

**National Aluminium Products Company S.A.O.G.**

**CONDENSED INTERIM FINANCIAL INFORMATION**

**30 June 2022**

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## Condensed interim statement of financial position

As of 30 June 2022

	Notes	Group Unaudited period ended 30 June 2022 RO	Group Audited year ended 31 December 2021 RO	Parent Unaudited period ended 30 June 2022 RO	Parent Audited year ended 31 December 2021 RO
<b>ASSETS</b>					
<b>Non-current assets</b>					
Property, plant and equipment	5	11,272,107	11,830,992	11,267,865	11,821,066
Intangible assets	6	81,457	86,542	75,345	86,542
Right-of-use asset	7	965,707	984,404	965,707	984,404
Investment property	8	460,000	460,000	460,000	460,000
Investment in subsidiary	9	-	-	31,500	31,500
Deferred tax asset		311,182	-	311,182	-
<b>Total non-current assets</b>		<b>13,090,454</b>	<b>13,361,938</b>	<b>13,111,599</b>	<b>13,383,512</b>
<b>Current assets</b>					
Inventories	10	2,994,492	3,283,246	2,999,492	3,283,246
Trade and other receivables	11	8,695,201	12,722,867	8,415,121	12,716,924
Amounts due from related parties	12	-	-	298,690	4,477
Cash and cash equivalents	13	110,309	201,156	72,139	201,156
<b>Total current assets</b>		<b>11,800,002</b>	<b>16,207,269</b>	<b>11,780,442</b>	<b>16,205,803</b>
<b>Total assets</b>		<b>24,890,456</b>	<b>29,569,207</b>	<b>24,892,041</b>	<b>29,589,315</b>
<b>EQUITY AND LIABILITIES</b>					
Equity:					
Share capital	14	3,357,145	3,357,145	3,357,145	3,357,145
Legal reserve	15	1,119,048	1,119,048	1,119,048	1,119,048
Revaluation reserve		1,647,787	1,744,976	1,647,787	1,744,976
(Accumulated losses)/retained earnings		(2,648,374)	(954,020)	(2,603,680)	(933,912)
<b>Total equity</b>		<b>3,475,606</b>	<b>5,267,149</b>	<b>3,520,300</b>	<b>5,287,257</b>
<b>LIABILITIES</b>					
Non-current liabilities					
Lease liability	7	1,051,876	1,045,256	1,051,876	1,045,256
Employees' end of service benefits	17	308,073	292,487	308,073	292,487
<b>Total non-current liabilities</b>		<b>1,359,949</b>	<b>1,337,743</b>	<b>1,359,949</b>	<b>1,337,743</b>
Current liabilities					
Lease liability	7	65,128	65,128	65,128	65,128
Borrowings	16	16,423,128	19,444,487	16,423,128	19,444,487
Trade and other payables	18	3,566,645	3,454,700	3,523,536	3,454,700
<b>Total current liabilities</b>		<b>20,054,901</b>	<b>22,964,315</b>	<b>20,011,792</b>	<b>22,964,315</b>
<b>Total liabilities</b>		<b>21,414,850</b>	<b>24,302,058</b>	<b>21,371,741</b>	<b>24,302,058</b>
<b>Total equity and liabilities</b>		<b>24,890,456</b>	<b>29,569,207</b>	<b>24,892,041</b>	<b>29,589,315</b>
Net assets per share	26.1	0.104	0.157	0.105	0.157

These consolidated and separate financial statements on pages 1 to 13 were approved by the Board of Directors on 27 July 2022 and were signed on its behalf by:

CHAIRPERSON  
Dr. Zakia Hassan Al-Naseeb

DIRECTOR

CHIEF EXECUTIVE OFFICER  
Ihab Moullem

The accompanying notes on pages 5 to 13 form an integral part of these condensed interim financial statements.

## Condensed interim statement of profit or loss and other comprehensive income

for the period ended 30 June 2022

	Notes	Group Unaudited period ended 30 June 2022 RO	Unaudited period ended 30 June 2022 RO	Parent Company Unaudited period ended 30 June 2021 RO
Revenue		10,706,005	10,699,342	12,976,095
Scrap sales		2,167,089	2,167,089	2,104,911
Cost of sales	19	(13,200,516)	(13,193,267)	(14,433,196)
<b>Gross Profit</b>		<b>(327,422)</b>	<b>(326,836)</b>	647,810
Other income	20	85,880	85,880	307,389
<b>Expenses:</b>				
General and administrative expenses	21	(550,351)	(546,960)	(516,848)
Selling and distribution expenses	22	(383,800)	(364,577)	(515,359)
Allowance for expected credit losses		(158,729)	(158,729)	(377,713)
Net finance costs	24	(768,303)	(766,917)	(757,591)
<b>Loss before tax</b>		<b>(2,102,725)</b>	<b>(2,078,139)</b>	(1,212,312)
Income tax		311,182	311,182	174,557
<b>Loss for the period</b>		<b>(1,791,543)</b>	<b>(1,766,957)</b>	(1,037,755)
Other comprehensive income for the period				-
<b>Total Comprehensive loss for the period</b>		<b>(1,791,543)</b>	<b>(1,766,957)</b>	(1,037,755)
<b>Basic loss per share</b>	26	<b>(0.107)</b>	<b>(0.105)</b>	(0.062)

