

Al Batinah Power S.A.O.G. (the “Company”)

Report of the Directors for the six months to 30 June 2014

1. Introduction

The Directors are pleased to submit their report, together with the financial statements of the Company, for the six months to 30 June 2014.

The Sohar II plant was inaugurated by His Excellency Mohammed bin Salim bin Said Al Tobi (Minister of Environment and Climate Affairs) on 24th March 2014.

The Company undertook an Initial Public Offering (IPO) in May/June 2014 and became publically listed on the Muscat Securities Exchange (MSM) on 23rd June 2014.

There are no legal proceedings against the Company. The Company complies with and maintains high standards of Corporate Governance. In particular, the Company has an Audit Committee to oversee financial and accounting matters and advise the Board of Directors accordingly.

2. Review of Operations

The Sohar II plant has operated well during the six months of the current year and achieved 99.9% reliability, compared to 99.8% for the same period in 2013. The plant dispatched 1,640 GWh of power, which is 82.4% higher than the same period in 2013 (899.2GWh). The planned plant maintenance for Q1 2014 was completed within schedule and the plant successfully passed its annual performance test on 20/03/2014.

The health and safety record for the Company and the O&M Contractor, STOMO (Suez-Tractebel Operations & Maintenance Oman), were excellent, with no Lost Time Accidents (LTA). No environmental incidents have occurred to 30 June 2014 and all of the required licences and permits are in place or in process of renewal and all reporting requirements have been satisfied.

3. Financial Result

3.1 Operating Revenue & Gross Profit

The Company achieved a turnover of OMR 25.2 million and an EBITDA of OMR 13.8 million, compared with OMR 17.7 million & OMR 12.0m million respectively in the same period in 2013

3.2 Operating, General & Administrative Costs (OGA)

OGA were OMR 15.2 million which included one off costs of OMR 0.4 million related to the IPO and plant inauguration.

3.3 Finance Expenses

Finance expenses were OMR 6.2 million

3.4 Net profit & Earnings per Share

The net profit for the Company for the six month to June 2014 was OMR 2.0 million compared to OMR 5.6 million for the same period in 2013. Earnings per share (EPS) were OMR 0.0030 compared with OMR 0.1636 in the same period in 2013 (N.B. the nominal share capital was revalued from OMR 1.000 to OMR 0.1000 via a share split in Q1 2014, therefore the comparative EPS for the same period in 2013 is OMR 0.0164)

* Important note: for purposes of comparison, the Company advises that it started operations in April 2013 and that its contractual tariff is highly seasonal (lower in October to March and higher in April to September). Therefore, while revenues for the 6-month period ended 30 June 2014 (6 months of operations) are higher than in the same period of 2013 (3 months of operations), the net profit is lower due to a blend of low and high tariff (while the same period in 2013 was not affected by low winter tariff).

3.5 Dividends

The Company paid a dividend of OMR 0.0015 per share in July 2014 compare to OMR 0.000 in the same period in 2013

4. Future Outlook

The Company expects that the plant will continue to perform well and that the financial performance for the full year 2014 should be as expected

The Board would like to close by expressing its sincere appreciation to the staff of the Company for their outstanding performance during the first six months of 2014 and for the critical support of all our Stakeholders.

On behalf of the Board of Directors, I would also like to take this opportunity to extend our gratitude to His Majesty Sultan Qaboos Bin Said and His Government for their continued support and encouragement to the private sector. May Allah protect them for all of us.

