

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENT

Six month period ended 31 December 2020



INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2020

	Reviewed	Restated	
	31 December 2020	30 June 2020	1 July 2019
	USD '000	USD '000	USD '000
ASSETS			
Balances and placements with banks	849	505	10,175
Investments	93,143	83,029	119,119
Investments in associates and a joint venture accounted under the equity method	13,914	14,656	22,701
Murabaha financing to investee companies	87	472	30,406
Wakala contract receivable	6,670	6,670	10,672
Receivables	2,020	2,020	1,976
Funding to project companies	2,599	3,181	5,693
Other assets	4,653	8,909	26,053
Right-of-use assets	3,251	3,831	-
Property and equipment	4,785	4,947	7,480
TOTAL ASSETS	131,971	128,220	234,275
LIABILITIES			
Islamic financing payables	91,083	88,901	109,692
Employee accruals	902	796	1,440
Ijarah liability	3,332	3,894	-
Other liabilities	25,898	13,589	20,885
Total liabilities	121,215	107,180	132,017
EQUITY			
Share capital	190,000	190,000	190,000
Statutory reserve	5,859	5,859	5,859
Foreign currency translation reserve	-	(167)	(71)
Accumulated losses	(185,103)	(174,652)	(93,530)
Total equity	10,756	21,040	102,258
TOTAL LIABILITIES AND EQUITY	131,971	128,220	234,275
OFF-BALANCE SHEET ITEMS			
Equity of investment account holders	1,214	1,118	1,887

INTERIM CONSOLIDATED STATEMENT OF INCOME

Six month period ended 31 December 2020 (Reviewed)

	Three-months ended 31 December		Three-months ended 31 December	
	2020	2019	2020	2019
	Reviewed	Restated	Reviewed	Restated
REVENUE				
Income from investment banking services - net	462	567	462	1,612
(Loss) gain on sale of investments	39	32	(21)	733
Finance income	-	1	-	527
Dividend income	525	1,214	525	1,214
Rental and other income	445	2,499	1,454	2,782
Total revenue	1,471	4,313	2,420	6,868
OTHER GAINS (LOSSES)				
Fair value gains (losses) on investments carried at fair value through profit or loss - net	9,750	(18,709)	9,727	(18,622)
	11,221	(14,396)	12,147	(11,754)
EXPENSES				
Staff costs	897	835	1,639	1,689
Travel and business development expenses	-	26	1	95
Legal and professional fees	438	228	788	306
Finance expense	1,061	1,021	2,189	2,251
Depreciation	81	81	194	163
Other expenses	1,079	1,179	2,165	2,191
Total expenses	3,556	3,370	6,976	6,695
INCOME (LOSS) BEFORE IMPAIRMENT PROVISIONS AND SHARE OF LOSS OF ASSOCIATES AND A JOINT VENTURE	7,665	(17,766)	5,171	(18,449)
Impairment of investments	(3,859)	(13,916)	(4,036)	(14,431)
Reversal (provision) for credit losses	252	(11,243)	387	(11,060)
Impairment of property and equipment	-	(681)	-	(681)
Other provisions	(5,837)	-	(11,957)	-
Share of (loss) profit of associates and a joint venture - net	(16)	109	(16)	94
NET LOSS FOR THE PERIOD	(1,795)	(43,497)	(10,451)	(44,527)

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

Six month period ended 31 December 2020 (Reviewed)

	Dec 2020	Dec 2019
	USD '000	USD '000
OPERATING ACTIVITIES		
Net loss for the period	(10,451)	(44,527)
Adjustments for:		
Share of loss (profit) of associates and a joint venture accounted under the equity method	16	(94)
Impairment of property and equipment (Reversal) provision for credit losses	(387)	11,060
Impairment of investments	4,036	14,431
Other provisions	11,957	-
Fair value (gains) losses on investments carried at fair value through profit or loss	(9,727)	18,622
Loss (gain) on sale of investment	21	(733)
Depreciation	194	(163)
Finance cost on right-of-use asset	8	(1,214)
Dividend income	(525)	-
Operating losses before changes in operating assets and liabilities	(4,858)	(1,937)
Changes in operating assets and liabilities:		
Investments	(6,070)	(9,219)
Investments in associates and a joint venture accounted under the equity method	764	96
Receivables	-	23
Funding to project companies	736	353
Other assets	4,499	382
Employee accruals	106	(1,221)
Islamic financing payables	2,182	(22,933)
Other liabilities	382	(7,095)
Net cash used in operating activities	(2,259)	(41,551)
INVESTING ACTIVITIES		
Dividends paid	-	1,214
Dividends received	-	2,854
Proceeds from sale of investment	2,113	326
Net cash from investing activities	2,113	4,394
FINANCING ACTIVITIES		
Murabaha financing to investee company	346	29,425
Rent paid towards right-of-use asset	(22)	-
Net cash from financing activities	324	29,425
Foreign currency translation adjustments	167	(96)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	345	(7,828)
Cash and cash equivalents at beginning of the period	505	10,175
ECL (charged) reversed on balances and placements with banks	(1)	20
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	849	2,367
Cash and cash equivalents per the consolidated statement of financial position	849	2,367
Balances with banks	849	2,367

Extracted from the financial statements reviewed by Ernst & Young and approved for issue by the Board on 2 June 2021

Abdulfatah Mohammed Rafie Marafie
Chairman of the Board

Mohammed Ahmed Jumaan
Board Member

Note: These financial statements have been reviewed by Ernst & Young who have expressed a qualified opinion as they have not been able to obtain sufficient corroborative audit evidence with respect to Management's assessment of a provision amount on a specific Wakala contract receivable.

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Six month period ended 31 December 2020 (Reviewed)

	Share capital USD '000	Statutory reserve USD '000	Foreign currency translation reserve USD '000	Accumulated losses USD '000	Total USD '000
Balance at 1 July 2020 (previously reported)	190,000	5,859	(167)	(173,563)	22,129
Effect of restatement	-	-	-	(1,089)	(1,089)
Balance at 1 July 2020 (restated)	190,000	5,859	(167)	(174,652)	21,040
Net loss for the period	-	-	-	(10,451)	(10,451)
Foreign currency translation difference on investment in an associate	-	-	167	-	167
Balance at 31 December 2020	190,000	5,859	-	(185,103)	10,756
Balance at 1 July 2019 (previously reported)	190,000	5,859	(71)	(93,302)	102,486
Effect of restatement	-	-	-	(228)	(228)
Balance at 1 July 2019 (restated)	190,000	5,859	(71)	(93,530)	102,258
Net loss for the period (restated)	-	-	-	(44,527)	(44,527)
Foreign currency translation difference on investment in an associate	-	-	(96)	-	(96)
Balance at 31 December 2019 (restated)	190,000	5,859	(167)	(138,057)	57,635