The accompanying notes on pages 5 to 13 form an integral part of these condensed interim financial statements.

## Condensed interim statement of changes in equity

for the period ended 30 June 2022

### Group

	Share capital RO	Legal reserve RO	Revaluation reserve RO	Retained earnings RO	Total RO
At 1 January 2021	3,357,145	1,119,048	1,939,354	1,756,598	8,172,145
Loss for the year	-	-	-	(2,904,996)	(2,904,996)
Revaluation of buildings	-	-	-	-	-
Incremental depreciation net of deferred tax	-	-	(194,378)	194,378	-
Other comprehensive income for the year	-	-	-	-	-
<b>Total comprehensive income for the year</b>	-	-	(194,378)	(2,710,618)	(2,904,996)
At 31 December 2021	3,357,145	1,119,048	1,744,976	(954,020)	5,267,149
<b>At 1 January 2022</b>	<b>3,357,145</b>	<b>1,119,048</b>	<b>1,744,976</b>	<b>(954,020)</b>	<b>5,267,149</b>
Loss for the period	-	-	-	(1,791,543)	(1,791,543)
Revaluation of buildings	-	-	-	-	-
Incremental depreciation net of deferred tax	-	-	(97,189)	97,189	-
Other comprehensive income for the period	-	-	-	-	-
<b>Total comprehensive loss for the period</b>	-	-	(97,189)	(1,694,354)	(1,791,543)
<b>At 30 June 2022</b>	<b>3,357,145</b>	<b>1,119,048</b>	<b>1,647,787</b>	<b>(2,648,374)</b>	<b>3,475,606</b>

### Parent Company

	Share capital RO	Legal reserve RO	Revaluation reserve RO	Retained earnings RO	Total RO
At 1 January 2021	3,357,145	1,119,048	1,939,354	1,756,598	8,172,145
Loss for the year	-	-	-	(2,884,888)	(2,884,888)
Revaluation of buildings	-	-	-	-	-
Incremental depreciation net of deferred tax	-	-	(194,378)	194,378	-
Other comprehensive income for the year	-	-	-	-	-
<b>Total comprehensive income for the year</b>	-	-	(194,378)	(2,690,510)	(2,884,888)
At 31 December 2021	3,357,145	1,119,048	1,744,976	(933,912)	5,287,257
<b>At 1 January 2022</b>	<b>3,357,145</b>	<b>1,119,048</b>	<b>1,744,975</b>	<b>(933,912)</b>	<b>5,287,257</b>
Loss for the period	-	-	-	(1,766,957)	(1,766,957)
Revaluation of buildings	-	-	-	-	-
Incremental depreciation net of deferred tax	-	-	(97,189)	97,189	-
Other comprehensive income for the period	-	-	-	-	-
<b>Total comprehensive loss for the period</b>	-	-	(97,189)	(1,669,768)	(1,766,957)
<b>At 30 June 2022</b>	<b>3,357,145</b>	<b>1,119,048</b>	<b>1,647,787</b>	<b>(2,603,680)</b>	<b>3,520,300</b>

The accompanying notes on pages 5 to 13 form an integral part of these condensed interim financial statements.

