

**QATAR OMAN INVESTMENT COMPANY Q.S.C.**

**DOHA - QATAR**

**INTERIM CONDENSED  
FINANCIAL STATEMENTS  
AND INDEPENDENT AUDITOR'S  
REVIEW REPORT FOR THE  
SIX MONTH PERIOD ENDED  
JUNE 30, 2013**

**QATAR OMAN INVESTMENT COMPANY Q.S.C.**

**INTERIM CONDENSED FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S  
REVIEW REPORT**

For the six month period ended June 30, 2013

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## INDEPENDENT AUDITOR’S REVIEW REPORT

**To the Board of Directors  
Qatar Oman Investment Company Q.S.C.  
Doha - Qatar**

### *Introduction*

We have reviewed the accompanying interim condensed statement of financial position of Qatar Oman Investment Company Q.S.C. (“the Company”) as at June 30, 2013 and the related interim condensed statements of comprehensive income, changes in shareholders’ equity and cash flows for the six month period then ended, and certain explanatory notes. Management is responsible for the preparation and presentation of these interim condensed financial statements in accordance with the International Accounting Standard: IAS 34 “Interim Financial Reporting”. Our responsibility is to express a conclusion on these interim condensed financial statements based on our review.

### *Scope of review*

We conducted our review in accordance with International Standard on Review Engagements 2410: “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”. A review of interim condensed financial statements consists of making inquiries, primarily of persons responsible for the financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### *Conclusion*

Based on our review nothing has come to our attention that causes us to believe that the accompanying interim condensed financial statements are not prepared, in all material respects, in accordance with the International Accounting Standard: IAS 34 “Interim Financial Reporting”.

For **Deloitte & Touche**

**Doha - Qatar  
--, 2013**

**Midhat Salha  
License No. 257**

**QATAR OMAN INVESTMENT COMPANY Q.S.C**

**INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION**

As at June 30, 2013

	<b>Notes</b>	<b>June 30, 2013 (Reviewed) QR.</b>	<b>December 31, 2012 (Audited) QR.</b>
<b>ASSETS</b>			
<b>Current Assets:</b>			
Cash and bank balances	3	<b>50,162,287</b>	111,540,429
Prepayments and other debit balances	7	<b>385,338</b>	372,560
Financial assets at fair value through profit and loss		<b>24,739,000</b>	3,509,800
		<u><b>75,286,625</b></u>	<u>115,422,789</u>
<b>Non-Current Assets:</b>			
Investments at fair value through other comprehensive income	4	<b>214,619,748</b>	173,905,571
Investment properties		<b>39,141,384</b>	39,141,383
Property and equipment		<b>352,298</b>	406,543
		<u><b>254,113,430</b></u>	<u>213,453,497</u>
<b>Total Assets</b>		<u><b>329,400,055</b></u>	<u>328,876,286</u>
<b>LIABILITIES AND SHAREHOLDERS EQUITY</b>			
<b>Current Liabilities:</b>			
Accruals and other credit balances		<b>10,258,403</b>	9,968,443
<b>Non-Current Liabilities:</b>			
Employees' end of service benefits		<b>674,731</b>	595,944
<b>Total Liabilities</b>		<u><b>10,933,134</b></u>	<u>10,564,387</u>
<b>Shareholders' Equity</b>			
Capital	5	<b>315,000,000</b>	315,000,000
Legal reserve		<b>11,585,469</b>	11,585,469
Fair value reserve		<b>(25,541,789)</b>	(27,494,430)
Proposed dividends		<b>--</b>	15,750,000
Retained earnings		<b>17,423,241</b>	3,470,860
<b>Total Shareholders' Equity</b>		<u><b>318,466,921</b></u>	<u>318,311,899</u>
<b>Total Liabilities and Shareholders' Equity</b>		<u><b>329,400,055</b></u>	<u>328,876,286</u>

These interim condensed financial statements were approved by the Directors on --, 2013 and signed on their behalf by:

\_\_\_\_\_  
**Sheikh Abdulrahaman Bin Mohamed  
 Bin Jabr Al Thani**  
**Chairman**

\_\_\_\_\_  
**Naser Mohammed Al Mazkour Al  
 Khalidi**  
**Chief Executive Officer**