On behalf of the Board

Padmanabhan Ananthan
Deputy Chairman

AL BATINAH POWER COMPANY SAOG

Unaudited statement of profit or loss

for the six month period ended 30 June

| | <i>Notes</i> | 2014 RO | 2013 RO |
|---|--------------|-------------------------|--------------------|
| Revenue | | 25,195,230 | 17,661,513 |
| Direct cost | 9 | <u>(14,394,021)</u> | <u>(7,857,872)</u> |
| Gross profit | | 10,801,209 | 9,803,641 |
| General and administrative expenses | 10 | <u>(774,938)</u> | <u>(230,028)</u> |
| Profit before interest and taxes | | 10,026,271 | 9,573,613 |
| Finance costs | 11 | <u>(6,159,077)</u> | <u>(3,060,231)</u> |
| Net profit before tax | | 3,867,194 | 6,513,382 |
| Tax expense | | <u>(1,866,603)</u> | <u>(951,714)</u> |
| Net profit after tax | | <u>2,000,591</u> | <u>5,561,668</u> |
| Basic earnings per share *(Baizas) | 14 | 2.96 | 16.36 |

*Variance in basic earnings per share between June 2014 and June 2013 is due to the increase in share capital resulting from a debt/equity conversion on April 01, 2013 (Refer note 14 for details).

AL BATINAH POWER COMPANY SAOG

Unaudited statement of comprehensive income

for the six month period ended 30 June

| | 2014 RO | 2013 RO |
|--|---------------------------|--------------------------|
| Net profit after tax | 2,000,591 | 5,561,668 |
| Other comprehensive income, net of tax: | | |
| <i>Item that will be reclassified to profit and loss</i> | | |
| Cash flow hedges - effective portion of changes in fair value | <u>(3,944,529)</u> | <u>10,856,509</u> |
| Total comprehensive (loss) income for the period | <u>(1,943,938)</u> | <u>16,418,177</u> |

AL BATINAH POWER COMPANY SAOG**Unaudited statement of financial position***as at*

| | <i>Notes</i> | 30 June 2014 RO | 31 December 2013 RO |
|--------------------------------------|--------------|----------------------------------|---------------------------|
| Non-current assets | | | |
| Property, plant and equipment | 3 | 287,317,592 | 290,980,174 |
| Deferred tax asset | | 982,732 | 430,743 |
| Total non-current assets | | <u>288,300,324</u> | <u>291,410,917</u> |
| Current assets | | | |
| Trade and other receivables | 5 | 8,284,616 | 2,643,075 |
| Inventories | | 1,893,314 | 1,893,314 |
| Cash and cash equivalents | 6 | 5,944,655 | 5,057,149 |
| Total current assets | | <u>16,122,585</u> | <u>9,593,538</u> |
| Total assets | | <u><u>304,422,909</u></u> | <u><u>301,004,455</u></u> |
| Equity | | | |
| Share capital | 7(a) | 67,488,743 | 67,488,743 |
| Legal reserve | 7(b) | 1,091,682 | 1,091,682 |
| Retained earnings | | 10,102,902 | 9,114,642 |
| Shareholder's fund | | <u>78,683,327</u> | <u>77,695,067</u> |
| Hedging reserve | 7(c) | (6,943,537) | (2,999,008) |
| Total equity | | <u>71,739,790</u> | <u>74,696,059</u> |
| Non-current liabilities | | | |
| Term loans | 4 | 199,880,365 | 200,686,579 |
| Derivative instruments | | 7,890,383 | 3,411,782 |
| End of service benefits | | 8,022 | 6,146 |
| Asset retirement obligation | | 443,514 | 425,119 |
| Deferred tax liability | | 5,949,480 | 4,068,320 |
| Total non-current liabilities | | <u>214,171,764</u> | <u>208,597,946</u> |
| Current liabilities | | | |
| Term loans | 4 | 12,397,905 | 11,875,621 |
| Short term borrowing | | - | 2,655,000 |
| Trade and other payables | 8 | 5,101,119 | 3,179,829 |
| Dividend payable | 7(d) | 1,012,331 | - |
| Total current liabilities | | <u>18,511,355</u> | <u>17,710,450</u> |
| Total liabilities | | <u>232,683,119</u> | <u>226,308,396</u> |
| Total equity and liabilities | | <u><u>304,422,909</u></u> | <u><u>301,004,455</u></u> |
| Net asset per share (Baizas) | 13 | 117 | 153 |

