

**RENAISSANCE SERVICES SAOG AND ITS SUBSIDIARY COMPANIES**  
**INTERIM REPORT FOR THE PERIOD ENDED 30TH JUNE 2015**

	<b>6 months ended 30th June 2015 Amount Rial '000</b>	<b>6 months ended 30th June 2014 Amount Rial '000</b>
<b>Total assets</b>	<b>765,031</b>	733,789
<b>Total liabilities</b>	<b>521,444</b>	504,402
<b>Net assets (less minority)</b>	<b>161,666</b>	181,035
<b>Net assets per share (refer note 4)</b>	<b>0.604</b>	0.677
<b>Current ratio</b>	<b>1.104</b>	1.312

	<b>6 months ended 30th June 2015 Amount Rial '000</b>	<b>6 months ended 30th June 2014 Amount Rial '000</b>
<b>Gross profit</b>	<b>34,281</b>	39,582
<b>Gross profit margin %</b>	<b>29%</b>	34%
<b>Net profit/(loss)</b>	<b>(4,668)</b>	7,368
<b>Earnings per share</b>	<b>(0.017)</b>	0.028

**RENAISSANCE SERVICES SAOG AND ITS SUBSIDIARY COMPANIES**  
**INTERIM REPORT FOR THE PERIOD ENDED 30TH JUNE 2015**

**Unaudited consolidated balance sheet as at  
30th June 2015**

	Notes	6 months ended 30th June 2015 Amount Rial '000	6 months ended 30th June 2014 Amount Rial '000
<b>Non current assets</b>			
Property, plant and equipments		594,263	558,556
Intangible assets		33,020	31,958
Long term investments	5,6,7	322	322
Deferred tax asset		1,151	1,333
Other non current assets		1,337	1,881
		<u>630,093</u>	<u>594,050</u>
<b>Current assets</b>			
Inventories	1	4,254	4,383
Trade receivables & Prepayments	2&9	76,601	77,627
Receivables from related parties		180	205
Investments	5,6,7&9	14	16
Bank and cash		33,361	38,927
		<u>114,410</u>	<u>121,158</u>
Assets of disposal group classified as held-for-sale	5	20,528	18,581
		<u>134,938</u>	<u>139,739</u>
	<b>Current assets</b>	<u>765,031</u>	<u>733,789</u>
	<b>Total assets</b>	<u>765,031</u>	<u>733,789</u>
<b>Current liabilities</b>			
Trade & other creditors		59,399	54,345
Payable to related parties		-	19
Bank overdrafts	4	193	-
Term loans - current portion	4	29,730	41,810
Equity settled mandatory convertible bonds - current portion	4	22,129	-
		<u>111,451</u>	<u>96,174</u>
Liabilities of disposal group classified as held-for-sale	5	10,794	10,300
		<u>122,245</u>	<u>106,474</u>
	<b>Current liabilities</b>	<u>122,245</u>	<u>106,474</u>
<b>Long term liabilities</b>			
Term loans and Senior notes	4	341,586	349,430
Equity settled mandatory convertible bonds	4	40,925	38,948
Non current payables and advances		12,423	3,942
Staff terminal benefits		4,265	5,608
		<u>399,199</u>	<u>397,928</u>
	<b>Total Liabilities</b>	<u>521,444</u>	<u>504,402</u>
<b>Net assets</b>	<b>TOTAL -A</b>	<u>243,587</u>	<u>229,387</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		9,605	9,603
Subordinated loan reserve		21,429	17,143
Retained earnings		89,334	100,731
Exchange gain/(loss) on investment in foreign subsidiaries		(181)	24
Income on treasury shares		146	146
Hedging reserve		-	19
Profit/(loss) for the period		(4,668)	7,368
		<u>161,666</u>	<u>181,035</u>
Minority interest		81,921	48,352
	<b>TOTAL-B</b>	<u>243,587</u>	<u>229,387</u>

Notes:

Non current payables and advances as of 30th June 2015 include derivative liability of Rial 7.6 million (2014: Nil) relating to issue of shares in Topaz to an investor.

