

**RENAISSANCE SERVICES SAOG AND ITS SUBSIDIARY COMPANIES**  
**INTERIM REPORT FOR THE PERIOD ENDED 30TH SEPTEMBER 2013**

	<b>9 months ended 30th September 2013</b>	9 months ended 30th September 2012
	<b>Amount Rial '000</b>	Amount Rial '000
<b>Total assets</b>	<b>643,269</b>	673,380
<b>Total liabilities</b>	<b>430,750</b>	472,101
<b>Net assets (less minority)</b>	<b>178,631</b>	171,153
<b>Net assets per share</b>	<b>0.668</b>	0.640
<b>Current ratio</b>	<b>1.376</b>	1.147

	<b>9 months ended 30th September 2013</b>	9 months ended 30th September 2012
	<b>Amount Rial '000</b>	Amount Rial '000
<b>Gross profit</b>	<b>59,776</b>	50,086
<b>Gross profit margin %</b>	<b>29%</b>	27%
<b>Net profit</b>	<b>12,383</b>	4,628
<b>Earnings per share</b>	<b>0.046</b>	0.017

**RENAISSANCE SERVICES SAOG AND ITS SUBSIDIARY COMPANIES**  
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**Unaudited consolidated balance sheet as at  
30th September 2013**

	Notes	9 months ended 30th September 2013 Amount Rial '000	9 months ended 30th September 2012 Amount Rial '000
<b>Non current assets</b>			
Property, plant and equipments		455,258	474,814
Intangible assets		33,513	34,247
Long term investments	5,6,7	322	1,910
Deferred tax asset		1,835	1,149
Other non current assets		4,814	-
		<u>495,742</u>	<u>512,120</u>
<b>Current assets</b>			
Inventories	1	6,378	15,824
Trade receivables & Prepayments	2&9	95,334	106,940
Receivables from related parties		207	2,056
Investments	5,6,7&9	16	16
Bank and cash		44,004	36,424
		<u>145,939</u>	<u>161,260</u>
Assets of disposal group classified as held-for-sale	5	1,588	-
		<u>147,527</u>	<u>161,260</u>
	<b>Current assets</b>		
		<u>147,527</u>	<u>161,260</u>
	<b>Total assets</b>	<u>643,269</u>	<u>673,380</u>
<b>Current liabilities</b>			
Trade & other creditors		57,987	74,232
Payable to related parties		173	88
Bank overdrafts	4	1,726	4,125
Term loans and leases	4	47,364	62,130
		<u>107,250</u>	<u>140,575</u>
	<b>Current liabilities</b>	<u>107,250</u>	<u>140,575</u>
<b>Long term liabilities</b>			
Term loans and leases	4	271,772	288,608
Mandatory convertible bonds	6	38,874	28,427
Non current payables and advances		6,749	7,569
Staff terminal benefits		6,105	6,922
		<u>323,500</u>	<u>331,526</u>
	<b>Total Liabilities</b>	<u>430,750</u>	<u>472,101</u>
<b>Net assets</b>	<b>TOTAL -A</b>	<u>212,519</u>	<u>201,279</u>
<b>Capital and reserves</b>			
Share capital		28,209	28,209
Treasury shares		(1,704)	(1,704)
Share premium		19,496	19,496
Legal reserve		10,530	10,524
Subordinated loan reserve		11,429	5,714
Retained earnings		98,531	105,993
Exchange gain on investment in foreign subsidiaries		243	266
Hedging reserve		(486)	(1,973)
Profit for the period		12,383	4,628
		<u>178,631</u>	<u>171,153</u>
Minority interest		33,888	30,126
	<b>TOTAL-B</b>	<u>212,519</u>	<u>201,279</u>

Note: Other non-current assets as of 30th September 2013 include 1) Rial 3.3 million of costs to mobilise certain vessels which will be amortised over the contract period, and 2) Rial 0.9 million is a part of sales consideration relating to divestment of a subsidiary to be received over a period of next four years, the sales consideration to be received within next one year is classified under current assets.