## Condensed interim statement of cash flows

for the period ended 30 June 2022

	Group Unaudited period ended 30 June 2022 RO	Parent Unaudited period ended 30 June 2022 RO	Parent Unaudited period ended 30 June 2021 RO
<b>Cash flows from operating activities:</b>			
Cash generated from operation	17,311,805	16,959,901	19,103,584
Cash paid to suppliers and employees	(13,498,866)	(13,186,322)	(16,155,224)
Staff terminal benefit paid	(11,864)	(11,864)	(91,228)
<b>Net cash (used in) / generated from operations</b>	<b>3,801,075</b>	<b>3,761,716</b>	<b>2,857,132</b>
<b>Cash flow from investing activities:</b>			
Purchase of property, plant, and equipment	(176,759)	(175,570)	(415,418)
Proceeds from sale of property, plant, and equipment	-	-	15,142
Interest received	22	22	93
<b>Net cash used in investing activities</b>	<b>(176,737)</b>	<b>(175,548)</b>	<b>(400,183)</b>
<b>Cash flow from financing activities:</b>			
Net movement in term loan	(425,777)	(425,777)	(815,917)
Net movement in short term borrowings	(2,595,582)	(2,595,582)	(1,154,049)
Finance charges	(693,826)	(693,826)	(780,455)
<b>Net cash generated / (used in) from financing activities</b>	<b>(3,715,185)</b>	<b>(3,715,185)</b>	<b>(2,750,421)</b>
<b>Net movement in cash and cash equivalents</b>	<b>(90,847)</b>	<b>(129,017)</b>	<b>(293,472)</b>
Cash and cash equivalents at the beginning of the period	201,156	201,156	447,231
<b>Cash and cash equivalents at the end of the period</b>	<b>110,309</b>	<b>72,139</b>	<b>153,759</b>

The accompanying notes on pages 5 to 13 form an integral part of these condensed interim financial statements.

# Notes

*(forming part of the condensed interim financial information)*

## 1 Nature of operations

The principal activity of National Aluminium Products Company SAOG (the “Parent Company”) is in the manufacturing and sale of aluminium products. During the year 2021, the Parent Company registered 100% owned subsidiary “Novel Aluminium Products Company LLC” in UAE. The principal activities of the Subsidiary are the selling and manufacture of aluminium products. Together, the Parent Company and the subsidiary is referred as the “Group”.

## 2 General information and statement of compliance with IFRSs

National Aluminium Products Company SAOG (“the Company”) is an Omani joint stock company registered under the Commercial Companies Law of the Sultanate of Oman and is listed on the Muscat Securities Market. The registered business address of the Company is PO Box 15, Postal code 124, Sultanate of Oman.

The condensed interim financial information has been prepared in accordance with International Accounting Standard (IAS) 34 “Interim Financial Reporting”

The condensed interim financial information does not contain all information and disclosures required for full financial statements prepared in accordance with the International Financial Reporting Standards (“IFRSs”).

## 3 Change in accounting policies

The accounting policies and the methods of computation adopted in the preparation of these condensed interim financial information are the same as those applied in the preparation of the financial statements for the year ended 31 December 2021.

### 3.1 Standards, amendments and interpretations effective in 2021 and relevant for the Company’s operations:

The Company has adopted all of the new and revised standards and interpretations issued by the International Accounting Standards Board (IASB) and the International Financial Reporting Interpretations Committee (IFRIC) of the IASB that are relevant to its operations and effective for periods beginning on 1 January 2021.

### 3.2 Standards, amendments and interpretations to existing standards that are not yet effective and have not been adopted early by the Company

At the date of authorisation of these financial statements, certain new standards, and amendments to existing standards have been published by the IASB that are not yet effective, and have not been adopted early by the Company.

## 4 Summary of accounting policies

### 4.1 Overall considerations

The same accounting policies, presentation and methods of computation are followed in this condensed interim financial information as were applied in the preparation of the Company’s financial statements for the year ended 31 December 2021, except for certain new and revised standards and interpretations that became effective in the current period.

### 4.2 Presentation of financial statements

The separate financial statements are presented in accordance with IAS 1 *Presentation of Financial Statements*.

## Notes

(forming part of the condensed interim financial information)

### 4 Summary of accounting policies (Continued)

#### 4.3 Estimates and judgements

The preparation of the condensed interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

#### Measurement of the expected credit loss allowance

The Management reviews the debtors ageing on a periodic basis. In case of difficult and unsecured debtors who's outstanding is in excess of the credit period allowed, regular follow up is made to collect the same. Where necessary, legal options are also considered. The Management estimates the allowance for credit losses based on percentages applied on the overall age analysis and including a review of case-to-case debtors.

#### 4.4 Basis of consolidation

The consolidated and separate financial statements consolidate those of the Parent Company and its subsidiary undertaking as of 30 June 2022. The subsidiary has the same reporting date as of the Parent Company.

