

BOARD OF DIRECTORS' REPORT

Dear Shareholders,

On behalf of the Board of Directors of Al Suwadi Power Company SAOG (the “Company”), I have the pleasure to present the Directors' Report of the Company for the three months ended March 2022.

Operational Results

The operational performance of the plant during the quarter was excellent. The consistently high plant's reliability and technologically superior fuel-efficient operations of the plant continues to place it at the higher end of the merit order list for dispatch.

The plant achieved an excellent reliability of 99.35%. The plant delivered 821 GWh to the Omani grid as compared to 1070 GWh delivered in Q1 2021 mainly due to the planned inspection and lower dispatch requests from the offtaker.

The plant successfully conducted the Annual Plant Performance test on 7th April 2022.

An extended Hot Gas Path Inspection (“eHGPI”) of the second gas turbine was completed during the quarter. The plant's ‘Siemens-recommended’ upgrades were implemented during the inspection. All other operating equipment and the balance of plant equipment were serviced as per the agreed annual maintenance program. Consistent level of high plant availability is a testament of efficient and timely plant upkeep and periodic maintenance as per the equipment suppliers' manual and ‘condition-based’ monitoring.

The Plant's good operational performance was achieved with no Lost Time Accidents to any of our staff, thereby clocking 3,925 Lost Time Accident free days since inception, and is reflective of our continued internal focus on Health, Safety, Environment and Quality Management.

Currently, although the plant has returned to normal shift operations, Oman's COVID-19 precautionary rules and Engie approved COVID 19 guidelines continue to be fully observed at the plant.

Financial Results

	3 months 2022 RO'000s Unaudited	3 months 2021 RO'000s Unaudited	Percentage change
Revenues	12,014	13,835	(13.2)%
Direct costs	(11,484)	(13,592)	15.5%
Gross profit	530	243	118.3%
Profit before interest and tax	330	12	2734.2%
Finance cost	(1,762)	(1,964)	10.3%
Profit(Loss) before tax	(1,432)	(1,952)	26.6%
Net profit (loss) for the period	(1,964)	(2,444)	19.6%

It is to be noted that contractually, the winter tariff is lower and the Q1 net loss will be largely recouped during summer period when the agreed tariff within the Power Purchase Agreement is substantially scaled up. The net financial results for Q1 2022 was 19.60% higher than Q1 2021 mainly due to lower O&M expenses as previous year was impacted by compressor blade damage detected during inspection, lower heat rate losses and lower interest cost due to scheduled repayment of loans.

The monthly fuel charge invoiced by the Company to OPWP is pass-through income and when received, is finally paid to the gas supplier, Ministry of Energy and Minerals (MEM). During the quarter, OPWP has been paying the monthly fuel charges to the Company which the Company has in turn paid to MEM.

The Company continues to make concerted efforts to explore possibility of avoiding future cash sweep impediment starting April 2023 (as agreed with the lenders within its financing documents). The Company's efforts in the past in this regard have not been successful. The Company has not ceased in its efforts to constantly follow the international and local financial markets and look out for any re-financing opportunity.

The share price was Baizas 49 at the end of March 2022.

Corporate Social Responsibility

Within its CSR initiative, the Company has decided to contribute 20% of its CSR budget to Oman Charitable Organisation. The remaining budget will be utilized to implement a renewable energy project with Ministry of Education, sponsor the program organised by Ministry of Education to raise student's awareness on the peaceful applications of Nuclear Science, sponsor a competition between the universities' students for the best idea/project in the field of renewable energy. The earmarked funds are expected to be spent in Q2 to Q4 of the current year.

Medium term Outlook

During Q1 2022, extended Hot Gas Path Inspection of second Gas Turbine and also the routine maintenance of all other plant equipment have been accomplished. No major maintenance programme is scheduled for the next 6 months. This is in view of the peak power demand during the ensuing summer period when the full availability of the plant is a dire requirement for maintaining the stability of Oman's power grid.

All reasonable measures are being taken by the management to maintain high reliability level. Consequently, we expect a steady progress in the Company's financial performance.

Acknowledgement

I would like to extend my personal thanks to all personnel associated with the operation of the power plant and the staff of the Company for their hard work and dedication, as well as to those others such as our contractors, whose expertise has assisted us in achieving these excellent results.

Finally, on behalf of the Board of Directors, I would like to extend our deep appreciation and gratitude to His Majesty Sultan Haitham Bin Tarik Al Said and His Government for their continued support and encouragement to the private sector by creating an environment that allows us to participate effectively in the growth of the Sultanate's economy and to dedicate our achievements to the building of a strong nation.