**RENAISSANCE SERVICES SAOG AND ITS SUBSIDIARY COMPANIES**  
**INTERIM REPORT FOR THE PERIOD ENDED 30TH JUNE 2015**

**Unaudited consolidated income statement**  
**For the six months ended**  
**30th June 2015**

	<b>6 months ended 30th June 2015</b>	6 months ended 30th June 2014
	<b>Amount</b>	Amount
	<b>Rial '000</b>	Rial '000
<b>Continuing Operations:</b>		
Turnover	117,800	117,112
Gross profit	<u>34,281</u>	<u>39,582</u>
Administration & general expenses *	(13,321)	(12,123)
Operating profit	<u>20,960</u>	<u>27,459</u>
Finance charges**	(16,994)	(13,871)
Amortisation	(75)	(15)
Other income	65	162
Profit before taxation and minority interests	<u>3,956</u>	<u>13,735</u>
Taxation	(5,265)	(4,599)
Profit/(loss) for the period from continuing operations	<u>(1,309)</u>	<u>9,136</u>
Profit/(loss) from discontinued operations*** (Note 5)	(605)	1,785
Profit/(loss) for the period	<u>(1,914)</u>	<u>10,921</u>
Minority Interest	(2,754)	(3,553)
Net profit/(loss) attributable to Ordinary Shareholders	<u>(4,668)</u>	<u>7,368</u>
Dividend per share	-	-
Net profit margin (%)	-4.0%	6.3%

\* Administration & general expenses for the period ended 30th June 2015 include one-off receivables provision of RO 1.9 million (2014: RO 0.7 million).

\*\* Finance charges for the period ended 30th June 2015 include write-off of unamortised loan arrangement costs RO 3.2 million in Topaz.

\*\*\* Profit from discontinued operations for the period ended 30th June 2014 includes profit of Rial 1.8 million from the divestment of Media and Communication Group.

**RENAISSANCE SERVICES SAOG AND ITS SUBSIDIARY COMPANIES**  
**INTERIM REPORT FOR THE PERIOD ENDED 30TH JUNE 2015**

**Unaudited consolidated statement of cash flows**  
**For the six months ended**  
**30th June 2015**

	<b>6 months ended 30th June 2015</b>	6 months ended 30th June 2014
	<b>Amount Rial '000</b>	Amount Rial '000
<b>Cash from operations</b>	<b>37,007</b>	38,217
Tax paid	<b>(4,798)</b>	(3,637)
Net interest paid	<b>(13,902)</b>	(14,061)
<b>Net cash from/(used in) operating activities</b>	<b>18,307</b>	20,519
<b>Net cash from /(used in) investing activities *</b>	<b>(17,338)</b>	(68,195)
<b>Net cash from/(used in) financing activities</b>	<b>(7,097)</b>	650
<b>Net increase/(decrease) in cash &amp; cash equivalents</b>	<b>(6,128)</b>	(47,026)
Cash and cash equivalents brought forward	<b>39,296</b>	85,953
<b>Cash and cash equivalents carried forward</b>	<b>33,168</b>	38,927

\* H1 2014 Net cash received from investing activities include cash inflow of Rial 7.4 million from divestment of a subsidiary (National Training Institute) and remaining balance of Rial 1.3 million from divestment of Topaz Oil and Gas division (part of the Engineering segment), both of these were divested in 2013. It also include cash inflow of Rial 2.3 million from divestment of the Media and Communication group, which was divested in Q1 2014.

**RENAISSANCE SERVICES SAOG AND ITS SUBSIDIARY COMPANIES**  
**INTERIM REPORT FOR THE PERIOD ENDED 30TH JUNE 2015**

**Unaudited consolidated statement of changes in equity**  
**For the six months ended**  
**30th June 2015**

	Share Capital	Share Premium	Legal Reserve	Proposed Distribution	Retained earnings	Total Rial '000
1st January 2015	28,209	19,496	9,605	-	92,155	149,465
Net profit/(loss) for the period	-	-	-	-	(4,668)	(4,668)
Income on treasury shares	-	-	-	-	146	146
Dividend paid	-	-	-	-	(2,821)	(2,821)
<b>30th June 2015</b>	<b>28,209</b>	<b>19,496</b>	<b>9,605</b>	<b>-</b>	<b>84,812</b>	<b>142,122</b>
1st January 2014	28,209	19,496	9,718	-	103,437	160,860
Net profit for the period	-	-	-	-	7,368	7,368
Transfer related to divestment of a subsidiary	-	-	(115)	-	115	-
Hedging reserve	-	-	-	-	19	19
Income on treasury shares	-	-	-	-	146	146
Dividend paid	-	-	-	-	(2,821)	(2,821)
<b>30th June 2014</b>	<b>28,209</b>	<b>19,496</b>	<b>9,603</b>	<b>-</b>	<b>108,264</b>	<b>165,572</b>