All transactions and balances between the Group companies are eliminated on consolidation, including unrealised gains and losses on transactions between the Group companies. Where unrealised losses on intra-group asset sales are reversed on consolidation, the underlying asset is also tested for impairment from a group perspective. Amounts reported in the financial statements of subsidiary have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

### 5 Property, plant and equipment

GROUP	Buildings RO	Plant, machinery dies and die tools RO	Extrusion and anodizing plant RO	Office and other equipment RO	Furniture and fixtures RO	Motor vehicles RO	Computer equipment RO	Capital work in progress RO	Total RO
<b>Cost</b>									
At 1 January 2022	7,411,480	20,494,946	4,998,777	558,784	211,398	126,276	450,281	127,515	34,379,457
Additions	-	169,171	-	1,008	-	-	6,580	-	176,759
Transfer from CWIP	-	-	-	-	-	-	-	(6,440)	(6,440)
Disposals	-	-	-	-	-	-	-	-	-
<b>At 30 June 2022</b>	<b>7,411,480</b>	<b>20,664,117</b>	<b>4,998,777</b>	<b>559,792</b>	<b>211,398</b>	<b>126,276</b>	<b>456,861</b>	<b>121,075</b>	<b>34,549,776</b>
<b>Depreciation</b>									
At 1 January 2022	3,050,874	13,194,949	4,998,777	555,331	207,207	111,667	429,660	-	22,548,465
Charge for the year	147,782	567,914	-	1,297	682	5,386	6,143	-	729,204
Disposals and write offs	-	-	-	-	-	-	-	-	-
<b>At 30 June 2022</b>	<b>3,198,656</b>	<b>13,762,863</b>	<b>4,998,777</b>	<b>556,628</b>	<b>207,889</b>	<b>117,053</b>	<b>435,803</b>	<b>-</b>	<b>23,277,669</b>
<b>Net book value</b>									
<b>At 30 June 2022</b>	<b>4,212,824</b>	<b>6,901,253</b>	<b>-</b>	<b>3,164</b>	<b>3,510</b>	<b>9,223</b>	<b>21,058</b>	<b>121,075</b>	<b>11,272,107</b>

For the year ended 31 December 2021, the carrying amounts can be presented as follows:

	Buildings RO	Plant, machinery dies and die tools RO	Extrusion and anodizing plant RO	Office and other equipment RO	Furniture and fixtures RO	Motor vehicles RO	Computer equipment RO	Capital work in progress RO	Total RO
<b>Cost</b>									
At 1 January 2021	7,411,480	20,257,387	4,998,777	558,784	208,545	126,276	448,076	134,060	34,143,385
Additions	-	511,058	-	-	2,853	-	2,205	78,354	594,470
Transfer from CWIP	-	84,899	-	-	-	-	-	(84,899)	-
Disposals	-	(358,398)	-	-	-	-	-	-	(358,398)
<b>At 31 December 2021</b>	<b>7,411,480</b>	<b>20,494,946</b>	<b>4,998,777</b>	<b>558,784</b>	<b>211,398</b>	<b>126,276</b>	<b>450,281</b>	<b>127,515</b>	<b>34,379,457</b>
<b>Depreciation</b>									
At 1 January 2021	2,753,310	12,341,837	4,998,777	551,330	205,083	101,354	417,491	-	21,369,182
Charge for the year	297,564	1,211,510	-	4,001	2,124	10,313	12,169	-	1,537,681
Disposals and write offs	-	(358,398)	-	-	-	-	-	-	(358,398)
<b>At 31 December 2021</b>	<b>3,050,874</b>	<b>13,194,949</b>	<b>4,998,777</b>	<b>555,331</b>	<b>207,207</b>	<b>111,667</b>	<b>429,660</b>	<b>-</b>	<b>22,548,465</b>
<b>Net book value</b>									
<b>At 31 December 2021</b>	<b>4,360,606</b>	<b>7,299,997</b>	<b>-</b>	<b>3,453</b>	<b>4,191</b>	<b>14,609</b>	<b>20,621</b>	<b>127,515</b>	<b>11,830,992</b>



## Notes

(forming part of the condensed interim financial information)

<b>PARENT</b>	<b>Buildings RO</b>	<b>Plant, machinery dies and die tools RO</b>	<b>Extrusion and anodizing plant RO</b>	<b>Office and other equipment RO</b>	<b>Furniture and fixtures RO</b>	<b>Motor vehicles RO</b>	<b>Computer equipment RO</b>	<b>Capital work in progress RO</b>	<b>Total RO</b>
<b>Cost/revaluation</b>									
At 1 January 2022	7,411,480	20,494,946	4,998,777	558,784	208,545	126,276	449,757	120,996	34,369,531
Additions	-	169,171	-	460	-	-	5,939	-	175,570
Transfer from CWIP	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-
<b>At 30 June 2022</b>	<b>7,411,480</b>	<b>20,664,117</b>	<b>4,998,777</b>	<b>559,244</b>	<b>208,545</b>	<b>126,276</b>	<b>455,696</b>	<b>120,996</b>	<b>34,545,101</b>
<b>Depreciation</b>									
At 1 January 2022	3,050,874	13,194,949	4,998,777	555,331	207,207	111,667	429,660	-	22,548,465
Charge for the year	147,782	567,914	-	1,279	512	5,386	5,898	-	728,771
Disposals and write offs	-	-	-	-	-	-	-	-	-
<b>At 30 June 2022</b>	<b>3,198,656</b>	<b>13,762,863</b>	<b>4,998,777</b>	<b>556,610</b>	<b>207,719</b>	<b>117,053</b>	<b>435,558</b>	<b>-</b>	<b>23,277,236</b>
<b>Net book value</b>									
<b>At 30 June 2022</b>	<b>4,212,824</b>	<b>6,901,253</b>	<b>-</b>	<b>2,634</b>	<b>826</b>	<b>9,223</b>	<b>20,137</b>	<b>120,966</b>	<b>11,267,865</b>