**RENAISSANCE SERVICES SAOG AND ITS SUBSIDIARY COMPANIES**  
**INTERIM REPORT FOR THE PERIOD ENDED 30TH SEPTEMBER 2013**

**Unaudited consolidated income statement**  
**For the nine months ended**  
**30th September 2013**

	<b>9 months ended</b> <b>30th September 2013</b>	9 months ended 30th September 2012
	<b>Amount</b> <b>Rial '000</b>	Amount Rial '000
<b>Continuing Operations:</b>		
<b>Turnover</b>	<b>208,189</b>	187,038
<b>Gross profit</b>	<b>59,776</b>	50,086
Administration & general expenses*	(25,219)	(19,283)
<b>Operating profit</b>	<b>34,557</b>	30,803
Finance charges	(16,362)	(14,947)
Amortisation	(23)	(14)
Gain on divestment of treasury MCBs (Note 6)	731	-
Gain on divestment of a subsidiary	-	22
Other income**	534	2,171
Share of loss from associate	-	(10)
<b>Profit before taxation and minority interests</b>	<b>19,437</b>	18,025
Taxation	(6,896)	(5,591)
<b>Profit for the period from continuing operations</b>	<b>12,541</b>	12,434
Profit/loss from discontinued operations*** (Note 5)	4,688	(4,328)
<b>Profit for the period</b>	<b>17,229</b>	8,106
Minority Interest	(4,846)	(3,478)
<b>Net profit attributable to Ordinary Shareholders</b>	<b>12,383</b>	4,628
<b>Dividend per share</b>	-	-
<b>Net profit margin (%)</b>	<b>5.9%</b>	2.5%

\* 2013 Administrative expenses include one-off receivables provision of Rial 4.3 million.

\*\* Other income for the period ended 30th September 2012 includes an amount of Rial 1.8 million representing the fair value of certain assets received from a customer of Al Wasita Emirates in settlement of amounts due from that customer.

\*\*\* Loss from discontinued operations for the period ended 30th September 2012 includes depreciation of Rial 1.8 million; whereas profit for the period ended 30th September 2013 does not include depreciation which is in accordance with IFRS. Profit from discontinued operations for the period ended 30th September 2013 include the gain of Rial 3.9 million from the divestment of Topaz Oil and Gas division (part of the Engineering segment).

**RENAISSANCE SERVICES SAOG AND ITS SUBSIDIARY COMPANIES**  
**INTERIM REPORT FOR THE PERIOD ENDED 30TH SEPTEMBER 2013**

Unaudited consolidated statement of cash flows  
 For the nine months ended  
 30th September 2013

	9 months ended 30th September 2013 Amount Rial '000	9 months ended 30th September 2012 Amount Rial '000
<b>Cash from operations</b>	<b>46,804</b>	44,872
Tax paid	(4,461)	(5,961)
Net interest paid	(17,190)	(16,339)
<b>Net cash from/(used in) operating activities</b>	<b>25,153</b>	22,572
<b>Net cash from/(used in) investing activities</b>	<b>1,947</b>	(40,386)
<b>Net cash from/(used in) financing activities</b>	<b>(7,343)</b>	21,004
<b>Net increase/(decrease) in cash &amp; cash equivalents</b>	<b>19,757</b>	3,190
Cash and cash equivalents brought forward	22,521	29,109
<b>Cash and cash equivalents carried forward</b>	<b>42,278</b>	32,299

Note:- In 2013, net cash received from investing activities include Rial 11.4 million from divestment of MCBs held by the Group and Rial 14.4 million from divestment of Topaz Oil and Gas division (part of the Engineering segment).