Axel De Ghellinck

Chairperson

Statement of Financial Position, Current, Non-current	Thousands/Omani Rial/Unaudited		
	Standalone 31/03/2022	Standalone 31/03/2021	Standalone 31/12/2021
STATEMENT OF FINANCIAL POSITION			
CONSOLIDATED AND SEPARATE			
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	247,537	255,379	249,388
Right-of-use assets	902	1,047	938
Non-current inventories	721	638	724
Total non-current assets	249,160	257,064	251,050
CURRENT ASSETS			
Current inventories	1,916	1,831	1,905
Trade and other current receivables	4,354	10,907	33,803
Cash and bank balances	2,932	952	1,329
Total current assets other than non-current assets or disposal groups classified as held for sale or as held for distribution to owners	9,202	13,690	37,037
Total current assets	9,202	13,690	37,037
Total assets	258,362	270,754	288,087
EQUITY AND LIABILITIES			
EQUITY			
Share capital	71,441	71,441	71,441
Statutory reserve	8,585	7,451	8,585
Other reserves	(2,875)	(8,080)	(6,091)
Retained earnings (Accumulated losses)	26,180	20,143	28,144
Total equity	103,331	90,955	102,079
LIABILITIES			
NON-CURRENT LIABILITIES			
NON-CURRENT PROVISIONS			
Provision for abandonment and site restoration	431	316	425
Total non-current provisions	431	316	425
Borrowings, non-current			
Non-current lease liabilities	884	1,021	960
Non-current derivative financial liabilities	3,381	9,506	7,165
Deferred tax liabilities	25,033	22,264	24,065
Total non-current liabilities	127,465	148,797	130,157
CURRENT LIABILITIES			
CURRENT PROVISIONS			
Trade and other current payables	8,647	11,775	35,484
Borrowings, current			
Current lease liabilities	137	128	135
Total current liabilities other than liabilities included in disposal groups classified as held for sale	27,566	31,002	55,851
Total current liabilities	27,566	31,002	55,851
Total liabilities	155,031	179,799	186,008
Total equity and liabilities	258,362	270,754	288,087
Number of outstanding shares	714406340	714406340	714406340
Net assets per share	148.660	138.630	151.410

Subclassifications of Assets, Liabilities and Equity, Current, Non-current	Thousands/Omani Rial/Unaudited		
	Standalone 31/03/2022	Standalone 31/03/2021	Standalone 31/12/2021
SUBCLASSIFICATIONS OF ASSETS, LIABILITIES AND EQUITIES			
CONSOLIDATED AND SEPARATE			
ASSETS			
NON-CURRENT ASSETS			
EXPLORATION AND EVALUATION ASSETS			
INVESTMENT PROPERTIES			
INVESTMENT PROPERTIES AT COST			
INVESTMENT PROPERTIES AT FAIR VALUE			
INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD			
OTHER CURRENT NON-FINANCIAL ASSETS			
CURRENT ASSETS			
INVENTORIES			
Other inventories	1,916	1,831	1,905
Total current inventories	1,916	1,831	1,905
TRADE AND OTHER CURRENT RECEIVABLES			
Accounts receivables	4,017	10,741	33,419
PREPAYMENTS AND ACCRUED INCOME			
Prepayments	154	127	313
Advances	0	0	0
Total prepayments and accrued income	154	127	313
Other receivables	183	39	71
Total trade and other current receivables	4,354	10,907	33,803
CASH AND CASH EQUIVALENTS			
CASH			
Cash on hand	1	1	1
Balances with banks	2,047	259	444
Total cash	2,048	260	445
CASH EQUIVALENTS			
Total cash and cash equivalents	2,048	260	445
Short-term deposits, not classified as cash equivalents	884	692	884
Total cash and bank balances	2,932	952	1,329
OTHER CURRENT NON-FINANCIAL ASSETS			

INTERIM CONDENSED FINANCIAL STATEMENTS WERE APPROVED BY THE BOARD OF DIRECTORS ON 27 Apr 2022

EQ UITY			
RESERVES			
Hedge reserve	(2,875)	(8,080)	(6,091)
Total reserves	(2,875)	(8,080)	(6,091)
LIABILITIES			
NON-CURRENT LIABILITIES			
NON-CURRENT PROVISIONS FOR EMPLOYEE BENEFITS			
BORROWINGS, NON CURRENT			
Borrowings from banks and other financial institutions, non current	97,736	115,690	97,542
Total Borrowings, non current	97,736	115,690	97,542
CURRENT LIABILITIES			
BORROWINGS, CURRENT			
Borrowings from banks and other financial institutions, current	18,782	17,085	18,782
Other short term borrowings	0	2,014	1,450
Total Borrowings, current	18,782	19,099	20,232
TRADE AND OTHER CURRENT PAYABLES			
Accounts payable	5,314	9,228	32,419
Payables to related parties	1,162	1,058	941
ACCRUALS AND DEFERRED INCOME			
Accruals	2,171	1,489	2,124
Total accruals and deferred income	2,171	1,489	2,124
Dividend payables	0	0	0
Total trade and other current payables	8,647	11,775	35,484
PROVISIONS FOR EMPLOYEE BENEFITS, CURRENT			

