

INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Six-month ended 31 December 2016



INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2016 (Reviewed)

USD 000's

	31 December 2016 (Reviewed)	30 June 2016 (Audited)
ASSETS		
Balances and placements with banks	9,147	8,282
Investments	172,502	188,255
Investments in associates and a joint venture accounted under the equity method	27,054	28,046
Murabaha financing to investee companies	37,356	40,993
Receivables	35,812	38,030
Funding to project companies	1,056	4,231
Other assets	25,851	18,030
Property and equipment	8,240	8,434
TOTAL ASSETS	314,818	334,301
LIABILITIES		
Islamic financing payables	101,453	101,734
Employee accruals	3,782	3,746
Other liabilities	7,797	4,527
Total liabilities	113,032	110,007
EQUITY		
Share capital	190,000	190,000
Statutory reserve	5,859	5,859
Investments fair value reserve	75	-
Foreign currency translation reserve	(144)	(127)
Retained earnings	5,996	28,562
Total equity	201,786	224,294
TOTAL LIABILITIES AND EQUITY	314,818	334,301
OFF STATEMENT OF FINANCIAL POSITION ITEMS		
Equity of investment account holders	3,524	3,756

Extracted from the interim financial statements reviewed by Ernst & Young and approved for issue by the Board on 8 February 2017.

Abdulfatah M. R. Marafie
Chairman

Abdullatif M. Janahi
Board Member and Chief Executive Officer

INTERIM CONSOLIDATED STATEMENT OF INCOME

Six-month period ended 31 December 2016 (Reviewed)

USD 000's

	Three-month ended 31 December		Six-month ended 31 December	
	2016	2015	2016	2015
REVENUE				
Income from investment				
banking services - net	687	3,448	1,373	4,317
Finance income	2	-	8	17
Dividend income	129	-	129	-
Rental and other income	961	1,480	1,665	1,880
Total revenue	1,779	4,928	3,175	6,214
OTHER LOSSES				
Fair value losses on				
investments carried at fair value through profit or loss - net	(14,851)	(5,241)	(15,340)	(5,337)
	(13,072)	(313)	(12,165)	877
EXPENSES				
Staff costs	1,548	1,511	3,095	3,177
Travel and business				
development expenses	135	110	205	228
Legal and professional fees	403	205	638	325
Finance expense	1,349	204	2,473	354
Depreciation	100	119	217	237
Other expenses	1,059	667	2,002	1,198
Total expenses	4,594	2,816	8,630	5,519
LOSS BEFORE IMPAIRMENT				
PROVISION AND SHARE				
OF LOSS OF ASSOCIATES AND				
A JOINT VENTURE	(17,666)	(3,129)	(20,795)	(4,642)
Impairment allowances (provided) / released - net	(1,591)	1,250	(1,591)	1,250
Share of loss of associates and a joint venture - net	(40)	(127)	(180)	(269)
LOSS BEFORE BOARD OF				
DIRECTORS' REMUNERATION	(19,297)	(2,006)	(22,566)	(3,661)
Board of Directors' remuneration for 2015	-	(365)	-	(365)
NET LOSS FOR THE PERIOD	(19,297)	(2,371)	(22,566)	(4,024)

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

Six-month period ended 31 December 2016 (Reviewed)

USD 000's

	2016	2015
OPERATING ACTIVITIES		
Net loss for the period	(22,566)	(4,026)
Adjustments for non-cash items:		
Share of loss of associates and a joint venture accounted under the equity method	180	269
Impairment allowances	1591	(1,250)
Fair value losses on investments carried at fair value through profit or loss	15,340	5,337
Depreciation	217	237
Foreign currency translation difference on investment in an associate	-	(11)
Dividend income	(129)	-
Operating (losses) profit before changes in operating assets and liabilities	(5,567)	556
Changes in operating assets and liabilities:		
Investments	(62)	(6,185)
Investments in associates and a joint venture accounted under the equity method	812	24
Receivables	1,377	800
Funding to project companies	3,175	(3,052)
Other assets	(5,821)	(1,445)
Employee accruals	36	(373)
Other liabilities	3,270	2,507
Net cash used in operating activities	(2,580)	(7,368)
INVESTING ACTIVITIES		
Dividends received	129	-
Available-for-sale investment - net	-	(400)
Property and equipment - net	(25)	(36)
Net cash from (used in) investing activities	106	(436)
FINANCING ACTIVITIES		
Murabaha financing to investee companies	3,637	-
Islamic financing payables	(281)	15,207
Net cash from financing activities	3,356	15,207
Foreign currency translation adjustments	(17)	(24)
NET INCREASE IN CASH AND CASH EQUIVALENTS	865	7,379
Cash and cash equivalents at beginning of the period	8,282	2,724
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	9,147	10,103
Cash and cash equivalents per the statement of financial position		
Balances with banks	8,620	9,977
Placements with financial institutions	527	126
	9,147	10,103

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Six-month period ended 31 December 2016 (Reviewed)

USD 000's

	Share capital	Unvested shares of employee share ownership plan	Statutory reserve	Investments fair value reserve	Foreign currency translation reserve	Retained earnings	Total
Balance at 1 July 2016	190,000	-	5,859	-	(127)	28,562	224,294
Net loss for the period	-	-	-	-	-	(22,566)	(22,566)
Foreign currency translation difference on investment in an associate	-	-	-	-	(17)	-	(17)
Net movement in cumulative changes in fair value of available-for-sale investments	-	-	-	75	-	-	75
Balance at 31 December 2016	190,000	-	5,859	75	(144)	5,996	201,786
Balance at 1 July 2015	190,000	(10,000)	4,931	-	(175)	34,711	219,467
Net loss for the period	-	-	-	-	-	(4,026)	(4,026)
Cash dividends for 2015	-	-	-	-	-	(4,500)	(4,500)
Full cancellation of ESOP shares and issue of bonus shares	-	10,000	-	-	-	(10,000)	-
Foreign currency translation difference on investment in an associate	-	-	-	-	11	-	11
Net movement in cumulative changes in fair value of available-for-sale investments	-	-	-	(24)	-	-	(24)
Balance at 31 December 2015	190,000	-	4,931	(24)	(164)	16,185	210,928