**RENAISSANCE SERVICES SAOG AND ITS SUBSIDIARY COMPANIES**  
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**Unaudited consolidated statement of changes in equity**  
**For the nine months ended**  
**30th September 2013**

	Share Capital	Share Premium	Legal Reserve	Proposed Distribution	Retained earnings	Total Rial '000
1st January 2013	28,209	19,496	10,530	-	98,831	157,066
Net profit for the period	-	-	-	-	12,383	12,383
Transfer from minority interest related to divestment of a subsidiary	-	-	-	-	(300)	(300)
Hedging reserve	-	-	-	-	(486)	(486)
<b>30th September 2013</b>	<b>28,209</b>	<b>19,496</b>	<b>10,530</b>	<b>-</b>	<b>110,428</b>	<b>168,663</b>
1st January 2012	28,209	19,496	10,771	-	105,746	164,222
Net profit for the period	-	-	-	-	4,628	4,628
Transfer related to divestment of a subsidiary	-	-	(247)	-	247	-
Hedging reserve	-	-	-	-	(1,973)	(1,973)
<b>30th September 2012</b>	<b>28,209</b>	<b>19,496</b>	<b>10,524</b>	<b>-</b>	<b>108,648</b>	<b>166,877</b>

**RENAISSANCE SERVICES SAOG AND ITS SUBSIDIARY COMPANIES**  
**INTERIM REPORT FOR THE PERIOD ENDED 30TH SEPTEMBER 2013**

**Notes**

**1. Inventories**

Inventories can be analysed as follows:

	<b>9 months ended 30th September 2013</b>	9 months ended 30th September 2012
	Amount Rial '000	Amount Rial '000
Work in Progress	1,669	8,811
Catering stock	2,619	3,031
Spares	3,192	4,896
Less: provisions	(1,102)	(914)
	<b>6,378</b>	<b>15,824</b>

**2. Trade receivables**

Trade receivables can be analysed as follows

	<b>9 months ended 30th September 2013</b>	9 months ended 30th September 2012
	Amount Rial '000	Amount Rial '000
Trade receivables & Prepayments	103,630	111,471
Less: Provisions	(8,296)	(4,531)
	<b>95,334</b>	<b>106,940</b>

Note:- 1) 2013 : Rial Nil K (2012: Nil ) Trade receivables discounted with banks are netted off from receivables.

**RENAISSANCE SERVICES SAOG AND ITS SUBSIDIARY COMPANIES**  
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**3. Segment Reporting**

The Group operates under three primary business segments. The results of Media and Training business which are relatively small in relation to the Group's consolidated results are combined under Other Operations. The results of segments are analysed by this classification and not by geographical classification. Inter segment pricing is determined on an arm's length basis. Information relating to these primary segment and combined Other Operations are as follows:-

Identity of Segments:	Amount in Rial '000				
	Segment Revenue	Segment Expenses excluding Depreciation	Depreciation	Segment Results	Consolidated Results
Contract Services Group	72,002	(61,644)	(3,128)	7,230	-
Marine Group	110,023	(62,816)	(16,432)	30,775	-
Engineering Group	17,112	(18,282)	(636)	(1,806)	-
Other Operations	10,564	(9,289)	(284)	991	-
<b>Total segment result</b>	<b>209,701</b>	<b>(152,031)</b>	<b>(20,480)</b>	<b>37,190</b>	<b>37,190</b>
Intersegment adjustments	(1,087)	1,087	5	5	5
Finance charges	-	-	-	-	(16,362)
Amortisation	-	-	-	-	(23)
Unallocated expenses	-	(2,126)	(87)	-	(2,213)
Unallocated income	109	-	-	-	109
Investment gain/(loss)	-	-	-	-	731
Income tax	-	-	-	-	(6,896)
Profit from discontinued operations					4,688
Minority Interest	-	-	-	-	(4,846)
<b>Consolidated results</b>	<b>208,723</b>	<b>(153,070)</b>	<b>(20,562)</b>	<b>37,195</b>	<b>12,383</b>

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**4. Bank loans, leases and overdrafts**

These can be analysed as follows:	<b>9 months ended 30th September 2013</b>	9 months ended 30th September 2012
	<b>Amount Rial '000</b>	Amount Rial '000
Bank loans and leases	<b>319,136</b>	350,738
Overdrafts	<b>1,726</b>	4,125
	<b>320,862</b>	354,863
Current maturities of bank loans, leases & bank overdrafts	<b>(49,090)</b>	(66,255)
Long term element of bank loans and leases	<b>271,772</b>	288,608

The bank loans and overdrafts are secured by charge over certain assets of the company and its subsidiaries and corporate guarantees. The Rial loans, Foreign currency loans, Rial overdrafts and Foreign currency overdrafts bear commercial rates.

