

## **Al Suwadi Power Company SAOG**

### **Board of Directors' Report for the nine month period ended 30 September 2015**

Dear Shareholders,

On behalf of the Board of Directors of Al Suwadi Power Company SAOG ("Company"), I have the pleasure to present the Directors' Report together with the unaudited financial statements of the Company for the nine month period ended 30 September 2015.

#### **Corporate governance**

The Company continues to review corporate structure, policies and processes in order to ensure highest standards of corporate governance in compliance with local regulatory requirements as well as with international standards and best practice. As a result, all policies and procedures are being reviewed in a phased manner for further improvement and enhancement of overall internal controls environment of the Company.

#### **Health, safety and environmental ("HSE")**

The health and safety performance was excellent, with no lost time injuries ("LTI"). The Operations and Maintenance Contractor engaged by the Company completed 1,551 days of plant operation without Loss Time and environment incident for the period ended September 2015.

#### **Operations**

During the period, the Company achieved an excellent operational performance, with the Plant demonstrating a high level of reliability, the key parameter to monitor performance of the plant. The power plant dispatched an aggregated net power volume of nearly 2,965 GWh (compared to 2,619 GWh for the corresponding period of last year). The plant reliability for the period was 99% slightly lower as compared to 99.5% for the same period of 2014 primarily due to emergency maintenance activities undertaken during the period.

#### **Financial results**

For the period ended September 2015, the revenues of RO 55.59 million and direct costs of RO 33.46 million were higher compared to RO 44 million and RO 21.87 million respectively for corresponding period of 2014. This was mainly due to increase in gas price effective 1 January 2015 by the Ministry of Oil and Gas. As the gas cost is a pass-through constituent of our invoice to OPWP, on a back to back basis, the Company's monthly invoices to OPWP under PPA also saw a corresponding increase. The general & administration expenses for the period were lower compared to corresponding period of 2014 due to one off plant inauguration and initial public offering costs incurred during the same period of 2014. The finance costs were lower compared to the corresponding period of 2014 as a result of reduction in outstanding debt due to scheduled debt repayments.

Consequently, the Company has posted a net profit of RO 9.98 million for the period as compared to a net profit of RO 8.17 million for the same period of 2014.

The Company has distributed a cash dividend of 3.15% (Baizas 3.15 per share) in June 2015.

The share price was 213 Baizas at the end of September 2015.

**Future Outlook**

The Company expects that the plant will continue to perform well and that the financial performance for the full year 2015 shall be as expected.

Finally, on behalf of the Board of Directors, while wishing His Majesty Sultan Qaboos Bin Said continued good health, I also extend our deep appreciation and gratitude to His Majesty and His Government.



---

Philippe Langlet  
Chairman

## AL SUWADI POWER COMPANY SAOG

### Unaudited condensed income statement

for the nine month period ended 30 September

	<i>Notes</i>	<b>2015</b> <b>RO</b>	2014 RO
Revenues		<b>55,588,805</b>	43,999,860
Direct costs	<i>10</i>	<u><b>(33,462,265)</b></u>	<u>(21,873,986)</u>
Gross profit		<b>22,126,540</b>	22,125,874
Other income (net)		<b>20,050</b>	-
General and administrative expenses	<i>11</i>	<u><b>(551,958)</b></u>	<u>(898,753)</u>
<b>Profit before interest and tax</b>		<b>21,594,632</b>	21,227,121
Finance costs (net)	<i>12</i>	<u><b>(9,549,814)</b></u>	<u>(9,988,372)</u>
<b>Profit before tax</b>		<b>12,044,818</b>	11,238,749
Tax expense		<u><b>(2,064,867)</b></u>	<u>(3,069,058)</u>
<b>Net profit</b>		<u><b>9,979,951</b></u>	<u>8,169,691</u>
<b>Earnings per share</b>			
Basic earnings per share (Baizas)	<i>15</i>	<u><b>13.97</b></u>	<u>11.44</u>

The notes on pages 6 to 14 form an integral part of these condensed interim financial statements.

## AL SUWADI POWER COMPANY SAOG

### Unaudited condensed statement of profit or loss and other comprehensive income for the nine month period ended 30 September

	2015	2014
	RO	RO
<b>Net profit</b>	<b>9,979,951</b>	8,169,691
<b>Other comprehensive (loss), net of income tax:</b>		
<i>Item that will be reclassified to profit or loss</i>		
Effective portion of change in fair value of cash flow hedge	<u>(4,081,977)</u>	<u>(4,349,078)</u>
<b>Total comprehensive income for the period</b>	<b><u>5,897,974</u></b>	<b><u>3,820,613</u></b>

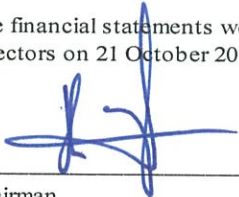
The notes on pages 6 to 14 form an integral part of these condensed interim financial statements.

