**	**-**	**-**
Balance at 31 December 2024	**70,883,136**	**1,347,065,246**	**1,159,719**	**30,096**	**881,494**	**7,487,801**	**1,427,507,492**
Accumulated depreciation							
Balance at 1 January 2024	**-**	**748,445,629**	**1,129,076**	**9,079**	**620,758**	**556,077**	**750,760,619**
Depreciation	**-**	**49,475,304**	**9,093**	**6,019**	**94,913**	**149,830**	**49,735,159**
Disposals	**-**	**(12,760)**	**-**	**-**	**-**	**-**	**(12,760)**
Balance at 31 December 2024	**-**	**797,908,173**	**1,138,169**	**15,098**	**751,671**	**705,907**	**800,483,018**
Carrying amounts							
At 31 December 2024	**70,883,136**	**549,157,073**	**21,550**	**14,998**	**165,823**	**6,781,894**	**627,024,474**
Cost							
Balance at 1 January 2023	5,049,817	1,439,949,138	1,159,719	30,096	881,494	7,485,921	1,454,556,185
Additions	42,697,776	22,564,009	-	-	-	1,880	65,263,665
Disposals	-	(132,794,783)	-	-	-	-	(132,794,783)
Transfer to vessels and dry docking	(7,790,586)	7,790,586	-	-	-	-	-
Balance at 31 December 2023	39,957,007	1,337,508,950	1,159,719	30,096	881,494	7,487,801	1,387,025,067
Accumulated depreciation							
Balance at 1 January 2023	-	772,897,233	1,114,433	3,060	525,801	406,240	774,946,767
Depreciation	-	52,611,671	14,643	6,019	94,957	149,837	52,877,127
Disposals	-	(76,747,918)	-	-	-	-	(76,747,918)
Adjustment	-	(315,357)	-	-	-	-	(315,357)
Balance at 31 December 2023	-	748,445,629	1,129,076	9,079	620,758	556,077	750,760,619
Carrying amounts							
At 31 December 2023	39,957,007	589,063,321	30,643	21,017	260,736	6,931,724	636,264,448

ASYAD SHIPPING COMPANY SAOG (UNDER TRANSFORMATION) AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

7 Property, vessels and equipment (continued)

At 31 December 2024, vessels and dry-docking costs having carrying amount of RO 328.43 million (2023 – RO 339.79 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.

At 31 December 2024, the carrying value of vessels, dry-docking costs, and other equipment includes an accumulated impairment loss of RO 199.53 million (2023: RO 199.53 million) which is classified under accumulated depreciation for appropriate presentation.

*It includes the cost of construction of two LNG and four VLCC vessels and costs incurred up to 31 December 2024 totalled RO 66.96 million (31 December 2023: RO 37.6 million). Borrowing cost amounting to RO 2.5 million (2023: RO 0.96 million) is also capitalised during the year, using a capitalisation rate of 5.8 percent (2023: 4.37 percent).

Depreciation expense for the year ended 31 December is charged as follows:

	2024	2023
	RO	RO
Vessel operating costs (note 23)	**49,475,304**	52,611,671
General and administrative expenses (note 25)	**259,855**	265,455
	49,735,159	52,877,126

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. 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 8.4% (2023: 2.75% to 7.5%) 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 consolidated statements of financial position and profit or loss shows the following amounts relating to lease of right of use assets:

	Land	**Properties**	**Vessels**	**Total**
	RO	**RO**	**RO**	**RO**
2024				
Balance at 1 January	**31,978**	**115,396**	**134,895,698**	**135,043,072**
Additions to right-of-use assets	**-**	**-**	**68,831,608**	**68,831,608**
Depreciation charge for the period	**(885)**	**(64,193)**	**(80,109,290)**	**(80,174,368)**
Impairment loss for the period	**-**	**-**	**-**	**-**
Balance at 31 December	**31,093**	**51,203**	**123,618,016**	**123,700,312**
2023				
Balance at 1 January	32,863	179,258	88,176,836	88,388,957
Additions to right-of-use assets	-	-	137,967,411	137,967,411
Adjustments to right of use asset	-	-	31,977	31,977
Depreciation charge for the year	(885)	(63,862)	(68,954,932)	(69,019,679)
Impairment loss for the year	-	-	(22,325,594)	(22,325,594)
Balance at 31 December	31,978	115,396	134,895,698	135,043,072

ASYAD SHIPPING COMPANY SAOG (UNDER TRANSFORMATION) AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

8 Leases (continued)

8.2 Movement in lease liabilities

	2024 RO	2023 RO
Balance at 1 January	**160,576,205**	91,092,327
Additions during the period	**68,831,608**	137,967,411
Adjustment to lease liabilities	**-**	1,080,434
Payments during the period	**(102,445,825)**	(78,011,403)
Interest expense for the period	**8,605,851**	8,447,436
Balance at 31 December	**135,567,839**	160,576,205

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

	2024 RO	2023 RO
Current lease liabilities	**69,194,050**	84,438,257
Non-Current lease liabilities	**66,373,789**	76,137,948
	135,567,839	160,576,205
Land	**35,221**	35,563
Vessels	**135,475,444**	160,420,423
Office	**57,174**	120,219
Total lease liabilities	**135,567,839**	160,576,205

8.3 Amounts recognised in profit or loss for the year ended 31 December

	2024 RO	2023 RO
Depreciation charge for the year	**80,174,368**	69,019,679
Interest on lease liabilities	**8,605,851**	8,447,436

8.4 Amounts recognised in statement of cash flows for the year ended 31 December

	2024 RO	2023 RO
Total cash out flows for the leases		
- Interest portion	**8,605,851**	8,447,436
- Principal portion	**93,839,974**	69,563,967
	102,445,825	78,011,403

9 Equity-accounted investees

	2024 RO	2023 RO
Carrying amount of investments		
Interest in joint venture	**24,860,022**	24,225,986

9 Equity-accounted investees (continued)

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

	2024	2023
	RO	RO
Balance at 1 January	**24,225,986**	25,538,375
Share of results of joint ventures – net of tax - note 9(a)	**835,160**	997,611
Other movements	**(47,124)**	-
Dividends received- note 9(a)	**(154,000)**	(2,310,000)
Balance at 31 December	**24,860,022**	24,225,986

Company name		**Country of incorporation**	**% Holding 2024**	% Holding 2023
Joint ventures				
Energy Spring LNG Carrier S.A.	i	Republic of Panama	50	50
Duqm Maritime Transportation Company S.A.	ii	Republic of Panama	50	50
Liwa Maritime Transportation Company S.A	iii	Republic of Panama	50	50
Haima Maritime Transportation Company S.A.	iv	Republic of Panama	50	50
Raysut Maritime Transportation Company S.A.	v	Republic of Panama	50	50
Al-Musanah Maritime Transportation Company S.A.	vi	Republic of Panama	50	50

(i) The company is a limited liability company and is engaged in operating a liquefied natural gas carrier. The Group's investment in the shares of the joint venture and the sponsor support agreement are assigned in favor of a lender to the joint venture against borrowing availed for financing the vessel. Principal place of business is Oman.