AL BATINAH POWER COMPANY SAOG

Unaudited statement of cash flows

for the six month period ended 30 June

| | 2014 RO | 2013 RO |
|--|-------------------------|-------------------------|
| Cash flows from operating activities: | | |
| Net profit after tax | 2,000,591 | 5,561,668 |
| Adjustments for: | | |
| Income tax expense | 1,866,603 | 951,714 |
| Depreciation | 3,722,408 | 2,423,061 |
| Loss on sale of property, plant and equipment | - | 44 |
| Ineffective portion of hedge | (3,360) | 1025 |
| End of service benefits (net) | 1,876 | 1,423 |
| | <u>7,588,118</u> | <u>8,938,935</u> |
| <i>Changes in:</i> | | |
| Trade and other receivables | (5,641,541) | (13,802,130) |
| Inventories | - | (139,883) |
| Asset retirement obligation | 18,395 | 677,035 |
| Trade and other payables | 1,921,290 | (2,308,164) |
| Net cash from/used in operating activities | <u>3,886,262</u> | <u>(6,634,207)</u> |
| Cash flows from investing activities: | | |
| Acquisition of property, plant and equipment | (59,826) | (119,876,266) |
| Proceeds from sale of fixed asset | - | 15 |
| Transfer of capital work in progress | - | 102,751,344 |
| Net cash used in investing activities | <u>(59,826)</u> | <u>(17,124,907)</u> |
| Cash flows from financing activities: | | |
| Movement in equity bridge loan | - | (60,262,377) |
| Movement in shareholder loans | - | (6,698,874) |
| Movement in share capital | - | 66,988,743 |
| Net proceeds from term loan | (283,930) | 24,802,282 |
| Short term borrowing | (2,655,000) | 1,854,000 |
| Net cash (used in)/from financing activities | <u>(2,938,930)</u> | <u>26,683,774</u> |
| Net change in cash and cash equivalents | <u>887,506</u> | <u>2,924,660</u> |
| Cash and cash equivalents at beginning of the period | <u>5,057,149</u> | <u>1,452,188</u> |
| Cash and cash equivalents at end of the period (note 6) | <u><u>5,944,655</u></u> | <u><u>4,376,848</u></u> |

AL BATINAH POWER COMPANY SAOG**Unaudited statement of changes in equity***for the six months period ended 30 June*

| | Share capital RO | Hedging reserve RO | Legal reserve RO | Retained earnings RO | Total RO |
|---|---------------------|-----------------------|------------------------|----------------------------|-------------------|
| Unaudited | | | | | |
| At 1 January 2013 | 500,000 | (18,032,842) | 166,667 | 4,442,260 | (12,923,915) |
| <i>Total comprehensive income for the period</i> | | | | | |
| Profit for the period | - | - | - | 5,561,668 | 5,561,668 |
| <i>Other comprehensive income for the period</i> | | | | | |
| Changes in fair value of cash flow hedge, net of income tax | - | 10,856,509 | - | - | 10,856,509 |
| Total comprehensive income for the period | - | 10,856,509 | - | 5,561,668 | 16,418,177 |
| <i>Transactions with owners of the Company</i> | | | | | |
| Conversion of shareholder and equity bridge loans | 66,988,743 | - | - | - | 66,988,743 |
| Total transactions with owners of the Company | 66,988,743 | - | - | - | 66,988,743 |
| At 30 June 2013 | 67,488,743 | (7,176,333) | 166,667 | 10,003,928 | 70,483,005 |
| At 1 January 2014 | 67,488,743 | (2,999,008) | 1,091,682 | 9,114,642 | 74,696,059 |
| Total comprehensive income for the period | | | | | |
| Profit for the period | - | - | - | 2,000,591 | 2,000,591 |
| Other comprehensive income for the period | | | | | |
| Changes in fair value of cash flow hedge, net of income tax | - | (3,944,529) | - | - | (3,944,529) |
| Total comprehensive loss for the period | - | (3,944,529) | - | 2,000,591 | (1,943,938) |
| Transactions with owners of the Company | | | | | |
| Dividend | - | - | - | (1,012,331) | (1,012,331) |
| Total transactions with owners of the Company | - | - | - | (1,012,331) | (1,012,331) |
| At 30 June 2014 | 67,488,743 | (6,943,537) | 1,091,682 | 10,102,902 | 71,739,790 |