**RENAISSANCE SERVICES SAOG AND ITS SUBSIDIARY COMPANIES**  
**INTERIM REPORT FOR THE PERIOD ENDED 30TH JUNE 2015**

**Notes**

**1. Inventories**

Inventories can be analysed as follows:

	<b>6 months ended 30th June 2015 Amount Rial '000</b>	6 months ended 30th June 2014 Amount Rial '000
Catering stock	2,839	2,963
Spares	1,415	1,459
Less: provisions	-	(39)
	<b>4,254</b>	<b>4,383</b>

**2. Trade receivables**

Trade receivables can be analysed as follows

	<b>6 months ended 30th June 2015 Amount Rial '000</b>	6 months ended 30th June 2014 Amount Rial '000
Trade receivables & Prepayments	86,461	84,348
Less: Provisions	(9,860)	(6,721)
	<b>76,601</b>	<b>77,627</b>

**3. Segment Reporting**

The Group operates under two primary business segments. 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 segments are as follows:-

Identity of Segments:	Amount in Rial '000				
	Segment Revenue	Segment Expenses excluding Depreciation	Depreciation	Segment Results	Consolidated Results
Marine Group (Topaz)	67,495	(36,433)	(13,165)	17,897	-
Contract Services Group	50,349	(43,304)	(2,402)	4,643	-
<b>Total segment result</b>	<b>117,844</b>	<b>(79,737)</b>	<b>(15,567)</b>	<b>22,540</b>	<b>22,540</b>
Intersegment adjustments	(24)	24	-	-	-
Finance charges	-	-	-	-	(16,994)
Amortisation	-	-	-	-	(75)
Unallocated expenses	-	(1,513)	(47)	-	(1,560)
Unallocated income	45	-	-	-	45
Taxation	-	-	-	-	(5,265)
Profit/(loss) from discontinued operations	-	-	-	-	(605)
Minority Interest	-	-	-	-	(2,754)
<b>Consolidated results</b>	<b>117,865</b>	<b>(81,226)</b>	<b>(15,614)</b>	<b>22,540</b>	<b>(4,668)</b>

**RENAISSANCE SERVICES SAOG AND ITS SUBSIDIARY COMPANIES**  
**INTERIM REPORT FOR THE PERIOD ENDED 30TH JUNE 2015**

**4. Bank loans, senior notes and overdrafts**

These can be analysed as follows:	<b>6 months ended 30th June 2015 Amount Rial '000</b>	6 months ended 30th June 2014 Amount Rial '000
Bank loans and senior notes	371,316	391,240
Overdrafts	<u>193</u>	-
	<b>371,509</b>	391,240
Current maturities of bank loans & bank overdrafts	<b>(29,923)</b>	(41,810)
Long term element of bank loans and senior notes	<u><b>341,586</b></u>	<u>349,430</u>

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 senior notes:

The maturity of the bank loans and senior notes:	<b>6 months ended 30th June 2015 Amount Rial '000</b>	6 months ended 30th June 2014 Amount Rial '000
Due within one year	29,730	41,810
Due after one year	<b>341,586</b>	349,430
	<u><b>371,316</b></u>	<u>391,240</u>

The Group' subsidiary, Topaz has entered into a comprehensive financing facility with syndicate of banks on a conventional and Shari'ah compliant Islamic basis for USD 550 million in Q2 2015. This includes USD 350 million senior secured 7 year facility (Tranche A), USD 100 million senior secured 5 year Revolving Credit Facility (Tranche B) and USD 100 million senior unsecured 5 year amortizing facility (Tranche C). Tranche A has been utilised to repay existing bank debt of USD 350 million and remaining two tranches B and C (USD 200 million), which are undrawn, are available for capex financing/general corporate purposes.

