AKTOR QATAR W.L.L.
DOHA – QATAR

FINANCIAL STATEMENTS
AND INDEPENDENT AUDITOR'S REPORT

FOR THE PERIOD FROM JULY 27, 2011
(INCEPTION DATE) TO
DECEMBER 31, 2012

AKTOR QATAR W.L.L.

FINANCIAL STATEMENT AND INDEPENDENT AUDITOR'S REPORT

For the period from July 27, 2011 (Inception Date) to December 31, 2012

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INDEPENDENT AUDITOR'S REPORT

The Shareholders
Aktor Qatar W.L.L.
Doha - Qatar

Report on the Financial Statements

We have audited the accompanying financial statements of Aktor Qatar W.L.L. (the "Company"), which comprise the statement of financial position as at December 31, 2012 and the statements of comprehensive income, changes in equity and cash flows for the period from July 27, 2011 (inception date) to December 31, 2012, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

Opinion

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Aktor Qatar W.L.L. as of December 31, 2012 and its financial performance and its cash flows for the period from July 27, 2011 (inception date) to December 31, 2012, in accordance with International Financial Reporting Standards.

Other Legal and Regulatory Requirements

We are also of the opinion that proper books of account were maintained by the Company. We have obtained all the information and explanations which we considered necessary for the purpose of our audit. To the best of our knowledge and belief and according to the information given to us, no contraventions of the Commercial Companies Law No. 5 of 2002 and the Company's Articles of Association were committed during the period which would materially affect the Company's activities or its financial position.

For **Deloitte & Touche**

Muhammad Bahemia
License No. 103

Doha - Qatar
April 4, 2013

AKTOR QATAR W.L.L.

STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2012

	Notes	2012
ASSETS		**QR.**
Current assets		
Cash and bank balances	5	**333,191**
Gross amount due from customer	6	**839,628**
Inventories		**36,803**
Prepayments and other debit balances	7	**332,385**
Total current assets		**1,542,007**
Non-current asset		
Intangible assets	8	**95,164**
Property and equipment	9	**430,384**
Total non-current assets		**525,548**
Total assets		**2,067,555**
LIABILITIES AND PARTNERS' EQUITY		
Current liabilities		
Accounts payable	10	**492,272**
Due to a related party	11	**520,411**
Accruals and other credit balances	12	**551,061**
Total current liabilities		**1,563,744**
Non-current liabilities		
Employees' end of service benefits	13	**296,052**
Total liabilities		**1,859,796**
Equity		
Issued capital		**200,000**
Retained earnings		**7,759**
Total equity		**207,759**
Total equity and liabilities		**2,067,555**

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

AKTOR QATAR W.L.L.

STATEMENT OF COMPREHENSIVE INCOME

For the period from July 27, 2011 (Inception Date) to December 31, 2012

	Notes	For the period from July 27, 2011 (inception date) to December 31, 2012
		QR.
Contract revenue		839,628
Contract costs	14	(831,869)
Gross profit		7,759
Other income	15	8,130,488
Administrative expenses	16	(8,130,488)
Profit before tax for the period		7,759
Income tax expense	17	--
Profit after tax for the period		7,759
Other comprehensive income		--
Total comprehensive income for the period		7,759

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

AKTOR QATAR W.L.L.

STATEMENT OF CHANGES IN EQUITY

For the period from July 27, 2011 (Inception Date) to December 31, 2012

	Share capital	Retained earnings	Total
	QR.	QR.	QR.
Share capital issued during the period	200,000	--	200,000
Total comprehensive income for the period	--	7,759	7,759
Balance as at December 31, 2012	**200,000**	**7,759**	**207,759**

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

AKTOR QATAR W.L.L

STATEMENT OF CASH FLOWS

For the period from July 27, 2011 (Inception Date) to December 31, 2012

	Note	2012 QR.
OPERATING ACTIVITIES		
Profit before tax		7,759
Adjustments for:		
Provision for employees' end of service benefits		296,052
Depreciation of property and equipment		152,572
Amortisation of intangibles		171,111
		627,494
Working capital changes:		
Inventories		(36,803)
Prepayments and other debit balances		(332,385)
Gross amount due from customer		(839,628)
Due to a related party		520,411
Accounts payable		492,272
Accruals and other credit balances		551,061
Net cash flows generated by operating activities		982,422
INVESTING ACTIVITIES		
Purchase of property and equipment		(582,956)
Purchase of intangible assets		(266,275)
Net cash used in investing activities		(849,231)
FINANCING ACTIVITIES		
Proceeds from issue of shares		200,000
Net cash from financing activities		200,000
Net increase in cash and cash equivalent		333,191
Cash and cash equivalents at beginning of the period		--
Cash and cash equivalent at end of the period	5	333,191

