

FINANCIAL RESULTS

for the six months ended 30 June 2019

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2019

US\$ 000's

	30 June 2019 <i>(reviewed)</i>	31 December 2018 <i>(audited)</i>
ASSETS		
Cash and bank balances	15,231	15,407
Placements with financial institutions	47,689	89,818
Financing assets	157,638	117,426
Ijarah assets	73,300	75,100
Investment securities	389,259	428,737
Equity accounted investees	71,259	29,341
Other assets	56,015	52,080
Property and equipment	18,619	17,857
Total assets	829,010	825,766
LIABILITIES AND EQUITY		
LIABILITIES		
Placements from financial institutions	58,507	92,884
Bank financing	140,698	122,628
Other liabilities	37,245	23,434
Total liabilities	236,450	238,946
EQUITY		
Share capital	600,000	600,000
Treasury shares	(4,356)	(7,261)
Statutory reserve	13,034	13,034
Investments fair value reserve	(4,458)	(2,011)
Foreign exchange translation reserve	(5,561)	(2,171)
Accumulated losses	(53,302)	(61,968)
Total equity attributable to shareholders of the parent	545,357	539,623
Non-controlling interests	47,203	47,197
TOTAL EQUITY	592,560	586,820
Total liabilities and equity	829,010	825,757



مصرف الطاقة الأول
FirstEnergyBank

CONDENSED CONSOLIDATED INCOME STATEMENT

For the six months ended 30 June 2019

US\$ 000's

	Six months ended		Three months ended	
	30 June 2019 <i>(reviewed)</i>	30 June 2018 <i>(reviewed)</i>	30 June 2019 <i>(reviewed)</i>	30 June 2018 <i>(reviewed)</i>
INCOME				
Income from investment securities	8,112	15,231	3,415	3,395
Income from financing and placements with financial institutions	7,666	6,162	4,985	3,191
Fees and commission income	4,366	3,300	3,500	3,012
Share of results of equity accounted investees	1,730	(189)	727	200
Net income from Ijarah assets	1,457	1,321	743	649
Other income	2,502	-	25	-
Total income	25,833	25,825	13,395	10,447
EXPENSES				
Staff cost	5,788	6,498	2,965	3,447
Finance cost	2,993	1,950	1,464	1,029
Depreciation and amortization	417	272	208	130
Expenses related to assets held for sale	-	1,741	-	805
Other operating expenses	3,166	4,408	1,393	2,410
Total expenses	12,364	14,869	6,030	7,821
Profit before impairment allowance	13,469	10,956	7,365	2,626
Net impairment losses	(1,719)	(954)	(1,714)	(954)
PROFIT FOR THE PERIOD	11,750	10,002	5,651	1,672
Attributable to:				
Shareholders of the parent	11,721	9,984	5,631	1,663
Non-controlling interests	29	18	20	9
	11,750	10,002	5,651	1,672

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2019

US\$ 000's

	Equity attributable to shareholders of the parent							Non-controlling interests	Total equity
	Share capital	Treasury shares	Statutory reserve	Investments fair value reserve	Foreign exchange translation reserve	Accumulated losses	Total		
30 June 2019 (reviewed)									
Balance at 1 January 2019	600,000	(7,261)	13,034	(2,011)	(2,171)	(61,968)	539,623	47,197	586,820
Changes in fair value of investments at fair value through equity	-	-	-	(5,447)	-	-	(5,447)	-	(5,447)
Transfer to income statement on impairment	-	-	-	3,000	-	-	3,000	-	3,000
Effect of exchange rate difference on equity accounted investee	-	-	-	-	(3,390)	-	(3,390)	-	(3,390)
Profit for the period	-	-	-	-	-	11,721	11,721	29	11,750
Total recognised income and expense for the period	-	-	-	(2,447)	(3,390)	11,721	5,884	29	5,913
Transfer to zakah and charity fund	-	-	-	-	-	(150)	(150)	-	(150)
Dividends of subsidiary	-	-	-	-	-	-	-	(23)	(23)
Adjustment on capital reduction	-	2,905	-	-	-	(2,905)	-	-	-
Balance at 30 June 2019	600,000	(4,356)	13,034	(4,458)	(5,561)	(53,302)	545,357	47,203	592,560
30 June 2018 (reviewed)									
Balance at 1 January 2018	1,000,000	(7,261)	11,808	5,664	(2,171)	(355,202)	652,838	47,163	700,001
Changes in fair value of investments at fair value through equity	-	-	-	548	-	-	548	-	548
Transfer to income statement on disposal of investments	-	-	-	(2,520)	-	-	(2,520)	-	(2,520)
Profit for the period	-	-	-	-	-	9,984	9,984	18	10,002
Total recognised income and expense for the period	-	-	-	(1,972)	-	9,984	8,012	18	8,030
Transfer to zakah and charity fund	-	-	-	-	-	(250)	(250)	-	(250)
Dividends of subsidiary	-	-	-	-	-	-	-	(8)	(8)
Balance at 30 June 2018	1,000,000	(7,261)	11,808	3,692	(2,171)	345,468	660,600	47,173	707,773

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2019

US\$ 000's

	Six months ended 30 June 2019 <i>(reviewed)</i>	Six months ended 30 June 2018 <i>(reviewed)</i>
OPERATING ACTIVITIES		
Net profit for the period	11,750	10,002
Adjustments for:		
Depreciation and amortization	1,800	1,800
Depreciation and amortization	417	272
Amortization of premium / (discount) on Sukuk	366	(699)
Net impairment losses	1,719	954
Share of results of equity accounted investees	(1,730)	189
Fair value gain on investment in structured products	(810)	-
Loss / (gain) on disposal of investment securities	171	(6,396)
Operating profit before changes in operating assets and liabilities	13,683	6,122
Net changes in operating assets and liabilities:		
Financing assets	(38,689)	1,565
Other assets	(3,052)	(5,251)
Placements from financial institutions	(34,377)	1,478
Other liabilities	13,783	(236)
Payment to charities	(122)	(146)
Net cash (used in) / from operating activities	(48,774)	3,532
INVESTING ACTIVITIES		
Purchase of investment securities	(63,001)	(111,857)
Proceeds from disposal / maturity of investment securities	53,477	128,561
Purchase of property and equipment and intangible assets	(2,062)	(445)
Net cash (used in) / from investing activities	(11,586)	16,259
FINANCING ACTIVITIES		
Dividend paid to non-controlling interest	(23)	(8)
Repayment of bank financing	(41,930)	(42,203)
Proceeds from bank financing	60,000	40,000
Net cash from / (used in) financing activities	18,047	(2,211)
Net (decrease) / increase in cash and cash equivalents	(42,313)	17,580
Cash and cash equivalents at beginning of the period	105,225	97,053
Effect of net impairment losses on placements with financial institutions	8	(59)
Cash and cash equivalents at end of the period	62,920	114,574
Cash and bank balances	15,231	8,343
Placements with financial institutions with original maturity of 90 days or less	47,689	106,231
	62,920	114,574

These statements have been extracted from the condensed consolidated interim financial information reviewed by KPMG, were approved by the Board of Directors on 10 August 2019 and signed on its behalf by:

Khaleefa Butti Bin Omair | **Abdulla Al Yousef Al Suwaidi** | **Mohamed Ghanem**
Chairman | Board Member | Chief Executive Officer