The maturity of the bank loans and leases:

	<b>9 months ended 30th September 2013</b>	9 months ended 30th September 2012
	<b>Amount Rial '000</b>	Amount Rial '000
Due within one year	<b>47,364</b>	62,130
Due after more than one year	<b>271,772</b>	288,608
	<b>319,136</b>	350,738

The Group has completed refinancing of loans of Rial 200.5 million. Out of total refinancing, Rial 70.5 million is in Topaz Marine and has completed in H1 2013. The balance Rial 130 million is in Renaissance Services SAOG (Parent company) and has completed in Q3 2013.

The long term loan includes Rial 40 million Subordinated loan. The tenure of the loan is 7 years with repayment of four annual installments of Rial 10 million starting from November 2014.

**5. Investments in associates and subsidiaries**

**Associates**

Investments in Associates are accounted for using the equity method.

The Associates of Renaissance Services SAOG are as follows:

<b>Company</b>	<b>30th September 2013 Holding</b>	30th September 2012 Holding
1) Dubai Wire Products Ltd	<b>37.65%</b>	37.65%
2) Global Fastners Ltd.	<b>43.50%</b>	43.50%

The Group has decided to sell investments in associate companies i.e. Dubai Wire and Global Fastener Limited following the approval of Board on 12 August 2012. Accordingly, the carrying amount of the investments in these two associates of Rial 1.6 million are classified as assets held for sale under IFRS 5. Share of profit from these two associates has not been recognized in the consolidated financials of the company.

The following associate company is held under a subsidiary of Renaissance:-

	<b>30th September 2013 Holding</b>	30th September 2012 Holding
1) Skills Development Training Institute LLC	-	49%

NTI's associate company Skills Development Training Institute LLC (formerly known as National Saudi Training Institute for Development Ltd) in Kingdom of Saudi Arabia, engaged in provision of various training services. This associate has not yet started its operation. The carrying value of the investment in this associate is fully impaired and provided.

**Jointly Controlled Entities**

Investments in jointly controlled entity is accounted for under the proportionate consolidation method.

The following joint controlled entity is held under subsidiaries of Renaissance:-

NIL



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**5. Investments in associates and subsidiaries (continued)**

*Subsidiaries*

Investments in subsidiaries are accounted for using the consolidated method as per International Financial Reporting Standards ("IFRS")  
The subsidiaries of Renaissance Services SAOG are as follows:

Company	30th September 2013 Holding %	30th September 2012 Holding %
1) National Training Institute LLC (NTI)	100%	100%
2) United Media Services LLC (UMS)	100%	100%
3) Tawoos Industrial Services Co LLC (TISCO)	100%	100%
4) Topaz Energy & Marine Limited (TOPAZ)	100%	100%
5) National Hospitality Institute SAOG (NHI)	45.55%	45.55%
6) Renaissance Energy Limited (REL)	100%	100%
<b>Subsidiary of UMS LLC</b>		
1) United Press and Publishing Co. LLC (UPP)	100%	100%
2) Oryx Media Services WLL (ORYX)	49%	49%
3) UMS International FZ LLC	100%	-
<b>Subsidiary of TISCO LLC.</b>		
1) Rusail Catering & Cleaning Services LLC (RCCS)	100%	100%
2) Supraco Ltd. (Supraco)	100%	100%
3) Renaissance Contract Services International LLC (RCSI)	100%	100%
4) Al Wasita Catering Services LLC (Al Wasita)	100%	100%
<b>Subsidiary of NTI LLC</b>		
1) National Training Institute Qatar WLL (NTIQ)	100%	100%
<b>Subsidiary of NHI SAOG</b>		
1) Nakshatra Hospitality India Private Limited (NHIPL)	-	100%
<b>Subsidiary of TOPAZ</b>		
1) Nico Middle East Limited (NICO)	100%	100%
2) Topaz Holding Limited (THL)	100%	100%
3) Topaz Energy and Marine PLC (UK)	100%	100%
4) Topaz Engineering Limited	100%	100%

The Board of NHI has approved the de-listing of NHI on 31 March 2013 . The Board has appointed a financial advisor to complete the delisting process.