Income Statement - Nature of expenses	Thousands/Omani Rial/Unaudited	
	Standalone 01/01/2022-31/03/2022	Standalone 01/01/2021-31/03/2021
PROFIT OR LOSS		
CONSOLIDATED AND SEPARATE		
PROFIT OR LOSS		
Revenue	12,014	13,835
Other income	27	0
Cost of material consumed and goods sold	7,488	9,270
Service expenses	1,973	2,300
Employee benefits expense	104	105
Depreciation, depletion and amortisation	2,039	2,041
Other operating expenses	107	107
Profit (loss) from operating activities	330	12
Finance income	0	0
Finance costs	1,762	1,964
Profit (loss) before income tax	(1,432)	(1,952)
Income tax expense, continuing operations	532	492
Profit (loss) from continuing operations	(1,964)	(2,444)
Profit (loss) for period	(1,964)	(2,444)
PROFIT (LOSS), ATTRIBUTABLE TO		
BASIC AND DILUTED EARNINGS PER SHARE		
BASIC EARNINGS PER SHARE		
Basic earnings (loss) per share from continuing operations	(2,750)	(3,421)
DILUTED EARNINGS PER SHARE		

Statement of comprehensive income - Net of tax	Thousands/Omani Rial/Unaudited	
	Standalone 01/01/2022-31/03/2022	Standalone 01/01/2021-31/03/2021
STATEMENT OF COMPREHENSIVE INCOME		
CONSOLIDATED AND SEPARATE		
Net Profit / (Loss) for the Period	(1,964)	(2,444)
OTHER COMPREHENSIVE INCOME (LOSS) TO BE RECLASSIFIED TO STATEMENT OF INCOME IN SUBSEQUENT PERIODS		
Changes in fair value of cash flow hedges	3,216	1,641
Total other comprehensive income that will be reclassified to profit or loss	3,216	1,641
OTHER COMPREHENSIVE INCOME (LOSS) NOT TO BE RECLASSIFIED TO STATEMENT OF INCOME IN SUBSEQUENT PERIODS		
Total other comprehensive income for the Period	3,216	1,641
Total comprehensive income for the Period	1,252	(803)
COMPREHENSIVE INCOME ATTRIBUTABLE TO		

Analysis of Income and Expense, Nature of Expense	Thousands/Omani Rial/Unaudited	
	Standalone 01/01/2022-31/03/2022	Standalone 01/01/2021-31/03/2021
ANALYSIS OF INCOME AND EXPENSE		
CONSOLIDATED AND SEPARATE		
REVENUE		
Sale of energy	12,014	13,835
LEASE REVENUE		
Total revenue	12,014	13,835
OTHER INCOME		
Miscellaneous income	27	0
Total other income	27	0
COST OF MATERIAL CONSUMED AND GOODS SOLD		
Raw materials and consumables used	7,476	9,264
Other cost of material consumed and goods sold	12	6
Total cost of material consumed and goods sold	7,488	9,270
SERVICE EXPENSES		
Operation and maintenance expenses	1,798	2,136
Insurance expenses	158	144
Professional fees expenses	13	13
Banks and similar charges	0	1
Energy transmission charges	4	5
Travel expenses	0	0
Communication expenses	0	1
Utilities expenses	0	0
Total service expenses	1,973	2,300
EMPLOYEE BENEFIT EXPENSES		
Wages and salaries	101	100
Social security contributions	3	4
Post-employment benefit expense, defined contribution plans	1	1
Recruitment and training expenses	0	0
Other employee expense	(1)	0
Total employee benefits expense	104	105
OTHER OPERATING EXPENSES		
Director's remuneration and sitting fees	6	6
Head office expenses	4	4
Professional and consultants fees	5	4
Legal and professional expense	12	12
Registrations and renewals	75	75
Vehicle expenses	1	1
Printing and stationary	1	0
Miscellaneous other operating expense	3	5
Total other operating expenses	107	107