For the year ended 31 December 2021, the carrying amounts can be presented as follows:

	<b>Buildings RO</b>	<b>Plant, machinery dies and die tools RO</b>	<b>Extrusion and anodizing plant RO</b>	<b>Office and other equipment RO</b>	<b>Furniture and fixtures RO</b>	<b>Motor vehicles RO</b>	<b>Computer equipment RO</b>	<b>Capital work in progress RO</b>	<b>Total RO</b>
<b>Cost</b>									
At 1 January 2021	7,411,480	20,257,387	4,998,777	558,784	208,545	126,276	448,076	134,060	34,143,385
Additions	-	511,058	-	-	-	-	1,681	71,805	584,544
Transfer from CWIP	-	84,899	-	-	-	-	-	(84,899)	-
Disposals	-	(358,398)	-	-	-	-	-	-	(358,398)
<b>At 31 December 2021</b>	<b>7,411,480</b>	<b>20,494,946</b>	<b>4,998,777</b>	<b>558,784</b>	<b>208,545</b>	<b>126,276</b>	<b>449,757</b>	<b>120,966</b>	<b>34,369,531</b>
<b>Depreciation</b>									
At 1 January 2021	2,753,310	12,341,837	4,998,777	551,330	205,083	101,354	417,491	-	21,369,182
Charge for the year	297,564	1,211,510	-	4,001	2,124	10,313	12,169	-	1,537,681
Disposals and write offs	-	(358,398)	-	-	-	-	-	-	(358,398)
<b>At 31 December 2021</b>	<b>3,050,874</b>	<b>13,194,949</b>	<b>4,998,777</b>	<b>555,331</b>	<b>207,207</b>	<b>111,667</b>	<b>429,660</b>	<b>-</b>	<b>22,548,465</b>
<b>Net book value</b>									
<b>At 31 December 2021</b>	<b>4,360,606</b>	<b>7,299,997</b>	<b>-</b>	<b>3,453</b>	<b>1,338</b>	<b>14,609</b>	<b>20,097</b>	<b>120,966</b>	<b>11,821,066</b>

## 6 Intangible assets

	<b>Group Unaudited period ended 30 June 2022 RO</b>	<b>Group Audited period ended 31 December 2021 RO</b>	<b>Parent Unaudited period ended 31 June 2022 RO</b>	<b>Parent Audited period ended 31 December 2021 RO</b>
<b>Cost:</b>				
On 1 January	112,893	112,893	112,893	112,893
Additions	6,549	-	-	-
<b>At 30 June</b>	<b>119,442</b>	<b>112,893</b>	<b>112,893</b>	<b>112,893</b>
<b>Amortization:</b>				
On 1 January	26,351	3,773	26,351	3,773
Provided during the period/year	11,634	22,578	11,197	22,578
<b>At 30 June</b>	<b>37,985</b>	<b>26,351</b>	<b>37,548</b>	<b>26,351</b>
<b>Net book value:</b>				
<b>On 30 June</b>	<b>81,457</b>	<b>86,542</b>	<b>75,345</b>	<b>86,542</b>

## Notes

(forming part of the condensed interim financial information)

### 7 Right-of-use asset and lease liabilities

As per IFRS 16, interest rate implicit in the lease should be used to discount present value of lease payments. In absence of implicit rate, the Group's incremental borrowing rate used.

