1. Activities

Galfar Engineering and Contracting SAOG (the “Parent Company”) is an Omani joint stock company registered under the Commercial Companies Law of the Sultanate of Oman, 2019 as amended and listed on Muscat Securities Market.

The principal activities of Galfar Engineering and Contracting SAOG and its subsidiaries (the “Group”) are road, bridge and airport construction, oil and gas including EPC works, civil and mechanical construction, public health engineering, electrical, HVAC, ready-mix concrete production and sale, plumbing and maintenance contracts.

a) Significant accounting policies

(2.1) Basis of preparation and presentation

The financial statements have been presented separately for Parent Company on a standalone basis and consolidated which comprise the Parent Company and its subsidiaries (together the “Group"). These are collectively referred to as "the financial statements".

The financial statements have been prepared on the historic cost basis, except for investments at fair value through other comprehensive income that have been measured at fair value. These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB) and the requirements of the Commercial Companies Law of the Sultanate of Oman, 2019 as amended and the Capital Market Authority (CMA).

These financial statements have been presented in Rial Omani which is the functional and presentation currency for the Parent Company and all values are rounded to nearest thousand (RO'000s) except when otherwise indicated.

(2.2) Significant accounting judgements, estimates and assumptions

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses.

Such estimates are necessarily based on assumptions about several factors involving varying, and possibly significant, degrees of judgment and uncertainty and actual results may differ from management’s estimates resulting in future changes in estimated assets and liabilities.

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.

(2.3) Current versus non-current classification

The Group presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is:

a) Expected to be realised or intended to sold or consumed in the normal operating cycle;
b) Held primarily for the purpose of trading;
c) Expected to be realised within twelve months after the reporting period; or
d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

2. Significant accounting policies (continued)

(2.3) Current versus non-current classification (continued)

A liability is current when:

a) It is expected to be settled in the normal operating cycle;
b) It is held primarily for the purpose of trading;
c) It is due to be settled within twelve months after the reporting period; or
d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. The Group classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

(2.4) Going concern

These financial statements have been prepared on a going concern basis, which contemplates the continuity of normal activities and realisation of assets and settlement of liabilities in the normal course of business. The Parent Company and the Group has earned a gross profit of RO 838 thousand and RO 732 thousand, respectively, and net profit of RO 529 thousand and RO 65 thousand respectively for the period ended 31 March 2022 and as of that date the Parent Company and the Group has accumulated losses position of RO 5,783 thousand and RO 8,501 thousand respectively. Also, as at that date, the net current assets of the Parent Company and the Group are RO 4,402 thousand and RO 3,825 thousand, respectively. These financial statements have been prepared on a going concern basis as a result of the following:

- The Parent Company has prepared a detailed cash flow demonstrating how it will manage the cash requirements in 2022. The inflows from the closed and ongoing projects are sufficient to take care of the cash requirements of those projects till completion. However, the projected cash flows are highly dependent of timely execution of ongoing projects, timely certification of billed receivables and timely settlement of receivables from the clients, the majority of which are from Government or Government related entities amounting to RO 59,161 thousand;
- During the year 2022, the Parent Company expects realisation of old receivables and estimates that there is sufficient cash flow to continue the business without any disruption;
- The Parent Company has never defaulted in servicing its lenders and the Group is committed to meeting all the loan repayment obligations as they fall due. The Parent Company continues to have multiple avenues for raising both short term and long-term financing. Further, the Parent Company regularly pays its employees and creditors and has not defaulted in any tax payment;
- The Parent Company continues to build on its market position as one of the Oman's largest construction entity and having a strong order book at RO 394 million (2021: RO 404 million) and has worked to ensure that tendering activity adequately addresses potential risk associated with non-payment;
- The Board of Directors have taken necessary measures to strengthen the financial position of the Group and also to improve the Group’s profitability in coming years. In addition to the initiatives set out in above, the Directors/management continue to look at various sources of funding support and other long-term investment options to provide the working capital required for the business. Non-essential capital expenditure has been frozen and initiatives to reduce corporate overheads and to improve cost control have been launched; and

2. Significant accounting policies (continued)

(2.4) Going concern (continued)

- The Parent Company has created adequate provisions against certain long outstanding receivables and is confident that the majority of the receivables will get realised in the year 2022 resulting in improved bottom line and cash flow scenario.

The above coupled with the investor and market confidence restored by way of additional projects being awarded to the Parent Company as of 2022 has allowed the management to view the Parent Company / the Group as a going concern and is satisfied that the Parent Company / the Group has the resources to continue in business for the foreseeable future. Therefore, these financial statements are continued to be prepared on a going concern basis.

(2.5) Change in accounting policies and disclosures New and amended

standards New Standards adopted as at 1 January 2021

Some accounting pronouncements which have become effective from 1 January 2021 and have therefore been adopted
but do not have a significant impact on the Group's financial results or position, which are as follows;

- COVID-19 Rent Related Concessions (Amendments to IFRS 16)
- Interest Rate Benchmark Reform Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16)

These amendments do not have a significant impact on the Group's financial results or position.

(2.6) Standards, amendments and Interpretations to existing Standards that are not yet effective and have not been adopted early by the Group

At the date of authorisation of these separate and consolidated financial statements, several new, but not yet effective Standards and amendments to existing Standards, and Interpretations have been published by the IASB. None of these Standards or amendments to existing Standards have been adopted early by the Group.

Management anticipates that all relevant pronouncements will be adopted for the first period beginning on or after the effective date of the pronouncement. New Standards, amendments and Interpretations not adopted in the current year have not been disclosed as they are not expected to have a material impact on the Group's financial statements.

2. Significant accounting policies (continued)

(2.7) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Parent Company and its subsidiaries as at 31 March 2022. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect its returns.

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

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

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

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

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

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued, and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interest. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill.

In the Parent Company's financial statements, the investments in subsidiaries are carried at cost less impairment, if any.

List of subsidiaries are included in note 6 to these financial statements.

3. Significant accounting policies (continued)

(2.8) Transactions with non-controlling interests

The Group treats transactions with non-controlling interests as transactions with equity owners of the Group. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

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

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

(2.9) Investments in associates

The Group’s investments in its associates are accounted for under the equity method of accounting. In the Parent Company's financial statements, the investment in an associate is carried at cost less impairment. An associate is an entity in which the Group has significant influence and which is neither a subsidiary nor a joint venture.

Under the equity method, the investment in the associate is carried in the statement of financial position at cost plus post- acquisition changes in the Group’s share of net assets of the associate. Goodwill relating to an associate is included in the carrying amount of the investment. After application of the equity method, the Group determines whether it is necessary to recognize any additional impairment loss with respect to the Group’s net investment in the associate. The statement of comprehensive income reflects the share of the results of operations of the associate. Where there has been a change recognised directly in the equity of the associate, the Group recognises its share of any changes and discloses this, when applicable, in the statement of changes in equity. Profits and losses resulting from transactions between the Group and the associate are eliminated to the extent of the interest in the associate.