INTERIM CONDENSED FINANCIAL STATEMENTS WERE APPROVED BY THE BOARD OF DIRECTORS ON 27 Apr 2022

Statement of cash flows, indirect method	Thousands/Omani Rial/U audited	
	Standalone 01/01/2022-31/03/2022	Standalone 01/01/2021-31/03/2021
STATEMENT OF CASH FLOWS		
CONSOLIDATED AND SEPARATE		
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Profit for the period before taxation	(1,432)	(1,952)
ADJUSTMENTS TO RECONCILE PROFIT (LOSS)		
Adjustments for depreciation and amortisation expense	2,038	2,042
Adjustments for finance costs	1,762	1,964
Adjustments for finance income	0	0
Adjustments for gain (loss) on disposals, property, plant and equipment	4	
Other adjustments for non-cash items	(27)	
Total adjustments to reconcile profit (loss)	3,769	4,006
Cash flows from (used in) operations before changes in working capital	2,337	2,054
WORKING CAPITAL CHANGES		
Adjustments for decrease (increase) in inventories	(11)	36
Adjustment for decrease (increase) in trade and other receivables	29,478	30,082
Adjustments for increase (decrease) in trade and other payables	(27,109)	(30,263)
Total adjustments to working capital changes	2,358	(145)
Net cash flows from (used in) operations	4,695	1,909
Net cash flows from (used in) operating activities	4,695	1,909
CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES		
Proceeds from sales of property, plant and equipment	14	0
Purchase of property, plant and equipment	160	178
Net cash flows from (used in) investing activities	(146)	(178)
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		
Repayments of borrowings	1,450	106
Payments of lease liabilities	90	90
Interest paid	1,406	1,542
Net cash flows from (used in) financing activities	(2,946)	(1,738)
Net increase (decrease) in cash and cash equivalents before effect of exchange rate changes	1,603	(7)
Net increase (decrease) in cash and cash equivalents	1,603	(7)
Cash and cash equivalents at beginning of period	445	267
Cash and cash equivalents at end of period	2,048	260

Statement of changes in equity	Thousands/Omani Rial/Unaudited				
	Other reserves	Share Capital	Reserve of cash flow hedges	Statutory reserve	Standalone
	Standalone 01/01/2022- 31/03/2022	Standalone 01/01/2022- 31/03/2022	Standalone 01/01/2022-31/03/2022	Standalone 01/01/2022- 31/03/2022	Total Equity 01/01/2022- 31/03/2022
STATEMENT OF CHANGES IN EQUITY					
STATEMENT OF CHANGES IN EQUITY					
Equity at beginning of period (before adjustments)	28,144	71,441	(6,091)	8,585	102,079
Equity at beginning of period (after adjustments)	28,144	71,441	(6,091)	8,585	102,079
CHANGES IN EQUITY					
COMPREHENSIVE INCOME					
Net Profit / (Loss) for the Period	(1,964)				(1,964)
Other comprehensive income			3,216		3,216
Total comprehensive income	(1,964)		3,216		1,252
Dividends	0				0
Total increase (decrease) in equity	(1,964)		3,216		1,252
Equity at end of period	26,180	71,441	(2,875)	8,585	103,331

Statement of changes in equity	Thousands/Omani Rial/Unaudited				
	Other reserves	Share Capital	Reserve of cash flow hedges	Statutory reserve	Standalone
	Standalone 01/01/2021- 31/03/2021	Standalone 01/01/2021- 31/03/2021	Standalone 01/01/2021-31/03/2021	Standalone 01/01/2021- 31/03/2021	Total Equity 01/01/2021- 31/03/2021
STATEMENT OF CHANGES IN EQUITY					
STATEMENT OF CHANGES IN EQUITY					
Equity at beginning of period (before adjustments)	22,587	71,441	(9,721)	7,451	91,758
Equity at beginning of period (after adjustments)	22,587	71,441	(9,721)	7,451	91,758
CHANGES IN EQUITY					
COMPREHENSIVE INCOME					
Net Profit / (Loss) for the Period	(2,444)				(2,444)
Other comprehensive income			1,641		1,641
Total comprehensive income	(2,444)		1,641		(803)
Dividends	0				0
Total increase (decrease) in equity	(2,444)		1,641		(803)
Equity at end of period	20,143	71,441	(8,080)	7,451	90,955

AL SUWADI POWER COMPANY SAOG

Notes to the unaudited condensed interim financial statements

1 Legal status and principal activities

Al Suwadi Power Company (the "Company") was registered as a closed Omani Joint Stock company ("SAOC") on 2 August 2010 under the Commercial Companies Law of Oman. Subsequently, the Company was converted to a Public Joint Stock Company ("SAOG") and was listed on the Muscat Stock Exchange on 23 June 2014.

The Company's objectives are to develop, finance, design, construct, operate, maintain, insure and own a power generating facility (the Barka 3 Power Plant with a capacity of about 750MW), and associated gas interconnection facilities and other relevant infrastructure; to make available the demonstrated power capacity; and to sell the electrical energy generated to Oman Power and Water Procurement Company SAOC. Accordingly, the Plant is considered and managed as one reportable segment. Commercial Operation of the Plant was achieved by the Company on 4 April 2013.

