



20

24

ANNUAL

REPORT



“

“ We will continue to consult the same core principles and values in laying the foundation of the new stage, in which our dear country, God willing, will march confidently forward towards the lofty status it desires to achieve. It is the goal which we all aspire for, utilizing all our resources and capabilities in the quest to protect our national interests. “

His Majesty Sultan Haitham Bin Tarik
November 2020



Galfar Engineering
& Contracting SAOC
Al Omran Street, Ghala Industrial
P.O. Box 533, Post Code 100
Muscat, Sultanate of Oman



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شركاء في التنمية
Partner In Progress



Galfar Engineering & Contracting SAOG

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01

About Galfar

Vision, Mission and Values



Our Vision

To be the preferred and trusted partner in development whilst creating a value - based sustainable growth for all our stakeholders.



Our Mission

- Achieve world class performance in project delivery.
- Innovate in projects and services execution.
- Maximize client value and satisfactions.



Our Values

- Integrity
- Quality
- Simplicity
- Respect
- Safety
- Continuous improvement

Our Strategy



Galfar at a Glance

With remarkable growth over the past five decades, Galfar has contributed significantly to the development of Oman as a pioneer engineering and contracting firm.

By combining competence, competitiveness and timely delivery with the highest quality standards, Galfar has gained prominence in the field of construction and engineering. We have a longstanding tradition of serving our valued clients to their complete satisfaction through efficient management and excellent workmanship.

We are actively involved in three main business verticals, namely:



Energy & Industrial



Infrastructure



Civil & Environmental

Across these three verticals, our Company strives to provide comprehensive and innovative solutions that address the challenges of today's rapidly evolving world.

We combine technical expertise, cutting-edge technologies, and a commitment to sustainability to deliver successful projects and contribute to the betterment of society.

Galfar is a trusted one-stop solution provider for our esteemed customers throughout the Sultanate because of its operational versatility and extensive logistical network, which rivals that of competitors.

Our company continuously strives to innovate and improve its efficiency in the era of advanced technologies and new techniques.

Recently and in collaboration with our partners we are pleased to have positioned Galfar firmly in the future of 3D Printing Technology and its growing application. Similarly, Galfar maintains a large base of employees working in various sectors in many geographical areas in Oman, where an average of 16,708 workers have been working on the company's projects over the past six years.

Our company strives to provide them with appropriate care in accordance with the laws and regulations of Oman and the International Labor Organization (ILO).

Goal Zero Approach

HSSE (Health, Safety, Security, and Environment) is a top priority within Galfar. Safety and security of our employees and stakeholders are of the utmost importance to us, as well as the protection of our environment.

Our vision is to achieve Goal Zero which encompasses our unwavering commitment to achieving zero harm, zero incidents, and zero environmental impact in all our operations and activities. It reflects our steadfast dedication to the highest standards of health, safety, and environmental stewardship. Moreover, this vision has been reflected into an actionable activity supported by frequent follow up meetings with agreed corrective actions. To maintain our

commitment to HSSE, we have implemented strict guidelines, policies, and procedures for our employees and subcontractors to follow. We provide regular training and awareness programs to ensure that everyone is equipped with the knowledge and skills necessary to maintain their safety and wellbeing.

Our HSSE objectives include the prevention of accidents, incidents and occupational illness, and we strive to continuously improve our best practices and standards to achieve these goals. We believe that a strong focus on HSSE not only benefits our employees, but also our clients, the environment and the wider community at large. We remain committed to this priority and continue to make it an integral part of our company ethos.

HSSE Performance 2024

61

Total Man Hours
Million

73

Total Kilometers
Million

0.12

Lost Time Incident
Frequency (LTIF)



Energy & Industrial

We Laid over 10,000 Km Pipelines / Flowlines

We manage operations within the Oil and Gas sector, with an expanded scope covering Oil and Gas Plants (upstream and downstream), Petrochemical Plants, Manufacturing Plants, Industrial Plants, and projects encompassing both conventional and green energy sectors.

Galfar possesses the capability to deliver medium-sized EPC contracts within the Industrial sector, positioning us to fulfill both current and future industry demands. Our activities now encompass conventional and green energy projects as well. With a track record of several years demonstrating expertise in upstream service contracts—including Design, Civil, Mechanical, Electrical, and Instrumentation Services—we have successfully executed Oman's largest contract to date, valued at USD 2.19 billion. The unit boasts a formidable workforce of 5000 individuals, spanning a diverse range of expertise and skills. Our team manages service contracts from wellhead hook-up to delivery, including gathering stations, tailored to the needs of large, medium, and small-sized exploration and production companies. Our clients list includes prominent names such as Petroleum Development Oman, OQ, British Petroleum, Occidental Oman, Daleel, and others.

We have constructed more than 10,000 kilometers of flowlines and pipelines of varying diameters and materials both below and above ground including associated services. Partnering with multinational oil and gas companies, we carried out complex process requirements both in the upstream oil sector as well as upstream gas sector.

Recent works include the construction contract for the Salalah Liquefied Petroleum Gas plant, Duqm Refinery and Yibal -Khuff Oil and Gas separation, processing and Sulphur recovery plant. Our projects portfolio includes several oil storage tanks (fixed and floating roof) gathering stations, compressor stations, and Enhanced Oil Recovery projects with complete controls and automation including DCS and SCADA control facilities, EPC of blast-proof buildings in the oil and gas sector. We have also designed and constructed power transmission systems from 11 kV to 220 kV, we're fully equipped to deliver power generation facilities. Our record in Health, Safety, Security and Environment (HSSE) is unbeatable by others in the sector. With a previous record of being honored with the British Safety Standards "Sword of Honour", we continue to excel in superior HSSE standards.



+
400

COMPLETED
PROJECTS

6

ONGOING
PROJECTS

OMR
2.8
Billion

VALUE
of Completed Projects

Infrastructure

**We Constructed over
4,000 Km of Roads**

With a strong track record of successfully executing both EPC and Construction projects, Galfar focuses on delivering high quality projects in various sectors such as Roads and Bridges, Airports and Seaports, Flood protection and recharge Dams, Water transmission and distribution networks, Operation and Maintenance of Water transmission networks, Infrastructure works of industrial parks and refineries, and large- scale earthmoving projects.

Galfar's Infrastructure team has played a significant role in the development of Oman's road infrastructure. With many years of experience, expertise, and innovative approaches, the team has constructed world-class roads and bridges that have contributed to the planned development across multiple governorates of Oman.

In fact, over the last three decades, Galfar's esteemed team has constructed nearly one third of Oman's roads. We take pride in our ability to undertake challenging projects and build landmark roads across Oman.

It is believed that, if you drive through any of the world-class roads and bridges in Oman, it is likely that Galfar's Infrastructure team has built it. Notable examples include the Muscat Expressway, Batinah expressway (Pkg 1 & 3), Jebel al Akhdar Road to Saiq, Bausher- Amerat Road, and Hasik Shuwaimiyah Road.

Galfar's Infrastructure team boasts significant achievements in constructing airports and ports, highlighting our versatility in infrastructure development. We've played a crucial role in building several airports across Oman, including leading all airside works at Salalah International Airport as a joint venture partner, and developing facilities for PDO ,OXY & Ras Al Hadd Airport.

In the marine sector, our projects span the construction of commercial and fishing harbors, reinforcing Oman's coastal infrastructure. Additionally, our contributions extend to dams, recharge structures, and large-scale water networks nationwide, underscoring our comprehensive expertise in enhancing Oman's infrastructure landscape.