The financial statements of the associates are prepared for the same reporting period as the Parent Company using consistent accounting policies. Adjustments are made to bring into line any dissimilar accounting policies which may exist.

2. Significant accounting policies (continued)

(2.10) Property, plant and equipment

All items of property, plant and equipment held for the use of Group's activities are recorded at cost less accumulated depreciation and any identified impairment. Land is not depreciated. Such cost includes the cost of replacing part of the property, plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciation, respectively. Likewise, when a major inspection is performed; its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the statement of comprehensive income as incurred.

Depreciation is charged so as to write off the cost of property, plant and equipment over their estimated useful lives, using the straight-line method, on the following bases:

Buildings	: 15 years
Camps	: 4 years
Plant & machinery	: 7 - 10 years
Motor vehicles & equipment	: 7 - 10 years
Furniture & equipment	: 6 years
Project equipment & tools	: 6 years

Items costing less than RO 100 are expensed out in the year of purchase.

The assets' residual values, useful lives and methods of depreciation are reviewed at each financial year end. Where the carrying value of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset, calculated as the difference between the net disposal proceeds and the carrying amount of the asset is recognised in the statement of comprehensive income when the asset is derecognised.

(2.11) Capital work in progress

Properties in the course of construction for production, rental or administrative purposes, or for purposes not yet determined, are carried at cost, less any recognised impairment loss. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

(2.12) Intangible assets - Computer software:

Computer software costs (including under development) that are directly associated with identifiable and unique software products and have probable economic benefits exceeding the costs beyond one year are recognised as an intangible asset. Direct costs include staff costs of the software development team and an appropriate portion of relevant overheads. Computer software costs recognised as an asset are amortised using the straight-line method over the estimated useful life of five years.

2. Significant accounting policies (continued)

(2.12) Intangible assets - Computer software (continued)

The amortisation period and amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit or loss in the expense category that is consistent with the function of the intangible assets.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of comprehensive income when the asset is derecognized.

(2.13) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost comprises purchase price and all direct costs incurred in bringing the inventories to their present location and condition. Cost is calculated using the weighted average method. Net realisable value represents the estimated selling price less all estimated costs to be incurred in marketing, selling and distribution. Provision is made where necessary for obsolete, slow moving and defective items.

(2.14) Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset’s recoverable amount. An asset’s recoverable amount is the higher of an asset’s or cash-generating unit’s fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. The loss arising on impairment of an asset is recognised immediately in the statement of comprehensive income. 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 the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by valuation multiples or other available fair value indicators.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the Group makes an estimate of the recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset’s recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such a reversal is recognised in the statement of income.

2. Significant accounting policies (continued)

(2.14) Impairment of non-financial assets (continued)
At the time of assessing the impairment on its investments in associates, the Group determines, after application of the equity method, whether it is necessary to recognise an additional impairment loss of the Group's investment in its associates. The Group determines at each reporting date whether there is any objective evidence that the investment in associate is impaired. If this is the case the Group calculates the amount of impairment as being the difference between the fair value of the associate and the acquisition cost and recognises the amount in the statement of comprehensive income. Investments in subsidiaries are stated at cost less any impairment in the Parent Company's financial statements.

An impairment exists when the carrying value of an asset or CGU exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use. For the concession business, each of the concession arrangements is considered to be a CGU. The fair value less costs to sell calculation is based on available data from binding sales transactions conducted at arm's length for similar assets or observable market prices less incremental costs for disposing of the asset. The value-in-use calculation is based on a discounted cash flow model. The cash flows are derived from the budget for the next five years, or, in the case of concession arrangements, for the concession period and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the cash generating unit being tested. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

(2.15) Financial instruments

(2.15) (a) Financial assets

Initial recognition and measurement
The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

2. Significant accounting policies (continued)

(2.15) Financial instruments (continued)

(2.15) (a) Financial assets (continued)

Subsequent measurement
For purposes of subsequent measurement, financial assets are classified into four categories:

Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

Financial assets at amortised cost (debt instruments)
This category is the most relevant to the Group. The Group measures financial assets at amortised cost if both of the following conditions are met:

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

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired. The Group's financial assets at amortised cost include contract and trade receivables, bank balances, other receivables and deposits.

Financial assets at fair value through OCI (debt instruments)
The Group measures debt instruments at fair value through OCI if both of the following conditions are met:

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

For debt instruments at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the statement of comprehensive income and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value change recognised in OCI is recycled to profit or loss. The Group does not have any such instruments.

Financial assets designated at fair value through OCI (equity instruments)
Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under IAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

2. Significant accounting policies (continued)

(2.15) Financial instruments (continued)

(2.15) (a) Financial assets (continued)

Financial assets designated at fair value through OCI (equity instruments) (continued)
Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in profit or loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

Financial assets at fair value through profit or loss
Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term.

Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss. The Group does not have any such instruments.

Derecognition
A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a ""pass-through"" arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognize the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Impairment of financial assets
IFRS 9 requires the Group to record an allowance for ECLs for all debt financial assets not designated at FVTPL and FVOCI (equity instruments).

2. Significant accounting policies (continued)

(2.15) Financial instruments (continued)

(2.15) (a) Financial assets (continued)

Impairment of financial assets (continued)
To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics. 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.

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical default rates, adjusted for current and forward-looking factors specific to the debtors and the economic environment.

The credit risk on a financial instrument is considered low, if the financial instrument has a low risk of default, the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations. An external rating of ‘investment grade’ is an example of a financial instrument that may be considered as having low credit risk. They should, however, be considered to have low credit risk from a market participant perspective taking into account all of the terms and conditions of the financial instrument.

Exposure due to deposits at Banks (whether rated or not) are also considered very low on default probability. However, the appropriate default probability adjustments are made to reflect industry standard practices along with pragmatism. The rating of the respective banks and the corresponding probability of default is considered for computation of expected credit losses.

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit- impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.
Evidence that a financial asset is credit- impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being past due for 365 days or more;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group is exposed to credit risk.

2. Significant accounting policies (continued)

(2.15) Financial instruments (continued)

(2.15) (b) Financial liabilities

Initial recognition and measurement
Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Group's financial liabilities include trade and other payables, due to related parties, loans and borrowings including bank overdrafts and short-term borrowings.

The measurement of financial liabilities depends on their classification, as described below:

Loans and borrowings
This is the category most relevant to the Group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in profit or loss. This category generally applies to interest-bearing loans and borrowings.

Trade and other payables and due to related parties
Trade and other payables and due to related parties are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade and other payables and due to related parties are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Derecognition
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

(2.16) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

(2.17) Term deposits
Term deposits are carried on the statement of financial position at their principal amount.