(ii) On 29 November 2005, the Group 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 a crude oil tanker. Principal place of business is Japan.

(iii) On 21 June 2005 the Group along with Mitsui O.S.K. Lines formed a joint venture, Liwa Maritime for the primary purpose of operating vessel chartering business. Principal place of business is Japan.

(iv) On 23 June 2006 the Group along with Mitsui O.S.K. Lines formed a joint venture, Haima Maritime for the primary purpose of acquiring, owning and operating an LR2 tanker. Principal place of business is Japan.

(v) On 23 June 2006, the Group along with Mitsui O.S.K. Lines formed a joint venture, Raysut Maritime for the primary purpose of acquiring, owning and operating an LR2 tanker. Principal place of business is Japan.

(vi) On 23 June 2006, the Group along with Mitsui O.S.K. Lines formed a joint venture, Al Musanah Maritime for the primary purpose of acquiring, owning and operating an LPG carrier vessel. The Group has granted certain loan to this joint venture, the details of which are included in note 10(b). These loans are denominated in United States Dollar and are secured partly against the joint venture partner's equity interest in the related joint venture. Principal place of business is Japan.

ASYAD SHIPPING COMPANY SAOG (UNDER TRANSFORMATION) AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

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	RO	RO	RO	RO	RO	RO
As at 31 December 2024							
Non-current assets	**10,579,723**	**-**	**7,921,429**	**13,630,302**	**-**	**7,892,195**	**40,023,650**
Current assets							
- Cash and cash equivalents	**5,395,729**	**4,158,992**	**2,095,387**	**3,712,220**	**195,706**	**878,883**	**10,766,621**
- Other current assets	**1,714,230**	**328,832**	**35,917**	**360,926**	**12,069,494**	**71,849**	**14,581,248**
Non-current liabilities							
- Financial liabilities	**-**	**-**	**-**	**(8,796,480)**	**-**	**-**	**(8,796,480)**
Current liabilities							
- Financial liabilities (excluding trade and other payables and provisions)	**(6,269,601)**	**(967,120)**	**-**	**(2,199,120)**	**-**	**-**	**(9,435,841)**
- Other current liabilities	**(419,512)**	**(902,009)**	**(1,127,775)**	**(532,276)**	**(2,695)**	**(105,182)**	**(3,089,449)**
Net assets (100%)	**11,000,568**	**2,618,696**	**8,924,958**	**6,175,572**	**12,262,505**	**8,737,746**	**49,720,045**
Group's share of net assets (50%)	**5,500,284**	**1,309,348**	**4,462,479**	**3,087,786**	**6,131,252**	**4,368,873**	**24,860,022**
Carrying amount of interest in joint venture	**5,500,284**	**1,309,348**	**4,462,479**	**3,087,786**	**6,131,252**	**4,368,873**	**24,860,022**
As at 31 December 2023							
Non-current assets	10,785,725	-	8,694,936	14,963,609	-	8,534,257	42,978,527
Current assets							
- Cash and cash equivalents	3,384,647	2,068,008	935,770	3,424,260	207,984	467,515	10,488,184
- Other current assets	606,137	285,953	29,985	395,271	11,403,718	139,581	12,860,645
Current liabilities							
- Financial liabilities (excluding trade and other payables and provisions)	(3,100,000)	(1,026,470)	(637,761)	(12,429,573)	-	(397,828)	(17,591,632)
- Other current liabilities	(87,620)	(8,917)	(6,162)	(141,891)	(2,695)	(6,160)	(253,445)
Net assets (100%)	11,588,889	1,318,574	9,016,768	6,211,676	11,609,007	8,737,365	48,482,279
Group's share of net assets (50%)	5,794,445	659,287	4,508,384	3,105,838	5,804,504	4,368,683	24,241,141
Adjustment for fair value of cash hedges	(15,155)	-	-	-	-	-	(15,155)
Carrying amount of interest in joint venture	5,779,290	659,287	4,508,384	3,105,838	5,804,504	4,368,683	24,225,986

ASYAD SHIPPING COMPANY SAOG (UNDER TRANSFORMATION) AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

9 Equity-accounted investees (continued)

(a) Summarised financial information for joint ventures

Summarised statement of profit or loss and other comprehensive income:

For year ended 31 December 2024	ENERGY	LIWA	RAYSUT	AL-MUSANAH	DUQM	HAIMA	Total
	RO	RO	RO	RO	RO	RO	RO
Revenue	4,448,391	11,241,480	2,508,198	4,748,667	-	2,508,198	25,454,934
Operating costs	(2,953,725)	(9,941,344)	(1,156,235)	(1,638,392)	(12,300)	(1,182,356)	(16,884,351)
Depreciation	(1,861,220)	-	(1,351,518)	(2,203,021)	-	(1,320,263)	(6,736,023)
Finance income	87,654	177	112	395	665,796	55	754,188
Interest expense	(1,420)	-	(4,670)	(906,658)	-	(5,263)	(918,011)
Other non-operation income / (expenses)	-	(191)	(3)	(236)	2	10	(417)
Income tax	-	-	-	-	-	-	-
Profit and total comprehensive income (100%)	(280,320)	1,300,122	(4,116)	755	653,498	381	1,670,321
Group's share of total comprehensive income (50%)	(140,160)	650,061	(2,058)	378	326,749	190	835,160
Dividend received by the group	154,000	-	-	-	-	-	154,000