Topaz had issued USD 350 million aggregate principal amount of 8.625% senior notes (the senior notes) in Q4 2013. The Senior Notes will mature on 1 November 2018 and are classified under long term loans.

The long term loan includes Rial 20 million of subordinated loan due for repayment after one year and current maturities include an amount of Rial 10 million of subordinated loan payable within one year. The tenure of the loan is 7 years with repayment of four annual installments of Rial 10 million starting from November 2014.

**Equity settled mandatory convertible bonds**

In 2012 the parent company issued 423,141,678 Mandatory Convertible Bonds (MCBs) to its shareholders at RO 0.102 each (including RO 2 baizas for expenses) on 26 July 2012. The Group companies subscribed 30,673,468 bonds out of the total issue. These treasury MCBs are netted off from the total MCBs issued by Renaissance, and the net amount is shown in the balance sheet.

During Q4 2014, the company re-evaluated the accounting for its mandatorily convertible bonds. The terms of the bonds entitled the shareholders to receive bonds as rights and provided the benefits that are generally associated with a rights issue, being an entitlement to receive shares at the defined ratio. It was noted that such benefit entitlement given to shareholders is regarded as a transfer of benefits. Accordingly, the company revised its accounting of the bonds by recognising the value of benefits transferred under the bond issue as an equity movement in its statement of changes in equity. H1 2015, accordingly present the application of this revised accounting for the bonds. Consequently, the net assets per share is lower in H1 2015 as compared to H1 2014.

Post 30th June 2015, the company issued Perpetual Notes to finance buyback of 2/3rd of the MCBs. The buyback is expected to be completed in Q3 2015.

**RENAISSANCE SERVICES SAOG AND ITS SUBSIDIARY COMPANIES**  
**INTERIM REPORT FOR THE PERIOD ENDED 30TH JUNE 2015**

**5. Investments in associates and subsidiaries**

**Associates**

Investments in Associates are accounted for using the equity method.

Following closure of operations of the company's associate companies i.e. Dubai Wire and Global Fastener Limited in 2013, the carrying amount of investments in these associates was fully written-off in 2013. These associates were dormant in 2014 and initiatives are on to liquidate these companies.

**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 June 2015 Holding %	30th June 2014 Holding %
1) Topaz Energy & Marine Limited (TEAM JAFZA)	100%	100%
2) Tawoos Industrial Services Co LLC (TISCO)	100%	100%
3) Renaissance Duqm Holding SAOC (RDH)	51.9%	-
4) National Hospitality Institute SAOG (NHI)	45.55%	45.55%
5) Renaissance Energy Limited (REL)	100%	100%
6) Renaissance International Limited (RIL)	100%	-

**Subsidiaries of TOPAZ**

1) Topaz Energy & Marine Limited (Topaz) [earlier known as Nico Middle East Limited (NICO)]	100%	100%
2) Topaz Holding Limited (THL)	100%	100%
3) Topaz Energy and Marine PLC	100%	100%
4) Topaz Engineering Limited	100%	100%

**Subsidiaries of TISCO**

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%
5) Renaissance Facilities Management Company SAOC (RFMC)	100%	-

**Subsidiary of RDH**

1) Renaissance Duqm Accommodation Company SAOC (RDAC)	100%	-
---	------	---

Renaissance Services SAOG has incorporated a new subsidiary, RDH, in February 2015. RDH is a holding company to hold investments in Renaissance Duqm Accommodation Company SAOC (incorporated in February 2015), which is engaged in building, owning and operating permanent accommodation facilities in Duqm.

Renaissance Services SAOG has incorporated a new subsidiary, RIL in Cayman Islands in June 2015 as a special purpose vehicle to issue Perpetual Notes to finance buyback of MCBs issued by the company.

During 2013, the assets and liabilities of UMS, NHI and Topaz Marine Engineering Division (Topaz Engineering Limited) were presented as held-for-sale. In Q1 2014, the Group disposed of UMS (Media and Communication Group). The assets and liabilities of NHI and Topaz Marine Engineering Division continue to present as held-for-sale in H1 2015.

BUE Marine Limited is 100% subsidiary of Topaz. BUE Marine Limited is incorporated in UK, which operates through its subsidiaries and is engaged principally in charter of marine vessels and vessel management.