2. Significant accounting policies (continued)

(2.18) Cash and cash equivalents

Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the purpose of the cash flows statement, the Group considers cash in hand, bank balances and bank overdraft with a maturity of less than three months from the date of placement as cash and cash equivalents. The Group included its bank overdrafts as part of cash and cash equivalents. This is because these bank overdrafts are repayable on demand and form an integral part of the Group's cash management.

(2.19) Leases

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

Group as a lessee

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

a. Right of use assets

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

b. Lease liabilities

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

2. Significant accounting policies (continued)

(2.19) Leases (continued) Group as a lessee (continued)

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

c. Short-term leases and leases of low-value assets

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

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

(2.20) Provisions
Provisions for environmental restoration, restructuring costs and legal claims are recognised when: The Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Restructuring provisions comprise lease termination penalties and employee termination payments. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation and the risks specific to the obligation.

2. Significant accounting policies (continued)

(2.21) Foreign currency translation

The financial statements are presented in Rial Omani, which is also the functional currency of the Parent Company.

Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Transactions in foreign currencies are initially recorded in the functional currency rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rate of exchange ruling at the reporting date. All differences are taken to the statement of comprehensive income. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

As at the reporting date, the assets and liabilities of group entities are translated into the functional currency of the Group financial statements (the Rial Omani) at the rate of exchange ruling at the reporting date and its statements of comprehensive income is translated at the average exchange rates for the year. Exchange differences arising on equity accounting of foreign subsidiary are taken directly to the foreign currency translation reserve. Foreign currency translation reserve is recognised in equity under cumulative changes in fair value. On disposal of the foreign operations, such exchange differences are recognised in the statement of comprehensive income as part of the profit or loss on sale. A write down of the carrying amount of a foreign operation does not constitute a disposal.

(2.22) Provision for employees' benefits

Termination benefits for Omani employees are contributed in accordance with the terms of the Social Securities Law.

End of service benefits are accrued in accordance with the terms of employment of the Group's employees at the reporting date, having regard to the requirements of the applicable labour laws of the countries in which the Group operates. Employee entitlements to annual leave and leave passage are recognised when they accrue to employees and an accrual is made for the estimated liability arising as a result of services rendered by employees up to the reporting date. These accruals are included in current liabilities, while that relating to end of service benefits is disclosed as a non-current liability.

(2.23) Dividend on ordinary shares

Dividends on ordinary shares are recognised as a liability and deducted from equity when they are approved by the Parent Company's shareholders.

2. Significant accounting policies (continued)

(2.24) Taxation

Taxation is provided for based on relevant tax laws of the respective countries in which the Group operates. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided, using the liability method, on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on laws that have been enacted at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences and carry-forward of unused tax assets and unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax assets and unused tax losses can be utilised.

The carrying amount of deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised. Income tax relating to items recognised directly in equity is recognised in equity and not in the statement of comprehensive income.

(2.25) Revenue

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding discounts, rebates, customer returns and other sales taxes or duty. The following specific recognition criteria must also be met before revenue is recognised:

a) Contract revenue and revenue from sale of goods

The Group recognises revenue from contracts with customers based on a five-step model as set out in IFRS 15:

1) Identify the contracts 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 for every contract that must be met.
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.
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.
4) Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Group will allocate 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.
5) Recognise revenue when (or as) the entity satisfies a performance obligation at a point in time or over time.

2. Significant accounting policies (continued)

(2.25) Revenue (continued)

(2.25) (a) Contract revenue and revenue from sale of goods (continued)

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

- The customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs; or
- The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- The Group's performance does not create an asset with an alternative use to the Group and the entity has an enforceable right to payment for performance completed to date.

For performance obligations where none of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied. The Group is required to assess each of its contracts with customers to determine whether performance obligations are satisfied over time or at a point in time in order to determine the appropriate method of recognising revenue. The Group has concluded that for majority of its arrangements, it is either creating or enhancing an asset controlled by the customer or it is creating an asset with no alternative use and has an enforceable right to payment for work completed. Therefore, it meets the criteria to recognise revenue overtime and measure progress of its projects through the cost to complete method (input method) as it best depicts the transfer of control of products and services under each performance obligation.

For the operation and maintenance contracts, where the predefined service rendered to the clients results in a steady flow of consistent fixed revenue periodically, the revenue is recognized based on the measured Value of Work Done (Output Method) and for the service contracts where the predefined service with fixed agreed rates exists and where variable service rendered to the clients are based on individual orders with agreed rates, revenue is measured based on the measured Value of Work Done (Output Method).

When the Group satisfies a performance obligation by delivering the promised goods or services it creates a contract asset based on the amount of consideration earned by the performance. Where the amount of consideration received from a customer exceeds the amount of revenue recognised this gives rise to a contract liability.

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes and duty. The Group assesses its revenue arrangements against specific criteria to determine if it is acting as principal or an agent. The Group has concluded that it is acting as a principal in all of its revenue arrangements.

Variations which are in the nature of extension of existing scope of work are accounted for using cumulative catch-up adjustments to the cost to complete method of revenue recognition. Variation orders which require addition of distinct goods and services to the scope at discounted prices are accounted for prospectively and variation orders which require addition of distinct goods and services to the scope at standalone selling prices are accounted for as new contracts with the customers.

Claims are accounted for as variable consideration. They are included in contract revenue using the expected value or most likely amount approach (whichever is more predictive of the amount the entity expects to be entitled to receive) and it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the claim is subsequently resolved.

A loss is recognised in the statement of comprehensive income when the expected contract costs exceed the total anticipated contract revenue.

2. Significant accounting policies (continued)

(2.25) Revenue (continued)

(2.25) (a) Contract revenue and revenue from sale of goods (continued)

The Group combines two or more contracts entered into at or near the same time with the same customer and accounts for the contracts as a single contract if one or more of the following criteria are:

- The two or more contracts entered into at or near the same time with the same customer are negotiated as a package, with a single commercial objective;
- The amount of consideration to be paid in one contract depends on the price or performance of the other contract; or
- The goods or services promised in the contracts (or some goods or services promised in each of the contracts) are a single performance obligation.

If the above criteria are met, the arrangements are combined and accounted for as a single arrangement for revenue recognition.

Pre-contract cost of obtaining a contract with a customer is recognised as an asset if those costs are expected to be recovered.

Revenue is recognised in the statement of comprehensive income to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and the revenue and costs, if applicable, can be measured reliably.

(b) Interest income
Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate (EIR) applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

(c) Dividend income
Dividend income from investments is recognised when the rights to receive payment has been established.

(2.26) Contract costs
Contract costs include costs that relate directly to the specific contract and costs that are attributable to contract activity in general and can be allocated to the contract. Costs that relate directly to a specific contract comprise: site labour costs (including site supervision); costs of materials used in construction; depreciation of equipment used on the contract; costs of design, and technical assistance that is directly related to the contract.

