

Financial Results *for the nine months ended 30 September 2019*

Condensed Consolidated Statement of Financial Position

As at 30 September 2019

USD 000's

	30 September 2019 (reviewed)	31 December 2018 (audited)
ASSETS		
Cash and bank balances	5,925	15,407
Placements with financial institutions	44,117	89,818
Financing assets	163,994	117,426
Ijarah assets	72,400	75,100
Investment securities	422,625	428,737
Equity accounted investees	72,622	29,341
Other assets	56,798	52,080
Property and equipment	23,547	17,857
Total assets	862,028	825,766
Liabilities and equity		
LIABILITIES		
Placements from financial institutions	53,708	92,884
Bank financing	177,514	122,628
Other liabilities	34,903	23,434
Total liabilities	266,125	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	(2,244)	(2,011)
Foreign exchange translation reserve	(4,754)	(2,171)
Accumulated losses	(49,695)	(61,968)
Total equity attributable to shareholders of the parent	551,985	539,623
Non-controlling interests	43,918	47,197
TOTAL EQUITY	595,903	586,820
Total liabilities and equity	862,028	825,766

Condensed Consolidated Income Statement

For the nine months ended 30 September 2019

USD 000's

	Nine months ended		Three months ended	
	30 September 2019 (reviewed)	30 September 2018 (reviewed)	30 September 2019 (reviewed)	30 September 2018 (reviewed)
INCOME				
Income from investment securities	12,291	18,071	4,179	2,840
Income from financing and placements with financial institutions	11,903	9,486	4,237	3,324
Fees and commission income	4,758	3,488	392	188
Share of results of equity accounted investees	2,286	(425)	556	(236)
Net income from Ijarah assets	2,167	2,001	710	680
Other income	2,502	-	-	-
Total income	35,907	32,621	10,074	6,796
EXPENSES				
Staff cost	8,227	9,448	2,439	2,950
Finance cost	4,388	3,037	1,395	1,087
Depreciation and amortization	637	382	220	110
Expenses related to assets held for sale	-	2,519	-	778
Other operating expenses	4,514	6,214	1,348	1,806
Total expenses	17,766	21,600	5,402	6,731
Profit before impairment allowance	18,141	11,021	4,672	65
Net impairment losses	(2,775)	(1,539)	(1,056)	(585)
PROFIT FOR THE PERIOD	15,366	9,482	3,616	(520)
Attributable to:				
Shareholders of the parent	15,328	9,455	3,607	(529)
Non-controlling interests	38	27	9	9
	15,366	9,482	3,616	(520)

Condensed Consolidated Statement of Changes in Equity

For the nine months ended 30 September 2019

USD 000's

30 September 2019 (reviewed)	Equity attributable to shareholders of the parent									Total equity
	Share capital	Treasury shares	Statutory reserve	Investments fair value reserve	Foreign exchange translation reserve	Accumulated losses	Total	Non-controlling interests		
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	-	-	-	(3,233)	-	(3,233)	-	(3,233)		
Transfer to income statement on impairment	-	-	-	3,000	-	3,000	-	3,000		
Effect of exchange rate difference on equity accounted investee	-	-	-	(2,583)	-	(2,583)	-	(2,583)		
Profit for the period	-	-	-	-	-	15,328	15,328	38	15,366	
Total recognised income and expense for the period	-	-	-	(233)	(2,583)	15,328	12,512	38	12,550	
Transfer to zakah and charity fund	-	-	-	-	-	(150)	(150)	-	(150)	
Dividends of subsidiary	-	-	-	-	-	-	-	(3,317)	(3,317)	
Adjustment on capital reduction	-	2,905	-	-	-	(2,905)	-	-	-	
Balance at 30 September 2019	600,000	(4,356)	13,034	(2,244)	(4,754)	(49,695)	551,985	43,918	595,903	
30 September 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	-	-	-	(5,155)	-	(5,155)	-	(5,155)		
Transfer to income statement on disposal of investments	-	-	-	(2,520)	-	(2,520)	-	(2,520)		
Profit for the period	-	-	-	-	-	9,455	9,455	27	9,482	
Total recognised income and expense for the period	-	-	-	(7,675)	-	9,455	1,780	27	1,807	
Transfer to zakah and charity fund	-	-	-	-	-	(250)	(250)	-	(250)	
Dividends of subsidiary	-	-	-	-	-	-	-	(8)	(8)	
Balance at 30 September 2018	1,000,000	(7,261)	11,808	(2,011)	(2,171)	(345,997)	654,368	47,182	701,550	

Condensed Consolidated Statement of Cash Flows

For the nine months ended 30 September 2019

USD 000's

	Nine months ended 30 September 2019 (reviewed)	Nine months ended 30 September 2018 (reviewed)
OPERATING ACTIVITIES		
Net profit for the period	15,366	9,482
Adjustments for:		
Depreciation on Ijarah assets	2,700	2,700
Depreciation and amortization	637	382
Amortization of premium / (discount) on Sukuk	400	(591)
Net impairment losses	2,775	1,539
Share of results of equity accounted investees	(2,286)	425
Fair value gain on investment in structured products	(2,338)	-
Loss / (gain) on disposal of investment securities	182	(6,396)
Operating profit before changes in operating assets and liabilities	17,436	7,541
Net changes in operating assets and liabilities:		
Financing assets	(45,372)	1,429
Other assets	(4,000)	(4,377)
Placements from financial institutions	(39,176)	24,317
Other liabilities	13,148	(1,689)
Payment to charities	(129)	(206)
Net cash (used in) / from operating activities	(58,093)	27,015
INVESTING ACTIVITIES		
Purchase of investment securities	(105,977)	(112,930)
Proceeds from disposal / maturity of investment securities	66,211	129,746
Investment in a joint venture	-	(19,968)
Purchase of property and equipment and intangible assets	(7,222)	(487)
Net cash used in investing activities	(46,988)	(3,639)
FINANCING ACTIVITIES		
Dividend paid to shareholders	(1,700)	-
Dividend paid to non-controlling interests	(3,317)	(8)
Repayment of bank financing	(42,114)	(42,778)
Proceeds from bank financing	97,000	40,000
Net cash from / (used in) financing activities	49,869	(2,786)
Net (decrease) / increase in cash and cash equivalents	(55,212)	20,590
Cash and cash equivalents at beginning of the period	105,225	97,053
Effect of net impairment losses on placements with financial institutions	29	(54)
Cash and cash equivalents at end of the period	50,042	117,589
Cash and bank balances	5,925	10,336
Placements with financial institutions with original maturity of 90 days or less	44,117	107,253
	50,042	117,589

These statements have been extracted from the interim condensed consolidated financial information reviewed by KPMG.

The interim condensed consolidated financial information was approved by the Board of Directors on 13 November 2019 and signed on its behalf by:

Khaleefa Butti Bin Omair Chairman
Abdulla Ahmed Al Suwaidi Board Member
Mohamed Ganem Chief Executive Officer



مصرف الطاقة الأول

FirstEnergyBank