

**AL BATINAH POWER COMPANY SAOG**

**Unaudited condensed interim financial statements**

**30 September 2021**

**Registered address:**

P.O. Box 39  
Postal Code 103  
Bareeq Al Shatti  
Sultanate of Oman

**Principal place of business:**

Sohar Industrial Port  
Sohar  
Sultanate of Oman

# **AL BATINAH POWER COMPANY SAOG**

## **Unaudited condensed interim financial statements**

*30 September 2021*

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## AL BATINAH POWER COMPANY SAOG

### Unaudited condensed income statement

for the nine month period ended 30 September

	Notes	2021 RO'000s	2021 USD'000s	2020 RO'000s	2020 USD'000s
Revenues		47,050	122,367	45,534	118,424
Direct costs	3	(26,043)	(67,733)	(24,387)	(63,426)
<b>Gross profit</b>		<b>21,007</b>	<b>54,634</b>	21,147	54,998
General and administrative expenses	4	(568)	(1,476)	(571)	(1,484)
<b>Profit before interest and tax</b>		<b>20,439</b>	<b>53,158</b>	20,576	53,514
Finance costs (net)	5	(5,799)	(15,082)	(6,438)	(16,744)
<b>Profit before tax</b>		<b>14,640</b>	<b>38,076</b>	14,138	36,770
Tax expense	6	(1,411)	(3,669)	(1,336)	(3,474)
<b>Net profit for the period</b>		<b>13,229</b>	<b>34,407</b>	12,802	33,296
<b>Earnings per share</b>					
Basic earnings per share (Baizas / cents)	20	19.60	50.98	18.97	49.34

The attached notes 1 to 20 form part of these condensed interim financial statements.

**AL BATINAH POWER COMPANY SAOG****Unaudited condensed statement of profit or loss and other comprehensive income***for the nine month period ended 30 September*

	2021 RO'000s	2021 USD'000s	2020 RO'000s	2020 USD'000s
<b>Net profit for the period</b>	<b>13,229</b>	<b>34,407</b>	12,802	33,296
<b>Other comprehensive income / (loss) that may be reclassified to profit or loss in subsequent periods (net of tax):</b>				
<i>Item that will be reclassified to profit or loss</i>				
Cash flow hedges - effective portion of changes in fair value	<u>2,300</u>	<u>5,982</u>	(3,584)	(9,321)
<b>Total comprehensive income for the period</b>	<b><u>15,529</u></b>	<b><u>40,389</u></b>	9,218	23,975

The attached notes 1 to 20 form part of these condensed interim financial statements.

## AL BATINAH POWER COMPANY SAOG

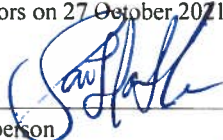
### Unaudited condensed statement of financial position