For year ended 31 December 2023	ENERGY	LIWA	RAYSUT	AL-MUSANAH	DUQM	HAIMA	Total
	RO	RO	RO	RO	RO	RO	RO
Revenue	4,918,375	10,114,574	2,641,870	4,454,643	-	2,698,080	24,827,542
Operating costs	(2,146,377)	(9,865,596)	(1,056,793)	(1,444,065)	(13,847)	(1,117,039)	(15,643,717)
Depreciation	(1,851,442)	-	(1,181,587)	(2,062,094)	-	(1,311,522)	(6,406,645)
Interest expense	(664)	-	(72,436)	(938,960)	-	(75,414)	(1,087,474)
Finance income	55,462	118	117	312	297,405	65	353,479
Other non-operation income / (expenses)	-	(152)	(2,358)	(16,299)	(26,807)	(2,349)	(47,965)
Income tax	-	-	-	-	-	-	-
Profit and total comprehensive income (100%)	975,354	248,944	328,813	(6,463)	256,751	191,821	1,995,220
Group's share of total comprehensive income (50%)	487,677	124,472	164,407	(3,232)	128,376	95,911	997,611
Dividend received by the group	-	-	-	-	-	-	-

ASYAD SHIPPING COMPANY SAOG (UNDER TRANSFORMATION) AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

10 Financial assets

The Group holds the following financial assets:

	As at 31 December 2024	
	Non-current RO	**Current RO**
Finance lease receivables - note (a)	**114,736,646**	**8,527,822**
Loans receivable - note (b)	**-**	**-**
	114,736,646	**8,527,822**
Trade receivables - note (c)	**-**	**13,624,191**
Contract assets - note (d)	**-**	**4,775,317**
Other financial assets at amortised cost - note (e)	**-**	**8,382,027**
Bank balances - note (f)	**7,700,000**	**132,019,524**
	122,436,646	**167,328,881**

	As at 31 December 2023	
	Non-current RO	Current RO
Finance lease receivables - note (a)	123,430,807	7,626,320
Loans receivable - note (b)	7,462,926	58,960
	130,893,733	7,685,280
Trade receivables - note (c)	-	12,763,879
Contract assets - note (d)	-	2,386,634
Other financial assets at amortised cost - note (e)	-	4,113,853
Bank balances - note (f)	-	175,802,938
	130,893,733	202,752,584

(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.

	2024 RO	2023 RO
Non-current portion	**114,736,646**	123,430,807
Current portion	**8,694,161**	7,803,260
Less: Expected credit loss allowance [note 10(g)]	**(166,339)**	(176,940)
	8,527,822	7,626,320

During 2024, the Group recorded finance lease income of RO 16.12 million *(2023: RO* 16.96 *million)*.

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

10 Financial assets (continued)

(a) Finance lease receivables (continued)

	2024 RO	2023 RO
Finance lease receivables		
- Current	**8,694,161**	7,803,260
- Non-current	**114,736,646**	123,430,807
Total finance lease receivable	**123,430,807**	131,234,067
Undiscounted lease payments to be received		
Less than 1 year	**23,383,440**	24,240,910
1 to 2 years	**23,500,333**	23,383,440
2 to 3 years	**23,855,015**	23,500,333
3 to 4 years	**23,001,718**	23,855,015
4 to 5 years	**23,345,799**	23,001,718
More than 5 years	**84,152,261**	107,498,060
	201,238,566	225,479,476
Less : unearned finance income	**(77,807,759)**	(94,245,409)
	123,430,807	131,234,067

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.

(b) Loans receivable

	2024 RO	2023 RO
Loan to a joint venture (note 18 & i)	**-**	5,553,038
Loan to OJV Cayman 3 Limited (ii)	**-**	1,993,637
Less: Expected credit loss allowance [note 10(g)]	**-**	(24,789)
	-	7,521,886

(i) Loans provided to Al Musanah Maritime Transportation Company S.A., a joint venture, carries an effective annual interest rate of SOFR plus 2% *(2023 - SOFR plus 2%)*. The loan receivables also include an accrued interest of Nill (2023: RO 55,238) as of the reporting date. The outstanding amount has been settled during the year 2024.

(ii) The Group has granted a loan to OJV Cayman 3 Limited denominated in Japanese Yen amounting to RO 1,995,123 *(2023 - RO 1,993,637)*, which carry an interest rate of 4% *(2023– 4%).* The loan receivables also include accrued an interest of Nill (2023: RO 3,722) as of the reporting date. The outstanding amount has been settled during the year 2024.

(c) Trade receivables

	2024 RO	2023 RO
Trade receivables	**14,344,583**	13,543,633
Less: Expected credit loss allowance [note 10(g)]	**(720,392)**	(779,754)
	13,624,191	12,763,879

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

10 Financial assets (continued)

(d) Contract assets

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

	2024 RO	2023 RO
Contract assets	**4,845,249**	2,418,200
Less: expected credit loss (note 10 (g))	**(69,932)**	(31,566)
	4,775,317	2,386,634

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 Company issues invoice to the customer.

(e) Other financial assets at amortised cost

	2024 RO	2023 RO
Due from related parties (note 18)	**7,367,655**	3,187,491
Other receivables	**1,173,617**	1,036,645
Less: Expected credit loss allowance [note 10(g)]	**(159,245)**	(110,283)
	8,382,027	4,113,853

(f) Bank balances

	2024 RO	2023 RO
Total bank balances	**139,719,524**	175,802,938
Fixed term deposits (With in 1 year) - (i)	**71,381,147**	107,787,683
Fixed term deposits (more than 1 year) - (i)	**7,700,000**	-
Margin deposits - (ii)	**26,681,045**	16,018,602
	105,762,192	123,806,285
Cash and cash equivalents	**33,957,332**	51,996,653
	139,719,524	175,802,938
Cash and cash equivalents	**33,957,332**	51,996,653
Less: Bank overdraft (note 14)	**-**	(8,235,113)
Cash and cash equivalents in consolidated cash flow statement	**33,957,332**	43,761,540

(i) Included in bank balances are deposits of RO 79.08 million *(2023 – RO 106.04 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 5.4%-6.7% *(2023 – 5.00%-5.90%)*. Fixed term deposits also include accrued interest amounting to RO 1.37 million *(2023: RO 1.74 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 31 December 2024, the balances in these service deposit accounts are denominated in US Dollars and amounted to RO 26.68 million *(2023 - RO 16.02 million)*.