+
270

**COMPLETED
PROJECTS**

18

**ONGOING
PROJECTS**

OMR
1.5
Billion

**VALUE
of Completed Projects**

+
450**COMPLETED
PROJECTS****6****ONGOING
PROJECTS**OMR
1.6
Billion**VALUE**
of Completed Projects

Civil & Environmental

More than 50 years of Construction Excellence

Galfar has created benchmarks in the industry while delivering path breaking projects, and has an excellent track record with regards to customer satisfaction. Being Galfar's first operating team, over the years, the Civil & Environment team has built several landmark projects including palaces, commercial establishments, housing complexes, educational institutions, hospitals, monuments, religious structures, stadia, showrooms, telephone exchanges and residences.

Being a company focused on safety and quality with ability to develop world class infrastructure, our civil and environment team has taken up large civil works for industrial facilities such as iron ore palletization plant, reservoirs, fertilizer plant, amongst others.

Our team has also constructed several hotels on turnkey basis across Oman. We undertook several medical facility projects, including the Medical City Hospital for Military

& Security Services, Ibri, Nizwa, and Sur general hospitals. While the Ibri and Sur hospital projects were relatively modest in scope, the Nizwa Hospital project presented an opportunity for us to execute Mechanical, Electrical, Plumbing, and HVAC systems, thereby laying the foundation for larger projects such as the Salalah Extended Health Centre, National Heart Centre at Royal Hospital, Accident, Emergency & Burns unit, and Salalah Cardiac Centre.

In addition, we have executed several coveted projects for the Royal Court Affairs and other Statutory Authorities including guest complexes, office complexes, border posts, correctional facilities and other utility buildings. We are also involved in following sectors within overall Oman Complex Building such as Hotels, Hospitals and Airport Terminal Buildings Environmental Projects - STP and Sewage Networks, O&M of sewerage networks, and Building Facilities (Hospital / Educational facilities).



Galfar Integrated Facilities

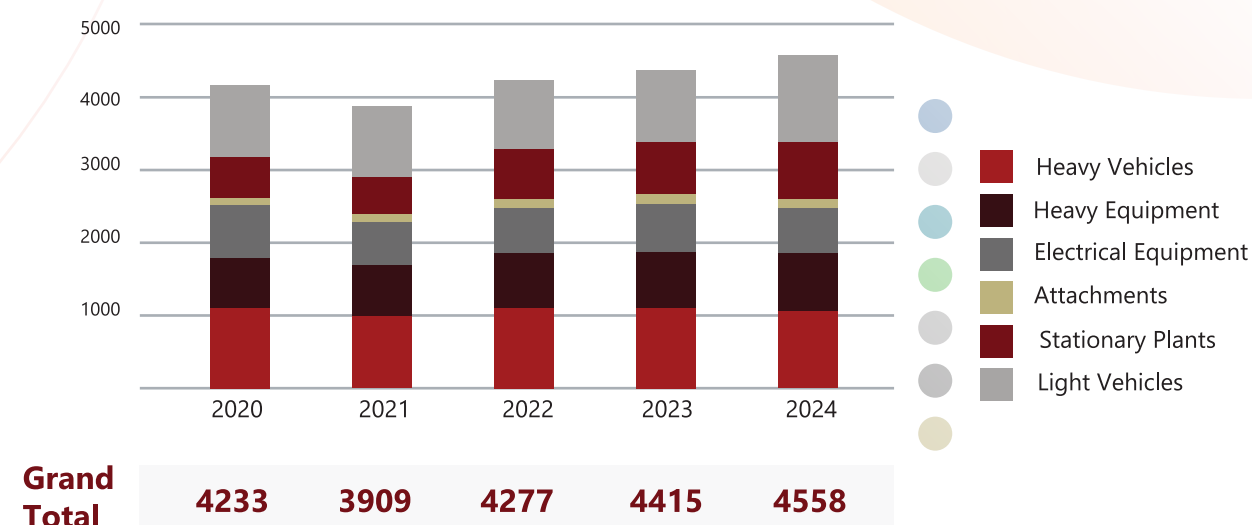
As part of our effort to serve our clients, we have a huge fleet of construction Equipment and vehicles, ensuring that we are equipped to handle projects of any scale and complexity. Our diverse range of machinery includes excavators, bulldozers, loaders, cranes, dump trucks, concrete mixers, pavers, and more. These cutting-edge machines are sourced from renowned manufacturers and undergo regular maintenance to ensure optimal performance and reliability. This equipment are managed and maintained by the Plant Department through a well-experienced team of equipment engineers and technicians. Galfar has maintained a fleet capacity averaging to 4,340 equipment and machinery over the last five years. More than 50% of Galfar fleet includes heavy vehicles, equipment and Stationary plants. To assure availability and productivity, Galfar has its own dedicated state of the art workshop at Khazaen Economic City to maintain the company-owned machinery. This is to support the satellite workshop at project sites.

Industrial facility at Nizwa

Industrial facility was established in 2006 at Nizwa Industrial City of Madayn as a one stop shop to support the energy sector projects, process-oriented industries such as refineries, fertilizer plants, steel plants, power plants and general industrial sector with structural and piping (CSILTCS/SS/DSS/SDSS/Alloy) fabrication in compliance with contract requirements and specifications.



Galfar Fleet: Vehicles, Plant & Equipment



We have one of the largest repair and maintenance workshops in the Sultanate of Oman, catering to the diverse needs of our clients. Our workshop is a state-of-the-art facility equipped with cuttingedge technology, modern equipment, and a team of highly skilled technicians.

Galfar Integrated Facilities



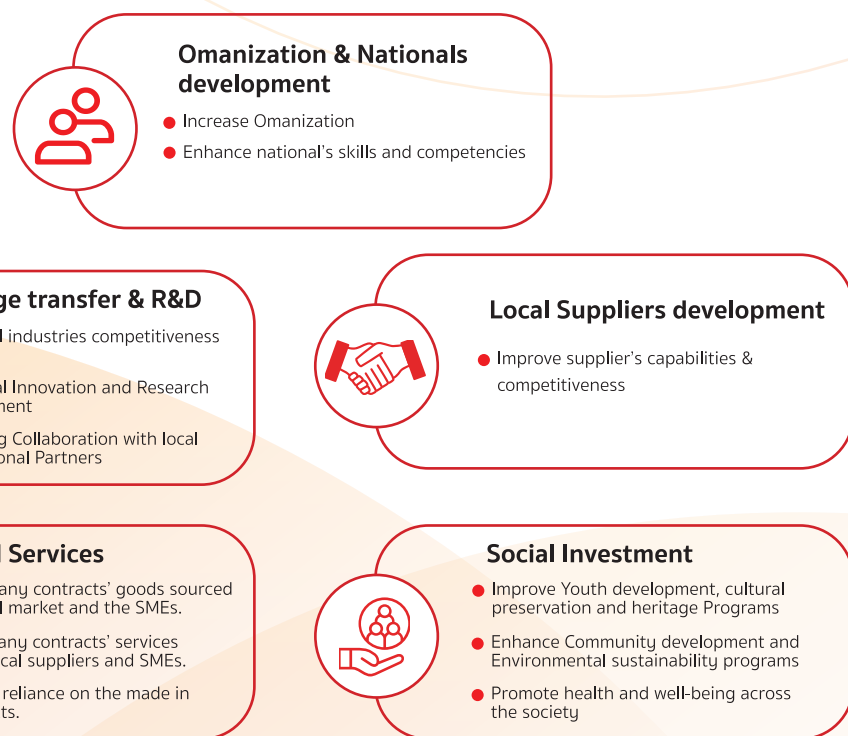
Barka

In-Country Value

We are proud that we are one of the largest publicly listed companies in Muscat Stock Exchange (MSX) since 2007 and have more than 3500 shareholders. The majority (>85%) of these shareholders, whether they are individuals or establishments like local companies and pension funds, are Omanis. This suggests that the company is likely deeply rooted in the local economy and culture of Oman.

