

# FINANCIAL RESULTS

for the year ended 31 December 2020

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION as at 31 December 2020

US\$ 000's

	31 December 2020	31 December 2019
<b>ASSETS</b>		
Cash and bank balances	6,879	20,976
Placements with financial institutions	94,783	40,168
Investment in Sukuk	203,402	262,021
Financing assets	62,750	194,566
Ijarah assets	46,672	71,500
Investment in equity instruments	28,009	153,729
Equity accounted investees	38,215	71,149
Other assets	12,421	23,892
Property and equipment	43,350	24,591
Assets held-for-sale	41,469	-
<b>Total assets</b>	<b>577,950</b>	<b>862,592</b>
<b>LIABILITIES AND EQUITY</b>		
<b>LIABILITIES</b>		
Due to shareholder	37,328	36,949
Bank financing	142,439	191,350
Other liabilities	23,937	37,118
<b>Total liabilities</b>	<b>203,704</b>	<b>265,417</b>
<b>EQUITY</b>		
Share capital	600,000	600,000
Treasury shares	(4,356)	(4,356)
Statutory reserve	14,678	14,678
Investments fair value reserve	2,686	-
Foreign exchange translation reserve	(15,445)	(6,843)
Accumulated losses	(223,596)	(50,232)
<b>Total equity attributable to shareholders of the parent</b>	<b>373,967</b>	<b>553,247</b>
Non-controlling interests	279	43,928
<b>Total equity</b>	<b>374,246</b>	<b>597,175</b>
<b>Total liabilities and equity</b>	<b>577,950</b>	<b>862,592</b>

## CONSOLIDATED INCOME STATEMENT for the year ended 31 December 2020

US\$ 000's

	2020	2019
<b>INCOME</b>		
Income from investment securities	10,090	14,995
Income from financing and placements with financial institutions	949	16,209
Net income from Ijarah assets	3,837	2,887
Fees and commission income	3	5,152
Share of results of equity accounted investees	1,895	2,902
Gain on disposal of equity accounted investees	1,304	-
Other income	574	2,545
<b>Total income</b>	<b>18,652</b>	<b>44,690</b>
Less: Finance cost	(4,313)	(5,822)
<b>Net operating income</b>	<b>14,339</b>	<b>38,868</b>
<b>EXPENSES</b>		
Staff cost	12,122	12,753
Depreciation and amortization	879	854
Other operating expenses	6,707	7,046
<b>Total expenses</b>	<b>19,708</b>	<b>20,653</b>
<b>(Loss) / profit from operations before impairment allowance</b>	<b>(5,369)</b>	<b>18,215</b>
Net impairment losses	(169,972)	(1,715)
<b>NET (LOSS) / PROFIT FOR THE YEAR</b>	<b>(175,341)</b>	<b>16,500</b>
<b>Attributable to:</b>		
Shareholders of the parent	(172,614)	16,435
Non-controlling interests	(2,727)	65
	<b>(175,341)</b>	<b>16,500</b>

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 31 December 2020

US\$ 000's

2020	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		
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	-	-	-	2,686	-	-	2,686	-	2,686
Effect of exchange rate difference on equity accounted investee	-	-	-	-	(8,602)	-	(8,602)	-	(8,602)
Profit for the year	-	-	-	-	-	(172,614)	(172,614)	(2,727)	(175,341)
Total recognised income and expense for the year	-	-	-	2,686	(8,602)	(172,614)	(178,530)	(2,727)	(181,257)
Transfer to zakah and charity fund	-	-	-	-	-	(250)	(250)	-	(250)
Distribution from subsidiary	-	-	-	-	-	-	-	(1,642)	(1,642)
Loss of control in a subsidiary	-	-	-	-	-	(500)	(500)	(39,280)	(39,780)
At 31 December 2020	600,000	(4,356)	14,678	2,686	(15,445)	(223,596)	373,967	279	374,246
2019									
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	-	-	-	1,248	-	-	1,248	-	1,248
Transfer to income statement on impairment	-	-	-	763	-	-	763	-	763
Effect of exchange rate difference on equity accounted investee	-	-	-	-	(4,672)	-	(4,672)	-	(4,672)
Profit for the year	-	-	-	-	-	16,435	16,435	65	16,500
Total recognised income and expense for the year	-	-	-	2,011	(4,672)	16,435	13,774	65	13,839
Transfer to zakah and charity fund	-	-	-	-	-	(150)	(150)	-	(150)
Transfer to statutory reserve	-	-	1,644	-	-	(1,644)	-	-	-
Distribution from subsidiary	-	-	-	-	-	-	-	(3,294)	(3,294)
Dividends of subsidiary	-	-	-	-	-	-	-	(40)	(40)
Adjustment on capital reduction	-	2,905	-	-	-	(2,905)	-	-	-
At 31 December 2019	600,000	(4,356)	14,678	-	(6,843)	(50,232)	553,247	43,928	597,175