10 Financial assets (continued)

(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' *(2023 – '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 31 December was determined as follows:

	Amounts outstanding (RO)	**Weighted average loss rates**	**Loss allowance (RO)**
As at 31 December 2024			
Transportation: Cargo	**3,640,182**	**8.91%**	**324,383**
Energy: Oil & Gas	**21,793,201**	**2.67%**	**581,460**
Metals & Mining	**125,728,528**	**0.17%**	**210,065**
Total	**151,161,911**		**1,115,908**

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

	2024 RO Increase / Decrease	2023 RO Increase / Decrease
Other financial assets at amortised cost (note 10(e))	**85,413**	42,241
Trade receivables (note 10(c))	**143,446**	135,436
Contract assets (note 10 (d))	**48,452**	24,182

10 Financial assets (continued)

(g) Impairment of financial assets (continued)

Trade receivables and contract assets (continued)

As at 31 December 2023	Amounts outstanding (RO)	Weighted average loss rates	Loss allowance (RO)
Transportation: Cargo	4,247,758	5.80%	246,548
Energy: Oil & Gas	17,011,693	3.96%	674,147
Metals & Mining	132,435,175	0.15%	202,637
Total	153,694,626		1,123,332

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 year was as follows.

	2024 RO	2023 RO
Balance at 1 January	**1,123,332**	1,228,628
Impairment charge / (reversal) during the period	**(7,424)**	(105,296)
Balance at 31 December	**1,115,908**	1,123,332
Impairment reversal on trade receivables	**(59,362)**	(118,542)
Impairment charge / (reversal) on contract assets	**38,366**	(76,887)
Impairment charge on other financial assets	**48,962**	49,849
Impairment reversal on loan receivables	**(24,789)**	-
Impairment (reversal) / charge on finance lease receivables	**(10,601)**	40,284
Net impairment reversal on financial assets	**(7,424)**	(105,296)

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

ASYAD SHIPPING COMPANY SAOG (UNDER TRANSFORMATION) AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

11 Other current assets

	2024 RO	2023 RO
Costs to fulfil contract (i)	**303,366**	136,337
Advances	**7,198,691**	9,762,093
Prepaid expenses	**2,975,237**	6,251,269
VAT receivables	**13,286**	22
	10,490,580	16,149,721

(i) The amount of RO 0.14 million (31 December 2022: RO 2 million) included in cost to fulfil contract at 31 December 2023 has been recognised as an expense in 31 December 2024.

12 Share capital

	The Company			
	Authorized share capital		Issued and fully paid	
	31 December 2024	31 December 2023	**31 December 2024**	31 December 2023
Shares capital (RO)	**350,000,000**	350,000,000	**130,218,607**	130,218,607
Number of shares	**350,000,000**	350,000,000	**5,208,744,280***	130,218,607

*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.

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. The Company has transferred RO 5.47 million *(2023 - RO 4.98 million)* to the legal reserve during the current period. The balance at the end of the year represents amounts relating to the Company and its share of reserves of each of its two Omani subsidiaries below:

	2024 RO	2023 RO
Relating to the Company	**21,739,361**	16,272,053
Relating to the Omani subsidiaries	**416,667**	416,667
	22,156,028	16,688,720

14 Loans and borrowings

	2024 RO	2023 RO
Term loans (i)	**445,846,203**	497,894,222
Bank overdraft	**-**	8,235,113
	445,846,203	506,129,335
Less: Deferred financing costs	**(1,711,515)**	(1,759,763)
Total loan amount	**444,134,688**	504,369,572
Current portion		
Term loans (i)	**76,703,989**	60,192,566
Bank overdraft	**-**	8,235,113
Total current portion of loans and borrowings	**76,703,989**	68,427,679
Non-current portion of loans and borrowings	**367,430,699**	435,941,893

ASYAD SHIPPING COMPANY SAOG (UNDER TRANSFORMATION) AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

14 Loans and borrowings (continued)

(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 vessels of the Group having carrying value of RO 328.43 million *(2023 –RO 339.799 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 *(2023: SOFR 1.7% to 4.35%)*

The loan amounts include the loan obtained from Immediate Parent Company during the period amounts to RO 99 million (2023: nil) which is repayable in ten years as per agreement carrying interest rate 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.

Term loans also include accrued interest amounting to RO 4.17 million *(2023: RO 4.80 millions).*

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

	31 Dec 2023	**Cash in flows**	**Cash out flows**	**Non-cash item**	**31 Dec 2024**
	RO	**RO**	**RO**	**RO**	**RO**
Term loans*	493,031,031	**222,911,250**	**(274,262,325)**	**-**	**441,679,956**
Bank overdraft	8,235,113	**-**	**(8,235,113)**	**-**	**-**
Deferred finance cost	(1,759,763)	**-**	**(498,815)**	**547,063**	**(1,711,515)**
Lease liabilities	160,576,205	**-**	**(102,445,825)**	**77,437,459**	**135,567,839**
Liabilities arising from financing activities	660,082,586	**222,911,250**	**(385,442,078)**	**77,984,522**	**575,536,280**

* It does not include the accrued interest as at 31 December 2024 (2023: nil).

Cash flows from financing activities include dividends paid during the period amounting to RO 23.81 million *(2023 – RO 42.15 million)* which do not have any corresponding liability in the statement of financial position at the reporting date (2023: nil). The Group has distributed the dividend during the period amounted to RO 20 million (2023: RO 38 million). Dividend per share distributed during the year is RO 0.15 (based on 130 million number of shares) (2023 – RO 0.29).

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.

15 Derivative financial instruments (continued)

15.1 Relating to subsidiaries (continued)

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.

	2024	2023
	RO	RO
Loan balances covered by hedging arrangements	**46,142,349**	99,192,607
Interest rate swaps used for hedging – net assets/(liabilities)	**994,903**	3,291,916
Current portion - asset	**879,522**	2,561,620
Non-current portion - assets	**133,280**	748,196
Non current portion – liabilities	**(17,899)**	(17,899)
	115,381	730,297
Change in fair value of derivatives	**(2,297,014)**	(7,211,095)
Notional amounts by term to maturity:		
Less than 1 year	**19,396,038**	35,509,617
2 to 5 years	**26,746,311**	56,777,052
Above 5 years	**-**	6,905,938
	46,142,349	99,192,607

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

	2024	2023
	RO	RO
Balance at 1 January	**3,291,917**	10,503,011
Credit for the period (note 27)	**(2,343,826)**	(4,387,675)
Changes in fair value	**46,812**	(2,823,420)
Balance at 31 December	**994,903**	3,291,916

16 Employees' end of service benefits

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

	2024	2023
	RO	RO
Balance at 1 January	**879,927**	573,313
Charge during the period (note 22)	**70,483**	397,258
Paid during the period	**(180,410)**	(90,644)
Balance at 31 December	**770,000**	879,927

17 Trade and other payables

	2024	2023
	RO	RO
Amount due to related parties (note 18)	**530,733**	19,891,249
Trade payables	**9,105,224**	12,739,855
Accrued expenses	**12,182,875**	9,323,389
Withholding tax payable	**408,350**	203,252
Other payables	**868,537**	21,644
	23,095,719	42,179,389

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.