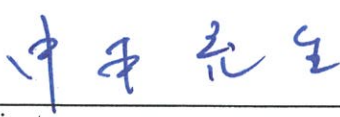
**AL SUWADI POWER COMPANY SAOG**  
**Unaudited condensed statement of financial position**

as at

	Notes	30 September 2015 RO	Audited 31 December 2014 RO
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	299,282,958	305,295,558
Deferred tax asset		2,659,777	1,660,201
<b>Total non-current assets</b>		<b>301,942,735</b>	<b>306,955,759</b>
<b>Current assets</b>			
Trade and other receivables	5	7,952,237	2,707,226
Inventory		1,862,096	1,858,193
Short term deposit	6	-	2,768,400
Cash and cash equivalents	7	16,311,266	508,848
<b>Total current assets</b>		<b>26,125,599</b>	<b>7,842,667</b>
<b>Total assets</b>		<b>328,068,334</b>	<b>314,798,426</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Share capital	8(a)	71,440,634	71,440,634
Legal reserve	8(b)	2,279,555	2,279,555
Retained earnings		18,464,088	10,734,517
<b>Shareholders' fund</b>		<b>92,184,277</b>	<b>84,454,706</b>
<b>Hedging reserve</b>	8(c)	<b>(15,123,198)</b>	<b>(11,041,221)</b>
<b>Total equity</b>		<b>77,061,079</b>	<b>73,413,485</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Term loans	4	202,403,816	202,888,936
Derivative instruments		17,421,314	12,720,369
Deferred tax liability		10,457,672	7,957,343
Asset retirement obligation		574,354	539,815
End of service benefits		7,135	5,405
<b>Total non-current liabilities</b>		<b>230,864,291</b>	<b>224,111,868</b>
<b>Current liabilities</b>			
Term loans	4	13,846,105	13,783,991
Trade and other payables	9	6,296,859	3,149,082
Short term borrowing		-	340,000
<b>Total current liabilities</b>		<b>20,142,964</b>	<b>17,273,073</b>
<b>Total liabilities</b>		<b>251,007,255</b>	<b>241,384,941</b>
<b>Total equity and liabilities</b>		<b>328,068,334</b>	<b>314,798,426</b>
<b>Net assets per share (Baizas)</b>	14	<b>129.04</b>	<b>118.22</b>

The financial statements were approved and authorised for issue in accordance with resolution of the Board of Directors on 21 October 2015.

  
 \_\_\_\_\_  
 Chairman

  
 \_\_\_\_\_  
 Director

The notes on pages 6 to 14 form an integral part of these condensed interim financial statements.

## AL SUWADI POWER COMPANY SAOG

### Unaudited condensed statement of cash flows

for the nine month period ended 30 September

	<i>Notes</i>	<b>2015</b>	<b>2014</b>
		<b>RO</b>	<b>RO</b>
<b>Cash flows from operating activities:</b>			
Net profit		9,979,951	8,169,691
<i>Adjustments for:</i>			
Depreciation		6,014,461	6,005,680
Ineffective portion of hedge		54,855	(14,236)
Tax expense		2,064,867	3,069,058
Amortisation of deferred finance cost		1,110,611	1,178,898
Asset retirement obligation-unwinding of discount		34,538	31,790
End of service benefits		1,730	1,551
		<u>19,261,013</u>	<u>18,442,432</u>
<i>Changes in</i>			
Trade and other receivables		(5,245,011)	(3,533,585)
Inventory		(3,903)	130,702
Trade and other payables		3,147,777	1,926,601
Net cash from operating activities		<u>17,159,876</u>	<u>16,966,150</u>
<b>Cash flows from investing activities:</b>			
Addition to fixed assets		(1,861)	(130,972)
Net cash (used in) investing activities		<u>(1,861)</u>	<u>(130,972)</u>
<b>Cash flows from financing activities:</b>			
(Repayment of) term loans		(1,533,617)	(1,059,656)
(Repayment of) short term borrowing		(340,000)	(1,700,000)
Maturity of short term deposit		2,768,400	-
Dividend paid		(2,250,380)	(1,071,610)
Net cash (used in) financing activities		<u>(1,355,597)</u>	<u>(3,831,266)</u>
<b>Net change in cash and cash equivalents</b>		<b>15,802,418</b>	<b>13,003,912</b>
<b>Cash and cash equivalents at beginning of the period</b>		<b>508,848</b>	<b>4,772,255</b>
<b>Cash and cash equivalents at end of the period</b>	7	<u><b>16,311,266</b></u>	<u><b>17,776,167</b></u>

The notes on pages 6 to 14 form an integral part of these condensed interim financial statements.