Furthermore, Galfar is already an ICV rich organization by way of being among the leader in the employment of Omanis in the Private Sector with ~ +4300 Omanis and evident utilization of the local supply chain by way of posting 97% of purchases in the local market. Additionally, we have strategies and policies in place to further sustain and enhance our ICV stance where practically possible.

ICV Pillars



We are committed to increasing In-Country-Value (ICV) in Oman through investing in people, goods, and services and closely followed the development & objective of the local content.

As this is an important for the company & the industry to fully understand the implications & compliances thereof Galfar has continuously improved its ICV stance.

Our ICV Achievements 2024

+4380

Nationals employed

97%

Of local Order volume of the total annual purchase and subcontract value.

890

Employees recruited in 2024

45%

Of the Purchase Orders value is spent on (Made in Oman Products)

+160

Trainees in 2024

10%

Of total Subcontract order value is awarded to SME/LCC

Galfar Subsidiaries

Furthermore, Galfar leverages its specialized expertise across its subsidiaries to deliver unparalleled services on large-scale projects. Galfar Aspire Readymix Concrete SPC excels in providing concrete solutions spanning the entirety of the Sultanate, ensuring comprehensive coverage and reliability. Meanwhile, Aspire Projects and Services SPC offers a diverse range of specialized services, including HVAC, MEP, carpentry, joinery, aluminum windows and facades, Extra Low Voltage (ELV) systems (both active and passive), as well as LED lighting solutions encompassing design, development, and implementation for projects of various scales.



- Founded in 2011
- Project Service
- Civil
- IOT Solutions
- MEP
- BMS, Security, SCADA, ELV
- Facilities management



- Founded in 2011
- Supply of specialized concrete for construction projects in oman.
- Supply of Micro-Concrete for 3D Printing.



Al Khalij Heavy Equipment & Engineering Co. LLC,

- Founded in 2011
- A leading provider of specialist Logistics & Cranage services including.
- Rig Move & Support functions in Oman
- Cranage & Heavy Lifta
- Clearing & Forwarding
- Transportation & Logistics Service.

02

Board of Directors

Bord of Directors



Eng. Majid Salim Al Fannah Al Araimi
Chairman

Eng. Majid holds a BSc in Engineering Management from the University of Missouri, USA. He is one of the Directors who has played an active role in developing the business of a group of private companies and several reputed educational institutions in the Sultanate of Oman. He is the Chairman of National Drilling and Services Co. SAOC, United Gulf Energy Resources SAOC and the Travel Point Group and holds office as the Vice Chairman of several private companies.



Eng. Mohiuddin Mohamad Ali
Vice Chairman

Eng. Mohiuddin holds a BSc Civil Engineering graduate from Carnegie Mellon University, Pittsburgh, USA. He is the Vice Chairman of PMA International LLC and MFAR Group of Companies. He is the Chairman & Managing Director of Alpha Fishco LLC. He is the member of Board of Directors and Board of Trustees of National University of Science & Technology.



Mr. Hamdan Ahmed Al Shaqsi
Member

Mr. Hamdan holds an MBA majoring in Financial Management, ACCA finalist 1989 and is a Certified SAP ERP Consultant on CO module. He served for 20 years in various senior roles, in PDO, Oman LNG. In 2007 he became a co-founder, promoter, developer, and CEO of Gulf International Pipe Industry LLC (GIPI).



Eng. Shihab Salem Al Barwani
Member

Eng. Shihab holds a BSc in Instrumentation and Control System Engineering. He has over 40 years of experience in the upstream oil & gas sector including refinery and petrochemical industry with specialisation in Project Management covering the entire scope of the project.



Eng. Maqbool Hussein Al Zadjali
Member

Eng. Maqbool holds a BSc in Mechanical Engineering from University of Sunderland (UK). He has over 35 years of experience in the Oil and Gas sectors, with particular expertise in major pipeline projects, construction management as well as facilities projects.



Mr. Mohamed Taqi Al Jamalani
Member

Mr. Mohammed holds a Bachelors in Economics and Finance from the UK and has completed a postgraduate certificate in International Capital Markets Qualification from London Institute of Securities. He is an experienced and professional in regulatory, financial legal fields and capital markets industry with more than 29 years of practice. In addition, he has knowledge and experience in real estate development, construction and in trading businesses.



Eng. Said Salim Al Hajri
Member

Eng. Said graduated with honors from Imperial College with a dual degree in Mechanical Engineering and a Master's Degree in Petroleum Engineering. He is also a graduate of The National CEO Program from IMD. He is an entrepreneur who has founded a few companies including Vision Advanced Petroleum Solutions (VAPS) and Local Line LLC.



Mr. Fazlin Anam
Secretary of the Board

Mr. Fazlin has over 28 years of experience in the Legal profession. He worked for seventeen years as an attorney and legal advisor in the Supreme Court of India before joining Galfar in 2012. He was appointed by the Board in the post of Board Secretary in November 2017.

03

Executive Management

Executive Management



Dr. Hamoud Rashid Al Tobi
Chief Executive Officer

Dr. Hamoud holds a Ph.D. in Physical Sciences. He brings a wealth of experience from academia to the oil services sector, with notable leadership roles and substantial contributions at Petroleum Development Oman (PDO), and as CEO of Al Shawamikh Oil Services Company. From 2020, as CEO of Galfar Engineering & Contracting, he continues to drive innovation and uphold quality standards, shaping the industry's trajectory.



Mr. Mohammed Humaid Al Yahyai
Chief Finance Officer

Mr. Mohammed holds a Bachelor of Finance from Sultan Qaboos University and an MBA from The Executive Academy at Vienna University. He is an affiliate member of ACCA (UK) and ACPA certified. With over 20 years of experience, his leadership is instrumental in steering Galfar business transformation, growth strategies, and enhancing our financial and investment management frameworks.



Eng. Con Hickey
Chief Operations Officer

Eng. Con holds a Bachelor's in Civil Engineering and brings over 30 years of expertise in construction and project management, leading major projects across the globe. He has held key roles, including Operations Director at IHCC Construction and Senior Project Director at DCK Worldwide, managing multi-billion-dollar projects and driving innovation in sustainable development and project execution.



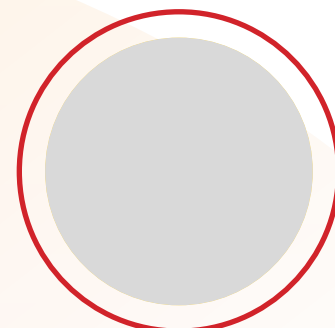
Eng. Badar Hamed Al Abri
Vice President - Strategy & Business Development Unit

Eng. Badar has a BSc in Mechanical Engineering and an MBA from University of Strathclyde. He has over 21 years of experience in the oil & energy industry. His strategic approach includes financial forecasting, stakeholder management, and fostering community partnerships for sustainable growth. His focus on business development and innovation plays a key role in Galfar's ongoing success.



Eng. Chandran Chinnakamu
Operations Director - Project Services Unit

Eng. Chandran holds a BSc in Engineering from Alagappa Chettiar Government College of Engineering & Technology. He has over 34 years of experience in infrastructure projects, including more than 12 years in executive management roles.