Movement in right-of-use asset for the Group and the Parent Company is as follows:

	Group Unaudited period ended 30 June 2022 RO	Group Audited Period ended 31 December 2021 RO	Parent Unaudited period ended 30 June 2022 RO	Parent Audited Period ended 31 December 2021 RO
As at 1 January	984,404	1,019,181	984,404	1,019,181
Additions	-	-	-	-
Depreciation during the year	(18,697)	(34,777)	(18,697)	(34,777)
As at period / year	965,707	984,404	965,707	984,404

Lease liability for the Group and the Parent Company is presented in the statement of financial as follows:

	Unaudited Period ended 30 June 2022 RO	Audited Period ended 31 December 2021 RO
Current	65,128	65,128
Non-current	1,051,876	1,045,256
	1,117,004	1,110,384

Future minimum lease payments at 30 June 2022 were as follows:

30 June 2022	Minimum lease payments due						Total
	Within one year	1-2 years	2-3 years	3-4 years	4-5 years	After 5 years	
Lease payments	65,128	65,128	65,128	65,128	69,768	2,477,676	2,807,956
Finance charges	(71,860)	(72,299)	(72,766)	(73,210)	(73,521)	(1,327,296)	(1,690,952)
Net present values	(6,732)	(7,171)	(7,638)	(8,082)	(3,753)	1,150,380	1,117,004

### 8 Investment property

Investment property, being land, is stated at its fair value and it is located at Al-Rusail Phase 2, In Al Seeb, Plot No.299 covering an area of 3600 square meters. The fair value has been estimated by the Management based on an independent valuation undertaken by a professional valuer in December 2021.

	Group Unaudited period ended 30 June 2022 RO	Group Audited period ended 31 December 2021 RO	Parent Unaudited period ended 30 June 2022 RO	Parent Audited period ended 31 December 2021 RO
At the beginning of the period year	460,000	475,000	460,000	475,000
Revaluation during the period / year	-	(15,000)	-	(15,000)
At the end of the period / year	460,000	460,000	460,000	460,000

### 9 Investment in subsidiary

	Parent Unaudited 30 June 2022 RO	Parent Audited 31 December 2021 RO
Novel Aluminium Products Company LLC, UAE	31,500	31,500

## Notes

(forming part of the condensed interim financial information)

### 10 Inventories

	Group Unaudited period ended 30 June 2022 RO	Group Audited period ended 31 December 2021 RO	Parent Unaudited period ended 30 June 2022 RO	Parent Audited period ended 31 December 2021 RO
Spares and tools	1,027,340	998,812	1,027,340	998,812
Finished goods	593,018	861,035	593,018	861,035
Consumables	833,180	706,755	833,180	706,755
Raw materials	444,649	447,059	444,649	447,059
Work in progress	120,993	281,009	120,993	281,009
Scrap	212,239	275,145	212,239	275,145
	<b>3,231,419</b>	<b>3,569,815</b>	<b>3,231,419</b>	<b>3,569,815</b>
Less: provision for slow moving inventories	(236,927)	(286,569)	(236,927)	(286,569)
	<b>2,994,492</b>	<b>3,283,246</b>	<b>2,994,492</b>	<b>3,283,246</b>

### 11 Trade and other receivables

	Group Unaudited period ended 30 June 2022 RO	Group Audited period ended 31 December 2021 RO	Parent Unaudited period ended 30 June 2022 RO	Parent Audited period ended 31 December 2021 RO
Trade Receivables	9,736,290	12,125,458	9,497,658	12,125,458
Less: Allowances for credit losses	(1,498,223)	(1,339,494)	(1,498,223)	(1,339,494)
	<b>8,238,067</b>	<b>10,785,964</b>	<b>7,999,435</b>	<b>10,785,964</b>
Advances and deposits	109,159	1,269,063	109,159	1,269,063
Prepayment and other receivables	144,059	83,183	102,611	77,240
VAT receivables	203,916	584,657	203,916	584,657
	<b>8,695,201</b>	<b>12,722,867</b>	<b>8,415,121</b>	<b>12,716,924</b>

### 12 Amount due from related parties

	Group Unaudited period ended 30 June 2022 RO	Group Audited period ended 31 December 2021 RO	Parent Unaudited period ended 30 June 2022 RO	Parent Audited period ended 31 December 2021 RO
Novel Aluminium Products Group LLC, UAE	-	-	298,690	4,477

### 13 Cash and bank

	Group Unaudited period ended 30 June 2022 RO	Group Audited period ended 31 December 2021 RO	Parent Unaudited period ended 30 June 2022 RO	Parent Audited period ended 31 December 2021 RO
Cash at Bank	108,269	201,102	71,245	201,102
Cash in Hand	2,040	54	894	54
	<b>110,309</b>	<b>201,156</b>	<b>72,139</b>	<b>201,156</b>

## Notes

(forming part of the condensed interim financial information)

### 14 Share capital

The Company's authorized, issued and paid-up capital comprises of 33,571,450 shares with a nominal value of RO 0.1 each (2021 – 33,571,450).