**AL SUWADI POWER COMPANY SAOG**  
**Unaudited condensed statement of changes in equity**

for the nine month period ended 30 September

	Share capital RO	Legal reserve RO	Retained earnings RO	Hedging reserve RO	Total RO
Balance at 1 January 2014	71,440,634	1,797,752	11,827,781	(3,089,677)	81,976,490
<i>Total comprehensive income for the period</i>					
Net profit for the period			8,169,691		8,169,691
<i>Other comprehensive (loss) for the period net of income tax</i>					
Cash flow hedge-effective portion of changes in fair value	-	-	-	(4,349,078)	(4,349,078)
<i>Total comprehensive income for the period</i>	-	-	8,169,691	(4,349,078)	3,820,613
<i>Transactions with owners of the Company</i>					
Dividend	-	-	(1,071,610)	-	(1,071,610)
<i>Total transactions with owners of the Company</i>	-	-	(1,071,610)	-	(1,071,610)
Balance at 30 September 2014	71,440,634	1,797,752	18,925,862	(7,438,755)	84,725,493

	RO	RO	RO	RO	RO
<b>Balance at 1 January 2015</b>	<b>71,440,634</b>	<b>2,279,555</b>	<b>10,734,517</b>	<b>(11,041,221)</b>	<b>73,413,485</b>
<i>Total comprehensive income for the period</i>					
Net profit for the period	-	-	9,979,951	-	9,979,951
<i>Other comprehensive (loss) for the period net of income tax</i>					
Cash flow hedge-effective portion of changes in fair value	-	-	-	(4,081,977)	(4,081,977)
<i>Total comprehensive income for the period</i>	-	-	9,979,951	(4,081,977)	5,897,974
<i>Transactions with owners of the Company</i>					
Dividend	-	-	(2,250,380)	-	(2,250,380)
<i>Total transactions with owners of the Company</i>	-	-	(2,250,380)	-	(2,250,380)
<b>Balance at 30 September 2015</b>	<b>71,440,634</b>	<b>2,279,555</b>	<b>18,464,088</b>	<b>(15,123,198)</b>	<b>77,061,079</b>

The notes on pages 6 to 14 form an integral part of these condensed interim financial statements.

# AL SUWADI POWER COMPANY SAOG

## Notes to the unaudited condensed interim financial statements

### 1 Legal status and principal activities

Al Suwadi Power Company (the “Company”) was registered as a closed Omani Joint Stock company (“SAOC”) on 2 August 2010 under the Commercial Companies Law of Oman. The founder shareholders in the Extraordinary General Meeting (“EGM”) held on 31 March 2014 resolved to convert the Company from SAOC to a public joint stock company (“SAOG”) in connection with which the Founder Shareholders offered to sell 35% of their shares for public subscription through an initial public offering and listing on the Muscat Securities Market (“IPO”). The IPO was finalised during the month of June 2014 and the Company was listed on the Muscat Securities Market on 23 June 2014.

The Company’s objectives are to develop, finance, design, construct, operate, maintain, insure, and own a power generating facility (the Barka 3 Power Plant with a capacity of about 750MW), and associated gas interconnection facilities and other relevant infrastructure; making available the demonstrated power capacity and selling the electricity energy generated to Oman Power and Water Procurement Company SAOC. Commercial Operation of the Plant was achieved by the Company on 4 April 2013 as compared to the originally scheduled date of 1 April 2013.

### 2. Basis of preparation and significant accounting policies

#### Basis of preparation

#### (a) *Statement of compliance*

These condensed interim financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting, applicable requirements of the Oman Commercial Companies Law of 1974 (as amended) (“CCL”) and disclosure requirements of the Capital Market Authority of the Sultanate of Oman (“CMA”). Selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in financial position and performance of the Company since the last annual financial statement as at and for the year ended 31 December 2014. The condensed interim financial statements do not include all information required for full annual financial statements prepared in accordance with International Financial Reporting Standards (IFRSs).

