AKTOR QATAR W.L.L.
DOHA – QATAR

FINANCIAL STATEMENTS
AND INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED DECEMBER 31, 2013

INDEX

Deloitte.

QR. 99 – 8

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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, 2013 and the statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, 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 the applicable provision of Qatar Commercial Companies Law 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 at December 31, 2013 and its financial performance and cash flows for the year then ended, 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.

Doha – Qatar
April 30, 2014

For **Deloitte & Touche**
Qatar Branch

Muhammad Bahemia
Partner
License No. 103

AKTOR QATAR W.L.L.

STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2013

	Notes	2013 QR.	2012 QR.
ASSETS			
Current assets			
Cash and bank balances	5	**8,469,390**	333,191
Gross amount due from customer	6	**22,900,359**	839,628
Inventory		**1,438,890**	36,803
Trade receivables	7	**11,388,771**	--
Due from related parties	11(a)	**31,013,187**	--
Prepayments and other debit balances	8	**5,345,344**	332,385
Total current assets		**80,555,941**	1,542,007
Non-current asset			
Retention receivable		**4,325,674**	--
Intangible assets	9	**155,866**	95,164
Property and equipment	10	**645,122**	430,384
Total non-current assets		**5,126,662**	525,548
Total assets		**85,682,603**	2,067,555
LIABILITIES AND PARTNERS' EQUITY			
Current liabilities			
Bank borrowing	13	**7,166,630**	--
Accounts payable		**18,113,601**	492,272
Due to related parties	11(b)	**41,120,999**	520,411
Advance received from customers		**2,591,962**	--
Accruals and other credit balances	12	**13,854,858**	551,061
Total current liabilities		**82,848,050**	1,563,744
Non-current liabilities			
Retention payable		**23,125**	--
Employees' end of service benefits	14	**2,452,128**	296,052
Total non-current liabilities		**2,475,253**	296,052
Total liabilities		**85,323,303**	1,859,796
Equity			
Share capital		**200,000**	200,000
Legal reserve		**15,930**	--
Retained earnings		**143,370**	7,759
Total equity		**359,300**	207,759
Total equity and liabilities		**85,682,603**	2,067,555

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

AKTOR QATAR W.L.L.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended December 31, 2013

	Notes	For the year ended December 31, 2013	For the period from July 27, 2011 (inception date) to December 31, 2012
		QR.	QR.
Contract revenue		**56,921,106**	839,628
Contract costs	15	**(56,694,002)**	(831,869)
Gross profit		**227,104**	7,759
Other income	16	**9,719,812**	8,130,488
Administrative expenses	17	**(9,723,091)**	(8,130,488)
Profit before tax for the year/period		**223,825**	7,759
Income tax expense	18	**(72,284)**	--
Profit after tax for the year/period		**151,541**	7,759
Other comprehensive income		--	--
Total comprehensive income for the year/ period		**151,541**	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 year ended December 31, 2013

	Share capital	Legal reserve	Retained earnings	Total
	QR.	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
Total comprehensive income for the year	--	--	151,541	151,541
Transfer to legal reserve	--	15,930	(15,930)	--
Balance as at December 31, 2013	**200,000**	**15,930**	**143,370**	**359,300**

AKTOR QATAR W.L.L.

STATEMENT OF CASH FLOWS

For the year ended December 31, 2013

	Notes	2013 QR.	2012 QR.
OPERATING ACTIVITIES			
Profit before tax		**223,825**	7,759
Adjustments for:			
Provision for employees' end of service benefits	14	**519,716**	142,930
Depreciation of property and equipment	10	**215,107**	152,572
Amortisation of intangibles	9	**115,839**	171,111
		1,074,487	627,494
Working capital changes:			
Gross amount due from customer		**(22,060,731)**	(839,628)
Inventory		**(1,402,087)**	(36,803)
Trade receivable		**(11,388,771)**	--
Due from related parties		**(31,013,187)**	--
Prepayments and other debit balances		**(5,012,959)**	(332,385)
Retention receivable		**(4,325,674)**	--
Accounts payable		**17,621,329**	492,272
Due to related parties		**42,345,814**	520,411
Advance received from customers		**2,591,962**	--
Accruals and other credit balances		**13,231,514**	551,061
Retention payable		**23,125**	--
Cash generated from operations		**1,684,822**	982,422
Employees' end of service benefits paid		**(108,866)**	--
Net cash flows generated from operating activities		**1,575,956**	982,422
INVESTING ACTIVITIES			
Purchase of property and equipment		**(429,846)**	(582,956)
Purchase of intangible assets		**(176,541)**	(266,275)
Net cash used in investing activities		**(606,387)**	(849,231)
FINANCING ACTIVITIES			
Proceeds from issue of shares		--	200,000
Proceeds from bank borrowing		**7,166,630**	--
Net cash generated from financing activities		**7,166,630**	200,000
Net increase in cash and cash equivalent		**8,136,199**	333,191
Cash and cash equivalents at beginning of the year		**333,191**	--
Cash and cash equivalent at end of the year	5	**8,469,390**	333,191

