

Financial Results *for the nine months ended 30 September 2020*

Condensed Consolidated Statement of Financial Position

As at 30 September 2020

USD 000's

	30 September 2020 (reviewed)	31 December 2019 (audited)
ASSETS		
Cash and bank balances	6,173	20,976
Placements with financial institutions	81,728	40,168
Financing assets	111,627	163,109
Ijarah assets	48,372	71,500
Investment securities	314,506	415,750
Equity-accounted investees	44,256	71,149
Other assets	37,733	55,349
Property and equipment	37,056	24,591
Total assets	681,451	862,592
Liabilities and equity		
LIABILITIES		
Placements from financial institutions	37,301	36,949
Bank financing	143,098	191,350
Other liabilities	31,683	37,118
Total liabilities	212,082	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	(17,121)	(6,843)
Investment fair value reserve	3,453	-
Accumulated losses	(166,830)	(50,232)
Total equity attributable to shareholders of the parent	429,824	553,247
Non-controlling interests	39,545	43,928
TOTAL EQUITY	469,369	597,175
Total liabilities and equity	681,451	862,592

Condensed Consolidated Income Statement

For the nine months ended 30 September 2020

USD 000's

	Nine months ended		Three months ended	
	30 September 2020 (reviewed)	30 September 2019 (reviewed)	30 September 2020 (reviewed)	30 September 2019 (reviewed)
INCOME				
Income from investment securities	8,150	12,291	1,693	4,179
Income from financing and placements with financial institutions	710	11,903	242	4,237
Fees and commission income	194	4,758	-	392
Share of results of equity accounted investees	2,219	2,286	977	556
Net income from Ijarah assets	2,429	2,167	803	710
Other income	564	2,502	72	-
Total income	14,266	35,907	3,787	10,074
Less: Finance cost	(3,627)	(4,388)	(707)	(1,395)
Total income after finance cost	10,639	31,519	3,080	8,679
EXPENSES				
Staff cost	6,914	8,227	2,062	2,439
Depreciation and amortization	684	637	221	220
Other operating expenses	7,123	4,514	3,585	1,348
Total expenses	14,721	13,378	5,868	4,007
(Loss) / profit before impairment allowance	(4,082)	18,141	(2,788)	4,672
Net impairment losses	(115,007)	(2,775)	(3,688)	(1,056)
(LOSS) / PROFIT FOR THE PERIOD	(119,089)	15,366	(6,476)	3,616
Attributable to:				
Shareholders of the parent	(116,348)	15,328	(6,445)	3,607
Non-controlling interests	(2,741)	38	(31)	9
	(119,089)	15,366	(6,476)	3,616

Condensed Consolidated Statement of Changes in Equity

For the nine months ended 30 September 2020

USD 000's

	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	
30 September 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	-	-	-	3,453	-	-	3,453	-	3,453
Effect of exchange rate difference on equity accounted investee	-	-	-	-	(10,278)	-	(10,278)	-	(10,278)
Profit for the period	-	-	-	-	-	(116,348)	(116,348)	(2,741)	(119,089)
Total recognised income and expense for the period	-	-	-	3,453	(10,278)	(116,348)	(123,173)	(2,741)	(125,914)
Transfer to zakah and charity fund	-	-	-	-	-	(250)	(250)	-	(250)
Distribution from subsidiary	-	-	-	-	-	-	-	(1,642)	(1,642)
Balance at 30 September 2020	600,000	(4,356)	14,678	3,453	(17,121)	(166,830)	429,824	39,545	469,369
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

Condensed Consolidated Statement of Cash Flows

For the nine months ended 30 September 2020

USD 000's

	Nine months ended 30 September 2020 (reviewed)	Nine months ended 30 September 2019 (reviewed)
OPERATING ACTIVITIES		
Net (loss) / profit for the period	(119,089)	15,366
Adjustments for:		
Depreciation on Ijarah assets	2,700	2,700
Depreciation and amortization	684	637
Amortization of (discount) / premium on Sukuk and forex	(105)	400
Net impairment losses	115,007	2,775
Share of results of equity accounted investees, net	(2,219)	(2,286)
Fair value gain on investment in structured products	-	(2,338)
Loss on disposal of investment securities	926	182
Operating profit before changes in operating assets and liabilities	(2,096)	17,436
Net changes in operating assets and liabilities:		
Financing assets	683	(45,372)
Other assets	(4,880)	(4,000)
Placements from financial institutions	352	(39,176)
Other liabilities	(10,948)	13,148
Payment to charities	(46)	(129)
Net cash used in operating activities	(16,935)	(58,093)
INVESTING ACTIVITIES		
Purchase of investment securities	(68,460)	(105,977)
Purchase of equity accounted investee	(1,515)	-
Purchase of property and equipment and intangible assets	(12,790)	(7,222)
Advance received for sale of investments	5,309	-
Proceeds from disposal / maturity of investment securities	143,965	66,211
Proceeds from disposal of equity accounted investee	27,133	-
Net cash from / (used in) investing activities	93,642	(46,988)
FINANCING ACTIVITIES		
Return of capital to non-controlling interests	(1,642)	-
Dividend paid to shareholders	-	(1,700)
Dividend paid to non-controlling interests	-	(3,317)
Repayment of bank financing	(66,867)	(42,114)
Proceeds from bank financing	18,615	97,000
Net cash (used in) / from financing activities	(49,894)	49,869
Net increase / (decrease) in cash and cash equivalents	26,813	(55,212)
Cash and cash equivalents at beginning of the period	61,144	105,225
Effect of net impairment losses on placements with financial institutions	(56)	29
Cash and cash equivalents at end of the period	87,901	50,042
Cash and bank balances	6,173	5,925
Placements with financial institutions with original maturity of 90 days or less	81,728	44,117
	87,901	50,042

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

The condensed consolidated interim financial information was approved by the Board of Directors on 3 November 2020 and signed on its behalf by:

Zayed A. R. Al-Almin Chairman
Abdulla Ahmed Al Suwaidi Board Member
Mohamed Ghanem Chief Executive Officer



مصرف الطاقة الأول
FirstEnergyBank