#### (b) *Basis of measurement*

These condensed interim financial statements are prepared on historical cost basis except for provision for asset retirement obligation and deferred finance cost which are measured at amortised cost and certain financial instruments which are measured at fair value.

#### (c) *Use of estimates and judgements*

The preparation of the financial statements in conformity with IFRSs requires the Management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in these condensed interim financial statements are same as those that were applied to the financial statements as at and for the year ended 31 December 2014.

#### Significant accounting policies

The accounting policies applied by the Company in these condensed interim financial statements are consistent with those applied by the Company in its financial statements as at and for the year ended 31 December 2014.



# AL SUWADI POWER COMPANY SAOG

## Notes to the unaudited condensed interim financial statements

### 3 Property, plant and equipment

	Property, plant and equipment	Decommi ssioning asset	Technical spares	Others assets	Total
	RO	RO	RO	RO	RO
1 January 2015	317,851,209	466,771	1,682,140	90,801	320,090,921
Additions during the period	-	-	-	1,861	1,861
Disposals during the period	-	-	-	(3,072)	(3,072)
30 September 2015	<u>317,851,209</u>	<u>466,771</u>	<u>1,682,140</u>	<u>89,590</u>	<u>320,089,710</u>
<b>Depreciation</b>					
1 January 2015	14,593,697	20,745	120,927	59,994	14,795,363
Charge during the period	5,945,561	8,849	50,464	9,587	6,014,461
Disposals during the period	-	-	-	(3,072)	(3,072)
30 September 2015	<u>20,539,258</u>	<u>29,594</u>	<u>171,391</u>	<u>66,509</u>	<u>20,806,752</u>
<b>Carrying amount</b>					
30 September 2015	<u>297,311,951</u>	<u>437,177</u>	<u>1,510,749</u>	<u>23,081</u>	<u>299,282,958</u>
31 December 2014	<u>303,257,512</u>	<u>446,026</u>	<u>1,561,213</u>	<u>30,807</u>	<u>305,295,558</u>

# AL SUWADI POWER COMPANY SAOG

## Notes to the unaudited condensed interim financial statements

### 4 Term loans

	<b>30 September</b>	31 December
	<b>2015</b>	2014
	<b>RO</b>	RO
Term loans	<b>225,543,182</b>	227,076,799
Less: current portion	<b>(13,846,105)</b>	(13,783,991)
Non-current portion	<b>211,697,077</b>	213,292,808
Less: Unamortised transaction cost	<b>(9,293,261)</b>	(10,403,872)
	<b><u>202,403,816</u></b>	<u>202,888,936</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 a local bank 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; with Bank Muscat SAOG as Onshore Security Agent and Onshore Account Bank; and with KfW Ipex Bank GMBH as the Hermes Facility Agent.

At 30 September 2015 and 31 December 2014, the outstanding amounts were as follows:

	<b>30 September</b>	31 December
	<b>2015</b>	2014
	<b>RO</b>	RO
Hermes Covered Variable Facility	<b>66,445,061</b>	66,842,441
KEXIM Direct Facility	<b>47,353,861</b>	47,637,066
Commercial Facility	<b>46,046,110</b>	46,506,229
Hermes Covered Fixed Facility	<b>40,889,268</b>	41,133,810
KEXIM Covered Facility	<b>24,808,882</b>	24,957,253
	<b><u>225,543,182</u></b>	<u>227,076,799</u>

## AL SUWADI POWER COMPANY SAOG

### Notes to the unaudited condensed interim financial statements

#### 5 Trade and other receivables

	<b>30 September</b>	31 December
	<b>2015</b>	2014
	<b>RO</b>	RO
Trade receivables	<b>7,526,769</b>	2,254,951
Prepayments	<b>416,336</b>	352,638
Due from related parties (note 13)	<b>6,501</b>	81,203
Other receivables	<b>2,631</b>	18,434
	<b><u>7,952,237</u></b>	<u>2,707,226</u>

#### 6 Short term deposit

As per the CTA, the Company is required to maintain a debt service provisioning account (“DSPA”) to ensure funds are available to service the loan instalments and interest on due date. At each repayment date at the end of October the Company is required to put the scheduled amount towards the next six monthly payment. The amount lying in the DSPA cannot be utilised for any purpose other than servicing the loan instalments and interest and is as such restricted cash. The amount in the DSPA as at 31 December 2014 was invested as a short term deposit which matured on the repayment date of 30 April 2015.