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, 2013 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 affecting amounts reported in the financial statements

The following are the new and revised IFRSs that were effective in the current year and have been applied in the preparation of these financial statements:

(i) New Standards

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

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

(ii) Revised Standards

Effective for annual periods beginning on or after July 1, 2012

- IAS 1 (Revised) — *Presentation of Financial Statements - Amendments to introduce new terminology for the income statement and other comprehensive income*
- IFRS 1 (Revised) — *First Time Adoption of International Financials Reporting Standards – Amendments to allow prospective application of IAS 39 or IFRS 9 and paragraph 10A of IAS 20 to government loans outstanding at the date of transition to IFRS.*

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

2.1 New and revised IFRSs affecting amounts reported in the financial statements (continued)

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 to change the accounting for defined benefit plans and termination benefits*
• 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 Joint Ventures.*
• IFRS 10, 11 and 12 amendments*	*Subsequent to the issue of these standards, amendments to IFRS 10, IFRS 11 and IFRS 12 were issued to clarify certain transitional guidance on the first-time application of the standards.*
• Annual improvements to IFRSs 2009-2011 cycle	*Amendments to issue clarifications on five IFRSs- IFRS 1, IAS 1, IAS 16, IAS 32 and IAS 34.*

* 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 January 1, 2013. Subsequent to the issue of these standards, amendments to IFRS 10, IFRS 11 and IFRS 12 were issued to clarify certain transitional guidance on the first-time application of the standards.

2.2 New and revised IFRSs in issue but not yet effective (Early adoption allowed)

(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*

The adoption of these new and revised Standards and Interpretation had no significant effect on the financial statements of the Company for the year ended December 31, 2013, other than certain presentation and disclosure changes.

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

2.2 New and revised IFRSs in issue but not yet effective (Early adoption allowed) (continued)

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

(i) New Standards:

Effective for annual periods beginning on or after January 1, 2017

- IFRS 9 — *Financial Instruments*

(ii) Revised Standards:

Effective for annual periods beginning on or after January 1, 2014

- IAS 32 (Revised) — *Financial Instruments: Presentation – Amendments to clarify existing application issues relating to the offsetting requirements.*
- IFRS 10, 12 and IAS 27 (Revised) — *Amendments to introduce an exception from the requirement to consolidate subsidiaries for an investment entity.*
- IAS 36 (Revised) — *Amendments arising from recoverable amount disclosures for non-financial assets.*
- IAS 39 (Revised) — *Amends IAS 39 Financial Instruments: Recognition and Measurement to make it clear that there is no need to discontinue hedge accounting if a hedging derivative is novated, provided certain criteria are met.*

Effective for annual periods beginning on or after January 1, 2017

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

Effective for annual periods beginning on or after July 1, 2014

- IAS 19 (Revised) — *Amended to clarify the requirements that relate to how contributions from employees or third parties that are linked to service should be attributed to periods of service.*
- Annual improvements to IFRSs 2010-2012 cycle — *Amendments to issue clarifications on IFRSs- IFRS 2, IFRS 3, IFRS 8, IFRS 13, IAS 16, IAS 38 and IAS 24.*
- Annual Improvements 2011-2013 Cycle — *Amendments to issue clarifications on IFRSs- IFRS 1, IFRS 3, IFRS 13and IAS 40.*

(iii) New Interpretation:

Effective for annual periods beginning on or after January 1, 2014

- IFRIC 21 — *Levies*

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 under 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.

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.

Long term retention receivable

The long term portion of retention receivable is discounted at the quarterly compounded interest rate and the difference between the actual value and discounted value is recognised in the statement of profit or loss.

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

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 profit or loss and other 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 are 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 profit or loss and other 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%
Machinery and equipments	15%
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 profit or loss and other comprehensive income.

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

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. Computer software is amortised over a period of 2 years.

Impairment of tangible and intangible assets

At each reporting 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.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

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.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of profit or loss unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the statement of profit or loss unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

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.

