

**INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
FOR THE THREE MONTH PERIOD ENDED 30 SEPTEMBER 2020



**INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
As at 30 September 2020

|   | 30 September<br>2020<br>USD '000 | 30 June<br>2020<br>USD '000 |
|---|----------------------------------|-----------------------------|
| <b>ASSETS</b>   |                                  |                             |
| Balances and placements with banks  | 1,019                            | 505                         |
| Investments   | 75,627                           | 76,378                      |
| Investments in associates and a joint venture accounted under the equity method | 14,656                           | 14,656                      |
| Murabaha financing to investee companies  | 225                              | 472                         |
| Wakala contract receivable  | 6,670                            | 6,670                       |
| Receivables   | 2,020                            | 2,020                       |
| Funding to project companies  | 2,734                            | 3,181                       |
| Other assets  | 8,916                            | 8,909                       |
| Right-of-use assets   | 3,251                            | 3,831                       |
| Property and equipment  | 4,866                            | 4,947                       |
| <b>TOTAL ASSETS</b>   | <b>119,984</b>                   | <b>121,569</b>              |
| <b>LIABILITIES</b>  |                                  |                             |
| Islamic financing payables  | 90,023                           | 88,901                      |
| Employee accruals   | 787                              | 796                         |
| Ijarah liability  | 3,332                            | 3,894                       |
| Other liabilities   | 12,369                           | 5,849                       |
| <b>Total liabilities</b>  | <b>106,511</b>                   | <b>99,440</b>               |
| <b>EQUITY</b>   |                                  |                             |
| Share capital   | 190,000                          | 190,000                     |
| Statutory reserve   | 5,859                            | 5,859                       |
| Foreign currency translation reserve  | (167)                            | (167)                       |
| Accumulated losses  | (182,219)                        | (173,563)                   |
| <b>Total equity</b>   | <b>13,473</b>                    | <b>22,129</b>               |
| <b>TOTAL LIABILITIES AND EQUITY</b>   | <b>119,984</b>                   | <b>121,569</b>              |
| <b>OFF-BALANCE SHEET ITEMS</b>  |                                  |                             |
| Equity of investment account holders  | 1,225                            | 1,118                       |

**INTERIM CONSOLIDATED STATEMENT OF INCOME**  
Three month period ended 30 September 2020 (Reviewed)

|   | Three-months ended<br>30 September |                  |
|---|------------------------------------|------------------|
|   | 2020<br>USD '000                   | 2019<br>USD '000 |
| <b>REVENUE</b>  |                                    |                  |
| Income from investment banking services - net   | -                                  | 1,045            |
| (Loss) gain on sale of investment   | (60)                               | 701              |
| Finance income  | -                                  | 526              |
| Rental and other income   | 1,009                              | 283              |
| <b>Total revenue</b>  | <b>949</b>                         | <b>2,555</b>     |
| <b>OTHER (LOSSES) GAINS</b>   |                                    |                  |
| Fair value (losses) gains on investments carried at fair value through profit or loss - net | (23)                               | 87               |
|   | 926                                | (2,642)          |
| <b>EXPENSES</b>   |                                    |                  |
| Staff costs   | 742                                | 854              |
| Travel and business development expenses  | 1                                  | 69               |
| Legal and professional fees   | 350                                | 78               |
| Finance expense   | 1,128                              | 1,230            |
| Depreciation  | 113                                | 82               |
| Other expenses  | 1,086                              | 1,012            |
| <b>Total expenses</b>   | <b>3,420</b>                       | <b>3,325</b>     |
| <b>LOSS BEFORE IMPAIRMENT PROVISION AND SHARE OF LOSS OF ASSOCIATES AND A JOINT VENTURE</b> | <b>(2,494)</b>                     | <b>(683)</b>     |
| Impairment of investments   | (177)                              | (209)            |
| Provisions for credit losses - net  | 135                                | (123)            |
| Other provisions  | (6,120)                            | -                |
| Share of loss of associates and a joint venture - net                                       | -                                  | (15)             |
| <b>NET LOSS FOR THE PERIOD</b>  | <b>(8,656)</b>                     | <b>(1,030)</b>   |

**INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS**  
Three month period ended 30 September 2020 (Reviewed)

|   | 2020<br>USD '000 | 2019<br>USD '000 |
|---|------------------|------------------|
| <b>OPERATING ACTIVITIES</b>   |                  |                  |
| Net loss for the period   | (8,656)          | (1,030)          |
| Adjustments for:  |                  |                  |
| Share of loss of associates and a joint venture accounted under the equity method     | -                | 15               |
| Provisions for credit losses - net  | (135)            | 123              |
| Impairment of investments   | 177              | 209              |
| Other provisions  | 6,120            | -                |
| Fair value loss (gains) on investments carried at fair value through profit or loss   | 23               | (87)             |
| Loss (gain) on sale of investment   | 60               | (701)            |
| Depreciation  | 113              | 82               |
| Finance cost on right-of-use asset  | 9                | -                |
| Operating losses before changes in operating assets and liabilities                   | (2,289)          | (1,389)          |
| Changes in operating assets and liabilities:  |                  |                  |
| Investments   | (615)            | (1,309)          |
| Receivables   | -                | (711)            |
| Funding to project companies  | 544              | 572              |
| Other assets  | (8)              | 1,325            |
| Employee accruals   | (9)              | (478)            |
| Other liabilities   | 400              | (7,163)          |
| <b>Net cash used in operating activities</b>  | <b>(1,977)</b>   | <b>(9,153)</b>   |
| <b>INVESTING ACTIVITIES</b>   |                  |                  |
| Proceeds from sale of investment  | 1,106            | 1,734            |
| <b>Net cash from investing activity</b>   | <b>1,106</b>     | <b>1,734</b>     |
| <b>FINANCING ACTIVITIES</b>   |                  |                  |
| Murabaha financing to investee company  | 286              | 1,206            |
| Islamic financing payables  | 1,122            | 1,056            |
| Rent paid towards right-of-use asset  | (21)             | -                |
| <b>Net cash from financing activities</b>   | <b>1,387</b>     | <b>2,262</b>     |
| <b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>                           | <b>516</b>       | <b>(5,157)</b>   |
| Cash and cash equivalents at beginning of the period                                  | 505              | 10,175           |
| ECL (charged) reversed on balances and placements with banks                          | (2)              | 12               |
| <b>CASH AND CASH EQUIVALENTS AT END OF THE PERIOD</b>                                 | <b>1,019</b>     | <b>5,030</b>     |
| <b>Cash and cash equivalents per the consolidated statement of financial position</b> |                  |                  |
| Balances with banks   | 1,019            | 2,176            |
| Placements with financial institutions  | -                | 2,854            |
| <b>Total</b>  | <b>1,019</b>     | <b>5,030</b>     |

Extracted from the financial statements reviewed by Ernst & Young and approved for issue by the Board on 31 January 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**  
Three month period ended 30 September 2020 (Reviewed)

|                                     | Share capital<br>USD '000 | Statutory reserve<br>USD '000 | Foreign currency translation reserve<br>USD '000 | Accumulated losses<br>USD '000 | Total<br>USD '000 |
|-------------------------------------|---------------------------|-------------------------------|--|--------------------------------|-------------------|
| Balance at 1 July 2020              | 190,000                   | 5,859                         | (167)  | (173,563)                      | 22,129            |
| Net loss for the period             | -                         | -                             | -  | (8,656)                        | (8,656)           |
| <b>Balance at 30 September 2020</b> | <b>190,000</b>            | <b>5,859</b>                  | <b>(167)</b>                                     | <b>(182,219)</b>               | <b>13,473</b>     |
| Balance at 1 July 2019              | 190,000                   | 5,859                         | (71)   | (93,302)                       | 102,486           |
| Net loss for the period             | -                         | -                             | -  | (1,030)                        | (1,030)           |
| <b>Balance at 30 September 2019</b> | <b>190,000</b>            | <b>5,859</b>                  | <b>(71)</b>                                      | <b>(94,332)</b>                | <b>101,456</b>    |