Shareholders of the Company who own 10% or more of the Company's share and the number of shares they hold are as follows:

Names of shareholders	Unaudited period ended 30 June 2022		Audited Year ended 31 December 2021	
	No. of shares	%	No. of shares	%
Global Financial Investment Holding Co SAOG	6,913,933	20.59	6,913,933	20.59
Oman & Emirates Investment Holding Company SAOG	4,462,500	13.29	4,462,500	13.29
	<b>11,376,433</b>	<b>33.88</b>	<b>11,376,433</b>	<b>33.88</b>

### 15 Legal reserve

As required by the Commercial Companies Law of the Sultanate of Oman, 2019, 10% of the annual profit is to be transferred to a legal reserve, until the amount of the legal reserve reaches one third of the capital. No transfer has been made in the current period as the reserve has reached the statutory minimum of one third of the capital. The reserve is not available for distribution.

### 16 Borrowings

	Group Unaudited period ended 30 June 2022 RO	Group Audited period ended 31 December 2021 RO	Parent Unaudited period ended 30 June 2022 RO	Parent Audited period ended 31 December 2021 RO
<b>Current</b>				
Term Loan 1	0	425,777	0	425,777
Loan against trust receipts	11,874,496	12,618,822	11,874,496	12,618,822
Short term borrowings	4,050,495	6,364,327	4,050,495	6,364,327
Bank Overdraft	498,137	35,561	498,137	35,561
Total Borrowings	<b>16,423,128</b>	<b>19,444,487</b>	<b>16,423,128</b>	<b>19,444,487</b>

The bank borrowings agreements with the bank contain certain restrictive covenants which if violated can result in the withdrawal of the facility by the bank.

### 17 Employees end of service benefits

	Group Unaudited period ended 30 June 2022 RO	Group Audited period ended 31 December 2021 RO	Parent Unaudited period ended 30 June 2022 RO	Parent Audited period ended 31 December 2021 RO
At the beginning of the period/ year	292,487	351,277	292,487	351,277
Expense for the period / Year	27,449	47,602	27,449	47,602
Settled during the period / Year	(11,864)	(106,392)	(11,864)	(106,392)
At the end of the period / Year	<b>308,073</b>	<b>292,487</b>	<b>308,073</b>	<b>292,487</b>

### 18 Trade and other payables

	Group Unaudited period ended 30 June 2022 RO	Group Audited period ended 31 December 2021 RO	Parent Unaudited period ended 30 June 2022 RO	Parent Audited period ended 31 December 2021 RO
Trade payable	2,055,421	1,715,815	2,050,515	1,715,815
Accruals	977,919	1,009,839	977,919	1,009,839
VAT Payable	17,598			
Other payables	515,706	729,046	495,102	729,046
	<b>3,566,645</b>	<b>3,454,700</b>	<b>3,523,536</b>	<b>3,454,700</b>

## Notes

(forming part of the condensed interim financial information)

### 19 Cost of sale

	Group Unaudited period ended 30 June 2022 RO	Parent Unaudited period ended 30 June 2022 RO	Parent Unaudited period ended 30 June 2021 RO
Raw materials and other materials consumed	11,338,620	11,338,620	12,222,424
Salaries and employee related costs [note 23]	726,296	726,296	948,739
Depreciation	766,282	766,282	794,297
Provision for slow- and non-moving inventories	-	-	55,745
Other factory expenses	357,685	350,872	411,991
Amortization	11,634	11,197	-
	<b>13,200,516</b>	<b>13,193,267</b>	14,433,196

### 20 Other income

	Group Unaudited period ended 30 June 2022 RO	Parent Unaudited period ended 30 June 2022 RO	Parent Unaudited period ended 30 June 2021 RO
Foreign exchange (loss) / gain	4,396	4,396	375
Insurance Claim received	2,999	2,999	369
Miscellaneous	3,288	3,288	2,568
Dies Related Income	75,197	75,197	169,435
Interest Income	-	-	119,500
Gain on disposal of property, plant, and equipment	-	-	15,142
	<b>85,880</b>	<b>85,880</b>	307,389

### 21 General and administrative expenses

	Group Unaudited period ended 30 June 2022 RO	Parent Unaudited period ended 30 June 2022 RO	Parent Unaudited period ended 30 June 2021 RO
Salaries and employee related costs [note 23]	331,054	330,760	323,061
Repairs and maintenance	40,262	40,262	40,096
Directors' meeting attendance fees	30,835	30,730	18,500
Legal and professional fees	72,975	72,225	53,462
Printing and stationery	2,442	2,318	2,365
Communication	21,333	19,969	10,123
Insurance	5,624	5,624	6,077
Depreciation	1,473	1,041	1,249
Other administrative expenses	44,353	44,031	61,915
	<b>550,351</b>	<b>546,960</b>	516,848