To Be Recruited
Vice President - Human Capital Unit

**Mr. Praveen Kumar V****Vice President – Supply Chain Management Unit**

Mr. Praveen holds a an MBA in Operations Management from Madurai Kamaraj University, India. With 23 years in Supply Chain Management, he's a PMP-certified professional known for his strategic leadership in procurement, subcontracts, and inventory.

**Eng. Balaraaman Radhakrishnan****Operations Director – Infrastructure Unit**

Eng. Balaraaman holds a Post-graduate Diploma in Construction Management. He has over 35 years experience encompasses pivotal projects across India, Malaysia, and Oman. He joined Galfar in 2011 as Project Director and later advancing to Unit Head in 2016.

**Mr. Alizamin Syed****General Manager – QHSSE Unit**

Mr. Ali Zamin has a Bachelor's degree in Science and holds over 23 years of professional experience, establishing himself as a seasoned expert in Quality, Health, Safety, Environment, and Security (QHSSE). His extensive expertise has been cultivated through hands-on roles in renowned construction, Oil & Gas, and Petrochemical projects across Oman, Kuwait, and India.

**Eng. Rami Saaifan****Operations Director – Infrastructure Unit**

Eng. Rami, with 27 years of expertise in operations and construction, holds dual Bachelor's degrees in Civil Engineering and Business Management. He has served as Director – Operations for the last 9 years, excelling in strategic planning, resource management, and delivering high-profile projects.

**Eng. Mohammed Khalfan Al Ruzaiqi****Operations Director – Energy and Industrial Unit**

Eng. Mohammed holds an MSc in Shell Master of Technology from Curtin University, Australia, and an MSc in Automation and Control Engineering from the University of Newcastle, UK. He has over 25 years of experience in the Oil & Gas sector. His extensive experience encompasses operations, engineering, project management, and contracts management.

**Eng. Mahmoud Refaie****Operations Director - Civil & Environmental Unit**

Eng. Mahmoud Refaie holds a BSC in Civil Engineering from Alexandria University , Egypt 1999 with 26 years of experience in multinational organisations 17 years UAE, 4 years KSA , 5 years Egypt.

04

Director's Report

Director's Report



Eng. Majid Salim Al Fannah Al Araimi
Chairman

Dear Shareholders,

On behalf of the Board of Directors, I am pleased to present the financial performance report of Galfar Engineering & Contracting SAOG ('the Parent Company') and its subsidiaries and associated companies (collectively 'the Consolidated Group') for the financial year ended 31 December 2024..

Overview:

	Parent Company (RO 000)		Consolidated (RO 000)	
	2024	2023	2024	2023
Revenue	272,656	238,811	286,037	249,854
EBITDA	10,171	10,039	12,125	11,171
Operating profit	1,141	3,725	1,377	3,866
Profit / (Loss) before tax	(3,672)	574	(3,764)	(49)
Net profit / (Loss) after tax	(3,672)	574	(3,912)	128

Overview of Financial Performance

Despite a challenging market landscape, Galfar has demonstrated resilience and strong revenue growth. The parent company reported revenue of OMR 272 million, marking a growth of 14.2% compared to the previous year. This growth in revenues reflects your company's ability to secure and execute strategic projects while maintaining a competitive market position.

Additionally, the company's order book grew by 70% from the previous year to reach a record level of approximately 1 billion worth of jobs in hand, hence, positioning us strongly for future sustainability and growth. This strengthening of the order book reflects our strategic success in securing high-value contracts, particularly within the Oil & Gas and Infrastructure sectors.

While we have achieved strong revenue growth and a robust order book, we acknowledge the reported net loss of OMR 3.6 million. This was primarily due to external market factors, cost pressures, and certain challenges that we are actively addressing. However, the positive revenue momentum and operational improvements provide a strong foundation for recovery and future profitability.

Our subsidiary companies have shown notable operational improvements, with key business units including Aspire Readymix, Aspire Projects, and Al Khalij Heavy Equipment making steady progress toward profitability. While these subsidiaries reported a combined loss of OMR 0.336 million, their turnaround strategies are delivering gradual improvements. Additionally, our associate company in Kuwait delivered a profit of OMR 0.096 million (Galfar Share), reflecting the strength of our regional operations.

The Parent Company continues to make-up 95% of the entire consolidated business.

Looking ahead, Galfar remains committed to strengthening profitability, optimizing costs, and enhancing operational efficiency. We have initiated strategic measures to improve cash flows, enhance working capital management, and drive efficiency in project execution. Our focus on innovation, digital transformation, and sustainable business practices will further position us for long-term success.

Outlook for the Future

Galfar is well-positioned to capitalize on its strong market position and drive sustainable growth. Our revisited strategic roadmap focuses on people & organization culture, operational excellence, financial resilience, and sustainability & diversification, ensuring that we continue to deliver value to our shareholders and stakeholders. Oman's economic expansion, fueled by government initiatives and private sector investments, provides a robust platform for our continued success. With a strong order book and a proactive approach to securing strategic projects, we are confident in maintaining momentum, enhancing profitability, and reinforcing leading position in the industry.



Aligned with Oman Vision 2040, we anticipate greater collaboration with the government and private sector through Public-Private Partnership (PPP) projects, reinforcing our role as a key contributor to national development. Our growing pipeline of projects in infrastructure, energy, utilities, and transportation presents significant opportunities to increase revenue and market share.

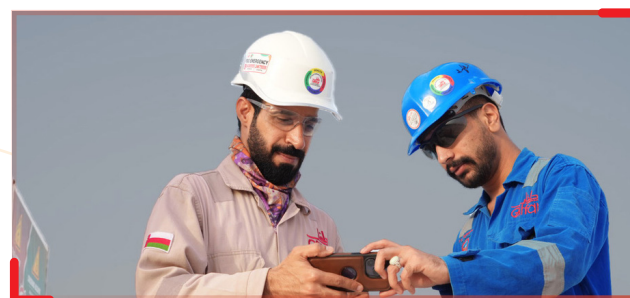


Furthermore, our commitment to innovation and sustainability positions Galfar as a future-focused industry leader, supporting Oman's net-zero emissions target by 2050. By leveraging technology, digital transformation, and efficiency-driven initiatives, we aim to enhance project execution and drive long-term competitiveness.

Diversification remains a core pillar of our long-term strategy, with a focus on emerging sectors such as Construction, Technology and Renewable Energy. Our strategic priorities include People & Culture, Innovation & technology, Operational excellence, Diversification, financial optimization, and enhanced stakeholder engagement, all of which are critical to our pathway toward sustainable growth.

At the heart of our success is our dedicated workforce, comprising over 4,400 capable Omani employees.

We are committed to investing in talent development, upskilling our workforce, and fostering a culture of excellence, ensuring we have the capabilities to meet future challenges and opportunities. As we build upon our strong foundation, Galfar remains steadfast in its mission as a flagship company in Oman's engineering and contracting sector. With strategic focus, operational discipline, and a forward-looking approach, we are confident in our ability to drive enhanced financial performance, strengthen shareholder value, and sustain long-term growth.



Gratitude & Appreciation

We express our sincere appreciation and gratitude to the Government under the wise leadership of His Majesty Sultan Haitham bin Tarik and for all the efforts taken by the Government to affirm the Country's fiscal position. Galfar has been instrumental in the development of Oman's infrastructure and various national objectives over the past five decades and is determined to continue so in the future.

