

FINANCIAL RESULTS

for the six months ended 30 June 2020

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2020 US\$ 000's

	30 June 2020 (reviewed)	31 December 2019 (audited)
ASSETS		
Cash and bank balances	7,799	20,976
Placements with financial institutions	84,823	40,168
Financing assets	110,698	163,109
Ijarah assets	51,226	71,500
Investment securities	311,372	415,750
Equity accounted investees	47,359	71,149
Other assets	36,793	55,349
Property and equipment	31,726	24,591
Total assets	681,796	862,592
LIABILITIES AND EQUITY		
LIABILITIES		
Placements from financial institutions	37,258	36,949
Bank financing	141,551	191,350
Other liabilities	25,950	37,118
Total liabilities	204,759	265,417
EQUITY		
Share capital	600,000	600,000
Treasury shares	(4,356)	(4,356)
Statutory reserve	14,678	14,678
Foreign exchange translation reserve	(12,476)	(6,843)
Accumulated losses	(160,385)	(50,232)
Total equity attributable to shareholders of the parent	437,461	553,247
Non-controlling interests	39,576	43,928
TOTAL EQUITY	477,037	597,175
Total liabilities and equity	681,796	862,592



مصرف الطاقة الأول
FirstEnergyBank

CONDENSED CONSOLIDATED INCOME STATEMENT

For the six months ended 30 June 2020 US\$ 000's

	Six months ended 30 June 2020 (reviewed)	Six months ended 30 June 2019 (reviewed)
INCOME		
Income from investment securities	6,457	8,112
Income from financing and placements with financial institutions	468	7,666
Fees and commission income	194	4,366
Share of results of equity accounted investees, net	1,242	1,730
Net income from Ijarah assets	1,626	1,457
Other income	492	2,502
Total income	10,479	25,833
Less: Finance cost	(2,920)	(2,993)
Total income after finance cost	7,559	22,840
EXPENSES		
Staff cost	4,852	5,788
Depreciation and amortization	463	417
Other operating expenses	3,538	3,166
Total expenses	8,853	9,371
(Loss) / profit before impairment allowance	(1,294)	13,469
Net impairment losses	(111,319)	(1,719)
(LOSS) / PROFIT FOR THE PERIOD	(112,613)	11,750
Attributable to:		
Shareholders of the parent	(109,903)	11,721
Non-controlling interests	(2,710)	29
	(112,613)	11,750

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2020 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 2020 (reviewed)									
Balance at 1 January 2020	600,000	(4,356)	14,678	-	(6,843)	(50,232)	553,247	43,928	597,175
Changes in fair value of investments at fair value through equity	-	-	-	-	-	-	-	-	-
Effect of exchange rate difference on equity accounted investee	-	-	-	-	(5,633)	-	(5,633)	-	(5,633)
Profit for the period	-	-	-	-	-	(109,903)	(109,903)	(2,710)	(112,613)
Total recognised income and expense for the period	-	-	-	-	(5,633)	(109,903)	(115,536)	(2,710)	(118,246)
Transfer to zakah and charity fund	-	-	-	-	-	(250)	(250)	-	(250)
Distribution from subsidiary	-	-	-	-	-	-	-	(1,642)	(1,642)
Balance at 30 June 2020	600,000	(4,356)	14,678	-	(12,476)	(160,385)	437,461	39,576	477,037
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

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2020 US\$ 000's

	Six months ended 30 June 2020 (reviewed)	Six months ended 30 June 2019 (reviewed)
OPERATING ACTIVITIES		
Net (loss) / profit for the period	(112,613)	11,750
Adjustments for:		
Depreciation on Ijarah assets	1,800	1,800
Depreciation and amortization	463	417
Amortization of (discount) / premium on Sukuk and forex	(90)	366
Net impairment losses	111,319	1,719
Share of results of equity accounted investees, net	(1,242)	(1,730)
Fair value gain on investment in structured products	-	(810)
Loss on disposal of investment securities	480	171
Operating profit before changes in operating assets and liabilities	117	13,683
Net changes in operating assets and liabilities:		
Financing assets	728	(38,689)
Other assets	(2,635)	(3,052)
Placements from financial institutions	309	(34,377)
Other liabilities	(11,402)	13,783
Payment to charities	(16)	(122)
Net cash used in operating activities	(12,899)	(48,774)
INVESTING ACTIVITIES		
Purchase of investment securities	(47,797)	(63,001)
Proceeds from disposal / maturity of investment securities	124,172	53,477
Proceeds from disposal of equity accounted investee	26,805	-
Purchase of property and equipment and intangible assets	(7,360)	(2,062)
Net cash from / (used in) investing activities	95,820	(11,586)
FINANCING ACTIVITIES		
Return of capital to non-controlling interests	(1,642)	-
Dividend paid to non-controlling interests	-	(23)
Repayment of bank financing	(65,761)	(41,930)
Proceeds from bank financing	15,962	60,000
Net cash (used in) / from financing activities	(51,441)	18,047
Net increase / (decrease) in cash and cash equivalents	31,480	(42,313)
Cash and cash equivalents at beginning of the period	61,144	105,225
Effect of net impairment losses on placements with financial institutions	(2)	8
Cash and cash equivalents at end of the period	92,622	62,920
Cash and bank balances	7,799	15,231
Placements with financial institutions with original maturity of 90 days or less	84,823	47,689
	92,622	62,920

These statements have been extracted from the condensed consolidated interim financial information reviewed by KPMG, were approved by the Board of Directors on 13 August 2020 and signed on its behalf by:

Zayed A. R. Al-Amin
Chairman

Abdulla Ahmed Al Suwaidi
Board Member

Mohamed Ghanem
Chief Executive Officer