### 22 Selling and distribution expenses

	Group Unaudited period ended 30 June 2022 RO	Parent Unaudited period ended 30 June 2022 RO	Parent Unaudited period ended 30 June 2021 RO
Freight outward charges	194,993	177,315	341,594
Salaries and employee related costs [note 23]	103,412	103,380	97,204
Commission	26,088	26,088	20,884
Advertisement and sales promotion	18,987	18,942	19,254
Other expenses	40,320	38,852	36,423
	<b>383,800</b>	<b>364,577</b>	515,359

## Notes

(forming part of the condensed interim financial information)

### 23 Salaries and employee related cost

	Group Unaudited period ended 30 June 2022 RO	Parent Unaudited period ended 30 June 2022 RO	Parent Unaudited period ended 30 June 2021 RO
Salaries and wages	1,090,609	1,090,283	1,291,980
Contributions to defined retirement plan for Omani employees	42,704	42,704	51,225
Cost of End of service benefits for expatriate employees	27,449	27,449	25,799
	<b>1,160,762</b>	<b>1,160,436</b>	1,369,004

### 24 Net financial costs

	Group Unaudited period ended 30 June 2022 RO	Parent Unaudited period ended 30 June 2022 RO	Parent Unaudited period ended 30 June 2021 RO
Interest expenses	666,805	666,805	701,521
Bank Charges	101,520	100,134	56,163
Interest Income	(22)	(22)	(93)
	<b>768,303</b>	<b>766,917</b>	757,591

### 25 Related party transaction

- a) The Company enters into transactions in the ordinary course of business with key management personnel, Directors, significant shareholders (holding of 10% or more interest in the Company) and entities in which they have an interest. These transactions are entered into on terms and conditions approved by the Management and Board of Directors and subject to shareholders' approval at the Annual General Meeting.
- b) The key management personnel compensation for the period comprises:

	Group Unaudited period ended 30 June 2022 RO	Parent Unaudited period ended 30 June 2022 RO	Parent Unaudited period ended 30 June 2021 RO
Short term employment benefits	182,040	182,040	168,244
End of service benefits	9,568	9,568	10,243
Directors' meeting attendance fees	30,730	30,730	18,500
	<b>222,338</b>	<b>222,338</b>	196,987

- c) Trading transaction, with customers or suppliers who are controlled or significantly influenced by the Directors and shareholders of the company, are conducted on an arm's length basis or on normal commercial terms. The following are the transactions with the related parties during the current and prior period

	Group Unaudited period ended 30 June 2022 RO	Parent Unaudited period ended 30 June 2022 RO	Parent Unaudited period ended 30 June 2021 RO
Sale to Subsidiary – Novel Aluminium Products Group LLC, UAE	-	345,240	-
	-	<b>345,240</b>	-

## Notes

(forming part of the condensed interim financial information)

### 26 Basic and Diluted earnings per share

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

	Group Unaudited period ended 30 June 2022 RO	Parent Unaudited period ended 30 June 2022 RO	Parent Unaudited period ended 30 June 2021 RO
Loss for the period	(1,791,543)	(1,766,957)	(1,037,755)
Weighted average number of ordinary shares outstanding during the period	33,571,450	33,571,450	33,571,450
Basic loss per share	(0.107)	(0.105)	(0.062)

#### 26.1 Net assets per share

Net assets per share is calculated by dividing the net assets at the end of the reporting period by the number of shares outstanding as follows:

	Group Unaudited period ended 30 June 2022 RO	Group Audited Period ended 31 December 2021 RO	Parent Unaudited period ended 30 June 2022 RO	Parent Audited Period ended 31 December 2021 RO
Net assets (RO)	3,475,607	5,267,149	3,520,301	5,287,257
Weighted average number of ordinary shares outstanding during the period/year	33,571,450	33,571,450	33,571,450	33,571,450
Net assets per share (RO)	0.104	0.157	0.105	0.157

### 27 Contingencies and commitments

#### Contingent liabilities

At the end of the reporting period, the Group had contingent liabilities of RO 22,250 (30 June 2021: RO 22,250) in respect of guarantees and letters of credit entered in the normal course of business from which it is anticipated that no material liabilities will arise.

#### Commitments

The Group has no commitment as of 30 June 2022 (30 June 2021: RO Nil).

### 28 Operating segments

The Parent has a single reportable business segment, manufacture, and sale of aluminium products. The geographical information for the sales and accounts receivable for the business segment is as follows:

	2022 30 June		2021 30 June	
	Sales RO	Accounts receivable RO	Sales RO	Accounts receivable RO
Other GCC Countries	7,938,336	6,986,600	9,066,821	10,247,942
Local (Oman)	1,165,340	1,768,142	3,107,627	4,485,052
Others	3,762,755	742,916	2,906,558	412,418
	12,866,430	9,497,658	15,081,006	15,145,412