The Group's contracts are typically negotiated for the construction of a single asset or a Group of assets which are closely interrelated or interdependent in terms of their design, technology and function. In certain circumstances, the percentage of completion method is applied to the separately identifiable components of a single contract or to a Group of contracts together in order to reflect the substance of a contract or a Group of contracts.

Contract costs are recognised as expenses by reference to the stage of completion of the contract activity at the end of the reporting period. When it is probable that total contract cost exceeds total contract revenue the expected loss is recognized as expense immediately.

2. Significant accounting policies (continued)

(2.27) Contract work in progress

Work in progress on long term contracts is calculated at cost plus attributable profit, to the extent that this is reasonably certain after making provision for contingencies, less any losses foreseen in bringing contracts to completion and less amounts received and receivable as progress payments. These are disclosed as 'Due from customers on contracts'. Cost for this purpose includes direct labour, direct expenses and an appropriate allocation of overheads. For any contracts where receipts plus receivables exceed the book value of work done, the excess is included as 'Due to customers on contracts' in accounts payable and accruals. For impairment on contract work in progress, refer note 2.15(a).

(2.28) Directors' remuneration

The Parent Company follows the Commercial Companies Law (as amended), and other latest relevant directives issued by CMA, in regard to determination of the amount to be paid as Directors' remuneration. Directors' remuneration is charged to the statement of comprehensive income in the succeeding year to which they relate.

(2.29) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares are shown in equity as a deduction, net of tax, from the proceeds.

Where any Group company purchases its equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the Parent company's equity holders until the shares are cancelled or reissued. Where such ordinary shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the Parent company's equity holders.

(2.30) Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors that makes strategic decisions. The segment information is set out in note 38.

2. Significant accounting policies (continued)

(2.31) Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit / (loss) for the year attributable to the equity shareholders of the Parent Company by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

(2.32) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible to by the Group.
The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level-1 Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level-2 Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level-3 Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

2. Significant accounting policies (continued)

(2.33) Fair value measurement (continued)

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

The fair value of financial instruments that are traded in active markets at each reporting date is determined by reference to quoted market prices or dealer price quotations (bid price for long positions and ask price for short positions), without any deduction for transaction costs.

For financial instruments not traded in an active market, the fair value is determined using appropriate valuation techniques. Such techniques include discounted cash flow analysis or other valuation models.

The fair value of unquoted derivatives is determined by reference to the counter party’s valuation at the year end.

3. Property, plant and equipment - Parent Company

Amount in RO '000s

Particulars	Land	Building & camps	Plant & machinery	Motor vehicles & equipment	Furniture & equipment	Project equipment & tools	Capital work-in- progress	Total
Costs								
As at 1 January 2021	1,278	36,606	96,759	48,981	10,027	15,087	114	208,852
Additions during the year		8	850	27	42	176	1	1,104
Disposals during the year	-	(436)	(2,371)	(2,918)	(16)	-	-	(5,741)
As at 1 January 2022	1,278	36,178	95,238	46,090	10,053	15,263	115	204,215
Additions during the period		-	1,176	499	46	40	428	2,189
Disposals during the period	-	-	(1,398)	(961)	(24)	(2)	-	(2,385)
As at 31 March 2022	**1,278**	**36,178**	**95,016**	**45,628**	**10,075**	**15,301**	**543**	**204,019**
Depreciation								
As at 1 January 2021	-	30,006	84,858	41,242	9,129	12,760	-	177,995
Charge for the year	-	1,460	4,425	2,249	373	1,184	-	9,691
Relating to disposals	-	(436)	(2,317)	(2,834)	(14)	-	-	(5,601)
As at 1 January 2022	-	31,030	86,966	40,657	9,488	13,944	-	182,085
Charge for the period	-	271	997	535	73	248	-	2,124
Relating to disposals	-	-	(1,395)	(960)	(23)	(3)	-	(2,381)
As at 31 March 2022	**-**	**31,301**	**86,568**	**40,232**	**9,538**	**14,189**	**-**	**181,828**
Net book value								
As at 31 March 2022	**1,278**	**4,877**	**8,448**	**5,396**	**537**	**1,112**	**543**	**22,191**
As at 31 December 2021	1,278	5,148	8,272	5,433	565	1,319	115	22,130

3. Property, plant and equipment - Consolidated

Amount in RO '000s

Description	Land	Building & camps	Plant & machinery	Motor vehicles & equipment	Furniture & equipment	Project equipment & tools	Capital work-in- progress	Total
Costs								
As at 1 January 2021	1,278	36,779	111,305	53,408	10,410	15,123	114	228,417
Additions during the year	-	10	1,968	43	78	178	1	2,278
Disposals during the year	-	(436)	(2,952)	(3,148)	(16)	-	-	(6,552)
As at 1 January 2022	1,278	36,353	110,321	50,303	10,472	15,301	115	224,143
Additions during the period	-	-	1,186	499	51	40	428	2,204
Disposals during the period	-	-	(1,456)	(1,006)	(24)	(2)	-	(2,488)
As at 31 March 2022	**1,278**	**36,353**	**110,051**	**49,796**	**10,499**	**15,339**	**543**	**223,859**
Depreciation								
As at 1 January 2021	-	30,123	95,715	44,425	9,437	12,795	-	192,495
Charge for the year	-	1,465	5,269	2,598	409	1,184	-	10,925
Relating to disposals	-	(436)	(2,894)	(3,062)	(14)	1	-	(6,405)
As at 1 January 2022	-	31,152	98,090	43,961	9,832	13,980	-	197,015
Charge for the period	-	272	1,224	629	80	248	-	2,453
Relating to disposals	-	-	(1,454)	(1,005)	(24)	(3)	-	(2,486)
As at 31 March 2022	**-**	**31,424**	**97,860**	**43,585**	**9,888**	**14,225**	**-**	**196,982**
Net book value								
As at 31 March 2022	**1,278**	**4,929**	**12,191**	**6,211**	**611**	**1,114**	**543**	**26,877**
As at 31 December 2021	1,278	5,201	12,231	6,342	640	1,321	115	27,128

3. Property, plant and equipment (continued)

Depreciation of property, plant and equipment is allocated as follows:

Particulars	Parent Company		Consolidated	
	Mar, 2022	Dec, 2021	**Mar, 2022**	Dec, 2021
Cost of contract and sales (note 30)	**1,921**	2,308	**2,244**	2,609
General and administrative expenses (note 31)	**203**	220	**209**	236
	2,124	2,528	**2,453**	2,845

4. Intangible assets

Particulars	Parent Company		Consolidated	
	Mar, 2022	Dec, 2021	**Mar, 2022**	Dec, 2021
Costs				
Balance at beginning of the year	**3,266**	3,214	**3,380**	3,327
Additions during the period/year	**1**	52	**1**	53
Balance at end of the period/year	**3,267**	3,266	**3,381**	3,380
Amortisation				
Balance at beginning of the year	**2,974**	2,874	**3,063**	2,955
Charge for the period (Note 31)	**26**	100	**28**	108
Balance at end of the period/year	**3,000**	2,974	**3,091**	3,063
Net book value	**267**	292	**290**	317

Intangible assets comprise of computer software RO 267 (2021: RO 292) thousand in Parent Company and computer software RO 290 (2021: RO 317) thousand in consolidation.