As closing remarks, we would like to take the opportunity to thank all our esteemed stakeholders for their continued support and trust on Galfar. Our sincere appreciation and recognition also to the entire Galfar workforce who are driving the results achieved and the transformation being at the forefront of Galfar operations all across the Country.

Majid Salim Said Al Fannah Al Araimi
Chairman



05

Corporate Governance Report

Corporate Governance Report

Board of Directors of Galfar and Management presents the Corporate Governance Report for the year ended 31 December 2024.

Company's Philosophy

Galfar Engineering and Contracting SOAG is committed to good corporate governance and healthy corporate practices. The concept of good governance envisages care of the Company to enhance the value of all its stakeholders by adhering to proper methods of management, internal controls, accountability, corporate governance rules and high level of transparency to the extent of not affecting the competitive position of the Company.

The Company follows principles of the Code of Corporate Governance for publicly listed companies, promulgated by the Capital Market Authority, wherein Transparency, Accountability, Fairness and Responsibility are the pillars of good Corporate Governance.

Board of Directors

The Board of Galfar comprises of 7 members, all of whom are non-executives and three of them are independent. Two Directors are deemed to be non-independent due to their membership in Subsidiary & Associate Companies. The Directors are well experienced in their diversified professional fields and have given great support to practice good governance, to supervise the performance of the Company's business with the view to ensuring its effectiveness and enhancement of shareholders value.

No Director is a member of more than 4 joint stock public companies whose shares are listed on the Muscat Stock Exchange (MSX) and no Director is chairman of more than 2 public companies whose principal office is in the Sultanate of Oman. None of the Directors are members of a Board of a joint stock public or closed company which carries out similar business and whose principal office is in the Sultanate of Oman.

Mission of Galfar Board is to lead the Company and achieve its objectives, short and long terms strategic plans, besides monitoring the Company's businesses and its operations.

In this context the Board gives support to Executive Management, without interfering in their day-to-day works, to perform their duties successfully and properly towards achieving the company's objectives.

The Board exercises its primary functions and duties in line with the principles provided for in the Code of Corporate Governance and other relevant laws of Sultanate of Oman and is assisted by various sub committees and the higher executive management of the Company.

Board of Directors

Sr. No	Name of Director	Designation	Category	Directorship in Other Joint Stock Companies
1.	Eng. Majid Salim Said Al Fannah Al Araimi	Chairman	Non-Independent Non - Executive	National Drilling Services & Co. SAOC United Gulf Energy Resource SAOC
2.	Eng. Mohiuddin Mohamad Ali	Deputy-Chairman	Non-Independent Non - Executive	National Drilling Services & Co. SAOC National University of Science & Technology SAOC United Gulf Energy Resource SAOC
3.	Mr. Hamdan Ahmed Hamood Al-Shaqsi	Director	Independent Non-Executive	
4.	Mr. Mohamed Taqi Ibrahim Al Jamalani	Director	Independent Non-Executive	National Life & General Insurance Co. SAOG Public Authority for Special Economic Zones and Free Zones. Oman Center for Governance and Sustainability
5.	Eng. Said Salim Ali Al Hajri	Director	Independent Non-Executive	Oman Shipping Company Minerals Development Oman SAOC Dhofar Tourism SAOG
6.	Eng. Maqbool Hussein Salih Al Zadjali	Director	Non-Independent Non - Executive	None Membership in Associate & Subsidiary
7.	Eng. Shihab Salem Amer Al Barwani	Director	Non-Independent Non - Executive	Al Jazeera Steel Products Co. SAOG Membership in Associate & Subsidiary

Board Meetings:

During the year 2024, the Board held 6 meetings. The dates of the meetings and the attendance details are given below:

Board Members	17 Jan	6 Mar	14 May	6 Jun	12 Aug	14 Nov
Eng. Majid Salim Al Fannah Al Araiimi	✓	✓	✓	✓	✓	✓
Eng. Mohiuddin Mohamad Ali	✓	✓	✓	✓	✓	✓
Mr. Mohamed Taqi Al Jamalani	✓	✓	✓	✓	✓	✓
Eng. Said Salim Al Hajri	✓	X	✓	✓	✓	✓
Eng. Maqbool Hussein Salih Al Zadjali	✓	✓	✓	X	✓	✓
Mr. Hamdan Ahmed Hamood Al-Shaqsi	✓	✓	✓	✓	✓	✓
Eng. Shihab Salem Amer Al Barwani	✓	✓	✓	✓	✓	✓

✓ (Attended) X (Regret)

Sub- Committees of the Board:

The following Sub-committees assist and support the Board in carrying out its responsibilities.

Executive Committee (EC)

The EC is a sub-committee of the Board which oversees operational matters. It is constituted to enable the Board to conduct and monitor the company's business and provides a mechanism for the Board to engage, within the limits granted to this sub-committee, in decision making, oversight, and communication on important organizational matters. It reviews the annual budget and business plan and monitors the performance of all Company's units.

Executive Committee Members	Designation	8 Jan	12 May	14 May	12 Aug	21 Aug	12 Nov	26 Dec
Eng. Majid Salim Al Fannah Al Araiimi	Chairman	✓	X	✓	✓	✓	✓	✓
Eng. Mohiuddin Mohamad Ali	Member	✓	✓	✓	✓	✓	✓	✓
Eng. Shihab Salem Al Barwani	Member	✓	✓	✓	✓	✓	✓	✓
Eng. Maqbool Hussein Al Zadjali	Member	✓	✓	✓	✓	✓	✓	✓

Audit Committee (AC)

The AC comprises of 3 independent members. The primary function of AC is to assist the Board in fulfilling its responsibilities of monitoring and overseeing the adequacy and effectiveness of the internal control systems, procedures, financial reporting process, the effectiveness of the internal audit function and recommends the appointment of the external auditor. In performing its duties, the committee maintains effective working relationships with the board of directors, management, and the external and internal auditors. The Audit Committee held 5 meetings in the year 2024. The dates of the meetings and the attendance details are given below:

Audit Committee Members	Designation	4 Feb	3 Mar	12 May	11 Aug	6 Nov
Mr. Hamdan Ahmed Hamood Al-Shaqsi	Chairman	✓	✓	✓	✓	✓
Mr. Mohamed Taqi Ibrahim Al Jamalani	Member	✓	✓	✓	✓	✓
Eng. Said Salim Ali Al Hajri	Member	X	✓	✓	X	✓

Human Resource Nomination and Remuneration Committee (HRN&RC):

The Human Resource Nomination and Remuneration Committee (HRN&RC) comprises of 3 members. Other and was formed by the Board in accordance with the requirements of the Code of Corporate Governance for Public Listed Companies. The Committee scrutinizes Board candidate applications and assist the annual general meeting of the company in the nomination of proficient directors for election. It also assists the board in selecting the suitable executives to the executive management and oversee the succession planning for such key executives. The HRN&RC Committee held 2 meetings in the year 2024. The date of the meeting and the attendance details are given below:

Members of the Committee	Designation	4 Jun	17 Oct
Eng. Said Salim Ali Al Hajri	Chairman	✓	✓
Eng. Mohiuddin Mohamad Ali	Member	✓	✓
Eng. Shihab Salem Amer Al Barwani	Member	✓	✓

Sitting Fees & Remuneration to the Board of Directors:

The total sitting fees for board and sub-committee meetings held in 2024 is OMR 46,400.