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE INTERIM CONDENSED FINANCIAL STATEMENTS

**QATAR OMAN INVESTMENT COMPANY Q.S.C.**

**INTERIM CONDENSED STATEMENTS OF COMPREHENSIVE INCOME**

For the six month period ended June 30, 2013

	<b>For the Six Month Period Ended June 30, 2013 (Reviewed) QR.</b>	<b>For the Six Month Period Ended June 30, 2012 (Reviewed) QR.</b>
<b>Revenue</b>		
Investment and interest income	<u>16,034,821</u>	<u>15,261,893</u>
<b>Expenses</b>		
General and administrative expenses	<u>(3,086,932)</u>	<u>(2,837,689)</u>
Depreciation	<u>(75,309)</u>	<u>(93,934)</u>
<b>Total expenses</b>	<u>(3,162,241)</u>	<u>(2,931,623)</u>
Other income	<u>241,647</u>	<u>409,186</u>
<b>Net profit for the period</b>	<u>13,114,227</u>	<u>12,739,456</u>
<b>Other comprehensive income</b>		
Movement in fair value reserve	<u>2,790,795</u>	<u>(6,248,743)</u>
<b>Total comprehensive income for the period</b>	<u>15,905,022</u>	<u>6,490,713</u>
<b>Earnings Per Share</b>	<u>0.416</u>	<u>0.404</u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE INTERIM CONDENSED FINANCIAL STATEMENTS

**QATAR OMNAN INVESTMENT COMPANY Q.S.C.**

**INTERIM CONDENSED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY**

For the six month period ended June 30, 2013

	<b>Capital</b>	<b>Treasury shares</b>	<b>Legal reserve</b>	<b>Fair value reserve</b>	<b>Proposed dividends</b>	<b>Retained earnings</b>	<b>Total</b>
	<b>QR.</b>	<b>QR.</b>	<b>QR.</b>	<b>QR.</b>	<b>QR.</b>	<b>QR.</b>	<b>QR.</b>
Balance at January 1, 2012 - (Audited)	315,000,000	(106,038)	9,706,564	(19,812,906)	15,750,000	2,234,837	322,772,457
Total comprehensive income for the period	--	--	--	(6,248,743)	--	12,739,456	6,490,713
Profit realized from sale of financial investments at fair value through other comprehensive income	--	--	--	(20,860)	--	20,860	--
Dividends paid	--	--	--	--	(15,750,000)	--	(15,750,000)
Balance at June 30, 2012 - (Reviewed)	<u>315,000,000</u>	<u>(106,038)</u>	<u>9,706,564</u>	<u>(26,082,509)</u>	<u>--</u>	<u>14,995,153</u>	<u>313,513,170</u>
<b>Balance at January 1, 2013 - (Audited)</b>	<b>315,000,000</b>	<b>--</b>	<b>11,585,469</b>	<b>(27,494,430)</b>	<b>15,750,000</b>	<b>3,470,860</b>	<b>318,311,899</b>
Total comprehensive income for the period	--	--	--	2,790,795	--	13,114,227	15,905,022
Realized gain from sale of financial investments at fair value through other comprehensive income	--	--	--	(838,154)	--	838,154	--
Dividends paid	--	--	--	--	(15,750,000)	--	(15,750,000)
<b>Balance at June 30, 2013 - (Reviewed)</b>	<b><u>315,000,000</u></b>	<b><u>--</u></b>	<b><u>11,585,469</u></b>	<b><u>(25,541,789)</u></b>	<b><u>--</u></b>	<b><u>17,423,241</u></b>	<b><u>318,466,921</u></b>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE INTERIM CONDENSED FINANCIAL STATEMENTS

**QATAR OMAN INVESTMENT COMPANY Q.S.C.**  
**INTERIM CONDENSED STATEMENT OF CASH FLOWS**

For the month period ended June 30, 2013

	<b>Note</b>	<b>For the Six Month Period Ended June 30, 2013 (Reviewed) QR.</b>	<b>For the Six Month Period Ended June 30, 2012 (Reviewed) QR.</b>
<b>Cash Flows from Operating Activities:</b>			
Net income for the period		<b>13,114,227</b>	12,739,456
Adjustments for:			
Depreciation of property and equipment		<b>75,309</b>	93,934
Employees' end of service benefits		<b>78,787</b>	111,852
Interest Income		<b>(467,730)</b>	(677,546)
Unrealized loss on revaluation of financial investments		<b>(23,983)</b>	571,283
Gain from sale of financial assets at fair value through profit and loss		<b>(2,933,255)</b>	(5,092,220)
		<b>9,843,355</b>	7,746,759
Prepayments and other debit balances		<b>(12,778)</b>	63,924,094
Accruals and other credit balances		<b>289,960</b>	2,096,520
Purchase of financial investments at fair value through other comprehensive income		<b>(57,816,975)</b>	(116,410,528)
Proceeds from sale of financial investments at fair value through other comprehensive income		<b>19,893,592</b>	21,715,488
Purchase of trading investments		<b>(83,370,723)</b>	(92,117,144)
Proceeds from sale of trading investments		<b>65,098,761</b>	107,411,074
<b>Net Cash used in Operating Activities</b>		<b>(46,074,808)</b>	(5,633,737)
<b>Cash Flows from Investing Activities:</b>			
Interest Received		<b>467,730</b>	677,546
Purchase of property and equipment		<b>(21,064)</b>	(18,993)
<b>Net Cash generated from Investing Activities</b>		<b>446,666</b>	658,553
<b>Cash Flows from Financing Activities:</b>			
Dividends paid		<b>(15,750,000)</b>	(15,750,000)
<b>Net Cash used in Financing Activities</b>		<b>(15,750,000)</b>	(15,750,000)
Net decrease in cash and bank balances		<b>(61,378,142)</b>	(20,725,184)
Cash and bank balances - Beginning of the period		<b>111,540,429</b>	92,370,195
<b>Cash and Bank Balances - End of the Period</b>		<b>50,162,287</b>	71,645,011