5. Right-of-use assets

The Group has lease contracts for various items of land, building, vehicles and other equipment used in its operations. Leases of land and building generally have lease terms between 2 to 25 years, while vehicles and other equipment generally have lease terms between 1 to 5 years.

The Group also has certain leases of vehicles and machinery with lease terms of 12 months or less and leases of office equipment with low value. The Group applies the ‘short-term lease’ and 'low value lease' recognition exemptions for these leases.

5. Right-of-use assets (continued)

Particulars	Parent Company		Consolidated	
	Mar, 2022	Dec, 2021	**Mar, 2022**	Dec, 2021
Costs				
Balance at beginning of the year	**4,476**	2,204	**5,003**	2,731
Additions during the period/year	**657**	2,272	**657**	2,272
Balance at end of the period/year	**5,133**	4,476	**5,660**	5,003
Depreciation				
Balance at beginning of the year	**1,957**	1,403	**2,298**	1,627
Charge for the period/year (Note 30)	**147**	554	**174**	670
Balance at end of the period/year	**2,104**	1,957	**2,472**	2,297
Right of use assets	**3,029**	2,519	**3,188**	2,706

The Group has leases for the land. With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected in the statement of financial position as a right-of-use asset and a lease liability. Variable lease payments which do not depend on an index or a rate (such as lease payments based on a percentage of Group's sales) are excluded from the initial measurement of the lease liability and asset.

6. Investment in subsidiaries

Particulars	Parent Company		Consolidated	
	Mar, 2022	Dec, 2021	**Mar, 2022**	Dec, 2021
Galfar Aspire Readymix LLC	**3,000**	2,898	-	-
Al Khalij Heavy Equipment & Engineering LLC	**600**	600	-	-
Aspire Projects & Services LLC	**250**	250	-	-
Galfar Mott MacDonald LLC	**163**	163	-	-
Galfar Training Institute LLC	**149**	149	-	-
Galfar Oman Engg. & Contg. S.P.C., Kuwait	**12**	12	-	-
	4,174	4,072	-	-
Provision for impaired investment	**(399)**	(399)	-	-
	3,775	3,673	-	-

During the year 2021, the Parent Company has created RO 250 thousand provision related to Aspire Projects & Services LLC.

6. Investment in subsidiaries (continued)

Information about activities and incorporation of subsidiaries are summarised below:

Name of the subsidiaries	Principal activity	Place	Year of incorporation
Galfar Aspire Readymix LLC	Manufacturing	Oman	2012
Aspire Projects & Services LLC	Construction	Oman	2011
Galfar Training Institute LLC	Training	Oman	2009
Al Khalij Heavy Equipment & Engineering LLC	Hiring Equipment	Oman	2006
Galfar Mott MacDonald LLC	EPC consultancy	Oman	2013
Galfar Oman General Contracting for Building Company	Construction	Kuwait	2018

Particulars	Shares acquired by Parent Company		Shares acquired by Consolidated	
	Mar, 2022	Dec, 2021	**Mar, 2022**	Dec, 2021
Galfar Aspire Readymix LLC	100%	100%	100%	100%
Aspire Projects & Services LLC	100%	100%	100%	100%
Galfar Training Institute LLC	99%	99%	100%	100%
Al Khalij Heavy Equipment & Engineering LLC	52%	52%	52%	52%
Galfar Mott MacDonald LLC	65%	65%	65%	65%
Galfar Oman General Contracting for Building Company	100%	100%	100%	100%

7. Investment in associates

Particulars	Parent Company		Consolidated	
	Mar, 2022	Dec, 2021	**Mar, 2022**	Dec, 2021
Galfar Engineering & Contracting Kuwait KSC (GEC)	**6,966**	6,966	**4,817**	4,965
International Water Treatment LLC (IWT)	**4,144**	4,144	**-**	-
	11,110	11,110	**4,817**	4,965
Provision for impaired investments	**(5,644)**	(5,644)	**-**	-
	5,466	5,466	**4,817**	4,965

Provision for impairment in associates comprise:

(i) RO 4,144 (2021: RO 4,144) thousand for investment in IWT, being Parent Company's share in cumulative loss of IWT till 2016, as IWT is unable to recover the loss from their future business.
(ii) RO 1,500 (2021: RO 1,500) thousand for investment in GEC, based on capitalisation of earning method with discounted cash flow of next five years considering weighted average of capital cost at 13% per annum.

7. Investment in associates (continued)

Information on shareholding of associates is summarised below:

Name of the associates	Principal activity	Place	Year of incorporation
Galfar Engineering & Contracting Kuwait KSC (i)	Construction	Kuwait	2010
International Water Treatment LLC (ii)	Construction	Oman	2013

Particulars	Parent Company		Consolidated	
	Mar, 2022	Dec, 2021	**Mar, 2022**	Dec, 2021
Galfar Engineering & Contracting Kuwait KSC (i)	26%	26%	26%	26%
International Water Treatment LLC (IWT) (ii)	30%	30%	30%	30%

(i) The Parent Company holds 26% shareholding in this company (earlier known as 'Shaheen Al Ghanim Contracting Co. KSC'). The company is engaged in construction activities.

(ii) (ii) The Parent Company has 30% shareholding in this company in partnership with VA Tech Wabag Ltd. of India and Cadagua SA of Spain with 32.5% and 37.5% shareholding respectively. This company has completed "Ghubrah independent water desalination" project. The project maintenance period has completed by end of 2020 and the liquidation under process.

The following table illustrates summarised information of the Group's investment in its associates:

Particulars	Consolidated	
	Mar, 2022	Dec, 2021
Share of associates' financial position:		
Current assets	**3,111**	5,326
Non - current assets	**5,067**	3,396
Current liabilities	**(2,620)**	(2,567)
Non - current liabilities	**(741)**	(1,056)
Net assets and carrying amount of the investment	**4,817**	5,099

Share of associates' comprehensive income:

Particulars	Consolidated	
	Mar, 2022	Mar, 2021
Revenue	**216**	797
Costs of revenue	**(338)**	(770)
Net loss/profit for the period	**(122)**	**27**

Share of loss of the group for the period comprises of loss from GEC Kuwait RO 122 (2021: profit RO 27) thousand and IWT RO Nil (2021: RO Nil) thousand.