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

RCSI through its subsidiaries in Angola and UAE provides catering and allied services.

The Group has incorporated a new subsidiary, RFMC, which is engaged in provision of contract catering, facilities management and establishment, operations and maintenance services.



**RENAISSANCE SERVICES SAOG AND ITS SUBSIDIARY COMPANIES**  
**INTERIM REPORT FOR THE PERIOD ENDED 30TH JUNE 2015**

**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:

<b>Short Term investments</b>	<b>Market Value 6 months ended 30th June 2015 Amount Rial '000</b>	<b>Market Value 6 months ended 30th June 2014 Amount Rial '000</b>	<b>Book Value 6 months ended 30th June 2015 Amount Rial '000</b>	<b>Book Value 6 months ended 30th June 2014 Amount Rial '000</b>
Marketable securities - Available for sale				
Banking	-	-	-	-
Investments	-	-	-	-
Insurance	-	-	-	-
Services	-	-	-	-
Industrial	14	16	14	16
Government Bonds	-	-	-	-
	<u>14</u>	<u>16</u>	<u>14</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 (2014: Rial 322 K) include unquoted investments.

A subsidiary company holds 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.

**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	<b>6 months ended 30th June 2015 Amount Rial '000</b>	<b>6 months ended 30th June 2014 Amount Rial '000</b>
Realised	-	-
Unrealised	-	-
	<u>-</u>	<u>-</u>

**RENAISSANCE SERVICES SAOG AND ITS SUBSIDIARY COMPANIES**  
**INTERIM REPORT FOR THE PERIOD ENDED 30TH JUNE 2015**

**7. Details of significant Investments**

Details of all the reporting company's investments including Associates/Subsidiaries for which either the reporting company's holdings represent 10% or more of the issued share capital or the reporting company's holdings exceed 10% of the market value of the reporting company's investment portfolio are provided as follows as on:-

**30th June 2015**

	<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 June 2015		-	-	-	-
<hr/>					

	<b>Holding %</b>	<b>Book Value</b> Amount Rial '000	<b>Cost</b> Amount Rial '000
<b>MSM Unquoted Securities</b>	0%	-	-
<hr/>			
Total as of 30th June 2015		-	-
<hr/>			
<b>Foreign Unlisted Securities</b>	0%	-	-
<hr/>			
Total as of 30th June 2015		-	-
<hr/>			

**8. Related parties & holders of 10% of company shares.**

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

**Income items**

	<b>6 months ended</b> <b>30th June 2015</b> Amount Rial '000	<b>6 months ended</b> 30th June 2014 Amount Rial '000
Tawoos LLC - Services	10	10
<hr/>		
	<b>10</b>	<b>10</b>

**Expense Items**

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

	<b>6 months ended</b> <b>30th June 2015</b> Amount Rial '000	<b>6 months ended</b> 30th June 2014 Amount Rial '000
Tawoos LLC	-	-
<hr/>		
	-	-

**RENAISSANCE SERVICES SAOG AND ITS SUBSIDIARY COMPANIES**  
**INTERIM REPORT FOR THE PERIOD ENDED 30TH JUNE 2015**

**8a. Loans, Advances, Receivables due, Provisions & write offs**

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

	<b>6 months ended 30th June 2015 Amount Rial '000</b>	<b>6 months ended 30th June 2014 Amount Rial '000</b>
Tawoos LLC	4	37
Receivable from related parties	4	37

**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	7,788	-	-	7,788
Provided during the period	2,088	-	-	2,088
(Released) during the period	(16)	-	-	(16)
(Written off) during the period	-	-	-	-
Provision balance as of 30th June 2015	9,860	-	-	9,860

  

<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	86,461	336	4,254	91,051
Provision balance as of 30th June 2015	(9,860)	-	-	(9,860)
Book value of assets as of 30th June 2015	76,601	336	4,254	81,191

**10. Shareholders**

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

	<b>6 months ended 30th June 2015 No of shares</b>	<b>6 months ended 30th June 2014 No of shares</b>
<b>Common Share holders:</b>		
Tawoos LLC	42,538,025	42,538,025
<b>Preferred Shareholders:</b>		
Nil	-	-
	42,538,025	42,538,025