as at

	Notes	30 September 2021 RO'000s	30 September 2021 USD'000s	Audited 31 December 2020 RO'000s	Audited 31 December 2020 USD'000s
<b>Assets</b>					
<b>Non-current assets</b>					
Property, plant and equipment	7	233,356	606,909	238,924	621,392
Right-of-use assets	8	3,067	7,976	3,246	8,441
Capital spares		541	1,407	566	1,472
<b>Total non-current assets</b>		<b>236,964</b>	<b>616,292</b>	<b>242,736</b>	<b>631,305</b>
<b>Current assets</b>					
Inventory		1,923	5,001	1,913	4,974
Trade and other receivables	9	18,642	48,483	15,249	39,660
Short term deposit	10	-	-	1,154	3,000
Cash and cash equivalents	11	16,365	42,561	1,543	4,014
<b>Total current assets</b>		<b>36,930</b>	<b>96,045</b>	<b>19,859</b>	<b>51,648</b>
<b>Total assets</b>		<b>273,894</b>	<b>712,337</b>	<b>262,595</b>	<b>682,953</b>
<b>Equity and liabilities</b>					
<b>Equity</b>					
Share capital	13(a)	67,489	175,523	67,489	175,523
Legal reserve	13(b)	6,530	16,983	6,530	16,983
Retained earnings		33,432	86,952	21,553	56,056
<b>Equity before hedging reserve</b>		<b>107,451</b>	<b>279,458</b>	<b>95,572</b>	<b>248,562</b>
Hedging reserve	13(c)	(6,781)	(17,634)	(9,081)	(23,616)
<b>Equity</b>		<b>100,670</b>	<b>261,824</b>	<b>86,491</b>	<b>224,946</b>
<b>Liabilities</b>					
<b>Non-current liabilities</b>					
Term loans	14	106,584	277,199	107,575	279,777
Lease liabilities	12	3,260	8,480	3,416	8,883
Derivative instruments		7,977	20,745	10,683	27,784
Deferred tax liability		21,034	54,706	19,218	49,981
Asset retirement obligation		313	815	297	771
End of service benefits		31	81	27	70
<b>Total non-current liabilities</b>		<b>139,199</b>	<b>362,026</b>	<b>141,216</b>	<b>367,266</b>
<b>Current liabilities</b>					
Term loans	14	16,297	42,385	16,002	41,618
Lease liabilities	12	105	272	140	364
Trade and other payables	15	17,623	45,830	15,336	39,890
Short term borrowing		-	-	3,410	8,869
<b>Total current liabilities</b>		<b>34,025</b>	<b>88,487</b>	<b>34,888</b>	<b>90,741</b>
<b>Total liabilities</b>		<b>173,224</b>	<b>450,513</b>	<b>176,104</b>	<b>458,007</b>
<b>Total equity and liabilities</b>		<b>273,894</b>	<b>712,337</b>	<b>262,595</b>	<b>682,953</b>
<b>Net assets per share (Baizas / cents) - adjusted</b>	19	<b>159.21</b>	<b>414.08</b>	<b>141.61</b>	<b>368.30</b>

The financial statements were approved and authorised for issue in accordance with a resolution of the Board of Directors on 27 October 2021.

Chairperson



Director



The attached notes 1 to 20 form part of these condensed interim financial statements.



## AL BATINAH POWER COMPANY SAOG

### Unaudited condensed statement of cash flows

for the nine month period ended 30 September

	<i>Notes</i>	<b>2021</b>	<b>2021</b>	2020	2020
		<b>RO'000s</b>	<b>USD'000s</b>	RO'000s	USD'000s
<b>Cash flows from operating activities:</b>					
Profit before tax		14,640	38,076	14,138	36,770
<i>Adjustments for:</i>					
Depreciation		5,770	15,005	5,766	14,996
Finance costs (net)		5,799	15,082	6,438	16,744
Gain on disposals		(7)	(18)	-	-
End of service benefits		4	10	4	10
<b>Cash from operations before working capital changes</b>		<b>26,206</b>	<b>68,155</b>	26,346	68,520
<b>Changes in :</b>					
Trade and other receivables		(3,392)	(8,820)	(15,205)	(39,546)
Inventory		(10)	(27)	12	31
Trade and other payables		2,139	5,561	12,609	32,793
<b>Net cash flows generated from operating activities</b>		<b>24,943</b>	<b>64,869</b>	23,762	61,798
<b>Cash flows from investing activities:</b>					
Acquisition of property, plant and equipment		(41)	(105)	(48)	(125)
Sale proceeds from property, plant and equipment		25	66	-	-
<b>Net cash flows (used in) investing activities</b>		<b>(16)</b>	<b>(39)</b>	(48)	(125)
<b>Cash flows from financing activities:</b>					
Repayment of term loans		(1,307)	(3,398)	(1,420)	(3,693)
Finance costs paid		(4,852)	(12,620)	(5,407)	(14,062)
Proceeds from short term borrowing - net		(3,410)	(8,869)	(5,238)	(13,623)
Maturity of short term deposit		1,154	3,000	1,578	4,104
Dividend paid		(1,350)	(3,511)	(1,890)	(4,915)
Lease payments		(341)	(887)	(337)	(876)
Interest received		1	2	40	104
<b>Net cash flows (used in) financing activities</b>		<b>(10,105)</b>	<b>(26,283)</b>	(12,674)	(32,961)
<b>Net change in cash and cash equivalents</b>		<b>14,822</b>	<b>38,547</b>	11,040	28,712
<b>Cash and cash equivalents at beginning of the period</b>	<i>11</i>	<b>1,543</b>	<b>4,014</b>	1,883	4,897
<b>Cash and cash equivalents at end of the period</b>	<i>11</i>	<b>16,365</b>	<b>42,561</b>	12,923	33,609

The attached notes 1 to 20 form part of these condensed interim financial statements.

