

RENAISSANCE SERVICES SAOG AND ITS SUBSIDIARY COMPANIES  
INTERIM REPORT FOR THE PERIOD ENDED 31ST MARCH 2021

	3 months ended 31st March 2021 Amount Rial '000	3 months ended 31st March 2020 Amount Rial '000
Total assets	223,684	207,965
Total liabilities	144,390	133,540
Net assets (excluding Minority Interest)	59,740	56,948
Net assets per share (Rial)	0.280	0.267
Current ratio	1.3	1.4

	3 months ended 31st March 2021 Amount Rial '000	3 months ended 31st March 2020 Amount Rial '000
Gross profit	5,073	7,120
Gross profit margin %	20%	25%
Net profit after tax	2,726	4,050
Net profit after minority interest	2,125	3,207
Earnings per share (Rial)	0.010	0.015

**RENAISSANCE SERVICES SAOG AND ITS SUBSIDIARY COMPANIES**  
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Unaudited consolidated balance sheet as at  
31st March 2021

	Notes	3 months ended 31st March 2021 Amount Rial '000	3 months ended 31st March 2020 Amount Rial '000
<b>Non current assets</b>			
Property, plant and equipment & right of use asset		145,512	128,663
Intangible assets		1,963	2,086
Investments - FVTOCI	5,6,7	<u>4,552</u>	<u>4,187</u>
		<u>152,027</u>	<u>134,936</u>
<b>Current assets</b>			
Inventories	1	4,960	4,793
Trade receivables & Prepayments	2&9	34,931	38,987
Receivables from related parties		226	265
Investments - FVTPL	5,6,7&9	1,557	500
Bank and cash		<u>29,983</u>	<u>28,484</u>
<b>Current assets</b>		<u>71,657</u>	<u>73,029</u>
<b>Total assets</b>			
		<u>223,684</u>	<u>207,965</u>
<b>Current liabilities</b>			
Trade & other creditors		44,418	40,421
Payable to related parties		146	-
Bank overdrafts and short term loans	4	24	2,552
Term loans - current portion	4	4,803	3,914
Dividend payable - net		<u>4,271</u>	<u>4,271</u>
<b>Current liabilities</b>		<u>53,662</u>	<u>51,158</u>
<b>Long term liabilities</b>			
Term loans	4	80,238	74,364
Non current payables and advance (including lease liabilities)		5,782	3,747
Staff terminal benefits		<u>4,708</u>	<u>4,271</u>
		<u>90,728</u>	<u>82,382</u>
<b>Total Liabilities</b>		<u>144,390</u>	<u>133,540</u>
<b>Net assets</b>			
	<b>TOTAL -A</b>	<u>79,294</u>	<u>74,425</u>
<b>Capital and reserves</b>			
Share capital		23,641	23,641
Treasury shares	6	(6,853)	(6,853)
Share premium		26,936	26,936
Legal reserve		8,574	8,343
Subordinated loan reserve		2,250	3,000
Other reserves		331	(182)
Retained earnings		2,736	(1,144)
Profit for the period		<u>2,125</u>	<u>3,207</u>
		<u>59,740</u>	<u>56,948</u>
Minority interest		<u>19,554</u>	<u>17,477</u>
	<b>TOTAL-B</b>	<u>79,294</u>	<u>74,425</u>

**RENAISSANCE SERVICES SAOG AND ITS SUBSIDIARY COMPANIES**  
**INTERIM REPORT FOR THE PERIOD ENDED 31ST MARCH 2021**

Unaudited consolidated income statement  
 For the three months ended  
 31st March 2021