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

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.

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 profit or loss and other 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:

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

(i) Cost to complete
The Company's management estimates the costs to complete each project for the purpose of revenue computation 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.

(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 of 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 profit or loss and other comprehensive income during the financial period in which they are incurred

(iv) Accruals
As part of the accounts preparation, management makes regular estimates of work performed for which no bills have been received. Management believes that the accruals process is reliable and consistent with previous period.

(v) Discounting of retentions receivables/payables
In accordance with the Project accounting policies long term retention receivable/payables should be recorded at amortised cost. The effect of discounting is taken to the statement of profit or loss and other comprehensive income. As of December 31, 2013, no discounting has been made on retention as the project is in the initial stage and the effect is not material.

5. CASH AND BANK BALANCES

	2013	2012
	QR.	QR.
Cash on hand	**138,683**	47,583
Bank balances	**8,330,707**	285,608
	8,469,390	333,191

6. GROSS AMOUNT DUE FROM CUSTOMER

	2013	2012
	QR.	QR.
Value of work performed	57,760,734	839,628
Progress billings	(34,860,375)	--
	22,900,359	839,628

7. TRADE RECEIVABLES

The average credit period for rendering services is 30 - 90 days after certification of work performed is received from the customer. No interest is charged on the overdue trade receivables. The Company provides for doubtful debts when collection is no longer considered probable by the management..

Ageing of neither past due nor impaired

	2013	2012
	QR.	QR.
Less than 30 days	9,101,267	--
31 – 90 days	2,027,994	--
	11,129,261	--

Ageing of past due but not impaired

	2013	2012
91 – 120 days	121,655	--
120 – 365 days	137,855	--
	259,510	--
Total	11,388,771	--

8. PREPAYMENTS AND OTHER DEBIT BALANCES

	2013	2012
	QR.	QR.
Prepayments	2,611,098	241,440
Advances to suppliers	810,838	--
Advances to employees	645,587	--
Deposits	231,525	36,120
Advances to subcontractors	50,000	--
Prepaid medical insurance	13,509	--
Recharge to suppliers	4,794	--
Other receivables	977,993	54,825
	5,345,344	332,385

9. INTANGIBLE ASSETS

Computer software

	2013	2012
	QR.	QR.
Cost		
At January 1,	266,275	--
Additions during the year/period	176,541	266,275
At December 31,	**442,816**	266,275
Amortisation		
At January 1,	171,111	--
Charge for the year/period	115,839	171,111
At December 31,	**286,950**	171,111
Carrying amount		
At December 31,	**155,866**	95,164

10. PROPERTY AND EQUIPMENT

	Labour camp	Furniture and fittings	Machinery and equipments	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
Additions during the year	--	3,600	193,636	232,610	429,846
At December 31, 2013	**31,500**	**127,644**	**193,636**	**660,022**	**1,012,802**
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
Charge for the year	6,300	20,862	16,019	171,926	215,107
At December 31, 2013	**14,578**	**43,239**	**16,019**	**293,844**	**367,680**
Carrying amount					
At December 31, 2013	**16,922**	**84,405**	**177,617**	**366,178**	**645,122**
At December 31, 2012	23,222	101,667	--	305,495	430,384

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 from related party

	2013	2012
	QR.	QR.
Al Ahmadiah Aktor L.L.C. - Dubai Office	31,013,187	--

(b) Due to related parties

	2013	2012
	QR.	QR.
Aktor S.A. – Qatar Branch	40,807,740	520,411
Aktor S.A. - Kuwait Branch	313,259	--
	41,120,999	520,411

(c) Transactions with related party

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

	2013	2012
	QR.	QR.
Recovery of expenses	9,719,812	8,100,000

12. ACCRUALS AND OTHER CREDIT BALANCES

	2013	2012
	QR.	QR.
Accrued expenses	11,069,380	89,767
Wages and salaries payable	1,386,402	386,991
Provision for leave salary	897,610	64,699
Provision for air tickets	429,182	9,604
Provision for income tax	72,284	--
	13,854,858	551,061

13. BANK BORROWING

	2013	2012
	QR.	QR.
Short-term working capital loan	7,166,630	--

The loan is obtained to finance the working capital needs of the Company and carries interest at the range of 5% to 5. 5% p.a. The borrowings are secured by corporate and bank guarantees arranged by Aktor S.A. The project proceeds are assigned in favour of the Bank to repay these borrowings and are payable over the period of 120 days.