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

1. GENERAL INFORMATION

Aktor Qatar W.L.L. is a limited liability company registered and incorporated in the State of Qatar under commercial registration number 51875 and is engaged in the design, general contracting for civil works and constructions. The company has been subcontracted for the complete supply, installation, testing and commissioning of MEP works for Anantara Doha Island Resort (ADIR), formerly known as Banana Island Resort Village. The contract was signed on December 11, 2012 between the main contractor Urbacon General Contracting and Aktor Qatar W.L.L.

The Company's shareholders and their respective shareholdings as at December 31, 2012 were as follows:

Roadster Trading Company	51%
Aktor S.A.	49%

The Company started its activities on July 27, 2011.

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRSs)

2.1 New and revised IFRSs in issue but not yet effective

The Company has not applied the following new and revised IFRSs that have been issued but are not yet effective:

(i) Revised Standards

Effective for annual periods beginning on or after July 1, 2012 (Early adoption allowed)

- IAS 1 (Revised) — *Presentation of Financial Statements - Amendments to revise the way other comprehensive income is presented*

Effective for annual periods beginning on or after January 1, 2013

- IFRS 7 (Revised) — *Financial Instruments Disclosures - Amendments enhancing disclosures about offsetting of financial assets and financial liabilities*
- IAS 19 (Revised) — *Employee Benefits - Amended Standard resulting from the Post-Employment Benefits and Termination Benefits projects*
- IAS 27 (Revised)* — *Consolidated and Separate Financial Statements (Early adoption allowed) - Reissued as IAS 27 Separate Financial Statements*
- IAS 28 (Revised)* — *Investments in Associates (Early adoption allowed) -Reissued as IAS 28 Investments in Associates and s*

Effective for annual periods beginning on or after January 1, 2015

- IFRS 7 (Revised) — *Financial Instruments Disclosures - Amendments requiring disclosures about the initial application of IFRS 9*

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRSs) (CONTINUED)

2.1 New and revised IFRSs in issue but not yet effective (continued)

(ii) New Standards

Effective for annual periods beginning on or after January 1, 2013 (Early adoption allowed)

- IFRS 10* — *Consolidated Financial Statements*
- IFRS 11* — *Joint Arrangements*
- IFRS 12* — *Disclosure of Interests in Other Entities*
- IFRS 13 — *Fair Value Measurement*

Effective for annual periods beginning on or after January 1, 2015 (Early adoption allowed)

- IFRS 9 — *Financial Instruments*
  - Classification and measurement of financial assets
  - Accounting for financial liabilities and de-recognition

(iii) New Interpretation

Effective for annual periods beginning on or after January 1, 2013

- IFRIC 20 — *Stripping Costs in the Production Phase of a Surface Mine*

* In May 2011, a package of five Standards on consolidation, joint arrangements, associates and disclosures was issued, including IFRS 10, IFRS 11, IFRS 12, IAS 27 (as revised in 2011) and IAS 28 (as revised in 2011). These five standards are effective for annual periods beginning on or after 1 January 2013. Earlier application is permitted provided that all of these five standards are applied early at the same time.

Management anticipates that the adoption of these Standards and Interpretations in future periods will have no material financial impact on the financial statements of the Company in the period of initial application, other than certain presentation and disclosure changes.

3. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS").

Basis of preparation

These financial statements have been prepared on the historical cost basis. The principal accounting policies are set out below.

These financial statements are presented in Qatari Riyal (QR), which is the Company's functional currency.

3. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition

Where the outcome of the contract can be estimated reliably, revenue is recognized by reference to the percentage of completion method, as measured by the proportion that contract costs incurred for work performed to date bear to the estimated total contract costs, except where this would not be representative of the stage of completion. Variations in contract work, claims and incentive payments are included to the extent that they have been agreed.