Balances and transactions between the Company and its subsidiary, 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 year ended were as follows:

Transactions with related parties included in the consolidated statement of comprehensive income are 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 year ended 31 December are as follows:

	2024	2023
	RO	RO
Short-term benefits	**916,902**	847,526
Post employment benefits	**226,353**	76,075
Directors sitting fees	**119,200**	130,998
	1,262,455	1,054,599

During the year ended 31 December, transactions with related parties are as follows:

	2024	2023
	RO	RO
Income		
Vessel management fees from joint ventures	**779,345**	723,170
Rental income – immediate parent company, fellow subsidiary and JVs	**384,805**	135,724
Interest income from joint venture (JV)	**399,804**	409,122
Costs		
Dry dock costs - Fellow subsidiary	**3,652,383**	6,624,349
Cost recharge (including interest on loan) - immediate parent company	**5,725,377**	100,160
Other transactions		
Dividend paid – Immediate parent company	**20,000,000**	38,000,000

18 Related parties (continued)

The related party balances are as follows:

	Due from related parties		Due to related parties	
	2024	2023	**2024**	2023
	RO	RO	**RO**	RO
Joint ventures and associate	**7,210,271**	9,558,910	**269,443**	818,381
Immediate parent company	**148,428**	-	**-**	17,954,939
Fellow subsidiary	**8,956**	54,313	**-**	1,721,519
Ministry of Finance	**-**	-	**261,290**	269,104
Total	**7,367,655**	9,613,223	**530,733**	20,763,943

19 Revenue

	2024	2023
	RO	RO
Revenue from contracts with customers (note 19.1) *	**107,366,965**	142,751,509
Operating lease income (note 19.2) *	**242,663,301**	204,009,587
Finance lease income [note 10(a)]	**16,117,850**	16,955,690
	366,148,116	363,716,786

*During the year ended 31 December 2023 and 31 December 2022, the management presented charter hire income in the revenue from contracts with customers instead of operating lease income. During the current year, the management has reclassified appropriately charter hire income from revenue from contracts with customers to operating lease income. There is no impact on the gross profit and profit before tax on account of such reclassification.

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.

	2024	2023
	RO	RO
Freight income	**97,584,274**	135,152,968
Vessel operation and maintenance services	**8,331,553**	6,378,008
Vessel management services	**1,451,138**	1,220,533
	107,366,965	142,751,509

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

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.

19 Revenue (continued)

19.2 Operating lease income (continued)

Maturity analysis for lease payments to be received under operating lease

	2024 RO	2023 RO
Less than one year	**159,619,906**	89,712,846
One to two years	**32,878,066**	42,992,803
Two to three years	**15,026,069**	13,853,850
Three to four years	**8,766,450**	5,160,925
Four to five years	**1,524,600**	-
Total	**217,815,091**	151,720,424

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:

	2024 RO	2023 Restated* RO
Profit attributable to the shareholders (RO)	**47,057,676**	34,976,765
Weighted average number of shares for basic and diluted EPS at the end of reporting period	**5,208,744,280**	5,208,744,280
Basic and diluted earnings per share (RO)	**0.009**	0.007

*As disclosed in note 12, due to increase in the number of shares during the year, Basic and diluted earnings per share have been restated and disclosed for the year 2023.

21 Voyage operating costs

	2024 RO	2023 RO
Bunker charges - inventory consumption	**23,782,033**	43,060,525
Port charges	**6,165,960**	14,213,466
Voyage expenses	**22,435,511**	24,427,436
	52,383,504	81,701,427

22 Staff costs

Salaries, wages, and allowances	**13,072,458**	12,511,069
Employees' end of service benefits expenses (note 16)	**70,483**	397,258
Social security costs (PASI)	**1,018,765**	1,052,620
Other staff expenses	**2,581,818**	3,162,226
	16,743,524	17,123,173

Staff cost has been charged as follows:

General and administrative expenses (note 25)	**8,448,246**	10,687,066
Commercial expenses (note 24)	**2,454,614**	1,835,661
Vessel operating cost (note 23)	**5,840,664**	4,600,446
	16,743,524	17,123,173

ASYAD SHIPPING COMPANY SAOG (UNDER TRANSFORMATION) AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

23 Vessel operating costs

	2024 RO	2023 RO
Depreciation		
- owned assets (note 7)	**49,475,304**	52,611,671
- right-of-use assets	**80,109,290**	68,954,932
Manning cost (note 23.1)	**32,305,768**	30,375,210
Maintenance & repair	**12,769,206**	9,752,969
Insurance	**3,701,346**	3,407,543
Consumables & stores	**4,485,789**	5,246,416
Ship management fee	**173,383**	221,756
	183,020,086	170,570,497

23.1 It includes staff cost for Omani seafarers amounts to RO 5.84 million (2023: RO 4.60 million)

24 Commercial expenses

	2024 RO	2023 RO
Commission expenses	**4,337,147**	6,253,354
Commercial staff costs (note 22)	**2,454,614**	1,835,661
	6,791,761	8,089,015

25 General and administrative expenses

	2024 RO	2023 RO
Administrative staff costs (note 22)	**8,448,246**	10,687,066
Information technology services	**542,365**	335,772
Legal and professional expenses (note 25.1)	**287,892**	3,645
Depreciation - owned assets (note 7)	**259,855**	368,086
Depreciation - right-of-use assets	**65,078**	265,455
Amortisation – intangible assets (note 33)	**35,672**	-
Repairs and maintenance	**45,140**	64,747
Withholding tax expenses	**72,974**	810,451
Other administrative expenses (note 25.2)	**4,275,522**	62,043
	14,032,744	12,597,265

25.1 It includes audit service fee amounts to RO 88,112 (2023: RO 84,534)

25.2 It includes the management fee payable to Asyad Group amounts to RO. 3.65 million (2023: nil).

26 Finance costs

	2024 RO	2023 RO
Interest on loans and borrowings	**29,851,146**	33,075,207
Interest expenses on lease liabilities (note 8.3)	**8,605,851**	8,447,436
Amortisation of deferred finance cost	**547,063**	830,991
	39,004,060	42,353,634

27 Finance income

	2024 RO	2023 RO
Interest income on loan and bank deposits	**6,788,071**	5,308,266
Interest income on interest rate swap	**2,343,826**	4,387,674
Gain on swap breakage	**-**	3,409,232
	9,131,897	13,105,172

28 Other income

	2024 RO	2023 RO
Other income	**394,140**	7,476,561

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.