#### 7 Cash and cash equivalents

Cash at bank	<b>16,310,777</b>	508,352
Cash in hand	<b>489</b>	496
	<b><u>16,311,266</u></b>	<u>508,848</u>

Cash at bank includes RO 4,000 (31 December 2014: RO 4,000), as margin money towards a bank guarantee.

# AL SUWADI POWER COMPANY SAOG

## Notes to the unaudited condensed interim financial statements

### 8 Equity

#### (a) Share capital

The IPO, where the Founder Shareholders offered to sell 35% of their shares for public subscription, was finalised during the month of June 2014 and the Company was listed on the Muscat Securities Market on 23 June 2014.

The details of shareholders holding more than 5% shares are as follows:

30 September 2015	Nationality	No. of shares held of		Aggregate
		nominal value 100 Bzs. each	% of total	nominal value of shares held RO
Kahrabel FZE	UAE	213,607,492	29.90%	21,360,750
Multitech LLC	Omani	102,160,110	14.30%	10,216,011
SEP International Netherlands B.V.	Netherlands	51,080,055	7.15%	5,108,005
Blue Horizon Barka Power B.V.	Netherlands	51,080,055	7.15%	5,108,005
Public Authority for Social Insurance	Omani	46,436,409	6.50%	4,643,641
Ministry of Defence Pension Fund	Omani	45,339,917	6.35%	4,533,992
Civil Service Employees Pension Fund	Omani	41,361,657	5.79%	4,136,166
Shareholders with less than 5% shareholding		163,340,645	22.86%	16,334,065
		<b>714,406,340</b>	<b>100.00%</b>	<b>71,440,634</b>

31 December 2014

Kahrabel FZE	UAE	213,607,492	29.90%	21,360,750
Multitech LLC	Omani	102,160,110	14.30%	10,216,011
SEP International Netherlands B.V.	Netherlands	51,080,055	7.15%	5,108,005
Blue Horizon Barka Power B.V.	Netherlands	51,080,055	7.15%	5,108,005
Public Authority for Social Insurance	Omani	46,436,409	6.50%	4,643,641
Ministry of Defence Pension Fund	Omani	43,660,903	6.11%	4,366,090
Civil Service Employees Pension Fund	Omani	37,748,428	5.28%	3,774,843
Shareholders with less than 5% shareholding		168,632,888	23.61%	16,863,289
		<b>714,406,340</b>	<b>100.00%</b>	<b>71,440,634</b>

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 Company SAOC have been amended with effect from 30 March 2014. Accordingly from 30 March 2014, the Company’s issued and paid-up capital consists of 714,406,340 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.

## AL SUWADI POWER COMPANY SAOG

### Notes to the unaudited condensed interim financial statements

#### 9 Trade and other payables

	30 September 2015 RO	31 December 2014 RO
Accrued fuel gas	3,217,920	730,448
Accrued finance cost	2,343,226	1,897,842
Due to related parties (note 13)	63,324	17,978
Other payables and accruals	672,389	502,814
	<u>6,296,859</u>	<u>3,149,082</u>

	30 September 2015 RO	30 September 2014 RO
<b>10 Direct costs</b>		
Fuel gas	21,537,272	9,888,037
Depreciation (note 3)	6,004,874	6,000,370
Operation and maintenance fees	5,030,190	4,937,898
Insurance	514,975	596,496
Grid connection fee	162,969	161,415
Fuel oil	65,131	130,700
Asset retirement obligation-unwinding of discount	34,538	31,790
Other operating expenses	112,316	127,280
	<u>33,462,265</u>	<u>21,873,986</u>
<b>11. General and administrative expenses</b>		
Secondment fees	185,922	177,124
Employment costs	98,431	72,884
Public company related costs	93,287	63,713
Agency fees	35,584	36,039
Office rent	17,213	12,698
Depreciation (note 3)	9,587	5,310
Plant inauguration expenses	-	121,256
IPO costs	-	274,481
Other general and administrative expenses	111,934	135,248
	<u>551,958</u>	<u>898,753</u>
<b>12. Finance costs (net)</b>		
Interest on term loans	4,405,722	4,604,450
Swap interest	3,800,128	4,045,158
Amortisation of deferred finance costs	1,110,611	1,178,898
DSRA LC fee	148,161	145,362
Ineffective portion of interest rate hedge	54,855	(14,236)
Exchange loss	21,903	21,626
Interest on working capital	12,055	11,290
Interest income	(3,621)	(4,176)
	<u>9,549,814</u>	<u>9,988,372</u>

# AL SUWADI POWER COMPANY SAOG

## Notes to the unaudited condensed interim financial statements

### 13 Related party transactions

Related parties comprise the shareholders, directors, key management personnel, business entities that have the ability to control or exercise significant influence in financial and operating decisions of the Company and entities over which certain shareholders are able to exercise significant influence. Prices and terms of these transactions, which are entered into in the normal course of business, are on mutually agreed terms and conditions.