2 Basis of preparation and significant accounting policies

Basis of preparation

(a) *Statement of compliance*

These condensed interim financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting, applicable requirements of the Commercial Companies Law of the Sultanate of Oman (as amended) ("CCL") and disclosure requirements of the Capital Market Authority of the Sultanate of Oman ("CMA"). Selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in financial position and performance of the Company since the last annual financial statements as at and for the year ended 31 December 2021. The condensed interim financial statements do not include all information required for full annual financial statements prepared in accordance with International Financial Reporting Standards (IFRSs).

(b) *Basis of measurement*

These condensed interim financial statements are prepared on historical cost basis except for provision for asset retirement obligation and deferred finance costs which are measured at amortised cost and certain financial instruments which are measured at fair value.

(c) *Use of estimates and judgements*

The preparation of the financial statements in conformity with IFRSs requires the management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in these condensed interim financial statements are same as those that were applied to the financial statements as at and for the year ended 31 December 2021.

(d) *Presentation and functional currency*

These condensed financial statements are presented in United States Dollars ("USD"), which is the Company's functional currency, and also in Rial Omani ("RO") for local regulatory requirements. The Omani Rial amounts, which are presented in these financial statements have been translated from the USD amounts at an exchange rate of USD 1 = RO 0.3845. All amounts have been rounded to the nearest thousand (RO '000 and USD '000) except where otherwise stated.

Change in significant accounting policies

The significant accounting policies applied by the Company in these condensed interim financial statements are consistent with those applied by the Company in its financial statements as at and for the year ended 31 December 2021.

AL SUWADI POWER COMPANY SAOG**Notes to the unaudited condensed interim financial statements**

	31 March 2022 RO'000s	31 March 2022 USD'000s	31 March 2021 RO'000s	31 March 2021 USD'000s
3. Direct costs				
Fuel gas	7,411	19,274	9,227	23,998
Depreciation on property, plant and equipment (note 6)	2,001	5,204	2,002	5,205
Operation and maintenance ("O&M") fees (note 15)	1,653	4,300	1,711	4,450
Insurance	158	411	144	376
Fuel oil	65	168	36	94
Depreciation on right of use assets (note 7)	36	94	36	95
Grid connection fee	4	9	5	12
Custom duties (note 15)	-	-	30	79
Other O&M expenses	156	409	401	1,041
	11,484	29,869	13,592	35,350
4. General and administrative expenses				
Public company related costs	77	199	75	196
Secondment fees (note 15)	63	164	61	160
Employment costs	41	106	43	112
Agency fees	13	35	13	34
Directors' sitting fees (note 15)	6	15	6	15
Office rent	4	11	4	11
Depreciation on property, plant and equipment (note 6)	1	4	4	9
Other general and administrative expenses	22	56	25	64
	227	590	231	601
5. Finance costs (net)				
Interest on term loans	871	2,265	939	2,442
Swap interest	647	1,683	734	1,909
Amortisation of deferred finance costs	194	505	222	578
Debt Service Reserve Account ("DSRA") LC cost (note 15)	19	49	18	47
Interest on short term borrowings	18	45	23	60
Interest on lease liabilities	15	40	18	46
Asset retirement obligation - unwinding of discount	5	14	6	15
Interest income	(0)	(1)	(0)	(1)
Exchange (gain) loss	(7)	(17)	4	10
	1,762	4,583	1,964	5,106

AL SUWADI POWER COMPANY SAOG**Notes to the unaudited condensed interim financial statements****6. Property, plant and equipment**

	Property, plant and equipment RO'000s	Technical Spares RO'000s	Other assets RO'000s	Capital Work-in- progress RO'000s	Total RO'000s
Cost					
1 January 2022	318,101	1,736	106	188	320,131
Addition during the period	-	3	-	157	160
Disposal during the period	-	(14)	(1)	-	(15)
31 March 2022	<u>318,101</u>	<u>1,725</u>	<u>105</u>	<u>345</u>	<u>320,276</u>
Depreciation					
1 January 2022	70,091	555	97	-	70,743
Charge during the period	1,984	17	1	-	2,002
Disposal during the period	-	(5)	(1)	-	(6)
31 March 2022	<u>72,075</u>	<u>567</u>	<u>97</u>	<u>-</u>	<u>72,739</u>
Carrying amount					
31 March 2022	<u>246,026</u>	<u>1,158</u>	<u>8</u>	<u>345</u>	<u>247,537</u>
31 December 2021	<u>248,010</u>	<u>1,181</u>	<u>9</u>	<u>188</u>	<u>249,388</u>
Cost					
1 January 2022	827,311	4,514	275	488	832,588
Addition during the period	-	9	-	411	420
Disposal during the period	-	(38)	(3)	-	(41)
31 March 2022	<u>827,311</u>	<u>4,485</u>	<u>272</u>	<u>899</u>	<u>832,967</u>
Depreciation					
1 January 2022	182,290	1,443	253	-	183,986
Charge during the period	5,160	44	4	-	5,208
Disposal during the period	-	(12)	(2)	-	(14)
31 March 2022	<u>187,450</u>	<u>1,475</u>	<u>255</u>	<u>-</u>	<u>189,180</u>
Carrying amount					
31 March 2022	<u>639,861</u>	<u>3,010</u>	<u>17</u>	<u>899</u>	<u>643,787</u>
31 December 2021	<u>645,021</u>	<u>3,071</u>	<u>22</u>	<u>488</u>	<u>648,602</u>

The term loan facilities are secured by comprehensive legal and commercial mortgages on all the assets of the Company (note 14).