## AL BATINAH POWER COMPANY SAOG

### Unaudited condensed statement of changes in equity

for the nine month period ended 30 September

	Share capital RO'000s	Legal reserve RO'000s	Retained earnings RO'000s	Hedging reserve RO'000s	Total RO'000s
<b>Balance at 1 January 2021</b>	<b>67,489</b>	<b>6,530</b>	<b>21,553</b>	<b>(9,081)</b>	<b>86,491</b>
<i>Total comprehensive income for the period</i>					
Net profit for the period	-	-	13,229	-	13,229
<i>Other comprehensive income for the period net of income tax</i>					
Cash flow hedges - effective portion of changes in fair value	-	-	-	2,300	2,300
<i>Total comprehensive income for the period</i>	<i>-</i>	<i>-</i>	<i>13,229</i>	<i>2,300</i>	<i>15,529</i>
<i>Transactions with owners of the Company</i>					
<i>Contribution and distribution</i>					
Dividend			(1,350)		(1,350)
<i>Total transaction with owners of the Company</i>	<i>-</i>	<i>-</i>	<i>(1,350)</i>	<i>-</i>	<i>(1,350)</i>
<b>Balance at 30 September 2021</b>	<b>67,489</b>	<b>6,530</b>	<b>33,432</b>	<b>(6,781)</b>	<b>100,670</b>
Balance at 1 January 2020	67,489	5,468	15,981	(6,816)	82,122
<i>Total comprehensive income for the period</i>					
Net profit for the period	-	-	12,802	-	12,802
<i>Other comprehensive (loss) for the period net of income tax</i>					
Cash flow hedges - effective portion of changes in fair value	-	-	-	(3,584)	(3,584)
<i>Total comprehensive income for the period</i>	<i>-</i>	<i>-</i>	<i>12,802</i>	<i>(3,584)</i>	<i>9,218</i>
<i>Transactions with owners of the Company</i>					
<i>Contribution and distribution</i>					
Dividend			(1,890)		(1,890)
<i>Total transaction with owners of the Company</i>	<i>-</i>	<i>-</i>	<i>(1,890)</i>	<i>-</i>	<i>(1,890)</i>
Balance at 30 September 2020	67,489	5,468	26,893	(10,400)	89,450

The attached notes 1 to 20 form part of these condensed interim financial statements.

## AL BATINAH POWER COMPANY SAOG

### Unaudited condensed statement of changes in equity

for the nine month period ended 30 September

	Share capital USD'000s	Legal reserve USD'000s	Retained earnings USD'000s	Hedging reserve USD'000s	Total USD'000s
<b>Balance at 1 January 2021</b>	<b>175,523</b>	<b>16,983</b>	<b>56,056</b>	<b>(23,616)</b>	<b>224,946</b>
<i>Total comprehensive income for the period</i>					
Net profit for the period	-	-	34,407	-	34,407
<i>Other comprehensive income for the period net of income tax</i>					
Cash flow hedges - effective portion of changes in fair value	-	-	-	5,982	5,982
<i>Total comprehensive income for the period</i>	-	-	34,407	5,982	40,389
<i>Transactions with owners of the Company</i>					
<i>Contribution and distribution</i>					
Dividend			(3,511)		(3,511)
<i>Total transaction with owners of the Company</i>	-	-	(3,511)	-	(3,511)
<b>Balance at 30 September 2021</b>	<b>175,523</b>	<b>16,983</b>	<b>86,952</b>	<b>(17,634)</b>	<b>261,824</b>
Balance at 1 January 2020	175,523	14,222	41,563	(17,727)	213,581
<i>Total comprehensive income for the period</i>					
Net profit for the period	-	-	33,296	-	33,296
<i>Other comprehensive (loss) for the period net of income tax</i>					
Cash flow hedges - effective portion of changes in fair value	-	-	-	(9,321)	(9,321)
<i>Total comprehensive income for the period</i>	-	-	33,296	(9,321)	23,975
<i>Transactions with owners of the Company</i>					
<i>Contribution and distribution</i>					
Dividend			(4,915)		(4,915)
<i>Total transaction with owners of the Company</i>	-	-	(4,915)	-	(4,915)
Balance at 30 September 2020	175,523	14,222	69,944	(27,048)	232,641

The attached notes 1 to 20 form part of these condensed interim financial statements.