Where the outcome of a contract cannot be estimated reliably, revenue is recognized only to the extent of contract costs incurred that it is probable will be recovered. Costs include material, labor and other direct costs plus an appropriate allocation of overheads.

When it is probable that contract costs will exceed total contract revenue, the expected loss is recognized as an expense immediately.

Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and bank balances.

Accounts receivable

Accounts receivables are stated at original invoice amount less provision for any uncollectible amounts. An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written off when there is no possibility of recovery.

Impairment and un-collectability of Financial Assets

An assessment is made at each reporting date to determine whether there is objective evidence that a specific financial asset may be impaired. If such evidence exists, any impairment loss is recognized in the statement of comprehensive income. Impairment is determined as follows:

a) For assets carried at cost, impairment is the difference between cost and the present value of future estimated cash flows discounted at the current market rate of return for a similar financial asset.

b) For assets carried at amortised cost, impairment is the difference between the carrying amount and the present value of estimated cash flows discounted at the financial assets' original effective interest rate.

Derecognition of financial assets

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire; or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the asset and an associated liability for amounts it may have to pay.

Property and equipment

Property and equipment is stated at historical cost less depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

3. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property and equipment (continued)
The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

Depreciation on other assets is calculated using the straight-line method to allocate their cost or revalued amounts to their residual values over their estimated useful lives, as follows:

Labour camp	20%
Furniture and fittings	15% - 20%
Computer equipment	33.33%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognized within 'Other income' in the statement of comprehensive income.

Intangible assets
Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses. The computer software is amortised over a period of 2 years.

Impairment of tangible and intangible assets
At each statement of financial position date, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

The recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Inventories
Inventories are stated at the lower of cost and net realisable value after taking an allowance for any slow moving or obsolete items. Cost comprises the purchase price, import duties, transportation handling and other direct costs incurred in bringing the inventories to their present location and condition. Cost is calculated using the weighted average method. Net realizable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

3. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Accounts payable

Liabilities are recognised for amounts to be paid in the future for goods or services received, whether billed by the supplier or not.

Employee benefits

A provision is made for employees end of service benefits which is payable on completion of employment. The provision is calculated in accordance with Qatari Labour Law based on employees' salary and accumulated period of service as at the reporting date.

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognized as interest expense.

Foreign currencies

Transactions in foreign currencies are recorded in Qatari Riyal at the rates of exchange ruling at the date of each transaction. Monetary assets and liabilities denominated in foreign currencies at end of reporting date are translated into Qatari Riyal at the rates of exchange ruling at that date. Gains or losses resulting from exchange differences are included in the statement of comprehensive income.

4. CRITICAL JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company's accounting policies, which are described in note 3, management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the critical judgments concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

(i) Cost to complete

The Company's management estimates the costs to complete each project for the purpose of revenue recognition and recognition of anticipated losses on projects, if any. In the process of calculating the cost to complete, management conducts regular and systematic reviews of actual results and future projections with comparison against budget. This process requires monitoring controls including financial, operational, identifying major risks facing the Company and developing and implementing initiatives to manage those risks. The Company's management is confident that the costs to complete the project are fairly stated.

4. CRITICAL JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

(ii) Gross amount due from customer for contract work

In the process of applying the percentage completion method, the Company has recognized an amount as due to customer being the excess of progress billing over the revenue recognized to date. Revenue recognized to date is computed by relevance to cost to date over total cost multiplied by the contract value including variation orders and approved claims.

(iii) Property and equipment

Property and equipment is stated at historical cost less depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred

5. CASH AND BANK BALANCES

	2012 QR.
Cash on hand	47,583
Bank balances	285,608
	333,191

The bank account is maintained with banks located in the state of Qatar and is denominated in Qatari Riyal (QR).

6. GROSS AMOUNT DUE FROM CUSTOMER

	2012 QR.
Excess revenue over billings	839,628
	839,628

The excess revenue over billings relates to services performed as at the end of the reporting date and for which no billings have been issued.