AL BATINAH POWER COMPANY SAOG

Notes to the unaudited financial statements

At 30 June 2014

1 Legal status and principal activities

Al Batinah Power Company SAOG (the “Company”) is a public Omani Joint Stock Company registered on 2 August 2010 under the Commercial Companies Law of Oman.

The Company’s principal activities are as follows:

- Design, procurement, construction, commissioning and financing of the Sohar 2 Power Plant (“the Plant”) with a capacity of about 750 MW.
- The full operation and maintenance of the Plant in accordance with good practices throughout the useful life time of the Plant from the Commercial Operation Date (“COD”).
- Making available the demonstrated power capacity.
- Selling the electricity energy delivered to Oman Power & Water Procurement Company SAOC (“OPWP”).

The Company’s issued share capital is owned 29.9% by Kahrabel FZE (“Kahrabel”), UAE (a GDF Suez entity), 14.3% by Multitech LLC (“Multitech”), Oman (a Suhail Bahwan group company), 7.15% each by Blue Horizon Sohar Power BV (“Sojitz”, a Sojitz Corporation group company) and SEP International Netherlands BV (“Yonden” a Shikoku Electric Power group company), 6.5% by Public Authority for Social Insurance, Oman (“PASI”), (“together the Founder Shareholders”) and 35% by Public.

Commercial Operation of the Plant was achieved by the Company on 3 April 2013.

2 Significant event

The Company – Initial Public Offering (“IPO”)

At an Extraordinary General Meeting (“EGM”) held on 31 March, 2014, the Shareholders resolved to transform the Company into a public joint stock company (“SAOG”) organised under the laws of the Sultanate of Oman and to amend the Articles of Association accordingly.

The IPO was finalised during the month of June 2014 and the Company was listed on the Muscat Securities Market on 23 June 2014

AL BATINAH POWER COMPANY SAOG

Notes to the unaudited financial statements At 30 June 2014

3 Property, plant and equipment

| | Property, plant and equipment RO | De- commissioning asset RO | Technical spares RO | Others assets RO | Total RO |
|--------------------------------|---|-------------------------------------|---------------------------|------------------------|---------------------------|
| <i>Cost</i> | | | | | |
| 1 January 2014 | 296,590,233 | 398,620 | 1,376,696 | 107,446 | 298,472,995 |
| Additions during the period | <u>10,670</u> | - | <u>33,803</u> | <u>15,353</u> | <u>59,826</u> |
| 30 June 2014 | <u>296,600,903</u> | <u>398,620</u> | <u>1,410,499</u> | <u>122,799</u> | <u>298,532,821</u> |
| <i>Depreciation</i> | | | | | |
| 1 January 2014 | 7,335,779 | 7,613 | 49,268 | 100,161 | 7,492,821 |
| Charge for the period | <u>3,684,356</u> | <u>5,011</u> | <u>28,188</u> | <u>4,853</u> | <u>3,722,408</u> |
| 30 June 2014 | <u>11,020,135</u> | <u>12,624</u> | <u>77,456</u> | <u>105,014</u> | <u>11,215,229</u> |
| <i>Carrying amount</i> | | | | | |
| 30 June 2014 | <u>285,580,768</u> | <u>385,996</u> | <u>1,333,043</u> | <u>17,785</u> | <u>287,317,592</u> |
| 31 December 2013 | <u>289,254,455</u> | <u>391,007</u> | <u>1,327,429</u> | <u>7,285</u> | <u>290,980,174</u> |