In 2012, UMS has registered a wholly owned subsidiary in UAE, UMS International FZ LLC, which provides media advertising and publishing services.

Supraco Limited through its subsidiaries in Norway provides contract catering services.

RCSI through its subsidiaries in Angola, UAE, Iraq and Qatar provides catering and allied services. The subsidiaries in Iraq and Qatar are yet to start operations. Renaissance Facilities Management Services LLC, a subsidiary of RCSI, has temporarily closed its operations during 2012 following completion of its contract in Abu Dhabi.

NHIPL was dissolved in December 2012

BUE Marine Limited is 100% subsidiary of NICO. BUE Marine Limited is incorporated in UK, which operates through its subsidiary in several countries engaged principally in charter of offshore support vessels, vessel management and ship repair.

The divestment of Topaz Oil and Gas division (part of Topaz Engineering Limited) was completed effective 30th September 2013.

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**6. Investments**

Investments include all long term and short term investments of the company, excluding only those associates and subsidiaries listed in Note.5. Marketable Securities are carried at their open market value.

Unquoted and other investments are carried at cost adjusted for any permanent diminutions in value.

Investments can be analysed as follows:

Short Term investments	Market Value	Market Value	Book Value	Book Value
	9 months ended 30th September 2013	9 months ended 30th September 2012	9 months ended 30th September 2013	9 months ended 30th September 2012
	Amount Rial '000	Amount Rial '000	Amount Rial '000	Amount Rial '000
Marketable securities - Available for sale				
Banking	-	-	-	-
Investments	-	-	-	-
Insurance	-	-	-	-
Services	-	-	-	-
Industrial	16	16	16	16
Government Bonds	-	-	-	-
	<u>16</u>	<u>16</u>	<u>16</u>	<u>16</u>
Marketable securities-Foreign				
Banking	-	-	-	-
Investments	-	-	-	-
Industrial	-	-	-	-
Bonds	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Unquoted and other investments				
Unquoted Omani shares	-	-	-	-
Investment fund units	-	-	-	-
Term deposits	-	-	-	-
Unquoted foreign shares	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

**Long Term investments**

Long term investments of Rial 322 K (2012: Rial 1,910 K) include unquoted investments. (refer note 5 and 7)

Some subsidiaries of the Parent Company hold 14,554,586 shares in Renaissance Services SAOG. The cost of these treasury shares Rial 1,704 K has been shown as a deduction from equity.

In the year 2012 two of Renaissance subsidiaries had invested Rial 13.5 million (132,447,571 MCBs at Rial 0.102) in mandatory convertible bonds (MCBs) issued by Renaissance Services SAOG. In March 2013, International Financial Corporation had acquired 101,887,000 MCBs from one of the company's subsidiary. The subsidiary made a net gain of Rial 731K from this sale. The remaining treasury MCB's 30,673,468 at a cost of Rial 3,128,694 are netted off from the total MCB's issued by Renaissance, and the net amount is shown in the balance sheet.

**6a. Investments income**

**Realised**

Realised investment income represents gains and losses on disposal of investments and other realised investment related gains and losses.

**Unrealised**

Marketable securities are recorded at their open market value. Movements in the carrying values of marketable securities are taken to unrealised investment income.