	2024 RO	2023 RO
Income tax expense		
Current year	**159,902**	902
Deferred tax expense/(credit)		
Origination and reversal of temporary differences	**6,133,679**	(2,180,095)
	6,293,581	(2,179,193)

Non-current assets	**2024**	2023
Deferred tax asset	**503,353**	6,637,032

The movement in current taxation liability for the period comprises:

	2024 RO	2023 RO
Balance at 1 January	**860**	73,181
Charge for the period	**159,902**	902
Paid during the period	**(1,162)**	(73,223)
Balance at 31 December	**159,600**	860

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% *(2023 - 15%).*

	2024 RO	2023 RO
Profit before tax	**57,846,373**	37,310,174
Tax on accounting profit before tax @ 15%	**8,676,956**	5,596,526
Less tax effect of:		
Tax effect of subsidiaries' results not subject to taxation	**606,613**	1,518,335
Tax-exempt income	**(3,000,000)**	-
Deductible	**10,012**	(9,294,054)
	6,293,581	(2,179,193)

As at 31 December 2024, 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 prescribed.

ASYAD SHIPPING COMPANY SAOG (UNDER TRANSFORMATION) AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

29 Taxation (continued)

Deferred tax assets

	At 1 January 2024 RO	Charge / (credit) for the year RO	At 31 December 2024 RO
2024			
Tax effect of accelerated depreciation	**84,179**	**11,831**	**96,010**
Provision for impairment losses on financial assets	**(15,772)**	**(8,702)**	**(24,474)**
Deferred tax on provision for impairment on investment in an associate	**(116,243)**	**-**	**(116,243)**
Deferred tax on provision for investment in joint ventures	**(391,403)**	**(40,847)**	**(432,250)**
Deferred tax on tax losses	**(6,197,793)**	**6,171,397**	**(26,396)**
Net deferred tax asset	**(6,637,032)**	**6,133,679**	**(503,353)**

At 31 December 2024, the Group has recognised deferred tax asset of RO 0.5 million *(2023 – RO 6.64 million)*. Based on management's assessment, the Group will have sufficient future taxable profits to substantially recover the asset over the next five years.

	At 1 January 2023 RO	Charge / (credit) for the year RO	At 31 December 2023 RO
2023			
Tax effect of accelerated depreciation	66,663	17,516	84,179
Provision for impairment losses on financial assets	(9,230)	(6,542)	(15,772)
Deferred tax on provision for impairment on investment in an associate	(116,243)	-	(116,243)
Deferred tax on provision for investment in joint ventures	(391,403)	-	(391,403)
Deferred tax on tax losses	(4,006,724)	(2,191,069)	(6,197,793)
Net deferred tax asset	(4,456,937)	(2,180,095)	(6,637,032)

(a) Asyad Shipping Company SAOG (under transformation), Oman Ship Management Company SAOC and Asyad Line LLC

The tax rate applicable to the Company, Oman Ship Management Company SAOC (the subsidiary company) and Asyad Line LLC (the subsidiary company) is 15% *(2023 - 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 (2023: Nil) and subsidiaries has a tax payable of RO 0.16 million (2023: 0.00086 million) respectively in the current year.

(b) Oman Charter Company SAOC

Oman Charter Company SAOC 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% *(2023 - 17%)*. 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. This subsidiary has tax payable of nil (2023: 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.

29 Taxation (continued)

(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 190.80 million *(2023: RO 190.80 million)* with tax effect of RO 28.62 million *(2023: RO 28.62 million)*, because it is not probable that future taxable profit will be available against which the Group can use the benefits therefrom.

30 Inventories

	2024	2023
	RO	RO
Bunker fuel	**4,204,113**	6,013,088
Lubricants	**3,212,567**	3,295,820
	7,416,680	9,308,908

30.1 Inventory Consumption cost

Inventory consumption cost included in the consolidated statement of comprehensive income are as follows:

	2024	2023
	RO	RO
Bunker fuel (note 21)	**23,782,033**	43,060,525
Lubricants	**2,042,989**	2,261,728
	25,825,022	45,322,253

31 Contract liabilities

	2024	2023
	RO	RO
Contract liabilities	**11,962,965**	12,716,920

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 12.72 million included in contract liability at 31 December 2023 has been recognised as income in year 31 December 2024.

32 Commitments and contingencies

32.1 Contingencies

At 31 December 2024, the Company has guaranteed loans borrowed by its subsidiaries amounting to RO 184.73 million *(2023 – RO 199.49 million).*

32.2 Capital commitments

The Group has vessel purchase commitments of RO 325.27 million *(2023: RO 155.18 million)* as of 31 December 2023 which relates to 2 LNG and 4 VLCC vessels under construction (2023: 2 LNG vessels).

33 Intangible asset - software

	2024	2023
	RO	RO
Cost		
Opening balance	**-**	-
Additions	**259,438**	-
Closing balance	**259,438**	-
Accumulated amortization		
Opening balance	**-**	-
Amortisation for the period (note 25)	**35,672**	-
Closing balance	**35,672**	-
Carrying amount	**223,766**	-

33.1 The estimated useful lives for software is 3 years.

ASYAD SHIPPING COMPANY SAOG (UNDER TRANSFORMATION) AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED 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.