AL BATINAH POWER COMPANY SAOG

Notes to the unaudited financial statements

At 30 June 2014

4 Term loan

| | 30 June 2014 RO | 31 December 2013 RO |
|---|---------------------------|---------------------------|
| Term loans | 222,907,564 | 223,916,175 |
| <i>Less: current portion</i> | <u>(12,397,905)</u> | <u>(11,875,621)</u> |
| Non-current portion | 210,509,659 | 212,040,554 |
| <i>Less: Unamortised transaction cost</i> | <u>(10,629,294)</u> | <u>(11,353,975)</u> |
| | <u>199,880,365</u> | <u>200,686,579</u> |

On 16 September 2010, the Company entered into a Common Terms Agreement (“CTA”), for credit facilities with a consortium of international banks, export credit agencies and local banks, with Credit Agricole Corporate and Investment Bank as the Global Facility Agent; Offshore Security Trustee, Offshore Account Bank, KEXIM Facility Agent and Commercial Facility Agent, Bank Muscat SAOG as Onshore Account Bank; Performance Bond Issuing Bank and Performance Bond Facility Agent and KfW IpeX Bank GMBH as the Hermes Facility Agent.

At 30 June 2014 and 31 December 2013 the facility limits and outstanding amounts were as follows:

| | Limit RO | Outstanding RO |
|---|---------------------------|---------------------------|
| 30 June 2014 | | |
| Hermes covered variable facility | 72,286,000 | 68,310,270 |
| KEXIM direct facility | 44,923,058 | 42,452,289 |
| Commercial facility | 50,357,196 | 48,670,230 |
| Hermes covered fixed facility | 46,140,000 | 43,602,300 |
| KEXIM covered facility | <u>21,029,074</u> | <u>19,872,475</u> |
| | <u>234,735,328</u> | <u>222,907,564</u> |
| 31 December 2013 | | |
| Hermes covered variable facility | 72,286,000 | 68,368,009 |
| KEXIM direct facility | 44,923,058 | 42,488,228 |
| Commercial facility | 50,357,196 | 49,531,338 |
| Hermes covered fixed facility | 46,140,000 | 43,639,212 |
| KEXIM covered facility | <u>21,029,074</u> | <u>19,889,298</u> |
| | <u>234,735,328</u> | <u>223,916,175</u> |

AL BATINAH POWER COMPANY SAOG

Notes to the unaudited financial statements

At 30 June 2014

5 Trade and other receivables

| | 30 June 2014 RO | 31 December 2013 RO |
|------------------------------------|-----------------------|---------------------------|
| Trade receivables | 7,421,165 | 2,098,917 |
| Prepayments | 698,235 | 363,456 |
| Due from related parties (note 12) | 38,350 | 11,124 |
| Other receivable | 126,866 | 169,578 |
| | <u>8,284,616</u> | <u>2,643,075</u> |

6 Cash and cash equivalents

| | | |
|--------------------------------|------------------|------------------|
| Cash in hand and at bank | 5,944,655 | 1,827,349 |
| Short term deposit with a bank | - | 3,229,800 |
| | <u>5,944,655</u> | <u>5,057,149</u> |

7 Equity

(a) Share capital

As at 30 June, 2014, the Company's issued and paid-up capital consists of 674,887,430 shares of 100 baizas each. The Company was incorporated with an initial paid-up capital of 500,000 shares of RO 1 each. In 2013 the Company increased its issued share capital from RO 500,000 to RO 67,488,743 by means of a debt/equity conversion of the equity bridge loans and shareholder loans.