# AL BATINAH POWER COMPANY SAOG

## Notes to the unaudited condensed interim financial statements

### 1 Legal status and principal activities

Al Batinah 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 Securities Market on 23 June 2014.

The Company’s objectives are to develop, finance, design, construct, operate, maintain, insure and own a power generating facility (the Sohar 2 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 (“OPWP”). Accordingly, the Plant is considered and managed as one reportable segment. Commercial Operation of the Plant was achieved by the Company on 3 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 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 2020. 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 2020.

#### (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 2020.

# AL BATINAH POWER COMPANY SAOG

## Notes to the unaudited condensed interim financial statements

	30 September 2021 RO'000s	30 September 2021 USD'000s	30 September 2020 RO'000s	30 September 2020 USD'000s
<b>3. Direct costs</b>				
Fuel gas	13,958	36,301	12,547	32,632
Depreciation (note 7 & 8)	5,757	14,972	5,755	14,967
Operation and maintenance ("O&M") fees (note 16)	4,733	12,310	4,688	12,192
Seawater extraction	797	2,073	780	2,030
Insurance	468	1,216	400	1,042
Fuel oil	68	178	13	33
Grid connection fee	12	31	12	30
Custom duty (note 16)	3	9	10	27
Other direct costs	247	643	182	473
	<b>26,043</b>	<b>67,733</b>	<b>24,387</b>	<b>63,426</b>
<b>4. General and administrative expenses</b>				
Secondment fees (note 16)	190	495	185	482
Employment costs	135	351	127	329
Public company related costs	69	178	65	170
Agency fees	40	104	42	109
Corporate social responsibility	23	60	20	52
Directors' sitting fees (note 16)	16	41	19	49
Office rent	13	34	15	38
Depreciation (note 7)	13	33	11	29
Other general and administrative expenses	69	180	87	226
	<b>568</b>	<b>1,476</b>	<b>571</b>	<b>1,484</b>
<b>5. Finance costs (net)</b>				
Interest on term loans	2,719	7,072	3,805	9,896
Swap interest	2,096	5,451	1,552	4,036
Amortisation of deferred finance costs	611	1,587	686	1,785
Interest on lease liabilities	151	392	157	408
Debt Service Reserve Account ("DSRA") LC cost (note 16)	137	357	140	365
Interest on short term borrowing	44	115	77	199
Exchange loss	26	69	42	110
Asset retirement obligation - unwinding of discount	17	44	16	40
Interest income	(2)	(5)	(37)	(95)
	<b>5,799</b>	<b>15,082</b>	<b>6,438</b>	<b>16,744</b>
<b>6. Tax expense</b>				

Tax assessments including and up to the tax year 2016 have been completed by the Tax Authority. Tax assessment for the tax year 2017 and 2018 is under review. The management is of the opinion that the final tax liability for the open tax years from 2017 to 2020 would not be material to the Company's financial position as at 30 September 2021.

## AL BATINAH POWER COMPANY SAOG

## Notes to the unaudited condensed interim financial statements

## 7. 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
<b>Cost</b>					
1 January 2021	296,408	1,724	156	104	298,392
Addition during the period	40	0	1	(0)	41
Disposal during the period	-	(25)	(17)	-	(42)
Transfer during the period	104	-	-	(104)	-
30 September 2021	<u>296,552</u>	<u>1,699</u>	<u>140</u>	<u>(0)</u>	<u>298,391</u>
<b>Depreciation</b>					
1 January 2021	58,854	483	131	-	59,468
Charge during the period	5,527	51	13	-	5,591
Disposal during the period	-	(7)	(17)	-	(24)
30 September 2021	<u>64,381</u>	<u>527</u>	<u>127</u>	<u>-</u>	<u>65,035</u>
<b>Carrying amount</b>					
30 September 2021	<u>232,171</u>	<u>1,172</u>	<u>13</u>	<u>(0)</u>	<u>233,356</u>
31 December 2020	<u>237,554</u>	<u>1,241</u>	<u>25</u>	<u>104</u>	<u>238,924</u>
<b>Property, plant and equipment</b>					
	Property, plant and equipment USD'000s	Technical Spares USD'000s	Other assets USD'000s	Capital Work-in- progress USD'000s	Total USD'000s
<b>Cost</b>					
1 January 2021	770,893	4,484	406	272	776,055
Addition during the period	103	0	2	(0)	105
Disposal during the period	-	(66)	(45)	-	(111)
Transfer during the period	272	-	-	(272)	-
30 September 2021	<u>771,268</u>	<u>4,418</u>	<u>363</u>	<u>(0)</u>	<u>776,049</u>
<b>Depreciation</b>					
1 January 2021	153,066	1,255	342	-	154,663
Charge during the period	14,375	132	33	-	14,540
Disposal during the period	-	(18)	(45)	-	(63)
30 September 2021	<u>167,441</u>	<u>1,369</u>	<u>330</u>	<u>-</u>	<u>169,140</u>
<b>Carrying amount</b>					
30 September 2021	<u>603,827</u>	<u>3,049</u>	<u>33</u>	<u>(0)</u>	<u>606,909</u>
31 December 2020	<u>617,827</u>	<u>3,229</u>	<u>64</u>	<u>272</u>	<u>621,392</u>