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE INTERIM CONDENSED FINANCIAL STATEMENTS

# **QATAR OMAN INVESTMENT COMPANY Q.S.C.**

## **NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS**

For the month period ended June 30, 2013

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### **1. GENERAL INFORMATION**

Qatar Oman Investment Company (“The Company”) is a Qatari Public Shareholding Company registered and incorporated in Qatar and engaged in investment activities in the State of Qatar and Sultanate of Oman. The Company is registered under the Commercial Registration No. 33411.

The interim condensed financial statements were approved by the Board of Directors and authorized for issue on --, 2013.

### **2. ACCOUNTING POLICIES**

The interim condensed financial statements for the six months ended June 30, 2013 have been prepared in accordance with IAS 34 Interim Financial Reporting under the historical cost convention except for certain financial instruments which have been stated at fair value.

The interim condensed financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Company’s annual financial statements as at December 31, 2012. In addition, results for the six month period ended June 30, 2013 are not necessarily indicative of the results that may be expected for the financial year ending December 31, 2013.

The accounting policies adopted in the preparation of the interim condensed financial statements are consistent with those followed in the preparation of the Company’s annual financial statements for the year ended December 31, 2012 except for the adoption of new and revised standards and interpretations effective as of January 1, 2013.

In the current financial year, the Company has adopted certain new and revised standards and interpretations, mainly including:

IAS 1	Presentation of items of other comprehensive income
IFRS 10	Consolidated Financial Statements
IAS 27	Separate Financial Statements
IFRS 11	Joint arrangements
IAS 28	Investments in Associates and Joint Ventures
IFRS 12	Disclosure of Interests in Other Entities
IFRS 13	Fair Value Measurements

The adoption of these new / revised standards and interpretations did not have any impact on the financial position or financial performance of the Company as of and for the period ended June 30, 2013.



**QATAR OMAN INVESTMENT COMPANY Q.S.C.****NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS**For the month period ended June 30, 2013

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**3. CASH AND BANK BALANCES**

	<b>June 30, 2013 (Reviewed)</b>	December 31, 2012 (Audited)
	<b>QR.</b>	<b>QR.</b>
Petty cash	<b>5,000</b>	3,543
Current accounts	<b>7,699,464</b>	16,835,157
Call deposits	<b>18,950,062</b>	35,457,407
Fixed deposits	<b>23,507,761</b>	59,244,322
	<b><u>50,162,287</u></b>	<u>111,540,429</u>

**4. INVESTMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME**

The details of FVTOCI was as follows:

	<b>June 30, 2013 (Reviewed)</b>	December 31, 2012 (Audited)
	<b>QR.</b>	<b>QR.</b>
Quoted shares	<b>145,514,942</b>	126,709,540
Unquoted shares	<b>69,104,806</b>	47,196,031
	<b><u>214,619,748</u></b>	<u>173,905,571</u>

**5. SHARE CAPITAL**

	<b>June 30, 2013 (Reviewed)</b>	December 31, 2012 (Audited)
	<b>QR.</b>	<b>QR.</b>
Authorized and issued share capital: 31,500,000 shares with a value of QR.10 per share	<b><u>315,000,000</u></b>	<u>315,000,000</u>

## QATAR OMAN INVESTMENT COMPANY Q.S.C.

### NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

For the month period ended June 30, 2013

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#### 6. RELATED PARTIES TRANSACTIONS

These represent transactions with related parties, such as the major shareholders, senior management of the Company and the companies of which they are the principal owners.

The remuneration of directors and other members of key management during the period were as follows:

	<b>For the six month period ended</b>	
	<b>June 30, 2013</b>	June 30, 2012
	<b>(Reviewed)</b>	(Reviewed)
	<b>QR.</b>	QR.
Short term benefits	<b>612,000</b>	612,000

#### 7. PREPAYMENTS AND OTHER DEBIT BALANCES

	<b>June 30,</b>	December 31,
	<b>2013</b>	2012
	<b>(Reviewed)</b>	(Audited)
	<b>QR.</b>	QR.
Dalala Brokerage Company	<b>134,443</b>	104,492
Staff's Furniture Allowance	<b>120,000</b>	120,000
Accrued interest income	<b>50,995</b>	83,218
Others	<b>79,900</b>	64,850
	<b>385,338</b>	372,560