8. Inventories

Particulars	Parent Company		Consolidated	
	Mar, 2022	Dec, 2021	**Mar, 2022**	Dec, 2021
Materials and consumables	**11,255**	10,432	**13,178**	12,383
Allowance for non-moving inventories	**(423)**	(423)	**(857)**	(862)
	10,832	10,009	**12,321**	11,521

9. Contract work in progress

Particulars	Parent Company		Consolidated	
	Mar, 2022	Dec, 2021	**Mar, 2022**	Dec, 2021
Work-in-progress on long term contracts at cost plus attributable profit considered as receivables	**65,261**	62,384	**66,777**	64,265
Allowance for expected credit losses	**(19,725)**	(20,272)	**(19,995)**	(20,542)
	45,536	42,112	**46,782**	43,723

Due from customers for construction contracts:

Particulars	Parent Company		Consolidated	
	Mar, 2022	Dec, 2021	**Mar, 2022**	Dec, 2021
Revenue recognised at cost plus attributable profit	**1,080,744**	1,013,960	**1,080,744**	1,013,960
Less: Progress billings	**1,015,483**	951,576	**1,013,967**	949,695
	65,261	62,384	**66,777**	64,265

Due to customers for construction contracts:

Particulars	Parent Company		Consolidated	
	Mar, 2022	Dec, 2021	**Mar, 2022**	Dec, 2021
Amounts due to customers under construction contracts recorded as billings in excess of work done (Note 25)	**3,192**	3,738	**3,192**	3,738

Particulars	Parent Company		Consolidated	
	Mar, 2022	Dec, 2021	**Mar, 2022**	Dec, 2021
Progress claims received and receivable	**304,946**	291,514	**304,946**	291,514
Less: Revenue recognised at cost plus attributable profit	**301,754**	287,776	**301,754**	287,776
	3,192	3,738	**3,192**	3,738

10. Contract and trade receivables

Particulars	Parent Company		Consolidated	
	Mar, 2022	Dec, 2021	**Mar, 2022**	Dec, 2021
Contract billed receivables	**71,414**	84,303	**72,416**	85,158
Trade receivables	**1,458**	1,918	**7,307**	6,553
Retention receivables - current	**16,816**	17,522	**17,854**	18,560
	89,688	103,743	**97,577**	110,271
Allowance for expected credit losses	**(14,253)**	(15,658)	**(15,291)**	(16,696)
	75,435	88,085	**82,286**	93,575
Retentions receivables				
Non-current portion (net of provisions)	**13,388**	12,417	**13,388**	12,417

All amounts are short-term. The net carrying value of contract and trade receivables is considered a reasonable approximation of fair value. All of the Group's contract and trade receivables have been reviewed for indicators of impairment.

11. Advances, prepayment and other receivables

Particulars	Parent Company		Consolidated	
	Mar, 2022	Dec, 2021	**Mar, 2022**	Dec, 2021
Advance on sub-contracts and supplies	**2,478**	1,684	**2,755**	1,854
Advances to employees	**99**	93	**100**	93
Prepaid expenses	**4,183**	3,203	**4,251**	3,212
Due from related parties - others (Note 36)	**10,243**	10,886	**6,211**	7,369
Insurance claims receivable	**(1)**	2	**(1)**	2
Deposits	**253**	243	**253**	243
Other receivables	**4**	-	**53**	54
	17,259	16,111	**13,626**	12,827
Allowance for expected credit losses against due from related parties	**(1,975)**	(1,991)	**(2,033)**	(2,049)
Provision for others	**(3)**	(3)	**(3)**	(3)
	15,281	14,117	**11,590**	10,775

12. Deposits with banks

Particulars	Parent Company		Consolidated	
	Mar, 2022	Dec, 2021	**Mar, 2022**	Dec, 2021
Term deposits (net of allowance for ECL)	**4,677**	4,899	**4,677**	4,899
Margin deposits	**-**	-	**514**	488
	4,677	4,899	**5,191**	5,387

13. Cash and bank balances

Particulars	Parent Company		Consolidated	
	Mar, 2022	Dec, 2021	**Mar, 2022**	Dec, 2021
Cash in hand	**84**	161	**102**	168
Bank balances with current accounts	**7,731**	11,118	**8,744**	11,924
	7,815	11,279	**8,846**	12,092

There are no restrictions on bank balances at the time of approval of the financial statements.

For the purpose of statement of cash flows, cash and cash equivalents are presented as follows:

Particulars	Parent Company		Consolidated	
	Mar, 2022	Dec, 2021	**Mar, 2022**	Dec, 2021
Cash and bank balances	**7,815**	11,279	**8,846**	12,092
Deposit with banks (within 3 months maturity)	**590**	1,056	**590**	1,056
Bank overdrafts	**(1,232)**	(1,217)	**(1,524)**	(1,444)
	7,173	11,118	**7,912**	11,704

14. Share capital

Particulars	Parent Company		Consolidated	
	Mar, 2022	Dec, 2021	**Mar, 2022**	Dec, 2021
Authorised:				
500,000,000 (2021: 500,000,000) ordinary shares of par value RO 0.100 (2021: RO 0.100) each	**50,000**	50,000	**50,000**	50,000
Issued and fully paid:				
Balance at beginning of the year	**29,065**	41,522	**29,065**	41,522
Reduction during the period/year	-	(12,457)	-	(12,457)
Balance at end of the period/year	**29,065**	29,065	**29,065**	29,065

The issued and fully paid share capital comprises of 290,650,946 (2021: 290,650,946) shares having a par value of RO 0.100 (2021: RO 0.100) each. Pursuant to the terms of its IPO, the share capital of the Parent Company has been divided into two classes comprising of 202,986,446 (2021: 202,986,446) ordinary shares and 87,664,500 (2021: 87,664,500) preferential voting rights shares. The preferential voting rights shares are held by the promoting shareholders and carry two votes at all general meetings while otherwise ranking pari-passu with ordinary shares in all rights including the receipt of dividend.

Pursuant to the Capital Market Regulations, Muscat Security Exchange Internal regulations and as approved by the Shareholders in the Extra Ordinary General Meeting held on 01 Jun 2021, share capital has been reduced from OMR 41,521 thousand by 30% to OMR 29,065 thousand to extinguish part of the accumulated losses to the amount of OMR 12,457 thousand. The number of shares has been reduced from 415,215,637 to 290,650,946 shares.

15. Share premium

Pursuant to the Capital Market Regulations, Muscat Security Exchange Internal regulations and as approved by the Shareholders in the Extra Ordinary General Meeting held on 01 Jun 2021, the entire share premium of OMR 18,337 thousand of the Parent Company has been utilized to extinguish part of the accumulated losses.

16. Statutory reserve

Pursuant to the Capital Market Regulations, Muscat Security Exchange Internal regulations and as approved by the Shareholders in the Extra Ordinary General Meeting held on 01 Jun 2021, the entire legal reserve of OMR 13,840 thousand of the Parent Company has been utilized to extinguish part of the accumulated losses in the year 2021. During the year, RO 53 thousand has been transferred to statutory reserve (2021: RO 464 thousand).