	<b>3 months ended 31st March 2021</b>	3 months ended 31st March 2020
	Amount Rial '000	Amount Rial '000
<b>Turnover</b>	25,685	28,855
<b>Gross profit</b>	<u>5,073</u>	<u>7,120</u>
Administration & general expenses	(1,297)	(1,909)
<b>Operating profit</b>	<u>3,776</u>	<u>5,211</u>
Investment and other income	80	13
Finance charges	(1,123)	(1,172)
<b>Profit before tax</b>	<u>2,733</u>	<u>4,052</u>
Tax	(7)	(2)
<b>Profit for the period</b>	<u>2,726</u>	<u>4,050</u>
Minority interest (Note 5)	(601)	(843)
<b>Net profit attributable to Ordinary Shareholders</b>	<u>2,125</u>	<u>3,207</u>
<b>Dividend per share (Rial)</b>	0.020	0.020
<b>Net profit margin (%)</b>	10.6%	14.0%

**RENAISSANCE SERVICES SAOG AND ITS SUBSIDIARY COMPANIES**  
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Unaudited consolidated statement of cash flows  
For the three months ended  
31st March 2021

	<b>3 months ended 31st March 2021 Amount Rial '000</b>	<b>3 months ended 31st March 2020 Amount Rial '000</b>
<b>Cash from operations</b>	<b>7,464</b>	3,709
Net tax (paid)/refund received	(840)	185
Net interest paid	(1,003)	(1,051)
<b>Net cash from operating activities</b>	<b>5,621</b>	2,843
<b>Net cash from/(used) in investing activities</b>	<b>(4,561)</b>	(2,997)
<b>Net cash from/(used) in financing activities</b>	<b>8,670</b>	(5,192)
<b>Net increase / (decrease) in cash &amp; cash equivalents</b>	<b>9,730</b>	(5,346)
Cash and cash equivalents brought forward	20,229	33,778
<b>Cash and cash equivalents carried forward</b>	<b>29,959</b>	28,432

**RENAISSANCE SERVICES SAOG AND ITS SUBSIDIARY COMPANIES**  
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**Unaudited consolidated statement of changes in equity**  
**For the three months ended**  
**31st March 2021**

	Share Capital	Share Premium	Legal Reserve	Retained earnings	Total Rial '000
1st January 2021	23,641	26,936	8,574	7,007	66,158
Net profit for the period	-	-	-	2,125	2,125
Income from treasury shares				457	457
Dividend declared	-	-	-	(4,728)	(4,728)
<b>31st March 2021</b>	<b>23,641</b>	<b>26,936</b>	<b>8,574</b>	<b>4,861</b>	<b>64,012</b>
1st January 2020	23,641	26,936	8,341	3,362	62,280
Net profit for the period				3,207	3,207
Income from treasury shares	-	-	-	457	457
Dividend declared	-	-	-	(4,728)	(4,728)
Transactions with MI	-	-	2	(235)	(233)
<b>31st March 2020</b>	<b>23,641</b>	<b>26,936</b>	<b>8,343</b>	<b>2,063</b>	<b>60,983</b>

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**Notes**

**1. Inventories**

Inventories can be analysed as follows:

	<b>3 months ended 31st March 2021 Amount Rial '000</b>	3 months ended 31st March 2020 Amount Rial '000
Catering stock and consumables	<u>4,960</u>	4,793

**2. Trade receivables & Prepayments**

Trade receivables can be analysed as follows

	<b>3 months ended 31st March 2021 Amount Rial '000</b>	3 months ended 31st March 2020 Amount Rial '000
Trade receivables and Prepayments & advances	37,353	41,125
Less: Provisions	(2,422)	(2,138)
	<u>34,931</u>	<u>38,987</u>

**3. Segment Reporting**

Renaissance currently operates one business segment, Integrated Facilities Management (IFM).

**4. Bank loans and overdrafts**

These can be analysed as follows:

	<b>3 months ended 31st March 2021 Amount Rial '000</b>	3 months ended 31st March 2020 Amount Rial '000
Term loans	85,041	78,278
Short term loans	-	2,500
Bank Overdrafts	<u>24</u>	<u>52</u>
	85,065	80,830
Current maturities of term loans	(4,803)	(3,914)
Short term loans and overdrafts	<u>(24)</u>	<u>(2,552)</u>
Long term portion of term loans	<u>80,238</u>	<u>74,364</u>

The bank loans and working capital borrowings are secured by charge over certain assets of the company and its subsidiaries and corporate guarantee. The bank loans and overdrafts bear commercial rates.