Year ended 31 December 2024	**AREJ**	**TIWI**	**DUNE**	**ORYX**	**Total**
NCI Percentage	**20%**	**20%**	**20%**	**40%**	
	RO	**RO**	**RO**	**RO**	**RO**
Non-current assets	**18,401,524**	**16,644,188**	**18,352,258**	**15,482,806**	**68,880,776**
Current assets	**5,696,549**	**4,705,861**	**1,446,723**	**3,091,300**	**14,940,433**
Non-current liabilities	**10,502**	**-**	**-**	**-**	**10,502**
Current liabilities	**(4,489,859)**	**(2,133,693)**	**(573,227)**	**(1,301,742)**	**(8,498,521)**
Net assets	**19,618,716**	**19,216,356**	**19,225,754**	**17,272,364**	**75,333,190**
Carrying amount of NCI	**3,923,743**	**3,843,271**	**3,845,151**	**6,908,944**	**18,521,109**
Revenue	**10,590,703**	**10,602,633**	**5,794,216**	**11,027,641**	**38,015,193**
Profit	**4,982,808**	**4,937,153**	**924,671**	**5,815,475**	**16,660,107**
OCI	**183,877**	**175,851**	**-**	**74,945**	**434,673**
Total comprehensive income	**5,166,685**	**5,113,004**	**924,671**	**5,890,420**	**17,094,780**
Profit allocated to NCI	**996,562**	**987,431**	**184,934**	**2,326,189**	**4,495,116**
OCL allocated to NCI	**(36,775)**	**(35,170)**	**-**	**(29,979)**	**(101,924)**
Cashflows from operating activities	**9,478,797**	**6,416,890**	**2,208,807**	**4,909,138**	**23,013,632**
Cashflows from investing activities	**(3,096,429)**	**389,461**	**1,256,193**	**(544,529)**	**(1,995,304)**
Cashflows from financing activities	**(4,685,874)**	**(6,883,562)**	**(3,465,000)**	**(8,457,444)**	**(23,491,880)**
Net change in cash and cash equivalents	**1,696,494**	**(77,211)**	**-**	**(4,092,835)**	**(2,473,552)**

34 Non – controlling interests (continued)

31 December 2023	AREJ	TIWI	DUNE	ORYX	Total
NCI Percentage	20%	20%	20%	40%	
	RO	RO	RO	RO	RO
Non-current assets	19,213,432	19,666,587	19,455,665	17,974,662	76,310,346
Current assets	5,974,472	5,747,283	3,492,384	8,012,364	23,226,503
Non-current liabilities	3,853,273	1,944,415	-	1,204,401	7,002,089
Current liabilities	5,552,361	5,934,402	1,181,965	7,475,784	20,144,512
Net assets	15,782,270	17,535,053	21,766,084	17,306,840	72,390,247
Carrying amount of NCI	3,156,454	3,507,011	4,353,217	6,922,735	17,939,417
Revenue	10,054,541	10,177,228	6,042,575	10,674,166	36,948,510
Profit	4,855,097	4,871,899	1,465,488	5,685,262	16,877,746
OCI	(88,494)	(109,226)	-	(105,915)	(303,635)
Total comprehensive income	4,766,603	4,762,673	1,465,488	5,579,347	16,574,111
Profit allocated to NCI	971,019	974,380	293,098	2,274,105	4,512,602
OCL allocated to NCI	(17,699)	(21,845)	-	(42,366)	(81,910)
Cashflows from operating activities	8,258,101	8,328,717	4,036,515	10,334,125	30,957,458
Cashflows from investing activities	(406,366)	(1,845,439)	1,353,485	440,278	(458,042)
Cashflows from financing activities	(6,489,180)	(5,183,073)	(5,390,000)	(8,160,201)	(25,222,454)
Net change in cash and cash equivalents	1,362,555	1,300,205	-	2,614,202	5,276,962

ASYAD SHIPPING COMPANY SAOG (UNDER TRANSFORMATION) AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED 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.

31 December 2024	Gas Shipping	Crude Shipping	Products Shipping	Dry bulk Shipping	Liner Shipping	Others – unallocated	Total
	RO	RO	RO	RO	RO	RO	RO
Operating lease income	49,913,116	72,757,352	87,380,320	23,969,929	8,642,584	-	242,663,301
Revenue from contracts with customers	409,126	29,392,458	6,773,834	22,989,384	46,191,996	1,610,167	107,366,965
Finance lease income	-	-	-	16,117,850	-	-	16,117,850
Gross revenue – external parties	50,322,242	102,149,810	94,154,154	63,077,163	54,834,580	1,610,167	366,148,116
Voyage operating costs	(463,948)	(11,889,612)	(1,581,277)	(5,542,400)	(32,651,212)	(255,055)	(52,383,504)
Time charter equivalent	49,858,294	90,260,198	92,572,877	57,534,763	22,183,368	1,355,112	313,764,612
Charter hire expenses for short term leases	(4,137,778)	(7,077,260)	(2,140,166)	(10,165,472)	(1,284,691)	-	(24,805,367)
Vessel operating costs	(8,597,239)	(16,570,866)	(13,121,834)	(12,627,041)	(2,725,246)	(152,359)	(53,794,585)
Commercial expenses	-	(1,868,883)	(963,715)	(1,263,404)	(79,086)	(162,059)	(4,337,147)
General and administrative expenses	(5,913)	(12,985)	(12,364)	(10,724)	(975,843)	(15,108,924)	(16,126,753)
Other income	-	-	-	-	-	393,565	393,565
Dividend income	1,364,048	-	-	-	-	-	1,364,048
Earnings before interest, tax, depreciation and amortization	38,481,412	64,730,204	74,334,798	33,468,122	17,477,595	(13,674,090)	216,818,041
Depreciation and amortisation expenses	(13,001,213)	(36,627,831)	(57,495,994)	(9,181,520)	(13,287,129)	(351,512)	(129,945,199)
Earnings before interest and tax	25,480,199	28,102,373	18,838,804	24,286,602	4,190,466	(14,025,602)	86,872,842
Finance cost	(1,236,983)	(10,346,971)	(7,061,521)	(6,474,499)	(2,431,507)	(11,452,579)	(39,004,060)
Finance income	884,901	366,345	521,502	1,352,380	398	6,006,371	9,131,897
Net impairment losses on financial assets	-	250,490	3,829	(5,052)	(54,097)	(187,746)	7,424
Gain on sale of property, vessels and equipment	-	-	-	-	3,110	-	3,110
Share of results of joint ventures and associates	(527,241)	-	1,380,869	-	-	(18,468)	835,160
Profit before tax	24,600,876	18,372,237	13,683,483	19,159,431	1,708,370	(19,678,024)	57,846,373
Income tax expense	-	-	-	-	91	(6,293,672)	(6,293,581)
Profit for the period	24,600,876	18,372,237	13,683,483	19,159,431	1,708,461	(25,971,696)	51,552,792
31 December 2024							
Assets							
Property, vessels and equipment	164,498,852	270,809,177	100,269,278	52,060,763	28,484,885	10,901,519	627,024,474
Right of use assets	-	38,786,963	63,641,081	12,196,676	8,993,294	82,298	123,700,312
Liabilities							
Loan and borrowings	7,055,567	99,454,211	34,227,939	69,115,305	11,572,418	222,709,248	444,134,688
Lease Liabilities	-	38,861,825	62,780,345	12,759,810	21,073,464	92,395	135,567,839