During the period, the following significant transactions were carried out with related parties:

	<b>30 September</b>	30 September
	<b>2015</b>	2014
	<b>RO</b>	RO
Suez Tractebel Operations & Maintenance Oman LLC	<b>5,030,190</b>	4,937,898
Kahrabel Operation & Maintenance (Oman) LLC	<b>185,922</b>	177,124
Electrabel S.A.	<b>68,154</b>	66,866
Multitech LLC	<b>32,595</b>	31,980
Shikoku Electric Power Company Inc.	<b>24,086</b>	15,990
International Power S.A. Dubai Branch	<b>22,878</b>	77,638
Al Batinah Power Company SAOG	<b>16,586</b>	70,896
Sojitz Corporation	<b>16,298</b>	15,990
Directors sitting fees	<b>13,200</b>	12,200
Public Authority for Social Insurance	<b>14,816</b>	14,536
	<b><u>5,424,725</u></b>	<b><u>5,421,118</u></b>

The nature of the above transactions is as follows:

O&M fixed fee	<b>3,878,988</b>	3,934,453
O&M variable fee	<b>1,151,202</b>	1,003,445
Secondment fee	<b>185,922</b>	177,124
DSRA LC fee	<b>148,161</b>	145,362
Professional fees	<b>22,878</b>	33,158
IPO expenses	<b>-</b>	44,480
Sitting fee	<b>13,200</b>	12,200
Others	<b>24,374</b>	70,896
	<b><u>5,424,725</u></b>	<b><u>5,421,118</u></b>

Balance due to related parties at 30 September 2015 and 31 December 2014

	<b>30 September</b>	31 December
	<b>2015</b>	2014
	<b>RO</b>	RO
Al Batinah Power Company SAOG	<b>890</b>	17,978
Kahrabel Operation & Maintenance (Oman) LLC	<b>62,434</b>	-
	<b><u>63,324</u></b>	<b><u>17,978</u></b>

Balances due from related parties at 30 September 2015 and 31 December 2014

Kahrabel Operation & Maintenance (Oman) LLC	<b>-</b>	79,421
Suez Tractebel Operations & Maintenance Oman LLC	<b>6,443</b>	225
Sohar Power Company SAOG	<b>58</b>	1,477
International Power S.A. Dubai Branch	<b>-</b>	80
	<b><u>6,501</u></b>	<b><u>81,203</u></b>

## AL SUWADI POWER COMPANY SAOG

### Notes to the unaudited condensed interim financial statements

#### 14 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.

	<b>30 September 2015</b>	31 December 2014
Net assets - shareholder funds (RO)	<b>92,184,277</b>	84,454,706
Weighted average number of shares outstanding during the period/year	<b>714,406,340</b>	714,406,340
Net assets per share (Baizas)	<b>129.04</b>	118.22

The Management believes that the hedging deficit of RO 15.12 million as at 30 September, 2015 [RO 11.04 million as at 31 December, 2014] represents the loss which the Company would incur, if it opts to terminate its swap agreements on this date. However, under the terms of its Financing Documents, the Company is not permitted to terminate the swap agreements. Accordingly the hedging deficit has been excluded from the Shareholder Funds.

#### 15 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.

	<b>30 September 2015</b>	30 September 2014
Net profit for the period (RO)	<b>9,979,951</b>	8,169,691
Weighted average number of shares outstanding during the period	<b>714,406,340</b>	714,406,340
Basic earnings per share (Baizas)	<b>13.97</b>	11.44

#### 16 Financial risk management

The Company's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended 31 December 2014.

## AL SUWADI POWER COMPANY SAOG

### Notes to the unaudited condensed interim financial statements

#### 17 Operating lease commitments

At 30 September 2015 future lease commitments under the Usufruct Agreement are as follows:

	<b>30 September</b>	31 December
	<b>2015</b>	2014
	<b>RO</b>	RO
Within one year	<b>17,384</b>	17,384
Between two and five years	<b>69,536</b>	69,536
After five years	<b>258,520</b>	271,522

#### 18 Comparative information

Certain comparative figures have been reclassified where necessary to confirm to the presentation adopted in these condensed interim financial statements.