The Company's plant is constructed on land leased from the Ministry of Housing (note 7).

AL SUWADI POWER COMPANY SAOG**Notes to the unaudited condensed interim financial statements****7. Right-of-use assets**

	Connection Equipment RO'000s	Site Rent RO'000s	Total RO'000s
Cost			
1 January 2022	1,100	274	1,374
Addition during the period	-	-	-
31 March 2022	1,100	274	1,374
Depreciation			
1 January 2022	412	24	436
Charge during the period	34	2	36
31 March 2022	446	26	472
Carrying amount			
31 March 2022	654	248	902
31 December 2021	688	250	938
	Connection Equipment USD'000s	Site Rent USD'000s	Total USD'000s
Cost			
1 January 2022	2,861	713	3,574
Addition during the period	-	-	-
31 March 2022	2,861	713	3,574
Depreciation			
1 January 2022	1,075	63	1,138
Charge during the period	89	5	94
31 March 2022	1,164	68	1,232
Carrying amount			
31 March 2022	1,697	645	2,342
31 December 2021	1,786	650	2,436

The Company has elected not to recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognizes the lease payment associated with these leases as an expense on a straight-line basis over the lease term.

AL SUWADI POWER COMPANY SAOG**Notes to the unaudited condensed interim financial statements**

	31 March 2022 RO'000s	31 March 2022 USD'000s	Audited 31 December 2021 RO'000s	Audited 31 December 2021 USD'000s
8. Trade and other receivables				
Trade receivables	4,017	10,446	33,419	86,917
Other receivables	183	477	54	141
Prepayments	154	400	313	814
Accrued income	-	-	17	45
	4,354	11,323	33,803	87,917

9. Short term deposit

As per the Common Terms Agreement ("CTA"), the Company is required to maintain a Debt Service Provisioning Account ("DSPA") to ensure funds are available to service the loan instalments and interest on due date. At each repayment date at the end of October, the Company is required to put the scheduled amount towards the next six monthly payments. The amount in the DSPA cannot be utilized for any purpose other than servicing the loan instalments and interest and is as such restricted cash. The amount lying in the DSPA account as at 31 December 2021 has been placed into a short term deposit maturing on 26 April 2022.

	31 March 2022 RO'000s	31 March 2022 USD'000s	Audited 31 December 2021 RO'000s	Audited 31 December 2021 USD'000s
10. Cash and cash equivalents				
Cash in hand	1	3	1	4
Cash at bank	2,047	5,325	444	1,154
	2,048	5,328	445	1,158

11. Lease liabilities

Lease liabilities included in the statement of financial position as:

Current lease liabilities	137	356	135	351
Non-current lease liabilities	884	2,299	960	2,497
	1,021	2,655	1,095	2,848

	Contractual Undiscounted Cash flows RO'000s	Present value of lease payments RO'000s	Contractual Undiscounted Cash flows USD'000s	Present value of lease payments USD'000s
31 March 2022				
Within one year	196	137	511	356
In 2 to 5 years	786	645	2,045	1,678
More than 5 years	452	239	1,176	621
Lease liabilities	1,434	1,021	3,732	2,655

AL SUWADI POWER COMPANY SAOG**Notes to the unaudited condensed interim financial statements****12. Equity****(a) Share capital**

The details of the shareholders are as follows:

	Nationality	No. of shares held of nominal value 100 Bzs. each	% of total	Aggregate nominal value of shares held RO '000
31 March 2022				
Kahrabel FZE	UAE	213,607,492	29.90%	21,361
Middle East Investment LLC	Omani	102,160,110	14.30%	10,216
Civil Service Employees Pension Fund	Omani	76,750,331	10.74%	7,675
Sojitz Global Investment B.V.	Netherlands	51,080,055	7.15%	5,108
SEP International Netherlands B.V.	Netherlands	51,080,055	7.15%	5,108
Public Authority for Social Insurance	Omani	46,558,814	6.52%	4,656
Ministry of Defence Pension Fund	Omani	43,618,671	6.11%	4,362
Shareholders with less than 5% shareholding		129,550,812	18.13%	12,955
		714,406,340	100.00%	71,441
Nominal value in USD '000				185,801
31 December 2021				
Kahrabel FZE		213,607,492	29.90%	21,361
Middle East Investment LLC		102,160,110	14.30%	10,216
Civil Service Employees Pension Fund		76,750,331	10.74%	7,675
Sojitz Global Investment B.V.		51,080,055	7.15%	5,108
SEP International Netherlands B.V.		51,080,055	7.15%	5,108
Public Authority for Social Insurance		46,558,814	6.52%	4,656
Ministry of Defence Pension Fund		43,618,671	6.11%	4,362
Shareholders with less than 5% shareholding		129,550,812	18.13%	12,955
		714,406,340	100.00%	71,441
Nominal value in USD '000				185,801