ASYAD SHIPPING COMPANY SAOG (UNDER TRANSFORMATION) AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

35 Operating Segments (continued)

31 December 2023	Gas Shipping	Crude Shipping	Products Shipping	Dry bulk Shipping	Liner Shipping	Others – unallocated	Total
	RO	RO	RO	RO	RO	RO	RO
Operating lease income	4,410,300	57,982,697	41,487,870	25,874,472	-	-	129,755,339
Revenue from contracts with customers	47,186,914	60,630,074	41,495,020	21,983,091	44,248,464	1,462,194	217,005,757
Finance lease income	-		-	16,955,690	-	-	16,955,690
Other income	1,056,812	21,503,284	2,817,087	-	2,036	139,024	25,518,243
Dividend income	-	-	-	-	-	147,570	147,570
Gross revenue	52,654,026	140,116,055	85,799,977	64,813,253	44,250,500	1,748,788	389,382,599
Voyage operating costs	(500,027)	(24,785,506)	(6,013,076)	(10,650,367)	(39,751,099)	(1,351)	(81,701,426)
Time charter equivalent	52,153,999	115,330,549	79,786,901	54,162,886	4,499,401	1,747,437	307,681,173
Charter hire expenses for short term leases	(4,325,985)	-	(8,887,796)	(8,256,027)	(7,173,030)	-	(28,642,838)
Vessel operating costs	(7,425,802)	(18,773,066)	(11,162,333)	(9,913,103)	(1,302,767)	(426,823)	(49,003,894)
Commercial expenses	(178,905)	(3,095,759)	(1,588,964)	(1,392,830)	-	(1,832,557)	(8,089,015)
General and administrative expenses	(11,436)	(37,370)	(34,811)	(17,185)	(72,155)	(12,424,309)	(12,597,266)
Earnings before interest, tax, depreciation and amortization	40,211,871	93,424,354	58,112,997	34,583,741	(4,048,551)	(12,936,252)	209,348,160
Depreciation expenses	(12,586,195)	(36,526,134)	(39,543,745)	(8,743,073)	(24,167,457)	-	(121,566,604)
Earnings before interest and tax	27,625,676	56,898,220	18,569,252	25,840,668	(28,216,008)	(12,936,252)	87,781,556
Net finance cost	(986,074)	(7,402,703)	(6,923,428)	(4,801,837)	(2,258,295)	(6,876,124)	(29,248,461)
Net impairment losses on financial assets	-	166,168	(13,527)	(40,418)	61,408	(68,359)	105,272
Gain on sale of property, vessels and equipment	-	-	-	-	(210)	-	(210)
Net impairment losses on right-of-use assets	-	-	-	-	(22,325,594)	-	(22,325,594)
Share of results of joint ventures and associates	997,611	-	-	-	-	-	997,611
Profit before tax	27,637,213	49,661,685	11,632,297	20,998,413	(52,738,699)	(19,880,735)	37,310,174
Income tax expense	-	-	-	-	(902)	2,180,095	2,179,193
Profit for the period	27,637,213	49,661,685	11,632,297	20,998,413	(52,739,601)	(17,700,640)	39,489,367
31 December 2023							
Assets							
Property, vessels and equipment	161,962,229	273,404,602	106,932,619	54,665,093	30,615,181	8,684,724	636,264,448
Right of use assets	-	36,395,401	71,140,472	8,144,140	19,331,081	31,978	135,043,072
Liabilities							
Loan and borrowings	16,890,628	110,154,075	53,735,523	81,808,892	6,707,340	235,073,113	504,369,572
Lease Liabilities	-	37,367,500	71,086,290	9,173,834	42,913,018	35,563	160,576,205

35.1 Segment revenue reported above represents revenue generated from external customers. There was no inter-segment revenue in the period (2023: 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 (UNDER TRANSFORMATION) AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED 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 statement of financial position:

	Carrying amount				Fair value
	Fair value – Hedging instrument RO	**Other financial assets RO**	**Other financial liabilities RO**	**Total RO**	**Level 3 RO**
31 December 2024					
Finance lease receivables (note 10 (a))	**-**	**123,264,468**	-	**123,264,468**	**123,264,468**
Loans receivable (note 10 (b))	**-**	**-**	-	**-**	**-**
Derivative instruments (note 15.1)	**1,012,802**	**-**	-	**1,012,802**	**1,012,802**
Assets	**1,012,802**	**123,264,468**	-	**124,277,270**	**124,277,270**
Derivative instrument	**17,899**	-	**-**	**17,899**	**17,899**
Loans and borrowings	**-**	-	**444,134,688**	**444,134,688**	**444,134,688**
Liabilities	**17,899**	-	**444,134,688**	**444,152,587**	**444,152,587**
31 December 2023					
Receivables under finance lease arrangements (note 10 (a))	-	131,057,127	-	131,057,127	131,057,127
Loans receivable (note 10 (b))	-	7,521,886	-	7,521,886	7,521,886
Derivative instruments (note 15.1)	3,309,816	-	-	3,309,816	3,309,816
Assets	3,309,816	138,579,013	-	141,888,829	141,888,829
Derivative instrument	17,899	-	-	17,899	17,899
Loans and borrowings	-	-	497,894,222	497,894,222	497,894,222
Liabilities	17,899	-	497,894,222	497,912,121	497,912,121

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 Subsequent to the year, dated 20th January 2025, the shareholders have approved the resolution to change the status of the Company from Omani Closed Joint Stock Company (SAOC) to a Omani Public Joint Stock Company (SAOG). The Company's shareholders have decided for a secondary sale of the shares of the Company upto 20% of its total shareholding through Initial Public Offering (IPO) in Muscat Stock Exchange (MSX). On 12 March 2025 the Company has been listed on MSX.

37.2 Subsequent to the year, dated 16 February 2025, the shareholders have approved the resolution to declare the dividend amounts to RO 9.9 million (RO 0.0019 dividend per share).