Sr.	Name of Director	Sitting Fees	Remunerations	Total
1.	Eng. Majid Salim Said Al Fannah Al Araiimi	6,600		6,600
2.	Eng. Mohiuddin Mohamad Ali	7,800		7,800
3.	Eng. Shihab Salem Amer Al Barwani	7,800		7,800
4.	Mr. Mohamed Taqi Ibrahim Al Jamalani	6,200		6,200
5.	Eng. Said Salim Ali Al Hajri	5,500		5,500
6.	Eng. Maqbool Hussein Salih Al Zadjali	6,300		6,300
7.	Mr. Hamdan Ahmed Hamood Al-Shaqsi	6,200		6,200
Total		46,400		46,400

Note: During 2024 the sitting fees dues of OMR. 7,900 from the earlier years has been paid.

The Annual General Meeting for the year 2023 was held on 28th March 2024 and was attended by all Board Members.

Corporate Social Responsibility (CSR):

In line with Principal 13 of the code of Corporate Governance, Galfar integrates its business values and operations to support and enhance the national socio-economic objective of Oman and to support community needs. Galfar is able to make a difference within its capabilities both monetarily and technically, by contributing to local communities wherever we deliver our projects. The Company is also active in supporting innovation and safety campaigns throughout the country and are always striving to improve stakeholder relationship and enhance reputation & standing.

Procedure for Standing as a Candidate for the Board:

The Company's Board of Directors comes up for election once in three years. The present board was elected in the Annual General Meeting held in 2023. The right to stand as a candidate for membership of the Board of Directors of the Company is open to shareholders and non-shareholders who satisfy the legal requirements provided for in the Commercial Company Law, the Articles of Associations of the Company and principles of the Code of Corporate Governance.

Any person who wishes to stand as a candidate for the Board and is eligible for the same as per the regulations as well as the Articles of association, is required to submit the candidacy form as prescribed by CMA. A candidate who stands for election to the Board is elected at the General Meeting by following the procedures laid down in the Commercial Companies Law, and rules and regulations issued by the CMA. The Company's Legal Advisor reviews the candidacy forms to ensure that all the required information is recorded and the candidates satisfy all the terms and conditions of the election process.

Key Management Remuneration:

Total remuneration during the financial year 2024 to key management staff was OMR 863,830/-

Non-Compliance:

The Company complies with the principles of Code of Corporate Governance and there were no penalties imposed on the Company in the year 2024.

Compliance with Rules and Regulations:

The Company has been following the applicable rules and regulations issued by MSX, CMA and those stipulated in the Commercial Companies Law and the Articles of Association of the Company. The Compliance with Rules and Regulations are monitored and ensured jointly by the Legal Department and Internal Audit in coordination with the other units.

The Company has in place internal regulations and control systems duly approved by the Board which includes Manual of Authority, policies for Whistle blowing, Code of conduct, Related Party Transactions, Revenue Recognition in addition to a Corporate Social Responsibility Policy. The Company follows the disclosure guidelines for Public Listed Companies issued by the Muscat Stock Exchange.

Communication with Shareholders and Investors:

The Company maintains good communication with shareholders and Investors and responds as much as possible to their queries and requests in line with the disclosures rules.

The Company publishes its un-audited financial results in MSX on a quarterly basis and the audited financial statements annually. Detailed financial statements are sent to shareholders on request. The Management discussion and analysis report forms an integral part of the Annual Report.

Statement on Market Price and distribution of Holdings:

Market High/Low price during each month of 2024:

Month	High	Low	Close	Month	High	Low	Close
Jan-24	0.170	0.150	0.155	Jul-24	0.170	0.148	0.148
Feb-24	0.166	0.140	0.154	Aug-24	0.150	0.130	0.132
Mar-24	0.165	0.140	0.163	Sep-24	0.136	0.120	0.120
Apr-24	0.174	0.133	0.159	Oct-24	0.126	0.101	0.108
May-24	0.175	0.160	0.164	Nov-24	0.112	0.088	0.092
Jun-24	0.174	0.163	0.165	Dec-24	0.097	0.076	0.076

Distribution of Ownership of Shares shareholders at 2024 (Including Shares preferential voting rights)

Sr.	Category	No. of Shareholders	No. of Shares	% of Shareholding
1.	Less than 5%	3,761	110,577,384	38.05%
2.	5% to 10%	3	57,552,775	19.80%
3.	Above 10%	3	122,520,787	42.15%
	Total	3,767	290,650,946	100.00%

There are no Securities / Convertible Financial Instruments as on the reporting date which will have an impact on the Shareholders' equity.

Profile of the Statutory Auditor

PWC is a network of firms with more than 370,393 people operating from 149 countries in 656 cities across the globe, making us the largest professional services provider in the world. We are committed to delivering quality services in Assurance, Tax and Advisory (which includes our Consulting, Deals and Strategy& practices) and Internal Firm Services. In doing so we help to build trust in society, enable our clients to make the most of opportunities and solve important business problems.

PWC has operated in the Middle East region for more than 40 years. Collectively, our Middle East network employs in the region of almost 12,000 people including over 499 partners and 766 directors working from 30 offices (in 22 locations) across 12 countries: Bahrain, Egypt, Iraq, Jordan, Kuwait, Lebanon, Libya, Oman, the Palestinian territories, Qatar, Saudi Arabia and the United Arab Emirates and 41% of our Middle East workforce is female. We are one of the fastest growing PwC member firms worldwide and the largest professional services firm in the Middle East.

PWC is strongly committed to Oman where we are recognised as one of the leading providers of quality business advisory services. We have had a local practice in Oman since 1971 and now have 9 partners, 1 of whom is Omani and 5 directors and approximately 144 members of staff operating from our office in Muscat. PWC refers to the PWC network and/or one or more of its member firms, each of which is a separate legal entity. Please see www.pwc.com/structure for further details.

Audit fees of the Company and Subsidiaries:

Audit Fees of Company and Subsidiaries and fees for other services paid to the Auditors for 2024

Amount (In RO)			
Sr.	Particulars	Audit	Others
1.	Galfar Engineering and Contracting SOAG	65,500	2,000
2.	Al Khalij Heavy Equipment & Engineering LLC (Subsidiary)	3,000	
3.	Aspire Projects & Services LLC (Subsidiary)	3,000	
4.	Galfar Aspire Ready-mix SPC (Subsidiary)	3,500	

The Board of Directors acknowledges the preparation of financial statements in accordance with the applicable standards and rules. The internal control systems of the Company are efficient and adequate and that it complies with internal rules and regulations and there is no material matter that affects the continuation of the Company and its ability to continue its operations during the next financial year.



06

Management Deliberation & Analysis Report

Management Deliberation and Analysis Report



Dr. Hamoud Rashid Al Tobi
Chief Executive Officer

General Overview

In 2024, the construction industry in Oman continued its robust performance, building on the momentum from previous years despite facing a range of global and local challenges. The sector witnessed steady growth, largely driven by the government's strategic focus on infrastructure development and economic diversification. Major projects across key areas like transportation, water infrastructure, residential developments, and tourism, remained pivotal in propelling the sector forward. Moreover, the increasing adoption of advanced technologies and sustainable practices contributed to improved operational efficiency and a reduced environmental footprint. Despite global economic uncertainties and fluctuating oil prices, Oman's construction sector demonstrated resilience, bolstered by strategic investments and the growing demand for urbanization and modernization. The sector's performance was further reinforced by government-led initiatives and continued investment in critical infrastructure. Aligned with Oman Vision 2040,

the construction industry remains a key driver of the nation's economic diversification efforts. The government's continued focus on modernizing infrastructure and developing critical sectors is expected to foster long-term growth within the industry. By prioritizing sustainability, technological innovation, and efficient project execution, Oman is positioning its construction sector as a cornerstone of the broader vision for a diversified, sustainable, and prosperous economy in the years ahead. Oman's unwavering commitment to economic diversification continues to position the nation, and by extension the construction sector, for sustained growth and long-term prosperity. This trajectory ensures the sector's resilience, adaptability, and continued contribution to Oman's vision of becoming a diversified and sustainable economy.