14. EMPLOYEES' END OF SERVICE BENEFITS

Movement in the net liability is as follows:

	2013	2012
	QR.	QR.
Balance at the beginning of the year/period	296,052	--
Provision made during the year/period	519,716	142,930
Transfer from related party	1,745,226	153,122
Amounts paid	(108,866)	--
Balance at end of the year/period	2,452,128	296,052

15. CONTRACT COSTS

	For the year ended December 31, 2013	For the period from July 27, 2011 (inception date) to December 31,
	QR.	QR.
Staff and labor costs	**27,881,655**	511,185
Sub-contractor cost	**2,482,118**	--
Cost of materials	**24,787,288**	--
Finance cost	**510,062**	50
Insurance	**109,275**	--
Depreciation	**28,074**	249
Consumables	**398,073**	--
Business travelling expenses	**192,169**	--
Other expenses - net	**305,288**	320,385
	56,694,002	831,869

16. OTHER INCOME

	For the year ended December 31, 2013	For the period from July 27, 2011 (inception date) to December 31, 2012
	QR.	QR.
Recovery of expenses	**9,719,812**	8,100,000
Supply of labour	--	30,488
	9,719,812	8,130,488

17. ADMINISTRATIVE EXPENSES

	For the year ended December 31, 2013	For the period from July 27, 2011 (inception date) to December 31, 2012
		QR.
Administrative wages and salaries	**7,032,447**	2,617,020
Rent expenses	**482,880**	3,569,923
Legal and professional fees	--	694,626
Telephone and internet charges	**207,035**	225,503
Repairs and maintenance	**4,216**	93,166
Travel expenses	**180,444**	653,521
Depreciation and amortisation	**302,872**	323,683
Tender expenses	**618,604**	--
Professional fee and services (others)	**269,934**	--
Hotel accomodation	**193,862**	--
Recruitment and immigration fees	**163,719**	--
Entertainment expenses	**83,151**	--
Business promotion and gifts	**63,050**	--
Clearing and forwarding expenses	**21,984**	--
Office stationary and printing	**18,503**	--
Gas, water and electricity - site	**11,903**	--
Other expenses	**68,487**	270,534
Expenses allocated to direct cost	--	(317,488)
	9,723,091	8,130,488

18. INCOME TAX

Tax on income has been computed as per the current Qatar Income Tax Regulations and which is at 10% of the net income of the foreign partners' share of profit.

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

	For the year ended December 31, 2013	For the period from July 27, 2011 (inception date) to December 31, 2012
	QR.	QR.
Profit before tax	223,825	7,759
Adjustments for:		
Add: Non-deductible provision for air ticket expenses	359,269	9,604
Add: Non-deductible provision entertainment expenses	138,800	7,904
Add: Depreciation as per accounting policy	330,946	323,683
Less: Depreciation as per tax law	(292,143)	(364,453)
Less: Loss carried forward from previous year	(15,503)	
Taxable income/loss	745,194	(15,503)
Income tax at 10%	74,519	--
Share of foreign partner (97%)	72,284	--

19. LEGAL RESERVE

In accordance with Qatar Commercial Company's Law No.5 of 2002, the Company has established a legal reserve by appropriation of 10% of profit for each year until the reserve equals 50% of the capital. This reserve is not available for distribution except in circumstances specified in the above mentioned Law.

20. FINANCIAL RISK MANAGEMENT

Interest rate risk
Interest rate risk to the Company is the risk of changes in market interest rates increasing the overall expense on its borrowings. The Company limits interest rate risk by monitoring changes in interest rates in the currencies in which it's financing is denominated.

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 as all transactions are denominated in Qatari Riyal.

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 cash and bank balances, trade receivables and due from related parties. Management is of the opinion that the Company's exposure to credit risk minimal.

20. FINANCIAL RISK MANAGEMENT (CONTINUED)

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Any shortfall in liquidity positions of the Company is funded from borrowings and overdraft facilities obtained from financial institution.

21. FINANCIAL INSTRUMENTS

Financial instruments represent any contractual agreement that creates a financial asset, financial liability or an equity instrument. Financial assets comprise bank balances, trade receivables, gross amount due from customer for contract work and due from related parties. Financial liabilities comprise of accounts payable, retention payable, banks borrowing 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.

22. APPROVAL OF FINANCIAL STATEMENTS

These financial statements were approved by the Directors on April 30, 2014.

23. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to align their presentation to the current year's structure. Such reclassifications have had no effect on the comparative figures for income and equity of the Company, thus comparability of financial information remains unimpaired. The Company believes the current's year presentation to be more relevant to the users of the financial statements.