Renaissance has concluded debt financing of RO 25.6 million for expansion of its accommodation facilities in Duqm and drawdown RO 10.6 million during Q1 2021.

The maturity of long term loans:

	<b>3 months ended 31st March 2021 Amount Rial '000</b>	3 months ended 31st March 2020 Amount Rial '000
Due within one year	4,803	3,914
Due after one year	<u>80,238</u>	<u>74,364</u>
	<u>85,041</u>	<u>78,278</u>

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**5. Investments in associates and subsidiaries**

*Subsidiaries*

Investments in subsidiaries are accounted for using the consolidated method as per International Financial Reporting Standards ("IFRS").

The principal operating subsidiaries of Renaissance Services SAOG (RS or the company) are as follows:

Company	31st March 2021 Holding %	31st March 2020 Holding %
1) Tawoos Industrial Services Company SAOC (TISCO)	100%	100%
2) Renaissance Duqm Holding SAOC (RDH)	54.8%	52.8%

**Subsidiaries of TISCO**

1) Rusail Catering & Cleaning Services LLC (RCCS)	100%	100%
2) Renaissance Sager Environment Solutions LLC (RS SAGER)	51%	51%
3) Renaissance Contract Services International LLC (RCSI)	100%	100%
4) Renaissance Facilities Management Company SAOC (RFMC)	100%	100%

**Subsidiary of RDH**

1) Renaissance Duqm Accommodation Company SAOC (RDAC)	100%	100%
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RCSI through its subsidiaries in UAE, provides catering and allied services.

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**6. Investments**

Investments include all long term and short term investments of the company, excluding only those associates and subsidiaries listed in Note 5. Marketable Securities are carried at their open market value.

Unquoted and other investments are carried at cost adjusted for any appreciation or diminutions in value.

Investments can be analysed as follows:

	<b>Market Value 3 months ended 31st March 2021</b>	Market Value 3 months ended 31st March 2020	<b>Book Value 3 months ended 31st March 2021</b>	Book Value 3 months ended 31st March 2020
	Amount Rial '000	Amount Rial '000	Amount Rial '000	Amount Rial '000
<b>Short Term investments</b>				
Marketable securities - Oman				
Banking	-	-	-	-
Investments	-	-	-	-
Insurance	-	-	-	-
Services	-	-	-	-
Industrial	-	-	-	-
Government Bonds	-	-	-	-
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Marketable securities - Foreign				
Banking	-	-	-	-
Investments	-	-	-	-
Industrial	-	-	-	-
Bonds	-	-	-	-
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Unquoted and other investments				
Unquoted Omani shares	-	-	-	-
Investment fund units	1,557	500	1,557	500
Term deposits	-	-	-	-
Unquoted foreign shares	-	-	-	-
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	1,557	500	1,557	500

**Long Term investments**

Long term investments of RO 4,552K (2020: RO 4,187K) represents market value of investments in Omani and Foreign quoted shares, bonds and other fixed income instruments. These investments are classified as measured at fair value through other comprehensive income (FVTOCI). The movement in the market value of these investments have been recognised in the statement of other comprehensive income and disclosed under other reserves in the balance sheet. Gains and losses accumulated in the statement of other comprehensive income are reclassified to the profit or loss account upon sale of fixed income instruments.

A subsidiary company holds 22,829,241 shares (2020 - 22,829,241 shares) in Renaissance Services SAOG. Cost of these treasury shares of Rial 6,853K (2020: Rial 6,853K) has been shown as a deduction from equity.

**6a. Investment income**

**Realised**

Realised investment income represents gains and losses on disposal of investments and other realised investment related gains and losses. (and income earned out of investments).