Performance overview in 2024

The Group's financial results for the year ended 31 December 2024 reflect a turnover of RO 286 million, marking an increase from RO 250 million in 2023. The Group reported a loss after tax of

RO 3.9 million, compared to a profit of RO 0.1 million in the previous year. The Parent Company recorded a turnover of RO 273 million (2023: RO 238 million) with a loss after tax of RO 3.7 million, compared to a profit of RO 0.6 million in 2023.

Subsidiary Performance

Galfar Aspire Ready-mix SPC, specializing in ready-mix concrete production, achieved a turnover of RO 16.1 million (2023: RO 14.3 million) with a profit after tax of RO 0.6 million (2023: RO 0.9 million).

Aspire Projects and Services SPC, a specialized engineering and services company, recorded a turnover of RO 4.4 million (2023: RO 1.6 million) and a loss of RO 0.8 million, consistent with 2023. Al Khalij Heavy Equipment & Engineering LLC, engaged in equipment rentals, reported a turnover of RO 3.0 million (2023: RO 2.4 million) and a loss of RO 0.1 million, the same as in 2023.

Key Considerations and Outlook

The financial performance for the year was influenced by external market factors, cost pressures, and legacy challenges, which are actively being addressed. Despite these challenges, the company has witnessed positive revenue momentum, supported by operational improvements that provide a strong foundation for future recovery and profitability. During the year, the company secured new orders worth RO 616 million, including RO 40 million in additional work within existing contracts. As a result, the

total value of orders on hand as of 31 December 2024 exceeds RO 970 million, reinforcing confidence in the company's growth trajectory and future outlook.

Business Scenario

Galfar remains firmly committed to its transformation strategy, achieving significant results that strengthen our competitive edge. A core component of this strategy is Diversification and Sustainability, where we have made substantial progress over the past several years. Our sustainability efforts include implementing energy-saving measures across Galfar premises, and developing a comprehensive decarbonization strategy and plan. We have also taken tangible steps by executing an in-house renewable energy project. Underscoring this commitment, Galfar actively participates in ESG (Environmental, Social, and Governance) initiatives and reporting, supported by a dedicated team focused on these vital areas. In line with our strategic pillar of diversification, Galfar has successfully entered the railway sector through the Hafeet Rail project and is actively pursuing additional opportunities. We have also secured a Project Delivery Contract with Petroleum Development Oman and expanded our client portfolio by onboarding Grand Blue City and Hafeet Rail. Furthermore, we have achieved prequalification for DBOOM and PPP project tenders, reinforcing our commitment to diversified and sustainable growth.



At Galfar, our commitment to Project Delivery Excellence continues to drive our pursuit of delivering world-class solutions. Under the Brand Reputation pillar, we have amplified our positive societal impact through impactful CSR initiatives and robust ICV programs, contributing meaningfully to community development and national priorities. Our dynamic brand presence has extended beyond traditional boundaries, with a strong digital footprint characterized by active engagement on social media platforms and strategic participation in prominent local events. These initiatives have reinforced Galfar's position as a trusted and forward-thinking leader in the industry. Strategic partnerships remain central to our success as we prioritize strong relationships with both clients and partners. Despite market challenges, we have demonstrated consistent improvement in financial and liquidity performance, showcasing our resilience and adaptability.

Our commitment to the strategic pillar of Technology and Innovation drives excellence, creativity, and operational efficiency. By adopting advanced technologies and promoting digitization, we continue to enhance our project execution capabilities. Under the Restructuring and Capabilities pillar, we have optimized internal processes and bolstered in-house expertise, strengthening our ability to deliver complex projects efficiently. In response to the growing demand for sustainable energy, we recognize the increasing significance of hydro, wind, solar, and geothermal energy sources in the global energy mix. This trend aligns with Oman's Vision 2040, where Galfar plays a pivotal role in driving sustainability, fostering nationalization, and championing innovation. By leveraging our vast resources and infrastructure, Galfar remains well-positioned to capitalize on emerging opportunities and contribute meaningfully to the nation's development objectives.



Galfar's Pioneering Path to Net Zero

A pivotal highlight of 2024 was Galfar's remarkable contribution toward Oman's net-zero goals, achieving a carbon footprint reduction of 4,267 tonnes of CO₂. This achievement underscores the Company's unwavering commitment to embedding eco-friendly practices across its operations. As the global impact of climate change escalates, Galfar recognizes the urgent need to decarbonize

and transition to cleaner energy solutions. In alignment with the Sultanate of Oman's net-zero target for 2050 under the visionary leadership of His Majesty Sultan Haitham bin Tarik, Galfar has embarked on a transformative journey to strategically address and reduce CO₂ emissions. This commitment is driven by a multifaceted approach grounded in regulatory compliance, environmental responsibility, and market competitiveness. Galfar views

sustainability as a key differentiator, aiming not only to meet but to exceed industry standards, appealing to environmentally conscious clients while demonstrating leadership in sustainable practices. The Company's comprehensive Net Zero strategy involves setting emission baselines, identifying reduction initiatives, and implementing sustainable practices that prioritize operational efficiency.

Through continuous monitoring, transparent reporting, and stakeholder communication, Galfar ensures accountability and tracks its environmental progress.

By adopting systematic processes and maintaining a steadfast commitment to sustainability, Galfar is not only reducing CO₂ emissions but also setting a benchmark for sustainable business practices within its industry.



In-Country Value

Galfar is committed to fostering a comprehensive approach centered on key strategic pillars, including Goods & Services, Omanization, and National Development. The company prioritizes the transfer of knowledge and investment in Research & Development to drive innovation and enhance operational efficiency.

Galfar also places strong emphasis on the development of Small and Medium Enterprises (SMEs), contributing to a robust local supply chain. In alignment with its corporate social responsibility objectives, Galfar actively invests in social development initiatives to create sustainable value for communities and support the nation's growth aspirations. Our approach goes beyond construction, embracing a holistic strategy aimed at strengthening the nation's economic and social landscape. Central to our

mission is a strong focus on the recruitment, development, and empowerment of Omani talent. We recognize the invaluable contributions of Omani nationals and prioritize their professional growth, fostering an environment where they can excel within our organization and the broader industry. We actively support local industries by prioritizing the procurement of "Made in Oman" goods and services. This commitment strengthens the national economy and bolsters economic self-reliance. Additionally, we are dedicated to empowering Small and Medium-sized Enterprises (SMEs) by creating opportunities for collaboration and sustainable growth. Innovation is a cornerstone of our operations. We invest in research and development initiatives to drive progress within the sector, continuously seeking new ways to enhance our capabilities and contribute meaningfully to Oman's development. As

responsible corporate citizens, we fully embrace our Corporate Social Responsibility (CSR) obligations. We actively participate in initiatives that uplift communities and improve the quality of life for Oman's people. In every aspect of our

operations, we are committed to exemplifying excellence and adhering to the principles of ICV. Our goal is not only to build infrastructure but also to contribute to a brighter, more prosperous future for Oman and its people.