7. PREPAYMENTS AND OTHER DEBIT BALANCES

	2012 QR.
Prepaid rent	241,440
Other receivables	54,825
Deposits	36,120
	332,385

8. INTANGIBLE ASSETS

	Computer Software
	QR.
Cost	
Additions during the period	266,275
At December 31, 2012	266,275
Amortisation	
Charge for the period	171,111
At December 31, 2012	171,111
Carrying amount	
At December 31, 2012	95,164

9. PROPERTY AND EQUIPMENT

	Labour camp	Furniture and fittings	Computer equipment	Total
	QR.	QR.	QR.	QR.
Cost				
Additions during the period	31,500	124,044	427,412	582,956
At December 31, 2012	**31,500**	**124,044**	**427,412**	**582,956**
Depreciation				
Charge for the period	8,278	22,377	121,917	152,572
At December 31, 2012	**8,278**	**22,377**	**121,917**	**152,572**
Carrying amount				
At December 31, 2012	23,222	101,667	305,495	430,384

10. ACCOUNTS PAYABLE

	2012
	QR.
Trade payables	492,272

The carrying amount of the Company's accounts payable are denominated in the Qatari Riyal (QR)

11. RELATED PARTY

Related parties represent associated companies, major shareholders, directors and key management personnel of the Company, and entities controlled, jointly controlled or significantly influenced by such parties.

At the reporting date, amounts due to related parties were as follows:

(a) Due to related party

	2012
	QR.
Aktor S.A.	520,411

(b) Transactions with related party

The nature of significant related party transactions and amounts involved are as follows:

	2012
	QR.
Recovery of expenses	8,100,000

12. ACCRUALS AND OTHER CREDIT BALANCES

	2012
	QR.
Accrued expenses	89,767
Wages and salaries payable	386,991
Provision for leave salary	64,699
Provision for air tickets	9,604
	551,061

13. EMPLOYEES' END OF SERVICE BENEFITS

Movement in the net liability is as follows:

	2012
	QR.
Provision made during the period	142,930
Transfer from related party	153,122
Balance at end of the period	296,052

14. CONTRACT COSTS

	For the period from July 27, 2011 (inception date) to December 31, 2012
	QR.
Staff and labour costs	511,185
Other expenses	320,684
	831,869

15. OTHER INCOME

	For the period from July 27, 2011 (inception date) to December 31, 2012
	QR.
Recovery of expenses incurred from Aktor S.A.	8,100,000
Supply of labour	30,488
	8,130,488

16. ADMINISTRATIVE EXPENSES

	For the period from July 27, 2011 (inception date) to December 31, 2012
	QR.
Administrative wages and salaries	2,617,020
Rent expenses	3,569,923
Legal and professional fees	694,626
Telephone and internet charges	225,503
Repairs and maintenance	93,166
Travel expenses	653,521
Depreciation and amortisation	323,683
Other expenses	270,534
Expenses allocated to direct cost	(317,488)
	8,130,488

17. INCOME TAX

Tax on income has been computed as per the new Qatar Income Tax Regulations and which is 10% of the net income imposed on the foreign partner only.

The reconciliation between the accounting basis results and tax basis results is as follows:

	For the period from July 27, 2011 (inception date) to December 31, 2012
	QR.
Profit before tax	7,759
Adjustments for:	
Add: Non-deductible provision for air ticket expenses	9,603
Add: Non-deductible provision entertainment expenses	7,904
Add: Depreciation as per accounting policy	323,683
Less: Depreciation as per tax law	(364,453)
Taxable loss	(15,504)
Income tax at 10%	--
Share of foreign partner (97%)	--

18. FINANCIAL RISK MANAGEMENT

Foreign currency risk
Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company is not exposed to foreign currency risk.

Credit risk management
Credit risk is the risk of that one party of a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's credit risk is primarily attributable to gross amounts due from customer for contract work. Management is of the opinion that the Company's exposure to credit risk minimal.

Liquidity risk
Liquidity risk is the risk that the Company will be unable to meet its liabilities and commitments when they fall due. Management is of the opinion that the Company's exposure to liquidity risk is minimal.

19. FINANCIAL INSTRUMENTS

Financial instruments represent any contractual agreement that creates a financial asset, financial liability or an equity instrument. Financial assets comprise bank balances, gross amount due from customer for contract work and other receivable. Financial liabilities comprise of accounts payable and due to a related party.

Fair value of financial instruments
The fair value of financial instruments is not materially different from their carrying values.

20. APPROVAL OF FINANCIAL STATEMENTS

These financial statements were approved by the Directors on April 4, 2013.