The details of the shareholders are as follows:

30 June 2014

| | Nationality | No. of shares held of nominal value RO 0.100 each | % of total | Aggregate nominal value of shares held RO'000s |
|---|-------------|--|---------------|---|
| Kahrabel FZE | UAE | 201,791,343 | 29.90% | 20,179,135 |
| Multitech LLC | Omani | 96,508,899 | 14.30% | 9,650,890 |
| SEP International Netherlands B.V | Netherlands | 48,254,453 | 7.15% | 4,825,445 |
| Blue Horizon Sohar Power B.V | Netherlands | 48,254,453 | 7.15% | 4,825,445 |
| Public Authority for Social Insurance Public | Omani | 43,867,681 | 6.50% | 4,386,768 |
| | | <u>236,210,601</u> | <u>35.0%</u> | <u>23,621,060</u> |
| | | <u>674,887,430</u> | <u>100.0%</u> | <u>67,488,743</u> |

31 December 2013

| | Nationality | No. of shares held of nominal value RO 1 each | % of total | Aggregate nominal value of shares held RO'000s |
|---------------------------------------|-------------|--|---------------|---|
| Kahrabel FZE | UAE | 31,044,822 | 46% | 31,044,822 |
| Multitech LLC | Omani | 14,847,523 | 22% | 14,847,523 |
| SEP International Netherlands B.V | Netherlands | 7,423,762 | 11% | 7,423,762 |
| Blue Horizon Sohar Power B.V | Netherlands | 7,423,762 | 11% | 7,423,762 |
| Public Authority for Social Insurance | Omani | 6,748,874 | 10% | 6,748,874 |
| | | <u>67,488,743</u> | <u>100%</u> | <u>67,488,743</u> |

AL BATINAH POWER COMPANY SAOG

Notes to the unaudited financial statements

At 30 June 2014

7 Equity (continued)

In 2013, the Capital Markets Authority (CMA) advised to proceed with a stock split of 1:10, i.e. 10 shares with a nominal value of 100 baizas in replacement of 1 share with RO 1 nominal value. Pursuant to the approval by the shareholders to proceed with the stock split during the Extraordinary General Meeting held on 18 February, 2014, the Articles of Association of the Company and the Shareholders' Register at Muscat Clearing and Depository have been amended with effect from 30 March, 2014. Accordingly from 30 March, 2014, the Company's issued and paid-up capital consists of 674,887,430 shares of 100 baizas each.

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All shares are ordinary and rank equally with regard to the Company's residual assets.

(b) Legal reserve

Article 106 of the Commercial Companies Law of 1974 requires that 10% of a company's net profit be transferred to a non-distributable legal reserve until the amount of legal reserve becomes equal to at least one-third of the Company's issued share capital.

(c) Hedging reserve

Hedging reserve comprises the effective portion of the cumulative net change in the fair value of cash flow hedging instruments related to hedged transactions that have not yet occurred.

(d) Dividend declared

Further to the 23 March, 2014 shareholders resolution, the Board of Directors, in the meeting held on 12 June, 2014, approved an interim cash dividend of 1.5 baizas per share from the audited accounts of the Company as of 31 December 2013 to the shareholders of the Company who are registered in the Company shareholders' register with Muscat Depository & Securities Registration Company SAOC as on 25 June 2014.

8 Trade and other payables

| | 30 June 2014 RO | 31 December 2013 RO |
|----------------------------|--------------------------------|---------------------------|
| Trade payables | 58,346 | 56,905 |
| Accrued gas cost | 1,543,204 | 600,489 |
| Accrual interest cost | 1,791,613 | 1,800,904 |
| Other payable and accruals | 1,707,956 | 721,531 |
| | <u>5,101,119</u> | <u>3,179,829</u> |

9 Direct cost

| | | |
|--------------------------------|--------------------------|------------------|
| Fuel gas | 6,472,568 | 3,269,108 |
| Operation and maintenance cost | 3,192,207 | 1,722,197 |
| Depreciation (note 3) | 3,712,544 | 2,400,144 |
| Insurance | 401,247 | 175,926 |
| Other operating expenses | 615,455 | 290,497 |
| | <u>14,394,021</u> | <u>7,857,872</u> |