The Company has authorized, issued and paid-up share capital of RO 71,440,634 consisting of 714,406,340 shares of RO 0.1 each (31 December 2021: RO 71,440,634 consisting of 714,406,340 shares of RO 0.1 each).

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at general meetings of the Company. All shares rank equally with regard to the Company's residual assets.

(b) Legal reserve

Article 132 of the Commercial Companies Law requires that 10% of Company's net profit, after deduction of taxes for establishing a legal reserve until such legal reserve amounts to at least one-third of the Company's share capital.

(c) Hedging reserve

Hedging reserve comprises the effective portion of the cumulative net change in the fair value of cash flow hedging instruments related to hedged transactions that have not yet occurred.

AL SUWADI POWER COMPANY SAOG**Notes to the unaudited condensed interim financial statements**

	31 March 2022 RO'000s	31 March 2022 USD'000s	Audited 31 December 2021 RO'000s	Audited 31 December 2021 USD'000s
13. Term loans				
Term loans	118,555	308,337	118,555	308,337
Less: current portion	(18,782)	(48,849)	(18,782)	(48,849)
Non-current portion	99,773	259,488	99,773	259,488
Less: unamortised transaction cost	(2,037)	(5,298)	(2,231)	(5,803)
	97,736	254,190	97,542	253,685

On 16 September 2010, the Company entered into a CTA, for credit facilities with a consortium of international banks, export credit agencies and a local bank, with Credit Agricole Corporate & Investment Bank as the Global Facility Agent, Offshore Security Trustee, Offshore Account Bank, KEXIM Facility Agent and Commercial Facility Agent; with Bank Muscat SAOG as Onshore Security Agent and Onshore Account Bank; and with KfW IPEX Bank GmbH as the Hermes Facility Agent.

At 31 March 2022 and 31 December 2021, the outstanding amounts were as follows:

Hermes Covered Variable Facility	28,664	74,549	28,664	74,549
Commercial Facility	41,122	106,949	41,122	106,949
KEXIM Direct Facility	20,428	53,129	20,428	53,129
Hermes Covered Fixed Facility	17,639	45,876	17,639	45,876
KEXIM Covered Facility	10,702	27,834	10,702	27,834
	118,555	308,337	118,555	308,337

14. Trade and other payables

Fuel gas payable and accrual	5,314	13,821	32,419	84,311
Accrued finance cost	1,233	3,205	1,096	2,847
Due to related parties (note 15)	1,162	3,022	941	2,448
Other payables and accruals	938	2,435	1,028	2,669
	8,647	22,483	35,484	92,275

15. Related party transactions

Related parties comprise the shareholders, directors, key management personnel, business entities that have the ability to control or exercise significant influence over financial and operating decisions of the Company and entities over which certain shareholders are able to exercise significant influence. Prices and terms of these transactions, which are entered into in the normal course of business, are on mutually agreed terms and conditions.

Key management benefits

Key management personnel are those having authority for planning, directing and controlling the activities of the Company, directly or indirectly, including any director (whether executive or otherwise). Total compensation paid to the top five employees, including key management personnel for the three month period ended are as follows:

	31 March 2022 RO'000s	31 March 2022 USD'000s	31 March 2021 RO'000s	31 March 2021 USD'000s
Key management benefits	86	222	82	215

AL SUWADI POWER COMPANY SAOG**Notes to the unaudited condensed interim financial statements****15. Related party transactions (continued)**

The Company had the following transactions with related parties during the three month period ended:

	31 March 2022 RO'000s	31 March 2022 USD'000s	31 March 2021 RO'000s	31 March 2021 USD'000s
Shareholders:				
Middle East Investment LLC	33	86	32	83
Public Authority for Social Insurance	3	7	2	5
Group companies and other related parties:				
Suez-Tractebel Operation & Maintenance Oman LLC	2,104	5,475	2,308	6,004
Al Batinah Power Company SAOG	91	238	143	372
Kahrabel Operations & Maintenance (Oman) LLC	36	93	34	89
International Power SA Dubai Branch	34	88	10	25
ENGIE SA	9	23	8	22
Directors'	6	15	6	15
Sojitz Corporation	2	5	2	5
Shikoku Electric Power Co., Inc.	2	5	2	5
	2,320	6,035	2,547	6,625