Investment income can be analysed as follows	9 months ended	9 months ended
	30th September 2013	30th September 2012
	Amount Rial '000	Amount Rial '000
Realised (Note 6)	731	22
Unrealised	-	-
	<u>731</u>	<u>22</u>

**RENAISSANCE SERVICES SAOG AND ITS SUBSIDIARY COMPANIES**  
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**7. Details of significant Investments**

Details of all the reporting companies investment including Associates/Subsidiaries for which either the reporting companies holding represents 10% or more of the issued share capital or the reporting companies holding exceeds 10% of the market value of the reporting companies investment portfolio are provided as follows as on:-

**30th September 2013**

	<b>Holding %</b>	<b>Number of Securities</b>	<b>Market Value</b> Amount Rial '000	<b>Book Value</b> Amount Rial '000	<b>Cost</b> Amount Rial '000
<b>MSM Quoted Securities</b>	%	-	-	-	-
NHI a partly owned subsidiaries of Renaissance Services SAOG is public joint stock company, listed with Muscat Security Market. The results of NHI have been consolidated in these financial statements.					
<b>Foreign Listed Securities</b>	0%	-	-	-	-
<hr/>					
As of 30th September 2013		-	-	-	-
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	<b>Holding %</b>	<b>Book Value</b> Amount Rial '000	<b>Cost</b> Amount Rial '000
<b>MSM Unquoted Securities</b>			
IMTAC LLC	1.25%	197	-
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Total as of 30th September 2013		197	-
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<b>Foreign Unlisted Securities</b>	0%	-	-
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Total as of 30th September 2013		-	-
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**8. Related parties & holders of 10% of company shares.**

The nature of significant transactions involving related parties holding 10% or more of the companies shares and the amounts involved during the period were as follows:

**Income items**

	<b>9 months ended</b> <b>30th September 2013</b> Amount Rial '000	9 months ended 30th September 2012 Amount Rial '000
Tawoos LLC - Services	15	20
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	15	20
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**Expense Items**

The nature of significant transactions involving related parties holding 10% or more of the companies shares and the amounts involved during the period were as follows:

	<b>9 months ended</b> <b>30th September 2013</b> Amount Rial '000	9 months ended 30th September 2012 Amount Rial '000
Tawoos LLC	-	-
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	-	-
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**8a. Loans, Advances, Receivables due, Provisions & write offs**

Loans, advances or receivables due from related parties holding 10% or more of the companies shares minus all provisions and write-offs which have been made on these accounts at any time, are further analysed as follows:

	<b>9 months ended 30th September 2013 Amount Rial '000</b>	9 months ended 30th September 2012 Amount Rial '000
Tawoos LLC	42	20
Receivable from related parties	<u>42</u>	<u>20</u>

**9. Provisions**

Changes to the level of provisions during the period can be analysed as follows.

<b>Provisions for :</b>	<b>Receivable &amp; Prepayments</b>	<b>Value of Investments</b>	<b>Inventories</b>	<b>Total Amount Rial '000</b>
Beginning balance of Provision	3,949	-	1,281	5,230
Provided during the period	4,876	-	66	4,942
(Released) during the period	(529)	-	(78)	(607)
(Written off) during the period	-	-	(167)	(167)
Provision balance as of 30th September 2013	<u>8,296</u>	<u>-</u>	<u>1,102</u>	<u>9,398</u>

<b>Book value of Assets:</b>	<b>Receivable &amp; Prepayments</b>	<b>Value of Investments</b>	<b>Inventories</b>	<b>Total Amount Rial '000</b>
Value of assets before provision	103,630	338	7,480	111,448
Provision balance as of 30th September 2013	(8,296)	-	(1,102)	(9,398)
Book value of assets as of 30th September 2013	<u>95,334</u>	<u>338</u>	<u>6,378</u>	<u>102,050</u>

**10. Shareholders**

All the shareholders of the company who own 10% or more of the companies shares and the number of shares they hold are as follows:

	<b>9 months ended 30th September 2013 No of shares</b>	9 months ended 30th September 2012 No of shares
<b>Common Share holders:</b>		
Tawoos LLC	42,538,025	42,538,025
<b>Preferred Shareholders:</b>		
Nil	-	-
	<u>42,538,025</u>	<u>42,538,025</u>