## AL BATINAH POWER COMPANY SAOG

### Notes to the unaudited condensed interim financial statements

#### 8. Right-of-use assets

	Connection Equipment	Site Rent	Total
	RO'000s	RO'000s	RO'000s
<b>Cost</b>			
1 January 2021	999	2,720	3,719
Addition during the period	-	-	-
30 September 2021	999	2,720	3,719
<b>Depreciation</b>			
1 January 2021	250	223	473
Charge during the period	94	85	179
30 September 2021	344	308	652
<b>Carrying amount</b>			
30 September 2021	655	2,412	3,067
31 December 2020	749	2,497	3,246
	Connection Equipment	Site Rent	Total
	USD'000s	USD'000s	RO'000s
<b>Cost</b>			
1 January 2021	2,599	7,073	9,672
Addition during the period	-	-	-
30 September 2021	2,599	7,073	9,672
<b>Depreciation</b>			
1 January 2021	650	581	1,231
Charge during the period	244	221	465
30 September 2021	894	802	1,696
<b>Carrying amount</b>			
30 September 2021	1,705	6,271	7,976
31 December 2020	1,949	6,492	8,441

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 BATINAH POWER COMPANY SAOG

## Notes to the unaudited condensed interim financial statements

	30 September 2021 RO'000s	30 September 2021 USD'000s	Audited 31 December 2020 RO'000s	Audited 31 December 2020 USD'000s
<b>9. Trade and other receivables</b>				
Trade receivables	17,927	46,624	14,823	38,551
Prepayments	455	1,183	290	754
Due from a related party (note 16)	42	108	39	101
Accrued income	-	-	8	22
Other receivables	218	568	89	232
	<b>18,642</b>	<b>48,483</b>	<b>15,249</b>	<b>39,660</b>

### 10. 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 in the DSPA account was put into a short term deposit which matured on 27 April 2021.

	30 September 2021 RO'000s	30 September 2021 USD'000s	Audited 31 December 2020 RO'000s	Audited 31 December 2020 USD'000s
<b>11. Cash and cash equivalents</b>				
Short term deposits (less than 3 months)	11,324	29,450	-	-
Cash in hand and at bank	5,041	13,111	1,543	4,014
	<b>16,365</b>	<b>42,561</b>	<b>1,543</b>	<b>4,014</b>

### 12. Lease liabilities

	30 September 2021 RO'000s	30 September 2021 USD'000s	Audited 31 December 2020 RO'000s	Audited 31 December 2020 USD'000s
Lease liabilities included in the statement of financial position as:				

Current lease liabilities	105	272	140	364
Non-current lease liabilities	3,260	8,480	3,416	8,883
	<b>3,365</b>	<b>8,752</b>	<b>3,556</b>	<b>9,247</b>

	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
<b>30 September 2021</b>				
<b>Amount payable under operating leases</b>				
Within one year	299	105	778	272
In 2 to 5 years	1,411	742	3,670	1,930
More than 5 years	3,938	2,518	10,242	2,550
	<b>5,648</b>	<b>3,365</b>	<b>14,690</b>	<b>4,752</b>
Less: unpaid finance cost	(2,283)	-	(5,938)	-
<b>Lease liabilities</b>	<b>3,365</b>	<b>3,365</b>	<b>8,752</b>	<b>4,752</b>