**Unrealised**

Marketable securities are recorded at their open market value. Movements in the carrying values of marketable securities are taken to unrealised investment income.

	<b>3 months ended 31st March 2021</b>	3 months ended 31st March 2020
	Amount Rial '000	Amount Rial '000
Realised	32	1
Unrealised	31	(260)
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	63	(259)



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**7. Details of significant Investments**

Details of all the reporting company's investments including Associates/Subsidiaries for which either the reporting company's holdings represent 10% or more of the issued share capital or the reporting company's holdings exceed 10% of the market value of the reporting company's investment portfolio are provided as follows as on:-

31st March 2021

	<b>Holding %</b>	<b>Number of Securities</b>	<b>Market Value</b> Amount Rial '000	<b>Book Value</b> Amount Rial '000	<b>Cost</b> Amount Rial '000
MSM Quoted Securities	0%	-	-	-	-
Foreign Listed Securities	0%	-	-	-	-
		-	-	-	-
As of 31st March 2021		-	-	-	-

	<b>Holding %</b>		<b>Book Value</b> Amount Rial '000	<b>Cost</b> Amount Rial '000
MSM Unquoted Securities	0%		-	-
Total as of 31st March 2021			-	-
Foreign Unlisted Securities	0%		-	-
Total as of 31st March 2021			-	-

**8. Related parties & holders of 10% of company shares.**

The nature of significant transactions involving related parties holding 10% or more of the company's shares and the amounts involved during the period were as follows:

**Income items**

	<b>3 months ended</b> <b>31st March 2021</b> Amount Rial '000	<b>3 months ended</b> <b>31st March 2020</b> Amount Rial '000
Tawoos LLC - Services	3	3
	<u>3</u>	<u>3</u>

**Expense Items**

The nature of significant transactions involving related parties holding 10% or more of the company's shares and the amounts involved during the period were as follows:

	<b>3 months ended</b> <b>31st March 2021</b> Amount Rial '000	<b>3 months ended</b> <b>31st March 2020</b> Amount Rial '000
Tawoos LLC	-	-
	<u>-</u>	<u>-</u>

**8a. Loans, Advances, Receivables due, Provisions & write offs**

Loans, advances or receivables due from related parties holding 10% or more of the company's shares minus all provisions and write-offs which have been made on these accounts at any time, are further analysed as follows:

	<b>3 months ended</b> <b>31st March 2021</b> Amount Rial '000	<b>3 months ended</b> <b>31st March 2020</b> Amount Rial '000
Tawoos LLC	8	10
	<u>8</u>	<u>10</u>

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**9. Provisions**

Changes to the level of provisions during the period can be analysed as follows.

<b>Provisions for :</b>	<b>Receivables &amp; Prepayments</b>	<b>Value of Investments</b>	<b>Inventories</b>	<b>Total Amount Rial '000</b>
Beginning balance of Provision	2,375	-	-	2,375
Provided during the period	47	-	-	47
Transfer during the period	-	-	-	-
(Written off) during the period	-	-	-	-
Provision balance as of 31st March 2021	2,422	-	-	2,422
<b>Book value of Assets:</b>	<b>Receivable &amp; Prepayments</b>	<b>Value of Investments</b>	<b>Inventories</b>	<b>Total Amount Rial '000</b>
Value of assets before provision	37,353	6,109	4,960	48,422
Provision balance as of 31st March 2021	(2,422)	-	-	(2,422)
Book value of assets as of 31st March 2021	34,931	6,109	4,960	46,000

**10. Shareholders**

All the shareholders of the company who own 10% or more of the company's shares and the number of shares they hold are as follows:

	<b>3 months ended 31st March 2021 No of shares</b>	<b>3 months ended 31st March 2020 No of shares</b>
<b>Common Share holders:</b>		
Cyclical Services LLC	34,408,309	34,408,309
Tawoos LLC	27,381,324	27,381,324
<b>Preferred Shareholders:</b>		
Nil	-	-
	<b>61,789,633</b>	<b>61,789,633</b>