مصرف الطاقة الأول

FirstEnergyBank

## CONSOLIDATED STATEMENT OF CASH FLOWS for the year ended 31 December 2020

US\$ 000's

	2020	2019
<b>OPERATING ACTIVITIES</b>		
<b>Net (loss) / profit for the year</b>	<b>(175,341)</b>	<b>16,500</b>
<b>Adjustments for:</b>		
Depreciation on Ijarah assets	2,991	3,600
Depreciation and amortization	879	854
Amortization of (discount) / premium on Sukuk and foreign exchange	(104)	559
Net impairment losses	169,972	1,715
Share of results of equity accounted investees	(1,895)	(2,902)
Gain on disposal of equity accounted investees	(1,304)	-
Fair value gain on investment securities	-	(1,679)
Loss on disposal of investment securities	1,618	354
<b>Operating profit before changes in operating assets and liabilities</b>	<b>(3,184)</b>	<b>19,001</b>
<b>Net changes in operating assets and liabilities:</b>		
Financing assets	14,115	(46,527)
Other assets	8,899	(2,644)
Placements from financial institutions	379	(55,935)
Other liabilities	(15,285)	15,387
Payment to charities	(158)	(153)
<b>Net cash from / (used in) operating activities</b>	<b>4,766</b>	<b>(70,871)</b>
<b>INVESTING ACTIVITIES</b>		
Purchase of investment securities	(74,218)	(171,561)
Purchase of equity accounted investee	(1,749)	-
Purchase of property and equipment and intangible assets	(19,163)	(8,377)
Adjustment on loss of control in a subsidiary	(6,877)	-
Proceeds from disposal / maturity of investment securities	154,008	143,002
Proceeds from disposal of equity accounted investee	33,762	-
Dividend received from equity accounted investee	536	-
<b>Net cash from / (used in) investing activities</b>	<b>86,299</b>	<b>(36,936)</b>
<b>FINANCING ACTIVITIES</b>		
Return of capital to non-controlling interests	(1,642)	(3,294)
Dividend paid to shareholders	-	(1,700)
Dividend paid to non-controlling interests	-	(40)
Repayment of bank financing	(173,255)	(80,705)
Proceeds from bank financing	124,344	149,427
<b>Net cash (used in) / from financing activities</b>	<b>(50,553)</b>	<b>63,688</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>40,512</b>	<b>(44,119)</b>
Cash and cash equivalents at beginning of the year	61,144	105,225
Effect of net impairment losses on placements with financial institutions	6	38
<b>Cash and cash equivalents at end of the year</b>	<b>101,662</b>	<b>61,144</b>
Cash and bank balances	6,879	20,976
Placements with financial institutions with original maturity of 90 days or less	94,783	40,168
	<b>101,662</b>	<b>61,144</b>

These statements have been extracted from the consolidated financial statements on which KPMG has issued an unmodified audit report.

The consolidated financial statements were approved by the Board of Directors on 22 February 2021 and signed on its behalf by:

**Zayed A. R. Al-Amin**  
Chairman

**Dr. Abdalnaser Abouzekeh**  
Board Member

**Mohamed Ghanem**  
Chief Executive Officer