# AL BATINAH POWER COMPANY SAOG

## Notes to the unaudited condensed interim financial statements

### 13. 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
<b>30 September 2021</b>				
Kahrabel FZE	UAE	201,791,343	29.90%	20,179
Middle East Investment LLC	Omani	96,508,899	14.30%	9,651
Civil Service Employees Pension Fund	Omani	88,043,257	13.05%	8,804
SEP International Netherlands B.V.	Netherlands	48,254,453	7.15%	4,825
Sojitz Global Investment B.V.	Netherlands	48,254,453	7.15%	4,825
Public Authority for Social Insurance	Omani	44,291,913	6.56%	4,429
Ministry of Defence Pension Fund	Omani	34,900,737	5.17%	3,490
Shareholders with less than 5% shareholding		112,842,375	16.72%	11,286
		<b>674,887,430</b>	<b>100.00%</b>	<b>67,489</b>
<b>Nominal value in USD</b>				<b>175,523</b>

#### 31 December 2020

Kahrabel FZE	UAE	201,791,343	29.90%	20,179
Middle East Investment LLC	Omani	96,508,899	14.30%	9,651
Civil Service Employees Pension Fund	Omani	88,043,257	13.05%	8,804
SEP International Netherlands B.V.	Netherlands	48,254,453	7.15%	4,825
Sojitz Global Investment B.V.	Netherlands	48,254,453	7.15%	4,825
Public Authority for Social Insurance	Omani	44,380,613	6.58%	4,438
Ministry of Defence Pension Fund	Omani	40,200,737	5.96%	4,020
Shareholders with less than 5% shareholding		107,453,675	15.92%	10,747
		<b>674,887,430</b>	<b>100.00%</b>	<b>67,489</b>
<b>Nominal value in USD</b>				<b>175,523</b>

The Company has authorized, issued and paid-up share capital of RO 67,488,743 consisting of 674,887,430 shares of RO 0.1 each (31 December 2020: RO 67,488,743 consisting of 674,887,430 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 profits, after deduction of taxes for establishing a legal reserve until such legal reserve amounts to at 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 BATINAH POWER COMPANY SAOG

## Notes to the unaudited condensed interim financial statements

	30 September 2021 RO'000s	30 September 2021 USD'000s	Audited 31 December 2020 RO'000s	Audited 31 December 2020 USD'000s
<b>14. Term loans</b>				
Term loans	125,420	326,188	126,727	329,586
Less: current portion	(16,297)	(42,385)	(16,002)	(41,618)
Non-current portion	109,123	283,803	110,725	287,968
Less: unamortised transaction cost	(2,539)	(6,604)	(3,150)	(8,191)
	<b>106,584</b>	<b>277,199</b>	<b>107,575</b>	<b>279,777</b>

On 16 September 2010, the Company entered into a Common Terms Agreement (“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 30 September 2021 and 31 December 2020, the outstanding amounts were as follows:

	30 September 2021 RO'000s	30 September 2021 USD'000s	Audited 31 December 2020 RO'000s	Audited 31 December 2020 USD'000s
Commercial Facility	43,408	112,895	43,977	114,374
Hermes Covered Variable Facility	32,153	83,622	32,442	84,374
Hermes Covered Fixed Facility	20,523	53,376	20,708	53,856
KEXIM Direct Facility	19,982	51,968	20,162	52,436
KEXIM Covered Facility	9,354	24,327	9,438	24,546
	<b>125,420</b>	<b>326,188</b>	<b>126,727</b>	<b>329,586</b>

### 15. Trade and other payables

Fuel gas payable and accrual	13,958	36,300	13,434	34,940
Accrued interest cost	1,321	3,435	1,150	2,991
Due to related parties (note 15)	1,103	2,869	485	1,263
Other payable and accruals	1,241	3,226	267	696
	<b>17,623</b>	<b>45,830</b>	<b>15,336</b>	<b>39,890</b>

### 16. 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.

# AL BATINAH POWER COMPANY SAOG

## Notes to the unaudited condensed interim financial statements

### 16 Related party transactions (continued)

#### 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 nine month period ended are as follows:

	30 September 2021 RO'000s	30 September 2021 USD'000s	30 September 2020 RO'000s	30 September 2020 USD'000s
Key management benefits	320	831	308	801