AL BATINAH POWER COMPANY SAOG

Notes to the unaudited financial statements

At 30 June 2014

10 General and administrative expenses

| | 30 June 2014 RO | 30 June 2013 RO |
|---|--------------------------------|-----------------------|
| Office rent | 8,908 | 6,693 |
| Employment costs | 47,624 | 42,513 |
| Secondment fees | 117,754 | 57,055 |
| Agency fees | 23,889 | 12,951 |
| Audit and tax fees | 9,279 | 5,229 |
| Plant inauguration costs | 129,782 | - |
| Net IPO Costs | 254,185 | - |
| Depreciation (note 3) | 4,853 | 17,333 |
| Other general and administrative expenses | 178,664 | 88,254 |
| | <u>774,938</u> | <u>230,028</u> |

11 Finance costs

| | | |
|--|-------------------------|-------------------------|
| Swap interest | 2,475,994 | 1,216,342 |
| Interest on term loans | 2,858,412 | 1,465,844 |
| Interest on working capital | 23,495 | 7,375 |
| Amortisation of deferred finance costs | 724,682 | 365,338 |
| Interest on payables | - | 6 |
| Ineffective/effective portion of hedge | (3,360) | 1,025 |
| DSRA LC cost | 73,157 | - |
| Interest income | (4,557) | - |
| Exchange loss | 11,254 | 4,301 |
| | <u>6,159,077</u> | <u>3,060,231</u> |

AL BATINAH POWER COMPANY SAOG

Notes to the unaudited financial statements

At 30 June 2014

12 Related party transactions

The Company has entered into transactions with entities related to significant shareholders or directors (“related parties”). In the ordinary course of business, such related parties render services to the Company. During the period the following transactions were carried out with related parties:

(i) Purchase of services

| | 30 June 2014 RO | 30 June 2013 RO |
|----------------------|--------------------------------|-----------------------|
| Purchase of services | 3,428,490 | 1,788,138 |

(ii) Remuneration to directors

| | | |
|------------------------|--------------|-------|
| Directors sitting fees | 8,000 | 7,800 |
|------------------------|--------------|-------|

(i) Year end balances

| | 30 June 2014 RO | 31 December 2013 RO |
|--------------------------|--------------------------------|---------------------------|
| Due from related parties | 38,350 | 11,124 |

13 Net assets per share

Net assets per share is calculated by dividing the net assets attributable to the ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period

| | 30 June 2014 | 31 December 2013 |
|---|-------------------------|---------------------|
| Net assets – shareholder funds (RO’000) | 78,683 | 77,695 |
| Weighted average number of shares outstanding during the period (‘000s) | 674,887 | 507,416 |
| Net asset per share (Baizas) | 117 | 153 |

Weighted average number of shares as at 31 December, 2013 is based on 5,000,000 shares outstanding as at 01 January, 2013 for three months (25% weightage) and 674,887,430 shares outstanding as at 31 December, 2013 for nine months (75% weightage).

(The nominal value per share in 2013 was based on RO 1 per share. For purpose of calculating the weighted average it is assumed at 100 baizas per share to make it compatible with 2014 basis).

AL BATINAH POWER COMPANY SAOG

Notes to the unaudited financial statements

At 30 June 2014

14 Basic earnings per share

Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period

| | 30 June 2014 | 30 June 2013 |
|---|-------------------------|-----------------|
| Profit for the period (RO'000) | 2,000 | 5,562 |
| Weighted average number of shares outstanding during the period ('000s) | 674,887 | 339,944 |
| Earnings per share (Baizas) | 2.96 | 16.36 |

Weighted average number of shares as at 30 June, 2013 is based on 5,000,000 shares outstanding as at 01 January, 2013 for three months (50% weightage) and 674,887,430 shares outstanding as at 30 June, 2013 for three months (50% weightage).