17. Foreign currency translation reserve

Foreign currency translation reserve represents impact of translation of associate company's (Galfar Kuwait) financial statements figures in foreign currency to functional currency of the Parent Company as required under IAS 21.

18. Dividend

No dividend was proposed and paid in 2022. (2021: RO Nil).

19. Term loans

Particulars	Parent Company		Consolidated	
	Mar, 2022	Dec, 2021	**Mar, 2022**	Dec, 2021
Term loans:				
- from banks	**18,245**	22,083	**18,357**	22,170
- finance companies	**1,511**	1,781	**1,511**	1,781
	19,756	23,864	**19,868**	23,951
Current portion:				
- from banks	**6,568**	11,264	**6,606**	11,318
- finance companies	**911**	1,072	**911**	1,072
	7,479	12,336	**7,517**	12,390
Non-current portion:				
- from banks	**11,677**	10,819	**11,751**	10,852
- finance companies	**600**	709	**600**	709
	12,277	11,528	**12,351**	11,561
The term loans are repayable as follows:				
Within one year	**7,479**	12,336	**7,517**	12,390
In the second year	**3,120**	3,146	**3,158**	3,179
From third year onwards	**9,157**	8,382	**9,193**	8,382
	19,756	23,864	**19,868**	23,951

The long term loans are stated at amortised cost and amounts repayable within the next twelve months have been shown as a current liability. The term loans from banks are secured against the assignment of contract receivables and/or joint registration of vehicle/equipment/land mortgage. The term loans from finance companies are secured against the jointly registered vehicle/equipment.

20. Lease liabilities

Particulars	Parent Company		Consolidated	
	Mar, 2022	Dec, 2021	**Mar, 2022**	Dec, 2021
At the beginning of the year	**920**	846	**2,150**	1,834
Additions during the period/year	**657**	2,272	**657**	2,272
Finance cost	**17**	50	**20**	64
Payments	**(188)**	(2,248)	**(327)**	(2,020)
Balance at the end of the period/year	**1,406**	920	**2,500**	2,150

Current portion	**811**	431	**1,129**	815
Non-current portion	**595**	489	**1,371**	1,335
	1,406	920	**2,500**	2,150

21. Short term loans

Particulars	Parent Company		Consolidated	
	Mar, 2022	Dec, 2021	**Mar, 2022**	Dec, 2021
- from banks	**12,700**	16,200	**12,700**	16,200

22. Bank borrowings

Particulars	Parent Company		Consolidated	
	Mar, 2022	Dec, 2021	**Mar, 2022**	Dec, 2021
Bank overdrafts	**1,232**	1,217	**1,524**	1,444
Loan against trust receipts	**4,418**	3,827	**4,418**	3,827
Bills discounted	**1,996**	1,805	**1,996**	1,805
	7,646	6,849	**7,938**	7,076

23. Trade payables

Particulars	Parent Company		Consolidated	
	Mar, 2022	Dec, 2021	**Mar, 2022**	Dec, 2021
Trade payables	**37,944**	34,291	**46,340**	41,784
Provision for purchases and sub-contracts	**35,003**	34,242	**35,003**	34,327
	72,947	68,533	**81,343**	76,111

23. Trade payables (continued)

All amounts are short-term. The carrying values of trade payables are considered to be a reasonable approximation of fair values.

24. Employees' end of service benefits

Particulars	Parent Company		Consolidated	
	Mar, 2022	Dec, 2021	**Mar, 2022**	Dec, 2021
Balance at beginning of the year	**11,965**	12,940	**12,212**	13,154
Charge for the period/year	**353**	1,545	**370**	1,600
Paid during the period/year	**(508)**	(2,520)	**(513)**	(2,542)
Balance at end of the period/year	**11,810**	11,965	**12,069**	12,212

25. Other payables and provisions

Particulars	Parent Company		Consolidated	
	Mar, 2022	Dec, 2021	**Mar, 2022**	Dec, 2021
Provision for employees' leave pay and passage	**5,311**	5,611	**5,391**	5,682
Advance from customers - current	**22,163**	22,009	**22,163**	22,051
Due to customers for construction contracts (Note 9)	**3,192**	3,738	**3,192**	3,738
Provision for future loss on contracts	**3,005**	2,706	**3,005**	2,706
Retention on sub-contracts	**4,927**	5,035	**4,967**	5,075
Accrued expenses	**5,736**	6,378	**6,310**	7,425
Due to related parties (Note 36)	**3,543**	4,896	**1,677**	2,388
Statutory dues payable	**3,396**	6,101	**3,446**	6,127
Other payables	**978**	965	**1,033**	1,172
	52,251	57,439	**51,184**	56,364
Advance from customers				
Non-current portion	**4,162**	6,743	**4,162**	6,743

Advances from customers are secured by bank guarantees.
Advances from customers which can be adjusted against the estimated amounts to be billed in next 12 months are considered as current advances.

26. Taxation

Income tax is provided for Parent Company and Omani subsidiaries as per the provisions of the law of income tax on companies in Oman at the rate of 15% of result after adjusting disallowable items.

Particulars	Parent Company		Consolidated	
	Mar, 2022	Mar, 2021	**Mar, 2022**	Mar, 2021
Tax charge	-	-	-	11
Deferred tax charge for the period/year	-	-	-	-
	-	-	-	11

Provision for taxation

The Parent Company's income tax assessment up to the year 2017 has been completed by the tax authority. The income tax assessments of the subsidiaries are at various stages of completion. The management believes that the amount of additional taxes, if any, that may become payable on fainalisation of the unassessed tax years would not be material to the Group's financial position. The movement of tax provision is as follows:

Particulars	Parent Company		Consolidated	
	Mar, 2022	Dec, 2021	**Mar, 2022**	Dec, 2021
Balance at beginning of the year	**1,340**	1,340	**1,406**	1,428
Tax Charge	-	-	-	(26)
Tax adjustment/paid	-	-	**(26)**	4
Balance at end of the period/year	**1,340**	1,340	**1,380**	1,406

Deferred tax liability

Deferred income taxes are calculated on all temporary differences under the asset/liability method using a principal tax rate as per tax law of the respective country.