The nature of the above transactions is as follows:

Operation and maintenance ("O&M") fees (note 3)	1,653	4,300	1,711	4,450
Plant, capital spares and technical spares	158	411	196	510
Other O&M expenses	122	317	370	963
Sharing of costs	91	238	143	372
Backcharge and other expenses	91	237	2	4
Value added tax (VAT)	83	216	-	-
Secondment fees (note 4)	63	164	61	160
Professional fees	34	88	10	25
DSRA LC cost (note 5)	19	49	18	47
Directors' sitting fees (note 4)	6	15	6	15
Custom duties (note 3)	-	-	30	79
	2,320	6,035	2,547	6,625

AL SUWADI POWER COMPANY SAOG**Notes to the unaudited condensed interim financial statements****15. Related party transactions (continued)**

	31 March 2022 RO'000s	31 March 2022 USD'000s	Audited 31 December 2021 RO'000s	Audited 31 December 2021 USD'000s
Balances due to related parties comprised:				
Shareholders:				
Middle East Investment LLC	36	93	15	40
Public Authority for Social Insurance	3	8	16	42
Group companies and other related parties:				
Suez-Tractebel Operation & Maintenance Oman LLC	988	2,570	853	2,218
Al Batinah Power Company SAOG	53	137	13	32
Kahrabel Operations & Maintenance (Oman) LLC	31	81	9	23
Directors' ENGIE SA	28	72	22	58
Shikoku Electric Power Co., Inc.	15	38	6	15
Sojitz Corporation	3	9	1	4
International Power SA Dubai Branch	3	9	1	4
Tractebel Engineering S.A.	2	5	2	5
	-	-	3	7
	1,162	3,022	941	2,448

16. Financial risk management

The Company's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended 31 December 2021.

17. Commitments

- a) Operation and maintenance commitments and land lease commitments are consistent with those disclosed in the financial statements as at and for the year ended 31 December 2021 as reduced by amounts accounted for during the three month period ended 31 March 2022.
- b) The Company has placed purchase orders for RO 402,091 (USD 1,045,750) which are outstanding as at 31 March 2022 [RO 523,167 (USD 1,360,642) as at 31 December 2021].

AL SUWADI POWER COMPANY SAOG**Notes to the unaudited condensed interim financial statements****18. Net assets per share - adjusted**

Net assets per share is calculated by dividing the net assets attributable to the ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period/year.

	31 March	31 March	Audited	Audited
	2022	2022	31 December	31 December
	RO'000s	USD'000s	2021	2021
			RO'000s	USD'000s
Net assets - shareholder funds	106,206	276,221	108,170	281,330
Weighted average number of shares outstanding during the period/year ('000s)	714,406	714,406	714,406	714,406
Net asset per share (Baizas / cents) - adjusted	148.66	386.64	151.41	393.80

The management believes that the hedging deficit of RO 2.88 million (USD 7.48 million) as at 31 March 2022 [RO 6.09 million (USD 15.84 million) as at 31 December 2021] represents the loss which the Company would incur, if it opts to terminate its swap agreements on this date. However, under the terms of its financing agreements, the Company is not permitted to terminate the swap agreements. Accordingly the hedging deficit has been excluded from the Net assets - shareholder funds.

19. Basic earnings per share

Basic earnings per share is calculated by dividing the net profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period.

	31 March	31 March	31 March	31 March
	2022	2022	2021	2021
	RO'000s	USD'000s	RO'000s	USD'000s
Net profit/(loss) for the period	(1,964)	(5,109)	(2,444)	(6,355)
Weighted average number of shares outstanding during the period ('000s)	714,406	714,406	714,406	714,406
Basic earnings per share (Baizas / cents)	(2.75)	(7.15)	(3.42)	(8.90)

Filing Information	01/01/2022-31/03/2022
GENERAL INFORMATION ABOUT FINANCIAL STATEMENTS	
Type of company	SAOG
Commercial Registration (CR) number	1092781
Name of reporting entity	Al Suwadi Power Company SAOG
Listing status	Listed
Ticker code (Symbol)	SUWP
Licensing Status	Not Licensed with CMA
Licensed for	Not Applicable
Type of Fund	Not Applicable
Sector	Services Sector
Sub-sector	Energy
Category of filer	Services Companies
Reporting period frequency	Quarter 1
Whether reporting entity is preparing financial statements for the first financial period since its establishment	No
Reporting period start date	01/01/2022
Reporting period end date	31/03/2022
Description of reporting currency	Omani Rial
Level of rounding off for monetary values	Thousands
Description of nature of financial statements	Unaudited
Preparation format	Standalone