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

	30 September 2021 RO'000s	30 September 2021 USD'000s	30 September 2020 RO'000s	30 September 2020 USD'000s
<b>Shareholders:</b>				
Middle East Investment LLC	30	79	31	81
Public Authority for Social Insurance	14	36	14	37
<b>Group companies and other related parties:</b>				
Suez-Tractebel Operation & Maintenance Oman LLC	5,044	13,119	4,709	12,247
Al Suwadi Power Company SAOG	153	399	177	460
Kahrabel Operations & Maintenance (Oman) LLC	104	271	100	261
Sojitz Corporation	102	266	100	260
ENGIE SA	63	164	65	169
International Power SA Dubai Branch	37	97	35	91
Directors'	16	41	19	49
Shikoku Electric Power Co., Inc.	15	39	15	39
	5,578	14,511	5,265	13,694

The nature of the above transactions is as follows:

Operation and maintenance ("O&M") fees (note 3)	4,733	12,310	4,688	12,192
Secondment fees (note 4)	190	495	185	482
Sharing of costs	150	391	177	460
Value added tax (VAT)	141	367	-	-
DSRA LC cost (note 5)	137	357	140	365
Other O&M expenses	98	254	9	23
Capital & Initial spares	62	163	-	-
Professional fees	37	97	35	91
Directors' sitting fees (note 4)	16	41	19	49
Custom duty (note 3)	3	9	10	27
Others	11	27	2	5
	5,578	14,511	5,265	13,694



## AL BATINAH POWER COMPANY SAOG

### Notes to the unaudited condensed interim financial statements

#### 16 Related party transactions (continued)

	30 September 2021 RO'000s	30 September 2021 USD'000s	Audited 31 December 2020 RO'000s	Audited 31 December 2020 USD'000s
<i>Balance due from a related party:</i>				
Al Suwadi Power Company SAOG	42	108	39	101
<i>Balances due to related parties comprised:</i>				
<b>Shareholders:</b>				
Middle East Investment LLC	25	66	3	7
Public Authority for Social Insurance	12	30	1	3
<b>Group companies and other related parties:</b>				
Suez-Tractebel Operation & Maintenance Oman LLC	938	2,440	398	1,036
ENGIE SA	53	137	5	14
Kahrabel Operations & Maintenance (Oman) LLC	34	89	38	100
Sojitz Corporation	22	58	11	28
Shikoku Electric Power Co., Inc.	13	33	1	3
International Power SA Dubai Branch	6	16	7	17
Directors'	0	0	21	55
	<b>1,103</b>	<b>2,869</b>	485	1,263

#### 17. 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 2020.

#### 18. 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 2020 as reduced by amounts accounted for during the nine month period ended 30 September 2021.
- b) The Company has placed purchase orders for RO 38,112 (USD 99,122) which are outstanding as at 30 September 2021 [RO 100,363 (USD 261,022) as at 31 December 2020].

## AL BATINAH POWER COMPANY SAOG

### Notes to the unaudited condensed interim financial statements

#### 19. 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.

	<b>30 September 2021 RO'000s</b>	<b>30 September 2021 USD'000s</b>	Audited 31 December 2020 RO'000s	Audited 31 December 2020 USD'000s
Net assets - shareholder funds	<b>107,451</b>	<b>279,458</b>	95,572	248,562
Weighted average number of shares outstanding during the period/year ('000s)	<b>674,887</b>	<b>674,887</b>	674,887	674,887
Net asset per share (Baizas / cents) - adjusted	<b>159.21</b>	<b>414.08</b>	141.61	368.30

The management believes that the hedging deficit of RO 6.78 million [USD 17.63 million] as at 30 September 2021 (RO 9.08 million [USD 23.62 million] as at 31 December 2020) 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.

#### 20. 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.

	<b>30 September 2021 RO'000s</b>	<b>30 September 2021 USD'000s</b>	30 September 2020 RO'000s	30 September 2020 USD'000s
Net profit for the period	<b>13,229</b>	<b>34,407</b>	12,802	33,296
Weighted average number of shares outstanding during the period ('000s)	<b>674,887</b>	<b>674,887</b>	674,887	674,887
Basic earnings per share (Baizas / cents)	<b>19.60</b>	<b>50.98</b>	18.97	49.34