Particulars	Parent Company		Consolidated	
	Mar, 2022	Dec, 2021	**Mar, 2022**	Dec, 2021
Balance at beginning of the year	-	-	**361**	363
Tax charge	-	-	-	(2)
Balance at end of the period/year	-	-	**361**	361

28. Sales and services income

Particulars	Parent Company		Consolidated	
	Mar, 2022	Mar, 2021	**Mar, 2022**	Mar, 2021
Sales and services - recognised at a point in time	**608**	487	**3,118**	2,783
Hiring services - recognised at a point in time	-	14	**427**	354
	608	501	**3,545**	3,137

29. Other income

Particulars	Parent Company		Consolidated	
	Mar, 2022	Mar, 2021	**Mar, 2022**	Mar, 2021
Gain on disposal of assets	**198**	240	**223**	240
Miscellaneous income	**241**	1,334	**286**	1,389
	439	1,574	**509**	1,629

30. Cost of contract and services

Particulars	Parent Company		Consolidated	
	Mar, 2022	Mar, 2021	**Mar, 2022**	Mar, 2021
Materials	**5,073**	7,501	**6,816**	9,262
Manpower costs (Note 32)	**16,109**	19,744	**16,351**	19,725
Sub-contracting costs	**3,582**	9,228	**3,526**	9,304
Plant and equipment repair and maintenance	**1,706**	1,614	**1,876**	1,841
Plant and equipment hiring costs	**731**	937	**875**	1,028
Fuel expenses	**2,620**	2,638	**2,919**	2,828
Training expenses	**99**	54	**99**	54
Depreciation on right of use assets (Note 5)	**147**	169	**175**	198
Depreciation (Note 3)	**1,921**	2,308	**2,244**	2,609
General and administrative expenses (Note 31)	**1,542**	2,055	**1,844**	2,286
	33,530	46,248	**36,725**	49,135

31. General and administrative expenses

Particulars	Parent Company		Consolidated	
	Mar, 2022	Mar, 2021	**Mar, 2022**	Mar, 2021
Manpower costs (Note 32)	**989**	1,043	**1,481**	1,463
Sub-contract expenses	**(19)**	136	**(19)**	136
Rent	**73**	124	**84**	138
Electricity and water charges	**461**	517	**477**	531
Professional and legal charges	**96**	345	**102**	349
Insurance charges	**553**	593	**563**	593
Bank guarantee and other charges	**212**	222	**214**	225
Communication expenses	**62**	86	**68**	91
Repairs and maintenance - others	**91**	81	**93**	84
Traveling expenses	**11**	61	**12**	65
Printing and stationery expenses	**32**	34	**34**	35
Business promotion expenses	**1**	1	**2**	1
Tender fees	**9**	7	**9**	7
Directors' sitting fees	**10**	11	**10**	11
Corporate social responsibility expenses	**3**	-	**3**	-
Other general expenditure	**148**	174	**159**	193
Depreciation and amortisation (Notes 3 and 4)	**229**	244	**237**	262
	2,961	3,679	**3,529**	4,184
Less: Pertaining to cost of contract and services (Note 30)	**1,542**	2,055	**1,844**	2,286
	1,419	1,624	**1,685**	1,898

32. Manpower costs

Particulars	Parent Company		Consolidated	
	Mar, 2022	Mar, 2021	**Mar, 2022**	Mar, 2021
Salary and wages	**14,791**	17,928	**15,388**	18,185
Employees' end of service benefits	**353**	394	**392**	410
Camp and catering expenses	**1,641**	2,476	**1,662**	2,522
Hired salary and wages	**174**	(112)	**174**	(112)
Other expenses	**139**	101	**216**	183
	17,098	20,787	**17,832**	21,188
Less: Pertaining to cost of contract and services (Note 30)	**16,109**	19,744	**16,351**	19,725
Pertaining to general and administration expenses (Note 31)	**989**	1,043	**1,481**	1,463

33. Finance costs

Particulars	Parent Company		Consolidated	
	Mar, 2022	Mar, 2021	**Mar, 2022**	Mar, 2021
Interest expense	**743**	822	**780**	846
Interest on lease liability	**17**	11	**20**	19
	760	833	**800**	865

34. Earning per share

The earning per share is calculated by dividing the earning for the period attributable to the owners of the Parent Company by the weighted average number of shares outstanding during the year. The Group does not have any dilutive potential ordinary shares in issue at the year end, thus, the diluted earning per share is identical to the basic earning per share.

Particulars	Parent Company		Consolidated	
	Mar, 2022	Mar, 2021	**Mar, 2022**	Mar, 2021
Profit attributable to equity shareholders of the Parent Company:	**529**	1,480	**65**	1,496
Number of shares in '000 (Note 14)	**290,650**	290,650	**290,650**	290,650
Basic and diluted earning per share for the period	**0.002**	0.005	**0.000**	0.005

35. Net assets per share

Net assets per share is calculated by dividing the equity attributable to Shareholders of the Parent Company at the reporting date by the number of shares outstanding as follows:

Particulars	Parent Company		Consolidated	
	Mar, 2022	Dec, 2021	**Mar, 2022**	Dec, 2021
Net assets	**23,799**	23,270	**21,336**	21,294
Number of shares in '000 (Note 14)	**290,650**	290,650	**290,650**	290,650
Net assets per share (RO)	**0.082**	0.080	**0.073**	0.073

36. Related parties transactions and balances

Related parties comprise of subsidiaries, associated companies, major Shareholders, Directors and key management personnel of the Group, and entities controlled, jointly controlled or significantly influenced by such parties.

The Group maintains balances with these related parties which arise in the normal course of business from commercial transactions, and are entered into at terms and conditions which are approved by the management.

The following is a summary of significant transactions with related parties which are included in the financial statements:

Particulars	Parent Company		Consolidated	
	Mar, 2022	Mar, 2021	**Mar, 2022**	Mar, 2021
Contract income				
- with other related parties	**-**	6	**-**	6
Sales and services				-
- with subsidiaries	**267**	29	**-**	-
- with other related parties	**6**	-	**31**	6
Purchase of goods and services				-
- with subsidiaries	**1,087**	1,749	**-**	-
- with other related parties	**66**	580	**66**	580
- with shareholders	**-**	-	**-**	-
Director's sitting fees	**10**	-	**10**	-

INTERIM CONDENSED STATEMENT OF FINANCIAL STATEMENT WERE APPROVED BY THE BOARD OF DIRECTORS ON 12 May 2022

36. Related parties transactions and balances (continued)

Balances of related parties recognised and disclosed in notes 11 and 25 respectively are as follows:

Particulars	Parent Company		Consolidated	
	Mar, 2022	Dec, 2021	**Mar, 2022**	Dec, 2021
Due from subsidiary and associate companies	**5,256**	4,774	**1,224**	1,257
Due from other related parties	**4,987**	6,112	**4,987**	6,112
Allowance for expected credit losses against due from related parties	**(1,975)**	(1,991)	**(2,033)**	(2,049)
	8,268	8,895	**4,178**	5,320
Due to Shareholders	**10**	10	**10**	10
Due to subsidiary and associate companies	**2,657**	3,532	**189**	1,020
Due to other related parties	**876**	1,354	**1,478**	1,358
	3,543	4,896	**1,677**	2,388

INTERIM CONDENSED STATEMENT OF FINANCIAL STATEMENT WERE APPROVED BY THE BOARD OF DIRECTORS ON 12 May 2022