Corporate Social Responsibility (CSR)

In 2024, Galfar reaffirmed its unwavering commitment to supporting local communities across Oman through a wide array of impactful Corporate Social Responsibility (CSR) initiatives. As a leading construction company, Galfar understands the importance of fostering community engagement and contributing to social, educational, and economic development, which form the bedrock of sustainable growth.

In the education sector, Galfar provided sponsorship to the Engineering Society at Sultan Qaboos University for the academic year 2023-2024. This support enabled the organization to conduct student development programs and events aimed at fostering innovation, creativity, and leadership skills among future engineers, thereby nurturing the next generation of Omani professionals. Galfar's commitment to preserving and promoting Oman's rich cultural heritage



was evident through its sponsorship of the "Barka Fort Nights" event during Eid Al-Adha. The event served as a vibrant platform to celebrate local traditions, attract tourism, and support local SMEs. Additionally, Galfar sponsored the 2024 Jabal Al Akhdhar Summer Event, which not only enhanced tourism in the region but also created valuable business opportunities for the local community, contributing to regional economic growth. As part of its ongoing CSR efforts to support community infrastructure and religious spaces, Galfar extended its support to SAY Masjid in Duqm by contributing to the purchase of a high-quality rug for the mosque. This initiative underscores Galfar's commitment to fostering spiritual well-being and creating comfortable spaces for worship within local communities. By investing in such meaningful contributions, Galfar continues to strengthen its ties with the communities it serves and promotes a sense of unity and shared values across the Sultanate.

Through these diverse initiatives, Galfar continues to demonstrate its role as a responsible corporate leader committed to empowering local communities. By addressing educational development, cultural preservation, tourism promotion, and sports engagement, Galfar reinforces its pledge to support the Sultanate's vision for sustainable growth and national development while fostering stronger, more resilient communities.

Quality, Health, Safety and Environment

At Galfar, we are committed to upholding the highest standards in Quality, Health, Safety, and Environment (QHSE), ensuring excellence across all facets of our operations. Our adherence to internationally recognized certifications—including ISO 9001:2015 & ISO/TS 29001:2010

for Quality Management, ISO 45001:2018 for Occupational Health & Safety, and ISO 14001:2015 for Environmental Management—continues to distinguish us as an industry leader. In 2023, we successfully navigated operational challenges amid increased work activities, workforce expansion, and integration of new subcontractors and vendors.

Our proactive approach, driven by the Goal Zero initiative, targeted HSE campaigns, hazard awareness programs, and rigorous L3 audits, ensured the safety and well-being of our workforce. Our unwavering focus on safety yielded exceptional results, with a lost time injury frequency (LTIF) of 0.05—well below the set threshold of 0.18—and a total recordable case frequency (TRCF) of 2.94, outperforming the industry benchmark of 4.0. We also undertook key safety initiatives, including near-miss reporting, hand and finger safety, and road safety campaigns, reinforcing our commitment to continuous improvement. These efforts were recognized with prestigious accolades in 2024, as Galfar was honoured with the British Safety Award. We were declared the Best Contractor by OXY—a testament to our steadfast dedication to QHSE excellence. As we move forward, our sustainable and smart QHSE performance indicators for 2024

will drive further enhancements to our business processes. Through continuous improvement, stringent compliance, and an unwavering commitment to safety, we remain confident in delivering operational excellence while instilling confidence among our stakeholders.



Human Capital

Galfar is committed to developing its resources and maintaining its Omanization targets. Galfar aims to accomplish employee development through transparent and harmonious human capital policies, maintain a motivating work environment, and retain talent. The goal is to be seen as one of the leading employers offering satisfying career opportunities and an environment that thrives with dedication, creativity, and innovation. Galfar continued its uncompromised commitment to the employment of nationals. In 2024, Galfar recruited 890 Omanis. With more than 4200 nationals, Galfar prides itself on being one of the largest employers of the national workforce in the private sector."

Galfar outlook for 2025

As Oman unveils its 2025 budget, which emphasizes strategic investments in infrastructure, energy, and public services, the construction sector is poised for dynamic growth. Galfar Engineering & Contracting stands at the forefront of this development with an impressive order book valued at over RO 970 million. This

record-breaking backlog provides a strong foundation for operational stability and sets the stage for Galfar's journey toward profitability and sustained growth. Oman's budget priorities, which include infrastructure modernization and energy diversification, present abundant opportunities for Galfar. The company's strategic emphasis on the energy sector aligns perfectly with the country's focus on renewable and conventional energy investments. Galfar's extensive expertise positions it well to support these national development goals. Galfar remains deeply engaged across diverse sectors, including Energy & Industrial, Infrastructure, Civil & Environmental, and Operation & Maintenance. The company's operational versatility and robust logistical network enable it to handle diverse and challenging projects efficiently across the Sultanate. As a trusted one-stop solution provider, Galfar consistently delivers innovative and superior results that exceed client expectations.

As a responsible Public Joint Stock Company, Galfar is committed to maximizing returns from its substantial order book by rigorously executing strategic objectives outlined in its transformation

strategy. The company remains proactive in securing new contracts across its specialized business units to diversify its portfolio and capitalize on emerging market opportunities. Galfar's strategic focus includes enhancing project delivery efficiency to drive profitability, adopting advanced technologies and green practices to meet evolving client and regulatory demands, and strengthening relationships with key stakeholders through superior service delivery. By leveraging its unmatched operational flexibility, strong market presence, and innovative mindset, Galfar is well-positioned to be a key contributor to Oman's national development while delivering long-term value to its stakeholders. As the country's construction landscape continues to evolve, Galfar stands ready to lead with purpose, resilience, and excellence.

Risks

The construction industry inherently involves numerous risks, and 2024 has presented its share of challenges. Galfar Engineering & Contracting remains committed to effectively managing these risks through a comprehensive and dynamic risk management framework deployed across all business units. This system aligns risk management with operational and strategic objectives, allowing the Company to proactively address uncertainties, mitigate potential threats, and seize emerging opportunities.

The continuous involvement of the management leadership team ensures regular assessments and discussions on risk factors and mitigation strategies, enabling the organization to respond swiftly to evolving market and operational challenges. Despite the inherent risks in the construction sector, Galfar holds a robust

confirmed order book and a promising project pipeline, essential for business sustainability and growth. The Company continues to strengthen its position by leveraging its extensive resource base, including skilled personnel, advanced equipment, and a proven 50-year track record. Galfar's technical excellence and diversified portfolio across multiple sectors provide a strong foundation to navigate uncertainties and deliver value-driven solutions. As we move forward, Galfar remains unwavering in its commitment to delivering operational excellence, maintaining resilience, and driving value creation for its stakeholders in an evolving and competitive construction landscape.

Our gratitude and commitment

We extend our sincere gratitude and appreciation to the Board of Directors, management, and all employees of Galfar and its affiliated companies for their exceptional dedication and commitment throughout 2024. Your loyalty, adaptability, and unwavering support for the transformative changes implemented have been instrumental in navigating the year's challenges and achieving key milestones for the Galfar. We also express our deep thanks to the Government of the Sultanate of Oman, our valued shareholders, esteemed customers, financial institutions, and business partners for their continued trust, encouragement, and partnership. Your steadfast support remains a cornerstone of our success.

As we look forward, we reaffirm our commitment to supporting the Government's strategic initiatives and contributing to the realization of Oman Vision 2040 under the wise and visionary leadership of His Majesty Sultan Haitham bin Tarik.

Dr. Hamoud Rashid Al Tobi
Chief Executive Officer



ANNUAL REPORT 2024



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